

# 2014 Budget Book

## Vermont Agency of Education FY 2014 Budget Recommendations

January 2013

[www.education.vermont.gov](http://www.education.vermont.gov)



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## Agency of Education

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The Vermont Agency of Education does not discriminate on the basis of race, color, national origin, creed, marital status, sex, disability, age, gender identify or sexual orientation in its programs or activities.

## Message from the State Board Chair and Secretary

We are pleased to present for consideration the State Board of Education and Vermont Agency of Education FY2014 Budget Recommendations.

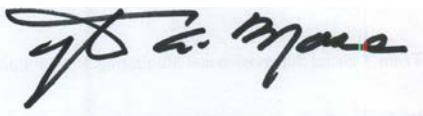
Under Legislative Act 98 of 2012, the Department of Education became an Agency of Education as of January 1, 2013. The Agency is under the direction and supervision of a Secretary of Education who shall serve at the pleasure of the Governor. The State Board of Education remains in existence; therefore, this Budget Book includes budget information for Fiscal Year 2014 for both the Agency and the Board.

In 2012 the (then) Department was awarded a longitudinal data system grant from the U.S. Department of Education. This streamlined K-12 system will form the foundation of a larger comprehensive data system that will eventually include early education, higher education, and workforce data to make it a true preschool to post-graduate and career-ready measurement system.

The Agency will also continue to advance the innovation efforts of the Governor, working in partnership with the State Board of Education in ensuring all Vermont students have access to necessary technology, offerings and pathways to learning that will help them reach their full potential in college, career or citizenship.

The Agency has aligned resources and efforts to improve outcomes for all Vermont students. The Agency is committed to focusing its resources on supporting schools work in increasing their effectiveness. Alignment of funding and staff has occurred to provide both pressure and support to schools to comply with state and federal expectations. Working with the Administration and fellow Departments and Agencies, the Agency of Education has aligned its work with the Strategic Plan of Governor Shumlin to ensure the core mission is carried out across state government.

Respectfully submitted,



Stephan Morse  
State Board Chair



Armando Vilaseca  
Secretary

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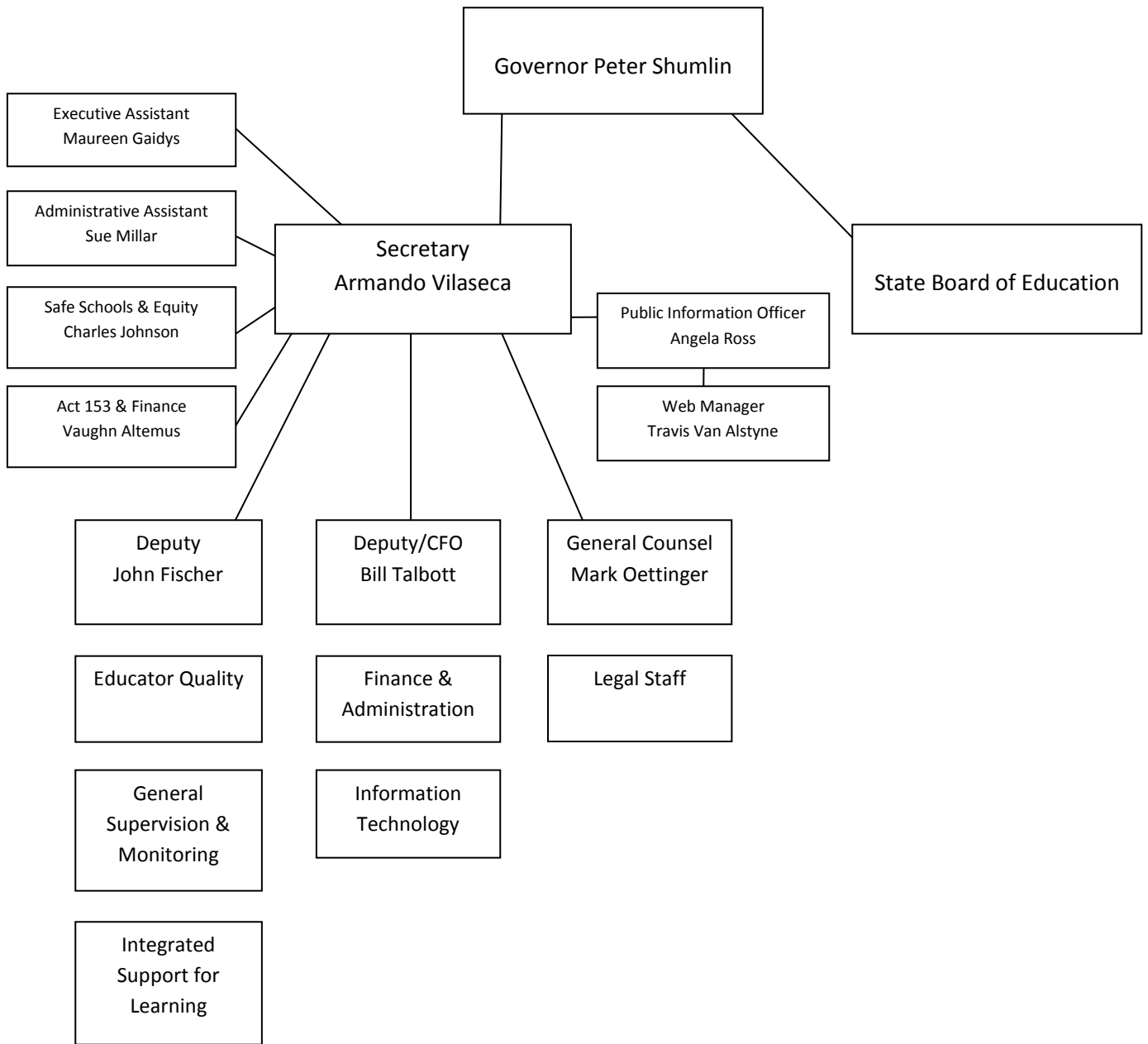
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# Organizational Chart



# Supporting Schools & Educators: The Numbers

|  | FY 12<br>School Year<br>2011-2012 | FY13*<br>School Year<br>2012-2013 |
|--|-----------------------------------|-----------------------------------|
| <b>Public Schools and Private Academies</b>  |                                   |                                   |
| Elementary (K-6).....  | 154                               | 153                               |
| Secondary (7-12).....  | 52                                | 53                                |
| Combined (Elementary & Secondary) .....  | 97                                | 97                                |
| Private Academies .....  | 4                                 | 4                                 |
| <b>Total Public Schools.....</b>   | <b>307</b>                        | <b>305</b>                        |
| Technical Centers.....   | 15                                | 15                                |
| <b>Total Public Schools &amp; Technical Centers.....</b>                                   | <b>322</b>                        | <b>320</b>                        |
| <b>Independent Schools &amp; Approved Programs</b>   |                                   |                                   |
| Approved Independent Schools .....   | 90                                | 90                                |
| Approved Kindergartens.....  | 2                                 | 3                                 |
| Recognized Independent Schools.....  | 36                                | 36                                |
| State Operated Facilities.....   | 1                                 | 1                                 |
| Approved Tutorials .....   | 3                                 | 3                                 |
| Approved Pregnant and Parenting Programs.....  | 1                                 | 1                                 |
| <b>Total Independent Schools &amp; Approved Programs.....</b>                              | <b>136</b>                        | <b>134</b>                        |
| <b>Public Education Governing &amp; Administrative Entities</b>                            |                                   |                                   |
| Town, City and Incorporated School Districts (including<br>12 supervisory districts) ..... | 236                               | 236                               |
| Union School Districts (includes four unified union districts) .....                       | 39                                | 39                                |
| Interstate School Districts.....   | 2                                 | 2                                 |
| <b>Total School Districts.....</b>   | <b>277</b>                        | <b>277</b>                        |
| Technical Center School Districts .....  | 3                                 | 3                                 |
| Supervisory Unions .....   | 46                                | 46                                |
| Joint Contract Schools .....   | 5                                 | 5                                 |
| Gores and Unorganized Towns.....   | 9                                 | 9                                 |
| <b>Total Public Education Governing and Administrative Entities .....</b>                  | <b>340</b>                        | <b>340</b>                        |
| <b>Public School Administrators</b>  |                                   |                                   |
| Superintendents .....  | 58                                | 59                                |
| Principals.....  | 305                               | 308                               |
| Vocational/Tech Center Directors .....   | 30                                | 29                                |
| Business Managers .....  | 61                                | 64                                |
| Special Education Directors .....  | 86                                | 85                                |
| <b>Total Public School Administrators .....</b>  | <b>540</b>                        | <b>545</b>                        |
| <b>Teachers (FTE).....</b>   | <b>8,364</b>                      | <b>8,403</b>                      |
| <b>School Boards .....</b>   | <b>282</b>                        | <b>282</b>                        |
| <b>Local School Board Members.....</b>   | <b>1,440</b>                      | <b>1,442</b>                      |

\*Estimated numbers as of January 2013, subject to change.

