

MEMORANDUM

TO: Members, Utah State Board of Education

FROM: Scott Jones
Associate Superintendent

DATE: November 5-6, 2015

INFORMATION: SFY16 Budget Reporting

Background:

In August 2015, the Finance Committee approved a budget reporting schedule for State Fiscal Year (SFY) 16 for directors of the Utah State Office of Education (USOE), Utah State Office of Rehabilitation (USOR), and Utah Schools for the Deaf and the Blind (USDB) to provide budget updates to the Finance Committee.

Key Points:

The Finance Committee will have the opportunity to discuss information provided on the budgets for the State Board of Education, USOE Fine Arts POPS, and State Charter School Board.

Anticipated Action:

The Committee will receive the budget reports.

Contact: Scott Jones, Associate Superintendent, 801-538-7514

Utah State Office of Education
Board Summary Section Report
For the Section - State Board (0221)
As of: 10/22/2015

| State Board (0221) | Board Approved Budget FY 2016 | Revised Budget | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|---------------------------------------|--------------------------------------|-----------------------|--------------------------|-----------------------------|--|
| State Funds (0221 T016 22101) | \$ 598,800 | \$ 515,000 | \$ - | \$ 119,573 | 23.22% |
| State Funds (0221 T016 22103) | \$ 104,800 | \$ 104,800 | \$ - | \$ 42,121 | 40.19% |
| Carry Forward Funds (0221 TA55 22103) | \$ 10,000 | \$ 10,000 | \$ - | \$ 10,000 | 100.00% |
| Total | \$ 598,800 | \$ 515,000 | \$ - | \$ 119,573 | 23.22% |

| State Board excluding Social Media (0221-01) Areas of Expenditures/Budget Categories | Board Approved Budget FY 2016 | Revised Budget Amount | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|---|--------------------------------------|------------------------------|--------------------------|-----------------------------|--|
| Salaries & Benefits | \$ 484,000 | \$ 261,000 | \$ - | \$ 63,586 | 24.36% |
| Purchased Services | \$ - | \$ 13,500 | \$ - | \$ 358 | 2.65% |
| Travel | \$ - | \$ 23,200 | \$ - | \$ 2,089 | 9.01% |
| Supplies and Materials | \$ - | \$ 56,000 | \$ - | \$ 27,479 | 49.07% |
| Unallocated Expenses | \$ - | \$ - | \$ - | \$ - | - |
| Equipment | \$ - | \$ - | \$ - | \$ - | - |
| Capital Expenditures | \$ - | \$ - | \$ - | \$ - | - |
| Indirect Cost | \$ - | \$ 46,500 | \$ - | \$ - | 0.00% |
| Grants and Transfers to Other Agencies | \$ - | \$ - | \$ - | \$ - | - |
| Flow Through Funds to LEAs | \$ - | \$ - | \$ - | \$ - | - |
| Total | \$ 484,000 | \$ 400,200 | \$ - | \$ 93,513 | 23.37% |

| Social Media (0221-03) Areas of Expenditures/Budget Categories | Board Approved Budget FY 2016 | Revised Budget Amount | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|---|--------------------------------------|------------------------------|--------------------------|-----------------------------|--|
| Salaries & Benefits | \$ 94,078 | \$ 94,078 | \$ - | \$ 25,459 | 27.06% |
| Purchased Services | \$ 2,234 | \$ 2,234 | \$ - | \$ 153 | 6.87% |
| Travel | \$ 543 | \$ 543 | \$ - | \$ 253 | 46.54% |
| Supplies and Materials | \$ 1,011 | \$ 1,011 | \$ - | \$ 195 | 19.32% |
| Unallocated Expenses | \$ - | \$ - | \$ - | \$ - | 0.00% |
| Equipment | \$ - | \$ - | \$ - | \$ - | 0.00% |
| Capital Expenditures | \$ - | \$ - | \$ - | \$ - | 0.00% |
| Indirect Cost | \$ 16,934 | \$ 16,934 | \$ - | \$ - | 0.00% |
| Grants and Transfers to Other Agencies | \$ - | \$ - | \$ - | \$ - | 0.00% |
| Flow Through Funds to LEAs | \$ - | \$ - | \$ - | \$ - | 0.00% |
| Total | \$ 114,800 | \$ 114,800 | \$ - | \$ 26,060 | 22.70% |

