

Representative Cameron Henry
Chairman



Representative Franklin Foil
Vice Chairman

FY16-17 Executive Budget Review Special Schools and Commissions

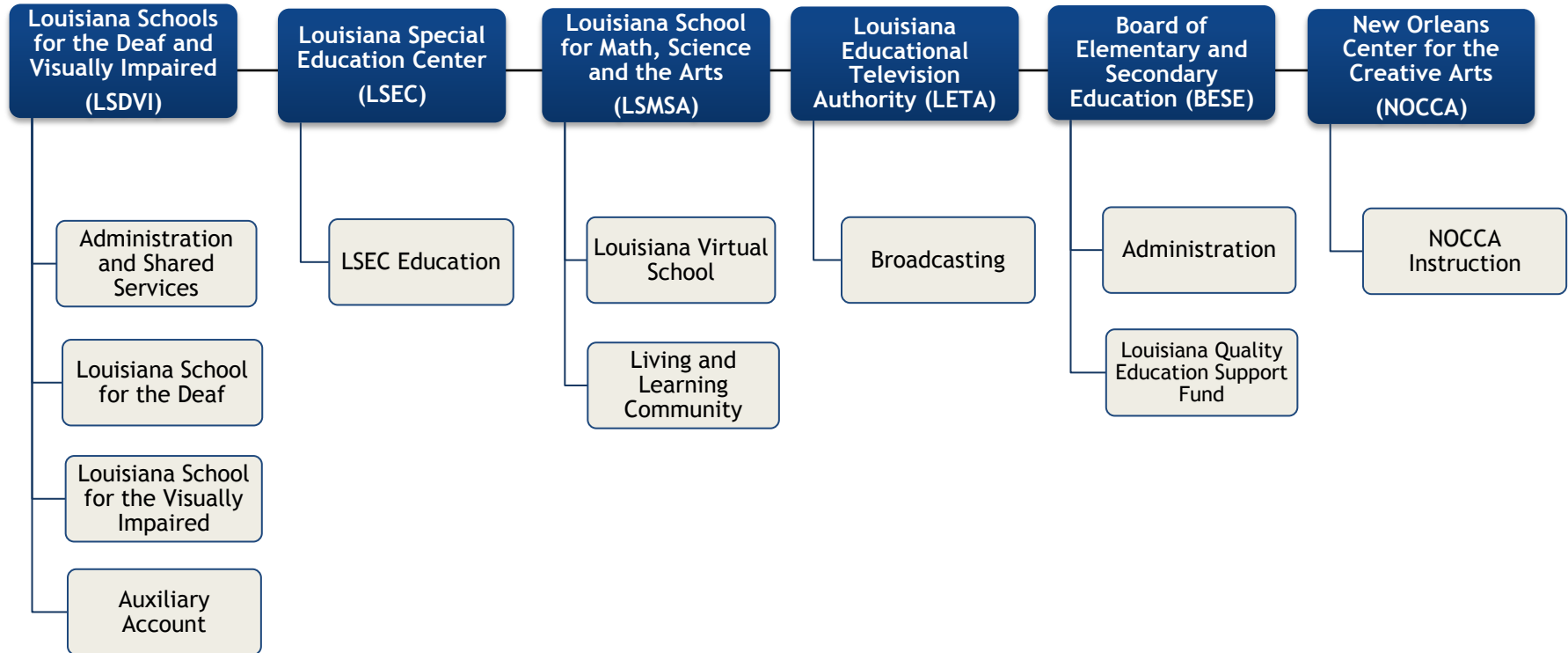
House Committee on Appropriations
by the House Fiscal Division

