West Virginia Public School Support Plan (PSSP) Overview and Proposed Improvements

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Program Overview

What Is the PSSP?

The Public School Support Plan is West Virginia's state aid funding formula — a structured, multi-step calculation determining how much each of the county school systems and charter schools receive from the state.

- **Commonly called** the "State Aid Funding Formula"
- **Basic 10-step program** with additional allowances added over time
- **Enrollment-driven:** based on October 1 certified student data
- **Block grant since 2019-20** (HB 206) — counties may spend most basic state aid in any authorized manner
- 55 county boards classified into **4 density tiers** by students per square mile

County Classification — 4 Density Tiers

Sparse

Fewer than 5 students / sq. mi.
Rural counties with highest per-student allowances to reflect geographic cost burden and long transportation
Highest Allowances

Low

5 to fewer than 10 students / sq. mi.
Moderately rural counties balancing dispersed geography with emerging service consolidation
High Allowances

Medium

10 to fewer than 20 students / sq. mi.
Mixed urban-rural counties with mid-range allowances reflecting moderate scale efficiencies
Moderate Allowances

High

20 or more students / sq. mi.
Largest, most densely populated districts — greatest economies of scale reflected in lower per-student
Base Allowances

Recent Legislative Changes

The PSSP has been significantly modified in recent years — understanding these legislative changes is essential context before examining where the formula still falls short.

HB 206

Education Omnibus

Block grant structure, expanded student support personnel

HB 4571

Transportation

Electric bus alternative fuel allowance + 5% WV-manufactured bus bonus

HB 3035

Third Grade Success Act

Classroom aides mandated for Pre-K through Grade 3

HB 3084

Charter Omnibus

Charter per-pupil enrollment for basic state aid raised from 90% to 99%

Pay Raises

Various bills over 6 years provided additional pay raise funding to county boards

Formula Overview — All Steps at a Glance

The foundation allowance is built step by step, covering personnel, benefits, transportation, facilities, and instructional programs before local share is subtracted to determine state aid.

1 Professional Educators
Funded per 1,000 students by density tier — from 72.30 (High) to 72.75 (Sparse)

2 Service Personnel
Funded per 1,000 students by density tier — from 53.79 (High) to 55.50 (Sparse)

3 Fixed Charges
Employer share of Social Security, unemployment, and workers' comp

4 Transportation
Percentage of actual expenditures by density tier — 87.5% (High) to 95% (Sparse)

5 Professional Student Support Personnel
5 positions per 1,000 students — nurses, counselors, social-emotional support

6 Other Current Expense
6a Facility operating; 6b/6c Substitute costs (2.5%); 6d Faculty Senates ($400/PI personnel)

7 Instructional Programs
7a Improvement of Instruction; 7b Technology; 7c Advanced Placement; 7d Teacher/Leader Induction

8 Total Foundation Allowance
Sum of Steps 1–7

9 Local Share
85% of projected regular levy collections; deductions for uncollectables, TIF, Growth Counties. Step 9a for adjustments.

10 State Aid
Step 8 minus Step 9, plus/minus Step 9a adjustments — the amount each county receives from the state

Step 8 **Foundation Allowance** − Step 9 **Local Share** ± Step 9a **Adjustments** = Step 10 **State Aid**

How Districts Are Classified — Density Tiers

Every element of the formula is shaped by which of four density tiers a county falls into.

Sparse

Fewer than 5 students / sq. mi.

- **Highest allowances** — reflects rural cost burden of long distances
- **Transportation:** 95% reimbursement of actual costs
- **PE ratio:** 72.75 per 1,000 students (highest)
- **SP ratio:** 55.50 per 1,000 students

Low

5 to fewer than 10 students / sq. mi.

- **Second-highest** allowances for rural operating costs
- **Transportation:** 92.5% reimbursement of actual costs
- **PE ratio:** 72.60 per 1,000 students
- **SP ratio:** 54.92 per 1,000 students

Medium

10 to fewer than 20 students / sq. mi.

- **Balanced** between rural and urban funding assumptions
- **Transportation:** 90% reimbursement of actual costs
- **PE ratio:** 72.45 per 1,000 students
- **SP ratio:** 54.35 per 1,000 students

High

20 or more students / sq. mi.

- **Lowest allowances** — largest districts, economies of scale assumed
- **Transportation:** 87.5% reimbursement of actual costs
- **PE ratio:** 72.30 per 1,000 students (lowest)
- **SP ratio:** 53.79 per 1,000 students

Student Enrollment — FTE, Adjustments & Data Sources

The formula's enrollment inputs are carefully adjusted — certified adults, small-district boosts, and charter school students all modify the raw count before any funding is calculated.

Enrollment Basis: Full-time equivalent (FTE) count as of the **October 1 annual collection** — certified student data drives all formula calculations.

13

Districts below 1,400 FTE
receive small-district enrollment boost

3,596.56

Students added statewide via
enrollment adjustments (FY27)

Charter School Enrollment

99% of Step 8 per-pupil allowance follows the student to their charter school. Initial charter year uses projected enrollment from the primary enrollment round.

Small-District Adjustment — 13 Qualifying Counties

Calhoun, Clay, Doddridge, Gilmer, Pendleton, Pleasants, Pocahontas, Ritchie, Summers, Tucker, Tyler, Webster, and Wirt

Each receives an enrollment boost to address the fixed-cost burden of very small districts below **1,400 FTE** .

FY27 Statewide Impact

Enrollment adjustments collectively added **3,596.56 students** to net enrollment statewide — directly increasing the formula-funded personnel and allowance calculations for eligible districts.

Step 1 — Professional Educators

Funding Allowances

Professional educator funding is based on the actual experience and credentials of staff employed — not a flat rate — rewarding professional growth while keeping state aid tied to real payroll.

Basic Salary
State Minimum Salary for Teachers — WVC 18A-4-2

State Supplement
Supplemental amount — WVC 18A-4-5 (formerly "state equity supplement")

