



LOUISIANA

Description of the Formula

The Minimum Foundation Program formula determines the cost of a Minimum Foundation Program (MFP) of education in all public elementary and secondary schools and helps to allocate the funds equitably. Funding through the MFP is in the form of a block grant from the State to the local school districts. Districts are afforded the flexibility to spend these funds as they determine to be in the best interest of the district while satisfying all mandated program requirements. Funds within the MFP are not earmarked for specific purposes but are intended, in combination with other funds available to the local districts, to provide the fiscal requirements of operating a school district.

Components of the FY2010/11 MFP Formula:

Level 1: Cost determination and Equitable distribution of State and Local Funds

- Base State and Local Costs
- Base per Pupil Amount
 - \$3,855 per HCR 243 - set annually by the SBESE with approval of the Joint Legislative Committee on the Budget or an increase of 2.75% over the prior year per pupil amount if the MFP continues to operate under the previous resolution because a new resolution was not adopted by the Legislature.
- Add-on weights - based on student characteristics recognizing the extra cost of instruction for certain categories of students or classes.
 - At Risk Students (22%)
 - Career & Technical Education Units (6%)
 - Special Education Students
 - Other Exceptionalities (150%)
 - Gifted and Talented (60%)
 - Economy of Scale up to 20% (for districts with less than 7,500 students)
- Total Level 1 Cost
 - Proportion Allocated to the State (65% on average)
 - Proportion Allocated to the Local District (35% on average)

- The targeted local contribution is based on the Local Deduction Method which establishes contribution rates for Sales and Property Taxes. In FY2010-11 the contribution rates are:

- 17.68 millages ad valorem tax
- .89% sales tax

Level 2: Incentive for Local Effort

- Eligible Local Revenue - amount over Level 1 target
- Level 2 rewards systems that contribute a greater portion towards the cost of education than the amount required in Level 1 (In FY2010-11, on average, the state contributed 37.4% for each dollar identified as revenue eligible for rewards in level 2)

Level 3: Unequalized Funding

- Continuation of prior year Pay Raises (2001-02 Certificated Staff, 2002-03 Support Worker, 2006-07 Certificated Staff and Support Worker, 2007-08 Certificated Staff and Support Worker, and FY2008-09 Certificated Staff)
- Foreign Language Associate Funding
- Hold Harmless Funding (continuation of prior year funding for districts that would lose State aid under the revised formula)
- FY 2010-11 \$100 Mandated Cost Adjustment (Support for increasing costs in health insurance, retirement and fuel)

District-Based Components

Density/Sparsity of Small Schools

Add-on weights - based on student characteristics recognizing the extra cost of instruction for certain categories of students or classes.

Economy of Scale up to 20% (for districts with less than 7,500 students)

Grade Level Differences

Not funded by grade level.

Declining Enrollment or Growth

There are two mid-year adjustments based on student membership count dates of October and February:

- October 1 2010, compared to February 1, 2010
 - Local Education Agencies (LEAs) receive an adjustment for the Total State per pupil amount times the number of students gained or lost
- February 1, 2011, compared to October 1, 2010
 - LEAs receive an adjustment for one-half of the Total State per pupil amount times the number of students gained or lost from the October 1, 2010 student count to the February 1, 2011 count

Capital Outlay and/or Debt Service

No State Aid Provided.

Transportation

No state aid provided.

Student-Based Components

Special Education

Add-on weights - based on student characteristics recognizing the extra cost of instruction for certain categories of students or classes.

Special Education Students

Other Exceptionalities (150%)

Gifted and Talented (60%)

Compensatory Education

Does not apply. We do have additional funding for At-Risk Students:

Add-on weights - based on student characteristics recognizing the extra cost of instruction for certain categories of students or classes.

At Risk Students (22%) Students who have limited English proficiency who are not contained in the at-risk weight based on the free and reduced lunch criteria, are added to the At-Risk

At-Risk Students are those students receiving free and reduced lunch.

English Language Learner/Bilingual Education

Any local school system employing a Foreign Language Associate shall receive a supplemental allocation from BESE of \$20,000 per teacher not to exceed a total of 300 teachers in the program. During FY2010/11, there are 260 foreign language associate teachers within the 69 school districts.

First year Foreign Association Teachers receive an installation incentive of an additional \$6,000; second and third year teachers receive a retention incentive of an additional \$4,000.

Gifted and Talented Education

Add-on weights - based on student characteristics recognizing the extra cost of instruction for certain categories of students or classes.

Gifted and Talented (60%)

Revenue and Expenditure Information

State Mandates Restricting Revenue or Expenditure Increases

Does not apply to school districts.

Property Assessment Ratios Used/Legal Standards For Property Assessment

Property assessment ratios are used. Each parish authority sets the assessment level at 100% of value. Assessment level is 10% for Improved Land for Homesteads, 10% for Land and 15% for Utilities and Other Property.

Measure of Local Ability To Support Schools

Local Deduction Method: The deduction method establishes required contribution rates for Sales and Property Taxes.

Total Level 1 Cost

Proportion Allocated to the State (65% on average)

Proportion Allocated to the Local District (35% on average)

The targeted local contribution is based on the Local Deduction Method which establishes contribution rates for Sales and Property Taxes. The contribution rates in FY2010-11 are 17.68 ad valorem millages and .89% sales tax.

School District Budget and Tax Rate Procedures/Sources of Local Revenue

All 69 districts are fiscally independent. The maximum local levy without voter approval is five mills. Voter approval is required for a tax increase; a simple majority vote is required for approval. Primary sources of local revenue include: property tax (39%); sales tax (52%); interest on investments (2%); and other (7%).

State Support for Nonpublic Schools

Nonpublic schools receive funding for:

Required Services – reimbursement for the actual cost of performing selected activities as required by State law or regulation.

Textbooks – Number of nonpublic students reported to the Department on October 1 of the prior year at \$27.02 per student plus 5.92% administration fee. Funds are allocated to the public school district which acts as the fiscal agency by ordering books on behalf of the nonpublic school.

Lunch salary supplement – Districts which provide lunch services to nonpublic schools are eligible to receive salary supplements, per full-time and part-time employees in the School.

Education Excellence - This is a per pupil amount that fluctuates but is based on the October 1 student count in the prior school district.