

DESCRIPTION OF THE FORMULA

Alabama

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.

Alaska

The Foundation Formula for Alaska is based on enrollments following a 20-day count period ending the 4th Friday in October. State Foundation Program determines a "basic need" by adjusting the average daily membership [ADM] of each school, except correspondence, for school size. The total of all schools in the district is then multiplied by several steps: the area cost differential, 20% add-on for Special Education needs, 1.5% add-on for secondary vocational technical, and for those ADM that qualify for Intensive needs they are given a multiple of 13. Correspondence is then added on at 90% of its original count. The resulting adjusted ADM is then multiplied by the base student allocation as laid out in state statute to derive the "basic need" for each district. The state may consider P.L. 81-874 Impact Aid revenues at 90% of aid eligible for adjustment. Municipalities with taxing powers are required to provide their school district with the local contributions to assure the equivalent of 2.65 mils of the total assessed full value or 45% of prior year basic need, whichever is less. Local contributions have been capped to assure state compliance with federal Impact Aid disparity test.

Arizona

Education Equalization Formula:

The State Equalization Formula is the main frame for determining state funding to school districts and Charters. The formula serves two purposes, the state aid payment calculation and budget expenditure limit for districts. The Equalization Fund is used to standardize the amount of funding a school district receives to educate each student regardless of differences in property values among districts. It is made up of the following components:

- Base Support Level (BSL)
- Transportation Support Level (TSL)
- District Additional Assistance (DAA) formerly known as the Unrestricted Capital Outlay and Soft Capital Outlay

The lesser of district's support level or Revenue control limit: this is the amount that is described as the general fund or the maintenance of operation fund, the budget expenditure limit for district is always the revenue control limit. This component is calculated using the weighted student count multiplied by the base level. The base level amount is set by state legislatures in the Arizona Revised Statutes equaling \$3,373.11 for FY 2014-15. . The weighted count is the

outcome of the student count multiplied by certain weights set by the state legislature in statute, those weights vary contingent upon student count.

Student count for districts is defined as, as the prior year's 100th day Average Daily Membership and for charters, as the current year's 100th day Average Daily Membership

Districts can increase their expenditure budget limit and state aid payment by budgeting for:

- Transportation by 1.8% (through FY 2014),
- Teacher's Compensation Index of 1.25% (through 2015) of the base level amount approved yearly by the State Board of Education,
- Teacher Experience Index of 2.25% (through 2015) calculated from teacher experience data submitted to ADE by the district,
- Career Ladder increase the base level amount by up to 5%
- 200 days calendars increases the base level amount by 5%

The following items affect district budget limit expenditures through local taxes, not state aid: Small Schools Adjustment, Desegregation (if they have an agreement with the Office of Civil Rights), Maintenance and Operations override as approved by the local district's governing board, K-3 Maintenance and Operations override as approved by the local district's governing board

District Additional Assistance

In the past, as part of the equalization formula, districts are funded on a student count basis for their capital expenditures. Soft capital amount was set at \$225 per student count in 2010; unrestricted capital amount was \$225.76 for K-8 students and \$337.62 for 9-12 (9-12 included an unrestricted capital amount of \$69.68 per student count for textbooks).

As of 2013-14 the Department of Education changed this process and began combining this funding into a District Additional Assistance Fund. This fund determined included student textbook allowances as the 9-12 grade student count multiplied by \$43.77. Districts with less than 1,100 students increased assistance by \$128 per student. Also,

- \$207.89 for districts with a K-8 student counts of less than 100.
- \$148.59 multiplied by the corresponding weighted K-8 student count for districts with a K-8 student count of between 100-600 students.
- \$172.08 for districts with a K-8 student counts of more than 600 students.
- \$243.48 for districts with a 9-12 student account of less than 100.
- \$188.86 multiplied by the corresponding weighted 9-12 student count for districts with a 9-12 student count of between 100-600 students.
- \$198.57 for districts with a 9-12 student counts of more than 600 students.
- \$172.80 for preschool programs for children with disabilities.

Finally it repealed the Soft capital fund (SCA) statute and required school districts to transfer any budget capacity and cash remaining in its CORL Fund and SCA Fund to its M&O Fund or its Unrestricted Capital Outlay Fund.

Qualifying Levies: This amount is calculated based on the assessed valuations of the properties within the boundaries of each district multiplied by a qualifying levy rate set by legislatures then divide the outcome by a 100.

County Equalization Tax: this amount is calculated based on a county qualifying rate set by state legislatures.

Both Qualifying levies and County Equalization Tax are deducted from the equalization formula to determine the state aid portion of the formula.

Arkansas

6-20-2305 School funding: (a) (1) For each school year, each school district shall receive state foundation funding aid computed as the foundation funding amount under subdivision (a)(2) of this section less the sum of 98% of the uniform rate of tax multiplied by the property assessment of the school district. An amount of miscellaneous funds of the school district calculated under § 6-20-2308. (B) For the 2014-2015 school year and each school year thereafter, the foundation funding amount is equal to six thousand five hundred twenty-one dollars (\$6,521) multiplied by the school district's average daily membership for the previous school year.(4)(A)(i)

Except as provided in subdivisions (a)(4)(C) and (D) of this section, by the end of each school fiscal year, for a school district whose net revenues are less than the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district, the Department of Education shall distribute to the school district the difference between the net revenues distributed to the school district as reported under § 26-80-101(b)(4)(A)(ii) for the calendar year immediately preceding the current school year; and the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district. For a school district whose net revenues are more than the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district, the Department of Education, under the authority of § 6-20-2306, shall recoup from the school district an amount equal to the difference between the net revenues of the school district and the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district.

The Department of Education shall not distribute to a school district the funds under subdivision (a)(4)(A)(i) of this section if, regardless of the school district's tax collection rate, the school district's net revenues meet or exceed the foundation funding amount set forth in § 6-20-2305(a).

California

California implemented a new school finance system beginning in 2013 called the Local Control Funding Formula (LCFF). In contrast to the decades old, state-driven school finance system that it replaced, the LCFF allows local school officials to decide how best to meet the needs of their students. The formula is responsive to research and practical experience indicating that students from low-income families and English language learners come to school with unique challenges that often require supplemental services and support to be successful in school.

Under the LCFF, school districts and charter schools are provided with a base grant amount per pupil in average daily attendance (ADA) based upon the grade span of the pupil. The base grant amounts are uniform across the state. School districts and charter schools are also provided with a supplemental grant equal to 20 percent of the total base grant multiplied by its percentage of pupils who are targeted in the formula. Targeted pupils are those classified as English learners, low income, foster youth, or any combination of these. In cases where the percentage of targeted pupils exceeds 55 percent, school districts and charter schools are provided a concentration grant equal to 50 percent of the total base grant amount multiplied by the percentage of targeted pupils above 55 percent.

The LCFF is in a transition phase, in which funding is based on a combination of the amount provided under the formula described above, and the amount that school districts and charter schools received in the past. Full transition of the LCFF is expected to be complete in 2021.

Once the LCFF entitlement is determined, local property taxes allocated to the entity are applied towards it. If an entity's local property taxes are less than the entitlement, the state adds additional funds to guarantee the entitlement. School districts and charter schools decide the best way to target the LCFF funds and must develop and adopt local control and accountability plans, which identify local goals in areas that are priorities for the state, including pupil achievement, parent engagement, and school climate.

Although California eliminated most "categorical" programs designed to target specific needs or state goals, a small number remain, including what the state provides for special education.

Additional information on California's school finance system is available on the internet at <http://edsources.org>, a site developed by the non-profit organization, EdSource.

Colorado

Funding is based on an annual October pupil count. Each school district counts pupils in membership as of the school day nearest October 1 (the official count day). Districts are given an opportunity to provide documentation that a student re-established membership by October 31st for a student who may be absent on the official count day.

Generally, pupils in grades 1 through 12 are counted as either full-time or part-time depending upon the number of scheduled hours of coursework. Kindergarten, preschool special education, and a limited number of at-risk preschool (see Colorado Preschool and Kindergarten Program discussion) pupils are counted as part-time.

For most school districts, funding is based on the number of pupils counted in the current school year. However, for a district with an enrollment fluctuating from year to year, funding is based on an average of up to four prior years' October pupil counts and the current year's October pupil count.

Connecticut

Education Cost Sharing (ECS) Target Aid is still a foundation-type formula and is currently comprised of two components: **Base Aid and a Regional Bonus**. **Base Aid** - For each weighted

student, towns receive a portion of the foundation (\$11,525) based on the ratio of the town's wealth when compared to the guaranteed wealth level—1.5 times the median town's wealth. Wealth is measured in terms of property per capita (90 percent of the weight) and median household income (10 percent). Students are weighted for poverty (free and reduced-price meals). **Regional Bonus** – Towns that are members of regional districts receive up to \$100 for each such student, depending on the number of regional grades.

However, for 2014-15, as in several prior years, the ECS formula was not strictly followed, and town-by-town appropriations were set by statute. Legislation directs that each town receive an ECS entitlement equal to the amount they were entitled to in the previous year. In 2014-15, the bulk of ECS increases (94 percent) went to the lowest-performing 30 school districts (Alliance Districts), which allocations were subject to state-approved school-improvement uses.

Delaware

State support is provided in five (5) major components.

Division I, employment costs, is allocated in accordance with state formulae.

Division II, All Other Costs (AOC) is allocated on a student-based unit system. All Other Costs Funds may be used for all operational costs other than employment costs, energy costs, transportation, or debt service.

Division II, All Other Costs - Energy is allocated on a student-based unit system. AOC-Energy funds may be used for heating oil, gas, or electricity.

Division II. All Other Costs – Vocational Education is allocated on the students that are participating in vocational classes. These funds are used to support the operations costs of the vocational programs.

Division III, Equalization funds are allocated inversely on the basis of school district wealth (full value of real estate per unit of pupils) and are distributed on a per unit basis. Equalization funds are to balance funds for education between poorer and wealthier districts. This funding can be used by the districts to support positions or operations.

Education Sustainment funds are allocated on a student-based unit system and the funds can be used just like Equalization funds.

Debt Service funding allocates between 60% and 80% of the cost of school construction in the districts and 100% for statewide special schools.

Florida

In 1973 the Florida Legislature enacted the Florida Education Finance Program (FEFP) and established the state policy on equalized funding to guarantee to each student in the Florida public education system the availability of programs and services appropriate to his or her educational needs that are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors.

To provide equalization of education opportunity, the FEFP formula recognizes: (1) varying local property tax bases; (2) varying education program costs; (3) varying costs of living; and (4) varying costs for equivalent educational programs due to sparsity and dispersion of student population.

The FEFP is the primary mechanism for funding the operating costs of public schools. As noted herein, there are other sources of funding; however, the FEFP is the finance program's foundation. A key feature of the FEFP is that it bases financial support for education upon the individual student participating in a particular educational program rather than upon the number of teachers or classrooms. FEFP funds are primarily generated by multiplying the number of full-time equivalent (FTE) students in each of the funded educational programs by cost factors to obtain weighted FTEs. Weighted FTEs are then multiplied by a base student allocation and by a district cost differential in the major calculation to determine the base funding from state and local FEFP funds. Program cost factors are determined by the Legislature and represent relative cost differences among the FEFP programs. In addition to the base funding allocation, three major allocations within the FEFP are the Supplemental Academic Instruction Allocation, Exceptional Student Education Guaranteed Allocation, and the Class Size Reduction Allocation. Please see page 15 of "Funding for Florida School Districts" at <http://www.fldoe.org/fefp/pdf/fefpdist.pdf> for an explanation of these allocations.

Georgia

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 15 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 2014-2015 school year. Most school systems provide a local supplement to the base salary.

Due to the significant economic challenges the state experienced in previous years, a bottom line austerity reduction of 9.7% remains 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.

Hawaii

Hawaii is the only state with a single, statewide school district. The system of state financing for public education is also different from any other state: full state funding. Property taxes do not fund public education; property tax revenues support city and county governmental services.

In addition, the appointed elected State Board of Education has no independent taxing authority to pay for either operations or capital improvements for the public school system. State funding for the public school system is determined by the state legislature on a biannual budget basis, and is actually disbursed by the Governor.

State support for the operation of public schools comes from the general fund, which is the repository for all non-earmarked taxes. The major taxing sources for state governmental services are: general excise tax; personal income tax; corporate income tax; and other special taxes, such as inheritance, liquor, use taxes, and license fees. (Property taxes provide funding for city and county governmental services).

Weighted Student Formula

As a result of landmark legislation in 2004, the State Board of Education adopted a new weighted student formula, effective with the 2006-07 school year, to allocate a large portion of state funding to public schools within the statewide school district based on student needs. The formula consists of a specific dollar amount per student as a base amount for each student enrolled, coupled with additional funding for students with special needs that impact their learning.

Student characteristics that are weighted include economically disadvantaged; English Language Learners; gifted and talented; and transience due to movements of students and their families. Another factor is a middle school grade-level adjustment for a weighted equivalent of \$150 per student was implemented. A Committee on Weights meets biennially to review the formula and possibly recommend changes to the Board of Education. Please refer to the Hawaii public school website:<http://www.hawaiipublicschools.org/VisionForSuccess/SchoolDataAndReports/StateReports/Pages/Weighted-Student-Formula.aspx>

Idaho

A Foundation program based on Support (instructional) Units. Pupil count using ADA is the basis for determining Support Units. School districts and charter schools will receive \$22,401 of discretionary funds per unit for 2014-2015 from state revenues. The 2006 Legislature replaced local revenues (Maintenance & Operations property taxes) with state general fund revenues beginning with the 2006-2007 school year. School districts and charter schools also received salary and benefit (employer obligations for retirement and FICA) apportionment based on support units, and the experience and education of staff hired. The estimated average amount of salary and benefits distributed is \$63,580.

Illinois

General State Aid is the primary state grant, providing unrestricted grants-in-aid to Illinois School districts in an equitable manner. The grant has two components; a foundation level formula and a poverty grant formula. Beginning in FY 1999 Illinois implemented major revisions to their GSA formula.

We have 3 formulas: Foundation, Alternate Method and Flat Grant. In FY 15 the foundation level is \$6,119. Districts that have available local resources per pupil equal to less than 93% of the foundation level are Foundation districts and receive the difference between the foundation level and their available local resources per pupil.

Districts that have 93% but less than 175% of the foundation level in available local resources per pupil are Alternate Method districts and they receive 7%-5% of the foundation level, according to their available local resources per pupil.

Flat Grant districts have 175% or more of the foundation level in available local resources per pupil and they receive \$218 per pupil.

Indiana

The Indiana General Assembly revisits the school distribution formula in its budget making sessions, on odd years. The 2015 session will be a budget making session and the General Assembly will both enact legislation to enumerate the formula and its various components and provide appropriations for the 2015-2016 and 2016-2017 state fiscal years. Due to the fact that the formula for each of these two fiscal years build from previous year data, the narrative that follows reflects the formula for both the 2013-2014 (FY 2014) and 2014-2015 (FY 2015) distribution. Beginning July 1, 2013, the Indiana General Assembly moved from a calendar year to a fiscal year formula for school corporations.

Total Tuition Support: The following summary includes the grants that comprise state tuition support funding for FY2014 and FY2015 and is the addition of these components in for each school corporation, charter school, and virtual charter school as they apply.

- Basic Tuition Support
- Honors Diploma Grant
- Special Education Grant
- Vocational Education Grant
- Complexity Grant
- Full day kindergarten Grant

The Department computes state tuition support for each school corporation and charter school based on the variables described below. Accordingly, it is not possible to provide examples of these calculations applicable to school corporations, charter schools and virtual charter schools. Further, input variables are subject to change due to modifications in student count variables, or reductions made by the Department of Education required by statute to preclude overspending either the fiscal year appropriation or a state ordered reduction. At the end of the state tuition support section is a brief discussion pertaining to the fiscal year cap.

In its simplest form, the state tuition support formula determines the gross amount of state revenue for each school corporation, charter school, and virtual pilot school.

Definitions and Formula Components:

Average Daily Membership (ADM): The Average Daily Membership is a count of students enrolled for Kindergarten through Grade 12 in Indiana public school corporations and all charter schools on a particular day. Kindergarten students are counted as one-half (1/2) ADM. The ADM is the sum of students considered resident attendees, transfers out, cash transfers, state obligations, placements in and dual enrolled.

Beginning in FY2014, the state tuition support formula used two membership counts to determine grant funding for basic tuition support, complexity and full day kindergarten. The first is called the fall membership count, which is taken in September, and provided funding for the

period of July through December. The second is the spring membership count, which is taken in February, and provides funding for the period of January through June. Because an updated membership count is not known for the July payment of the fiscal year, school corporations and charter schools provide an estimated membership count for which payments are based until actual counts become available.

For funding purposes, a career and technical education count is taken annually, the second Friday after Labor Day as established by the State Board of Education. In addition, a special education count is required December 1 (used for funding purposes) with another count on April 1. The April 1 special education count is for informational purposes only and is not used for funding. Indiana law provides that a charter school is a public school.

Basic Tuition Support Formula Calculations: Unless otherwise noted, the following formula calculations apply to both school corporations and charter schools.

PREVIOUS YEAR REVENUE

Selected state revenues establish a revenue base to determine the ensuing years funding. For FY2014, Previous Year Revenue, reflected the July to December 2012 Basic Tuition Support actually received plus the January to June 2013 Basic Tuition Support actually received. As part of the previous year revenue calculation for FY2014, the calculations determine the fiscal year distribution amount associated with the complexity index calculations from the calendar year 2012 and calendar year 2013 tuition support worksheets. By determining the amount associated with the complexity index, that amount is subtracted from the actual previous fiscal year basic tuition support to determine previous year revenue. Unless otherwise specified all calculations were round to two places. For FY2015, previous year revenue is the amount of actual basic tuition support received in FY2014 (July 1, 2013 through June 30, 2014).

Charter schools in the first year of operation outside of Marion County are funded based on the transition to foundation amount for the public school corporation where the charter school is located and do not have a previous year revenue. Charter schools in the first year of operation in Marion County use a weighted average of the transition to foundation funding from the school corporation where the student has legal settlement.

ADJUSTED AVERAGE DAILY MEMBERSHIP (ADM) FOR 2013-2014 and 2014-2015

The ADM counts are currently taken twice a year, in February and September. Starting with the FY2014 school funding formula, the fall (September) count was used for July-December state tuition support funding calculations and the spring (February) count for January-June funding calculations. School corporations, virtual charter schools, and charter schools submitted an estimated ADM and FDK count that was used until the September count was final. For FY2014 state tuition support, the estimated count was collected in June 2013. For FY2015 basic tuition support, the Department collected an ADM and full day kindergarten estimate in May 2014. In FY 2014 and FY 2015, for the purposes of calculating tuition support, the February count cannot be less than 90% of the September count of the previous year, regardless of the actual amount of February count.

Beginning with FY2014, adjusted ADM was dependent on the period for which basic tuition support is being calculated. Both counts will be used to determine funding for the applicable six month period. This same methodology is in place for FY2015 too.

TRANSITION TO FOUNDATION REVENUE

The transition to foundation revenue calculation determines the total state dollars generated by the formula, excluding categorical funding for honors grant, special education, career and technical education, complexity index and full day kindergarten. A calculation is made to determine the foundation amount per pupil for each individual school corporation and charter school. Additionally, a foundation amount is calculated for virtual charter schools as part of determining the foundation amount used in the calculation of a virtual charter school's tuition support.

A charter school in the first year of operation in FY2014 that was located outside Marion County used the foundation amount per ADM for the public school corporation in which the charter school was located to compute total basic tuition support revenue. For Marion County charters, in the first year of operation for FY2014, it was a weighted average of the funding from the public school corporation where the student resided.

Transition to Foundation Revenue Calculation: A calculation is made to determine the transition to foundation amount per pupil for each individual school corporation and charter school by calculating a foundation funding amount, and the transition to foundation per ADM. In FY2014, transition to foundation revenue is defined as the per pupil foundation funding amount multiplied by the current (fall) 2013-2014 adjusted ADM for September and also the current (spring) 2013-2014 adjusted ADM for February to determine basic tuition support for FY2014 and by the current (fall) 2013-2014 adjusted ADM for September and also the current (spring) 2013-2014 adjusted ADM for February to determine basic tuition support for FY2015.

The calculation considers:

1. Previous year revenue per adjusted ADM
2. Transition to Foundation per adjusted ADM
3. Current (fall or spring) ADM

Transition to Foundation Calculation: The transition-to-foundation computation is changed for school corporations and charter schools transitioning down to foundation. School corporations and charter schools continued to transition down to foundation over 5 years in FY2014 and over 4 years in FY2015. The foundation amount is multiplied by the number of students to calculate basic tuition support.

Reconciliation: When the Department finalizes the September ADM count, the remaining tuition support distributions for November and December will be adjusted to reflect any overpayment or underpayment in the July through October tuition support distributions. When the February 2015 ADM counts are final, the Department will recalculate and adjust positively or negatively the remaining tuition support distributions to effect the change in January to June 2015 funding of FDK.

VIRTUAL CHARTER SCHOOLS

Beginning with FY2014, Virtual Charter Schools are funded at 90.0% of the charter schools foundation amount (\$4569) in the same fiscal year multiplied by the Virtual Charter schools September (fall) ADM for the period of July to December and February (spring) ADM for the period of January to June. The same held true for FY2015 using a foundation amount of \$4587. In order to determine the foundation amount, virtual charter schools must use part of the basic tuition support calculation. The funding continues at the 90% level in FY2015.

In addition to special education grants, virtual charters are also eligible for Career and Technical Education, Honor grants, Complexity, and Full-day kindergarten grants.

Reconciliation: When the Department finalizes the September ADM count, the Department adjusts the remaining virtual charter tuition support distributions for November and December to reflect any overpayment or underpayment in the July through October tuition support distributions. When the February FDK count of the ensuing year is final, the Department recalculated and adjusted positively or negatively the remaining virtual charter tuition support payments positively or negatively to effect the change in January to June 2014 virtual charter funding. The same process occurs as part of the FY2015 school funding formula.

SPECIAL EDUCATION GRANT

School corporations and charter schools are entitled to receive a grant for special education programs. The special education grant is based on a count of students who are enrolled in special education programs on December 1 of the current fiscal year. The enrollment of December 1, 2013 was used in the FY2014 funding formula and the enrollment of December 1, 2014 will be used for the FY2015 funding formula. Additionally virtual charter schools are eligible to receive special education funding in both FY2014 and FY2015 using the same formula as school corporations and charter schools.

The grant is the sum of multiplying the count of enrolled students by the following:

- \$8,350 multiplied by the unduplicated count of students with severe disabilities.
- \$2,265 multiplied by the unduplicated count of students with mild and moderate disabilities.
- \$533 multiplied by the duplicated count of students with communication disorders.
- \$533 multiplied by the duplicated count of pupils in homebound programs.
- \$2,750 multiplied by the special preschool education program pupil count.

The same per pupil program dollar amounts are used for both FY2014 and FY2015.

Reconciliation: If an overpayment occurs, the Department will decrease the February through May special education payments to effect the change. If an underpayment occurs, the Department will increase the February special education payment to effect the change in the special education grant.

COMPLEXITY GRANT

The funding associated with the complexity index is computed as a separate Complexity Grant in FY2014 and FY2015. The free and reduced lunch percentage used in the FY2014 formula was updated to the 2012-2013 school year percentage of students eligible for free or reduced lunch.

Additionally, it was only used in the FY2014 formula. In the FY2015 complexity formula, it was replaced by the percentage of students receiving free textbooks during the 2013-2014 school year. The foundation grant increased from \$4,569 in FY2014 to \$4,587 for FY2015. The second tier calculation of the complexity index is increased from 1.33 in FY2014 to 1.35 in FY2015.

Both a current September (fall) ADM and current February (spring) ADM were used in the complexity grant formula for FY2014 and FY2015. The Complexity Grant uses two counts for fiscal year funding. For FY2014, the percentage of the school corporations' students eligible for free or reduced lunch in the 2012-2013 school year divided by two (2) is rounded to four places with the result not being less than zero. If the result of the addition is equal to or greater than .33 in FY2014, it was adjusted by subtracting .33 from the result and adding back the difference in FY2014. This result was then multiplied by the FY2014 foundation amount of \$4569. The grant calculation then multiplied this amount by the current adjusted September (fall) ADM and divides by two (2) to determine the July to December complexity grant. The grant calculation multiplied the foundation amount by the current adjusted February (spring) ADM and divided by two (2) to determine the January to June complexity grant. The sum of these two results was the fiscal year complexity grant.

Reconciliation: When the Department finalizes the September ADM count, the remaining complexity grant payment distributions for November and December were adjusted to reflect any overpayment or underpayment in the July through October complexity grant distributions. When the February 2015 ADM count is final, the Department will recalculate and positively or negatively adjust the remaining complexity grant distributions to effect the change in January to June 2015 funding.

FULL DAY KINDERGARTEN (FDK) GRANT

Added to the state tuition support formula for FY2014 and FY2015 was the full day kindergarten grant. The FDK grant will use a September (fall) count for July to December funding and the February (spring) count for January to June funding. The grant was \$2448 per student for FY2014 and is \$2472 per student for FY2015 funding. For purposes of the FDK grant, kindergarten students are counted as one (1).

Previously the full day kindergarten grant was outside of state tuition support and a flat amount of \$2,400 per eligible student was paid to school corporations and charter schools in December. Because full day kindergarten is a grant within state tuition support, payments are made according to a schedule provided by the State Budget Director. In 2013, the Department distributed \$190,228,800 for 79,262 full day kindergarten students.

Reconciliation: When the Department finalized the September (fall) FDK count, the remaining FDK grant payments for November and December were adjusted to reflect any overpayment or underpayment in the July through October FDK grant payments. When the Department finalizes the February (spring) FDK count, the remaining FDK grant payments during the six month period will be positively or negatively adjusted to reflect any overpayment or underpayment in the FDK grant distributions.

STATE TUITION SUPPORT FISCAL YEAR CAP

The Department monitors the total state tuition support spent for FY2014 and FY2015 to ensure total payments do not exceed funds available. For calculations that result in funding that exceeds the cap, the Department adjusts the state tuition support funds received by school corporations and charter schools to remain within the applicable fiscal year cap.

Iowa

This is a foundation program based on FTE pupil units. The state guarantees 87.5% of the state cost per pupil, which is \$6,366 per pupil from a combination of state aid and a uniform local property tax levy (2014-15). State aid is the difference between a district's total foundation cost and the amount a school district raises from the uniform property tax levy of \$5.40 per \$1000 of taxable valuation. The foundation program allows districts to levy an additional property tax for the difference between the 87.5% foundation guarantee and 100% of the district's cost per pupil. Every district's cost per pupil is between 100% and 105% of the state cost per pupil (\$6,366 in 2014-15). The rate of growth in the state per pupil cost is set as a percentage annually by the legislature. The calculated dollar growth in the state per pupil cost is added to each district's per pupil cost.

Kansas

The general funding formula provides base state aid per pupil (BSAPP) of \$3,852 in 2014-15. Regular enrollment is adjusted to reflect additional costs associated with serving certain pupil populations, transporting pupils, operating smaller and larger enrollment school districts, and adding and operating new school facilities (two provisions). There is also a "decreasing" enrollment factor. State aid is determined by taking the general fund and subtracting local tax revenue. The difference between the general fund and those revenues is the amount of state aid. Local option budgets are matched by the state up to 81.2% of assessed value per pupil with certain restrictions.

