

CONNECTICUT
SCHOOL FINANCE
PROJECT

SCHOOL FINANCE 101

*How Connecticut's school funding system
impacts Griswold Public Schools and
the community*

UPDATED: July 24, 2018

About the CT School Finance Project

- Founded in 2015, the nonprofit Connecticut School Finance Project aims to ensure Connecticut has a fair and equitable school finance system and be a trusted, nonpartisan, and independent source of accurate data and information.
- Although not a member-based organization, the Connecticut School Finance Project actively works with a diverse group of stakeholders, including education and community leaders, nonprofit organizations, and individuals interested in how school finance impacts their students and schools.
- We aim to develop fair, well-thought-out solutions to Connecticut's school finance challenges that incorporate the viewpoints and perspectives of stakeholders.

CT School Finance Project's Goals

- Build knowledge about how the current school funding system works,
- Bring together stakeholders who are impacted by how schools are funded, and
- Identify solutions to Connecticut's school funding challenges that are fair to students and taxpayers, and strengthen schools and communities.

School finance is about...

Kids



Schools



Communities



STEPHANIE'S STORY

A note about per-pupil expenditures

- Connecticut does not currently require revenues or expenditures to be reported at the school level.
 - As a result, it is not possible to determine per-pupil expenditures at the school level.
 - This example uses average per-pupil expenditures at the local education agency (LEA) level.
- In reality, districts don't allocate resources equally to all schools or students.
- Our methodology for calculating per-pupil expenditures at the LEA level can be found in the appendix of this presentation.

Stephanie



- Stephanie lives in Griswold
- She is an 8th grader
- When she grows up, she wants to become an architect.

**How much funding does
Stephanie's school district
receive to educate her?**

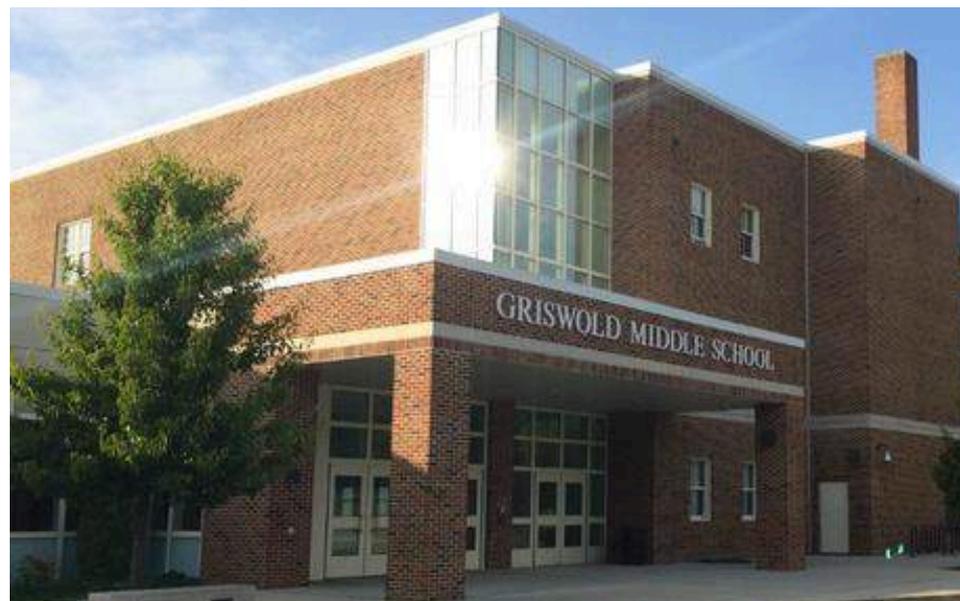
**It depends on where she
goes to school.**

**Let's take a look at funding
for Stephanie at three similar
school districts.**

Griswold Public Schools: \$13,898

Griswold Middle School

School Name	Griswold Public Schools
State Contribution	\$6,046
Griswold Contribution	\$6,463
Other Contributions	\$1,389
Total	\$13,898



Source: Connecticut State Department of Education. (2018). *Connecticut Local Public School District Per-pupil Expenditures by Revenue Source, 2013-16*. Available from <http://ctschoolfinance.org/data/connecticut-local-school-district-expenditures-by-revenue-source>.

Montville Public Schools: \$15,320

Leonard J. Tyl Middle School



School Name	Montville Public Schools
State Contribution	\$5,316
Montville Contribution	\$9,529
Other Contributions	\$475
Total	\$15,320

Source: Connecticut State Department of Education. (2018). *Connecticut Local Public School District Per-pupil Expenditures by Revenue Source, 2013-16*. Available from <http://ctschoolfinance.org/data/connecticut-local-school-district-expenditures-by-revenue-source>.

Norwich Public Schools: \$16,260

Kelly Magnet Middle School



District Name	Norwich Public Schools
State Contribution	\$8,114
Norwich Contribution	\$7,415
Other Contributions	\$731
Total	\$16,260

Source: Connecticut State Department of Education. (2018). *Connecticut Local Public School District Per-pupil Expenditures by Revenue Source, 2013-16*. Available from <http://ctschoolfinance.org/data/connecticut-local-school-district-expenditures-by-revenue-source>.

How much funding does Stephanie's school receive to educate her?

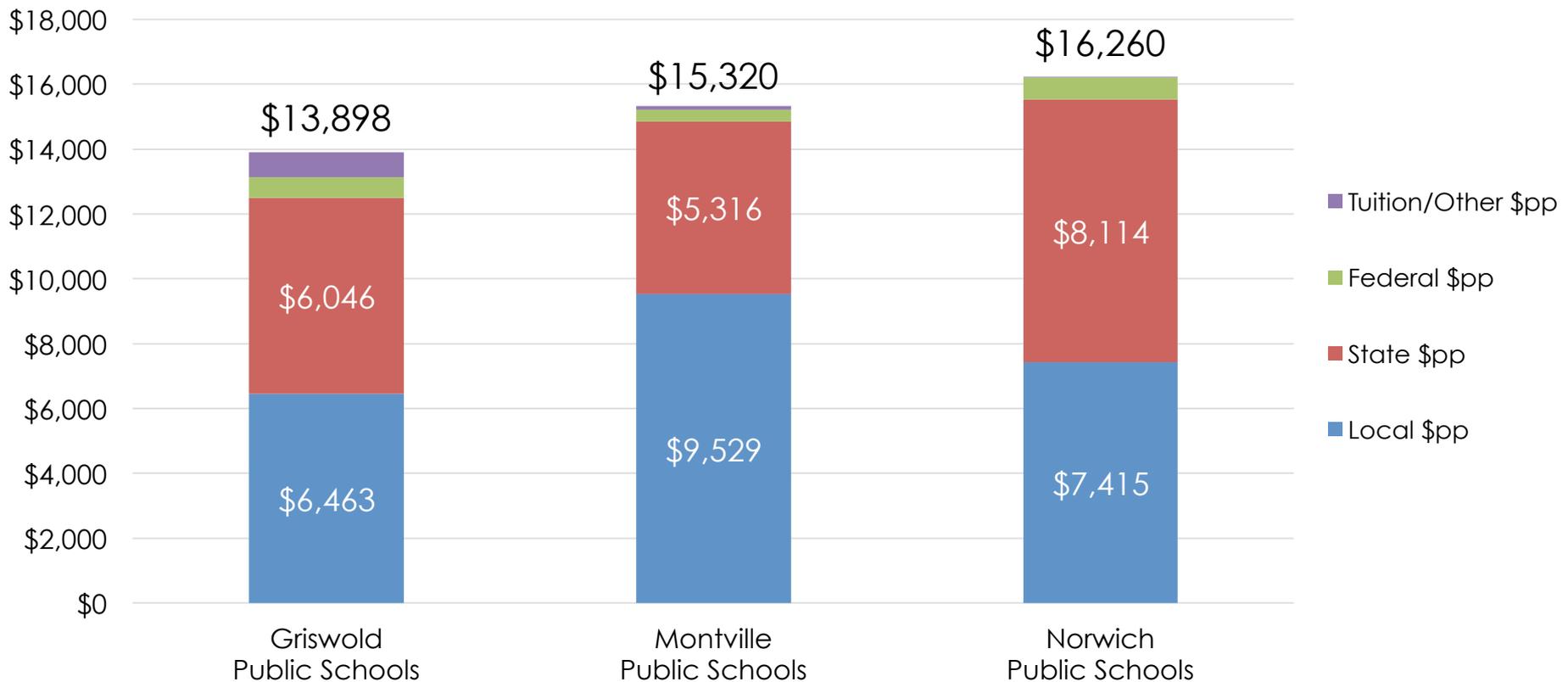
It depends on where she goes to school.

School Districts	Griswold Public Schools	Montville Public Schools	Norwich Public Schools
State Contribution	\$6,046	\$5,316	\$8,114
Town Contribution	\$6,463	\$9,529	\$7,415
Other Contributions	\$1,389	\$475	\$731
Total	\$13,898	\$15,320	\$16,260

Source: Connecticut State Department of Education. (2018). *Connecticut Local Public School District Per-pupil Expenditures by Revenue Source, 2013-16*. Available from <http://ctschoolfinance.org/data/connecticut-local-school-district-expenditures-by-revenue-source>.

Stephanie is the same kid, but different schools receive different amounts of money to educate her

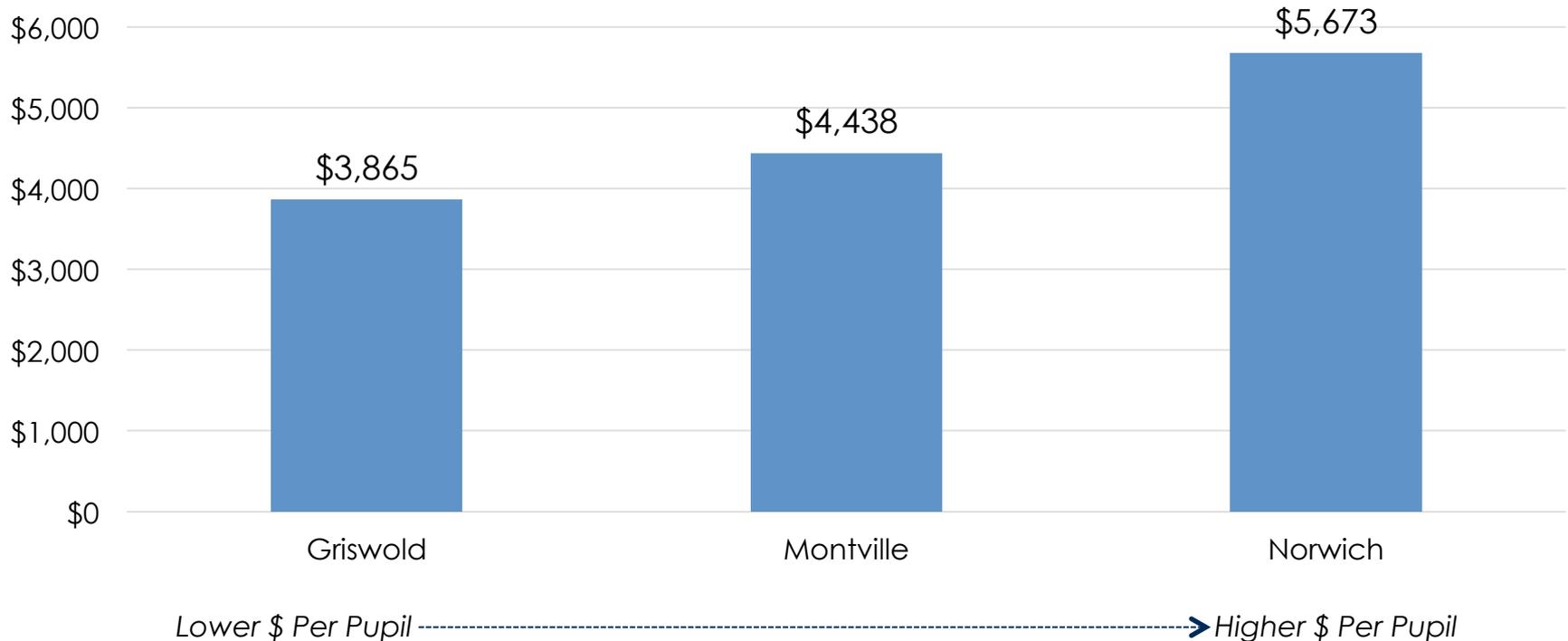
Per-pupil Funding by School Type, 2015-16



Source: Connecticut State Department of Education. (2018). *Connecticut Local Public School District Per-pupil Expenditures by Revenue Source, 2013-16*. Available from <http://ctschoolfinance.org/data/connecticut-local-school-district-expenditures-by-revenue-source>.

How much would Stephanie's family pay in property taxes on a \$200K house in each town?

Annual Property Taxes by Town on a House with Market Value of \$200K



Sources: Connecticut State Department of Education. (2018). *2016-17 Net Current Expenditures Per Pupil*. Retrieved from <http://ctschoolfinance.org/assets/uploads/files/2016-17-Net-Current-Expenditures-Per-Pupil.pdf>.
State of Connecticut, Office of Policy and Management. (2017). *Municipal Fiscal Indicators, Fiscal Years Ended 2012-2016*. Retrieved from http://www.ct.gov/opm/lib/opm/FI_2012-16_Edition_As_of_2-6-18.pdf.

Why?

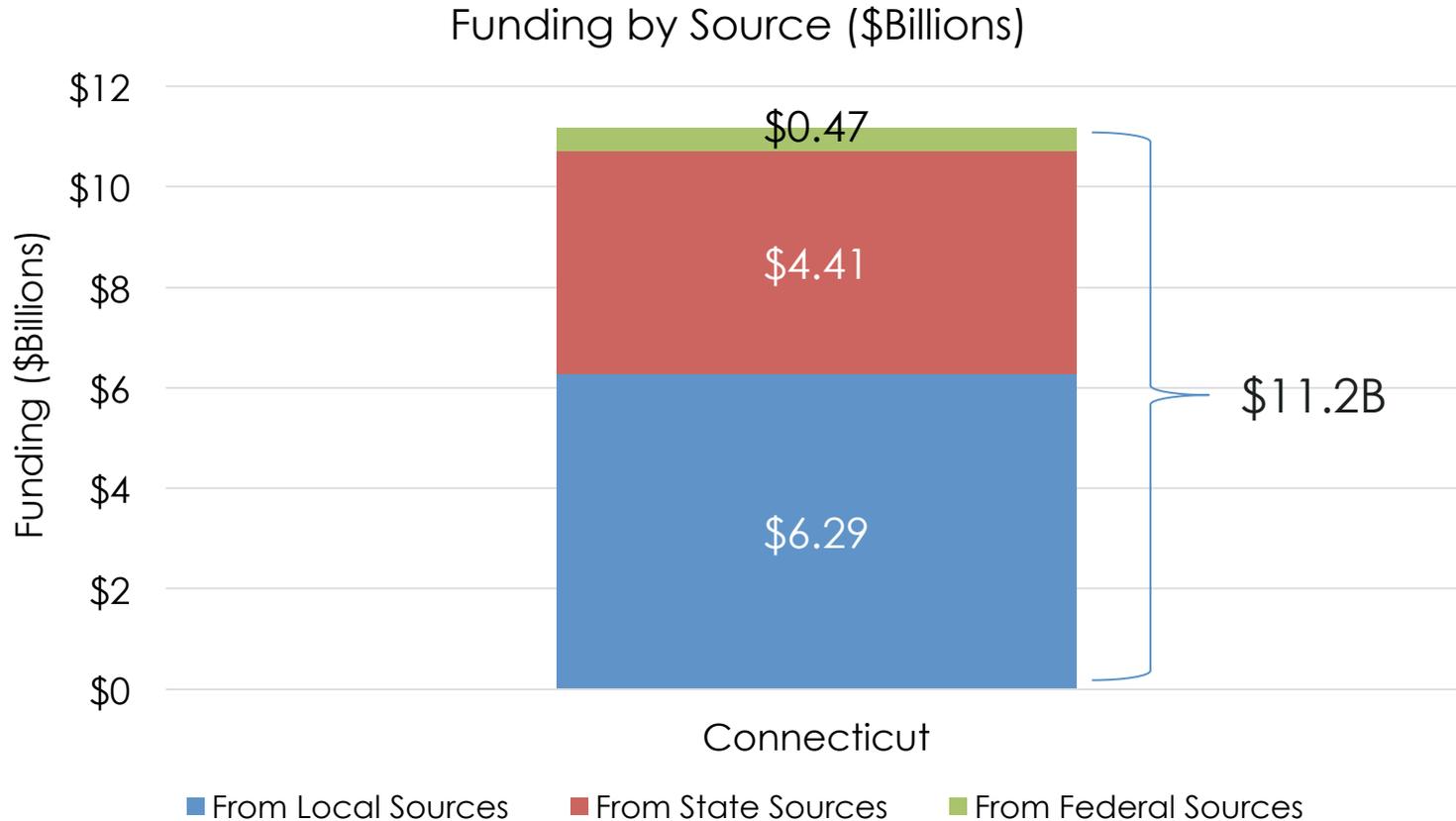
OVERVIEW

Why is school finance a state-level issue?

