

Elementary & Secondary Education
Coordinator - Sarah Bourne
Office of Fiscal Analysis

	Page #	Analyst	Actual Expenditures FY 13	Governor's Estimated FY 14	Original Appropriated FY 15	Governor Revised FY 15	Difference Gov - Orig FY 15	Percent Change Gov - Orig FY 15
General Fund								
Department of Education	1	SB	2,880,341,648	2,936,383,769	3,006,409,170	3,015,280,463	8,871,293	0.3
Office of Early Childhood	6	ES	-	129,583,957	241,302,342	274,560,967	33,258,625	13.8
State Library	9	AS	12,294,158	12,520,085	12,753,643	12,753,457	(186)	-
Teachers' Retirement Board	11	CG	805,193,222	973,104,770	1,013,064,604	1,006,563,765	(6,500,839)	(0.6)
Total - General Fund			3,697,829,028	4,051,592,581	4,273,529,759	4,309,158,652	35,628,893	-
Total - All Appropriated Funds								
			3,697,829,028	4,051,592,581	4,273,529,759	4,309,158,652	35,628,893	-

Department of Education

SDE64000

Position Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Permanent Full-Time - GF	1,680	1,685	1,714	1,778	64	3.73

Budget Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Personal Services	20,443,445	17,618,304	18,507,312	19,145,222	637,910	3.45
Other Expenses	4,617,088	3,458,980	3,458,980	3,458,980	0	0.00
Equipment	0	1	1	1	0	0.00
Other Current Expenses						
Basic Skills Exam Teachers in Training	653,507	1,226,867	1,255,655	0	(1,255,655)	(100.00)
Teachers' Standards Implementation Program	2,179,868	2,941,683	2,941,683	0	(2,941,683)	(100.00)
Early Childhood Program	6,595,983	0	0	0	0	n/a
Admin - Magnet Schools	242,001	0	0	0	0	n/a
Admin - Adult Education	747,551	0	0	0	0	n/a
Development of Mastery Exams Grades 4, 6, and 8	18,089,520	20,147,588	18,971,294	18,971,294	0	0.00
Admin-Interdistrict Cooperatio	101,319	0	0	0	0	n/a
Primary Mental Health	481,930	427,209	427,209	427,209	0	0.00
Admin - Youth Service Bureaus	59,785	0	0	0	0	n/a
Leadership, Education, Athletics in Partnership (LEAP)	726,750	726,750	726,750	726,750	0	0.00
Adult Education Action	240,687	240,687	240,687	240,687	0	0.00
Connecticut Pre-Engineering Program	262,500	262,500	262,500	262,500	0	0.00
Connecticut Writing Project	36,207	50,000	50,000	50,000	0	0.00
Resource Equity Assessments	184,699	168,064	168,064	168,064	0	0.00
Neighborhood Youth Centers	1,371,386	1,271,386	1,271,386	1,271,386	0	0.00
Longitudinal Data Systems	1,424,704	1,263,197	1,263,197	1,263,197	0	0.00
School Accountability	1,506,245	1,856,588	1,860,598	1,860,598	0	0.00
Sheff Settlement	12,084,129	13,259,263	9,409,526	17,009,526	7,600,000	80.77
Admin - After School Programs	180,000	0	0	0	0	n/a
Community Plans for Early Childhood	427,462	0	0	0	0	n/a
Improving Early Literacy	142,500	0	0	0	0	n/a
Parent Trust Fund Program	473,097	500,000	500,000	500,000	0	0.00
Regional Vocational-Technical School System	132,996,307	146,551,879	155,632,696	157,361,196	1,728,500	1.11
Child Care Services	18,411,594	0	0	0	0	n/a
Science Program for Educational Reform Districts	0	455,000	455,000	455,000	0	0.00
Wrap Around Services	427,500	450,000	450,000	450,000	0	0.00
Parent Universities	237,500	487,500	487,500	487,500	0	0.00
School Health Coordinator Pilot	190,000	190,000	190,000	190,000	0	0.00
Commissioner's Network	4,699,999	10,000,000	17,500,000	17,500,000	0	0.00
Technical Assistance for Regional Cooperation	72,200	95,000	95,000	95,000	0	0.00
New or Replicated Schools	0	300,000	900,000	900,000	0	0.00
Bridges to Success	451,251	601,652	601,652	601,652	0	0.00
K-3 Reading Assessment Pilot	2,565,000	2,699,941	2,699,941	2,699,941	0	0.00
Talent Development	6,093,694	10,025,000	10,025,000	13,511,221	3,486,221	34.78
Common Core	0	8,300,000	6,300,000	6,300,000	0	0.00

