

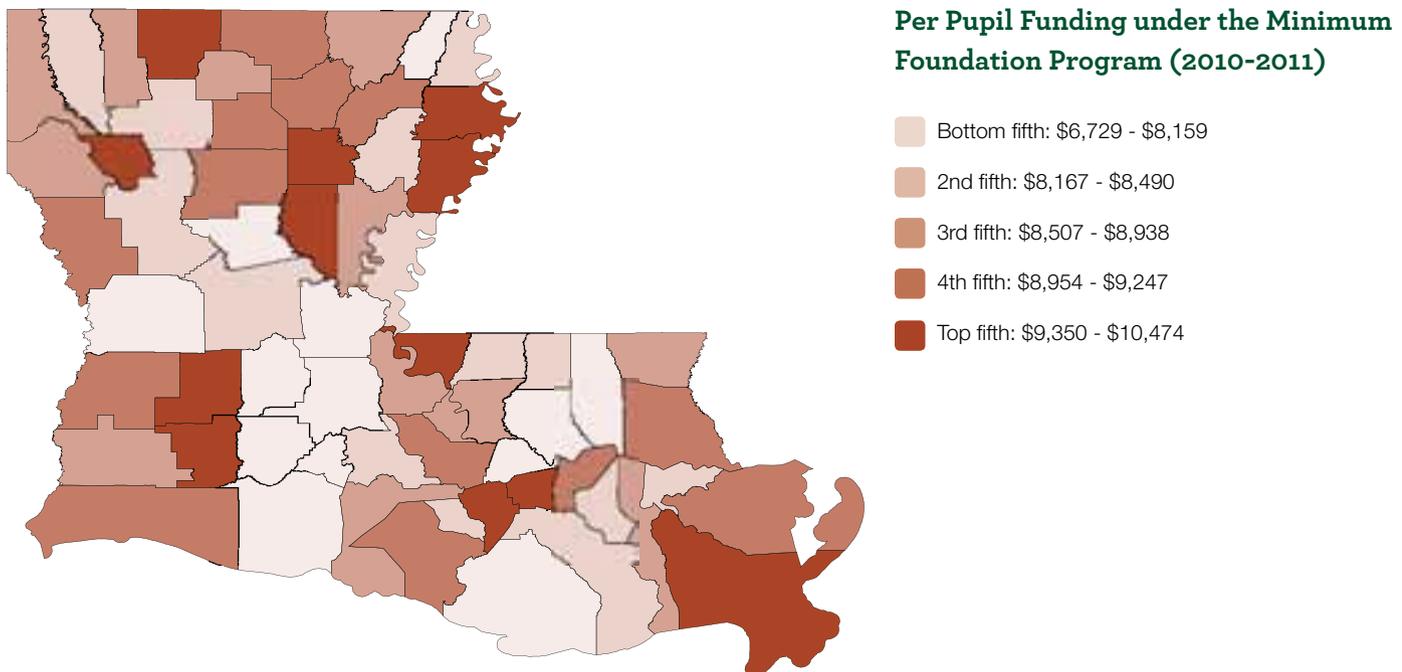
Public School Funding in Louisiana

Minimum Foundation Program (MFP)

- The primary source of state and local funding for schools in Louisiana is the Minimum Foundation Program (MFP).
- The Louisiana Constitution requires the State Board of Elementary and Secondary Education (BESE) to annually develop and adopt a formula which determines the cost of a minimum foundation program of education in all public elementary and secondary schools as well as to equitably allocate the funds to parish and city school systems. Once BESE adopts the formula, the Legislature passes it by Concurrent Resolution without making changes to the formula.
- The MFP formula also includes factors that provide more funding for special classes of students (e.g., at-risk and special education students).
- State law requires that 70% of MFP revenues be spent for instructional purposes.

