RHODE ISLAND DEPARTMENT OF EDUCATION (RIDE)

ANNUAL LOCAL EDUCATION AGENCY (LEA) FISCAL ACCOUNTABILITY REPORT

August 1, 2023

RIDE Rhode Island Department of Education

Contents

Executive Summary

The purpose of this report is to lay out education revenue and expenditure trends in Rhode Island Local Education Agencies (LEAs), highlighting trends, expenditure gaps, common expenditure patterns and amounts, and outliers in various revenue and expenditure categories. Provided with this comprehensive report are tools to compare the UCOA LEA finance data.

This report builds on the first Annual LEA Fiscal Accountability report issued on August 2022 and provides new insights into LEA revenues and expenditures to highlight trends and noteworthy data points. This information will empower school leaders and policymakers to make data-driven, strategic decisions that create a more equitable state education system that provides high-quality educational experiences to all students regardless of economic status and zip code. Detailed expenditure and revenue data for every LEA are available on the RIDE web page and in the interactive LEA Financial profiles.

Some notable observations from the report are as follows:

- State financial support for education continues to increase at a much higher rate than local support. During the five-year period examined (2016-17 to 2021-22), state support to Rhode Island LEAs has cumulatively increased 20.8% while local tax support has increased by 9.4%, an 11.4 percentage point difference.
- Charter School and Career and Technical Education enrollments and expenditures continue to increase.
- 27% or around 37,000 students in Rhode Island attend schools in the four urban school districts (Central Falls, Pawtucket, Providence, and Woonsocket) that do not spend sufficient resources to cover core academic needs as defined by the state's education funding formula. These are the same four districts identified in last year's report, but they are closer to covering the core academic needs in 2021-22.
- Instructional expenditures are lower both in per pupil and as a percentage of total budget in urban districts. This can be explained partly by the higher demand for instructional support services.
- One of the main drivers of a district's per per-pupil expenditures is the number of students per teacher.
- Federal funding of Rhode Island LEAs as a percentage of total funding increased five percentage points in the five-year period reviewed. The increase is explained by COVID relief federal funds – mostly ESSER.
- COVID Relief Federal funding is expected to continue until September 2024 when the funds are set to expire. LEAs that have used these funds for personnel-related expenditures need to start planning to avoid a fiscal cliff when the relief dollars run out.

The explicit amount of funding required for student success is not defined in this report. However, this report does highlight that if an amount can be determined, it would not be the same throughout the state and would vary, likely considerably, among the different LEAs.

Introduction

This is the second District Accountability Report which is an annual report guided by the requirements included on RIGL 16-7.2-8. The first report District Accountability Report was issued on August 2022 and included analyses of Rhode Island districts subgroups finances (as reported on UCOA) for 2020-21 going back to 2011-12 which was the first year of the current Education Aid funding formula. This second report focuses on the last five fiscal years of UCOA data available (2016-17 to 2021-22) and includes detailed district level analyses.

Revenue comparisons during the five-year period focus on changes and trends in local and state contributions. The state share ratio calculation represents the share of expenditures funded by the state and takes into consideration both the community's ability to generate revenue for education and the concentration of pockets of need within communities (see funding formula reference guide).

Expenditure comparisons include some of the same categories presented in the first report such as expenditures per pupil, expenditures for core instructional functions, percentage of core instructional expenditures covered by districts, expenditures by function, compensation and benefits expenditures, and expenditures by program. This installment of the report includes new district-level analyses of non-core instructional expenditures, teacher compensation and benefits, COVID relief federal funds expenditures.

The data in this report is through June 30, 2022, which includes the most recent audited data available. The analyses presented segment all the LEAs in Rhode Island into two groups: School Districts and Public Schools of Choice. Districts, sometimes referred to as traditional school districts, are government entities with the power to collect local taxes. This category includes regional school districts which are LEAs created when one or more municipal school districts reorganize some or all of their schools to combine with another school district(s) in order to consolidate services. Public Schools of choice include all independent, mayoral academy, and district charters schools, all state schools, and the Urban Collaborative Accelerated Program (UCAP).

In addition to the revenue and expenditure data comparisons highlighted in this report, an appendix of LEA Financial Profiles (LFP) provides a deep data dive into revenue and expenditure

data, including COVID-19 Federal Assistance funds, for each LEA. The LFP also includes non-financial data such as the number of schools, graduation rates, assessment, and attendance data. This new version of the LFP incorporates feedback we received last year from several LEAs when we met to review their financial profile. This **link** provides access to the LFP and allows a comparison of UCOA data between LEAs.

Revenues

Total revenues for LEAs in Rhode Island in 2021-22 were approximately **$2.9 billion**, an increase of 21% since 2016-17. Traditional School Districts revenues increased 19% in the same period. Note that the public schools of choice revenues displayed in the table below exclude the tuition revenues these schools receive from other Rhode Island districts. This is because the source of the tuition payments made by Districts to public schools of choice are the local taxes that are already included in the traditional school district revenues. The 70% increase of public schools of choice revenues is mostly attributed to enrollment increase and the resulting increase in the revenues these schools receive from state sources. Note that the increase in total revenues in this five-year period after adjusting for inflation was only around 5%.

Total Revenues by LEA Type

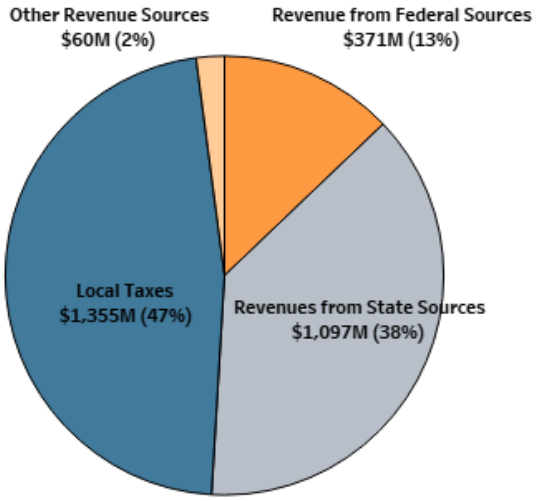
	School Year			
	2016-2017		2021-2022	
	# LEAs	$	# LEAs	$
Traditional School District	36	2,251M	36	2,671M
Public Schools of Choice	26	124M	28	211M
Grand Total	62	2,375M	64	2,883M

Note: Excluding Tuition from LEAs in RI to avoid double counting; Excluding Debt Service and Capital Funds

Revenues by Source

Nearly half (47%) of all the LEA revenues reported in 2021-22 come from local taxes collected in the communities, while over one third (38%) of the revenues came from the State, and 13% from all Federal Sources. The remaining 2% comes from varied sources of revenue such as contributions and donations from private sources, custodial funds, food service sales, tuition from individuals, and other sources.

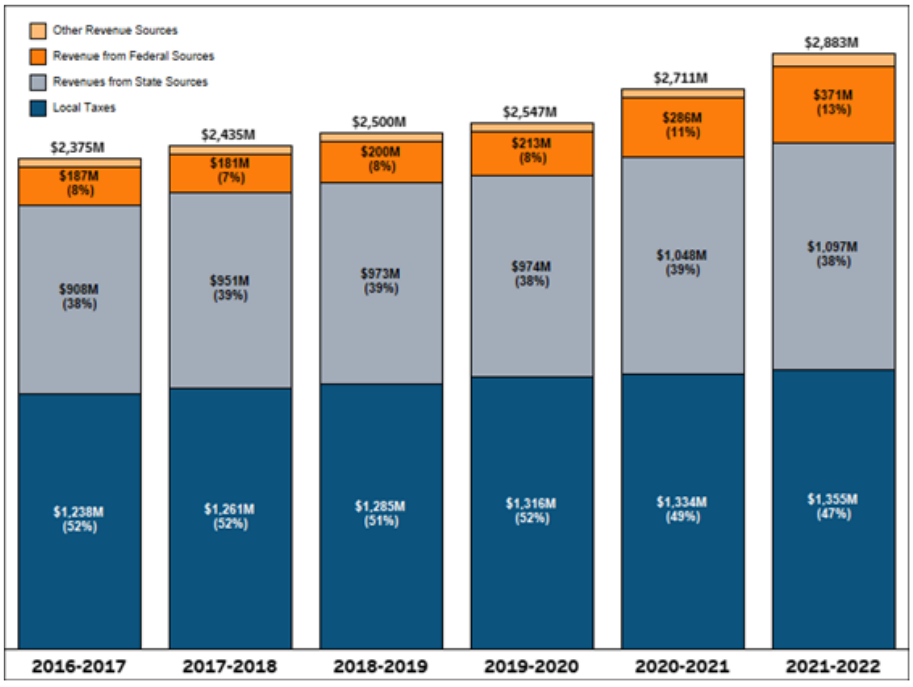
LEA Revenues by Revenue Source (2021-22)



Note: Excluding Tuition from LEAs in RI to avoid double counting; Excluding Debt Service and Capital Funds

The percentage total revenues funded by local taxes has decreased from 52% to 47% between 2016-17 and 2021-22, a 5-percentage point decrease in 5 years. The percentage of revenues from federal sources increased from 8% to 13% in the same period due primarily to the influx of COVID-19 Relief funds.

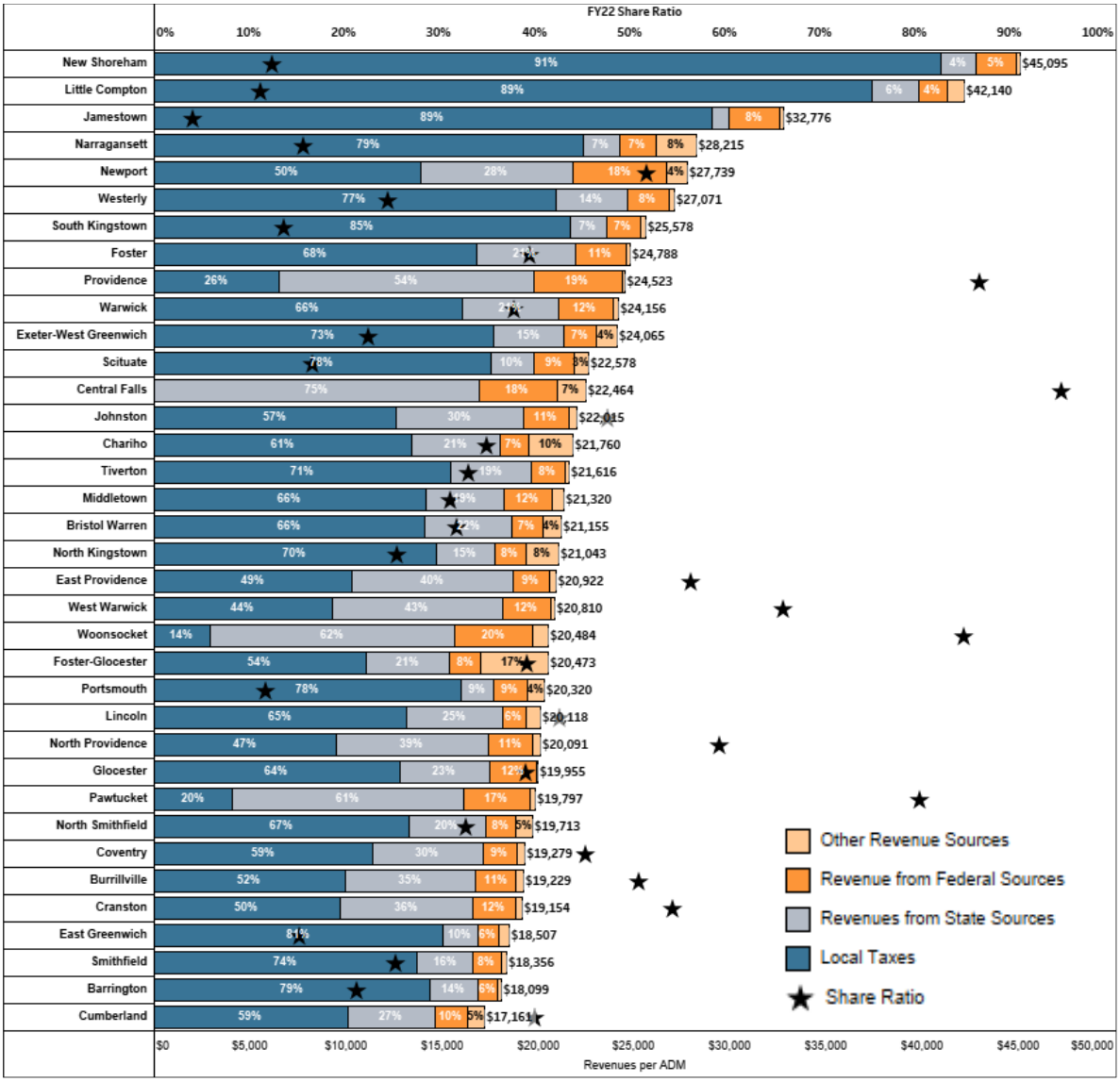
Historical LEA Revenues by Revenue Source (2021-22)



Note: Excluding Tuition from LEAs in RI to avoid double counting; Excluding Debt Service and Capital Funds

The composition of revenue by source varies widely between the different districts in LEA and is determined by the state share ratio. The state share ratio is a component of the funding formula designed to provide state aid to districts based on the municipality's ability to provide financial support. Higher state share ratios result in higher percentages of revenues from state sources and low state share ratios result in higher percentages of local tax revenues. Revenues from federal sources are also generally correlated with the share ratio because these funds are often targeted to students with higher needs. The state share ratio ranges between 4.1% and 95.4%. The graph below displays the per pupil revenues (length of each bar), state share ratio (star symbol ★), and sources of revenue (bar colors) of Rhode Island Districts in 2021-22.

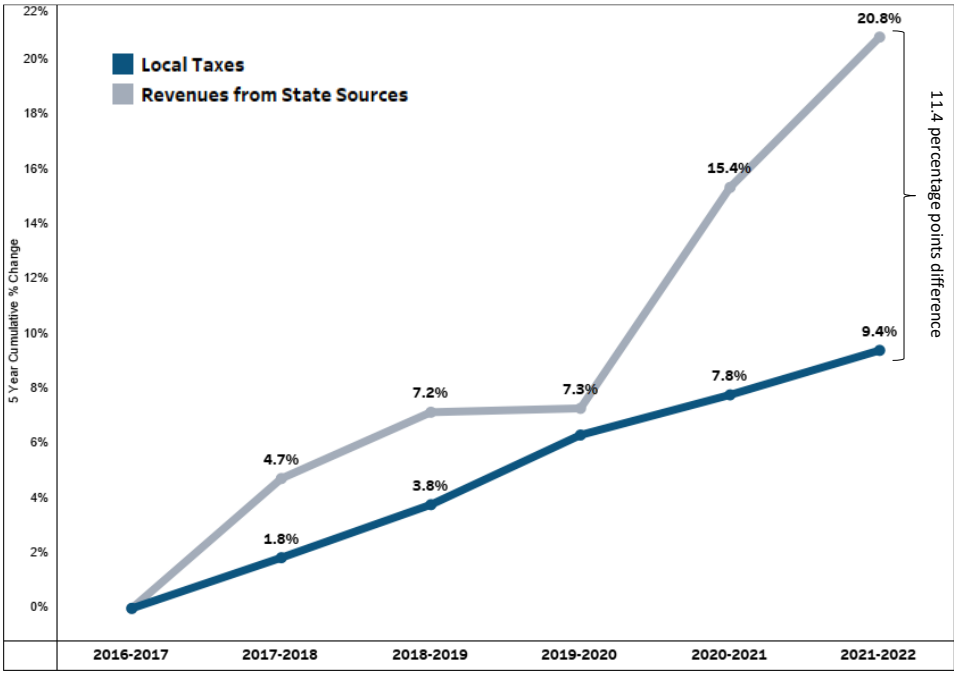
District Revenues per Pupil by Source and Share Ratio



Note: Excluding Debt Service and Capital Funds

Overall, the LEA revenues from state sources increased at a faster pace than revenues from local taxes. While the percentage of revenues from state sources stayed stable at 38% between 2016-17 and 2021-22, this source of revenues increased 20.8% in the 5-year period, outpacing the increase in local taxes revenue (9.4%) by about 11 percentage points. The increase in revenue from local taxes did not keep up with the cumulative inflation during this period, which was close to 16%.

Cumulative Percentage Change by Source (5 Year)



Note: Excluding Tuition from LEAs in RI to avoid double counting; Excluding Debt Service and Capital Funds

Changes in local taxes and revenues from state sources vary considerably by District. While communities such as Bristol Warren, Foster-Glocester, North Kingstown, and Scituate have increased their local contributions to education between 2016-17 and 2021-22 by a percentage close to inflation (16%), other communities such as North Providence, Woonsocket, and Johnston have increased their contributions to education in this same five-year period by less than 3%. While revenues from state sources generally increased at a faster pace, that is not the case for all the districts. The state aid is determined by the funding formula which includes different components that have varied differently during this period. In addition to the core instructional cost, which is the same for every district, the state education aid is also determined by the share ratio, total enrollment, and enrollment of disadvantaged students all of which vary over time by district. For example, Barrington increased revenues from state sources by 55% between 2016-17 and 2021-22 (around $587,000 per year) mostly due to an increase in enrollment and in the state share ratio. In contrast, South Kingstown's decrease of 32% in state revenues (around $478,000 a year) is explained by a decline in enrollment and in the state share ratio. The table

below displays the five-year cumulative percentage change in local taxes and state revenues and the average annual dollar change in the same revenue categories by district. Note that in some cases a high five-year revenue change is not necessarily a large annual dollar change. For example, while New Shoreham reported a 47% increase in revenues from state sources, state revenue is only 4% of their total revenue and the annual increase was around $15,000.

5 Year Change in Local Taxes and Revenue from State Sources by District

LEA Name	Local Taxes		Revenues from State Sources	
	5 YR Cumullative % Change	Average $ Change in 1 YR	5 YR Cumullative % Change	Average $ Change in 1 YR
Barrington	14%	$1,199,170	55%	$586,795
Bristol Warren	16%	$1,134,526	-16%	($515,060)
Burrillville	13%	$487,703	8%	$210,918
Central Falls			12%	$1,008,725
Chariho	10%	$727,506	3%	$89,414
Coventry	11%	$955,172	6%	$291,498
Cranston	5%	$992,845	25%	$2,773,854
Cumberland	12%	$1,019,273	19%	$685,499
East Greenwich	12%	$821,379	67%	$371,225
East Providence	14%	$1,231,680	21%	$1,441,063
Exeter-West Greenwich	13%	$614,546	-11%	($131,175)
Foster	12%	$79,136	-8%	($20,107)
Foster-Glocester	16%	$427,596	8%	$92,168
Glocester	12%	$158,454	3%	$17,262
Jamestown	15%	$332,292	-23%	($22,350)
Johnston	3%	$200,000	27%	$865,544
Lincoln	5%	$374,445	44%	$997,733
Little Compton	10%	$139,713	17%	$13,884
Middletown	10%	$520,036	-4%	($67,864)
Narragansett	9%	$466,843	5%	$21,535
New Shoreham	12%	$112,079	47%	$15,073
Newport	8%	$398,590	37%	$832,857
North Kingstown	16%	$1,578,456	7%	$160,349
North Providence	1%	$59,999	33%	$1,348,250
North Smithfield	13%	$491,859	4%	$49,712
Pawtucket	7%	$419,661	16%	$2,676,397
Portsmouth	12%	$753,523	-20%	($192,314)
Providence	9%	$2,270,693	19%	$8,915,662
Scituate	16%	$564,711	-29%	($214,456)
Smithfield	7%	$429,304	19%	$228,415
South Kingstown	9%	$921,485	-32%	($477,675)
Tiverton	10%	$446,792	10%	$128,846
Warwick	9%	$2,097,384	4%	$349,445
West Warwick	3%	$160,000	34%	$1,591,560
Westerly	7%	$669,730	-4%	($76,800)
Woonsocket	2%	$50,000	26%	$2,916,291

Expenditures

Total education expenditures by Rhode Island LEAs in 2021-22 (excluding tuition paid to other Rhode Island LEAs) were **$2.8 billion**, a $500M increase from 2016-2017. Around 91% of these expenditures were incurred by traditional districts. Expenditures of traditional school districts increased by 18% between 2016-17 and 2021-22 while expenditures of public schools of choice increased 63%. Traditional school districts' enrollment[1] went down 5.4% in the same period while enrollment in public schools of choice increased 34.4%.

