

BY REPRESENTATIVE AUSTIN BADON

1                   **GOAL 2 - - ADEQUACY:** The school finance system in Louisiana provides  
2                   programs and learning opportunities that are sufficient for providing a minimum  
3                   educational program for every individual. The State Board of Elementary and  
4                   Secondary Education and the legislature through the adoption of the minimum  
5                   foundation program formula establish a minimum program.

6                   **GOAL 3 - - LOCAL CHOICE:** The school finance system in Louisiana  
7                   provides that local taxpayers and the school board establish the budget and set the  
8                   tax levy for operating the schools above a set level of support for the minimum  
9                   program.

10                  **GOAL 4 - - EVALUATION OF THE STATE SCHOOL FINANCE**  
11                  **SYSTEM:** The school finance system in Louisiana ensures the attainment of the  
12                  goals of equity, adequacy, and local choice. Whereas the school finance system  
13                  utilizes significant state general fund revenues, it is important that the system be  
14                  evaluated on a systematic basis annually.

15                  **GOAL 5 - - PERFORMANCE MEASURES:** The school finance system  
16                  in Louisiana provides for financial accountability and program efficiency  
17                  maximizing student achievement. Accountability means that city, parish, and other  
18                  local public school districts can demonstrate that they are operating in conformance  
19                  with state statutes, financial accounting standards, and student performance  
20                  standards.

21                  WHEREAS, to properly measure the achievement of the goals, a comprehensive  
22                  management information system containing state-level and district-level components shall  
23                  continue to be developed; and

24                  WHEREAS, to provide fiscal and programmatic accountability, a fiscal  
25                  accountability program and a school and district accountability program shall continue to  
26                  be developed; and

27                  WHEREAS, the fiscal accountability program shall verify data used in allocating  
28                  minimum foundation program funds and report fiscal information on the effectiveness of the  
29                  manner in which the funds are used at the local school system level; and

1 WHEREAS, the school and district accountability program in establishing the state  
2 goals for schools and students creates an easy way to communicate to schools and the public  
3 how well a school is performing, recognizes schools for effectively demonstrating growth  
4 in student achievement, and focuses attention, energy, and resources on schools needing help  
5 in improving student achievement; and

6 WHEREAS, the Constitution of Louisiana requires the legislature to fully fund the  
7 current cost to the state of the minimum foundation program as determined by applying the  
8 legislatively approved formula; and

9 WHEREAS, this minimum foundation program formula is designed to provide  
10 greater equity and adequacy in both state and local funding of local school systems; and

11 WHEREAS, the Constitution of Louisiana requires the appropriated funds to be  
12 allocated equitably to parish and city school systems according to the formula as adopted by  
13 the State Board of Elementary and Secondary Education and approved by the legislature  
14 prior to making the appropriation.

15 THEREFORE, BE IT RESOLVED by the Legislature of Louisiana, that the formula  
16 to determine the cost of a minimum foundation program of education in all public  
17 elementary and secondary schools as well as to allocate equitably the funds to city, parish,  
18 and other local public school systems developed by the State Board of Elementary and  
19 Secondary Education and adopted by the Board on February 17, 2011, is hereby approved  
20 to read as follows:

21 MINIMUM FOUNDATION PROGRAM

22 ELEMENTARY AND SECONDARY EDUCATION

23 COST DISTRIBUTION FORMULA

24 2011 - 2012 SCHOOL YEAR

25 **I. BASIS OF ALLOCATION**

26 **A. Preliminary and Final Allocations**

27 1. BESE shall determine preliminary allocations of the minimum foundation  
28 program formula for city, parish, and other local public school systems, Recovery  
29 School District schools, LSU and Southern Lab schools, Office of Juvenile Justice  
30 schools, Louisiana School for Math, Science, and the Arts (LSMSA), New Orleans

Center for Creative Arts (NOCCA), and Legacy Type 2 Charter schools using latest available data, no later than March 15 each year for the upcoming fiscal year. Upon adoption by the board of such preliminary allocations for the ensuing fiscal year, the superintendent shall submit the budget requirements in accordance with R.S. 39:33 and shall submit the minimum foundation program funding requirements to the Joint Legislative Committee on the Budget and to the House and Senate committees on education.

2. Upon final adoption by BESE and the legislature of the minimum foundation program formula resolution in effect for the upcoming fiscal year, BESE shall determine final allocations of the minimum foundation program formula for city, parish, and other local public school systems, the Recovery School District, LSU and Southern Lab schools, Office of Juvenile Justice schools, Louisiana School for Math, Science, and the Arts (LSMSA), New Orleans School for the Creative Arts (NOCCA), and Legacy Type 2 Charter schools using latest available data, no later than June 30 for the fiscal year beginning July 1.

3. Latest available student count estimates will be utilized for newly opened school districts or local education agencies in the final allocations of the minimum foundation program formula no later than June 30 for the fiscal year beginning July 1.

#### **B. Mid-year Adjustments**

1. Districts and schools may request that the state superintendent make estimated monthly payments based on documented mid-year growth prior to the October 1 count.

2. If any city, parish, or other local public school system's, Recovery School District schools', LSU and Southern Lab schools', Office of Juvenile Justice schools', Louisiana School for Math, Science, and the Arts (LSMSA), New Orleans School for the Creative Arts (NOCCA), and Legacy Type 2 Charter schools' current year October 1 student count is more or less than the previous year's February 1 membership, a mid-year adjustment to per pupil funding shall be made for each

1 student gained or lost based on the final MFP allocation per pupil amount for that  
2 city, parish, or other local public school system as approved by BESE.

3 3. Districts and schools may request that the state superintendent make  
4 estimated monthly payments based on documented mid-year growth prior to the  
5 February 1 count.

6 4. If any city, parish, or other local public school system's, Recovery School  
7 District schools', LSU and Southern Lab schools', Office of Juvenile Justice schools',  
8 Louisiana School for Math, Science, and the Arts (LSMSA), New Orleans School  
9 for the Creative Arts (NOCCA), and Legacy Type 2 Charter schools' current year  
10 February 1 membership is more or less than the current year October 1 membership,  
11 a second mid-year adjustment to per pupil funding shall be made for each student  
12 gained or lost based on one-half the final MFP allocation per pupil amount for that  
13 city, parish, or other local public school system as approved by BESE.

