

Understanding Florida's School Funding System

Florida Education Finance Program (FEFP)

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Acknowledgment

I am grateful to Ruth Melton, former Director of Advocacy Services for the Florida School Boards Association, for her work developing Understanding the FEFP (<https://fsba.org/wp-content/uploads/2016/11/2016-17-FEFP-101.pdf>), the 2016–17 guide that began my own journey toward understanding Florida's complex school funding formula.

Her ability to make a complicated subject accessible provided an invaluable foundation for my learning and inspired this updated guide. I hope this edition continues that tradition of helping school board members, education advocates, and interested citizens better understand how Florida funds its public schools.

Introduction: Understanding Florida's School Funding System

Article IX, Section 1 of the Florida Constitution establishes education as a fundamental value and declares that the state has a paramount duty to make adequate provision for the education of all children residing within its borders. The Constitution requires a uniform, efficient, safe, secure, and high-quality system of free public schools.

In 1973, the Florida Legislature established the Florida Education Finance Program (FEFP) as the state's principal method of funding public education.

At the time, Florida's educational landscape looked very different. Approximately 1.54 million students attended Florida's public schools. Homeschooling was uncommon, private schools generally operated outside the public education funding system, and today's charter schools, virtual schools, and voluntary prekindergarten program did not yet exist.

Florida's public schools had also only recently undergone widespread court-ordered desegregation. The FEFP emerged during an era when equal educational opportunity was an urgent constitutional and civil rights concern.

The FEFP was designed to provide substantially equal educational opportunities for students regardless of where they lived in Florida. It recognized that students have different educational needs and that school districts differ in local economic conditions, geographic characteristics, and their ability to raise revenue from property taxes.

To accomplish this, the FEFP combined state funds, primarily from General Revenue, with local funds generated through property taxes. A statutory formula determined how operating funds would be allocated among Florida's 67 school districts.

Over the following five decades, Florida's educational landscape changed dramatically. The state added new educational options, and the Legislature repeatedly modified the FEFP to accommodate changes in how education is delivered and financed.

Most significantly, the FEFP now includes Family Empowerment Scholarship (FES) recipients attending private schools or receiving other authorized educational services. The formula that began as a means of distributing operating funds among public school districts now also plays a central role in financing private education scholarships.

Today, the FEFP funds over 3.2 million students, including nearly 500,000 FES scholarship recipients and more than 400,000 students attending Florida's public charter schools.

Outside the FEFP's full-time enrollment calculations, Florida also has more than 150,000 students registered in traditional home education programs and approximately 80,000 participating in the Personalized Education Program (PEP), funded through the Florida Tax Credit Scholarship Program.

These figures illustrate just how much Florida's educational landscape has changed since the FEFP was established in 1973. Understanding that evolution is essential to understanding both the formula's original strengths and the challenges it faces today.

An important distinction exists between funding equity and funding adequacy. Equity concerns how fairly available resources are distributed among students and school districts, taking into account differences in educational needs and local circumstances. Adequacy concerns whether the total resources provided are sufficient to deliver the educational opportunities and services students need to meet the state's educational expectations.

The FEFP serves as a mechanism for distributing education funds equitably. It does not independently calculate the full cost of providing a high-quality education or determine whether the Legislature has appropriated sufficient funding to meet Florida's constitutional obligation.

A funding formula can distribute resources equitably without necessarily providing adequate resources.

The FEFP is also not Florida's entire education budget. Funding for school construction, some educational programs, voluntary prekindergarten, federal education programs, and other purposes is provided through separate appropriations and funding mechanisms.

This guide explains how the FEFP works, how funding amounts are determined, how state and local funding interact, and how funds are distributed to school districts, charter schools, and scholarship recipients.

Annual funding figures are used as examples, but the emphasis is on understanding the formulas and principles that govern Florida's education financing system.

Chapter 1: FEFP for Beginners: School Funding in Plain English

What is the FEFP?

The Florida Education Finance Program is a collection of formulas used to calculate and distribute state and local operating funds for K–12 education.

Each year, the Legislature determines how much funding is available, sets the basic funding amount for students, and establishes additional factors to account for differences among students and school districts.

The resulting calculations determine how much funding is attributed to each district and how that funding is divided between state and local sources.

Where does the money come from?

FEFP funding comes primarily from two sources:

State revenue: Money appropriated by the Florida Legislature, principally from the state's General Revenue Fund, which receives revenue from sales taxes and other statewide sources.

Local revenue: Property taxes levied by school districts. The FEFP includes Required Local Effort, the local property-tax contribution prescribed by the state, as well as certain discretionary operating property taxes.

Because property wealth varies substantially among Florida counties, the balance between state and local contributions differs among school districts.

How does the formula work?

The calculation can be understood in six basic steps.

1. Count the students.

Florida uses Full-Time Equivalent (FTE) enrollment to measure the number of students receiving educational services. A full-time student generally represents 1.0 FTE.

2. Account for different educational needs.

Some educational programs cost more to provide than others. Florida assigns program cost factors to certain educational programs, producing a weighted FTE (WFTE).

3. Calculate base funding.

Weighted student enrollment is multiplied by the Base Student Allocation (BSA), with applicable adjustments for differences in local wage costs and certain small districts.

4. Add supplemental allocations.

The FEFP includes additional funding calculations for such purposes as exceptional student education, student transportation, school safety, mental health services, and academic acceleration.

5. Determine state and local contributions.

The formula calculates each district's Required Local Effort (RLE) from property taxes and determines the state funding necessary under the applicable FEFP provisions.

6. Distribute and account for the funds.

School districts receive operating funds, including money attributable to students attending district-sponsored public charter schools. Charter schools generally receive applicable funding through their sponsoring districts.

FES scholarship awards are calculated using selected FEFP components and paid from state funds through a separate scholarship payment process. The existing calculation accounts for those obligations in determining district state payments.

Five important things to remember

1. Every student does not generate the same amount of funding. Educational program weights, geographic factors, and supplemental allocations matter.
2. The FEFP contains both state and local funds. It is not simply a state appropriation.
3. A district's total FEFP calculation is not the same as the money available for its district-operated schools, some is intended for district-managed charter schools and/or tax-funded scholarship recipients.
4. Different funding rules apply to district-operated schools, charter schools, and scholarship recipients.
5. FEFP funding calculations change during the year as estimates are replaced with updated enrollment and other financial information.

Chapter 2: How the Base FEFP Formula Works

The starting point for understanding the FEFP is the calculation of base funding.

Full-Time Equivalent Students (FTE)

FTE is a measure of student enrollment based on the amount of eligible instruction provided.

A student receiving a full schedule of eligible instruction generally represents 1.0 FTE. Students participating in certain part-time programs may generate fractional FTE. A half-time student would generate 0.5 FTE.

Florida determines eligible FTE through student enrollment reporting and periodic surveys conducted during the school year.

Under current law, statewide FEFP enrollment includes students attending district-operated public schools, district-sponsored public charter schools, and students receiving Family Empowerment Scholarships (FES).

However, these students are not all funded through the same distribution mechanism. District-sponsored charter schools generally receive their applicable FEFP operating funds through their sponsoring school districts. State university- and Florida College System institution-sponsored charter schools are funded through separate state arrangements, with their sponsoring institutions serving as fiscal agents.

FES students are included in the current FEFP calculations, but their scholarship awards are determined and paid under separate statutory provisions.

These distinctions are explained in greater detail in the chapters on charter-school and scholarship funding.

Program Cost Factors

The FEFP recognizes that some educational programs require additional resources.

The Legislature assigns a program cost factor to each designated program. These factors represent the relative funding weights assigned to different types of instruction.

Programs include basic education by grade grouping, English for Speakers of Other Languages (ESOL), secondary career education, and the highest levels of Exceptional Student Education (ESE) services.

The Legislature establishes these factors annually in the General Appropriations Act.

Program, 2026–27	Cost factor
Basic education, K–3	1.107
Basic education, grades 4–8	1.000
Basic education, grades 9–12	0.965
ESOL	1.161
ESE Support Level IV	3.515
ESE Support Level V	5.906
Career education, 9–12	1.090

Weighted FTE

Weighted FTE is calculated by multiplying the eligible FTE in each program by that program's cost factor and combining the results.

A program with a cost factor greater than 1.0 generates more weighted FTE than an equally sized program with a factor of 1.0.

For example, if 100 full-time students (FTE) were reported in a program with a hypothetical cost factor of 1.10, those students would generate 110 weighted FTE.

Using actual 2026–27 factors, 100 grades 4–8 FTE generate 100 weighted FTE; 100 basic high school FTE generate 96.5. The two groups have the same unweighted enrollment but different weighted enrollment.

Base Student Allocation (BSA)

The Base Student Allocation is the dollar amount established annually by the Legislature that serves as the principal multiplier in the base FEFP calculation.

Historically, base FEFP funding was generally considered the most flexible component of school district operating revenue. Unlike categorical allocations earmarked for specific purposes, base funding could be used to support a broad range of operating expenses, including employee salaries, instructional programs, utilities, supplies, and other educational services.

However, changes to the FEFP have made the distinction between base funding and restricted funding less straightforward.

In recent years, the Legislature has consolidated several previously separate funding allocations into the base FEFP calculation. Although these dollars are now included in base funding, some remain subject to specific statutory or appropriations requirements.

An important example is funding for classroom teacher and other instructional personnel salary increases.

Florida previously provided a separate Teacher Salary Increase Allocation. Salary increase funding is now incorporated into base FEFP funding, but school districts and charter schools must still comply with statutory salary requirements, distribution procedures, and reporting obligations.

For example, section 1011.62(14), Florida Statutes, requires districts and charter schools to maintain previously achieved minimum teacher salaries and use designated salary increase funds for authorized compensation purposes.

For the 2026–27 fiscal year, approximately \$1.558 billion was identified within base FEFP funding for classroom teacher and other instructional personnel salary increases.

Consequently, base FEFP funding should not be confused with entirely unrestricted funding. School districts retain discretion over many operating expenditures, but that flexibility is limited by statutory requirements, annual appropriations provisions, and other legal obligations.

The BSA also does not represent the total amount spent on a student or the amount a district necessarily receives for educating that student. It is one element of the larger FEFP calculation.

For the 2026–27 First Calculation, the BSA was \$5,457.60.

