

Planning Allotments Charter Schools

Office of School Business

March 10, 2026

Outline

- Bottom Line/Takeaway
- Best 1 of 2 ADM
- How Are Charter Schools Funded?
- 2026 Planning Allotments

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Planning Allotments = Funding Floor

- Based on amount available on July 1, 2026 if no budget action is taken by that date
- Represent funding available under a continuing resolution
- Would only decrease based on affirmative cuts by the General Assembly



How will the amount increase?

If a budget becomes law before July 1, 2026

Initial allotments in July 2026 will include any increased amounts or reductions

If additional funds are appropriated after July 1, 2026

Additional amounts will be allotted within 10 business days

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Best 1 of 2 ADM

- Public Schools are funded for next year (FY 2026-27) based on the higher of the first or second month of school for this year (FY 2025-26)
 - By school **and** by grade
- The FY 2025-26 Best 1 of 2 ADM becomes the FY 2026-27 Allotted ADM

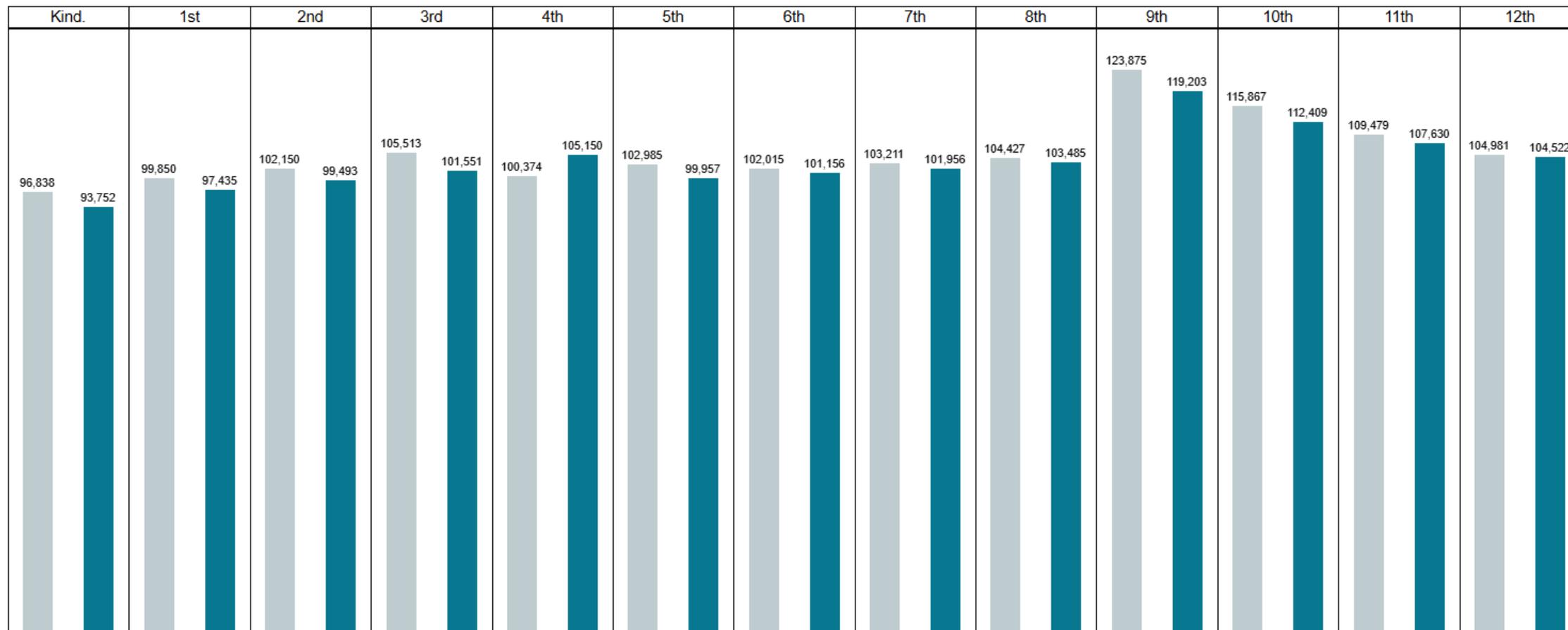
Best 1 of 2 ADM Example

	Grade	Month 1 PMR	Month 2 PMR	Best 1 of 2
Elementary 1	K	100	83	100
	1	90	76	90
	2	122	130	130
Elementary 2	K	80	100	100
	1	87	82	87
	2	66	70	70
Elementary 3	K	300	298	300
	1	182	188	188
	2	191	193	193
Total		1,218	1,220	1,258

Statewide ADM

■ FY25 Best 1 of 2

■ FY26 Best 1 of 2



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Building the Charter School Budget

- Charter schools receive a per-pupil amount equal to the initial allotments of the co-located local school administrative unit
- Demographic or economic changes in the local area can affect the charter school's finances, even if the charter school is not experiencing the same changes



