



EDUCATION CONTRACTS

PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
STAFF: THOMAS YOUNG, BEN LEISHMAN

BUDGET BRIEF

SUMMARY

The Education Contracts line item covers costs associated with educating students in state custody. The two primary programs are the Youth Center in Provo Corrections Institutions. The Youth Center provides services to students at the State Hospital, while the Corrections Institutions provides services to inmates in the state’s and counties’ correctional facilities. Statute addressing the Youth Center and Corrections education is contained in 53A-1-403. Further budget detail on Education Contracts is available in the annual Compendium of Budget Information at: http://le.utah.gov/lfa/reports/cobi2013/LI_PFA.htm.

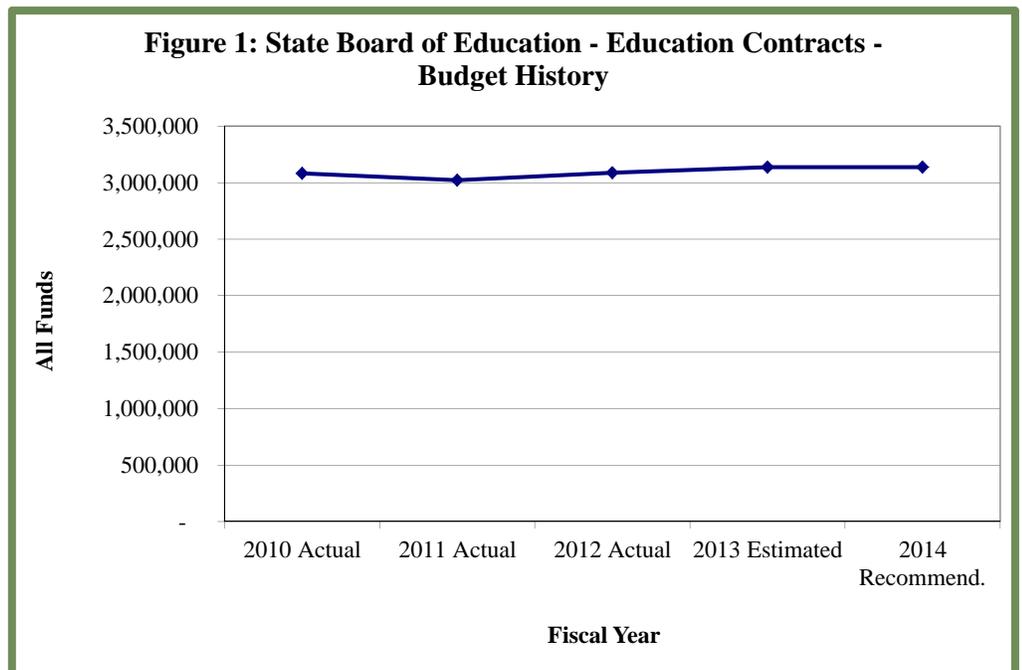
LEGISLATIVE ACTION

1. **Base Budget Adoption:** Item 11 of Senate Bill 1 of the 2013 General Session includes a \$3,137,800 base budget appropriation to the Education Contracts line item. The Subcommittee may wish to adopt the base budget unchanged, or make revisions to expected expenditures and/or revenue.
2. This item is related to the discussion below regarding the Legislative Auditor General’s August 2012 publication.

Intent Language: *The Legislature intends that the USOE address the notional cost differentials per inmate at the state prisons in comparison with county jails and assess whether any potential savings exist.*

