

CONSIDERATION OF ADOPTION OF THE FISCAL YEAR 2022 BUDGET REQUEST

STATUTORY AUTHORITY:

Section 33.220, RSMo.

Consent
Item

Action
Item

Report
Item

PRIORITY AREA

Efficiency & Effectiveness

SUMMARY

The final list of new and increasing decision items for Fiscal Year 2022 will be presented. The Department will submit the Fiscal Year 2022 budget request to the Office of Administration, Division of Budget and Planning upon final approval of the State Board of Education at its September 15, 2020, meeting. The deadline for submittal is October 1.

PRESENTER

Kari Monsees, Deputy Commissioner; and Jennifer Jordan, Chief Budget Officer, Financial and Administrative Services, will assist in the presentation and discussion of this agenda item.

RECOMMENDATION

The Department recommends that the State Board of Education approve the Fiscal Year 2022 budget request as presented.

Kari Monsees & Jennifer Jordan
Financial and Administrative Services

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Fiscal Year 2022 Budget Request



September 15, 2020



New Decision Items

New Decision Item – Foundation Formula

Decision Item	Total	General Revenue	Federal	Other	FTE
Foundation Formula	\$8,525,909	\$8,525,909	\$0	\$0	0

- Increase is necessary due to the 163.031, RSMo, which requires the Department of Elementary and Secondary Education to remit to each district amount equal to the total of the revenue the district would have received from the Financial Institution Tax (FIT) and remit the amount to each applicable district not less than 30 days after the conclusion of each calendar year.

New Decision Item – Foundation – Early Childhood Special Education (ECSE)

Decision Item	Total	General Revenue	Federal	Other	FTE
Foundation - ECSE	\$8,425,864	\$8,425,864	\$0	\$0	0

- Increased costs necessitate an increase to the appropriation for this mandated reimbursement to districts pursuant to the 1992 Missouri Supreme Court decision.

New Decision Item – Grow Your Own (GYO) Start-Up Grant

Decision Item	Total	General Revenue	Federal	Other	FTE
GYO Start-Up Grant	\$200,000	\$200,000	\$0	\$0	0

- A Grow Your Own (GYO) Program is about building a pipeline of teacher candidates with high school students.
- This funding will provide start-up grants to school districts with high minority, high poverty and rural schools.
- Funding will provide start-up grants for 40 school districts.

New Decision Item – Foundation Early Childhood Development -Parent Education/Developmental Screening

Decision Item	Total	General Revenue	Federal	Other	FTE
Parent Education/Developmental Screening	\$2,060,975	\$2,060,975	\$0	\$0	0

- The increased funding is to provide additional parent education and developmental screening services for young children, in accordance with RSMo. 178.691 through 699.
- Developmental screenings provide information regarding a child’s developmental progress and an opportunity for educators to share early education strategies with parents that they can implement with their child in every day activities in the home.
- This will allow possible concerns or delays to be caught early and allow time for intervention before the child enters the kindergarten classroom.

New Decision Item – Continuous Improvement

Decision Item	Total	General Revenue	Federal	Other	FTE
Continuous Improvement	\$1,360,000	\$1,360,000	\$0	\$0	0

- Continuous Improvement is the beginning of a phased approach to enhance school improvement efforts and tools which would assist school districts and charter schools with these efforts.
- This program will incentivize continuous improvement of school systems to ensure Missouri students graduate prepared for success. This will be accomplished by continuing to emphasize standards for student performance but will also emphasize leading indicators - inputs in economic terms - that will ensure health school systems and the continuous improvement process.

New Decision Item – Adult Learning & Rehab Services Core Operations – Federal Capacity

Decision Item	Total	General Revenue	Federal	Other	FTE
Adult Learning & Rehab Services	\$1,519,992	\$0	\$1,519,992	\$0	0

- Increase is necessary as a result of the economic effects of the COVID-19 health emergency.
- Increase in federal personal services authority is needed for the Disability Determinations program.
 - Social Security Administration Regional Office estimates the significant rise in disability claims will require additional DD staff to handle the demand within the DD offices.
- This request is for federal capacity.

