

MISSOURI STATE BOARD OF EDUCATION AGENDA ITEM:	September 2016
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CONSIDERATION OF ADOPTION OF THE FISCAL YEAR 2018 BUDGET REQUEST
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STATUTORY AUTHORITY:	<input type="checkbox"/> Consent Item <input checked="" type="checkbox"/> Action Item <input type="checkbox"/> Report Item
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Section 33.220, RSMo

DEPARTMENT GOAL NO. 4:

The Missouri Department of Elementary and Secondary Education will improve departmental efficiency and operational effectiveness.

SUMMARY:

The final list of new and increase decision items for Fiscal Year 2018 will be presented at the September Board meeting. In compliance with the October 1 deadline, the Department will submit the Fiscal Year 2018 budget request to the Office of Administration Division of Budget and Planning upon final approval of the State Board of Education at its September 13, 2016 meeting. Time will be given for the discussion of this agenda item.

PRESENTERS:

Roger Dorson, Deputy Commissioner; and Shari LePage, Chief Budget Officer, Financial and Administrative Services, will assist in the presentation and discussion of this agenda item.

RECOMMENDATION:

We recommend that the State Board of Education approve the Fiscal Year 2018 budget request as presented.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION									
FISCAL YEAR 2018 BUDGET COMPARISON									
		FY 2016		FY 2017		FY 2018		DIFFERENCE	
		TAFP	FTE	TAFP	FTE	DEPT REQUEST	FTE	AMOUNT	FTE
DIVISION OF FINANCIAL AND ADMINISTRATIVE SERVICES									
	OPERATIONS	4,542,839	72.80	4,617,565	72.80	4,617,565	72.80	0	0.00
	REFUNDS	70,000		70,000		70,000		0	
	FEDERAL OVERTIME RULE	0		0		335,979		335,979	
	FOUNDATION - EQUITY FORMULA	3,274,322,533		3,344,691,268		3,392,907,149		48,215,881	
	FOUNDATION - TRANSPORTATION	100,297,713		105,297,713		122,915,266		17,617,553	
	FOUNDATION - EARLY CHILDHOOD SPEC EDUC	149,660,376		170,840,842		170,840,842		0	
	FOUNDATION - CAREER EDUCATION	50,069,028		50,069,028		50,069,028		0	
	FOUNDATION - EARLY CHILDHOOD DEVELOPMENT	17,462,250		18,000,000		23,016,650		5,016,650	
	SMALL SCHOOLS PROGRAM	15,000,000		15,000,000		15,000,000		0	
	VIRTUAL EDUCATION	589,778		589,778		589,778		0	
	BOARD OPERATED SCHOOLS	48,647,844	716.90	50,205,555	714.90	57,030,708	714.90	6,825,153	0.00
	COMMUNITY PARTNERSHIPS	0		150,000		150,000		0	
	URBAN TEACHING PROGRAM	3,000,000		3,000,000		3,000,000		0	
	MATH & SCIENCE TUTORING PROGRAM	300,000		150,000		150,000		0	
	KANSAS CITY TUTORING PROGRAM	100,000		100,000		100,000		0	
	MISSOURI SCHOLARS AND FINE ARTS ACADEMIES	750,000		750,000		750,000		0	
	SCHOOL SAFETY TRAINING GRANTS	650,000		700,000		700,000		0	
	STEM PILOT	0		50,000		50,000		0	
	SCHOOL NUTRITION SERVICES	297,338,051		321,443,177		321,443,177		0	
	SCHOOL DISTRICT TRUST FUND (PROP C)	848,739,000		880,400,000		880,400,000		0	
	EARLY GRADE LITERACY	100,000		103,000		103,000		0	
	SCHOOL DISTRICT BONDS	492,000		492,000		492,000		0	
	FEDERAL GRANTS & DONATIONS	10,000,000		10,000,000		15,000,000		5,000,000	
DIVISION OF LEARNING SERVICES									
	OPERATIONS	14,111,472	214.86	14,312,219	216.86	14,387,219	217.11	75,000	0.25
	DYSLEXIA TRAINING PROGRAM	0		100,000		100,000		0	
	EXCELLENCE REVOLVING FUND	2,935,344	11.00	2,947,889	11.00	2,947,889	11.75	0	0.75
	ADULT LEARNING AND REHABILITATION SERVICES	30,941,377	659.20	33,648,236	659.20	32,490,776	664.20	(1,157,460)	5.00
	EARLY CHILDHOOD PROGRAM	13,791,841		14,791,841		17,903,854		3,112,013	
	RIGHT FROM THE START PROGRAM	0		900,000		900,000		0	
	AFTER SCHOOL PROGRAMMING (SACC)	21,908,383		21,908,383		21,908,383		0	
	PERFORMANCE BASED ASSESSMENT	22,583,468		25,583,468		25,583,468		0	
	CAREER EDUC-DISTRIBUTION TO SCHOOLS	23,500,000		21,000,000		21,000,000		0	
	TITLE I IASA	250,000,000		250,000,000		260,000,000		10,000,000	
	HOMELESS AND COMPREHENSIVE SCHOOL HEALTH	1,500,000		1,500,000		1,500,000		0	
	STEPHEN M FERMAN FUND-GIFTED	9,027		9,027		9,027		0	
	AP/DUAL CREDIT	415,875		415,875		415,875		0	
	TITLE II - IMPROVE TEACHER QUALITY	52,000,000		44,000,000		44,000,000		0	
	CHARTER SCHOOLS	2,432,000	0.00	2,432,000	0.00	2,432,000	0.00	0	0.00

