



Utah State Board of Education School Fees

Spring Finance Training
May 15, 2019

Utah School Fees - Background

UTAH STATE BOARD OF EDUCATION



- 2017 Legislative Session Legislators express constituent concerns and open bill files.
- April 2017 to January 2018 USBE directs AAGs to determine legal ramifications of Injunction.
- April 2018 USBE Internal Audit School Fees Audit Report released.
- USBE takes immediate and proactive action establishing a 14 member School Fees Task Force made of representatives across the public education enterprises. The taskforce began meeting June 2018.
- OLAG release's a Performance Audit of Secondary School Fees September 2018.
- December 6, 2018 School Fees Task Forces reports their recommendations to USBE for Board rules changes.
- January 30, 2019 USBE Board Committee completes rewrite of R277-407.
- February 8, 2019 Board approves clarifying changes to R277-407 and makes motion to support 1st Sub HB250.
- March 2019 R277-407 filed with the Office of Administrative Rules and open for public comment
- January 1, 2020 Updated R277-407 takes full effect.



**“It is the public policy of this state
that public education shall be free.”**

Utah Code 53G-7-602(1)

Utah School Fees



“Fees” Definition:

Anytime you require or request money, or something that costs money, it is a fee.

(6) (a) "Fee" means a charge, expense, deposit, rental, or payment:

- (i) regardless of how the charge, expense, deposit, rental, or payment is termed, described, requested, or required directly or indirectly;
- (ii) in the form of **money, goods, or services; and**
- (iii) that is a condition to a student's full participation in an activity, course, or program that is provided, sponsored, or supported by an LEA.

Utah School Fees



"Fee" includes:

- money or something of monetary value raised by a student or the student's family through fundraising;
- charges or expenditures for a school field trip or activity trip, including related transportation, food, lodging, and admission charges;
- payments made to a third party that provides a part of a school activity, class, or program;

Fee Schedules



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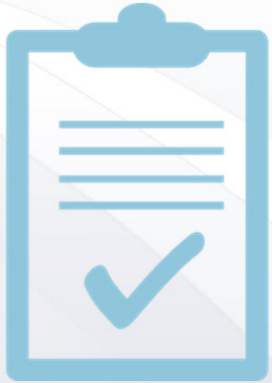


An LEA may only charge a fee if the fee is **authorized** and **noticed** by the LEA governing board . . .

Code References:
53G-7-503(1), 53G-7-505
R277-407-6



What does it mean to give notice?



Before approving the fee schedule, an LEA must:

- Provide at least **two opportunities** for the public comments
- Provide **public notice** of the meetings
- Encourage **public participation** in the development of fee schedules and waiver policies
- Provide **notice to parents and students** of the meetings using the same form of communication regularly used, including notice by e-mail, text, flyer, or phone call
- **Keep minutes** of the meetings



What needs to be in a fee schedule?

- A **specific amount** for each fee
- A **maximum fee** amount per student for each **activity**
- A **maximum total** aggregate fee amount **per student** per school year
- A clear and easy to understand **fee delineation** and the fee total for each activity, class, or program
- The LEA's fee **waiver policy**
- A **spending plan** for each fee

Code References:

53G-7-505(3)
R277-407(6)

Highlighted Changes

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Project Based Courses, Part 1

In projected related courses, projects required for the highest possible grade shall be **free to all students**.



Project Based Courses, Part 2

- A school may require a student to provide materials or pay for an **additional, discretionary** project.
- A school shall avoid allowing high cost additional projects.

Highlighted Changes

UTAH STATE BOARD OF EDUCATION



Project Based Courses, Part 3

We are still seeking clarification:

- Instructional Supplies- can charge class fees.
- Instructional Equipment-
 - student owned - fees
 - school owned - no fees
- Instructional Materials (Textbooks)- Chromebooks & iPads, Network Services & Support, Workbook? Software, WIFI



Fees for Textbooks, Part 1

“Textbook” means instructional material necessary for participation in an activity, course, or program, regardless of the format of the material.



Fees for Textbooks, Part 2

No textbook fees beginning with the 2022-23 school year, except for a textbook used for a concurrent enrollment or AP course



School Uniforms

- Not a fee if you can purchase the uniforms from multiple retailers.
- If the school uniform is expensive or prescriptive, it is a fee.