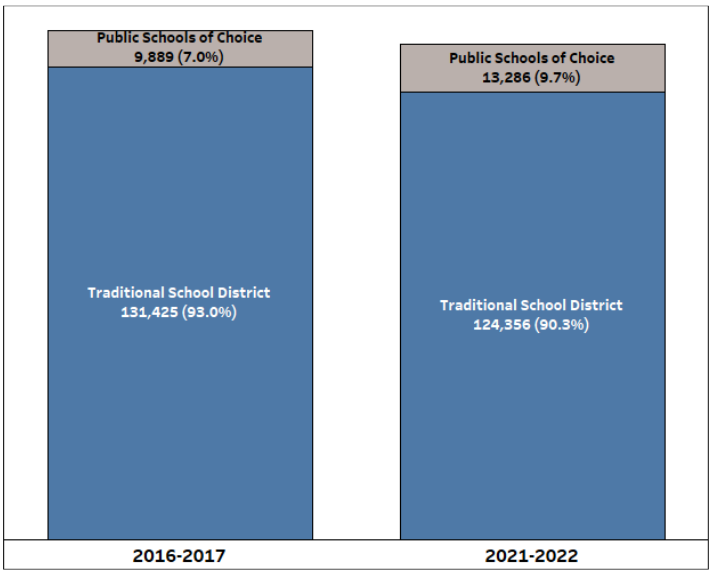
Total Expenditures by LEA Type

	School Year					
	2016-2017			2021-2022		
	# LEAs	$	Enrollment	# LEAs	$	Enrollment
Traditional School District	36	2,176M	131,425	36	2,559M	124,356
Public Schools of Choice	26	156M	9,889	28	255M	13,286
Grand Total	62	2,333M	141,271	64	2,814M	137,641

Note: Excluding Tuition to other LEAs in RI to avoid double counting; Excluding Capital Projects and Debt Service

The share of public schools of choice enrollment has increased 2.7 percentage points in the last five years. This trend is expected to continue with the planned expansion of charter schools.

Student Enrollment by LEA Type

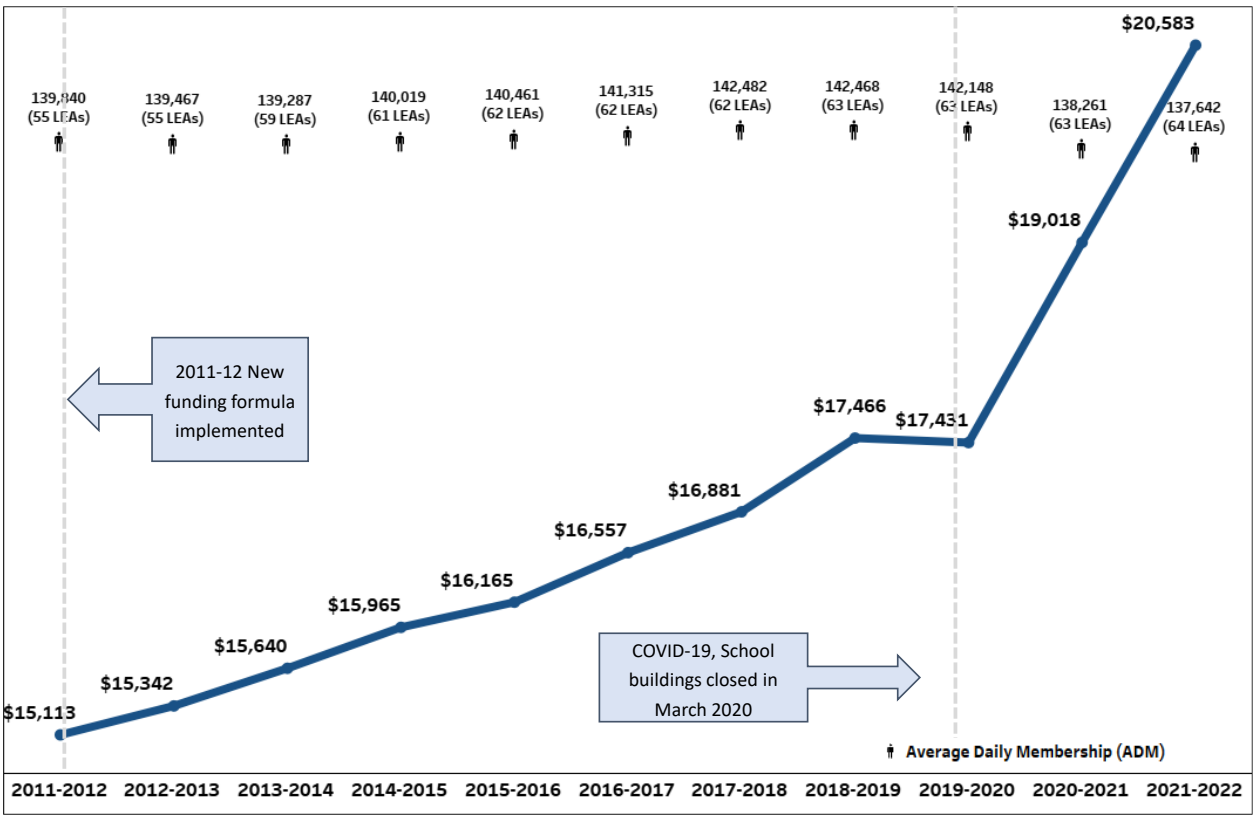


[1] Enrollment throughout this report is determined using Average Daily Membership (ADM) which is a calculation that takes into consideration the number of days students are formally enrolled in a district during the school year.

Statewide Per Pupil Expenditures (PPE)

Per pupil expenditures in Rhode Island were heavily impacted by the COVID-19 Pandemic. After a steady increase in previous years, the per pupil expenditures slightly decreased in 2019-20 at the onset of the pandemic due to school building closures and remote learning. Per pupil expenditures in 2020-21 and 2021-22- the two following school years- sharply increased as in-person instruction was resumed, overall enrollment declined, and LEAs received COVID-19 Federal Assistance Funds. The graph below displays the per pupil expenditures and enrollment trends (represented by 🧍) in Rhode Island since the implementation of the new funding formula in 2011-12.

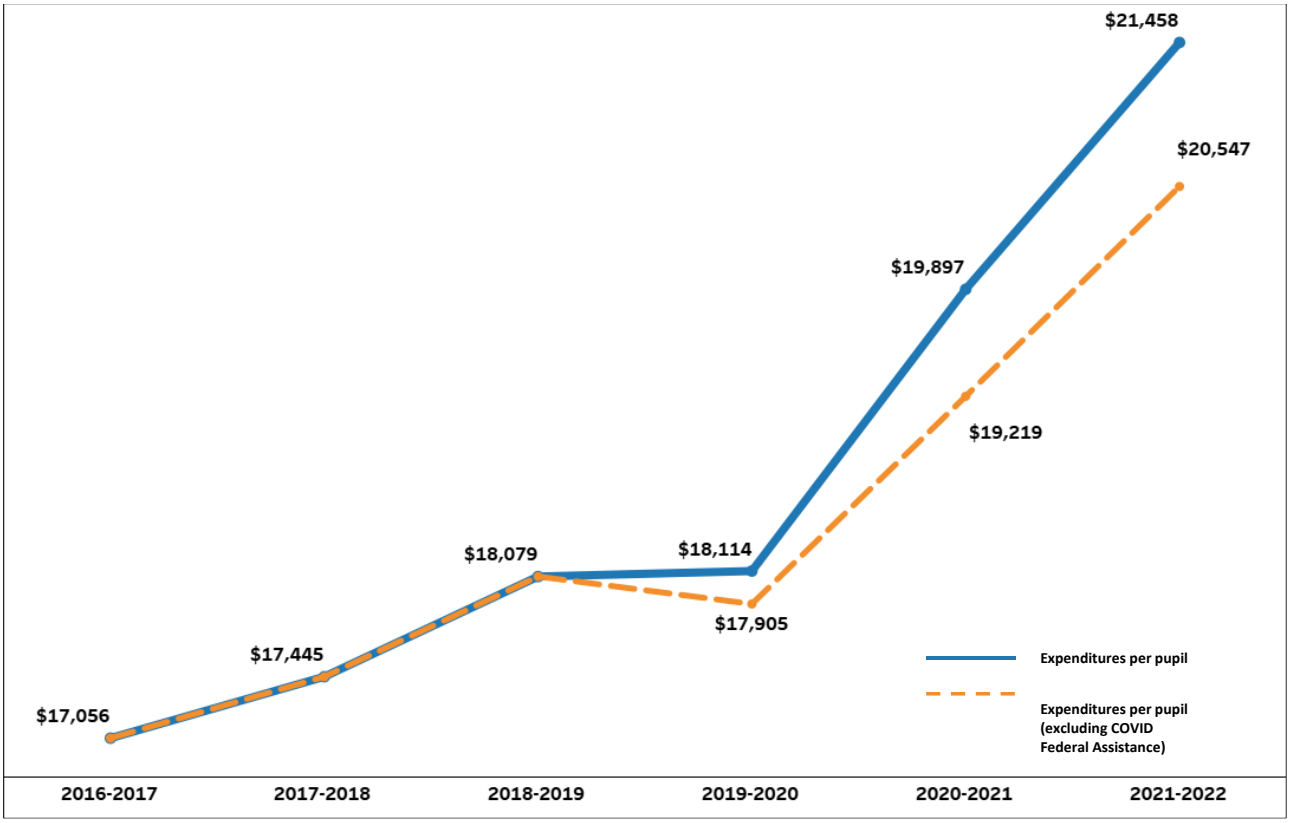
Historical Expenditures per Pupil and Average Daily Membership (All LEAs)



Note: Excluding Tuition to other LEAs in RI to avoid double counting; Excluding Capital Projects and Debt Service

The graph below displays the per pupil expenditures in the last five years with and without the COVID-19 Federal Assistance Funds. Note that, even without the COVID-19 Federal Assistance Funds, the per pupil expenditures after 2019-20 increased at a faster rate. This is mostly explained by the enrollment decrease and the hold harmless provisions adopted by the General Assembly to protect LEAs from reductions in state aid connected with enrollment declines.

District Expenditures per Pupil and COVID Federal Assistance Funds



Note: Traditional Districts Only; Excluding Capital Projects and Debt Service

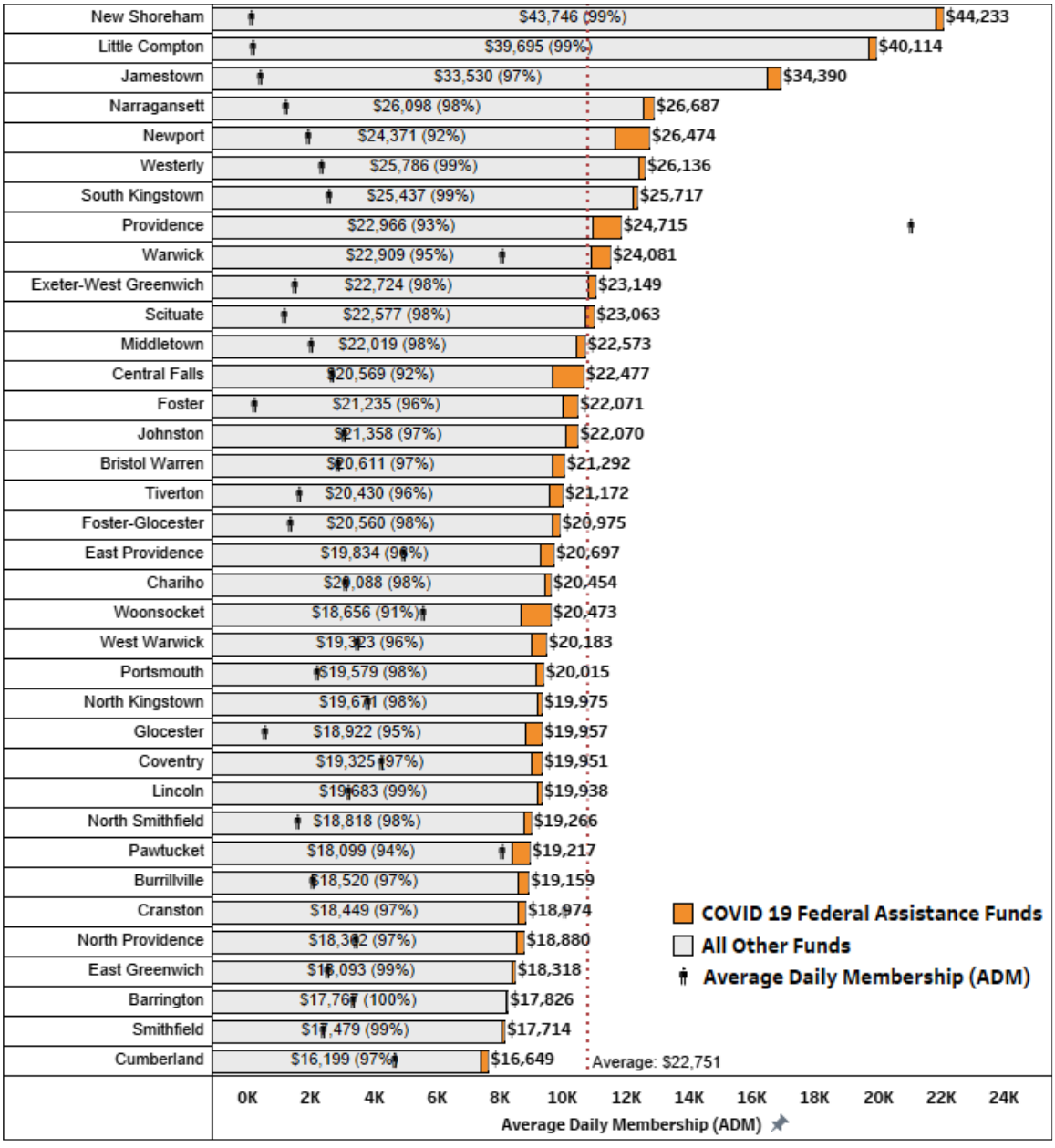
Per Pupil Expenditures by District

Per pupil expenditures in Rhode Island Districts range between $16,649 and over $44,233. Districts operate in distinct settings that can help explain some of the differences in per pupil expenditures. For example, New Shoreham has the highest per pupil expenditures as the single school district is located on Block Island, where there are few students and operating costs are more expensive than on the mainland.

The graph below displays the 2021-22 per pupil expenditures and enrollment by District. The orange color on the bar graphs represents the share of per pupil expenditures that was funded

with COVID-19 Relief Funds. Districts with higher proportions of disadvantaged students were disproportionately affected by the pandemic and received a higher share of Federal COVID Funds from RIDE.

Expenditures per pupil, enrollment, and COVID Federal Assistance Funds by District (2021-22)

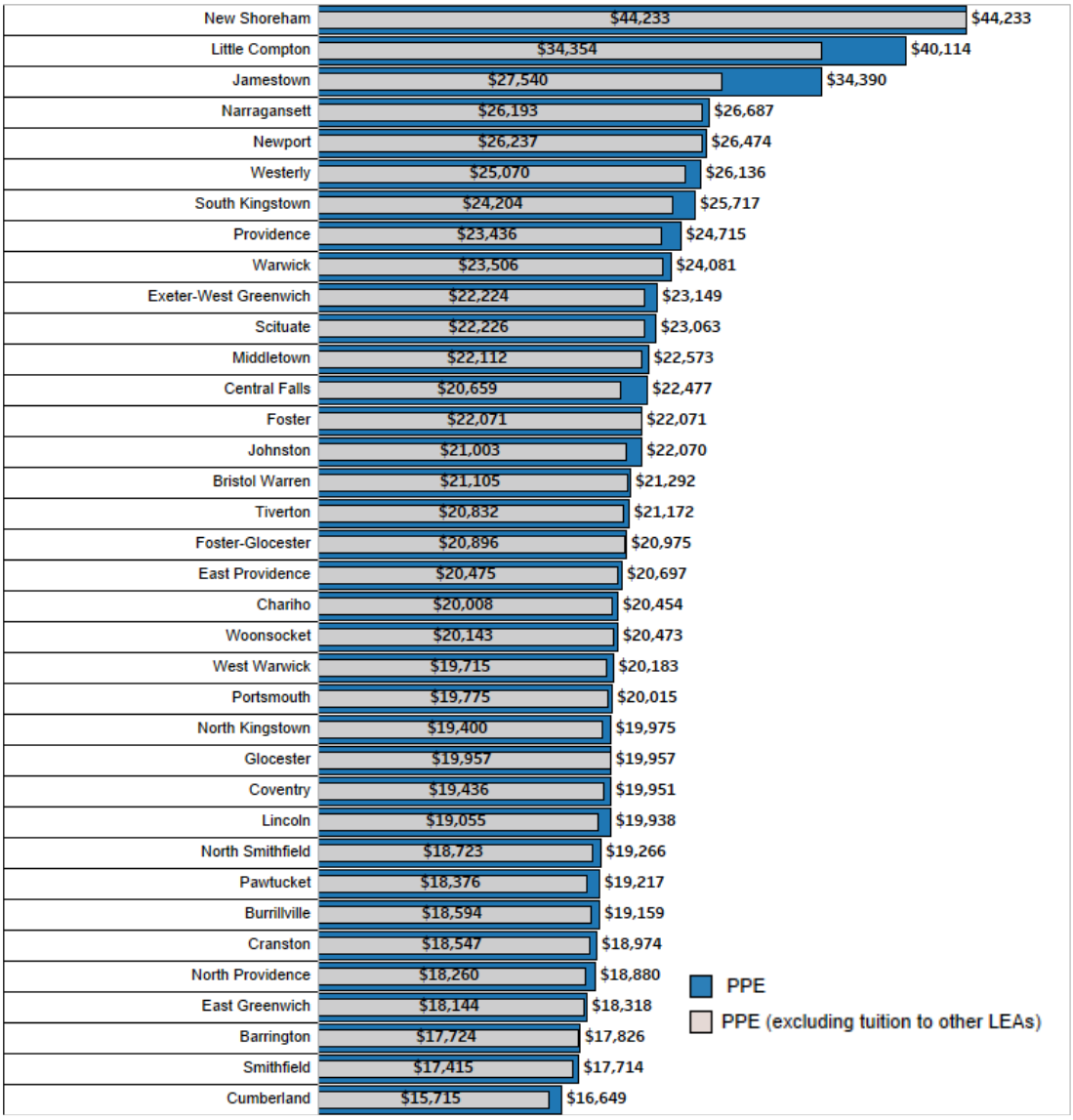


Excluding Capital Projects and Debt Service

There are different ways to calculate per pupil expenditures. The district per pupil calculations presented in the preceding charts and tables only exclude capital projects and debt service expenditures incurred by the district, and include the tuition paid for district students taught

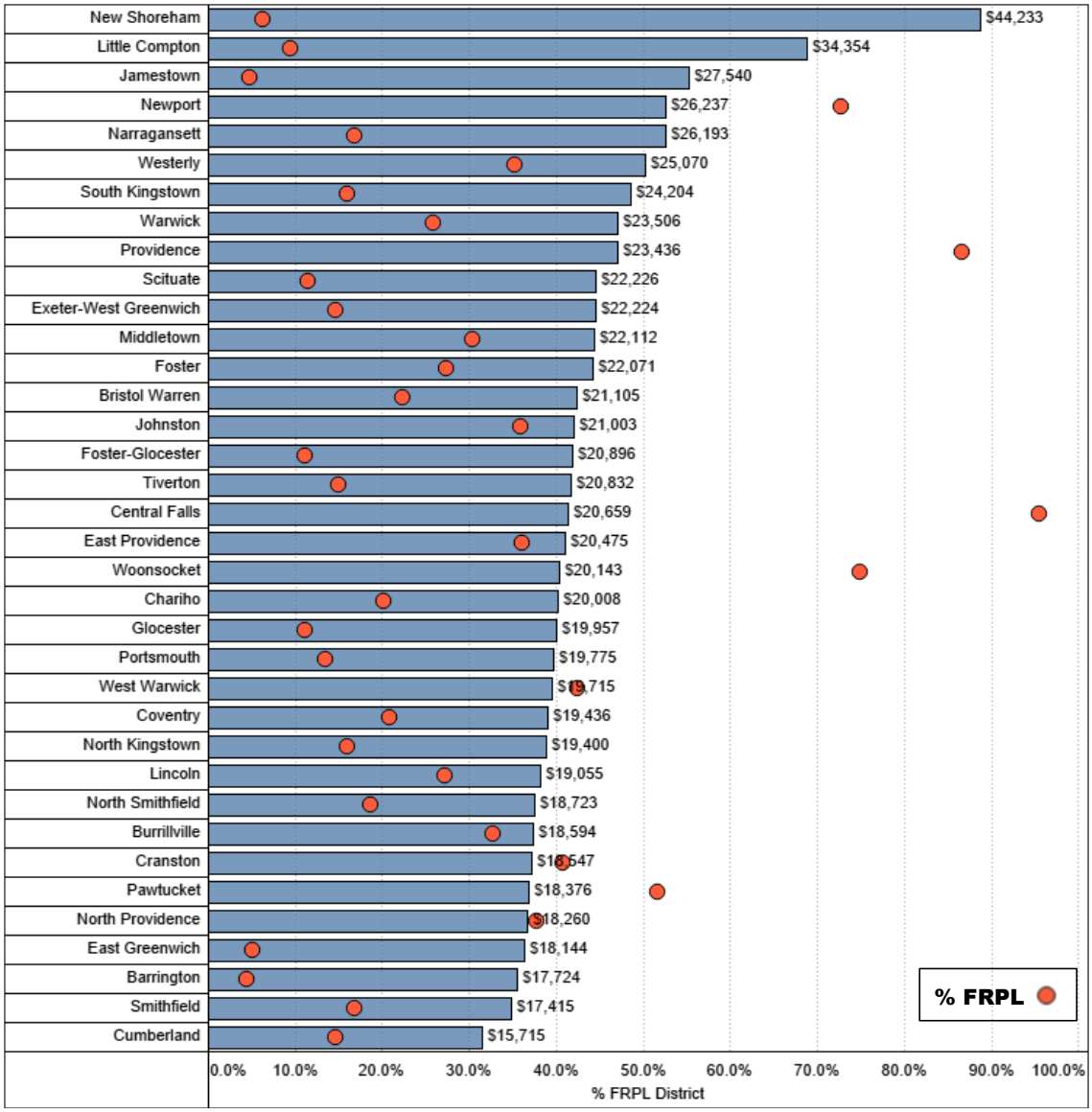
outside the district. An alternative approach to calculate the per pupil expenditures is to exclude the tuition paid to other districts because the students taught outside the district are not part of the enrollment number used as the denominator for the calculation. The per pupil expenditures of districts like Little Compton and Jamestown that do not have a high school and send their students out of the district for secondary school is much lower when the tuition paid to other districts is excluded. Districts with many students attending charter schools and other public schools of choice such as Central Falls, Providence, and others, also have considerably lower per pupil expenditures when these expenditures are excluded. The table below displays both calculations of per pupil expenditures for 2021-22; the blue bar represents the per pupil expenditures including the tuition and the gray bar represents the per pupil expenditures excluding tuition.

