

Representative Cameron Henry
Chairman



Representative Franklin Foil
Vice Chairman

FY17-18 Executive Budget Review Department of Education

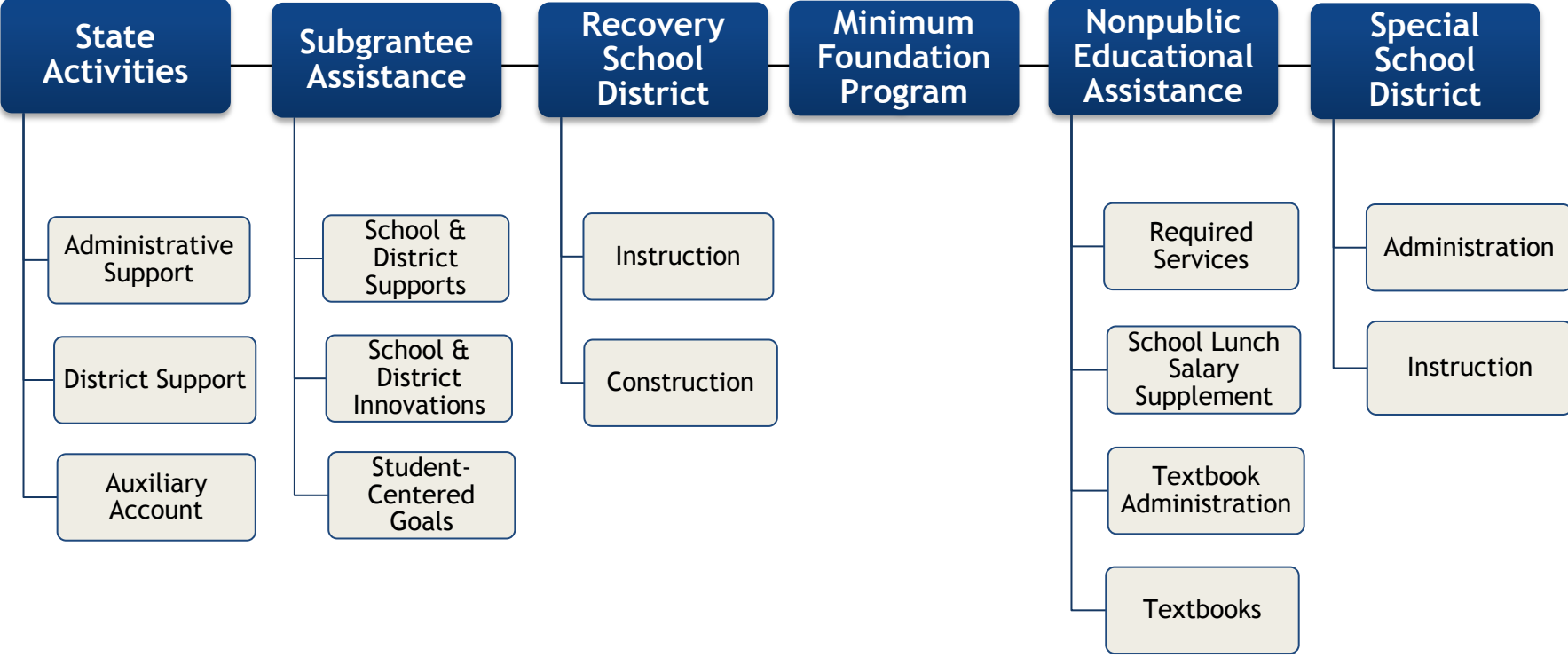
House Committee on Appropriations
Prepared by the House Fiscal Division

April 11, 2017

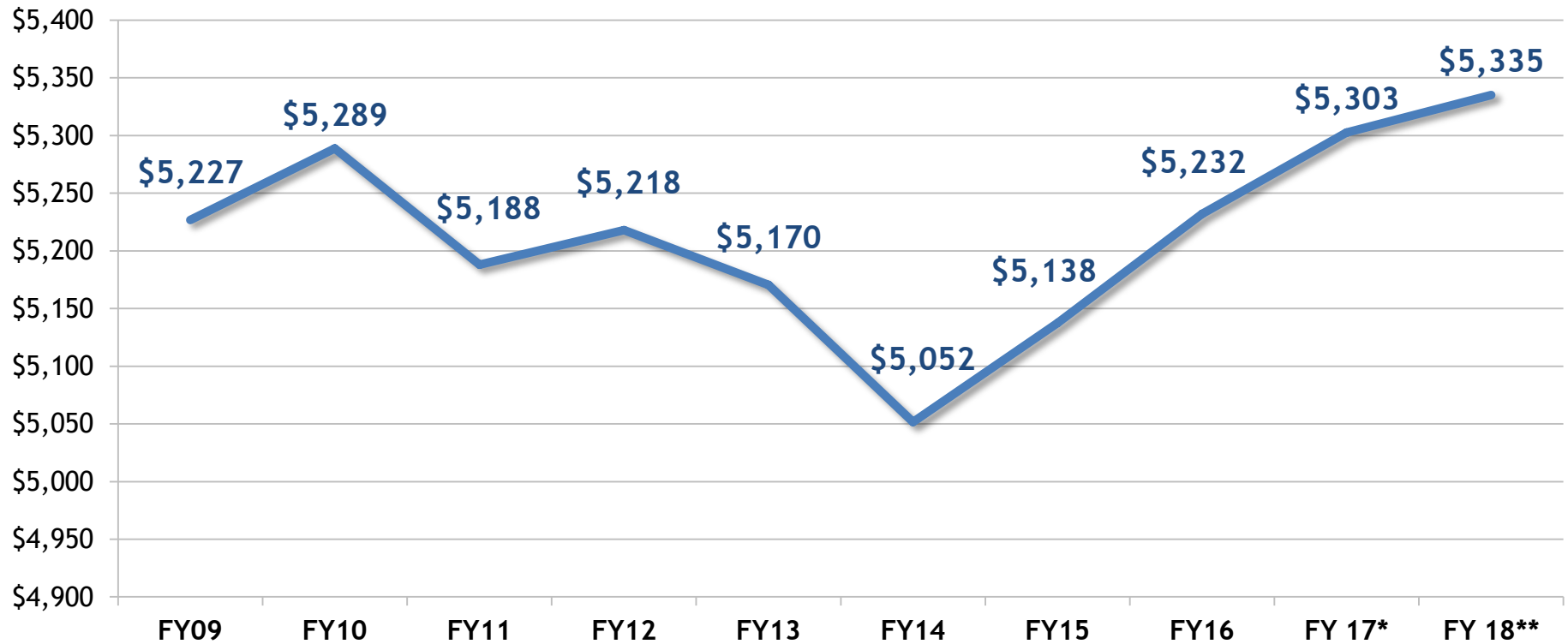
TABLE OF CONTENTS

Department Organization	3
Budget History	4
Major Sources of Revenue	6
Means of Finance Breakdown	7
State General Fund by Agency	9
Significant Adjustments	10
Expenditure Breakdown	12
Expenditure History	13
Other Charges	14
Discretionary/ Non-discretionary Funding	15
Personnel Information	16
State Activities	17
Subgrantee Assistance	19
Recovery School District	22
Minimum Foundation Program	23
Nonpublic Educational Assistance	28
Special School District	30
Supplemental Information	31
Department Contacts	35

