

## Introduction

Over the past 10 years, the needs of Connecticut students have changed. While the overall enrollment in Connecticut's public schools has decreased by approximately 36,000 students, the needs of students have increased.<sup>1</sup> In the 2017-18 school year, 37 percent of Connecticut public school students qualified for free or reduced price lunch (an indicator for low-income students), as compared to 30 percent in the 2008-09 school year.<sup>2</sup> Additionally, the percent of Connecticut students who are English Learners (ELs) also increased from five percent in 2008-09 to seven percent in 2017-18.<sup>3</sup> The percentage of Connecticut students identified as students with disabilities has also increased from 12 percent in the 2008-09 school year to 15 percent in the 2017-18 school year.<sup>4</sup>

These changes, coupled with the varying ability of communities to pay local education costs, the fact that Connecticut stopped using the Education Cost Sharing (ECS) formula for several years, and the lack of a unified school funding system, have resulted in a mismatch between district need and district resources. This policy briefing details the current mismatch between student needs and per-pupil spending in Connecticut's local public school districts, and examines some of the factors that contribute to this mismatch.

## Definition of Need

For the purpose of this policy briefing, student need is defined at the district level as the percent of students classified as having at least one of the following types of needs:

- Low-income students, as determined by qualifying for free or reduced price lunch (FRPL)
- English Learners (ELs)
- Student receiving special education services

While additional measures of need exist, these three measures were chosen because they have been used, at one time or another, in the calculation of state education aid to municipalities, and are available from the Connecticut State Department of Education (CSDE). Furthermore, research has shown students in the above categories require funding at a higher level than their non-need peers to achieve at a level similar to their non-need peers.<sup>A</sup>

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<sup>A</sup> Duncombe & Yinger (2004) note "Both scholars and policy makers have recognized that it costs more to achieve any given level of student performance when the students are disadvantaged than when they are not" (p.4). For English Learners, Gándara & Rumberger (2007) conclude "English Learners and other linguistic minority students, do require additional resources, above and beyond those of all other students"(p. 18).

Duncombe, W. D., & Yinger, J. (2004). *How Much More Does a Disadvantaged Student Cost?* (Working Paper). Syracuse University, Maxwell School of Citizenship and Public Affairs, Center for Policy Research. Available from <http://surface.syr.edu/cpr/103>.

Gándara, P., & Rumberger, R.W. (2007). *Defining an Adequate Education for English Learners*. Retrieved from <http://www-leland.stanford.edu/~hakuta/Courses/Ed205X%20Website/Resources/Gandara%20%20Rumberger%20EL%20Resources.pdf>.

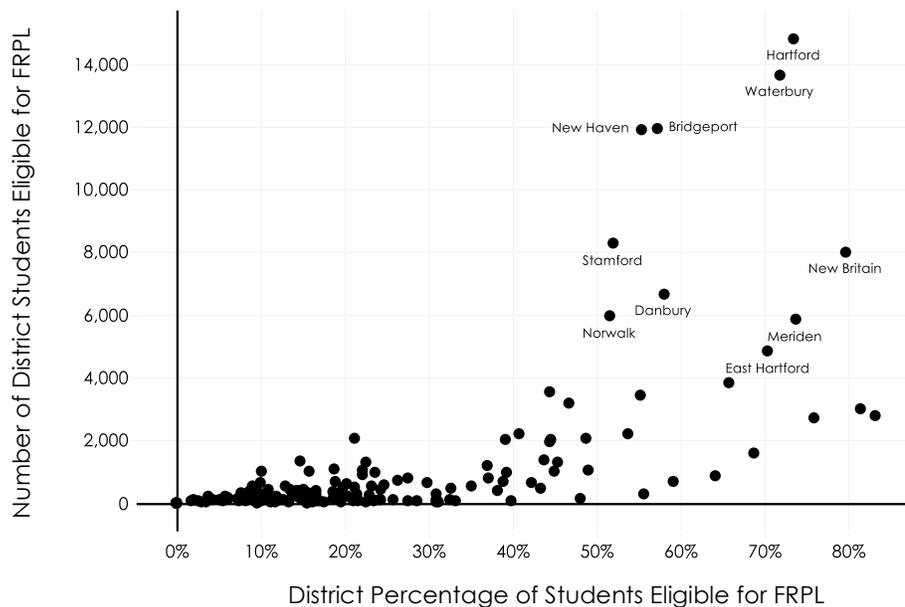
## Student Need Demographics

The distribution of Connecticut students by type of need is graphed and mapped in this section. These graphs and maps show the distribution of need across Connecticut's local public school districts. These graphs compare the percent of higher-need students enrolled in a local school district with the actual number of enrolled students classified as having that specific need. The maps show the total number of students in a local public school district who are classified as higher-need. This analysis finds those districts that educate the greatest percentage of higher-need students also educate the largest number of higher-need students.

