

# Senate Education Committee

February 8, 2018

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Legislative Services Office, Budget & Policy Analysis**

## **FY 2019 Public Schools K - 12 Budget Request Review**

1. FY 2019 Legislative Budget Book, <https://legislature.idaho.gov/lso/bpa/pubs/lbb/>
  - a. 22-year General Fund Appropriation History
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# Twenty-Two Year History of General Fund

## Original Appropriations: FY 1997 to FY 2018

Millions of Dollars

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total Gen Fund
2018	\$1,685.3	\$287.1	\$198.9	\$2,171.2	\$706.1	\$262.1	\$311.1	\$3,450.6
2017	\$1,584.7	\$279.5	\$187.5	\$2,051.7	\$677.1	\$256.2	\$288.0	\$3,273.0
2016	\$1,475.8	\$258.8	\$169.7	\$1,904.3	\$649.5	\$247.4	\$270.7	\$3,071.9
2015	\$1,374.6	\$251.2	\$153.7	\$1,779.5	\$637.3	\$243.3	\$276.0	\$2,936.1
2014	\$1,308.4	\$236.5	\$143.0	\$1,687.9	\$616.8	\$218.3	\$258.0	\$2,781.0
2013	\$1,279.8	\$228.0	\$138.0	\$1,645.7	\$610.2	\$205.5	\$240.7	\$2,702.1
2012	\$1,223.6	\$209.8	\$128.3	\$1,561.7	\$564.8	\$193.1	\$209.3	\$2,529.0
2011	\$1,214.3	\$217.5	\$129.9	\$1,561.7	\$436.3	\$180.7	\$205.1	\$2,383.8
2010*	\$1,231.4	\$253.3	\$141.2	\$1,625.8	\$462.3	\$186.8	\$231.7	\$2,506.6
2009	\$1,418.5	\$285.2	\$175.1	\$1,878.8	\$587.3	\$215.9	\$277.3	\$2,959.3
2008	\$1,367.4	\$264.2	\$166.2	\$1,797.7	\$544.8	\$201.2	\$276.9	\$2,820.7
2007*	\$1,291.6	\$243.7	\$148.4	\$1,683.7	\$502.4	\$178.0	\$229.7	\$2,593.7
2006	\$987.1	\$228.9	\$141.8	\$1,357.9	\$457.7	\$152.2	\$213.2	\$2,180.9
2005	\$964.7	\$223.4	\$138.3	\$1,326.3	\$407.6	\$142.8	\$205.5	\$2,082.1
2004	\$943.0	\$218.0	\$131.3	\$1,292.3	\$375.8	\$140.6	\$195.3	\$2,004.1
2003	\$920.0	\$213.6	\$130.4	\$1,264.0	\$359.6	\$145.0	\$199.3	\$1,967.9
2002	\$933.0	\$236.4	\$142.1	\$1,311.5	\$358.0	\$147.3	\$227.5	\$2,044.3
2001*	\$873.5	\$215.0	\$121.1	\$1,209.5	\$282.1	\$123.2	\$189.2	\$1,804.0
2000	\$821.1	\$202.0	\$110.4	\$1,133.4	\$270.7	\$108.5	\$162.1	\$1,674.7
1999	\$796.4	\$192.9	\$103.5	\$1,092.8	\$252.7	\$106.4	\$159.0	\$1,610.8
1998	\$705.0	\$178.6	\$94.4	\$978.0	\$236.6	\$90.3	\$134.0	\$1,438.9
1997	\$689.5	\$178.0	\$94.4	\$961.9	\$238.5	\$78.6	\$133.7	\$1,412.7

