

SENATE COMMITTEE AMENDMENTS

2021 Regular Session

Amendments proposed by Senate Committee on Education to Original Senate Concurrent Resolution No. 2 by Senator Fields

1 AMENDMENT NO. 1

2 On page 1, line 7, change "March 10, 2021" to "May 12, 2021"

3 AMENDMENT NO. 2

4 On page 1, at the end of line 9, change "March 10," to "May 12,"

5 AMENDMENT NO. 3

6 On page 1, delete lines 11 through 18, delete pages 2 through 30, and on page 31, delete
7 lines 1 through 27, and insert the following:

8 **" PROPOSED**

9 **FY 2020-2021 MINIMUM FOUNDATION PROGRAM FORMULA**

10 The FY 2021-2022 Minimum Foundation Program (MFP) formula was adopted by
11 the State Board of Elementary and Secondary Education on May 12, 2021. The
12 formula determines allocations for city, parish, or other public school systems or
13 schools. The definition of city, parish, or local public school systems and schools
14 shall include city or parish school systems, Recovery School District including direct
15 operated and Type 5 charter schools, Louisiana School for Math, Science, and the
16 Arts (LSMSA), New Orleans Center for Creative Arts (NOCCA), Thrive Academy,
17 New Type 2 Charter schools, Legacy Type 2 Charter schools, Type 3B Charter
18 schools, Office of Juvenile Justice (OJJ) schools, and Louisiana State University,
19 Southern University, and University of Louisiana at Lafayette Lab schools. The
20 formula is divided into four calculations as follows:

21 **Level 1** determines the minimum cost of education based on the education
22 needs of each student. The cost includes funding for students enrolled in city
23 and parish school systems, Recovery School District direct operated and
24 Type 5 Charter schools, New Type 2 Charter schools, and Type 3B Charter
25 schools. The cost is then shared equitably between the State and the city and
26 parish school systems based on the ability of the systems to support
27 education in their communities through local sales and property tax revenues.

28 **Level 2** provides an incentive for city and parish school systems to support
29 education in their communities above the minimum level of financial support
30 required.

31 **Level 3** provides specific legislative education funding to city, parish, or
32 other local public school systems or schools for Continuation of Certificated
33 and Support Worker pay raises, the Historical Formula Allocation, and
34 Mandated Operating Costs.

35 **Level 4** provides additional funding including:

- 36 ● Supplementary funding to meet specific needs at city, parish,
37 or other local school systems and schools including
38 International Associate Teacher Salary and Stipends
39 Allocation, Career Development Allocation, High Cost
40 Services Allocation, Supplemental Course Allocation,
41 Certificated and Support Staff Pay Raise Allocations, and
42 Certified Mentor Teacher Stipend Allocations.
- 43 ● Allocations for State-approved public school systems or
44 schools including Legacy Type 2 Charter schools, Louisiana
45 State University, Southern University, and University of
46 Louisiana at Lafayette Lab schools, New Orleans Center for
47 Creative Arts (NOCCA), Louisiana School for Math, Science,

and the Arts (LSMSA), Thrive Academy, and Office of Juvenile Justice (OJJ) schools.

- Mid-Year Allocation Adjustments to account for mid-year increases and decreases in students in all city, parish, or other local public school systems or schools.

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 city, parish, or other public school systems or schools 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.

I. FORMULA CALCULATIONS

A. Level 1: Calculate State and Local Cost Allocation

1. Determine Educational Costs

Eligible students from the following school systems and schools will be counted in both the Base and Weighted Student Memberships:

- a. City and parish school systems.
- b. State-Approved Public Schools - The student counts of New Type 2 Charter Schools shall be included in the membership and weighted student counts of the city or parish school system in which the student resides.
- c. Recovery School District - The student membership and weighted student counts of schools transferred to the Recovery School District, both direct operated and Type 5 Charter schools, shall continue to be included in the membership and weighted student counts of the city or parish school system from which jurisdiction of the school was transferred.

STEP ONE: Determine the Number of Eligible Students for the Base Count

The formula first counts each of the students enrolled on February 1 to determine the cost of education services. The formula utilizes the February 1 Student Membership Count to allocate funding beginning in July. The students eligible to be counted are identified in the Student Membership Definition adopted by the State Board of Elementary and Secondary Education. These students are counted as one (1.0) in the formula.

STEP TWO: Determine the Number of Students Eligible for the Weighted Student Count

The formula recognizes that providing educational services to meet the needs of particular students is more costly than regular educational services. Each special characteristic or need is given a numerical value referred to as a weight. The special needs of each student are taken into consideration by multiplying the student count for each eligible child (1.0) by each of the weights. This calculation provides additional students that are then added to the February 1 Student Membership Count to equal the Total Weighted Student Membership Count. The students and units eligible to be counted are identified in the Student Membership Definition adopted by the State Board of Elementary and Secondary Education. The following are the additional costs recognized by the formula:

Low Income and English Language Learner Weight - The formula recognizes that students living in poverty or students with a native language other than English are more likely to require additional educational services to be successful. To recognize that these services require additional costs, students that qualify for free or reduced price meals under the United States Department of Agriculture (USDA) School Food Service Program guidelines, or an alternative count as defined in the Student Membership Definition, and students identified as an English Language Learner are provided a weight of 22%.

Career and Technical Education Weight - The formula recognizes that the cost of providing materials and equipment, and teacher credentialing and training, for Career and Technical Education courses is above and beyond the cost of traditional

1 academic education. Each secondary career and technical education course in which
 2 a student is enrolled in both the fall and spring semesters is provided a weight of 6%.

