

## MEMORANDUM

February 8, 2006

**TO:** The Honorable Chair and Members of The School Board of Miami-Dade County, Florida

**FROM:** Rudolph F. Crew, Superintendent of Schools

**SUBJECT: LEGISLATIVE UPDATE**

### Federal Update

The President released his budget plan for fiscal year 2007 this week, providing increases for homeland security and military spending while continuing the reduction in education funding. The U.S. Department of Education was cut by \$3.1 billion, from FY 2006, in the budget proposal affecting special education and other education programs. **Title I** funding to local educational agencies is level despite increasing numbers of schools being identified needing school improvement under No Child Left Behind (NCLB) and increasing costs for intervention activities. While the President's proposal provides no additional funding in Title I funds to school districts, the budget does include a \$200 million increase for State Educational Agencies (SEA) to build capacity in the area of school improvement. The SEA's would be allowed to retain 100% of the new monies for state-level funding activities.

**Special Education funding** was increased by \$100 million for FY 2007, an increase of less than 1%, falling short of the inflation rate. Other programs such as Teacher Quality, Reading First, Bilingual Education and 21<sup>st</sup> Century Afterschool are proposed to receive level funding as well. However, the President has identified over 140 programs that were "performing poorly or not fulfilling essential priorities" and were eliminated in his budget. Forty-two of those programs are education programs such as **Even Start, Educational Technology- Title II, Part D, Safe and Drug Free Schools and Communities, and Vocational Education, including Tech Prep, Smaller Learning Communities, and GEAR UP**. These programs are being eliminated in an effort to fund other initiatives, such as High School Reform and \$100 million for private vouchers and tutoring. The District receives funding under these programs to fund critical programs in our schools. The President's budget would represent a \$26.6 million decrease in current funding for Miami-Dade County Public Schools (M-DCPS).

### State Update

The 2006 Florida Legislative Session is scheduled to begin on Tuesday, March 7, 2006; however, committee meetings began in September 2005. Last week the

Governor sent his recommended budget for 2006-2007. The Governor's proposed budget provides a \$1.2 billion dollar increase, or 7.5 percent in total funding, in the Florida Education Finance Program (FEFP). The budget does reflect some encouraging policy recommendations, including: no further equalization of the .510 Discretionary Local Millage (DLM), no additional increase in the Sparsity Supplement, and a significant increase in funding of the Supplemental Academic Instruction categorical.

Although providing a quality education for each and every student in Florida is Governor Bush's "priority and the state's most important mission," the proposed budget would provide Miami-Dade County Public Schools (M-DCPS) with \$95.7 million, a 4.39 percent increase in new monies over current levels, far short of the \$160 million needed to fully implement the Board-approved initiatives. The average statewide increase per FTE is \$347.87 while M-DCPS' increase per FTE is \$281.47, a difference of \$66.40 per student. The \$95.7 million includes \$9.7 million, 12.5 percent, in mitigation to compensate for the modification to the District Cost Differential (DCD).

It must be noted that the District's allocation would be \$163.7 million in new monies had the traditional DCD calculation based on the market basket of goods been used, providing the necessary level of funding to the District to implement the initiatives approved by the Board and advocated for by the legislative team in Tallahassee. **The single most punitive policy in the state education funding formula is the revised DCD provision that negatively impacts the District by reducing total potential revenues by approximately \$77.6 million.** The Governor's budget recommendation makes it apparent that despite a significant dollar increase in the FEFP, the inequities in the current formula preclude M-DCPS from receiving its fair share. Without revisions to the current DCD policy, M-DCPS will annually leave much-needed resources to be distributed to other school districts statewide. Discussions with the members of the Miami-Dade Delegation are taking place on the impact of the Governor's budget to the District.

