

School Funding Formula: How It Works And Why It Needs To Be Fixed

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Co-Chair, Joint Committee on Education

Goal Of The School Funding Formula

- Access to a quality education for every student is enshrined in our state constitution:

*"[i]t shall be the duty of legislatures and magistrates, in all future periods of this commonwealth, to **cherish**... the public schools and grammar schools in the towns."
Mass. Const., pt. II, ch. V, § II*

- The purpose of our school funding formula is to ensure that every school district in the Commonwealth is adequately and equitably funded, regardless of a community's wealth

How Does The Formula Work?

Step 1
Calculate Foundation
Budget

An adequate funding level for each school district given the specific enrollment and demographic characteristics of each district

Step 2
Calculate Local
Contribution

The share of the foundation budget that must be contributed from each city or town's local revenues, based upon the relative wealth of that community

Step 3
Calculate State
Chapter 70 Aid

Makes up the difference between the foundation budget and the local contribution

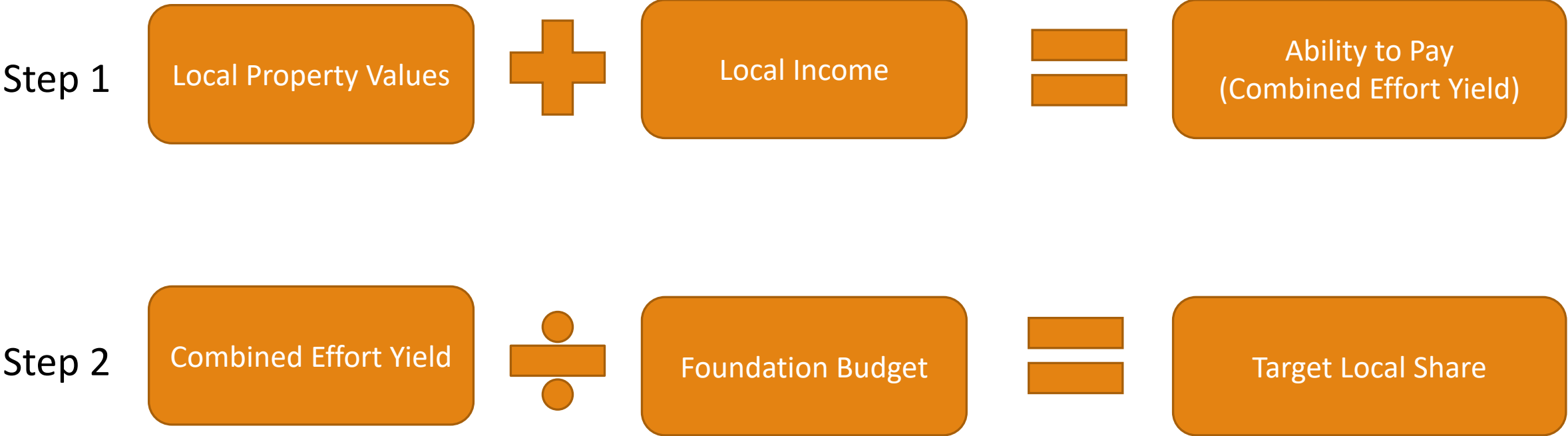
How The Foundation Budget Is Calculated

FY19 Chapter 70 Foundation Budget
218 Norton

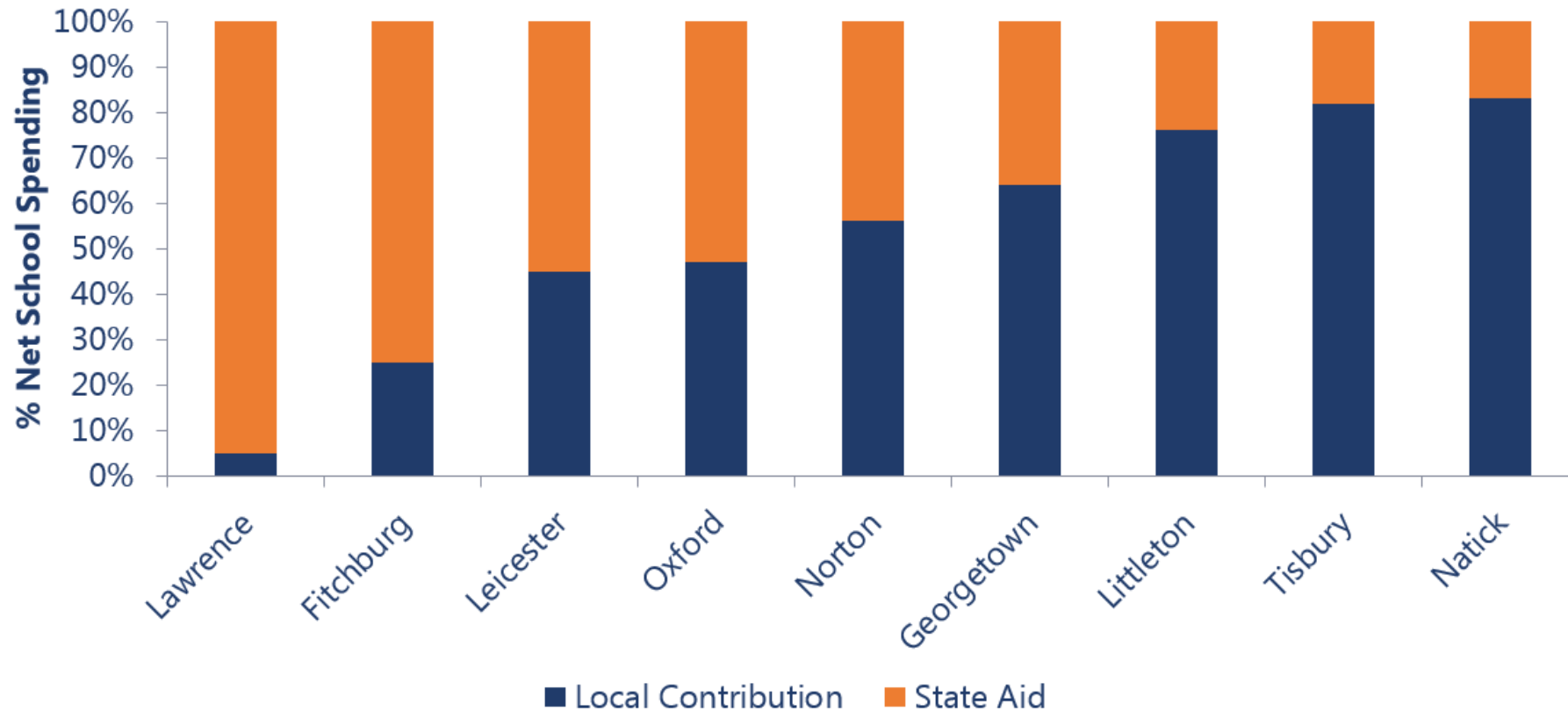


	Base Foundation Components							Incremental Costs Above The Base									(17) Economically Disadvantaged	TOTAL*
	(1) Pre-School	(2) ----- Kindergarten ----- Half-Day	(3) Full-Day	(4) Elementary	(5) Jr High/ Middle	(6) High School	(7) Vocational	(8) Special Ed In District	(9) Special Ed Out of Dist	(10) ELL PK	(11) ELL K Half	(12) ELL K Full	(13) ELL Elementary	(14) ELL Junior/Middle	(15) ELL High School	(16) ELL Vocational		