3 **Special Education Weight** - The formula addresses the extra cost associated with
 4 the delivery of services required in order to meet the needs of students with
 5 disabilities. Students with disabilities that have an Individualized Education
 6 Program (IEP) plan developed according to State Board of Elementary and
 7 Secondary Education regulations are provided a weight of 150%.

8 **Gifted and Talented Weight** - The formula recognizes the cost of providing
 9 educational services to Gifted and Talented students that have an Individualized
 10 Education Program (IEP) Plan developed according to State Board of Elementary
 11 and Secondary Education regulations and are provided a 60% weight.

12 **Economy of Scale Weight** - This weight is provided for city or parish school
 13 systems to recognize a base amount of funding for fixed overhead costs that should
 14 be provided when student populations equal 7,500 students or less. The Economy
 15 of Scale Weight is calculated as a curvilinear weight of 20% at a student membership
 16 count of zero down to 0% at a student membership count equal to or greater than
 17 7,500. To calculate this weight, the February 1 Student Membership Count for each
 18 city and parish school system is subtracted from 7,500 and divided by 37,500. The
 19 result of this calculation is then multiplied by each system's February 1 Student
 20 Membership Count to determine the weighted students.

21 **STEP THREE: Determine Total Weighted Student Membership Count**

22 **Formula:**

23 **Total Weighted Student Membership Count**

24 **Equals**

25 **February 1 Student Membership Count (1.0)**

26 **Plus**

27 **Low Income and English Language Learner Weight**

28 **Career and Technical Education Weight**

29 **Special Education Weight**

30 **Gifted and Talented Weight**

31 **Economy of Scale Weight**

32 **STEP FOUR: Identify the State and Local Base Cost Per Pupil**

33 **Formula:**

34 **The State and Local Base Cost Per Pupil shall equal \$4,015.**

35 **STEP FIVE: Determine Total MFP Educational Costs**

36 **Formula:**

37 **Total MFP Educational Costs**

38 **Equals**

39 **Total Weighted Student Membership Count**

40 **Multiplied by**

41 **State and Local Base Cost Per Pupil**

42 **2. Determine State and Local Cost Allocation**

43 The Total MFP Educational Costs are shared between the State and the city or parish
 44 school systems. The ability of school systems to support the cost of education in
 45 their communities is measured by the potential to raise local revenue. This potential
 46 contribution is measured by the following three factors using the latest available data
 47 as reported through the Annual Financial Report (AFR) as required by R.S. 17:92.

48 1. Local Property Tax Revenue Contribution

49 2. Local Sales Tax Revenue Contribution

50 3. Other Local Revenue Contribution

51 **STEP ONE: Determine the Local Property Tax Revenue Contribution**

52 **Formula:**

53 **Local Property Tax Revenue Contribution**

54 **Equals**

55 **State Computed Property Tax Millage (debt and non-debt)**

56 **Times**

57 **Net Assessed Property Value**

58 **Net Assessed Property Value Increase Cap** - If a school system's Net Assessed
 59 Property Value has increased equal to or greater than 10% over the prior year Net
 60 Assessed Property Value, then the growth in the Net Assessed Property Value is
 61 capped at 10%. This cap is applied on a year-to-year basis comparing the current

1 year Net Assessed Property Value to the prior year uncapped Net Assessed Property
 2 Value.

3 Computed Property Tax Millage - The Computed Property Tax Millage is calculated
 4 annually at the rate necessary to maintain a state and local allocation ratio of
 5 65%/35%.

6 **STEP TWO: Determine the Local Sales Tax Revenue Contribution**

7 Formula:

8 **Local Sales Tax Revenue Contribution**

9 **Equals**

10 **Computed Sales Tax Base (debt and non-debt) (including TIF areas)**

11 **Multiplied By**

12 **State Computed Sales Tax Rate**

13 **Mid-Year Rate Increases** - If a local school system's sales tax goes into effect
 14 during the fiscal year, the tax rate is prorated to an annual rate applicable for the total
 15 revenue generated.

16 **Sales Tax Increase Cap** - If a system's Computed Sales Tax Base increased equal
 17 to or greater than 15% over the Computed Sales Tax Base calculated in the prior year
 18 formula, then the growth in the Computed Sales Tax Base will be capped at 15%
 19 over the amount used in the prior year formula. This cap will be applied on a
 20 year-to-year basis comparing the current year sales tax base to the prior year
 21 uncapped sales tax base.

22 **Computed Sales Tax Rate** - The Computed Sales Tax Rate is calculated annually
 23 at the rate necessary to maintain a state and local allocation ratio of 65%/35%.

24 **STEP THREE: Determine Other Local Revenue Contribution**

25 Formula:

26 **Other Local Revenue Contribution**

27 **Equals**

28 **State Revenue in lieu of taxes**

29 **Plus**

30 **Federal Revenue in lieu of taxes**

31 **Plus**

32 **50% of Earnings on Property**

33 **STEP FOUR: Determine Local Cost Allocation**

34 Formula:

35 **Local Cost Allocation**

36 **Equals**

37 **Property Tax Contribution**

38 **Plus**

39 **Sales Tax Contribution**

40 **Plus**

41 **Other Revenues Contribution**

42 **STEP FIVE: Determine State Cost Allocation**

43 Formula:

44 **State Cost Allocation**

45 **Equals**

46 **Total State and Local Cost**

47 **Minus**

48 **Local Cost Allocation**

49 **Minimum State Cost Allocation** - In no event shall the State Cost Allocation be less
 50 than 25% of Total Level 1 Cost for any city or parish school system.

51 **B. Level 2: Incentive for Local Effort**

52 Level 2 provides incentives for city and parish school systems that contribute a
 53 greater proportion of local revenues towards the cost of education in their
 54 communities by increasing local property and sales tax revenues. This effort is
 55 measured using the latest available data for the following sources of revenue as
 56 reported in the Annual Financial Report (AFR) as required in R.S. 17:92.

