

Essential Programs & Services Cost Component Calculations (ED279):

Maine's Funding Formula for Sharing the Costs of K-12 Education between State and Local:

1. Determine the EPS Defined Cost for each Unit
2. Determine the Required Local Share of Those Costs
3. The Difference Between the Two is the State Share

Background of EPS:

- Essential Programs and Services is designed to insure that all schools have the programs and resources that are essential for all students to have an equitable opportunity to achieve Maine's Learning Results.
- The EPS model provides a basis for adequacy and greater equity in the funding of K-12 education because it is cost driven instead of expenditure driven.
- The model is designed to respond to student needs and is based on years of research and information gleaned from high performing cost effective school units.

Key EPS Operating Cost Components:

- Student Demographics (SAU Pupil Counts for K-5, 6-8, 9-12 and Specialized Student Populations)
- EPS Per Pupil Rate for Each SAU (Per Pupil Amounts Tailored for Each Unit Which Reflect Costs for Personnel, Administration, & Instructional Support)
- Weighted Amounts (Additional Per Pupil Amounts for Limited English Proficiency (LEP) and Economically Disadvantaged Pupils)
- Targeted Amounts (Additional Per Pupil Amounts for K-2 Pupils, Standards Implementation, and Technology Resources)
- Other Adjustments (Isolated Small Schools, Declining Enrollments, Adult Education, and Equivalent Instruction)

Line by Line Explanation of ED279 – Computation of EPS Rates:

Page 1 – Lines 9, 10, & 11: Attending Pupil Counts

- Uses attending pupil counts for the school unit from the previous year, (i.e., for School Year 2010-11 the attending pupil counts used are from the 4/1/09 and 10/1/09 enrollment counts reported in Infinite Campus).
- Attending student counts are based on where the students are educated. Public school district attending student counts include: (1) students from the local school district attending schools in the local school district, plus (2) students from outside the school district who are tuitioned there from other school districts. Infinite Campus Student Enrollment Counts
- Separated by K-5, 6-8, and 9-12 for calculation of EPS determined ratios for each grade level.
- Data taken from Infinite Campus October 1st Enrollment Report and April 1st Enrollment Report

		K-5	6-8	K-8	9-12	TOTAL
9	ATTENDING PUPILS (APRIL 2009)	1,170.0	567.0	1,737.0	784.0	2,521.0
10	ATTENDING PUPILS (OCTOBER 2009)	1,130.0	562.0	1,692.0	775.0	2,467.0
11	AVERAGE ATTENDING PUPILS (APRIL & OCTOBER), CALENDAR YEAR 2009	1,150.0	564.5	1,714.5	779.5 69% 31%	2,494.0

Page 1 – Line 12: Positions

Part 1 – Full Time Equivalent (FTE) Staff

- EPS has determined ratios of Full Time Equivalent (FTE) Staff to Student necessary for each grade level and position.
- Current Staff to Student Ratios are shown in the table to the right:
- EPS FTE is determined by dividing the Average Attending Pupils from Line 11 for the Calendar Year for the Grade Level by the EPS Ratio; then adding the results for the three grade levels.
- Actual FTE are obtained from the MEDMS Staff Information system.
- Ratio of Staff is determined by dividing the EPS FTE Staff by the Actual FTE Staff.

Position	K – 5	6 – 8	9 – 12
A. Teachers	17:1	16:1	15:1
B. Guidance	350:1	350:1	250:1
C. Librarians	800:1	800:1	800:1
D. Health	800:1	800:1	800:1
E. Education Techs	100:1	100:1	250:1
F. Library Techs	500:1	500:1	500:1
G. Clerical	200:1	200:1	200:1
H. School Admin	305:1	305:1	315:1

Page 1 – Line 12: Positions
Part 2 – EPS Total Salary

MEDMS Staff
 Information
 System

12	Position	K-5		6-8		9-12		=	E.P.S. FTE	/	Actual FTE	=	Ratio	X	EPS Tot Salary	=	Elementary Salary	Secondary Salary
A.	TEACHER	67.6	(17:1)	35.3	(16:1)	52.0	(15:1)	=	154.9	/	156.7	=	0.99	X	7,505,004	=	\$5,126,668	\$2,303,286
B.	GUIDANCE	3.3	(350:1)	1.6	(350:1)	3.1	(250:1)	=	8.0	/	9.8	=	0.82	X	426,333	=	\$241,219	\$108,374
C.	LIBRARIANS	1.4	(800:1)	0.7	(800:1)	1.0	(800:1)	=	3.1	/	1.0	=	3.10	X	59,675	=	\$127,645	\$57,348
D.	HEALTH	1.4	(800:1)	0.7	(800:1)	1.0	(800:1)	=	3.1	/	5.0	=	0.62	X	232,177	=	\$99,325	\$44,624
E.	EDUCATION TECHS	11.5	(100:1)	5.6	(100:1)	3.1	(250:1)	=	20.2	/	11.0	=	1.84	X	205,590	=	\$261,017	\$117,269
F.	LIBRARY TECHS	2.3	(500:1)	1.1	(500:1)	1.6	(500:1)	=	5.0	/	5.4	=	0.93	X	101,942	=	\$65,416	\$29,390
G.	CLERICAL	5.8	(200:1)	2.8	(200:1)	3.9	(200:1)	=	12.5	/	14.9	=	0.84	X	451,022	=	\$261,412	\$117,446
H.	SCHOOL ADMIN.	3.8	(305:1)	1.9	(305:1)	2.5	(315:1)	=	8.2	/	8.0	=	1.03	X	639,197	=	\$454,277	\$204,096

- EPS Total Salary is obtained from the MEDMS Staff Information system and is used to determine the EPS total salary adjusted to reflect the EPS to Actual Staff Ratio shown in the Elementary Salary and Secondary Salary columns of the ED279.
- The EPS Teacher Salary is determined using the Salary Matrix shown to the right. The Years of Experience and Education Level Attained are important factors in determining the Minimum Teacher Salary for the EPS Funding formula.
- Actual salaries are ultimately determined by local contract agreements.

