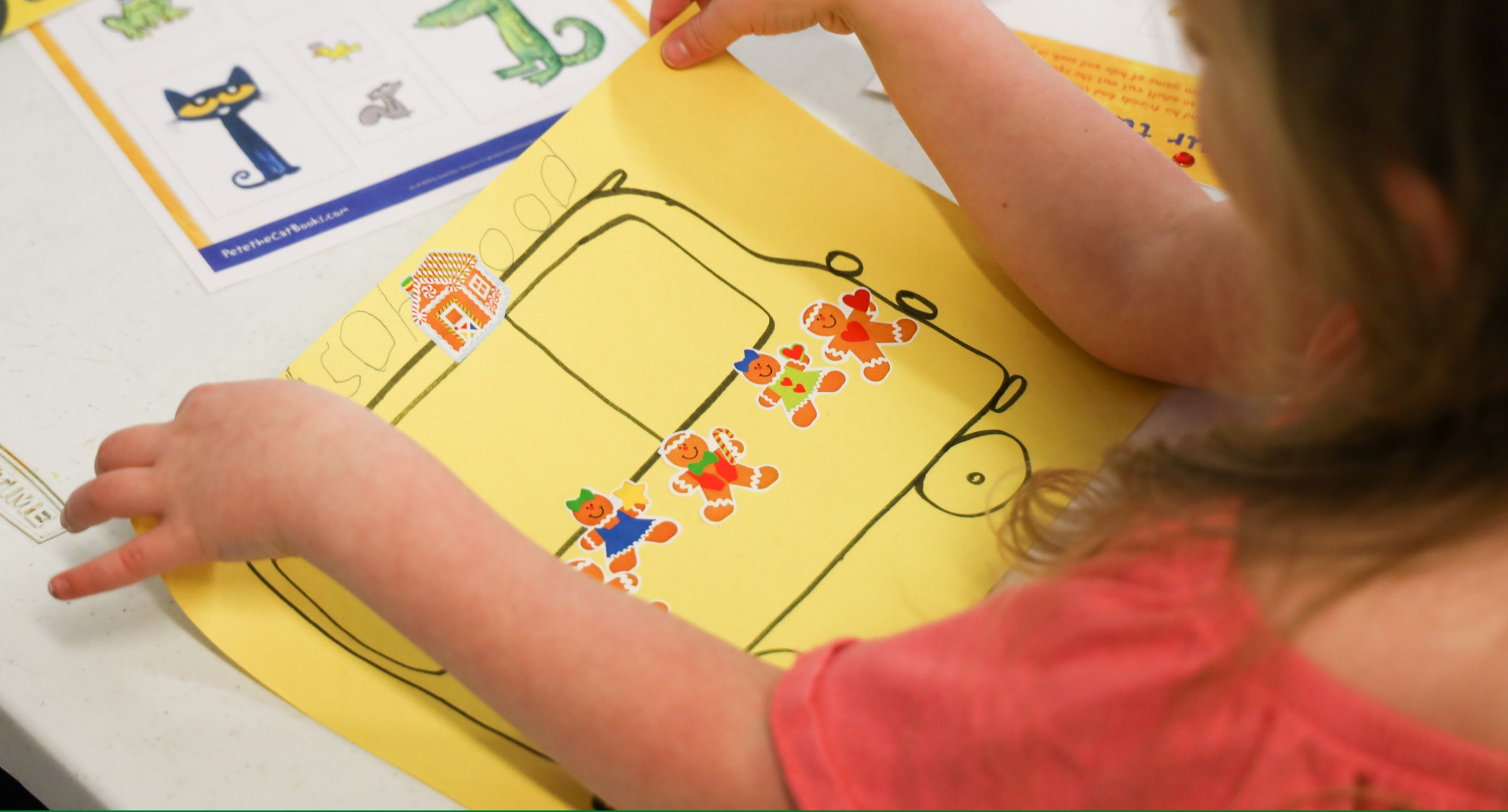


Agency of Education Fiscal Year 2024 Budget Recommendation Presentation

April 4, 2023

Agenda

- Agency Overview and Secretary's Message
- Budget Overview and Key Drivers
- B.500 Finance and Administration
- B.501 Education Services
- Education Fund Presentation



About the Agency

Purpose Statement

The Agency of Education implements state and federal laws, policies, and regulations so that all Vermont learners have equitable access to high-quality learning opportunities. The Agency accomplishes this mission through the provision of **leadership, support, and oversight** of Vermont's public education system.