State Principals' Increment
WVC 18A-4-3 — additional increment for principals

Three-Step Salary Increases
Eligible math and special education teachers

Bonuses
20+ years experience; national certifications

Key Rules & Provisions

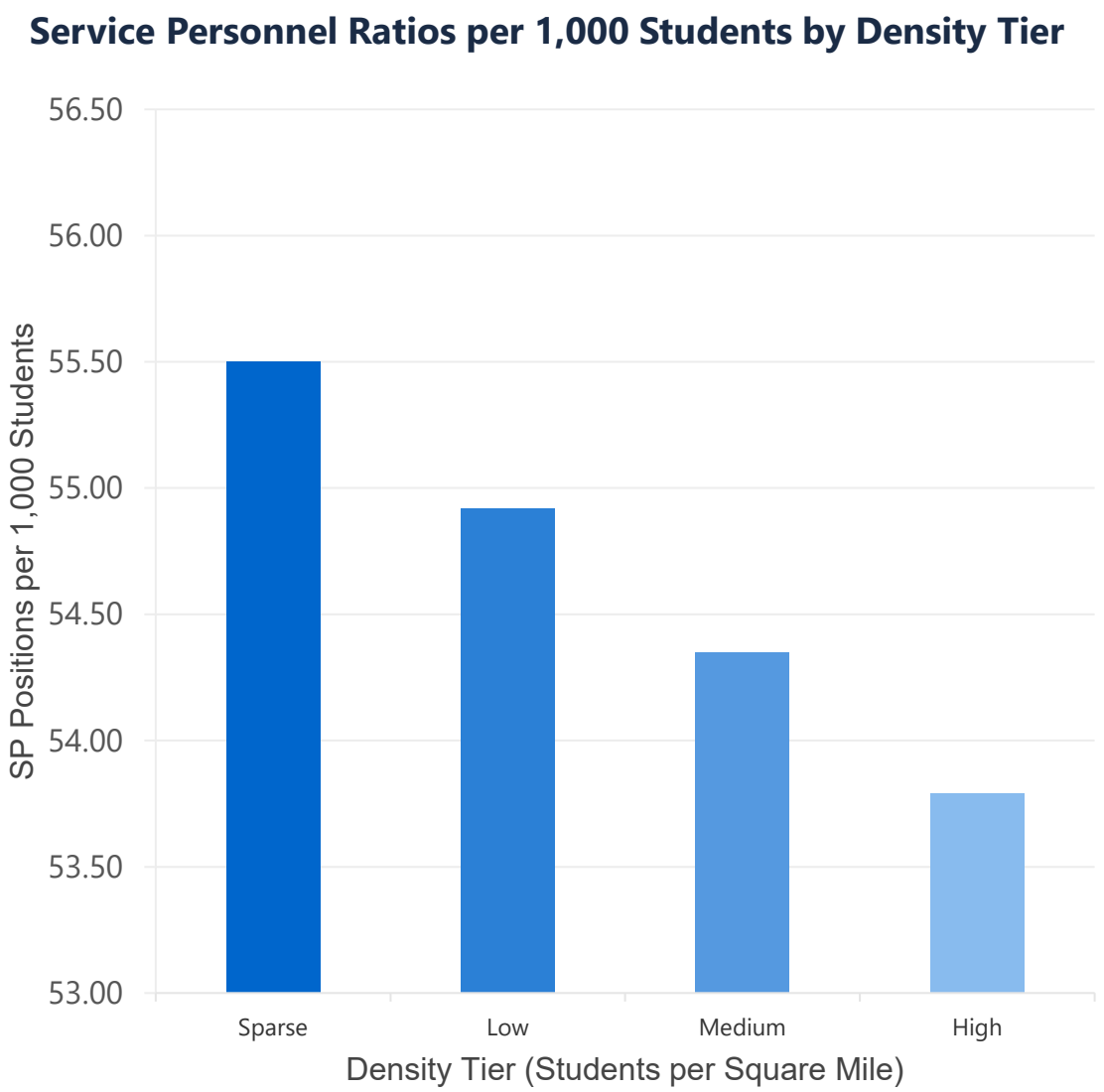
- Funding based on **actual experience and credentials** of staff employed — not a flat rate
- Funded for **200-day employment term only** — extended employment days paid through local funds
- PI requirement: classroom teachers, librarians, attendance directors, school psychologists must meet minimum ratios or **funding is reduced**
- State aid rewards **professional growth** while remaining tied to verified payroll data

STEP 2

Service Personnel

Service personnel are funded using the same enrollment-driven ratio model as professional educators, but with a separate salary schedule based on years of experience and pay grade.

- **Funding ratios per 1,000 students** vary by density tier — Sparse through High
- **Under-formula protection:** districts funded for calculated number even if they employ fewer personnel
- **Salary components:** Basic Salary (WVC 18A-4-8a), State Supplement (WVC 18A-4-5), Educational Bonus, Shift Differential, Supervisory Pay, Specialized Health Care Procedures Pay
- **FTE calculation:** days employed ÷ 200 (e.g., 261-day employee = 1.305 FTE)



Step 3

Fixed Charges & Retirement

Benefit Component Stack — Employer Contributions

Calculation Basis

Percentage of Steps **1 + 2 + 5** allowances

FY27 Sub-Total

Excluding retirement:

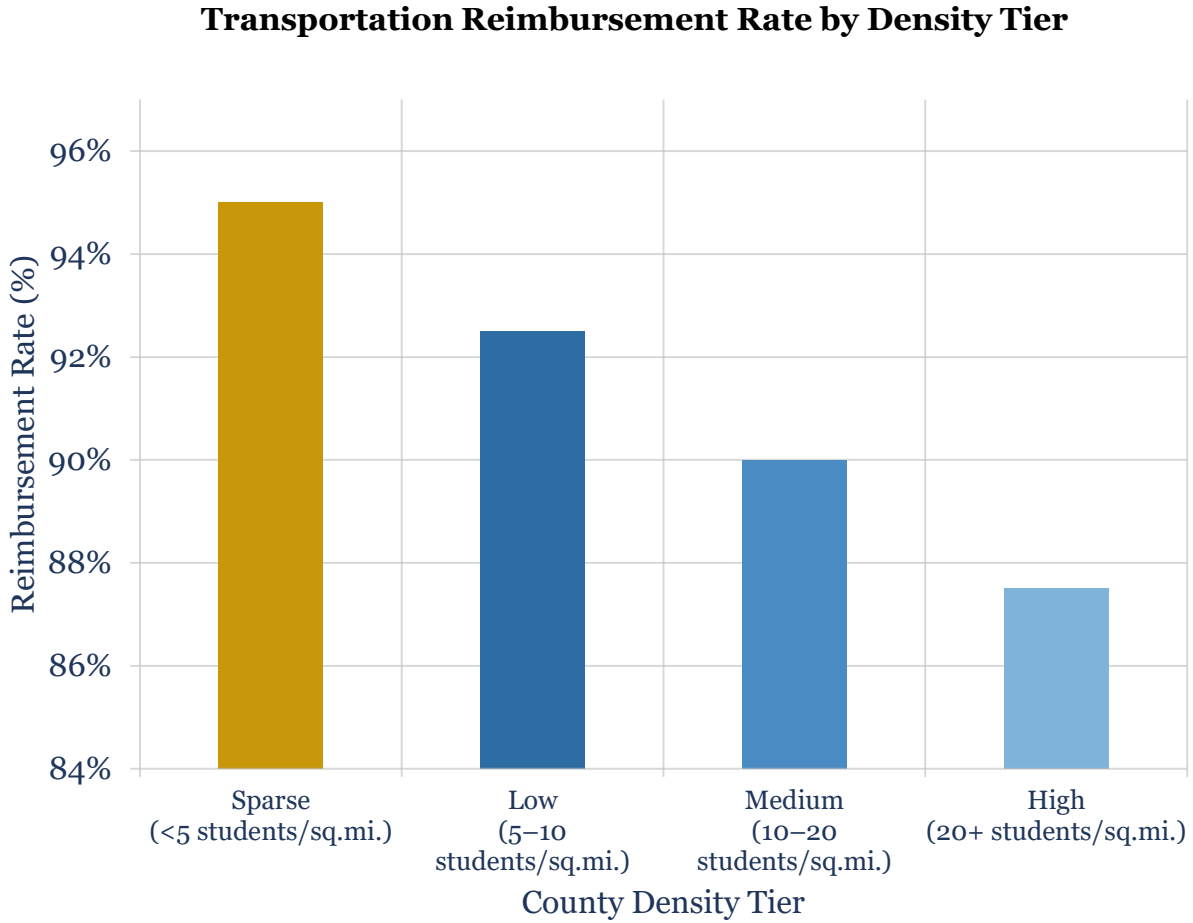
8.18%

Social Security	Employer share — statutory rate applied to Steps 1, 2 & 5 salary allowances	**7.65%**
Unemployment Compensation	State-mandated employer contribution rate	**0.04%**
Workers' Compensation	Each district's actual rate × Steps 1–2–5 allowance; state average used	**0.49%**
FY27 Sub-Total		**8.18%**
Retirement (TRS)		**Actual avg. rate**
PEIA (Health Insurance)	Average premium rate × all personnel funded — not a percentage of salary	**$11,149.79 / employee (FY26–27)**