Bills modifying the current constitutional **Class Size Amendment** have been filed in both the Florida Senate and the Florida House of Representatives. In the Senate, Senator Pruitt, the Senate Appropriations Chair and Senate President-Elect, has filed SB 1150 modifying the constitutional requirement to remain at the districtwide level and providing districts a cushion of five students per grade groupings. Additionally, the bill provides a requirement for school districts to spend sixty-five cents of every dollar in the direct classroom expenditure. The proposed bill does not provide for a definition of direct classroom expenditure, but merely states "as defined by law." To date, the Legislature has not provided a definition. This **65% Solution**, as it has been coined, is a national movement adopted by several states and narrowly defines classroom instruction to include classroom teacher, paraprofessionals in the classrooms, equipment in the classroom and instructional materials. Media specialists, counselors, and other

student services provided would not be included. In the House, several comparable bills have been filed by Representatives Hasner (HB 467), Pickens (HB 447), and Simmons (HB 727). HB 447 was heard in House Choice & Innovation Committee and passed by a vote of five to two.

Many of the Board's initiatives requiring statutory revisions have been filed or are being worked through committee bills and amendments:

- ✓ Repeal statutory limitations on the use of the 2-mill levy (SB 412/HB 481);
- ✓ Support a sales tax exemption on all equipment and materials used to construct and maintain a public educational facility (SB 1004/HB in bill drafting);
- ✓ Amend state statutes requiring the cost per student station to increase by the Construction Cost Index instead of the Consumer Price Index (Committee Bills in both the Senate and House); and
- ✓ Provide incentives to recruit and retain young people into the teaching profession (amendment).

Staff and the Board's legislative team will continue to work on the Board's legislative initiatives, at both the federal and state levels, and report to the Board periodically on the progress made. Should you have any questions or need additional information, please contact Mr. Alberto M. Carvalho, Associate Superintendent, Office of Intergovernmental Affairs, Grants Administration, and Community Services, at 305 995-2532.

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cc: Superintendent's Cabinet  
School Board Attorney  
Dr. Magaly C. Abrahante  
Ms. Iraida R. Mendez-Cartaya  
Dr. Linda D. Brown  
Employee Groups  
PTA/PTSA  
Citizens Coalition for Public Education

