

SENATE FILE NO. SF0051

School finance-amendments.

Sponsored by: Joint Education Interim Committee

A BILL

for

1 AN ACT relating to school finance; modifying the education
2 resource block grant model in response to the supreme court
3 decision in State of Wyoming, et al., v. Campbell County
4 School District, et al., 2001 WY 19, 19 P.3d 518, (Wyo.
5 2001) (Campbell II), as specified; implementing
6 recalibration of cost based prototypical school models;
7 modifying requirements for out-of-state tuition payments;
8 transferring and modifying school finance audits; providing
9 for additional studies; providing for appropriations;
10 authorizing additional personnel; and providing for
11 effective dates.

12

13 *Be It Enacted by the Legislature of the State of Wyoming:*

14

15 **Section 1.** W.S. 9-1-513, 21-13-332 and 21-13-333 are
16 created to read:

17

1 **9-1-513. School finance audits and management**
2 **studies.**

3

4 (a) In addition to other duties prescribed under this
5 article, the director of the department of audit shall
6 establish a school finance section within the department to
7 carry out duties prescribed by this section.

8

9 (b) The school finance section within the department
10 established under subsection (a) of this section shall:

11

12 (i) Conduct periodic audits of each school
13 district pertaining to data required to be submitted to the
14 department of education under law and by rule and
15 regulation of the state superintendent of public
16 instruction for purposes of implementing and operating the
17 "school finance system" as defined under W.S. 21-2-203(a).
18 Audits under this paragraph shall include audits of systems
19 supporting data collection and shall be performed on each
20 school district at least once within each three (3) year
21 period;

22

23 (ii) Conduct management studies of school
24 districts including program evaluations and performance

1 audits, on issues identified by the advisory committee to
2 the division of data management and reporting of the
3 department of education, as established under W.S.
4 21-2-203(d);

5

6 (iii) Conduct compliance and effectiveness and
7 efficiency audits of the state department of education with
8 respect to data used in the school finance system,
9 implementation and computations under the school finance
10 system and the allocation of funds to school districts
11 through the school finance system;

12

13 (iv) Report findings and recommendations to the
14 department of education resulting from audits and studies
15 conducted on school districts pursuant to this subsection,
16 including recommendations for remedies to identified
17 problems and issues and including the identification and
18 quantification of amounts involved in audit report and
19 study findings;

20

21 (v) In addition to paragraph (b)(iv) of this
22 section, provide a written report of each audit or study to
23 the school district for which the audit or report was
24 conducted;

1

2 (vi) Maintain a written report of each audit and
3 study conducted under this section;

4

5 (vii) Establish a process to ensure school
6 districts and the department of education address and
7 resolve any problems identified within audit and report
8 findings and recommendations and establish the
9 determination of the materiality levels for findings;

10

11 (viii) Provide an annual report to the
12 legislature on audits and studies conducted by the
13 department under this section and on district and
14 department of education efforts to resolve identified
15 problems within the audits and reports. Reports under this
16 paragraph shall include written responses by the districts
17 and the department of education submitted in accordance
18 with subsection (c) of this section.

19

20 (c) School districts and the department of education
21 shall provide access to all data and other information and
22 shall cooperate with the school finance section as
23 necessary to implement this section and to conduct audits
24 and reports required under this section. In addition, each

1 district shall within thirty (30) days following receipt of
2 a copy of the audit or report, file a written response to
3 each audit or report conducted on that district with the
4 department. The state superintendent shall on behalf of the
5 department of education and within thirty (30) days
6 following receipt of a report or audit on the department,
7 file a written response to the report with the department
8 of audit.

9

10 (d) The director or his designee shall participate in
11 the advisory committee to the division of data management
12 and reporting of the department of education, as required
13 under W.S. 21-2-203(d).

14

15 **21-13-332. At-risk students; adjustment to foundation**
16 **program formula.**

17

18 (a) The adjustment for at-risk students as provided
19 under W.S. 21-13-309(n)(xi) shall be based upon the number
20 of students within a district who are eligible for
21 participation in the free or reduced price lunch under the
22 national school lunch program established under 42 U.S.C.
23 1751 et seq. and in programs serving students with limited
24 English proficiency as defined by rule and regulation of

1 the state department. This section only applies to the
2 determination of concentration levels of at-risk students
3 for purposes of computing the adjustment prescribed under
4 this section and shall not apply to any method or procedure
5 implemented by districts to identify at-risk students for
6 purposes of providing programs addressing student needs.

7

8 (b) The adjustment under this section shall be
9 computed for each district that has a significant
10 concentration level of at-risk students at any school
11 within the district determined as follows:

12

13 (i) Subject to paragraph (b)(ii) of this
14 section, a significant concentration level of at-risk
15 students shall be any level above the statewide average
16 concentration of at-risk students determined by dividing
17 the number of free or reduced price eligible students and
18 the number of students with limited English proficiency
19 enrolled in all schools within the state for the 2001-2002
20 school year by the total state enrollment for school year
21 2001-2002;

22

23 (ii) A student shall be counted in the
24 computation of the at-risk adjustment if during the

1 applicable school year, that student is eligible to
2 participate in the free or reduced price lunch program or
3 in programs serving students with limited English
4 proficiency. A student shall be counted only once for
5 purposes of computing concentration levels under this
6 section, even though that student may simultaneously be
7 eligible to participate in the free or reduced price lunch
8 program and in programs serving students with limited
9 English proficiency;

10

11 (iii) For each school within a district and
12 subject to paragraph (b)(ii) of this section, the student
13 count component of the at-risk adjustment shall be computed
14 by dividing the number of free or reduced price lunch
15 eligible students and the number of students with limited
16 English proficiency enrolled in the school during the
17 previous school year by the total number of students
18 enrolled in that school for that year;

19

20 (iv) If the student count component of the at-
21 risk adjustment computed under paragraph (b)(iii) of this
22 section for any school within a district is above the
23 statewide average as determined under paragraph (b)(i) of
24 this section, the proportionate percentage student count

1 above the statewide average shall be multiplied by the
2 corresponding factor weight assigned to that concentration
3 level under the education resource block grant model. The
4 factor weight for the highest concentration level of at-
5 risk students in any school for any school year shall not
6 exceed twenty-five percent (25%) of the statewide
7 consolidated dollar per ADM amount for that school year as
8 computed in accordance with the education resource block
9 grant model;

10

11 (v) For purposes of this section, student
12 enrollment for any school year shall be the student
13 enrollment count for the school, district or state, as
14 appropriate, taken during October of the applicable school
15 year.

