



# Louisiana Senate Finance Committee



## FY19 Executive Budget

### 19 – Department of Education

May 2018

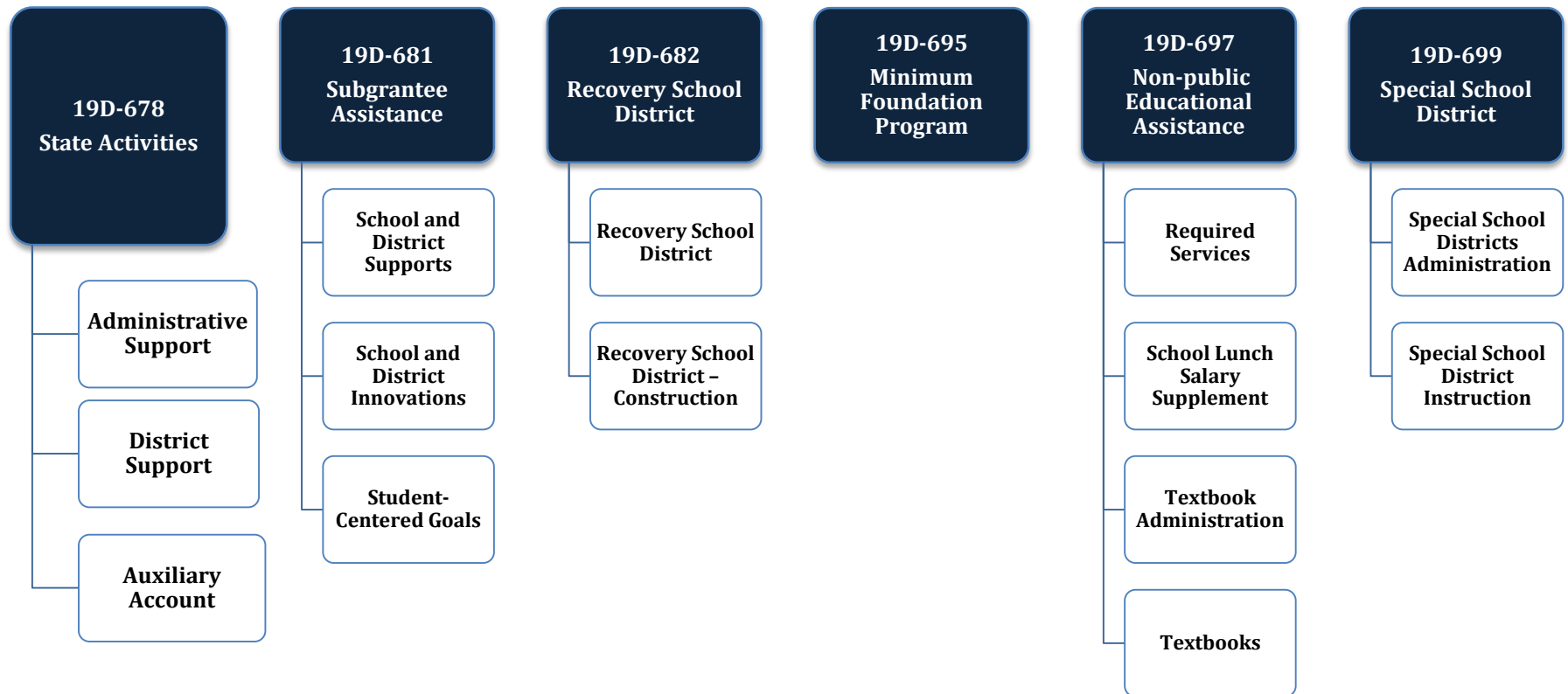
*Sen. John A. Alario, President*  
*Sen. Eric LaFleur, Chairman*



# FY19 Executive Budget

## Schedule 19 — Department of Education

Departmental mission — The Louisiana Department of Education's primary goal is to ensure that all students, at every grade level, are on track to attain a college degree or succeed in a professional career.

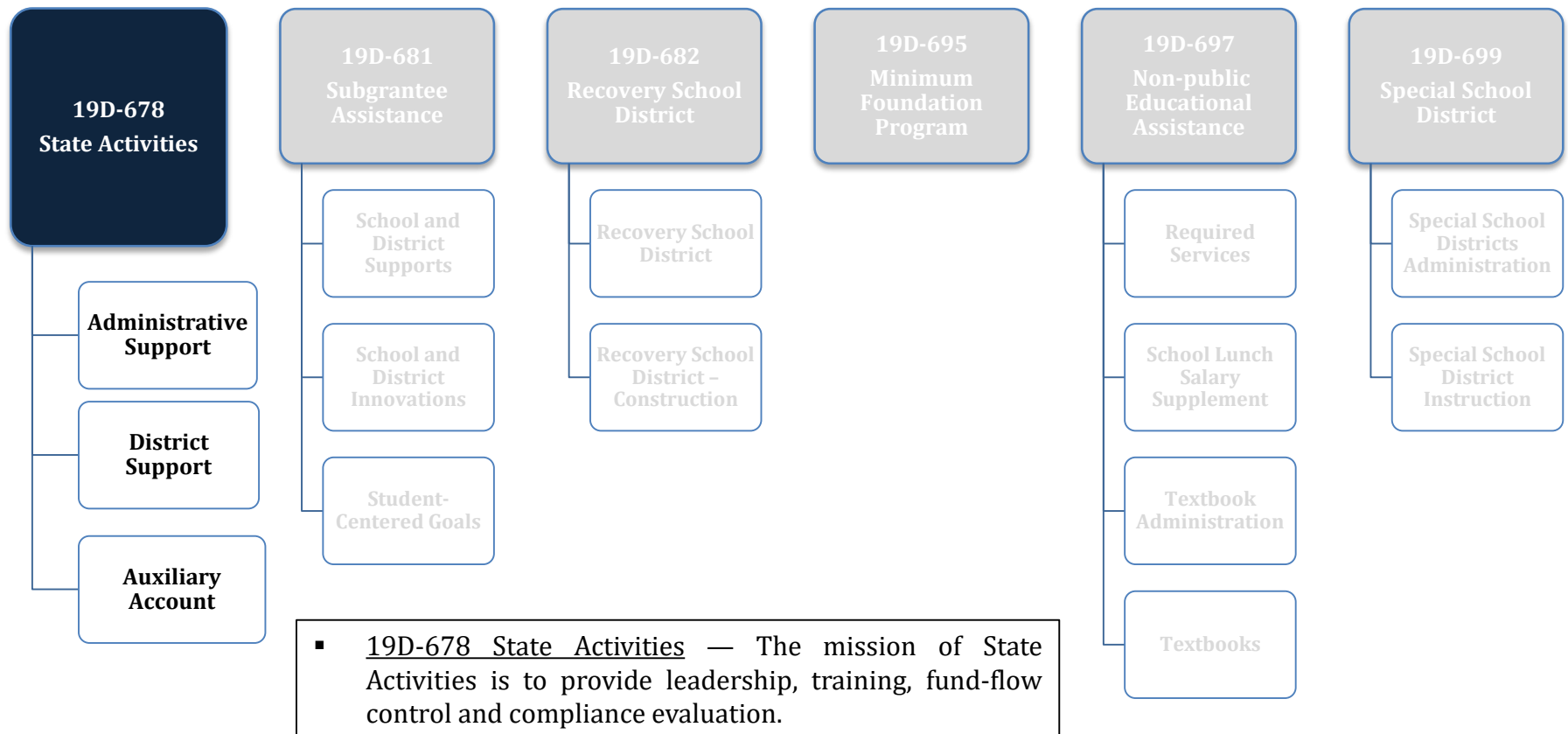




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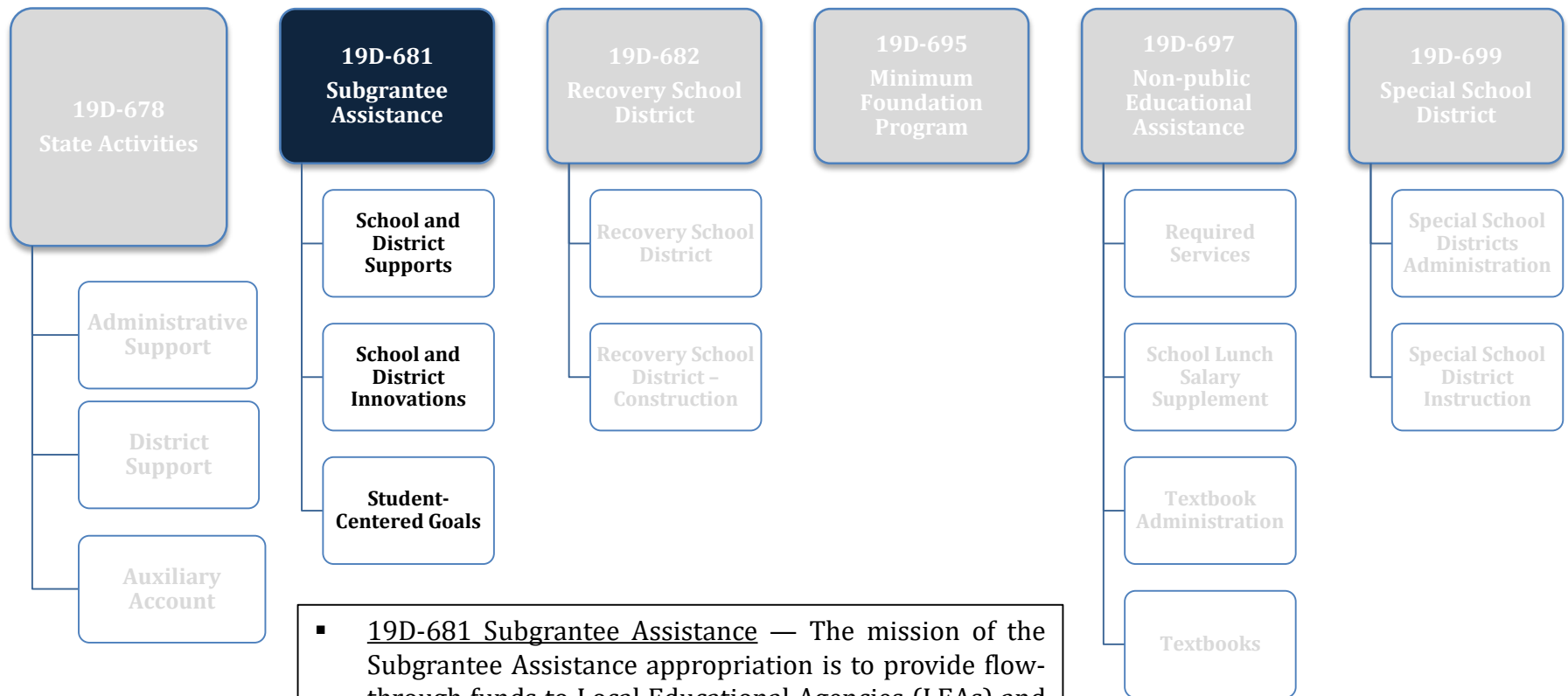




