How Connecticut’s school funding system impacts Montville Public Schools and the community

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Contact Us

For questions or comments about the information presented today, please contact us:

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To learn more about the School and State Finance, visit us at:
www.schoolstatefinance.org

Or connect with on social media
About the School and State Finance Project

- Founded in 2015, the School and State Finance Project (formerly known as the Connecticut School Finance Project) is a nonpartisan, nonprofit policy organization, focused on education funding and state finance issues.

- Our organization is committed to providing independent analysis, building public knowledge, improving transparency, and developing fair, sustainable solutions for some of the toughest education funding and state finance challenges.

- Although not a member-based organization, we actively work with a diverse group of stakeholders and communities.

- We aim to serve as a trusted resource for policymakers, school district officials, community leaders, and all individuals looking for transparent, accessible, and approachable information about education funding and state finances.
Our Goals & Objectives

• Serve as a trusted, independent source of accurate data, information, and research

• Increase awareness and build public knowledge about Connecticut’s education finance system, state budget, and overall fiscal health

• Improve transparency around Connecticut’s education and state finances

• Work collaboratively to develop thoughtful, data-driven solutions that address Connecticut’s education funding and state finance challenges

• Provide technical assistance to partner organizations seeking to solve education finance-related challenges.
What We Do

• Accurate, Independent Data and Analysis
  Accurate data and analysis is the backbone of our organization. We provide up-to-date data with easy-to-understand analysis about 1) how CT funds its public schools and 2) CT’s budget and financial state.

• Reports and Policy Briefings
  We consistently produce in-depth reports and policy briefings about various topics related to education finance, the state budget, and other issues impacting CT’s fiscal health.

• Handouts, Education Materials, and Policy Toolkits
  We create customized, approachable handouts and materials that help communities and stakeholders better understand CT’s education and state finances, and then effectively share that information with their neighbors, policymakers, and personal networks.

• Support ALL Students and Public Schools
  As part of our education finance work, our organization is committed to developing, and raising awareness about the need for, an equitable, unified state education funding formula that treats ALL students fairly based on their learning needs and the needs of the districts and communities that serve them.
What We Don’t Do

• **Weigh In on Local Education Finance or Budget Issues & Policies**
  While municipalities play an important role in the state's education finance system and have an obligation to appropriately (while considering the town’s wealth and needs) contribute funds to the education of their school-age children, we do not work on local education finance or budget issues and policies.

• **Support and/or Endorse Local Initiatives**
  As an organization focused on statewide issues and policies related to education funding and state finance, we do not support and/or endorse any local initiatives.

• **Endorse Elected Office Candidates & Referendums**
  As a nonprofit, nonpartisan organization, we do not endorse elected officials, candidates for elected office, and/or referendums/ballot measures. Furthermore, we do not engage in and/or interfere in any election in any way.

• **Manipulate Data or Present Inaccurate Data Findings**
  We never manipulate data, present inaccurate findings, or provide information without proper context. As an independent organization, we also do not change data to show a particular finding or support a policy position. We use official state and federal data as much as possible and all data used is for the most recent year available.
Connecticut’s Fiscal State
Fixed costs are crowding out the non-fixed portion of the budget

General Fund Expenditures by Service, FY 2019

FIXED COSTS $9.72 B (50.5%)

DISCRETIONARY (NON-FIXED COSTS) $9.53 B (49.5%)

Sources listed at http://ctstatefinance.org/spending.
Education funding makes up, by far, the largest portion of Connecticut’s non-fixed costs (does NOT include pensions or capital expenses)

Non-fixed General Fund Expenditures by Service, FY 2019

- Conservation and Development: 0.7%
- Corrections: 9.5%
- Education, Museums, Libraries: 11.3%
- General Government: 5.8%
- Health and Hospitals: 12.1%
- Human Services: 6.9%
- Judicial: 2.9%
- Legislative: 1.8%
- Non-functional: 0.7%
- Regulation and Protection: 9.5%

EDUCATION, MUSEUMS, LIBRARIES: 39.6%

Sources listed at http://ctstatefinance.org/spending.
State funding for public schools can be broken down into multiple categories.

FY 2019 State Funding by Grant ($Millions)

- ECS/Alliance District Grants: 64%
- School Building Projects: 8%
- Magnet School: 10%
- Sp. Ed. - Excess Cost: 4%
- Charter Schools: 4%
- School Readiness - Severe Need: 3%
- Priority School Districts: 1%
- Other Grants less than $40MM: 5%

How Does This Impact School Finance?
School finance is about...
Kids
Schools
Communities
Ben’s Story
Ben

• Ben is a 2nd grader who lives in Montville.