Expenditures per Pupil by District with and without tuition to other RI LEAs (2021-22)



The graph below displays the expenditures per pupil excluding tuition and the demographic characteristics of the students enrolled in each district. The orange circle (●) represents the percentage of students eligible for free or reduced-price lunch. This population of economically disadvantaged students generally need additional support and Rhode Island's funding formula provides additional resources to LEAs to help fund the additional costs of serving these students. While districts with a higher proportion of economically disadvantaged students receive a higher share of state aid, some of the districts spending the most per pupil have fewer economically disadvantaged students and are funded mostly by local tax revenues.

Expenditures per Pupil (excluding tuition to other RI LEAs) and Student Demographics by District (2021-22)

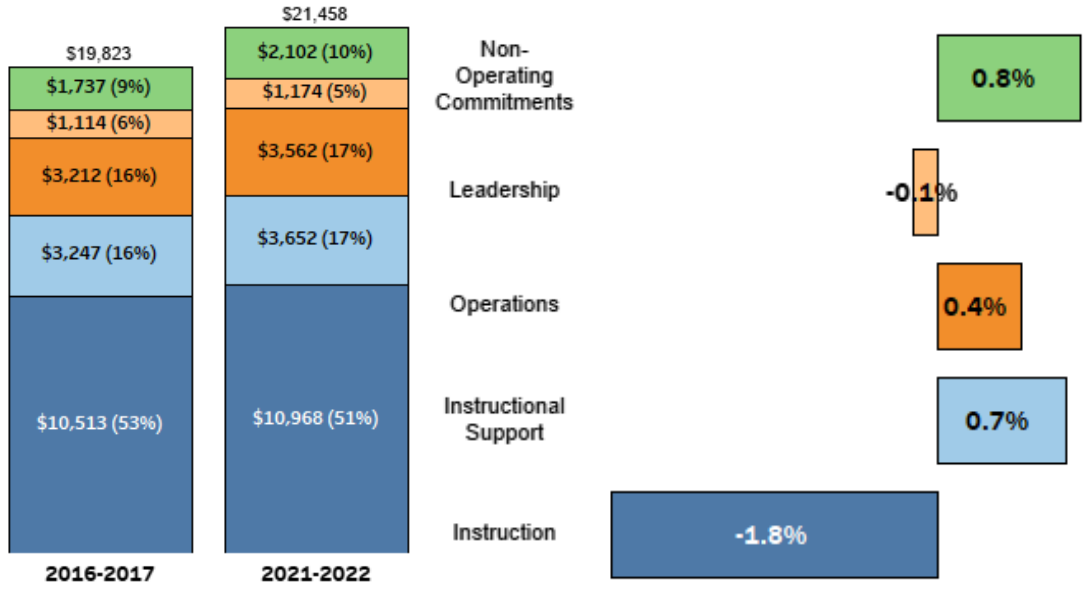


Note: Excluding Tuition to other RI LEAs

Expenditures by Function[2]

In 2021-22 Rhode Island's traditional districts spent around 51% of their funds on instruction, 17% on instructional support, 17% on operations, 5% on leadership, and 10% on non-operating commitments. In the past five years, the percentage of LEA budgets allocated to instruction has reduced by 1.8 percentage points while non-operating commitments, instructional support, and operations have increased 0.8%, 0.7%, and 0.4% respectively. Non-operating commitments consist mostly of tuition paid to students who study out of district and the rising trend is associated with the expansion of charter schools and CTE programs. Instructional support includes initiatives to focus on the mental and social-emotional needs of students associated with the pandemic disruptions.

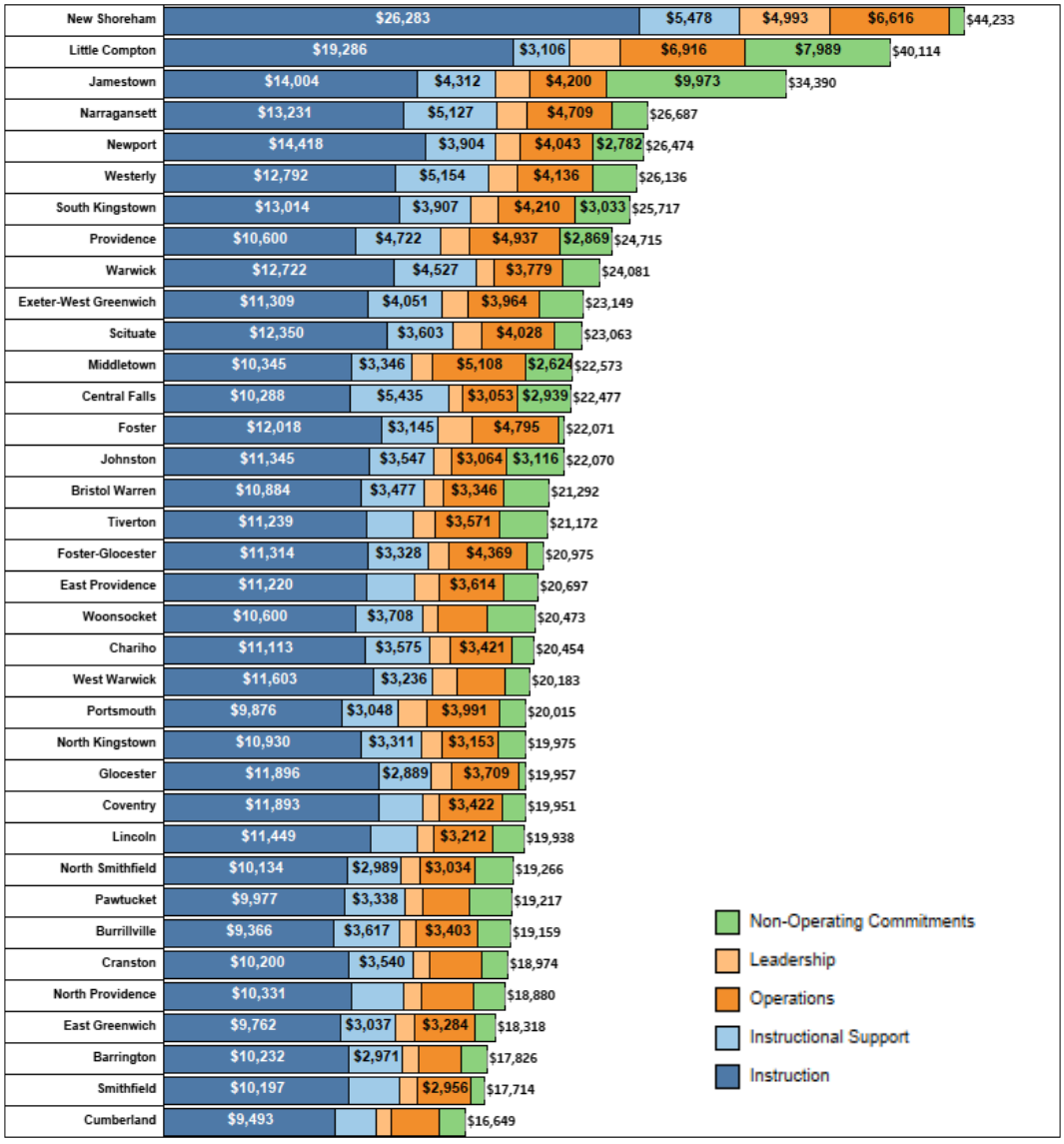
District Per Pupil Expenditures by Function and 5-Year Percentage point Change



[2] A Function is a group of related activities aimed at accomplishing a major service for which the LEA is responsible. The Function describes the activity for which a service or material object is acquired. There are five major functions: **Instruction.** The functions and activities associated with direct instruction of students. **Instructional Support.** The functions and activities associated with instructional support for instruction of students including the cost of preparing pupils to learn, preparing teachers to be good instructors, and administering programs to reap intended results. **Operations.** The functions and activities necessary to bring together all the required elements to support the "business" of educating pupils: students, teachers, fixed assets, technology, finance and reporting, and facilities. **Other Commitments (Non-Operating).** Includes the costs of other commitment expenditures that do not directly relate to the day-to-day operations of the educational enterprise. **Leadership.** The functions and activities associated with school-based instructional leaders, and district-wide leaders and policy makers responsible for overseeing and managing the education process.

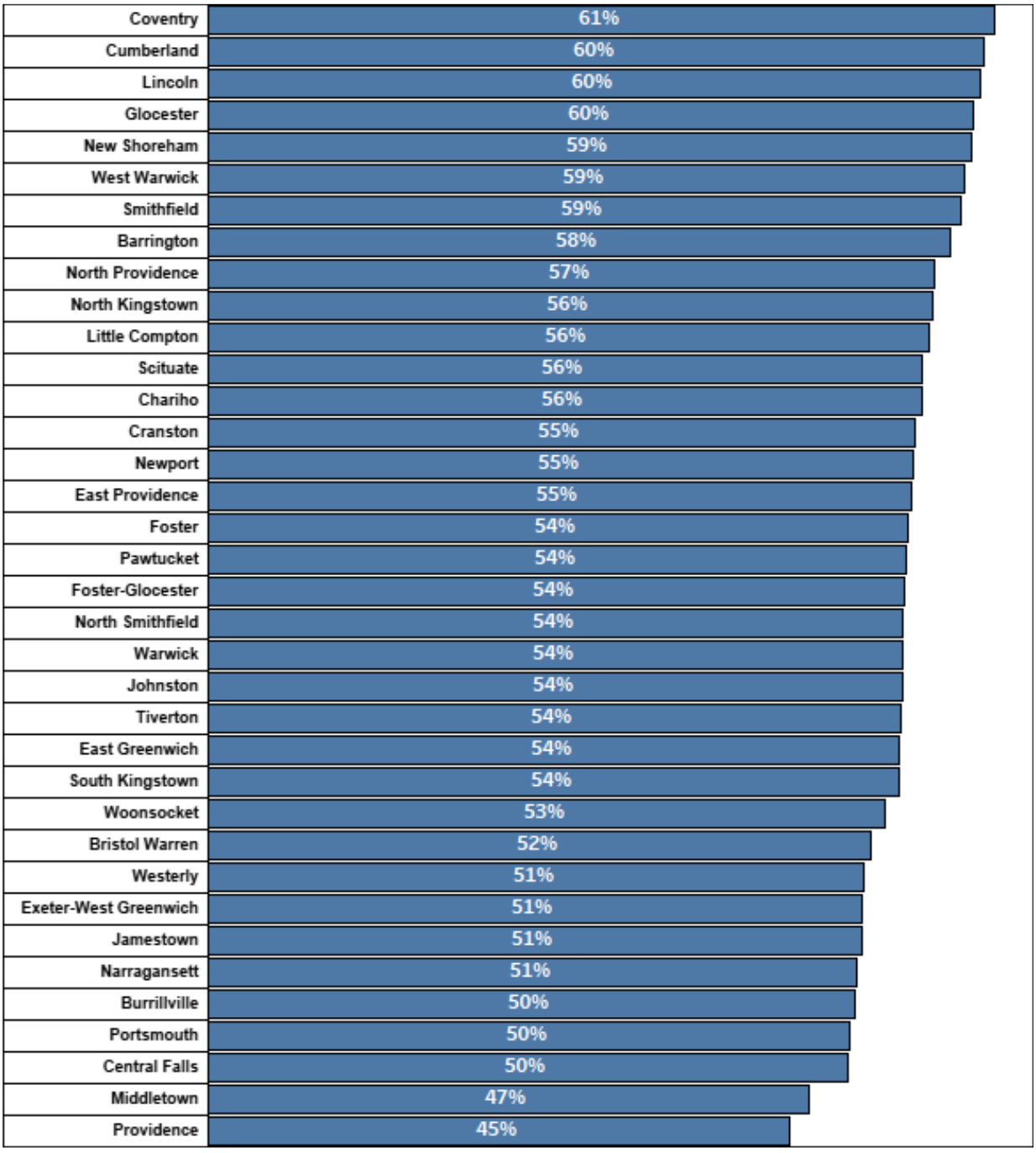
While all districts allocate most of their funds to instruction, there is a wide range in the percentage of funds districts allocate to instruction and every other functional category. Districts have many competing demands for limited resources and vary considerably on how they allocate their resources between the different functional categories. Urban districts such as Providence, Central Falls, Woonsocket, and Pawtucket are among the districts spending the least on instruction per pupil. This is explained partly by more resources allocated to other competing needs such as instructional support and non-operating commitments. As referenced before, Little Compton and Jamestown do not have a high school and a large share of their expenditures goes to the non-operating commitments which is comprised mostly of tuition to other districts. The graph below shows how districts allocate their resources by functional category both as per pupil expenditures and as percentage of total expenditures.

Functional Expenditures by District (2021-22)



The following three graphs display the share of each district's 2021-22 expenditure allocated to instruction, instructional support, operations, and leadership. The graphs are sorted by highest to lowest share by category and exclude tuition paid to other districts from the denominator. Districts have different competing demands and allocate their funds accordingly.

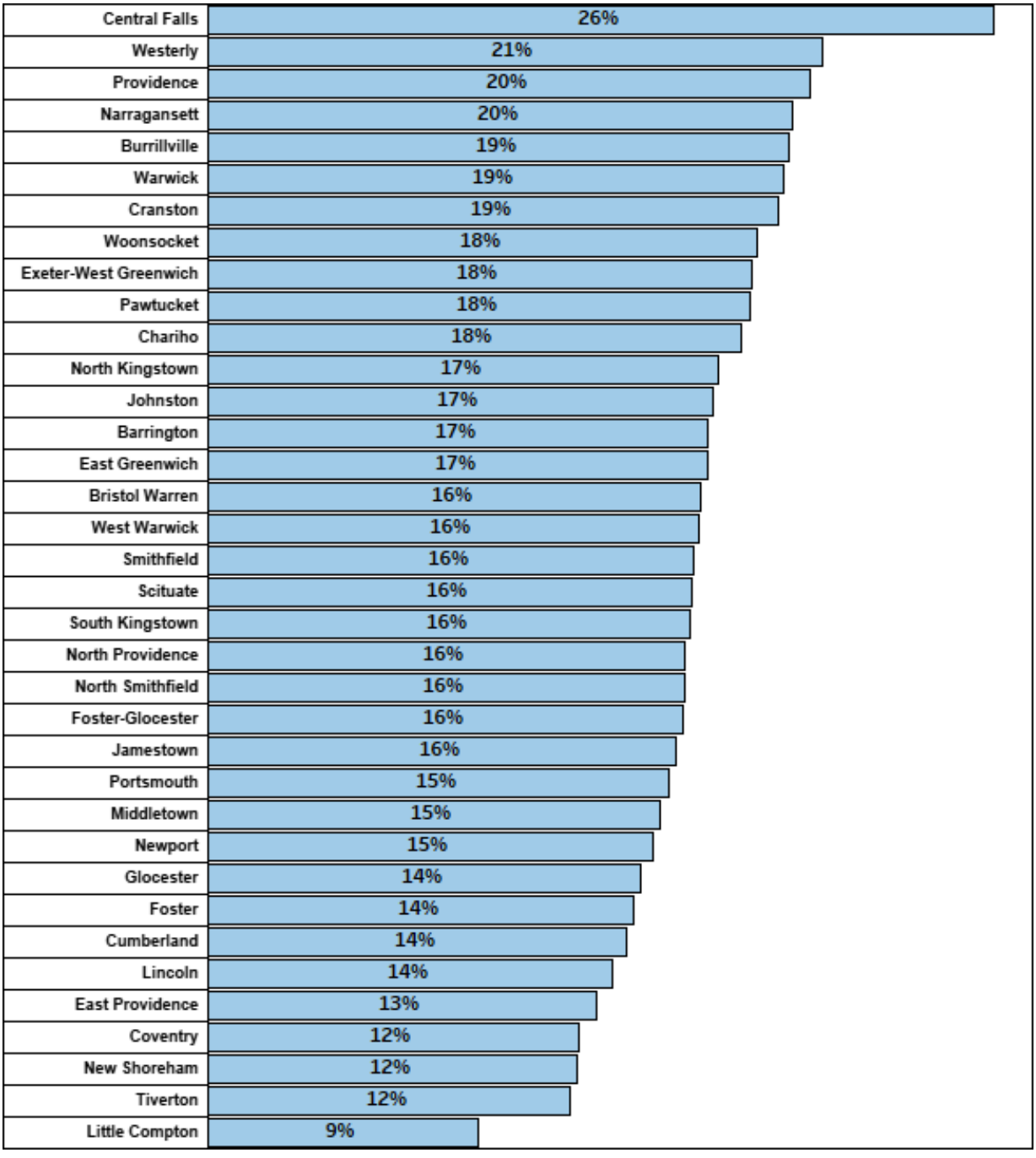
Percentage of Instructional Expenditures by District (2021-22)



Note: Excluding Tuition to other LEAs

Instructional support expenditures are driven by student need as certain subpopulations need additional supports to access the full range of education opportunities and be successful. Districts with higher shares of differently abled students, multilingual learners, and economically disadvantaged students generally allocate more resources to instructional support.