Base Funding PRCs

- A charter school's initial funding is the LEA's state initial allotment divided by the allotted ADM for that LEA

State Initial Allotments (BASE):

- PRC 0001 Classroom Teachers
- PRC 0002 Central Office
- PRC 0003 Noninstructional Support
- PRC 0004 Program Enhancement Teachers
- PRC 0005 School Building Administration
- PRC 0006 School Health Support
- PRC 0007 Instructional Support
- PRC 0009 Non-Contributory Employee Benefits
- PRC 0013 Career Technical Education Positions
- PRC 0014 Career Technical Education Support
- PRC 0019 Small County Supplemental Funding
- PRC 0024 Disadvantaged Student Supp. Funding
- PRC 0027 Teacher Assistants
- PRC 0031 Low Wealth County Supp. Funding
- PRC 0034 Academically and Intellectually Gifted
- PRC 0056 Transportation
- PRC 0061 Instructional Supplies
- PRC 0069 At Risk Students
- PRC 131 Textbooks
- **PRC 0071 Supplemental Funds for Teacher Compensation**

Example- Charter School 00X

Dollars per Average Daily Membership (ADM) (\$/ADM) Sample: LEA 000

- **FY27 Planning Base Allotment = \$1,000,000**
- **FY27 Allotted ADM for LEA 000 = 200**

FY27 \$/ADM (allotted) = 1,000,000 / 200 = \$5,000

FY27 Unallotted \$/ADM = \$50

(Total PRC 009 Non-Contributory Employee Benefits / Total Allotted ADM for the State)

LEA 000's FY27 \$/ADM = \$5,050

Therefore, the Charter and Lab Schools within LEA 000 will receive a planning base funding of \$5,050 per ADM.

Example – Charter School 00X

State Base Planning for Existing Charters

- \$ per ADM (established at FY27 Planning) x Allotted FY27 ADM

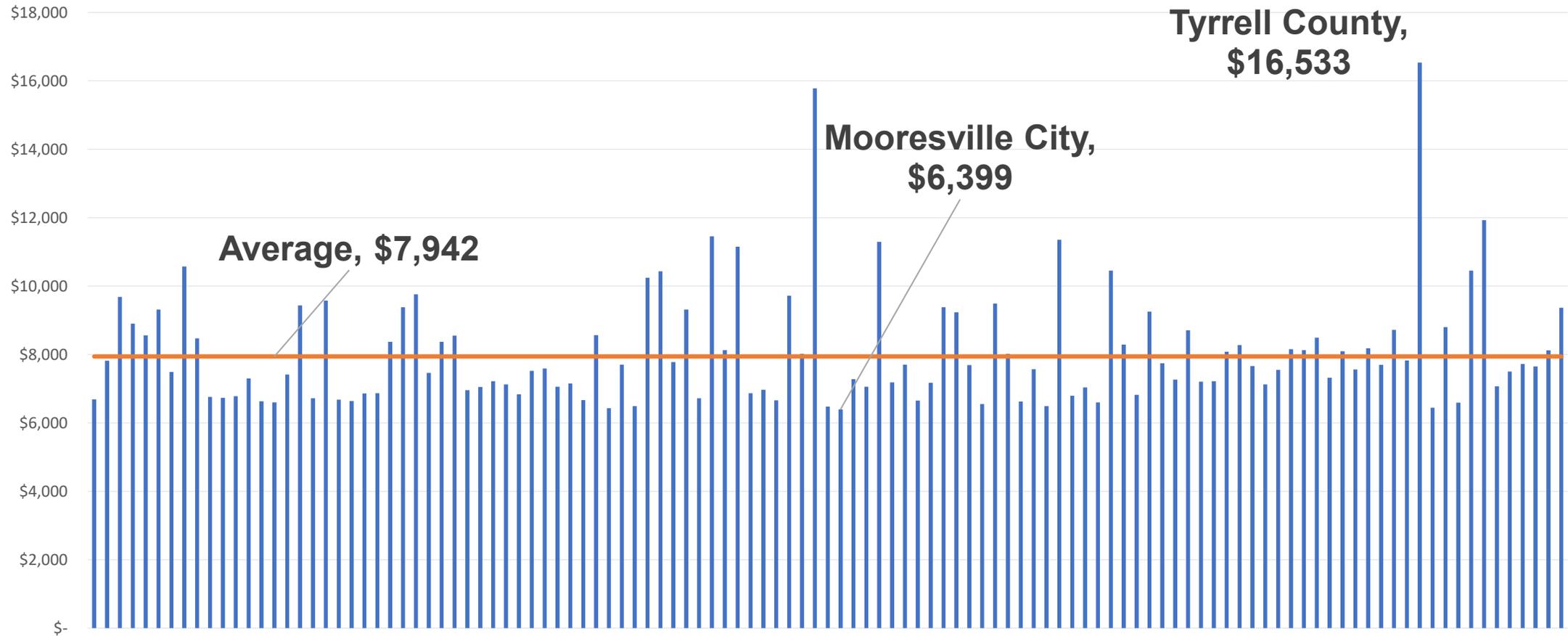
So, for Charter School 00A located within LEA 000,