Note: As of 09/09/16

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION									
FISCAL YEAR 2018 BUDGET COMPARISON									
	FY 2016		FY 2017		FY 2018		DIFFERENCE		
	TAFP	FTE	TAFP	FTE	DEPT REQUEST	FTE	AMOUNT	FTE	
TITLE IV, PART A - STUDENT SUPPORT AND ACADEMIC ENRICHMENT			0		8,000,000		8,000,000		
TITLE VI, PART B - RURAL AND LOW INCOME SCHOOLS	3,500,000		3,500,000		3,500,000		0		
TITLE III, PART A - LANGUAGE ACQUISITION	5,200,000		5,400,000		5,800,000		400,000		
FEDERAL REFUGEES	300,000		300,000		300,000		0		
CHARACTER ED INITIATIVES	10,000		10,000		10,000		0		
SCHOOL SUPPORT AND INTERVENTION	0	0.00	0	0.00	7,074,434	0.00	7,074,434	0.00	
TRAUMA INFORMED DEVELOPMENT	0		200,000		200,000		0		
TEACHER OF YEAR PROGRAM	0		40,000		40,000		0		
VOCATIONAL REHAB-GRANT	58,650,635		58,650,635		67,987,529		9,336,894		
DISABILITY DETERMINATION-GRANT	21,000,000		21,000,000		24,162,577		3,162,577		
INDEPENDENT LIVING CENTERS	4,644,588		5,244,588		5,799,588		555,000		
ADULT EDUCATION & LITERACY	15,324,023		15,324,023		15,324,023		0		
TROOPS TO TEACHERS	153,610		153,610		153,610		0		
SPECIAL EDUCATION-GRANT	274,873,391		244,873,391		244,873,391		0		
HIGH NEED FUND	46,555,141		46,555,141		49,555,620		3,000,479		
FIRST STEPS	53,312,710		53,312,710		53,312,710		0		
DMH/DMF PUBLIC SCHOOL PLACEMENTS	11,099,337		11,099,337		15,699,337		4,600,000		
SHELTERED WORKSHOPS	25,283,457		26,041,961		26,041,961		0		
READERS FOR THE BLIND	25,000		25,000		25,000		0		
BLIND STUDENT LITERACY (SB 401)	231,953		231,953		231,953		0		
SCHOOL FOR DEAF-TRUST	49,500		49,500		49,500		0		
SCHOOL FOR BLIND-TRUST	1,500,000		1,500,000		1,500,000		0		
SPECIAL OLYMPICS	100,000		100,000		100,000		0		
SCHOOL FOR SEVERELY HANDICAP-TRUST	200,000		200,000		200,000		0		
OTHER									
CHARTER PUBLIC SCHOOL COMMISSION	3,450,000	2.00	5,453,000	2.00	5,883,000	4.00	430,000	2.00	
MISSOURI COMMISSION FOR THE DEAF	692,302	7.00	748,984	7.00	1,088,484	8.00	339,500	1.00	
MISSOURI ASSISTIVE TECHNOLOGY	4,375,712	10.00	4,385,909	10.00	4,385,909	10.00	0	0.00	
CHILDREN'S SERVICES COMMISSION	8,000		8,000		8,000		0		
TOTALS	5,789,486,427	1,693.76	5,914,676,606	1,693.76	6,046,616,259	1,702.76	131,939,653	9.00	
REFUNDS	(70,000)		(70,000)		(70,000)		0		
MOAT-DEBT OFFSET ESCROW	(1,000)		(1,000)		(1,000)		0		
TOTAL BUDGET	5,789,415,427	1,693.76	5,914,605,606	1,693.76	6,046,545,259	1,702.76	131,939,653	9.00	
GENERAL REVENUE	3,220,532,590	819.50	3,318,174,889	821.50	3,410,684,692	825.50	92,509,803	4.00	
FEDERAL	1,087,047,244	857.26	1,073,686,848	854.26	1,110,116,698	858.51	36,429,850	4.25	
OTHER	1,481,835,593	17.00	1,522,743,869	18.00	1,525,743,869	18.75	3,000,000	0.75	
TOTAL BUDGET	5,789,415,427	1,693.76	5,914,605,606	1,693.76	6,046,545,259	1,702.76	131,939,653	9.00	

