

Representative Jim Fannin
Chairman



Representative Simone Champagne
Vice Chairman

FY 13-14 Executive Budget Review DEPARTMENT OF EDUCATION

House Committee on Appropriations
by House Fiscal Division
April 3, 2013



Agenda

Budget Overview

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Department Structure

19-678 State Activities

- Administrative Support
- District Support
- Auxiliary Account

19-681 Subgrantee Assistance

- School and District Supports
- School and District Innovations
- Student – Centered Goals

19-682 Recovery School District

- Recovery School District -- Instruction
- Recovery School District -- Construction

19-695 Minimum Foundation Program

- Minimum Foundation Program

19-697 Nonpublic Educational Assistance

- Required Services
- School Lunch Salary Supplement
- Textbook Administration
- Textbooks

19-699 Special School Districts

- Administration
- Instruction



Comparison to Total State Budget FY 13-14

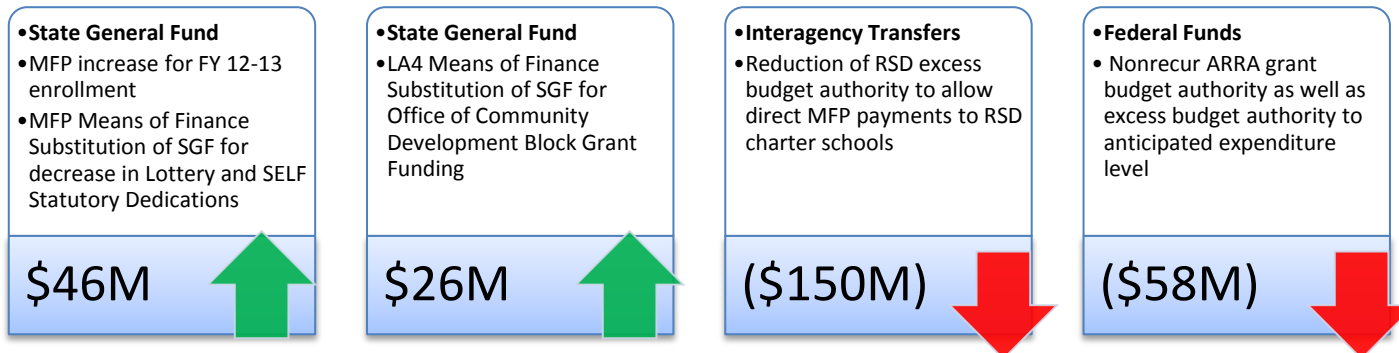
Means of Finance	Department of Education	Total State Budget	% of Total State Budget
State General Fund	\$3,342,075,794	\$8,225,500,000	40.6%
Interagency Transfers	\$395,060,723	\$1,994,155,707	19.8%
Fees and Self-gen. Rev.	\$33,988,439	\$3,492,386,577	1.0%
Statutory Dedications	\$271,049,784	\$4,161,779,605	6.5%
Federal Funds	\$1,120,576,778	\$10,237,571,671	10.9%
TOTAL MOF	\$5,162,751,518	\$28,111,393,560	18.4%
Authorized Positions	552	56,339	1.0%



Means of Finance

Means of Finance	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
State General Fund	\$3,298,593,705	\$3,277,025,689	\$3,342,075,794	\$65,050,105	2.0%
Interagency Transfers	\$524,052,021	\$587,655,656	\$395,060,723	(\$192,594,933)	(32.8%)
Fees and Self-Gen Rev	\$22,589,433	\$35,640,002	\$33,988,439	(\$1,651,563)	(4.6%)
Statutory Dedications	\$268,970,240	\$278,336,860	\$271,049,784	(\$7,287,076)	(2.6%)
Interim Emergency Bd	\$0	\$0	\$0	\$0	0.0%
Federal Funds	\$1,103,837,283	\$1,190,692,873	\$1,120,576,778	(\$70,116,095)	(5.9%)
TOTAL	\$5,218,042,682	\$5,369,351,080	\$5,162,751,518	(\$206,599,562)	(3.8%)
Authorized Positions	654	596	552	(44)	(7.4%)

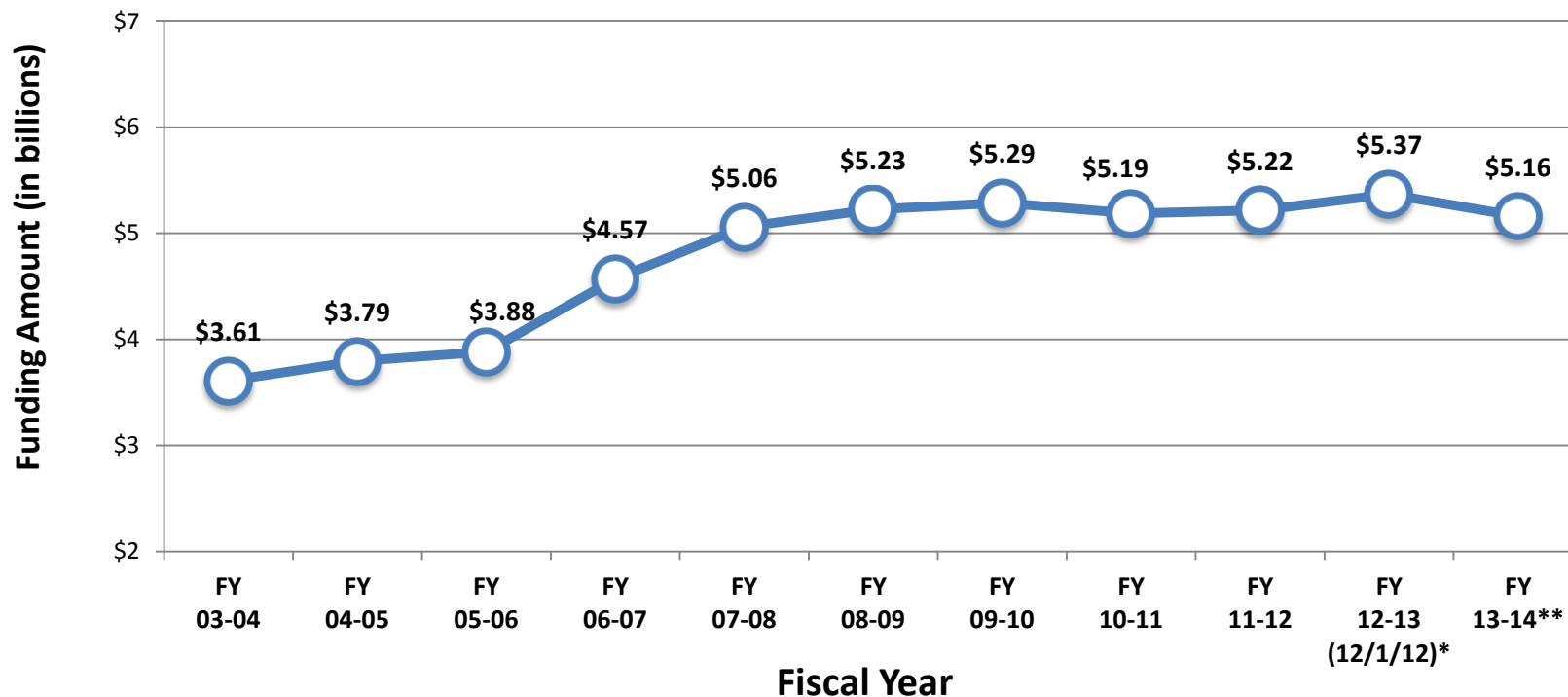
Significant Adjustments:





10-Year Total MOF Budget History

DEPARTMENT OF EDUCATION (Total Means of Finance)



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/12

**Governor's Executive Budget Recommendation



Major Sources of Revenues FY 13-14

Interagency Transfers

\$395 million

- RSD receives \$131 million in the Instructional Program (MFP and other pupil-based amounts) and \$190 million in the Construction Program (FEMA funds) for construction purposes.
- LA4 receives \$36 million in TANF.

Fees & Self-gen. Rev.

\$34 million

- Foundation grants such as the Gates Foundation, sales of publications, Carl Perkins leadership funds, teacher certification fees, and virtual school revenues.

Statutory Dedications

\$271 million

- \$145 million from the Lottery Proceeds Fund for the MFP.
- \$111 million from the Support Education in Louisiana First (SELF) Fund for the MFP.
- Subgrantee Assistance contains \$13.9 million from the Education Excellence Fund (EEF) for public and nonpublic students.

Federal Funds

\$1.1 billion

- Subgrantee Assistance contains \$291 million from Title 1, \$63 million from Title II, \$194 million from Individuals with Disabilities Education Act (IDEA) and \$359 million from School, Child and Adult Food and Nutrition Programs.



Expenditure Breakdown

Expenditures	FY 11-12 Actual Expenditures	FY 12-13 Existing Operating Budget (12/1/12)	FY 13-14 Executive Budget Recommendation	Change from FY 12-13 to FY 13-14	Percent Change from FY12-13 to FY13-14
Salaries	\$37,926,913	\$38,149,606	\$36,957,776	(\$1,191,830)	(3.1%)
Other Compensation	\$62,736,025	\$71,009,452	\$68,712,089	(\$2,297,363)	(3.2%)
Related Benefits	\$36,072,222	\$39,580,609	\$30,399,560	(\$9,181,049)	(23.2%)
Travel	\$2,490,109	\$4,702,601	\$4,419,985	(\$282,616)	(6.0%)
Operating Services	\$22,568,910	\$39,046,485	\$37,004,793	(\$2,041,692)	(5.2%)
Supplies	\$4,587,444	\$10,614,799	\$9,718,297	(\$896,502)	(8.4%)
Professional Services	\$63,113,075	\$126,630,984	\$107,849,118	(\$18,781,866)	(14.8%)
Other Charges	\$4,869,355,217	\$4,906,258,632	\$4,731,699,762	(\$174,558,870)	(3.6%)
Acq/Major Repairs	\$119,192,767	\$133,357,912	\$135,990,138	\$2,632,226	2.0%
Unallotted	\$0	\$0	\$0	\$0	0.0%
TOTAL EXP	\$5,218,042,682	\$5,369,351,080	\$5,162,751,518	(\$206,599,562)	(3.8%)

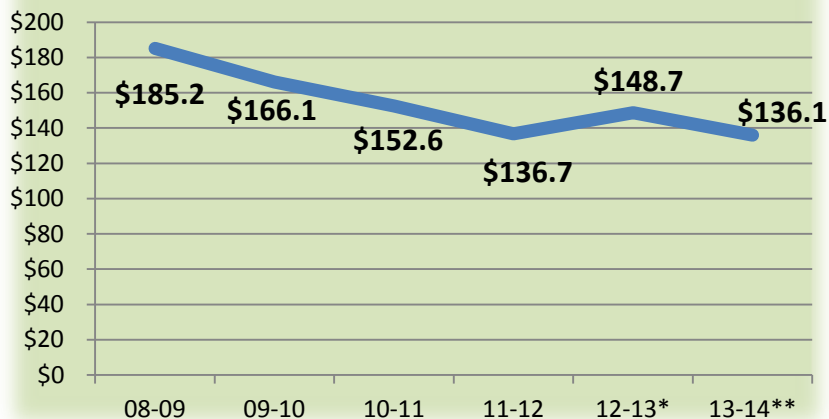
Other Charges Category

- Other Charges Category contains \$3.4 billion MFP expenditures as well as \$1.2 billion of pass-through funding in Subgrantee Assistance.

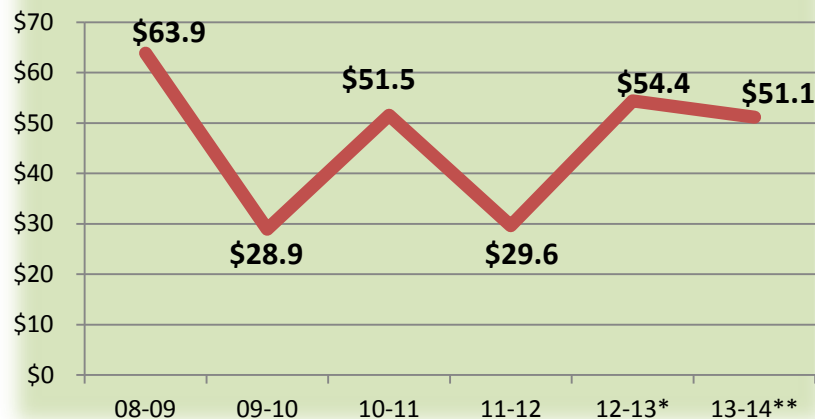


6-Year Expenditure History (in millions)

