



MSP CATEGORICAL PROGRAMS
& REGIONAL SERVICE CENTERS

State Programs with Rural Emphasis

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February 2019

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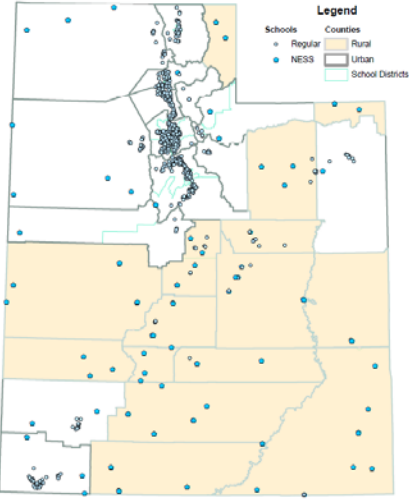
What is Rural?

2019 GS | How Are Rural Schools Defined?

Definitions

- No Clear Definition
- Rural School Transportation (53F-5-211)
 - 4th, 5th, or 6th Class Counties (Pop. <31,000)
- Board Rule (R277-445) NESS Schools
 - Distance: “One-Way Bus Travel” from Assigned School to Nearest District School of the Same Type
- State GOED Rural Development Programs
 - Mostly 4th-6th Class Counties
 - Some 3rd Class Counties (with Limits)
- Federal Definitions (Census/OMB)
 - Population Density Based

Rural (Non-Metropolitan) Counties and Urban (Metropolitan/Micropolitan) Counties with Regular and NESS Schools




Legend

Schools: Regular (grey dot), NESS (blue dot)

Counties: Rural (orange), Urban (white)

School Districts (green outline)

Author: Emily Wills, Office of the Legislative Fiscal Analyst
 Date: Kim C. Gaudner Policy Institute (2018), School Age Population Estimates, Utah Automated Geographic Reference Center (AGRC) (2017), Schools & Libraries, Utah AGRC (2018), State, County, and Municipal Boundaries, Utah AGRC (2017), School Districts.



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MSP – Rural Emphasis Programs

2019 GS | How Are Rural Schools Supported in the Education Budget?

Minimum School Program

- Necessarily Existent Small Schools (NESS)
 - School Enrollment & Distance Limits
- Administrative Costs
 - WPU's Based on Size (< 5,000 Students)
- Pupil Transportation Programs
 - To & From Program
 - Reimbursement Based on Miles/Minutes
 - Rural Transportation/Guarantee Transportation
- Formulas that Use WPU's
 - Distribution Formulas that Use Total WPU's
 - Include NESS & Admin Cost WPU's
 - Examples: Flexible Allocation, Professional Staff
 - Base + Formulas
 - Examples: Early Intervention



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Necessarily Existent Small Schools

