

STATE BOARD of ELEMENTARY and SECONDARY EDUCATION

P.O. Box 94064, Capitol Station, Baton Rouge, LA 70804-9064 · PHONE: 225-342-5840 · FAX: 225-342-5843

March 12, 2025

Paul Hollis Ist BESE District Chairman, Joint Legislative Committee on the Budget Post Office Box 94062

Baton Rouge, Louisiana 70804

Sharon Clark 2nd BESE District

Dear Chairman Womack:

Honorable Glen Womack

Sandy Holloway 3rd BESE District

The Louisiana State Board of Elementary and Secondary Education (BESE) submits the

Stacey Melerine 4th BESE District

FY2025-2026 Minimum Foundation Program (MFP) formula proposal approved on March 12, 2025 pursuant to Article VIII, Section 13(B), of the 1974 Louisiana Constitution, R.S. 17:7(2), and R.S. 17:22.

Lance Harris 5th BESE District

Ronnie Morris

6th BESE District

Kevin Berken 7th BESE District

Preston Castille 8th BESE District

Conrad Appel Member-at-Large

Judy Armstrong Member-at-Large

Simone Champagne Member-at-Large The recommended FY2025-2026 MFP formula maintains the provisions included in House Concurrent Resolution (HCR) 23, of the 2022 Regular Session of the Louisiana Legislature. The current Base Per Pupil Amount in Level 1 of the formula remains equal to \$4,015.00. Level 1 continues to calculate the cost of education and apportion a share of that cost between the state and local districts in order to achieve equitable funding, as required in the Constitution.

Once again this year, BESE maintained the average state contribution at 65 percent and the average local contribution at 35 percent. Level 2 continues to provide rewards for districts that go above and beyond in raising local funds for public education. Level 3 again provides for legislative allocations, such as continuation of past pay raises. Level 4 includes supplementary allocations for specific programs, such as career training experiences, dual enrollment and enrichment courses, assistance with high cost special education services, and recruitment and employment of international associate teachers.

While maintaining the provisions currently in effect, the FY2025-2026 provides for the following changes with a **total additional cost of approximately \$49.88 million**:

1. <u>Differentiated Compensation</u> – Cost: \$17.5 million

Provides funding to allow school systems to address their unique market needs in the recruitment and retention of teachers. Additional investments in our educator workforce compensation will increase the ability to recruit and retain essential personnel. A discretionary Block allocation, calculated and placed in Level 4 of the formula, based on the latest available individual system staffing data and applicable retirement contributions (cap of \$17.5 million), for the following categories:

Tavares A. Walker Executive Director

Dr. Cade Brumley State Superintendent

- a. Stipends for teachers in critical shortage area as determined by BESE and/or;
- b. Stipends for Highly Effective Teachers (as defined in R.S 17:381 through 3095 and Bulletin 130, Section 309), and/or;
- c. Stipends for teachers working in High Need schools defined as those with an Economically Disadvantaged rate of 85% or greater, and/or;

d. Stipends for teacher leadership positions including classroom teachers appointed to lead weekly teacher collaborations, or those that serve as instructional coaches or mentors.

2. Apprenticeships and Internships - Cost: \$2.0 million

Provides an expansion of Supplemental Course Allocation (SCA) provision in Level 4 to support workforce development into a specific funding allocation for student apprenticeships and internships. Funding would be allocated to school systems based on the number of eligible enrolled students in either fall or spring semester. For Apprenticeships, if a school system is defined as rural by the U. S. Census Bureau, each enrollment will generate \$3,500 and if the system is non-rural \$2,500 will be received for each enrollment up to \$1 million. The variation in allocation amounts recognizes the extra support needed for costs, such as costs associated with transporting students to the apprenticeship sites at greater distances in rural parts of the state. For Internships, an allocation of \$1,000 per enrolled student up to \$1 million.

3. Accelerate Tutoring - Cost: \$30 million

Provides funding for accelerate tutoring for literacy and/or math, focusing on students with the most need for improved outcomes for grades K-5 up to \$30 million. Funding may be used to cover services for any student requiring tutoring to include extra staffing, contracted services, or online programming as deemed appropriate at the local level with guidance from the department.

4. <u>Technical Addition</u> – Projected cost based on enrollment is approximately \$380,040.00

Ecole Pointe-au-Chien - Act 454 of the 2022 Regular Session of the Legislature, provided for the creation of a public State French immersion school for students in grades prekindergarten through 4 in Terrebonne Parish. The school opened in 2023-24 and is funded this year entirely through a line item appropriation. The Act stated that Ecole Pointe-au-Chien shall be considered a public school and as such, shall be included by the State Board of Elementary and Secondary Education in the MFP formula. In alignment with this statute, Ecole Pointe-au-Chien has been included in the FY2024-25 formula in Level 4, Formula Calculations for State-Approved Public Schools, which is similar to the Louisiana School for Math, Science, and the Arts (LSMSA), New Orleans Center for Creative Arts (NOCCA), Thrive Academy, and Special School District (SSD). Ecole Pointe-au-Chien would be funded in the formula identical to these other State schools with both a state and local allocation funded by the State based on the per pupil amount for the city or parish school system where the attending students reside. The school may also be eligible to receive some program specific funding provided for in Level 4 of the formula if eligibility criteria is met. State funds currently budgeted for the school could be transferred to the formula as was done when other State schools were added.

5. Technical Revision - Resident Teacher Stipend Allocation Location Change

Resident Teachers are currently funded through the Pay Raise allocations in Level 4 of the formula. Transparency and clarity surrounding this allocation would be enhanced with a transfer of this allocation to its own separate section within Level 4. Current methodology for the Resident Teacher Stipend Allocation would remain at \$3,300 per Resident times the number of Resident Teachers in approved programs. This wording change would have zero impact on the cost of the formula.

Enclosed is a copy of the 2025-2026 MFP formula and the cost projection, inclusive of the items listed above. The cost projection is based on preliminary data available at this time. Note that the cost estimate may change based on the receipt of final data later this spring.

BESE members look forward to discussing these requests with you and with the Legislature. If you have specific questions, please contact BESE Executive Director Tavares A. Walker at (225) 342-5840 or Tavares.Walker2@la.gov, or Deputy Superintendent Beth Scioneaux with the Louisiana Department of Education (LDOE) at (225) 342-3617 or Beth. Scioneaux@la.gov.

Sincerely,

Ronnie Morris BESE President

Enclosure

Cc(s): BESE Members

Tavares A. Walker, Executive Director, BESE

Dr. Cade Brumley, State Superintendent of Education

Beth Scioneaux, Deputy Superintendent for Finance, LDOE

Senator Cameron Henry, Senate President

Representative Phillip DeVillier, Speaker of the House

Senator Rick Edmonds, Chairman, Senate Committee on Education

Representative Laurie Schlegel, Chairman, House Committee on Education

Representative Jack McFarland, Vice Chair, Joint Legislative Committee on the Budget

Members, Joint Legislative Committee on the Budget

Members, House Committee on Education

Members, Senate Committee on Education

Commissioner Taylor Barras, Division of Administration

Ternisa Hutchinson, Budget Director, Office of Planning & Budget

Alan Boxberger, Legislative Fiscal Officer

Julie Silva, Fiscal Analyst, Legislative Fiscal Office

Mei Su, Senior Budget Analyst, Senate Fiscal Services Division

Mark Mahaffey, Director, House Fiscal Division

Ashari Robinson, Budget Analyst, House Fiscal Division

Carla Roberts, Senior Analyst, Senate Committee on Education

Elizabeth Borne, Senior Legislative Analyst, House Committee on Education