

## TABLE OF CONTENTS

	<u>PAGE</u>
Florida Education Finance Program - FEFP.....	1-2
FEFP/Formula Distributing State Dollars.....	3-4
What Is An FTE?.....	5-6
Program Cost Factors .....	7
Base Student Allocation .....	8
District Cost Differential .....	9
Declining Enrollment Allocation .....	10
Sparsity Supplement .....	11
.25 Mill Discretionary Equalization/.51 Mill Compression.....	12
Safe Schools .....	13
Reading Program.....	14
Supplemental Academic Instruction Allocation.....	15
ESE Guaranteed Allocation.....	16
Teacher Compensation Merit Award Program Allocation.....	17
District Lottery and School Recognition Program.....	18
Categoricals .....	19
Local Funding = Millage.....	20
Required Local Effort (RLE).....	21
Discretionary Local Effort.....	22
Supplemental Discretionary Local Effort.....	23
FEFP 2000/01 thru 2007-08 (Conference Report).....	24

# **FLORIDA EDUCATION FINANCE PROGRAM FEFP**

In 1973, the Florida Legislature enacted the Florida Education Finance Program (FEFP) as the method for funding public school education and established the state policy on equalized funding to guarantee to each student in the Florida Public Education System the availability of programs and services appropriate to his/her educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors.

Conceptually, the FEFP is a simple formula. The number of students in each program is multiplied by cost factors to determine weighted FTE, which are then multiplied by a base student allocation and by a district cost differential. Additional factors for declining enrollment, sparsity, safe schools, and other adjustments are then made to determine total FEFP funding. School districts of Florida receive funding primarily from state funding and from local sources.

To provide equalization of educational opportunity, the FEFP formula recognizes:

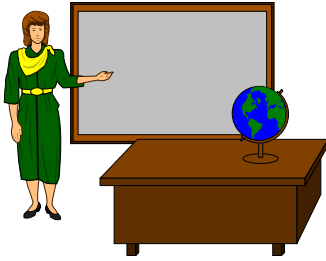
- (1) varying local property tax bases;
- (2) varying program cost factors;
- (3) district cost differentials; and
- (4) differences in per student cost for equivalent educational programs due to sparsity and dispersion of student population.

## **FEFP CONTINUED**

### **REQUIREMENTS FOR PARTICIPATION**

1. Maintain adequate and accurate records, including a system of internal accounts for individual schools.
2. Operate schools for a term of at least 180 actual days or the equivalent on an hourly basis.
3. Provide written contracts and require not less than 196 days of service for all members of the instructional staff.
4. Expend funds for salaries in accordance with a salary schedule
5. Observe all requirements of the State Board relating to the preparation, adoption, and execution of budgets for the district school system.
6. Levy the required local effort millage rate on the taxable value for school purposes of the district.
7. Maintain an ongoing systematic evaluation of the educational program needs of the district and develop a comprehensive annual and long-range plan for meeting the needs.
8. Comply with the minimum classroom expenditure requirements and associated reporting pursuant to Section 1011.64

**LEGAL AUTHORIZATION** Part II of Chapter 1011, F.S. (Funding For School Districts)



## ***WHAT IS AN FTE?***

FTE is an acronym for Full-Time Equivalent Student.

FTE student accounting is a component of the Florida Education Finance Program (FEFP). The FEFP is the state method of funding student enrollment to school districts.

FTE accounting properly allocates student participation in the various educational programs offered by districts, while also recognizing that the programs are unique and costs will vary depending on the nature of the program.

## ***HOW ARE FTE'S CALCULATED?***

A student's day is divided into instructional time segments (classroom hours) which correspond to programs the student is involved in during the school day. Each segment is then evaluated to determine time requirements and compliance with state categories of programs. After time and program elements have been evaluated, program weights are assigned. The program weights are values that have been assigned by the State and reflect the relative cost of the program as compared to the regular basic program. Students enrolled all day in the basic program in grades 4, 5, 6, 7, or 8 are used as the base, and have a weight of 1.000. All other program weights are then assigned in relation to the base.

