

# *RI Education Funding Formula*

How does the EWAV data from Municipal Finance become the community share ratio used in the formula?

Rhode Island Department of Education



# State Share Ratio Calculation

- RIDE updates the state share ratios annually (summer 2019 determines FY 2021 state share)
- Receive EWAV data from Municipal Finance by August 1<sup>st</sup>
- All student data is generated by the LEA and submitted to RIDE (June 30, 2019 EOY data used for FY 2021 state share ratio)
- The average daily membership data includes all resident students of the district and gives credit for any time the student was an enrolled member of the district

# State Share Ratio Calculation

Determination of the state Share Ratio for each Community (SSRC), which shall not be less than zero:

$$SSRC = 1 - (0.475 * \frac{\text{District EWAV/District RADM}}{\text{State EWAV/State RADM}})$$

Calculation of the State Share Ratio (SSR):

$$\text{State Share Ratio (SSR)} = \sqrt{\frac{SSRC^2 + \%PK6FRPL^2}{2}}$$

# Factor in Determination of SSRC

- RIGL 16-7-20 sets factor at .475; .50 in previous education aid
- Reciprocal relationship – if factor .475, then overall state support 52.5% of the base ( $1 - .475 = .525$ )
- Represents the overall state share of funding the state is striving for (individual share will vary based on municipal capacity to pay)
- +/- 1 in this factor – on average changes SSRC by 1.9%; approximately \$6.5 million in formula aid

# State Share Ratio Changes

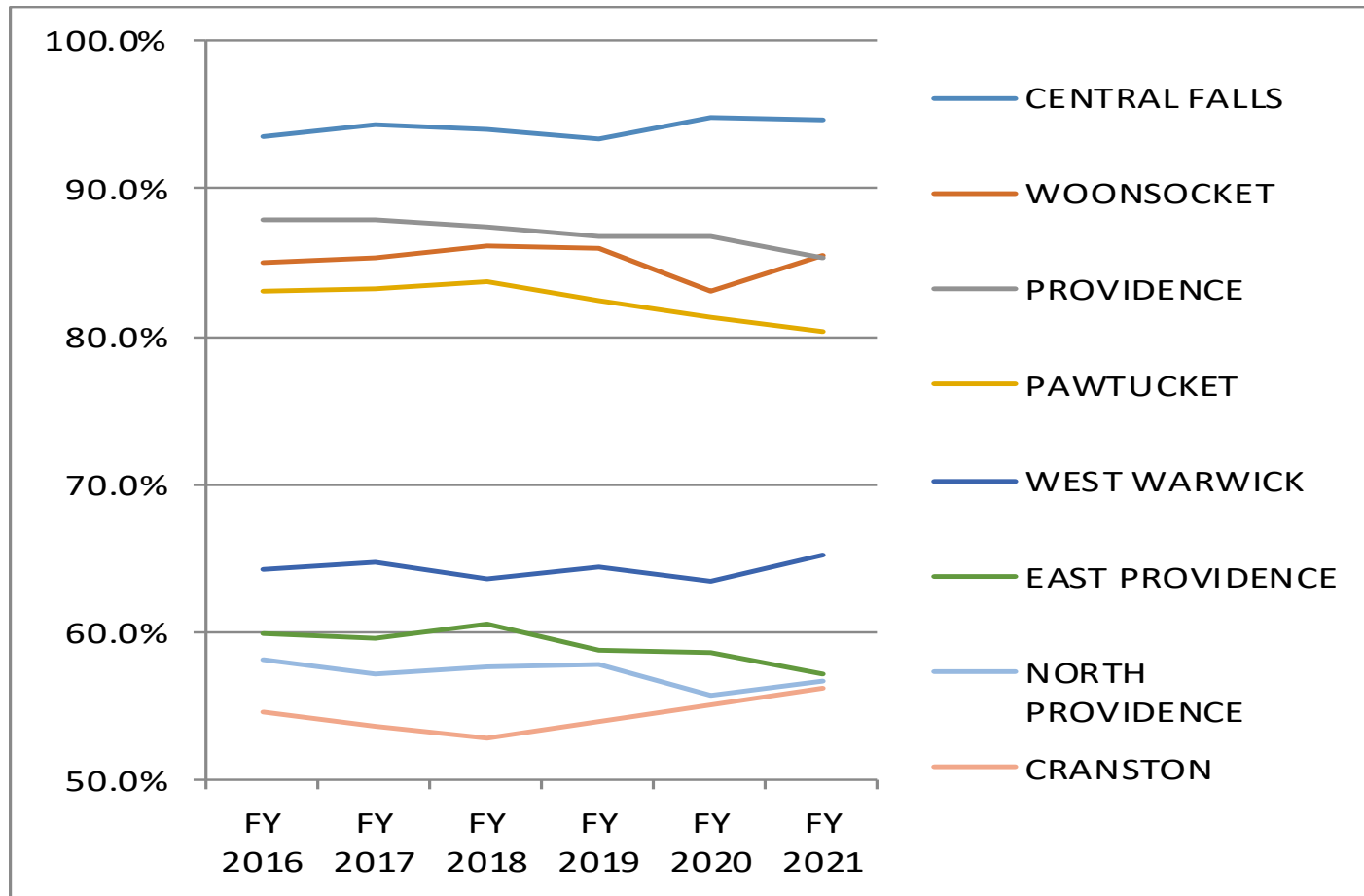
- Average annual decrease to State Share Ratio is 0.4% (five year period)
- Individual districts increase and decrease
- FY 2021 state share ratio changes:
  - < 0.5% - 7 communities
  - 0.5% < 1.0% - 10 communities
  - 1.0% < 2.0% - 10 communities
  - > 2.0% - 13 communities