14 5. If the Recovery School District, the district of prior jurisdiction, and local  
15 education agencies have an increase or decrease in current year October 1  
16 membership from the prior year February 1 membership included in the final MFP  
17 allocation individually, the Recovery School District, the district of prior jurisdiction,  
18 and local education agencies shall receive individually a mid-year adjustment of  
19 MFP funding based upon the increases or decreases in the October 1 membership  
20 times the final MFP allocation per pupil for the district of prior jurisdiction. For  
21 increases and decreases in the current year February 1 membership from the October  
22 membership, the Recovery School District, the district of prior jurisdiction, and local  
23 education agencies shall receive individually a mid-year adjustment based on the  
24 increases and decreases in the February 1 membership times one-half of the final  
25 MFP allocation per pupil for the district of prior jurisdiction.

26 6. If the Recovery School District's current year October 1 membership  
27 count qualifies for a mid-year adjustment to state funds, a mid-year adjustment shall  
28 also be made based on the local per pupil amount of the district of prior jurisdiction  
29 times the number of students identified in the mid-year adjustment. For the current

year February 1 student count, an adjustment will be made using one-half the local per pupil amount times the number of students identified in the mid-year adjustment.

7. For the newly opened school districts or local education agencies, in the first year of operation, a special mid-year adjustment will be made to finalize their minimum foundation program formula allocations using October 1 data. This special mid-year adjustment will replace the October mid-year adjustment. The newly opened school districts or local education agencies will qualify for the February 1 mid-year adjustment.

## **II. LEVEL 1 - COST DETERMINATION AND EQUITABLE**

### **DISTRIBUTION OF STATE AND LOCAL FUNDS**

#### **A. Base Foundation Level 1 State and Local Costs**

1. February 1 Membership (as defined by the State Board of Elementary and Secondary Education) including Recovery School District students.

#### **Plus**

2. Add-on Students/Units

a. At-Risk Students weighted at 0.22.

At-Risk students are defined for purposes of allocating funds as those students whose family income is at or below income eligibility guidelines or other guidelines as provided by the State Board of Elementary and Secondary Education and the number of students identified as English Language Learners that were not included based on income eligibility guidelines times the weighted factor of 0.22.

The State Board of Elementary and Secondary Education shall seek to increase the at-risk weight over seven years by an appropriate amount annually until reaching a total at-risk weight of .40.

b. Career and Technical Education course units weighted at .06.

The number of combined fall and spring student units enrolled in secondary career and technical education courses times the weighted factor of 0.06.

c. Special Education/Other Exceptionalities students weighted at 1.50.

1           The number of students identified as having Other Exceptionalities as  
2           reported in the membership count as defined by the State Board of Elementary and  
3           Secondary Education times the weighted factor of 1.50.

4           d. Special Education/Gifted and Talented students weighted at .60. The  
5           number of students identified as Gifted and Talented as reported in the membership  
6           count as defined by the State Board of Elementary and Secondary Education times  
7           the weighted factor of 0.60.

8           e. Economy of Scale calculated as a curvilinear weight of .20 at 0 student  
9           membership level down to zero at 7,500 student membership level. This weight will  
10          vary depending on the size of the school system. There will be no benefit to school  
11          systems with a membership of 7,500 or greater. The formula for this weight is:

12           (1) for each district with less than 7,500 students, subtract its membership  
13          from 7,500;

14           (2) divide this difference by 37,500 to calculate each district's economy of  
15          scale weight; then

16           (3) multiply each district's economy of scale weight times their membership  
17          count.

18           **Equals**

19           3. Total Weighted Membership and/or Units (Sum of I.A.1 and I.A.2.a.  
20          through e.)

21           **Times**

22           4. State and Local Base Per Pupil Amount of **\$3,855.**

23           In the event no provision for an annual increase has been provided and this  
24          Resolution remains in effect in the Fiscal Year 2012-13 or thereafter, the State Board  
25          of Elementary and Secondary Education shall annually adjust the state and local base  
26          per pupil amount with approval by the Joint Legislative Committee on the Budget.  
27          If the Joint Legislative Committee on the Budget does not approve the rate  
28          established by the State Board of Elementary and Secondary Education, then an  
29          annual growth adjustment of 2.75% shall automatically be applied to the state and  
30          local base per pupil amount beginning in the Fiscal Year 2012-13.

**Equals**

5. Total Base Foundation Level 1 State and Local Costs (I.A.3 times I.A.4.)

**B. Local School System Share Calculation**

1. Property Revenue Contribution is calculated by multiplying the state's computed property tax rate (including debt service) by each school system's Net Assessed Property Value for the latest available fiscal year including TIF areas. If a district's Net Assessed Property Value has increased equal to or greater than 10% over the prior year Net Assessed Property Value, then the growth in the Net Assessed Property Value will be capped at 10%. This cap will be applied on a year-to-year basis comparing the current year Net Assessed Property Value to the prior year uncapped Net Assessed Property Value. In FY 2007-08, this millage was set at a level appropriate to yield a state average share of 65% and a local average share of 35%. The millage set in FY 2007-08 will remain the same in FY 2008-09 and beyond except that the State Board of Elementary and Secondary Education may revise the millage as deemed appropriate in order to reestablish the 65%/35% share.

2. Sales Revenue Contribution is calculated by dividing the district's actual sales tax revenue collected (including debt service) in the latest available fiscal year by the district's sales tax rate that was applicable to create a sales tax base. If a local school system's sales tax goes into effect during the fiscal year, the tax rate is prorated to an annual rate applicable for the total revenue generated. If a district's Computed Sales Tax Base increased equal to or greater than 15% over the Computed Sales Tax Base calculated in the prior year formula, then the growth in the Computed Sales Tax Base will be capped at 15% over the amount used in the prior year formula. This cap will be applied on a year-to-year basis comparing the current year sales tax base to the prior year uncapped sales tax base. Each district's sales tax base is then multiplied by the state's projected yield of the sales tax rate. In FY 2007-08, this rate was set at a level appropriate to yield a state average share of 65% and a local average share of 35%. The rate set in FY 2007-08 will remain the same in FY 2008-09 and beyond except that the State Board of Elementary and Secondary



Education may revise the rate as deemed appropriate in order to reestablish the 65%/35% share.

3. Other Revenue Contribution is calculated by combining (1) State Revenue in lieu of taxes; (2) Federal Revenue in lieu of taxes; and (3) 50% of Earnings on Property.

4. Local School System Share is the sum of adding Item 1- Property Tax Contribution, Item 2 - Sales Tax Contribution, and Item 3 - Other Revenues Contribution.

