

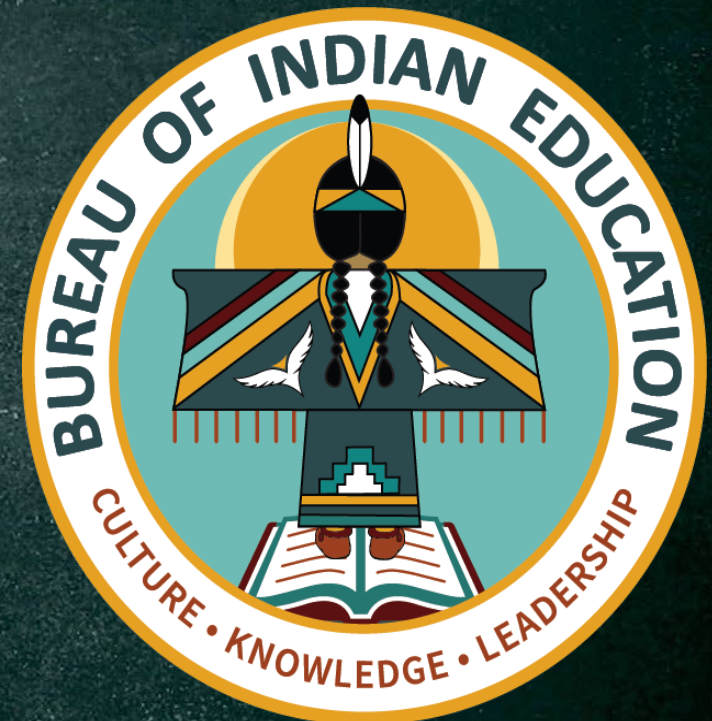


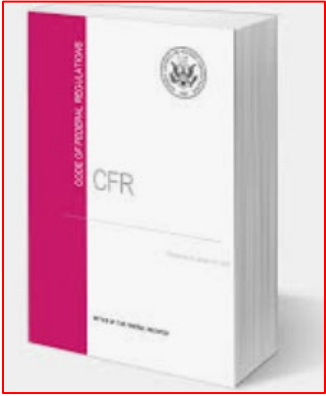
U.S. Department of the Interior  
**Bureau of Indian Education**

Indian School Equalization Program  
*Indian School Equalization Formula (ISEF)*  
Listening Session

Sharon Pinto, Deputy Bureau Director, BIE  
Lawrence Palmer, Budget Officer, BIE

November 16, 2023  
New Orleans, LA





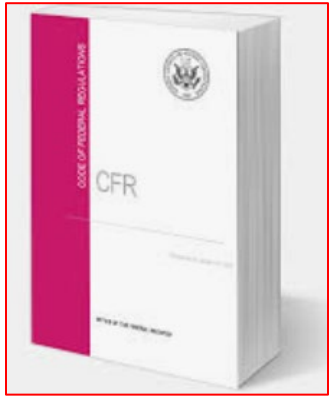
## Listening Session Goals

Listen, take input, and move forward on recommendations that support funding formula updates for BIE K-12 education programs

## Agenda

- ✓ Review 25 CFR Part 39 – Indian Student Equalization Formula (ISEF)
- ✓ Highlight Base Academic and Special Cost Factors
- ✓ Present School Operations recommendations
- ✓ Listen and take stakeholder recommendations and comments





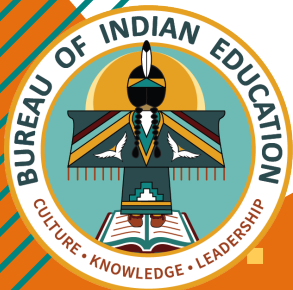
# Indian School Equalization Formula

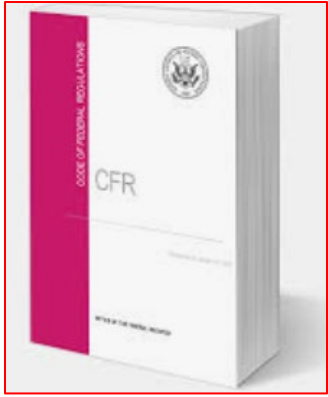
## **25 CFR Subpart B – Indian School Equalization Formula**

### **§ 39.100 What is the purpose of this part?**

The Indian School Equalization Formula (ISEF) was established to allocate Indian School Equalization Program (ISEP) funds. The Office of Indian Education Programs (OIEP) applies ISEF to determine funding allocation for Bureau-funded schools.

*The current ISEF regulation was written in 2005 and applies to all day and residential schools.*