16

17 **21-13-333. Utility cost reimbursement contingency**
18 **account; assistance to districts.**

19

20 (a) The utility cost reimbursement contingency
21 account within the foundation program account is
22 established. The contingency account shall be administered
23 by the state superintendent in accordance with this
24 section.

1

2 (b) Expenditures from the contingency account
3 established under subsection (a) of this section shall be
4 limited to assistance to school districts experiencing
5 unusually large and unexpected increases in utility costs.
6 For purposes of this section, "utility costs" shall include
7 the costs for electricity and natural gas, propane or any
8 other power source used to provide heating to a school
9 building. Assistance under this section shall be based upon
10 utility costs for the immediately preceding school year.
11 The expenditure of any amount distributed to and received
12 by a district under this section shall be limited to
13 payment of utility costs. To receive assistance under this
14 section, districts shall apply to the state superintendent
15 documenting the utility cost increase and the inability of
16 the district to pay the documented increased cost from the
17 district's general operating balance and cash reserves as
18 defined under W.S. 21-13-313(e). Application shall be in a
19 form and manner and submitted within the scheduled time
20 period prescribed by rule and regulation of the state
21 superintendent.

22

23 (c) Criteria for assistance under this section shall
24 at minimum require districts to demonstrate the need for

1 assistance as evidenced by a substantial and unexpected
2 increase in utility costs. Substantial and unexpected
3 increase in utility costs shall be based upon costs
4 incurred in the previous school year and shall be defined
5 by rule and regulation of the state superintendent.
6 Districts receiving assistance under this section shall
7 report to the state superintendent on expenditures of
8 amounts received during any school year. Reports shall be
9 submitted in accordance with requirements imposed by rule
10 and regulation of the state superintendent.

11

12 (d) The state superintendent shall promulgate rules
13 and regulations necessary to implement this section.

14

15 **Section 2.** W.S. 21-2-203(d)(intro), 21-3-110(a) by
16 creating a new paragraph (xxiv), 21-4-501(a) and (d),
17 21-13-101(a)(xiv), 21-13-309(m)(intro), (ii)(A)(intro),
18 (B)(intro), (C)(intro), (n)(intro), (iii), (vii), by
19 creating a new paragraph (xi), (o), (q)(intro), (r) and
20 (s), 21-13-318(a)(intro), (f)(i) and by creating new
21 subsections (g) and (h), 21-13-320(b)(intro), (ii) and by
22 creating a new subsection (g), 21-13-321(b)(ii)(intro),
23 21-13-323(a), (b)(intro) and by creating new subsections

1 (c) and (d), 21-13-326, 21-13-328(a) and by creating a new
2 subsection (e) and 28-8-107(b) (intro) are amended to read:

3

4 **21-2-203. School district data collection; division**
5 **established; duties and responsibilities specified.**

6

7 (d) The state superintendent of public instruction
8 shall establish an advisory committee to the division
9 consisting of not less than seven (7) members. This
10 advisory committee shall have representatives from among
11 Wyoming school districts, other state agencies involved in
12 the administration of the school finance system, shall
13 include the director of the department of audit or his
14 designee, and shall include at least one (1) representative
15 from the independent auditor community within the state.
16 The committee shall meet at least twice annually and at the
17 call of the administrator of the division. The duties of
18 the advisory committee are to:

19

20 **21-3-110. Duties of boards of trustees.**

21

22 (a) The board of trustees in each school district
23 shall:

24

1 (xxiv) Provide access to district records and
2 other information by the department of audit as necessary
3 to conduct audits and studies under W.S. 9-1-513 and
4 otherwise cooperate with the department of audit when
5 conducting audits and studies of the district pursuant to
6 W.S. 9-1-513. The board shall also submit a written
7 response to the department of audit on each audit and
8 report conducted on the district in accordance with W.S.
9 9-1-513.

10
11 **21-4-501. Payment of tuition for children resident in**
12 **districts which maintain no high school; admission of**
13 **children to high schools in other districts; state board**
14 **approval for out-of-state placements; duties of admitting**
15 **districts; tuition amount.**

16
17 (a) Any district which does not maintain a high
18 school shall pay tuition, in addition to transportation or
19 maintenance, for any child resident therein who has
20 successfully completed the course offered therein and
21 desires to attend high school, at any public school within
22 or subject to the approval of the state board of education,
23 without the state, which the district board may designate
24 in the best ~~interests~~interest, welfare and convenience of

1 the child. Application for attendance at a high school
2 outside the state shall be filed by the nonunified district
3 board with the state department of education. If the
4 nonunified district provides evidence that the amount of
5 tuition assessed by the out-of-state district for the out-
6 of-state placement shall not exceed one hundred twenty-five
7 percent (125%) of the actual per pupil cost as determined
8 under subsection (c) of this section, state board approval
9 shall be waived under this subsection.

10
11 (d) Subject to state board approval if an out-of-
12 state placement as required under subsection (a) of this
13 section, nonunified school districts shall be reimbursed
14 from the school foundation program account for tuition paid
15 under subsection (a) of this section as if the district's
16 total foundation program amount for that year as computed
17 under W.S. 21-13-309(p) was increased by the amount of the
18 tuition paid during the preceding year.

