



Commissioner's School Funding Recommendation FY 2020-2021

Presented to
Maine State Board of Education

January 15, 2020

2020-2021 Updates to the School Funding Formula

- Per pupil amount for system administration enacted at \$135
- Minimum Special Education Adjustment enacted increase from 45% to 50%
- Enacted Minimum Teacher Salary Adjustment for school administrative units with teacher salaries less than \$35,000
- Year one of three year plan to transition CTE Funding to the EPS model
- Proposed per pupil amount of \$94 for active members of education service centers
- Proposed targeted education funds added for musical instruments in rural schools and educator directed professional development

EPS Model Components

- Essential Programs and Services Components
 - Operating Costs
 - Instructional and support staff salaries and benefits
 - Per-pupil amounts for Substitute Teachers, Operation & Maintenance of Plant, Supplies & Equipment, System Administration, Professional Development, Instructional Leadership Support and Co-Curricular & Extra-Curricular Activities
 - Per-pupil weights to provide additional student resources for Economically Disadvantaged, which includes an additional targeted weight of 5%, English Language Learners, Student Assessment, Instructional Technology, PK -2 students and an adjustment for Isolated Small Schools
 - Other Subsidizable Costs
 - EPS Special Education Model
 - Special Education High Cost Out of District Allocation
 - EPS Transportation Operating Model
 - Approved Bus Purchases
 - Approved Gifted & Talented Programs

EPS Model Components and Adjustments to State Share

- Essential Programs and Services Components
 - Debt Service
 - State Board Approved Major Capital Construction
 - Approved Facility Leases and Lease Purchases, and Insured Value Factor Costs
 - Normalized Cost (Employer Share) of Teacher Retirement
 - Adjustments to subsidy:
 - Minimum subsidy, minimum special education, special education hardship, minimum debt service and minimum economically disadvantaged adjustments
 - Education in Long-term Drug Treatment Centers
 - Maine Care Seed adjustment
 - Minimum Teacher Salary Adjustment
 - Funds to support those school administrative units which are active members of Education Service Centers
 - Enhancing Student Performance and Opportunity:
 - College Transitions program through Adult Education
 - National Industry-standards for Career and Technical Education
 - Career and Technical Education Middle School Pilot Programs and Allocation for grades 9-12

Targeted Education Funds

- **Targeted Education Funds:**
 - Special Education for State Agency Clients and State Wards
 - Learning Through Technology Program
 - Postsecondary Enrollment (Aspirations) Program
 - Maine Center for the Deaf & Hard of Hearing
 - Maine School of Science & Mathematics
 - Maine School for Marine Science, Technology, Transportation and Engineering
 - Jobs for Maine Graduates
 - Special Education & Coordination of Services for Juvenile Offenders
 - Bridge Year programs for Career & Technical Education
 - EPS Data Management & Support, Transportation Administration & Training, EPS Component Review
 - Community Schools per Chapter 333
 - National Board Certification Salary Supplement
 - Instruments and Professional Development in Rural Schools - *Proposed*
 - Educator Directed Professional Development - *Proposed*

Preliminary EPS Model for FY2021

Preliminary ED 279	Preliminary ED 279 100% EPS Model
Total State & Local	\$2,369,355,442
Operating Costs – Salary & Benefits (including approved PK programs) Operation & Maintenance, Supplies & Equipment, Other Instructional Support	\$1,507,865,971 63.64%
Other Subsidizable Costs – Special Education, Transportation, Gifted & Talented	\$554,973,541 23.42%
Teacher Retirement – Employer Share	\$50,697,332 2.14%
Debt Service – Major Capital Construction Debt, Temporary Lease Space, Lease Purchase/Conversions	\$103,428,195 4.36%
Adjustments to Subsidy – Includes, audit adjustments, regionalization support, special education hardship adjustment	\$11,356,920 .49%
Targeted Funds & Enhancing Student Performance – Includes State Agency Clients, Career and Technical Education, Bridge Year, College Transitions	\$141,033,483 5.95%

FY 2020-21 Preliminary State Share Percentage

Preliminary Estimate Only	Estimated Total	State Share	Estimated Total	State Share
Total Cost of Funding Public Education from Kindergarten to Grade 12 for 2020-21 pursuant to 20-A MRSA Chapter 606-B.	\$2,369,355,442		\$2,369,355,442	
State contribution to teacher retirement, retired teacher health and life insurance and teacher retirement life insurance, excluding the normal cost of teacher retirement.			\$228,931,183	
Total cost of funding public education from kindergarten to grade 12, State share and State share percentage pursuant to Title 20-A, section 15671, subsection 7.	\$2,369,355,442		\$2,598,286,625	
FY 2020-2021 state contribution to the total cost of funding public education from kindergarten to grade 12.	\$1,226,852,247	51.78%	\$1,455,783,430	56.03%
FY 2019-2020 state contribution to the total cost of funding public education from kindergarten to grade 12.	\$1,163,757,928	50.78%	\$1,387,766,379	55.89%

The Estimated Cost of Funding Public Education PK-12 FY 2020-21

Preliminary ED 279 Estimate Only	Preliminary ED 279100% EPS
Total Operating per 20-A MRSA §15683	\$1,507,865,971
Total Other Subsidizable per 20-A MRSA §15681-A	<u>\$554,973,541</u>
Total Operating & Other Subsidizable	\$2,062,839,512
Total Debt Service Allocation	\$103,428,195
Total Normalized Cost of Teacher Retirement	\$50,697,332
Total Adjustments to Subsidy (excludes Min. Adjs.)	\$11,356,920
Total Enhancing Student Performance & Opportunity	\$60,374,775
Total Targeted Education Funds	<u>\$80,658,708</u>
Total Cost of Funding Public Education from Kindergarten to Grade 12 for 2020-21	\$2,369,355,442
Total Estimated State Contribution	\$1,226,852,247
Total Estimated Local Contribution 8.18 mills	\$1,142,503,195

Comparison of the estimated cost of funding public education PK-12 FY 2020-21 to FY 2019-2020

ED 279 Category	Preliminary FY 21	Enacted FY 20
Total Operating per 20-A MRSA §15683	\$1,507,865,971	\$1,470,593,063
Total Other Subsidizable per 20-A MRSA §15681-A	<u>\$554,973,541</u>	<u>\$527,455,487</u>
Total Operating & Other Subsidizable	\$2,062,839,512	\$1,998,048,550
Total Debt Service Allocation	\$103,428,195	\$103,301,489
Total Normalized Cost of Teacher Retirement	\$50,697,332	\$49,342,711
Total Adjustments to Subsidy (excludes Min. Adjs.)	\$11,356,920	\$8,040,972
Total Enhancing Student Performance & Opportunity	\$60,374,775	\$57,149,616
Total Targeted Education Funds	<u>\$80,658,708</u>	<u>\$76,019,791</u>
Total Cost of Funding Public Education from Kindergarten to Grade 12	\$2,369,355,442	\$2,291,903,129
Total State Contribution <i>(excludes UAL)</i>	\$1,226,852,247	\$1,163,757,928
Total Local Contribution Mill Expectation	\$1,142,503,195 8.18	\$1,128,145,201 8.28