

SCHOOL-BASED BUDGETING AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Gregory H. Hughes

LONG TITLE

General Description:

This bill requires a school district to distribute certain revenues to schools in accordance with a weighted student formula and requires a principal to determine how to use revenues available to the school to meet students' needs.

Highlighted Provisions:

This bill:

- ▶ requires a school district to distribute, by July 1, 2018, no less than 85% of Minimum School Program revenues to schools;
- ▶ requires a school district to allocate Minimum School Program revenues distributed to a school in accordance with a weighted student formula, with exceptions;
- ▶ directs a school principal to:
 - prepare a school budget;
 - consult with an advisory committee in preparing a school budget; and
 - submit the school budget to the local school board for approval;
- ▶ requires a school budget to be aligned with and support the school instructional, academic, and student achievement goals;
- ▶ requires a school principal to determine how to use revenue available to the school to meet the needs of the school's students; and
- ▶ requires a school district to publish on the school district's website information on revenue available to a school and the school budget.



28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **53A-1a-108.5**, as enacted by Laws of Utah 2002, Chapter 324

35 ENACTS:

36 **53A-2-501**, Utah Code Annotated 1953

37 **53A-2-502**, Utah Code Annotated 1953

38 **53A-2-503**, Utah Code Annotated 1953

39 **53A-2-504**, Utah Code Annotated 1953

40 **53A-2-505**, Utah Code Annotated 1953

41 **53A-2-506**, Utah Code Annotated 1953

42 **53A-2-507**, Utah Code Annotated 1953



44 *Be it enacted by the Legislature of the state of Utah:*

45 Section 1. Section **53A-1a-108.5** is amended to read:

46 **53A-1a-108.5. School improvement plan.**

47 (1) (a) Each school community council shall annually evaluate the school's U-PASS
48 test results and use the evaluations in developing a school improvement plan.

49 (b) In evaluating U-PASS test results and developing a school improvement plan, a
50 school community council may not have access to data that reveal the identity of students.

51 (2) Each school improvement plan shall:

52 (a) identify the school's most critical academic needs;

53 (b) recommend a course of action to meet the identified needs;

54 (c) list any programs, practices, materials, or equipment that the school will need to
55 implement its action plan to have a direct impact on the instruction of students and result in
56 measurable increased student performance; and

57 (d) describe how the school intends to enhance or improve academic achievement,
58 including how ~~[financial resources available to the school, such as School LAND Trust~~

59 Program money received under Section ~~53A-16-101.5~~ and state and federal grants,] the school
60 budget will be used to enhance or improve academic achievement.

61 (3) The school improvement plan shall focus on the school's most critical academic
62 needs but may include other actions to enhance or improve academic achievement and
63 community environment for students.

64 (4) The school principal shall make available to the school community council the
65 school budget and other data needed to develop the school improvement plan.

66 (5) The school improvement plan shall be subject to the approval of the local school
67 board of the school district in which the school is located.

68 (6) A school community council may develop a multiyear school improvement plan,
69 but the plan must be presented to and approved annually by the local school board.

70 (7) Each school shall:

71 (a) implement the school improvement plan as developed by the school community
72 council and approved by the local school board;

73 (b) provide ongoing support for the council's plan; and

74 (c) meet local school board reporting requirements regarding performance and
75 accountability.

76 Section 2. Section **53A-2-501** is enacted to read:

77 **Part 5. School-Based Budgeting Act**

78 **53A-2-501. Title.**

79 This part is known as the "School-Based Budgeting Act."

80 Section 3. Section **53A-2-502** is enacted to read:

81 **53A-2-502. Definitions.**

82 As used in this part:

83 (1) "Minimum School Program revenues" means the following revenues received by a
84 school district:

85 (a) state revenues distributed to a school district for a program funded by a line item
86 appropriation designated as follows:

87 (i) Basic School Program;

88 (ii) Related to Basic Programs; or

89 (iii) Voted and Board Leeway Programs;

90 (b) revenue from a basic levy imposed by the school district under Section
91 53A-17a-135, except proceeds which exceed the cost of a school district's basic program and
92 are deposited into the Uniform School Fund pursuant to Section 53A-17a-135;

93 (c) revenue from a voted local levy imposed by the school district under Section
94 53A-17a-133; and

95 (d) revenue from a board local levy imposed by the school district under Section
96 53A-17a-164.

97 (2) "Weighted student formula" means a formula for distributing money to schools in
98 which a base allocation is set for each student and weights are added to the base allocation
99 depending on student need or other factors.

