

An Investment in Our Future

Vermont State Board of Education FY 2012 Budget Recommendations

January 2011

www.education.vermont.gov



State Board of Education

Fayneese Miller, Chair - South Burlington
(Term: 2006-2012)
660-7141/Fayneese.Miller@uvm.edu

Ruth Stokes, Co-Vice Chair - Williston
(Term: 2005-2011)
879-7460/rstokes123@aol.com

Kathy Larsen, Co-Vice Chair - Wilmington
(Term: 2007-2013)
464-2263/KLarsen.007@gmail.com

Donald Collins - Swanton
(Term: 2009-2015)
868-7975/dec_vtpartners@yahoo.com

John Hall - West Danville
(Term: 2009-2015)
684-3355/hallnapa@kingcon.com

Robert Kelley - Brandon
(Term: 2009-2011)
247-3452/Yank500@yahoo.com

Judith Livingston - Manchester
(Term: 2009-2015)
362-1949/judylivingston@comcast.net

Stephan Morse - Newfane
(Term: 2009-2011)
365-4255/stephan@sover.net

Elizabeth Strano - Bennington
(Term: 2010-2012)
447-4897/fiveinvermont@myfairpoint.net

Brian Vachon - Middlesex
(Term: 2007-2013)
229-4441/BrianVachon@comcast.net

Department of Education

120 State Street /Montpelier, VT 05620-2501/828-3135/www.education.vermont.gov

Armando Vilaseca
Commissioner of Education
(802) 828-3135

Rae Ann Knopf, Deputy Commissioner
for Transformation & Innovation
828-5101/rae.knopf@state.vt.us

Bill Talbott, Deputy Commissioner/CFO
Finance & Administration
828-0470/bill.talbott@state.vt.us

Mark Oettinger, General Counsel
828-0416/mark.oettinger@state.vt.us

Marta Cambra, Director
Educator Quality
828-6543/marta.cambra@state.vt.us

Deborah Quackenbush, Director
General Supervision & Monitoring
828-5877/deborah.quackenbush@state.vt.us

Brian Townsend, Director
Information Technology
828-3719/brian.townsend@state.vt.us

John Fischer, Co-Director
Integrated Support for Learning
Secondary & Adult Division
828-0488/john.fischer@state.vt.us

Karin Edwards, Co-Director
Integrated Support for Learning
PK - Middle Division
828-5118/karin.edwards@state.vt.us

Gail Taylor, Director
Research Standards & Assessment
828-5158/gail.taylor@state.vt.us

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

Message from the State Board Chair and Commissioner

The mission of the Vermont State Board and Department of Education is to provide leadership, support and oversight to ensure that the Vermont public education system enables each student to be successful.

Recently, State Board of Education adopted its 2010-2014 Strategic Plan. The plan has been renewed to 1) reflect current practice and views; 2) assure that all students graduate from high school having achieved proficiency in reading, math, science, writing and 21st Century skill development, and are prepared to enter college or a career of their choosing; and 3) integrate the tenets of Transformation.

The Strategic Plan is built on Five Major Goals:

Educational Leadership: All levels of Vermont's public education system are guided by effective and transformative educational leaders.

Learning Expectations: Standards and expectations define the knowledge and skills essential for all PreK-12 learners to be successful in the 21st century.

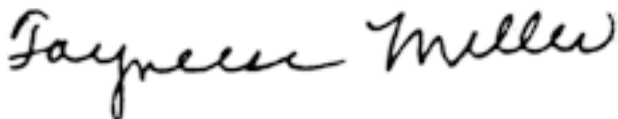
Instructional Practices and Environments: Learning environments and instructional practices support multiple ways of learning, yield deep understanding and application of essential knowledge and skills, and ensure the success of every student.

PK-16 Partnerships: PK -16 education partnerships facilitate improved student success by strengthening kindergarten readiness, increasing student engagement and relevance in K-12 education, and improving postsecondary aspiration, continuation and completion rates for all learners.

Policy and Governance: State and local policy and governance facilitate attainment of high-quality educational practices and successful student outcomes.

In keeping with this plan, the department is now operating under a structure that refocuses our priorities following several seismic shifts in how we operate. With budget cuts and staff reductions, competitive grant funding at the federal level, and the development of the State Board's strategic plan, the department has restructured to meet these forces, keeping the focus on improving outcomes for all Vermont students. In the coming months, the Department will continue to move ahead with implementing the Strategic Plan.

We hope you find this document helpful and are available to answer any questions you may have. Thank you for considering our request.



Fayneese Miller
State Board Chair



Armando Vilaseca
Commissioner

Inside This Book

Vermont Education Overview

Organizational Chart.....	5
Supporting Schools, Educators and Learners: The Numbers.....	6