- 57 1. Total Sales Taxes
- 58 2. Total Property Taxes
- 59 3. State and Federal Revenue in Lieu of Taxes
- 60 4. 50% Earnings on Property Revenue

61 **STEP ONE: Determine Eligible Local Revenue**

1 **Formula:**
2 **Eligible Local Revenue**
3 **Equals**
4 **Total Sales Tax Revenue**
5 **Plus**
6 **Total Property Tax Revenue**
7 **Plus**
8 **State and Federal Revenue in Lieu of Taxes**
9 **Plus**
10 **50% of Earnings on Property Revenue**
11 **STEP TWO: Determine Local Revenue Eligible for Incentive**
12 **Formula:**
13 **Local Revenue Eligible for Incentive**
14 **Equals**
15 **Eligible Local Revenue**
16 **Minus**
17 **Local Cost Allocation**
18 **STEP THREE: Determine the Limit on Revenue Eligible for Incentive**
19 **Formula:**
20 **Limit on Revenue Eligible for Incentive**
21 **Equals**
22 **Total State and Local Cost Allocation Multiplied by 34%**
23 **STEP FOUR: Determine Local Support of Level 2 Incentive**
24 **Formula:**
25 **Local Support of Level 2 Incentive**
26 **Equals**
27 **Lesser of Local Revenue Eligible for Incentive or Limit on Local**
28 **Revenue Eligible for Incentive**
29 **Multiplied by**
30 **Local Cost Allocation Percentage (Level 1)**
31 **Multiplied by**
32 **Level 2 Incentive Factor**
33 **Level 2 Incentive Factor** - The Level 2 Incentive Factor determines the amount of
34 local support required in Level 2. In FY 2014-2015, the Level 2 Incentive Factor is
35 established at 1.72.
36 **STEP FIVE: Determine State Cost of Level 2 Incentive**
37 **Formula:**
38 **State Support of Level 2 Incentive**
39 **Equals**
40 **Lesser of Local Revenue Eligible for Incentive or Limit on Local**
41 **Revenue Eligible for Incentive**
42 **Minus**
43 **Local Support of Level 2 Incentive**
44 **C. Level 3: Legislative Allocations**
45 Level 3 provides funding for three programs that address funding for school systems
46 and schools regarding teacher and support worker pay raises, historical formula
47 allocations, and mandated operating costs, and are in addition to allocations provided
48 in Level 1 and 2. These allocations are as follows:
49 **Formula:**
50 **Total Level 3 Legislative Allocations**
51 **Equals**
52 **Continuation Pay Raises**
53 **Plus**
54 **Historical Formula Allocation**
55 **Plus**
56 **Mandated Costs in Health Insurance, Retirement, and Fuel**
57 **STEP ONE: Calculate Continuation Funding for Pay Raises**
58 **1.** Certificated Personnel Pay Raises were implemented in four recent years to
59 assist in increasing Teacher and School Leader pay to the Southern Regional
60 Average. These funds continue to be provided directly to systems and schools to
61 support these increased salaries.

a. Certificated Personnel Pay Raises provided in 2001-2002, 2006-2007, 2007-2008, and 2008-2009 will continue for each school system and school based on the calculated per pupil amount times the February 1 Student Membership Count.

2. Non-certificated Support Worker Pay Raises were implemented in three recent years to assist with increasing these salaries.

a. Non-certificated Support Worker Pay Raises provided in 2002-2003, 2006-2007, and 2007-2008 will continue for each school system and school based on the calculated per pupil amount times the February 1 Student Membership Count.

3. This provision applies to city and parish school systems, Recovery School District, New Orleans Center for Creative Arts (NOCCA), Louisiana School for Math, Science, and the Arts (LSMSA), Thrive Academy, Legacy Type 2 Charter Schools, New Type 2 Charter Schools, Type 3B Charter Schools, Louisiana State University, Southern University, and University of Louisiana at Lafayette Lab schools, and Office of Juvenile Justice (OJJ).

STEP TWO: Calculate Historical Formula Allocations

Allocations for Insurance and Pay Raises - The following school systems are being provided continuing funding for the 1994 insurance supplement and employee pay raises provided by the Legislature beginning in 1997 through 1999: East Baton Rouge, Iberville, Jefferson, Lafayette, Plaquemines, Pointe Coupee, St. Charles, St. James, and West Feliciana.

Redistribution Allocation - After setting aside the insurance and pay raise funding, the balance of the "Hold Harmless" funding was removed from these school districts over ten years from 2006-2007 to 2016-2017: Concordia, East Baton Rouge, Evangeline, Iberville, Jefferson, Plaquemines, St. Charles, St. James, and West Feliciana.

The amount of funding removed from the districts listed above is reserved and redistributed to the remaining city, parish or other local public school systems or schools. The total amount is divided by the total number of students within these same city, parish or other local public school systems or schools to calculate a per pupil amount. The allocation is determined using the per pupil amount multiplied by the current year student count.

STEP THREE: Determine Allocation for Increasing Mandated Costs in Health Insurance, Retirement, and Fuel

City, parish or other local public school systems or schools shall receive a minimum of \$100.00 for each student in the prior year February 1 membership to offset these increasing operational costs.

