



## **How is education funded in Georgia?**

- **With a few exceptions, all funding for public education comes from taxes**
  - Federal + State – Local Fair Share + Local Funds = Total \$ K-12
    - Federal:  $\approx 7\%$
    - State:  $\approx 60\%$  Both state and federal funds come from income, sales and excise taxes
    - Local:  $\approx 33\%$  Local funds mostly come from ad valorem property taxes. **Sales Taxes are available for capital projects.**
    - Community: Extra funding comes from community-based groups, such as the PTA, booster clubs, business partnerships, grants, etc.
  - State allocations to local school systems are calculated based on:
    - Direct and Indirect Institutional Costs
    - Categorical Grants for specific needs
    - Local Fair Share (amt. of local district participation)
    - Equalization Grants (additional state funding to districts where the property wealth per student is below the 90<sup>th</sup> percentile of all districts)
    - Non-QBE grants from the state, i.e. transportation, elementary foreign language
    - **90% of state allocations are for salaries**
  - Local taxes are used to:
    - **Make up the difference for between real costs and state appropriations**
    - Enrich curriculum
    - Increase teacher salaries, local supplements
    - Cover extra costs for instructional materials, etc.
    - Provide extra services, such as dental insurance for employees, social security contributions, additional testing, etc.
- **Quality Basic Education Act of 1985:** Established a formula for funding based on instructional programs and the number of students enrolled in each. There are currently 19 approved programs for state funding.
  - Each school's funding is based on the minimum size standards for GA schools: 450 students in elementary schools, 624 students in middle schools, and 970 students in high schools. Funding is adjusted if a school is larger or smaller.