FY26 Actual (FY27 Allotted) ADM = 100

Planning Funding = \$5,050 x 100 = \$505,000

Funding Varies by LEA

2026 Per Pupil Amounts



Categorical Funding

- Charter schools receive a per-pupil amount for Children with Disabilities and Limited English Proficient students based on the headcount of students enrolled
- These funding streams are based on December and November headcounts from the prior year

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Planning Allotments Assume No Budget Action

- In the past, planning allotments included “technical adjustments” to the State Public School Fund
- These adjustments are not changes to underlying policy or funding formulas—they are just changes due to changes in ADM, average salary, or other formula inputs
- Technical adjustments are generally part of a comprehensive state budget

Planning Allotments - Proration

- In the absence of a comprehensive budget that provides full funding, the budgeted amount for the current year will be the same as the budgeted amount for next year.
- The ratio between the budgeted amount and the amount that would be required for full funding becomes the proration percentage.
- For example, if inputs to the funding formula for PRC0001 indicate \$1,500,000 is needed and the funding available is \$1,250,000, planning allotments will be prorated at 83.3% ($\$1,250,000 / \$1,500,000$) across PSUs.

Allotments Prorated at Planning FY27

PRC	Allotment	Proration Percentage at Planning
0002	Central Office Administration	90.84%
0013	Career Technical Education (CTE) Months of Employment (MOE)	97.90%
0024	Disadvantaged Student Supplemental Funding (DSSF)	99.99%
0031	Low Wealth Supplemental Funding	94.20%
0032	Children with Disabilities/Exceptional Children	98.95%
0054	Limited English Proficiency (LEP)	99.74%
0069	At-Risk Student Services	99.87%

Charter School Impact

On average, charter school allotments are prorated at 99.67%.

However, the exact amount varies according to the district in which the charter school is located.

Planning Allotment on DART

<https://dart.schoolbusiness.ncdpi.gov/>

ALL328 - Fiscal Year 2026-27 IPS Dollars per ADM Planning Allotment

FY 2026-27 Planning Allotments are based on funds that will be available to allot if no state budget is passed by July 1, 2026. Certain allotments were prorated to stay within available funds. If additional funds are appropriated, we will update the allotments and allot funds within 10 business days. For more information, an FAQ is posted here.

<https://www.dpi.nc.gov/documents/fbs/resources/fy27-planning-allotments-faqpdf/download?attachment>

IPS Dollars per ADM

	Planning	Initial	Difference
	2027	2026	2027
Allotted ADM	538	482	56
Dollars per ADM	6,440	6,427	13

IPS Categorical Allotments

	Planning	Initial	Difference
	2027	2026	2027
Base Planning Allotment	3,464,801	3,098,012	366,789
School Technology	6,418	5,681	737
Children with Disabilities (CWD)	220,157	209,731	10,426
Limited English Proficiency (LEP)	236,465	246,054	-9,589

IPS Total Planning Allotment

	Planning	Initial	Difference
	2027	2026	2027
Total Planning Allotment	3,927,841	3,559,478	368,363

Calculate Initial Base Funding for FY27

Multiply the Dollars Per ADM times the ADM

In this example:

$$\$6,440 \times 538 = \$3,464,801$$

Proration Example: Low Wealth Robeson County

Robeson County's Low Wealth Allotment for FY 2026-27:
\$24,006,228

Per Pupil Share for Charter Schools: $\$24,006,228/19,949 = \$1,203.38$ per pupil

The allotment was prorated at 94.2% for planning:
 $\$24,006,228 \times .942 = \$22,613,867$

Per Pupil Share for Charter Schools: $\$22,613,867/19,949 = \$1,133.58$ per pupil

Charter schools in Robeson County can expect to see an additional \$69.80 per pupil if there is an additional appropriation for Low Wealth.

Proration Example: Low Wealth Wake County

Wake County is not eligible for the Low Wealth Allotment

Per Pupil Share for Charter Schools: \$0

Charter schools in Wake County will not see additional per pupil amounts if there is an additional appropriation for Low Wealth.

Growth Funding

DPI has in the continuing budget \$97.8 million in Growth Funds (PRC 094).

We expect these funds would be sufficient to cover growth in November 2026.

Growth is allotted at the per-pupil amount as of November 1.

Takeaways

- Planning allotments are the floor you can expect to see if no additional budget action occurs by July 1, 2026.
- If additional appropriations become law before that date, the additional amounts will be included in initial allotments.
- If additional appropriations become law after that date, the funds will be allotted within 10 business days.

Questions?