• When he grows up, he wants to become a doctor.
How much funding does Ben’s school district receive to educate him?
It depends on where he goes to school.

Let’s take a look at funding for Ben at three similar school districts.
Montville Public Schools: $15,501

<table>
<thead>
<tr>
<th>District Name</th>
<th>Montville Public Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Contribution</td>
<td>$5,239</td>
</tr>
<tr>
<td>Montville Contribution</td>
<td>$9,797</td>
</tr>
<tr>
<td>Other Contributions</td>
<td>$465</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$15,501</strong></td>
</tr>
</tbody>
</table>

Bozrah Public Schools: $17,163

<table>
<thead>
<tr>
<th>District Name</th>
<th>Bozrah Public Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Contribution</td>
<td>$3,707</td>
</tr>
<tr>
<td>Bozrah Contribution</td>
<td>$13,164</td>
</tr>
<tr>
<td>Other Contributions</td>
<td>$292</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$17,163</strong></td>
</tr>
</tbody>
</table>

Ledyard Public Schools: $15,597

<table>
<thead>
<tr>
<th>District Name</th>
<th>Ledyard Public Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Contribution</td>
<td>$5,599</td>
</tr>
<tr>
<td>Ledyard Contribution</td>
<td>$9,155</td>
</tr>
<tr>
<td>Other Contributions</td>
<td>$843</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$15,597</strong></td>
</tr>
</tbody>
</table>

How much funding does Ben’s school district receive to educate him?

It depends on where he lives.

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<thead>
<tr>
<th>School District</th>
<th>Montville Public Schools</th>
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<th>Ledyard Public Schools</th>
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</table>

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.

What are the funding sources for public education in Connecticut?

Equality vs. Equity

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

EQUITY = FAIRNESS
ACCESS TO SAME OPPORTUNITIES → We must first ensure equity before we can enjoy equality
Why should we fund students based on their learning needs?
# Challenges and potential support for different types of learning needs

<table>
<thead>
<tr>
<th>Learning Need</th>
<th>Potential Challenges Impacting Student’s Education</th>
<th>Examples of Potential Support</th>
</tr>
</thead>
</table>
| Student from a low-income family    | • 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) | • Reading interventionist  
• Software to help build vocabulary and develop language  
• Social worker |
| English Learner student             | • May be only English speaker in household  
• Cultural differences  
• Emigrated from possible violence/warfare  
• Unfamiliar with US education system – or any education system                                                   | • ESL/bilingual teacher  
• Software to assist in learning English  
• Books and other materials in first language |
| Student with disabilities           | • 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                                              | • Special education teacher  
• Physical or occupational therapist  
• Adaptive technology |

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.
What does all this mean?

Funding does matter to student success inside and outside of the classroom.
State and Montville Overview
Over the last 10 years, the total number of students in Connecticut public schools has declined by 6.3%.

Connecticut Public School Enrollment by School Year

Enrollment for Montville Public Schools has decreased by 22.5% over the past 10 years.

Montville Public Schools’ Enrollment, 2010-19

Across the state, and in Montville, student needs are growing
CT’s low-income, EL, and special education populations have increased over the past 10 years

*Due to concerns expressed by the Connecticut State Department of Education about the integrity and accuracy of the free and reduced price lunch (FRPL) data for the 2018-19 school year, this year of FRPL data has not been included.

The percentage of FRPL-eligible students Montville serves has increased by 16 percentage points over the past 10 years.

% Montville Students with Free and Reduced Priced Lunch

*Due to concerns expressed by the Connecticut State Department of Education about the integrity and accuracy of the free and reduced price lunch (FRPL) data for the 2018-19 school year, FRPL data for the 2017-18 school year has been used for this slide as the most recent available, accurate data.

Montville spends less per student than most similar towns, as well as the state average.

2017-18 Per-student Spending

<table>
<thead>
<tr>
<th>Town</th>
<th>2017-18 Net Current Expenditures (NCE) per Pupil (NCEP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ledyard</td>
<td>$14,634</td>
</tr>
<tr>
<td>Montville</td>
<td>$15,192</td>
</tr>
<tr>
<td>Franklin</td>
<td>$16,045</td>
</tr>
<tr>
<td>Preston</td>
<td>$16,443</td>
</tr>
<tr>
<td>Norwich</td>
<td>$16,566</td>
</tr>
<tr>
<td>State Average</td>
<td>$16,988</td>
</tr>
<tr>
<td>Bozrah</td>
<td>$19,153</td>
</tr>
<tr>
<td>Lebanon</td>
<td>$19,798</td>
</tr>
</tbody>
</table>


* The demographic data listed in the table above is from the 2018-19 school year. However, due to concerns expressed by the Connecticut State Department of Education about the integrity and accuracy of the free and reduced price lunch (FRPL) data for the 2018-19 school year, FRPL data for the 2017-18 school year has been used for this slide as the most recent available, accurate data.
** Due to the low number of students meeting this demographic, data is suppressed to ensure student confidentiality.
State Funding
Montville receives $5,239 per student in education funding from the State of Connecticut.

