



NORTH CAROLINA

Description of the Formula

The State funds schools with three basic types of allotments.

Position Allotments: The State allots positions to a local school system for a specific purpose. The local school system pays whatever is required to hire certified teachers and other educators, based on the State Salary Schedule, without being limited to a specific dollar amount. The State funds between \$33,000 and \$68,050 plus benefits for each position. Each local school system will have a different salary costs dependent on the certified personnel's experience and education. Examples of position allotments are: Teachers, School Building Administration, Instructional Support following link:

<http://www.ncpublicschools.org/docs/fbs/finance/salary/schedules/2014-15schedules.pdf>

Dollar Allotments: Generally, allocated at a dollar amount per average daily membership. Local school systems can hire employees or purchase goods for a specific purpose, but the local school system must operate within the allotted dollar amount. Examples of dollar allotments are: Teacher Assistants, Textbooks, Central Office Administration, Classroom, Materials/Supplies/Equip.

Categorical Allotments:

Funding for supplemental programs and allocated based on the characteristics of the student population or the local education agency. Local school systems may use this funding to purchase all services necessary to address the needs of a specific population or service. The local school system must operate within the allotted funds. These funds may be used to hire personnel such as teachers, teacher assistants, and instructional support personnel or to provide a service such as transportation, staff development, or to purchase supplies and materials. Examples of categorical funding are: At Risk Student Services, Children with Disabilities, low wealth supplemental funding, small county supplemental funding.

District-Based Components

Density/Sparsity of Small Schools

A special allotment is paid for small schools that are geographically isolated..

Classroom Teacher Allocation Grade Level Differences

Grade	One Teacher Position for
K	18 students
1-3	17 students
4-6	24 students
7-8	23 students
9	26.5 students
10-12	29 students

Declining Enrollment or Growth

Does not apply.

Capital Outlay and/or Debt Service

State Lottery funds <http://www.ncpublicschools.org/fbs/allotments/lottery/>

State Literary Loan fund provides a maximum loan for any one county in a fiscal year of five hundred thousand dollars (\$500,000).

The rate of interest on loans shall be based on 95% of the Bond Buyer 20-Bond Index that is published at the time the loan is approved by the State Board of Education not to exceed eight percent (8%).

Transportation

Local districts provide transportation services. State funds fuel, mechanics, drivers' wages and bus replacement based on efficiency ratings and replacement schedules.

Charter Schools

Charter schools receive state funds at an amount equal to the state funded dollars per ADM for the LEA in which the school is located or (for new charters) in which the student was previously enrolled. They receive exceptional children funds and funds for limited English proficient students in addition to this base funding.

Student-Based Components

Special Education

State Funds

- Children with Disabilities
- Preschool Handicapped State Funding
- Group Homes, Foster Homes, or Similar Facilities
- Community Residential Centers and Developmental Day Centers

ELIGIBILITY:

All LEAs and Charter Schools are entitled to funding based on :

CHILDREN WITH DISABILITIES:

Child count is based on Children with Disabilities child count, ages 5 through 21.

Multiply the lesser of the April 1 child count or an overall 12.5% cap of the Allotted ADM by the dollar per child count funding factor.

PRESCHOOL HANDICAPPED:

Each LEA receives a base amount equal to the average salary of a classroom teacher plus benefits. All remaining are distributed based on the April 1 child count of children ages 3, 4, and pre-K5

Low Income / Comp Ed / At-Risk

North Carolina has two categories of funding specifically for remediation and students at risk of failing. These categories are as follow:

1. At-risk Student Services/Alternative Schools – This funding allocates 1 School Safety Officer per High School and the remaining funds are allocated 50% based on ADM and 50% based on poverty with a minimum of 2 teachers and 2 instructional support positions.
2. Disadvantaged Student Supplemental Funding

Distribute resources based on a prescribed delivery option ... reduction of class size.

Step 1: Use the average statewide (K-12) teacher-to-student classroom teacher allotment for the Fundable Disadvantaged Population which is 1:21.

Step 2: The targeted allotment ratios for the Fundable Disadvantaged Population are:

If low wealth % (per low wealth supplemental funding formula) is > or equal to 90%, one teacher per 20.5 students

- If low wealth % is > 80% but < 90%, one teacher per 20 students.
- If low wealth % is < 80%, one teacher per 19.5 students.
- If an LEA received DSSF funds in FY 2005-06, one teacher per 16 students. These 16 LEAs will not receive less funding than they received in FY 2005-06.

Step 3: Convert the teaching positions to dollars by using the state average teacher salary (including benefits).

English Language Learner/Bilingual Education

The state funds a supplemental allotment for Limited English Proficient Students.

Eligible LEAs/charter schools must have at least 20 students with limited English proficiency (based on a 3-year weighted average headcount), or at least 2 1/2% of the ADM of the LEA/charter school. Funding is provided for up to 10.6% of ADM.

FORMULA: Calculate 3-Year Average Headcount

- Most current years available weighted twice (50%)
- Two previous years weighted once (25%)

Base Allocation

Each eligible LEA/charter school receives the minimum of 1 teacher assistant position.

- 50% of the funds (after calculating the base) will be distributed based on the concentration of limited English proficient students within the LEA.
- 50% of the funds (after calculating the base) will be distributed based on the weighted 3-year average headcount.

Gifted and Talented Education

Each LEA receives dollars per child for four percent (4%) of their allotted ADM regardless of the number of children identified as academically or intellectually gifted in the LEA.

Career and Technical Education

Each LEA receives a base of 50 months. Remaining months are allotted based on allotted ADM in grades 8-12. Months of employment are rounded to the nearest whole month. For city LEAs with less than 3,000 ADM, all fractions of a month are rounded up to the nearest whole month. In addition, each LEA is eligible for a base amount of \$10,000. Remaining funds are allotted based on allotted ADM in grades 8-12.

Preschool Education

Other

See Highlights of Public School Funding for all funding lines
<http://www.ncpublicschools.org/fbs/resources/data/>

Revenue and Expenditure Information

State Mandates Restricting Revenue or Expenditure Increases

Does not apply.

Property Assessment Ratios Used/Legal Standards For Property Assessment

True value in money is used. Reassessments run on an eighty-year cycle.

Measure of Local Ability To Support Schools

No measure of local ability is used for the allocation of basic state aid; a measure of local relative ability-to-pay is determined by ranking all school units according to personal income and property valuation per ADM.

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

All 115 school districts are fiscally dependent; school taxes are levied and budgets approved by county commissioners. A supplemental tax on \$100 appraised value of property subject to taxation by the local school administrative unit is permissible with voter approval. A simple majority is required. No more than two elections can be held in one year. Local revenues for schools derive primarily from the property tax.

State Support for Nonpublic Schools

Effective 2014, Opportunity Scholarships provides \$4,200 for eligible students to attend a nonpublic school

More information can be found in the Highlights of Public School Funding,
<http://www.ncpublicschools.org/fbs/resources/data/>