March 28, 2016

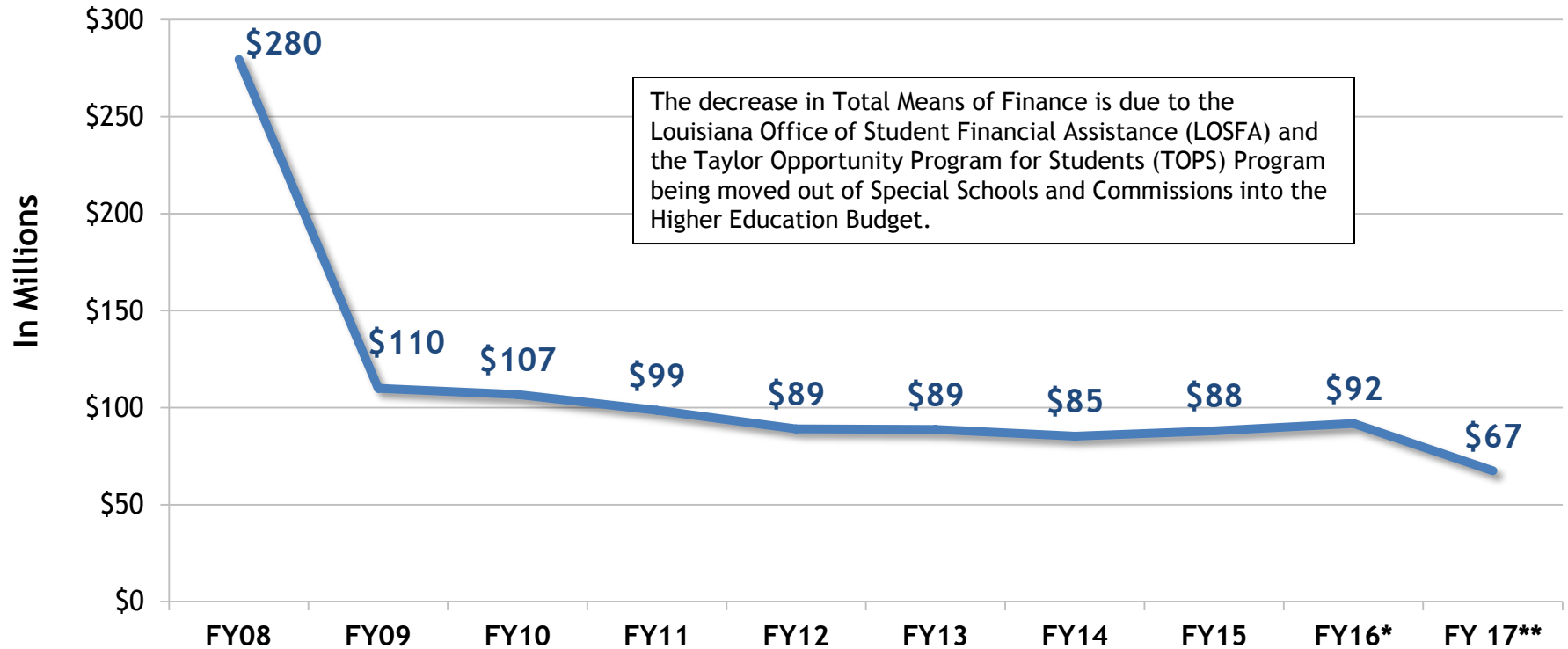
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DEPARTMENT ORGANIZATION



BUDGET HISTORY



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/15
**Governor's Executive Budget Recommendation

MEANS OF FINANCE BREAKDOWN

Means of Financing	FY 14-15 Prior Year Actual Expenditures	FY 15-16 Existing Operating Budget	FY 16-17 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$39,497,108	\$38,904,363	\$14,953,601	(\$23,950,762)	(61.6%)
Interagency Transfers	\$22,935,847	\$24,615,591	\$24,016,084	(\$599,507)	(2.4%)
Fees and Self-Gen Rev.	\$2,867,523	\$3,055,133	\$3,263,033	\$207,900	6.8%
Statutory Dedications	\$22,615,747	\$25,107,251	\$25,107,770	\$519	0.0%
Federal Funds	\$52,342	\$105,086	\$85,086	(\$20,000)	(19.0%)
Total Means of Finance	\$87,968,567	\$91,787,424	\$67,425,574	(\$24,361,850)	(26.5%)

\$24.0 million reduced from State General Fund to balance the budget.