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Alternative High School & Adult	0	1,200,000	1,200,000	1,200,000	0	0.00
Special Master	0	2,116,169	2,116,169	2,116,169	0	0.00
Other Than Payments to Local Governments						
American School For The Deaf	10,247,030	10,659,030	10,659,030	10,659,030	0	0.00
Regional Education Services	1,315,382	1,166,026	1,166,026	1,166,026	0	0.00
Head Start Services	2,610,743	0	0	0	0	n/a
Head Start Enhancement	1,684,350	0	0	0	0	n/a
Family Resource Centers	7,582,413	7,582,414	7,582,414	7,582,414	0	0.00
Youth Service Bureau Enhancement	616,010	620,300	620,300	620,300	0	0.00
Head Start - Early Childhood Link	1,985,500	0	0	0	0	n/a
Child Nutrition State Match	2,354,017	2,354,000	2,354,000	2,354,000	0	0.00
Health Foods Initiative	3,871,786	4,661,604	4,806,300	4,806,300	0	0.00
EvenStart	475,000	0	0	0	0	n/a
Other Than Payments to Local Governments						
Vocational Agriculture	6,485,565	9,485,565	9,485,565	9,485,565	0	0.00
Transportation of School Children	24,921,083	24,884,748	24,884,748	24,884,748	0	0.00
Adult Education	19,995,405	21,033,915	21,045,036	21,045,036	0	0.00
Health and Welfare Services Pupils Private Schools	4,297,500	4,297,500	4,297,500	4,297,500	0	0.00
Education Equalization Grants	1,995,090,513	2,066,589,276	2,122,891,002	2,122,891,002	0	0.00
Bilingual Education	1,883,457	1,916,130	1,916,130	1,916,130	0	0.00
Priority School Districts	118,698,950	47,427,206	46,947,022	46,947,022	0	0.00
Young Parents Program	229,330	229,330	229,330	229,330	0	0.00
Interdistrict Cooperation	8,958,517	9,146,369	9,150,379	9,150,379	0	0.00
School Breakfast Program	2,223,281	2,300,041	2,379,962	2,379,962	0	0.00
Excess Cost - Student Based	139,831,862	139,805,731	139,805,731	139,805,731	0	0.00
Non-Public School Transportation	3,595,500	3,595,500	3,595,500	3,595,500	0	0.00
School To Work Opportunities	213,750	213,750	213,750	213,750	0	0.00
Youth Service Bureaus	2,905,755	2,989,268	2,989,268	2,989,268	0	0.00
Open Choice Program	27,184,104	37,018,594	42,616,736	42,616,736	0	0.00
Magnet Schools	244,637,809	284,249,020	281,250,025	280,250,025	(1,000,000)	(0.36)
After School Program	4,020,000	4,500,000	4,500,000	5,063,286	563,286	12.52
School Readiness Quality Enhancement	3,009,628	0	0	0	0	n/a
Nonfunctional - Change to Accruals	0	767,244	1,055,616	1,108,330	52,714	4.99
Agency Total - General Fund	2,880,341,648	2,936,383,769	3,006,409,170	3,015,280,463	8,871,293	0.30

Account	Governor Revised	
	FY 15	
	Pos.	\$

Current Services

Adjust Position Count for Longitudinal Data System

Longitudinal Data Systems	1	0
Total - General Fund	1	0

Background

The Statewide Longitudinal Data System (SLDS) is charged with designing, developing, and implementing a statewide data system to efficiently and accurately manage, analyze and disseminate school, district, and state-level education data, in order to meet both state and federal requirements, evaluate the effectiveness of programs, and support the decision-making process. The SLDS will also be used to analyze individual student data to track academic progress and program participation in order to facilitate research needed to implement achievement gaps.

