

Budget Brief – USDB Institutional Council

SUMMARY

The Utah Schools for the Deaf and Blind – Institutional Council acts as an advisory panel to the State Board of Education and State Superintendent when considering the educational needs of the deaf, blind, and deaf/blind students in the state. The council also provides input on USDB staff positions, school policy, budget, operations, and any other duties as delegated by the State Board of Education. Further information on USDB may be found in chapter 15 of the Compendium of Budget Information (COBI) for Public Education.

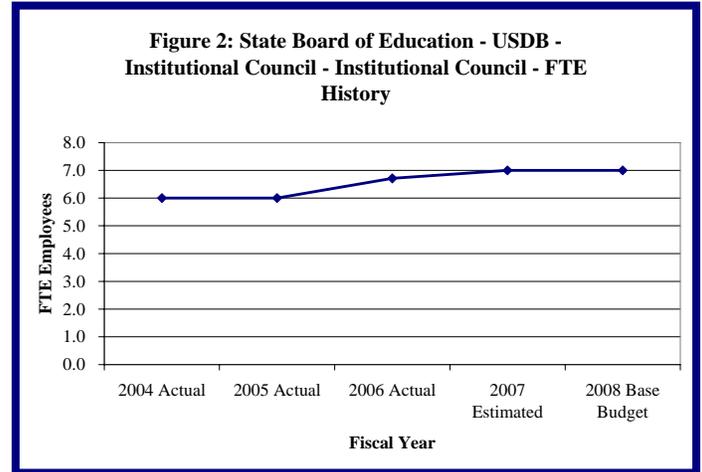
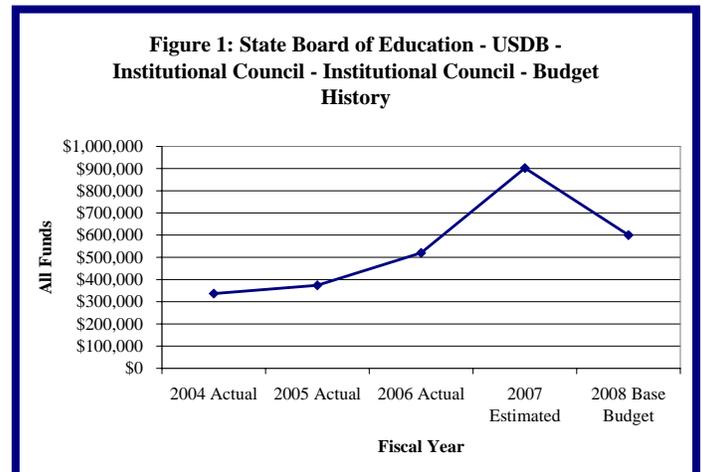
ISSUES AND RECOMMENDATIONS

The Executive Appropriations Committee (EAC) has made base budget allocations to the various appropriations subcommittees. The budget detail table on page 2 reflects the allocation for USDB Institutional Council, but does not include funding for other budget priorities the subcommittee may wish to consider.

The co-chairs of the EAC recommend that the subcommittee complete the following tasks: review agency base budgets; reallocate revenue where possible within the base budget to meet new subcommittee budget priorities; and, develop a priority list, to be submitted to the EAC, of new budget priorities not completed through budgetary reallocations.

FY 2008 Base Budget

The subcommittee may wish to evaluate the ongoing budget for the USDB-Institutional Council; make any needed adjustments; and adopt the base budget for FY 2008. The total ongoing budget for this program totals \$600,000. All of the USDB – Institutional Council revenue comes from dedicated credits.



BUDGET DETAIL

The USDB – Institutional Council line item receives all of its revenue from the collection of dedicated credits. These dedicated credits are the interest and dividends earned off the investment of the permanent fund created for the education of the hearing and visually impaired.

USDB receives interest earning from the Permanent Land Grant according to the enabling act of Utah and as directed in state statute. The nature of the interest earnings is such that from one year to the next it is difficult to forecast revenues for budgeting purposes. The legislature conducted a performance audit of USDB in 2004. The recommendations of that audit included the strategy of collecting the interest earnings of the prior fiscal year for use in the upcoming fiscal year to ensure reliable funding levels for budgeting. USDB is then to plan and expend 80% of those funds for the upcoming fiscal year. The remaining 20% was considered a reasonable amount to set aside for unforeseen financial commitments of the school as new students enroll and IEP commitments change.

The fiscal year 2006 carryforward is \$782,400. Of the carryforward amount, interest earnings for fiscal year 2006 were \$608,400. According to the audit, USDB has programmed 80% of the interest earnings of \$486,700 for staffing needs, distance learning expenses with UEN, and curriculum purchases. The remaining 20% or \$121,700 plus the carryforward from prior years of \$174,000 is committed for the land acquisition for USDB's building request before the Capital Facilities Appropriation Subcommittee.

The table below provides additional budget detail for the line item.

BUDGET DETAIL TABLE

State Board of Education - USDB - Institutional Council - Institutional Council						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	FY 2007 Changes	FY 2007 Revised	FY 2007 Changes	FY 2008* Base Budget
Dedicated Credits Revenue	608,400	477,200	122,800	600,000	0	600,000
Beginning Nonlapsing	693,800	358,800	423,600	782,400	(302,400)	480,000
Closing Nonlapsing	(782,400)	(408,500)	(71,500)	(480,000)	0	(480,000)
Total	\$519,800	\$427,500	\$474,900	\$902,400	(\$302,400)	\$600,000
Programs						
Personal Services	416,600	417,100	31,900	449,000	0	449,000
In-State Travel	500	300	0	300	0	300
Current Expense	59,700	8,100	4,900	13,000	0	13,000
DP Current Expense	43,000	2,000	0	2,000	0	2,000
Capital Outlay	0	0	438,100	438,100	(302,400)	135,700
Total	\$519,800	\$427,500	\$474,900	\$902,400	(\$302,400)	\$600,000
Other Data						
Budgeted FTE	6.7	6.0	1.0	7.0	0.0	7.0

LEGISLATIVE ACTION

This section summarizes what actions might be taken if the Legislature wishes to adopt the recommendations presented in this brief. The Analyst recommends that the Legislature consider:

1. Reaffirm the base budget amount of \$600,000 in dedicated credits revenue for the Utah Schools for the Deaf and Blind – Institutional Council detailed in the Budget Detail Table above.