SALARY MATRIX FOR 2010-11 FUNDING						
SALARY MATRIX for Teachers, Guidance/Counseling and Library						
Years of Experience	Education Category					
	BA only	BA+15 BA+30	MA or MA+15	MA+30 or CAS	Doctorate	
<1	1.00	1.04	1.16	1.24	1.25	
1-5	1.07	1.11	1.23	1.31	1.32	
6-10	1.22	1.27	1.38	1.47	1.47	
11-15	1.39	1.44	1.55	1.63	1.64	
16-20	1.56	1.60	1.72	1.80	1.81	
21-25	1.68	1.73	1.84	1.93	1.93	
26-30	1.74	1.79	1.90	1.98	1.99	
31+	1.76	1.80	1.92	2.00	2.01	

Years of Experience	Education Category				
	BA only	BA+15 BA+30	MA or MA+15	MA+30 or CAS	Doctorate
<1	31,408	32,664	36,433	38,946	39,260
1-5	33,607	34,863	38,632	41,144	41,459
6-10	38,318	39,888	43,343	46,170	46,170
11-15	43,657	45,228	48,682	51,195	51,509
16-20	48,996	50,253	54,022	56,534	56,848
21-25	52,765	54,336	57,791	60,617	60,617
26-30	54,650	56,220	59,675	62,188	62,502
31+	55,278	56,534	60,303	62,816	63,130

- EPS total salary is adjusted to reflect the EPS to Actual Staff Ratio by multiplying the EPS Total Salary by the EPS Staff to Actual Staff Ratio and multiplying that by the percentage of Average Attending Pupils in the K-8 grade span for Elementary Salary; and the 9-12 grade span for the Secondary Salary.
- The example to the right shows how the calculation of EPS FTE and Elementary and Secondary Salary are determined on the ED279.

FY11

Computation of EPS Rates *RSU/SAID35*

Page 1 Line 12A - Teachers Salary

	K-5	6-8	K-8	9-12	TOTAL					
11 AVERAGE ATTENDING PUPILS (APRIL & OCTOBER), CALENDAR YEAR 2009	1,150.0	564.0	1,714.5 (69%)	779.5 (31%)	2,494.0					
12 Position	K-5	6-8	9-12	E.P.S. FTE	Actual FTE	= Ratio X	EPS Total Salary	=	Elementary Salary	Secondary Salary
A. TEACHERS	67.6 (17.1)	35.3 (16.1)	52.0 (15.1)	= 154.9	= 156.7	= .99 X	7,505,004	=	5,126,668	2,303,286

Actual FTE Staff Reported

Attending K-5 Pupils $\frac{1,150.0}{17} = 67.6$ Full Time Equivalent (FTE) Staff
EPS Ratio

EPS total salary equals 156.7 Actual FTE's inserted in the state Teacher Salary Matrix for FY'11

EPS total salary adjusted to reflect EPS to Actual Staff Ratio
EPS Staff $\frac{154.9}{156.7} = .99 \times \$7,505,004 \times .69$ (K-8 %Staff) = \$5,126,668
Actual Staff

Page 1 – Line 13: Other Support Costs (Per Pupil)

13	Other Support Costs (Per Pupil)	K-8	9-12	Elementary	Secondary
A.	Substitute Teachers - 1/2 Day	36	36	\$61,722.00	\$28,062.00
B.	Supplies and Equipment	337	466	\$577,786.50	\$363,247.00
C.	Professional Development	57	57	\$97,726.50	\$44,431.50
D.	Instructional Leadership Support	24	24	\$41,148.00	\$18,708.00
E.	Co- and Extra-Curricular Student	33	111	\$56,578.50	\$86,524.50
F.	System Administration /Support	215	215	\$368,617.50	\$167,592.50
G.	Operations & Maintenance	986	1172	\$1,690,497.00	\$913,574.00

- Other Support Costs are calculated based on the EPS determined Per Pupil Amount.
- The current EPS Per Pupil amounts for each of the following support costs are:

Other Support Costs	K – 8	9 – 12
A. Substitute Teachers – ½ Day	36	36
B. Supplies and Equipment	337	466
C. Professional Development	57	57
D. Instructional Leadership Support	24	24
E. Co- and Extra-Curricular Student	33	111
F. System Administration/Support	215	215
G. Operations and Maintenance	986	1172

- The example to the right shows how the calculation of Other Support Costs is determined on the ED279.

Page 1 Line 13G - Operation & Maintenance of Plant

11	AVERAGE ATTENDING PUPILS (APRIL & OCTOBER), CALENDAR YEAR 2009	K-5	6-8	K-8	9-12	TOTAL
		1,150.0	564.5	1,714.5 (69%)	779.5 (31%)	2,494.0

12	Position	K-5	6-8	9-12	E.P.S. FTE	Actual FTE	= Ratio	X	EPS Total Salary	=	Elementary Salary	Secondary Salary
A.	TEACHERS	67.6 (17.1)	35.3 (16.1)	52.0 (15.1)	= 154.9	/ 156.7	= .99	X	7,505,004	=	5,126,668	2,303,286

13	Other Support Costs (Per Pupil)	K-8	9-12
		986	1,172

G. OPERATIONS & MAINTENANCE 986 1,172 1,690,497 913,574

EPS Per Pupil Amount Times 9-12 Attending Pupils
1,172 X 779.5 = \$913,574

Page 1 – Line 14: Salary Benefits

14	Salary Benefits	Percentage	Elementary	Secondary
A.	Teachers, Guidance, Librarians & Health	19.00%	\$1,063,022.94	\$477,590.02
B.	Education & Library Technicians	36.00%	\$117,515.97	\$52,797.03
C.	Clerical	29.00%	\$75,809.58	\$34,059.38
D.	School Administrators	14.00%	\$63,598.82	\$28,573.38

- Salary Benefits are calculated using the EPS percentage for each category.
- The current EPS Salary Benefits percentage amounts for each of the following categories are:

Salary Benefits	%
A. Teacher, Guidance, Librarians & Health	19%
B. Education & Library Technicians	36%
C. Clerical	29%
D. School Administrative	14%

- The example to the right shows how the calculation of Salary Benefits is determined on the ED279.