## ***WHAT IS THE DIFFERENCE BETWEEN UNWEIGHTED AND WEIGHTED FTE?***

An unweighted FTE (UFTE) accounts for the various segments of time of a student during the school day, whereas the weighted FTE (WFTE) accounts for the student by program participation during the school day.

EXAMPLES:

	<u>UFTE</u>	<u>PROGRAM WEIGHT</u>	<u>WFTE</u>
Student A			
Grade 3 Basic (all day)	1.000	1.048	1.048
Student B			
Grade 3 Basic (1/2 day)	.500	1.048	.524
ESE Level 4 (1/2 day)	<u>.500</u>	3.625	<u>1.812</u>
<b>TOTAL</b>	<b>1.000</b>		<b>3.384</b>

- One FTE = 1 student receiving 720 hours of instruction in grades K-3 or 900 hours of instruction in grades 4 – 12
- The calculation starts with Projected FTE
- This forecast is submitted to DOE in December each year for July 1 funding
- DOE compiles FTE data for all districts and provides this information to the legislature

## **PROGRAM COST FACTORS**

# (PROGRAM WEIGHTS)

Program cost factors serve to assure that each program receives its equitable share of funds in relation to its relative cost per student. Through the annual program cost report, districts report the cost of each FEFP program. The cost per FTE student of each program is used to produce an index of relative costs. Thus, program cost factors are the statewide average cost per FTE in each program. In order to protect districts from rapid changes in program cost factors, the Legislature has adopted a three-year averaging method in computing cost factors.

Multiplying the FTE students for a program by its cost factor produces "weighted FTE".

The cost factors used in the FEFP are established annually in the General Appropriations Act to reflect the desired relative cost differences between programs.

## 2007-2008 PROGRAM COST FACTORS

<u>Program Number</u>	<u>Program Title</u>	<u>Cost Factor</u>	
		<u>2006-07</u>	<u>2007-08</u>
Basic Program			
101	Basic Education Grades K-3	1.035	1.048
102	Basic Education Grades 4-8	1.000	1.000
103	Basic Education Grades 9-12	1.088	1.066
English For Speakers of Other Languages			
131	ESOL/Intensive English Grades K-12	1.275	1.200
Exceptional Programs			
254	Support Level 4	3.734	3.625
255	Support Level 5	5.201	5.062
Grades 9-12 Vocational			
300	Vocational Education Grades 9-12	1.159	1.119

Authority: s.1011.62(1)(c),F.S.

## BASE STUDENT ALLOCATION

The Base Student Allocation (BSA) is determined annually by the Legislature in the General Appropriations Act Authority s.1011.62(1)(b)F.S.

## History of the Base Student Allocation

<u>YEAR</u>	<u>BASE STUDENT ALLOCATION</u>
1973-74	\$ 570.44
1974-75	745.00
1975-76	745.00
1976-77	765.62
1977-78	827.00
1978-79	911.66
1978-79	924.04
1979-80	981.86
1980-81	1,101.38
1981-82	1,238.99
1982-83	1,397.34
1983-84	1,510.34
1984-85	1,614.06
1985-86	1,782.79
1986-87	2,013.10
1987-88	2,160.43
1988-89	2,372.08
1989-90	2,538.26
1990-91	2,608.75
1991-92	2,423.65
1992-93	2,412.40
1993-94	2,501.05
1994-95	2,558.17
1995-96	2,854.20
1996-97	2,912.14
1997-98	3,034.96
1998-99	3,223.06
1999-00	3,227.74
2000-01	3,416.73
2001-02	3,298.48
2002-03	3,537.11
2003-04	3,630.03
2004-05	3,670.26
2005-06	3,742.42
2006-07	3,981.61
2007-08	4,163.47

## DISTRICT COST DIFFERENTIAL

Section 1011.62(2), F.S., requires the Commissioner of Education to annually compute district cost differentials by adding each district's Florida Price Level Index for the most recent three years and dividing the sum by 3. The result is multiplied by 0.0008 and 0.200 is added to the product to obtain the DCD. This serves to limit the factor's adjustment to 80 percent of the index, i.e., the approximate percentage of district salary costs to total operating costs. The three-year averaging reduces the immediate impact of sudden changes in the index.