### Percentage of Total

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total
2018	48.8%	8.3%	5.8%	62.9%	20.5%	7.6%	9.0%	100%
2017	48.4%	8.5%	5.7%	62.7%	20.7%	7.8%	8.8%	100%
2016	48.0%	8.4%	5.5%	62.0%	21.1%	8.1%	8.8%	100%
2015	46.8%	8.6%	5.2%	60.6%	21.7%	8.3%	9.4%	100%
2014	47.0%	8.5%	5.1%	60.7%	22.2%	7.8%	9.3%	100%
2013	47.4%	8.4%	5.1%	60.9%	22.6%	7.6%	8.9%	100%
2012	48.4%	8.3%	5.1%	61.8%	22.3%	7.6%	8.3%	100%
2011	50.9%	9.1%	5.5%	65.5%	18.3%	7.6%	8.6%	100%
2010*	49.1%	10.1%	5.6%	64.9%	18.4%	7.5%	9.2%	100%
2009	47.9%	9.6%	5.9%	63.5%	19.8%	7.3%	9.4%	100%
2008	48.5%	9.4%	5.9%	63.7%	19.3%	7.1%	9.8%	100%
2007*	49.8%	9.4%	5.7%	64.9%	19.4%	6.9%	8.9%	100%
2006	45.3%	10.5%	6.5%	62.3%	21.0%	7.0%	9.8%	100%
2005	46.3%	10.7%	6.6%	63.7%	19.6%	6.9%	9.9%	100%
2004	47.1%	10.9%	6.6%	64.5%	18.8%	7.0%	9.7%	100%
2003	46.8%	10.9%	6.6%	64.2%	18.3%	7.4%	10.1%	100%
2002	45.6%	11.6%	7.0%	64.2%	17.5%	7.2%	11.1%	100%
2001*	48.4%	11.9%	6.7%	67.0%	15.6%	6.8%	10.5%	100%
2000	49.0%	12.1%	6.6%	67.7%	16.2%	6.5%	9.7%	100%
1999	49.4%	12.0%	6.4%	67.8%	15.7%	6.6%	9.9%	100%
1998	49.0%	12.4%	6.6%	68.0%	16.4%	6.3%	9.3%	100%
1997	48.8%	12.6%	6.7%	68.1%	16.9%	5.6%	9.5%	100%

2010\* Moved Deaf/Blind School from "Other Education" to "Public Schools"; Historical Society and Libraries to "All Other Agencies".

2007\* Adjusted for H1 of 2006 Special Session which increased Public Schools General Fund by \$250,645,700.

2001\* Moved Department of Environmental Quality and Veterans Services from H&W to "All Other Agencies".

# Public School Support

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2017 Total App</b>	<b>FY 2017 Actual</b>	<b>FY 2018 Approp</b>	<b>FY 2019 Request</b>	<b>FY 2019 Gov Rec</b>
<b>BY DIVISION</b>					
Administrators	86,798,500	86,798,500	90,616,400	94,210,600	93,724,700
Teachers	855,733,000	855,733,000	924,988,500	974,201,300	976,479,600
Operations	613,571,500	613,571,500	653,649,000	694,434,700	676,412,900
Children's Programs	296,015,800	296,015,800	298,637,800	309,410,900	315,854,300
Facilities	49,410,500	49,410,500	48,486,600	55,761,000	53,545,700
Central Services	14,662,500	14,662,500	13,975,800	15,304,100	15,304,100
Deaf & Blind, Educational Svcs for the	10,312,300	10,312,300	10,884,300	11,132,600	10,974,400
<b>Total:</b>	<b>1,926,504,100</b>	<b>1,926,504,100</b>	<b>2,041,238,400</b>	<b>2,154,455,200</b>	<b>2,142,295,700</b>
<b>BY FUND CATEGORY</b>					
General	1,584,669,400	1,584,669,400	1,685,262,200	1,799,106,000	1,786,946,500
Dedicated	77,496,200	77,496,200	91,637,700	91,010,700	91,010,700
Federal	264,338,500	264,338,500	264,338,500	264,338,500	264,338,500
<b>Total:</b>	<b>1,926,504,100</b>	<b>1,926,504,100</b>	<b>2,041,238,400</b>	<b>2,154,455,200</b>	<b>2,142,295,700</b>
Percent Change:		0.0%	6.0%	5.5%	5.0%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	0	0	0	8,648,100	8,499,300
Operating Expenditures	14,662,500	14,662,500	13,975,800	17,576,100	17,576,100
Capital Outlay	0	0	0	212,500	203,100
Trustee/Benefit	10,312,300	10,312,300	10,884,300	0	0
Lump Sum	1,901,529,300	1,901,529,300	2,016,378,300	2,128,018,500	2,116,017,200
<b>Total:</b>	<b>1,926,504,100</b>	<b>1,926,504,100</b>	<b>2,041,238,400</b>	<b>2,154,455,200</b>	<b>2,142,295,700</b>

