



**SCHOOL DISTRICT OF OKALOOSA COUNTY
TECHNICAL ASSISTANCE MEMORANDUM
FINANCE**

FINANCE TAM: 2007-005
CONTACT: Debbie Bruce, Specialist
Budgeting & Financial Services
TELEPHONE: 833-5827

TO: Selected Principals/Bookkeepers
FROM: Rita Scallan, Director - Finance
DATE: August 28, 2006
SUBJECT: Class Size Equalization Allocation - Project 5126

Last week I received a call regarding whether schools could count on receiving additional Class Size Equalization funds if their UFTE was less than their projections. My response was that Class Size Equalization is a one time allocation and is not adjusted during the year. The call prompted me to look at the Class Size Equalization section (*see attachment*) of the Budget Manual. As a result, I realized the Budget Manual stated that "The District will adjust each school's project budget after the October and February FTE Surveys. This is an error on our part, and we deeply apologize for this oversight and any inconvenience it may have caused schools.

The District has not recalculated the Class Size Equalization allocation since its inception in Fiscal Year 2004-2005. Attached is an Adobe PDF file which contains two spreadsheets reflecting what the recalculation amount should have been for Fiscal Year 2004-2005 and Fiscal Year 2005-2006 for each school for the respective year. Schools which experienced a net decrease in their UFTE below their projections will receive additional funds (*see column K*) for each respective year. Schools which experienced an increase above their UFTE projections will be held harmless because both fiscal years have ended and the error which occurred. The additional funds will be allocated to account strip 1010-9890-0997-School Cost Center-5126 this afternoon.

For Fiscal Year 2006-2007, the District will recalculate the Class Size Equalization allocation and schools experiencing a decrease in UFTE below their projections will receive additional funds. Accordingly, schools which experience an increase in UFTE beyond their projections will receive a downward adjustment in their Class Size Equalization project.

Should you have any questions or need additional information, please contact me at 833-7652.

C: Superintendent
Cabinet Members



OKALOOSA COUNTY SCHOOL DISTRICT
Class Size Reduction Equalization Allocation
School Year 2006-2007

The School Board directed the Superintendent and Finance to develop a funding model that would allow all schools to have comparable services while minimizing the financial impact of the reallocation of funds on large schools.

The intent of the Equalization Allocation is to provide funding to the financial "breakeven" point for other school services and operational costs. The "breakeven point" is the UFTE necessary to generate adequate funds to provide for the total cost of basic educational services and standard operational costs.

Based on comparable services, the estimated breakeven point for elementary schools is 600 UFTE and 775 UFTE for middle schools. The Class Size Reduction Equalization Allocation allocates funds to elementary schools below 600 UFTE and to middle schools and Laurel Hill School that are below 775 UFTE.

Rationale:

In most circumstances, the cost of direct classroom instruction (salary and benefits only) accounts for approximately 70% of the FEFP funding generated by a student. This leaves approximately 30% or about \$976 per student to provide all of the other educational services and operational costs of a school. The cost per student for other school services and operational costs at a large school is much less than the cost per student at a small school for the same services because there are more students to bear the cost of these services. For example, in a large elementary school like Bluewater Elementary, the cost per student for the Media Specialist is approximately \$99.21 while the cost per student at a small elementary like Edwins Elementary is \$152.61.

Other School Services include instructional supplements and the salaries and benefits for various personnel such as School Principal, Guidance Counselor, P. E. Teacher, Music Teacher, Art Teacher, Media Specialist, Educational Support Personnel (Classroom Assistants, Secretary, Bookkeeper, Clerk, Custodial Services, etc), Nurse, and Substitute Teachers. School operational costs include all other direct and indirect costs to the school such as utilities, classroom and operational supplies, etc.

Project Number: 5126

Allocation Method: Based on Size of School
Same as Fiscal Year 2005-2006

Elementary Schools

(600 UFTE minus School's UFTE) times \$1,000 = Equalization Allocation

Middle Schools and Laurel Hill School

(775 UFTE minus School's UFTE) times \$1,000 = Equalization Allocation

Example: *Edwins Elementary*

Class Size Reduction Equalization Allocation

(600 UFTE minus 418 UFTE) times \$1,000 = \$182,000

For budgeting purposes, there is a section on the Salary Menu (MIS 3382) for your school, if applicable, for Class Size Reduction Equalization Allocation - Project 5126. Also, the budget packet Excel file includes a Budget Detail Form (MIS 3149) for Class Size Reduction Equalization - Project 5126.

The District will adjust each school's project budget after the October 2006 FTE Survey and the February 2007 FTE Survey.