DEPARTMENT ORGANIZATION



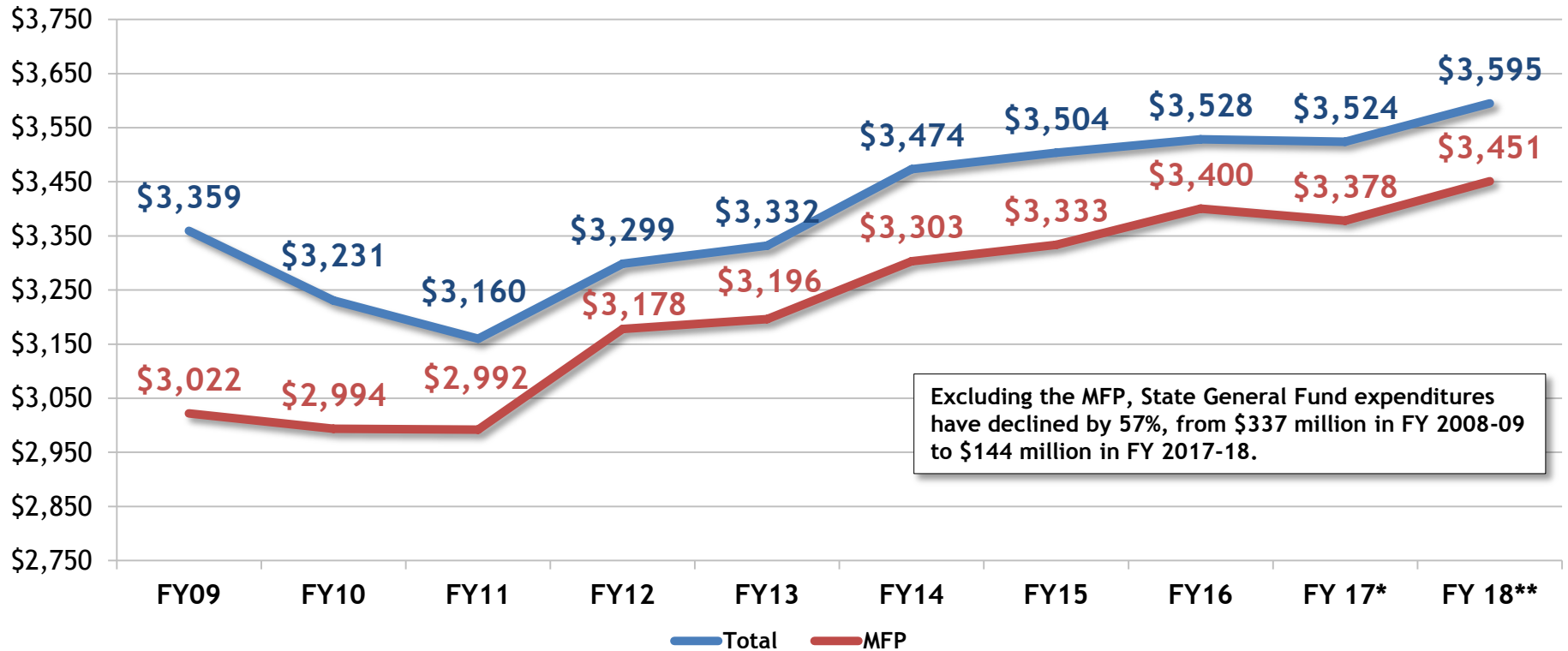
BUDGET HISTORY (IN MILLIONS)



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/16
**Governor's Executive Budget Recommendation

STATE GENERAL FUND BUDGET HISTORY (IN MILLIONS)



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/16
**Governor's Executive Budget Recommendation

MAJOR SOURCES OF REVENUE

Federal Funds \$1.1 Billion

- \$362 million from School, Child and Adult Food and Nutrition Programs to provide basic nutrition to eligible participants.
- \$294 million for Title I, Part A, to improve the teaching and learning of children from low-income families.
- \$180 million from Individuals with Disabilities Education Act (IDEA) to ensure all children with disabilities age 3 - 21 are provided special education services.
- \$82 million for Child Care Development Fund Block Grant (CCDF) to provide child care assistance, licensing, and quality improvement.
- \$50 million from Title II - Improving Teacher Quality funds used to provide professional development to teachers in the core academic subjects.
- \$22 million for Louisiana Striving Readers Program grant funds used to raise literacy levels.

Self-Generated \$57 Million

- RSD \$34 million from non-governmental sources such as Harrah's Capital funding.
- \$9.4 million in Carl Perkins Secondary Vocational Education funding from the community college system.
- Teacher certification fees.

Statutory Dedications \$274 Million

- \$153 million from the Lottery Proceeds Fund for the MFP (Constitutional).
- \$106 million from the Support Education in Louisiana First (SELF) Fund (statutory).
- \$15 million from the Education Excellence Fund (EEF) for public and nonpublic students (constitutional).

Interagency Transfers \$285 Million

- \$183 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.
- \$40 million Temporary Assistance for Needy Families (TANF) funds from the Department of Children and Family Services (DCFS) to Subgrantee Assistance for the LA 4 Early Childhood Education Program.

MEANS OF FINANCE BREAKDOWN

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget as of 12/1/2016	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$3,528,434,971	\$3,524,167,030	\$3,594,792,992	\$70,625,962	2.0%
Interagency Transfers	\$317,553,375	\$293,348,967	\$284,624,461	(\$8,724,506)	(3.0%)
Fees and Self-Gen Rev.	\$29,338,865	\$57,422,846	\$57,488,446	\$65,600	0.1%
Statutory Dedications	\$298,877,270	\$305,732,761	\$273,767,342	(\$31,965,419)	(10.5%)
Federal Funds	\$1,057,920,961	\$1,121,989,830	\$1,124,544,010	\$2,554,180	0.2%
Total Means of Finance	\$5,232,125,442	\$5,302,661,434	\$5,335,217,251	\$32,555,817	0.6%
State Effort	\$3,856,651,106	\$3,887,322,637	\$3,926,048,780	\$38,726,143	1.0%
Authorized Positions	481	489	446	(43)	(8.8%)

Source: Executive Budget Supporting Documents

MEANS OF FINANCE BREAKDOWN - AFTER DEFICITS

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Executive Budget Recommendation	\$ Change from Existing 3/1/17	% Change from Existing 3/1/17
State General Fund	\$3,528,434,971	\$3,520,522,912	\$3,594,792,992	\$74,270,080	2.1%
Interagency Transfers	\$317,553,375	\$293,348,967	\$284,624,461	(\$8,724,506)	(3.0%)
Fees and Self-Gen Rev.	\$29,338,865	\$57,422,846	\$57,488,446	\$65,600	0.1%
Statutory Dedications	\$298,877,270	\$304,989,123	\$273,767,342	(\$31,221,781)	(10.2%)
Federal Funds	\$1,057,920,961	\$1,121,989,830	\$1,124,544,010	\$2,554,180	0.2%
Total Means of Finance	\$5,232,125,442	\$5,298,273,678	\$5,335,217,251	\$36,943,573	0.7%
State Effort	\$3,856,651,106	\$3,882,934,881	\$3,926,048,780	\$43,113,899	1.1%

Change to FY 16-17 Existing Budget: **(\$4,387,756)** or **(2.0%)** of state effort excluding MFP

- 1st Deficit: **(\$2,243,638)** - Net cut including **(\$1 million)** from Subgrantee, **(\$743,638)** from Education Excellence Funds, and **(\$500,000)** from Special School District;
- 2nd Deficit: **(\$1,750,000)** - SGF from Subgrantee Assistance, **(\$200,000)** from Nonpublic Required Services, and **(\$194,118)** from Special School District.
- \$750,000 of all cuts were annualized in FY 2017-18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

STATE GENERAL FUND BY AGENCY

Expenditure	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State Activities	\$34,361,628	\$32,731,710	\$33,968,185	\$1,236,475	3.8%
Subgrantee Assistance	\$60,747,134	\$86,137,956	\$83,438,150	(\$2,699,806)	(3.1%)
Recovery School District	\$1,877,487	\$727,351	\$458,594	(\$268,757)	(37.0%)
Minimum Foundation Program	\$3,400,239,001	\$3,378,154,470	\$3,451,101,294	\$72,946,824	2.2%
Nonpublic Educational Assistance	\$23,391,015	\$19,359,021	\$18,971,841	(\$387,180)	(2.0%)
Special School District	\$7,818,706	\$7,056,522	\$6,854,928	(\$201,594)	(2.9%)
Total Expenditures	\$3,528,434,971	\$3,524,167,030	\$3,594,792,992	\$70,625,962	2.0%

Excluding the MFP, the Department is recommended for \$143.7 million State General Funds, a \$2.3 million reduction.

SIGNIFICANT ADJUSTMENTS



\$23.1 Million
State General
Fund

Provides additional funding for the Minimum Foundation Program, including \$18.1 million for an additional 4,013 students and \$5.1 million due to projected tax base adjustments.



\$18 Million
State General
Fund

Provides additional funding for the Minimum Foundation Program to expand existing Level 4 items, including \$8 million for High Cost Services Allocation, and \$10 million for the Supplemental Course Allocation.



\$31.7 Million
MOF Swap

Means of Finance substitution replacing \$31.7 million in Statutory Dedications with \$31.7 million of State General Funds in order to fully fund the Minimum Foundation Program. The Revenue Estimating Conference is projecting decreases in the Lottery Proceeds Fund \$28.3 million and the SELF Fund \$3.5 million.



\$2.9 Million
Total

Increase in IAT transfer to the Office of Technology Services (OTS) to provide additional IT support, upgrade software and hardware, as well as replace outdated equipment.