\$40.4 million needed from State General Fund to meet the Division of Administration's SGF requirements.

MAJOR SOURCES OF REVENUE

Interagency Transfers \$24 million

- LSEC receives \$16.4 million in Title 19 Medicaid funds from DHH.
- LSMSA and NOCCA receive funding from the Minimum Foundation Program.
- The Louisiana Department of Education transfers various funding to special schools, usually on a per pupil basis.

Fees & Self-Generated \$6.3 million

- LETA generates revenues from production and satellite truck rental, uplinks, and foundation support.
- Employee meals at some facilities.
- Room and board fees.
- Louisiana Virtual School receives funds from local school districts, charter and parochial schools, and private individuals.

Statutory Dedications \$25.1 million

- BESE receives the constitutionally dedicated Louisiana Quality Education Support Fund, known as the 8(g) fund, budgeted at \$24.5 million for FY 16-17.
- Education Excellence Fund.

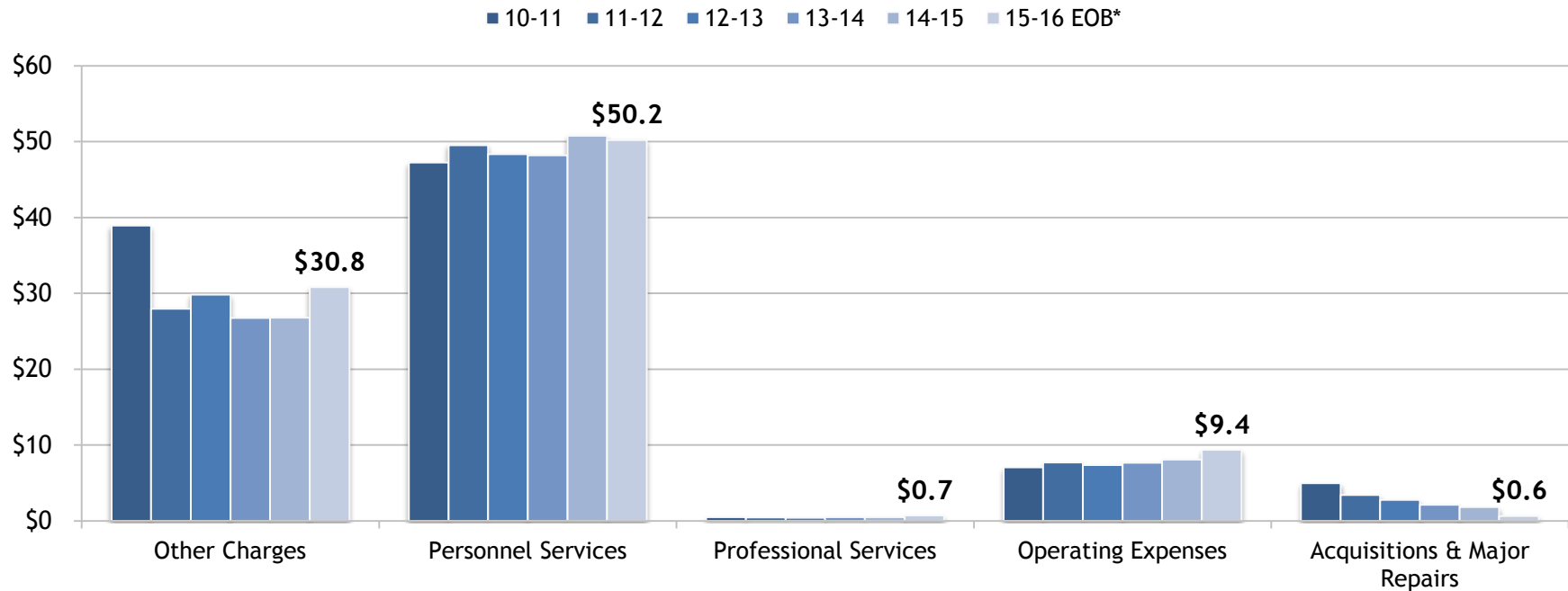
Federal Funds \$85,086

- LSMSA receives \$85,086 from the U.S. Department of Education Small Rural Education Program for additional educational materials and equipment.

