

Budget and Policy Investments for Utah Life Elevated 2020



Life Elevated 2020

Effective & Efficient Government

Qualified Workforce

Affordable, Thriving Communities

Equitable & Competitive Revenue

Utah's unparalleled population and economic growth are key contributors to the life elevated experience. Ensuring that growth translates to accessible opportunities requires careful forethought and a willingness to face challenges head on. Life Elevated 2020 is a collaborative, statewide growth strategy to further enhance the prosperity and quality of life of all Utahns. This budget not only considers how to spend new revenue but how well the state is maximizing existing resources.



\$16.7 billion
balanced budget

\$382 million
new ongoing money

\$102 million

In new one-time funds after \$35 million deposit to rainy day funds



\$276 million
new ongoing money
for education

-- **Education** --
72% of new revenue
going to education

\$9 billion
total budget for education
(state, local, federal)

Through year 3, reached **67 percent** of Governor's 5-year goal of **\$1 billion** for public education and **\$275 million** for post-secondary education

K - 12

\$208 million in new funding

\$170 million increase
in flexible, local education funding

Weighted Pupil Unit (WPU) increase of \$121 million (4%) allows local school boards flexibility to focus on local investments for:

- Professional development
- Teacher salary increases
- Technology development
- Counseling



Amount equal to a 1.6% WPU increase

- ✓ **\$34 million** WPU add on for children at risk of academic failure
- ✓ **\$25 million** (\$14.8 million ongoing and \$10.2 million one time) for property tax equalization

Enrollment growth of 7,700 students
\$36 million

Post-Secondary Education

\$102 million in new funding (\$68 million ongoing and \$34 million one time)

- ✓ Increase of **\$33.2 million** for USHE compensation (including \$8 million to avoid mandatory tuition increases) and a flexible funding increase of **\$24 million**
- ✓ Increase of **\$1.7 million** for technical college compensation, a flexible funding increase of **\$7 million**, and **\$0.7 million** for new O&M
- ✓ **2018: the Year of Technical Education**

Objectives

- Dramatically increase completion rates while lowering cost per-student
- Lead the nation in students completing high-quality technical education
- Ensure access and equity to include 1st generation and non-traditional students
- Support training programs for sectors experiencing skill gaps and labor shortages—improve alignment between graduate skills and workforce needs



