



WYOMING LEGISLATIVE SERVICE OFFICE

Fact Sheet

2025 K-12 SCHOOL FINANCE RECALIBRATION

February 6, 2026

WHAT IS RECALIBRATION? At least every five years, the Wyoming Legislature is constitutionally required to "recalibrate" the education resource block grant model (K-12 funding model) to ensure it accurately reflects the actual costs of providing a high-quality education. (W.S. 21-13-309(t); *Campbell Cnty. Sch. Dist. v. State*, 2008 WY 2, ¶12, 181 P.3d 43, 54 (Wyo. 2008)) The 2025 recalibration effort was informed by **Picus Odden & Associates**, assisted by many professional judgment panels made up of primarily Wyoming educators across the state, and considered by the Select Committee on School Finance Recalibration (Select Committee). The effort also began to address items found unconstitutional in the February 26, 2025 First Judicial District decision (*WEA vs. State*). **Status of case:** Wyoming Supreme Court issued a stay of the decision on November 12, 2025, same day of oral arguments.

FUNDING IMPACTS: The proposed K-12 funding model would distribute \$54.8 million (3.1%) *more* in school year (SY) 2026-27 and \$102.3 million (5.6%) *more* in SY 2027-28, compared to current law.

Est. SY 2026-27	\$1,792,000,000	\$54,800,000
Est. SY 2027-28	\$1,818,100,000	\$102,300,000

Source: LSO estimates of forecast funding models. See **January 30, 2026 memorandum** and **February 2, 2026 school district estimates**.

Compared to Picus Odden & Associates' recommendations through its Evidence-Based Model (EB Model), proposed funding would be \$45.2 million *less* in SY 2026-27 and \$5.6 million *more* in SY 2027-28, excluding inflationary factors. The 2025 recalibration changes center on increasing model salaries and aligning personnel resources toward intensive, evidence-based student and staff support with *increases* in tutors, instructional facilitators, extended day, and summer school, offsetting the proposed increases to class sizes in grades 4-12. In SY 2027-28, further alignment to EB Model recommendations would occur in the form of *additional* elementary counselors and school nurses, pending further study and absent legislative change.

PERSONNEL IMPACTS: The proposed K-12 funding model would *decrease* allocated personnel (FTE) by 400 FTE in SY 2026-27 and *increase* personnel by 104 FTE in SY 2027-28, compared to current law. As of SY 2025-26, preliminary data indicates school districts hire approximately 927 *fewer* teachers/instructional resources than would be allocated in SY 2026-27 under current law; the proposed K-12 funding model allocations would reduce that difference to 534 *fewer* actual teacher FTEs.

Personnel Category	SY 2025-26	Forecast Model FTEs SY 2026-27		Forecast Model FTEs SY 2027-28	
	Preliminary	Current Law	Proposed	Current Law	Proposed
Central Office	813	718	592	712	592
Operations and Maintenance	1,226	1,516	1,494	1,516	1,496
Teachers/Instructional Resources	6,086	7,013	6,620	6,916	6,619
Pupil Support	479	571	586	569	963
Librarians and Library Aides	228	263	218	259	217
Supervisory/Instructional Aides	698	607	482	599	481
School Administration	394	410	380	407	380
School Secretarial	530	678	540	671	539
Total	10,453	11,776	10,912	11,647	11,288
<i>Summer School/Extended Day</i>	<i>N/A</i>	<i>191</i>	<i>655</i>	<i>191</i>	<i>655</i>
Total Model FTEs	<i>N/A</i>	11,967	11,567	11,839	11,943
Total Model FTE Differences from Current Law			(400)		104

Source: LSO analysis of forecast funding models and Wyoming Department of Education data preliminary WDE 602 School District Staff Member Collection.

SALARIES: The K-12 funding model's **average teacher salary** would be increased to **\$70,560**, a 12.0% increase from the current model average. The \$70,560 is equivalent to 79.0% of comparable occupations in Wyoming. School districts receive a "model" average salary. Like current law, the recommendation does not dictate or eliminate any school districts' salary schedules, which may provide experience (steps) and education (lanes) adjustments. The Wyoming Department of Education (WDE) estimates the SY 2025-26 actual average Wyoming teacher salary is \$67,859 or 4% lower than the proposed K-12 funding model teacher salary. Other K-12 funding model salaries are proposed to be funded at EB Model recommended levels,

with increases ranging from 2.5% for operations and maintenance personnel to 26.0% for supervisory/library aides. The daily salary for substitute teachers would be increased from \$118 to \$185, but less than the EB Model recommendation of \$261.