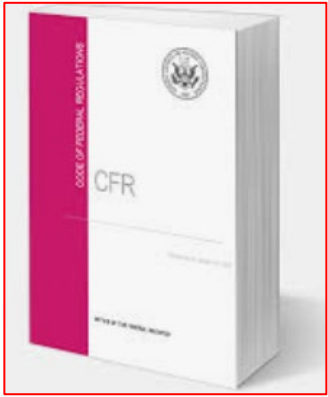


## Uniformity in Application

### **25 CFR Subpart B – Indian School Equalization Formula**

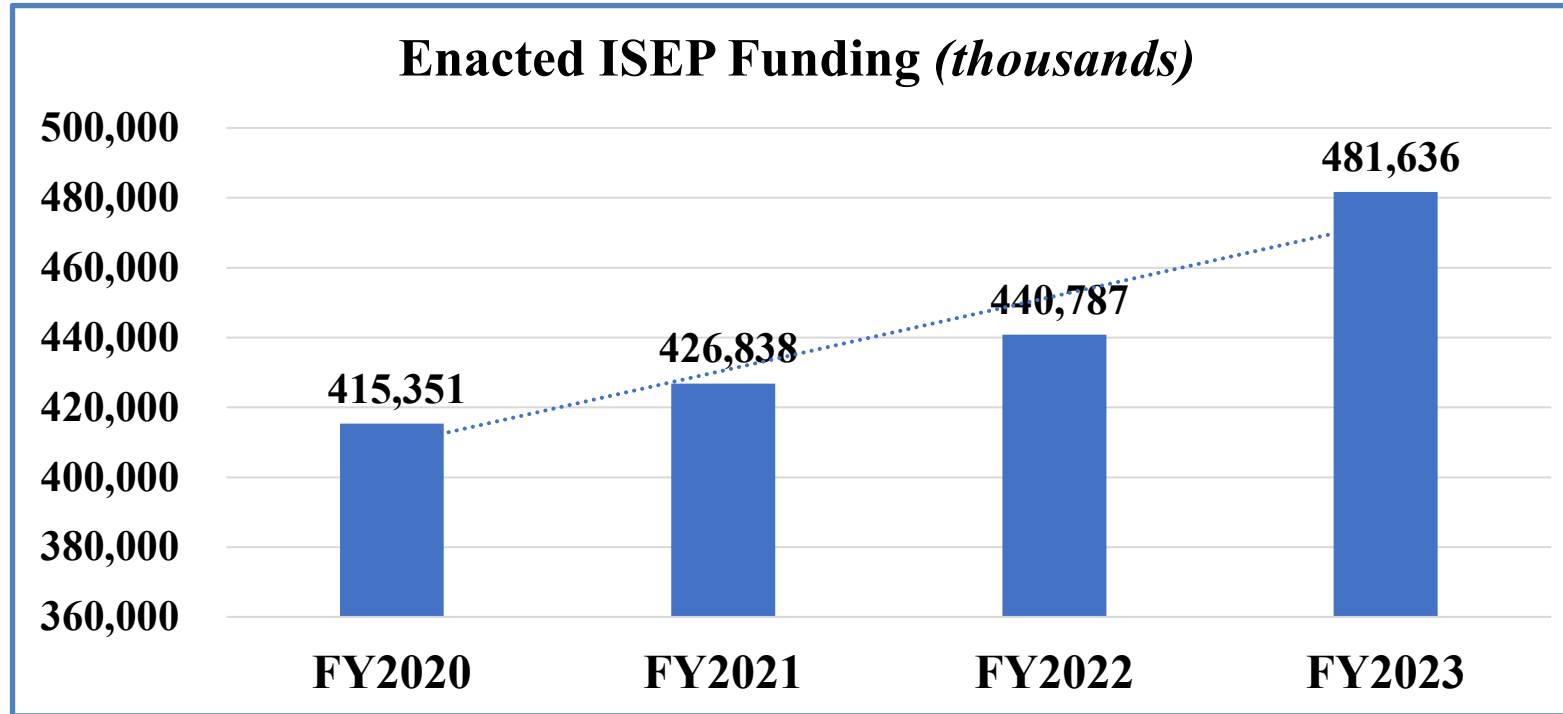
- The allocation formula is applied uniformly to all Bureau-funded schools.
- Formula funding factors are eligible students, base and supplemental funding factors, program participation weighted factors, and school size or location adjustments.
- The overall value of individual school allocations is based upon their funding factors and Congressional appropriations.



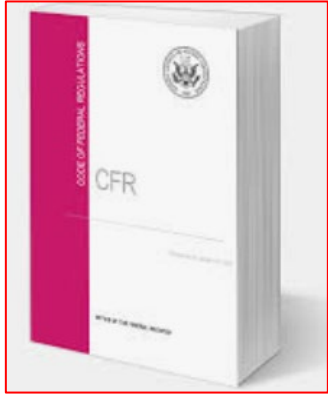


## 25 CFR Subpart B – Indian School Equalization Formula

### ISEF is applied to Indian School Equalization Program (Funding)



*Annual funding is allocated among all BIE-funded schools per ISEF.*

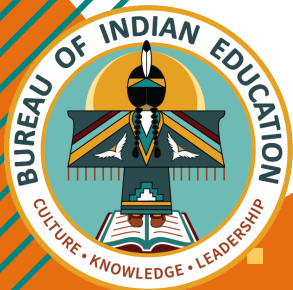


## 25 CFR Part § 39.103 What are factors used to determine base funding?

### Base Academic Funding By Grade

Grade Level	Base Academic
Kindergarten	1.15
1-3	1.38
4-6	1.15
7-8	1.38
9-12	1.50

- Funding factors reflect cost of providing services
- Varied base factors introduce complexity into the formula
- For example, current factors place Kindergarten 30% lower than 9-12



## 25 CFR Part § 39.103 Recommendation

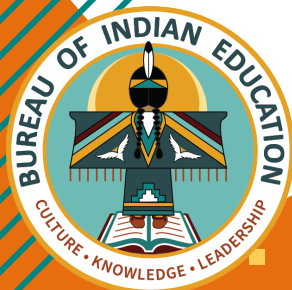
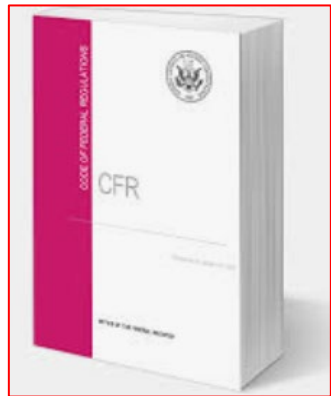
Evaluate Base Funding Factors By Grade Level