Step 4 — Transportation: Current Operating Costs

> Transportation is reimbursed based on actual spending, adjusted for density tier — ensuring that sparse counties with long bus routes receive a higher percentage of their real costs.

- Allowance based on **actual expenditures** for the latest available year — salaries (Step 2) and capital improvements excluded
- Insurance premium costs reimbursed at **100%**
- 8.33% of current bus fleet replacement value (12-year cycle)
- Additional funding for buses when district enrollment increases
- **Per-mile cap:** each district's allowance capped at 1/3 above state average on per-mile basis (additional bus allowance excluded)



Rates apply to current operating expenditures (excluding salaries and capital improvements)

Step 5

Professional Student Support Personnel

5
positions funded per
1,000 students
in net enrollment

- School Nurses
- School Counselors
- Social/Emotional Support
- Chronic Absenteeism Support

History — Before HB 206 (2019)

- Step 5 was **frozen at the 2012–13 allowance** — no growth for nearly a decade
- Limited to school nurses and counselors only — no broader student support roles recognized

HB 206 Expansion — Beginning 2019–20

- Expanded definition to include professional personnel providing **social/emotional support** and addressing **chronic absenteeism**
- Each district now receives allowance for **5 positions per 1,000 students** — a live, enrollment-driven calculation
- Districts funded for calculated number even if "under formula" — same protection as Steps 1 and 2
- Funding based on annual state minimum salary plus state supplement amount

HB 3209 (2025) — Counselor Ratio Mandate

- Requires **2 counselors per 1,000 students**: 1 per 400–450 students in elementary/middle; 1 per 250–300 in high school
- Phased implementation beginning 2025–26 — adds a mandatory floor within the broader Step 5 allowance

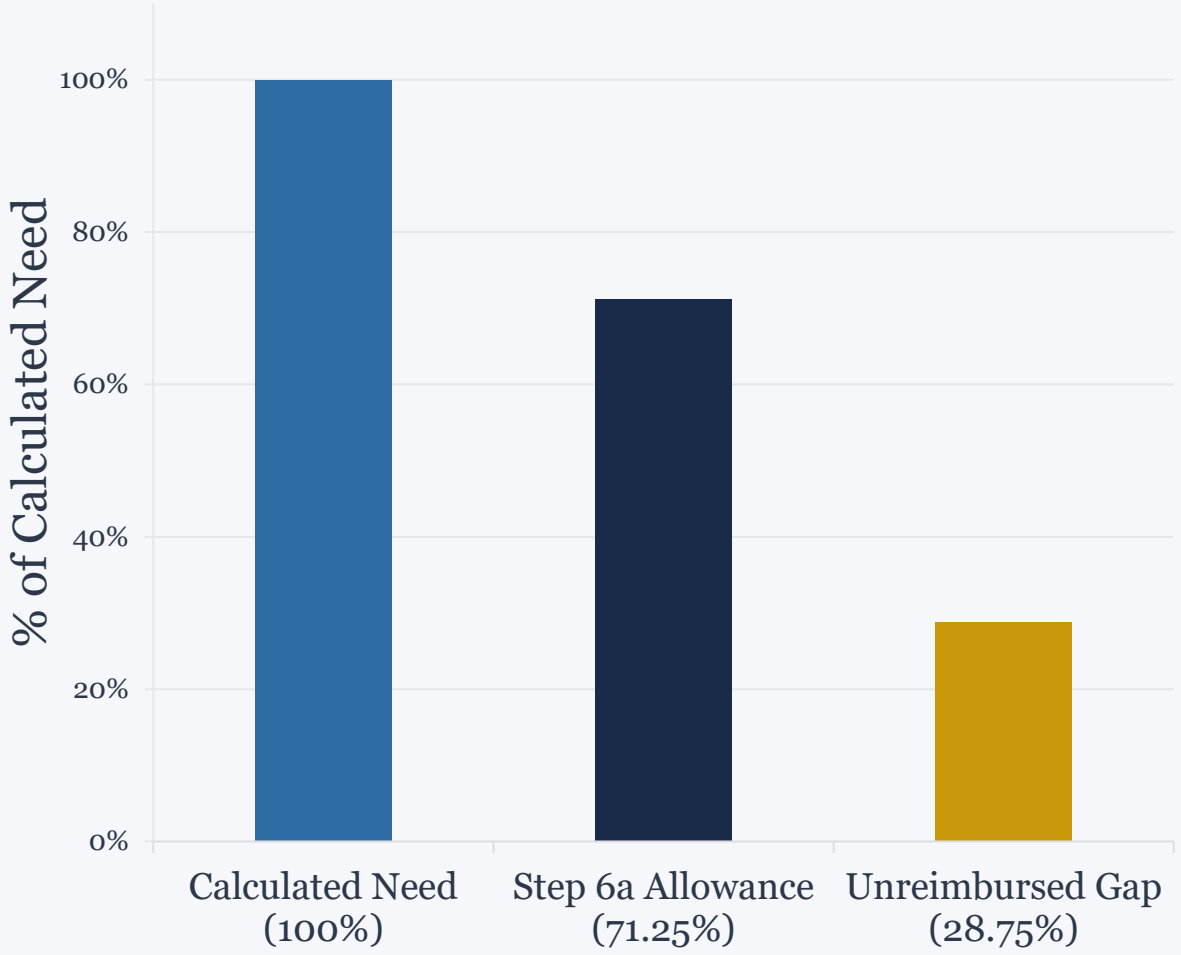
Step 6a

Facility Operating Expense

Facility funding is driven by statewide averages — a methodology that treats a 1960s rural schoolhouse and a modern suburban campus identically, then reimburses only 71.25% of even that averaged estimate.

