

# Public School Support Plan

WV Legislature  
Joint Standing Committee on Education  
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## Public School Support Plan

- Plan of financial support for the public schools in WV
- Commonly called the State Aid Funding Formula
- Basic 7 step program with other allowances added

# Overview

- Step 1 – Professional Educators
- Step 2 – Service Personnel
- Step 3 – Fixed Charges
- Step 4 – Transportation
- Step 5 – Prof. Student Support Personnel
- Step 6 – Other Current Expense (6a), Substitute Employees (6b & 6c), Faculty Senates (6d)

# Overview

- Step 7:
  - 7a – Improvement of Instructional Programs
  - 7b – Improvement of 21<sup>st</sup> Century Technology Systems
  - 7c – Advanced Placement
  - 7d – Teacher and Leader Induction

## Overview

- Step 8 – Total Basic Foundation Allowance (Sum of steps 1-7)
- Step 9 – Local Share (subtracted from step 8)
- Step 9a – Adjustments for Taxes Not Collected & Payments in Lieu of Taxes (added to/subtracted from Step 8, respectively)
- Step 10 – Step Aid Allowance (Step 8 minus step 9 plus/minus Step 9a)

## State Aid Block Grants

- House Bill 206 required each county's basic state aid funding to be distributed in the form of a block grant, effective with the 2019-20 school year.
- That provision indicates that all basic state aid funds distributed to the county board shall be exempt from expenditure requirements and limitations contained in WVC Chapter 18, Article 9A and that a county board may expend the funds in any authorized and allowable manner the county board deems appropriate.

## Student Enrollment Specifics The Engine that Drives the Formula

- State aid funding is based on FTE (full-time equivalence) enrollment adjusted for:
  - Certified Adults
  - Districts with less than 1400 students
  - Jointly established schools where the sending school provides the transportation

## Classification of Districts

- The 55 county boards of education are classified into the following four categories based on student population density (no. of net students/sq. mile):
  - Sparse: Less than 5 students per sq. mile
  - Low: 5 to less than 10 students/sq. mile
  - Medium: 10 to less than 20 students/sq. mile
  - High: 20 or more students/sq. mile

### Step 1-Allowance for Professional Educators

- Number of professional educators (PE) funded based on the following ratios per 1,000 students

<u>Group</u>	<u>Limit</u>
•Sparse	72.75
•Low	72.60
•Medium	72.45
•High	72.30

### Step 1-Allowance for Professional Educators

- Under HB 2561 that passed during the 2017 Legislative Session, the allowance for professional educators is no longer limited to the number actually employed by each district. Instead, each district is funded for the number of personnel calculated based on their enrollment, even if they are actually "under formula." -- Allows local control and flexibility.

### Step 1- Funding Allowances

Funding based on years of experience and educational attainment of actual staff employed:

- Basic Salary – State Minimum Salary for Teachers – WVC 18A- 4-2
- State Supplement – Supplemental amount paid under WVC 18A-4-5 (previously state equity supplement)
- State Principals' Increment – WVC 18A-4-3
- Three-step increases for eligible math and special education teachers
- Bonuses
  - Classroom teachers with 20+ years
  - National certifications

### Professional Instructional Personnel

- Of the professional educators funded, PSSP requires that districts employ a certain number of professional instructional (PI) personnel, which are:
  - Classroom teachers
  - Librarians
  - Attendance directors
  - School psychologists

## Professional Instructional Personnel

- The PI ratio requirement is based on the lesser of the number of professional educators actually employed or the number funded.
- Instead of being based on a specific ratio per thousand students in net enrollment, the PI requirement is calculated as a specific percentage of the lesser of the number PE employed or funded.

- Group PI Percentage
  - Sparse 91.07%
  - Low 91.18%
  - Medium 91.24%
  - High 91.29%

## Step 1 Special Provisions

- Funded for 200-day employment term only. Any extended employment days are paid through local funds.
- Certain employees not funded including CSBO (treasurer), Director of Support Services (Transportation, Child Nutrition, etc.), Technology Systems Specialists

**Step 2**  
**Allowance**  
**for Service**  
**Personnel**  
**Including**  
**Third Grade**  
**Success Act**

- Number of service personnel (SP) funded based on the following ratios per 1,000 students:

<u>Group</u>	<u>Limit</u>
• Sparse	45.68 – 55.50
• Low	45.10 – 54.92
• Medium	44.53 – 54.35
• High	43.97 – 53.79

**Step 2**  
**Allowance**  
**for**  
**Service**  
**Personnel**

- The allowance for service personnel is no longer limited to the number actually employed by each district.
- Instead, each district is funded for the number of personnel calculated based on their enrollment even if they are actually "under formula."
- Local control and flexibility.



