Sparsity and/or Small Size

Some states provide increased funding for schools or districts that are rural, remote, isolated, sparsely populated, or small. This report indicates which states consider the rurality, remoteness, isolation, sparsity, or small size of schools or districts when allocating state education funding, and if applicable, how they do so.

<table>
<thead>
<tr>
<th>State</th>
<th>Policy Details</th>
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<tbody>
<tr>
<td>Alabama</td>
<td>Alabama does not provide increased funding for sparse districts or for small schools or districts.</td>
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<tr>
<td>Alaska</td>
<td>Alaska provides increased funding for sparse districts and small schools. It does so by applying a multiplier to the student count for sparse and remote districts and by adjusting the enrollment count in each school using a different formula depending on the school's size. First, the average daily membership (ADM) count of each school is adjusted using a formula that differs depending on the size of the school and community. This adjustment increases the funded student count in schools with an ADM of less than 1,022.5 and reduces the funded student count in schools with an ADM above 1,022.5. Enrollment counts for schools in the smallest districts may be combined and adjusted as a single school. Then, a multiplier, called a “district cost factor,” of between 1.000 and 2.116 is applied to districts’ student counts to account for geographic factors, including sparsity and remoteness, that affect the school operating costs. Every other year, the Alaska Department of Education may propose updated district cost factors, which must be approved by the legislature. Students enrolled in correspondence programs are counted separately and funded at 90% of the base funding level, with no additional multipliers applied. Additionally, when districts consolidate multiple schools and see a decline in enrollment, the funding that would have been generated by the former pupils is reduced gradually over the course of five years.</td>
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</table>
Arizona provides increased funding for small and isolated school districts. It does so by applying a multiplier to the base per-pupil amount for students in these districts. The multiplier can range from 1.158 to 1.669, depending on the size of the school and the grade levels served.

In the larger education funding formula used in Arizona, these multipliers replace the ones used in most districts to differentiate funding based on students’ grade levels (see "Grade Level" for a description of this allocation).

Arizona defines a school district as both small and isolated if it has fewer than 600 students, and its schools are at least 30 miles (or 15 miles if road conditions and terrain cause driving to be slow or hazardous) from another in-state district with schools that teach the same grade-level. Different multipliers are applied for students in school districts that are small and isolated than for students in districts that are small but not isolated.

Arkansas provides increased funding for school districts that are small, isolated, and sparse. It does so in three ways: by providing supplemental funding to small, isolated districts; by providing further supplemental funding for districts that are small, isolated, and sparse; and by dividing certain transportation funding among these districts.

The supplemental funding provided in small and isolated districts is determined through a formula based on the enrollment of the district. Per-pupil supplemental dollar amounts can range from $8.26 to $2,881.51, with larger allocations for isolated districts with fewer students. These amounts are reduced in districts whose per-student funding levels exceed the formula amount. Small and isolated districts that are also especially sparse—those with fewer than 1.2 students per square mile—receive 50% more funding than the supplemental amount already calculated. However, for school districts that have been involved in consolidations, annexations, or other border changes—the majority of isolated districts—state law specifies an alternative per-student funding amount that is different for each district. Additionally, any funding remaining from the state appropriation for isolated school districts after these allocations are made is divided evenly among eligible school districts and must be used for transportation costs.

