

**MINUTES OF THE
PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE**

Room 210 East Senate Building State Capitol Complex

January 6, 2016

Members Present: Sen. Howard A. Stephenson, Senate Co-Chair
Rep. Steve Eliason, House Co-Chair
Rep. Michael S. Kennedy, House Vice Chair
Sen. J. Stuart Adams
Sen. Lyle W. Hillyard
Sen. Jani Iwamoto
Sen. Daniel W. Thatcher
Sen. Stephen H. Urquhart
Rep. Joel K. Briscoe
Rep. LaVar Christensen
Rep. Bruce Cutler
Rep. David E. Lifferth
Rep. Marie H. Poulson
Rep. Kraig Powell
Rep. Norm Thurston

Members Absent: Rep. Rebecca P. Edwards
Rep. Justin L. Fawson
Rep. Francis D. Gibson
Rep. Bradley G. Last

Staff Present: Mr. Ben Leishman, Fiscal Analyst
Ms. Jill Curry, Fiscal Analyst
Ms. Lori Brinkerhoff, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Call to Order

Co-Chair Stephenson called the meeting to order at 8:36 a.m.

2. Agency Report

Class Size Reduction. Mr. Scott Jones, USOE Associate Superintendent presented a summary of the [Class Size Reduction Intent Language Report](#). He stated that USOE did meet the class size language as prescribed in Report 2. Ms. Natalie Grange, Director USOE School Finance, reviewed the Funding Class Size Reduction Report. Superintendent Jones spoke of the impact of distributing K-3 funds to further reduce class size. There was discussion about hiring para-professionals to help in reducing classroom size. There was further summary and discussion regarding the appropriation for the class-size reduction program that LEA's provide. Co-Chair Stephenson asked whether the use of the appropriated funds had been utilized appropriately and effectively.

Sen. Hillyard commented on whether every district is truly feeling the effects of class size reduction. He said there should be flexibility in using these funds within each district. He also encouraged greater avenues to share information with citizens/patrons regarding the use of these funds. Co-Chair Stephenson thanked Superintendent Jones for the thoroughness of the report.

Rep. Briscoe asked for clarification on the methodology for determining the median class size. Superintendent Jones explained the equalization of funding allocations and reviewed several cost-savings measures.

Pupil Transportation. Superintendent Jones reviewed the [Pupil Transportation Allocation Formula Intent Language Report](#). Co-Chair Eliason asked for clarification about Table 6 “In-Lieu of Mileage Rates” on Page 13 of the report. He felt that there was inconsistent data in the methodologies used in the current transportation formula. Co-Chair Stephenson asked for clarification on the formulas used to calculate reimbursement. Rep. Briscoe asked for a clarification on minutes versus miles used in the calculations. He commented that Table 5 addressed the non-discrimination of school districts with larger geographical areas for bus routes.

The committee discussed the fact that the current methodology faces some further clarification in future allocations in the WPU. They also discussed the limitations of the analysis. Page 24 of the report listed four specific courses of action that that were recommended. Sen. Hillyard and Co-Chair Stephenson commented on these recommendations.

Concurrent Enrollment. USOE Deputy Superintendent, Sydnee Dickson gave a presentation regarding concurrent enrollment. She stated that every higher education facility provides concurrent enrollment training in coordination with the USOE. There was discussion about the clarification regarding the transfer process for students who are currently enrolled. They are encouraging all students to visit a high school counselor and be advised on how they can enroll in the Concurrent Enrollment Program. Ms. Dickson indicated that not all courses are transferrable if a student moves out of state. Ms. Dickson indicated that great strides are being made on a national level by the Comprehensive Concurrent Enrollment Committee to keep all states in the discussion.

Sen. Iwamoto raised a question about the requirements for the staffing of concurrent enrollment courses. Ms. Dickinson stated that the requirements are a Master’s Degree in that content area. Sen. Cutler asked if that had always been the policy. Ms. Dickinson indicated that this has not always been the requirement; however, during the past 7 years USOE has made great efforts to meet this requirement. She noted that there are some exceptions with CTE instructors.

