



**House Finance Committee  
Budget Briefing  
Department of Education**

**Kathryn S. Matayoshi  
Superintendent of Education  
January 14, 2013**

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**DOE's Updated Strategic Plan  
2011-2018**

- Goal 1: Student Success
- Goal 2: Staff Success
- Goal 3: Successful Systems of Support

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## **Race to the Top**

### Assurance Areas

1. Standards and Assessments
2. Data Systems
3. Great Teachers and Great Leaders
4. Turn Around Lowest-Performing Schools
5. Realign DOE Organization

*The DOE is now working on sustaining the reform efforts RTTT has catalyzed to ensure continued improvement beyond the life of the grant.*

*Funding ends 9/24/2014.*

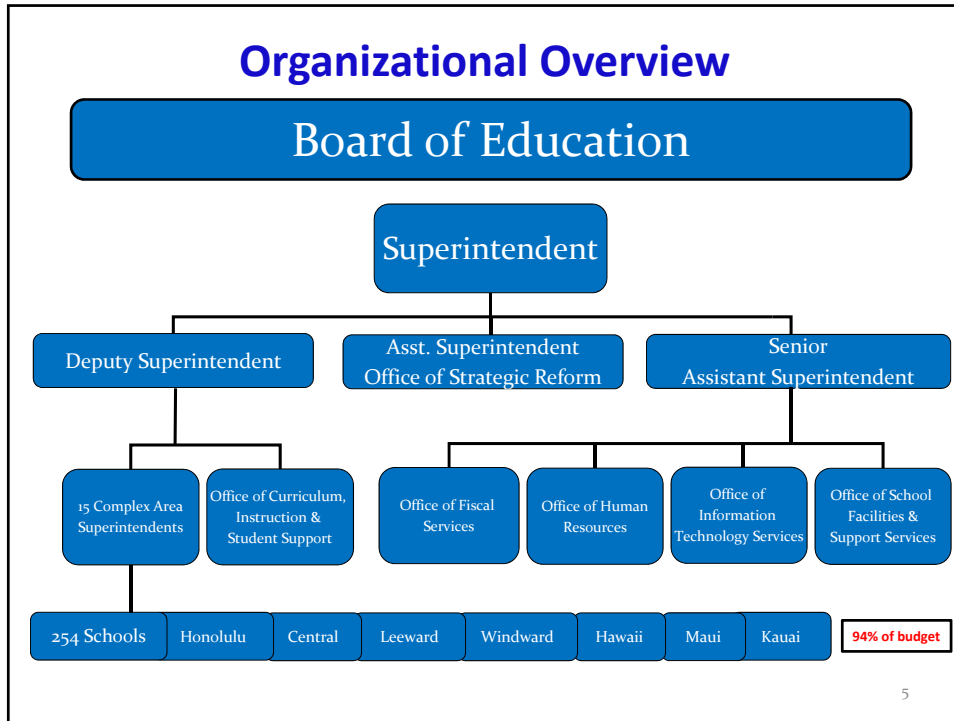
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## **Elementary and Secondary Education Act (ESEA) Flexibility (application submitted September 6, 2012)**

The U.S. DOE is granting "temporary waivers" to states to improve the No Child Left Behind (NCLB)'s law's impact on student achievement without Congressional action.

The application requests a change in our accountability system, to include other objective measures of success to evaluate school performance, in addition to test scores.

