



Student Enrollment Count Mechanisms for School Funding: State Policies

States use different mechanisms for counting students for the purpose of funding school districts. These approaches have important consequences for accurately compensating districts for the students in their schools and for retaining students in school throughout the school year.

Considerations for Colorado

As state policymakers consider whether and how to establish a new student enrollment count for Colorado, it is important to understand the variation in these mechanisms among states. State decision-makers must recognize the incentives for school districts if changes are made to Colorado's current single October count date. Depending on the mechanism and the implementation of a change, some districts could gain funding and some districts could lose funding if the state's count mechanism is changed.

Funding needs are also a key issue for districts under the state's current single October 1 count date system. For example, districts may lack resources to effectively serve students who return to school after the count date. State policymakers will also need to consider the financial incentives for school districts to educate students created by these different approaches.

This document identifies general state count mechanisms, their specific characteristics, and advantages and disadvantage of each approach.

General Student Count Mechanisms

- **Single Count Date** – a count on one day near the beginning of the year
- **Multiple Count Dates** – calculation based on two or more count dates during the year
- **Average Daily Attendance (ADA)** – an average of a daily count during all or most of the year of students in attendance
- **Average Daily Membership (ADM)** - an average of a daily count during all or most of the year of students enrolled
- **Single Count Period** – an average of a daily count during a period of time near the beginning of the year
- **Multiple Count Periods** – an average of a daily count during two or more periods of time during the year

Year of Funding

Each of the mechanisms can apply the count to district funding for the year in which the count was taken, or for the subsequent year. Such options are discussed in more detail on page 4.

Single Count Date

The single count date is a count of the number of students in attendance in each school district on a particular date – usually October 1, which is when the federal government requires a count of the number of students eligible for the free and reduced price lunch program for purposes of Title I funding. An advantage of the single count date is that it is relatively simple and thus minimizes state administrative costs.

There are several disadvantages to this strategy. First, the single count date gives school districts no financial incentives to focus on retaining students after the count date. Second, in most cases, enrollment rises or falls somewhat from fall to spring, so by basing funding on one fall count, districts are more over-funded or under-funded than by using other approaches. Third, some students don't enroll in a public school until after October 1, so the districts receive no funding for these students under the single count date approach. For high schools, this means that schools have a financial disincentive to enroll out-of-school youth who try to reenroll after the count date. It also impacts districts with enrollment affected by seasonal employment in the local community, as in resort communities where enrollment can increase during the ski season.

States using single count date (13): CO, GA, CT, IN, IA, KS, MD, MA, NV, NH, NJ, UT, WV

Multiple Count Dates

States that use multiple count dates take a count of the number of students in attendance on two or more particular dates. States usually require two count dates – one in the fall and the other in winter or spring – with half (or some other specific percentage) of a district's funding based on the first count and half on the second. Using multiple count dates encourages districts to retain their students throughout the year, and it also provides more of an accurate enrollment count than the single count date. Using just two count dates, however, still translates into a large degree of inaccuracy and increases pressure on schools to ensure that students are in attendance for the two days of the count.

States using multiple count dates (5): LA, ME, MI, MT, WI

Average Daily Attendance (ADA)

States that use ADA fund districts based on an average of a count conducted every school day of students in attendance throughout the school year. This report also includes in this category one state that conducts the daily counts of students in attendance for most of the school year. Under

ADA, absent students are excluded from the daily count and the district's average is lowered accordingly. This component encourages school districts to improve attendance to avoid funding reductions. This full-year count is the most accurate in funding students who attend school and provides districts with the financial incentives to keep them in school and in attendance. School districts in several states that turned to ADA cited this mechanism as another reason to bolster their attendance policies. A disadvantage of ADA is that districts' funding is reduced when students are absent, regardless of whether they are excused or unexcused. This mechanism may also entail greater state administrative costs because of more and ongoing counts.

States using ADA (7): CA, ID, KY, MS, MO, NY, TX

****Idaho counts the 28 weeks in the school year with the highest ADA**

Average Daily Membership (ADM)

States that use ADM fund districts based on an average of a count conducted every school day of students in enrolled in a school throughout the school year. This report also includes in this category the three states that count enrolled students for most of the school year. ADM differs from ADA because the daily count includes absent students. Advantages of this approach include greater accuracy, a financial incentive to keep students in school all year, and no funding affect on districts for absent students. However, because ADM is based on students being enrolled – whether or not they are attending classes – a drawback of this method is that it provides no financial incentive for boosting attendance. Also, because ADM involves more counts, or ongoing counting and reporting, it might be more time-consuming and costly to administer.

States using ADM (18): AR, AZ, AK, DE, FL, MN, NE, NC, ND, OK, OR, PA, RI, SC, SD, TN, VT, VA

****Arkansas counts during the first three-quarters of the school year; Virginia counts from beginning of the school year through March 31; and Arizona counts the first 100 or 200 days.**

Single Count Period

Several states use a single count period, characterized by a specific, multi-week period, typically at the beginning of the year that occurs for less than half of the school year. Some of these states include absent students in this count and others do not, and some of these states refer to this method as ADA or ADM because they average each daily count during the period. This report, however, does not characterize the approach this way because the count is for less than half of the school year. The single count period yields a more accurate count than a single count date, but as with the single count date, provides no financial incentive for school districts to retain or accept students after the period ends. Also similar to the single count date, this approach does not allow for state funding of districts that enroll students after the count period ends.

States using single count period (3): Alabama uses ADM of the first 20 days after Labor Day; New Mexico and Wyoming use ADM of the first 40 days of school.

Multiple Count Periods

The two states that use the multiple count periods approach fund districts based on an average count of more than one specified period of time – week, month, multiple weeks/months – during the school year that amounts to less than half of the school year. One state uses a period at the beginning of the year and later in the year; another state allows districts to use the highest number of enrolled students during a specified number of weeks. One of these states includes absent students in this count (ADM) and the other does not (ADA). This report does not include these two approaches in the ADM or ADA categories because the counts are for less than half of the school year. Multiple count periods are more accurate than single count dates or periods and multiple count dates, and provide districts with more of a financial incentive to retain students. This mechanism, however, is less accurate and has less of a financial incentive to keep students than counting students every day. Partial year counts, such as multiple count periods and the single count period may offer states lower administrative costs than longer counts.

States using multiple count periods (2): Illinois uses ADA of the best 3 month period; Ohio uses ADM of the first full week in October and the first full week in February.

Year of Funding:

Regardless of the mechanism, some states use counts for the current school year, some use counts for the subsequent school year, and one state uses counts from the current year and previous year as a basis for funding districts.

- **Examples of states that apply the count to the current school year:** Colorado (October 1 of current school year); Alaska (ADM); Nevada (last school day of first month of school year); Ohio (ADM of first week in October and first week in February).
- **Examples of states that apply the count to the subsequent school year:** Iowa (third Friday of the September of the prior year); Kentucky (prior year final ADA); Maine (October 1 and April 1 of year prior to the year of funding; Massachusetts (October 1 of previous year).
- **Example of a state that applies counts from the current and previous years:** Michigan (February count date from previous school year and September count date from current school year).