Arkansas defines an “isolated school district” as one that meets any four of the following five criteria: (1) There is a distance of 12 miles or more by hard-surfaced highway from the high school of the district to the nearest adjacent high school in an adjoining district; (2) the density ratio of transported students is fewer than 3 students per square mile of area; (3) the total area of the district is 95 square miles or greater; (4) less than 50% of bus route miles is on hard-surfaced roads; and (5) geographic barriers such as lakes, rivers, and mountain ranges would impede travel to schools that otherwise would be appropriate for consolidation, cooperative programs, and shared services.
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<tr>
<th>State</th>
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<tbody>
<tr>
<td>California</td>
<td>California provides increased funding for small schools. It does so in the form of a supplementary payment to districts with eligible schools, the amount of which varies depending on the district’s enrollment and its number of teachers or certificated employees. “Necessary small schools” are identified based on a combination of factors, including total student enrollment, grade levels served, the number of students who would have to travel a certain number of miles to the nearest public school, and any conditions that might make travel difficult. This funding is distributed in place of, rather than in addition to, the district’s base per-pupil funding.</td>
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<tr>
<td>Colorado</td>
<td>Colorado provides increased funding for small districts and for small, remote schools. It does so by applying a multiplier to the base per-pupil amount for small districts that can range from 1.0297 to 2.5801, depending on the district’s enrollment, and through a supplemental payment for small, remote schools. Small districts receive additional funding through the application of a multiplier, called the “size factor,” to the per-pupil base amount. The size of the multiplier is determined using an enrollment-based calculation and is unique to each school district. Those districts with fewer than 5,000 pupils have the highest size factor. Districts with more than 5,000 pupils receive a size factor that increases their per-pupil funding by 2.97%. Districts with fewer than 500 pupils that also contain a charter school receive an additional compensating adjustment through an increased size factor. In FY2021, $347.5 million was added to districts’ calculated formula funding amounts through the application of the size factor, though actual distributions were significantly reduced by the budget stabilization factor (see “Base Amount” for an explanation of this factor). The state also provides funding for “small attendance centers,” which are schools with fewer than 200 students that are 20 or more miles from the nearest school serving the same grade levels within the same school district. The state calculates the amount by which the school’s per-pupil funding would be greater if it were a separate district and then provides a percentage of that amount to the school’s district—starting from 35% and adjusted upward for smaller schools and downward for schools approaching 200 students. In FY2021, funding for small attendance centers was $1.3 million.</td>
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<tr>
<td>Connecticut</td>
<td>Connecticut does not provide increased funding for sparse districts or for small schools or districts.</td>
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<td>Delaware</td>
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<tr>
<td>District of Columbia</td>
<td>The District of Columbia does not provide increased funding for sparse areas or small schools.</td>
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<td>State</td>
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| **Florida** | Florida provides increased funding for small school districts. It does so through a grant program, where the amount is calculated through a formula that considers the district’s enrollment and number of high schools. The initial calculation provides no less than $100 per student. However, districts with high property values are subject to a wealth adjustment.  

Districts with enrollment below 24,000 are eligible to receive this funding. For districts with a per-pupil property tax base above the state average, a district wealth adjustment is applied: The district’s Sparsity Supplement is decreased by the amount by which the district’s revenue generated through non-voted discretionary taxes for operations (see "Property Tax Floors and Ceilings" for a description of this tax) exceeds the state average per student.  

The adjustment may not decrease the district’s total funding per student below the state average. After application of the wealth adjustment, the Sparsity Supplement for some districts may provide less than $100 per student. |
| **Georgia** | Georgia provides increased funding for some small school districts through a grant program.  

Qualifying school districts are those that are unable to offer educational programs and services comparable to those typically offered in the state because the school district serves fewer than 3,300 full-time-equivalent students and that are not good candidates for a merger with other school systems.  

The amount of the grant is the cost of the resources needed for the district to offer the educational programs and services that it would otherwise be unable to provide. |
| **Hawaii** | Hawaii provides increased funding for neighbor islands. It does so by applying a multiplier of 1.004 to the base per-pupil amount for students living on neighbor islands.  

Neighbor islands are all Hawaiian islands except Oahu.  

The multiplier has been expressed this way for consistency with other states. The funding is actually provided in an amount equal to 0.004 times the per-pupil base amount, distributed in addition to the student’s own base amount funding. The multiplier used is fixed at regular intervals by the state’s Committee on Weights. |
### Idaho

Idaho provides increased funding for remote schools, small school districts, and school districts with decreasing enrollment. It does so in three ways: by increasing funding for remote schools or districts that meet certain criteria or that submit approved petitions to the state board of education; by setting lower student-to-support-unit ratios for smaller districts and charter schools and calculating their state aid amounts accordingly; and, for school districts, by adjusting student counts to limit the impact of large single-year decreases in enrollment.

