

**BOE 2021-22 Budget Review
LC Education Committee - Q&A #2
3/29/2021**

20. BOF 36 c: Is adding staff positions during a budget year in excess of the staffing levels in the voter approved spending plan an action that commits the taxpayers to future expenditures? Why or why not? Should other bodies not be consulted?

Ultimately, school boards control expenditures within the limits of the annual appropriation (CGS § 10-222). Once an appropriation has been made, it is up to the district to ensure that the state's mandate, to implement the state's educational interests, including teaching the curriculum, operating facilities, and providing necessary supplies is fulfilled.

As indicated in the response to BOF 36c, the time between when a budget is proposed and the time when it has been fully implemented is a period of 20 months, and it is not unusual for the need for staffing to change during that time: more students in a grade level or within a course at the secondary level that was unexpected given the enrollment predictions; changes in Special Education, either due to new students or new needs; and significant adjustments due to the pandemic.

The BOE is involved in any and all discussions when positions are needed and to ensure the positions can be supported within the appropriated budget. Any transfers are part of this public discussion, and other boards are updated with monthly financial statements. The staffing needs are evaluated every year and additions and reductions are included in the following year's budget as required. Some positions are one-year only, such as long-term substitutes, or the 4 teachers that were approved this year to support teachers out due to the pandemic, but not moved to the 2021-22 budget. And ultimately, the BOF, LC and voters have the opportunity to address questions regarding staffing positions and other expenses during the annual budget review process.

21. When Town IT Director was hired there was discussion of moving towards shared services. Now the BOE is hiring a new IT director and added a 0.6 staff member. Why have we not pursued shared services with municipal side?

The IT departments have worked closely together to support the demands of increased dependence of both the town and district on technology. The IT departments manage a shared phone system, with calls, voicemail and paging handled through a jointly maintained and administered system. The hardware environment is shared, with each group sharing maintenance responsibilities. And the departments share knowledge, with

priority given to the adoption of the same software/hardware solutions to meet business needs and allow for providing support to each other during issue resolution.

In July 2016, the LC Shared Services Committee issued recommendations for shared services. It did not include a recommendation to eliminate positions (if that is the question). The recommendation for Information Technology, specifically, was to formalize a collaborative hiring process that takes input from both departments in order to ensure that new hires are capable of working in a collaborative environment and promote the sharing of skill sets across departments. The district included the town counterpart in the interview process for the hiring of IT Director in 2020 (as well as the district Business Director and Facilities Director).

Even prior to the pandemic, our needs in technology have grown, but with the surge now as a result of the pandemic, the responsibilities have added to the work of all Technology Dept. staff and leaders. The .6 is needed currently to support the department given the number of 1:1 devices, software applications, infrastructure, incoming changes to platforms (such as efinance) and Blackboard, which will be coming in next year to create a more efficient communication system for parents and staff.

The level of tech support needed in our district now has increased considerably and, at least for the time being, will continue down this path in the next few years. Moving to a 1:1 technology system creates a greater need for troubleshooting and future purchasing needs. The infrastructure is integral to our system, especially as digital instruction will and continue to be a more central aspect of teaching and learning. While we understand the need to continue to review shared services, this must create efficiencies and benefits to both the BOE and Town, without overburdening either side. With the level of support needed on the BOE side, the need warranted a .6 beyond the replacement of a director position.

As with any positions, we continue to evaluate and re-evaluate positions and the level of work handled by employees (certified, non-certified, and central office).

22. Ref BOF Q11b: What statute/policy says we are obligated to provide transportation for every student? How has declining enrollment impacted this over the years?

State law requires school districts to provide transportation for all school-age children whenever it is "reasonable and desirable" ([CGS § 10-220\(a\)](#)). In general, this requirement is limited to transportation to public and certain nonprofit, private schools located within the school district. The only out-of-district transportation school districts must provide is for students attending state technical high schools and district-designated regional agricultural science and technology centers.

Within these requirements, local and regional boards of education retain discretion over district transportation policies, including the number of school buses, bus routes and stops, the students to whom they will provide transportation, and maximum walking distances.

The reference to the need for “a seat for every student” in the context of parents driving and the possibility of students opting out is because an “opt-out” is not legally binding, and the district would have to provide transportation if a parent changed their mind at any time.

As you reference in the question, the answer to BOF Question 11b, Feb. 18, 2021, describes several of the elements that have prevented consolidation of bus routes even with declining enrollment.

b. Has there been any recent effort to consolidate bus routes to eliminate a bus (es)?

