

X.A.2

**CONNECTICUT STATE BOARD OF EDUCATION
Hartford**

TO BE PROPOSED:

October 1, 2014

RESOLVED, That the State Board of Education approves the Capital Budget Request for Fiscal Years 2015-16 and 2016-17, and directs the Commissioner to take the necessary action.

Approved by a vote of _____ this first day of October, Two Thousand Fourteen.

Signed: _____
Stefan Pryor, Secretary

**CONNECTICUT STATE BOARD OF EDUCATION
Hartford**

TO: State Board of Education

FROM: Stefan Pryor, Commissioner of Education

DATE: October 1, 2014

SUBJECT: Capital Budget Request for Fiscal Years 2015-16 and 2016-17

Each biennium, state agencies are required to submit capital budget requests to the Office of Policy and Management. The Governor will review all requests and include them in the Capital Budget Request for approval by the State Legislature.

This document summarizes the Department of Education's capital budget request of \$59.9 million for 2015-16 and \$41.4 million for 2016-17.

The Department's request comprises six different programs based on the type of capital improvement and the funding recipients: Connecticut Technical High School System (CTHSS), Interdistrict Magnet Capital Start-Up for Sheff, Open Choice Capital Costs – Sheff, Charter Schools, High-Quality Schools, and Low-Performing Schools. Attached is a summary of the 2014-15 available funds and the fiscal year 2016 and 2017 biennial requests. Below is a brief description of each bond request.

CTHSS

Bond funds are used for alterations and improvements to buildings and grounds, including new and replacement equipment, tools and supplies necessary to update curricula, vehicles, and technology upgrades.

Capital Start-up for Sheff

Part of the State's strategy to meet the goals of the Sheff Stipulated agreement is the development of new magnet school programs. Given the urgency in opening these programs, they often need to open in temporary space until permanent locations can be found or developed.

Open Choice Capital Costs - Sheff

Part of the State's strategy to meet the goals of the Sheff Stipulated agreement is the expansion of the State's Open Choice program, through which students attend school in neighboring towns with capacity to serve additional students. In many instances, those schools have physical space. However, the space needs to be renovated and/or properly outfitted to accommodate the incoming students. Examples of how funds may be used include, but are not limited to, technology upgrades, expanding library space, creating STEM labs, and renovating space to move to full-day kindergarten or add prekindergarten classrooms.

Charter Schools

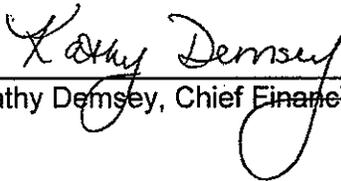
Funds support charter schools with capital expenses, including school building projects, general improvements, and repayment of debt incurred for school building projects.

High-Quality Schools

The Department will recognize schools of distinction by providing grants in support of ongoing excellence. Capital projects may include, but are not limited to, technology and related equipment that helps model schools to maintain their commitment to student achievement. For example, last year these funds were used to help districts purchase the technology necessary for the implementation of the Connecticut Core Standards, including the new standards-aligned assessments.

Low-Performing Schools

The Department will provide funds to the State's lowest performing schools, where there is a significant need for new investments in technology and equipment, and for facility and capital improvements to help address building and site deficiencies to promote the health, safety, and learning of all children in appropriate environments.

Prepared by 
Kathy Demsey, Chief Financial Officer

October 1, 2014

**Connecticut State Department of Education
FY2016-FY2017 Biennial Capital Budget Request**

Project Title	(1) Authorized FY2015	(2) Prior Years' Balances (as of July 1, 2014)	(3) Available Funds (Col 1 + Col 2)	(4) Request FY2016	(5) Request FY2017
CT Technical High School System (CTHSS)	\$15,500,000	\$48,979,248	\$64,479,248	\$11,255,000	\$8,666,000
Capital Start-up for Sheff Magnets	17,400,000	111,054	17,511,054	20,967,000	5,750,000
Open Choice Capital Costs - Sheff Charter Schools	0	750,000	750,000	750,000	0
High-Quality Schools	5,000,000	5,000,000	10,000,000	5,000,000	5,000,000
Low-Performing Schools	10,000,000	2,380,852	12,380,852	10,000,000	5,000,000
	10,000,000	7,787,856	17,787,856	12,000,000	17,000,000
TOTAL ALL PROJECTS	\$57,900,000	\$65,009,010	\$122,909,010	\$59,972,000	\$41,416,000

X.A.1

**CONNECTICUT STATE BOARD OF EDUCATION
Hartford**

TO BE PROPOSED:

October 1, 2014

RESOLVED, That the State Board of Education approves the Current Services Budget Request for Fiscal Years 2015-16 and 2016-17, and directs the Commissioner to take the necessary action.

