



Apportionment Funding Counts Private-School Students

Historic Land-Trust Funds for Public Schools

A unique and interesting combination of history, provisions in the Nebraska Constitution and state statutes is the basis for the permanent and temporary school funds. These funds support the “common schools”, the traditional meaning of which is elementary and secondary schools operated by public school districts.

The history of this public-school funding, which is distinct from, but supplemental to state appropriations distributed to public school districts pursuant to the Tax Equity and Educational Opportunities Support Act (TEEOSA), originates with statehood. On April 19, 1864, the U.S. Congress passed and President Abraham Lincoln signed the Enabling Act by which Nebraska became a state as of March 1, 1867. **As a condition of statehood, the federal government granted sections 16 and 36 of every township, or lands in lieu thereof, in trust for the support of Nebraska’s common schools. The nature of this land trust, and its conditions and obligations, are reflected in Article VII, Sections 6 through 9 of the State Constitution.**

The Board of Educational Lands and Funds is the constitutionally established Trustee of the school trust lands. It manages the nearly 1.3 million acres of land now owned.

Since the inception of this trust, nearly 2.9 million acres have been acquired, of which about 1.6 million have been sold to private owners. In accordance with Article VII, Sections 7 and 8 of the Constitution, the proceeds from all such sales comprise the main part of the Permanent School Fund, the principal of which is held in perpetuity and invested (by the Nebraska Investment Council).

The fund also consists of some other deposits as directed by law, including mineral and water lease royalties, funds from the oil and gas severance tax, unclaimed property escheats, certain license fees, and some other fees, fines, penalties and forfeitures.

The principal grows and remains untouched, but the interest and other income are required to be used for the support and maintenance of the common schools in accordance with Art. VII, Sec. 9 of the Constitution.

(Effective July 1, 2007, by virtue of a voter-approved constitutional amendment, \$40 million of the Permanent K-12 School Fund was allocated to an endowment fund, the income from which is designated for early childhood education.)

The holding fund for the income

generated by the permanent fund is known as the Temporary School Fund. In addition to its investment earnings, it also includes agricultural and mineral lease rents and bonuses from the unsold school-trust lands and, oddly enough, pursuant to authorization by the Legislature, license fees and fines collected by the state Liquor Control Commission. Also, as of February 16 of this year, by virtue of **LB 235**, the Board of Educational Lands and Funds has explicit authority to lease the lands for generating wind or solar energy. (See related article on page 2.)

On or before February 25 each year, the Commissioner of Education makes an “apportionment” distribution of the temporary school fund for the benefit of (See Apportionment, page 2)

More Budget Cuts

Textbook-Loan Program Appropriation Reduced Again

The Nebraska Legislature finished its 2010 regular session on April 14. One of the bills passed, **LB 935**, adjusts the state budget for the biennium running from July 1, 2009 through June 30, 2011. One result of this bill is that the appropriation for the textbook-loan program, which helps private-school families, has been cut by an additional two percent for the 2010-11 fiscal year, from \$475,000 to \$465,500. This affects the amount of funding available for textbook purchases and loans for the 2011-12 school term.

The original state budget for the current biennium appropriated \$500,000 for the textbook-loan program for each of the two fiscal years. However, due to deficits, state legislators were called into special session in November 2009 to reduce the budget they passed six

months earlier. Like many state agencies and programs, the textbook-loan program was subjected to cuts of two-and-a-half percent for FY2010 and five percent for FY2011, resulting in decreased appropriations of \$487,500 and \$475,000 for the two fiscal years respectively.

Due to a projected deficit of nearly \$680 million for the 2011-13 biennium, state legislators and the Governor are already warning of the prospect of significant reductions in the next budget, including the possibility of eliminating whole programs.

The textbook-loan program is likely to be vulnerable to the anticipated budget-cutting. Grassroots assistance from NFCSP members will be needed to protect the program to the extent possible. Stay tuned!

Academic Decathlon Excellence

Teams from Omaha Creighton Prep and Nebraska City Lourdes high schools won the 2010 Nebraska Academic Decathlon State Championships in their respective divisions. The Academic Decathlon is recognized as the most prestigious high school academic team competition in the United States.

With its victory in the large-schools division, Creighton Prep qualified to represent Nebraska in the national competition, which was held in Omaha, April 21-24. Prep finished eighth out of 36 teams in the national event. Prep's state championship was its first since a run of three consecutive titles in 2004-2006.

In the small schools division—enrollments of 650 students or less in grades 9-12—Nebraska City Lourdes won its third straight state championship and sixth in the past eight years.

