



Bureau of Legislative Research

Policy Analysis & Research Section



Isolated Funding Expenditures

March 26, 2018

2018 Adequacy



One Definition

“... a piecemeal, convoluted, intractable collection of statutes, rules and criteria...”

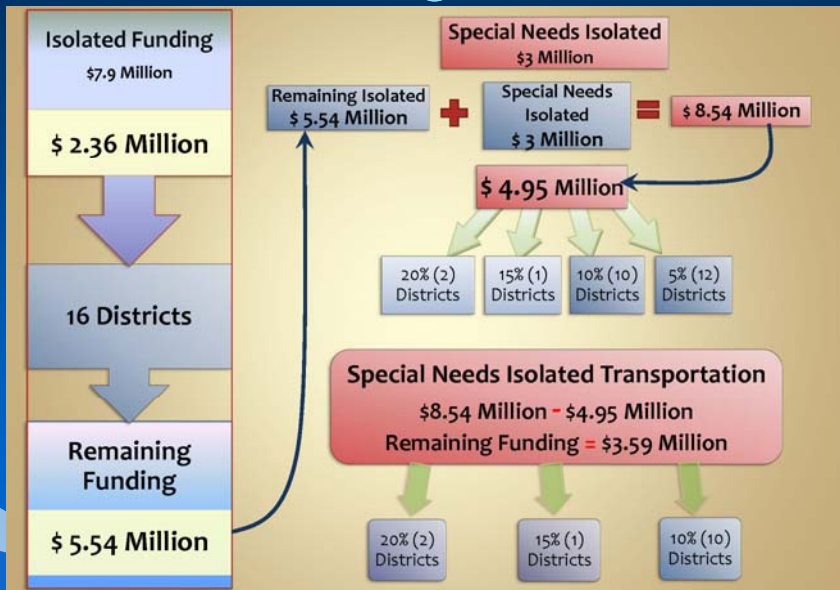
--Richard Wilson, BLR

Significance

- \$10.9 million year after year
- To state – accounts for about .25% of total education budget
- To school districts – accounts for a minimum .3% to a maximum 26.1% of school districts' overall funding

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Funding Stream



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Types of Isolated Funding

- Isolated (ACA 6-20-603)
- Special Needs Isolated (ACA 6-20-604)
 - 4 sets of criteria
- Special Needs Isolated – Transportation (ACA 6-20-604)

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Isolated

- 1980s – ACA 6-20-601
- Isolated school district had to meet 4 of 5 conditions:
 - Long distances
 - Low student density (3 / sq. mile and 1.2 /sq. mile)
 - Large in area (100+ square miles)
 - Low proportion of hard-surfaced roads
 - Geographic obstacles

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Isolated

If determined to meet 4 of 5, eligible for funding based on enrollment IF

- Met budget and millage requirement AND
- Had enrollment less than 350

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Isolated

- Act 60 of 2003 – no districts below 350 for more than two years
- Act 65 – froze isolated status and funding amounts
- What happens when isolated area closes? ACA 6-20-603(i) tells us
- Newest wrinkle – waivers now granted for schools below 350 enrollment

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Isolated

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districts received isolated funding in
2016-17

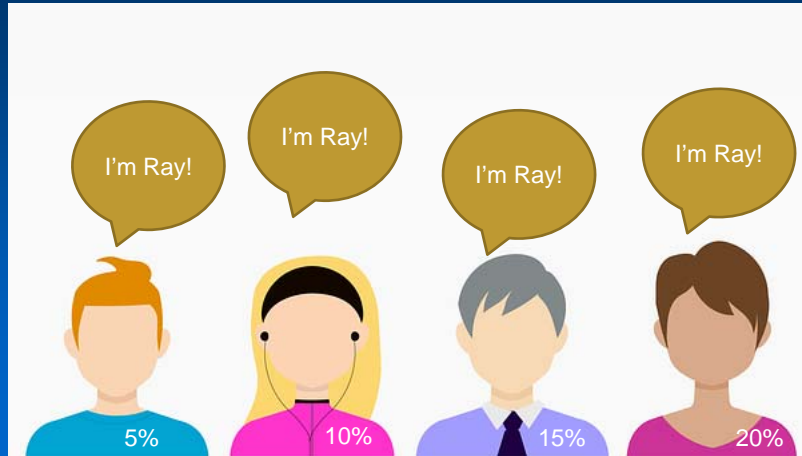
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Special Needs Isolated



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Special Needs Isolated



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Special Needs Isolated

- Created by Act 1452 in 2005
- To qualify:
 - Part of consolidation/annexation
 - “Impractical or unwise” to close
 - Meet original requirements
- Four categories of funding (page 6 of report)
- Funded with \$3 million appropriation

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Special Needs Isolated

25

districts received special needs isolated
funding in
2016-17

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Special Needs Isolated - Transportation

- Created by Act 1052 of 2007
- Any money left over
- Divided evenly to all districts qualifying for 10%, 15% or 20% of special needs isolated (13 in 2016-2017)
 - Not to small districts

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Special Needs Isolated - Transportation

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districts each received \$276,039 special needs isolated funding in 2016-17

Survey Findings

5 Matrix Areas Most in Need of More Funding		
Isolated or Special Needs Isolated	Special Needs Isolated-Transportation	Other
1. Classroom teachers	1. Classroom teachers	1. Classroom teachers
2. Special education teachers	2. Special education teachers	2. Special education teachers
3. Operations and maintenance	3. Technology	3. Operations and maintenance
4. Transportation	4. Operations and maintenance	4. Transportation
5. Technology	5. Instructional Facilitators	5. Technology

Expenditures

Transportation -- \$4.3 million

Instruction-related expenses -- \$4.1 million

Operations and Maintenance -- \$.9 million

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Characteristics of Isolated Districts

(page 13-14)

- Larger in square miles
- Low density
- Higher transportation costs
- Higher per-pupil expenditures
- Lower starting/average teacher salary

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Characteristics of Students in Isolated Districts

(page 14)

- Higher % free and reduced price lunch
- Lower test scores

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Questions

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