Kentucky

SEEK Program

Support Education Excellence in Kentucky (SEEK) is the funding formula developed as part of the 1990 Kentucky Education Reform Act (KERA). A base funding level defined in KRS 157.320(2) guarantees an amount of revenue per pupil to be provided for regular operating and capital expenditures (\$3,911 for 2014-2015, \$3,981 for 2015-2016). According to KRS 157.360, each school district's **base funding level** is adjusted by the following factors:

- a. The number of at-risk students identified as those approved for the free lunch program. The prior year average daily membership number of students approved for free lunch is multiplied by 15% of the base funding amount;
- b. The number and types of exceptional children as defined by KRS 157.200 based on the prior year December 1 child count. Specific weights for each category of exceptionality are used to calculate the add-on factor for exceptional children. Weights and corresponding categories of exceptionality are as follows:

Low Incident Disabilities, 2.35 weight - Functional Mental Disability, Hearing Impairment, Emotional-Behavioral Disability, Visual Impairment, Multiple Disabilities, Deaf-Blind, Autism, and Traumatic Brain Injury;

Moderate Incident Disabilities, 1.17 weight - Mild Mental Disability, Orthopedic Impairment or Physically Disabled, Other Health Impaired, Specific Learning Disabilities, and Developmental Delay;

High Incident Disability, 0.24 weight - Communication Disorders of Speech or Language;

- c. *LEP* (Limited English Proficiency, 0.096 weight for 2014-15 and 2015-16).
- d. Transportation cost as calculated under the provisions of KRS 157.370;
- e. The number of home and hospital students in average daily attendance as calculated under the provisions of KRS 157.270. The number of home and hospital students in average daily attendance in the prior year is multiplied by the base funding amount less the capital outlay allotment.

A guarantee of a minimum level of local support is generated by a required local effort of 30 cents per \$100 assessed property valuation (KRS 160.470(9)(a)).

A *two-tier system* allows school districts to exceed the required minimum level of local support (KRS 157.440):

- a. *Tier I* - allows school districts to levy an equivalent tax rate which will raise revenue up to 15% above the adjusted SEEK base. The local effort is equalized at 150% of the statewide average per pupil assessed property valuation. This levy is not subject to hearing or recall.
- b. *Tier II* - allows additional levies to produce up to 30% above the adjusted SEEK base plus Tier I. Tier II revenue is all local funds and is not equalized with state funds.

If a school district's levy exceeds Tier I and exceeds the limits of subsection (1) of KRS 160.470, the levy must be submitted to the voters with the following exception: Section (1)(c) of KRS 157.440 provides that a school district which was above the maximum Tier I equivalent tax rate the year before KERA (1989-90), would not be required to levy a lower equivalent rate in succeeding years.

Hold Harmless - school districts are guaranteed the same per pupil state funding as received in the 1991-92 school year. Even though a school district qualifies to be hold harmless, it could receive less total state funding than in 1991-92 if it had declining enrollment.

A school district must levy a five-cent equivalent tax to participate in the School Facilities Construction Commission (SFCC) program that provides revenue for debt service for new facilities or major renovations (KRS 157.620). The five cents is equalized when committed to debt service by the Facilities Support Program of Kentucky (FSPK) on the same basis as Tier I. (See Section V Restricted Funds/Balances, Building Fund/FSPK).

Louisiana

The Minimum Foundation Program formula determines the cost of a Minimum Foundation Program (MFP) of education in all public elementary and secondary schools and helps to allocate the funds equitably. Funding through the MFP is in the form of a block grant from the State to the city, parish, or other public school systems or schools. Local Education Agencies (LEAs) are afforded the flexibility to spend these funds as they determine to be in the best interest of the LEA while satisfying all mandated program requirements. MFP funds are intended, in combination with other funds available to the LEAs, to provide the fiscal requirements of operating a school system or school.

Components of the FY2014-15 MFP Formula:

Level 1: Cost determination and Equitable distribution of State and Local Funds

Calculate State and Local Cost Allocation

- Base per Pupil Amount for FY2014-15 is \$3,961 for each student included in the prior year February 1 enrollment, per SCR 55 - set annually by the Board of Elementary and Secondary Education (BESE) with approval of the Joint Legislative Committee on the Budget.
- Add-on weights - based on student characteristics (prior year data) recognizing the extra cost of instruction for certain categories of students or classes.
 - Low Income and English Language Learner (22%)
 - Career & Technical Education Units (6%)
 - Students with Disabilities (150%)
 - Gifted and Talented (60%)
 - Economy of Scale up to 20% (for districts with less than 7,500 students)
- Total Level 1 Cost equals the Total Weighted Student Membership count times \$3,961 per pupil.
 - Proportion Allocated to the State (65% on average)
 - Proportion Allocated to the Local School System (35% on average)
 - The targeted local contribution is based on the Local Deduction Method which establishes contribution rates for Sales and Property Taxes. In FY2014-15 the contribution rates are:
 - 16.60 millages ad valorem tax
 - .80 % sales tax

Level 2: Incentive for Local Effort

- Eligible Local Revenue - amount over Level 1 target
- Level 2 rewards systems that contribute a greater portion towards the cost of education than the amount required in Level 1 (In FY2014-15, on average, the state contributed 38.7% for each dollar identified as revenue eligible for rewards in level 2)

Level 3: Legislative Allocations

- Continuation of prior year Pay Raises (2001-02 Certificated Staff, 2002-03 Support Worker, 2006-07 Certificated Staff and Support Worker, 2007-08 Certificated Staff and Support Worker, and FY2008-09 Certificated Staff)

- Hold Harmless Funding (continuation of prior year funding for districts that would lose State aid under the revised formula)
- FY2014-15 \$100 Mandated Cost Adjustment (Support for increasing costs in health insurance, retirement and fuel)

Level 4: Supplementary Allocations

- **Foreign Language Associate Program Salary and Stipend Allocation** – Provides \$21,000 for each teacher from a foreign country assigned to teach through the Foreign Language Associate program, up to a maximum of 300 teachers per year. Provides Installation Stipends of \$6,000 to first year Foreign Associate Teachers and Retention Stipends of \$4,000 to second and third year Foreign Associate Teachers.
- **Career Development Allocation** – Provides approximately \$4,000,000 to support the development of the technical courses required for statewide credentials.
- **High Cost Services Assistance Allocation** – Provides \$4,000,000 to assist with the cost of providing services for specific students for which the costs are at least three times the amount of the most recent state average total expenditure per pupil amount.
- **Supplemental Course Allocation** – Provides \$26 per student in grades 7 through 12 of the prior year, to provide for the cost of secondary course choices specifically approved by BESE.

Maine

Beginning in 2005-06, Maine's school funding formula became an adequacy-based formula entitled Essential Programs and Services. Using a cost analysis, the State establishes the amount, level and cost of education components needed in each school to ensure all students had equitable opportunities to achieve proficiency in state learning standards. The essential programs and services allocation calculated for each depends upon student, staff and school characteristics, resulting in unique EPS foundation operating cost rates for each LEA.

By statute, the State share percentage of the total EPS foundation operating costs is 55%. Local share for each LEA is calculated based on property valuation, and local communities may choose to raise more than its required EPS foundation operating costs. The State subsidizes 100% of approved EPS special education costs for most school district, and up to 30% for minimum subsidy receiving districts.

Maryland

Effective June 1, 2002, Senate Bill 856 - Bridge to Excellence in Public Schools Act created the **Foundation Program** designed to be a shared program (50/50) with local school systems. However, the program is equalized on the basis of local wealth so that individual State/local percentages vary with the relative wealth of the jurisdiction. The minimum State share of the foundation amount that a local school system may receive is 15%. The program is funded based on the full-time equivalent enrollment as of September 30 of the prior fiscal year. The per pupil amount for Fiscal Year 2015 is \$6,860, which reflects a 0.46% inflationary adjustment from the prior year. The FY 2015 funding level for the Foundation Programs is \$3.0 billion.

Funding for the *Geographic Cost of Education Index (GCEI)*, designed to recognize the differences in the cost of providing educational services in different geographical locations, was added to State Aid to Education in FY 2009. Although funding for the GCEI program is non-mandatory, it has been fully funded since FY 2010. GCEI funding in FY 2015 is \$133 million.

A *Supplemental Grant* was calculated in FY 2009 and FY 2010. This grant was designed to provide additional funds to jurisdictions who did not receive at least a 1% increase in State Aid to Education over the prior year. Since FY 2010, the supplemental grant has been funded at the FY 2010 level. The supplemental grant funding in FY 2015 is \$47 million.

A *Guaranteed Tax Base Program* distributes State funding to local jurisdictions that 1) have less than 80% of the statewide wealth per pupil, and 2) provide local education funding above the local share required under the Foundation Program. The amount provided to each local school system is equal to the additional funding that would have been provided by the local government if the same education tax effort were made and the jurisdiction had the wealth base that is "guaranteed." Irrespective of local education tax effort, local school systems will not receive more per pupil than 20% of the base per pupil amount established in the Foundation Program. For FY 2015, the Guaranteed Tax Base Program provides \$59 million in additional funding to local jurisdictions.

A *State Aid for Local Fringe benefits* program is designed such that the State contributes on behalf of each local board of education towards the cost of pension/retirement benefits for eligible school personnel. Beginning in FY 2013, the State and local school systems share in the overall cost. This cost-sharing is being phased-in through FY 2017, at which time the local school systems will contribute the Normal Cost rate for their eligible personnel.

Massachusetts

The "Chapter 70" state aid formula provides \$4.4 billion in aid to school districts through a modified foundation program. A "foundation budget" averaging \$10,486 per pupil is calculated for each school district, based upon specific inflation-adjusted rates in fourteen enrollment categories and 11 functional areas. A methodology called "aggregate wealth" defines the target local contribution for each city and town. The target is derived by taking .3624 percent of each municipality's total 2012 property valuation, and adding 1.5113 percent of its residents' total 2011 income. These are the unique percentages which on a statewide basis yield exactly half of the contribution from property wealth and half from income. State "foundation aid" makes up the difference between a district's target contribution and its foundation budget. On average, aid pays for 38.7 percent of foundation budgets, but the range varies from 14 percent to 98 percent.

Michigan

The State of Michigan no longer uses the "millage equalizing" formula based on school finance reform passed in 1994 and first implemented in 1995. Each district was assigned a per pupil foundation grant based on their combined 1994 state and local revenue per pupil. Districts with lower foundation grants received larger annual increases than those with higher initial foundations. The lowest foundation in 2014-15 is \$7,126. In most cases the state school aid per pupil is equal to the district's foundation allowance per pupil minus its local school operating tax

per pupil. School operating taxes in most cases are equal to 18 mills assessed to the district's non-homestead property.

Minnesota

General education foundation program based on weighted pupils in average daily membership (ADM). Part-time kindergarten pupils are weighted at 0.55, full-time kindergarten pupils are weighted at 1.0, pupils in grades 1-6 at 1.0, and secondary pupils (grades 7-12) at 1.2. A district's general education revenue equals the sum of its basic, declining enrollment, compensatory, English learner, extended time, sparsity, transportation sparsity, operating capital, gifted & talented, equity, location equity, and transition revenues. Basic revenue equals \$5,831 times weighted ADM.

School districts are required to levy for a portion of general education revenue. The basic general education levy ("student achievement levy") serves as the local portion of the basic, declining enrollment, compensatory, EL, extended time, sparsity and transportation sparsity revenues. Separate levies are made for a portion of operating capital, transition, and location equity revenues. If a district levies less than the maximum amount for these categories, the corresponding state aid is reduced proportionately.

Mississippi

The Mississippi Adequate Education Program Act (MAEP) was enacted in 1997. The MAEP is a funding mechanism that is based on the following formula:

1. $(\text{ADA for K-12 excluding self-contained special education}) \times \text{Base Student Cost} + \text{At-Risk Component} - \text{Local School District Contribution} + \text{\& 6\% Guarantee} = \text{MAEP Formula Allocation}$
2. The Base Student Cost Calculation utilizes data from schools that are considered to be successful and efficient. The State Board of Education uses current statistically relevant data to identify successful schools; criteria for efficient schools include (a) number of teachers per 1,000 students, (b) administrator/staff ratio, (c) maintenance staff per 100,000 square feet and operation and maintenance expenditures per 100,000 square feet, and (d) librarians and counselors per 1,000 students.
3. To provide stability in state and local appropriation and budgeting processes, the Base Student Cost is calculated every four years rather than each year, and an inflation component of 40% of the Base Student Cost times the current CPI shall be used.
4. MAEP formula includes a provision that ensures that a district receives a formula allocation of at least what the district received in 2002 plus & 6%.
5. Add-on program amounts are calculated separately and combined with the MAEP formula amount to arrive at a district's total funding allocation.

Missouri

The state of Missouri has a new foundation formula effective with the 2006-07 year that is student needs based rather than tax-rate based. This new formula is based on the average current expenditure per average daily attendance of local and state dollars in those districts meeting all performance standards established by the Missouri State Board of Education (SBE). It is designed to assure that all districts have at least this "state adequacy target" of money behind

each child if the district chooses to have a tax levy equal to or greater than the performance tax levy set by the legislature at \$3.43. For 2006-07, the state adequacy target is \$6,117 per weighted average daily attendance. This amount will be recalculated every two years.

Weighted Average Daily Attendance includes average daily attendance of the regular school term and the summer school term plus weighting for Free or Reduced Lunch eligible students, Special Education students and Limited English Proficient students when the district's count of these student populations exceeds the average percentage (threshold of the districts meeting all performance standards established by the SBE).

The product of the state adequacy target and weighted average daily attendance is then multiplied by a variable labeled the Dollar Value Modifier (DVM). The DVM was designed by the legislature to reflect the relative purchasing power of a dollar as related to wage data for metropolitan, micropolitan and county areas available from the U.S. Department of Commerce, Bureau of Economic Analysis. From the products of these calculations is subtracted the amount of local effort for the 2004-05 school year. The local effort amount in the formula calculation is fixed for the life of the formula with two exceptions. If a district's assessed valuation decreases below the 2004 valuation, the lower valuation will be used in the local effort calculation. Likewise, if a district's revenue from Fines increases, the higher Fines amount will be used in the local effort calculation.

The remaining amount is the initial calculation of state money to the district. This formula will be phased in over seven years beginning in 2006-07. The initial calculation is then adjusted for the phase-in provisions and hold harmless provisions.

For details of Missouri's formula, please refer to Chapter 163 of the Revised Statutes of Missouri. The website for Missouri's statutes is: <http://www.moga.mo.gov/STATUTES/C163.HTM>

Montana

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, data for achievement ,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 2014-2015, the basic entitlements for elementary, middle school and high school districts were \$40,000, \$80,000 and \$290,000, respectively. For elementary districts with an Average Number Belong (ANB) greater than 250, an additional basic entitlement of \$2,000 is paid for each additional 25 ANB above 250. For middle school districts with an ANB greater than 450, an additional basic entitlement of \$4,000 is paid for each additional 45 ANB above 450. For high school districts with an ANB greater than 800, an additional basic entitlement of \$12,000 is paid for each additional 80 ANB above 800. The per-student entitlements were approximately \$5,226 for elementary students and \$6,691 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 100% of the 4 additional funding components. Beginning in FY 2015, the 2013 Legislature provided a new revenue source, the Natural Resource and Development K-12 (NRD) Funding payment. The NRD funding payment is distributed to each school district based on the ratio that each district's direct state aid bears to the statewide direct state aid for all schools.

The legislature appropriated \$3 million for FY 2015. In subsequent years, the minimum NRD funding payment is to be calculated by the OPI as the amount needed to prevent a statewide increase in BASE budget levies associated with inflationary increases in the basic and per-ANB entitlements. The total NRD funding payment is limited to the greater of 50% of the FY 2012 oil and natural gas production taxes deposited into the state general fund or 50% of the oil and natural gas production taxes deposited into the state general fund in the two years prior plus any excess interest and income appropriated by the legislature to be distributed through the NRD funding payment.

Nebraska

Needs – Resources = Equalization Aid \Rightarrow Formula Needs

1. The fall membership count of students is adjusted by the average ratio of average daily membership (ADM) to fall membership from three prior years for the certification of state aid; and ADM for the final calculation of state aid.
2. Formula students include students educated by the district and students for which the district pays tuition. Kindergarten student that attend school less than 400 hours per year are counted as .5. Formula students also includes four year old students in qualified early childhood programs multiplied by the ratio of planned instructional hours of the program divided by 1,032 hours then multiplied by .6.
3. Basic funding is determined based on a comparison group that is established for each district consisting of the ten larger districts that are closest in size to the district and the ten smaller districts that are closest in size to the district as measured by formula students. The highest two spending districts and lowest two spending districts are eliminated with the remaining 17 districts spending being averaged to determine basic funding.
4. Basic funding is adjusted by adding Allowances and Adjustments. Allowances are district specific and will increase needs for that district but allowances do reduce the basic funding for all school districts in the comparison group (as Basic Funding is an average). Adjustments are added- on or subtracted from the individual districts' needs.

a. Poverty Allowance is calculated by taking the lesser of the maximum poverty allowance designated by the district or by the calculated amount based on the number of low income students (progressive percentages between .05 and .30 multiplied by students qualified for free lunches/milk or low income children under 19 years of age living in a household having an annual adjusted gross income equal to or less than the maximum household income that would allow a student from a family of four people to be a free lunch or free milk student, whichever is greater). If school districts do not expend at least 117.65% of the allowance in the year provided future need calculations will be reduced. If school districts do not spend at least 50% of their allowance in the year provided they will not be eligible for the allowance two years later.

b. Limited English Proficiency (LEP) Allowance is calculated by taking the lesser of the maximum LEP allowance designated by the school district or a calculation based on the number of LEP students. If school districts do not expend at least 117.65% of the allowance in the year provided future need calculations will be reduced. If school districts do not spend at least 50% of their allowance in the year provided they will not be eligible for the allowance two years later.

c. Focus School & Program Allowance for in schools in a learning community and the allowance is based on the number of students in the Focus School. (Currently there is only one learning community in Nebraska and it includes 11 school districts in the Omaha metropolitan area. Learning Communities were established by statute in 2006. The Nebraska statutory references are in sections 79-2101 to 79-2120).

e. Summer School Allowance is calculated based on the number of students attending summer school for at least 12 days for at least three hours per day but less than six hours per day. Additional weights are given to summer school students that are in remedial math or reading, and for each summer school student that qualifies for free lunch or milk services. Schools receive the lesser of the calculated amount or what they actually spent for summer school.

f. Special Receipts Allowance includes district specific special education, state ward, and accelerated or differentiated curriculum program receipts from the most recently available complete data year.

g. Transportation Allowance is the lesser of actual transportation expenditures from the most recently available complete data year or a calculated transportation expenditures based on regular route miles and mileage paid to parents.

h. Elementary Site Allowance is calculated for any district that has multiple elementary attendance sites that are not within seven miles of another attendance site or is the only public elementary attendance site located in an incorporated city or village.

i. Distance Education & Telecommunication Allowance is calculated by taking the difference of 85% of a school district's telecommunication cost, the cost for accessing

data transmission networks and the cost of transmitting data minus receipts from the Federal Universal Services Fund (e-Rate).

j. Instructional Time Allowance is calculated if an individual school district provides more than 175 days of instruction. If a district qualifies they receive a portion of \$10 million allocated based on number of days over 175 and number of formula students.

k. Teacher Education Allowance is available to school districts that have teachers with a master or doctorate degree. The calculation is based on an individual district's percentage of teachers with a masters or doctorate degree compared to the state with \$15 million being allocated for this purpose.

l. System Averaging Adjustment is available to school districts with over 900 formula students when their basic funding per formula student is less than the statewide average basic fund per formula student for districts with more than 900 formula students and with a levy of at least \$1.00 per \$100 of valuation. The calculation is based on the number of formula students and the difference between the district's basic funding per student and the statewide average for districts over 900 formula students.

m. Two-Year New School Adjustment is available to school districts that add buildings to the district that would increase the school district's student capacity. The calculation is based the district's basic funding per formula student times a percentage of the estimated increase in student capacity.

n. Student Growth Adjustment is calculated for school districts that have student growth of at least one percent or 25 students. The calculation is based on the basic funding per formula student multiplied by the number of increased students.

o. New Learning Community Transportation Adjustment is available to school districts in a learning community (see d. above) for two years. The calculation is based on each school district's estimate of their increase transportation cost as required by the learning community. The actual costs are reported and any necessary adjustments are made to future needs.

5. Needs Stabilization is calculated so that the needs of a school district will not be less than 100% of the needs as calculated for the previous year.

⇒Formula Resources:

1. Yield from Local Effort Rate (adjusted valuation provided by the Property Tax Administrator divided by 100 multiplied by the Local Effort Rate of \$1.00).

2. Net Option Funding is calculated by taking the net enrollment option students (students opting into the district minus the students opting out of the district) and multiplying by the statewide average basic funding per formula student.

3. Allocated Income Tax Funds (a percent calculated annually of the net Nebraska income tax liability of each school district's resident individuals).
4. Minimum Levy Adjustment (applied to any system that has a general fund common levy that is less than \$0.95 [ten cents below the \$1.05 maximum levy]).
5. Other Actual Receipts from the most recently available complete data year which include general fund state, county and local receipts.

Nevada

Foundation program based on weighted apportionment student count. This weights students for pre-K and K at 60%. State pays for Nevada resident students wherever educated, but not out-of-state students, hence funding adds in students being educated in adjoining states but deducts student counts of non-resident students. Basic aid in 2011 is \$5,192; in 2015 it is \$5,676. Funding ranges from \$5,179 to \$18,799 in 2011; for 2015, the range is \$5,527 to \$15,590. Differences are based on relative costs (licensed staffing costs, classified staffing, operating and equipment expenses on per student basis), relative transportation costs, and relative wealth adjustment for local tax receipts. The state guaranteed consists of state portion and two local taxes, the 1/3 public schools operating property tax (PSOPT) or 0.25/\$100 AV) and the 2.25%, (2.60% for 2015, but may sunset back to the 2.25% in 2016) of sales taxes referred to as the local school support tax (LSST). The state portion makes up for any shortfalls in the two local taxes. Wealth adjustment is based on "outside" revenues of 2/3 PSOPT (0.50/\$100 AV), governmental services tax, franchise fees, and unrestricted federal revenues.

New Hampshire

NH Department of Education, Office of the Commissioner, November 15, 2013

In the 2012 legislative session, SB401FN amended the formula for the calculation and distribution of Adequate Education Aid. Included in the Senate Bill was the definition of "determination year" for the purpose of calculating Adequate Education grants. It also authorizes the Commissioner of the Department of Education (**see RSA 198:42 I - Distribution Schedule of Adequate Education Grants**) to make adjustments in Adequate Education grants based on variation in the average daily membership data. These changes took effect with 2013-2014 school year. As such, please know these are strictly estimates. The Adequate Education Aid will be calculated at least four times.

1. These estimates are being calculated using the 2012-13 ADM data and include the change in Fall Enrollment between 2012-13 and 2013-14. This estimate will be used to pay the first two payments in 2014-15.
2. The Adequate Education Aid will be recalculated prior to the third payment in January 2015. At this time aid will be calculated using the 2013-14 ADM.
3. Prior to the fourth payment in April 2015, any corrections made to 2013-14 ADM reporting will be used and Adequate Education Aid will be recalculated a third time.
4. Finally, any changes made to ADM reporting after the April payment but before the end of the school year, June 30, 2015, will be used for a final calculation of Adequate Education Aid. Any changes identified as part of this final calculation will be used to adjust the first payment in 2015-16.

RSA 198:38 through 198:41 and RSA 198:46 as amended, specify how aid will be calculated and distributed.

Cost of an Opportunity for an Adequate Education

Students:

These Estimated Cost of an Adequate Education has been calculated using FY2013 (**2012-13 school year as compiled on October 18, 2013**) data for students in grades kindergarten through grade 12 who were legal residents of New Hampshire. Additionally, the base ADM was adjusted in proportion to the change in enrollment from Oct 1, 2012 to Oct 1, 2013. Student ADM was included based upon the following parameters:

- Attended a school operated by their resident district
- Were tuitioned by the resident district to a district operated school in NH or another state, or
- Were tuitioned by the resident district to a non-public school, such as a special education program.
- Were home schooled. Even those taking a few courses at a public school are not included.
- Preschool students are not included.
- The cost for students attending charter schools is addressed in RSA 194-B:11.

Average daily membership (ADM) has been used to count the students. A full time equivalent student who is enrolled in school for the entire year has an ADM of 1.00 and a student who transfers between schools is counted as a fractional ADM at each school. Kindergarten students are counted as no more than .50.

As described above, with the passage of SB401, the 2013-14 ADM will be used to determine the final Adequacy payments for the 2014-2015 school year. Since the ADM will not be known until after the 2014-15 school year begins, adjustments to these estimates will be made during the 2014-15 school year.

Additionally, SB372 has established an education tax credit that can be used to pay for non-faith based private school and home school scholarships. Seventy percent of these scholarships during the 2014-15 school year must reduce the adequacy grants to towns. Therefore, further adjustments to these estimates will be made, as necessary, during the 2014-15 school year to reflect scholarship grants.

Cost of Adequacy by Municipality:

The Department of Education calculates the Cost of Adequacy for students in each district-operated public school in NH and for students who attend certain other schools, such as privately operated special education programs or public schools in bordering states. The Department then sorts the student ADM and their cost allocations by municipality of residence.

The base per pupil cost is \$3,498.30 per ADM-R, but certain individual factors (differentiated aid) increase that cost per student. These factors and rates are as follows:

- \$1,749.15 for a free and reduced-price meal eligible student
Free and reduced-price students are identified as any student enrolled in the Oct 1 Fall collection and identified in the related i4see:F&R collection.
- \$1,881.98 for a special education student
Special Education students are identified in the i4see:Sped Public submission.
- \$684.45 for an English Language Learner receiving English Language instruction
ELL students are identified in the ESOL Fall data collection.

- o \$684.45 for each 3rd grade pupil who has not tested at proficient level or above in the reading component of the state assessment and who is not eligible to receive additional aid as a special education, English as a second language, or free or reduced-price meal eligible student. Grade 3 students who do not take NH assessment test are also excluded.

Statewide Education Property Tax Assessment:

In December, the Department of Revenue Administration notifies each municipality of the amount it must raise through the Statewide Education Property Tax (SWEPT) for the following school year. The Department first determines the rate needed to raise approximately \$363 million statewide. When applied to April 1, 2012 equalized valuations without utilities, the rate is \$2.48 per thousand. Each municipality must raise its proportional share of the total. The process is described in RSA 76:3 and RSA 76:8. Municipalities send the revenue raised by the Statewide Education Property Tax directly to school districts. Within cooperative districts the amount raised is credited to the individual towns.

Determination Preliminary Grants:

Each municipality's grant is determined by adding the base cost and any relevant factors to determine the Cost of Adequacy Aid, then subtracting the Statewide Education Property Tax assessment.

Determination of Estimated Adequate Education Grants for FY2015:

Beginning July 1, 2013, the Department of Education will distribute a total education grant to each municipality in an amount equal to the total preliminary grant for the fiscal year plus the amount of the fiscal year 2012 stabilization grant, if any, distributed to the municipality. Please note, the 2012 Stabilization grant was recalculated base upon corrections to account for changes in reporting ADM and inclusion of all ELL students in grades K-12. This did not have any impact on the 2012-13 payments, but does impact the 2013-2014 and future Adequacy Education Payments.

Beginning July 1, 2013, the Department of Education will not distribute a total Adequate Education grant on behalf of all pupils who reside in a municipality that exceeds 108% of the total education grant distributed to such municipality in the previous fiscal year, FY2014(as of 11-07-13.) Because the FY2014 data has not yet been finalized the impact of the 108% will be recalculated prior to the January 2015 payment.