Note: As of 09/09/16

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DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION PRELIMINARY FISCAL YEAR 2018 INCREASE, REPLACEMENT, AND NEW BUDGET REQUESTS						
DECISION ITEM	TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE	
DEPARTMENT MANDATORY REQUESTS						
<i>New</i>	FEDERAL OVERTIME RULE	\$335,979	\$46,034	\$289,945	\$0	0.00
Increase request reflects the amount needed to fund the increase in overtime charges generated by the new federal overtime rule.						
<i>Incr</i>	FOUNDATION - EQUITY	\$48,215,881	\$48,215,881	\$0	\$0	0.00
Increase request reflects the amount needed to fund the foundation formula based on the current statutory formula.						
<i>Incr</i>	STATE BOARD OPERATED SCHOOLS - MEDICAID	\$2,000,000	\$0	\$2,000,000	\$0	0.00
Increase request reflects the anticipated increase in Medicaid expenses including contracted transportation services and qualified instructional costs.						
<i>Incr</i>	TITLE I	\$10,000,000	\$0	\$10,000,000	\$0	0.00
Increase request reflects \$7.8M shortfall from FY 2017 and a projected increase for FY 2018 due to ESSA.						
<i>Incr</i>	TITLE III, PART A (LANGUAGE ACQUISITION)	\$400,000	\$0	\$400,000	\$0	0.00
Additional capacity is needed to expend all federal funds available for this program due to ESSA.						
<i>New</i>	TITLE IV, PART A STUDENT SUPPORT AND ACADEMIC ENRICHMENT	\$8,000,000	\$0	\$8,000,000	\$0	0.00
New federal entitlement grant available under ESSA to provide all students access to a well rounded education, improve school conditions for student learning, and improve the use of technology in order to improve the academic achievement and digital literacy of all students. Distribution based on relative share of Title IA.						
<i>Incr</i>	VR FEDERAL CAPACITY INCREASE	\$6,399,142	\$0	\$6,399,142	\$0	0.00
The Workforce Investment Opportunities Act (WIOA) requires VR to expend at least 15% of the federal grant for Pre-Employment Transition Services for youth in the core areas of: 1) Job exploration counseling; 2) Work-based learning experiences; 3) Counseling on opportunities for postsecondary educational programs; 4) Workplace readiness training to develop social skills and independent living; and 5) Instruction in self advocacy. Additionally, the Act requires VR to provide vocational counseling and documentation for individuals in sub-minimum wage positions. Both are new requirements under WIOA and additional federal authority is necessary. This appropriation capacity has remained the same since SFY2014.						
<i>Incr</i>	DD FEDERAL CAPACITY INCREASE	\$1,810,577	\$0	\$1,810,577	\$0	0.00