Schools that are considered “separate” based on their distance from other district schools serving the same grade levels (10 miles for kindergartens and elementary schools, and 15 miles for secondary schools) receive increased funding. Schools not meeting these criteria may apply to the state board, which may determine that the school should be considered remote or is otherwise facing hardship and should be funded accordingly. Idaho also provides increased funding for small districts by setting student-to-staff-unit ratios that vary depending on the district’s enrollment. Districts enrolling 40 or fewer kindergarten students, fewer than 300 elementary students, or fewer than 750 secondary students are funded based on a sliding scale that entitles them to more staff funding per student. Additionally, if a district’s enrollment declines by more than 3% in a single year, state aid is calculated based on the previous year’s student count, less 3%.

A “separate” kindergarten, elementary, or secondary school receives funding as though it is the only school in its district serving those grade levels, a change that increases its funding. A “hardship elementary school,” recognized as such by the state board, is similarly funded as though it is the only elementary school in its district. A school recognized as remote by the state board because it is isolated by its geographical or topographical surroundings is funded at the level that the board considers necessary for the school to be able to offer an acceptable education program.

### Illinois

Illinois does not provide increased funding for sparse districts or for small schools or districts.

### Indiana

Indiana does not provide increased funding for sparse districts or for small schools or districts.

### Iowa

Iowa does not provide increased funding for sparse districts or for small schools or districts.
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<td>Kansas</td>
<td>Kansas provides increased funding for small school districts by applying a multiplier to the student count in small districts. State transportation funding is also calculated using a formula that considers district sparsity. A sliding-scale multiplier between 1.00035 and 1.014331 is applied to the student count in districts with low enrollment, defined as those with fewer than 1,622 full-time-equivalent students, with higher multipliers applied in districts with lower enrollment. This approach generates a number that is added to the student count, and the district is funded in accordance with the inflated student count. State transportation funding is provided based on a formula that considers the number of transported students per square mile of district area, with greater funding provided for students in sparser districts. Districts with high enrollment, defined as those with more than 1,622 full-time-equivalent students, also receive increased funding through the application of a multiplier to their student count. In these districts, the enrollment is multiplied by 0.03504, generating a number that is added to the student count for funding purposes. This adjustment can be understood to partially counterbalance the funding provided for districts with low enrollment.</td>
</tr>
<tr>
<td>Kentucky</td>
<td>Kentucky does not provide increased funding for sparse districts or for small schools or districts.</td>
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<tr>
<td>Louisiana</td>
<td>Louisiana provides increased funding for small school systems by applying a multiplier to the base per-pupil amount; that multiplier can range from 1.0 to 1.2, depending on the district’s enrollment. This funding is provided to school systems with student populations of fewer than 7,500. To determine each district’s specific multiplier, the total student population is subtracted from 7,500 and divided by 37,500.</td>
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<tr>
<td>Maine</td>
<td>Maine provides increased funding to remote, small schools. It does so by applying a multiplier to the base per-pupil amount that varies from district to district, depending on size and remoteness. The amount of the multiplier is the result of adjusting the necessary student-to-staff ratios, the per-pupil amount for operation and maintenance of facilities, or other essential programs and services components. To qualify as a small elementary school, a pre-K-8 school must have fewer than 15 students per grade level and a non-pre-K-8 school must have fewer than 29 students per grade level. All small elementary schools must be more than 8 miles from the nearest other elementary school. Isolated small secondary schools must have fewer than 200 students and be more than an average of 10 miles from the nearest other high school. Island schools are also eligible for this funding.</td>
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<tr>
<td>Maryland</td>
<td>Maryland does not provide increased funding for sparse districts or for small schools or districts.</td>
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</tbody>
</table>
Massachusetts provides increased funding for some sparse school districts. It does so by providing supplemental amounts to sparse districts with lower per capita income levels. The amount varies depending on the district’s number of students per square mile. This funding is appropriated and provided separately from the state’s primary funding formula.