# Supporting Schools & Educators: The Numbers

|   | FY 12<br>School Year<br>2011-2012 | FY13*<br>School Year<br>2012-2013 |
|---|-----------------------------------|-----------------------------------|
| <b>Publicly Funded Students</b> (enrolled as of October 1)                            |                                   |                                   |
| Vermont Public Schools .....  | 86,582                            | 85,778                            |
| Vermont Approved Independent Schools .....  | 1,223                             | 1,208                             |
| Vermont Private Academies .....   | 1,962                             | 1,974                             |
| Out-of-State Schools .....  | 991                               | 966                               |
| Vermont State Agency and Other.....   | 240                               | 237                               |
| <b>Total Publicly Funded Students.....</b>  | <b>90,998</b>                     | <b>90,163</b>                     |
| <b>Public School Enrollment</b>   |                                   |                                   |
| <b>K-12.....</b>  | <b>81,258</b>                     | <b>80,368</b>                     |
| Early Education (Pre-K) .....   | 4,430                             | 4,626                             |
| Essential Early Education** .....   | 1,120                             | 1,076                             |
| <b>Total Public School Enrollment .....</b>   | <b>86,808</b>                     | <b>86,070</b>                     |
| High School Academies.....  | 2,491                             | 2,457                             |
| Approved Independent (K-12) .....   | 7,135                             | 7,350                             |
| Recognized Independent (K-12).....  | 849                               | 857                               |
| Home Study (K-12).....  | 2,150                             | 2,352                             |
| Approved Independent Kindergartens .....  | 105                               | 104                               |
| <b>Total Pre-K-12 Enrollment .....</b>  | <b>99,538</b>                     | <b>99,190</b>                     |
| <b>Technical &amp; Adult Education Enrollment (categories not mutually exclusive)</b> |                                   |                                   |
| Technical Centers.....  | 5,567                             | 5,845                             |
| Adult Education & Literacy .....  | 3,994                             | 4,194                             |
| GED Certificates Granted .....  | 542                               | 569                               |
| Education & Training – Criminal Offenders .....                                       | 97                                | 102                               |
| Adult Diploma Program .....   | 331                               | 347                               |
| High School Completion.....   | 731                               | 767                               |
| Other Secondary Diplomas Awarded Through AEL .....                                    | 50                                | 55                                |
| <b>Student Support Programs Enrollment (categories not mutually exclusive)</b>        |                                   |                                   |
| Special Education (ages 3-21) .....   | 13,704                            | 13,341                            |
| Title I .....   | 48,581                            | 47,165                            |
| Title I (Preschool) .....   | 2,401                             | 2,116                             |
| Migrant Education .....   | 432                               | 441                               |
| Limited English Proficiency (LEP) .....   | 2,105                             | 2,105                             |
| Neglected and/or Delinquent .....   | 135                               | 180                               |
| Homeless.....   | 912                               | 1,202                             |

\*Estimated numbers as of January 2013, subject to change.

\*\*Children ages 3 to 5, excluding those enrolled in kindergarten programs.

# Agency of Education Budget Overview

The agency's total budget proposal increases by \$51 million due largely to our estimated increase in school district education spending. State aid for special education is also up \$8.5 million based on spending projections from the districts.

We are level funding federal receipts but there is significant uncertainty with these amounts. Our contacts at the U.S. Education Department have been unable to give us information on next year's federal funding while Congress has yet to determine how the federal budget deficit and debt will be managed. We understand there is a possibility of significant reduction in some of the federal education programs.

The General Fund proposal increases by \$554,302 due to the free school lunch initiative (\$398,646) and staff salary restoration (\$167,000). A decrease of \$11,344 has been applied resulting from changes in charges of internal services funds.

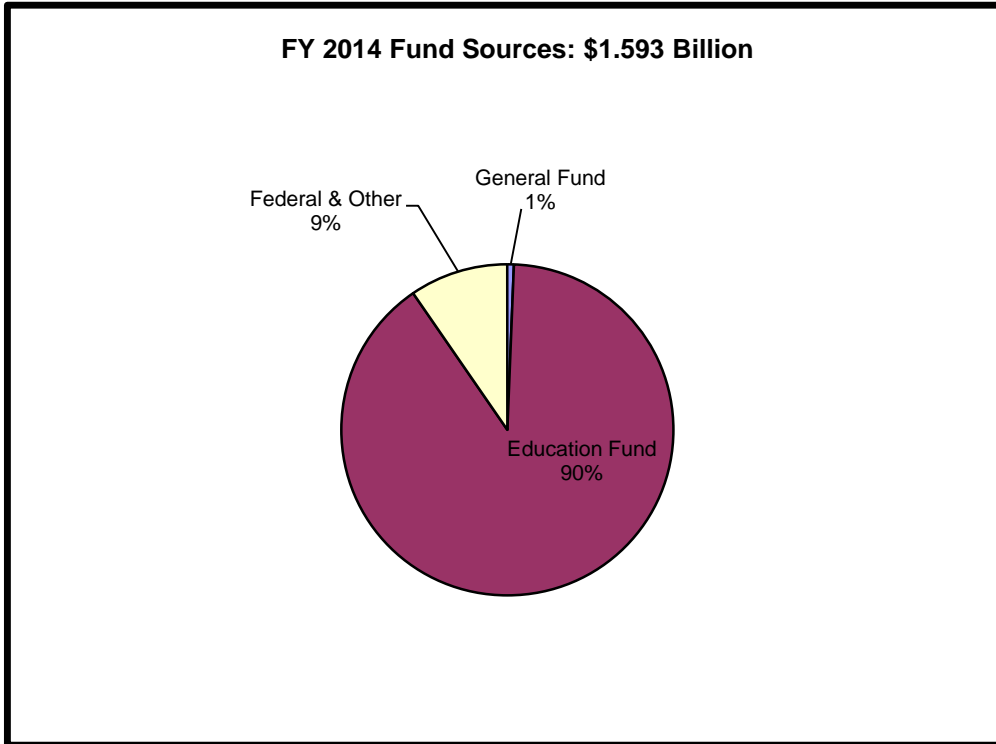
|   |                  |
|---|------------------|
| <b>FY 2013 General Fund</b>                 | <b>9,408,537</b> |
| Increase due to FY 2013 salary restorations | 167,000          |
| Changes in interdepartmental fees           | (11,344)         |
| Free lunch initiative                       | 398,646          |
| <b>FY 2014 Governor Recommendation</b>      | <b>9,962,839</b> |

The total Education Fund budget proposal is up \$49.55 million (out of \$1.43 billion) as described above. Early this fall we estimated district education spending would be up 4.8%. This is a projection made in the fall; a more accurate projection will be available near the end of February when we compile district budget amounts that will be up for vote on town meeting day. Under current law, the base spending amount which is used to set district homestead property and income tax rates would increase from \$8,723 to \$9,151. To balance the education fund at this amount the tax commissioner has said the base homestead tax rate will need to be increased by up to five cents to \$0.94. The Governor is recommending the base amount be increase to \$8,915 which would only require a three-cent increase in the base homestead tax rate. The base rate for the income adjustment remains at 1.80%.

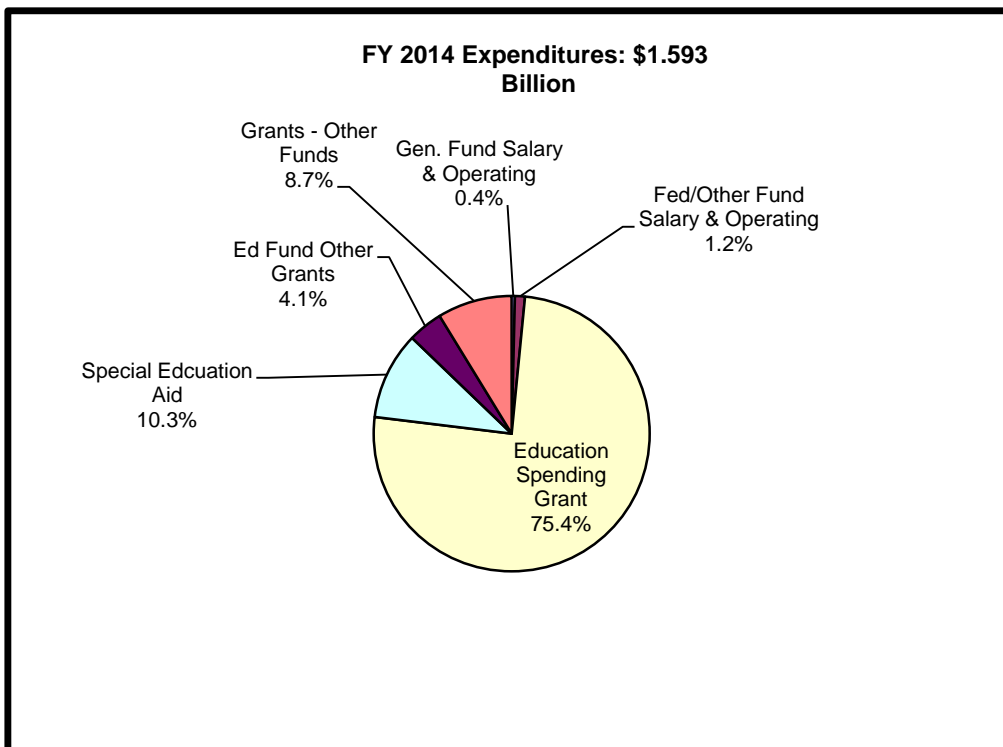


# Agency of Education Budget Overview

The pie chart below shows major sources of funding. Eighty-nine percent of the \$1.528 billion budget comes from the Education Fund, and one percent is from General Fund dollars.



