

## 2010 Education Trust Fund Proposed Budget Comparison Chart

ETF Total Spending	FY 2009 Original Budget \$6.359 billion	FY 2009 Prorated (9%) Budget \$5.821 billion	FY2010 Proposed Budget \$6.238 billion
Foundation Program	\$4.036 billion	\$3.673 billion	\$3.837 billion
English as a Second Language	\$4.839 million	\$4.579 million	\$2.274 million
Community Service Grants	\$10.0 million	\$ 9.1 million	\$ 9.1 million
Classroom Materials	\$400/unit	\$400/unit	\$0/unit
Common Purchases	\$125/unit	\$125/unit	\$0/unit
Textbooks	\$ 57.50/adm	\$ 57.50/adm	\$ 17.17/adm
Professional Development	\$ 35/unit	\$ 35/unit	\$ 0/unit
Library Enhancement	\$175/unit	\$175/unit	\$0/unit
Technology	\$250/unit	\$250/unit	\$0/unit
Technology Coordinators	\$ 4.71 million	\$ 4.28 million	\$ 4 million
Transportation	\$336.7 million	\$306.4 million	\$299.8 million
School Nurses	\$ 33.7 million	\$ 30.7 million	\$33.7 million
Ala. Math, Science & Tech Initiative	\$ 40.7 million	\$ 37.4 million	\$ 29 million
Alabama Reading Initiative	\$ 69.4 million	\$ 64.3 million	\$ 64.4 million
Arts Education	\$ 600,000	\$ 559,652	\$ 510,000
Distance Learning	\$ 25.3 million	\$ 23.3 million	\$ 20 million
Governor's At-Risk Program	\$ 28.8 million	\$ 26.2 million	\$ 24.5 million
PEEHIP Allocation Per Employee (Health insurance premium)	\$752/month	\$752/month	\$752/month
Pre-kindergarten Office of School Readiness	\$20 million	\$15.8 million	\$19 million

**Close to \$191 million were redirected to the Foundation Program to fund school boards' priorities.** For example:  
 Cutting Instructional materials and supplies: \$19 million shifted  
 Maintaining PEEHIP rate at 2009 level: \$54 million shifted (\$752/month versus increase to \$805/month)  
 Eliminating the 1 percent salary matrix allocation: \$22 million shifted

Distribution of ETF Funds:	ETF Revenues (excluding Federal Funds)		ARRA Federal Funds (excluding ETF funds)	
	<b>68.86%</b>	<b>K-12</b>	<b>60.18%</b>	<b>K-12</b>
	27.26%	Higher Ed	39.82%	Higher Ed
	3.88%	Other	0.00%	Other

**Proration Prevention Account Balance: \$0  
(education savings account)**

The \$440 million savings accumulated was completely depleted in a single year to prevent proration in 2008. No savings are available to tap in the current year.

**Rainy Day Fund Balance: \$219 million  
(education line of credit)**

The borrowing limit against state oil & gas royalties was increased last year to 6.5 percent of the prior year's budget. Loans must be repaid in six years off the top of future education budgets. Proration must be called by the governor to access the fund. The authorized amount for FY 2009 was \$439 million. The governor released half of the fund (\$219 million) in December 2008 to lower proration to 9 percent. The remaining half could lower proration to under 6 percent. School systems are depleting their reserves to survive through the end of the fiscal year, Sept. 30. More than 70 school systems expect to fall below their one-month reserve in operating expenses by Sept. 30 and are desperately seeking release of the remaining Rainy Day Funds.

**NOTE: The total ETF spending appears to jump significantly for 2010 from the prorated 2009 level. However, local school systems are struggling to finish the current year at a deficit.**