\$4 Million
Total

Increase provides funding to the Office of Technology Services (OTS) to unify legacy data systems for early childhood through K-12. The 12 to 18 month project involves consolidating disparate systems, replacing outdated systems, developing new systems, and upgrading data storage.

SIGNIFICANT ADJUSTMENTS

 (\$2.9 Million)
State General
Fund

The governor has proposed a reduction of \$2.9 million in State General Fund to balance the FY 2017-18 state budget. This represents a reduction of 2.0% from the Department's FY 2016-17 existing operating State General Fund budget (excluding the MFP)

 (\$2.6 Million)
Total

Agency-wide net reduction in Personnel Services, includes a \$2.4 million reduction for salary base adjustments, a \$1 million reduction for attrition, and a \$783,342 increase in related benefits.

 (\$713,853)
Total

Agency-wide net decrease in statewide adjustments, including IAT transfers to the Office of Risk Management, Legislative Auditor Fees, Rent-in State-Owned Buildings, Civil Service Fees, Office of State Procurement, etc.

 (\$1 Million)
State General
Fund

Reduction to the Professional Improvement Program (PIP) in Subgrantee Assistance. This includes the annualization of \$750,000 in FY 2016-17 mid-year reductions, and an additional \$250,000 decrease due to declining participation.

 (\$500,000)
State General
Fund

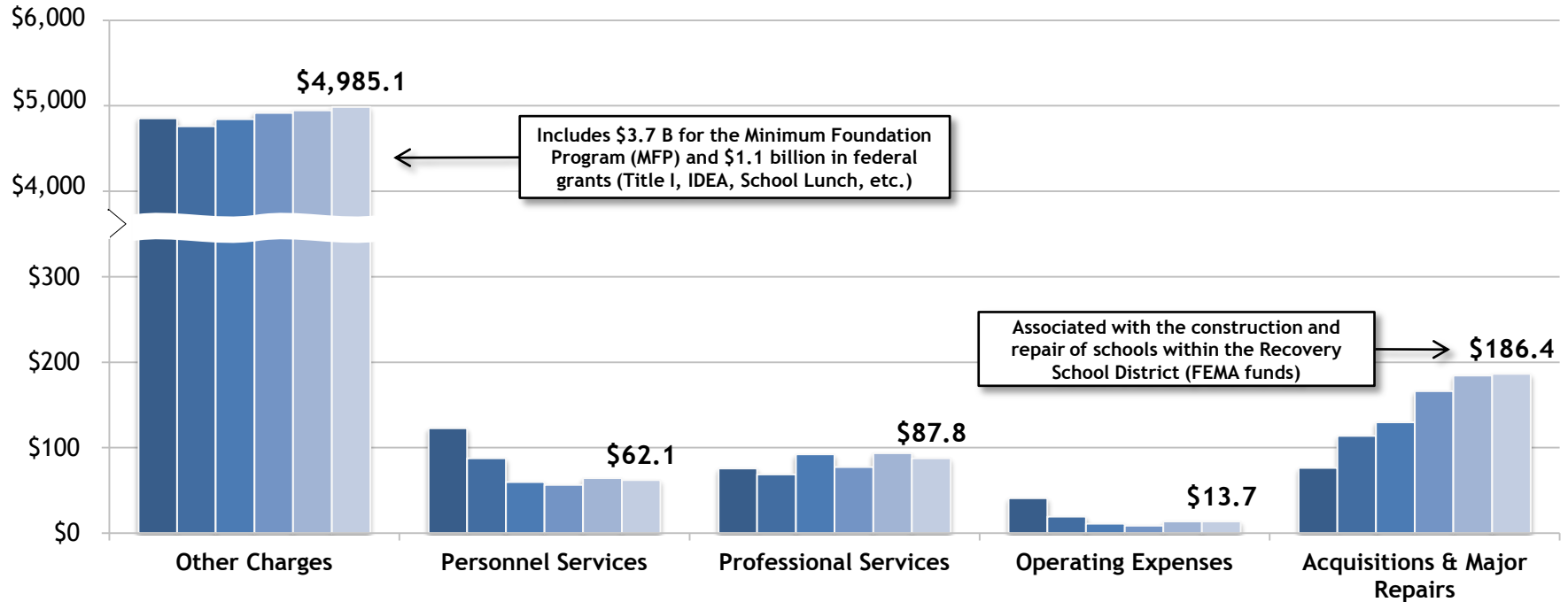
Eliminates \$500,000 for the provision of special education and related services at River Oaks Hospital in New Orleans and Brentwood Hospital in Shreveport. This was eliminated in FY 2016-17 as part of the first mid-year deficit.

EXPENDITURE BREAKDOWN

Expenditure	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
Salaries	\$26,407,389	\$31,251,822	\$28,642,139	(\$2,609,683)	(8.4%)
Other Compensation	\$10,434,008	\$10,539,165	\$10,635,368	\$96,203	0.9%
Related Benefits	\$19,567,779	\$22,726,753	\$22,848,015	\$121,262	0.5%
Travel	\$1,040,126	\$3,125,281	\$3,125,281	\$0	0.0%
Operating Services	\$7,294,983	\$9,001,426	\$8,851,426	(\$150,000)	(1.7%)
Supplies	\$563,271	\$1,826,931	\$1,736,931	(\$90,000)	(4.9%)
Professional Services	\$77,411,820	\$93,674,117	\$87,842,742	(\$5,831,375)	(6.2%)
Other Charges	\$4,917,840,664	\$4,945,984,661	\$4,985,139,325	\$39,154,664	0.8%
Acq/Major Repairs	\$171,565,402	\$184,531,278	\$186,396,024	\$1,864,746	1.0%
Unallotted	\$0	\$0	\$0	\$0	0.0%
Total Expenditures	\$5,232,125,442	\$5,302,661,434	\$5,335,217,251	\$32,555,817	0.6%
Authorized Positions	481	489	446	(43)	(8.8%)

EXPENDITURE HISTORY

Fiscal Year: ■ 2012-13 ■ 2013-14 ■ 2014-15 ■ 2015-16 ■ 2016-17* ■ 2017-18**



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/16
 **Governor's Executive Budget Recommendation

OTHER CHARGES

AMOUNT	DESCRIPTION	
\$3,451,101,294	Minimum Foundation Program (State General Fund)	\$3.9B State General Funds
\$39,865,707	Student Scholarships for Educational Excellence Program	
\$35,154,729	LA 4 Early Childhood Program (Public Pre-K)	
\$13,464,624	State Activities, RSD, and SSD (Early Childhood activities, Rent, Risk Management, Office of Technology Services, LLA Fees, etc.)	
\$15,888,133	Nonpublic Required Services (\$8.4 million) and School Lunch Salary Supplement (\$7.5 million)	
\$6,986,491	Nonpublic School Early Childhood Development (Private Pre-K)	
\$3,083,708	Nonpublic Textbooks (\$2,911,843) and Textbook Administration (\$171,865)	
\$2,479,042	Professional Improvement Program	
\$695,000	Subgrantee Assistance Programs (SREB, Escadrille Teachers, School Choice Pilot for Students with Exceptionalities)	
\$1,066,941,915	Federal Funds Other Charges Expenditures (Title I, School Lunch Program, IDEA B, etc.)	
\$273,767,342	Statutory Dedications dedicated to the MFP (Lottery Proceeds Fund and SELF Fund) and Educational Excellence Fund	
\$59,330,991	Interagency Transfers Other Charges Expenditures (TANF for the LA 4 Program, 8(g) funds from BESE, etc.)	
\$11,133,164	Fees and Self-Generated Revenues Other Charges Expenditures (Carl D. Perkins Vocational received from LCTCS)	
\$4,985,139,325	OTHER CHARGES EXPENDITURES TOTAL	