EXPENDITURE BREAKDOWN

Expenditure	FY 14-15 Prior Year Actual Expenditures	FY 15-16 Existing Operating Budget	FY 16-17 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
Salaries	\$33,521,151	\$33,467,341	\$22,677,149	(\$10,790,192)	(32.2%)
Other Compensation	\$705,234	\$733,015	\$121,600	(\$611,415)	(83.4%)
Related Benefits	\$16,559,282	\$16,021,123	\$11,296,231	(\$4,724,892)	(29.5%)
Travel	\$212,517	\$280,183	\$66,427	(\$213,756)	(76.3%)
Operating Services	\$5,316,453	\$6,829,861	\$2,854,396	(\$3,975,465)	(58.2%)
Supplies	\$2,552,885	\$2,257,156	\$1,341,214	(\$915,942)	(40.6%)
Professional Services	\$503,112	\$732,683	\$486,420	(\$246,263)	(33.6%)
Other Charges	\$26,796,165	\$30,817,740	\$27,739,690	(\$3,078,050)	(10.0%)
Acq/Major Repairs	\$1,801,768	\$648,322	\$842,447	\$194,125	29.9%
Unallotted	\$0	\$0	\$0	\$0	0.0%
Total Expenditures	\$87,968,567	\$91,787,424	\$67,425,574	(\$24,361,850)	(26.5%)
Authorized Positions	730	724	726	2	0.3%

EXPENDITURE HISTORY (IN MILLIONS)