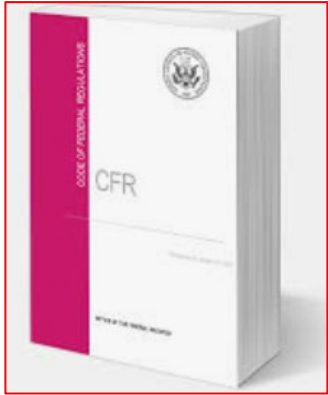
### Base Academic Funding By Grade

Grade Level	Base Academic
Kindergarten	1.15
1-3	1.38
4-6	1.15
7-8	1.38
9-12	1.50

Evaluate current educational service cost factors

Consider current priorities on Kindergarten and Early Childhood and Development programs and Kindergarten



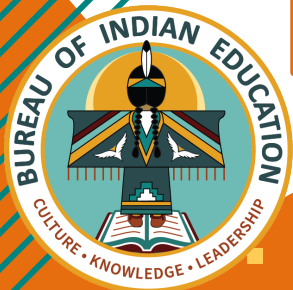


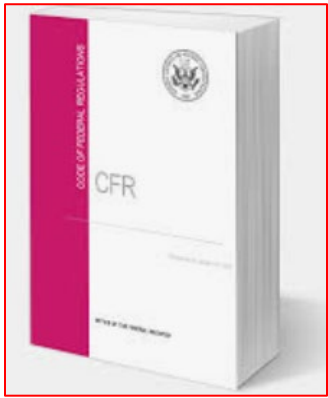
## 25 CFR § 39.104 How must a school's base funding provide for students with disabilities?

- (a) Each school must provide for students with disabilities by:
- (1) Reserving 15 percent of academic base funding to support special education programs; and
  - (2) Providing resources through residential base funding to meet the needs of students with disabilities under the National Criteria for Home-Living Situations.
- (b) A school may spend all or part of the 15 percent academic base funding reserved under paragraph (a)(1) of this section on school-wide programs to benefit all students (including those without disabilities) only if the school can document that it has met all needs of students with disabilities with such funds, and after having done so, there are unspent funds remaining from such funds.

Funding Calculation Source	Total Calculated ISEP Funding	Total Instruction (instruction + 15% Spec Ed)	Boarding	Residential	Language	Gifted and Talented	Small School	Small School Boarding	Small High School	School Board Training	Isolation Factor	Weighted Total Funding	15% Special Education
3 Year Avg	\$11,829,990	\$9,538,550	\$674,340	\$0	\$1,028,520	\$518,200	\$0	\$63,270	\$0	\$7,100	\$0	\$11,829,980	\$1,430,780

*Each school's allocation and 15% reserve amount varies.*





## 25 CFR § 39.105 Are additional funds available for special education?

(a) Schools may supplement the 15 percent base academic funding reserved under § 39.104 for special education with funds available under part B of the Individuals with Disabilities Education Act (IDEA). To obtain part B funds, the school must submit an application to OIEP. IDEA funds are available only if the school demonstrates that funds reserved under § 39.104(a) are inadequate to pay for services needed by all eligible ISEP students with disabilities.

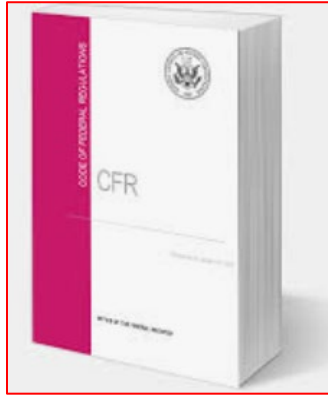
FUNDS PROVIDED BY THE DEPARTMENT OF EDUCATION IN 2022 (School Year 2023-2024)	
Amount ~\$85 million - Individuals with Disabilities Education Act, P.L. 94-142 amended by P.L. 105-17, Part B	This program ensures all children with disabilities receive a free appropriate education that provides special education and related services designed to meet their unique needs - Ages 5 to 21

### 25 CFR Part § 39.104-105 Recommendation

Evaluate ISEP SPED Requirements – Is 15% adequate?

Consider a separate SPED funding factor?





## 25 CFR § 39.107 Are schools allotted supplemental funds for special student and/or school costs?

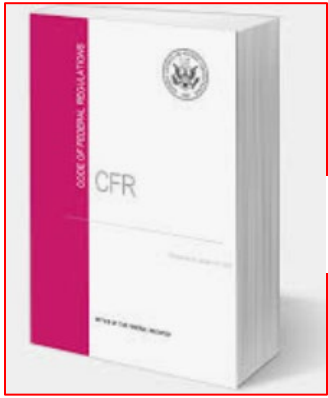
Yes, schools are allotted supplemental funds for special student and/or school costs. ISEF provides additional funds to schools through add-on weights (called special cost factors).

ISEF adds special cost factors as shown in the following table.

<u>Cost Factor</u>
Gifted and talented students
Students with language development needs
Small school size
Geographic isolation of the school

*These special cost factors provide additional school funding which totaled over \$45M in the last school year.*





## 25 CFR § 39.110 Can ISEF funds be distributed for the use of gifted and talented students?

Yes, ISEF funds can be distributed for the provision of G&T services.

### § 39.111

(b) Need services or activities not ordinarily provided by the school in order to fully develop those capabilities.

### § 39.112

There is no limit on number of students classified as gifted and talented.

