

Compendium of Budget Information for the 2014 General Session

Public Education Appropriations Subcommittee

Subcommittee Summary

Background

The Public Education Appropriations Subcommittee provides oversight and makes recommendations on budget matters concerning Utah's public schools, including pre-kindergarten, kindergarten, general education, special education, career and technical education, charter schools, and statewide administration. The subcommittee also reviews budget matters of local education agencies, namely school districts and charter schools. This review includes student population and demographics, local property tax revenues, use of state appropriated funding, and the general performance of education programs in Utah.

The public education budget is divided into three principal areas: the Minimum School Program provides general operating revenues to all school districts and charter schools in the state; the School Building Program supports school districts in school building construction and renovation; and two Education Agencies that provide statewide administration and support of the public schools. Education Agencies includes the budgets of the Utah State Office of Education (USOE) and the Utah Schools for the Deaf and the Blind (USDB). The USOE budget contains nine line items, namely, USOE, USOE Initiative Programs, State Charter School Board, Educator Licensing, Child Nutrition Programs, Fine Arts Outreach, Science Outreach, and Education Contracts.

The subcommittee makes recommendations to the Legislature on the allocation of funding to the State's school districts and charter schools. Each year, the subcommittee reviews estimates on student enrollment growth costs, local property tax rates and revenues, and the number of weighted pupil units (WPUs) by program. These estimates form the foundation for building the public education budget each year. The subcommittee also reviews and evaluates funding items or programs that come before the legislature. These major budget-related issues include equity in funding, charter school financing, educator compensation, educator professional development, and other special initiatives or programs. Finally, the subcommittee evaluates the various education programs funded by the Legislature each year.

Statutory Authority

The following references from the State constitution and statute govern Utah's public education system. Each subsequent section details any statutes that directly relate to the specific education programs, agencies, and line items discussed within that section.

- Utah State Constitution Article X - Education - The constitution provides for the establishment of free non-sectarian schools, defines what constitutes the State's public education system, and places the responsibility of general control and supervision of the system with a State Board of Education.
- UCA Title 53A - State System of Public Education -- Section 53A contains most of the statutes governing Utah's public education system.
- UCA 53A-1a-103 -- Provides the mission of Utah's public education system as recognized and defined by the Legislature.

- UCA 53A-1a-104 -- Details the characteristics of what constitutes Utah's public education and that the Legislature shall assist in maintaining a system to meet these characteristics.

Funding Detail

In FY 2011, the state altered the way it accounts for appropriations from the income tax, which is deposited in the Education Fund. Prior to FY 2011, a fund transfer occurred that moved state revenue from the Education Fund to the Uniform School Fund to support appropriations to public education. This transfer created confusion in the appropriations process and made it difficult to track revenues. Beginning in FY 2011, Legislators appropriated directly from the Education Fund to public education. However, state law requires that some revenue sources be deposited into the Uniform School Fund and restricted for use in the public education budget. These sources include local property taxes collected through recapture, interest and dividends from the State School Fund, Escheats, and other revenues designated by the Legislature.

In FY 2013, the Legislature transferred a total of \$76,000,000 from nonlapsing balances in various education programs to the Education Fund. Line item totals include the following: Basic School Program - \$33,643,800; Related to Basic School Program - \$4,337,900; Voted & Board Local Levy Programs - \$37,518,300; and the Utah State Office of Education - \$500,000.

Table 1: Operating and Capital Budget Including Expendable Funds and Accounts

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$3,750,000	\$4,093,800	\$0	\$4,093,800	\$203,900	\$4,297,700
General Fund, One-time	\$1,920,000	\$250,000	\$300	\$250,300	(\$249,700)	\$600
Uniform School Fund	\$16,000,000	\$21,000,000	\$0	\$21,000,000	\$9,000,000	\$30,000,000
Uniform School Fund, One-time	\$65,500,000	\$0	\$0	\$0	\$22,000,000	\$22,000,000
Education Fund	\$2,494,640,200	\$2,621,320,900	\$0	\$2,621,320,900	\$99,607,400	\$2,720,928,300
Education Fund, One-time	(\$33,753,700)	\$18,242,300	\$3,085,900	\$21,328,200	(\$33,534,000)	(\$12,205,800)
Federal Funds	\$432,939,100	\$481,752,700	\$16,000	\$481,768,700	\$333,600	\$482,102,300
American Recovery and Reinvestment Act	\$0	\$0	\$0	\$0	\$0	\$0
Dedicated Credits Revenue	\$6,900,700	\$6,896,400	(\$7,300)	\$6,889,100	\$95,400	\$6,984,500
Interest Income	\$0	\$0	\$0	\$0	\$139,600	\$139,600
Federal Mineral Lease	\$2,945,800	\$3,095,800	\$800	\$3,096,600	\$373,600	\$3,470,200
GFR - Autism Awareness Account	\$5,000	\$5,000	\$0	\$5,000	\$5,000	\$10,000