- Education is **not** a fundamental right under the United States Constitution.
- Public schools fall under the authority of state government and are primarily funded through state and local tax dollars.
- All 50 states have concluded children have a right to a free, public education under their state's constitution.

Source: San Antonio Independent School District v. Rodriguez, 411 U.S. 1 (1973).

What are the funding sources for public education in Connecticut?



Source: U.S. Census Bureau. (2018). Table 1: Summary of Public Elementary-Secondary School System Finances by State: Fiscal Year 2016. *2016 Annual Survey of School System Finances*. Washington, DC: Author. Available from https://www2.census.gov/programs-surveys/school-finances/tables/2016/secondary-education-finance/elsec16_sumtables.xls.

Federal funding for CT public education

- Federal funding makes up a small percentage (4.2%) of overall funding for public education in Connecticut.
- We don't have much control over how much federal funding Connecticut gets for public education.
- Federal education funding is restricted to specific purposes. For example, funding programs and services for low-income children, children with disabilities, and English Learners.

Sources: U.S. Census Bureau. (2018). Table 1: Summary of Public Elementary-Secondary School System Finances by State: Fiscal Year 2016. *2016 Annual Survey of School System Finances*. Washington, DC: Author. Available from https://www2.census.gov/programs-surveys/school-finances/tables/2016/secondary-education-finance/elsec16_sumtables.xls.

U.S. Department of Education. (2014). *10 Facts about K-12 Education Funding*. Retrieved from <http://www2.ed.gov/about/overview/fed/10facts/index.html?exp>.

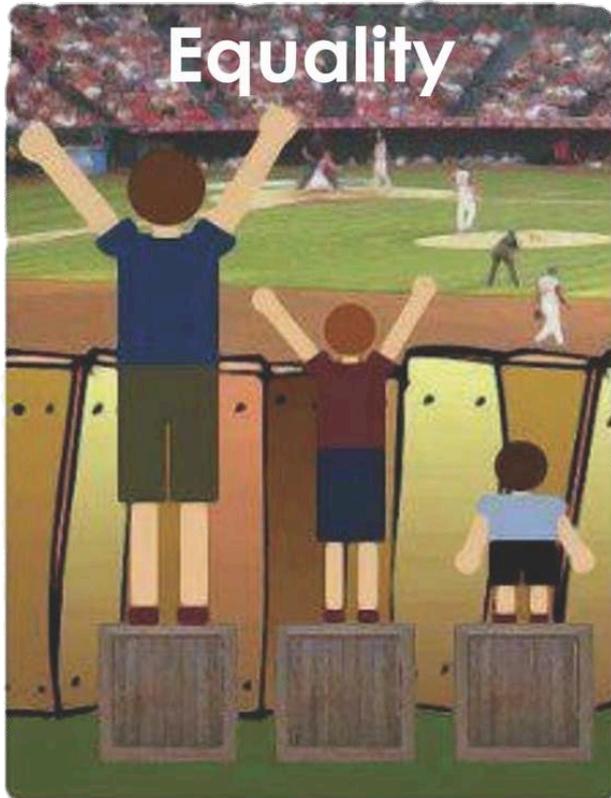
We are going to focus on state and local funding for public education

- This is 96% of the money that is spent on public education in Connecticut each year.
- Our state and local elected officials decide how much funding our public schools get and how that money is distributed to schools and districts.

Source: U.S. Census Bureau. (2018). Table 1: Summary of Public Elementary-Secondary School System Finances by State: Fiscal Year 2016. *2016 Annual Survey of School System Finances*. Washington, DC: Author. Available from https://www2.census.gov/programs-surveys/school-finances/tables/2016/secondary-education-finance/elsec16_sumtables.xls.

Why should we fund students based on their learning needs?

Equality vs. Equity



Equality

EQUALITY = SAMENESS

GIVING EVERYONE THE SAME THING → It only works if everyone starts from the same place



Equity

EQUITY = FAIRNESS

ACCESS TO SAME OPPORTUNITIES → We must first ensure equity before we can enjoy equality

Challenges and potential support for different types of learning needs

Learning Need	Potential Challenges Impacting Student's Education	Examples of Potential Support
Student from a low-income family	<ul style="list-style-type: none"> • Unstable housing situation (may move frequently or be homeless) • Food insecure or lack access to healthy foods • Parents may be less able to dedicate time and resources to education • Exposure to traumatic or unsafe situations • More likely to be absent from school • May have limited language capability (by the age of 3, children from low-income households hear – on average – 30 million less words than those from affluent households) 	<ul style="list-style-type: none"> • Reading interventionist • Software to help build vocabulary and develop language • Social worker
English Learner student	<ul style="list-style-type: none"> • May be only English speaker in household • Cultural differences • Emigrated from possible violence/warfare • Unfamiliar with US education system – or any education system 	<ul style="list-style-type: none"> • ESL/bilingual teacher • Software to assist in learning English • Books and other materials in first language
Student with disabilities	<ul style="list-style-type: none"> • Each student's learning needs will be unique and can vary significant from student-to-student • Students may have physical, learning, or social-emotional changes 	<ul style="list-style-type: none"> • Special education teacher • Physical or occupational therapist • Adaptive technology

Sources: Jenson, E. (2009). How Poverty Affects Behavior and Academic Performance. *Teaching with Poverty in Mind*. Alexandria, VA: Association for Supervision & Curriculum Development. Retrieved from <http://www.ascd.org/publications/books/109074/chapters/How-Poverty-Affects-Behavior-and-Academic-Performance.aspx>.

Hart, B. & Risley, T. R. (2003). The Early Catastrophe: The 30 Million Word Gap by Age 3. *American Educator*, 4-9. Retrieved from <http://www.aft.org//sites/default/files/periodicals/TheEarlyCatastrophe.pdf>.

Does money matter?

Shifting scholarly debate

Earlier studies:

- The Coleman Report (1966): Found **no clear relationship between school funding and student outcomes.**
- Hanushek (2003): "...a wide range of analyses indicate that **overall resource policies have not led to discernible improvements in student performance.**"

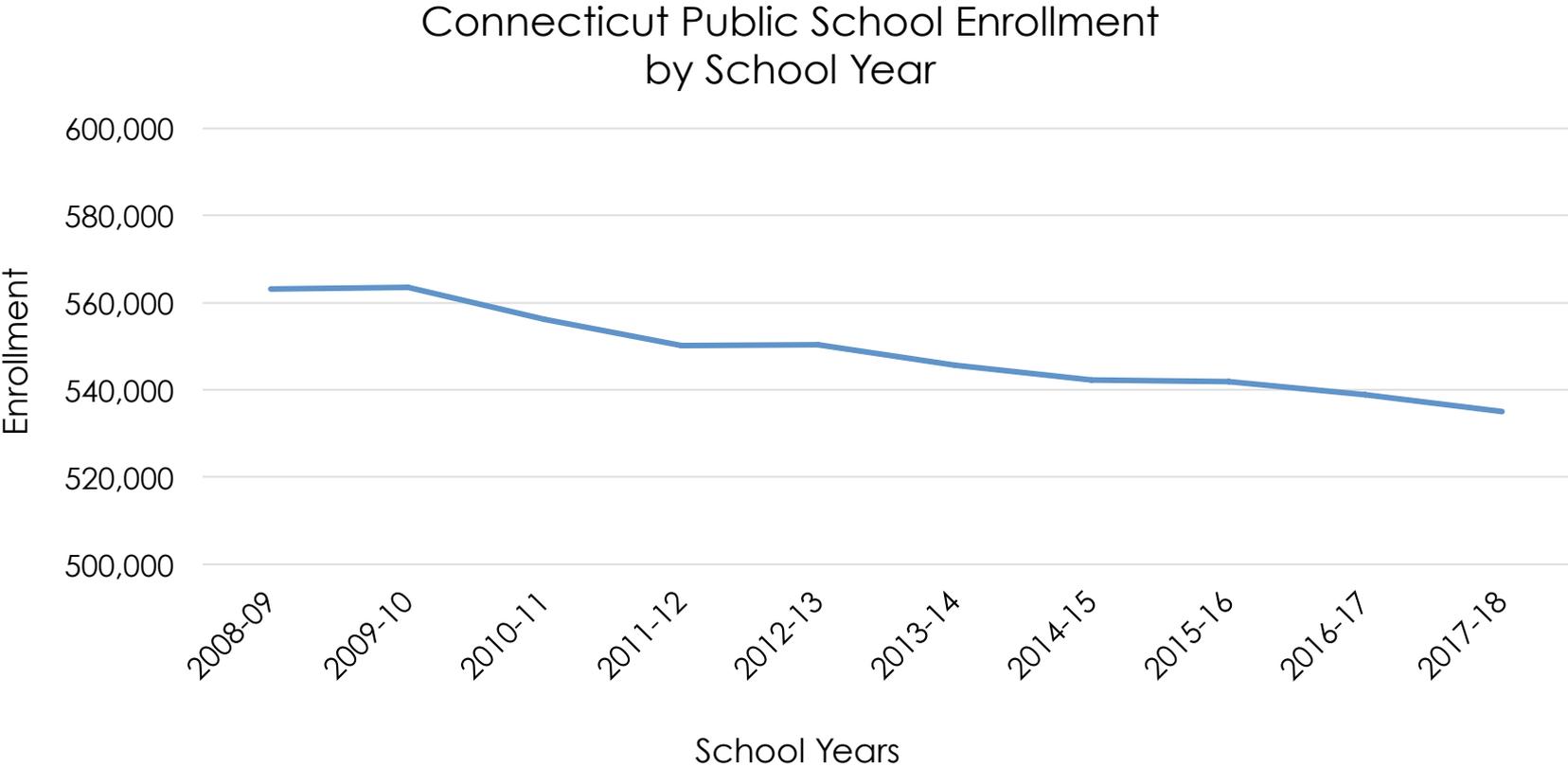
Recent studies:

- Jackson/Johnson/Perisco (2016): "For low-income children, a **10% increase in per pupil spending each year** for all 12 years of public school is associated with **0.46 additional years of completed education, 9.6% higher earnings, and a 6.1 percentage point reduction in the annual incidence of adult poverty.**"
- Lafortune, Rothstein, and Schanzenbach (2016): "Using representative samples from NAEP, we also find that [school finance] reforms **cause gradual increases in the relative achievement of students in low-income school districts....**"
- Candelaria & Shores (2017): "Seven years after reform, the **highest poverty quartile** in a treated state experienced a **11.5 to 12.1 percent increase in per-pupil spending** and a **6.8 to 11.5 percentage point increase in graduation rates.**"

Source: See Appendix for list of sources.

STATE AND GRISWOLD OVERVIEW

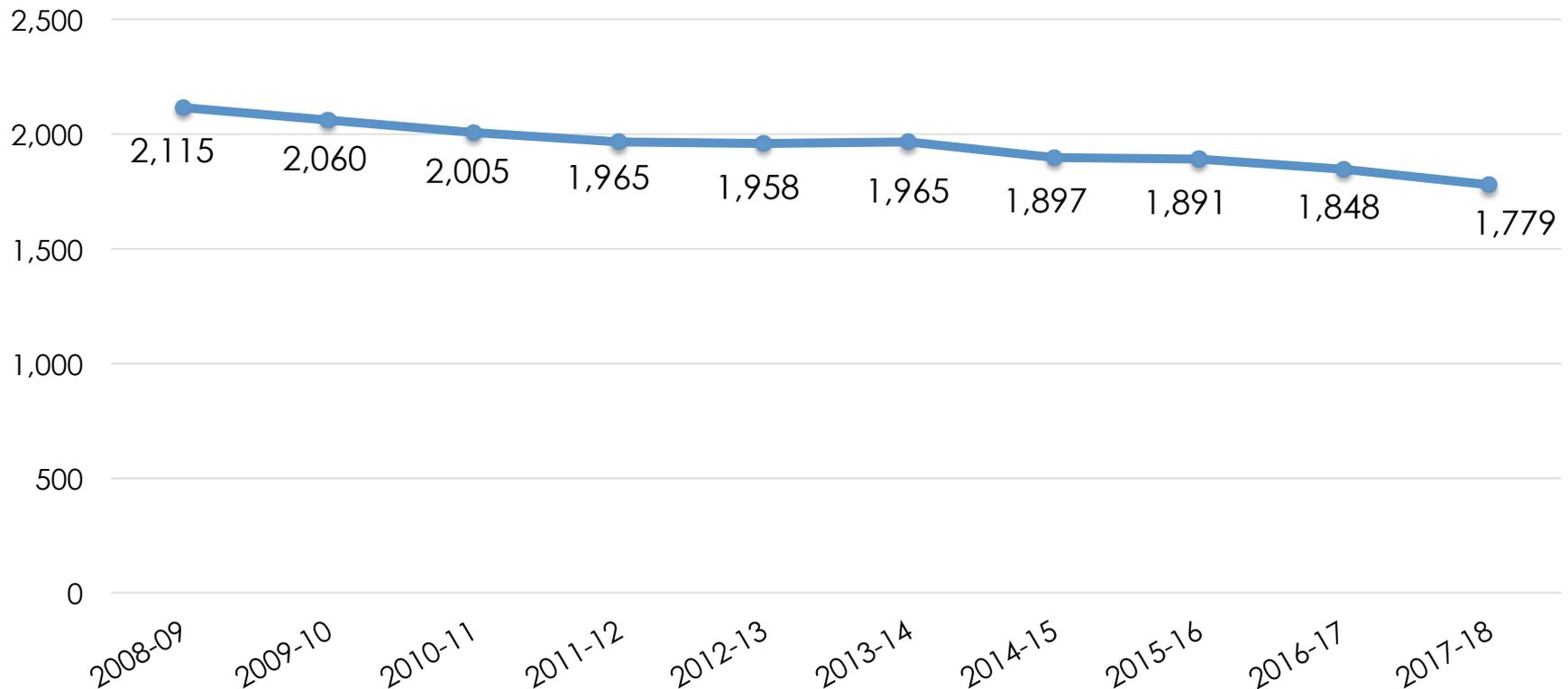
Over the last 10 years, the total number of students in Connecticut public schools has declined



