

IN THE SENATE

SENATE BILL NO. 1417

BY FINANCE COMMITTEE

AN ACT

1 APPROPRIATING MONEYS TO THE STATE BOARD OF EDUCATION AND THE BOARD OF RE-
2 GENTS OF THE UNIVERSITY OF IDAHO FOR COLLEGE AND UNIVERSITIES AND THE
3 OFFICE OF THE STATE BOARD OF EDUCATION FOR FISCAL YEAR 2015; PROVIDING
4 GUIDANCE FOR EMPLOYEE COMPENSATION; PROVIDING NON-GENERAL FUND REAP-
5 PROPRIATION; PROVIDING LEGISLATIVE INTENT FOR SYSTEMWIDE NEEDS; PRO-
6 VIDING LEGISLATIVE INTENT FOR COMPLETE COLLEGE IDAHO GOAL OF SIXTY PER-
7 CENT; AND EXEMPTING APPROPRIATION OBJECT AND PROGRAM TRANSFER LIMITA-
8 TIONS.
9

10 Be It Enacted by the Legislature of the State of Idaho:

11 SECTION 1. There is hereby appropriated to the State Board of Education
12 and the Board of Regents of the University of Idaho for college and universi-
13 ties, and the Office of the State Board of Education, the following amounts
14 to be expended according to the designated programs and expense classes,
15 from the listed funds for the period July 1, 2014, through June 30, 2015:

| | FOR | FOR | FOR | FOR | |
|-------------------------------|-------------------|-------------------|----------------|-------------|-------------------|
| | PERSONNEL | OPERATING | CAPITAL | TRUSTEE AND | |
| | COSTS | EXPENDITURES | OUTLAY | BENEFIT | TOTAL |
| | | | | PAYMENTS | |
| 20 I. BOISE STATE UNIVERSITY: | | | | | |
| 21 FROM: | | | | | |
| 22 General | | | | | |
| 23 Fund | \$68,531,200 | \$7,692,000 | \$3,757,800 | | \$79,981,000 |
| 24 Unrestricted | | | | | |
| 25 Fund | <u>64,721,800</u> | <u>19,615,600</u> | <u>917,800</u> | | <u>85,255,200</u> |
| 26 TOTAL | \$133,253,000 | \$27,307,600 | \$4,675,600 | | \$165,236,200 |

| | | | | | |
|---|--------------|-----------|--|--|--------------|
| 27 II. IDAHO STATE UNIVERSITY: | | | | | |
| 28 FROM: | | | | | |
| 29 General | | | | | |
| 30 Fund | \$65,831,400 | \$804,300 | | | \$66,635,700 |
| 31 Charitable Institutions Endowment Income | | | | | |
| 32 Fund | 1,027,200 | | | | 1,027,200 |
| 33 Normal School Endowment Income | | | | | |
| 34 Fund | 1,572,000 | | | | 1,572,000 |

| | FOR | FOR | FOR | FOR | TOTAL |
|----|---------------------------------------|-------------------|-------------------|--------------------|-------------------|
| | PERSONNEL | OPERATING | CAPITAL | TRUSTEE AND | |
| | COSTS | EXPENDITURES | OUTLAY | BENEFIT | |
| | | | | PAYMENTS | |
| 5 | Unrestricted | | | | |
| 6 | Fund | <u>32,086,500</u> | <u>22,443,200</u> | <u>\$5,033,800</u> | <u>59,563,500</u> |
| 7 | TOTAL | \$100,517,100 | \$23,247,500 | \$5,033,800 | \$128,798,400 |
| 8 | III. UNIVERSITY OF IDAHO: | | | | |
| 9 | FROM: | | | | |
| 10 | General | | | | |
| 11 | Fund | \$69,903,800 | \$5,717,100 | \$3,534,100 | \$79,155,000 |
| 12 | Agricultural College Endowment Income | | | | |
| 13 | Fund | 824,400 | 56,200 | 283,400 | 1,164,000 |
| 14 | Scientific School Endowment Income | | | | |
| 15 | Fund | 2,858,600 | | 1,007,800 | 3,866,400 |
| 16 | University Endowment Income | | | | |
| 17 | Fund | 2,316,800 | 214,200 | 795,400 | 3,326,400 |
| 18 | Unrestricted | | | | |
| 19 | Fund | <u>39,987,300</u> | <u>34,190,400</u> | <u>739,800</u> | <u>74,917,500</u> |
| 20 | TOTAL | \$115,890,900 | \$40,177,900 | \$6,360,500 | \$162,429,300 |
| 21 | IV. LEWIS-CLARK STATE COLLEGE: | | | | |
| 22 | FROM: | | | | |
| 23 | General | | | | |
| 24 | Fund | \$12,183,600 | \$1,349,600 | \$434,000 | \$13,967,200 |
| 25 | Normal School Endowment Income | | | | |
| 26 | Fund | | 1,572,000 | | 1,572,000 |
| 27 | Unrestricted | | | | |
| 28 | Fund | <u>10,635,300</u> | <u>3,132,300</u> | <u>1,321,700</u> | <u>15,089,300</u> |
| 29 | TOTAL | \$22,818,900 | \$6,053,900 | \$1,755,700 | \$30,628,500 |
| 30 | V. SYSTEMWIDE: | | | | |
| 31 | FROM: | | | | |
| 32 | General | | | | |
| 33 | Fund | \$2,681,600 | \$1,285,000 | \$4,084,600 | \$3,433,100 |
| 34 | GRAND TOTAL | \$375,161,500 | \$98,071,900 | \$21,910,200 | \$498,576,700 |