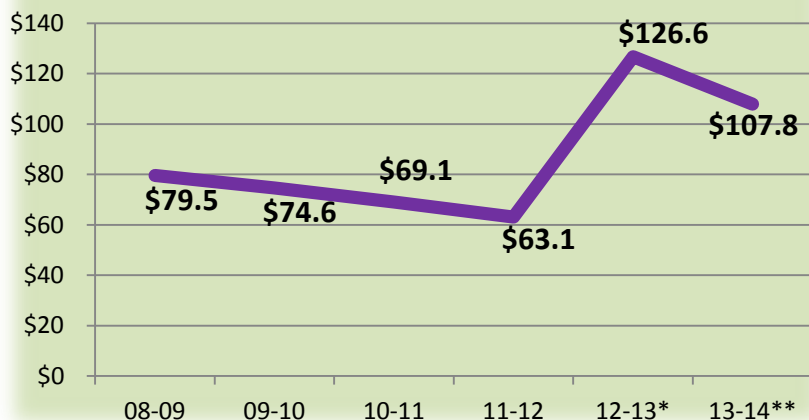
Personal Services



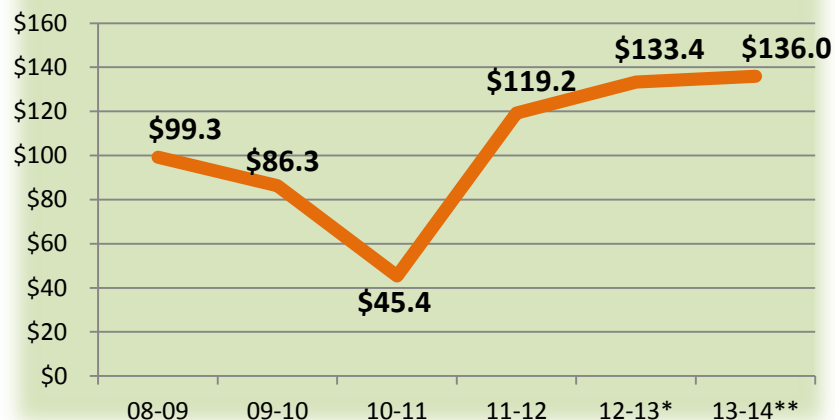
Operating Expenses



Professional Services

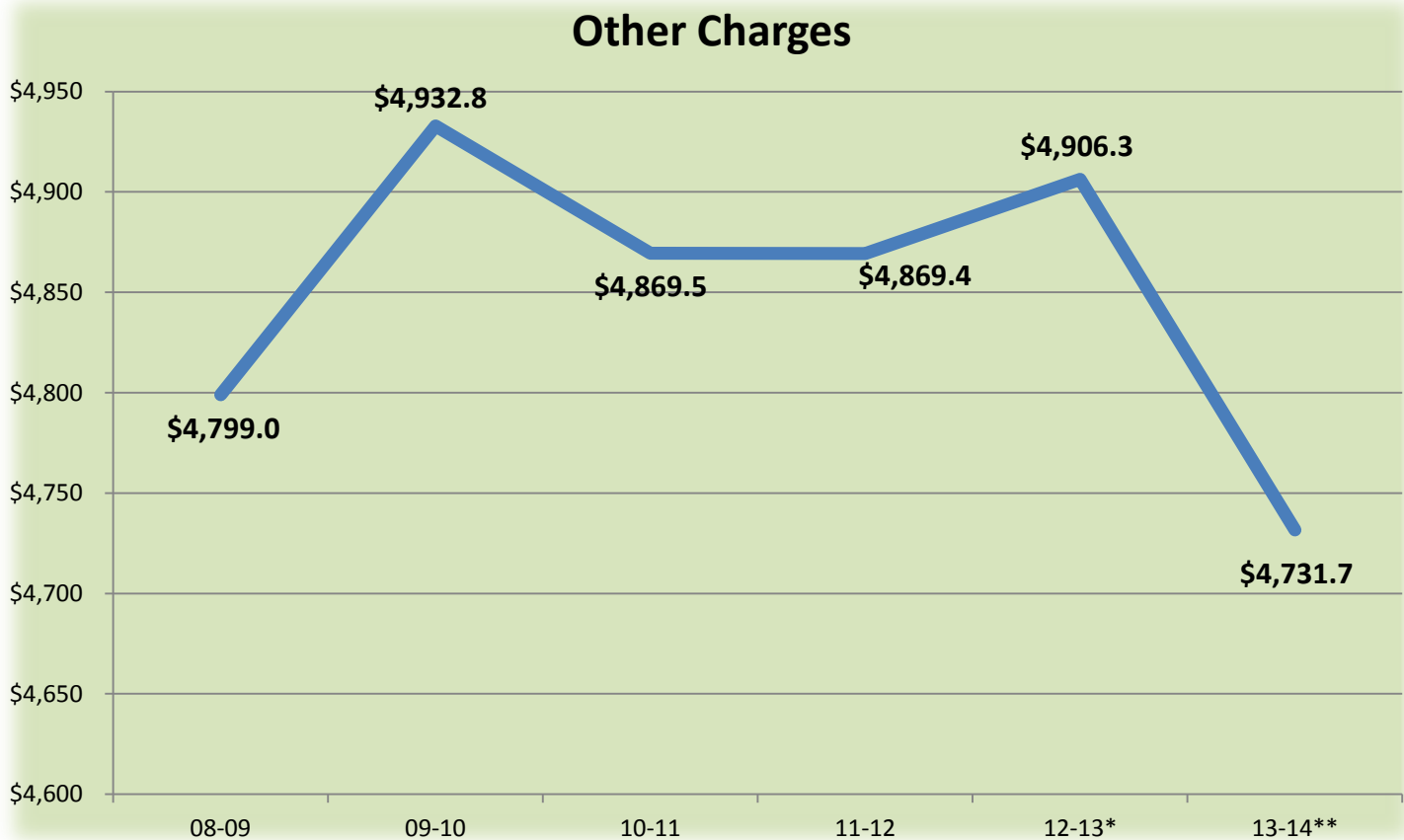


Acquisitions & Major Repairs





6-Year Expenditure History (in millions)



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/12

**Governor's Executive Budget Recommendation



State General Fund by Agency

Department of Education Budget Units	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
State Activities	\$54,171,737	\$49,057,239	\$48,730,647	(\$326,592)	(0.7%)
Subgrantee Assistance	\$17,606,511	\$32,120,358	\$56,018,070	\$23,897,712	74.4%
Recovery School District	\$11,500,000	\$3,530,937	\$623,417	(\$2,907,520)	(82.3%)
Minimum Foundation Program	\$3,178,042,750	\$3,157,919,206	\$3,204,206,282	\$46,287,076	1.5%
Nonpublic Educational Assistance	\$25,283,519	\$25,428,467	\$25,421,599	(\$6,868)	(0.0%)
Special School Districts	\$11,989,188	\$8,969,482	\$7,075,779	(\$1,893,703)	(21.1%)
TOTAL	\$3,298,593,705	\$3,277,025,689	\$3,342,075,794	\$65,050,105	2.0%
Authorized Positions	654	596	552	(44)	(7.4%)