The following formula is applied to determine the Level 1, 2, and 3 State Cost Allocation Per Pupil:

Formula:

Level 1, 2, and 3 State Cost Allocation Per Pupil

Equals

Level 1 State Cost Allocation Per Pupil

Plus

Level 2 State Cost Allocation Per Pupil

Plus

Level 3 State Cost Allocation Per Pupil

D. Level 4: Supplementary Allocations

1. Specific Needs Allocations

Specific Needs Allocations provide funding for four allocations for specific purposes and is in addition to system level allocations from Levels 1, 2, and 3. These allocations are as follows:

Formula:

Total Level 4 Supplementary Allocations

Equals

International Language Associate Program Salary and Stipend Allocation

Plus

Career Development Allocation

Plus

1 **High Cost Services Assistance Allocation**
 2 **Plus**
 3 **Supplemental Course Allocation**
 4 **Plus**
 5 **2019-20 Certificated and Non-Certificated Pay Raises**
 6 **Plus**
 7 **2020-21 Certificated and Non-Certificated Pay Raises**
 8 **STEP ONE: Calculate International Language Associate Salary and Stipend**
 9 **Allocation**

10 **Salary Allocation** - Any city, parish, or other public school system or school
 11 employing an International Language Associate or a graduate of the Escadrille
 12 Louisiane program shall receive a supplemental allocation from State Board of
 13 Elementary and Secondary Education of \$21,000 per teacher. The state shall
 14 maintain support of the International Language Associate program at a maximum of
 15 300 International Language Associates employed in any given year.

16 These teachers shall be paid by the employing city, parish, or other local
 17 public school system or school at least the state average classroom teacher salary
 18 (without PIP) by years of experience and degree beginning with year three. Of the
 19 \$21,000 allocation, \$20,000 shall be allocated to the school where the teacher is
 20 employed and the funds used to support the total cost of the teacher salary, and the
 21 remaining amount shall be associated with costs of VISA sponsorship pursuant to
 22 State Board of Elementary and Secondary Education regulations.

23 **Stipend Allocation** - First year teachers will receive an installation incentive
 24 of an additional \$6,000; second and third year teachers will receive a retention
 25 incentive of an additional \$4,000. These amounts must be provided to each
 26 International Associate Teacher or Escadrille Louisiane graduate by each school
 27 district or school in which they are employed.

28 **STEP TWO: Career Development Allocation**

29 The cost of providing materials and equipment and teacher credentialing and
 30 training to attain a statewide industry-based credential is above and beyond the cost
 31 typically required for high school courses. An allocation will be provided to support
 32 the development of these technical courses required for statewide credentials in city
 33 and parish school systems and other public schools.

34 The first step in the allocation is to calculate six percent (6%) of the MFP
 35 State and Local Base Cost Per Pupil to determine the Career Development Per Pupil
 36 Amount. The Career Development Per Pupil Amount will be provided for each
 37 qualifying student course enrollment in grades 9 through 12.

38 If a city or parish school system receives less than \$25,000 from the Career
 39 Development Per Pupil Amount, then the city or parish school system will be
 40 provided an economies of scale minimum allocation of \$25,000. If other public
 41 school systems and schools containing grades 9 through 12 receive less than \$10,000
 42 from the Per Pupil Amount, then the other public school systems and schools
 43 containing grades 9 through 12 will be provided an economies of scale minimum
 44 allocation of \$10,000.

45 **Formula:**

46 **Career Development Allocation Per Pupil**
 47 **Equals**
 48 **MFP State and Local Base Cost Per Pupil**
 49 **Multiplied By**
 50 **Six Percent (6%)**

51 **Formula:**

52 **Career Development Allocation**
 53 **Equals**
 54 **Career Development Allocation Per Pupil**
 55 **Multiplied By**
 56 **Qualifying Student Course Enrollments**
 57 **in Grades 9 through 12**

58 **STEP THREE: Calculate High Cost Services Assistance**

59 High cost services for students with disabilities generate a particular budget
 60 challenge for city, parish, and other public school systems and schools.

1 In an effort to assist with these expenses, an allocation will be provided to
 2 city, parish, and other public school systems and schools which submit
 3 documentation as required by the Louisiana Department of Education substantiating
 4 that the prior year cost of services for a specific student exceeds three times the most
 5 recent state average total expenditure per pupil amount.

6 Once costs associated with providing services for a student with a disability
 7 or disabilities have been verified, the city or parish school system or other public
 8 school will be eligible to receive an allocation to assist with these costs. The
 9 allocation will be limited by the amount budgeted for the High Cost Services
 10 Assistance Allocation. So as to be equitably distributed, the total allocation provided
 11 to city and parish school systems versus other public schools shall be proportional
 12 to the share of total qualifying applications submitted by city and parish school
 13 systems versus other public schools.

14 The first step in the allocation will be to calculate the impact of these costs
 15 on the budget of the school system or school using the latest available state and local
 16 revenue data. The High Cost Services requested for reimbursement will be reduced
 17 by the MFP state and local amount allocated on behalf of each student from Levels
 18 1, 2, and 3. The next step will rank the Percent (%) Impact from highest to lowest
 19 percent, with two separate rank listings for school systems and other public schools.

20 **Formula:**

21 **Percent (%) Impact on Budget**

22 **Equals**

23 **Cost of Services**

24 **Divided By**

25 **Total State and Local Revenue**

26 The two ranked listings will be divided into four tiers and allocations will be
 27 provided based on a percentage from one hundred percent reimbursement in the
 28 highest funded tier with smaller percentages reimbursed in the lower tiers based on
 29 where the school system or school falls within the tiers on one of the two lists.

30 **STEP FOUR: Calculate Supplemental Course Allocation**

31 Pursuant to R.S. 17:4002.1 through 4002.6, the Supplemental Course
 32 Allocation shall provide for the cost of secondary course choices specifically
 33 approved by the State Board of Elementary and Secondary Education. For each city
 34 and parish school system and other public school, the allocation shall equal the
 35 number of students enrolled in grades 7 through 12 as of February 1 each year
 36 multiplied by \$59 per pupil.