KEY AREAS OF DIVERGENCE FROM CURRENT LAW: The Select Committee recommends modifying:

Student counts: Proposes prior year average daily membership (ADM) with a maximum of 5% decrease. Current law provides the greater of three-year average or prior year ADM. Impact of policy would decrease 1,886 ADM.

Instructional resources silo: School districts would only be allowed to expend "instructional resources" (classroom teachers, ELL teachers, tutors, instructional facilitators, extended day, and summer school) for instructional purposes. Proposed K-12 funding model would increase "instructional resources" funding by \$65 million and \$71.6 million in SY 2026-27 and SY 2027-28, respectively.

Class sizes: Grades 4 and 5 would increase from 16 to 22; grades 6-8 from 21 to 22; and grades 9-12 from 21 to 25. Class sizes recommended by EB Model are 15 for grades K-3, 25 for grades 4-12. Middle school elective/specialist teachers would align to EB Model recommendation of 20% of core teachers compared to current law of 33%.

Health insurance: Not later than July 1, 2027, remaining 47 school districts and BOCES would join State of Wyoming Employees' and Officials' Group Insurance (EGI) Plan. Current law allocates funding for each K-12 funding model FTE based on EGI premiums. An **August 2025 Issue Brief** found approximately 70% of K-12 funding model FTEs participate in district health insurance plans and districts expend 75% of K-12 funding model allocations for health insurance.

Retirement: Current law allocates 12.69% for retirement through the K-12 funding model and reimburses additional employer share (2.501%). Beginning SY 2026-27, entire 15.191%, would be reimbursed monthly by the WDE.

Regional Cost Adjustment (RCA): Salaries would be adjusted by the recommended 2025 Hedonic Wage Index (HWI) and updated annually. A district with a Wyoming Cost-of-Living Index (WCLI) more than 33 points higher than its 2025 HWI, would be further adjusted. Current RCA utilizes a 20-year out-of-date HWI, WCLI, or minimum statewide average.

Premium adjustments: No further staff experience, education, responsibility adjustments would be provided to K-12 funding model salary levels. A school district would be able to maintain its own unique salary schedule(s).

Prohibited School Foundation Program expenditures: School districts would not be able to transfer or expend School Foundation Program funds allocated for daily operations for the purpose of capital construction and major maintenance.

Superintendent compensation: Each school district superintendent's actual total compensation could not exceed the district's actual average teacher compensation by more than 233.3%.

Investments: One-half of districts' investment earnings would be counted as state revenue. School district revenue calculations exclude investment earnings currently. Prior three years, **total earnings ranged from \$22.6 to \$30.0 million.**

KEY AREAS OF DIVERGENCE FROM CONSULTANTS:

Technology: EB Model recommends \$450 per ADM, proposed K-12 funding model retains \$250 per ADM and Select Committee would further study shifting to one-to-one student-to-computer ratios during the 2026 interim.

Elementary Counselors and Nurses: Beginning SY 2027-28, EB Model recommendations will be funded. Select Committee would further study these components during the 2026 interim and refine funding, if necessary.

At-risk and ELL Instructional Materials: EB Model recommends \$50 per at-risk student and ELL student for summer school and ELL instructional materials. The proposed K-12 funding model does not allocate this funding.

Inflation adjustment: External cost adjustments (ECA) applied at least once every two years, as opposed to annually.

AREAS OF EFFICIENCY:

Payments: Entitlement payments would be paid from July-May compared to current law of August-May. Special education out-of-district placements, school buses and other student transportation vehicles, and retirement, would be reimbursed in current year. Remaining amounts from earlier school bus purchases and leases would be reimbursed, no future.

Co-located schools: K-12 funding model would not resource multiple administrative positions for schools located in the same building and school level resources would be allocated at highest-grade level like operations and maintenance.

Funding cliffs eliminated: K-12 funding model would be refined to eliminate funding "cliffs" by a change in one ADM.

Cash reserves: Beginning FY 2029, cash reserves limitation would be reduced from 30% to 20%, larger amount would be used in limitation calculations.

CONTINUED WORK AND FUNDING:

Select Committee continued: Recalibration study would be extended through December 31, 2026, focusing on technology, mental health, school resource officers, school nutrition programs, and respond to judicial decisions, if received.

Mental health grant: School district mental health grants allocated in 2024 Budget Bill would be continued through SY 2026-27, with a \$5.0 million appropriation.

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