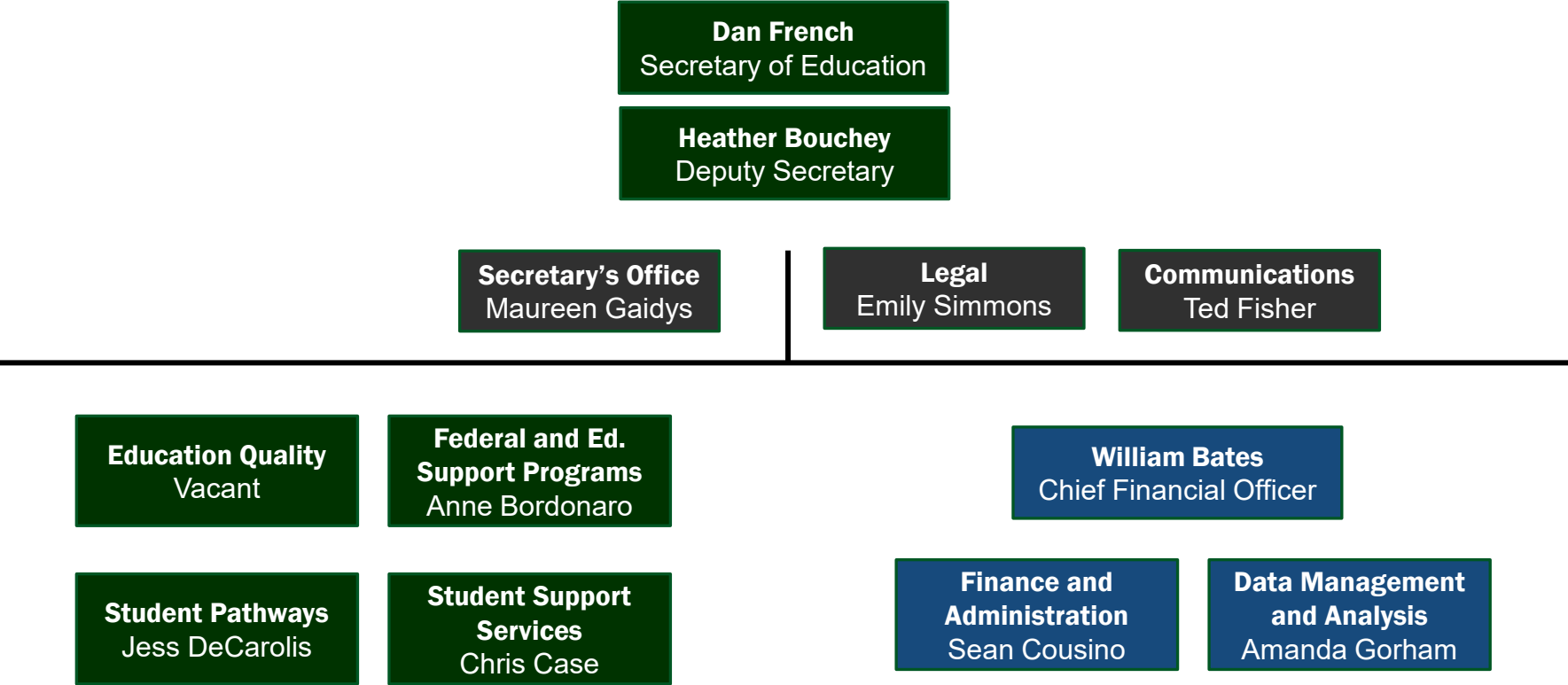
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Agency Overview

There are six divisions at the AOE:

1. Education Quality
2. Federal and Educational Support Programs
3. Student Pathways
4. Student Support Services
5. Finance and Administration
6. Data Management and Analysis

Organization Chart





Secretary's Message

Secretary's Message

- Pandemic Response and Education Recovery
- Challenges and Concerns
- Ongoing Policy Initiatives
- AOE Recommendations for this Session
- COVID-19 Relief Funding

Pandemic Response and Education Recovery

- Overall very successful in Vermont
- Partnerships key to success:
 - With General Assembly
 - Other state agencies
 - School district leaders and staff
 - Families
- Education Recovery: address the impacts to:
 - Student learning
 - Student and staff mental health and wellbeing

Successes and Challenges

- Successes
 - Civility and Respect
 - Outcomes are generally strong
- Challenges
 - School Facilities
 - Cost of Education
 - Student performance declining
 - Staffing shortages among both educators and non-teaching staff