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.

Conn. Gen. Statutes ch. 172, §§ 10-262f, 10-262h.
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.
Why does CT have the ECS formula?

• The state began providing aid to cities/towns as a result of a 1977 CT Supreme Court decision, *Horton v. Meskill*.

• In *Horton* (1977), the Court ruled that 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.

• As a result, CT established a formula to give money to public school districts that took property wealth into consideration.
  – In 1988, CT established the Education Cost Sharing (ECS) formula to serve this purpose. It has been revised numerous times since.
  – In theory, the ECS grant is supposed to make up the difference between what a community can afford to pay and what it costs to run a public school system.

In October 2017, the Connecticut General Assembly passed a new ECS formula as part of the biennial budget for fiscal years 2018 and 2019.
The new ECS formula began being implemented in fiscal year 2019 includes a 10-year phase-in/out schedule.

The 2019-20 school year marks the second year of the formula’s phase-in/out schedule.
Overview of ECS Formula

- Current formula began in FY 2019 and is scheduled to be phased in over 10 years.
  - Increase of $37.6 million (over FY 2019 ECS funding) in FY 2020
  - Estimated increase of $37.6 million per year from FY 2020 – FY 2028
  - Estimated total increase, after phase-in, of $361 million — over FY 2019 spending levels — 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 19-117.
Conn. Gen. Statutes ch. 172, §§ 10-262f, 10-262h.
Based on the most recent available data, if the formula were in place and fully funded this year, Montville would receive an estimated $13.2 million — roughly $539K more than the district received in FY 2019.

Estimated ECS Funding for Montville by Year

- **Last Year (FY 2019):** $12,633,829
- **Current Year (FY 2020):** $12,690,954
- **Full Funding (based on current data):** $13,173,248

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

Formula Weights

• Formula contains three “need-student” weights, which increase per-pupil state education aid for students with additional learning needs.

• **Low-income student weight**
  • 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**
  • 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**
  • Formula includes weight of 0.15 for English Learners
  • Increases foundation amount by 15 percent for students needing additional English-language skills

<table>
<thead>
<tr>
<th>Student Need</th>
<th>Funding Per Student</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Education (Non-need) Student</td>
<td>$11,525</td>
</tr>
<tr>
<td>Low-income Student</td>
<td>$14,983</td>
</tr>
<tr>
<td>Concentrated Low-income Student</td>
<td>$15,559</td>
</tr>
<tr>
<td>Low-income and English Learner</td>
<td>$16,711</td>
</tr>
<tr>
<td>English Learner</td>
<td>$13,254</td>
</tr>
<tr>
<td>Concentrated Low-income English Learner</td>
<td>$17,288</td>
</tr>
</tbody>
</table>

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
    - Prior 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
    - Prior ECS formula used 10% Income Wealth Factor

- Formula uses a Statewide Guaranteed Wealth Level of 1.35.

- Formula uses a minimum aid ratio of 10% for Alliance Districts and 1% for all other districts, which guarantees all districts some ECS aids.

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 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.

<table>
<thead>
<tr>
<th>Town's PIC Index Rank</th>
<th>Additional % Points Added to Base Aid Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5</td>
<td>6 percentage points</td>
</tr>
<tr>
<td>6-10</td>
<td>5 percentage points</td>
</tr>
<tr>
<td>11-15</td>
<td>4 percentage points</td>
</tr>
<tr>
<td>16-19</td>
<td>3 percentage points</td>
</tr>
</tbody>
</table>

Phase-in Schedule

- Formula began in FY 2019 and will be phased in over 10 years
- Alliance Districts that would otherwise receive a decrease in aid, according to the formula, are permanently held harmless at their fiscal year 2017 ECS grant amounts.