Comparable Wage Factor (CWF)

The Comparable Wage Factor adjusts base FEFP funding to recognize differences in wage costs among Florida school districts.

The factor is calculated using a three-year average of each district's Florida Price Level Index (FPLI). Although the index retains its historical name, the CWF calculation is based on occupational wage differences rather than a comprehensive measure of local consumer prices or housing costs.

The statutory formula is:

Calculated CWF = (Three-Year Average FPLI × 0.008) + 0.200

A district with higher measured occupational wages generally receives a higher factor.

However, the current FEFP contains an important protection: if a district's calculated CWF is less than 1.000, the factor used in the applicable funding calculation is 1.000. A low CWF therefore does not reduce base funding.

For example, in the 2026–27 First Calculation:

District	Calculated CWF	Factor applied
Suwannee	0.9369	1.0000
Monroe	1.0261	1.0261
Collier	1.0430	1.0430

Suwannee County receives no downward adjustment. Monroe's factor increases applicable base funding by 2.61%, while Collier's increases it by 4.30%.

What the CWF does, and does not, measure. Although the Comparable Wage Factor is intended to reflect differences in labor costs across Florida, it is not a cost-of-living index and does not measure whether school employees can afford to live in the communities where they work. It reflects wages across a broad range of occupations, rather than housing, transportation, childcare, and other necessities. For example, Monroe County faces high housing costs; the CWF does not directly measure the cost of securing housing in the Florida Keys. **The factor is a wage adjustment, not a determination of adequate teacher compensation.**

The Comparable Wage Factor replaced the District Cost Differential (DCD) used in earlier versions of the FEFP.

How was the DCD different?

The DCD used the same basic index formula but could both increase and decrease a district's funding.

For example, a calculated DCD of 0.9500 would have reduced applicable base funding by 5%, while a DCD of 1.0500 would have increased it by 5%.

Under the current CWF, the factor cannot fall below 1.000 for funding purposes. Districts with calculated factors below that threshold no longer receive a downward adjustment.

The distinction is important: the CWF provides additional funding for districts with higher measured occupational wages without reducing funding for districts with lower measured wages.

The CWF applies to base FEFP funding and to certain other allocations when specified by law. It is not an adjustment to every dollar a district receives.

It also does not establish whether district funding is adequate to recruit and retain employees or meet local housing costs.

Small District Factor

An additional adjustment applies to school districts that meet specified statutory criteria, including enrollment below 20,000 FTE and location in a fiscally constrained county.

The Small District Factor recognizes certain additional costs associated with operating smaller school systems.

Not every district with fewer than 20,000 students qualifies.

Putting the Components Together

In simplified form:

Base FEFP Funding = Adjusted Weighted FTE × Comparable Wage Factor × Small District Factor (if applicable) × Base Student Allocation

The full statutory calculation also includes certain additional FTE weights and specialized provisions.

Base FEFP funding, however, is only the starting point. The Legislature provides additional funding through supplemental and categorical allocations, each with its own purpose and method of calculation. These allocations are discussed in Chapter 3.

Principal statutory references: Sections 1011.61 and 1011.62, Florida Statutes.

Chapter 3: Supplemental and Categorical Allocations

What Are Categorical Allocations?

The Base FEFP provides the foundation for school district operating funding. However, districts have additional responsibilities and expenses that are not fully addressed through the base formula.

To recognize these needs, the Legislature provides additional funding through supplemental and categorical allocations.

These allocations support specific purposes, including student transportation, exceptional student education, school safety, mental health services, and the recently added advanced academic programs.

Unlike base FEFP funding, which is calculated primarily using weighted student enrollment, categorical allocations may use a variety of distribution methods. Some are based on enrollment, while others depend on student characteristics, program participation, academic accomplishments, transportation needs, or local property-tax revenues.

The Legislature establishes funding amounts through the annual General Appropriations Act. Statutes and appropriations provisions determine how the funds are calculated and distributed.

Some allocations carry specific spending requirements, while others provide districts with greater flexibility. Section 1011.62(18), Florida Statutes, also permits school boards to transfer certain categorical funds for specified instructional, career education, and school safety purposes, subject to approval and reporting requirements.

How Are Categorical Allocations Calculated?

The following table summarizes the principal supplemental allocations in the current FEFP.

Allocation	Purpose	Basic allocation method
Discretionary Millage Compression	Reduces differences in local discretionary property-tax revenue per student	Provides funding to districts generating less than the statewide average per FTE from the designated discretionary millage
Educational Enrichment	Supports supplemental educational services and academic improvement	Uses an established base allocation adjusted for enrollment changes, with additional funding for eligible turn-around schools
ESE Guaranteed Allocation	Supports additional costs of educating eligible exceptional students	Uses eligible ESE enrollment and the applicable statewide or prior-year per-student funding factor
Academic Acceleration Options	Supports advanced coursework, dual enrollment, and career credentials	Distributes funding according to districts' shares of qualifying statewide academic acceleration values
Safe Schools	Supports school safety requirements, particularly safe-school officers	Provides a district minimum; remaining funds are distributed one-third by crime index and two-thirds by enrollment
Mental Health Assistance	Supports school-based mental health programs	Provides a \$100,000 district minimum; remaining funds are distributed by enrollment
Student Transportation	Supports transportation of eligible students	Uses eligible transported students, transportation characteristics, and statutory funding adjustments
Juvenile Justice Education	Provides supplemental resources for students in juvenile justice education programs	Uses eligible weighted FTE, the statewide class-size-reduction factor, and the district's Comparable Wage Factor
Federally Connected Students	Supports districts serving eligible federally connected students	Uses qualifying student counts, specified percentages of the BSA, and eligible federal property values
State-Funded Discretionary Contribution	Provides a discretionary millage equivalent for certain public educational entities	Uses applicable property values, statutory millage, and eligible enrollment
State-Funded Discretionary Supplement	Provides a state-funded discretionary millage component for FES scholarship awards	Uses a statutory property-tax-equivalent calculation and an adjusted continuing base

Two Examples: How Supplemental Allocations Are Calculated

Example 1: Mental Health Assistance Allocation, Funding Based on Enrollment

The Mental Health Assistance Allocation supports school-based mental health services. Every school district receives a minimum allocation of \$100,000. The remaining statewide appropriation is distributed according to each district's proportionate share of statewide unweighted FTE enrollment.

Hypothetical example:

Suppose the Legislature appropriates \$180 million statewide for mental health assistance, and a district enrolls 10,000 of Florida's 3 million unweighted FTE students.

Calculation	Amount
Statewide appropriation	\$180,000,000
Minimum allocation for 67 districts	-\$6,700,000
Remaining funds distributed by en-	\$173,300,000
District's share of statewide FTE	0.3333%
District's share of enrollment-based	\$577,667
District minimum allocation	+\$100,000
Total district allocation	\$677,667

This example illustrates why two districts with different enrollment sizes receive different amounts, while even the smallest districts receive a guaranteed minimum.

Example 2: Academic Acceleration Options Supplement, Funding Based on Student Accomplishments

The Academic Acceleration Options Supplement provides funding based on qualifying academic accomplishments, including certain advanced coursework, successful examinations, dual enrollment courses, and industry certifications.

Florida assigns numerical values to qualifying accomplishments. The district's total values are compared with the statewide total to determine its share of the appropriation.

Hypothetical example:

Suppose the Legislature appropriates \$600 million statewide for academic acceleration, and a district generates 1,200 of the 120,000 qualifying values reported statewide.

Calculation	Amount
Statewide appropriation	\$600,000,000
Statewide qualifying acceleration	120,000
District qualifying acceleration val-	1,200
District's share of statewide values	1.0%
District allocation ($1\% \times \\$600$	\$6,000,000

Unlike the mental health allocation, which depends primarily on enrollment, this supplement depends on qualifying academic accomplishments. **A district's funding depends not only on its own results but also on the statewide total.**

These examples demonstrate an important principle: **Supplemental allocations use different formulas to distribute legislative appropriations.** Some provide minimum amounts, some recognize enrollment or student needs, and others reward specified academic achievements.

Statutory references for the examples: Sections 1011.62(13) and 1011.62(17), Florida Statutes.

Other Important Funding Components

Some funding appears separately in FEFP calculation documents but is not included in the base FEFP or the principal supplemental allocations described above.

For example, the Class Size Reduction categorical provides funding associated with Florida's constitutional class-size requirements.

The FEFP also identifies funding for classroom teacher and other instructional personnel salary increases. Although this funding is now incorporated into the base, statutory compensation requirements still apply.

The Educational Enrollment Stabilization Program provides supplemental state funding under specified circumstances, including certain enrollment-related funding shortfalls. It is not an ordinary per-student allocation.

Understanding the Difference Between an Allocation and an Appropriation

An appropriation establishes how much funding the Legislature makes available for a particular purpose.

The allocation formula determines how that funding is distributed among eligible districts or educational entities.

For example, the Legislature may appropriate a statewide amount for the Mental Health Assistance Allocation. The statute then directs how that appropriation is divided among districts, beginning with a minimum amount for each district and distributing the remaining funds according to enrollment.

The appropriation and the distribution formula are related, but they are not the same.

Do Categorical Funds Follow Students?

Not necessarily.

Some funding is allocated proportionally to students or educational entities. Other allocations depend on program eligibility, statutory requirements, or district characteristics.

Charter schools generally receive applicable categorical funding under statutory funding provisions. FES scholarship awards include only those FEFP components specifically authorized in the scholarship funding formula.

The later chapters on charter schools and FES scholarships explain these differences.

For purposes of understanding the FEFP, the important principle is that supplemental allocations are not all calculated or distributed in the same way. Each must be examined according to its governing statute and annual appropriation.

Chapter 4: Where the Money Comes From: State and Local Funding

State and Local Responsibility

Florida's FEFP combines funding from the state with a required local contribution raised through school district property taxes. The Legislature establishes a total funding entitlement through the formula and determines the division between state and local sources.

The original concept of Required Local Effort (RLE) is straightforward. In order to participate in the state funding system, school districts are generally required to levy the proper-

ty-tax millage prescribed through the FEFP. Local revenues then cover part of the district's calculated entitlement, and state revenues cover the balance.

This arrangement is intended to reduce the differences in educational funding that would otherwise result from unequal local property wealth. The amount of taxable property per student varies widely across Florida districts.

