Description of the Idaho Funding Model

Many in the education community feel that Idaho's current system for funding public schools is overly complex, confusing, and does not direct funding to the students or schools that need it most. Because of this, the Idaho legislature authorized the "Public School Funding Formula Interim Committee" in 2016 to study the state's K-12 school funding formula and recommend changes. After two years of work with multiple meetings throughout the state, the committee reported that Idaho's "...funding formula should be changed to ensure local control and transparency, and that it be readily comprehensible, equitable and focused on improving student outcomes." The legislature then authorized the committee to meet for a third year to develop a new funding formula for Idaho's public schools. To achieve this goal, the committee contracted with Education Commission of the States (ECS). ECS worked with the Interim Committee to develop a formula that is focused on the needs of different student groups and school districts in the state. The goal of the new formula is to help all students, regardless of where they attend school, reach their educational potential.

Important Points About the Proposed New Model

- Any new formula would not begin until the 2020-21 school year.
- The funding model shows how districts would be impacted by comparing 2017-18 funding amounts and student counts under the current formula to 2018-19 funding and enrollment numbers under the proposed new formula.

How Does the New Model Work?

The formula starts by providing a "base" amount of funding per student (you can see this base number at the top of the front page). Every public-school student in the state would be funded at least at this level by the state. The new formula then provides additional funding to school districts and charter schools based on both their student and district/school needs. Below are the details about these adjustments.

Funding Student Needs:

<u>Economically disadvantaged students</u> – Research has shown that economically disadvantaged students require additional resources to achieve their academic goals. ECS recommend that the additional weight for these students in the first year of the new formula be an additional 10 percent.

<u>English Language Learners</u> – According to public input received during the study, Idaho's current funding for English language learners is insufficient to meet the demands of this student population. We recommend that the state provide additional funding to English language learners to help them receive the services that they need to move off of the ELL designation as soon as possible. ECS recommends that the state provide an additional 10 percent in funding to these students in the first year of the new funding formula.



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<u>Gifted and Talented Students</u> – The state's current system for funding Gifted and Talented (G&T) students is limited in scope and does not allow schools to fund gifted and talented programming, only professional development for educators who teach G&T students. ECS recommends that the state assumes that each district/charter schools has 10 percent of their students identified as G&T and that these students are provided with 2 percent in additional funding. This weight provides approximately \$100 per gifted and talented student.

<u>Special Education Students</u> – The federal government requires that schools provide special education services that meet students' unique educational needs. ECS recommends that the formula provide each special education student with 10 percent of additional funding.

Students in Grades K-3 & 9-12 — Research shows that students in grades K-3 require smaller class sizes to receive a quality education. Because of this ECS has recommended that students in grades K-3 receive an additional 10 percent in funding. In addition, research shows that there is a higher cost of educating students in grades 9-12 because of the additional course requirements in high school. ECS recommends that students in these grades receive an additional 10 percent in funding to cover these additional costs.

Funding district/school needs:

<u>Small district adjustment</u> – Research shows that small school districts have a higher per-pupil cost for delivering a high-quality education to their students. The state's current formula provides an adjustment to districts with 330 or fewer elementary students and 870 or fewer secondary students. ECS created a funding adjustment in the new formula that provides these small districts with additional funding. There is an additional adjustment for districts if the secondary school enrollment count is less than 100 students. Under this funding model, that districts and charter schools will be funded as if they have 100 students.

<u>Remote school building adjustment</u> – The state's current formula provides some small, remote school buildings additional funding to meet their unique needs. The new formula provides these individual school buildings with a "remote school adjustment".

Hold Positive

Under this model, there is an option for each district and charter school in the state to gain a minimum percentage of their funding per year in the first three years of the new funding formula. Including a guaranteed increase for all districts and charter schools can help ease the transition to a new funding formula.

Funding Cap

The amount of additional funding that any district can receive from one year to the next in this new formula is capped at an adjustable threshold. Together, the hold positive and funding cap mean that districts and charter schools in the states will see an increase between those two numbers per year in the first three years of the new formula.

To find out more information about a student-centered funding formula for Idaho, check out the resources posted on the 2018 Public School Funding Formula Committee website: https://legislature.idaho.gov/sessioninfo/2018/interim/psff/