

STANDING COMMITTEE REPORT NO. 21-13

RE: PRESIDENTIAL COMMUNICATION NO. 20-431

SUBJECT: FISCAL YEAR 2020 BUDGET/EDUCATION

SEPTEMBER 17, 2019

The Honorable Wesley W. Simina
Speaker, Twenty-First Congress
Federated States of Micronesia
Second Regular Session, 2019

Dear Mr. Speaker:

Your Committee on Education, to which was jointly referred Presidential Communication No. 20-431 regarding the National Government's Recommended FY2019 Budget, begs leave to report as follows:

Presidential Communication No. 20-431 was transmitted to Congress with the *National Government Fiscal Year 2020 Recommended Budget* ("Budget Book"). Pursuant to Rule 7, Section 3(b), of the Official Rules of Procedure of the Twenty-First Congress of the Federated States of Micronesia, your Committee has limited its review to those portions of the recommended budget relating to matters under its jurisdiction. These are:

- A. Department of Education
 - 1. Office of the Secretary
 - 2. Division of Quality and Effectiveness
 - 3. Division of Formal and Non-Formal Education
- B. Board of Regents COM-FSM
- C. Grants, Subsidies and Contributions.
 - 1. Aid to Non-Public schools
 - 2. Financial Assistance for FSM students at CMI
 - 3. Financial Assistance for FSM students at PCC
 - 4. National Scholarship

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5. National Close-Up
6. National Merit Scholarship
7. COM-FSM Annual Board Meeting
8. Aid to Students in Japan
9. Aid to Students in China
10. Aid to Students in Fiji
11. Caroline College
12. Faithwalk College
- D. Resources: Grants, Subsidies and Contributions
 1. COM-FSM Treaty Obligations
- E. Capital & Human Resources Development
 1. College of Micronesia-FSM
 2. FSM Fisheries and Maritime Institute
 3. COM-FSM-SEG
 4. COM-FSM Endowment Fund
 5. SEG Data Management Project
 6. School Accreditation Project
 7. Teacher Certification Project
 8. Quality Development Project
 9. Literacy Intervention Project
 10. Assessment Project
 11. SLO Science
 12. PATS
 13. NDOE Office Rent

This report, and all previous and subsequent reports of your Committee, should be treated as reflecting policies of the Federated States of Micronesia, as defined by the Congress. It is the intent of your Committee that any commentary found in this report should be treated as policy for the guidance of the departments, agencies and entities.

The findings and recommendations of your Committee follow:

I. INTRODUCTORY COMMENTS

Your Committee notes that the FY2020 Budget Book was transmitted to the Twentieth Congress on April 1, 2019. The FY20 budget was retransmitted by the current President and has been introduced in the Twenty-First Congress of the

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Federated States of Micronesia as C.B. No. 21-16. The items and funding in C.B. No. 21-16 for all matters under the jurisdiction of your Committee mirror exactly the Budget Book of April 1, 2019. During your Committee's review of the Budget Book it has noted some inaccuracies, and these are detailed in the relevant portions of the report below.

Your Committee has prepared its recommendations for the above-cited items on the following breakdown of available funds: \$950,693 from the Supplemental Education Grant (SEG) for the National Department of Education of which \$394,619 is proposed for operations of the Department and the remaining for a project for the Department proposed at \$556,074. The amount of SEG available for COM-FSM is \$689,948. Pursuant to P.L. No. 18-57 the funding available for NDOE from the Compact Education Sector Grant for FY20 is zero. The funding available for Education Sector Grant for FSM-COM is \$1,000,000.

Your Committee held public hearings with the National Department of Education (NDOE) on May 21 and 22, 2019. Witnesses at that hearing included the Secretary of Education, and his key staff, and representatives for the Department of Justice, the Department of Finance and Administration, the Office of Personnel and the Office of the President. Your Committee also held a public hearing with the College of Micronesia-FSM on May 20, 2019. Witnesses at the hearings included the Secretary of the Department of Education and his key staff, the President of COM-FSM and his key staff, and representatives from the Departments of Finance and Administration, and Justice, the Office of Personnel, and the Office of the President. Follow up meetings and hearings also took place during the July 2019 and September 2019 sessions of Congress.