Required Local Effort

Required Local Effort is a school property-tax levy calculated under state law. The state determines the applicable millage rates and uses district taxable property values to estimate the amount generated locally.

Florida law currently limits a district's required contribution to 85% of its calculated FEFP entitlement under the applicable calculation. A district with a very large tax base relative to enrollment may therefore have its RLE millage reduced so that the required local contribution does not exceed the statutory limit.

The 85% cap concerns the prescribed state-and-local FEFP formula, not every revenue source in a district's operating or capital budget.

How State and Local Shares Differ

A simple comparison from the 2026–27 First Calculation shows how property wealth changes the balance.

District	Required Local Effort	Calculated state FEFP
Monroe	85%	15%
Walton	85%	15%
Miami-Dade	64%	36%
Gadsden	21%	79%

Monroe and Walton are examples of districts with high taxable property values relative to enrollment. Gadsden illustrates a district relying much more heavily on state funding. This is a feature of state-local equalization, not evidence that students in one district are automatically funded at a higher level.

Gross State FEFP Versus Payments to Districts

In the simplest calculation, the state's share is the difference between Total FEFP and Required Local Effort. But the calculated gross state share is not necessarily the amount ultimately available to operate district-managed public schools.

District-sponsored charter-school funding is included in the district's calculation but a statutory share must be distributed to the charter schools. FES scholarships are paid from state funds and accounted for through district-associated FEFP calculations, which can reduce the district's net state payment.

This difference is particularly important in high-property-wealth districts where the calculated state share is already small. Chapter 8 and Appendix D discuss the scholarship funding mechanism and reconciliation issues in greater detail.

Discretionary Operating Property Taxes

In addition to RLE, Florida permits specified discretionary operating millage, subject to the Legislature's annual limit. The regular nonvoted operating levy is 0.748 mills for 2026–27. Discretionary operating revenue supports eligible operating purposes, while a separate capital improvement millage supports authorized capital purposes.

Because the same millage generates different amounts per student in districts with different property values, the FEFP provides a Discretionary Millage Compression Supplement to help reduce these disparities.

Although Florida law classifies the 0.748 operating millage as “discretionary,” all 67 school districts levy the full amount. Districts that levy less than the maximum would forfeit eligibility for the discretionary millage compression supplement, creating a significant incentive to levy the full rate.

State-Funded Discretionary Contribution

Some public education entities do not receive a regular district pass-through of discretionary operating property taxes. The state provides an equivalent through the State-Funded Discretionary Contribution under specified statutory rules.

Examples include developmental research schools, such as P.K. Yonge, Florida State University Schools, and other university lab schools; Florida Virtual School; and qualifying public charter schools sponsored by state universities and Florida College System institutions.

This contribution for certain public educational entities is different from the State-Funded Discretionary *Supplement* used in calculating FES scholarship awards.

What the State-Local Calculation Does Not Establish

The FEFP's equalization formula determines how much funding is calculated from local property taxes and how much comes from state appropriations. It does not determine whether the total funding provided is adequate for each district's educational obligations, teacher recruitment needs, or facilities costs.

It is also important to distinguish the formula's total from the amount actually available for district-managed public schools after statutory distributions and state payment adjustments.

Principal statutory reference: Section 1011.62, Florida Statutes.

Chapter 5: When and Why FEFP Calculations Change

The FEFP is recalculated several times during a fiscal year. The Legislature begins with projected enrollment and other assumptions, but student counts, property values, and program participation change as the year progresses.

Five Stages of the Annual Calculation

First Calculation, spring or early summer. The initial calculation reflects the enacted appropriation and projected enrollment. It is the starting funding estimate for the new school year.

Second Calculation, typically July. The calculation is updated with certified taxable property values and corresponding local property-tax estimates.

Third Calculation, typically December or January. The state incorporates information from the October student count, commonly called Survey 2. District and scholarship enrollment revisions can affect funding obligations.

Fourth Calculation, typically April or May. The calculation reflects information from the February student count, commonly called Survey 3, along with additional reconciliations.

Final Calculation, following fall. The state completes the fiscal-year closing and reconciliation using finalized information.

Actual timing can vary from year to year, and delays can affect when districts receive revised amounts.

Why Funding Changes

A district's FEFP estimate can change when reported enrollment differs from forecasts, when students are reported in different educational programs, when property-tax values change, or when scholarship enrollment and eligibility calculations are updated. Some adjustments reflect data corrections rather than changes in actual services.

Consequently, comparisons across years should identify the calculation stage being compared. A prior year's Third Calculation, for example, is not directly equivalent to a new

year's First Calculation without recognizing the difference between updated enrollment and projections.

As a result, the funding a district expects at the beginning of the year may differ from the amount it ultimately receives.

The 2025 Auditor General report identified problems with delayed calculations and reconciliation, reinforcing the importance of timely enrollment information and regular state payment updates. This is discussed further in Appendix D.

Principal reference: Section 1011.62, Florida Statutes, and FDOE annual FEFP calculation documents.

Chapter 6: Funding District-Operated Public Schools

How Does a District Receive Operating Funds?

The FEFP calculates funding using the students and educational programs associated with a district, its local revenue capacity, and the supplemental allocations for which it qualifies.

The district receives the applicable state payments and collects local operating property taxes. These revenues are not allocated automatically as identical amounts to each school or student.

The school board adopts a district budget that supports schools, employees, educational programs, and districtwide responsibilities. School-level budgets are built through decisions about staffing, enrollment, program offerings, and shared services.

What Is Funded Centrally?

School districts provide many services that extend across multiple schools. Transportation, specialized support personnel, payroll, insurance, technology systems, maintenance, districtwide safety services, and program administration may be budgeted centrally rather than assigned to an individual school's account.

Some funds have statutory spending restrictions or reporting requirements. Others allow more local discretion. The distinction between base funding and completely unrestricted funding is especially important after the consolidation of several former categorical allocations.

Charter-School Distributions

The district's FEFP enrollment and funding calculation includes students attending district-sponsored public charter schools. A statutory share of the applicable state and local operating funds is distributed to those charter schools, whose independent governing boards manage their school budgets. These dollars should not be treated as funds retained for district-operated schools.

Special funding arrangements apply to public charter schools sponsored by colleges and universities; they are explained in Chapter 7.

Scholarship Accounting

Family Empowerment Scholarship awards are paid from **state** funds through eligible scholarship-funding organizations. Scholarship enrollment and funding obligations nevertheless appear in the district-associated FEFP accounting.

That means the gross *state* share of FEFP and the district's net state payment may differ substantially. Chapter 8 addresses this interaction.

Why District Funding Per Student Can Be Misleading

Total district FEFP entitlement is not the same as dollars spent at district-managed schools. The reported total can include amounts attributable to district-sponsored charter students and FES scholarship calculations, while actual district expenditures include shared services and responsibilities not captured by a simple classroom-level allocation.

The amount reported as funding per student also depends on which revenues and which enrollment population are included. Capital outlay, federal grants, and specialized categorical programs may be included in one comparison and omitted from another.

The FEFP establishes a district funding calculation; school budgets reflect how the district allocates the funds it actually receives among instruction, shared services, and required programs.

Chapter 7: Funding Florida's Public Charter Schools

How Are Charter Schools Funded?

By statute, Florida's charter schools are considered public schools and are funded through the Florida Education Finance Program (FEFP).

Like students attending district-operated public schools, charter-school students generate funding based on their enrollment, educational programs, and applicable FEFP allocations.

However, charter schools operate under their own governing boards, and the way they receive funding depends on the organization that sponsors them.

District-Sponsored Charter Schools

Most Florida charter schools are sponsored by local school districts.

Their students are included in the district's FEFP enrollment and funding calculations. The school district receives the applicable state funding and collects local property-tax revenue, then distributes the charter school's statutory share of operating funds.

This arrangement is commonly described as a **pass-through** because the district serves as the fiscal intermediary for funds attributable to charter-school students.

The basic calculation uses:

- The district's state and local FEFP operating funds.

- The district's discretionary operating millage revenue.

- The district's total funded weighted FTE.

- The charter school's funded weighted FTE.

The combined district operating funds are divided by district weighted FTE to establish a funding amount per weighted student. That amount is then multiplied by the charter school's weighted FTE.

Charter schools also receive applicable categorical allocations when their students or programs meet statutory eligibility requirements.

The important distinction is that charter-school funding is calculated using district operating resources, but those funds are distributed to the independently governed charter school rather than retained for district-operated schools.

Charter Schools With Other Sponsors

Florida law also permits state universities and Florida College System institutions to sponsor certain charter schools.

These schools are funded through separate state FEFP arrangements, with the sponsoring university or college serving as the fiscal agent.

Because these schools do not receive ordinary district property-tax pass-through payments, the state provides funding equivalents for Required Local Effort and discretionary operating millage.

For these schools, the Comparable Wage Factor is established at 1.000.

Charter schools approved through the Charter School Review Commission are generally overseen and sponsored by the district school board where the school is located. Their funding therefore follows the district-sponsored process.

Which Categorical Funds Do Charter Schools Receive?

Charter schools are entitled to applicable categorical funds when their students or programs meet the eligibility requirements established by law.

For example, eligible charter schools may receive funding attributable to student transportation and educational enrichment.

Other allocations depend on specific program requirements or statutory conditions.

Charter schools do not automatically receive every categorical allocation in the same proportion, and not every allocation is calculated simply by multiplying charter enrollment by a fixed amount.

Administrative Fees

Charter-school sponsors provide certain administrative and oversight services, including financial reporting, student data systems, and compliance monitoring.

Florida law allows sponsors to retain limited administrative fees from charter-school operating funds to support specified services.

For most charter schools, the general maximum is 5% of the funding attributable to the first 250 students, with different limits for certain qualifying charter schools and charter systems.

A reduced maximum of 2% applies to specified high-performing charter schools and other eligible schools.

Sponsors may not withhold administrative fees from funds specifically allocated by the Legislature for teacher compensation.

How and When Are Charter Schools Paid?

District sponsors must distribute operating funds to their charter schools monthly or twice monthly.

Funding is adjusted during the year as FEFP calculations are revised and actual charter-school enrollment becomes available.

Thus, charter schools, like district-operated schools, may experience changes in their expected funding when reported enrollment differs from projections.

Charter School Capital Outlay Funding

Operating funds pay for instruction and day-to-day school expenses. Capital outlay funds support eligible facilities and equipment expenses.