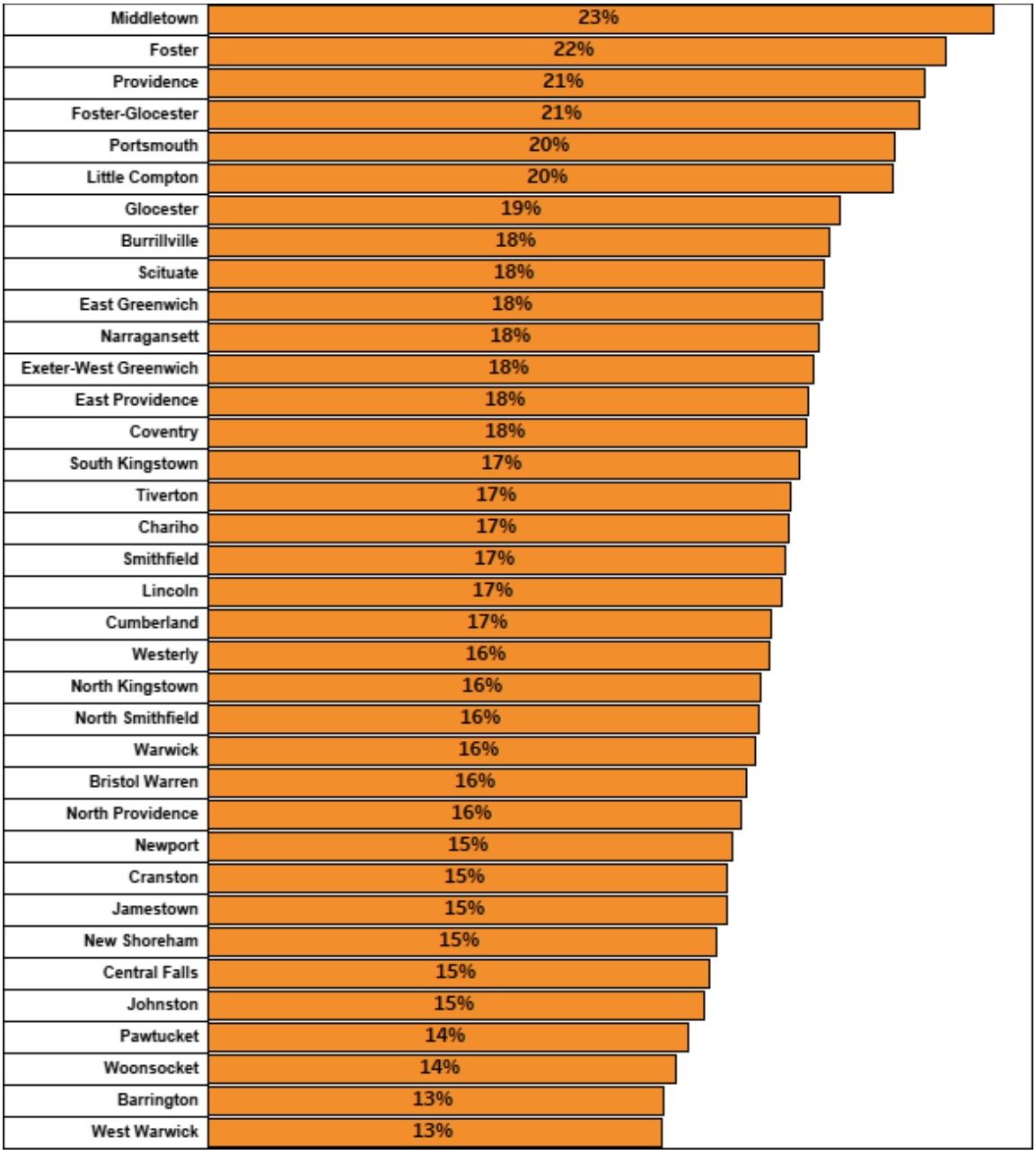
Percentage of Instructional Support Expenditures by District (2021-22)



Note: Excluding Tuition to other LEAs

Operations include subcategories such as building upkeep, utilities and maintenance, transportation, business operations, and food service and costs vary considerably between districts.

Percentage of Operations Expenditures by District (2021-22)



Note: Excluding Tuition to other LEAs

More detailed analyses of functional expenditures can be found on page 2 of the LEA Financial Profiles.

Core and Non-Core Instructional Expenditures

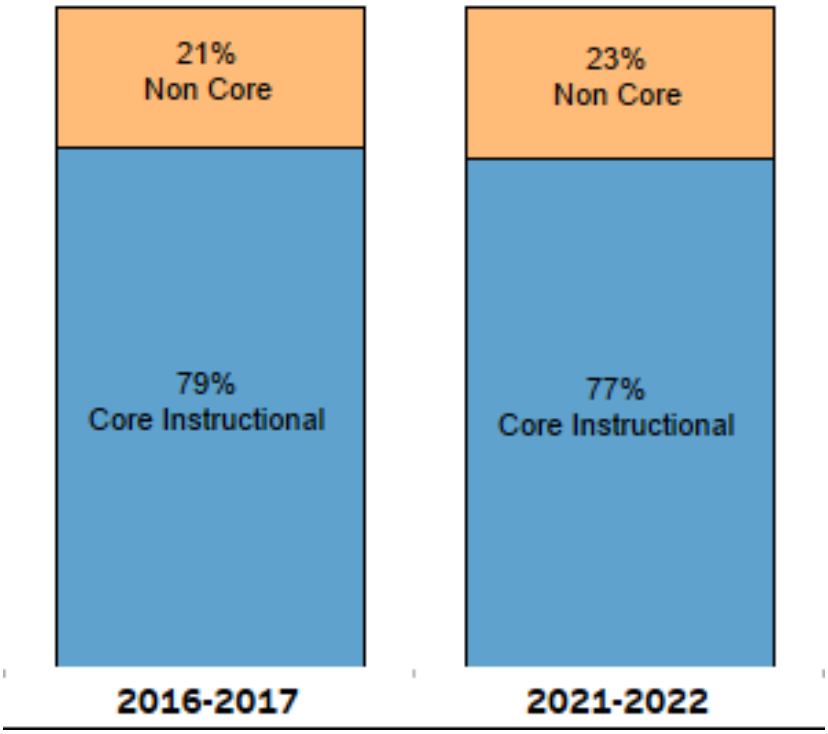
The market basket of expenditures used as a component in the education funding formula is sometimes referred to as core expenditures and align with the standards established in the Basic Education Program (BEP). The table below categorizes the UCOA expenditure descriptions into "Core" and "Non-Core" Expenditures. Note that all core instructional and non-core instructional calculations include revenues from state and local sources and exclude revenues from federal sources.

Non-Core Classification of Functions

Core Instructional	Non Core
111-Instructional Teachers 112-Substitutes 113-Instructional Paraprofessionals 121-Pupil-Use Technology and Software 122-Instructional Materials, Trips, and Supplies 211-Guidance and Counseling 212-Library and Media 213-Extracurricular 214-Student Services - Instruction Related 215-Academic Interventions 216-Student Health Services - Non Instructional 221-Curriculum Development 222-In-Service, Staff Development, and Support 223-Sabbaticals 231-Program Management 232-Therapists, Psychologists, Evaluators, Personal Attendants and Social Workers 241-Academic Student Assessment 331-Data Processing 332-Business Operations 511-Principals and Assistant Principals 512-School Office 521-Deputies, Senior Administrators, Researchers, and Program Evaluators	311-Transportation 312-Food Service 313-Safety 321-Building Upkeep, Utilities, and Maintenance 411-Budgeted Contingencies 431-Public, Parochial, Private, and Charter School Pass-Throughs 432-Retiree Benefits and Other 433-Enterprise and Community Service Operations 441-Claims and Settlements

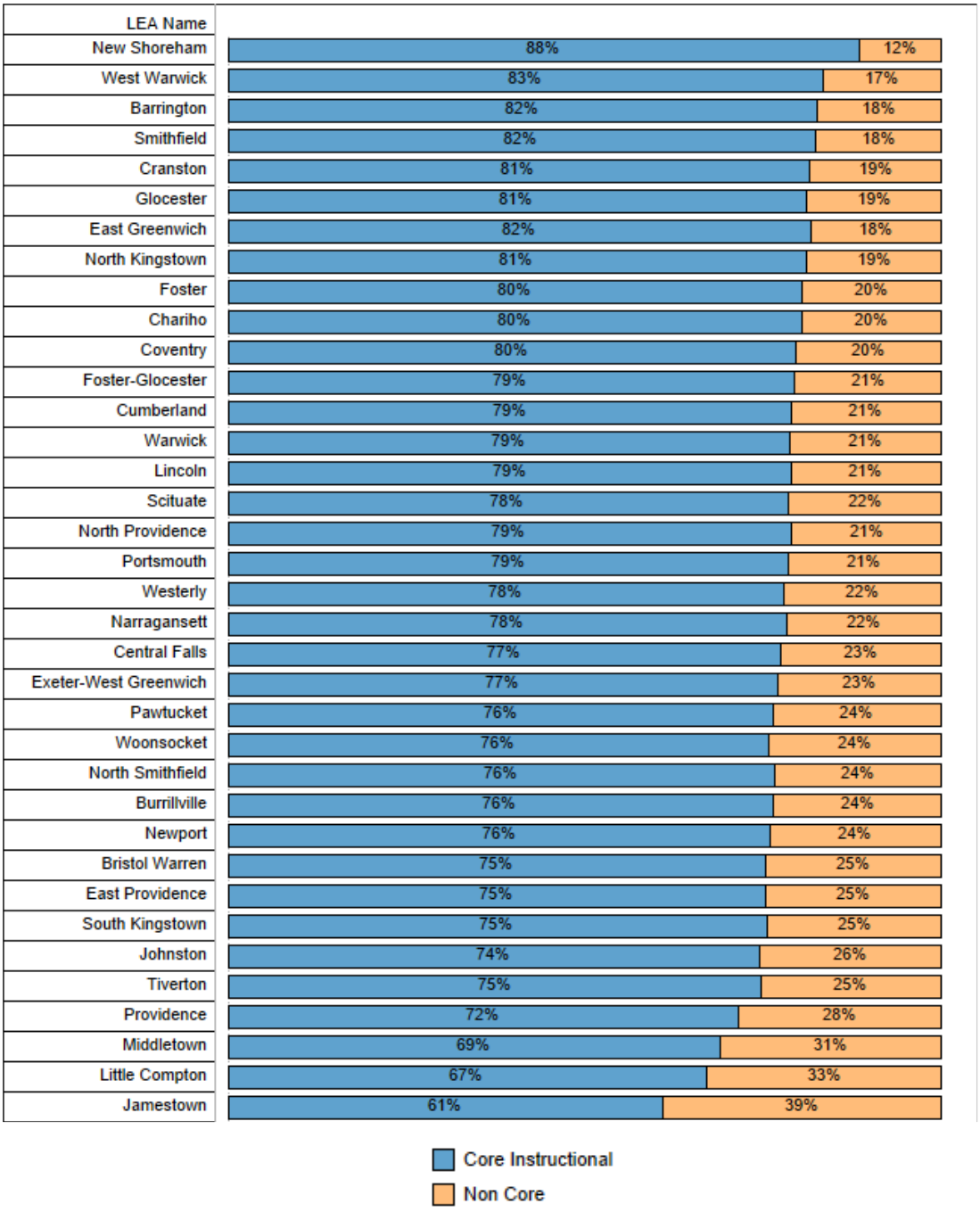
In 2021-22, around 77% of Rhode Island Districts education expenditures were dedicated to core instructional functions, which is two percentage points less than core instructional expenditures five years ago in 2016-17.

Core vs Non-Core Instructional Expenditures (2021-22)



The graph below displays the share of core and non-core instructional expenditures in 2021-22 by district. The share of expenditures dedicated to core instructional functions by district ranges between 61% and 88%. Higher percentages of non-core instructional expenditures can be attributed to spending more on categories such as tuition payments for students going out of district, building maintenance and upkeep expenditures, transportation, and post-employment benefits among others.

Core vs Non-Core Instructional Expenditures by District (2021-22)



The graph below disaggregates the non-core instructional expenditures of each district by functions. The major category of non-core instructional expenditures is out-of-district tuition and transportation which drives the higher-than-average non-core instructional expenditures in Little Compton and Jamestown. Another big driver of non-core instructional is building upkeep, utilities, and maintenance function on which New Shoreham spends around $3,500 per pupil and Foster, Glocester, Little Compton, Narragansett, Middletown, and Providence spent more than

$2,000 per pupil. Transportation per pupil is higher in some suburban districts where students' residences are further from the schools than in more urban districts. The Other category is comprised mostly of other post-employment benefits which are higher in districts like Newport, Bristol Warren, and Johnston.

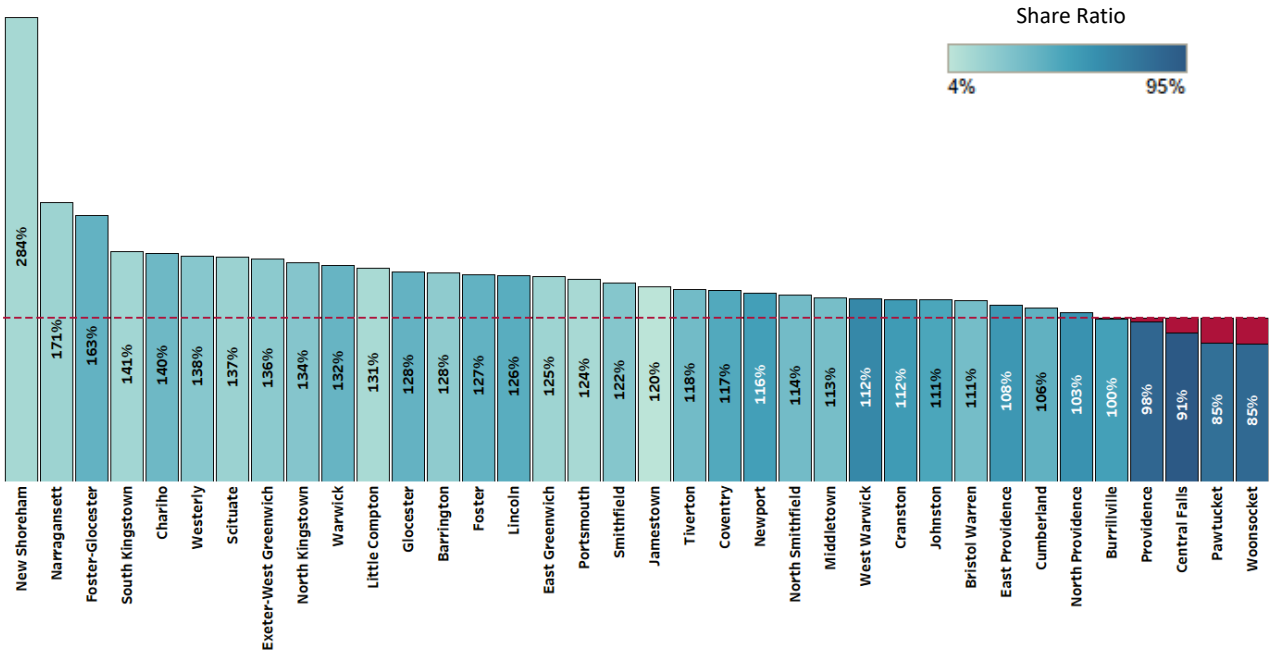
District Non-Core Per Pupil Expenditures by Function (2021-22)

LEA Name	% Non Core	Other	Transportation	Building Upkeep, Utilities, and Maintenance	Out of District tuition and transportation	
Little Compton	33%	$7,272	$2,749	$2,477		$12,653
Jamestown	39%	$9,476	$1,834	$845	$490	$12,645
Middletown	31%	$2,354	$2,957	$973		$6,515
South Kingstown	25%	$2,409	$1,539	$1,402	$587	$5,937
Providence	29%	$2,281	$2,013	$891	$625	$5,810
Westerly	22%	$2,105	$1,925	$930	$445	$5,404
Narragansett	22%	$1,149	$2,492	$1,112	$648	$5,400
Newport	24%	$934	$1,729	$1,016	$1,609	$5,287
Johnston	26%	$2,421	$987	$1,046	$656	$5,110
Exeter-West Greenwich	24%	$2,030	$1,383	$1,295		$5,002
Tiverton	26%	$2,109	$1,547	$998		$4,915
New Shoreham	12%	$3,486		$807	$409	$4,895
Bristol Warren	25%	$1,550	$1,580	$861	$782	$4,774
Warwick	22%	$1,878	$1,585	$983		$4,572
East Providence	25%	$1,730	$1,672	$1,063		$4,555
Scituate	22%	$1,281	$1,899	$1,276		$4,500
North Smithfield	24%	$1,818	$1,518	$707		$4,171
Foster-Glocester	21%	$472	$2,263	$975		$4,025
Central Falls	23%	$2,634	$863			$4,008
Burrillville	24%	$1,358	$1,554	$1,023		$3,993
Portsmouth	22%	$1,174	$1,547	$1,089		$3,965
Woonsocket	24%	$2,167	$1,193			$3,960
Lincoln	22%	$1,582	$1,396	$782		$3,888
Foster	20%	$1,963	$1,592			$3,847
Pawtucket	24%	$2,085	$1,144	$440		$3,814
Chariho	20%	$1,085	$1,319	$1,223		$3,747
Coventry	20%	$1,144	$1,424	$904		$3,707
North Providence	22%	$1,593	$1,122	$741		$3,584
North Kingstown	20%	$1,257	$1,348	$809		$3,536
Glocester	19%	$1,645	$1,294			$3,341
Cumberland	21%	$1,365	$1,030	$709		$3,192
East Greenwich	19%	$830	$1,337	$811		$3,178
Cranston	19%	$1,241	$1,175	$689		$3,165
West Warwick	17%	$955	$1,101	$639		$3,000
Barrington	18%	$1,292	$1,111	$471		$2,983
Smithfield	18%	$639	$1,430	$746		$2,947

The amount of state education aid received by an LEA should pay for the core expenses up to the state share ratio. For example, an LEA with a 65% share ratio should receive aid to cover 65% of the core expenses with the remaining 35% of the core instructional expenses, plus all non-core instructional expenses covered from local sources of revenue.

The graph below displays the percentage of the core instructional amount covered by LEAs in 2021-22. Four LEAs , educating around 27% of the students, do not cover the core instructional expenditures for their students. The colors of the bars represent the share ratio of the community and show that the districts not spending the expected amount on core instructional expenditures are high share ratio communities. It is worth noting that although these were the same four districts identified in the 2020-21 Fiscal Accountability report as not meeting the expected core instructional expenditures, the percent of core instructional expenditures covered increased in 2021-22 for these four districts.

Percent of Core Instructional Funding Covered (2021-22)



The table below shows the details of the calculation for these four LEAs. To meet the core instructional expenditures, these LEAs would have to increase their core instructional expenditures from a high of $17.9 million ($2,215 per pupil) to a low of $5.7 million ($325 per pupil) to meet the core funding amount[3]. LEAs can follow different paths to ensure core expenditures are fully funded. These include additional municipal funding dedicated to core expenditures and shifts in funding priorities from non-core instructional to core instructional categories.

[3] This corresponds to the Total Foundation funding which includes the Core Instruction Funding and the Student Success Factor Funding. See Reference Guide

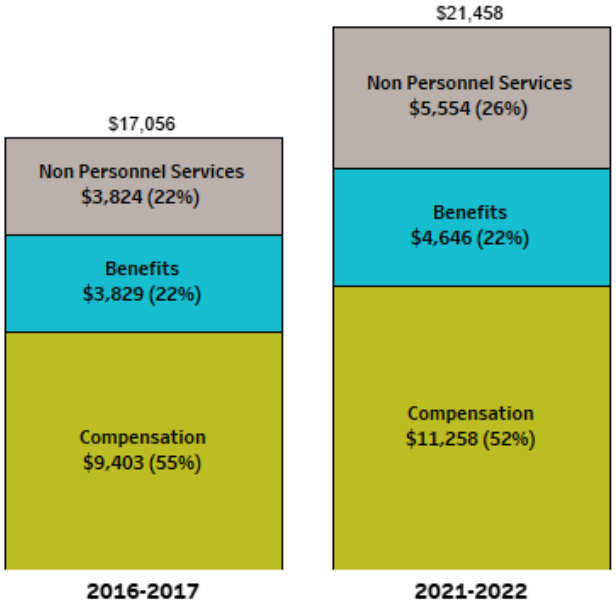
Districts not meeting the Core Instructional Funding (2021-22)

LEA Name	Expected Core Expenditures (Total Foundation)	Actual Core Expenditures	Difference Actual - Expected	Difference Per Pupil
Central Falls	$40,406,619	$36,924,297	($3,482,322)	($1,294)
Pawtucket	$117,976,248	$100,033,471	($17,942,777)	($2,215)
Providence	$314,094,090	$307,256,828	($6,837,262)	($325)
Woonsocket	$82,148,994	$69,417,215	($12,731,779)	($2,271)

Personnel and Non-Personnel Expenditures

Compensation, benefits, and non-personnel services represented 52%, 22% and 26% of total 2021-22 expenditures respectively. In the past five years, the percentage of non-personnel services out of total expenditures has increased 4 percentage points while compensation decreased 5 percentage points. The higher share of non-personnel expenditures in recent years can be partly attributed to federal COVID relief funds spent mostly in these categories as will be highlighted later in the report.

