

Budget Brief – Utah Schools for the Deaf and Blind

NUMBER PEDBB-05-06

SUMMARY

The Utah Schools for the Deaf and Blind (USDB) were established in 1896 to meet the educational needs of individuals with hearing or vision impairments. USDB serves approximately 1,600 students from birth through the age of 21 in three main programs, namely; self contained classrooms, student consultations, and residential services. Statute designates the Utah State Board of Education as USDB’s governing body. Further information on USDB may be found in chapter 7 of the Compendium of Budget Information (COBI).

ISSUES AND RECOMMENDATIONS

The Executive Appropriations Committee has not allocated additional revenue to the subcommittee. The budget detail table on page 3 does not include funding for the recommendations presented in this brief.

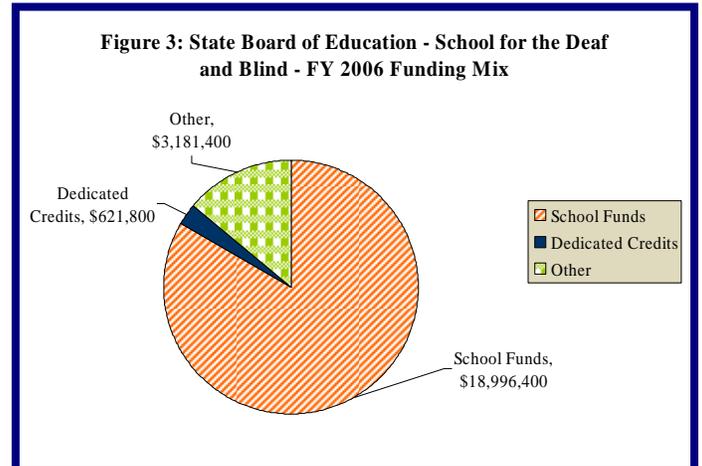
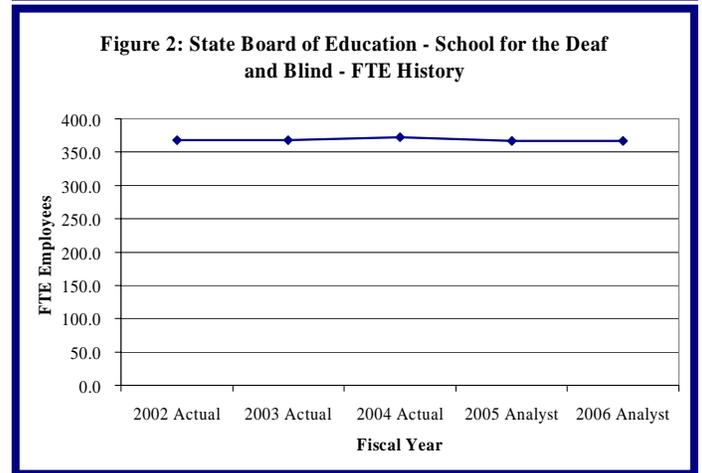
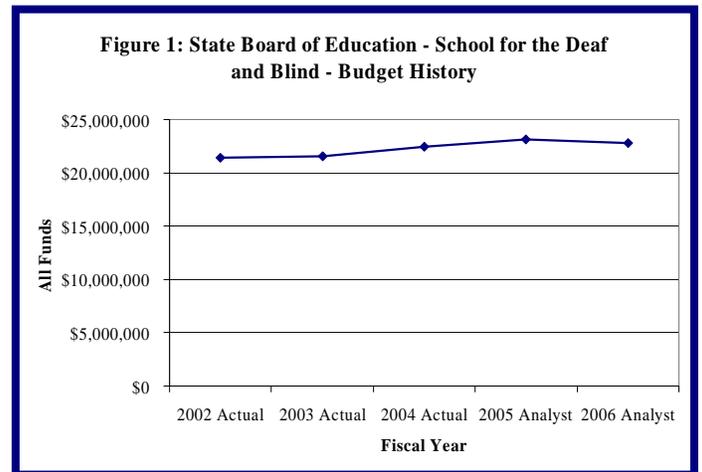
Teacher Salary Adjustments – Recommended Amount \$65,300

Statute requires that the salaries for USDB teachers be adjusted each year to reflect the percent increase received by teachers in the local school districts the previous year. Issue Brief “USDB Teacher Salary Adjustments” (PEDIB-05-01) addresses the teacher salary adjustments and intent language passed by the Legislature during the 2004 General Session.