New Decision Item – Vocational Rehabilitation State Match

Decision Item	Total	General Revenue	Federal	Other	FTE
VR State Match	\$4,689,986	\$981,940	\$3,708,046	\$0	0

- VR receives Federal grant funding at a 78.7%/21.3% state match rate.
- An increase in state funding is necessary to maximize all available federal funds for vocational rehabilitation services for Missouri’s citizens with disabilities.



Supplemental Requests

Supplemental Request – Foundation – Early Childhood Special Education (ECSE)

Supplemental Request	Total	General Revenue	Federal	Other	FTE
Foundation – ECSE	\$6,425,864	\$6,425,864	\$0	\$0	0

- Increased costs necessitate an increase to the appropriation for this mandated reimbursement to districts pursuant to the 1992 Missouri Supreme Court decision.

Supplemental Request – Missouri Healthy Schools

Supplemental Request	Total	General Revenue	Federal	Other	FTE
Missouri Healthy Schools	\$266,463	\$0	\$266,463	\$0	0

- Increase in federal capacity.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
PRELIMINARY FISCAL YEAR 2022 INCREASE, REPLACEMENT, AND NEW BUDGET REQUESTS**

			DECISION ITEM	TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE
LINE	RANK		DEPARTMENT REQUESTS					
1	5	<i>Incr</i>	FOUNDATION FORMULA	\$8,525,909	\$8,525,909	\$0	\$0	0.00
			The increase request is due to HB 604 which was signed into law on July 11, 2019, and modified 163.031, RSMo, to require the Department of Elementary and Secondary Education to remit to each district an amount equal to "the total of the revenue the district would have received from the tax authorized under sections 148.030, 148.140, 148.620, and 148.720 absent the provisions of section 148.720, and remit the following amount to each applicable district not less than thirty days after the conclusion of each calendar year. The amount remitted to each district shall be the total of the revenue received by the district from the tax authorized under sections 148.030, 148.140, 148.620, and 148.720 during the applicable calendar year times one and five thousand six hundred twenty-five ten thousandths minus the total of the revenue received by the district from the tax authorized under sections 148.030, 148.140, 148.620, and 148.720 during the same calendar year."					
2	5	<i>Incr</i>	FOUNDATION - EARLY CHILDHOOD SPECIAL EDUCATION (ECSE)	\$8,425,864	\$8,425,864	\$0	\$0	0.00
			This increase in funding is needed to cover the FY21 supplemental request of \$6,425,864. In addition, for FY22, increased costs for transportation, salaries and benefits necessitate an increase to the appropriation for this mandated reimbursement to districts pursuant to the 1992 Missouri Supreme Court decision.					
3	6	<i>Incr</i>	GROW-YOUR-OWN (GYO)	\$200,000	\$200,000	\$0	\$0	0.00
			A Grow Your Own (GYO) Program is about building a pipeline of teacher candidates with high school students. Specifically, this funding will provide start-up grants to school districts with high minority, high poverty and rural schools to build GYO programs to ensure future teachers in hard-to-staff content areas and geographic locations. This increase in funding is needed to provide start-up grants for approximately 40 school districts. (40 school districts x \$5,000 grants each = \$200,000).					
4	6	<i>Incr</i>	FOUNDATION EARLY CHILDHOOD DEV - EDUCATION/DEVELOPMENT SCREENING	\$2,060,975	\$2,060,975	\$0	\$0	0.00
			The increased funding is to provide additional parent education and developmental screening services for young children, in accordance with RSMo. 178.691 through 699. Developmental screenings provide information regarding a child's developmental progress and an opportunity for educators to share early education strategies with parents that they can implement with their child in every day activities in the home. This will allow possible concerns or delays to be caught early and allow time for intervention before the child enters the kindergarten classroom.					
5	6	<i>Incr</i>	CONTINUOUS IMPROVEMENT	\$1,360,000	\$1,360,000	\$0	\$0	0.00
			Continuous Improvement is the beginning of a phased approach to enhance school improvement efforts and tools which would assist school districts and charter schools with these efforts. This will incentivize continuous improvement of school systems to ensure Missouri students graduate prepared for success. This program will accomplish this by continuing to emphasize standards for student performance but will also emphasize leading indicators - inputs in economic terms - that will ensure health school systems and the continuous improvement process.					

