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# FLORIDA'S K-20 EDUCATION STRATEGIC PLAN & 2003-2004 BUDGET SUMMARY

## Recommendations by the Secretary of Education to the Florida Board of Education

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On May 14, 2002, the Florida Board of Education (FBOE) adopted a strategic plan to implement the mission and goals of the K-20 education system. The 2003-2004 budget has been developed consistent with the plan and budget guidelines. This document summarizes the primary funding issues. Supporting detail is provided in the complete budget.

### The K-20 Mission and Goals

The mission of Florida's K-20 education system is to realize the full potential of all students within one seamless, efficient system, and to create an accountability process that measures progress toward the following goals.

- Highest Student Achievement
- Seamless Articulation and Maximum Access
- Skilled Workforce and Economic Development
- Quality Efficient Services

### Budget Priorities and Guidelines

(Adopted by FBOE, April 16, 2002)

- Priority One: K-20 Instruction - High Standards, Great Expectations, and Accessibility, page B-2.
- Priority Two: Strategic Imperatives - Targeting Resources for Priority Projects, page B-6.
- Priority Three: Other Financial Obligations - Annualization of new programs and funding for programs that facilitate instruction, page B-8.
- Priority Four: Funds allocated to local boards to respond to community needs and institution-level strategic plans, page B-10.
- Budget "Three Rs": Realistic - Responsible - Relevant

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## Priority One: Instruction

### Elementary & Secondary Education

The primary source of state and local operating funds for instruction and instructional support for elementary and secondary education is the Florida Education Finance Program (FEFP). The budget has been built to **serve 2,593,165 full-time equivalent (FTE) students** during the 2003-2004 school year, an increase of 67,555 over the 2,525,610 estimated to be served in 2002-2003. Funds are requested to provide a **5.67% per student increase**. To attain the target per student increase, the total increase in state and local funds included in the budget is \$1.1 billion above the \$13.150 billion base for 2002-2003.

Of the total requested state and local operating funds for 2003-2004, 71.6% are provided through the base funding (WFTE x BSA x DCD) component of the FEFP. Students are served and funded for educational services in basic programs, programs for exceptional students, programs for English for speakers of other languages (ESOL), and career and technical education programs. Included in base funding is \$6.9 million for the Florida Virtual School. The salaries and benefits for classroom teachers, teacher aides, guidance counselors, librarians, principals, and the other expenses associated with delivering instruction to students and operating schools are provided for in large part in the \$10.1 billion **base funding**.

In order to permit smaller school districts (20,000 or fewer students) to offer instructional opportunities equivalent to medium and large districts, a **sparsity supplement** is funded. To the \$31 million base, a workload increase of \$176,281 is requested.

In addition to base funding for exceptional students (described above), exceptional education instruction and related services for students whose level of service is less than Support Levels 4 and 5 (the most involved exceptional students) are funded through the **Exceptional Student Education (ESE) Guaranteed Allocation**. In 1997 the Legislature enacted a revised funding model for exceptional students with the following guiding principles: (1) reduce the paperwork burden associated with state funding; (2) be better for students; (3) be simplified; and (4) provide support for the full continuum of services. The students generate full-time equivalent (FTE) funding using the appropriate basic program weight for their grade level. The guaranteed allocation provides for the additional appropriate services needed by the exceptional student. Of the total students enrolled, 19.5% were identified as exceptional students, 15.1% were disabled, and 4.4% were gifted. The request for the ESE guarantee is for \$1.007 billion for 2003-2004, an increase of \$57.9 million.

An important initiative contained in the A+ Plan is flexible instructional dollars provided through the **Supplemental Academic Instruction (SAI)** component of the FEFP. The SAI provides funding to be used "to help students gain at least a year of knowledge for each year in school." Supplemental academic strategies may include, but are not limited to: modified curriculum, reading instruction, after-school instruction, tutoring, mentoring,

class size reduction, extended school year, intensive skills development in summer school, and other methods of improving student achievement. A \$60.1 million increase is requested for the SAI for 2003-2004, for a total of \$714.0 million.