## Department Description

The Public School Support budget provides state and federal funding to local school districts and public charter schools for public education, grades K-12, to meet the requirements of Article IX, Section 1, of the Idaho Constitution, which reads: "Legislature to establish system of free schools. The stability of a republican form of government depending mainly upon the intelligence of the people, it shall be the duty of the legislature of Idaho, to establish and maintain a general, uniform and thorough system of public, free common schools."

# Public School Support

## Comparative Summary

Decision Unit	Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2018 Original Appropriation</b>	<b>0.00</b>	<b>1,685,262,200</b>	<b>2,041,238,400</b>	<b>0.00</b>	<b>1,685,262,200</b>	<b>2,041,238,400</b>
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
<b>FY 2018 Estimated Expenditures</b>	<b>0.00</b>	<b>1,685,262,200</b>	<b>2,041,238,400</b>	<b>0.00</b>	<b>1,685,262,200</b>	<b>2,041,238,400</b>
Removal of Onetime Expenditures	0.00	(2,342,800)	(5,342,800)	0.00	(2,342,800)	(5,342,800)
<b>FY 2019 Base</b>	<b>0.00</b>	<b>1,682,919,400</b>	<b>2,035,895,600</b>	<b>0.00</b>	<b>1,682,919,400</b>	<b>2,035,895,600</b>
Benefit Costs	0.00	5,656,500	5,656,500	0.00	(197,900)	(197,900)
Replacement Items	0.00	182,500	182,500	0.00	178,100	178,100
Public School Salary Change	0.00	2,346,400	2,346,400	0.00	7,021,100	7,021,100
Change in Employee Compensation	0.00	31,600	31,600	0.00	92,800	92,800
<b>Nondiscretionary Adjustments</b>	<b>0.00</b>	<b>71,337,100</b>	<b>70,427,100</b>	<b>0.00</b>	<b>68,977,800</b>	<b>68,067,800</b>
Endowment Adjustments	0.00	(3,276,000)	7,000	0.00	(3,276,000)	7,000
<b>FY 2019 Program Maintenance</b>	<b>0.00</b>	<b>1,759,197,500</b>	<b>2,114,546,700</b>	<b>0.00</b>	<b>1,755,715,300</b>	<b>2,111,064,500</b>
<b>Line Items</b>						
<b>Administrators</b>						
11. Administrators Addl 2% Salary Increase	0.00	1,808,600	1,808,600	0.00	0	0
<b>Teachers</b>						
1. College/Career Advisors and Mentors	0.00	2,000,000	2,000,000	0.00	5,000,000	5,000,000
10. Professional Development	0.00	0	0	0.00	4,000,000	4,000,000
<b>Operations</b>						
3. Classroom Technology	0.00	10,000,000	10,000,000	0.00	10,000,000	10,000,000
5. Classified Addl 4% Salary Increase	0.00	5,780,700	5,780,700	0.00	0	0
6. Discretionary: Health Insurance	0.00	7,209,300	7,209,300	0.00	0	0
7. Discretionary: Other	0.00	7,133,400	7,133,400	0.00	0	0
<b>Children's Programs</b>						
2. Mastery-Based System Development	0.00	1,050,000	1,050,000	0.00	1,050,000	1,050,000
8. Limited English Proficiency	0.00	1,000,000	1,000,000	0.00	1,000,000	1,000,000
13. Literacy Proficiency	0.00	0	0	0.00	6,500,000	6,500,000
<b>Central Services</b>						
2. Mastery-Based System Development	0.00	350,000	350,000	0.00	350,000	350,000
4. Literacy Intervention and IRI Replacement	0.00	433,800	433,800	0.00	433,800	433,800
6. Content and Curriculum	0.00	300,000	300,000	0.00	300,000	300,000
9. Student Achievement Assessments	0.00	1,341,500	1,341,500	0.00	1,341,500	1,341,500
10. Professional Development	0.00	250,000	250,000	0.00	250,000	250,000
12. Wireless Infrastructure	0.00	795,000	795,000	0.00	795,000	795,000
<b>Educational Services for the Deaf &amp; Blind</b>						
1. Career Ladder Equivalence	0.00	426,200	426,200	0.00	185,900	185,900
2. Hydraulic Snowplow Attachment	0.00	5,000	5,000	0.00	0	0
3. Portable Auditory Response Testing	0.00	25,000	25,000	0.00	25,000	25,000
<b>FY 2019 Total</b>	<b>0.00</b>	<b>1,799,106,000</b>	<b>2,154,455,200</b>	<b>0.00</b>	<b>1,786,946,500</b>	<b>2,142,295,700</b>
Chg from FY 2018 Orig Approp.	0.00	113,843,800	113,216,800	0.00	101,684,300	101,057,300
% Chg from FY 2018 Orig Approp.		6.8%	5.5%		6.0%	5.0%