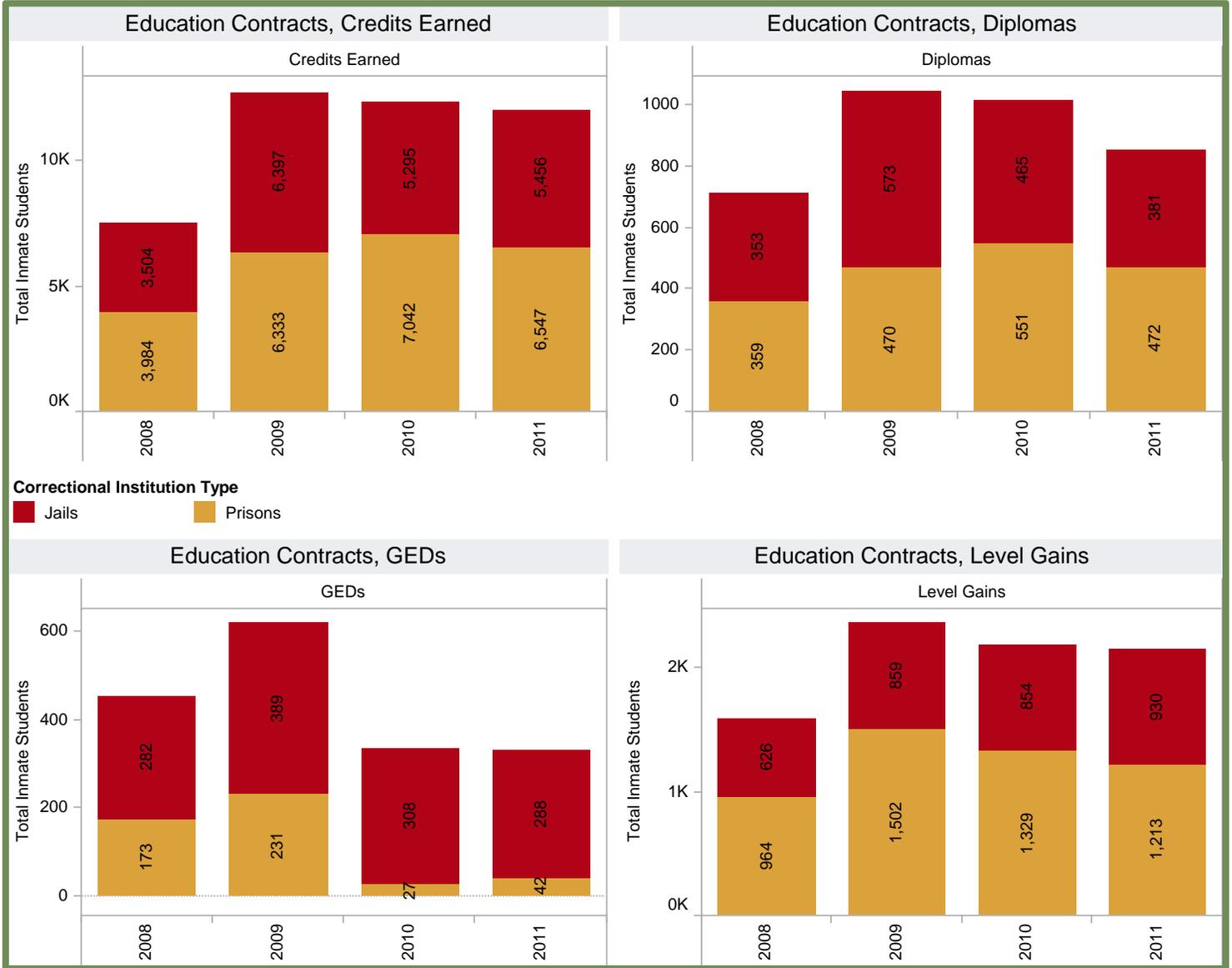
DISCUSSION

The Legislative Auditor General, in its August 2012 publication “A Performance Audit of Inmate High School Education,” recommended changes to the distribution of funding for adult education programs. The Subcommittee may wish to address the notional cost differentials associated with educating students in county jails in comparison to the state prisons and assess whether any potential savings exist. The audit reported per inmate costs at the Central Utah Correctional Facility (Gunnison) and the Utah State Prison (Draper) at \$1,330, while jail programs have a \$653 per inmate cost.



PERFORMANCE MEASURES

The Correctional Institutions program considers diplomas awarded, GEDs received, credits earned, and level gains achieved as indicative of the program’s success. The Correctional Institutions program also does a benefit-cost study on the effectiveness of the program. According to the work of University of Utah economist Richard Fowles, the benefit-cost ratio is 6 in terms of recidivism reduction attributed to the costs of the Correctional Institutions program.



BUDGET DETAIL

Revenue to the line item stems entirely from the Education Fund. Youth Center expenditures represent pass-through funding to Provo School District. Corrections Institutions expenditures represent pass-through to service providers at the State's and counties' correctional facilities.

State Board of Education - Education Contracts						
	FY 2012	FY 2013		FY 2013		FY 2014*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Recommended
Education Fund	3,137,800	3,137,800	0	3,137,800	0	3,137,800
Beginning Nonlapsing	116,600	116,700	50,300	167,000	0	167,000
Closing Nonlapsing	(167,000)	(116,700)	(50,300)	(167,000)	0	(167,000)
Total	\$3,087,400	\$3,137,800	\$0	\$3,137,800	\$0	\$3,137,800
Programs						
Youth Center	1,153,200	1,153,200	0	1,153,200	0	1,153,200
Corrections Institutions	1,934,200	1,984,600	0	1,984,600	0	1,984,600
Total	\$3,087,400	\$3,137,800	\$0	\$3,137,800	\$0	\$3,137,800
Categories of Expenditure						
Other Charges/Pass Thru	3,087,400	3,137,800	0	3,137,800	0	3,137,800
Total	\$3,087,400	\$3,137,800	\$0	\$3,137,800	\$0	\$3,137,800

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.