Governor

Adjust the position count, by one new position, in the Longitudinal Data Systems account, to reflect a loss of federal funds. Additional funding is not required, as the account will be managed to permanently support the position.

Account	Governor Revised	
	FY 15	
	Pos.	\$

Increase Funding to Continue Education Reform Initiatives

Personal Services	7	637,910
Total - General Fund	7	637,910

Governor

Provide funding of \$637,910 for seven Education Consultant positions, with an annual salary of \$91,130 each to continue implementation of the educational reform initiatives.

Annualize the FY 14 Sheff Extension

Sheff Settlement	0	4,000,000
Total - General Fund	0	4,000,000

Background

On April 30, 2013 the stipulated agreement between the state and the Sheff plaintiffs was altered. The new agreement calls for additional magnet schools, designation of existing schools as magnets, expanding the capacity of existing magnet schools, expanding the capacity of technical schools, modification of the OPEN Choice program and other measures.

Governor

Provide funding of \$4 million, this funding reflects the annualized FY 14 costs, for purposes of meeting the revised conditions of the Sheff court order.

Adjust Funding for Revised Estimated GAAP Requirements

Nonfunctional - Change to Accruals	0	52,714
Total - General Fund	0	52,714

Background

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

Governor

Provide funding of \$52,714 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

Policy Revisions

Reduce Various Accounts by 5%

Basic Skills Exam Teachers in Training	0	(62,783)
Teachers' Standards Implementation Program	0	(147,084)
Talent Development	0	(501,250)
Total - General Fund	0	(711,117)

Governor

Reduce funding by \$711,117 to reflect a 5% cut to the following accounts: Basic Skills Exam Teachers in Training (\$62,783), Teachers' Standards Implementation Program (\$147,084) and Talent Development (\$501,250).

Transfer Various Accounts into Talent Development

Basic Skills Exam Teachers in Training	0	(1,192,872)
Teachers' Standards Implementation Program	0	(2,794,599)
Talent Development	0	3,987,471
Total - General Fund	0	0

Background

Section 52 of PA 12-116, implemented Talent Development. The FY 13 Revised Budget originally provided \$3.5 million for Talent Development, with an additional \$4 million in carry forward funding. The FY 14 and FY 15 Budget further increased this account by providing \$10,025,000 in both years.

Account	Governor Revised	
	FY 15	
	Pos.	\$

Governor

Transfer funding of \$2,794,599 from Teachers' Standards Implementation Program and \$1,192,872 from Basic Skills Exam Teachers in Training into the Talent Development account to streamline Talent Development. This results in total funding in this account of \$13.5 million.

Provide Funding for the New One Year Sheff Agreement

Sheff Settlement	0	3,600,000
Total - General Fund	0	3,600,000

Background

On April 30, 2013 the stipulated agreement between the state and the Sheff plaintiffs was altered. The new agreement calls for additional magnet schools, designation of existing schools as magnets, expanding the capacity of existing magnet schools, expanding the capacity of technical schools, modification of the OPEN Choice program and other measures.

Governor

Provide funding of \$3.6 million for new Sheff initiatives, including: \$1.3 million for a Sand Lighthouse School, the Renzulli Gifted & Talented School and the continuation of the summer immersion program at Montessori Academy (all of which are located in Hartford.) The remaining \$2.3 million is to add grades to various existing Magnet schools.

Provide Funds for Health and Safety Positions at VT Schools

Regional Vocational-Technical School System	56	1,728,500
Total - General Fund	56	1,728,500

Governor

Provide funding of \$1,728,500 for various health and safety positions at the Connecticut Technical High School System.