**Instructional materials and technology** are important for the effective delivery of instruction to Florida students. The request for funding for instructional materials is for a total of \$240.8 million, an increase of \$12.9 million, to fund the Florida Association of District Instructional Materials Administrators (FADIMA) annual instructional materials cost study. A student workload increase of \$1.6 million is requested for technology, for a total request of \$64.0 million.

*Instructional Programs - State Grants/Non-FEFP:* Instruction is often stimulated by projects or grants funding in addition to the FEFP. Often these grants are targeted for a special client group or curriculum area, or to provide a pilot test of a new or creative approach to learning. Projects and their funding are **Assistance for Low Performing Schools**, \$5.5 million (Florida College Access Network/College Board Partnership); the **New World School of the Arts**, \$928,445; and the **Florida School for the Deaf and the Blind**, \$36.3 million.

*Federal Programs:* Florida receives supplemental federal funding in a number of priority areas for the elementary and secondary education programs. These priorities are closely aligned with the initiatives delineated in the FBOE strategic plan. For example, funds received under the No Child Left Behind Act (NCLB) address reading, assessment, standards, accountability, teacher and principal quality, school choice, safe and drug free schools, educational technology, English language acquisition, and school improvement. The Individuals with Disabilities Education Act (IDEA) funds are targeted to similar areas of concern for students with disabilities. Funds received under the Carl Perkins Vocational Education and the Adult Education grants programs are used to supplement the appropriations for Workforce Development. It is anticipated that Florida's entitlements for these federal programs will continue to increase.

### Access to Postsecondary Education

Policy and funding for access to postsecondary education has multiple dimensions, including the availability of quality instructors, the proximity of programs and facilities to students, and the availability of student financial aid. This section will summarize the 2003-2004 budget request for the **student financial aid** aspect of the access issue.

There are four components to the **Florida Student Assistance Grant (FSAG)** program, Florida's need-based student financial aid program: (1) public student assistance grants for 59,031 degree-seeking students attending public universities and community colleges; (2) private student assistance grants for 12,325 Florida residents attending private, Southern Association of Colleges and Schools accredited, baccalaureate degree-granting colleges on a full-time basis; (3) postsecondary student assistance grants for 9,956 Florida residents attending nursing diploma and private non-Southern Association of Colleges and Schools accredited, baccalaureate degree-granting colleges on a full-time

basis; and part-time student assistance grants for 21,242 Florida residents attending public universities and community colleges on a part-time basis. For 2003-2004, \$120.4 million is requested for the FSAG programs, an increase of \$34.7 million. This request is linked to Strategic Imperative 5 cited below.

The **Florida Bright Futures Scholarship** program is Florida's merit-based student financial aid program. It is funded from the net proceeds from the Florida lottery and is awarded in four components (Top Scholars, Florida Academic Scholars, Florida Merit Scholars, and Florida Gold Seal Vocational Scholars). More than 147,000 students are expected to apply for one of the four components for 2003-2004. Approximately 85 percent of the eligible applicants can be expected to receive awards. An estimated total of 125,890 awards are to be made at an average of \$2,047. The request is for an increase of \$38,726,830 for 2003-2004, for a requested total of \$257,696,830.

The **Critical Teacher Shortage** program has two components: (1) the tuition reimbursement program which reimburses teachers for completing course work in designated critical teacher shortage fields which will meet certification requirements (request to fund 3,861 courses); and (2) the loan forgiveness program which provides teachers up to \$10,000 over a maximum period of four years to repay education loans received to gain certification in the critical shortage areas (request to fund 2,167 eligible applicants). The following subject fields were adopted as the critical teaching areas for 2002-2003: middle and high school mathematics; middle and high school science; reading; exceptional student education (specified programs); English for speakers of other languages (ESOL); foreign languages; school psychologists; and technology education/industrial arts. For 2003-2004, \$7.9 million has been requested, **an increase of \$6.2 million.**

Also available is tuition assistance through the **Florida Resident Access Grant (FRAG)** program for 2,935 Florida undergraduate students who attend eligible independent, nonprofit Florida colleges and universities. For 2003-2004, \$87.7 million is requested, an increase of \$7.9 million.