This chart shows major categories of expenditures. One and a half percent of the total funds Agency operations. The remaining 98.5 percent comprises grants. Again, the vast majority of expenditures are from the Education Fund in the form of direct payments to school districts.



# Agency of Education Budget Overview

| Appropriation Categories<br>By Funding Source | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014     |                        |
|---|------------------------------|----------------------|------------------------|
|   |                              | AGENCY<br>RECOMMEND  | FY2013<br>TO<br>FY2014 |
| <b>DEPARTMENT GRAND TOTAL</b>                 |                              |                      |                        |
| <b>CATEGORY OF EXPENDITURE</b>                |                              |                      |                        |
| PERSONAL SERVICES                             | 18,769,419                   | 20,942,140           | 2,172,721              |
| OPERATING EXPENSES                            | 3,638,768                    | 3,654,026            | 15,258                 |
| GRANTS  | <u>1,519,403,106</u>         | <u>1,568,355,150</u> | <u>48,952,044</u>      |
| <b>TOTAL ALL CATEGORIES</b>                   | <b>1,541,811,293</b>         | <b>1,592,951,316</b> | <b>51,140,023</b>      |

## SOURCE OF FUNDS DETAIL

|                                |                      |                      |                   |
|--------------------------------|----------------------|----------------------|-------------------|
| <b>GENERAL FUND</b>            |                      |                      |                   |
| PERSONAL SERVICES              | 5,084,721            | 5,183,603            | 98,882            |
| OPERATING EXPENSES             | 746,590              | 800,864              | 54,274            |
| GRANTS                         |                      |                      |                   |
| 1 Finance & Administration     | 0                    | 2,500                | 2,500             |
| 2 Education Services           | 2,789,231            | 3,187,877            | 398,646           |
| 3 Adult Education & Literacy   | <u>787,995</u>       | <u>787,995</u>       | <u>0</u>          |
| GRANT TOTAL                    | <u>3,577,226</u>     | <u>3,978,372</u>     | <u>401,146</u>    |
| <b>TOTAL GENERAL FUND</b>      | <b>9,408,537</b>     | <b>9,962,839</b>     | <b>554,302</b>    |
| <b>EDUCATION FUND</b>          |                      |                      |                   |
| PERSONAL SERVICES              | 0                    | 0                    | 0                 |
| OPERATING EXPENSES             | 795,372              | 892,795              | 97,423            |
| GRANTS                         |                      |                      |                   |
| 4 Technical Education          | 13,018,754           | 13,018,754           | 0                 |
| 5 Special Education Formula    | 154,947,546          | 163,454,037          | 8,506,491         |
| 6 State-placed Students        | 15,500,000           | 15,100,000           | (400,000)         |
| 7 Adult Education & Literacy   | 5,800,000            | 5,800,000            | 0                 |
| 8 Statewide Education Spending | 1,160,482,149        | 1,200,983,706        | 40,501,557        |
| 9 Essential Early Education    | 5,966,869            | 6,141,155            | 174,286           |
| 10 Transportation              | 16,366,435           | 16,775,000           | 408,565           |
| 11 Small School Support        | 7,585,338            | 7,904,000            | 318,662           |
| 12 Capital Debt Service Aid    | 84,801               | 130,000              | 45,199            |
| GRANT TOTAL                    | <u>1,379,751,892</u> | <u>1,429,306,652</u> | <u>49,554,760</u> |
| <b>TOTAL EDUCATION FUND</b>    | <b>1,380,547,264</b> | <b>1,430,199,447</b> | <b>49,652,183</b> |

## Grants

These grants are described in greater detail as referenced:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>1. Finance &amp; Administration: page 15</li> <li>2. Education Services: page 18</li> <li>3. Adult Education &amp; Literacy: page 31</li> <li>4. Technical Education: page 27</li> <li>5. Special Education Formula: page 29</li> <li>6. State-placed Students: page 30</li> </ul> | <ul style="list-style-type: none"> <li>7. Adult Education &amp; Literacy: page 31</li> <li>8. Statewide Education Spending: page 33</li> <li>9. Essential Early Education: page 34</li> <li>10. Transportation: page 34</li> <li>11. Small School Support: page 35</li> <li>12. Capital Debt Service Aid: page 35</li> </ul> |
|---|--|

# Agency of Education Budget Overview

## SOURCE OF FUNDS DETAIL CONTINUED

| Appropriation Categories<br>By Funding Source         | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014          |                           |
|---|------------------------------|---------------------------|---------------------------|
|   |                              | AGENCY<br>RECOMMEND       | FY2013<br>TO<br>FY2014    |
| <b>TOBACCO LITIGATION FUND</b>                        |                              |                           |                           |
| PERSONAL SERVICES                                     | 140,405                      | 145,029                   | 4,624                     |
| OPERATING EXPENSES                                    | 47,015                       | 45,378                    | (1,637)                   |
| GRANTS  |                              |                           |                           |
| 13 Tobacco Litigation                                 | <u>804,511</u>               | <u>801,523</u>            | <u>(2,988)</u>            |
| <b>TOTAL TOBACCO LITIGATION FUND</b>                  | <b>991,931</b>               | <b>991,930</b>            | <b>(1)</b>                |
| <b>FEDERAL, SPECIAL &amp; INTERDEPARTMENTAL FUNDS</b> |                              |                           |                           |
| PERSONAL SERVICES                                     | 13,544,291                   | 15,976,824                | 2,432,533                 |
| OPERATING EXPENSES                                    | 2,049,790                    | 1,551,673                 | (498,117)                 |
| GRANTS  |                              |                           |                           |
| 14 Finance & Administration                           | 12,333,500                   | 12,588,700                | 255,200                   |
| 15 Education Services                                 | 121,739,319                  | 120,825,430               | (913,889)                 |
| 16 Special Education Formula                          | 230,000                      | 0                         | (230,000)                 |
| 17 Adult Education & Literacy                         | 875,661                      | 763,473                   | (112,188)                 |
| 19 Act 117 Cost Containment                           | <u>91,000</u>                | <u>91,000</u>             | <u>0</u>                  |
| <b>GRANT TOTAL</b>                                    | <b><u>135,269,480</u></b>    | <b><u>134,268,603</u></b> | <b><u>(1,000,877)</u></b> |
| <b>TOTAL FED, SPEC, INTERDEPT. FUND</b>               | <b>150,863,561</b>           | <b>151,797,100</b>        | <b>933,539</b>            |
| <b>TOTAL ALL CATEGORIES</b>                           | <b>1,541,811,293</b>         | <b>1,592,951,316</b>      | <b>51,140,023</b>         |

## Grants

These grants are described in greater detail as referenced:

- 13. Tobacco Litigation: page 36
- 14. Finance & Administration: page 15
- 15. Education Services: page 18

- 16. Special Education Formula: page 29
- 17. Adult Education & Literacy: page 31
- 18. Act 117 Cost Containment: page 36

## Finance & Administration

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The **Central Office** includes the Secretary and his direct staff. They support his or her work and that of the State Board and Agency as a whole.

The *Public Information Officer* coordinates agency communications with the field and manages public information inquiries for the range of constituencies interested in and served by the Agency. The *Web Manager* oversees and maintains the agency web site, its contents and operations.

The *Legal Unit* represents the Secretary, the State Board of Education, and the Agency of Education in litigation and contract matters, as well as legislative advocacy, administrative rulemaking and educator licensing sanctions. They conduct administrative hearings and oversee the dispute resolution processes for special education.

