

**MINUTES OF THE
PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE MEETING
Room 445, State Capitol
JANUARY 24, 2012**

Members Present: Sen. Howard A. Stephenson, Co-Chair
Rep. Merlynn T. Newbold, Co-Chair
Rep. Ken Sumsion, House Vice-Chair
Sen. Stuart Adams
Sen. Lyle Hillyard
Sen. Karen Morgan
Sen. Aaron Osmond
Sen. Daniel Thatcher
Rep. LaVar Christensen
Rep. Tim Cosgrove
Rep. Steve Eliason
Rep. Francis Gibson
Rep. Steve Handy
Rep. Greg Hughes
Rep. Ken Ivory
Rep. Carol Spackman Moss
Rep. Jim Nielson
Rep. Marie Poulson

Members Absent: Sen. Mark Madsen

Staff Present: Mr. Ben Leishman, Legislative Fiscal Analyst
Mr. Thomas Young, Legislative Fiscal Analyst
Ms. Wendy Hill, Secretary

A copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov. A list of visitors and a copy of handouts are filed with the subcommittee minutes.

Co-Chair Rep. Merlynn T. Newbold called the meeting to order at 8:00 am.

1. Introduction

Co-Chair Rep. Merlynn T. Newbold called for all committee members to introduce themselves.

2. Overview

Mr. Ben Leishman, Legislative Fiscal Analyst, discussed H.B. 1, Public Education Base Budget.

3. High School/UCAT Partnership Proposals

a. Mr. Rob Brems, President, Utah College of Applied Technology, addressed the committee about creating a Partnership Fund to provide funding for non-instructional costs

incurred by school districts and charter schools when high school students attend UCAT (Utah College of Applied Technology) programs during the school year. This fund will assist UCAT campuses meet the needs of the students in its programs. A decline in high school enrollment has caused concern. An incentive provided by a Partnership Fund would help bridge the enrollment gap. A handout was passed out with a PowerPoint presentation.

Co-Chair Rep. Merlynn T. Newbold asked if the hours taken at UCAT included summer enrollment and after graduation. President Brems, replied that these funds were intended for the regular school year. One time supplemental funding is needed for this year, FY2012.

Sen. Hillyard asked if this funding would be an add-on to the WPU (Weighted Pupil Unit). He also asked about the possibility of tuition being charged to students. He discussed if the UCAT provided training to students for jobs that were in demand. He also asked about open entry into the program. President Richard Maughan, Bridgerland Applied Technology College responded, that the funding for UCAT is not shared with the district that is served. Programs are evaluated and the need for careers in that area, curriculum is changed to accommodate employment opportunities. Open entry is part of the program.

Sen. Adams discussed in the past the high school kept the WPU when a student went to UCAT now they do not. The proposed funding would be split between the two schools. He asked what costs the high school incur and the best place to put the money with the ATC (Applied Technology College) or CTE (Career and Technical Education). He wanted to know much money is spent with the CTE program. President Maughan, replied transportation costs and counseling are met by the district. Any instruction with regards with technology and equipment costs more than traditional class work. Also the teacher pupil ration increases for safety reasons. Mr. Leishman said the cost of the CTE program is 71.9 million dollars. President Brems said the current cost for the ATC program is 48 million and the cost of the CTE program is an add-on to the WPU. Sen. Adams favors the partnership concept and wants to see quality education in the state with money spent the best way.

Rep. Handy was concerned with duplication in funding and programs. President Brems said the systems work together and in the cases of duplication of programs it is because of the need to meet the demands. Mr. Maughan said it is essential the high schools offer entry level classes because of the high level technical equipment used at the ATC's.

Rep. Eliason asked the percentage of completion rate for students, President Brems replied their accreditation requires completion and placement rates records. Completion rates are about 75 percent currently, they vary with the economy, people stay longer when the economy isn't doing well. Rep. Eliason asked if there are any consequence for those high school students that do not finish the course. President Brems said there are no consequences, most students that do not finish during high school stay and complete the program as an adult.