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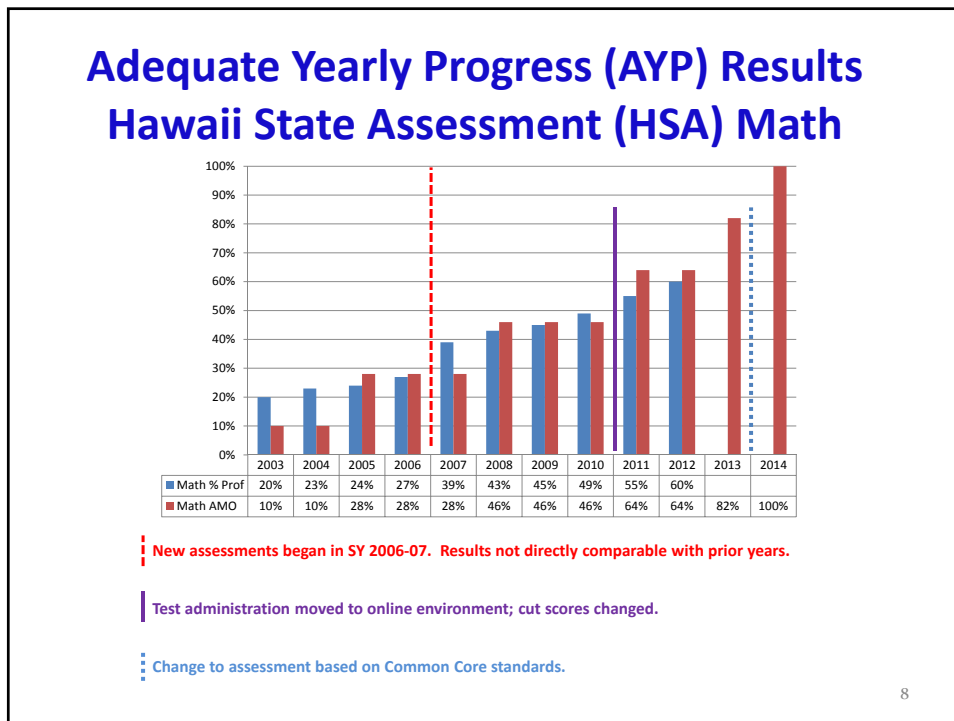
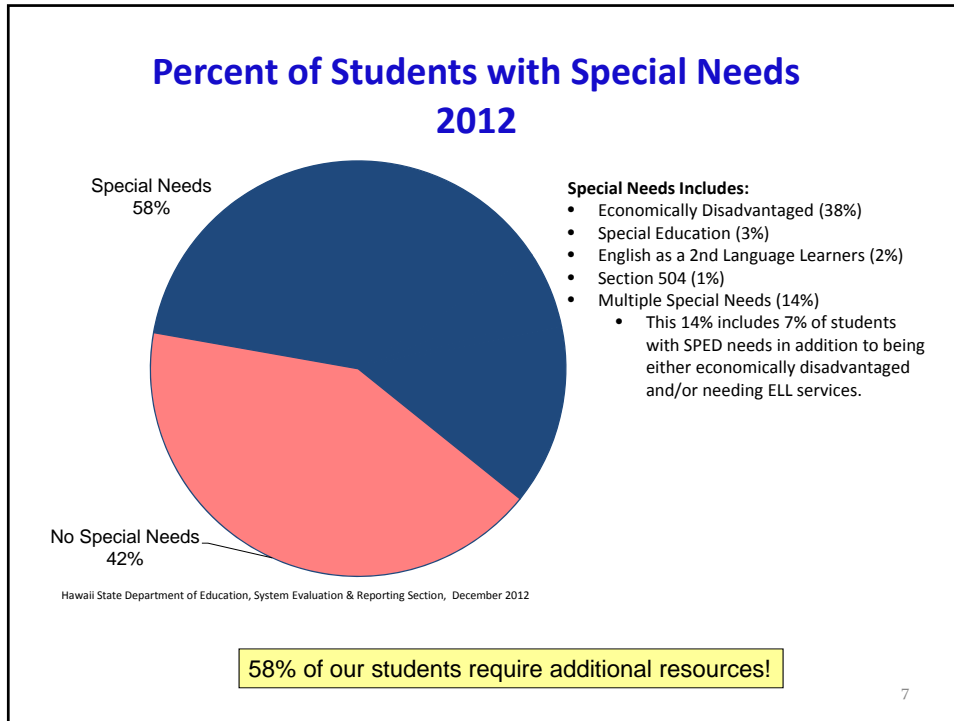


### DOE Official Enrollment for WSF Allocation (Includes K-12)

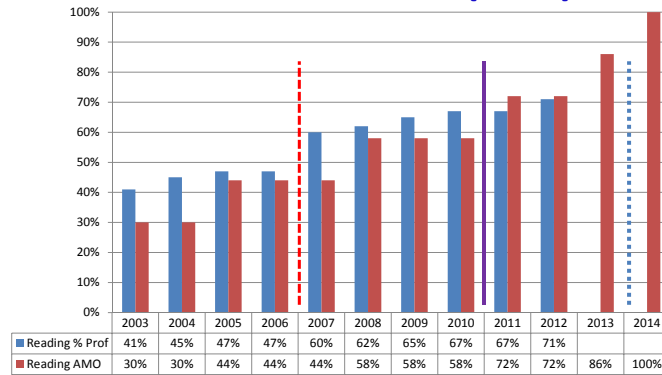
• FY 2007-08	172,071
• FY 2008-09	170,261
• FY 2009-10	170,613
• FY 2010-11	169,801
• FY 2011-12	171,914
• FY 2012-13	173,667
• FY 2013-14 Projection	175,868
• FY 2014-15 Projection (after -5,100 for K)	172,493

\*Does not include charter school students; HSDB, Olomana, Niihau; does include SPED students

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## Adequate Yearly Progress (AYP) Results Hawaii State Assessment (HSA) Reading

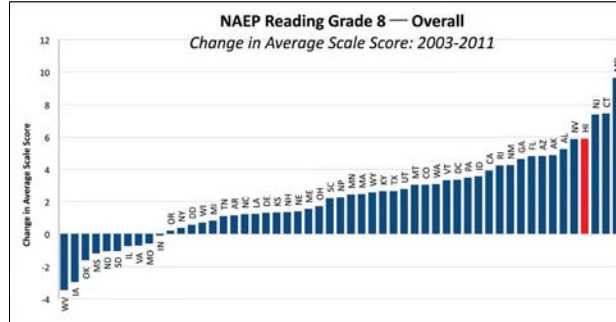
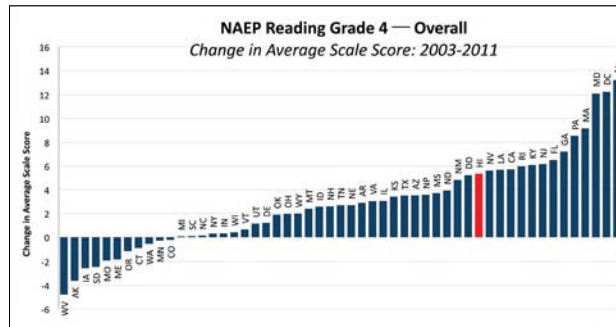


┆┆┆ New assessments began in SY 2006-07. Results not directly comparable with prior years.

