

# **Public Schools**

## **Funding/Finance**



**Schools & Learning Council**  
**Florida Education Finance Program**  
**(FEFP)**

**Fact Sheet**

January 2008

<p><b>1. What is the Florida Education Finance Program?</b></p>	<p>The Florida Education Finance Program (FEFP) is the funding formula adopted by the Legislature in 1973 to allocate funds appropriated to school districts for K-12 public school operations. The FEFP implements the constitutional requirement for a uniform system of free public education and is an allocation model based on individual student participation in educational programs. In order to equalize funding among the school districts, the FEFP takes into account:</p> <ul style="list-style-type: none"> <li>• The local property tax base.</li> <li>• Costs of education programs.</li> <li>• District cost differential or DCD.</li> <li>• Sparsity of student population.</li> </ul>										
<p><b>2. How are funds allocated?</b></p>	<p>The FEFP uses a unit of measurement for each student called a full-time equivalent (FTE). One FTE equals one school year of instruction provided to a student. Generally, one FTE equals at least 720 hours of instruction in grades K-3 and at least 900 hours of instruction in grades 4-12.</p> <p>Surveys are taken twice during the regular school year in each school to determine the number of students (unweighted FTEs) enrolled in one or more of seven programs, which include basic education programs; programs for students with limited English proficiency; exceptional student education (ESE) programs; and career education programs (two more surveys are taken during the summer to determine the number of FTEs for Department of Juvenile Justice students).</p> <p>Each program has an associated cost factor that adds weight to an FTE. The program cost factors reflect the relative cost of serving students in each FEFP program. Weighting increases the amount of funds a district is eligible to receive since the FTE is multiplied by the program cost factor. The cost factors for FY 2007-08 are:</p> <table border="0" style="width: 100%;"> <tr> <td colspan="2"><b>GROUP 1:</b></td> </tr> <tr> <td><u>BASIC PROGRAMS</u></td> <td style="text-align: right;"><u>COST FACTOR</u></td> </tr> <tr> <td>Grades K – 3</td> <td style="text-align: right;">1.048</td> </tr> <tr> <td>Grades 4-8</td> <td style="text-align: right;">1.000</td> </tr> <tr> <td>Grades 9-12</td> <td style="text-align: right;">1.066</td> </tr> </table>	<b>GROUP 1:</b>		<u>BASIC PROGRAMS</u>	<u>COST FACTOR</u>	Grades K – 3	1.048	Grades 4-8	1.000	Grades 9-12	1.066
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<p><b>3. How is the FEFP calculated?</b></p>	<p>FEFP funds are determined by multiplying the number of unweighted FTEs in each of the educational programs by cost factors to obtain weighted FTEs. Weighted FTEs are then multiplied by a base student allocation, as determined by the Legislature (\$4,134.95 for FY 2007-2008), and by a district cost differential, to determine the Base Funding from State and Local FEFP Funds. The following allocations are added to the Base Funding to determine Total Funds (state and local FEFP dollars).</p> <p><b>Declining Enrollment Supplement</b> - assists districts that have a declining student enrollment by providing half the revenue that would have been lost to the district due to the decline in the number of students served. Chapter 2007-328, L.O.F., provided that in any year in which the funds provided for the FEFP in the General Appropriations Act are reduced by a subsequent appropriation, the percent of the decline in FTE shall be determined by the Legislature and designated in the subsequent appropriation.</p> <p><b>Sparsity Supplement</b> - assists rural districts with sparse student populations (20,000 or fewer students).</p> <p><b>ESE Guaranteed Allocation</b> – provides lump sum guaranteed funds for mildly to moderately handicapped or gifted exceptional student education services. Chapter 2007-59, L.O.F., limited funds provided for high school gifted programs to the 2006-07 funding level.</p> <p><b>Safe Schools</b> - for the 2007-08 fiscal year, districts receive a minimum allocation of \$74,483 for school safety and the remaining balance is allocated based on student enrollment and the Florida Department of Law Enforcement Crime</p>																		

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Index. Funds may be used for Safe Schools activities including: after school programs for middle school students, improvements to enhance the learning environment including implementation of conflict resolution strategies, alternative school programs for adjudicated youth, suicide prevention programs, and other improvements to make the school a safe place to learn.

**DJJ Supplemental Allocation** – provides supplemental funds for students in juvenile justice education programs in an amount equal to what DJJ programs would have received if they were required to participate in class size reduction. Funds are allocated based on weighted FTE, the state average class-size-reduction factor, and the district's cost differential (WFTE x CSR factor x DCD).

**Supplemental Academic Instruction** – provides flexible funds for districts to provide supplemental instruction in any manner and at any time during or beyond the regular school year. Funds may be used for strategies including: class size reduction, extended school year, summer school, after school classes, mentoring, tutoring, peer assistance, supplemental intensive reading instruction, and any other use determined by the school district to assist students in receiving a year's worth of knowledge for each year in school.

