



HOUSE COMMITTEE ON APPROPRIATIONS

FY 12-13

**Executive Budget Review
State Board of Elementary and
Secondary Education
April 3, 2012**



The State Board of Elementary and Secondary Education has two Programs

**Administration Program
Louisiana Quality Education Support Fund Program,
(the fund is commonly known as the 8(g) Fund)**

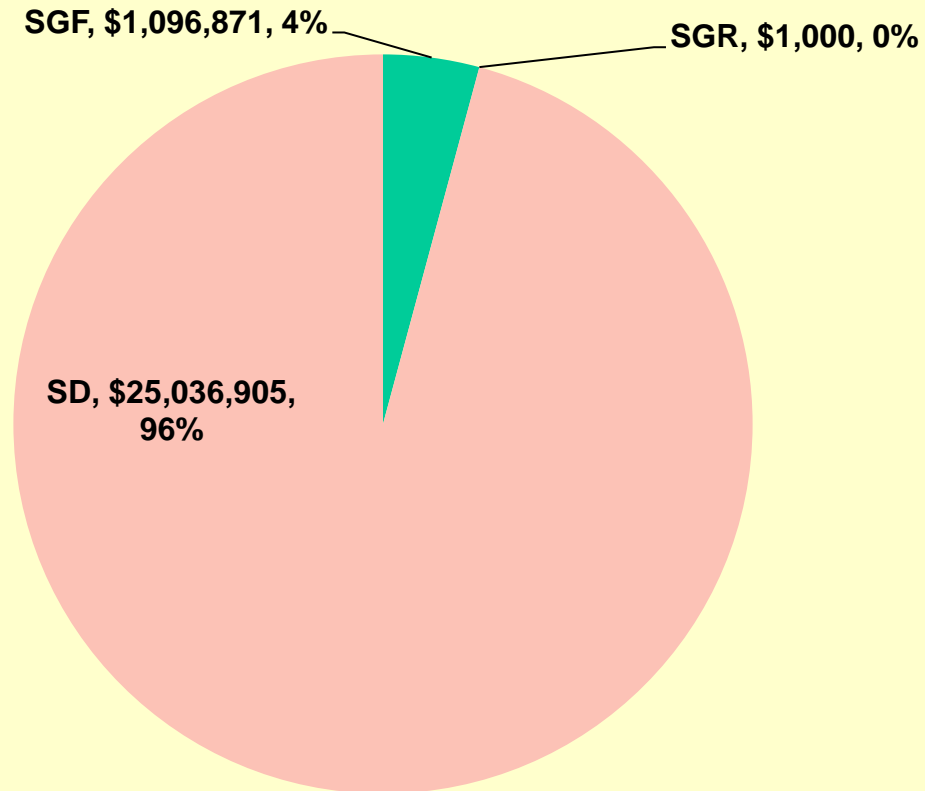


Executive Budget By Means of Finance

STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION					
Means of Financing (MOF)	Actual Expenditures FY 2010-11	Existing Operating Budget FY 2011-12 (12/01/11)	Executive Budget FY 2012-13	Change From FY 11-12 to FY 12-13	Percent Change From FY 11-12 to FY 12-13
State General Fund (SGF)	\$1,017,404	\$1,168,376	\$1,096,871	-\$71,505	-6.12%
Interagency Transfers (IAT)	\$0	\$0	\$0	\$0	0.00%
Fees & Self-gen Rev (SGR)	\$0	\$1,000	\$1,000	\$0	0.00%
Statutory Dedications (SD)	\$31,415,774	\$22,526,461	\$25,036,905	\$2,510,444	11.14%
Interim Emergency Board	\$0	\$0	\$0	\$0	0.00%
Federal Funds (FED)	\$0	\$0	\$0	\$0	0.00%
TOTAL MOF	\$32,433,178	\$23,695,837	\$26,134,776	\$2,438,939	10.29%
Authorized Positions	14	12	12	0	0.00%



SBESE FY 12-13 TOTAL MOF - \$26 Million





Significant Budget Changes - Statewide

(\$10,000) SGF	Annualization of FY 11-12 Mid-Year Expenditure Reduction Plan
(\$61,150)	State Employee Retirement Rate Adjustment (-\$32,915 SGF, -\$28,235 SD)
\$51,160	TRSL rate adjustment (\$33,127 SGF, \$18,033 SD)
(\$40,047) SD	Non-recurring funding for the 27th Pay Period which was payable from the Overcollections Fund (-\$20,956 SD) and from the 8(g) Fund (-\$19,091 SD)



