

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$45,900		\$6,200	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$45,900</b>		<b>\$6,200</b>	

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 274 is the Education Compensation Transparency Act. The bill requires boards of school districts and educational service units (ESU) to publish information on the home page of the web site of the district or ESU regarding the salary and benefits provided in the contract for the superintendent of schools or the ESU administrator. The State Department of Education (NDE) is to prescribe a standard format for publication of the web site information. The information is to be reported to NDE and be available on the NDE web site either through a link to the home page of a school district or ESU or in a manner prescribed by the department.

NDE will have increased expenditures to collect the required information and post it on the department web site. The department indicates the only way to appropriately track the salary and fringe benefit information is to request the contracts for the superintendent or ESU administrator from every school district and ESU.

The department projects the need for an additional IT Data Base Analyst at a cost of \$93,600 of general funds to collect the reports and post the information. Staff would need to design a process to monitor the information, audit what is provided and monitor any board amendments to contracts.

It is assumed the department will need an additional .5 FTE in the initial year of implementation to design the reports and web site application, collect the information, review the information, and post it to the department web site. The estimated increase in general funds for a .5 FTE IT Analyst and related operating expenses is \$45,900. It is assumed the requirements of the bill will not necessitate a half-time FTE in future years, so the on-going fiscal impact is estimated to be \$6,200 for minimal staffing and operating expenses.

School districts and educational service units will have a minimal workload increase pursuant to the bill which should be absorbable with existing staff and resources.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: 274	AM:	AGENCY/POLT. SUB: ESU Coordinating Council	
REVIEWED BY: Matthew Eash		DATE: 2/1/2013	PHONE: 402-471-4175
COMMENTS: Costs to ESUs would be, at most, nominal, and could be absorbed with existing resources.			

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: 274	AM:	AGENCY/POLT. SUB: Department of Education	
REVIEWED BY: Matthew Eash		DATE: 2/1/2013	PHONE: 402-471-4175
COMMENTS: The Department already collects compensation information for all personnel identified in the legislation but maintains it in a database format that is not readily comprehensible by the general public. However, the data is compiled a few months later than what is required in the legislation, and based on the history of some school districts/ESUs providing inconsistent or inaccurate data with respect to the detailed guidance the Department provides every year, it is likely that the Department would have to implement a more stringent level of quality assurance/auditing in order to publish more consistent/accurate data than it is currently receiving. Nevertheless, this increased oversight would be seasonal (3-4 months in the summer/fall) and likely equate to the equivalent of 0.10 FTE. There would also be some one-time costs for establishing some new data collection protocols and for designing a web presence.			

Please complete ALL (5) blanks in the first three lines.

**2013**

**LB<sup>(1)</sup> 274 FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> ESU Coordinating Council

Prepared by: <sup>(3)</sup> Matthew L. Blomstedt Date Prepared: <sup>(4)</sup> 1/31/13 Phone: <sup>(5)</sup> 402-499-6756

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u></u>	<u>0</u>	<u></u>
CASH FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
FEDERAL FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
OTHER FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
TOTAL FUNDS	<u></u>	<u></u>	<u></u>	<u></u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

ESU cost of posting information required by LB 274 would be minimal as long as it was required to be posted only on a local website. Any requirement to post in a print publication (i.e. newspaper) would likely have a cost.

**MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
Benefits.....	<u></u>	<u></u>	<u></u>	<u></u>
Operating.....	<u></u>	<u></u>	<u></u>	<u></u>
Travel.....	<u></u>	<u></u>	<u></u>	<u></u>
Capital outlay.....	<u></u>	<u></u>	<u></u>	<u></u>
Aid.....	<u></u>	<u></u>	<u></u>	<u></u>
Capital improvements.....	<u></u>	<u></u>	<u></u>	<u></u>
TOTAL.....	<u></u>	<u></u>	<u></u>	<u></u>

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**2013**

**LB<sup>(1)</sup> 274 FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Education

Prepared by: <sup>(3)</sup> Marilyn Peterson Date Prepared: <sup>(4)</sup> January 29, 2013 Phone: <sup>(5)</sup> 402.471.4740

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2013-2014</u>		<u>FY 2014-2015</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>93,600</u>	<u>                    </u>	<u>90,422</u>	<u>                    </u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u><b>93,600</b></u>	<u>                    </u>	<u><b>90,422</b></u>	<u>                    </u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

If the department is required to collect the reports and post them, the fiscal cost would include staff time to design the reports, collect the reports, audit the data, design a process to monitor local board amendments to budgets affecting administrator salaries and make such changes. To provide links to every district and ESU would add a data collection plus ongoing monitoring for changes in district and ESU homepages to ensure compliance. The only way to appropriately audit the salary and fringe benefits would be to collect the contracts for the head administrator from every district and ESU.

**MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-2014</u>	<u>2014-2015</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
IT Data/Data Base Analyst	<u>1</u>	<u>1</u>	<u>48,996</u>	<u>50,099</u>
Benefits.....			<u>30,567</u>	<u>33,045</u>
Operating.....			<u>12,952</u>	<u>6,193</u>
Travel.....			<u>1085</u>	<u>1085</u>
Capital outlay.....			<u>                    </u>	<u>                    </u>
Aid.....			<u>                    </u>	<u>                    </u>
Capital improvements.....			<u>                    </u>	<u>                    </u>
<b>TOTAL.....</b>			<u><b>93,600</b></u>	<u><b>90,422</b></u>