MFP Per Pupil by Parish

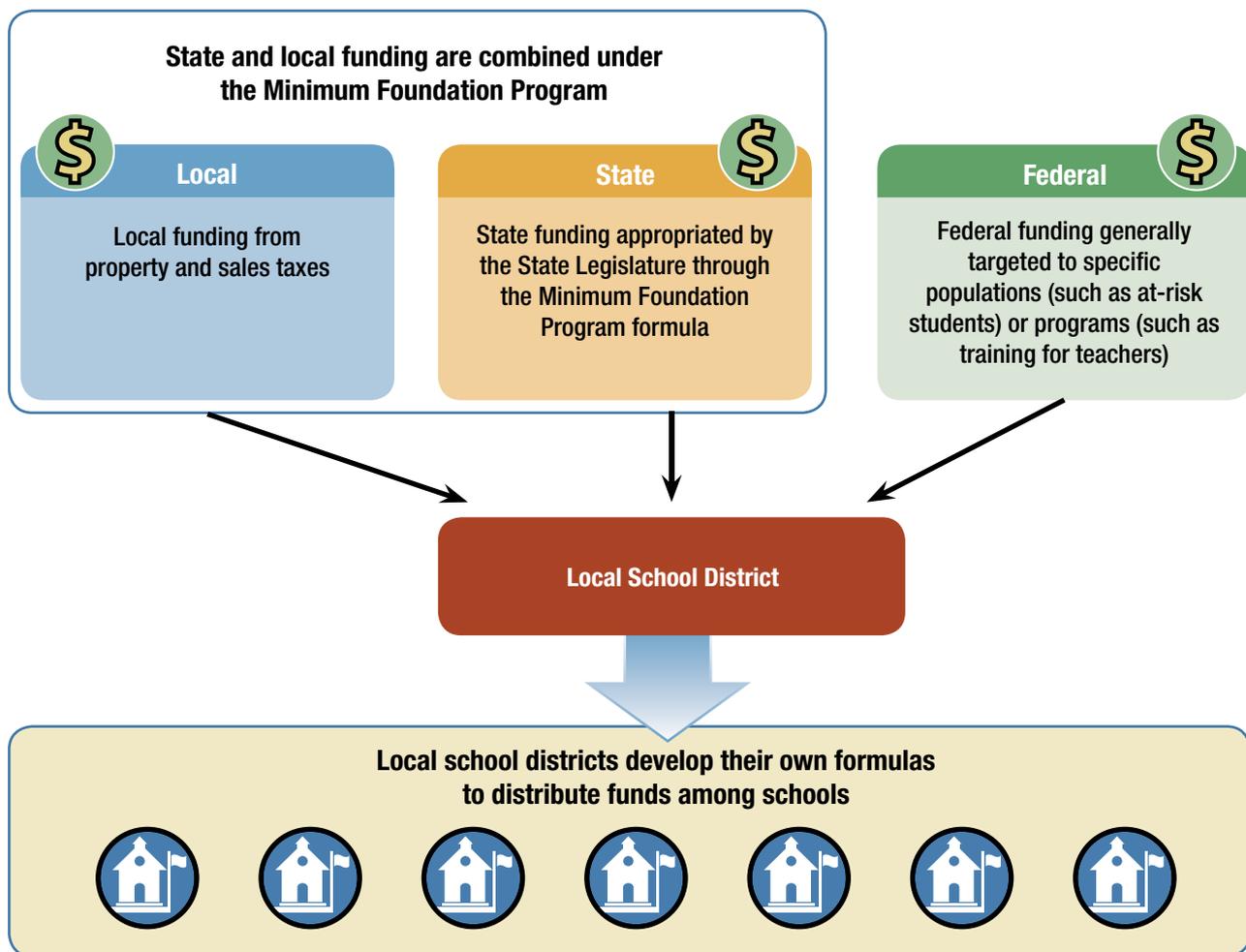
The map represents the per pupil funding from local and state sources for each parish in the state. Parishes receive varying levels of funding based on student population needs and local tax revenue.



Traditional Funding Structure for Louisiana Public Schools

Public schools in Louisiana receive funding from local, state, federal, and private sources.