Total Budget by Agency

Department of Education Budget Units	Actual Expenditures FY 11-12	Existing Operating Budget FY 12-13 (12/1/12)	Executive Budget Recommended FY 13-14	Change from FY12-13 to FY13-14	Percent Change from FY12-13 to FY13-14
State Activities	\$113,772,961	\$134,871,290	\$127,742,864	(\$7,128,426)	(5.3%)
Subgrantee Assistance	\$1,170,402,529	\$1,262,895,016	\$1,194,915,118	(\$67,979,898)	(5.4%)
Recovery School District	\$469,881,871	\$509,223,924	\$339,868,401	(\$169,355,523)	(33.3%)
Minimum Foundation Program	\$3,424,018,026	\$3,422,265,205	\$3,461,265,205	\$39,000,000	1.1%
Nonpublic Educational Assistance	\$25,283,519	\$25,428,467	\$25,421,599	(\$6,868)	(0.0%)
Special School Districts	\$14,683,776	\$14,667,178	\$13,538,331	(\$1,128,847)	(7.7%)
TOTAL	\$5,218,042,682	\$5,369,351,080	\$5,162,751,518	(\$206,599,562)	(3.8%)
Authorized Positions	654	596	552	(44)	(7.4%)



Significant Increases

Increases MFP funding corresponding to the October 2012 and projected February 2013 student count. The adoption of a new MFP resolution may affect the funding as would additional 2013-14 students.

\$39,000,000	SGF	IAT	SGR	\$0	SD	FED	TOTAL	\$39,000,000
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Increases Education Reform Initiatives funding for continued implementation of Acts 2 and 3 of 2012 Legislative Session and Act 54 of the 2010 Regular Session.

\$4,100,000	SGF	\$0	IAT	\$0	SGR	\$0	SD	\$0	FED	TOTAL	\$4,100,000
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Increases LA4 SGF and DCFS Interagency Transfers of TANF funding to replace \$33 million Community Development Block Grant funding as a Means of Finance Substitution.

\$26,193,412	SGF	(\$26,193,412)	IAT	\$0	SGR	\$0	SD	\$0	FED	TOTAL	\$0
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Increases MFP SGF to replace \$6 million Lottery Proceeds Funds and \$1 million Support Education in Louisiana First Fund as a Means of Finance Substitution.

\$7,287,076	SGF	\$0	IAT	\$0	SGR	(\$7,287,076)	SD	\$0	FED	TOTAL	\$0
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\$900,000 increase in Fees and Self-generated Revenues to account for the Department of Education collecting Course Choice fees if a student paid for the course out of their own pocket. However, the DOE stated that self-paying students will pay the course providers directly and this will be deleted.

\$0	SGF	\$0	IAT	\$900,000	SGR	\$0	SD	\$0	FED	TOTAL	\$900,000
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Significant Decreases

Eliminated Extended Day Program funding in the Recovery School District due to a decrease in schools directly operated by the RSD

(\$2,750,000) SGF	\$0 IAT	\$0 SGR	\$0 SD	\$0 FED	TOTAL	(\$2,750,000)
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Reduces funding for the Professional Improvement Program due to a decline in participants and the annualization of mid-year reductions

(\$2,000,000) SGF	\$0 IAT	\$0 SGR	\$0 SD	\$0 FED	TOTAL	(\$2,000,000)
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Reduces funding associated with Personnel Reductions (T.O. reduced by 44 positions), Salary Base Adjustments and Attrition Adjustments

(\$4,076,995) SGF	(\$174,004) IAT	(\$8,438) SGR	\$0 SD	(\$102,440) FED	TOTAL	(\$4,361,877)
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Annualizes SSD mid-year reduction and increases Interagency Transfers from Individuals with Disabilities Education Act (IDEA) Federal Funds

(\$1,000,000) SGF	\$1,000,000 IAT	\$0 SGR	\$0 SD	\$0 FED	TOTAL	\$0
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Other Adjustments

Non-recurs Federal Fund budget authority associated with the American Recovery and Reinvestment Act, Restart Schools Act and Edu Jobs Funds.

\$0	SGF		(\$961,377)	IAT		(\$533,000)	SGR		\$0	SD		(\$36,235,848)	FED		TOTAL		(\$37,730,225)
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Reduces excess Interagency Transfer budget authority in the Recovery School District as a result of transmitting MFP payments directly to RSD charter schools instead of through the RSD budget.

\$0	SGF		(\$150,000,000)	IAT		\$0	SGR		\$0	SD		\$0	FED		TOTAL		(\$150,000,000)
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Statewide adjustments for Teachers' and State Employees' Retirement and Group Insurance for active and retirees.

(\$383,194)	SGF		(\$6,484,831)	IAT		(\$296,061)	SGR		\$0	SD		\$73,487	FED		TOTAL		(\$7,090,599)
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Adjustment to non-recur Carryforward BA-7s.

(\$1,129,838)	SGF		(\$11,719,029)	IAT		(\$167,856)	SGR		\$0	SD		(\$11,924,185)	FED		TOTAL		(\$24,940,908)
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Adjustment for Risk Management, Legislative Auditor, Rent, Security, Uniform Payroll System, Civil Service, Office of Computing Services and Administrative Law Judges.

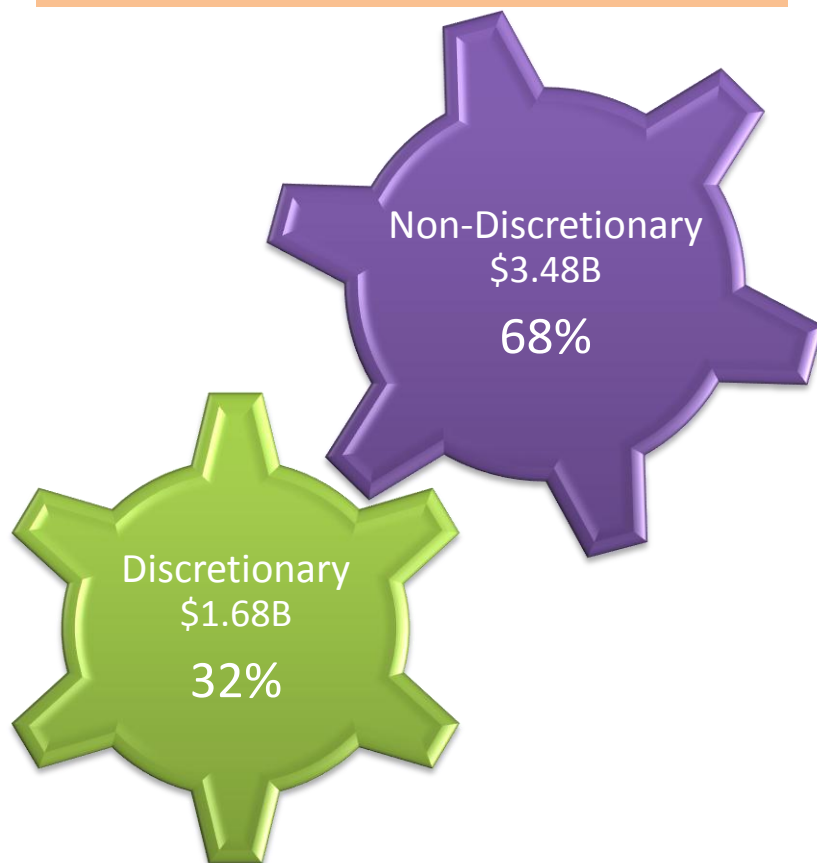
(\$83,488)	SGF		(\$370,494)	IAT		\$1,721	SGR		\$0	SD		\$23,511	FED		TOTAL		(\$428,750)
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Discretionary/Nondiscretionary Funding in FY 13-14

