

2/9/07

EDUCATION

FOUNDA-

TION

FORMULA

SFIN

FILE

Public School Funding Program Overview

Updated January 2007



Table of Contents

Student Based Formula

Adjusted ADM	3
ADM Reporting Requirements	3
School Size Adjustment	3
School Size Table	4
District Cost Factors	4
Special Needs Funding	4
Intensive Services Funding	4
Correspondence Programs	5
Basic Need	5

Public School Funding Elements

State Aid	5
Required Local Contribution	5
Title VIII Impact Aid	5

Additional Funds Above Basic Need

Maximum Local Contribution	
Funding 'Floor'	6
Quality Schools	6
<i>Example: Nome School District</i>	7

FY2008 Projected Entitlement	8-9
-------------------------------------	------------

STUDENT BASED FORMULA

District Adjusted Average Daily Membership (ADM)

- Step 1. Adjust: ADM for School Size
 - Step 2. Apply: District Cost Factor
 - Step 3. Apply: Special Needs Factor
 - Step 4. Add: Intensive Services Count
 - Step 5. Add: Correspondence Student Counts
- = District Adjusted (ADM)

ADM Reporting Requirements

ADM – is the average number of enrolled students during the 20-school day count period. The 20-school day count ends the fourth Friday of October. Reports are due within two weeks after the end of the 20-school day count period.

School Size Adjustment [Step 1]

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.
 - Alternative schools with an ADM of less than 200 combined are adjusted with the school with the greatest ADM in the district.
 - If an alternative school ADM is greater than 200, the ADM will be adjusted once.
 - A Charter school with an ADM of 150 or greater will be adjusted once.

Using the proper formula from the school size factor table, calculate the adjusted ADM for each school.

School Size Table

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	$793.60 + (.84 * (ADM - 750))$

Intensive services and correspondence student counts are not adjusted for size.

District Cost Factors [Step 2]

- Cost factors are specific to each school district.
- District cost factors range from 1.000 to 1.736.
- The department monitors the district cost factors and submits a report to the legislature on January 15 every other fiscal year, beginning in FY01.

The districts school size adjusted ADM is multiplied by the district cost factor.

Special Needs Funding [Step 3]

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.

The districts' previously adjusted ADM is now multiplied by the Special Needs factor of 1.20.

Intensive Services Funding [Step 4]

A school district receives funding for intensive special education students that:

- Are receiving intensive services, and;
- Are enrolled on the last day of the 20 school day count period, and;
- Have an established Individual Education Plan (IEP).
- The districts intensive student count is multiplied by five.

The district's Intensive count is added to previously adjusted ADM.

Correspondence Programs [Step 5]

Funding for correspondence programs is calculated by multiplying the correspondence ADM by 80%.

The district's correspondence count is now added to the previously adjusted ADM to arrive at the Final Adjusted ADM.

Basic Need

Multiply the district Final Adjusted ADM by the Base Student Allocation to determine Basic Need. The base student allocation is \$5,380.

PUBLIC SCHOOL FUNDING ELEMENTS

The components of Public School Funding are *State Aid, Required Local Contribution,* and *Title VIII Impact Aid.*

State Aid Entitlement

Basic Need minus a required local contribution minus 90% eligible Federal Impact Aid plus the amount of funding 'Floor' plus Quality School Grants equal State Aid Entitlement.

Required Local Contribution

The equivalent of a 4-mill tax levy on the Full and True Value of the taxable real and personal property in the district not to exceed 45% of the district's Basic Need for the preceding fiscal year. *However,* beginning in FY02, only 50% of the *increase* in real and personal property over the 1999 Full and True Value is used for the 4 mill equivalent calculation. If the latest Full and True Value doesn't exceed the 1999 Full and True Value, then the latest value is utilized.

Title VIII Impact Aid

Federal Impact Aid provides funds to school districts for children of parents living and/or working on federal property "in-lieu of local tax revenues." 90% of the eligible funds are used in the calculation of state aid.

ADDITIONAL FUNDS ABOVE BASIC NEED

Maximum Local Contribution

If the City or Borough would like to contribute more than Required then the Maximum Local Contribution applies. To calculate this use the Required Local Contribution plus 23% of Basic Need or a 2-mill equivalent of the Full and True Value of the taxable and real property within the district, whichever is *greater*. The additional amount is added to the Required Local Effort to reach the Maximum Local Contribution.

For Example:

Nome's: 23% of Basic Need = \$1,920,853 OR
 .002 of Full & True Value = \$505,451

RESULT:

Required Local Effort:	\$ 889,303
<u>Additional Local Contribution:</u>	<u>+\$1,920,853</u> [23% of Basic Need]
<i>Maximum Local Contribution:</i>	\$2,810,156

Adjustments to the Funding 'Floor'

The funding 'Floor' was established as a bridge between the new funding formula implemented in FY99 and the old formula that was in place in FY98.