This item is included in the Executive Appropriations list of compensation issues and will be considered with other compensation issues. The subcommittee has not been allocated additional funds to provide for this increase. This item should be ranked highly by the subcommittee in its priority list submitted to the executive committee.

Jean Massieu Charter School

The Issue Brief titled “Jean Massieu Charter School” (PEDIB-05-03) provides further information on the merging of USDB and JMS as outlined in intent language passed by this subcommittee during the 2004 General Session.



BUDGET DETAIL

The Utah Schools for the Deaf and Blind receives over 83 percent of its budget from the Uniform School Fund. The remaining revenue supporting USDB comes from dedicated credits generated primarily through contracted services and transferred revenue from other agencies. These agencies include the State Office of Education, Child Nutrition Programs, and the Department of Health.

The total budget for USDB nears \$23 million. The table on page 3 provides budget detail for revenue, expenditures, as well as, individual division budgets.

Budget Recommendation

The Analyst recommends a total FY 2006 budget appropriation of \$22,799,600 with \$18,996,400 from the Uniform School Fund. The Analyst also recommends the following items for consideration and funding by the Legislature. These funding increases are not built into the table and charts of this budget brief. Additional information on these items may be found on page 1 of this brief.

1. \$65,300 in ongoing Uniform School Fund revenue for USDB Teacher Salary Adjustments as required by statute. Further detail may be found in the Issue Brief titled "USDB Teacher Salary Adjustments" (PEDIB-05-01). The subcommittee may wish to include these increases in the subcommittee's prioritized recommendations to the executive committee.
2. As mentioned in the Issue Brief titled "USDB Teacher Salary Adjustments", consider funding USDB teacher step and lane increases. The total required would be \$118,400. The subcommittee may wish to include these increases in the subcommittee's prioritized recommendations to the executive committee.
3. Transfer an estimated \$263,000 in Minimum School Program revenue currently supporting the Jean Massieu Charter School to the Utah Schools for the Deaf and Blind. The two schools have voted to merge services, further detail may be found in Issue Brief "Jean Massieu Charter School" (PEDIB-05-03).

BUDGET DETAIL TABLE

State Board of Education - School for the Deaf and Blind						
Sources of Finance	FY 2004 Actual	FY 2005 Appropriated	Changes	FY 2005 Revised	Changes	FY 2006 Analyst*
Uniform School Fund	18,106,800	18,996,400	0	18,996,400	0	18,996,400
Uniform School Fund, One-time	0	170,200	0	170,200	(170,200)	0
Dedicated Credits Revenue	609,400	633,700	0	633,700	(11,900)	621,800
Transfers	3,796,900	0	3,114,000	3,114,000	67,400	3,181,400
Transfers - Health	0	45,800	(45,800)	0	0	0
Transfers - Interagency	0	24,300	(24,300)	0	0	0
Transfers - State Office of Education	0	3,043,900	(3,043,900)	0	0	0
Beginning Nonlapsing	605,600	119,100	509,400	628,500	(228,500)	400,000
Closing Nonlapsing	(628,500)	(50,000)	(350,000)	(400,000)	0	(400,000)
Lapsing Balance	(38,800)	0	0	0	0	0
Total	\$22,451,400	\$22,983,400	\$159,400	\$23,142,800	(\$343,200)	\$22,799,600
Programs						
Instruction	12,996,000	13,725,200	(1,255,800)	12,469,400	(15,600)	12,453,800
Support Services	9,455,400	9,258,200	1,415,200	10,673,400	(327,600)	10,345,800
Total	\$22,451,400	\$22,983,400	\$159,400	\$23,142,800	(\$343,200)	\$22,799,600
Categories of Expenditure						
Personal Services	16,973,600	18,330,500	(365,400)	17,965,100	0	17,965,100
In-State Travel	311,400	271,600	41,700	313,300	(3,700)	309,600
Out of State Travel	38,500	28,900	2,300	31,200	(2,000)	29,200
Current Expense	4,780,700	4,234,500	408,300	4,642,800	(272,800)	4,370,000
DP Current Expense	287,700	117,900	72,500	190,400	(64,700)	125,700
Capital Outlay	58,000	0	0	0	0	0
Other Charges/Pass Thru	1,500	0	0	0	0	0
Total	\$22,451,400	\$22,983,400	\$159,400	\$23,142,800	(\$343,200)	\$22,799,600
Other Data						
Total FTE	372.0	371.8	(4.8)	367.0	0.0	367.0
Vehicles	34	34	0	34	0	34