**Reading Instruction Allocation** – provides funds for a K-12 comprehensive, district-wide system of research-based reading instruction. The amount of \$99,310 is allocated to each district and the remaining balance is allocated based on each district's proportion of state total K-12 Base Funding (FTE x Cost Factors x Base Student Allocation x DCD).

**Merit Award Program (MAP)** – provides performance pay rewards to instructional personnel and may include school-based administrators. MAP funds are allocated based on each district's proportion of the state total K-12 base funding (FTE x Cost Factors x Base Student Allocation x DCD). MAP awards must be given to outstanding district personnel based on the performance of students assigned to the employee's classroom, school, or sphere of academic responsibility. Awards must be at least 5 percent, but no more than 10 percent of the district's average teacher salary. **(Refer to Merit Award Program Fact Sheet.)**

**.51 Millage Compression** – provides a supplement to districts that levy the full .51 mills and generate less than the state average per FTE so that, when combined, the supplement and the revenue raised by the .51 millage

## Florida Education Finance Program (FEFP)

	<p>achieves the state average per FTE.</p> <p><b>.25 Millage Equalization</b> – provides a supplement to districts that levy the full .25 mills and generate less than \$100 per FTE so that, when combined, the supplement and the revenue raised by the .25 millage levy achieves \$100 per FTE. However, districts may not levy a millage rate that generates more than \$100 per FTE. To be eligible for the supplement, a district must levy the full .51 millage levy.</p> <p><b>Minimum Guarantee Allocation</b> - ensures a minimum level of funding per student for each school district.</p> <p>Total FEFP funds are comprised of state and local dollars. State funds are primarily generated from general revenue (sales tax revenue). Local funds are generated from property tax revenue and are comprised of the .51 and .25 discretionary millage levies and the required local effort levy.</p> <p>The required local effort revenue is the amount of funds the district receives from levying the state certified local effort millage rate on the district's ad valorem property. All districts levy the required millage, which raises more or less dollars per student depending on the value of the local property. The percentage provided from local sources ranges from 10% to 90% of the total. Section 1011.62(4), F.S., directs the Commissioner to adjust a district's required local effort millage rate so that the millage will produce no more than 90% of a district's total base FEFP entitlement. In 2007-08, the millage rates of eleven districts are reduced by this provision.</p> <p>The amount of required local effort that each district must provide to participate in the FEFP is subtracted from the total State &amp; Local FEFP dollars to determine state FEFP dollars. As a result of this subtraction, if a district has low property values, the state's share of funds per student is greater than the district's local share of funds. Conversely, if a district has high property values, the state's share of funds per student is lower than the district's local share of funds. This subtraction step equalizes the funding per student. All local effort remains in the district, only state funds are adjusted to equalize funding.</p>
<p><b>4. What are categorical program funds?</b></p>	<p>Categorical program funds are state funding allocations earmarked for certain programs or initiatives that can only be spent for the specific purposes of those programs or initiatives. These funds comprise a portion of total state funds for public school operations and are in addition to base state FEFP funds.</p>

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	<p>The following categorical programs received funding allocations during the 2007-2008 fiscal year:</p> <ul style="list-style-type: none"> <li>• Instructional Materials-\$270.1 million;</li> <li>• Student transportation-\$490.2 million;</li> <li>• Teachers Lead Program (teacher funds provided for classroom supplies)-\$48.0 million; and</li> <li>• Class size reduction - \$2.7 billion.</li> </ul>
<p><b>5. Can a school district use monies allocated for specific programs to fund other types of instructional activities?</b></p>	<p>Yes, provided the school board adopts a resolution at a regular school board meeting declaring that funds for specific programs are needed to maintain other classroom instructional activities.</p> <p>The school board must include in its annual financial report to the Department of Education the amount of funds it transferred from each of the authorized programs and the specific instructional activities for which the transferred funds were expended.</p> <p>A school district may <b>only transfer funds</b> from the following programs in order to maintain other instructional activities:</p> <ul style="list-style-type: none"> <li>• Student transportation categorical.</li> <li>• Safe Schools allocation.</li> <li>• Supplemental Academic Instruction allocation.</li> <li>• Research-base Reading Instruction allocation.</li> <li>• Instructional materials, if all instructional material purchases have been completed for that fiscal year.</li> </ul> <p>Class size reduction operating categorical funds must be used to fund class size reduction; however, when the district has met its class size requirements the funds can be used for any lawful operating expenditure with priority given to increasing teacher salaries.</p>
<p><b>6. What are the applicable statutes and rules?</b></p>	<p>Section 1011.60, F.S. -- District Requirements for the FEFP.          Section 1011.61, F.S. -- Definitions.          Section 1011.62, F.S. -- FEFP Formula.          Section 1011.67, F.S. – Funds for Instructional Materials.          Section 1011.68 – Funds for Student Transportation.          Section 1011.685 – Class Size Reduction Operating Category Fund.          Section 1012.225 – Merit Award Program.          Section 1012.71 – Florida Teachers Lead Program Stipend.</p> <p>Ch. 2007-72, L.O.F. -- General Appropriations Act.          Ch. 2007-326, L.O.F. – Special Appropriations Act.          Ch. 2007-328, L.O.F. – Special Appropriations Act.</p>
<p><b>7. Where can I get additional information?</b></p>	<p>Florida Department of Education          Office of Funding and Finance          (850) 245-0405</p>