For Example:

OLD Formula	\$1,100,000	State Entitlement
<u>NEW Formula</u>	<u>\$1,000,000</u>	<u>State Entitlement</u>
Difference	\$ 100,000	<i>Supplemental 'Floor'</i>

All adjustments to the 'Floor' are reductions. Those adjustments will continue until the 'Floor' reaches a balance of zero. There are two ways that the 'Floor' can be adjusted:

- 1) If the Basic Need in the current fiscal year is greater than the Basic Need in the prior fiscal year, then take the difference, and multiply it by 40%. Subtract this number from the funding 'Floor' to arrive at the new 'Floor' amount for the current fiscal year.
- 2) If the ADM decreases by 5% or more over FY99, then reduce the funding 'Floor' by that same percentage.

Please Note: No action is taken to the funding 'Floor' if:

- 1) The current fiscal year Basic Need is less than the prior year Basic Need or,
- 2) The ADM has not decreased by 5% or more since FY99.

Quality School Grants

The districts adjusted ADM multiplied by \$16 generates the amount the school district is eligible to receive.

Example: Nome School District

I. Basic Need Calculation

Column

Projected ADM 804.00 L

Determining School Size Adjustment

[Utilizing Table from page 4]

Nome Elementary School ADM 400 [Anvil (Alt.) School is adjusted

Anvil City Science Academy + 44 with Greatest ADM see pg. 3]

= 444

Nome/Beltz Jr. & Senior High = 340

Nome Youth Facility = 14

$471.60 + (.92 \times (444 - 400)) = 512.08$
$326.10 + (.97 \times (340 - 250)) = 413.40$
<u>14 = 39.60</u>

School Size Adjusted ADM 965.08

Adjusted ADM-School Size 965.08 O

Apply District Cost Factor x 1.319

1,272.94 Q

Apply Special Needs Factor x 1.20

1,527.53 R

Add Intensive Service Counts 20.00 T

(4 x 5) = 20.00 1,547.53 U

Add Correspondence Counts 4.80 V

(6 * .80) = 4.80

District Adjusted ADM 1,552.33 W

Multiply by \$5,380 base allocation x \$5,380.00

Basic Need: \$8,351,535 B

II. Nome's State Aid

Basic Need \$8,351,535 B

Required Local Contribution (889,303) C

Impact Aid (35,984) F

State Aid \$7,426,248 G

III. Quality Schools Grant

District adjusted ADM x \$16 1,552.33

x \$16.00

\$24,837 I

State Aid \$7,426,248 G

FY2008 Adjusted 'Floor' 0 H

Quality Schools Grant 24,837 I

Total State Aid Entitlement	\$7,451,085	J
------------------------------------	--------------------	----------