- Actual operations & maintenance expenditures ÷ total reported sq. ft. = **state average expenditure per sq. ft.**
- Total reported sq. ft. ÷ total net enrollment = **state average sq. ft. per student**
- Each county: net enrollment × avg. cost/sq. ft. × avg. sq. ft./student = **calculated need**
- Step 6a allowance = calculated need × **71.25%** (previously 70.25%)
- Salary-related and special revenue fund expenditures excluded from the base
- MCVC adjustment: non-fiscal agent enrollment reduced; fiscal agent county enrollment increased to properly direct allowance

Step 6a Reimbursement: Formula Allowance vs. Full Calculated Need



Steps 6b, 6c & 6d — Substitutes and Faculty Senates

Substitute and faculty senate funding are add-ons within Step 6, using simple percentage and per-person formulas — but the substitute rates haven't kept pace with actual district expenditures.

Steps 6b & 6c — Substitute Costs

Funding Rate

2.5%

of Steps 1, 2, and 5 allowances combined

- Step 6b covers professional substitute costs; Step 6c covers service personnel substitute costs
- Allocated among districts based on number of personnel allowed under each step
- The 2.5% rate has not been updated to reflect current substitute costs — actual district expenditures significantly exceed this allocation statewide

⚠ Statewide, the 2.5% formula rate funds approximately half of actual substitute expenditures — a gap absorbed entirely by local levy funds.

Step 6d — Faculty Senate Funding

Funding Rate

$400 / person

per professional instructional and student support personnel employed (previously $200; increased by HB 206)

- Covers professional instructional personnel and student support personnel who are employed in the district
- HB 206 (2019) doubled the per-person rate from $200 to $400 as part of the Education Omnibus package
- Funding supports professional development, instructional planning, and collaborative school improvement activities organized through faculty senates

🔒 Restricted Use: HB 206 block grant flexibility does NOT apply to Step 6d funding. Faculty senate funds remain a restricted expenditure because the restriction originates in WVC Chapter 18, Article 9B — outside the scope of Article 9A where block grant authority resides.

Steps 7a & 7b — Instructional Programs & Technology

Steps 7a and 7b provide dedicated funding for improving instructional quality and technology systems, with appropriations that grow in proportion to gains in local property tax collections. [1]

Step 7a — Improvement of Instructional Programs

Appropriation = Prior Year Amount **+ 10% of Growth in Local Share**

How Funds Are Allocated

$150,000	Balance
Base per district	By avg. of net enrollment & ADA

Local Share Growth Applied

Step 7a share — **10%**

HB 206 Flexibility:
Fully flexible — can be spent on any authorized purpose. Previously capped at 50% personnel / 25% alternative uses.

Step 7b — 21st Century Technology Systems

Appropriation = Prior Year Amount **+ 20% of Growth in Local Share**

How Funds Are Allocated

$30,000	Balance
Base per county board	By avg. of net enrollment & ADA

Local Share Growth Applied

Step 7b share — **20%**

HB 206 Flexibility:
Fully flexible — previously restricted to TSS employment with only 50% allowed for alternative uses.

Advanced Placement & Teacher/Leader Induction

Step 7c — Advanced Placement

Funds districts based on actual participation in college-level coursework —AP, dual credit, and IB programs.

Appropriation Formula
1% of state average per-pupil state aid × number of students enrolled in **dual credit, AP, and IB** courses

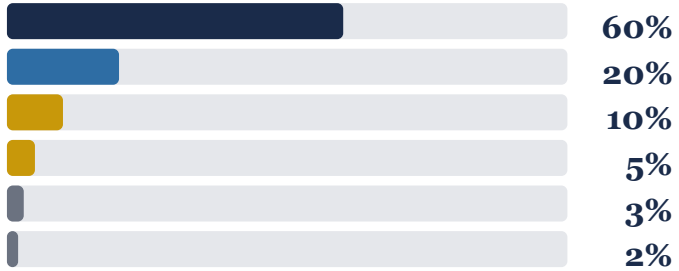
Allocation based on **unduplicated count** of students enrolled in qualifying courses — each student counted once regardless of number of courses taken.

Incentive design: Appropriation grows automatically as more students access rigorous coursework — districts are rewarded for expanding AP, dual credit, and IB enrollment.

Step 7d — Teacher & Leader Induction

Statewide amount = prior year appropriation + **20%** of growth in local share.

County Allocation Factors — The balance distributed to counties is weighted across six factors below:



Steps 8 · 9 · 9a

Foundation, Local Share & Adjustments

The foundation allowance minus local share equals what the state actually contributes — a formula that automatically directs more state dollars to property-poor counties.

Step 8

Total Foundation Allowance
Sum of Steps 1 through 7 (incl. retirement & PEIA)

−

Step 9

Local Share
85% of each county's projected regular levy tax collections

±

Step 9a

Adjustments
Assessment errors, court proceedings, payments in lieu of taxes (WVC §18-9A-12)

Step 8 — Foundation Allowance

- Includes personnel (Steps 1, 2, 5), fixed charges with retirement and PEIA, transportation, facility, substitutes, faculty senates, and all Step 7 instructional programs

Step 9 — Local Share Deductions

- Previously 90% of regular levy collections — now **85%**
- Excess levy taxes are **NOT** included in local share — protecting voter-approved levies from offsetting state aid
- Values updated on or after March 3 each year after all 55 assessors issue Certificates of Assessed Valuation

Step 9a — Adjustments

- Corrects for taxes not collected due to assessment errors or court proceedings
- Includes payments or contributions in lieu of property taxes per WVC §18-9A-12

Step 10 = State Aid to District

Charter Funding — State Aid

Charter School Funding Mechanism

99% of Step 8 Per Pupil Follows the Student

Each charter student generates 99% of the basic foundation allowance per pupil, redirected from the disenrolling county to the charter school

↓

WVDE Acts as Fiscal Intermediary

Funds owed to a charter are withheld from the county's net state aid and paid directly by WVDE. If county net state aid is insufficient, the county makes minimum quarterly payments directly to the charter

↓

Initial Charter Year: Projected Enrollment

First-year charters receive 99% of per-pupil basic foundation allowance based on projected enrollment from primary enrollment round — actual counts reconciled thereafter

The Case for Change — Why the Formula Falls Short

> ***The PSSP was designed for a West Virginia that no longer exists — and while targeted legislative fixes have been made, the formula's core structure has not been comprehensively modernized to address today's realities.***

- **Enrollment declining** across most counties — causing sudden, significant funding reductions
- **Special education enrollment growing** as a share of total population — yet formula does not weight these students differently
- Staffing ratios and core funding assumptions **not systematically reviewed** for effectiveness in decades
- **Critical operational roles** — finance, transportation, maintenance, child nutrition leadership currently receive no formula funding
- Substitute cost allocation (2.5%) **severely underfunds actual expenditures** — $39M statewide gap
- Facility reimbursement at **71.25% of a statewide-average-based calculation** does not reflect actual or rising costs
- Charter school initial-year funding **immediately penalizes the disenrolling district** — unique exception to the 1-year lag model
- **One-size-fits-all structure** fails to account for vastly different county circumstances



Proposed Change 1 — The Problem

One Size Does Not Fit All

West Virginia's 55 county school systems operate in dramatically different conditions — geography, student demographics, and economies of scale vary so widely that a uniform per-pupil allocation inevitably underfunds some counties and overfunds others.