Ongoing Policy Work

- Act 173 of 2018 – **Special Education funding and practice**
- Act 28 of 2021 – **Literacy**
- Act 127 of 2022 – **Student weights transition**
- Act 72 of 2021 – **school facilities**
- **District Quality Standards**
- **Education Quality Standards**
- **Education recovery**



Budget Summary

Recommended Budget Key Drivers

- Governor Recommended FY 2024 budget is \$2.558B across all AOE 12 Appropriations. This represents an increase of \$156.2M or 6.50% over FY 2023
 - \$ 174.4M relates to Education Fund (education spending)
 - \$ (19.3M) relates to Federal Funds
 - \$ 00.2M relates to Special/Interdept Funds
 - \$ 00.9M relates to Personal Service and Operations
 - \$156.2 million – Total from Ups & Downs

FY 2024 Agency Overview

- Operations of the Agency are primarily supported by 2 appropriations at a cost of \$54M for Personal Services and Operating Expenses
- B.500 – Finance and Administration
 - Secretary’s Office, Communications and Legal
 - 2 Divisions: Finance and Data Management and Analysis
 - 73 Positions or 42% of total agency staff
- B.501 – Education Services
 - 4 Divisions: Education Quality, Federal Education and Support Programs, Student Pathways, and Student Support Services
 - 100 Positions or 58% of total agency staff

Overview of AOE Budget Appropriations

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Total Appropriations Categories:

Grand Total Expenditure Categories	FY 2023 Appropriation	FY 2024 Recommend	Change FY23 to FY24
Personal Services	\$45,781,415	\$48,673,477	\$2,892,062
Operating Expenses	\$5,226,311	\$5,493,910	\$267,599
Grants	\$2,350,456,109	\$2,503,553,730	\$153,097,621
Total All Categories	\$2,401,463,835	\$2,557,721,117	\$156,257,282

General Fund Appropriation

Grand Total Expenditure Categories.	FY 2023 Appropriation	FY 2024 Recommend	Change FY23 to FY24
Personal Services	\$7,596,490	\$8,651,228	\$1,054,738
Operating Expenses	\$1,478,050	\$1,402,339	\$(75,711)
Education Services Grants	\$1,920,556	\$1,923,006	\$2,500
Adult Education & Literacy Grants	\$3,496,850	\$3,496,850	\$0
Flexible Pathways Grants	\$6,338,916	\$6,341,416	\$2,500
Total General Fund	\$15,413,456	\$16,394,983	\$981,527

Key Cost Drivers – Finance and Administration

- Total FY 2024 Budget Request - \$36.8 million
 - \$1,033,094 increase or 2.7% above FY 2023
- Key Drivers:
 - \$ 449,849 Increase in personal services
 - \$ 504,619 Increase in permanent staffing per Act 127 of 2022
 - \$ 66,399 Increase in operating expenses
 - \$ 12,227 Increase in contracts
- \$1,033,094 – Total from Ups & Downs

Key Cost Drivers – Education Services

- Total FY 2024 Budget Request - \$491.9 million.
 - \$(19,109,731) decrease or 3.7% below FY 2023
- Key Drivers:
 - \$966,535 Increase in personal services
 - \$1,200 Increase in operating expenses
 - \$ (19,979,676) Decrease in federal spending authority (ESSER I)
 - \$ (97,790) Decrease in contracts/grants
- \$ (19,109,731)– Total from Ups & Downs

New Requests

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- \$504,000 to fund five (5) positions created in Act 127 of 2022, for programmatic support, technical and data management capacity , English Language Learner supports, and poverty data:
 - Two (2) Education Data Analysts to provide support for the development and implementation of the universal household income form pursuant to Act 127 of 2022, Sec. 9.
 - Two (2) Education Data Analysts to provide financial and data analysis to support the work of Act 127 and child nutrition projects.
 - One (1) English Learner (EL) Assessment coordinator
- \$178,500 for internship programs, AOE Resource Center support, Vermont’s Teacher of the Year programs, etc.



