

Re: Submission of DP's \$2.5M on Legislative Reduction

Roberts, Lee <leeroberts@esom.nc.gov>

1/11/2017

Prin's Page (mailto:Prin'sPage@esom.nc.gov)

Colleague Adam <colleagueadam@esom.nc.gov> | Leggett Adam <leggettadam@esom.nc.gov>

Dear Prin's,

Thank you so much for the new email address forwarded to us during

Best regards,

Lee

From: Prin's Page (mailto:Prin'sPage@esom.nc.gov)

Sent: Friday, January 06, 2017 10:41 AM

To: Roberts, Lee <leeroberts@esom.nc.gov>

Colleague Adam <colleagueadam@esom.nc.gov> | Colleague Adam <leggettadam@esom.nc.gov>

Samie Fuller <Samie.Fuller@esom.nc.gov> | Rosemary Goss <rgoss@esom.nc.gov> | Dr. Robert's Wooding <rob@esom.nc.gov> | Dr.

Johnston <johnston@esom.nc.gov> | Dr. John Johnston <john.johnston@esom.nc.gov> | Dr. John Johnston <john.johnston@esom.nc.gov>

<idiana@esom.nc.gov>

Subject: Submission of DP's \$2.5M on Legislative Reduction

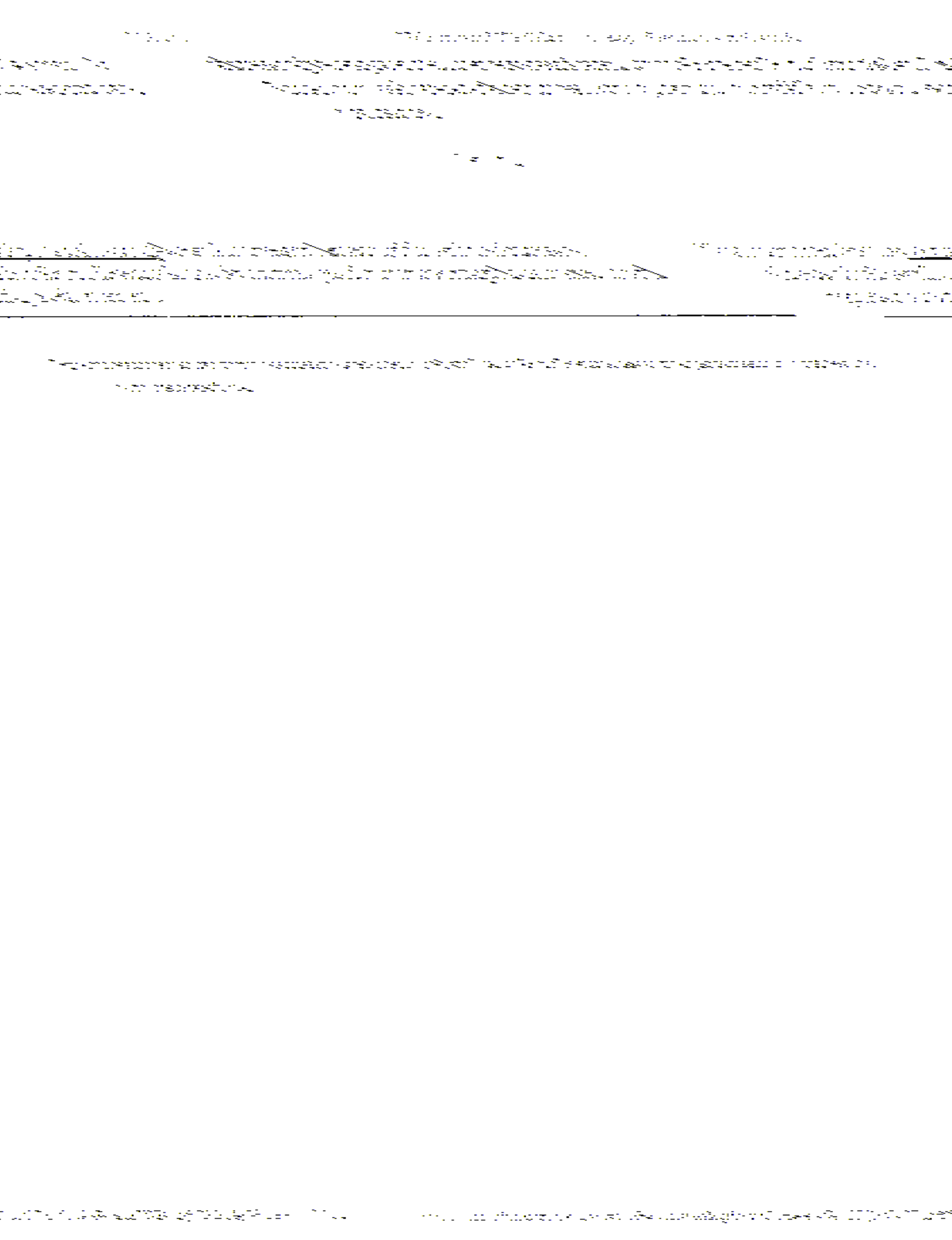
Good Morning,

We are transmitting the required forms this morning that will address the \$2.5M on reduction as required by S.L. 2015-240. I wanted to refer to you some additional information that will give you more background information to support the \$2.5M we are submitting.

