INNOVATIVE SCHOOL DISTRICT (ISD)

PROGRAM REPORT CODE: 044

UNIFORM CHART OF ACCOUNTS CODE: XXXX-044-XXX

STATUTORY REFERENCE: G. S. 115C-75

TYPE: Dollars
TERM: July 1 - June 30

PURPOSE: The ISD is established by statute under the State Board of Education and the Superintendent of Public Instruction to manage and operate schools that have been selected as innovative schools.

The State Board of Education is authorized to select, upon the recommendation of the ISD Superintendent, no more than five qualifying elementary schools to transfer to the ISD as innovative schools. The five qualifying schools selected for inclusion in the ISD should represent geographic diversity, including urban and rural schools. The State Board of Education shall select no more than one qualifying school per local school administrative unit, unless the local board of education consents.

The State Board of Education may contract with an Innovative School (IS) operator for each the innovative school.

ELIGIBILITY: The ISD is eligible for the funds under this program report code.

FORMULAS: The IS operator shall select one of the allocation methods as the method to be used for the innovative school, as outlined in N.C. Gen. Stat. § 115C-75.10.

SPECIAL PROVISIONS:
1. The State Board shall allow for annual adjustments to the amount allocated to the ISD based on the enrollment changes in the innovative schools in school years subsequent to the initial year of operation.

2. The ISD may seek, manage, and expend federal money and grants, State funding, and other funding with the same authority as a local school administrative unit, including decisions related to allocation of State funds among innovative schools. The ISD shall be considered a local school administrative unit for all federal funding purposes.

3. The ISD shall be allotted 34% of its Initial Allotment available to "draw down" after the General Assembly adjourns, based on the projected total ADM of the innovative schools provided by the ISD. Final allotments shall be recalculated based on Month 1 ADM and 100% of the allotment shall be made available to the ISD.
4. After first month ADM adjustments, the ISD may request additional funding if it has significant growth (20% or more) in months two through four. Requested ADM must be verified. The state contingency reserve will be used to fund any prorated increases within funds available.

5. In addition to the state funding based on dollars per ADM, the ISD may receive Children with Disabilities and Limited English Proficiency funding if the ISD qualifies. These special funds plus the dollars per ADM funding are distributed under Program Report Code 044.

6. An additional amount for each child attending the innovative school who is a child with disabilities. In the event a child with disabilities leaves the innovative school and enrolls in a public school during the first 60 school days in the school year, the innovative school shall return a pro rata amount of funds allocated for that child to the State Board, and the State Board shall reallocate those funds to the local school administrative unit in which the public school is located. In the event a child with disabilities enrolls in the innovative school during the first 60 school days in the school year, the State Board shall allocate to the innovative school the pro rata amount of additional funds for children with disabilities.