The Status of the MFP

HCR 243: provides legislative approval of the MFP formula for FY 10-11 adopted by BESE on June 8, 2010.

Article VIII, Section 13(B) of the Constitution of Louisiana requires BESE to develop and adopt annually a formula which shall be used to determine the cost of a Minimum Foundation Program of education in all public elementary and secondary schools, Legislators can vote for the formula up or down, but cannot make revisions. It is presented to the legislature as a concurrent resolution

BESE adopted a MFP formula in March 2010 that included the annual 2.75% growth, primarily, by the request of the State Superintendent. BESE wanted the opportunity to make their case. The Senate Finance Committee, however, rejected the formula and asked BESE to go back and look at a new formula. BESE adopted a new MFP formula on June 8, 2010 that is a revision of the original formula to *exclude* the 2.75% growth. The law requires 50% of new money in the formula to be used for teacher pay raises. Because there is no new money in the formula BESE suspended the pay raise for teachers as well.

There is some growth in the formula, but the growth is simply because there are more students. It includes a normal increase of \$43.9 million dollars. The good news is student counts are growing across the school districts reversing a multi-year decline.

Although the MFP FY 10-11 formula is a *standstill* formula as last year, the administration and lawmakers have protected and preserved K-12 funding over the last two years. Higher education in contrast, has received deep cuts in funding.

This year the legislature adopted a law that will include OJJ (Office of Juvenile Justice) into the MFP formula. These are students in the three secure care facilities: Jetson, Bridge City and Swanson. This is about 300 students. This provides for about \$3 million dollars for these students from the MFP, but the locals will be contributing local share for these students so that there is some relief. These students will be subjected to MFP audits just like any of the other school districts.

Weights continue to be in place in the MFP formula designed for additional funding. It provides weights for: Special Education, At-Risk, Voc. Tech. and Gifted and Talented the only one that BESE increased is Voc. Tech. So even though a school district may have gotten X dollars last year and their student count is exactly the same this year, the district may receive a different amount of money based on the weights. Looking at what's happening in the districts some of our At-Risk numbers increased. There was also an increase in Gifted and Talented.

In summary, across the state the MFP formula is \$43.9 million more than it was last year because there are more students. There is no 2.75% growth increase again this year but there is also no high cuts that higher education received over the last 2 years. The total cost of this revised formula is \$3.399 billion dollars. It will fund 658,875 students.