In the Academic Decathlon, team members are tested in 10 categories: Art, Economics, Essay, Interview, Language and Literature, Mathematics, Music, Science, Social Science and Speech. There is also a "Super Quiz" format.

Both of the state championship teams were honored by resolutions adopted unanimously by the Nebraska Legislature

Wind and Sun to Fund Performance Pay

State-funded, performance-based pay enhancements for public school teachers are on the horizon as a result of action taken this year by the Nebraska Legislature. Beginning in 2016, if at least 75 percent of the public school districts in the state have included performance pay in their collective bargaining agreements with teachers, then a designated portion of the Temporary School Fund will be distributed annually to the school districts for this particular purpose.

Two legislative bills passed with near unanimous support by the Legislature and approved by the Governor authorize this to happen. First there was **LB 235**, which passed 45-0 on February 5. It explicitly empowers the Board of Educational Lands and Funds to lease the state's school-trust lands for development of wind or solar energy. Like other income from the lands held in trust for public education, receipts from these leases will be deposited into the Temporary School Fund.

The amount of income to be realized from solar and wind leases is unknown, but the potential seems high the next several years.

Next came **LB 1014**, which passed 45-2 on April 12 and was approved by the Governor two days later. It directs that the income from any leases of school-trust lands for solar and wind energy development be accounted for separately and that the annual distribution to public school districts attributable to this account—not to exceed \$10 million in any year—be earmarked for performance pay for their teachers, assuming the 75 percent, threshold has triggered the program.

Since it will be from the Temporary School Fund, this distribution will be made by statewide apportionment, which means allocation to all public school districts based upon the pro rata enumeration of children ages five through 18 who reside in each respective district. Children who attend parochial and other private and home schools are included in

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every public school district. (Again, this is distinct from and supplemental to the TEEOSA state-aid payments. In fact, state apportionment receipts are considered a local resource for purposes of the TEEOSA formula, thereby causing a reduction of state aid two years later.) In an initial calculation, any school district that has school-trust land within its boundaries receives an amount for what would have been raised by taxation if the school land was taxable. The balance of the fund is then "apportioned to all districts according to the pro rata enumeration of children who are five through 18 years of age in each district..."

Interestingly, "...children...in each district" has long been interpreted as a census or residence number, not an enrolled-student number. **Thus, for purposes of state apportionment, students ages five through 18 who are enrolled in other-than-public schools are counted in the enumeration for the school district in which they reside. In other words, Catholic-school students and their counterparts in other private schools, including home schools, do generate state funding for their local public school districts.**

Total apportionment of the Temporary

School Fund for the 2009-10 fiscal year was \$36,274,744. (This is compared to approximately \$950 million in enrollment-based state aid under TEEOSA.) The total, statewide census of children ages 5-18 was 349,122. Thus, the "apportionment factor" was \$103.90 per child. Since approximately 43,200 youngsters ages 5 through 18 were educated in other-than-public schools, they accounted for nearly \$4.5 million in the distribution to public-school districts. Catholic school students accounted for more than \$3 million of this total.

In addition, pursuant to Article VII, section 5 of the Constitution, counties and cities similarly distribute money, primarily funds received from fines, penalties and licenses, to school districts within their boundaries, pro rata, based on the census of children.

Apportionment funding for public school districts is real money, more than \$4.5 million of which is annually attributable to students in parochial and private schools. What's more, these dollars are separate from, in addition to, and considerably less than the savings created by the existence of privately operated schools. Savings dollars aren't as real, but they are substantially impactful nonetheless.

Pornography More Accessible—Controls, Assistance Available

Parents Face Challenges from Internet, Other Media

Few would disagree that the Internet offers a world of opportunities and has a significant impact on the lives of individuals and families. Much of the impact has been positive, especially in the areas of communications, business, education and lifestyle. But there are negative aspects as well, the most blatant of which is probably the insidious, dehumanizing evil of pornography.

With the internet and other advanced means of communication, pornography today is more perverse, more accessible and more anonymous. There are more than 42 million pornographic websites. More than 20,000 images of child pornography are posted online every week. The production and distribution of pornography using the internet and other media constitute a multi-billion-dollar “industry.”

Pornography is never innocent entertainment, no matter how private it might seem. The moral, social and spiritual dangers of pornography present a great challenge for parents and families. As the president of Morality In Media (MIM) has stated, **“With the internet, more and more children are being exposed to pornography, and at earlier ages, and to more extreme content.”**

The average age of first Internet exposure to pornography is 11 years old. In January 2002, the London School of Economics released a study indicating that nine out of 10 children ages 8 to 16 had viewed pornography on the Internet, mostly unintentionally. The Crimes-Against-Children Research Center reported that the percentage of children ages 10-17 who said they had an unwanted internet exposure to sexual material in a year rose from 25% in 2000 to 34% in 2005. In October 2003, Focus on the Family reported that 47 percent of Christian families polled identified pornography as a problem in their home.