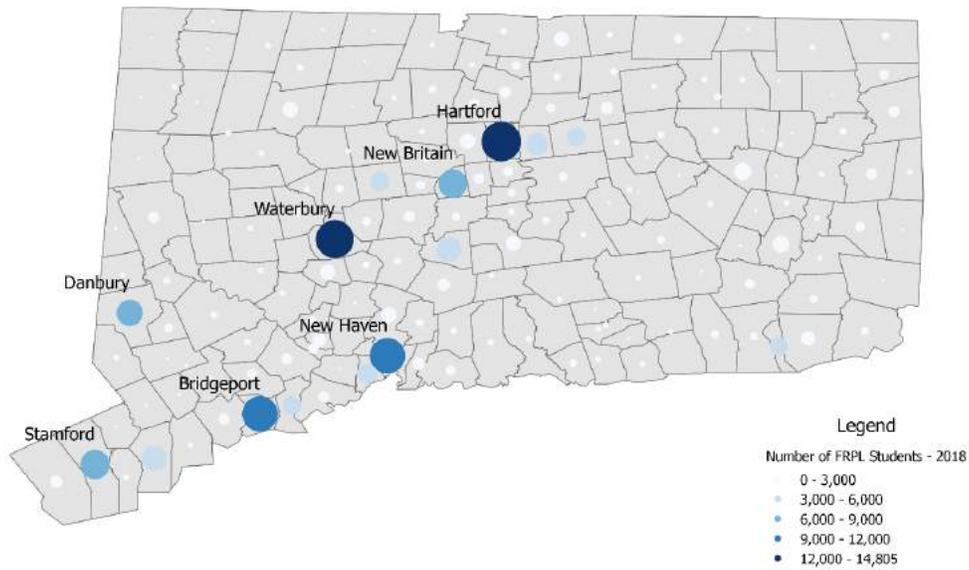
### Low-income Students

The largest concentrations of poverty are located in the state's largest school districts — Bridgeport, Hartford, Waterbury, and New Haven.<sup>5</sup> The districts serving the highest percentages of low-income students are New Britain, Windham, New London, Norwich, Meriden, and East Hartford. In each of these districts, more than 65 percent of enrolled students are eligible for FRPL.<sup>6</sup>

**Percentage of District Students Eligible for FRPL vs. Total Number of District Students Eligible for FRPL, 2017-18 School Year**



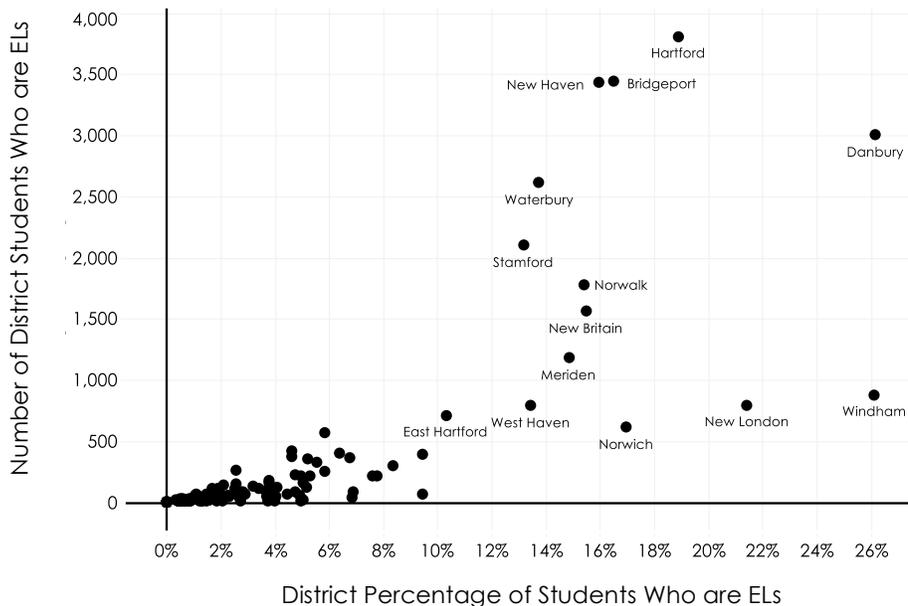
**Number of Students Eligible for FRPL per District, 2017-18 School Year**