B.500 – Finance and Administration

B.500 Finance and Administration

- Two Divisions under the Chief Financial Officers
 - Finance
 - Data Management and Analysis
- Secretary's Office and two staff-level teams:
 - Legal
 - Communications
- Finance and Administration divisions and teams support the work of the Agency overall, as well as Vermont School Systems

B.500 Finance and Administration (2)

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B.500 Finance and Administration Appropriation

Appropriation All Categories

Grand Total Expenditure Categories	FY 2023 Appropriation	FY 2024 Recommend	Change FY23 to FY24
Personal Services	\$16,916,497	\$17,683,192	\$706,695
Operating Expenses	\$4,121,123	\$4,387,522	\$266,399
Grants	\$14,770,700	\$14,770,700	\$0
Total All Categories	\$35,808,320	\$36,841,414	\$1,033,094

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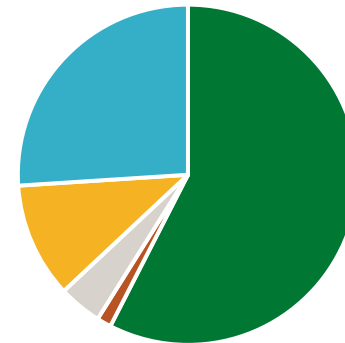
Appropriation Funding Sources

Source of Funds	FY 2023 Appropriation	FY 2024 Recommend	Change FY23 to FY24
General Fund (A)	\$6,044,058	\$6,915,742	\$871,684
Education Fund (B)	\$3,444,471	\$3,486,447	\$41,976
Federal Funds (C)	\$9,253,287	\$9,220,942	\$(32,345)
Special Funds (D)	\$16,701,180	\$16,835,926	\$134,746
Interdept. Transfer (E)	\$365,324	\$382,357	\$17,033
Total All Sources	\$35,808,320	\$36,841,414	\$1,033,094

B.500 Finance and Administration Positions

- 73 Positions
 - 58% General Fund
 - 26% Federal Fund

B.500 Finance and Administration FY 2024
Position Funding



■ GF ■ Lic ■ IUT ■ Medicaid ■ Fed

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Positions by Fund	General Fund	Licensing	Interdept.	Medicaid	Federal Funds	Total
Total	42	1	3	8	19	73
% of Total	57.54%	1.37%	4.11%	10.96%	26.02%	100.00%

Finance and Administration

Finance Division

- Central Business Office
- School Finance
- Regulatory Compliance
- School Finance Data
- Uniform Chart of Accounts

Finance and Administration Data Management and Analysis Division

- Data collection and stewardship
- Data systems administration
- Analysis and reporting (state and federal)
- Statewide Assessment administration and data analysis

Finance and Administration Secretary's Office, Legal and Communications

- Secretary's Office

- Leadership of the Agency
- Whole Agency Projects
- Support for Boards, Commissions and Working Groups (including SBE)

- Legal Team

- Litigation, Contract review and Legislative and administrative rule drafting, and public records
- License investigations and sanctions
- Administrative hearings and dispute oversight for special education

- Communications

- Public Information
- Legislative Affairs
- Digital Communications and Publishing



B.501 – Education Services

B.501 Education Services

- 4 Divisions Under Deputy Secretary
 - Education Quality
 - Federal Education and Support Programs
 - Student Pathways
 - Student Support Services
- FY 2024 budget of \$491.9 million
 - nearly \$31 million in personal services
 - majority grants (\$459,907,273)
- Changes for FY24 (\$19 million decrease):
 - Increases to personal services and operating expenses.
 - Reduced Federal Spending Authority due to end of ESSER I fund
 - Federal grant increases

B.501 Education Services Appropriation

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Appropriation All Categories:

Department Grand Total Expenditure Categories	FY 2023 Appropriation	FY 2024 Recommend	Change FY23 to FY24
Personal Services	\$28,826,013	\$30,951,380	\$2,125,367
Operating Expenses	\$1,073,385	\$1,074,585	\$1,200
Grants	\$481,143,571	\$459,907,273	\$(21,236,298)
Total All Categories	\$511,042,969	\$491,933,238	\$(19,109,731)

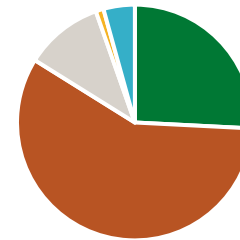
Appropriation Funding Sources

Funding Sources	FY 2023 Appropriation	FY 2024 Recommend	Change FY23 to FY24
General Fund (A)	\$4,880,340	\$4,990,183	\$109,843
Federal Funds (B)	\$502,402,929	\$483,168,107	\$(19,234,822)
Tobacco Litigation Fund (C)	\$750,388	\$750,388	\$0
Special Funds (D)	\$3,009,312	\$3,024,560	\$15,248
Interdept. Transfer (E)	\$0	\$0	\$0
Total All Sources	\$511,042,969	\$491,933,238	\$(19,109,731)

