

Utah State Board of Education
FINANCE COMMITTEE
September 6, 2024

Members Present: Kristan Norton, Cindy Davis, Brent Strate, and Christina Boggess (CB) – present unless noted.

Staff Present: Scott Jones and Cammy Wilcox.

Others Present: Debbie Davis, Rebecca Nielsen, Kody Wright, Terrakay Bodily, Paula Plant, Laurie Baefsky, Dale Frost, Koby Willis, Sam Urie, Jared Felt, Brian Ross, Greg Connell, Adam Herd, Don Modde, Katrina Brinkley, Sue Mak, John Palmer, Nicholas Renzo, Wendi Morton, Sarah Young, Paul Kremer, Quinn Kellis, Mark Waddoups, Darin Nielsen, Meghan Everette, Christine Elegante, and Alex Farah.

Finance Committee Chair Norton called the meeting to order at 9:17 a.m.

Public Comment

There were no requests for public comment.

4.2 Measuring the Results of Appropriations for Specific Programs – Program Draft Review

The Utah State Board of Education (USBE) currently operates under performance measures mandated by legislation. However, there exists an opportunity to enhance our understanding of the impact of allocated funding by incorporating additional data and information focused on the specific benefits or positive outcomes derived from these investments, using an agreed-upon standard of measure.

This discussion is a follow up on the May 2024 Finance Committee direction to staff to move forward with a logic model that was reviewed by the committee. Staff received direction on program prioritization from the Finance Committee in August 2024 and presented draft logic models for programs that were recommended as high urgency.

USBE staff presented the draft ROI logic models to get feedback and additional direction from members of the Finance Committee on ways staff can modify the models to meet the needs of the Board.

Committee Action:

Member Davis Motion:

The Committee recommends that the Board consider taking the following actions related to the School LAND Trust program

- Directing staff to consider and make recommendations to remove requirements through legislative code changes and rule changes to streamline the responsibilities of school community councils.
- **Direct staff to work with the legislature to seek funding for an office specialist for School LAND trust.**

Motion: Passed with three in favor, with Member Boggess abstaining.

Member Davis Motion:

The Committee recommends that the Board consider taking the following actions related to the CTE Add-On program

- **Supporting the CTE Add-On Increase Business Case in alignment with the legislative funding request.**
- **Supporting additional clarifying language for Utah Code 53F-2-311 4(b) for growth identified in the statute to be allocated to USBE.**
- **Request FTE to administer and support this program.**

Motion: Passed 3 to 1, with Member Boggess opposed.

The Committee recommended scheduling a special Finance Committee meeting in September to address the remaining program action.

MOTION FOR THE BOARD: That the Board consider taking the following actions related to the School LAND Trust Program

- Directing staff to consider and make recommendations to remove requirements through legislative code changes and rule changes to streamline the responsibilities of school community councils.
- **Direct staff to work with the legislature to seek funding for an office specialist for School LAND trust.**

MOTION FOR THE BOARD: That the Board consider taking the following actions related to the CTE Add-On program

- **Supporting the CTE Add-On Increase Business Case in alignment with the legislative funding request.**
- **Supporting additional clarifying language for Utah Code 53F-2-311 4(b) for growth identified in the statute to be allocated to USBE.**
- **Request FTE to administer and support this program.**

BOLD Language is legislative related action.

Non-bold is for USBE agency level action.

4.3 State Fiscal Year 2024 Carry Forward Balance Status and Approval for Use

Following fiscal year end close activities there are balances remaining of unencumbered funds from the prior year. Amounts in excess of \$100,000 are presented to the Committee along with supporting spending plans for consideration.

Committee Action:

Member Norton Motion:

The Committee recommends that the Board approve the spend plans for the unencumbered state fiscal year 2024 carry forward balances. – CB absent.

Motion: Passed unanimously.

MOTION FOR THE BOARD: That the Board approve the spend plans for the unencumbered state fiscal year 2024 carry forward balances.