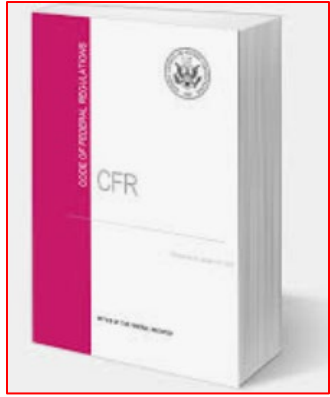
### § 39.113 What are special accountability requirements?

If a school identifies more than 13 percent of its student population as gifted and talented the bureau will immediately audit the schools.

*Nearly 67% of BIE funded schools report gifted and talented students*

*BIE funded schools receive nearly \$14 million in G&T funding.*





## 25 CFR § 39.121 What is the WSU for gifted and talented students?

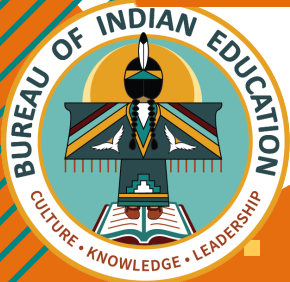
The Weighted Student Unit (WSU) for a gifted and talented student is the **base academic weight** (see § 39.103) subtracted from **2.0**. The following table shows the gifted and talented weights obtained using this procedure.

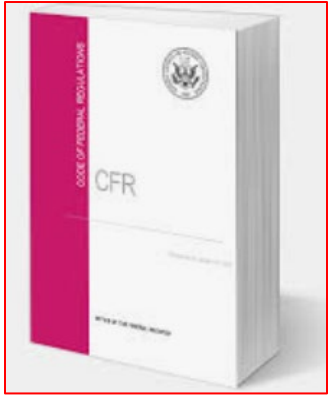
Grade Level	Base Academic
Kindergarten	1.15
1-3	1.38
4-6	1.15
7-8	1.38
9-12	1.50



Grade level	Gifted and Talented WSU
Kindergarten	<b>0.85</b>
Grades 1 to 3	<b>0.62</b>
Grades 4 to 6	<b>0.85</b>
Grades 7 to 8	<b>0.62</b>
Grades 9 to 12	<b>0.50</b>

*The WSU relationship between base academic and special cost factors is highlighted above.*





## 25 CFR § 39.121 Recommendation

Consider WSU Review for gifted & talented students

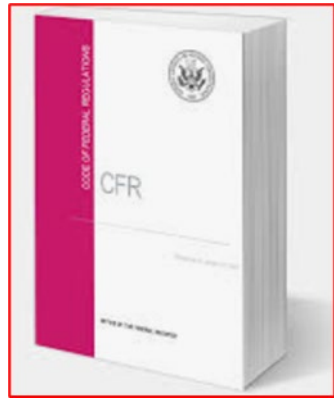
Grade level	Gifted and talented WSU
Kindergarten	0.85
Grades 1 to 3	0.62
Grades 4 to 6	0.85
Grades 7 to 8	0.62
Grades 9 to 12	0.50

Do these special costs factors by grade require adjustment?

Consider impact of special cost factors on overall resource allocations

Would higher base academic weight provide more stable funding?





## 25 CFR § 39.130 Can ISEF funds be used for Language Development

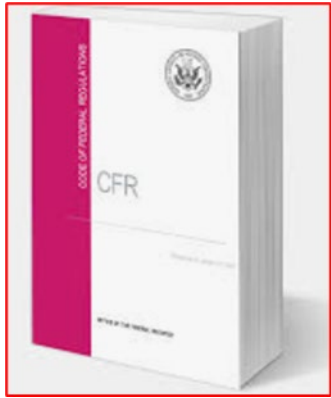
Yes, school can use ISEF funds to implement Language Development programs that demonstrate the positive effects of Native language programs on students' academic success and English proficiency. Funds can be distributed to a *total aggregate instructional weight of 0.13 for each eligible student.*

## 25 CFR § 39.131 What is a Language Development Program?

- (a) Students are not proficient in spoken or written English;
- (b) Students are not proficient in any language;
- (c) Students are learning their Native language for the purpose of maintenance or language restoration and enhancement;
- (d) Students are being instructed in their Native language; or
- (e) Students are learning non-language subjects in their Native language.

*BIE provides more than \$31.5 in ISEF language program funding.  
Nearly 100% of BIE-funded schools offer language development programs.*





## 25 CFR § 39.136 Recommendation

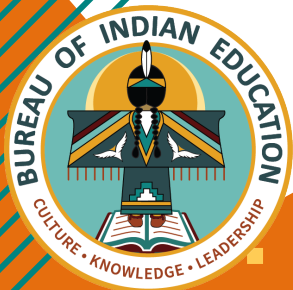
Language Development programs are funded at 0.13 WSUs per student.

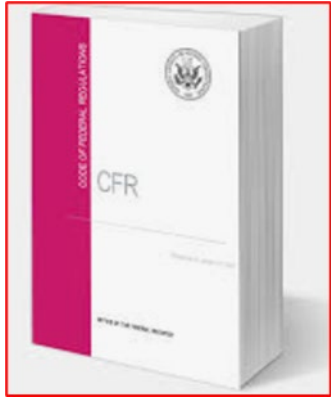
Recommendation – Evaluate WSU for Language Development Programs

Are the program participation guidelines too broad to support a specific and focused priority on Native American languages?

How does the Language Development program WSU compare to other special cost factors?

