



Ken Wagner
Commissioner

State of Rhode Island and Providence Plantations
DEPARTMENT OF EDUCATION
Shepard Building
255 Westminister Street
Providence, Rhode Island 02903-3400

Enclosure 6c
October 28, 2015

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TO: Members of the R.I. Board of Education
FROM: Ken Wagner, Commissioner
RE: Approval of FY 2016 Revised and FY 2017 Budget Submittals

FY 2016 Revised Budget

The FY 2016 revised budget submission contains an overall \$3.6M decrease in general revenue when compared with the FY 2016 enacted budget. This difference is primarily due to adjustments in housing aid as a result of bond refinancing and district adjustments in project completion schedules. It also includes a request for a \$467K increase to RIDE operations and support to school districts.

Additionally, there are increases in the Federal Funds budget of \$7M., the RICAP funds of \$1.2M., and the Restricted Receipt Budget of \$1.6M., bringing the total 2016 Revised Budget to \$1,314,672,560.

FY 2017 Current Service Level Budget Submission

The Department's FY 2017 current service level (CSL) budget submission requests a total of \$1,349,020,538, including \$1,107,876,413 in General Revenue expenditures. It includes a \$40.2M. increase in General Revenue expenditures from the FY 2016 enacted budget. The largest increase is \$41.9M. to fund Year 6 of the funding formula, its attendant categorical funds for early learning, career and technical education, transportation, and high cost special education, and other state aid. An increase of \$6.3M in teacher retirement is the second largest increase.

Within the overall increase, the FY 2017 CSL budget also contains approximately \$1M to advance instruction in Rhode Island schools through the creation of an instructional fellows program that will help promote deep pedagogical and content expertise throughout the state. An additional \$.5M is requested to expand the Department's capacity to engage families and the community in public education and ensure sustainability of approximately 3 FTEs for early learning. Various other items within the budget have variances which cause the overall increase to be less than the aid increase.

FY 2017 Constrained Budget Submission

The Department has also prepared a FY 2017 constrained budget that achieves \$. 8M in savings. The Department strongly believes these are the only reductions available that will not seriously compromise the work or stymie the momentum of the Department and LEAs. The Constrained Budget reductions includes a phase-out of Channel 36 funding (\$.2M), RI School for the Deaf vacancy savings (\$.3M), and a reduction of the Department's expected contributions to a multi-agency settlement.

The total Constrained Budget is \$1,345,466,214.



Budget Presentation

FY 2016 Revised and FY 2017 Budgets

FY2017 Capital Budget

R.I. Board of Education Meeting

October 28, 2015



RIDE 2017-21 Capital Budget

- The RIDE Capital Budget request is \$50M.* to fund 9 projects: 6 projects for state-owned career & technical centers
 - 2 projects for statewide information technology initiatives
 - 1 project for the Shepard Building

*\$28M. that was spent through 6/30/15, leaving \$22M. in spending from FY 2016 – FY 2021



July '15

FY16 Revised

June '16

Proposed FY16 Revised Budget

- General Revenue: \$3.6M. decrease
 - \$400K increase for program support
 - School Housing Aid: \$4M. decrease; savings from bond refinancing and timing of project completion
- Federal Programs: \$7M. increase due to carry over funds
- Capital Projects: \$1.2M. increase due to acceleration of career and technical center building transfer
- Restricted Receipts: \$1.6M. increase due to 2.5% increase in the school bus transportation contract



July '16

FY17 Current Service Level

June '17

Funding Sources	FY16 Enacted	FY17 CSL Proposed	Change
General Revenue	\$1,067,719	\$1,107,876	\$40,157
Federal Funds	\$203,962	\$206,209	\$2,247
Restricted Receipts	\$28,949	\$30,691	\$1,742
RICAP	\$7,501	\$3,885	(\$3,616)
Other Funds	\$359	\$359	0
<i>Total</i>	<i>\$1,308,490</i>	<i>\$1,349,020</i>	<i>\$40,530</i>