# Public School Support

## Agency Profile

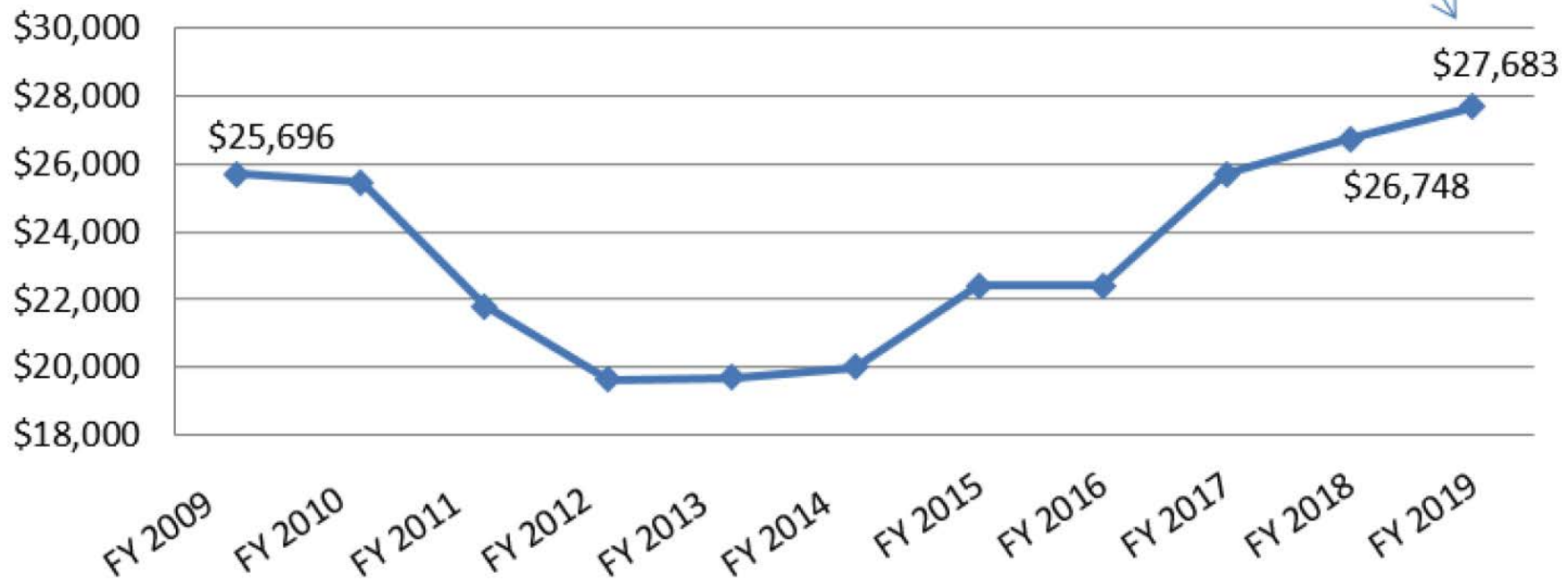
Analyst: Lockett

### FY 2018 Appropriation, FY 2019 Request, and FY 2019 Governor's Recommendation

Source of Funds	FY 2018 Original Appropriation	FY 2019 Supt. Ybarra Request	FY 2019 Governor's Recommendation
General Fund	\$1,685,262,200	\$1,799,106,000	\$1,786,946,500
Dedicated Funds	\$91,637,700	\$91,010,700	\$91,010,700
Federal Funds	\$264,338,500	\$264,338,500	\$264,338,500
<b>TOTAL FUNDS</b>	<b>\$2,041,238,400</b>	<b>\$2,154,455,200</b>	<b>\$2,142,295,700</b>
<i>General Fund Percent Change from Previous Year:</i>	6.3%	6.8%	6.0%
<i>Total Funds Percent Change from Previous Year:</i>	6.0%	5.5%	5.0%
<b>Statutory Distributions</b>			
	<b>Idaho Code</b>		
1 Transportation	§33-1006	\$71,643,800	\$73,900,400
2 Border Contracts	§33-1002(2)(d), §33-1403	1,200,000	1,200,000
3 Exceptional Contracts/Tuition Equivalents	§33-1002(2)(e), §33-2004	5,390,900	5,390,900
4 Salary-based Apportionment	§33-1002(2)(f), §33-1004E(4)(5)	195,929,000	205,950,200
5 State Paid Employee Benefits	§33-1004F	36,834,700	39,913,200
6 Career Ladder Salaries	§33-1004B	726,236,400	761,566,200
7 Career Ladder Benefits	§33-1004F	136,532,400	147,591,500
8 Bond Levy Equalization	§33-906, -906A, -906B	20,500,000	25,399,800
9 Idaho Digital Learning Academy	§33-1020	9,122,000	9,845,100
10 Idaho Safe & Drug-Free Schools	§63-2506, -2552A(3), -3067	4,024,900	4,024,900
11 Math and Science Requirement	§33-1021	5,478,100	5,930,000
12 Advanced Opportunities	§33-4602	7,000,000	15,000,000
13 National Board Teacher Certification	§33-1004E(2)	90,000	90,000
14 Facilities (Lottery)	§33-905, §67-7434	18,075,000	18,562,500
15 Facilities State Match (General Fund)	§33-1019	3,827,500	3,905,000
16 Facilities - Charter School Funding	§33-5208(5)	6,084,100	7,893,700