Page 1 Line 14A - Benefits -Teachers, Guidance, Librarians, and Health

	K-5	6-8	K-8	9-12	TOTAL
11 AVERAGE ATTENDING PUPILS (APRIL & OCTOBER), CALENDAR YEAR 2009	1,150.0	564.5	1,714.5 (69%)	779.5 (31%)	2,494.0

12 Position	K-5	6-8	9-12	E.P.S. FTE	Actual FTE	= Ratio	X	EPS Total Salary	=	Elementary Salary	Secondary Salary
A. TEACHERS	67.6 (17:1)	35.5 (16:1)	52.0 (15:1)	= 154.9	/ 156.7	= .99	X	7,505,004	=	5,126,668	
B. GUIDANCE										241,219	
C. LIBRARIANS										127,645	
D. HEALTH (Nurse)										99,326	
										TOTAL	5,594,858

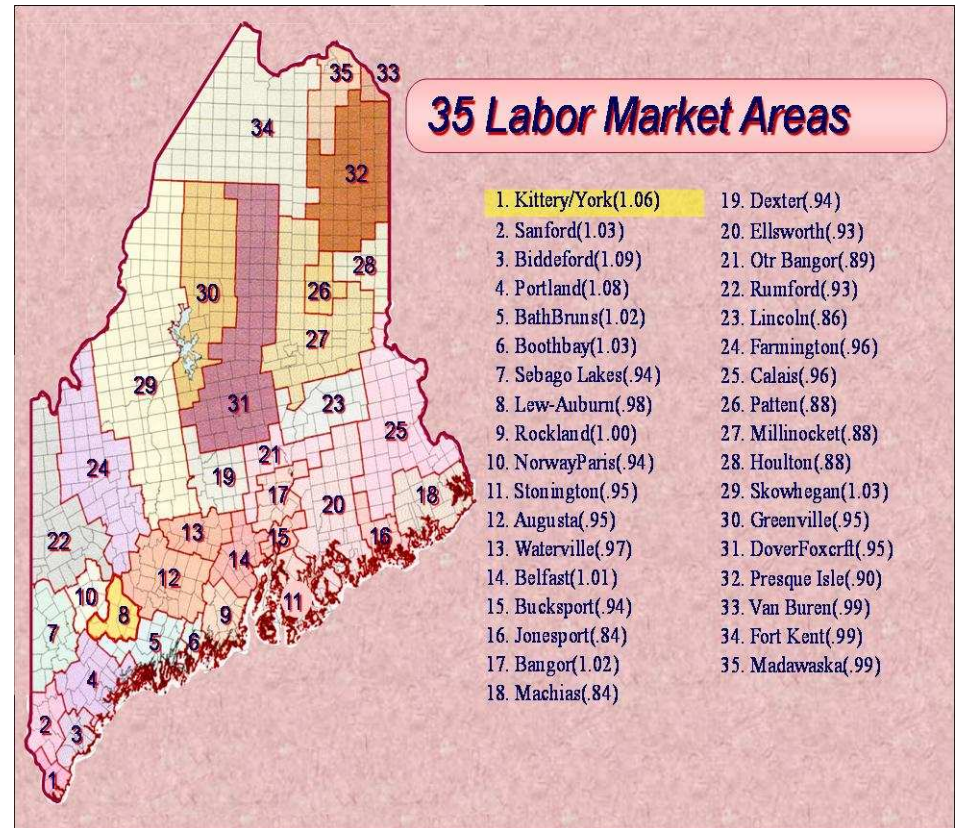
14. Salary Benefits	EPS Percentage
A. Teachers, Guidance, Librarians, and Health	19.00%

Total EPS Salaries (Teachers, Guidance Librarian, and Health (Nurse) X EPS Percentage
\$5,594,858 X .19 = \$1,063,023

Page 1 – Line 15: Regional Adjustment for Salaries, Benefits, & Substitutes

15	Regional Adjustment For Salaries, Benefits & Substitutes, (Factor = 1.06)	Elementary \$481,118.99	Secondary \$216,174.82
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- The Regional Adjustment for Salaries, Benefits, & Substitutes is necessary due to the variations in Income Levels and Housing Costs throughout the State of Maine.
- A fundamental premise of Essential Programs and Services is that there must be adequate resources to achieve desired outcomes and there must be *equity* in the distribution of adequate resources.
- The calculation of Personnel Costs in EPS is based on:
 1. EPS Guiding Personnel Ratios
 2. SAU Staff Profiles (Experience and Education of staff)
 3. Regional Cost Differences
- The EPS Regional Adjustment will either increase or decrease total salaries plus benefits plus substitutes for a school unit based on the Labor Market Regional Cost Factor where the school unit is located.
- The 35 Labor Market Areas and the EPS regional cost factor for each is shown to the right:
- The example on the next page shows how the Regional Adjustment calculation is shown in the ED279 report.



i.e., the cost of living in Kittery/York is higher than in other areas of the state – therefore the Regional Adjustment for school units in that labor market area is an increase of 6% over the cost of Salaries + Benefits + Substitutes.

