

Agency: 350 Supt of Public Instruction
Decision Package Code/Title: SA Federal Authority Changes
Budget Period: 2011-13
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

Superintendent Dorn requests a decrease of \$165,648,000 in expenditure authority for various federally funded programs. Changes include decreases for ARRA funds that are being spent out, new ARRA authority for the Smarter Balance Coalition, and maintenance level adjustments for ongoing federally funded programs.

Fiscal Detail

Operating Expenditures

Fund Source		FY 2012	FY 2013	Total
General Fund-Federal ARRA Program 010	001-8		-4,000,000	-4,000,000
General Fund -Federal Program 021	001-2	19,000,000		19,000,000
General Fund-Federal ARRA Program 025	001-8	-1,588,000		-1,588,000
General Fund-Federal ARRA Program 026	001-8	-67,808,000	-137,052,000	-204,860,000
General Fund-Federal Program 032	001-2		-1,200,000	-1,200,000
General Fund-Federal ARRA Program 055	001-8	58,000,000	58,000,000	116,000,000
General Fund-Federal Program 061	001-2		37,000,000	37,000,000
General Fund-Federal ARRA Program 061	001-8	-32,000,000	-94,000,000	-126,000,000
Total Cost		-24,396,000	-141,252,000	-165,648,000

Revenue

Fund	Source	FY 2012	FY 2013	Total
001 General Fund	0310 Dept of Agriculture	-1,588,000		-1,588,000
001 General Fund	0384 Dept of Education	-15,408,000	-141,252,000	-156,660,000
Total Revenue		-16,996,000	-141,252,000	-158,248,000

Package Description:

Background

Appropriations for one-time ARRA funds were not adjusted in the 11-13 budget. This request amends the appropriations to more accurately reflect actual projected spending levels. In addition, OSPI expects ongoing Title 1 grant award spending to increase in the 11-13 biennium; and OSPI needs authority to spend the balance of the federal "Ed Jobs" funds awarded in the fall of 2010.

Current Situation

Appropriations made during the 09-11 biennium for one-time ARRA funds were not adjusted in the 11-13 budget. OSPI has excess authority for several ARRA grants, and needs authority to spend the ARRA Smarter Balance grant funds awarded in the fall of 2010. The Smarter Balance grant funds have been spent under the authority of Unanticipated Receipts. OSPI is requesting Smarter Balance authority for the entire 11-13 biennium, and proposes to reverse the current UAR upon approval of this request. In addition, OSPI expects spending increases in the ongoing federal Title 1 programs. OSPI also requests authority to spend the balance of the "Ed Jobs" grant awarded in the fall of 2010.

Prog	EA Code	EA Title	Change Requested	Comment
010	2L0	ARRA	-4,000,000	Education Technology ARRA grants ending.
021	To Be Determined	To Be Determined	\$19,000,000	Authority needed to spend the balance of the "Ed Jobs" federal funding received in the fall of 2010.
025	2A0	ARRA	-1,588,000	ARRA funds for School Food Services were spent in the 09-11 Biennium.
026	2C0	ARRA	-204,860,000	ARRA Special Ed funds are being spent out.
032	100	Elem/Sec School Improvement act	-1,200,000	Technology State Grant is ending.
055	To Be Determined	ARRA	116,000,000	Authority for the ARRA Smarter Balance funds is requested.
061	2G0	ARRA	-126,000,000	Title 1 ARRA funds are being spent out.
061	440	Learning Assistance Program	37,000,000	OSPI projects Title 1 expenditures to increase.

Proposed Solution

Decreases to ARRA authority is requested for the grants that are ending.

New ARRA authority is being requested for the Smarter Balance grant. The request is sufficient for all Smarter Balance expenditures for the 11-13 biennium. OSPI will reverse the current Unanticipated Receipt after the Legislature approves and the Governor signs the supplemental budget.

New federal authority is requested to spend the balance of the Education Jobs grant received last biennium.

Additional federal authority is requested for projected increases in spending in the Learning Assistance program.

Narrative Justification and Impact Statement

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Provides OSPI with the ability to provide federally funded programs to children and supports the Superintendent's strategic priority to increase student achievement.

Does this decision package provide essential support to one of the Governor's priorities?

The Governor places a high priority on education. This request will assure Washington has access to available federal education funds.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This work supports the statewide result area "Value world-class student achievement"

What are the other important connections or impacts related to this proposal?

This request "right sizes" the appropriation levels for various federal programs.

What alternatives were explored by the agency, and why was this alternative chosen?

NA

What are the consequences of not funding this package?

Federally funded programs would not continue.

What is the relationship, if any, to the state's capital budget?

NA

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

NA

Expenditure and Revenue Calculations and Assumptions

Expenditure estimates based on historical trends. Due to the lack of historical information on Smarter Balance spending, 11-13 spending is assumed to be the same in both fiscal years

Federal revenue will match federal expenditures.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

ARRA funds are one-time and will be spent out this biennium with the exception of the Smarter Balance grant and a small portion of the Title 1 ARRA grant for School Improvement that will be spent out in the 13-15 biennium.

The "Ed Jobs" grant funds will be spent out in FY12.

Increases to Title 1 funds are expected to be ongoing.

<u>Object Detail</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Total</u>
N Grants, Benefits & Client Services	(16,996,000)	(141,252,000)	(158,248,000)