Rural & Sparse Counties

Small schools · Remote geography · Limited capacity

Transportation
Disproportionately high costs — long routes, fewer students per bus mile

Economies of scale
Small schools cannot spread fixed costs across a large student base

Administrative capacity
Limited staffing — each position covers broader responsibilities

Enrollment decline
Losing even a handful of students triggers outsized formula funding reductions

vs

Larger & Urban Counties

Population pressure · Specialized services · Facility demands

Facility pressures
Population growth drives school construction needs not captured in the averaged formula

Specialized services
Larger student populations with disabilities, English learners, and at-risk youth require concentrated resources

Demographic variation
Concentrations of economically disadvantaged students vary significantly — formula does not account for this

True cost difference
Current structure does not reflect actual cost of education across different geographies and populations

A funding formula that **treats all students identically cannot produce equitable educational opportunities** — the PSSP must reflect real differences in geography, demographics, and the true cost of education.

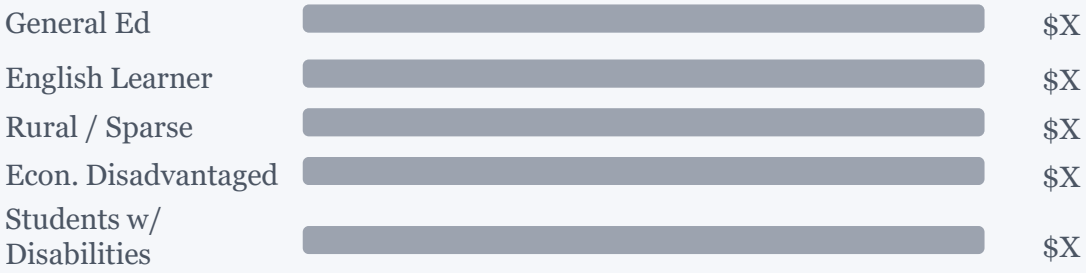
Proposed Change 1 — The Solution

Weighted Student Funding

A weighted student funding model — where dollars follow student need, not just headcount — is proven in peer states and is the most direct path to aligning state resources with actual educational costs.

= Current Model: Flat Per-Pupil Funding

Every student generates the same base dollar amount — regardless of need



WV's flat approach is an outlier — weighted pupil units (WPUs) are used by the majority of U.S. states.

⚠ High-need students cost more to serve — but generate no additional formula funding under the current structure.

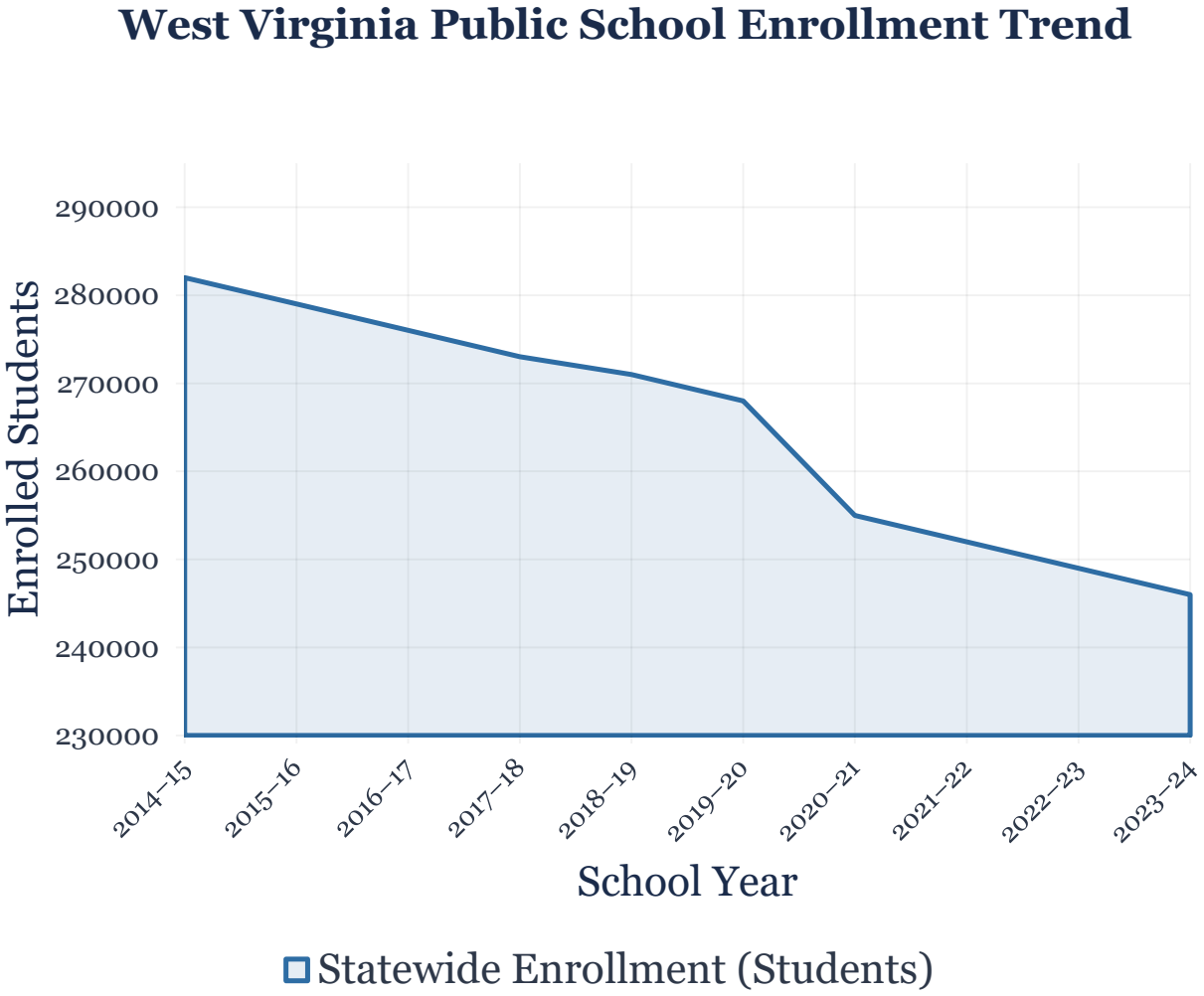
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⚖ Proposed Model: Weighted Pupil Funding

Funding multipliers based on student need and county geography



↗ High-need districts receive more; state dollars align with actual educational costs.



Proposed Change 2 — The Problem

Enrollment Decline Creates Funding Cliffs

When enrollment drops, state aid drops — often sharply, often immediately — leaving school systems no time to restructure staffing and programs before the budget shortfall arrives.