### **C. State Share Calculation**

The State Share is calculated by subtracting the Local Share from the Total Level 1 Costs. In no event shall the State Share of the Total Level 1 Costs be less than 25% for any district.

## **III. LEVEL 2 - INCENTIVE FOR LOCAL EFFORT**

### **A. Level 2 Eligible Local Revenue**

#### **1. Local Revenue.**

Prior year revenues collected for educational purposes from total Sales Tax, total Property Tax, State and Federal Revenue in Lieu of Taxes, and 50% of Earnings on Property

#### **Minus**

3. Local School System Share Contribution of Level 1 Costs

#### **Equals**

4. Local Revenue over Local School System Share Contribution of Level 1 Costs. This is the funding available for consideration in Level 2 incentive funding.

#### **5. Limit on Revenue Eligible for Level 2.**

The maximum local revenue eligible for incentive funding is equal to 34% of Total Base Foundation Level 1 State and Local Costs (I.A.5 times .34).

6. Eligible Local Revenue collected for educational purposes. The Lesser of:

a. Local Revenue Over Level 1 Local Share (II.A.4.),

or

b. Limit on Revenue Eligible for Level 2 Incentive Funding (II.A.5)

**B. State Support of Level 2 Local Effort**

1. State Support of Level 2 equals Eligible Revenue in Level 2 minus the Local Share of Level 2.

2. Local Share of Level 2 revenue equals the district's Eligible Local Revenue in Level 2 times the district's local share percentage of Level 1 times a factor of 1.72 in FY 2007-08. For FY 2008-09 and beyond, this factor will remain in effect. The State Board of Elementary and Secondary Education may calculate this factor on an annual basis.

**Equals**

3. State Support of Level 2 Incentive for Local Effort

**IV. MINIMUM FOUNDATION PROGRAM LEVEL 3 LEGISLATIVE**

**ENHANCEMENTS**

**A. Continuation Funding for Pay Raises**

**1. 2001-02 Certificated Personnel Pay Raise Continuation Enhancement**

The supplemental funding provided for the 2001-02 certificated pay raise will continue for each district based on the prior year per pupil amount times their current year membership.

**2. 2006-07 Certificated Personnel Pay Raise Continuation Enhancement**

The supplemental funding provided for the 2006-07 certificated pay raise will continue for each district based on the prior year per pupil amount times their current year membership.

**3. 2002-03 Support Worker Pay Raise Continuation Enhancement**

The supplemental pay raise allocation for noncertificated support workers provided in FY 2002-03 will continue for each district based on the prior year per pupil amount times the current year membership.

**4. 2006-07 Support Worker Pay Raise Continuation Enhancement**

The supplemental pay raise allocation for noncertificated support workers provided in FY 2006-07 will continue for each district based on the prior year per pupil amount times the current year membership.

**5. 2007-08 Certificated Personnel Pay Raise Continuation Enhancement**

The supplemental funding provided for the 2007-08 certificated pay raise will continue for each district or school based on the prior year per pupil amount times their current year membership.

**6. 2007-08 Support Worker Pay Raise Continuation Enhancement**

The supplemental pay raise allocation for noncertificated support workers provided in FY 2007-08 will continue for each district or school based on the prior year per pupil amount times the current year membership.

**7. 2008-09 Certificated Personnel Pay Raise Continuation Enhancement**

The supplemental funding provided for the 2008-09 certificated pay raise will continue for each district or school based on the prior year per pupil amount times their current year membership.

**B. Foreign Language Associate Enhancement**

Any local school system employing a Foreign Language Associate shall receive a supplemental allocation from BESE of \$20,000 per teacher not to exceed a total of 300 teachers in the program.

**C. Hold Harmless Enhancement**

The concept for the present formula was first enacted in Fiscal Year 1992-93. At that time, there were school systems that were "underfunded" by the state and those that were "overfunded" by the state. In Fiscal Year 1999-2000, this MFP formula concept was fully implemented for the first time with 52 systems funded at the appropriate state level, eliminating the "underfunded" situation. School systems identified as "overfunded" in FY 2000-01 have since received their prior year per pupil Hold Harmless amount times their current year membership not to exceed the total Hold Harmless amount received in the prior year. Beginning in FY 2007-08, the Hold Harmless amount as identified in the FY 2006-07 formula provided to these "overfunded" systems will be phased out. After subtracting amounts attributable to insurance supplements and legislative pay raises provided between FY 1993-94 and FY 1998-99 from the FY 2006-07 Hold Harmless amount, a revised Hold Harmless amount will be calculated. Each of the school districts identified as "overfunded" in

FY 2006-07 will receive a reduction in FY 2007-08 equivalent to 10% of their total revised "overfunded" amount. The annual 10% reduction will continue each year for 10 years. On an annual basis, any hold harmless district may choose to reduce the remaining balance by an amount greater than 10% through formal notification to the department. This request must take place no later than June 30th each year. The annual 10% reduction amount will be redistributed in a per pupil amount to all non-hold harmless districts.

**D. Support for Increasing Mandated Costs in Health Insurance, Retirement, and Fuel**

City, parish, and other local public school systems shall receive a minimum of \$100.00 for each student in the prior year February 1 membership.

**V. FUNDING FOR RECOVERY SCHOOL DISTRICT**

**A. MFP State Share Per Student**

1. The student membership and weighted student counts of schools transferred to the Recovery School District shall continue to be included in the membership and weighted student counts of the city, parish, or other local public school board from which jurisdiction of the school was transferred.

2. Once all final MFP calculations have been made, the MFP state share per prior year February 1 student membership from Levels 1, 2, and 3 of the MFP formula for the city, parish, or other local public school board which counted the Recovery School District students, shall be multiplied by the number of students in the Recovery School District and converted to a monthly amount. The monthly amount(s) shall be reduced from the city, parish, or other local public school board MFP monthly allocation and transferred to the Recovery School District.

**B. MFP Local Share Per Student**

1. In addition to the appropriation required in VA.2. of this section, the Recovery School District shall receive an applicable local revenue per student allocation.

2. To begin the fiscal year July 1, the local revenue per student allocation is based on projected local revenues for the most recent prior fiscal year from the

1 city, parish, or other local public school board that had jurisdiction of the school  
2 prior to its transfer divided by the total MFP student membership in the Recovery  
3 School District and in the district of prior jurisdiction used in the MFP final  
4 allocation.