Executive Budget

Department of Education
Total Budget
\$5.16 Billion



Category	Nondiscretionary SGF Amount
Constitutionally Required	\$3,207,238,087
Court Orders	\$7,075,779
Debt Service	\$2,097,660
Federal Mandate	\$0
Statutory Obligation	\$0
Legislative Discretion	\$0
Unavoidable Obligations	\$2,305,810
TOTAL	\$3,218,717,336



Discretionary/Nondiscretionary Funding in FY 13-14

Department of Education

Activity	Discretionary SGF	Nondiscretionary SGF
Administrative Support	\$10,272,283	\$2,741,042
District Support and Testing	\$34,358,125	\$1,359,197
Professional Improvement Program	\$7,108,007	\$0
LA4	\$38,121,219	\$0
Private Pre-K	\$6,882,236	\$0
Nonpublic Educational Assistance	\$22,389,794	\$3,031,805
Special Education Flow Through	\$3,033,140	\$0
School and District Innovations	\$873,468	\$0
RSD	\$320,186	\$303,231
MFP	\$0	\$3,204,206,282
Special School Districts	\$0	\$7,075,779
TOTAL SGF	\$123,358,458	\$3,218,717,336



Discretionary/Nondiscretionary Funding in FY 13-14

Executive Budget State General Fund Amount

Department of Education Budget Units	Discretionary SGF	Nondiscretionary SGF	Total
State Activities	\$44,630,408	\$4,100,239	\$48,730,647
Subgrantee Assistance	\$56,018,070	\$0	\$56,018,070
Recovery School District	\$320,186	\$303,231	\$623,417
Minimum Foundation Program	\$0	\$3,204,206,282	\$3,204,206,282
Nonpublic Educational Assistance	\$22,389,794	\$3,031,805	\$25,421,599
Special School Districts	\$0	\$7,075,779	\$7,075,779
TOTAL	\$123,358,458	\$3,218,717,336	\$3,342,075,794



FY 13-14 Executive Budget Recommendation by Salaries and Positions

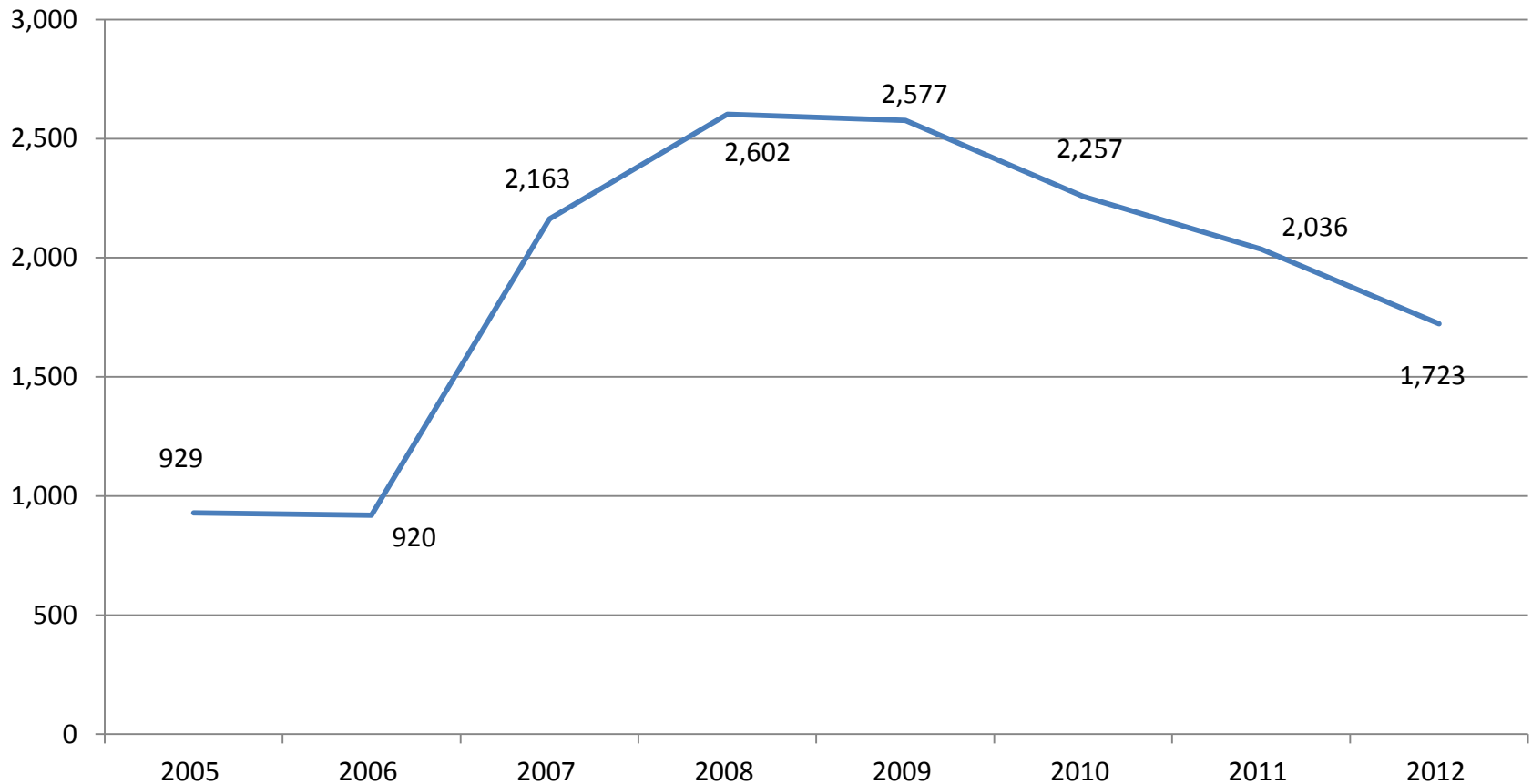
Department of Education Budget Units	Salaries and Other Comp	Related Benefits	Total Personal Services (PS)	(PS) % of Total Budget *	Class T.O.	Uncl T.O.	Total T.O.	Total Non- T.O. FTE's	Vacant as of 1.30.13
State Activities	\$33,787,153	\$12,790,339	\$46,577,492	46%	361	51	412	64	44
Recovery School District	\$63,546,404	\$14,903,865	\$78,450,269	25%	0	0	0	910	0
Special School Districts	\$8,336,308	\$2,705,356	\$11,041,664	90%	1	139	140	0	21
TOTAL	\$105,669,865	\$30,399,560	\$136,069,425	32%	362	190	552	974	65

* Excludes funding in the Other Charges expenditure category from the (PS) Personal Services percent of total budget.