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

LEGISLATIVE ACTION

This section provides a guide of what actions might be taken if the Legislature wishes to adopt the recommendations of this brief. The Analyst recommends the Legislature consider adopting:

1. A total base budget appropriation of \$22,799,600, as detailed in the table above, for the Utah Schools for the Deaf and Blind.
2. Prioritize the recommended USF increase of \$65,300 for the statutory USDB Teacher Salary Adjustments to be included in the subcommittee's recommendations to the Executive Appropriations Committee.
3. Consider the issue regarding USDB teacher step and lane increases. The amount needed to provide step and lane increases would be \$118,400. The subcommittee may wish to include this increase in the subcommittee's prioritized recommendations to the executive committee.
4. Consider the proposed merger of USDB and the Jean Massieu Charter School and transfer \$263,000 from the Minimum School Program to the Utah Schools for the Deaf and Blind. The Issue Brief titled "Jean Massieu Charter School" (PEDIB-05-00) provides further detail.

Issue Brief – USDB Teacher Salary Adjustments

NUMBER PEDIB-05-01

SUMMARY

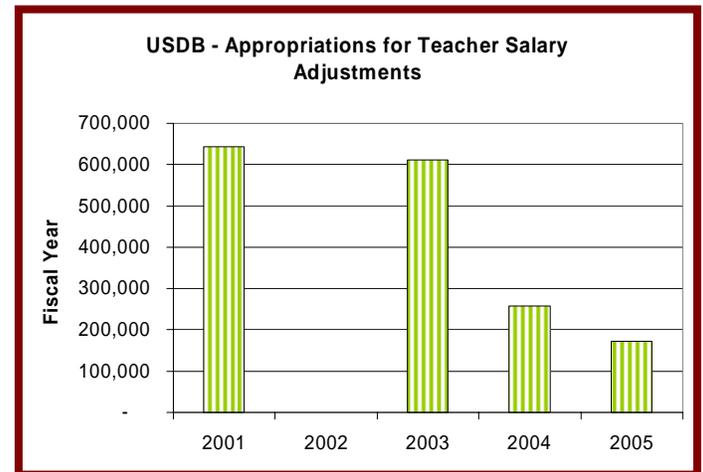
During the 2000 General Session, the Legislature amended the statute to require an annual review and adjustment of educator salaries at the Utah Schools for the Deaf and Blind (USDB). Prior to the statutory change, USDB teachers on average had one of the lowest salary levels when compared to teachers in the school districts. In order to keep USDB teacher salaries competitive, statute directs that the annual salary increase paid to USDB teachers be based on the average weighted salary increase received the prior year by teachers in the school districts.

OBJECTIVE

This brief responds to Legislative intent language passed during the 2004 General Session, and provides estimates for the FY 2006 statutory salary adjustments.

DISCUSSION AND ANALYSIS

The annual review and adjustment of USDB educator salaries ensures they remain competitive with the school districts. The statute attempts to bring stability to USDB educator salaries, and make the adjustments based on “market comparability” more automatic. However, the following indicate that the implementation of statutory provisions has proven to be inconsistent.



Legislative Audit Findings – During an audit of the USDB released in February 2004, the Legislative Auditor General wrote: “During the past two years the USDB has not followed the process required by law for calculating its teachers’ annual salary adjustment. When the salary adjustment was calculated for fiscal year 2003, mistakes were made that resulted in USDB teachers receiving less than they should have received. However, for fiscal year 2004, other mistakes were made that produced a greater salary increase than they should have received.”¹ The Legislature passed intent language directing USDB administration to directly oversee the calculation of the USDB Teacher Salary Adjustments, and submit them to the State Board of Education for final approval. The Legislature also directed USDB to submit a report to the Governor’s Office of Planning and Budget and the Office of the Legislative Fiscal Analyst detailing how the annual salary adjustment was derived.

