

Executive Appropriation Committee
Potential 2002 Interim Studies
April 23, 2002

From SJR 15 - Master Study Resolution - assigned by Legislative Management Committee as potential studies during the 2002 interim:

1. Appropriation for School Districts Impacted by Fee Waivers - to study appropriating ongoing funds from the Uniform School Fund to the State Board of Education for distribution to certain school districts impacted by fee waivers. (H.B. 271)
2. Budget Disclosure - to study issues related to budget disclosure requirements.
3. Concurrent Enrollment - to study the flow of funding and the costs incurred by the student in concurrent enrollment.
4. Cost-of-Living Adjustments for Public Safety and Law Enforcement - to study whether to increase the cost-of-living adjustment for public safety and law enforcement retirees from 2.5% to 4%. (H.B. 97) **(Suggest a letter from Executive Appropriations Committee to Legislative Management Committee requesting this be assigned to Quasi-Governmental Entities Appropriations Subcommittee.)**
5. Decertifying Nursing Home Beds - to study issues related to the decertification of unused nursing home beds. **(Suggest a letter from Executive Appropriations Committee to Legislative Management Committee requesting this be assigned to Health and Human Services Appropriations Subcommittee.)**
6. Driver Education in Schools - to study how to phase out driver education in schools and address the increased impact on the Driver License Division.
7. FACT Evaluation and Funding - to study the Families, Agencies, and Communities Together for Children and Youth At Risk Program, its funding levels, the effectiveness of the program in delivering services to those with special needs, and determine whether one state department should be made responsible for the program.
8. Fee Analysis - to study the creation of a task force to study fees charged by state agencies.
9. Funding Growth in Education - to study which education programs should be treated with a growth factor in determining future education funding. **(Suggest this be assigned to Public Education Appropriations Subcommittee.)**
10. Higher Education Tuition and Financial Aid - to study whether to tie higher education tuition increases to increases in financial aid availability. **(Could be assigned to the Higher Education Appropriations Subcommittee.)**

11. Internal Service Funds - to study internal service fund cost structure, the impact of the cost structure in internal service fund budgeting, and the impact of cost structure/budgeting on internal service fund rates.
12. Nursing Home Budget Rider - to study attaching a rider to a Medicaid nursing home budget to follow the individual if they move from the nursing home.
13. Planning, Funding, and Construction of School Buildings - to study whether greater efficiencies can be developed in the design, funding, and construction of school buildings, review developing plans by school districts, and work with the Division of Facilities Construction and Management to create reasonable alternatives.
14. School District Budget Analysis - to study and conduct a detailed analysis of the budgets of the state's 40 school districts.
15. School Funding Through Uniform WPU Value - to study the impact of using a uniform weighted pupil unit value to fund all schools, particularly the impact on charter schools that are high schools. **(Suggest this be assigned to Public Education Appropriations Subcommittee.)**
16. Rainy Day Fund - to study recommendations for the optimum size of the Rainy Day Fund.

Studies Required by Intent Language:

17. Higher Education tuition waivers - Requires a report from the State Board of Regents, Item 180, S.B. 1, 2002 General Session.
18. Evaluate future funding requirements for STIP (State Transportation Improvement Plan) and review UDOT Performance Management Plan, as per requirements of Item 234, S.B. 1, 2002 General Session.
19. Report from the Department of Administrative Services regarding solvency of State Surplus Property - Required by Item 59, S.B. 1, 2002 General Session, to be prepared by June 30, 2002.