## Proposed Funding Levels for Selected Education Programs (in thousands)

Selected Education Programs	FY 2005 Final Level	FY 2006 Final Level	FY 2007 Bush Proposal	Difference From FY 2006
Title I (Subtotal Grants to LEA's)	\$12,739,600	\$12,713,125	\$12,713,125	\$0
Basic Grants	\$6,934,853	\$6,808,408	\$6,808,408	\$0
Concentration Grants	\$1,365,000	\$1,365,031	\$1,365,031	\$0
Targeted Grants	\$2,219,843	\$2,269,843	\$2,269,843	\$0
Education Finance Incentive Grants	\$2,219,843	\$2,269,843	\$2,269,843	\$0
<b>School Improvement Grants for States</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>	<b>\$200,000</b>
Reading First State Grants	\$1,041,600	\$1,029,234	\$1,029,234	\$0
Early Reading First	\$104,160	\$103,118	\$103,118	\$0
Striving Readers	\$24,800	\$29,700	\$100,000	\$70,300
Even Start	\$225,094	\$99,000	\$0	-\$99,000
<b>America's Opportunity Scholarships (for Private Vouchers and Tutoring)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$100,000</b>
<b>Math Now for Elementary School Students</b>	<b>\$0</b>	<b>\$0</b>	<b>\$125,000</b>	<b>\$125,000</b>
<b>Math Now for Secondary School Students</b>	<b>\$0</b>	<b>\$0</b>	<b>\$125,000</b>	<b>\$125,000</b>
<b>High School Reform</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,475,000</b>	<b>\$1,475,000</b>
Migrant Education (State Agency Programs)	\$390,428	\$386,524	\$386,524	\$0
Comprehensive School Reform (CSR/D)	\$205,344	\$7,920	\$0	-\$7,920
Impact Aid (total)	\$1,243,861	\$1,141,333	\$1,141,333	\$0
Teacher Quality State Grants - Title II	\$2,916,604	\$2,887,439	\$2,887,439	\$0
Mathematics & Science Partnerships	\$178,560	\$182,160	\$182,160	\$0
Educational Technology - Title II-D	\$496,000	\$272,250	\$0	-\$272,250
21st Century Community Learning Centers	\$991,077	\$981,166	\$981,166	\$0
State Grants for Innovative Education Programs	\$198,400	\$99,000	\$99,000	\$0
State Assessments	\$411,700	\$407,563	\$407,563	\$0
Indian Education (total)	\$119,889	\$118,690	\$118,690	\$0
Teacher Incentive Fund	\$0	\$99,000	\$99,000	\$0
Transition to Teaching	\$44,932	\$44,484	\$44,484	\$0
Charter Schools Grants	\$216,952	\$214,782	\$214,782	\$0
Credit Enhancement for Charter School Facilities	\$36,980	\$36,611	\$36,611	\$0
Voluntary Public School Choice	\$26,542	\$26,278	\$26,278	\$0
Magnet Schools Assistance	\$107,770	\$106,693	\$106,693	\$0
Advanced Placement Fees	\$29,760	\$32,175	\$122,175	\$90,000
Safe and Drug-Free Schools and Communities	\$437,380	\$346,500	\$0	-\$346,500
English Language Acquisition State Grants	\$675,765	\$669,007	\$669,007	\$0
IDEA - Part B (Grants to States)	\$10,589,746	\$10,582,961	\$10,682,961	\$100,000
Vocational Education (total)	\$1,326,600	\$1,296,306	\$0	-\$1,296,306
Vocational Education State Grants	\$1,194,300	\$1,182,388	\$0	-\$1,182,388
Vocational Education - Tech-Prep	\$105,800	\$104,754	\$0	-\$104,754
Adult Basic and Literacy Education State Grants	\$569,700	\$563,975	\$563,975	\$0
Smaller Learning Communities	\$94,500	\$93,531	\$0	-\$93,531
GEAR UP	\$306,500	\$303,423	\$0	-\$303,423
Hurricane Education Recovery	\$0	\$1,600,000	\$0	-\$1,600,000
<b>TOTAL - DEPARTMENT OF EDUCATION</b>	<b>\$56,576,928</b>	<b>\$57,552,764</b>	<b>\$54,410,271</b>	<b>-\$3,142,493</b>

**President's New Initiatives in Bold**



2006-07 District Cost Differential (DCD) Transition Supplement Recommendation

Calculation of the Supplement Based on Different Florida Price Level Indexes (FPLI)