Steps and Lanes – In prior years, funding received under the statutory salary adjustment was used to also provide step and lane increases to USDB teachers. The statute states that “The board shall adjust the salary schedule applicable to nonadministrative certificated staff at the school each year” (UCA 53A-25-111). Statute states that funding received should be used to adjust the salary schedule for USDB teachers. It is unclear if step and lane changes are part of the “salary schedule.” In the local school districts, step and lane changes are often provided in addition to (or in lieu of) additions to the base salary schedule.

FY 2006 Adjustments – The Utah State Office of Education and USDB Administration worked together to calculate the USDB Teacher Salary Adjustments for the upcoming year. The required statutory increase for FY 2006 is 1.02 percent, or \$65,300. If step and lane increases were provided an additional 1.85 percent would be required, or \$118,400.

¹ “A Performance Audit of the Utah Schools for the Deaf and Blind.” Office of the Legislative Auditor General. February 2004.

RECOMMENDATION

The Analyst recommends that the Legislature provide \$65,300 to provide for the statutory USDB Teacher Salary Adjustments. The subcommittee has not been allocated additional funds to provide for this expenditure. The subcommittee may wish to include this increase in its prioritized recommendations to the executive committee.

The subcommittee may wish to prioritize \$118,400 for USDB teacher steps and lanes among the other issues facing the subcommittee. Although steps and lanes are an important piece of the overall compensation of teachers, it appears that statute may preclude the use of salary adjustment funds for steps and lanes.

Further, the Analyst recommends that for FY 2007, the Utah Schools for the Deaf and Blind submit a building block request for both the salary adjustment required by statute and the cost to provide steps and lanes to USDB teachers. In the meantime, the State Board of Education may wish to clarify in rule if step and lane increases satisfy the definition of "salary schedule."

LEGISLATIVE ACTION

This section provides a guide of what actions might be taken if the Legislature wishes to adopt the recommendations of this brief. The Analyst recommends the Legislature consider adopting:

1. \$65,300 to provide for statutory salary adjustment for USDB teachers (UCA 53A-25-111.)
2. Consider \$118,400 to provide step and lane adjustments for USDB teachers.
3. Adopt the intent language detailed above.

Issue Brief – Jean Massieu Charter School

NUMBER PEDIB-05-03

SUMMARY

Jean Massieu Charter School was one of the first charter schools established in Utah. The Jean Massieu School (JMS) caters to deaf students and offers a bi-lingual and bi-cultural educational experience. This approach teaches deaf students in their native language (ASL), exposes them to the English language through reading and writing, and supports both the deaf and hearing cultures. Due to the unique nature of teaching deaf children, JMS has struggled to financially support itself. Parent volunteer hours, private contributions, and state aid have helped maintain the school. During the 2004 General Session, the Legislature passed intent language encouraging the merger of the Utah Schools for the Deaf and Blind (USDB) and the Jean Massieu Charter School.

OBJECTIVE

This brief provides additional information regarding 2004 General Session Legislative intent language encouraging the Jean Massieu Charter School merge with the Utah Schools for the Deaf and Blind.

DISCUSSION AND ANALYSIS

Legislative intent language passed during the 2004 General Session, directed the State Board of Education to make a substantial effort to combine the services of USDB and the Jean Massieu Charter School.

Representative from both schools met over the course of the 2004 interim to discuss how the services of the two schools could be combined. Specific focus was placed on maintaining the quality of services to students and parents. The meetings included parents, teachers, and school administrators from both schools. Work groups were formed of meeting participants to evaluate merger details, such as personnel, transportation, curriculum, instruction, etc. A substantial portion of the merger issues have been resolved between the two schools.

The Jean Massieu Charter School Board voted to merge with USDB beginning in the 2005 school year. The most important aspect Jean Massieu sought to protect in the merger discussions, was retaining and fostering the Bilingual – Bicultural method of instruction used at Jean Massieu.