Compensation, Benefits and non-Personnel Expenditures

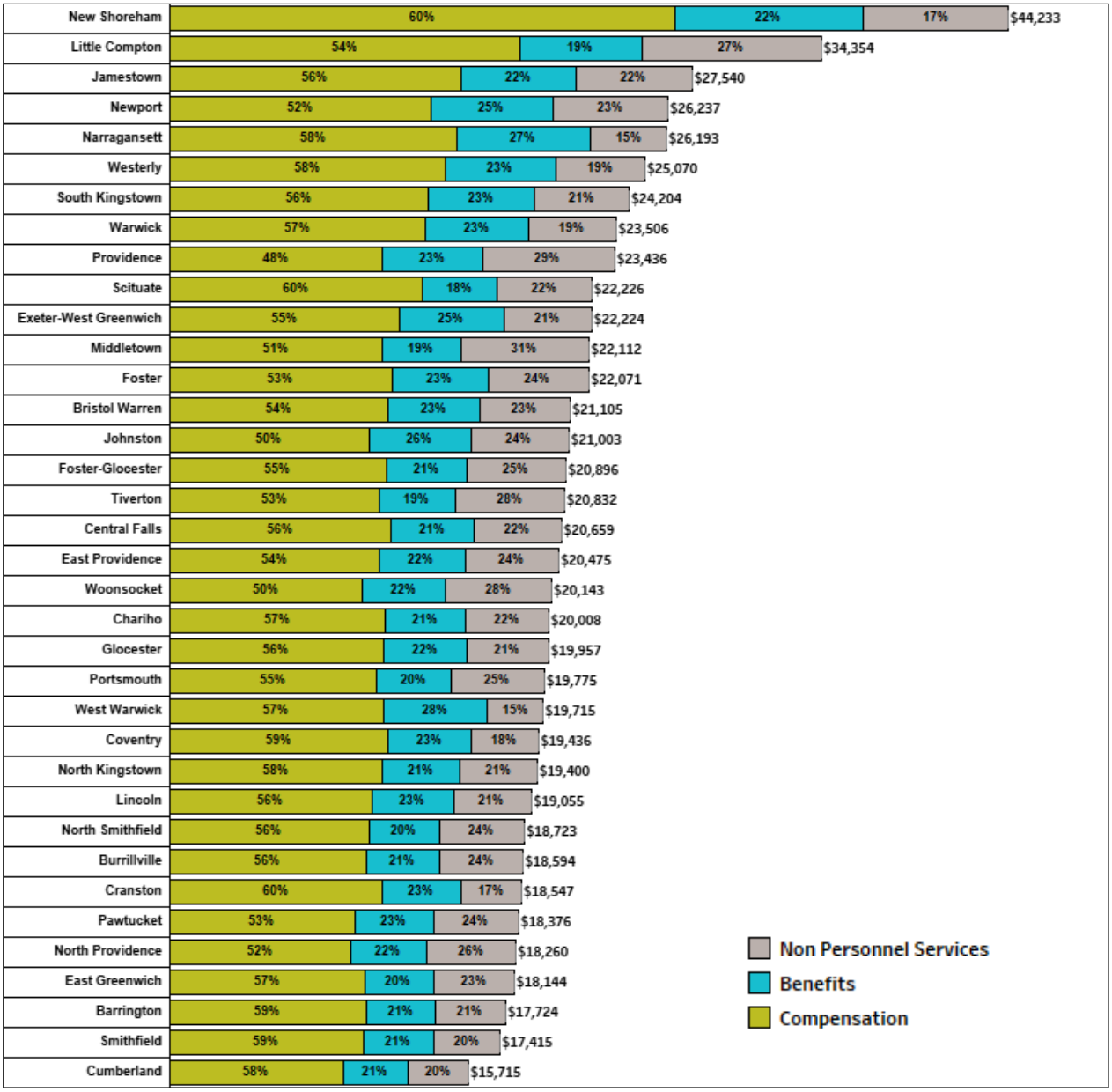


Note: Excluding tuition to other LEAs

The graph below displays the share of compensation, benefits, and non-personnel services excluding tuition to other LEAs in 2021-22 by district. While all the districts spent the great

majority on compensation and benefits, there is a wide range in what districts spent on non-personnel services. For instance, while districts like Narragansett and West Warwick spent 15% on non-personnel expenditures, Middletown spent 31% on non-personnel categories such as tuition to private sources for special education and transportation contracts, among others.

District Expenditures per Pupil by Object (2021-22)

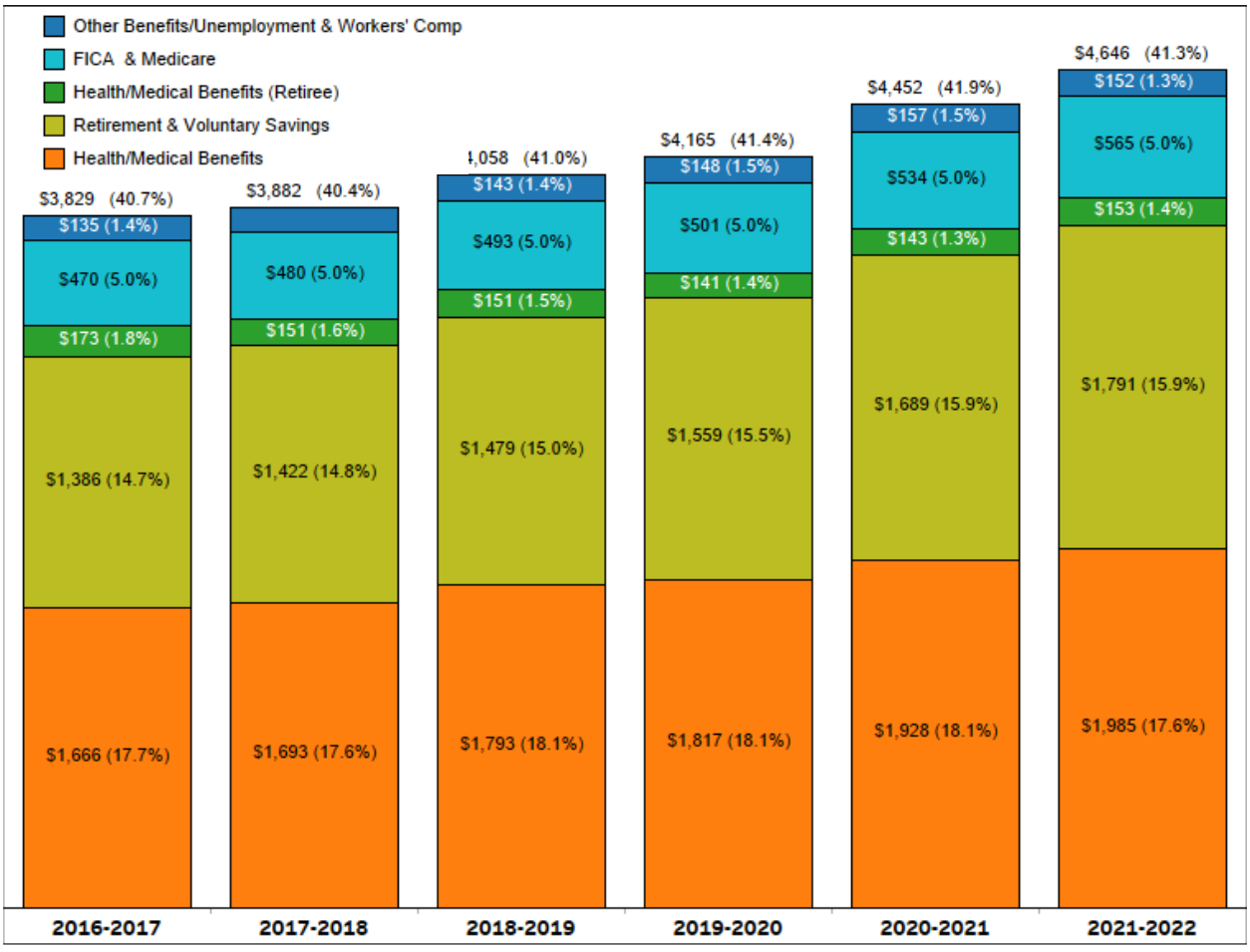


Note: Excluding tuition to other LEAs

Personnel Benefits

The graph below displays benefits as a percentage of total salaries by benefit type. It shows that on 2021-22 districts spent around $4,700 per pupil (41.3% of compensation) on personnel benefits. The largest components of the benefits are health care and retirement. The healthcare costs as a percentage of salaries have remained steady between 2016-17 and 2021-22 while the retirement costs have increased 1.2 percentage points in this period. Note that the retirement percentage represents the LEAs share of retirement costs and an additional share is paid by the State of Rhode Island and not included in this analysis.

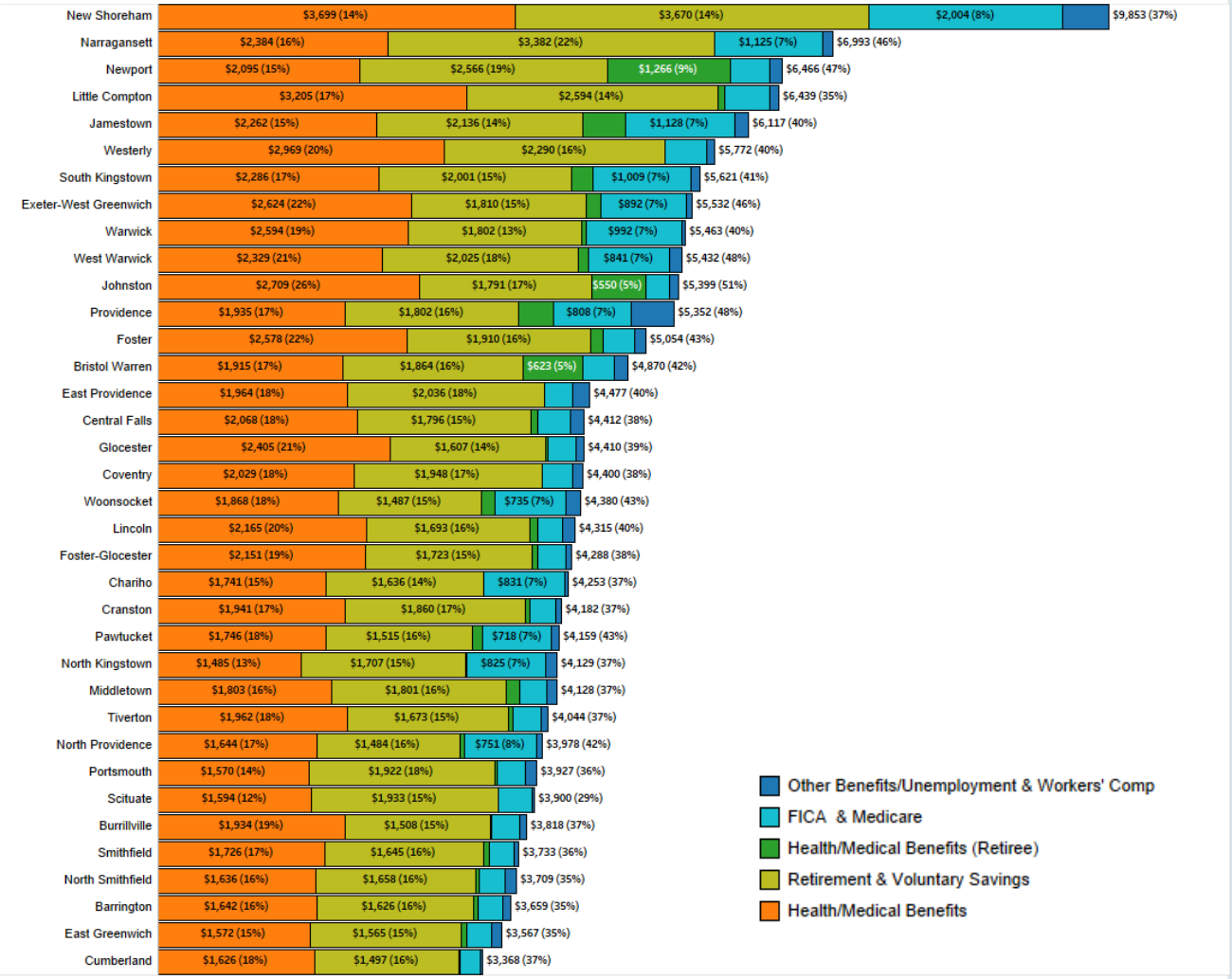
Personnel Benefits Per Pupil and as a Percentage of Compensation by Benefit Type



The graph below presents benefits per pupil and benefits as a percentage of compensation by district. Benefits as a percentage of compensation in Districts ranged from 29% in Scituate to 51% in Johnston. A higher percentage of benefits over compensation ratio can be due to lower compensation (denominator) and/or higher benefits (numerator). Similarly, higher benefits per pupil expenditures can be due to higher benefits and lower student to staff ratios. While health

and medical benefits is the costliest benefit category for most of the districts, there are some exceptions such as Newport, Narragansett, Portsmouth, Scituate, and North Kingstown, where retirement and voluntary savings is the costliest benefit category. The differences on the FICA & Medicare contribution depends on whether the district participates in Social Security.

Personnel Benefits by District Per Pupil and as a Percentage of Compensation by Benefit Type (2021-22)

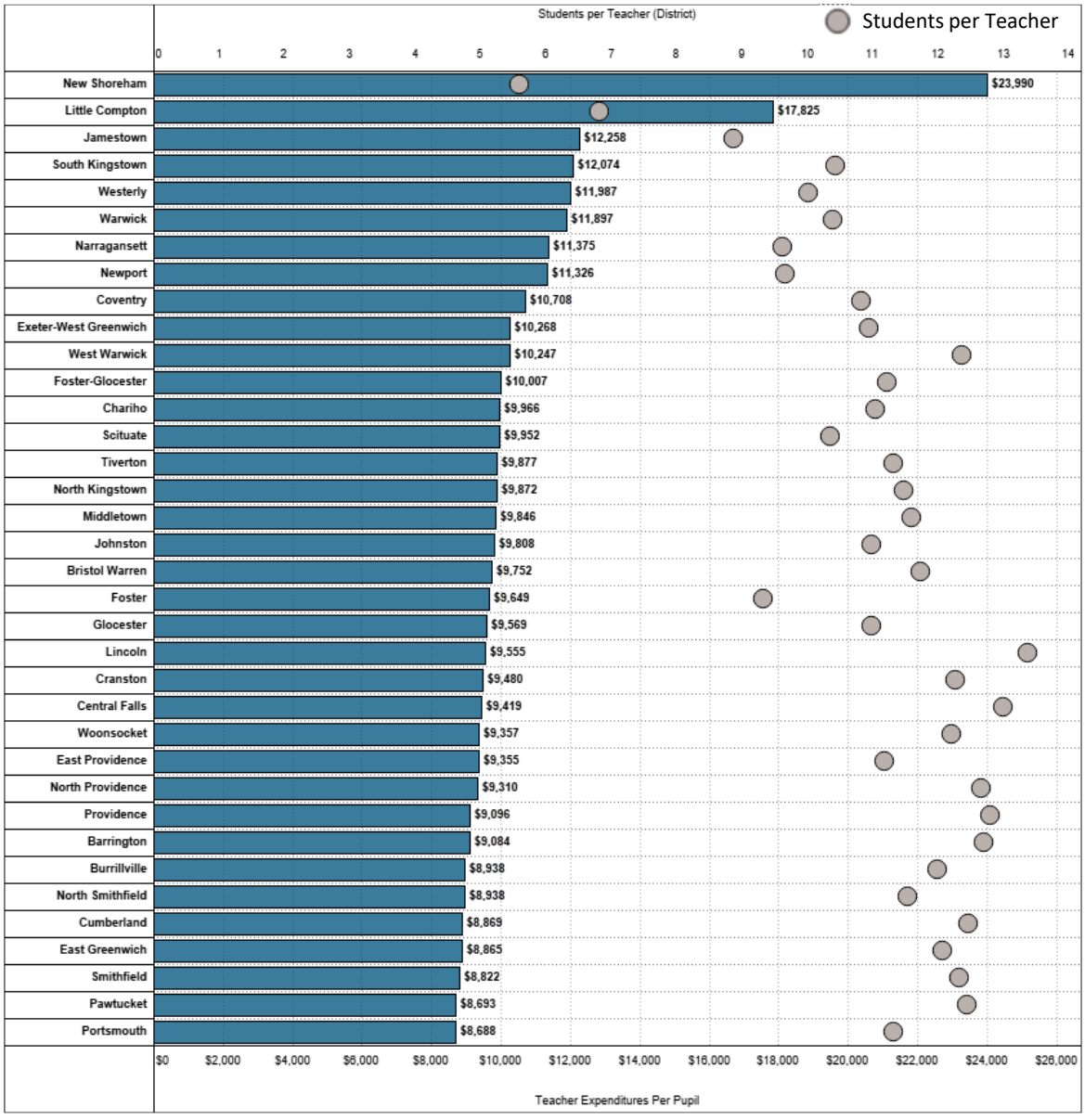


Teacher Expenditures

As expected, teachers are the main cost driver in education. In 2021-22, around 61% of total personnel expenditures in Rhode Island districts were for teacher compensation and benefits. The number of students per teacher is associated with per pupil ratios and districts with fewer students per teacher -which generally leads to smaller class sizes- have higher teacher

expenditures per pupil. The length of the bars in the graph below represents the teacher expenditures per pupil. We use personnel assignment data as reported through the personnel data collection to calculate student per teacher ratios (represented by gray circles ●). The students per teacher ratio ranges between 5.6 in New Shoreham and 13.3 in Lincoln. Notice that districts with the highest per pupil expenditures also have the lowest teacher per student ratios and some of the urban districts serving more disadvantaged students have high students to teacher ratios and below average teacher expenditures per pupil.

Teacher Expenditures Per Pupil and Students per Teacher by District (2021-22)



Teacher qualifications also drive district per pupil expenditures in teachers. The table below displays the educator qualifications metrics included in RIDE's 2021-22 Report Cart for each

district. Inexperienced teachers are defined as teachers with zero to three years of experience working in a public school, emergency certificate teachers are teachers with a certificate that allow them to teach in their assignment while pursuing the remaining requirements for full Rhode Island teacher certification, and teachers working out of field are teachers who do not hold the appropriate certificate for their assignment. All the metrics displayed are the percentage of total teachers. Providence's out of field and emergency certificate certificates is partly explained by teachers teaching the multilingual population working toward their English as a second language certification.