Approved by a vote of _____ this first day of October, Two Thousand Fourteen.

Signed: _____
Stefan Pryor, Secretary

CONNECTICUT STATE BOARD OF EDUCATION
Hartford

TO: State Board of Education
FROM: Stefan Pryor, Commissioner of Education
DATE: October 1, 2014
SUBJECT: Current Services Budget Request Process for the FY2016/FY2017 Biennium

In accordance with Section 4-77 of the Connecticut General Statutes, agencies must submit a current services budget request to the Office of Policy and Management (OPM) that provides estimates of expenditures for each fiscal year of the next biennium. Specifically, a current services or present level budget request is the amount required in order to provide in the succeeding fiscal years the same level of services as in the current fiscal year plus any scheduled or required changes, including enrollment growth in applicable grant and operating areas and incorporating new or expanded statutory requirements.

Under the rules of current services, certain estimated expenditures, such as fuel, utilities and commodities are updated for inflation, annualization of partial year costs, projected increases or decreases in caseload, completion of projects, collective bargaining increases, costs mandated by statute or court order, and the scheduled opening of new buildings.

Based on the above, below is a summary of the major areas of growth in the Department's current services request:

2014-15 Estimated Expenditures	<u>2015-16 Request</u>	2015-16 Percent Change	<u>2016-17 Request</u>	2016-17 Percent Change
\$3,499,861,210	\$3,700,772,014	5.7%	\$3,745,473,553	1.2%

Highlighted below are the major budgetary considerations that agency staff and I believe fall under the description of a current services request for our operating and grant budgets.

❖ **CT Technical High School System (CTHSS)**

- The re-opening of J.M. Wright in September 2014, beginning with the freshman class of 145 students. The re-opening will require 21 new school positions in 2015-16 and an additional nine positions in 2016-17 as the school moves toward full enrollment.
- Large increase in the cost of heating oil is anticipated in the first year of the next biennium.

❖ **Choice Programs**

- Open Choice participation will continue to grow from its current level of 2,800 to 3,834 students. Most of this expansion will continue to be in the Sheff region.
- Magnet School enrollment is expected to increase from an estimated 38,781 this school year to 42,064 and 43,822 students in 2015-16 and 2016-17, respectively. By the end of the biennium, the number of magnet schools will increase from 89 to 91. Both new magnet programs were created under Public Act 14-90.

- State Charter School enrollment is expected to grow from 8,246 this school year to 11,589 by 2016-17. Two new schools approved by the State Board of Education in April 2014 will open in 2015-16. The one local charter school's enrollment will grow to 140 students.

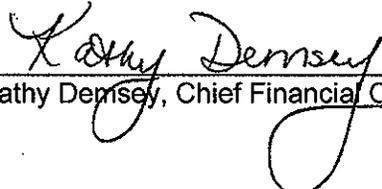
❖ **Uncapped Grants**

- There are five grants that, under current law, will no longer be subject to ratable reductions to stay within the available appropriation: Excess Costs, Adult Education, Public Transportation, Nonpublic Transportation and Nonpublic Health Services.
- Under current services, we are required to increase the appropriations in order to fully fund the grant. The cost of removing the caps in 2015-16 totals nearly \$121 million, and an additional \$11 million will be needed in 2016-17. Most of these grants have not been fully funded since 2001-02.

❖ **Education Reform Initiatives**

- The education reform legislation anticipated growth to 25 schools participating in the Commissioner's Network. Currently the Commissioner's Network supports 16 schools, four of which are in the third year in the network. Under our request, by 2016-17 the Network will be supporting 25 schools. We will be submitting legislation to allow schools to continue to apply to be in the Network. Current law closed the application period on July 1, 2014.

Prepared by


Kathy Demsey, Chief Financial Officer

CAPITAL BUDGET REQUEST

Department of Education

Agency Title Priority	Request Yr1	Request Yr2
0 American School for the Deaf	2800000	2300000
1 Connecticut Technical High School System (CTHSS)	11255000	8666000
1 Open Choice Capital Costs (Capital costs for Sheff Open Choice districts)	750000	0
1 Capital Start-up Costs for New Sheff Magnet Programs in Temporary Space	20967000	5750000
1 High Quality Schools	10000000	5000000
1 Charter Schools	5000000	5000000
1 LOW PERFORMING SCHOOLS	12000000	17000000
Totals	62772000	43716000