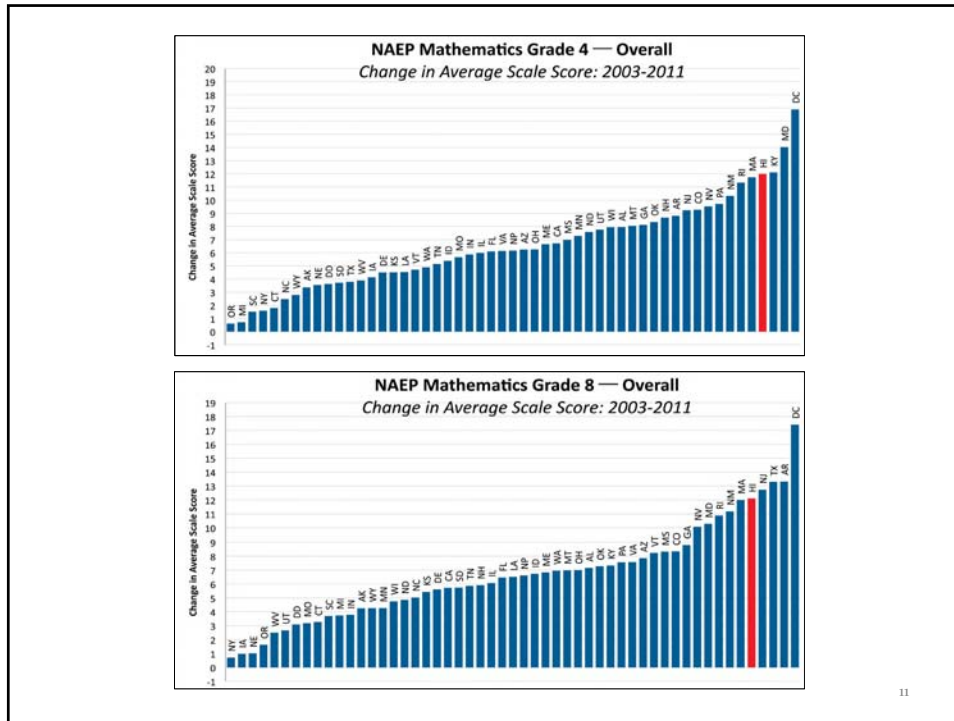
┆ Test administration moved to online environment; cut scores changed.

┆┆┆ Change to assessment based on Common Core standards.

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## Executive Budget Request Fiscal Biennium 2013-15

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### *Impact of Economic Conditions Since 2008*

General Fund FTEs allocated to:

	FY08	FY14	% Change
Schools	18,866.40	18,484.03	-2%
Centralized services to schools	1,741.50	1,863.50	+7%
Complex Area	335.00	296.00	-12%
State Offices	781.00	711.00	-9%
<b>TOTAL</b>	<b>21,723.90</b>	<b>21,354.53</b>	<b>-1%</b>

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### **Impact of Economic Conditions Since 2008**

**General Fund \$ (in millions) allocated to:**

(Includes collective bargaining allocation)

	FY08	FY14	% Change
Schools	\$1,006.2	\$1,055.7	+5%
Centralized services to schools	324.0	256.9	-21%
Complex Area	24.1	17.8	-26%
State Offices	84.0	76.7	-9%
<b>Subtotal</b>	<b>\$1,438.3</b>	<b>1,407.1</b>	<b>-2%</b>
Fringes, Debt Service, Risk Management*	619.3	0.0	
<b>TOTAL</b>	<b>\$2,057.6</b>	<b>\$1,407.1</b>	<b>NA</b>

\*Moved to B&F and DAGS budgets in FY 2009-10

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## **Budgetary Request**

- **Weighted Student Formula**
  - FY 2013-14
    - Projected increase in enrollment: 172,927 to 175,868 (2,941 students) @ \$4,371.95
  - FY2014-15
    - One-time drop in enrollment of 5,100 students due to change in kindergarten entry age

**FY 14      \$12,857,918                      FY 15      -\$1,897,428**

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## Budget Request (continued)

- Common Core Digital Curriculum Initiative

- Pilot starting with 2-3 volunteer Complex Areas FY14, adding 12-13 more in FY15 and FY16
- Devices and content for all students (Devices might be tablets or laptops, or a hybrid based on grade level)

<b>FY 14</b>	<b>\$7,125,000</b>	<b>FY 15</b>	<b>\$22,250,000*</b>
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(\*\$28.5M cost partially offset by expected savings on utilities )

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## Budget Request (continued)

- Common Core State Standards assessment developed in Hawaiian language

<b>FY 14</b>	<b>\$1,000,000</b>	<b>FY 15</b>	<b>\$1,000,000</b>
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## Budget Request (continued)

- Athletics coaches salaries
  - Quality and accessibility to co-curricular programs as identified in strategic plan

FY 14      \$271,014                      FY 15      \$271,014

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## DOE Budget Programs

EDN	Title	Description
100	School Based Budgeting	Classroom instruction; college & career readiness; curriculum programs; at-risk programs; common core digital curriculum.
150	Special Education & Student Support Services	Special education; school-based behavioral health; autism; other related services.
200	Instructional Support	Support for curriculum, instruction and students; assessment; system accountability/monitoring; and complex areas; college & career readiness.
300	State Administration	Board of Education; superintendent; communications; civil rights compliance; fiscal services; human resources; and information technology.
400	School Support	School food services; utilities; facilities planning; construction; repairs and maintenance; student transportation.
500	School Community Services	After-school Plus (A+) program; adult education.