Chair Eliason commented that there has been a steady request for the increases in concurrent enrollment funds from USOE to the Legislature in most recent years. Rep. Thurston shared that many of his constituents stated that the concurrent enrollment courses have been a waste of time.

3. Statutorily Required Reports

Ms. Dickson indicated that there were several statutorily required reports from USOE.

Concurrent Enrollment. Ms. Moya Kessig, Concurrent Enrollment specialist, discussed the [Concurrent Enrollment Report](#). She stated that at this time they do not have all of the desired data available regarding concurrent enrollment but they are making progress. She answered some clarifying questions from Sen. Hillyard and Rep. Briscoe.

K-3 Reading Improvement. Ms. Jennifer Throndsen, USOE Literacy Coordinator reported on the [K-3 Reading Improvement Program](#). She briefly covered the reading interventions currently in place and stated that they are making a difference. She reported that if students are engaged in interventions they are five times more likely to experience success. Co-Chair Stephenson asked for a clarification on the K-3 Reading Assessment and Intervention Funding. Ms. Throndsen shared an analysis of the current DIBELS Reading Assessment and reviewed composite scores and the current changes being made in future reporting.

Co-Chair Stephenson asked if the committee would be able to see whether there are improvements specifically in LEA Programs. He asked what current retention methods are being used. He asked if this is working state-wide and about the ability to share this information. Ms. Throndsen indicated that changes in the sharing of this information are expected during the upcoming Legislative session. Sen. Briscoe asked about the percentage of students who met reading competencies. It was noted that there was a dip in the overall reporting from second grade reading scores to third grade reading scores.

Enhancement for Accelerated Students. Ms. Kessig reported on the [Enhancement for Accelerated Students](#). She discussed the current available data.

Professional Practices Restricted Subfund. Ms. Dickson stated that para-professionals are required to be accounted by a specific formula. She discussed the [Professional Practices Restricted Subfund Annual Report](#).

Educator Salary Adjustments. Ms. Dickson gave a review of the reporting structures in regards to current salaries and how an increase in the salaries of the most effective educators is achieved. This will be a topic to be addressed in the upcoming legislative session. A recommendation was made that in the future that to be certain that there is not a redundancy in reporting so that USOE not be required to cover all of these

Title I Improvement Schools and Enhancement for At-Risk Students. Ms. Dickson discussed the [Paraeducators in Title I Improvement Schools](#) and the [Enhancement for At-Risk Students](#) reports.

Rep. Cutler made a comment that on a recent visit to his neighborhood Title I schools, there were a large number of students with English not their primary home language. He noted the challenges in the reporting and assessment of ESL Students.

Co-Chair Stephenson shared the current policy of guaranteeing that all immigrants are receiving daily English instruction. They are experiencing a very positive outcome in regards to this program.

The committee discussed whether USOE would be required to share these reports in the future.

Mr. Leishman noted that a legislative committee will determine if changes in required reporting are desired. There was discussion to have this item considered in future sessions. Rep. Edwards asked if there should be a motion regarding this issue. Co-Chair Stephenson stated no motion was required.

4. Property Tax Equalization – School District Implementation of S.B. 97 Funding

Mr. Leishman reported briefly regarding [Property Tax Equalization – School District Implementation of S.B. 97 Funding](#). He discussed the data obtained from the school-district survey. He noted the funds from S.B. 97 were distributed without restrictions to the districts. He addressed and summarized the data of the use of funds from SB97.

Mr. Leishman answered questions about the \$56 million being allocated to School Equalization Funds. Sen. Hillyard expressed concern about the implementation of the Equalization Bill. He represents two school districts and each has completely different funding and levy issues. He asked whether the equalization funding could be used for capital improvements and other miscellaneous expenses. He wanted to make certain that these funds are being used for capital improvements and not teacher salaries.

Sen. Adams shared his concern about the charter schools building silos of funding from the equalization. Co-Chair Stephenson said that there were silos for accounting but every school board has the ability to increase their capital funds if they go through the accounting avenues available to them. Rep. Powell expressed deep concerns about the implementation of SB97 stating that local school boards are feeling they are not able to use their discretion in assessing the need for a new levy in their districts.

