

## RESPONSE TO BOF QUESTIONS FROM 3/25/13 JOINT MEETING

1. In the BOE's response to the BOF's Question #13 (What portion of NCEP is State funded?) the business manager quoted a figure of \$11,207,879 (State and federal grants) of which \$9,925,785 came from State funds. The BOF pointed out that in the annual audit, on page 52, it states that Actual Revenues to the town from State and Federal Funds was only \$10,133,497 and asked "Where's the other million dollars?"

The figure quoted on page 52 is actually the amount of State and federal funds which are deposited into the Town's General Fund. On page 60 of the audit report it shows the revenue from State and Federal grants which are deposited into the Special Education Grants Fund by the town. This is the balance of the funds about which the BOF was asking.

As far as any discrepancies between the numbers in the audit report and the numbers provided by the business manager, funds deposited such as breakfast and lunch reimbursements, healthy foods initiative, and State school breakfast, were not included in the business manager's response as those funds go to the cafeteria program, which is self-supporting, and do not offset educational expenditures of the BOE. In addition, funds such as Youth Services Bureau were also not included as those funds are not utilized by the BOE to reimburse or offset educational expenditures. It is the business manager's understanding that all payments from the State (regardless of purpose) are electronically deposited to the Special Education Grants Fund and then transferred to the appropriate fund account. Therefore, any discrepancies are likely due to where some of these grant funds ended up being accounted for in the audit versus what the business manager used in his calculation.

2. The BOF asked what the cost per student was for the elementary students versus high school students.

It is extremely difficult to calculate precisely what these costs are as many costs are reported as district costs and applied district wide. As a part of the annual ED001 report, the State calculates total expenditures by level (high school grades 9 – 12, and elementary grades PK – 8), however these figures include transportation costs and exclude special education costs (The opposite is used to calculate NCEP.).

The business manager performed various calculations utilizing the information in the ED001 report in an attempt to analyze the cost per student for high school versus elementary school. At this time the best information we can provide is that the costs per student are similar, with the cost per high school student being slightly higher (by less than \$100 per student). The *approximate* costs are \$13,810 for the high school level and \$13,719 for the elementary level.

3. The BOF asked what Union pays in tuition to other districts.

There are only two high schools that receive Union students. The Union Board of Education will be paying Stafford, its designated high school, a tuition rate of \$11,973.00 in 2013-2014. Union pays an additional \$60,000.00 (\$8,575.00 per student) to transport its students to Stafford. They also allow parents to choose to send their children to Woodstock Academy at a tuition rate of \$12,134.00 for the 2013-2014 school year. While the tuition rate for Woodstock is \$161.00 higher than that of Stafford, Union does not pay for transporting its students to the Academy. When transportation costs are considered, it costs Union far less to have their students attend Woodstock Academy.

4. The BOF asked if we were aware of any districts/towns who share maintenance and/or custodial services. They asked if the Business Manager could find out this information through the business manager's group (CASBO).

The Business Manager submitted an inquiry through the CASBO users group to which 20 districts responded. (Please note, the protocol for the listserve dictates that districts responding in the negative should not reply.) According to the attached spreadsheet entitled, "Shared Services Summary," in addition to Stafford, nine districts reported some level of shared services, which vary significantly.

5. The BOF asked for the total number of students for which the district is obligated to pay for services (in at least some capacity).

In response to question five, please see the attached spreadsheet entitled, "Students Attending Stafford Schools & Reported by Stafford to the State."

6. A member of the BOF asked if the district has or plans to have a conservation plan in place to help reduce energy costs.

The Supervisor of Building Services and Business Manager are planning to develop a conservation plan, which will expand upon the systems already in place that monitor energy usage (such as the computerized systems that shut off computers and monitor and control heating and cooling units). The new plan will look at all areas of conservation including lighting and equipment, appliances (small and large) being utilized across the district, cooling and heating systems, and staff / student practices and behaviors which affect energy usage. The existing systems will also be evaluated to ensure they are providing maximum efficiency. The goal is to have a recommendation prepared for consideration by the Board of Education prior to the end of this fiscal year.