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### General Funds (\$ in millions)

EDN	FY08 Act 213/07	FY14 GOV Budget	FY15 GOV Budget
100*	\$ 766.9	\$ 852.6	\$ 859.7
150	361.2	325.6	325.6
200	34.4	48.9	50.3
300	50.4	45.0	45.2
400	170.3	131.8	123.4
500	11.0	3.2	3.2
Subtotal	\$1,394.2	\$1,407.1	\$1,407.4
Collective Bargaining (CB)	44.1		
<b>TOTAL</b>	<b>\$1,438.3</b>	<b>\$1,407.1</b>	<b>\$1,407.4</b>

\*FY08 excludes: EDN 100 Risk Management; EDN 900 Fringes, Debt Service

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### Total General Fund FTE Request

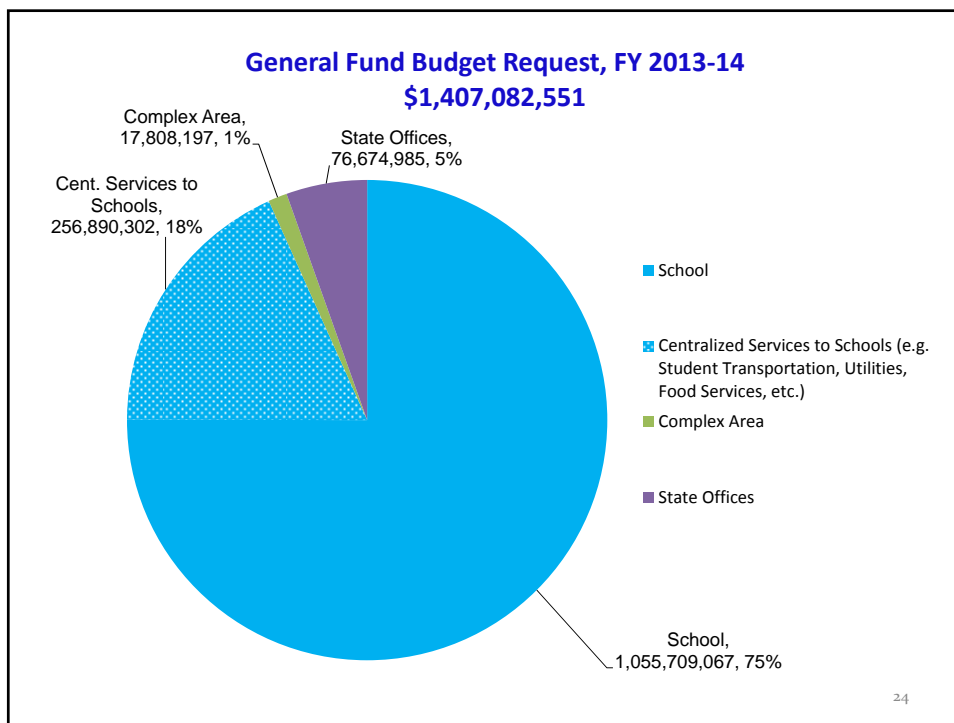
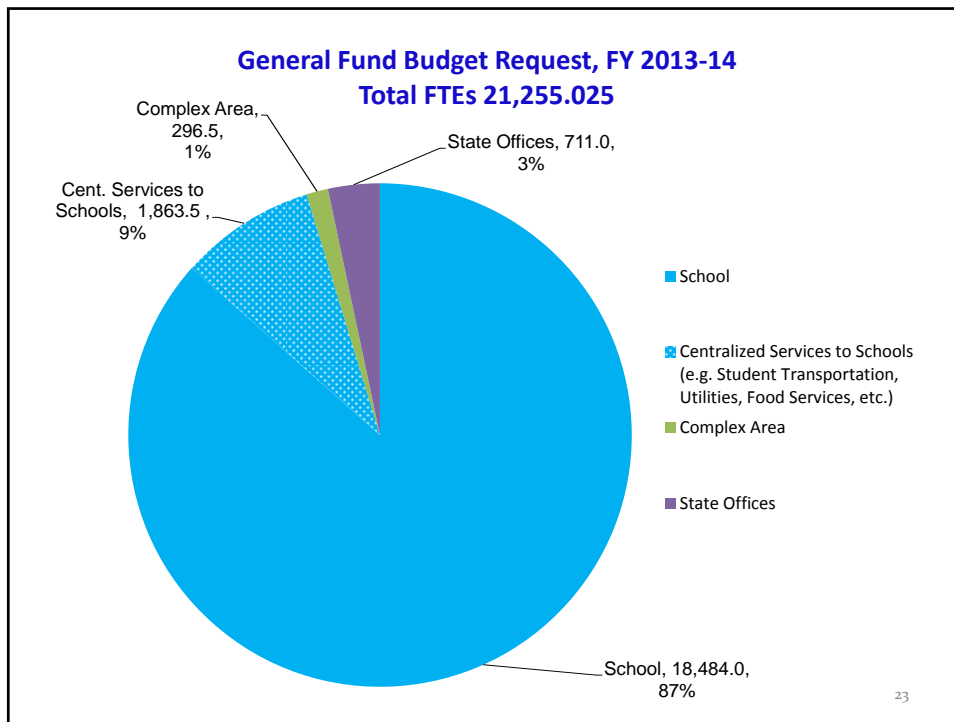
- Current Service funds transferred between Program IDs and characters to fund priority initiatives in strategic plan