School districts with 35 or fewer students per square mile are eligible for this funding if they fall below a certain income threshold, which was $41,794 in FY2021 (as indicated by 2018 U.S. Census estimates). Eligible districts are tiered into three categories: Priority 1 districts are those with 11 or fewer students per square mile; Priority 2 districts are those with 12-21 students per square mile; and Priority 3 districts are those with 22-35 students per square mile. Per-pupil funding levels are highest in districts with the fewest students per square mile.

The state appropriated $3 million for this purpose in FY2021; $1.5 million was allocated to Priority 1 districts, $870,000 was allocated to Priority 2 districts, and $630,000 was allocated to Priority 3 districts. The allocations were divided among the districts in each priority group in proportion to the size of their formula amounts.

Michigan provides increased funding for sparse districts generally, small and remote districts, and sparse districts with low and decreasing enrollment. It does so in three ways: by providing supplemental funding for small and remote districts, by providing supplemental funding for sparse districts that are not small and remote, and by modestly inflating the student count for sparse districts with low and decreasing enrollment.

Small and remote districts are those that serve grades K-12, that enroll fewer than 250 pupils, and whose schools are located either on the state’s Upper Peninsula at least 30 miles from any other public school or on islands that are not accessible by bridge. These districts receive supplemental funding in accordance with plans that are based on their needs and financial circumstances; $1.56 million was allocated for this purpose in FY2022. Sparse districts, defined as those with 10 or fewer pupils per square mile that are not eligible for small and remote funding, receive funding as well, with the greatest funding going to districts with fewer than 8 pupils per square mile and a smaller amount going to districts with between 8 and 10 pupils per square mile; $6.04 million was allocated for these districts in FY2022.

Sparse districts with low enrollment, defined as those with fewer than 1,550 students and 4.5 pupils or fewer per square mile that are not eligible for small and remote funding, receive funding in accordance with an adjusted student count equal to the greater of the district’s actual student count or its average student count over the previous three years. This adjustment compensates somewhat for declining enrollment.
Minnesota provides increased funding for sparse school districts and small schools. It does so through three multistep formulas for sparse districts and a supplemental per-student allocation for small schools.

For secondary sparsity, funding amounts are calculated such that schools serving fewer than 400 students receive additional funding. Secondary sparsity funding amounts are affected by the total district secondary enrollment, the distance to the nearest high school, and the district’s total geographic area. Elementary sparsity funding amounts are affected by the total district elementary enrollment, the average elementary class size in the district, and the distance to the nearest elementary school. Transportation sparsity funding is calculated based on a ratio of the number of students in the district and the total square miles of the school district. It also includes 18.2% of a district’s unreimbursed transportation costs.

For districts serving fewer than 960 students, the state provides an allocation in the amount of $544 per pupil multiplied by 960 minus the district’s student count, divided by 960.

Mississippi provides increased funding for sparse school districts through its transportation funding system.

Before FY2011, Mississippi provided additional funding to districts on a sliding scale that allocated more funding to districts with greater sparsity. Since FY2011, the state calculates the transportation funding for each school district by multiplying the district’s prior-year transportation funding by the most recent inflation rate. As a result, districts’ transportation funding is based on historical, rather than current, sparsity levels.

Missouri provides increased funding for small districts. It does so through a flat per-student grant for all students enrolled in districts serving 350 students or fewer.

Each year, a $10 million appropriation is distributed in proportion to the total number of students statewide in qualifying districts. A further $5 million is distributed to otherwise eligible districts that levy a higher tax rate than the expected rate, in proportion with their tax rate and student count.

Acceptable uses of this funding include distance learning, defraying extraordinary transportation costs, recruiting teachers for rural schools, and providing students with learning opportunities that would otherwise be unavailable within their district.

Montana provides increased funding for small school districts through the calculation of its per-student and per-district amounts.

