



# Utah State Board of Education School Fees

*Spring Finance Training*  
*May 15, 2019*

# Utah School Fees - Background

UTAH STATE BOARD OF EDUCATION



- 2017 Legislative Session Legislators express constituent concerns and open bill files.
- April 2017 to January 2018 USBE directs AAGs to determine legal ramifications of Injunction.
- April 2018 USBE Internal Audit School Fees Audit Report released.
- USBE takes immediate and proactive action establishing a 14 member School Fees Task Force made of representatives across the public education enterprises. The taskforce began meeting June 2018.
- OLAG release's a Performance Audit of Secondary School Fees September 2018.
- December 6, 2018 School Fees Task Forces reports their recommendations to USBE for Board rules changes.
- January 30, 2019 USBE Board Committee completes rewrite of R277-407.
- February 8, 2019 Board approves clarifying changes to R277-407 and makes motion to support 1<sup>st</sup> Sub HB250.
- March 2019 R277-407 filed with the Office of Administrative Rules and open for public comment
- January 1, 2020 Updated R277-407 takes full effect.



**“It is the public policy of this state  
that public education shall be free.”**

Utah Code 53G-7-602(1)

# Utah School Fees



## “Fees” Definition:

Anytime you require or request money, or something that costs money, it is a fee.

(6) (a) "Fee" means a charge, expense, deposit, rental, or payment:

- (i) regardless of how the charge, expense, deposit, rental, or payment is termed, described, requested, or required directly or indirectly;
- (ii) in the form of **money, goods, or services; and**
- (iii) that is a condition to a student's full participation in an activity, course, or program that is provided, sponsored, or supported by an LEA.

## Utah School Fees



"Fee" includes:

- money or something of monetary value raised by a student or the student's family through fundraising;
- charges or expenditures for a school field trip or activity trip, including related transportation, food, lodging, and admission charges;
- payments made to a third party that provides a part of a school activity, class, or program;

## Fee Schedules



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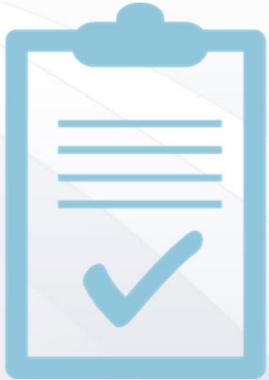


An LEA may only charge a fee if the fee is **authorized** and **noticed** by the LEA governing board . . .

Code References:  
53G-7-503(1), 53G-7-505  
R277-407-6

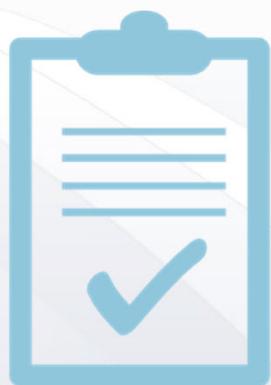


## *What does it mean to give notice?*



Before approving the fee schedule, an LEA must:

- Provide at least **two opportunities** for the public comments
- Provide **public notice** of the meetings
- Encourage **public participation** in the development of fee schedules and waiver policies
- Provide **notice to parents and students** of the meetings using the same form of communication regularly used, including notice by e-mail, text, flyer, or phone call
- **Keep minutes** of the meetings



## *What needs to be in a fee schedule?*

- A **specific amount** for each fee
- A **maximum fee** amount per student for each **activity**
- A **maximum total** aggregate fee amount **per student** per school year
- A clear and easy to understand **fee delineation** and the fee total for each activity, class, or program
- The LEA's fee **waiver policy**
- A **spending plan** for each fee

Code References:

53G-7-505(3)

R277-407(6)

# Highlighted Changes

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## *Project Based Courses, Part 1*

In projected related courses, projects required for the highest possible grade shall be **free to all students**.



### *Project Based Courses, Part 2*

- A school may require a student to provide materials or pay for an **additional, discretionary** project.
- A school shall avoid allowing high cost additional projects.

## Highlighted Changes

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### *Project Based Courses, Part 3*

We are still seeking clarification:

- Instructional Supplies- can charge class fees.
- Instructional Equipment-
  - student owned - fees
  - school owned - no fees
- Instructional Materials (Textbooks)- Chromebooks & iPads, Network Services & Support, Workbook? Software, WIFI



### *Fees for Textbooks, Part 1*

“Textbook” means instructional material necessary for participation in an activity, course, or program, regardless of the format of the material.



