



Facilities Section

Entitlement Earnings

As stated in O. C. G. A. 20-2-260(g)(3), “Each local school system shall be entitled to a portion of the total authorization set by the state board annually . . . based on the ratio of that local school system’s needs . . . to the total of all school systems’ needs . . . “ Each school system is eligible to earn entitlement annually under the Regular Capital Outlay Program. Entitlement earnings represent a “paper credit” until the General Assembly appropriates state funds in response to an application submitted by the school system.

Annually, each school system must decide to:

- submit an application requesting state funding for the next construct project(s) identified in its long-range facilities plan, **and/or**
- allow its entitlement earnings to accrue.

Entitlement earnings are converted to “real dollars” when the General Assembly appropriates state funds in response to an application submitted by a school system.

To determine a school system’s total facility needs each year, the eligible construction needs identified in the system’s long-range facilities plan are added to the eligible bond debt service needs identified in the system’s bond debt service records. Then, the total facility needs for each school system are divided by the aggregate facility needs for all school systems. This provides each school system’s ration of the need for capital outlay funding. Each system’s annual entitlement earnings are calculated by multiplying each system’s ratio of facility needs times the funding level authorized by the General Assembly for the Capital Outlay Program each year. This calculation ensures that each school system earns its “fair share” of the funding authorized annually by General Assembly for the Capital Outlay Program. Formulas shoeing how Regular Capital Outlay Program and for Exceptional Growth Program Entitlement Formulas are calculated can be viewed in the document entitled “Regular Capital Outlay Program Funding Categories” and “Growth Funding” in the Department of Education website under Facilities Section.