Consider impact of special cost factors on overall resource allocations – particularly base academic cost factors





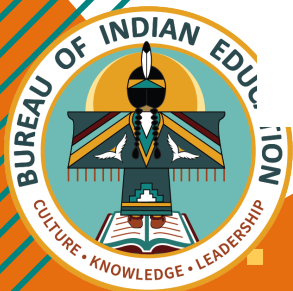
## 25 CFR § 39.141 What is the amount of the Small School Adjustment?

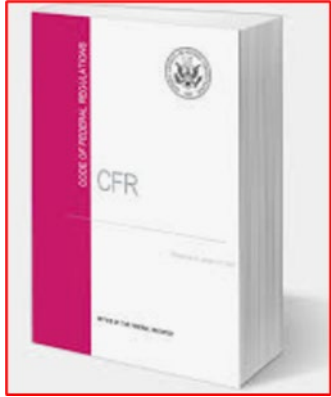
(a) A school with a 3-year Average Daily Membership (ADM) of 50 or fewer students will receive an adjustment equivalent to an additional **12.5 base WSU**; or

(b) A school with a 3-year ADM of 51 to 99 students will use the following formula to determine the number of WSU for its adjustment. With X being the ADM the formula is as follows:

$$\text{WSU adjustment} = ((100 - X) / 200) * X$$

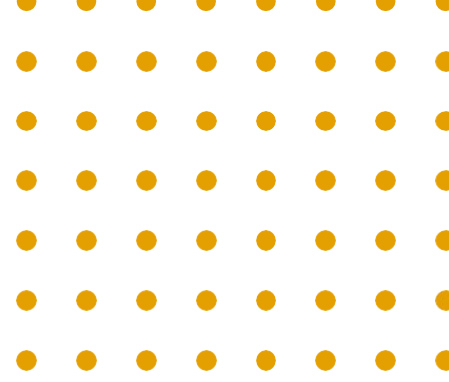
*Nearly 50 BIE-funded schools receive a Small School adjustment representing total over \$2 million in additional funds.*





## 25 CFR § 39.143 What is a small high school?

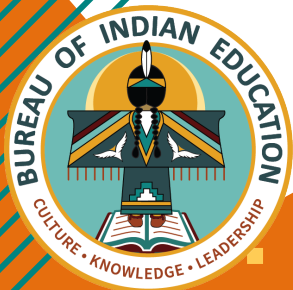
- (a) Is accredited under 25 U.S.C. 2001 (b);
- (b) Is staffed with highly qualified teachers;
- (c) Operates any combination of grades 9 through 12;
- (d) Offers high school diplomas; and
- (e) Has an ADM of fewer than 100 students.



*\*Small high schools can receive both a small school & small HS adjustment*

## 25 CFR § 39.144 What is the small high school adjustment?

ADM of high school component	Amount of small high school adjustment	School receives a component small school adjustment under <u>§ 39.141</u>
50 or fewer students	<b>6.25 base WSU</b>	Yes.
51 to 99 students	determined using the following formula: $WSU = ((100 - X)/200) * X/2$	Yes.
50 or fewer students	<b>12.5 base WSU</b>	No.
51 to 99 students	determined using the following formula: $WSU = ((100 - X)/200) * X$	No.





## 25 CFR § 39.1410143 Recommendation Small School Adjustments

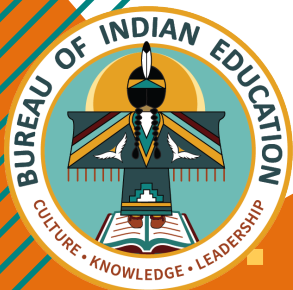
Recommendation – Consider the additional WSU value for small school adjustments

Consider the limited students eligible for overall cost factors (other special cost factors)

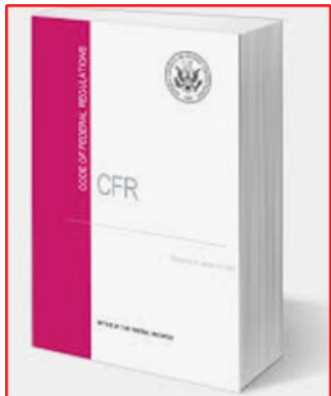
Consider the decreasing value of the small school adjustment on student count from 51-99 students. Is there support for a single WSU value for all small schools

Consider impact of special cost factors on overall resource allocations – particularly base academic cost factors

Consider national trends on student enrollment

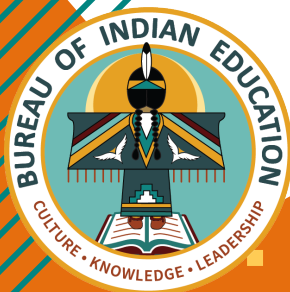


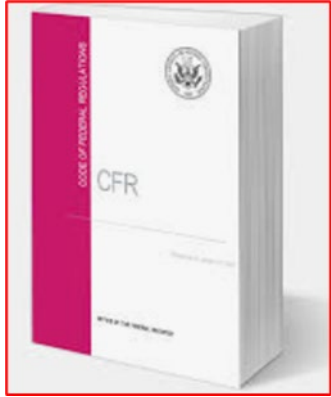
## 25 CFR § 39.145 Is there an adjustment for small residential programs?



Yes, in order to compensate for the additional costs of operating a small residential program, OIEP will add to the total WSUs of each qualifying school as shown in the following table:

Type of residential program	Number of WSUs added
Residential student count of 50 or fewer ISEP-eligible students	<b>12.5</b>
Residential student count of between 51 and 99 ISEP-eligible students	Determined by the formula $((100-X)/200)X$ , where X equals the residential student count.