100 Section 4. Section 53A-2-503 is enacted to read:

101 **53A-2-503. Purposes of school-based budgeting.**

102 The purposes of school-based budgeting are to:

103 (1) create a system of excellent schools in Utah led by great principals who have the
104 authority, resources, and responsibility to teach all students well;

105 (2) engage those closest to the students in making key decisions that impact the
106 students;

107 (3) empower schools and hold them accountable for results;

108 (4) provide for fair and transparent funding that schools can rely on annually;

109 (5) allow dollars to follow each student;

110 (6) put the resources in the schools;

111 (7) provide a similar level of resources to students with similar characteristics; and

112 (8) develop an equitable, simple, and transparent approach to help schools achieve
113 results for students.

114 Section 5. Section 53A-2-504 is enacted to read:

115 **53A-2-504. Distribution of revenue to schools in accordance with a weighted**
116 **student formula.**

117 (1) Beginning on July 1, 2018, a school district shall distribute no less than 85% of
118 Minimum School Program revenues to schools.

119 (2) (a) Except as provided in Subsections (3) and (4), Minimum School Program
120 revenues distributed to schools shall be allocated in accordance with a weighted student

121 formula established by the local school board.

122 (b) A weighted student formula shall allocate revenue distributed to schools under
123 Subsection (1) in a fair and equitable manner that takes into account student needs.

124 (3) Revenue a school district receives for a program funded through a Related to Basic
125 Programs line item appropriation that is restricted for a certain purpose may be allocated to
126 schools in a manner other than a weighted student formula.

127 (4) To mitigate a decrease in resources available to a school, a school district may
128 phase in the implementation of a weighted student formula over a five-year period.

129 Section 6. Section **53A-2-505** is enacted to read:

130 **53A-2-505. School budget -- Principal to determine use of school revenue.**

131 (1) The principal of each school shall:

132 (a) prepare a budget for the expenditure of revenue distributed to the school under

133 Section [53A-2-504](#);

134 (b) consult with an advisory committee appointed under Subsection (2) in preparing the
135 budget; and

136 (c) submit the budget to the local school board for approval.

137 (2) (a) The principal shall appoint an advisory committee to:

138 (i) review the instructional, academic, and student achievement goals of the school;

139 and

140 (ii) recommend how a school budget may be created to achieve the goals described in

141 Subsection (2)(a)(i).

142 (b) The advisory committee:

143 (i) shall include a parent or guardian member of the school community council who
144 serves as chair of the school community council; and

145 (ii) may include the following personnel employed at the school:

146 (A) administrators;

147 (B) teachers; and

148 (C) instructional support personnel.

149 (3) A school budget prepared and approved under Subsection (1) shall be aligned with
150 and support:

151 (a) the goals described in Subsection (2)(a)(i); and

- 152 (b) the school improvement plan developed under Section [53A-1a-108.5](#).
- 153 (4) (a) If a local school board disapproves a school budget submitted under Subsection
- 154 (1), the local school board shall provide a written explanation of why the budget was
- 155 disapproved and request that the principal revise the budget.
- 156 (b) The principal shall submit a revised school budget to the local school board for
- 157 approval.
- 158 (5) In preparing a school budget, a principal shall determine:
- 159 (a) how to use revenue available to the school to meet the needs of the school's
- 160 students;
- 161 (b) the number and type of both licensed and classified staff positions;
- 162 (c) the teaching assignments or other work assignments of licensed and classified
- 163 personnel at the school;
- 164 (d) how to provide for instructional support services, such as curriculum development
- 165 or professional development;
- 166 (e) how to provide for building and grounds maintenance;
- 167 (f) what instructional materials to acquire, subject to the requirements of Sections
- 168 [53A-13-101](#) and [53A-14-107](#); and
- 169 (g) what other resources are necessary for the education of the school's students.
- 170 Section 7. Section **53A-2-506** is enacted to read:
- 171 **53A-2-506. School budget -- Employee salaries and benefits.**
- 172 A school shall be charged for, and a school budget shall include revenue and
- 173 expenditures for, the actual cost of the salaries and benefits of personnel employed at the
- 174 school.
- 175 Section 8. Section **53A-2-507** is enacted to read:
- 176 **53A-2-507. Revenue and budget information published on school district website.**
- 177 A school district shall publish on the school district's website:
- 178 (1) the amount of revenue distributed to each school in accordance with Section
- 179 [53A-2-504](#);
- 180 (2) how the total revenues distributed to a school are calculated using a weighted pupil
- 181 formula and other allocation formulas;
- 182 (3) how a weighted pupil formula is phased in over a five-year period pursuant to

183 Section 53A-2-504; and
184 (4) each school budget.

Legislative Review Note
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Office of Legislative Research and General Counsel