

Rhode Island Education Aid



House Fiscal Advisory Staff
October 2013

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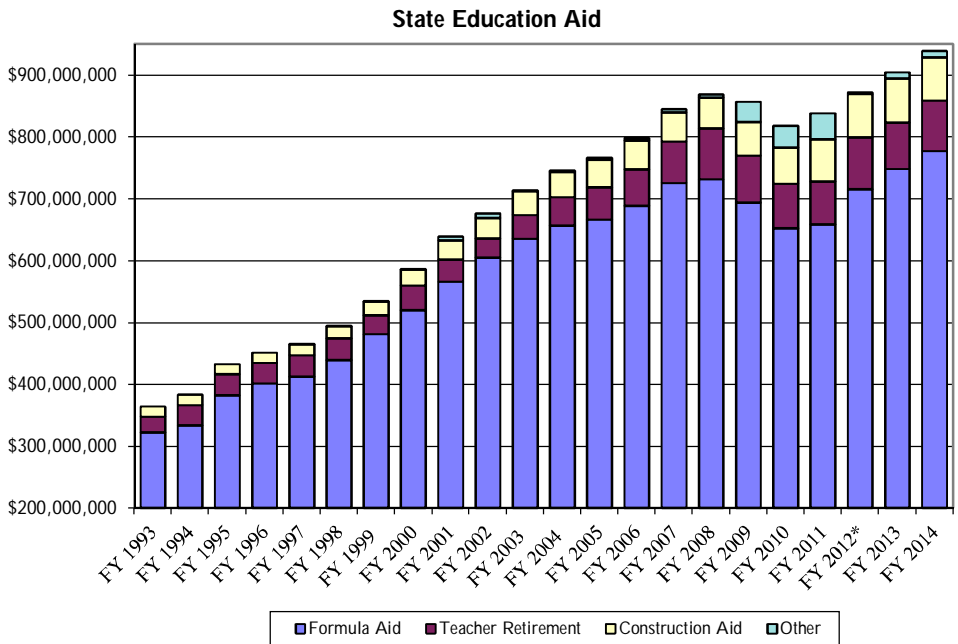
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State Education Aid

Introduction

This is the eleventh edition of *Rhode Island Education Aid*. It provides information on state aid to education. The Assembly enacted \$938.4 million for FY 2014 total aid for local school districts, which is \$28.3 million more than enacted for FY 2013. The Assembly concurred with the Governor's recommendation to fully fund the third year of the funding formula adopted by the 2010 Assembly.

Funding for FY 2014 includes \$776.8 million in direct distributions to local school districts, \$9.2 million in categorical funding, \$0.8 million in other aid for distribution by the Department, \$81.7 million for the state's contribution to teacher retirement, and \$69.9 million for school construction costs.



*Beginning with FY 2012, charter aid is shown as formula aid and not other aid as it was before the implementation of the funding formula.

The 2010 Assembly adopted a funding formula to be effective with the FY 2012 budget to distribute aid to all districts, charter schools and the state schools: Davies Career and Technical School and the Metropolitan Career and Technical School. The formula is based on the principle that the money follows the student and includes a core instruction amount per pupil that every student will receive, a single poverty weight as a proxy for student supports, and a new state share ratio that considers the district's ability to

generate revenues and its poverty concentration. There is no minimum share in the formula.

The funding formula calculation for FY 2014 uses March 14, 2013 student enrollment data adjusted for FY 2014 projected charter school enrollments, a per pupil core instruction amount of \$8,897 and state share ratio variables updated with June 30, 2012 data. Because the formula results in a significant redistribution of funding among districts, it allows for a transition for districts gaining and losing funding. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years. Districts will be billed quarterly for students attending charter and state schools.

The funding plan also allows for additional resources from the state to districts for high-cost special education students, career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. Group home aid is paid on a per bed basis in addition to aid paid through the funding formula.

This report also examines the programs through which the state has distributed its support for local school districts, funding for which is summarized in the previous table. Since Rhode Island's attempts to develop a system of support for public schools have been characterized by tensions and issues experienced across the nation, the report includes an overview of the national debate over education aid. It then offers a "How Rhode Island Compares" section. Recurring themes and issues in the debate over education aid in recent decades are highlighted in a special section. This edition also includes state and local education spending as a percent of personal income and analysis of the school budget dispute resolution process often referred to as the Caruolo Act. There is also a description of the adjusted EWAV (adjusted equalized weighted assessed valuation) calculation in the Glossary of Terms section that begins on page 94 as well as a description of the calculation and distribution of enacted education aid to districts, charter and state schools located in Appendix IV.

National Debate

Rhode Island's education aid history, like that of most states, has been characterized by the debate over the state's role in the financing of education. Since nearly half of all resources for education nationally are raised at the local level, states' attempts to distribute their share of support have, in the past few decades, been focused on reducing the disparities that exist among school districts' ability to raise local revenues. Those attempts have been marked by a tension between the divergent notions of education equity. More recently, the debate has been broadened to consider "equity" as equal outcomes and the concept of adequacy of resources has emerged as the major funding issue.

The extent to which states have addressed local funding disparities has been the subject of legal challenges in 45 states since the 1971 landmark California case, *Serrano v. Priest*, which declared California's public school finance system unconstitutional. The California State Supreme Court found that the system violated the state's equal protection clause because education quality had become a function of the wealth of a child's parents.

California responded by implementing a public education finance system called Foundation Support. Most states use versions of this program. The basic idea of a foundation program is that the state sets a minimum per pupil spending level and a common local tax effort. The state then pays the difference between the revenues generated through this local tax effort and the minimum spending level. Such a system does guarantee equal funding at the minimum level, but a second court challenge resulted because wealthier districts could raise and spend much more than the guarantee level and therefore, education quality remained a function of local school district wealth. In the final appeal of *Serrano v. Priest* in 1986, the Appellate Court declared California's system constitutional because it took steps to reduce the final per pupil expenditure disparities across districts to what the courts said should be "insignificant differences."

As with the California case, challenges to other state systems have generally claimed that, to the extent that the states' constitutions require the provision of education, these spending disparities violate the equal protection guarantee. Most litigation has centered on equity, in particular, the equality of per pupil expenditures across school districts. Courts often examine the distribution of state aid in relationship to the ability of local school districts to raise local revenues. Roughly half of the constitutional challenges since the California case have prevailed. Prevailing challenges typically cite the state's limited responsibilities in the provision of education and the compelling interest in local control of education.

Similarly, the Rhode Island Supreme Court eventually rejected the 1994 challenge to Rhode Island's education aid system, brought by the state's poorest districts in *The City of Pawtucket et al v. Sundlun et al*. The court found that the Rhode Island Constitution does not guarantee an "equal, adequate and meaningful education." The court ruled

that the General Assembly's role is to support and promote, not establish a system of public education. Whether their systems are upheld or not, states like Rhode Island continue to be under pressure to address the issue of equity. In 1993, Michigan, whose system was upheld in 1984, eliminated use of locally raised property taxes to fund education, and replaced it with a system financed by an increase in state sales taxes and a statewide property tax. Since 1995, at least 21 states have adopted legislation to reduce the reliance on the property tax.

Vermont struggled with implementation of its controversial new funding plan following the 1997 State Supreme Court decision in *Brigham v. Vermont*. The court ruled that because the state's constitution creates a fundamental right to education, the state's funding system violated its equal protection clause. In response, Vermont adopted Act 60, which provides a state funded flat grant for roughly 80 percent of total expenditures. The remaining 20 percent is raised through a local option property tax that is subject to an equalization formula that guarantees each district with access to the same tax base. Since property rich districts raise more money for the same tax rate than property poor ones, their excess revenues are redistributed to the poor districts. Some wealthy communities responded by withholding tax revenues and reducing or eliminating the optional tax in favor of voluntary contributions that would not be subject to state recapture.

The challenge to the Kentucky education finance system in *Rose v. The Council for Better Education, Inc.* resulted in the 1989 declaration by the State Supreme Court that Kentucky's entire education system was unconstitutional. In addition to the finance system, the court struck down laws creating school districts, school boards, and the state education department, as well as laws and regulations pertaining to teacher certification and school construction. In addition to revamping the funding plan to increase spending and expenditure equity, the state's entire education delivery system has been overhauled. Although the case was initiated as a challenge to school finance equity, the Kentucky decision, which was based in part on the low national and regional rankings of the state's pupils, confronted the issue of education adequacy.

This notion of adequacy attempts to address whether or not the funding provided is sufficient to produce a quality education. A system might be considered equalized without being financially adequate. Nationally, as in the Kentucky decision, equity is beginning to be addressed in terms of educational outcomes, not just dollars. New Hampshire's system was deemed unconstitutional in 1997. A September 2006 ruling by the New Hampshire Supreme Court upheld that decision. The Supreme Court gave the legislature until July 2007 to define a constitutionally adequate system. The legislature enacted legislation in 2008 that included an education aid distribution formula. The per pupil cost of the new formula has two components, an universal cost applicable to all students and "differentiated aid" which provides additional funding for programs that assist at-risk students and other special populations. The formula also allocates aid directly to schools instead of being distributed at the school district level. In October 2008, the Supreme Court ruled that the state had met the mandate to define an adequate education.

According to the National Access Network, only five states, Delaware, Hawaii, Mississippi, Nevada and Utah, have never had a lawsuit challenging the constitutionality of elementary and secondary education.

Consideration of education adequacy has led to a growing focus on school-level equity and accountability. This has in turn created the need for detailed and comprehensive school-level data systems. States, including Rhode Island, have begun to seek better data on school performance and implement performance accountability measures with their education aid programs. With the passage of the national No Child Left Behind legislation, there are now measurable outcomes that students and school districts must achieve.

The 2004 Rhode Island Assembly adopted the Education and Property Tax Relief Act, which indicated that it “recognizes the need for an equitable distribution of resources among the states’ school districts, property relief and a predictable method of distributing education aid.” The legislation established a joint legislative committee to establish a permanent education foundation aid formula for Rhode Island. It provided a framework for the deliberations and directed the appointment of technical advisory groups to assist the committee in reaching its finding and issuing recommendations by October 1, 2005. The 2005 Assembly extended the reporting deadline to March 15, 2006 and provided \$150,000 for contracted support for committee efforts. The 2007 Assembly extended the reporting deadline to May 15, 2007.

The committee met regularly, took testimony from a variety of stakeholders and relied on the expertise of R.C. Wood and Associates in its charge to develop a new system for funding public education. In May of 2007, the foundation aid technical advisory group to the joint committee made several recommendations for the establishment of a permanent foundation aid formula. The recommendations included establishing a statewide per pupil expenditure with weighting for special education, English language learners, eligibility for free or reduced school lunch, and vocational education. The group recommended that regardless of the outcomes of a new funding formula, communities be held harmless to current levels of state aid and that all communities receive at least 25.0 percent of school funding from the state. The recommendation also included shifting certain costs such as certain special education costs, out-of-district transportation, non-public school textbooks and group homes to the state. The recommendations of the committee were introduced as proposed legislation in House Bill 6539 and Senate Bill 1112 at the end of the 2007 session. The House and the Senate took no actions.

Similar legislation was introduced during the 2008 session as House Bill 7957. This legislation did not include the minimum state share provision that the previous year’s legislation did. The House Finance Committee heard the bill and took testimony in May 2008. Witnesses spoke both in favor of and in opposition to the legislation. The Committee held the bill for further study. The companion Senate bill, 2650, was introduced during the 2008 Session and referred to the Senate Finance Committee, but never heard.

The same legislation was introduced during the 2009 session as House Bill 5978. The House Finance Committee heard the bill and took testimony in June 2009. Witnesses spoke both in favor of and in opposition to the legislation. The Committee held the bill for further study.

The Senate passed similar legislation in Senate Bill 921 on June 26, 2009 and referred it to the House Finance Committee. The Senate bill prescribed that the new formula would take effect only after two consecutive fall Revenue Estimating Conferences in which there were increases in revenues over the previous fall conference. This is because reallocating existing resources through a new formula would produce winners and losers and no new resources were available. The House Finance Committee did not hear the bill.

