

Fact Sheet on Impact Aid

Federal impact aid is available to help school districts handle the cost of educating children from military families.

Background

Since 1950, Congress has provided financial assistance to military-impacted local education agencies (LEAs) through the U.S. Department of Education Impact Aid Program. Impact Aid was designed to compensate local school districts that have lost property tax revenue due to the presence of tax-exempt federal property, including military installations, or that have experienced increased expenditures due to the enrollment of federally connected children, such as military and Indian students.



- Impact Aid is a function and responsibility of the U.S. Department of Education. The Department of Defense plays no part in the development, determination, or distribution of resources.
- Impact Aid is an important source of funding for LEAs that educate military children.
- Impact Aid funds *do not cover the full cost of educating military students*.
- Impact Aid funds help to ensure military children are provided a quality education.

Applying for Impact Aid

- LEAs provide parents with a survey in which the federal (military) status of parents is documented, to determine the total number of military-connected students in each LEA. This anonymous information is provided to the U.S. Department of Education to determine if the LEA meets the minimum requirements for receiving Impact Aid funding.
- The enrollment of federally-connected children in the LEA must be at least 400 or 3 percent of the average daily attendance. Thus, not all LEAs educating military children receive Impact Aid.
- Some LEAs may decide not to apply for Impact Aid if they view the cost of doing the required attendance survey as approximately equal to their projected payment.

National Guard and Reserve

- Children with a parent in the Reserve or the National Guard may be eligible to be claimed on the Impact Aid application *if the parent is on active duty on the survey date as the result of a presidential order*.

- Guard and Reserve applicants must have documentation of the parents' status, either a copy of the orders for the individual service member or a service component certification for the unit with the names of individuals.

Use of Impact Aid Funds

- Impact Aid funds are deposited into the general fund of the recipient LEAs and most recipients use these funds for current expenditures.
- LEAs may use the funds in whatever manner they choose in accordance with their local and state requirements and are spent on wide variety of expenses, including the salaries of teachers/teacher aides, purchasing textbooks, computers and other equipment; after-school programs and remedial tutoring; advanced placement classes; and special enrichment programs.
- Funds are not earmarked for any specific school and do not follow the child, but are used to support the LEA as a whole. Impact Aid is the federal government's "tax payment" to the LEA for property taken off the local tax rolls; therefore, Impact Aid funds are intended by law to be treated as other local tax revenue.



DoD Impact Aid

- Since the early 1990's, Congress appropriates a smaller amount of funds for the DoD Impact Aid to support LEAs that educate military children.
- DoD Impact Aid has three components: the Supplement, Children with Severe Disabilities, and Large-Scale Rebasing.
- Supplement funding is divided among "heavily impacted" LEAs in which military children make up at least 20 percent of the enrollment. Data provided by ED is used to determine eligible LEAs and approximately 100 service-wide military impacted LEAs receive the DoD Impact Aid Supplement annually.
- Funding for Children with Severe Disabilities reimburses LEAs for money previously spent on military dependent children with severe disabilities through an application process.
- When funds are appropriated by Congress, the DoD Impact Aid for Large Scale Rebasing Program provides financial assistance to LEAs that are heavily impacted by the increase or reduction in military dependent student enrollment resulting from large scale rebasing.
- Like the ED Impact Aid Program, funding for the DoD Impact Aid supports the district as a whole and does not follow the student specifically.
- Money is provided because of the presence of military students and in the recognition of the unique stresses this population can place on an LEAs resources.

What You Can Do

- Ensure that LEAs are getting as much Impact Aid as possible by supporting efforts to get 100 percent of the military families to complete the ED Impact Aid Survey that helps a school qualify for funding.

Additional Information on Impact Aid:

- Department of Education Impact Aid Program Office
<http://www.ed.gov/about/offices/list/ose/impactaid/index.html>
- DoDEA Educational Partnership Branch
<http://www.militaryk12partners.dodea.edu>
- National Military Family Association
<http://www.nmfa.org>
- Military Impacted Schools Association
<http://www.militaryimpactedschoolsassociation.org>
- National Association of Federally Impacted Schools
www.nafis.org