Source: Executive Budget Supporting Documents

DISCRETIONARY/NON-DISCRETIONARY FUNDING

**TOTAL BUDGET
\$5.3 Billion**

**\$285 Million IAT
Double Count**

**\$5.1 Billion
Remaining**

**Self Generated
Revenue
\$57 Million**

**Statutory
Dedications
\$274 Million**

**Federal Funds
\$1.1 Billion**

**State General Fund
\$3.6 Billion**

**Non Discretionary
\$3.5 Billion**

**Discretionary
\$127 Million**

**Minimum Foundation
Program
\$3.4 Billion**

**Special School District
\$6.9 Million**

**Nonpublic Textbooks
\$2.9 Million**

**Debt Svc, Leg Aud, Retirees Ins
\$4.7 Million**

**Admin. & District Support
\$29.3 Million**

**Subgrantee Flow-Through
\$80.9 Million**

**Recovery School District
\$364,571**

**Nonpublic Assistance
\$16.1 Million**

Source: Office of Planning and Budget

PERSONNEL INFORMATION

Personnel/Budget Ratio

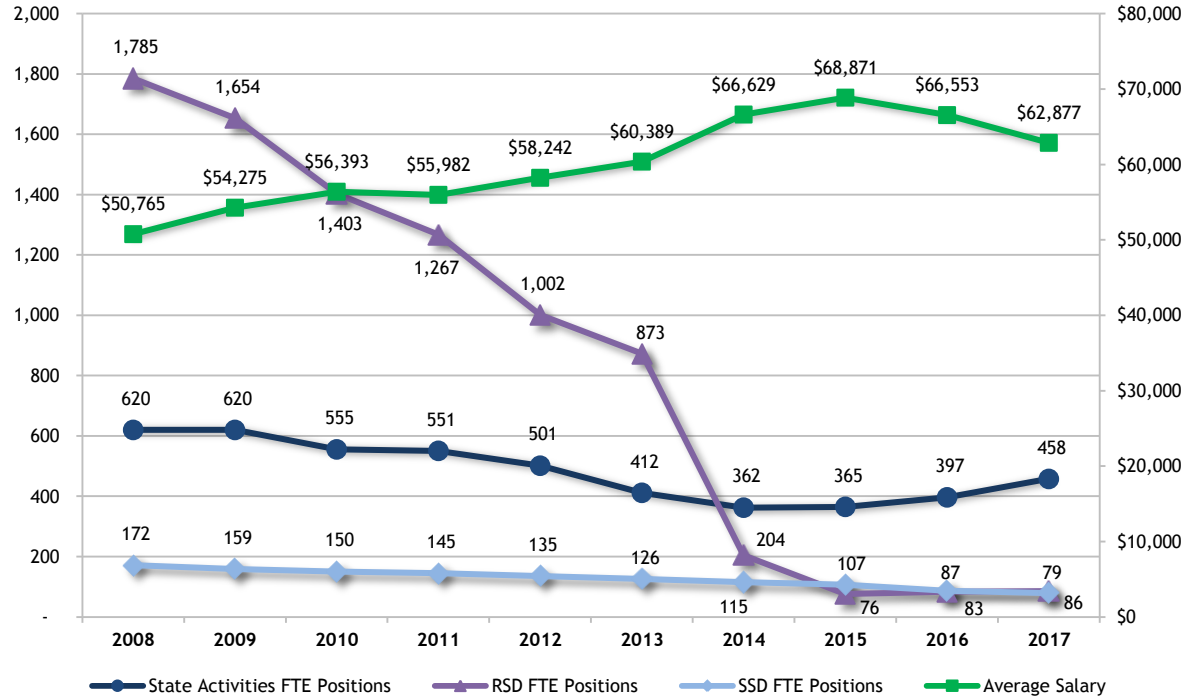
\$39.3 M	Salaries and Other Comp.
+ \$22.8 M	Related Benefits
= \$62.1 M	Total Personnel Services

17.7% of budget expenditures
(excluding Other Charges)

Authorized Positions

- 446 (330 classified and 116 unclassified)
- DEPARTMENT had 80 vacancies as of 1/29/2016
- 43 positions eliminated from Exec. Budget
- 177 Non-T.O. FTE Positions Recommended

10 Year FTE Positions/Avg Salary



Source: FTE and Average Salary data provided by the Dept. of Civil Service

STATE ACTIVITIES

Means of Finance Breakdown

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.

State Activities includes the following Programs:

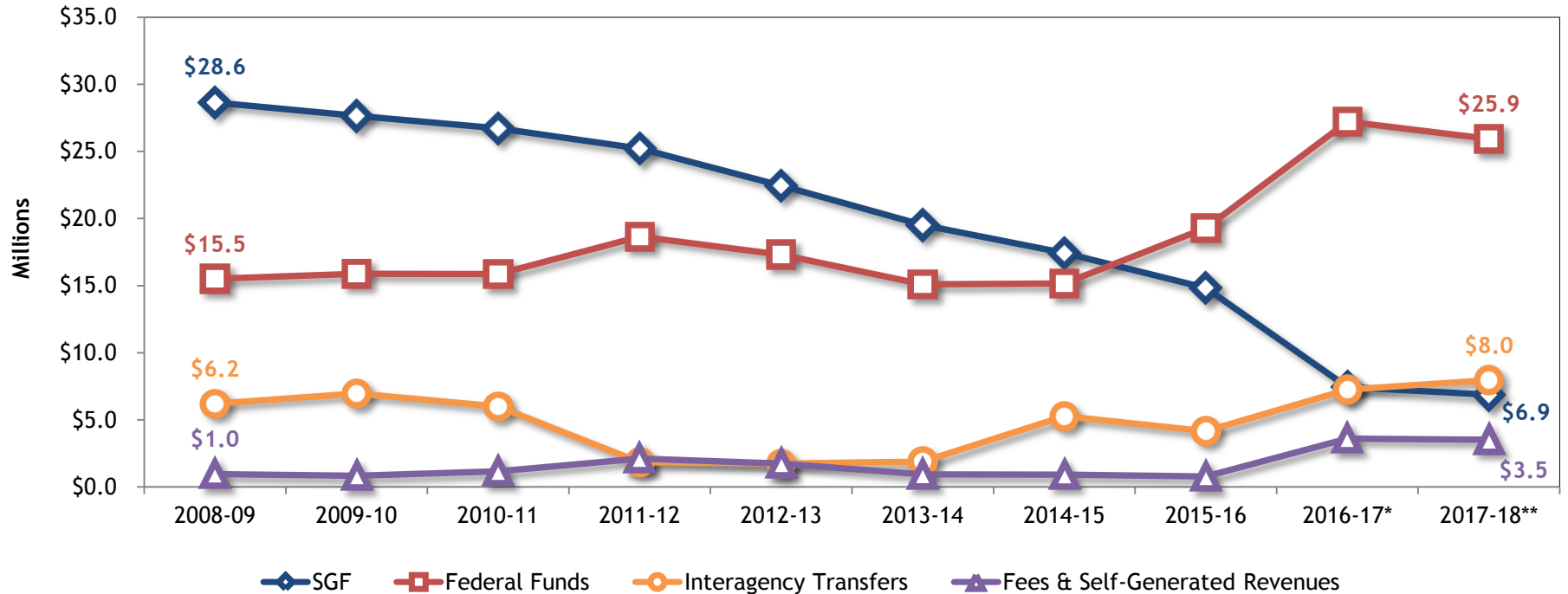
- Administrative Support, including the Office of the Superintendent, Management and Finance, Public Affairs, Legal, Auditing, and Analytics.
- District Support, including District Support Networks, Academic Policy, Portfolio, Food and Nutrition, Child Care Licensing, Talent, and Statewide Monitoring.
- Auxiliary Account, includes the Teacher Certification Division.

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$34,361,628	\$32,731,710	\$33,968,185	\$1,236,475	3.8%
Interagency Transfers	\$19,239,044	\$30,092,181	\$30,786,578	\$694,397	2.3%
Fees and Self-Gen Rev.	\$3,421,197	\$6,951,068	\$7,016,668	\$65,600	0.9%
Statutory Dedications	\$0	\$0	\$0	\$0	0.0%
Federal Funds	\$53,526,270	\$71,400,210	\$73,954,390	\$2,554,180	3.6%
Total Means of Finance	\$110,548,139	\$141,175,169	\$145,725,821	\$4,550,652	3.2%
State Effort	\$37,782,825	\$39,682,778	\$40,984,853	\$1,302,075	3.3%

Source: Executive Budget Supporting Documents

STATE ACTIVITIES

Total Personnel Expenditures by Means of Finance



Source: Office of Planning and Budget, Business Objects

*Existing Operating Budget as of 12/1/16

** FY 2017-18 Recommended Budget

SUBGRANTEE ASSISTANCE

Means of Finance Breakdown

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.

Subgrantee Assistance includes the following Programs:

- School and District Supports includes federal Title I, Part A, IDEA funds, School Food and Nutrition, etc. and the state Professional Improvement Program.
- School and District Innovations includes federal Title II, Charter School and School Improvement funds, and the state School Choice Pilot Program.
- Student-Centered Goals includes the state Scholarship Program (Vouchers), LA 4 Early Childhood Program and Nonpublic Pre-Kindergarten, and federal Child Care Development Funds (CCDF).

