

# LEGISLATIVE UPDATE/MSP – USBE SPRING FINANCE TRAINING MAY 2019



# WHERE CAN I FIND INFORMATION?

## Bill Book:

- <https://www.schools.utah.gov/policy/legislativesession?mid=1978&tid=0>
  - ❖ “Public Education Summary”

## Session Funding Budget:

- <https://www.schools.utah.gov/policy/legislativesession?mid=1978&tid=0>
  - ❖ General Legislative Summary

## Legislative Estimates:

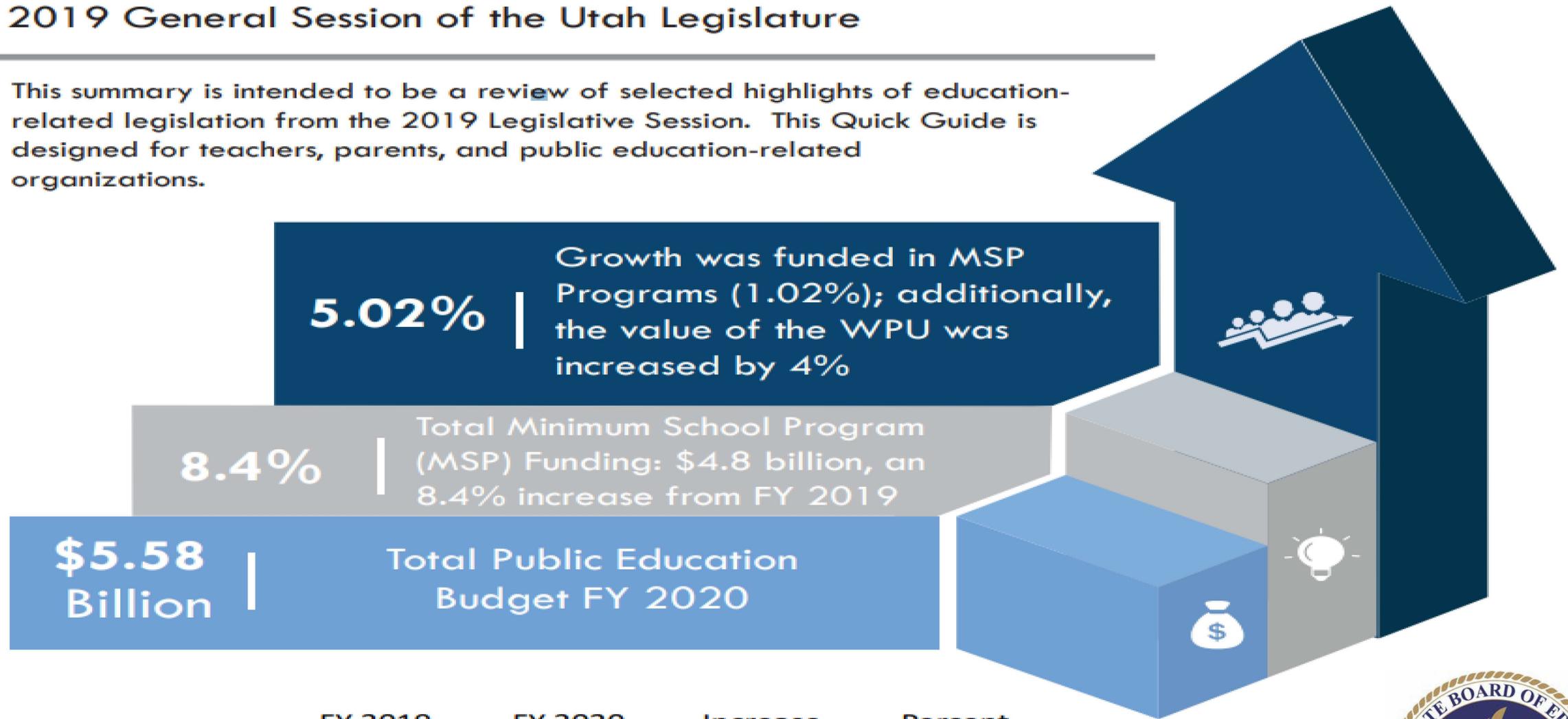
- <https://www.schools.utah.gov/financialoperations/msp?mid=2194&tid=2>
  - ❖ Legislative estimates are the first documents on the left column under the heading 2019-2020