# FY19 Executive Budget

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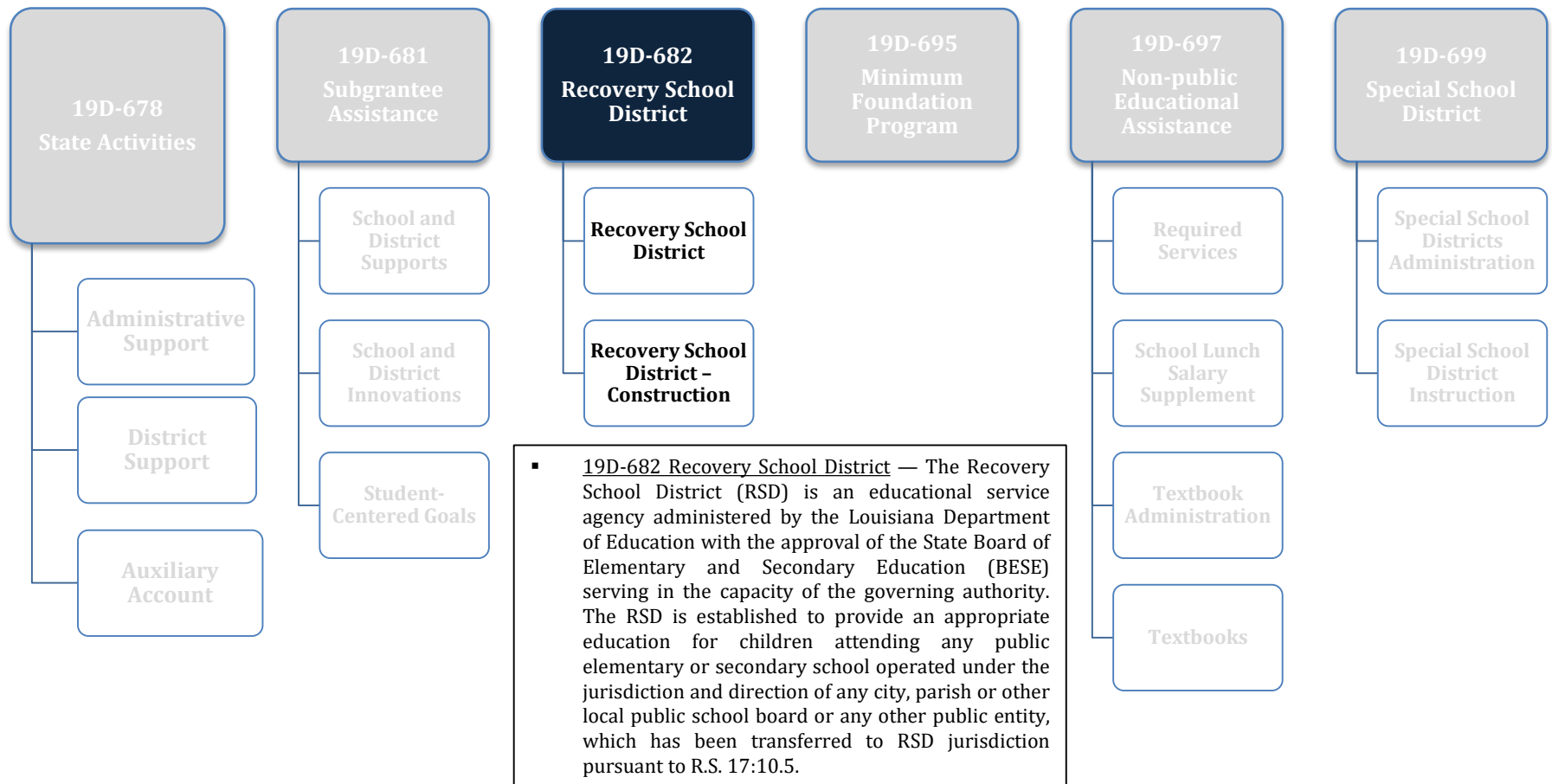
- 19D-681 Subgrantee Assistance — The mission of the Subgrantee Assistance appropriation is to provide flow-through funds to Local Educational Agencies (LEAs) and other entities for the development of programs that enhance learning environments.



# FY19 Executive Budget

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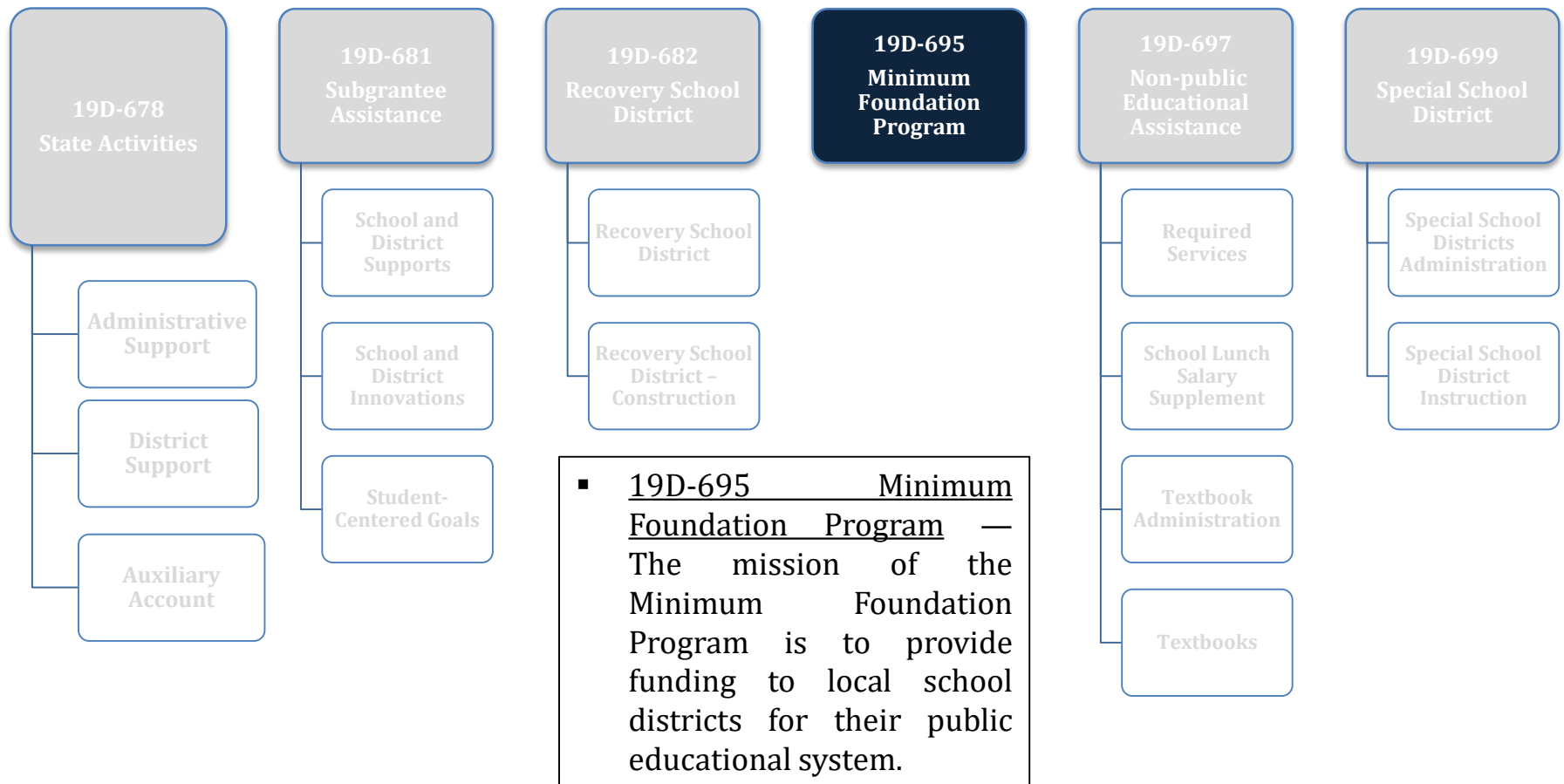




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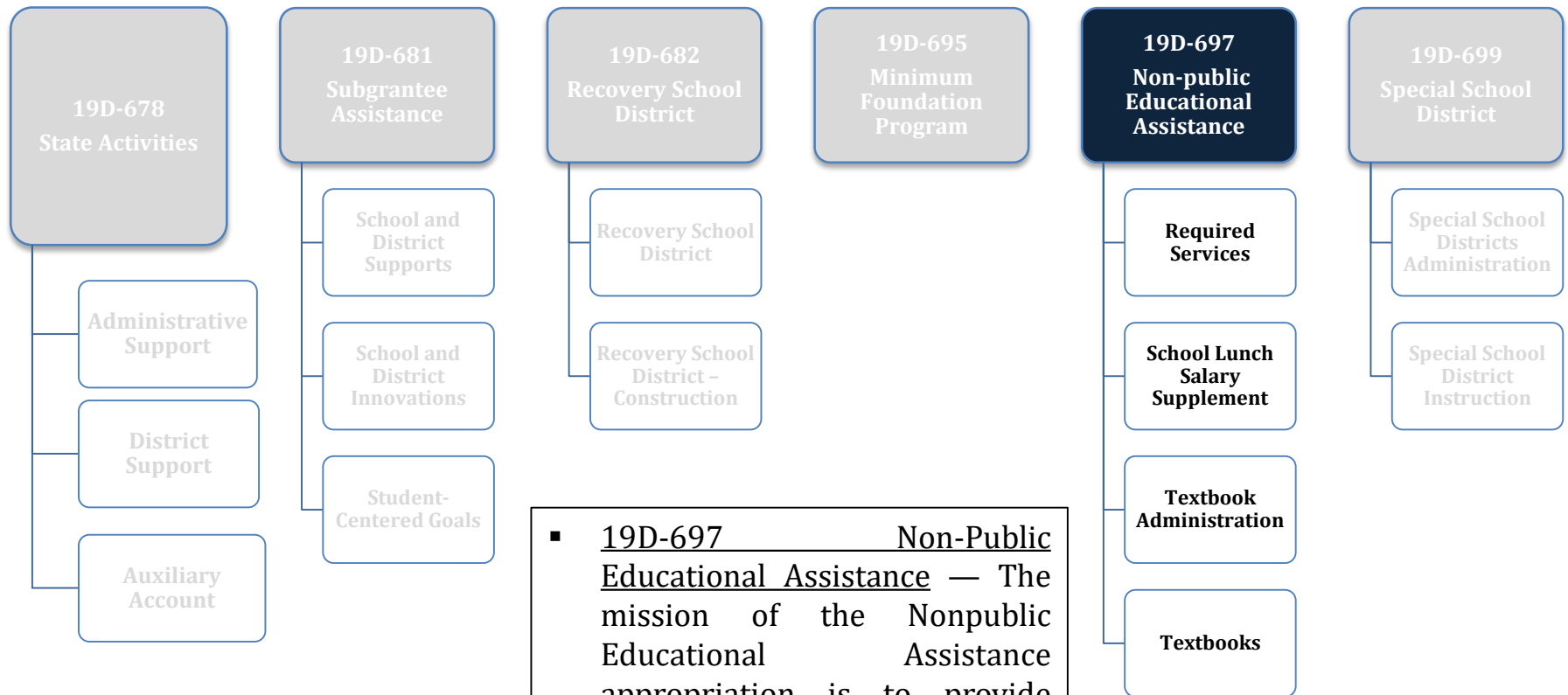




# FY19 Executive Budget

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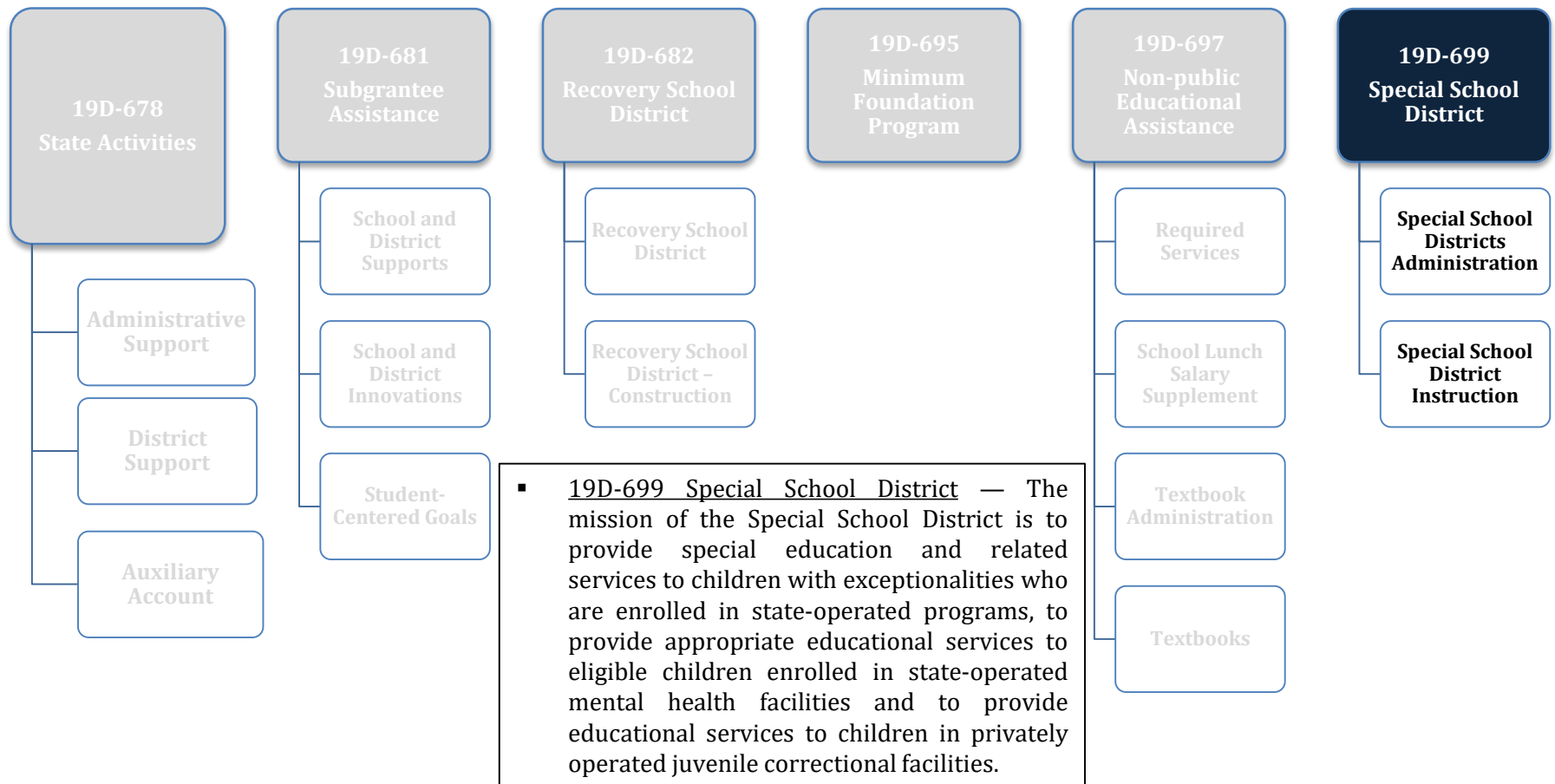
- 19D-697 Non-Public Educational Assistance — The mission of the Nonpublic Educational Assistance appropriation is to provide funds to benefit approved nonpublic schools.