<table>
<thead>
<tr>
<th>Phase-in Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Towns Receiving Increase in ECS Funding Over FY 2017 Grant</strong></td>
</tr>
<tr>
<td>FY 2020-2027</td>
</tr>
<tr>
<td>Increase phased in by 10.66% per year</td>
</tr>
<tr>
<td>FY 2028</td>
</tr>
<tr>
<td>Towns receive 100% of their ECS grant, as calculated by formula</td>
</tr>
</tbody>
</table>

| **Towns Receiving Decrease in ECS Funding Compared to FY 2017 Grant** |
| FY 2020-2027       |
| Decrease phased out by 8.33% per year |
| FY 2028            |
| Towns receive 100% of their ECS grant, as calculated by formula |

Source: Conn. Gen. Statutes ch. 172, § 10-262h.
## Alliance Districts “held harmless”

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

<table>
<thead>
<tr>
<th>Ansonia</th>
<th>Hartford</th>
<th>Putnam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bloomfield</td>
<td>Killingly</td>
<td>Stamford</td>
</tr>
<tr>
<td>Bridgeport</td>
<td>Manchester</td>
<td>Thompson</td>
</tr>
<tr>
<td>Bristol</td>
<td>Meriden</td>
<td>Torrington</td>
</tr>
<tr>
<td>Danbury</td>
<td>Middletown</td>
<td>Vernon</td>
</tr>
<tr>
<td>Derby</td>
<td>Naugatuck</td>
<td>Waterbury</td>
</tr>
<tr>
<td>East Hartford</td>
<td>New Britain</td>
<td>West Haven</td>
</tr>
<tr>
<td>East Haven</td>
<td>New Haven</td>
<td>Winchester</td>
</tr>
<tr>
<td>East Windsor</td>
<td>New London</td>
<td>Windham</td>
</tr>
<tr>
<td>Groton</td>
<td>Norwalk</td>
<td>Windsor</td>
</tr>
<tr>
<td>Hamden</td>
<td>Norwich</td>
<td>Windsor Locks</td>
</tr>
</tbody>
</table>

Sources: Conn. Gen. Statutes ch. 172, § 10-262h.  
Example of How Phase-in Plan Works

- It is important to remember that the formula is 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 2021) compared to if all of the district/town inputs remained constant.

<table>
<thead>
<tr>
<th>Example Town</th>
<th>FY 2019 Actual</th>
<th>FY 2020 Actual</th>
<th>Estimated FY 2021 if District/Town Inputs Remain the Same</th>
<th>Estimated FY 2021 if District Enrollment Increases 5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bristol</td>
<td>$45,324,316</td>
<td>$46,286,500</td>
<td>$47,308,491</td>
<td>$47,598,671</td>
</tr>
</tbody>
</table>

Source: Conn. Gen. Statutes ch. 172, § 10-262h.
Although the new ECS formula takes steps toward equitable funding, there are several areas where it falls short.
Maintains More than 10 Different Formulas

- 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) 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.

• Previously, students’ families were asked to complete paper forms stating their family income and return them to school. Now, students are “directly certified” by their school district as eligible for FRPL if they are enrolled in the Supplemental Nutrition Assistance Program (SNAP), otherwise known as food stamps; Temporary Family Assistance (TFA), otherwise known as cash assistance; state- or federally-funded Head Start programs; or children’s Medicaid.

• As a result of this change and the elimination of paper-based household income surveys, the old method of counting low-income students has become inaccurate and needs to be updated to the new direct certification method.

• An example of this inaccuracy was shown during a March 6, 2019 hearing before the Connecticut General Assembly’s Appropriations Committee, when the Connecticut State Department of Education’s commissioner and chief financial officer repeatedly stated there are “data integrity” issues with the FRPL numbers that will be used to calculate FY 2020 ECS grants.

• While the department is investigating the cause of the "data integrity" issues, it has also proposed moving to direct certification as a way to attain a more accurate count of low-income students for the purposes of the ECS formula.

Sources:
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 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).

• If Connecticut has to reduce ECS grants due to fiscal distress, such a reduction would also result in a reduction in state financial support for special education.

• 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.

• Leaving special education funding incorporated into the ECS formula’s foundation means that Connecticut runs the risk of violating its MOS requirement and having its federal IDEA funding reduced.

Overall Formula Cost

- The 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 $361 million) or abandon it altogether like it has in the past.

- At the beginning of FY 2014, Connecticut stopped using the previous iteration of the 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 ECS formula will be a continual challenge for the General Assembly.
Special Education
Over the last 5 years, the total number of special education students in Connecticut public schools has increased 19.5%.

Which translates to a two percentage point increase in the special education identification rate over the past 5 years.

At the state level, special education spending has been predictable over the past 5 years.

Over the past 5 years, total per pupil spending has increased by $1,811, while SpED spending per pupil has increased by $78

Connecticut special education spending by source, 2016-17

- Local: 65%
- State: 29%
- Federal: 6%
- Other: 0%

The percent contribution of each source has remained relatively steady since 2013.