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/15

DISCRETIONARY/NON-DISCRETIONARY FUNDING

TOTAL BUDGET
\$67.4 Million

**\$24.0 Million IAT
Double Count**

**\$43.4 Million
Remaining**

**Self Generated
Revenue
\$3.3 Million**

**Statutory
Dedications
\$25.1 Million**

**Federal Funds
\$85,086**

**State General Fund
\$15.0 Million**

**Non Discretionary
\$2.1 Million**

**Discretionary
\$12.9 Million**

**Retirees' Group Insurance
\$2.1 Million**

**LSDVI
\$6.7 Million**

**NOCCA
\$2.1 Million**

**LETA
\$1.9 Million**

**LSMSA
\$1.8 Million**

**BESE
\$363,105**

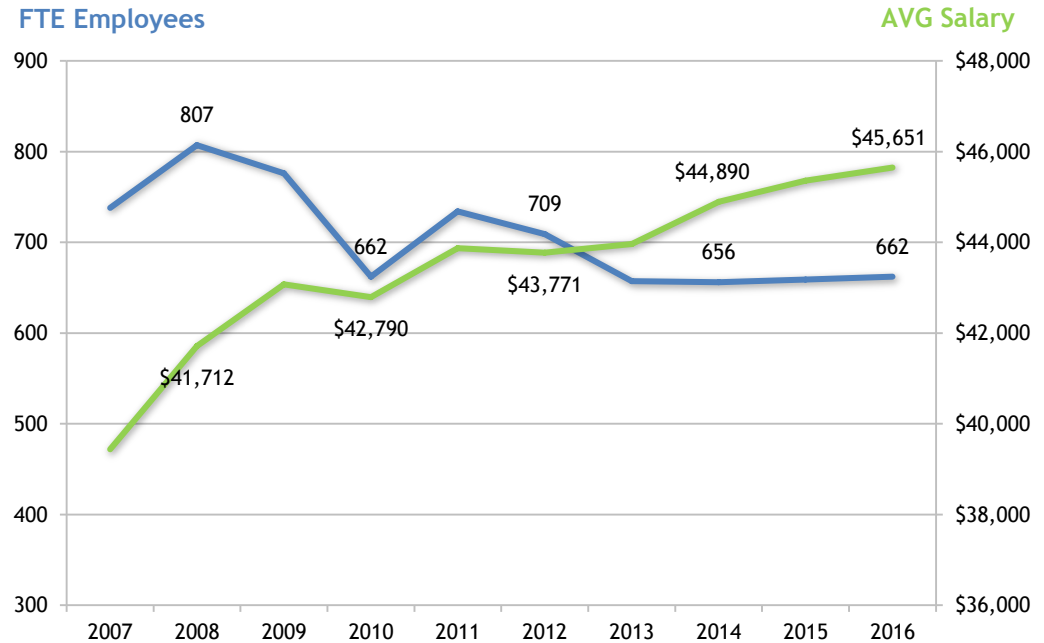
PERSONNEL INFORMATION

\$23 million Salaries and Other Compensation
\$11 million Related Benefits
Total Personnel Services = \$34 million
▪ *86% of the Special Schools & Commissions total Executive Budget Recommendation (excluding Other Charges)*

Authorized Positions

- 726 (376 classified and 350 unclassified)
- 4 full-time non-T.O. positions
- 35 Other Charges positions

*As of 1/29/2016, Special Schools & Commissions had 48 vacancies.



Source: Prepared by House Fiscal Division staff using information from Civil Service.

Agency Overview

LSMSA provides an advanced curriculum program in a residential setting for 330 academically and artistically motivated high school sophomores, juniors, and seniors statewide.



Means of Finance	FY15-16 Existing Operating Budget	FY16-17 Recommended	Change from EOB	% Change
General Fund	\$5,193,230	\$1,965,128	(\$3,228,102)	(62.2%)
IAT	\$3,365,652	\$2,635,327	(\$730,325)	(21.7%)
Fees & Self Gen	\$442,559	\$650,459	\$207,900	47.0%
Stat Ded	\$80,313	\$80,527	\$214	0.3%
Federal	\$85,086	\$85,086	\$0	0%
Total	\$9,166,840	\$5,416,527	(\$3,750,313)	(40.9%)
Positions	87	87	0	0%

Significant Impacts:

- 40% reduction of student enrollment from 330 to approximately 200 students. This would require faculty layoffs.
- Lower enrollment has a compounding effect, resulting in a reduction in MFP payments and self-generated revenues.
- Budget cuts mean LSMSA would fail to meet state performance indicators.

Agency Overview



NOCCA provides professional arts training, coaching, and performance opportunities for high school students who aspire to be creative artists.

Means of Finance	FY15-16 Existing Operating Budget	FY16-17 Recommended	Change from EOB	% Change
General Fund	\$5,598,760	\$2,173,551	(\$3,425,209)	(61.2%)
IAT	\$2,389,485	\$2,184,376	(\$205,109)	(8.6%)
Fees & Self Gen	\$0	\$0	\$0	0%
Stat Ded	\$79,173	\$79,277	\$104	0.1%
Federal	\$0	\$0	\$0	0%
Total	\$8,067,418	\$4,437,204	(\$3,630,214)	(45.0%)
Positions	75	77	2	2.7%

Significant Impacts:

- NOCCA would close the Academic Studio and the Arts Instruction Programs with these reductions. Instructional programs depend upon administrative, maintenance, student services functions, which cannot operate without state general fund support.

Agency Overview



LETA maintains a system of broadcast facilities to provide informative and educational programming for use in the homes and classrooms of Louisiana.

Means of Finance	FY15-16 Existing Operating Budget	FY16-17 Recommended	Change from EOB	% Change
General Fund	\$5,132,426	\$2,093,035	(\$3,039,391)	(62.2%)
IAT	\$415,917	\$415,917	\$0	0%
Fees & Self Gen	\$2,466,273	\$2,466,273	\$0	0%
Stat Ded	\$0	\$0	\$0	0%
Federal	\$0	\$0	\$0	0%
Total	\$8,014,616	\$4,975,225	(\$3,039,391)	(40.9%)
Positions	70	70	0	0%

Significant Impacts:

- Reduction of 40 positions, more than half the employees.
- Funding cuts would jeopardize the six FCC television licenses held by LETA. The loss of the licenses would result in Louisiana being the only state in the country without public broadcasting television stations.