Source: Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

Over the past 10 years, Griswold Public Schools' enrollment has decreased consistently

Griswold Public Schools' Enrollment, 2009-2018

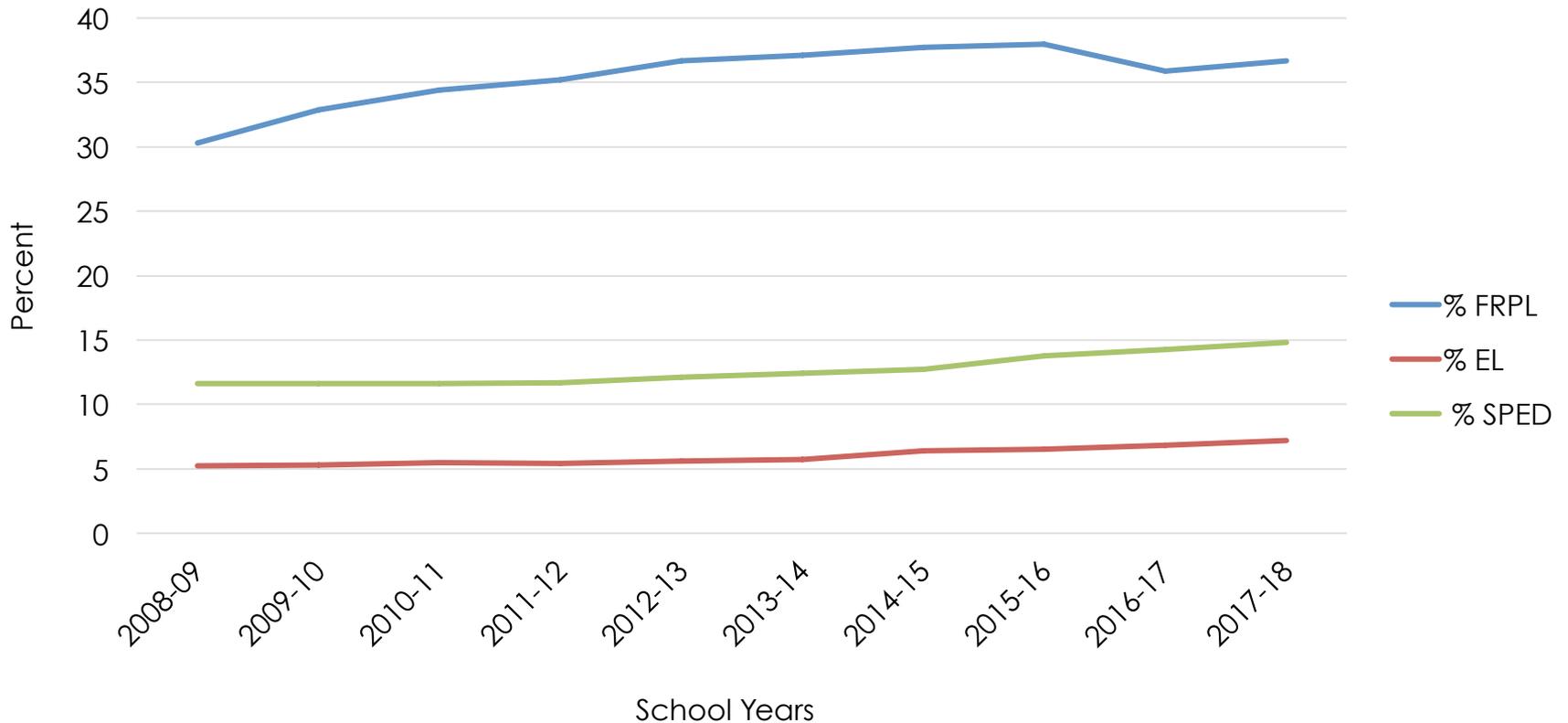


Source: Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

**Despite declining enrollment,
student need is increasing in
Griswold and across the state**

CT's low-income, EL, and special education populations have increased over the past 10 years

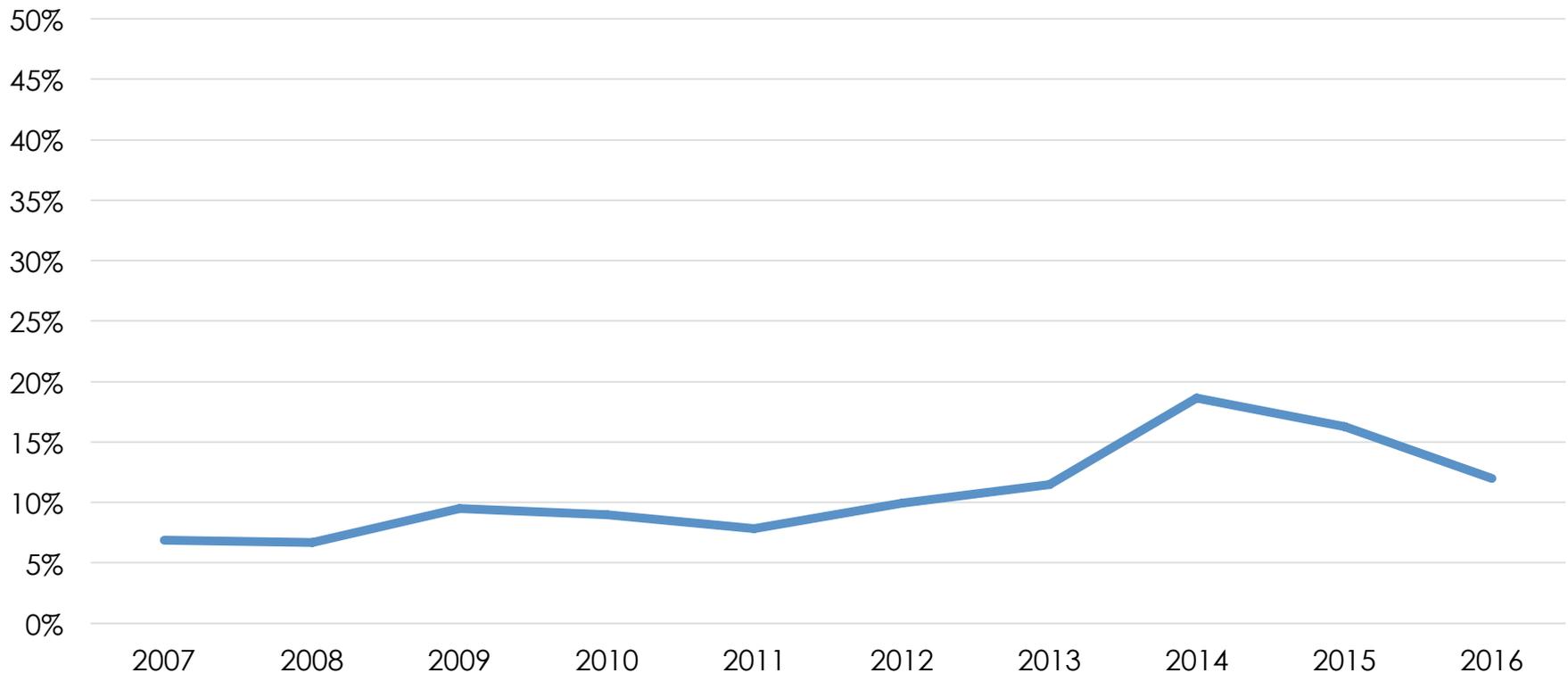
Connecticut Public School Demographics



Source: Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

Student poverty in Griswold has increased 5 percentage points over the past 10 years

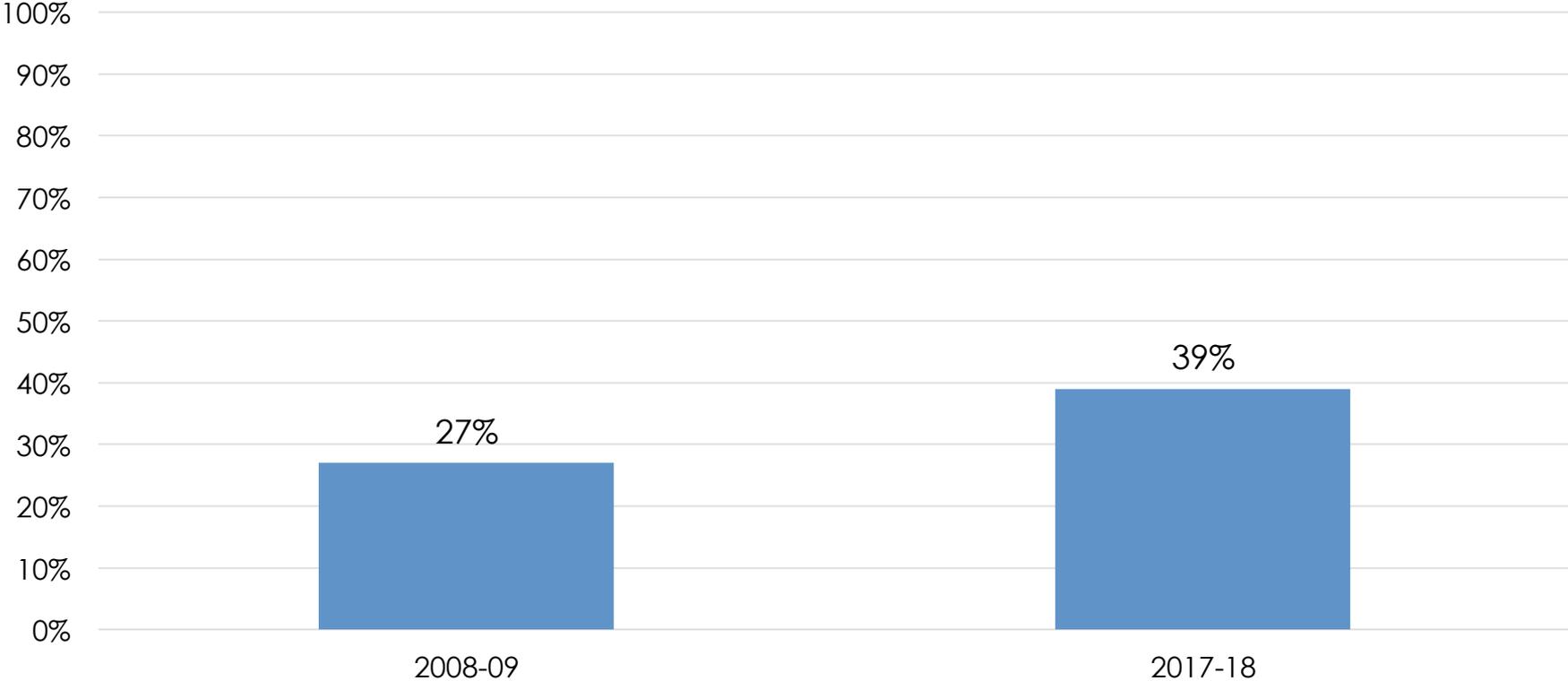
Estimated % of Griswold Students in Poverty



Source: U.S. Census Bureau. (2017). *Small Area Income and Poverty Estimates Program, School District Estimates for 2016*. Retrieved from <https://www.census.gov/data/datasets/2016/demo/saipe/2016-school-districts.html>.

The percentage of FRPL-eligible students Griswold Public Schools serves has also increased 12 percentage points over the past 10 years

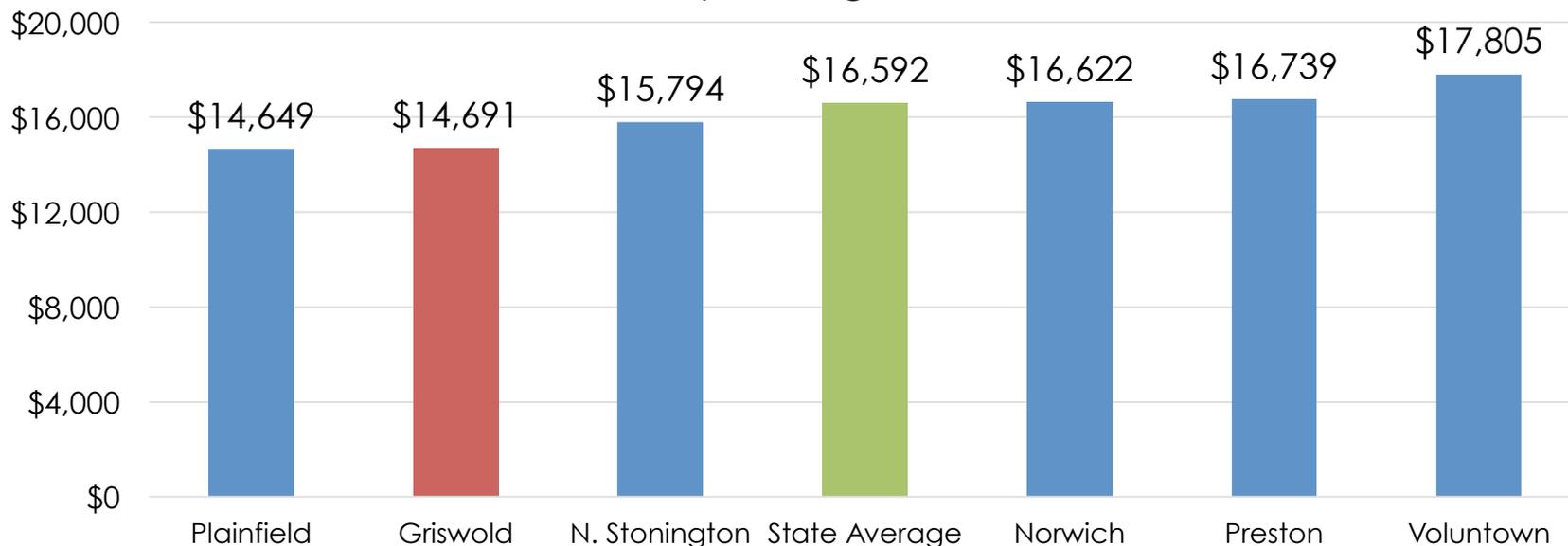
% of Griswold Students w/ Free and Reduced Priced Lunch



Source: Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

Griswold Public Schools spends less per student than similar and nearby districts, and almost \$2,000 less than the state average

2016-17 Spending Per Student



	Plainfield	Griswold	N. Stonington	State Average	Norwich	Preston	Voluntown
% FRPL	45%	39%	10%	37%	76%	24%	22%
% EL	2%	1%	*	7%	17%	*	0%
% SPED	15%	17%	9%	15%	21%	16%	18%

*Due to the low number of students meeting this demographic, 2017-18 data from these districts is suppressed to ensure student confidentiality.

