

SQ – SHB 1812 Spending Authority

Agency: 350 Office of Superintendent of Public Instruction
Budget Period: 2013-15

Recommendation Summary Text:

Superintendent Dorn requests \$638,392 in appropriation authority to complete the work required by the 2012 supplemental budget for an Urban School Turnaround Initiative. The original appropriation was \$2,000,000. The request represents the balance of unspent proviso funds.

Fiscal Detail

Operating Expenditures		FY 2014	FY 2015	Total
General Fund	001-01	\$638,392	\$0	\$638,392
Total Cost				

Staffing	FY 2014	FY 2015	Annual Avg.
Total FTEs Requested			

Package Description

Background

In 3ESHB 2127 Section 501(2)(c)(vii) (2012 session supplemental budget, EA Code QX2) the Legislature provided OSPI with a \$2M FY13 appropriation for an Urban School Turnaround Initiative. Funds were to be used for instruction, services, and materials in the 2012-13 school year. OSPI awarded the \$2M as a grant to Seattle School District. The District claimed \$1,361,608 in FY13 expenditures, leaving a balance of \$638,392. OSPI has booked estimated for the balance, but does not have a current biennium appropriation for the balance.

The Legislature passed SHB 1812 during the 2013 session. The bill modified the appropriation by striking the requirement that funds be used during the 2012-13 school year, and added a requirement that OSPI enter into an agreement with the district to recover any unspent funds on August 1, 2015. At that point the unspent funds are to be returned to the state.

Current Situation

The project period (lawful obligation) for the grant was 7/1/2012 through 6/30/2013, matching the appropriation period for the proviso. Seattle School District drew \$1,361,608 for the period, leaving a balance of \$638,692.

RCW 43.188.140 states that “all appropriations shall lapse at the end of the fiscal period for which the appropriations are made to the extent that they have been expended or lawfully obligated”. Because the obligation ended 6/30/13, OSPI does not believe it has the authority to spend the balance of the funds.

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Proposed Solution

OSPI requests an appropriation for the balance of the funds.

Contact person

Mike Woods Director of Agency Financial Services 360 725-6283

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Continuation of the Urban School Turnaround initiative, consistent with the intent of SHB 1812.

Performance Measure Detail

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

This aligns the appropriation bill with the apparent intent of SHB 1815..

Reason for change:

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

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

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

Impact on Clients and Services

Impact on Other State Programs

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

What are the consequences of not funding this package?

Legislative intent to provide funding for the Urban School Turnaround Initiative through August 1, 2015 would not be met.

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

None

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

Expenditure and revenue calculations and assumptions:

Revenue Calculations and Assumptions:

Expenditure Calculations and Assumptions:

OSPI assumes it would need appropriation authority for the balance of the proviso.

Object Detail

		FY 2014	FY 2015	Total
A	Salary and Wages	\$0	\$0	\$0
B	Employee Benefits	\$0	\$0	\$0
C	Contracts	\$0	\$0	\$0
E	Goods/Services	\$0	\$0	\$0
G	Travel	\$0	\$0	\$0
J	Equipment	\$0	\$0	\$0
N	Grants	\$638,392	\$0	\$638,392
	Interagency Reimbursement	\$0	\$0	\$0
	Other	\$0	\$0	\$0
Total Objects		\$638,392	\$0	\$638,392

Expenditures & FTEs by Program

Activity Inventory Item	Prog	Staffing			Operating Expenditures		
		FY 2014	FY 2015	Avg	FY 2014	FY 2015	Total
A026 School Accountability	010				\$638,000	\$0	\$638,000
Total Activities					\$638,392	\$0	\$638,392

Six-Year Expenditure Estimates

Fund	13-15 Total	15-17 Total	17-19 Total
	\$638,392	\$0	\$0
Expenditure Total	\$0	\$0	\$0
FTEs			

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Distinction between one-time and ongoing costs:

The request represents the balance of the FY13 proviso funds. OSPI assumes the FY14 appropriation will lapse June 30, 2014. An FY15 appropriation for the unspent balance may be necessary. The amount of FY15 appropriation will be estimated before the end of the 2014 session.