Report Requested by Legislative Management Committee:

20. Follow-up on State Auditor's Federal Compliance concerns - letter of March 27, 2002. **(Suggest that the Legislative Fiscal Analyst and Legislative Auditor General work together on this issue.)**

Additional Suggested Studies:

21. Budgetary Procedures Act
 - a. General Fund is to be spent last. Is this actually happening?
 - b. Is funding being shifted between line items by work program revisions?
 - c. Dedicated Credit Expenditures - 125% Rule. Is this a bonus to agencies?
22. Evaluate the cost of delivering ATE programs in Higher Education and UCAT institutions. Could be done in conjunction with the requirements of Item 79, S.B. 1, 2002 General Session requiring that the Commerce and Revenue Appropriations subcommittee should review UCAT tuition and enrollment growth funding.
23. Are school districts using the State to fund Capital Facilities? ATC's built with State funds to accommodate secondary students.
24. Review of agency performance indicators - follow-up to previous studies.
25. Health and Dental benefits - Are there advantages to the State by having a more defined common benefit package including state, public ed, and higher ed employees?
26. Is the State currently using a Pharmacy Benefits manager (PBM)? Should the State become part of a drug purchasing pool with other states? Can be done in conjunction with the Health and Human Services Appropriations subcommittee as per intent language, Item 128, S.B. 1, 2002 General Session.
27. Waiting list for the Division of Services for People with Disabilities (DSPD) – The Division is reviewing statutory, language, policies and procedure in response to recent legislative audit. The auditors will present a follow-up report by the next general session on progress. Further study in this area ought to be in conjunction with the Legislative Auditors.
28. Information Technology Consolidation - Intent Language, Items 53 & 58, S.B. 1, 2002 General Session. The State Chief Information Officer should identify General Fund savings with State Government Information Technology Expenditures.

In-Depth Budget Review

JR-3.02 (13)

(d) (i) Each year, the Executive Appropriations Committee shall:

(A) select a state agency, institution, or program to be the subject of an in-depth budget review; and

(B) direct an appropriation subcommittee to conduct the in-depth budget review of the agency and report back to the Executive Appropriations Committee.

(ii) In conducting the in-depth budget review, the appropriations subcommittee shall:

(A) study, in detail, the budget of the agency, institution, or program:

(B) prepare a report making recommendations for reduction or additions to the budget of that agency, institution, or program; and

(C) present its findings and recommendations to the Executive Appropriations Committee.

Suggested Issues for In-Depth Review

1. FACT evaluation and funding - Health and Human Services, Public Ed, Commerce and Revenue in conjunction with the Legislative Auditor.
2. Internal Service Funds - Review of cost structures - Capital Facilities and Administrative Services
3. Health and Dental benefits - Are there advantages to the state by having a more defined common benefit package for all state and education employees? - Quasi Governmental, Higher Ed, Public Ed.
4. Waiting list for the Division of Services for People with Disabilities (DSPD) - The Division is reviewing statutory language, policies and procedures in response to recent legislative audit. The auditors will present a follow-up report by the next general session on progress. Further study in this area ought to be in conjunction with the Legislative Auditors.
5. School District Budget Analysis - to study and conduct a detailed analysis of the budgets of the state's 40 school districts.

As a Point of Interest and Recommendation:

Going back to 1983, it is noted that **63-38-14** UCA also deals with in-depth budget reviews. Entitled, *Request for in-depth budget review of agency or program*, this section states that the Legislative Management Committee, upon recommendation of an appropriations subcommittee, may request the Governor do an in-depth budget review of any state department, agency, institution, or program.

The purpose of the in-depth review as stated in **63-38-15**, is to determine whether each department, agency, institution, or program warrants continuation of its current level of expenditure or at a different level, or if it should be terminated. In **63-38-16** the legislative auditor general is required to consult with the Legislative Management Committee to determine the programs or activities to audit which will best assist the executive branch in preparing the in-depth budget and the Legislature in reviewing the in-depth budget for funding. This section also says that the legislative fiscal analyst and the legislative auditor general coordinate the in-depth budget reviews insofar as possible with the audits performed by the legislative auditor general.

Since it does not appear that any action has ever been taken as a result of these sections of code, the Analyst suggests that the Executive Appropriations Committee may want to recommend to the Legislative Management Committee that these sections be repealed in the next General Session.

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