



**TO:** Roger Breed, Ed.D.  
Commissioner of Education

**FROM:** Russ Inbody, Administrator of Finance & Organizational Services

**SUBJECT:** Approve the Department's Supplemental Deficit Budget Request for 2012-13

**Proposed Board Action:**

It is recommended that the State Board of Education approve the Department's Supplemental Deficit Request for FY2011-12.

**Background Information:**

Each year, State agencies are provided the opportunity to submit supplemental budget requests. The requests are supplemental in that they represent budget requests not submitted by the Department during the mainline budget process or budget requests that the Department submits for reconsideration by the Legislature and Governor. Deficit Budget requests are for requirements that were unknown to the Department at the time the budget was acted upon in the 2012 legislative session and cannot be accommodated within existing appropriations. See attached documentation.

**Estimated Cost:**

None.

**Supporting Documentation Included:**

Supplemental Deficit Budget Request for 2012/13 - Detail

**For Additional Information on this item:**

Russ Inbody: (402) 471-4320 or e-mail russ.inbody@nebraska.gov.

**DEPARTMENT OF EDUCATION  
SUPPLEMENTAL DEFICIT BUDGET REQUEST FOR 2012/13  
DETAIL**

**OPERATIONS**

1. Program 025 – Education, Administration, and Support
 

|        |          |
|--------|----------|
| Salary | \$50,000 |
|--------|----------|

Description: Our deficit request is to either eliminate the stature provisions requiring NDE to review and approve poverty and Limited English proficiency plans, or to provide funding to contract for these activities.
  
2. Program 025 – Education, Administration, and Support
 

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|------------------------------------|-----------|
| Personal Services Limitation (PSL) | \$124,132 |
|------------------------------------|-----------|

Description: Deficit request is for additional PSL. The Department will have a number of employees retire this fiscal year in program 025. Termination payoffs cannot be predicted in advance and are a State obligation, State Statues 81-1325, 81-1328.
  
3. Program 025 –Education, Administration, and Support
 

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|--------------------|-----------|
| Cash Appropriation | \$400,000 |
|--------------------|-----------|

Description: Deficit request is for additional cash fund appropriation for the Early Childhood Training Center. This request is necessary to cover the total amount of private grants and registrations anticipated for the budget year(s).
  
4. Program 025 –Education, Administration, and Support
 

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|-------------------------|----------|
| Revolving Appropriation | \$50,000 |
|-------------------------|----------|

Description: The Department requests additional Revolving fund appropriation to allow for the charge back of costs associated with the Department Network. The Department adopted the Revolving Fund as a more efficient method of billing Department staff and programs for Network fees. This is an internal NDE Process.
  
5. Program 161 – Education Innovation
 

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|-----------------------------------|----------|
| Cash Appropriation                | \$11,818 |
| Personal Service Limitation (PSL) | \$7,454  |

Description: This request transfers a .15 FTE of the Certification Investigation office currently budgeted in Program 025 to the Education Innovation. LB333 (2011 legislative session) transferred the entire Certification Investigation office to the Education Innovation fund. Currently, this FTE is split between two programs and this request will have entire Certification Investigation office located in the same program.
  
6. Program 161 – Education Innovation
 

|                                    |         |
|------------------------------------|---------|
| Cash Appropriation                 | \$7,614 |
| Personal Services Limitation (PSL) | \$5,230 |

Description: This request is for additional PSL and Cash Appropriation for the negotiated bargaining salary increases that were not appropriated for FY13. LB333 (2011 legislative session) transferred Student Organizations, Multi Cultural and Certification Investigation programs from Program 025 to Program 161. This request is for FY2013.
  
7. Program 351 – Vocational Rehabilitation Services
 

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| Cash Appropriation | \$747,046 |
|--------------------|-----------|

Description: This request is for additional Cash fund appropriation. The Vocational Rehabilitation cash funds consist of donations, cooperative agreements, private/non-profit grants and cash balance carried over from prior fiscal year(s). The Cash Fund appropriation will supplement State General Fund appropriation to match Federal grants. Additional match will allow Vocational Rehabilitation to receive Federal funding to provide needed services to Nebraska citizens who experience disabilities.
  
8. Program 614 - Professional Practices
 

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|------------------------------------|-------|
| Personal Services Limitation (PSL) | \$990 |
|------------------------------------|-------|

Description: There is not sufficient PSL to meet FY2012 payroll obligations. Increase in PSL is needed to comply with salary increase for 2011-2012 provided in the contract agreed to by clerk and Commission dated June 15, 2011.

**FLOW-THROUGH AID**

1. Program 158 - Education Aid

Cash Appropriation \$212,958

Descriptions: This request is for Cash Appropriation that was not appropriated for the Reorganization Incentive Funds being paid out due to a merger of school districts.

2. Program 161 – Education Innovation

Cash Appropriation \$1,316

Description: This request is for High Ability Learners program. After the High Ability Learners payments were processed and distributed, an error in the Department’s calculation was discovered. Wausa public schools did not receive any matching funds for formula students as part of the High Ability Learners calculation formula. This request is for additional Cash Appropriation to process a payment to Wausa for the district’s formula students.