<u>YEAR</u>	<u>CLAY COUNTY DCD</u>
1997-98	0.9631
1998-99	0.9670
1999-00	0.9675
2000-01	0.9676
2001-02	0.9617
2002-03	0.9597
2003-04	0.9539
2004-05	0.9673
2005-06	0.9798
2006-07	0.9977
2007-08	0.9971
2007-09	

## DECLINING ENROLLMENT ALLOCATION



The declining enrollment supplement for the current year is determined by comparing the unweighted FTE in the current year to the unweighted FTE of the prior year. In those districts where there is a decline in unweighted FTE, 50 percent of the decline is funded.

*Counties who are growing do not receive the Declining Enrollment Allocation.*

**SPARSITY SUPPLEMENT**

The FEFP recognizes that small districts have additional costs that are not recognized by the basic formula. Therefore, a sparsity index was statutorily created to recognize these additional costs. The formula considers each district's unweighted FTE and the number of permanent high school centers (not to exceed three).

Proviso language in the 2007-08 General Appropriations Act limits participation to districts with 20,000 or fewer FTE. This supplement is limited to \$40,000,000 statewide.

Funding Summary:	2005-06	\$35,000,000
	2006-07	\$35,000,000
	2007-08	\$40,000,000

The Clay County School District does not receive Sparsity Funds.

Authority: s.1011.62,(7),F.S.

**.25 MILL DISCRETIONARY EQUALIZATION/  
.51 MILL COMPRESSION**

Districts that levy the discretionary 0.510 mills and an additional 0.250 mills will receive a supplement if the additional 0.250 mills raise less than \$100 per FTE.

An amount will also be provided to ensure that each district receives at least the state average per FTE when combined with the amount raised by the 0.250 mills (estimated to be \$330 per FTE for 2007-08).

**SAFE SCHOOLS**

An amount of \$77,150,000 was appropriated for Safe Schools for the 2007-08 fiscal year. The program provides for after-school care for middle school students, alternative school programs for adjudicated youth, and other improvements to enhance the learning environment. A minimum of \$75,000 is established for every district. The funds are distributed as follows:

- 67% of the total is allocated based on the latest official crime report published by FDLE, and
- 
- 33% is allocated based on total district unweighted FTE.
- Clay County School District's allocation:

<u>Year</u>	<u>Funding</u>
2000-01	\$545,311
2001-02	562,513
2002-03	605,983
2003-04	574,755
2004-05	580,790
2005-06	568,360
2006-07	611,419
2007-08	689,493

Authority: Appropriations Act

## **READING PROGRAM**

Funds for districts to provide a K-12 comprehensive, district-wide system of research-based reading instruction.

Each district's Reading allocation is a minimum of \$100,00 with the balance allocated based upon base funding. It will not be recalculated during the school year.

The statewide allocation for fiscal year 2007-08 is \$116,909,260.

<u>YEAR</u>	<u>CCSD</u>
2004-05	\$ 305,567
2005-06	\$1,105,910
2006-07	\$1,484,229
2007-08	\$1,605,582

Authority: s.1011.62, F.S.

<p style="text-align: center;"><b>SUPPLEMENTAL ACADEMIC INSTRUCTION ALLOCATION</b></p>
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First priority for use of these funds shall be the provision of supplemental intensive instruction, consistent with the Sunshine State Standards, including summer school and intensive English immersion instruction, for students in grades 3 and 10 who scored FCAT level I in FCAT reading or math. Supplemental instruction strategies may include, but are not limited to: modified curriculum, reading instruction, after-school instruction, tutoring, mentoring, class size reduction, extended school year, and intensive skills development in summer school, and other methods for improving student achievement. Supplemental instruction may be provided to a student in any manner and at any time during or beyond the regular 180-day term identified by the school as being the most effective and efficient way to best help that student progress from grade to grade and to graduate. The statewide allocation for fiscal year 2007-2008 is \$736,402,596.

