

Representative Jerome Zeringue
Chairman



Representative Gary Carter
Vice Chairman

Fiscal Year 2020-21 HB105 Budget Review Department of Education

House Committee on Appropriations
by the House Fiscal Division

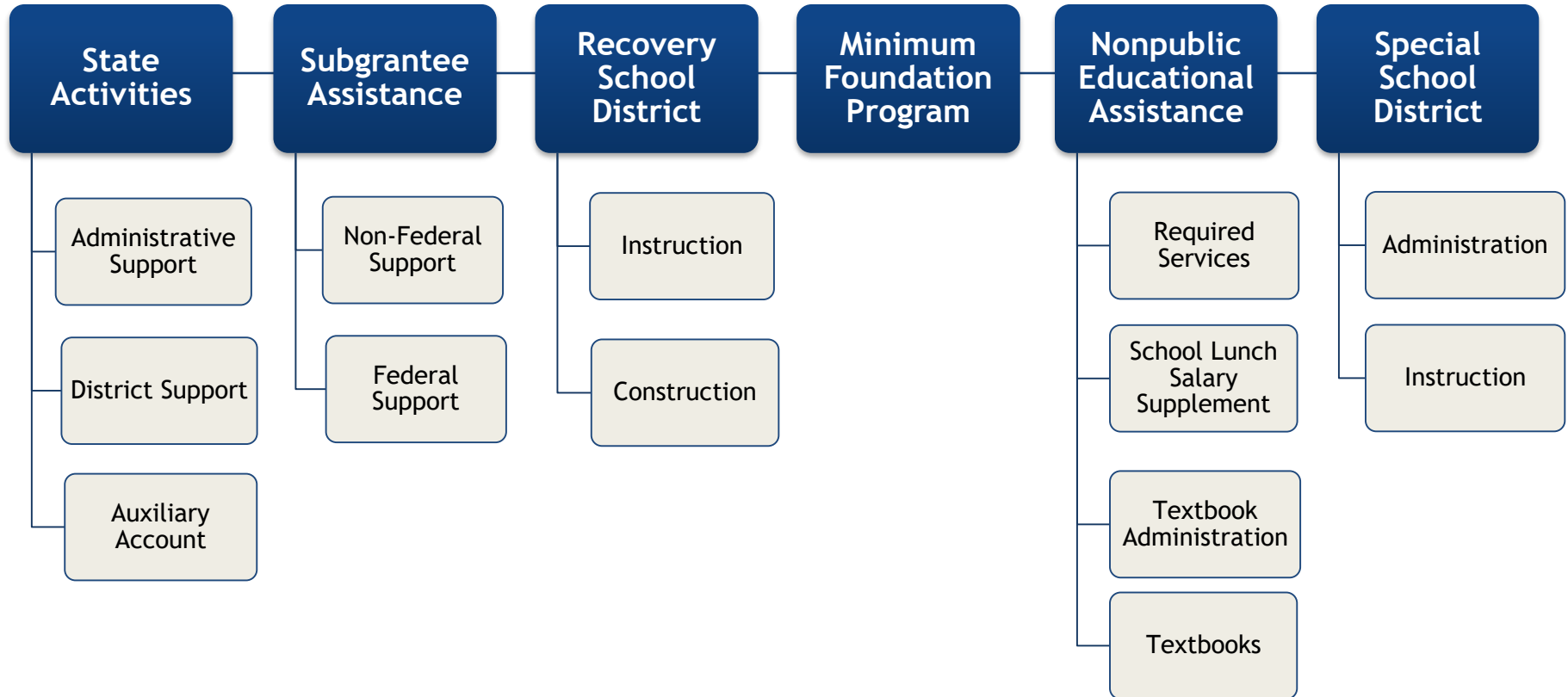
March 18, 2020

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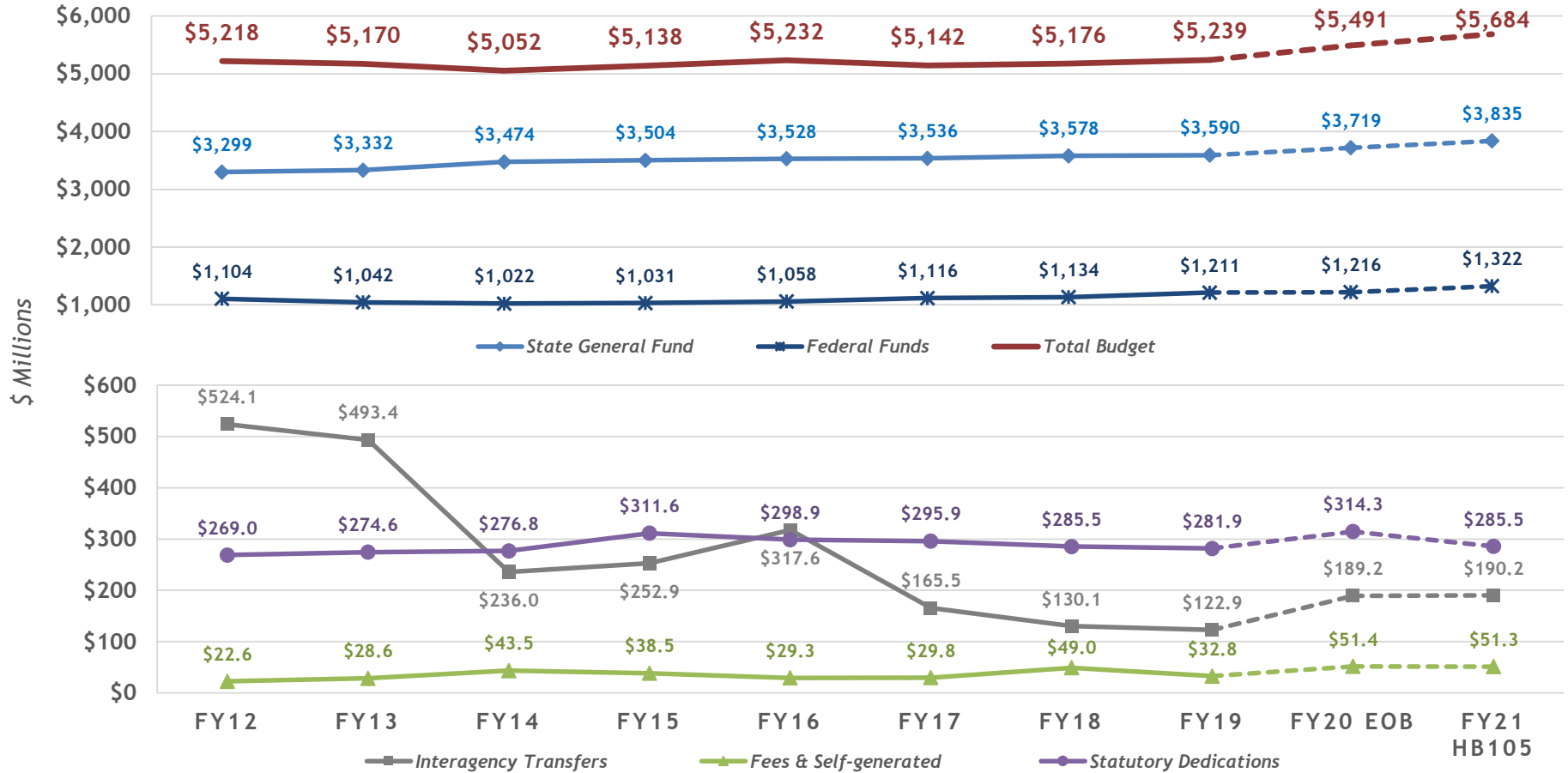
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DEPARTMENT ORGANIZATION



HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
SGF	\$3,589,645,317	\$3,719,235,313	\$3,834,712,474	\$115,477,161	3.1%	\$245,067,157	6.8%
IAT	\$122,876,530	\$189,153,006	\$190,196,434	\$1,043,428	0.6%	\$67,319,904	54.8%
FSGR	\$32,756,269	\$51,428,223	\$51,253,007	(\$175,216)	(0.3%)	\$18,496,738	56.5%
STAT DED	\$281,853,503	\$314,312,813	\$285,497,902	(\$28,814,911)	(9.2%)	\$3,644,399	1.3%
FEDERAL	\$1,211,469,859	\$1,216,488,035	\$1,322,450,314	\$105,962,279	8.7%	\$110,980,455	9.2%
Total	\$5,238,601,478	\$5,490,617,390	\$5,684,110,131	\$193,492,741	3.5%	\$445,508,653	8.5%

EXPENDITURE HISTORY

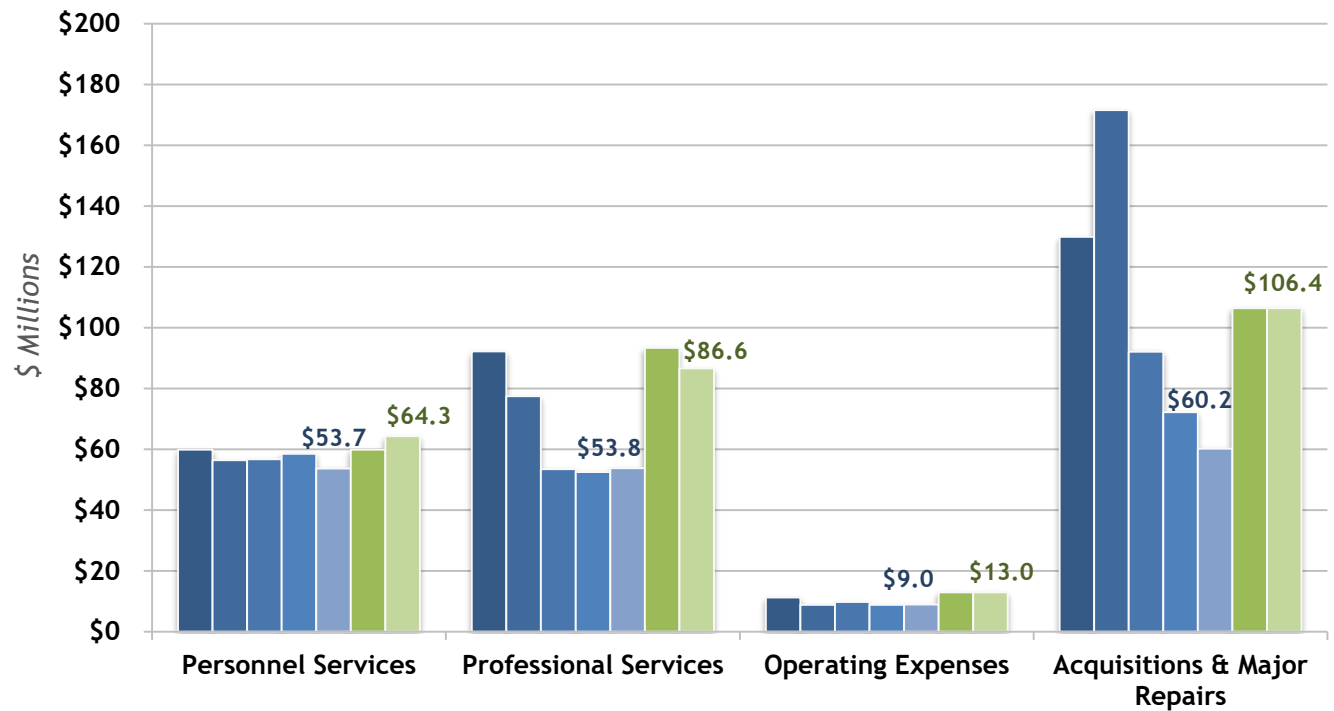
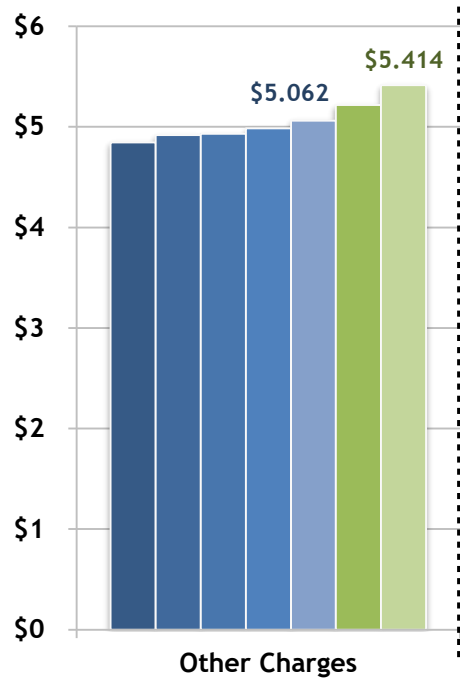
Actual Expenditures

