



Legislative Link

A Publication for the Members of the N.C. Association of School Administrators

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Special Edition

Committee Begins Studying Public School Funding

The newly formed Joint Legislative Study Committee on Public School Funding Formulas held its first meeting Thursday to begin a review process of 13 public school allotment formulas or funding streams, as called for by the current year's state budget. The committee, co-chaired by Sen. A.B. Swindell of Nash County and Rep. Rick Glazier of Cumberland County, will hold a series of meetings until the 2008 General Assembly convenes its short session on May 8, and the committee may send forward recommendations for revising the current funding process for public schools.

To begin the committee's work, the legislature's Fiscal Research Division briefed the committee on six allotments and indicated that the remaining seven funding categories will be reviewed on Jan. 17 at the committee's second meeting.

Following are questions that either the staff raised for the committee to consider or that came directly from committee members during the discussion on Thursday:

Student Transportation

- Is the current process for rewarding local effort fair, or should reimbursement adjustments be made for wealthier LEAs?
- Are recent fuel cost spikes outpacing the budgeted funding?
- Should a separate funding mechanism be considered for new efforts and non-traditional programs?
- Should the formula lessen its focus on efficiency and take service more into consideration?

Low Wealth Counties Supplement Funding

- Should eligibility be adjusted to include more or fewer LEAs?
- Should adjustments be made to decrease funding fluctuations, or continue with occasional hold-harmless funding?
- Can timing be adjusted to improve the local budget process?
- Should the formula name be changed?

Small County Supplemental Funding

- Under the hold-harmless requirements, is seven years more or less than sufficient for an LEA to adjust for a potential loss of funding?
- Are the seven facets of this formula the appropriate response to small county challenges and true needs?
- Are the eligibility criteria overly stringent or too permissive?
- Does the formula cause too much annual variance?

Disadvantaged Student Supplemental Funding

- Does the formula properly identify the disadvantaged population?
- Should the original pilot LEAs continue to receive higher funding levels?
- Should adjustments be made for the wealth level when we already have Low Wealth Supplemental Funding?
- Are there more factors to consider than those represented in the three variables currently used for determining allocations to each LEA?
- Can this formula be simplified and still meet its intended purpose?

Education of Children with Disabilities

- Is the 12.5 percent cap preventing LEAs from meeting the needs of all exceptional children (EC) students?
- Is the state making the appropriate expenditure level in light of the 12.5 percent cap?
- Does the 12.5 percent cap encourage over-identification of EC students?
- If we don't meet the needs of all EC children, how are we going to meet No Child Left behind (NCLB) requirements?
- Should the allotment formula couple the per-pupil amount with the severity of the disability?
- Are DPI reserves for helping districts cover the extra costs of educating children with the most severe learning disabilities, and is the current process for tapping those reserve funds too cumbersome and thereby discouraging districts from applying?
- Do we take into consideration that there are more disabilities now than there were 25 years ago?

Limited English Proficiency (LEP)

- Are LEP students being denied services in LEAs with LEP populations greater than 10.6 percent?
- Does the minimum requirement for LEP funding need adjustment?
- Is it necessary to make allowances for the number of languages within an LEA?
- How should the concentration and headcount be weighted?

The committee is slated to review the following funding allotments or categories at its Jan. 17 meeting, which is slated for 10 a.m. to 4 p.m. in Room 643 of the Legislative Office Building in Raleigh:

- Academically or Intellectually Gifted (10:15-11:00 a.m.)
- Improving Student Accountability (11:00-11:45 a.m.)
- At-Risk Student Services (12:45-1:30 p.m.)
- School Capital Fund (1:30-2:15)
- Lottery Construction Funds (2:15-3:15 p.m.)
- Number of LEAs Funded Per County (3:15-3:45 p.m.)
- Mentors (3:45-4:00 p.m.)

NCASA members who are concerned about the possible changes that could occur with any of these funding streams are encouraged to attend the Jan. 17 meeting and other meetings of the committee as the review process progresses. In addition, all members should help members of your own legislative delegation understand how the various state funding streams benefit your district and how your district must cover funding shortages in several of these categories.

NCASA will provide additional updates on the committee's work as it progresses.

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