Charter-school capital funding is governed by separate statutory provisions and may include:

- State charter-school capital outlay appropriations.

- Applicable local capital improvement property-tax revenue.

- Separate state-funded capital arrangements for certain university- and college-sponsored charter schools.

Eligibility requirements and permitted expenditures depend on the particular funding source.

Capital outlay funding is separate from the regular operating FEFP calculation and should not be confused with the discretionary operating millage discussed in Chapter 4.

Understanding Charter School Funding in District Budgets

The total FEFP funding calculated for a school district does not all remain available for district-operated schools, a portion must be distributed to charter schools according to the statutory funding formula. Districts may retain only authorized administrative fees and other amounts permitted by law.

This distinction is important when comparing district FEFP entitlements with the operating revenue available for district-managed schools.

Charter schools are part of Florida's public education funding system, but their operating revenues are distributed through mechanisms that differ from ordinary district school budgeting. *Principal statutory references: Sections 1002.33(17), 1002.33(20), and 1013.62, Florida Statutes.*

Chapter 8: Funding Family Empowerment Scholarships

How Are Family Empowerment Scholarships Funded?

Florida's Family Empowerment Scholarship (FES) program provides state-funded education scholarships (aka vouchers) for eligible students attending private schools or using other authorized educational services.

There are two principal types of scholarships:

FES Educational Options (FES-EO): Scholarships available to eligible K–12 students, generally without an income eligibility restriction, although certain students receive priority.

FES Unique Abilities (FES-UA): Scholarships for students with qualifying disabilities or medical diagnoses, including certain preschool-age children.

Unlike public charter schools, which are publicly operated under separate governing boards, FES scholarships are used to obtain education and services outside the public school system.

Under current law, FES scholarship enrollment is incorporated into the FEFP. However, scholarship awards are calculated using selected FEFP components, rather than the full set of allocations supporting district-operated public schools.

FES scholarships are paid *entirely* from state funds, even though their calculation is tied to individual school districts.

How Is an Individual Scholarship Calculated?

The amount of an FES scholarship depends on the student's grade level, school district, scholarship program, and, for FES-UA, the applicable level of exceptional student services.

The basic calculation begins with the FEFP funding attributable to a student in the relevant educational program and adds specified supplemental allocations.

Not every FEFP allocation is included in a scholarship award.

FES Educational Options (FES-EO)

An FES-EO scholarship is based on 100% of the applicable FEFP basic education funding for the student's grade level and district, plus specified per-student allocations.

The FES-EO scholarship calculation includes:

- Applicable basic education program cost factor and Base Student Allocation.
- Applicable district adjustments, including the Comparable Wage Factor.
- Discretionary Millage Compression Supplement.
- Educational Enrichment Allocation.
- State-Funded Discretionary Supplement.

The amount therefore varies by grade level and school district.

FES Unique Abilities (FES-UA)

FES-UA scholarships use a different calculation intended to recognize eligible students' disabilities and service needs.

For students with a Level I–III matrix of services or a qualifying diagnosis, the calculation generally includes basic exceptional student education funding, the district's average ESE Guaranteed Allocation per eligible student, and the specified supplemental allocations.

For students with a Level IV or V matrix of services, the calculation uses the applicable higher ESE program cost factor and specified supplemental allocations.

Consequently, FES-UA awards can differ substantially depending on the student's matrix level and the district used in the calculation.

Which FEFP Allocations Are Included?

The following table summarizes how major FEFP components enter the scholarship calculations.

FEFP component	FES-EO	FES-UA
Basic FEFP funding	Yes	Yes, using applicable
Discretionary Millage	Yes	Yes
Educational Enrichment	Yes	Yes
State-Funded Discre-	Yes	Yes
ESE Guaranteed Alloca-	No	Yes, Levels I–III or qual-
ESE Levels IV–V pro-	No	Yes, when applicable
Academic Acceleration	No	No
Safe Schools	No	No
Mental Health As-	No	No

FEFP component	FES-EO	FES-UA
Student Transportation	No	No
Federally Connected	No	No
Juvenile Justice Sup-	No	No
Class Size Reduction	No	No

The exclusion of an allocation means that it is not included in the statutory scholarship award formula. It does not necessarily mean that a scholarship recipient cannot purchase a similar service using authorized scholarship funds.

EXAMPLE: Calculating Individual FES Scholarships

Consider two hypothetical fourth-grade students in a hypothetical Florida county. One receives an FES-EO scholarship and the other receives FES-UA at ESE Support Level I–III.

Using the 2026–27 BSA of \$5,457.60, the basic grades 4–8 cost factor of 1.000, and the hypothetical county's CWF of 1.0261, the base amount is approximately \$5,600.

Funding component	FES-EO	FES-UA, I–III
Base FEFP amount	\$5,600	\$5,600
Educational Enrichment	\$600	\$600
State-Funded Discretionary Supplement	\$1,100	\$1,100
Discretionary Millage Compression	\$0	\$0
ESE Guaranteed Allocation	Not applicable	\$2,300
Illustrative award	\$7,300	\$9,600

The comparison shows how FES-UA can incorporate an additional exceptional student education component. A student qualifying under Level IV or V instead uses the applicable higher program cost factor.

Why Do FES Scholarships Include Discretionary Millage Funding?

District-operated public schools receive operating revenue from local property taxes, including discretionary operating millage.

FES scholarships do not receive local property taxes directly. Instead, Florida provides a **State-Funded Discretionary Supplement**, calculated in part using the revenue associated with the allowable discretionary operating millage.

This means scholarship awards can include a funding component equivalent to local discretionary revenue, even though the payment comes entirely from state funds.

The statutory calculation includes both a property-tax-based component and an adjusted continuing base amount.

This is distinct from the State-Funded Discretionary Contribution for certain public educational entities, discussed in Chapter 4.

How Does the Money Reach Scholarship Recipients?

FES funding follows a different payment process from district-operated and charter-school funding.

The Florida Department of Education calculates scholarship awards and releases state funds to eligible nonprofit scholarship-funding organizations.

Those organizations maintain individual student scholarship accounts and administer authorized payments for tuition, educational services, and other qualifying expenses.

Payments are generally made quarterly, subject to eligibility verification and applicable deadlines.

School districts do not ordinarily receive these scholarship funds and pass them to families or private schools.

How Does FES Funding Affect District FEFP Payments?

Although FES scholarships are paid from state funds, scholarship enrollment and payments are incorporated into individual school district FEFP calculations.

The state's funding worksheets calculate the district's state FEFP share and then account for scholarship obligations and related adjustments.

The amount of *state* funding ultimately associated with district public school operations may therefore be substantially less than the district's initially calculated state FEFP share.

This distinction is especially significant in property-wealthy districts where Required Local Effort already provides a large proportion of the district's FEFP entitlement.

The 99% State Funding Limitation

Florida law provides that FES scholarships may not be awarded in a district when the awards would exceed 99% of that district's calculated share of state FEFP funding.

This provision links scholarship funding to the amount of state funding generated through the district's FEFP calculation.

Consequently, changes in district enrollment, scholarship enrollment, and the state-local funding calculation can affect how close a district comes to the statutory limit.

The restriction is particularly important in districts where the calculated state FEFP share is relatively small compared with the district's local property-tax contribution.

Why Are FES and District Funding Interconnected?

The current FEFP incorporates both public school and FES enrollment into the calculations used to determine district funding.

When projected enrollment changes, the state's calculations of funding entitlements, scholarship obligations, and net district state payments may also change.

As a result, a change in either public school enrollment or scholarship participation can affect the financial calculations associated with both systems.

This interdependence became particularly visible in the 2025–26 Third FEFP Calculation, when Monroe, Martin, and Walton counties showed negative intermediate state FEFP balances after scholarship adjustments.

Those balances did not necessarily represent actual repayments owed by the districts, but they illustrated the complexity of the current funding structure.

A more detailed analysis of this situation, the Auditor General's findings, and proposed changes to scholarship funding is provided in Appendix D.

Understanding the Difference Between FES Scholarship Funding and District Funding

Three distinctions are essential:

1. **FES scholarship amounts are based on selected FEFP components**, not the complete set of funding provisions available for public schools.
2. **FES scholarships are paid entirely from state funds**, even though the awards are calculated using district-specific FEFP information.
3. **FES funding affects district state FEFP calculations**, making the calculated state share different from the net amount available for district public school operations.

Understanding these distinctions is essential to interpreting Florida's FEFP calculations and the distribution of state education funding.

Principal statutory references: Sections 1002.394(8) and (12), and 1011.62, Florida Statutes.

Chapter 9: Other Education Funding

The Florida Education Finance Program (FEFP) is the state's principal method of funding K–12 public school operations and Family Empowerment Scholarships (FES). However, Florida also supports education through other state, local, federal, and tax-credit funding mechanisms.

These funding sources operate under different rules and should not be confused with the FEFP.

Florida Tax Credit Scholarships (FTC)

The Florida Tax Credit Scholarship Program provides scholarships funded primarily through contributions to eligible nonprofit scholarship-funding organizations.

Businesses and other eligible taxpayers receive credits against certain Florida taxes for qualifying contributions.

Unlike FES scholarships, which are paid through state appropriations, FTC scholarships are financed primarily through these tax-credited contributions.

FTC scholarship recipients do not generate funding through the ordinary FEFP enrollment calculation. However, scholarship amounts are determined using formulas linked to FEFP funding.

FTC scholarships may support private-school tuition and other authorized educational expenses.

Personalized Education Program (PEP)

The Personalized Education Program is an educational option funded through the Florida Tax Credit Scholarship Program.

PEP allows eligible students who are not enrolled full-time in public or private schools to receive scholarships for parent-directed education (i.e. public funded homeschool).

Scholarship funds may be used for authorized expenses, including curriculum, instructional materials, tutoring, educational services, and other qualifying educational purchases.

PEP students must have individualized learning plans and meet applicable program requirements.

Although PEP scholarship amounts are linked to FEFP funding measures, **PEP students are not included in district FEFP enrollment in the same manner as FES scholarship recipients.**

This distinction is important when comparing statewide scholarship participation with FEFP enrollment and funding totals.

Federal Education Funding

Florida public schools also receive funding from the federal government.

Federal education funding is generally provided through specific programs and grants rather than through the FEFP formula.

