

Federal and Other Fund Adj NP

Agency: 350 Office of Superintendent of Public Instruction
Budget Period: 2015

Recommendation Summary Text (Short Description):

Superintendent Dorn requests a net decrease of \$106,445,000 in federal and \$911,000 in private/local appropriation authority for the 15-17 biennium. The federal decrease reflects projected changes in spending of ongoing federal grants and the elimination of ARRA spending authority. OSPI also projects a reduction of private local spending due to changes in the National Board certification program.

Fiscal Detail

Operating Expenditures

		FY 2016	FY 2017	Total
Program 010				
001-8	General Fund – Basic Account – Federal Stimulus	(4,626,000)	(619,000)	(5,245,000)
001-7	General Fund – Private Local	997,000	695,000	1,692,000
Program 025				
001-2	General Fund – Basic Account Federal	10,000,000	15,000,000	25,000,000
Program 055				
001-7	General Fund – Private Local	(1,301,000)	(1,302,000)	(2,603,000)
001-8	General Fund – Basic Account – Federal Stimulus	(66,100,000)	(58,000,000)	(124,100,000)
Program 061				
001-8	General Fund – Basic Account – Federal Stimulus	(2,100,000)		(2,100,000)
Total OSPI		(63,130,000)	(44,226,000)	(107,356,000)

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Revenue

Fund	Source	FY 2016	FY 2017	Total
001 General Fund	0310 Dept of Agriculture	10,000,000	15,000,000	25,000,000
001 General Fund	0384 Dept of Education	(72,826,000)	(58,619,000)	(131,445,000)
001 General Fund	0597 Pvt/Local Reimbursable Contracts	(304,000)	(607,000)	(911,000)
Total Revenue		(63,130,000)	(44,226,000)	(107,356,000)

Staffing	FY 2016	FY 2017	Annual Avg.
Total FTEs Requested	0	0	0

Package Description (Includes the following sections)

Background

OSPI receives federal funds primarily from the Departments of Education and Agriculture. The majority of those funds (96%) are expended as grants to school districts. OSPI's expenditures are a function of the federal award amounts and grant draw rates by school districts. This request "right sizes" OSPI's authority to spend federal funds and reflects assumptions about federal awards, draw rates, and the close-out of ARRA awards during the 13-15 biennium.

OSPI has \$8,011,000 in CFL private local appropriation split between programs 010 and 055. Our projected expenditures of private Local Funds is expected to decrease next biennium, primarily due to changes in the National Board Certification program. The program expects fewer applicants, resulting in the need to make fewer loans (to cover application costs). In addition, our request re-aligns the authority to better match the programs in which expenditures are expected to be incurred.

Current Situation

OSPI CFL includes \$131,445,000 in authority to spend ARRA (including "Smarter Balanced") funds, which is no longer needed as all ARRA awards will have been spent out by the end of the 13-15 biennium. The \$25,000,000 increase represents anticipated growth in expenditures for the child nutrition program (a 5% growth in the program).

Proposed Solution

Changes to appropriation authority to reflect projected expenditures of federal and private/local funds

Contact person

Mike Woods, Director of Agency Financial Services 360 725-6283

Narrative Justification and Impact Statement

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What specific performance outcomes does the agency expect?

Continuation of critical grant programs for children.

Performance Measure Detail

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

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

Reason for change:

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

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

Does this decision package provide essential support to one or more of the Governor's Results Washington priorities? If so, describe.

This work supports the Results Washington goal of providing a world class education for every child by assuring school districts have access to all available federal funds.

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

Without legislative approval, OSPI would not have authority to spend all available federal grants. Grants payments to school districts would have to be curtailed.

Impact on Other State Programs

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

None

What are the consequences of not funding this package?

Washington would no longer be able to fully access these federal education funds.

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

None

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

None

Expenditure and revenue calculations and assumptions:

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Revenue Calculations and Assumptions:

Expenditure Calculations and Assumptions:

Object Detail

		FY 2016	FY 2017	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	(\$63,130,000)	(\$44,226,000)	(\$107,356,000)
	Interagency Reimbursement	\$0	\$0	\$0
	Other	\$0	\$0	\$0
Total Objects		(\$63,130,000)	(\$44,226,000)	(\$107,356,000)

Expenditures & FTEs by Program

Activity Inventory Item	Prog	Staffing			Operating Expenditures		
		FY 2016	FY 2017	Avg	FY 2016	FY 2017	Total
A025 School Food Services	025	0	0	0	\$10,000,000	\$15,000,000	\$25,000,000
A015 Technology Support	010	0	0	0	(\$4,626,000)	(\$619,000)	(\$5,245,000)
A003 Assessment	055	0	0	0	(\$66,100,000)	(\$58,000,000)	(\$124,100,000)
A016 Academic Support For Struggling Students	061	0	0		(\$2,100,000)		(\$2,100,000)
A019 Other Education Grants and Programs	010	0	0	0	\$997,000	\$695,000	\$1,692,000
A019 Other Education Grants and	055	0	0	0	(\$1,301,000)	(\$1,302,000)	(\$2,603,000)

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Programs							
Total Activities					(\$63,130,000)	(\$44,226,000)	(\$107,356,000)

Six-Year Expenditure Estimates

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

ARRA funds will have been spent out by the end of the 13-15 biennium. Expenditures of other federal grants will continue to vary from year to year as Congress and the Department of Education change funding allocations. Private local appropriations will need to adjusted as programs change.