# Additional Information

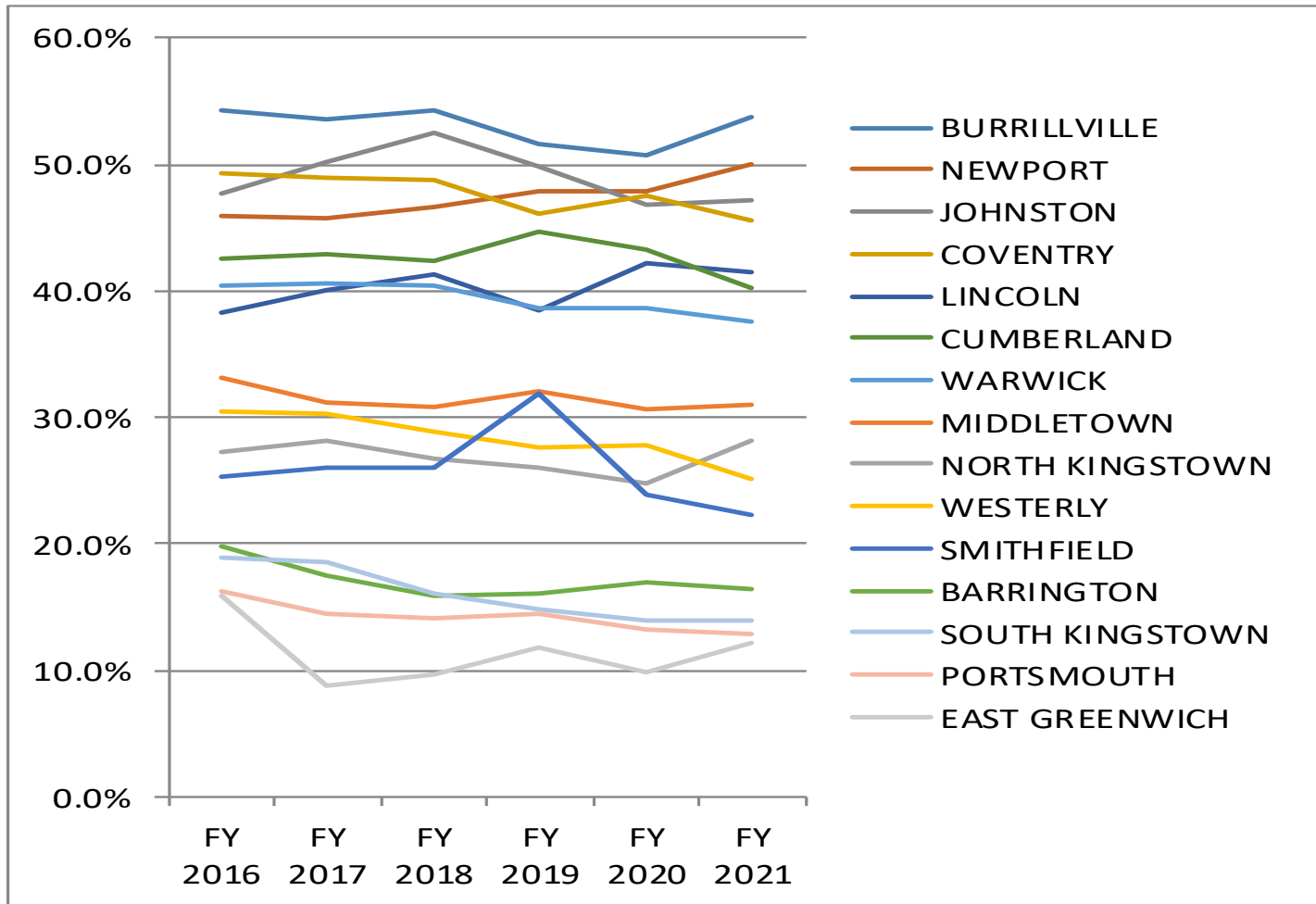
Additional information about the funding formula and supporting calculations may be accessed at:

<https://www.ride.ri.gov/FundingFinance/FundingSources/StateEducationAid.aspx>

# State Share Ratio in Urban/Urban Ring



# State Share Ratio > 2000 students





# State Share Ratio < 2000 students