Major examples include:

Title I: Provides additional resources to schools and districts serving students from low-income families.

Individuals with Disabilities Education Act (IDEA): Supports special education and related services for eligible students with disabilities.

Child Nutrition Programs: Provide reimbursements and other support for qualifying school meals.

Other federal grants: Support career education, English language instruction, professional development, and other educational purposes.

Federal funds generally carry specific eligibility, spending, reporting, and accountability requirements.

Because federal funding operates separately from the FEFP, it should not be included when describing the state's FEFP funding per student unless explicitly identified.

Where Does Florida Lottery Money Go?

When Florida voters approved the lottery in 1986, it was promoted as a way to provide **additional funding for education**. The legislation establishing the lottery specifically declared that its proceeds were intended to improve public education, not substitute for existing education funding.

Today, a portion of lottery ticket sales is transferred to the state's **Educational Enhancement Trust Fund (EETF)**. The Legislature appropriates those funds for public schools, colleges, universities, and programs such as Bright Futures scholarships.

For example, the 2025–26 Lottery Book identified approximately \$715.8 million in lottery-supported public-school appropriations and \$637.7 million for Bright Futures.

But has lottery revenue supplemented education funding, or supplanted it?

The distinction matters. *Supplementing* means adding lottery proceeds to the education funding that would otherwise have been provided. *Supplanting* means using lottery proceeds to replace funding that otherwise would have come from General Revenue or another source.

Although lottery proceeds are legally intended to supplement existing education resources, the Legislature controls both lottery appropriations and General Revenue appropriations. Consequently, lottery funds can replace money that otherwise might have been appropriated from General Revenue.

This concern has been raised for decades. Historical analyses of Florida's lottery identified shifts in the proportion of General Revenue devoted to education following its introduction, raising questions about whether lottery revenues produced the additional education funding voters expected.

The bottom line: Lottery dollars are spent on education, but that does not necessarily mean they increase total education funding by the same amount. To determine whether the lottery truly enhances education funding, one must examine total appropriations from all sources, not simply the amount distributed from lottery proceeds.

School Construction and Capital Outlay

The FEFP primarily finances educational operations. School construction, major renovations, facilities improvements, and certain equipment purchases are generally supported through separate capital funding sources.

Local Capital Improvement Millage: School districts may levy property taxes for authorized capital purposes, including school construction, renovations, maintenance, equipment, and certain transportation expenditures.

Public Education Capital Outlay (PECO): State funding appropriated for eligible educational facilities and capital projects.

Other Capital Funding: May include voter-approved local taxes, bond proceeds, and special state or federal appropriations.

Charter schools may also receive eligible state and local capital outlay funding, as described in Chapter 7.

Capital funding is generally restricted to authorized uses and cannot simply be transferred into ordinary classroom operating expenses.

Voluntary Prekindergarten (VPK)

Florida's Voluntary Prekindergarten Education Program provides publicly funded early education for eligible children.

VPK is financed through a separate state funding mechanism rather than the regular K–12 FEFP formula.

The Legislature establishes VPK funding through its annual appropriations, using a separate Base Student Allocation and applicable district adjustments.

Funding is distributed to eligible public and private VPK providers according to program enrollment and attendance requirements.

Why These Distinctions Matter

A discussion of education funding can produce very different totals depending on what is included.

For example, an estimate of total public education expenditures might include FEFP operating funding, federal grants, school construction, and VPK. A broader estimate of publicly supported education might also include tax-credit scholarships.

These amounts should not be combined without identifying their funding sources and purposes.

The FEFP is the foundation of Florida's K–12 school finance system, but it represents only one part of the public resources devoted to education.

Principal statutory references: Sections 1002.395, 1002.71, 1011.71, 1013.62, and 1013.64, Florida Statutes.

Appendix A: How to Read an Actual FEFP Calculation

The Florida Education Finance Program (FEFP) calculation is the document that shows how Florida distributes education funding among school districts and calculates funding for Family Empowerment Scholarships (FES).

Although the calculation contains dozens of pages of tables, a few key sections provide most of the information needed to understand the funding system.

This appendix uses the **2026–27 FEFP First Calculation, dated May 26, 2026**, to demonstrate how to read those tables.

Source: https://www.flsenate.gov/PublishedContent/Session/2026E/Conference/11/RelatedDocument/Florida%20Education%20Finance%20Program%20%28FEFP%29%205-26-26_1749.pdf

The figures are the Legislature's initial calculations for the fiscal year, not final expenditures. As explained in Chapter 5, FEFP calculations are revised during the year as student enrollment, taxable property values, and other information are updated.

1. Start With the Statewide Summary (Page 1)

The first page summarizes the Legislature's statewide funding assumptions, major formula components, and comparison with the prior year's calculation.

Four lines are particularly important.

Unweighted Full-Time Equivalent (FTE) Enrollment. For 2026–27, the calculation projects:

Enrollment category	Unweighted FTE
District public education	2,722,530.60
Family Empowerment Scholarships	493,399.25
Total	3,215,929.85

The district figure includes district-sponsored charter schools and other public education settings represented in the district calculations. Notice that FES scholarship enrollment is included in the total. This matters when evaluating reported statewide education funding per student.

Weighted FTE. The calculation reports 3,437,143.92 weighted FTE statewide. Weighted FTE reflects the program cost factors and additional enrollment weights discussed in Chapter 2.

Base Student Allocation. For 2026–27, the BSA is \$5,457.60. It is one input to base funding, not the amount spent per student.

Total Funding. The statewide summary reports approximately \$30.03 billion in combined state and local FEFP-related funding. The figure does not represent ALL education spending in Florida.

2. Understand the Two Years Being Compared

The summary compares the **2025–26 Third Calculation** with the **2026–27 First Calculation**. They are at different stages of the annual process. The prior-year Third Calculation uses updated October enrollment while the new First Calculation relies substantially on projected enrollment.

Consequently, the published difference is not necessarily the final year-over-year change. Readers should identify the exact calculation stage used for each year.

3. Find the Base FEFP Funding Calculation

The statewide summary shows the calculation of weighted FTE times the BSA, the Comparable Wage Factor, and the Small District Factor when applicable. For 2026–27, statewide base FEFP is about \$19.00 billion. This is a starting point, not the entire appropriation.

4. Locate Supplemental and Categorical Allocations

The summary adds individual allocations such as Educational Enrichment, ESE Guaranteed Allocation, Academic Acceleration Options, Safe Schools, Mental Health Assistance, Student Transportation, and Discretionary Millage Compression.

For 2026–27, Total FEFP is approximately \$23.53 billion. Funding identified for teacher salary increases within the base should not be counted a second time.

5. Distinguish Total FEFP From State FEFP

Statewide calculation	Amount
Total FEFP	\$23.526 billion
Less: Required Local Effort	\$11.128 billion
Gross State FEFP	\$12.398 billion

Gross State FEFP is not necessarily the amount ultimately paid for district-operated schools because subsequent scholarship and other adjustments apply.

6. Add State Categorical and Local Discretionary Funding

Additional funding	Amount
Class Size Reduction	\$2.650 billion
State-Funded Discretionary Supple-	\$1.001 billion
Local discretionary operating taxes	\$2.852 billion

These items explain how the statewide total reaches approximately \$30.03 billion. Capital outlay and federal grants are generally separate.

7. Read the District Funding Summary

The district tables begin on page 4 of the First Calculation. Find the district and examine Base FEFP, supplemental allocations, Total FEFP, Required Local Effort, the calculated state share, applicable categorical revenue, and local discretionary operating taxes.

Example: Alachua County. In the 2026–27 First Calculation dated May 26, 2026, the district’s calculated FEFP figures were:

Funding component	Amount
Total FEFP	\$231,066,513
Required Local Effort	\$89,624,338
Calculated State FEFP	\$141,442,175

Required Local Effort accounts for approximately 38.8% of Alachua County’s calculated FEFP entitlement, while the calculated state share accounts for approximately 61.2%.

Remember, **the calculated state FEFP amount is a formula amount, not a statement of all funds available to operate district-managed public schools.** The district also re-

ceives other applicable revenue, distributes funding to district-sponsored charter schools, and is affected by scholarship-related state payment adjustments.

8. Find the Family Empowerment Scholarship Tables

Separate tables identify FES enrollment and funding by district. The statewide First Calculation projected 493,399.25 unweighted FES FTE.

Distinguish district public education FTE, FES enrollment, gross state FEFP, and subsequent scholarship payment adjustments. Again, the combined FEFP totals are not necessarily equal to what districts can spend on their district-managed public schools.

9. Use Detailed Worksheets to Investigate Changes

Unexpected funding changes may stem from enrollment, program classifications, program cost factors, the BSA, CWF, supplemental allocations, taxable property values, or FES participation. A statewide increase does not guarantee increases for each district and program.

10. Questions to Ask

1. Which fiscal year and calculation stage are being compared?
2. Is enrollment projected or based on October or February surveys?
3. Does the enrollment measure include FES recipients?
4. Did program cost factors change?
5. Did the BSA change?
6. What portions are local RLE and state FEFP?
7. What categorical funds are included?
8. Do district totals include amounts distributed to charter schools or scholarships?
9. Are capital and federal dollars included or excluded?
10. Do changes reflect comparable students and services, or changes in formula definitions?

The statewide summary shows how much funding is calculated. The detailed worksheets help explain why.

Appendix B: FEFP Formula Quick Reference

This quick reference summarizes the major steps in the FEFP. Formulas are simplified; statutes contain further adjustments and eligibility rules.

1. Full-Time Equivalent Enrollment

FTE = Funded instructional time ÷ Full-time instructional requirement. A student in a full program generally generates 1.0 FTE; eligible part-time instruction may produce fractional FTE.

2. Weighted FTE

Weighted FTE = Sum of (Program FTE × Program Cost Factor) + applicable additional FTE weights. Cost factors are established annually by the Legislature and do not necessarily mirror reported program costs.

How a Cost Factor Change Affects Funding

Holding enrollment and the BSA constant, at a 2026–27 BSA of \$5,457.60, 100 high school FTE students would produce different base amounts depending on the program weight.

Hypothetical factor	Weighted FTE	Base before district ad-
1.000	100.0	\$545,760
0.965	96.5	\$526,658
Difference	–3.5	–\$19,102

This isolates the formula weight. It does not measure historical actual funding reductions.