- \$1,016,000 is provided for 24 full-time maintenance positions, with an annual salary of \$34,000 and \$10,000 in maintenance supply funding per school,
- \$232,500 for 5 full-time school nurse positions, with an annual salary of \$46,500,
- \$480,000 for 10 additional special educators and 2 English Language Learner Instructors, with an average salary of \$40,000,
- Increasing the authorized position count by 15 to reflect moving instructor positions from durational to full-time; no additional funding is required for these positions.

Transfer Before and After School Funding from DSS

After School Program	0	563,286
Total - General Fund	0	563,286

Governor

Transfer funding of \$563,286 from the Department of Social Service, for Before and After School Programs, to the State Department of Education. Funding of \$224,221 supports before and after school at seven community organizations, including the Edgewood PTA Child Care Program, RAM School Age Child Care Association, ROSSCO Stamford School Community Organization, YMCA of Metropolitan Hartford, Young Men's Christian Association of Northern Middlesex County, and the cities of Danbury and West Haven. Additional funding of \$339,065 supports after school programs at five community organizations, including the Cardinal Sheehan Center, City Slickers, Skills Camp, Solar Youth, and the Young Women's Christian Association of New Britain.

Reduce Administrative Set Aside for Magnet Schools

Magnet Schools	0	(1,000,000)
Total - General Fund	0	(1,000,000)

Governor

Reduce funding by \$1 million for the administrative set aside for the Magnet School account. Historically, these administrative funds have been lapsing, as the State Department of Education requires less funding to administer the Magnet School Program.

Totals

Budget Components	Governor Revised	
	FY 15	
	Pos.	\$
Original Appropriation - GF	1,714	3,006,409,170
Current Services	8	4,690,624
Policy Revisions	56	4,180,669
Total Recommended - GF	1,778	3,015,280,463

Office of Early Childhood

OEC64800

Position Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Permanent Full-Time - GF	0	31	73	106	33	45.21

Budget Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Personal Services	0	2,539,359	4,985,737	6,935,031	1,949,294	39.10
Other Expenses	0	590,000	8,276,000	8,327,650	51,650	0.62
Equipment	0	1	1	1	0	0.00
Other Current Expenses						
Children's Trust Fund	0	11,671,218	11,671,218	11,671,218	0	0.00
Early Childhood Program	0	6,748,003	6,761,345	11,446,165	4,684,820	69.29
Early Childhood Advisory Cabinet	0	0	0	30,000	30,000	n/a
Community Plans for Early Childhood	0	600,000	750,000	750,000	0	0.00
Improving Early Literacy	0	150,000	150,000	150,000	0	0.00
Child Care Services	0	18,419,752	18,419,752	18,972,345	552,593	3.00
Evenstart	0	475,000	475,000	475,000	0	0.00
Other Than Payments to Local Governments						
Head Start Services	0	2,610,743	2,610,743	2,610,743	0	0.00
Head Start Enhancement	0	1,684,350	1,684,350	1,684,350	0	0.00
Child Care Services-TANF/CCDBG	0	0	101,489,658	116,717,658	15,228,000	15.00
Child Care Quality Enhancements	0	3,259,170	3,259,170	3,259,170	0	0.00
Head Start - Early Childhood Link	0	2,090,000	2,090,000	2,090,000	0	0.00
Other Than Payments to Local Governments						
School Readiness Quality Enhancement	0	3,895,645	3,895,645	6,895,645	3,000,000	77.01
School Readiness & Quality Enh	0	74,767,825	74,299,075	80,573,566	6,274,491	8.44
Nonfunctional - Change to Accruals	0	82,891	484,648	1,972,425	1,487,777	306.98
Agency Total - General Fund	0	129,583,957	241,302,342	274,560,967	33,258,625	13.78

Account	Governor Revised	
	FY 15	
	Pos.	\$

Current Services

Transfer Certain Positions and Funding Back to DPH

Personal Services	(4)	(277,661)
Total - General Fund	(4)	(277,661)

Governor

Transfer funding of \$277,661 and four positions back to the Department of Public Health (DPH) to better reflect appropriate functions. These positions are located in DPH's Office of Licensure Regulation and Compliance (OLRC) and spend only a portion of their time on daycare regulation. These four staff will continue to provide such support to OEC via a memorandum of understanding (MOU).

