SCHOOL FUNDING

Special Education State Funding

January 14, 2015
Training Objective

- The purpose of this training is to provide the school administrator with an understanding of how the state calculates the Special Education Allotment including the Mainstream Allotment.
AGENDA

- The Special Ed Allotment – An Allotment in Tier 1
- Estimating and Managing the Allotment
- What Generates the Money?
- How is the Special Ed Allotment Calculated?
THE FOUNDATION SCHOOL PROGRAM

TIER I

TIER II

TIER III
Tier 1 Summary

- The formulas start with a basic allotment of $5,040.
- The basic allotment is modified by the cost of education index to produce the Adjusted Basic Allotment or the ABA.
- The Adjusted Basic Allotment is then modified by the small/sparse formula or the mid-sized schools formula and becomes the Adjusted Allotment—Note that Medina Valley benefits from the Mid Size School Adjustment.
- Adjusted Allotment $5,422 (Line 23 Funding Template)
Tier 1 Summary

- FTE’s are calculated for Special Education and Career and Technology
- ADA - Special Ed FTE’s - Career and Technology FTE’s = Regular Program ADA (Line 2 SOF)
- Regular Program ADA X AA = Regular Program Allotment (Line 28 SOF)
- Special Program Allotments are calculated for Career and Technology, GT,
Tier 1 Summary

- All special program allotments are added to the Regular Program Allotment to produce the TOTAL COST OF TIER 1 (Line 38 Template)
HOW DOES TEA FLOW MONEY TO DISTRICTS?

- In the fall previous to a regular legislative session TEA surveys districts and asks them to project ADA and special program counts for the next 2 years.
- The legislature uses these estimates and other data to appropriate money for the next biennium.
- TEA then develops a Legislative Payment Estimate for each year of the biennium.
HOW DOES TEA FLOW MONEY TO DISTRICTS?

- Money flows to school districts based on the funding estimates in the LPE.
- At the end of each fiscal year TEA will calculate what the district has actually earned for the year based on ADA, special program counts, and tax collections.
- A settle up process then takes place to determine whether a district has been over or under paid for the completed year.
THE SUMMARY OF FINANCE

THE TEXAS EDUCATION AGENCY POSTS A SUMMARY OF FINANCE TO INFORM SCHOOL DISTRICTS OF HOW MUCH MONEY THEY WILL RECEIVE DURING A SCHOOL YEAR AND TO ATTEMPT TO UPDATE SCHOOL DISTRICTS AS TO HOW MUCH MONEY THEY ARE EARNING UNDER THE SYSTEM.
THE SUMMARY OF
FINANCE

- PRELIMINARY
- NEAR FINAL
- FINAL
THE LPE

USE THIS DATA FOR CASH FLOW PURPOSES ONLY!!!!!!!!!!!!!!!!!!!
DISTRICT ESTIMATES OF STATE AID

- ELECTRONIC TEMPLATE AVAILABLE ON THE REGION 13 WEBSITE
- IT IS CRITICAL THAT BOTH CHAPTER 41 AND CHAPTER 42 DISTRICTS DO THEIR OWN ESTIMATE OF STATE AID
- THE PERSON RESPONSIBLE FOR DISTRICT FUNDING ESTIMATES SHOULD UNDERSTAND THE SYSTEM
STATE AID ESTIMATES

CAUTION—CAUTION—CAUTION!!!!!

DISTRICTS SHOULD BUDGET AND SPEND ONLY STATE AID THAT WILL BE EARNED UNDER THE FORMULAS AND ONLY THE LOCAL REVENUE THAT WILL REMAIN NET OF RECAPTURE
DISTRICT ESTIMATES OF STATE AID AND RECAPTURE PAYMENTS

- AT BUDGET TIME
- AT THE END OF EACH SIX WEEKS
- AT THE END OF THE SCHOOL YEAR TO CONFIRM SETTLE UP NUMBERS (Why is this so important?)
HOW DO WE GENERATE STATE SPECIAL ED FUNDING?

- For every eligible day present, a student earns special education contact hours for the instructional setting the student is assigned except for Mainstream even if the student does not attend all scheduled classes.

- Total Special Education Contact Hours = Eligible Special Education Days X the Contact Hour Multiplier for each instructional setting (See page 139 Attendance Accounting manual)
HOW DO WE GENERATE STATE SPECIAL ED FUNDING?

- Contact hours are not reported for the instructional setting code 40 mainstream.
- For funding calculations mainstream attendance is reported as Mainstream ADA.
- A simple calculation of the number of students in Mainstream ADA can be found by adding the number of Mainstream students who are in attendance each day of the school year and then divide that number by the number of instructional days in the school year.
HOW DO WE GENERATE STATE SPECIAL ED FUNDING?

- The attendance accounting system and PEIMS convert contact hours to Full Time Equivalents (FTEs) for each instructional setting except for Mainstream.
- FTEs are calculated by dividing total contact hours for each instructional setting by days of instruction X 6.
CALCULATE SPECIAL ED ALLOTMENT

- Multiply FTEs for each instructional setting by weight for that instructional setting (See Special Education FTE Detail Report)
- Add up total weighted FTEs
- Multiply total weighted FTEs by Adjusted Allotment (AA) = Regular Special Education Allotment
- Total Weighted FTE’s 236.928 X 5,422 = $1,284,623  Regular Special Ed Allotment
CALCULATE M.S. SP. ED. ALLOTMENT

- MULTIPLY MAINSTREAM ADA X 121.265
- ADJUSTED ALLOTMENT (AA) 5,422 X 1.1
  = $723,249 Mainstream Special Ed Allotment
THE STATE SPECIAL EDUCATION ALLOTMENT

- The State Special Education Allotment is a combination of the Regular Special Education Allotment and the Mainstream Allotment (Line 29 SOF)

- Medina Valley ISD Sp. Ed Allotment
  - Regular Allotment: $1,284,623
  - Mainstream Allotment: $723,249
  - Set Aside: ($12,332)
  - Total Sp. Ed Allotment: $1,995,540 (Line 29 SOF)