19
20 **21-13-101. Definitions.**

21
22 (a) As used in this article:
23

1 (xiv) "Education resource block grant model"
2 means the block grant model for Wyoming school finance as
3 contained within ~~a~~ the January 2002 cost of education
4 ~~study, dated April 1997,~~ studies and the accompanying
5 spreadsheet provided by the consultant performing the
6 studies, all of which are on file with the ~~legislative~~
7 ~~service office~~ secretary of state;

8

9 **21-13-309. Determination of amount to be included in**
10 **foundation program for each district.**

11

12 (m) In determining the amount to be included in the
13 foundation program for each district, ~~for the 1999-2000~~
14 ~~school year, for the 2000-2001 school year and for the~~
15 ~~2001-2002 school year,~~ the state superintendent shall first
16 compute for each district a district model amount per
17 average daily membership (ADM) as follows:

18

19 (ii) Multiply the district's average daily
20 membership (ADM) for each school level identified under
21 paragraph (m)(i) of this section by the following amount
22 for the appropriate prototypical school model level:

23

1 (A) Elementary school - kindergarten
2 through grade five (5), ~~six thousand one hundred~~
3 ~~eighty-seven dollars (\$6,187.00):~~ six thousand one hundred
4 twenty-one dollars (\$6,121.00);

5
6 (B) Middle school - grades six (6) through
7 eight (8), ~~six thousand one hundred seventy-four dollars~~
8 ~~(\$6,174.00):~~ six thousand one hundred six dollars
9 (\$6,106.00);

10

11 (C) High school - grades nine (9) through
12 twelve (12), ~~six thousand four hundred five dollars~~
13 ~~(\$6,405.00):~~ six thousand three hundred thirty-three
14 dollars (\$6,333.00).

15

16 (n) For each district, the district total amount per
17 ADM computed under subsection (m) of this section shall be
18 adjusted as follows to result in a revised amount per ADM
19 for each district. Unless otherwise specified in this
20 subsection, the adjustments under this subsection shall be
21 determined as specified in the ~~cost of education study,~~
22 ~~dated April 1997, and the spreadsheet provided by the~~
23 ~~consultant performing the study related thereto, both of~~

1 ~~which are on file in the legislative service office~~
2 education resource block grant model:

3
4 (iii) The amount shall be adjusted for necessary
5 small schools in each district subject to W.S. ~~21-13-319~~
6 21-13-318. For the purpose of this paragraph, a "necessary
7 small school" shall be as ~~defined in~~ determined under W.S.
8 21-13-318;

9
10 (vii) The amount shall be adjusted for the
11 responsibility, education and experience level of
12 administrators, the experience level of classified
13 personnel and the seniority level of teachers in each
14 district as provided in W.S. 21-13-323;

15
16 (xi) The amount shall be adjusted for at-risk
17 students in each district as provided in W.S. 21-13-332.

18
19 (o) The revised model amount per ADM for each
20 district computed under subsection (n) of this section
21 shall be further adjusted for the following. Unless
22 otherwise specified in this subsection, the adjustments
23 under this subsection shall be determined as specified in
24 the ~~cost of education study, dated April 1997, and the~~

1 ~~spreadsheet provided by the consultant performing the study~~
2 ~~related thereto, both of which are on file in the~~
3 ~~legislative service office~~ education resource block grant
4 model:

5
6 (i) To the extent specifically provided within
7 the school foundation program budget as enacted by the
8 legislature, the amount shall be adjusted to provide for
9 the effects of inflation ~~for the 2001-2002 school year by~~
10 ~~increasing the amount computed under subsection (n) of this~~
11 ~~section by nine and forty-four hundredths percent (9.44%)~~
12 beginning with school year 2003-2004 and adjusted on a
13 cumulative basis each school year thereafter;

14
15 (ii) The amount, after the adjustment under
16 paragraph (o)(i) of this subsection has been made, shall be
17 further adjusted for regional cost of living differences.
18 The adjustment for regional cost of living differences
19 shall be based upon the Wyoming cost-of-living index, ~~with~~
20 ~~the medical component omitted and with the housing~~
21 ~~component included but modified by excluding the price for~~
22 ~~rental of shelter subcomponent,~~ as computed by the division
23 of economic analysis, department of administration and
24 information. ~~under rules promulgated by it with respect to~~

1 ~~the methodology under which the index shall be computed.~~

2 The version of the index used shall be the average of the
3 six (6) consecutive semi-annual index reports completed by
4 January 1 prior to the school year for which it is to be
5 used.

6
7 (q) Computations under ~~this section, W.S. 21-13-318~~
8 ~~and 21-13-319 and 1997 Special Session Laws, Chapter 3,~~
9 ~~Section 306~~ the education resource block grant model,
10 excluding computations under W.S. 21-13-332, shall be made
11 on the average daily membership (ADM) computed by averaging
12 the ADM counts completed at the end of the three (3)
13 immediately preceding school years, except:

14
15 (r) The joint appropriations interim committee shall
16 submit a recommendation to the legislature and governor,
17 not later than November 1 of each year, ~~regarding whether~~
18 ~~an external cost adjustment should be made, and if so, the~~
19 ~~amount of the adjustment~~ on the external cost adjustment in
20 accordance with paragraph (o) (i) of this section.

