

FUNDING FORMULA SUMMARY

- The General Assembly enacted an education formula on 6/10/2010.
- The key components of this formula driven funding system are:
 - **A core instruction amount, derived from a market-basket approach, that adequately funds student instructional needs as described in the Basic Education Program (BEP);**

Amount derived from a regional average of NCES expenditure data and applied to PK-12 Resident Average Daily Membership (district data excludes charter and state schools); statute requires annual updates (FY 2012 = \$8,333)
 - **A student success factor that provides additional funding to support student needs beyond the core services with the ultimate goal of closing student achievement gaps;**

40% of core instruction applied to PK-12 students eligible for free and reduced price lunch (district data excludes charter and state schools)
 - **A state share ratio that considers a district's revenue generating capacity and concentration of at-risk students;**

Uses a quadratic mean average of the current state share ratio, called Equalized Weighted Assessed Valuation (EWAV), and districts' % of PK-6 students eligible for free and reduced price lunch
 - **Categorical funding outside the formula distribution for:**
 - Excess costs associated with special education students (5x above the core foundation amount (core instruction plus student success factor);
 - Start-up and maintenance of high-cost career and technical programs;
 - Early childhood programs to increase access to high-quality programs;
 - Transportation costs to offset the costs of regional school districts and the transportation of out-of-district non-public school students;
 - Regional bonus that will be phased out over three years (2% of state's share of the foundation aid in year 1, 1% in year 2, and 0% in year 3); and
 - Stabilization fund for the local share of Central Falls Public Schools
- Funding Formula will be transitioned over a period not to exceed seven years for districts that would be receiving more education aid and ten years for districts that would be receiving less education aid