



UTAH STATE OFFICE OF EDUCATION BUSINESS SERVICES & INTERNAL AUDIT

PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
STAFF: BEN LEISHMAN & JILL CURRY

ISSUE BRIEF

SUMMARY

The State Board of Education is requesting ongoing funding of \$605,000 for Business Services and Internal Audit since both sections rely on one-time funding to sustain payroll and current expense. Currently, there are vacant positions at the Utah State Office of Education (USOE). The Legislature may wish to evaluate these vacancies and use part of the ongoing funding associated with these vacancies to fulfill the funding request.

DISCUSSION AND ANALYSIS

One of the FY 2017 funding requests by the State Board of Education is for ongoing funding in the amount of \$605,000 from the Education Fund for both the Business Services and Internal Audit sections in the Utah State Office of Education. The Board is seeking \$385,000 for Internal Audit and \$205,000 for Business Services (now called School Finance at USOE). Both of these sections currently rely on one-time funding to sustain payroll and current expenses.

The USOE has some vacant positions. Some of these vacancies could be used to provide ongoing funding for Business Services and Internal Audit. The table below details the vacancies in four section of the USOE: Assessment and Accountability, Career and Technical Education, District Computer Services, and Teaching and Learning.

Utah State Office of Education, Budgeted and Actual Personnel Expenditures					
	Total Budgeted Salary and Benefits (with Vacancies)	Total Actual Salary and Benefits (without Vacancies)	FY 15 Actual Personnel Services Expenditures	Budgeted - Actual Salary and Benefits (Column B-C)	Vacant FTEs
Assessment and Accountability	\$3,091,600	\$2,765,000	\$2,821,100	\$326,600	3.0
Career and Technical Education	\$3,968,400	\$3,695,200	\$3,804,800	\$273,200	3.1
District Computer Services	\$3,614,100	\$3,409,700	\$3,403,700	\$204,400	2.0
Teaching and Learning	\$3,336,800	\$2,978,900	\$2,833,500	\$357,900	5.0
Total	\$14,010,900	\$12,848,800	\$12,863,100	\$1,162,100	13.1

In the first column is the total budgeted salary and benefits so this figure includes vacant positions for each division. For these four divisions, the total budgeted amount for personnel is \$14,010,900. The second column illustrates the actual salary and benefits so vacant positions are excluded for each division. This total is \$12,848,800 which matches the actual expenditures for personnel services for these divisions in FY 2015. Subtracting the budgeted salary and benefits from the actual salary and benefits gives us a difference of \$1,162,100 across all of the sections. If the vacant positions remain mostly unfilled, the associated ongoing funding could be used for the Business Services and Internal Audit requests.

The vacancy savings could be applied as shown in the following table. The illustrated vacant positions total \$608,600 ongoing in salary and benefits. If the vacant positions are removed from each of the four divisions as illustrated, it would cover the USOE's request of \$605,000 for the Business Services and Internal Audit sections.

Utah State Office of Education, Potential Vacancy Offsets		
	FTE	Total Salary and Benefits
Assessment and Accountability	1.0	\$111,700
Career and Technical Education	1.6	\$88,700
District Computer Services	1.0	\$120,300
Teaching and Learning	3.0	\$287,900
Total	6.6	\$608,600

RECOMMENDATIONS

The Legislature may wish to consider the following:

- Use the budgeted salary and benefits from other divisions' vacant positions to provide ongoing funding for Business Services and Internal Audit.
- Separate the funding for Business Services and Internal Audit into a separate line-item within the State Board of Education's budget. This change would allow for greater visibility of these sections and will not mix funding for these sections with the funding for other sections within the USOE.