Account	Governor Revised	
	FY 15	
	Pos.	\$

Provide Funding for Child Care Union Contract Costs

Child Care Services-TANF/CCDBG	0	11,306,600
Total - General Fund	0	11,306,600

Background

PA 12-33 enabled family child care providers and Personal Care Attendants (PCAs) working in state-funded programs to collectively bargain.

Governor

Provide funding of \$11,306,600 to reflect child care union contract costs provided through the Care 4 Kids program.

Provide Funding to Reflect Caseload Projections

Child Care Services-TANF/CCDBG	0	3,039,400
Total - General Fund	0	3,039,400

Background

Care 4 Kids helps low to moderate income families in Connecticut pay for child care costs.

Governor

Provide funding of \$3,039,400 to reflect revised caseload projections. Funding supports a monthly average caseload of 14,735 (increased from FY 15 original estimates of 14,143), at an estimated cost per case of \$591.

Adjust Funding for Revised Estimated GAAP Requirements

Nonfunctional - Change to Accruals	0	1,487,777
Total - General Fund	0	1,487,777

Background

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

Governor

Provide funding of \$1,487,777 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

Policy Revisions

Provide Funding to Increase Pre-K Slots and Subsidies

Early Childhood Program	0	4,684,820
Child Care Services	0	552,593
School Readiness & Quality Enh	0	6,274,491
Total - General Fund	0	11,511,904

Governor

Provide funding of \$11,511,904 to support 1,020 additional Pre-Kindergarten slots and a 3 percent increase in subsidies (bringing the full-day, full-year rate from \$8,346 to \$8,595 per slot). Additional slots are anticipated over the next several years leading to universal Pre-K in 2019. Access will be phased-in, giving priority to lower-income three and four year-old children first. In addition, \$2.3 million in FY 14 carryforward funding will support start-up costs of \$22,500 for each classroom and \$1.1 million will fund planning grants.

Account	Governor Revised	
	FY 15	
	Pos.	\$

Establish QRIS and Increase Licensure Inspections

Personal Services	34	1,869,409
Other Expenses	0	36,000
Early Childhood Advisory Cabinet	0	30,000
Child Care Services-TANF/CCDBG	0	882,000
School Readiness Quality Enhancement	0	3,000,000
Total - General Fund	34	5,817,409

Governor

Provide funding of \$5,817,409 to establish a Quality Rating & Improvement System (QRIS) and increase the frequency of licensing inspections. Funding supports 34 new positions, including an OEC IT analyst and staff attorney, four QRIS staff, 19 licensing inspections staff, and ten new staff to support background checks. Funding will also support six car leases (\$36,000) and grants and contracts (\$3.9 million).

Transfer Youth Camp Licensing Function from DPH

Personal Services	3	357,546
Other Expenses	0	15,650
Total - General Fund	3	373,196

Governor

Transfer funding of \$373,196 and three staff from the Department of Public Health (DPH) to support the licensing of youth camps. The three full-time staff includes a Supervising Nurse Consultant, a Health Program Associate, and a licensing and applications analyst.

Totals

Budget Components	Governor Revised	
	FY 15	
	Pos.	\$
Original Appropriation - GF	73	241,302,342
Current Services	(4)	15,556,116
Policy Revisions	37	17,702,509
Total Recommended - GF	106	274,560,967

State Library

CSL66000

Position Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Permanent Full-Time - GF	55	55	55	55	0	0.00

