

MAINTENANCE OF EFFORT

Maintenance of Effort is calculated on the same basis as Per Pupil Expenditures except that federal program expenditures are excluded from the calculations. The per pupil maintenance of effort is obtained by dividing net current expenditures for each school district by second month headcount enrollment to arrive at a per pupil amount on a net enrollment basis, and by average daily attendance (ADA) to arrive at a per pupil amount on an ADA basis. The methodology used to calculate per pupil expenditures is consistent with the instructions provided by the National Center for Education Statistics (NCES).

Net current expenditures is determined by subtracting certain exclusions from current expenditures. Current expenditures is comprised of all expenditures except those for debt service, facilities acquisition and construction services, and capital outlays. In addition, expenditures for adult/community education, community services, transits/transfers, reserves and refunds and adjustments are not included.

The exclusions include tuition and transportation fees collected from individuals, food service payments collected from individuals, student activity fees, and textbook revenues.

The expenditures of regional education service agencies (RESAs) and child development centers (CDC) are not included. Expenditures of the seven multi-county vocational centers (MCVCs) are included; the expenditures of each MCVC is prorated to the county boards served by the center.

In summary, the calculation of per pupil expenditures is a two-step process.

Step 1:

Current Expenditures - Exclusions = Net Current Expenditures

Step 2:

$$\frac{\text{Net Current Expenditures}}{\text{Net Enrollment}} = \text{Per Pupil Expenditures}$$

The procedures used in calculating per pupil expenditures beginning with the 1996-97 year were changed from those used in prior years to conform to NCES' instructions. The change resulted in a small increase in the amount reflected as the per pupil expenditure for most school districts.

Maintenance of effort is calculated in this same manner, except that federal funds are excluded from all the calculation components.

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