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II. FY 2020 BUDGET –SOURCES AND RECOMMENDATIONS

A. DEPARTMENT OF EDUCATION

1. Office of the Secretary

	FY2019 Appropriated	FY2020 President Recommends	FY2020 Committee Recommends
Personnel	135,413	149,924	137,786
Travel	50,000	86,698	50,000
Contract	13,000	15,000	15,000
OCE	17,000	21,000	21,000
Fixed Assets	1,500	1,500	1,500
Total	218,913	274,122	225,286

Number of Employees 7 7 7

Personnel:

The President recommends an increase in the category of Personnel for the Office of the Secretary of \$14,511, with a proposed total budget of \$149,924 for FY20. Your Committee had a detailed discussion regarding this line item with the witnesses during its public hearing in May.

Substantial increases are requested for the current permanent employees in the positions of Secretary (+\$814), Post-Secondary Specialist (+\$20,806), Secretary I (+\$793), Financial Specialist (+\$1,568), and Administrative Officer II (+\$4,688). The total salary increase is proposed at \$10,577.

Also, the Committee notes that the current salary for Secretary I is incorrect. It is listed at \$9,939 but is actually \$10,978. The Administrative Officer II is listed at currently receiving \$19,070 but that position is actually currently receiving \$14,722.

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The Office of Personnel stated that a slight increase in fringe benefits of two percent should be added to the budget for the coming fiscal year to accommodate the change in benefits from 13% to 15%. This amount is \$2,373 for the coming year. Your Committee accepts that this small increase is necessary.

When the Secretary of Education was questioned regarding these proposed changes he stated that it was his intention to request increases in salary for the positions in his Department due to additional duties assigned after the reorganization of the Department of Education. The Administrator of the Office of Personnel stated that while general discussions had taken place no positions had been recommended for reclassification at this time. In fact, the Administrator stated that a study has been concluded regarding the salaries of all employees under the Public Service System. A full report and recommendations will be issued from his Office shortly.

Your Committee does not recommend the unilateral increase in salary of any position without the proper review and approval by the Office of Personnel. As a study is now being done by the Office of Personnel the Committee defers to that Office and recommends that the current salary levels for all positions be maintained. In consideration of the above commentary, **the Committee recommends \$137,786 for Personnel for the Office of the Secretary for FY20.**

Travel:

It is proposed to dramatically increase the Travel for the Office of the Secretary for the coming fiscal year FY20, with a total increase of \$36,698. The total budget proposed for Travel for FY20 is \$86,698. Your Committee does not agree with increased travel at this time for this Office. It strongly believes that much administrative work needs attention, including the many scholarship applications and awards. Oversight will continue with this

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Office and if additional funding is necessary there will be sufficient opportunity later in the fiscal year to adjust this category. **In order to support the current activities of the Office, your Committee recommends the Travel budget of \$50,000 for FY20 for the Office of the Secretary.**

Contractual:

The President proposes a slight increase in the category of Contractual Services to \$15,000 for FY20 for the Office of the Secretary. This increase is due to additional expenses for the hosting the MTEC conference. The Committee recommends the small increase. **For these reasons, your Committee recommends a budget of \$15,000 for FY20 for the Office of the Secretary for Contractual Services.**

OCE:

The President's Budget Book shows a \$4,000 increase in OCE proposed for FY20 for the Office of the Secretary. The total proposed for the coming fiscal year is \$21,000. This is a proposed increase for freight and postage. The Members of the Committee have jointly and separately noted that the category of OCE is the category most deserving of slight increases over time as the cost of running any workplace goes up with inflation. **The Committee believes that this small cost increase is warranted and approves of this realistic request. Therefore, your Committee recommends \$21,000 for the OCE of the Office of the Secretary for FY20.**

Fixed Assets:

The President recommends \$1,500 for a desk top computer for the Office of the Secretary for FY20 for Fixed Assets, and **your Committee concurs and recommends the \$1,500 for FY20.**

After the above adjustments for each category your Committee recommends \$225,286 for the Office of the

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Secretary for FY20, to be funded from Domestic Revenue in its entirety.