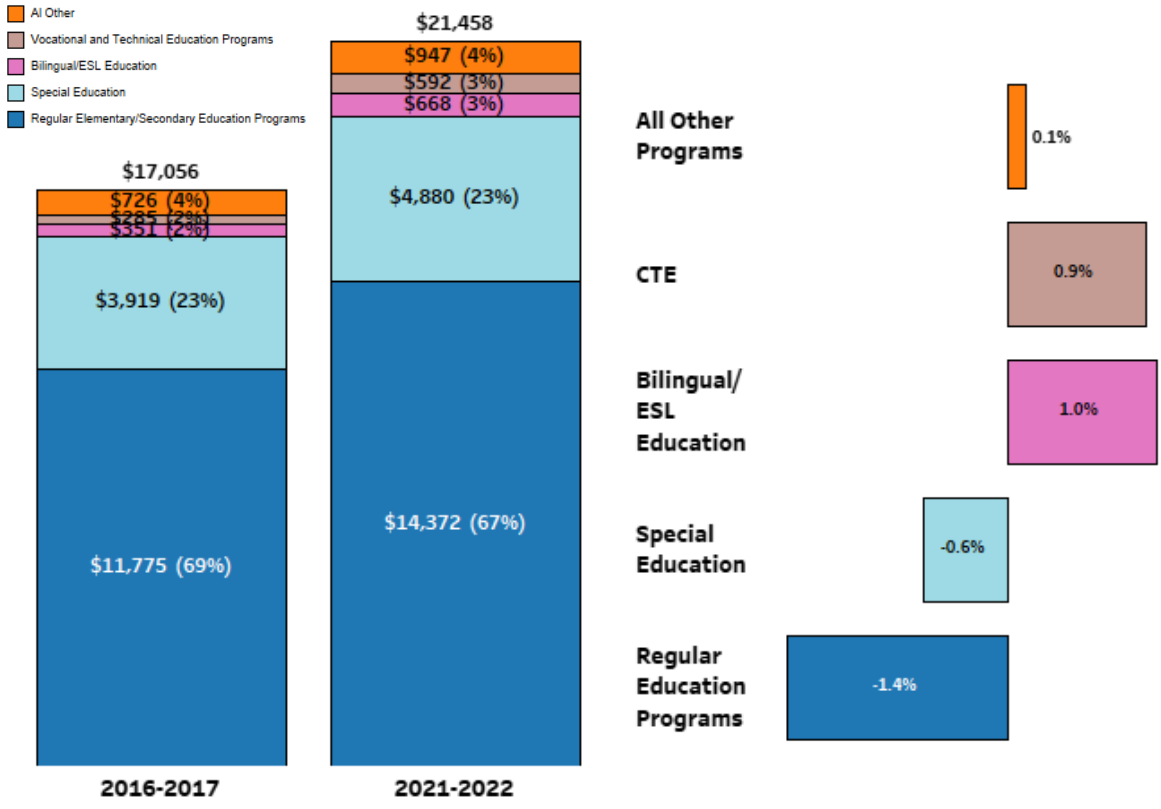
Teacher Qualifications by District (2021-22)

	% Inexperienced Teachers	% Out of Field Teachers	% Emergency Certificate Teachers
Woonsocket	17	9	8
Johnston	17	2	2
Foster	17	4	0
Scituate	16	4	3
Tiverton	15	2	2
Providence	15	18	18
Portsmouth	14	6	3
Glocester	14	0	0
Foster-Glocester	14	3	2
Central Falls	14	9	9
New Shoreham	13	13	4
Bristol Warren	13	1	1
Smithfield	12	0	0
Exeter-West Greenwich	12	1	1
Burrillville	12	3	2
Barrington	12	2	1
Pawtucket	11	7	6
North Providence	11	1	1
Newport	11	7	4
Narragansett	11	2	2
Coventry	11	3	2
North Smithfield	10	1	1
North Kingstown	10	3	2
Little Compton	10	3	3
Jamestown	10	4	4
East Greenwich	10	2	2
Chariho	10	1	1
Westerly	9	2	2
East Providence	9	2	1
Lincoln	8	1	1
West Warwick	7	2	2
Middletown	7	1	1
Cumberland	7	1	1
Cranston	7	3	2
Warwick	6	1	1
South Kingstown	5	3	3

Expenditures by Program

In addition to reporting expenditures by function, districts are required to report expenditures by program which is defined as a plan of activities and procedures designed to accomplish a predetermined and broad set of objectives. In 2021-22 school districts in Rhode Island spent around $14,500 on regular education programs which accounts for 67% of total expenditures. The next major category of programmatic spending is special education which represents 23% or approximately $4,800 per pupil expenditures. The graph below shows the PPE by program in 2016-17 and 2021-22 and highlights the percentage point change of the different program categories during this period. Expenditures on regular education programs have decreased by 1.6 percentage points in the past five years while both bilingual/ESL education and expenditures on Career and Technical Education (CTE) have increased the share of total expenditures by about 1 percentage point.

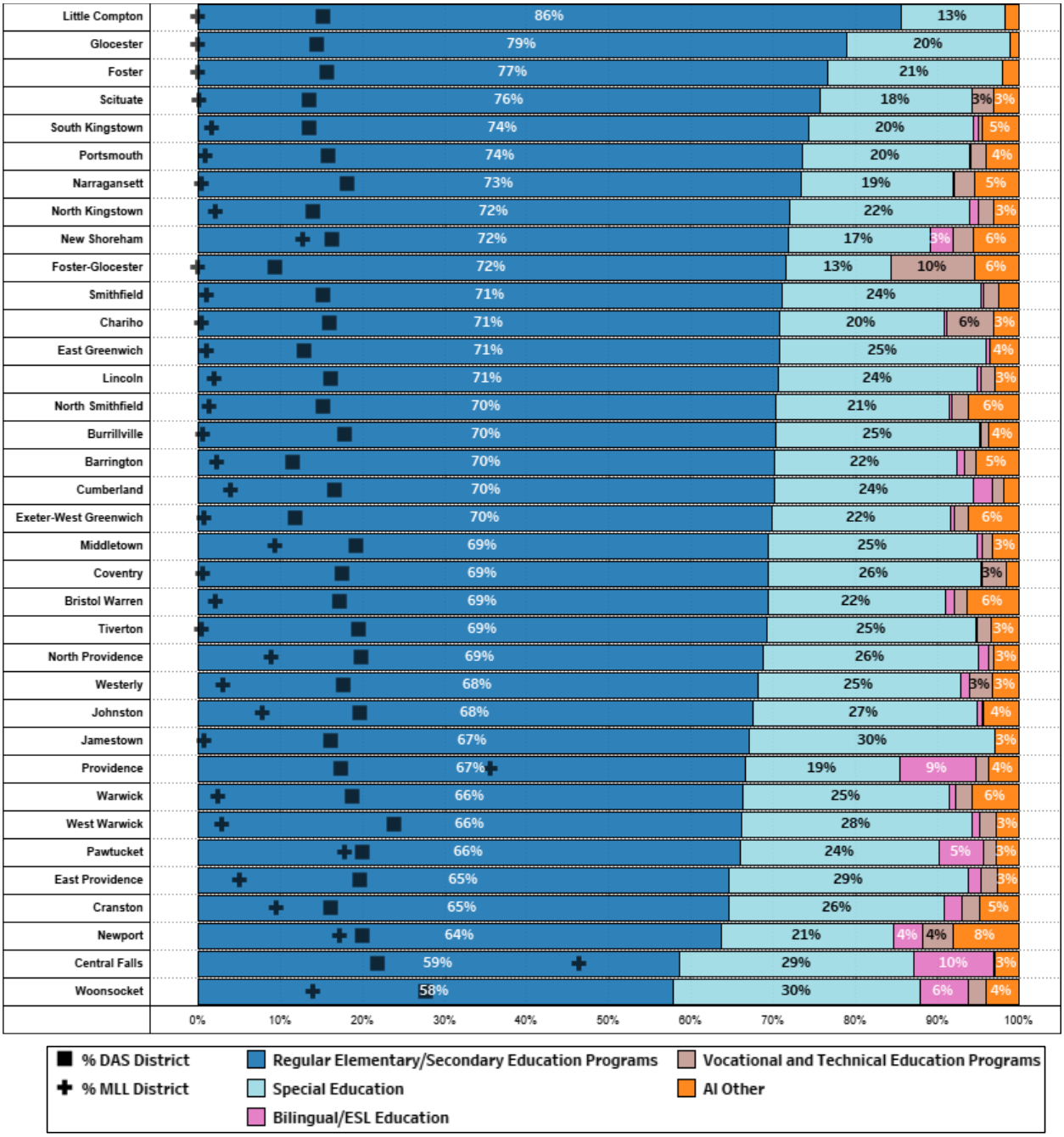
District Per Pupil Expenditures by Program and 5 Year Percentage Point Change



The graph below displays each district's expenditures allocation by program categories and percentage of multilingual (✚) and different abled students (■). Expenditures in program

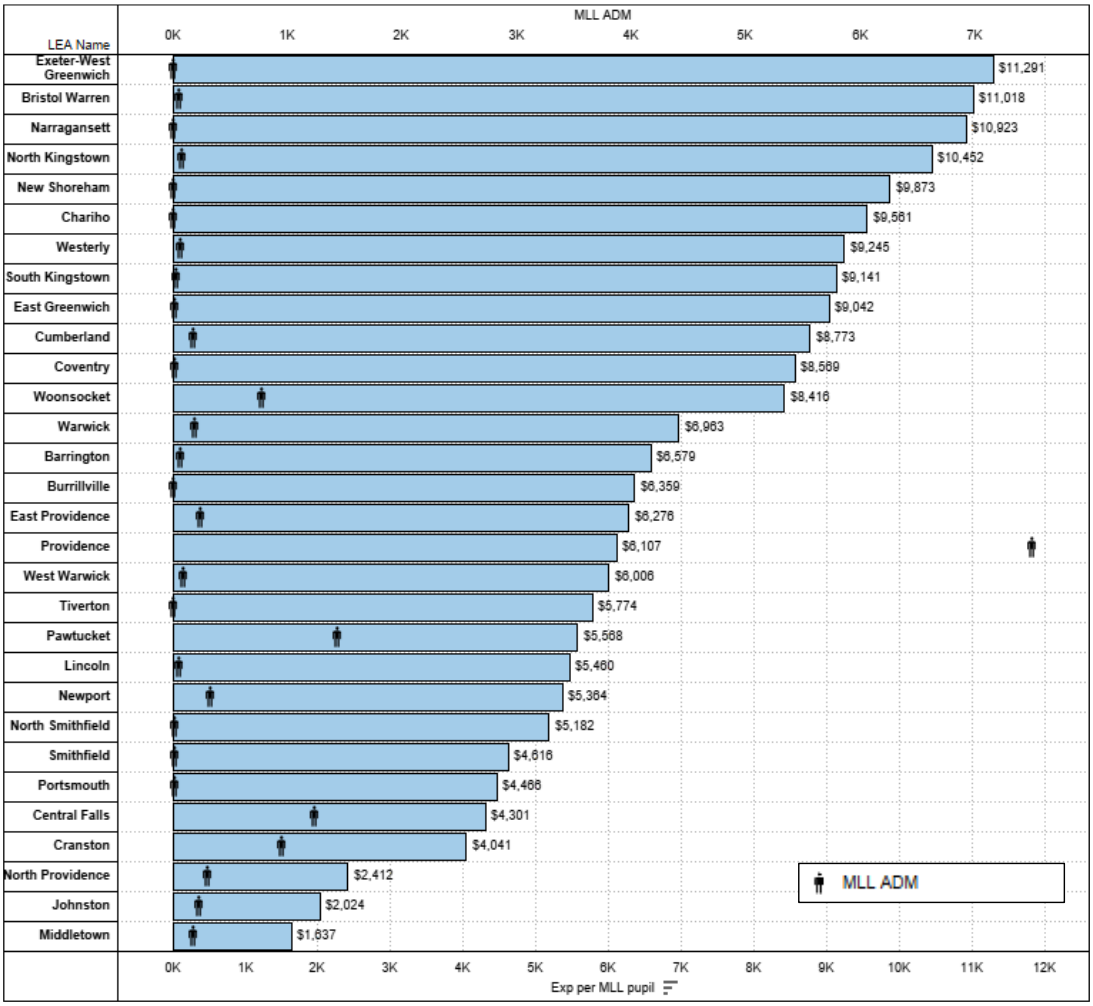
categories such as special education and bilingual/ESL education are highly dependent on student characteristics. Districts with more multilingual and differently abled students spend higher shares of their budget on bilingual/ESL education and special education programs. For example, Central Falls has the highest share of multilingual students (46%) and the highest share of per pupil expenditures in bilingual/ESL education (10%).

Programmatic Expenditures by District (2021-22)



The graph below presents the per pupil expenditures on bilingual/ESL education using the multilingual ADM as the denominator. The graph also displays each district's multilingual learner enrollment (represented by). Notice that multilingual learners are concentrated in urban districts (52% in Providence, 10% in Pawtucket, 9% in Central Falls). Also note that there is a $10,000 range between districts in bilingual/ESL education per multilingual learner.

Multilingual Learners Per Pupil Expenditures by District (2021-22)



Expenditures by School Level

One of the features of the Uniform Chart of Accounts is that it allows the identification of expenditures by locations within an LEA. This means that the expenditures of individual schools in the district and different district locations (i.e., different district offices) can be tracked. The table below shows the expenditures per pupil for districts in Rhode Island by school level. Districts in Rhode Island spent more on elementary schools than middle schools and high schools in 2021-22. This has not always been the case. Per pupil expenditures in elementary schools have

increased at a higher rate because the enrollment decline was faster in lower grades and because of the expansion in the districts of preschool programs which have smaller class sizes.

School Level Per Pupil Expenditures (2021-22)[4]

Elementary Schools	Middle Schools	High Schools
$17,602	$16,910	$16,827

Elementary school per pupil expenditures are not the highest in all districts. The graph below displays the expenditures per pupil by school level in Rhode Island districts. Notice the wide variation between what some districts spend at different school levels. For example, Central Falls reports spending around $22,000 per pupil at their elementary schools and $12,000 at their middle schools. These within-district variations are generally driven by differences in student-per-teacher ratios although that is not the only factor.

School Level Per Pupil Expenditures by District and Fund Source (2021-22)

	Elementary Schools	Middle Schools	High Schools
Barrington	$15,129	$14,892	$15,880
Bristol Warren	$18,139	$17,288	$17,127
Burrillville	$15,513	$17,283	$16,557
Central Falls	$21,680	$12,291	$15,534
Chariho	$17,717	$16,125	$14,921
Coventry	$17,060	$16,869	$16,148
Cranston	$14,634	$16,715	$14,906
Cumberland	$13,462	$14,224	$13,010
East Greenwich	$15,688	$15,089	$16,435
East Providence	$17,969	$18,009	$13,833
Exeter-West Greenwich	$16,981	$18,903	$20,627
Foster	$20,946		
Foster-Glocester		$19,856	$17,507
Glocester	$18,708		
Jamestown	$21,397	$22,499	
Johnston	$16,469	$13,711	$18,562
Lincoln	$17,697	$15,260	$16,962
Middletown	$17,004	$19,110	$19,601
Narragansett	$23,755	$23,819	$22,162
Newport	$20,813	$21,329	$20,274
North Kingstown	$17,515	$17,816	$15,314
North Providence	$15,940	$15,306	$15,441
North Smithfield	$14,907	$14,694	$17,352
Pawtucket	$17,582	$14,810	$13,813
Portsmouth	$16,080	$17,043	$17,760
Providence	$18,858	$17,463	$17,535
Scituate	$17,877	$19,394	$20,246
Smithfield	$15,852	$16,075	$15,652
South Kingstown	$22,164	$21,513	$18,265
Tiverton	$18,063	$16,474	$18,444
Warwick	$20,334	$18,636	$20,990
West Warwick	$18,310	$15,394	$14,729
Westerly	$21,365	$18,349	$23,337
Woonsocket	$15,958	$17,348	$16,743

Note: Excluding New Shoreham and Little Compton

[4] These calculations do not include the expenditures of some LEAs that have a Career and Technical Center reported as a separate location from their schools (for example. Cranston Area Career and Technical Center and Chariho Area Career and Technical Center). Per pupil expenditures of high schools (and middle schools in some cases) are higher when including the expenditures from the Career Technical Centers.

Federal COVID Relief Expenditures

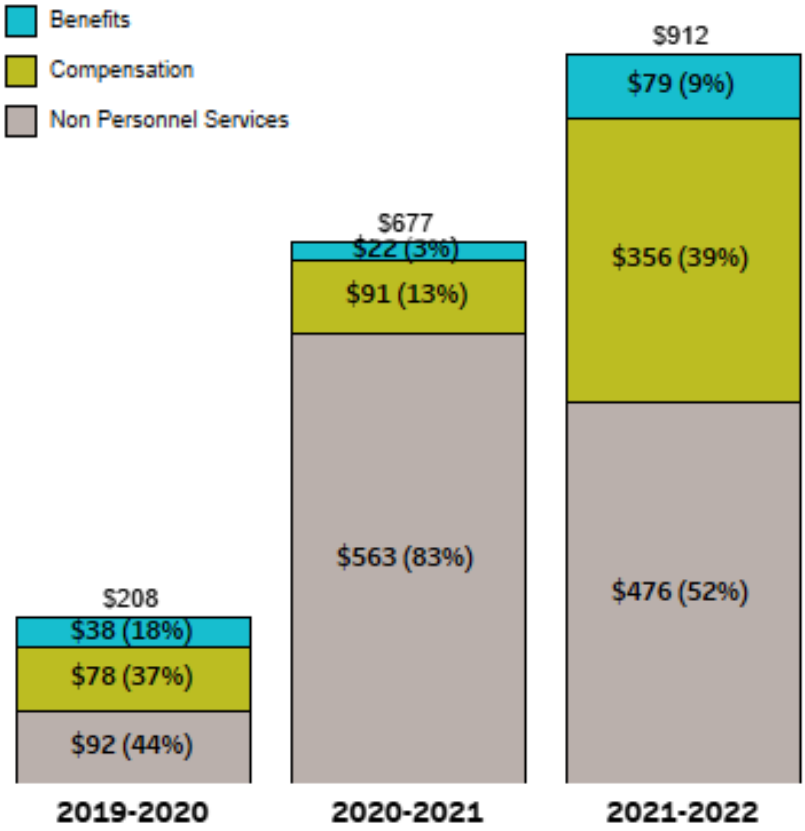
This section explores how Rhode Island districts have spent the federal dollars received to provide relief from the effects of the COVID-19 pandemic. These federal relief dollars are mostly Elementary and Secondary School Emergency Relief (ESSER) set aside by the US Congress in three pieces of legislation: Coronavirus Aid Relief and Economic Security Act (CARES Act) – ESSER I, Coronavirus Response and Relief Supplemental Appropriation (CCRSA Act – ESSER II), and American Rescue Plan (ARP Act – ESSER III). In addition to ESSER funds, districts have received additional COVID federal relief dollars such as FEMA funding, ARP IDEA, and ARP Preschool, among others. The table below displays the total federal COVID relief expenditures reported by Rhode Island districts between 2019-20 and 2021-22.

Federal COVID Relief Funds Expenditures by Fund Type

	2019-2020	2020-2021	2021-2022
CARES - ESSER I	$27,550,074	$87,426,649	$3,659,378
CRRSA - ESSER II		$5,672,981	$88,340,862
ARP - ESSER III			$27,579,851
Other COVID Relief Funds			$8,419,409
Grand Total	$27,550,074	$93,099,630	$127,999,501

Districts spent around $900 per pupil in federal COVID relief funds in 2021-22. This amount is expected to increase in the following fiscal years until 9/30/2024 when all the ESSER funds must be expended by districts. RIDE tracks the federal relief dollars expended by districts and publishes regularly updated information in this dashboard. The graph below displays the trend of federal COVID relief expenditures by object. Notice that unlike districts' overall expenditures which are overwhelmingly personnel-related and are generally ongoing expenses, federal COVID relief expenditures are mostly on non-personnel services. Districts must be very cautious about the sustainability beyond the ESSER funding period of any initiatives or programs started with the COVID relief funds. Personnel expenditures added with federal COVID relief funds will need to be cut or funded by a different source once the ESSER funds expire.

