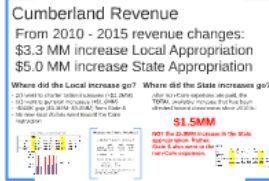


From 2010 to 2015
UCOA was used to
determine how our
money was spent



Some of the neediest communities do not fully
support the Core Instruction Amount and have
the largest disparities between:

- Cumberland
- Woonsocket
- Pawtucket
- East Providence



"One of the best investments we can make is in
education."

Governor Gina Raimondo, Sept. 2015

- Recommendations**
- Require a local share that aligns with the funding formula.
 - Coordinate non-core costs and not reducing dollars that should go to students.
 - Limit "School Choice" to communities which cannot or will not fund local share to meet core instruction costs - esp. when district is meeting or exceeding expectations.
 - Evaluate funding equity via an independent board.
 - Legislate resources for underfunded districts (i.e. Cumberland).
 - Remove any local assembly burden from district budgets.



RI Funding Formula: a UCOA perspective from Cumberland

RI's Funding Formula

- Child Centered
- Equitable
- Accountable

Guiding Principles

1. Create equity among districts and schools.
2. Create a strong foundation for all children.
3. Set a required standard.
4. Be fiscally responsible.
5. Use New England A.R. data and empirical research.

Includes 3 Key Components:

- Core Instructional Amount
- Student Success Factor
- State Share Ratio



The Rhode Island Funding Formula In Reality

- Concern #1**
The formula is not creating equity across districts and districts are not doing better. State officials from the state review at the State's Office of Instructional Support (i.e. 2015) have identified in every district.
- Concern #2**
State appropriation is not necessary for giving schools a way to make up for students who don't meet the standard.
- Concern #3**
No local appropriation. Support maintenance of effort. It is expected to meet the cost of the Core Instructional Amount.
- Concern #4**
No state support. Local appropriation and regional support would make schools more financially stable.
- Concern #5**
There are some local efforts to support in 2015 that 2015.
- When a funding update in 2015, local officials will examine the stability of their budgets and academic supports.



The Rhode Island Funding Formula In Reality

Concern #1

The formula is **not** creating equity across schools and districts as intended.

Some districts have inadequate revenue to direct to a student's Core Instructional Amount (i.e., \$8900 is not allocated to every student).

Concern #2

State appropriation is not necessarily going where it was intended to go (to students via Core Instructional Amount).

Concern #3

No local appropriation - beyond maintenance of effort - is **required** to meet local share of the Core Instructional Amount.

Non-core expenses **outpace** local appropriation and negatively impact available dollars to Core Instructional Amount.

Concern #4

There are **fewer** local dollars directed to students in 2015 than 2010.

Concern #5

Without a funding solution, the 2018 "fiscal cliff" will accelerate the deterioration of student programs and academic supports.

RI's Funding Formula

- Child Centered
- Equitable
- Accountable

Guiding Principles

1. Create **equity** among districts and schools.
2. Build a **strong foundation** for all children.
3. Be transparent and **consistent**.
4. Be financially responsible.
5. Use New England & RI data and empirical research.

Includes 3 Key Components:

- Core Instructional Amount
- Student Success Factor
- State Share Ratio

Core Instructional Amount

~\$8900

The core instruction amount is estimated to **adequately** fund student instructional needs as described in the Basic Education Program (BEP).

NOTE: The core amount is **not** guaranteed to every student. Mandatory and/or contractual non-core costs become priorities in the budget and student need is secondary.

Student Success Factor

Provides additional funding to support student needs beyond the core amount applied to PK-12 students eligible for Free and Reduced Price Lunch.
Goal: **closing student achievement gaps**

40% * Core Instruction Amt

NOTE: When the core instruction amount is not fully funded it provides **less funding** to FRPL students as well.

State Share Ratio

State share ratio considers a district's revenue generating capacity taking into account property values, median family income, and the concentration of at risk students.

NOTE: To assure the full Core Instruction Amount is available for every student, a local share should be **required** in the formula.

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5. Leadership



4. Other



retiree



3. Operations



2. Pupil & Teacher Support

1. Face to Face Teaching



In general, Core & Non-Core expenses are grouped in UCOA Categories

Core Instructional Amount

1. Face to Face Teaching
2. Pupil and Teacher Support
3. Leadership

Non-Core Amount

1. Operations
2. Other

Uniform Chart of Accounts

The **Uniform Chart of Accounts** or **UCOA** is a standardized account-code structure which allows districts to use the same account codes and methods for tracking revenue and expenses. This not only allows for an apples-to-apples comparison between districts, but also helps districts in their financial decision-making processes to ensure that their investments are driven toward improving instruction and advancing learning.



In general, Core & Non-Core expenses are grouped in UCOA Categories

Core Instructional Amount

- 1. Face to Face Teaching**
- 2. Pupil and Teacher Support**
- 3. Leadership**

Non-Core Amount

- 1. Operations**
- 2. Other**

From 2010 to 2015
UCCOA was used to
determine how our
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Cumberland Revenue

From 2010 - 2015 revenue changes:
 \$3.3 MM increase Local Appropriation
 \$5.0 MM increase State Appropriation

Where did the Local increase go?