2. Division of Quality and Effectiveness

	FY2019 Appropriated	FY2020 President Recommend	FY2020 Committee Recommend	Domestic Revenue	SEG
Personnel	164,166	196,107	167,466	24,654	142,812
Travel	100,000	110,546	105,546	5,546	100,000
Contract	111,157	111,157	111,157	-0-	111,157
OCE	11,629	17,129	17,129	5,500	11,629
Fix Assets	1,700	1,000	1,000	-0-	1,000
Total	388,652	435,939	402,298	35,700	366,598
Employee#	8	8	8	-0-	8

Personnel:

The President recommends \$196,107 in Personnel for the Division of Quality and Effectiveness for FY20, up from the current FY19 appropriated amount of \$164,166, an increase of \$31,941. Increases are recommended for all current employees of this Division. Your Committee reiterates with displeasure that for all divisions of NDOE listed in the President's Budget Book the format used this year for NDOE does not designate the step/grade for the proposed increase so it is unclear how many "steps" increase are being recommended for each employee. Your Committee again states that it strongly believes that a proper review should be done for each position, and where a recommendation for a change in salary written justification should be made. The adjustment for the increase in fringe benefits for the coming fiscal year FY20 is \$3,300 for this Personnel in this Division.

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For these reasons, the Committee recommends that the current positions and salary levels be maintained for this Division, with only the slight increase for slightly higher benefits. However, your Committee directs NDOE and the Office of Personnel to work together regarding the following three recommended revisions to the Personnel for this Division: 1) that a Bridging the Gap Specialist for Kosrae be redeployed to Kosrae, 2) that the where the "Specialist" salary is not in line with current \$16,303 for most of these positions a review be done to ensure all positions with the same duties receive the same salary, and 3) that the salary for the newly vacated position of Bridging the Gap-Yap be reviewed so it is also in line with the positions in the other states' specialists.

In accordance with the above adjustments, your Committee recommends a total of \$167,466 for FY20 for Personnel for the Division of Quality and Effectiveness, of which \$142,812 in funding shall be from SEG, and the remaining \$24,654 from Domestic Revenue.

Travel:

The President proposes a \$10,546 increase in the budget for Travel this coming FY20 for the Division of Quality and Effectiveness, with a total proposed for FY20 of \$110,546. The budget for this category is proposed to be funded from SEG at \$100,000 with \$10,546 from domestic revenue.

During its review of the President's recommended budget for NDOE the Committee for travel agreed that only the new trip for monitoring the outer island school's progress was necessary at this time. This trip is budgeted for \$5,546, and that addition is recommended by your Committee. **Your Committee recommends \$105,546 for Travel for FY20 for the Division of Quality and Effectiveness, with \$100,000 to be funded from SEG and \$5,546 from Domestic Revenue.**

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Contractual:

The President recommends no change in the budget for Contractual for FY20 for the Division of Quality and Effectiveness, and it remains budgeted for \$111,157 funded in its entirety from SEG.

Your Committee is satisfied with maintaining the same funding level for this category in the coming fiscal year, however, it does recommend changes in specific line items as proposed. For the past several years various projects have been funded under Contractual for this Division. For FY20 a project in the amount of \$37,000 to develop post-secondary standards for higher education is proposed. Your Committee notes that a bill proposing an enlargement of the scope of NDOE to include setting higher education standards is before Congress now. The request for funding for this project presumes that this legislation will be passed, and is therefore, premature. The Committee believes that another item in Contractual: fueling for the Caroline Voyager for the administrators to give the NMCT does not have sufficient funding allocated to it for the coming fiscal year. The Committee recommends that the project for the development of post-secondary standards not be funded at this time and that \$37,000 be added to the budget for fueling the Caroline Voyager. **For the above reasons, your Committee recommends SEG funding for the entire budget of Contractual Services for the Division of Quality and Effectiveness in the amount of \$111,157 for FY20.**

OCE:

There is a small increase proposed for this category by the President for FY20 of \$5,500, with a total of \$17,129. As this is recommended to be funded from SEG in its entirety the Committee the increase requested must come from Domestic Revenue. The Committee understands that of all the categories the OCE should contain a slight increase as the cost of communications, postage, freight and office supplies goes up annually. As the increase of \$5,500 is

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very modest your Committee is recommending this increase. **Therefore, the Committee recommends the total funding for OCE for the Division of Quality and Effectiveness for FY20 at \$17,129, with \$11,629 to be funded from SEG at \$11,629, and \$5,500 from Domestic Revenue.**

Fixed Assets:

Only \$1,000 is recommended by the President for this coming FY20 for a laptop computer for the Accreditation Specialist. This represents a decrease in proposed funding of \$700. The Committee concurs with the President as the Specialist must have the laptop for work in the field. **Your Committee recommends funding for Fixed Assets the Division of Quality and Effectiveness for FY20 of \$1,000 to be funded from SEG.**

For the reasons set forth above, your Committee recommends a budget of \$402,298 for the Division of Quality and Effectiveness for FY20, of which \$366,598 is to be funded from SEG and the remaining \$35,700 from Domestic Revenue.