3. Base FEFP

Base FEFP ≈ Weighted FTE × BSA × CWF × Small District Factor, subject to additional weights and statutory provisions. The 2026–27 BSA is \$5,457.60.

4. Comparable Wage Factor

Calculated CWF = 0.200 + (0.008 × three-year average FPLI). The applied factor has a floor of 1.000. It is a wage index, not a direct housing-cost or compensation-adequacy measure.

5. Total FEFP

Total FEFP = Base FEFP + applicable supplemental allocations. Each supplement has its own calculation and eligibility provisions.

6. Required Local Effort

Estimated RLE revenue $\approx$ Taxable value $\times$ millage $\div$ 1,000 $\times$ 96%. The annually prescribed levy is subject to statutory limits, including the 85% cap in the applicable calculation.

7. Gross State FEFP

Gross State FEFP = Total FEFP – Required Local Effort. This is not necessarily net state funding available to district-operated schools.

8. Discretionary Operating Millage

Estimated revenue $\approx$ Taxable value $\times$ discretionary operating millage $\div$ 1,000 $\times$ 96%. The 2026–27 regular limit is 0.748 mills; the separate capital levy has different purposes.

9. District-Sponsored Charter Schools

Illustrative charter share $\approx$ Applicable district operating funds $\div$ district weighted FTE $\times$ charter weighted FTE, with categorical, administrative-fee, and other statutory adjustments.

10. Family Empowerment Scholarships

Individual scholarship = applicable FEFP base amount + specified scholarship supplements. FES-UA may additionally use an ESE Guaranteed component or higher ESE weights. State payments and the individual award calculation are not the same process.

11. State and Local Funding Total

The reported statewide total includes Total FEFP, applicable additional state categorical appropriations, and local discretionary operating revenue, subject to specific summary accounting adjustments.

12. Funding Per Student

Reported per-student funding = Reported funding total $\div$ enrollment used in that report. Check that the funding numerator and enrollment denominator describe the same

population and include comparable state, local, federal, capital, and scholarship components.

The FEFP is a series of calculations, not a single identical payment for each student.

Appendix C: Comparing Funding Arrangements

Florida's FEFP supports district-operated public schools, district-sponsored public charter schools, and state-funded FES scholarship recipients through different mechanisms. The comparison table is an intentional reference tool; the narrative below explains what it means.

Feature	District-operated schools	District-sponsored charters	FES scholarships
Educational arrangement	Public district school	Public school with independent charter board	Authorized private education and services
Funding calculation	District FEFP and supplements	Statutory share of district operating funds	Individual award based on selected FEFP components
Primary source	State and local	Applicable state and local district funds	State funds only
Recipient of funds	School district	Charter school through sponsor	Scholarship-funding organization for student account
Spending authority	District school board	Charter governing board	Parent selects eligible expenses; organization administers payments
Discretionary operating millage	District revenue	Included in applicable charter calculation	State-funded equivalent in award
Capital funding	Separate district sources	Separate charter eligibility	Not in scholarship award
Financial accountability	Public budgeting, independent audits, reporting, board oversight	Public financial reporting, audits, sponsor oversight	Limited public financial oversight; account controls and SFO monitoring, but private schools do not have the same public budgeting, auditing, and financial transparency duties as public schools

Following the Money: District-Operated Schools

The district receives state payments and raises authorized local operating taxes. It adopts a budget for schools, staff, programs, and shared services. An individual district school does not receive an automatic payment equal to the total FEFP attributed to each enrolled child.

Following the Money: District-Sponsored Charter Schools

Charter FTE is part of the sponsoring district's FEFP calculation. The district distributes the statutory share of applicable operating funds to the charter school. The charter governing board manages those funds subject to charter law and the charter agreement; authorized sponsor fees may apply.

Following the Money: FES

The student generates a scholarship calculated from selected FEFP elements. State funds flow to scholarship-funding organizations, which administer authorized individual account payments. Funds do not ordinarily pass through a district school budget. However, scholarship enrollment and obligations affect district-associated FEFP accounting.

Calculated Versus Available Funding

A district's total funding entitlement is not the same as the amount remaining for district-managed schools. Part of its funding may be attributed to charter students and distributed to independent charter schools, and scholarship-related adjustments affect state payments. FES awards likewise should not be treated as the full cost of each recipient's education, as private school tuition often exceeds the awarded amount.

Why Per-Student Comparisons Require Caution

Districts fund shared services, transportation, facilities, specialized programs, and central functions. Charter schools organize these expenses differently. FES individual awards cover authorized education purchases and may not equal tuition or total educational costs. Comparisons must define both the student population and the revenues and expenditures being counted.

The FEFP calculates different kinds of funding entitlements; not all of them become the same kind of payment or expenditure.

Appendix D: Consideration of Separating Family Empowerment Scholarship Funding from the FEFP

Why Does the Funding Structure Matter?

Florida's Family Empowerment Scholarship (FES) program is funded through the Florida Education Finance Program (FEFP), even though scholarship recipients generally receive educational services outside district-operated public schools.

Under this arrangement, FES enrollment is included in the calculations associated with individual school districts. Scholarship payments are then accounted for in determining the state's funding obligations.

This creates a connection between two different funding systems: funding for districts and public charter schools, and funding for students receiving FES scholarships. Both depend on projections, but their actual costs may not be known when appropriations are made.

1. What Happened in 2024–25?

In November 2025, the Florida Auditor General released Report 2026-046, examining the Department of Education's administration and oversight of education funding during 2024–25.

The audit identified significant problems with enrollment projections, verification, reconciliation, and the timing of payments.

The statewide FEFP calculation initially projected approximately 3.170 million unweighted FTE students. The final calculation reported approximately 3.179 million, a difference of 9,101 FTE.

The difference was considerably larger when program cost factors were applied: final weighted FTE exceeded the initial projection by 44,872.

For 2024–25, the state initially budgeted approximately \$2.790 billion for FES scholarships. Actual expenditures net of recoupments reached approximately \$3.188 billion by June 2025, or \$397.8 million more than originally budgeted. (Verified against Florida Auditor General Report No. 2026-046, page 10: initially allocated \$2,790,276,311; expenditures \$3,188,043,518; difference \$397,767,207.)

The Auditor General also identified weaknesses in processes used to detect and resolve students reported for funding in both public schools and scholarship programs. Recommendations included verification improvements, timely calculations, procedures to recover

payments, and coordination with scholarship-funding organizations. The report recommended a separate FEFP category for FES scholarships.

According to the audit, the Department released \$47,117,395 in outstanding 2024–25 district and special-district payments on November 6, 2025, after the school year had ended.

The audit demonstrates how inaccurate enrollment information and delayed reconciliations can affect state education funding distributions.

2. What Happened in the 2025–26 Calculations?

The interaction between scholarship and district funding became particularly visible in the 2025–26 Third FEFP Calculation. After scholarship adjustments, several property-wealthy districts showed negative intermediate adjusted state FEFP balances.

District	Adjusted state FEFP balance
Monroe	–\$888,773
Martin	–\$2,362,383
Walton	–\$1,749,764

These intermediate balances did not necessarily represent repayments owed by districts. They illustrated how scholarship adjustments could exceed the state funding otherwise associated with a district at that stage. Later recalculations and adjustments can change these amounts.

3. What Is the 99% Limitation?

Florida law limits FES scholarship awards associated with a district to 99% of its calculated state FEFP share. But the state share can change with local property-tax calculations, district enrollment, and other adjustments, even when scholarship eligibility has not changed. That link is one reason a separate scholarship funding mechanism was proposed.

4. What Did the Legislature Consider in 2026?

CS/SB 318 proposed changes based on the Auditor General's recommendations. One central provision would have created a separate FES categorical under a new §1011.687, Florida Statutes. The bill also addressed scholarship verification, information sharing, reconciliation, and enrollment stabilization.

The Florida Senate passed the bill 38–0 on January 14, 2026. It died in House messages on March 13, 2026. **The separate FES categorical was not enacted.**

5. What Changed in 2026?

The Legislature separately enacted an Educational Enrollment Stabilization Program under §1011.62(19). It can provide supplemental state funding under specified conditions involving greater-than-projected FES participation, insufficient funding for the State-Funded Discretionary Supplement, public-school enrollment shortfalls, and qualifying district financial emergencies.

The law also addressed recalculations and a projected minimum beginning balance of \$250 million. These provisions may cushion unexpected changes in the future, but **they do not establish a separate FES appropriation** or eliminate the underlying connection between district and scholarship calculations.

6. What Would Separating FES Funding Change?

A separate appropriation could preserve existing individual award formulas while changing how scholarship funding is budgeted, accounted for, and reconciled.

Current interconnected method	Possible separate FES appropriation
FES enrollment in district-associated	FES enrollment budgeted separately
Scholarship obligations change dis-	Scholarship expenses tracked in
Reconciliation links district and	Separate streams could be recon-
A district-based 99% statutory limit	Legislature could revise or eliminate

The details would depend on adopted law, appropriations, and transition arrangements. Separating streams would not eliminate the financial effect of declining district enrollment and would not automatically guarantee scholarship funding adequacy.

7. Why Does This Matter for Financial Transparency?

The present structure makes it difficult to distinguish funding calculated for public-school operations from funding associated with FES scholarships. Separation could make clearer how much was appropriated for each system, how enrollment and expenses differed from estimates, what adjustments were needed, and what state funding was ultimately paid to districts.

Such distinctions would make annual funding reports easier to interpret and provide greater transparency about how public education dollars are allocated and spent.

Conclusion

The experience of 2024–25 and 2025–26 illustrates the importance of accurate enrollment projections, timely reconciliation, and clearly identified funding obligations. The enacted stabilization program addresses some uncertainty but is not the same as creating separate scholarship financing.

Readers should distinguish public-school operating calculations from scholarship calculations and examine how adjustments between them affect state FEFP payments.

Principal references: Auditor General Report 2026-046; CS/SB 318 (2026); §1011.62(19), Florida Statutes; 2025–26 Third Calculation.

Appendix E: Glossary of Florida Education Funding Terms

Academic Acceleration Options Allocation: Supplemental FEFP funding associated with qualifying advanced academic programs, including Advanced Placement, International Baccalaureate, Advanced International Certificate of Education, and dual enrollment.

Base FEFP Funding: Funding calculated using weighted FTE, BSA, and applicable district adjustment factors. It is the starting point, not total operating funding.