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$60,747,134	\$86,137,956	\$83,438,150	(\$2,699,806)	(3.1%)
Interagency Transfers	\$91,327,740	\$65,482,246	\$56,063,343	(\$9,418,903)	(14.4%)
Fees and Self-Gen Rev.	\$9,280,837	\$9,418,903	\$9,418,903	\$0	0.0%
Statutory Dedications	\$14,129,936	\$14,872,761	\$14,672,342	(\$200,419)	(1.3%)
Federal Funds	\$1,003,952,653	\$1,050,089,620	\$1,050,089,620	\$0	0.0%
Total Means of Finance	\$1,179,438,300	\$1,226,001,486	\$1,213,682,358	(\$12,319,128)	(1.0%)
State Effort	\$84,157,907	\$110,429,620	\$107,529,395	(\$2,900,225)	(2.6%)

Source: Executive Budget Supporting Documents

EARLY CHILDHOOD EDUCATION

Program	Eligibility Criteria	Areas Served	Approximate Students Served	Funding/Source
LA 4 Early Childhood Program	Families with four-year-olds who are at or below 185% of the Federal Poverty Level	City and parish school districts and charter schools	16,300	\$73.9 M State General Fund and TANF
Nonpublic School Early Childhood Development Program (NSECD)	Families with four-year-olds who are at or below 185% of the Federal Poverty Level	48 participating nonpublic schools	1,600	\$7.0 M State General Fund
8(g) Student Enhancement Block Grant Program	Families with four-year-olds who are at or below 185% of the Federal Poverty Level	City and parish school districts, charter schools, and nonpublic schools	2,150	\$9.1 M Statutory Dedication 8(g) Fund
Pre-K Expansion Grant	Families with four-year-olds who are at or below 185% of the Federal Poverty Level	Community Networks and Lead Agencies apply to be the subgrantee with the Type III centers, schools, or Head Starts.	1,000	\$10.0 M Federal Funds
Child Care Assistance Program	Families that are: <ul style="list-style-type: none"> • At or below 55% of State Median Income • Working, in school, or training 30 hours per week 	Type III Child Care Centers and home based providers.	12,700	\$40.5 M Federal Funds

NONPUBLIC SCHOOL CHOICE PROGRAMS

Program	Eligibility Criteria	Approximate Students Served	Award Amount	Funding/Source	Per Pupil Average
Student Scholarships for Educational Excellence Program (SSEEP)	Family household income at or below 250% of Federal Poverty Level; either entering Kindergarten, enrolled in a public school with a C, D, F, or T grade, or a continuing Scholarship Program student.	6,695	Equal to combined MFP state and local share to local district, or school's tuition and fees, whichever is less.	\$39.9 M State General Fund	\$5,880
Tuition Donation Rebate Program	Family household income at or below 250% of the Federal Poverty Level; either entering Kindergarten or have participated in the Scholarship Program or Tuition Donation Rebate Program in prior year.	1,692	Equal to 80% of state average per pupil funding for elementary and middle school students (approx. \$4,000) and 90% of the state average for high school students (approx. \$4,500), or school's tuition and fees, whichever is less.	Projected \$7.0 M Tax Rebate (Tax Exemption Budget)	\$3,884
School Choice Program for Certain Students with Exceptionalities (SCP)	Must have been evaluated by a Louisiana public school and determined to have an exceptionality; have an IEP, and eligible to attend a public school.	341	Either 50% of the MFP state share to local district, or school's tuition and fees, whichever is less.	\$405,000 State General Fund	\$2,500

RECOVERY SCHOOL DISTRICT

Means of Finance Breakdown

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

The Recovery School District includes two Programs

- Recovery School District is an educational service agency administered by the Louisiana Department of Education with approval of BESE to oversee any school operating under RSD jurisdiction.
- Construction Program provides funding for a multi-year Orleans Parish Reconstruction Master Plan for the renovation or building of school facilities.

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$1,877,487	\$727,351	\$458,594	(\$268,757)	(37.0%)
Interagency Transfers	\$204,428,461	\$194,483,251	\$194,483,251	\$0	0.0%
Fees and Self-Gen Rev.	\$16,636,331	\$40,226,716	\$40,226,716	\$0	0.0%
Statutory Dedications	\$0	\$0	\$0	\$0	0.0%
Federal Funds	\$442,038	\$500,000	\$500,000	\$0	0.0%
Total Means of Finance	\$223,384,317	\$235,937,318	\$235,668,561	(\$268,757)	(0.1%)
State Effort	\$18,513,818	\$40,954,067	\$40,685,310	(\$268,757)	(0.7%)

MINIMUM FOUNDATION PROGRAM

Means of Finance Breakdown

The MFP provides block grants for 692,000 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 \$3.7 billion in formula funding makes up 42% of total revenues for K-12 education in Louisiana.

MFP Overview:

- BESE develops and adopts a formula.
- 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.
- Prior to approval, the legislature may return the formula to BESE with recommendations.
- 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."

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$3,400,239,001	\$3,378,154,470	\$3,451,101,294	\$72,946,824	2.2%
Interagency Transfers	\$0	\$0	\$0	\$0	0.0%
Fees and Self-Gen Rev.	\$0	\$0	\$0	\$0	0.0%
Statutory Dedications	\$284,747,334	\$290,860,000	\$259,095,000	(\$31,765,000)	(10.9%)
Federal Funds	\$0	\$0	\$0	\$0	0.0%
Total Means of Finance	\$3,684,986,335	\$3,669,014,470	\$3,710,196,294	\$41,181,824	1.1%
State Effort	\$3,684,986,335	\$3,669,014,470	\$3,710,196,294	\$41,181,824	1.1%

Source: Executive Budget Supporting Documents

MINIMUM FOUNDATION PROGRAM

The FY 2017-18 MFP formula was adopted by BESE on March 8, 2017. The proposed formula includes the following changes:

- ✓ Base Per Pupil Cost of \$3,961. No increases proposed by BESE.
- ✓ Adds Thrive Academy, as required by Act 672 of the 2016 Regular Session.

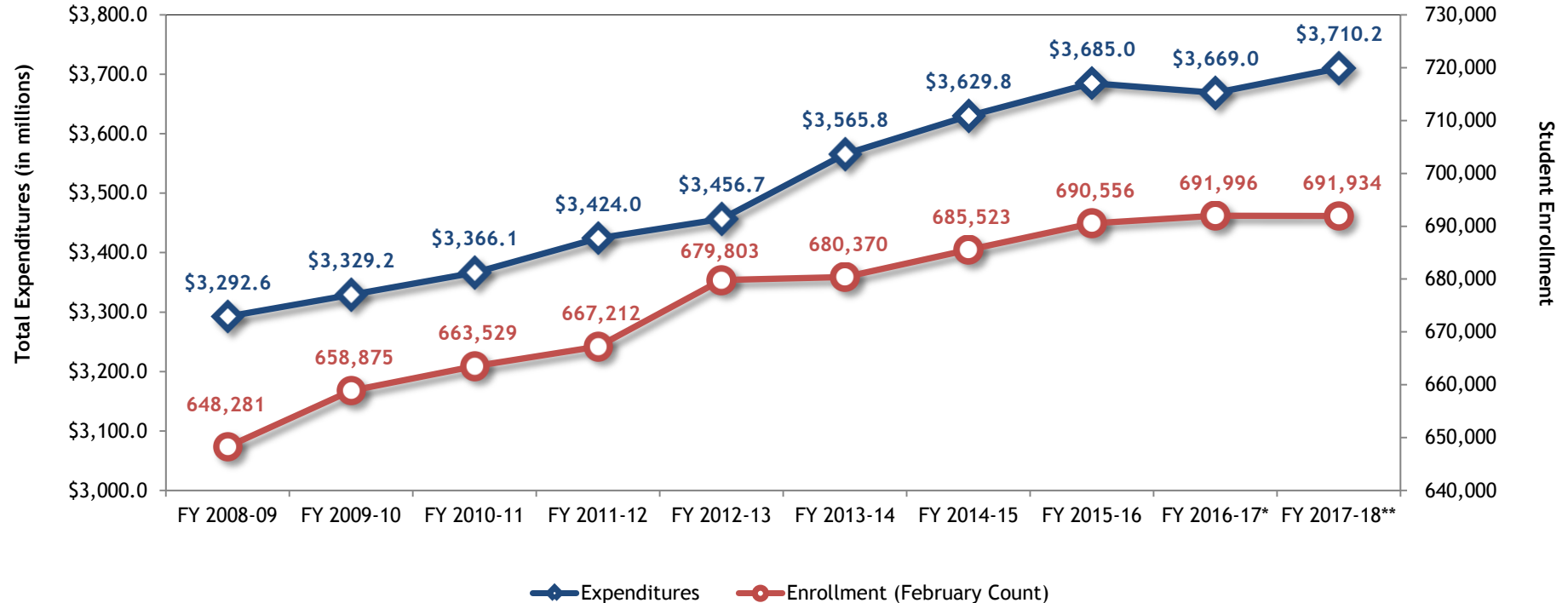
Expands two Level 4 initiatives by adding:

- ✓ \$8.0 million for High Cost Services (HCS) Assistance Allocation, which provides support for students with significant disabilities whose services cost greater than three times the average per pupil expenditure. This would bring total HCS funding to \$16 million (\$12 million state MFP funds and \$4 million federal IDEA funds) and would meet roughly 50% of total requests.
- ✓ \$10.0 million for the Supplemental Course Allocation (SCA), which supports the cost of secondary course choices above and beyond the traditional classroom. This would increase SCA funding from \$26 per pupil to \$59 per pupil for each student enrolled in grades 7 through 12.

The FY 2017-18 Executive Budget recommends \$3.71 billion appropriation for the MFP.

MINIMUM FOUNDATION PROGRAM

Total MFP Expenditures and Enrollment, FY 2008-09 to FY 2017-18



Source: MFP resolutions and General Appropriations bill.

*Existing Operating Budget as of 12/1/16

** FY 2017-18 Recommended Budget

MINIMUM FOUNDATION PROGRAM

The MFP formula includes four levels:

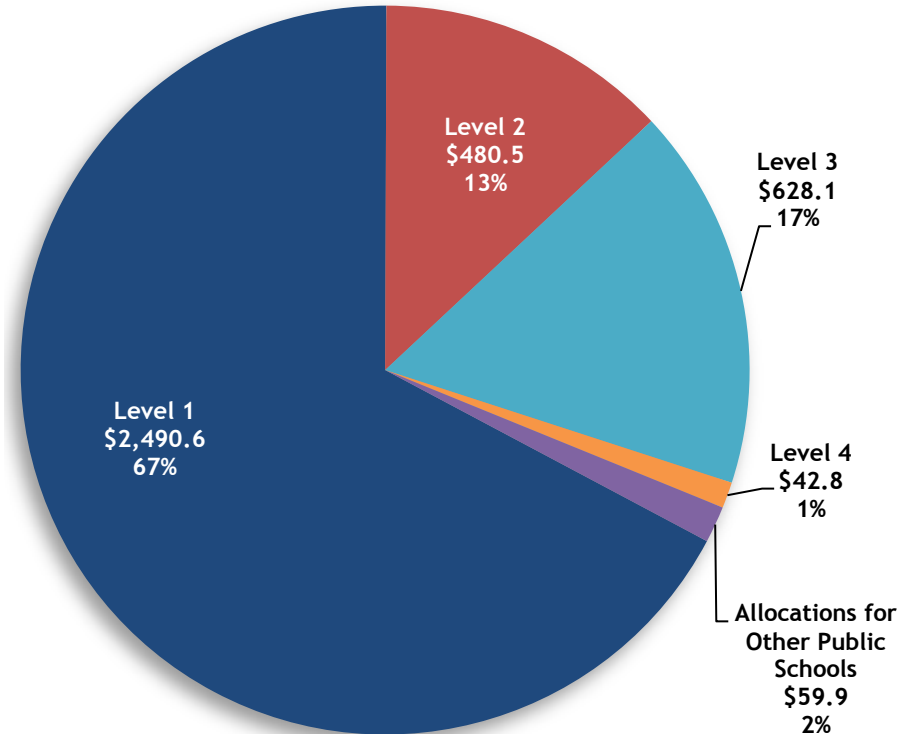
Level 1: Establishes a base education cost per student and recognizes extra costs associated with specific students.

- Establishes a \$3,961 Base Per Pupil Cost.
- Applies weights for Low-Income and ELL (22%), Career and Technical Education (6%), Special Education (150%), Gifted and Talented (60%), and Economy of Scale ($\leq 20\%$)
- Once the total cost is determined, local revenue is measured 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.

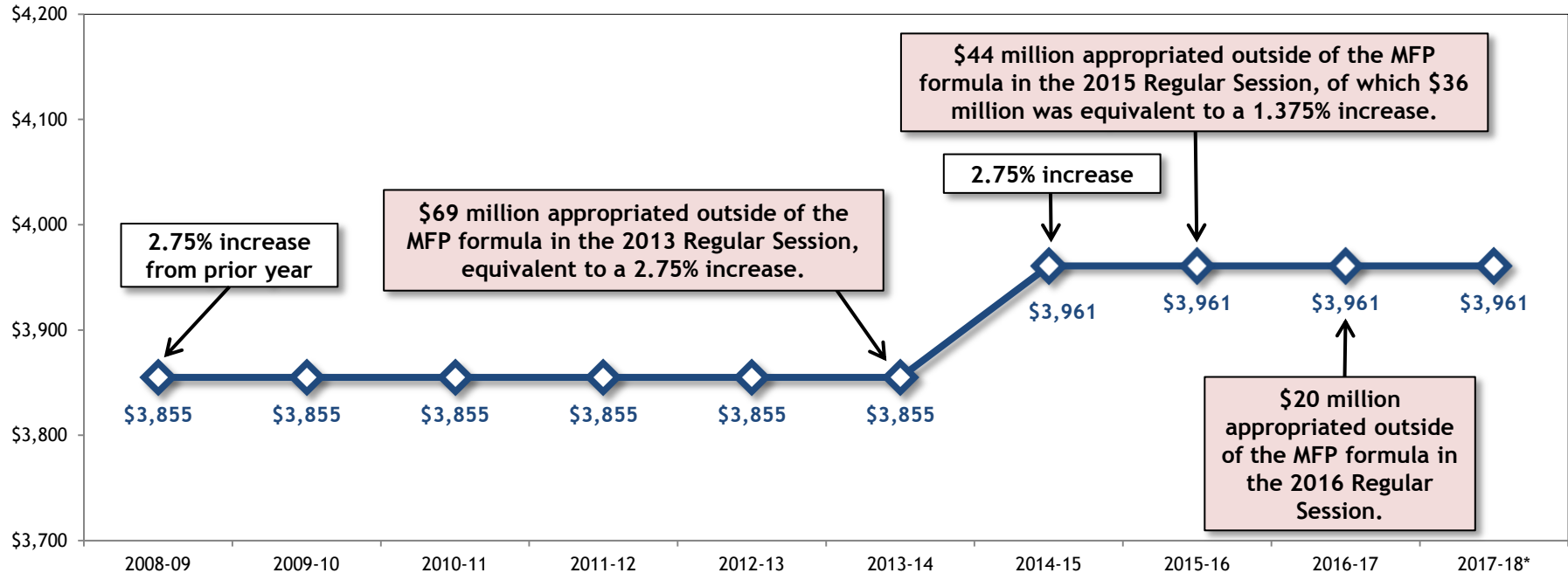
Level 4: Funding for educational initiatives such as dual enrollment, career and technical courses, and districts that serve students with high cost disabilities.



Source: MFP 2017-18 Budget Letter; amounts are in millions of dollars.

MINIMUM FOUNDATION PROGRAM

Base Per Pupil Cost and Supplemental Appropriations (FY 2008-09 - FY 2017-18 Proposed)



Source: MFP resolutions and General Appropriations bill.