Department of Education

TOTAL FULL-TIME EQUIVALENT (FTE) POSITIONS

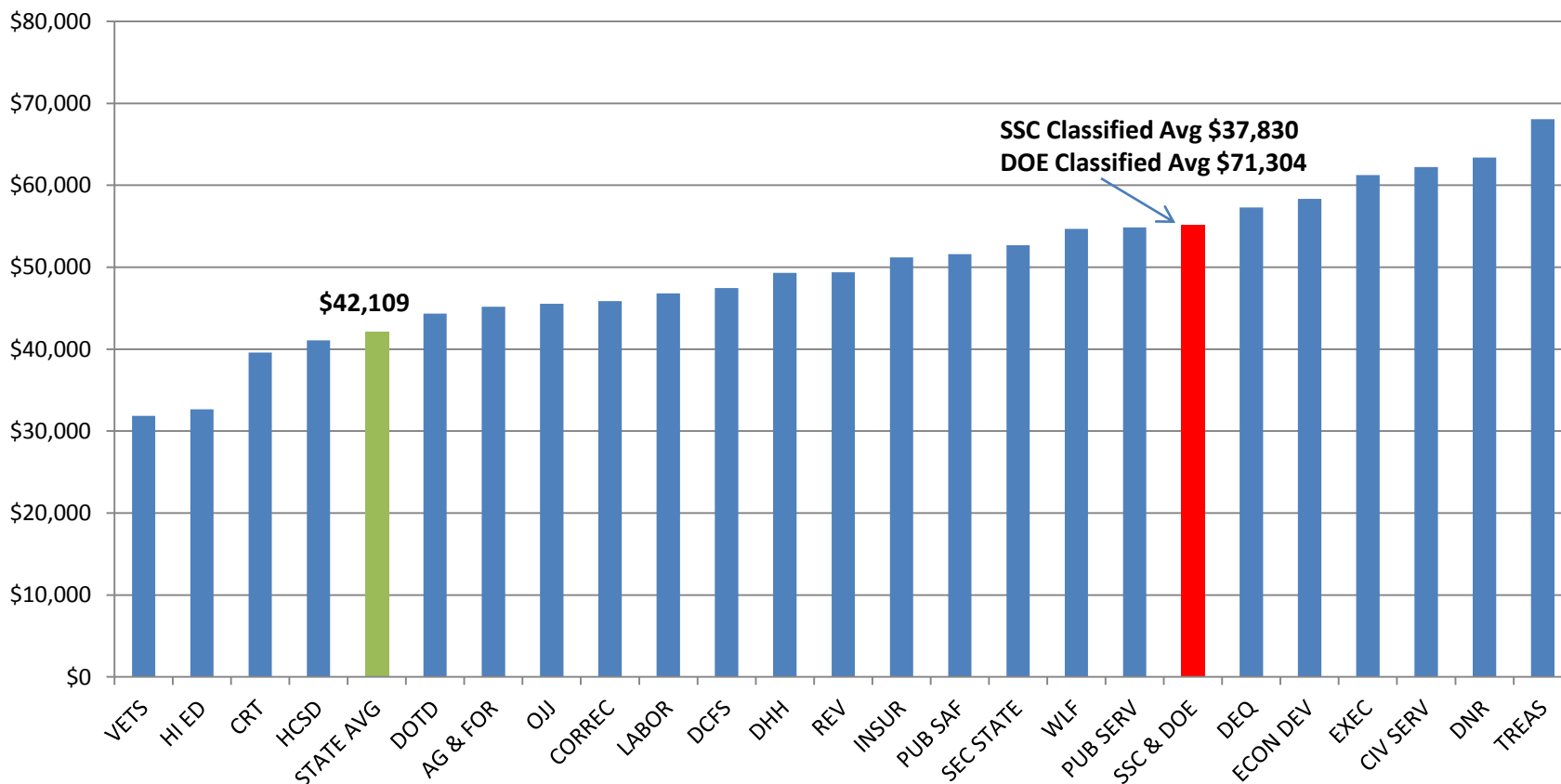


Source: Prepared by House Fiscal Division staff using information from ISIS-HR



Salaries and Positions

CLASSIFIED AVERAGE ANNUAL PAY PER FTE

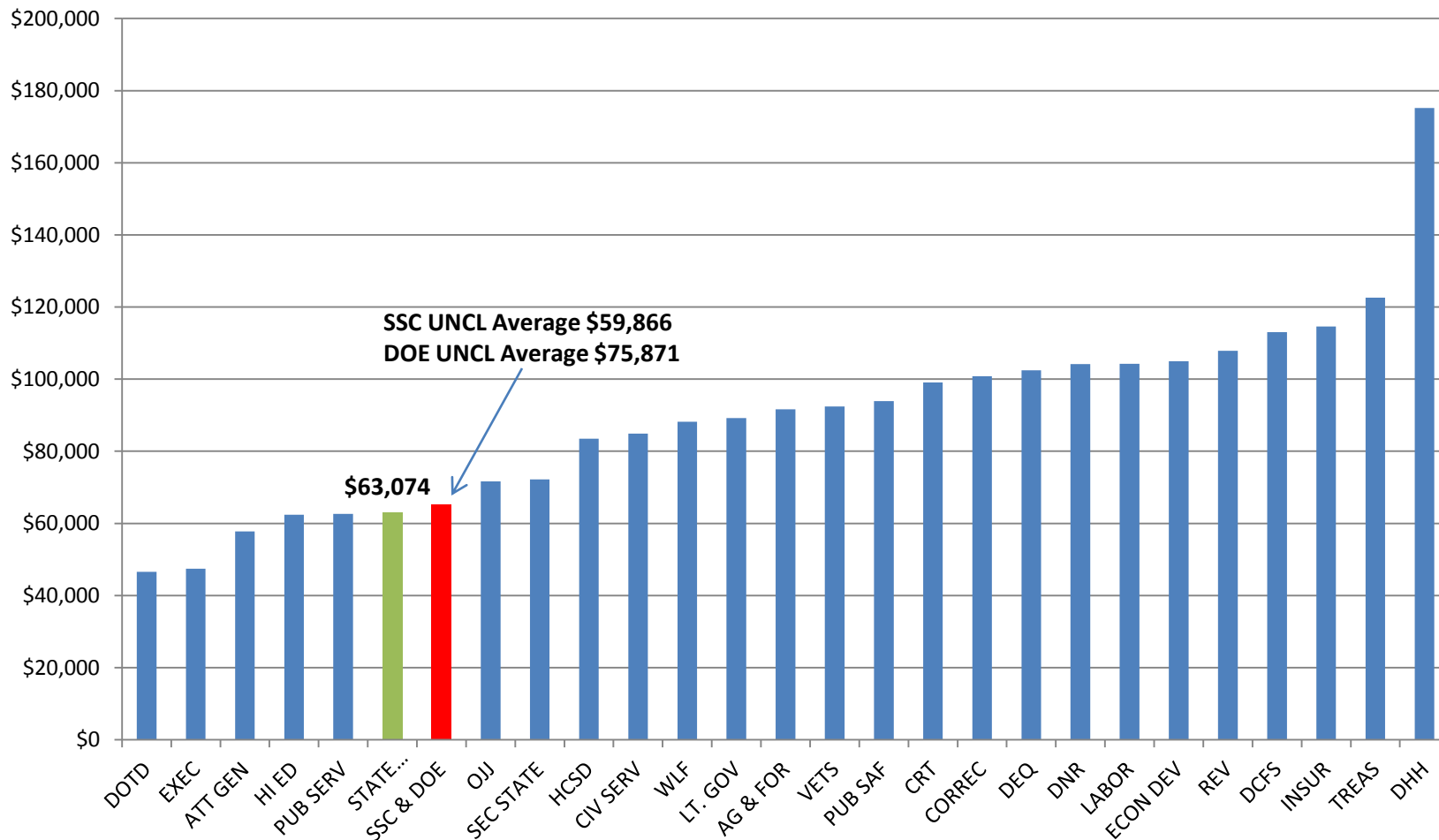


Source: Prepared by House Fiscal Division staff using information from ISIS-HR and Civil Service



Salaries and Positions

UNCLASSIFIED AVERAGE ANNUAL PAY PER FTE



Source: Prepared by House Fiscal Division staff using information from ISIS-HR and Civil Service



Program Consolidations

19-678 STATE ACTIVITIES

FY 12-13 Existing Operating Budget (12/01/12)				FY 13-14 Executive Budget Recommendation			
Existing Programs	Positions		Total Budget	Recommended Programs	Positions		Total Budget
	Classified	Unclass			Classified	Unclass	
Executive	25	6	\$8,313,659	Administrative Support	148	8	\$24,965,761
Management and Finance	74	1	\$12,044,588	District Support Program	202	43	\$100,572,219