Page 1 Line 15 Regional Adjustment For Salaries, Benefits, & Substitutes

	K-5	6-8	K-8	9-12	TOTAL
11 AVERAGE ATTENDING PUPILS (APRIL & OCTOBER) , CALENDAR YEAR 2009	1,150.0	564.5	1,714.5 (69%)	779.5 (31%)	2,494.0
12 Position	K-5	6-8	9-12		
	E.P.S. FTE	Actual FTE	= Ratio	X	EPS Total Salary
	=	=	=	=	=
A. TEACHERS	67.6 (17:1)	35.3 (16:1)	52.0 (15:1)	= 154.9 / 156.7 = .99	X 7,505,004 = 5,126,668
B. GUIDANCE					241,219
C. LIBRARIANS					127,645
D. HEALTH (Nurse)					99,326
E. EDUCATION TECHS					261,017
F. LIBRARY TECHS					65,416
G. CLERICAL					261,412
H. SCHOOL ADMIN.					454,277
					TOTAL K-8 SALARIES \$6,636,980
13. Other Support Costs (Per Pupil)	K-8	9-12			2,894,078
14. Salary Benefits		EPS Percentage			TOTAL K-8 SALARY BENEFITS \$1,319,947
15. Regional Adjustment For Salaries, Benefits, & Substitutes, (Factor 1.06)					481,118
16. Adjustment for Title I Revenues					-68,693
17. TOTALS					11,263,430
18. E.P.S Rates					6,570

Regional Adjustment K-8

Total Salaries (\$6,636,980) +Benefits (\$1,319,947) +Substitutes 13A (\$61,722) Increased or Decreased by Labor Market Area Factor

\$8,018,649 X +.06 = \$481,118

Page 1 – Line 16: Adjustment for Title I Revenues

- An adjustment is made for Title I Revenues received by each school unit.

	Elementary	Secondary
16 Adjustment for Title I Revenues	-\$68,693.00	-\$30,862.00

Page 1 – Line 18: EPS Per Pupil Rates

17	TOTALS	Elementary	Secondary
18	E.P.S. RATES	\$11,263,429.80	\$5,382,303.00
		\$6,570.00	\$6,905.00

- EPS Per Pupil Rates are tailored for each individual SAU and reflect the costs for Personnel, Administration, and Instructional Support in that specific SAU.
- The rates are determined by dividing the Total Support Costs after the Regional Adjustment and Title I Revenues Adjustment have been applied by the Attending Pupil Count for both Elementary and Secondary.
- The Per Pupil rates are then used to determine operating cost allocations on the subsequent pages of the ED279.
- The example to the right illustrates the calculation.

Page 1 Line 18 E.P.S Rates

	K-5	6-8	K-8	9-12	TOTAL						
11 AVERAGE ATTENDING PUPILS (APRIL & OCTOBER) , CALENDAR YEAR 2009	1,150.0	564.5	1,714.5 (69%)	779.5 (31%)	2,494.0						
12 Position	K-5	6-8	9-12	E.P.S. FTE	Actual FTE	= Ratio	X	EPS Total Salary	=	Elementary Salary	Secondary Salary
A. TEACHERS	67.6 (17:1)	35.3 (16:1)	52.0 (15:1)	= 154.9 /	156.7	= .99	X	7,505,004 =		5,126,668	2,303,286
B. GUIDANCE										241,219	
C. LIBRARIANS										127,645	
D. HEALTH (Nurse)										99,326	
E. EDUCATION TECHS										261,017	
F. LIBRARY TECHS										65,416	
G. CLERICAL										261,412	
H. SCHOOL ADMIN.										454,277	
13. Other Support Costs (Per Pupil)		K-8	9-12							2,894,078	
14. Salary Benefits				EPS Percentage						1,319,947	
15. Regional Adjustment For Salaries, Benefits, & Substitutes, (Factor 1.06)										481,118	
16. Adjustment for Title I Revenues										-68,693	
17. TOTALS										11,263,430	
18. E.P.S Rates										6,570	

K-8 EPS Rate Equals Total Divided by Attending Pupil Count

$$\frac{\$11,263,430}{1,714.5} = \$6,570$$

Page 2 Section A: (Operating Cost Allocations) – Line 19: Subsidizable Pupils

Public School Resident Subsidy Counts are the counts of students that are used in the calculation of subsidy for school administrative units. These numbers are derived from the publicly funded resident enrollment counts reported in Infinite Campus twice a year, on October 1 and April 1. These numbers also include superintendant transfers.

19. SUBSIZABLE PUPILS	K-8	9-12	TOTAL	
APRIL 2007	1,743.0	833.0	2,576.0	
OCTOBER 2007	1,731.0	831.0	2,562.0	
APRIL 2008	1,741.0	817.0	2,558.0	
OCTOBER 2008	1,745.0	791.0	2,536.0	
APRIL 2009	1,741.0	786.0	2,527.0	
OCTOBER 2009	1,696.0	776.0	2,472.0	

For public school systems, the October 1 and April 1 student counts are the student counts used to determine state subsidy amounts. Note: K-8 includes 4 year olds and Early Kindergarten counts.

Resident subsidy counts are based on where the students' parent resides. They are counts of students who reside in each school unit and are educated at public expense. Public school unit resident subsidizable counts include:

1. resident students from the local school unit attending schools in the local school unit.
2. resident students from the local unit who are tuitioned to other public school units or private schools and who are paid for with public funds.

Resident Subsidy Counts do **NOT** include:

- students educated in the Maine Indian Education system (except for the Maine Indian Education Unit)
- students educated in State Operated schools
- students educated in the Unorganized Territories
- students educated in private schools (non-publicly funded)
- students educated for free or paid for by the parents
- students either below the minimum age or over the maximum age for services

Note: Attending Student Counts are based on where students are enrolled; while Subsidizable Student Counts are based on where students live.

Page 2 Section A: (Operating Cost Allocations) – Line 21: Basic Counts

K-8 Pupils Operating Cost Allocation is determined by using the Average Calendar Year K-8 Pupils (using the average of the most recent calendar year subsidizable pupil counts; April 2009 & October 2009 in the example below) plus the declining enrollment adjustment, if any (see note below) times the Elementary SAU EPS Rate as determined on page 1 of ED279.

9-12 Pupils Operating Cost Allocation is determined by using the Average Calendar Year 9-12 Pupils (using the average of most recent calendar year subsidizable pupil counts; April 2009 & October 2009 in the example below) plus the declining enrollment adjustment, if any (see note below) times the Secondary SAU EPS Rate as determined on page 1 of ED279.

Note: Declining Enrollment Adjustment is the difference between the average of the K-8 or 9-12 Subsidizable Pupils (line 19) for the most recent six counts and the most recent calendar year divided by 2.

Adult Education Courses at .1 Operating Cost Allocation is determined by multiplying the adult education student count by the Secondary SAU EPS Rate as determined on page 1 of ED279. (Note: for state subsidy purposes, school-aged adult ed students are counted as .1 of a student for each semester-long course taken.)