# Public Education Quick Guide

2019 General Session of the Utah Legislature

This summary is intended to be a review of selected highlights of education-related legislation from the 2019 Legislative Session. This Quick Guide is designed for teachers, parents, and public education-related organizations.



WPU Value	FY 2019	FY 2020	Increase	Percent
	\$3,395	\$3,532	\$137	4.0%





## **Enrollment Growth & WPU**

\$163,700,000 ongoing & \$4,300,000 one-time. This funding includes the WPU value increase. LEAs will be funded on the prior year ADM + growth. Enrollment growth was funded for an estimated increase of 6,750 students next year.

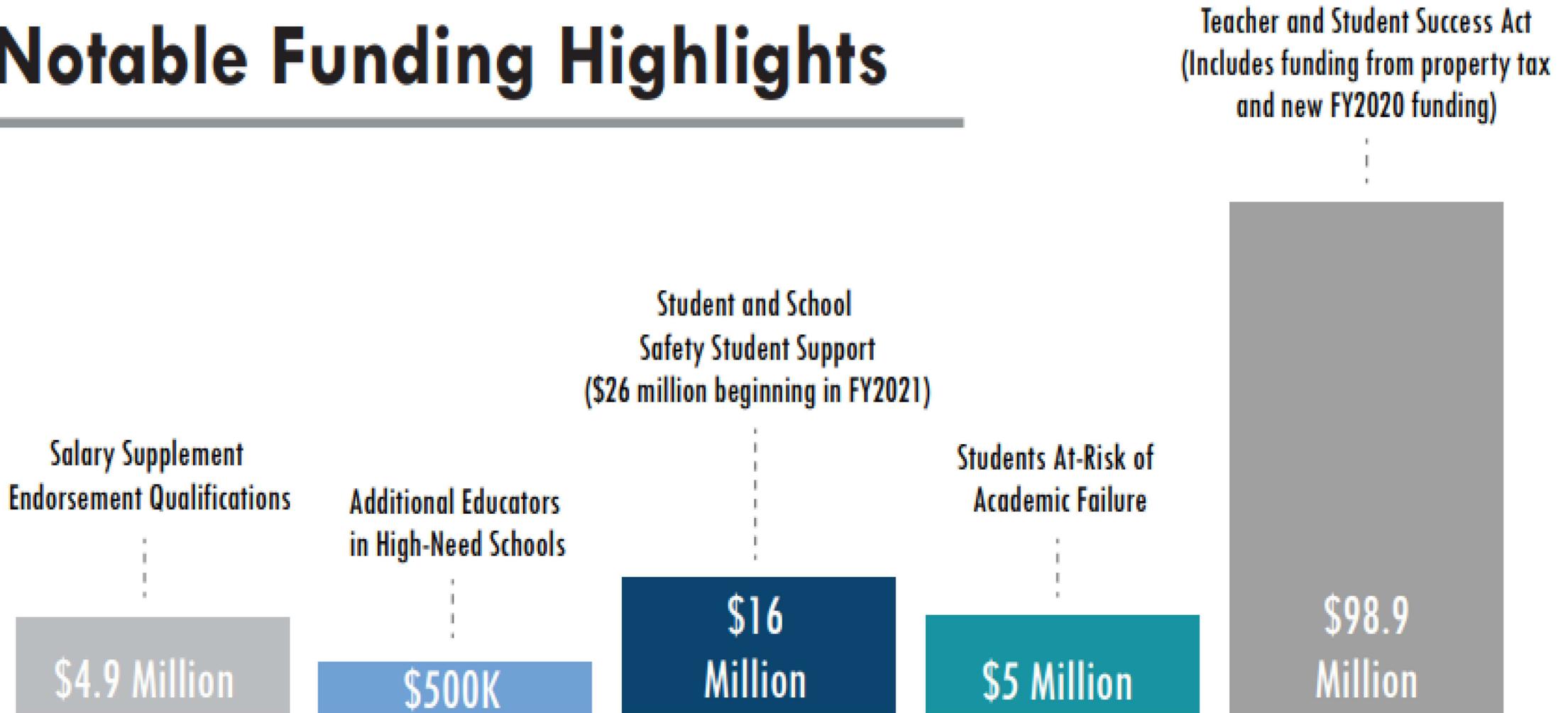


## **Voted and Board Local Levy Programs Increase**

The Equity Pupil Tax Rate could increase the number of guaranteed local levy increments up to 20 for either the Voted or Board Local Levy Programs with appropriated funds of \$49 million.