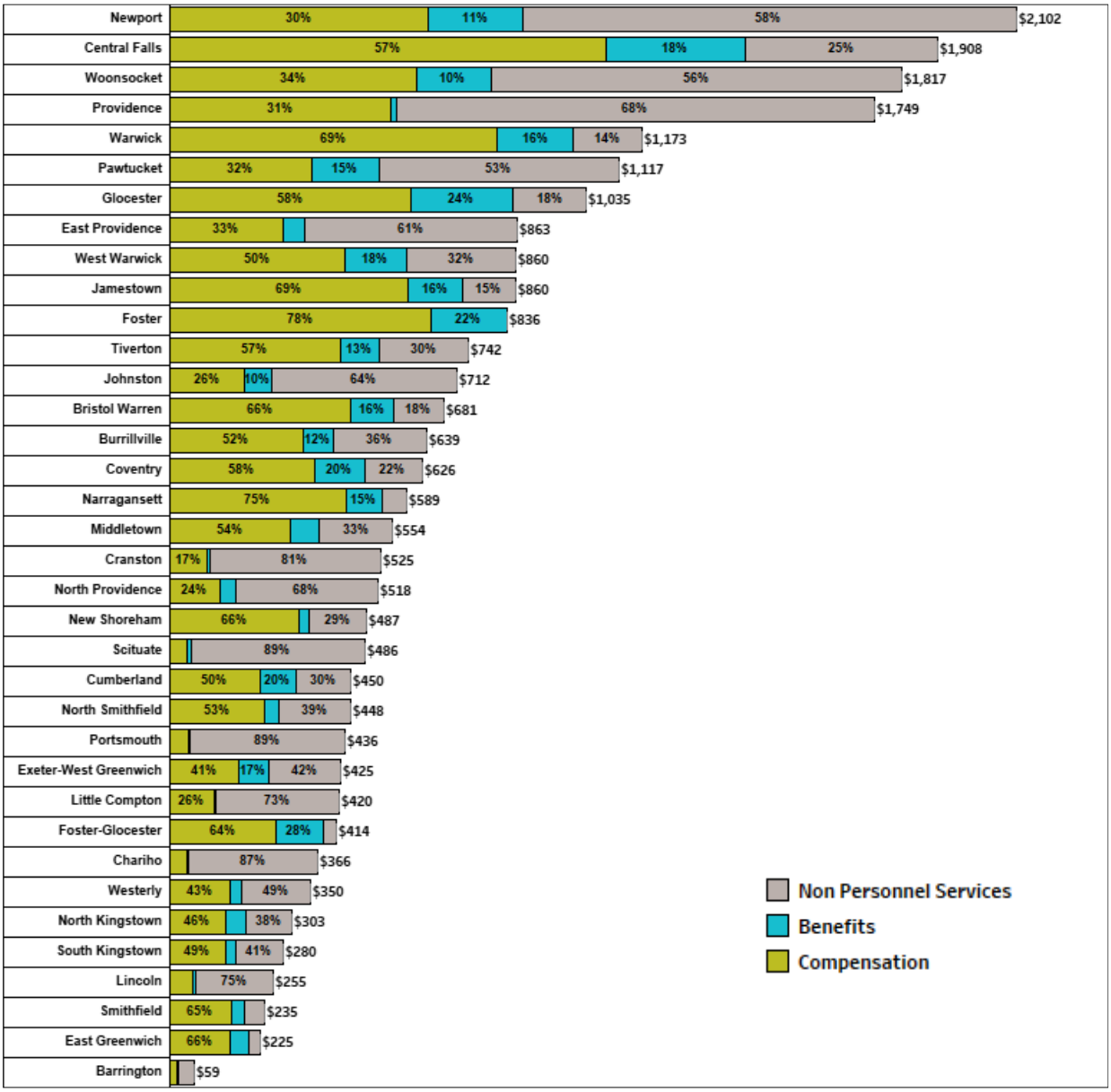
Federal COVID Relief Funds Expenditures Per Pupil by Object



The graph below shows that there is a wide variation between districts in the amount of COVID relief federal funds received in 2021-22. The range in per pupil distribution is explained by RIDE passing more funds to districts with greater shares of high-needs population which were hit hardest by the pandemic. Districts have varied considerably in the pace at which they have spent the COVID relief federal funds. For example, while Newport is at the top of the graph with more than $2,000 per pupil COVID relief federal funds expenditures, other districts with higher needs received a higher per pupil amount but have spent it slower.

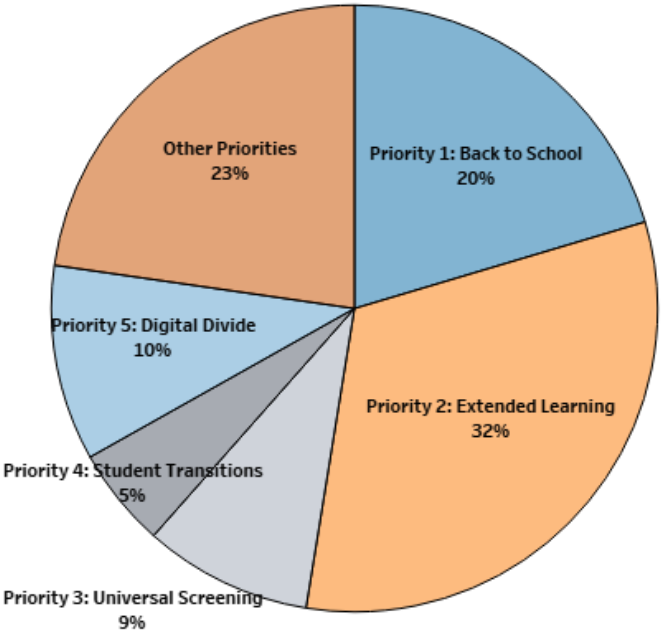
The graph also displays how districts spent the COVID relief federal funds by object in 2021-22. Again, there are important differences between districts with some districts like Foster spending almost the entire funds on personnel-related expenditures and other districts like Scituate spending a very small share of their funds on personnel. Districts with higher shares of personnel expenditures should be very cautious with their planning not to "fall off the fiscal cliff" when the Federal COVID relief funds run out.

District Federal COVID Relief Funds Expenditures Per Pupil by Object (2021-22)



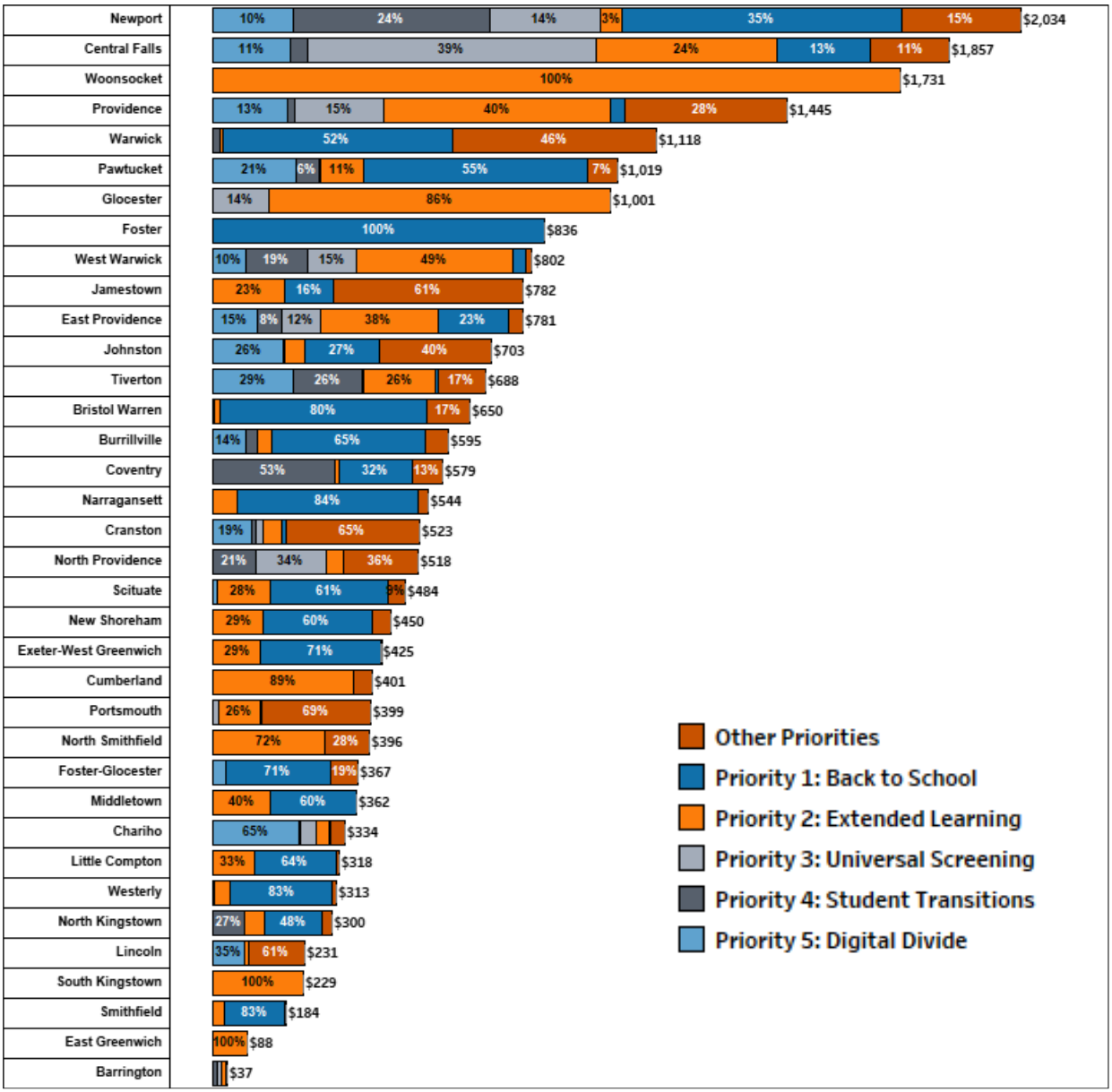
In response to the COVID-19 pandemic, RIDE launched the Learning, Equity & Accelerated Pathways (LEAP) Task Force, a diverse committee of 36 parents, state and local leaders, education experts, and community members who, over two months, engaged in an evidence-based process relying on data and the knowledge of national education experts. The LEAP Task Force identified five priorities to accelerate the recovery and UCOA funds were created to track ESSER spending by priority. The pie chart below shows that 32% of the 2021-22 ESSER expenditures of districts were dedicated to extended learning opportunities such as before- and afterschool programs and summer learning.

ESSER Expenditures by LEAP Priorities (2021-22)



Districts have spent their ESSER funds to focus on different priorities. While districts such as Woonsocket dedicated in 2021-22 all their ESSER funds to extended learning opportunities, Foster focused on back-to-school initiatives to ensure vulnerable and unengaged students return to school safely. Some districts decided to focus more on other priorities such closing the digital divide, universal screening to help them better align resources to need or improving and supporting student transitions across grades and systems.

District ESSER Per Pupil Expenditures by LEAP Priorities (2021-22)



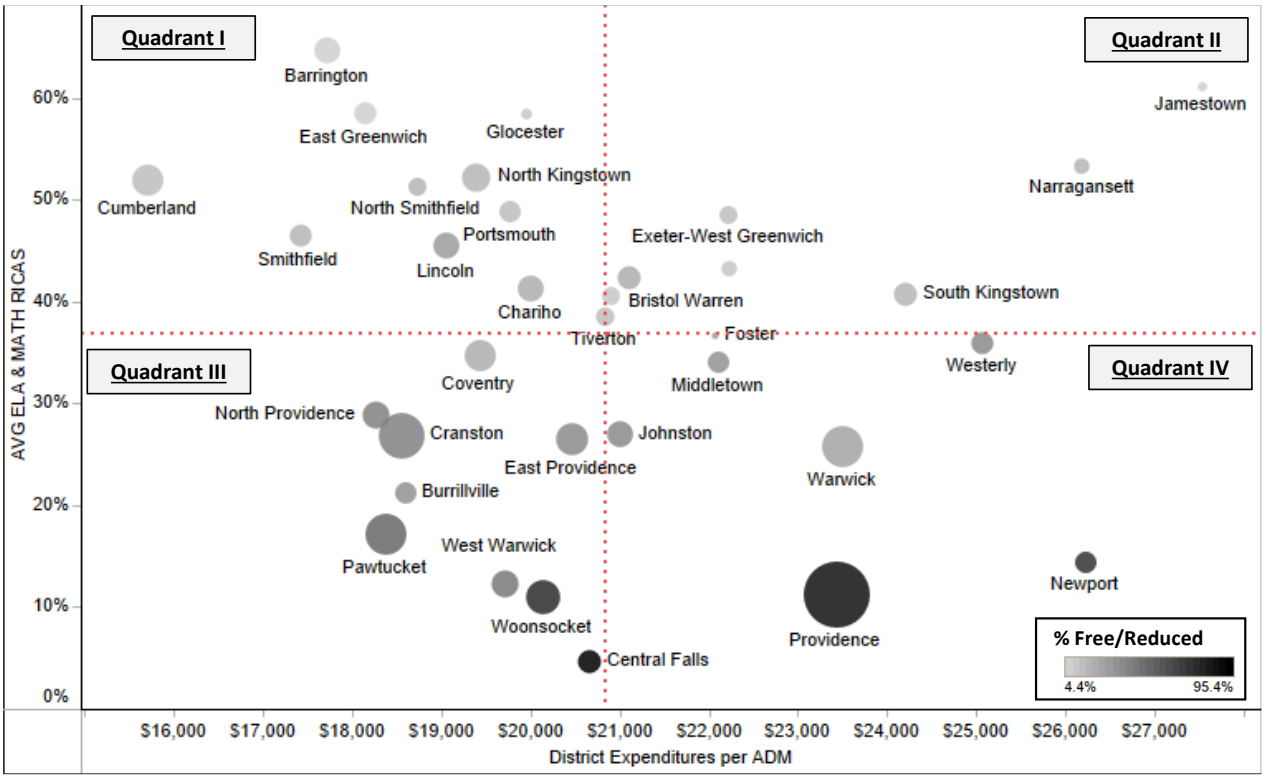
PPE and Student Outcomes

This section begins to explore the correlation between per pupil expenditures and student outcomes as measured by RICAS results. Districts spending more per pupil do not necessarily have better results than districts with lower expenditures per pupil. This does not mean that increased spending does not improve student outcomes. There are multiple additional factors associated with student outcomes that mediate the relationship with per pupil expenditures (i.e.,

student, family and neighborhood characteristics) that have to be taken into account. Some subpopulations of students have historically been underserved and have higher needs for additional levels of support.

The scatter plot below displays the 2021-22 per pupil expenditures of each district and the percentage of students proficient in the 2021-22 RICAS ELA and Math tests. The shade of the bubbles represents the percentage of disadvantaged students, and the size represents student enrollment. The graph also includes a vertical dotted line representing the average per pupil expenditure and a horizontal dotted line representing the average 2021-22 RICAS Math and ELA proficiency levels dividing the graph in four quadrants. Quadrant I includes the districts with lower than average expenditures per pupil and higher than average RICAS results, Quadrant II includes districts with higher than average expenditures per pupil and RICAS results, Quadrant II includes districts with lower than average per pupil expenditures and RICAS results, and Quadrant IV includes districts with higher than average per pupil expenditure and lower than average RICAS results. Note that the correlation between percentage of student outcomes with student demographics is evidenced by the fact that the bubbles representing the percentage of free and reduced lunch students are lighter for higher levels of student achievement.

District Per Pupil Expenditures and Percent Proficient in RICAS Math/ELA (2021-22)



Notes: Excluding tuition to other LEAs. Little Compton and New Shoreham are not included due to their high per pupil expenditures. Both these districts are in Quadrant II.

The table below displays the per pupil expenditures and student demographics by school level and school star rating [5] and further shows the relationship between student demographics and outcomes. The percentage of disadvantaged students is correlated with the star rating and schools with a higher percentage of disadvantaged students at all levels have lower star ratings. Not only this, more than half of all the economically disadvantaged students at the middle and high school level are enrolled in schools rated with 1 or 2 stars. For example, 77.3% of students in middle schools with a rating of one star are economically disadvantaged.

The relationship between per pupil expenditures and outcomes is more complex and requires incorporating additional contextual factors. Note that the five-star schools mostly serve students who historically have had more opportunities and need less additional supports, hence the lower per pupil expenditures.

School Star Rating, Economically Disadvantaged Students and Per Pupil Expenditures (2021-22)

School Level	StarRating	School Demographics (% Economically Disadvantaged)	Per Pupil Expenditures
Elementary Schools	1 ★	76.8%	$17,328
	2 ★	68.5%	$18,652
	3 ★	37.2%	$17,493
	4 ★	13.3%	$15,758
	5 ★	7.2%	$14,959
Middle Schools	1 ★	77.3%	$16,478
	2 ★	43.1%	$17,084
	3 ★	20.7%	$17,810
	4 ★	10.1%	$15,305
	5 ★	5.0%	$14,978
High Schools	1 ★	85.3%	$16,392
	2 ★	36.3%	$16,169
	3 ★	18.4%	$17,500
	4 ★	21.8%	$17,049
	5 ★	3.1%	$15,880

[5] https://reportcard.ride.ri.gov/2019AccountabilityTechnicalManual.pdf

Public Schools of Choice

Previous analyses, unless otherwise noted, have focused on traditional LEAs and excluded the public schools of choice. This section focuses exclusively on this subgroup of LEAs which consists of State-operated LEAs, local charters (operated by districts), and other public schools of choice. The table below shows the total expenditures, number of LEAs, and ADM by type of LEA for 2016-17 and 2021-22. The growth in expenditures, number of LEAs, and enrollment of the public schools of choice can be fully attributed to charters. Notice that three new charters started operating during this five-year period and enrollment increased by 51%. The enrollment increase is explained both by the new charters and the expansion of charters already established. The 2021-22 charter expenditures are almost double the 2016-17 expenditures.

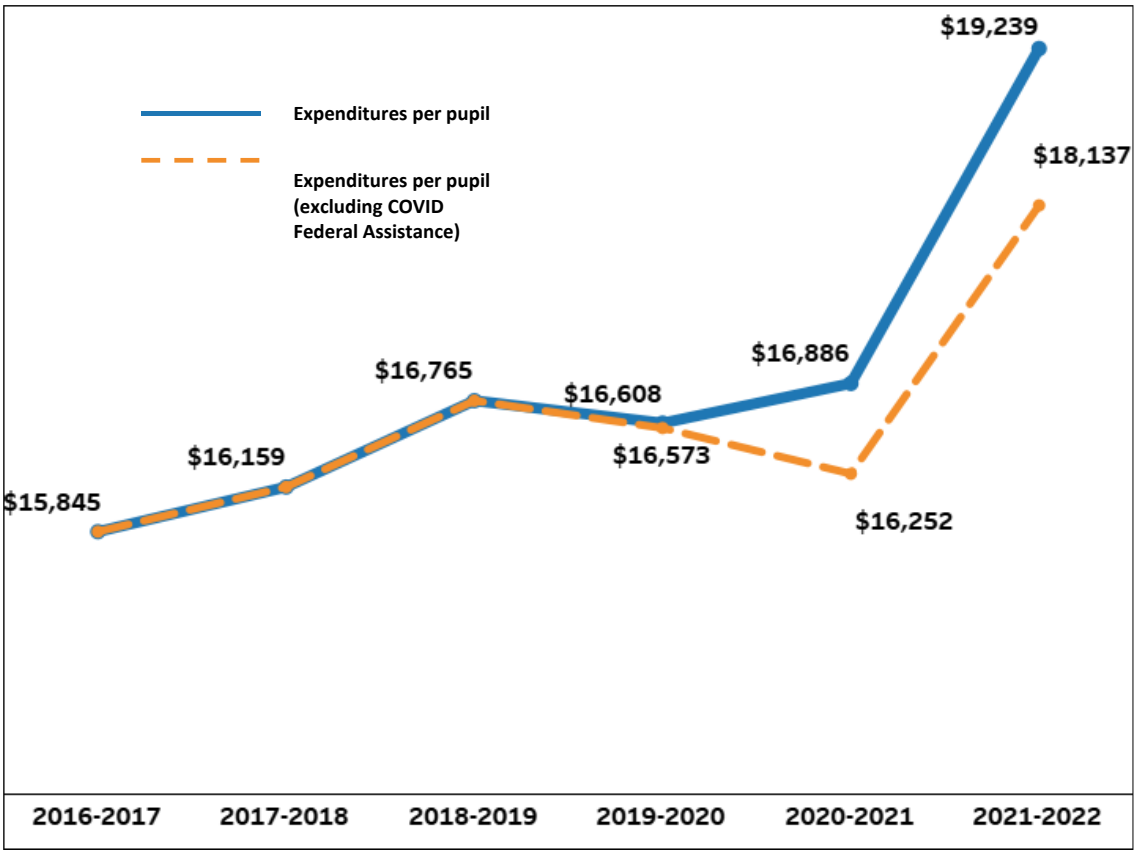
Number of LEAs, Expenditures, and ADM by LEA Type

	School Year					
	2016-2017			2021-2022		
	$	# LEAs	ADM	$	# LEAs	ADM
Charter School	100M	19	6,987	194M	22	10,519
State Operated	39M	3	1,676	45M	3	1,765
Other	18M	4	1,227	17M	3	1,002
Grand Total	157M	26	9,889	256M	28	13,286

Note: Other category includes local charters and the Urban Collaborative Accelerated Program (UCAP)

The per pupil expenditures of public schools of choice in 2021-22 was $19,239, up 14% from the previous year and 21% from five years before. The line graph below shows the historical public schools expenditures with and without COVID relief federal assistance.

