

FundEd: Delaware Report

A Detailed Look at Delaware's Funding Policies



Delaware



Funding Basics

Formula Type

Delaware has a primarily resource-based funding formula. It determines the cost of delivering education in a district based on the cost of the resources, such as staff salaries and course materials, required to do so. The categories of students considered in Delaware's funding policy are students in certain grade levels, English-language learners, low-income students, students with disabilities, and students enrolled in career and technical education (CTE) programs.

Delaware funds districts' formula amounts almost entirely with state dollars and does not expect school districts to contribute revenue to their public schools. However, districts in Delaware are permitted and expected to raise and keep additional local property tax revenues for regular district operations.

Delaware considers certain grade levels, students with disabilities, and students enrolled in career and technical education programs in the allocation of funding for staff costs and provides additional funding to low-income students and English-language learners through a program-specific flat allocation.

Base Amount

The state of Delaware uses a resource-based funding formula and therefore does not use a base per-student amount as the basis for its funding.

Local Revenue

Expected Local Share

Delaware expects school districts to raise some revenue for the funding of public schools through the imposition of property taxes, but no specific amount is expected of each district.

Once the state calculates the total amount of funding necessary to educate students within a district, it provides that entire amount in the form of state education aid. No local share is subtracted in this calculation.

One part of Delaware's funding formula provides units of funding in amounts that are responsive to both the local per-student property tax valuation and the district's level of property tax effort relative to the statewide average property tax effort. The state funding provided for staff salaries is intended, though not required, to cover 70% of a recommended average total competitive starting salary.

Property Tax Floors and Ceilings

Delaware does not set a floor or a ceiling for local property tax rates, or a level above which voter approval is required.

However, property tax rates for some types of school district levies always require voter approval, regardless of the rate being set. School districts in Delaware levy four types of local property taxes: current expenses, debt service, match, and tuition taxes. Rates for current expenses taxes, which fund general operating costs, and for debt service must be approved regularly by voters in referenda. Rates for match taxes, which fund specific programs for which districts receive state matching funds, and tuition taxes, which fund students with special needs, are set by local school boards without voter involvement.

Delaware's vocational high school districts can levy countywide property taxes for school purposes, but the amount raised by taxation cannot exceed certain levels that vary depending on the county. For each \$1,000 value of real property, taxation cannot exceed \$2.65 in Sussex County, \$1.40 in Kent County, or \$2.00 in New Castle County.

Other Local Taxes for Education

School districts in Delaware receive local revenue only from property taxes.

Student Characteristics

Grade Level

Delaware provides different levels of funding for students in different grade levels. It does so through its resource-based formula by specifying different student-to-funding-unit ratios for two different grade spans in grades K-12 and providing funding accordingly.

The state assigns a student-to-unit ratio of 16.2 to 1 for grades K-3 and of 20 to 1 for grades 4-12. These ratios determine the number of resource units to which a district is entitled. Some of the unit funding is for employee salaries, and the amount of this funding in each unit is based on the particular staff employed in the district and their pay in accordance with the state salary schedule. The unit also includes set amounts for energy expenses and other school costs. The state restricts how a district may distribute this funding amount to its schools; 98% of the unit funding generated by each school's pupils for staff salaries must be returned to that school.

For districts that apply, grant funding may also be provided to support reading assistance and reading interventionists for grades K-4 in elementary schools that serve above a certain threshold of low-income students and English-language learners.

English-Language Learner

Delaware provides increased funding for English-language learners. It does so through a program-specific flat allocation of \$500 per English-language learner, program funds for academic excellence, and a block grant for schools with high concentrations of English-language learners (see “Concentrated Poverty” for more information).

Delaware provides supplemental funds to help districts and charters deliver targeted services for low-income students and English-language learners. Districts and charters may use this funding to cover staff costs and purchase mental health and reading resources. In FY2022, the state appropriated a total of \$33.5 million for this purpose. A portion of these funds must be targeted to schools with high concentrations of English-language learners and low-income students. Starting in FY2024, the per-pupil amount for English-language learners and low-income students must be equal to at least \$55 million divided by total English-language learner and low-income student enrollment. In addition, the state provides one unit of funding, in an amount that varies from district to district for every 250 students enrolled, that is intended to promote academic excellence, including programs for English-language learners.

An additional grant is given to support K-4 reading assistance and the establishment of school-based health centers in schools with high concentrations of English-language learners and low-income students. In FY2022, the state appropriated \$5.3 million for this purpose. Starting FY2023, this grant will support all grades.