Foundation Enrollment	68	0	175	912	609	794	0	93	25	1	0	1	21	7	3	0	522	2,524
1 Administration	12,845	0	66,108	344,517	230,056	299,941	0	242,471	65,180	45	0	89	1,857	653	207	0	0	1,263,968
2 Instructional Leadership	23,198	0	119,397	622,230	415,502	541,722	0	0	0	78	0	156	3,249	1,142	363	0	0	1,727,038
3 Classroom and Specialist Teachers	106,367	0	547,477	2,853,101	1,676,583	3,214,525	0	800,091	0	536	0	1,091	22,742	7,996	2,540	0	1,522,601	10,755,649
4 Other Teaching Services	27,280	0	140,417	731,771	351,752	381,795	0	747,035	996	78	0	156	3,249	1,142	363	0	0	2,386,033
5 Professional Development	4,206	0	21,662	112,906	81,734	103,323	0	38,596	0	22	0	45	928	326	104	0	39,040	402,892
6 Instructional Equipment & Tech	15,395	0	79,240	412,954	275,755	575,237	0	33,688	0	56	0	111	2,321	816	259	0	0	1,395,832
7 Guidance and Psychological	7,739	0	39,839	207,617	184,539	301,601	0	0	0	34	0	67	1,392	490	155	0	0	743,472
8 Pupil Services	3,078	0	15,850	123,886	135,131	406,258	0	0	0	11	0	22	464	163	52	0	0	684,915
9 Operations and Maintenance	29,537	0	152,026	792,273	573,562	725,073	0	270,851	0	134	0	267	5,570	1,958	622	0	234,248	2,786,121
10 Employee Benefits/Fixed Charges	32,755	0	168,588	878,621	596,595	708,375	0	313,580	0	123	0	245	5,105	1,795	570	0	156,167	2,862,519
11 Special Ed Tuition	0	0	0	0	0	0	0	0	618,852	0	0	0	0	0	0	0	0	618,852
12 Total	262,400	0	1,350,603	7,079,874	4,521,210	7,257,851	0	2,446,312	685,028	1,117	0	2,248	46,877	16,481	5,235	0	1,952,056	25,627,291
13 Wage Adjustment Factor	100.0%																	
14 Economically Disadvantaged Decile	4																	
Foundation Budget per Pupil																	10,153	