Montana considers district size in the calculation of each district’s per-student amount, which decreases above a certain enrollment threshold. Montana also provides a base level of funding for all districts, distributed on a per-district rather than per-student basis, including for small districts. As a result, low-enrollment districts receive a higher average per-student amount and are assured a minimum level of funding (for more information, see “Base Amount”).
Nebraska: Nebraska provides increased funding for certain schools in sparse districts and for small districts. For districts with elementary schools that are remote from one another, a supplemental allowance is calculated for all eligible students. For small districts, base funding is calculated differently than for other districts.

In elementary schools that are at least 7 miles from the nearest other elementary school in the same district, or in schools that are the only elementary schools in their districts, pupils generate an allocation that is equal to 500% of the statewide average per-pupil spending amount, multiplied by the district’s total student membership, and then divided by 8.

For districts with fewer than 900 students, base funding is calculated based on the average total expenditure in the comparison group, rather than per-pupil expenditure (see “Base Amount” for more information about this calculation).

Nevada: Nevada provides increased funding for sparse school districts. It does so by adjusting the per-pupil base amount.

The state department of education applies an attendance area adjustment to the base amount for school districts where the department determines additional funding is necessary for a student to receive a reasonably equal educational opportunity as a student in an area with higher population density.

New Hampshire: New Hampshire does not provide increased funding for sparse districts or for small schools or districts.

New Jersey: New Jersey does not provide increased funding for sparse districts or for small schools or districts.

New Mexico: New Mexico provides increased funding for small schools and districts. It does so by inflating the student count to generate extra funding.

Qualifying schools are those serving fewer than 400 students. Qualifying school districts are those serving fewer than 4,000 students. In each case, a formula taking into account school and district enrollment is used to determine the number of students to be added to the enrollment count for funding purposes. Different formulas are used for small elementary and junior high schools, senior high schools, and districts.

Small districts serving fewer than 200 students are also eligible for additional funding based on a formula that inflates enrollment, and rural districts get additional funding based on a formula that considers population rate and a cost differential factor.
New York provides increased funding for sparse school districts. It does so in the form of supplemental per-pupil funding for districts in an amount that corresponds to their levels of sparsity. The state also provides small school funding for schools with fewer than eight teachers, and it uses a transportation funding system that considers the density of students in the district.

In New York, the student-based funding calculated for each district is first multiplied by an index that adjusts for regional cost of living and then by the Pupil Need Index, which is a compound adjustment that considers the sparsity of the district along with concentrations of English-language learners and concentrations of students from low-income households in the district. The portion of this index related to sparsity considers the enrollment of the district and its number of students per square mile, producing a multiplier that is applied to the district’s cost-adjusted formula funding.

Transportation funding is provided through a formula that reimburses a percentage of each district’s transportation costs. The percentage is informed in part by a calculation that considers the number of students per square mile.

North Carolina provides increased funding for small school districts. It does so through a formula that provides additional funding for teacher salaries and a tiered allocation for eligible school districts.

School districts with fewer than 3,300 students are eligible to receive an allocation of at least $1,548,000; this amount can rise as high as $1,710,000 for districts with fewer than 600 students. If a school district experiences enrollment growth and becomes ineligible for this allotment, funding will be phased out over a five-year period. School districts are encouraged to use at least 20% of these funds for improving student academic performance in either reading or math.

Small school districts with fewer than 110 students and geographically isolated school districts in North Carolina receive supplement funding in an amount equivalent to the average teacher salary to afford additional regular teachers.
**North Dakota**

North Dakota provides increased funding for sparse school districts. It does so by applying a multiplier of 1.1 to the base per-pupil amount for students in these districts; for small districts, it applies a multiplier to the base per-pupil amount that can range from 1.0 to 1.36, depending on the district’s total student enrollment.

