



UTAH STATE OFFICE OF EDUCATION

PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
STAFF: THOMAS YOUNG, BEN LEISHMAN

BUDGET BRIEF

SUMMARY

The Utah State Office of Education line item (USOE) includes 14 programs:

- Educational Equity;
- Assessment and Accountability;
- Board and Administration;
- Business Services;
- Career and Technical Education;
- District Computer Services;
- Educational Technology;
- Federal Elementary and Secondary Education Act;
- Law and Legislation;
- Public Relations;
- School Trust;
- Special Education;
- Teaching and Learning; and
- Math Teacher Training.

A summary of each of these programs and the associated cost is given on the 11x17 sheet titled "Utah State Office of Education."

LEGISLATIVE ACTION

1. **Base Budget Adoption:** Item 5 of Senate Bill 1 of the 2013 General Session includes a \$379,002,900 appropriation to the State Office of Education. The recommended budget is \$12,700 higher than the base budget due to a re-estimate by the Division of Finance regarding the Land Exchange Distribution Account. The Subcommittee may wish to adopt the base with the recommended changes or make revisions to revenue/costs.
2. **Building Block Requests:** The State Board of Education has requested increases totaling \$23,650,000 for the following items:

Figure 1: State Board of Education - State Office of Education - Budget History

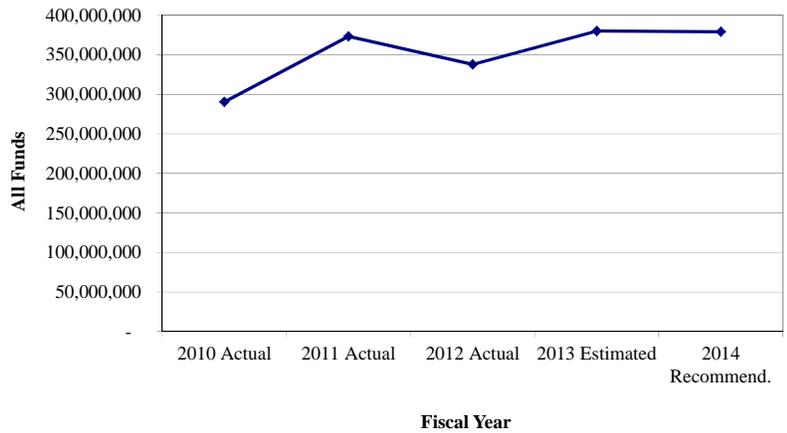


Figure 2: State Board of Education - State Office of Education - FTE History

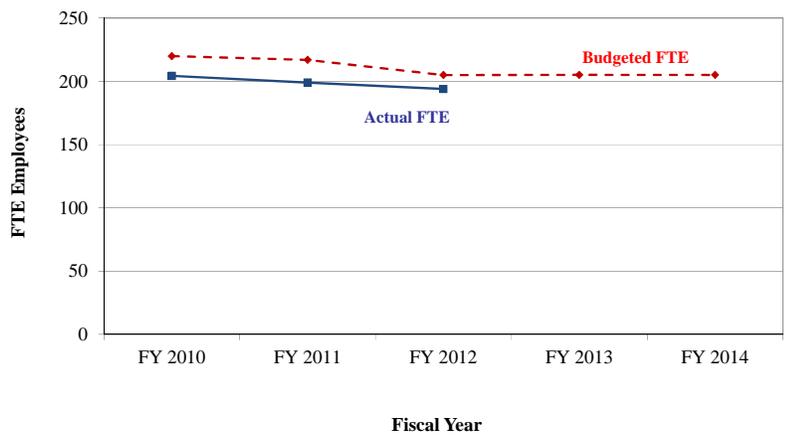
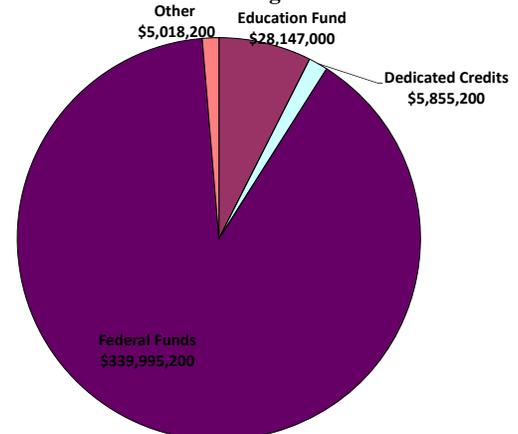


Figure 3: State Board of Education - State Office of Education - FY 2014 Funding Mix



- a. Expand ACT or other assessment statewide (\$800,000);
- b. Additional overhead costs associated with expanding the ACT statewide (\$200,000);
- c. Educator evaluation projection – content area specialists (\$150,000);
- d. Educator evaluation project – Higher education connection (teachers/professors/outside consultants) (\$100,000);
- e. Educator evaluation project – professional development (payments to teachers/lunches/snacks/materials) (\$200,000);
- f. Common Core Standards professional development (payments to teachers/lunches/snacks/materials) (\$1,000,000);
- g. High quality instruction professional development (payments to teachers/lunches/snacks/materials) (\$20,000,000 one-time);
- h. Salary increase for USOE IT staff (\$705,000);
- i. IT Employees (2 new FTE) (\$192,000);
- j. Software security and training (\$36,000);
- k. Financial management programming setup (\$40,000);
- l. Financial management programming (0.1 FTE) (\$9,600);
- m. Financial management programming (1.9 FTE) (\$182,400); and
- n. Financial management information technology (database servers/laptops/licenses) (\$35,000).