Departmental Support	149	37	\$66,629,191				
Innovation	37	6	\$20,240,480				
Student Centered Goal Offices	96	1	\$24,530,729				
Auxiliary	<u>14</u>	<u>0</u>	<u>\$3,112,643</u>	Auxiliary Program	<u>11</u>	<u>0</u>	<u>\$2,204,884</u>
TOTAL	395	51	\$134,871,290	TOTAL	361	51	\$127,742,864
Classified FTEs	395			Classified FTEs	361		
Unclassified FTEs	51			Unclassified FTEs	51		
Total FTEs	446			Total FTEs	412		



MFP History

19-695 Minimum Foundation Program			
	Appropriation Letter	Actual Year-End Cost	Change
FY 08-09	\$3,269,940,870	\$3,292,602,604	\$22,661,734
FY 09-10	\$3,275,341,821	\$3,329,243,964	\$53,902,143
FY 10-11	\$3,319,479,903	\$3,366,144,000	\$46,664,097
FY 11-12	\$3,387,319,481	\$3,424,018,026	\$36,698,545
FY 12-13	<u>\$3,422,265,205</u>	<u>\$3,450,232,668</u>	<u>\$27,967,463</u>
TOTAL	\$16,674,347,280	\$16,862,241,262	\$187,893,982

FY 12-13 Year-End Note

- The Department is projecting FY 12-13 Year-End Cost which includes a Student Scholarships' Projected Refund of \$9.3 million.