The 2010 Assembly adopted a new funding formula to be effective with the FY 2012 budget. This legislation is contained in 2010-H 8094 Substitute A, as amended. This formula distributes aid to all districts, charter schools and the state schools: Davies Career and Technical School and the Metropolitan Career and Technical School. It is based on the principle that the money follows the student and includes a core instruction amount per pupil that every student will receive, a single poverty weight as a proxy for student supports, and a new state share ratio that considers the district's ability to generate revenues and its poverty concentration. No minimum share is used in the formula.

The formula also allows for additional funding from the state to districts for high-cost special education students, career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. There is redistribution of aid among communities with some getting less aid than prior years. In an effort to mitigate any losses to communities, the formula is being phased in over a ten-year period.

The legislation also included a two-year phased increase in the state's minimum housing aid participation to provide that no district receives less than a 40.0 percent state reimbursement by FY 2013 for projects completed after June 30, 2010. The previous minimum had been 30.0 percent. The 2012 Assembly adopted legislation to roll back the state's minimum housing aid participation to 35.0 percent but provided the 40.0 percent to approved projects that were expecting the increase.

The 2011 Assembly funded the first year of the funding formula for FY 2012; FY 2014 is the third year.

How Rhode Island Compares

In Rhode Island, for FY 2011, the state provided 35.0 percent of public school revenue from its own sources. Local communities contributed, primarily through property taxes, 54.4 percent, and federal funds were 10.6 percent of total revenue. This is shown in the table below. Data is the most recent available from the United States Census Bureau.

	FY 2011 Share of Public School Revenue		
	State	Local	Federal
Rhode Island	35.0%	54.4%	10.6%
New England	44.4%	46.9%	8.8%
US Average	44.4%	43.3%	12.3%

For FY 2011 the local contribution in Rhode Island was 54.4 percent, which is considerably greater than the New England average of 46.9 percent and greater than the national average of 43.3 percent. New England as a region was greater than the national average.

Federal funds were higher in Rhode Island than the New England average of 8.8 percent and lower than the national average of 12.3 percent. As a whole, the share of revenues from federal sources in New England are less than the national average.

For FY 2011, Rhode Island ranked 43rd in state support for public education and sixth in local support. This means that Rhode Island ranks among the top in the nation when it comes to local funding of public education and among the bottom when it comes to state support. The following charts, based upon data reported by the Bureau of the Census, show this distribution for FY 2001, FY 2006, and FY 2011. Rhode Island's ranking of state support has worsened over the ten-year period going from 39th in FY 2001 to 43rd in FY 2011.

	State Share of Public School Revenue			
	New			Rank
	RI	England	US	
FY 2001	41.9%	48.4%	49.9%	39
FY 2006	40.0%	48.3%	46.6%	40
FY 2011	35.0%	44.4%	44.4%	43

For FY 2011, 35.0 percent of Rhode Island education funding was from state sources. Vermont had the greatest percentage of funding from state sources at 88.2 percent and South Dakota the lowest percentage at 28.9 percent.

Local Share of Public School Revenue

		New		
	RI	England	US	Rank
FY 2001	52.5%	46.5%	43.0%	9
FY 2006	52.5%	45.1%	44.4%	10
FY 2011	54.4%	46.9%	43.3%	6

In FY 2001, local sources provided 54.4 percent of Rhode Island education funding, the sixth highest share of any state. Connecticut had the highest percentage of local resources at 58.6 percent, and Hawaii had the lowest percentage at 2.5 percent.

Between FY 2001 and FY 2011, the state's contribution decreased 690 basis points from 41.9 percent to 35.0 percent, and the local contribution increased 190 basis points from 52.5 percent in FY 2001 to 54.4 percent in FY 2011. Nationally, state contributions decreased 550 basis points from 49.9 percent in FY 2001 to 44.4 percent in FY 2011, and local contributions grew by 30 basis points from 43.0 percent in FY 2001 to 43.3 percent in FY 2011. The large decline in state support for FY 2011 is largely a result of the economic downturn that began in 2008.

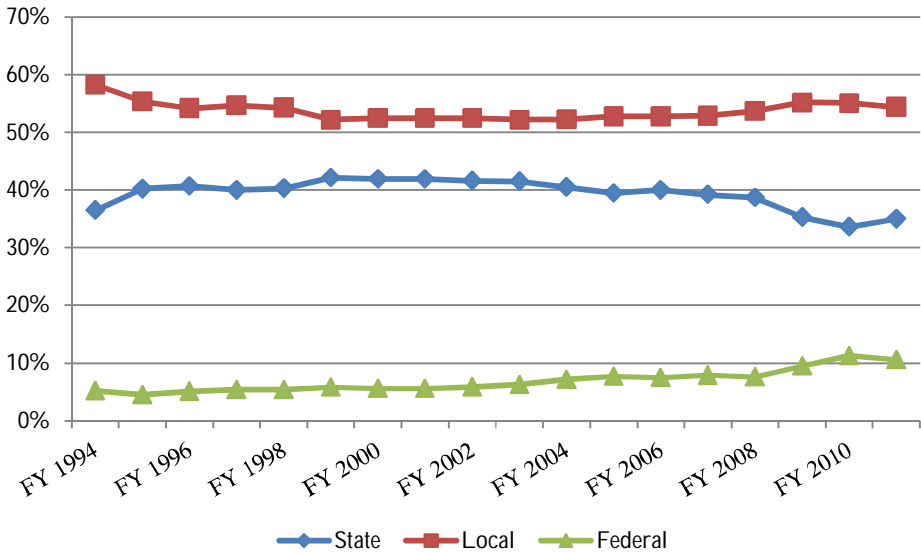
Nationally, the federal share has risen 520 basis points in the ten-year period, growing from 7.1 percent in FY 2001 to 12.3 percent in FY 2011 in large part because of stimulus funding. For Rhode Island, the federal commitment rose 500 basis points in that ten-year period from 5.6 percent to 10.6 percent. For New England, federal contributions rose 360 basis points from 5.2 percent in FY 2001 to 8.8 percent in FY 2011.

Federal Share of Public School Revenue

		New		
	RI	England	US	Rank
FY 2001	5.6%	5.2%	7.1%	40
FY 2006	7.5%	6.6%	9.0%	35
FY 2011	10.6%	8.8%	12.3%	36

A February 2005 National Conference of State Legislatures report on State Recommendations for Improving No Child Left Behind noted that the federal government's contributions to public education peaked at 9.8 percent in 1980, declined throughout the 1980s and has been climbing slowly since then. The report notes that despite being less than ten percent of public school revenue, the federal share has become increasingly more critical to states that have faced tight budget constraints.

The chart below shows historical revenue distribution for Rhode Island by source of funds from FY 1994 through FY 2011. The impact of the recession in 2008 is reflected in the decrease in state support in FY 2009 and FY 2010.



Another way to evaluate education funding nationally is to compare per pupil spending. In Rhode Island, in FY 2011, the average per pupil cost was \$13,815. This is 1.3 percent less than the New England average of \$13,991 and 30.8 percent greater than the national average of \$10,560. Only the mid-Atlantic states, at \$15,013 per pupil, had higher per pupil costs than New England states. It should be noted that New York and New Jersey, both mid-Atlantic states, had the nation’s highest and third highest per pupil expenditures, at \$19,076 and \$15,968, respectively. Alaska was second highest at \$16,674.

	Per Pupil Spending			
	New			
	RI	England	US	Rank
FY 2001	\$ 8,775	\$ 8,500	\$ 7,284	6
FY 2006	\$11,769	\$11,559	\$ 9,138	6
FY 2011	\$13,815	\$13,991	\$10,560	9

For FY 2011, Rhode Island ranked ninth highest in per-pupil spending nationally. Regional data on per pupil spending for FY 2001, FY 2006 and FY 2011 is illustrated in the table below. The change column displays the percent change from FY 2001 to FY 2011.

	Per Pupil Spending			
	FY 2001	FY 2006	FY 2011	Change
Mid Atlantic	\$ 9,337	\$ 12,569	\$ 15,013	60.8%
Mid West	7,113	8,839	10,370	45.8%
New England	8,500	11,559	13,991	64.6%
<i>Rhode Island</i>	<i>8,775</i>	<i>11,769</i>	<i>13,815</i>	<i>57.4%</i>
Pacific	7,362	9,239	11,396	54.8%
Rocky Mountains	6,032	7,702	9,189	52.3%
South	6,255	7,919	9,162	46.5%
US Average	7,284	9,138	10,560	45.0%

Over the 10-year period from FY 2001 to FY 2011, per pupil spending in Rhode Island increased 57.4 percent from \$8,775 for FY 2001 to \$13,815 for FY 2011. In New England, per pupil spending increased 64.6 percent in this period, the largest regional increase. Nationally, the increase was 45.0 percent, growing from \$7,284 in FY 2001 to \$10,560 in FY 2011. Factors such as teachers' salaries, student poverty and the cost of living affect the cost of educating children and can explain some of the difference in per pupil cost regionally.

While Rhode Island ranked ninth highest in per pupil spending nationally for FY 2011, when state funds alone are used as the measure, Rhode Island's ranking falls to 27th. This is two spots higher than FY 2010 when it ranked 29th. The state of Rhode Island spent \$5,308 per pupil in FY 2011. This is considerably less than the New England average of \$7,137 per pupil although Vermont's \$15,281 raises New England's average significantly. The national average is \$5,509 per pupil.

It is interesting to note that between FY 2010 and FY 2011, the Mid West states provided 5.0 percent more state spending per pupil than it had the prior year. These states were closely followed by southern states that spent 3.7 percent more. Nationally, states spent 2.9 percent more in FY 2011 than they did in FY 2010; Rhode Island spent 1.6 percent more in FY 2011 than the prior year. This appears to be reversing the negative impact of the recession that began in 2008. In FY 2010 the Mid West states were the only ones that provided more state spending per pupil than it had the prior year. In fact, nationally, states spent 6.5 percent less in FY 2010 than they did in FY 2009; Rhode Island spent 3.4 percent less in FY 2010 than the prior year.

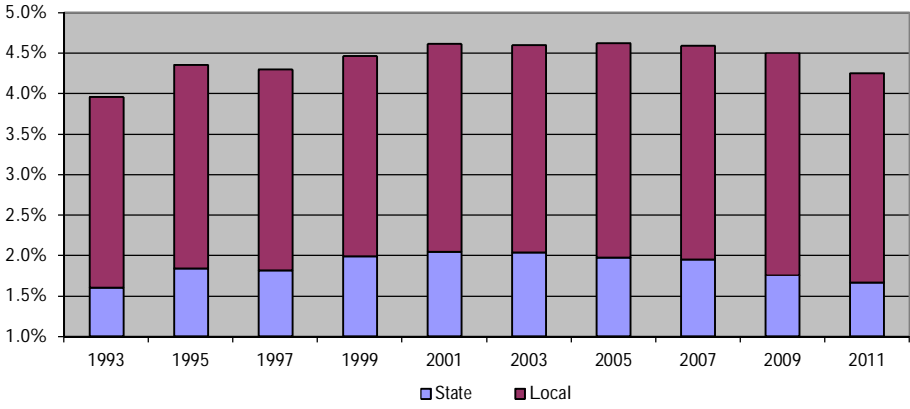
FY 2011	State Spending Per Pupil	Change from Prior Year
Mid Atlantic	\$ 7,152	0.1%
Mid West	\$ 5,630	5.0%
New England	\$ 7,137	-2.4%
Pacific	\$ 7,411	-6.1%
Rocky Mountains	\$ 5,471	-1.0%
South	\$ 4,921	3.7%
US Average	\$ 5,509	2.9%
<i>Rhode Island</i>	<i>\$ 5,308</i>	<i>1.6%</i>

State and Local Education Spending as a Percent of Personal Income. Another way to measure spending is by comparing it to a state's overall wealth. One useful measure of that wealth is total personal income. The table on the following page shows elementary and secondary education spending in Rhode Island as a percent of personal income for the period 1992 through 2011. Education expenditure data are from the United States Census Bureau. Personal income data are from the Bureau of Economic Analysis. State and local spending on elementary and secondary education was 3.9 percent of personal income from non federal sources in 1992 and slowly increased annually. It reached 4.5 percent in 1999 and was between 4.5 percent and 4.6 percent until FY 2010. Between 2003 and 2008, it was 4.6 percent of personal income; for 2009 it was 4.5 percent. It was 4.4 percent for 2010 and 4.2 percent for FY 2011, which is the lowest it has been since 1993.