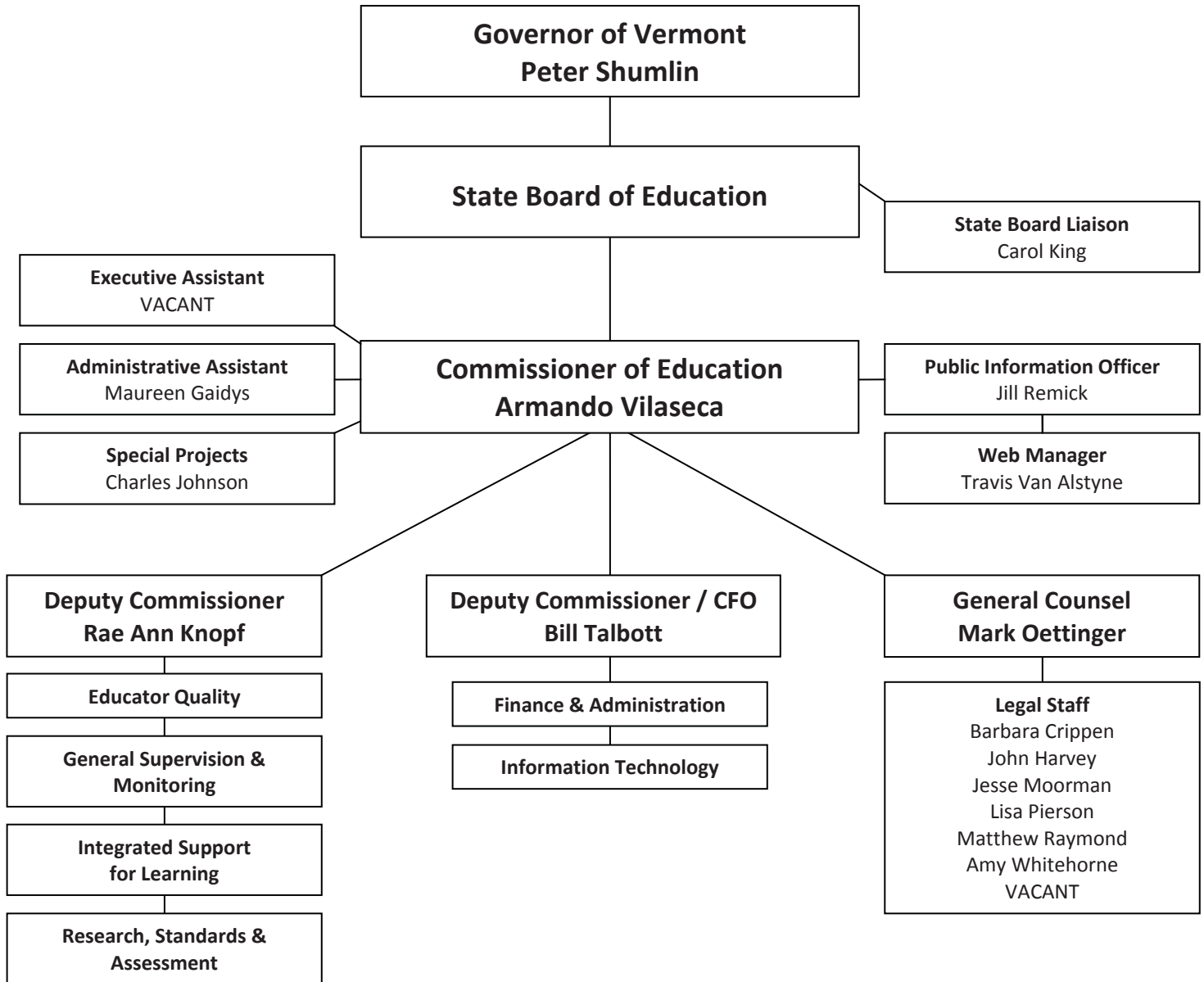
Budget Recommendations & Summaries

Budget Overview.....	8
Finance & Administration.....	12
Education Services.....	16

Stand-alone Appropriations

Technical Education.....	30
Special Education Formula.....	32
State-placed Students.....	34
Adult Education & Literacy.....	35
Statewide Education Spending.....	36
Essential Early Education.....	38
Transportation.....	38
Small School Support.....	39
Capital Debt Service Aid.....	39
Tobacco Litigation Fund.....	40
Act 117 Cost Containment.....	40

Organizational Chart



Supporting Schools & Educators: The Numbers

	FY 10	FY 11*
	School Year 2009-2010	School Year 2010-2011
Public Schools and Private Academies		
Elementary (K-6)	156	154
Secondary (7-12)	55	52
Combined (Elementary & Secondary)	98	97
Private Academies acting as public schools	4	4
Total Public Schools.....	313	307
Technical Centers	15	15
Total Public Schools & Technical Centers	328	322
Independent Schools & Programs		
Approved Independent Schools.....	92	90
Approved Distance Learning Schools.....	2	2
Approved Kindergartens	2	2
Recognized Independent Schools	39	38
State-operated Facilities	1	1
Approved Tutorials.....	2	3
Approved Pregnant and Parenting Programs.....	1	7
Total Independent Schools & Approved Programs	139	143
Public Education Governing & Administrative Entities		
Town, City & Incorporated School Districts		
(including 12 supervisory districts).....	239	236
Union School Districts (includes four unified union districts).....	39	39
Interstate School Districts	2	2
Total School Districts	280	277
Technical Center School Districts	3	3
Supervisory Unions.....	46	46
Joint Contract Schools.....	4	5
Gores & Unorganized Towns	9	9
Total Public Education Governing & Administrative Entities.....	342	340
Public School Administrators		
Superintendents	57	57
Principals	313	308
Vocational/Tech. Center Directors.....	27	29
Business Managers	62	63
Special Education Directors.....	89	90
Total Public School Administrators.....	548	547
Teachers (FTE)	8,728	8,382
School Boards	285	281
Local School Board Members	1,444	1,440

*Estimated numbers as of January 2011, subject to change

Supporting Learners: The Numbers

	FY 10	FY 11*
	School Year 2009-2010	School Year 2010-2011
Publicly Funded Students (Enrolled as of October 1)		
Vermont Public Schools	88,342	87,617
Vermont Approved Independent Schools	1,026	1,200
Vermont Private Academies	2,089	1,950
Out-of-State Schools	900	947
Vermont State Agency and Other	279	237
Total Publicly Funded Students	92,636	91,951
Public School Enrollment		
K-12	83,736	82,599
Early Education (Pre-K)	3,776	4,196
Essential Early Education*	1,054	1,019
<i>*Children ages 3 to 5, excluding those enrolled in kindergarten programs</i>		
Total Public School Enrollment	88,566	87,814
Academies Serving as Public Schools.....	2,567	2,450
Approved Independent (K-12).....	7,342	7,388
Recognized Independent (K-12)	1,108	1,184
Home Study (K-12)	2,128	2,043
Approved Independent Kindergartens	68	59
Total Pre-K-12 Enrollment	101,779	100,938
Technical & Adult Education Enrollment (categories not mutually exclusive)		
Technical Centers.....	5,696	5,729
Adult Education & Literacy.....	5,102	2,638
GED Certificates Granted (FY11 through 2nd quarter).....	1,128	474
Adult Diploma Program (FY11 through 2nd quarter).....	492	215
High School Completion (FY11 through 2nd quarter)	744	495
Student Support Programs Enrollment (categories not mutually exclusive)		
Special Education (ages 3-21)	14,024	14,068
Title I.....	33,469	50,783
Title I (Preschool)	1,156	1,986
Migrant Education	448	424
Limited English Proficiency (LEP).....	1,800	1,800
Neglected and/or Delinquent	750	212
Homeless	887	784
Even Start - Children.....	70	70
Even Start - Adult.....	61	51

Department of Education 2012 Budget Overview

FY 2012 Department of Education Budget Summary

The department's total budget has decreased by \$23.3 million due to the American Recovery and Reinvestment Act (ARRA) funding ending September 30, 2011. At that time, districts must have spent the increased funding allocated to them for the No Child Left Behind Act and Individuals with Disabilities Education Act over the past two years.

Federal funds show an increase due to the nature of how these funds are spent. Most federal grants can be used over a 27-month period. When the department allocates these funds to supervisory unions, it does not send the cash until recipients notify us they have spent the funds. Depending on when we expect this to occur, our appropriation request goes up or down from year to year. This does not indicate that we expect to receive increased federal funding.

