Budget Brief – USDB Institutional Council

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 the deaf, blind, and deaf/blind students in the state. The council also provides input on USDB staff positions, school policy, budget, operations, and any other duties as delegated by the State Board of Education. Further information on USDB and USDB – Institutional Council may be found in Chapters 16 and 17 of the Compendium of Budget Information (COBI) for Public Education.

ISSUES AND RECOMMENDATIONS

The Executive Appropriations Committee (EAC) has made base budget allocations to the various appropriations subcommittees. The budget detail table on page 2 reflects the allocation for USDB Institutional Council, but does not include funding for other budget priorities the subcommittee may wish to consider.

The co-chairs of the EAC recommend that the subcommittee complete the following tasks: review agency base budgets; reallocate revenue where possible within the base budget to meet new subcommittee budget priorities; and develop a priority list, to be submitted to the EAC, of new budget priorities not completed through budgetary reallocations.

FY 2009 Base Budget

The subcommittee may wish to evaluate the ongoing budget for the USDB-Institutional Council; make any needed adjustments; and adopt the base budget for FY 2009. The total ongoing budget for this program totals $600,000. All of the USDB – Institutional Council revenue comes from dedicated credits.

Figure 1: State Board of Education - USDB - Institutional Council - Budget History

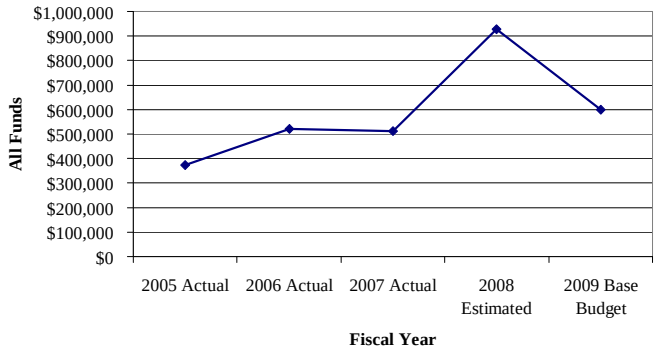
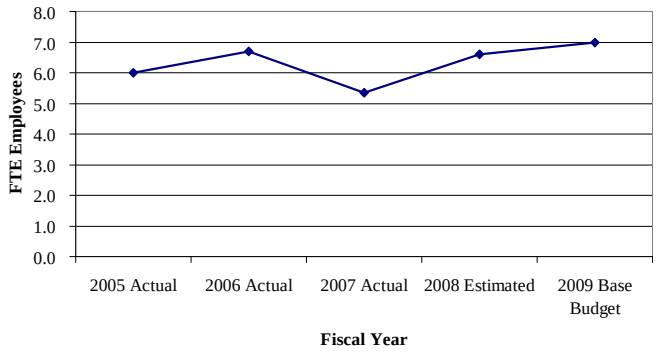


Figure 2: State Board of Education - USDB - Institutional Council - FTE History



BUDGET DETAIL

The USDB – Institutional Council line item receives all of 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.

USDB receives interest earning from the Permanent Land Grant according to the enabling act of Utah and as directed in state statute. The nature of the interest earnings is such than from one year to the next it is difficult to forecast revenues for budgeting purposes. The Legislature conducted a performance audit of USDB in 2004. The recommendations of that audit included the strategy of collecting the interest earnings of the prior fiscal year for use in the upcoming fiscal year to ensure reliable funding levels for budgeting. USDB is then to plan and expend 80% of those funds for the upcoming fiscal year. The remaining 20% was considered a reasonable amount to set aside for unforeseen financial commitments of the school as new students enroll and IEP commitments change.

It is estimated for FY 2008 that there will be $600,000 in dedicated credits revenue—thus, the 80% to be expended from the base budget for FY 2009 is estimated to be $480,000; the 20% for unforeseen financial commitments of the school is the remaining amount of $120,000.

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

BUDGET DETAIL TABLE

State Board of Education - USDB - Institutional Council

Sources of Finance	FY 2007 Actual	FY 2008 Appropriated	Changes	FY 2008 Revised	Changes	FY 2009* Base Budget
Dedicated Credits Revenue	658,800	619,000	(19,000)	600,000	0	600,000
Beginning Nonlapsing	782,400	480,000	449,100	929,100	(329,100)	600,000
Closing Nonlapsing	(929,100)	(480,000)	(120,000)	(600,000)	0	(600,000)
Total	$512,100	$619,000	$310,100	$929,100	($329,100)	$600,000
Programs						
Institutional Council	512,100	619,000	310,100	929,100	(329,100)	600,000
Total	$512,100	$619,000	$310,100	$929,100	($329,100)	$600,000
Categories of Expenditure						
Personal Services	400,800	468,000	1,300	469,300	0	469,300
In-State Travel	300	300	0	300	0	300
Current Expense	17,700	13,000	0	13,000	0	13,000
DP Current Expense	53,300	2,000	0	2,000	0	2,000
Capital Outlay	40,000	135,700	308,800	444,500	(329,100)	115,400
Total	$512,100	$619,000	$310,100	$929,100	($329,100)	$600,000
Other Data						
Budgeted FTE	5.3	5.3	1.3	6.6	0.4	7.0

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

LEGISLATIVE ACTION

This section summarizes what actions might be taken if the Legislature wishes to adopt the recommendations presented in this brief. The Analyst recommends that the Legislature consider:

1. Reaffirm the base budget amount of $600,000 in dedicated credits revenue for the Utah Schools for the Deaf and Blind – Institutional Council detailed in the Budget Detail Table above.