

State Funding Models for K-12 Education

Overview of Approaches for
Funding Elementary and
Secondary Education





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WHO WE ARE.

The essential, indispensable member of any team addressing education policy.



WHAT WE DO.

We believe in the power of learning from experience, and we know informed policymakers create better education policy.



HOW WE DO IT.



Research



Report



Convene



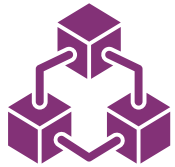
Counsel

Agenda

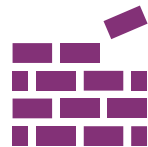
- **K-12 Funding National Overview**
- Student-Based Funding Best Practices
- Questions

50-State Comparison K-12 Funding

FUNDING MODEL



Primary
Funding Model



Base
Amount



Student
Counts

STUDENT AND DISTRICT CHARACTERISTICS



Special
Education



English
Learners



Gifted and
Talented



Students from
low-income
backgrounds



Small or Rural
Districts



Types of Funding Models



Student-Based

Districts receive a base amount of funding per student, with additional money or weights added to provide additional support to students with unique needs.

- *State guarantees a base level of dollars.*



Resource-Based

Districts receive funding based on a minimum level of resources such as staffing, services or programs. Often based on a ratio of students to staff.

- *State guarantees a base level of resources.*



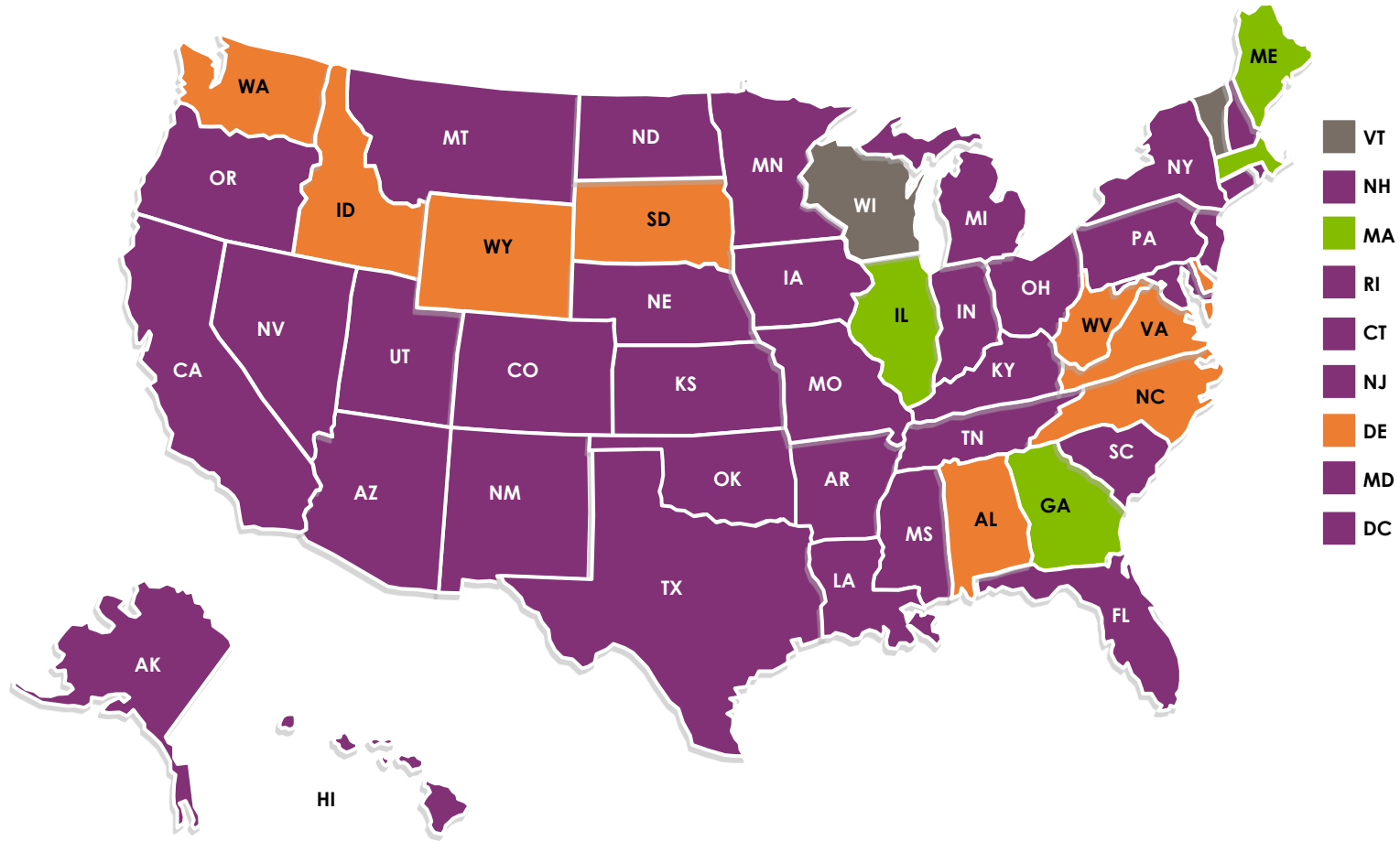
Primary Funding Models

Student-Based
(35 states and DC)

