

Oregon Department of Education Responses to Legislative Information Requests 5-17-13

From the May 9, 2013 meeting of the Education Subcommittee:

1. How many federal dollars do we get?(Representative Komp)

RESPONSE: The Oregon Department of Education expects to receive over \$1 billionⁱ in federal funding in 2013-15. As discussed during our Ways and Means presentation earlier this year, most of this funding is sent to school districts and other eligible grantees for services to children.

Federal funds come from three main sources:

- special education funding from the U.S. Department of Education (USED) under the federal Individuals with Disabilities Education Act (about \$270 million for the biennium);
- funding from the USED under the Elementary and Secondary Education Act (about \$420 million for the biennium); and
- funding from the U.S. Department of Agriculture for child and adult nutrition programs (about \$350 million for the biennium).

While we have a good idea of what we will receive for 2013-14, Congress has not passed the federal budget that determines our funding for 2014-15. The table below contains an estimate of federal funds for 2013-14 and, for comparative purposes, what we were awarded for 2012-13 for formula grants.

GRANT PROGRAM - Formulaⁱⁱ	2012 Actuals (for 2012-13)	2013 Estimateⁱⁱⁱ (for 2013-14)
Title IA Grants to LEAs	\$146,694,363	\$144,886,276
School Improvement	5,452,098	5,461,631
Migrant Education	10,601,576	10,034,875
Neglected and Delinquent	721,124	683,714
Improving Teacher Quality	23,565,884	22,278,669
Mathematics and Science Partnerships	1,543,635	1,535,488
21 st Century Community Learning Centers	11,468,489	10,817,454
State Assessments	5,537,061	5,310,835
Rural and Low-Income	1,541,970	1,468,907
English Language Learners	7,668,179	7,379,132
Homeless Children and Youth	661,079	663,926
Special Education –Grants to States	128,760,236	122,048,783
Special Education – Preschool	3,778,956	3,576,291
Grants for Infants and Families (Early Intv.)	4,859,147	4,624,409
Career and Technical Education	13,408,089	12,410,066
Miscellaneous (e.g., Veterans)		
Nutrition programs – est. reimbursements	174,700,000	175,000,000
TOTAL	\$540,961,886	\$528,180,456

Not including nutrition programs, the President’s 2014 proposed budget would provide \$358.5 million for the formula grants shown in the previous table. This is a \$5.3 million increase over 2013. The largest individual increases would be in Title IA – Grants to LEAs (+\$11.8 million) and special education funding (+\$7.6 million). The largest decreases would be in Teacher Quality grants (-\$4.7 million) and 21st Century Learning Centers (-\$10.8 million).

In addition to formula grants, ODE also receives funding under the following competitive grants awarded to us by the U.S. Department of Education:

GRANT PROGRAM	GRANT PERIOD	TOTAL
Special Education - State Personnel Development Grant	10/1/2011-9/30/2016	\$5.0 million
Advanced Longitudinal Data for Educational Reform (ALDER)	7/1/2010-6/30/2014	\$10.48 million
English Language Proficiency Assessment for the 21 st Century (ELPA 21)	10/1/2012 – 9/30/2016	\$6.3 million
Traumatic Brain Injury Implementation	04/01/2006-03/31/2014	\$1.3 million

2. How many federal dollars are for mandates? (Representative Komp)

RESPONSE: All federal funds come with strings attached. Of the dollars shown in the previous two tables, the only ones not specifically tied to mandates would be the competitive grants. In other words, we did not have to apply for these funds and accomplish the work under the grants. But, once we accept the dollars, we *are* required to carry out the assurances and commitments in the grant application and comply with any relevant education laws.

In general, dollars for special education are provided to states so they can meet the mandates under the Individuals with Disabilities Education Act and dollars for “Title” programs are provided to states so they can meet the mandates under the Elementary and Secondary Education Act of 1965 (reauthorized as the No Child Left Behind Act of 2001). These dollars do not always fully fund mandates. For example, we know federal special education dollars cover less than 20% of the costs to provide required education and education-related services to children with disabilities.