The State of Connecticut currently spends more than $784.6 million annually on special education.

2016-17 State Special Education Expenditures

- Portion of ECS: $448,748,079
- Excess Cost: $140,795,482
- Other State Agencies: $195,109,133

2018-19 IDEA State Maintenance of Support compliance calculated on 2016-17 expenditure data.

The largest source of state special education spending is the ECS grant

2016-17 State Special Education Expenditures

- Portion of ECS: 57%
- Excess Cost: 18%
- Other State Agencies: 25%

2018-19 IDEA State Maintenance of Support compliance calculated on 2016-17 expenditure data.

Special education funding in the Education Cost Sharing formula

- All of a town’s resident students, including special education students, are included in resident student counts used to calculate equalization grants.

- In 1995, the CT General Assembly increased the ECS foundation by $911 to account for special education costs.

- According to CSDE, approximately 20-25% of ECS funding is assumed to be attributed to special education expenditures.

- ECS grant accounted for 57% of state special education spending in FY 2017.

Sources:
The Excess Cost grant is Connecticut’s method for paying extraordinary special education costs

- Reimburses districts when expenditures for educating a special education student are 4.5 times greater than the district’s spending per pupil.
- Reimburses districts when expenditure for state agency placements are greater than a district’s spending per pupil.
- Currently funded at $140 million, which is less than is needed to fully fund costs over the 4.5x threshold.
- In FY 2019, the Excess Cost grant was not fully funded – it was funded at 74%. As a result, districts did not get back all of the money they were eligible to receive.
- Excess Cost grant accounted for 18% of state special education expenditures in FY 2017.

Sources: Conn. Gen. Statutes ch. 164, § 10-76g (a) & (b).
Regardless of wealth, districts spend about the same percentage of their total expenditures on special education

Average SPED % of Total Expenditure by DRG in 2017

However, on average, wealthier districts spend significantly more per pupil on special education.

Average SpEd Spending Per Pupil by DRG in 2017

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td>$35,331</td>
<td>$28,239</td>
<td>$24,988</td>
<td>$24,048</td>
<td>$25,574</td>
<td>$21,814</td>
<td>$20,742</td>
<td>$19,769</td>
<td>$17,241</td>
</tr>
</tbody>
</table>

Note: As pupil count is measured by district enrollment, special education expenditures exclude special education tuition.

Sources:
Special Education in Montville
Over the last 5 years, the total number of special education students in Montville has increased by 32

Montville Special Education Enrollment by School Year

And total special education spending in Montville has increased over the past 5 years

Montville Special Education Expenditures by School Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Tuition Expenditures</th>
<th>Non-tuition Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$7,871,016</td>
<td>$787,446</td>
</tr>
<tr>
<td>2014</td>
<td>$7,762,881</td>
<td>$792,058</td>
</tr>
<tr>
<td>2015</td>
<td>$8,119,924</td>
<td>$1,027,931</td>
</tr>
<tr>
<td>2016</td>
<td>$8,558,632</td>
<td>$1,126,450</td>
</tr>
<tr>
<td>2017</td>
<td>$8,865,994</td>
<td>$1,393,065</td>
</tr>
</tbody>
</table>

Special education spending per pupil has remained relatively consistent in Montville over the past 5 years.

Montville Special Education Spending Per Pupil

<table>
<thead>
<tr>
<th>Year</th>
<th>Tuition Expenditures</th>
<th>Non-Tuition Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$2,641</td>
<td>$23,772</td>
</tr>
<tr>
<td>2014</td>
<td>$2,668</td>
<td>$24,009</td>
</tr>
<tr>
<td>2015</td>
<td>$3,416</td>
<td>$22,862</td>
</tr>
<tr>
<td>2016</td>
<td>$3,292</td>
<td>$22,030</td>
</tr>
<tr>
<td>2017</td>
<td>$4,273</td>
<td>$22,432</td>
</tr>
</tbody>
</table>

Additionally, the percent of Montville’s total education spending attributed to special education has remained stable over the past 5 years.

Montville Special Education Spending as a Percent of Total Spending

LOCAL FUNDING
How much do CT’s cities and towns contribute to funding public schools?

Montville taxpayers contribute $9,529 per student, which is lower than the local contributions for most of Montville’s peer and neighboring towns.

2016-17 Local Contribution Per Pupil

Montville: $9,797
Ledyard: $9,155
Franklin: $11,408
State Average: $11,742
Norwich: $7,729
Preston: $11,550
Bozrah: $13,164
Lebanon: $11,549

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.

\[
\text{School District Budget} - \text{Federal Revenue} - \text{State Revenue} = \text{Municipal (Local) Contribution}
\]
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.