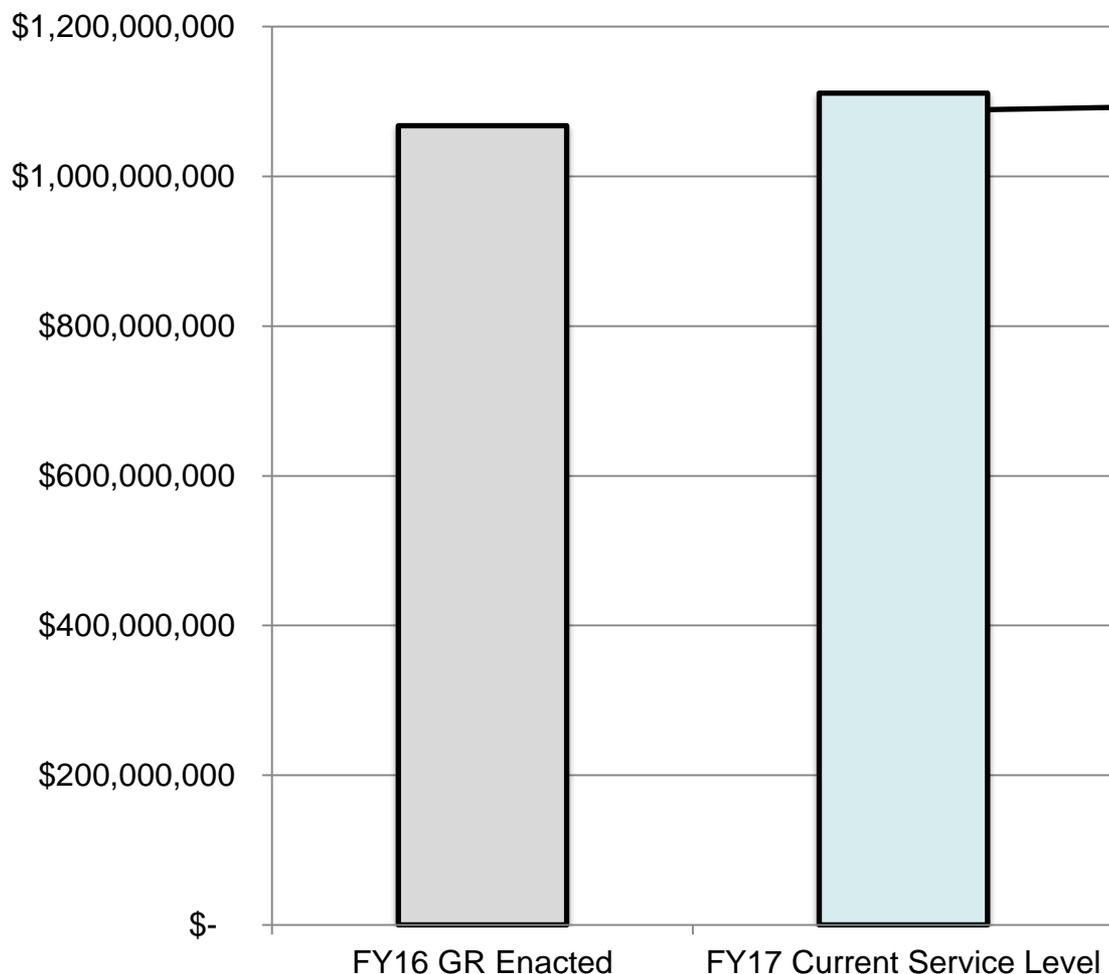
All numbers in thousands



July '16

Budget 2: FY17 Current Service Level

June '17



\$40.2M GR increase from FY16 resulting from:
+\$41.9M in state aid (including categoricals)
+\$250k personnel adjustments
+ \$476k in continuing initiatives
+ \$2.1M in new initiatives
+ \$6.3M teacher retirement
- \$11M in capital fund for school construction (+\$9M capital fund compared to FY15)