

InvestED Program Funding Policy

The purpose of this document is to explain changes to InvestED's funding policy. There are two types of funding that are covered in this document, the Annual School Program Funding provided at the beginning of each school year and Matching Funding which is available to active schools throughout the year until the fund pool is exhausted.

Principles & Objectives:

1. InvestED will provide program funding to schools consistent with our founder's principles (immediate, no paperwork for students, minimal bureaucracy for schools).
2. We will provide annual program funding that is based on the needs of students in the school.
3. There will be a minimum funding level for all schools to ensure the program is effective and efficient to operate.
4. We encourage schools to use the funding that their students need and avoid 'use it or lose it' behavior.
5. To maintain accountability for funds and to evaluate program effectiveness, schools must complete a yearend report.
6. We encourage schools to fundraise in their communities for their InvestED fund.
7. Associate schools (schools that use the InvestED infrastructure, but are not funded) are not eligible for program or matching funds.

Annual School Program Funding (formerly called August Grants)

1. Schools must complete a yearend report in order to receive funds the following year.
2. If a school does not submit their yearend report (YER) on time, they are not eligible for funding until the YER is completed. When they submit the YER, they are eligible for up to \$500 in matching funding when they fundraise and deposit it into their InvestED account.
3. The following year the school may return to their appropriate funding level if they complete the YER on time.
4. Funding amounts are based on the total amount of money in the pool, a school's target funding level and their yearend report scorecard. A scorecard total equal to or greater than 8 will improve a school's chances of getting a higher funding amount.

Target Funding Level

InvestED will allocate funding based on the need in a school. While need is a function of many variables, we have attempted to create a system that is simple to understand and to manage.

We will establish a target funding amount for each school based on several factors:

1. Number of students at the school receiving free/reduced meals. We acknowledge that the counts for free and reduced meals are often underreported, but this is the most objective indicator of need available for our purposes. *Please note: Students do not have to identify with the free/reduced meal program to be served by the InvestED program.*

2. Type of school:

- High School
- Middle School or Junior High School
- Elementary Schools serving students in 6th, 7th grades

High schools will be given more money than schools serving lower grades for two reasons: (1) expenses for high schools typically are higher than for middle/junior schools and (2) high school students typically underreport the need for Free/Reduced lunch programs.

3. Alternative School vs Traditional School

Alternative schools have a need for additional funding because they are serving a higher concentration of high-needs/at-risk youth.

See attached examples for clarification.

Implementation

1. As we prepare to issue program funding each year, we will determine the number of eligible schools and calculate the target funding amount for each of those schools. If the sum of each school's target funding totals \$500,000 for all schools and the available funding pool is \$300,000, then all schools would get 3/5 of their target funding amounts.
2. No school will get less than \$ 200.00

3. Some schools will experience significant changes in funding with this new policy. We will communicate these changes to schools and transition toward these target values over time.
 - a. Schools that will experience greater than a \$500 reduction in funding (approximately 20 schools) will transition over a period of three years to the new funding level. *For example, Interagency Programs will move from \$3541 to \$837, a reduction of \$2704. All things being equal, the school will drop by \$901 each year for three years until they reach their target funding level.*
 - b. Schools that will experience a drop in funding between \$250 and \$500 (approximately 25 schools) will transition over a period of two years.
 - c. Schools that experience less than \$250 reduction in funding will transition in FY13.
4. A school's carryover balance will not influence program funding decisions. However, schools may choose to take a lower amount one year and return to a higher amount the following year.
5. The Executive Director has the authority to make changes to this policy for individual schools under unique circumstances. These decisions will be made within the limits of the annual budget approved by the Board of Directors.

Matching Funding

There are two tiers of Matching Funds:

1. Schools that receive annual school program funding **equal to or greater than \$1500** are eligible for \$1000 in matching funds.
2. Schools that receive annual school program funding **less than \$1500** are eligible for \$500 in matching funds.

When the pool of funds is exhausted, no additional matching money is given that fiscal year.

If it appears that the pool will not be exhausted by April 1, we will increase the matching funds for schools that have already entered donations to their InvestED account.

Example Schools using new Program Funding Policy

With **Old** Program Funding Policy:

	School A	School B	School C	School D	School E	School F
Enrollment	361	1827	644	2077	704	25
F/R Lunch (%)	70.3	72.98	75.89	65.53	18.97	42
Type of School	High	High	High	High	Middle	High
Alternative	Yes	No	No	No	No	No
FY12 Funding Amount	\$ 3,541	\$ 1,593	\$ 684	\$ 200	\$ 986	\$ 594

With **New** Program Funding Policy:

Students in Need (Enrollment x % F/R Lunch)	254	1333	489	1361	134	11
Need Multiplier (Students in Need x 2)	508	2667	977	2722	267	21
Type of School (Students in Need x 1.5)	381	2000	733	2042		16
Alternative (Students in Need x 2)	508					
FY13 Target Funding Amount (sum of 1 - 3 above)	\$ 1,396	\$ 4,667	\$ 1,711	\$ 4,764	\$ 267	\$ 37

Total Impact of **New** Program Funding Policy:

Estimated Actual Funding Amount (3/5 of Target)	\$ 837	\$ 2,800	\$ 1,026	\$ 2,858	\$ 200	\$ 200
Difference (Estimated Funding - FY12)	\$ (2,704)	\$ 1,207	\$ 342	\$ 2,658	\$ (786)	\$ (394)
Matching Eligibility	\$ 500	\$ 1,000	\$ 500	\$ 1,000	\$ 500	\$ 500
Total Funding if School Maxes Matching	\$ 1,337	\$ 3,800	\$ 1,526	\$ 3,858	\$ 700	\$ 700

Source for Public Schools data: OSPI <http://reportcard.ospi.k12.wa.us/Download/2011/DemographicInformationBySchool.xls>

Source for Private Schools data: OSPI, Statewide average (F/R lunch)

<http://www.k12.wa.us/DataAdmin/default.aspx>