21
22 (s) For the purpose of all calculations required to
23 be made under ~~this section~~ the education resource block
24 grant model and W.S. 21-15-109, ~~including calculations~~

1 ~~required under statutes referenced in this section or~~
 2 ~~otherwise applicable in making computations under this~~
 3 ~~section~~ excluding calculations required under W.S.
 4 21-13-332, the average daily membership for each district's
 5 kindergarten students shall be divided by two (2). ~~This~~
 6 ~~includes calculations required to be made in this section~~
 7 ~~in accordance with the cost of education study, dated April~~
 8 ~~1997, and the spreadsheet provided by the consultant~~
 9 ~~performing the study related thereto, both of which are on~~
 10 ~~file in the legislative service office.~~

11

12 **21-13-318. Small schools; qualifications and**
 13 **limitations on necessity; adjustment to foundation program**
 14 **formula.**

15

16 (a) For the purposes of this section: ~~and W.S.~~
 17 ~~21-13-319:~~

18

19 (f) No school established on or after July 1, 1998,
 20 shall qualify as a necessary small school unless, upon
 21 application of the school district, the state
 22 superintendent finds that the school meets the criteria to
 23 be qualified as a necessary small school. The state
 24 superintendent shall promulgate rules regarding the form of

1 applications and application procedures. To be qualified as
2 a necessary small school, a school established on or after
3 July 1, 1998, shall meet the following criteria:

4
5 (i) The school meets the criteria listed under
6 ~~paragraphs (b) (i) through (iv) or (c) (i) through (iv)~~
7 subsection (g) of this section;

8
9 (g) A school is a necessary small school if it is
10 qualified under subsection (f) of this section or if it
11 meets the following qualifications:

12
13 (i) If an elementary school, the ADM for the
14 prior school year is:

15
16 (A) Two hundred sixty-three (263) or less
17 if the grade configuration for the school includes
18 kindergarten; or

19
20 (B) Two hundred eighty-seven (287) or less
21 if the grade configuration for the school does not include
22 kindergarten.

23

1 (ii) If a middle school, the ADM for the prior
2 school year is two hundred ninety-nine (299) or less;

3
4 (iii) If a high school, the ADM for the prior
5 school year is five hundred ninety-nine (599) or less.

6
7 (h) As provided by W.S. 21-13-309(n)(iii), there
8 shall be an adjustment for necessary small schools
9 qualifying under subsection (f) or (g) of this section. The
10 adjustment shall be computed as prescribed by the education
11 resource block grant model, which provides adjustments for
12 teacher compensation, utility costs and student activities.

13
14 **21-13-320. Student transportation; adjustment to**
15 **school foundation program formula for transportation**
16 **maintenance and operations expenditures and school bus**
17 **purchases; district reporting requirements.**

18
19 (b) The amount computed under W.S. 21-13-309(m)(iii)
20 for each district shall be reduced by the total statewide
21 expenditure for transportation, including capital outlay
22 for school buses, per ADM during the 1996-1997 school year.
23 ~~Subject to subsection (e) of this section,~~ There shall be
24 an addition to the amount computed under W.S. 21-13-309(p)

1 for each school district equal to one hundred percent
2 (100%) of the amount actually expended by the district
3 during the previous school year under subsection (c) of
4 this section, and eighty-five percent (85%) of the amount
5 actually expended by the district during the previous
6 school year for:

7
8 (ii) The transportation of students to and from
9 student activities authorized by department of education
10 rules. For the purpose of this paragraph, student
11 activities means ~~as defined in W.S. 21-13-319(b)(iv)(B)(I)~~
12 athletic and nonathletic activities sanctioned by the
13 Wyoming high school activities association and school
14 sponsored athletic and nonathletic activities in grades
15 preceding high school which directly correspond to those
16 high school activities sanctioned by the Wyoming high
17 school activities association. No reimbursement shall be
18 made for transportation expenses for student activities for
19 expenses for transportation in excess of one hundred fifty
20 (150) miles from the Wyoming border into another state.

21
22 (g) In addition to the adjustment under subsection
23 (b) of this section, the amount computed under W.S.
24 21-13-309(m)(iii) shall be adjusted by adding an amount

1 equal to fifteen percent (15%) of the amount actually
2 expended by the district during the 2000-2001 school year
3 for purposes specified under paragraphs (b) (i) and (ii) of
4 this section. This amount shall be considered general fund
5 operating revenue available to the district and shall not
6 be restricted to transportation expenditures.

7
8 **21-13-321. Special education; adjustment to**
9 **foundation program formula.**

10
11 (b) The adjustment for special education pursuant to
12 W.S. 21-13-309(n) (ii) shall be computed as follows:

13
14 (ii) The adjustment shall be an addition to the
15 amount computed under W.S. 21-13-309(p) equal to one
16 hundred percent (100%) of the amount actually expended by
17 the district during the previous school year for special
18 education programs and services. ~~., subject to the following~~
19 ~~computations by the state department:~~

20
21 **21-13-323. Teacher seniority; administrator**
22 **responsibility, education and experience; classified**
23 **personnel experience; adjustment to foundation program**
24 **formula.**

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(a) As used in this section:

(i) "Administrators" means central office staff and school principals employed by a school district, excluding district curriculum directors;

(ii) "Central office staff" means employees of a school district employed in each of the following employment categories:

(A) District superintendent;

(B) District assistant superintendent;

(C) Business manager;

(D) Personnel director;

(E) Food service director;

(F) Operations and maintenance supervisor.

1 (iii) "Classified personnel" means any person
2 employed by a school district for which certification is
3 not required as a condition of employment, and is employed
4 in one (1) of the following employment classifications:

5
6 (A) Instructional aides;

7
8 (B) Clerical and data entry personnel.

9
10 (iv) "School principal" means the principal for
11 each school level employed by a school district, including
12 each principal employed by the district for the same school
13 level but at different buildings within the district, and
14 including assistant principals, intern principals and
15 department chairs employed by a district;

16
17 (v) "Teacher" means any person employed by a
18 school district as part of its teaching or professional
19 staff for whom certification is required as a condition of
20 employment as a certified professional employee, including
21 district curriculum directors but excluding certified and
22 noncertified administrative staff.