Alaska Department of Education & Early Development

January 2007 Updated
FY2008 Projections

Department of Education & Early Development
Foundation

I	School District	L+M			OxP		OxL20		SxS		R+T		Mx80		U+V
		K	L	N	O	P	Q	R	S	T	U	V	W		
		PROJECTED FY08 ADM	PROJECTE D FY08 Corresp. ADM	FY08 PROJECTED Total ADM	Adj for School Size ADM	District Cost Factor	Adjusted for Cost Factor	Special Needs Factor 1.20	Special Ed Int.	Adjusted for Spec Ed Int *5.00	Students + Intensive Special Education	District Corresp. 80%	District Adjusted ADM		
2	Alaska Gateway	370.00	38.00	408.00	627.48	1.291	810.08	972.10	6	30	1002.10	30.40	1032.50		
3	Aleutian Region	43.00	0.00	43.00	118.80	1.736	206.24	247.49	0	0	247.49	0.00	247.49		
4	Aleutians East	244.00	0.00	244.00	453.98	1.423	646.01	775.21	0	0	775.21	0.00	775.21		
5	Anchorage	47798.75	836.00	48634.75	52256.36	1.000	52256.36	62707.63	680	3400	66107.63	668.80	66776.43		
6	Annette Island	323.25	0.00	323.25	461.31	1.011	466.38	559.66	4	20	579.66	0.00	579.66		
7	Bering Strait	1705.00	0.00	1705.00	2744.93	1.525	4186.02	5023.22	17	85	5108.22	0.00	5108.22		
8	Bristol Bay	178.00	2.00	180.00	281.26	1.262	354.95	425.94	3	15	440.94	1.60	442.54		
9	Chatham	189.00	2.00	191.00	347.36	1.120	389.04	466.85	3	15	481.85	1.60	483.45		
10	Chugach	75.00	135.00	210.00	150.94	1.294	195.32	234.38	0	0	234.38	108.00	342.38		
11	Copper River	510.00	48.00	558.00	829.98	1.176	976.06	1171.27	10	50	1221.27	38.40	1259.67		
12	Cordova	409.50	0.00	409.50	554.46	1.096	607.69	729.23	6	30	759.23	0.00	759.23		
13	Craig	347.60	412.94	760.54	487.61	1.010	492.49	590.99	10	50	640.99	330.35	971.34		
14	Delta/Greeley	883.00	456.00	1339.00	1124.26	1.106	1243.43	1492.12	8	40	1532.12	364.80	1896.92		
15	Denali	330.00	300.00	630.00	383.38	1.313	503.38	604.06	3	15	619.06	240.00	859.06		
16	Dillingham	541.40	0.00	541.40	692.36	1.254	868.22	1041.86	8	40	1081.86	0.00	1081.86		
17	Fairbanks	14108.00	281.00	14389.00	15976.37	1.039	16599.45	19919.34	262	1310	21229.34	224.80	21454.14		
18	Galena	229.00	3400.00	3629.00	341.17	1.348	459.90	551.88	1	5	556.88	2720.00	3276.88		
19	Haines	289.00	15.00	304.00	447.86	1.008	451.44	541.73	5	25	566.73	12.00	578.73		
20	Hoonah	142.00	0.00	142.00	233.12	1.055	245.94	295.13	4	20	315.13	0.00	315.13		
21	Hydaburg	75.00	0.00	75.00	122.85	1.085	133.29	159.95	1	5	164.95	0.00	164.95		
22	Iditarod Area	255.00	100.00	355.00	495.49	1.470	728.37	874.04	0	0	874.04	80.00	954.04		
23	Juneau	4989.00	92.00	5081.00	5454.53	1.005	5481.80	6578.16	145	725	7303.16	73.60	7376.76		
24	Kake	98.00	0.00	98.00	152.06	1.025	155.86	187.03	4	20	207.03	0.00	207.03		
25	Kashunamiut	350.00	0.00	350.00	490.20	1.389	680.89	817.07	4	20	837.07	0.00	837.07		
26	Kenai Peninsula	8310.00	857.00	9167.00	10666.95	1.004	10709.62	12851.54	83	415	13266.54	685.60	13952.14		
27	Keetchikan Gateway	2237.00	48.00	2285.00	2741.34	1.000	2741.34	3289.61	25	125	3414.61	38.40	3453.01		
28	Klawock	135.00	0.00	135.00	223.35	1.017	227.15	272.58	3	15	287.58	0.00	287.58		
29	Kodiak Island	2503.00	90.00	2593.00	3116.77	1.093	3406.63	4087.96	25	125	4212.96	72.00	4284.96		
30	Koyukuk	400.00	0.00	400.00	727.00	1.434	1042.52	1251.02	0	0	1251.02	0.00	1251.02		
31	Lake & Peninsula	374.50	0.00	374.50	772.30	1.558	1203.24	1443.89	2	10	1453.89	0.00	1453.89		
32	Lower Kuskokwim	3981.00	0.00	3981.00	5849.52	1.491	8721.63	10465.96	61	305	10770.96	0.00	10770.96		
33	Lower Yukon	2037.00	0.00	2037.00	3094.62	1.438	4450.06	5340.07	13	65	5405.07	0.00	5405.07		
34	Mat-Su	14318.00	1217.00	15535.00	16483.78	1.010	16648.62	19978.34	125	625	20603.34	973.60	21576.94		
35	Nenana	215.00	390.00	605.00	326.05	1.270	414.68	496.90	3	15	511.90	312.00	823.90		
36	Nome	798.00	6.00	804.00	965.08	1.319	1272.94	1527.53	4	20	1547.53	4.80	1552.33		
37	North Slope	1614.00	0.00	1614.00	2252.61	1.504	3387.93	4065.52	9	45	4110.52	0.00	4110.52		
38	Northwest Arctic	1980.00	0.00	1980.00	2869.56	1.549	4444.95	5333.94	18	90	5423.94	0.00	5423.94		
39	Pelican	18.00	0.00	18.00	39.60	1.290	51.08	61.30	0	0	61.30	0.00	61.30		
40	Petersburg	579.00	0.00	579.00	788.49	1.000	788.49	946.19	11	55	1001.19	0.00	1001.19		
41	Prudhoe	128.00	0.00	128.00	223.11	1.419	316.59	379.91	0	0	379.91	0.00	379.91		
42	Saint Mary's	170.70	0.00	170.70	271.99	1.351	367.46	440.95	1	5	445.95	0.00	445.95		
43	Sitka	1432.00	36.00	1468.00	1719.27	1.000	1719.27	2063.12	3	180	2243.12	28.80	2271.92		
44	Skagway	95.00	0.00	95.00	148.25	1.143	169.45	203.34	1	5	208.34	0.00	208.34		
45	Southeast Island	185.40	2.00	187.40	411.83	1.124	462.90	555.48	5	25	580.48	1.60	582.08		
46	Southwest Region	673.70	0.00	673.70	1123.81	1.423	1599.18	1919.02	6	30	1949.02	0.00	1949.02		
47	Tanana	47.00	0.00	47.00	81.13	1.496	121.37	145.64	0	0	145.64	0.00	145.64		
48	Unalaska	420.00	0.00	420.00	565.80	1.245	704.42	845.30	2	10	855.30	0.00	855.30		
49	Valdez	751.00	0.00	751.00	958.37	1.095	1049.42	1259.30	11	55	1314.30	0.00	1314.30		
50	Wrangell	360.00	0.00	360.00	501.00	1.000	501.00	601.20	1	5	606.20	0.00	606.20		
51	Yakutat	104.00	0.00	104.00	177.16	1.046	185.31	222.37	0	0	222.37	0.00	222.37		
52	Yukon Flats	266.68	0.00	266.68	494.21	1.668	824.34	989.21	5	25	1014.21	0.00	1014.21		
53	Yukon/Koyukuk	350.00	1150.00	1500.00	646.20	1.502	970.59	1164.71	6	30	1194.71	920.00	2114.71		
54	Yupik	462.00	0.00	462.00	739.58	1.469	1086.44	1303.73	4	20	1323.73	0.00	1323.73		
55	Ni. Idgecumbe	420.00	0.00	420.00	490.00	1.000	490.00	588.00	0	0	588.00	0.00	588.00		
56															
57	TOTALS	119,747.48	9,913.94	129,661.42	144,696.85	0.000	159,216.63	191,059.97	1,644	8,220	199,279.97	7,931.15	207,211.12		