37 **Formula:**

38 **Supplemental Course Allocation for School Systems or Other Public**
 39 **Schools**

40 **Equals**

41 **Supplemental Course Allocation Per Pupil**

42 **Multiplied By**

43 **Number of Students in Grades 7 through 12**

44 If the entire allocation is not committed by the city or parish public school
 45 systems or other public school by a date set forth by the Louisiana Department of
 46 Education, the original allocation will be reduced by the uncommitted amount. The
 47 total uncommitted amount from each city or parish public school systems or other
 48 public school will be reallocated to those city or parish public school systems or
 49 other public schools that obligated one hundred percent of their original allocation
 50 based on criteria set forth by the Louisiana Department of Education.

51 **STEP FIVE: Calculate 2019-20 Certificated and Non-Certificated Pay Raises**

52 **1. Certificated Personnel Pay Raise**

53 Each city, parish, or other public school district or school shall receive
 54 \$1,000 plus the current year annual retirement contribution rate as
 55 established for the Teachers' Retirement System of Louisiana in the actuarial
 56 valuation approved by the Public Retirement Systems' Actuarial Committee
 57 based on the staffing data submitted to the official department personnel data
 58 reporting system as of October 1 to provide an across the board \$1,000 pay
 59 raise and any associated retirement for K-12 classroom educators and other
 60 certificated K-12 personnel defined per Louisiana Department of Education
 61 Bulletin 1929 to include:

1 Teachers (all function codes 1000-2200s, object code 112);
 2 Therapists/Specialists/Counselors (function codes 1000-2200s, object
 3 code 113); School Site-based Principals, Assistant Principals, and
 4 Other School Administrators (function code 2400s, object code 111);
 5 Central Office Certificated Administrators (function codes 1000-2200
 6 & 2324, 2831, and 2832 (excluding 2130s), object code 111); School
 7 Nurses (function code 2134, object code 118); and Sabbaticals
 8 (function codes 1000-2200s, 2134, and 2400s, object code 140).

9 **2. Non-Certificated Personnel Pay Raise**

10 Each city, parish, or other public school district or school shall receive \$500
 11 plus the current year annual retirement contribution rate as established for the
 12 Louisiana School Employees' Retirement System in the actuarial valuation
 13 approved by the Public Retirement Systems' Actuarial Committee based on
 14 the staffing data submitted to the official department personnel data reporting
 15 system as of October 1 to provide an across the board \$500 pay raise and
 16 associated retirement for non-certificated K-12 personnel defined per
 17 Louisiana Department of Education Bulletin 1929 to include:

18 Aides (function codes 1000-4900s, object code 115); Support
 19 Supervisors (function codes 2130s, 2300s (excluding 2311, 2321,
 20 2324, 2831 and 2832) and 2500-4900s, object code 111);
 21 Clerical/Secretarial (function codes 1000-4900s, object code 114);
 22 Service Workers (function codes 1000-4900s, object code 116);
 23 Skilled Craftsmen (function codes 1000-4900s, object code 117);
 24 Degreed Professionals (function codes 1000-4900s, (excluding
 25 2134s) object code 118); and Other Personnel (function codes
 26 1000-4900s, object codes 100, 110 and 119).

27 **STEP SIX: Calculate 2021-22 Certificated and Non-Certificated Pay Raises**

28 **1. Certificated Personnel Pay Raise**

29 Each city, parish, or other public school district or school shall receive \$800
 30 plus the current year annual retirement contribution rate as established for the
 31 Teachers' Retirement System of Louisiana in the actuarial valuation approved
 32 by the Public Retirement Systems' Actuarial Committee based on the staffing
 33 data submitted to the official department personnel data reporting system as
 34 of October 1 to provide an across the board \$800 pay raise and any
 35 associated retirement for K-12 classroom educators and other certificated
 36 K-12 personnel defined per Louisiana Department of Education Bulletin
 37 1929 to include:

38 Teachers (all function codes 1000-2200s, object code 112);
 39 Therapists/Specialists/Counselors (function codes 1000-2200s, object
 40 code 113); School Site-based Principals, Assistant Principals, and
 41 Other School Administrators (function code 2400s, object code 111);
 42 Central Office Certificated Administrators (function codes 1000-2200
 43 & 2324, 2831, and 2832 (excluding 2130s), object code 111); School
 44 Nurses (function code 2134, object code 118); and Sabbaticals
 45 (function codes 1000-2200s, 2134, and 2400s, object code 140).

46 **2. Non-Certificated Personnel Pay Raise**

47 Each city, parish, or other public school district or school shall receive \$400
 48 plus the current year annual retirement contribution rate as established for the
 49 Louisiana School Employees' Retirement System in the actuarial valuation
 50 approved by the Public Retirement Systems' Actuarial Committee based on
 51 the staffing data submitted to the official department personnel data reporting
 52 system as of October 1 to provide an across the board \$400 pay raise and
 53 associated retirement for non-certificated K-12 personnel defined per
 54 Louisiana Department of Education Bulletin 1929 to include:

55 Aides (function codes 1000-4900s, object code 115); Support
 56 Supervisors (function codes 2130s, 2300s (excluding 2311, 2321,
 57 2324, 2831 and 2832) and 2500-4900s, object code 111);
 58 Clerical/Secretarial (function codes 1000-4900s, object code 114);
 59 Service Workers (function codes 1000-4900s, object code 116);
 60 Skilled Craftsmen (function codes 1000-4900s, object code 117);
 61 Degreed Professionals (function codes 1000-4900s, (excluding

1 2134s) object code 118); and Other Personnel (function codes
2 1000-4900s, object codes 100, 110 and 119).