- **Direct linkage:** State aid is directly tied to enrollment — fewer students means less money in the same or next fiscal year
- **Statewide trend:** WV has experienced declining enrollment across most counties for years — trend expected to continue
- **Forced decisions:** Sudden reductions trigger abrupt reductions in force, program eliminations, and deferred maintenance
- **Planning mismatch:** Districts cannot responsibly right-size when funding signals change faster than staff contracts, facility leases, and program commitments allow
- **Small districts most at risk:** Losing even a handful of students can trigger significant formula funding reductions

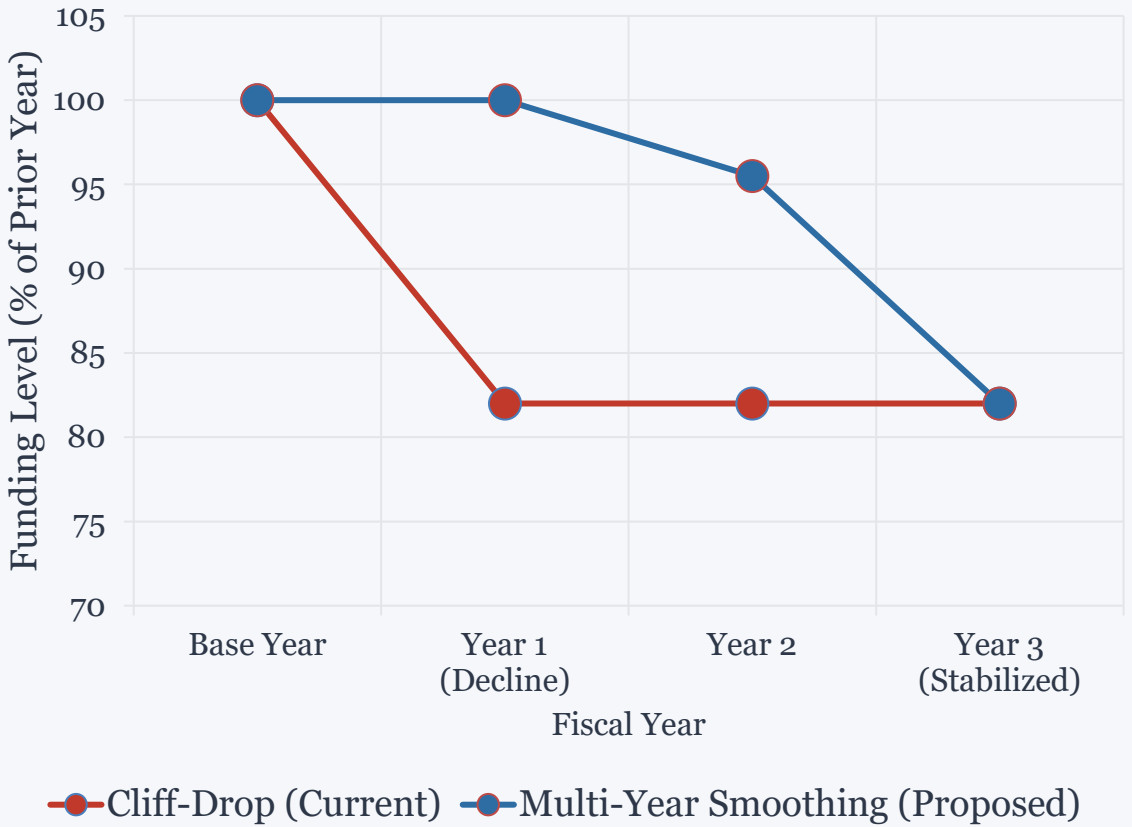
Proposed Change 2 — The Solution

Multi-Year Enrollment Smoothing

A hold-harmless or phase-down mechanism that spreads the impact of enrollment declines over multiple years would give districts the breathing room to adapt thoughtfully rather than reactively.

- **Phase in over 2–3 years:** smoothing mechanism reduces enrollment-driven funding cuts gradually
- **Example approach:** Year 1 — fund at 100% prior enrollment; Year 2 — 75% reduction realized; Year 3 — full new level
- Similar to **"hold harmless" provisions** used in peer states during enrollment transitions
- Expected outcomes: better long-term financial planning, reduced forced reductions in force, improved program continuity
- Can be designed **budget-neutral over time** through actuarial modeling

Funding Impact: Cliff Drop vs. Smoothed Transition



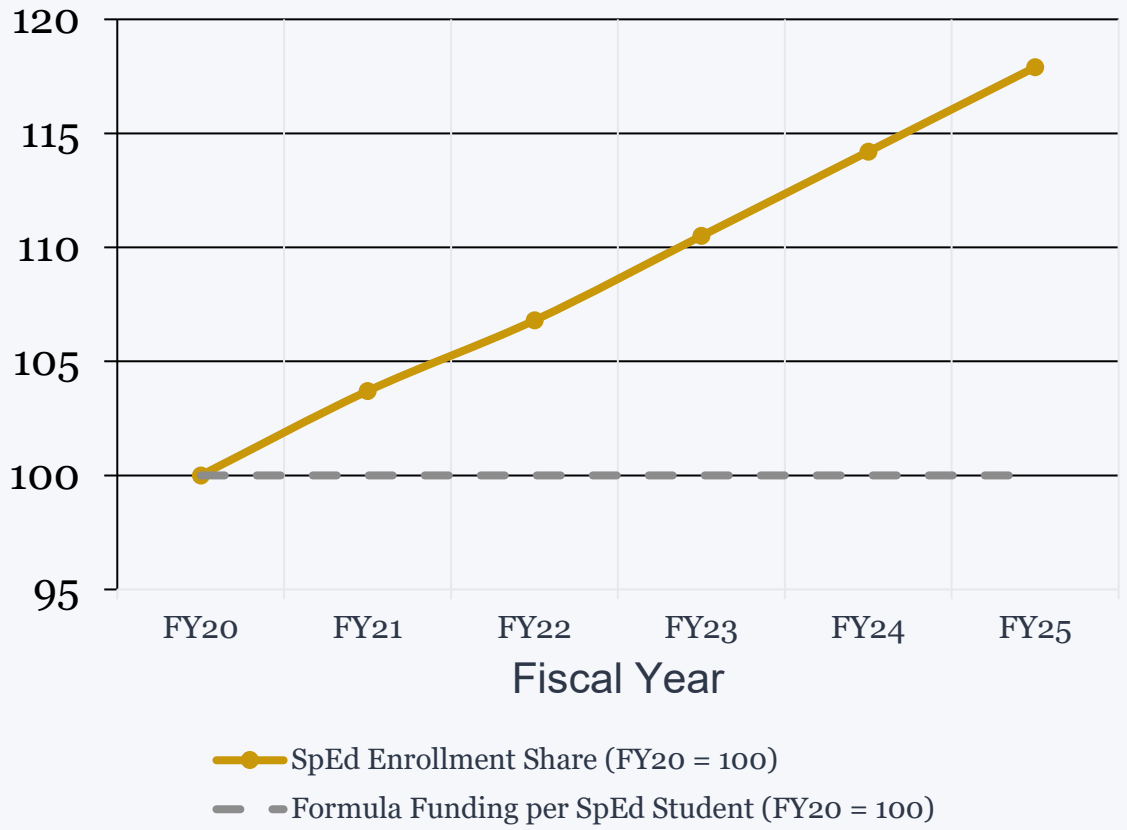
Proposed Change 3 — The Problem

Special Education Costs Are Rising, Funding Is Not

Special education enrollment is growing as a share of WV's student population, and the cost of providing legally required services has increased substantially — yet the formula treats every student the same.

