



MINIMUM SCHOOL PROGRAM OVERVIEW

PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
STAFF: BEN LEISHMAN & THOMAS YOUNG

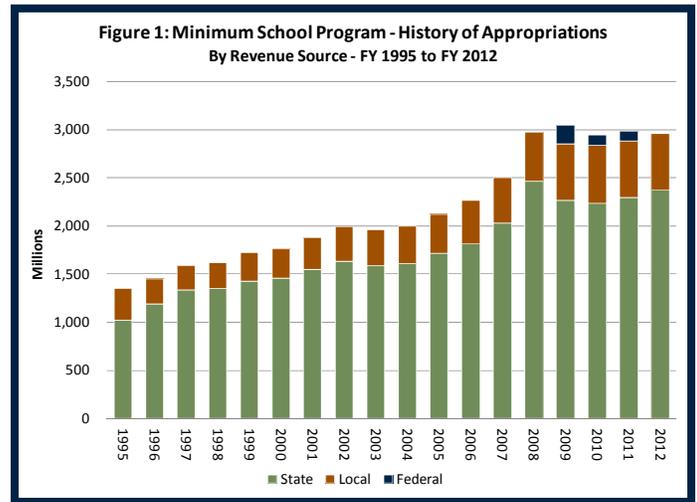
BUDGET BRIEF

SUMMARY

The Minimum School Program (MSP) is Utah’s foundation formula program for distributing state funding local schools. MSP funding is the primary source for operations revenue in Utah’s 41 school districts and 80 charter schools. Programs in the MSP support local education programs serving 587,745 students in all grades from Kindergarten through high school graduation.

The MSP represents approximately 64 percent of all public education expenditures in the state for FY 2011. Local Education Agencies (LEAs), namely school districts and charter schools, receive funding on a formula basis as defined by governing statutes.

The program is divided into three major programs, the Basic School Program, the Related to Basic School Program, and the Voted & Board Leeway Program. Each program contains a series of sub-programs that target funding to meet the needs of the state’s educational system as defined by the Legislature. Subsequent budget briefs provide additional information on each major program.



BUDGET SUMMARY

In FY 2012, the Legislature appropriated \$2,962,379,700 to the Minimum School Program. Of this total, \$2,372,045,500 comes from state revenue sources and \$590,334,200 comes from local property tax revenue that supports MSP programs.

Figure 1 provides a history of appropriations for the MSP since FY 1995. State funds make up approximately 80 percent of the MSP, with local revenue contributing the remaining 20 percent. In FY 2009 to FY 2011, federal American Recovery and Reinvestment Act (ARRA) and Education Jobs funding supported a portion of the budget.

Since 1995, the MSP budget has grown by approximately \$1.6 billion, or 120 percent. Most of this growth was in state funding, which increased by nearly \$1.5 billion, or 132 Percent. Figure 2 provides the total MSP budget since 1995, with a breakout showing funding from state sources. The largest increases in the MSP budget came just before the economic downturn beginning in FY 2009.