Districts will receive 70% of the estimated grant using the estimated 2013-14 ADM. Once the 2013-14 ADM has been finalized, Adequate Education Aid will be recomputed using the prior year ADM (13-14). The Commissioner will adjust the January and April payments to reflect the actual 13-14 ADM as well as changes due to the Education Tax Credit scholarships.

The Commissioner of DOE shall adjust the April Adequate Education grant disbursement to the extent necessary to ensure that the total education grant for each school district is within 5 percent of the school district's estimated total education grant amount release on November 15, 2013.

Grant Payment Schedule:

Grant payment schedule is 20% by September 1, 20% by November 1, 30% by January 1, and 30% by April 1.

New Jersey

The current school funding formula was established with the passage of the School Funding Reform Act of 2008 (SFRA) and was first used for funding districts in the 2008-2009 school year. It is a foundation formula based on projected weighted enrollment.

Equalization Aid provides wealth-equalized foundation aid to school districts with the intent of ensuring that districts have sufficient resources to provide a “thorough and efficient” education. The State sets an annual uniform per pupil foundation amount, which is multiplied by the weighted resident enrollment for each district to determine the “adequacy budget.” Districts that cannot fund the adequacy budget through their local levy receive equalization aid in proportion to their ability to pay. The latter is determined based on districts’ per pupil equalized property value and per pupil income.

In fiscal year 2015, funding for most state aid categories was held constant from FY 2014 when the per pupil foundation amount was \$11,009. The foundation amount is adjusted for grade level differences as follows: half-day Kindergarten = 0.50; full-day K through grade 5 = 1; grades 6 through 8 = 1.04; grades 9 through 12 = 1.16. In addition, the formula applies a higher weight for county vocational students (1.26), for low-income students (using the income thresholds for free and reduced-price lunches), and for students with limited English proficiency. The low-income (at-risk) and LEP weights are described in more detail below.

The SFRA was fully funded in FY 2009. Since then, the state’s ability to implement the new formula has been impaired by fiscal constraints. While the state has continued to use the formula, aid allocations have been appropriated according to available revenues.

The SFRA was fully funded in FY 2009. Since then, the state’s ability to implement the new formula has been impaired by fiscal constraints. While the state has continued to use the formula, aid allocations have been appropriated according to available revenues.

New Mexico

Foundation program based on weighted pupil units is MEM. The guarantee per weighted pupil is \$4,005.75 for 2014-2015. State foundation aid is equal to the sum of weighted pupil units times \$4,005.75 minus 75% of designated local revenues (PL874, forest reserve, and local property tax revenue).

New York

Chapter 57 of the Laws of 2007 changed the school funding system in New York by establishing a new school district foundation aid formula. The formula has four parts. First, a foundation amount is calculated based on the cost of education in successful school districts. The “foundation amount” is then multiplied by a pupil need index factor and a regional cost index factor. The foundation aid per pupil is then calculated by subtracting the anticipated local contribution from the district’s adjusted “foundation amount.” The resulting per-pupil figure is multiplied by the district’s pupil count for Foundation Aid, adjusted for enrollment growth and to provide additional weightings for certain students, including students with disabilities, recently declassified students with disabilities and summer school students.

The pupil need index reflects the added cost for students who typically require extra time and help and uses weighted factors to account for the extra costs. The weighted costs include measures of poverty, English language proficiency and geographic sparsity. The regional cost index is used to make adjustments based on regional variations in the relative cost of doing business in various labor force regions of the state as measured by the salaries of non-school professionals. The expected local contribution represents each district's fair share of education funding based on the capacity to raise revenues locally compared to the state average. Districts are given the choice of the better of a state sharing ratio (percent equalizing formula) which most districts choose or a standard tax rate per \$1,000 of Full Value adjusted by the income per pupil relative to the State average. The 2014-15 State budget includes \$15.4 billion for Foundation Aid.

The 2007 legislation also continued separate funding for regional shared services (BOCES Aid), career and technical education, school construction, pupil transportation, the education of high cost students with disabilities, instructional materials, high tax aid, charter school transition and universal prekindergarten.

North Carolina

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.

North Dakota

North Dakota adopted a new K-12 funding formula in 2013-14 designed to provide each school district with a base amount of funding to ensure an adequate education regardless of taxable valuation available in the district. The base per student rates were established at \$8,810 (2013-14) and \$9,092 (for 2014-15). A uniform local contribution from local tax sources is required with state taxes funding the remainder. Weighting factors are used to reflect additional costs of educating students based on factors such as school size, special education and limited English proficiency.

Ohio

Passage of Am. Sub. H. B. 59 of the 130th Ohio General Assembly in July 2013, authorized the state foundation program for fiscal years 2014 and 2015, based on pupil ADM and district demographic characteristics. State aid is provided to 612 public school districts, 49 joint vocational school districts, and approximately 370 public community schools. In FY 2014, Ohio General Revenue Fund and Lottery Profit spending on primary and secondary education is approximately \$7.5 billion. In FY 2015, spending will increase to \$8.3 billion.

Oklahoma

Three-tiered State Aid formula: (1) Foundation Aid, (2) Salary Incentive Aid, and (3) Transportation. Under Foundation Aid, Oklahoma currently pays \$1,614 per pupil from state and local revenues. State Aid (or money paid by the State of Oklahoma) is the difference between the Foundation Aid program cost and the local contribution. The power-equalizing program provides an additional \$73.37 per mill per pupil for 20 mills levied (Salary Incentive portion) above 15 mills (Foundation Aid portion). The State Aid formula calculates the cost to educate students based on weighted pupil units.

Oregon

In 1991, the Oregon Legislature created a new measure of financial equity for school districts. Equity for Oregon is defined as those students who have additional costs will receive additional resources so all students have the opportunity to achieve the same outcomes. Contrast this with equality, which is the same funding for every student regardless of the costs of the student. The basic level of school support, the State School Fund Formula (Formula), is divided into four grants: General Purpose Grants, Transportation Grants, High Cost Disability Grants, and Facility Grants. The Formula distributes all state revenue. Local revenue is counted in the formula but remains with the district where it is collected. The following principles guided the development of the new formula:

1. Share all school funding sources statewide.
2. Let school districts decide how to spend their allocation.
3. Create funding differences only for uncontrollable cost differences.
4. Avoid incentives for school districts to unnecessarily increase their allocation.

General Purpose Grants

These grants are based on a district's weighted student count multiplied by the funding per weight received by the district; they account for roughly 93% of the formula revenue. (This percentage can vary from year to year based on the total funding available and the amounts

devoted to the other three types of grants.) There are no constraints on how General Purpose Grant money can be spent.

- Weighted Student Counts are the sum of the General Education Average Daily Membership (ADM) count plus the additional student weights based on student and district characteristics. Each student in grades 1-12 is assigned a General Education ADM of 1.0, with kindergarten students counted at 0.50. Additional weights are then added to the General Education ADM based on student and district characteristics, resulting in a measure known as Weighted Average Daily Membership, or ADMw. A teacher experience factor of \$25 is added to, or subtracted from, the General Purpose Grant per ADMw depending on whether the district's average teacher experience exceeds, or falls below, the state average.
- The initial base value of the General Purpose Grant per ADMw was set in statute in 1991 at \$4,500. However that number is modified to ensure all funding is distributed to the school districts of the state. To get the actual amount of funding per weight, all of the weights in the state are combined and the total amount of funding available (both state and local) is divided by the total number of statewide weights. In 2012-13, the statewide average funding per weight was \$6,075.45. Each district received their weighted funding modified by their teacher experience adjustment as described above. Because the initial base value of \$4,500 per ADMw set in statute is not adjusted for inflation, current amounts per ADMw are considerably higher than the base value of \$4,500.

The weights used in the calculations for the equalization formula are listed in the following table.

Weights used in the Equalization Formula

Group	Weight	
Special Education and At-Risk		
General Education ADM	1.00	
Special Education	1.00	
English as a Second Language	0.50	
Pregnant and Parenting	1.00	
Students in poverty	0.25	
Neglected and Delinquent	0.25	
Students in foster home	0.25	
Grade and School		
Kindergarten	- 0.50	
Elementary district students	- 0.10	
Union high school district students	0.20	
Small school	Varies	

Note: Maximum additional weighting assigned to any student, beyond the General Education ADM, cannot exceed 2.00 for Special Education and English as Second Language students.

Transportation Grants

The transportation grant uses actual expenditures as the factor to adjust for different costs per student. The transportation grant reimbursement rate is 70%, 80% or 90% of approved transportation expenditures. Approved expenditures include transporting students to and from school (if over 1 mile from elementary school or 1.5 miles from high school), between schools,

on education-related field trips and for other reasons in special cases. This categorical grant is only available to reimburse for actual transportation expenditures. The highest cost districts tend to be in rural districts with a low density of students where most students ride a bus over considerable distances.

High Cost Disability Grant

This grant is awarded to districts that have students who have exceptional high costs for the provision of special education student. If an individual student has more than \$30,000 in eligible costs per year, then all of that student's costs over \$30,000 are eligible for reimbursement through this grant. High cost disability students tend to be concentrated in urban areas where medical and therapeutic services are available. The cost for their education can be dramatically higher than the revenue generated from the double weighting of these students in the school equalization formula.

The Oregon Legislature establishes the amount of the High Cost Disability Grant to be deducted from the State School Fund prior to the calculation of the General Purpose Grant. The current amount of the High Cost Disability Grant is \$18 million per year. This has the effect of reducing the Formula by \$18 million per year as well. If the total approved costs exceed available funding in any fiscal year, the department prorates the amount of money available for distribution. All districts share in the cost and those districts with students who have high cost disabilities benefit because the amount they receive through the grant offsets the loss of Formula revenue to their district.

Facility Grant

This grant was established to help districts equip new classroom space that they build. The facility grant payment is not to exceed 8% of the total construction costs of new school building costs excluding land. New buildings include additions and portable classrooms, but exclude buildings not used for some classes such as a central administration. Initially, grants to districts could not exceed \$17.5 million per biennium and were prorated if eligible costs exceeded \$17.5 million. The 2005 Oregon Legislature increased the amount to \$25 million per biennium beginning in 2007-09. In 2013, the Legislature reduced the amount in the grant to \$20 million per biennium, beginning with 2013-15.

Pennsylvania

The 2014-15 state Education budget, approved by the General Assembly and signed into law by Governor Corbett via the General Appropriation Bill and Fiscal Code, provided for approximately \$12 billion for early, basic and postsecondary education systems.

Basic Education Funding

For the 2014-15 fiscal year, each school district will receive the Basic Education Funding allocation it received in 2013-14, totaling approximately \$5.5 billion.

Rhode Island

The following responses are applicable to FY 2015. On July 1, 2011, the state implemented a new education financing formula. All previous categories of aid were suspended. The formula distributes aid on a per pupil basis and provides a core instructional amount for the basic

education program (FY 2015 = \$8,966). The formula includes one weight, called the student success factor, which is linked to poverty density and provides additional funding (40% of the core amount) to support student needs beyond the core amount. The formula distribution is shared between the state and local using a ratio that considers the municipality's ability to pay and student need. The formula also includes categorical funding for high cost special education students, career and technical education, early childhood programs, and non-public and regional transportation.

South Carolina

The goal of the South Carolina foundation program is to ensure that each student in the public schools is provided with availability to at least minimum educational programs and services appropriate to the student's needs, and which are substantially equal to those available to other students with similar needs and reasonably comparable from a program standpoint to those available to other students, regardless of geographical and local economic factors. South Carolina's public schools are funded through a foundation program that uses average daily membership (ADM) and student weights to address differences in student's needs and costs of delivering educational programs and services. The base student cost is the funding level necessary for providing a minimum foundation program. The base student cost (BSC) for 2014-15 is \$2,120 un-weighted.

South Dakota

South Dakota has a foundation formula that provides a guaranteed funding level per student. A combination of local and state funds provided \$4,781.14 per student in 2014-15. State-local share is determined by local property valuation, meaning districts with higher property values receive less state funds and rely more on local dollars.

Tennessee

Funding for Tennessee elementary and secondary public schools is calculated via the Basic Education Program 2.0 (BEP 2.0). BEP 2.0 is the funding formula utilized to ensure the adequate and equitable distribution of educational dollars sufficient to provide the basic level of education required for student success.

This legislatively mandated mechanism revises the original BEP. Public Chapter Number 369 enacted in 2007, to be phased into full implementation, amends Tennessee Code Annotated Title 49 Chapter 3. As of July 1, 2014 BEP 2.0 remains partially implemented due to funding constraints.

Revisions (when fully implemented) include:

- 75% state funding for instructional positions within the classroom component
- \$38,000 dollar value of BEP instructional positions to be adjusted in subsequent years
- Eliminates the cost differential factor from BEP formula
- Formula provides 100% funding for at-risk students (those receiving free or reduced lunch)

- provides for a 1:20 teacher/student and a 1:200 translator/student ratio for English language learner students
- Recognizes local government’s ability to generate supporting educational revenue by local sales and property taxes, with a yearly adjustment not to exceed 40%
- Local Education Agencies (LEAs) to receive at least a 25% state contribution for the non-classroom components
- Provide 50% funding for medical insurance for instructional positions.

The Average Daily membership (ADM) of the LEA is the primary determinant of the BEP 2.0 funding amount. This amount is based on the previous academic year’s ADM, the number of students qualified for Special Education Services and the number of students enrolled in Career and Technical Education (CTE) courses.

The BEP 2.0 consists of three categories: instructional, classroom, and non-classroom. The state’s average categorical yearly contribution, distributed to each school system, is currently 70%, 75%, and 50% respectively. Consequently, local government provides 30%, 25%, and 50% respectively. Although state revenue for LEAs is generated categorically by formula, school districts have the option of using these funds in other categories of expenditure.

The following table reflects components funded within each category:

Instructional	Classroom	Non-Classroom
Regular Education	K-12 At-Risk Class Size Reduction	Superintendent
CTE Education	Duty-free Lunch	System Secretarial Support
Special Education	Textbooks	Technology Coordinators
Elementary Guidance	Classroom Materials and Supplies	School Secretaries
Secondary Guidance	Instructional Equipment	Maintenance and Operations
Elementary Art	Classroom Related Travel	Custodians
Elementary Music	CTE Center Transportation	Non-Instructional Equipment
Elementary Physical Education	Technology	Pupil Transportation
Elementary Librarians (K-8)	Nurses	Staff Benefits and Insurance
Secondary Librarians (9-12)	Instructional Assistants	Capital Outlay
ELL Instructors	Library Assistants	
ELL Translators	Staff Benefits and Insurance	
Principals	Substitute Teachers	
Assistant Principals Elementary	Alternative Schools	
Assistant Principals Secondary	Exit Exams	
System-Wide Instructional Supervisors		
Special Education Supervisors		
CTE Education Supervisors		
Special Education Assessment Personnel		
Social Workers		
Psychologists		
Staff Benefits and Insurance		

The Fiscal Capacity Index is the formulaic representation of a county’s ability to generate local revenue. It is used to determine state and local funding contributions to support local education. In BEP 2.0 fiscal capacity is calculated by multiplying a county’s local sales and property tax base times the average tax rate for each base across the state. Pending full implementation of BEP 2.0 an average of the former and new fiscal capacity indices is used in the formula.

As BEP 2.0 is fully implemented, the cost of living adjustment calculated by the cost differential factor is being phased out. The cost differential factor adjusts the salary components of BEP funding in systems where the cost of living exceeds the state's average.

Texas

Texas has a two-tiered program. Tier I is a foundation program based on a basic allotment of at least \$4,765 or a greater amount as established in the appropriations process. For the 2014–2015 school year, the basic allotment is \$5,040. The basic allotment is adjusted by a cost-of-education index that reflects geographical variations in cost as they existed in 1990–1991. The basic allotment is also adjusted for district size in the case of small and mid-sized school districts. Tier I also includes allotments for low-income and at-risk, special education, bilingual education, gifted and talented education, career and technical education, and transportation. Additionally, Tier I provides a high school students allotment and the New Instructional Facilities Allotment (NIFA) that provides start-up funds for new campuses. The NIFA has not been funded since the 2010–2011 school year. Local districts contribute revenue from their tax collections at their compressed tax rate to meet the Tier I local share requirements, also known as the local fund assignment (LFA). The compressed tax rate for each district is set at two-thirds of the district's 2005–2006 adopted tax rate (see below for further explanation of the compressed tax rate). State aid for Tier I is the difference between the total cost of Tier I and the district's LFA.

Finally, additional state aid may be delivered to make sure that districts reach a hold-harmless level based on the total state and local revenue per weighted average daily attendance (WADA) that districts received before tax rate reduction. An estimated 283 districts and charter schools are projected to receive aid under this provision, known as additional state aid for tax reduction, in the 2014–2015 school year.

Tier II is a guaranteed yield program that provides enrichment for each cent of tax effort that exceeds a district's compressed tax rate. Tier II currently provides two levels of enrichment:

- The first level of Tier II provides a guaranteed yield based on the yield per WADA of the Austin Independent School District (\$61.86 for 2014–2015) for each of the first 6 pennies of tax effort above the compressed tax rate.
- The second level of Tier II is generated by the tax effort that exceeds the compressed tax rate plus six cents. For 2014–2015, the yield for the second level of Tier II is \$31.95 per penny. A maximum of 11 pennies can be levied in this tier. The total maximum enrichment tax rate is 17 cents.

The state school finance system also includes provisions for “recapturing” local tax revenue in school districts where the wealth per WADA exceeds the equalized wealth level (EWL). Different EWLs apply to different levels of tax effort. The first EWL is based on the basic allotment which allows school districts to retain revenue on a tax-base equivalent to \$504,000 per WADA. This EWL applies to the compressed tax rate. The second level of EWL exempts the next six pennies of tax effort above the compressed tax rate from any recapture provisions. Tax

effort that exceeds the compressed tax rate plus six cents is subject to recapture based on an EWL of \$319,500.

Utah

Utah's foundation program is based on Weighted Pupil Units (WPU) plus a guaranteed yield program (called Voted Local Levy and Board Local Levy programs); for FY 2014-15 the state guarantees \$2,972 per WPU except Special Education Add-on and Career and Technical Education at \$2,726 per WPU. Each school district participates in the Basic School Program (all line items of the Minimum School Program funded through Weighted Pupil Units) at the local level by levying a tax rate (called the Basic Tax Rate). For FY 2014-15 that rate is 0.00141. Statewide, the total amount of tax yield for FY 2014-15 is \$296,709,700 of the total \$2,404,364 appropriated to the Basic School Program. Pupil count is Average Daily Membership (ADM); after ten consecutive days of unknown absence, pupils are removed from membership.

Districts may vote an additional levy (Voted Leeway) of up to 0.002000 tax rate for any General Fund use; state guarantees up to 0.001600 of that tax rate yield; and for FY 2014-15 the guarantee is \$27.92 per 0.0001 of tax rate, per WPU. Those districts that yield above the guarantee formula keep the funds—there is no recapture. District Boards of Education may also levy Board Local Leeway. A school district can levy up to either 0.001800 or 0.002500, but the state only guarantees up to 0.000400. These funds can be used to fund the school districts' General Fund. The sum of the Voted and Board Local Levy tax rates for the state guarantee, must not exceed a ceiling of 0.002000. Please see Utah State Office of Education [Minimum School Program web site](#).

Vermont

Act 68 of 2003 revised Act 60 of 1997. Vermont now has a state funded educational system. A state education fund was created in Act 60 which was revised by Act 68. Revenue sources are a two part state property tax, a general fund transfer, allocations from the sales and purchase and use taxes, state lottery proceeds, and a few smaller pieces. The education fund pays categorical grants to schools such as special education and transportation and an "education spending" grant. In total it covers about 90% of all spending excluding that covered by federal sources, private foundations and other small sources.

All education fund taxes are assessed at the same rate statewide except the homestead property tax. The rate for this tax varies with the per pupil spending of the district. Per pupil spending is determined using a weighted pupil count. All districts with the same per pupil spending have the same homestead tax rate. Parameters for the homestead rate are set each year by the legislature. In FY 2015 the base per pupil spending amount is \$9285 and the base homestead tax rate is 0.98% of fair market property value. The tax rate increases in direct proportion to the amount the per pupil spending is over the base. Districts choose per pupil spending amounts via a local vote. Districts with per pupil spending that exceeds 123% of the prior year average have an additional tax rate to serve as a restraint on higher spending. All nonresidential property is taxed at one rate across the state.

Most homestead tax payers (about 60%) are eligible for an income adjustment to their homestead property tax. This works very similar to the homestead property tax rate. The base percentage of

income a person is liable for in FY 2015 is 1.8% of household income. This rate goes up in direct proportion to the per pupil spending chosen by the district. Eligible tax payers have the taxes reduced by the difference between the property tax and the income tax.

Virginia

The Commonwealth of Virginia employs a Foundation Program formula that is based upon students in average daily membership (ADM) for the current year as established by the ADM count on March 31st. Basic Program funding is determined by multiplying the ADM for each school division by a per student amount calculated through use of a complex procedure known as the Joint Legislative Audit and Review Commission (JLARC) methodology. Pursuant to the JLARC methodology, the foundation program per student costs are calculated separately for each of the 136 school divisions by determining the *minimum* instructional and support staff required to fulfill the Standards of Quality (SOQ) and state accreditation requirements by individual school within each school division of the Commonwealth.

The state and local fiscal responsibilities are determined and equalized by application of the Local Composite Index (LCI). (See: *Measure of Local Ability to Support Schools*). The school divisions' shares of a 1.125% state sales and use tax are distributed by calculation of their *pro rata* shares of the total school-age population for the Commonwealth and are deducted from the total foundation program cost prior to application of the equalizing LCI.

The majority of all remaining costs are categorical and are shared by the state and local school divisions through use of the local composite index (LCI). Ninety-one percent of total state aid is distributed through use of the LCI which usually generates local required expenditures. Although most of the categorical grants are not calculated through use of the LCI, fiscal responsibilities for the state and local school divisions for the larger programs (grants) are so determined. However, local required expenditures, as determined by the LCI, are truncated and may not exceed 80% for any program cost, including *Basic Aid*; thus, all school divisions receive, as a minimum, 20% state funding for all state-calculated program costs.

Washington

Basic Education program based on instructional, administrative and classified formula staff units. The state defines a basic education in terms of course offerings, minimum contact hours and staffing ratios and provides funding for this program. State support includes an amount per formula staff unit based on the average salary levels in school districts and an allocation for materials, supplies, and operating costs. Local school districts may supplement the basic program with local levies.

West Virginia

The Public School Support Program (PSSP), commonly referred to as the state aid funding formula, is a plan of financial support for the public schools in the State of West Virginia that specifies statutorily the responsibilities of both the State and the fifty-five county school districts. The State's responsibility for the basic program allowance is the total of the allowances calculated under Steps 1 through 7, less the aggregate amount calculated as the school districts' local share.

The PSSP provides allowances for personnel salaries (Steps 1, 2, and 5), employee benefit costs (Step 3), transportation operating costs (Step 4), general operating costs, substitute costs and allowances for faculty senates (Step 6), and improvement of instructional programs, increase in technology funding, and advanced placement programs (Step 7). Additional allowances are provided for alternative education, increased enrollment over the previous year, and other programs.

The PSSP divides the school districts into the following four categories based on student population density and provides funding for a specified number of professional educators and service personnel to each district based on the district’s student enrollment, with the districts with lower student population densities being funded at higher personnel ratios:

Sparse	-	Less than 5 students per sq. mile
Low	-	5 to less than 10 students per sq. mile
Medium	-	10 to less than 20 students per sq. mile, and
High	-	20 or more students per sq. mile

For the districts with student net enrollments of less than 1,400, their net enrollments are increased for funding purposes by an amount determined by taking the difference between the district’s actual enrollment and 1,400, and further adjusting the difference by the relationship the district’s student population density is to the district with the lowest student population density. For the 2014-15 year, the enrollments of nine school districts were adjusted in such a manner.

For the 2014-15 year, the funding ratios for professional educators (PE) and service personnel (SP) were as follows for each 1,000 students in net enrollment:

Category	PE	PI	SP
Sparse	72.75	66.26	45.88
Low	72.60	66.20	45.30
Medium	72.45	66.10	44.73
High	72.30	66.00	44.17

The local districts are required to maintain the minimum limits of professional instructional personnel (PI) indicated in the preceding chart, or be penalized. The category of PI personnel is comprised of classroom teachers, librarians, attendance directors and school psychologists. The penalty is computed by multiplying the number of such personnel employed short of the required limits by the average state funded salary.

The formula identifies school counselors and school nurses as professional student support personnel but there are no funding ratios established for this group of personnel; the state aid allowance is fixed at the total state aid allowance provided for the 2012-13 year.

The allowances for salaries for all personnel are based on the state basic salary schedules and supplemental equity funding included in statutes. Equity funding was started in 1984 to ensure salary equity among the various school districts throughout the state and is determined by computing the difference between each district’s salary supplement schedules that were in place in 1984 and the state required equity schedules.

Funding for student transportation operating costs is also based on the preceding four student population density categories, with the districts with the lower student population densities receiving a higher allowance. Funding is based on the following percentage of actual expenditures for the latest year for which the data is available, which for the 2014-15 year, was actual expenditures incurred during the 2012-13 fiscal year.

Sparse	-	95%
Low	-	92.50%
Medium	-	90%, and;
High	-	87.50%

The allowance rate is increased by 10% for that portion of the districts’ bus fleets that use alternative fuels or transport students to and from multi-county vocational centers, and additional allowances are provided for the replacement of buses over a 12 year replacement cycle, for the purchase of additional buses for the districts with increasing enrollments, and for the payments paid in lieu of being provided transportation.

Each district’s allowance is limited to not more than 1/3 above the state average allowance on a per mile basis, exclusive of the allowance for additional buses. Beginning with the 2014-15 year, the definition of alternative fuel is restricted to compressed natural gas. For the districts that used bio-diesel as alternative fuel in prior years, the additional allowance is being reduced by 2.5% per year over a four-year period, until it is eliminated.

Step 6 provides an allowance for operating and maintenance costs and for substitute costs. An allowance of \$200 per professional instructional personnel is also provided for the faculty senates at each school. Step 7 provides allowances for: the improvement of instructional programs; the improvement of technology; and advanced placement programs. Ten percent (10%) of the growth in local share each year is dedicated to increasing the allowance for the improvement of instructional programs and twenty percent (20%) is dedicated to increasing the allowance for the improvement of technology.

Each school district’s total program allowance is reduced by its local share to arrive at the state aid that the district is entitled to receive. Local share is each district's projected regular levy property tax collections for the year. Local share is computed by multiplying the taxable assessed valuation of all property in the district for the current fiscal year as certified by the county assessor by 90% of the regular levy rates for the year as set by the Legislature and then

deducting four percent (4%) as an allowance for discounts, exonerations, delinquencies, with other allowances also deducted.

As a result of this equalization process, West Virginia is consistently ranked near the top regarding the equability of its state aid funding formula.

Wisconsin

Equalization Aid

Equalization Aid comprises approximately 98% of total general school aid in Wisconsin and is the only type of general aid for most districts. The equalization formula uses a three-tier, guaranteed-tax-base configuration to share in the local costs of elementary and secondary (K-12) education. The total Equalization Aid eligibility for 2014-15 is \$4,492,790,500.

District-based factors used in the calculation of equalization aid include the equalized property value of a district, membership, and shared cost. Equalized property value is the full market value of taxable property in the district as determined by the Department of Revenue as of January 1 of each year. Shared cost is defined as costs funded by either local property tax or general state aid; costs funded by federal and state grants, donations, and other miscellaneous local revenue are not used in the formula. Membership is the number of full-time-equivalent resident pupils.