The state share of elementary and secondary education spending was 1.9 percent of personal income in 2007 and 2008, dropping from the 2.0 percent it had been from 1999 to 2006. It fell to 1.8 percent for 2009 and fell again to 1.7 percent for 2010 and 2011. Local spending increased from 2.4 percent in 1992 to 2.5 percent in 1994, not reaching 2.6 percent until 2001, where it has remained through 2007 with the exception of 2002 when it was 2.5 percent. For 2008 through 2010, it was 2.7 percent. It dropped to 2.6 percent for FY 2011.

During the last economic downturn in 2001, spending on elementary and secondary education was 4.6 percent of personal income, the same as for 2007, the beginning of the most recent recession. With the exception of 2002, when it was 4.5 percent of personal income, it has been 4.6 percent since 2001. It remained at 4.6 percent for 2008 and dropped to 4.5 percent for 2009, dropped to 4.4 percent for 2010 and dropped again to 4.2 percent for 2011 reflecting a sluggish recovery.

Education Spending as Percent of Personal Income



Funding History

The Assembly enacted \$938.4 million from general revenues for FY 2014 total aid for local school districts, concurring with the Governor's recommendation to fully fund the third year of the funding formula. The Assembly added \$2.4 million to the Governor's recommendation based on updated data. Funding for FY 2014 includes \$776.8 million in direct distributions to local school districts, charter and state schools, \$9.2 million in categorical funding, \$0.8 million for other formula aid for distribution by the Department of Elementary and Secondary Education for specific programming, \$81.7 million for the state's contribution to teacher retirement and \$69.9 million for school construction costs.

Specific allocations in each funding category for FY 1993, FY 1998, FY 2003, FY 2008, FY 2013 and FY 2014 are shown in the table on the following page. Where applicable, prior year information in the table has been updated to reflect actual expenditures. Set-aside funds, teacher retirement and construction aid usually differ from the original enacted appropriations. The sections that follow explain each category and corresponding distribution method. Appendix I of this report shows the distribution of the direct formula aid by community.

Formula Aid (in millions)	FY 1993	FY 1998	FY 2003	FY 2008	FY 2013	FY 2014
Operations Aid	\$ 265.4	\$ -	\$ -	\$ -	\$ -	\$ -
Special Education	33.4	-	-	-	-	-
Vocational Education	7.2	-	-	-	-	-
Limited English Proficiency	1.0	-	-	-	-	-
Conventional Public Housing	10.3	-	-	-	-	-
Distressed District Aid	-	-	-	-	-	-
Poverty/Equity Fund	-	-	-	-	-	-
Local School Operations	-	393.1	448.5	488.6	627.8	651.9
Central Falls Operations	-	21.5	34.4	43.8	39.7	38.4
Met School	-	0.8	4.0	11.5	11.6	11.1
Davies Career & Tech	-	-	-	-	13.4	12.8
Direct Charter School Aid	-	-	9.4	26.8	47.1	55.1
UCAP	-	-	-	-	-	0.3
Targeted Aid	-	-	10.0	20.0	-	-
Core Instruction Equity	-	7.6	30.2	-	-	-
Student Equity	-	8.6	63.8	73.8	-	-
Professional Development	-	0.8	3.3	5.8	-	-
Early Childhood	-	3.5	6.8	6.8	-	-
Student Technology	-	1.4	3.4	3.4	-	-
Student Language Assistance	-	1.3	7.0	31.7	-	-
Charter-Indirect Aid	-	-	0.5	1.2	-	-
Full Day Kindergarten	-	-	4.0	4.2	-	-
Vocational Technical Equity	-	-	1.4	1.5	-	-
Group Homes Funding	-	-	8.2	10.4	8.2	7.1
Total	\$ 321.6	\$ 438.6	\$ 635.1	\$ 731.3	\$ 747.8	\$ 776.8
Categorical Funding						
High Cost Special Education	-	-	-	-	0.5	1.0
High Cost Career and Technical	-	-	-	-	3.0	3.0
Early Childhood	-	-	-	-	1.5	2.0
Transportation	-	-	-	-	2.2	3.3
Regionalization Bonus	-	-	-	-	0.4	-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 7.5	\$ 9.2
Other Aid						
Progressive Support & Intervention	-	-	0.5	2.8	-	-
Hasbro Children's Hospital	-	0.1	0.1	0.1	-	-
School Visits	-	-	0.4	0.4	-	-
Professional Development	-	-	0.1	0.6	-	-
All Day Kindergarten Pilot Program	-	-	-	-	-	0.3
Textbook Loans	-	-	0.2	0.3	0.2	0.2
School Breakfast	-	0.2	0.7	0.6	0.3	0.3
Subtotal	\$ -	\$ 0.3	\$ 2.0	\$ 4.9	\$ 0.5	\$ 0.8
Teacher Retirement	25.3	35.6	38.1	82.3	74.5	81.7
Supp. Retirement Contribution	-	-	-	-	1.5	-
Construction Aid	16.2	19.7	38.2	49.7	72.0	69.9
Statewide Total	\$ 363.0	\$ 494.1	\$ 713.4	\$ 868.2	\$ 903.9	\$ 938.4

Summary of Education Aid Programs

The following section provides a brief description of the state funded education aid programs. It is followed by more comprehensive descriptions of each source that include statutory references, legislative changes and funding histories.

Operations Aid (FY 1987 – FY 1997). The operations aid formula was established to provide local school districts with funds to support general operations. This program reimbursed communities' total expenditures based on the wealth of that community as compared to the rest of the state.

Special Education Excess Aid (FY 1987 – FY 1997). Special Education Excess Aid reimbursed communities for the difference between educating a regular student and a special education student. The district entitlement was up to 110 percent of the state median excess cost.

Area Vocational Education Aid (FY 1987 – FY 1997). The Vocational Education Incentive program was designed to encourage districts to participate in the eight regional vocational programs and to promote expansion in the programs.

Limited English Proficiency Incentive Aid (FY 1987 – FY 1997). This aid was designed to encourage school districts to establish, maintain, and expand programs and services for children with limited proficiency of the English language.

Conventional Public Housing Aid (FY 1987 – FY 1997). This program assisted communities where students attending public schools resided in public housing facilities that did not contribute to the district's tax base.

Distressed District Fund (FY 1994 – FY 1997). The 1993 Assembly appropriated \$1.7 million from general revenues for a Distressed District Fund for FY 1994. The funds were distributed according to those communities that were eligible for the FY 1992 retirement deferral option, and whose total reimbursable education expenditures declined between FY 1991 and FY 1992. Pawtucket, West Warwick, and Woonsocket received the aid.

State Support for Local School Operations (FY 1997 – FY 2011). Prior to FY 2012, this was the base operations aid for general state support that served as the foundation for all aid increases since FY 1997. The composition and distribution of this base is equivalent to the final funding for FY 1997 updated for minimum and maximum increases over each prior year.

The 2010 Assembly adopted a new funding formula to be effective with the FY 2012 budget. This formula distributes aid to all districts, charter schools and the state schools: Davies Career and Technical School and the Metropolitan Career and Technical School. It is based on the principle that the money follows the student and includes a core instruction amount per pupil that every student will receive, a single

poverty weight as a proxy for student supports, and a new state share ratio that considers the district's ability to generate revenues and its poverty concentration. No minimum share is used in the formula.

Permanent School Fund (FY 2009). The 2008 Assembly enacted legislation that became law on May 6, 2008 that allows the operation of video lottery games on a twenty-four hour basis on weekends and federally recognized holidays at the Twin River and Newport Grand facilities. That legislation mandated that the additional revenue accruing to the state as the direct result of the additional hours, up to \$14.1 million by June 30, 2009, be deposited into the Permanent School Fund and allocated as education aid. The Assembly enacted legislation that required the Department of Elementary and Secondary Education to monthly allocate to each school district all funds received into the Permanent School Fund, up to \$14.1 million, in the same proportion as the general revenue aid distribution.

Title I (FY 2010 – FY 2012). On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009. It included additional relief to local schools through Title I programs. Total funding of \$34.0 million was allocated from FY 2010 through FY 2012.

Special Education (FY 2010 – FY 2012). On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009. It included additional relief to local schools for special education through the Individuals with Disabilities Education Act. Total funding of \$39.6 million was allocated from FY 2010 through FY 2012.

Central Falls School District (FY 1993 – Present). The Central Falls School district was placed under complete control of the Department of Elementary and Secondary Education in FY 1993. The City of Central Falls was adjudged to be unable to meet its contractual, legal and regulatory obligations without increased funding, which it could not afford because its tax base had sustained little or no growth over several years prior to 1991. The state has been responsible for 100 percent of the education costs for the district. Beginning with FY 2012, Central Falls is funded pursuant to the new education funding formula.

Metropolitan Career and Technical School (FY 1997 – Present). The Metropolitan Career and Technical School is intended to be an innovative education facility with one main school and several small locations in the City of Providence. Its employees are not state employees, and the appropriation is handled much like Central Falls, with a lump sum allocation. The 2006 Assembly provided \$1.0 million to begin an East Bay campus on Aquidneck Island. The first class of 30 freshmen began during the 2006-2007 school year. Beginning with FY 2012, the Met School is funded pursuant to the new education funding formula.

Davies Career and Technical School (FY 1992 – Present). The Davies Career and Technical School is a four-year high school that provides both academic and career-

focused studies governed by an autonomous, business-led Board of Trustees. With the exception of the powers and duties reserved by the Director, Commissioner of Elementary and Secondary Education, and Board of Education, the Board of Trustees has the powers and duties of a school committee. Prior to FY 2012, sending districts did not pay tuition, only the costs of student transportation. Beginning in FY 2012, Davies is funded pursuant to the education funding formula.

Targeted Aid (FY 1999 – FY 2011). The Targeted Aid Fund was introduced by the 1998 Assembly to provide funds to locally or regionally operated districts in which tax effort exceeds tax capacity and at least 40.0 percent of the K-3 students are eligible for free or reduced lunches. Districts used targeted funds to provide new or expanded programs for early childhood education, help improve instruction to meet high standards and reduce class size at the elementary level.

Core Instruction Equity Fund (FY 1998 – FY 2003). The Core Instruction Equity Fund was established to improve the capacity of cities and towns to support core instruction and reduce inequities in resource distribution. Certain communities, because of low tax capacity and high tax effort, are unable to appropriate sufficient funds for the support of core instructional programs. Communities with a gap in instruction costs compared to the statewide median and a tax effort well above the statewide median were eligible for this fund.

Student Equity Investment Fund (FY 1998 – FY 2011). The Student Equity Investment Fund was established to close gaps in student performance in mathematics, reading and writing by targeting students in greatest need of additional educational services. The funds were based on each district's proportion of children eligible for USDA reimbursable school meals relative to the total number of such students statewide.

Professional Development Investment Fund (FY 1998 – FY 2009). The Professional Development Investment Fund provided for continued skill development for Rhode Island's teachers and staff. These resources, based on a district's pupil-teacher ratio, were used to close student performance gaps in accordance with the school and district's strategic plans.

Early Childhood Investment Fund (FY 1998 – FY 2011). The Early Childhood Investment Fund provided support for schools and teaching staff for kindergarten through third grade to begin improving student performance. These resources were used in conjunction with literacy set-aside funds and were distributed based on the student population in these grades for each district.

Student Technology Investment Fund (FY 1998 – FY 2011). The Student Technology Investment Fund provided schools and teaching staff with up-to-date educational technology and training to help students meet the demands of the twenty-first century. Distribution of this aid was based on a district's proportion of total student population; it was not wealth based.

