



ALABAMA

Description of the Formula

Foundation Program allocations based on teachers and instructional support staff earned as determined by the prior year ADM of students for the first 20 days after Labor Day. Allocations include salaries and benefits for teachers and instructional support staff, classroom instructional support materials, technology, educational media, professional development, textbooks, and other current expense funds based on the number of earned units. The Foundation Program allocations for each LEA consist of state funds and a local funding requirement determined by the value of 10 equivalent mills of ad valorem tax for the LEA.

District-Based Components

Density/Sparsity of Small Schools

Does not apply.

Instructional Unit Weights For Grade Level Differences

Grades K-3	14.5 students per teacher unit
Grades 4-6	21.85 students per teacher unit
Grades 7-8	20.20 students per teacher unit
Grades 9-12	18.45 students per teacher unit

Declining Enrollment or Growth

Use of prior year pupil count as floor, with current year growth in ADM earning additional teacher units.

Capital Outlay and/or Debt Service

Amount per student adjusted for wealth of LEA as determined by the value of 1 mill of ad valorem tax per student.

Transportation

Personnel positions, fuel, and non-salary costs are allocated based on the size of the operation. Funding for school bus purchases provided on a 10 year depreciation schedule.

Charter Schools

N.A.

Student-Based Components

Special Education

Some additional funding is provided for catastrophic expenditures and preschool special education. Grade divisors in the Foundation Program are adjusted to provide additional teaching units for special education. The grade level divisors are adjusted by a weight of 2.5 applied to 5% of ADM count.

Low Income / Comp Ed / At-Risk

Funding for at-risk students are calculated based on the number of free and reduced price lunch and the number of students scoring at lower levels of required tests

English Language Learner/Bilingual Education

State allocations for ESL students are provided according to the ESL student count in the prior year.

Gifted and Talented Education

Does not apply.

Career and Technical Education

No response

Preschool Education

Special Education students ages 3-4 are reported and funds allocated on a per student basis.

Other

State funds are also provided for school nurses, technology coordinators and Career coaches.

Revenue and Expenditure Information

State Mandates Restricting Revenue or Expenditure Increases

Property (ad valorem) taxes up to 15 mills are allowed by a vote of the citizens with a requirement that each school tax district provide a minimum of 10 mills of ad valorem tax. Ad valorem tax rates exceeding 15 mills require a constitutional amendment which usually requires an additional authorizing vote by the local citizens.

Property Assessment Ratios Used/Legal Standards for Property Assessment

Class 1—Utilities used in business, 30%; Class 2—Property not otherwise classified, 20%; Class 3—Agriculture, forest, and residential, 10%; Class 4—Private passenger autos and pickup trucks, 15%.

Measure of Local Ability to Support Schools

The value of one mill of school district ad valorem tax is used to determine the value of ten equivalent mills required for participating in the Foundation Program.

School District Budget and Tax Rate Procedures/Sources of Local Revenue

All school boards are required to approve a balanced budget after holding two public hearings. The budget must be approved by the State Superintendent of Education before it is considered an official budget. The State Superintendent may require changes to the school board budget before approval. School boards are required to approve a policy to establish and maintain a minimum of one-month's operating balance.

School boards have no authority to levy taxes. All taxes must be levied by a county or city government. Sales taxes for schools are usually approved by a local government without a vote of the citizens. Ad valorem taxes may be approved by a municipal government without a vote of the citizens. County-wide and school district ad valorem taxes require a vote of the citizens. Sources of local revenue for schools are property tax (60%), sales tax (28%) and other (12%).

State Support for Nonpublic Schools

Limited to special education students.