Definition of K-8 and 9-12 Equivalent Instruction Pupils: a SAU is entitled to receive state subsidy for any student who receives instruction through one or more on-site academic courses from a public school but is not a full-time student. The rate of reimbursement must be established in increments of 0.25 full-time equivalent status up to 1.0 full-time equivalent status based on the average amount of time per day that a student receives on-site academic services from a public school.

K-8 Equivalent Instruction Pupils Operating Cost Allocation is determined by using the average of the “April Equivalent Instruction Pupils” count and the “October Equivalent Instruction Pupils” count (as reported in Infinite Campus) times the Elementary SAU EPS Rate as determined on page 1 of ED279.

A. OPERATING COST ALLOCATION
Page 2 Line 21 - Basic Counts

19. SUBSIDIZABLE PUPILS	K-8	9-12	TOTAL
APRIL 2007	1,743.0	833.0	2,576.0
OCTOBER 2007	1,731.0	831.0	2,562.0
APRIL 2008	1,741.0	817.0	2,558.0
OCTOBER 2008	1,745.0	791.0	2,536.0
APRIL 2009	1,741.0	786.0	2,527.0
OCTOBER 2009	1,696.0	776.0	2,472.0
AVERAGE OF 6 COUNTS		805.66	

21. BASIC COUNTS	AVG. CAL. YEAR PUPILS	DECLINING ENROLL. ADJ.	SAU EPS RATES		
K-8 PUPILS	1,718.5	14.33	6,570.00	=	11,384,693.10
9-12 PUPILS	781.0	24.66	6,905.00	=	5,563,082.30
ADULT ED COURSES AT .1	3.6		6,905.00	=	24,668.00
K-8 EQUIV. INSTR. PUPILS	.250		6,570.00	=	1,642.50
9-12 EQUIV. INSTR. PUPILS	1.250		6,905.00	=	8,631.25

9-12 Basic Allocation
Average Calendar Year Pupils plus Declining Enrollment Adjustment X EPS Rate

$$\frac{786 + 776}{2} = 1562 + 24.66 = 805.66 \times \$6905 = \$5,563,082.30$$

9-12 Equivalent Instruction Pupils Operating Cost Allocation is determined by using the average of the “April Equivalent Instruction Pupils” count and the “October Equivalent Instruction Pupils” count (as reported in Infinite Campus) times the Secondary SAU EPS Rate as determined on page 1 of ED279.

Page 2 Section A: (Operating Cost Allocations) – Line 21: Weighted Counts

21. BASIC COUNTS	AVG. CAL. YEAR PUPILS	DECLINING ENROLL. ADJ.		SAU EPS RATES		
K-8 PUPILS	1,718.5	14.33	X	6,570.00	=	11,384,693.10
9-12 PUPILS	781.0	24.66	X	6,905.00	=	5,563,082.30

21. WEIGHTED COUNTS	PUPILS	WEIGHTS		SAU EPS RATES		
K-8 DISADVANTAGED @ .1763	303.0	X .15	X	6,570.00	=	298,606.50
9-12 DISADVANTAGED @ .1763	137.7	X .15	X	6,905.00	=	142,622.78
K-8 LIMITED ENGLISH PROF.	9.0	X .700	X	6,570.00	=	41,391.00
9-12 LIMITED ENGLISH PROF.	2.0	X .700	X	6,905.00	=	9,667.00

Percentage of Total K-8 Pupils who are eligible for Free & Reduced Lunch

Number of Pupils determined by using the K-8 and 9-12 Average Calendar Year Pupils from Line 21 Basic Counts respectively, times the percentage of disadvantaged students

Limited English Proficiency student weights are as follows:
 SAU with 15 or fewer LEP students = .70
 SAU with 16 – 250 LEP students = .50
 SAU with 251 or more LEP students = .525

Disadvantaged Pupil Rates are .15 as determined by statute.

K-8 and 9-12 Disadvantaged Weighted Count Operating Cost Allocation is determined by multiplying the percentage of pupils eligible for free & reduced lunch by the average year calendar K-8 or 9-12 pupils; then multiplying that number disadvantaged pupils by the EPS determined weight (.15 at this time) and finally multiplying it by the Elementary or Secondary SAU EPS Rate as determined on page 1 of ED279.

K-8 and 9-12 Limited English Proficiency Weighted Count Operating Cost Allocation is determined by multiplying the number limited English proficiency students that are provided services through programs approved by the Department of Education by the weight as determined depending upon the total number of LEP students in the SAU and then multiplying that by the Elementary or Secondary SAU Rate as determined on page 1 of ED279.

Page 2 Section A: (Operating Cost Allocations) – Line 21: Targeted Funds

21. BASIC COUNTS	AVG. CAL. YEAR PUPILS	DECLINING ENROLL. ADJ.		SAU EPS RATES	=	
K-8 PUPILS	1,718.5	14.33	X	6,570.00	=	11,384,693.10
9-12 PUPILS	781.0	24.66	X	6,905.00	=	5,563,082.30

21. TARGETED FUNDS	PUPILS	WEIGHTS		SAU EPS RATES	=	
K-8 STUDENT ASSESSMENT	1,718.5		X	42.00	=	72,177.00
9-12 STUDENT ASSESSMENT	781.0		X	42.00	=	32,802.00
K-8 TECHNOLOGY RESOURCES	1,718.5		X	95.00	=	163,257.50
9-12 TECHNOLOGY RESOURCES	781.0		X	288.00	=	224,928.00
K-2 PUPILS	607.0	X .10	X	6,570.00	=	398,799.00

Student Assessment: EPS Rates for targeted funds to implement a standards-based system are calculated each year by the commissioner to address the components of a standards-based system.

Public Pre-School Approved Programs to Grade 2 Students additional weight is .10 as determined by statute.

Technology Resources: EPS rates for targeted technology resource funds are calculated each year by the commissioner to adjust the base year calculation using appropriate trends in the Consumer Price Index or other comparable index.