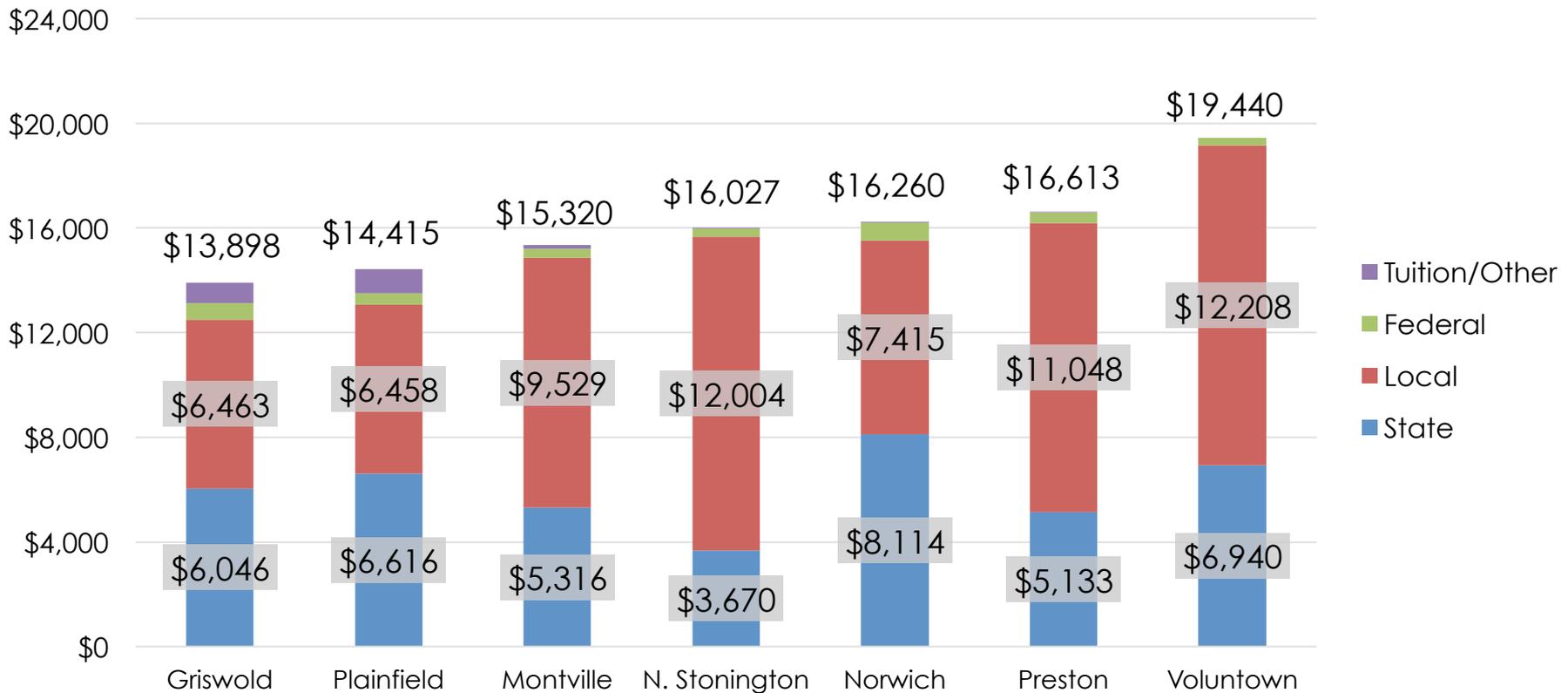
Sources: Connecticut State Department of Education. (2018). 2016-17 Net Current Expenditures Per Pupil. Retrieved from <http://ctschoolfinance.org/assets/uploads/files/2016-17-Net-Current-Expenditures-Per-Pupil.pdf>.

Connecticut State Department of Education. (2018). Public School Enrollment, 2017-18. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

HOW ARE GRISWOLD PUBLIC SCHOOLS FUNDED?

District funding sources differ significantly among Griswold and its neighboring towns

Per-pupil Funding by Source, 2015-16

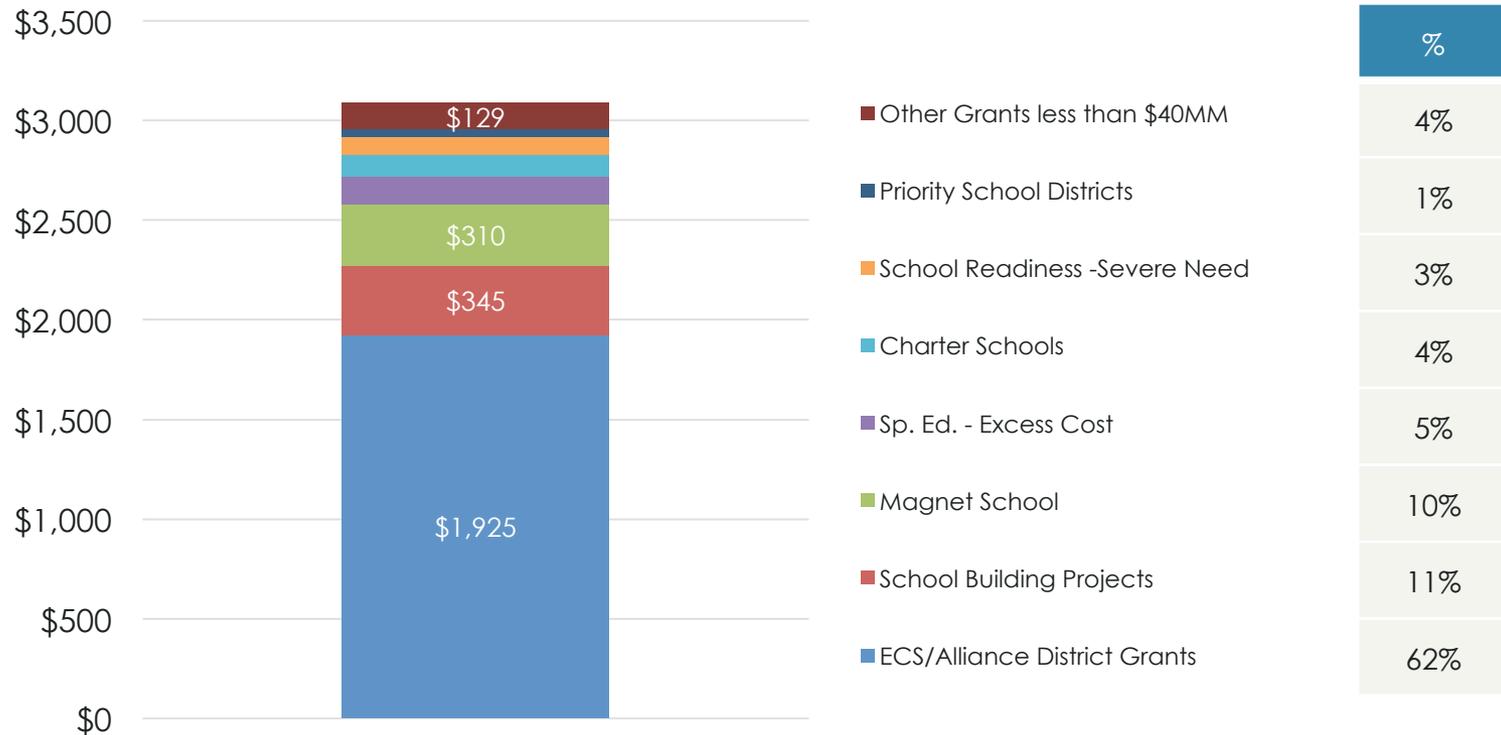


Source: Connecticut State Department of Education. (2018). *Connecticut Local Public School District Per-pupil Expenditures by Revenue Source, 2013-16*. Available from <http://ctschoolfinance.org/data/connecticut-local-school-district-expenditures-by-revenue-source>.

STATE FUNDING

State funding for public schools can be broken down into multiple categories

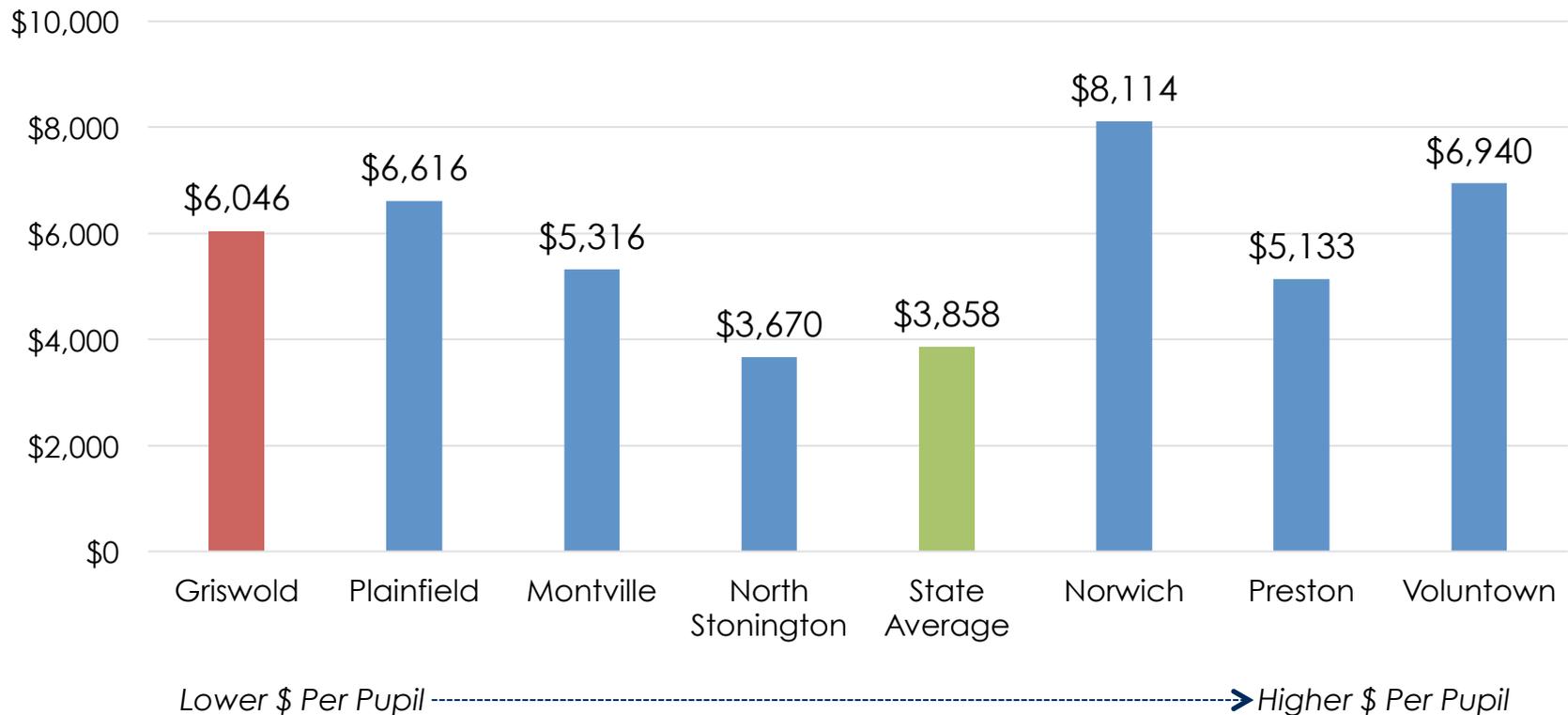
FY2018 State Funding by Grant (\$Millions)



Source: Connecticut State Department of Education. (2018). *Grant Payment Report*. Available from <https://www.csde.state.ct.us/public/dgm/grantreports1/paydetlMain.aspx>.

Griswold receives \$6,046 per pupil in education funding from the state — more than the state average and similar to some of its neighboring districts

2015-16 State Contribution Per Pupil



Source: Connecticut State Department of Education. (2018). *Connecticut Local Public School District Per-pupil Expenditures by Revenue Source, 2013-16*. Available from <http://ctschoolfinance.org/data/connecticut-local-school-district-expenditures-by-revenue-source>.

A note about special education funding

- CT does provide some funding to offset the cost of educating children with severe disabilities. Once a student's education costs are more than 4.5x the district's per pupil expenditure, the district can apply for funding through the **Excess Cost grant**.
 - However, for FY 2018, the Excess Cost grant was not fully funded – it was funded at 73%. As a result, districts did not get back all of the money they were eligible to receive.
- No matter which school a child attends, the local school district in which the child lives must pay the special education costs for the student.
 - This means that local school districts must reimburse schools of choice (charter schools, magnet schools, etc.) for special education costs.

Sources: Conn. Gen. Statutes ch. 164, § 10-76g (a) & (b).

Connecticut General Assembly, Office of Fiscal Analysis and the Office of Legislative Research. (2014). *CT Special Education Funding*. Retrieved from http://www2.housedems.ct.gov/MORE/SPED/pubs/OFA-OLR_Presentation_2013-01-23.pdf.

Connecticut State Department of Education. (2018). 2017-18 Revenues For Selected State Grants. Available from <http://www.csde.state.ct.us/public/dgm/grantreports1/RevEstSelect.aspx>.

**How does the state determine
how much money each
school should get?**

CT has more than 10 different funding formulas to divide up money between public schools

- Each “type” of school has its own funding formula that is part of the Connecticut General Statutes (the laws of the state).
- The formula that distributes most of the money is the Education Cost Sharing (ECS) formula.
 - This is the formula the state is supposed to use to distribute approx. \$2 billion in state education funding to public schools each year.

Sources: Connecticut General Assembly, Office of Legislative Research. (2013). *Task Force to Study State Education Funding Final Report*. Retrieved from <http://www.cga.ct.gov/2013/rpt/2013-R-0064.htm>.

Conn. Gen. Statutes ch. 172, § 10-262h.

Moran, J.D., & Bolger, A. (2018). *Comparison of Charter, Magnet, Agricultural Science Centers, and Technical High Schools (2018-R-0030)*. Hartford, CT: Connecticut General Assembly, Office of Legislative Research. Retrieved from <https://www.cga.ct.gov/2018/rpt/pdf/2018-R-0030.pdf>. Conn. Acts 17-2 (June Special Session).

Connecticut's Different Funding Formulas

- ECS (local school districts)
- State Charter Schools
- Local Charter Schools
- CT Technical High School System
- Regional Agriscience Centers
- District Host Magnet Schools
- RESC-Operated *Sheff* Magnet Schools
- Edison Magnet School
- Non-*Sheff* RESC Magnet enrolling less than 55% of students from 1 town
- Non-*Sheff* RESC Magnet enrolling 55% of students or more from 1 town
- Non-*Sheff* Host Magnet School

EDUCATION COST
SHARING (ECS)
FORMULA

The Education Cost Sharing (ECS) formula determines how much money the state is supposed to give to each city/town to fund its public schools.

In October 2017, the Connecticut General Assembly passed a new ECS formula in the biennial budget bill for fiscal years 2018 and 2019.

ECS block grants remained in place for FY 2018

- Implementation of new ECS formula did not begin until FY 2019 (the current year)
- For FY 2018, the state budget continued the practice of distributing ECS funds via block grants
- FY 2018 ECS grants were based on what districts received in FY 2017
- Non-Alliance Districts received percentage decreases from FY 2017 grants ranging from 75% to 13%
- Alliance Districts received percentage decreases from FY 2017 grants ranging from 2.3% to .12%
- ECS funding was reduced by a total of \$88.9 million in FY 2018 after holdbacks were taken into account

Sources: Conn. Acts 17-2 (June Special Session).

State of Connecticut, Office of Policy and Management. (2017). *Allocated Lapses FY 2018*. Hartford, CT: Author. Retrieved from http://www.ct.gov/opm/lib/opm/budget/fy2018_holdbacks/holdback_list.pdf.