District	A			B			B-A		DCD Transition Supplement	Percent Restored
	FEFP Using Pecuniary FPLI*			FEFP With New School Personnel FPLI**			\$ and % Chg Due to Using New FPLI			
	Total Funds	Increase	% Chg	Total Funds	Increase	% Chg	-7-	-8-		
	-1-	-2-	-3-	-4-	-5-	-6-	-7-	-8-	-9-	-10-
1 Alachua	\$181,772,491	\$8,412,729	4.65%	\$183,679,425	\$10,319,663	5.95%	\$1,906,934	1.0%		
2 Baker	\$29,792,961	\$1,578,417	5.29%	\$30,379,170	\$2,184,628	7.35%	\$588,209	2.0%		
3 Bay	\$176,562,835	\$13,334,122	8.22%	\$174,585,240	\$12,356,527	7.82%	(\$977,595)	-0.6%	122,184	12.50%
4 Bradford	\$23,419,408	\$953,443	4.24%	\$23,629,553	\$1,163,590	5.18%	\$210,147	0.9%		
5 Brevard	\$487,013,408	\$32,212,739	7.08%	\$489,347,708	\$34,547,039	7.60%	\$2,334,300	0.5%		
6 Broward	\$1,780,629,589	\$106,742,961	6.38%	\$1,752,651,400	\$78,764,772	4.71%	(\$27,978,189)	-1.6%	3,496,835	12.50%
7 Calhoun	\$15,463,260	\$1,009,833	6.99%	\$15,550,924	\$1,097,497	7.59%	\$87,664	0.6%		
8 Charlotte	\$117,330,194	\$11,254,696	10.61%	\$116,184,222	\$10,108,724	9.53%	(\$1,145,972)	-1.0%	143,229	12.50%
9 Citrus	\$101,878,692	\$6,839,947	7.20%	\$101,238,249	\$6,199,504	6.82%	(\$640,443)	-0.6%	160,116	25.00%
10 Clay	\$225,634,665	\$21,339,458	10.45%	\$231,002,420	\$26,707,213	13.07%	\$5,367,755	2.4%		
11 Collier	\$328,303,681	\$30,657,351	10.30%	\$331,074,336	\$33,428,006	11.23%	\$2,770,655	0.8%		
12 Columbia	\$65,322,403	\$4,178,016	6.83%	\$65,118,329	\$3,971,942	6.50%	(\$204,074)	-0.3%	51,020	25.00%
13 Miami-Dade	\$2,461,332,847	\$163,711,100	7.13%	\$2,383,691,297	\$86,069,550	3.75%	(\$7,641,550)	-3.2%	9,703,977	12.50%
14 DeSoto	\$33,657,568	\$2,689,451	8.71%	\$33,332,599	\$2,464,494	7.98%	(\$224,957)	-0.7%	58,241	25.00%
15 Dade	\$14,080,362	\$775,860	5.83%	\$13,802,924	\$498,422	3.75%	(\$277,438)	-2.0%	69,362	25.00%
16 Duval	\$800,911,733	\$23,110,621	2.97%	\$827,671,616	\$49,870,504	6.41%	\$26,769,883	3.3%		
17 Escambia	\$289,317,852	\$14,758,797	5.80%	\$268,228,516	\$13,667,461	5.37%	(\$1,091,336)	-0.4%	136,400	12.50%
18 Flagler	\$79,831,226	\$13,972,005	21.21%	\$78,822,503	\$12,963,282	19.68%	(\$1,008,723)	-1.3%	252,188	25.00%
19 Franklin	\$10,478,397	\$1,442,740	15.97%	\$10,358,029	\$1,322,372	14.64%	(\$120,368)	-1.1%	15,044	12.50%
20 Gadsden	\$40,248,167	\$1,320,398	3.39%	\$40,877,980	\$1,950,211	5.01%	\$629,813	1.6%		
21 Gilchrist	\$18,367,234	\$1,463,280	8.11%	\$19,360,890	\$1,436,936	8.02%	(\$16,344)	-0.1%	4,088	25.00%
22 Glades	\$8,960,348	\$853,756	10.54%	\$9,940,751	\$844,159	10.43%	(\$9,597)	-0.1%	2,399	25.00%
23 Gulf	\$14,705,802	\$1,161,045	8.57%	\$14,364,072	\$619,315	6.05%	(\$341,730)	-2.3%	85,435	25.00%