2019 GS | Not All Rural Schools are Necessarily Existent

Highlights

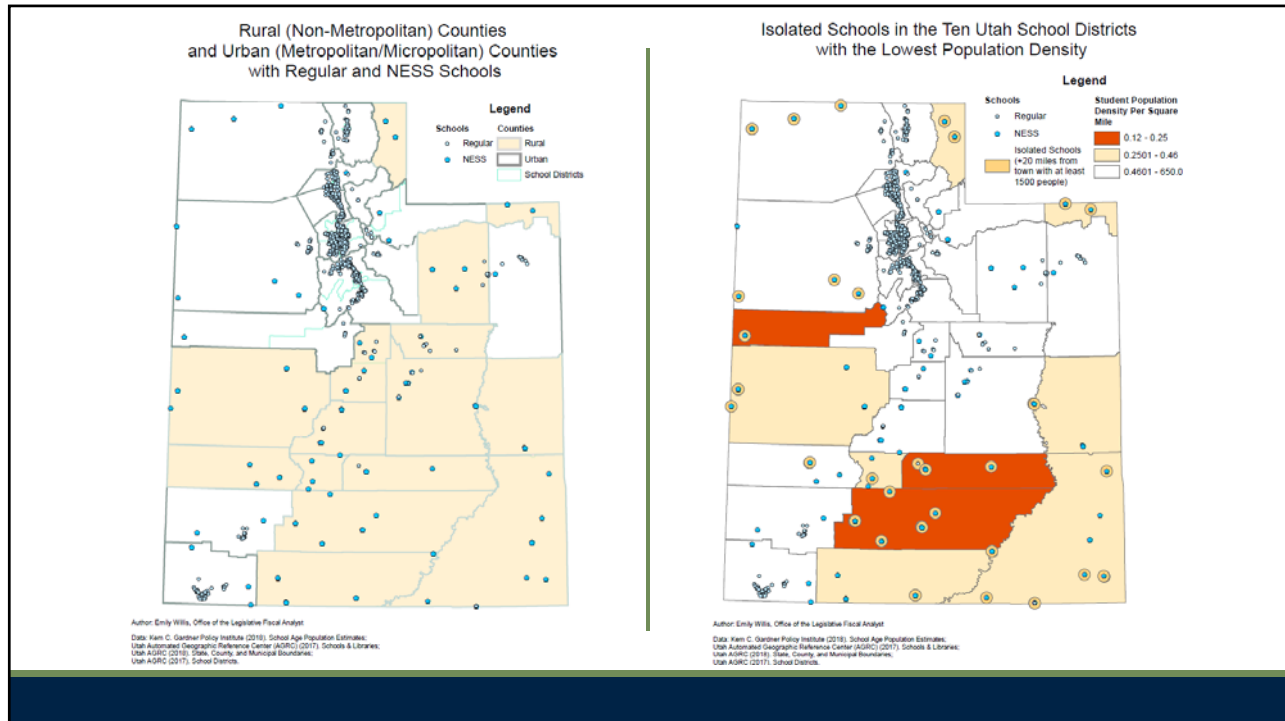
- Origins from Original MSP
 - Additional Weighting to Recognize Higher Cost
 - Legal Provisions to Determine if "School Should be Allowed to Operate"
- \$32.5 Million in FY 2019 | 95 Schools
- Statute ([53F-2-304](#))
 - School Size Limits
 - Board to Establish Qualifying Standards
 - Develop Regression Formula to Distribute WPU's
- Board Rule (R277-445) NESS Schools
 - "One-Way Bus Travel" from Assigned School to Nearest District School of the Same Type:
 - 45 Minutes for Students in Grades K-6
 - 75 Minutes for Students in Grades 7-12

Questions & Observations

- Should Statute Provide More Detail on School Eligibility?
- How do Statutory Maximum Size Limits by School Type Align with Needs?
- Should Total LEA Enrollment Factor into NESS Eligibility?
- How Should Local "Community School" Needs Weigh into State NESS Status?
- Three School Types:
 - Rural
 - Necessarily Existent
 - Isolated (May or May Not be NESS)



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Issue & Recommendation: Isolated Schools

2019 GS | Rural, Remote, and Possibly Necessarily Existent

Issue

- Isolated vs. NESS
 - Degree: Most Remote Areas of the State
 - Low Population Density & Distance from Population Center (1,500 in Example)
- Unique Problems Faced by Remoteness
 - Hiring & Maintaining Qualified Educators
 - Provision of Housing/Establishing Roots
 - Multi-Discipline Endorsements
 - State Training Activities – Time Commitment, Travel, Substitutes, Etc.
 - Student Educational Opportunities
 - Limited Course Options & Difficulties Building Student Quantities to Provide More Options
 - Long Travel Times To & From School
 - Difficult to Build Relationships with Teachers

Recommendation

- Isolation is a Degree of Severity
 - Component of NESS but Not All Isolated Schools Qualify for NESS
 - 6 “Isolated” Schools do Not Qualify for NESS
 - Elementary Schools: Milford, Panguitch, Montezuma Creek, Tse’Bii’Nidzsigai, & Loa
 - All Due to Size (Enrollment Greater than 160)
- How Can the State Direct Funding to Meet the Unique Challenges of Isolation?
- Recommendation:
 - Rural vs. NESS vs. Isolated Needs Further Study
 - Develop an Isolated Schools Funding Program
 - \$1,500,000 Ongoing