K-8 and 9-12 Student Assessment Targeted Funds Operating Cost Allocation is determined by multiplying the average year calendar K-8 or 9-12 pupils from line 21 basic counts by the EPS determined rate (currently 42.00).

K-8 and 9-12 Technology Resources Targeted Funds Operating Cost Allocation is determined by multiplying the average year calendar K-8 or 9-12 pupils from line 21 basic counts by the EPS determined rate; currently 95.00 for Elementary and 288.00 for Secondary.

K-2 Pupils Targeted Funds Operating Cost Allocation is determined by multiplying the count of public preschool program to grade 2 students based on the number of resident pupils in the most recent calendar year by the EPS determined weight, currently .10 and then by the EPS determined rate; currently set at the Elementary SAU Rate as determined on page 1 of ED279.

Page 2 Section A: (Operating Cost Allocations) – Line 21: Isolated Small School Adjustment

21. ISOLATED SMALL SCHOOL ADJUSTMENT

K-8 SMALL SCHOOL ADJUSTMENT	=	11,384,693.10
9-12 SMALL SCHOOL ADJUSTMENT	=	5,563,082.30

Isolated Small School Adjustment: A school administrative unit is eligible for an isolated small school adjustment when the unit meets the size and distance criteria established by the commissioner and outlined below. The isolated small school adjustment must be applied to discrete school buildings that meet the criteria for the adjustment. The adjustment is not applicable to sections, wings or other parts of a building that are dedicated to certain grade spans.

Isolated Small Elementary Schools Qualifications:

K-8 Schools:

- Fewer than 15 students per grade level
- Number of school options available fewer than 5
- Nearest school is more than 8 miles away

Non K-8 Schools:

- Fewer than 29 students per grade level
- Number of school options available fewer than 5
- Nearest school is more than 8 miles away

Isolated Small Secondary Schools Qualifications:

- Fewer than 200 students per school
- Distance from furthest point in the district to nearest high school is at least 18.5 miles
- Distance between the high school and nearest high school is more than 10 miles

Island Schools Qualifications:

- Islands operating schools

Page 2 Section A: (Operating Cost Allocations) – Line 30: Adjusted Total Operating Allocation

OPERATING ALLOCATION		18,380,967.93
OPERATING ALLOCATION WITH EPS TRANSITION AT	97.00%	17,829,538.89
30. ADJUSTED TOTAL OPERATING ALLOCATION		17,829,538.89

Operating Allocation equals the sum of the Total Allocations from line 21 Basic Counts, Weighted Counts, Targeted Funds and Isolated Small School Adjustments.

Operating Allocation with EPS Transition at 97.00% = Operating Allocation times 97.00%

Adjusted Total Operating Allocation = Amount from the Operating Allocation with EPS Transition line

Page 3 Section B: Other Subsidizable Costs

Line 31: Gifted & Talented Expenditures for 2008-09 – an allocation for Gifted & Talented Programs Based on Prior Year Approved Expenses increased currently by 2.5%.

Line 34: Vocational Education Expenditures for 2008-09 – an allocation for Vocational Education Programs Based on Prior Year Approved Expenses increased currently by 2.5%.

31. GIFTED & TALENTED EXPEDITURES FOR 2008-09	118,164.96 X	102.50%	121,119.08
32. SPECIAL EDUCATION – EPS ALLOCATION			2,436,420.74
34. VOCATIONAL EDUCATION EXPENITURES FOR 2008-09	116,715.59 X	102.50%	119,633.48
35. TRANSPORTATION - EPS ALLOCATION			1,105,320.28
36. TRANSPORTATION (BUS PURCHASES) FOR 2009-10			206,850.60
39. TOTAL OTHER SUBSIDIZABLE COSTS			3,989,883.07

Gifted and Talented Allocation

Both Gifted and Talented and Vocational Allocations are expenditure driven calculations. Most recent reported expenditures (2008-09) for approved programs are inflated by 2.5%

$$\$118,164.96 \times 1.025 = \$121,119.08$$

Page 3 Section B: Other Subsidizable Costs

Line 32: Special Education – EPS Allocation – weighted per pupil amounts for each Special Education Student plus Adjustments for High Cost In-District and Out-of-District Placements.

31. GIFTED & TALENTED EXPEDITURES FOR 2008-09	118,164.96 X	102.50%	121,119.08
32. SPECIAL EDUCATION – EPS ALLOCATION			2,436,420.74
34. VOCATIONAL EDUCATION EXPENITURES FOR 2008-09	116,715.59 X	102.50%	119,633.48
35. TRANSPORTATION - EPS ALLOCATION			1,105,320.28
36. TRANSPORTATION (BUS PURCHASES) FOR 2009-10			206,850.60
39. TOTAL OTHER SUBSIDIZABLE COSTS			3,989,883.07

Special Education

• Base Component Ident up to 15% (127% Of EPS Rate X 271 Pupils)	\$2,297,223.00
• Prevalence Adjustment ID. Above 15% (38% of EPS X 0 Pupils)	\$0.00
• Size Adjustment	\$0.00
• High Cost In- District Adjustment	\$54,765.00
• High Cost Out-of-District Adjustment (<i>Estimate</i>)	\$197,153.00
• Federal Revenues Adjustment	(\$396,392.00)
• Maintenance of Effort Adjustment (to Adj. '08-'09 Actual Expenses)	\$283,671.74

\$2,436,420.74

Definitions:

Base Component – Each identified special education student is weighted at 1.27 for up to 15% of the resident enrollment.

Prevalence Adjustment – Special education identified students above the 15% receive an additional .38 weight.

Small Districts – Districts with fewer than 20 students with disabilities receive an adjustment to reflect lower student-staff ratios.

High Cost In-District – Students educated within the district estimated to cost more than three-times the special education per-pupil base amount are identified as high cost in-district.

High Cost Out-of-District – Students educated outside the district estimated to cost four-times the special education per-pupil base amount are identified as high cost out-of-district.

Maintenance of Effort – Districts are given a “hold harmless” adjustment that is equal to at least the previous year per-pupil expenditure minus adjustments for the loss of high cost students and shift in staff.