### *Fees for Textbooks, Part 2*

No textbook fees beginning with the 2022-23 school year, except for a textbook used for a concurrent enrollment or AP course



### *School Uniforms*

- Not a fee if you can purchase the uniforms from multiple retailers.
- If the school uniform is expensive or prescriptive, it is a fee.

## Highlighted Changes

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### *School Activity Clothing*

Uniforms for extracurricular or co-curricular activities,  
are a fee and are subject to waivers.

Code References  
53G-7-501(6)(b)(v)

## Highlighted Changes

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### *Fundraising:*

- No **required** individual fundraising
- An LEA may allow for **required** group fundraisers
- An LEA can't deny participation or membership for those that don't participate in fundraising

Code References

R277-407-10, R277-407-8(5,6,7)

## Highlighted Changes



### Provision/Service in Lieu of Fees:

- May be allowed, but may not be required.
- An installment payment plan may not be instigated by the school but **must be voluntarily requested** by the student or parent.

## Highlighted Changes

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### *Spend Plan, Part 1*

It is a budget for each fee showing how the revenues will be spent. Each fee schedule also delineates each fee.

Code References

Fees for Textbooks:  
R277-407-13(2)(a)



## *Spend Plan, Part 2*

- Recommended Structure
  - Revenue Codes – Type of fee: admission, sales, membership, transportation, fee.
  - Program Codes –Type of activity: curricular, co-curricular, extra curricular or club.
  - Object Codes – the delineation of the fee: personnel, operational costs, travel, supplies, equipment, uniforms or clothing, building, membership fee.



### *Spend Plan, Part 3*

Feedback is being collected over the next few months to determine the best way to implement the “spend plan” requirements with the future requirements of activity-based costing...

Code References

Fees for Textbooks:  
R277-407-13(2)(a)



## *Spend Plan, Part 4*

... and following these specific criteria:

- R277-407-13(2)(a) – establish a spend plan for the revenue collected from each fee
- R277-407-13(2)(b) – share revenue lost due to fee waivers across the LEA
- UCA §53G-7-503(3)(a) – 2021-2022 school year, the fee shall be equal to or less than the expense incurred by the LEA
- UCA §53G-7-503(3)(b) may not impose an additional fee or increase a fee to supplant or subsidize another fee
- UCA §53G-7-602(3)(a) and (i) Beginning with the 2022-23 school year, an LEA .... may not sell textbooks or otherwise charge a textbook fee

# Annual LEA Reporting Requirements

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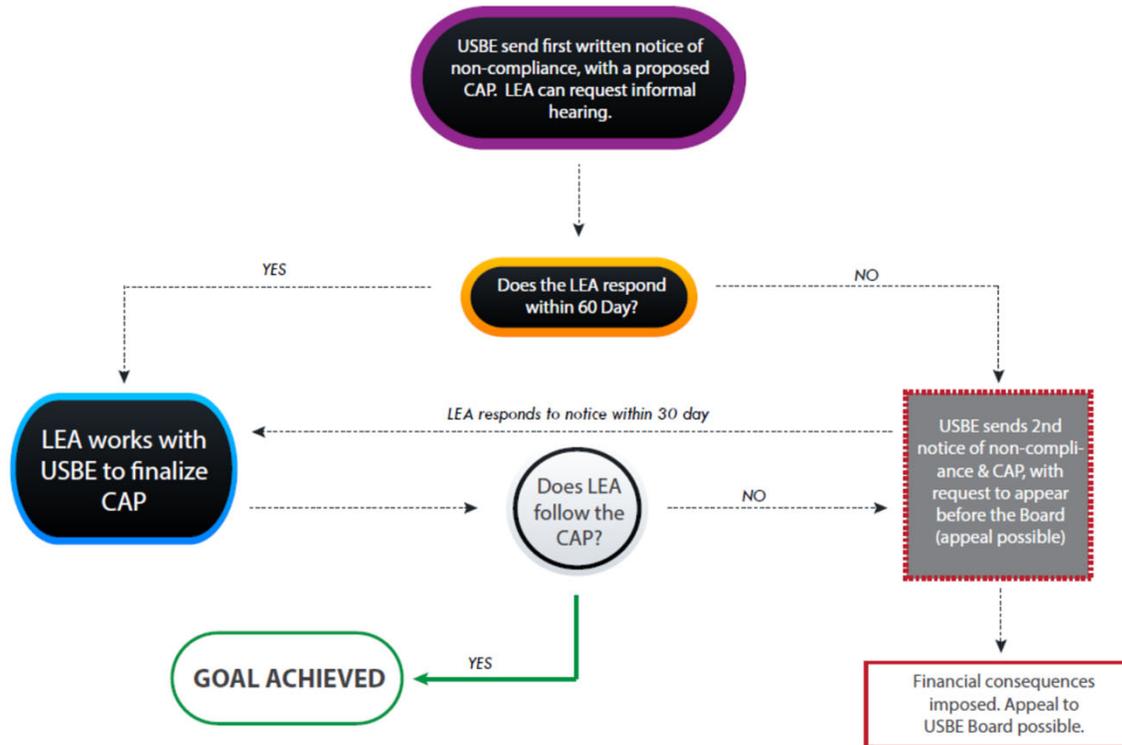
## *Certificate of Compliance*