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Issue: Transportation Outside of “To & From” 2019 GS | Guarantee Transportation Program

Current Program

- \$500,000 Ongoing Education Fund
 - No Funding Changes Since 2003
- Activities, Field-Trips, Non To & From Routes
- Originated as a Property Tax Guarantee
 - Local Board Levied a Dedicated Rate
 - State Funds “Guaranteed” Minimum Amount
- Now a Property Tax Matching Program
 - Rate was Combined into Board Local Levy
 - District Must Expend Equal to a Rate of 0.0002 per Dollar of Taxable Value (Board Levy)
 - District Receives Difference Between 85% of Costs and Amount Expended

Issues

- Rural Districts Report High Cost of Activity & Field Trip Transportation
 - Long Distances & Multi-Day Travel
- Not Independently Reported
 - Annual Program Report
 - Revenues/Expenditures Combined with “To & From” Transportation Program
 - Board Levy Expenditures Used in Distribution Formula but Actual Levy Expenditures on Guarantee Program Not Verified
 - Expended on To & From or Guarantee Program



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Recommendation: Guarantee Transportation 2019 GS | Rural Transportation Matching Grant Program

Options & Recommendations

- Eliminate State Support for Non-To & From Qualifying Transportation
- Status Quo
- Convert to a Matching Grant Program
 - Restrict to Districts in 4th-6th Class Counties
 - Require Dedicated Property Tax Match
 - Restrict to Non-To & From Expenditures
 - Distribute Proportionally Based on Prior-Year Non-To & From Miles/Minutes
- Recommendation
 - Convert to a Matching Grant Program
 - Increase Funding by \$500,000 Ongoing



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Issue & Recommendation: Career Pathway Development in NESS Schools

2019 GS | Career & Technology Education

Issue

- Difficulty in Developing/Expanding Pathways
 - Low Student Enrollment to Justify Cost
 - Finding Qualified Instructors
 - Distance from Tech College
- Distribution of CTE Add-on Funding
 - Bulk of Funding Distributed on Prior-Year CTE Participation + Growth Factor
 - Incentive to Maintain Participation
- Maintain vs. Innovate
 - Locals Front Cost to Create/Change Pathways
 - State Funding Follows Approval of Program & Student Participation
 - Difficult to Justify Cost for Few Students

Recommendation

- CTE Pathway Development in NESS Schools
 - Funding for CTE Pathway Development in Necessarily Existent High Schools
 - Competitive Grants for Start-up Costs
 - 1-3 Year Step-Down Grant
 - LEA to Cover Costs After with Increased Add-on Funding (Assuming Greater Student Participation)
 - Coordinate with Other Regional NESS Schools & Tech Colleges
- Recommendation
 - Appropriate Funding to State Board
 - \$350,000 Ongoing

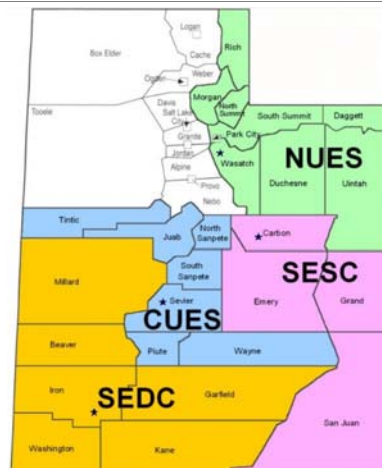


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Issue: Regional Service Centers 2019 GS | Cooperative Regional Support for Rural LEAs

Current Program & Funding

- Appropriation to the State Board of Education
 - \$2.0 M One-time
 - \$500,000 to Each Service Center
 - Varied Use of State Funds in Centers
- “Eligible Regional Service Center” (53G-4-410)
 - Formed by 2 or More School Districts as an Interlocal Entity
- State Board of Education
 - Distribute State Appropriations Made by Legislature
 - Rule Making Authority
- Charter Participation
 - NUES, SESC, & SEDC



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Discussion: Governance of Regional Service Centers 2019 GS | Questions & Governance Options