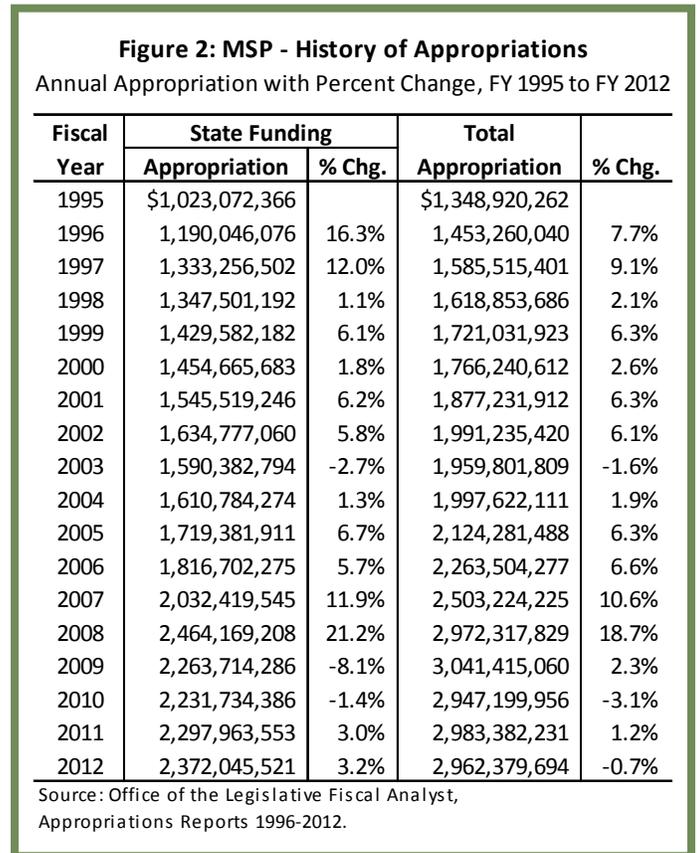


Figure 3 divides the MSP budget by major program. Seventy two percent of the budget is dedicated to the Basic School Program, which funds all WPU's in the LEAs. The Related to Basic School Program and the Voted & Board Leeway Programs are nearly the same size, with 15 percent and 13 percent of the budget respectively.

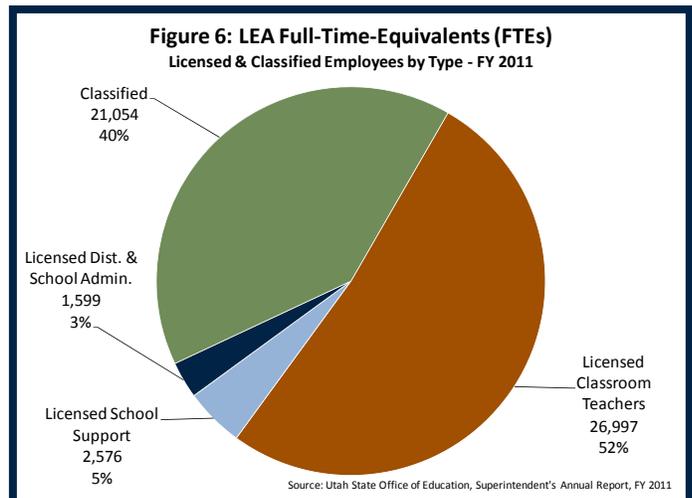
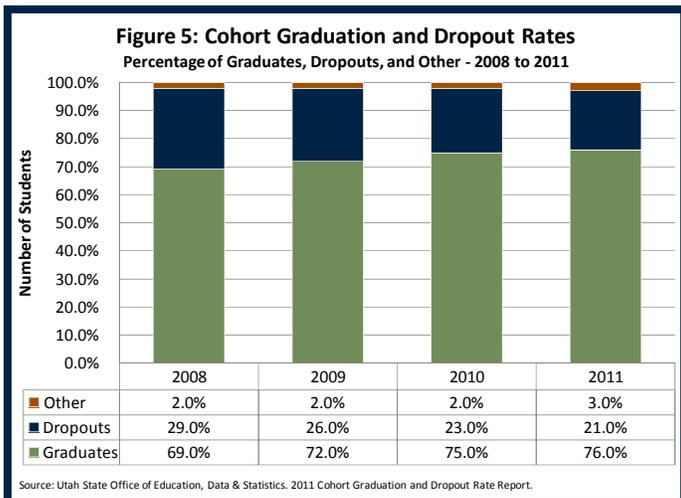
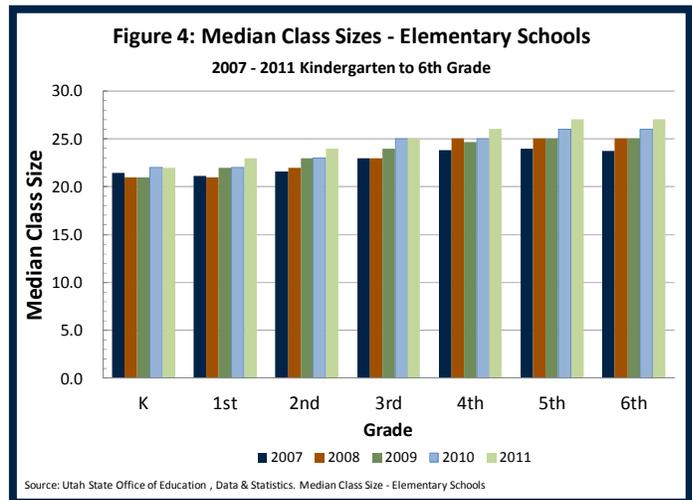
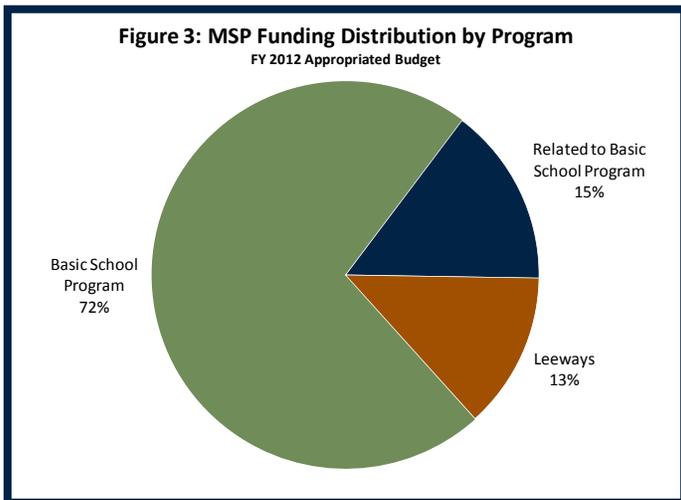
STATISTICS & ACHIEVEMENT