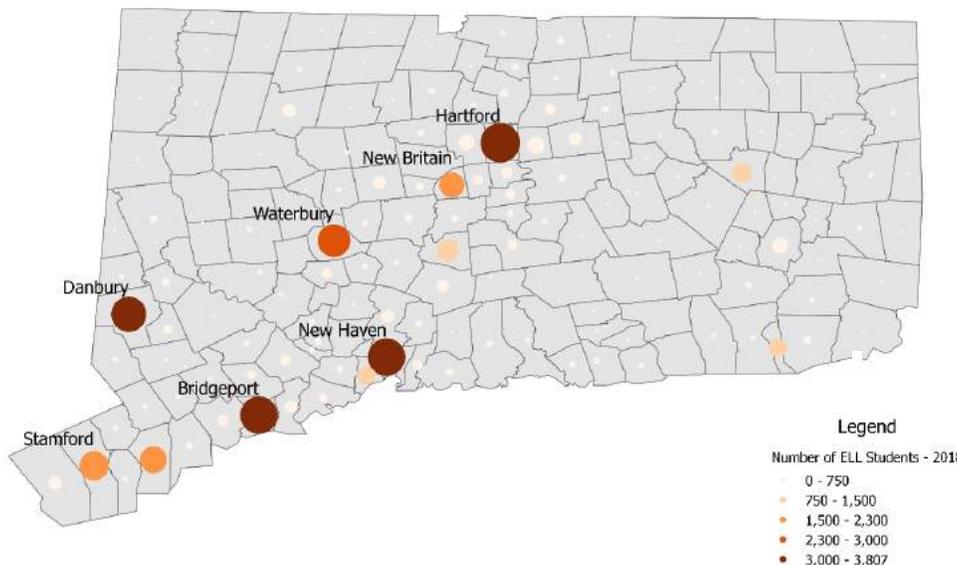
**English Learners**

In the last decade, the percentage of Connecticut public school students who are English Learners (ELs) has increased slightly, from five percent to seven percent.<sup>7</sup> However, some districts have seen significant increases in the percentage of their students who are ELs, while other districts have experienced no increase. The local public school districts serving the largest percentage of ELs are Danbury, Windham, New London, Hartford, and Norwich.<sup>8</sup> Over the past 10 years, these districts have seen an average total increase in their EL student population of 4.9 percent.<sup>9</sup>

**Percentage of District Students Who are ELs vs. Total Number of District Students Who are ELs, 2017-18 School Year**



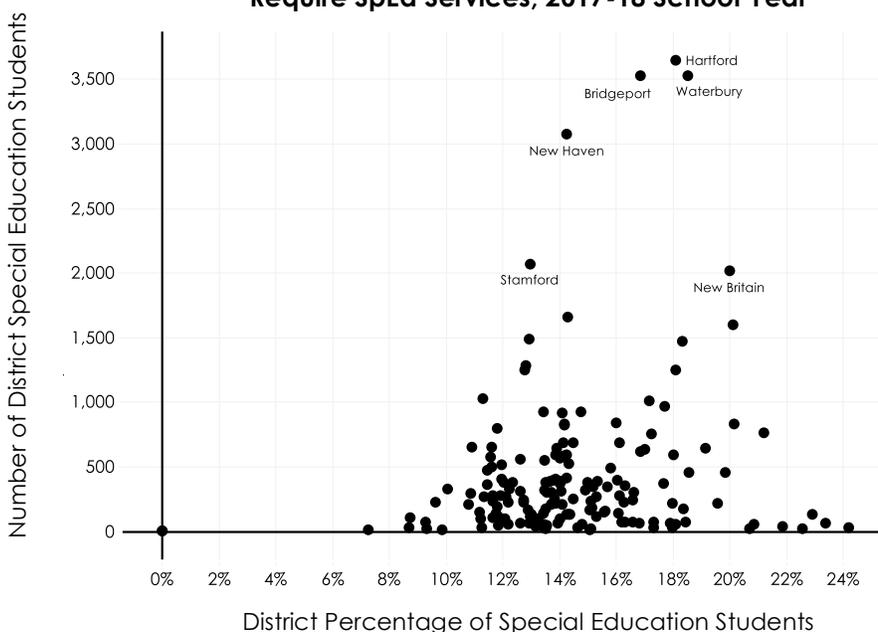
### Number of English Learners per District, 2017-18 School Year