Kathy Demsey on behalf of Commissioner Pryor *10.2.14*

Stefan Pryor

Date

Capital Budget Request
Department of Education

Project Title

American School for the Deaf

Contact

Thomas M. Wood (ASD)

Authorization Language

At American School for the Deaf, alterations, renovations, and improvements to building and ground, including new construction, portable classrooms, and fire alarms. Gallaudet Hall Renovation Project, BI-DF-34: SA 01-2, (JSS), Secs. 2(h)(2)&17(e)(2); SA 02-1, (M9 SS), Secs. 17(d) & 96; SA 04-2, (MSS), Sec. 2(h)(1); SA 05-1, (JSS), Sec. 2(m)(1); SB 1119, Sec. 2(p)(1)

Justification

The upgrades described are consistent with the goal of all campus improvements – which is to ensure that the ASD campus is a safe, healthy, secure and appropriate educational and residential environment for deaf and hard of hearing students. Additionally, the new residential facility would ensure campus safety and ADA compliance.

Please note that we have requested for FY 2015 (October Bond Commission Meeting) \$4,000,000, including moving \$1.0 million in already bonded funds. This will reduce the unallocated balance, as we move into the new biennium.

Description

Campus improvements for alterations, renovations, and repairs to buildings and grounds for:

1. The construction of a new dormitory during FY 2016 and FY 2017 to meet the needs of the school's residential program, including addressing ADA needs for security, communication and restrooms as well as campus safety.
2. During FY 2016 and FY 2018, we anticipate utilizing \$1.5 million each year to address deferred maintenance/capital projects. (Anticipated unallocated balance: \$16.69 Million)

Request Yr1	Gov. Yr1	Leg Rec Yr1
2,800,000.00	0.00	0.00
Request Yr2	Gov. Yr2	Leg. Yr2
2,300,000.00	0.00	0.00
Proj. Yr3	Proj. Yr4	Proj. Yr5
2,500,000.00	3,500,000.00	3,000,000.00

Statutory Ref

Town Statewide

Program Agency Management Services

Prior State Authorizations

Section Act	Authorized	Unallocated

Capital Budget Request

Department of Education

Project Title

Connecticut Technical High School System (CTHSS)

Contact

Nivea L. Torres

Authorization Language

For the Department of Education: Alterations and improvements to buildings and grounds, including new and replacement equipment, tools and supplies necessary to update curricula, vehicles and technology upgrades at all Connecticut Technical High Schools.

Justification

to help pay for
to help pay for
to help pay for

to help pay for
to help pay for
to help pay for

Capital Budget Request

Department of Education

Proposed projects for FY 2016 - \$11,255,000

- \$5,074,000 for the replacement of technology equipment
- \$4,181,000 for the replacement of trade and academic equipment
- \$2,000,000 for agency administered infrastructure repairs

Proposed projects for FY 2017 - \$8,666,000

- \$4,214,000 for the replacement of trade and academic equipment
- \$2,452,000 for the replacement of technology equipment
- \$2,000,000 for agency administered infrastructure repairs

Infrastructure

The district has now completed six school renovation projects and the building of the new CT Aero School in Hartford and three additional projects are substantially complete:

- H.H. Ellis – Danielson (99% complete)
- H.C. Wilcox – Meriden (95% complete)
- J.M. Wright – Stamford (95% complete)

Two projects are currently underway including:

- Eli Whitney THS - Hamden (65% complete)
- Emmett O'Brien THS – Ansonia (10% complete)

We are hopeful that at least two additional renovation projects (Grasso THS – Groton and Platt THS – Milford) will be commencing during the biennium.

However, the district must continue to make minor repairs/renovations and remediate issues not addressed by the renovation projects. Thus, the district will require \$2.0 million in each year of the biennium for various agency administered projects.

Trade and Academic Equipment

The Connecticut Technical High School System requires access to state-of-the-art equipment to further improve academic and trade performance of our students, ultimately resulting in a highly skilled workforce benefiting the state's economy.

In addition, the continued expansion in the district educational programs requires an investment in new trade equipment.

Therefore, we are requesting an allocation of \$4,181,000 for FY 2016 and \$4,214,000 for FY 2017 for the replacement of trade and academic equipment.

Technology

Portions of the existing technology infrastructure must be replaced due to aged equipment and the availability of improved technologies resulting in cost savings and improved productivity.

The Department of Education's Bureau of Information Technology working with the district's Education Consultant for Technology has identified computers, printers, network switches, backup power supply, and servers in need of replacement during the biennium.

