

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0768-01  
Bill No.: HB 266  
Subject: Education, Elementary and Secondary  
Type: Original  
Date: January 14, 2015

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Bill Summary: This proposal requires school boards in unaccredited and provisionally accredited districts to enter into a contract with the State Board of Education to commit to certain interventions.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$2,102,663)	(\$2,188,553)	(\$2,195,160)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$2,102,663)</b>	<b>(\$2,188,553)</b>	<b>(\$2,195,160)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
General Revenue	9 FTE	9 FTE	9 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>9 FTE</b>	<b>9 FTE</b>	<b>9 FTE</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Local Government	(Unknown)	(Unknown)	(Unknown)

## FISCAL ANALYSIS

### ASSUMPTION

#### §162.082 Contract for Intervention

Officials at the **Department of Elementary and Secondary Education (DESE)** assume this proposal would require the following to carry out the requirements:

- 1 FTE Coordinator, 3 FTE Area Supervisors and 1 FTE Administrative Assistant.
- \$486,485 in contracts for analysis (instructional observation, climate surveys, running data records), data support, data team training, and curriculum/CSIP activities.
- \$560,000 on-site support services for high needs districts.

The Missouri School Improvement Program Review team would need:

- 3 FTE Supervisors and 1 FTE Administrative Assistant.
- \$215,000 in contracts for analysis (instructional observation, climate surveys, running data records), data support, and data team training.
- \$346,000 on-site support services for high needs districts in 3-year monitoring system.

**Oversight** has, for fiscal note purposes only, adjusted the salary and benefits of the positions to correspond with the salaries posted by DESE for a current job vacancies for similar positions. Oversight assumes DESE has a core budget for travel expenses, so those costs have also not been included in the estimate of expenses.

**Oversight** assumes this proposal allows provisionally accredited and unaccredited schools to enter into a contract with DESE. The contract would require DESE to send staff out to the schools to help with data support, data team training, and curriculum/CSIP activities. This training would help teachers, administrators and school board members to understand the requirements to becoming accredited. DESE estimates a need of 5 FTE to help with this training.

**Oversight** notes that there are currently 11 provisionally accredited schools districts (Calhoun R-VIII, Caruthersville 18, Gilliam C-4, Gorin R-III, Hayti R-II, Hickman Mills C-1, Jennings, Kansas City 33, Malta Bend R-V, Spickard R-II and St. Louis Public Schools), 1 unaccredited school district (Riverview Gardens) and 1 State Oversight school district (Normandy Schools Collaborative) that may be eligible for this program in addition to numerous buildings that perform at unaccredited levels. Oversight assumes this proposal would require additional training that could fiscally impact school districts. Oversight will indicate an Unknown cost to the school districts for this training and expenses of the contracts.

ASSUMPTION (continued)

**Oversight** assumes this proposal requires that the school district staff make the improvements in their school districts or the contract with DESE would be cancelled. To ensure improvements are being made the Missouri School Improvement Program Review Team would need to do extra reviews of the school districts. The Missouri School Improvement Program Review Team is charged with monitoring schools to determine compliance with predetermined goals set to determine accreditation status. DESE estimates a need of four additional FTE to conduct the review.

Officials at the **Kansas City Public Schools** assume they cannot estimate fiscal impact until such time that DESE promulgates its rules and outline how this law would be implemented. Depending upon how rules are promulgated, impact could range between no impact to millions of dollars of negative fiscal impact to the district.

Officials at the **Cole R-1 Schools** assume there may be an impact if training is required at another site.

Officials at the **Riverview Gardens School District** assume the impact is unknown. The School can not calculate without more detailed information about the required professional development.

Officials at the **Malta Bend Schools** and the **Special School District of St. Louis** each assume there is no fiscal impact to their respective schools from this proposal.

Officials at the following schools: Blue Springs Public Schools, Branson Public Schools, Caruthersville School District, Columbia Public Schools, Everton R-III School District, Fair Grove Schools, Fulton Public School, Harrisonville School District, Independence Public Schools, Jefferson City Public Schools, Kirksville Public Schools, Kirbyville R-VI Schools, Lee Summit Public Schools, Macon School, Mexico Public Schools, Monroe City R-I Schools, Nixa Public Schools, Parkway Public Schools, Pattonville Schools, Raymore-Peculiar R-III Schools, Raytown School District, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Spickard School District, Springfield School District, St Joseph School District, St Louis Public Schools, St. Charles Public Schools, Sullivan Public Schools, Warren County R-III School District and Waynesville Public School did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
<b>GENERAL REVENUE</b>			
<u>Costs - DESE</u>			
Personal Service	(\$286,600)	(\$347,359)	(\$350,833)
Fringe Benefits	(\$149,046)	(\$180,644)	(\$182,451)
Equipment and Expenses	(\$59,532)	(\$53,065)	(\$54,391)
Contract for analysis	(\$701,485)	(\$701,485)	(\$701,485)
On site support	(\$906,000)	(\$906,000)	(\$906,000)
<u>Total Costs - DESE §162.082</u>	<u>(\$2,102,663)</u>	<u>(\$2,188,553)</u>	<u>(\$2,195,160)</u>
FTE Change - DESE	9 FTE	9 FTE	9 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>			
	<b><u>(\$2,102,663)</u></b>	<b><u>(\$2,188,553)</u></b>	<b><u>(\$2,195,160)</u></b>
Estimated Net FTE Change on General Revenue	9 FTE	9 FTE	9 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
<b>SCHOOL DISTRICT FUNDS</b>			
<u>Costs - Impacted School Districts - additional training and expenses of the contracts §162.082</u>			
	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICT FUNDS</b>			
	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal requires school boards in unaccredited and provisionally accredited districts to enter into a contract with the State Board of Education to commit to certain interventions.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Cole R-1 Schools  
Department of Elementary and Secondary Education  
Kansas City Public Schools  
Malta Bend Schools  
Riverview Gardens School District  
Special School District of St. Louis



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