Alaska Department of Education & Early Development

January 2007 Updated
 FY2008 Projections
 Department of Education & Early Development
 Foundation

	A	B	C	D	E	F	G	H	I	J
1	School District	\$5,380 Basic Need	Repaired Local Effort	Eligible Federal Impact AID	Impact AID Percent	Deductible Impact AID 90.0%	State AID	FY2008 PROJECTED Adjusted Floor	Quality Schools	FY08 PROJECTED Total State Entitlement
2	Alaska Gateway	5,554,950	0	245,277	100.00%	220,749	5,334,101	0	16,520	5,350,621
3	Aleutian Region	1,331,496	0	105,220	100.00%	94,698	1,236,798	19,808	3,960	1,260,566
4	Aleutians East	4,170,630	396,534	865,015	47.76%	371,974	3,402,122	0	12,403	3,414,525
5	Anchorage	359,257,193	88,989,480	11,570,436	55.90%	5,821,086	264,446,627	0	1,068,423	265,515,050
6	Annette Island	3,118,571	0	1,426,478	100.00%	1,283,830	1,834,741	0	9,275	1,844,016
7	Bering Strait	27,482,224	0	8,301,933	100.00%	7,471,740	20,010,484	0	81,732	20,092,216
8	Bristol Bay	2,380,865	630,578	216,583	71.51%	139,391	1,610,896	0	7,081	1,617,977
9	Chathara	2,600,961	0	221,932	100.00%	199,739	2,401,222	0	7,735	2,408,957
10	Chugach	1,842,004	0	99,457	100.00%	89,511	1,752,493	273,316	5,478	2,031,587
11	Copper River	6,777,025	0	275,663	100.00%	248,097	6,528,928	0	20,155	6,549,083
12	Cordova	4,084,657	662,014	40,306	47.18%	17,115	3,405,528	0	12,148	3,417,676
13	Craig	5,225,809	393,391	274,084	42.97%	105,997	4,726,421	0	15,541	4,741,962
14	Delta/Greely	10,205,430	0	106,127	100.00%	95,514	10,109,916	0	30,351	10,140,267
15	Denali	4,621,743	640,542	12,502	46.15%	5,193	3,976,008	0	13,745	3,989,753
16	Dillingham	5,820,407	670,693	637,370	56.84%	326,053	4,823,661	0	17,310	4,840,971
17	Fairbanks	115,423,273	23,962,498	11,404,060	59.07%	6,062,740	85,396,035	0	343,266	85,741,301
18	Galena	17,629,614	76,915	128,473	4.62%	5,342	17,547,357	0	52,430	17,599,787
19	Haines	3,113,567	942,101	0	66.30%	0	2,171,466	0	9,260	2,180,726
20	Hoonah	1,695,399	124,253	362,603	25.13%	82,010	1,489,136	0	5,042	1,494,178
21	Hydaburg	887,431	33,834	243,357	35.61%	77,993	775,604	9,014	2,639	787,257
22	Iditarod Area	5,132,735	0	545,480	100.00%	490,932	4,641,803	79,029	15,265	4,736,097
23	Juneau	39,686,969	13,485,969	0	62.26%	0	26,201,000	0	118,028	26,319,028
24	Kake	1,113,821	75,488	395,672	25.46%	90,664	947,669	0	3,312	950,981
25	Kashunamiut	4,503,437	0	1,658,684	100.00%	1,492,816	3,010,621	0	13,393	3,024,014
26	Kenai Peninsula	75,062,513	20,447,690	0	54.88%	0	54,614,823	0	223,234	54,838,057
27	Ketchikan Gateway	18,577,194	4,682,492	3,469	52.91%	1,652	13,893,050	0	55,248	13,948,298
28	Klawock	1,547,180	133,610	487,953	34.35%	150,851	1,262,719	0	4,601	1,267,320
29	Kodiak Island	23,053,085	4,141,788	1,435,942	47.23%	610,376	18,300,921	0	68,559	18,369,480
30	Kuspuk	6,730,488	0	1,459,639	100.00%	1,313,675	5,416,813	0	20,016	5,436,829
31	Lake & Peninsula	7,821,928	220,534	1,442,442	14.60%	189,537	7,411,857	0	23,262	7,435,119
32	Lower Kuskokwim	57,947,765	0	11,622,749	100.00%	10,460,474	47,487,291	0	172,335	47,659,626
33	Lower Yukon	29,079,277	0	8,966,263	100.00%	8,065,637	21,009,640	0	86,481	21,096,121
