
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Diane M. Burkhart.

DIGEST

Provides for legislative approval of adjustments to SCR 125 of the 2005 R.S. for FY 2005-2006 MFP allocations that determine the cost of a minimum foundation program of education in all public elementary and secondary schools as well as to equitably allocate the funds to each parish, city and other local school systems as developed by the BESE and adopted by the board on Nov. 9, 2005.

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

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

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

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

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

The adjustments are:

Category 1 systems:

- Receive current monthly amounts for July `05 thru Oct. `05
- Receive 20% of the MFP total state and local Level 1 costs
- Receive 1/12th of MFP state share average per pupil amount (\$3809/12=\$317) for students enrolled on the 1st day of each month Nov. `05 thru May `06 (except January 9 `06)
- June `06 payments will be based on May `06 student membership count

Category 2 systems:

- Reduces funding to these systems by recognizing the loss in students being experienced from the student membership driving the SCR 125 allocations (10/1/04 count).
- Adjusts the funding allocation downward only for students enrolled in other La. school districts.
- Receive a onetime \$1,000 payment for each displaced student enrolled on November 1, 2005.

Category 3 systems:

Receive current monthly amounts

- Receive a onetime \$1,000 payment for each displaced student added based on 11/1/05.

Recovery School District:

- Existing RSD schools receive current monthly amounts for July '05 through Oct. '05.
- Existing RSD schools get 20% of MFP payments (Nov. '05-June '06); authorizes Dept. of Education to withhold \$50,000 per school for RSD operational expenses.
- Existing and new RSD schools enrolling students and resuming service receive state average per pupil amount times the number of students, adjusted monthly.
- Existing and new RSD schools receive June '06 payments based on May '06 enrollment.

Applicable to all categories:

- If 11/1/05 count exceeds 10/1/04 count by either fifty students or one percent, make mid-year adjustment for each new student based on MFP allocation per pupil amount for that system.
- Systems must use 70% of formula funds for instruction.

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

- State and local per pupil amount so that FY 05-06 funding increased by 5% and for years after the increase will be based on an index or 2.75%, whichever is greater.
- Student membership and weighted counts will be based on current year (10/1/06) basis starting in FY 06-07

- Local wealth calculations for Category 1 districts will be based on 25% of FY 04-05 data for FY 06-07 and FY 07-08.
- Local wealth calculations for Categories 2 and 3 systems will be based on FY 04-05 date for FY 06-07 and FY 07-08
- Category 1 receive an adjustment equal to 40% of the 20% of Level 1 to help in recovery efforts in FY 06-07 and years thereafter to pay retiree health insurance costs, reduced over time as students return.