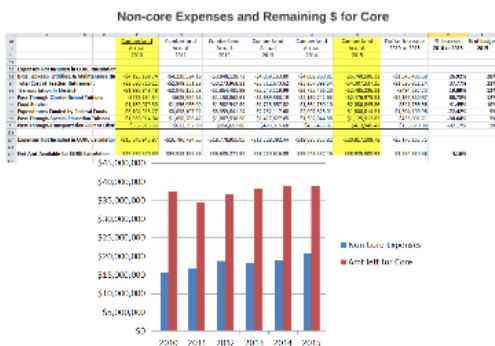
- 2/3 went to charter tuition increases (+\$2.2MM)
- 1/3 went to pension increases (+\$1.6MM)
- -\$500K gap (\$3.3MM- \$3.8MM) from State \$
- No new local dollars went toward the Core Instruction

Where did the State increases go?

After non-Core expenses are paid, the **TOTAL** available increase that has been directed toward classrooms since 2010 is:

\$1.5MM

NOT the \$5.0MM increase in the State appropriation. Rather, State \$ also went to the non-Core expenses.



What are the Town's Priorities?

Cumberland Property Tax per thousand

	2011	2015	change
School	\$11.20	\$11.35	\$0.15
Municipal	\$4.44	\$5.73	\$1.29

% budget 72% 66%

5yr total change on a \$200,000 home :

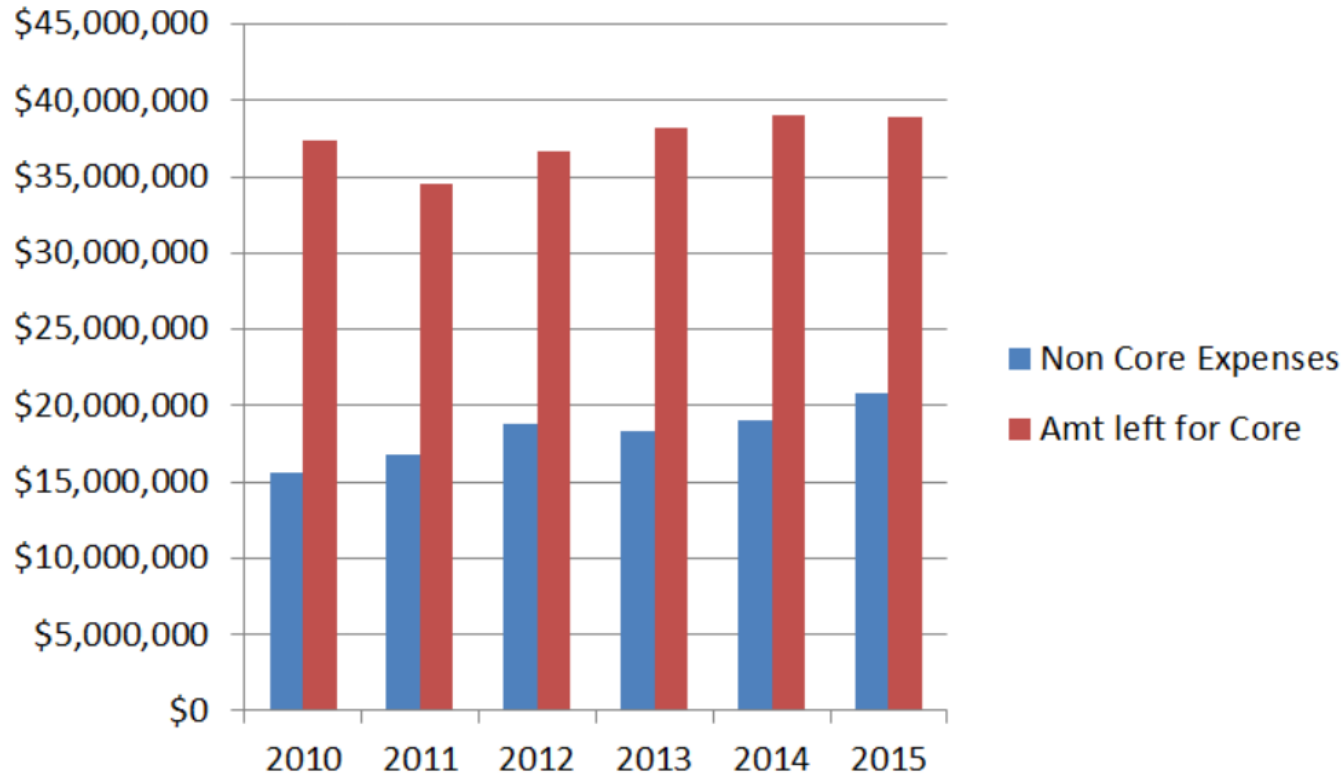
Schools: \$ 30
 Municipal: \$238

State and Local Tax Cap severely limits any significant solution.