## Step 2 Funding Allowances

- Funding based on years of experience and pay grades of positions in which actual staff are employed:
- Basic Salary – State Minimum Monthly Pay for Service Personnel - WVC 18A-4-8a
- State Supplement – Supplemental amount paid under WVC 18A-4- 5 (previously state equity supplement)
- Bonuses and additional payments:
  - Educational Bonus
  - Shift differential pay
  - Supervisory of students pay
  - Specialized health care procedures pay

## Step 2 Special Provisions

- Funded for full employment term Personnel counted on an extended FTE basis – (Employed full year – 261 days = 1.305 FTE)
- To compute FTE – divide the number of days employed by 200 (Example: 220 days employed / 200 = 1.1)

### Step 3 Allowance for Fixed Charges

- An allowance to cover the employers' share of contributions for employee benefits:
- Based on percentage of allowances for steps 1-2-5
- Social security – actual rate (7.65%)
- Unemployment compensation (0.04%)
- Workers' compensation – computed each year (state average determined by multiplying each district's actual rate x steps 1-2-5 allowance)
- Retirement (discussed later)

### Step 4 Allowance for Student Transportation

- Allowance for current operating costs
- Based on actual expenditures for latest year for which data is available
- Does not include allowance for:
  - Salaries (Included in Step 2)
  - Expenditures for capital improvements other than school buses

Step 4

Allowances

- Allowance for current operations, maintenance, and
- contracted services is based on the following percentages of actual expenditures:

Group	Pct.
Sparse	95.0 %
Low	92.5 %
Medium	90.0 %
High	87.5 %

Step 4

Allowances  
(Cont.)

- 10% additional allowance for portion of bus fleet that uses alternative fuels
- Alternative fuels defined as propane and compressed natural gas (CNG)
- 10% additional allowance for transporting students to and from multi-county vocational centers (20 districts), based on mileage allocation

**Step 4**  
**Allowances (Cont.)**

- 100% of insurance premium costs
- 8.33% of the current replacement value of the bus fleet (12 year replacement cycle)
- Funding for additional buses for districts with increased enrollment
- Aid paid to students in lieu of transportation based on state average rate

**Step 4**  
**Allowances (Cont.)**

- Each district's allowance is limited to one third (1/3) above the state average allowance on a per mile basis.
- The allowance for additional buses excluded from the limit.

## Step 4

### Allowances (Cont.)

- HB 206 provides all state aid funding in the form of a block grant and frees the county boards of education from any expenditure restrictions contained in West Virginia Code Chapter 18, Article 9A
- Bus replacement funding and funding for additional buses can now be spent on any allowable and authorized purpose deemed appropriate by the county board of education.

## Step 5

### Allowance for Professional Student Support Personnel

- Prior to the passage of HB206, funding for Step 5 was based on the 2012-13 allowance and was limited to school nurses and school counselors.

Step 5  
Allowance for  
Professional  
Student  
Support  
Personnel

- HB 206 expanded the definition of professional student support personnel to also include professional personnel providing social and emotional support to students and to professional personnel addressing chronic absenteeism.

Step 5  
Allowance for  
Professional  
Student  
Support  
Personnel

- Funded at a ratio of 5 positions per each 1,000 students in net enrollment. County boards will be funded at the number of positions calculated, even if they are "under formula."

**Step 6**  
**Allowance for Other Current Expense, Substitutes and Faculty Senates**

- Actual operations and maintenance expenditures reported by each county are divided by the total reported square footage of school buildings in each county to determine a state average expenditure per square foot for operations and maintenance.
- Salary related expenditures are excluded (they are covered under Step 2)
- Expenditures reported in special revenue funds are excluded (ex: SBA funds)

**Step 6**  
**Allowance for Other Current Expense, Substitutes and Faculty Senates**

- The total reported square footage for school buildings in each county is divided by the total net enrollment for each county to calculate a state average square footage per student.
- Each county's net enrollment is multiplied by the state average expenditure per square foot and the state average square footage per student.
- Each county's total is then multiplied by 71.25% to determine the Step 6a allowance (previously 70.25%).

**Step 6**  
**Allowance for Other Current Expense, Substitutes and Faculty Senates**

- Steps 6b & 6c - Substitute costs - 2.5% of Steps 1, 2, & 5 – Allocated among districts on number of personnel allowed.
- Step 6d - Faculty senates - \$400 per professional instructional personnel and student support personnel employed (previously \$200)

**Step 7a**  
**Allowance for the Improvement of Instructional Programs**

- Appropriation is based on the amount appropriated in the previous year plus 10% of growth in local share.
- Allocation among districts based on following:
  - \$150,000 base to each district;
  - Balance allocated on each district's average of net enrollment and average daily attendance (ADA).