Public Schools of Choice Expenditures per Pupil and COVID Federal Assistance Funds



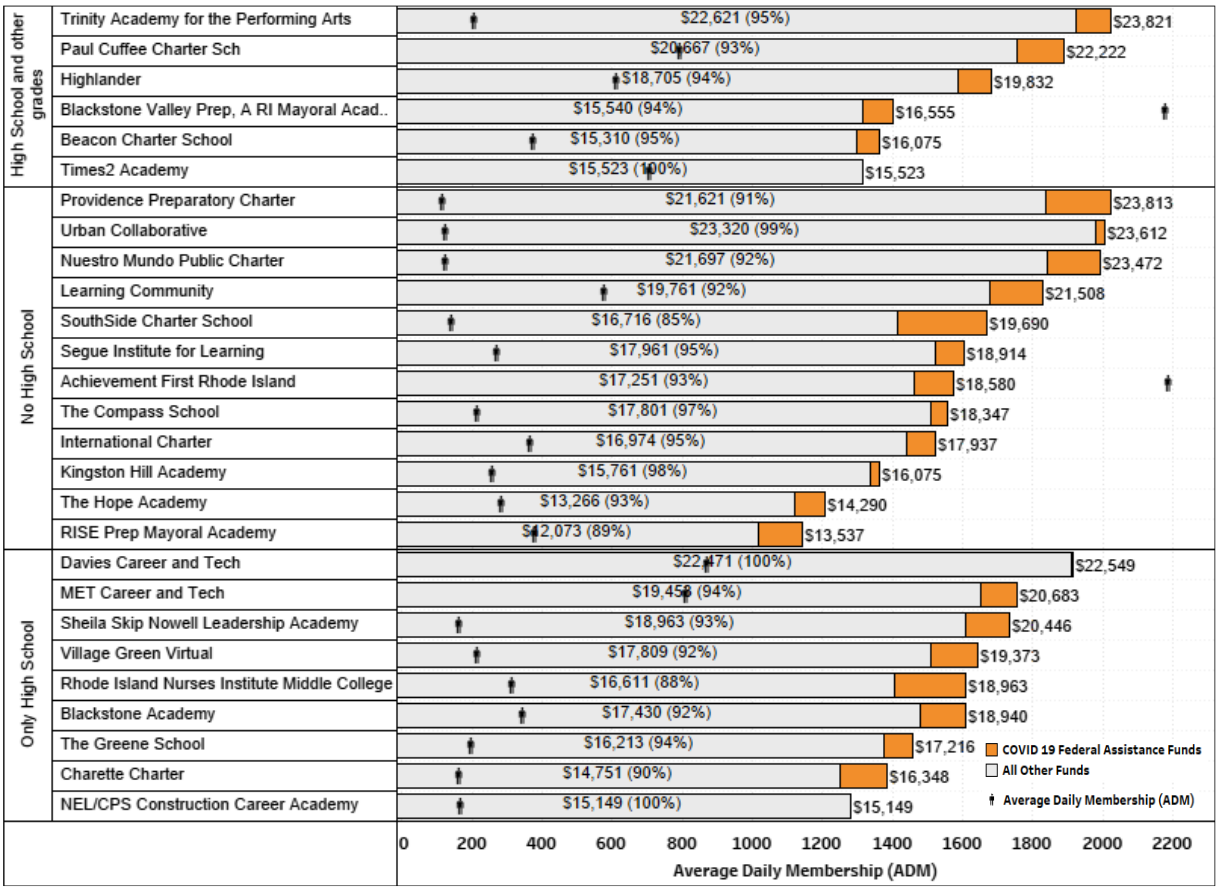
For analysis purposes, we divided public schools of choice into four categories by grade span: LEAs with high school and other grades (i.e., K-12 and 6-12), LEAs with no high school, LEAs with only high school, and the RI School for the Deaf. The table below shows the total expenditures, ADM, and PPE for these categories. The RI School for the Deaf is displayed as a separate category because it serves a small population of students with high per pupil costs. LEAs consisting of only high schools have the highest PPE, more than around $1,500 higher than the remaining public school of choice groups.

Expenditures, ADM, and PPE of Public Schools of Choice by Grade Span (2021-22)

	$	# LEAs	ADM	PPE
High School and other grades	88M	6	4,883	$18,012
No High School	94M	12	5,062	$18,531
Only High School	65M	9	3,260	$20,014
RI School for the Deaf	9M	1	81	$106,391
Grand Total	256M	28	13,286	$19,239

The graph below displays the 2021-22 PPE of the public schools of choice and highlights the share of COVID-19 federal assistance funds. Four LEAs spent more than $23,000 per pupil (Trinity Academy for the Performing Arts, Providence Preparatory Charter, Urban Collaborative and Nuestro Mundo Public Charter) and RISE Prep Mayoral Academy spent the least per pupil ($13,537), a range of around $10,000.

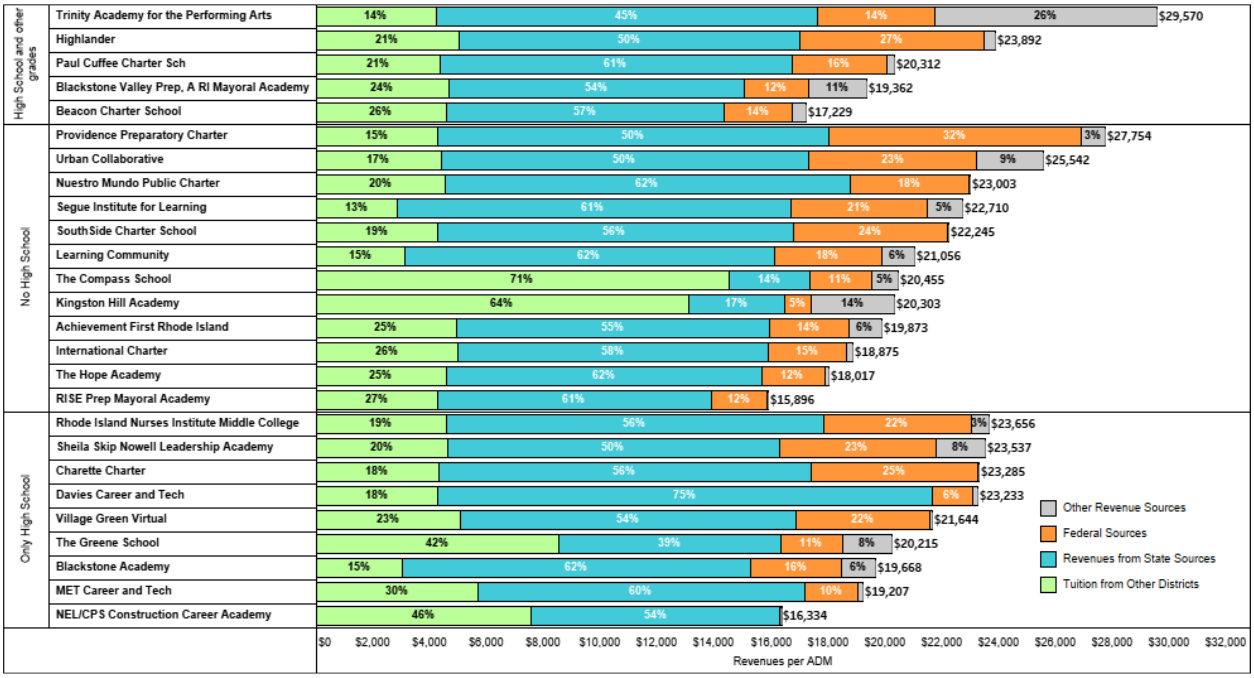
Expenditures per pupil, enrollment, and COVID Federal Assistance Funds by Public Schools of Choice (2021-22)



Note: Excludes RI School for the Deaf ($106,391 PPE)

Public schools of choice are mostly funded by state sources (57% of total). Public schools of choice do not directly get local tax revenue as the traditional LEAs, alternatively they receive a revenue from tuition paid by the sending districts (24% of total). In addition, public schools of choice also generally have a more diversified revenue stream than traditional school districts as they receive a larger share of revenue in the form of tuition from other sources, contributions and donations from private sources, and investment income. Public schools of choice consisting of only high schools have a higher share of revenues from state sources because states schools such as Davies Career and Technology and MET Career and Technology are included in this category. The graph below displays the 2021-22 Public Schools of Choice revenues per pupil by revenue source.

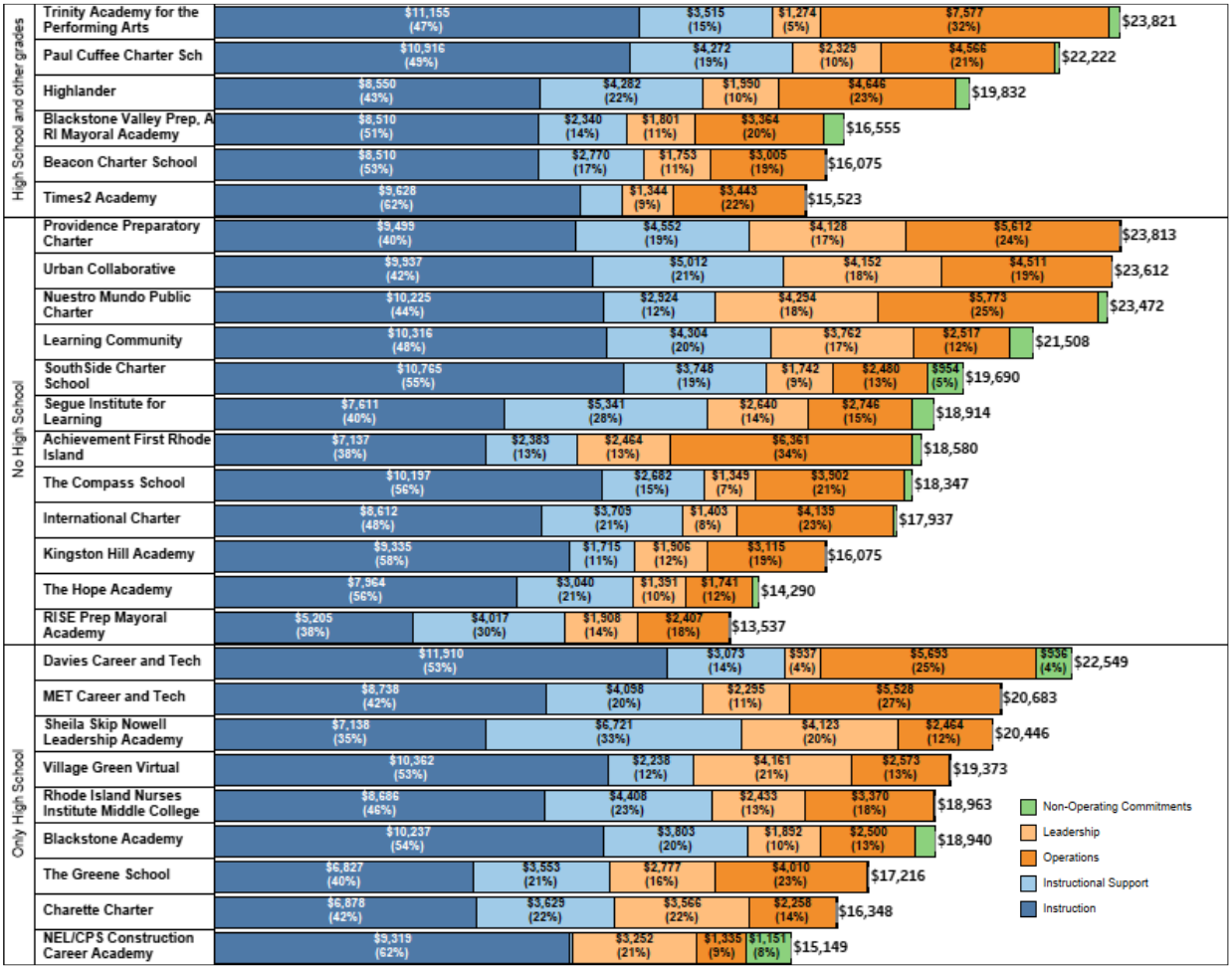
Revenues of Public Schools of Choice by Source (2021-22)



Note: Excluding Capital and Debt Service Funds

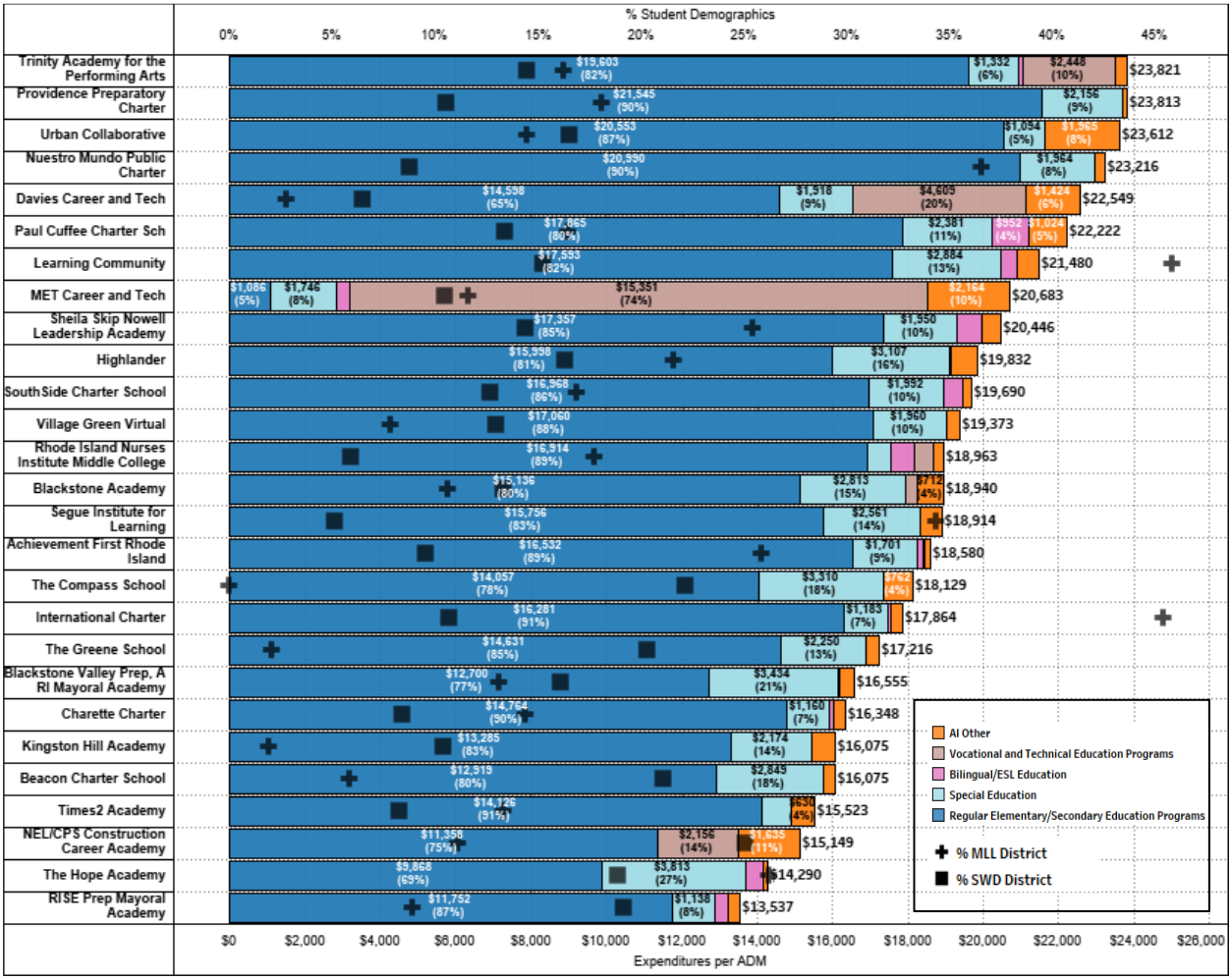
In 2021-22 Public Schools of choice spent 47% of their resources on instruction, followed by 22% on operations, 18% on instructional support, and 11% on leadership. The graph below displays the 2021-22 Public Schools of Choice expenditures per pupil by function.

Expenditures of Public Schools of Choice by Function (2021-22)



In 2021-22, Public schools of choice spent 75% of their funds on regular education programs, 14% on special education, and 7% on CTE. The high share of expenditures in CTE programs is explained by The Met and Davies Career and Technology. The graph below displays the 2021-22 Public Schools of Choice expenditures per pupil by program.

Expenditures of Public Schools of Choice by Program (2021-22)

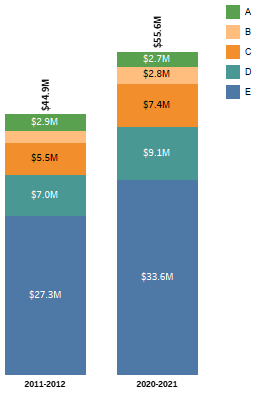


LEA Financial Profiles (Appendix)

RIDE developed financial profiles for each LEA to comply with the requirements of RIGL 16-7.2-8 which can be accessed both as a pdf document and as an interactive dashboard. The interactive dashboard includes additional details about the different expenditures and revenues that can be viewed by hovering over the different graphs presented. RIDE is reviewing these financial profiles with leadership of LEAs to collectively develop criteria and priorities to improve cost controls, efficiencies, and program effectiveness.

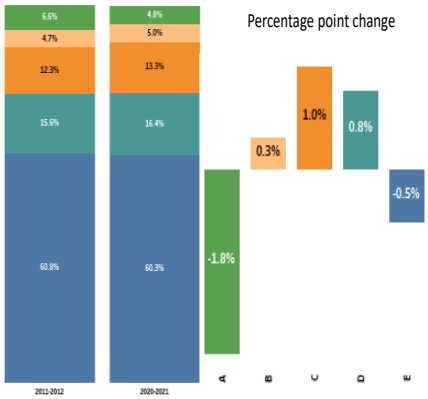
The LEA financial profile is a four-page report customized to every district that includes high level information about the characteristics of every district (including a set of outcome measures) and an in-depth analysis of the finances. The primary objective of these financial profiles is to provide useful information to LEAs and the public about the source and use of financial resources.

The LEA Financial Profiles were developed to answer three types of questions:



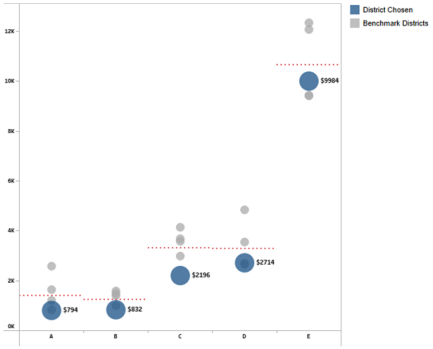
What are the sources of revenue of my LEA and how are they spent?

The stacked graphs answering this question display the total expenditures/revenues by the categories analyzed. The district financial profile contains graphs like the one to the left exploring LEA revenues by source and LEA revenues by function, program, object, and job classification.



How have the revenues and expenditures of my LEA changed since 2011-12-?

The stacked bars display the percentage of the total of each of the categories displayed for 2011-12 (or the first year the LEA reported data) and 2020-21. The bar graph next to the stacked bar displays the percentage point change between the two years displayed. For example, in 2011-12 category A represented 6.6% of the total and in 2020-21 it represented 4.8% of the total. This is a 1.8 decrease in percentage points.



How do the revenues and expenditures of my district compare to similar districts?

The circle graphs include a blue circle representing LEAs' PPE on the different categories analyzed and a series of smaller gray circles representing the PPE of benchmark districts. The benchmark districts displayed for each LEA were identified by RIDE relying on a combination of urbanicity, share ratio, and grade span. The bubble graphs also display a dotted red line in each category representing the average PPE for the LEA chosen and the benchmark LEAs.

The next 12 pages of the report include the LEA Financial Profiles of the two largest traditional districts in the state and the largest Charter LEA.