Budgeted Amount

Fiscal Year:

■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019

■ 2020 EOB ■ 2021 HB105



EXPENDITURE CHANGE COMPARISON

Expenditure Category	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
Salaries	\$24,164,267	\$33,694,895	\$36,022,341	\$2,327,446	6.9%	\$11,858,074	49.1%
Other Compensation	\$10,247,717	\$4,212,416	\$6,148,581	\$1,936,165	46.0%	(\$4,099,136)	(40.0%)
Related Benefits	\$19,259,799	\$21,947,406	\$22,122,341	\$174,935	0.8%	\$2,862,542	14.9%
Travel	\$1,322,184	\$3,164,709	\$3,275,177	\$110,468	3.5%	\$1,952,993	147.7%
Operating Services	\$6,975,804	\$8,210,952	\$8,149,946	(\$61,006)	(0.7%)	\$1,174,142	16.8%
Supplies	\$677,601	\$1,542,110	\$1,540,556	(\$1,554)	(0.1%)	\$862,955	127.4%
Professional Services	\$53,781,204	\$93,380,196	\$86,646,435	(\$6,733,761)	(7.2%)	\$32,865,231	61.1%
Other Charges/IAT	\$5,062,006,129	\$5,218,088,379	\$5,413,828,427	\$195,740,048	3.8%	\$351,822,298	7.0%
Acq/Major Repairs	\$60,166,773	\$106,376,327	\$106,376,327	\$0	0.0%	\$46,209,554	76.8%
Total	\$5,238,601,478	\$5,490,617,390	\$5,684,110,131	\$193,492,741	3.5%	\$445,508,653	8.5%

Source: Office of Planning and Budget - Budget Supporting Documents and HB105 of the 2020 Regular Session

FY19 UNSPENT AUTHORITY

	End of Fiscal Year Budget	Actual Amount Spent	Unspent Budget Authority	Unspent Budget %	Unspent % by MOF
SGF	\$3,591,332,582	\$3,589,645,317	\$1,687,265	0.0%	1.0%
IAT	\$263,510,168	\$122,876,530	\$140,633,638	53.4%	79.9%
FSGR	\$51,481,509	\$32,756,269	\$18,725,240	36.4%	10.6%
STAT DED	\$282,299,548	\$281,853,503	\$446,045	0.2%	0.3%
FEDERAL	\$1,226,033,911	\$1,211,469,859	\$14,564,052	1.2%	8.3%
FY19 TOTAL	\$5,414,657,718	\$5,238,601,478	\$176,056,240	3.3%	100.0%

Historical Total Unspent Authority for Comparison

FY18 TOTAL	\$5,331,125,052	\$5,176,431,258	\$154,693,794	2.9%
FY17 TOTAL	\$5,306,276,462	\$5,142,430,595	\$163,845,867	3.1%
3 YR AVG	\$5,350,686,411	\$5,185,821,110	\$164,865,301	3.1%

Unspent authority is almost exclusively interagency transfers and statutory dedications. The Recovery School District Construction Program makes up the bulk of all the unspent authority in the department. Its Interagency Transfers authority remaining was \$126M from reimbursable FEMA funds and \$18M in Fees and Self-generated revenue from the Harrah's Capital Funding project.

FY19 UNSPENT AUTHORITY

Did department collect all revenue budgeted?

	Final Budget (w/o carryforward)	Actual Revenue Collections	Uncollected Revenue
SGF	\$3,591,332,582	\$3,589,645,317	(\$1,687,265)
IAT	\$263,510,168	\$122,876,529	(\$140,633,639)
FSGR	\$51,481,509	\$32,756,269	(\$18,725,240)
SD	\$282,299,548	\$281,853,503	(\$446,045)
FED	\$1,226,033,911	\$1,211,469,859	(\$14,564,052)
TOTAL	\$5,414,657,718	\$5,238,601,477	(\$176,056,241)

The department collected \$176 million less than the FY19 final budget. The vast majority of excess budget authority resided in the Recovery School District in both Interagency Transfers and Fees and Self-generated. Excess Federal budget authority was the State Activities program.

Did department spend all collections?

	Actual Expenditures	Actual Revenue Collections	Unspent Revenue
SGF	\$3,589,645,317	\$3,589,645,317	\$0
IAT	\$122,876,530	\$122,876,529	(\$1)
FSGR	\$32,756,269	\$32,756,269	\$0
SD	\$281,853,503	\$281,853,503	\$0
FED	\$1,211,469,859	\$1,211,469,859	\$0
TOTAL	\$5,238,601,478	\$5,238,601,477	(\$1)

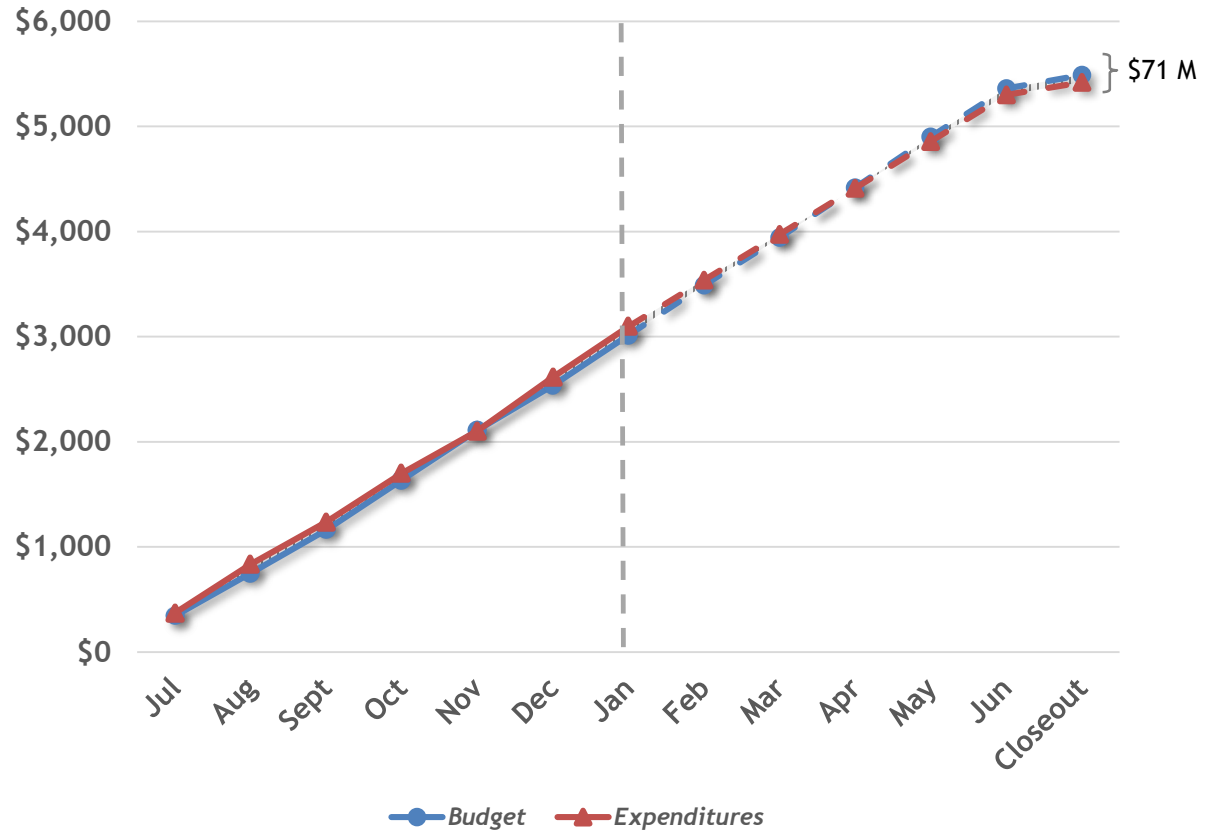
The department spent nearly every dollar it collected.

CURRENT EXPENDITURE TREND

Analysis shows approximately 1.3% or \$71 million in total budget authority from all means of finance could be unspent at year-end based on actual spending through January and projections to the end of the year.

Nearly all this remaining budget authority is estimated be in the professional services and major repairs categories within the Recovery School District.

In FY19, HFD projected the department would have \$164.9M or 3% of its end of year budget in remaining authority, when it actually had \$176M or 3.2% of the budget in remaining authority at year end.



STATE ACTIVITIES

OVERVIEW

The mission of State Activities is to provide leadership, training, fund-flow control, and compliance evaluation. The goal is to provide information, leadership, and oversight necessary to achieve a quality educational system.

