State of Wyoming
SCHOOL FOUNDATION PROGRAM FLOW CHART

March 2019
INTRODUCTION

The School Foundation Program provides Wyoming's local school districts with funding for the necessary instructional and operational resources to provide each Wyoming student with an equal opportunity to receive a proper education. The funding each district receives is a function of the components of the education resource block grant model (funding model) and the characteristics of the schools, staff and students within a district. The funding model determines the amount available to the district, but it does not determine how that funding is spent.

This document graphically illustrates the funding model modified most recently during the 2019 General Session. The illustration progresses from general to more specific. It begins with a summary chart depicting the components of the funding model and then each part of the funding model is further sub-divided to show increasing detail. The document concludes with a depiction of local and state revenues to identify the revenue sources supporting the funding requirements of the funding model.
# Table of Contents

**Introduction** ........................................................................................................... i

**Table of Contents** ....................................................................................................... ii

**School Foundation Program Block Grant** ..................................................................... 1

  I. Base Resources. ........................................................................................................ 1
  II. Foundation Guarantee .............................................................................................. 1
  III. Supplemental Funding to the Foundation Guarantee ............................................... 1

**Funding the Block Grant** ............................................................................................ 2

  IV. District Funding – Entitlement & Recapture .......................................................... 2
  V. Revenues Deposited in the School Foundation Program Account ............................... 2

**I. Base Resources** ......................................................................................................... 3

  School Resources ......................................................................................................... 4
  District Resources ......................................................................................................... 6

**II. Foundation Program Guarantee** ............................................................................. 9

**III. Supplemental Funding to the Foundation Program Guarantee** ............................. 10

**IV. District funding – Entitlement & Recapture** .......................................................... 11

  Local Resources .......................................................................................................... 12
  Entitlement or Recapture School Districts ..................................................................... 14

**V. Revenues Deposited in the School Foundation Program Account** ............................ 15

  School Foundation Program Account (SFP) Revenue Explanations ............................... 16
SCHOOL FOUNDATION PROGRAM BLOCK GRANT

I. BASE RESOURCES.

- School Resources
- District Resources
- Base Resources

II. FOUNDATION GUARANTEE.

- Base Resources
- Regional Cost Adjustment (Through salaries)
  - The RCA is applied, by district, to all FTEs positions
  - Greater of the 2005 HWI, WCLI, or minimum of 100
- External Cost Adjustment
  - ECA is used to adjust for inflation
- Reimbursements
  - Hold Harmless (Small Districts 243 ADM or Less); ADM and Groundskapers Phase-In Reducions FY 2020
  - Special Education
  - Transportation
  - Special Tuition
  - Isolation & Maintenance
  - Teacher Extra Pay
- Foundation Program Guarantee

III. SUPPLEMENTAL FUNDING TO THE FOUNDATION GUARANTEE.

Other: Cooperative Service Agreements, Retirement, NBCT Program Payments, out-of-state tuition, special education out-of-district placements, and grants (School Safety and Security, Distance Education, Wyoming Education Trust Fund, and CTE Demonstration Grants). Note: The items included in “Other” may be considered outside and in addition to the funding model.

March 2019
**Funding the Block Grant**

**IV. District Funding - Entitlement & Recapture.**

- **Foundation Program Guarantee** → **Local Resources**
  - Countywide Levy - 6 mills
  - Taylor Grazing Act Funds
  - Railroad Car Company Taxes

- **Local Resources** → **Entitlement**
  - School District Levy - 25 mills
  - County Motor Vehicle Fund
  - Property Sales

- **Entitlement** → **Recapture**
  - Fines and Forfeitures
  - Tuition Payments Excluding Distance Ed & W.S. 21-4-502(c)

- **Recapture** → **THEN SFP recaptures excess from District**
  - IF Local Resources Exceed Foundation Guarantee

- **THEN SFP makes payment to the district**
  - IF Foundation Guarantee Exceeds Local Resources

**V. Revenues Deposited in the School Foundation Program Account.**

- Statewide Levy - 12 mills
- Common School Land Income
- Pooled Interest
- Federal Mineral Royalties
- Recapture
- Motor Vehicle Registration Fees
- Car Company Taxes
- E-Rate
- SFP Augmentations and Cash Flows

**SFP Revenues**

---

**March 2019**
I. Base Resources

The base resource funding represents the funding generated at the school level by the elementary school, middle school, high school, small school and alternative school prototypes. The district level resources are then added to the school based resources. This section illustrates the school and district resources based on the prototypes in the model.
Average Daily Membership
W.S. 21-13-101(a)(6)

The aggregate number of pupils present plus the aggregate number of pupils absent divided by the actual number of days the school is in session for the year. Pupils who have withdrawn from school or who have been absent for more than ten consecutive calendar days shall not be counted as members.