Overview of New ECS Formula

- New formula is scheduled to begin in FY 2019 and be phased in over 10 years
 - Increase of \$88.5 million (over FY 2018 ECS funding with holdbacks) in FY 2019
 - Estimated increase of \$38.7 million per year from FY 2020 – FY 2028
 - Estimated total increase, after phase-in, of \$345 million — over FY 2017 spending levels with rescissions — in FY 2028 and beyond
- Student-based, weighted funding formula
- Formula only applies to local public schools, all other types of Connecticut public schools (magnet schools, local and state charter schools, Connecticut Technical Education and Career System, vo-ag schools, Open Choice) will continue to be funded by 10 other formulas

Sources: Conn. Acts 17-2 (June Special Session).

State of Connecticut, Office of Policy and Management. (2017). *Allocated Lapses FY 2018*. Hartford, CT: Author. Retrieved from http://www.ct.gov/opm/lib/opm/budget/fy2018_holdbacks/holdback_list.pdf.

Conn. Acts 18-81.

Funding for Griswold

- For FY 2018, Griswold received \$9,348,488 in ECS funding.
- In FY 2019, the first year of the new formula, Griswold is estimated to receive \$10,799,239.
- Under the new formula, a district's full funding will be phased in over 10 years.

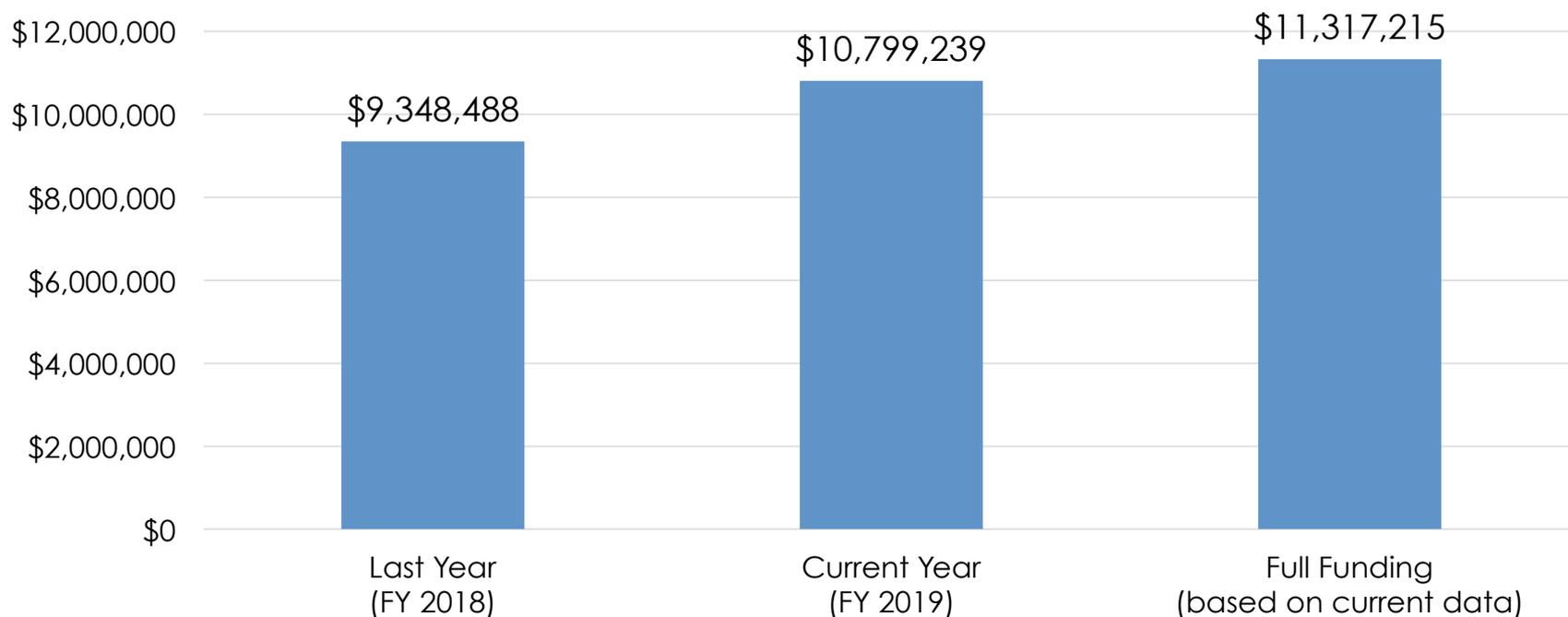
Sources: Conn. Acts 17-2 (June Special Session).

State of Connecticut, Office of Policy and Management. (2017). *Allocated Lapses FY 2018*. Hartford, CT: Author. Retrieved from http://www.ct.gov/opm/lib/opm/budget/fy2018_holdbacks/holdback_list.pdf.

Conn. Acts 18-81.

Based on the most recent available data, if the formula were in place and fully funded this year, Griswold would receive an estimated \$11,317,215 — roughly \$2 million more than the district received in FY 2018.

Estimated ECS Funding for Griswold by Year



Sources: Conn. Acts 17-2 (June Special Session).

State of Connecticut, Office of Policy and Management. (2017). *Allocated Lapses FY 2018*. Hartford, CT: Author. Retrieved from http://www.ct.gov/opm/lib/opm/budget/fy2018_holdbacks/holdback_list.pdf.

Conn. Acts 18-81.

What's in the new formula?

Foundation

- Foundation amount is intended to represent the estimated cost of educating a CT general education student who does not have any additional learning needs.
- Foundation in new formula = \$11,525 per pupil
 - Same as most recent ECS formula
- Foundation continues to “incorporate” State’s share of general special education funding.
- Foundation based on past foundation amounts and not derived using verifiable education spending data
 - However, \$11,525 is within a range of reasonable foundation amounts when accounting for the inclusion of special education aid.

Source: Conn. Acts 17-2 (June Special Session).

Formula Weights

- New formula contains three “need-student” weights, which increase per-pupil state education aid for students with additional learning needs.
- **Low-income student weight (NO CHANGE)**
 - Formula includes a low-income student weight of 0.3
 - Increases foundation amount by 30 percent for students who live in low-income households as measured by eligibility for free and reduced price lunch (FRPL)
- **Concentrated poverty weight (NEW)**
 - Formula increases per-student funding for low-income students who live in districts with high concentrations of low-income students
 - Concentrated poverty weight is 0.05
 - Increases foundation amount an additional five percent (for a total of 35 percent) for low-income students residing in districts with concentrations of low-income students of over 75 percent of district enrollment
- **English Learner weight (NEW)**
 - Formula includes weight of 0.15 for English Learners
 - Increases foundation amount by 15 percent for students needing additional English-language skills

Source: Conn. Acts 17-2 (June Special Session).

Formula Weights	
Low-income Students	Weight: 0.3 Concentration Threshold: .75 Concentration Weight: .05 Identification Method: Eligibility for FRPL
English Learner (EL) Weight	Weight: 0.15 Concentration Weight: 0

Formula Weights Comparison		
	Prior ECS Formula	New ECS Formula
Low-Income	30%	30%
Concentrated Low-Income	X	5% for districts with more than 75% of students identified as low-income
English Learner	X	15%

Source: Conn. Acts 17-2 (June Special Session).

Student Need	Funding Per Student
General Education (Non-need) Student	<p style="text-align: center;">Foundation Only = \$11,525</p>
Low-income Student	<p style="text-align: center;">Foundation + (Foundation * Low-income Weight) = Low-income Student Funding</p> <p style="text-align: center;">\$11,525 + (\$11,525 * 0.3) = \$14,983</p>
Concentrated Low-income Student	<p style="text-align: center;">Foundation + (Foundation * (Low-income Weight + Concentrated Poverty Weight)) = Concentrated Low-income Student Funding</p> <p style="text-align: center;">\$11,525 + (\$11,525 * (0.3 + 0.05)) = \$15,559</p>
Low-income and English Learner	<p style="text-align: center;">Foundation + (Foundation * (Low-income Weight + English Learner Weight)) = Low-income and English Learner Student Funding</p> <p style="text-align: center;">\$11,525 + (\$11,525 * (0.3 + 0.15)) = \$16,711</p>
English Learner	<p style="text-align: center;">Foundation + (Foundation * English Learner Weight) = English Learner Funding</p> <p style="text-align: center;">\$11,525 + (\$11,525 * 0.15) = \$13,254</p>
Concentrated Low-income English Learner	<p style="text-align: center;">Foundation + (Foundation * (Low-income Weight + Concentrated Poverty Weight + English Learner Weight)) = Concentrated Low-income English Learner Student Funding</p> <p style="text-align: center;">\$11,525 + (\$11,525 * (0.3 + 0.05 + 0.15)) = \$17,288</p>

Source: Conn. Acts 17-2 (June Special Session).

Base Aid Ratio

- Formula includes equity metric to distribute state education aid, where the towns with the least ability to fund their public schools receive the most state aid.
- Town's ability to fund its public schools is calculated by:
 - **70% Property Wealth Factor**
 - Determined using a town's Equalized Net Grand List per Capita (ENGLPC), compared to the state median town ENGLPC, as calculated annually by OPM
 - Most recent ECS formula used 90% Property Wealth Factor
 - **30% Income Wealth Factor**
 - Determined using a town's Median Household Income (MHI), compared to the state median MHI, as calculated by the U.S. Census Bureau's American Community Survey
 - Most recent ECS formula used 10% Income Wealth Factor
- Formula lowers Statewide Guaranteed Wealth Level from 1.5 to 1.35, creating more equitable distribution of state education aid.
- Maintains minimum aid ratio of 10% for Alliance Districts and reduces minimum aid ratio for all other districts from 2% to 1% (guarantees all districts some ECS aid).

Source: Conn. Acts 17-2 (June Special Session).

Additional Funding for Towns in Need

- Formula adds additional funding for communities that have a Public Investment Communities (PIC) index score of over 300.
 - PIC index is calculated annually by OPM and measures the relative wealth and need of CT's towns
- If a town has one of the top 19 highest PIC Index scores, under the new formula, the town will receive a bonus of three to six percentage points to its base aid ratio, which determines each community's ability to financially support its public schools

Town's PIC Index Rank	Additional % Points Added to Base Aid Ratio
1-5	6 percentage points
6-10	5 percentage points
11-15	4 percentage points
16-19	3 percentage points

Source: Conn. Acts 17-2 (June Special Session).

Phase-in Plan

- Formula is scheduled to begin in FY 2019 and be phased in over 10 years
- Alliance Districts that would otherwise receive a decrease in aid, according to the new formula, are permanently held harmless at FY 2017 grant amounts.

Phase-in Schedule			
	FY 2019	FY 2020-2027	FY 2028
Towns Receiving Increase in ECS Funding over FY 2017 Grant	Increase phased in by 4.1%	Increase phased in by 10.66% per year	Towns receive 100% of their ECS grant, as calculated by formula
Towns Receiving Decrease in ECS Funding Compared to FY 2017 Grant	Decrease phased out by 25%	Decrease phased out by 8.33% per year	Towns receive 100% of their ECS grant, as calculated by formula

Source: Conn. Acts 17-2 (June Special Session).

Alliance Districts “held harmless”

- State budget uses both the original and updated Alliance District lists, resulting in 33 districts being held harmless

Ansonia	Hartford	Putnam
Bloomfield	Killingly	Stamford
Bridgeport	Manchester	Thompson*
Bristol	Meriden	Torrington*
Danbury	Middletown	Vernon
Derby	Naugatuck	Waterbury
East Hartford	New Britain	West Haven
East Haven	New Haven	Winchester
East Windsor	New London	Windham
Groton*	Norwalk	Windsor
Hamden	Norwich	Windsor Locks

* New Alliance District beginning in FY 2018

Source: Conn. Acts 17-2 (June Special Session).

Example of How Phase-in Plan Works

- It is important to remember that the new formula will be calculated on an annual basis using updated district and town data.
- As a result, a town's calculated ECS grant will change as its district and town inputs change.
- Additionally, as a town's calculated ECS grant changes, so will the difference between the town's calculated ECS grant and its FY 2017 ECS grant, which will impact the phase-in schedule of the town's grant.

Using Bristol as our sample Connecticut town, below is a hypothetical example of how a change in district enrollment (in this case a 5% increase) — with all other inputs remaining the same — would impact a town's ECS grant for a given year (FY 2020) compared to if all of the district/town inputs remained constant.

Example Town	FY 2017 Actual	FY 2018 Actual with Holdbacks	FY 2019 Actual w/ Displaced Student Supplement	Estimated FY 2020 if District/Town Inputs Remain the Same	Estimated FY 2020 if District Enrollment Increases 5%
Bristol	\$44,853,676	\$44,603,676	\$45,324,316	\$46,332,675	\$46,737,645

Sources: Conn. Acts 17-2 (June Special Session).

State of Connecticut, Office of Policy and Management. (2017). *FY 2018 Municipal Aid Holdbacks*. Hartford, CT: Author. Retrieved from http://www.ct.gov/opm/lib/opm/budget/fy2018_holdbacks/tbt_estimates_post_holdback.pdf.

Conn. Acts 18-81.

Displaced Student Supplement

- During the 2018 regular legislative session, the Connecticut General Assembly passed, and Governor Dannel Malloy signed, a bill (Conn. Acts 18-81) making revisions to the state's biennial budget.
- The revised budget did not alter the structure of the new ECS formula, but it did include, for FY 2019, an additional one-time, supplemental allocation of approximately \$2.9 million for towns whose districts received students displaced by Hurricane Maria during FY 2018.
- This allocation is provided by funds remaining in the ECS budget line item after the distribution of ECS grants, and will be distributed on a per-pupil basis using the highest number of displaced students a town received during FY 2018 as a percent of the total number of displaced students received statewide.
- ***However, this supplemental allocation is not part of the ECS formula and will not be a recurring feature of the ECS appropriation.***

Source: Conn. Acts 18-18.

Although the new ECS formula takes steps toward equitable funding, there are several areas where it falls short.

Maintains More than 10 Different Formulas

- New ECS formula only applies to local public schools
- All other types of Connecticut public schools (magnet schools, local and state charter schools, CTECS, vo-ag schools, Open Choice) will continue to be funded by 10 other formulas/statutory amounts
- All other formulas not based on student and community needs
- Continuation of more than 10 different formulas also continues the challenges many districts have experienced related to choice programs charging tuition

Low-income Metric Remains a Challenge

- Use of FRPL eligibility as a proxy for identifying low-income students has become functionally unusable for the purposes of a school finance system.
- Need for a more accurate, verifiable proxy for low-income students is growing quickly as a result of the Community Eligibility Provision (CEP) of the federal Healthy, Hunger Free Kids Act of 2010.
 - To qualify for CEP, at least 40 percent of a school or district's enrollment must be identified as eligible for FRPL via direct certification.
- As higher-need districts adopt CEP district-wide, there is no incentive to collect household income information from students, resulting in inaccurate FRPL identification rates.
- As a result, an alternative proxy for measuring low-income students will need to be identified in order to effectively and accurately provide critical resources to higher-need students.

Sources: Healthy, Hunger-Free Kids Act of 2010, Pub. L. No. 111-296, § 104, 124 Stat. 3193, 3194-3201 (2010). Connecticut State Department of Education. (2016, April 29). Community Eligibility Provision (CEP). Retrieved from <http://www.sde.ct.gov/sde/cwp/view.asp?a=2626&q=335336>. U.S. Department of Education, Office of Elementary and Secondary Education. (2015). *GUIDANCE: The Community Eligibility Provision and Selected Requirements Under Title I, Part A of the Elementary and Secondary Education Act of 1965, as Amended*. Retrieved from <https://www2.ed.gov/programs/titleiparta/15-0011.doc>.