The following Finance and Administration programs are overseen by the *Deputy/Chief Financial Officer*:

**Business Management** performs the accounting, budgeting, grants management, payroll, logistics and other business management functions of the agency.

**Special Education Finance** provides the agency's administrative services for claiming eligible special education expenses under 16 V.S.A. Chapter 101 and the federal Individuals with Disabilities Education Improvement Act. Services include distribution of financial aid for special education, as well as the audit and monitoring requirements of these programs, as required by Act 117. This group also provides the agency's administrative services and technical assistance to school districts for claiming eligible special education expenses under 16 V.S.A. §2959(a).

**School Finance** administers public school funding as required by 16 V.S.A. Chapter 133, better known as Act 68, which distributes over \$1 billion to Vermont's public schools. It also collects and analyzes school expenditure and revenue data for use by policymakers and others. The team conducts training sessions for school business managers each year and works closely with the Vermont Association of School Business Officials (VASBO).

The **Federal Fiscal Monitoring Team** is responsible for the fiscal monitoring of school districts and other organizations receiving federal grants, and reviews all school district audits required under 16 V.S.A. §323 and §563(17).

The **School Construction** program administers available state and federal funding for school construction and serves as a resource on school facility and maintenance issues.

**Postsecondary Approval** reviews credit-bearing programs and degree-granting schools offering postsecondary education in Vermont.

The **Information Technology (IT)** division serves the agency in its networking, system development, and data administration needs.

# Finance & Administration

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|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| PERSONAL SERVICES              | 5,276,764                    | 7,072,845           | 1,796,081              |
| OPERATING EXPENSES             | 1,864,917                    | 2,019,419           | 154,502                |
| GRANTS                         | <u>12,333,500</u>            | <u>12,591,200</u>   | <u>257,700</u>         |
| <b>TOTAL ALL CATEGORIES</b>    | <b>19,475,181</b>            | <b>21,683,464</b>   | <b>2,208,283</b>       |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| GENERAL FUND (A)               | 2,905,528                    | 3,007,875           | 102,347                |
| EDUCATION FUND (B)             | 795,372                      | 892,795             | 97,423                 |
| FEDERAL FUNDS (C)              | 1,732,359                    | 3,624,185           | 1,891,826              |
| SPECIAL FUNDS (D)              | 14,033,922                   | 14,158,609          | 124,687                |
| INTERDEPT. TRANSFER (E)        | <u>8,000</u>                 | <u>0</u>            | <u>(8,000)</u>         |
| <b>TOTAL ALL SOURCES</b>       | <b>19,475,181</b>            | <b>21,683,464</b>   | <b>2,208,283</b>       |

# Finance & Administration

|                                  | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|----------------------------------|------------------------------|---------------------|------------------------|
|                                  |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>SOURCE OF FUNDS DETAIL</b>    |                              |                     |                        |
| <b>(A) GENERAL FUND</b>          |                              |                     |                        |
| PERSONAL SERVICES                | 2,445,684                    | 2,643,042           | 197,358                |
| OPERATING EXPENSES               | 459,844                      | 362,333             | (97,511)               |
| GRANTS                           |                              |                     |                        |
| 1 Teacher of the Year            | <u>0</u>                     | <u>2,500</u>        | <u>2,500</u>           |
| <b>TOTAL GENERAL FUND</b>        | <b>2,905,528</b>             | <b>3,007,875</b>    | <b>102,347</b>         |
| <b>(B) EDUCATION FUNDS</b>       |                              |                     |                        |
| PERSONAL SERVICES                | 0                            | 0                   | 0                      |
| OPERATING EXPENSES               | 795,372                      | 892,795             | 97,423                 |
| GRANTS                           | <u>0</u>                     | <u>0</u>            | <u>0</u>               |
| <b>TOTAL EDUCATION FUNDS</b>     | <b>795,372</b>               | <b>892,795</b>      | <b>97,423</b>          |
| <b>(C) FEDERAL FUNDS</b>         |                              |                     |                        |
| PERSONAL SERVICES                | 1,412,092                    | 3,308,232           | 1,896,140              |
| OPERATING EXPENSES               | 320,267                      | 65,953              | (254,314)              |
| GRANTS                           |                              |                     |                        |
| 2 Longitudinal Data Systems      | <u>0</u>                     | <u>250,000</u>      | <u>250,000</u>         |
| <b>TOTAL FEDERAL FUNDS</b>       | <b>1,732,359</b>             | <b>3,624,185</b>    | <b>1,891,826</b>       |
| <b>(D) SPECIAL FUNDS</b>         |                              |                     |                        |
| PERSONAL SERVICES                | 1,418,988                    | 1,484,887           | 65,899                 |
| OPERATING EXPENSES               | 289,434                      | 335,022             | 45,588                 |
| GRANTS                           |                              |                     |                        |
| 3 Medicaid                       | <u>12,325,500</u>            | <u>12,338,700</u>   | <u>13,200</u>          |
| <b>TOTAL SPECIAL FUNDS</b>       | <b>14,033,922</b>            | <b>14,158,609</b>   | <b>124,687</b>         |
| <b>(E) INTERDEPT. TRANSFER</b>   |                              |                     |                        |
| PERSONAL SERVICES                | 0                            | 0                   | 0                      |
| OPERATING EXPENSES               | 0                            | 0                   | 0                      |
| GRANTS                           |                              |                     |                        |
| 3 Medicaid                       | <u>8,000</u>                 | <u>0</u>            | <u>(8,000)</u>         |
| <b>TOTAL INTERDEPT. TRANSFER</b> | <b>8,000</b>                 | <b>0</b>            | <b>(8,000)</b>         |
| <b>TOTAL ALL SOURCES</b>         | <b>19,475,181</b>            | <b>21,683,464</b>   | <b>2,208,283</b>       |

## Finance & Administration Grants

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**1. Teacher of the Year:** The purpose of this grant is to cover travel expenses related to being named Teacher of the Year. In this role it is expected that he/she will travel across Vermont to speak with schools, education partners and legislation in order to better inform and engage the public in Vermont's education system. This grant was previously budgeted in the Education Programs appropriation.

**2. Longitudinal Data Systems:** This portion of Vermont's Statewide Longitudinal Data Systems grant received from the US Department of Education will be awarded to LEAs to help pay for customizations to local computer systems so that those systems will be able to interoperate with the Statewide Longitudinal Data System. Customizations to local systems may include confirmation of Schools Interoperability Framework (SIF) agents or the implementation of extract report functionality.

**3. Medicaid:** School districts use these grants for prevention and intervention programs in grades Pre-K - 12 and for the administrative costs of school-based health services.

# Education Services

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Working under the direction of the Deputy for Transformation and Innovation, the Education Services Teams provide technical assistance and support to schools, and carry out state and federal requirements for special education, assessment, and other direct support services.

**Integrated Support for Learning:** Staff with expertise in special education, educational support systems, special populations and programs, safe schools, school improvement, career and technical education, and adult education work together to create integrated teams of consultants providing support to schools, career centers, and community-based providers in implementing evidence-based practices, school-wide improvement models, and prevention models to improve instruction and learning outcomes for every student in Vermont. The Integrated Support for Learning Team is organized into two divisions: the PK-8 Division and the Secondary and Adult Division. The integrated staff from both divisions focus efforts on the practices and models shown to be most effective in leading to high-quality learning opportunities and systems for students. Overlap in workgroup and team structures exists as work is organized to prioritize capacity building at a supervisory union and regional level to ensure sustained implementation of appropriate strategies designed to accomplish the outcomes outlined above. School support staff work closely with supervisory unions and districts to provide technical assistance and support as necessary. The staff of the former Research, Standards, and Assessment Division have become part of the Integrated Support for Learning Team. They continue to provide expertise in standards and assessment as a framework for improved teaching and learning. Ongoing research into best practice and learning outcomes continually informs the standards development and implementation process. The team engages educators in the field and facilitates the adoption and implementation of the K-12 Common Core State Standards in mathematics and English language arts.

**General Supervision and Monitoring:** We work to provide proactive, coherent oversight to schools and supervisory unions by bringing monitoring and regulatory oversight teams from many of our programs together in one division to create a comprehensive approach to monitoring for federal and state regulatory compliance. Best practices in focused monitoring are applied across programs, and multidisciplinary teams are deployed to increase monitoring capacity and provide a coherent approach to monitoring at the school and supervisory union level. Teams focus on building SU/regional capacity for federal programs and state regulatory implementation, internal monitoring expertise and problem solving to ensure sustained compliance. Monitoring teams interface directly with school support and improvement teams to strengthen the effectiveness of preventive efforts, action planning and remediation.