## 25 CFR § 39.145 Recommendation

### Review adjustment for small residential programs?

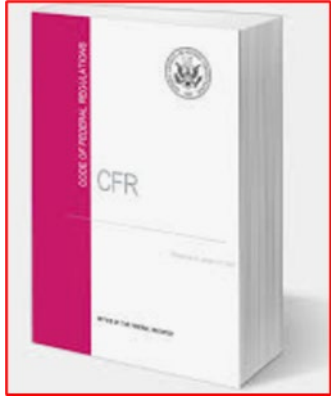
Recommendation – Consider the additional WSU value for residential programs

Consider the decreasing value of the small school adjustment on student count from 51-99 students. Is there support for a single WSU value for all small schools

Consider national trends on student enrollment and educational service costs

Consider impact of special cost factors on overall resource allocations





## **25 CFR § 39.160 Does ISEF provide supplemental funding for extraordinary costs related to a school's geographic isolation?**

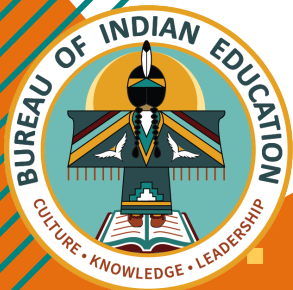
Yes. Havasupai Elementary School, for as long as it remains in its present location, will be awarded an additional cost factor of **12.5 WSU**.

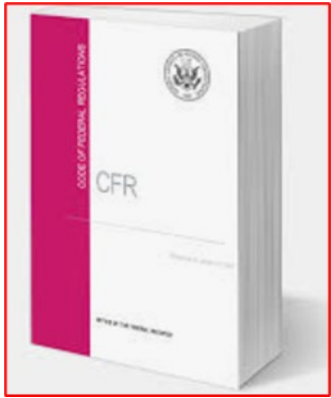
### **25 CFR § 39.160 Recommendation**

Consider extraordinary costs related to additional isolated areas

Consider isolated schools and educational services geographically impacted by weather as well as transportation

Consider the impact of supporting isolated and geographical extraordinary costs related to challenging teacher retention and unsatisfactory housing on delivering educational services



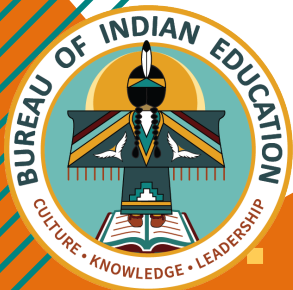


# 25 CFR Indian Student Equalization Program

## *Indian Student Equalization Formula (ISEF)*

### Summary

- ✓ Reviewed key cost factor methodologies
- ✓ Provided BIE resource levels related for ISEP
- ✓ Reviewed recommended areas of consideration



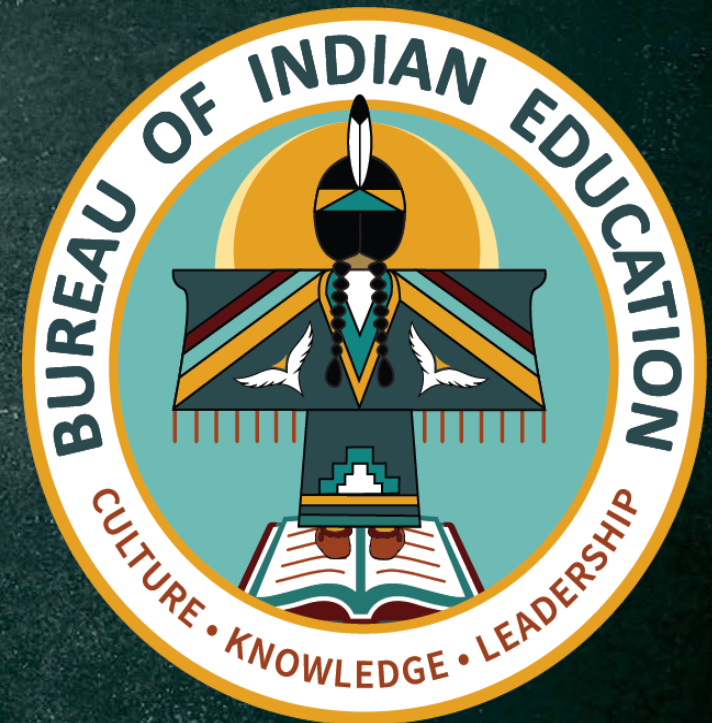


U.S. Department of the Interior  
**Bureau of Indian Education**

Indian School Equalization Program Transportation  
Listening Session

Sharon Pinto, Deputy Bureau Director, BIE  
Lawrence Palmer, Budget Officer, BIE

November 16, 2023  
New Orleans, LA



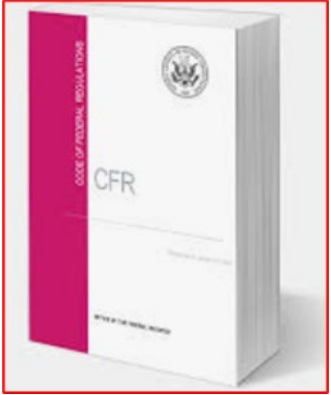


# 25 CFR SUBPART G FOCUS AREAS

## Agenda

- **Non-Curricular Expenses**
  - 25 CFR § 39.707
  - Extra-curricular Expenses
  - Fuel and Maintenance Runs, Medical, Special Services, etc.
- **Non-ISEP Eligible Students**
  - 25 CFR § 39.708
- **Contingency Fund?**