# FY19 Executive Budget

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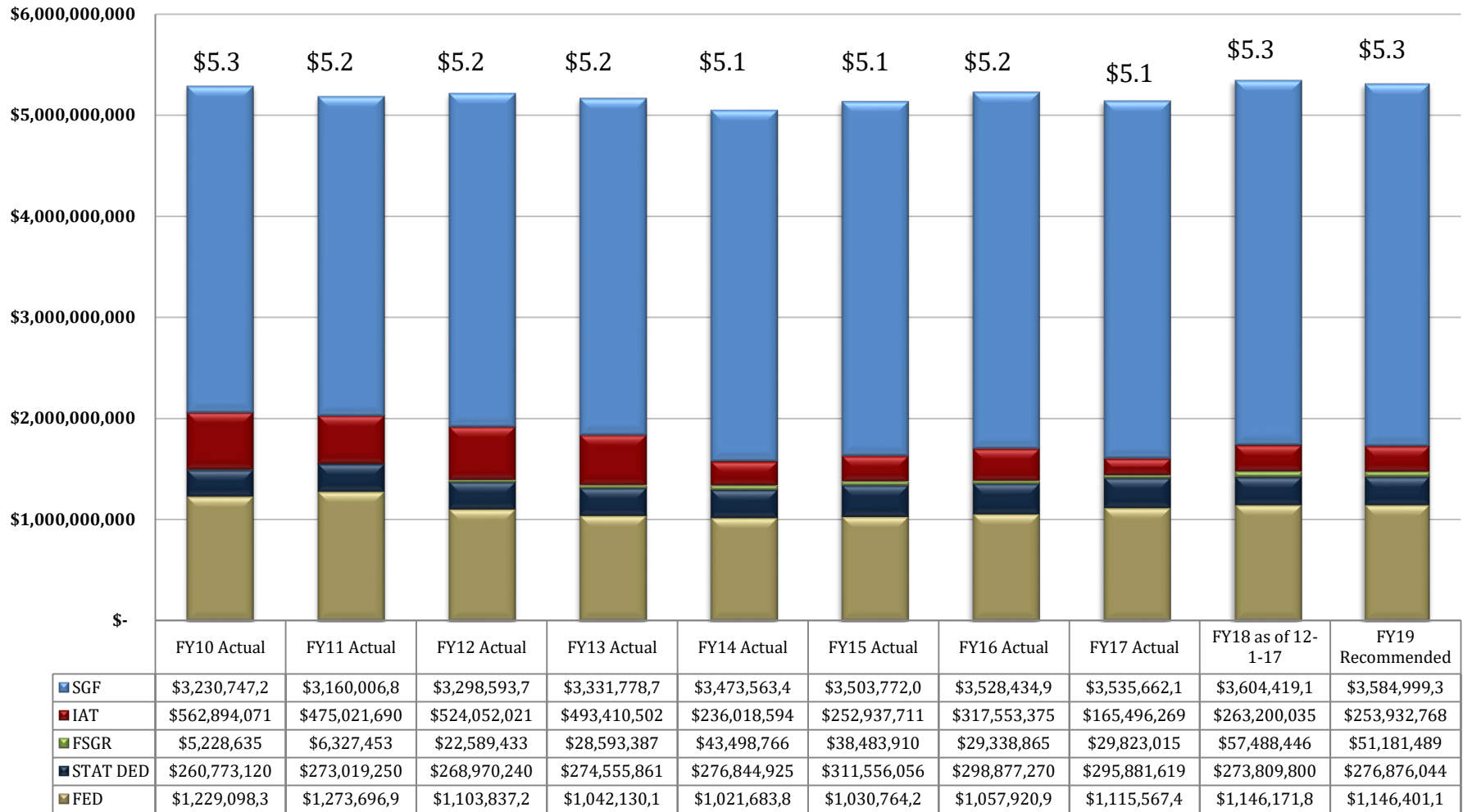


# Department of Education

## Changes in Funding since FY10

**Total Budget by Fiscal Year and Means of Finance  
(in \$ billions)**

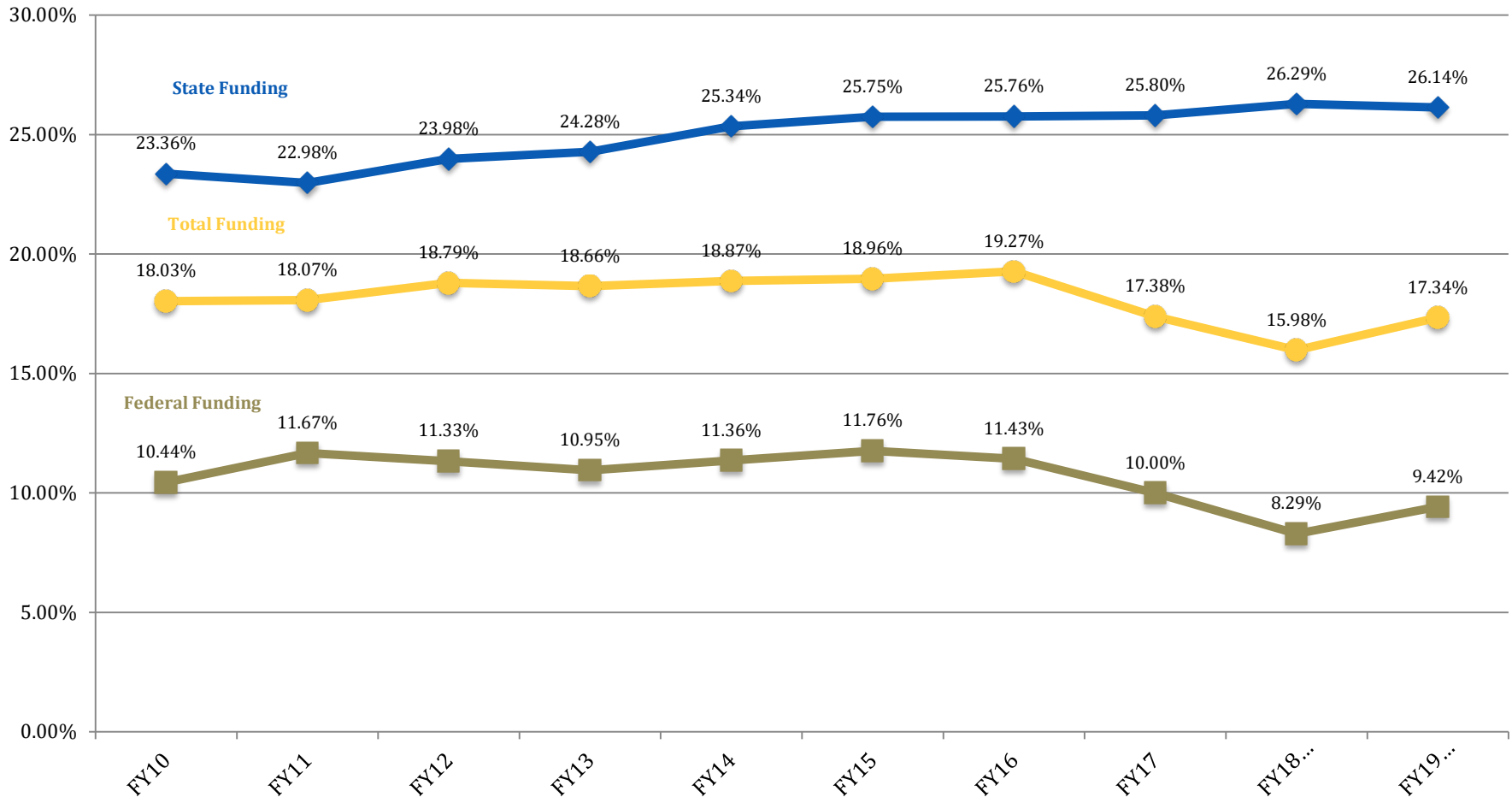
Change from FY10 to FY19 is 0.0%.





# Dept. of Education Changes in Funding since FY10

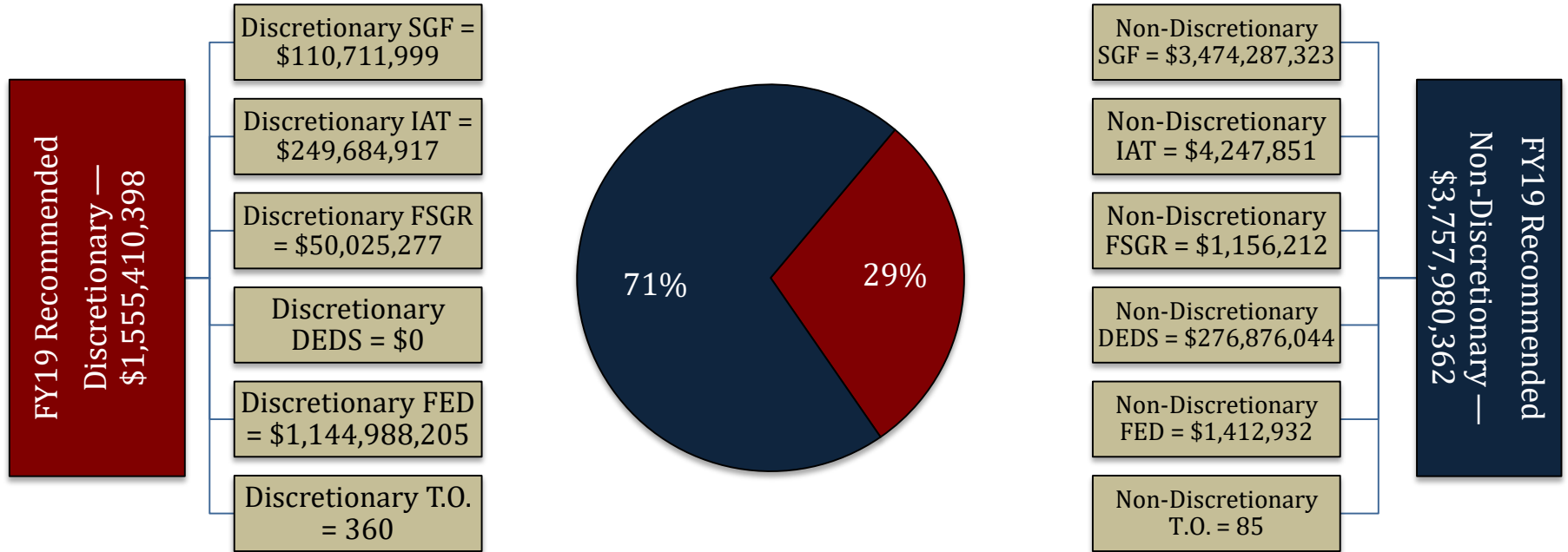
## Dept. of Education's Budget as a Portion of the Total State Budget





# Department of Education

## FY19 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
State Activities	\$ 137,769,632	9%
Subgrantee Assistance	\$ 1,196,828,072	77%
Recovery School District	\$ 220,647,141	14%
Minimum Foundation Program	\$ -	0%
Nonpublic Educational Assistance	\$ 165,553	0%
Special School District	\$ -	0%
<b>Total Discretionary</b>	<b>\$ 1,555,410,398</b>	<b>100%</b>

Total Non-Discretionary Funding by Type		
Needed for Debt Service	\$ 2,709,631	0.07%
Constitutional Requirements	\$ 3,738,313,712	99.48%
Avoidance of Court Order	\$ 8,083,367	0.22%
Statutory Requirements	\$ 2,671,113	0.07%
Unavoidable Obligations	\$ 6,202,539	0.17%
<b>Total Non-Discretionary</b>	<b>\$ 3,757,980,362</b>	<b>100%</b>