Student Language Assistance Investment Fund (FY 1998 – FY 2011). The Student Language Assistance Investment Fund targeted state resources to assist students that require additional language educational services. Distribution was based on a district's proportion of Limited English Proficiency students.

Charter Schools (FY 2000 – Present). Charter schools are public schools authorized by the state through the Board of Education to operate independently from many state and local district rules and regulations. Prior to FY 2012, the state shared the cost with the sending district using a wealth based share ratio with a minimum share of 30.0 percent. The aid also included an indirect cost payment to the sending district equal to five percent of the per pupil cost. Beginning with FY 2012, charter schools are funded pursuant to the education funding formula.

UCAP (FY 2014). The 2012 Assembly adopted legislation that requires that beginning in FY 2014, the Urban Collaborative Accelerated Program (UCAP) be funded pursuant to the education funding formula. These students are currently in the district enrollment counts and the state is currently paying education aid for these students to the sending communities. The state will remit education aid for these students directly to the school and the sending districts will send the local share to the school similar to the way the Met School is funded. UCAP operates as an independent public school dedicated to reducing the dropout rates in Providence, Central Falls and Cranston.

Full-Day Kindergarten (FY 2001 – FY 2011). The Full Day Kindergarten Investment Fund was established by the 2000 Assembly to support full day kindergarten programs. The appropriation was based on the number of students enrolled in full day kindergarten programs and the tax equity index of each district.

Vocational Technical Equity Fund (FY 2001 – FY 2011). The Vocational Technical Equity Fund provided aid for districts that sent students to locally operated career and technical centers. The appropriation was intended to support the academic instruction component of vocational education for students enrolled in career and technical education programs.

Group Homes (FY 2002 – Present). This program provides a per bed allotment to districts in which group homes are located to support the cost of educating students in those homes who attend the local schools.

Categorical - High Cost Special Education (FY 2001 – FY 2011). The funding formula allows the state to assume the costs related to high cost special education students when those costs exceed five times the district's combined per pupil core instruction amount and student success factor amount. The Department of Elementary and Secondary Education will prorate the funds available for distribution among those eligible school districts if the total approved costs for which districts are seeking reimbursement exceed the amount of funding appropriated in any fiscal year.

Categorical - Career and Technical Education (FY 2012 – Present). The funding formula allows the state to provide resources to help meet the initial capital investment needs to transform existing or create new comprehensive career and technical education programs and career pathways in critical and emerging industries and to help offset the higher than average costs associated with facilities, equipment, maintenance, repair and supplies necessary for maintaining the quality of highly specialized programs. The Department of Elementary and Secondary Education has established criteria for the purpose of allocating funds provided by the Assembly each year and shall prorate the funds available for distribution among those eligible school districts if the total approved costs for which districts are seeking reimbursement exceed the amount of funding appropriated in any fiscal year.

Categorical - Early Childhood (FY 2012 – Present). The funding formula allows the state to provide resources to increase access to voluntary, free, high-quality pre-kindergarten programs. The Department of Elementary and Secondary Education has established the criteria for the purpose of allocating funding provided by the Assembly.

Categorical – Transportation (FY 2012 – Present). The funding formula allows the state to provide resources to mitigate the excess costs associated with transporting students to out-of-district non-public schools and within regional school districts. The state will assume the costs of non-public out-of-district transportation for those districts participating in the statewide transportation system. The state will share in the costs associated with transporting students within regional school districts. The state and regional school district will share equally the student transportation costs net any federal sources of revenue for these expenditures. The Department of Elementary and Secondary Education will prorate the funds available for distribution among those eligible school districts if the total approved costs for which districts are seeking reimbursement exceed the amount of funding appropriated in any fiscal year.

Categorical– Limited Regionalization Bonus (FY 2012 – Present). The funding formula allows the state to provide a limited two-year bonus for regionalized districts. The bonus in the first year shall be 2.0 percent of the state’s share of the foundation education aid for the regionalized districts in that fiscal year. The second year bonus shall be 1.0 percent of the state’s share of the foundation education aid for the regionalized districts in that fiscal year. This bonus applies to districts that are currently regionalized as well as any districts that regionalize in the future. The Department of Elementary and Secondary Education will prorate the funds available for distribution among those eligible school districts if the total approved costs for which districts are seeking reimbursement exceed the amount of funding appropriated in any fiscal year.

Progressive Support and Intervention (FY 2001 – FY 2011). Funds for this set aside were first provided in FY 2001 to assist schools and districts that continue to fall short of performance goals outlined in the district strategic plans.

Hasbro Children's Hospital School (FY 2001 – FY 2009). This program supports expenditures for educational personnel, supplies, and materials for students in the hospital.

School Visits (FY 1999 – FY 2010). Funds were allocated to the Department of Elementary and Secondary Education for on-site school reviews and other support for district accountability measures. These funds supported the School Accountability for Learning and Teaching system, known as SALT.

Full-Day Kindergarten Pilot Program (FY 2014). The 2013 Assembly provided funding for a new full-day kindergarten incentive grant program. This will provide one-time, startup funding for school districts that move from offering a part-time kindergarten to a full-day kindergarten. The Commissioner shall approve up to four eligible districts per year to voluntarily implement a full-day kindergarten program. Funds will be appropriated based upon criteria established by the Commissioner.

Textbook Loans (FY 2001 – Present). Rhode Island General Law mandates that school committees furnish textbooks in the fields of mathematics, science, English, history, social studies, and modern foreign languages to all elementary and secondary school pupils residing in the community. This program reimburses districts for English, history and social studies textbooks provided to non-public school students that are in grades K-8.

School Breakfast (FY 2004 – Present). State law mandates that all public schools provide a breakfast program and that the costs, other than transportation, associated with this program in excess of available federal money, which funds the meals, be borne by the state. Aid is subject to appropriation and based on each district's proportion of the number of breakfasts served relative to the statewide total.

Speech Pathologist Salary Supplement (FY 2007). This fund was established by the 2006 Assembly to provide an annual \$1,750 salary supplement to any licensed speech language pathologist who is employed by a school district who has met the requirements and acquired a certificate of clinical competence from the American Speech-Language-Hearing Association. The 2007 Assembly provided \$304,500 to fund the supplement for FY 2007 and eliminated the program for FY 2008 and beyond.

Teacher Retirement. The state shares in the cost of teacher retirement with teachers and local districts. Teachers contribute 8.75 percent of their salaries, which is set in the General Laws. The state and the local district pay the difference between the teachers' share and the amount needed to support the system, as determined annually by the State Employees' Retirement System. The state pays 40 percent of the employer's share and the local district pays 60 percent.

Supplemental Retirement Contribution (FY 2013). Rhode Island General Law, Section 36-10-2(e) requires that for any fiscal year in which the actuarially determined state contribution rate for state employees or teachers is lower than that for the prior

fiscal year, an appropriation to that system equal to 20.0 percent of the rate reduction for the state's contribution rate shall be included in the annual appropriation act to be applied to the actuarial accrued liability of the system.

Construction Aid (School Housing Aid). The state provides local districts with partial reimbursement for approved school construction projects after the project is completed. The reimbursement rate is based on a district's wealth compared to the aggregate state wealth, with a minimum share for each district of 35.0 percent. Reimbursement is based on total expended project cost; however, bond interest reimbursement is limited to those financed through the Rhode Island Health and Educational Building Corporation.

Operations Aid

Statute(s). §16-7-20

Description. The operations aid formula was established to provide local school districts with funds to support their general operations. The formula was designed to encourage communities to spend more on education by financing a share of locally determined expenditures. Since the operations aid formula provided for the state to share in locally determined educational expenditures without placing a ceiling on the level of support, it gave the local school districts the opportunity to spend what they felt was necessary for education. This program reimbursed communities' total expenditures primarily based on the wealth of that community as compared to the rest of the state. A community's "share ratio" is a measure of its per pupil wealth as compared to the per pupil wealth of the rest of the state.

The share ratio is an element used in other aid distributions as well. Formulas using the share ratio, including operations aid, usually provided for minimum share guarantees. The original operations aid formula provided that each community received a minimum share regardless of wealth. The original minimum share was 25.0 percent, but it was eliminated for FY 1995 aid.

The share ratio formula measures state and community wealth using two factors: the full value of local property and the median family income as determined by the most recent census. Property value is certified annually by the Department of Administration, Office of Municipal Affairs, based on local sales data and appraisals. The total assessed local property value of a community is adjusted for differences in local assessment rates to allow the reporting of figures comparable on a statewide basis, resulting in the Equalized Weighted Assessed Valuation (EWAV).

The valuations are then adjusted by the ratio that the community's median family income bears to the statewide median family income, as reported in the most recent federal census data. Use of both the property value and the median family income is an attempt to compensate for districts that have a significant disparity between median family income and the full value of property.

Once community wealth is determined, it is divided by pupil counts to calculate the per pupil wealth for each community compared to the per pupil wealth for the state as a whole. The resulting relative per pupil community wealth is then multiplied by 50.0 percent, the mean state reimbursement, and subtracted from 1.0, yielding the district's share ratio. This share ratio was multiplied by approved reimbursable expenditures to determine the operations aid entitlement. If less than the full entitlement was appropriated, the entitlement was ratably reduced.

For regional school districts, a bonus was added to the operations aid entitlement based on the number of grades regionalized. Calculation of the bonus was modified a number

of times and eventually separated from the operations aid appropriation. For comparability, it is reflected in the tables in this report as operations aid.

Significant Legislative Revisions. Revisions to the original operations aid program implemented at the end of the 1960's included the addition of family income to the community wealth formula. Over the next two decades, the Assembly made changes to the operations aid formula in response to recommendations from auditors, special commissions and other timely issues. The 1975 Assembly implemented use of the two-year reference on expenditure reimbursements. This action allowed the Assembly to appropriate the exact aid entitlement rather than an estimate pending the compilation of district expenditure reports by the Department of Elementary and Secondary Education. In 1979, the Board of Regents adopted regulations governing what qualified as a reimbursable expenditure.

The 1985 General Assembly passed the "Omnibus Property Tax Relief and Replacement Act." Among the provisions of this act was language requiring a two percent annual increase in the state share of local education expenditures until the state share reached 50 percent. In 1988, the language was amended to increase the goal of average state support to 60 percent. The additional funds appropriated to reach the 60 percent state share were not through the operations aid program; rather they were restricted for use in block grants. Although 50 percent state funding was achieved in FY 1990, block grants have not been funded since FY 1990. The goal of reaching 60 percent state funding remains as Chapter 16-69 of the Rhode Island General Laws, but financial constraints faced by the state continue to prevent funding for realization of this goal.

Beginning in FY 1989, a percentage of the operations aid calculation was "set-aside" and restricted for use on literacy programs. This Literacy Set-Aside amount was 3.0 percent of the total of state operations aid in fiscal year 1989, 4.0 percent in FY 1990, 5.0 percent in FY 1991 through FY 1993, and 4.0 percent in FY 1994 and thereafter.

The recession in the early 1990s prompted several changes in the state's education funding system. This included the elimination of minimum aid guarantees. The original operations aid formula provided that each community received a minimum share regardless of need or wealth. The original minimum share was 25.0 percent. It increased to 30.0 percent in 1964 and decreased back to 28.0 percent in FY 1984. Between FY 1992 and FY 1995, the minimum share was incrementally phased out to zero.

The 1992 Assembly further amended the operations aid formula by allowing it to be capped. This meant that if less than the full funding of the formula was enacted, each community's entitlement was ratably reduced to the level of funding appropriated. For FY 1992, the state reduced total school aid from all categories in response to the fiscal crisis, including a \$26.3 million, or 9.4 percent, reduction in operations aid.

During this time, many urban communities also faced a declining property tax base. This weakened their abilities to raise funds for education and resulted in increasing local tax rates in order to maintain levels of service. As the state continued to use the operations aid formula, those communities that reduced or limited education spending to balance budgets received reduced reimbursements as well. This perpetuated the funding gap per pupil between the state's wealthy and poor school districts.

Some of these communities sought relief through the courts, and in February 1994, Justice Needham, of the Rhode Island Superior Court, declared the current distribution method of state education aid to be unconstitutional. He found that the formula did not meet either the equity or adequacy needs of the state's students.