3. How many FTE are on federal funds? (Representative Komp)

RESPONSE: Out of 294 current positions (including limited duration positions), 218 are funded wholly or in part with federal funds. This includes federal funds spent as other funds.

On a full-time equivalent (FTE) basis, out of ODE’s current 287.55 FTE, 163.49 FTE (57%) are funded with federal funds, 20.16 FTE (7%) with other funds, and 103.90 FTE (36%) with General Fund.

The breakout by office is as follows:

Office of the Superintendent – 27 out of 43 positions are partially or wholly funded with federal funds (the equivalent of 23.13 FTE)^{iv};

Office of Educational Improvement and Innovation – 66 out of 78 positions (50.95 FTE):

Office of Student Learning and Partnerships – 47 out of 49 positions in total (40.01 FTE);

Office of Assessment and Information Services – 39 out of 78 positions in total (20.72 FTE)^v; and

Office of Finance and Administration – 39 out of 46 positions in total (28.68 FTE).

These positions and FTE represent the resources needed to fulfill ODE's current roles and responsibilities and do not include resources that would be necessary to address workload resulting from new state and federal initiatives.

4. Of the federal dollars, how many are not tied to requirements under federal law?
(Representative Komp)

RESPONSE: In general, all federal funds received are tied to requirements under federal law. Some of these laws are more prescriptive than others but no federal funds are truly “fungible” or “flexible” to the extent they mirror the flexibility of the state's General Fund. Even competitive grants require written assurances from the grantee in the application for funds and require compliance with relevant education laws (*e.g.*, FERPA, GEPA, and EDGAR).

One recent example of the prescriptive nature of federal funds is the State Fiscal Stabilization Fund grant. Initially promoted as a source of flexible funding to help states create or retain jobs after the most recent economic downturn, this grant ultimately required, among other things, compliance with education laws such as GEPA and EDGAR; an application that contained certain assurances by the state (such as meeting minimum levels of state funding for education); development of a new system to report on the number of jobs created and/or retained and use of the funds; creation of a work plan to ensure data collection and reporting on 34 indicators of education reform; and state monitoring of sub-grantees and federal monitoring of the state for compliance with grant requirements and education laws. And, even though the grant is closed, the state still has to comply with certain reporting requirements regarding education reform as a result of accepting these funds four years ago.

Even when the goal is flexibility, there are requirements under federal law. A recent example is the ESEA flexibility waiver. To move forward with state and local reforms designed to improve students' academic achievement and increase the quality of instruction for all students, Oregon had to *request flexibility*, on its own behalf and on behalf of its local educational agencies (LEAs), through waivers of ten provisions of the Elementary and Secondary Education Act of 1965 and their associated regulatory, administrative, and reporting requirements. The state could not implement these changes without federal approval. And now the state has to comply with the provisions of the waiver in order to retain federal funding under ESEA.

5. Please provide a copy of the Salem-Keizer School District work on local student assessments. (Representative Frederick)

RESPONSE: Attached is an example of an educator-developed interim assessment aligned to the



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Common Core State Standards.

ⁱ Based on 2013 estimates and the 2014 President's proposed budget

ⁱⁱ Last updated 4/30/2013; fiscal years 2012 and 2013 are based on appropriation bills that provided funding under current law. The amounts listed for FY 2013 include the effect of the sequester and an across-the-board cut in the final appropriation. Funds included in the table are for programs allocated to states using statutory formulas. The totals do not reflect all Department of Education funds that a state receives. States and other entities may also receive Department funds awarded on a competitive basis.

ⁱⁱⁱ After sequestration

^{iv} The federally funded positions in this office are in the child nutrition programs.

^v This office has two main units: information technology (IT) and student assessment and accountability. Most IT staff (internal and external HelpDesks and other user support services, data collections, application development, and enterprise systems) are funded primarily with General Fund although staff who work on state longitudinal data systems (enterprise systems) are currently federally funded (from one-time funds) in whole or in part in response to General Fund budget reductions. These staff will return to General Fund status beginning July 1, 2013.