23

1 (b) The adjustment for the seniority level of
2 teachers pursuant to W.S. 21-13-309(n)(vii) shall be
3 computed for each district by multiplying the total number
4 of years of service of all teachers employed by the
5 district during the prior school year by the statewide
6 value for one (1) year of seniority, determined as
7 specified in the ~~spreadsheets accompanying the February~~
8 ~~1998 teacher seniority adjustment report provided by the~~
9 ~~consultant performing the cost of education study, which is~~
10 ~~on file with the legislative service office. The same~~
11 ~~computation shall be made for each of the preceding two (2)~~
12 ~~years and the average of the three (3) years shall be used~~
13 ~~in making the computation~~ education resource block grant
14 model. The adjustment computation under this subsection
15 shall be subject to the following:
16

17 (c) The adjustment for the responsibility level of
18 administrators as provided by W.S. 21-13-309(n)(vii) shall
19 be computed for each district as follows:
20

21 (i) For central office staff, the salary level
22 for each central office staff category as defined under
23 paragraph (a)(ii) of this section shall be adjusted during
24 any school year for each one hundred (100) ADM within the

1 district that exceeds or is below the district weighted
2 average ADM. For purposes of this paragraph, district
3 weighted average ADM shall be as computed in the block
4 grant model for school year 2001-2002. Any increase or
5 decrease from the district weighted average ADM, or
6 proportion thereof, as appropriate, shall be adjusted based
7 upon the responsibility value level for the applicable
8 school year as prescribed by the education resource block
9 grant model;

10
11 (ii) For school principals, the salary level for
12 each principal category of employment as identified within
13 the education resource block grant model shall be adjusted
14 based upon the number of ADM in that school for which the
15 school principal is employed. If a school principal is
16 employed for more than one (1) school level within a
17 district, the responsibility level for that school
18 principal shall be proportionately assigned to each school
19 level for which the principal is employed. Each school
20 year, the salary level for each principal category shall be
21 adjusted based upon the number of ADM in the applicable
22 principal's school which is above or below four hundred
23 thirty-nine (439) ADM, at intervals prescribed by the
24 education resource block grant model. The increase or

1 decrease shall be adjusted in accordance with a
2 responsibility level established by the block grant model.

3
4 (d) Commencing with school year 2003-2004, the
5 experience level of classified personnel shall pursuant to
6 W.S. 21-13-309(n)(vii), be adjusted for each district based
7 upon any net increase or decrease in the average experience
8 profile for each classification of classified personnel as
9 defined under paragraph (a)(iii) of this section. For
10 school year 2003-2004 and each school year thereafter, the
11 average experience profile for each classified employee
12 classification shall be compared to the average district
13 experience profile for that employment classification
14 during the 2001-2002 school year, and any net increase or
15 decrease for that classification shall result in an
16 adjustment in accordance with the adjustment factor
17 prescribed within the education resource block grant model.

18
19 **21-13-326. Routine maintenance; adjustment to**
20 **foundation program formula.**

21
22 ~~(a) For the 1999-2000 school year, there shall be no~~
23 ~~adjustment to the amount in W.S. 21-13-309(m)(iii) for~~
24 ~~routine maintenance.~~ The adjustment for routine maintenance

1 under W.S. 21-13-309(n)(vi), following reduction of the
2 operations and maintenance component contained within each
3 school level within the prototypical school model, as
4 prescribed by the education resource block grant model,
5 shall be computed for each district on a dollar per average
6 daily membership basis under the block grant model, subject
7 to the following:

8
9 (i) Actual gross square feet of school buildings
10 and facilities within each district shall be separated into
11 education and noneducation categories with the square
12 footage of any building or facility not used for district
13 purposes excluded;

14
15 (ii) For purposes of computations for the
16 adjustment to the block grant model under this section,
17 actual square footage of education space shall be reported
18 and computed for each district by school level. The gross
19 square footage of education space for each school level
20 shall be subject to the computations prescribed under
21 paragraphs (a)(iv) through (vi) of this section. The
22 standard education space capacity for each school level
23 shall be the gross square footage prescribed by the

1 statewide building adequacy standards promulgated under
2 W.S. 21-15-107;

3
4 (iii) Subject to paragraph (a)(vii) of this
5 section, actual gross square footage of noneducation space
6 shall be reported and computed under this section for each
7 district, with the standard noneducation space for each
8 district equal to the greater of ten percent (10%) of the
9 total education space allotted to the district under
10 statewide building adequacy standards, or ten percent (10%)
11 of the district's total actual education space;

12
13 (iv) Education space capacity at less than one
14 hundred percent (100%) of the standard space level shall
15 receive an increase in the base dollar amount per square
16 foot in increments specified by the block grant model;

17
18 (v) For school years 2002-2003 through 2006-
19 2007, education space capacity greater than one hundred
20 twenty-five percent (125%) of the standard space level and
21 up to two hundred percent (200%) of the standard space
22 level, shall in accordance with the block grant model,
23 receive a decrease in the base dollar amount per square
24 foot for the square footage exceeding the one hundred

1 twenty-five percent (125%) level. Educational space in
2 excess of two hundred percent (200%) of the standard space
3 level shall not be included in computations under this
4 section;

5
6 (vi) For school year 2007-2008 and each school
7 year thereafter, education space capacity greater than one
8 hundred fifteen percent (115%) of the standard space level
9 and up to two hundred percent (200%) of the standard space,
10 shall as prescribed by the block grant model, receive a
11 decrease in the base dollar amount per square foot for the
12 square footage exceeding one hundred fifteen percent (115%)
13 of the standard level. Education space in excess of two
14 hundred percent (200%) of the standard space level shall
15 not be included in computations under this section;

16
17 (vii) Noneducation space capacity greater than
18 the standard level for noneducation space as prescribed
19 under paragraph (a)(iii) of this section, but not to exceed
20 the greater of twenty percent (20%) of the total education
21 space allotted to the district under statewide building
22 adequacy standards or twenty percent (20%) of the
23 district's total actual education space, shall receive a
24 decrease in the base dollar amount per square foot as

1 provided under the block grant model. Noneducation space
2 capacity greater than twenty percent (20%) of the total
3 educational space allotted to the district under state
4 standards or actual district educational space, whichever
5 is greater, shall not be included in computations under
6 this section;

7
8 (viii) The base dollar amount per square foot
9 for routine maintenance shall be two dollars and forty-four
10 cents (\$2.44), subject to paragraphs (a)(iv) through (vii)
11 of this section.