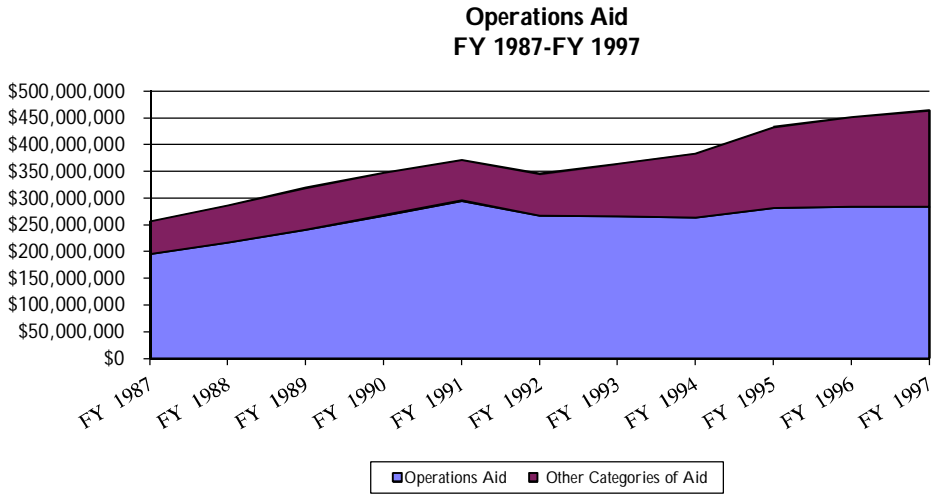
The state appealed the ruling; however, and in July 1995, the Supreme Court of the State of Rhode Island overturned Judge Needham's lower court decision. This reversal was based on the argument that the state, through the General Assembly, was responsible for promoting, not establishing, a system of public education for Rhode Island. The court also ruled that the Assembly's authority to determine the distribution of aid was virtually absolute.

In the interim, the 1994 Assembly considered changes to the education aid formula. The Governor proposed a Guaranteed Student Entitlement (GSE) transition plan that incorporated several modifications including distributing all categories of aid, including the state contribution to teacher retirement, based on the operations aid formula. The operations aid formula would be modified by eliminating the minimum guarantee, phasing out the regional bonus by 40.0 percent, and instituting a poverty weighting that distributed funds according to the number of students eligible for free or reduced lunch.

The Assembly adopted some elements of this proposal. In an attempt to promote more equity, the changes included the elimination of guaranteed minimum shares, a component of the formula considered to be disqualifying, and the establishment of the Poverty Fund. The operations aid formula that year was funded at about 73 percent of the full entitlement.

The state; however, recognized certain continuing inequities in the distribution of aid and took some steps to rectify them. The Assembly froze operations aid at the FY 1995 levels in FY 1996 and FY 1997. Aid increases were again directed through other categories, discussed later, that emphasized student wealth. By FY 1998, the state adopted its current education funding plan that eliminated calculation under the old aid categories, with the exception of Teacher Retirement and Construction Aid. The funding under the now defunct categories did remain for each community as part of a base entitlement to which new appropriations are added. Thus, the base appropriation for current distribution of state aid reflects operations aid last calculated for FY 1995 and not fully funded since FY 1992.

Funding. Although it was the single largest category of education aid, over the years, greater shares of the state’s education resources were directed to other aid programs. This is shown in the following graph.



In FY 1987, operations aid represented 76.1 percent of all education aid allocated to local districts and was as much as 79.4 percent of aid in FY 1991. By FY 1997, operations aid represented only 61.1 percent of all distributed school aid. Over this ten-year period, operations aid increased by 45.3 percent while aid distributed in all other categories increased nearly threefold. The other categories of aid that were enacted over the years addressed specific program needs in addition to operations aid. The sections that follow discuss those categories.

Special Education Excess Aid

Statute(s). §16-24-6

Description. With the passage of the 1975 Education of All Handicapped Children Act, now known as the Individuals with Disabilities Education Act, the federal government mandated public education for all children with disabilities. In 1976, the Assembly enacted a program designed to provide entitlements for special education students, which replaced a small categorical program for handicapped students. In FY 1980, communities began receiving aid under this program for the excess cost of educating handicapped or special education students. Special Education Excess Aid was based on reimbursing communities for the difference between educating a regular student and a special education student, using a two-year reference. The district entitlement was up to 110 percent of the state median excess cost in each special education category. This cap was instituted to control costs in an area of education that had the potential for significant growth in costs. Any costs incurred by the school district over this limit were not reimbursable under any aid programs. The distribution of special education excess aid was not based on wealth. In the early 1990s, there were rejected proposals that would have wealth-equalized special education aid by using the share ratio.

Each school district's entitlement for special education aid was calculated by multiplying the number of special education students, using full-time equivalents, by the lesser of a district's per pupil cost in each special education category or 110 percent of the state median in that category. If the Assembly did not fully fund the entitlement, the district allocations were ratably reduced.

It should be noted that in passing special education legislation of 1975, Congress authorized grants to the states for up to 40.0 percent of special education costs. That funding level has never materialized. Increased funding in the late 1990's has brought the federal share up to its highest level ever, which is estimated at about 13 percent.

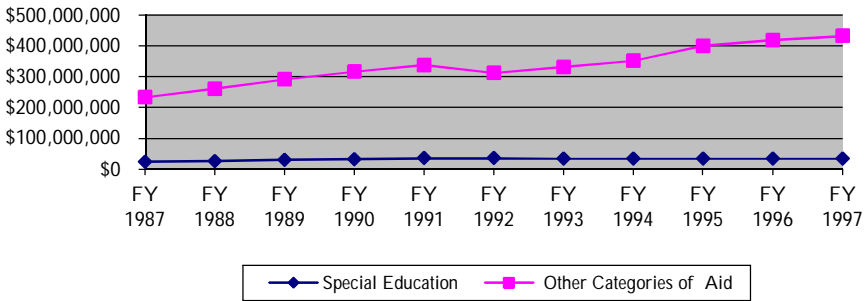
Significant Legislative Revisions. Since its passage, this aid program has been subject to a series of limits on growth and other caps on the entitlement. The limits imposed fluctuated, but generally remained at about eight percent growth over the prior year. For FY 1993, the entitlement became subject to budgetary appropriation. Like the operations aid, each community's entitlement was subject to a ratable reduction to the level of funding appropriated.

FY 1995 was the last year for which this category of aid was calculated and used as a distribution method under the statutory formula, and the total appropriation was \$33.4 million, which represented less than 50 percent of the statewide entitlement. Implementation legislation for the state's share of education aid in FY 1996 and FY 1997 froze special education excess aid at the FY 1995 level. Special education costs continued to rise, and special education funding represented about 40 and 37 percent of the statewide entitlement in FY 1996 and FY 1997, respectively.

Under the education funding plan prior to the implementation of the funding formula, that \$33.4 million is reflected for each community as part of a base entitlement to which new appropriations were added. Thus, the base appropriation for those distributions of state aid reflects Special Education Aid last calculated for FY 1995.

Funding. Between FY 1987 and FY 1993, special education funding was between 9.3 percent and 9.2 percent of all education aid, with little variance. Its share of the total education aid package had dropped to 7.2 percent by FY 1997. Total appropriations between FY 1987 and FY 1997 increased by 40.0 percent as compared to a combined 85.3 percent increase in all other categories. The following chart illustrates this pattern.

**Special Education Excess Aid
FY 1987- FY 1997**



Since special education funding was one of the few non-wealth based programs, this relative decrease supports the fact that aid increases in the late 1990s were being directed to communities based on need. Fully funding special education aid in FY 1999 under this defunct formula would have cost the state \$100.3 million. This is equal to 22.1 percent of total aid distributed to local districts that year. The distribution would also be radically different than the one enacted. Because this formula was not wealth-based, in the state's poorer communities the special education entitlement would have represented as little as 10.8 percent of total FY 1999 education aid allocation. Conversely, in some wealthier communities, appropriation of the full special education aid entitlement would actually have exceeded the district's total FY 1999 aid.

Area Vocational Education Aid

Statute(s). §16-7-20.6

Description. The Vocational Education Incentive program was designed to encourage districts to fully participate in the eight regional vocational programs and to promote expansion in the programs. The district sending the student to one of these programs pays tuition to the host district. The sending school district's entitlement for aid under this program was calculated as the per pupil cost of vocational instruction multiplied by the full-time equivalents for attending students. The entitlement for this program was fully funded, although the statute did allow for a ratable reduction in the event of insufficient appropriations.

Significant Legislative Revisions. The aid distribution for this program was originally based on the number of pupils attending vocational education facilities and the communities' share ratios, using a two-year reference. In FY 1990, the basis for the distribution of the funds was changed, eliminating the use of the share ratios. This change reflected the policy decision to encourage vocational education by fully funding it, rather than offering a partial reimbursement. This shift in policy dramatically increased funding. This also meant that the program was no longer wealth-based.

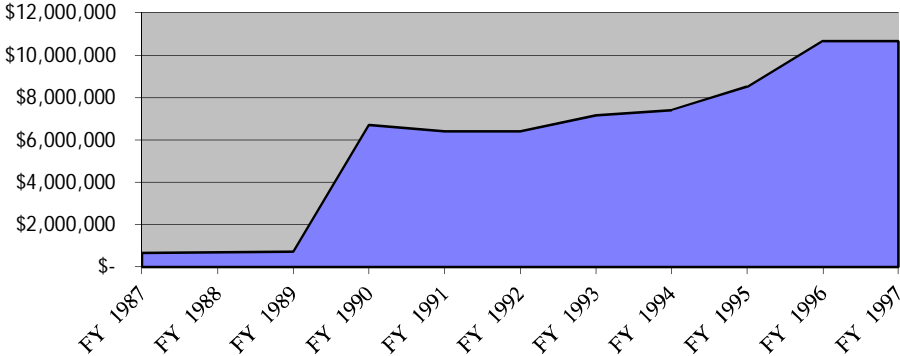
Like other aid categories, FY 1995 was the last year for which this category of aid was calculated and used as a distribution method under the statutory formula and reference year. Unlike most other aid categories, however, vocational education aid did receive an increase for FY 1996. The appropriation was equal to FY 1995 aid, plus \$2,000 for each full-time equivalent student reported for the FY 1994 reference year. This was an increase of 25.9 percent. FY 1997 aid was frozen at the FY 1996 level of \$10.7 million.

Under the state's education funding plan prior to the implementation of the funding formula, that \$10.7 million was reflected for each community as part of a base entitlement to which new appropriations was added.

Funding. Vocational education aid was never been more than 2.3 percent of the total aid distribution. However, the elimination of the share ratio calculation from the funding formula for FY 1990 increased aid for this program almost tenfold. Despite changes and reductions in other aid categories, this program remained fully funded through the end of its use as a method for aid distribution.

The chart on the following page shows the growth in funding for this program.

**Area Vocational Education Aid
FY 1987-FY 1997**



Limited English Proficiency Incentive Aid

Statute(s). §16-54-4

Description. Established in 1986, Limited English Proficiency Incentive Aid (LEP) was designed to encourage school districts to establish, maintain, and expand programs and services for children whose proficiency of the English language is limited.

A district's entitlement for Limited English Proficiency Incentive Aid was based on the product of the average statewide cost per LEP pupil, the number of LEP full-time equivalents and the district's share ratio, developed for the operations aid formula. Like other aid categories, each community's entitlement was subject to a ratable reduction to the level of funding appropriated.

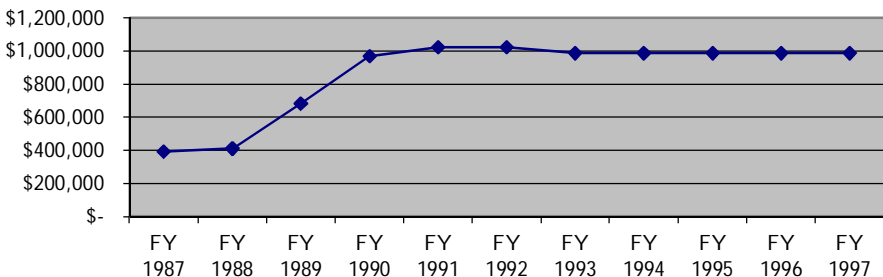
Like other aid programs, FY 1995 was the last year for which this category of aid was calculated and used as a distribution method under the statutory formula, and the total appropriation was \$986,387, representing about 23 percent of the statewide entitlement.