Rep. Poulson reported that the feedback she had received from the three districts she represents is that they feel a lack of accountability in regards to the distribution of these funds especially for charter schools. There was committee discussion regarding the need for a comparison of salaries and spending per student in the 41 districts. Rep. Christensen discussed the need for a Constitutional Amendment for the Equalization of Property Tax.

5. Qualifying for Regents' Scholarship

Commissioner David Buhler, Utah System of Higher Education, reported on the success of the Regents' Scholarship. He discussed the scholarship requirements and mentioned that the deadline for the application is February 1st. This allows the legislature time to determine the available funds based on the number of requests. He presented data indicating at which institutions those funds were utilized. He gave a comparison of GPA's of the scholarship recipients and the GPA's of those first year college students who had not received the scholarship. They are projecting that \$8 million would be required for the 2016-2017 to completely fund the scholarships.

Rep. Coleman shared her frustration about applicants who were not awarded the scholarship because their application was lost. She also had concerns about the appeal process regarding late applications received. Comm. Buhler responded to these concerns.

Rep. Christensen spoke of his concern regarding the perception of limited higher education funding. He mentioned the example of Massachusetts and their guarantee of eight semesters of paid college and their successful higher education graduation rate. Rep. Thurston expressed his experience and concern about the seven percent of individuals whose applications were rejected.

Sen. Hillyard gave a historical perspective regarding the scholarship and how it was designed not to create a feeling of entitlement. He expressed support for having and adhering to due dates and requirements.

Rep. Poulson expressed her concerns about the application process and as to whether the students are receiving qualified information from their high school counselors. She knew of a number of applications that were rejected because no college transcript was attached; but the students thought their transcript from high school showing concurrent enrollment courses would count. Comm. Buhler explained why a college transcript was necessary.

Co-Chair Stephenson recessed the meeting until 1:00 p.m.

Co-Chair Stephenson called the meeting back to order at 1:30 p.m.

6. Subcommittee Bill- Moving the Utah State Office of Rehabilitation (USOR)

Vice Chair Jennifer Johnson, Utah State Board of Education, spoke about the proposal to move USOR out of USOE. She reported on the recommendations from the last committee meeting. She discussed the recent audit and the financial status of USOR. She stated that both USOE and USOR are funded through federal grants which creates complexities to the management of both.

Rep. Eliason commented that wherever USOR, is moved the budget and indirect costs would follow. He stated that federal regulators would review the cost analysis and other reports.

Sen. Hillyard asked whether there were complaints about the services. He stated that he was very familiar with the budget oversight, costs and other reports. Ms. Johnson responded regarding the client load for each USOR case worker. He said that the changes in staff and policies of USOE and USOR have been under scrutiny and the budgets and practices are currently frozen.

Co-Chair Stephenson asked whether a motion would be adequate to separate the two offices or if it would require a bill. Mr. Leishman answered that general counsel had indicated that this would require a bill. Co-Chair Eliason stated that he would be sponsoring a bill in the upcoming session regarding this separation.

7. Fiscal Year 2015 Budget Review—Estimates Compared to Actuals

Mr. Leishman shared the [FY2015 Public Education Budget Actual Revenues & Expenditures](#) with the committee. Mr. Leishman also explained the [USOE - Fees](#). He stated these will be reviewed during the session and indicated there will be no recommendation to increase current fees.

8. Minimum School Program—Oversight of Categorical Programs

Mr. Leishman introduced the [Minimum School Program Categorical Program Oversight](#) report. The committee discussed the funding of foreign exchange students in regards to qualifying for and receiving scholarships. Mr. Leishman indicated that the WPU does not align with this program. The analysts would recommend a separation of 328 WPUs from the Grades 1-12 Program. They would further recommend eliminating additional state funding for foreign exchange students.