Administrative Support

Office of the Superintendent

Directs elementary and secondary educational policy, provides leadership over the education budget, and coordinates legislative affairs and public information activities

Management and Finance

- **Education Finance Division** provides statistical and analytical information, produces publications, provides budget oversight to all administrative programs, state-level programs and flow-through programs, conducts federal and state program audits.
- **Appropriation Control Division** maintains financial services provided to the Department's customers through the appropriate and timely release of funds, the accuracy of financial statements, and the management of all Department cash/accounts.

District Support

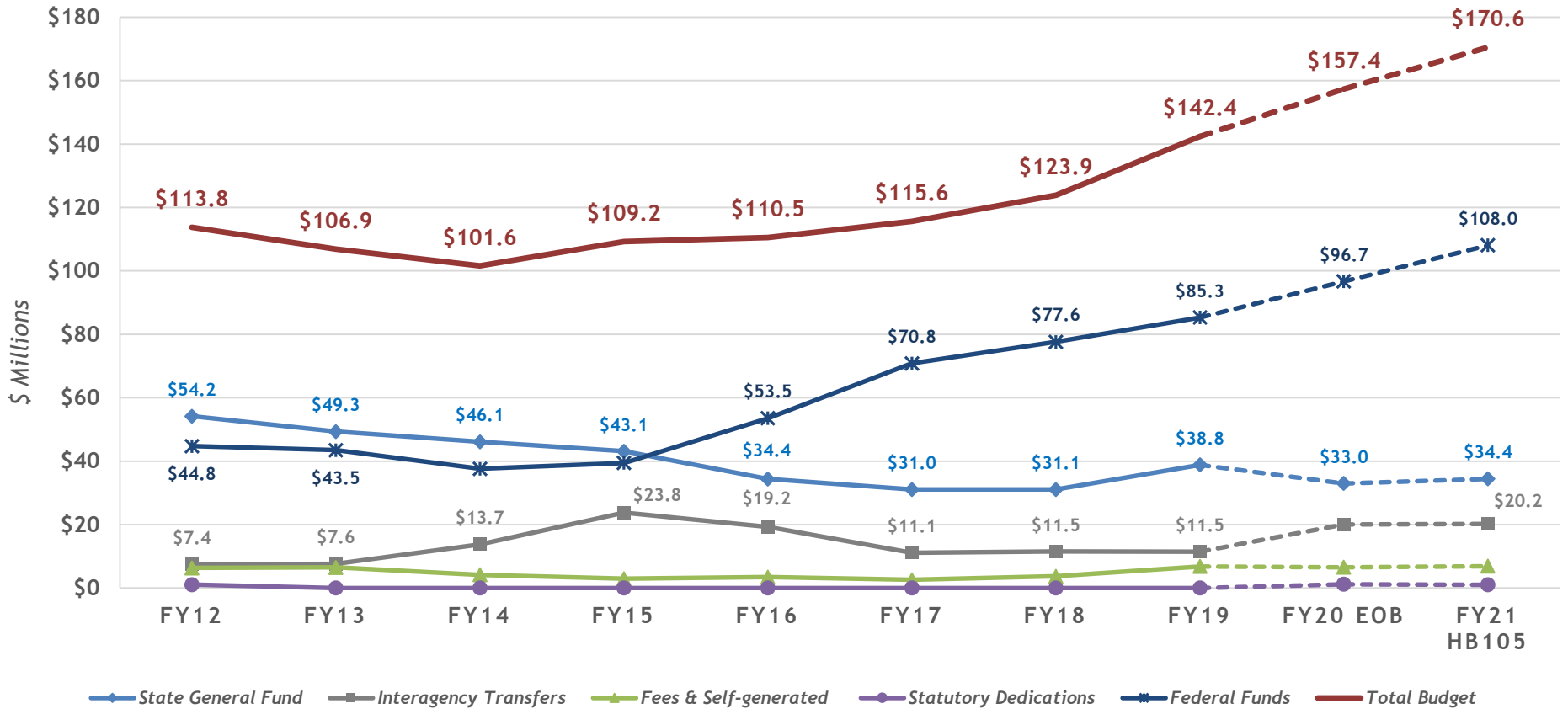
- District Support Networks
- Academic Policy - implements state content standards
- School Improvement - facilitates school choice programs through the scholarship program and charter school creation/operation
- Food and Nutrition - oversight and leadership for participants in Federal Child Nutrition programs
- Child Care Licensing - license and inspect child care facilities
- Talent - Teacher Certification Division and Teacher Evaluation Division
- Statewide **Monitoring** - Support for special populations of children with special needs

Auxiliary Program

Self-generated portion of the Teacher Certification Division which aims to produce qualified, prepared educators

STATE ACTIVITIES

HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

STATE ACTIVITIES

SOURCES OF FUNDING

Interagency Transfers \$20.2 Million

- \$11,315,000 transferred from BESE from the Louisiana Quality Education Support Fund 8(g)
- Indirect costs received from other DOE agencies for administrative support services.

Self-generated Revenue \$6.9 Million

Child Care Center Licensing Fees, Carl D. Perkins funds, Teacher Certification,

The agency is authorized to carry over Carl Perkins funds which are originally sourced Federally. \$406,709 was carried over from FY19 to FY20.

Statutory Dedications \$1 Million

\$1,023,993 - Litter Abatement and Education Account

These funds are derived from motor vehicle licenses, plates, and fines.

Federal Funds \$108 Million

- Food and Nutrition Services
- District Support Administration

STATE ACTIVITIES

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
SGF	\$38,843,379	\$32,979,250	\$34,410,062	\$1,430,812	4.3%	(\$4,433,317)	(11.4%)
IAT	\$11,458,566	\$20,063,484	\$20,213,520	\$150,036	0.7%	\$8,754,954	76.4%
FSGR	\$6,794,660	\$6,527,887	\$6,882,076	\$354,189	5.4%	\$87,416	1.3%
STAT DED	\$0	\$1,168,462	\$1,023,993	(\$144,469)	(12.4%)	\$1,023,993	0.0%
FEDERAL	\$85,327,817	\$96,650,178	\$108,030,207	\$11,380,029	11.8%	\$22,702,390	26.6%
Total	\$142,424,422	\$157,389,261	\$170,559,858	\$13,170,597	8.4%	\$28,135,436	19.8%

Significant revenue changes from EOB:



(\$144K) Statutory Dedications

Removal of funding from the Litter Abatement and Education Account.



\$11.4M Federal

\$5M Increase in authority for multiple new grant awards from the U.S Dept. of Education and \$6.3M increased authority for District Support contracts.

STATE ACTIVITIES

EXPENDITURE CHANGE COMPARISON

Expenditure Category	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
Salaries	\$19,965,239	\$29,181,178	\$30,596,512	\$1,415,334	4.9%	\$10,631,273	53.2%
Other Compensation	\$8,044,441	\$2,633,133	\$5,126,283	\$2,493,150	94.7%	(\$2,918,158)	(36.3%)
Related Benefits	\$15,068,652	\$17,803,439	\$17,872,082	\$68,643	0.4%	\$2,803,430	18.6%
Travel	\$1,191,405	\$2,987,156	\$3,097,624	\$110,468	3.7%	\$1,906,219	160.0%
Operating Services	\$6,415,569	\$7,239,269	\$7,269,663	\$30,394	0.4%	\$854,094	13.3%
Supplies	\$552,577	\$1,431,101	\$1,447,719	\$16,618	1.2%	\$895,142	162.0%
Professional Services	\$41,773,591	\$58,460,234	\$51,726,473	(\$6,733,761)	(11.5%)	\$9,952,882	23.8%
Other Charges/IAT	\$49,412,948	\$37,653,751	\$53,423,502	\$15,769,751	41.9%	\$4,010,554	8.1%
Acq/Major Repairs	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total	\$142,424,422	\$157,389,261	\$170,559,858	\$13,170,597	8.4%	\$28,135,436	19.8%

STATE ACTIVITIES

SIGNIFICANT EXPENDITURE CHANGES FROM EOB

\$4M - Personnel Services

\$1,277,277	21 new authorized T.O. positions and associated funding related to federal grants for literacy, mental health services, STEM credits for teachers, leadership programs, and early child care.
\$876,876	Net increase from standard adjustments to Salaries, Other Comp., and Related Benefits.
(\$792,026)	Removal of 11 authorized T.O. and 2 non-T.O. FTE positions and associated funding from the North and South network teams which served as school district liaisons.
\$2,615,000	Realigning expenditure authority by decreasing Professional Services for Other Compensation.

(\$6.7 M) - Professional Services Net Decrease

(\$9,615,000)	Realigning authority related to \$2.6M in Personnel expenditures and \$7M in Other Charges IAT for the department's contract with Data Recognition Corporation, now administered by the OTS.
\$2,931,789	Expenses related to 6 new federal grant programs.

\$15.8 M - Other Charges/IAT

\$13,265,318	Increase in authority from the realignment related to the Data Recognition Corporation contract.
\$1,730,692	Increase in services provided by the Office of Technology Services.
\$629,954	Expenses related to the 6 new federal grant programs.

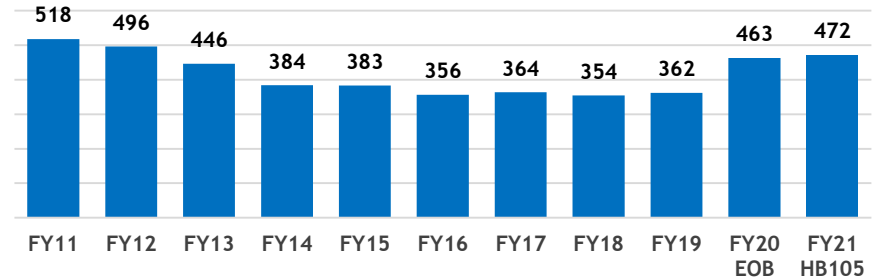
STATE ACTIVITIES

PERSONNEL INFORMATION

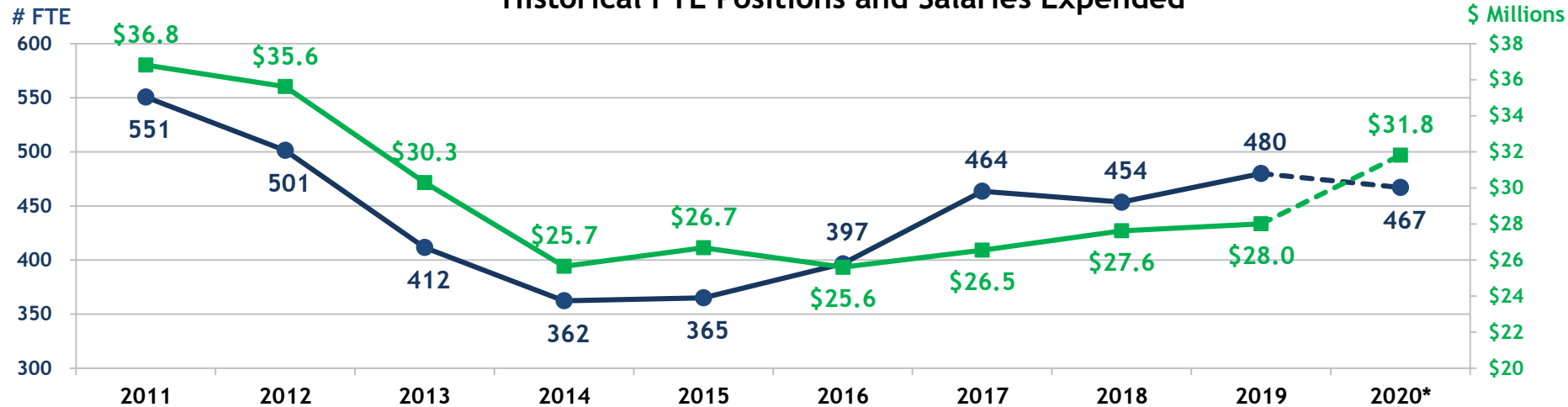
FY 2021 Recommended Positions

472	Total Authorized T.O. Positions (442 Classified, 30 Unclassified)
0	Authorized Other Charges Positions
41	Non-T.O. FTE Positions
30	Vacant Positions (February 3, 2020)