4.4 State Fiscal Year 2024 Discretionary Carry Forward Balance Status and Approval for Use

Following fiscal year end close activities there are balances that are provided to the Board in their discretionary funds account. Each September the Finance Committee reviews the balances and previous projects and makes recommendations to the Board on whether to continue projects and/or repurpose funding of those projects and to make recommendations on the use of the balances that resulted from the year end close activities.

Committee Action:

Member Strate Motion:

The Committee recommends that the Board approve:

- Continuing a contingency fund of \$200,000, and a legal contingency fund of \$250,000; And using \$1,365,676.71 of State Discretionary funds for:
- Providing funding to the State Superintendent of Public Instruction - \$75,000;
- Continuing onsite and revolving security guard service at the USBE office - \$180,000;
- Paying off older agency vehicle leases to realign them with the replacement cycle. - \$40,000;
- Allocating a building operations budget for various replacement and repairs (e.g., broken security cameras, paint and patch, update conference room furniture, etc.) for the 2025 fiscal year - \$100,000; and
- Small district base funding for administrative costs - \$970,676.71.

Motion: Passed unanimously.

MOTION FOR THE BOARD: That the Board approve:

- Continuing a contingency fund of \$200,000, and a legal contingency fund of \$250,000;

And using \$1,365,676.71 of State Discretionary funds for:

- Providing funding to the State Superintendent of Public Instruction - \$75,000;
- Continuing onsite and revolving security guard service at the USBE office - \$180,000;
- Paying off older agency vehicle leases to realign them with the replacement cycle. - \$40,000;
- Allocating a building operations budget for various replacement and repairs (e.g., broken security cameras, paint and patch, update conference room furniture, etc.) for the 2025 fiscal year - \$100,000; and
- Small district base funding for administrative costs - \$970,676.71

4.5 Necessarily Existent Small Schools (NESS) Update

A committee comprised of school district superintendents and business administrators has been meeting to review the background and development of House Bill 533 from the 2024 legislative session, identify the concerns and needs in the Necessarily Existent Small Schools funding formula, and make recommendations for legislative changes. Superintendent Koby Willis from Piute School District presented the committee's findings and recommendations.

4.6 Recognition of Progress, Achievements, or Improvements

- Staff reported every school participating in the School LAND trust will be funded for FY24.

2.6.1 INFORMATION: Program Monthly Report (PMR) on USIMS

The USIMS is an ongoing project that will modernize USBE legacy data systems and enable real-time access to data to inform decision making at all levels of the education system while also safeguarding against data breaches.

There was no in-depth presentation of the USIMS PMR this month.

2.6.2 INFORMATION: Program Monthly Report (PMR) on Utah Grants

Utah Grants is the Electronic Grants Management System utilized by the USBE for managing the full life cycle of grant funding. Utah Grants is used by USBE staff as well as LEAs and CBO partners for managing grant applications, awards, payments, and monitoring activities. The USBE works closely with system developers to continue to meet the expanding needs of the agency, while maintaining proper safeguards in the use and distribution of grant funds.

There was no in-depth presentation of the Utah Grants PMR this month.

4.7 Requests for Data and Information

This is a perpetual agenda item that allows Finance Committee members to request data or information for information and/or decision-making purposes. This item also serves as how USBE staff follow up on requests for data and information from the Finance Committee members. Occasionally, staff may ask for action by the Finance Committee on data and information updates.

Staff presented notice from the Department of Education requesting an extension of the current indirect cost rates through October 31, 2024.

Info Request: Member Boggess requested that staff collect and present data and information on how schools on a four-day waiver are using their federal lunch program funds.

4.8 School LAND Trust Quarter Report

School Children's Trust staff provided a summary of FY2024 revenues to the public-school trust, an update on the Raise the Cap Constitutional Amendment, and the Trust System Legislative Audits and responses.

The meeting adjourned at 12:20 p.m.