

DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

Statutory Authority: 14 Delaware Code, Section 122(b) (14 Del.C. §122(b))
14 DE Admin. Code 738

PROPOSED

Education Impact Analysis Pursuant To 14 Del.C. Section 122(D)

738 Financial Goals for Instruction and Instruction-related Expenditures

A. Type of Regulatory Action Required

New Regulation

B. Synopsis of Subject Matter of the Regulation

The Secretary of Education intends to amend 14 DE Admin. Code by adding 738 Financial Goals for Instruction and Instruction-related Expenditures. This regulation is a result of legislation from the 145th General Assembly, House Substitute 1 to House Bill No. 119.

Persons wishing to present their views regarding this matter may do so in writing by the close of business on or before January 5, 2010 to Susan Haberstroh, Education Associate, Regulation Review, Department of Education, at 401 Federal Street, Suite 2, Dover, Delaware 19901. A copy of this regulation is available from the above address or may be viewed at the Department of Education business office.

C. Impact Criteria

1. Will the amended regulation help improve student achievement as measured against state achievement standards? The new regulation is related to instruction and instruction-related expenditure goals for local school districts and charter schools and contemplates improved student achievement.

2. Will the amended regulation help ensure that all students receive an equitable education? The new regulation is related to instruction and instruction-related expenditure goals for local school districts and charter schools and would contemplate equitable education for all students.

3. Will the amended regulation help to ensure that all students' health and safety are adequately protected? The new regulation is related to instruction and instruction-related expenditure goals for local school districts and charter schools and is not intended to affect health and safety.

4. Will the amended regulation help to ensure that all students' legal rights are respected? The new regulation is related to instruction and instruction related expenditure goals for local school districts and charter schools and contemplates all students' legal rights are respected.

5. Will the amended regulation preserve the necessary authority and flexibility of decision making at the local board and school level? The new regulation is not intended to change any authority and flexibility at the local board and charter school levels.

6. Will the amended regulation place unnecessary reporting or administrative requirements or mandates upon decision makers at the local board and school levels? The new regulation does not place unnecessary reporting or administrative requirements or mandates upon decision makers at the local board and charter school levels. These data are currently reported to the Department.

7. Will the decision making authority and accountability for addressing the subject to be regulated be placed in the same entity? The new regulation does not change where the decision making authority or accountability for addressing instruction and instruction related expenses exists.

8. Will the amended regulation be consistent with and not an impediment to the implementation of other state educational policies, in particular to state educational policies addressing achievement in the core academic subjects of mathematics, science, language arts and social studies? The new regulation has been developed based on the legislation and is consistent with other state educational policies related to achievement in the core academic subjects.

9. Is there a less burdensome method for addressing the purpose of the regulation? The regulation was

developed as required by the legislation with local school district and charter school capacity issues in mind.

10. What is the cost to the State and to the local school boards of compliance with the regulation? The new regulation requires additional reporting at the state level. The Department does not expect additional reporting or other data collection by the districts or charter schools at this time.

738 Financial Goals for Instruction and Instruction-related Expenditures

1.0 Purpose

The purpose of this regulation is to outline goals for Delaware's local school districts and charter schools with respect to the percentage of cumulative revenues that shall be used for instruction and instruction-related expenditures, as those terms are used by the National Center for Educational Statistics or its successor organization, as required pursuant to 14 Del.C. §1510.

2.0 Definitions

"Charter School" shall mean a school pursuant to 14 Del.C., Chapter 5.

"Expenditures" shall mean all amounts of money paid out by a school system, net of recoveries and other correcting transactions, other than for retirement of debt, purchase of securities, extension of loans, and agency transactions. Expenditures include only external transactions of a school system and exclude noncash transactions such as the provision of prerequisites or other in-kind payments. Definition from the National Center for Education Statistics NCES 2009-338 Sept 2009.

"Instruction and Instruction- related expenditure" shall mean payments for instruction and Instruction staff support services. These are expenditures that are directly related to providing instruction and for activities that assist with classroom instruction. These include salaries and benefits for teachers, teaching assistants, librarians and library aides, in-service teacher trainers, curriculum development, student assessment, technology (for students but outside the classroom), and supplies and purchased services related to these activities. Definition from the National Center for Education Statistics NCES 2009-338 Sept 2009.

"Local Educational Agency" or "LEA" means a public board of education or other public authority legally constituted within Delaware for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a school district, or for a combination of school districts. The term includes an educational service agency, as defined in this section, and any other public institution or agency having administrative control and direction of a public elementary school or secondary school.

"Local School District" shall mean a reorganized school district or vocational technical school district established pursuant to 14 Del.C., Chapter 10.

"Total revenues" is the sum of revenue contributions emerging from local, state, and federal sources. Revenue received from bond sales or the sale of property or equipment is not included. Definition from the National Center for Education Statistics NCES 2009-338 Sept 2009.

3.0 Goals for Instruction and Instruction-Related Expenditures

3.1 Each local school district shall increase Instruction and Instruction-related expenditures as a percentage of Total Revenues to exceed the national average by at least 5% from the most current data available from the U.S. Department of Education, National Center for Education Statistics, Institute of Education Sciences. The baseline shall be 54.9%. This represents data from FY07 which is the latest information available from the National Center for Education Statistics.

3.2 Each charter school shall increase Instruction and Instruction-related expenditures as a percentage of Total Revenues to meet the national average from the most current data available by the U.S. Department of Education, National Center for Education Statistics, Institute of Education Sciences. The baseline for the 2010-2011 school year shall be 52.3%. This represents data from FY07 which is the latest information available from the National Center for Education Statistics.

- 3.3 Beginning with the 2009-2010 school year, local school districts and charter schools shall provide data as required by NCES for that current school year to the Department as required by timelines imposed by NCES, but no later than July 15th.
- 3.4 Beginning with the 2010-11 school year, the goal for each local school district and charter school shall be to budget to reflect 3.1 and 3.2.

4.0 Department Review and Oversight

- 4.1 By December 1st of each year, the Department shall notify the local school district and charter schools the goals, based the latest NCES data, for 3.1 and 3.2.
- 4.2 By March 1, 2010 for the 2008-2009 school year, and December 31st following the end of each school year thereafter, the Department shall provide a report on its website describing each local school district and charter school status with respect to the goals in 3.1 and 3.2. For charter schools, the description shall at a minimum include any expenses associated with facilities.

13 DE Reg. 759 (12/01/09) (Prop.)