Historical Authorized T.O. Positions



Historical FTE Positions and Salaries Expended



SUBGRANTEE ASSISTANCE

OVERVIEW

The mission of Subgrantee Assistance is to provide flow-through funds to local educational agencies (LEAs) and other entities for the development of programs that enhance learning environments.

Non-Federal Support Program

State Programs Activity

- Student Scholarships for Educational Excellence Program (SSEEP)
- Professional Improvements Program (PIP)
- Education Excellence Programs

Early Childhood Activity

- Cecil J. Picard LA-4 Early Childhood Program
- Private Pre-Kindergarten services

Federal Support Program

Federal Programs Activity

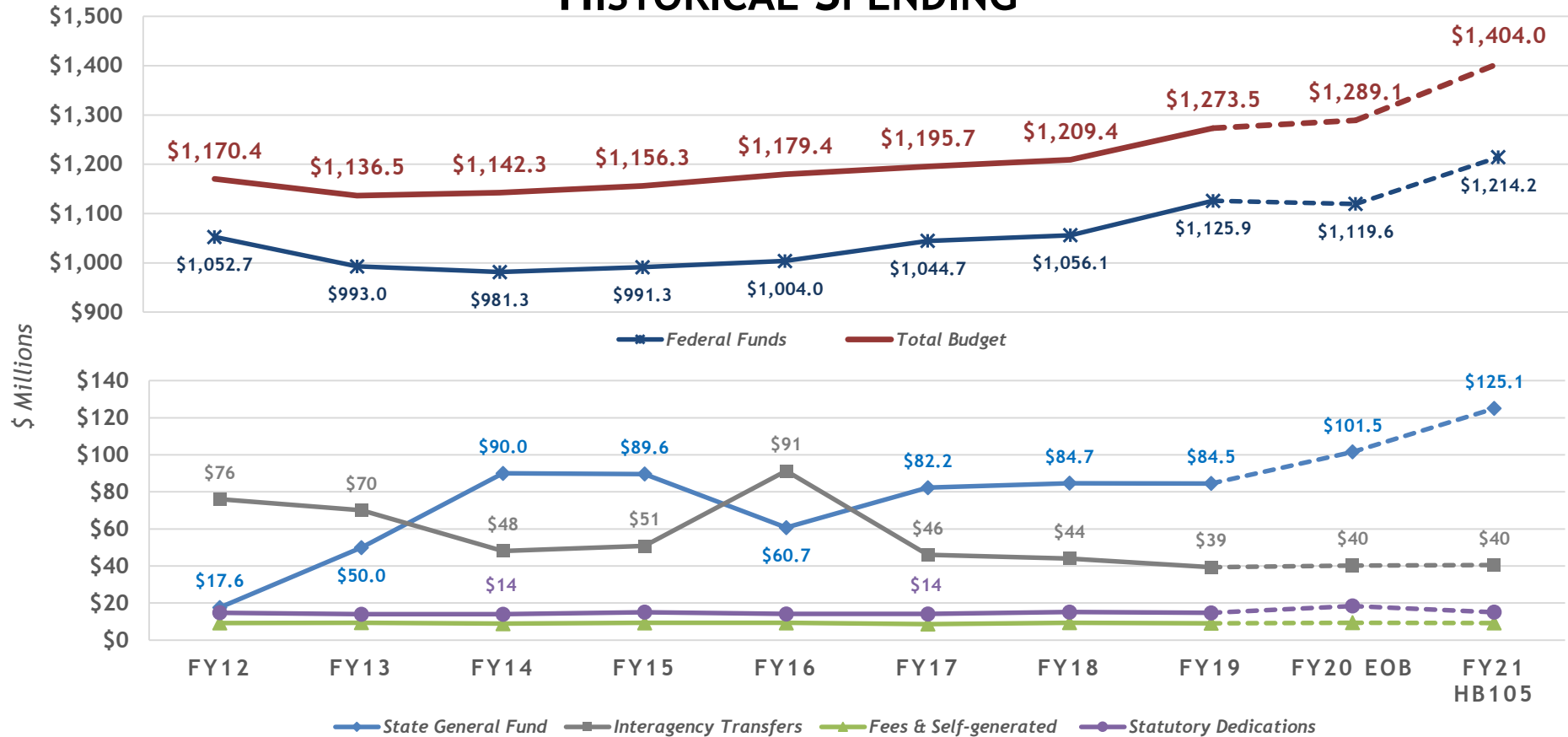
- School Food and Nutrition
- Title I, Part A and D
- Special Education IDEA Part B
- Child & Adult Food and Nutrition
- Child Care Development Fund
- Louisiana Striving Readers Program
- 21st Century Community Learning Centers

Talent and Workforce Activity

- Title II - Improving Teacher Quality
- Teacher Incentive Fund

SUBGRANTEE ASSISTANCE

HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

SUBGRANTEE ASSISTANCE

SOURCES OF FUNDING

Interagency Transfers \$40.5M

- Louisiana Quality Education Support Fund 8(g) funds from BESE.
- Temporary Assistance for Needy Families (TANF) funds from the Dept. of Children & Family Services for the LA-4 Early Childhood Program.

Self-generated Revenue \$9.2M

Funding received from the Louisiana Technical and Community College System from the Federal Carl D. Perkins Act of 2006 for Career and Technical education.

Statutory Dedications \$15.1M

Education Excellence Fund
Part of the Millennium Trust which is derived from the Master Tobacco Settlement.

Federal Funds \$1.214B

- **\$319.5 million** - Title I, Part A, to improve the teaching and learning of children from low-income families.
- **\$405.5 million** - School, Child and Adult Food and Nutrition Programs to provide basic nutrition to eligible participants.
- **\$208.7 million** - Individuals with Disabilities Education Act (IDEA) to ensure all children with disabilities age 3 - 21 are provided special education services.
- **\$76.2 million** - Child Care Development Fund Block Grant (CCDF) to provide child care assistance, licensing, and quality improvement.
- **\$42.4 million** - Title II - Improving Teacher Quality funds used to provide professional development to teachers in the core academic subjects.
- **\$26 million** - 21st Century Community Learning Centers

SUBGRANTEE ASSISTANCE

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
SGF	\$84,517,582	\$101,483,854	\$125,054,208	\$23,570,354	23.2%	\$40,536,626	48.0%
IAT	\$39,288,924	\$40,265,657	\$40,495,657	\$230,000	0.6%	\$1,206,733	3.1%
FSGR	\$9,091,294	\$9,418,903	\$9,150,661	(\$268,242)	(2.8%)	\$59,367	0.7%
STAT DED	\$14,703,836	\$18,330,815	\$15,088,909	(\$3,241,906)	(17.7%)	\$385,073	2.6%
FEDERAL	\$1,125,926,284	\$1,119,587,857	\$1,214,170,107	\$94,582,250	8.4%	\$88,243,823	7.8%
Total	\$1,273,527,920	\$1,289,087,086	\$1,403,959,542	\$114,872,456	8.9%	\$130,431,622	10.2%

Significant revenue changes from EOB:



\$23.6M State General Fund

Net increase to fund Early Childhood Services from birth to 3 years old.



(\$3.2M) Statutory Dedications

Reduction from the Education Excellence Fund to align with REC projections.



\$94.6M Federal Funds

Increase of \$29.6M for new Federal grants from the U.S. Department of Education and \$65M in increased authority to meet projected reimbursements to Local Education Agencies.

SUBGRANTEE ASSISTANCE

EARLY CHILDHOOD EDUCATION ENROLLMENT

Enrollment in Public Early Childhood Education Programs						
Program	Infants	Ones	Twos	Threes	Fours	Totals
Child Care Assistance Program (October 2019)	872	1,836	2,769	2,899	2,248	10,624
Head Start and Early Head Start (2019-20 funded)	773	1,315	2,153	11,693	7,734	23,668
Title I (2019-20)					5,741	5,741
LA 4 Early Childhood Program (2019-20 funded)					16,111	16,111
Nonpublic School Early Childhood Development (2019-20 funded)					1,413	1,413
8(g) Grants (2019-20)					2,100	2,100
Total	1,645	3,151	4,922	14,592	35,347	59,657

Source: Louisiana Department of Education, Early Childhood Care and Education 2019 Annual Report.

SUBGRANTEE ASSISTANCE

FY20 EARLY CHILDHOOD EDUCATION FUNDING

Funding Sourced for Public Early Childhood Education Programs

Program	Means of Finance (In Millions)				
	General Fund	Interagency Transfers	Statutory Dedications	Federal	Totals
Child Care Assistance Program (CCAP)	\$11,200,000			\$119,878,456	\$131,078,456
Preschool Development Grants - Expansion	\$8,788,500				\$8,788,500
Early Childhood Care and Education Network	\$2,750,000	\$275,000			\$3,025,000
Head Start and Early Head Start				\$175,000	\$175,000
Title I - Pre-K Programs				\$42,461,664	\$42,461,664
IDEA Preschool and Part B				\$8,146,680	\$8,146,680
LA 4 Early Childhood Program	\$29,013,410	\$40,492,803			\$69,506,213
Nonpublic School Early Childhood Development	\$6,436,932				\$6,436,932
8(g) Grants		\$275,000	\$9,011,525		\$9,286,525
Total	\$58,188,842	\$41,042,803	\$9,011,525	\$170,661,800	\$278,904,970
Percent of Total Funding	21%	15%	3%	61%	

Source: Early Childhood System Integration Budget - FY19-20

RECOVERY SCHOOL DISTRICT

OVERVIEW

The mission of the Recovery School District (RSD) is to fulfill the core governmental functions necessary to achieve excellence and equity in a decentralized system of schools.

