School Equalization Formula to establish educational priorities and to provide for the unique needs of specific students, such as:

(a) Students in grades kindergarten through 3 or grades 7 through 12;

(b) Special education students;

(c) Gifted and talented students;

(d) Distance education students;

(e) Vocational and industrial education students;

(f) Native Language Instruction students;

(g) Small schools;

(h) Personnel costs;

(i) Alternative schooling; and

(j) Early Childhood Education programs.

§ 39.804 How is the SUIV calculated?

The SUIV is calculated by the following 5-step process:

(a) *Step 1.* Use the adjusted national average current expenditures (ANACE) of public and private schools determined by data from the U.S. Department of Education-National Center of Education Statistics (NCES) for the last school year for which data is available.

(b) *Step 2.* Subtract the average specific Federal share per student (title I part A and IDEA part B) of the total revenue for Bureau-funded elementary and secondary schools for the last school year for which data is available as reported by NCES (15%).

(c) *Step 3.* Subtract the administrative cost grant/agency area technical services revenue per student as a percentage of the total revenue (current expenditures) of Bureau-funded schools from the last year data is available.

(d) *Step 4.* Subtract the day transportation revenue per student as a percentage of the total revenue (current revenue) Bureau-funded schools for the last school year for which data is available.

(e) *Step 5.* Add Johnson O'Malley funding. (See the table, in § 39.805)

§ 39.805 What was the student unit for instruction value (SUIV) for the school year 1999–2000?

The process described in § 39.804 is illustrated in the table below, using figures for the 1999–2000 school year:

Step 1	$8,030	ANACE.
Step 2	−1205	Average specific Federal share of total revenue for Bureau-funded schools.
Step 3	−993	Cost grant/technical services revenue as a percentage total revenue.
Step 4	−658	Transportation revenue as a percentage of the total revenue.
Step 5	85	Johnson O'Malley funding.
Total	$5,259	SUIV.

§ 39.806 How is the SURV calculated?

(a) The SURV is the adjusted national average current expenditures for residential schools (ANACER) of public and private residential schools. This average is determined using data from the Association of Boarding Schools.

(b) Applying the procedure in paragraph (a) of this section, the SURV for school year 1999–2000 was $11,000.

§ 39.807 How will the Student Unit Value be adjusted annually?

(a) The student unit instructional value (SUIV) and the student unit residential value (SURV) will be adjusted annually to derive the current year Student Unit Value (SUV) by dividing the calculated SUIV and the SURV into two parts and adjusting each one as shown in this section.

(1) The first part consists of 85 percent of the calculated SUIV and the SURV. OIEP will adjust this portion using the personnel cost of living increase of the Department of Defense schools for each year.

(2) The second part consists of 15 percent the calculated SUIV and the SURV. OIEP will adjust this portion using the Consumer Price Index-Urban of the Department of Labor.

(b) If the student unit value amount is not fully funded, the schools will receive their pro rata share using the Indian School Equalization Formula.