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DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION PRELIMINARY FISCAL YEAR 2018 INCREASE, REPLACEMENT, AND NEW BUDGET REQUESTS						
DECISION ITEM	TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE	
<p>The Disability Determination appropriation capacity has not increased since SFY2011. Growth in the volume of disability claims and the processing costs have increased each year creating a need for additional federal appropriation capacity. Changes from the Bi-Partisan Budget Act of 2015 resulted in the need for additional medical consultants and exams. Increased need is based upon the last two years of data.</p>						
<i>Incr</i>	HIGH NEED FUND	\$3,000,479	\$3,000,479	\$0	\$0	0.00
Increase request reflects the anticipated increase in the number of students claimed, number of schools claiming, and cost of special education services.						
DEPARTMENT DISCRETIONARY REQUESTS						
<i>Incr</i>	FOUNDATION - TRANSPORTATION	\$17,617,553	\$17,617,553	\$0	\$0	0.00
Increase request will allow reimbursement to districts of transportation costs at 28% of the statutory maximum of 75%. Full school transportation aid funding for FY18 is projected to require \$281,473,239. DESE plans to request \$17.6 million each year for 10 years so that the full funding of 75% per 163.161, RSMo, can be achieved.						
<i>Incr</i>	FOUNDATION - EARLY CHILDHOOD DEVELOPMENT (PAT)	\$5,016,650	\$5,016,650	\$0	\$0	0.00
Increase in funding will provide additional resources for the early childhood development support program - Parents as Teachers. Additional funds would be used to provide parent education services to approximately 1,810 high needs families and 3,459 non high needs families on waiting lists throughout Missouri. Calculation: 1,810 high needs families x 25 personal visits (eligible for up to 25 per program year) x \$65 (current reimbursement rate) plus 3,459 non high needs families x 12 personal visits x \$50 reimbursement rate.						
<i>Incr</i>	STATE BOARD OPERATED SCHOOLS - SALARY SCHEDULE ADJUSTMENT	\$2,690,926	\$2,690,926	\$0	\$0	0.00
Funding is needed to fix the salary schedule at the State Operated Schools (SOP's). The average teacher salary at the SOP's is \$33,000. The average teacher salary statewide is \$48,000. This disparity has made it difficult to fill the positions at the SOP's. The Department requested \$2.9 million in FY 17. The Governor and General Assembly approved \$1,000,000, however \$700,000 is currently restricted. This request reflects an 8% salary increase per position for teachers, aides, building administrators, area directors, assistant superintendents and superintendents.						
<i>Incr</i>	STATE BOARD OPERATED SCHOOLS - TRANSPORTATION	\$2,134,227	\$2,134,227	\$0	\$0	0.00
Increase request reflects estimated increase in contracted transportation services for the 34 Missouri Schools for the Severely Disabled (MSSD).						
<i>Incr</i>	FEDERAL GRANTS AND DONATIONS	\$5,000,000	\$0	\$5,000,000	\$0	0.00

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DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION PRELIMINARY FISCAL YEAR 2018 INCREASE, REPLACEMENT, AND NEW BUDGET REQUESTS					
DECISION ITEM	TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE
Increase request reflects increase in capacity needed for unknown grants that become available under the new federal education law, Every Student Succeeds Act (ESSA).					
<i>New</i> TRAUMA-INFORMED SCHOOLS INITIATIVE (LEARNING SERVICES OPERATIONS)	\$75,000	\$75,000	\$0	\$0	1.00
Increase in funding will support 1.0 FTE at DESE to manage the Trauma-Informed Schools Initiative. This individual will provide information and offer training to all school districts regarding the trauma-informed approach. In addition, this individual will develop an informational website about the Trauma-Informed Schools Initiative. The funding will also support costs for DESE to develop an evaluation, conduct the evaluation, and report the results and benefits of the program to the General Assembly. (PS - Supervisor FTE - \$50,000; E&E - \$10,000; and Evaluation - \$15,000)					
<i>Incr</i> EARLY CHILDHOOD PROGRAM - MPP	\$3,000,000	\$0	\$0	\$3,000,000	0.00
The Program will provide funding for developmentally appropriate, high quality early education to foster increased school readiness for Missouri's children who are one to two years away from kindergarten entry. Funding will provide approximately 8-33 new grants serving 330-600 additional students. Note: If no increase in MPP funding, there will be no new grant opportunity for FY 2018. (Other Fund is Early Childhood Education and Care Fund.)					
<i>New</i> EARLY LEARNING QUALITY ASSURANCE	\$112,013	\$112,013	\$0	\$0	0.00
Early Learning Quality Assurance was passed as a part of SB 638 in the 2016 Legislative session. The legislation requires the convening of stakeholders in a two-day work session to provide feedback and recommendations to the draft voluntary early learning quality assurance report. Additionally, convening stakeholders in a two-day work session to take public comment information and incorporate changes to the draft voluntary early learning quality assurance report. DESE assumes this would be 100 people meeting 2 times. Per person costs of \$261.50 per person for hotel, meals, and mileage (\$52,300). Training for early learning professionals to administer classroom observational measurements with fidelity will need to take place (\$20,000). Software licenses and hardware (\$37,400). Travel is estimated to be \$92.50 (250 mile trip @.37 per mile) per observation. Per the fiscal note for SB 638, 25 programs at a cost of \$2,313 per program. This would result in a total cost of \$112,013 for FY 2018.					
<i>New</i> SCHOOL SUPPORT AND INTERVENTION	\$7,074,434	\$7,074,434	\$0	\$0	0.00