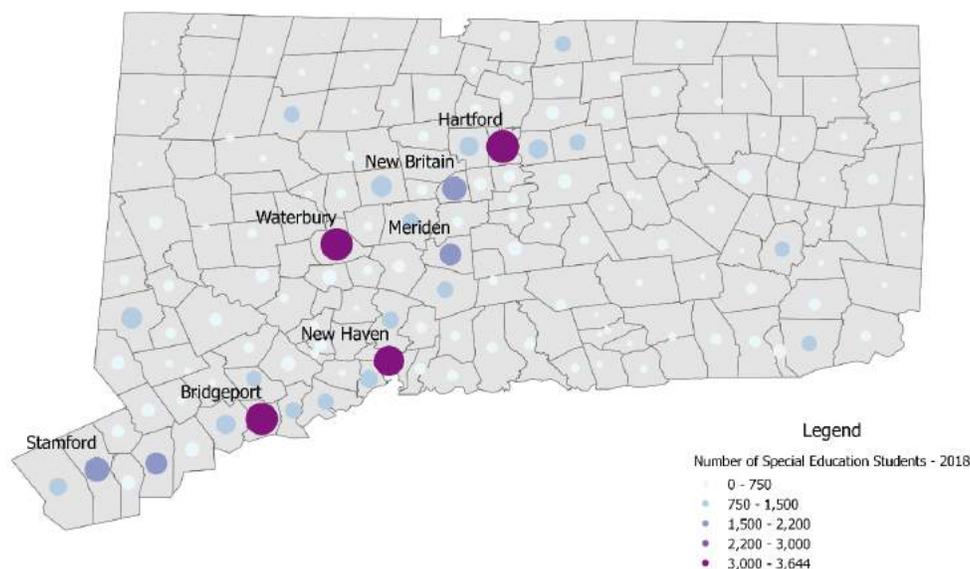
### Students with Disabilities

The percentage of Connecticut students identified as requiring special education services has increased from 12 percent to 15 percent over the past decade.<sup>10</sup> Students requiring special education services include students diagnosed as having learning disabilities, intellectual disabilities, Attention-Deficit Hyperactivity Disorder, Autism, speech and language disabilities, emotional disturbances, and other qualifying medical diagnoses. Unsurprisingly, given their size, the local public school districts serving the largest number of special education students are Hartford, Bridgeport, Waterbury, and New Haven.<sup>11</sup> However, the districts serving the highest percentage of special education students are Norfolk, Barkhamsted, Winchester, and Hampton.<sup>12</sup>

### Percentage of District Students Who Require SpEd Services vs. Total Number of District Students Who Require SpEd Services, 2017-18 School Year



### Number of Special Education Students per District, 2017-18 School Year



## Mismatched Needs & Resources in Local School Districts

Connecticut's school finance system does not fully account for student learning needs. As a result, districts serving the highest-need students often do not receive funding that reflects the needs of their student population. This section examines the relationship between student needs and resources in Connecticut's local public school districts, and highlights the inequity that occurs between lower-need, wealthy districts and higher-need, less affluent districts.

To examine the relationship between need and resources in Connecticut public school districts, the level of analysis is the total spent per pupil at each local public school district.<sup>B</sup> To measure district spending, this policy briefing uses the Net Current Expenditures per Pupil provided by the CSDE. In Connecticut, districts are not required to report spending at the school level, or the amount spent per pupil on students with additional learning needs. Additionally, this analysis only examines local public school districts because the CSDE does not publish per-pupil expenditures for any other type of local education agency, such as Regional Education Service Centers or charter schools.

Included in this section are three charts detailing the relationship between the amount of money spent per pupil in each local school district for the 2016-17 school year and

<sup>B</sup> Per-pupil spending is used in this analysis, as opposed to per-pupil funding, because it provides a more accurate view of how much money goes toward a student's education. In Connecticut, funding for education from state and local sources goes directly to a local school district's municipal government, rather than to the local school district itself. The municipality then passes allocated education funding to the district. This pass-through can sometimes cause a discrepancy between expected per-pupil funding and actual per-pupil spending. Therefore, per-pupil spending, as reported by the district, has been used in this analysis as a more accurate source of data.

the level of student need present in that district for the same school year.<sup>13,14</sup> (Data from the 2016-17 school year was used for the visualizations, as this is the most recent data year available.)

The findings of this analysis are as follows:

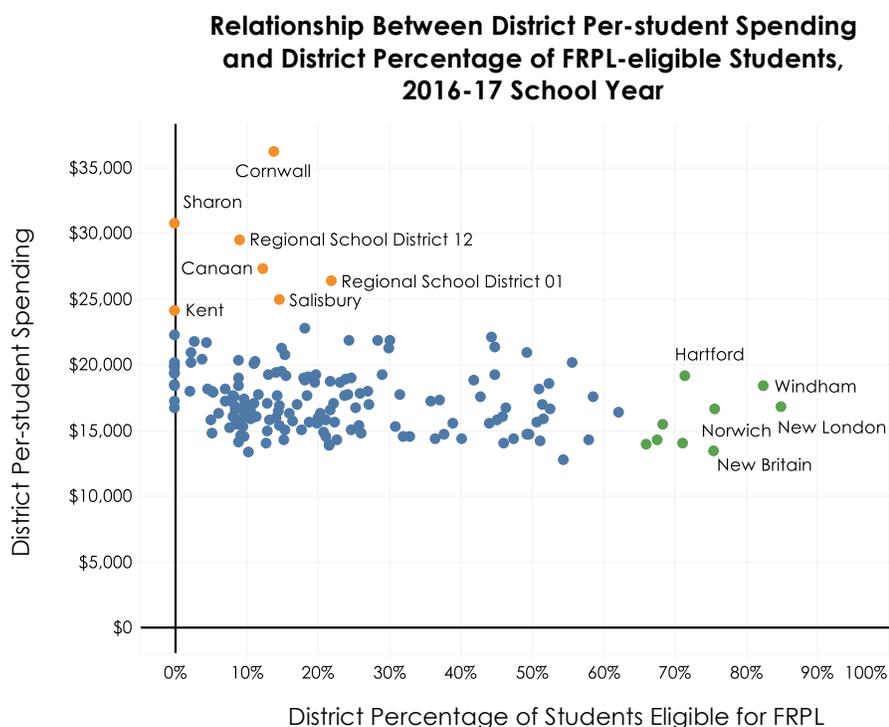
- There is no correlation between the amount of money a district spent per pupil and the percentage of low-income students the district serves.
- There is no correlation between the amount of money a district spent per pupil and the percentage of EL students the district serves.

These findings are the case even though research, cited previously in this policy briefing, has detailed the need for additional funding for higher-need students to achieve at levels equivalent to their non-need peers.