Base Student Allocation (BSA): The dollar amount established annually for the base FEFP formula. In the 2026–27 First Calculation, \$5,457.60.

Categorical Funding: Money appropriated for specified education purposes. Some categorical funding appears within the FEFP and some separately.

Comparable Wage Factor (CWF): A geographic funding adjustment based on occupational wages, not a direct cost-of-living or housing-affordability index.

Discretionary Millage: A property-tax levy permitted under statutory limits in addition to Required Local Effort, with separate operating and capital purposes.

Discretionary Millage Compression: State funding intended to reduce disparities in discretionary operating property-tax revenue per student.

Educational Enrichment Allocation: Supplemental funding under specified statutory rules for programs and educational services.

Educational Enhancement Trust Fund (EETF): State fund receiving lottery proceeds used for legislative education appropriations.

English for Speakers of Other Languages (ESOL): Instructional program for eligible English learners with a separate FEFP program cost factor.

Exceptional Student Education (ESE): Specialized educational programs and related services for eligible exceptional students.

ESE Guaranteed Allocation: Supplemental funding primarily for eligible ESE services not financed through higher Level IV and V weights.

FES-EO: State-funded Family Empowerment Scholarship for Educational Options, supporting eligible students in authorized private education arrangements.

FES-UA: State-funded Family Empowerment Scholarship for Unique Abilities, supporting students with qualifying disabilities or diagnoses.

Final FEFP Calculation: Closing reconciliation completed after the fiscal year.

Florida Education Finance Program (FEFP): Florida's principal formula system for funding public K–12 education and FES scholarships.

Florida Price Level Index (FPLI): An index whose occupational wage information underlies the CWF calculation.

Florida Tax Credit Scholarship (FTC): Scholarship funded primarily through contributions for which taxpayers receive specified state tax credits, outside the main FEFP appropriation.

Full-Time Equivalent (FTE): Measure of funded instructional participation; a full eligible program generally equals 1.0 FTE.

Gross State FEFP: Total FEFP minus Required Local Effort, before applicable scholarship and other adjustments.

Local Capital Improvement Millage: Separate property-tax levy used for authorized capital needs.

Mental Health Assistance Allocation: Supplemental funding supporting eligible school-based mental health programs.

Net State FEFP: The state amount remaining after applicable adjustments; identify the exact calculation line before interpreting it.

Personalized Education Program (PEP): Parent-directed educational option supported through FTC scholarships for eligible students not enrolled full time in public or private schools.

Program Cost Factor: Legislatively adopted relative funding weight assigned to an educational program.

Public Education Capital Outlay (PECO): State support for eligible facilities and capital projects.

Required Local Effort (RLE): Prescribed local school property-tax contribution generally required for FEFP participation.

Safe Schools Allocation: Supplemental funding for authorized school safety and security requirements.

Scholarship-Funding Organization (SFO): Nonprofit administering student scholarship accounts and authorized payments.

Small District Factor: Special base FEFP adjustment for qualifying small fiscally constrained districts.

State-Funded Discretionary Contribution: State equivalent of discretionary operating taxes for specified public education entities.

State-Funded Discretionary Supplement: State-funded component used in FES scholarship calculations, including a discretionary property-tax equivalent and continuing base.

Student Transportation Allocation: Supplemental funding for qualifying transportation services.

Supplemental Allocation: Separately calculated funding added to base FEFP for specified purposes.

Total FEFP: Base FEFP plus applicable supplements before subtraction of RLE.

Unweighted FTE: Funded student enrollment before program cost factors.

Weighted FTE: Enrollment after program cost factors and applicable additional FTE weights.

Commonly Confused Terms

BSA versus funding per student: BSA is a formula input, not the complete per-student funding amount.

Unweighted versus weighted FTE: Unweighted measures instructional participation; weighted incorporates funding multipliers.

Total FEFP versus total education funding: Other state allocations, local discretionary revenue, federal grants, and capital funds may be separate.

Gross versus net state FEFP: Net reflects additional adjustments, including scholarship obligations.

Operating versus capital: Different functions and legal spending restrictions.

FES versus FTC: FES relies on state FEFP appropriations; FTC relies primarily on tax-credited contributions.

Appendix F: Evolution of Base FEFP Funding: Consolidated Allocations and Continuing Spending Requirements

Florida's education funding formula has changed substantially over time. Some allocations that once appeared as separate line items in the Florida Education Finance Program (FEFP) have been consolidated into base funding, while others have been renamed, reorganized, or eliminated.

These changes can make year-to-year funding comparisons difficult.

For example, an increase in the Base Student Allocation (BSA) may appear to provide districts with substantially more general operating revenue. However, part of that increase may simply reflect funding that previously appeared in separate categorical allocations.

Furthermore, **moving an allocation into base funding does not necessarily eliminate restrictions on how the money must be spent.**

Understanding these changes is important when evaluating claims about increases or decreases in education funding.

1. The 2023–24 FEFP Reorganization

A major restructuring occurred beginning with the 2023–24 fiscal year through legislation enacted in 2023.

Why Was the FEFP Restructured in 2023?

The 2023–24 restructuring of the FEFP was not simply an effort to simplify an outdated funding formula. It was also explicitly intended to align Florida's education financing system with the state's expansion of publicly funded school choice.

During a January 2023 legislative committee meeting, House PreK–12 Appropriations Chair Josie Tomkow explained that the FEFP, originally designed to fund public education, needed to be reconsidered in light of Florida's expansion of nonpublic school choice. She specifically identified categorical allocations as an area requiring review.

The Florida House made that objective explicit in a March 22, 2023, announcement describing its proposal to modernize the FEFP (https://static-s3.lobbytools.com/docs/2023/3/22/127270_florida_house_modernize_prek_12_student_funding.pdf). The announcement stated that the revised formula would align education funding with the state's policy of having funding follow the student.

The resulting legislation, HB 5101 (2023), consolidated several previously separate categorical allocations into base funding and revised the calculation of Family Empowerment Scholarship awards.

The restructuring therefore served two stated purposes: simplifying portions of the funding formula and adapting it to Florida's expanding system of publicly funded private education. Understanding both purposes is important when evaluating how the changes affected public school funding, scholarship calculations, and district spending flexibility.

Several categorical allocations were removed as separate FEFP line items, and funding associated with many of them was incorporated into the BSA.

The changes included:

Former FEFP allocation	Treatment following restructuring
Teacher Salary Increase Allocation	Incorporated into base; statutory salary requirements continued
Evidence-Based Reading Instruction	Removed as separate categorical; reading responsibilities continued
Instructional Materials Allocation	Removed as separate categorical; required materials responsibilities continued
Teachers Classroom Supply Assistance	Removed as separate FEFP categorical; assistance provisions continued in
Sparsity Supplement	Eliminated as separate categorical; other small-district provisions later applied
Funding Compression and Hold Harmless	Eliminated as separate allocation
Turnaround Supplemental Services	Eliminated as separate categorical; eligible improvement work addressed elsewhere

The reorganization also changed other allocations. Not every former categorical was simply transferred into the BSA dollar for dollar.

2. Teacher Salary Funding: A Particularly Important Example

Florida established the Teacher Salary Increase Allocation in 2020 to increase minimum teacher salaries and provide additional compensation for eligible instructional personnel.

Beginning in 2023–24, this funding was incorporated into the base FEFP calculation rather than continuing as a separate categorical allocation.

However, the Legislature retained specific requirements governing the use of teacher salary funds.

For 2026–27, the Legislature continues to identify funding within Base FEFP for classroom teacher and other instructional personnel salary increases.

Section 1011.62(14), Florida Statutes, includes requirements concerning minimum salaries, maintaining previously achieved salary increases, salary distribution plans, and expenditure reporting.

Consequently, while these funds are included in base funding, districts and charter schools do not have unrestricted discretion over their use.

Teacher salary funding illustrates why an increase in the BSA should not automatically be interpreted as an equivalent increase in flexible operating revenue.

3. What Happened to Other Categorical Allocations?

Consolidation did not mean that all categorical funding disappeared.

Several allocations remain separately calculated within the FEFP, including ESE Guaranteed, Educational Enrichment, Safe Schools, Mental Health Assistance, Student Transportation, and Discretionary Millage Compression. (The Academic Acceleration Options was created in 2025 - see below.)

The Legislature continues to establish funding amounts and calculation methods for these allocations. Some have specific restrictions or reporting requirements, while others permit greater discretion within their statutory purposes.

The continued existence of these allocations demonstrates that the FEFP remains a combination of base and supplemental funding rather than a single unrestricted per-student amount.

4. Funding Consolidation Does Not Necessarily Eliminate Spending Obligations

A critical distinction exists between the location of funding within the FEFP and the legal obligations associated with its use.

Teacher Compensation: Funding may be incorporated into the BSA while statutory compensation requirements remain.

Instructional Materials: Districts must still provide required instructional materials even though the former categorical allocation was eliminated.

Reading Instruction: Districts continue statutory reading instruction and intervention responsibilities.

School Safety and Mental Health: These functions continue to receive separate allocations with applicable requirements.

The disappearance of a categorical line item should not be interpreted as evidence that the program or its required expenditures disappeared.

5. Changes in Cost Factors During the 2023–24 Restructuring

The restructuring also adjusted several program cost factors. The BSA rose from \$4,587.40 in 2022–23 to \$5,139.73 in 2023–24, but not all educational programs experienced the same change in weight.

Program	2022–23 factor	2023–24 factor
Basic K–3	1.126	1.122
Basic 4–8	1.000	1.000
Basic 9–12	0.999	0.988
ESOL	1.206	1.208
ESE Level IV	3.674	3.706
ESE Level V	5.401	5.707
Career Education	0.999	1.072

A higher BSA increases the dollar amount per weighted FTE. Decreases in a program cost factor can partially offset that increase, and increases in a factor can amplify it.

The 2023–24 changes must therefore be evaluated together: a higher BSA, adjusted program weights, and consolidation of formerly separate funding. Appendix G examines the longer-term history of these factors.

6. Academic Acceleration: From Weighted FTE to a Separate Allocation

Another significant change occurred in 2025–26, when the Legislature replaced specified advanced-coursework and industry-certification additional weighted-FTE incentives with a separately appropriated Academic Acceleration Options Supplement.