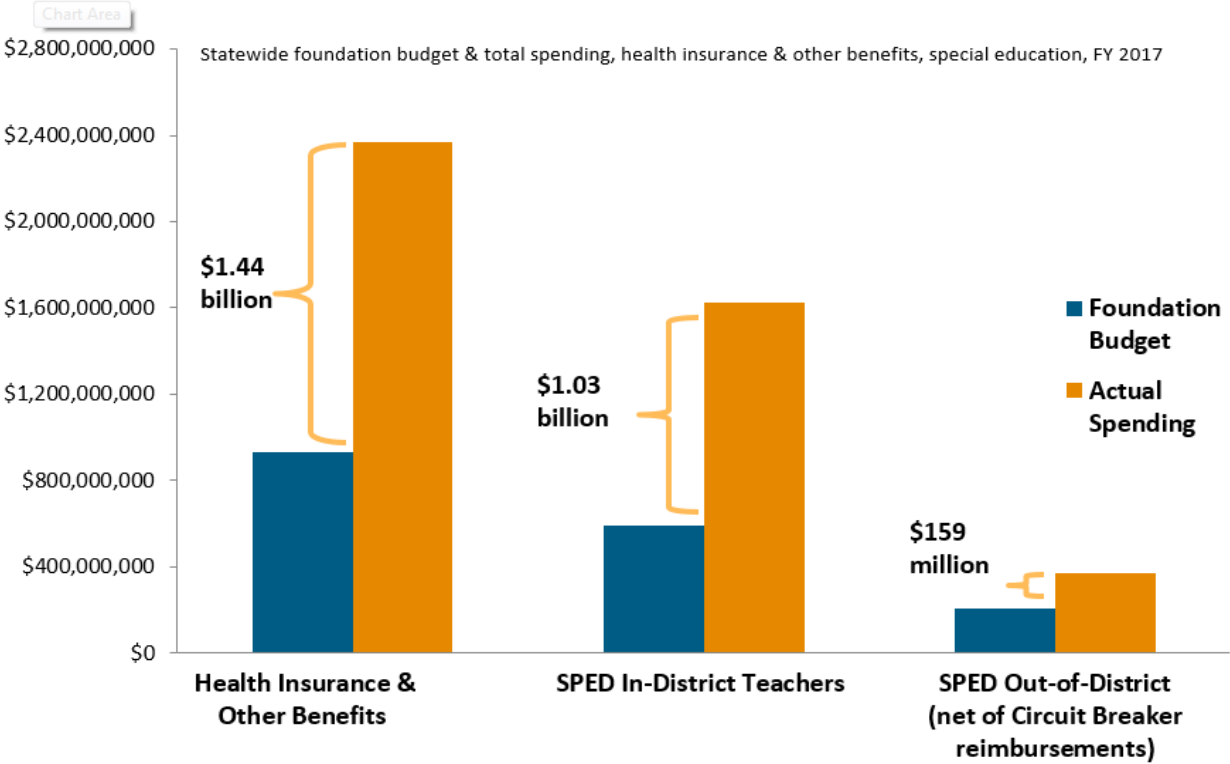
How The Local Contribution Is Calculated