Funding for Special Education

- Formula does not disentangle special education funding from ECS grant, and instead leaves state aid for special education “incorporated” into the foundation amount.
 - Approximately 22% of the foundation amount is attributable to special education.
- Continuing to incorporate special education funding into the foundation, while also reducing total ECS spending in FY 2018 and FY 2019, puts Connecticut at continued risk of violating its federal maintenance of support (MOS) requirement, which is the primary fiscal measure by which states are judged to be eligible for federal funding under the Individuals with Disabilities Education Act (IDEA).
- To be eligible for federal IDEA funding, a state cannot provide less state financial support for special education than it did in the preceding fiscal year.
 - If a state has been found to have failed to maintain support, the U.S. Secretary of Education may reduce federal funds to that state.
- By leaving special education funding incorporated into the ECS formula’s foundation, and then reducing ECS funding, Connecticut runs a serious risk of violating its MOS requirement and having its federal IDEA funding reduced.

Sources: Conn. Acts 17-2 (June Special Session).

Connecticut General Assembly, Office of Fiscal Analysis and the Office of Legislative Research. (2014). *CT Special Education Funding*. Retrieved from http://www2.housedems.ct.gov/MORE/SPED/pubs/OFA-OLR_Presentation_2013-01-23.pdf.

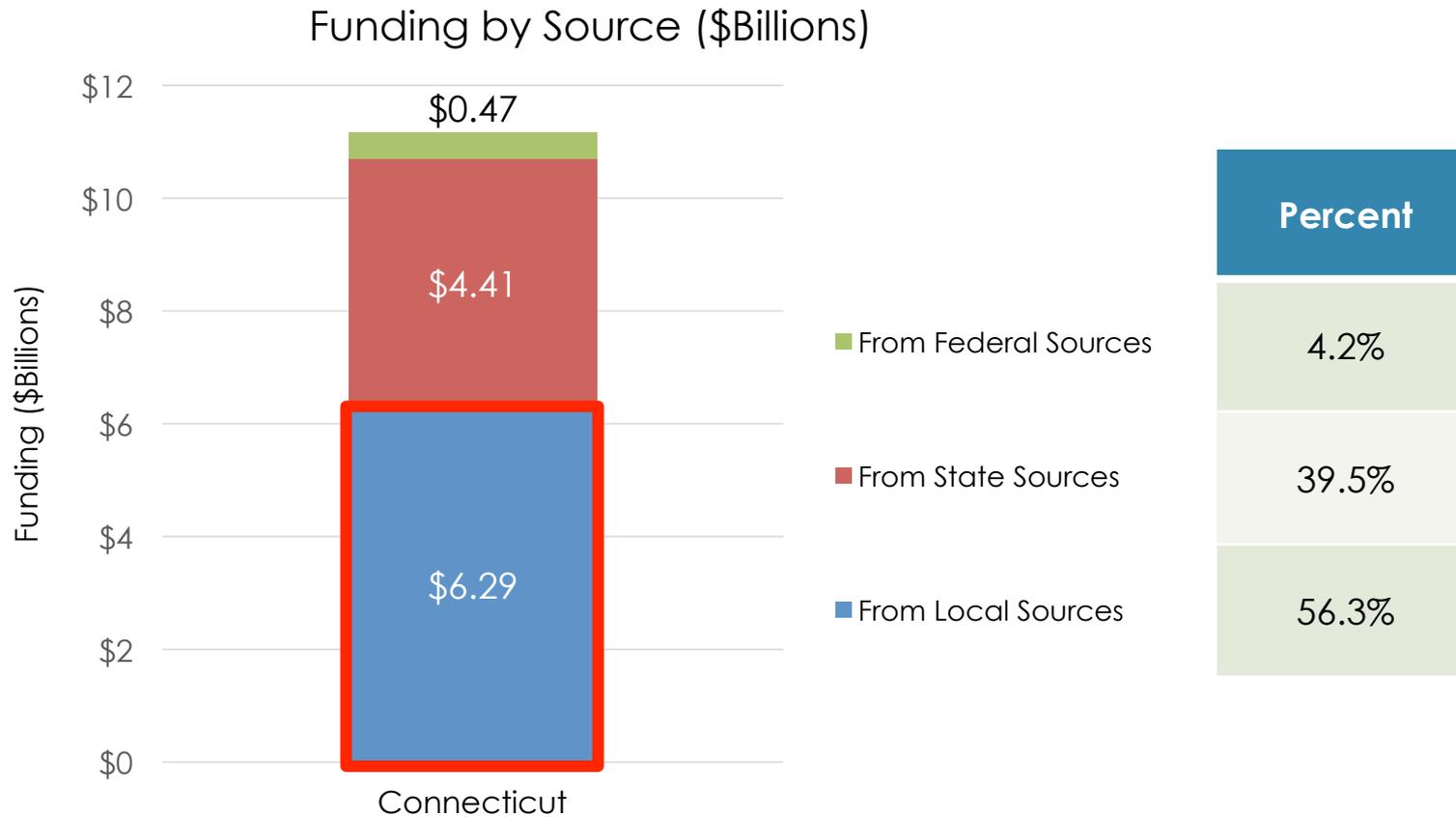
Connecticut School Finance Project. (2016). *Memorandum Regarding Maintenance of Effort and Support Requirements Under the Individuals with Disabilities Education Improvement Act (IDEA) of 2004*. Available from <http://ctschoolfinance.org/reports/memorandum-regarding-maintenance-of-effort-and-support-requirements-under-the-individuals-with-disabilities-education-improvement-act-idea-of-2004>.

Overall Formula Cost

- Despite a bipartisan biennial budget and a surge in one-time revenue in FY 2018 as a result of federal tax changes, Connecticut still faces significant fiscal challenges ahead.
- Declining revenues, continued growth of fixed costs, and looming unfunded pension obligations are expected to stress the State's finances for the near future, potentially causing large deficits.
- As a result, the State could resort to not fully funding the formula (and its estimated total increase of \$345 million) or abandon it altogether like it has in the past.
- At the beginning of FY 2014, Connecticut stopped using the most recent ECS formula because the State did not have enough money to fund the formula's phase-in plan.
- With fiscal and economic obstacles, and a longer 10-year phase-in schedule, sticking to the new formula will be a continual challenge for the General Assembly.

LOCAL FUNDING

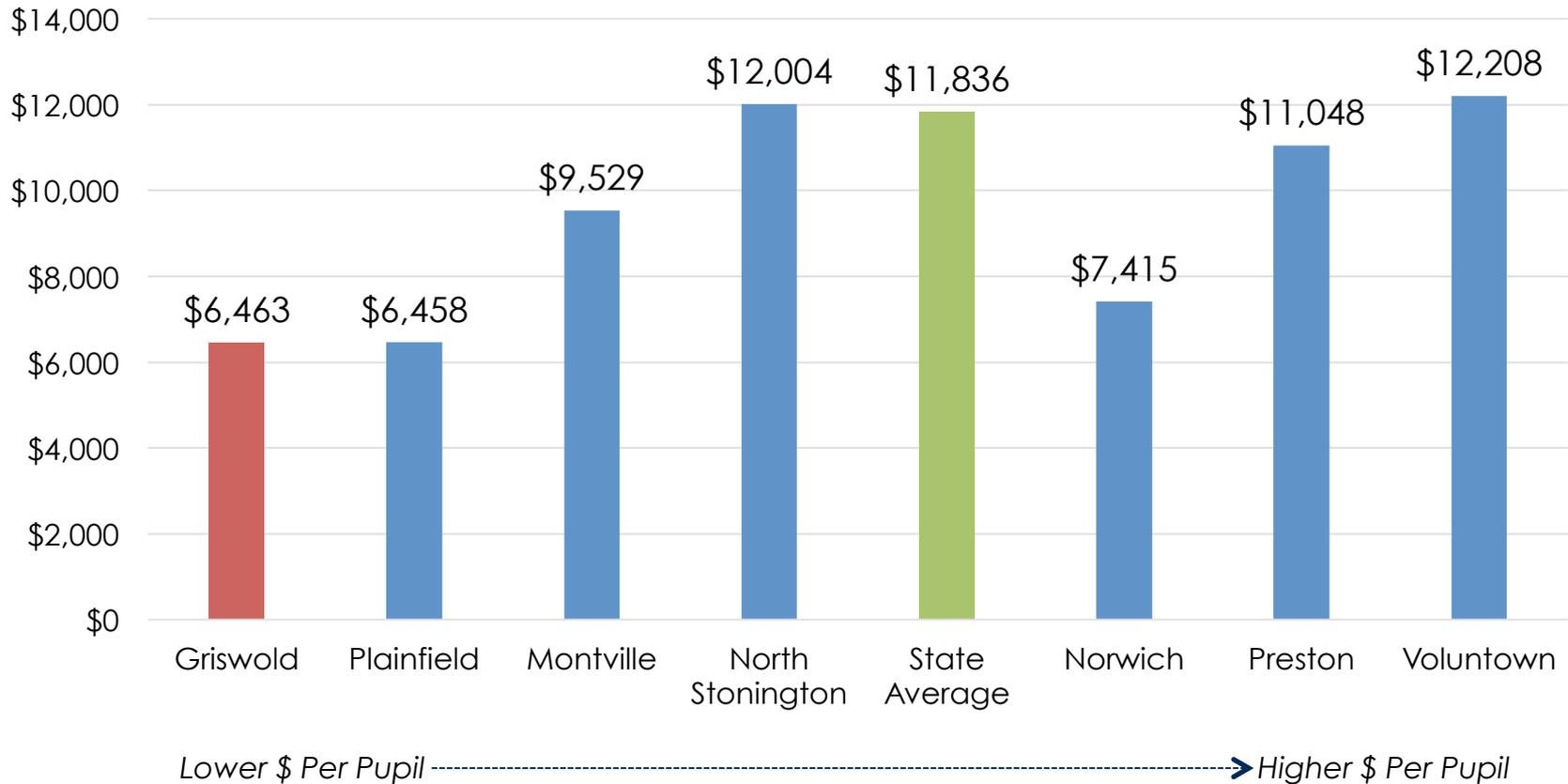
How much do CT's cities and towns contribute to funding public schools?



Source: U.S. Census Bureau. (2018). Table 1: Summary of Public Elementary-Secondary School System Finances by State: Fiscal Year 2016. *2016 Annual Survey of School System Finances*. Washington, DC: Author. Available from https://www2.census.gov/programs-surveys/school-finances/tables/2016/secondary-education-finance/elsec16_sumtables.xls.

Griswold taxpayers contribute \$6,463 per student, which is less than the state average and most neighboring districts

2015-16 Local Contribution Per Pupil



Source: Connecticut State Department of Education. (2018). *Connecticut Local Public School District Per-pupil Expenditures by Revenue Source, 2013-16*. Available from <http://ctschoofinance.org/data/connecticut-local-school-district-expenditures-by-revenue-source>.

How much do cities and towns need to contribute toward funding their public schools?

- Cities and towns must make up the difference between what their local public school system receives from state and federal sources and the local public school district's budget.

$$\begin{aligned} & \text{School District Budget} - \text{Federal Revenue} - \text{State Revenue} \\ & = \\ & \text{Municipal (Local) Contribution} \end{aligned}$$

Who decides how much money is in the school district's budget?

The Superintendent of Schools recommends a school district budget to the Board of Education

The Board of Education approves a school district budget (it may be more or less than the Superintendent's recommendation)

The city/town governing body approves the school district's budget as part of the city/town municipal budget (it may be more or less than the Board of Ed's recommendation)

In some cities/towns, there is a referendum, which means that the residents of the town (a.k.a. the taxpayers) must vote to approve the city/town budget, which includes the school district budget

Source: Conn. Gen. Statutes ch. 164, § 10-51.

Is there a minimum budget amount?

- CT has a “minimum budget requirement,” also known as the “MBR,” which all communities — with some exceptions — must adhere to in providing funding to their local school districts.
- According to the MBR, a town may not budget less for education than it did in the previous fiscal year, unless it can demonstrate specific achievements or changes within the town’s local school district.
- Exceptions to the MBR:
 - A town may reduce its MBR in FY 2019 if it experiences a decrease in ECS funding. The MBR reduction may not be more than the decrease in ECS funding.
 - Districts with declining enrollment and **fewer** than 20% of students eligible for FRPL can decrease their MBR up to 3%
 - Districts with declining enrollment and **more** than 20% of students eligible for FRPL can decrease their MBR up to 1.5%
 - The state’s 10% highest-performing districts do not have to adhere to the MBR.
 - Member towns of a newly formed regional school district do not have to adhere to the MBR during the first full fiscal year following its establishment.
 - Other limited exemptions exist based on increased efficiencies, regional collaboration, and/or declining enrollment.

Source: Conn. Gen. Statutes ch. 172, §§ 10-262f, 10-262j.

How do cities and towns raise money to pay for public schools?

- Cities and towns raise money to pay for town services (including public schools) through property taxes.
 - Cities and towns are able to collect tax on property that is owned by the people who live there.
 - Cities and towns can collect taxes on “real” property (e.g. office building, apartment buildings, houses) and “personal” property (e.g. cars and boats).
- Not all property in the town is taxable.
 - Property that belongs to some nonprofit organizations, like universities, hospitals, and churches, may be exempt from property tax.

Source: State of Connecticut, Office of Policy and Management. (2011). *Statutes Governing Property Assessment and Taxation*. Retrieved from <http://www.ct.gov/opm/cwp/view.asp?q=383128>.

Facts about City/Town Budgets

- Each year, every city and town creates a “municipal budget” – this includes all of the money the town will need to pay for town government.
 - Some examples of what is included in the budget are: fire and police force, highway department, maintenance of town roads (including snow removal), the parks and rec department, and of course, public schools.
- Public schools are the biggest expense for every city and town in CT.
- Cities and towns must collect enough money through property taxes to pay for all of the expenses in the municipal budget.

How much money does the city or town need to collect in property taxes?

- The city or town figures out how much money it needs to raise through property taxes by subtracting money they get from the state and federal government from the municipal budget.

Municipal budget (including cost of schools) – state revenue (including ECS grant) – revenue from other sources

=

Total amount of \$ that needs to be raised through property taxes

Source: State of Connecticut, Office of Policy and Management. (2011). *Statutes Governing Property Assessment and Taxation*. Retrieved from <http://www.ct.gov/opm/cwp/view.asp?q=383128>.

Facts about City/Town Property Taxes

- Each city/town has a different amount of property available to tax.
 - Each city and town adds up the value of all of the property in the town – this is known as the “grand list.”
- Once the city/town knows how much money they need to raise in taxes and the value of the “grand list,” the city/town sets a tax rate for property, known as a “mill rate.”

Source: State of Connecticut, Office of Policy and Management. (2011). *Statutes Governing Property Assessment and Taxation*. Retrieved from <http://www.ct.gov/opm/cwp/view.asp?q=383128>.