### Workforce Education

Workforce development and economic development are integrated throughout the K-20 system; however, the **Workforce Education** funding is the funding for salaries and benefits for classroom teachers, administrators, and support staff, along with other operational costs associated with providing the following programs:

- Career and Technical Education programs for adults, including preparing nurses, information technology professionals, law enforcement officers, firefighters, EMTs, etc.
- Adult general education programs, including programs that help adults obtain high school diplomas and achieve basic and functional literacy skills, including services for adults who are English speakers of other Languages.

The funding request is based on the prior year appropriation of \$678,700,673 (\$381,459,332 for school districts and \$297,241,341 for community colleges). Projections for an enrollment growth/workload increase were calculated at 8% and were adjusted for an increase in fees of 7.5%. The total request for increased funding for Workforce Education is \$59,717,232 for both community colleges and school districts.

The specific increases for community colleges are expressed in the community college section of this document. The school district enrollment growth/workload increase of 8% is \$33.28 million. This amount was adjusted for a 7.5% fee increase of \$5.49 million. The enrollment/workload increase for school districts would provide access to 38,400 additional students who would generate approximately 13,000 additional completions.

The Workforce Education funding model is designed to pay for student performances—student completions and students placed on the job or continuing education—rather than funding based on enrollments. In this model, 15% of the workforce education budget is designed to be contingent upon student outcomes, with higher payment levels for high-skill/high-wage occupations and for serving the disadvantaged and disabled. Since the inception of this program in 1997, school districts have engaged in major efforts to eliminate programs leading to low-wage employment in favor of those areas key to Florida's economy. Since the inception of this model, student performances have increased by approximately 49%, enrollments have been increasing by 8% for each of the last two years, the population of Florida has increased by over 2 million people, and funding for these programs is now almost \$33 million, or 5% less than the 1998 combined appropriation for both school districts and community colleges.

### Community Colleges

The Community College Program Fund is the primary source of funding for instruction at the colleges for the Associate of Arts degree, Associate of Science degree, vocational certificates, adult literacy training, and high school completion. Prior year state funding for the community college operating budget was \$890,758,092 and included Workforce Development in the amount of \$297,241,341. The increase in state funding requested in 2003-2004 for the community college operating budgets is \$49,721,510, which consists of \$102.1 million for an 8% growth in enrollment and \$4 million for operating costs of new facilities. A 7.5% fee increase will increase revenues by \$55.9 million, and this amount can be deducted from the amount needed for enrollment. We anticipate serving 872,326 students, which represents an increase of 64,617 new students or of 23,055 full-time equivalent students. The increase in state funding includes approximately \$31.9 million, which will be used for Workforce Development Programs.

### Colleges and Universities

Pursuing the goal to increase **access to higher education** for the citizens of Florida, the state universities seek funds to support increased enrollment at every level. Funds are requested to support the five-year enrollment plan that was developed pursuant to proviso in the 2000 Appropriations Act. The request supports funding for an **additional 10,275**

**FTEs.** The guiding principal for this request is to provide adequate access to undergraduate and graduate education and to increase degree production at all levels. The **five-year enrollment plan** considers first-time-in-college students, community college transfers, undergraduate transfers, and graduate students. A \$19.1 million general revenue increase is requested; in addition, a \$4.7 million reallocation of university resources will be used to assist in the enrollment funding. A 7.5% across-the-board matriculation and tuition increase is requested, along with a 5% discretionary fee increase. This increase will generate \$62.2 million in resources to be used to further fund the increase in enrollment. These increases are in addition to the \$2.47 billion in the base that includes funding for instruction, research, and public service.