Minimum Budget Requirement (MBR)

• 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 meets one of several exceptions

• If a town fails to meet its MBR, the State can withhold ECS funds from the town in an amount equal to the difference between the town’s MBR and what it actually budgeted for education

• Towns in which Alliance Districts are located are not permitted to reduce their educational expenditures and are not eligible for any of the MBR exceptions

• The state’s 10% highest-performing districts, according to the State Department of Education’s accountability index, do not have to adhere to the MBR

Sources: Conn. Acts 19-117 § 271.
Previously Existing Exceptions to the MBR

• A non-Alliance town may reduce its MBR in if it experiences a decrease in ECS funding; however, the MBR reduction may not be more than the decrease in ECS funding.

• If a district does not maintain a high school and the number of students for which it pays tuition has decreased, the district’s town may reduce its MBR by the difference between the number of students it paid tuition for in the previous year and the number of students it currently pays tuition for, multiplied by the cost of tuition.

• The commissioner of the State Department of Education may allow a town to reduce its MBR by an amount determined by the commissioner if the town’s school district has closed one or more schools due to declining enrollment.

• 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.

Revised or New Exceptions to the MBR

• Districts that have experienced a reduction in their resident student count may look back up to a 5-year period to calculate their decrease in resident student count. The district can decide which consecutive years, up to the last five years, they would like to include in this calculation.
  • However, the decline in student count for a given year can only be used one time to prevent districts from counting the same student count decline twice.
  • When calculating a MBR reduction under this exemption, the district is permitted to reduce its MBR by an amount equal to the net reduction in resident students multiplied by 50 percent of its net current expenditure per resident student.

• If a district realizes new and documented savings through increased efficiencies approved by the commissioner of the State Department of Education or through regional collaboration or cooperative arrangements, the town may reduce its MBR by half of the achieved savings, provided that amount does not exceed 0.5 percent of the district’s budget. Efficiency savings include, but are not limited to, the following:
  • Reductions in contract costs not including collective bargaining agreements, transportation service efficiencies, or a cost savings in school district administration;
  • Cost savings in medical or health care benefit agreements;
  • Cooperative agreements related to administrative or central office functions;
  • Reductions in costs due to purchasing of insurance including property insurance, casualty insurance, and workers’ compensation insurance;
  • Reductions in costs associated with the purchasing of payroll or accounts payable software;
  • Savings from the consolidation of information technology services; and
  • Reduction in costs associated with athletic field care and maintenance.

• Expenses that are incurred as a result of a catastrophic insurance loss can be excluded from expenditures for the purposes of calculating a district’s MBR in the following year. This exemption can only be taken by a school district that is self-insured and can only be taken when the school district provides documentation that the expenses are a result of a catastrophic event by a nationally recognized catastrophic loss index provider.

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.

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.

\[
\text{Municipal budget (including cost of schools)} - \text{state revenue (including ECS grant)} - \text{revenue from other sources} = \text{Total amount of$ that needs to be raised through property taxes}
\]

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.”

The value of “grand lists” varies widely

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Equalized Net Grand List GLYR 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREENWICH</td>
<td>$48,596,792,470</td>
</tr>
<tr>
<td>STAMFORD</td>
<td>$32,825,480,973</td>
</tr>
<tr>
<td>NORWALK</td>
<td>$19,248,812,949</td>
</tr>
<tr>
<td>WESTPORT</td>
<td>$16,088,221,534</td>
</tr>
<tr>
<td>FAIRFIELD</td>
<td>$16,008,062,420</td>
</tr>
<tr>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>MONTVILLE</td>
<td>$1,791,570,396</td>
</tr>
<tr>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>CANAAN</td>
<td>$245,942,596</td>
</tr>
<tr>
<td>EASTFORD</td>
<td>$224,628,571</td>
</tr>
<tr>
<td>HAMPTON</td>
<td>$215,119,348</td>
</tr>
<tr>
<td>SCOTLAND</td>
<td>$161,579,503</td>
</tr>
<tr>
<td>UNION</td>
<td>$130,830,403</td>
</tr>
</tbody>
</table>

The Equalized Net Grand List per Capita (ENGLPC) represents the value of taxable property per resident. Montville’s ENGLPC is lower than most of its similar and neighboring towns.