5 3. For purposes of the Recovery School District calculation, local revenue  
6 is defined to include revenue from the following sources, excluding any portion  
7 which has been specifically dedicated by the legislature or by voter approval to  
8 capital outlay or debt service, per the definitions in the Annual Financial Report and  
9 the Louisiana Accounting and Uniform Governmental Handbook (LAUGH) as  
10 reported to the Department of Education (DOE):

- 11 a. Sales and use taxes, less any tax collection fee paid by the school district.  
12 b. Ad valorem taxes, less any tax collection fee paid by the school district.  
13 c. Earnings from sixteenth section lands owned by the school district.

14 4. The total local revenue allocation for the Recovery District is determined  
15 by multiplying the local revenue per student times the number of Recovery School  
16 District students used in the MFP final allocation.

17 5. Once the local amount is determined, it is adjusted to a monthly amount  
18 that is transferred from the MFP monthly allocation of the city, parish, or other local  
19 public school board of prior jurisdiction to the Recovery School District.

20 6. Based on the October 1 student count, the local revenue allocation per  
21 student will be recalculated and there will be a corresponding adjustment in the local  
22 revenue allocation per student. No recalculation of the local revenue per student will  
23 occur at the February 1 student count adjustment.

24 7. During the third quarter of the fiscal year, the local revenue allocation per  
25 student shall be adjusted to reflect actual prior year local revenue data.

26 8. A final reconciliation will occur based upon the receipt of the annual  
27 audited financial statements of the district of prior jurisdiction. If an increase or  
28 decrease in local revenue collection exists, the state superintendent may establish a  
29 payment schedule. In the event that the fiscal status of the district of prior  
30 jurisdiction or the Recovery School District changes during the fiscal year or on or

1 before the final reconciliation, the state superintendent may adjust the local revenue  
2 based on the revenues identifies.

3 C. Except for administrative costs, monies appropriated to the Recovery  
4 School District that are attributable to the transfer of a school from a prior school  
5 system and monies allocated or transferred from the prior system to the Recovery  
6 School District shall be expended solely on the operation of schools transferred from  
7 the prior system to the jurisdiction of the Recovery School District.

8 **VI. FUNDING FOR LOUISIANA STATE UNIVERSITY AND SOUTHERN**  
9 **UNIVERSITY LABORATORY SCHOOLS**

10 A. Any elementary or secondary school operated by Louisiana State  
11 University and Agricultural and Mechanical College or by Southern University and  
12 Agricultural and Mechanical College shall be considered a public elementary or  
13 secondary school and, as such, shall be annually appropriated funds as determined  
14 by applying the formula contained in Subsection B of this Section.

15 B. Each student in membership, as defined by the State Board of Elementary  
16 and Secondary Education, at the schools provided for in Subsection A of this Section  
17 shall be provided for and funded from the minimum foundation program an amount  
18 per student equal to the amount allocated per student for the state share of the  
19 minimum foundation program.

20 C. The funds appropriated for the schools provided for in this Section shall  
21 be allocated to the institution of higher education operating such a school. Each such  
22 institution of higher education shall ensure the equitable expenditure of such funds  
23 to operate such schools.

24 D. Fifty percent of increased funds provided are to be directed to certificated  
25 staff pay raises as defined in Section XI. A. Provisions specified in Section X.  
26 through XII. of this Resolution shall apply to these schools.

27 **VII. FUNDING FOR TYPE 2 CHARTER SCHOOLS**

28 A. Any school authorized as a Type 2 Charter School by the State Board of  
29 Elementary and Secondary Education on or after July 1, 2008, shall annually be  
30 appropriated funds as determined by applying the formula contained in R.S. 17:3995,

1 except that the local share allocation will be funded with a transfer of the MFP  
2 monthly amount representing the local share allocation from the city, parish, or local  
3 public school board in which the attending students reside, and except that Virtual  
4 Charter schools may receive, as approved by the State Board of Elementary and  
5 Secondary Education, a lesser percentage of the state and local amount calculated in  
6 R.S. 17:3995. Where student attendance is from multiple school districts, the  
7 Department of Education shall determine the local share based on students reported  
8 by the schools. The student membership count of the Type 2 charter schools shall  
9 be included in the membership count of the city, parish, or other local public school  
10 board in which the school is located to determine the local share. Student  
11 adjustments for Type 2 Charter schools authorized on or after July 1, 2008, shall  
12 adhere to the guidelines established in Section I.(B) - Mid-year Adjustments. The  
13 student membership and weighted student counts of any Type 2 Charter school  
14 authorized by the State Board of Elementary and Secondary Education on or after  
15 July 1, 2008, shall be included in the membership and weighted student counts of the  
16 city, parish, or other local public school board in which the student resides using the  
17 actual prior year February 1 enrollment data of the Type 2 Charter school. This shall  
18 not apply in the first year of operation where estimated data only is available.

19 B. Any Legacy Type 2 Charter school approved by the State Board of  
20 Elementary and Secondary Education prior to July 1, 2008, shall annually be  
21 appropriated funds as determined by applying the formula contained in R.S. 17:3995,  
22 except that any mid-year adjustments shall adhere to the guidelines established in  
23 Section 1(B) – Mid-year Adjustments.

24 C. Fifty percent of increased funds provided are to be directed to certificated  
25 staff pay raises as defined in Section XI.A. Provisions specified in Section X.  
26 through XII. of this Resolution shall apply to these schools.

## 27 **VIII. FUNDING FOR THE OFFICE OF JUVENILE JUSTICE SCHOOLS AND** 28 **STUDENTS**

29 A. Any elementary and secondary school operated by the Office of Juvenile  
30 Justice in a secure care facility shall be considered a public elementary or secondary

1 school and, as such, the Office of Juvenile Justice shall be annually appropriated  
2 funds for these students as determined by applying the formula contained in  
3 Subsections B and C of this Section.

4 B. Each student counted in the prior year average daily membership, as  
5 defined by the State Board of Elementary and Secondary Education to be calculated  
6 by dividing the number of days the students are under the guidance and direction of  
7 teachers by the total instructional days during the specified school year, shall be  
8 provided for and funded from the minimum foundation program a state share per  
9 pupil equal to the amount allocated per student for the state share of the district  
10 where the student resided prior to adjudication.

11 1. The state share per pupil allocation shall be adjusted based on a factor  
12 determined by the Louisiana Department of Education to provide for the differential  
13 in the number of educational days provided to the students in the custody of the  
14 Office of Juvenile Justice.