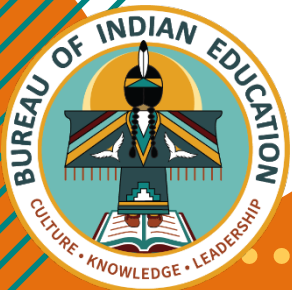


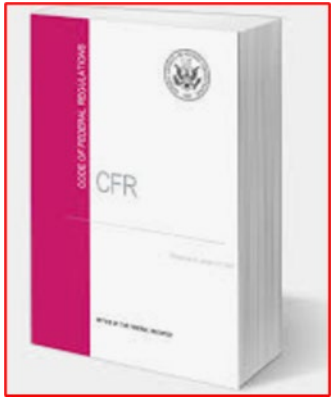
# 25 CFR SUBPART G FOCUS AREAS

- **Road Types**
  - Improved vs Unimproved
  - Update to 3 or More
  - Clear Definitions

## 25 CFR § 39.701

**Unimproved roads** means unengineered earth roads that do not have adequate gravel or other aggregate surface materials applied and do not have drainage ditches or shoulders.



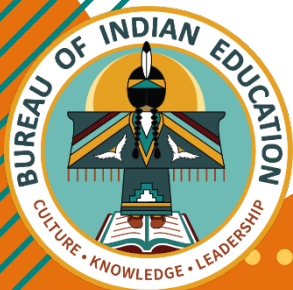


# NON-CURRICULAR TRANSPORTATION FUNDING

25 CFR § 39.707 - 25 CFR § 39.708

The following regulation sections which are highlighted in **yellow are being considered** as possible changes to the regulations.

These highlighted sections are informed by previous listening sessions conducted in the last 2 years.





## § 39.707 Are other expenses eligible for transportation funding?

(a) The following transportation expenses are eligible for transportation funding:

(1) Fuel and maintenance runs;

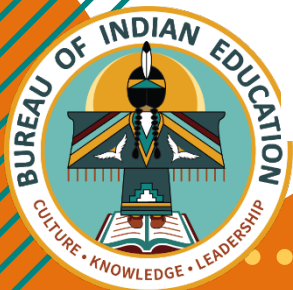
(2) Electricity and infrastructure maintenance for electric vehicles;

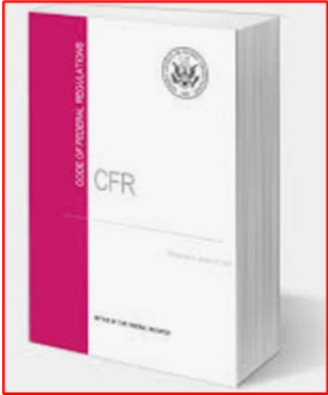
(3) Transportation home for medical or other emergencies;

(4) Transportation from school to treatment or special services programs;

(5) Transportation to after-school programs; and

(6) Transportation for day and boarding school students to attend instructional programs less than full-time at locations other than the school reporting the mileage.





## § 39.707 Are other expenses eligible for transportation funding?

### Continued

(b) Examples of after-school programs covered by [paragraph \(a\)\(4\)](#) of this section include:

- (1) [Athletics](#);
- (2) [Band](#);
- (3) [Detention](#);
- (4) Tutoring, study hall and special classes; and
- (5) Extra-curricular activities such as arts and crafts.

*Schools drive thousands of miles supporting school activities that are **not** currently eligible for mileage reimbursement – this requires their funding from non-transportation resources.*





# FUNDING CONSIDERATIONS/ CONTINGENCY FUND

- **If 25 CFR § 39.707 is funded**
  - Extra-curricular, Fuel and Maintenance Runs, etc.
  - Are there other non-funded costs to fund?
- **How do we Fund it?**
  - Prior Year Mileage Count?
  - Prior Year Actual Expense?
  - Contingency Fund?
- **This decision impacts 25 CFR § 39.732**
  - Way in which funds are allocated.

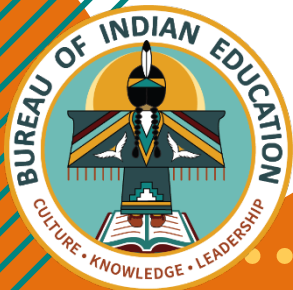


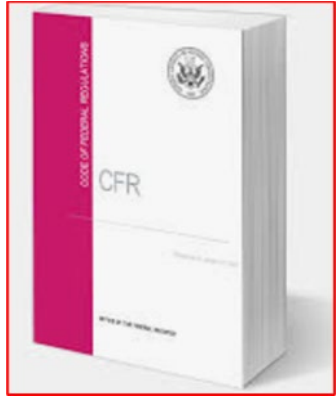
## Continued

**§ 39.708 Are miles generated by non-ISEP eligible students eligible for transportation funding?**

**Yes.** Miles generated by non-ISEP-eligible students enrolled in and attending a school are eligible for student transportation funding.