Any available funds in the project for your school at the end of fiscal year 2006-2007 will carry over to the next fiscal year.

OKALOOSA COUNTY SCHOOL DISTRICT
Class Size Equalization
Fiscal Year 2004-2005

A	B	C	D	E	F	G	H	I	J	K
Cost Center Number	School/Center Name	UFTE Breakeven Point	Projected UFTE	UFTE Less Than Breakeven (C-D)	Original Equalization Allocation (E times \$1,000)	February UFTE	UFTE Less Than Breakeven (C-G)	Revised Equalization Allocation (H times \$1,000)	Less Original Allocation (F)	Additional Equalization Allocation (I-F)
0031	EDWINS ELEMENTARY	600.00	461.55	138.45	\$ 138,450	428.07	171.93	\$ 171,930	\$ (138,450)	\$ 33,480
0051	BOB SIKES ELEMENTARY	600.00	534.50	65.50	65,500	617.13	-	-	(65,500)	-
0082	MEIGS MIDDLE	775.00	663.45	111.55	111,550	709.63	65.37	65,370	(111,550)	-
0092	RICHBOURG MIDDLE	775.00	728.11	46.89	46,890	722.68	52.32	52,320	(46,890)	5,430
0121	RUCKEL MIDDLE	775.00	872.84	-	-	899.01	-	-	-	-
0131	DESTIN ELEMENTARY	600.00	845.25	-	-	845.02	-	-	-	-
0151	EDGE ELEMENTARY	600.00	474.65	125.35	125,350	474.07	125.93	125,930	(125,350)	580
0161	CHEROKEE ELEMENTARY	600.00	528.59	71.41	71,410	448.73	151.27	151,270	(71,410)	79,860
0201	LAUREL HILL SCHOOL	775.00	377.86	397.14	397,140	393.32	381.68	381,680	(397,140)	-
0222	NORTHWOOD ELEMENTARY	600.00	519.52	80.48	80,480	569.76	30.24	30,240	(80,480)	-
0251	SOUTHSIDE ELEMENTARY	600.00	549.56	50.44	50,440	578.77	21.23	21,230	(50,440)	-
0261	VALPARAISO ELEMENTARY	600.00	485.63	114.37	114,370	489.19	110.81	110,810	(114,370)	-
0271	PRYOR MIDDLE	775.00	783.25	-	-	753.87	21.13	21,130	-	21,130
0281	WRIGHT ELEMENTARY	600.00	569.53	30.47	30,470	581.21	18.79	18,790	(30,470)	-
0431	SHALIMAR ELEMENTARY	600.00	529.40	70.60	70,600	527.81	72.19	72,190	(70,600)	1,590
0441	OAK HILL ELEMENTARY	600.00	529.62	70.38	70,380	539.68	60.32	60,320	(70,380)	-
0541	ELLIOTT PT. ELEMENTARY	600.00	614.46	-	-	615.92	-	-	-	-
0551	OCEAN CITY ELEMENTARY	600.00	469.65	130.35	130,350	467.51	132.49	132,490	(130,350)	2,140
0561	MARY ESTHER ELEMENTARY	600.00	574.49	25.51	25,510	568.50	31.50	31,500	(25,510)	5,990
0571	PLEW ELEMENTARY	600.00	668.43	-	-	634.61	-	-	-	-
0621	KENWOOD ELEMENTARY	600.00	539.54	60.46	60,460	545.14	54.86	54,860	(60,460)	-
0631	FLOROSA ELEMENTARY	600.00	559.51	40.49	40,490	573.50	26.50	26,500	(40,490)	-
0651	BRUNER MIDDLE	775.00	1,023.32	-	-	1,023.89	-	-	-	-
0671	LEWIS MIDDLE	775.00	628.40	146.60	146,600	596.18	178.82	178,820	(146,600)	32,220
0681	LONGWOOD ELEMENTARY	600.00	439.64	160.36	160,360	440.91	159.09	159,090	(160,360)	-
0731	WALKER ELEMENTARY	600.00	639.57	-	-	660.74	-	-	-	-
0741	BLUEWATER ELEMENTARY	600.00	696.53	-	-	680.09	-	-	-	-
0751	ANTIOCH ELEMENTARY	600.00	764.35	-	-	773.64	-	-	-	-
0761	DAVIDSON MIDDLE	775.00	882.70	-	-	939.55	-	-	-	-
0771	DESTIN MIDDLE	775.00	738.27	36.73	36,730	708.47	66.53	66,530	(36,730)	29,800
TOTALS			18,692.17	1,973.53	\$ 1,973,530	18,806.60	1,933.00	\$ 1,933,000	\$ (1,973,530)	\$ 212,220