The primary tier provides aid for district shared costs up to \$1,000 per member (primary cost ceiling), which is calculated using a statutory primary guaranteed valuation of \$1,930,000 per member. The percentage of the \$1,000 per-member cost required to be paid for by the district's tax base is the same percentage the district's per-member value is of the state per-member primary guarantee. The remainder is primary-tier Equalization Aid.

The secondary tier provides aid for district per-member shared costs that exceed \$1,000 but are less than the secondary cost ceiling (\$9,225 in for aids computed in 2014-15). The secondary cost ceiling is set at 90% of the prior year statewide total shared cost per member. In 2014-15, the secondary guaranteed valuation was \$1,096,593. The percentage of the secondary per-member cost required to be paid for by the district's tax base is the same percentage the district's per-member value is of the state per-member secondary guarantee. The remainder is secondary-tier Equalization Aid.

The tertiary tier provides aid for shared costs per member that exceed \$9,225. The tertiary guaranteed valuation is the state average value per member and was \$531,883 in 14-15. The percentage of the tertiary per-member cost required to be paid for by the district's tax base is the same percentage the district's per-member value is of the state per-member tertiary guarantee. The remainder is tertiary-tier Equalization Aid.

A district's total Equalization Aid is the sum of aid generated at all three tiers. There are two important additional concepts in the formula allocation of Equalization Aid:

1.) If a district's value per member exceeds the state guarantee at the secondary or tertiary tiers, negative aid is generated. Negative aid at any tier can reduce, or in some cases, eliminate a district's positive aid from another tier. A hold-harmless provision in state statutes entitles a district to receive at least the positive aid generated at its primary tier, regardless if the sum of all three tiers is a negative number. Districts not generating positive aid at the primary tier do not get any Equalization Aid from the state.

2.) The Equalization Aid formula accommodates the differing grade configurations found in Wisconsin districts. For elementary school districts (grades K-8), the guaranteed valuation is adjusted to one-and-a-half (1.5) times the K-12 guaranteed valuation, and for high school districts (grades 9-12), the guaranteed valuation is adjusted to three (3) times the K-12 guaranteed valuation.

Other General Aids

There are 3 other general aid programs in Wisconsin:

- 1.) Special Adjustment Aid - provides general aid to school districts generating less than 85% of the state aid generated in the previous year. Otherwise known as "parachute" aid, it is meant to mitigate severe declines in aid from year to year.
- 2.) Inter and Intra-District Aid – provides general aid to school districts for pupil transfers resulting from a plan to reduce racial imbalance. (Intra applies to within-district transfers, and Inter applies to between-district transfers.)

Other General Aid Programs	Participation Rates	Eligibility (2010-11)
Integration Aid (inter and intra)	Beloit, Madison, Racine, Milwaukee, and Wausau receive intra-district aid for 26,940 transfers; Milwaukee and 22 suburban districts receive inter-district aid for 1,881 transfers	\$65.3 million for both programs
Special Adjustment Aid	Additional aid to a school district that receives less than 85 percent of state aid in current year than it received in the previous year. Per State St. 121.105, a district cannot have a state aid reduction of more than 15%.	\$14.2 million

Wyoming

The Wyoming School Foundation Program provides a guaranteed level of funding to every Wyoming public school district which is computed via the Wyoming Funding Model. The

funding model calculates this "guarantee," which is essentially a block grant and is based on a number of factors – the most important of which is the number of students enrolled in the district in the prior year.

Other components having a significant impact on a district's guarantee include special education and pupil transportation costs incurred in the prior year, the number of full-time vocational education students and teachers, the amount of square footage each district building has, the experience and education of the district staff, and the size and location of certain statutory defined “small schools” operated by the district. Very small school districts meeting certain enrollment criteria may qualify for additional funding.

Once a district's guarantee is established, that funding level is compared to the district's available local revenue sources. If a district's local revenues turn out to be less than its guarantee, the state of Wyoming makes up the difference through a series of entitlement payments distributed to the district throughout the school year.

A few school districts, on the other hand, have access to local revenues in excess of their guarantees. These districts must rebate the excess to the state of Wyoming – a process known as recapture. All recaptured monies flow into a School Foundation Program fund and are eventually redistributed to those districts receiving entitlement payments from the state.

CAPITAL OUTLAY AND/OR DEBT SERVICE

Alabama

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

Alaska

State reimburses municipalities up to 70% of debt service costs for pre-approved construction projects over \$25,000. Direct construction appropriations are made for schools outside organized municipalities.

Arizona

No information provided.

Arkansas

6-20-2503 Bonded debt assistance: (b)(1) ... the state shall provide eligible school districts with financial assistance for the purpose of retiring outstanding bonded indebtedness in existence as of January 1, 2005. (2) The amount of financial assistance under this section is based on: (A) The total amount required to satisfy a school district's outstanding bonded indebtedness in existence as of January 1, 2005; (B) The annual amount due on a fiscal year basis from the school district in accordance with the principal and interest payment schedule in effect and on file with the Department of Education on January 1, 2005, for the outstanding bonded indebtedness identified under subdivision (b)(2)(A) of this section; and (C) The calculation in subdivision (b)(3)(A) or (b)(3)(B) of this section. (2)(A) In addition to the financial assistance provided under subsection (b) of this section, a school district shall receive in accordance with subdivision (e)(2)(B) of this section state financial assistance equal to all or a portion of the general facilities funding that the school district received or would have received under the Supplemental School District Funding Act of 2003, § 6-20-2401 et seq. [repealed], during Fiscal Year 2005. (B) The commission shall phase out state financial assistance under this subsection over a ten-year period by reducing the amount received by a school district under this subsection after Fiscal Year 2006 by 1/10 in each year of the ten-year period with the savings distributed through the Educational Facilities Partnership Fund Account in accordance with rules promulgated by the commission. *The last year funding is disbursed in the ten-year phase out is FY15.* (f)(1) If a school district elected to receive supplemental millage incentive funding under the Supplemental School District Funding Act of 2003, § 6-20-2401 et seq. [repealed], during Fiscal Year 2005, the commission shall compute the difference between the amount of supplemental millage incentive funding that a school district received in Fiscal Year 2005 and the amount of debt service funding supplement and general facilities funding that the school district would have received under the Supplemental School District Funding Act of 2003, § 6-20-2401 et seq. [repealed], in Fiscal Year 2005. (2)(A) In addition to the financial assistance provided under subsection (b) of this section, a school district that elected to receive supplemental millage incentive funding under §6-20-2401 et seq. [repealed], shall receive in

accordance with subdivision (f)(2)(B) of this section state financial assistance equal to all or a portion of the amount of supplemental millage incentive funding that exceeded the amount that the school district would have received under debt service funding supplement and general facilities funding under § 6-20-2401 et seq. [repealed]. (B) The commission shall phase out the state financial assistance under this subsection over a ten-year period by reducing the amount received by a school district under this subsection after Fiscal Year 2006 by 1/10 in each year of the ten-year period with the savings distributed through the Educational Facilities Partnership Fund Account in accordance with rules promulgated by the commission. *The last year funding is disbursed in the ten-year phase out is FY15.*

Projects after January 1, 2005 may receive funding under Arkansas Code § 6-20-2501 - the "Arkansas Public School Academic Facilities Funding Act".

California

California has a statewide school building program supported by statewide bond measures. Statewide bond measures require a simple majority (50% plus one) to pass. The last statewide general obligation bond, Proposition 1D was approved by voters in November 2006 and provided \$7.3 billion to K-12 education facilities with specified amounts designated for modernization, new construction, charter schools, career technical education facilities, joint use, projects for new construction on severely overcrowded school sites, and high performance incentive grants to promote energy efficient designs and materials. For most state-funded projects there is a requirement for a local contribution to match state funding.

Local school districts can issue school construction bonds and levy property taxes to pay for them, provided they get voter approval. In November 2000 California voters passed Proposition 39, which allows school bonds to be approved with a 55% "super-majority" (with restrictions on the amount of the bond and greater accountability requirements). Since the passage of Proposition 39, districts have had the choice of whether to seek two-thirds or 55% approval. Local elections that rely on 55% approval have been more successful, with more than 80% passing.

School districts also have the authority to levy developer fees on residential and commercial construction or reconstruction, but statewide these fees generate significantly less money than bonds. The money may be used only for school facilities, including portable classrooms. These fees are charged both to developers of new residential and commercial properties and to property owners who add square footage to existing homes. No fee is assessed if there is no change in square footage or for residential additions of less than 400 square feet.

Colorado

The bonding limit is 20% of assessed valuation. In a district with rapid enrollment growth, 25% of assessed valuation is the limit. Rapid enrollment growth is defined as 2.5% or more increase in enrollment per year for at least three years or five years whichever is higher.

Capital/Building Needs

Four distinct avenues through which a school district may meet its capital/building needs are discussed below.

Bonded Indebtedness (C.R.S. 22-42-102) -- A district may hold an election to authorize it to issue bonds to meet its capital needs. Principal and interest payments on bonds are paid from increased property tax revenues generated by a separate, additional mill that the district must be authorized to levy. A district may not have outstanding bond debt in excess of 20% (25% for rapidly growing districts of its assessed property valuation or 6% of its actual property value, whichever is greater).

School districts considering submitting a ballot question for bonded indebtedness to the electors of the district shall invite each charter school to participate in discussions regarding the possible submission of a ballot question.

Special Building and Technology Fund (C.R.S. 22-45-103(1d)) -- A district may hold an election to authorize it to levy up to ten mills for not longer than three years. Moneys generated by this levy are available to fund the purchase of land, the construction, purchase, and maintenance of facilities, and the purchase and installation of building security, instructional, and informational technologies.

Building Excellent Schools Today (B.E.S.T.) (Article 43.7 of Title 22) -- Provides a new funding structure for school capital construction projects, allowing school districts to enter into certificates of participation for lease-purchase agreements through the State Treasury for construction projects. Maintains a grant program for school capital construction projects that do not meet the requirements of the lease-purchase program. Brings all capital construction funding under one umbrella for administration and distribution of funds and is intended to replace the remaining obligations of the “Giardino Settlement.”

Loan Program for Capital Improvements in “Growth Districts” (C.R.S. 22-2-125) -- A district which is identified as a “growth district” as defined above, is eligible to apply for a loan from the State Treasurer. This debt must be voter approved and if a property tax mill levy is the method of repayment, such levy must also be approved at the same time. At the time of the loan application, the district must specify the method of repayment and the terms of repayment may not exceed 10 years. The district must also have voter approval for a repayment period of longer than one year.

If a property tax mill levy will be used to repay the loan, the mill must be no more than 5 mills or a number of mills determined by dividing the latest statewide average per pupil assessed valuation (PPAV) by the latest PPAV of the growth district, whichever is less. If the district’s PPAV is greater than the statewide average PPAV, the growth district may impose an additional property tax levy of no more than 1 mill.

Connecticut

The state pays 10-70 percent of approved projects (or 20-80 percent if it can be shown that new construction is less expensive than renovation), inversely related to district wealth. For regional districts, the state pays an additional 10 percentage points on an equalized basis, but such districts may not receive more than 85 percent reimbursement. In addition, the state pays 80 percent for approved interdistrict magnet schools, agricultural science centers and regional

special education facilities. Bonded indebtedness may not exceed 160 percent of the current year estimated tax receipts.

Delaware

The state pays between 60% and 80% of approved major capital projects (projects exceeding \$750,000); 100% for special schools and vocational schools. Bond issue must be approved by referendum of the local district. Bonded indebtedness is limited to 10% of the assessed valuation of the district.

For Minor Capital Projects (projects up to \$750,000) the state provides an annual allocation to districts and charters and the districts and charters must match the state contribution with a 40% local match.

Florida

Pursuant to Article XII, Section 9(d), of the Florida Constitution, the first proceeds from the tax on motor vehicle licenses are available to school districts and state colleges for capital outlay purposes. The number of instructional units determines the annual allocation of Capital Outlay and Debt Service funds for each school district and state college. A school district or state college may elect to bond its allocation or receive the funds as cash (commonly referred to as “flow-through”).

Georgia

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

Hawaii

The State Legislature appropriates funds for public school system capital improvements. The appropriation varies depending on annual decisions; however, the major components are:

- New school construction projects
- Construction of new classrooms or other facilities on existing campuses
- Major repairs and maintenance, such as roofing, remodeling, etc.
- Whole school renovations, prioritized based on age of the campuses
- Compliance with the Americans with Disabilities Act (ADA requirements and other health and safety regulations, including noise/heat abatement).
- Electrical upgrades

As part of landmark legislation in 2004, several school construction and repairs/maintenance functions were transferred from another state agency to the public school system. As a result of the successful implementation of this transfer, the public school system achieved significant improvements in service levels, response time and efficiencies in providing services to schools.

Idaho

Bonded indebtedness may not exceed 5% of total assessed market value of property. Some elementary school districts have a limit of 2%.

Illinois

Funds are annually appropriated for capital construction projects. However, due to a lack of available revenues to support these appropriations, funds are regularly re-appropriated until such time as revenues become available.

Indiana

Does not apply.

Iowa

Debt is limited to 5% of assessed property valuation.

Capital outlay is provided by a local property tax levy/income surtax, a local bond issue, or a statewide one-cent sales and services tax for school infrastructure. No supplemental state aid is provided.

Kansas

Districts may make a mill levy of up to 8 mills for capital projects and equipment. The state provides state aid to school districts based upon the amount of taxes levied. The state aid rate for each district is computed based on the assessed valuation per pupil of the district, with the lower valuation per pupil districts getting a higher state aid rate.

Kentucky

The state provides \$100 per aggregate average daily attendance (AADA) in its biennial budget for school districts to use for priority projects approved on the district facility plan or for payment of debt service. These are restricted funds.

School Facilities Construction Commission issues and pays principal and interest on bonds based on the funding allotted in the biennial budget for that purpose. The allocation of funds is paid on behalf of the districts based on the district's unmet need percentage relative to the total district unmet need of the state.

Louisiana

No State Aid Provided.

Maine

All expenditures for school construction that are approved by the State Board of Education are subsidized by the State.

Maryland

School construction in the Capital Improvement Program (CIP) is a shared State/local cost. Some school construction costs in the CIP, as well as locally-funded projects are exclusively the responsibility of the local jurisdiction. They include such items as site acquisition; architectural and engineering fees; utility connections; regional or central administrative offices; permits; movable furniture and equipment; and small repair projects. The State funds its share of school construction primarily through the issuance of general obligation bonds. The State also provides an annual grant for the Aging Schools Program and issues bonds for the Qualified Zone Academy Bond program.

Massachusetts

School building assistance is calculated based on a formula that weighs a community's property value and income against state wide averages and includes a poverty factor based on the district's proportion of low income students. State bonds are issued backed by a penny of the state's five-cent sales tax to support actual building expenses. Payments are made to communities for approved school projects as expenses are incurred, mitigating the state's obligation on interest costs.

Michigan

Michigan does not allocate additional funding for capital outlay/debt service. Districts must pass a dedicated millage for these items or use their general funds.

Minnesota

The capital outlay revenue program include four major components not requiring voter approval: operating capital revenue, health and safety revenue, alternative facilities revenue and lease levies. Operating capital revenue, which is part of the general education revenue program, equals \$79 plus \$109 times a facilities age index equal to 1 plus the lesser of 50 or the district's average school building age per weighted ADM, and is funded with an equalized levy. Health and safety revenue equals the approved cost of health and safety projects, and is also funded with an equalized levy. Alternative facilities revenue allows 24 large school districts to make an annual levy or issue bonds for the approved costs of deferred maintenance, health & safety or disabled access, and allows other districts to make an annual levy or to issue bonds for the approved costs of health & safety projects exceeding \$500,000 per site. Additionally, a district may also levy for the approved cost of renting or leasing facilities, not to exceed \$212 per pupil unit. Charter schools receive building lease aid equal to the lesser of \$1,200 per weighted ADM or 90% of approved building lease costs.

Two programs require voter approval: issuance of general obligation bonds, which are repaid with an annual debt service levy, and capital project referendum levies. For debt service, a district may levy an amount equal to 105% of the amount needed to make principal and interest payments on general obligation bonds. The levy is equalized by the state using a two-tiered equalization formula. Additionally, a district may levy the local tax rate approved in a capital project referendum for facilities and equipment purposes. No state equalization is provided for this levy.

Further, a district may levy without voter approval 105% of the amount needed to make principal and interest payments on certificates of indebtedness or capital notes issued for certain facilities projects or the purchase of specified capital equipment. The amount levied under this program is subtracted from the general fund levy of the district.

Finally, a limited loan program, requiring specific legislative approval for individual projects, exists to assist districts with unusually high debt service effort.

Mississippi

Bonded indebtedness limit is 15% of assessed property valuation. Additional authority for Notes and Certificates of indebtedness is limited to the amount a three mill tax levy for 10 years will repay, including interest.

Missouri

There is no state funding specifically for capital outlay or debt service. However, a portion of each district's state aid comes through the Classroom Trust Fund. This fund consists of money generated by state riverboat gaming operations and unclaimed lottery prize money. This money may be placed in any fund at the discretion of the local school board, including Capital Projects and Debt Service, and used for any purpose.

School districts in Missouri may take advantage of the state's credit rating when issuing general obligation bonds, thus obtaining a lower interest rate than would otherwise likely be available to the district. Districts choosing this option have a portion of their monthly state payment redirected to a selected bank that manages the principal and interest payments on the bonds.

Due to funding constraints, districts may transfer previously accrued funds from Capital Outlay back to either the Incidental or Teacher Fund. This allowance applies until such time the Foundation Formula again becomes fully funded.

Montana

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 2013 Legislature appropriated \$ 12,418,642 for the 2015 biennium for grants to school districts for school facility projects, emergency school facility projects, and for planning facility projects 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, repairing or replacing existing building components that are inoperable or difficult to service or that lack minimum integrity. Preference is given to school facility projects involving repairs to existing facilities over project involving construction of new facilities.

Nebraska

There are no limits on school districts.

Nevada

Bonded indebtedness may not exceed 15% of assessed valuation.

New Hampshire

For single town districts the State pays 30% to 60% of annual payment of bonded eligible principal for approved construction and renovation projects. For cooperative districts, receiving district operating an area school, or joint maintenance agreements (multi-town) annual payment ranges from 40% to 60%. For multi-town districts the rates are based on the number of towns within the cooperative district and the equalized valuation per pupil and median family income of those towns. The percentage of the annual payment for is then normalized using the average daily membership in residence for each town. Limitations based on capacity needs and a maximum allowable per square foot rate apply to both renovations and new construction. For the 2015 fiscal year the State Building Aid Program total debt payments to schools for completed projects is on the order of \$42,000,000.

New Jersey

Debt service is available to any district with qualifying outstanding debt from school construction or renovation projects. The SFRA defines the debt service state share percentage as the ratio of Equalization Aid to the Adequacy Budget. In addition, with the enactment of the Education Facilities Construction and Financing Act (EFCFA) in fiscal year 2000, districts could choose to receive grants of no less than 40% of department approved eligible construction costs, or their debt service state share described above.

New Mexico

Guarantee of \$62.04 per mill per program unit less two mills, other by application. Bonding limit of 6% of net assessed property valuation. Mill levy of (10) less two mills and debt service.

New York

State Building Aid is paid on an assumed amortization schedule. For each approved capital project, an assumed amortization schedule is generated based on the total approved project cost (the principal), a statewide average interest rate and a term of 15, 20 or 30 years for reconstruction projects, additions and new buildings, respectively. (The interest rate from actual borrowings is used for projects funded through the Dormitory Authority of the State of New York and for fiscally dependent school districts.) State Building Aid is based on the assumed annual aidable debt service amount for each project (not actual debt service) multiplied by an aid ratio.

Limits for bonded indebtedness are based on the relationship of debt to full value of district property. The limit is 10% of property valuation for non-city school districts and New York City; 5% for city schools under 125,000 population; and 9% for city school districts over 125,000.

North Carolina

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%).

North Dakota

Capital projects for North Dakota school districts are ultimately funded solely by local property taxes. For major projects, the local school board may request authority from the voters to issue bonds. A supermajority (60%) of the qualified voters voting on the proposed project is necessary for approval. Total outstanding bonds cannot exceed 10% of the total assessed valuation in the district. The voters confer authority to incur indebtedness at a specified amount, to then sell bonds to raise funding for the proposed project, and finally to establish a sinking and interest fund and associated levy to raise revenue to pay interest and amortize the outstanding principal (N.D. CENT. CODE § 21-03). School boards may also secure authority from the voters to establish and maintain a building fund (N.D. CENT. CODE § 57-15-16). This authority may be approved to a maximum of 20 mills per year. Since 1985, school boards have had the authority on their own initiative to sell bonds and then pay interest and amortize the principal from proceeds of the building fund levy. A number of restrictions and requirements apply to such action (N.D. CENT. CODE § 21-03).

Ohio

The Ohio School Facilities Commission provides funds for school facilities projects based on the assessed property valuation per student. That property wealth factor determines the state and local share of the facilities project. The OSFC also reimburses public schools for the purchase of one radio communications unit and one entrance security system per eligible building.

Oklahoma

Bonded indebtedness cannot exceed 10% of total assessed valuation.

Oregon

One of the four components in the school equalization includes a limited grant program for classrooms. Please see the facilities grant program described above.

Pennsylvania

The state provides subsidies to school districts for the construction, renovation or purchase of school buildings on the basis of approved expenditures, which are based on the rated pupil capacity of the building as approved by the Department of Education.

The limit for school district indebtedness is based on the level of the borrowing base, which is the average of a district's total revenues for the three years preceding the year in which such debt will be incurred. Non-voted debt cannot exceed 250 percent of the borrowing base, except in

Philadelphia where the limitation is 100%. The limitation goes to 300 percent of the base when new lease rental debt is included (150 percent in Philadelphia).

Rhode Island

The Housing Aid program provides partial reimbursement of school construction projects. The reimbursement share ratio is based on a district's wealth compared to the aggregate state wealth, with a minimum share of 35% (minimum share remains 30% for projects completed prior to June 30, 2012). Incentive bonuses are built into the formula for energy conservation, handicapped accessibility, and asbestos abatement projects. Regional districts are also entitled to an additional incentive bonus. The Board of Education and state legislature must approve all school construction projects prior to implementation.

South Carolina

Bonded indebtedness limited to 8% of assessed valuation unless a referendum is held for the increase.

South Dakota

The Capital Outlay funding level is limited to \$3.00/\$1,000 in taxable valuation. Debt service is based on the level approved by voters. Bonding limit is 10% of a district's taxable value less outstanding bonds.

Tennessee

Funding based on the cost of capital outlay is included in the non-classroom component. The state's share of support for the non-classroom category is 50%.

100 sq ft per total K-4 ADM x \$136/sq ft
110 sq ft per total 5-8 ADM x \$138/sq ft
130 sq ft per total 9-12 ADM x \$136/sq ft
Add equipment (10% of sq ft cost)
Add architect's fee (5% of sq ft cost)
Add debt service (20 yrs @ 6.00%)
Divide total by 40 yrs = annual amount

Texas

The state provides a bond guarantee program that backs school districts with the Permanent School Fund on the bond market. The program provides an AAA rating for approved school district and charter school bonds that results in favorable market conditions. Charter schools must be able to achieve an investment grade rating without the benefit of the guarantee to be eligible.

The state also provides two tax rate equalization programs to assist districts with the repayment of long-term debt:

- The Instructional Facilities Allotment (IFA) program was authorized in 1997. This program assists districts with repaying annual debt service on bond issues and lease-purchase agreements that districts use to fund instructional facilities. Districts submit applications for this program after they receive authorization from voters to issue the long-term debt but before the debt's issuance. Districts that receive awards begin receiving state assistance during the first year after the debt is issued. The state assistance is provided through tax-rate equalization. The program effectively equalizes tax effort to the equivalent of \$350,000 per ADA per penny of tax effort.
- The Existing Debt Allotment (EDA) program was authorized in 1999. This program assists districts with repaying debt service on bonds that the district has issued and paid on as of a date certain in statute. The Texas Legislature has rolled the eligibility date forward by two years during each session since 1999 and established a permanent roll-forward provision in 2009. Currently, bonds that were issued and had at least one payment made on or before August 31, 2013, are eligible. This program also provides tax-rate equalization that provides the equivalent of \$350,000 per ADA per penny of tax effort.

The primary difference between the IFA and the EDA programs is the timing of state assistance. With the IFA program, districts that receive IFA awards begin receiving state assistance as soon as the eligible debt is issued. With the EDA program, school districts typically issue the debt and make payments for up to two years before receiving state assistance, depending on the timing of the bond issuance. Also, the EDA program does not provide state assistance for lease-purchase agreements.

Utah

The full faith and credit of the State of Utah is behind every general obligation bond now issued by Utah school districts. Please see Utah School Bond Guarantee Act. The state also provides \$14,499,700 to school districts FY 2014-15 for the Capital Outlay Foundation Program and the Capital Outlay Enrollment Growth Program. Here is a description of the two programs from the USOE web site. School district general obligation debt is limited to four percent of the fair market value of the school district. Under the "School District Bond Guarantee Act" the State of Utah stands behind every school district General Obligation Bond with full faith and credit—that is, each school district has the AAA rating that the state enjoys—thereby saving schools districts funding as they negotiate interest rates on the G.O. Bonds.

Vermont

State aid for school construction has been suspended indefinitely. Debt service payments for construction projects conducted by districts become part of a district's spending per pupil amount-

Virginia

Literary Fund Loans ostensibly are available from the Commonwealth up to a maximum loan of \$7.5 million per project. Due to unavailability of funds, Literary Fund Loans have not been

issued since January 2008 and the prospect for the future is not encouraging. If funds again become available, the interest rates charged school divisions will be as follows:

- 0.2999 and below -- 2%
- From 0.3000 to 0.3999 -- 3%
- From 0.4000 to 0.4999 -- 4%
- From 0.5000 to 0.5999 -- 5%
- 0.6000 and above -- 6%

Virginia Public School Authority (VPSA) offers school divisions use of the credit rating for the Commonwealth and usually lower interest rates to market their bonds. The VPSA also enables divisions to market their bonds without voter approval unless restricted by the localities' own policies and regulations.

Lottery Funds not designated for specific programs (listed above as *State Lottery Proceeds Fund*) are provided to school divisions to support the state share of the lottery funds per adjusted student in average daily membership which is determined through use of the divisions' LCI. However, there are restrictions on how these funds may be expended. No more than 50% of lottery funds can be used for recurring costs, i.e., current expenditures, and at least 50% must be spent on nonrecurring expenditures, including school construction, additions, infrastructure, site acquisition, renovations, technology, and other expenditures related to modernizing classroom equipment, and debt service payments on school projects completed in the last ten years.

Washington

Approved projects on percentage equalizing basis, with 50% aid in district with average assessed value per student; minimum 20%, maximum 100%; uniform space criteria is basis of need. Total debt limit is 5% of assessed property, 2.5% of this is for capital construction.

West Virginia

The funding formula does not provide funds for either capital outlay or debt service.

Wisconsin

Capital outlay financed directly from taxes is included in a district's shared cost calculation for equalization aid purposes. Long-term indebtedness is limited to 10% of equalized valuation in K-12 districts, 5% in other districts, and for Milwaukee, 5%, plus an additional 2%.

Wyoming

The School Facilities Commission (SFC), a separate state agency, handles the construction of new schools as well as capital outlay for those buildings requiring remodeling or major maintenance. There are also some funds available through SFC for emergency funds needed for the schools. Districts can still pass bond issues with voter approval for enhancements in excess of the state building adequacy standards.