<u>YEAR</u>	<u>CLAY COUNTY SAI</u>
2000-01	\$ 9,404,437
2001-02	\$ 9,260,089
2002-03	\$ 9,260,089
2003-04	\$ 9,554,923
2004-05	\$ 9,260,089
2005-06	\$ 9,577,330
2006-07	\$10,355,115
2007-08	\$11,081,565

Authority: s.1011.62(1)(f), F.S.

**ESE GUARANTEED ALLOCATION**

Exceptional education services for students whose level of service is less than Support Levels 4 and 5 are funded through the ESE Guaranteed Allocation. The students generate FTE funding using the appropriate Basic Program weight for their grade level. The allocation provides for additional services needed. District allocations from the appropriation are not recalculated during the year. The statewide allocation for fiscal year 2007-2008 is \$1,133,668,598.

<u>YEAR</u>	<u>CLAY COUNTY ESE</u>
2000-01	\$12,051,332
2001-02	\$11,729,467
2002-03	\$11,779,000
2003-04	\$11,706,387
2004-05	\$11,894,173
2005-06	\$12,333,001
2006-07	\$13,751,336
2007-08	\$14,437,415

Authority: s.1011.62(i)(e), F.S.

<p style="text-align: center;"><b>TEACHER COMPENSATION MERIT AWARD PROGRAM ALLOCATION</b></p>
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Provides funding (\$147,500,000 statewide) to assist school districts with implementation of performance and differentiated pay policies for instructional personnel in accordance with the requirements of law (Merit Award Program – MAP)

### Merit Award Program (MAP)

Basic Review of Plan: 2007-08 Allocation - \$2,027,895

1. October 1, 2007 For participation in 2007-08 and 2008-09 plan is submitted to Commissioner.
2. November 15, 2007 Commissioner reviews plans and requests revisions as necessary.
3. January 31, 2008 District plan needing revisions is resubmitted to the Commissioner.
4. October 1, 2008 Districts must distribute 2007-08 bonuses before this date.
5. Who Qualifies: All instructional personnel as defined in s.1012.01(2)(a)-(d), excludes substitute teachers, and school administrators as defined in s.1012.01(3)(c).
6. Who Receives the Award: Top performing instructional and administrative personnel to receive a bonus equal to 5-10% of the districts' average teacher salary.
7. How is eligibility determined: 60% of the bonus is based on learning gains, and proficiency. The remaining 40% is based on the principal's/supervisor's evaluation.

Funding Summary:	STAR	2006-07	\$147,500,000
	MAP	2007-08	\$147,500,000

Funding Clay County School District	STAR	2006-07	\$1,942,993
	MAP	2007-08	\$2,027,895

Authority: s.1012.225 F.S.

## **DISTRICT LOTTERY AND SCHOOL RECOGNITION PROGRAM**



Consolidates funding for District Discretionary Lottery Funds and School Recognition/Merit Schools; from the total appropriation, \$263,449,842. The first priority is to provide school recognition awards, (school awards equal to \$100 per student for each student in an “A” school or a school that has improved by one letter grade from the prior year).

Lottery funds are allocated to schools at \$10 per unweighted FTE to be used at the discretion of the School Advisory Council.

<u>Fiscal Year</u>	<u>Lottery</u>	<u>School Recognition</u>	<u>Total</u>
2000-01	\$ 2,093,179		\$2,093,179
2001-02	\$ 2,555,765	\$1,198,169	\$3,753,934
2002-03	\$ 2,059,253	\$1,866,564	\$3,925,817
2003-04	\$ 1,414,793	\$1,894,291	\$3,309,084
2004-05	\$ 1,714,138	\$1,739,093	\$3,453,231
2005-06	\$ 1,598,248	\$1,936,050	\$3,534,298
2006-07	\$1,404,537	\$2,679,309	\$4,083,846
2007-08	\$1,455,438	\$2,679,309	\$4,134,747

Authority: Appropriations Act and s.1008.36, F.S.