However, there is a positive correlation between the amount spent per pupil and the level of special education need. This is most likely due to the fact that there is a correlation between district wealth and the district's special education identification rate.<sup>15,16</sup>

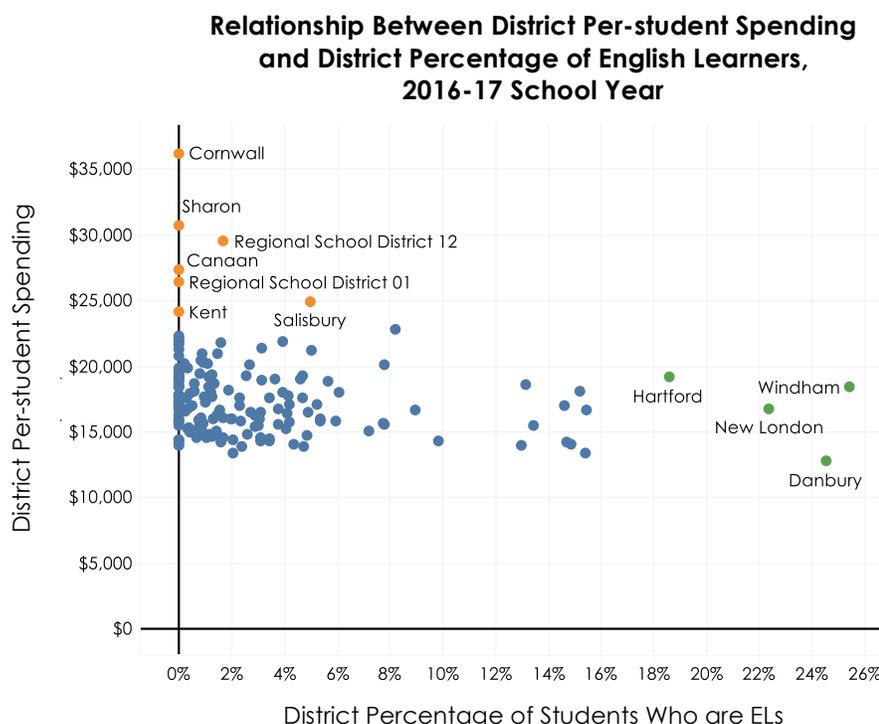
### Low-income Students

In Connecticut, there is no correlation between the percentage of low-income students a district serves and the amount it spends. The scatter plot below shows the relationship between the percentage of low-income students a district serves (on the horizontal axis) and a district's per-student spending (on the vertical axis). Some districts with very low percentages of low-income students have very high per-student spending. These districts are in the upper left corner of the chart and are colored in orange. Oppositely, some districts that serve a high percentage of low-income students have lower per-student spending. These districts are in the lower right of the chart and are colored in green.



## English Learners

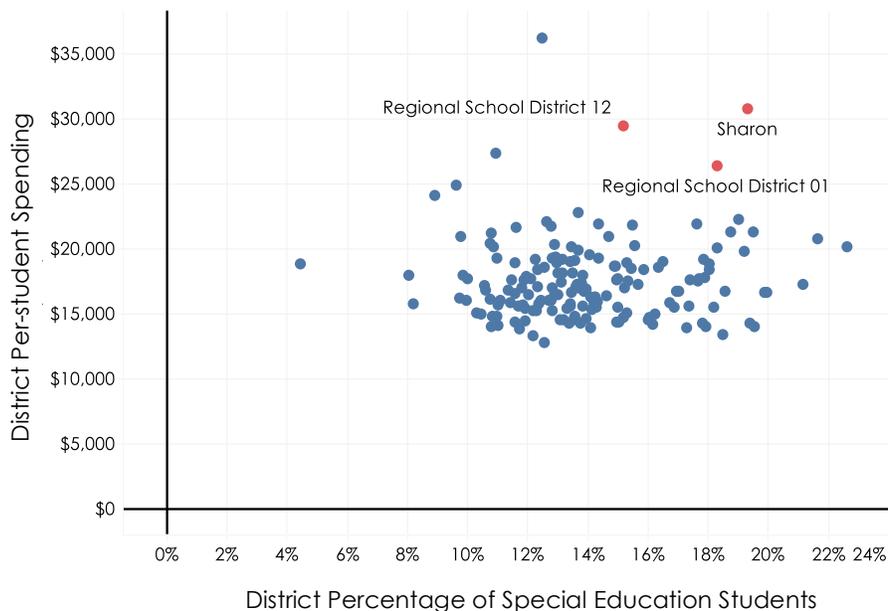
There is also no correlation between the percentage of EL students a local school district serves and the amount it spends. The scatter plot below shows the relationship between the percentage of EL students a district serves (on the horizontal axis) and the district's per-student spending (on the vertical axis). Some districts with very low percentages of EL students have very high per-student spending. These districts are in the upper left corner of the chart and are colored in orange. Oppositely, some districts that serve a higher percentage of EL students have lower per-student spending. These districts are in the lower right of the chart and are colored in green.