Poverty

Delaware provides increased funding for students from low-income households and for districts with high concentrations of low-income students (see “Concentrated Poverty” for more information). It does so through a program-specific flat allocation of \$300 per low-income student and a block grant program.

Delaware provides funds to help districts and charters deliver targeted services for low-income students and English-language learners. Districts and charters may use this funding to cover staff costs and purchase mental health and reading resources. In FY2022, the state appropriated a total of \$33.5 million for this purpose. A portion of these funds must be targeted to schools with high concentrations of English-language learners and low-income students. Starting in FY2024, the per-pupil amount for English-language learners and low-income students must be equal to at least \$55 million divided by total English-language learners and low-income student enrollment.

An additional grant is given to support K-4 reading assistance and the establishment of school-based health centers in schools with high concentrations of English-language learners and low-income students. In FY2022, the state appropriated \$5.3 million for this purpose. Starting FY2023, this grant will support all grades.

Special Education

Delaware funds special education using a resource-based system, determining the cost of delivering special education services in a district based on the cost of the resources, staff positions in particular, required to do so.

Special education students are categorized by the intensity of services they require (basic, intensive, or complex), and each category has an assigned ratio of students per unit. The state assigns a student-to-unit ratio of 12.2 to 1 for basic special education in grades K-3; 8.4 to 1 for basic special education in grades 4-12; 6 to 1 for intensive special education in grades preschool through 12; and 2.6 to 1 for complex special education in grades preschool through 12. Units are amounts of funding used to purchase school resources. The number of students at each grade-level a district serves in each category determines the number of units the district receives.

Delaware will reduce the number of students composing a basic K-3 special education unit from 12.2 to 8.4 by FY2024. Some of the unit funding is for employee salaries, and the amount of this funding in each unit is based on the particular staff employed in the district and their pay in accordance with the state salary schedule. The unit also includes set amounts for energy expenses and other school costs.

Gifted

Delaware does not provide increased funding for gifted and talented students.

However, the state provides funding, called academic excellence units, to every district in proportion to its enrollment size that is intended to support certain educational services. The list of suggested and permissible uses for this funding includes programs for gifted and talented students.

Career and Technical Education

Delaware provides increased funding for career and technical education (CTE) programs. It does so through its resource-based formula by providing additional resource units to districts operating approved CTE programs, in accordance with a formula.

The formula used provides districts with additional resource units for staff salaries and for supplies, materials, and energy costs. The state also provides resource units to the state's three county vocational technical school districts in accordance with a student-to-unit ratio of 30 to 1.

District Characteristics

Concentrated Poverty

Delaware provides increased funding for some districts with schools that serve high concentrations of students from low-income households. It does so through a competitive grant program.

Delaware administers a block grant for K-4 schools with greater than or equal to 30% students from low-income households or greater than or equal to 10% English-language learner enrollment. Starting in FY2023, this grant applies to all grades, and at least 98% of funds generated by a district's eligible schools must be allocated to those schools. Also, at least \$5 million of the annual appropriation for this block grant must be allocated to public schools, including charter schools, identified as having an enrollment of at least 60% low-income students or 20% English-language learners.

Allowable uses of funds include mental health services in the form of school counselors, school social workers or licensed clinical social workers, school psychologists, and additional reading supports for grades K-5. In FY2022, the state appropriated \$5.5 million plus \$7.5 million in one-time supplemental funds, allocated over three years. These funds come from the \$33.5 million in Opportunity Funding appropriation used to support English-language learners and students from low-income backgrounds.

Sparsity and/or Small Size

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

Charter Funding

Funding for charter schools in Delaware is calculated based on a formula similar to the one used to calculate funding for traditional public schools.

Like traditional public schools, charter schools are funded using a resource-based funding formula that determines the cost of delivering education based on the cost of the resources required to do so. Charter schools in Delaware receive the same amount of funding for staff and for energy and other maintenance costs as traditional public schools. They also receive a share of the funding given to property-poor school districts in the amount that their students would have generated if enrolled in the district(s) where they reside. Charters are also eligible for competitive grant programs, such as those awarded to charters serving high concentrations of students from low-income households or English-language learners.

Charter schools in Delaware receive a share of local tax revenue. The Delaware State Department of Education calculates the local cost per student expended by each school district for each type of student in the previous year. Charter schools receive a share of local funding from their students' district(s) of residence based on these rates.

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