3. Division of Formal and Non-Formal Education

	FY2019 Appropriated	FY2020 President Recommend	FY2020 Committee Recommend
Personnel	129,544	184,413	132,246
Travel	25,000	98,172	45,000
Contract	33,069	36,069	33,069
OCE	11,522	21,000	11,522
Fixed Assets	-0-	5,500	2,000
Total	199,135	345,154	223,837
Employees #	7	7	7

Personnel:

The President recommends \$184,413 for the Division of Formal and Non-Formal Education for FY20 for Personnel. The Secretary of NDOE confirmed that all positions are

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recommended for salary increases, and again, no information on the change in grade/step for these positions was available. As stated for other divisions your Committee is not recommending any in salary for any positions until the study by the Office of Personnel has been completed and a written recommendation is made. Your Committee notes that a slight increase in benefits is necessary at \$2,702.

Since the reorganization of NDOE your Committee has noted with concern that large increases in funding have been proposed for vocational or "non-formal" education at the National level. The Committee is not satisfied with progress on the school accreditation, teacher certification or student outcomes, particularly for primary education, and is dismayed that resources are being diverted from these critical programs. Vocational education benefits only those students who participate in this specific type of education while a good primary education is enormously important to all of our students, and the future of this Nation. Further, the National Department of Education strays outside of its scope of work by enlarging its work in the area of vocational education. Therefore, the Committee renews its request that this Division return its valuable workforce, that has recently been transferred to it, to continue work on the three primary pillars: promoting basic education of teacher certification, school accreditation and student testing.

For the above stated reasons, your Committee recommends \$132,246 for Personnel for the Division of Formal and Non-Formal Education for FY20.

Travel:

For the coming fiscal year of FY20 the President recommends \$98,172 for Travel for the Division of Formal and Non-Formal Education. Last year in its report on the FY19 budget for this Division your Committee strongly disapproved of the then proposed dramatic increase in travel to promote career and technical instruction from the

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National level. Your Committee does not believe that a budget increase of almost 400% is warranted. The Committee does support the work of the ECE Specialist and the that of the Gifted & Talented program, and recommends that the travel for these trips be funded for the coming year. It is also supportive of the work done for STEM and outer island schools. **As the Committee is not supportive of the expansion of the career and technical activities it is specifically recommending that these trips not be funded for the coming fiscal year.**

Further, your Committee sees this Division as an example of a reoccurring issue with the NDOE budget. Multiple trips to implement, monitor and evaluate programs and projects have been proposed at the same time that data management and communications have been improved. There are 24 proposed trips for the coming fiscal year and with the current personnel vacancies in this Division these trips would be divided among only five employees. In the opinion of the Committee this leave much time left for the work to be done at the home office. Your Committee suggests that there must be more cost-effective way to conduct the work of NDOE. **In accordance with the comments above your Committee recommends \$45,000 for the category of Travel for the Division of Formal and Non-Formal Education for FY20.**

Contractual:

There is a proposed slight increase in this category for FY20 with the total amount recommended by the President at \$36,069 for Contractual Services for the Division of Formal and Non-Formal Education. All items remain the same except a request for an additional \$3,000 in consulting fees which appears to be associated with the Career Guidance Counselor salary. Additional funding for this salary was disapproved last year by the Committee, and therefore consistent with its comments of last year the Committee does not recommend this increase. **With that comment, your Committee recommends \$33,069 for the category of Contractual Services for the Division of Formal and Non-Formal Education for FY20.**

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OCE:

The President proposes \$21,000 for funding of OCE for the Division of Formal and Non-Formal Education for FY20. This is a dramatic increase in the proposed total OCE for the coming year. This is the same increase that was not approved by the Committee last year. The remarks by the Committee were that this division is proposing to grow at the disadvantage of the services for basic education. **Consistent with the current FY19 budget for this category your Committee recommends \$11,522 for OCE for FY20 for the Division of Formal and Non-Formal Education.**

Fixed Assets

The President recommends \$5,500 for two new laptop computers for FY20 for Fixed Assets for the Division of Formal and Non-Formal Education. While the two laptops are reasonable the cost proposed is not. The Committee believes that an appropriate budget for this item is \$2,000. **For this reason, your Committee recommends \$2,000 for Fixed Assets for the Division of Formal and Non-Formal Education for FY20.**

For the reasons set forth above, your Committee recommends a budget of \$223,837 for the Division of Formal and Non-Formal Education from Domestic Revenue.

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OVERALL BUDGET SUMMARY FY2020-DEPARTMENT OF EDUCATION

	FY2019 Approp.	FY2020 President Recommend	FY2020 Committee Recommend	Domestic Revenue	SEG
Personnel	429,123	530,444	437,498	294,686	142,812
Travel	175,000	295,416	200,546	100,546	100,000
Contract	157,226	162,226	159,226	48,069	111,157
OCE	45,651	43,719	49,651	38,022	11,629
Fix Asset	3,200	8,000	4,500	3,500	1,000
Total	810,200	1,039,805	851,421	484,823	366,598
# Employee	22	22	22	14	8

B. Board of Regents -COM-FSM

The President recommends \$115,000 for FY20 for the Board of Regents for COM-FSM, and the Committee concurs with this recommendation. Your Committee is satisfied with the routine work of the Board of Regents at this time, but will hold oversight during the coming session of Congress to better understand the long-term planning taking place for the College.

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C. Grants, Subsidies and Contributions

	FY2019 Appropriated	FY2020 President Recommend	FY2020 Committee Recommend
Aid to Non-Public Schools	600,000	600,000	800,000
Aid to CMI Students	40,000	40,000	40,000
Aid to PCC Students	150,000	150,000	150,000
National Scholarship	2,500,000	2,250,000	3,000,000
National Close-Up	75,000	75,000	75,000
Merit Scholarship	275,000	275,000	275,000
COM-FSM Board Mtg	5,000	5,000	5,000
Aid to students in Japan	100,000	-0-	100,000
Aid to students in China	-0-	-0-	35,000
Aid to students in Fiji	-0-	-0-	35,000
Caroline College	50,000	-0-	75,000
Faithwalk College	50,000	-0-	75,000
Total	3,845,000	3,590,000	4,665,000

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The President recommends funding of \$3,590,000 for FY20 for the Grants, Subsidies and Contributions section. As in previous years the Aid to Non-Public Schools, Aid to CMI students, Aid to PCC students, National Close-Up, Merit Scholarship and the COM-FSM Board Meeting all remain recommended at the same levels.

Your Committee appreciates the efforts of NDOE to maintain the previous year's funding levels, however, it believes that the private schools throughout our Nation are doing very well and should be supported. The number of students in private schools is increasing and your Committee would like to ensure that the aid per pupil stays the same or goes up slightly. For this reason, an additional \$200,000 in funding is recommended, for a total of \$800,000 for Aid to Non-Public Schools for the coming FY20. The current funding level for National Close-Up, Merit Scholarship and the COM-FSM Board Meeting is satisfactory.

Your Committee supports the request for funding aid to our students in CMI and PCC for the coming at the same level as in previous years. It is the Committee's understanding that all the funding appropriated for this fiscal year was needed by the students, but unfortunately the majority of this funding did not get disbursed until the very close of the year. Your Committee strongly urges that NDOE dedicate a second employee to assist the Post-Secondary Specialist as her work load has expanded greatly over the last few years.

As to the National Scholarship your Committee, as well as, other delegations from Congress have had complaints from our students this year regarding both the delayed distribution of awards and awards being insufficient. As college tuition is increasing every year and the number of our young people attending institutions of higher education your Committee sees the need to increase the amount of the primary scholarship. Unfortunately, the Committee also must note here that the graduate scholarship funded by "sin taxes" has dramatically declined in collection amounts, and

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therefore, the graduate students receiving awards under the National Scholarship has increased as well.

