



UTAH STATE OFFICE OF EDUCATION BOND SAVINGS

PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

SUMMARY

The Utah State Office of Education (USOE) recently paid off a revenue bond for their Salt Lake City building. The approximate rent savings that will be available is \$647,700. The Education Fund portion is \$264,700.

The table below shows the savings by fund type.

Fund	Estimated Cost with Reduction	Actual Costs for Rent	Savings
Dedicated Credits	\$ 4,700	\$ 72,800	\$ 68,100
Education Fund	\$ 18,100	\$ 282,800	\$ 264,700
Federal Funds	\$ 11,300	\$ 176,500	\$ 165,200
Indirect Cost Pool	\$ 9,300	\$ 145,700	\$ 136,400
Federal Mineral Lease	\$ 900	\$ 14,200	\$ 13,300
Total	\$ 44,300	\$ 692,000	\$ 647,700

DISCUSSION AND ANALYSIS

The Legislature may wish to direct USOE on how these Education Fund savings should be spent. Two options may include:

1. Sweep the balance back to the Education Fund; or
2. Fund a portion of USOE's Risk Mitigation Plan (this item is on the State Board of Education's FY 2016 budget priorities).
 - a. As a result of a Risk Assessment performed by USOE Internal Audit, a Risk Mitigation Plan was developed which includes requests for funding positions for internal audit, IT programmers, staff to support growth in LEAs, and a data security officer.