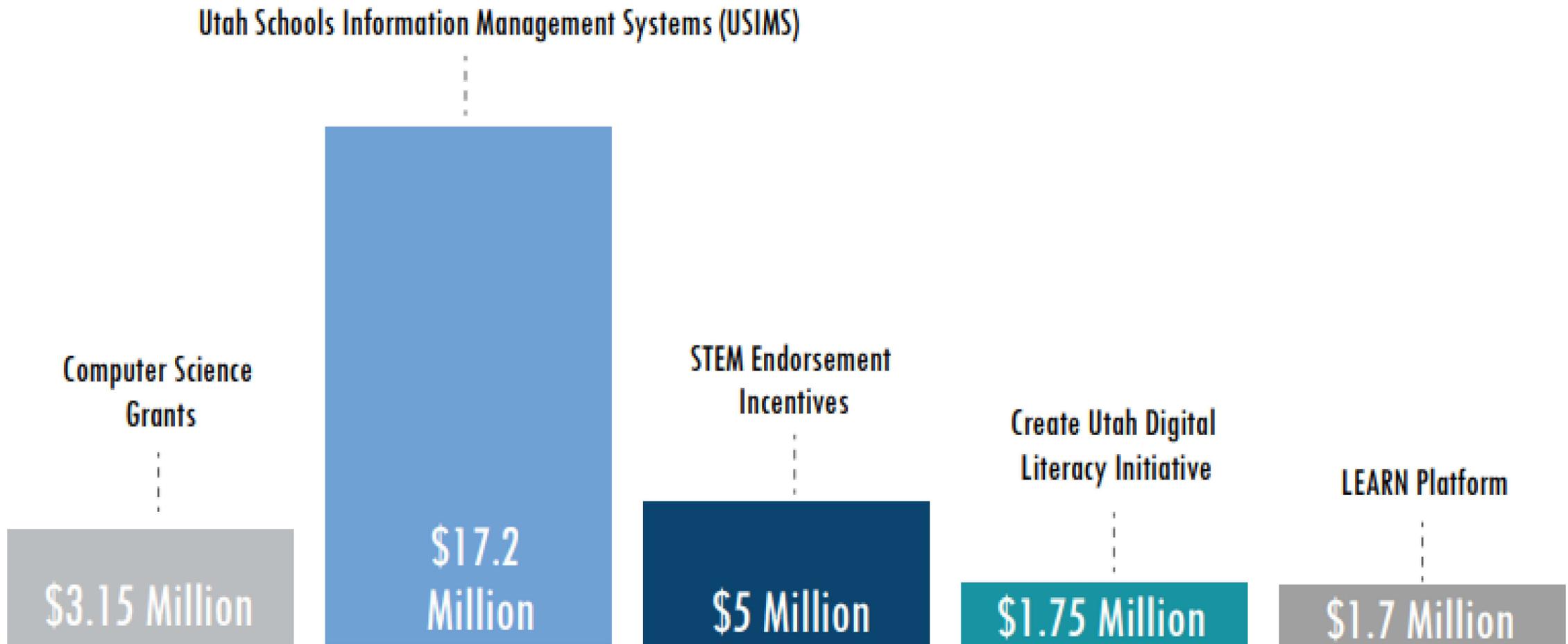


# Notable Funding Highlights



## Teacher & Student Support

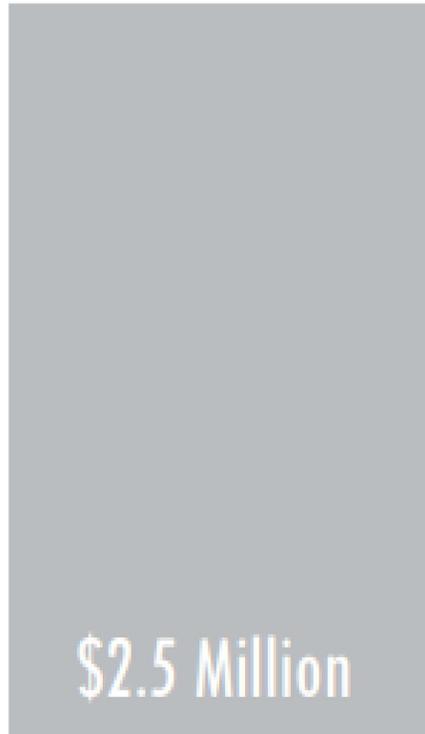




## Investments in Technology



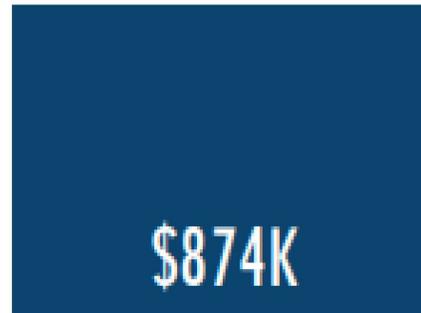
To/From Transportation



Beverley Taylor Sorenson  
Arts Learning



Dual Immersion  
Growth and Pilot



Interventions for  
Reading Difficulties

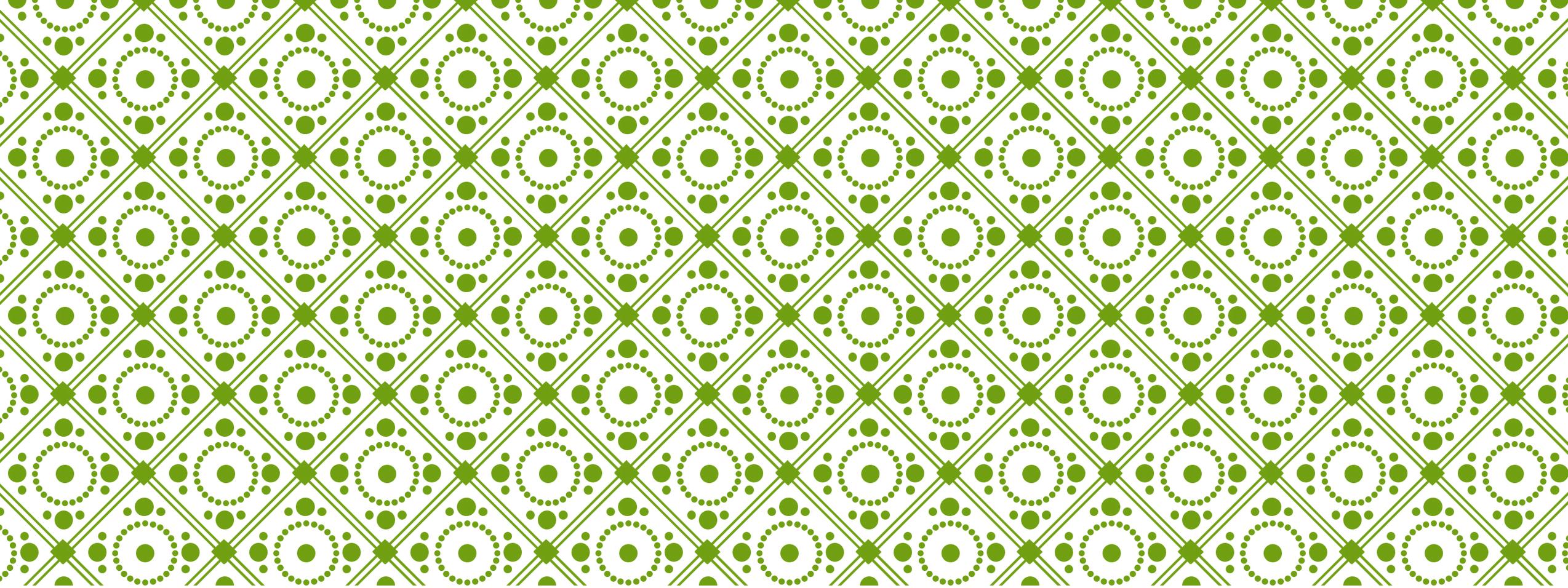


USDB USIMAC



**Program Increases**





# MINIMUM SCHOOL PROGRAM



# ENHANCEMENT FOR ACCELERATED STUDENTS PROGRAM

## ❖ Board Rule 277-707 – Distribution Changes:

### ■ Distribute as follows:

- Greater of 1.5% or \$100,000 to support IB programs (same);
- 60% of funds to support Gifted and Talented programs (62% \* Appropriation – IB funds); and
- Remaining funds to support AP programs (38% \* Appropriation – IB funds).

### ■ IB Program Allocation:

- Number of students enrolled in LEA's IB program / Statewide total IB students enrolled \* by appropriation