15 2. Additionally, the state share per pupil allocation shall be adjusted based  
16 on a factor determined by the Louisiana Department of Education to recognize the  
17 increased number of special education students in the Office of Juvenile Justice  
18 schools relative to the state average special education student population.

19 C. Each student counted in the prior year average daily membership, as  
20 defined by the State Board of Elementary and Secondary Education, shall be  
21 provided for and funded from the minimum foundation program a local contribution  
22 per pupil equal to the local contribution per pupil for the district where the student  
23 resided prior to adjudication.

24 1. For the purpose of the local share allocation per pupil amount, the average  
25 daily membership of the Office of Juvenile Justice shall be included in the  
26 membership counts of the city, parish, or other local public school board in which  
27 the student resided prior to adjudication to the Office of Juvenile Justice.

28 2. For a district(s) that has schools transferred to the Recovery School  
29 District and shares local revenue, the allocation for the Office of Juvenile Justice will  
30 be completed before the calculation of local revenues as identified in Section VB.



3. The local share allocation shall be funded with a transfer of the MFP monthly amount representing the local share allocation from the city, parish, or other local public school board in which the attending students resided prior to adjudication to the Office of Juvenile Justice.

**IX. FUNDING FOR LOUISIANA SCHOOL FOR MATH, SCIENCE, AND THE  
ARTS (LSMSA) AND NEW ORLEANS CENTER FOR CREATIVE ARTS  
(NOCCA)**

A. LSMSA and NOCCA shall be considered a public elementary or secondary school, and as such, shall be annually appropriated funds as determined by applying the formula contained in Subsection B. of this Section.

B. Each LSMSA student in membership, and each NOCCA full-day student in membership, as defined by the State Board of Elementary and Secondary Education, shall be provided for and funded from the minimum foundation program an amount per student equal to the amount allocated per student for the state share of the minimum foundation program.

C. Fifty percent of increased funds provided are to be directed to certificated pay raises as defined by Section XI. A. Provisions specified in X. through XII. of this Resolution shall apply to these schools.

## X. ADJUSTMENTS FOR AUDIT FINDINGS AND DATA REVISIONS

Review and/or audit of the districts' data used in determining their Minimum Foundation Program allocation may result in changes in final statistical information. The Minimum Foundation Program allocation adjustments necessary as a result of these audit findings will be made in the following school year.

## XI. REQUIRED EXPENDITURE AMOUNTS

### A. Required Pay Raise for Certificated Personnel

Fifty percent of a district's increased funds provided in Levels 1 and 2 over the prior year after adjusting for increases in student membership shall be used only to supplement and enhance full-time certificated staff salaries and retirement benefits for city, parish, or other local school systems, Recovery School District, and LSU and SU Lab schools with an average teacher salary below the latest published SREB

1 average teacher salary. This requirement will be suspended for city, parish, or other  
2 local school systems, Recovery School Districts schools, LSU and SU Lab schools,  
3 Office of Juvenile Justice schools, Louisiana School for Math, Science, and the Arts  
4 (LSMSA), New Orleans Center for Creative Arts (NOCCA), and Legacy Type 2  
5 Charter schools in any year in which no annual increase is provided in the state base  
6 per pupil amount.

7 For purposes of determining the use of these funds, certificated personnel are  
8 defined per state Department of Education Bulletin 1929 and are to include: teachers  
9 (all function codes 1000-2200, object code 112); therapists/specialists/counselors  
10 (function codes 1000- 2200, object code 113); school site-based principals, assistant  
11 principals, and other school administrators (function code 1000-2200 and 2400,  
12 object code 111); central office certificated administrators (function code 1000-2300  
13 & 2831 (excluding 2321), object code 111); school nurses (function code 2134,  
14 object code 118); and employees on sabbatical in function code 1000-2200, 2134,  
15 and 2400.

16 **B. 70% Local General Fund Required Instructional Expenditure at the**  
17 **School Building Level**

18 To provide for appropriate accountability of state funds while providing local  
19 school board flexibility in determining specific expenditures, local school boards  
20 must ensure that 70% of the local school system general fund expenditures are in the  
21 areas of instruction and school administration at the school building level as derived  
22 by the Department of Education.

23 1. The definition of instruction shall provide for:

24 a. The activities dealing directly with the interaction between teachers and  
25 students to include such items as: teacher and teacher aide salaries, employee  
26 benefits, purchased professional and technical services, textbooks and instructional  
27 materials and supplies, and instructional equipment;

28 b. Student support activities designed to assess and improve the well-being  
29 of students and to supplement the teaching process, including attendance and social  
30 work, guidance, health, and psychological activities; and

1           c. Instructional support activities associated with assisting the instructional  
2 staff with the content and process of providing learning experiences for students  
3 including activities of improvement of instruction, instruction and curriculum  
4 development, instructional staff training, library/media, and instructional related  
5 technology.

6           2. School administration shall include the activities performed by the  
7 principal, assistant principals, and other assistants while they supervise all operations  
8 of the school, evaluate the staff members of the school, assign duties to staff  
9 members, supervise and maintain the records of the school, and coordinate school  
10 instructional activities with those of the school district. These activities also include  
11 the work of clerical staff in support of the teaching and administrative duties.

12           3. For city, parish, and other local public school districts that fail this  
13 requirement, but perform at or above the state average in the District Performance  
14 Score (DPS), a waiver for this noncompliance should be provided.

15           4. For city, parish, and other local public school districts that fail this  
16 requirement, and also perform below the state average in the District Performance  
17 Score (DPS), the following consequences should be applied:

18           a. Require that city, parish, and other local public school districts assess  
19 expenditures in non-instructional areas including a self-assessment and/or hiring an  
20 independent firm to determine operational activities that could be streamlined  
21 through outsourcing, privatization, or consolidation and provide a report to BESE on  
22 the implementation plan to redirect any savings from these actions to instructional  
23 activities according to timelines set by the Department of Education.

24           b. Require the city, parish, and other local public school districts to examine  
25 the manner in which state and federal funds are utilized, make revisions to  
26 incorporate new spending patterns, and provide a report to BESE on the  
27 implementation of these actions according to timelines set by the Department of  
28 Education.

**C. Expenditure Requirement for Foreign Language Associate Program**

The state must maintain support of the Foreign Language Associate program at a maximum of 300 Foreign Language Associates employed in any given year. These teachers shall be paid by the employing city, parish, or other local public school system or school the state average classroom teacher salary (without PIP) by years of experience and degree beginning with year three. First year teachers will receive an installation incentive of an additional \$6,000; second and third year teachers will receive a retention incentive of an additional \$4,000. These amounts must be provided to each Foreign Associate Teacher by each school district or school in which they are employed.