- Special education enrollment continues to **grow as a % of the overall student population** statewide
- Cost of required services has **increased substantially** — driven by staffing, therapy, technology, and compliance
- Currently, special education students generate the **same per-pupil formula funding** as general education students
- Funding gap is absorbed by **local levies and discretionary funds** — not state formula dollars
- Counties with **higher concentrations of students with disabilities** face disproportionate local fiscal burden

The Formula Funding Gap: Special Education Enrollment vs. State Aid



18% more students. 0% more formula dollars.

Counties absorb the entire gap with local levy dollars.

Proposed Change 3 — The Solution

Tiered Special Education Funding

Adding funding weights for special education students — calibrated to the intensity of services required — would align state dollars with actual costs and reduce the inequitable burden on local levies.

Current: Flat Per-Pupid Model

All Special Education Students

1.0×

Same per-pupil formula funding as general education — regardless of disability severity, required services, or actual cost of providing mandated programs.

⚠ Gap between formula funding and actual special education expenditure is absorbed by local levies — placing a disproportionate fiscal burden on counties with higher concentrations of students with disabilities.

ⓘ Counties with limited local levy capacity are most disadvantaged. Mandated services must be provided regardless of funding adequacy.

VS

Proposed: Tiered Funding Weights

Weight **1.X×**

Resource / Consultative

Students receiving moderate support — primarily in general education settings with supplemental services. Moderate funding weight above base.

Weight **2.X×**

Self-Contained

Students requiring dedicated classroom settings with specialized instruction for the majority of the school day. Higher funding weight.

Weight **3.X×**

Intensive / Residential

Students with the highest support needs — intensive staffing, therapies, and residential or day-treatment placements. Highest funding weight.

Proposed Change 4

Outdated Staffing Ratios Need a Comprehensive Review

The staffing ratios and funding assumptions at the heart of the PSSP have not been systematically reviewed in a coordinated manner — isolated legislative patches have created a patchwork formula that no longer reflects how schools actually operate.

The Problems

- **No coordinated review in decades** — professional educator and service personnel ratios reflect policy decisions from a different era
- **Isolated statutory patches** added without holistic formula review — Third Grade Success Act aides, pay raise bills, MCVC hold harmless
- Ratios **inconsistent** with current class sizes, instructional delivery models, and student needs

The Recommendations

- Mandate a **comprehensive, periodic review** of all staffing ratios and core PSSP funding assumptions
- Establish a **defined review cycle** — ratios should not go decades without reassessment against operational reality
- Require **public reporting** of review findings with formula adjustments enacted on the defined schedule

Scope of Review Should Cover

Step 1 PE ratios · Step 2 SP ratios · Classroom aide mandates · PI percentage thresholds · Salary schedule alignment · Density tier thresholds

Proposed Change 5

Critical Operational Positions Receive No Formula Funding

Effective school systems require more than teachers and support staff — yet the positions responsible for financial management, transportation, maintenance, and nutrition receive zero formula support, placing the full cost on local discretionary funds.

Formula-Funded Positions

- Professional Educators — by enrollment ratio per density tier
- Service Personnel — by enrollment ratio per density tier
- Professional Student Support Personnel — 5 per 1,000 students
- Substitutes — 2.5% allowance (Steps 6b & 6c)
- Principals' Increments — Step 1 salary component

Positions NOT Funded by the Formula

Financial Management
Treasurers, Accountants, Business Managers

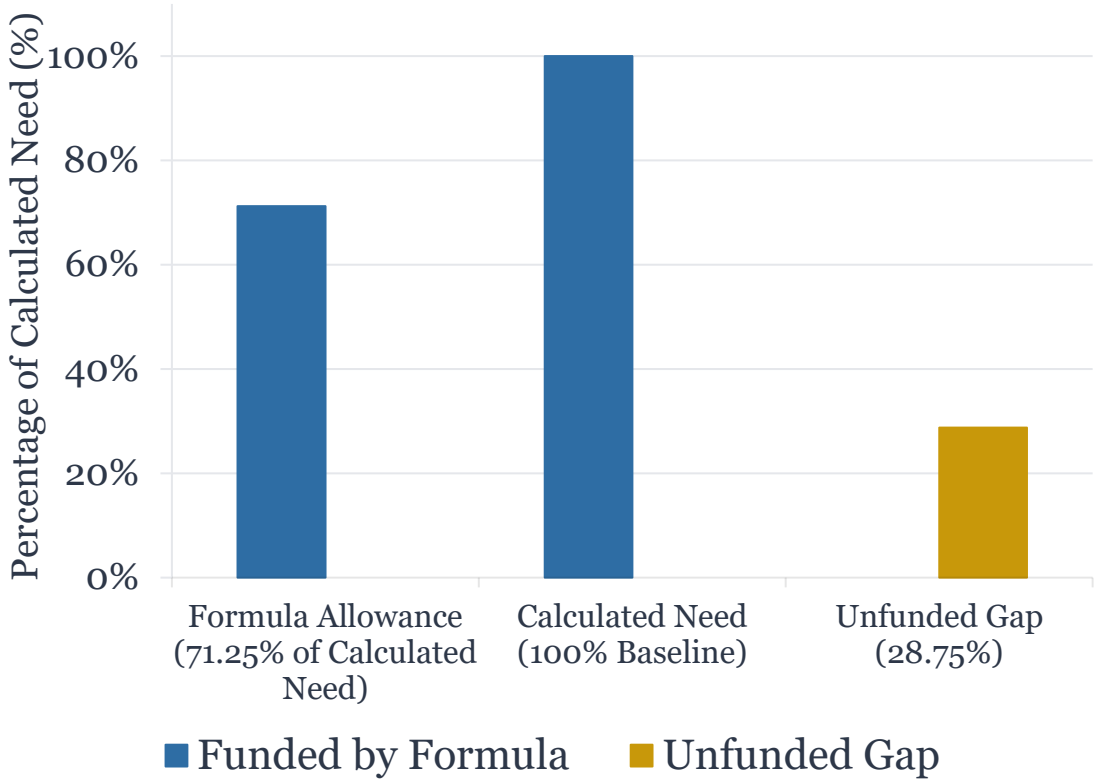
Transportation Leadership
Directors, Supervisors, Fleet Managers

Maintenance Operations
Directors, Facilities Managers

Child Nutrition Programs
Directors, Managers

Recommendation: Include dedicated formula funding positions for essential operational roles within the PSSP structure — eliminating the inequity between high-levy and low-levy counties forced to cover these costs locally.

