

2009-10 ALLOTMENT POLICY MANUAL



**PUBLIC SCHOOLS OF NORTH CAROLINA
STATE BOARD OF EDUCATION
DEPARTMENT OF PUBLIC INSTRUCTION
FINANCIAL AND BUSINESS SERVICES
DIVISION OF SCHOOL BUSINESS**



www.ncpublicschools.org/fbs/allotments/

LOW WEALTH COUNTIES SUPPLEMENTAL FUNDING

PROGRAM REPORT CODE: 031
 UNIFORM CHART OF ACCOUNTS CODE: XXX0-031-XXX
 STATUTORY REFERENCE: SB202, Section 7.3

TYPE: Dollars

TERM: July 1 - June 30

PURPOSE: To provide supplemental funds in counties that do not have the ability to generate revenue to support public schools (per a legislated formula) at the state average level. The funding is to allow those counties to enhance the instructional program and student achievement.

ELIGIBILITY: Eligible LEAs are those located in counties in which the calculated county wealth (per the legislated formula) is less than 100% of the state average wealth.

FORMULA:

All data used for this formula will be the most recent data as of May 15, of the preceding fiscal year of the allotment.

1. Compare a county's ability to generate revenue (using three criteria) with the average ability to generate revenue of the other 99 counties in the state.

Purpose:

The overall wealth of a county is considered critical in determining if a county can generate the necessary revenue to support the LEA(s) located within the county. The formula attempts to project the county's ability to generate revenue as compared to other counties in North Carolina.

Criteria:

- a. **Anticipated Total County Revenue** - This anticipated revenue is generated from the property value in the county plus the revenue a county actually receives from sources such as sales taxes and fines and forfeitures. The property value has been adjusted by a formula to take into consideration the year the property was last valued.
This calculation is projected to be almost 95% of all the revenue available to a county for current expense.
- b. **Tax Base per Square Mile (Density)** - This part of the formula compares the value of a county's property per square mile with the state average property value per square mile. This calculation attempts to recognize the "swamp land" (low to no value property) across the state and to compare the quantity of this property with all other counties.
- c. **Per Capita Income** - A three-year average of a county's per capita income is compared to the same average for the total state. The per capita income is a basic indicator of a county's residents' ability to pay taxes.