- New Web-based process using the Qualtrics software program
- Will be due October 31, 2019
- Email with instructions and URL to take access the report will be sent out August 1<sup>st</sup> (*date is flexible*)
- Each Board Chair, Superintendent, Charter Director, and Principal will receive report link.
- Sample of *Certificate of Compliance* available on the website <https://schools.utah.gov/schoolfees>
- *Basically the same as old just web-based*

# Corrective Actions



## School Fees Corrective Action



UCA §53G-7-503(4)(a)  
R277-407-16, R277-114

*Beginning with or after the 2021-2022 school year, . . . the state board shall impose corrective action against the LEA, . . .*



## *LEA School Fee Contact (SFC)*

- Can be the Superintendent
  - 47 LEA's responded and 21 have set up a SFC other than the superintendent or director.
  - Please let us know your preference.
  
- USBE will utilize this person to be the Liaison between the LEA and USBE
  - Serve on feedback groups.
  - Point person for USBE trainings.
  - The point of contact for USBE to share individual student concerns. If USBE gets a call directly from a student or parent, we will resolve the question but refer the concerns back to the LEA.

# Annual LEA Reporting Requirements

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## *Statistical Report*

Report submission due October 31, 2019 is data for the prior SY2018-2019

### Overall Totals:

- # of Students (Enrollment as of October 1<sup>st</sup>, 2018)
- \$ amount of fees collected (for school year ending June 2019)

### Fee Waivers

- # of students in the LEA given fee waivers (for school year ending June 2019)
- \$ amount of fee waivers given (for school year ending June 2019)

### Work in Lieu of Fee Waivers

- # of students who worked in lieu of a waiver (for school year ending June 2019)
- \$ amount of work in lieu of waivers (for school year ending June 2019)

# Timeline for Rule & Code Implementation

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School Year  
2019-2020

- Uniforms are fees if the uniforms are expensive or prescriptive.
- New Certificates of Compliance web-based forms and process.
- New HB 250 definitions in effect for full year.
- R277-407 general changes in effect.
  - LEAs cannot require service in lieu of waivers.
  - Cannot require individual fundraising.
  - New definitions in effect as of Jan 1, 2020.

# Timeline for Rule & Code Implementation

UTAH STATE BOARD OF EDUCATION



School Year  
2020-2021

- Both HB 250 & R277-407 changes in effect for full year.
- New fee schedule approval process- April 1<sup>st</sup> deadline, public notice, public meeting, 2 public comment opportunities.
- New fee schedule rules- activity & student maximums, fee delineation, spend plans, language requirements.
- LEAs cannot use one fee to subsidize another fee or waiver.

# Timeline for Rule & Code Implementation

UTAH STATE BOARD OF EDUCATION



School Year  
2021-2022



- Fees must be equal or less than the cost of the activity, i.e. Activity based costing in alignment with task force recommendations.
- Board takes corrective actions.

# Timeline for Rule & Code Implementation

UTAH STATE BOARD OF EDUCATION



School Year  
2022-2023



- LEA may not sell textbooks or otherwise charge a textbook fee.



# School Fees Website:

<https://schools.utah.gov/schoolfees>

- Overview
  - Copy of New Rule R277-407 Effective 1/1/2020
  - Copy of the Injunction
- Certificate of Compliance (*New Web-based Reporting*)
  - August 1<sup>st</sup> sent URL to survey
  - Deadline to Complete October 31<sup>st</sup>
- Guidelines/FAQs
  - Information Packet
  - FAQs
- Forms
  - Fee Waiver Applications (Revised 5/3/2019)
  - School Fee Notice & Poster
  - Community Service Agreements / Appeals
- Model Policies
  - *Under Construction*



Questions

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