Previously, qualifying accomplishments generated additional weighted FTE. Those weights entered the base calculation, meaning the dollar value of a given acceleration weight was linked to the BSA and applicable adjustments. As the BSA rose, the amount generated by a given weight could rise as well.

Under the newer arrangement, the Legislature sets a statewide appropriation, distributed according to qualifying academic acceleration values. The law retains specified teacher bonuses and directs remaining funds toward authorized courses and programs.

This makes the total funding dependent on a specified appropriation rather than an automatically generated weighted-FTE amount. It also changes the spending conditions that apply to this support.

Readers comparing weighted FTE across years should recognize that a change in calculation method does not by itself indicate a change in academic achievement.

7. Why This Complicates Historical Funding Comparisons

Consider a hypothetical district that initially receives \$5,000 per student in base funding and \$500 in a separate categorical. The next year, the categorical is moved into base with no added money:

Funding component	Year 1	Year 2
Base	\$5,000	\$5,500
Separate categorical	\$500	\$0
Combined	\$5,500	\$5,500

The base line rises 10%, but combined funding has not increased. If the spending requirement continues, flexibility may not have increased either.

This is a hypothetical illustration. The actual FEFP calculation includes cost factors, district adjustments, enrollment, and different distribution methods.

8. A Better Way to Compare FEFP Funding Over Time

When reviewing historical funding, ask whether former categorical allocations were consolidated, whether spending requirements remain, whether some allocations were elimi-

nated or replaced, and whether cost factors or additional FTE weights changed. Also examine enrollment, district adjustments, and the amount of funding that is actually flexible.

Conclusion

A larger Base Student Allocation does not necessarily mean an equivalent increase in total funding or unrestricted district operating resources.

Understanding the FEFP over time requires examining consolidated allocations, remaining obligations, program cost factors, and changes in the way funding for an activity is calculated.

Principal references: HB 5101 (2023); FDOE Funding for Florida School Districts; §1011.62, Florida Statutes.

Appendix G: Twenty Years of FEFP Program Cost Factors: Changes in Relative Funding Weights

This section was inspired by Kim McD.

Why Do Program Cost Factors Matter?

Florida's Education Finance Program (FEFP) assigns a program cost factor to each major instructional program. These factors determine how much weighted Full-Time Equivalent (FTE) enrollment a student generates.

A factor of 1.000 represents the reference funding weight for basic education in grades 4–8. A factor greater than 1.000 generates additional weighted FTE, while a factor below 1.000 generates less.

Program cost factors are adopted annually by the Legislature. They can change independently of the Base Student Allocation (BSA).

Reducing a program cost factor decreases the weighted FTE generated by students in that program. Unless offset by other formula changes, it also reduces the base funding attributable to those students.

Because statewide FEFP summaries emphasize total funding, enrollment, and the BSA, changes in individual cost factors may receive relatively little attention.

This appendix examines how Florida's program cost factors have changed over 20 years and why those changes deserve consideration when evaluating education funding.

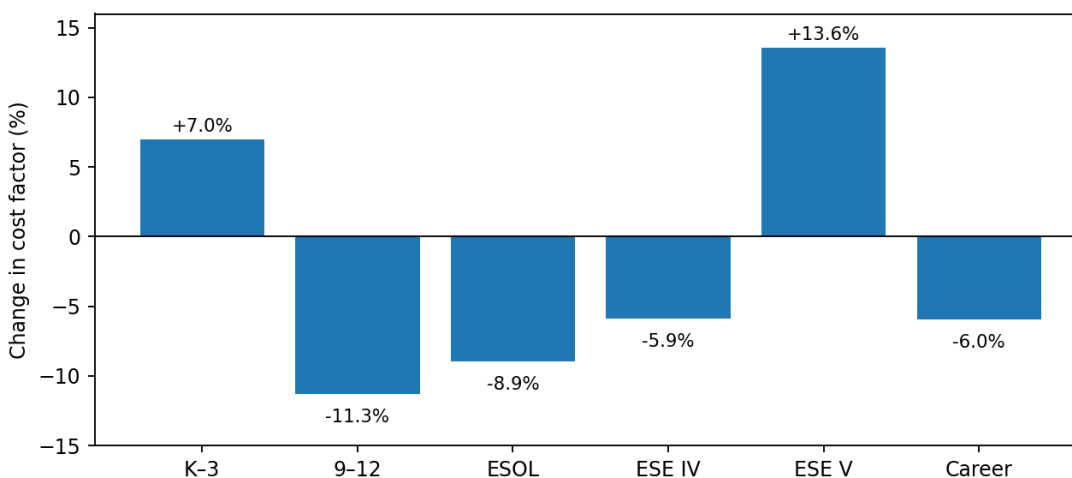
1. Twenty Years of Program Cost Factors

The following table compares legislatively adopted program cost factors at approximately five-year intervals.

Educational program	2006–07	2011–12	2016–17	2021–22	2026–27
Basic education K–3	1.035	1.102	1.103	1.126	1.107
Basic education 4–8	1.000	1.000	1.000	1.000	1.000
Basic education 9–12	1.088	1.019	1.001	1.010	0.965
ESOL	1.275	1.161	1.194	1.199	1.161
ESE Support Level IV	3.734	3.550	3.607	3.648	3.515
ESE Support Level V	5.201	5.022	5.376	5.340	5.906
Career education 9–12	1.159	0.999	1.001	1.010	1.090

Selected years, rather than every annual calculation. Changes in program definitions or eligibility should be considered when interpreting long-term comparisons.

Changes in relative funding weights, 2006–07 to 2026–27



Percent changes are in legislatively adopted program cost factors, not actual education spending. Basic grades 4–8 is omitted because the factor remained 1.000.

High school basic education: Its factor fell from 1.088 to 0.965. Relative to basic grades 4–8, high school moved from 8.8% above the reference to 3.5% below.

ESOL: The factor declined from 1.275 to 1.161, reducing the additional weight associated with the program.

ESE: Support Level IV's weight declined modestly; Level V increased substantially.

Career education: Its factor fell toward 1.000 for much of the period before increasing to 1.090 by 2026–27.

These are changes in relative funding weights, not direct measurements of adequacy or actual expenses.

2. How Much Difference Can a Cost Factor Make?

Consider a hypothetical district with **1,000 high school students**, each generating 1.0 unweighted FTE. Hold enrollment and the BSA constant at the 2026–27 figure of \$5,457.60, and apply either the 2006–07 or 2026–27 high school factor.

Funding measure	2006–07 factor at current BSA	2026–27 factor
Unweighted high school FTE	1,000	1,000
Cost factor	1.088	0.965
Weighted FTE	1,088	965
Base before district adjustment	\$5,937,869	\$5,266,584
Difference		–\$671,285

This does **not** mean the district actually lost that amount between 2006–07 and 2026–27. It isolates the effect of the program weight, holding all other formula inputs constant. Over the same years, the BSA, enrollment, categorical funding, and other rules also changed.

Two formulas can use exactly the same enrollment and BSA yet generate substantially different base funding because the cost factors differ.

3. The 2023–24 FEFP Restructuring

Florida consolidated several formerly separate categorical allocations into base funding, while increasing the BSA from \$4,587.40 to \$5,139.73. Several program cost factors changed at the same time.

Program	2022–23	2023–24
Basic K–3	1.126	1.122
Basic 4–8	1.000	1.000
Basic 9–12	0.999	0.988
ESOL	1.206	1.208
ESE Level IV	3.674	3.706
ESE Level V	5.401	5.707
Career Education	0.999	1.072

The larger BSA increased the value of a weighted FTE, while declining factors offset some of that increase for some programs and rising factors amplified it for others. Consolidated categoricals also complicate any comparison of the BSA alone.

4. How Are Program Cost Factors Established?

Districts report expenditures using Florida's program cost accounting system. Reports identify expenses associated with instructional programs, making it possible to compare program costs statewide. Historical methods used relative program costs and multiyear averages to inform factors. But the **funding factors used in the FEFP are ultimately established by the Legislature.**

Consequently, reported program costs and legislatively adopted factors are not necessarily identical. A factor's increase or decrease does not by itself establish that the actual cost of delivering the program changed.

5. Comparing Adopted Factors With Reported Program Costs

Florida's Program Cost Reports include **Report 5**, which shows program costs per unweighted FTE, and **Report 6**, which indexes program costs relative to basic grades 4–8. Report 6 is especially useful for comparing measured relative costs with adopted relative funding weights.

Differences could reflect timing, accounting methodology, changes in program definitions, or legislative decisions. They should be investigated rather than automatically interpreted as overfunding or underfunding.

6. How to Evaluate Proposed Changes

Compare the proposed and prior factors. Multiply each by **the same** program enrollment to isolate the change in weighted FTE. Convert that difference to a dollar amount using the **same** proposed BSA and district factors. Then separately examine the effect of changes in categorical appropriations, additional FTE weights, enrollment, and spending requirements.

This method distinguishes changes in a program's relative funding weight from changes in the statewide total appropriation.[7. A Practical Annual Cost-Factor Review](#)

Program	Prior factor	Proposed factor	Change	Constant-enrollment dollar effect
Basic K-3				
Basic 4-8				
Basic 9-12				
ESOL				
ESE Level IV				
ESE Level V				
Career Education				

Conclusion

Program cost factors are a central but often overlooked part of Florida's education funding system. They can change the relative distribution among educational programs even when statewide appropriations and the BSA increase.

A complete evaluation of annual education funding should examine not only how much the Legislature appropriates, but also how changes in cost factors distribute that funding among students and educational programs.

Principal references: FDOE FEFP annual calculations, 2006–07 through 2026–27; FDOE Program Cost Analysis Reports; annual appropriations acts; §1011.62, Florida Statutes.

Disclaimer

I am an experienced public education advocate and elected school board member, but I am not an education finance expert. I have made every effort to accurately explain Florida's Education Finance Program (FEFP) using publicly available statutes, legislative documents, and Florida Department of Education resources.

*The information presented is accurate to the best of my knowledge as of **October 2026**. Because education funding laws, appropriations, and calculations change regularly, readers are encouraged to consult current official sources when making financial or policy decisions.*

Any errors or omissions are my own. The explanations and interpretations in this guide reflect my understanding and should not be construed as official positions of the Monroe County School Board or the Florida School Boards Association.

Sue Woltanski M.D. October 2026