1 SECTION 2. EMPLOYEE COMPENSATION. It is the intent of the Legislature,
2 working cooperatively with the Governor's Office, the Division of Human Re-
3 sources, and the Division of Financial Management, to progress toward the
4 goal of funding a competitive salary and benefit package that will attract
5 qualified applicants, retain employees committed to public service excel-
6 lence, motivate employees to maintain high standards of productivity, and
7 reward employees for outstanding performance by:

- 8 1) Adjusting the compensation schedule upwards by 1% to move the salary
9 structure toward market; and
- 10 2) Continuing the job classifications that are currently on payline
11 exception to address specific recruitment or retention issues; and
- 12 3) Funding an ongoing 1% salary increase for state employees, and funding
13 the equivalent of a one-time 1% bonus for state employees, based upon
14 employee merit, with flexibility in distribution as determined by
15 the agency directors.

16 The Legislature also finds that investing in state employee compensa-
17 tion should remain a high priority even in tough economic times, and there-
18 fore strongly encourages agency directors, institution executives and the
19 Division of Financial Management to approve the use of salary savings to pro-
20 vide either one-time or ongoing merit increases for deserving employees and
21 also to target employees who are below policy compensation. Such salary sav-
22 ings could result from turnover and attrition, or be the result of innova-
23 tion and reorganization efforts that create savings. Such savings should be
24 reinvested in employees. Agencies are cautioned to use one-time funding for
25 one-time payments and ongoing funding for permanent pay increases.

26 SECTION 3. NON-GENERAL FUND REAPPROPRIATION AUTHORITY. There is hereby
27 reappropriated to the State Board of Education and the Board of Regents of
28 the University of Idaho for college and universities any unexpended and un-
29 encumbered balances of moneys categorized as dedicated funds appropriated
30 for fiscal year 2014, to be used for nonrecurring expenditures, for the pe-
31 riod July 1, 2014, through June 30, 2015.

32 SECTION 4. LEGISLATIVE INTENT. It is the intent of the Legislature that
33 of the amount appropriated from the General Fund in Section 1, Subsection V.
34 of this act, the following amounts may be used as follows: (1) An amount not
35 to exceed \$140,000 may be used by the Office of the State Board of Education
36 for systemwide needs; (2) An amount of approximately \$1,435,500 may be used
37 for the mission and goals of the Higher Education Research Council as out-
38 lined in State Board of Education policy III.W., which includes awards for
39 infrastructure, matching grants, and competitive grants through the Idaho
40 Incubation Fund program; and (3) An amount not to exceed \$863,300 may be
41 used by the State Board of Education for instructional projects designed to
42 foster innovative learning approaches using technology, to promote account-
43 ability and information transfer throughout the higher education system
44 including longitudinal student-level data and program/course transferabil-
45 ity and to promote the Idaho Electronic Campus.

1 SECTION 5. LEGISLATIVE INTENT. It is the intent of the Legislature that
2 of the amount appropriated from the General Fund in Section 1, Subsection V.
3 of this act, \$2,759,700 of ongoing funds provided for Complete College Idaho
4 60% goal and \$4,085,800 of one-time funds provided shall be allocated by the
5 State Board of Education for either personnel, operating or one-time capital
6 outlay costs.

7 SECTION 6. EXEMPTIONS FROM OBJECT AND PROGRAM TRANSFER LIMITATIONS.
8 For fiscal year 2014, the State Board of Education and the Board of Regents
9 of the University of Idaho for college and universities is hereby exempted
10 from the provisions of Section 67-3511(1), (2) and (3), Idaho Code, allow-
11 ing unlimited transfers between object codes and between programs, for all
12 moneys appropriated to it for the period July 1, 2014, through June 30, 2015.
13 Legislative appropriations shall not be transferred from one fund to another
14 fund unless expressly approved by the Legislature.