The increase in General Fund is due to the \$1.1 million Early Education Initiative grant, which has been funded for the past two years from the Education Fund, and is now moving back to the General Fund. Before this period, this grant was funded by the General Fund. Those changes were made as directed by appropriations acts in prior years. The detail for changes in the General Fund is shown below:

FY 2011 General Fund	8,696,556
Labor contract savings (3% salary reduction)	(121,875)
Retirement savings (based on salary reduction)	(15,962)
FY11 Challenges for Change - contracts	(81,668)
Fee for Space, per BGS	20,370
VISION increase, per Finance & Management	26,105
DII Allocated Cost, per DII	(27,678)
Insurance premiums - per Risk Management	20,298
Human Resources Internal Services Fund	(91,629)
Human Resources Internal Services Fund	29,828
Retirement increase	53,061
Moved from Education Fund for Early Education Initiative	1,131,751
FY 2012 Governor and State Board Recommendation	9,639,157

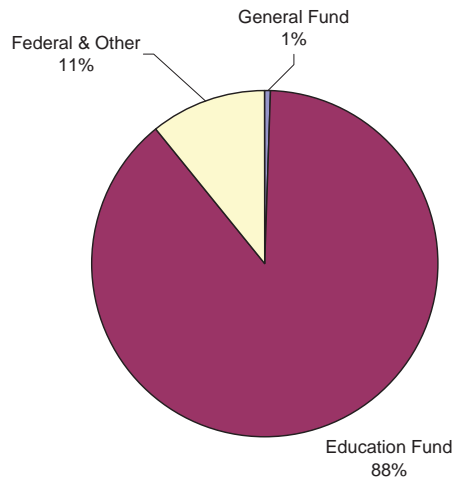
The Education Fund shows an increase of \$43.3 million. The largest driver of this is based on our projection of the level of FY12 school budgets, and the end of the \$38.6 million federal stabilization support. Challenges for Change (Act 146 of 2010) required we send budget target reductions to each supervisory union totaling \$23.2 million. On December 15, 2010 supervisory unions only reported reductions of approximately \$4 million. On December 22, Governor Shumlin announced, with the support of the education commissioner and other state education leaders, that he would not recommend the Legislature make these reductions mandatory, but would instead recommend the General Fund transfer to the Education Fund be reduced by \$23.2 million.

We made this projection based on these events and on information we received. If districts cannot find savings, education property tax rates will need to be increased. Our projection for Special Education aid also increases \$6.1 million because of the loss of ARRA funding.

Department of Education Budget Overview

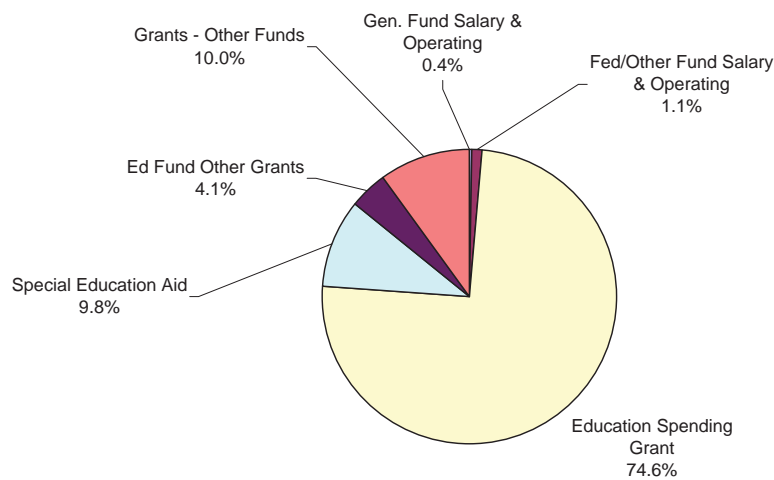
The pie chart below shows major sources of funding. Eighty-eight percent of the \$1.522 billion budget comes from the Education Fund, and one percent is from General Fund dollars.

FY 2012 Fund Sources: \$1.522 Billion



This chart shows major categories of expenditures. One and a half percent of the total funds Department 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.

FY 2012 Expenditures: \$1.522 Billion



Department of Education Budget Overview

Appropriation Categories By Funding Source	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
DEPARTMENT GRAND TOTAL			
CATEGORY OF EXPENDITURE			
PERSONAL SERVICES	19,149,594	18,496,545	(653,049)
OPERATING EXPENSES	3,492,095	4,076,531	584,436
GRANTS	<u>1,522,924,033</u>	<u>1,499,654,236</u>	<u>(23,269,797)</u>
TOTAL ALL CATEGORIES	1,545,565,722	1,522,227,312	(23,338,410)

SOURCE OF FUNDS DETAIL

GENERAL FUND			
PERSONAL SERVICES	5,383,172	5,106,768	(276,404)
OPERATING EXPENSES	732,357	819,611	87,254
GRANTS			
1 Education Services	1,793,032	2,924,783	1,131,751
2 Adult Education & Literacy	<u>787,995</u>	<u>787,995</u>	<u>0</u>
GRANT TOTAL	<u>2,581,027</u>	<u>3,712,778</u>	<u>1,131,751</u>
TOTAL GENERAL FUND	8,696,556	9,639,157	942,601
EDUCATION FUND			
PERSONAL SERVICES	0	0	0
OPERATING EXPENSES	427,526	1,020,090	592,564
GRANTS			
3 Technical Education	12,784,382	12,872,274	87,892
4 Special Education Formula	142,457,975	148,587,440	6,129,465
5 State-placed Students	15,300,000	15,000,000	(300,000)
6 Adult Education & Literacy	4,800,000	5,800,000	1,000,000
7 Statewide Education Spending	1,099,500,000	1,135,676,100	36,176,100
8 Essential Early Education	5,679,216	5,782,900	103,684
9 Transportation	15,782,031	16,313,885	531,854
10 Small School Support	7,000,000	7,100,000	100,000
11 Capital Debt Service Aid	180,000	160,000	(20,000)
12 Education Services	<u>1,131,751</u>	<u>0</u>	<u>(1,131,751)</u>
GRANT TOTAL	<u>1,304,615,355</u>	<u>1,347,292,599</u>	<u>42,677,244</u>
TOTAL EDUCATION FUND	1,305,042,881	1,348,312,689	43,269,808

Grants

These grants are described in greater detail as referenced:

- | | |
|---|---|
| 1. Education Services: page 20 | 7. Statewide Education Spending: page 37 |
| 2. Adult Education & Literacy: page 35 | 8. Essential Early Education: page 38 |
| 3. Technical Education: page 29 | 9. Transportation: page 38 |
| 4. Special Education Formula: page 33 | 10. Small School Support: page 39 |
| 5. State-placed Students: page 34 | 11. Capital Debt Service Aid: page 39 |
| 6. Adult Education & Literacy: page 35 | 12. Education Services: page 21 (#13-14) |

