

STATE OF MISSOURI
SB 287
NEW SCHOOL FUNDING FORMULA

1. Background and implementation

- a. The new state funding formula (SB 287) was signed into law May 2005 and implementation began with the current 2006-2007 fiscal year.
- b. The formula is being phased in over 7 years between the new and old formulas as follows:

	New	Old
Year 1	15%	85%
Year 2	30%	70%
Year 3	44%	56%
Year 4	58%	42%
Year 5	72%	28%
Year 6	86%	14%
Year 7	100%	0%

States are paid on the old formula calculation from the 2005-2006 school year for the entire phase in period.

2. Calculation Components: $WADA \times State\ Adequacy\ Target \times Dollar\ Value\ Modifier - Local\ Effort = State\ Funding$

- a. WADA – Weighted Average Daily Attendance
 - i. Regular school year average daily attendance + summer school average daily attendance + additional weighting for free & reduced (F&R) lunch students, LEP (limited English proficient) students and special education students above certain thresholds.
 - ii. St. Louis County school districts do not get any additional weighting for special education students because of SSD.
- b. State Adequacy Target
 - i. The new formula is designed to assure that all students have a state determined adequacy target amount of money to educate them.
 - ii. That current target amount in the new school funding formula is \$6,117 and is recalculated every two years. This amount represents the average expense per pupil of districts with perfect scores on the Annual Performance Report (APR).
- c. Dollar Value Modifier
 - i. Supposed to represent the relative purchasing power of a dollar
 - ii. Calculated on a regional basis if school is in a metropolitan area or on a county basis.
 - iii. Range is 1.0 to 1.104
 - iv. Phased in over a 3 year period
- d. Local Effort
 - i. Items a, b & c multiplied together calculates the total targeted amount to be used to educate students. This total is then shared between state funding and local effort (property taxes)– basically the state pays the difference between the total and local effort
 - ii. Local effort is calculated based on a performance levy of \$3.43 times the 2004 assessed valuation less collector and assessor fees.

- iii. This performance levy is never recalculated.
3. Issues regarding the formula
- a. WADA
 - i. While there is weighting for special education students on the one end of the bell curve, there is no weighting for gifted students on the other end of the bell curve. The state needs to recognize that it costs more to educate gifted students as well.
 - ii. State pays on average attendance. No school can obtain 100% attendance. So if you have 95% attendance (state average is 94%) and you have 1000 students, you are paid on 950 students – but you still must have books, desks, and classroom teachers for 1000 students!
 - b. Adequacy target
 - i. The formula is being phased in over 7 years – so districts are not currently getting the full amount of the adequacy target
 - ii. The school districts used to set the benchmark for the state adequacy target and the thresholds to additional weighting of F&R and LEP were districts that scored perfect APR results from the 2003-2004 school year – almost 3 years ago!
 - c. Local Effort
 - i. The state *assumes* that a district's operating levy is \$3.43 in calculating the local effort portion.
 - ii. This performance levy is not recalculated.
 - iii. The formula also assumes that the 2004 assessed valuation of property is accurate.
 - iv. Recent studies have shown that assessment practices across the state vary widely – especially in counties where assessors are elected.

BAYLESS SCHOOL DISTRICT FINANCIAL SNAPSHOT

1. Salaries
- a. 2005-2006 Comparative Teacher Salary Data (see attached schedule).
 - i. We are not competitive with St. Louis County, our Academic Conference, the state of Missouri or even nationally.
 - ii. The academic conference consists of a group of schools that share similarities to the Bayless School District in terms of student demographics and/or size. It consists of the following schools: Affton, Ferguson-Florissant, Hancock, Maplewood-Richmond Heights, Mehlville, Ritenour, University City, and Valley Park.
 - b. This problem is not limited to teachers. In 2005-2006, the average Bayless administrator salary was about \$5,000 less than both our Academic conference and St. Louis County.
 - c. The cost in 2005-2006 to bring average Bayless teacher and administrator salaries up to St. Louis County average was over \$1.4 million in salary and benefits or 12.5% of the total operating budget.
2. Staffing
- a. The Missouri School Improvement Plan (MSIP) is the State's plan for directing schools and provides the standards by which school districts are accredited by the state. The Bayless Comprehensive School Improvement Plan (CSIP) directs the overall improvement of our

- educational programs and services in order to meet the MSIP standards. It is written under guidelines from Missouri's Department of Elementary and Secondary Education (DESE).
- b. Twelve out of our 94 actions items (13%) in our CSIP cannot be started or achieved due to lack of financial resources for personnel required.
3. Per Pupil Expenditures
 - a. Bayless spends almost \$3,000 or 31% less per student than our Academic Conference and almost \$2,000 or 23% less than the state average.
 4. Facilities
 - a. In December 2003, Bayless had a facility assessment study performed. The study incorporated architectural analysis, structural analysis, mechanical, plumbing and electrical analysis along with safety violations identified in collaboration with St. Louis County Building Inspector and Affton Fire Marshal. The total scope of work for each Bayless school at that time is as follows:

i. Bayless High School	\$3,409,537
ii. Bayless Junior High	\$1,044,626
iii. Bayless Intermediate	\$ 927,320
iv. Bayless Elementary	\$1,958,013
v. New Construction	<u>\$3,340,883</u>
vi. Total	\$10,680,379

 - vii. This cost in terms of December 2006 dollars is approximately \$13,500,000 (112% of current year total operating budget).

In summary, if Bayless wants to achieve academic excellence for our children, we need to attract ***and retain*** quality teachers and administrators in order to have continuity in our instructional teams. We need to be able to hire the staff necessary to meet state and national standards. And we need to have facilities that foster learning and do not drain our operating resources.

Without this, we will NOT be able to adequately prepare ***our*** children to become productive citizens.