FY 2006 Budget Impact

With the planned merger of the schools, additional funding may be required. USDB submitted a request that the Legislature appropriate an amount equivalent to the FY 2005 operating budget of the Jean Massieu School. The FY 2005 budget for Jean Massieu totals approximately \$650,000. The FY 2005 budget for JMS includes \$226,000 in Minimum School Program revenues, \$37,000 in local revenue, \$350,000 in one-time Uniform School Fund revenue, \$15,000 in fundraising, and \$17,000 in Federal Special Education funds.

Not all FY 2005 JMS revenues may be expected for FY 2006. A significant portion of JMS revenue, the \$350,000 one-time Uniform School Fund appropriation, was appropriated last year in an effort to help Jean Massieu in the 2004 school year and allow them to work towards a merger with USDB.

To some degree, the Jean Massieu Charter School has reduced the number of students instructed at USDB for the past few years. Additional revenue may be required to support a full Bilingual – Bicultural program that has not been offered at USDB in the past. Funding transferred from the MSP should be used to support the addition of a Bilingual – Bicultural program, offered through JMS.

RECOMMENDATION

The Analyst recommends that funding currently allocated to the Jean Massieu Charter School through the Minimum School Program be transferred to the Utah Schools for the Deaf and Blind. This includes the \$226,000 in WPU generated revenue and \$37,000 in MSP – Local Funding Replacement (should JMS remain in separate facilities.) The total transfer amount would total \$263,000. The \$17,000 in Federal Special Education funds received by USDB should automatically follow the students to USDB.

LEGISLATIVE ACTION

This section provides a guide of what actions might be taken if the Legislature wishes to adopt the recommendations of this brief. The Analyst recommends the Legislature consider adopting:

1. Transfer from the Minimum School Program, \$263,000 to support the Bi – Bi program offered by Jean Massieu at USDB.

Budget Brief – USDB Institutional Council

NUMBER PEDBB-05-07

SUMMARY

The Utah Schools for the Deaf and Blind – Institutional Council acts as an advisory panel to the State Board of Education and State Superintendent when considering the educational needs of deaf, blind, and deaf/blind students. The council also may provide input on USDB staff positions, school policy, budget, operations, and any other duties as delegated by the State Board of Education.

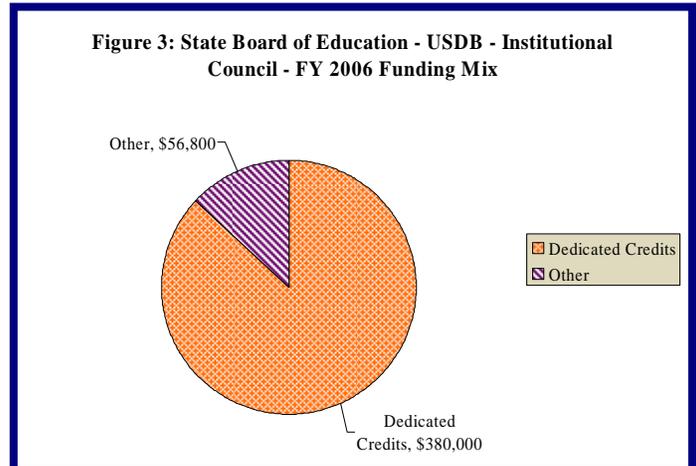
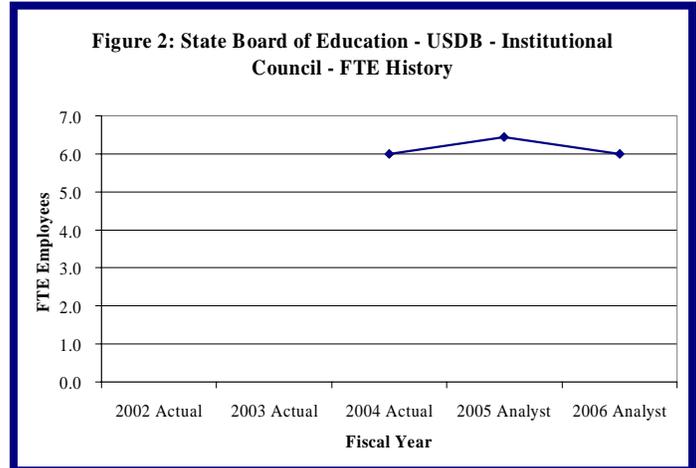
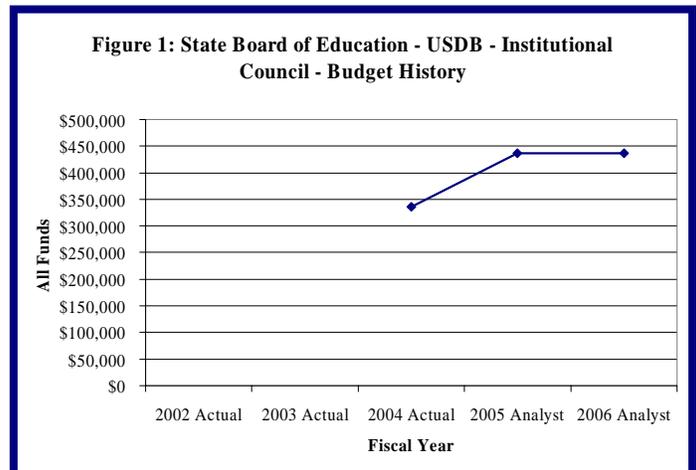
The Institutional Council line item was created during the 2003 General Session for the purpose of shifting revenue generated for the schools from the interest and dividends derived from the permanent fund created for the schools at statehood. Statute restricts the use of these funds to the “Education Enrichment Program” for the hearing and visually impaired. These funds are not always expended by the end of the fiscal year, and contributed to large carry forward balances each year.