**D. Expenditure Requirement for Educational Purposes**

State MFP funds shall only be expended for educational purposes. Expenditures for educational purposes are those expenditures related to the operational and instructional activities of a district to include: instructional programs, pupil support programs, instructional staff programs, school administration, general administration, business services, operations and maintenance of plant services, student transportation services, food services operations, enterprise operations, community services operations, facility acquisition and construction services and debt services as defined by Louisiana Accounting and Uniform Governmental Handbook, Bulletin 1929.

**XII. ACCOUNTABILITY PROVISIONS****A. Accountability for School Performance**

Each school recognized by the Louisiana Department of Education will be included in a MFP Accountability report submitted to the House and Senate committees on education by June 30 of each year. Specific information to be included in the report is as follows:

- a. School Data - School name, city, and district; Type of school; October 1 elementary/secondary enrollment; and grade span.
- b. Accountability Data - scores and labels.

1                   c. Fiscal Data - expenditures per elementary/secondary enrollment for  
2                   classroom instruction (less adult education) and pupil/instructional support.

3                   d. Student Demographic Data - percent of students eligible for free and/or  
4                   reduced lunch ("at-risk"), students with exceptionalities (special ed), gifted/talented,  
5                   and Minority; Advanced Placement data; student attendance rates; and pupil-teacher  
6                   ratios.

7                   e. Teacher Data - Average FTE teacher salaries (object 112, function 1000  
8                   series); percent of teachers certified; average years of experience; percent master's  
9                   degree and above; percent turnover; percent Minority; and teachers' days absent. All  
10                  teacher data (excluding salaries) reported for certified teachers.

11                  f. Staffing Data - number per 1,000 pupils for certified teachers, uncertified  
12                  teachers, and instructional aides.

13                               **B. Accountability for Weighted Student Funds**

14                  1. In FY 2010-11, according to R.S. 17:7(2)(f)(I), city, parish, and other local  
15                  public school districts, Recovery School District schools, and LSU and Southern Lab  
16                  schools, Louisiana School for Math, Science, and the Arts (LSMSA), New Orleans  
17                  School for the Creative Arts (NOCCA), and Legacy Type 2 Charter schools will be  
18                  required to expend funds generated by applying the weighted factors contained in the  
19                  formula for At-Risk students, Career and Technical Education course units, Special  
20                  Education Other Exceptionalities students, and Special Education Gifted and  
21                  Talented students on the following: (a) personnel, (b) professional services, (c)  
22                  instructional materials, (d) equipment, and (e) supplies that serve the unique needs  
23                  of students who generate such funds.

24                  2. The expenditure of these weighted funds must be submitted annually in  
25                  a report as directed by the Louisiana Department of Education including the details  
26                  on the types of activities for which these funds were expended to serve the needs of  
27                  the weighted students at all schools that serve such students. The information  
28                  contained in such annual report shall be published on the Department of Education  
29                  website in an easily understandable format.

**XIII. STUDY OF FUNDING FOR PUBLIC EDUCATION**

In an effort to explore opportunities to increase student achievement, the State Board of Elementary and Secondary Education directs the Louisiana Department of Education to establish a pilot program for student-based budgeting.

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**DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Austin Badon

HCR No. 130

**Abstract:** Provides legislative approval of the MFP formula for FY 11-12 adopted by BESE on February 17, 2011.

Provides for legislative approval of the formula for FY 11-12 to determine the cost of a minimum foundation program (MFP) of education in all public elementary and secondary schools as well as to equitably allocate the funds to local school systems (including the Recovery School District (RSD), two university laboratory schools, Office of Juvenile Justice schools, La. School for Math, Science, and the Arts, New Orleans Center for Creative Arts, and Legacy Type 2 Charter schools) as developed by the State Board of Elementary and Secondary Education (BESE) and adopted by the board on February 17, 2011.

**Preliminary and Final Allocations**

Proposed formula retains provisions of present formula relative to the computation of preliminary and final allocations, and additionally includes La. School for Math, Science and the Arts (LSMSA), New Orleans Center for Creative Arts (NOCCA), and Legacy Type 2 Charter schools in all relevant MFP computations, as follows:

1. BESE determines no later than March 15 each year for the upcoming fiscal year preliminary allocations of the MFP formula for city, parish, and other local public school systems (including the RSD, LSU and SU laboratory schools, OJJ, LSMSA, NOCCA, and Legacy Type 2 charter schools) using the latest available data. Upon adoption by BESE of such preliminary allocations for the ensuing fiscal year, the superintendent submits the MFP funding requirements to the Joint Legislative Committee on the Budget and to the House and Senate Committees on Education.
2. Upon legislative approval of the MFP formula resolution for the upcoming fiscal year, BESE determines final allocations for local school systems (including the RSD, LSU and SU laboratory schools, OJJ schools, LSMSA, NOCCA, and Legacy Type 2 charter schools), using latest available data, no later than June 30 for the fiscal year beginning July 1.
3. Latest available student count estimates will be used for newly opened school districts or local education agencies in the final allocations of the MFP formula no later than June 30 for the fiscal year beginning July 1.

**Mid-Year Adjustments**

Proposed formula adds LSMSA, NOCCA, and Legacy Type 2 schools in mid-year adjustment computations. Mid-year adjustments are calculated as follows.

1. If a school/school district's current year Oct. 1 student count is more or less than the previous year's Feb. 1 membership, a mid-year adjustment to per pupil funding shall be made for each student gained or lost based on the final MFP allocation.
2. If a school/school district's current Feb. 1 student count is more or less than the current year's Oct. 1 membership, a mid-year adjustment to per pupil funding shall be made for each student gained or lost based on one-half the final MFP allocation.
3. Districts and schools may request the state superintendent to make estimated monthly payments based on documented mid-year growth prior to the Oct. 1 count and prior to the Feb 1 count.
4. If the RSD, the district of prior jurisdiction, and local education agencies have an increase or decrease in current year Oct. 1 membership above the prior year Feb. 1 number included in the final MFP allocation individually, such entities shall receive a mid-year adjustment of MFP funding based upon the number of students identified above or below the membership number used in the final MFP allocation.
5. If the RSD Oct. 1 membership count qualifies for a mid-year adjustment to state funds, a mid-year adjustment to local per pupil funding also shall be made for each additional student gained or lost based on the local per pupil amount of the district of prior jurisdiction times the increased number of students. For Feb. 1 increases, one-half of the local per pupil amount will be transferred.
6. For newly opened school districts or local education agencies, in the first year of operation, a special mid-year adjustment will be made to finalize their MFP formula allocations using Oct. 1 data. This special mid-year adjustment will replace the Oct. mid-year adjustment. The newly opened school districts or local education agencies will qualify for the Feb. 1 mid-year adjustment.