Department of Education Budget Overview

Appropriation Categories By Funding Source	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
ARRA FUND			
PERSONAL SERVICES	0	0	0
OPERATING EXPENSES	0	0	0
GRANTS			
13 Education Services	<u>46,719,169</u>	<u>10,613,000</u>	<u>(36,106,169)</u>
TOTAL ARRA FUND	46,719,169	10,613,000	(36,106,169)
TOBACCO LITIGATION FUND			
PERSONAL SERVICES	129,931	130,418	487
OPERATING EXPENSES	46,222	47,015	793
GRANTS			
14 Tobacco Litigation	<u>812,764</u>	<u>804,511</u>	<u>(8,253)</u>
TOTAL TOBACCO LITIGATION FUND	988,917	981,944	(6,973)
FEDERAL, SPECIAL & INTERDEPARTMENTAL FUNDS			
PERSONAL SERVICES	13,636,491	13,259,359	(377,132)
OPERATING EXPENSES	2,285,990	2,189,815	(96,175)
GRANTS			
15 Finance & Administration	11,384,730	12,383,500	998,770
16 Education Services	117,039,291	123,151,187	6,111,896
17 Special Education Formula	230,000	230,000	0
18 Statewide Education Spending	38,575,036	500,000	(38,075,036)
19 Adult Education & Literacy	875,661	875,661	0
20 Act 117 Cost Containment	<u>91,000</u>	<u>91,000</u>	<u>0</u>
TOTAL GRANTS	<u>168,195,718</u>	<u>137,231,348</u>	<u>(30,964,370)</u>
TOTAL FED, SPEC, INTERDEPT. FUND	184,118,199	152,680,522	(31,437,677)
TOTAL ALL CATEGORIES	1,545,565,722	1,522,227,312	(23,338,410)

Grants

These grants are described in greater detail as referenced:

13. Education Services: page 26

17. Special Education Formula: page 33

14. Tobacco Litigation: page 40

18. Statewide Education Spending: page 37

15. Finance & Administration: page 15

19. Adult Education & Literacy: page 35

16. Education Services: pages 23-25 (#15-49) &
page 27 (#57-60)

20. Act 117 Cost Containment: page 40

Finance & Administration

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

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

The *Legal Unit* is composed of the department's general counsel, three staff attorneys, two investigators, one vacant legal unit administrator position, and one administrative assistant. This team represents the commissioner, the State Board of Education, and the Department 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 Chief Financial Officer:

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

Special Education Finance provides the department'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 department's administrative services and technical assistance to school districts for claiming eligible special education expenses under 16 V.S.A. §2959(a).

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). This team is also responsible for managing the department's contracting process.

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 **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. With advice from the Vermont Higher Education Council (VHEC), the State Board grants certificates of approval for up to five years.

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

Finance & Administration

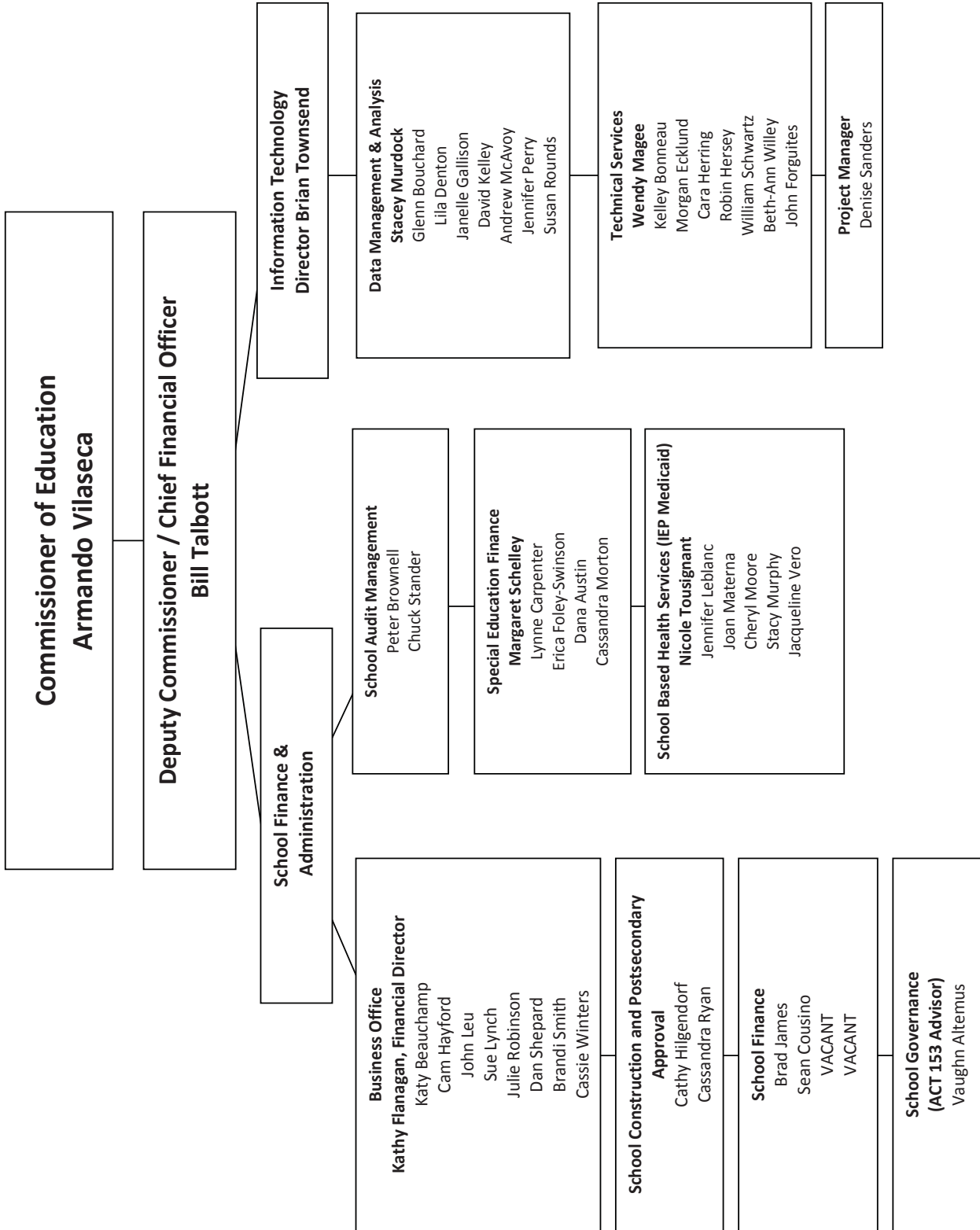
Technical Services

This group includes the team's network administration, database administration and system development staff. The staff designs, configures and installs the department's local area network hardware and software; manages firewalls, application and database servers; and sets up and maintains personal computers, printers and other technical equipment. This group is responsible for designing guidelines that describe the proper usage of the department's network, security and backup procedures and is responsible for the development and administration of the department's internal and Web-based information systems. In addition to the 30-plus systems maintained by this group, they are responsible for the administration of the Education Data Warehouse (EDW). The EDW is a longitudinal information system used by the department and schools across the state.