B.501 Education Services Positions

- 100 FTE
 - 54% funded by Federal Funds
 - 24% General Fund

B.501 Education Services FY 2024
Position Funding



■ GF ■ Fed ■ Licensing ■ Tobacco ■ Medicaid

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Positions by Fund	General Fund	Federal Funds	Licensing	Tobacco	Medicaid	Total
Total	24	54	10	1	11	100
Percentage of Total	24%	54%	10%	1%	4%	100.00%

Education Services: Education Quality Division

- Educator Licensing, Pre-Service Educator Quality, Education Quality Assurance
- 20 FTE, partially funded by licensing fees
- Supports Education Recovery, ESSER fund applications, school health facilities projects

Education Quality Division Teams

- Educator Licensing:
 - Licensing for Vermont Educators
 - Teaching Endorsements and Background Investigation
 - Support Standards Board for Professional Educators (VSBE), Licensing Rules
- Pre-Service Educator Quality
 - Approval of Educator Preparation Programs
 - Professional Standards
- Education Quality Assurance
 - Education Quality Reviews
 - Field Reviews
 - ESSER and Education Recovery Funding Applications

Education Quality Division Grants

- Teacher of the Year
- Licensing
- ESSER I
- ESSER II
- ARP ESSER (ESSER III)
- Title I School Improvement

Education Services: Federal Education and Support Programs (FESP) Division

- Consolidated Federal Programs, Child Nutrition, Student and Educator Support
- 24 FTE, primarily federally funded
- Responsible for administration of federal grants to schools, technical assistance, and support for state-level activities
- Administers state school meals programs and related nutrition programs
- Provides support for students in need of multi-agency services, administers a range of specialized programs

Federal Education and Support Programs (FESP) Division Teams

- Consolidated Federal Programs administers:
 - Federal Title grant programs
 - Assists Supervisory Unions (LEAs) with applications, compliance and effective administration
 - Programs to support:
 - Closing the achievement gap
 - Economically disadvantaged students
 - Homeless, migrant, neglected or delinquent students
 - New American and English Learner students
 - Students in state (DCF custody)
 - Supports State activities related to various federal education programs

Federal Education and Support Programs (FESP) Division Teams (cont.)

- Child Nutrition
 - Administer national school lunch and breakfast programs
 - Other state nutrition programs (including after school and summer)
 - State universal meals program
 - State local foods incentive program
- Student and Educator Support
 - Interagency coordination
 - Drivers Education
 - Home Study
 - Tobacco / Substance Use prevention

Federal Education and Support Programs (FESP) Division Grants

- Division administers 26 grant programs (see budget book for full list)
- Federal Title Grant Programs for:
 - English Learners
 - Student Support and Academic Enrichment
 - Migrant Students
- Child Nutrition Grants for meals and food program support
- Substance Abuse, Mental Health and Tobacco settlement grants
- Homeless children and youth (ARPA)
- Rural, Low Income Schools

Education Services: Student Pathways Division

- Flexible Pathways, Personalized Learning, Career Technical Education, Afterschool and Summer Programs, Adult Education and Literacy
- 24 FTE, approximately half funded by federal funds
- Supports state Education Quality Standards and Flexible Pathways initiative, as well as career pathways, personalized learning, and dual enrollment and early college programs
- Responsible for Community Schools, Expanded Learning Opportunities, and Literacy

Student Pathways Division Teams

- Adult Education and Literacy
- Personalized Learning
- Proficiency Based Learning
- Afterschool and Summer Programs
- Career Technical Education

Student Pathways Division Grants

- 12 Grants, both federal and state funding
- Federal Career Technical Education (Perkins), Afterschool and Summer Programs, and Governor's Emergency Education Relief (GEER).
- State Adult CTE grants, and Governor's Institutes

Education Services: Student Support Services Division

- Special Education, Early Education (Prekindergarten), and Multi-Tiered Systems of Support
- 28 FTEs
- Support federal special education requirements and provide supports to Supervisory unions for students who need additional support
- Administer state universal PreK program

Student Support Services Division Teams

- Special Education Team:
 - Supports local SU special education programs
 - Special Education monitoring and reporting
 - Parent and community support
- Early Education Team
 - Administers Vermont Universal PreK program
 - Early Education Monitoring
 - Early Education Multi-tiered systems of support
- Vermont Multi-Tiered Systems of Support (VTmtss)
 - Administers VTmtss framework
 - Technical assistance and supports to schools
 - Supports implementation of Act 173 special education reform

Student Support Services Division Grants

- Special Olympics
- IDEA-B Subgrants (special education)
- IDEA B Prek and Early Childhood Special Education
- ARP IDEA and ARP IDEA Prek grants