*Debt Service = Rent in State-owned Buildings*

*Constitutional Requirements = Superintendent salary, MFP,*

*textbooks & instructional materials, and Education Excellend Fund*

*Avoidance of Court Order = 2003 Juvenile Justice Settlement*

*Statutory Requirements = Deputy Superintendent salary and the Professional Improvement Program.*

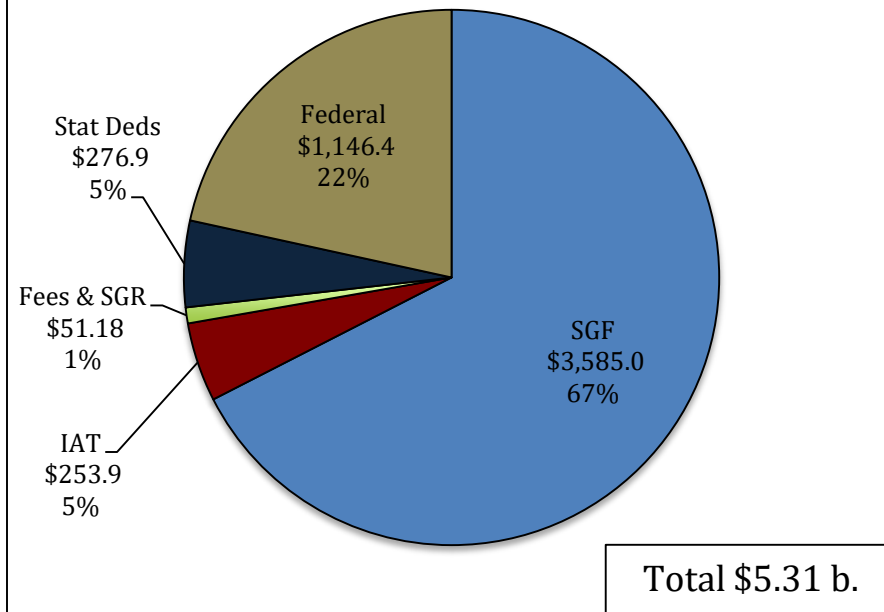
*Unavoidable Obligations = Retirees Group Insurance and Legislative Auditor Fees.*



# Department of Education

## FY19 Recommended Means of Finance

**FY19 Recommended  
Total Means of Finance  
(In Millions)**



### Non-SGF Sources of Funding:

**Statutory Dedications** are comprised primarily of the La. Lottery Proceeds Fund (C) which supports the Minimum Foundation Program and the Support Education in Louisiana First Fund (S) which supports salaries for certified Pre-K through 12 teachers. Additional monies are received through the Education Excellence Fund (C) for educational enhancements for Pre-K through 12 students.

**Interagency Transfers** are derived from several state agencies, including FEMA monies from the Division of Administration for disaster reconstruction; Temporary Assistance to Needy Families (TANF) monies from the Department of Children and Family Services (DCFS) for the LA4 Early Childhood Program and the Jobs for America's Graduates program (JAG); and support for the Recovery School District out of the Minimum Foundation Program. Other monies are received from the Louisiana Workforce Commission for employment training and transition programs and from the Board of Elementary & Secondary Education for school and staff initiatives.

**Federal** monies include funding for Food & Nutrition Services; Disadvantaged Persons; Special Education; Teacher and Principal Quality; Child Care Development; Academic Improvement; School Improvement; and Reading initiatives.

**Fees and Self-generated Revenues** are derived from a variety of sources, including the Broad Foundation, the Carl D. Perkins Vocational and Applied Technology Education Act of 1990, fees for auxiliary services, Harrah's Capital Funding project, and Lexington Insurance Proceeds from Hurricane Katrina.



# Department of Education Dedicated Funds FY17, FY18, and FY19

Dedicated Funds	Source of Funding	FY17 Actual	FY18 EOB	FY19 Recommended
Education Excellence Fund	Tobacco Settlement Proceeds	\$14,129,123	\$15,128,637	\$15,149,881
Lottery Proceeds Fund	Lottery Corporation revenues	\$178,805,355	\$154,500,000	\$154,500,000
Support Education In Louisiana First Fund	Gaming Franchise Fees	\$102,947,141	\$104,181,163	\$107,226,163
<b>TOTALS</b>		<b>\$295,881,619</b>	<b>\$273,809,800</b>	<b>\$276,876,044</b>

*Dedicated Fund Review Subcommittee recommendation:*

*Lottery Proceeds Fund = No change*

*Support Education in Louisiana First Fund = No change*



# Department of Education Expenditures

## FY17, FY18, and FY19

Expenditure Category	FY17 Actual	FY18 EOB	FY19 Recommended	Percent Change FY18 EOB vs. FY19 Recommended
<b>Personal Services:</b>	<b>\$56,693,454</b>	<b>\$59,036,085</b>	<b>\$58,142,423</b>	<b>(1.5)</b>
Salaries	\$24,313,572	\$28,900,939	\$28,710,694	(0.7)
Other Compensation	\$12,413,978	\$7,979,343	\$7,497,837	(6.0)
Related Benefits	\$19,965,904	\$22,155,803	\$21,933,892	(1.0)
<b>Operating Expenses:</b>	<b>\$9,809,149</b>	<b>\$13,713,638</b>	<b>\$12,703,913</b>	<b>(7.4)</b>
Travel	\$1,319,406	\$3,125,281	\$3,145,815	0.7
Operating Services	\$7,805,362	\$8,851,426	\$8,013,967	(9.5)
Supplies	\$684,381	\$1,736,931	\$1,544,131	(11.1)
<b>Professional Services</b>	<b>\$53,509,425</b>	<b>\$87,996,447</b>	<b>\$83,859,289</b>	<b>(4.7)</b>
<b>Other Charges:</b>	<b>\$4,930,303,281</b>	<b>\$4,998,302,143</b>	<b>\$4,978,221,996</b>	<b>(0.4)</b>
Other Charges	\$4,894,958,934	\$4,954,869,998	\$4,935,603,257	(0.4)
Debt Service	\$0	\$0	\$0	-
Interagency Transfers	\$35,344,347	\$43,432,145	\$42,618,739	(1.9)
<b>Acquisitions &amp; Major Repairs:</b>	<b>\$92,115,286</b>	<b>\$186,040,942</b>	<b>\$180,463,139</b>	<b>(3.0)</b>
Acquisitions	\$4,382,458	\$5,400,000	\$5,900,000	9.3
Major Repairs	\$87,732,828	\$180,640,942	\$174,563,139	(3.4)
<b>Total Expenditures</b>	<b>\$5,142,430,595</b>	<b>\$5,345,089,255</b>	<b>\$5,313,390,760</b>	<b>(0.6)</b>

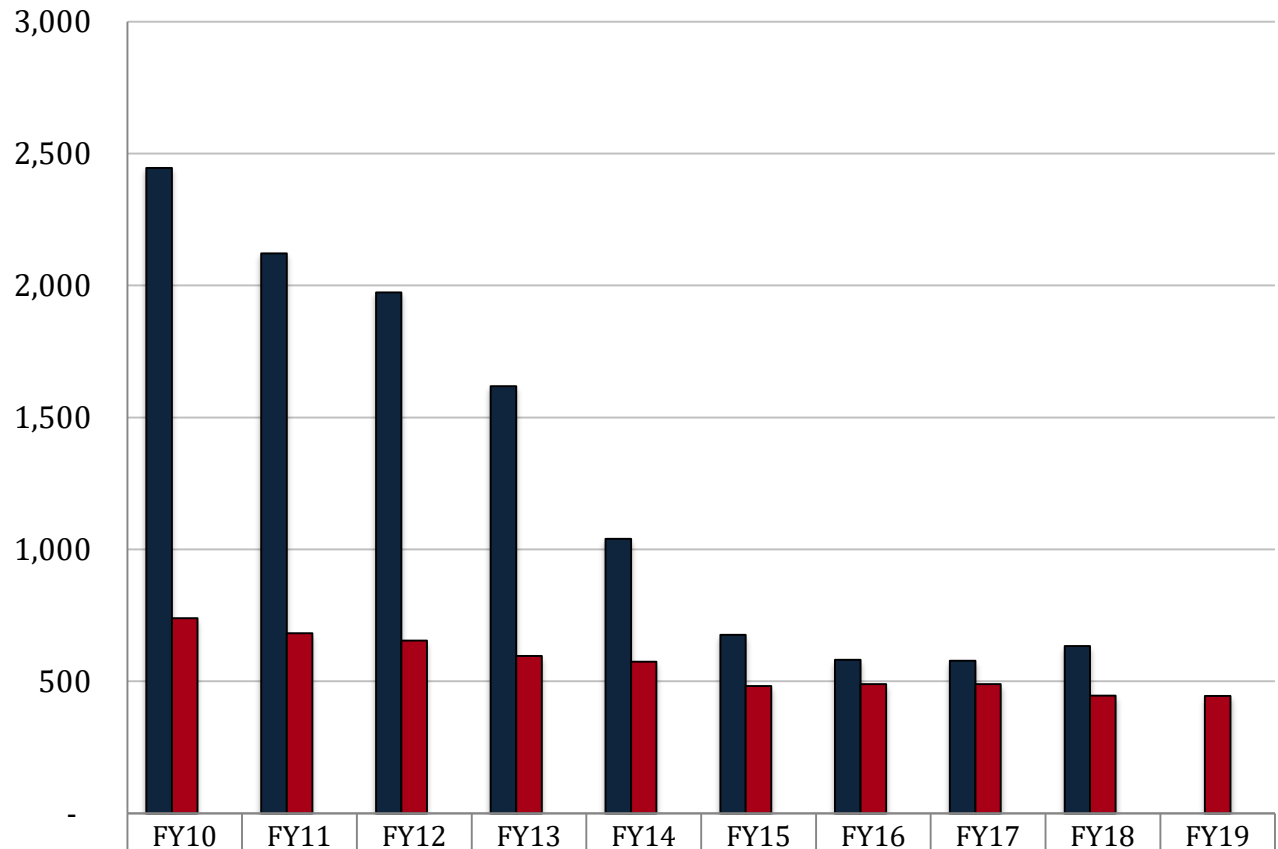
Note: For FY19, Other Charges contains Minimum Foundation Program funding of \$3.7 billion and \$1.1 billion in federal funding. The majority of the department's budget is pass-through funding.



# Department of Education

## FTEs, Authorized Positions, and Other Charges Positions

Total FY19  
Recommended  
Authorized  
Positions of 445 are  
1.34% of Total State  
FY19  
Recommended  
Authorized  
Positions of 33,301.



■ Total FTEs (as of July 1 of each fiscal year)	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
■ Total Authorized Positions (Enacted)	2,445	2,122	1,974	1,619	1,040	676	582	578	634	-
■ Authorized Other Charges Positions	739	682	654	596	574	482	490	489	446	445
	-	-	-	-	-	-	-	-	-	-

### Notes:

Data for Total FTEs uses the first weekly employment report published by State Civil Service in July at the start of the named fiscal year.

Data for Total Authorized Positions uses fiscal year enacted levels, except for FY18 Recommended.

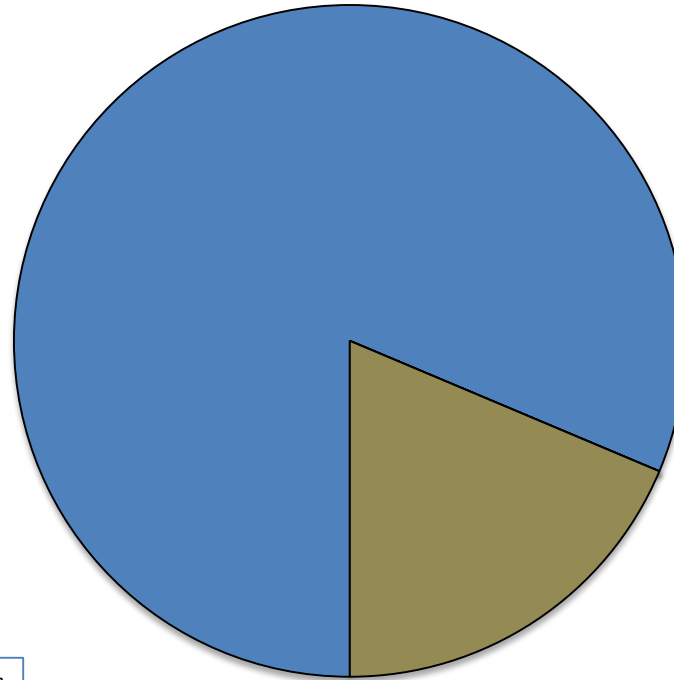
Data for Other Charges Positions are reflected in the Executive Budget per Act 377 of the 2013 Regular Legislative Session (beginning in FY15).