34	Mat-Su	116,083,937	20,975,565	0	52.99%	0	95,108,372	0	345,231	95,453,603
35	Nenana	4,432,582	81,591	1,296	81.67%	953	4,350,038	0	13,182	4,363,220
36	Nome	8,351,535	889,303	85,947	46.52%	35,984	7,426,248	0	24,837	7,451,085
37	North Slope	22,114,598	10,548,636	2,931,302	43.90%	1,158,157	10,407,805	0	65,768	10,473,573
38	Northwest Arctic	29,180,797	1,533,646	4,953,635	36.41%	1,623,257	26,023,894	0	86,783	26,110,677
39	Pelican	329,794	44,599	0	85.18%	0	285,195	115,072	981	401,248
40	Petersburg	5,386,402	1,048,787	0	51.13%	0	4,337,615	0	16,019	4,353,634
41	Pribilof	2,043,916	0	616,103	100.00%	554,493	1,489,423	0	6,079	1,495,502
42	Saint Mary's	2,399,211	19,160	0	27.37%	0	2,380,051	0	7,135	2,387,186
43	Sitka	12,222,930	3,162,938	15,038	60.85%	8,236	9,051,756	0	36,351	9,088,107
44	Skagway	1,120,869	526,955	0	55.87%	0	593,914	80,608	3,333	677,855
45	Southeast Island	3,131,590	0	22,208	100.00%	19,987	3,111,603	42,795	9,313	3,163,711
46	Southwest Region	10,485,728	0	2,838,701	100.00%	2,554,831	7,930,897	0	31,184	7,962,081
47	Tanana	783,543	23,603	14,085	100.00%	12,677	747,263	0	2,330	749,593
48	Unalaska	4,601,514	1,649,696	15,944	62.42%	8,957	2,942,861	0	13,685	2,956,546
49	Valdez	7,070,934	3,242,930	12,885	58.26%	6,756	3,821,248	0	21,029	3,842,277
50	Wrangell	3,261,356	572,448	2,245	68.59%	1,386	2,687,522	0	9,699	2,697,221
51	Yakutat	1,196,351	194,834	155,812	38.81%	54,424	947,093	21,556	3,558	972,207
52	Yukon Flats	5,456,450	0	645,293	100.00%	580,764	4,875,686	244,020	16,227	5,135,933
53	Yukon-Koyukuk	11,377,140	0	1,291,205	100.00%	1,162,085	10,215,055	0	33,835	10,248,890
54	Yupit	7,121,667	0	1,917,899	100.00%	1,726,109	5,395,558	0	21,180	5,416,738
55	Mr. Edgemunbe	3,163,440	0	612,623	100.00%	551,361	2,612,079	0	9,408	2,621,487
56										26,027,300
57	TOTALS:	1,114,795,825	205,225,095	80,687,390		55,649,803	853,920,927	885,518	3,315,375	884,149,120




Alaska Public School Funding Formula Overview

Presented by
Eddy Jeans, Director
Division of School Finance
Eddy_Jeans@eed.state.ak.us
(907) 465-2891



Public School Funding Formula Overview

A



**Alaska Public School
Funding Formula Overview**

Presented by
Eddy Jeans, Director
Division of School Finance
Eddy.Jeans@eed.state.ak.us
(907) 465-2891

9:05:53

B

Senate Bill 36

The current state public school funding formula was adopted under SB 36 in 1998. And was implemented in 1999.

The public school funding formula is defined in Alaska Statute 14.17

9:06:20

C

This presentation provides an overview of:

1. Calculation of Adjusted Average Daily Membership (ADM)
2. Calculations of Basic Need - (*Entitlement*)
3. Components of Basic Need - (*Who Pays*)
4. Additional Funds above Basic Need
5. Components of State Aid



Public School Funding Formula Overview

Average Daily Membership

ADM Reporting Requirements

- Average Daily Membership - is the number of enrolled students during the 20-school-day count period ending on the fourth Friday of October.
- Reports are due within two weeks after the end of the 20-school-day count period.
- Projected student count reports are due November 5.

A

9:06:45

Who Qualifies as a Student?