Page 3 Section B: Other Subsidizable Costs

Line 35: Transportation – EPS Allocation – an allocation for Transportation based on Pupil Density or Miles Driven; whichever is greater.

Line 36: Transportation (Bus Purchases) – an allocation for Bus Purchases based on the amount approved for bus purchases made in FY2010 plus approved lease purchase payments made in FY2010.

31. GIFTED & TALENTED EXPEDITURES FOR 2008-09	118,164.96 X	102.50%	121,119.08
32. SPECIAL EDUCATION – EPS ALLOCATION			2,436,420.74
34. VOCATIONAL EDUCATION EXPENITURES FOR 2008-09	116,715.59 X	102.50%	119,633.48
35. TRANSPORTATION - EPS ALLOCATION			1,105,320.28
36. TRANSPORTATION (BUS PURCHASES) FOR 2009-10			206,850.60
39. TOTAL OTHER SUBSIDIZABLE COSTS			3,989,883.07
40. TOTAL OPERATING ALLOCATION AND OTHER SUBSIDIZABLE COSTS			21,818,883.07
(LINE 30 PLUS LINE 39)			

Page 3 Section C: Debt Service

41. DEBT SERVICE	NAME OF PROJECT	PRINCIPAL	INTEREST	
11/01/10	NEW HIGH SCHOOL	1,139,698.50	199,631.11	1,339,329.61
05/01/11	NEW HIGH SCHOOL	0.00	212,883.50	212,883.50
42	TOTAL PRINCIPAL & INTEREST	1,139,698.50	412,514.61	1,552,213.11
43	APPROVED LEASES FOR 2009-10			0.00
43A	APPROVED LEASE PURCHASES FOR 2009-10			0.00
44	INSURED VALUE FACTOR FOR 2008-09			0.00
47	TOTAL DEBT SERVICE ALLOCATION			1,552,213.11

Total Debt Service Allocation:
 Scheduled Principal and Interest Payments on all State Approved Major Capital Construction Projects Due in FY2011 plus Approved Payments on Prior Year (FY2009-10) Lease and Lease Purchases and Most Recent Year Reported Payments (FY2008-09) to Eligible Private Schools for Insured Value Factor.

Debt Service – Includes Principal and Interest costs for approved major capital projects in the allocation year. Major capital means school construction projects including on-site additions to existing schools; new schools; the cost of land acquired in conjunction with projects otherwise defined; the building of or acquisition of other facilities related to the operation of SAUs.

Approved Leases & Lease Purchases – Lease costs for school buildings when the leases, including leases under which the school administrative unit may apply the lease payments to the purchase of portable, temporary classroom space, have been approved by the commissioner for the year prior to the allocation year.

Insured Value Factor – The amount paid to Private Schools for public school students tuitioned; beginning in school year 2009-2010, a school administrative unit is not required to pay an insured value factor greater than 5% of the school’s tuition rate or \$500 per student, whichever is less, unless the legislative body of the school administrative unit votes to authorize its school board to pay a higher insured value factor that is no greater than 10% of the school’s tuition rate per student.

Includes Adjusted Total Operating Allocation, Other Subsidizable Costs, and Total Debt Service Allocation.

48	TOTAL COMBINED ALLOCATIONS (LINE 40 PLUS LINE 47)			23,371,096.18
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Page 4 Section D: Local Contribution Calculation – Mill Expectation

D. LOCAL CONTRIBUTION CALCULATION - MILL RATE EXPECTATION					TOTAL ALLOCATION	LOCAL CONTRIBUTION
48 TOTAL COMBINED ALLOCATIONS (LINE 40 PLUS LINE 47)					23,371,096.18	
	AVG. CAL YEAR PUPILS		OPERATING ALLOCATION +	DEBT ALLOCATION	=	TOWN ALLOCATION
TOWN A	1,032.5	41.37%	9,668,622.49	0.00		9,668,622.48
TOWN B	1,463.0	58.63%	13,702,473.69	0.00		13,702,473.69
TOTAL	2,495.5					23,371,096.18

Maine's New Funding Formula

- **Limits the Local Share of All EPS Defined Education Costs to 6.90 Mills or Less for FY2010-11**
 - Established a New Method of Distribution for the State Share of Education Funding
 - Ensures That a Municipality, Single or Part of an SAU Will Not Be Required to Raise More Than 6.90 Mills of State Valuation for Their Share of EPS Defined Costs for FY2010-11
 - State Share Becomes the Difference Between the EPS Defined Costs and Required Local Share Established by the 6.90 Mill Rate Expectation

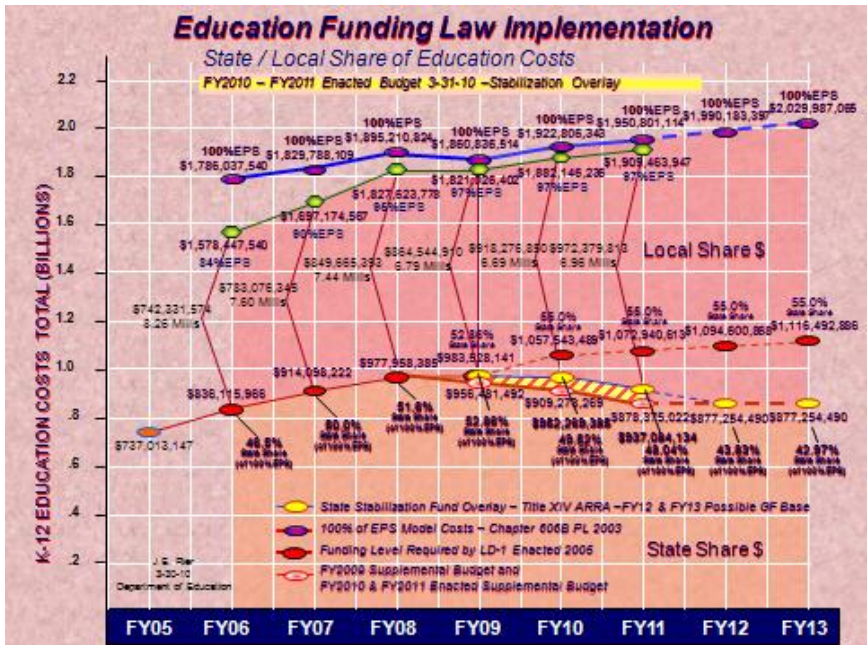
Town Allocation of the Total EPS Allocation