Data Management and Analysis

This group provides data administration and support for the department's core data collections. This work involves business analysis, system testing and data quality control and training for school staff. In addition, this group coordinates the submission of over 150 data reporting requirements to the U.S. Department of Education, is responsible for the operation of the IT helpdesk and designs guidelines regarding data use and ownership.

Finance & Administration Organizational Chart



Finance & Administration

CATEGORY OF EXPENDITURE	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
PERSONAL SERVICES	5,666,454	5,373,825	(292,629)
OPERATING EXPENSES	1,715,341	2,336,262	620,921
GRANTS	<u>11,384,730</u>	<u>12,383,500</u>	<u>998,770</u>
TOTAL ALL CATEGORIES	18,766,525	20,093,587	1,327,062
SOURCE OF FUNDS			
GENERAL FUND (A)	3,103,135	3,011,957	(91,178)
EDUCATION FUND (B)	427,526	1,020,090	592,564
FEDERAL FUNDS (C)	2,012,287	2,041,473	29,186
SPECIAL FUNDS (D)	13,218,847	14,012,067	793,220
INTERDEPT. TRANSFER (E)	<u>4,730</u>	<u>8,000</u>	<u>3,270</u>
TOTAL ALL SOURCES	18,766,525	20,093,587	1,327,062

SOURCE OF FUNDS DETAIL

(A) GENERAL FUND			
PERSONAL SERVICES	2,644,755	2,490,189	(154,566)
OPERATING EXPENSES	458,380	521,768	63,388
GRANTS	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL GENERAL FUND	3,103,135	3,011,957	(91,178)
(B) EDUCATION FUNDS			
PERSONAL SERVICES	0	0	0
OPERATING EXPENSES	427,526	1,020,090	592,564
GRANTS	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EDUCATION FUNDS	427,526	1,020,090	592,564
(C) FEDERAL FUNDS			
PERSONAL SERVICES	1,584,573	1,676,763	92,190
OPERATING EXPENSES	427,714	314,710	(113,004)
GRANTS			
1 Solar in Schools	<u>0</u>	<u>50,000</u>	<u>50,000</u>
TOTAL FEDERAL FUNDS	2,012,287	2,041,473	29,186
(D) SPECIAL FUNDS			
PERSONAL SERVICES	1,437,126	1,206,873	(230,253)
OPERATING EXPENSES	401,721	479,694	77,973
GRANTS			
2 Medicaid	<u>11,380,000</u>	<u>12,325,500</u>	<u>945,500</u>
TOTAL SPECIAL FUNDS	13,218,847	14,012,067	793,220
(E) INTERDEPT. TRANSFER			
PERSONAL SERVICES	0	0	0
OPERATING EXPENSES	0	0	0
GRANTS			
3 Medicaid	<u>4,730</u>	<u>8,000</u>	<u>3,270</u>
TOTAL INTERDEPT. TRANSFER	4,730	8,000	3,270
TOTAL ALL SOURCES	18,766,525	20,093,587	1,327,062

Grants

1. Solar in Schools: This one time competitive grant program through the US Department of Energy provides solar education programs at ten schools.

2 & 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.

Building a Statewide System of Support

Vermont State Board of Education strategic plan and transformation goals require a new emphasis on the part of Department of Education staff that supports the strategies and goals defined, positions the department in a way that increases support for schools and ultimately for improving learning outcomes for all Vermont children, and models the tenets of transformation.

The Department of Education has refined its focus. The structure we have defined is intentionally focused on:

1. Supporting schools to improve instruction and learning for all students.
2. Mobilizing our staff around that mission.
3. Organizing our work by forming school support teams composed of many different consultants with varying areas of educational expertise and having them work together both vertically and horizontally.

What follows is our team structure:

Integrated Support for Learning: High-quality instruction and leadership support make the most significant difference in the achievement of all students. Content, grade level, special education, educational support system, special populations and programs, safe schools and school improvement consultants work together to create integrated teams of consultants with expertise in providing support to schools in implementing evidence-based practices, school-wide improvement models, and prevention models to improve instruction and learning for every child in Vermont.

The Integrated Support for Learning Team is organized into two divisions: the PK-8 Division and the High School and Adult Division. The integrated staff from both divisions focuses 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.

General Supervision and Monitoring: Proactive monitoring, support and accountability systems share common strategies, systems and skill sets and more effectively engender improvement long term. 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 children. High-quality teaching standards tied to evidence-based teaching

Improving Instruction and Learning for All Children

practices provide a foundation for teacher and administrator preparation and ongoing professional development. In the year ahead, the Educator Quality Division will focus 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.

Research, Standards, and Assessment: High-quality research, standards and assessments provide a framework for teaching and learning. Ongoing research into best practice and learning outcomes continually informs the standards development and implementation process. The Research Standards and Assessment team will focus on an effective implementation plan for engaging educators in the field and facilitating all schools in adopting and implementing the K-12 Common Core State Standards in mathematics and English language arts, as well as on the development of a comprehensive assessment of the Common Core. The latter work is done in collaboration with 31 other states participating in the SMARTER Balanced Assessment Consortium. This team will maintain the NECAP and NAEP assessment systems concurrently during the transition period. Additionally, this team will be engaged with other divisions in analyzing the effectiveness of instructional practices and implementation of current and future research findings.

This page intentionally left blank

Education Services Summary

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
PERSONAL SERVICES	12,293,389	11,948,471	(344,918)
OPERATING EXPENSES	1,598,645	1,562,985	(35,660)
GRANTS	<u>166,683,243</u>	<u>136,688,970</u>	<u>(29,994,273)</u>
TOTAL ALL CATEGORIES	180,575,277	150,200,426	(30,374,851)
SOURCE OF FUNDS			
GENERAL FUND (A)	4,805,426	5,839,205	1,033,779
EDUCATION FUND (B)	1,131,751	0	(1,131,751)
FEDERAL FUNDS (C)	125,832,574	131,532,300	5,699,726
ARRA FUNDS (D)	46,719,169	10,613,000	(36,106,169)
SPECIAL FUNDS (E)	2,061,526	2,191,249	129,723
INTERDEPT. TRANSFER (F)	<u>24,831</u>	<u>24,672</u>	<u>(159)</u>
TOTAL ALL SOURCES	180,575,277	150,200,426	(30,374,851)