Recovery School District Program

Educational service agency administered by the Department of Education with approval of BESE to oversee any school operating under RSD jurisdiction.

Current schools under the RSD jurisdiction:

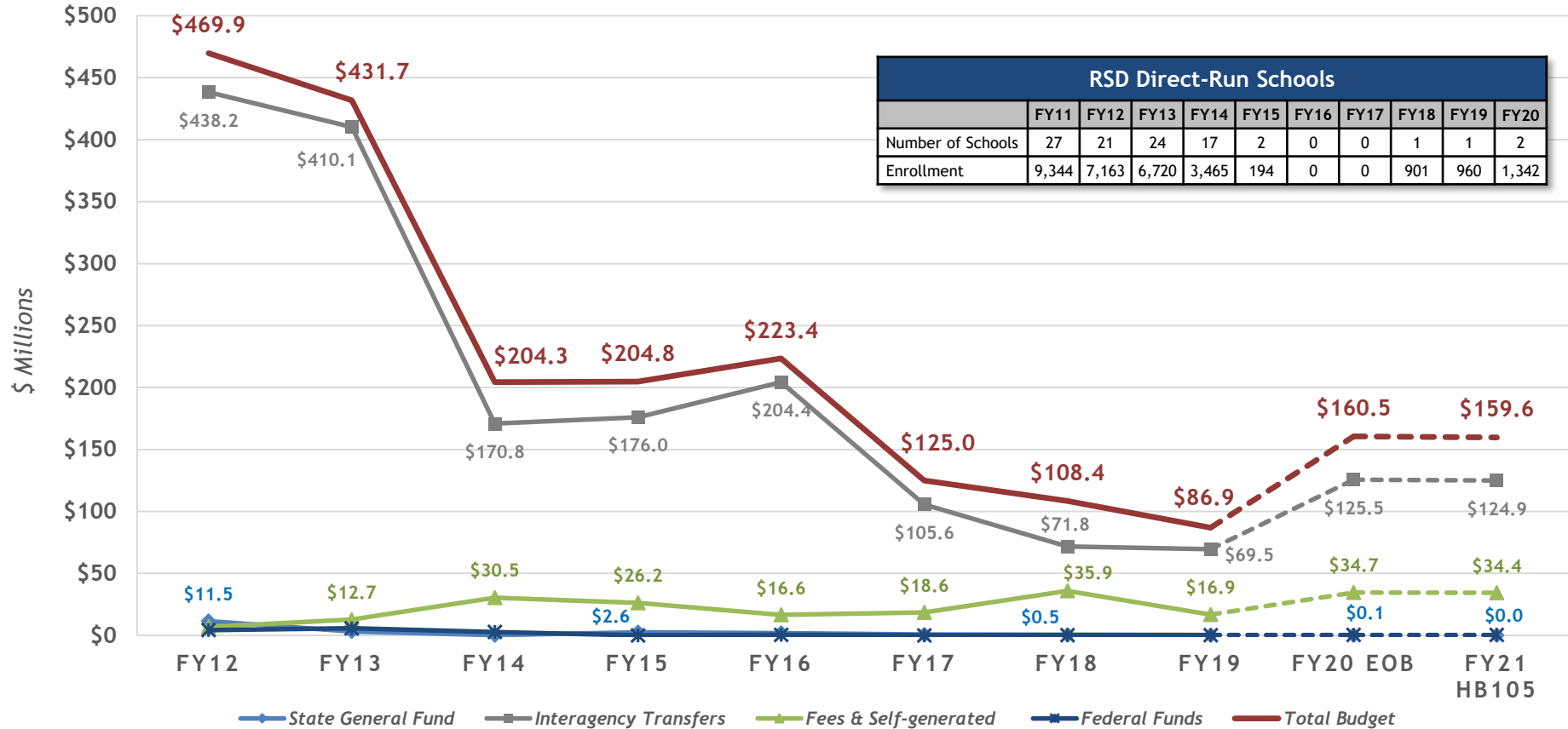
1. Linwood Charter School, Shreveport
2. Capitol High School, Baton Rouge

RSD - Construction Program

Provides funding for a multi-year Orleans Parish Reconstruction Master Plan for the renovation or building of school facilities.

RECOVERY SCHOOL DISTRICT

HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

RECOVERY SCHOOL DISTRICT

SOURCES OF FUNDING

Interagency Transfers \$124.9 Million

- Federal Emergency Management Agency (FEMA) funds from the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) to the Recovery School District (RSD) for the repair and reconstruction of schools and equipment damaged in Hurricanes Katrina and Rita.
- Transfers from the MFP for RSD run charter schools.

The agency was authorized to carry over \$23,826,534 in IAT from FY19 to FY20. These funds are FEMA.

Self-generated Revenue \$34.4 Million

- \$514,111 - Instruction Program from Lexington Insurance settlement.
- \$33,880,000 - Construction Program from Harrah's Capital Fund.

The agency carries over funds from contractual obligation to Harrah's Casino and court settlement from Lexington Insurance proceeds related to specific RSD construction expenses. \$11.4M was carried over from FY19 into the current year.

Federal Funds \$250 Thousand

- Health Resources and Services Administration (HRSA) funds from the U.S. Department of Health and Human Services for constructing school based health centers.

RECOVERY SCHOOL DISTRICT

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
SGF	\$252,936	\$65,185	\$40,309	(\$24,876)	(38.2%)	(\$212,627)	(84.1%)
IAT	\$69,517,040	\$125,532,576	\$124,924,098	(\$608,478)	(0.5%)	\$55,407,058	79.7%
FSGR	\$16,870,315	\$34,655,274	\$34,394,111	(\$261,163)	(0.8%)	\$17,523,796	103.9%
STAT DED	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
FEDERAL	\$215,758	\$250,000	\$250,000	\$0	0.0%	\$34,242	15.9%
Total	\$86,856,049	\$160,503,035	\$159,608,518	(\$894,517)	(0.6%)	\$72,752,469	83.8%

RECOVERY SCHOOL DISTRICT

EXPENDITURE CHANGE COMPARISON

Expenditure Category	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
Salaries	\$2,189,074	\$1,534,125	\$977,140	(\$556,985)	(36.3%)	(\$1,211,934)	(55.4%)
Other Compensation	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Related Benefits	\$1,012,573	\$695,768	\$456,475	(\$239,293)	(34.4%)	(\$556,098)	(54.9%)
Travel	\$36,801	\$55,534	\$55,534	\$0	0.0%	\$18,733	50.9%
Operating Services	\$439,720	\$784,794	\$784,794	\$0	0.0%	\$345,074	78.5%
Supplies	\$16,059	\$7,200	\$7,200	\$0	0.0%	(\$8,859)	(55.2%)
Professional Services	\$11,460,199	\$34,711,532	\$34,711,532	\$0	0.0%	\$23,251,333	202.9%
Other Charges/IAT	\$11,534,850	\$16,337,755	\$16,239,516	(\$98,239)	(0.6%)	\$4,704,666	40.8%
Acq/Major Repairs	\$60,166,773	\$106,376,327	\$106,376,327	\$0	0.0%	\$46,209,554	76.8%
Total	\$86,856,049	\$160,503,035	\$159,608,518	(\$894,517)	(0.6%)	\$72,752,469	83.8%

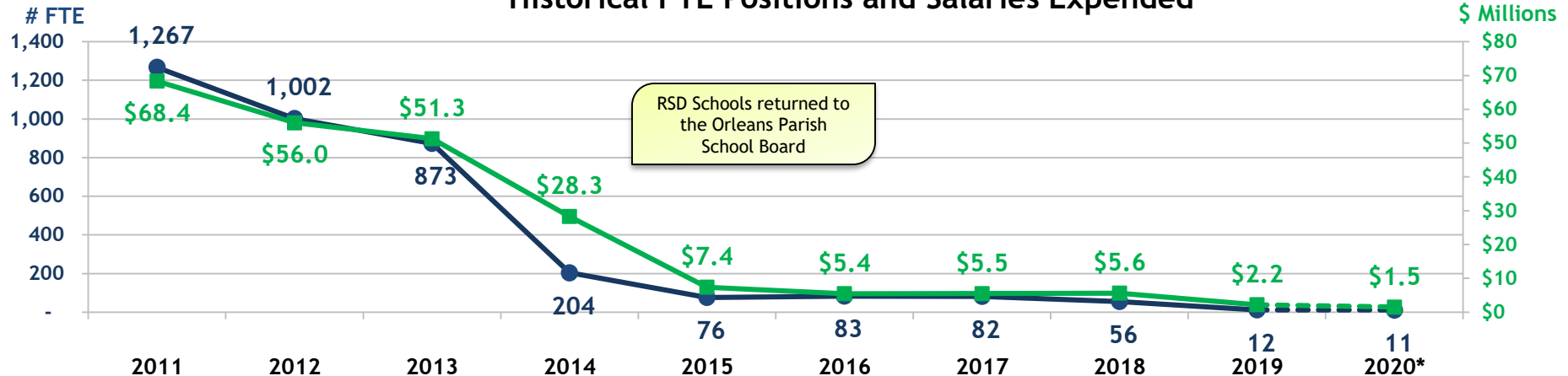
RECOVERY SCHOOL DISTRICT

PERSONNEL INFORMATION

FY 2021 Recommended Positions

0	Total Authorized T.O. Positions (0 Classified, 0 Unclassified)
0	Authorized Other Charges Positions
12	Non-T.O. FTE Positions
0	Vacant Positions (February 3, 2020)

Historical FTE Positions and Salaries Expended



MINIMUM FOUNDATION PROGRAM

OVERVIEW

The MFP currently provides block grants for 688,465 students attending 69 city and parish school districts, charter schools, Louisiana School for Math, Science and the Arts, New Orleans Center for the Creative Arts, Juvenile Justice schools, and Lab Schools. The FY20 formula is allocated at \$3.85 billion of which \$3.56 is SGF and makes up 37% of total general fund spending.

- BESE develops and adopts a formula used to determine the cost of the MFP.
- Legislature considers the BESE-adopted formula through concurrent resolution, which must contain the formula adopted by BESE verbatim. The legislature cannot amend the BESE-adopted formula.
- Louisiana State Constitution Art. 8, Section 13(B):
“The legislature shall annually appropriate funds sufficient to fully fund the current cost to the state of such a program...”
- Prior to approval, the legislature may return the formula to BESE with recommendations. If legislature fails to approve a formula, the last BESE and legislatively approved formula is used.
- Only the governor may reduce the appropriation using means provided in the appropriation with 2/3 consent of both the House and the Senate. If a deficit is projected during the current year, the governor may reduce the MFP, but reductions may not exceed 1% and cannot apply to instructional activities.