Our students studying in Japan are doing well and it was confirmed by the Committee that \$100,000 is requested to ensure that those currently attending are able to finish their studies. Students are attending at both Temple University and Sophia University.

The number of students who are attending higher education in China and Fiji grows every year. These students receive scholarships that support their basic needs, school fees and lodging, however, some incidentals are not included. In FY18 funding was appropriated to assist these students and it has come to the attention of your Committee that funding is necessary to prevent hardship and allow the students to dedicate themselves to their studies. For this reason, the Committee recommends \$35,000 for aid to students studying in China and \$35,000 for aid to students studying in Fiji.

Finally, the Committee would like to support students who have begun their higher education in the FSM at Caroline College and Faithwalk College. The support given to students in previous fiscal years should be continued. Your Committee recommends \$75,000 for each of these colleges for the coming fiscal year.

For the reasons summarized above, your Committee recommends \$4,665,000 in Grants, Subsidies and Contributions for FY20 to be funded in its entirety from Domestic Revenue.

D. Resources: Grants, Subsidies and Contributions

1. COM-FSM Treaty Obligation

The President recommends funding of \$25,000 for the COM-FSM Treaty Obligations for FY20 as in previous years, and the Committee concurs with this recommendation.

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E. Capital and Human Resources

	FY2019 Approp.	FY2020 President Recom.	FY2020 Committee Recommend
COM-FSM	4,050,000	3,800,000	4,050,000 (*1,000,000 is Compact)
FMI	875,611	919,392	875,611
COM SEG	689,948	689,948	689,948
COM Endowment	316,000	-0-	300,000
Year 3 SEG	556,074	556,074	556,074
Accredita tion Program	200,000	394,655	250,000
Teacher's Certifica tion	168,000	-0-	168,000
Quality Developme nt	82,650	15,000	-0-
Literacy Intervent ion		181,170	181,170
Assessmen t Project		195,119	-0-
SLO Science		273,982	250,000
PATS		1,000,000	-0-
NDOE Office Rent		500,000	-0-
Total	6,622,283	8,525,340	7,320,803

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Your Committee notes that the Budget Book for this fiscal year recommends \$3,800,000 in support for COM-FSM. Of this amount \$1,000,000 is come from Compact funding. During this fiscal year FY19 a total appropriation was made of \$4,050,000 to include additional funding for COM-FSM to support students who were studying in pre-healthcare majors. It is the desire of this Committee that this support continue in FY20, and therefore, **the Committee recommends a total of \$4,050,000 for COM-FSM, with \$1,000,000 to come from Compact Sector Grant and \$3,050,000 from Domestic Revenue.**

The Committee notes the Budget Book recommendation for FMI for FY20 at \$919,392. The Committee urges FMI to charge some fee for its quality education as the students and their families should bear some responsibility for the cost of this program. Some charge, such as, for uniforms, supplies or other instruction materials could defray the increase in costs. **For this reason, the Committee recommends that \$875,611 for FMI for FY20 from Domestic Revenue.**

The Committee is satisfied that the SEG project for Data Management is progressing well, and recommends continued funding for the coming fiscal year. **The Committee is recommending \$556,074 for this Data Management Project to be funded from SEG for FY20.**

In the current fiscal year COM-FSM has been appropriated \$316,000 for their endowment fund. Your Committee has been advised on the various fund raising activities regarding this fund and is pleased with the planning the College is doing for the future financial stability of its institution. The Budget Book does not recommend funding for this endeavor for FY20, however, your Committee agrees with COM-FSM that growth of the endowment fund is very important. **Therefore, your Committee recommends \$300,000 for the COM-FSM Endowment Fund for FY20 to be funded from Domestic Revenue.**

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During the July and September sessions of Congress your Committee heard from NDOE regarding the school accreditation program. For many years the accreditation program was given an additional \$100,000 under this section, however, for FY19 it requested and was appropriated an increase in funding to \$200,000. With this dramatic increase it was hoped that the accreditation process would be more efficient and support to schools who were not doing well could be given. At the hearings for the FY20 your Committee was advised that the accreditation program remains much the same as in previous years, but has in the Budget Book been recommended another increase to \$394,655. Your Committee is not satisfied that the work in this program is progressing, but is willing to increase the budget recommendation slightly to \$250,000. The Committee strongly urges the accreditation program to move forward in the coming year with accreditation and support to the schools identified at the lowest level, Level 1. **For this reason, your Committee recommends \$250,000 for FY20 for the Accreditation Program all from Domestic Revenue.**