GFR - Land Exchange Distribution Account	\$222,500	\$236,600	\$0	\$236,600	\$0	\$236,600
GFR - Substance Abuse Prevention	\$497,000	\$499,400	\$100	\$499,500	\$1,500	\$501,000
Interest and Dividends Account	\$29,419,400	\$29,246,000	\$1,100	\$29,247,100	\$8,939,900	\$38,187,000
Liquor Tax	\$34,686,700	\$37,251,300	\$8,400	\$37,259,700	\$2,002,600	\$39,262,300
Professional Practices Subfund	\$2,189,300	\$1,772,600	\$100,800	\$1,873,400	\$248,000	\$2,121,400
Trust and Agency Funds	\$0	\$0	\$0	\$0	\$48,300	\$48,300
EFR - Charter School Reserve Account	\$0	\$50,000	\$0	\$50,000	\$0	\$50,000
Land Grant Management Fund	\$0	\$0	\$0	\$0	\$2,000	\$2,000
Local Revenue	\$658,574,300	\$599,616,300	\$0	\$599,616,300	\$52,449,400	\$652,065,700
Transfers	(\$71,360,600)	\$3,446,900	\$1,178,100	\$4,625,000	(\$58,391,700)	(\$53,766,700)
Transfers - Health	\$0	\$0	\$0	\$0	\$0	\$0
Transfers - Interagency	\$0	\$0	\$0	\$0	\$0	\$0
Transfers - Medicaid	\$772,000	\$1,755,000	(\$561,900)	\$1,193,100	(\$503,100)	\$690,000
School and Inst Trust Fund Mgt Acct	\$0	\$0	\$0	\$0	\$587,000	\$587,000
Repayments	\$0	\$0	\$0	\$0	\$176,200	\$176,200
Beginning Nonlapsing	\$110,973,500	\$35,175,300	\$82,929,100	\$118,104,400	(\$14,973,100)	\$103,131,300
Beginning Nonlapsing - Basic Prog	\$0	\$0	\$0	\$0	\$0	\$0
Beginning Nonlapsing - Related to Basic	\$0	\$0	\$0	\$0	\$0	\$0
Beginning Nonlapsing - Voted and Board	\$0	\$0	\$0	\$0	\$0	\$0
Closing Nonlapsing	(\$90,984,100)	(\$35,175,300)	(\$55,209,900)	(\$90,385,200)	\$62,590,900	(\$27,794,300)
Lapsing Balance	(\$385,000)	\$0	\$0	\$0	\$0	\$0
Ending Fund Balance	\$0	\$0	\$0	\$0	(\$16,276,400)	(\$16,276,400)
Total	\$3,665,452,100	\$3,830,531,000	\$31,541,500	\$3,862,072,500	\$134,876,300	\$3,996,948,800

Agencies	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Minimum School Program	\$0	\$0	\$0	\$0	\$0	\$0

MSP - Basic School Program	\$2,205,640,400	\$2,303,113,000	\$0	\$2,303,113,000	\$100,568,000	\$2,403,681,000
MSP - Related to Basic School Programs	\$466,219,000	\$486,860,100	\$2,868,000	\$489,728,100	\$23,840,700	\$513,568,800
MSP - Voted and Board Local Levy Programs	\$414,103,100	\$405,115,000	\$22,627,700	\$427,742,700	\$4,109,100	\$431,851,800
School Building Programs	\$14,499,700	\$14,499,700	\$0	\$14,499,700	\$0	\$14,499,700
State Board of Education	\$564,989,900	\$620,943,200	\$6,045,800	\$626,989,000	\$6,358,500	\$633,347,500
Total	\$3,665,452,100	\$3,830,531,000	\$31,541,500	\$3,862,072,500	\$134,876,300	\$3,996,948,800