When our district moved from a three tier to a 2-tier system due to the school start time change, this prompted consolidation of routes and raised the passenger load. We did not add buses that year as this was a no-cost solution. At the onset, the biggest complaint was that there were more students on buses than normal.

That being said, regardless of parents driving or some high school students driving, there must be a seat for every student. There are many times when parents use transportation, even when their students have not been on for a period of time. Things change and we have an obligation to provide transportation for all students. That being said, we review routes each year to see if consolidation can occur, but with a 2-tier system, our ride times increased as we cover the same ground (and now have both Reed and elementary students riding together).

Further, since last March, we needed additional space on our buses due to COVID. While we are currently all in-person (with 75% in), there are still uncertainties about the future of the virus and our ability to continue some proximity between students. However, this is yet another reason, even if we could (and we cannot) we did not consolidate.

Additionally, it should be noted that Newtown is one of the largest towns in Connecticut. Combined with a low population density, this leads to longer than average bus ride times than our surrounding towns. However, the district will continue to annually review bus routes to look for consolidation.

23. Ref BOF27: Charter 6-05a requires the BOE to “submit an itemized estimate of all revenue other than Town appropriations to be received by the BOE for its use during the next fiscal year.” With grants yet outstanding how do we reconcile this with funding coming from the Town? Should those grants go to the general fund to offset the taxpayer expense? Why are some grants not handled through the Town revenue process as ECS is?

Only those grants or State funding that go to the Town are retained and distributed in that way.

Grants awards from private foundations or other donors (such as the NoVo Foundation, the Dalio Foundation, and the Sandy Hook School Foundation) are given directly to the Board of Education for deposit to a Board of Education grant account. In those cases, the grantee is Newtown Public Schools, the funds are to be used solely by the Board of Education for specific purposes outlined in the funder's grant agreement. The district's grant writer (staff member of the BOE) prepares grant applications, approves grant expenses, monitors the grant budget, communicates with the funder, and prepares all interim and final reports on the use of grant funds and grant outcomes. These privately funded grants are not guaranteed. They are competitive applications, each funder sets its own application deadline, and the funders' grant decisions are sometimes not known before the budget is presented to the Board of Finance. The Board of Education does make every effort to include all private funding sources as early as possible (see page 195-197 BOE Budget).

Other federal grants, such as IDEA, again are to be used for specific expenditures and were meant to supplement the Board's budget, not supplant or reduce it.

ECS funding goes directly to the town, and is intended to offset local taxpayer contributions. It has contributed to the healthy fund balance.

24. Should that come in during a fiscal year be "special appropriations" as per Charter 6-35 in that they are "the appropriation of additional funds that are made during a fiscal year that are supplemental to an adopted Town budget?" Why do these not go through the special appropriations process?

CGS 10-222 indicates "Expenditures by the board of education shall not exceed the appropriation made by the municipality, with such money as may be received from other sources for school purposes. If any occasion arises whereby additional funds are needed by such board, the chairman of such board shall notify the board of finance, board of selectmen or appropriating authority, as the case may be, and shall submit a request for additional funds in the same manner as is provided for departments, boards or agencies of the municipality and no additional funds shall be expended unless such supplemental appropriation shall be granted and no supplemental expenditures shall be made in excess of those granted through the appropriating authority."

In this context, grants are not special appropriations but are "such money as may be received from other sources for school purposes."

Since board of education accounts are operated by the municipality, a grant generally would be processed through the accounts managed by the town, but the disposition of such funds would be up to the board of education.

25. Some of the public discussion and letters around this budget and Charter have made it seem as though there is a perception that the Board of Selectman side and the BOE are totally separate entities, each with their own finance directors, as opposed to a business manager and all part of one Town where the BOE is a single line item in the Town budget. For the sake of the general public's information please confirm: Does the BOE collect taxes? Where is debt service for school related CIP items carried? What body is responsible for the town audit?

Newtown boards, commissions, employees, and residents are all part of one town, yet each has a distinct role and purpose in our town governance, with the statutes, town charter, and legal precedent providing a framework. The BOE plays an interesting role, being responsive to the town, the state, and the federal government. In the words of Thomas Mooney, author of A Practical Guide to School Law, "A board of education in Connecticut has dual status. For some purposes, it is an agency of the town, and it is thus subject to charter requirements concerning election, civil service and other matters. As regards the provision of educational services, however, a board of education may act independently of town control. Education in Connecticut is a state responsibility, and the General Assembly has delegated that responsibility to each local or regional board of education. As school boards carry out that responsibility, they act as agents of the state."