MINIMUM FOUNDATION PROGRAM

OVERVIEW

The MFP formula calculation includes four levels:

Level 1

Establishes base education cost per student and recognizes extra costs associated with specific students.

- Once the total cost is determined, local revenue is measured and projected to determine the proportion of the cost to be covered by the state.

Level 2

Provides a financial incentive for local school systems to provide support for educational costs.

Level 3

Adds in legislative mandates, such as teacher and support worker pay raises, hold harmless, and other costs.

Level 4

Funding for educational initiatives such as dual enrollment, career and technical courses, and districts that serve students with high cost disabilities.

MINIMUM FOUNDATION PROGRAM

FY21 BESE RESOLUTION

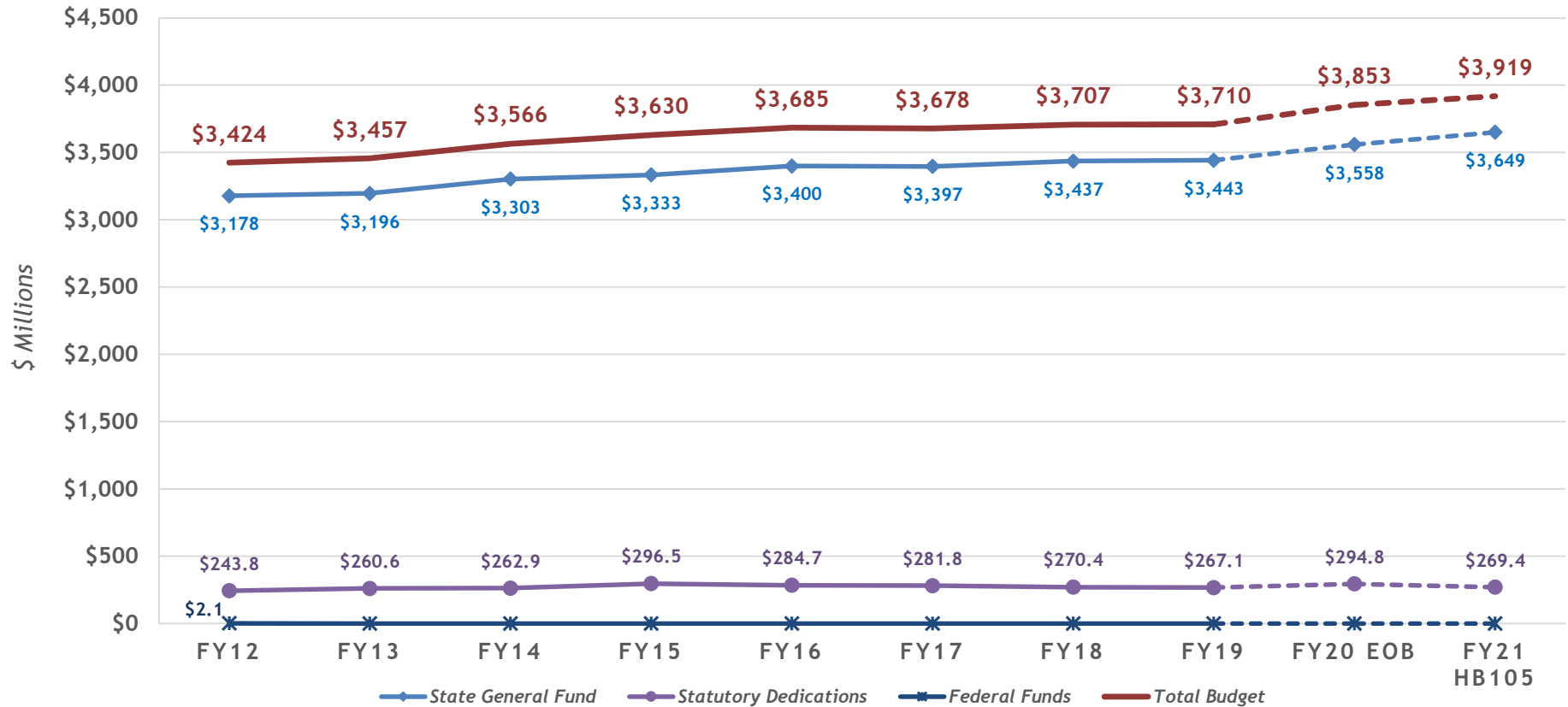
The State Board of Elementary and Secondary Education (BESE) adopted the FY 2020-21 MFP formula on March 11, 2020. The proposed formula includes the following adjustments:

- ✓ An increase to the Base Per Pupil Amount of 2.75%, from \$4,015 to \$4,125, equivalent to \$78,451,078. This item is currently funded at \$38,987,607 or 49.7% in HB 105.
- ✓ Includes a provision in Level 4 that directs districts with an average teacher salary less than the Southern Regional Education Board average to use half of their increase for teacher pay raises.
 - This provision is estimated to effect 50 districts, 2 lab & state approved schools, 4 Legacy type 2 charter schools, 29 new type 2 charter schools, and 7 RSD/type 5 charter schools.
 - The total estimated amount needed for this effort is \$24,916,534
- ✓ Includes a \$2,000 stipend for certified mentor teachers in Level 4. This is estimated to cost \$2.5 million to provide for 1,274 mentor teachers.

HB 105 currently includes an appropriation of \$3.919 billion, which funds 98.7% of the costs required by the proposed formula.

MINIMUM FOUNDATION PROGRAM

HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

MINIMUM FOUNDATION PROGRAM

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
SGF	\$3,442,767,778	\$3,558,420,983	\$3,649,471,785	\$91,050,802	2.6%	\$206,704,007	6.0%
IAT	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
FSGR	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
STAT DED	\$267,149,667	\$294,813,536	\$269,385,000	(\$25,428,536)	(8.6%)	\$2,235,333	0.8%
FEDERAL	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total	\$3,709,917,445	\$3,853,234,519	\$3,918,856,785	\$65,622,266	1.7%	\$208,939,340	5.6%

Significant revenue changes from EOB:



\$25.4M Means of Finance Swap

Reduction in statutory dedications from the Lottery Proceeds Fund and the Support Education in Louisiana First (SELF) Fund and an increase in SGF.



\$26.6M State General Fund

Increase due to special education weight factors in Level 1, property/sales tax revenues in Level 2, and Community Development Fund in Level 4.

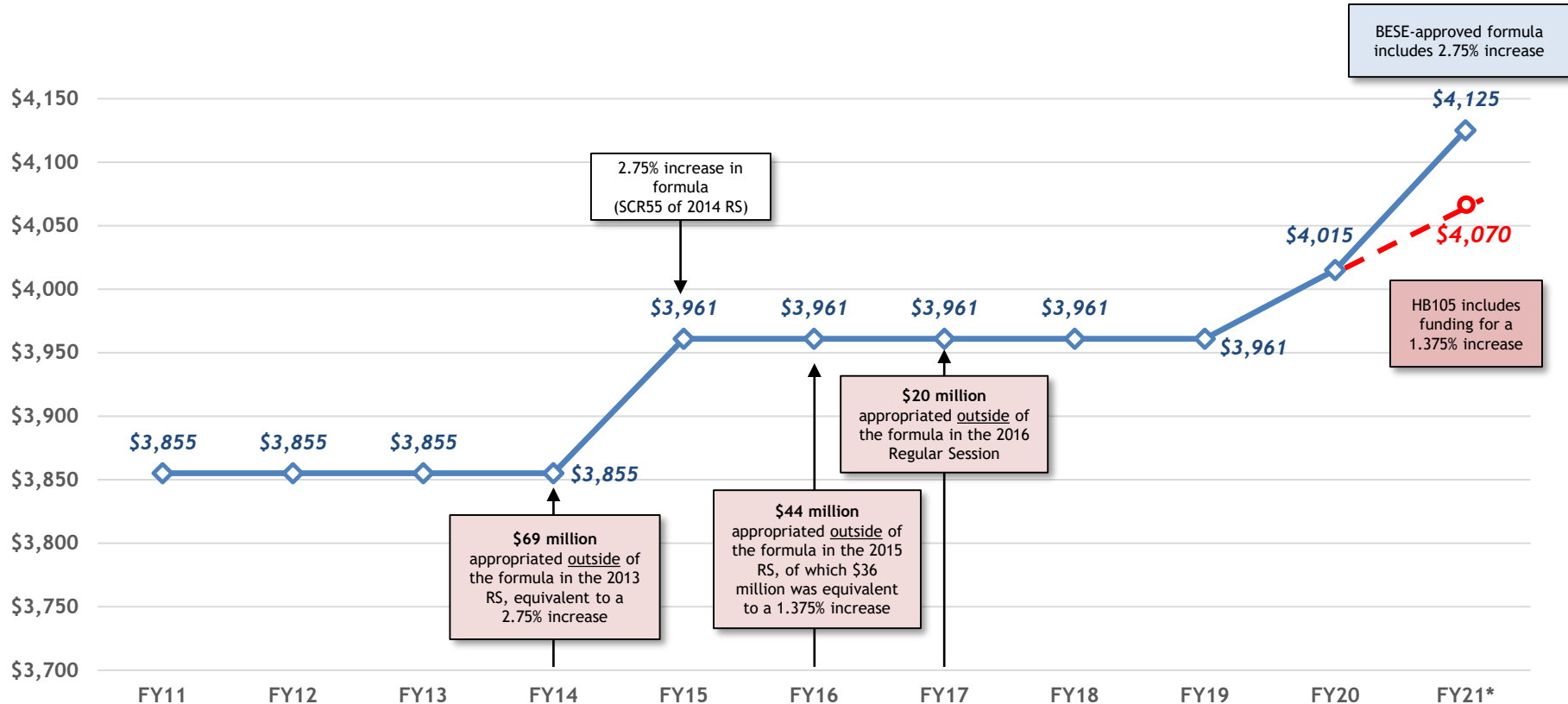


\$39M State General Fund

Increase of 1.375% in the base per pupil funding amount from \$4,015 to \$4,070 in Level 1.

MINIMUM FOUNDATION PROGRAM

BASE PER PUPIL COST AND SUPPLEMENTAL APPROPRIATIONS



NON-PUBLIC EDUCATIONAL ASSISTANCE

OVERVIEW

Nonpublic Educational Assistance provides funds to benefit BESE approved nonpublic schools.

Required Services

Reimbursements to non-public schools for costs incurred from compliance with constitutionally mandated and other statutorily required services.