  - Was distributed by 50% equally distributed to authorized IB programs & 50% distributed based on a fixed amount per exam passed with a 4 or higher

### ■ AP Program Allocation:

- 50% of appropriation will be distributed by prorated share of students enrolled in AP programs
- 50% of appropriation will be distributed on a per student amount for students receiving a two or higher on an AP examination
  - Was distributed at a fixed amount per exam passed with a 3 or higher



# CHARTER SCHOOL ADMINISTRATIVE COSTS

## 53F-2-306 – Administrative Costs

### ❖ Language added to statute:

“For fiscal year 2020, the state board shall distribute \$40,000 to each charter school that enrolls fewer than 400 students.”

❖ This is a one-time increase for charter schools who enroll fewer than 400 students

❖ The legislative estimates for administrative costs will be “trued up” with actual October 1, 2018 head counts which may increase funding if counts increase beyond 400 students



# CHARTER SCHOOL LOCAL REPLACEMENT FUNDS

For FY2020:

- ❖ Legislature appropriated \$4 million ongoing
  - These funds are distributed based on an equal amount per student
  - Funding for FY21 forward may be different depending on outcome of Local Replacement workgroup
  - Purpose of funding is to help address the two-year data lag
  - Reported in 2 separate columns for transparency:

Legislative Estimate Book FY2020:

RELATED TO BASIC PROGRAMS: CHARTER SCHOOLS  
FY2019-2020 LEGISLATIVE UPDATE

ID	Local Education Agency	Local Replacement	Local Replacement - Lag	Administrative
		DOLLARS	DOLLARS	DOLLARS
68	Ogden Preparatory Academy	\$ 2,491,590.00	\$ 52,159.40	\$ 10,000.00
74	American Preparatory Academy	12,785,295.00	267,649.70	54,000.00
81	Walden School of Liberal Arts	1,022,070.00	21,396.20	4,000.00
82	Freedom Preparatory Academy	4,898,400.00	102,544.00	20,000.00
83	Acad for Math Engineering Sci	1,149,240.00	24,058.40	4,000.00
86	Pinnacle Canyon Academy	1,095,075.00	22,924.50	4,000.00
87	City Academy	419,190.00	8,775.40	4,000.00
88	Soldier Hollow Charter School	748,800.00	15,877.40	4,000.00