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$44,602,700	\$45,428,200	\$533,900	\$45,962,100	\$3,465,000	\$49,427,100
In-state Travel	\$635,600	\$638,900	(\$208,600)	\$430,300	\$153,500	\$583,800
Out-of-state Travel	\$416,200	\$349,600	\$27,700	\$377,300	\$33,500	\$410,800
Current Expense	\$37,808,900	\$43,387,200	(\$4,354,100)	\$39,033,100	(\$1,447,600)	\$37,585,500
DP Current Expense	\$1,515,500	\$977,600	\$346,800	\$1,324,400	(\$295,000)	\$1,029,400
DP Capital Outlay	\$592,900	\$779,200	(\$186,300)	\$592,900	\$0	\$592,900
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges/Pass Thru	\$3,579,879,700	\$3,738,970,300	\$35,381,500	\$3,774,351,800	\$132,884,000	\$3,907,235,800
Transfers	\$600	\$0	\$600	\$600	\$0	\$600
Trust and Agency Disbursements	\$0	\$0	\$0	\$0	\$82,900	\$82,900
Total	\$3,665,452,100	\$3,830,531,000	\$31,541,500	\$3,862,072,500	\$134,876,300	\$3,996,948,800

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	603	510	71	581	12	594
Actual FTE	555	0	0	0	0	0
Vehicles	70	1	69	70	0	70
Weighted Pupil Units	0	802,729	0	802,729	14,547	817,276

Table 4: Business-like Activities

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Education Fund, One-time	\$0	\$0	\$0	\$0	\$0	\$0
Dedicated Credits - Intragvt Rev	\$4,230,000	\$4,399,200	(\$4,398,500)	\$700	(\$700)	\$0
Transfers	\$0	\$0	\$4,302,100	\$4,302,100	(\$4,302,100)	\$0
Beginning Nonlapsing	\$0	(\$188,200)	\$188,200	\$0	\$0	\$0
Closing Nonlapsing	\$0	\$188,200	(\$188,200)	\$0	\$0	\$0
Total	\$4,230,000	\$4,399,200	(\$96,400)	\$4,302,800	(\$4,302,800)	\$0

Agencies	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
USOE Indirect Cost Pool	\$4,230,000	\$4,399,200	(\$96,400)	\$4,302,800	(\$4,302,800)	\$0
Total	\$4,230,000	\$4,399,200	(\$96,400)	\$4,302,800	(\$4,302,800)	\$0

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$3,065,100	\$3,728,400	(\$304,000)	\$3,424,400	(\$3,424,400)	\$0
In-state Travel	\$5,700	\$9,400	(\$5,400)	\$4,000	(\$4,000)	\$0
Out-of-state Travel	\$2,800	\$4,800	(\$300)	\$4,500	(\$4,500)	\$0
Current Expense	\$925,800	\$421,600	\$438,300	\$859,900	(\$859,900)	\$0
DP Current Expense	\$220,900	\$196,100	(\$196,100)	\$0	\$0	\$0
DP Capital Outlay	\$9,700	\$38,900	(\$28,900)	\$10,000	(\$10,000)	\$0
Other Charges/Pass Thru	\$0	\$0	\$0	\$0	\$0	\$0

Total	\$4,230,000	\$4,399,200	(\$96,400)	\$4,302,800	(\$4,302,800)	\$0
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Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	84	0	39	39	(39)	0
Actual FTE	40	0	0	0	0	0
Retained Earnings	0	0	0	0	0	0
Vehicles	0	0	0	0	0	0

Table 5: Restricted Fund and Account Transfers

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000
Total	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000

Agencies	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Restricted Account Transfers - PED	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000
Total	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Transfers	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000
Total	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000

Table 6: Transfers to Unrestricted Funds

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Beginning Nonlapsing - MSP	\$0	\$0	\$0	\$0	\$0	\$0
Beginning Nonlapsing - Basic Prog	\$33,643,800	\$0	\$0	\$0	\$54,504,000	\$54,504,000
Beginning Nonlapsing - Related to Basic	\$4,337,900	\$0	\$0	\$0	\$4,398,600	\$4,398,600
Beginning Nonlapsing - USOE	\$500,000	\$0	\$0	\$0	\$0	\$0
Beginning Nonlapsing - Voted and Board	\$37,518,300	\$0	\$0	\$0	\$0	\$0
Total	\$76,000,000	\$0	\$0	\$0	\$58,902,600	\$58,902,600

Agencies	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Rev Transfers - PED	\$76,000,000	\$0	\$0	\$0	\$58,902,600	\$58,902,600
Total	\$76,000,000	\$0	\$0	\$0	\$58,902,600	\$58,902,600

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Other Charges/Pass Thru	\$0	\$0	\$0	\$0	\$58,902,600	\$58,902,600
Transfers	\$76,000,000	\$0	\$0	\$0	\$0	\$0
Total	\$76,000,000	\$0	\$0	\$0	\$58,902,600	\$58,902,600

COBI contains unaudited data as presented to the Legislature by state agencies at the time of publication. For audited financial data see the State of Utah's Comprehensive Annual Financial Reports.