Utah State Office of Education
Board Summary Section Report
For the Section - POPS (3841, 3842 and 3843)
As of: 10/26/2015

| Teaching & Learning - POPS Funding Sources | Board Approved Budget FY 2016 | Revised Budget | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|--|-------------------------------|---------------------|-------------------|----------------------|---------------------------------------|
| POPS Arts Request for Proposal (3841 01) | \$ 250,000 | \$ 250,000 | \$ - | \$ - | 0.00% |
| POPS Arts Outreach (3842 01) | \$ 3,871,000 | \$ 3,886,380 | \$ - | \$ 104,021 | 2.68% |
| POPS Arts Subsidy (3843 01) | \$ 54,000 | \$ 54,000 | \$ - | \$ - | 0.00% |
| Total | \$ 4,175,000 | \$ 4,190,380 | \$ - | \$ 104,021 | 2.49% |

| Teaching & Learning - POPS Arts Request for Proposal Areas of Expenditures/Budget Categories | Board Approved Budget FY 2016 | Revised Budget | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|--|-------------------------------|----------------|-------------------|----------------------|---------------------------------------|
| Grants and Transfers to Other Agencies | \$ 250,000 | \$ 250,000 | \$ - | \$ - | 0.00% |

| Teaching & Learning - POPS Arts Outreach Areas of Expenditures/Budget Categories | Board Approved Budget FY 2016 | Revised Budget | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|--|-------------------------------|----------------|-------------------|----------------------|---------------------------------------|
| Grants and Transfers to Other Agencies | \$ 3,871,000 | \$ 3,886,380 | \$ - | \$ 104,021 | 2.68% |

| Teaching & Learning - POPS Arts Subsidy Areas of Expenditures/Budget Categories | Board Approved Budget FY 2016 | Revised Budget | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|---|-------------------------------|----------------|-------------------|----------------------|---------------------------------------|
| Grants and Transfers to Other Agencies | \$ 54,000 | \$ 54,000 | \$ - | \$ - | 0.00% |

*Springville Museum of Arts has a carryforward amount of \$15,380 from FY 2015

Utah State Office of Education
Board Summary Section Report
For the Section - State Charter School Board (2701)
As of: 10/26/2015

| State Charter School Board (2701) Funding Sources | Board Approved Budget FY 2016 | Revised Budget | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|--|--|-----------------------|--------------------------|-----------------------------|--|
| State Funding (2701 T015 project 01) | \$ - | \$ 753,719 | \$ - | \$ 90,660 | 12.03% |
| State Funding (2701 T016 project 01) | \$ 1,135,600 | \$ 1,135,600 | \$ - | \$ 158,289 | 13.94% |
| CS Mentoring Program State Carryover (2701TA55 project 02) | \$ - | \$ 351,605 | \$ - | \$ 35,457 | 10.08% |
| CS Start Up Funds (2701 project 03) | \$ - | \$ 47,053 | \$ - | \$ 47,053 | 100.00% |
| CS Admin HB 397 State Funding (2701 TA55 project 05) | \$ - | \$ 294,884 | \$ - | \$ - | 0.00% |
| State Funding (2701 T016 project 02) | \$ 400,000 | \$ 400,000 | \$ - | \$ - | 0.00% |
| State Funding (2701 T016 project 03) | \$ 2,100,000 | \$ 2,100,000 | \$ - | \$ 968,528 | 46.12% |
| CS Admin HB 397 State Funding (2701 T016 project 05) | \$ 200,000 | \$ 200,000 | \$ - | \$ - | 0.00% |
| Total | \$ 3,835,600 | \$ 5,282,860 | \$ - | \$ 1,299,987 | 24.61% |

| State Charter School Board (2701) Areas of Expenditures by Budget Categories | Board Approved Budget FY 2016 | Revised Budget | Revised Budget #2 | Expenditures to Date | Expenditures as a % of Revised Budget |
|---|--|-----------------------|--------------------------|-----------------------------|--|
| Salaries & Benefits | \$ 772,900 | \$ 874,014 | \$ - | \$ 141,808 | 16.22% |
| Purchased Services | \$ 400,000 | \$ 1,018,630 | \$ - | \$ 36,925 | 3.62% |
| Travel | \$ - | \$ 23,725 | \$ - | \$ 5,293 | 22.31% |
| Supplies and Materials | \$ 200,000 | \$ 518,591 | \$ - | \$ 14,060 | 2.71% |
| Unallocated Expenses | \$ 223,600 | \$ - | \$ - | \$ - | - |
| Equipment | \$ - | \$ 12,600 | \$ - | \$ 116 | 0.92% |
| Capital Expenditures | \$ - | \$ - | \$ - | \$ - | - |
| Indirect Cost | \$ - | \$ 157,322 | \$ - | \$ - | 0.00% |
| Grants and Transfers to Other Agencies | \$ - | \$ - | \$ - | \$ - | 0.00% |
| Flow Through Funds to LEAs | \$ 2,239,100 | \$ 2,677,978 | \$ - | \$ 1,101,784 | 41.14% |
| Total | \$ 3,835,600 | \$ 5,282,860 | \$ - | \$ 1,299,987 | 24.61% |

MEMORANDUM

TO: Utah State Office of Education (USOE) Section Directors, Utah State Office of Rehabilitation (USOR) Finance Director, and Utah Schools for the Deaf and the Blind (USDB) Finance Director

THRU: Brad C. Smith, State Superintendent of Public Instruction, Utah State Office of Education (USOE), Darin Brush, Executive Director, Utah State Office of Rehabilitation (USOR), Joel Coleman, Superintendent of Schools Utah Schools for the Deaf and Blind (USDB)

FROM: Utah State Board of Education (USBE) and ^{SJ} Scott Jones, Associate Superintendent for Business and Operations (USOE)

SUBJECT: State Fiscal Year (SFY) 16 Schedule for Budget Reporting by USOE Section, USOR and USDB, to the Utah State Board of Education (USBE) Finance Committee

DATE: August 6, 2015 (ORIGINAL)

CHANGE 1 (September 28, 2015):

-Added the USOE Data and Statistics Section to the schedule.