Under the state's education funding plan prior to the implementation of the funding formula, that \$986,387 was reflected for each community as part of a base entitlement to which new appropriations were added.

Funding. In its first few years of use, this aid program saw significant funding increases. Funding did not increase for FY 1992, dropped slightly in FY 1993 and through FY 1997; the aid level was frozen at the FY 1993 entitlement of \$986,387.

The following chart illustrates this pattern.

**Limited English Proficiency Aid
FY 1987-FY 1997**



Conventional Public Housing Aid

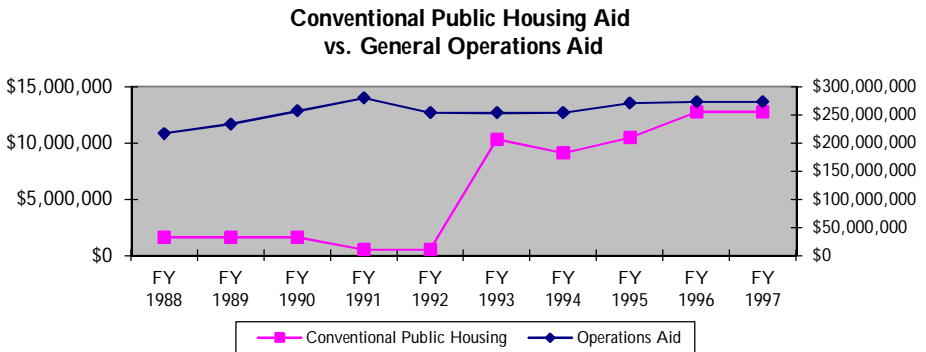
Statute(s). §16-7-34.3; §16-7-20.6

Description. Conventional Public Housing Aid was designed to assist communities where students attending public schools reside in public housing facilities that do not contribute to the district's tax base. Property owned by the Solid Waste Management Corporation qualified under this program as of FY 1993, as did the North Kingstown Traveler's Aid housing project as of FY 1996. Approximately 25 percent of local school districts received Conventional Public Housing Aid.

Using a two-year reference, Conventional Public Housing aid was calculated by multiplying the district's average per pupil cost, its operations aid share ratio, and the number of students residing in public housing. Beginning in FY 1993, if the full entitlement under this program was appropriated, the maximum amount which all cities and towns are entitled to receive under this section was deducted from the sum appropriated for operations aid.

Like other aid categories, FY 1995 was the last year for which this category of aid was calculated and used as a distribution method under the statutory formula and reference year. Unlike most other aid categories; however, Conventional Public Housing Aid did receive an increase for FY 1996. The \$2.3 million increase funded the inclusion of the North Kingstown Traveler's Aid housing project and reversed a negative adjustment to the FY 1995 allocation. FY 1997 aid was frozen at the FY 1996 level of \$12.7 million. Under the state's current education funding plan, that \$12.7 million is now reflected for each community as part of a base entitlement to which new appropriations are added.

Funding. The FY 1993 mandate for full funding of this program significantly increased expenditures. The state required that full funding of this program be at the expense of operations aid funding, if necessary. The following graph shows that increase and compares it to a relative leveling off of funding for operations aid.



Distressed District Fund

Statute(s). §16-7-20.4

Description. The 1993 Assembly appropriated \$1,672,310 from general revenues for a Distressed District Fund for FY 1994. The funds were distributed according to those communities that were eligible for the FY 1992 retirement deferral option, and whose total reimbursable education expenditures declined between FY 1991 and FY 1992. Three communities, Pawtucket, West Warwick, and Woonsocket, received the aid. The appropriation increased slightly to \$1,686,428 for FY 1995 and remained at that level through FY 1997. Under the state's education funding plan prior to implementation of the funding formula, that level was reflected for those three communities as part of a base entitlement to which new appropriations were added.

Funding. The FY 1994 appropriation was \$1.7 million. In FY 1995, the General Assembly continued the use of the Distressed District Fund, appropriating \$1.7 million in aid to the three districts. FY 1996 and FY 1997 repeated the \$1.7 million from FY 1995.

Special/Limited Appropriations

Along with all of the recurring aid categories, a number of one-time aid programs to accommodate specific areas of concern, or to provide hold harmless funds, were used through FY 1994. For simplicity, these special or limited appropriations are combined for display in the table on page 8. The paragraphs that follow discuss the specific appropriations.

Special Education Equity Fund (FY 1993 and FY 1994). The Special Education Equity Fund was a one-time sum paid to certain school districts in FY 1993 and FY 1994. This sum represented the difference between the final enacted distribution method for special education excess aid and the Governor's original proposal to distribute these funds based on the operations aid formula's share ratios. The proposal reflected an attempt to wealth-equalize the distribution of the special education excess fund. Fourteen communities benefited from the provision for a total of \$4.7 million in FY 1993 and \$5.0 million in FY 1994.

Hold Harmless Provision (FY 1993). The Hold Harmless Provision was a one-time payment of \$158,130 to certain school districts. This represented the difference between total aid based on the Governor's FY 1993 budget proposal and the FY 1993 aid enacted by the General Assembly. Approximately 15 school districts benefited by this hold harmless provision, requiring an additional \$158,130 in general revenues.

School Improvement Equity Delay (FY 1994). The School Improvement Equity Delay was a one-time sum paid to certain school districts in FY 1994. This equity delay represented the difference between the current distribution method for the state's contribution to Teacher Retirement and the Governor's proposal to distribute these funds based on the operations aid formula's share ratios. Four school districts were required to use half of these funds in FY 1994 for school improvement activities, although all districts were encouraged to begin similar efforts. Fourteen communities benefited from this school improvement equity delay in FY 1994 for a total of \$5.25 million.

Technology Set-Aside (FY 1994). The Technology Set-Aside Fund was a one-time sum paid to certain districts to further develop their technology resources. The Department of Elementary and Secondary Education used funds representing the difference between the current method of distributing the state's contribution to Teacher Retirement and the Governor's FY 1994 proposed distribution of funding. A total of \$1.1 million was budgeted for this one-time set aside.

Census - Hold Harmless (FY 1994). In the FY 1994 Appropriations Act, the Rhode Island General Assembly budgeted an additional \$6.0 million in FY 1994 for school aid, conditional on additional general revenue receipts due to federal income tax changes. The revenue was determined to be available in FY 1994 and was included in FY 1994 expenditures. The funds were distributed through two categories of hold harmless transition aid: the Census and Federal hold harmless transition aid categories.

The General Assembly budgeted \$2.9 million in the census transition aid category to assist those communities that lost state aid due to formula changes using the 1990 median family income for the first time in the education aid calculation. (Previous calculations used 1980 median family income data). The federal transition aid category budgeted \$3.1 million to be distributed to communities that still would have received less education aid in FY 1994 than in FY 1993. The \$6.0 million was distributed between January and June 1994.

Education Improvement Fund (FY 1985 through FY 1988). The Education Improvement Funds were distributed in fiscal years 1985 through 1988. After an initial funding level in FY 1985 of \$264,378, the allocation was increased to approximately \$2.0 million over the next three years. The allocation was based on one-half of one percent of expenditures reported by school districts based on a two-year reference and was distributed based on operations aid. The fund was designed to address deficiencies reported as a result of the Basic Education Program evaluations, such as facilities related problems.

Block Grants (FY 1989 and FY 1990). In FY 1989, the Education Improvement Fund (EIF) was replaced by block grants, a portion of which was targeted to the same purpose as the EIF. Under block granting, the amount of the state allocation was determined by the difference between an average 50 percent state funding in operations aid and additional state funding in the transition to 60 percent state support. Once the allocation was determined, the funds were apportioned based on operations aid. In addition to the EIF purposes, the block grant funds were targeted to purposes such as pre-school programs, parent training and full day kindergartens. Funding for the block grants totaled \$4.6 million in FY 1989 and \$4.4 million in FY 1990.

Literacy Excellence (FY 1988 and FY 1989). The Rhode Island Literacy and Dropout Prevention Act was passed in 1987 and targeted early childhood reading, writing, speaking, listening and mathematics instruction, and dropout prevention. The Literacy Excellence Fund was allocated at \$1.0 million in FY 1988 and FY 1989. The Literacy Excellence funds were distributed based on total education aid. It was replaced by the literacy set-aside, based on operations aid, in subsequent years.

Vocational Education Tuition Reduction (FY 1988 and FY 1989). In FY 1988 and FY 1989, \$500,000 and \$800,000, respectively was allocated to help offset tuition charged to local school districts for sending students to the regional area vocational-technical centers. The money was distributed based on the number of students sent by each district to each center, and used directly to lower tuition costs.

Textbook Fund (FY 1987 and FY 1988). The Assembly allocated funds specifically for use in purchasing textbooks. This aid was distributed based on student counts and totaled \$1.0 million in FY 1987 and \$2.0 million in FY 1988.

State Support for Local School Operations

Statute(s). §16-7-20; §16-7.1-7; §16-7.1-10; §16-7.2-3 through §16-7.2-10

Description. State Support for Local School Operations is the base operations aid for general state support that served as the foundation for all aid increases between FY 1997 and FY 2011. The composition and distribution of this base is equivalent to the final funding for FY 1997 under the old categorical aid programs the state had used over the past decade. A detailed history of each of these categories and its share of this base is contained in the first section of this report.

This category was increased for FY 2000 by \$3.9 million to adjust the aid distribution to reflect minimum and maximum increases over FY 1999. Specifically, no community would receive less than a 3.5 percent or greater than a 13.5 percent increase over total aid enacted in FY 1999. Also, each community with a tax equity index of less than one, signifying that its tax effort exceeds its tax capacity, received a minimum increase of 6.75 percent over FY 1999. The minimum increases for FY 2001 were 5.0 and 7.5 percent, and for FY 2002 they were 3.5 and 7.0 percent.

The tax equity index is used in calculation and distribution of the Core Instruction Equity, Targeted Aid, and Full Day Kindergarten funds. This tool is used to promote equity in education aid funding because it measures a community's effort and capacity to raise local resources to finance education relative to the state's other communities. It is calculated by measuring the actual municipal tax yield, tax effort, against a hypothetical yield on the same property value at the state average tax rate, tax capacity.

If a community were taxing its property at the statewide average, then it would have a tax equity index of one. Those communities that were taxing property at greater than the average would have an index of less than one. Conversely, those taxing at less than the average would have an index of more than one. Of the state's thirty-nine cities and towns, eleven communities have an index of less than one, based on reference year data for FY 2001. A more detailed discussion of the tax equity index and sample calculations appears in the "Recurring Funding Issues" section of this report.

It should be noted that communities were required to continue using the same literacy set-aside allocation required under the old operations aid formula. With the passage of Article 31 in 1997, the FY 1998 literacy set-aside amount was again equal to the FY 1996 calculation. However, the 1998 Assembly amended the new Student Equity and Early Childhood investment funds to require that three percent of the appropriations for these funds be added to the literacy set-aside base for FY 1998 and beyond. Therefore, growth in literacy set aside funding is achieved by adding funding to the Early Childhood and Student Equity categories.

Beginning with FY 2012, the education funding formula adopted by the 2010 Assembly distributes aid to all districts, charter schools and the state schools: Davies Career and Technical School and the Metropolitan Career and Technical School. It is based on the

principle that the money follows the student and includes a core instruction amount per pupil that every student will receive, a single poverty weight as a proxy for student supports, and a new state share ratio that considers the district’s ability to generate revenues and its poverty concentration. There is no minimum share in the formula.