<table>
<thead>
<tr>
<th>Town</th>
<th>ENGLPC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ledyard</td>
<td>$104,946</td>
</tr>
<tr>
<td>Montville</td>
<td>$92,920</td>
</tr>
<tr>
<td>Franklin</td>
<td>$161,036</td>
</tr>
<tr>
<td>Preston</td>
<td>$120,314</td>
</tr>
<tr>
<td>Norwich</td>
<td>$68,584</td>
</tr>
<tr>
<td>State Median</td>
<td>$135,943</td>
</tr>
<tr>
<td>Bozrah</td>
<td>$130,965</td>
</tr>
<tr>
<td>Lebanon</td>
<td>$124,656</td>
</tr>
</tbody>
</table>


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. Montville’s MHI is lower than the state median MHI and the MHIs for all but one of its similar and neighboring towns.

“Mill rates” also vary significantly

<table>
<thead>
<tr>
<th>Municipality</th>
<th>FY 2019 Mill Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>HARTFORD</td>
<td>74.29*</td>
</tr>
<tr>
<td>WATERBURY</td>
<td>60.21*</td>
</tr>
<tr>
<td>BRIDGEPORT</td>
<td>54.37*</td>
</tr>
<tr>
<td>NEW BRITAIN</td>
<td>50.50*</td>
</tr>
<tr>
<td>NAUGATUCK</td>
<td>48.35*</td>
</tr>
<tr>
<td></td>
<td>...</td>
</tr>
<tr>
<td>MONTVILLE</td>
<td>31.73</td>
</tr>
<tr>
<td></td>
<td>...</td>
</tr>
<tr>
<td>SHARON</td>
<td>14.70</td>
</tr>
<tr>
<td>WARREN</td>
<td>14.25</td>
</tr>
<tr>
<td>WASHINGTON</td>
<td>14.25</td>
</tr>
<tr>
<td>GREENWICH</td>
<td>11.369</td>
</tr>
<tr>
<td>SALISBURY</td>
<td>11.30</td>
</tr>
</tbody>
</table>

*For Real & Personal Property only; vehicle mill rate is 45.00 for these communities

Montville’s mill rate is higher than the mill rates for most of its peer and neighboring towns.

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HARTFORD+</td>
<td>74.29*</td>
<td>$5,200</td>
<td>$203</td>
</tr>
<tr>
<td>WATERBURY</td>
<td>60.21*</td>
<td>$8,429</td>
<td>$182</td>
</tr>
<tr>
<td>NORWICH</td>
<td>48.39*</td>
<td>$6,775</td>
<td>$203</td>
</tr>
<tr>
<td>LEDYARD</td>
<td>34.29</td>
<td>$4,801</td>
<td>$154</td>
</tr>
<tr>
<td>MONTVILLE</td>
<td>31.73</td>
<td><strong>$4,442</strong></td>
<td><strong>$143</strong></td>
</tr>
<tr>
<td>LEBANON</td>
<td>29.4</td>
<td>$4,116</td>
<td>$132</td>
</tr>
<tr>
<td>BOZRAH</td>
<td>27.5</td>
<td>$3,850</td>
<td>$124</td>
</tr>
<tr>
<td>PRESTON</td>
<td>26.03</td>
<td>$3,644</td>
<td>$117</td>
</tr>
<tr>
<td>FRANKLIN</td>
<td>25.72</td>
<td>$3,601</td>
<td>$116</td>
</tr>
<tr>
<td>GREENWICH</td>
<td>11.369</td>
<td>$1,592</td>
<td>$51</td>
</tr>
</tbody>
</table>

* For Real & Personal Property only; vehicle mill rate is 45.00
+ 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 35%. 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.

KBB value for 2014 Honda Civic LX 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)

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

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

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.

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 not required to receive local funding.
• Local charter schools receive:
  – Local per student costs
  – An additional $3,000 per student from the State

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 for 2017-18 school year (most recent year of available data) was $17,321 (appropriation includes fringe benefits for 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:
APPENDIX
Calculating Expenditures per School Type

• Individual children receive different amounts of funding based on learning needs. Ben 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