The College of Medicine at Florida State University requests funds to support the continued phase-in of the medical school. The requested general revenue funding is \$4.3 million. In addition, an increase of 50 FTE is planned which will generate student fees of \$573,000. This increase would be above the base of \$24 million.

Phase-in funds of \$1.3 million are requested for the Florida A & M University law school. There are plans for an additional 58 FTE in 2003-2004. Final phase-in costs of \$687,500 are requested for FIU which expect an additional 99 FTE to enroll in 2003-2004. These additional law students will generate \$780,000 in student fees. These increases would be above the \$14.6 million approved thus far for the law schools.

## Priority Two: Strategic Imperatives

### *1. Increase the supply of highly-qualified K-12 instructors.*

To attract and retain highly-qualified teachers, appropriate funding in the FEFP, as discussed above, is the underlying compensation for teachers. In addition to compensation issues, other teacher initiatives in the FEFP include: workload increase for **teacher training** funds by nearly \$1 million (total \$36.9 million); workload increase in the \$100 per teacher stipend for classroom materials (**teacher lead**), total \$16.2 million. The budget contains incentive funding for continued implementation of the **Excellent Teacher Program**, which provides for certification by the National Board of Professional Teaching Standards (NBPTS), \$75.9 million, an increase of \$27.2 million.

Specific strategic imperative projects in the budget are: the **Great Florida Teach-In**, \$75,000; **Teacher Recruitment/Outreach Campaign**, \$1 million; **Teacher First Response Center**, \$750,000; **incentives and alternative certification for teachers with high demand skills**, \$4.7 million; **Florida Mentor Teacher Program**, \$1.5 million.

### *2. Apply existing academic standards consistently at all levels.*

Core funding for this imperative is the \$74.9 million requested in the budget for **assessment and evaluation**. This is an increase for 2003-2004 of \$17.9 million. The item includes funding for the School Readiness Uniform Screening System, \$3 million; Reading Diagnostic Assessment System, \$2 million; workload and continuation costs for

the **Florida Comprehensive Assessment Test (FCAT)** program, \$52.5 million; PSAT/PLAN tests, \$1.7 million; and update the Sunshine State Standards, \$500,000.

3. *Increase rates of learning and completion at all levels, especially in high school, and raise the proportion of K-12 graduates, particularly low income and minority, who enter postsecondary education without remediation.*

**Just Read, Florida!** Because of the significance of reading skills as a prerequisite to future academic achievement, this is the cornerstone project requested for this imperative. A total of \$78.7 million is requested, which includes \$50.7 million in federal funds.

4. *Improve the quality of school leadership at all levels.*

An intensive **leadership training program** will be developed on a pilot basis to generate a new pool of individuals who have the skills required to lead Florida schools. Persons from the education and corporate sector will develop the program, **Executive Principals Program**. Other planned activities include the **Florida Outstanding Leaders Program; Partnership to Advance School Success** and **Peer to Peer Mentoring; Statewide Evaluation and Assessment Program for K-20 leaders**. A total of \$3 million is requested for leadership initiatives.

5. *Set and align academic standards at every level of the K-20 system.*

Articulation across the K-20 education system is critical to the alignment of and communication about the academic progress of Florida students. In order to complete the bridge to postsecondary education for 11<sup>th</sup> and 12<sup>th</sup> grade students, current funding (\$4.3 million) for the **Florida Academic Counseling and Tracking System (FACTS)** is consolidated under the Florida Board (ARM). The funding to expand FACTS is requested for \$1 million.

6. *Appropriately align the workforce's education with the skill requirements of the new economy.*

A request for \$3.0 million for workforce education program improvement plans for four areas with critical workforce shortages: engineering, information technology, nursing, and teaching. The request assumes cost sharing on the part of business and industry.