Eligibility for State Foundation Funding:

- A child who is 6 years of age before September 1st, and under the age of 20, and has not completed the 12th grade. (AS 14.03.070)
- A child who is 5 years of age before September 1st, following the beginning of the school year, may enter kindergarten. (AS 14.03.060 (d))
- A child with a disability and an active Individualized Education Program (IEP) may enter school at the age of 3 and under the age of 22. (AS 14.30.180 (1))

B

9:07:19

5 Steps to District Adjusted ADM

USED TO CALCULATE ENTITLEMENT

- Step 1. *Adjust:* ADM for School Size
 - Step 2. *Apply:* District Cost Factor
 - Step 3. *Apply:* Special Needs Factor
 - Step 4. *Add:* Intensive Services Counts
 - Step 5. *Add:* Correspondence Student Counts
- = District Adjusted ADM

C

9:08:50



Public School Funding Formula Overview

Step 1. Adjust the ADM for School Size

ADM under 10:
Added to the smallest school with an ADM greater than 10

A Community with an ADM of 10 through 100:
Grades K-12 ADM is combined and adjusted once; adjusted as one school.

A Community with an ADM of 101 through 425:
ADM for grades K-6 and 7-12 are adjusted separately; adjusted as two schools.

A Community with an ADM greater than 425:
The ADM of each facility administered separately as one school is adjusted.

- Alternative schools with an ADM of less than 200 shall be counted as a part of the school in the district with the highest ADM.
- If the ADM is greater than 200 and administered as a separate facility the ADM will be adjusted separately.
- Charter school with an ADM of 150 or greater is adjusted as a separate facility

A

9:09:38

Step 1. Example: Nome City Schools Projected FY08 ADM by School

Nome Elementary School.....	400.00
Nome-Beltz Jr/Sr High School.....	340.00
Anvil City Science Academy.....	44.00
Nome Youth Facility.....	14.00
Total ADM.....	798.00

B

9:11:23

Step 1. Example: Nome City Schools Adding ADM's to the appropriate School in the District

School Size Adjustment

- The alternative schools ADM are added to the highest ADM school in the district before adjusting for size
- A school with a population under 10 should be added to the smallest school in the district

Nome Elementary + Anvil
400 + 44 = 444.00

C

9:12:36



Public School Funding Formula Overview

Step 1. Example: Nome City Schools

Reference	School Size	Formula
1.	10-1999	39.60
2.	20-2999	$39.60 + (1.62 * (ADM - 20))$
3.	30-7499	$55.80 + (1.49 * (ADM - 30))$
4.	75-14999	$122.85 + (1.27 * (ADM - 75))$
5.	150-24999	$218.10 + (1.08 * (ADM - 150))$
6.	250-39999	$326.10 + (.97 * (ADM - 250))$
7.	400-74999	$471.60 + (.92 * (ADM - 400))$
8.	Over 750	$791.80 + (.84 * (ADM - 750))$

K-6 Adjusted ADM's

$$\text{ref. 7 } 471.60 + (.92 * (444.00 - 400)) = 512.08$$

7-12 Adjusted ADM's

$$\text{ref. 6 } 326.10 + (.97 * (340.00 - 250)) = 413.40$$

$$\text{ref. 11 Youth facility's ADM 14} + 39.60$$

$$\text{School Size Adjusted ADM} = 965.08$$

A

9:12:47

Step 2. District Cost Factors

The Department monitors District Cost Factors and submits a report to the Legislature on January 15th every other fiscal year, beginning January 2001.

- > Cost factors are specific to each school district.
- > Lowest District Cost Factor is 1.000 and the highest is 1.736.

Multiply the School Size Adjusted ADM by the District Cost Factor for Nome:

$$965.08 \times 1.319 = 1,272.94$$

B

9:15:47

Step 3. Special Needs Funding

> All categorical programs; special education (except intensive), vocational education, gifted/talented and bilingual/bicultural are block funded at 20%.

> To qualify for funding under this section school districts must file a plan with the department indicating special needs services that will be provided.

AS 14.17.420 (b)

C

9:16:17



Public School Funding Formula Overview

Step 3. *Example:* Nome City Schools

Multiply the adjusted ADM (from Step 2) by the Special Needs Factor

$$1,272.94 \times 1.20 = 1,527.53$$

(Shown on Column B, page 8)

A

9:16:48

Step 4. Intensive Services Funding

A school district will receive funding for intensive services students that:

1. Are receiving intensive services and are;
2. Enrolled on the first day of the 20 school-day count period and who have;
3. Established Individual Education Plan (IEP) for each intensive services student.

An Intensive Services student generates \$26,900.

(Intensive Student Count) x 5 = Intensive Student Funding

B

9:17:04

Step 4. *Example:* Nome City Schools

Multipl the Intensive Student Count by 5 and add to the adjusted ADM (from Step 3)
- Nome City Schools has 4 Intensive Student -

$$4 \times 5 = 20$$

$$1,527.53 + 20 = 1,547.53$$

(Shown on Column E, page 8)

C

9:23:08



Public School Funding Formula Overview

Step 5. Correspondence Programs

Districts offering correspondence programs receive funding based on 80% of correspondence ADM.