**Educator Quality (comprises Licensing and Professional Standards):** Well-prepared, supported educators and leaders in the field are essential, as we know that this makes a significant difference in the educational lives of our students. High-quality teaching standards tied to evidence-based teaching practices provide a foundation for teacher and administrator preparation and ongoing professional development. The Educator Quality Division focuses on developing standards that build a career continuum focused on teacher and leader effectiveness, while also working on developing an evaluation system for teachers and leaders. They provide professional licensure to Vermont educators, and work with the Vermont Standards Board for Professional Educators (VSBPE).



# Education Services Summary

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| PERSONAL SERVICES              | 12,258,423                   | 12,643,713          | 385,290                |
| OPERATING EXPENSES             | 1,596,567                    | 1,434,792           | (161,775)              |
| GRANTS                         | <u>124,528,547</u>           | <u>124,013,307</u>  | <u>(515,240)</u>       |
| <b>TOTAL ALL CATEGORIES</b>    | <b>138,383,537</b>           | <b>138,091,812</b>  | <b>(291,725)</b>       |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| GENERAL FUND (A)               | 5,715,014                    | 6,166,969           | 451,955                |
| FEDERAL FUNDS (B)              | 130,136,096                  | 129,346,615         | (789,481)              |
| SPECIAL FUNDS (D)              | <u>2,532,427</u>             | <u>2,578,228</u>    | <u>45,801</u>          |
| <b>TOTAL ALL SOURCES</b>       | <b>138,383,537</b>           | <b>138,091,812</b>  | <b>(291,725)</b>       |

## SOURCE OF FUNDS DETAIL

|  |                         |                         |                       |
|--|-------------------------|-------------------------|-----------------------|
| <b>(A) GENERAL FUND</b>                |                         |                         |                       |
| PERSONAL SERVICES                      | 2,639,037               | 2,540,561               | (98,476)              |
| OPERATING EXPENSES                     | 286,746                 | 438,531                 | 151,785               |
| GRANTS                                 |                         |                         |                       |
| 1 Adult Services Coordinator           | 211,233                 | 211,233                 | 0                     |
| 2 Tech Ed Adult Formula                | 75,708                  | 75,708                  | 0                     |
| 3 Early Reading                        | 104,860                 | 104,860                 | 0                     |
| 4 Special Olympics                     | 13,778                  | 13,778                  | 0                     |
| 5 Child Nutrition - State Match        | 453,348                 | 453,348                 | 0                     |
| 6 Child Nutrition - Child Care         | 223,268                 | 223,268                 | 0                     |
| 7 Child Nutrition - Breakfast          | 302,632                 | 302,632                 | 0                     |
| 8 Child Nutrition - Summer Food        | 51,387                  | 51,387                  | 0                     |
| 9 Child Nutrition - Free Lunch Initiat | 0                       | 398,646                 | 398,646               |
| 10 School Wellness                     | 28,612                  | 28,612                  | 0                     |
| 11 Governor's Institutes               | 192,654                 | 192,654                 | 0                     |
| 12 Early Education Initiative          | <u>1,131,751</u>        | <u>1,131,751</u>        | <u>0</u>              |
| <b>TOTAL GRANTS</b>                    | <b><u>2,789,231</u></b> | <b><u>3,187,877</u></b> | <b><u>398,646</u></b> |
| <b>TOTAL GENERAL FUND</b>              | <b>5,715,014</b>        | <b>6,166,969</b>        | <b>451,955</b>        |

# Education Services Grants

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## **1. Adult Services Coordinator Salary**

**Assistance:** These funds are disbursed as payments to each technical center district to pay a portion of its adult education coordinator's salary.

## **2. Adult Technical Education Formula:**

These grants are awarded to 15 regional technical centers to support educational services for adults. Grants provide resources necessary to address the training needs of students and businesses in the region.

**3. Early Reading:** These funds support the implementation of the State Board's Comprehensive Plan for Early Reading Success. Major components include professional development for educators and administrators, development and distribution of reading materials for parents, and assistance to strengthen instruction and curricula for pre-school and pre-service teachers.

**4. Special Olympics:** This program helps ensure that children and adults who have developmental delays have access to unified sports activities with non-disabled peers.

**5. Child Nutrition – State Match:** Regulations for the National School Lunch Program require states to provide funds to schools participating in the school lunch program. The amount is based on appropriated federal funds. Ninety percent of the state match is allocated to schools on a per-meal basis. Ten percent of the total required state matching funds are set aside for a competitive grant program for food service equipment.

**6. Child Nutrition – Child Care:** These funds support breakfasts and lunches served in daycare homes where federal subsidies were cut by the federal Welfare Reform Act of 1996.

**7. Child Nutrition – Breakfast:** To the extent funds are appropriated, this program fills the gap between the amount of federal reimbursement schools receive per meal and the actual cost to prepare a school breakfast.

**8. Child Nutrition – Summer Food Service Program:** These funds supplement the cost of lunches served at summer food service sites where federal subsidies were cut by the federal Welfare Reform Act.

**9. Child Nutrition – Free Lunch Initiative:** This funding covers the reduced price lunch charge of 40 cents for low income students whose household income is between 130 and 185% of poverty.

**10. School Wellness:** Grants may be used to establish a wellness program advisory council, inventory programs and assets, gather data about the health status of children in the community, adopt a fitness and nutrition policy or implement and coordinate wellness programs in the school community based on the adopted policy.

**11. Governor's Institutes:** These funds provide about 20 percent of the costs for summer institutes for highly motivated high school students. Institutes are held on Vermont college campuses and draw additional support from businesses, foundations, schools and participating students' families.

**12. Early Education Initiative (EEI):** These funds support grants to organizations and schools to provide early childhood education services to at-risk preschoolers.

# Education Services Budget Summary

|                                      | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------------|------------------------------|---------------------|------------------------|
|                                      |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>(B) FEDERAL FUNDS</b>             |                              |                     |                        |
| PERSONAL SERVICES                    | 8,078,254                    | 8,444,318           | 366,064                |
| OPERATING EXPENSES                   | 1,071,523                    | 829,867             | (241,656)              |
| <b>GRANTS</b>                        |                              |                     |                        |
| 13 Carl Perkins Secondary            | 3,121,851                    | 3,121,851           | 0                      |
| 14 Perkins Secondary Reserve         | 0                            | 300,000             | 300,000                |
| 15 Carl Perkins Post-secondary       | 881,657                      | 881,657             | 0                      |
| 16 Post-secondary Reserve            | 0                            | 100,000             | 100,000                |
| 17 Carl Perkins Leadership           | 0                            | 100,000             | 100,000                |
| 18 Carl Perkins Corrections          | 50,132                       | 42,149              | (7,983)                |
| 19 Preschool Incentive - Other       | 50,000                       | 50,000              | 0                      |
| 20 21st Century                      | 6,850,000                    | 6,850,000           | 0                      |
| 21 Adult Education Special Projects  | 0                            | 30,000              | 30,000                 |
| 22 Title I Grants to LEAs            | 35,000,000                   | 35,000,000          | 0                      |
| 23 Title I Academic Achievement      | 0                            | 50,000              | 50,000                 |
| 24 Title I Migrant                   | 901,000                      | 901,000             | 0                      |
| 25 Title I Neglected or Delinquent   | 600,000                      | 600,000             | 0                      |
| 26 Homeless Education Act            | 163,568                      | 163,568             | 0                      |
| 27 Title II, ITQ                     | 14,348,601                   | 14,023,601          | (325,000)              |
| 28 Title II, ITQ SAHE                | 344,000                      | 344,000             | 0                      |
| 29 IDEA-B Subgrants                  | 24,614,519                   | 24,689,519          | 75,000                 |
| 30 Preschool Incentive - Formula     | 900,000                      | 900,000             | 0                      |
| 31 State Personnel Development Grant | 590,000                      | 590,000             | 0                      |
| 32 School Lunch Program              | 14,500,000                   | 14,500,000          | 0                      |
| 33 Child & Adult Care Food Program   | 6,486,400                    | 6,486,400           | 0                      |
| 34 School Breakfast Program          | 5,582,000                    | 5,582,000           | 0                      |
| 35 Summer Food Service Program       | 462,000                      | 462,000             | 0                      |
| 36 Special Milk Program              | 97,416                       | 97,416              | 0                      |
| 37 Cash in Lieu of Commodities       | 105,019                      | 105,019             | 0                      |
| 38 CN Team Nutrition                 | 30,250                       | 30,250              | 0                      |
| 39 CN Fruits & Vegetables            | 1,734,000                    | 1,734,000           | 0                      |
| 40 Justice Department Grants         | 350,000                      | 0                   | (350,000)              |
| 41 Title I - School Improvement      | 1,000,000                    | 1,000,000           | 0                      |
| 42 Math & Science Partnership        | 900,000                      | 900,000             | 0                      |
| 43 Title III ELA                     | 325,000                      | 325,000             | 0                      |
| 44 Title II, Part D                  | 75,000                       | 0                   | (75,000)               |
| 45 School Improvement Grants         | 550,000                      | 0                   | (550,000)              |
| 46 Health Education                  | 113,000                      | 113,000             | 0                      |
| <b>TOTAL GRANTS</b>                  | <b>120,986,319</b>           | <b>120,072,430</b>  | <b>(913,889)</b>       |
| <b>TOTAL FEDERAL FUNDS</b>           | <b>130,136,096</b>           | <b>129,346,615</b>  | <b>(789,481)</b>       |

## Education Services Grants

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**13. Carl Perkins Secondary:** These federal funds are awarded as formula grants to regional technical centers and comprehensive high schools for program improvement.

