

FACT SHEET

FY 13 POTENTIAL FINAL UNIT VALUE ADJUSTMENT

Background

During the 2013 School Law Conference, the Public Education Department (PED) staff announced that the FY 13 Final Unit Value (\$3,673.54) would be increased by at least \$15 as a result of additional credits becoming available.

Appropriation Language

For FY 13, the *General Appropriation Act of 2012* includes the following language:

The rate of distribution of the state equalization guarantee distribution shall be based on a program unit value determined by the secretary of public education. The secretary of public education shall establish a preliminary unit value to establish budgets for the 2012-2013 school year and then, on verification of the number of units statewide for fiscal year 2013 but no later than January 31, 2013, the secretary of public education may adjust the program unit value.

History

- Prior to 1992, the *General Appropriation Act* included language that set the rate per program unit for the State Equalization Guarantee (SEG) distribution.
- In 1992, the Legislature instituted what came to be called the “floating unit value” in the *General Appropriation Act* by including an overall appropriation amount without establishing the actual unit value, as had been the practice in the past.

The language required the State Superintendent of Public Instruction to determine a preliminary unit value for the SEG to be used for districts to establish tentative budgets for school year 1992-1993, and upon verification of the number of units statewide, the Superintendent of Public Instruction was authorized to increase the program unit value.

The intent of the language was to encourage the then State Department of Education and the districts to be more accurate in their projections. While never added to statute, this language or its equivalent has been included with each public school support appropriation since the *General Appropriation Act of 1992*.

- Beginning in 1998, the provisions in the *General Appropriation Act* changed the language related to the unit value by requiring the State Superintendent of Public Instruction to designate a preliminary unit value to establish tentative budgets and then, upon completion of final budgets or verification of the number of units statewide, but no later than January 31, allowed the Superintendent to adjust the program unit value.

Since then, each *General Appropriation Act* has specified that any adjustment to the unit value may occur no later than January 31.