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION PRELIMINARY FISCAL YEAR 2022 INCREASE, REPLACEMENT, AND NEW BUDGET REQUESTS								
			DECISION ITEM	TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE
6	7	Incr	ADULT LEARNING & REHAB SERVICES CORE OPERATIONS- FEDERAL PS CAPACITY	\$1,519,992	\$0	\$1,519,992	\$0	0.00
			As a result of the economic effects of the COVID-19 health emergency, an increase in federal PS authority for the Disability Determinations (DD) program is needed. SSA Regional Office estimates the significant rise in disability claims will require additional DD staff to handle the demand within the DD offices. Funding to support this need is available 100% through federal SSA monies, however, additional federal capacity (only) is needed to expend the funds for this purpose.					
7	6	Incr	VR STATE MATCH	\$4,689,986	\$981,940	\$3,708,046	\$0	0.00
			Vocational Rehabilitation receives Federal grant funding, subject to a 78.7% / 21.3% state match rate. An increase in state funding is necessary to maximize all available federal funds to provide vocational rehabilitation services for Missouri's citizens with disabilities. The VR federal grant is a formula based grant, adjusted annually based on the Consumer Price Index. Requesting state funding in the amount of \$981,940 to secure an additional \$3,708,046 in federal funds.					
			TOTALS DESE:	\$26,782,726	\$21,554,688	\$5,228,038	\$0	0.00
			COMMISSION REQUESTS					
					\$0	\$0	\$0	0.00
				\$0	\$0	\$0	\$0	0.00
			TOTALS COMMISSIONS:	\$0	\$0	\$0	\$0	0.00
			TOTALS DESE AND COMMISSIONS:	\$26,782,726	\$21,554,688	\$5,228,038	\$0	0.00

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION							
FISCAL YEAR 2022 BUDGET COMPARISON							
						DIFFERENCE	
						FY 2022 DEPT REQ	
		FY 2021		FY 2022		vs	
		TAFP		DEPARTMENT		FY 2021 TAFP	
		AFTER VETO	FTE	REQUEST	FTE	AMOUNT	FTE
DIVISION OF FINANCIAL AND ADMINISTRATIVE SERVICES							
	OPERATIONS	4,710,139	73.00	4,710,139	73.00	0	0.00
	REFUNDS	70,000		70,000		0	
	FOUNDATION FORMULA	3,553,211,885		3,561,737,794		8,525,909	
	FOUNDATION - TRANSPORTATION	93,947,713		93,947,713		0	
	FOUNDATION - EARLY CHILDHOOD SPEC EDUC	206,543,263		214,969,127		8,425,864	
	FOUNDATION - CAREER EDUCATION	50,069,028		50,069,028		0	
	FOUNDATION - EARLY CHILDHOOD DEVELOPMENT (PAT)	21,058,000		21,058,000		0	
	PARENT EDUCATION/DEVELOPMENTAL SCREENING	0		2,060,975		2,060,975	
	SMALL SCHOOLS PROGRAM	15,000,000		15,000,000		0	
	BOARD OPERATED SCHOOLS	55,281,526	672.92	55,281,526	672.92	0	0.00
	K-12 CARES ACT (GOV K-12 DISTRIBUTION)	208,443,000		208,443,000		0	
	CARES ACT GOVERNORS FUND	30,000,000		30,000,000		0	
	K-12 CARES ACT SUPP	2,000,000,000		2,000,000,000		0	
	SCHOOL NUTRITION SERVICES	321,443,177		321,443,177		0	
	URBAN TEACHING PROGRAM	1,700,000		1,700,000		0	
	K-3 READING ASSESSMENT PROGRAM	400,000		400,000		0	
	STEM CAREER AWARENESS PROGRAM FUND	250,000		250,000		0	
	COMPUTER SCIENCE EDUCATION	450,000		450,000		0	
	SCHOOL DISTRICT TRUST FUND (PROP C)	958,400,000		958,400,000		0	
	SCHOLARS AND FINE ARTS ACADEMIES	1		1		0	
	COMMUNITY IN SCHOOLS PILOT PROGRAM	200,000		200,000		0	
	SCHOOL SAFETY TRAINING GRANTS	300,000		300,000		0	

