Description of the Formula

Georgia has a two-tiered school finance program, the base is a foundation program with a five mill required local share; The state provides the difference between the foundation amount set by the state minus the local share, which is the amount raised locally by levying five mills on the 40% equalized property tax digest. For each mill raised above the five mills (up to 3.25 mills), the state will pay the difference needed in the per pupil amount for WFTE to bring the amount raised per pupil equal to the amount per pupil at the 75th percentile. The state has a minimum salary schedule for 10 months (190 days); the base salary was $33,424 for the 2010-2011 school year. Most school systems provide a local supplement to the base salary.

Due to the declining economic picture, an austerity reduction of over 20% has been applied against the earnings of the education funding formula. With waivers of expenditure controls, school systems have the flexibility to implement these reductions as best fits their individual situation.

District-Based Components

Density/Sparsity of Small Schools
No additional funds are allotted to sparsely populated areas except as might occur in the pupil transportation.

Grade Level Differences

<table>
<thead>
<tr>
<th>Grade</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>K</td>
<td>1.6601</td>
</tr>
<tr>
<td>K Early Intervention</td>
<td>2.0517</td>
</tr>
<tr>
<td>1-3</td>
<td>1.2862</td>
</tr>
<tr>
<td>1-3 Early Intervention</td>
<td>1.8045</td>
</tr>
<tr>
<td>4-5</td>
<td>1.0326</td>
</tr>
<tr>
<td>4-5 Early Intervention</td>
<td>1.7988</td>
</tr>
</tbody>
</table>
Declining Enrollment or Growth
Average of three most recent FTE counts for each program with a mid-year adjustment the following year.

Capital Outlay and/or Debt Service
The state provides grants based on increased growth and consolidation. Bonded indebtedness may not exceed 10% of a school district’s total assessed property.

Transportation
State aid is provided according to a schedule of standard transportation costs and a schedule of variable transportation costs.

Student-Based Components

Special Education
Funding is provided through foundation program for six weighted categories for special education. The weights range from 2.3960 to 5.8253 depending on the type of disability and service and program provided to the pupil.

<table>
<thead>
<tr>
<th>Special Education Category</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category I</td>
<td>2.3960</td>
</tr>
<tr>
<td>Category II</td>
<td>2.8189</td>
</tr>
<tr>
<td>Category III</td>
<td>3.5193</td>
</tr>
<tr>
<td>Category IV</td>
<td>5.8253</td>
</tr>
<tr>
<td>Category V</td>
<td>2.4597</td>
</tr>
</tbody>
</table>

Compensatory Education
A weight of 1.3136 is provided for students in remedial education programs; a weight of 1.5938 is provided for students in alternative education programs.

English Language Learner/Bilingual Education
The formula includes a weight of 2.5337 for students in the ESOL program.

Gifted and Talented Education
A weight of 1.6686 is provided for students in programs for the gifted.

Categorical Programs
Districts also may be eligible for the following categorical programs:
Bus replacement Bonds | $50 million

**Revenue and Expenditure Information**

**State Mandates Restricting Revenue or Expenditure Increases**
Expenditure controls for FY 2011 are as follows:
- Due to the precipitous economic decline, all expenditure controls have been waived for the SY 2010-2011.

**Property Assessment Ratios Used/Legal Standards for Property Assessment**
Forty percent of fair market value, less statewide exemptions and an adjustment factor for the elderly, is used.

**Measure of Local Ability to Support Schools**
Property valuation.

**School District Budget and Tax Rate Procedures/Sources of Local Revenue**
There are 159 fiscally dependent school districts and 27 fiscally independent school districts. Maximum local levy without voter approval is 20 mills. A simple majority vote is required for a tax increase; one election can be held per year. Eighty percent of local revenues derive from property taxes; 20% from sales taxes.

**State Support for Non-Public Schools**
The state provides tuition for multi-handicapped pupils, and for students eligible to participate in a special needs scholarship program.