



NEBRASKA DEPARTMENT OF EDUCATION

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MEMORANDUM

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JAN 13 2010

STATE BUDGET DIVISION

TO: Senator Lavon Heidemann, Chairperson
Appropriations Committee

FROM: Roger Breed, Ed.D. *R. Breed*
Commissioner of Education

DATE: January 11, 2010

SUBJECT: FY 2009-10 and FY 2010-11 Report on LB1 Budget Reductions

LB1 required the Department of Education to make reductions in FY 2009-10 and FY 2010-11. The attached summary sheet provides a detailed listing of how the Department anticipates handling the budget reductions while maintaining required services.

The Department has been able to implement the reductions without staff layoffs or furloughs at this time. As positions become vacant, the Department will continue to analyze the best use of those funds and may use future vacancies to sustain budget reductions. Any future budget reductions, however, will have a direct impact on staffing and upon the ability of the Department to accomplish required services. For example, due to the budget reductions to date, the Department will at times have to prioritize and therefore delay responses to data requests, complete only required (not voluntary) reports from external sources, and reduce professional development and travel expenditures.

The Department prioritized the development and implementation of the new statewide tests (NeSA). Still this area will be affected with a reduction in the writing standards setting process. Other reductions will have an impact on the funding made available for multicultural activities, early childhood program technical assistance, and contracting for training for drivers of pupil transportation. The Department is also considering the discontinuation of membership in the National Association of State Boards of Education and the Council of Chief State School Officers.

The reduction of carryover funding for Program 351 – Vocational Rehabilitation – was problematic as those funds had been committed to basic VR service programs and projects. Program 351 will attempt to meet the prior commitments through vacancy savings and delayed equipment purchases. If sufficient cuts are not found, services will be reduced.

cc: Sandy Sostad, Legislative Fiscal Office
Matt Eash, Budget Office

State Board of Education

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an equal opportunity agency

BUDGET REDUCTIONS
NEBRASKA DEPARTMENT OF EDUCATION
2009-10 & 2010-11

GENERAL FUND BUDGET REDUCTIONS

Education, Administration and Support (Program 025)

Amount of Reduction

- FY 2009-10 - \$284,021
- FY 2010-11 - \$605,368

PROPOSED REDUCTION RECOMMENDATIONS	FY2009-10	FY2010-11
Staffing - Transfer of general funded positions to other sources		
Indirect Cost Funding		
• Administrator Position (Commissioner's Office)		\$121,491
• IT Infrastructure Sup Analyst (Data Center)		53,967
• Administrative Spec III (Finance Organization Ser)	\$87,500	87,500
Other Federal Sources		
• Perkins - Office of Civil Right .15FTE Program Spec II (Legal Office)		11,322
• Special Education .25FTE Program Spec III (SPED Office)	10,414	20,828
• Federal - State Assessment Grant 1FTE IT Data/Database Analyst	36,750	73,500
• Title-I Accountability A number of Department staff would Time Certify To this grant for 1 ½ years	13,474	26,953
Other		
Positions to be consider for elimination		
• Education Specialist II (Office of Equity & Instruct Strat.) Will become vacant January 15, 2010		\$ 73,500
• Administrator (Commissioner's Office)		\$121,491
• Administrative Associate III (Finance Organization Ser) This position is funded with Indirect Cost Position is currently vacant		\$53,135

COMMENT - As positions become vacant the Department will continue analyze.

PROPOSED REDUCTION RECOMMENDATIONS**FY2009-10****FY2010-11**

Operations

Specific Operations

▪ Multicultural (funding will continue at 23,750)	\$11,0000	\$23,750
▪ Assessment (reduce writing standards settings)	21,625	
▪ Nebraska Center Safety Contract		10,000
▪ Early Childhood Technical assistance	5,400	5,400
▪ Early Childhood Training Center	1,000	
▪ NASBE dues to be paid out of Indirect Cost	33,729	33,729
▪ CCSSO dues to be paid out of Indirect Cost		
Discussion point - continue memberships?		

33,483 33,483

General Operations Reductions

38,300 38,300

TOTAL

\$292,675 \$615,613

COMMENT - We are continuing to look at other options.

Education Aid (Program 158)

Program Reductions

• TEEOSA - State Aid		\$47,399,326
• Textbook Loan	\$12,500	25,000
• Early Childhood Education Projects	11,098	180,771
• ESU Core Services		592,940
• ESU Tech Infrastructure & Tech Training		185,024
• Distance Education to ESUs		16,415
• High Ability Learners		116,846
• School Lunch Match	10,527	21,054
• Adult Education	5,764	11,529
• Learning Community Aid		51,250

Total

\$39,889 \$48,600,155

PROPOSED REDUCTION RECOMMENDATIONS	FY2009-10	FY2010-11
Services for the Deaf And Hard of Hearing (Program 401) Program Reduction	\$50,824	\$103,720
CASH FUND TRANSFERS		
Department of Education		
<ul style="list-style-type: none"> Cash "sweep" For those cash funds identified the percentage of "sweep" is 12% for 2009-10 and 31% for 2010-10 of their cash fund balance. 	47,605	97,468
<ul style="list-style-type: none"> Education Innovation Cash Fund (Lottery Funds) 	10,000,000	
GENEAL FUND CARRYOVER (unexpended appropriations from FY2008-09) REDUCTIONS		
Education, Administration and Support (Program 025)		
<ul style="list-style-type: none"> LB1024 carryover - \$304,572 Carryover not budgeted - \$95,038 	399,610	
Vocational Rehab (Program 351)		
May require a reduction in services	243,078	
Services for the Deaf And Hard of Hearing (Program 401)	38,994	
Nebraska Center for the Children Who are Blind or Visually Impaired (Program 402)	24,366	