**14. Perkins Secondary Reserve:** These federal funds are made up of returned Perkins secondary funds. Grants awarded from the reserve are competitive and intended for new program development and implementation.

**15. Carl Perkins Post-secondary:** These federal funds are awarded as formula grants to post-secondary technical education providers for program improvement.

**16. Post-secondary Reserve:** These federal funds are made up of returned Perkins post-secondary funds returned/unused by post-secondary Perkins recipients. Grants awarded from the reserve are competitive and intended for new program development and implementation.

**17. Carl Perkins State Leadership:** Grants are awarded to technical education providers to assist in developing high standards and high-quality curricula.

**18. Carl Perkins Corrections:** This federal grant supports career and technical education for inmates at correctional facilities.

**19. Preschool Incentive – Other:** Funds support statewide projects, technical assistance, compliance monitoring and training regarding special education costs for children ages 3 to 5.

**20. 21st Century Community Learning Centers:** This grant is distributed to school districts that create highly structured innovative extended-day or extended-year programs. Funds provide expanded opportunities for student learning in safe, supervised settings and promote parental involvement in schools.

**21. Adult Education Special Projects:** These federal funds, authorized by Title II of the Workforce Investment Act of 1998, are awarded as subgrants to the member organizations of *Learning Works* for the delivery of Adult Education and Literacy (AEL) services statewide. This includes discreet funding for “integrated English literacy and civics education services to individuals who are immigrants and other limited English proficient populations.”

**22. Title I - Grants to LEAs:** Funds support academic assistance for eligible students who are failing or at risk of failing the state’s performance standards. Title I supports educator professional development as a means of helping all students succeed.

**23. Title I Academic Achievement:** Title I, Part A is a formula grant to local educational agencies to ensure that all children have a fair, equal, and significant opportunity to obtain high-quality education and reach proficiency on the State academic achievement standards and the State academic assessments. Funds are focused on meeting the educational needs of low-achieving students in high poverty schools.

**24. Title I - Migrant:** These funds are used for the design of educational and support services for children of migratory agricultural workers who have changed school districts within the preceding 36 months.

**25. Title I – Neglected or Delinquent:** These funds support education activities, such as transition and dropout prevention, for youth in state correctional facilities, state-operated institutions or community day programs.

# Education Services Grant

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## **26. McKinney Vento Homeless**

**Education Act:** Funds support programs to ensure that homeless children and youth have equal access to the same free, appropriate public education – including preschool – provided to other children and youth. Vermont has five programs, including one that provides technical assistance to schools. Mini-grants support allowable expenses for individual homeless children and youth.

## **27. Title II, Part A - Improving Teacher Quality State Grants:**

This program is funded by federal monies for LEA entitlement subgrants and State Education Agency technical assistance. Funds support professional development and other initiatives to ensure that schools have highly qualified teachers, principals and paraprofessionals.

## **28. Title II, Part A - State Agency for Higher Education (SAHE):**

This competitive grant program supports partnerships between institutions of higher education and LEAs to provide quality professional development for teachers, principals and paraprofessionals.

**29. IDEA-B - Subgrants:** These federal funds flow directly to schools to assist with the costs of special education for children and youth ages 3 to 22.

**30. Preschool Incentive:** These funds flow directly to schools to assist with special education costs for children ages 3 to 5.

## **31. State Personnel Development Grants (SPDG):**

These federal funds support training and personnel development in the areas of early childhood education, preparation of speech language pathologists and integrated instruction models to improve achievement of students with disabilities.

**32. School Lunch Program:** Funds are used to reimburse school food service programs for meals served in school lunch programs.

## **33. Child and Adult Care Food Program:**

These funds are used to reimburse program sponsors for meals served in child care and adult care programs. In addition, centers can receive cash in lieu of commodity foods. Daycare home sponsors receive administrative payments.

**34. School Breakfast Program:** These funds reimburse school food programs for meals served in school breakfast programs.

**35. Summer Food Service Program:** These funds reimburse sponsors for meals served and for administrative costs.

**36. Special Milk Program:** These funds are used to reimburse providers for milk served at schools or other sites that do not participate in a federal meal program.

## Education Services Grants

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**37. Cash in Lieu of Commodities:** Funds allow participating child care centers to choose to receive cash payments instead of U.S. Department of Agriculture food.

**38. Child Nutrition Team Nutrition:** The team nutrition grant provides funds for improving nutrition education.

**39. Child Nutrition Fruits & Vegetables:** These funds provide funding assistance for increasing fruit and vegetable consumption in low-income schools.

**40. Justice Department Grants - Summer and Extended Learning Opportunities Initiative:** The purpose of this three-year grant from the Office of Juvenile Justice and Delinquency Prevention is to address the needs of at-risk children during times when working families need additional support. This grant has ended.

**41. Title I School Improvement:** Pass-through funds are allocated to Title I schools by a formula that considers poverty, school size and other indicators for which the school does not make Adequate Yearly Progress.

**42. Math & Science Partnership:** This competitive grant program funds high-quality, content-driven professional development in mathematics and science. Partnerships must include a high-needs Local Education Agency (LEA) and arts and sciences faculty from an institution of higher education. Additional partners may include education department faculty, non-profits, businesses and other LEAs. The goal is to deepen knowledge of mathematics and science content for K-8 teachers.

**43. Title III English Language Instruction for Limited English Proficient (LEP) and Immigrant Students:** These funds assist LEAs in addressing the needs of LEP students. Formula-based subgrants are awarded to eligible LEAs to provide language instruction to help LEP students meet Vermont's academic standards.

**44. Title II, Part D (Enhancing Education Through Technology):** A combination of entitlement and competitive grants, these funds help high-need schools purchase technology hardware and provide training and support for technology applications that enhance learning. Funds also support implementation of approved technology plans and related professional development activities. This grant has ended

**45. School Improvement Grants:** The school improvement efforts go to supporting schools identified for not making Adequate Yearly Progress under NCLBA. These funds have been distributed for three years and in FY10 and FY11 ARRA funds were made available as well. This grant has ended.

**46. Health Education:** These funds assist schools across Vermont in developing and improving upon comprehensive health education curriculum, instruction and assessment practices. These funds are used for professional development, coaching, technical assistance as well as current, relevant and up-to-date resources based on health education standards for use in health education classrooms.

# Education Services Budget Summary

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|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>(C) SPECIAL FUNDS</b>       |                              |                     |                        |
| PERSONAL SERVICES              | 1,541,130                    | 1,658,834           | 117,704                |
| OPERATING EXPENSES             | 238,297                      | 166,394             | (71,903)               |
| <b>GRANTS</b>                  |                              |                     |                        |
| 48 Licensing                   | 90,000                       | 90,000              | 0                      |
| 49 Nellie Mae Foundation       | 25,000                       | 25,000              | 0                      |
| 50 Reading Readiness           | 238,000                      | 238,000             | 0                      |
| 51 Statewide System of Support | <u>400,000</u>               | <u>400,000</u>      | <u>0</u>               |
| <b>TOTAL GRANTS</b>            | <b>753,000</b>               | <b>753,000</b>      | <b>0</b>               |
| <b>TOTAL SPECIAL FUNDS</b>     | <b>2,532,427</b>             | <b>2,578,228</b>    | <b>45,801</b>          |
| <b>TOTAL ALL SOURCES</b>       | <b>138,122,631</b>           | <b>138,091,812</b>  | <b>(30,819)</b>        |

## Grants

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**48. Licensing:** Generated from educator licensing fees, these funds support the local and regional standards boards that are responsible for recommending educator re-licensure.

**49. Nellie Mae Education Foundation:** The Nellie Mae Education Foundation and the agency's 21st Century Community Learning Centers Program are collaborating by providing grant funds to identify, support and replicate promising practices for middle school students. Grants are awarded for exemplary afterschool and summertime programs.

**50. Reading Readiness:** These funds are given as subgrants to support school, community and regional efforts to help students meet or exceed reading standards. Grants support America Reads, the Vermont Reads Institute and regional consortia in providing technical assistance, professional development and resources to schools and communities. Needs are identified through local action plans and assessments.