Class Sizes – Median class sizes in Utah’s public schools increased by one student from FY 2010 to FY 2011 in all grades, except Kindergarten and 3rd Grade. Figure 4 provides a five year history, by grade, for median class sizes in elementary schools.

High School Completion – The columns in Figure 5 show the percentage of high school graduates, dropouts, and other (which includes categories of “other completers” and “continuing students.”) The state changed the way high school completion rates are calculated in 2011 to comply with federal regulations. USOE recalculated the 2008-2010 graduation rates for comparability. The calculation uses a four-year cohort rate which includes all students who started 9th grade in 2007-2008 plus transfers.

The number of students in each four-year cohort is: 2011 – 41,496; 2010 – 42,285; 2009 – 42,001; and 2008 – 43,133.

FTE Employees – The pie chart in Figure 6 breaks down the 52,226 full time equivalent employees (FTE) in the state’s 41 school districts and 80 charter schools. The largest category includes all 26,997 licensed classroom teachers, with 52 percent of the total. District and school level licensed administrators make up the smallest category with 1,599 FTE, with 3 percent of the total.



STUDENT ACHIEVEMENT

The Utah Performance Assessment System for Students (U-PASS) was established in 2000. It was created by the Legislature to provide evaluative information on the proficiency achieved by students. U-PASS is a mechanism for the public, the Legislature, and school system to plan, measure, and evaluate the effectiveness of programs in the public schools (UCA 53A-1-601).

Figures 7 to 11 show statewide proficiency levels for criterion-referenced tests (CRT) in language arts, mathematics, science, and writing. Figures 7 to 10 show the statewide percent proficient levels for all grades. Scores are divided into “proficient” and “not proficient” and then by four levels of proficiency defined by the State Board of Education. The “Proficient” percentages should increase each year and the “Not Proficient” percentages should decrease in order to show overall improvement.

Figure 11 breaks down the three main CRTs (language arts, mathematics, and science) by demographic subgroup. The shading in each test category is designed to show percent proficiency from high (lighter shading) to low (darker shading). Statewide proficiency levels show more than 65 percent proficient in each test category and improve for each of the past three years. However, proficiency levels in the demographic subgroups show a different picture. For example, the English Language Learner subgroup shows less than 50 percent proficient in each test category and proficiency percentages have decreased over the past three years.