The district will require approximately \$5,074,000 in fiscal year 2016 to replace 1,193 classroom computers (\$894,750), 33 network switches (\$1,535,000), 51 network printers (\$76,500), \$1,357,750 for replacement of servers containing critical educational software and \$925,000 for replacement of data wiring. In addition, funding (\$285,000) is needed in order to continue the district wide implementation of inactive whiteboards for use in the trade and academic classrooms.

An additional \$2,452,000 will be required in fiscal year 2017 for replacement of 1,193 classroom computers (\$894,750) 51 network printers (\$76,500), 20 network switches (\$1,035,000), \$325,000 for the replacement of data wiring and \$70,750 for the replacement of servers. In addition, funding (\$50,000) is needed in order to continue the district wide implementation of inactive whiteboards for use in the trade and academic classrooms.

Description

Capital Budget Request

Department of Education

C.G.S. 10-220 mandates school districts to provide an appropriate learning environment for its students which includes adequate instructional books, supplies, materials, equipment, staffing, facilities and technology. In order to meet these requirements, the Connecticut Technical High School System (CTHSS) maintains facility and equipment maintenance and replacement plans. Replenishment of this account allows the system to actually implement those plans and reduce the costs that would be associated with deferred maintenance over the long term.

Request Yr1	Gov. Yr1	Leg Rec Yr1
11,255,000.00	0.00	0.00
Request Yr2	Gov. Yr2	Leg. Yr2
8,666,000.00	0.00	0.00
Proj. Yr3	Proj. Yr4	Proj. Yr5
8,700,000.00	8,700,000.00	8,700,000.00

Statutory Ref

Town Statewide
 Program Information & Technology

Prior State Authorizations

Section Act	Authorized	Unallocated
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Project Cost Estimates

Project Item	Total Project Cost	Previous Funding	Other Funds	Year1	Year2	Balance

Previous Funding

Source	SBC Meeting Date	Amount
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Capital Budget Request

Department of Education

Project Title

Open Choice Capital Costs (Capital costs for Sheff Open Choice districts)

Contact

Glen Peterson

Authorization Language

(Section 13(h)(3) of PA 13-239 as amended by Section 100 of PA 14-217)
 For the Department of Education: Grants-in-aid to local or regional boards of education for capital costs related to the expansion of enrollment in the state-wide interdistrict public school attendance program pursuant to section 10-266aa of the general statutes, to assist the state in meeting the goals of the 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al., as extended, or the goals of the 2013 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et. al., for building renovations, classroom expansions and the purchase of equipment, including, but not limited to, computers, laboratory equipment and classroom furniture.

Justification

The 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al. , as extended, or the goals of the 2013 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al., requires the State to increase the number of Hartford-minority students in reduced isolation educational settings. Part of the state's strategy to meet these goals is the expansion of the State's Open Choice program, through which students attend school in neighboring towns ("receiving districts") having capacity to serve additional students. In many instances, those schools have physical space, however, the space needs to be renovated and/or properly outfitted to accommodate the incoming students.

Description

Funds will be used to prepare space for increased Open Choice enrollments. Examples of how funds may be used include but are not limited to: technology upgrades including media labs and media centers, creating library space, creating STEM labs, renovating space to serve prekindergarten students.

Request Yr1	Gov. Yr1	Leg Rec Yr1
750,000.00	0.00	0.00
Request Yr2	Gov. Yr2	Leg. Yr2
0.00	0.00	0.00
Proj. Yr3	Proj. Yr4	Proj. Yr5
0.00	0.00	0.00

Statutory Ref

Town Statewide
Program Information & Technology

Prior State Authorizations

Section Act	Authorized	Unallocated
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Capital Budget Request

Department of Education

Project Title

Capital Start-up Costs for New Sheff Magnet Programs in Temporary Space

Contact

Glen Peterson

Authorization Language

For the Department of Education: Grants-in-aid for the purpose of capital start-up costs related to the development of new interdistrict magnet school programs to assist the state in meeting the goals of the 2008 stipulation and order for Milo Sheff, et. al. v. William A. O'Neill, et. al. for the purpose of purchasing a building or portable classrooms, subject to the reversion provisions in subdivision (1) of subsection (c) of section 10-264h of the general statutes, leasing space, renovating space, and purchasing equipment, including, but not limited to, computers and classroom furniture.

Justification

The 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al. , as extended, or the goals of the 2013 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al., requires the State to increase the number of Hartford-minority students in reduced isolation educational settings. Part of the state's strategy to meet these goals is the development of new magnet school programs. However, given the speed with which they need to open they will have to open in temporary space until a permanent location can be found or developed. Therefore, funds are needed to lease, renovate and outfit the temporary space to accommodate classrooms. Some of the programs funded through these grants have moved into permanent space, to the extent possible moving and using equipment and furnishings purchased for the temporary sites. Other programs have expanded within their temporary locations, making additional funds necessary to prepare the space for increased enrollments.

