Description of the Formula

BASE Aid program based on number of pupil units plus an additional guaranteed tax base program. Under the BASE Aid program, the state pays 44.7% of basic and per-student entitlements; 100% of additional funding components for quality educators, at-risk students, Indian Education for All, and closing the American Indian student achievement gap; 100% of the state special education block grants for schools; and a subsidy payment to equalize tax base differences and support districts in funding an additional 35.3% of the basic entitlement and per-student entitlement and 40% of special education block grants. In FY 2010-11, the basic entitlements for elementary, middle school and high school districts were $23,257, $65,863 and $258,487, respectively. The per-student entitlements were approximately $5,003 for elementary students and $6,405 for high school students or students in accredited 7-8 grade programs. A $0.20 reduction is applied for each additional elementary student, up to 1000 students. A $0.50 reduction is applied to each additional high school student or 7-8 grade student, up to 800 students. Required local effort at the county level is 55 mills for K-12 programs. Required effort at the state level is 40 mills for K-12 programs. The BASE, or minimum required budget, includes 80% of the entitlements, 140% of special education funding, and the 4 additional funding components.

District-Based Components

Density/Sparsity of Small Schools
There is no specific mechanism for funding small schools or adjusting for sparseness. The basic entitlement is applied at the same rate to budgets for any size of district, so smaller schools receive proportionally more relevant to their size.

Grade Level Differences
See "Description of Formula."

Declining Enrollment or Growth
Funding is based on a district's prior year enrollment or average of the prior three years' enrollment, whichever produces the greatest amount of support.
Capital Outlay and/or Debt Service
Bonded indebtedness may not exceed 50% of taxable property value of the district. District may issue bonds for limited purposes after an election. State facilities acquisition program assists districts in repaying bonds by providing subsidies to districts having lower than statewide average taxable valuation per pupil. The 2009 Legislature appropriated $34 million in FY2010-11 for grants to school districts for infrastructure under the Quality Schools Facilities Program. The purpose of the program is to distribute grants to public school districts to assist schools in addressing major deferred maintenance, energy efficiency, critical infrastructure needs, emergency facility needs, and technological improvements.

Transportation
The state and county share in funding “on-schedule costs” that are based on bus routes and mileage contracts with parents. Additional funding is provided through fund balance re-appropriated, non-levy revenues and a local levy.

Pupil Weights for District/School Size
In the BASE Aid program, general fund entitlements are reduced $0.20 for each additional elementary student, up to 1000 students and $0.50 for each additional high school student or 7-8 grade student, up to 800 students. For elementary and high school districts with more students, additional pupils are funded at the same rate as the 1000th or 800th pupils, respectively.

Student-Based Components

Special Education
Included in the BASE aid program (see Description of Formula). Block grants are based on number of pupil units and require a $1 for $3 local match. Additional reimbursement (40% for unusually high special education costs are provided to eligible districts).

Pupil Weights for Special Education Programs Categories
Does not apply. State special education funding per enrolled pupil is allocated to districts using block grants.

Compensatory Education
Does not apply.

English Language Learner/Bilingual Education
The state does not fund a bilingual education program.

Gifted and Talented Education
Legislature provided $246,982 for a state grant distribution to school districts for Gifted and Talented programs in 2010-11.

Revenue and Expenditure Information

State Mandates Restricting Revenue or Expenditure Increases
"Maximum" general fund budget limit is 100% of basic and per student entitlements plus 140% of state special education block grants and 100% of state funding components for quality educators, at-risk students, Indian Education for All, and closing the American Indian student achievement gap. Districts are allowed to exceed the "maximum" level in cases where the prior year budget exceeds the "maximum" level, and a vote is usually required to approve the over-maximum amount of the budget. If budget does not exceed the "maximum" level, districts must obtain voter approval only for levy increases needed to fund the optional portion of the BASE (minimum required general fund budget).

**Property Assessment Ratios Used/Legal Standards For Property Assessment**
Assessed valuation of major revenue sources: realty and mobile homes, 2.82%; electric and telephone cooperatives, 3%; public utilities, 12%; metal mines, 3%.

**Measure of Local Ability To Support Schools**
For facilities funding, property value per pupil. For general fund, property value compared to the BASE funding needs of the district.

**School District Budget and Tax Rate Procedures/Sources of Local Revenue**
Each elementary, high school, and K-12 district is fiscally independent. Voter approval (simple majority of voters is generally required for an increase of taxes for the non-mandatory portion of the budget. Voter approval is generally required to support a budget that exceeds the general fund budget caps. Local revenues for districts are comprised of property taxes, several non-levy sources derived from and distributed based on district tax levies, and revenues from natural resources including gas and oil production.

**State Support for Nonpublic Schools**
Does not apply.