It follows then that the Finance Director for the town serves a distinct role from the Business Director for the district as prescribed by the statutes. Municipal finance activities may include: debt, cash, risk and retirement administration; budget preparation and administration; revenue collection and assessment; and purchasing.

The district Business Director is certified by the state and manages the district budget based on the accounting systems required by the US Department of Education. Statute 7-349 which holds board of education members and district authorities legally responsible for not authorizing expenditures in excess of appropriations does not include any municipal officials.

In Connecticut, boards of education do not have the authority to collect taxes. However, it should be noted that the BOE and BOS budgets are approved through parallel and separate processes. Each board must gain approval of their budget from the BOF, LC and voters. Additionally, once the budgets reach referendum, if the BOE budget fails

and the BOS budget passes, the BOE budget stands alone for adjustments, and vice versa. If the BOS budget fails, the “BOE line item” that appears in the Town budget cannot be adjusted in order to pass the BOS budget. However, town department budgets can.

Debt service for all assets resides within the Town budget.

The Legislative Council, with recommendation from the Board of Finance, is responsible for annually designating an independent, certified public accountant or firm to audit the books and accounts of the Town.

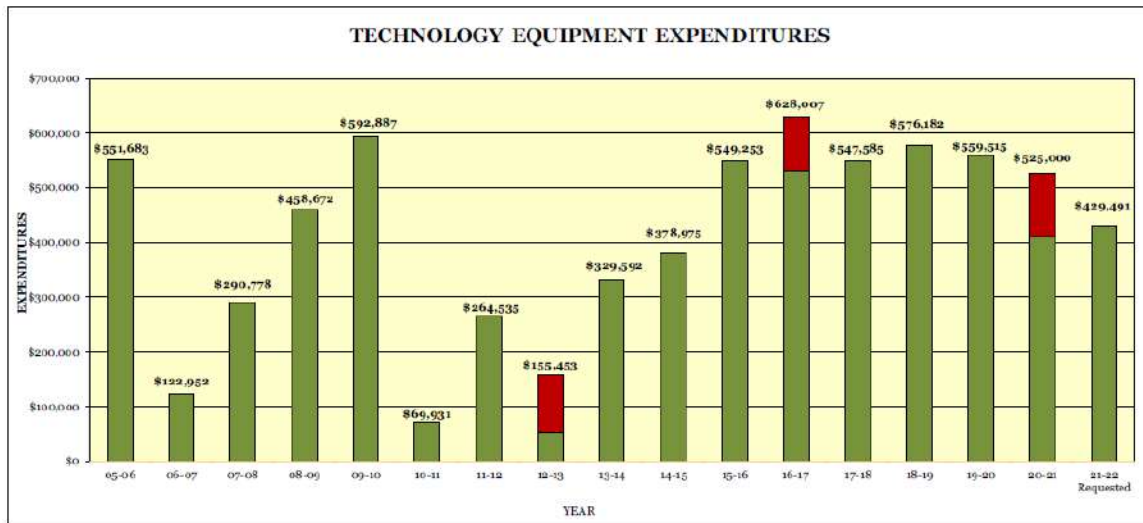
In addition to the town audit, Connecticut General Statute 10-227 requires boards of education to report “receipts, expenditures and statistics, as prescribed by the Commissioner” each year. These reports are required to be filed with the State Department of Education in a manner consistent with a Uniform Chart of Accounts that the Department was required to create by statute (CT GS 10-10c) and the US Department of Education. The office of Policy Management is expressly authorized to audit such financial reports.

**BOE 2021-22 Budget Review
LC Education Committee - #3
3/29/2021**

A question was raised at the 2/23/2021 LC Education Committee meeting regarding the 0.58% increase in the 2021-22 BOE budget proposal. We had indicated that 0.58% of the 2.58% budget increase was driven by reductions made by replacing funds for maintenance and technology in the 2020-21 budget (with “FEMA” funds).

Put another way, the BOE budget request for 2021-22 would have been a 2.0% increase had it not been for the \$450,000 reduction and replacement in the 2020-21 BOE budget*.