TRANSPORTATION

Alabama

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.

Alaska

State reimburses districts through a grant process on a per-child cost basis. The per-child costs are multiplied by the ADM to derive the grant amount. The grants are disbursed in three installments throughout the fiscal year and funded separately from the foundation program.

Arizona

Districts calculate a Transportation Support Level and in most cases receive state aid based on prior year's daily route miles per student transported. Rates are \$2.49 per mile for districts with .5 miles or less per student, \$2.04 for .501 to one mile and \$2.49 for greater than one mile per student. Additional support is allowed for academic, vocational and technical education and athletic trips. This increase is determined by a factor based on district type and mile per student and varies from 15% to 30% over the support level calculated above. Approved daily route miles are multiplied by 180 days.

Transportation support per mile

Mileage	Support
.05mi or less	\$2.49
More than .05 less than 1.0mi	\$2.04
More than 1.0mi	\$2.49

Arkansas

Does not apply except for certain isolated school districts. Undistributed funds under § 6-20-604 and § 6-20-603 shall be distributed as transportation funding (h) on an equal basis per school district to each school district that receives funding under § 6-20-604 (c)-(e).

California

California provides about \$500 million in funding to partially reimburse school districts for home-to-school and special education transportation expenditures. Annual funding is limited to amounts received by each school district for the Home-to-School Transportation program in 2012-13 fiscal year.

Colorado

Based upon a one-day count of route miles districts receive \$.38 per mile plus 34% of the difference between current operating expenses for pupil transportation and the amount determined by multiplying \$.38 times miles traveled times days of school. Maximum

reimbursement is 90% of current operating expenditures. Reimbursement is based on prior year July – June.

Connecticut

The state pays 0-60 percent of eligible prior year expenditures, inversely related to district wealth. Regional high school districts receive an additional 5 percent, and regional K-12 districts receive an additional 10 percent. Districts are guaranteed a minimum grant of \$1,000. Grants are proportionally reduced to stay within the legislatively approved appropriation, inasmuch as the grant has been capped for several years.

Delaware

Transportation for eligible public school students is funded through a legislatively-directed transportation formula to provide funds to the districts for district- or contractor-provided school transportation. For the districts the State pays for 90% of these costs and the districts pay for approximately 10% of the costs. Transportation benefits are provided for pupils in grades K-6 whose legal residences are one (1) mile or more from the schools to which they would normally be assigned and for pupils in grades 7-12 whose legal residences are two (2) miles or more from the schools to which they would normally be assigned. Public charter schools are provided transportation funding for eligible students based on 70% of the average cost per student of transportation within the vocational district in which the charter school is located.

Florida

The student transportation funding formula provides funds to 67 school districts based on each district's pro rata share of eligible transported students. Eligible transported charter school students may be included in the districts' student transportation funding claims. The formula includes an enhancement for the transportation of disabled students requiring specialized transportation services. In addition to students transported by public school buses, the funding formula includes students transported to and from school on local general purpose transportation systems and students transported to and from school in private passenger cars and boats when the transportation is for isolated students or for students with disabilities as defined by State Board of Education, Administrative Rule 6A-6.0301, Florida Administrative Code. Adjustments to each district's share of state transportation funds are made for cost of living differences, the percent of population outside of urban centers, and efficiency.

Students in membership in kindergarten through grade 12 (K-12) and in prekindergarten exceptional student education programs are eligible for transportation funding if one of the following conditions is met:

- The student lives two or more miles from the school.
- The student is classified as a student with a disability under the Individuals with Disabilities Education Act (IDEA), regardless of distance (excluding gifted students). K-12 students identified with Specific Learning Disabilities, Speech Impairments, or Language Impairments who live less than two miles from their assigned school are eligible only if transportation services are required by the student's Individual Educational Plan.

- The student/parent or infant is enrolled in the Teenage Parent Program (TAP).
- The student is enrolled in a state-funded prekindergarten program (IDEA or TAP), regardless of distance from home to school. Prekindergarten children not enrolled in IDEA programs, or whose parent or parents are not enrolled in a TAP program, are not eligible for state transportation funding. Prekindergarten students in the following programs are **ineligible** for transportation funding under Section 1011.68, Florida Statutes (F.S.), unless the students are also disabled or in a TAP program. These ineligible groups include, but are not limited to, students in Prekindergarten Title I, federally funded Prekindergarten Migrant programs, Prekindergarten Early Intervention, Head Start, and Readiness Coalition programs.
- The student is a career or exceptional student being transported from one school center to another where appropriate programs are provided. Dually enrolled students, as defined by Section 1011.68, F.S., who attend a university, community college, or career college, are included.
- The student meets the criteria for hazardous walking as stated in Section 1006.23, F.S. Only elementary school students are eligible for funding under the hazardous walking category.

Georgia

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

Hawaii

Funds for the student transportation program are appropriated by the State Legislature to the public school system. In 2000, the student transportation program was transferred to the public school system from another state agency.

Idaho

District transportation support program is based on transporting pupils 1-1/2 miles or more to school. The state funds 85% of the allowable cost through the foundation program, less \$7.5 million, which is to be used as discretionary funding.

Illinois

For regular pupils, the state provides a minimum of \$16 per pupil or actual eligible costs less a qualifying amount which is equalized based on district wealth. For vocational and special education, 80% of allowable costs from the prior year are reimbursed to the extent that appropriated funds are available.

Indiana

Does not apply.

Iowa

Transportation is not categorically funded but is included in the foundation program funding.

Kansas

All districts transporting pupils living 2.5 miles or more from the school receive the state average cost per pupil based on a linear-density formula. The formula takes into account the per pupil cost of transportation, density of the district in terms of pupils transported, and square miles in the district.

Kentucky

KRS 157.370 Allotment of transportation units.

1. In determining the cost of transportation for each district, the chief state school officer shall determine the average cost per pupil per day of transporting pupils in districts having a similar density of transported pupils per square mile of area served by not less than nine different density groups.
2. The annual cost of transportation shall include all current costs for each district plus annual depreciation of pupil transportation vehicles calculated in accordance with the administrative regulations of the Kentucky Board of Education for such districts that operate district-owned vehicles.
3. The aggregate and average daily attendance of transported pupils shall include all public school pupils transported at public expense who live one mile or more from school. Children with disabilities may be included who live less than this distance from school. The aggregate and average daily attendance referred to in this subsection shall be the aggregate and average daily attendance of transported pupils the prior year adjusted for current year increases in accordance with Kentucky Board of Education administrative regulations.
4. The square miles of area served by transportation shall be determined by subtracting from the total area in square miles of the district the area not served by transportation in accordance with administrative regulations of the Kentucky Board of Education. However, if one district authorizes another district to provide transportation services for a part of its area, this area shall be deducted from the area served by the authorizing district and added to the area served by the district actually providing the transportation.
5. The density of transported pupils per square mile of area served for each district shall be determined by dividing the average daily attendance of transported pupils by the number of square miles of area served by transportation.
6. The chief state school officer shall determine the average cost per pupil per day of transporting pupils in districts having a similar density by constructing a smoothed graph of cost for the density groups required by subsection (1). This graph shall be used to construct a scale showing the average costs of transportation for districts having a similar density of transported pupils. Costs shall be determined separately for county school districts and independent school districts. No independent school district will receive an average cost per pupil per day in excess of the minimum received by any county district or districts. These costs shall be the costs per pupil per day of transported pupils included in the public school fund and these costs shall be recalculated each biennium.

7. The scale of transportation costs included in the fund to support education excellence in Kentucky for county and independent districts is determined in accordance with the provisions of KRS 157.310 to 157.440 for the biennium beginning July 1, 1990.

8. The cost of transporting a district's pupils from the parent school to a state vocational-technical school or to a vocational educational center shall be calculated separately from the calculation required by subsections (1) through (7) of this section. The amount calculated shall be paid separately to each district from program funds budgeted for vocational pupil transportation, as a reimbursement based on the district's cost for providing this service. The amount of reimbursement shall be calculated in accordance with Kentucky Board of Education administrative regulations. In the event that the appropriation for vocational pupil transportation in the biennial budget is insufficient to meet the total calculated cost of this service for all districts, the amount paid to each district shall be ratably reduced. For the purpose of this subsection, the parent school shall be interpreted to mean that school in which the pupil is officially enrolled in a district's public common school system.

9. The Kentucky Board of Education shall determine the type of pupil with a disability that qualifies for special type transportation to and from school. Those qualified pupils for which the district provides special type transportation shall have their aggregate days' attendance multiplied by five (5.0) and added to that part of the district's aggregate days' attendance that is multiplied by the district's adjusted cost per pupil per day in determining the district's pupil transportation program cost for allotment purposes.

Louisiana

No categorical state aid provided. However, MFP block funding is available to support transportation costs.

Maine

The total subsidized transportation operating funds for each LEA is calculated on a funding formula that reflects LEA student density and miles traveled each year. Additional adjustments are provided for island schools, out-of-district special education costs and ferry services.

Maryland

Disabled student transportation is funded at a per pupil amount per number transported. Regular base transportation grant equals its base grant in the prior year. It was increased by an inflation factor of 1% in FY-2015. An additional grant is issued to school systems experiencing increased enrollment. The Fiscal Year 2015 funding level is \$258 million for Transportation programs.

Massachusetts

The state reimburses regional districts for transportation at a fixed rate dependent upon the appropriation each year. In FY14, the rate is estimated to be 66.4 percent. The state reimburses districts for homeless transportation costs at a rate of 50.8%. It also reimburses districts for the transportation of non-resident vocational students at a rate of 9%.

Michigan

There is no longer specific categorical funding in Michigan for transportation. The transportation funding paid as a categorical grant prior to 1995 was rolled-up into the per pupil foundation grants implemented beginning in 1995. There are about \$3 million in State Aid funds appropriated annually to fund bus driver safety and to facilitate public school bus inspections.

Minnesota

Funding for regular to and from school transportation for public school students is included in the general education revenue program. Of the basic general education formula, 4.66% (\$272 per weighted ADM) is attributable to pupil transportation. This is intended to cover the average cost of transportation for districts located in the Twin Cities metropolitan area. The transportation sparsity formula funds the added cost of pupil transportation in more sparsely populated school districts, and is based on analysis of the relationship between per pupil cost and population density. A categorical nonpublic pupil transportation aid formula provides funding to school districts for transporting nonpublic school pupils, based on the district's per pupil cost for all regular to and from school transportation

To and from school transportation, and transportation between buildings during the day for pupils with a disability who require special transportation is funded through the special education aid formula. The added costs of transportation for desegregation purposes is funded through the integration revenue formula.

Mississippi

Based on the ADA for transported pupils and a density formula and rate table, the result is the lower the density, the higher the rate. The rate table provides greater amounts per pupil to districts with fewer pupils per square mile. This is an add-on program amount.

Missouri

Reimbursement is 75% of allowable costs of transporting eligible pupils. It is limited by each district's efficiency factor. In recent years the state appropriation for transportation aid has not increased resulting in a lower percentage of reimbursement to districts. This year, for example, transportation funding is approximately 28% of allowable costs from the school district's payment .

Funding for transportation was increased for FY15 by \$15 Million. It is statutorily allowable to fund up to 75% of the cost for transporting eligible students, however, ~~reductions in~~ appropriations for FY15 will provide funding to cover only an estimated 31% of the cost for transporting those students.

Montana

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.

Nebraska

Transportation Allowance is the lesser of:

Actual transportation expenditures from the most recently available complete data year.

Calculated transportation expenditures based on regular route miles and mileage paid to parents.

Nevada

Transportation allowance is based on relative transportation costs among school districts on a per student basis after subtracting the statewide average amounts. After subtraction, districts with positive numbers receive that additional per student revenues while districts with negative numbers receive that per student deduction to their final basic support per student.

New Hampshire

See transportation component below for career and technical education students.

New Jersey

Districts receive transportation aid for students who are transported more than a specified distance between home and school (2 miles for students in preschool through grade 8, 2.5 miles for students in grades 9 through 12). A greater level of support is provided for special education students who have special transportation needs. In addition, children whose special education programs require transportation are provided transportation regardless of their distance from school.

For regular transportation needs, the fiscal year 2015 formula aid amounts equaled \$426.65 per transported student plus \$11.67 per mile the student was transported. The corresponding figures for students with special transportation needs were \$2,973.90 per student and \$5.67 per mile transported.

The SFRA requires the state to examine the funding for transportation, and to present new cost factors to the Legislature by way of the Educational Adequacy Report (due every three years).

New Mexico

Funded at 100% with categorical appropriation based on a transportation distribution formula to recognize the varied operating conditions and diversified factors throughout the state on an equitable basis. Thus, the safety of students is not compromised by local district funding priorities. Cost reports are required by statute and mid-year and end of year adjustments are made to fit actual need within the formula and appropriation.

New York

Transportation Aid is paid based on expenses for general operations, the purchase of buses and other equipment, and contracted transportation services. The maximum reimbursement for approved expenses is 90 percent and the minimum is 6.5 percent. Approved capital expenses for transportation are aided based on assumed amortization schedules whether or not the district actually issued debt. For example, for each bus purchased by the school district an assumed

amortization schedule is generated for aid purposes based on an approved cost (the principal), a statewide average interest rate and a term of five years.

North Carolina

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

North Dakota

Funding for transportation is provided to a maximum of 90% of actual expenditures under a rate schedule that includes the number of miles transported, rides provided and the type of vehicle used. Where district transportation is not available, school districts may reimburse parents and then claim 50 cents per mile per day. Transportation payments are based on prior year statistics.

Ohio

Funding for transportation is incorporated in the district formula funding utilizing a hybrid approach in which two sets of calculations are done for each school district with the calculation that results in the higher funding being utilized. However, transportation funds cannot be used for general operating costs. The Ohio Department of Education calculates payment based on the average number of bus riders, as counted and reported during count week, and per annual mile expenditure in the previous year. The statutory provision for this aid program is found in ORC Section 3317.0212.

Oklahoma

The transportation portion of Oklahoma's state aid formula is based upon:
Average Daily Haul times a Per Capita amount times a Transportation Factor. The Transportation Factor has been the same for years at 1.39.

Oregon

State support for pupil transportation is one of the four components in the state's equalization program. As noted earlier, the rate of reimbursement to the school district for pupil transportation is 70%, 80% or 90% of approved costs.

Pennsylvania

Reimbursement for regular pupil transportation is determined by multiplying the cost of approved reimbursable pupil transportation by the district's aid ratio. Payments are also made for excessive cost to be determined by subtracting from approved costs the sum of the regular state reimbursement plus half mill times the district market valuation. In addition, payments are made to school districts for transportation of charter school students and nonpublic school students. Elementary students eligible for transportation reimbursement must reside at least 1.5 miles from their school and secondary students must reside two miles from their school. Students residing along a hazardous route, as certified by the Department of Transportation, are also eligible for reimbursement.

Payments are also made to intermediate units for the cost for transportation of pupils to and from classes and schools for exceptional children, and of eligible young children to and from early intervention programs.

Rhode Island

The formula includes categorical funding to offset the excess costs associated with transporting students to out of district non-public schools and within regional school districts. This fund requires the state to assume the costs of non-public out-of-district transportation for those districts participating in the statewide system and equally share the regional school district student transportation costs.

South Carolina

The state funds and monitors the entire transportation system. Local districts hire bus drivers subject to state certification. Salaries and training provided by the state.

South Dakota

Included in the state aid formula for regular and special education students.

Tennessee

The BEP uses a multiple linear regression formula calculated that uses an average of expenditures from the three previous BEP funding years focusing on the following four factors: students transported per ADM; special education students transported per ADM; miles driven per ADM; and whether the district is county, city, or special school district. The model estimates the average, statewide effects (coefficients) of these factors on transportation expenditures and multiplies those estimated effects by each LEA's respective factors to calculate the estimated cost to the district for providing past transportation services. The BEP then adjusts these amounts by an inflation measure to calculate the actual dollar amount of transportation spending generated for each LEA.

Texas

The transportation allotment is based on a linear-density formula, which is the average number of students traveling on regular bus routes each day divided by the approved route miles. Transportation funding is based on the cost to operate the regular transportation system and the linear density of that system. However, the allotment per mile cannot exceed the amounts set by appropriation, which have remained unchanged since 1984.

Transportation for special education students is based on the cost per mile for the previous year, not to exceed the legislated maximum. In 2014–2015, the maximum is \$1.08 per mile. Transportation for career and technical education students is based on the actual number of miles traveled and the travel rate per mile for extracurricular activities as determined by the school district board of trustees and approved by the agency. Private transportation, used for students in remote areas and determined on a case-by-case basis, is funded at the rate of \$0.25 per mile with a maximum annual amount of \$816 per student.

Utah

State aid for to-and-from school pupil transportation is calculated and distributed to school districts (charter schools do not participate in pupil transportation) based on an allowance for (1) an allowance per mile, (2) an allowance per minute. Currently the average cost per mile is \$1.16; the average cost per minute is \$0.64; and the total annual transportation cost is \$101,145,428.

The state funds about 66% or \$68,643,600 at this time.

Eighty percent of the total pupil transportation costs are for to-and-from school; 20% is for activity/field trips.

Vermont

Transportation is reimbursed as a categorical grant and covers about 44.3% of a district's cost to transport students to and from school. The percentage reimbursement declines a little each year as transportation costs rise faster than the growth in the reimbursement fund.

Virginia

The Commonwealth determines per student costs for regular, special arrangement, and exclusive schedule student transportation programs. Per student costs are based on a matrix through use of two variables: geographical density and division size, i.e., number of students, for each of the above programs. These costs are included in the Basic Aid account and are shared between state and local school divisions according to the school divisions' LCIs. Also, the state contributes to the bus replacement costs based on a twelve-year replacement cycle.

Washington

Each school district providing transportation to and from school is entitled to state student transportation funding based on a regression analysis providing the expected cost of operations given the district characteristics. The primary characteristics are the basic program student count, the special program student count, the number of destinations (schools) served, the average distance between bus stops and schools, and the district land area.

West Virginia

As discussed in the preceding section, districts are divided into four groups based on student population density, and additional funding is provided to the districts with the lower student population density ratios.

Wisconsin

State pupil transportation aids are a categorical aid and determined under the provisions of s. 121.58, Wis. Stats. The appropriation for reimbursement of transporting public and nonpublic school pupils is found in s. 20.255(2)(cr), Wis. Stats. School districts that furnish transportation to and from public and nonpublic schools are entitled to receive state aid at the following rates:

Distance in Miles	Regular Year	Summer School
Less Than 2 Miles (hazardous area)	\$15/pupil	--
2-5 miles	\$35/pupil	\$4/pupil
Over 5 up to 8	\$55/pupil	\$6/pupil

Over 8 up to 12	\$110/pupil	\$6/pupil
Over 12	\$275/pupil	\$6/pupil

Distances are measured from the pupil's residence to the school attended; following the shortest commonly traveled route. Half payment is made for pupils enrolled and transported less than 91 days (regular year) or 16 days (summer school). Pupil transportation aid is based on student ridership in the previous year. The 2010-11 appropriation for Transportation Aid is \$26.3 million.

Wyoming

The state reimburses 100% of a school district's pupil transportation costs.

DENSITY/SPARSITY OF SMALL SCHOOLS/DISTRICTS

Alabama

Does not apply.

Alaska

The formula is weighted in favor of the small, isolated sites.

For each school in the district subtract from the ADM **all** correspondence counts. Adjust the remaining ADM of each school using the school size factor table.

1. A community with an ADM under 10:
Added to the smallest school with an ADM greater than 10.
2. A community with an ADM from 10 - 100:
Grades K-12 ADM combined and adjusted once, adjusted as one school.
3. A community with an ADM from 101 – 425:
ADM for grades K-6 and 7-12 are adjusted separately; adjusted as two schools.
4. A community with an ADM greater than 425:
Each facility administered as one school, counted as one school, ADM is adjusted as one school.

Reference:	School Size:	Formula:
1.	10-19.99	39.60
2.	20-29.99	$39.60 + (1.62 * (ADM - 20))$
3.	30-74.99	$55.80 + (1.49 * (ADM - 30))$
4.	75-149.99	$122.85 + (1.27 * (ADM - 75))$
5.	150-249.99	$218.10 + (1.08 * (ADM - 150))$
6.	250-399.99	$326.10 + (.97 * (ADM - 250))$
7.	400-749.99	$471.60 + (.92 * (ADM - 400))$
8.	Over 750	$793.60 + (.84 * (ADM - 750))$

Arizona

Districts with less than 600 average daily memberships (ADM) are considered small and receive special weightings. If they are also isolated, they receive additional weightings. In addition, if they have less than a 100 student count, they are eligible to budget for a small schools adjustment. This small schools adjustment is paid directly from the local tax payer through the primary property tax.

Density Weights K-8

Student Count	Isolation Weight	Small School Weight
1-99	1.559	1.399
100-499	$1.358 + [0.0005 * (500 - \text{Student Count})]$	$1.278 + [0.0003 * (500 - \text{Student Count})]$

	student count)]	student count)]
500-599	$1.158 + [0.0005 \times (500 - \text{student count})]$	$1.158 + [0.0003 \times (500 - \text{student count})]$

Weights for District/School Size

Small isolated and small school districts with less than 600 ADM receive special weighting for K-8 and 9-12 enrollments.

Density Weights 9-12

Student Count	Isolation Weight	Small School Weight
1-99	1.669	1.559
100-499	$1.468 + [0.0005 \times (500 - \text{student count})]$	$1.398 + [0.0003 \times (500 - \text{student count})]$
500-599	$1.268 + [0.0005 \times (500 - \text{student count})]$	$1.268 + [0.0003 \times (500 - \text{student count})]$

Arkansas

6-20-601 Qualifications for receiving isolated funding: (a) As used in this section, "isolated school district" means a school district that meets any 4 of the following 5 criteria: (1) There is a distance of 12 miles or more by hard-surfaced highway from the high school of the district to the nearest adjacent high school in an adjoining district; (2) The density ratio of transported students is less than 3 students per square mile of area; (3) The total area of the district is 95 sq. mi. or greater; (4) Less than 50% of bus route miles is on hard-surfaced roads; and (5) There are geographic barriers such as lakes, rivers, and mountain ranges which would impede travel to schools that otherwise would be appropriate for consolidation, cooperative programs, and shared services. (b) An isolated school district shall be eligible to receive isolated funding under this section if: (1) The district's budget is prepared by the school district with Department of Education approval; (2) The school district has a prior-year three-quarter ADM of less than 350; and (3) The school district and each school within the school district meets the minimum standards for accreditation of public schools prescribed by law and regulation. (c) Any school district designated as an isolated school district for the 1996-1997 fiscal year that used geographic barriers as one (1) of the 4 criteria necessary to receive isolated funding shall be allowed to continue to use geographic barriers as a criterion for future allocations of isolated funding. (2) There are 2 categories of isolated funding: (A) Category I isolated funding shall be provided to all school districts that qualify under this section and shall be calculated as 350 minus the prior-year three-quarter ADM divided by 850 multiplied by the prior-year three-quarter ADM and multiplied by the per-student foundation funding amount under § 6-20-2305(a)(2); and (B) Category II isolated funding shall be additionally provided to those school districts that qualify under this section and have a prior-year three-quarter ADM density ratio of less than 1.2 students per square mile and shall be calculated at 50% of Category I funding.

6-20-603 Continued support of isolated school districts: (a) Upon the effective date of consolidation, annexation, or reorganization, the districts listed in statute... shall become isolated school areas for the sole purpose of receiving isolated funding and shall have a per student isolated funding amount as provided in legislation. (b) Each school year, state financial aid in the form of isolated funding shall be provided to school districts containing an isolated school area

in an amount equal to the prior-year three-quarter ADM of the isolated school area multiplied by the per student isolated funding amount for the isolated school areas as set forth under column "C" of subsection (a) of this section. (c) A school district may not receive isolated funding under this section for an isolated school area if the prior year three-quarter ADM of the isolated school area exceeds 350. (d) A school district receiving isolated funding for an isolated school area shall expend the funds solely for the operation, maintenance, and support of the isolated school area. (e) Except as provided under subdivision (e)(2) of this section, a school district that qualifies under § 6-20-601 to receive additional state aid because its prior-year three-quarter ADM is less than 350 is not eligible to receive funding under this section. A school district may elect to receive funding under this section in lieu of funding under § 6-20-601 if the school district qualifies for funding under § 6-20-601 and for funding under this section. (i)(1)(A) If all of an isolated school area in a school district is closed, the school district shall receive funding based on the prior year three-quarter ADM of the isolated school area. (B) If part of an isolated school area in a school district is closed, the school district funding is based on the prior-year three-quarter ADM of the part of the isolated school area that remains open. (C) Funding received by a school district under this subsection is restricted for use at the closed isolated school area or for transporting students of the closed isolated school area to another school in the district. (2) If a closed isolated school area is subsequently used by the school district for an alternative learning environment program or other regular classroom teaching, the school district using the now closed isolated school area may submit prior-year three-quarter average daily membership to the state to request funding under this section.

6-20-604 Additional funding: (b) A school district shall receive special needs funding if the school district meets the requirements of subsections (c), (d) or (e) of this section, and if: (1) The school district was consolidated or annexed or received an annexed school under § 6-13-1601 et seq.; (2) The local board of directors by majority vote determines that the isolated school is so isolated that to combine its operation to 1 district campus would be impractical or unwise; and (3) The isolated school or district: (A) Filed an affidavit of isolated school status with the state board during the consolidation or annexation process and the facts of the affidavit are verified by the state board or its designee, to meet the requirements of § 6-20-601; (B) Filed an affidavit of isolated school status with the state board after the consolidation or annexation process or August 12, 2005, and the facts of the affidavit are verified by the state board or its designee to meet the requirements of § 6-20-601; or (C) Filed an affidavit of isolated school status with the state board after the consolidation or annexation process or August 12, 2005, and the facts of the affidavit are verified by the state board or its designee to meet the requirements of § 6-20-601 but for the ADM requirements 350 students or fewer. (f) A school district shall receive an amount equal to 5% of the foundation funding received by the school district under § 6-20-2305(a)(2) based on the three-quarter ADM of the school district if the school district has a: (1) Three-quarter ADM of less than 500 students; and (2) Density ratio of 2 students or less per square mile. (g) A school district eligible for special needs funding under this section shall continue to be eligible to receive isolated school funding provided under § 6-20-603 but shall only receive funding under one (1) of the categories established under subsections (c)-(f) of this section. (h) (1) This section is contingent on the appropriation and availability of funding for its purposes. (2) (A) Undistributed funds under this section and § 6-20-603 allocated to a school district that is no longer eligible to receive the funding shall be distributed on an equal basis per school district to each remaining school district that is eligible to receive funds under subsections

(c)-(e) of this section. (B) Funds distributed under subdivision (h)(2)(A) of this section shall be used by the school district only for transportation costs of the isolated schools in the school district.

California

For small school districts, California provides an optional alternative funding entitlement for necessary small schools. For each qualifying necessary small elementary school with less than 97 ADA in a school district with less than 2,501 ADA, necessary small school amounts are computed on the basis of either the school's ADA or the number of full-time teachers, whichever provides the lesser amount. For each qualifying high school with less than 287 ADA, necessary small school amounts are computed on the basis of either the school's ADA or the number of full-time-equivalent (FTE) certificated employees providing services in grades 9–12, whichever provides the lesser amount. If the ADA is under 20 and the number of FTE certificated employees is less than four, however, the amount is computed on the number of FTE certificated employees.

Colorado

Does not apply.

Connecticut

There are no adjustments for population density or sparsity.

Delaware

Does not apply.