ADM used for funding components at each school computed based upon the greater of the average of the district’s ADM counts completed at the end of the three immediately preceding school years or the district’s ADM for the previous school year, whichever is greater.

School Grade Prototypes

School Grade Prototype Elements

Personnel
At-Risk Resources
Vocational Education
Supplies & Materials
Gifted & Talented
Student Activities
Professional Development

Grade-Level Groupings

Elementary School Prototype (K-5/6) Class Size = 16 ADM; Minimum Teachers = 6
Prototypes for greater than 49: 96, 192, and 288 ADM

Middle School Prototype (6-8) Class Size = 21 ADM; Minimum Teachers = 8
Prototypes for greater than 49: 105, 210, 315, and 630 ADM

High School Prototype (9-12) Class Size = 21 ADM; Minimum Teachers = 10
Prototypes for greater than 49: 105, 210, 315, and 630 ADM

Special Prototypes: K-7/8/9, 6/7-12, K-12, etc.; Small School and Alternative Schools

March 2019

LSO Budget and Fiscal Section • 200 W. 24th Street • Cheyenne, Wyoming 82002
Telephone (307)777-7881 • Fax (307)777-5466 • E-mail lso@wyoleg.gov • Website www.wyoleg.gov
School Grade Prototype Elements

Personnel
- Teachers - Core and Specialist
- Librarians and Media Technicians
- Pupil Support
- School Administration
- Secretarial and Clerical Staff
- Supervisory Aides
- Substitute Teachers
- Instructional Facilitators

Career Vocational Education Teachers and Supplies
- Supplies & Materials
  - Books/Ins. Materials
  - Computers, Equipment
- Gifted & Talented
- Student Activities
- Professional Development

At-Risk Resources
- Tutors
- English Language Learner Teachers
- Secondary Grade Guidance Counselors
- Summer School and Extended Day Teachers

March 2019
DISTRICT RESOURCES

Average Daily Membership
W.S. 21-13-101(a)(i)

The aggregate number of pupils present plus the aggregate number of pupils absent, divided by the actual number of days the school is in session for the year. Pupils who have withdrawn from school or who have been absent for more than ten consecutive calendar days shall not be counted as members.

ADM used for funding components at each school computed based upon the greater of the average of the district’s ADM counts completed at the end of the three immediately preceding school years or the district’s ADM for the previous school year, whichever is greater.

District Resources

District Resource Elements

Central Office Staff
Central Office Supplies
Maintenance & Operations Staff
Maintenance & Operations
Utilities
Reimbursements

District Prototype Levels

500 ADM or Less; Minimum 3 professional and 3 clerical staff

501-1,000 ADM: 3 professional and 3 clerical staff with 1 additional FTE prorated

1,000-3,500 ADM: 4 professional and 4 clerical staff with additional FTEs prorated to equal 8 professional and 10 clerical at 3,500

Greater than 3,500: 8 Professional and 10 clerical staff prorated up (e.g. at 7,000 ADM, a school district is resourced 16 professional and 20 clerical staff).
District Resource Elements

Central Office Personnel
- Professional Staff: Superintendent, Assistant Superintendents, and Business Manager
- Clerical Staff

Central Office Supplies

Maintenance & Operations
- Staff: Custodians, Maintenance Workers, and Groundskeepers
- Supplies

Utilities

Reimbursements
- Special Education (W.S. 21-13-321)
- Transportation (W.S. 21-13-320)
- Isolation & Maintenance (W.S. 21-4-401)
- Special Tuition (W.S. 21-4-501(d); 21-4-504)
- Teacher Extra Pay (W.S. 21-13-324)
Model Compensation Calculation

This section illustrates how the funding model calculates the district level salary and total compensation amounts per model position. These computations are specific to each personnel category in the model. *NOTE: Not all adjustments (i.e., experience, education, and responsibility) are made for each personnel category.*

- **Statewide Average Salary (per position)**
- **Experience Adjustment**
- **Education Adjustment, if applicable.**
- **Responsibility (ADM) Adjustment, if applicable.**
- **District Variation from Statewide Average Salary**
- **For each personnel category, the district average adjustments modified up or down depending on the relation to the state average.**
- **Adjusted District Average Salary**
- **Regional Cost Adjustment**
- **Applied to all personnel categories.**
- **District Salary**
- **Benefits**
- **Total District Position Compensation**
- **21.10% of benefits multiplied by District Salary**
- **Health Insurance added to RCA adjusted District Salary**

* Retirement is provided as follows: 12.69% of salary within the funding model (7.12% employer share and 5.57% employee share) and reimbursed actual expenditures as required by current law (1.75% employer share).
II. Foundation Program Guarantee

The Foundation Program Guarantee is the amount computed for each district and is determined by multiplying Base Resources by the Regional Cost Adjustment (RCA) – personnel only – and the RCA-adjusted Base Resources by the External Cost Adjustment then adding in any hold harmless and the reimbursements.

