

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2338-01
BILL NO.: SB 584
SUBJECT: Education, Elementary and Secondary: Math Grant Program
TYPE: Original
DATE: January 7, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue*	(UNKNOWN)	(UNKNOWN)	(UNKNOWN)
Total Estimated Net Effect on <u>All State Funds</u>*	(UNKNOWN)	(UNKNOWN)	(UNKNOWN)

*Exceeding \$100,000 annually.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All Federal Funds</u>	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government*	\$0	\$0	\$0

*Net effect of unknown grant income and grant program costs.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume DESE would require a supervisor and senior secretary to adequately staff the program. Additionally, there would be some information technology (IT) costs associated with developing a web-based application process.

The grant amounts to be distributed by the program are not specified. For the program to be significant the amount to be appropriated for this purpose is assumed to be in excess of \$100,000; however an unknown cost is assumed by DESE.

DESE officials assume one FTE Supervisor (\$47,611) and one FTE Senior Secretary (\$24,176) would be needed to develop the application, evaluate applications, administer grants and answer questions.

The **Oversight Division** assumes the Supervisor could administer the grant program with existing secretarial staff. Therefore, Oversight has excluded the Senior Secretary from the fiscal impact section. Oversight has also excluded travel costs of \$4,500 annually, assuming the grant would be administered with minimal travel.

DESE IT section would be required to develop and maintain software. This is estimated to cost \$83,200 the first year. Additionally, OIT charges an 8% project management fee (\$6,656). Maintenance costs for subsequent years are estimated to be 15% of this amount in subsequent years. The **Oversight Division** assumes the grant software could be modeled after existing DESE grant programs and could be developed and maintained with existing DESE resources.

DESE officials assume increased state money would go to school districts successfully applying for grants. The amount of local assistance would depend on the amount appropriated by the General Assembly for grants and awarded to applicants.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
GENERAL REVENUE FUND			
<u>Cost-Department of Elementary and Secondary Education</u>			
Personal Services (1 FTE)	(\$40,651)	(\$50,021)	(\$51,272)
Fringe Benefits	(\$12,500)	(\$15,381)	(\$15,766)
Expense and Equipment	(\$7,497)	(\$824)	(\$848)
Grants	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
Total <u>Cost-DESE*</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>

***Expected to exceed \$100,000 annually.**

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
SCHOOL DISTRICTS			
<u>Income-School Districts</u>			
Grants from DESE	Unknown	Unknown	Unknown
<u>Cost School Districts</u>			
Grant Match	(Unknown)	(Unknown)	(Unknown)
Mastering Math Program	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

***Net effect of unknown grant income and grant program costs.**

DESCRIPTION

The proposal would create the Mastering Math Program. Beginning July 1, 2001, DESE would provide four-year competitive matching grants to assist public school districts in math programs.

Upon conclusion of the grant and based on improvement in student performance on the math portion of the statewide assessment, DESE could reimburse the grantee for its local match.

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

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SOURCES OF INFORMATION

Department of Elementary and Secondary Education

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director
January 7, 2000