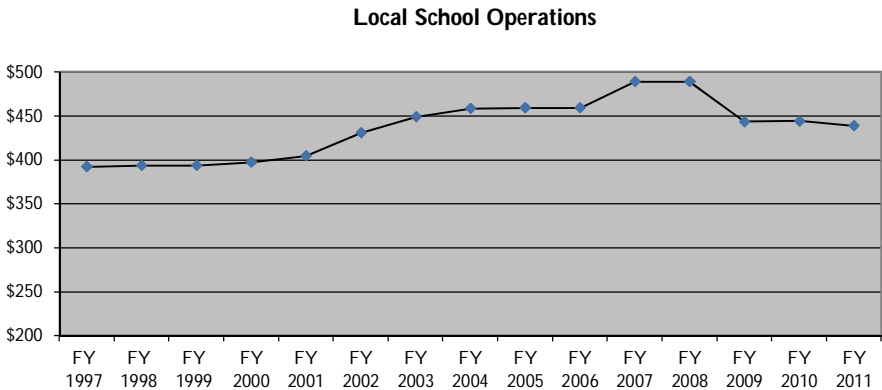
The funding plan also allows for additional support from the state to districts for high-cost special education students, career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. Group home aid is paid in addition to aid paid through the new funding formula.

There is a redistribution of aid among communities with some getting less aid than prior years. In an effort to mitigate any losses to communities, the formula will be phased in over a ten-year period.

The funding formula calculation for FY 2014 uses March 14, 2013 student enrollment data adjusted for charter school lottery selections, a per pupil core instruction amount of \$8,897 and share ratio variables updated with June 30, 2012 data. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years. Districts will be billed quarterly for students attending charter and state schools.

Funding. The FY 2014 budget includes \$651.9 million for formula aid to locally operated school districts excluding Central Falls. This is \$24.2 million or 3.9 percent more than enacted. This reflects the third year of the funding formula

The following chart shows funding from FY 1997 through FY 2011.



Permanent School Fund

Statute(s). §16-4; 2008 PL Chapter 13

Description. This fund is from duties paid to the state by auctioneers and is to be used for the promotion and support of public education. The 2008 Assembly enacted legislation that became law on May 6, 2008 that allows the operation of video lottery games on a twenty-four hour basis on weekends and federally recognized holidays at the Twin River and Newport Grand facilities. That legislation mandates that the additional revenue accruing to the state as the direct result of the additional hours, up to \$14.1 million by June 30, 2009, be allocated as aid to local education authorities as determined by the General Assembly for FY 2009.

Funding. The 2008 Assembly enacted legislation that required the Department of Elementary and Secondary Education to monthly allocate to each school district all funds received into the Permanent School Fund, up to \$14.1 million, in the same proportion as the general revenue aid distribution. The FY 2009 budget assumes that \$13.6 million will be distributed to districts from this fund. This estimate is lower than the \$14.1 million limit, based on Newport Grand's decision not to change its hours of operation. It also includes estimated revenues from May 2008 through June 2009. Funding to communities could be higher or lower, up to \$14.1 million, based on the actual revenues generated.

The 2008 Assembly also provided \$562,813 from the Permanent School Fund for Central Falls for FY 2008, which reflected the unreserved balance at the end of FY 2008. The FY 2009 final budget assumed that \$7.3 million would be distributed for December 2008 through June 2009 and reduced operating aid by approximately one-half that amount.

The FY 2010 budget did not include this funding, as the law expired on June 30, 2009. The Department of Administration administratively extended the overnight hours; the 2009 Assembly did not adopt legislation to direct those proceeds to the Permanent School Fund.

Title I

Statute(s). American Recovery and Reinvestment Act of 2009 (ARRA; P.L. 111-5)

Description. On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009. It included additional relief to local schools through Title I programs. Funding was to help school districts mitigate the effects of reductions in local revenues and state support. Funding was distributed through the existing formula, which flows through the Department of Elementary and Secondary Education. The formulas are based on census poverty estimates and per pupil expenditures for each state. Distribution formulae for these grants are weighted so that local education agencies with higher percentages of poor children receive more funds.

Funding. The Stimulus Act provided a total of \$45.1 million from FY 2010 through FY 2012 distributed through the Title I funding streams.

Special Education

Statute(s). American Recovery and Reinvestment Act of 2009 (ARRA; P.L. 111-5)

Description. On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009. It included additional relief to local schools for special education through the Individuals with Disabilities Education Act. Funds were distributed to local education agencies by formula driven subgrants. A state was eligible to receive this funding if it submits a state plan with assurances that it has policies to provide a free and appropriate public education to children with disabilities between the ages of 3 and 21. Funding was distributed through the existing formula, which flows through the Department of Elementary and Secondary Education.

Funding. The Stimulus Act provided a total of \$45.7 million for students with disabilities through three formula-funding streams from FY 2010 through FY 2012.

Central Falls School District

Statute(s). §16-1-12

Description. The Central Falls School district was reorganized as of July 1, 1991 under the authority of Section 16-1-12 of the Rhode Island General Laws and continues as a state operated school district today. The City of Central Falls was adjudged to be unable to meet its contractual, legal and regulatory obligations without increased funding, which it could not afford because its tax base had sustained little or no growth over several years prior to 1991.

The district was placed under complete control of the Department of Elementary and Secondary Education in FY 1993, and the state became responsible for 100 percent of the education costs for the district. Prior to July 1, 2003, there was a state administrator for the Central Falls School System who was responsible for the management, care and control of the Central Falls School System. The Special Administrator reported to the Commissioner of Education. On July 1, 2003, the state administrator governance structure was replaced with a seven member Board of Trustees. The district represents the state's poorest community and has a disproportionate number of special education students.

Because of this unique situation, operations aid for the district was programmed in the budget of the Department of Elementary and Secondary Education, while distributions from special aid categories were reflected in the state aid appropriation line. This changed for FY 1999 when language was added in Article 31 to restrict the investment funds to "locally or regionally operated" school districts.

The state has full responsibility for funding Central Falls, thus inclusion in those investment fund distributions was discontinued. The investment fund and operations aid totals shown in the summary tables from FY 1998 have been adjusted accordingly for comparability with FY 1999 and FY 2000.

Beginning with FY 2012, Central Falls is funded pursuant to the funding formula. The legislation requires the city to contribute to its education budget. It includes a transition fund to stabilize the Central Falls School District until the city can begin paying its local share. Because the transition funds are paid upon verification that the city has paid its share of the local contribution and the budget assumes that Central Falls will be unable to contribute any funds towards education for FY 2014, the Budget does not include any funds for the state's transition payment nor does it assume a local contribution will be made.

The 2012 Assembly adopted legislation that clarifies the method for calculating the amount to put into the fund and requires that the fund be supported through a reallocation of current resources to the school district and that the state does not have to provide new funding. The Assembly also added language that states the fund shall be annually reviewed to determine the amount of the state and city shares. It also adopted

language to give the Commissioner of Elementary and Secondary Education the authority to exercise control and management over the district whenever he or she deems it necessary.

The 2013 Assembly enacted legislation in order to address the impact of a court decision that the schools are not part of the city which affected the district's ability to borrow and/or refund school construction bonds.

Funding. Funding for Central Falls increased dramatically over the past two decades. As shown in the graph at the end of this section, state support nearly doubled from FY 1991 to FY 1993 upon the takeover. Since FY 1993, aid has more than doubled again.

The 2003 Assembly provided \$35.6 million for FY 2004, which was a 3.5 percent, or \$1.2 million increase over funds enacted for FY 2003. The 2004 Assembly enacted \$36.0 million for FY 2005, or 1.0 percent above FY 2004. Because the state has assumed responsibility for 100 percent of the school district's funding, aid for Central Falls is not distributed through specific aid categories, with the exception of charter school aid.

The 2005 Assembly provided \$41.2 million for FY 2006, a 14.6 percent increase over FY 2005 enacted funding. The relatively large increase was necessary to partially offset a structural deficit. The District had been using prior years' surplus funds to supplement operating budget shortfalls in the past few years. It ended FY 2002 with a \$3.0 million surplus primarily from overestimating a few major expenses including teacher salary increases. The District used \$0.5 million in FY 2003, \$1.5 million in FY 2004 and the remaining \$0.9 million in FY 2005.

The 2006 Assembly provided \$43.3 million for FY 2007, a 4.8 percent or \$2.0 million increase over FY 2006 enacted funding. The 2007 Assembly provided an additional \$0.6 million for FY 2007 bringing the total to \$43.9 million, and continued this level of funding for FY 2008.

The 2008 Assembly provided an additional \$562,813 from the Permanent School Fund as part of the revised FY 2008 budget, which reflected the unreserved balance at the end of FY 2008. Consistent with its treatment of all districts, the 2008 Assembly provided \$43.9 million; the FY 2008 enacted level, for FY 2009. The 2009 Assembly reduced FY 2009 final aid by the estimated savings to Central Falls from adopted pension changes, the value of approximately one-half of the estimated distributions from the Permanent School Fund from December 2008 through June 2009, and used \$2.1 million from fiscal stabilization funds in lieu of a like amount from general revenues.

The 2009 Assembly provided \$46.1 million in support for the state operated Central Falls School District for FY 2010. This is \$1.6 million or 3.0 percent more, adjusted for pension savings, than the final FY 2009 allocation. This includes \$42.5 million from general revenues, \$2.2 million from federal fiscal stabilization funds, \$0.5 million

from special education stimulus funds and \$1.0 million from Title I stimulus funds. The 2010 Assembly reduced FY 2010 final aid by the estimated savings to Central Falls from adopted pension changes and by 2.8 percent consistent with treatment of other districts.

The 2010 Assembly provided \$42.8 million for FY 2011. This is \$0.3 million less than the FY 2010 allocation. This includes \$41.8 million from general revenues and \$1.0 million from federal fiscal stabilization funds. It includes a 3.8 percent reduction from general revenues as well as savings from adopted pension changes.

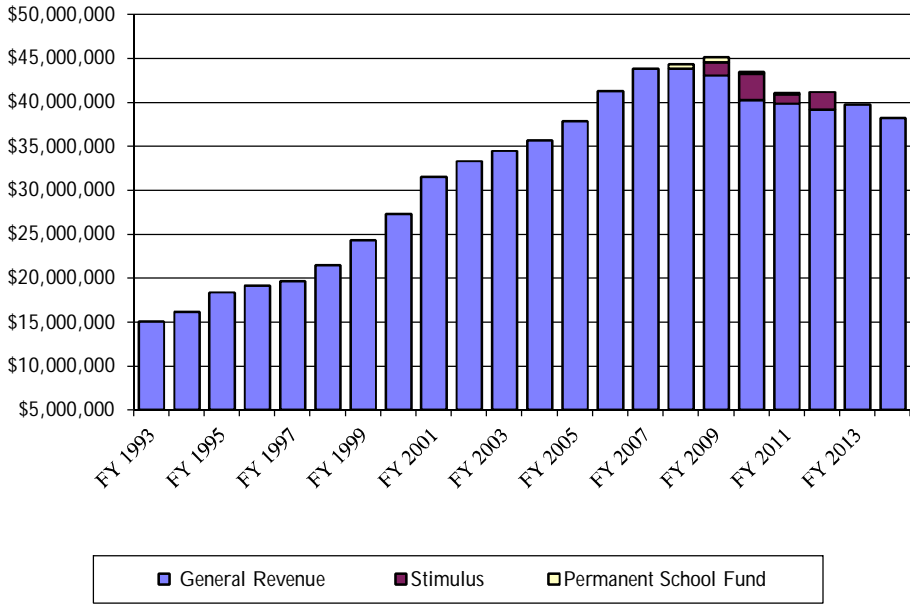
The 2011 Assembly provided \$41.1 million for formula aid for the Central Falls School District. This is \$1.7 million or 4.0 percent less than FY 2011 enacted aid and includes use of \$2.0 million from federal education jobs funds that Central Falls will receive for use in FY 2011 and FY 2012 in lieu of general revenues.

The FY 2013 budget includes \$39.7 million for formula aid for the Central Falls School District. This is \$1.4 million or 3.5 percent less than FY 2012 enacted aid.