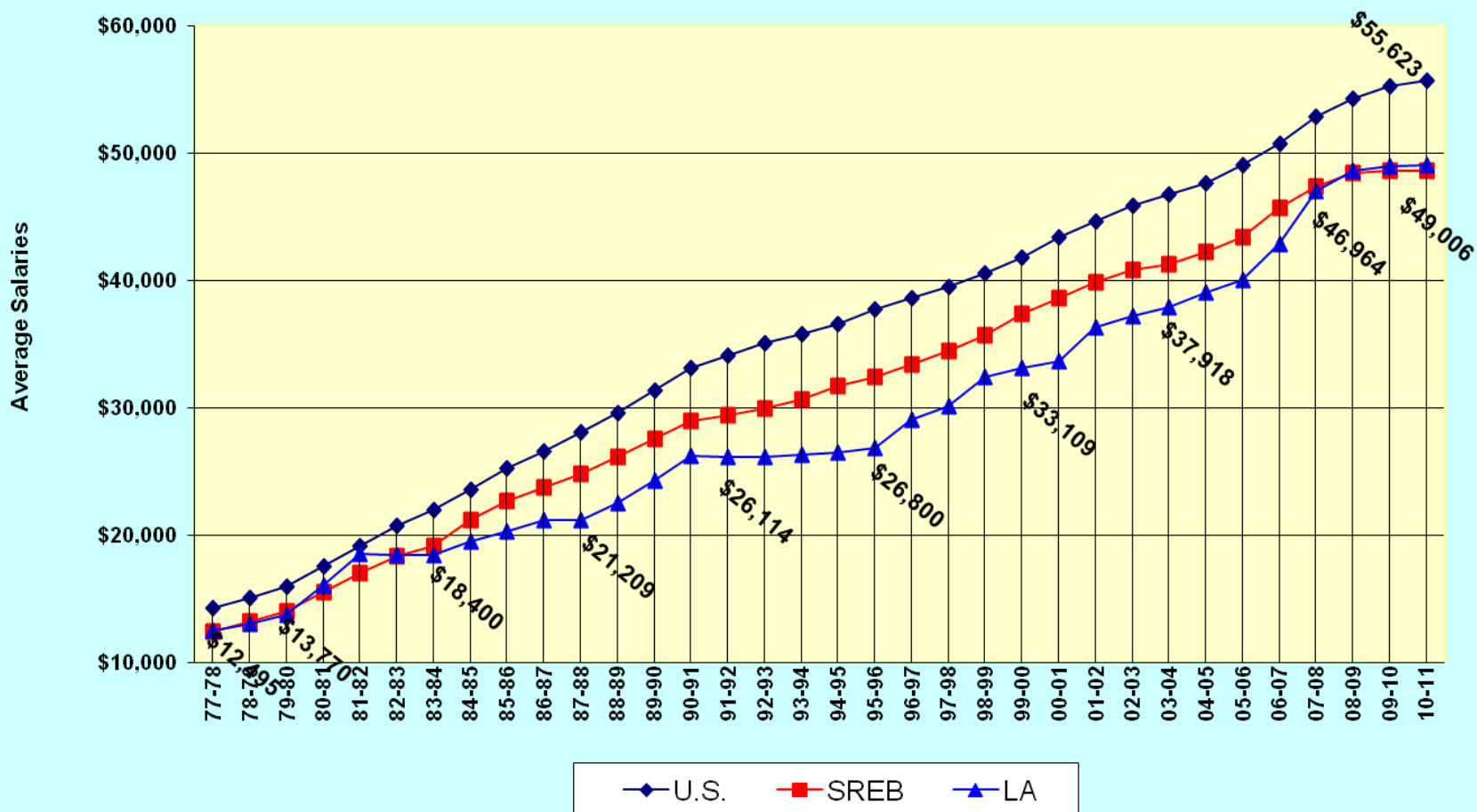
Potential Changes to MFP for 2013-14

- Substitutes Multiple Special Education Weights for the Single Special Education 150% Weight
- Substitutes Two Gifted and Talented Weights for the Single Gifted and Talented 60% Weight
- Deletes the 70% Local General Fund Required Instructional Expenditure at the School Building
- Deletes Required Pay Raise for Certificated Personnel from 50% new funds
- Deletes Requiring Weighted Funds be spent on Weighted Categories



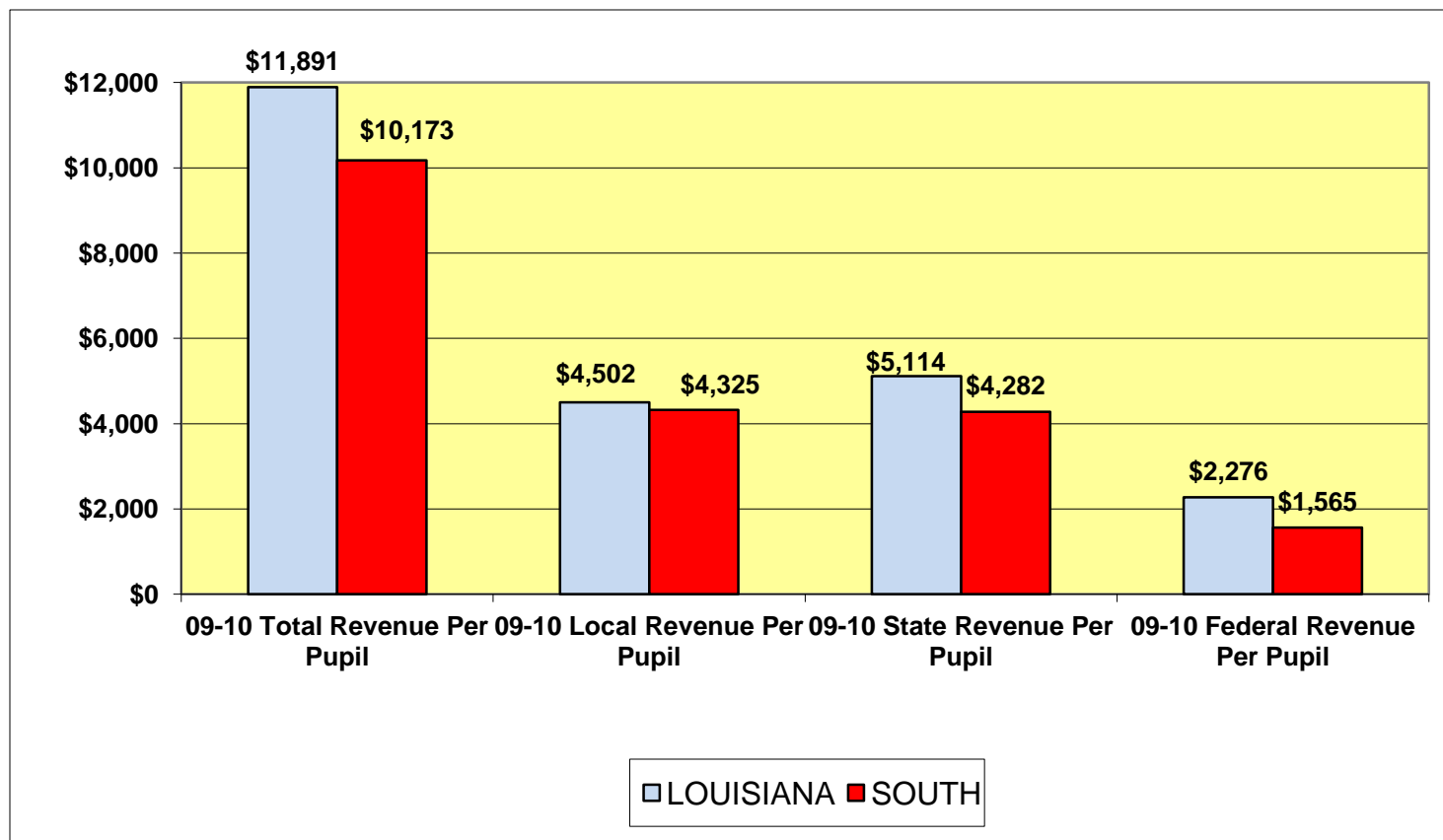
How Louisiana Met Its Goal

Louisiana's Climb to the SREB Average Teacher Salary
(represented by the average at the end of each four-year term)





FY 09-10 Per Pupil Revenues





FY 09-10 Personnel Information

FY 09-10 Public K-12 Personnel Information			
	Student to Staff Ratio	Salary Expenditures Per Staff	Employee Benefit Expenditures Per Staff
LOUISIANA	6.72	\$42,368	\$15,133
SOUTH	7.35	\$41,568	\$11,530



Agency Contacts

Agency	Contact	Title	Phone #
Louisiana Department of Education	Mr. John White	State Superintendent of Education	225.342.4989
Louisiana Department of Education	Ms. Erin Bendily	Deputy Superintendent	225.342.4989
Louisiana Department of Education	Ms. Beth Scioneaux	Deputy Superintendent, Management and Finance	225.342.4989