Pornography purveyors aggressively stalk the souls of children. Internet pornography can easily ensnare children when they are unsuspecting. It does not require a public purchase of new material. Parents may mistakenly believe that internet pornography requires a credit card to obtain, and thus children are not likely to view it. While pornography purveyors do invite credit-card use to get deeper into their sites, many promote their wares by unscrupulous means, including spam and misleading domain names. Many have free samples and “teasers.” There are many homemade pornography galleries.

Socializing online is another expanding phenomenon; it includes computers, but also hand-held devices such as I-pods and cell phones. Social networking sites, chat rooms, virtual worlds, and blogs are how teens and “tweens” socialize online. There are benefits, but detriments as well, such as predators who interact with children online. Parents face the challenge of helping their children learn how to navigate these spaces safely.

Fortunately, resources are available to help parents deal with pervasive pornography and protect their

children. One such resource, www.onguardonline.gov, uses a straightforward, primer approach. Another internet safety website is www.netsmartz.org.

Also providing leadership, support and assistance is the Anti-Pornography Task Force of the Archdiocese of Omaha. Its website is www.archomaha.org/pastoral/se/taskforce.

Don't Overlook T.V.

A newly released—April 15—national survey from the United States Conference of Catholic Bishops (USCCB) finds that parents are deeply concerned about inappropriate content in the media and have a desire to be able to better control it.

Over 80 percent of the surveyed parents say they want to be able to control access to media content that depicts violence, sex, illegal drug use, alcohol abuse and profane language. More than half said they use parental controls for television, internet and video games.

Upon analysis of the results, USCCB officials recommend not overlooking the impact of television content while being concerned about newer media such as the Internet and social networking. Parents name both television and Internet as the two media platforms about which they are most concerned. For full results, visit: www.usccb.org/comm/Parents-Hopes-Concerns-Impact-Media-on

7 Steps to Protect Your Family from Pornography

- Secure all internet devices with filtering and accountability software, keep them in a high-traffic area of the house, and limit the time children can use them.
- Monitor all social networking sites for children and teens (Facebook, My Space, Xanga.com, etc.)
- Know all user names and passwords to e-mail and every site that requires a user name and password for your children and teens.
- Secure television and satellite radio, and screen all movies before watching them.
- Spend quality time with your children and teens.
- Have open, honest, regular conversations about God's glorious plan for creating persons male and female and the beauty of human dignity and sexuality.
- Encourage all family members to receive the Sacrament of Reconciliation monthly, and attend mass as a family each Sunday.

Anti-Pornography Task Force of the Archdiocese of Omaha.

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this number. (See a related article on the front page.)

Any school district without a performance-pay plan would be required to return the portion of funding designated for this purpose, to be redistributed as non-earmarked state apportionment in the next year.

For purposes of LB 1014, performance pay means “a systematic process for measuring teachers’ performance and linking the measurements to changes in teacher pay. Indicators of teacher performance may include improving professional skills and knowledge, classroom performance or instructional behavior, and instructional outcomes.”

Another provision of LB 1014 automatically repeals this authority in 2019 if the 75 percent threshold requirement has not been met in 2016, 2017 or 2018.

For more information, visit www.nebraskalegislature.gov; enter LB “1014”; hit “Go”.

LB 1021 Failed, but Delivered Strong Message to NSAA

An attempt to legislatively dictate organizational policy and procedural changes to the independent, non-governmental, membership-based, self-governing organization that oversees high school athletics and other activities came to an end March 12. On that day, a motion to bracket **LB 1021** until the last day of the session, thereby effectively ending further consideration, was approved on a 27-13 vote.

LB 1021 concerned itself with the Nebraska School Activities Association. This century-old association of member high schools governs and manages interscholastic competition and contests involving high schools statewide, both public and private.

In its original form, LB 1021 would have set in place a law requiring that the NSAAA be restructured

in terms of both geographical districts and representation; and it would have required this nongovernmental entity to adhere to state laws mandating open meetings and open records. The Education Committee advanced the bill to the full Legislature, but recommended that it be scaled back to impose only the requirements pertaining to meetings and records. Nevertheless, the bracket motion took priority.

LB 1021, which stemmed from an interim study on the subject matter, marked the third consecutive year that legislation was directed at the NSAA. As a result of this attention and the concerns and criticisms thereby identified, the NSAA has begun to implement changes and reforms pursuant to its own procedures. Generally, these have to do with redistricting, governance and representation.