Florida

The FEFP recognizes the relatively higher operating cost of smaller districts due to sparse student population through a statutory formula in which the variable factor is a sparsity index. This index is computed by dividing the FTE of the district by the number of permanent senior high school centers (not exceeding three). By Appropriations Act proviso, participation is limited to districts of 20,000 or fewer FTE. Each eligible district's allocation is subject to an adjustment for relative wealth of the district. This adjustment is based on the per FTE value of the maximum discretionary levy in the district relative to the state average. If the district value per FTE exceeds the state average, then the sparsity entitlement is negatively adjusted by an amount equal to the district's FTE multiplied by the per FTE amount by which the district's maximum discretionary value per FTE exceeds the state average. However, no district shall have a sparsity wealth adjustment that would cause the district's total potential funds per FTE to be less than the state average. This supplement is limited to \$35,754,378 statewide for the 2010-11 fiscal year.

Georgia

Additional funds are provided to small schools on a case by case basis subject to the conditions of O.C.G.A. 20-2-292. Requirements for receiving a Sparsity grant include:

- The inability of the local school system to offer its students or a portion of its students the educational programs and services that are typically offered with state and local funding;

- the reason for the inability to offer these services is because the number of full time equivalent students participating in the school is less than the base size identified under the QBE law;
- there has been a study completed in the last five years that indicates that merging of smaller schools is unfeasible due to the extensive travel time required for students to arrive to attend school; or
- that there arises local objections to the possibility of merging two or more separate systems into one new system; or
- the adjoining local school system or systems refuse to participate in a study to determine the feasibility of a merger; or
- any proposed local school system would still be unable to offer comparable educational programs and services to its students or a portion of its students even if the local school systems were merged or if schools were consolidated, since the resulting schools would still be smaller than the base sizes.
- Funds are subject to appropriation.

Grade Level Differences

Grade	Weight
K	1.6519
K Early Intervention	2.0363
1-3	1.2853
1-3 Early Intervention	1.7941
4-5	1.0356
4-5 Early Intervention	1.7877
6-8	1.0279
6-8 Middle School	1.1313
Base Grades 9-12	1.000

Hawaii

Not applicable

Idaho

Support Unit allotments vary according to educational level and school district size. Generally, smaller school districts and charter schools will receive more funding per ADA than larger school districts and charter schools. School districts with less than 40 support units receive an additional 0.5 FTE of instructional staff and an additional 0.5 FTE of administrative staff. School districts with less than 20 support units receive an additional 0.5 FTE of instructional staff. Remote and necessary schools may petition state board of education for special consideration.

Illinois

Does not apply

Indiana

Locally funded

Iowa

The state does not have a factor for density/sparsity within the formula, but does have additional funding for districts that share teachers and programs. Additional pupil FTE is provided for .48 of the time that pupils attend classes in another school district, attend classes taught by a teacher jointly employed by two or more school districts, or attend classes taught by a teacher who is employed by another school district. The weighting for sharing whole grades is .1. There is also supplementary weighting of .1 provided for a school district that establishes a regional academy to which two or more other districts send high school students. The total amount of supplementary weighting provided for a regional academy cannot exceed the equivalent of 30 additional pupils and is guaranteed a minimum of 15 additional pupils. There is also supplementary weighting of .05 for providing or utilizing courses over the Iowa Communications Network (ICN); and there is supplementary weighting for resident students who attend classes in a community college-- .46 for arts and science courses and .70 for career and technical courses. There is an additional supplementary weighting for the sharing of operational functions between districts – to a maximum of 21 additional students across all sharing arrangements per district.

Kansas

It is a linear transition formula ranging from 100 students up to 1,622 students. The low enrollment weight of districts having enrollments of 100 or fewer is 1.014331 times the BSAPA per pupil. Each change of one pupil changes the low enrollment weight down or up inversely to the enrollment change. High enrollments, above 1,622 and over, are weighted an additional 0.03504 times the BSAPP.

Kentucky

No response

Louisiana

Add-on weights - based on student characteristics recognizing the extra cost of instruction for certain categories of students or classes.

Economy of Scale up to 20% (for districts with less than 7,500 students)

Maine

Additional State subsidies are provided to geographically isolated schools, , and island schools.

Maryland

Although the State does not specifically provide funding for Density/Sparsity of Small Schools, see the State program noted below under the section “Declining Enrollment or Growth” that is limited to relatively small school systems.

Massachusetts

Does not apply.

Michigan

For districts with a pupil count of less than 1,550 and 4.5 or fewer pupils per square mile, Michigan uses a three-year-average pupil count in the calculation of their state school aid if it benefits the district. This softens the fiscal impact that declining enrollment has on these mostly rural districts. Also, Michigan has a small amount of categorical funding for small, geographically isolated districts. Several of these are island districts not accessible by a bridge.

Minnesota

Districts with secondary schools having fewer than 400 pupils in grades 7-12, or elementary schools having fewer than 140 pupils in kindergarten through grade 6, located in isolated areas receive sparsity revenue in the general education formula. The amount of revenue for secondary pupils varies as a function of the number of pupils, the distance to the nearest high school, and the attendance area. The amount of revenue for elementary pupils varies as a function of the number of pupils enrolled in schools located 19 or more miles from the nearest elementary school.

Mississippi

Does not apply.

Missouri

There is no specific adjustment for density/sparsity of small schools. However, districts are paid on the greater of the second preceding year's Weighted Average Daily Attendance, the first preceding year's Weighted Average Daily Attendance, or an estimate of the current year's Weighted Average Daily Attendance. This provision helps districts with declining student counts as well as those with increasing student counts.

There is a small school grant for districts with an average daily attendance, including summer school, no greater than 350. The \$15 million appropriation is distributed in two parts. One part of \$10 million is distributed equally per average daily attendance for the eligible districts. The second part of \$5 million is distributed on a tax-rate weighted average daily attendance basis to the eligible small districts with a tax rate for general school purposes equal to or greater than the state performance levy of \$3.43.

Montana

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.

Nebraska

No response provided.

Nevada

Guarantee is based on number of school district attendance areas in which educational services must be provided due to distances involved. This constitutes adjustment for rural and urban area characteristics.

New Hampshire

Does not apply.

New Jersey

Does not apply.

New Mexico

Schools with less than 200 elementary and junior high school pupils, districts with less than 200 or 400 senior high school pupils, districts with 10,000 ADM, but less than 4,000 ADM per high school, and districts with less than 4,000 total ADM, all qualify for additional aid.

New York

There is no specific density or sparsity aid category. Sparsity is a factor in calculating the Pupil Need Index for Foundation Aid. For some districts, the sparsity factor can also potentially enhance the aid ratio for Transportation Aid. Sparsity is considered a factor in school districts operating grades K-12 with fewer than 25 pupils per square mile. This sparsity factor is not exclusive to "small schools," nor does it affect a district's eligibility for aid.

North Carolina

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

North Dakota

A weighting factor of .10 is applied for school districts greater than 275 square miles in size and less than 100 students in average daily membership (ADM). In addition, school districts greater than 600 square miles in size and less than 50 students in ADM are guaranteed funding at 50 ADM. Presently no school districts meet the second test.

Ohio

Does not apply

Oklahoma

Density factor is accounted for in transportation supplement. School district size of 529 or less is weighted in the State Aid formula with the Small School District Weight.

Oregon

Students in remote small elementary school receive additional weighting based on the number of grades, the average size of each grade and the distance from the next nearest elementary school. Small high schools receive the additional weighting based on the size of the high school. There is no distance factor. The weight is based on the size of each school, not the size of the district. A school qualifies as a small school if the school has been in the same location since 1995 and qualified as a small school in 1995 (elementary) or in 2009 (high school). Elementary schools also must be remote – more than 8 miles from the nearest school. If small high schools become larger than the allowable size as the result of a merger, the new, larger school receives the combined weight for four years following the merger.

Pennsylvania

There is no specific subsidy component for density/sparsity of small schools.

Rhode Island

Does not apply.

South Carolina

No state appropriation.

South Dakota

The small school adjustment, effective for the 2007-08 school year, is the successor to a “small school factor” that was in place previously. The “small school factor” used a formula to add additional “phantom” students to a district’s average daily membership, with the smallest districts receiving funds for up to 20 percent more students.

Starting in 2007-08, South Dakota uses a “small school adjustment” that provides an additional \$847 per student for districts with enrollments of less than 200. Districts with enrollments between 200 and 600 receive “small school adjustment funds” based on the number of students in the system, calculated using a straight-line formula.

South Dakota also has a “sparsity” factor that provides additional funding to small, isolated school districts. Districts must meet several criteria to qualify, for example, the district must have less than 0.5 students per square mile, and have land area in excess of 400 square miles and the district’s high school must be further than 15 miles away from another public school district attendance center. The formula adds up to \$123,750 per year for the state’s most isolated schools.

Tennessee

Does not apply.

Texas

The basic allotment is increased by a percentage proportional to the difference between a district's average daily attendance (ADA) and an ADA of 1,600 students. The percentage of increase is greater for districts having over 300 square miles. Districts with an ADA below 130 students use a minimum ADA based on actual ADA, grades taught, and distance to the nearest school.

The state also provides a mid-sized school district adjustment that applies to school districts with an ADA between 1,600 students and 5,000 students. Since 2009–2010, this adjustment applies to districts that are subject to the recapture of local tax revenue as well as those that are not.

Utah

Additional WPU are provided for Necessarily Existent Small Schools—up to 9,357 Weighted Pupil Units (\$28,492,100 in FY 2014-15). The additional WPU are provided for necessary, existent, small schools below 160 ADM for elementary schools (including Kindergarten at a weighting of 0.55 per ADM); or below 300 ADM for one or two-year secondary schools; or below 450 ADM for three-year secondary schools; or below 550 ADM for four-year secondary schools; or below 600 ADM for six-year secondary schools. See Necessarily Existent Small Schools description and Administrative Rule R277-445 on the Utah State Office of Education website.

Vermont

Categorical grants are paid to schools in school districts with average grade sizes of 20 students or smaller. The smaller the average grade size the larger the grant. This helps to lower the remaining spending per pupil and thus the district's homestead tax rate

Virginia

The Appropriation Act specifies that a minimum number of instructional positions will be maintained on a division-wide basis, regardless of the enrollment size of the school division. This includes a minimum of 51 professional instructional and aide positions, one gifted professional instructional position, six occupational and special education professional instructional and aide positions, and other partial instructional and aide positions, resulting in a total of 59.1 professional instructional and aide positions per 1,000 students in ADM that are funded jointly by the state and localities. Statewide, the state contributes 55% and localities 45% for the above state-calculated costs. As a result of how the costs are calculated for school divisions of varying enrollment sizes, Virginia Beach with an enrollment of 68,912, qualifies for \$5,322 per student in ADM while Highland County with an enrollment of 187, qualifies for \$9,527 per ADM.

Washington

For remote and necessary elementary schools and small school districts with less than 100 pupils and high schools with less than 300 pupils, additional units are allocated depending on grade level and required pupil-staff ratio.

West Virginia

As discussed in the preceding section, districts are divided into four categories based on student population density per square mile. These groupings are utilized in calculating the allowances for salaries and transportation in order to provide more funding for the rural districts.

Wisconsin

The state's 2007-09 biennial budget enacted this categorical aid program. The statutory provision for this aid program is found in s. 115.436, Wis. Stats. Districts that have 725 or less members, whose membership is less than 10 members per square mile of district's geographic area and have at least 20 percent of its membership qualify for free or reduced-price lunch under the National School Lunch program will receive \$300 per pupil. The 2010-11 appropriation for Sparsity Aid is \$13.5 million.

Wyoming

School adjustments:

Schools with 49 or fewer average daily membership (ADM) are resourced 1 assistant principal position plus 1 FTE teacher position for every 7 students for all staff;

All schools within a district comprised of less than 243 total K-12 ADM and notwithstanding all other teacher resources, are resourced a minimum of 1.0 core teacher at every grade with reported ADM, plus 20% of core teachers for elementary specialist teachers and 33% of core teachers for middle and high school specialist teachers;

Minimum of 6.0 teachers for elementary schools greater than 49 ADM;

Minimum of 8.0 teachers for middle schools with greater than 49 ADM;

Minimum of 10.0 teachers for high schools with greater than 49 ADM.

For K-6 school, resource as elementary school;

For a 5-8 or 6/7-9 school, resource as a middle school;

For a K-7, K-8 or K-9 school, resource K-5 teachers as elementary school and remaining teachers as middle school, and resource all other staff resources at the highest-grade prototype;

For K-12 school, resource K-5 teachers as elementary, 6-8 teachers as middle school, 9-12 as high school, and resource all other staff resources at the highest-grade prototype;

For 6/7-12 school, resource 6-8 teachers as middle school and 9-12 teachers as high school, and resource all other staff resources at the highest-grade prototype.

SPECIAL EDUCATION

Alabama

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.

Alaska

Vocational education, special education (except intensive special education), gifted/talented education, and bilingual/bicultural education are block funded. A district must file a plan with the department indicating the special needs services that will be provided, Section 14.17.420(2)(b), to qualify for special needs funding.

Arizona

Funding is provided through 11 weighted categories per the table included below. Additional M&O budget capacity could be given if district/charter is eligible for Federal impact aid revenues.

Weights for Special Education Programs

Hearing Impairment	4.771
K-3 Grade Level	0.060
English Learners (ELL)	0.115
MD-R, multiple disabilities; A-R,autism; and SID-R severe intellectual disabilities (Resource programs)	6.024
MD-SC multiple disabilities A-SC autism, and SMR-SC severe intellectual disabilities (Self-contained programs)	5.833
Multiple Disabilities & Severe Sensory Impairment	7.947
Orthopedic Impairment (Resource)	3.158
Orthopedic Impairment (Self Contained)	6.773
Preschool-Severe Delayed as primary disabilities age 5 or younger	3.595
DD developmental delay, ED emotional disability, MIID mild intellectual disability, SLD specific learning disability, SLI speech/language impairment, & OHI other health impairment	0.003
ED-P Emotionally Disability (Private placement)	4.822
MODI Moderate Intellectual Disability	4.421
VI Visual Impairment	4.806

Arkansas

In 2004, the Arkansas General Assembly reformulated public school funding at the direction of the Arkansas Supreme Court to devise a funding system to assure school “adequacy”. Although Arkansas Special Education funding based on weighted averages had been abolished in the mid-

1990s, this approach was actually reconsidered during the discussions of school funding adequacy for special populations, including students with disabilities, English language learners, students in Alternative Learning Environments, and high poverty students.

Ultimately, the funding adequacy needs of these special populations were addressed through categorical funding systems providing state aid in addition to that provided through the basic Foundation Formula. For Special Education, the General Assembly increased the funding levels of existing state line item appropriations to reimburse districts for specific types of excess costs associated with providing services. These include annual targeted Catastrophic Occurrences aid for individual high cost/high need students, reimbursement for residentially placed students, and reimbursement for students with disabilities receiving extended school year services.

California

California provides \$3.2 billion in state funding for special education programs for individuals with exceptional needs. The special education funding model apportions state aid to local educational agencies (LEAs) based on their ADA; the per-ADA funding rates are recomputed annually. The funding model is based on the assumption that, over reasonably large geographic areas, the incidence of disabilities is relatively uniformly distributed. Funding for special education may be apportioned directly to an LEA or to the administrative unit of the special education local plan area (SELPA) with which it is affiliated. Entitlements are calculated by multiplying the SELPA's base funding rate by the prior-year funded K-12 ADA for each school district, county office of education, and charter school in the SELPA. Funding is adjusted for changes in ADA. There is also a small amount of funding for exceptionally high cost students.

Colorado

(Article 20 of Title 22, CRS)

The State Exceptional Children's Act (ECEA) outlines administrative unit (school districts and boards of cooperative educational services) responsibilities for providing special education programs for children with disabilities. The Act recognizes the need to provide educational opportunities to all children, and the benefits of providing a continuum of services in the least restrictive environment.

In budget year 2014-15, Colorado administrative units will serve approximately 85,000 students with disabilities, or about 10% of the total pupil enrollment. Administrative units will provide services to approximately 90,000 children between the ages of three and twenty-one who, by reason of one or more of the following conditions, are unable to receive reasonable benefit from general education. Disability categories are: Autism Spectrum Disorders, Deaf-blindness, Developmental Delay, Hearing Impairment Including Deafness, Infant/Toddler with a Disability, Intellectual Disability, Multiple Disabilities, Orthopedic Impairment, Other Health Impaired, Serious Emotional Disability, Specific Learning Disabilities, Speech or Language Impairment, Traumatic Brain Injury, and Visual Impairment Including Blindness.

State ECEA funding of special education programs for children with disabilities is \$161 million for budget year 2014-15.

- Five hundred thousand dollars is available to administrative units specifically for costs incurred for children with disabilities that live in eligible facilities within their boundaries, and for

whom (a) parental rights have been relinquished by the parents; (b) parental rights have been terminated by the court; (c) parents are incarcerated; (d) parents cannot be located; (e) parents reside out of state, but the Department of Human Services has placed the children within the boundaries of the administrative unit; or (f) the children are legally emancipated.

- Four million dollars will be available for grants to administrative units for reimbursement of high costs incurred in providing special education services in the preceding school year. High costs are defined as the costs incurred by an administrative unit above a threshold amount.

The remaining amount will be distributed as follows:

- Administrative units will receive \$1,250 for each child reported by the administrative unit on December 1 of the previous year.
- Administrative units will receive up to an additional \$6,000 for each child reported on its previous December 1 count with the following disabilities: vision disability, hearing disability, deaf-blind, significant identifiable emotional disability, autism, traumatic brain injury, multiple disabilities, and significant limited intellectual capacity. This amount will be prorated based on the amount of the remaining appropriation.
- State ECEA moneys can be used to pay for the salaries of special education instructional and support personnel, purchased services (including tuition payments to other administrative units and eligible facilities), supplies and equipment.

In budget year 2014-15, total special education costs will equal roughly \$829 million. State funding covers roughly 20% of special education costs; federal funding covers an additional 19% of these costs; and local sources of funding cover the remaining 61% of the costs.

Connecticut

Since 1995-96, the state's primary contribution to general special education has been embedded within the Education Cost Sharing (ECS) formula described under **Description of Formula**, constituting approximately 19 percent of the foundation amount. Thus the ECS foundation reflects the state's contribution toward the cost of regular education and general education. The student count used in the ECS grant determination includes both regular education and special education students.

The state also supports extraordinary special education costs through its Excess Costs grant, which in principle is intended to fund 100 percent of student-based special education costs in excess of established thresholds. For children affected by state agencies, e.g., foster students and judicial placements, the state pays in excess of the district's prior year average cost per student (including regular and special education). For all other special education placements, the state pays 100 percent of the costs in excess of 4.5 times the prior year's average cost per student (including regular and special education). However, these grants are proportionately reduced to stay within the legislatively approved appropriation.

Delaware

Funding is provided through instructional units. The State uses a needs based funding system for special education students. Funding is based on three categories: basic, intensive, and complex with unit sizes of 8.4, 6.0, and 2.6 students per unit.

Florida

In Florida, services for Exceptional Student Education (ESE) students (students identified as gifted and students identified as disabled) are funded through the FEFP. Exceptional education services for most students are funded through the ESE Guaranteed Allocation. For those ESE students requiring the most intensive services, funding is weighted by cost factors in accordance with level of need. Please see Section 1011.62 (1)(e), F.S., for an outline of the funding model for ESE programs. Approximately 88 percent of the total expenditures for students with disabilities are funded through state and local programs.

Since July 1, 2000, approximately 95 percent of ESE students have generated base funding at the same level as non-disabled students. These students are reported under basic programs 111(grades PK-3 basic with ESE services), 112 (grades 4-8 basic with ESE services), or 113 (grades 9-12 basic with ESE services). These programs have the same cost factors as basic programs 101, 102, and 103. A portion of funding for students in these programs is generated by multiplying the base student allocation by the program cost factor. For 2010-11, the base student allocation is \$3,623.76. The approximate base weighted funding amounts generated by students in basic programs for 2010-11 are:

Grades PK-3 Basic	\$3,946.27	(\$3,623.76 x 1.089)
Grades 4-8 Basic	\$3,623.76	(\$3,623.76 x 1.000)
Grades 9-12 Basic	\$3,736.10	(\$3,623.76 x 1.031)

In order to fund exceptional education and related services (including therapies) for these students, an Exceptional Student Education Guaranteed Allocation was established by the Legislature in addition to the basic funding. The guaranteed allocation is a fixed amount provided each district. For the current school year (2010-11) the ESE Guaranteed Allocation appropriation is \$980,571,070.

For the remaining five percent of students with disabilities (those with the most intense needs), funding is determined using a matrix of services. Consistent with the services identified on the Individual Educational Plan, matrices are completed by checking all the services that will be provided to the student. Students with the two highest matrix ratings (254 and 255) generate base weighted funding as follows:

Support Level 4 (254)	\$12,766.51	(\$3,623.76 x 3.523)
Support Level 5 (255)	\$17,883.26	(\$3,623.76 x 4.935)

The ESE matrix of services consists of five support levels and five domains: curriculum and learning environment, social/emotional behavior, independent functioning, healthcare, and communication. See “Use of the Exceptional Student Education Matrix of Services” at <http://fldoe.org/ese/pdf/matrixnu.pdf/>

Georgia

Funding is provided through the foundation program for five weighted categories for special education. The weights range from 2.3810 to 5.7555 depending on the type of disability and service and program provided to the pupil.

Special Education Category	Weight
Category I	2.3810
Category II	2.7903
Category III	3.5520
Category IV	5.7555
Category V	2.4520

Hawaii

State funding for special education increased dramatically between FY 2000 and FY 2008, primarily due to a federal court decree. Hawaii's public school system also receives Federal funding for special education as part of the Individuals with Disabilities Education Improvement Act of 2004 (IDEA).

State funded resources, including special education teacher positions, are allocated to the districts based on a district's special education student enrollment percentage of the state's total special education enrollment. Started in school year 2010-11, this proportional staffing methodology places decision making at the district-level.

Idaho

The foundation program provided salaries and benefits (employer obligations for retirement and FICA) of ancillary personnel (special education teachers, psychologists, psychological examiners, therapists, and social workers) through an instructional staff allowance ratio of 0.1 per support unit.

Illinois

There are six state grants for funding special education. These are as follows:

- 1) Funding for Children Requiring Special Education Services – 85% of funding based on district ADA and 15% based on low-income counts reported in General State Aid
- 2) Special Education – Personnel Reimbursement – Grants are calculated at \$9,000 per full-time professional certified worker and \$3,500 per full-time non-certified worker.
- 3) Special Education – Private Tuition – Prior year costs are reimbursed based on the difference between \$4,500 and a district's per capita tuition costs per pupil in excess of \$4,500 plus a second per capita tuition charge.
- 4) Special Education – Summer School – Provides grants based on multiple formulas to assure educational services through the summer.
- 5) Special Education – Transportation – Described above under Transportation.
- 6) Special Education – Orphanage – Reimburses districts for the cost of special education services to children residing in state-owned facilities and with foster families. Any costs not covered by the current year appropriation must be covered by future years' appropriations.

Indiana

School corporations and charter schools are entitled to receive a grant for special education programs. The special education grant is based on a count of students who are enrolled in special education programs on December 1 of the current fiscal year. The enrollment of December 1, 2013 was used in the FY2014 funding formula and the enrollment of December 1, 2014 will be used for the FY2015 funding formula. Additionally virtual charter schools are eligible to receive special education funding in both FY2014 and FY2015 using the same formula as school corporations and charter schools.

The grant is the sum of multiplying the count of enrolled students by the following:

- \$8,350 multiplied by the unduplicated count of students with severe disabilities.
- \$2,265 multiplied by the unduplicated count of students with mild and moderate disabilities.
- \$533 multiplied by the duplicated count of students with communication disorders.
- \$533 multiplied by the duplicated count of pupils in homebound programs.
- \$2,750 multiplied by the special preschool education program pupil count.

The same per pupil program dollar amounts are used for both FY2014 and FY2015.

Reconciliation: If an overpayment occurs, the Department will decrease the February through May special education payments to effect the change. If an underpayment occurs, the Department will increase the February special education payment to effect the change in the special education grant.

Iowa

Three levels of additional pupil FTE weighting, 0.72, 1.21, or 2.74 beyond the 1.0 state per pupil funding, are available for students with IEPs. Which additional weighting applies to the student is determined by the level of services required on the IEP for special education instructional staff or supplemental aids and other services in the areas of required curriculum modification, specially designed instruction, amount of school personnel support and Least Restrictive Environment (LRE) efforts, and amount of supplementary aid or assistance necessary including assistive technology, instructional associates or specialized transportation.

Kansas

State provides 80% of special education transportation costs and \$27,900 in categorical aid per instructional unit. That amount is paid on all certificated education teachers, while paraprofessionals are paid .4 or \$11,160 per fulltime paraprofessional.

Kentucky

Special Education is funded through an **Exceptional Child Add-on** to Kentucky's base funding mechanism. The base funding formula is determined based on the district's average daily attendance multiplied by a guaranteed amount per child established by the Kentucky General Assembly in the State's biennial budget. The Exceptional Child Add-on also uses this guaranteed amount per child. Kentucky's formula assigns one of three weights to each of the disability categories. Students with a Speech Language disability only have a weight of 0.24; disability categories of Orthopedically Impaired, Other Health Impaired, Specific Learning

Disability, Developmentally Delayed and Mild Mental Disability have a weight of 1.17; and disability categories of Hearing Impaired, Visually Impaired, Emotional Behavior Disability, Deaf Blind, Multiple Disabilities, Autism, Traumatic Brain Injury and Functional Mental Disability have a weight of 2.35. The total count of students for each of these weight categories are summed and that categories total of children ages 5 through 20 is multiplied by its weight as noted above. The product of each categories assigned weight multiplied by its child count is then multiplied by the guaranteed base amount in the biennial budget. When these three products are combined that is the amount of the district's Exceptional Child Add-on funds.

Louisiana

Students with Disabilities

150% - based on the prior year February 1 student count

Maine

The State subsidizes 100% of approved Essential Programs and Services special education costs for all non-minimum subsidy receiving school districts.

Maryland

A funding level per special education student is calculated by taking 74% of the per pupil amount established in the Foundation Program. The program is equalized on the basis of local wealth. The Fiscal Year 2015 funding level is \$272 million.

Additionally, under the Nonpublic Placements Program, the State shares in the cost of placing students with disabilities in nonpublic special education schools when no appropriate program is available for them in the public schools. For students placed through this program, the State pays 70% of the costs in excess of the base local share (which equals approximately 300% of the basic cost per pupil for the school system).

Massachusetts

The Chapter 70 foundation budget includes an assumed special education percentage of enrollment and the corresponding costs are factored into the aid calculations. A separate "circuit breaker" program reimburses districts for 40 percent of special education instructional costs in excess of four times the prior year's state average foundation budget.

Michigan

A long standing Michigan court case (known as *Durant*) regarding special education cost reimbursement was settled in 1997. It requires that the state reimburses special education instructional costs at a rate of 28.6138% and special education transportation costs at a rate of 70.4165%. The foundation payments (described above) for special education pupils go towards meeting this obligation.

Minnesota

Special Education aid is based on a percentage reimbursement formula with a statewide cap on total aid, supplemented with an excess cost formula targeted to school districts with relatively high levels of special education expenditure per weighted ADM. .

