

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4681-01
Bill No.: HB 1763
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
Department; Saint Louis
Type: Original
Date: February 28, 2014

Bill Summary: This proposal establishes a community schools grant program in St. Louis City, St. Louis County, Kansas City, and Jackson County.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Community Schools Fund	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

***Offsetting Transfers in and Disbursements are Unknown - Could exceed \$100,000 each year.**

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government*	\$0	\$0	\$0

***Offsetting Transfers In and Costs are Unknown - Could exceed \$100,000 each year.**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Governor** and the **Office of State Treasurer** stated this proposal would not result in fiscal impact to their respective agencies.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume this proposal will result in unknown costs for DESE and will most likely result in the need for additional FTE. Required duties include developing a state plan for community education; administering the grant process; and reviewing applications, annual reports, and financial statements. The proposal does not indicate the grant amount or indicate from where the grant funds originate. The level at which the defined school districts opt to develop a community education program cannot be estimated; therefore, costs are unknown. Given that the proposal does require each grantee receiving funds to employ 1.0 FTE community education director; while unknown, costs are likely to be significant.

Oversight assumes that it is unknown if any of the school districts involved will participate in the community schools program. If it is determined that additional FTE are needed, DESE can request FTE through the budget process.

Officials from **Kansas City** and **St. Louis County** each assume no fiscal impact.

Officials from Jackson County, St. Louis City, the St. Louis Public School District, and the Kansas City Public School District did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Transfer Out</u> - Department of Elementary and Secondary Education (DESE) - to the Community Schools Fund - for community schools education program	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)
<u>Costs</u> - DESE - Administration of community schools program and Council for Community Education	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Unknown - Could exceed \$100,000)</u>	<u>(Unknown - Could exceed \$100,000)</u>	<u>(Unknown - Could exceed \$100,000)</u>
COMMUNITY SCHOOLS FUND			
<u>Transfer In</u> - General Revenue - Funding for grants for community schools program	Unknown - Could exceed \$100,000	Unknown - Could exceed \$100,000)	Unknown - Could exceed \$100,000
<u>Distribution</u> - School Districts - Grants for community schools program	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)	(Unknown - Could exceed \$100,000)
ESTIMATED NET EFFECT ON COMMUNITY SCHOOLS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
POLITICAL SUBDIVISIONS			
<u>Transfer In</u> - School Districts - Grants for community schools program	Unknown - Could exceed \$100,000	Unknown - Could exceed \$100,000	Unknown - Could exceed \$100,000
<u>Costs</u> - School Districts - Expenses of community schools program	(Unknown - Could exceed <u>\$100,000</u>)	(Unknown - Could exceed <u>\$100,000</u>)	(Unknown - Could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill creates a grant program to fund community schools in the St. Louis City, St. Louis County, Kansas City, and Jackson County school districts. A community school makes its facilities available to the public, identifies community needs and resources, and initiates programs to improve the cultural, social, recreational, and educational opportunities in the community. A community education program uses public buildings as community centers operated by the district in cooperation with other groups, organizations, and governmental agencies.

The State Board of Education within the Department of Elementary and Secondary Education (DESE) must develop a state plan for community education, and DESE must administer a grant program to employ a full-time community education director and provide him or her with professional development training.

To receive a grant, the school district must apply as prescribed by DESE, submit a plan describing its program that has been approved by its local board, establish a council to assist with needs assessment and program priorities, and employ a full-time community education director. A grantee must file a program evaluation and financial statement annually.

FISCAL DESCRIPTION (continued)

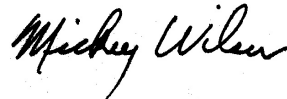
The bill establishes the state Council for Community Education which is a 15-member council appointed by the Governor. The Commissioner of Education within DESE will convene the council's organizational meeting. The council may meet up to four times a year.

The provisions of the bill will sunset six years after the effective date of the bill.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Office of the Governor
Office of State Treasurer
St. Louis County
Kansas City



Mickey Wilson, CPA
Director
February 28, 2014

Ross Strobe
Assistant Director
February 28, 2014