3 **2. Allocations for Other Public Schools**

4 **STEP ONE: Louisiana State University, Southern University, and University**
5 **of Louisiana at Lafayette Laboratory Schools**

6 1. State Cost Allocation
7 a. The February 1 Student Membership count at the Louisiana
8 State University, Southern University, and University of Louisiana at
9 Lafayette Lab Schools shall be multiplied by the Average State Cost
10 Allocation Per Pupil to equal the Louisiana State University, Southern
11 University, and University of Louisiana at Lafayette Lab Schools State Cost
12 Allocation.

13 b. Funds appropriated for these schools shall be allocated to the
14 institution of higher education operating such a school. Each such institution
15 of higher education shall ensure the equitable expenditure of such funds to
16 operate such schools.

17 **STEP TWO: Legacy Type 2 Charter Schools**

18 A Legacy Type 2 Charter school is a Type 2 Charter school approved by the State
19 Board of Elementary and Secondary Education before July 1, 2008.

20 1. State Cost Allocation
21 a. Any Legacy Type 2 Charter school shall annually be allocated
22 funds as determined by applying the formula contained in R.S. 17:3995.
23 b. The State Cost Allocation equals the number of students
24 multiplied by the State Per Pupil for the system where the student resides.

25 2. Local Cost Allocation
26 a. Any Legacy Type 2 Charter school shall annually be allocated
27 funds as determined by applying the formula contained in R.S. 17:3995.
28 b. The Local Cost Allocation equals the number of students
29 multiplied by the Local Per Pupil for the system where the student resides.

30 c. For any student enrolled in a Legacy Type 2 Charter school,
31 the Local Cost Allocation shall be funded by the State.

32 3. The exclusion of any portion of local revenues specifically dedicated
33 by the legislature or by voter approval to capital outlay or debt
34 service shall be applicable only to a charter school housed in a
35 facility or facilities provided by the district in which the charter
36 school is located.

37 **STEP THREE: Office of Juvenile Justice (OJJ) Schools**

38 1. Eligible Schools - Any elementary and secondary school operated by
39 the Office of Juvenile Justice (OJJ) in a secure care facility shall be
40 considered a public elementary or secondary school and, as such, the
41 Office of Juvenile Justice (OJJ) shall be annually appropriated funds
42 for these students.

43 2. Eligible Students - Each student counted in the prior year average
44 daily membership, as defined by the State Board of Elementary and
45 Secondary Education in the Student Membership Definition, is
46 calculated by dividing the number of days the student is under the
47 guidance and direction of teachers by the total instructional days
48 during the specified school year.

49 3. Allocation - The Office of Juvenile Justice (OJJ) shall annually be
50 allocated funds for the eligible students. For each student enrolled in
51 these schools, both a State Cost Allocation and a Local Cost
52 Allocation shall be provided.

53 4. State Cost Allocation
54 a. The State Cost Allocation is equal to the State Cost Allocation
55 Per Pupil for the system where each student resided prior to
56 adjudication multiplied by the prior year average daily membership
57 of the Office of Juvenile Justice schools.

58 b. The State Cost Allocation Per Pupil allocation shall be
59 adjusted based on a factor determined by the Louisiana Department
60 of Education to provide for the differential in the number of

1 educational days provided to the students in the custody of the Office
 2 of Juvenile Justice (OJJ).

3 c. Additionally, the State Cost Allocation Per Pupil shall be
 4 adjusted based on a factor determined by the Louisiana Department
 5 of Education to recognize the increased number of special education
 6 students in the Office of Juvenile Justice (OJJ) schools relative to the
 7 state average special education student population.

8 d. The average daily membership will be reconciled on an
 9 annual basis using the latest available data.

10 5. Local Cost Allocation

11 a. Each student counted in the prior year average daily
 12 membership, as defined by the State Board of Elementary and
 13 Secondary Education, shall be provided for and funded from the
 14 minimum foundation program a Local Cost Allocation Per Pupil
 15 equal to the Local Cost Allocation Per Pupil for the district where the
 16 student resided prior to adjudication.

17 b. The Local Cost Allocation is equal to the Local Cost
 18 Allocation Per Pupil for the system where each student resided prior
 19 to adjudication multiplied by the prior year average daily
 20 membership of the Office of Juvenile Justice schools.

21 c. For the purpose of the Local Cost Allocation Per Pupil, the
 22 average daily membership of the Office of Juvenile Justice (OJJ)
 23 shall be included in the membership counts of the city, parish, or
 24 other local public school board in which the student resided prior to
 25 adjudication to the Office of Juvenile Justice.

26 d. For a district(s) that shares local revenue, the allocation for
 27 the Office of Juvenile Justice will be completed before the
 28 calculation of local revenues.

29 e. The Local Cost Allocation Per Pupil shall be funded with a
 30 transfer of the MFP monthly amount representing the Local Cost
 31 Allocation Per Pupil from the city, parish, or other local public school
 32 board in which the attending students resided prior to adjudication to
 33 the Office of Juvenile Justice (OJJ).

34 f. The average daily membership will be reconciled on an
 35 annual basis using the latest available data.

36 3. **Mid-Year Student Allocations**

37 a. Student counts in October and February may result in
 38 mid-year allocation adjustments for the following: city and parish
 39 school systems, Recovery School District, New Type 2 Charter
 40 schools, Legacy Type 2 Charter schools, Type 3B Charter schools,
 41 Louisiana State University, Southern University, and University of
 42 Louisiana at Lafayette Lab schools, Louisiana School for Math,
 43 Science and the Arts (LSMSA), New Orleans Center for Creative
 44 Arts (NOCCA), and Thrive Academy.