Base Resources

Greater of the 2005 HWI, WCLI, or minimum of 100

Regional Cost Adjustment (through salaries)

The RCA is applied, by district, to all FTEs positions

External Cost Adjustment

ECA is used to adjust for inflation. ECA is determined by Legislature. Four categories are evaluated: educational materials, energy, nonprofessional labor, and professional labor.

Hold Harmless (Small Districts 243 ADM or Less); ADM and Groundskeepers Phase-In Reductions FY 2019 and FY 2020

Reimbursements

Transportation

Special Education

Isolation & Maintenance

Special Tuition

Teacher Extra Pay

Foundation Program Guarantee
### III. Supplemental Funding to the Foundation Program Guarantee

Supplemental Funding to the Foundation Program Guarantee reflects programs for which the Legislature appropriates resources in addition to the education resource block grant funding model.

<table>
<thead>
<tr>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperative Service Agreements</td>
</tr>
<tr>
<td>Retirement Contributions</td>
</tr>
<tr>
<td>NBCT Program Grants and Salary Bonuses</td>
</tr>
<tr>
<td>School Safety and Security Program Grants</td>
</tr>
<tr>
<td>Distance Education Grants</td>
</tr>
<tr>
<td>CTE Demonstrations Grants</td>
</tr>
<tr>
<td>Wyoming Education Trust Fund Grants</td>
</tr>
<tr>
<td>Special Education Out-of-District Placement Payments</td>
</tr>
</tbody>
</table>
IV. DISTRICT FUNDING – ENTITLEMENT & RECAPTURE

The district funding is the Foundation Program Guarantee less Local Resources and results in either an Entitlement payment or state Recapture revenue. This section illustrates the process resulting in Entitlement or Recapture.
Local Resources

Local resources are subtracted from the Foundation Guarantee to determine if a school district receives an Entitlement payment from the State or if the State receives Recapture revenue from the school district. W.S. 21-13-310 provides the requirements of local resources included or excluded from the calculation.

Local Resources
- Countywide Levy - 6 mills
- Taylor Grazing Act Funds
- Railroad Car Company Taxes
- School District Levy - 25 mills
- County Motor Vehicle Fund
- Property Sales

Exclusions
- Fines and Forfeitures
- Tuition Payments Excluding D.E., W.S. 21-4-502(c) and Dual/Concurrent Programs
- Forest Reserve Funds
- Delinquent Tax Penalty & Interest
- Cash Reserves, if applicable
- Other Local Resources

- Private Contributions and Gifts
- Revenue Dedicated to Bond Debts
- Fees or Charges for Goods or Services
- Interest, Capital Gains, and Other Earnings
- Certain real property sales, particularly disposal of surplus buildings under the School Facilities Department
- Federal Funds
Local Resources Explanations

- **Countywide Levy**: Revenue generated from countywide 6 mill property tax. (W.S. 21-13-201(a) and 39-13-104(b)(ii))
- **Taylor Grazing Act Funds**: The district's share of Taylor Grazing Act funds distributed to it during the previous year under federal law. (W.S. 9-4-402)
- **Railroad Car Company Taxes**: The district's share of railroad car company taxes distributed to it during the previous school year. (W.S. 39-13-111(a)(iii))
- **School District Levy**: Revenue generated from 25 mill property tax within the school district. (W.S. 21-13-102(a) and 39-13-104(d)(i))
- **County Motor Vehicle Fund**: Revenue generated from motor vehicle licensing and registration, distributed in the same manner as property taxes. (W.S. 31-3-103)
- **Property Sales**: Any amount received by the district in the preceding year from the sale of real or personal property. (W.S. 21-13-310(a)(xiv))
- **Fines and Forfeitures**: The district's share of fines and forfeitures distributed to it during the previous school year. (W.S. 35-11-424(c))
- **Tuition Payments**: Revenue generated from tuition received during the previous school year, excluding distance education tuition payments from school districts, tuition payments provided under W.S. 21-4-502(c) and revenues received by a district from post-secondary education option programs provided under W.S. 21-20-201. (W.S. 21-13-310(a)(ix))
- **Forest Reserve Funds**: The district's share of forest reserve funds distributed to it during the previous year under federal law. (W.S. 9-4-504)
- **Delinquent Tax Penalty and Interest**: The district's share of interest and penalties on delinquent taxes distributed to it during the previous school year. (W.S. 39-13-108(b)(ii))
- **Cash Reserves & Operating Balances**: District's operating balance & cash reserve exceeding 15% of guarantee from the preceding year are considered a local resource. (W.S. 21-13-313(e))
- **Other Local Resources**: Other revenues, not excluded, received or collected by the district during the previous school year. (W.S. 21-13-310(a)(xv))
**ENTITLEMENT OR RECAPTURE SCHOOL DISTRICTS**

