

Nebraska Department of Education
Fiscal Note Costing Guidelines
2016 Legislative Session

For use by the Department of Education in developing cost estimates for bills considered in the 2016 Legislative session.

The following guidelines are provided first by cost item and then for several specific activities. They are generally appropriate to new programs specified in new legislation. Each cost item guideline generally stands alone and a specific cost item may not be appropriate for particular legislation.

GUIDELINES BY COST ITEM

510000 Personal Services

Program staff should work with division fiscal staff in determining personal services cost. The program staff should specify the position titles, pay grades, and FTE of new positions identified as necessary to implement proposed legislation. The division fiscal staff will compute the cost of the positions based upon the following assumptions.

Pay: Use the 2016-17 pay schedule. For the second year, a salary increase of 2.5%. Budget 33% into the pay grade.

Retirement: Immediate participation in State retirement [.075 on total salary]. Teacher retirement is .098778 of total salary.

Health

Insurance: Choice Plan Family Coverage which is \$20,488 for 2016-17 and \$22,537 for 2017-18.

Other Benefits: Standard contribution rates for FICA (7.65%), Life Insurance (\$12 per FTE), employee assistance program (\$12 per FTE), and workers comp (.008030 x annual salary).

Program staff must specify if there is additional salary categories to be included such as overtime and supplemental pay or if the salary assumptions are different than those above.

520000 Operating Expense

The cost guidelines are appropriate for the 2016-17 fiscal year. For 2017-18, increase costs by 3% where appropriate.

Postage - This is dependent upon number and size of mailings. Work with division fiscal staff.

Communication - Local service \$320 annually.
Long Distance: High Usage - \$2,292 annually.
Medium Usage - \$1,275 annually.
Low Usage - \$400 annually.

- Data Processing - This generally includes costs which would be incurred at DAS Central Data Processing. Please work with the Department's Data Services to determine an appropriate budget.
- NDE Network Equipment Depreciation charge is \$50 each year per work station attached to the network.
- Educational Network fees charge is \$700 per work station.
- Printing - Photocopy: \$.03 per page.
Commercial printing - work with the Department's Printing Coordinator to estimate a budget.
- Office Rent/
Building Renewal
sq. Assessment - The following costs are estimated for office space in the Lincoln State Office Building on the basis of 150 sq. ft. for professional staff and 100 ft. for support staff at \$13.65 per square foot. This equates to:
Professional Staff - \$2,509 and
Support Staff - \$1,941
- Space located in other than the Lincoln State Office Building will be estimated based upon the prevailing rental rates in the appropriate location.
- Repair/Maintenance - \$125 per FTE.
- Supplies - \$550 per FTE in the first year of a program.
\$275 per FTE in subsequent years.
- Other Operating
Expense - \$250 per FTE.

All other operating expense cost items will be based upon individual projections with justification.

570000 - Travel

Annual travel budgets are provided for employees who spend varying amounts of time engaged in activities which require travel. The "High" travel budget applies to employees who travel 50% or more of the time. The "Medium" travel budget applies to employees who travel between 5% and 50% of the time. The "Low" travel budget applies to employees who travel less than 5% of the time.

2016-17:	HIGH	MEDIUM	LOW
571100 - Board/Lodging	\$2,575	\$1,570	\$ 500
572100 - Commercial Travel	2,210	1,100	0
573100 - State Owned Transportation	3,315	2,000	375
574100 - Personal Mileage	715	360	325
575100 - Miscellaneous Travel	<u>165</u>	<u>85</u>	<u>0</u>
TOTAL	\$8,980	\$5,115	\$1,200

For 2017-18, increase the above amounts by 3%.

Office Equipment

The following costs assume the need to equip an office from scratch and are only appropriate when there is a need to do so.

Office Equipment - \$4,900 to include the following.

532100 Desk - \$1,100

↓ Chair - \$550

↓ File Cabinet (Lateral) - \$900

↓ Misc. (including the computer table, etc.) - \$350

534900 Wall Partitions - \$2,000

Data Processing Hardware/Software

Standard User - \$5,250 to include the following.

532101 Desktop - \$1,750

↓ Laptop - \$3,250

555200 Software - \$250

Power User (Developers/Analysts and Financial Services Administrative Specialists) - \$6,250 - \$11,500 to include the following.

532101 Desktop - \$2,500

↓ Laptop - \$3,500

555200 Software - \$6,250 - \$11,500 depending on software requirements

GUIDELINE BY ACTIVITY

1. Rule Development

The cost of rule development is generally a function of the projected number of pages included in the rule and the number of hearings necessary to promulgate the rule. The rule printing cost may be determined as follows.

drafts X # copies per draft X # pages per draft X \$.03 per page

521500 Publishing Public Notice - \$700

For 2017-18, increase these costs by 3%.

2. Committee Meetings

An advisory committee is often established by legislation or by the Department to help implement legislation or rule development. On the basis of the State Reorganization Committee, it appears that the average cost per person for a one day committee meeting of individuals drawn from across the state is \$222. The budget for an advisory committee then would be a function of the number of members of the committee and the number of committee meetings. The per person cost is broken down as follows.

571100 Board/Lodging - \$77

574100 Personal Mileage - \$138

575100 Miscellaneous - \$7

For 2017-18, increase these costs by 3%.