Other Budget Adjustments

(\$57,907) SGF	Reduction of State General Fund for Travel, Professional Services, Operating Services and Supplies
\$2,562,647 SD	Increase of La. Quality Education Support Fund

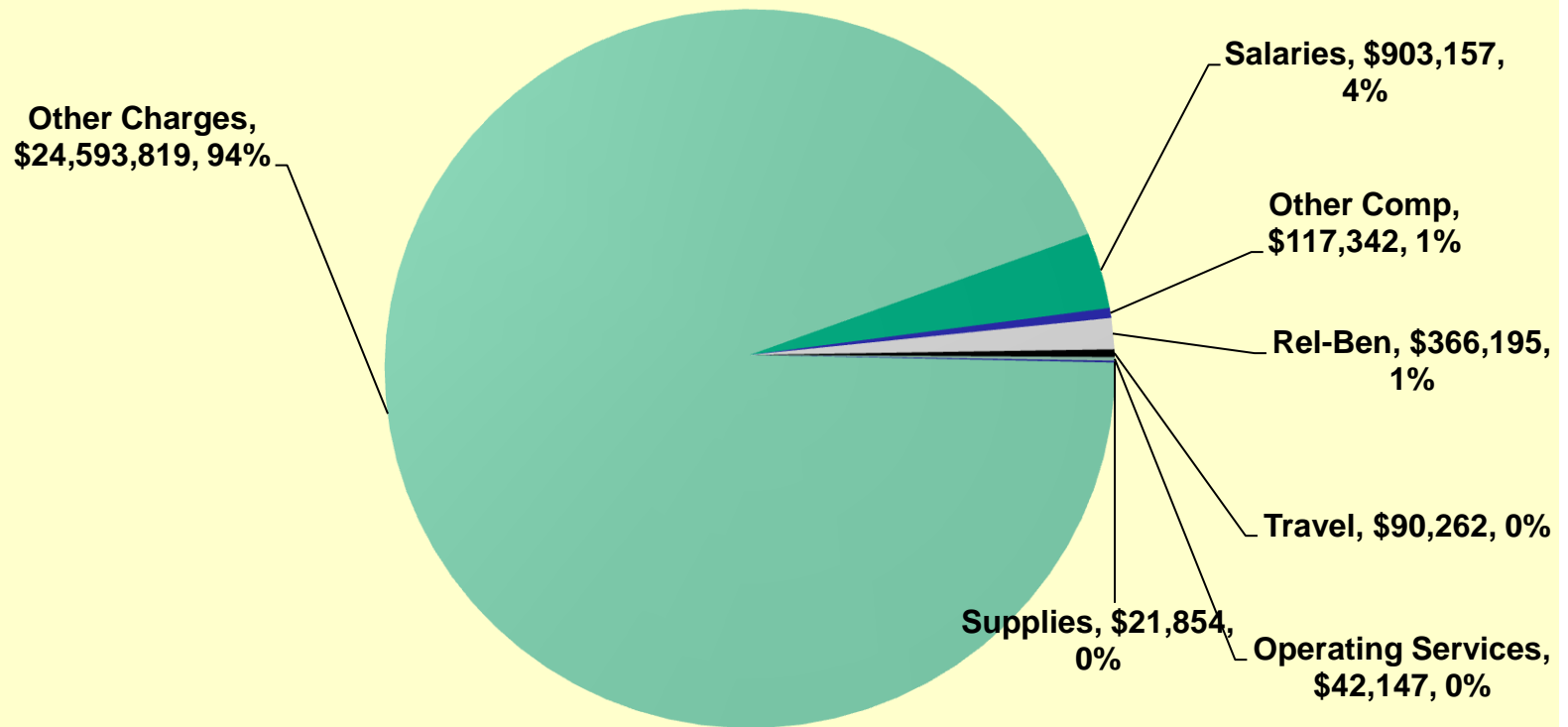


FY 12-13 Executive Budget by Expenditure Line Item

STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION					
Expenditures	FY 10-11 Actual Budget	FY 11-12 Existing Operating Budget (12/01/11)	FY 12-13 Executive Budget	Change from FY 11-12 to FY 12-13	Percent Change
Salaries	\$822,606	\$910,455	\$903,157	-\$7,298	-0.8%
Other Compensation	\$64,414	\$117,342	\$117,342	\$0	0.0%
Related Benefits	\$303,524	\$387,980	\$366,195	-\$21,785	-5.6%
Travel	\$42,313	\$103,362	\$90,262	-\$13,100	-12.7%
Operating Services	\$55,788	\$68,070	\$42,147	-\$25,923	-38.1%
Supplies	\$12,610	\$25,354	\$21,854	-\$3,500	-13.8%
Prof Svcs	\$0	\$12,514	\$0	-\$12,514	-100.0%
Other Charges	\$31,109,068	\$22,070,760	\$24,593,819	\$2,523,059	11.4%
Acq/Major Repairs	\$22,855	\$0	\$0	\$0	0.0%
Unallotted	\$0	\$0	\$0	\$0	0.0%
TOTAL EXP	\$32,433,178	\$23,695,837	\$26,134,776	\$2,438,939	10.3%



SBESE FY 12-13 TOTAL EXPENDITURES - \$26 Million





SBESE Discretionary and Non-Discretionary Funding in FY 12-13 Executive Budget

Discretionary	\$1,376,102	5.27%
Non-Discretionary	\$24,758,674	94.73%
Total	\$26,134,776	100.00%

Non-discretionary funding within SBESE's FY 12-13 Executive Budget Recommendation includes the Constitutional Dedicated Louisiana Quality Education Support Fund – 8(g) and employer contributions for retiree group insurance



Statutory Dedications

STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION					
Statutory Dedication Comparison					
Statutory Dedications	FY 10-11 Actual Expenditures	FY 11-12 Existing Operating Budget 12/01/11	FY 12-13 Executive Budget	Change FY 11-12 to FY 12-13	Percent Change
La. Quality Education Support Fund	\$31,415,774	\$21,968,600	\$24,500,000	\$2,531,400	11.5%
Charter School Start-Up Loan Fund	\$0	\$536,905	\$536,905	\$0	0.0%
Overcollections Fund	<u>\$0</u>	<u>\$20,956</u>	<u>\$0</u>	<u>-\$20,956</u>	<u>-100.0%</u>
