

Testimony on Education Fund Reversions and Budget Adjustment Act for Career Technical Education

Testimony to: Madame Chair Webb and House Education Committee Members
Respectfully Submitted by: Bill Bates, CFO
Date: January 4, 2022

Ed Fund Reversions

The following is a summary of requested carryforward and available reversions of funds appropriated to the Agency of Education based on the final close-out balances on June 30, 2021.

EDUCATION FUND:

Sec. B. 500 Education - Finance and Administration (5100010000)

	<u>Purchase Orders</u>	<u>Carryforward</u>	<u>Reversion</u>
Education Fund	\$500,000.00		\$950,949.54

\$500,000.00 is obligated in purchase orders rolled into FY22.

\$950,949.54 is available for reversion.

Sec. B. 502 Education - Special Education Formula (5100040000)

	<u>Purchase Orders</u>	<u>Carryforward</u>	<u>Reversion</u>
Education Fund	\$79,553.20	\$38,762,299.03	\$5,824,528.53

The AOE is requesting to carry forward the remaining Education Fund in this appropriation for the following purposes:

- (1) \$79,553.20 is obligated in purchase orders rolled into FY22.
- (2) \$762,299.03 is obligated in subgrant agreements.
- (3) \$18,000,000.00 is being requested to carry forward into FY22 to pay the final June payments.

(4) \$20,000,000.00 is being requested to carry forward into FY22 to help mitigate the impact of the one-time tail payment in 2023 when the shift from reimbursement to a census grant is implemented.

\$5,824,528.53 can be reverted.

Sec. B. 503 Education – State-Placed Students (5100050000)

	<u>Purchase Orders</u>	<u>Carryforward</u>	<u>Reversion</u>
Education Fund	\$0.00	\$4,226,772.14	\$880,000.00

The Agency is requesting to carryforward \$4,226,772.14 for FY22 obligations.

This balance of \$880,000.00 can be reverted.

Sec. B. 505 Education – Education Spending Grant (5100090000)

	<u>Purchase Orders</u>	<u>Carryforward</u>	<u>Reversion</u>
Education Fund	\$0.00	\$0.00	\$0.69

This balance can be reverted.

Sec. B. 507 Education – Small Schools Grant (5100110000)

	<u>Purchase Orders</u>	<u>Carryforward</u>	<u>Reversion</u>
Education Fund	\$0.00	\$0.00	\$614,965.00

This balance can be reverted.

Sec. B. 510 Education – Essential Early Education (5100190000)

	<u>Purchase Orders</u>	<u>Carryforward</u>	<u>Reversion</u>
Education Fund	\$0.00	\$0.00	\$41,295.67

This balance can be reverted.

Sec. B. 511 Education – Technical Education (5100200000)

	<u>Purchase Orders</u>	<u>Carryforward</u>	<u>Reversion</u>
Education Fund	\$0.00	\$323,877.33	\$1,841,126.00

The Agency is requesting \$323,877.33 be carried over for subgrant obligations.
\$1,841,126.00 can be reverted.

Sec. B. 504.1 Education – Flexible Pathways (5100210000)

	<u>Purchase Orders</u>	<u>Carryforward</u>	<u>Reversion</u>
Education Fund	\$0.00	\$1,105,360.28	\$1,579,282.05

The Agency is requesting \$1,105,360.28 be carried over for subgrant obligations.
\$1,579,282.05 can be reverted.

Budget Adjustment Act for Career Technical Education

\$1.5M from the Education Fund is requested to assist Career Technical Education (CTE) centers with COVID-19-related operational costs and mitigation measures. Because they are not designated federal Local Education Agencies (LEAs), CTE centers do not have direct access to ESSER funds.

Anticipated uses of funds include, but are not limited to, stabilization of operations due to reduction in student numbers from COVID-19, COVID-19 mitigation strategies and related supplies, and materials for remote learning and other necessary instructional expenses.