School districts eligible for supplemental sparsity funding are those with fewer than 100 students and an area greater than 275 square miles. School districts are eligible for small district funding if they have fewer than 900 students. The multiplier applied for students in small school districts varies based on district size. A multiplier of 1.36 is applied to the base amount for each student in school districts with enrollment under 110, and the multiplier decreases by 0.01 for each statutorily determined enrollment grouping. However, beginning with the 2021-22 school year, the multiplier will increase until the 2027-28 school year, at which point a multiplier of 1.72 will be applied for districts with fewer than 110 students, with the multiplier decreasing as school district size increases.

For the 2022-23 school year, school districts that operate multiple K-12 buildings (or multiple buildings with no replicated grades) at least 19 miles apart will receive supplemental funding through a separate formula. The Superintendent of Public Instruction will determine the multiplier for each building separately by multiplying the school size weighting factor for each building by the school district’s weighted average student count and then combining them for all buildings in the school district.

**Ohio**

Ohio provides increased funding for sparse school districts. It does so through its transportation funding system.

As a part of a larger transportation funding system, the state provides supplemental transportation funding for districts with fewer than 28 enrolled students who are provided bus service per square mile. For FY2022 and FY2023, the amount of the funding is equal to the difference between 28 and the district’s actual number of students per square mile, multiplied by the state’s regular rate of transportation funding per mile, and then multiplied by 0.55.
Oklahoma provides increased funding for sparse or small school districts. It does so through its transportation funding system and by providing supplemental funding for sparse or small districts. Supplemental funding is calculated through either a formula that inflates the student count for sparse districts to generate extra funding or one that does the same for small school districts, whichever would produce the larger amount.

Oklahoma’s transportation system provides districts with an allowance that ranges from $33 to $167 per pupil, depending on the density of the district. This amount is multiplied by a transportation factor of $1.39. The district calculation will then apply to whichever is greater of the small school or the sparsity calculation to generate an aid amount.

The formula for sparse districts applies only to districts with above-average square mileage and a number of students per mile that is one-fourth of the state average or less. For these districts, a district cost factor is determined based on the district’s enrollments in different grade bands, an area cost factor is determined based on the district’s area relative to the state average area, and the two factors are multiplied to produce the multiplier to be applied to the district’s total enrollment to inflate the student count. This inflated student count generates extra funding for the district. The formula for small districts applies only to districts with fewer than 529 students. The amount of funding to which each small district is determined is calculated by subtracting the district’s enrollment from 529, dividing the difference by 529, and multiplying the quotient by 0.2 to produce a multiplier to be applied to the district’s total enrollment to inflate the student count. This inflated student count generates extra funding for the district.

Oregon provides increased funding for small and remote elementary schools and for small high schools. In both cases, it does so through a supplemental per-student amount calculated using a formula that considers school enrollment and the number of grades served by the school, and that considers remoteness for elementary schools.

In order to qualify for remote elementary school funding, a school must have no more than an average of 28 students in each grade served, and the school must be located more than 8 miles from the nearest other elementary school. In order to qualify for small high school funding, a school must be in a district with fewer than 9,500 students after the count has been increased through the application of multipliers to account for the needs of students in particular need categories, and it must have an enrollment of fewer than 350 students if the school has four grades or 267 if the school serves only three grades. To qualify in either category, a school must not have changed locations since 1995. Eligible elementary schools must have qualified as remote, small schools in 2011, and eligible high schools must have qualified as small high schools in 2009.
**Pennsylvania**

Pennsylvania provides increased funding for sparse or small districts. It does so by inflating the student count for these districts and then funding the district in accordance with the inflated student count.

The state calculates a combined measure of sparsity and size for each district by comparing its number of students per square mile to the state average and by comparing its student count against the average for all districts. These numbers are combined into a single ratio in which district enrollment size accounts for 60% and sparsity accounts for 40%. Only districts that are among the sparsest and/or smallest 30% receive this adjustment.

However, Pennsylvania’s funding formula applies only to state education funds appropriated over and above FY2015 nominal funding levels. For FY2022, less than 13% of the state’s total education funding (or $899 million out of $7 billion) was distributed through this formula. The bulk of state education aid is distributed based on historical allocation levels and is not adjusted for student need.