**51. Statewide System of Support:** Funds are used for the development of Educational Services Agencies (ESAs) that identify professional development needs and deliver high-quality professional development opportunities to LEAs on a regional basis.

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# Categorical Grants

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The following grants are referred to as stand-alone grants because each one has a separate appropriation.

|                                   |    |
|-----------------------------------|----|
| Technical Education .....         | 26 |
| Special Education Formula .....   | 28 |
| State-placed Students .....       | 30 |
| Adult Education & Literacy.....   | 31 |
| Statewide Education Spending..... | 32 |
| Essential Early Education.....    | 34 |
| Transportation .....              | 34 |
| Small School Support .....        | 35 |
| Capital Debt Service Aid.....     | 35 |
| Tobacco Litigation Fund .....     | 36 |
| Act 117 Cost Containment.....     | 36 |

## Technical Education

This funding supports technical education in accordance with 16 V.S.A. §1563 and 1565, state financial assistance.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| GRANTS                         | 13,018,754                   | 13,018,754          | 0                      |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| EDUCATION FUND                 | 13,018,754                   | 13,018,754          | 0                      |

### SOURCE OF FUNDS DETAIL

| <b>(B) EDUCATION FUND</b>        |                |                |          |
|----------------------------------|----------------|----------------|----------|
| <b>GRANTS</b>                    |                |                |          |
| 1 Tech. Ed. Tuition Reduction    | 8,538,722      | 8,538,722      | 0        |
| 2 Tech. Ed. Salary Assistance    | 2,017,970      | 2,017,970      | 0        |
| 3 Tech. Ed. Transportation       | 1,439,900      | 1,439,900      | 0        |
| 4 Youth Leadership               | 78,328         | 78,328         | 0        |
| 5 Secondary School Reform        | 200,000        | 200,000        | 0        |
| 6 Innovative Program Development | 243,834        | 243,834        | 0        |
| 7 Tech Ed Equipment              | <u>500,000</u> | <u>500,000</u> | <u>0</u> |
| TOTAL GRANTS                     | 13,018,754     | 13,018,754     | 0        |
| TOTAL EDUCATION FUND             | 13,018,754     | 13,018,754     | 0        |

# Grants

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**1. Technical Education Tuition Reduction:**

Funds are disbursed as payments to technical centers to reduce the tuition paid by school districts, based on three-year average enrollments.

**2. Technical Education Salary Assistance:**

Funds are disbursed as payments to technical center districts to help defray the costs of salaries for technical center directors, guidance coordinators and cooperative education coordinators.

**3. Technical Education Transportation:**

Funds reimburse costs of transporting students to technical centers. The per mile adjusted reimbursement rate is calculated annually.

**4. Youth Leadership:** Funds support student organizations that promote youth leadership development activities and participation in regional, state and national skills competitions.

**5. Secondary School Reform:** Funds support school change initiatives at the middle and secondary levels. Initiatives include but are not limited to student engagement, proficiency based progressions of learning, challenging standards, improvement of instructional practice, family and community involvement and others.

**6. Innovative Program Development:**

Funds help cover start-up costs for new and innovative CTE programs that educate students in emerging career fields with high skills, high demand and wage potential.

**7. Technical Education Equipment:**

Funds are distributed to regional career centers to update or replace equipment. This grant was formerly funded in the Capital bill but has been included here to reduce unnecessary interest expense.

# Special Education Formula

The formula is largely a reimbursement system that distributes funds through the grants listed on the next page.

## SPECIAL EDUCATION FORMULA

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| GRANTS                         | 155,177,546                  | 163,454,037         | 8,276,491              |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| EDUCATION FUND                 | 154,947,546                  | 163,454,037         | 8,506,491              |
| SPECIAL FUND                   | 230,000                      | 0                   | (230,000)              |

## SOURCE OF FUNDS DETAIL

|                                  |                |                |                  |
|----------------------------------|----------------|----------------|------------------|
| <b>(A) EDUCATION FUND</b>        |                |                |                  |
| <b>GRANTS</b>                    |                |                |                  |
| 1 Mainstream Block Grant         | 30,769,751     | 30,712,487     | (57,264)         |
| 2 Special Ed. Expend. Reimb.     | 110,631,537    | 117,009,454    | 6,377,917        |
| 3 Extraordinary Reimbursement    | 10,181,120     | 12,284,512     | 2,103,392        |
| 4 I-Team & Regional Specialist   | 957,951        | 981,421        | 23,470           |
| 5 Hearing Impaired               | 841,718        | 862,340        | 20,622           |
| 6 Visually Impaired              | 512,418        | 524,972        | 12,554           |
| 7 BEST                           | 506,805        | 519,222        | 12,417           |
| 8 Act 230 Training               | 373,635        | 382,789        | 9,154            |
| 9 Higher Education Participation | <u>172,611</u> | <u>176,840</u> | <u>4,229</u>     |
| TOTAL GRANTS                     | 154,947,546    | 163,454,037    | 8,506,491        |
| TOTAL EDUCATION FUNDS            | 154,947,546    | 163,454,037    | 8,506,491        |
| <b>(B) SPECIAL FUNDS</b>         |                |                |                  |
| <b>GRANTS</b>                    |                |                |                  |
| 4 I-Team & Regional Specialist   | <u>230,000</u> | <u>0</u>       | <u>(230,000)</u> |
| TOTAL SPECIAL FUNDS              | 230,000        | 0              | (230,000)        |
| TOTAL ALL SOURCES                | 155,177,546    | 163,454,037    | 8,276,491        |

# Grants

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- 1. Mainstream Block Grant:** These funds provide a block grant for each school district based on 60 percent of the statewide average salary for: (1) 9.75 special education teaching positions per 1,000 Average Daily Membership (ADM), and (2) up to two special education administrators per supervisory union/district based on ADM (16 V.S.A. § 2961).
- 2. Special Education Expenditures Reimbursement (Intensive Services Reimbursement):** This funding reimburses a portion of eligible special education costs not covered by another part of the formula or by federal or other state funds (16 V.S.A. § 2963).
- 3. Extraordinary Reimbursement:** Funds provide 90 percent reimbursement for high-cost students for cost in excess of \$50,000 for individualized education programs (IEPs) (16 V.S.A. § 2962).
- 4. Interdisciplinary Team and Regional Multi-disability Specialist:** This grant supports services and consultation for children who have multiple disabilities and serious emotional disturbances.
- 5. Hearing Impaired:** Funds support services for students with hearing impairments, including six regional specialists who consult with schools on accommodating children with severe hearing impairments.
- 6. Visually Impaired:** These funds Support services by the Vermont Association for the Blind and Visually Impaired for itinerant teachers to consult with schools, provide direct instruction in Braille, assist with selection of low-vision aids and provide mobility training.
- 7. Building Effective Supports for Teaching (BEST):** These funds assist schools in developing and implementing school-based plans to improve their ability to effectively respond to challenging student behaviors. They support training opportunities, technical assistance and regional service partnerships to meet the needs of students who have emotional and behavioral problems.
- 8. Act 230 Training Grants:** Funds are granted to supervisory unions/districts for administrator and staff training to better meet student needs and to enhance education support systems.
- 9. Higher Education Participation:** These funds support tuition reimbursement and stipends for special education teacher training.

## State-placed Students

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A state-placed student is one who is placed by the Agency of Human Services or a state-licensed agency in a school district outside of his or her guardians' district(s) of residence.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| GRANTS                         | 15,500,000                   | 15,100,000          | (400,000)              |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| EDUCATION FUND                 | 15,500,000                   | 15,100,000          | (400,000)              |

### SOURCE OF FUNDS DETAIL

| EDUCATION FUND                 |            |            |             |
|--------------------------------|------------|------------|-------------|
| <b>GRANTS</b>                  |            |            |             |
| 1 LEA Reimbursement            | 9,500,000  | 8,500,000  | (1,000,000) |
| 2 Indiv. Residential Placement | 5,200,000  | 5,500,000  | 300,000     |
| 3 Special Services             | 500,000    | 700,000    | 200,000     |
| 4 Regular Education Tuition    | 300,000    | 400,000    | 100,000     |
| TOTAL GRANTS                   | 15,500,000 | 15,100,000 | (400,000)   |
| TOTAL EDUCATION FUNDS          | 15,500,000 | 15,100,000 | (400,000)   |

## Grants

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**1. LEA (Local Education Agency) Reimbursement:** These funds are used to reimburse school districts for special education costs beyond incurred for students with individualized education programs (IEPs).

**2. Individual Residential Placement:** These funds provide payments to approved independent schools or tutorial programs for educational costs of students in residential facilities.

