




STATE OF LOUISIANA
DEPARTMENT OF EDUCATION
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DATE: July 21, 2008
CIRCULAR: 1114
TO: Parish/City/Local School Superintendents
Recovery School District Superintendents
FROM: Paul G. Pastorek 
State Superintendent of Education
SUBJECT: 2008-2009 Certificated Pay Raises

The General Appropriations Bill (House Bill 1) of the 2008 Regular Session of the Louisiana Legislature provides a total of \$55,168,800 in funding for a \$1,019 across-the-board Certificated Pay Raise to be distributed in FY 2008-09. The appropriated amount includes the associated employer retirement contribution of 15.5%. The \$55 million appropriation is to be used in conjunction with the Minimum Foundation Program (MFP) Growth Funds dedicated to certificated pay raises to attain the \$1,019 pay increase to each certificated staff. Therefore, districts with growth in MFP funds whose average teacher salaries are below the latest published SREB average must utilize growth funds to the extent available to provide the \$1,019 across-the-board pay raise.

The certificated pay increase will be funded under three possible scenarios:

1. Districts not required to give the MFP pay raise because the district had a decrease in MFP funds, or because the district's average teacher salary is at or above the SREB average:
 - Receive the \$1,019 certificated pay increase entirely from the \$55 million line item appropriation for teacher salaries.
2. Districts with MFP growth funds less than the amount needed to fund the \$1,019 certificated pay increase entirely, with an average teacher's salary below the SREB average:
 - Receive the portion not available through the 50% growth money from the \$55 million line item appropriation for teacher salaries.
3. Districts with MFP growth funds exceeding the amount required to give the \$1,019 certificated pay increase:
 - Must give the \$1,019 pay raise from the growth funds. Funds in excess of the amount required to give the \$1,019 pay increase must be distributed in certificated pay raises. However, districts have flexibility in the distribution of the excess funds.

Certificated Pay Raise Distribution

What criterion qualifies a school employee for the pay raise?

Certificated staff persons holding positions that require a teaching certificate are eligible for the certificated pay raise. Those individuals holding teaching certificates employed in positions not requiring a teaching certificate shall not be considered for the certificated pay raise.

Which school employees are eligible for the certificated pay raise?

Certificated personnel are defined by the Louisiana Department of Education's *Bulletin 1929, Louisiana Accounting and Uniform Governmental Handbook (LAUGH)* to include the positions below:

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July 21, 2008

- Teachers (all function codes 1000-2200, object code 112);
- Therapists/Specialists/Counselors (function codes 1000-2200, object code 113);
- School site-based principals, assistant principals, and other school administrators (function code 1000-2200 and 2400, object code 111);
- Central office certificated administrators (function code 1000-2300 & 2831 (excluding 2321), object code 111);
- School nurses (function code 2134, object code 118); and
- Sabbaticals (function code 1000-2200, 2134, and 2400, object code 140).

Will the pay raise be given across-the-board?

Yes, the pay raise will be given across-the-board at \$1,019 per full-time equivalent (FTE).

Will the employer share of the retirement contribution be provided?

Yes. The pay raise amount of \$1,019 plus 15.5% for the associated employer retirement contribution will be provided to the school district.

Do ROTC Instructors qualify for the certificated pay raise?

Yes. The State Board of Elementary and Secondary Education (SBESE) has adopted a policy requiring that individuals teaching Junior ROTC have an ancillary certificate. These instructors previously fell within the object/function code combination for teachers. With the new SBESE policy regarding ancillary certificates for ROTC instructors, these instructors now meet the dual requirement, qualifying them for legislative pay increases.

Which employee count will be used to determine a school district's preliminary allocation?

Funding is estimated based on the October 1, 2007 data from the Profile of Educational Personnel (PEP) as reported to the Louisiana Department of Education. Funding is provided on an FTE basis.

What is the basis for the final distribution?

The final distribution will be based on October 1, 2008 PEP data as reported to the Department of Education. Payment amounts will be adjusted once the October 1, 2008 PEP data are available. Therefore, it is critical that the data transmitted to the Department of Education for the October 1, 2008 (PEP) submission be accurate and submitted in a timely manner. Funding is provided on an FTE basis.

What are the required timelines for distribution of the pay raise?

Each district shall include the pay increase in the 2008-2009 salary schedules and begin paying the increase for all pay periods beginning August 1, 2008, and thereafter.

When will school districts begin receiving these funds?

Payments will be provided monthly beginning in July 2008. The payments will be made at the same time as the regular MFP payments, but will be a separate electronic fund transfer (EFT).

Which object/function code combination should be used to record this revenue?

Funding for the pay raise is included in the MFP Appropriation, and payments should be recorded as MFP funds – keypunch code 0004300.

Are federally funded employees included in the PEP counts for pay raise funding?

Yes. All employees, regardless of fund source, are included in the funding for the pay raise.

May the federal fund source be charged for those employees paid with federal funds?

Yes. If funding is available, the federal fund source may be charged to the extent that the current salary is charged.

July 21, 2008

How will the pay raises be continued in subsequent years?

In subsequent years, the pay raise amounts allocated to each entity will be continued in Level 3 of the MFP formula. In FY2009-2010, the FY2008-2009 allocated amount will be converted to a per pupil amount using the October 1, 2008 SIS count and will be multiplied by the current year's MFP membership to determine the new year's allocation.

If you have any questions regarding this information, contact Charlotte Stevens at (225) 342-4989 or via e-mail at charlotte.stevens@la.gov. This information will be posted to the Department of Education website, www.louisianaschools.net. You may also call the Department's toll-free number at 1-877-453-2721.

PGP/BS:cs

Attachments

c: SBESE Members
Erin Bendily, Office of the Governor
Senator Joel Chaisson, II, President of the Senate
Senator Ben W. Nevers, Chairman, Senate Education Committee
Representative Donald M. Trahan, Chairman, House Education Committee
James R. Fannin, Vice Chairman, Joint Legislative Committee on the Budget
Angele Davis, Commissioner of Administration
Parish/City/Local School System Business Managers/Directors of Finance
Recovery School System Business Managers/Directors of Finance
Ollie S. Tyler, Deputy Superintendent of Education, SDE
Beth Scioneaux, Deputy Superintendent for Management and Finance, SDE
Charlotte Stevens, Director, Education Finance, SDE
Babette Myers, Appropriation Control, SDE
George Silbernagel, House Appropriations
Etta Harris-Whitmore, Office of Planning and Budget
Kevin Suire, Office of Planning and Budget
David Ray, Senate Finance
Paul Jones, House Education
Jeanne Johnston, Senate Education
Gordon Monk, Legislative Fiscal Officer
Lloyd Dressel, LSBA