-Provided the Budget Reporting template approved by the Finance Committee for all USOE sections to use (Attachment) starting with the October 2015 reporting month. USOR and USDB submit their own reports as part of their quarterly reviews.

-All USOE sections are to provide an overview of their sections along with their respective Budget Report. USOE Section Directors have discretion in their presentations; however, the presentation time is limited to no more than 15 minutes including the review of the budget report. Section Directors will address the six questions found below in their presentations.

-Section Directors are responsible to get both of their reports (the budget and section overview) into the board backup file on the date established prior to the meeting their section is scheduled to present at.

Effective SFY 16 (1 July 2015) USOE Section Directors, the USOR Finance Director, and the USDB Finance Director will provide budget updates to the USBE Finance Committee on a pre-determined schedule.

| <u>Month</u> | <u>Divisions/Agencies</u> |
|----------------|---|
| August 2015 | USOE, Child Nutrition Program |
| September 2015 | USBE Internal Audit, USOE Information Technology, USOE School Law, USOE Educational Contracts, USOE ESEA and Special Programs |

| | |
|---------------|--|
| October 2015 | USOR and USDB Quarterly Reports (July-September), USOE Administration (including Discretionary Funds), USOE Teaching and Learning, USOE Special Education |
| November 2015 | Board of Education, USOE Fine Arts POPS, Charter School Board, Assessment and Accountability |
| December 2015 | USOE Internal Accounting, USOE School Finance, USOE Minimum School Program, USOE Public Policy-Superintendent, USOE Data and Statistics |
| January 2016 | USDB and USOR Quarterly Reports (October-December), USOE Science, USOE Licensing and UPPAC Fees, USOE Charter School Finance Authority |
| February 2016 | USOE Career and Technology Education, USOE School Finance, Board of Education, School Trust Lands |
| March 2016 | USOE Child Nutrition Program, USOE Grants and Contracts, USOE Educational Equity, USOE ESEA and Special Program |
| April 2016 | Board of Education, USOE Administration (including Discretionary Funds), USDB and USOR Quarterly Reports (January-March), USOE Special Education, USOE Data and Statistics |
| May 2016 | USOE Minimum School Program, USOE School Finance, USOE Internal Accounting, USOE Information Technology |
| June 2016 | USOE Internal Auditors, USOE Student Services, USOE Teaching and Learning, USOE Career and Technology Education, School Trust Lands, USOE ESEA and Special Program |

USOE Section Directors will provide written answers to the following questions as part of their presentation to the Finance Committee:

1. What programs in your section/agency are mandated by federal code (laws and regulations) and for each program, how is it funded (federal, state, local, indirect or combined funding) and at what level is it funded (unfunded, partially funded, fully funded)?
2. What programs in your section/agency are mandated by state statute and for each program, how is it funded (federal, state, local, indirect or combined funding) and at what level is it funded (unfunded, partially funded, fully funded)?

3. What are the programs in your section/agency are mandated by state board rule and for each program, how is it funded (federal, state, local, indirect or combined funding) and at what level is it funded (unfunded, partially funded, fully funded)?

4. What programs in your section/agency are done at the discretion of the section or the Superintendents/Executive Directors and for each program, how is it funded (federal, state, local, indirect or combined funding) and at what level is it funded (unfunded, partially funded, fully funded)?

5. Without respect to whether a program is mandated or not, what items would you cut first if faced with a budget shortfall?

6. What is your "wish list" of things you wish your section could do? (And would you cut things in #5 to be able to do particular things on your wish list?)

USOE Section Directors are to use the budget reporting format found in Attachment 1 and will try to get this report into the Board backups. The report may or may not be inclusive of the prior month depending on when the system runs/updates take place and when the Board Backup is due. Therefore, it is essential that USOE section Directors establish an, "as of date," on the report.

Finally, any changes in budget amounts within your Low Orgs (units) from the original budget approved by the Board will need explanation to the Finance Committee Members. For example, if the report the Board approved showed a budget of \$500,000 (as an example) in the Salaries and Benefits category and now shows \$750,000, USOE Section Directors/Agency Finance Directors will present why the change occurred from the original base approved budget to the new amount.

Please direct questions to Scott Jones, Associate Superintendent for Business and Operations at: 801-538-7615 or scott.jones@schools.utah.gov.