**3. Special Services:** These funds are used to reimburse school districts for special services approved by the commissioner for non-IEP students. They also may be used for payments to the Lund Home for daytime educational services for pregnant or parenting teens, or for tuition or special education costs for Vermont students placed in foster care in other states.

**4. Regular Education Tuition:** These funds are used to reimburse the regular tuition to school districts that do not operate their own schools.

## Adult Education & Literacy

This appropriation supports the Adult Education and Literacy (AEL) program. These amounts include federal, state, and High School Completion funds.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| GRANTS                         | 7,463,656                    | 7,351,468           | (112,188)              |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| GENERAL FUND (A)               | 787,995                      | 787,995             | 0                      |
| FEDERAL FUNDS (B)              | 875,661                      | 763,473             | (112,188)              |
| EDUCATION FUND (C) *           | <u>5,800,000</u>             | <u>5,800,000</u>    | <u>0</u>               |
| <b>TOTAL ALL SOURCES</b>       | <b>7,463,656</b>             | <b>7,351,468</b>    | <b>(112,188)</b>       |

### SOURCE OF FUNDS DETAIL

|                           |                  |                  |                  |
|---------------------------|------------------|------------------|------------------|
| <b>(A) GENERAL FUND</b>   |                  |                  |                  |
| GRANT (ONLY CATEGORY)     | <u>787,995</u>   | <u>787,995</u>   | <u>0</u>         |
| TOTAL GENERAL FUND        | 787,995          | 787,995          | 0                |
| <b>(B) FEDERAL FUNDS</b>  |                  |                  |                  |
| GRANT (ONLY CATEGORY)     | <u>875,661</u>   | <u>763,473</u>   | <u>(112,188)</u> |
| TOTAL FEDERAL FUNDS       | 875,661          | 763,473          | (112,188)        |
| <b>(C) EDUCATION FUND</b> |                  |                  |                  |
| GRANT (ONLY CATEGORY)     | <u>5,800,000</u> | <u>5,800,000</u> | <u>0</u>         |
| TOTAL EDUCATION FUND      | 5,800,000        | 5,800,000        | 0                |
| <b>TOTAL ALL SOURCES</b>  | <b>7,463,656</b> | <b>7,351,468</b> | <b>(112,188)</b> |

# Statewide Education Spending Grant

This grant is the primary funding source for public education in Vermont under Chapter 133 of 16 V.S.A.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| <b>GRANTS (ONLY CATEGORY)</b>  | 1,160,482,149                | 1,200,983,706       | 40,501,557             |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| <b>EDUCATION FUND (A)</b>      | 1,160,482,149                | 1,200,983,706       | 40,501,557             |
| <b>ARRA TRANSFER FUNDS (B)</b> | <u>0</u>                     | <u>0</u>            | <u>0</u>               |
| ARRA Transfer                  | 1,160,482,149                | 1,200,983,706       | 40,501,557             |

### SOURCE OF FUNDS DETAIL

| <b>EDUCATION FUND</b>          |                |                |            |
|--------------------------------|----------------|----------------|------------|
| <b>GRANTS</b>                  |                |                |            |
| 1 Education Spending Grant     | 1,158,773,683  | 1,199,000,000  | 40,226,317 |
| 2 Adult Diploma Program        | 703,080        | 737,000        | 33,920     |
| 3 VT Academy of Science & Tech | 265,615        | 438,000        | 172,385    |
| 4 Tech FTEs Not Enrolled       | 289,065        | 358,000        | 68,935     |
| 5 Driver Education             | <u>450,706</u> | <u>450,706</u> | <u>0</u>   |
| <b>TOTAL EDUCATION FUND</b>    | 1,160,482,149  | 1,200,983,706  | 40,501,557 |



# Grants

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1. **Education Spending Grant:** Under 16 V.S.A. §4011(a), funds must be appropriated to pay for each district's education spending amount. The amount provided here is an estimate. (See Page 8)

2. **Adult Diploma Program:** This program allows adults without high school diplomas to substitute work and other experience for credit toward earning their diplomas. According to 16 V.S.A. §4011 (f), the agency is required to pay an amount equal to 0.26 times the Base Education Amount for each student who completed the program's diagnostic component portion in the previous year.

3. **Vermont Academy of Science and Technology (VAST):** State funding for this program is required under 16 V.S.A. §4011(e), which directs the agency to pay an amount equal to 0.87 times the Base Education Amount for each Vermont resident enrolled in the program. VAST operates an approved independent 12th-grade program housed at Vermont Technical College.

4. **Tech Full-time Equivalents Not Enrolled:** Under 16 V.S.A. § 4011(g), this payment is to refund districts for resident students attending a technical center at public expense but who are not enrolled in a public high school. These students are not counted in the district ADM.

5. **Driver Education Program Grants:** These funds provide partial reimbursement to schools that offer driver education programs. The state share of support for this program is less than 25 percent.

## Essential Early Education

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Essential Early Education grants are made to school districts to fund preschool special education services for children ages 3 through 5. If grant funds are available after providing preschool special education services, the balance of funds can be used to serve preschool children ages 3 through 5 at risk of school failure.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| GRANTS (ONLY CATEGORY)         | 5,966,869                    | 6,141,155           | 174,286                |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| EDUCATION FUND                 | 5,966,869                    | 6,141,155           | 174,286                |

## Transportation

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Administered through the School Finance Team, these funds are used to reimburse up to half of school district expenditures to transport students to and from school. Exact reimbursement percentages are limited by appropriated amounts and are determined by the amount of district expenditures.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| GRANTS (ONLY CATEGORY)         | 16,366,435                   | 16,775,000          | 408,565                |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| EDUCATION FUND                 | 16,366,435                   | 16,775,000          | 408,565                |

## Small School Support Grants

Under 16 V.S.A. §4015, these funds provide formula grants to schools with a two-year average combined enrollment of less than 100 students, or with an average grade size of 20 or fewer students. They also provide financial stability grants to limit the loss of funds in small schools with declining enrollments. These funds are administered through the School Finance Team.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| <b>GRANTS (ONLY CATEGORY)</b>  | 7,585,338                    | 7,904,000           | 318,662                |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| <b>EDUCATION FUND</b>          | 7,585,338                    | 7,904,000           | 318,662                |

## Capital Debt Service Aid

Administered through the School Finance Team, these formula grants are awarded to eligible school districts for principle and interest payments on projects adopted before July 1, 1997.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| <b>GRANTS (ONLY CATEGORY)</b>  | 84,801                       | 130,000             | 45,199                 |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| <b>EDUCATION FUND</b>          | 84,801                       | 130,000             | 45,199                 |

## Tobacco Litigation Fund

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These funds support grants to schools for tobacco prevention activities and for agency personnel and operating costs. Nearly 60 local supervisory unions/districts receive up to \$30,000 annually (\$6 per pupil) to implement proven tobacco prevention initiatives. Using strategies such as district-level coordination, effective curricula, improved policies, youth cessation programs and parent and community education, Vermont schools have shown a significant decline in eighth-grade tobacco use over the last several years.

### TOBACCO LITIGATION

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| PERSONAL SERVICES              | 140,405                      | 145,029             | 4,624                  |
| OPERATING EXPENSES             | 47,015                       | 45,378              | (1,637)                |
| GRANTS                         | <u>804,511</u>               | <u>801,523</u>      | <u>(2,988)</u>         |
| <b>TOTAL ALL CATEGORIES</b>    | <b>991,931</b>               | <b>991,930</b>      | <b>(1)</b>             |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| <b>TOBACCO FUND</b>            | <b>991,931</b>               | <b>991,930</b>      | <b>(1)</b>             |

## Act 117 Cost Containment

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Passed by the Legislature in 2000, Act 117 was designed to increase the capacity of the educational system to meet the needs of more students outside of special education, while curbing increases in special education costs.

|                                | FISCAL 2013<br>APPROP<br>ACT | FISCAL YEAR 2014    |                        |
|--------------------------------|------------------------------|---------------------|------------------------|
|                                |                              | AGENCY<br>RECOMMEND | FY2013<br>TO<br>FY2014 |
| <b>CATEGORY OF EXPENDITURE</b> |                              |                     |                        |
| PERSONAL SERVICES              | 1,093,827                    | 1,080,553           | (13,274)               |
| OPERATING EXPENSES             | 130,269                      | 154,437             | 24,168                 |
| GRANTS                         | <u>91,000</u>                | <u>91,000</u>       | <u>0</u>               |
| <b>TOTAL ALL CATEGORIES</b>    | <b>1,315,096</b>             | <b>1,325,990</b>    | <b>10,894</b>          |
| <b>SOURCE OF FUNDS</b>         |                              |                     |                        |
| <b>SPECIAL FUND</b>            | <b>1,315,096</b>             | <b>1,325,990</b>    | <b>10,894</b>          |