## Students with Disabilities

There is a slight positive correlation between the percentage of special education students in a local school district and the district's spending per student. This is most likely due to the correlation between special education populations and the wealth of school districts. Districts spending high amounts per pupil with high special education population percentages are colored in red on the chart below. Smaller wealthy districts such as Regional School District 12, Sharon Public Schools, and Regional School District 1 all have special education percentages above 15 percent and spend at least \$25,000 per pupil.<sup>17,18</sup> Each of these districts also served less than 700 students in the 2017-18 school year.<sup>19</sup>

### Relationship Between District Per-student Spending and District Percentage of Special Education Students, 2016-17 School Year



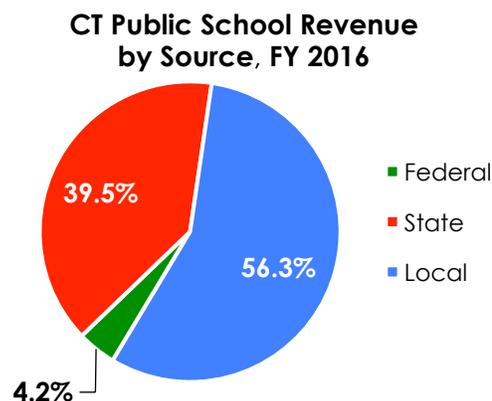
### Why the Mismatch?

The mismatch between student learning needs and district resources occurs because Connecticut is not funding school districts based on the learning needs of the students they serve. Although the Connecticut General Assembly took significant steps toward fixing the ECS formula during the 2017 legislative special session, districts serving the highest-need students often do not receive funding that reflects the needs of their student population, making it difficult for those districts to provide their students with educational opportunities equal to those of their non-need peers.

The following section examines funding of local public school districts and the contributing factors to the current mismatch between student needs and resources, and the inequity that exists between districts across the state.

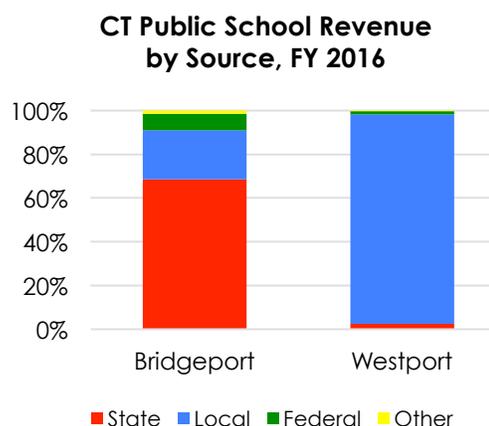
### How are Connecticut's Local Public School Districts Funded?

In fiscal year 2016, Connecticut public schools spent approximately \$11.2 billion dollars educating students.<sup>20</sup> The funding for educating these students is primarily split between state and local funding sources. According to the U.S. Census Bureau, federal funding sources accounted for just 4.2 percent of Connecticut's public elementary-secondary school system



revenue in FY 2016.<sup>21</sup> State sources, on the other hand, accounted for 39.5 percent, and local sources accounted for 56.3 percent of school system revenues.<sup>22</sup>

However, viewing this distribution at the aggregated state level hides significant variations in the share of school district revenue coming from state and local sources. For example, in FY 2016, Bridgeport Public Schools received 22 percent of its revenue from local sources and 69 percent from state sources, while Westport Public Schools received 96 percent of its revenue from local sources and three percent from state sources.<sup>23</sup>



## State Education Aid to Municipalities to Fund Public Schools

The State of Connecticut began providing education aid to cities and towns as a result of a 1977 Connecticut Supreme Court decision, *Horton v. Meskill*. In *Horton v. Meskill*, the Court ruled an education funding system that allows “property wealthy” towns to spend more on education with less effort, is a system that impedes children’s constitutional rights to an equal education under the Connecticut Constitution.<sup>24</sup> As a result, Connecticut established the ECS formula in 1988.<sup>25</sup> The goal of this formula is to distribute state education aid to cities and towns in order to make up the difference between the cost of operating a local public school system and each community’s ability to pay those costs through local property tax revenue.<sup>26</sup> Since 1988, the ECS formula has been revised and changed numerous times.

The ECS formula uses three main variables to determine how much a community must raise from its property taxes to pay for its local education costs, and how much the State should contribute to offset these costs<sup>27</sup>:

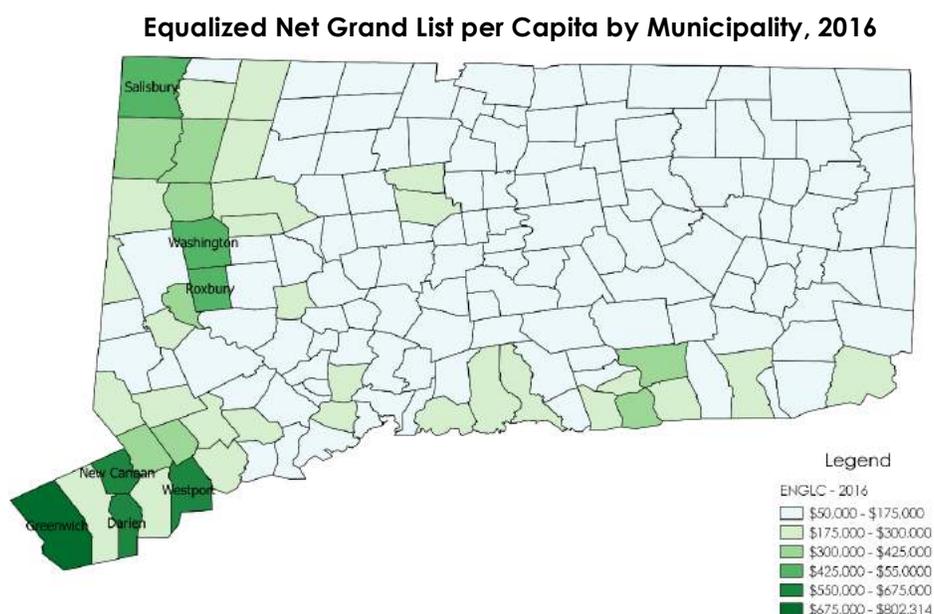
- **The Foundation:** Intended to represent the estimated cost of educating a Connecticut general education student who does not have any additional learning needs.
- **Need Students:** A calculation that considers the number of students within a town, including groups of students that are typically more costly to educate because they have greater needs.
- **Base Aid Ratio:** Each community’s ability to financially support education.

In October 2017, the Connecticut General Assembly passed a revised ECS formula to be first implemented in FY 2019.<sup>28</sup> The revised formula contains additional need weighting for English Learners and for students in districts with concentrated poverty, and made revisions to how each community’s ability to pay for education is measured.<sup>29</sup> This formula is intended to be phased in over 10 years with the phase-in being based on whether a town is projected to receive more or less ECS funding than

the town did in FY 2017.<sup>30</sup> The ECS formula is projected to be fully funded in FY 2028.<sup>31</sup>

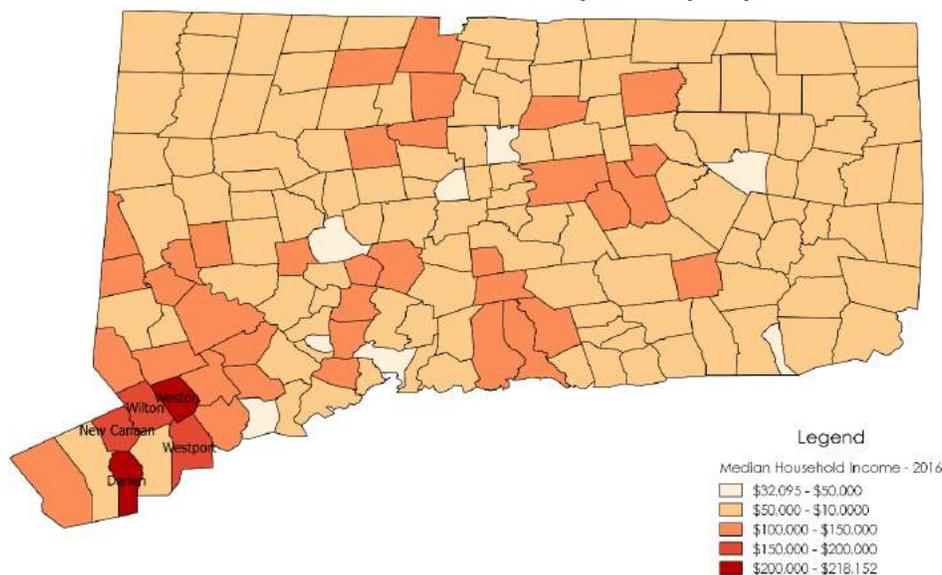
## Source of Local Revenue

Local sources accounted for more than 56 percent of Connecticut school district revenue in FY 2016.<sup>32</sup> Property taxes are the only type of tax Connecticut cities and towns are able to levy to pay for public services. However, Connecticut's cities and towns have varying amounts of property wealth. The amount of property wealth per resident in each municipality is the Equalized Net Grand List per Capita (ENGLPC), or the equalized amount of total taxable property per resident. While the town of Greenwich had an ENGLPC of \$802,314 in grand list year 2016, New Britain's ENGLPC for the same year was \$50,285 — nearly 16 times less than Greenwich.<sup>33</sup> The following map displays the ENGLPC of each municipality as a color gradient. The darker the color, the higher the ENGLPC for the municipality.