7. *Align financial resources with performance expectations at each level of the K-20 education system.*

For public schools, the Sunshine State Standards and the Florida Comprehensive Assessment Test (FCAT) have focused the alignment of resources upon accountability by schools for the improvement of student academic performance. The Florida School Recognition Program (Section 1008.36, F.S.) provides financial awards to public schools that sustain high performance by receiving a school grade of "A," making excellent progress; or demonstrate exemplary improvement due to innovation and effort by

improving a letter grade. For the 2002-03 school year (2001-02 performance data), 1,309 schools received awards totaling \$120,872,291 in lottery funds.

The Workforce Development performance-based funding model has served an exemplary role in the efforts to align resources with performance expectations. Detailed discussions of the funding process may be found on page B-5

Pursuant to Section 1008.31 Florida Statutes, The State Board of Education is to develop proposals for performance-based funding, using performance measures established by the Legislature. The proposals must provide that at least 10 percent of the state funds appropriated for the K-20 education system are conditional upon meeting or exceeding established performance standards. University recommendations are to be submitted in December 2002, public schools and workforce education in December 2003, community colleges in December 2004, and all other programs that receive education funding by December 2005.

8. *Achieve world-class, nationally-recognized institutions of high learning by improving access, funding, performance, and accountability.*

The **Programs of Prominence** will create a competitive pool of dollars for enhancing specific academic programs at the universities to the status of national prominence. This program is predicated on the assumption that when dollars go directly to the targeted program in question, and with clear outcome expectations, fewer dollars are needed to make a substantial impact with respect to achieving national prominence for a select set of programs across Florida. A total of \$5.0 million is requested.

### Priority Three: Other Financial Obligations

Listed below are important education programs that facilitate and support the delivery of instruction.

*Student Transportation:* Transporting Florida students safely to and from school and to school activities is an important function, funded in part with state funds. Approximately 1.1 million students (42% of the projected population) are estimated to be eligible for **transportation** services in 2003-2004, at a cost of \$434.2 million. This is 68% of the 2000-2001 total statewide expenditures for student transportation.

*Exceptional Education:* Important projects and grants that provide essential non-FEFP statewide services for **exceptional students** are funded through the request. Projects which have previously been funded are: Pre-K Handicapped Information System; Multi-agency Network for Students with Severe Emotional Disturbance (SEDNET); Florida Diagnostic and Learning Resource System (FDLRS); Resource Materials Center for the Hearing Impaired (RMC/HI); Florida Instructional Materials Center for the Visually Handicapped (FIMN/VH); Very Special Arts (VSA); the Governor's Summer Program for the Gifted; and Challenge Grants for the Gifted. The 2003-2004 request is for \$5 million.

*Blind Services:* The Division of Blind Services provides services to blind and visually impaired clients, including counseling and support during vocational training, job placement, training for adults in independent living skills, food service vending operations, lending services through the Braille and Talking Book Library, and services to children and families. The budget request for 2003-2004 is \$36.6 million.

*Vocational Rehabilitation:* Vocational Rehabilitation is a federal/state plan grant program serving individuals with a broad range of disabilities. Eligible individuals are provided the opportunity to obtain gainful employment in integrated settings. The budget request for 2003-2004 is \$144.3 million.

*State Universities:* During 2003-2004 the state universities expect to increase their facilities inventory by 1,244,492 gross square feet; therefore, funding for plant operations and maintenance is requested totaling \$7.6 million.

**Funding** of \$636,548 is requested to maintain scholarships for students currently enrolled in the Minority Participation in Legal Education program.

Funds of \$2.5 million are requested to support the Florida Office of Civil Rights Partnership agreement. These funds will be used for Florida A&M University's School of Architecture College, arts and sciences, mathematics, and computer information sciences.