24 Hamilton	\$12,765,009	\$860,197	7.23%	\$12,577,093	\$672,281	5.65%	(\$187,916)	-1.5%	48,980	25.00%
25 Hardee	\$31,832,556	\$1,882,585	6.29%	\$31,937,472	\$1,082,591	6.62%	\$98,916	0.3%		
26 Hendry	\$47,864,087	\$1,749,857	3.79%	\$48,227,440	\$2,113,010	4.58%	\$363,353	0.8%		
27 Hernando	\$140,652,488	\$13,977,888	11.03%	\$141,421,163	\$14,746,365	11.64%	\$788,677	0.5%		
28 Highlands	\$78,862,446	\$6,515,937	9.01%	\$78,202,979	\$5,856,470	8.10%	(\$659,467)	-0.8%	164,872	25.00%
29 Hillsborough	\$1,263,185,372	\$84,598,468	7.18%	\$1,277,580,488	\$98,991,582	8.40%	\$14,395,118	1.1%		
30 Holmes	\$21,955,220	\$1,677,233	8.27%	\$21,435,331	\$1,157,344	5.71%	(\$519,889)	-2.4%	129,976	25.00%
31 Indian River	\$113,737,569	\$9,347,998	8.95%	\$114,143,454	\$9,753,883	9.34%	\$405,885	0.4%		
32 Jackson	\$47,633,854	\$3,124,187	7.02%	\$47,310,334	\$2,800,667	6.29%	(\$323,520)	-0.7%	80,882	25.00%
33 Jefferson	\$8,476,011	(\$87,560)	-1.02%	\$8,596,629	\$33,058	0.39%	\$120,618	1.4%		
34 Lafayette	\$6,876,750	\$522,895	8.23%	\$6,810,212	\$456,357	7.18%	(\$66,538)	-1.0%	16,635	25.00%
35 Lake	\$243,267,899	\$20,454,881	9.18%	\$247,196,642	\$24,383,624	10.94%	\$3,928,743	1.6%		
36 Lee	\$540,315,262	\$58,214,404	12.08%	\$547,327,091	\$65,226,233	13.63%	\$7,011,829	1.3%		
37 Leon	\$207,733,807	\$6,300,037	3.13%	\$212,826,301	\$11,392,531	5.68%	\$5,092,494	2.5%		
38 Levy	\$41,105,053	\$2,608,568	6.77%	\$41,214,795	\$2,716,298	7.06%	\$109,742	0.3%		
39 Liberty	\$10,450,958	\$1,128,469	12.10%	\$10,517,890	\$1,195,401	12.82%	\$66,932	0.6%		
40 Madison	\$20,371,104	\$1,088,646	5.65%	\$20,363,558	\$1,081,100	5.61%	(\$7,546)	0.0%	1,887	25.01%
41 Manatee	\$280,879,643	\$24,863,349	9.71%	\$280,121,529	\$24,105,235	9.42%	(\$758,114)	-0.3%	94,752	12.50%
42 Marion	\$266,885,844	\$18,020,949	7.24%	\$268,148,886	\$19,283,991	7.75%	\$1,263,042	0.5%		
43 Martin	\$125,781,439	\$10,099,208	8.73%	\$124,867,422	\$9,185,191	7.94%	(\$914,017)	-0.7%	114,238	12.50%
44 Monroe	\$68,261,864	\$5,820,753	9.32%	\$65,833,175	\$3,392,064	5.43%	(\$2,428,689)	-3.6%	303,548	12.50%
45 Nassau	\$69,327,866	\$3,923,113	6.00%	\$71,051,241	\$5,646,488	8.63%	\$1,723,375	2.5%		
46 Okaloosa	\$201,518,995	\$14,928,169	8.00%	\$201,423,454	\$14,832,628	7.95%	(\$95,541)	0.0%	11,941	12.50%
47 Okeechobee	\$47,555,372	\$4,093,028	9.42%	\$47,151,871	\$3,689,527	8.49%	(\$403,501)	-0.8%	50,431	12.50%
48 Orange	\$1,141,803,192	\$63,725,485	5.91%	\$1,169,998,026	\$91,920,319	8.53%	\$28,194,834	2.5%		
49 Osceola	\$333,087,709	\$35,064,933	11.77%	\$337,124,709	\$39,101,933	13.12%	\$4,037,000	1.2%		
50 Palm Beach	\$1,212,969,019	\$80,637,042	7.12%	\$1,210,144,026	\$77,812,055	6.87%	(\$2,824,987)	-0.2%	353,079	12.50%