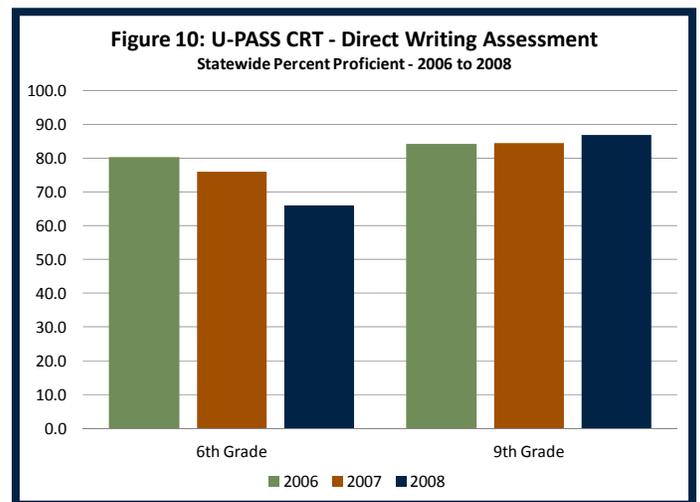
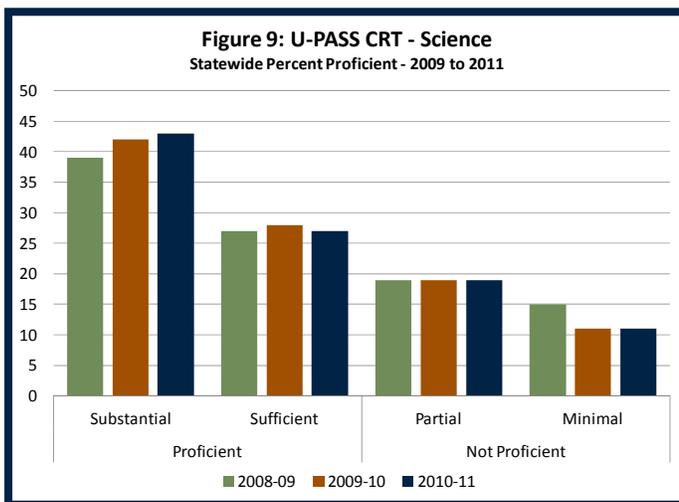
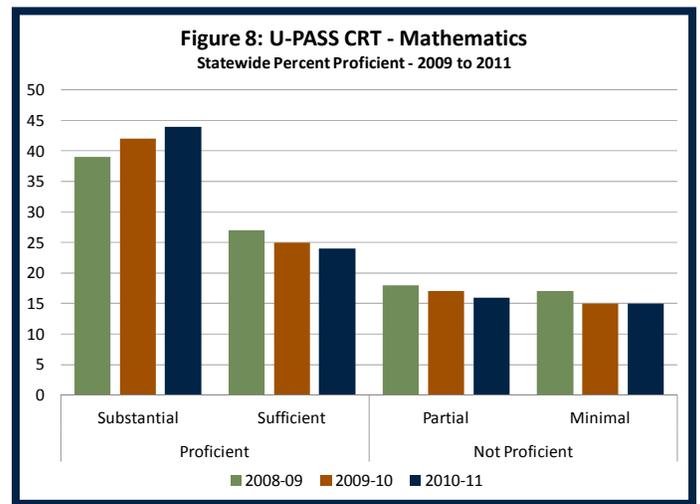
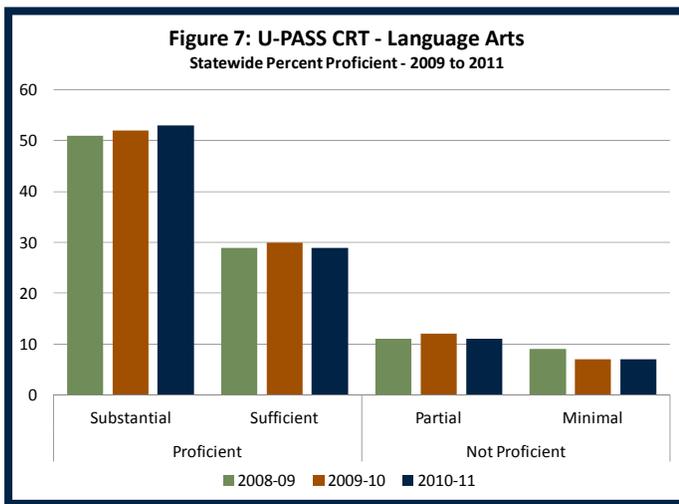


Figure 11: U-PASS CRT - Proficiency Levels by Demographic Category
 Language Arts, Mathematics, & Science Percent Proficient for 2009, 2010, and 2011