Highlighted Changes

UTAH STATE BOARD OF EDUCATION



School Activity Clothing

Uniforms for extracurricular or co-curricular activities,
are a fee and are subject to waivers.

Code References
53G-7-501(6)(b)(v)

Highlighted Changes

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Fundraising:

- No **required** individual fundraising
- An LEA may allow for **required** group fundraisers
- An LEA can't deny participation or membership for those that don't participate in fundraising

Code References

R277-407-10, R277-407-8(5,6,7)



Provision/Service in Lieu of Fees:

- May be allowed, but may not be required.
- An installment payment plan may not be instigated by the school but **must be voluntarily requested** by the student or parent.

Highlighted Changes

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Spend Plan, Part 1

It is a budget for each fee showing how the revenues will be spent. Each fee schedule also delineates each fee.

Code References

Fees for Textbooks:
R277-407-13(2)(a)



Spend Plan, Part 2

- Recommended Structure
 - Revenue Codes – Type of fee: admission, sales, membership, transportation, fee.
 - Program Codes –Type of activity: curricular, co-curricular, extra curricular or club.
 - Object Codes – the delineation of the fee: personnel, operational costs, travel, supplies, equipment, uniforms or clothing, building, membership fee.



Spend Plan, Part 3

Feedback is being collected over the next few months to determine the best way to implement the “spend plan” requirements with the future requirements of activity-based costing...

Code References

Fees for Textbooks:
R277-407-13(2)(a)



Spend Plan, Part 4

... and following these specific criteria:

- R277-407-13(2)(a) – establish a spend plan for the revenue collected from each fee
- R277-407-13(2)(b) – share revenue lost due to fee waivers across the LEA
- UCA §53G-7-503(3)(a) – 2021-2022 school year, the fee shall be equal to or less than the expense incurred by the LEA
- UCA §53G-7-503(3)(b) may not impose an additional fee or increase a fee to supplant or subsidize another fee
- UCA §53G-7-602(3)(a) and (i) Beginning with the 2022-23 school year, an LEA may not sell textbooks or otherwise charge a textbook fee

Annual LEA Reporting Requirements

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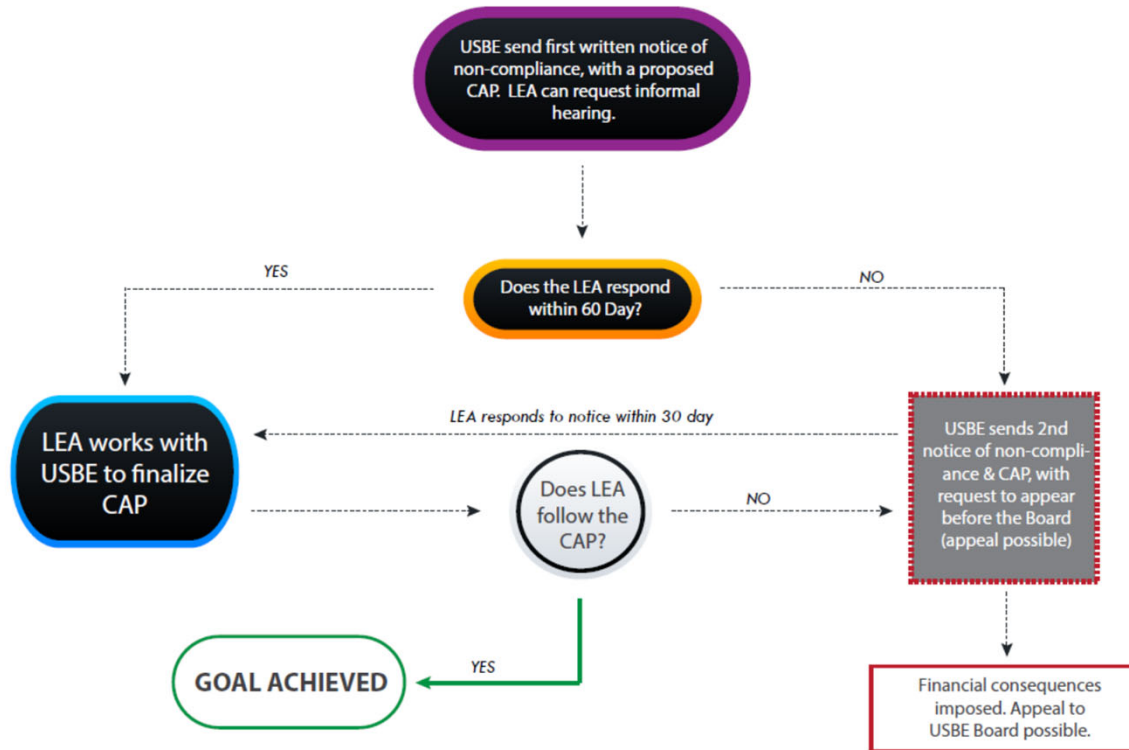
Certificate of Compliance

