

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 46** SLS 11RS 239

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 1, 2011	8:46 AM	Author: SHAW
Dept./Agy.: Education		Analyst: Alan M. Boxberger
Subject: Louisiana Virtual School		

SCHOOLS EG INCREASE SG EX See Note Page 1 of 1
Provides for the Louisiana Virtual School. (gov sig)

Creates the Louisiana Virtual School in the Department of Education as a technology-based program that expands learning opportunities to students through courses of study that may not otherwise be available locally.

The legislation requires that each public secondary school, no later than January 1, 2012, to complete the following: 1) Enter into a legal agreement with the Louisiana Department of Education (LDOE); 2) Identify a school site facilitator to oversee the registration process for students and assist in administrative matters; 3) Develop and adopt local policies that provide students with educational opportunities through the virtual school. Requires that funds be appropriated for this purpose by the legislature before implementation. Requires, beginning on January 1, 2012, and thereafter, that the governing authority of each public secondary school inform each student and parent/legal guardian in writing of the virtual school option and available course offerings.

EXPENDITURES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$75,000	\$150,000	\$225,000	\$225,000	\$225,000	\$900,000
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$75,000	\$150,000	\$225,000	\$225,000	\$225,000	\$900,000

REVENUES	2011-12	2012-13	2013-14	2014-15	2015-16	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$75,000	\$150,000	\$225,000	\$225,000	\$225,000	\$900,000
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$75,000	\$150,000	\$225,000	\$225,000	\$225,000	\$900,000

EXPENDITURE EXPLANATION

The Virtual School Program is currently administered through a contract with the Louisiana School for Math, Science and the Arts (LSMSA), in Natchitoches. To the degree that notification to all students statewide regarding availability of courses through the virtual school results in increased enrollment numbers over current levels, LSMSA may be required to hire additional instructors in either full-time equivalent or part-time status. It is not anticipated that an expansion of staff would be required in FY 12 to accommodate an increase of 500 enrollments. The proposed legislation also allows for the governing authority of a school to contract with a private provider. This fiscal note assumes 100% usage of the existing offerings by LSMSA, but the costs could grow or shrink by an indeterminate amount if local schools choose a private provider instead.

Currently, funding for classroom instruction at the Virtual School (personnel and administrative expenses) is derived from Louisiana Quality Education Support Fund 8(g) grants. In the current fiscal year, the grant award to the Virtual School is \$2.1M and the projected amount for FY 12 will remain the same.

LDOE currently expends approximately \$150 per student per course enrollment based on actual average costs associated with course materials, technical components such as software and hardware licensing, and e-mail access. This fiscal note assumes a total increase in course enrollment of 500 in FY 12 (500 X \$150 = \$75,000), 1,000 in FY 13 (1,000 X \$150 = \$150,000), and 1,500 in FY 14 and beyond (1,500 X \$150 = \$225,000). To the degree that course enrollments exceed or fall short of projections, the expenditures of the department will increase or decrease by \$150 per enrollment.

REVENUE EXPLANATION

Assuming 100% usage of the course offerings through the existing contract with LSMSA, the Louisiana Department of Education will collect revenues from school districts with students enrolled for courses in the Louisiana Virtual School.

Participating school districts currently pay a cost of \$150 per student per course enrollment (based on department cost projections as noted under expenditure explanation) for students within the school district who take an online virtual school course offering. This fiscal note assumes a total increase in course enrollment of 500 in FY 12 (500 X \$150 = \$75,000), 1,000 in FY 13 (1,000 X \$150 = \$150,000), and 1,500 in FY 14 and beyond (1,500 X \$150 = \$225,000). To the degree that course enrollments exceed or fall short of projections, the revenues for the department will increase or decrease by \$150 per enrollment.

Each local school district, through policy change or adoption, will determine whether this \$150 cost per course per student shall be paid entirely out of existing system funds, subsidized by existing system funds, paid entirely by the student or his/her parent or legal guardian, or paid through some other locally identified governmental or private option (scholarship, grant, etc.).

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	<i>Evan Brasseaux</i>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	Evan Brasseaux Staff Director
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}	
		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	