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June 7, 2018

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 9:16-a, I, authorize the New Hampshire Department of Education (NH DOE) to transfer funds in and among accounting units in the amount of \$146,000. This transfer of funds will allow the Department to meet Maintenance of Effort requirements associated with the Perkins Grant. Effective upon Fiscal Committee and Governor and Council approval through June 30, 2018. 100% General Funds.

Transfer funds from CTE VOC ED – State account as follows:

06-56-56-565010-60300000 CTE VOC ED – State
General Funds

Expenditure Class	Description	Current FY18 Budget	Request Action	Adjusted FY18 Budget
010-500100	Personal Ser Perm	\$353,523	(\$83,000)	\$270,523
020-500200	Current Expenses	\$ 16,000		\$ 16,000
026-500251	Organizational Dues	\$ 5,010		\$ 5,010
029-500290	Intra-Agency Trans	\$ 900		\$ 900
039-500191	Telecommunications	\$ 5,500		\$ 5,500
060-500601	Benefits	\$187,775	(\$63,000)	\$124,775

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Expenditure Class	Description	Current FY18 Budget	Request Action	Adjusted FY18 Budget
066-500546	Employee Training	\$ 500		\$ 500
070-500704	In-State Travel	\$ 12,000		\$ 12,000
601-500931	State Fund Match	<u>\$239,518</u>		<u>\$239,518</u>
	Total	\$820,726	(\$146,000)	\$674,726

Transfer funds to Other State Aid as follows:

06-56-56-560010-51370000 Other State Aid
General Funds

Expenditure Class	Description	Current FY18 Budget	Request Action	Adjusted FY18 Budget
077-500596	Building Aid Education	\$38,550,313		\$38,550,313
600-500930	Tuition & Transportation	\$ 7,400,000	\$146,000	\$ 7,546,000
606-500936	Dropout Prevention	\$ 900,337		\$ 900,337
607-500937	Statewide Special Education	\$ 148,264		\$ 148,264
610-500940	Career Tech Student Orgs	\$ 115,000		\$ 115,000
629-504055	Special Education Aid	<u>\$22,300,000</u>		<u>\$22,300,000</u>
	Total	\$69,413,914	\$146,000	\$69,559,914

EXPLANATION

This request will allow the Department to meet Maintenance of Effort (MOE) in order to remain eligible to receive funding under the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV). Perkins IV requires states provide financial support to career and technical education (CTE) programs at a level that is at least equal to the amount of support the state provided the previous year (Title III.A. (b)(1)(B)). If state support drops below the level of the preceding year, the entire Perkins award for the second year may be withheld.

New Hampshire's delivery model for CTE, through regional centers, relies on tuition and transportation (T&T) reimbursements to level the playing field for sending schools and their CTE students. FY18's appropriation for T&T is \$7,400,000, but total requests for T&T reimbursement are expected to be more than \$9,000,000. Increasing T&T funding would be very well received by the CTE community.

The Department's FY18 appropriation includes enough financial support for MOE, but actual spending has not kept pace with budgeted spending, specifically in the areas of Personal Services and Benefits.

The State has a keen interest in hitting MOE in order to continue receiving Perkins grant funds and the CTE community would make excellent use of increased tuition and transportation reimbursement funding. This requested action to transfer funds in and among accounting units within the Department would achieve both goals without any additional State spending.

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The following appropriation authorities are being requested:

AU 6030, Class 010 – Personal Ser Perm – Appropriation available due to delays in filling positions.

AU 6030, Class 060 – Benefits – Appropriation available due to delays in filling positions.

AU 5137, Class 600 – Tuition and Transportation – Additional appropriation needed to support reimbursement requests.

The following is the information specifically required when transfers are requested, in accordance with the Budget Officer's instructional memorandum dated April 17, 1985, to support the above requested actions.

A. Justification:

This transfer of funds in and among accounting units will insure New Hampshire meets its Perkins IV maintenance of effort state spending requirement and will increase the funds available for career and technical education tuition and transportation reimbursement.

B. Does this transfer involve continuing programs or one-time projects?

This transfer involves continuing programs.

C. Is this transfer required to maintain existing program levels or will increase the program level?

This transfer maintains existing program levels.

D. Cite any requirements which make this program mandatory.

Carl D. Perkins Career and Technical Education Act of 2006 (Title III.A. (b)(1)(B))

E. Identify the source of funds on all accounts listed on this transfer.

General Funds.

F. Will there be any effect on revenue if this transfer is not approved.

No.

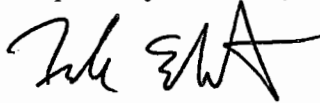
G. Are funds expected to lapse if this transfer is not approved.

The Department expects to lapse some funds, whether this transfer is approved or not.

H. Are personnel services involved?

Yes. Some positions were vacant for a portion of the fiscal year resulting in lower than expected spending. Funds will be transferred from personal services and benefits lines to the tuition and transportation line.

Respectfully submitted,



Frank Edelblut
Commissioner of Education