Charter School Summary – Legislative Estimate FY2020:

3. Charter School Local Replacement
4. Charter School Local Replacement - Lag Funding

2,491,590.00
52,159.40



# FLEXIBLE ALLOCATION & TSSA PROGRAMS

## ❖ Flexible Allocation:

- FY2020 appropriation \$7,788,000, FY2019 appropriation \$72,938,000

## ❖ Legislature took one-time funds of \$65,150,000 from FY2019 and appropriated it to a new program called Teacher and Student Success Act program

## ❖ Teacher and Student Success Act program - Appropriation \$98,950,000:

- \$46.5 million – 1.5% increase on the WPU (FY19)
- \$18.65 million – WPU Value Rate (FY19)
- \$15 million – education funds (FY20)
- \$18.8 million – WPU Value Rate (FY20)



# TEACHER & STUDENT SUCCESS ACT PROGRAM

- ❖ LEA allocation based on:
  - % of total Minimum School Basic Program WPU (Budget) divided by the statewide total
  - Multiplied by the appropriation
- ❖ LEA must submit an adopted LEA governing board student success framework to USBE to receive an LEA distribution
- ❖ LEA's framework should be designed to improve school performance or student academic achievement
- ❖ LEA cannot use funds:
  - To supplant funding for existing public educ. programs;
  - For district admin costs; or
  - For capital expenditures.



# TEACHER & STUDENT SUCCESS ACT PROGRAM

- ❖ LEA shall use the allocation for:
  - 25% of allocation to increase base salary/benefits for school personnel
  - School allocation
    - ❖ % PY school ADM compared to PY LEA ADM multiplied by remaining LEA allocation
    - ❖ Schools in their first year of operation, funded off of proj. Oct. 1 headcounts
    - ❖ LEA's framework should be designed to improve school performance or student academic achievement
- ❖ LEA can use up to 40% of allocation for increases to base salary/benefits for school personnel if:
  - School district governing board has:
    - ❖ Approved board local levy for the maximum amount; or
    - ❖ After submitted framework, increased the board levy by at least 0.0001 per dollar of taxable value; and
    - ❖ School district's average teacher salary is below the state average teacher salary.
  - The school district in a county of the 4<sup>th</sup>, 5<sup>th</sup>, or 6<sup>th</sup> class or charter school if LEA's average teacher salary is below the state average teacher salary.



# TEACHER & STUDENT SUCCESS ACT PROGRAM

- ❖ LEA shall allocate a school allocation:
  - To a school with a success plan that is approved
- ❖ School shall use school allocation to implement school's success plan
  - School may use up to 5% of school's allocation to fund school personnel retention at principal's discretion
  - School allocation cannot be used for:
    - ❖ Capital expenditures or
    - ❖ For a purpose not supported by LEA governing board success framework
- ❖ School that receives an allocation shall annually:
  - Submit a description of budgeted and actual expenditures, how expenditures relate to success plan, and how the school measures the success of the school's participation in the program to the LEA's governing board and post on the school's website.