School Lunch Salary Supplement

Salary supplements for lunchroom employees at eligible non-public schools.

Textbook Administration

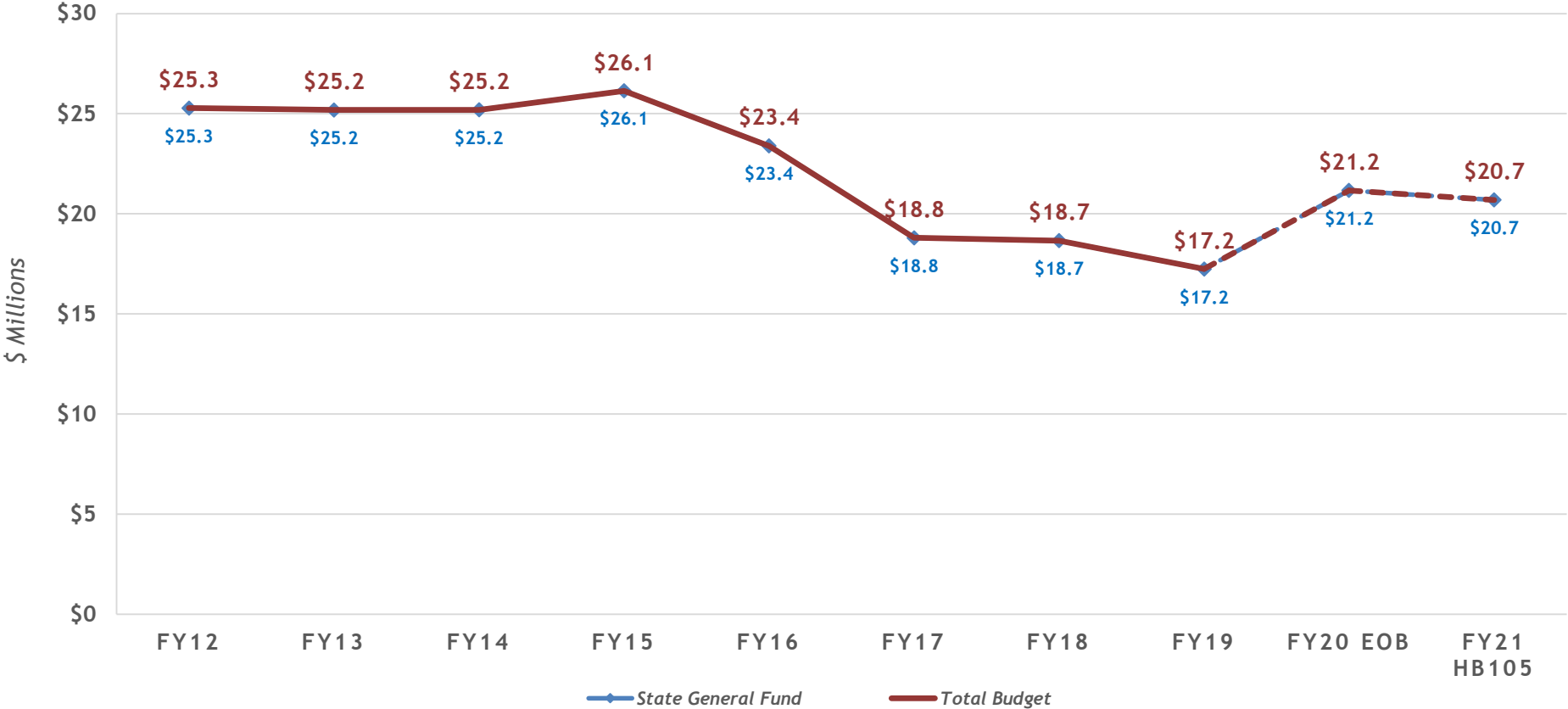
Provides state funds for administrative costs incurred by non-public schools to order and distribute books and instructional materials.

Textbooks

Provides state funds for the purchase of books and other materials of instruction for eligible non-public schools.

NON-PUBLIC EDUCATIONAL ASSISTANCE

HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

NON-PUBLIC EDUCATIONAL ASSISTANCE

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
SGF	\$17,242,567	\$21,170,559	\$20,694,779	(\$475,780)	(2.2%)	\$3,452,212	20.0%
IAT	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
FSGR	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
STAT DED	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
FEDERAL	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total	\$17,242,567	\$21,170,559	\$20,694,779	(\$475,780)	(2.2%)	\$3,452,212	20.0%

Significant revenue changes from EOB:



(\$476K) State General Fund

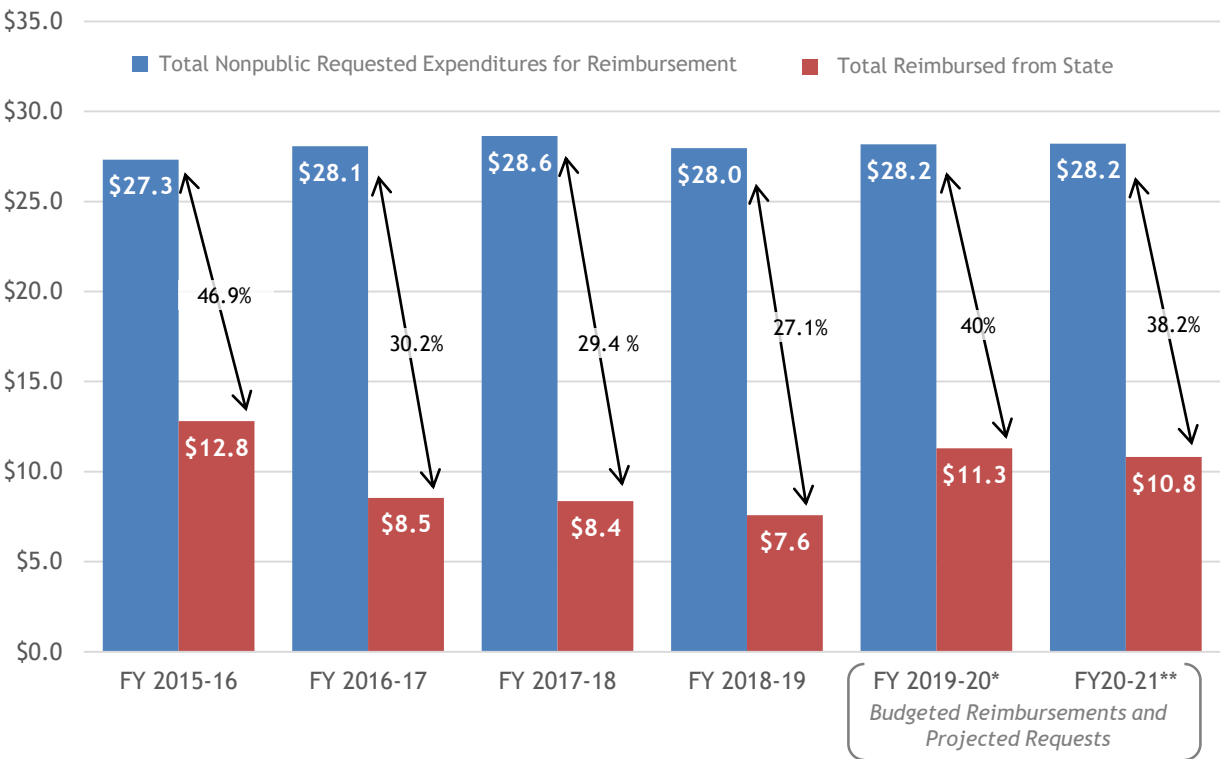
Reduction in Required Services cost reimbursements related to completion and maintenance of school records.

NON-PUBLIC EDUCATIONAL ASSISTANCE

REQUIRED SERVICES

Required Services reimburses nonpublic schools for the following activities:

- 40.4% - Transportation**
Supervision, loading/unloading students for buses and carpools, inspections
- 27.9% - Record maintenance**
Student transcripts, graduation records
- 14.1% - Pupil attendance**
- 11.4% - Continuing education and professional development**
- 4.5% - Safety activities**
Testing for lead, asbestos, scheduling emergency drills
- 1.3% - Submitting nonpublic school data collection to the LDOE**
- 0.5% - Maintaining teacher certification information and compliance**



Source: Louisiana Department of Education and HFD calculations.

SPECIAL SCHOOL DISTRICT

OVERVIEW

The mission of the Special School District is to provide special education and related services to children with exceptionalities who are enrolled in state-operated programs, including mental health facilities and juvenile correctional facilities.

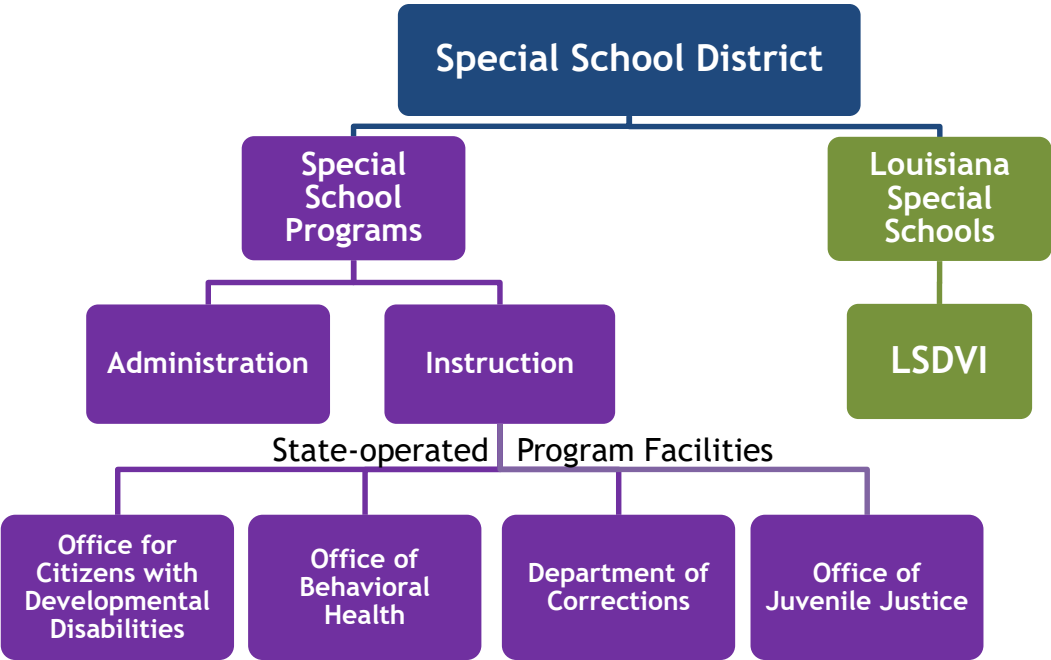
The Special School District (SSD) is an educational service agency administered by the Department of Education as found in R.S. 17:1945.