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DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION PRELIMINARY FISCAL YEAR 2018 INCREASE, REPLACEMENT, AND NEW BUDGET REQUESTS						
DECISION ITEM	TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE	
<p>All children deserve access to high quality learning opportunities. Through the MSIP Support and Intervention Plan, targeted supports will be provided to meet the needs of the children being served in Missouri's school districts and charter schools. Annual performance reports (APRs), which are generated for each district and school including charter schools, help to identify those most in need of direct assistance in implementing systems and best practices that will improve student achievement. In the MSIP Support and Intervention Plan, districts, schools, and charter schools fall into one of four tiers based on their APR and reflecting their level of needed support. Through a strong network of DESE staff, DESE regional area supervisors, and regional education service providers, the MSIP Support and Intervention Plan is designed to meet the needs across the state.</p> <p>In addition, systems reviews in community involvement, school climate and culture, comprehensive school improvement planning, curriculum and instruction, data systems, educator effectiveness, finance, and governance are used to identify additional areas in which a district, school, or charter LEA may need guidance in effective practice.</p> <p>Within this funding request is support for initiatives to provide equitable access to effective teachers for every child, as well as the system that supports the development of school leaders. The funding requested above would allow DESE to implement the MSIP Support and Intervention Plan so that each child in Missouri's public schools has the opportunity for a high-quality education facilitated by high-quality teachers and leaders.</p>						
<i>Incr</i>	VR CORE OPERATIONS	\$278,540	\$0	\$278,540	\$0	5.00
<p>Pursuant to new Vocational Rehabilitation responsibilities under the Workforce Innovation and Opportunities Act (WIOA), 5.0 FTE and federal funding capacity are being requested. The law requires VR to provide youth with disabilities seeking subminimum wage with documentation of pre-employment transition services and application for VR services. Additionally, VR must provide annual career counseling and information and referral services for all workers employed at subminimum wage regardless of age. The VR federal grant funding will support this need but additional federal capacity is necessary to expend the federal funds for this new responsibility.</p>						
<i>Incr</i>	VR STATE MATCH	\$2,937,752	\$602,106	\$2,335,646	\$0	0.00
<p>Vocational Rehabilitation receives Federal grant funding at a 78.7% / 21.3% match rate. An increase in state funding is needed to maximize all available federal funds for vocational rehabilitation services for Missouri's citizens with disabilities. Increases in new applicants, open cases, and case costs have necessitated additional funding to serve this population. The federal grant for this program is adjusted annually based on the Consumer Price Index.</p>						
<i>Incr</i>	INDEPENDENT LIVING CENTERS	\$555,000	\$555,000	\$0	\$0	0.00
<p>The Workforce Innovation and Opportunities Act (WIOA) made changes in the IL program requirements to require the provision of three additional services. These changes were initiated beginning in 2016. 1) Youth transition (school to work), 2) transition from nursing homes, and 3) diversion from entering nursing homes. Increased funding is needed to achieve these requirements.</p>						

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DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION PRELIMINARY FISCAL YEAR 2018 INCREASE, REPLACEMENT, AND NEW BUDGET REQUESTS					
DECISION ITEM	TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE
<i>Incr</i> PUBLIC PLACEMENT FUND	\$4,600,000	\$4,600,000	\$0	\$0	0.00
Increase request reflects the amount needed to cover the full amount of reimbursement requested. Current reimbursement is at 70.74% .					
<i>Incr</i> MISSOURI PUBLIC CHARTER SCHOOL COMMISSION	\$430,000	\$430,000	\$0	\$0	2.00
Increase request reflects the need for two additional FTE. Requested positions include a Deputy Director of Application, Recruitment and Review and a Deputy Director of Accountability and Renewal as well as funding for an Accounting/Procurement/Administrative position. The positions would be located in either St. Louis or Kansas City depending on the need. Note: The Commission's board voted this increase request be classified as mandatory.					
<i>Incr</i> MISSOURI COMMISSION FOR THE DEAF AND HARD OF HEARING	\$359,500	\$359,500	\$0	\$0	1.00
Pursuant to RSMo 161.412 (HB 1696), the Missouri Commission for the Deaf and Hard of Hearing must provide grants to organizations that provide services for deaf-blind children and their families, deaf-blind adults, and provide training for support service providers. The commission must use a request-for-proposal process to award grants. Organizations that receive a grant may use it for any purpose authorized. The total amount of grants provided under the provisions of the bill must be capped at \$300,000 annually. (Project Supervisor - \$45,000/1FTE; E&E - \$14,500; PSD - \$300,000) Note: The Commission's board voted this increase request be classified as mandatory.					