* FY 2017-18 Recommended Budget

NONPUBLIC EDUCATIONAL ASSISTANCE

Means of Finance Breakdown

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

Nonpublic Educational Assistance includes four Programs:

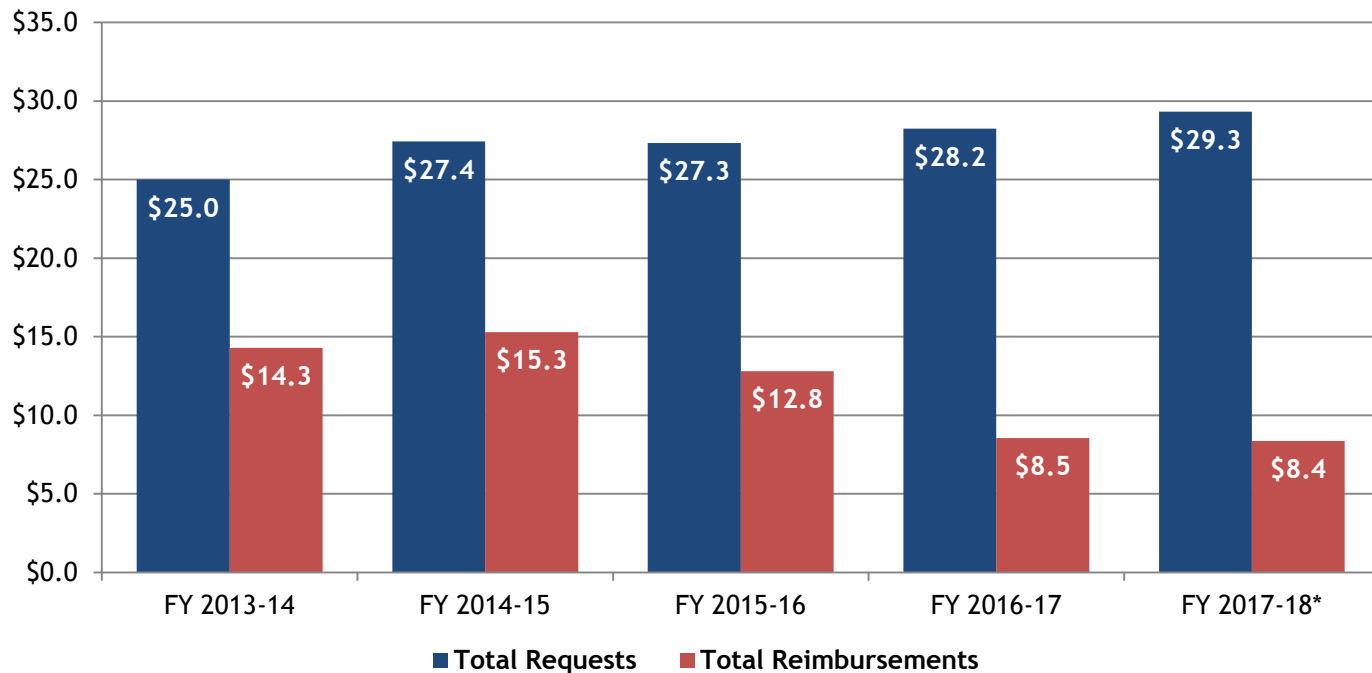
- Required Services reimburses nonpublic schools for a percentage of costs incurred due to maintaining records, filing reports, etc.
- School Lunch Salary Supplements provides a cash supplement for nonpublic school lunchroom employees at eligible schools.
- Textbook Administration reimburses public school systems for costs due to providing and distributing school books.
- Textbooks provides funds for the purchase of books and instructional materials for nonpublic schools.

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$23,391,015	\$19,359,021	\$18,971,841	(\$387,180)	(2.0%)
Interagency Transfers	\$0	\$0	\$0	\$0	0.0%
Fees and Self-Gen Rev.	\$0	\$0	\$0	\$0	0.0%
Statutory Dedications	\$0	\$0	\$0	\$0	0.0%
Federal Funds	\$0	\$0	\$0	\$0	0.0%
Total Means of Finance	\$23,391,015	\$19,359,021	\$18,971,841	(\$387,180)	(2.0%)
State Effort	\$23,391,015	\$19,359,021	\$18,971,841	(\$387,180)	(2.0%)

Source: Executive Budget Supporting Documents

NONPUBLIC EDUCATIONAL ASSISTANCE

Required Services (in Millions)



Required Services reimburses nonpublic schools for the following activities:

- Pupil attendance
- Record maintenance, including student transcripts, graduation records, etc.
- Submitting nonpublic school data collection to the LDOE
- Transportation, such as supervision, loading/unloading students from buses and carpools, inspections, etc.
- Safety activities such as testing for lead, asbestos, scheduling emergency drills
- Maintaining teacher certification information and compliance
- Continuing education and professional development

SPECIAL SCHOOL DISTRICT

Means of Finance Breakdown

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.

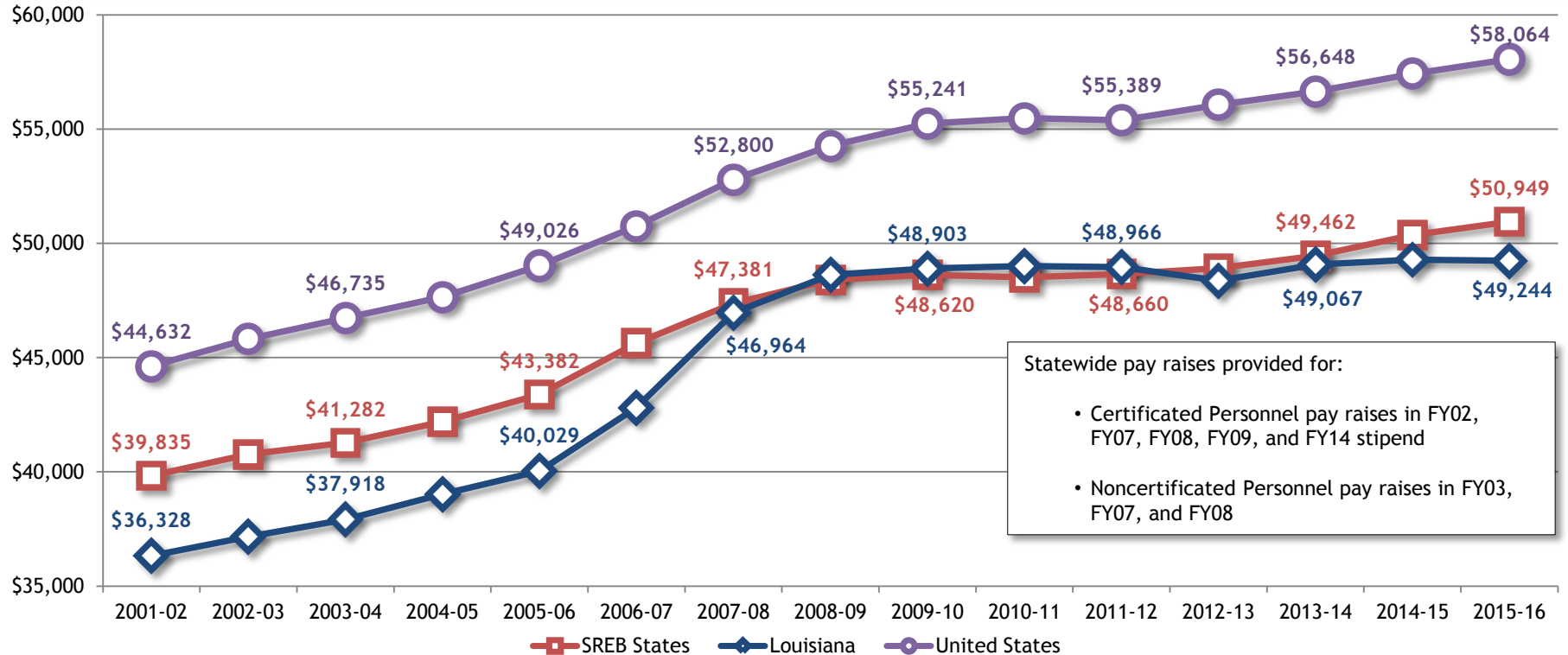
Special School District has two Programs:

- Administration includes central office staff and school administration.
- Instruction provides special education and related services to children enrolled under the following agencies:
 - Office for Citizens with Developmental Disabilities;
 - Office of Behavioral Health;
 - Department of Corrections;
 - Office of Juvenile Justice.