ISSUES AND RECOMMENDATIONS

The Executive Appropriations Committee has not allocated additional revenue to the subcommittee. The budget detail table on page 2 only includes the ongoing base budget for the USDB Institutional Council.

FY 2006 Base Budget

The subcommittee may wish to evaluate the ongoing budget for the USDB Institutional Council; make any needed adjustments; and adopt a base budget for FY 2006. The total ongoing budget recommended for this program is \$436,800 in FY 2006. All of USDB Institutional Council revenue comes from dedicated credits.



BUDGET DETAIL

As stated above, the USDB Institutional Council line item receives all its revenue from the collection of dedicated credits. These dedicated credits are the interest and dividends earned off the investment of the permanent fund created for the education of the hearing and visually impaired.

The table below provides further budget detail for the line item.

Recommendation

The Analyst recommends a total FY 2006 budget appropriation of \$436,800 in dedicated credits revenue for the USDB Institutional Council.

BUDGET DETAIL TABLE

State Board of Education - USDB - Institutional Council						
	FY 2004	FY 2005		FY 2005		FY 2006
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Analyst*
Dedicated Credits Revenue	377,600	363,100	0	363,100	16,900	380,000
Beginning Nonlapsing	396,100	507,900	(70,600)	437,300	(73,700)	363,600
Closing Nonlapsing	(437,300)	(581,000)	217,400	(363,600)	56,800	(306,800)
Total	\$336,400	\$290,000	\$146,800	\$436,800	\$0	\$436,800
Programs						
Institutional Council	336,400	290,000	146,800	436,800	0	436,800
Total	\$336,400	\$290,000	\$146,800	\$436,800	\$0	\$436,800
Categories of Expenditure						
Personal Services	246,200	290,000	54,600	344,600	0	344,600
In-State Travel	1,000	0	300	300	0	300
Current Expense	82,400	0	89,900	89,900	0	89,900
DP Current Expense	6,800	0	2,000	2,000	0	2,000
Total	\$336,400	\$290,000	\$146,800	\$436,800	\$0	\$436,800
Other Data						
Total FTE	6.0	6.0	0.5	6.5	(0.5)	6.0

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

LEGISLATIVE ACTION

This section provides a guide of what actions might be taken if the Legislature wishes to adopt the recommendations of this brief. The Analyst recommends the Legislature consider adopting:

1. A total base budget appropriation of \$436,800, as detailed in the table above, for the Utah Schools for the Deaf and Blind – Institutional Council.