Mr. Leishman reviewed data regarding monies being spent on Impact Aid teachers for at-risk students in juvenile detention facilities. He mentioned that the state-level administrative costs may be in violation of the Budgetary Procedural Act. The committee discussed whether USOE had the statutory authority to allocate funds to these programs.

Mr. Scott Jones, Director of Operations at USOE, spoke regarding the funding of the USOE online program. Ms. Johnson mentioned the need for greater funding and access to this program. The committee discussed whether there was sufficient administrative power for USOE to fund future shortages. Co-Chair Stephenson asked Ms. Johnson to address these possible changes in the upcoming legislative session.

Rep. Briscoe asked Mr. Leishman to further review the value of the WPU. The committee discussed the Minimal School Program.

Sen. Hillyard asked about the requirements for intensive services for school districts. Mr. Leishman indicated an IEP would be required, but they could receive 40% reimbursement.

Co-Chair Stephenson expressed concern about the lack of funding especially during the summer for youth in custody and detention facilities in the Granite School District facilities. He would like to see the creation of some summer programs to keep the youth occupied.

Rep. LaVar Christensen stated that the State Board has asked the USOE to create a fiscal balance explanation. Ms. Johnson stated that in the future it would be beneficial to share a brief presentation on State Education Compliance and the 278 FTE's.

Rep. Christensen asked how reliant USOE is on federal funding through either NCLB or other Federal Programs. Mr. Leishman answered that about 10-12 percent comes from federal funds, 20 percent is from the local income tax and the balance comes from State Funding. Rep. Christensen noted the great cooperation currently taking place between the USOE and the State Board.

Rep. Poulson asked for clarification on the current increase in federal funds from past years. Mr. Leishman responded that the increase is due to federal grant requests.

9. ALEKS Online Math Program

Ms. Tammy Goetz, Executive Director of STEM Action Center, & Dr. Sarah Brasiel, Associate Director of the Active Learning Lab, Utah State University, explained the implementation of ALEKS. They gave a presentation about the STEM Action Center and the evaluation of the data obtained. They discussed using the software at optimal rates to increase student outcome. Ms.

Hollie McIntosh, Math Supervisor from Salt Lake School District discussed the progress of ALEKS. She pointed out that ALEKS is a great resource as long as students have access to the technology. Mr. Nathan Auck, Math Coach at Horizonte and students Alondra Perez and Meriya Cruz shared their positive experiences with ALEKS.

Rep. Briscoe mentioned that the students of Horizonte are a good representation of alternate learning paths and he asked about their funding.

10. Digital Learning Software Update

Ms. Dickson introduced the software reports. [Imagine Learning: English Language Learner Software](#), [Early Reading Software](#)

Dr. Christelle Estrada, USOE Title III Specialist, spoke about the Electronic Reading Assessment Tool and English Language Learners in relation to this data. She gave a program overview and discussed Alternate Language Services. Ms. Throndsen reviewed data from the USOE website and reported on Early Intervention Reading Software Licenses.

Sen. Thatcher asked for clarification about the fidelity of the software. The committee discussed the intended outcomes and the budgetary commitment. Co-Chair Stephenson asked about seeking reimbursement from software vendors for those 40,000 students that did not utilize their software.

11. Dyslexia Center Presentation

Ms. Kristin Eberting and Ms. Shelley Hatch from the Dyslexia Board of Utah gave a presentation about the Dyslexia Center [Dyslexia Center of Utah](#). They shared their studies and findings. Amanda, Emma, and Roger Organza spoke about the success of the program.

12. University of Utah Reading Clinic

Ms. Karen Morgan gave a presentation regarding the [University of Utah Reading Clinic](#). She shared the mission and the request for ongoing funding to create a Distance Lab. Rep. Cutler asked what grade levels were targeted and about the professional development models. Rep. Poulson commented on the value of this project. She shared a personal experience about her son, who was diagnosed as dyslexic and how early interventions allowed him to graduate from Harvard.

MOTION: Sen. Thatcher moved to adjourn. The motion passed unanimously.

Co-Chair Stephenson adjourned the meeting at 4:45 p.m.