Category	2010	2011	2012	2013	2014	2015	Change
State Appropriation	\$50,000,000	\$55,000,000	\$60,000,000	\$65,000,000	\$70,000,000	\$75,000,000	\$25,000,000
Local Appropriation	\$30,000,000	\$33,000,000	\$36,000,000	\$39,000,000	\$42,000,000	\$45,000,000	\$15,000,000
Non-Core Expenses	\$15,000,000	\$18,000,000	\$20,000,000	\$22,000,000	\$25,000,000	\$28,000,000	\$13,000,000
Core Instruction	\$15,000,000	\$15,000,000	\$16,000,000	\$17,000,000	\$17,000,000	\$17,000,000	\$2,000,000

Non-core Expenses and Remaining \$ for Core

	A	B	C	F	G	H	I	J	K	L	M	O
				Cumberland	Cumberland	Cumberland	Cumberland	Cumberland	Cumberland	Dollar Increase	% Increase	% of budget
				Actual	Actual	Actual	Actual	Actual	Actual	2010 to 2015	2010 to 2015	2015
				2010	2011	2012	2013	2014	2015			
79												
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CUMBERLAND SCHOOL DEPT. UCOA DATA BY FUNCTION			Cumberland	Cumberland	Cumberland	Cumberland	Cumberland	Cumberland	Dollar Increase
			<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>2010 to 2015</u>
			2010	2011	2012	2013	2014	2015	
Face To Face Teaching			\$30,060,679.36	\$28,880,101.93	\$31,280,501.84	\$31,566,877.63	\$31,281,313.09	\$31,262,893.87	\$1,202,214.51
Pupil & Teacher Support			\$7,601,365.60	\$6,477,463.11	\$7,130,721.55	\$7,172,175.16	\$7,632,745.43	\$8,426,729.45	\$825,363.85
Operations			\$8,799,143.26	\$9,031,356.34	\$8,889,139.32	\$9,564,218.01	\$11,073,697.61	\$10,590,283.21	\$1,791,139.95
Other Commitments			\$3,292,058.26	\$3,668,731.67	\$4,866,724.37	\$4,666,557.81	\$4,933,489.90	\$5,802,913.09	\$2,510,854.83
Leadership			\$3,258,268.09	\$3,257,297.16	\$3,247,139.81	\$3,609,180.71	\$3,212,125.25	\$3,659,791.08	\$401,522.99
TOTAL GENERAL FUND, GRANT, AND OTHER EXPENDITURES			\$53,011,514.57	\$51,314,950.21	\$55,414,226.89	\$56,579,009.32	\$58,133,371.28	\$59,742,610.70	\$6,731,096.13
Expenses Not Included in CORE Calculation			-\$15,640,943.97	-\$16,796,784.65	-\$18,778,955.05	-\$18,328,392.44	-\$19,083,833.82	-\$20,817,109.72	-\$5,176,165.75
Net Amt Available for CORE Calculation			\$37,370,570.60	\$34,518,165.56	\$36,635,271.84	\$38,250,616.88	\$39,049,537.46	\$38,925,500.98	\$1,554,930.38
Town Allocation			36,202,000.00	35,840,000.00	36,202,000.00	37,202,000.00	38,690,000.00	39,587,000.00	\$3,385,000.00
Non-Core Expenses			-\$15,640,943.97	-\$16,796,784.65	-\$18,778,955.05	-\$18,328,392.44	-\$19,083,833.82	-\$20,817,109.72	
Town Amt Available for CORE Expendi			\$20,561,056.03	\$19,043,215.35	\$17,423,044.95	\$18,873,607.56	\$19,606,166.18	\$18,769,890.28	-\$1,791,165.75
Core Expenditures As A Percentage Of Total Expenditures			70.50%	67.27%	66.11%	67.61%	67.17%	65.16%	

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Appendix

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A standardized account-code structure which allows districts to use the same account codes and methods for tracking revenue and expenses. This not only allows for an apples-to-apples comparison between districts, but also helps districts in their financial decision-making processes to ensure that their investments are driven toward improving instruction and advancing learning.



§ 16-7-24 Minimum appropriation by a community for approved school expenses. – Each community shall appropriate or otherwise make available to the school committee for approved school expenditures during each school year, to be expended under the direction and supervision of the school committee of that community, an amount, which, together with state education aid and federal aid:

- (1) shall be not less than the costs of the basic program during the reference year,
- (2) plus the costs in the reference year of all optional programs shared by the state; provided, however, that the **state funds provided in accordance with § 16-5-31 shall not be used to supplant local funds**.

The board of regents for elementary and secondary education shall adopt regulations for determining the basic education program and the maintenance of local appropriation to support the basic education program. **A community that has a local appropriation insufficient to fund the basic education program pursuant to the regulations described in this section and all other approved programs shared by the state and required in law shall be required to increase its local appropriation in accordance with § 44-5-2 or find efficiencies in other non-education programs to provide sufficient funding to support the public schools.** The city of Central Falls annual local contribution to education shall be determined pursuant to subsection 16-7.2-6(d)