45 b. If the current year October 1 Mid-Year Student Count is more
 46 or less than the prior year February 1 student count, an adjustment to
 47 the current year allocation shall be made for each student gained or
 48 lost. The October adjustment equals the number of students gained
 49 or lost times the annual State Cost per pupil allocation amount for the
 50 system or school in which the change occurred. The February
 51 adjustment equals the number of students gained or lost times
 52 one-half of the State Cost per pupil allocation for the system or
 53 school in which the change occurred.

54 c. Individual adjustments shall be made for increases or
 55 decreases in the October or February Mid-Year Student Counts for
 56 the Recovery School District, the system of prior jurisdiction, and
 57 Type 5 Charter schools.

58 d. Mid-Year adjustments for the Recovery School District shall
 59 utilize the final State Cost per pupil allocation for the system of prior
 60 jurisdiction.

e. If the Recovery School District qualifies for an October Mid-Year Adjustment to the State Cost per pupil allocation, a Mid-Year adjustment shall also be made to the Local Cost per pupil allocation for the system of prior jurisdiction. The October Local Cost per pupil allocation shall be recalculated based on updated revenue data for the system of prior jurisdiction. There shall be no recalculation of the Local Cost per pupil allocation in conjunction with the February 1 student count.

f. City, Parish, or Local public school systems or schools in the first year of operation are not eligible for an October Mid-Year Adjustment. However, their allocation will be finalized using October 1 data. The newly opened city, parish, or local public school systems or schools will qualify for the February 1 mid-year adjustment.

g. October and February Mid-Year Adjustments shall be combined and applied in the March through June payments.

Total MFP State Cost Allocation

Formula:

Total MFP State Cost Allocation

Equals

Level 1 State Cost Allocation

Plus

Level 2 State Cost Allocation

Plus

Level 3 State Cost Allocation

Plus

Level 4 State Cost Allocation

II. FORMULA CALCULATIONS FOR STATE-APPROVED PUBLIC SCHOOLS

A. Recovery School District

1. State Cost Allocation

a. Once all final calculations are made, the final State Cost Allocation Per Pupil Amount for the city or parish school system which counted the Recovery School District students will be multiplied by the February 1 Recovery School District Student Membership Count to equal the Recovery School District State Cost Allocation.

b. In a system with one or more Type 3B charter schools, if the Type 3B charter is not its own LEA, the local school system shall distribute minimum foundation program formula funds to each Type 3B charter school in the system pursuant to calculations determined by the Louisiana Department of Education. If the Type 3B charter is its own LEA, such payments shall be made to the Type 3B charter school by the Louisiana Department of Education. Such calculations shall include differentiated funding weights for certain students, including students identified as being eligible for special education services. The calculations shall ensure equity so that each Type 3B charter school in the system receives a per-pupil amount equal to the amount a Type 5 charter school located in the same parish or school system boundary would have received from the Recovery School District (RSD).

2. Local Cost Allocation

a. In addition to the State Cost Allocation, the Recovery School District shall receive an applicable Local Cost Allocation.

Formula:

Local Cost Allocation Per Pupil

Equals

Projected Local Revenues from District of Prior Jurisdiction

Divided by

Total School District Membership (Recovery School District Student Membership Count plus Student Membership Count for the system of

prior jurisdiction plus New Type 2 Charter school students residing in the jurisdiction)

b. To begin the fiscal year, the Local Cost allocation is based on eligible projected local revenues for the most recent prior fiscal year from the city or parish school district that had jurisdiction of the school prior to its transfer.

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

- 1. Sales and use taxes, less any tax collection fee paid by the school system
- 2. Ad valorem taxes, less any tax collection fee paid by the school system
- 3. Earnings from sixteenth section lands owned by the school system

d. The exclusion of any portion of local revenues specifically dedicated by the legislature or by voter approval to capital outlay or debt service shall be applicable only to a charter school housed in a facility or facilities provided by the system in which the charter school is located.

e. The projected local revenues shall be divided by the Total School District Membership Count including the Recovery School District Student Membership Count, both operated and charter schools, plus the Student Membership Count of the system of prior jurisdiction. If any New Type 2 Charter School student resides within the physical boundaries of the system of prior jurisdiction, this school the student attends shares in the local revenues of the system of prior jurisdiction. As a result, the New Type 2 Charter School Student Membership Count of the students residing in the jurisdiction will be added to the Recovery School District and the system of prior jurisdiction Student Membership Count.

f. The Local Cost Allocation for the Recovery School District is determined by multiplying the local revenue per pupil times the number of Recovery School District students used in the MFP final allocation.

Formula:

Local Cost Allocation

Equals

Projected Local Revenues from District of Prior Jurisdiction Per Pupil Multiplied By

Recovery School District Student Membership Count

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

h. Based on the October 1 Student Membership Count, the local revenue allocation per student will be recalculated and there will be a corresponding adjustment in the local revenue allocation. No recalculation of the local revenues per student will occur as a result of the February 1 Student Count adjustment.

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

j. A final reconciliation will occur based upon the receipt of the annual audited financial statements of the system of prior jurisdiction. If an increase or decrease in local revenue collections exists, the state superintendent may establish a payment schedule. In

1 the event that the fiscal status of the system of prior jurisdiction or
2 the Recovery School District changes during the fiscal year or on or
3 before the final reconciliation, the state superintendent may adjust the
4 local revenue based on the revenues identified.

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

11 **B. New Type 2 Charter Schools**

12 A New Type 2 Charter school is a Type 2 Charter school approved after July 1,
13 2008, by the State Board of Elementary and Secondary Education.

14 1. State Cost Allocation
15 a. Any New Type 2 Charter School shall annually be provided
16 a State Cost Allocation as determined by applying the formula
17 contained in R.S. 17:3995.

18 b. The State Cost Allocation equals the number of students
19 multiplied by the State Cost Allocation Per Pupil for the system in
20 which the student resides.