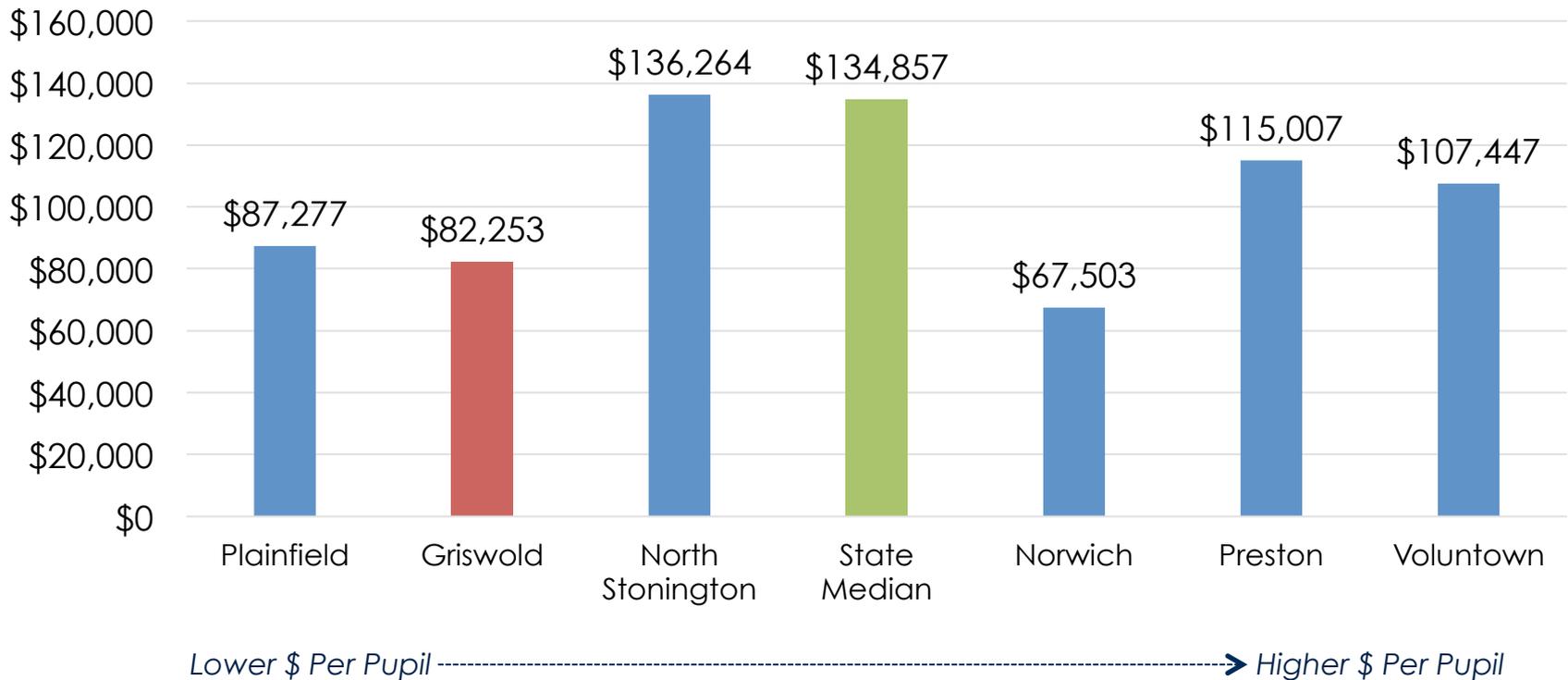
The value of “grand lists” varies widely

Municipality	Equalized Net Grand List GLYR 2015
GREENWICH	\$46,177,528,894
STAMFORD	\$32,919,448,013
NORWALK	\$19,278,296,085
WESTPORT	\$15,522,449,617
FAIRFIELD	\$15,395,112,106
...	...
GRISWOLD	\$977,864,767
...	...
CANAAN	\$227,108,759
EASTFORD	\$221,338,839
HAMPTON	\$212,505,192
SCOTLAND	\$153,419,903
UNION	\$130,349,340

Source: State of Connecticut, Office of Policy and Management. (2017). *Municipal Fiscal Indicators, Fiscal Years Ended 2012-2016*. Retrieved from http://www.ct.gov/opm/lib/opm/FI_2012-16_Edition_As_of_2-6-18.pdf.

The Equalized Net Grand List Per Capita (ENGLPC) represents the value of taxable property per resident. Griswold's ENGLPC is the 17th lowest in the state.

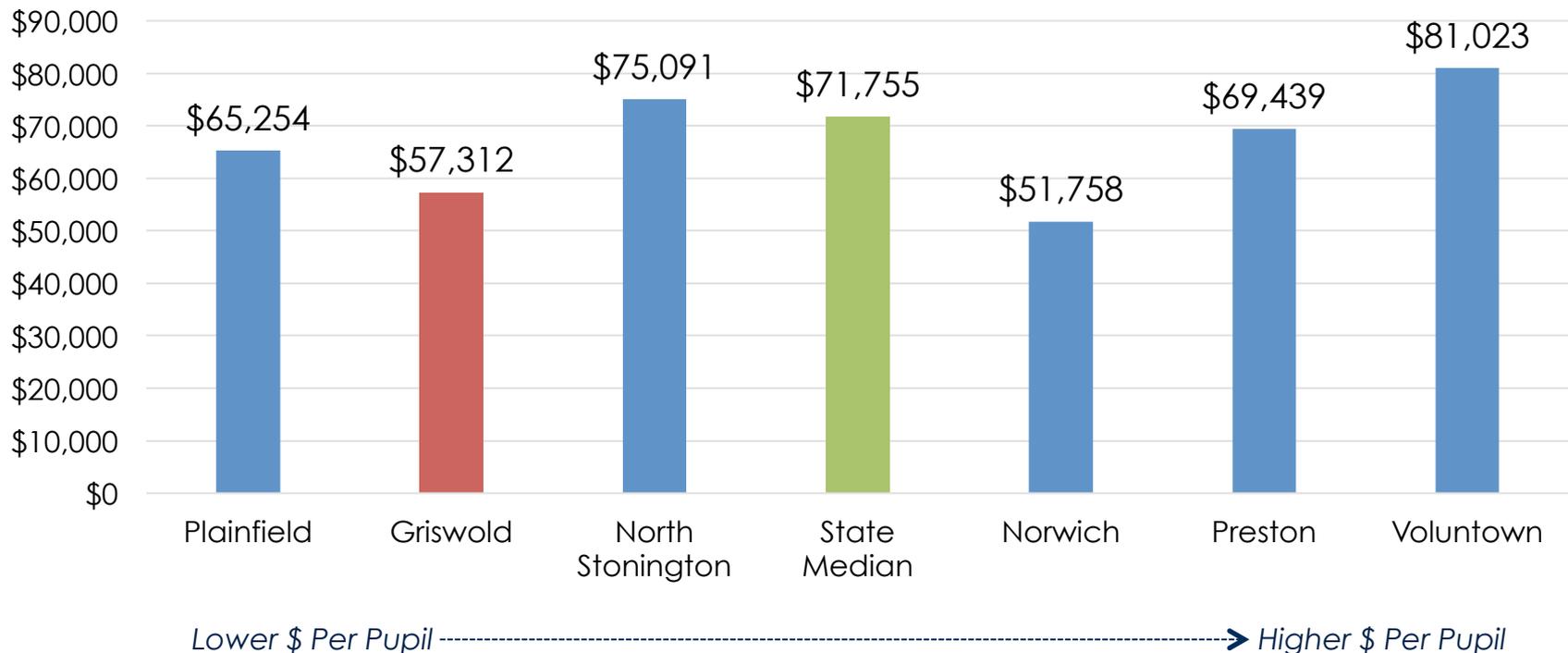
Equalized Net Grand List per Capita (FYE 2016)



Sources: Connecticut State Department of Education. (2018). *2016-17 Net Current Expenditures Per Pupil*. Retrieved from <http://ctschoolfinance.org/assets/uploads/files/2016-17-Net-Current-Expenditures-Per-Pupil.pdf>.
 State of Connecticut, Office of Policy and Management. (2017). *Municipal Fiscal Indicators, Fiscal Years Ended 2012-2016*. Retrieved from http://www.ct.gov/opm/lib/opm/FI_2012-16_Edition_As_of_2-6-18.pdf.

Median Household Income (MHI) refers to the income level earned by a given household where half of the homes in the area earn more and half earn less. Griswold's MHI is lower than most of its peer and neighboring towns.

Median Household Income by Town



Sources: Connecticut State Department of Education. (2018). *2016-17 Net Current Expenditures Per Pupil*. Retrieved from <http://ctschoolfinance.org/assets/uploads/files/2016-17-Net-Current-Expenditures-Per-Pupil.pdf>.
State of Connecticut, Office of Policy and Management. (2017). *Municipal Fiscal Indicators, Fiscal Years Ended 2012-2016*. Retrieved from http://www.ct.gov/opm/lib/opm/FI_2012-16_Edition_As_of_2-6-18.pdf.

“Mill rates” also vary significantly



Municipality	FY 2017-18 Mill Rate
HARTFORD	74.29*
WATERBURY	60.21**
BRIDGEPORT	54.37**
NEW BRITAIN	50.50**
NAUGATUCK	48.55**
EAST HARTFORD	47.05*
...	...
WARREN	14.50
WASHINGTON	14.25
ROXBURY	14.20
GREENWICH	11.369
SALISBURY	11.10

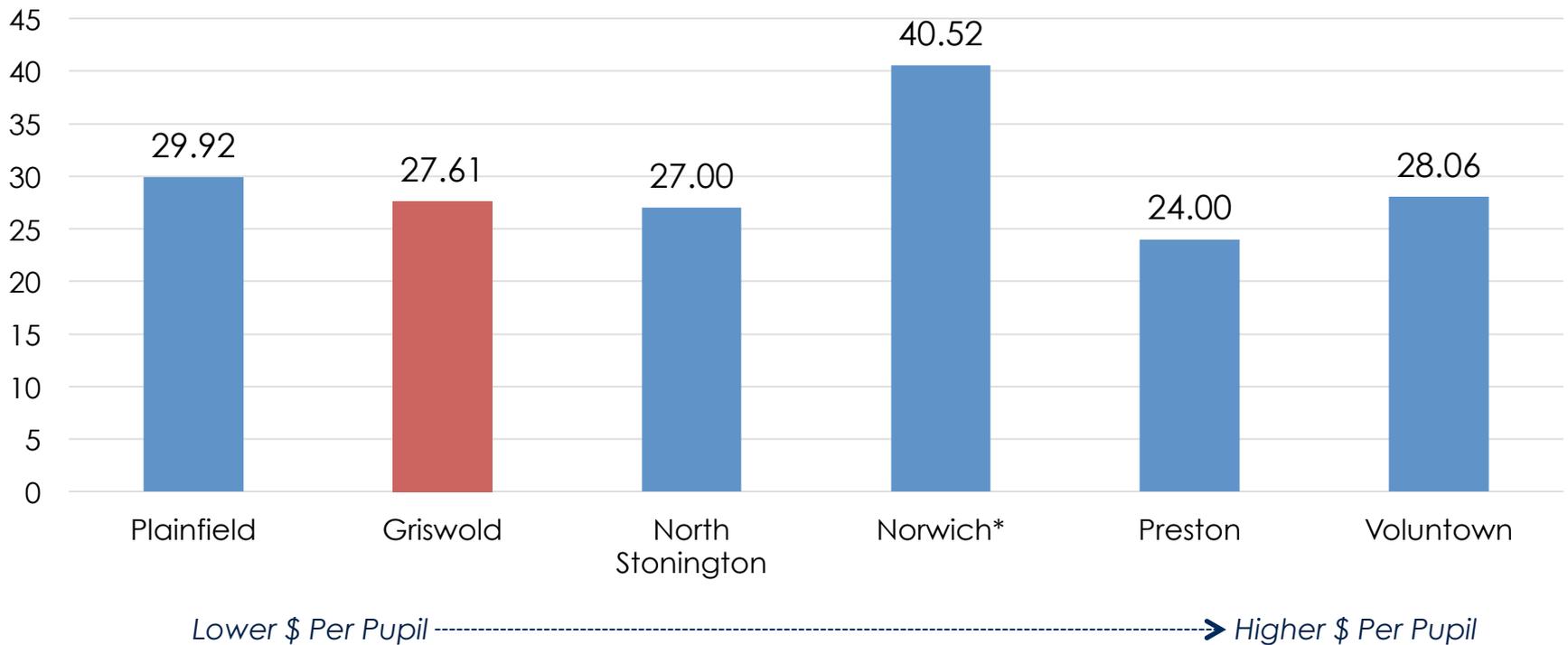
*For Real & Personal Property only; vehicle mill rate is 32.00 for these communities

**For Real & Personal Property only; vehicle mill rate is 37.00 for these communities

Source: State of Connecticut, Office of Policy and Management. (2017). *Municipal Fiscal Indicators, Fiscal Years Ended 2012-2016*. Retrieved from http://www.ct.gov/opm/lib/opm/FI_2012-16_Edition_As_of_2-6-18.pdf.

With the exception of Norwich, mill rates across Griswold and its neighboring towns are similar

Town Mill Rates FY 2016-17



*For Real & Personal Property only; vehicle mill rate is 39.00 for Norwich

Sources: Connecticut State Department of Education. (2018). *2016-17 Net Current Expenditures Per Pupil*. Retrieved from <http://ctschoolfinance.org/assets/uploads/files/2016-17-Net-Current-Expenditures-Per-Pupil.pdf>.

State of Connecticut, Office of Policy and Management. (2017). *Municipal Fiscal Indicators, Fiscal Years Ended 2012-2016*. Retrieved from http://www.ct.gov/opm/lib/opm/FI_2012-16_Edition_As_of_2-6-18.pdf.

The amount of property tax CT residents pay varies widely depending on where they live

Municipality	FY17-18 Mill Rate	Property Tax – 200K House	Property Tax – 2012 Honda Civic
HARTFORD ⁺	74.29*	\$4,786	\$158
NEW LONDON	44.26**	\$6,196	\$182
NORWICH	40.52***	\$5,673	\$192
WINDHAM	36.65	\$5,131	\$180
PLAINFIELD	29.92	\$4,189	\$147
VOLUNTOWN	28.06	\$3,928	\$138
GRISWOLD	27.61	\$3,865	\$136
NORTH STONINGTON	27.00	\$3,780	\$133
PRESTON	24.00	\$3,360	\$118
GREENWICH	11.369	\$1,592	\$56

*For Real & Personal Property only; vehicle mill rate is 32.00

**For Real & Personal Property only; vehicle mill rate is 37.00

***For Real & Personal Property only; vehicle mill rate is 39.00

⁺ Residential property in the city of Hartford is not assessed at the standard rate of 70%. Instead, Hartford's current assessment rate for residential property is 32.21%. Due to this difference, the property taxes for the house in this example may be lower in Hartford than the taxes in other towns with lower mill rates.

Sources: State of Connecticut, Office of Policy and Management. (2017). *Municipal Fiscal Indicators, Fiscal Years Ended 2012-2016*. Retrieved from http://www.ct.gov/opm/lib/opm/FI_2012-16_Edition_As_of_2-6-18.pdf.

KBB value for 2012 Honda Civic DX Sedan 4D with 75,000 miles and in good condition.

HOW ARE OTHER TYPES OF PUBLIC SCHOOLS FUNDED?

With 10 more formulas!