**CATEGORICALS**

MAJOR CATEGORICALS	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Instructional Materials	\$ 2,523,766	\$ 2,755,349	\$ 2,942,588	\$ 2,991,411	\$ 3,495,597	\$ 3,859,532	\$ 3,993,706
Student Transportation	5,766,289	6,242,548	6,299,906	6,672,055	6,924,210	7,819,270	7,970,312
Public School Technology	727,436	737,478	604,317	613,098	642,742	-	-
Teacher Lead Program	179,152	183,497	189,870	201,317	224,191	605,231	672,274
Teacher Training	420,512	425,371	435,755	444,837	233,173	-	-
Teacher Recruitment/Retention	1,769,804	-	-	-	-	-	-
Class Size Reduction	-	-	5,289,697	11,415,160	18,809,413	27,992,126	37,439,346
<b>Total</b>	<b>\$ 11,386,959</b>	<b>\$ 10,344,243</b>	<b>\$ 15,762,133</b>	<b>\$ 22,337,878</b>	<b>\$ 30,329,326</b>	<b>\$ 40,276,159</b>	<b>\$ 50,075,638</b>

## LOCAL FUNDING = MILLAGE

1. Required Local Effort (4.890 Mills est. 2007-08)

2. Discretionary Local Effort (.51 Mills)
3. Supplemental (Additional) Discretionary Local Effort (.25 Mills)

<p><b>REQUIRED LOCAL EFFORT</b></p> <p><b>(RLE)</b></p>
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Each year in the General Appropriations Act, a dollar amount is set that is to be collected for required local effort (RLE). The district's Required Local Effort

(RLE) is subtracted from the gross calculation of Florida Education Program (FEFP) dollars. In calculating the FEFP each year, each district's deduction for RLE will be certified millage to be levied against 95 percent of the non-exempt assessed property valuation of the district. Districts receive state funds on a net basis after deduction of the yield of RLE property taxes. Millage rates are also adjusted because required local effort may not exceed 90 percent of a district's total FEFP entitlement. In order to receive state funding, school districts must levy the local property tax millage set by the Legislature.

<u>YEAR</u>	<u>ASSESSED VALUE</u>	<u>REQUIRED LOCAL EFFORT MILL LEVY</u>
1997-98	\$3,363,821,616	6.827
1998-99	3,654,782,195	6.696
1999-00	3,934,410,876	6.266
2000-01	4,280,721,417	6.181
2001-02	4,777,089,729	6.012
2002-03	5,175,164,435	5.951
2003-04	5,718,929,199	5.871
2004-05	6,440,362,037	5.723
2005-06	7,482,833,967	5.215
2006-07	9,223,032,551	5.019
2007-08	9,960,045,874	4.890

Authority: s.1011.62(4),F.S.

## **DISCRETIONARY LOCAL EFFORT**

In addition to RLE, districts may choose to levy an additional non-voted property tax. The Legislature establishes the maximum millage that each district may

levy. Currently, the maximum allowed is 0.51 mills. (The .51 Mill Compression shown previously is awarded to districts who do not generate at least \$330 per student with the levy for 2007-089.)

**SUPPLEMENTAL DISCRETIONARY  
LOCAL EFFORT**

If the district chooses to levy the Discretionary Local Effort Millage, it is also eligible to levy an additional non-voted discretionary property tax of up to 0.25

mills in order to produce a maximum of \$100 per FTE. (The .25 Mill Discretionary Equalization shown previously is awarded to districts who do not generate at least \$100 per student with the levy for 2007-08.)

About two-thirds of Florida's school districts receive state equalization funding.