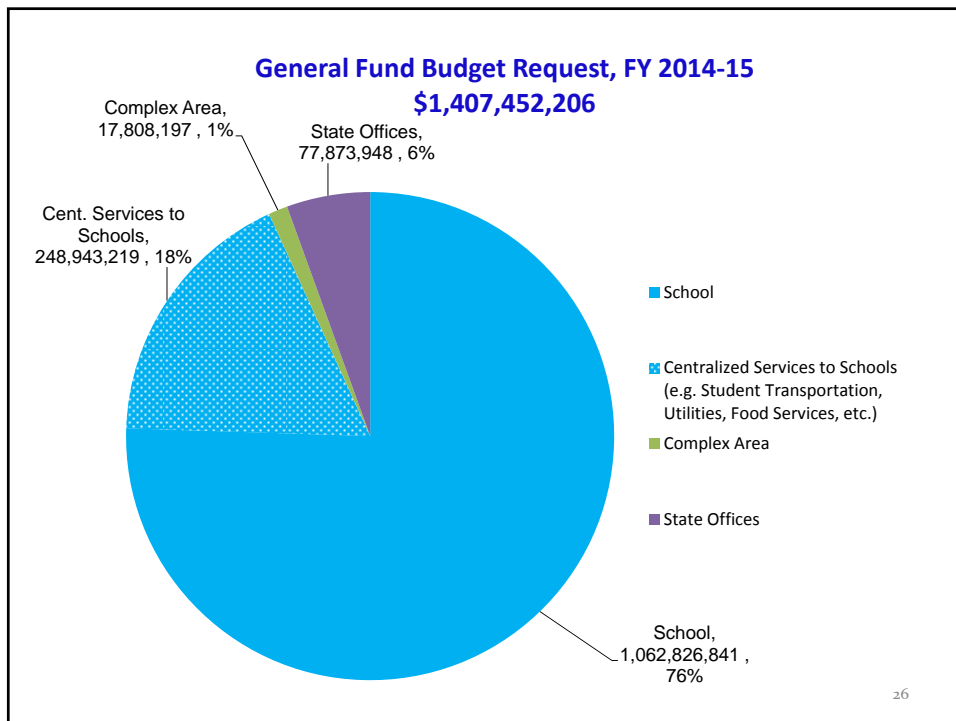
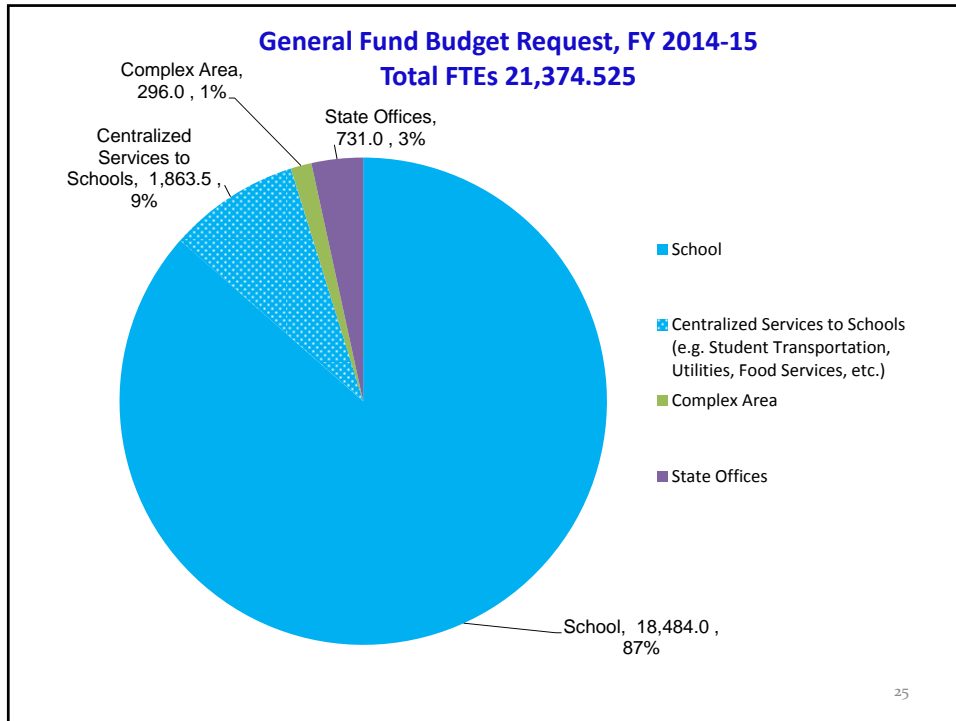
FY 14 ~\$15M transfers

FY 15 ~\$20M transfers

- No new funding requested for positions
  - FTEs, but no funds, requested for new positions

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### Total Department of Education Operating Budget

All Means of Financing	FY08 Act 213/07	FY14 Executive Budget Request	FY15 Executive Budget Request
General	\$1,385,828,619	\$1,407,082,551	\$1,407,452,205
Federal - Formula	266,643,434	223,510,797	223,899,561
Federal – Discretionary <small>Beginning FY14, federal funds must be split between Formula and Discretionary per B&amp;F</small>		18,016,189	17,376,500
Special (ceiling)	55,913,029	61,444,272	61,444,272
Trust (ceiling)	32,990,000	24,290,000	24,290,000
Interdept. Transfer	10,550,000	10,549,808	10,562,518
Revolving (ceiling)	30,406,763	30,334,438	30,334,438
<b>SUBTOTAL</b>	<b>\$1,782,331,845</b>	<b>\$1,775,228,055</b>	<b>\$1,775,359,494</b>
Collective Bargaining	47,000,000		
<b>TOTAL</b>	<b>\$1,829,331,845</b>	<b>\$1,775,228,055</b>	<b>\$1,775,359,494</b>