TOTAL	\$31,415,774	\$22,526,461	\$25,036,905	\$2,510,444	11.1%



Louisiana Education Quality Trust Fund (Permanent Trust)

8(g) Fund – La. Const. Art. VII, Section 10.1

- Source: Initial deposit less \$100 million received from the federal government following a settlement pertaining to mineral production activity on the Outer Continental Shelf (\$640 million less \$100 million)
- Appropriations are made out of the 8(g) Support Fund
- 8(g) Support Fund revenues are allocated equally between the Board of Regents and State Board of Elementary and Secondary Education as provided in the state constitution



Dedications

Overcollections Fund R.S. 100.21

- Created in 2004
- Monies in the fund are invested in the same manner as monies in the SGF
- Interest earned on investment of monies in the fund are deposited in and credited to the SGF
- Unexpended and unencumbered monies in the fund at the end of the fiscal year remain in the fund
- There is no statutory dedicated revenue stream for the Overcollections Fund



Dedications

La. Charter School Start-Up Loan Fund R.S. 17:4001

- Created in 1997
- Provides a source for funding no-interest loans to assist certain charter schools with initial start-up funding and for funding the administrative and legal cost associated with the charter school program
- Loans shall not exceed \$100,000 and shall be repaid with no interest and may be made for terms of up to three years. Loan repayment shall occur by having the Department of Education automatically reduce the last state payment or payments by one-third of the total loan amount during the initial three years of the loan term



SBESE

FY 12-13 SALARIES/POSITIONS

- \$1 million for Salaries and Other Compensation
- \$366,195 for Related Benefits
- Total Personal Services = \$1.4 million, 5% of the SBESE total Executive Budget Recommendation

- Average Classified Salary = \$49,636
- Average Unclassified Salary = \$70,111

- 12 Authorized Positions (3 classified and 9 unclassified)

- As of March 15, 2012, SBESE had 1 vacancy



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