17 Leadership Premiums	§33-1002(2)(o), §33-1004J	17,401,600	17,773,600
18 Continuous Improvement Plans and Training	§33-320(4)	652,000	652,000
19 Mastery Based System	§33-1002(2)(s), §33-1632	1,400,000	2,800,000
20 Online Class Portal	§33-1024	150,000	150,000
21 Literacy Proficiency	§33-1002(2)(r), §33-1614-1616	11,416,200	11,850,000
22 Academic & College/Career Advisors	§33-1002(2)(q), -1212A	7,000,000	9,000,000
23 Innovation Schools	§33-5804(3)	100,000	100,000
24 <b>Sub-total -- Statutory Requirements</b>		<b>\$1,286,088,600</b>	<b>\$1,368,489,000</b>
<b>Other Program Distributions</b>			
25 Math Initiative		\$1,817,800	\$1,817,800
26 Remediation Based on ISAT		5,456,300	5,456,300
27 Limited English Proficiency (LEP)		3,870,000	4,870,000
28 IT Staffing		7,500,000	7,500,000
29 Technology (Classroom, WiFi Contract/Distribute, IMS)		28,142,000	36,795,000
30 Student Achievement Assessments		1,758,500	3,100,000
31 Prof. Development and Gifted & Talented		20,950,000	21,200,000
32 Content and Curriculum		5,050,000	5,350,000
33 Bureau of Services for the Deaf & Blind (Campus)		6,921,100	7,086,400
34 Bureau of Services for the Deaf & Blind (Outreach)		3,963,200	4,046,200
35 Federal Funds		264,115,000	264,115,000
36 <b>Sub-total -- Other Program Distributions</b>		<b>\$349,543,900</b>	<b>\$365,178,500</b>
37 <b>TOTAL CATEGORICAL EXPENDITURES (row 24 + row 36)</b>		<b>\$1,635,632,500</b>	<b>\$1,729,825,700</b>
38 <b>STATE DISCRETIONARY FUNDS (Total Funds - row 37)</b>		<b>\$405,605,900</b>	<b>\$410,286,900</b>
39 <b>ESTIMATED SUPPORT UNITS</b>		<b>15,164</b>	<b>15,339</b>
40 <b>STATE DISCRETIONARY \$ PER SUPPORT UNIT (row 38 / row 39)</b>		<b>\$26,748</b>	<b>\$27,683</b>
<i>Discretionary Funding per Support Unit, Change from Previous Year:</i>		4.1%	0.0%