TOTALS: \$132,043,653 \$92,529,803 \$36,513,850 \$3,000,000 9.00

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DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION CORE REDUCTIONS/REALLOCATIONS/TRANSFERS FISCAL YEAR 2018

<u>HOUSE BILL</u>	<u>FUND/ APPROP</u>	<u>PROGRAM DESCRIPTION</u>	<u>AMOUNT</u>	<u>FTE</u>
2.220	0101-2322	Commission for the Deaf - EE (190 Office Supplies one-time expense)	(20,000)	
TOTAL CORE REDUCTIONS			(20,000)	0.00
2.050	0105-7812	Learning Services Federal PS (Job Class O03317)		(0.75)
2.050	0651-6459	Excellence in Education Revolving PS (Job Class O03317)		0.75
2.050	0104-2317	Adult Learning & Rehab Services E&E (400 -Professional Services)	(1,352,000)	
2.140	0104-0512	Disability Determination Grant (400 -Professional Services)	1,352,000	
TOTAL CORE REALLOCATIONS			0	0.00
2.050	0104-2317	VR/DDS STAFF - TRANSFER TO OA FMDC (680 -Bldg. Lease Payments)	(84,000)	
TOTAL TRANSFER IN			(84,000)	0.00

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DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION FISCAL YEAR 2017 SUPPLEMENTAL BUDGET REQUESTS					
DECISION ITEM	TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE
DEPARTMENT MANDATORY SUPPLEMENTAL REQUESTS					
<i>Supp</i> Federal Overtime Rule	\$174,072	\$25,316	\$146,994	\$1,762	0.00
Increase request reflects the amount needed to fund the increase in overtime charges generated by the new federal overtime rule. Federal Rule takes effect December 1, 2016. Therefore, creating a shortfall for FY 2017.					
<i>Supp</i> TITLE I	\$7,800,000	\$0	\$7,800,000	\$0	0.00
Supplemental increase reflects additional federal capacity needed to cover FY 2017 shortfall. \$7.8M payments were delayed in June, 2016 until July, 2017. Therefore, creating a shortfall for FY 2017.					
<i>Supp</i> VR FEDERAL CAPACITY INCREASE	\$2,000,765	\$0	\$2,000,765	\$0	0.00
The Workforce Investment Opportunities Act (WIOA) created a new federal mandate requiring VR to expend at least 15% of the federal grant for Pre-Employment Transition Services for youth in the core areas of: 1) Job exploration counseling; 2) Work-based learning experiences; 3) Counseling on opportunities for postsecondary educational programs; 4) Workplace readiness training to develop social skills and independent living; and 5) Instruction in self advocacy. Additionally, the Act adds a requirement for VR to provide vocational counseling and documentation for individuals in sub-minimum wage positions. Both are new requirements under WIOA and additional federal authority is necessary to comply with the law. Currently, funding to support this need is available through the federal VR grant, however, additional federal capacity is needed to expend the funds for this purpose.					
DEPARTMENT DISCRETIONARY SUPPLEMENTAL REQUESTS					
<i>Supp</i> EARLY LEARNING QUALITY ASSURANCE	\$52,300	\$52,300	\$0	\$0	0.00
Early Learning Quality Assurance was passed as a part of SB 638 in the 2016 Legislative session. For FY 2017, the legislation requires the convening of stakeholders in a two-day work session to provide feedback and recommendations to the draft voluntary early learning quality assurance report. Additionally, convening stakeholders in a two-day work session to take public comment information and incorporate changes to the draft voluntary early learning quality assurance report. DESE assumes this would be 100 people meeting 2 times. Per person costs of \$261.50 per person for hotel, meals, and mileage. This would result in a cost of \$52,300 for FY 2017 as reflected in the fiscal note response.					
<i>Supp</i> SCHOOL FOR BLIND TRUST FUND	\$2,500,000	\$0	\$0	\$2,500,000	0.00
Increase request reflects amount needed to cover costs for the Health Center, Auditorium, Playground, and Front Lobby. (Other Fund is School for Blind Trust Fund.)					
TOTALS: \$12,527,137 \$77,616 \$9,947,759 \$2,501,762 0.00					