Table 2 - Governor's Budget Recommendations for Education

Public K-12 Education	One-time	Ongoing	Total
A. New Education Fund and General Fund			
4% Increase in the Weighted Pupil Unit (WPU)	\$0	\$121,182,300	\$121,182,300
New WPU Add-on for Students At Risk of Academic Failure ¹	\$0	\$33,833,200	\$33,833,200
Consensus Enrollment Growth (7,681 New Students) ²	\$0	\$33,488,500	\$33,488,500
Increase in Local Levy Guarantee (Equalization of Local School Property Taxes)	\$0	\$12,800,000	\$12,800,000
New Local Levy Guarantee for Rural Schools (Equalization of Local School Property Taxes)	\$0	\$2,000,000	\$2,000,000
Board of Education Staff Compensation (2%) and Internal Service Fund Costs	\$0	\$1,113,000	\$1,113,000
Beverly Taylor Sorenson Arts Learning Program	\$0	\$1,000,000	\$1,000,000
Utah State Instructional Materials Access Center (USIMAC) Expansion	\$500,000	\$450,000	\$950,000
Statutory Increase for USDB Educators (Steps & Lanes)	\$0	\$765,800	\$765,800
Discretionary Funding for Board of Education to Address Staffing Priorities	\$0	\$313,000	\$313,000
Statutory Increase for Carson Smith Scholarship	\$0	\$300,000	\$300,000
Enrollment Growth for Four Additional Below-the-line Programs ³	\$0	\$274,900	\$274,900
K-12 EF/GF Subtotal	\$500,000	\$207,520,700	\$208,020,700
B. Re-prioritized Funding (Nonlapsing Balances, Dedicated Credits, and Transfers)			
New WPU Add-on for Students At Risk of Academic Failure ¹	\$0	\$28,034,600	\$28,034,600
Consensus Enrollment Growth (7,681 New Students) ²	\$2,556,100	\$0	\$2,556,100
Increase in Local Levy Guarantee (Equalization of Local School Property Taxes)	\$10,200,000	\$0	\$10,200,000
CANVAS Learning Management System K-12 Schools	\$0	\$1,900,000	\$1,900,000
Teacher Supplies & Materials	\$1,000,000	\$0	\$1,000,000
Beverly Taylor Sorenson Arts Learning Program	\$625,600	\$0	\$625,600
K-12 Re-prioritized Subtotal	\$14,381,700	\$29,934,600	\$44,316,300
Post-secondary Education			
C. New Education Fund and General Fund			
Wage and Wage-based Benefits Compensation (2%)	\$0	\$19,767,600	\$19,767,600
Health Insurance Increase ⁴	\$0	\$7,465,300	\$7,465,300
Additional Compensation - Elimination of Mandatory (Tier I) Tuition Increase (USHE) ⁵	\$0	\$7,953,000	\$7,953,000
Discretionary Funding for Board of Regents to Address Budget Priorities	\$0	\$24,000,000	\$24,000,000
Discretionary Funding for USTC Board of Trustees to Address Budget Priorities	\$0	\$7,000,000	\$7,000,000
SUCCESS Framework Pilot Projects	\$1,000,000	\$0	\$1,000,000
UETN Equipment	\$1,500,000	\$500,000	\$2,000,000
UETN Expanded Connectivity	\$0	\$650,000	\$650,000
Telehealth Operations	\$0	\$350,000	\$350,000
UETN Network Operations Center 24/7 Staffing - Stage 2	\$0	\$300,000	\$300,000
Capital - Davis Technical College Allied Health Building	\$34,364,500	\$0	\$34,364,500
Capital - Davis Technical College Allied Health Building Operations and Maintenance (O&M)	(\$661,300)	\$661,300	\$0
New Buildings Operations & Maintenance Savings (Construction Not Yet Completed)	(\$2,378,000)	\$0	(\$2,378,000)
Post-secondary EF/GF Subtotal	\$33,825,200	\$68,647,200	\$102,472,400
D. Re-prioritized Funding (Nonlapsing Balances, Transfers, and Other Existing Funding)			
Utah Futures	\$2,000,000	\$0	\$2,000,000
Performance-based Funding ⁶	\$6,500,000	\$0	\$6,500,000
GOED/Post-secondary Partnership for Targeted Training Programs ⁶	\$9,583,600	\$0	\$9,583,600
Capital - University of Utah Medical Education and Discovery Rehabilitation Hospital	\$5,000,000	\$20,000,000	\$25,000,000
Capital - Dixie State University Human Performance Center	\$17,000,000	\$0	\$17,000,000
Capital - Weber State Social Science Building Renovation	\$15,940,000	\$0	\$15,940,000
Post-secondary Re-prioritized Subtotal	\$56,023,600	\$20,000,000	\$76,023,600
New State EF/GF Funding (A and C)	\$34,325,200	\$276,167,900	\$310,493,100
Re-prioritized Funding (B and D)	\$70,405,300	\$49,934,600	\$120,339,900
TOTAL	\$104,730,500	\$326,102,500	\$430,833,000

1. Total funding for the new WPU Add-on for Students At Risk of Academic Failure is \$63,333,200 and consists of \$28,034,600 reallocated from the current Enhancement for At-Risk Students program and \$35,156,700 of new funding (\$1,465,400 of which is funding for enrollment growth and the WPU increase for the Enhancement for At-Risk Students program).

2. Consensus enrollment growth will cost \$36,044,700 in state EF (\$33,488,500 ongoing and \$2,556,100 one-time). One-time funding (for FY 2018) is from nonlapsing balances within the MSP; the local revenue contribution from the basic levy is expected to increase by \$9,032,500 in FY 2019.

3. Guarantee Transportation Levy, Title I Paraeducators, K-3 Reading Improvement, Early Intervention

4. This includes a \$181,000 decrease in the cost of dental insurance.

5. This funding is to pay for the portion (25%) of the USHE compensation increase traditionally paid for with tuition revenue.

6. Use of one-time Performance Funding (SB 117) savings.