<table>
<thead>
<tr>
<th>State Contribution</th>
<th>Charter</th>
<th>Sheff RESC Host Magnet</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Board of Education Services for the Blind</td>
<td>• State Charter School Grant</td>
<td>• State Magnet School Grant</td>
</tr>
<tr>
<td>• ECS – Non-Alliance</td>
<td>• Common Core State Grant</td>
<td>• State Magnet Transportation</td>
</tr>
<tr>
<td>• Excess Cost/State Agency Placement</td>
<td>• School Breakfast (state)</td>
<td>• Two Rivers receives a separate state</td>
</tr>
<tr>
<td>• Healthy Foods</td>
<td>• Child Nutrition</td>
<td>subsidy for magnet school transportation.</td>
</tr>
<tr>
<td>• Magnet Transportation</td>
<td>• Special Education Reimbursement</td>
<td>• Other State Grant Funds</td>
</tr>
<tr>
<td>• Open Choice</td>
<td>• Interdistrict Cooperative</td>
<td></td>
</tr>
<tr>
<td>• Other Direct State Grants</td>
<td>• Family Resource Center Program</td>
<td></td>
</tr>
<tr>
<td>• Public Transportation</td>
<td>• After School Programs</td>
<td></td>
</tr>
<tr>
<td>• Special Education Supplemental</td>
<td>• Other State Grants</td>
<td></td>
</tr>
<tr>
<td>• State Grants Managed by a Nonpublic/Quasi-Public</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization Serving Public Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• State Match Child Nutrition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• State School Breakfast</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Total from ED141 Summary Report Column 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Vaqg</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Your Portion of Services/Expenditures from Consortium</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant Payment Arrangement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Local Share is Total less State+Other</td>
<td>• Regular Education In-kind Services from</td>
<td>• LEA Regular Tuition</td>
</tr>
<tr>
<td></td>
<td>local school district</td>
<td>• LEA Special Education</td>
</tr>
<tr>
<td></td>
<td>• Special Education In-kind Services from</td>
<td>Tuition/Transportation</td>
</tr>
<tr>
<td></td>
<td>local school district</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other Sources of Revenue - Special</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Education reimbursement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other Sources of Revenue - Local Support</td>
<td></td>
</tr>
<tr>
<td>• Bilingual Education (Federal)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Headstart</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other Direct Federal Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Your Portion of Services/Expenditures from Consortium</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant Payment Arrangement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Federal Grants Managed by a Nonpublic/Quasi-Public</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization Serving Public Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Total Tuition &amp; Transportation Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• In-Kind Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Medicaid Revenue Expended on Special Education Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Medicaid Revenue Expended on Regular Education Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Third Party Billing/Insurance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Contributions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Rentals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Endowment Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other Miscellaneous Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Total Miscellaneous Revenue from ED141 Summary Report,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Column 3</td>
<td></td>
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</tr>
<tr>
<td>• Title I</td>
<td>• Federal Funds</td>
<td></td>
</tr>
<tr>
<td>• Title II</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• National School Lunch</td>
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<td></td>
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<tr>
<td>• Child Nutrition School Food Equipment</td>
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<td></td>
</tr>
<tr>
<td>• Other Sources of Revenue - Remainder</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Interest Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Miscellaneous</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Title IV, Part B, 21st Century Community Learning</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Sources: Does money matter?


## Choice Schools Funding Formulas Summary

<table>
<thead>
<tr>
<th>Type of School</th>
<th>State funding per pupil</th>
<th>Can the school charge tuition to the sending district?</th>
<th>Does the city/town where the student lives get ECS for the student?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriscience</td>
<td>$4,200 + potential for supp. funding</td>
<td>Yes, up to $6,822.80</td>
<td>Yes</td>
</tr>
<tr>
<td>Charter, Local</td>
<td>$3,000 + district per student costs</td>
<td>No but get district per student costs</td>
<td>Yes</td>
</tr>
<tr>
<td>Charter, State</td>
<td>$11,250</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>CTECS</td>
<td>$17,321*</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Magnet, RESC, Sheff</td>
<td>Varies from $8,058 - $10,652</td>
<td>Yes, up to cost of educating student</td>
<td>Yes</td>
</tr>
<tr>
<td>Magnet, RESC, non-Sheff</td>
<td>Varies from $3,060 - $8,058</td>
<td>Yes, up to cost of educating student</td>
<td>Yes</td>
</tr>
<tr>
<td>Magnet, District, Sheff</td>
<td>$13,315 (interdistrict)</td>
<td>No</td>
<td>No but get ECS for in-district students</td>
</tr>
<tr>
<td>Magnet, District, non-Sheff</td>
<td>$3,060 (host district); $7,227 (interdistrict)</td>
<td>Yes**</td>
<td>Yes</td>
</tr>
<tr>
<td>Open Choice</td>
<td>Varies from $3,000 - $8,000 per student</td>
<td>No</td>
<td>50% to sending; 50% to receiving</td>
</tr>
</tbody>
</table>

* The CTECS is exclusively state-operated and funded out of the resources of the State of Connecticut’s General Fund. This per-pupil expenditure amount is from the 2017-18 school year – the most recent year for which data is available.

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

Conn. Gen. Statutes ch. 172, § 10-266aa.
Conn. Gen. Statutes ch. 172, § 10-264l.
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.