



# CHARTER SCHOOL BOARD & CHARTER SCHOOL RESERVE ACCOUNT

PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE  
STAFF: THOMAS YOUNG, BEN LEISHMAN

BUDGET BRIEF

**SUMMARY**

The State Charter School Board line item includes the costs associated with administering charter school regulations, start-up funding, and other related activities. Further budget detail on the State Charter School Board is available in the annual Compendium of Budget Information at:

[http://le.utah.gov/lfa/reports/cobi2013/LI\\_PGA.htm](http://le.utah.gov/lfa/reports/cobi2013/LI_PGA.htm) or in the 2011 LFA in-depth budget review: <http://le.utah.gov/interim/2011/pdf/00002635.pdf>.

**LEGISLATIVE ACTION**

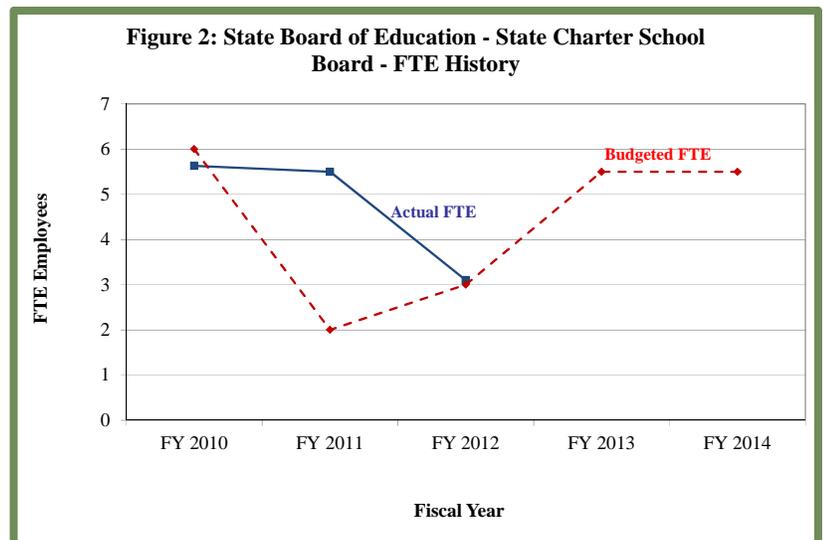
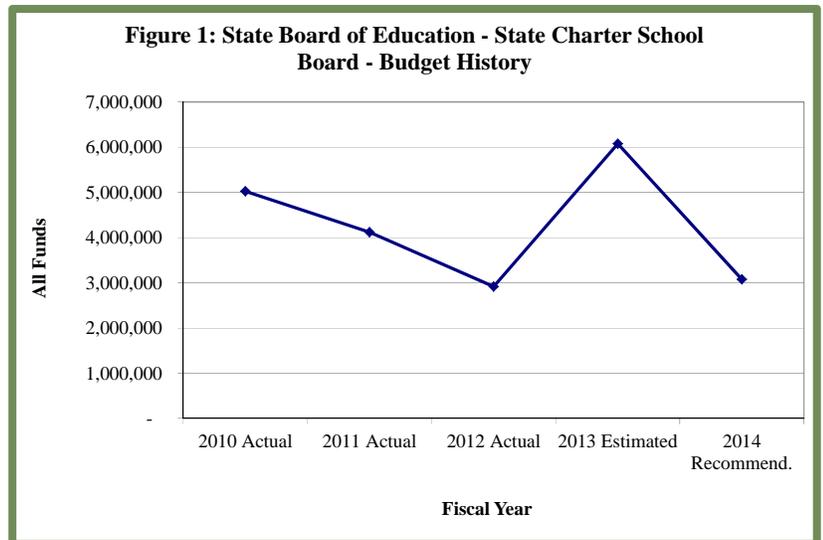
- Base Budget Adoption:** Item 7 of Senate Bill 1 of the 2013 General Session includes a \$3,079,000 appropriation to the State Charter School Board line item. The Subcommittee may wish to adopt the recommended budget shown on the following page.
- Intent Language (Performance Measures):** The Analyst recommends the following intent language for the Charter School Board line item:  
*The Legislature intends that the Charter School Board develop quantifiable performance measures that directly tie the achievements of the program to the incurred costs.*

**ADDITIONAL DISCUSSION**

During the 2012 General Session, the Legislature authorized additional cost increases of \$200,000 for overhead and \$2,300,000 for charter school start-up costs. The Subcommittee may wish to review the impact the additional spending is having on overall service level and charter school success.

**BUDGET DETAIL**

Revenue to the State Charter School Board stems entirely from the Education Fund. The \$3,000,000 one-time FY 2013 appropriation represents the start-up costs associated with the Charter School Reserve Account. The Charter School Reserve Account acts as a backstop for the Utah Charter School Finance Authority Credit Enhancement Program. The State Charter School Board Program is \$2,500,000 higher than FY 2012 actual



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because of HB 397, which authorized \$2,300,000 in additional Education Fund spending related to charter school start-ups and \$200,000 for additional overhead costs. On expenditures, the largest category is personnel services, which represents a budgeted staff of 5.5 FTE and a total cost of \$414,900 (about \$75,000 per person on average).

State Board of Education - State Charter School Board						
	FY 2012	FY 2013		FY 2013		FY 2014*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Recommended
Education Fund	573,700	3,079,000	0	3,079,000	0	3,079,000
Education Fund, One-time	0	3,000,000	0	3,000,000	(3,000,000)	0
Federal Funds	2,551,500	400	0	400	(400)	0
Dedicated Credits Revenue	3,500	0	0	0	0	0
Beginning Nonlapsing	0	0	212,200	212,200	0	212,200
Closing Nonlapsing	(212,200)	0	(212,200)	(212,200)	0	(212,200)
<b>Total</b>	<b>\$2,916,500</b>	<b>\$6,079,400</b>	<b>\$0</b>	<b>\$6,079,400</b>	<b>(\$3,000,400)</b>	<b>\$3,079,000</b>
<b>Programs</b>						
State Charter School Board	2,916,500	3,079,400	0	3,079,400	(400)	3,079,000
Charter School Reserve Account	0	3,000,000	0	3,000,000	(3,000,000)	0
<b>Total</b>	<b>\$2,916,500</b>	<b>\$6,079,400</b>	<b>\$0</b>	<b>\$6,079,400</b>	<b>(\$3,000,400)</b>	<b>\$3,079,000</b>
<b>Categories of Expenditure</b>						
Personnel Services	264,500	614,400	(199,500)	414,900	0	414,900
In-state Travel	10,500	9,400	1,100	10,500	0	10,500
Out-of-state Travel	21,700	15,700	6,000	21,700	0	21,700
Current Expense	279,500	3,172,000	107,500	3,279,500	(3,000,400)	279,100
DP Current Expense	6,400	600	5,800	6,400	0	6,400
Other Charges/Pass Thru	2,333,900	2,267,300	79,100	2,346,400	0	2,346,400
<b>Total</b>	<b>\$2,916,500</b>	<b>\$6,079,400</b>	<b>\$0</b>	<b>\$6,079,400</b>	<b>(\$3,000,400)</b>	<b>\$3,079,000</b>
<b>Other Data</b>						
Budgeted FTE	3	3	3	6	0	6
Actual FTE	3	0	0	0	0	0