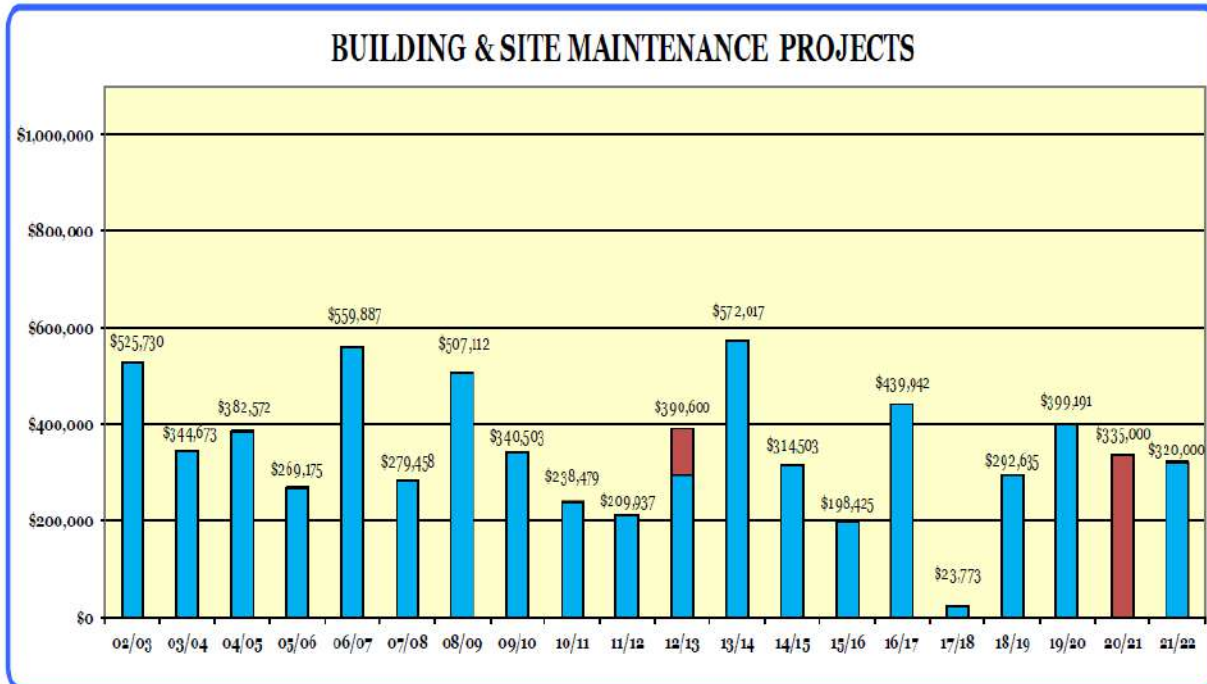
If the “FEMA” funds had been used to pay for a one time expense, such as a truck or a roof repair, the expense would not be recurring and would not appear again in the 2021-22 budget request. However, because it was used to offset expenses that have been purposefully spread over time, the monies will need to be added back to the following year’s budget request. This can be seen in the 5 year maintenance plan in the BOE budget book, pages 163-5, and the history of the technology budget can be seen on, page 151.



Note: \$51,953 was the BOE expenditure in 2012-13 supplemented by \$103,500 from the Town capital and non-recurring fund.

Note: \$528,360 is the BOE expenditure in 2016-17 supplemented by \$99,647 from the Town capital and non-recurring fund.

Note: \$525,000 was the BOE requested budget, \$115,000 was transferred into the Town's Town capital and non-recurring fund.



*Note: 2012-13 amount from Town Capital Non-recurring fund \$96,500
2021-21 transferred to Town Capital Non-recurring fund \$335,000*

The practice of replacing BOE maintenance and technology lines with Capital Non-recurring funds leads to artificial ups and downs in the year-over-year budgets, and the BOE is left to justify the additional increase in the year following when this strategy is used. This year, if understood correctly, there was a proposal to replace a total of ~\$800,000 (BOF has already reduced the entire \$320,000 maintenance budget and \$29,491 of the technology budget; LC Education Committee was proposing reducing and replacing an additional \$450,000). Given that the maintenance and technology expenses are fairly constant each year (largely because of a BOE effort to even out expenses over budget cycles), next year's budget would start at about a 1% increase due to this replacement of funds.

The Board of Education respectfully asks three questions:

1. Can the anticipated revenue from tax dollars be offset with Fund Balance in order to avoid the ups and downs in year-over-year budgets?
2. Is this source of funding part of a long term plan?
3. Can the excess funds in the Fund Balance be used with a plan to ease back into normal revenue sources (i.e., offset taxpayer revenue by \$450,000 year one, \$250,000 year two, and \$100,000 in year three)?

*How the replacement of BOE budget affects the following year:

2020-21 budget + FEMA = 2020-21 actual spend:

\$78,651,776 + \$450,000 = \$79,101,776

2021-22 budget - 2020-21 actual spend = y-o-y increase:

\$80,682,470 - \$79,101,776 = \$1,580,694

y-o-y increase / budget request = % y-o-y increase:

\$1,580,694 / \$80,682,470 = 1.96% y-o-y increase