**Entitlement**

If the Foundation Guarantee amount exceeds Local Resources, the State makes up the difference.

Entitlement payments are made in following manner: 15% August 15, and 10% installments the 15th of every month September through April, with remainder (5%) paid on May 15.

**Recapture**

If Local Resources exceed the Foundation Guarantee amount, the excess is recaptured by the State.

Local Resources greater than 300% of Foundation Guarantee: pay back 50% of Recapture amount January 15 and June 15.

Local Resources less than 300% of Foundation Guarantee: pay back 40% January 15 and 60% June 15.

**Advanced Payments**

Advanced payments are eligible to school districts that receive 20% or less of their Foundation Guarantee from State revenue. Advanced payments shall not exceed 20% of the district Foundation Guarantee. Advanced payments paid September 1 and repaid December 15.
V. Revenues Deposited in the School Foundation Program Account

There are a number of revenue sources that fund the school foundation program; they are illustrated below.

- Statewide Levy - 12 mills
- Common School Land Income
- Pooled Interest
- E-Rate (schools and libraries program of the universal service fund)
- Federal Mineral Royalties
- Recapture
- Motor Vehicle Registration Fees
- Car Company Taxes
- Augmentations
SCHOOL FOUNDATION PROGRAM ACCOUNT (SFP) REVENUE EXPLANATIONS

- **Statewide Levy**: Revenue generated from 12 mill statewide property tax. (W.S. 21-13-303 and 39-13-104(a)(iv))
- **Common School Land Income (CSLIA)**: Interest, dividends, and net realized capital gains on the CSA. The CSLIA also receives revenue from non-depletable activities on CSA lands, including revenue streams such as grazing leases, and oil or coal bonus payments. (W.S. 21-13-301)
- **Common School Permanent Land Fund Spending Policy Reserve Account (CSPLF SPRA)**: If investment income is less than the spending policy amount (SPA), the difference is transferred from the CSPLF SPRA to the CSLIA to ensure an amount equal to the SPA is available. This only occurs if revenue is available in the CSPLF RA.
- **Federal Mineral Royalties (FMRs)**: Revenue generated from federal payments, distributed under federal law, to the state for mining activity within the state. *In the event investment income from the CSA exceeds SPA of the CSA, then the amount over the SPA is directed to the CSPLF SPRA, swapped with FMRs. (W.S. 9-4-601(a)(ii), (d)(iii) and (k)(i))*
- **Pooled Interest**: Interest derived from property tax holdings by the county prior to remitting it to the state and interest derived from the pooled earnings of the SFP.
- **E-Rate**: Revenue received from applications to the universal service administrative company under the federal communications commission for amounts available to the state under the schools and libraries program of the universal service fund. (W.S. 9-2-2906(e)(v))
- **Recapture**: Monies paid by school districts with local resources exceeding their guarantee. (W.S. 21-13-102(b))
- **Motor Vehicle Registration Fees**: Revenue generated from motor vehicle licensing and registration, distributed in the same manner as property taxes. (W.S. 31-3-103)
- **Car Company Taxes**: Revenue generated from railroad car company taxes, distributed in the same manner as property taxes. (W.S. 39-13-111(a)(iii))
- **Cash Flow Loans**: For cash flow purposes, a loan may be made from the CSA to the SFP, which is then repaid to the CSA.
- **Augmentations**: Any additional revenue directed by the Legislature to the SFPA. To the extent the balance of the Legislative Stabilization Reserve Account (LSRA), is not less than $500 million, a transfer is made from the LSRA to the SFPA to restore the unobligated, unencumbered balance within the SFPA to $100 million on June 30 of each fiscal year. (W.S. 9-4-219(b))