# Public Schools Funds Per Support Unit of Discretionary Funding

Requested by Supt. Ybarra  
for FY 2019



	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
STATE DISCRETIONARY FUNDS	\$357,174,300	\$356,553,300	\$308,286,000	\$280,952,900	\$283,073,100	\$287,961,500	\$326,541,500	\$351,308,700	\$382,516,200	\$405,605,900	\$424,629,500
ESTIMATED SUPPORT UNITS (Mid-Term)	13,900	14,005	14,145	14,315	14,365	14,398	14,577	14,719	14,886	15,164	15,339
STATE DISCRETIONARY \$ PER SUPPORT UNIT	\$25,696	\$25,459	\$21,795	\$19,626	\$19,706	\$20,000	\$22,401	\$22,401	\$25,696	\$26,748	\$27,683
Percent Change		-0.92%	-14.39%	-9.95%	0.40%	1.49%	12.00%	0.00%	14.71%	4.09%	3.50%

## Public Education Stabilization Fund (PESF)

The Public Education Stabilization Fund (PESF) was created by H463 of 2003 to stabilize payments to school districts and charter schools when there are either instances of downturns in the economy or higher than expected expenditures. Because the appropriation to the Public School Support Program is built on numerous program estimates, PESF ensures that the obligations to school districts and charter schools are funded. For example, if insufficient funding is available in the annual public school appropriation at the end of the fiscal year, then funds are withdrawn to meet those obligations. Conversely, if there is more funding than necessary in the appropriation, then a deposit is made into the fund. Both of these scenarios have happened since PESF was created, with the largest single withdrawal of \$85.1 million in FY 2009 during the last recession. Withdrawals typically happen in years of relatively large increases in student population and deposits typically happen when the economy slows down and fewer than expected students enroll in Idaho schools.

Other than deposits to PESF due to excess appropriation, there is no automatic transfer of moneys into the fund.

The PESF balance peaked in FY 2008 at \$112 million; the current balance is \$65 million.

Balance June 30, 2003	\$ 0.000
Balance June 30, 2004	\$ 7.135
Balance June 30, 2005	\$ 12.135
Balance June 30, 2006	\$ 7.771
Balance June 30, 2007	\$ 109.030
Balance June 30, 2008	\$ 112.046
Balance June 30, 2009	\$ 17.979
Balance June 30, 2010	\$ 23.174
Balance June 30, 2011	\$ 11.154
Balance June 30, 2012	\$ 36.968
Balance June 30, 2013	\$ 49.049
Balance June 30, 2014	\$ 72.851
Balance June 30, 2015	\$ 90.948
Balance June 30, 2016	\$ 88.551
Balance June 30, 2017	\$ 85.545

### **FY 2018**

Interest Earnings and Revenues	0.519
Disbursements	(20.780)
Estimate June 30, 2018	\$ 65.284