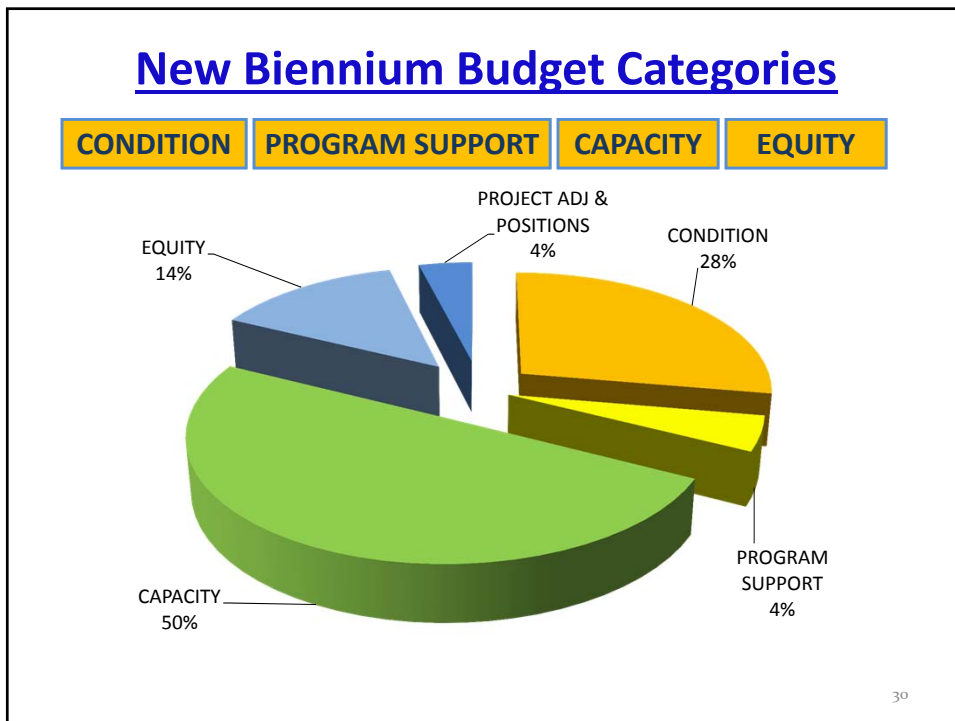
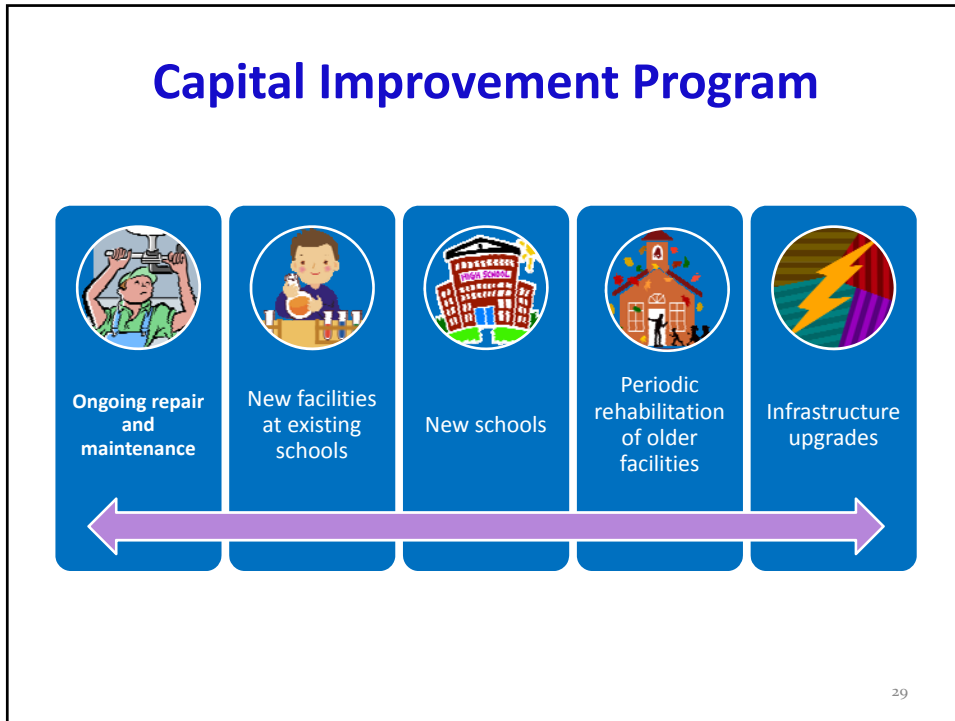
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## Public Schools for the 21<sup>st</sup> Century



Lahainaluna New Cafeteria

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**CONDITION**

- Repair and Maintenance
- Electrical/Technology Infrastructure
- Hazardous Material Removal
- Health and Safety
- Structural Improvements



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**PROGRAM SUPPORT**

- HS Science Facilities
- Special Education
- Physical Education
- New Restrooms
- Support Program space



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## CAPACITY

- New Schools
- Classroom additions
- Temporary facilities
- Repurposing existing to create capacity



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## EQUITY

- Gender Equity
- Noise/Heat Abatement
- ADA Compliance
- Playground Equipment
- Energy Improvements
- Right-sizing of rooms