# Department of Education

## FY19 Recommended Total Authorized Positions

All 445 recommended positions within the department are in State Activities and the Special School District.



State Activities  
362  
81%

*State Activities – The largest categories of positions in State Activities include the Office of Management & Finance (51), Early Childhood Programs (92), Food and Nutrition Service (24), and Academic Content (49). The remaining positions are spread among several other areas, including legal support, HR, policy initiatives, public affairs, assessments, federal reporting, and grants management.*

State Activities	
Admin. Support	111
District Support	243
Auxiliary Account	8

Special School District  
83  
19%

*Special School District – These positions provide educational services to students in mental health, developmental, and juvenile secure care facilities.*

Special School District	
Administration	3
Instruction	80





# Department of Education

## Total Statewide Adjustments for FY19

**19D\_LDOE**  
**Department of Education**  
**ADJUSTMENTS TO EXISTING OPERATING BUDGET**  
**FY19 RECOMMENDED**

GEN. FUND	I.A.T.	SELF-GEN.	STAT. DED.	I.E.B.	FEDERAL	TOTAL	T.O.	DESCRIPTION
\$3,604,419,133	\$263,200,035	\$57,488,446	\$273,809,800	\$0	\$1,146,171,841	\$5,345,089,255	446	Existing Oper Budget as of 12/01/17
<b>A. STATEWIDE STANDARDS</b>								
\$55,208	\$38,123	\$18,846	\$0	\$0	\$167,471	\$279,648	0	2% General Increase Annualization Classified
\$102,067	\$0	\$0	\$0	\$0	\$0	\$102,067	0	2% General Increase Annualization Unclassified
\$467	\$821	\$478	\$0	\$0	\$5,185	\$6,951	0	Structural Annualization Classified
\$145,177	\$99,209	\$48,623	\$0	\$0	\$430,430	\$723,439	0	Market Rate Classified
(\$96,477)	\$214,738	\$57,237	\$0	\$0	\$525,649	\$701,147	0	Related Benefits Base Adjustment
\$152,373	\$1,934	\$535	\$0	\$0	\$6,467	\$161,309	0	Retirement Rate Adjustment
(\$69,262)	\$3,886	(\$23,588)	\$0	\$0	(\$234,411)	(\$323,375)	0	Salary Base Adjustment
(\$351,193)	(\$137,916)	(\$55,553)	\$0	\$0	(\$514,337)	(\$1,058,999)	0	Attrition Adjustment
(\$539,725)	(\$23,906)	(\$6,819)	\$0	\$0	(\$77,407)	(\$647,857)	(11)	Personnel Reductions
\$0	\$146,083,139	\$33,880,000	\$0	\$0	\$500,000	\$180,463,139	0	Acquisitions & Major Repairs
\$0	(\$148,439,824)	(\$37,101,118)	\$0	\$0	(\$500,000)	(\$186,040,942)	0	Non-Recurring Acquisitions & Major Repairs
(\$1,529,391)	\$0	\$0	\$0	\$0	\$0	(\$1,529,391)	0	Non-recurring Carryforwards
(\$171,864)	(\$1,526,497)	\$0	\$0	\$0	(\$2,542)	(\$1,700,903)	0	Risk Management
(\$66,662)	\$0	\$0	\$0	\$0	\$0	(\$66,662)	0	Legislative Auditor Fees
\$1,511	\$0	\$0	\$0	\$0	\$0	\$1,511	0	Rent in State-Owned Buildings
\$2,005	\$0	\$0	\$0	\$0	\$0	\$2,005	0	Maintenance in State-Owned Buildings
\$3,009	\$0	\$0	\$0	\$0	\$0	\$3,009	0	Capitol Park Security
\$351	\$0	\$0	\$0	\$0	\$0	\$351	0	Capitol Police
(\$371)	\$0	\$0	\$0	\$0	\$0	(\$371)	0	UPS Fees
(\$6,186)	\$0	\$0	\$0	\$0	\$0	(\$6,186)	0	Civil Service Fees



# Department of Education

## Total Statewide Adjustments for FY19

19D\_LDOE  
Department of Education  
ADJUSTMENTS TO EXISTING OPERATING BUDGET  
FY19 RECOMMENDED

GEN. FUND	I.A.T.	SELF-GEN.	STAT. DED.	I.E.B.	FEDERAL	TOTAL	T.O.	DESCRIPTION
<b>A. STATEWIDE STANDARDS</b>								
\$11,814	\$0	\$0	\$0	\$0	\$0	\$11,814	0	State Treasury Fees
(\$375,781)	\$3,930	\$0	\$0	\$0	\$0	(\$371,851)	0	Office of Technology Services (OTS)
\$0	\$0	\$0	\$0	\$0	(\$77,209)	(\$77,209)	0	Administrative Law Judges
\$18,392	\$0	\$0	\$0	\$0	\$0	\$18,392	0	Office of State Procurement
\$39,746	\$0	\$0	\$0	\$0	\$0	\$39,746	0	Topographic Mapping
(\$3,045,000)	\$0	\$0	\$3,045,000	\$0	\$0	\$0	0	TOTAL MEANS OF FINANCING SUB ADJUSTMENT
(\$7,471,650)	\$0	\$0	\$0	\$0	\$0	(\$7,471,650)	0	TOTAL NON-RECURRING OTHER ADJUSTMENT
(\$16,052,452)	(\$996,000)	(\$51,812)	\$21,244	\$0	\$0	(\$17,079,020)	10	TOTAL OTHER ADJUSTMENTS ADJUSTMENT
\$0	\$2,356,685	\$0	\$0	\$0	\$0	\$2,356,685	0	TOTAL OTHER ANNUALIZATIONS ADJUSTMENT
\$9,824,083	(\$6,945,589)	(\$3,073,786)	\$0	\$0	\$0	(\$195,292)	0	TOTAL WORKLOAD ADJUSTMENT
<b>\$3,584,999,322</b>	<b>\$253,932,768</b>	<b>\$51,181,489</b>	<b>\$276,876,044</b>	<b>\$0</b>	<b>\$1,146,401,137</b>	<b>\$5,313,390,760</b>	<b>445</b>	<b>Total Budget</b>
<b>(\$19,419,811)</b>	<b>(\$9,267,267)</b>	<b>(\$6,306,957)</b>	<b>\$3,066,244</b>	<b>\$0</b>	<b>\$229,296</b>	<b>(\$31,698,495)</b>	<b>(1)</b>	<b>Total Adjustments</b>



# Department of Education Significant Changes for FY19

## Significant Increases for FY19

Increase	Source	T.O.	Agency	Description
\$9.8 million	State General Fund	0	Minimum Foundation Program	This increase provides \$9.8 million to address the October 1, 2017 student count which added 2,786 students.

## Significant Decreases for FY19

Decrease	Source	T.O.	Agency	Description
(\$13.2 million)	IAT & FSGR	0	Recovery School District	This reduction includes \$6.9 million in Interagency Transfers and \$6.3 million in Fees & Self-generated Revenues. This is in accordance with Act 91 of the 2016 Regular Session which provides that 38 schools in the Recovery School District will revert to the Orleans Parish School System by no later than July 1, 2018.
(\$7.5 million)	State General Fund	0	Minimum Foundation Program	Decreases \$7.5 million appropriated in FY18 to assist school systems impacted by the August 2016 floods. The affected parishes included East Baton Rouge, Tangipahoa, and Livingston.
(\$8.4 million)	State General Fund	0	Non-Public Educational Assistance	Eliminates the Required Services Program. This program provides reimbursements for a portion of the administrative costs incurred by participating non-public schools.
(\$7.5 million)	State General Fund	0	Non-Public Educational Assistance	Eliminates the School Lunch Salary Supplement Program. This program provides a cash supplement for non-public school lunchroom employees at participating schools.

## Significant Means of Financing Substitutions for FY19

MOF Swap	Source	T.O.	Agency	Description
(\$3 million)	Statutory Dedications	0	Minimum Foundation Program	This means of finance substitution increases statutory dedications out of the Support Education in Louisiana First Fund and decreases state general fund by \$3 million. This reflects the most recent estimate of the Revenue Estimating Conference.



# Department of Education

## FY17, FY18, and FY19 Comparison

### Total Funding — All Means of Finance

Total Funding	FY17 Actual	FY18 Enacted	FY18 EOB as of 12-1-17	FY19 Recommended	Difference FY18 EOB HB1 vs. FY19 Recommended
State Activities	\$ 115,631,411	\$ 146,051,947	\$ 147,614,997	\$ 145,143,746	\$ (2,471,251)
Subgrantee Assistance	\$ 1,195,711,437	\$ 1,214,138,653	\$ 1,214,138,653	\$ 1,214,456,995	\$ 318,342
Recovery School District	\$ 124,956,225	\$ 235,668,561	\$ 235,668,561	\$ 220,703,592	\$ (14,964,969)
Minimum Foundation Program	\$ 3,678,498,272	\$ 3,717,667,944	\$ 3,717,667,944	\$ 3,720,020,377	\$ 2,352,433
Nonpublic Educational Assistance	\$ 18,802,933	\$ 18,971,841	\$ 18,971,841	\$ 2,919,389	\$ (16,052,452)
Special School District	\$ 8,830,317	\$ 10,973,432	\$ 11,027,259	\$ 10,146,661	\$ (880,598)
<b>TOTAL</b>	<b>\$ 5,142,430,595</b>	<b>\$ 5,343,472,378</b>	<b>\$ 5,345,089,255</b>	<b>\$ 5,313,390,760</b>	<b>\$ (31,698,495)</b>
Total Authorized FTEs	489	446	446	445	(1)

*Note: The \$15 million reduction for FY19 in the Recovery School District includes decreases out of IAT and Fees & Self-generated Revenues in accordance with Act 91 of 2016. The Act provided that 38 schools in the Recovery School District would revert to the Orleans Parish School System by no later than July 1, 2018.*

*The \$16 million reduction for FY19 in Nonpublic Educational Assistance includes decreases in state general fund of \$8.4 million for the Required Services Program and \$7.5 million for the School Lunch Salary Supplement Program.*



# Department of Education

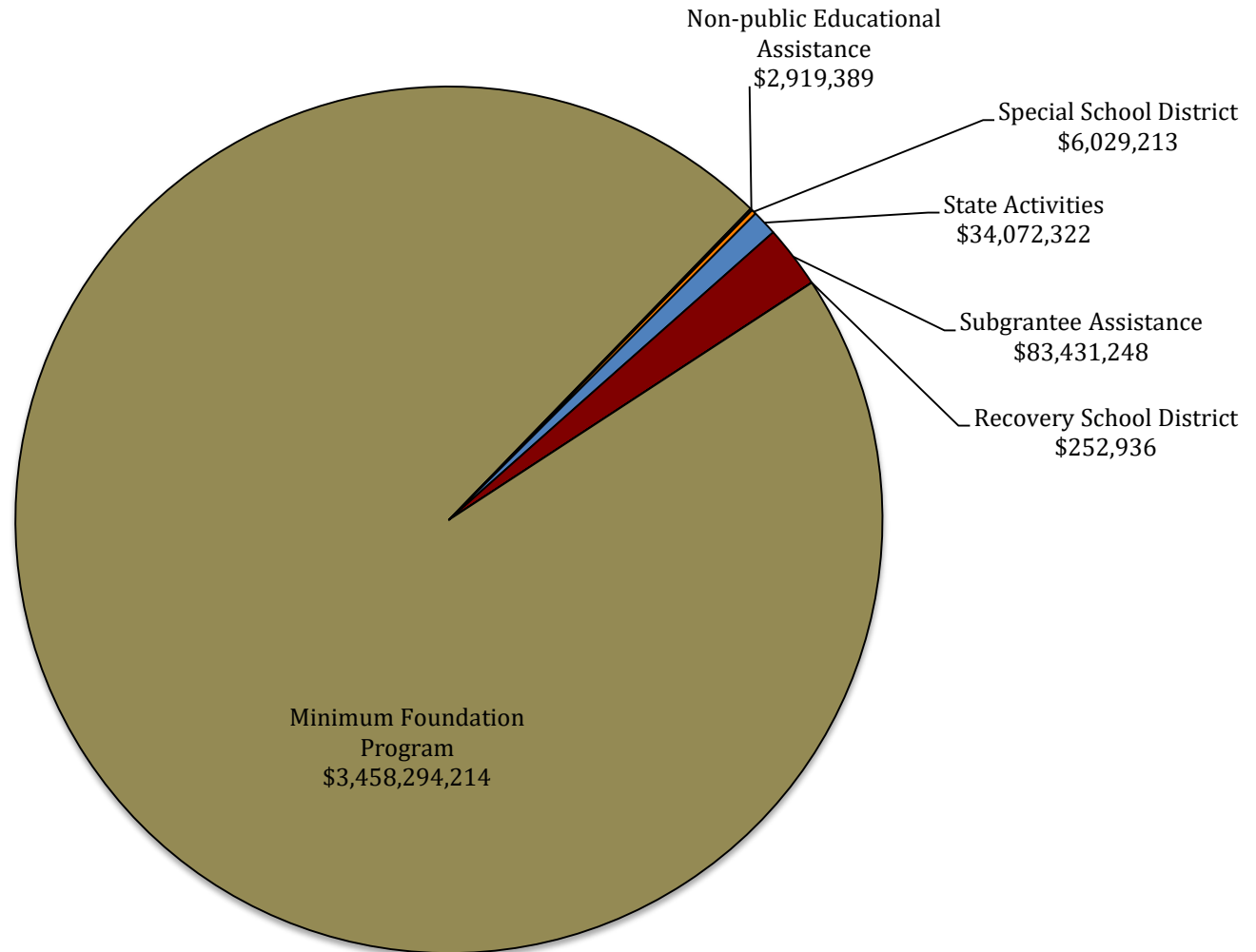
## FY19 Recommended Means of Finance by Agency