### Step 7a

#### Allowance for the Improvement of Instructional Programs

- HB 206 provides all state aid funding in the form of a block grant and frees the county boards of education from any expenditure restrictions contained in West Virginia Code Chapter 18, Article 9A, Step 7a funding can now be spent on any allowable and authorized purpose deemed appropriate by the county board of education.
- *Note: Counties will still complete a Step 7a plan even though the funding is now unrestricted.*

### Step 7b

#### Allowance for 21st Century Technology Systems

- Appropriation is based on the amount appropriated in the previous year plus 20% of growth in local share.
- Allocation to county boards determined as follows:
  - \$30,000 to each county board;
  - Balance allocated among districts on each district's average of net enrollment and average daily attendance (ADA).

**Step 7b  
Allowance  
for 21st  
Century  
Technology  
Systems**

- HB 206 provided all state aid funding in the form of a block grant and frees the county boards of education from any expenditure restrictions contained in West Virginia Code Chapter 18, Article 9A.
- Step 7b funding can now be spent on any allowable and authorized purpose deemed appropriate by the county board of education.

**Step7c  
Allowance  
for  
Advanced  
Placement**

- Appropriation is based on 1% of state average per pupil state aid multiplied by the number of students enrolled in dual credit, advanced placement, and international baccalaureate courses.
- Allocation to county boards is based on the number of students enrolled in those courses (unduplicated count).

## Step 7d Allowance for Teacher and Leader Induction

- HB 4619 that passed during the 2018 legislative session added a new step to the PSSP for the purpose of supporting county-level implementation of comprehensive systems for teacher and leader induction and professional growth.
- Up through the 2018-19 school year, the legislature made separate line-item appropriations for teacher and principal mentors. The statewide Step 7d funding is calculated as the amount appropriated for the purpose in the immediately preceding school year plus 20% percent of the growth in the local share amount under PSSP.

## Step 8 Total Foundation Allowance

- The sum of the preceding seven steps

## Step 9 Local Share

- Estimation of each district's regular levy tax collections for the year.
- Excess levy taxes not included.
- Amount presented in the preliminary computations are based on estimated assessed valuations provided by State Tax Department.
- Values are updated on or after March 3<sup>rd</sup> each year after all 55 county assessors issue their Certificates of Assessed Valuation.

## Step 9 Local Share

- Calculation:
  - 85% (previously 90%) of each county's projected regular levy tax collections for the year less:
    - Allowance for uncollectibles (4%)
    - Allowance for Assessor's Valuation Fund
    - Assessed valuation of property included in Tax Increment Financing (TIF) projects
    - Allowance for Growth Counties School Facilities Act

## Adjustments for Taxes Not Collected & Payments in Lieu of Taxes (Step 9a)

- In accordance with WVC §18-9A-12, the allocated state aid share shall be adjusted for the following:
  - Taxes not collected due to assessment errors or court proceedings
  - Payments or contributions in lieu of property taxes
- Although in statute for many years, 2016-17 was the first year the legislature included these amounts in the appropriation.

## Basic State Aid

- Total foundation allowance less local share plus/minus any adjustments for taxes not collected and payments in lieu of taxes.
- Amount each school district receives from the State.

## Retirement Allowance

- Basic (current) allowance based on the average contribution rate for:
  - Salary allowance under steps 1-2-5
  - State supplement (equity) appropriations
  - County supplements equal to state supplement (equity)
- Additional amount required to liquidate the Unfunded Actuarial Accrued Liability (UAAL) of the Teachers' Retirement System (TRS) by 2034.

## PEIA Allowance

- Based on an average premium rate for all county board employees multiplied by the number of professional and service personnel allowed for funding.
- For the 2024-2025 year, the average allowance rate for PEIA for health and basic life was estimated to be \$825.32 per month per employee.

## Additional PSSP Allowances

- Allowance for county transfers
- Increased enrollment
- Extraordinary sustained enrollment growth
- Alternative education programs
- Limited English Proficiency

## Additional PSSP Allowances

- Allowance for the Education of Exceptional Children
- Allowance for Hope Scholarship

#### Areas of Concern

- Costs associated with student discipline, lower socioeconomic population and special education needs.
- Allow use of sick leave for retirement or some type of benefit for teachers hired after July 1, 2015.
- Professional staff funding is based on a 200 day contract
- Service staff funding
- The funding formula does not fund all professional employees such as Treasurer, Director of Maintenance, Director of Transportation, Technology System Specialists and others.

#### Areas of Concern

- Eliminate the 1984 Supplement and roll it into the state basic tables
- High cost living areas
- No factor for inflation in funding formula
- Increasing the 15% that stays local



## Funding Formula Successes

- House Bill 2561 flexible funding
- Student transportation funding
- Expansion of Step 5 House Bill 206 passed in 2019
- Expansion of student density funding House Bill 206
- Three-step increases for eligible math and special education teachers
- Third Grade Success Act

Questions?