51 Pasco	\$418,219,331	\$34,754,557	9.06%	\$422,467,451	\$39,002,677	10.17%	\$4,248,120	1.0%		
52 Pinellas	\$741,189,455	\$36,795,944	5.22%	\$739,676,155	\$35,282,644	5.01%	(\$1,513,300)	-0.2%	189,139	12.50%
53 Polk	\$581,480,694	\$47,860,214	8.97%	\$592,754,216	\$59,133,736	11.08%	\$11,273,522	1.9%		
54 Putnam	\$74,731,058	\$2,865,291	3.99%	\$75,562,285	\$3,696,518	5.14%	\$831,227	1.1%		
55 St. Johns	\$174,270,043	\$18,077,245	11.57%	\$174,689,269	\$18,496,471	11.84%	\$419,226	0.2%		
56 St. Lucie	\$242,420,448	\$24,782,006	11.39%	\$242,625,109	\$24,986,667	11.48%	\$204,661	0.1%		
57 Santa Rosa	\$155,779,239	\$9,787,016	6.70%	\$155,612,240	\$9,620,017	6.59%	(\$166,999)	-0.1%	20,872	12.50%
58 Sarasota	\$303,676,070	\$28,652,115	10.42%	\$303,468,612	\$28,444,657	10.34%	(\$207,458)	-0.1%	25,929	12.50%
59 Seminole	\$428,748,346	\$26,656,103	6.63%	\$435,680,828	\$33,588,585	8.35%	\$6,932,482	1.6%		
60 Sumter	\$47,832,561	\$4,553,413	10.52%	\$47,772,712	\$4,493,564	10.38%	(\$59,849)	-0.1%	14,963	25.00%
61 Suwannee	\$36,041,945	\$2,795,813	8.41%	\$36,635,338	\$2,389,206	7.19%	(\$406,607)	-1.1%	101,655	25.00%
62 Taylor	\$19,471,153	\$822,848	4.41%	\$19,276,962	\$628,657	3.37%	(\$194,191)	-1.0%	48,549	25.00%
63 Union	\$14,317,192	\$746,414	5.50%	\$14,502,269	\$931,491	6.86%	\$185,077	1.3%		
64 Volusia	\$437,123,344	\$37,859,937	9.48%	\$427,290,849	\$28,027,442	7.02%	(\$9,832,495)	-2.2%	1,228,908	12.50%
65 Wakulla	\$31,322,008	\$1,347,523	4.50%	\$31,877,655	\$1,903,170	6.35%	\$555,647	1.8%		
66 Walton	\$47,758,577	\$5,412,001	12.78%	\$47,013,768	\$4,667,192	11.02%	(\$744,809)	-1.6%	93,090	12.50%
67 Washington	\$23,321,926	\$1,893,700	8.84%	\$22,900,924	\$1,472,698	6.87%	(\$421,002)	-1.8%	105,254	25.00%
68 Washington Special	\$4,286,831	\$225,963	5.56%	\$4,222,183	\$162,315	4.00%	(\$63,648)	-1.5%	7,955	12.50%
69 FAMU Lab - Leon	\$3,064,447	\$37,185	1.23%	\$3,133,947	\$106,685	3.52%	\$69,500	2.3%		
70 FAU Lab - Palm Bch	\$4,087,645	\$268,978	7.04%	\$4,078,073	\$259,406	8.79%	(\$9,572)	-0.2%	1,196	12.49%
71 FSU Lab - Broward	\$3,900,312	\$57,828	1.50%	\$3,880,197	\$37,713	0.98%	(\$20,115)	-0.5%	2,514	12.50%
72 FSU Lab - Leon	\$10,042,036	\$488,139	5.11%	\$10,284,370	\$730,473	7.65%	\$242,334	2.4%		
73 UF Lab - Alachua	\$7,455,419	\$442,101	6.30%	\$7,530,227	\$516,909	7.37%	\$74,808	1.0%		
74 Florida Virtual School	\$32,867,886	\$10,665,395	48.47%	\$32,629,968	\$10,627,477	48.30%	(\$37,918)	-0.1%	4,739	12.50%
State	\$17,713,249,455	\$1,236,744,799	7.51%	\$17,711,974,971	1,235,470,315	7.50%			17,512,500	

\* Pecuniary FPLI adjusts for goods and services.

\*\* School Personnel FPLI adjusts for goods, services, and wages.