

Indirect Cost Pool Rates

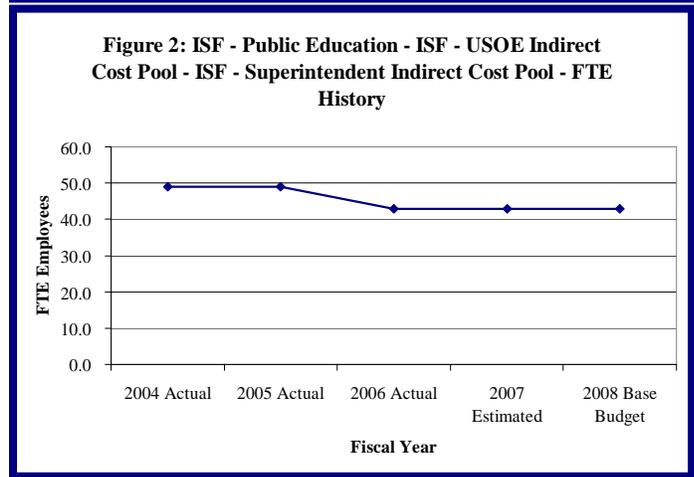
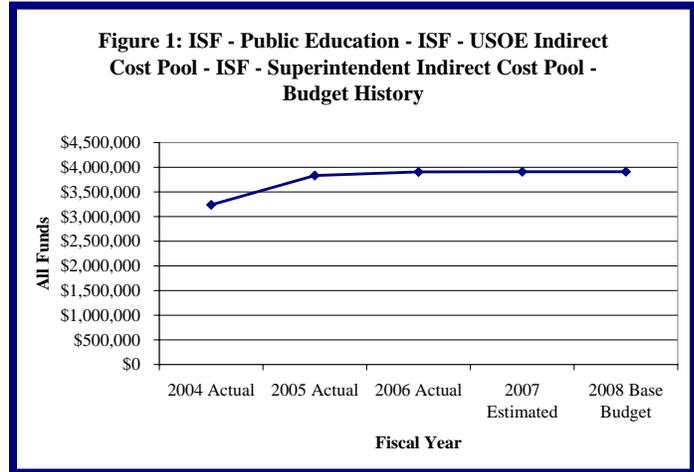
The ICP Budget Detail Table (page 3) provides further detail on the Office of the Superintendent – Indirect Cost Pools budget. Detail includes the anticipated revenue and expenditures of the ICP, FTE levels, and Capital Outlay Authorization.

The ICP operates by taking a proportion of all federal and state funds that support personal services in the operating sections of USOE and some operating sections of USOR and the Child Nutrition Programs. The rates reflect the percentage amounts allowed by the U.S. Department of Education to support the state administration of federal grants.

Current rates approved by the federal government are 14.6 percent for restricted funds and 17.1 percent for unrestricted funds. The FY 2008 rates are expected to be 2 percent of the current rates. Rate adjustments must meet several federal regulations and require final approval by the federal government before the final rates are established.

Rates – Because the ICP rates could increase or decrease by as much as 2 percent, the Legislature may wish to approve the current rates plus 2 percent to accommodate any change. The following rates include the 2 percent increase.

1. 14.6 percent of personal service costs supported by restricted funds.
2. 17.1 percent of personal service costs supported by restricted funds.



BUDGET DETAIL TABLE – INTERNAL SERVICE FUND

ISF - Public Education - ISF - USOE Internal Service Fund - ISF - State Board ISF						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
Dedicated Credits - Intragvt Rev	866,700	1,045,700	(83,600)	962,100	1,100	963,200
Total	\$866,700	\$1,045,700	(\$83,600)	\$962,100	\$1,100	\$963,200
Programs						
ISF - State Board ISF	866,700	1,045,700	(83,600)	962,100	1,100	963,200
Current Expense	530,100	573,700	(43,600)	530,100	(82,500)	447,600
DP Current Expense	200	500	(300)	200	0	200
Capital Outlay	12,800	12,900	(100)	12,800	0	12,800
Other Charges/Pass Thru	45,700	58,900	(13,200)	45,700	0	45,700
Total	\$866,700	\$1,017,700	(\$55,600)	\$962,100	(\$81,400)	\$963,200
Other Data						
Budgeted FTE	8.3	8.0	0.0	8.0	0.0	8.0
Authorized Capital Outlay	0	90,000	(90,000)	0	22,000	22,000
Retained Earnings	0	28,000	(28,000)	0	28,000	28,000

BUDGET DETAIL TABLE – INDIRECT COST POOL

ISF - Public Education - ISF - USOE Indirect Cost Pool - ISF - Superintendent Indirect Cost Pool						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
Dedicated Credits - Intragvt Rev	0	4,148,000	(4,148,000)	0	3,909,100	3,909,100
Transfers	3,904,400	0	3,909,100	3,909,100	(3,909,100)	0
Total	\$3,904,400	\$4,148,000	(\$238,900)	\$3,909,100	\$0	\$3,909,100
Programs						
ISF - Superintendent Indirect Cost Pool	3,904,400	4,148,000	(238,900)	3,909,100	0	3,909,100
In-State Travel	10,400	6,000	4,400	10,400	0	10,400
Out of State Travel	13,100	12,700	400	13,100	0	13,100
Current Expense	457,100	349,600	107,600	457,200	(238,900)	218,300
DP Current Expense	183,500	179,700	3,800	183,500	0	183,500
Total	\$4,063,300	\$4,384,900	(\$339,900)	\$4,045,000	(\$227,600)	\$3,817,400
Other Data						
Budgeted FTE	43.0	48.0	(5.0)	43.0	0.0	43.0
Authorized Capital Outlay	0	14,800	(14,800)	0	14,800	14,800
Retained Earnings	0	(812,200)	812,200	0	0	0
Vehicles	0	1	(1)	0	0	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. Adopting the revenue, capital outlay, and FTE levels detailed in the Budget Detail Table – Internal Service Fund, as well as the following rates:

Printing: \$19.00 per hour labor
 .04 per copy
 Cost plus 35 percent on printing supplies
Mail Room: Cost plus 25 percent on postage

2. Adopting the revenue, capital outlay, and FTE levels detailed in the Budget Detail Table – Indirect Cost Pool, as well as the following rates:

14.6 percent of personal service costs supported by restricted funds
17.1 percent of personal service costs supported by unrestricted funds