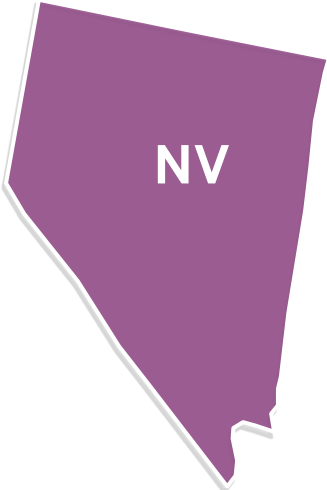
Resource-Based
(9 States)

Hybrid
(4 States)

Other
(2 States)



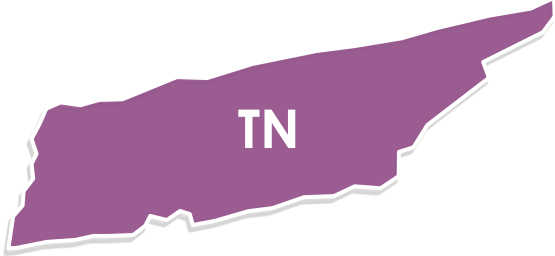
Recent K-12 Finance Reform in States



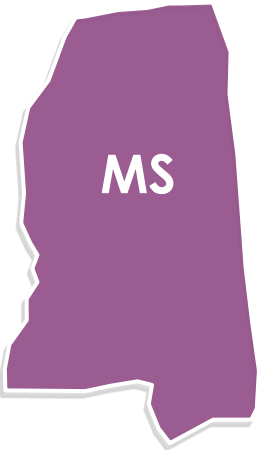
Pupil Centered Funding Plan (2019)



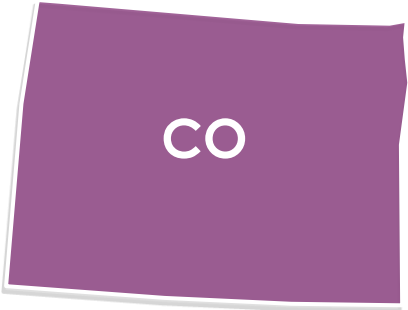
Blueprint for Maryland's Future (2020)



Tennessee Investment in Student Achievement (2022)



Mississippi Student Funding Formula (2024)



Total Program Formula (2024)

Agenda

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- **Student-Based Funding Best Practices**
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Student- Based Foundation

Advantages

- Transparency
- Student Equity
- Local Autonomy and Flexibility

Challenges

- State Financial Oversight



Student-Based Foundation

Direct

- Awarded to support state priorities, such as class size reduction, literacy interventions, etc.

Weights

- Multiplied by base amount to provide supplemental funds for students with unique learning needs, such as students with an IEP, English learners, or from low-income backgrounds.

Base Amount

- Dollar amount allocated for each student in every district.



Base Amount

Design Considerations

- Research Informed Base
 - Cost Function Study
 - Professional Judgement Panel
 - Evidence-Based Study
 - Successful Schools Model
- Variable or Fixed
- Mandated Inflationary Growth



Student and District Characteristics

- Special Education: **50 states & DC.**
- English Language Learners: **48 states & DC.**
- Students from Low-Income Backgrounds: **43 states & DC.**
- Gifted and Talented: **37 states.**
- Small Size or Isolated Funding: **36 states.**



Many States Use Weights

Special Education

English Learners

Low-Income Backgrounds

Single
Weight

11 States

*AK, CA, HI, LA, MD, MO,
ND, NH, NY, OR, SC*

24 States

*AK, AR, AZ, CO, CT, FL,
GA, KS, KY, LA, MD, MO,
NE, NH, NM, NV, OK, OR,
PA, RI, SC, SD, UT, VT*

19 States

*AZ, HI, IA, IN, KY, LA, MD,
ME, MO, MS, ND, NM, NV,
OK, OR, RI, SC, UT, VT*

Multiple
Weights

19 States and DC

*AZ, CO, DC, FL, GA, IN,
IA, KY, MA, ME, NM, NV,
OH, OK, PA, SD, TN, TX,
UT, WA*

15 States and DC

*AL, CA, DC, HI, IA, IN,
MA, ME, MI, MN, ND, NJ,
NY, OH, TN, TX*

17 States and DC

*AR, CA, CO, CT, DC, KS,
MA, MI, MN, NE, NH, NJ,
NY, OH, PA, TN, TX, VA*



Student-Based Models

	Tennessee (2024-25)	Mississippi (2024-25)	Colorado (2025-26)
Base Amount	\$7,075	\$6,695	\$8,496
Special Education	15% – 150% <i>8 level</i>	60% – 130% <i>3 levels</i>	25% <i>High-cost services funded outside formula</i>
English Learners	20% – 70% <i>3 levels</i>	15%	25%
Low Income	25%	30%	25%
Concentrated Poverty	5%	10%	7%

Student-Based Models

	Tennessee (2024-25)	Mississippi (2024-25)	Colorado (2025-26)
Base Amount	\$7,075	\$6,695	\$8,496
Sparse	5%	0% – 8% <i>Sliding scale</i>	2.5% – 25% <i>6 levels</i>
Small	5%	NA	NA
Gifted	<i>Direct funding for ACT assessments</i>	5%	NA
Career and Technical	<i>Direct funding allocation \$5,000 / CTE ADM</i>	10%	NA





**EDUCATION
COMMISSION**
OF THE STATES

Your education policy team.

THANK YOU

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