19 — Department of Education FY19 Recommended Means of Financing by Agency						
Total MOF by Agency	SGF	IAT	FSGR	Stat Deds	Federal	Total
<b>State Activities</b>	<b>\$34,072,322</b>	<b>\$20,287,148</b>	<b>\$7,004,615</b>	<b>\$0</b>	<b>\$83,779,661</b>	<b>\$145,143,746</b>
Administrative Support	\$13,624,581	\$5,318,717	\$453,738	\$0	\$8,105,777	\$27,502,813
District Support	\$20,447,741	\$14,968,431	\$4,908,722	\$0	\$75,673,884	\$115,998,778
Auxiliary Account	\$0	\$0	\$1,642,155	\$0	\$0	\$1,642,155
<b>Subgrantee Assistance</b>	<b>\$83,431,248</b>	<b>\$44,335,487</b>	<b>\$9,418,903</b>	<b>\$15,149,881</b>	<b>\$1,062,121,476</b>	<b>\$1,214,456,995</b>
School & District Supports	\$2,585,296	\$0	\$0	\$15,149,881	\$909,927,845	\$927,663,022
School & District Innovations	\$405,000	\$2,764,770	\$0	\$0	\$53,352,452	\$56,522,222
Student-Centered Goals	\$80,440,952	\$41,570,717	\$9,418,903	\$0	\$98,841,179	\$230,271,751
<b>Recovery School District</b>	<b>\$252,936</b>	<b>\$186,018,844</b>	<b>\$33,931,812</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$220,703,592</b>
Recovery School District Instruction	\$252,936	\$5,328,945	\$51,812	\$0	\$0	\$5,633,693
Recovery School District Construction	\$0	\$180,689,899	\$33,880,000	\$0	\$500,000	\$215,069,899
<b>Minimum Foundation Program</b>	<b>\$3,458,294,214</b>	<b>\$0</b>	<b>\$0</b>	<b>\$261,726,163</b>	<b>\$0</b>	<b>\$3,720,020,377</b>
Minimum Foundation	\$3,458,294,214	\$0	\$0	\$261,726,163	\$0	\$3,720,020,377
<b>Non-Public Educational Assistance</b>	<b>\$2,919,389</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,919,389</b>
Required Services	\$0	\$0	\$0	\$0	\$0	\$0
School Lunch Salary Supplement	\$0	\$0	\$0	\$0	\$0	\$0
Textbook Administration	\$165,553	\$0	\$0	\$0	\$0	\$165,553
Textbooks	\$2,753,836	\$0	\$0	\$0	\$0	\$2,753,836
<b>Special School District</b>	<b>\$6,029,213</b>	<b>\$3,291,289</b>	<b>\$826,159</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,146,661</b>
Special School Districts - Administration	\$1,745,655	\$1,096	\$0	\$0	\$0	\$1,746,751
Special School Districts - Instruction	\$4,283,558	\$3,290,193	\$826,159	\$0	\$0	\$8,399,910
<b>Dept. of Education</b>	<b>\$3,584,999,322</b>	<b>\$253,932,768</b>	<b>\$51,181,489</b>	<b>\$276,876,044</b>	<b>\$1,146,401,137</b>	<b>\$5,313,390,760</b>



# Department of Education

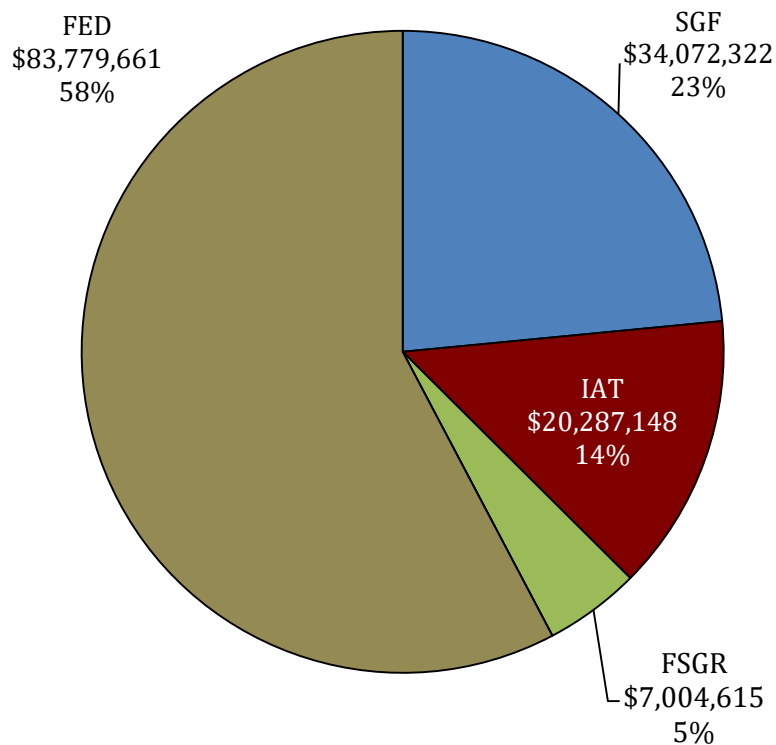
## FY19 Recommended — State General Fund Distribution





# Department of Education — FY19 Recommended 19-678 State Activities

**Total FY19 Recommended: \$145,143,746**  
(Decrease of **\$2,471,251** from FY18 EOB)



*Note: This budget unit includes funding for Early Childhood (\$37.4M), information technology upgrades (\$3.4M), and State Assessment and Accountability activities (\$19.5M).*

## Program Descriptions:

**Administrative Support:** Through the State Superintendent, will direct the Department of Education to provide Louisiana educators and its citizens with the information, leadership, and oversight necessary to achieve a quality education.

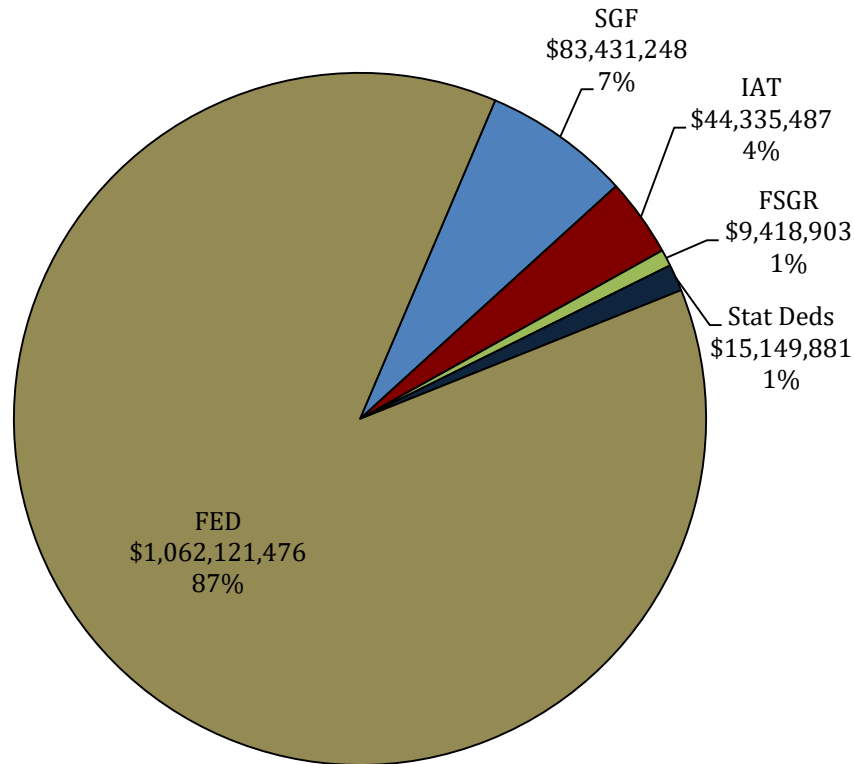
**District Support:** Provides an infrastructure that promotes efficiency and effectiveness specifically with district support, networks, student assessment and accountability, student programs, student choice, teacher evaluation and training, and curriculum and development.

**Auxiliary Account:** Uses fees and collections to provide oversight for specified programs. The Teacher Certification Division analyzes all documentation for Louisiana school personnel regarding course content, test scores, teaching and/or administrative experience, and program completion for the purposes of issuing state credentials.



# Department of Education — FY19 Recommended 19-681 Subgrantee Assistance

**Total FY19 Recommended: \$1,214,456,995**  
(Increase of **\$318,342** from FY18 EOB)



*Note: This budget unit includes funding for Student Scholarships (\$39.9M), the LA4-Pre-K Program (\$74.3M), Jobs for America's Graduates (JAG) (\$5.2M), Nonpublic Schools Early Childhood Development (\$6.4M), and instructional enhancements to public and eligible nonpublic schools out of the Educational Excellence Fund (\$15.1M).*

## Program Descriptions:

**School & District Supports:** Provides financial assistance to local education agencies and other providers that serve children with disabilities and from disadvantaged backgrounds or high poverty areas with programs designed to improve student academic achievement.

**School & District Innovations:** Provides financial resources necessary to develop and assist Local Educational Agencies (LEAs) in implementing tools and practices that effectively guide them in managing human capital, alignment of programs, policies and funding, and school turnaround strategies.

**Student-Centered Goals:** Provides the necessary financial resources to target interventions in content areas that support the goals of the Department at particular districts and schools.





# Department of Education

## Significant Budget Issues for FY19

### Agency Specific Initiatives:

#### State Activities –

- **Early Childhood** activities are funded at \$37.4 million total budget authority. \$2.8 million of that amount is State General Fund
- **State Assessment and Accountability** is funded at \$19.5 million, with \$11.1 million of that amount being State General Fund.
- Fiscal Year 2019 recommended funding includes \$3.4 million for the continued “Birth through Grade 12” Information Technology upgrade to address integration, replacement, and enhancement of existing systems. Approximately \$700 thousand of this amount is state general fund.