Budget Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Personal Services	4,781,024	5,000,973	5,216,113	5,216,113	0	0.00
Other Expenses	710,355	695,685	695,685	695,685	0	0.00
Equipment	0	1	1	1	0	0.00
Other Current Expenses						
State-Wide Digital Library	1,989,853	1,989,860	1,989,860	1,989,860	0	0.00
Interlibrary Loan Delivery Service	260,203	258,471	268,122	268,122	0	0.00
Legal/Legislative Library Materials	786,422	786,592	786,592	786,592	0	0.00
Computer Access	180,480	180,500	180,500	180,500	0	0.00
Other Than Payments to Local Governments						
Support Cooperating Library Service Units	332,500	332,500	332,500	332,500	0	0.00
Other Than Payments to Local Governments						
Grants To Public Libraries	203,569	203,569	203,569	203,569	0	0.00
Connecticard Payments	1,000,000	1,000,000	1,000,000	1,000,000	0	0.00
Connecticut Humanities Council	2,049,752	2,049,752	2,049,752	2,049,752	0	0.00
Nonfunctional - Change to Accruals	0	22,182	30,949	30,763	(186)	(0.60)
Agency Total - General Fund	12,294,158	12,520,085	12,753,643	12,753,457	(186)	0.00

Account	Governor Revised	
	FY 15	
	Pos.	\$

Current Services

Adjust Funding for Revised Estimated GAAP Requirements

Nonfunctional - Change to Accruals	0	(186)
Total - General Fund	0	(186)

Background

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

Governor

Reduce funding by \$186 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

Totals

Budget Components	Governor Revised	
	FY 15	
	Pos.	\$
Original Appropriation - GF	55	12,753,643
Current Services	0	(186)
Total Recommended - GF	55	12,753,457

Teachers' Retirement Board

TRB77500

Position Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Permanent Full-Time - GF	27	27	27	27	0	0.00

Budget Summary

Account	Actual FY 13	Governor Estimated FY 14	Original Appropriation FY 15	Governor Revised FY 15	Difference Gov- Orig FY 15	% Diff Gov - Orig/Orig
Personal Services	1,402,236	1,628,071	1,707,570	1,707,570	0	0.00
Other Expenses	372,341	563,290	575,197	575,197	0	0.00
Equipment	0	1	1	1	0	0.00
Other Than Payments to Local Governments						
Retirement Contributions	787,536,000	948,540,000	984,110,000	984,110,000	0	0.00
Retirees Health Service Cost	10,658,788	16,912,000	21,214,000	14,714,000	(6,500,000)	(30.64)
Municipal Retiree Health Insurance Costs	5,223,857	5,447,370	5,447,370	5,447,370	0	0.00
Nonfunctional - Change to Accruals	0	14,038	10,466	9,627	(839)	(8.02)
Agency Total - General Fund	805,193,222	973,104,770	1,013,064,604	1,006,563,765	(6,500,839)	(0.64)

Account	Governor Revised	
	FY 15	
	Pos.	\$

Current Services

Reduce Funding Due to Decrease in Monthly Premium

Retirees Health Service Cost	0	(6,500,000)
Total - General Fund	0	(6,500,000)

Background

The Teachers' Retirement Board (TRB) sponsors a Medicare supplement health insurance program for retired members and eligible dependents. The TRB health plan is funded on a self-insured basis. The statutory cost sharing arrangement requires that retirees, the state and the TRB health fund each pay one-third of the total cost of the basic plan. However, with corresponding implementing language the budget for FY 14 and FY 15 reduced the state's contribution from 33% to 25% and increased the TRB health fund share from 33% to 42%. The TRB health fund is funded through active teachers' 1.25% contributions.

Governor

Reduce funding by \$6.5 million to reflect updated premium costs for the TRB basic health plan (medical and pharmacy). Effective January 1, 2014, the total monthly premium equivalent rate for the TRB basic health plan decreased from \$350 to \$291. The TRB health plan benefit and the cost sharing arrangement remain the same.

Adjust Funding for Revised Estimated GAAP Requirements

Nonfunctional - Change to Accruals	0	(839)
Total - General Fund	0	(839)

Background

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

Governor

Reduce funding by \$839 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

Totals

Budget Components	Governor Revised	
	FY 15	
	Pos.	\$
Original Appropriation - GF	27	1,013,064,604
Current Services	0	(6,500,839)
Total Recommended - GF	27	1,006,563,765