



STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



TO: Superintendents of Schools
School Business Officials
Town Finance Officers

FROM: Kathy Demsey, Chief Financial Officer

DATE: January 29, 2018

SUBJECT: 2017-18 Education Revenue Estimates

Because of the extended session and finalizing of the state budget, we were delayed in providing the 2017-18 revenue information for the Education Cost Sharing (ECS), Adult Education and Health Services grants.

We now have information for these grants reflecting school districts' expenditures, as well as prior year adjustments and the Governor's ECS reductions. Please refer to our Web site to access your revenue information (<http://www.csde.state.ct.us/public/dgm/grantreports1/RevEstSelect.aspx>).

Although the audits have been submitted, several post-audit issues remain. Therefore, many of these figures are still preliminary and subject to change. We will notify you in April of your final revenues.

We have included a summary concerning the impact of the grant caps. For this year, depending on the grant, the caps are negatively impacting revenue by as much as 48 percent.

In addition, you will find revenue estimates for the Excess Costs grant. The February entitlements are based on data provided by your district in early December on the Special Education Excess Cost Grant Application (SEECG). Since this is a capped entitlement grant, your district's entitlement is affected by what other districts file. Final entitlements will be available in April. **Please note that statewide, districts' December 1 filing for the Excess Cost grant appears to be lower than expected.**

While the capped percentage is currently at 25.5 percent, which means that the state is contributing 74.5 percent of the district's portion above the basic contribution, we anticipate this percentage to increase to approximately 27 percent. If this happens, the state's contribution will decrease to 73 percent, and your May payment will need to be adjusted to stay within the state appropriation. Please be aware of this when estimating your Excess Cost revenue for the current year.

Estimates of state aid to municipalities were previously provided through the Office of Policy and Management (OPM). With regards to current year's revenue, we strongly recommend that you refer to the above Web site for the most current information. All of the pertinent factors that comprise actual revenue were not available when OPM originally published the estimates.

If you have any questions, please contact Kevin Chambers at kevin.chambers@ct.gov or 860-713-6455.

KD:kc