Facility Funding: Formula Reimbursement vs. Actual Need



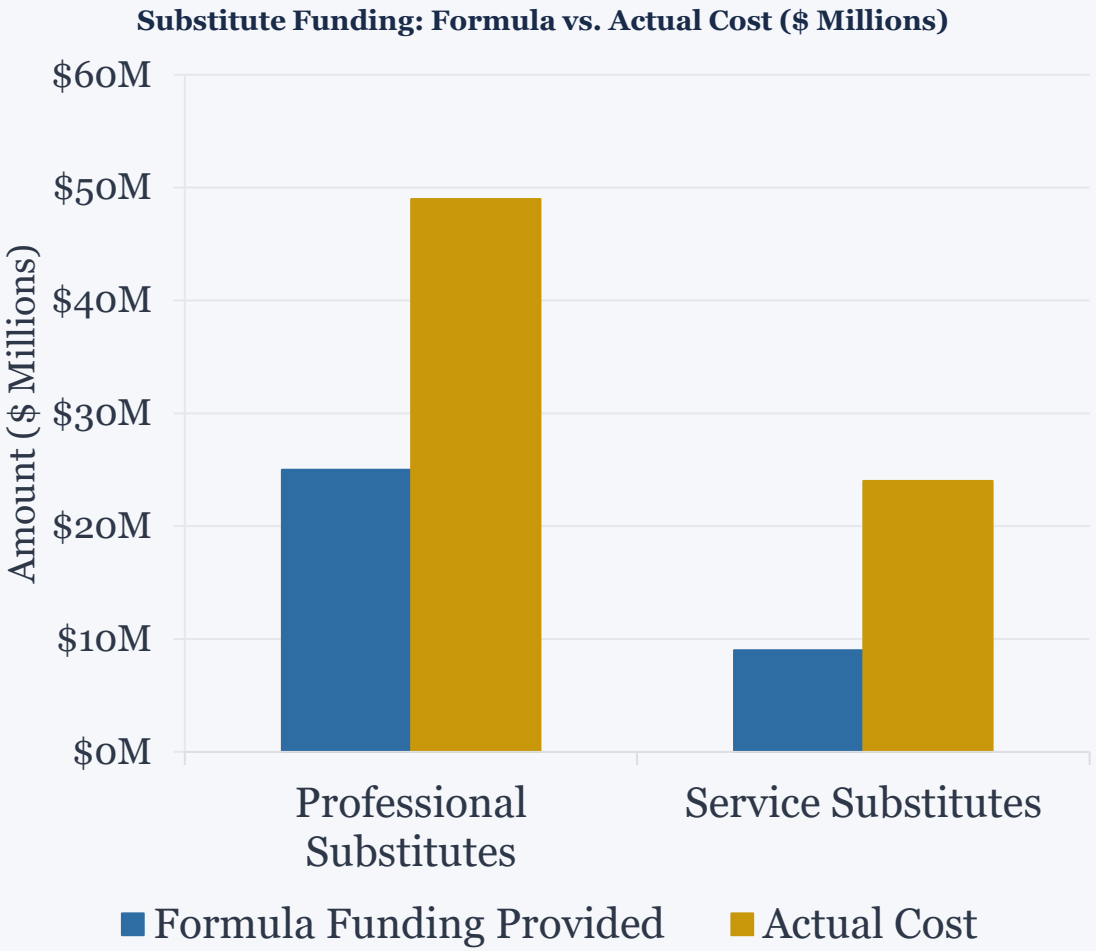
Proposed Change 6

Facility Funding Falls Well Short of Actual Need

Reimbursing only 71.25% of an already-averaged, statewide-estimate-based facility need leaves most districts with a chronic facility funding gap — one that grows as utility and maintenance costs rise.

- Rising utility, maintenance, and operational costs mean the funding gap continues to widen year over year
- Deferred maintenance compounds: short-term underfunding creates larger capital costs and building condition problems over time

Recommendation: Revisit both the calculation methodology (actual county costs, not statewide averages) and the reimbursement percentage — moving toward 100% of calculated need.



Proposed Change 7

The Substitute Funding Gap:

Professional Substitute Gap	Service Substitute Gap	Total Statewide Shortfall
$24M	**$15M**	**$39M**

- Current formula (Steps 6b & 6c): 2.5% of Steps 1, 2, and 5 allowances — allocated by number of personnel allowed
- Entire $39M shortfall absorbed by local levy funds — no state formula remedy
- Recommendation: increase substitute funding percentage to reflect current actual expenditure levels; update the rate on a regular cycle

Proposed Change 8

Charter School Initial-Year Funding Creates Unintended Harm

Every aspect of the PSSP uses a 1-year lag in enrollment-based funding — except when a student enrolls in a new charter school, where the disenrolling district's funding is reduced immediately with no phase-in.

Standard PSSP Model: 1-Year Lag

Year N — Enrollment Change Occurs

A student leaves or joins a traditional district. October 1 certified enrollment is recorded.

Year N — Funding Remains Unchanged

Funding for the current fiscal year is based on prior-year enrollment. No immediate adjustment is made.

Year N+1 — Funding Adjusts

Formula recalculates using updated enrollment. District has a full year to plan, adjust staffing, and restructure programs.

Protected transition: Districts have 12 months to respond before funding is impacted — allowing responsible financial planning.

VS

Charter School Exception: Immediate Reduction

Year N — Student Enrolls in New Charter

Student disenrolls from traditional district and enrolls in an initial-year charter school. Charter uses projected enrollment counts.

Year N — Funding Reduced Immediately

99% of per-pupil Step 8 is withheld from the disenrolling district in the same year. The 1-year lag is bypassed entirely — the only such exception in the PSSP.

Year N — Fixed Costs Remain

Disenrolling district still carries facility costs, staff contracts, and program commitments that cannot be immediately reduced to match the funding loss.

Unequal standard: Districts face an abrupt funding penalty with no buffer — the only place in the entire PSSP where the lag model is bypassed.

Recommendation

The Legislature should reconsider how initial-year charter school funding interacts with traditional district funding — eliminating the unequal treatment and unintended financial penalties on disenrolling districts.

Financial Impact — What These Changes Mean for WV Schools

Taken together, these eight proposed changes would direct state resources more accurately to where educational costs are highest and student needs are greatest — making every formula dollar work harder for West Virginia students.

Substitute Funding Gap — $39M Eliminated
Correcting the $39M shortfall would remove a major drain on local levy funds statewide, freeing discretionary dollars for instruction.

Operational Positions — Equity Between Counties
Formula funding for finance, transportation, maintenance, and nutrition directors reduces the inequity between high-levy and low-levy counties covering essential roles.

Facility Funding — Toward 100% Reimbursement
Moving toward full reimbursement of calculated need would reduce deferred maintenance and stabilize building operating budgets across all 55 counties.

Weighted Funding — Targeting Dollars to Need
Better targeting of state dollars reduces per-student spending inequities across all 55 county systems — rural, sparse, and high-need districts benefit most.

Special Education Weights
Tiered funding would transfer the cost burden from local levies to state formula — where it belongs — for counties serving the highest-need students.

Staffing Ratio Review — Formula Reflects Reality
A comprehensive, periodic review ensures ratios match current instructional models and student needs — ending the era of patchwork formula amendments.

Enrollment Smoothing — No More Funding Cliffs
Multi-year phasing protects districts from abrupt funding cuts, reducing forced reductions in force and preserving program continuity for students.

Charter Funding Reform — Equal Treatment Restored
Eliminating the initial-year charter exception restores the standard 1-year lag model for all enrollment changes, removing unintended financial penalties.

None of these changes require dismantling the PSSP — *they modernize it within the existing framework, directing every formula dollar where educational costs and student needs are greatest.*

Questions?

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