The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by David Smith.

DIGEST

Provides for legislative approval of the adjustments to SCR 125 of the 2005 R.S. for FY 2005-2006 MFP allocations that determine the cost of a minimum foundation program of education in all public elementary and secondary schools as well as to equitably allocate the funds to each parish, city and other local school systems as developed by the BESE and adopted by the board on November 15, 2005.

Retains the MFP formula provisions approved by SCR No. 125 of the 2005 R.S. with the following changes:

Identifies three categories of local school systems according to the level of hurricane impact.

<u>Category 1</u> systems are those school systems with the most severely damaged school facilities where schools have been closed for more than 30 days and most, if not all students, have been sent to other school systems. Category 1 is comprised of Orleans, Plaquemines and St. Bernard.

<u>Category 2</u> systems are those school systems with minimal to moderate-severe damage to school facilities, schools have been closed for more than 10 schools days, but less than 30 and a number of their displaced students have enrolled in other La. School districts. Category 2 is comprised of Calcasieu, Cameron, Jefferson, St. Charles, St. Tammany, Tangipahoa, Vermilion, Washington, and City of Bogalusa.

<u>Category 3</u> systems are those with minimal to no damage to school facilities, schools have been closed for less than 10 days and a number of displaced students have enrolled in their districts. Category 3 is composed of all systems not in categories 1 or 2, including LSU and SU Lab schools.

The adjustments are:

Category 1 systems:

Receive current monthly amounts for July 05 thru Oct. 05.

Receive 5% of the MFP total state and local Level 1 costs.

Receive 1/12th of MFP revised state share average per pupil amount for students enrolled on the 1st day of each month Nov. 05 thru May 06 (except January 9, 2006).

June 06 payments will be based on May 06 student membership count.

Category 2 systems:

Reduces funding to these systems by recognizing the loss in students being experienced from the student membership driving the SCR 125 allocations (10/1/04 count).

Adjusts the funding allocation downward only for students enrolled in other La. school districts.

Shall receive a onetime payment of \$625 for each displaced student enrolled on 9/16/05. Shall receive a second onetime payment for each displaced student enrolled on 11/1/05.

Receives a \$60 per student allocation for increases in mandated costs based on 11/1/05 student enrollment.

Category 3 systems:

Receive current monthly amounts.

Shall receive a onetime payment of \$625 for each displaced student enrolled on 9/16/05.

Shall receive a second onetime payment for each displaced student enrolled on 11/1/05.

Receives a \$60 per student allocation for increases in mandated costs based on 11/1/05 student enrollment.

Recovery School District:

Existing RSD schools receive current monthly amounts for July 05 though Oct. 05.

Existing RSD schools get 5% of MFP payments (Nov. 05-June 06); authorizes Dept. of Education to withhold \$50,000 per school for RSD operational expenses.

Existing and new RSD schools enrolling students and resuming service receive state average per pupil amount times the number of students, adjusted monthly.

Existing and new RSD schools receive June '06 payments based on May 06 enrollment.

Applicable to all categories:

If 1/9/06 count exceeds 10/1/04 count by either fifty students or one percent, make midyear adjustment for each new student based on MFP allocation per pupil amount for that system.

If SCR 125 continues for 2006-07 the following additional adjustments will occur:

Student membership and weighted counts will be based on current year (10/1/06) basis starting in FY 06-07.

Local wealth calculations for Category 1 districts will be based on 25% of FY 04-05 data for FY 06-07 and FY 07-08.