The attached document includes:

- 1. An overview of what the Department of Public Instruction has organized to ensure that the requirements of the Excellent Public Schools Act and the State Board's vision and goals are implemented.
- 2. A chart that outlines how state resources to the State Board are allocated for the various Departments and how available for more priorities.
- 3. An Agency organization chart that reflects the current administrative structure of the Department of Public Instruction (DPI). The chart includes notations as to which areas of DPI are involved with assuring the success of the Excellent Public Schools Act and charter schools.
- 4. Summary of the reduction in Areas with a DP.

We appreciate the support and guidance from OSB's throughout the State Board of Education and Department's work on developing an organizational structure to address the legislative reduction while also



PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION | 1116 St. James Street, Ed. C. Brantley Center
Raleigh, NC 27603-8001 | www.ncpublicschools.org

November 2, 2015

Mr. Lee Roberts
State Budget Office Director
Office of State Budget and Management
116 West Jones Street
Raleigh, North Carolina 27603-8001

Dear Mr. Roberts:

Thank you for your ongoing consultation with us regarding the reorganization and reduction of the Department of Public Instruction included in Session Law 2015-241, Section 8.17. In particular, thank you for allowing us to use a negative reserve and extending the deadline for our final budget recommendations to December 31.

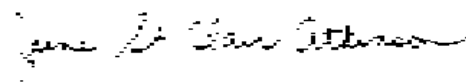
Thank you also for your willingness to give us input about how the Department may reorganize itself given the General Assembly's law bill. The State Board of Education may propose this reduction as a cluster bill. Session Law 2015-241 Conference Committee Report, Public Education, 2, 21. The State Board of Education will consider all of its options and make a final decision at its regularly scheduled meeting on December 3. After that point, the Department will provide your office with documentation regarding any decisions that the Board has made.

We anticipate that the information will include details about how the reorganization will make better use of the Excellent Public Schools Act funds to support the work of the LEAs and charter schools.

We also anticipate that the documentation will demonstrate clearly the rising indirect cost funds generated by an increase in federal receipts. Since indirect cost funds are on the properties of State funds once received, there should be no concern related to the Department becoming more federally funded than currently is. The timeframe of the Board's decision and the Department's provision of necessary documentation will be sufficient to effect the reduction and reorganization by the December 31 deadline.

Mr. Corey and I look forward to continuing this conversation with you.

Sincerely,



June St. Clair Atkinson

JSA:RWP/plr

OFFICE OF THE STATE SUPERINTENDENT

1116 St. James Street, Ed. C. Brantley Center, Raleigh, NC 27603-8001
4019 S. Western Boulevard, Raleigh, NC 27606 | 919-857-8000 | Fax: 919-857-8001
www.ncpublicschools.org | 800-955-4633



As you review your options for implementing the Tax & Education Fund, I encourage you to review Section 8.57(a) of S.L. 2013-14, which authorizes the Department of Public Instruction to reorganize, if necessary, to implement the budget reductions for the 2013-2017 fiscal biennium. Our office has worked with several agencies on reorganizations over the last few years and I hope you will consider our office a resource for any such effort. We look forward to continuing our discussions regarding this matter.

Sincerely,



Lee James Roberts

cc: Bill Cosby, Chair, State Board of Education
Philip Price, DE
Chris Gossage, OSBM
Adam Bruggemann, OSBM



PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION, One E. Eden Street, EdC, State Superintendent
WWW.NC.PUBLIC.SCHOOLS.ORG

October 7, 2013

Mr. Lee Roberts
State Budget Director
Office of State Budget and Management
11 West Jones Street
Raleigh, North Carolina 27603-8001

Dear Mr. Roberts:

Session 12-13 (2013) reduces the Department of Public Instruction's budget by \$2.8 million or about 1.1% and directs us to consult with the Office of State Budget and Management to prepare for the reduction. OSBM has given us a deadline of prior to October 7 to submit our final reduction plans so that they may be captured in the FY13-14 "Clean" Budget. This deadline represents just over six weeks between the Governor signing the budget into law and the Department finalizing plans for its reductions. Given the magnitude of the reductions and the short time-frame allowed for planning purposes, we request that OSBM allow the budget adjustments to be held in a negative reserve until such time that the Department and State Board of Education have had ample time to plan accordingly. We request this additional time to plan for two reasons:

1. The General Assembly has appropriated or appropriated \$2.8 million to cover the costs associated with carrying out the provisions of the Excellent Public Schools Act. While there are a number of requirements that these funds must support, one of the requirements is a firm commitment of the Act. Therefore, some of the funds could be considered to cover administrative costs that could possibly help to offset some of the budget reduction. We are preparing detailed budgets for each of the requirements now to determine what funds might be utilized. We would like to be able to begin planning now to expend those funds effectively.
2. The Department is working to establish a number of positions funded through indirect costs generated by the significant federal funds that the Department oversees. The establishment of these positions will allow the Department to reorganize its staff and free State funds for use in meeting the reduction.

Given the length of time required to establish positions per the rules of OSBM and the Office of State Human Resources, we are confident that this cannot be done prior to the October 04 deadline.

We thank you for your consideration in this matter.

Sincerely,

John H. B. [unclear]

JSA:PM/BJP

OFFICE OF THE STATE SUPERINTENDENT

One E. Eden Street, EdC, State Superintendent, Raleigh, North Carolina 27603-8001
11 West Jones Street, Raleigh, North Carolina 27603-8001
TEL: 919.857.1200 FAX: 919.857.1202 TDD: 919.857.1203