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION							
FISCAL YEAR 2022 BUDGET COMPARISON							
						DIFFERENCE	
						FY 2022 DEPT REQ	
		FY 2021		FY 2022		vs	
		TAFP		DEPARTMENT		FY 2021 TAFP	
		AFTER VETO	FTE	REQUEST	FTE	AMOUNT	FTE
	SCHOOL SAFETY PROGRAM	2,000,000		2,000,000		0	
	VIRTUAL EDUCATION	589,778		589,778		0	
	VIRTUAL EDUCATION WORKFORCE	500,000		500,000		0	
	SCHOOL DISTRICT BONDS	492,000		492,000		0	
	FEDERAL GRANTS & DONATIONS	15,000,000		15,000,000		0	
	SCHOOLS AND LIBRARIES (E-RATE) PROGRAM	3,000,000		3,000,000		0	
DIVISION OF LEARNING SERVICES							
	OPERATIONS	14,699,195	213.91	14,699,195	213.91	0	0.00
	EXCELLENCE REVOLVING FUND	2,979,103	11.75	2,979,103	11.75	0	0.00
	ADULT LEARNING AND REHABILITATION SERVICES	34,203,951	659.20	35,723,943	659.20	1,519,992	0.00
	EARLY LITERACY PROGRAM (PK - 3RD GRADE)	250,000		250,000		0	
	EARLY CHILDHOOD PROGRAM	2,822,917		2,822,917		0	
	PRESCHOOL DEVELOPMENT GRANTS	11,200,000		11,200,000		0	
	MPP - QUALITY ASSURANCE	119,713		119,713		0	
	AFTER SCHOOL PROGRAMMING (SACC)	21,577,278		21,577,278		0	
	PERFORMANCE BASED ASSESSMENT	21,583,468		21,583,468		0	
	CAREER EDUC-DISTRIBUTION TO SCHOOLS	23,000,000		23,000,000		0	
	DYSLEXIA TRAINING PROGRAM	400,000		400,000		0	
	MISSOURI HEALTHY SCHOOLS, SUCCESSFUL STUDENTS	283,148		283,148		0	
	CONTINUOUS IMPROVEMENT	0		1,360,000		1,360,000	
	TITLE I IASA	260,000,000		260,000,000		0	
	HOMELESS AND COMPREHENSIVE SCHOOL HLTH	1,500,000		1,500,000		0	
	STEPHEN M FERMAN FUND-GIFTED	9,027		9,027		0	