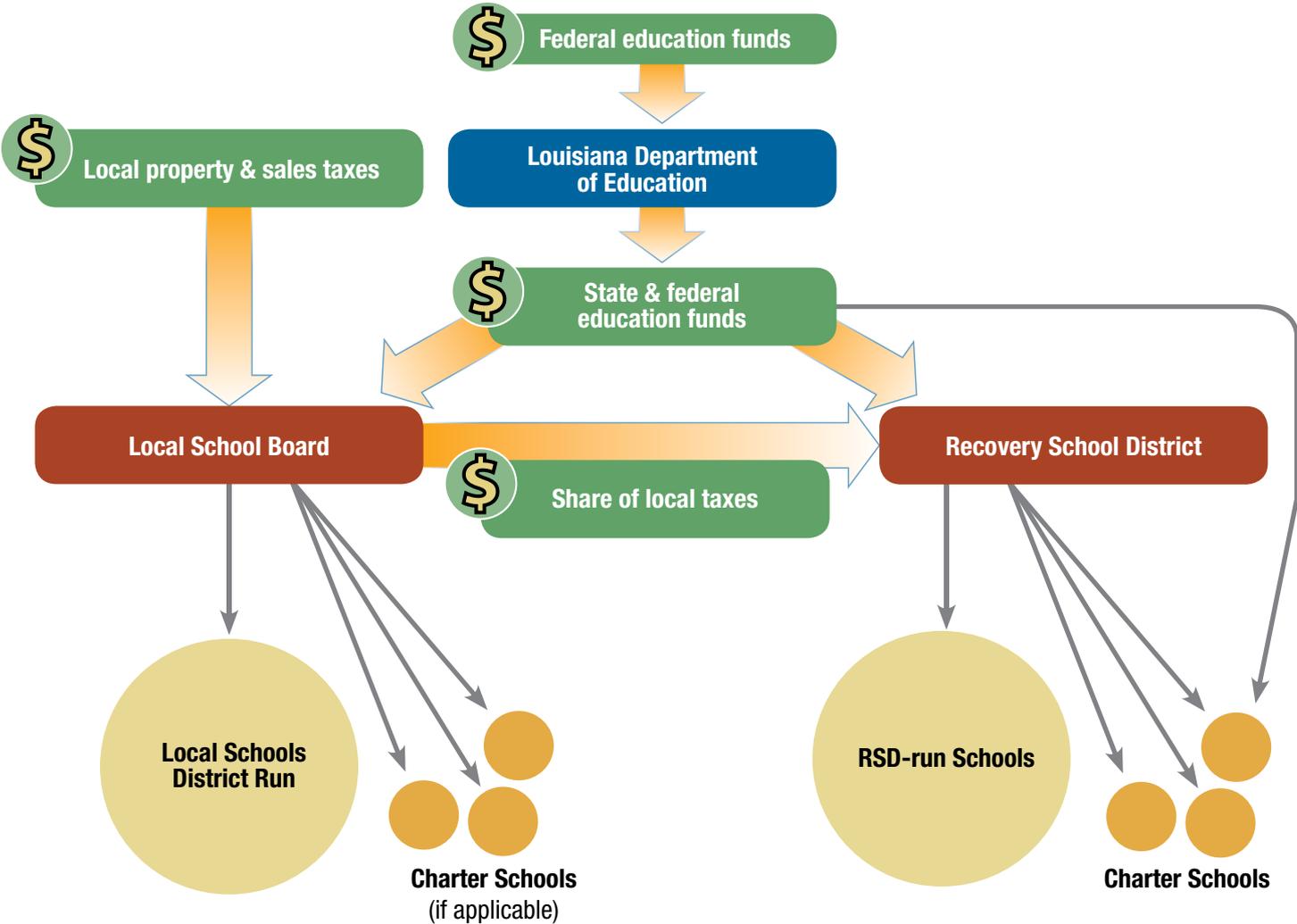
- The local funding in the Minimum Foundation Program (MFP) consists of property and sales taxes levied by the local school boards.
- The state funding in the MFP comes from an appropriation by the State Legislature.
- Federal funding comes from Titles I, II, III, IV, and V*, Individuals with Disabilities Education Act, National School Lunch Program, and Public Charter Schools Federal Grant Program, among others.
- Once received by the local school district, it is up to the district to distribute funds to their individual schools based on a district determined formula.