- New Web-based process using the Qualtrics software program
- Will be due October 31, 2019
- Email with instructions and URL to take access the report will be sent out August 1st (*date is flexible*)
- Each Board Chair, Superintendent, Charter Director, and Principal will receive report link.
- Sample of *Certificate of Compliance* available on the website <https://schools.utah.gov/schoolfees>
- *Basically the same as old just web-based*

Corrective Actions



School Fees Corrective Action



UCA §53G-7-503(4)(a)
R277-407-16, R277-114

Beginning with or after the 2021-2022 school year, . . . the state board shall impose corrective action against the LEA, . . .



LEA School Fee Contact (SFC)

- Can be the Superintendent
 - 47 LEA's responded and 21 have set up a SFC other than the superintendent or director.
 - Please let us know your preference.

- USBE will utilize this person to be the Liaison between the LEA and USBE
 - Serve on feedback groups.
 - Point person for USBE trainings.
 - The point of contact for USBE to share individual student concerns. If USBE gets a call directly from a student or parent, we will resolve the question but refer the concerns back to the LEA.

Annual LEA Reporting Requirements

UTAH STATE BOARD OF EDUCATION



Statistical Report

Report submission due October 31, 2019 is data for the prior SY2018-2019

Overall Totals:

- # of Students (Enrollment as of October 1st, 2018)
- \$ amount of fees collected (for school year ending June 2019)

Fee Waivers

- # of students in the LEA given fee waivers (for school year ending June 2019)
- \$ amount of fee waivers given (for school year ending June 2019)

Work in Lieu of Fee Waivers

- # of students who worked in lieu of a waiver (for school year ending June 2019)
- \$ amount of work in lieu of waivers (for school year ending June 2019)

Timeline for Rule & Code Implementation

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School Year
2019-2020

- Uniforms are fees if the uniforms are expensive or prescriptive.
- New Certificates of Compliance web-based forms and process.
- New HB 250 definitions in effect for full year.
- R277-407 general changes in effect.
 - LEAs cannot require service in lieu of waivers.
 - Cannot require individual fundraising.
 - New definitions in effect as of Jan 1, 2020.

Timeline for Rule & Code Implementation

UTAH STATE BOARD OF EDUCATION



School Year
2020-2021

- Both HB 250 & R277-407 changes in effect for full year.
- New fee schedule approval process- April 1st deadline, public notice, public meeting, 2 public comment opportunities.
- New fee schedule rules- activity & student maximums, fee delineation, spend plans, language requirements.
- LEAs cannot use one fee to subsidize another fee or waiver.

Timeline for Rule & Code Implementation

UTAH STATE BOARD OF EDUCATION



School Year
2021-2022



- Fees must be equal or less than the cost of the activity, i.e. Activity based costing in alignment with task force recommendations.
- Board takes corrective actions.

Timeline for Rule & Code Implementation

UTAH STATE BOARD OF EDUCATION



**School Year
2022-2023**



- LEA may not sell textbooks or otherwise charge a textbook fee.



School Fees Website:

<https://schools.utah.gov/schoolfees>

- Overview
 - Copy of New Rule R277-407 Effective 1/1/2020
 - Copy of the Injunction
- Certificate of Compliance (*New Web-based Reporting*)
 - August 1st sent URL to survey
 - Deadline to Complete October 31st
- Guidelines/FAQs
 - Information Packet
 - FAQs
- Forms
 - Fee Waiver Applications (Revised 5/3/2019)
 - School Fee Notice & Poster
 - Community Service Agreements / Appeals
- Model Policies
 - *Under Construction*



Questions

Tamra Dayley

USBE School Fees Project Lead

Tamra.Dayley@schools.utah.gov

Ian Fitch

USBE School Fees Project Staff

Ian.Fitch@schools.utah.gov

Angie Stallings

Deputy Superintendent of Policy

Angie.Stallings@schools.utah.gov