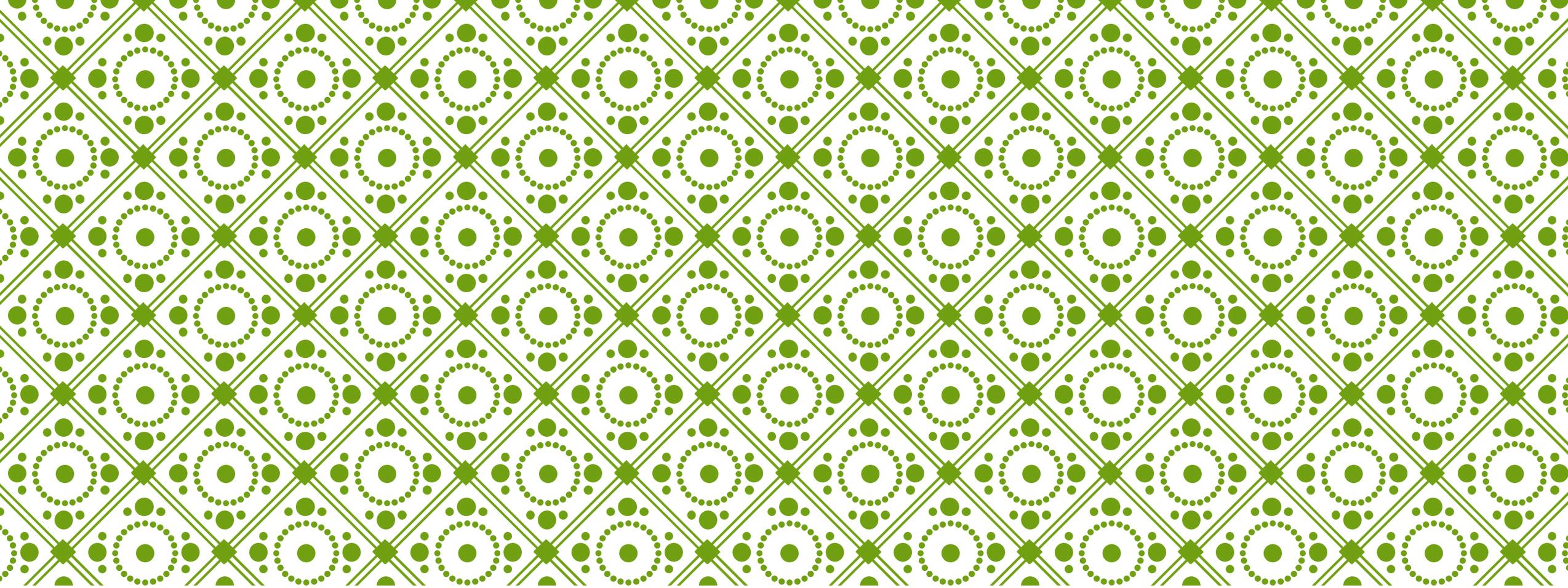


# STUDENT HEALTH & COUNSELING SUPPORT PROGRAM

## HB373 Student Support Amendments (School-based Mental Health)

- ❖ Qualified grant program
- ❖ To qualify for funding:
  - Complete the School-based Mental Health plan requirements document (released May 2019)
  - Outline matching funds for grant
  - USBE will approve plans by July 2019
- ❖ School allocation can only be used for:
  - ❖ Salary/benefits for hiring qualified personnel; or
  - ❖ Procuring a contract for related services.
- ❖ LEA receive 25% of allocation upon plan approval and 75% of allocation upon demonstrating hiring qualified personnel
- ❖ <https://www.schools.utah.gov/scep/mentalhealthgrant>





# USBE SUMMER WORKGROUPS



# LOCAL REPLACEMENT FORMULA

- ❖ USBE will develop a methodology to calculate the Charter School Local Replacement formula in consultation with GOMB and LFA using:
  - One-year data estimates; and
  - Two-year data estimates instead of reported data to eliminate the two-year data lag.
- ❖ Data used in the formula
  - Voted, Board, Capital, and Debt Revenue by School District
  - Board Exclusions
  - Voted, Board, and Capital Guarantee Revenues
  - LEA ADM
  - Charter School October Headcount
- ❖ The USBE shall report to the Public Education Appropriations Subcommittee:
  - The methodology and recommendations regarding implementation before October 31, 2019.