Questions

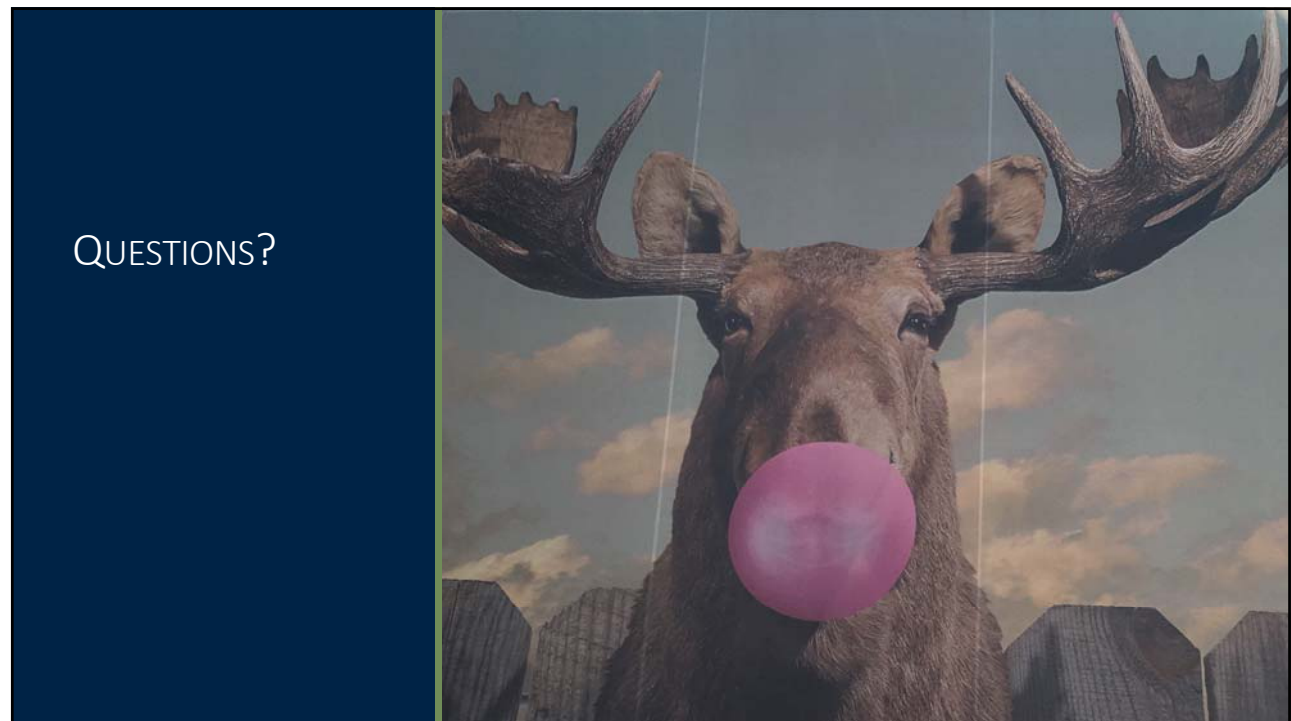
- What is the Role of the State Board?
 - Simply Pass Funds or Active Role in Providing/Guiding Services
- Who Holds RSCs Accountable? Local LEA Participants or State Board?
 - Funding: Divided & Dependent
 - Local Board: Funding for Coordinated Services
 - State Board: State Funding Allocation
 - Educational Services for Students
 - Financial Transparency: Not Included in State Annual Reports as Independent Entities

Governance & Funding Options

- Status Quo
- Support Local Governance
 - Support Interlocal Agreements Made by Participating LEAs
 - RSCs Accountable to Participating LEAs for Services & Funding
 - State Board Distributes State Allocation to LEAs
- Coordinated State Governance
 - Strengthen the Tie with State Board Office
 - USBE Regional Affiliates
 - Local LEAs in Cooperative Oversight Role
 - Enhanced State Funding Role
 - Greater State Funding Obligation (Local Match?)
 - Coordination & Delivery of State Funding Programs



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