* Title I – Improving the Academic Achievement of the Disadvantaged; Title II – Preparing, Training, and Recruiting High Quality Teachers and Principals; Title III – Language Instruction for Limited English Proficient and Immigrant Students; Title IV – Safe and Drug Free Schools; and Title V – Innovative Education Program Strategies

Recovery School District Funding Structure

While the sources of funding are the same for the Recovery School District (RSD), the funding flows differently from local school districts across the state. The local property and sales taxes levied by the local school board flow through the board to the RSD in proportion to the number of students enrolled in RSD schools in that district, district-run and charter. Additionally, because many of the RSD charter schools are their own local education agency (LEA), state and federal education funds flow directly to those charter schools.



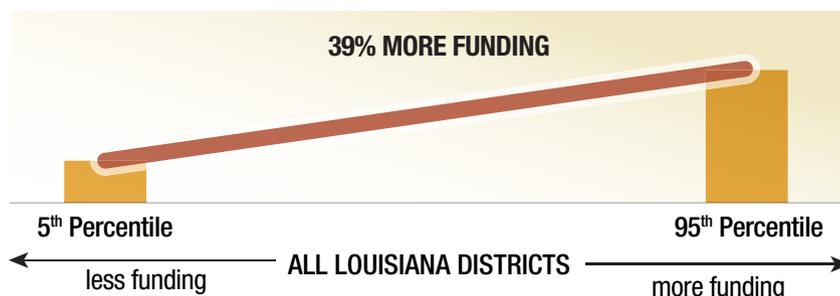
A Closer Look at School Funding in Louisiana

Variation in Funding and Spending Across Districts

MFP Funding

MFP funding varies greatly across districts. The Louisiana school district that is at the 95th percentile receives 39% more funding than the district at the 5th percentile.

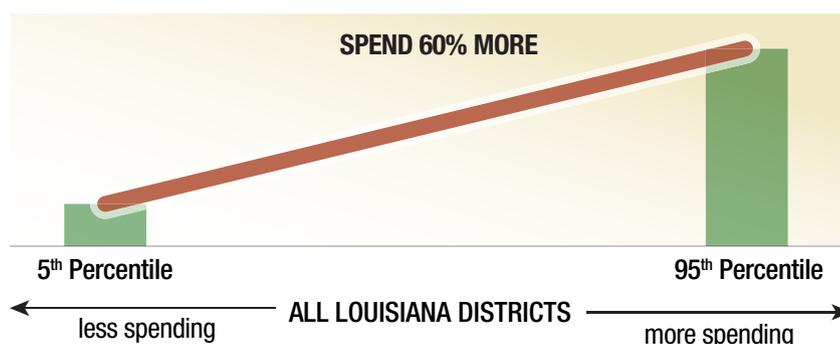
Source: Louisiana Department of Education, 2010-2011 MFP Budget Letter



All Operating Expenditures (from all funding sources)

When revenue from all sources is considered, the variation across districts is even greater. The Louisiana school district that is at the 95th percentile spends 60% more than the district at the 5th percentile.

Source: Louisiana Department of Education, 2008-2009 Resource Allocation data



Louisiana Compared to the U.S.

Two national reports comparing school financing in states throughout the U.S. have been released recently. The major findings are below.

Education Week Quality Counts 2011

- Every year, Education Week (EdWeek) publishes this report, which focuses on education policies of states. A section of the report is dedicated to school finances.
- On school finances, EdWeek gives Louisiana a C-. The U.S. average is a C.
- The report looks at four measures of funding equity and four measures of spending. Louisiana's ranking on the different measures varies significantly.
- For example, the report states that the average per pupil expenditure in Louisiana is above the national average (adjusted for regional cost differences and weighted for student needs). However, when individual districts are considered, only 28 percent of Louisiana districts are above the national average.

Is School Funding Fair? A National Report Card

- The national report card was released by the Education Law Center in September 2010.
- This report evaluates only state funding formulas for distributing local and state revenue.
- The report card grades states' funding formulas on four measures of fairness: funding level, funding distribution, effort, and coverage.
- Louisiana was one of four states that scored below average on all four measures of funding fairness.