The special education Initial Aid equals the sum of the following amounts computed using current year data:

- *Salary* - 68% of the salary of each essential staff providing direct instructional and related services to students (both special education, transition disabled and alternative delivery of specialized instructional services programs);
- *Contracted Services* - 52% of the amount of a contract for instruction and services that are supplemental to a district's education program for students with disabilities. 52% of the difference between the amount of the contract and the general education revenue of the district for that pupil for the fraction of the school day the student receives services that are provided in place of services of the district's program (both special education, transition disabled and alternative delivery of specialized instructional services programs). For transition disabled programs only, 52% of the cost of vocational evaluation;
- *Supplies and Equipment*
 - Special Education and alternative delivery of specialized instructional services Programs - 47% of the cost of supplies and equipment not to exceed an average of \$47 per student with a disability;
 - Transition Disabled Programs - 47% of the cost of supplies not to exceed an average of \$47 per student with a disability. 47% of the cost of equipment.
- *Travel* – For Transition Disabled Programs only, 47% of the costs of necessary travel between instructional sites by transition program teachers.
- *Bus Depreciation.* 100% of the cost of regular busses over 8 years and Type III busses over 5 years that are used the majority of time providing special transportation services.

Transportation - 100% of the cost of special transportation services.

A school district's special education aid equals its initial special education aid computed as per the formula above times the ratio of the state total special education aid to the state total initial special education aid plus aid adjustments for serving non-resident special education students.

The state total special education revenue for FY 2015 is based on a dollar amount set in statute for FY 2011, increased by 4.6 percent annually and adjusted for change in state total ADM. For FY 2015 the cap is estimated to be \$ 967,140,000 which is sufficient to fund approximately 88 percent of the initial aid for each district

The link to Minnesota's special education formula is:

<https://www.revisor.leg.state.mn.us/statutes/?id=125A.76>

Special Education Excess Cost Aid:

A district's initial special education excess cost aid cost aid equals 75% of the difference between the district's unreimbursed special education cost for the prior fiscal year and 4.36% of the district's general education revenue. The state total excess cost aid for FY 2015 is based on a

dollar amount set in statute for FY 2011, increased by 2 percent annually and adjusted for change in state total ADM. For FY 2015 the cap is estimated to be \$123,280,000, which is sufficient to fund approximately 53 percent of the initial aid for each district

The link to Minnesota's special education excess cost formula is:

<https://www.revisor.leg.state.mn.us/statutes/?id=125A.79>

Special Education Cross Subsidy Reduction Aid

For FY 2015, school districts will receive cross subsidy reduction aid equal to the lesser of \$48 per ADM or 2.27 percent of an amount calculated using a census-based formula for high incidence primary disability areas and a rate per December 1 child count for low incidence primary disability areas. The cross subsidy reduction formula provides a transition to a new formula special education aid taking effect in FY 2016, which will include census-based calculations and calculations based on child count for low incidence primary disability areas as well as calculations similar to those under the current percentage reimbursement and excess cost formulas.

Mississippi

Teacher units are added for each approved program for exceptional students; the funding amount is based on the certification and experience of the approved teacher. This is an add-on program amount.

Missouri

State Special Education aid is now included in the Basic State Aid to districts. When a district's count of students with an Individualized Education Plan exceeds the state threshold, currently at 13.2% of the district's ADA, the excess is weighted at .75 and added to the district's ADA calculation in the overall weighted average daily attendance.

Montana

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).

Nebraska

Special Receipts Allowance includes district specific special education, state ward, and accelerated or differentiated curriculum program receipts from the most recently available complete data year.

Nevada

Allocations of special education funding vary widely among school district based primarily on needs and applications. Funding support is set in terms of number of regular and discretionary units, with each unit valued at \$39,768 for 2011; \$42,745 for 2015. Students per unit range from

a low of 41.7 in Pershing County School District to a high of 158.8 students per unit in Clark County School District.

New Hampshire

See Adequacy Aid component above for students identified as special needs students. Also, Catastrophic Aid for high cost students. The state pays 100% of cost above 10 times the state average current expenditure per pupil, and 80% of the cost between 3.5 and 10% the state average per NH RSA 186-C:18.

New Jersey

The State uses a census-based method for funding Special Education. This approach bases the aid allocation on each district’s total enrollment. Using this method, special education needs are projected by multiplying the excess cost of educating special education students by the statewide average classification rate, which is then multiplied by the district’s total enrollment. Two-thirds of this cost is included in the district’s adequacy budget, where it is funded through equalization aid. One-third of this cost is provided as categorical aid to the district (regardless of district wealth). This ensures that all districts receive some amount of special education aid.

In determining the actual “excess” cost for special education, the Department used audited expenditure data. The term “excess cost” refers to the costs in addition to the base cost for educating all students. In addition to allocating the costs for special education expenditure lines, a portion of the general education budget was included to account for special education costs for students who are mainstreamed for at least some portion of the day. The apportionment was based on the percentage of time special education students spent in regular classrooms according to data submitted by districts for federal reporting requirements.

New Mexico

State aid is provided through five weighted categories included in the foundation program.

Pupil Weights for Special Education Programs

Special education students are funded under the basic program units with additional weightings as follows:

Categories	Weight
Class A Programs: specially trained teacher travels from class to class or school to school to assist teachers, students and gifted on a part-time basis.**	.7
Class B Programs: specially trained teacher operates a resource room and assists gifted.**	.7
Class C Programs: special classroom instruction for moderately handicapped and gifted.	1.0
Class D Programs: full-time special	2.0

classroom instruction for severely handicapped students and aged three and four year old handicapped.	
** Weighted classroom units	

Special education is also funded for related services ancillary to providing special education, the number of full-time-equivalent certified or licensed ancillary service and diagnostic service personnel multiplied by the cost differential factor 25.0.

New York

Foundation Aid is used for general education and special education students, with an additional weighting for students with disabilities.

A Public Excess High Cost formula provides wealth-equalized aid, in addition to Foundation Aid, for the costs of educating students with disabilities who must be served in very high cost programs in districts or BOCES. A Private Excess Cost formula provides wealth-equalized reimbursement for tuition expenses above a basic contribution for students placed in state-operated or approved private schools for students with disabilities. A separate program supports preschool special education services.

North Carolina

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

North Dakota

Special education funding is recognized through a factor in the main funding formula based on the total number of students in average daily membership. There are also factors for students age 3-5 on IEPs and extended year special education programs. These factors add an additional 7% for special education services to the base funding amount. Additional funding is set aside at the state level to reimburse school districts with extremely high cost special education students.

Where students are placed by external agencies for purposes other than education, districts are

reimbursed for allowable costs exceeding the state average cost per pupil. Educational placements are reimbursed for allowable costs exceeding 4 times the state average cost per pupil. Transportation and equipment are not included in allowable costs.

Ohio

There are six categories of Special Education services, specifying a dollar amount per child rather than categorical weights: 1) Speech and Language Disability \$1,503 (2014) and \$1,517 (2015); 2) Learning Disability \$3,813 (2014) and \$3,849 (2015); 3) Hearing Disability or Severe Behavior Disability \$9,160 (2014) and \$9,248 (2015); 4) Vision or Major Health impairment \$12,225 (2014) and \$12,342 (2015); 5) Orthopedic Disability \$16,557 (2014) and \$16,715 (2015); 6) Autism, Brain Injury, or Hearing and Vision Impaired \$24,407 (2014) and \$24,641 (2015). The statutory provision for this aid program is found in ORC Section 3317.022(A)(3) and Section 3317.013(A) to (F).

Oklahoma

The State Aid formula currently has 12 Weighted Pupil Categories related to Special Education.

Pupil Weights for Special Education Programs

Categories	Weight
Vision Impaired	3.80
Learning Disabilities	0.40
Hearing Impaired	2.90
Intellectually Disabled: (Educable Mentally Handicapped and Trainable Mentally Handicapped)	1.30
Emotionally Disturbed	2.50
Multiple Handicapped	2.40
Physically Handicapped	1.20
Speech Impaired	0.05
Deaf and Blind	3.80
Special Education Summer Program	1.20
Autism	2.40
Traumatic Brain Injury	2.40

Oregon

Two types of funding are provided in addition to the general education funding for special education students. An additional weight of 1.0 is identified for special education students as part of the weighted funding formula. The additional 1.0 weight is capped at 11% of the districts resident Average Daily membership. Additional funding is through the “High Cost Disability Grant” for disabled students whose annual IEP costs exceed \$30,000. Please see the High Cost Disability Grant description above.

Pennsylvania

Special Education Funding for School Districts

For the 20-14-15 fiscal year, each school district receives a total allocation calculated as the sum of 1) the amount it received for the 2008-09 school year and 2) new funds distributed based on categories of support for students with disabilities.

Contingency Fund

A special education contingency fund allocation equal to 1 percent of the special education appropriation is available to school districts.

CORE Services Funding To Intermediate Units

An amount equal to the amount each intermediate unit received in the 2013-14 fiscal year.

Institutionalized Children's Program

Funding is provided to intermediate units to maintain the Institutionalized Children's Program.

Rhode Island

The formula includes categorical funding to offset the excess costs associated with special education students that exceed the state approved threshold based on an amount above five times the core foundation amount (FY 2015 threshold = \$62,760).

South Carolina

Handicapped children are weighted according to the following specific classifications contained in the foundation program.

Pupil Weights for Special Education Programs

Categories	Weights
Educable mentally handicapped	1.74
Learning disabilities	1.74
Trainable mentally handicapped*	2.04
Emotionally handicapped	2.04
Orthopedically handicapped	2.04
Visually handicapped	2.57
Hearing handicapped	2.57
Speech handicapped	1.90
Homebound pupils **	1.00
Autism	2.57

* Includes Profoundly Mentally Handicapped

** Homebound weighting for students served in a Residential Treatment Facility is 2.10

South Dakota

Special Education aid calculation is similar to the general education aid formula in that the student counts utilized within the funding formula are based on both fall enrollment and December child count. Based upon the counts and primary student disabilities reported, a district's total "need" or total state-local funding is determined. The state-local share of these district need is based on the local property valuation. The local share is calculated using a tax

levy of \$1.278/\$1,000 of assessed valuation (AV). A district is authorized by SD statute to utilize a maximum levy of \$1.478/\$1000 AV for their special education fund. Funding for special education may be limited when levying less than \$1.278/1000 AV or if the district is determined to have an ending fund balance that exceeds a statutorily defined limit.

South Dakota districts can also apply to an extraordinary cost fund for additional funding for special education students with costly needs. Applications are reviewed by committee, and may not necessarily be approved. In recent years, the fund has distributed approximately \$3.2 million in additional aid to districts based on need.

Tennessee

Currently supported by a 70% state share, identified and served special education students receive additional weighting in the instructional component of the BEP formula. Additional teaching positions are allocated based on the caseloads by option as follows:

Option 1	91
Option 2	73
Option 3	46
Option 4	25
Option 5	15
Option 6	2
Option 7	10
Option 8	6
Option 9	0
Option 10	10

Options are determined based on the number of hours and types of service a student receives.

Texas

For the portion of the day that students are served in approved programs, the adjusted allotment is multiplied by a weight varying from 1.7 to 5.0 depending on the instructional arrangement used. Additional funding equal to the adjusted basic allotment multiplied by 1.1 is also provided for students served in a mainstream instructional arrangement. A special education student who resides in a care and treatment facility and who receives his or her instruction on a local school-district campus in a district other than the district in which the student’s parent or guardian resides is eligible for a funding weight of 4.0 if the student does not reside in a state-supported living center. If a similarly situated special education student resides in a state-supported living center, the student is eligible for a funding weight of 2.8.

Pupil Weights for Special Education Programs

Category	Weight
Homebound	5.0
Hospital class	3.0
Speech therapy	5.0
Resource room	3.0

Self-contained, mild and moderate, regular campus	3.0
Self-contained, severe, regular campus	3.0
Off home campus	2.7
Non-public day school	1.7
Vocational adjustment class	2.3
(Above categories based on FTEs)	
Mainstream students (Based on ADA)	1.1

Utah

A foundation program provides weighted categories for children with disabilities.

Purpose: To provide educational services for students with disabilities as required by federal and state law. **Example:** Special Ed personnel, texts, supplies. **Formula:** Per WPU, which is the greater of the average of Special Education (Self Contained and Resource) ADM over the previous 5 years (which establishes the “foundation” below which the current year WPU can never fall) or prior year Special Education ADM plus weighted growth in Special Education ADM. Weighted growth is determined by multiplying Special Education ADM from two years prior by the percentage difference between Special Education ADM two years prior and Special Education ADM for the year prior to that, subject to two constraints: the Special Education ADM values used in calculating the difference cannot exceed the “prevalence” limit of 12.18% of total district ADM for their respective years; and if this measure of growth in Special Education exceeds current year growth in Fall Enrollment, growth in Special Education is set equal to growth in Fall Enrollment. Finally, growth is multiplied by a factor of 1.53. This weight is intended to account for the additional cost of educating a special education student; it is not, however, based specifically on an empirical analysis of the cost of special education relative to “regular” education in Utah. **Law:** 53A-15-301, 302, 303, 303.5, 304, 305, 53A-17a-111; R277-750. **Contact:** Jennifer Howell. **Data:** Membership audit report (September 1); Fall Enrollment audit report (November 1). Below is a description of the Special Education Add On, Extended Year for the Severely Disabled, Preschool, Self-Contained, and State Programs in Utah.

SPECIAL EDUCATION—EXTENDED YEAR FOR SEVERELY DISABLED

To provide a longer school year for those students with disabilities whose IEP teams have determined they need an extended year. **Formula:** Per WPU, this is derived from aggregate hours of extended year educational service. **Law:** [53A-17a-112](#); [R277-750](#), [751](#). **Contact:** [Jennifer Howell](#). **Data:** Special survey administered by [Emily Bytheway](#) (September 30).

SPECIAL EDUCATION—PRESCHOOL

To provide preschool educational services for children with disabilities from ages 3 through 5 as required by federal law. **Formula:** Per WPU, this equals special education preschool enrollment (aged 3 through 5 excluding 5-year-old special education students enrolled in Kindergarten) as of December 1 multiplied by 1.46. Overall state growth in this program cannot exceed 8% annually, so funds remaining after the allocation have equaled the growth limit are prorated among districts experiencing growth in excess of eight percent. **Law:** [53A-17a-112](#); [R277-750](#). **Contact:** [Jennifer Howell](#). **Data:** Clearinghouse file (December 15) -- S2 record.

SPECIAL EDUCATION—SELF CONTAINED

To compensate for the higher cost of providing more extensive educational services to students who are in a self-contained setting (enrolled in special education for 180 minutes or more each day). Unlike resource students, self-contained students do not generate a “regular” WPU.

Formula: Per WPU, this equals Self Contained ADM from two years prior. **Law:** [53A-17a-111](#); [R277-750](#). **Contact:** [Jennifer Howell](#). **Data:** Membership audit report (September 1).

SPECIAL EDUCATION—STATE PROGRAMS

To support districts and charter schools in serving special education students whose extensive needs cost the district more than \$15,000 per student. **Formula:** 100% through RFP process. If the total amount approved exceeds the appropriation, grants are prorated. **Distribution:** One lump sum upon approval by State Director of Special Education. **Law:** [53A-17a-112](#); [R277-750](#).

Pupil Weights for Special Education Programs

Students with disabilities are funded with a base plus growth dollar amount averaging ADM over the prior five years. Below is a description of the Special Education Add On, Extended Year for the Severely Disabled, Preschool, Self-Contained, and State Programs in Utah.

Vermont

On average 60% of the costs of special education are reimbursed for each district. There are several pieces to the system. Basically it operates like insurance, districts submit detailed expenditure reports (claims) indicating how much was spent on special education each year. Approved student costs above \$50,000 are reimbursed at 90%. Most other allowed special education costs are reimbursed at a rate that varies each year between 56 and 58%.

Virginia

Funding for special education provides for the state share of salary costs of instructional positions generated based on staffing standards for special education. (The Virginia General Assembly identifies 14 categories of disability, each with a maximum allowable student to teacher ratio. The number of students in each division who fall into each of the 14 categories determines the number of teachers for which the state will share the funding costs.) Each special education student is counted in their respective school and up to three disabilities per student may be recognized for calculating instructional positions for funding. Once the number of funded teachers is determined, it is multiplied by the state-specified salary to determine the total salary cost, which is funded on a per student basis. The additional per student special education funds are shared between the state and local school divisions according to a school division’s LCI.

Washington

The special education formula provides funding for students ages 0-5 at 115% of the basic education amount per student. Funding is provided for students age K-21 at 93.09% of the basic education funding amount. A district will receive funding based upon reported number of age K-21 special education students up to a maximum level of 12.7% of the reported basic education

population. In addition a safety net process is in place to award additional funding for districts with students costing above 2.3 of the state average prior year APPE.

West Virginia

No additional funding is provided to school districts through the based on student enrollment in special education programs. However, an additional appropriation is provided each year to be distributed to the school districts to support children with high acuity needs that exceed the capacity of the school district to provide with available funds. Each district is required to apply to the State Superintendent for receipt of this funding.

Wisconsin

Special Education is funded by a combination of state, local, and federal monies. State categorical aids assist with the costs of providing special education and related services. This includes reimbursement for teachers and teacher aides, physical and occupational therapists, speech/language therapists, special education directors, school psychologists, social workers, school nurses, school counselors, and special transportation. Staff must hold appropriate licensure in order to be eligible for reimbursement.

School districts, cooperative educational service agencies, county children with disabilities education boards, and 2r charter schools who operate programs for children with disabilities are reimbursed for special education costs in the year after costs are incurred. Funds are appropriated through the state budget process. Recipient agencies must complete the Special Education Fiscal Report program, PI-1505-SE.

There are 11 major areas of state aid to school districts, CCDEBs, and CESAs which provide programs for Special Education children:

- early childhood
- other health impaired or orthopedically impaired
- cognitively disabled
- hearing impairment
- visual disability
- speech and language disability
- emotional disturbance
- learning disability
- school age parents
- homebound instruction
- cross categorical

Wyoming

The state reimburses 100% of a school district's approved special education costs.

ENGLISH LANGUAGE LEARNER/BILINGUAL EDUCATION

Alabama

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

Alaska

Bilingual/bicultural education is block funded in the foundation program.

Arizona

Weight included in basic state aid calculations to provide additional funds. In FY 2015, the weight is 0.115.

Arkansas

6-20-2305 School funding: (B) For the 2014-2015 school year and each school year thereafter, funding for students who are identified as English-language learners shall be three hundred seventeen dollars (\$317) for each identified English-language learner.

(C) Funding for English-language learners shall be distributed to school districts for students who have been identified as not proficient in the English language based upon a state-approved English proficiency assessment instrument.

California

California does not provide funding specifically for bilingual education, but provides supplemental and concentration grants for school districts and charter schools based on the percentage of targeted disadvantaged students, which include those classified as English learners.

Colorado

See Low Income / Comp Ed / At-Risk

Connecticut

Each district is entitled to receive a portion of the total amount appropriated according to the ratio of the number of eligible pupils in the district as compared to the total number of eligible pupils in the state. Among other criteria, program eligibility is limited to 30 months. Grant eligibility is limited to districts with schools containing 20 or more students with the same dominant language other than English.

Delaware

Academic Excellence instruction units are provided on the basis of one unit per 250 pupils enrolled and funds are provided for use by the districts to address areas of need.

Florida

English for Speakers of Other Languages (ESOL) programs are funded with a program weight of 1.147.

Georgia

The formula includes a weight of 2.5068 for students in the English for Speakers of Other Languages (ESOL) program.

Hawaii

Within the Hawaii statewide school district, state funding for the English Language Learners (ELL) program is included as part of the weighted student formula, and is allocated to schools that have those populations of students, based on weights that vary with the level of English proficiency.

Idaho

The state distributed \$3.5 million based on the number of Limited-English Proficient (LEP) students (approximately \$263 per student) and \$450 thousand in three-year grants to school districts whose LEP students failed to meet adequate yearly progress in math or reading.

Illinois

The Bilingual Education grant program reimburses the excess cost of providing programs of instruction for eligible English learners. District grant allocations are determined by the number of eligible students, levels services provided, and the anticipated state appropriation for Bilingual Education. Only students receiving five or more class periods of bilingual / English as a Second Language services per week generate funding.

Indiana

Does not apply.

Iowa

Students identified as limited English proficient are assigned an additional pupil FTE weighting of .22. The supplementary weighting may be assigned for up to five years. A school district may apply to the School Budget Review Committee for an adjustment to budget authority for the cost to continue providing the program beyond the five years of weighting.

Kansas

State aid is weighted at 0.395 per eligible pupil, based on the full-time equivalency enrollment of bilingual students receiving services.

Kentucky

Funding for students with limited English proficiency is based on the number of students with LEP receiving instruction. The prior year child count for LEP is multiplied by the weighting of 9.6% and multiplied by the base funding amount.

Louisiana

Low Income and English Language Learner Weight
22% - based on the prior year February 1 student count

Maine

The State provides additional subsidies for all ESL children base on weightings 1.525-1.70, depending upon the number of eligible children in each LEA.

Maryland

A funding level per Limited English Proficient student is calculated by taking 99% of the per pupil amount established in the Foundation Program. The program is equalized on the basis of local wealth. The Fiscal Year 2015 funding level is \$198 million.

Massachusetts

Each limited-English pupil generates an extra increment of between \$637 and \$2,325 in foundation budget dollars.

Michigan

The current year state appropriation for Bilingual Education is \$1.2 million. The funds are paid out on a per pupil basis and are to be used solely for the instruction of pupils with limited English-speaking ability. Eligible programs include instruction in speaking, reading, writing, and the comprehension of English.

Minnesota

Revenue for English learner programs is included in the general education revenue program. Students who have generated 6 or more ADM in Minnesota public schools before the start of the current school year are not eligible to be counted for EL revenue calculations. For districts with at least one but fewer than 20 eligible EL students, funding is based on 20 students. Basic EL revenue equals \$704 times the eligible EL average daily membership served. Districts where the concentration of EL students is 11.5% or greater receive an additional \$250 per eligible EL student. In districts where the concentration is lower, the concentration allowance is reduced proportionately (e.g., \$125 in a district with a 5.75% concentration).

Mississippi

Does not apply.

Missouri

Effective in 2006-07, state money is now included in the Basic State Aid to districts. When a district's count of Limited English Proficient students exceeds the state threshold, currently at

1.8% of the district's ADA, the excess is weighted at .60 and added to the district's ADA calculation in the overall weighted average daily attendance.

Montana

The state does not fund a bilingual education program.

Nebraska

Limited English Proficiency (LEP) Allowance is calculated by taking the lesser of the maximum LEP allowance designated by the school district or a calculation based on the number of LEP students.

Nevada

In the 2013 legislative session funding for ELL was enacted for the first time using state funds. The amount for school year '13-'14 was \$24,950,000 and the funding for school year '14-'15 is also \$24,950,000.

New Hampshire

See Adequacy Aid component above for ELL students

New Jersey

Aid for LEP students is provided through equalization aid, where students enrolled in qualifying programs are given an additional weight in determining the adequacy budget. For a student that is LEP, but not low-income, the weight is 0.50 (in addition to the base cost and grade level weights). For a student that is both LEP and low-income, the weight is 0.125 (reduced to account for duplicative resources provided through the at-risk weight).

New Mexico

Full-time equivalent pupils weighted .5 in state aid formula.

New York

See pupil need index in Description of Foundation Aid Formula above. In addition, there is a separate Bilingual Education grant of \$12.5 million.

North Carolina

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.

North Dakota

Funding for students with limited English skills is provided through factors in the main funding formula. The factors are applied to student ADM in the top three assessment levels.

Ohio

ELL and Bilingual funding is determined by classifying limited English proficient (LEP) students into one of 3 categories. Category 1 students are those who have been enrolled in U.S. schools for 180 days or less. Funding for this category is calculated by multiplying The LEP ADM by \$1,500 and the State Share Index. The State Share Index is based on the property wealth and the income of the residents of the district. The statutory provision for this index is found in ORC Section 3317.017. Category 2 students are those who have been enrolled in U.S. schools for more than 180 days. Funding for this category is calculated by multiplying The LEP ADM by \$1,125 and the State Share Index. Category 3 students are those who are mainstreamed on trial basis and are not included in the first two categories. Funding for this category is calculated by multiplying The LEP ADM by \$750 and the State Share Index. The statutory provision for this aid program is found in ORC Section 3317.022(A)(6).

Oklahoma

Weighted in the equalizing formula at 0.25.

Oregon

Students served in programs for English Language Learners are eligible to receive weighting of .50 in addition to the students' general education ADM. There is no limit to how many students in a district can receive this weight.

Pennsylvania

No response

Rhode Island

Does not apply.

South Carolina

Students with **Limited English Proficiency** will be given a weighting of 0.20

South Dakota

Effective 2013-14 an additional amount was added to the district need for general aid purposes for Limited English Proficient students. As per SOCL 13-13-10(2D). The amount is determined based on the count of LEP students scoring below a 4.0 on the state administered language proficiency assessment in the prior school year. The count of eligible students times 25% of the per student allocation.

Tennessee

LEAs receive a 70% state share with funding generated in the instructional component of the BEP.

ELL Teachers - 1 per 30 identified and served ELL Students

ELL Translators - 1 per 300 identified and served ELL Students

Texas

State aid is 10% of the adjusted allotment per pupil enrolled in a bilingual or a special language program.

Utah

N/A

Vermont

English language learning students are weighted an additional 20% in the pupil count formula.

Virginia

English as a Second Language (ESL)

State funds are provided to support local school divisions that provide the necessary educational services to children not having English as their primary language. The funding provided by the state help support the salary and benefits cost of instructional positions is set at a standard of 17 positions per 1,000 ESL students.

Washington

A transitional bilingual program (TBIP) provides funds to school districts to implement bilingual education programs. Allocations are based upon the headcount of pupils served in the program. The headcount of students served are converted to an allocation of teacher units in the funding formula. The assumed role of these teacher units is to provide additional hours of instruction to students in the program. An allocation is also provided to assist students who have exited the TBIP program transition back into the traditional classroom environment. The funding rate for the 2014-15 school year is \$885.91 per pupil.

West Virginia

The PSSP includes a provision that provides supplemental funding for programs for Limited English Proficient students where the cost of the program in a particular district exceeds the district's capacity to provide the program with the funds that the district has available. The statute does not require any specific amount of funding to be appropriated, but required that funds so appropriated be distributed to the various districts in a manner that takes into account the varying proficiency levels of the students and the capacity of the district to deliver the needed programs. Districts are required to apply for the funds that are available in accordance with the provisions contained in State Board policy.

Wisconsin

Bilingual/Bicultural Education Aid is funded as a categorical aid; brief information is contained in the Categorical Aid chart.

Wyoming

The funding model provides a 1.0 teacher FTE position for every 100 ELL students.

GIFTED AND TALENTED EDUCATION

Alabama

Does not apply.

Alaska

Gifted/Talented education is block funded in the foundation program.

Arizona

There is no special equalization formula increase dependent upon the gifted and talented school enrollments.

Arkansas

6-20-2208: (c) (6) Expend state and local revenues on gifted and talented programs:

(A) In an amount equal to fifteen hundredths (0.15) of the foundation funding amount multiplied by five percent (5%) of the school district's average daily membership for the previous year; and

(B) Only upon gifted and talented programs in accordance with rules promulgated by the state board.

California

With implementation of the LCFF, there is no specific funding for the Gifted and Talented Education program. During the LCFF transition, funding from previous categorical programs for Gifted and Talented Education is included in LCFF transition entitlement.

Colorado

See Low Income / Comp Ed / At-Risk

Connecticut

Does not apply.

Delaware

Academic Excellence instruction units are provided on the basis of one unit per 250 pupils enrolled and funds are provided for use by the districts to address areas of need.