**Rhode Island**

Rhode Island does not provide increased funding for sparse districts or for small schools or districts.

**South Carolina**

South Carolina does not provide increased funding for sparse districts or for small schools or districts.

**South Dakota**

South Dakota provides increased funding for sparse school districts. It does so by applying a multiplier, which varies depending on density, enrollment, and physical size, to the student count to generate increased funding for sparse school districts.

To receive additional funding for sparsity, school districts must meet certain density, enrollment, and physical size requirements; operate a secondary school that is at least 15 miles from that of a neighboring district; and levy property taxes at the maximum rates. South Dakota provides the additional funding through one of two calculations that considers the district's density, enrollment, and physical size. Sparse school districts may receive up to 1.75 times the per-student equivalent, but no more than $110,000 per district per year (see “Base Amount” for a description of the per-student equivalent).

South Dakota provides increased funding for school districts by setting student-to-teacher ratios that vary depending on the district’s enrollment. The target student-to-teacher ratio is 12 to 1 for districts with fewer than 200 students, compared with 15 to 1 for districts with more than 600 students. For districts with between 200 and 600 students, the target student-to-teacher ratio is set based on a sliding scale between 12 to 1 and 15 to 1.

**Tennessee**

Tennessee provides increased funding for sparse school districts through its transportation funding system.

Transportation funding is distributed according to a formula set by the commissioner of education that considers total transportation expenditures, miles transported, and density of pupils per mile traveled. These factors are based on a three-year average of data submitted by each district.
Texas

Texas provides funding for small and mid-sized school districts in the form of a per-student amount that varies based on their student counts. It also provides increased funding for certain small and remote school districts by inflating their student counts to generate extra funding.

Small districts (those with fewer than 1,600 students) and mid-sized districts (K-12 districts with between 1,600 and 5,000 students) receive per-student allotments calculated based on formulas specified in statute; as a rule, smaller districts receive larger allotments. The small-district allotment is further increased if a district has fewer than 300 students and is the only district in its county. Separately, certain small and remote districts receive a sparsity adjustment in the form of an increased student count; this inflated count is the one used to allocate these districts’ base funding.

The small and remote districts that receive the sparsity adjustment are those with fewer than 130 students who are at least a 30-mile bus ride from the nearest high school district. The small and mid-sized allotments are received in addition to, and independent of, the districts’ base per-pupil funding. However, for the purposes of special education funding and career and technology funding calculations, the base amount to which the multipliers are applied includes both the district’s regular base amount and the district’s per-pupil small or mid-sized allotment, if applicable. As such, the special education and career and technology multipliers generate more funding in small and mid-sized districts than they do in larger districts.
Utah provides increased funding for school districts operating small schools, including small schools in sparse and remote areas. It does so by inflating the student count to generate extra funding. The state also provides transportation assistance funding for rural school districts.

“Necessarily existent small schools,” which are schools serving small numbers of students that are remote from the nearest other school serving the same grade levels, receive an inflated student count. These schools have their student count increased in accordance with a formula adopted by the state board of education to generate additional funding. Separately, districts operating these schools have their student counts increased further if they serve 2,000 students or fewer in total. The state also maintains two program-based allocations supporting transportation in rural school districts: a grant program to provide transportation to students whose transportation is not otherwise funded by the state, to transport students to activities, and to provide for replacement school buses; and a partial reimbursement for transportation in districts that are located in counties with fewer than 40,000 residents and where at least 65% of students are from low-income backgrounds.

The state defines the size limits for necessarily existent small schools as elementary schools serving 160 students or fewer, two-year secondary schools serving 300 students or fewer, three-year secondary schools serving 450 students or fewer, four-year secondary schools serving 500 students or fewer, and six-year secondary schools serving 600 students or fewer. In order to be classified as necessarily existent, these small schools must be remote from the nearest school serving the same grade levels, as measured by the amount of time students would have to travel to attend it: more than 45 minutes for students in grades K-6 or more than 75 minutes for students in grades 7-12. Small schools not meeting these criteria may also be manually classified as necessarily existent by the State Superintendent of Public Instruction. Schools that face isolating conditions but are not necessarily existent small schools may also receive a limited number of students added to their student counts at the discretion of the state board of education.