**Level 1—Cost Determination and Equitable Distribution of State and Local Funds:**

Compared to present formula, proposed formula provides as follows:

1. Maintains use of Feb. 1 membership as defined by BESE.
2. Maintains the existing weight for add-on student units for at-risk students at 0.22. Retains the time period for BESE to seek to achieve the goal of an at-risk weight of 0.40 over a seven year period.
3. Maintains the existing weight for Career and Technical Education course units at 0.06.
4. Maintains the existing weight for Special Education/Other Exceptionalities students at 1.5.
5. Maintains the existing weight for Special Education/Gifted and Talented students at 0.60.
6. Maintains the Economy of Scale curvilinear weight of 0.20 for school systems with a student membership of less than 7,500.
7. Proposed formula retains base per pupil funding amount of \$3,855.
8. Retains provisions for subsequent annual adjustments as determined by BESE in base per pupil amount.
9. Relative to the local school system share calculation, provides as follows:

- (a) Calculates property revenue contribution by multiplying the state's computed property tax rate (including debt service) by each school system's net assessed property value for the latest available fiscal year including Tax Increment Financing (TIF) areas. If a district's net assessed property value has increased equal to or greater than 10% over the prior year net assessed property value, then the growth in the net assessed property value will be capped at 10%. This cap will be applied on a year-to-year basis comparing the current year net assessed property value to the prior year uncapped net assessed property value. In FY 07-08, this millage was set at a level appropriate to yield a state average share of 65% and a local average share of 35%. The millage set in FY 07-08 will remain the same in FY 08-09 and beyond. BESE may revise the millage as deemed appropriate in order to reestablish the 65% to 35% share.
  - (b) Calculates sales revenue contribution by dividing the district's actual sales tax revenue collected (including debt service) in the latest available fiscal year by the district's sales tax rate that was applicable to create a sales tax base. If a local school system's sales tax goes into effect during the fiscal year, the tax rate is prorated to an annual rate applicable for the total revenue generated. If a district's computed sales tax base increased equal to or greater than 15% over the computed sales tax base calculated in the prior year formula, then the growth in the computed sales tax base will be capped at 15% over the amount used in the prior year formula. This cap will be applied on a year-to-year basis comparing the current year sales tax base to the prior year uncapped sales tax base. Each district's sales tax base is then multiplied by the state's projected yield of the sales tax rate. In FY 07-08, this rate was set at a level appropriate to yield a state average share of 65% and a local average share of 35%. The rate set in FY 07-08 will remain the same in FY 08-09 and beyond. BESE may revise the rate as deemed appropriate in order to reestablish the 65% to 35% share.
  - (c) Other revenue contribution is calculated by combining state revenue in lieu of taxes, federal revenue in lieu of taxes, and 50% of earnings on property.
- 10. Provides that the state share is calculated by subtracting the local share from the total level 1 costs.
  - 11. Provides that in no event shall the state share of the total level 1 costs be less than 25% for any district.
  - 12. Provides that the student membership and weighted student counts of any Type 2 Charter school authorized by BESE on or after July 1, 2008, shall be included in the membership and weighted student counts of the city, parish, or other local public school board in which the student resides using the actual prior year February 1 enrollment data of the Type 2 charter school. This provision shall not apply for schools in the first year of operation where only estimated data is available.

### **Level 2 - Incentive For Local Effort**

- 1. Continues provision that the local share of Level 2 revenue equals the district's eligible local revenue as calculated in Level 2 times the district's local share percentage of Level 1 times a factor of 1.72.
- 2. Continues provision that the state support of Level 2 incentive funding equals eligible revenue in Level 2 minus the local share of Level 2.
- 3. Continues provision that the maximum local revenue eligible for incentive funding in Level 2 is 34% of Total Base Foundation Level 1 State and Local costs.



**Level 3—Legislative Enhancements**

1. Continues supplemental pay raises for certificated personnel initiated in 2001-02, 2006-07, 2007-08, and 2008-09 as a per pupil amount.
2. Continues supplemental pay raises for noncertificated support workers initiated in 2002-03, 2006-07, and 2007-08 as a per pupil amount.
3. Continues the supplemental allocation of \$20,000 per teacher from BESE to local school systems that employ a Foreign Language Associate, not to exceed a total of 300 teachers.
4. Continues the 10-year phase-out of hold harmless funding beginning with a 10% reduction of the revised "over funded" amount in FY 07-08. The annual 10% reduction amount will be redistributed in a per pupil amount to all non-hold harmless districts.
5. Continues providing local school systems with a per pupil funding amount of \$100 for increasing mandated costs involving health insurance, retirement, and fuel.

**Funding for the Recovery School District**

Provides for RSD local revenue calculations as follows:

1. The student membership and weighted student counts of schools transferred to the RSD shall be included in the membership and weighted counts of the jurisdiction from which the school was transferred.
2. To begin the fiscal year July 1, the basis of the local revenue share allocation for RSD is based on projected local revenues for the most recent prior year of the public school board that had prior jurisdiction divided by total MFP student membership in the RSD and in prior the district of prior jurisdiction.
3. Based on the Oct. 1 student count, the local revenue allocation per student will be recalculated and there will be a corresponding adjustment in the local revenue allocation per student. There will be no recalculation at the Feb. 1 student count adjustment.
4. During the third quarter of the fiscal year, the local revenue allocation per student shall be adjusted to reflect actual prior year revenue data.
5. A final reconciliation will occur based upon the receipt of the annual audited financial statements of the district of prior jurisdiction. If an increase or decrease in local revenue collections exists, the state superintendent may establish a payment schedule.
6. If the fiscal status of the district of prior jurisdiction or the RSD changes during the fiscal year on or before the final reconciliation, the state superintendent may adjust the local revenue allocation based upon the revenues identified.

**Funding for LSU and SU Laboratory Schools**

Provides funding for the LSU and SU university laboratory schools as follows:

1. Any elementary or secondary school operated by LSU or SU shall be considered a public school and annually appropriated funds as determined in the MFP formula.
2. Each student enrolled at LSU or SU lab schools shall be provided for and funded from the MFP a per pupil amount equal to the amount allocated per student for the state share of the MFP.