SOURCE OF FUNDS DETAIL

(A) GENERAL FUND			
PERSONAL SERVICES	2,738,417	2,616,579	(121,838)
OPERATING EXPENSES	273,977	297,843	23,866
GRANTS			
1 Adult Services Coordinator	211,233	211,233	0
2 Tech Ed Adult Formula	75,708	75,708	0
3 Statewide Infants & Toddlers	133,052	133,052	0
4 Early Reading	104,860	104,860	0
5 Special Olympics	13,778	13,778	0
6 Child Nutrition - State Match	453,348	453,348	0
7 Child Nutrition - Child Care	223,268	223,268	0
8 Child Nutrition - Breakfast	302,632	302,632	0
9 Child Nutrition - Summer Food	51,387	51,387	0
10 School Wellness	28,612	28,612	0
11 Teacher of the Year	2,500	2,500	0
12 Governor's Institutes	192,654	192,654	0
13 Early Education Initiative	<u>0</u>	<u>1,131,751</u>	<u>1,131,751</u>
TOTAL GRANTS	<u>1,793,032</u>	<u>2,924,783</u>	<u>1,131,751</u>
TOTAL GENERAL FUND	4,805,426	5,839,205	1,033,779
(B) EDUCATION FUNDS			
PERSONAL SERVICES	0	0	0
OPERATING EXPENSES	0	0	0
GRANTS			
14 Early Education Initiative	<u>1,131,751</u>	<u>0</u>	<u>(1,131,751)</u>
TOTAL EDUCATION FUNDS	1,131,751	0	(1,131,751)

Education Services Grants

1. Adult Service 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. Statewide Infants and Toddlers: These funds support services for children with disabilities and their families, from the child's birth to age three. The program is administered jointly with the Agency of Human Services.

4. 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.

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

6. 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.

7. 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.

8. 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.

9. 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.

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. Teacher of the Year: These funds will be used by the 2011 Vermont Teacher of the Year in support of direct classroom materials and instruction.

12. 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.

13&14. Early Education Initiative (EEI): These funds support grants to organizations and schools to provide early childhood education services to at-risk preschoolers. Funding switched back to the General Fund from the Education Fund.

Education Services Budget Summary

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
(C) FEDERAL FUNDS			
PERSONAL SERVICES	8,472,449	8,107,268	(365,181)
OPERATING EXPENSES	1,118,834	1,026,845	(91,989)
GRANTS			
15 Carl Perkins Secondary	3,121,851	3,121,851	0
16 Carl Perkins Post-secondary	820,260	820,260	0
17 Carl Perkins Tech. Prep.	260,906	260,906	0
18 Carl Perkins State Leadership	49,500	49,500	0
19 Carl Perkins Corrections	50,132	50,132	0
20 Preschool Incentive - Discr	50,000	50,000	0
21 21st Century	5,650,000	6,850,000	1,200,000
22 Reading First	3,688,577	0	(3,688,577)
23 Byrd Honors Scholarship	79,500	79,500	0
24 Title I Grants to LEAs	28,500,000	35,000,000	6,500,000
25 Title I Migrant	775,000	901,000	126,000
26 Title I Neglected or Delinquent	600,000	600,000	0
27 Homeless Education Act	130,000	163,568	33,568
28 Even Start	325,000	305,688	(19,312)
29 Title II, ITQ	15,825,070	14,348,601	(1,476,469)
30 Title II, ITQ SAHE	344,000	344,000	0
31 IDEA-B Flow-Thru & Disc.	24,509,519	24,614,519	105,000
32 Preschool Incentive	691,264	900,000	208,736
33 State Improvement Grant	265,927	590,000	324,073
34 School Lunch Program	13,084,345	14,500,000	1,415,655
35 Child & Adult Care Food Program	6,006,000	6,486,400	480,400
36 School Breakfast Program	4,840,000	5,582,000	742,000
37 Summer Food Service Program	462,000	462,000	0
38 Special Milk Program	90,200	97,416	7,216
39 Cash in Lieu of Commodities	97,240	105,019	7,779
40 CN Team Nutrition	0	100,000	100,000
41 CN Equipment	0	200,000	200,000
42 CN Fruits & Vegetables	0	1,215,827	1,215,827
43 Safe & Drug-free Schools	1,900,000	500,000	(1,400,000)
44 Justice Department grants	0	350,000	350,000
45 Title I - School Improvement	1,000,000	1,000,000	0
46 Math & Science Partnership	900,000	900,000	0
47 Title III ELA	325,000	325,000	0
48 Title II, Part D	1,250,000	975,000	(275,000)
49 School Improvement Grant	550,000	550,000	0
TOTAL GRANTS	116,241,291	122,398,187	6,156,896
TOTAL FEDERAL FUNDS	125,832,574	131,532,300	5,699,726

Education Services Grants

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

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

17. Carl Perkins Technical Preparation: These federal funds are awarded as grants to technical education providers to develop programs that link secondary and post-secondary curricula.

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

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

20. Preschool Incentive - Discretionary: Funds support statewide projects, technical assistance, compliance monitoring and training regarding special education costs for children ages 3 to 5.

21. 21st Century Community Learning Centers (Title IV B): This federal appropriation 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.

22. Reading First: This competitive grant was available to LEAs and eligible schools within those LEAs based on poverty and performance criteria. The federal program has ended.

23. Byrd Honors Scholarship: Granted through Vermont Student Assistance Corporation (VSAC), these funds are used to award up to 15 scholarships of \$1,500 each to high school graduates who have demonstrated outstanding academic achievement and show promise of continued excellence. Scholarships are renewable for an additional three years.

24. 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.

25. 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.

26. 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.

27. 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.

Education Services Grants

28. Even Start: Funds are used to integrate adult, parenting and early childhood education into a comprehensive program designed to break intergenerational cycles of poverty and low literacy. Services focus on children from birth to age 7 and their parents. Families are selected for services based on economic and educational needs.

29. 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.

30. 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.

31. IDEA-B Flow-thru & Discretionary Fund: These federal funds flow directly to schools to assist with the costs of special education for children and youth ages 3 to 22.

32. Preschool Incentive: These funds flow directly to schools to assist with special education costs for children ages 3 to 5. Remaining funds support statewide projects, technical assistance, compliance monitoring and training.

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

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

35. 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.

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

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

38. 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.

39. 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.

40. CN Team Nutrition: The team nutrition grant provides funds for improving nutrition education.

41. CN Equipment: These grants provide equipment assistance for low-income schools. This is a new one-time federal program for FY12.

42. CN Fruits & Vegetables: These funds provide funding assistance for increasing fruit and vegetable consumption in low-income schools. This program began mid-year. FY12 is the first year of full funding.

Education Services Grants

43. Safe and Drug-free Schools and Communities: These funds support school programs that work to prevent alcohol, tobacco and other substance use, and to reduce school violence. This program is ending in FY12.

44. 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.

45. 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. Schools apply for funds by developing a budget aligned with the commissioner's required actions.

46. 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.

47. 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.

48. 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.

