



## OFFICE OF THE COMMISSIONERS AND MANAGER

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## News Release

### School Funding Formula Approved

**March 19, 2013, Monroe, NC** – A school funding formula was approved by the Union County Board of Commissioners on Monday.

Commissioners have identified a school funding formula as a top priority along with fiscal sustainability.

The proposed school funding formula achieves multiple policy goals:

- Transparency – the proposed formula provides a transparent process for allocating tax dollars to provide free public education, as well as a means to communicate to the tax payers of Union County where their funds are being used to support Union County Public Schools (USPS).
- Fairness – the proposed funding formula provides a fair process for both organizations. The proposed formula shares the benefits of growth as well as the challenges of decline evenly between both the county and UCPS.
- Sustainability – the proposed funding formula provides for the fiscal needs of both organizations and is sustainable, not only in funding, but in structure. The proposed formula works in both positive and negative economic times.
- Predictability – the proposed funding formula provides predictability. Using stable revenue sources as the basis for funding provides both organizations the ability to forecast future resources.
- Accountability – the proposed funding formula places the accountability equally on both parties.
- Balanced – the proposed funding formula provides a balanced approach to providing services throughout the county.

The funding formula is based on the concept that Union County and UCPS must live within its means. Much like many households during the recent economic downturn, the expenditure discussion begins with available funding. The funding formula provides a starting place for UCPS budget discussions by establishing a funding level to which the UCPS Board of Education is able to prioritize services and balance. The proposed formula is based on the FY 2013 funding level and provides UCPS growth each year, based on the growth in ad valorem tax base.

County representatives and UCPS representatives have worked together to establish the funding formula. The proposed funding formula is the result of numerous conversations and in-depth discussions. County staff believes the funding formula addresses the primary concerns of UCPS.

Based on initial estimates for FY 2014, the allocated funding equivalent to 35.36 cents of current ad valorem revenue will provide \$82.36 million for UCPS's current funding. In FY 2013, UCPS is budgeted to receive \$80.7 million, net of the School Resource Officer (SRO) costs. Additionally, the proposed formula will provide an additional eight SROs at a \$533,000 cost to the county. Based on the increase in UCPS's current funding and the provision of new SROs, the formula is projected to provide an additional \$2.1 million of additional resources over FY 2013, to provide free public education.

A presentation on the school funding formula can be seen on Union County's government channel, UCTV 16, daily at 2 a.m., 9 a.m. and 7 p.m. The presentation can also be seen on the county's YouTube channel at [www.youtube.com/unioncountync](http://www.youtube.com/unioncountync).

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