Further details on these budget requests are presented in the Issue Brief “USOE Budget Requests.”

BUDGET DETAIL

In order to increase budgeting transparency, during the 2012 General Session the Legislature increased the number of appropriation units within the USOE line item from four to 14; thus, the Budget Table shows the zeroing out of four of the programs after FY 2012.

The largest source of revenue to the USOE is federal funds, with about 98% of the revenue transferred to local education agencies. The second largest source is the Education Fund (7%), which is used to cover the overhead costs associated with USOE.

Besides the federal revenue that is passed on to local education agencies, the areas with the highest costs include personnel costs (\$18,504,300) and current expenses (\$19,333,000). The personnel expenditures figure equates to about \$90,000 per employee.

Further budget detail on the USOE is available in the annual Compendium of Budget Information at: http://le.utah.gov/lfa/reports/cobi2013/LI_PAA.htm.

State Board of Education - State Office of Education

Sources of Finance	FY 2012	FY 2013	Changes	FY 2013	Changes	FY 2014*
	Actual	Appropriated		Revised		Recommended
General Fund, One-time	0	20,000	0	20,000	(20,000)	0
Education Fund	20,696,600	28,147,000	0	28,147,000	(200,000)	27,947,000
Education Fund, One-time	818,200	1,000,000	0	1,000,000	(800,000)	200,000
Federal Funds	307,235,500	339,995,200	0	339,995,200	0	339,995,200
Dedicated Credits Revenue	5,438,500	5,907,300	(52,100)	5,855,200	0	5,855,200
Federal Mineral Lease	3,358,600	3,064,200	0	3,064,200	0	3,064,200
GFR - Land Exchange Distribution A	302,400	222,500	12,700	235,200	0	235,200
GFR - Substance Abuse Prevention	497,000	497,000	0	497,000	0	497,000
Interest and Dividends Account	409,400	536,000	0	536,000	0	536,000
Transfers	0	685,800	0	685,800	0	685,800
Transfers - Interagency	1,110,900	0	0	0	0	0
Beginning Nonlapsing	10,635,800	3,573,100	6,935,000	10,508,100	0	10,508,100
Closing Nonlapsing	(11,008,100)	(3,573,100)	(6,935,000)	(10,508,100)	0	(10,508,100)
Lapsing Balance	(1,691,800)	0	0	0	0	0
Total	\$337,803,000	\$380,075,000	(\$39,400)	\$380,035,600	(\$1,020,000)	\$379,015,600
Programs						
Assessment and Accountability	0	21,111,800	(3,498,200)	17,613,600	500,000	18,113,600
Educational Equity	0	365,400	4,600	370,000	0	370,000
Board and Administration	0	6,241,500	(970,100)	5,271,400	0	5,271,400
Business Services	0	1,698,800	176,100	1,874,900	0	1,874,900
Career and Technical Education	0	22,878,700	(5,847,800)	17,030,900	0	17,030,900
District Computer Services	0	5,259,400	1,684,600	6,944,000	0	6,944,000
Educational Technology	0	3,485,700	(2,061,500)	1,424,200	0	1,424,200
Federal Elementary and Secondary	0	125,365,100	12,963,400	138,328,500	0	138,328,500
Law and Legislation	0	318,300	(40,800)	277,500	0	277,500
Math Teacher Training	0	0	500,000	500,000	0	500,000
Public Relations	0	131,700	47,500	179,200	0	179,200
School Trust	0	536,000	0	536,000	0	536,000
Special Education	0	162,045,900	(4,797,700)	157,248,200	0	157,248,200
Teaching and Learning	0	30,636,700	1,800,500	32,437,200	(1,520,000)	30,917,200
Board of Education - Administration	1,440,300	0	0	0	0	0
Student Achievement	333,434,200	0	0	0	0	0
Data and Business Services	1,547,000	0	0	0	0	0
Law, Legislation and Educational Services	1,381,500	0	0	0	0	0
Total	\$337,803,000	\$380,075,000	(\$39,400)	\$380,035,600	(\$1,020,000)	\$379,015,600
Categories of Expenditure						
Personnel Services	17,098,800	17,757,200	747,100	18,504,300	0	18,504,300
In-state Travel	192,900	238,100	(48,100)	190,000	0	190,000
Out-of-state Travel	269,900	249,400	12,200	261,600	0	261,600
Current Expense	12,340,900	24,219,000	(11,553,300)	12,665,700	6,667,300	19,333,000
DP Current Expense	865,300	621,900	169,000	790,900	12,700	803,600
DP Capital Outlay	950,800	1,501,700	(871,000)	630,700	0	630,700
Other Charges/Pass Thru	306,084,400	335,487,700	11,504,700	346,992,400	(7,700,000)	339,292,400
Total	\$337,803,000	\$380,075,000	(\$39,400)	\$380,035,600	(\$1,020,000)	\$379,015,600
Other Data						
Budgeted FTE	205	201	4	205	0	205
Actual FTE	194	0	0	0	0	0

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