There is no recommendation in the Budget Book for the Teacher's Certification program for FY20. This is a long-standing program that your Committee believes is essential for maintaining the teachers' minimum standards. It was confirmed that this deletion was an error, and NDOE confirmed that it strongly requested its inclusion in the coming fiscal year budget. **The Committee recommends \$168,000 for FY20 for Teacher's Certification to be funded from Domestic Revenue.**

A small recommendation of \$15,000 for Quality Assessment is made in the Budget Book for FY20. Your Committee has not been given documentation that leads it to believe the current appropriation of \$82,650 has enhanced the quality of the primary education of our Nation's students, and is unwilling to see this program go forward when quality assessment should be done by each program and for each course by those individuals responsible. **For this reason,**

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your Committee does not recommend funding for the Quality Assessment program for FY20.

A new pilot program for literacy is requesting funding for the coming fiscal year FY20. The Literacy Intervention Project is recommended in the Budget Book at \$181,170 and is a basic reading program to enforce literacy. The Committee was presented with documentation that the literacy program has had substantial success in its limited introduction to elementary schools. These are the types of programs the Committee supports as it has measured success in the important area of basic literacy. **Your Committee recommends \$181,170 for the Literacy Intervention Program for FY20 to be funded from Domestic Revenue.**

A recommendation has been made in the Budget Book for a new Assessment Project to be funded at \$195,119 for FY20. **It is your Committee's recommendation that this project not be funded at this time.** During these critical transition years for our Nation it is the Committee's recommendation that the three primary initiatives supporting basic education be given priority at the National level.

The Student Learning Outcomes for Science are recommended to be revised during this coming fiscal year. The Budget Book recommends \$273,982 for this project for FY20. Your Committee appreciates that this project needs to be undertaken, however, believes that all projects should be efficient and run on a tight budget. **Therefore, it recommends the Science SLO project for FY20 at \$250,000 from Domestic Revenue.**

Your Committee does not support funding for the renovation and reopening of PATS vocational and technical school. In previous hearings this school was represented as an alternative high school for students dedicated to vocational and technical training, and it has also been represented as a training academy that would provide training to both high school graduates and high school drop outs. Concerns regarding the constitutionality of NDOE

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running an institution of higher education were previously raised. Issues were also raised regarding the desire of our State Departments of Education to direct funding to all of the high schools to support vocational and technical training to all interested students. **In several meetings and hearings your Committee has clearly stated it does not recommend funding for PATS for FY20.**

The final item in this section is a request by NDOE to purchase land for the purpose of building a new office for the department. Your Committee understands that our National Government continues to expand and that appropriate office space is necessary to carry out the work, however, there should be a National Government wide plan for this building directed from the Office of the President and the Department of TC&I. The current Budget Book recommends \$500,000 for office space rental. It was clarified during the budget hearing that it was not rental and that NDOE is not facing eviction from its current office space. **It is for these reasons that your Committee does not recommend funding for rental or purchase of building space for FY20.**

I. CONCLUSION

Your Committee on Education has carefully reviewed the President's Recommended FY2020 budget and all of the supplemental information provided by the Executive and the entities within your Committee's jurisdiction. The recommended sums set forth above reflect your Committee's recommendations on the level of funding for the designated activity, program or project for all of Fiscal Year 2020.

Subject to the conditions and limitations set forth herein, and subject to the concurrence of your Committee on Ways and Means, your Committee on Education recommends approval of the amounts and source of funds identified as Committee Recommendations.

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Respectfully submitted,

/s/ Joseph J. Urusemal
Joseph J. Urusemal, chairman

/s/ Aren B. Palik
Aren B. Palik, vice chairman

/s/ Wesley W. Simina
Wesley W. Simina, member

/s/ Esmond B. Moses
Esmond B. Moses, member

/s/ Derensio K. Konman
Derensio K. Konman, member

/s/ Florencio S. Harper
Florencio S. Harper, member

/s/ Ferny S. Perman
Ferny S. Perman, member