The EPS Total Allocation is Assigned to Each Member Town Based on Their Respective Percent of the Calendar Year Average Resident Pupils

$$1032.5 \div 2495.5 = .4137 \times \$23,371,096.18 = \$9,668,622.48$$

Page 4 Section D: Local Contribution Calculation – Mill Expectation

D. LOCAL CONTRIBUTION CALCULATION - MILL RATE EXPECTATION				TOTAL ALLOCATION	LOCAL CONTRIBUTION		
48 TOTAL COMBINED ALLOCATIONS (LINE40 PLUS LINE47)				4,117,643.17			
	2009 STATE VALUATION	X	MILL EXPECTATION =	LOCAL CONTRIBUTION OR	TOWN ALLOCATION		
TOWN A	883,450,000		6.90	6,095,805.00	9,668,622.49	6,095,805.00	54.45% 6.90M
TOWN B	739,150,000		6.90	5,100,135.00	13,702,473.69	5,100,135.00	45.55% 6.90M
TOTAL	1,622,600,000			11,195,940.00	23,371,096.18	11,195,940.00	100.00% 6.90M



Required Local Contribution to the Town EPS Allocation

The Required Local Contribution to the Town Allocation of EPS is Equal to the Town's State Certified Valuation Times the Established Mill Expectation But not to Exceed the Total Town Allocation.
 $\$883,450,000 \times .00690 = \$6,095,805$

Page 4 Section E: Totals and Adjustments

Page 4 Line 49

E. TOTALS AND ADJUSTMENTS		TOTAL ALLOCATION	LOCAL CONTRIBUTION	STATE CONTRIBUTION
49	ADJUSTED ALLOCATION, LOCAL & STATE CONTRIBUTION	23,371,096.18	11,195,940.00	12,175,156.18
50	ADJUSTED ALLOCATION, LOCAL AND STATE CONTRIBUTIONS	23,371,096.18	11,195,940.00	12,175,156.18

State Contribution to the Total EPS Allocation

State Contribution is the Difference Between the Local Contribution and the Total EPS Allocation.

$$\$23,371,096 - \$11,195,940 = \$12,175,156$$

Total EPS Allocation

Total EPS Allocation/Cost - State/Local Share

'11
97% Model

	TOWN A	TOWN B
Total EPS Allocation		
\$23,371,096		
Pupil Count 2,495.5		
Assignment of EPS Total by Pupil %		
State Valuation '09	\$883,450,000	739,150,000
Required Local Share (by 6.90 Mills or less)	6.90 Mills \$6,095,805	6.90 Mills \$5,100,135
State Share		
\$12,175,156		
EPS Total - Req'd Local = State Share		
Additional Local Funds		
\$1,431,955		
Local Only Debt		
\$376,338		
\$1,808,293		
	47.91%	52.09%
	\$866,353	\$941,940
Total Assessment '11	\$6,962,158	\$6,042,075
Total Assessment '10	\$6,877,539	\$6,126,694

Total EPS Allocation

Total EPS Allocation/Cost - Over/Under EPS

'11
97% Model

Total EPS Allocation		
\$23,371,096		
SAD#35 Total EPS Allocation		\$23,371,096
State Valuation '09		\$1,622,600,000
Required Local Share (by 6.90 Mills or less)		6.90 Mills \$11,195,940
State Share (Including ARRA Funds)		\$12,175,156
Total Local Funds	\$1,808,293	
Local Only Debt	-\$376,338	
\$1,431,955		\$1,431,955
Total Assessment '11 (Less Debt)		\$12,627,895
Total State Local Spending '11		\$24,803,051

Over
or/Under
100% EPS
+\$880,526
+3.7%

100% EPS
\$23,922,525

Page 4 Section E: Totals and Adjustments – other adjustments:

		TOTAL	LOCAL	STATE
E. TOTALS AND ADJUSTMENTS		ALLOCATION	CONTRIBUTION	CONTRIBUTION
49	ADJUSTED ALLOCATION, LOCAL & STATE CONTRIBUTION	23,371,096.18	11,195,940.00	12,175,156.18
50	ADJUSTED ALLOCATION, LOCAL AND STATE CONTRIBUTIONS	23,371,096.18	11,195,940.00	12,175,156.18
51	PLUS AUDIT ADJUSTMENTS			0.00
52	LESS AUDIT ADJUSTMENTS			35,601.61
53	LESS ADJUSTMENT FOR UNAPPROPRIATED LOCAL CONTRIBUTION			0.00
54	LESS ADJUSTMENT FOR UNALLOCATED BALANCE IN EXCESS OF 3%			0.00
55	PLUS LONG-TERM DRUG TREATMENT CENTERS ADJUSTMENT			0.00
56	ADJUSTMENT FOR EMERGENCY BUS REPLACEMENT			0.00
59A	MINIMUM TEACHER SALARY ADJUSTMENT			0.00
59B	REGIONALIZATION AND EFFICIENCY ASSISTANCE			0.00
59C	LESS AMOUNT TO BE PAID BY FEDERAL ARRA TITLE XIV STABILIZATION FUNDS			821,035.60
60	ADJUSTED STATE CONTRIBUTION			11,318,518.97
61	LOCAL & STATE PERCENTAGES (BASED ON STATE CONTRIBUTION, LINE 49): LOCAL SHARE% = 47.91% STATE SHARE% = 52.09%			
62	ADJUSTED LOCAL & STATE % (BASED ON STATE CONTRIBUTION, LINE 60): LOCAL SHARE% = 51.57% STATE SHARE% = 48.43%			
63	FYI: 100% E.P.S. TOTAL ALLOCATION		23,922,525.22	