Each correspondence student generates \$4,304.
(Correspondence ADM) x .80 = Level of
Correspondence Funding

A

9:23:29

Step 5. Example: Nome City Schools

Multiply the Correspondence Student ADM by 80% and add to the Adjusted ADM to get Final District Adjusted ADM. (from Step 4)

~ Nome City Schools has 6 Correspondence Students ~

$$6 \times .80 = 4.80$$

$$1,547.53 + 4.80 = 1,552.33$$

(Shown on Column V, page 8)

B

9:23:51

BASIC NEED Entitlement

Multiply the district adjusted ADM by the base student allocation = BASIC NEED

$$1,552.33 \times \$5,380 = \$8,351,535$$

(Shown on Column W, page 9)

C

9:24:08



Public School Funding Formula Overview

NOME: Summarized District Adjusted ADM & Basic Need

Projected ADM for Nome:	798.00 + 6 corresp. = 804.00
Step 1. Adjusted ADM for School Size:	965.08
Step 2. Apply the District Cost Factor:	x 1.312 1,272.94
Step 3. Apply the Special Needs Factor:	x 1.20 1,527.53
Step 4. Add Intensive Service Counts: (4.00 x 5 = 20)	+ 20.00 1,547.53
Step 5. Add Correspondence Student Counts: (6 x .80 = 4.80) = District Adjusted ADM	+ 4.80 1,552.33
Multiply by \$5,380 the base student allocation	x 5,380
BASIC NEED:	\$8,351,535

A

9:24:31

Components of Basic Need (Who Pays?)

- ⇨ Required Local Contribution
- ⇨ Federal Impact Aid
- ⇨ State Aid

B

9:25:20

SB 174 Full & True Value/Local Effort Calculation

As a result of Senate Bill 174: (enacted in 2001)
Beginning FY2002, half of the increased full & true value over 1999 (base year), is added to 1999 base year to determine the full & true value for the purposes of calculating Required Local Effort for education.
(If the full & true value did not increase over the 1999 base year, then the current full & true value stands and is multiplied by .004 mills to reach local effort.)

C

9:25:36



Public School Funding Formula Overview

Calculating Nome's Full and True Value

Nome's 2006 Full Value	252,725,500
Nome's 1999 Full Value	191,926,100
Full Value Increase Difference	60,799,400
Divided in Half	30,399,700
Half of the Increase is Added to 1999 Value	
191,926,100 + 30,399,700 =	222,325,800

A

9:26:08

Required Local Contribution Example: Nome City Schools

The Lesser or minimum of 4 mills of the education full & true value, but not to exceed 45% of the school districts prior year basic need.

.004 of Tax Base: (Education Full & True Value)

$$.004 \times \$222,325,800 = \$889,303$$

45% of Prior Year Basic Need:

$$.45 \times \$8,157,425 = \$3,670,841$$

(Shown on Column C, page 9)

B

9:36:31

Title VIII Federal Impact Aid Payments

• Title VIII Federal Impact Aid Payments received from March 1 through the last day of February are used for calculations of state aid.

• The dates on the payment vouchers are used to indicate that a school district has received Title VIII Payments

C

9:39:49



Public School Funding Formula Overview

Title VIII Federal Impact Aid Payments *Example: Nome City Schools*

Payments received by the Nome City Schools from March 1 through the end of February.

\$86,382
(amount eligible for Deduction)

(Shown on Column D, page 9)

A

9:41:12

Impact Aid Percentage

Required Local Contribution
divided by
Budgeted Local Contribution

Budgeted Local Contribution, for the purposes of calculating the Impact Aid percentage is found in the Budgets submitted on July 15th of each year and may consist of:

- Appropriations
- Investment Earnings
- In-Kind Services
- "Other Local"

B

9:42 9:44:19

Title VIII Percentage *Example: Nome City Schools*

Required Local: \$ 889,303 = 46.52%
Budgeted Local: \$1,911,850
(This percentage is only derived for City & Boroughs)

(Shown on Column E, page 9)

C

9:44:48



Public School Funding Formula Overview

Impact Aid Example: Nome City Schools

90% of the Impact Aid received by a school district is multiplied by the Impact Aid Percentage

Nome's Deductible Impact Aid Calculation:

$$\$85,947 \times 46.52\% \times 90\% = \$35,984$$

Eligible Impact Aid x Title VIII % x 90% = Deductible Impact Aid

(Shown on Column D, Column E, Column F, page 9)

A

9:45:17

STATE AID Nome City Schools

Nome's State Aid:

Basic Need	\$ 8,351,535
Less Required Local	(889,303)
Less Impact Aid	<u>(35,984)</u>
State Aid	\$ 7,426,248

(Shown on Column G, page 9)

B

9:45:53

Additional Funds Above Basic Need

⇒ Additional Local Contribution

⇒ Quality Schools Grant

⇒ Supplemental Funding Floor

C

9:46:20



Public School Funding Formula Overview

Additional Local Contribution

Example: Nome City Schools

The greater of 2 mills of the tax base or 23% of the district's current year Basic Need can be contributed but not exceeded.