Chapter 70 State Aid Makes Up The Difference



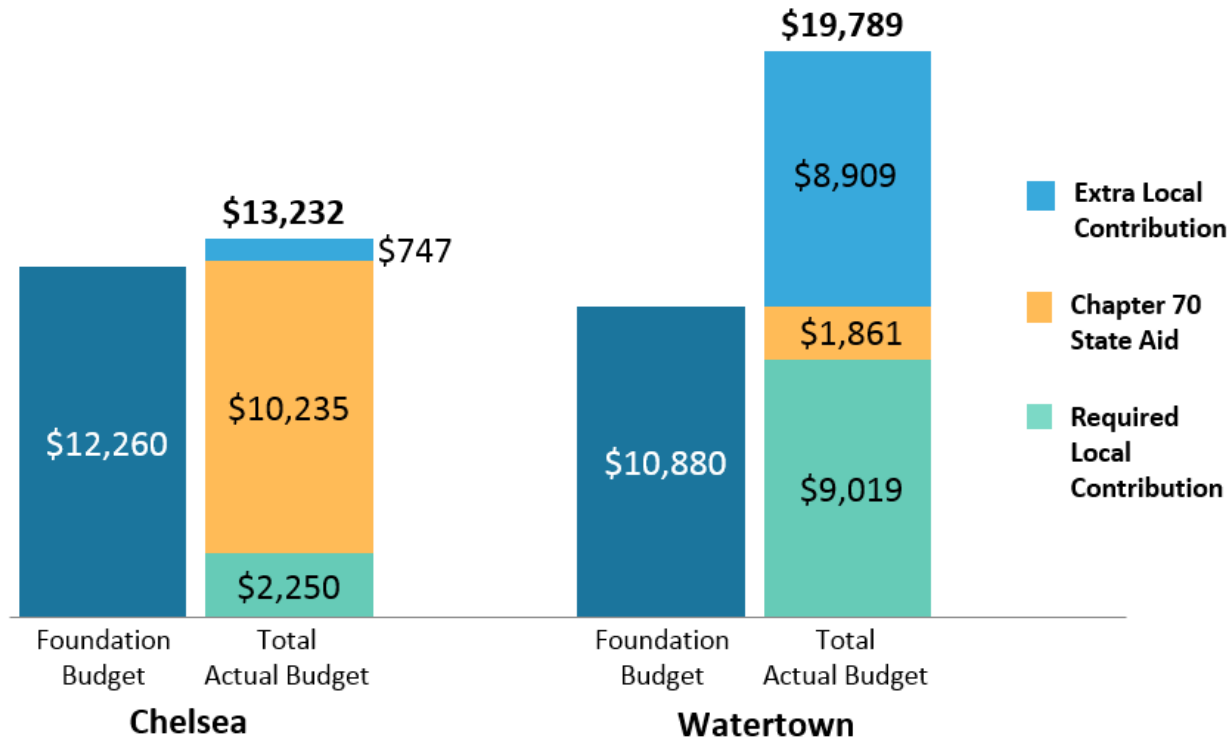
Foundation Budget Significantly Underestimates Actual Costs



Source: Mass Budget and Policy Center

Results In Inequity Across Districts

Budgeted per pupil spending by revenue source, FY2018



Source: Mass Budget and Policy Center

Foundation Budget Review Commission

- Created in 2014 by the state legislature to review the foundation budget
- Conducted public hearings around the state, reviewed research and data on school funding, and issued a bipartisan report in 2015
- Recommended updating the foundation budget in four areas to better reflect actual costs incurred by school districts
 - Health insurance
 - Special education
 - English learners
 - Low income students

Next Steps

- The Education Committee is considering several legislative proposals to implement the recommendations of the Foundation Budget Review Commission
 - Governor Baker bill
 - Rep Tucker bill
 - PROMISE Act
- We welcome continued stakeholder engagement and feedback
- The House, Senate, and Governor Baker have all made education funding reform a top priority this year