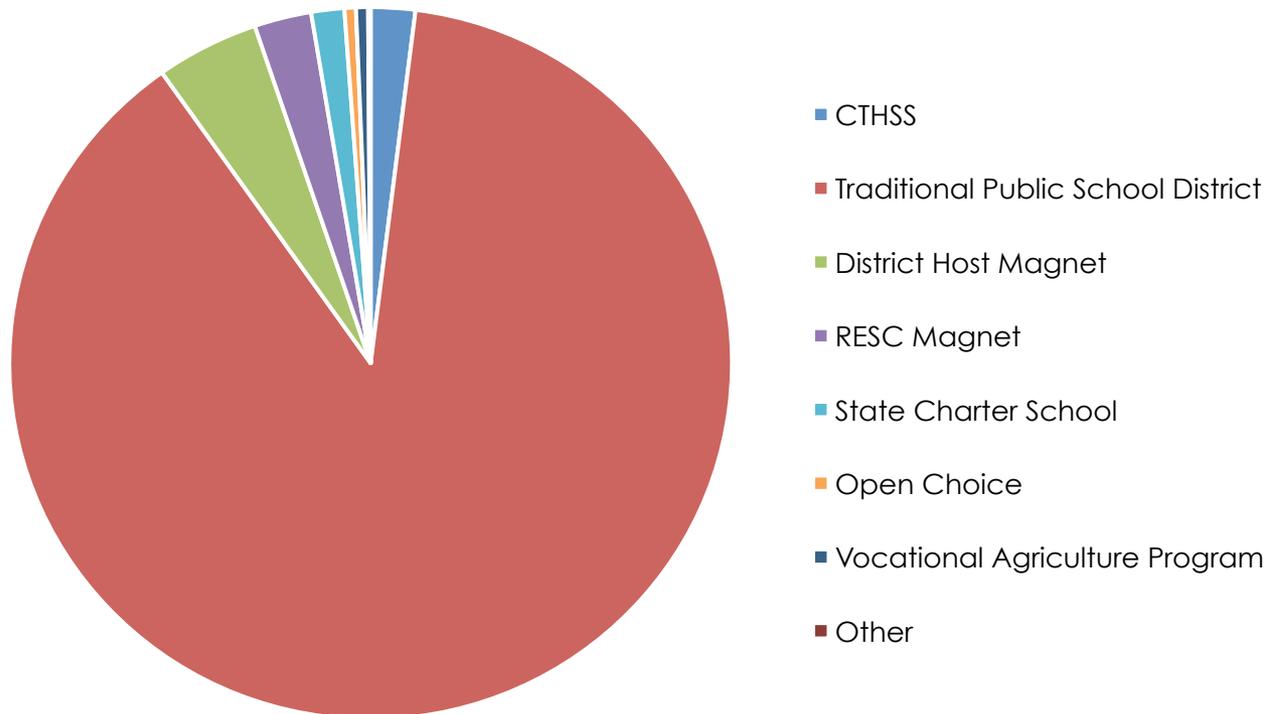
- Connecticut has a different funding formula for each different type of public school. These public school types include:
 - Magnet schools (5 different formulas)
 - Charter schools (2 different formulas)
 - CT Technical Education and Career System (1 formula)
 - Agriscience schools (1 formula)
 - Open Choice program (1 formula)

Sources: Connecticut General Assembly, Office of Legislative Research. (2013). *Task Force to Study State Education Funding Final Report*. Retrieved from <http://www.cga.ct.gov/2013/rpt/2013-R-0064.htm>.

Moran, J.D., & Bolger, A. (2018). *Comparison of Charter, Magnet, Agricultural Science Centers, and Technical High Schools (2018-R-0030)*. Hartford, CT: Connecticut General Assembly, Office of Legislative Research. Retrieved from <https://www.cga.ct.gov/2018/rpt/pdf/2018-R-0030.pdf>.

CT educates about 543,000 students, of those 63,000 attend school choice programs

2015 Enrollment by School Type



Source: Connecticut State Department of Education. (2015). *Out-of-District Public Enrollment by Resident Town, by School, and by Grade*. Available at <http://ctschoolfinance.org/data/connecticut-out-of-district-enrollment-by-resident-town-by-school-and-by-grade>.

Connecticut's other education funding formulas are not based on student learning needs

Formula	Low-income Students	English Learners	Students with Disabilities
ECS (local school districts)	✓	✓	X
State Charter Schools	X	X	X
Local Charter Schools	X	X	X
CT Technical Education and Career System	X	X	X
Regional Agriscience Centers	X	X	X
Hartford Host Magnet Schools	X	X	X
RESC-Operated Sheff Magnet Schools	X	X	X
Edison Magnet School	X	X	X
Non-Sheff RESC Magnet enrolling less than 55% of students from 1 town	X	X	X
Non-Sheff RESC Magnet enrolling 55% of students or more from 1 town	X	X	X
Non-Sheff Host Magnet School	X	X	X

Sources: Connecticut General Assembly, Office of Legislative Research. (2013). *Task Force to Study State Education Funding Final Report*. Retrieved from <http://www.cga.ct.gov/2013/rpt/2013-R-0064.htm>. Conn. Acts 17-2 (June Special Session).

Magnet School Formulas

- There are 5 different formulas for magnet schools.
- The formula for a magnet school depends on:
 - Whether the magnet school is operated by a Regional Education Service Center (RESC) or a local public school district.
 - Whether the magnet school was created as part of the *Sheff v. O’Neill* settlement.
 - One magnet school—Thomas Edison Middle School in Meriden—has its own funding formula. (It is a non-*Sheff* magnet administered by ACES.)
- RESC-operated magnet schools and some host district magnet schools can charge tuition to the sending districts for the amount it costs to educate the student above the State’s per-pupil allocation.

Sources: Connecticut General Assembly, Office of Legislative Research. (2013). *Task Force to Study State Education Funding Final Report*. Retrieved from <http://www.cga.ct.gov/2013/rpt/2013-R-0064.htm>.

Moran, J.D., & Bolger, A. (2018). *Comparison of Charter, Magnet, Agricultural Science Centers, and Technical High Schools* (2018-R-0030). Hartford, CT: Connecticut General Assembly, Office of Legislative Research. Retrieved from <https://www.cga.ct.gov/2018/rpt/pdf/2018-R-0030.pdf>.

Charter School Formulas

- There are 2 different formulas for charter schools.
- The formula for a charter school depends on whether it is a *state* or *local* charter school.
- *State* charter schools receive a per-pupil amount from the state (\$11,250) per student. They receive no local funding.
- *Local* charter schools receive:
 - Local per student costs
 - An additional \$3,000 per student from the State

Source: Conn. Gen. Statutes ch. 164, § 10-66ee, as amended by Conn. Acts 17-2 (June Special Session).

Other Choice School Formulas

- **Agriscience Programs: Mix of state and local funding**
 - State funding: \$4,200 + potential for supplemental funding; sending district receives ECS funding for each student
 - Local funding: The sending district can be charged up to \$6,822.80 per student
- **Connecticut Technical Education and Career System: State funding only**
 - State funding: 100% state funding; approx. per-pupil amount is: \$15,012 (appropriation only — does not include fringe benefits of employees)
- **Open Choice: Mix of state and local funding**
 - State funding: Receiving district gets a subsidy (based on Open Choice enrollment as a percentage of the district's total enrollment) that ranges from \$3,000 to \$8,000 per student participating in the Open Choice program. Each participating student is counted as half of a student in the sending and receiving districts ECS student counts.
 - Local funding: The receiving district pays the remaining cost to educate the student.

Sources: Moran, J.D., & Bolger, A. (2018). *Comparison of Charter, Magnet, Agricultural Science Centers, and Technical High Schools* (2018-R-0030). Hartford, CT: Connecticut General Assembly, Office of Legislative Research. Retrieved from <https://www.cga.ct.gov/2018/rpt/pdf/2018-R-0030.pdf>.

Retrieved from <http://www.cga.ct.gov/2014/rpt/2014-R-0257.htm>.

Conn. Gen. Statutes ch. 164, § 10-64-65.

Conn. Gen. Statutes ch. 164, § 10-95.

Conn. Gen. Statutes ch. 172, § 10-266aa.

Conn. Acts 17-2 (June Special Session).

Conn. Acts 18-81.

Connecticut Technical High School System. (2017, June 20). *Meeting of the Connecticut Technical High School System Board*. Retrieved from <http://www.cttech.org/assets/uploads/files/About/CTHSS%20Board/2017/MinutesBoard6-20-17.pdf>.

Choice Schools Funding Formulas Summary

Type of School	State funding per pupil	Can the school charge tuition to the sending district?	Does the city/town where the student lives get ECS for the student?
Agriscience	\$4,200 + potential for supp. funding	Yes, up to \$6,822.80	Yes
Charter, Local	\$3,000 + district per student costs	No but get district per student costs	Yes
Charter, State	\$11,250	No	No
CTECS	\$15,012	No	No
Magnet, RESC, <i>Sheff</i>	Varies from \$7,900 - \$10,443	Yes, up to cost of educating student	Yes
Magnet, RESC, non- <i>Sheff</i>	Varies from \$3,000 - \$7,900	Yes, up to cost of educating student	Yes
Magnet, District, <i>Sheff</i>	\$13,054 (interdistrict)	No	No but get ECS for in-district students
Magnet, District, non- <i>Sheff</i>	\$3,000 (host district); \$7,085 (interdistrict)	Yes*	Yes
Open Choice	Varies from \$3,000 - \$8,000 per student	No	50% to sending; 50% to receiving

* Conn. Gen. Statutes ch. 172, § 10-264(m)(2) prohibits host magnet schools from charging tuition if tuition was not charged in FY 2014-15. Tuition may be charged with the Commissioner of Education's permission if the request is made by September 1 of the year before the tuition will be charged.

Sources: Conn. Gen. Statutes ch. 164, § 10-66ee.

Conn. Gen. Statutes ch. 164, § 10-95.

Conn. Gen. Statutes ch. 164, § 10-64-65.

Conn. Gen. Statutes ch. 172, § 10-266aa.

Conn. Gen. Statutes ch. 172, § 10-264l.

Conn. Acts 17-2 (June Special Session).

Conn. Acts 18-81.

Connecticut Technical High School System. (2017, June 20). *Meeting of the Connecticut Technical High School System Board*. Retrieved from <http://www.cttech.org/assets/uploads/files/About/CTHSS%20Board/2017/MinutesBoard6-20-17.pdf>.

APPENDIX

Calculating Expenditures per School Type

- Individual children receive different amounts of funding based on learning needs. Stephanie is an illustrative vehicle for conveying differences in funding amounts between schools, and has been given the average spending per pupil for each school accordingly.
- For all school types, the following have been excluded:
 - School construction – capital, not general operating costs
 - Loans – not income
- The individual items used to calculate state, local, and other contributions for each school type are found on the following slide.

Calculating Expenditures per School Type

	Local Public	Charter	Sheff RESC Host Magnet
State Contribution	<ul style="list-style-type: none"> Board of Education Services for the Blind ECS – NonAlliance Excess Cost/State Agency Placement Healthy Foods Magnet Transportation Open Choice Other Direct State Grants Public Transportation Special Education Supplemental State Grants Managed by a Nonpublic/Quasi-Public Organization Serving Public Education State Match Child Nutrition State School Breakfast Total from ED141 Summary Report Column 3 Voag Your Portion of Services/Expenditures from Consortium Grant Payment Arrangement 	<ul style="list-style-type: none"> State Charter School Grant Common Core State Grant School Breakfast (state) Child Nutrition Special Education Reimbursement Other State 	<ul style="list-style-type: none"> State Magnet School Grant State Magnet Transportation Two Rivers receives a separate state subsidy for magnet school transportation. Other State Grant Funds
Local Contribution	<ul style="list-style-type: none"> Local Share is Total less State+Other 	<ul style="list-style-type: none"> Local Support 	<ul style="list-style-type: none"> LEA Regular Tuition LEA Special Education Tuition/Transportation
Other Contribution	<ul style="list-style-type: none"> Bilingual Education (Federal) Headstart Other Direct Federal Grants Your Portion of Services/Expenditures from Consortium Grant Payment Arrangement Federal Grants Managed by a Nonpublic/Quasi-Public Organization Serving Public Education Total Tuition & Transportation Revenues In-Kind Services Medicaid Revenue Expended on Special Education Services Medicaid Revenue Expended on Regular Education Services Third Party Billing/Insurance Contributions Rentals Endowment Funds Other Miscellaneous Revenues Total Miscellaneous Revenue from ED141 Summary Report, Column 3 	<ul style="list-style-type: none"> Title I Title II National School Lunch Other Federal Interest Income Miscellaneous 	<ul style="list-style-type: none"> Federal Funds

Source: Connecticut State Department of Education. (2018). Connecticut End of Year School Reports (ED001s). Available from <http://ctschoolfinance.org/data/ed001s>.

Sources: Does money matter?

- Coleman, J., et. al. (1966). *Equality of Educational Opportunity* (OE-38001). Washington, DC: National Center for Educational Statistics. Retrieved from <http://files.eric.ed.gov/fulltext/ED012275.pdf>.
- Hanushek, E.A. (2003). The failure of input-based schooling policies. *The Economic Journal*, 113, F64-F98. Retrieved from <http://hanushek.stanford.edu/sites/default/files/publications/Hanushek%202003%20EJ%20113%28485%29.pdf>.
- Jackson, C.K., Johnson, R., & Perisco, C. (2016). The Effects of School Spending on Educational and Economic Outcomes: Evidence from School Finance Reforms. *The Quarterly Journal of Economics*, 131(1), 157-218. doi:10.1093/qje/qjv036.
- Lafortune, J., Rothstein, J., & Schanzenbach, D.W. (2016). *School Finance Reform and the Distribution of Student Achievement* (NBER Working Paper No.22011). Cambridge, MA: The National Bureau of Economic Research. Retrieved from <http://www.nber.org/papers/w22011>.
- Candelaria, C.A., & Shores, K.A. (2017). *Court-Ordered Finance Reforms in the Adequacy Era: Heterogeneous Causal Effects and Sensitivity*. Stanford, CA: Stanford University Center for Education Policy Analysis. Retrieved from <https://cepa.stanford.edu/sites/default/files/cofr-efp.pdf>.

Terms to Know

- **Alliance Districts** – The 33 lowest-performing school districts in Connecticut as designated by the Commissioner of the State Department of Education and determined by various measures of student performance.
- **Base Aid Ratio** – Variable in the Education Cost Sharing (ECS) formula that determines each community's ability to financially support its public schools. The Base Aid Ratio uses property wealth (weighted at 70 percent) and income (weighted at 30 percent) to determine each community's ability to raise money from property taxes to pay for its local public schools.
- **Equalized Net Grand List per Capita (ENGLPC)** – Amount of taxable property (at 100 percent of fair market value) per person in a city or town. ENGLPC values are the primary measure used in the Base Aid Ratio portion of the ECS formula to determine how much state education funding is owed to a given town.
- **Median Household Income (MHI)** – Refers to the income level earned by a given household where half of the homes in the area earn more and half earn less. MHI is used in the Base Aid Ratio as a representation of a town's income wealth.
- **Public Investment Communities (PIC) index** - Calculated annually by Connecticut's Office of Policy and Management, the PIC index measures the relative wealth and need of Connecticut's towns by ranking them in descending order by their cumulative point allocations based on: per capita income; adjusted equalized net grand list per capita; equalized mill rate; per capita aid to children receiving Temporary Family Assistance benefits; and unemployment rate.
- **State Guaranteed Wealth Level (SGWL)** – Commonly referred to as the threshold factor, the SGWL determines each town's ECS aid percentage. Each town's ability to support its public schools (as determined by the Base Aid Ratio) is compared to the SGWL to determine what percentage of the per-student funding amount the town will receive from ECS and what will have to come from local tax dollars.