*Community Colleges:* Increased funding is also requested for the **Florida Community College Distance Learning Consortium (FCCDLC)** in the amount of \$500,000, for a total appropriation of \$815,397. The funds will be used on behalf of the community colleges to purchase, license, or negotiate on key products and services that ensure a quality learning experience for distance learning, such as instructional technology courseware, web conferencing software, course/learning management systems, telecourses, statewide telecourse/teleweb buyouts, and web courses.

Two **amendments to the State Constitution** passed on November 5, 2002, which represent pending financial obligations for the state. The budget request includes funds for **Florida's amendment to Reduce Class Size**.

#### *Constitutional Amendment 8 – Universal Voluntary Pre-Kindergarten Education*

The ballot summary stated that “every four-year-old child in Florida shall be offered a high quality pre-kindergarten learning opportunity by the state no later than the 2005 school year. This voluntary early childhood development and education program shall be established according to high quality standards and shall be free for all Florida four-year-olds without taking away funds used for existing education, health and development programs.”

The cost estimate statement indicated that “the state will incur costs as the amendment is phased in. The estimated annual cost to the state is between \$425 million and \$650

million in today's dollars, depending on the extent to which funding for existing school readiness programs for 4-year-olds is used to reduce the cost of the new program.”

#### *Constitutional Amendment 9 – Florida's Amendment to Reduce Class Size*

The most costly of the amendments to pass was the class size reduction amendment. The ballot summary stated that the initiative “proposes an amendment to the State Constitution to require that the Legislature provide funding for sufficient classrooms so that there be a maximum number of students in public school classes for various grade levels; requires compliance by the beginning of the 2010 school year; requires the Legislature, and not local school districts, to pay for the costs associated with reduced class size; prescribes a schedule for phased-in funding to achieve the maximum class size.”

Funds are requested to implement Florida's Constitutional Amendment to Reduce Class Size. The request for 2003-2004 operating funds to implement the amendment is \$628,175,979 to pay the costs for reducing the average class size by 2 in the core academic subjects. The budget anticipates a need for salaries, benefits, and related cost for 7,832 additional teachers. The amendment requires full implementation by the beginning of the 2010 school year.

### **Priority Four: Funds Allocated to Local Boards to Respond to Community Needs and Institution-Level Strategic Plans**

*Lottery Discretionary and School Recognition Funds (Discretionary Local Funds):* Discretionary lottery funds are provided as enhancement funds, and each school district must establish policies and procedures that define enhancement and the types of expenditures that will be consistent with that definition. At least \$10 per unweighted FTE student is to be used at the discretion of the school advisory committee or at the discretion of the parents and staff at the school. A portion of the money should be used for implementing the school improvement plan. Sixty percent of the available funds are discretionary. Forty percent of the funds are for the School Recognition Program to provide financial awards to public schools that sustain high performance by receiving a school grade of “A,” or demonstrate exemplary improvement by improving by a letter grade. A total of \$306.9 million is requested for the two programs.

*Mentoring/Student Initiatives:* Initiatives included are: the Governor's Mentoring Initiative, Take Stock in Children, Big Brothers-Big Sisters, Learning for Life, and Boys and Girls Clubs. The total request is \$14.25 million.

*Regional Education Consortium Services:* For school districts with 20,000 or fewer unweighted students, which form a regional consortium service organization and provide a minimum of three of the following services: exceptional student education; teacher education centers; environmental education; federal grant procurement and coordination; data processing; health insurance; risk management insurance; staff development; purchasing; or planning and accountability. An incentive grant of \$25,000 is provided for

the delivery of the services. A request of \$775,000 is proposed.

*State Universities:* A portion of the funds (\$15.1) raised by the proposed 7.5% across-the-board and 5% discretionary increase in student fees would allow some of the local boards of trustees the flexibility to address specific issues related to their universities' missions and priorities. The local boards have developed and prioritized plans detailing the use of the additional resources.

12-10-2002