Special School Programs

Provides special education and related services to any eligible student with exceptionalities who is in any state-operated facilities.

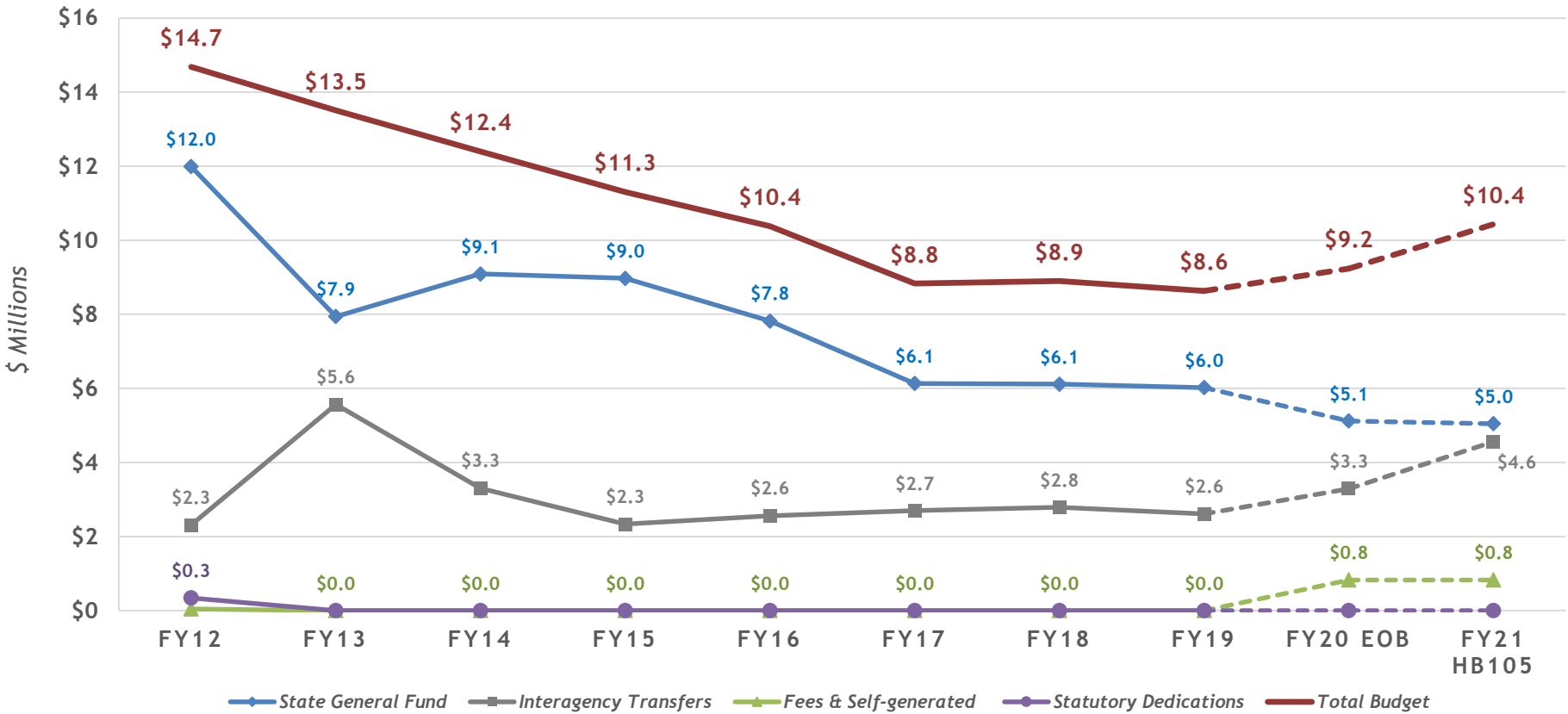
Louisiana Special Schools

Includes the Louisiana Schools for the Deaf and Visually Impaired (LSDVI), and Shared Services.



SPECIAL SCHOOL DISTRICT

HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

SPECIAL SCHOOL DISTRICT

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
SGF	\$6,021,075	\$5,115,482	\$5,041,331	(\$74,151)	(1.4%)	(\$979,744)	(16.3%)
IAT	\$2,612,000	\$3,291,289	\$4,563,159	\$1,271,870	38.6%	\$1,951,159	74.7%
FSGR	\$0	\$826,159	\$826,159	\$0	0.0%	\$826,159	∞
STAT DED	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
FEDERAL	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total	\$8,633,075	\$9,232,930	\$10,430,649	\$1,197,719	13.0%	\$1,797,574	20.8%

Significant revenue changes from EOB:



\$1.27M Interagency Transfers

Increase resulting from the transfer of the Louisiana Special Education Center (LSEC) from the Special Schools and Commissions to the Department of Health due to Act 411 of 2019 RS. Teaching positions associated with the transfer will be relocated into the SSD budget.

SPECIAL SCHOOL DISTRICT

EXPENDITURE CHANGE COMPARISON

Expenditure Category	FY 18-19 Actual Expenditures	FY 19-20 Existing Operating Budget	FY 20-21 HB105 Budget	Change from EOB		Change from Actuals	
				\$	%	\$	%
Salaries	\$4,199,028	\$4,513,717	\$5,425,829	\$912,112	20.2%	\$1,226,801	29.2%
Other Compensation	\$14,202	\$45,158	\$45,158	\$0	0.0%	\$30,956	218.0%
Related Benefits	\$3,178,574	\$3,448,199	\$3,793,784	\$345,585	10.0%	\$615,210	19.4%
Travel	\$93,978	\$122,019	\$122,019	\$0	0.0%	\$28,041	29.8%
Operating Services	\$120,515	\$186,889	\$95,489	(\$91,400)	(48.9%)	(\$25,026)	(20.8%)
Supplies	\$108,965	\$103,809	\$85,637	(\$18,172)	(17.5%)	(\$23,328)	(21.4%)
Professional Services	\$547,414	\$208,430	\$208,430	\$0	0.0%	(\$338,984)	(61.9%)
Other Charges/IAT	\$370,399	\$604,709	\$654,303	\$49,594	8.2%	\$283,904	76.6%
Acq/Major Repairs	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Total	\$8,633,075	\$9,232,930	\$10,430,649	\$1,197,719	13.0%	\$1,797,574	20.8%

SPECIAL SCHOOL DISTRICT

SIGNIFICANT EXPENDITURE CHANGES FROM EOB

\$1.3M - Personnel Services

\$1,271,870	Increase of 14 authorized T.O. positions and associated funding related the transfer of the LSEC from Special Schools and Commissions to the Louisiana Department of Health per Act 411 of 2019 RS. These teaching positions will remain with the SSD.
(\$123,745)	Net decrease from statewide adjustments to the salary base, group insurance, retirement rate, classified increase, and projected attrition savings.
\$109,572	Shifting expenditures from the Operating Services and Supplies categories to Personnel Services.

(\$91K) Operating Services and (\$18K) Supplies

Reducing expenditure authority from these categories and shifting it to Personnel Services

\$50K - Other Charges/Interagency Transfers

Net increase from statewide adjustments for the Office of Technology Services, Risk Management, and Statewide Procurement.

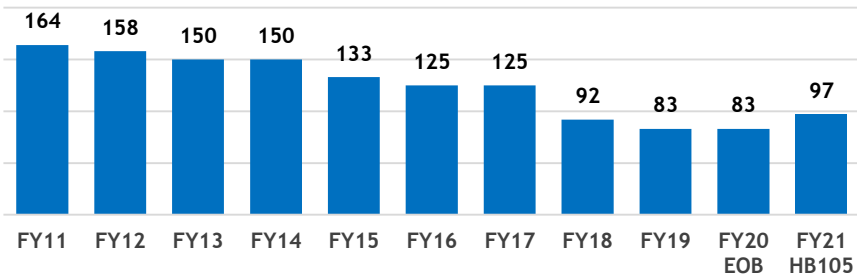
SPECIAL SCHOOL DISTRICT

PERSONNEL INFORMATION

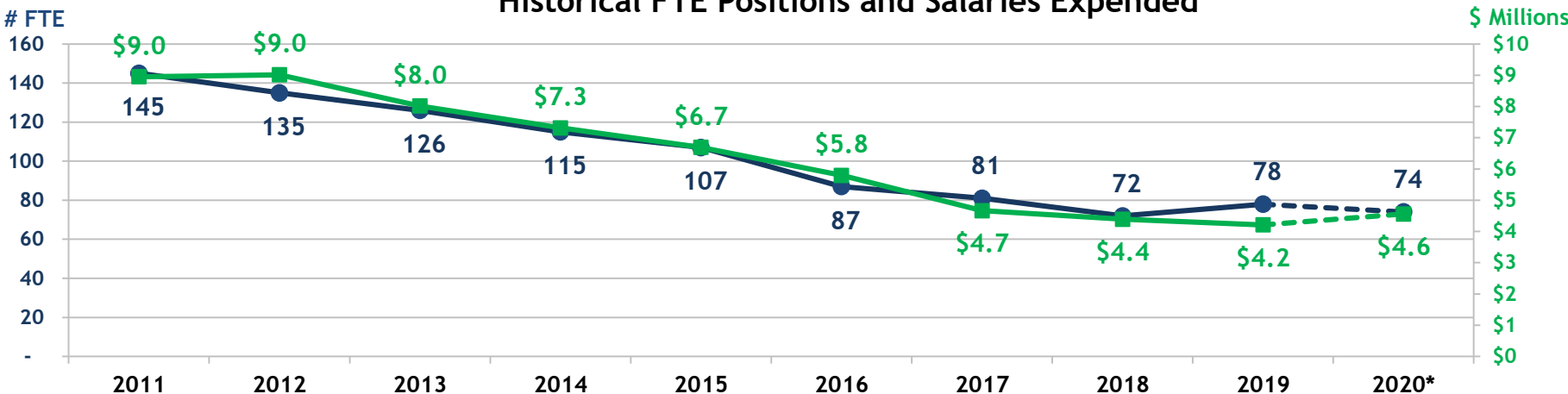
FY 2021 Recommended Positions

97	Total Authorized T.O. Positions (11 Classified, 86 Unclassified)
0	Authorized Other Charges Positions
0	Non-T.O. FTE Positions
14	Vacant Positions (February 3, 2020)

Historical Authorized T.O. Positions



Historical FTE Positions and Salaries Expended



Source: Dept. of Civil Service and Budget Supporting Documents

DEPARTMENT CONTACTS

Beth Scioneaux
Acting Superintendent

Catherine Pozniak
Assistant Superintendent