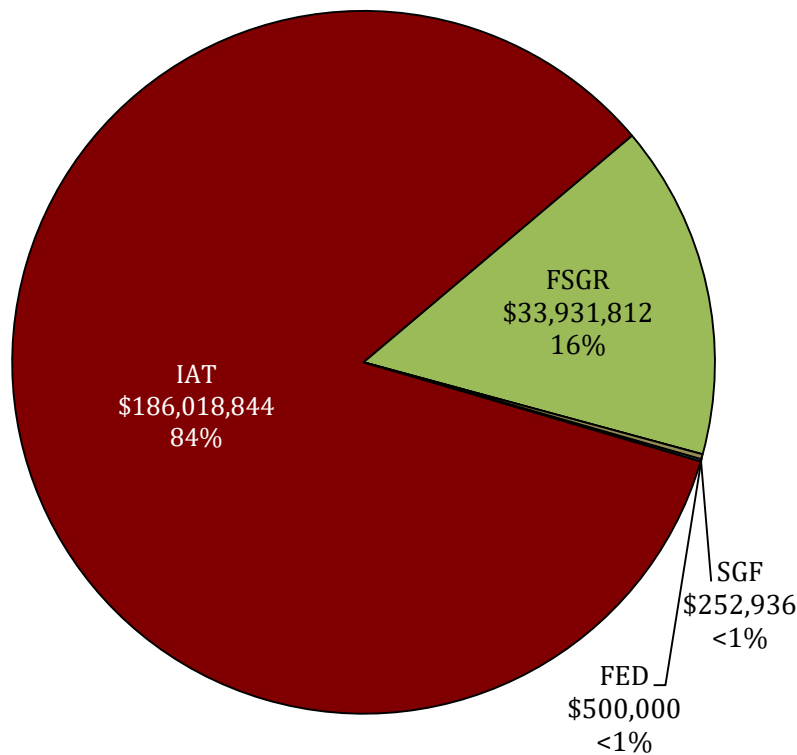
#### Subgrantee Assistance –

- **The Cecil J. Picard LA-4 Pre-K Program** for at-risk children is funded at \$74.3 million. Of that amount, \$33.8 million is State General Fund, and \$40.5 million is allocated from Temporary Assistance for Needy Families (TANF). This program addresses the developmental needs of at-risk 4-year olds.
- **The Jobs for America’s Graduates (JAG) Program** is funded at \$5.2 million. Of that amount, \$2.5 million is received from the Louisiana Workforce Commission (Pre-Employment Transition Services), and \$2.7 million is allocated from TANF. JAG is a dropout prevention program focused on maintaining students in an age appropriate educational setting that will lead to recognized high school exit.
- **The Nonpublic Schools Early Childhood Development Program (NSECD)** is recommended for \$6.4 million State General Fund. These monies are used to coordinate with eligible non-public schools and Class A daycares to provide pre-school instruction and services.
- **The Student Scholarships for Educational Excellence Program (SSEEP)** is funded at \$39.9 million State General Fund in the Recommended Budget for FY19. This program allows eligible families to have school choice. For FY2018, there are approximately 6,800 student scholarships at an average cost of \$6,175. This funding matches the existing level for SSEEP.
- **Subgrantee Assistance** receives \$42.9 million in interagency transfers from the Department of Children and Family Services in the form of federal funds to process provider payments relative to the Child Care Development Fund grant pursuant to Act 868 of the 2014 Regular Legislative Session.
  - Instructional enhancements for students are funded at \$15.1 million by Statutory Dedications out of the Education Excellence Fund. These monies provide enhancements for local school districts, charter schools, and eligible non-public schools that provide Pre-K through 12<sup>th</sup> grade instruction.



# Department of Education — FY19 Recommended 19-682 Recovery School District

**Total FY19 Recommended: \$220,703,592**  
(Decrease of **\$14,964,969** from FY18 EOB)



## Program Descriptions:

**Instruction:** Provides appropriate educational and related services to students who are enrolled in an elementary or secondary school transferred to the RSD jurisdiction.

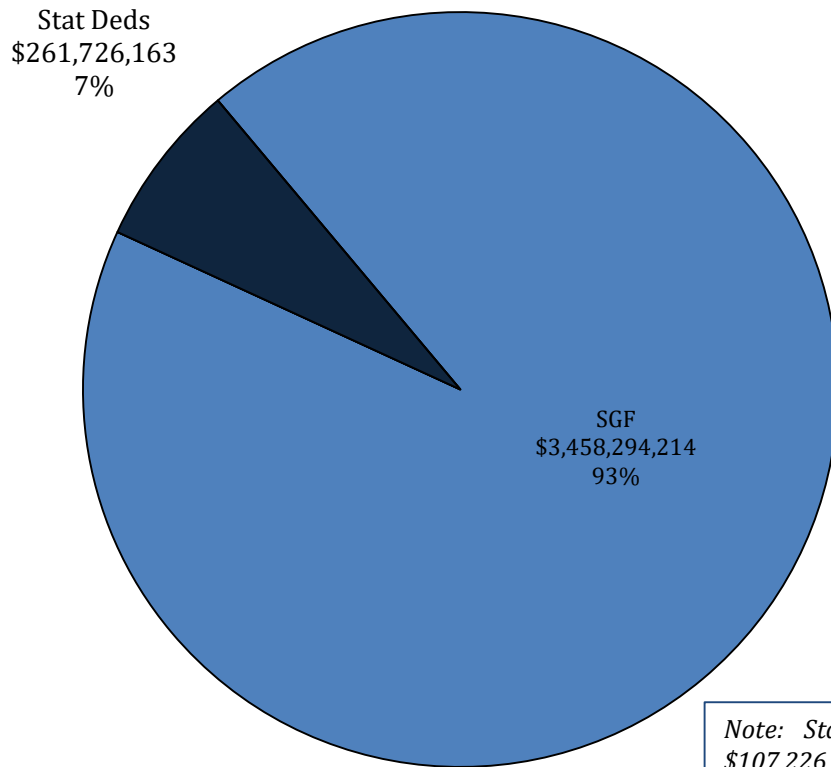
**Construction:** Provides appropriate educational and related services in adequate or superior facilities to students who are enrolled in an elementary or secondary school transferred to the RSD.

*Note: The \$15 million reduction for FY19 in the Recovery School District includes decreases out of IAT and Fees & Self-generated Revenues in accordance with Act 91 of 2016. The Act provided that 38 schools in the Recovery School District would revert to the Orleans Parish School System by no later than July 1, 2018.*



# Department of Education — FY19 Recommended 19-695 Minimum Foundation Program

**Total FY19 Recommended: \$3,720,020,377**  
(Increase of **\$2,352,433** from FY18 EOB)



## Program Description:

**Minimum Foundation Program:** Provides funding to local school districts for their public educational system.

*Note: Statutory dedications include \$154,500,000 out of the Lottery Proceeds Fund and \$107,226,163 out of the Support Education in Louisiana First Fund (SELF). The MFP experienced an increase due to an additional 2,786 students at the October 1, 2017 student count.*



# Department of Education

## Significant Budget Issues for FY19

### Minimum Foundation Program (MFP)–

- **MFP Purpose:** The Minimum Foundation Program (MFP) calculates the minimum cost of an education in local educational agencies and equitably allocates funds to parish, city, and other local school systems, including Recovery School District, Louisiana State University and Southern University Lab Schools, Louisiana School for Math, Science and the Arts (LSMSA), New Orleans Center for Creative Arts (NOCCA), Charter Schools, and the Office of Juvenile Justice. The MFP student count is 683,969 as of February 1, 2018.
- **The MFP formula is divided into 4 categories :**
  - **Level 1** — Determines the minimum cost of education based on the education needs of each students.
  - **Level 2** — Provides an incentive for city and parish school systems to support education in their communities above the minimum level of financial support required.
  - **Level 3** — Provides specific legislative education funding to city and parish school systems for continuing teacher and support worker pay raises, the Hold Harmless provision, and mandated operating costs.
  - **Level 4** —
    - Supplementary funding to meet specific needs at city, parish, or other local school systems and school including Foreign Associate Teacher Salary and Stipends Allocation, Career Development Allocation, High Cost Services Allocation, and Supplemental Course Allocation.
    - Allocations for State Approved public school systems or schools including Legacy Type 2 Charter schools, Louisiana State University and Southern Lab Schools, New Orleans Center for the Creative Arts (NOCCA), Louisiana School for Math, Science, and the Arts (LSMSA), THRIVE, and the 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.



# Department of Education Significant Budget Issues for FY19

## Minimum Foundation Program (MFP)

- The MFP formula currently in effect is House Concurrent Resolution 7 of the 2017 Regular Session. The existing operating budget as of 12/1/2017 was \$3,717,667,944.
- The MFP has not received the standard base adjustment of 2.75% since the 2014-15 School Year. The amount of that increase for FY19 would be about \$75 million.
- On March 13, 2018, the Board of Elementary and Secondary Education (BESE) made an MFP expenditure recommendation of \$3,706,154,715.
  - The total recommended MFP appropriation for FY2019 is \$3,720,020,377. The difference between the BESE recommended MFP and the total FY2019 budget recommendation is \$13,865,662. This difference will serve as a reserve for mid-year adjustments.



# Department of Education

## Significant Budget Issues for FY19

### FY19 Recommended MFP Budget:

- **FY19 Recommended Budget- \$3,720,020,377**
  - This includes:
    - State General Fund - \$3,458,294,214
    - Statutory Dedications –
      - » Support Education in Louisiana First Fund - \$107,226,163
      - » Lottery Proceeds Fund - \$154,500,000
    - Significant Changes to the Recommended FY19 MFP Budget:
      - » **(\$7,471,650)** — Eliminates special one-time funding for parishes impacted by the Flood of 2016, including East Baton Rouge (\$2,858,158), Livingston (\$4,252,019), and Tangipahoa (\$361,473).
      - » **\$9,824,083** — Provides additional funding to address an increase of 2,786 students based on the October 1, 2017 student count.
      - » **\$2,352,433** — The overall increase to the MFP for FY19 after all adjustments.
- **FY19 MFP Base Per Pupil Amount:**
  - The base per pupil amount for FY2019 Recommended has not changed from FY2018 and remains at \$3,961.



# Department of Education Significant Budget Issues for FY19

## Minimum Foundation Program (MFP)

### ○ **FY19 MFP Base Per Pupil Amount:**

- The base per pupil amount for FY2019 Recommended has not changed from FY2018 and remains at \$3,961.

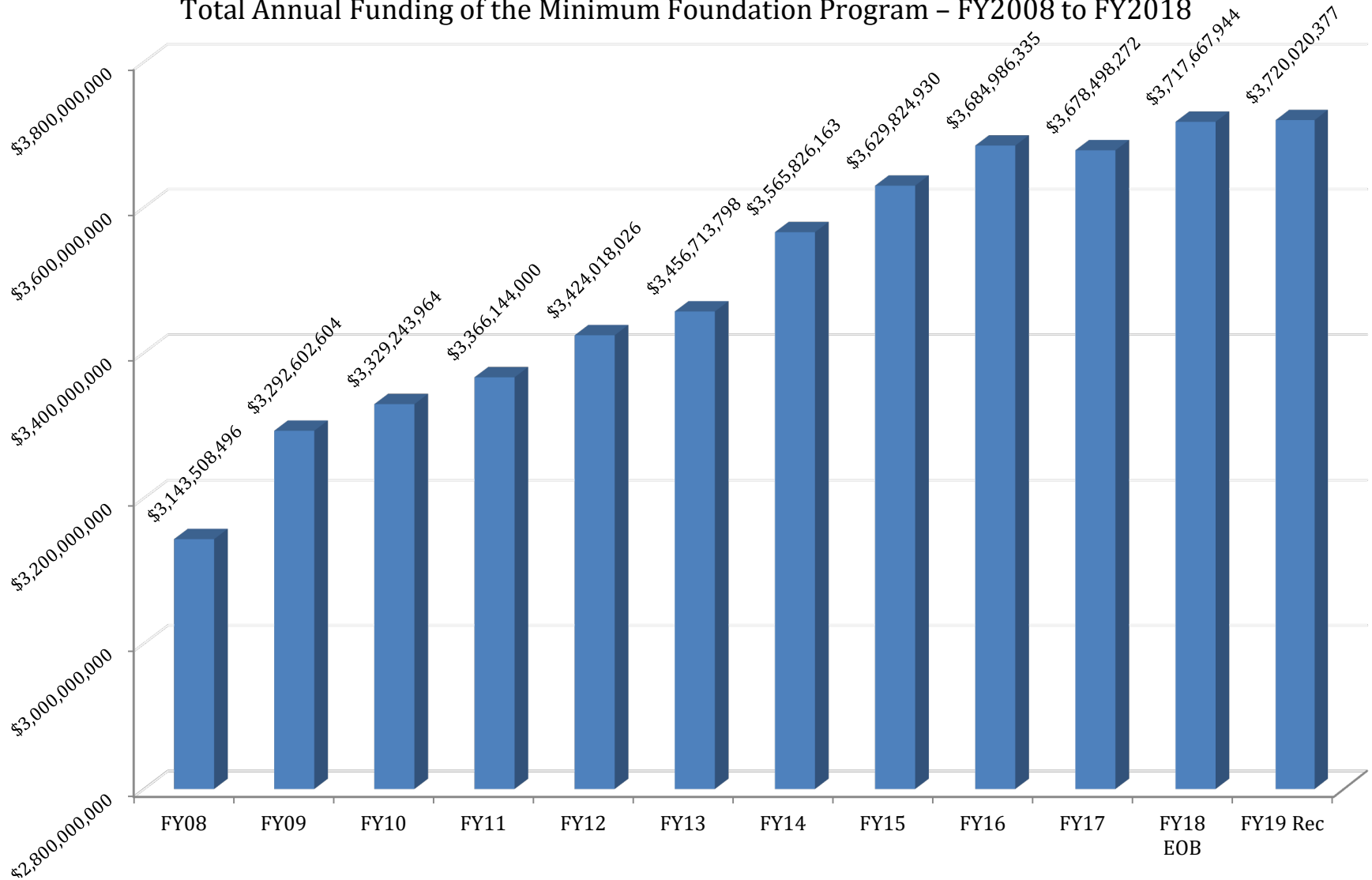
## Teacher Pay

- For teacher pay, Louisiana ranks at #11 among member states of the Southern Regional Education Board (SREB). This is based on 2015 data showing Louisiana with an average teacher pay of \$49,289, and the SREB average at \$50,200.