Agency Overview



BESE provides leadership and creates policies for education, and administers the Louisiana Quality Education Support Fund 8(g) program.

Means of Finance	FY15-16 Existing Operating Budget	FY16-17 Recommended	Change from EOB	% Change
General Fund	\$1,024,943	\$451,105	(\$573,838)	(56.0%)
IAT	\$0	\$0	\$0	0%
Fees & Self Gen	\$21,556	\$21,556	\$0	0%
Stat Ded	\$24,718,780	\$24,718,780	\$0	0%
Federal	\$0	\$0	\$0	0%
Total	\$25,765,279	\$25,191,441	(\$573,838)	(2.3%)
Positions	12	12	0	0%

Significant Impacts:

- State general fund dollars are the primary source of funding for the Board's policymaking, governance, and oversight functions. A 56% reduction would harm the Board's ability to meet its constitutional obligations.

Agency Overview



LSDVI fosters a learning community that is student-oriented and dedicated to excellence, by providing child-specific instruction and residential services to students who are deaf/hard-of-hearing or blind/visually impaired or multi-disabled.

Means of Finance	FY15-16 Existing Operating Budget	FY16-17 Recommended	Change from EOB	% Change
General Fund	\$21,955,004	\$8,270,782	(\$13,684,222)	(62.3%)
IAT	\$2,425,345	\$2,425,345	\$0	0%
Fees & Self Gen	\$109,745	\$109,745	\$0	0%
Stat Ded	\$153,329	\$153,588	\$259	0.2%
Federal	\$0	\$0	\$0	0%
Total	\$24,643,423	\$10,959,460	(\$13,683,963)	(55.5%)
Positions	285	285	0	0%

Significant Impacts:

- A reduction of \$13.7 million would require closing the campus. LSDVI would be unable to deliver core educational programs and required ancillary services, placing the health, safety, and security of the students at risk.

Agency Overview



LSEC serves 69 students with severe developmental delays, mental disabilities, and severe orthopedic challenges. The agency's mission is to maximize each student's potential toward successful integration into the mainstream of society.

Means of Finance	FY15-16 Existing Operating Budget	FY16-17 Recommended	Change from EOB	% Change
General Fund	\$0	\$0	\$0	0%
IAT	\$16,019,192	\$16,355,119	\$335,927	2.1%
Fees & Self Gen	\$15,000	\$15,000	\$0	0%
Stat Ded	\$75,656	\$75,598	(\$58)	-0.1%
Federal	\$20,000	\$0	(\$20,000)	-100.0%
Total	\$16,129,848	\$16,445,717	\$315,869	2.0%
Positions	195	195	0	0%

Significant Impacts:

- Because LSEC receives no state general funds and is funded almost entirely through Medicaid dollars, there are no changes due to the FY 17 Executive Budget Recommendations.

DEPARTMENT CONTACTS

Agency	Name	Phone Number	Email Address
Louisiana Schools for the Deaf and Visually Impaired	Mr. Monte Burke Superintendent, Special School District	225.763.5515	monte.burke@la.gov
Louisiana Special Education Center	Mr. Monte Burke Superintendent, Special School District	225.763.5515	monte.burke@la.gov
Louisiana School for Math, Science and the Arts	Dr. Patrick Widhalm Executive Director	318.357.2520	pwidhalm@lsmsa.edu
Louisiana Educational Television Authority	Ms. Beth Courtney President and CEO	225.767.5660	bcourtney@lpb.org
Board of Elementary and Secondary Education	Ms. Shan Davis Executive Director	225.342.5848	shan.davis@la.gov
New Orleans Center for the Creative Arts	Mr. Kyle Wedberg President and CEO	540.940.2826	kwedberg@nocca.com