Description

Funds will be used to open and expand new magnet schools in the Sheff region in temporary space while permanent facilities are found or developed. With the Department's paper submission, we will include additional information on each of the programs requesting funding, along with a history of magnet incubation funding to date.

Request Yr1	Gov. Yr1	Leg Rec Yr1
20,967,000.00	0.00	0.00
Request Yr2	Gov. Yr2	Leg. Yr2
5,750,000.00	0.00	0.00
Proj. Yr3	Proj. Yr4	Proj. Yr5
2,000,000.00	2,000,000.00	2,000,000.00

Statutory Ref

Town Statewide
Program Information & Technology

Prior State Authorizations

Capital Budget Request

Department of Education

Project Title

Charter Schools

Contact

Robert Kelly

Authorization Language

For the Department of Education: Grants to assist charter schools with capital expenses pursuant to C.G.S. section 10-66hh

Justification

This legislation assists charter schools in meeting some of their facility needs. When the Department issued its first RFP due in September 2005, nearly \$13M in requests were received from 12 of the 14 charters for the \$5M which was available. For the second RFP due in March of 2007, 10 of 16 eligible schools submitted \$7M in requests competing for \$5M in funding. A third RFP was due in September of 2008, for which \$9.3M in requests were received from 10 of 18 charter schools for the \$5M which was available. A fourth RFP was due in October of 2012, for which almost \$12M in requests were received from 10 of 17 charter schools for the \$5.3M which was available. Lastly, a fifth RFP was due in February of 2014, for which almost \$9M in requests were received from 11 of 18 charter schools for the \$5M which was available; the Department has requested that these funds be approved at the next meeting of the Bond Commission. Once these funds are approved, the Department will issue a new RFP. Currently there are 21 state charter schools that will be eligible to participate in the RFP. Since FY 2005-06 when the program began, charter school enrollment has grown from 2,944 students to a projected student enrollment of 8,177 students for the 2014-15 school year.

Description

These funds are requested to provide grants-in-aid to assist charter schools with capital expenses including school building projects, general improvements and repayment of debt incurred for school building projects.

Request Yr1	Gov. Yr1	Leg Rec Yr1
5,000,000.00	0.00	0.00
Request Yr2	Gov. Yr2	Leg. Yr2
5,000,000.00	0.00	0.00
Proj. Yr3	Proj. Yr4	Proj. Yr5
5,000,000.00	5,000,000.00	5,000,000.00

Statutory Ref

Town

Statewide

Program

Information & Technology

Prior State Authorizations

Capital Budget Request

Department of Education

Project Title

LOW PERFORMING SCHOOLS

Contact

Mike Kent

Authorization Language

For the Department of Education: Grants-in-aid to assist targeted local and regional school districts for alterations, repairs, improvements, technology and equipment in low-performing schools.

Justification

In the state's lowest-performing schools, there is a significant need for new investments in technology and equipment, and for facility and capital improvements to help address building and site deficiencies, promoting the health, safety, and learning of all children in 21st century educational environments.

Description

These funds are requested to provide grants-in-aid to targeted low-performing schools for capital projects that will reduce or eliminate the physical and technological barriers to maintaining and achieving high-quality facilities. Priority will be given to Commissioner's Network Schools, School Improvement Grant (SIG) 1003(g) schools, and low-performing schools selected through competitive grant processes administered by the Turnaround Office. We anticipate 20 Network and 8 SIG schools in FY 2016. Additionally, the Turnaround Office awarded low-performing bond funds to 6 schools through other competitive grant processes in FY 2015, and project 6 additional awardees in FY 2016. We are budgeting \$500,000 for each school. Accordingly, we require \$17M for improvements in FY 2016. We anticipate these projections to remain true for FY 2017 as well. However, in FY 2018, we expect that 11 Network schools will exit the Network, and therefore, project \$11,500,000 for FY 2018 through FY 2020. The Department plans to expend additional funds from the unallocated balance over the remaining months of the fiscal year. At this time, we anticipated carrying forward approximately \$5 Million, which will off set our fiscal year 2016 needs, reducing them to \$12 Million.

Request Yr1	Gov. Yr1	Leg Rec Yr1
12,000,000.00	0.00	0.00
Request Yr2	Gov. Yr2	Leg. Yr2
17,000,000.00	0.00	0.00
Proj. Yr3	Proj. Yr4	Proj. Yr5
11,500,000.00	11,500,000.00	11,500,000.00

Statutory Ref

Town Statewide

Program Information & Technology