49. School Improvement Grant: 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.

Education Services Budget Summary

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
(D) ARRA FUNDS			
PERSONAL SERVICES	0	0	0
OPERATING EXPENSES	0	0	0
GRANTS			
50 IDEA-B ARRA	20,000,000	5,000,000	(15,000,000)
51 Title I ARRA	16,600,000	4,000,000	(12,600,000)
52 Title I School Improv ARRA	772,962	50,000	(722,962)
53 Preschool ARRA	782,000	290,000	(492,000)
54 Homeless ARRA	82,175	18,000	(64,175)
55 Title IID ARRA	2,407,032	975,000	(1,432,032)
56 School Improvement ARRA	<u>6,075,000</u>	<u>280,000</u>	<u>(5,795,000)</u>
TOTAL ARRA FUNDS	46,719,169	10,613,000	(36,106,169)
(E) SPECIAL FUNDS			
PERSONAL SERVICES	1,057,692	1,199,952	142,260
OPERATING EXPENSES	205,834	238,297	32,463
GRANTS			
57 Licensing	90,000	90,000	0
58 Nellie Mae Foundation	70,000	25,000	(45,000)
59 Reading Readiness	238,000	238,000	0
60 Statewide System of Support	<u>400,000</u>	<u>400,000</u>	<u>0</u>
TOTAL GRANTS	798,000	753,000	(45,000)
TOTAL SPECIAL FUNDS	2,061,526	2,191,249	129,723
(F) INTERDEPT. TRANSFER			
PERSONAL SERVICES	24,831	24,672	(159)
OPERATING EXPENSES	0	0	0
GRANTS	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL INTERDEPT. TRANSFER	24,831	24,672	(159)
TOTAL ALL SOURCES	180,575,277	150,200,426	(30,374,851)

Education Services Grants

50. IDEA-B ARRA: The IDEA Basic Flow Through funds are budgeted and used for the allowable special education costs, and are used for serving eligible students who are at least three years old up to their 22nd birthday, as well as for “child find” for children birth through age 21. These are one-time funds for 27 months.

51. Title I ARRA: Title I, Part A funds to local education agencies (LEAs) are distributed to schools who have high concentrations of students from families that live in poverty in order to help improve teaching and learning for students most at risk of failing to meet state academic achievement standards. These are one-time funds for 27 months.

52. Title I School Improvement ARRA: Priority schools are public schools in which a high percentage of students come from poverty and are not meeting the standards on state assessments. These are one-time funds for 27 months.

53. Preschool ARRA: The IDEA Preschool Flow Through funds are budgeted and used for the allowable special education costs. The Preschool Flow Through funds are to be used for serving eligible students who are at least three years old up to their sixth birthday. These are one-time funds for 27 months.

54. Homeless ARRA: This funding to LEAs is intended to assist with excess transportation expenses to schools of origin, as well as school supplies and other allowable expenses that eliminate barriers for homeless students to enroll, attend and succeed in school. These are one-time funds for 27 months.

55. Title IID ARRA: The Content-based Technology grants go to schools in amounts ranging from \$2,000 to \$10,000 depending on the content area. This

project represents ARRA funding that is making an impact on technology and its use in 21st century schools. These are one-time funds for 27 months.

56. School Improvement ARRA: Priority schools are public schools in which a high percentage of students come from poverty and are not meeting the standards on state assessments. These are one-time funds for 27 months.

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

58. Nellie Mae Education Foundation: The Nellie Mae Education Foundation and the department’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.

59. 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.

60. 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.

This page intentionally left blank

Stand-alone Grants

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

Technical Education	30
Special Education Formula	32
State-placed Students	34
Adult Education & Literacy	35
Statewide Education Spending.....	36
Essential Early Education	38
Transportation	38
Small School Support	39
Capital Debt Service Aid	39
Tobacco Litigation Fund	40
Act 117 Cost Containment.....	40

Technical Education

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

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS	12,784,382	12,872,274	87,892
SOURCE OF FUNDS			
EDUCATION FUND	12,784,382	12,872,274	87,892

SOURCE OF FUNDS DETAIL

(B) EDUCATION FUND			
GRANTS			
1 Tech. Ed. Tuition Reduction	8,372,000	8,516,732	144,732
2 Tech. Ed. Salary Assistance	2,004,770	1,923,680	(81,090)
3 Tech. Ed. Transportation	1,385,450	1,409,700	24,250
4 Youth Leadership	78,328	78,328	0
5 Secondary School Reform	100,000	200,000	100,000
6 Innovative Program Development	343,834	243,834	(100,000)
7 Tech Ed Equipment	<u>500,000</u>	<u>500,000</u>	<u>0</u>
TOTAL GRANTS	12,784,382	12,872,274	87,892
TOTAL EDUCATION FUND	12,784,382	12,872,274	87,892

Grants

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 based on the *High Schools on the Move* principles. Initiatives include but are not limited to student engagement, integration of academic and career skills, 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 programs that educate students in emerging career fields with high skills and wage potential.

7. Technical Education Equipment:

Funds are distributed to technical 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.

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS	142,687,975	148,817,440	6,129,465
SOURCE OF FUNDS			
EDUCATION FUND	142,457,975	148,587,440	6,129,465
SPECIAL FUND	230,000	230,000	0

SOURCE OF FUNDS DETAIL

(A) EDUCATION FUND			
GRANTS			
1 Mainstream Block Grant	31,082,169	31,048,452	(33,717)
2 Special Ed. Expend. Reimb.	98,813,169	104,514,460	5,701,291
3 Extraordinary Reimbursement	9,491,983	9,953,874	461,891
4 I-Team & Regional Specialist	712,978	712,978	0
5 Hearing Impaired	824,405	824,405	0
6 Visually Impaired	501,879	501,879	0
7 BEST	496,381	496,381	0
8 Act 230 Training	365,950	365,950	0
9 Higher Education Participation	<u>169,061</u>	<u>169,061</u>	<u>0</u>
TOTAL GRANTS	142,457,975	148,587,440	6,129,465
TOTAL EDUCATION FUNDS	142,457,975	148,587,440	6,129,465
(B) SPECIAL FUNDS			
GRANTS			
10 I-Team & Regional Specialist	<u>230,000</u>	<u>230,000</u>	<u>0</u>
TOTAL SPECIAL FUNDS	230,000	230,000	0
TOTAL ALL SOURCES	142,687,975	148,817,440	6,129,465

Grants

1. Mainstream Block Grant: These funds provide a block grant for each town 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 grant reimburses expenses based on a fixed rate for eligible special education costs not covered by another part of the formula or by federal or other state funds.

3. Extraordinary Reimbursement: Funds provide 90 percent reimbursement for high-cost services in excess of \$50,000 for individualized education programs (IEPs).

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 salaries for six regional specialists who consult with schools on accommodating children with severe hearing impairments.

6. Visually Impaired: These funds enable the Vermont Association for the Blind and Visually Impaired to employ 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.

10. Interdisciplinary Team and Regional Multi-disability Specialist: This grant supports services and consultation for children who have multiple disabilities and serious emotional disturbances.

State-placed Students

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 parents' district(s) of residence.