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION							
FISCAL YEAR 2022 BUDGET COMPARISON							
						DIFFERENCE	
						FY 2022 DEPT REQ	
		FY 2021		FY 2022		vs	
		TAFP		DEPARTMENT		FY 2021 TAFP	
		AFTER VETO	FTE	REQUEST	FTE	AMOUNT	FTE
TITLE II - IMPROVE TEACHER QUALITY		44,000,000		44,000,000		0	
TITLE IV, PART A - STUDENT SUPPORT AND ACADEMIC ENRICHMENT		21,000,000		21,000,000		0	
TITLE VI, PART B - RURAL AND LOW INCOME SCHOOLS		3,500,000		3,500,000		0	
TITLE III, PART A - LANGUAGE ACQUISITION		5,800,000		5,800,000		0	
FEDERAL REFUGEES		300,000		300,000		0	
CHARACTER ED INITIATIVES		1		1		0	
TEACHER OF YEAR PROGRAM		40,000		40,000		0	
GROW YOUR OWN (GYO) START-UP GRANT		0		200,000		200,000	
VOCATIONAL REHABILITATION-GRANT		68,893,464		73,583,450		4,689,986	
DISABILITY DETERMINATION-GRANT		24,162,577		24,162,577		0	
INDEPENDENT LIVING CENTERS		5,153,103		5,153,103		0	
ADULT EDUCATION & LITERACY		15,014,023		15,014,023		0	
TROOPS TO TEACHERS		95,000		95,000		0	
SPECIAL EDUCATION-GRANT		244,873,391		244,873,391		0	
HIGH NEED FUND		59,536,351		59,536,351		0	
FIRST STEPS		60,312,710		60,312,710		0	
DMH/DMF PUBLIC SCHOOL PLACEMENTS		5,625,000		5,625,000		0	
SHELTERED WORKSHOPS		26,041,961		26,041,961		0	
READERS FOR THE BLIND		25,000		25,000		0	
BLIND STUDENT LITERACY (SB 401)		231,953		231,953		0	
SCHOOL FOR DEAF-TRUST		49,500		49,500		0	
SCHOOL FOR BLIND-TRUST		1,500,000		1,500,000		0	
SPECIAL OLYMPICS		100,000		100,000		0	
SCHOOL FOR SEVERELY HANDICAP-TRUST		200,000		200,000		0	

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION							
FISCAL YEAR 2022 BUDGET COMPARISON							
						DIFFERENCE	
						FY 2022 DEPT REQ	
		FY 2021		FY 2022		vs	
		TAFP		DEPARTMENT		FY 2021 TAFP	
		AFTER VETO	FTE	REQUEST	FTE	AMOUNT	FTE
OTHER							
	CHARTER PUBLIC SCHOOL COMMISSION	3,583,085	3.00	3,583,085	3.00	0	0.00
	MISSOURI COMMISSION FOR THE DEAF	1,107,867	8.00	1,107,867	8.00	0	0.00
	HEARING AID DISTRIBUTION	200,000	0.00	200,000		0	
	MISSOURI ASSISTIVE TECHNOLOGY	4,375,912	9.40	4,375,912	9.40	0	0.00
	TRANSFER TO LEGAL EXPENSE FUND	1		1		0	
	TOTALS	8,533,408,209	1,651.18	8,560,190,935	1,651.18	26,782,726	0.00
	LESS:						
	REFUNDS	(70,000)		(70,000)		0	
	SCHOOL BROADBAND	(3,000,000)		(3,000,000)		0	
	TOTAL BUDGET	8,530,338,209	1,651.18	8,557,120,935	1,651.18	26,782,726	0.00

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION FISCAL YEAR 2021 SUPPLEMENTAL BUDGET REQUESTS						
DECISION ITEM		TOTAL	GENERAL REVENUE	FEDERAL	OTHER	FTE
DEPARTMENT SUPPLEMENTAL REQUESTS						
<i>Supp</i>	FOUNDATION - EARLY CHILDHOOD SPECIAL EDUCATION (ECSE)	\$6,425,864	\$6,425,864	\$0	\$0	0.00
The program was short \$6,425,864 in FY20, which was paid from the FY21 appropriations. The FY20 shortfall and increased costs for transportation, salaries and benefits for FY21 necessitate an increase to the appropriation for this mandated reimbursement to districts pursuant to the 1992 Missouri Supreme Court decision.						
<i>Supp</i>	MISSOURI HEALTHY SCHOOLS	\$266,463	\$0	\$266,463	\$0	0.00
This supplemental funding will provide the Department with additional capacity in the federal appropriation in order to expend the supplemental funds that were provided by the CDC due to COVID-19.						
TOTALS DESE:		\$6,692,327	\$6,425,864	\$266,463	\$0	0
COMMISSION SUPPLEMENTAL REQUESTS						
<i>Supp</i>		\$0	\$0	\$0	\$0	0.00
TOTALS COMMISSIONS:		\$0	\$0	\$0	\$0	0.00
TOTALS DESE AND COMMISSIONS:		\$6,692,327	\$6,425,864	\$266,463	\$0	0