# Department of Education Significant Budget Issues for FY19

Total Annual Funding of the Minimum Foundation Program – FY2008 to FY2018



Source: Executive Budget Supporting Documents. \*FY18 Re-engrossed assumes full funding of MFP and adoption of HCR7.





# Department of Education Significant Budget Issues for FY19

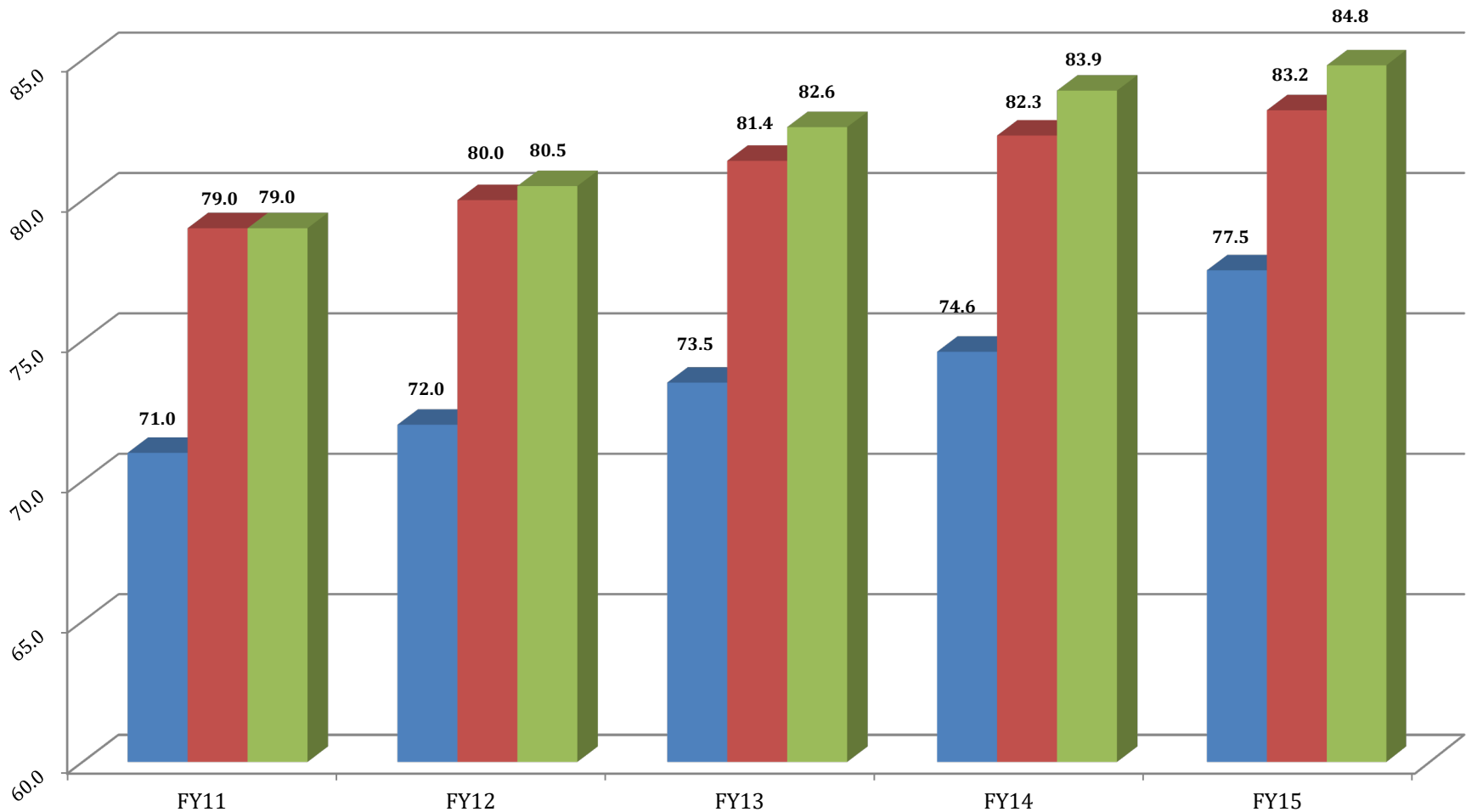
## MFP Actual Student Counts – FY2009 to FY2018





# Department of Education Significant Budget Issues for FY19

## Public High School Graduation Rate – FY2011 to FY2015



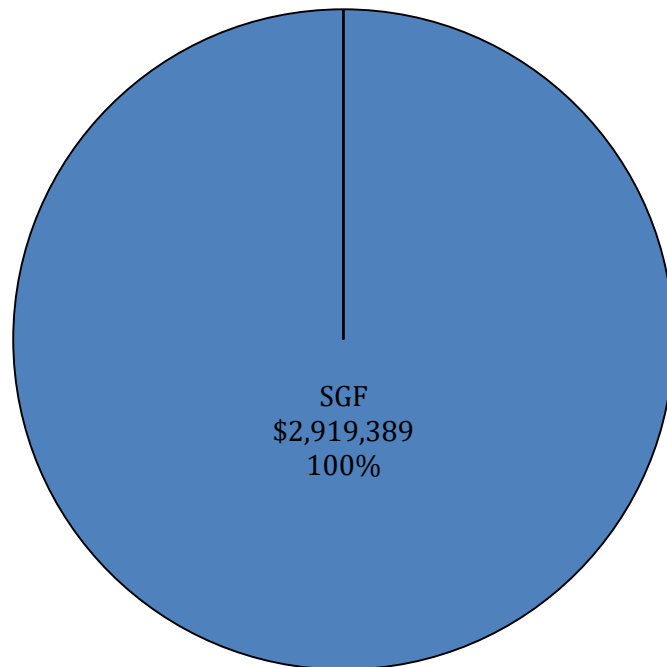
Source: U.S. Dept. of Education. National Center for Education Statistics.

■ La. Graduation Rate ■ US Avg. Graduation Rate ■ SREB Median Graduation Rate



# Department of Education — FY19 Recommended 19-697 Nonpublic Educational Assistance

**Total FY19 Recommended: \$2,919,389**  
(Decrease of **\$16,052,452** from FY18 EOB)



*The \$16 million reduction for FY19 in Nonpublic Educational Assistance includes decreases in state general fund of \$8.4 million for the Required Services Program and \$7.5 million for the School Lunch Salary Supplement Program.*

## Program Descriptions:

**Required Services:** Reimburse nondiscriminatory state approved nonpublic schools for the costs incurred by each school during the preceding school year for maintaining records, completing and filing reports and providing required education-related data.

**School Lunch Salary Supplement:** Provides a cash supplement for nonpublic school lunchroom employees at eligible schools.

**Textbook Administration:** Provides state funds for the administrative costs incurred by public school systems that order and distribute school books and other materials of instruction to the eligible nonpublic schools.

**Textbooks:** Provides state funds for the purchase of books and other materials of instruction for eligible nonpublic schools.



# Department of Education

## Significant Budget Issues for FY19

### Agency Specific Initiatives:

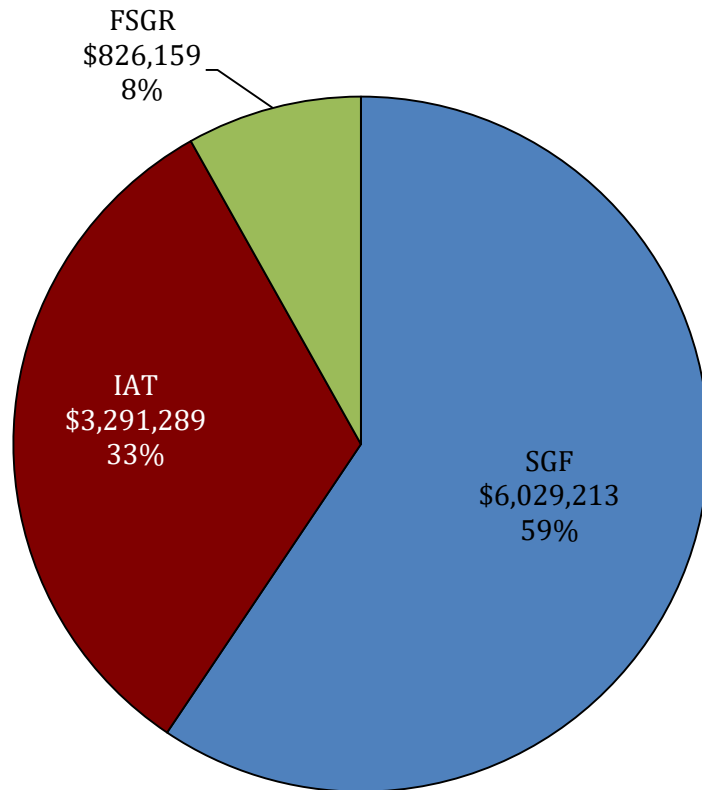
#### **Nonpublic Educational Assistance –**

- **The Required Services Program** is eliminated in the FY19 budget for a savings of \$8.4 million in state general fund. This program provides reimbursements for a portion of the administrative costs incurred by participating non-public schools.
- **The School Lunch Salary Supplement Program** is eliminated in the FY19 budget for a savings of \$7.5 million in state general fund. This program provides a cash supplement for non-public school lunchroom employees at participating schools.
- **The Textbooks and Textbooks Administrative Programs** are funded at \$2.9 million State General Fund. These programs provide for the purchase of books and instructional materials for participating non-public schools.



# Department of Education — FY19 Recommended 19-699 Special School District

**Total FY19 Recommended: \$10,146,661**  
(Decrease of **\$880,598** from FY18 EOB)



## Program Descriptions:

**Administration:** Provides administrative management, support and direction for the instructional programs to ensure that children in state-operated facilities are afforded educational opportunities.

**Instruction:** Provides special education and related services to children with exceptionalities who are enrolled in state-operated programs, and provides appropriate educational services to eligible children enrolled in state operated mental health facilities.



# Department of Education

## Changes from FY19 Recommended to FY19 Re-engrossed

Changes from FY19 Recommended to FY19 Re-engrossed	Source	T.O.	Agency	Description
(\$304,000)	IAT	0	Subgrantee Assistance	House Amendments reduce IAT in the Student-Centered Goals Program to correct an error.
\$2,100,214	SGF	0	Subgrantee Assistance	House Amendments increase funding to the Student Scholarships for Educational Excellence Program (SSEEP).
\$4,178,602	SGF	0	Non-Public Educational Assistance	House Amendments provide funding for the Required Services Program that had been eliminated in the Executive Budget.
\$3,501,307	SGF	0	Non-Public Educational Assistance	House Amendments provide funding for the School Lunch Salary Supplement Program that had been eliminated in the Executive Budget.
(\$10,103,000)	SGF	0	Minimum Foundation Program	House Amendments provide for a means of financing substitution replacing SGF with Lottery Proceeds Fund monies due to changes in the REC estimate.
\$10,103,000	Stat Ded	0	Minimum Foundation Program	House Amendments provide for a means of financing substitution replacing SGF with Lottery Proceeds Fund monies due to changes in the REC estimate.

Total Funding	FY18 EOB as of 12-1-17	FY19 Recommended	Difference FY19 Recommended vs. FY18 EOB as of 12-1-17	FY19 Re-engrossed	Difference FY19 Re-engrossed vs. FY18 EOB	Difference FY19 Re-engrossed vs. FY19 Recommended
State Activities	\$ 147,614,997	\$ 145,143,746	\$ (2,471,251)	\$ 145,143,746	\$ (2,471,251)	\$ -
Subgrantee Assistance	\$ 1,214,138,653	\$ 1,214,456,995	\$ 318,342	\$ 1,216,253,209	\$ 2,114,556	\$ 1,796,214
Recovery School District	\$ 235,668,561	\$ 220,703,592	\$ (14,964,969)	\$ 220,703,592	\$ (14,964,969)	\$ -
Minimum Foundation Program	\$ 3,717,667,944	\$ 3,720,020,377	\$ 2,352,433	\$ 3,720,020,377	\$ 2,352,433	\$ -
Non-Public Educational Assistance	\$ 18,971,841	\$ 2,919,389	\$ (16,052,452)	\$ 10,599,298	\$ (8,372,543)	\$ 7,679,909
Special School District	\$ 11,027,259	\$ 10,146,661	\$ (880,598)	\$ 10,146,661	\$ (880,598)	\$ -
<b>TOTAL</b>	<b>\$5,345,089,255</b>	<b>\$5,313,390,760</b>	<b>\$ (31,698,495)</b>	<b>\$ 5,322,866,883</b>	<b>\$ (22,222,372)</b>	<b>\$ 9,476,123</b>
Total Authorized FTEs	446	445	(1)	445	(1)	-