Vermont provides increased funding for very small districts by distributing a per-student grant of up to $2,500 per student. The precise amount of the grant is calculated through a formula that considers a district’s enrollment. The state also provides assistance to districts facing high transportation costs due to geographic dispersion.

School districts are eligible if they operate at least one school with a grade size of 20 or fewer and meet other factors determined by the state board of education, such as driving times to the nearest school (with capacity to enroll additional students), a school’s academic excellence, or a school’s operational efficiency. The amount of the per-student grant varies depending on a district’s enrollment. School districts that received small schools grant in FY2020 will continue to receive the grant.

The state also provides assistance to districts for transportation, reimbursing up to 50% of costs, depending on the legislative appropriation. Support for extraordinary transportation costs of up to 50% of costs in geographically sparse districts is provided upon application by the district and is subject to the availability of funds, which were capped in statute at $250,000 statewide in FY1997 and have been increased since then only for inflation.
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<tr>
<th>State</th>
<th>Funding Approach</th>
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<tr>
<td><strong>Virginia</strong></td>
<td>Virginia does not provide increased funding for sparse districts or for small schools or districts.</td>
</tr>
<tr>
<td><strong>Washington</strong></td>
<td>Washington provides increased funding for small school districts. It does so by providing additional funded staff positions, with the precise number of positions dependent on district grade levels and enrollment levels. The state also guarantees a minimum number of teacher positions for small districts operating only two high schools. State transportation funding is also calculated using a formula that considers district sparsity. Small school districts with fewer than 25 full-time-equivalent students are guaranteed certain numbers of teacher and administrative staff positions. Small schools with more than 25 but no more than 100 full-time-equivalent students receive additional funding for staff positions. Small districts operating no more than two high schools with no more than 300 students each also receive staff position funding, in accordance with formulas that consider the number of students enrolled and the number of students in career and technical education programs. The state then provides funding for staff positions by multiplying the state minimum salary allocation for each staff type by an adjustment for regional cost.</td>
</tr>
<tr>
<td><strong>West Virginia</strong></td>
<td>West Virginia provides increased funding for small school districts. It does so by inflating the student count in those districts to generate extra funding. The state also considers district sparsity in the specified student-to-staff ratios that generate funding for staff positions and in allocating transportation funding. For small districts, defined as those with fewer than 1,400 students, the state inflates the student count using a formula in which the state subtracts the district’s enrollment from 1,400 and multiplies the difference by a factor related to the district’s student population density. The state also covers a greater proportion of transportation costs for sparse and lower density districts.</td>
</tr>
<tr>
<td><strong>Wisconsin</strong></td>
<td>Wisconsin provides increased funding for small, sparse school districts. It does so through a two-tier grant of $100 or $400 per student in eligible districts. The state also provides additional assistance with transportation costs for certain sparse districts. School districts eligible for a $100 per-pupil payment are those with fewer than 10 students per square mile and between 746 and 1,000 students in total. School districts with 745 or fewer students and fewer than 10 students per square mile receive a payment of $400 per student. School districts eligible for the additional transportation funding are those with 50 or fewer students per square mile and a per-pupil transportation cost at least 45% higher than the state average. Districts are reimbursed for any transportation costs above this threshold.</td>
</tr>
</tbody>
</table>
Wyoming

Wyoming provides increased funding for small schools and districts. It does so by guaranteeing minimum numbers of staff positions for schools and districts with low enrollment.

The state provides funding for a minimum number of teachers for schools with no more than 49 students in any grade band (elementary, middle, or high school grades). Eligible schools are provided with at least 1 teacher per 7 students. Districts with fewer than 244 students in total receive funding for at least one teacher for every grade level in each school.

For a complete list of primary sources, please see the appropriate state page at funded.edbuild.org