Rep. Nielson commented that currently, students that attend ATC's are not included in the

WPU. President Brems agreed. The Partnership Fund would help high schools with this shortfall. The ATC's would also see an increase in funding.

Sen. Morgan asked would this fund pay both programs. President Brems replied, an auditor estimated 5 million dollars was needed by the high schools and charter schools this fund addresses this need.

Co-Chair Newbold thanked President Brems for his presentation and invited Larry Shumway, State Superintendent of Public Instruction to begin his presentation.

b. Mr. Larry Shumway, State Superintendent of Public Instruction presented a proposal requested by the committee leadership during the November 9, 2011 meeting. The parameters of the proposal included eliminating double dipping, maximize efficiency, establishing a partnership to help students prepare for college and careers and mitigating a funding cliff. Rep. Powell has filed H.B. 258 to restore language that was eliminated during the 2011 general session. This bill is strongly supported by superintendents. A handout was distributed.

A group of superintendents that saw the state superintendents's proposal were not supportive of it. The proposal attempts to fit the parameters stated. This proposal includes UCAT and USHE (Utah System of Higher Education) organizations. UCAT courses would be limited to 11th and 12th grade students. Currently 92 percent of CTE credit is delivered on the high school campus, eight percent by UCAT. A partnership agreement would be formed to discuss courses that would be taught, duplication, funding distributing, administrative issues and responsibilities. UCAT and USHE are currently providing these services within their budgets. A funding unit of WPU and CTE Add-on would be distributed by credit awarded, not enrollment. The funding unit would be incremental to the facility determined in the Partnership Agreement. This proposal has a two-year transition beginning in 2012.

Co-Chair Stephenson asked how much money does a local LEA (Local Education Agency) receive when they provide CTE credit. Superintendent Shumway needs to research the answer, the program costs are variable. Co-Chair Stephenson would like to see if there is a way to blend the two proposals. Superintendent Shumway said the reaction of some superintendents to his proposal was not positive. President Brems's proposal has not formally been presented to the superintendents, he said most superintendents want to go back to the way it was before the change.

Superintendent Shumway stated expense has risen without matching appropriation. There is a need to support this partnership.

Co-Chair Stephenson stated the legislature has already funded these programs. Superintendent Shumway said, there is money in Public Education and in UCAT that can be pooled in a partnership and acknowledge the costs involved. This partnership would not need more money but a redistribution of current funds.

President Brems said more money is needed under his proposal. Co-Chair Stephenson asked why under President Brems's proposal the district receives the same amount as UCAT. President Brems replied this is only an idea and that eventually the legislature must decide.

Co-Chair Stephenson proposed a phase out of funding phantom students while they are not in school, and asked should the districts be paid for students when they are attending school elsewhere. President Brems's proposal could be reduced to actual costs incurred. Some districts that have UCAT or other college facility close to them should not have CTE add-on, if the course is available there.

Co-Chair Newbold referred to a 1972 study to provide a program for career development and funding options.

Students from the American Preparatory Academy were welcomed and introduced.

Rep. Hughes said funding that follows the student to relieve growth is good.

Rep. Eliason said schools are dealing with many fixed costs. Shumway agreed.

Rep. Christensen commented that it is not efficient to look at the problem in a detailed way. He thinks there is a cross current in some areas. There is a need for team work in regards to the budget.

Rep. Cosgrove thinks more cooperation not competition is important. He favors Sen. Hillyard's idea of tuition.

Superintendent Shumway distributed a letter. He thinks there is a need for a careful review of the Minimum School Program because of the changes continuing in public education.

Co-Chair Newbold reminded committee of next meeting, Thursday at 8 am.

4. Adjourn

MOTION: Sen. Osmond to adjourn. Passed unanimously. Sen. Madsen absent for the vote.

Co-Chair Newbold adjourned meeting at 9:56 am.

Minutes were reported by Wendy Hill, Senate Secretary