3. MFP funds appropriated to LSU and SU lab schools shall be allocated to the institution of higher education operating such schools which shall ensure the equitable expenditure of such funds to operate the schools.
4. Specifies that requirements in the formula relative to using 50% of increased funds for pay raises for certificated personnel also apply to the lab schools.

**Funding for LSMSA and NOCCA and Legacy Type 2 Charter Schools**

Proposed formula adds funding for LSMSA , NOCCA , and Legacy Type to Charter Schools to the formula as follows:

1. LSMSA and NOCCA shall be considered a public school and annually appropriated funds as determined in the MFP formula.
2. Each LSMSA student in membership, and each NOCCA full-day student in membership, as defined by BESE, shall be provided be provided for and funded from the MFP a per pupil amount equal to the amount allocated per student for the state share of the MFP.
3. Any Legacy Type 2 Charter School approved by BESE prior to July 1, 2008 will be funded in the MFP per the formula contained in R.S. 17:3995, except that any mid-year adjustments shall be based on guidelines established in the MFP formula.
4. Specifies that requirements in the formula relative to using 50% of increased funds for pay raises for certificated personnel also apply to the lab schools.

**Funding for Type 2 Charter Schools**

1. Provides that any school authorized as a Type 2 charter school by BESE on or after July 1, 2008, shall annually be appropriated funds as determined by applying the formula contained in R.S. 17:3995, except that the local share allocation will be funded with a transfer of the MFP monthly amount representing the local share allocation from the city, parish, or local public school board in which the attending students reside. Provides that where student attendance is from multiple school districts, the Dept. of Education shall determine the local share based on students reported by the schools.
2. Proposed formula adds that the student membership count of Type 2 charter schools shall be included in the membership count of the local school board in which the school is located to determine the local share.

**Funding for Office of Juvenile Justice Schools and Students**

Provides funding for OJJ schools as follows:

1. Any elementary or secondary school operated by OJJ shall be considered a public school and annually appropriated funds as determined in the MFP formula.
2. Each student counted in the prior year average daily membership shall be provided for and funded from the MFP a per pupil amount equal to the amount allocated per student for the state share of the district where the student resided prior to adjudication.
  - a. The state share per pupil allocation shall be adjusted based on a factor determined by DOE to provide for the differential in the number of educational days provided to students in OJJ custody.

- b. The state share per pupil allocation shall also be adjusted to recognize the increased number of special education students in OJJ schools relative to the state average special education student population.
- 3. Each student counted in the prior year average daily membership shall be provided for and funded from the MFP a local share per pupil amount equal to the amount allocated per student for the district where the student resided prior to adjudication.
  - a. For purposes of the local share allocation per pupil amount, the average daily membership of the OJJ shall be included in the membership counts of the local school board in which the student resided prior to adjudication to OJJ.
  - b. For a district that has schools transferred to the RSD and shares local revenue, the allocation for OJJ will be completed before the calculation of revenues for purposes of RSD funding.
  - c. The local share allocation shall be funded with a transfer of the MFP monthly amount representing the local share allocation from the local school board in which the attending students resided prior to adjudication to OJJ.

#### **Adjustments for Audit Findings and Data Revisions**

Provides that review and/or audit of a district's data may cause changes in final statistical information and that any necessary adjustments in a district's MFP allocation resulting from such audit findings will be made in the following school year.

#### **Required Pay Raise for Certificated Personnel**

- 1. Requires that 50% of a district's increased funds provided in Levels 1 and 2 over the prior year shall only be used to supplement full-time certificated salaries and retirement benefits for school systems, the RSD, and LSU/SU lab schools with an average teacher salary below the SREB average teacher salary.
- 2. This requirement will be suspended for city, parish, or other local school systems, Recovery School District schools, LSU and SU Lab schools, Office of Juvenile Justice Schools, LSMSA, NOCCA, and Legacy Type 2 Charter schools in any year in which no annual increase is provided in the state base per pupil amount.

#### **70% Local General Fund Required Instructional Expenditure at the School Building Level**

Requires that 70% of local school system general fund expenditures must be in the areas of instruction and school administration at the school building level and additionally provides as follows for a local school district that fails to meet the 70% instructional expenditure requirement:

- 1. A school district that fails to meet the 70% instructional expenditure requirement but has a District Performance Score (DPS) at or above the state average should be provided a waiver for noncompliance.
- 2. A school district that fails to meet the 70% instructional expenditure requirement and has a DPS below the state average should face the following consequences:
  - a. Be required to assess expenditures in non-instructional areas to determine operational activities that could be streamlined through outsourcing, privatization, or consolidation and report to BESE on the implementation plan to redirect any savings from these actions to instructional activities in accordance with DOE timelines.

- b. Be required to examine the manner in which state and federal funds are utilized, revise spending patterns, and report to BESE on implementation of these actions according to DOE timelines.
- c. If involved in desegregation litigation, be required to examine the manner in which state and federal funds are utilized, revise spending patterns, and report to BESE on implementation of these actions according to DOE timelines.

**Expenditure Requirement for Foreign Language Associate Program**

1. Requires that the state must maintain support of the Foreign Language Associate Program at a maximum of 300 Foreign Language Associates employed in any given year.
2. Provides that these teachers shall be paid by the employing school system or school the state average classroom teacher salary (without PIP) by years of experience and degree beginning with year three.
3. Specifies that first-year teachers will receive an installation incentive of an additional \$6,000 and second- and third-year teachers will receive a retention incentive of an additional \$4,000. Provides that these amounts must be provided to each Foreign Associate Teacher by each school district or school in which the teacher is employed.

**Expenditure Requirement for Educational Purposes**

Requires that state MFP funds shall be expended only for educational purposes.

**Accountability Provisions**

1. Requires that each school recognized by DOE will be included in a MFP Accountability Report submitted to the House and Senate education committees by June 30 of each year.
2. Requires for accountability from local school districts, the RSD, and the LSU/SU lab schools for all weight factors: at-risk, career and technical education, special education other exceptionalities, and special education gifted and talented.
3. Requires an annual report to DOE detailing the types of activities for which these funds were expended to serve the needs of the weighted students. Further requires that such report be published on the DOE website in an easily understandable format.

**Study of Funding for Public Education**

Proposed formula directs DOE, in an effort to explore opportunities to increase student achievement, to establish a pilot program for student-based budgeting.