

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: SB 1166

INTRODUCER: Senator Gaetz

SUBJECT: Education Funding

DATE: February 24, 2016

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Sikes</u>	<u>Elwell</u>	<u>AED</u>	Recommend: Fav/CS
2.	<u>Sikes</u>	<u>Kynoch</u>	<u>AP</u>	Pre-meeting

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

SB 1166 authorizes the Florida Department of Education to recalculate the Exceptional Student Education (ESE) Guaranteed Allocation for each school district based on the district's actual student full-time equivalent (FTE) as determined by the October FTE survey.

The bill has no impact on state funds. However, individual school districts may experience an increase or decrease in their ESE Guaranteed Allocation based on the results of the October FTE survey.

The bill provides an effective date of July 1, 2016.

II. Present Situation:

In order to provide exceptional education and related services, an Exceptional Student Education (ESE) Guaranteed Allocation was established by the Legislature to provide funding through the Florida Education Finance Program (FEFP) in addition to the basic program funding.¹ This allocation is a lump sum that is derived from the number of full-time equivalent (FTE) students and the cost factors associated with the matrix of services (matrix) to document the services that each student with an exceptionality will receive.²

¹ Florida Department of Education, *Matrix of Services Handbook* available at <http://www.fldoe.org/core/fileparse.php/7690/urlt/2015MatrixServices.pdf>

² Section 1011.62 (1)(e)1.a., F.S.

The Florida Department of Education (DOE) developed the Matrix of Services Handbook to provide districts, schools and teachers with information about the matrix required for selected students with exceptionalities.³ The matrix is designed with five levels in each of the following five domain areas:⁴

- Curriculum and Learning Environment: This domain addresses services provided to the student in the areas of curriculum, instructional strategies and learning environment.
- Social or Emotional Behavior: This domain includes services provided to meet identified social and emotional needs of students with exceptionalities, such as positive behavioral supports, behavioral interventions, social skills development, socialization and counseling as a related service.
- Independent Functioning: This domain includes services that are necessary for the independent functioning of students with exceptionalities, such as instruction in organizational strategies, assistance for activities of daily living and self-care, physical therapy, occupational therapy, orientation and mobility training and supervision of students to ensure physical safety
- Health Care: This domain addresses services provided to students with exceptionalities who have health care needs. Included in this domain are services related to monitoring and assessment of health conditions, provision of related health care services and interagency collaboration.
- Communication: This domain includes services provided to support the communication needs of students with exceptionalities. Services included in this domain are personal assistance, instructional interventions, speech or language therapy and the use of alternative and augmentative communication systems.

A student is evaluated within each of these five domains to determine the appropriate level of service the student requires. Level 1 represents the lowest level of service and Level 5 represents the highest level of service.⁵ The frequency and intensity of the service and the qualifications of personnel required to provide the service are critical factors that impact the determination of the appropriate level of service for the student.⁶

The ESE Guaranteed Allocation was established in 2000 in conjunction with the elimination of the mandatory requirement for the determination of a matrix of services for Levels 1 through 3 ESE students. ESE services for students whose level of service is Levels 1 through 3 are funded through the ESE Guaranteed Allocation.⁷ These students generate student full-time equivalent (FTE) funding using the appropriate basic program cost factor for their grade level.⁸ The ESE Guaranteed Allocation provides for the additional services needed for these exceptional students.

³ Florida Department of Education, *Matrix of Services Handbook* available at <http://www.fldoe.org/core/fileparse.php/7690/urlt/2015MatrixServices.pdf>

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ Florida Department of Education, *2015-16 Funding for Florida School Districts* available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf>

⁸ The basic program cost factors are as follows:

- For grades K-3, the cost factor is 1.115
- For grades 4-8, the cost factor is 1.000
- For grades 9-12, the cost factor is 1.005

⁹ For the 2015-2016 fiscal year, the average ESE Guaranteed Allocation funding per FTE is \$2,007.¹⁰ Students whose level of service is Level 4 or 5 do not receive funds from the ESE Guaranteed Allocation, but instead generate weighted funding using a higher program cost factor which provides for both their education program and their exceptional services.¹¹

For the 2015-2016 fiscal year, \$959,182,058 was appropriated within the FEFP for the ESE Guaranteed Allocation.¹² The allocation for each district is calculated once based on projected ESE and total FTE enrollment and is not recalculated during the school year.¹³ Since the allocation is not recalculated, a school district that overestimates its ESE FTE keeps the additional funds. A school district that underestimates their ESE FTE does not receive additional funds to support its ESE student population.

III. Effect of Proposed Changes:

This bill authorizes the Florida Department of Education (DOE) to recalculate the Exceptional Student Education (ESE) Guaranteed Allocation for each school district. The ESE Guaranteed Allocation will be calculated initially in the General Appropriations Act, and recalculated based on each school district's actual ESE and total full-time equivalent (FTE) enrollment as determined by the October FTE survey. This recalculation will ensure school districts receive their appropriate share of the ESE Guaranteed Allocation based on actual enrollment rather than projected enrollment.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

⁹ Florida Department of Education, *2015-16 Funding for Florida School Districts* available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf>

¹⁰ Florida Legislature, Conference Report on SB 2500-A, *Public School Funding: The Florida Education Finance Program (FEFP)* available at http://flsenate.gov/PublishedContent/Session/2015A/Appropriations/Documents/FEFP_Conference_Report.pdf

¹¹ The 2015-2016 Level 4 cost factor is 3.613 and the Level 5 cost factor is 5.258.

¹² Florida Legislature, Conference Report on SB 2500-A, *Public School Funding: The Florida Education Finance Program (FEFP)* available at http://flsenate.gov/PublishedContent/Session/2015A/Appropriations/Documents/FEFP_Conference_Report.pdf

¹³ Section 1011.62 (1)(e)2, F.S.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

SB 1166 has no impact on state funds. However, individual school districts may experience an increase or decrease in their ESE Guaranteed Allocation based on the results of the October FTE survey.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 1011.62 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.