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	<p>Florida House of Representatives Policy &amp; Budget Council (850) 488-6204</p> <p>Florida House of Representatives Schools &amp; Learning Council (850) 488-7451</p>
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**Schools & Learning Council**  
**Supplemental Academic Instruction**

**Fact Sheet**

January 2008

<p><b>1. What is the Supplemental Academic Instruction (SAI) fund?</b></p>	<p>In 1999, the Legislature created the SAI fund as part of the A+ Education Plan (Ch. 99-398, L.O.F.). This fund was created to assist districts in providing supplemental instruction to students in kindergarten through grade 12.</p> <p>In 2000, the SAI fund was folded into the Florida Education Finance Program as a separate allocation. The flexible uses for the fund still remain.</p> <p>For Fiscal Year 2007-2008, the Legislature appropriated \$731.3 million for supplemental academic instruction (Specific Appropriation 86, ch. 2007-72, L.O.F., and Specific Appropriations 34-34A, ch. 2007-326, L.O.F.).</p>
<p><b>2. Why was the fund initially created?</b></p>	<p>The fund was created for two main reasons: 1) to address requests by school districts for more flexibility, and 2) to provide additional resources to districts to help students gain at least a year's worth of knowledge for each year in school. Before the creation of the SAI fund, districts were given resources for summer school and supplemental instruction with much more tightly controlled and restrictive funds.</p>
<p><b>3. What funding sources were initially used to create the fund?</b></p>	<p>In 1999, there were three funding sources that were combined to become a portion of the SAI Fund. These funds were: the K-8 summer school categorical, 9-12 FTE funds for summer school, and the weighted portion of dropout prevention funds.</p>
<p><b>4. For what purposes can SAI funds be used?</b></p>	<p>School districts have great flexibility with the use of SAI funds. Districts may use the funds to provide supplemental instruction to any student in any manner at any time during or beyond the school year.</p> <p>Supplemental instruction strategies may include:</p> <ul style="list-style-type: none"> <li>• Modified curriculum.</li> <li>• Reading instruction.</li> <li>• After-school instruction.</li> <li>• Tutoring.</li> <li>• Mentoring.</li> <li>• Class size reduction.</li> <li>• Extension of the school year.</li> <li>• Intensive skills development in summer school.</li> <li>• Other methods.</li> </ul>



## Supplemental Academic Instruction

<p><b>5. Has summer school funding been eliminated?</b></p>	<p>No. SAI funds may still be used to provide summer school. A district has discretion to use SAI funds in any manner and at any time it believes will best provide supplemental instruction for the district's students.</p>
<p><b>6. Are districts required to use the funds solely for remediation?</b></p>	<p>No. A district is not required to use the SAI funds solely for remediation.</p> <p>The 2007-08 General Appropriations Act (Specific Appropriation 86, ch. 2007-72, L.O.F) requires that the first priority for the use of these funds is the provision of supplemental intensive instruction for students in grades 3 and 10 who score Level I in FCAT reading or math. Section 1001.42(16)(c), F.S., requires to the extent possible that these funds be used to improve student performance in schools that receive a grade of "D" or "F".</p>
<p><b>7. What are the applicable statutes?</b></p>	<p>Section 1011.62(1)(f), F.S. — Supplemental Academic Instruction.  Section 1001.42(16)(c)4, F.S. – Powers and duties of district school board.</p> <p>2007 General Appropriations Act, Specific Appropriation 86, ch. 2007-72, L.O.F., and 2007 Special Appropriations Act, Specific Appropriations 34 and 34A, ch. 2007-326, L.O.F.</p>
<p><b>8. Where can I get additional information?</b></p>	<p>Florida Department of Education  Office of Funding and Finance Reporting  (850) 245-0405</p> <p>Florida House of Representatives  Policy &amp; Budget Council  (850) 488-1601</p> <p>Florida House of Representatives  Schools &amp; Learning Council  (850) 488-7451</p>