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## Executive CIP Budget FB 2013-15

BUDGET CATEGORIES	FY 2013 Appropriated	FY 2014	FY 2015
CONDITION	\$147.9	\$72.8	\$28.2
PROGRAM SUPPORT	\$30.9	\$13.1	\$4.0
CAPACITY	\$57.9	\$37.9	\$143.8
EQUITY	\$52.2	\$26.2	\$24.0
PROJECT POSITIONS & ADJUSTMENT	\$7.2	\$7.2	\$7.2
<b>Executive Budget:</b>	<b>\$296.1</b>	<b>\$157.2</b>	<b>\$207.2</b>

(in \$ millions)

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## CIP for Core Technology

### LEARNING ENTERPRISE SYSTEM (LES)

Formerly called Instructional Improvement Systems (IIS))

Filed under Condition CIP budget Category

- Will replace obsolete & disparate student systems.
  - Student Information System (SIS) is obsolete, and no longer supported.
  - SPED/Student Support system expensive to maintain and support.
  - No system currently supports instructional/learning management in the classroom.
- \$2M in plan for FY14, \$5M for FY15
- Cost information from RFI responses correlates with CIP budget request, CIP amount should be sufficient for first two years of implementation, with plan to seek additional requirement next biennium.

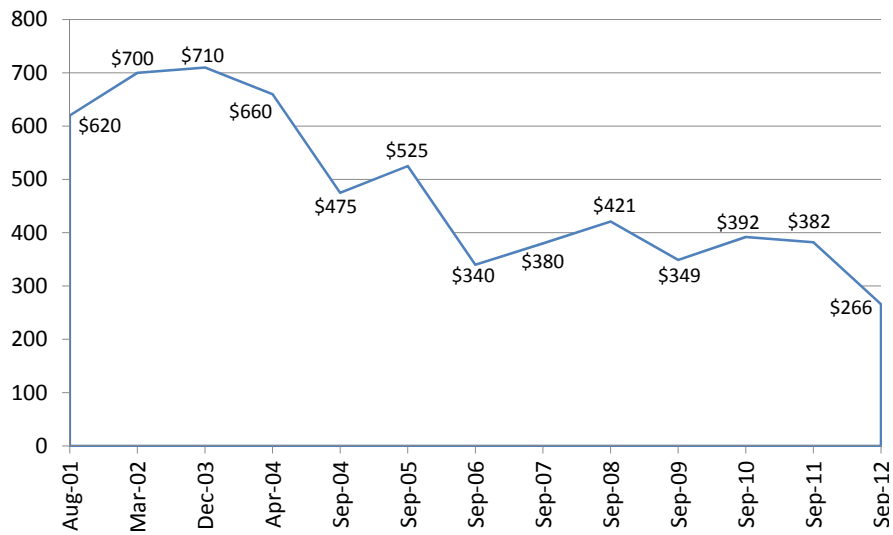
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## New Schools –Outlook

- Growth areas which will need more capacity:
  - Central Oahu: Koa Ridge (elementary)
  - Leeward Oahu: Mehana (elementary), East Kapolei (elementary, middle, high), Hoopili (elementary, high)
  - Maui: West Maui (elementary), Central Maui (middle), Kihei (high)
  - Hawaii: Kealakehe North Kona (elementary)
  
- Six-year need approx. \$700 Million

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## Unappropriated Major Repair & Maintenance Needs (\$ in millions)



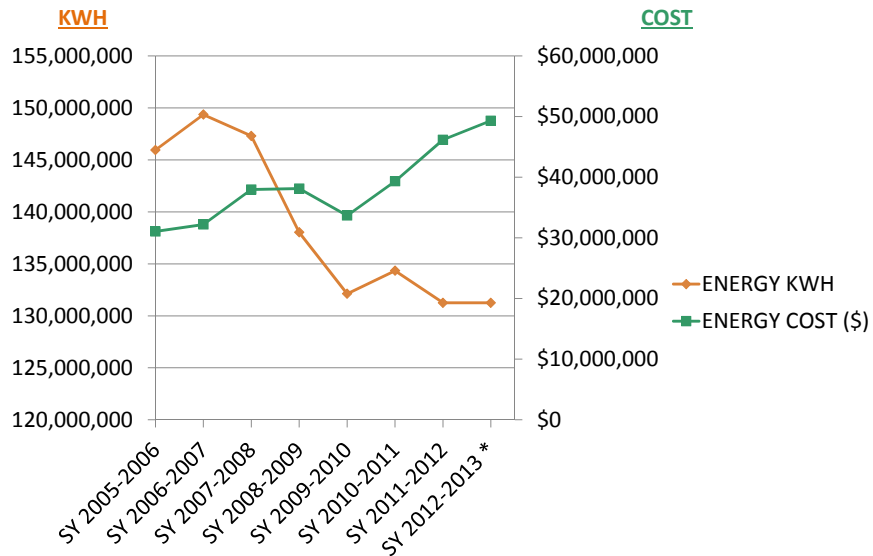
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## Energy Initiatives

- By 12/2013 – Photovoltaic Systems on all 15 schools on Kauai and 26 more schools on Oahu under Net Energy Metering
- Roll out of Energy Efficiency and Sustainability Master Plan
- 5 year program with goal to net zero all schools’ energy usage
- Energy Audit of all DOE School Facilities
- Installation of Energy Efficiency Measures
- Installation of Sustainable Energy Generation (PV and Small Wind)
- Installation of Water Conservation Measures
- Opportunity for K-12 sustainable energy curriculum