12
13 **21-13-328. Small school district adjustment.**

14
15 (a) Pursuant to W.S. 21-13-309(n)(x), there shall be
16 an adjustment for small school districts as provided in
17 subsection (e) of this section. ~~For the purpose of this~~
18 ~~adjustment for any school year, a small school district is~~
19 ~~a school district with not more than one thousand three~~
20 ~~hundred fifty (1350) ADM. W.S. 21-13-309(s) applies to~~
21 ~~this section. The amount of the adjustment under W.S.~~
22 ~~21-13-309(n)(x) shall be the sum of the amounts computed~~
23 ~~under subsections (b) through (d) of this section divided~~
24 ~~by the ADM of the district.~~ The adjustment shall apply to

1 any district for any school year in which the adjustment
2 computed in accordance with subsection (e) of this section
3 for the district for that school year was less than the
4 central district administration component amount contained
5 within the appropriate prototypical school model level
6 under the education resource block grant model.

7
8 (e) The adjustment for small school districts shall
9 be subject to the following:

10
11 (i) The adjustment shall be based upon
12 additional costs incurred by small districts for central
13 office staff, including superintendents, business managers,
14 curriculum and instruction coordinators, technology
15 coordinators and clerical staff;

16
17 (ii) District central office staffing levels
18 shall be funded at amounts prescribed by the education
19 resource block grant model based upon the following:

20
21 (A) Level I configured at two hundred fifty
22 (250) ADM with six (6) central office staff positions;

23

1 (B) Level II configured at five hundred
2 fifty (550) ADM with seven (7) central office staff
3 positions;

4
5 (C) Level III configured at one thousand
6 (1,000) ADM with nine (9) central office staff positions.

7
8 **28-8-107. Auditing of state agencies; management**
9 **audit committee; factors to be considered in audit reports.**

10
11 (b) ~~Except as otherwise provided under W.S. 28-8-115,~~
12 The legislative service office, at the direction of the
13 management audit committee, subject to management council
14 budget priorities, and subject to general policies
15 established by the legislature when in regular or special
16 session, shall:

17
18 **Section 3.** 1998 Special Session Laws, Chapter 2,
19 Section 1101, W.S. 21-13-309(m) (ii) (A) (I), (B) (I), (C) (I),
20 (n) (iv) and (v), 21-13-318(a) (ii) through (iv), (b) and
21 (c), 21-13-319, 21-13-320(e), 21-13-321(b) (ii) (A) through
22 (D), 21-13-322, 21-13-323(b) (iv), 21-13-325, 21-13-327,
23 21-13-328(b) through (d) and 28-8-115 are repealed.

24

1 **Section 4.** [VOCATIONAL EDUCATION STUDY]

2

3 (a) Program Criteria and Guidelines. The state
4 superintendent of public instruction shall, in consultation
5 with the state board of education, develop statewide
6 minimum program criteria and guidelines prescribing
7 qualification for public school vocational education
8 programs for purposes of state funding under the education
9 resource block grant model. The criteria and guidelines
10 shall describe programs constituting vocational education
11 in sufficient detail to determine educational programs and
12 courses qualifying as vocational education content. As part
13 of this study, the state superintendent shall review
14 program delivery and structure to the extent necessary to
15 identify and prescribe criteria and mechanisms for the most
16 cost-effective use of resources in the provision of
17 vocational education programs within schools, districts and
18 the state.

19

20 (b) Data Collection. In addition to subsection (a)
21 of this section, the state superintendent of public
22 instruction shall develop a vocational education cost data
23 collection instrument and shall subsequently collect data
24 from school districts on student participation in

1 vocational education programs and on district expenditures
2 for vocational education programs, specifically on
3 expenditures for vocational education program instruction.
4 The collected data shall be of sufficient detail to enable
5 the development of a mechanism within the education
6 resource block grant model that would provide for the
7 distribution of vocational education resources based upon
8 the number of students participating in vocational
9 education programs which meet or comply with state criteria
10 and guidelines established under subsection (a) of this
11 section.

12

13 (c) Report to Legislature. Information, findings and
14 recommendations developed under subsections (a) and (b) of
15 this section shall be reported by the state superintendent
16 to the joint education interim committee on or before
17 November 1, 2002. Information collected and other
18 analytical material created for purposes of subsections (a)
19 and (b) of this section shall be filed with the legislative
20 service office. The state superintendent may contract with
21 appropriate experts and professionals as necessary to carry
22 out subsections (a) and (b) of this section.

23

1 (d) Vocational Education Funding Adjustment
2 Study. Based upon information collected by the state
3 superintendent under this section, and in conjunction with
4 study and data collection efforts of the state
5 superintendent, the joint education interim committee shall
6 conduct a study to establish an adjustment to the education
7 resource block grant model for vocational education. Study
8 findings and recommendations together with necessary
9 enabling legislation, shall be completed in sufficient time
10 to enable consideration by the Wyoming legislature in the
11 2003 general session.

12

13 **Section 5.** [VOCATIONAL EDUCATION GRANTS]

14

15 (a) Vocational Education Program Grants. For the
16 2002-2003 school year, the state superintendent shall
17 provide grants to school districts from the school
18 foundation program account to fund district vocational
19 education programs for the purpose of continuing programs
20 until such time as statewide vocational education criteria
21 and guidelines are developed in accordance with section 4
22 of this act and a separate vocational education funding
23 mechanism within the education resource block grant model
24 is established. Grants issued under this section shall:

1

2 (i) Supplement and not supplant existing
3 vocational education program expenditures by a district;

4

5 (ii) Emphasize vocational education program
6 opportunities not accessible or available within another
7 school or community college program located within a
8 reasonable distance;

9

10 (iii) Be limited to the following:

11

12 (A) The purchase of equipment for
13 vocational education programs preparing students for high
14 skill occupations in fields where employment is in high
15 demand as established by rule and regulation of the state
16 superintendent and for which there is sufficient student
17 participation, as defined by rule and regulation of the
18 state superintendent;

19

20 (B) The payment of tuition or other
21 expenses incurred by districts to enable attendance by
22 students within the district at vocational education
23 programs offered by other districts or community colleges.