*BIE-funded schools drive thousands of miles supporting **non-ISEP** students supporting families and communities.*



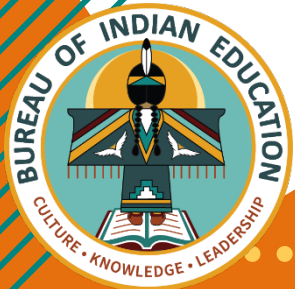


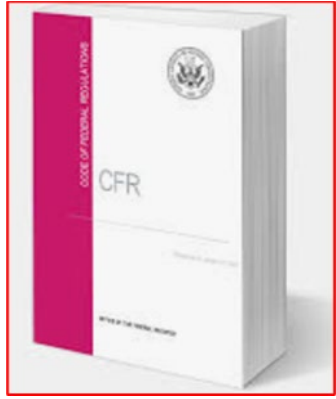
## *Continued*

### § 39.732 How does BIE allocate transportation funds to schools?

**BIE** allocates transportation funds based on the types of transportation programs that the school provides. To allocate transportation funds **BIE**:

- (a) Multiplies the one-way commercial costs for all schools by four to identify the total commercial costs for all schools;
- (b) Subtracts the commercial cost total from the appropriated transportation funds;
- (c) Subtracts the additional expenses as outlined in 39.707 that are reported on August 1 for the previous year and allocates the balance of the transportation funds to each school with a per-mile rate;
- (d) Divides the balance of funds by the sum of the annual day miles and the annual residential miles to identify a per-mile rate;
- (e) For day transportation, multiplies the per-mile rate times the annual day miles for each school; and
- (f) For residential transportation, multiplies the per mile rate times the annual transportation miles for each school.





# FUNDING CONSIDERATIONS ( 25 CFR § 39.732 )

- **How do we Fund it?**
  - **Prior Year Mileage Count?**
    - Include all routes listed in 39.707.
    - Schools report mileage at year end.
  - **Prior Year Actual Expense?**
    - Use August 1st reporting.
    - Pro-rate based on Student Transportation funding allocation.
    - Provide August 1st reporting for budget request.
  - **Contingency Fund?**
    - Retain small percentage for schools to apply for contingency funding.





# ROAD CATEGORIES/MILEAGE FACTORS

25 CFR § 39.701

25 CFR § 39.710 - 25 CFR § 39.711

*Unimproved roads* means ~~unengineered~~ earth roads that do not have adequate gravel or other aggregate surface materials applied and do not have drainage ditches or shoulders.

25 CFR § 39.701

*BIE's school system is unique in the challenge of delivering student transportation services on thousands of miles of unimproved roads.*



# CURRENT FUNDING FORMULAS

(a) For ISEP-eligible day students whose route is entirely over improved roads, calculate miles using the following formula:

$$\frac{T_u + W + T_h}{3} * 180$$

(b) For ISEP-eligible day students whose route is partly over unimproved roads, calculate miles using the following three steps.

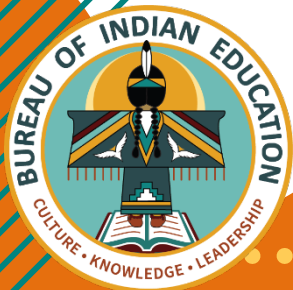
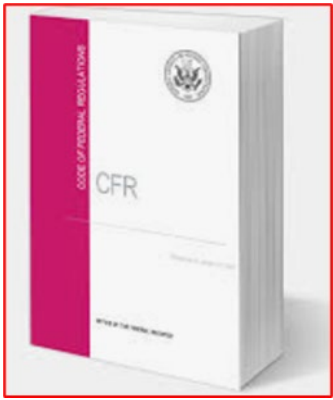
(1) *Step 1.* Apply the following formula to miles driven over improved roads only:

$$\frac{T_u + W + T_h}{3} * 180$$

(2) *Step 2.* Apply the following formula to miles driven over unimproved roads only:

$$\frac{T_u + W + T_h}{3} * 1.2 * 180$$

(3) *Step 3.* Add together the sums from steps 1 and 2 to obtain the total annual transportation miles.

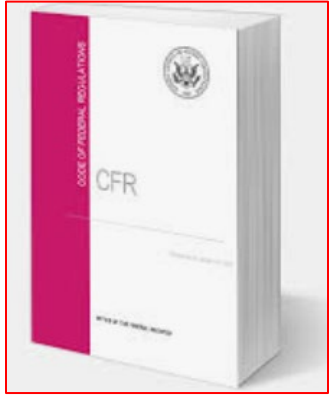




# NEW ROAD TYPE IMPLEMENTATION

- **How do we determine road types?**
  - BIA road database?
    - Needs updating.
  - Other source?
- **How do we implement weights per each type?**
  - Available data to back weights?
- **Is this necessary is 25 CFR § 39.707 is funded?**
- **Is there an added value in using different weights?**





# Tribal Listening Session Summary

- **Indian Student Equalization Program (ISEP)**  
*Updates to Indian Student Equalization Formula (ISEF)*
- **ISEP Student Transportation**  
*Update to transportation mileage eligibility reporting*

## Session Goals

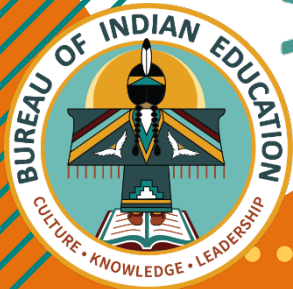
Listen, take input, and move forward on recommendations that support funding formula updates for BIE-funded schools.

**Comment Deadline: 12/31/2023**

- E-mail written comments to: [consultation@bia.gov](mailto:consultation@bia.gov); OR
- Mail via US Postal Service to: Sharon Pinto, Deputy Bureau Director, BIE Building 2- Suite 352; 1011 Indian School Rd. NW; Albuquerque, NM 87104

**Visit the BIE Tribal Consultation webpage for updates at:** <https://www.bie.edu/landing-page/consultations-initiatives>





Wawaenon  
Mvto HiyHiy  
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Miigwech  
Wimblahoho  
Pilamiya  
Nya:Weh Aho  
Thank You Tansi  
Wado  
Wopila