Demographic Categories	Language Arts			Mathematics			Science		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
All Students	79.3%	80.8%	82.2%	66.3%	67.7%	68.5%	65.8%	67.4%	69.8%
African American	62.1%	64.8%	64.6%	43.8%	45.9%	45.1%	41.6%	43.4%	44.0%
American Indian	56.4%	58.8%	62.2%	40.5%	42.3%	44.7%	36.0%	38.0%	41.6%
Asian	80.6%	84.8%	81.8%	71.5%	73.3%	71.4%	65.6%	67.4%	67.0%
Caucasian	84.1%	85.3%	86.4%	72.0%	73.3%	73.6%	72.6%	74.0%	76.3%
Hispanic	58.3%	60.4%	64.6%	42.9%	44.4%	47.7%	37.3%	38.7%	43.0%
Multiple Races/Unknown	75.6%	79.6%	82.4%	63.1%	66.8%	67.7%	60.2%	63.9%	69.5%
Pacific Islander	69.3%	71.5%	73.0%	52.2%	54.1%	56.1%	43.1%	44.5%	46.4%
Female	82.8%	84.4%	85.3%	66.2%	67.6%	68.5%	64.2%	65.7%	68.0%
Male	75.9%	77.4%	79.2%	66.3%	67.8%	68.6%	67.3%	68.9%	71.5%
Economically Disadvantaged	66.8%	68.7%	71.6%	53.7%	55.2%	57.9%	50.2%	51.7%	55.7%
Not Economically Disadvantaged	85.9%	87.1%	88.7%	73.4%	74.7%	75.3%	73.7%	75.2%	78.2%
Students With Disabilities	47.7%	47.3%	50.5%	42.7%	42.7%	42.6%	39.1%	38.9%	40.7%
Not Student With Disabilities	84.0%	85.5%	86.7%	69.9%	71.2%	72.2%	69.6%	71.1%	73.8%
Mobile	52.5%	63.9%	67.0%	39.8%	48.2%	50.5%	36.9%	45.3%	48.9%
Not Mobile	81.6%	82.0%	83.1%	68.7%	69.1%	69.7%	68.2%	68.9%	71.1%
English Language Learner	49.5%	40.0%	35.4%	40.4%	33.6%	29.7%	28.3%	18.5%	18.2%
Not English Language Learner	82.6%	83.9%	85.0%	69.4%	70.6%	71.0%	69.6%	70.7%	72.8%

Source: Utah State Office of Education. Utah Statewide Scores on the Criterion-Referenced Tests (CRT) 2009-2011.

LEA BUDGETS

LEAs report revenues and expenditures to the state at the close of the fiscal year. FY 2011 is the most recent report available. LEAs submit two reports, the Annual Financial Report (AFR) and the Annual Program Report (APR). Both reports use the chart of accounts structure outlined in the Financial Accounting for Local and State School Systems handbook published by the National Center for Education Statistics (NCES).

Figure 12 shows total revenues supporting the public education system in FY 2011. The state contributes 46 percent of the total \$4.92 billion dollars in revenue. Local property taxes and other local revenue sources contribute the second largest share at 34 percent. Federal funds contribute 12 percent and Other revenue sources make up the remaining 7 percent. Any bonding revenue is reported in the other category.

Figure 13 details the expenditures of LEAs in FY 2011. LEAs expended \$4.9 billion in FY 2011. Most expenditures supported employee compensation at approximately 65 percent. The other reported categories are detailed in the pie chart.

Figure 12: Local Education Agency Revenues
 FY 2011 by Major Source - Total \$4.92 Billion

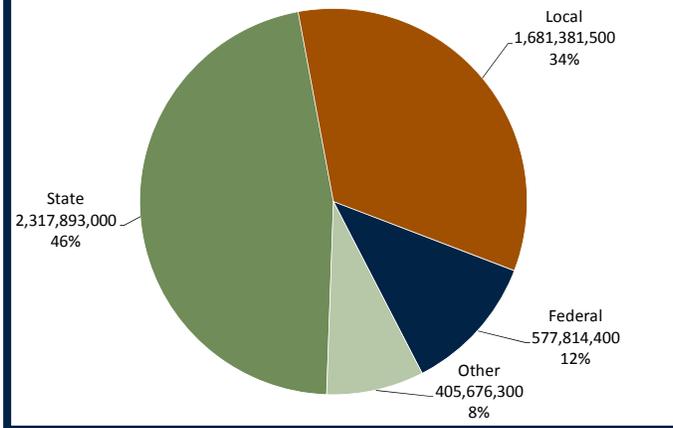


Figure 13: Local Education Agency Expenditures
 FY 2011 by Major Category - Total \$4.9 Billion