24

1 (b) Vocational Education Grant Program Applications.

2 Any school district may on or before June 30, 2002, apply
3 to the state superintendent for a grant under subsection
4 (a) of this section. Application shall be on a form and in
5 a manner specified by rule and regulation of the state
6 superintendent and shall at minimum specify the planned
7 expenditure of requested funding and provide an inventory
8 of existing vocational education program equipment and
9 proposed future equipment needs. Following review of
10 district applications and not later than August 15, 2002,
11 the state superintendent shall notify districts if a grant
12 will be awarded under subsection (a) of this section, and
13 if so, shall issue the grant to the district.

14

15 (c) Grant Recipient Reports. Each district shall
16 report to the state superintendent on the expenditure of
17 grants awarded under subsection (a) of this section, and
18 shall provide other information as may be required by the
19 state superintendent to carry out this program.

20

21 (d) Program Administration. The state superintendent
22 shall promulgate rules and regulations to implement the
23 grant program established under this section and shall as
24 soon as reasonably possible, notify districts of the

1 availability of vocational education program grants
2 authorized under this section and of the requirements
3 imposed upon districts to obtain a grant award.

4

5 **Section 6.** [ADMINISTRATION]

6

7 (a) In addition to other duties specifically
8 prescribed under this act, the state department of
9 education shall develop necessary procedures and reporting
10 instruments to assemble information required to implement
11 modifications and adjustments to the education resource
12 block grant model as provided by this act, including but
13 not limited to:

14

15 (i) District utility cost data as necessary to
16 implement W.S. 21-13-333, as created under section 1 of
17 this act;

18

19 (ii) District classified personnel data to
20 develop necessary experience profile information and other
21 requirements under W.S. 21-13-323(d), as amended under
22 section 2 of this act;

23

1 (iii) District information on administrative
2 experience and education of supervisory personnel as
3 required to implement and administer W.S. 21-13-323(c), as
4 amended under section 2 of this act.

5
6 (b) For purposes of information required under this
7 section, school districts shall cooperate with the state
8 department. Information collected and other analytical
9 material created for purposes of this section shall be
10 filed with the legislative service office.

11
12 **Section 7.** [READING ASSESSMENT AND INTERVENTION
13 PROGRAM STUDY]

14
15 The joint education interim committee shall, through
16 qualified contract assistance, conduct a study of the
17 reading assessment and intervention program established
18 under W.S. 21-3-301. The study shall establish a cost-based
19 method of funding the program through the education
20 resource block grant model, subject to remediation and
21 reporting requirements established by W.S. 21-3-301. The
22 study shall be conducted and structured to enable
23 development of enabling legislation for consideration by
24 the Wyoming legislature in the 2003 general session.

1

2

Section 8. [STUDENT TRANSPORTATION]

3

4

(a) Transition. The state department of education shall, to the extent it determines any excess expenditures by a district were necessary to provide transportation operations and maintenance for school year 2000-2001, increase the school year 2002-2003 guarantee of that district under W.S. 21-13-309(p) by the amount of any reduction made to the 2001-2002 transportation adjustment for that district under W.S. 21-13-320(e)(iii).

12

13

(b) Study. The joint education interim committee shall conduct a comprehensive review of school district expenditures for the operations and maintenance of transportation services as defined under W.S. 21-13-320(b)(i) and (ii). The state department of education shall assist the committee with study efforts under this subsection. The study shall be used as a basis for establishing a cost-based method of funding the transportation of children to and from school and to and from authorized student activities. As used in this subsection, "student activities" means athletic and nonathletic activities sanctioned by the Wyoming high

22

23

24

1 school activities association and school sponsored athletic
2 and nonathletic activities in grades preceding high school
3 which directly correspond to those high school activities
4 sanctioned by the Wyoming high school activities
5 association. The study shall be completed in sufficient
6 time to enable development of recommendations and necessary
7 enabling legislation for consideration by the Wyoming
8 legislature in the 2003 general session.

9

10 **Section 9.** [SPECIAL EDUCATION]

11

12 (a) Transition. The state department of education
13 shall, to the extent it determines any excess expenditures
14 by a district were necessary to provide essential special
15 education programs and services for school year 2000-2001,
16 increase the school year 2002-2003 guarantee of that
17 district under W.S. 21-13-309(p) by the amount of any
18 reduction made to the 2001-2002 special education
19 adjustment for that district under W.S.
20 21-13-321(b)(ii)(C).

21

22 (b) Study. The joint education interim committee
23 shall conduct a comprehensive review of school district
24 expenditures for special education programs and services,

1 as defined by W.S. 21-13-321(a)(ii). The study shall be
2 undertaken in conjunction with the state department of
3 education and shall be used as a basis for establishing a
4 cost-based method of funding special education programs and
5 services, which would provide incentives to school
6 districts to provide cost effective programs and services.
7 The study shall be completed in sufficient time to enable
8 development of recommendations and necessary enabling
9 legislation for consideration by the Wyoming legislature in
10 the 2003 general session.

11

12 **Section 10.** [SMALL SCHOOL STUDY]

13

14 (a) The state superintendent shall develop necessary
15 information and procedures for the establishment and
16 application of criteria for defining small schools for
17 purposes of the small school adjustment prescribed by law
18 under W.S. 21-13-318, as amended by section 1 of this act.
19 The state superintendent shall give consideration to
20 recommendations provided by the consultant performing the
21 January 2002 cost of education studies pertaining to small
22 schools, specifically the recommendation for basing a
23 definition upon buildings and facilities comprising a
24 school. The state superintendent shall assemble a report on

1 information and findings developed under this section and
2 on or before November 1, 2002, submit the report together
3 with recommendations to the joint education interim
4 committee.