21 c. Mid-Year Adjustments shall adhere to the guidelines
22 established in this document.

23 2. Local Cost Allocation

24 a. Any New Type 2 Charter school shall annually be provided
25 a Local Cost Allocation by applying the formula contained in R.S.
26 17:3995.

27 b. The Local Cost Allocation equals the number of students
28 multiplied by the Local Cost Allocation Per Pupil for the system in
29 which the student resides.

30 c. One exception to R.S. 17:3995 is that the Local Cost
31 allocation will be funded with a transfer of the MFP monthly amount
32 representing the Local Cost Allocation from the city or parish school
33 system in which the attending students reside.

34 d. The city or parish where students attending the New Type 2
35 Charter school reside is the local taxing authority and shall provide
36 the local support for the students.

37 e. Mid-Year Adjustments will adhere to the guidelines
38 established in this document.

39 3. Virtual Charter schools may receive, as approved by the State Board of
40 Elementary and Secondary Education, a lesser percentage of the state and
41 local amount calculated in R.S. 17:3995.

42 4. Where student attendance is from multiple school systems, the
43 Department of Education shall determine the Local Cost Allocation based on
44 students reported by the schools. The student membership count of the New
45 Type 2 charter schools shall be included in the membership count of the city
46 or parish school board in which the student resides to determine the Local
47 Cost Allocation.

48 5. In the first year of operation, a New Type 2 Charter school shall be
49 allocated funding based on an estimated student count since a February 1
50 student count does not exist. The allocation will be finalized based on the
51 October 1 student count.

52 6. The exclusion of any portion of local revenues specifically dedicated by
53 the legislature or by voter approval to capital outlay or debt service shall be
54 applicable only to a charter school housed in a facility or facilities provided
55 by the district in which the charter school is located.

56 **C. Louisiana School for Math, Science, and the Arts (LSMSA), New Orleans**
57 **Center for Creative Arts (NOCCA), and Thrive Academy.**

58 1. The Louisiana School for Math, Science and the Arts (LSMSA), New
59 Orleans Center for Creative Arts (NOCCA), and Thrive Academy shall be
60 provided both a State and Local Cost allocation.

61 2. State Cost Allocation

a. The State Cost Allocation shall be based on the State Cost Allocation Per Pupil for the city or parish school system where the attending students reside.

3. Local Cost Allocation

a. The Local Cost Allocation will be based on the Local Cost Allocation for the city or parish school system where the attending students reside.

b. For any student enrolled in LSMSA, NOCCA, or Thrive Academy, the Local Cost Allocation Per Pupil shall be funded by the State.

c. Where student attendance is from multiple school systems, the Department of Education shall determine the Local Cost Allocation based on students reported by the schools.

III. FORMULA PROCEDURES

A. Preliminary Allocation

1. The Minimum Foundation Program formula for the upcoming fiscal year adopted by the State Board of Elementary and Secondary Education, along with a preliminary allocation schedule representing the estimated cost of the proposed formula, shall be submitted to the Joint Legislative Committee on the Budget and to the House and Senate Education Committees for consideration no later than March 15.

2. This preliminary allocation shall utilize student and other input data available at the time.

B. Final Allocation

Final allocations for the fiscal year in which the formula takes effect will be determined no later than June 30 of the preceding fiscal year. The latest available data will be utilized to calculate the final allocation except that student count estimates will be utilized for school systems or charter schools opening for the first time in the fiscal year beginning July 1. For first-year city, parish, or other public school systems or schools, the final allocation will be based on the October 1 count, once available.

IV. FORMULA PAYMENTS

A. Payment Procedures

The Total MFP State Cost Allocation for city, parish, and other school systems and schools will be converted to monthly payments from July through June each year except payments will be made on Level 4 allocations as data becomes available.

B. Requested Payment Adjustments

If the city, parish, or other school systems and schools have documented growth in students prior to the actual Mid-Year Student Counts in October and February, a temporary change to the final allocation may be requested. The State Superintendent is authorized to approve or deny this revision.

1. Sufficient documentation will be requested to substantiate this requested allocation adjustment.

2. The adjusted allocation will remain in effect until the actual October or February Mid-Year Student Count. Once the Mid-Year Student Count is final, reconciliation will be completed and payments adjusted accordingly.

C. Payment Adjustments for Audit Findings

Review and/or audit of the systems' or schools' 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. These adjustments are applicable to the following: city or parish school systems, Recovery School District, Type 2 Charter schools, Type 3B Charter schools, Louisiana State University, Southern University, and University of Louisiana at Lafayette Lab schools, Office of Juvenile Justice (OJJ) schools, Louisiana School for Math, Science and the Arts (LSMSA), New Orleans Center for Creative Arts (NOCCA), and Thrive Academy.

V. 70% EXPENDITURE REQUIREMENT

To provide for appropriate accountability of state funds while providing city, parish, or local public school systems or other public schools flexibility in determining specific expenditures, city, parish, or local public school systems or other public schools must ensure that at least 70% of the city, parish, or local public school system or other public school general fund expenditures are in the areas of instruction and school administration at the school building level as developed by the Louisiana Department of Education and defined by the State Board of Elementary and Secondary Education regulations.

VII. SEVERABILITY PROVISION

If any provision of this minimum foundation formula or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of this minimum foundation formula which can be given effect without the invalid provisions or applications, and to this end the provisions of this minimum foundation formula are hereby declared severable. The severability provision hereof shall be broadly construed so as to give effect to each and every possible provision or application of this minimum foundation formula which is not specifically held invalid, unlawful, or unconstitutional."

AMENDMENT NO. 4

On page 32, at the end of line 3, change "March 10, 2021" to "May 12, 2021"