Accelerated Academic Education grants are available to all districts and charters to support the highly able learners. This grant opportunity is available on an annual basis.

Florida

Please see the response for Special Education above.

Georgia

A weight of 1.6597 is provided for students in programs for the gifted.

Hawaii

With the implementation of the weighted student formula effective beginning fiscal/school year 2006-07, the categorical program for gifted and talented education was folded into the amounts subject to weights. The 2010 Committee on Weights recommended, and the Board of Education approved, the additional of a weight for gifted and talented (G/T students, effective school year 2011-12. Since identification of G/T students is still largely subjective, the Committee on Weight's recommended that an estimate of 3% of a school's total population be used to determine the number of potentially G/T students at any given school. This equates to a weight of 0.0265 at this time.

Idaho

The ADA of gifted and talented students is included in the elementary and secondary ADA, which earns Support Units. A portion (see above) is shifted to the ADA of the Exceptional Child Program and earns Support Units. .

Illinois

Does not apply

Indiana

Iowa

A portion of the district cost per pupil in the foundation formula is earmarked for the gifted and talented program. \$59 per pupil is incorporated in the regular program cost for 2014-15 to fund 75% of the gifted and talented program budget. The local district must provide the remaining 25% of the budget, or just over \$19 per pupil for 2014-15.

Kansas

Does not apply. Paid under the special education reimbursement schedule.

Kentucky

TYPE OF GRANT AWARD:

Entitlement/Formula Driven/Flow Through Grant Award

A. Criteria for Recipient Eligibility

704 KAR 3:285 Section 9 (4) requires districts to employ properly certified personnel to administer and teach in the program, submit an annual local district gifted education year-end report, submit a summative evaluation of the program and student progress and to comply with all sections of 704 KAR 3:285. Grant awards are based on funding units reflecting district

population at the end of the year preceding the prior year. General purpose or intended use of funds

Seventy-five (75) percent of a district's gifted education allocation is used to employ properly certified personnel for direct services to students who are identified as processing demonstrated or potential ability to perform at an exceptionally high level in general intellectual aptitude, specific academic aptitude, creative or divergent thinking, psychosocial or leadership skills, or in visual or performing arts. Additional uses of state funds for gifted education may include consultation services, counseling services, differentiated study experiences, professional development focused on the needs and services for gifted and talented students, instructional resources to assist teachers in differentiating services, or other appropriate resource services as specified in 704 KAR 3:285, Programs for the Gifted and Talented.

C. Application Process

Submission of a local district's Comprehensive Improvement Plan with approved budget and a local district year-end report (Infinite Campus), summative evaluation and year-end MUNIS expenditure report are considered application for continued funding.

D. Recipient Reporting Requirements

Each local district must submit an end-of-year summative evaluation report, quarterly MUNIS expenditure reports and update student data in Infinite Campus.

Louisiana

60% - based on the prior year February 1 student count

Maine

The State subsidizes approved EPS gifted and talented costs.

Maryland

No response

Massachusetts

Does not apply.

Michigan

No state funds are currently appropriated in this category.

Minnesota

Gifted & talented revenue is included in the general education revenue program. A district's gifted and talented revenue equals \$13 per weighted ADM. It must be used only to identify gifted & talented students, provide educational programs for gifted & talented students, or provide staff development for teachers to best meet the needs of gifted & talented students.

Mississippi

Teacher units are added for each approved program for gifted and talented students; the funding amount is based on the certification and experience of each teacher. This is an add-on program amount.

Missouri

Expenditures for gifted education were included in the calculation of the state adequacy target. There is no targeted state aid for Gifted Education. The state adequacy target is multiplied by the district's total weighted average daily attendance.

Montana

Legislature provided \$250,000 for a state grant distribution to school districts for Gifted and Talented programs in 2013-15.

Nebraska

Does not apply.

Nevada

Does not apply. Gifted and Talented funding for 2015 is \$220,560 and is based on competitive applications, and can vary from year to year as to which school districts will receive funding and must be used for technology.

New Hampshire

Does not apply.

New Jersey

Resources for gifted and talented students are included in the state's model district that is used to calculate each district's adequacy budget. While there is no additional aid category, it should be assumed that the costs for gifted and talented students are included in districts' adequacy budgets, which are funded through equalization aid.

New Mexico

See "Special Education"

New York

There is no specific funding formula for gifted and talented.

North Carolina

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.

North Dakota

\$800,000 is appropriated for the 2011-13 biennium for gifted and talented programs.

Ohio

Funding for Gifted and Talented education is distributed in three ways. First, a per-pupil amount of \$5 applied to the formula ADM of the district. Second, Gifted Coordinator Services funding is provided based on a salary figure of \$37,000 for every coordinator serving 3,300 students in the formula ADM, reduced by community school students with a minimum of 0.5 and a maximum of 8 coordinators per district. Finally, Gifted Intervention Specialist funding of \$37,000 for every specialist serving 1,100 students in the formula ADM reduced by community school students with a minimum of 0.3 specialists per district. The statutory provision for this aid program is found in ORC Section 3317.022(A)(7).

Oklahoma

Weighted in the equalizing formula at 0.34.

Oregon

These students are not specifically weighted in the formula.

Pennsylvania

Gifted students are included with the total student population used in the base amount for Special Education Funding.

Rhode Island

Does not apply.

South Carolina

Academic or Artistic, Advanced Placement or International Baccalaureate in high school will be given an add-on weighting of 0.15.

South Dakota

Does not apply.

Tennessee

Gifted and Talented students, identified and served under the special education umbrella, are offered accelerated courses or curricula when indicated by the student's IEP. Additionally,

secondary students may apply as juniors and seniors for consideration to attend the state funded Governor's Schools held during the summer at institutions of higher education in Tennessee.

Texas

Gifted and talented students generate additional funding equivalent to 12% of the adjusted basic allotment. Eligibility for this funding is limited to a maximum of 5% of students in ADA.

Utah

A categorical appropriation is provided for gifted and talented students; for 2010-11 the amount is \$2,619,314. Each school district and charter school receives its share of funds in the proportion of its number or WPU's for Kindergarten through grade twelve and necessarily existent small schools.

Vermont

No special provisions in the funding system.

Virginia

Gifted education funding supports the state share of one full-time equivalent (FTE) instructional position per 1,000 students in adjusted ADM.

Washington

A program established in an effort for the realization of each individual student's potential and right to learn at their own rate. An allocation for highly capable students is funded in an amount equal to 2.314% of the school district enrollment multiplied by approximately \$415. Currently, 23,285.49 student FTE are the basis for the highly capable program allocation. The allocation is provided through teacher units in the funding formula. The assumed role of these teacher units is to provide additional hours of instruction to students in the program.

West Virginia

An additional allowance is provided to school districts for students enrolled in advanced placement courses. The allowance is 1.0% of the state average per pupil state aid times the number of students enrolled in advanced placement, dual credit and international baccalaureate programs by each district.

Wisconsin

Gifted and Talented Education is funded as a categorical aid; brief information is contained in the Categorical Aid chart.

Wyoming

The funding model provides \$29.41 per ADM for gifted and talented.

LOW INCOME / AT-RISK

Alabama

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

Alaska

Does not apply.

Arizona

Arizona provides compensatory funding.

Arkansas

6-20-2305 School funding: (2)(A) (ii) (ii) For the 2014-2015 school year and each school year thereafter, alternative learning environment funding shall be four thousand three hundred eighty-three dollars (\$4,383) multiplied by the number of identified alternative learning environment students enrolled during the previous school year.

6-20-2305 School funding: (4)(A) National school lunch state categorical funding for each identified national school lunch student shall be as follows:

(i) For a school district in which ninety percent (90%) or greater of the previous school year's enrolled students are national school lunch students, the amount of per-student national school lunch state categorical funding is one thousand five hundred forty-nine dollars (\$1,549);

(ii) For school districts in which at least seventy percent (70%) but less than ninety percent (90%) of the previous school year's enrolled students are national school lunch students, the amount of per-student national school lunch state categorical funding is one thousand thirty-three dollars (\$1,033); and

(iii) For school districts in which less than seventy percent (70%) of the previous school year's enrolled students are national school lunch students, the amount of per-student national school lunch state categorical funding is five hundred seventeen dollars (\$517).

(B) (i) (a) Except as provided under subdivision (b)(4)(B)(i)(c) of this section, national school lunch state categorical funding under this subdivision (b)(4) shall be based on the number of national school lunch students for the immediately preceding school year determined under § 6-20-2303(12)(A).

(b) If the school district is participating under 42 U.S.C. § 1759a, funding under this subdivision (b)(4) is based on the percentage determined in § 6-20-2303(12)(B) multiplied by the number of enrolled students for the immediately preceding school year.

6.04.2 The amount of national school lunch state categorical funding under Ark. Code Ann. § 6-20-2305(b)(4)(A) shall be increased or decreased in each year of a three-year transition period by one-third (1/3) of the difference between the amount of national school lunch state categorical funding per student for the current year and the amount of national school lunch state categorical funding per student for the immediately preceding year, adjusted for changes to the funding rates in Ark. Code Ann. § 6-20-2305(b)(4)(A).

6.04.3 The method of transition for a school district that experiences a decrease in the amount of national school lunch state categorical funding per student under Ark. Code Ann. § 6-20-2305(b)(4)(A) is detailed using the following example of a decrease in national school lunch state categorical funding per student from \$1,549 in the immediately preceding year to \$1,033 in the current year:

For illustrative purposes:

- Year one (current year) of transition (decrease 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,377 ($\$1,549 - \172).
- Year two of transition (decrease 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,205 ($\$1,377 - \172).
- Year three (final year) of transition (decrease 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,033 ($\$1,205 - \172).

6.04.4 The method of transition for a school district that experiences an increase in the amount of national school lunch state categorical funding per student under Ark. Code Ann. § 6-20-2305(b)(4)(A) is detailed using the following example of an increase in national school lunch state categorical funding per student from \$1,033 in the immediately preceding year to \$1,549 in the current year:

For illustrative purposes:

- Year one (current year) of transition (increase 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,205 ($\$1,033 + \172).
- Year two of transition (increase 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,377 ($\$1,205 + \172).
- Year three (final year) of transition (increase 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,549 ($\$1,377 + \172).
-

6.04.5 The method of transition for a school district that, within a three-year period, experiences both a decrease and an increase in the amount of national school lunch state categorical funding per student under Ark. Code Ann. § 6-20-2305(b)(4)(A) is detailed using the following two examples:

6.04.5.1 In the first example, a school district experiences an increase in national school lunch state categorical funding per student from \$1,033 in the immediately preceding year to \$1,549 in the current year, and a decrease to \$1,033 in the following year. In this instance, the transition is completed in two years rather than three.

For illustrative purposes:

- Year one (current year) of transition (increase 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,205 (\$1,033 + \$172).
- Year two (final year) of transition (decrease 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,033 (\$1,205 - \$172).

6.04.5.2 In the second example, a school district experiences a decrease in national school lunch state categorical funding per student from \$1,033 in the immediately preceding year to \$517 in the current year, no change in the second year, and an increase to \$1,033 in the third year. In this instance, the transition is completed in four years rather than three.

For illustrative purposes:

- Year one (current year) of transition (decrease 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$861 (\$1,033 - \$172).
- Year two of transition (decrease 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$689 (\$861 - \$172).
- Year three of transition (increase 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$861 (\$689 + \$172).
- Year four (final year) of transition (increase 1/3) - the transitioned amount of national school lunch state categorical funding per student is \$1,033 (\$861 + \$172).

6.03 National School Lunch State Growth Funding

6.03.1 The ADE shall use the Cycle 2 enrollment data for the previous four years to calculate a three-year trend in district enrollment.

6.03.2 If a district has grown at least one percent for each of the three previous years, it shall qualify for National School Lunch State Growth Funding.

6.03.3 Districts that qualify for funding shall receive National School Lunch State Growth Funding.

6.03.4 The funding shall be calculated as the three year average growth in enrollment multiplied by the district's previous year's percentage of students eligible for the United States Department of Agriculture's National School Lunch Program multiplied by the per student funding amount determined in Section 6.01.

(F) (i) By June 30, 2012, and by June 30 of each year thereafter, a school district shall spend a minimum of eighty-five percent (85%) of the school district's annual national school lunch state categorical funding allocation as provided under subdivision (b)(4)(C) of this section.

(ii) A school district that on June 30, 2012, has a national school lunch state categorical funding balance in excess of fifteen percent (15%) of the school district's current year annual national school lunch state categorical funding allocation shall reduce its total national school lunch state categorical funding balance by at least ten percent (10%) each year so that by June 30, 2022, and by June 30 of each year thereafter, the school district has a balance of no more than fifteen percent (15%) of the school district's current year annual national school lunch state categorical funding allocation.

(2) On June 30, 2012, and on June 30 of each school year thereafter, if the total aggregate balance of all state categorical fund sources (NSL, ALE, ELL, PD) exceeds twenty percent (20%) of the school district's total aggregate annual state categorical fund allocations for the current school year, the school district shall reduce the total balance by ten percent (10%) each year until the school district's June 30 balance of aggregate annual categorical fund sources is twenty percent (20%) or less of the total aggregate annual state categorical fund allocations for the current school year.

(3) A school district may transfer funds received from any categorical fund source to another categorical fund source.

(4) (A) The Department of Education shall monitor on a yearly basis each school district's compliance with the requirements of this subsection.

(B) If a school district fails to comply with the requirements of this subsection during a school year, the Department of Education may in the following school year withhold from that school district's categorical funding allocation an amount equal to the amount required to be spent by the school district in order to be in compliance with the requirements of this subsection.

(C) The Department of Education may redistribute amounts withheld under this subsection to other school districts entitled to receive categorical funding allocations.

California

The LCFF provides supplemental and concentration grants for school districts and charter schools based on the percentage of targeted disadvantaged students, which include those classified as English learners, low income, foster youth, or any combination of these factors. During the LCFF transition, funding from previous categorical programs for low-income and at-risk students is a component of the LCFF transition entitlement.

Colorado

The following is the list of programs under Colorado Revised Statutes which are classified as Low Income / At-Risk. The Revised Statutes are available at:

<http://www2.michie.com/colorado/lpext.dll?f=templates&fn=fs-main.htm&2.0>

Art. 20. Education of Exceptional Children, 22-20-101 to 22-20-117.

Art. 23. Education of Migrant Children, 22-23-101 to 22-23-107.

Art. 24. English Language Proficiency Act, 22-24-101 to 22-24-106.

Art. 25. Colorado Comprehensive Health Education Act, 22-25-101 to 22-25-110.

Art. 26. Gifted and Talented Students, 22-26-101 to 22-26-108.

Art. 27.5. Before- and After-School Dropout Prevention Programs, 22-27.5-101 to 22-27.5-106.

Art. 28. Colorado Preschool Program Act, 22-28-101 to 22-28-113.

Art. 29. Character Education, 22-29-101 to 22-29-106.

Connecticut

Does not apply.

Delaware

Academic Excellence instruction units are provided on the basis of one unit per 250 pupils enrolled and funds are provided for use by the districts to address areas of need.

Florida

There is no comparable program existing at this time.

Georgia

A weight of 1.3092 is provided for students in remedial education programs; a weight of 1.4717 is provided for students in alternative education programs.

Hawaii

Over 59% of Hawaii public school students require more educational resources, including at least 39% economically disadvantaged; 3% with English language difficulties; 5% special education; and 14% with multiple special needs.

Within the Hawaii statewide school district, the weighted student formula allocates state funding to schools for economically disadvantaged students, based on the Federal free and reduced lunch classifications, that are similarly used for Federal Title I grants. The economically disadvantaged weight is 0.10 per student at this time.

Idaho

Does not apply.

Illinois

Grants for low-income students have been a part of the GSA formula since FY 1999. Grants are based on a district's concentration ratio of low-income students. This ratio is the three-year average of students in the district who received services through Medicaid, the Supplemental Nutrition Assistance Program, the Children's Health Insurance Program or Temporary Assistance for Needy Families (TANF) divided by the Average Daily Attendance of the most recent school year. In FY 2015, the district concentration ratio (DCR) is calculated as the average number of students receiving services via the aforementioned programs in FYs 2011, 2012 and 2013 divided by the 2013-14 ADA.

Indiana**COMPLEXITY GRANT**

The funding associated with the complexity index is computed as a separate Complexity Grant in FY2014 and FY2015. The free and reduced lunch percentage used in the FY2014 formula was updated to the 2012-2013 school year percentage of students eligible for free or reduced lunch. Additionally, it was only used in the FY2014 formula. In the FY2015 complexity formula, it was replaced by the percentage of students receiving free textbooks during the 2013-2014 school year. The foundation grant increased from \$4,569 in FY2014 to \$4,587 for FY2015. The second tier calculation of the complexity index is increased from 1.33 in FY2014 to 1.35 in FY2015.

Both a current September (fall) ADM and current February (spring) ADM were used in the complexity grant formula for FY2014 and FY2015. The Complexity Grant uses two counts for fiscal year funding. For FY2014, the percentage of the school corporations' students eligible for

free or reduced lunch in the 2012-2013 school year divided by two (2) is rounded to four places with the result not being less than zero. If the result of the addition is equal to or greater than .33 in FY2014, it was adjusted by subtracting .33 from the result and adding back the difference in FY2014. This result was then multiplied by the FY2014 foundation amount of \$4569. The grant calculation then multiplied this amount by the current adjusted September (fall) ADM and divides by two (2) to determine the July to December complexity grant. The grant calculation multiplied the foundation amount by the current adjusted February (spring) ADM and divided by two (2) to determine the January to June complexity grant. The sum of these two results was the fiscal year complexity grant.

Reconciliation: When the Department finalizes the September ADM count, the remaining complexity grant payment distributions for November and December were adjusted to reflect any overpayment or underpayment in the July through October complexity grant distributions. When the February 2015 ADM count is final, the Department will recalculate and positively or negatively adjust the remaining complexity grant distributions to effect the change in January to June 2015 funding.

Iowa

Formula supplementary weighting is provided for at-risk programs and alternative schools and is determined partially on the percentage of pupils enrolled in grades one through six eligible for free and reduced price meals in a school district and partially on the budget enrollment of the school district. In addition, spending authorization for returning dropout and dropout prevention programs is funded on the basis of 25% or more from the combined district cost of the school district and up to 75% through modified allowable growth approved by the School Budget Review Committee. Modified allowable growth is an increase in budget authority, requested by the district, and is funded with balance on hand or a local property tax levy.

Kansas

Funding for At-Risk Students

Additional funding is provided for at-risk students. The formula is based on the number of students qualifying for free meals with the additional weight set at 0.456. Additional funds are available for high density at-risk percentages. High Density Weighting: Districts in which their students on free meals exceed 35% of their total enrollment.

Kentucky

Funding for the at-risk student population is based on the average daily membership of students in the district who are approved for free meals under the National School Lunch Program. The average daily membership is multiplied by 15% of the base funding amount.

Louisiana

Low Income and English Language Learner Weight

22% - based on the prior year February 1 student count

Maine

The State provides additional subsidies for all children eligible for free or reduced lunches in each LEA based on a 1.15 pupil weighting.

Maryland

A **Compensatory Education** grant is provided annually based upon the number of students in the local school system eligible for free and reduced price meals. The grant is calculated by taking 97% of the per pupil amount established in the Foundation Program. The program is equalized on the basis of local wealth. The Fiscal Year 2015 funding level is approximately \$1.25 billion.

Massachusetts

Each low-income pupil generates an extra increment of between \$ 2,767 to \$3,422 in foundation budget dollars.

Michigan

In 2015, the Michigan legislature appropriated approximately \$317 million for Low Income / At-Risk (At-Risk). The Formula is 11.5% of the district’s per pupil foundation allowance times the number of pupils eligible for free school meals. The appropriation is capped at \$317 million.

Minnesota

Low Income / At-Risk revenue is included in the general education revenue program. Funding is based on building-level concentration of students eligible for free and reduced priced lunches as of October 1 of the previous fiscal year. Students eligible for reduced price lunches are weighted at 0.5 and students eligible for free lunches are weighted at 1.0. If the adjusted free & reduced price lunch count is at least 80% of the building’s enrollment, the compensatory revenue equals \$2,995 times the adjusted free & reduced price lunch count. The rate per adjusted count decreases proportionately as the concentration of eligible students decreases (e.g., ½ of this amount for a school with an adjusted eligible count equal to 40% of building enrollment).

Pupil Weights for Low Income / At-Risk

Definition of Category	Weight
Free & Reduced Price Lunch	Variable weighting 0.0 to 0.6, depending on concentration of free & reduced lunch-eligible pupils in the building. Applies only to compensatory revenue calculation

Mississippi

MAEP has an at-risk component that is based on 5% of the Base Student Cost times the number free lunch participants on October 31 of the previous year.

Missouri

State aid for students at-risk of completing their K-12 education is included in the Basic State Aid to districts. When a district's count of students eligible for Free or Reduced Price Lunch exceeds

the state threshold, currently at 38.8% of the district's ADA, the excess is weighted at .25 and added to the district's ADA calculation in the overall weighted average daily attendance.

Montana

An at-risk student payment is provided to schools for students who are affected by environmental conditions that negatively impact the student's education performance or threaten a student's likelihood of promotion or graduation. The at-risk student payment is distributed to public school districts in the same manner as Title I funding. Payments are prorated to districts based upon the available appropriation. District's deposit the at-risk student payment into the general fund.

Nebraska

Poverty Allowance is calculated by taking the lesser of the maximum poverty allowance designated by the district or by the calculated amount based on the number of low income students (progressive percentages between .05 and .30 multiplied by students qualified for free lunches/milk or low income children under 19 years of age living in a household having an annual adjusted gross income equal to or less than the maximum household income that would allow a student from a family of four people to be a free lunch or free mild student, whichever is greater).

Nevada

Does not apply.

New Hampshire

See Adequacy Aid component above for free or reduced-price meal eligible students.

New Jersey

The following 3 categories of aid are based on measures of district and student wealth. For aid purposes, low-income ("at-risk") counts are based on the number of students eligible for the federal free and reduced-price lunch programs.

At-Risk Equalization Aid

Aid for low-income students is primarily provided through equalization aid. As noted above, low-income students generate an additional weight (ranging from 0.47 to 0.57) when determining the adequacy budget. In districts with a low-income concentration lower than 20%, each at-risk student receives a weight of 0.47. This weight gradually increases as the at-risk concentration increases to a maximum weight of 0.57 for districts with an at-risk concentration greater than or equal to 60%.

At-Risk Security Aid

As described in the security aid section above, each at-risk student generates an additional categorical allocation for a district, where the per pupil amount received increases with the district's at-risk concentration. In FY 2015, the maximum security aid per pupil was \$428 per at-risk student in a district with an at-risk concentration of at least 40%.

Preschool

The SFRA includes full State funding for all at-risk 3- and 4-year olds to attend full-day preschool programs in every district. In districts with the DFG designations “A” or “B” or those in “CD” districts that also have an at-risk concentration of at least 40%, funding is intended for all resident 3- and 4-year olds, regardless of income. In all other districts, funding is intended for all at-risk resident 3- and 4-year olds.

Due to budgetary constraints resulting from the recession, the plan to expand the preschool program as defined in the SFRA has not been fully realized. While some amount of Preschool Education Aid (PEA) was provided to each district that received early childhood aid under the previous funding law, the SFRA calculation is currently applied to about 20% of those receiving aid. Other districts’ aid allocations were based on prior year aid allocations, with some adjustments.

New Mexico

Does not apply.

New York

See pupil need index in Description of Foundation Aid Formula above.

North Carolina

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).

North Dakota

The funding formula includes a factor of .025 for at-risk students. The factor is applied to the percentage of free and reduced price lunch students (grades 3-8) in ADM.

Ohio

Funding in support of the economic disadvantaged is provided to address poverty and its effects on educational outcomes. The statutory provision for this aid program is found in ORC Section 3317.022(A)(5). Its calculation is based on a per-pupil amount of \$269 equalized by the poverty index of the district. Poverty index is calculated by obtaining the square of the ratio of the individual district's poverty percentage to the statewide poverty percentage.

Oklahoma

Pupils who qualify and participate in a free and/or reduced lunch program: 0.25

Oregon

Oregon funds students in Pregnant and Parenting Programs at a weight of 1.0, students in poverty at .25, neglected and delinquent students at .25 and students in foster care at .25 in addition to the students' general education ADM. These weights are not capped for an individual student. Further, there is no limit to the number of students in a district who can receive these weights.

Pennsylvania

No response

Rhode Island

The formula includes one weight, called the student success factor, that provides forty percent of the core instruction per pupil to all resident children eligible for USDA reimbursable school meals (FY 2015 = \$3,586).

South Carolina

State appropriated \$79,551,723 for 2014-15.

South Dakota

Does not apply.

Tennessee

Funding is generated in the classroom component of the BEP with a state share of 75%. Based on 1:15 class size reduction for grades K-12, estimated at \$530.19 (FY 2014-15) per identified at-risk ADM. BEP 2.0 provides 100% of this funding per identified at-risk student.

Texas

Funding is provided for 20% of the adjusted allotment per pupil eligible to receive free or reduced-price lunches under the National School Lunch Program (NSLP). A funding weight of 2.41 is applied to each full-time equivalent student who is pregnant and is receiving low-income and at-risk services. School districts and charter schools that do not participate in the NSLP may participate in an alternative reporting program to deliver low-income and at-risk funding for income-eligible students.

Pupil Weights for Low-Income and At-Risk Students

Definition of Category	Weight
Pupils who qualify and participate in a free and reduced-price lunch program (per ADA)	0.20
Pupils who are pregnant (per FTE)	2.41

Utah

The State Board of Education shall appropriate \$1.2 million from the appropriation (FY15: \$24,376,400) for Enhancement for At-Risk Students for a gang prevention and intervention program designed to help students at-risk for gang involvement stay in school.

Money for the gang prevention and intervention program shall be distributed to school districts and charter schools through a request for proposals process.

In establishing a distribution formula, the State Board of Education shall use the following criteria:

- low performance on U-PASS tests;
- poverty;
- mobility; and
- limited English proficiency.

A school district or charter school shall use money distributed under this section to improve the academic achievement of students who are at risk of academic failure. (UCA 53A-17a-166)

Vermont

Students age 6 – 17 from families receiving food stamps are given an additional weight of 25%

Students for whom English is not the pupil’s primary language are given an additional 20% weight.

Virginia*At-Risk Program*

State payments for at-risk students are disbursed to school divisions based on the estimated number of federal free lunch participants in each division to support programs for students who

are educationally at-risk. Funding is provided as a percentage add-on to Basic Aid to support the additional costs of educating at-risk students.

Washington

A learning assistance program is available to students identified as deficient in basic skills. Allocations are based on the number of students in grades K-12 qualifying for free and reduced price lunch (FRPL). The number of students qualifying for FRPL at each district drive an allocation of teacher units in the funding formula. The assumed role of these teacher units are to provide additional hours of instruction to students in the program. The allocation per each eligible student in the 2014-15 school year is approximately \$460.

West Virginia

No specific funds are provided for Low Income / At-Risk.

Wisconsin

See SAGE in the categorical aid chart

Wyoming

Additional staffing resources are generated for students identified as at-risk represented by an unduplicated count of students identified as English Language Learners (ELL), Federal free and reduced lunch (FRL) or considered mobile grades 6-12. Students who are identified as ELL, FRL, or mobile are not necessarily the at-risk students to be served. Rather, the count of these students represents a proxy for the number of struggling or at-risk students in a school.

Additional at-risk resources are funded through other programs such as extended day, and Summer School programs. These programs are administered as state restricted grants.