5
6 (b) Based upon information and recommendations
7 reported by the state superintendent under subsection (a)
8 this section, the joint education interim committee shall
9 study the small school adjustment contained within the
10 education resource block grant model and submit
11 recommendations together with necessary enabling
12 legislation to the Wyoming legislature for consideration in
13 the 2003 general session.

14
15 (c) Upon receipt of documented evidence indicating
16 costs experienced by small schools warrant further study,
17 the joint education interim committee shall include in the
18 study of the necessary small school adjustment conducted in
19 accordance with subsection (b) of this section, further
20 analysis and review of the components comprising the small
21 school adjustment.

22

23 **Section 11.** [TRANSFER OF SCHOOL AUDIT FUNCTION]

24

1 All records and other information pertaining to the school
2 finance audit section within the legislative service
3 office, together with all standards and procedures for
4 auditing school district data, shall be transferred to the
5 department of audit as necessary to implement W.S. 9-1-513
6 as created under section 1 of this act.

7

8 **Section 12.** [HOLD HARMLESS OF FOUNDATION PROGRAM
9 AMOUNT]

10

11 Notwithstanding W.S. 21-13-309(p), using computations of
12 district foundation program amounts by the state department
13 of education based upon reports from districts required by
14 the department, the foundation program amount computed for
15 a district under W.S. 21-13-309(p) for school year 2002-
16 2003 shall not be less than one hundred percent (100%) of
17 the foundation program amount available to that district
18 during the 2001-2002 school year. A district is not
19 entitled to additional funding under this section if, but
20 for a decrease in ADM as compared with the preceding school
21 year, that district would not have a foundation program
22 amount that is less than one hundred percent (100%) of the
23 school year 2001-2002 foundation program amount.

24

1 **Section 13.** [APPROPRIATIONS]

2

3 (a) One million dollars (\$1,000,000.00) is
4 appropriated from the school foundation program account to
5 the utility cost reimbursement contingency reserve account
6 established under W.S. 21-13-333 as created by section 1 of
7 this act.

8

9 (b) Five hundred thousand dollars (\$500,000.00) is
10 appropriated from the general fund for the period ending
11 June 30, 2003, to the state superintendent to implement and
12 conduct the vocational education study required under
13 section 4 of this act.

14

15 (c) One million five hundred thousand dollars
16 (\$1,500,000.00) is available to the state superintendent of
17 public instruction within the school foundation program
18 account during the period ending June 30, 2003, for
19 purposes of the vocational education grant program
20 authorized under section 5 of this act.

21

22 (d) Six hundred eight thousand nine hundred twenty-
23 five dollars (\$608,925.00) is appropriated from the general
24 fund to the state superintendent of public instruction as

1 necessary to carry out duties and perform activities
2 necessary to implement this act. In addition, the state
3 superintendent is authorized an additional two (2) full-
4 time positions for purposes of implementing this act. The
5 amount appropriated under this subsection shall be for the
6 period ending June 30, 2004. On or before July 1, 2004, the
7 state superintendent shall report to the joint education
8 interim committee and the joint appropriations committee on
9 the expenditure of funds appropriated under this
10 subsection, the positions filled and the status of these
11 positions.

12

13 (e) Eight hundred forty-two thousand five hundred
14 eighty-six dollars (\$842,586.00) is appropriated from the
15 general fund to the department of audit as necessary to
16 implement and administer W.S. 9-1-513, as created under
17 section 1 of this act, for the period ending June 30, 2004.
18 In addition, the department is authorized five (5)
19 additional full-time positions as necessary to administer
20 W.S. 9-1-513. On or before July 1, 2004, the department
21 shall report to the joint education interim committee and
22 the joint appropriations committee on the expenditure of
23 funds appropriated under this subsection, the positions
24 filled and the status of these positions.

1

2 (f) The amounts specified in this subsection are
3 appropriated from the general fund to the legislative
4 service office to fund the identified studies required
5 under this act. Funds appropriated under this subsection
6 shall include funding necessary committee meetings, staff
7 support and consultants to the legislature and shall be
8 expended only upon approval of the management council.
9 Specific general fund appropriations are as follows:

10

11 (i) Twenty thousand dollars (\$20,000.00) for the
12 study of adjustments to the education resource block grant
13 model for vocational education programs required under
14 section 4(d) of this act;

15

16 (ii) Twenty thousand dollars (\$20,000.00) for
17 the study to establish a cost-based reading assessment and
18 intervention adjustment as required under section 7 of this
19 act;

20

21 (iii) Two hundred thousand dollars (\$200,000.00)
22 for a study to determine a cost-based student
23 transportation adjustment to the education resource block
24 grant model as provided under section 8(b) of this act;

1

2 (iv) Two hundred seventy thousand dollars
3 (\$270,000.00) to supplement funding made available by the
4 state department of education in undertaking the
5 comprehensive review of special education costs and to
6 develop a cost-based adjustment to the education resource
7 block grant model as required under section 9(b) of this
8 act;

9

10 (v) Twenty thousand dollars (\$20,000.00) for a
11 study of the small school adjustment to the education
12 resource block grant model as provided under section 10 of
13 this act.

14

15 **Section 14.** [EFFECTIVE DATES]

16

17 (a) Except as provided by subsection (b) of this
18 section, this act is effective July 1, 2002.

19

1 (b) Notwithstanding subsection (a) of this section,
2 W.S. 9-1-513 as created under section 1 of this act and
3 sections 4 through 13 of this act are effective immediately
4 upon completion of all acts necessary for a bill to become
5 law as provided by Article 4, Section 8 of the Wyoming
6 Constitution.

7

8

(END)