7. The annual audit shows a balance of \$108,889 in the Medical Insurance line. Where did this money go? Was it spent on something other than health insurance?

According to our records, \$90,707 was transferred out of Line 210 Employee Benefits (includes accounts for Insurance Waiver Stipends, Life Insurance Premiums, Section 125 Cafeteria Plans, and Disability Insurance as well as Medical and Dental Insurance Premiums) and was used to cover overages in other line items. Based on the memo provided by Mrs. Meg Devin, the district's previous business manager, to the BOE last August these funds were primarily re-budgeted to cover overages in Lines 100 and 400.

Prior to last year, the district was fully insured and there was no health insurance fund established. Any balance of funds was traditionally used to cover overages in other lines of the budget (the transfers being approved by the BOE). Because last year was the district's first year in the self-funded insurance program, it is assumed that there was not a full understanding of the funding mechanism required and so savings were utilized as they always had been when the district was fully insured.

For this year (2012-2013), as requested by Ms. Baxter through conversations last summer with Mrs. Marinelli and Ms. Lori Davis, and as approved by the Superintendent, the district is paying 1/12 of the full appropriation for medical and dental insurance to the insurance fund each month. Therefore, any amount remaining in this account at the end of the fiscal year should be minimal. As long as the District/Town remains self insured, all remaining balances in Line 210 accounts will be deposited into the self insurance fund. It is important to note that only 2 of the 6 accounts (medical and dental insurance premiums) are intended for payments to the self insurance fund, and that the remaining 4 accounts are intended for direct payments of premiums for other employee benefits. However, it is our intention to include any savings in these accounts with our final payment to the health insurance fund.

**Shared Services Summary - CASBO Users Group****4/3/2013**

<u>District</u>	<u>Level of Shared Services</u>
Berlin	Maintenance and ground services shared with Town.
Colchester	Shares both. BOE handles inside custodial staff for all buildings; Town handles outside maintenance and grounds for all properties.
East Hampton	Shared Facilities Director Only.
East Windsor	Share Facilities Manager with Town.
Litchfield	Turned over indoor maintenance and custodial services to town in 2012.
Putnam	Share field maintenance staff with town.
Rocky Hill	Custodial & Maintenance Staff are Town employees.
Stafford	Director of Athletics & Recreation and a Town Electrician are shared. School grounds & fields are maintained by Town.
Stratford	Town handles maintenace issues for BOE, BOE handles its own custodial.
Wethersfield	Some shared maintenance, mostly by project.

**Students Attending Stafford Schools & Reported by Stafford to the State**  
**(Stafford receives funding from the State via ECS)**  
**As of October 1, 2012**

Students that attend Stafford schools	1703
Students outplaced in non-public facilities	10
Students that attend Stafford Schools from Union (Union pays tuition - \$11,358)	13
<b>Total:</b>	<b>1726</b>

**Students Attending Out of District Schools & Not Reported by Stafford**  
**(District in which student is enrolled receives State funding, not Stafford)**

Students outplaced in public facilities (District required to pay for tuition and transportation. Tuition for most of these students far exceeds the district's per pupil expenditure.)	5
Students attending state technical schools (District required to pay for transportation.)	82
Students attending Rockville Vocational Agricultural Program (District required to pay for tuition, transportation, and special education services.)	8
Students attending magnet school programs (District required to pay for tuition and special education services.) <i>No transportation is provided with the exception of ACT students (contracted agreement) and one student with accommodations.</i>	27
Students attending St. Edward School (District provides nursing staff and transportation.) <i>Several of our grants specifically designate funds for "non-public" education. We are required to make these funds available to St. Edward School.</i>	71 (PK - 8)
<b>Total:</b>	<b>193</b>

**Total Students that Stafford incurs costs for: 1919**

Students who are home-schooled (currently at no cost to the district, but students may enroll at any time if they so choose.)	29
Students attending East Catholic (No tuition cost; students ride Tech buses so no real transportation cost at this time.)	20