.002 of Full & True Value Tax Base:
.002 x \$252,725,500 = \$505,451

23% of Basic Need:
.23 x \$8,351,535 = \$1,920,853

A

9:47:07

Maximum Local Contribution

Example: Nome City Schools

Required Local Contribution plus Additional Local Contribution

Required Local Contribution:	\$ 889,303
Additional Local Contribution:	+\$1,920,853
Maximum Local Contribution:	\$2,810,156

B

9:47:54

Quality Schools Grant

AS 14.17.480 explains a district is eligible to receive a quality school funding grant not to exceed the district's Adjusted ADM multiplied by \$16.

Example: Nome City Schools
1,552.33 x \$16 = \$24,837

(Column W, page 8 and Column I, page 9)

C

9:48:18



Public School Funding Formula Overview

Supplementary Funding Floor

- ⇨ What is "The Floor"?
- ⇨ How is it established?
- ⇨ How is it adjusted?

A

9:48:48

"The Floor"

By providing additional funds "The Floor" bridges the transition between the new funding formula implemented in 1999 and the old formula that was in place in 1998.

B

9:48:56

How "The Floor" was Established

"The Floor" was established in FY1999
FOR EXAMPLE:
Old Formula State Aid
= \$1,100,000
New Formula State Aid
(Less) - \$1,000,000
Supplementary Funding Floor
(Result) = \$100,000

C

9:49:22



Public School Funding Formula Overview

Nome's Transition to New Formula

- > Old Formula State Aid:
FY 99 = \$5,206,292
- > New Formula State Aid:
(Less) FY 99 = \$5,095,932
- > Supplementary Funding Floor:
(Results) FY 99 = \$110,360

A

9'49'39

Adjustments to the "Floor"

- All Adjustments to "The Floor" are reductions!**
- Decreases to "The Floor" occur because of:
- 1) an increase in Basic Need
- OR
- 2) a decrease in ADM.

B

9'49'52

Supplementary Funding Floor - Adjustment

1

EXAMPLE

Increase of Basic Need

Floor Adjustment due to Increases in Basic Need began in FY2000
Example: Floor equals \$100,000

FY2008 Basic Need	\$2,100,000
FY2007 Basic Need	\$2,050,000
FY2008 increase over FY2007	\$50,000
40% of the increase over prior year equals the amount the FY2008 floor is reduced	(\$20,000)
FY2007 Funding Floor	\$100,000
Revised funding floor for FY2008	\$80,000

C



Public School Funding Formula Overview

Supplementary Funding Floor - Adjustment # 2

*EXAMPLE
Decrease in ADM*

If the ADM falls below 95% of the FY1999 ADM, Then "The Floor" is reduced by the same percentage.

Example: Floor equals \$100,000

If

FY2007 ADM = 86% of FY1999 ADM

Then

$\$100,000 \times 86\% = \$86,000$

& becomes the new Floor amount

"The Floor" has received a 14% reduction.

A

Establishing Nome City School's Floor

FY 99 OLD FORMULA	= \$5,206,292
FY 99 NEW FORMULA	(\$5,095,932)
Nome's FUNDING FLOOR Established at = \$110,360	
FY 00 No Deduction	= \$110,360
FY01 FLOOR reduced due to increase in Basic Need	(\$14,562)
FY 01 FLOOR BALANCE	= \$95,798
FY 02 FLOOR No reduction floor	(0.00)
FY 02 FLOOR BALANCE	= \$95,798
FY 03 FLOOR reduced due to increase in Basic Need	(73,206)
FY03 FLOOR BALANCE	\$22,592
FY 04 FLOOR reduced due to increase in Basic Need	(49,268)
Difference exceeds FLOOR ~ Balance set to zero (0.00)	

B

9:50:23

Supplementary Funding Floor

REMEMBER:

⇒ The floor is reduced by 40% of the increase in Basic Need over the prior year.

OR

⇒ The floor is reduced if ADM decreases by more than 5%, initially, of the FY1999 ADM.

C

9:51:52



Public School Funding Formula Overview

Components Of State Aid

A Permanent Funding Component of State Aid

Nome's Total State Aid equals:

Calculated State Aid	\$7,426,248
<u>plus</u> the Funding Floor	\$ 0
<u>plus</u> the Quality Schools Grant	\$ 24,837
TOTAL STATE ENTITLEMENT	\$7,451,085

A

9:52:21

Please Note:

Prorating the Public School Funding Formula

If insufficient funds are appropriated by the legislature to meet the total entitlement, then all components of the Public School Funding Formula Program will be reduced by the same percentage.

AS 14.17.400 (b)

B

9:52:42