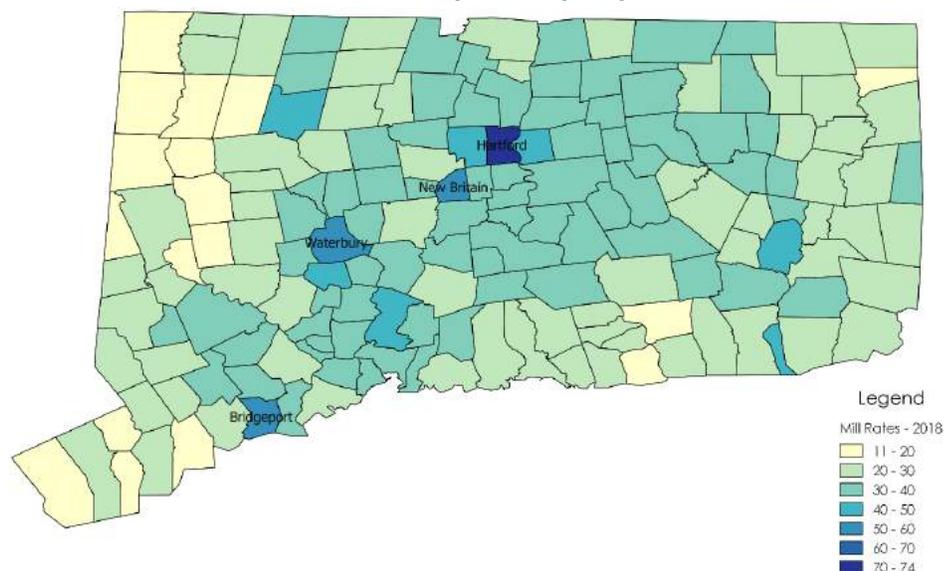
A second measure of town wealth is Median Household Income (MHI). When analyzing this measure, similar disparities are found. For example, Weston had a MHI of \$218,152 in 2016, while Hartford's MHI was \$32,095 for the same year.<sup>34</sup> The map below details the wide disparity in MHIs among Connecticut municipalities. The gradient is such that darker colors correspond to higher MHIs.

### Median Household Income by Municipality, 2016



As a result of the considerable variance in wealth between cities and towns, there are also significant differences in the property tax rates (known as “mill rates”) cities and towns must levy in order to fully fund public services, including funding the local public school district. For example, Putnam’s mill rate is 20 mills, while Norwich’s mill rate is 40.5 mills.<sup>35</sup> The map below details the FY 2018 mill rate for each Connecticut municipality. The darker the color, the higher the mill rate for the municipality. The map reveals a large number of towns with similar mill rates, with disparities appearing at the high end of the mill rates, located in Connecticut’s urban cities.

### Mill Rate by Municipality, 2018



## Conclusion

While overall enrollment has decreased by approximately 36,000 students over the last 10 years, Connecticut's public schools continue to experience an increase in student need.<sup>36</sup> Growth in low-income and EL student populations, as well as an increasing percentage of students with disabilities, coupled with the varying ability of communities to pay local education costs, the fact that Connecticut stopped using the ECS formula for several years, and the lack of a unified school funding system, has resulted in a consistent mismatch between district needs and district resources.<sup>37</sup>

This mismatch is the result of several contributing factors and Connecticut's overall school finance system. While the Connecticut General Assembly took significant steps toward fixing the ECS formula during the 2017 legislative special session, work still needs to be done to ensure all students, regardless of need, receive equitable funding and have the same opportunities to succeed in Connecticut's public schools.

To fix the funding inequity that exists among Connecticut's public school districts and resolve the mismatch between student needs and resources, further steps need to be taken to ensure education dollars are distributed in a transparent, consistent, and predictable manner.

## Endnotes

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<sup>1</sup> Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> 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>.

<sup>15</sup> Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

<sup>16</sup> 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>.

<sup>17</sup> Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

<sup>18</sup> 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>.

<sup>19</sup> Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

<sup>20</sup> 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](https://www2.census.gov/programs-surveys/school-finances/tables/2016/secondary-education-finance/elsec16_sumtables.xls).

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> 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>.

<sup>24</sup> Horton v. Meskill, 172 Conn. 615 (Conn. Sup. Ct. 1977).

<sup>25</sup> 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>.

<sup>26</sup> Ibid.

<sup>27</sup> Conn. Gen. Statutes ch. 172, § 10-262h

<sup>28</sup> Conn. Acts 17-2 (June Special Session).

<sup>29</sup> Ibid.

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>32</sup> 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](https://www2.census.gov/programs-surveys/school-finances/tables/2016/secondary-education-finance/elsec16_sumtables.xls).

<sup>33</sup> 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/FL\\_2012-16\\_Edition\\_As\\_of\\_2-6-18.pdf](http://www.ct.gov/opm/lib/opm/FL_2012-16_Edition_As_of_2-6-18.pdf).

<sup>34</sup> Ibid.

<sup>35</sup> State of Connecticut, Office of Policy and Management. (2018). *2016 Grand List Year 2018 Fiscal Year*.

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Available from [https://www.ct.gov/opm/lib/opm/igp/mill\\_rates/gl2016\\_-\\_fy2018\\_mill\\_rates\\_for\\_web.xlsx](https://www.ct.gov/opm/lib/opm/igp/mill_rates/gl2016_-_fy2018_mill_rates_for_web.xlsx).

<sup>36</sup> Connecticut State Department of Education. (2018). *Public School Enrollment, 2017-18*. Available from <http://ctschoolfinance.org/data/connecticut-school-enrollment>.

<sup>37</sup> Ibid.