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## Electricity Consumption and Cost



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## **Major Contingencies/Uncertainties**

- Federal cuts (sequestration)
- Minimum instructional hours and days (Act 167/10, amended by Act 52/11)
- Influx of military-connected students
- Cost of student transportation program
- Implementation of Common Core Digital Curriculum Initiative
- ERP funding and implementation
- Possible need for 20% matching CIP funds for DODEA grant to rebuild schools on military bases

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# **Mahalo For Your Continued Support**

Attachments  
Weighted Student Formula

doe.k12.hi.us

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### Weighted Student Formula (WSF) for SY 2013-14

Value of "1" = \$3,396.79

ESTIMATED

Weighted Characteristic	Weight	\$ Value
Economically Disadvantaged	.100	\$339.68
English Language Learner		
• Fully English Proficient	.055	\$186.66
• Limited English Proficient	.165	\$559.98
• Non English Proficient	.330	\$1,119.95
K-2 (class size)	.150	\$509.52
Middle school	.044	\$150.00
Gifted & Talented	.265	\$900.15
Transiency	.050	\$169.84
Neighbor Island School	.004	\$13.59
Base Funding – varies by school type (grades served and calendar) M/T = Multi-track	EL = \$200,000 EL (M/T) = \$280,000 Mid = \$347,000 Mid (M/T) = \$427,000	HS = \$354,000 K-12 = \$465,500 K-8 = \$403,000 6-12 = \$410,000

Does not include \$12,857,918 in Executive Budget Request. If funded value of 1 will be \$3,462.13

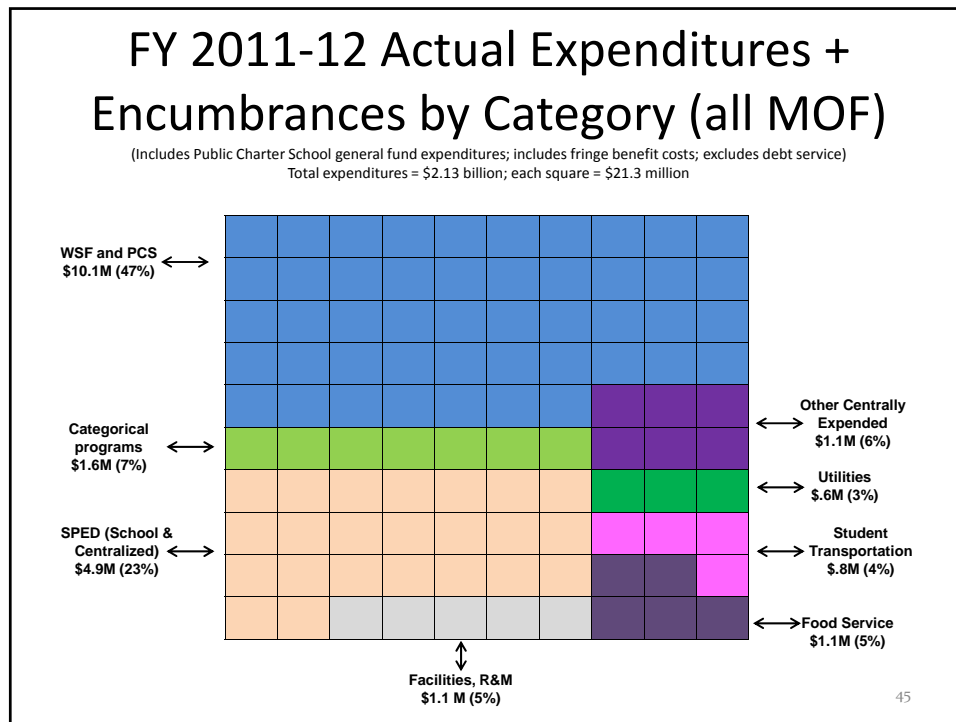
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### Where can I find the latest information on WSF?

Detailed information is available on the Department's website at:

<http://reach.k12.hi.us/empowerment/wsf/>

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- ## DOE Centralized Services for Schools
- Autism, school based behavioral health, skilled nursing
  - Special education provision and recordkeeping
  - Diagnostic services for SPED services qualification
  - Internal Audit
  - School food services
  - IT development, implementation, operations
  - Network infrastructure support/development
  - Student transportation
  - Personnel hiring, recruitment, and recordkeeping
  - Workers' compensation
  - Unemployment benefits administration
  - Financial accounting and reporting
  - Litigation support
  - Electricity bills and other utilities
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## DOE State-Level Responsibilities to Support Schools

- Strategic Planning
- Student Achievement Standards Development
- Budget Preparation and Execution
- Teacher Certification (Hawaii Teacher Standards Board)
- Hawaii State Assessments (includes Smarter Balanced Consortium and Hawaiian Language Assessment)
- Policy Development
- Compliance with US DOE and State Regulations
- Federal Reporting Requirements
- Inter-governmental Relationship Management

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## Act 167/10, Act 52/11 Student Instructional Time

	SY 11-12	SY 12-13	SY 13-14 SY 14-15	SY 15-16 SY 16-17	SY 17-18	SY 18-19 Potential
Minimum days per year	180	180	180	180	180	190
Minimum hours per year - 50% of elementary schools	915*					
Minimum hours per year - 100% of elementary schools		915*	915	915	1080	1140
Minimum hours per year - secondary				990	1080	1140

\*Fully implemented

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