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$7,818,706	\$7,056,522	\$6,854,928	(\$201,594)	(2.9%)
Interagency Transfers	\$2,558,130	\$3,291,289	\$3,291,289	\$0	0.0%
Fees and Self-Gen Rev.	\$500	\$826,159	\$826,159	\$0	0.0%
Statutory Dedications	\$0	\$0	\$0	\$0	0.0%
Federal Funds	\$0	\$0	\$0	\$0	0.0%
Total Means of Finance	\$10,377,336	\$11,173,970	\$10,972,376	(\$201,594)	(1.8%)
State Effort	\$7,819,206	\$7,882,681	\$7,681,087	(\$201,594)	(2.6%)

Source: Executive Budget Supporting Documents

AVERAGE TEACHER SALARIES



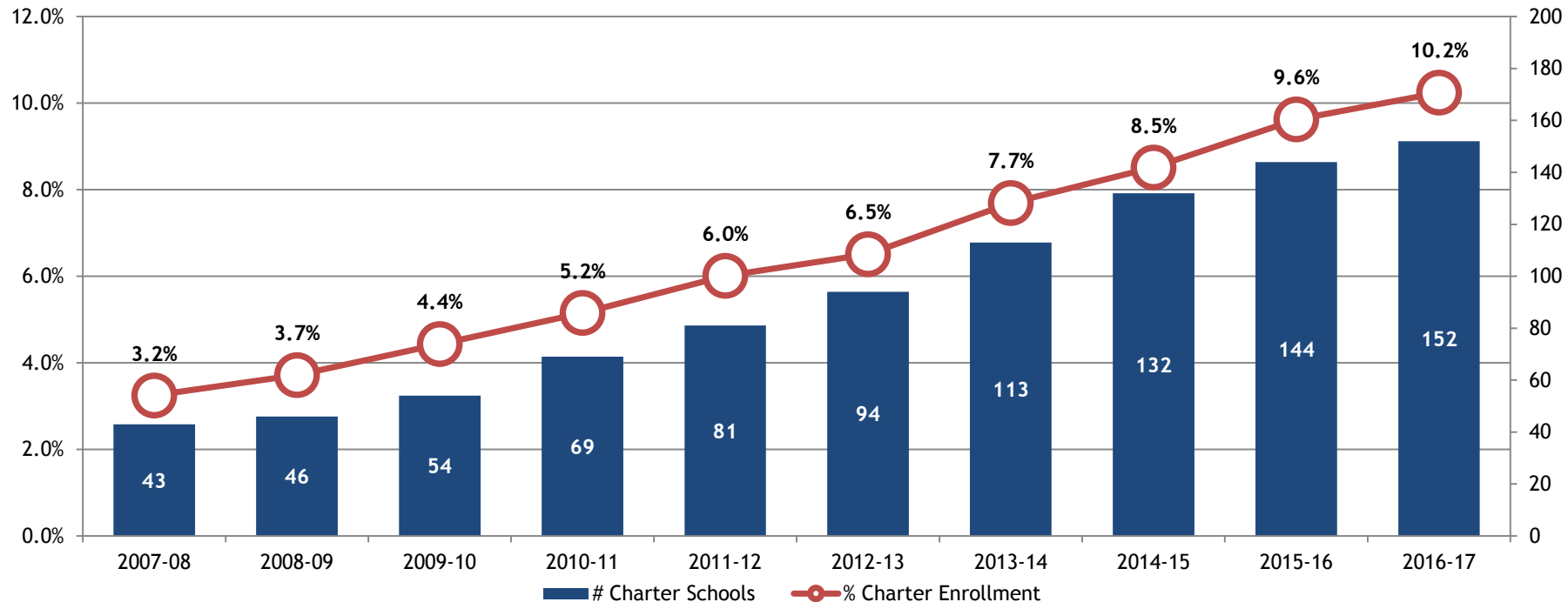
Source: Southern Regional Education Board, National Education Association, Louisiana Department of Education, and House Fiscal Division calculations.

TEACHER EXIT SURVEY

Category	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Resigned - personal circumstances	30.1%	26.7%	29.0%	25.4%	30.3%	35.8%	27.6%
Retirement	22.1%	24.5%	33.9%	34.9%	27.9%	21.7%	23.2%
Accepted an in-state teaching or leadership position	10.8%	9.8%	16.3%	20.6%	23.2%	20.8%	19.0%
Employee did not respond to exit interview request	3.7%	3.7%	5.1%	2.3%	1.4%	2.7%	7.1%
Accepted an out-of-state teaching or leadership position	4.1%	3.6%	2.8%	3.2%	4.7%	3.9%	7.0%
Accepted a position outside the field of education	3.0%	3.6%	1.8%	4.4%	3.6%	4.5%	5.1%
Terminated	6.5%	6.2%	6.1%	3.3%	4.3%	5.0%	3.9%
Resigned - anticipating termination	N/A	N/A	N/A	N/A	N/A	N/A	2.8%
Resigned - dissatisfaction with school or district policies	1.7%	1.6%	0.3%	2.6%	1.9%	2.0%	1.6%
Accepted a non-teaching position within district	0.5%	0.8%	1.6%	0.7%	1.2%	1.7%	1.0%
Reduction in force/layoff	16.5%	18.3%	2.4%	2.2%	1.2%	1.0%	1.0%
Death	0.6%	0.4%	0.6%	0.4%	0.3%	0.8%	0.6%
License revoked	0.6%	0.7%	0.1%	0.2%	0.1%	0.1%	0.1%
Total surveyed	3,168	3,291	3,164	6,083	6,485	5,487	5,431

CHARTER SCHOOLS

Number of Charter Schools and Enrollment as a Percentage of Total Public School Enrollment

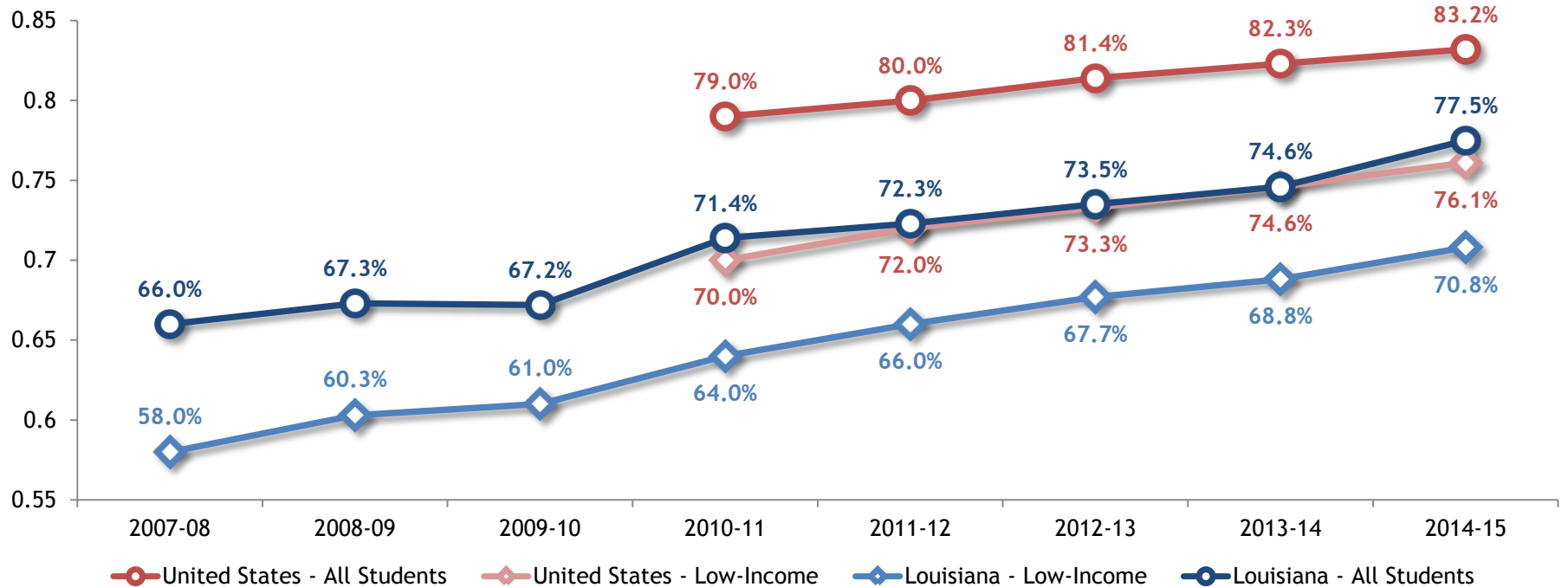


Source: Louisiana Department of Education

Note: Number of Charter Schools does not include closed schools.

GRADUATION RATES

Public High School 4-Year Adjusted Cohort Graduation Rate



Source: Louisiana Department of Education and the U.S. Department of Education; national data only available since 2010-11.

DEPARTMENT CONTACTS

Name	Phone Number	Email Address
Mr. John White State Superintendent	225.342.3974	john.white@la.gov
Ms. Erin Bendily Assistant Superintendent, Policy and Governmental Affairs	225.342.3772	erin.bendily@la.gov
Ms. Beth Scioneaux Deputy Superintendent, Management and Finance	225.342.3617	beth.scioneaux@la.gov