# TEACHER SUPPLIES AND MATERIALS WORK GROUP

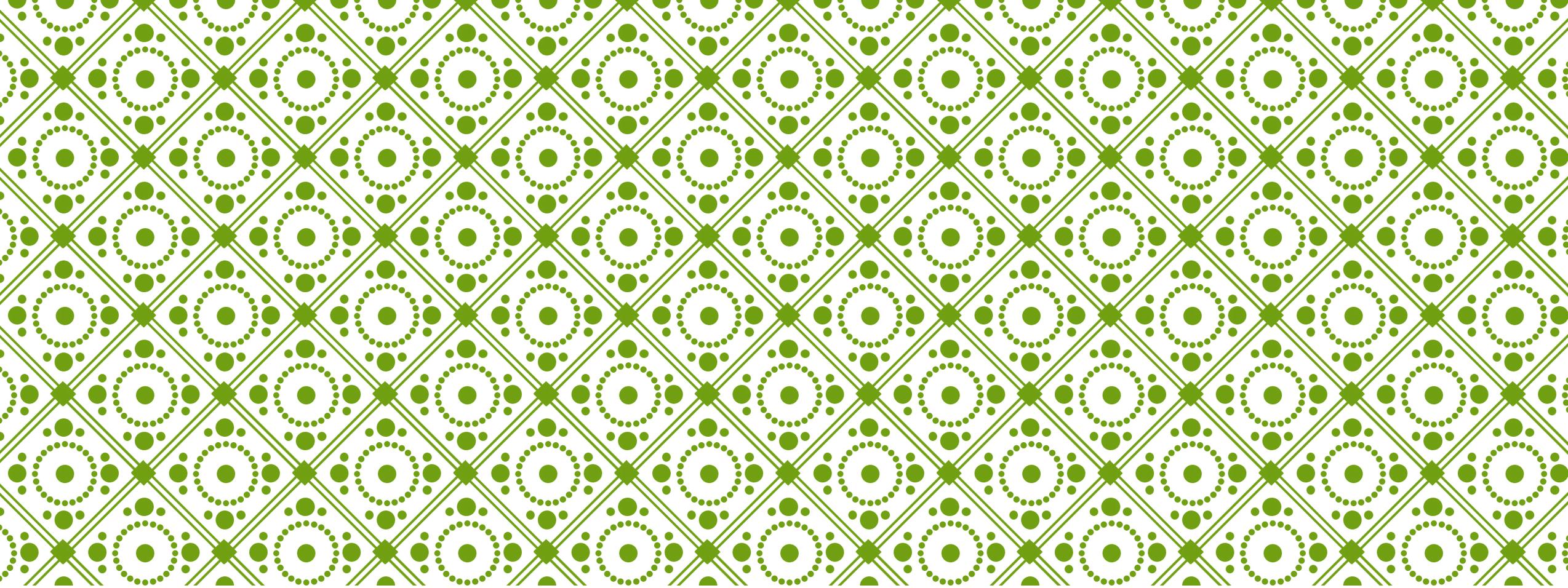
- The USBE has directed USBE staff to put together a Teacher Supplies and Materials Work Group
  - ❖ Purpose is to evaluate how to provide all educators with their amounts for use as early as possible by:
    - Determining if an educator can receive their allocation from their LEA prior to the 1<sup>st</sup> day of school
    - Providing time, effort, cost and/or effects on/with state/LEA staff and systems
    - Review tax implications and LEA documentation of educator uses
    - Report on current LEA distribution methods
    - Recommend rule revisions, distribution revisions, LEA distribution methods
  - ❖ Participants:
    - Two USBE members
    - Two Business Administrators from school districts and charter schools
    - One school district Superintendent and charter school Director
    - Two current classroom educators who receive their payments different ways
- ❖ The Work Group will meet beginning in May 2019 with the intent of providing their final report to the USBE Finance Committee during the September 2019 meeting.



# PER PUPIL EXPENDITURES FOR OPERATIONS

- The Legislature intends USBE, in conjunction with LEAs report on per pupil expenditures on operations for FY2019 as defined by USBE
- Need to report for each LEA and each school within the LEA
- Need to report before January 31, 2020





# OTHER MATTERS



# OTHER MATTERS

- Assurance Form

- USBE will be sending assurance form in a fillable PDF form again this year (FY2020) – within next week
- Due by July 1, 2019
- Needs to be signed by school district superintendent or charter school director
- For FY2021, assurance form will be in Utah Grants

