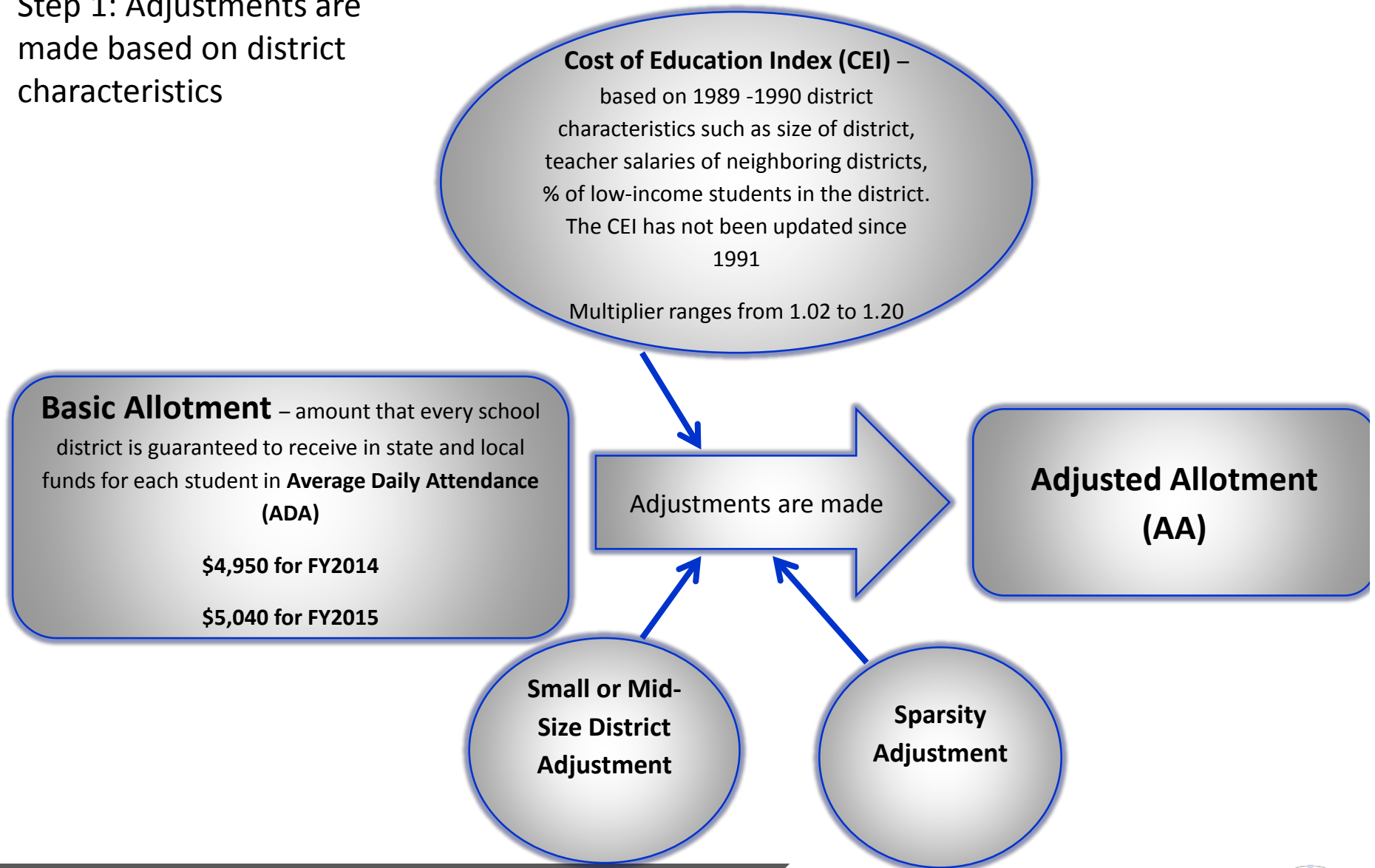


Step 1: Adjustments are made based on district characteristics



Step 2: Adjustments are made for student characteristics

Start with the Regular Program Allotment



Regular Program Adjustment Factor (RPAF)

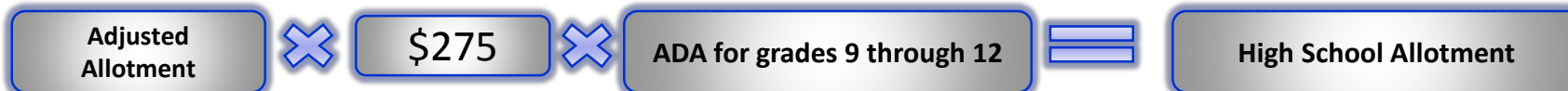
Created in 2011 to reduce the regular program allotment. It was set to 100% for 2014 and 2015, effectively eliminating this reduction before it expires at the close of FY2015

Then make adjustment for the weights or allotments attributed to special populations. Weights and allotments are assigned for Compensatory Education (0.20), Special Education (1.1 to 5.0), Career & Technical (1.35), Advanced Course Career & Technical, Bilingual/ESL (0.1), Pregnancy Related Services (2.41), Military Allotment (only by appropriation), Gifted & Talented (0.12), Public Education Grant (0.1), High School Student, New Instructional Facility Allotment, Transportation Allotment.

For example: The Compensatory Education weight is a 20% add-on for a student that is economically disadvantaged:



For example: The High School Allotment allows for \$275 per each student in ADA in grades 9 through 12:



Once all of the allotments are calculated they are added together to arrive at the

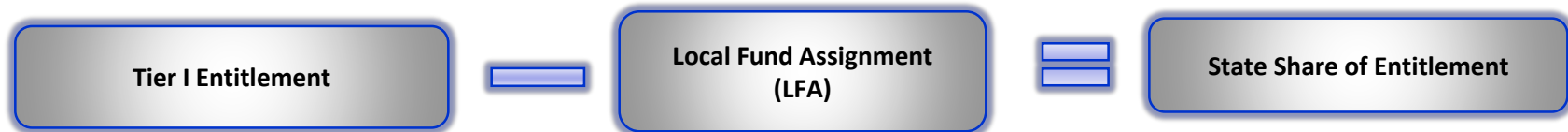
Tier I Entitlement

Step 3: Calculate the State and Local Share of the Tier I Entitlement

First determine how much revenue can be generated through local property wealth:



Then the state's share is the amount of the Tier I Entitlement over the Local Fund Assignment



If the **Local Fund Assignment** for a district is more than the **Tier I Entitlement** that district is subject to the **Recapture** provisions of **Chapter 41** in the school code. One hundred fifty-three districts were subject to recapture in FY2015.

Tier I Entitlement < LFA = Recapture

Tier I Entitlement > LFA = State Aid

Five Recapture Options:

1. Consolidate with another district
2. Detach property
3. **Purchase attendance credits from the state**
4. Contract to educate nonresident students
5. Consolidate tax bases with another district

Now on to Tier II....

Tier II funding is based on **Weighted Average Daily Attendance (WADA)**

Take the Tier I Entitlement

(subtract) Transportation Allotment

(subtract) New Instructional Facilities Allotment

(subtract) High School Allotment

(subtract) 50% of the Cost of Education Index

 Adjusted Tier I Entitlement