OKALOOSA COUNTY SCHOOL DISTRICT
Class Size Equalization
Fiscal Year 2005-2006

A	B	C	D	E	F	G	H	I	J	K
Cost Center Number	School/Center Name	UFTE Breakeven Point	Projected UFTE	UFTE Less Than Breakeven (C-D)	Original Equalization Allocation (E times \$1,000)	February UFTE	UFTE Less Than Breakeven (C-G)	Revised Equalization Allocation (H times \$1,000)	Less Original Allocation (F)	Additional Equalization Allocation (I-F)
0031	EDWINS ELEMENTARY	600.00	414.00	186.00	\$ 186,000	430.14	169.86	\$ 169,860	\$ (186,000)	\$ -
0051	BOB SIKES ELEMENTARY	600.00	635.00	-	-	642.56	-	-	-	-
0082	MEIGS MIDDLE	775.00	690.00	85.00	85,000	701.49	73.51	73,510	(85,000)	-
0092	RICHBOURG MIDDLE	775.00	727.45	47.55	47,550	756.28	18.72	18,720	(47,550)	-
0121	RUCKEL MIDDLE	775.00	865.00	-	-	847.11	-	-	-	-
0131	DESTIN ELEMENTARY	600.00	844.00	-	-	855.15	-	-	-	-
0151	EDGE ELEMENTARY	600.00	485.02	114.98	114,980	495.59	104.41	104,410	(114,980)	-
0161	CHEROKEE ELEMENTARY	600.00	438.50	161.50	161,500	426.41	173.59	173,590	(161,500)	12,090
0201	LAUREL HILL SCHOOL	775.00	393.82	381.18	381,180	448.97	326.03	326,030	(381,180)	-
0222	NORTHWOOD ELEMENTARY	600.00	581.00	19.00	19,000	598.23	1.77	1,770	(19,000)	-
0251	SOUTHSIDE ELEMENTARY	600.00	575.00	25.00	25,000	588.08	11.92	11,920	(25,000)	-
0261	VALPARAISO ELEMENTARY	600.00	475.00	125.00	125,000	474.12	125.88	125,880	(125,000)	880
0271	PRYOR MIDDLE	775.00	750.00	25.00	25,000	698.46	76.54	76,540	(25,000)	51,540
0281	WRIGHT ELEMENTARY	600.00	576.28	23.72	23,720	574.54	25.46	25,460	(23,720)	1,740
0431	SHALIMAR ELEMENTARY	600.00	530.00	70.00	70,000	539.93	60.07	60,070	(70,000)	-
0441	OAK HILL ELEMENTARY	600.00	539.00	61.00	61,000	545.73	54.27	54,270	(61,000)	-
0541	ELLIOTT PT. ELEMENTARY	600.00	615.00	-	-	611.14	-	-	-	-
0551	OCEAN CITY ELEMENTARY	600.00	480.00	120.00	120,000	469.09	130.91	130,910	(120,000)	10,910
0561	MARY ESTHER ELEMENTARY	600.00	575.00	25.00	25,000	571.60	28.40	28,400	(25,000)	3,400
0571	PLEW ELEMENTARY	600.00	639.00	-	-	629.66	-	-	-	-
0621	KENWOOD ELEMENTARY	600.00	545.00	55.00	55,000	536.10	63.90	63,900	(55,000)	8,900
0631	FLOROSA ELEMENTARY	600.00	598.00	2.00	2,000	606.98	-	-	(2,000)	-
0651	BRUNER MIDDLE	775.00	1,030.00	-	-	985.18	-	-	-	-
0671	LEWIS MIDDLE	775.00	638.00	137.00	137,000	600.45	174.55	174,550	(137,000)	37,550
0681	LONGWOOD ELEMENTARY	600.00	460.00	140.00	140,000	383.15	216.85	216,850	(140,000)	76,850
0731	WALKER ELEMENTARY	600.00	665.00	-	-	665.08	-	-	-	-
0741	BLUEWATER ELEMENTARY	600.00	640.00	-	-	678.93	-	-	-	-
0751	ANTIOCH ELEMENTARY	600.00	779.00	-	-	793.64	-	-	-	-
0761	DAVIDSON MIDDLE	775.00	940.00	-	-	947.58	-	-	-	-
0771	DESTIN MIDDLE	775.00	660.20	114.80	114,800	683.83	91.17	91,170	(114,800)	-
TOTALS			18,783.27	1,918.73	\$ 1,918,730	18,785.20	1,927.81	\$ 1,927,810	\$ (1,918,730)	\$ 203,860