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS	15,300,000	15,000,000	(300,000)
SOURCE OF FUNDS			
EDUCATION FUND	15,300,000	15,000,000	(300,000)

SOURCE OF FUNDS DETAIL

EDUCATION FUND			
GRANTS			
1 LEA Reimbursement	8,310,605	9,000,000	689,395
2 Indiv. Residential Placement	6,000,000	5,200,000	(800,000)
3 Special Services	688,395	500,000	(188,395)
4 Regular Education Tuition	<u>301,000</u>	<u>300,000</u>	<u>(1,000)</u>
TOTAL GRANTS	15,300,000	15,000,000	(300,000)
TOTAL EDUCATION FUNDS	15,300,000	15,000,000	(300,000)

Grants

1. LEA (Licensed Education Agency)

Reimbursement: These funds are used to reimburse school districts for special education costs beyond mainstream services 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 towns that do not operate their own schools for tuitioning students to other school districts.

Adult Education & Literacy

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

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS	6,463,656	7,463,656	1,000,000
SOURCE OF FUNDS			
GENERAL FUND (A)	787,995	787,995	0
FEDERAL FUNDS (B)	875,661	875,661	0
EDUCATION FUND (C)	<u>4,800,000</u>	<u>5,800,000</u>	<u>1,000,000</u>
TOTAL ALL SOURCES	6,463,656	7,463,656	1,000,000

SOURCE OF FUNDS DETAIL

(A) GENERAL FUND			
GRANT (ONLY CATEGORY)	<u>787,995</u>	<u>787,995</u>	<u>0</u>
TOTAL GENERAL FUND	787,995	787,995	0
(B) FEDERAL FUNDS			
GRANT (ONLY CATEGORY)	<u>875,661</u>	<u>875,661</u>	<u>0</u>
TOTAL FEDERAL FUNDS	875,661	875,661	0
(C) EDUCATION FUND			
GRANT (ONLY CATEGORY)	<u>4,800,000</u>	<u>5,800,000</u>	<u>1,000,000</u>
TOTAL EDUCATION FUND	4,800,000	5,800,000	1,000,000
TOTAL ALL SOURCES	6,463,656	7,463,656	1,000,000

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 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS (ONLY CATEGORY)	1,138,075,036	1,136,176,100	(1,898,936)
SOURCE OF FUNDS			
EDUCATION FUND (A)	1,099,500,000	1,135,676,100	36,176,100
ARRA TRANSFER FUNDS (B)	<u>38,575,036</u>	<u>500,000</u>	<u>(38,075,036)</u>
ARRA Transfer	1,138,075,036	1,136,176,100	(1,898,936)

SOURCE OF FUNDS DETAIL

EDUCATION FUND			
GRANTS			
1 Education Spending Grant	1,095,375,649	1,133,474,546	38,098,897
2 Adult Diploma Program	667,411	694,710	27,299
3 VT Academy of Science & Tech	260,155	262,430	2,275
4 ADM Adjustments	150,000	150,000	0
5 Tech FTEs Not Enrolled	408,815	343,708	(65,107)
6 Driver Education	450,706	450,706	0
7 Act 153 Merger Study Grants	0	200,000	200,000
8 Act 153 SU Collaboration Grants	0	100,000	100,000
9 Community H.S. of VT	<u>2,187,264</u>	<u>0</u>	<u>(2,187,264)</u>
TOTAL EDUCATION FUND	1,099,500,000	1,135,676,100	36,176,100

Grants

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.

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 department is required to pay an amount equal to 0.26 times the Education Spending Grant 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 department to pay an amount equal to 0.87 times the Education Spending Grant for each Vermont resident enrolled in the program. VAST operates an approved independent 12th-grade program housed at Vermont Technical College.

4. Average Daily Membership Adjustments (ADM): This adjustment is used to reconcile the amount of taxes raised based on equalized pupils when a district has miscounted its ADM prior to January 15, as allowed by 16 V.S.A. § 4030(d).

5. 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.

6. 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.

7. Act 153 Merger Study Grants: Sec. 4(e) of Act 153 Of 2010 provides reimbursement to districts for legal and consulting services necessary for the analysis and report incurred by the study committee established under 16 VSA § 706 and Sec. 3 of Act 153.

8. Act 153 SU Collaboration Grants: Section 9a of Act 153 of 2010 reimburses two or more supervisory unions collaborating on offering services for transitional costs.

9. Community H.S. of VT: The Community High School of Vermont serves incarcerated youth who have not received a high school diploma and are in the custody of the Department of Corrections. Beginning in FY12 these funds are directly appropriated to the Department of Corrections.

Essential Early Education

Federal regulations require school districts to provide special education services to eligible children ages 3 to 5. Essential Early Education (EEE) serves children ages 3 to 5 who are at risk for early school failure and children birth to age 2 with disabilities.

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS (ONLY CATEGORY)	5,679,216	5,782,900	103,684
SOURCE OF FUNDS			
EDUCATION FUND	5,679,216	5,782,900	103,684

Transportation

Administered through the School Finance Team, these funds are used to reimburse about 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 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS (ONLY CATEGORY)	15,782,031	16,313,885	531,854
SOURCE OF FUNDS			
EDUCATION FUND	15,782,031	16,313,885	531,854

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 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS (ONLY CATEGORY)	7,000,000	7,100,000	100,000
SOURCE OF FUNDS			
EDUCATION FUND	7,000,000	7,100,000	100,000

Capital Debt Service Aid

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

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
GRANTS (ONLY CATEGORY)	180,000	160,000	(20,000)
SOURCE OF FUNDS			
EDUCATION FUND	180,000	160,000	(20,000)

Tobacco Litigation Fund

These funds support grants to schools for tobacco prevention activities and for department 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.

	FISCAL 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
PERSONAL SERVICES	129,931	130,418	487
OPERATING EXPENSES	46,222	47,015	793
GRANTS	<u>812,764</u>	<u>804,511</u>	<u>(8,253)</u>
TOTAL ALL CATEGORIES	988,917	981,944	(6,973)
SOURCE OF FUNDS			
TOBACCO FUND	988,917	981,944	(6,973)

Act 117 Cost Containment

Passed by the Legislature in 2000, Act 117 is 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 2011 APPROP ACT	FISCAL YEAR 2012	
		STATE BOARD RECOMMEND	FY2011 TO FY2012
CATEGORY OF EXPENDITURE			
PERSONAL SERVICES	1,059,820	1,043,831	(15,989)
OPERATING EXPENSES	131,887	130,269	(1,618)
GRANTS	<u>91,000</u>	<u>91,000</u>	<u>0</u>
TOTAL ALL CATEGORIES	1,282,707	1,265,100	(17,607)
SOURCE OF FUNDS			
SPECIAL FUND	1,282,707	1,265,100	(17,607)