The FY 2014 Budget includes \$38.4 million for formula aid for the Central Falls School District. This is \$1.3 million or 3.3 percent less than FY 2013 enacted aid.

General revenue support is shown in the blue columns in the following table. Stimulus funding is shown in purple. Distributions from the Permanent School fund are shown in yellow.

State Support for Central Falls School District FY 1993-FY 2014



Metropolitan Career and Technical Center

Statute(s). §16-45

Description. The Metropolitan Career and Technical School is intended to be an innovative education facility with one main school and several small locations in the City of Providence. In 1994, the voters approved a \$29.0 million general obligation bond capital project to site a state funded vocational school in Providence. In FY 1997, the first 50 students were housed in the state-owned Shepard Building while permanent locations were developed.

The Dexter/Peace Street facility was completed in 1999 and the main campus opened in 2002. The main campus includes four facilities each having eight classes; two for each grade 9 through 12, and 15 students per class. The five facilities include the four buildings on the main campus and the Peace Street facility built in 1999. The Shepard building was previously one of the campuses, but it closed during FY 2008. The other Providence campuses absorbed those students, net the 30 that graduated, and reduced the number of incoming freshman for FY 2009 to offset the transfer of the students from the Shepard building.

The 2006 Assembly provided \$1.0 million for a new East Bay Met School campus, which opened in FY 2007 with 30 students. For FY 2013 the East Bay Campus will have 120 students. Enrollment at the East Bay Campus was frozen at 90 students because of budgetary constraints for FY 2010 and FY 2011. The chart below shows enrollment at the various campuses for FY 2003 through FY 2014.

	Peace Shepard	Peace Street	Main Campus 1	Main Campus 2	Main Campus 3	Main Campus 4	East Bay Campus	Total Students
FY 2003	51	50	57	57	57	58	-	330
FY 2004	58	73	86	71	86	71	-	445
FY 2005	90	104	101	88	87	104	-	574
FY 2006	120	120	120	120	105	120	-	705
FY 2007	120	120	120	120	120	120	30	750
FY 2008	120	120	120	120	120	120	60	780
FY 2009	-	120	120	120	120	120	90	690
FY 2010	-	120	120	120	120	120	90	690
FY 2011	-	120	120	120	120	120	90	690
FY 2012	-	120	128	128	144	144	120	784
FY 2013	-	120	144	144	160	144	120	832
FY 2014	-	120	144	144	160	144	120	832

Enabling legislation for the Met School, which is considered a vocational technical school, is found in Chapter 16-45 of the General Laws. The Met School uses the state purchasing system, through the Department of Elementary and Secondary Education, like the School for the Deaf and the Davies Career and Technical School, which are also state schools. However, payroll and budgeting are through a private accounting

system, similar to if the school were a separate school district. The school's employees are not state employees, and the appropriation is handled much like Central Falls, with a lump sum allocation. The Board of Education reviews and forwards the Met School's budget request to the Governor for consideration.

Funding. Prior to FY 2012, the Met School was fully state supported. Beginning in FY 2012, the Met School is funded pursuant to the education funding formula. It is funded like other districts with the state share being that of the sending district for each student plus the local contribution being the local per pupil cost of each sending district, which must pay that to the School. The estimated local contribution is \$4.6 million once the formula is fully phased in. Tables at the end of this report include estimated enrollment by sending district for FY 2014.

The FY 2014 Budget includes \$11.1 million for formula aid for the Metropolitan Career and Technical School. This is \$0.6 million or 4.8 percent less than the FY 2013 enacted level.

The FY 2013 budget included \$11.6 million for formula aid for the Metropolitan Career and Technical School. This is \$0.6 million or 4.8 percent less than the FY 2012 enacted level.

The FY 2012 budget included \$12.2 million for formula aid for the Metropolitan Career and Technical School. This was \$0.8 million or 6.1 percent less than the FY 2011 enacted level and included use of \$0.6 million from federal education jobs funds that the Met School received for use in FY 2011 and FY 2012 in lieu of general revenues.

The 2010 Assembly provided \$13.0 million from all funds for the operation of the Metropolitan Career and Technical School for FY 2011. This was \$0.5 million or 4.1 percent over the final FY 2010 level and assumed full enrollment at the Providence campuses and frozen enrollment at 90 students at the School's new East Bay campus. The budget included \$12.6 million from general revenues and \$0.4 million from federal fiscal stabilization funds.

The 2009 Assembly provided \$13.0 million from all funds for the operation of the Metropolitan Career and Technical School. This was \$1.2 million or 10.1 percent over the final FY 2009 level and assumed full enrollment at the Providence campuses and frozen enrollment at 90 students at the School's new East Bay campus. The budget included \$12.2 million from general revenues, \$0.6 million from federal fiscal stabilization funds, \$66,889 from special education stimulus funds and \$0.2 million from Title I stimulus funds.

The 2008 Assembly provided \$11.6 million from general revenues for the operation of the Metropolitan Career and Technical School for FY 2009. This was \$0.1 million over the enacted level. It reflected 30 additional students for the third class at the Met

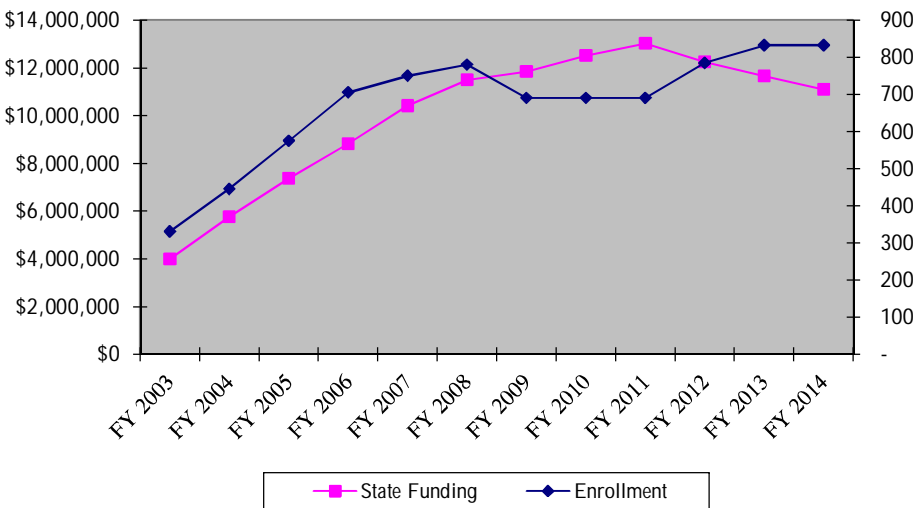
School's new East Bay campus offset by the closure of the Met School's Shepard location.

The 2008 Assembly also provided \$1.1 million from Rhode Island Capital Plan funds for FY 2009, \$5.0 million for FY 2010 and \$4.0 million for FY 2011 for a new capital project to renovate and add new space to the Florence Gray Community Center in Newport to accommodate the growing student enrollment at the Met School's East Bay Campus.

The 2007 Assembly included \$11.5 million from general revenues for the Metropolitan Career and Technical School for FY 2008. This is \$1.1 million or 10.4 percent over the enacted level of \$10.4 million to support the second year of the East Bay Met School.

The 2006 Assembly provided \$1.0 million to support the opening of an East Bay Met School for the 2006-2007 school year. The school opened with 30 students in the ninth grade and added 30 students in FY 2008, FY 2009 and FY 2012 when full enrollment of 120 students was reached.

The Assembly appropriated \$0.4 million to support the first class of 50 students in FY 1997 and increased funding annually to expand enrollment by adding classes of about 55 students. Because of delays in completing the additional facilities, FY 2001 and FY 2002 funding did not provide for additional students. General revenues to support debt service on the bonds are appropriated as needed and budgeted in the Department of Administration budget. Those expenses, as well as any support for capital projects through Rhode Island Capital Plan funds do not appear in published summary tables, which reflect only the operating aid.



Davies Career and Technical Center

Statute(s). §16-45

Description. The General Assembly mandated that there shall be a regional vocational school in the Blackstone Valley Area to serve the inhabitants of the greater Providence area (Rhode Island General Law, Section 16-45-4). William M. Davies, Jr. Career and Technical High School, located in Lincoln Rhode Island, serves students from Central Falls, Lincoln, North Providence, Pawtucket, Providence and Smithfield. Davies is governed by an autonomous, business-led Board of Trustees. With the exception of the powers and duties reserved by the Director, Commissioner of Elementary and Secondary Education, and Board of Education, the Board of Trustees has the powers and duties of a school committee. Prior to the implementation of the funding formula for FY 2012, sending districts did not pay tuition, only the costs of student transportation.

Davies is a four-year high school that provides both academic and career-focused studies. Students apply for admission to Davies, which is based upon grades, behavior, attendance, interest and an interview. The fully accredited academic program includes 4 years of math, English and science and 3 years of social studies to prepare students for further education and/or employment. After a ninth grade exploratory experience, students choose career and technical training in information technology, auto technology, business, cosmetology, electrical, electronics, graphic arts/printing, health careers, hospitality careers, machine technology and construction/woodworking.

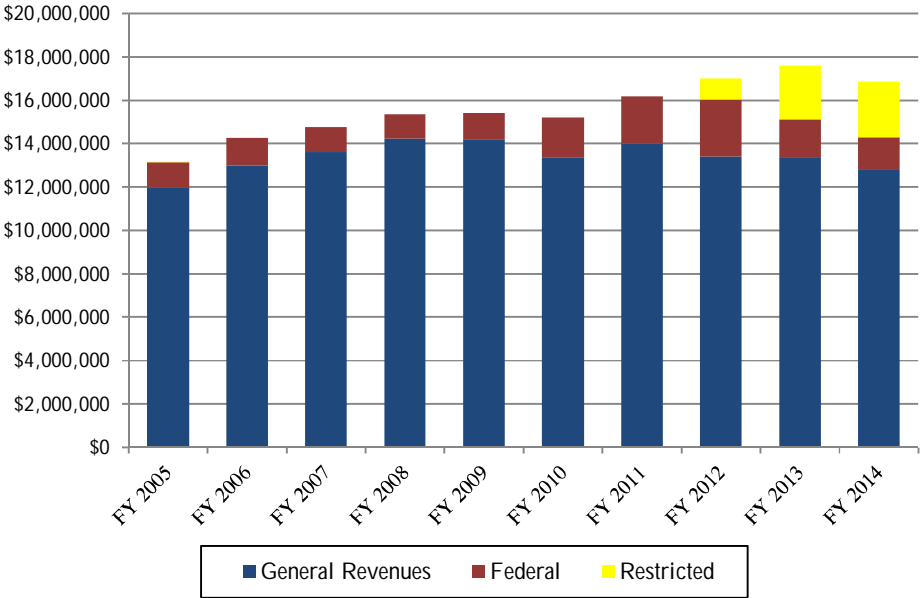
Beginning in FY 2012, Davies is funded pursuant to the funding formula. It receives an amount from the state based on the share ratio of the sending district and the local community will be responsible for paying its local share. The Department estimates that Davies will lose approximately \$5.0 million after the ten-year transition period. It indicates that the school may have to institute program redesign, program downsizing, program elimination or enrollment reductions due to the loss of funding under the funding formula.

Davies enrollment has grown from 757 students in FY 2000 to 841 students in FY 2013. The 2004 Assembly added \$815,000 to increase the school's capacity by 60 students. It further provided legislation to allow for 40 of those students to come from the City of Providence, which did not previously send students to Davies.

Funding. The FY 2014 Budget includes \$12.8 million from general revenues for formula aid to support the Davies Career and Technical School. This is \$0.6 million or 4.4 percent less than the FY 2013 enacted level and includes \$0.1 million to represent the state's 40.0 percent share of teacher retirement costs. Prior to FY 2012, Davies was fully state supported. Davies is funded like other districts with the state share being that of the sending district for each student plus the local contribution being the local per pupil cost of each sending district, which must pay that to the School.

The local share for FY 2014 is estimated at \$2.6 million and is shown in the school's budget as restricted receipt expenditures. Davies' operating budget will continue to be submitted as part of the Department's budget and Davies' employees are still state employees. Tables at the end of this report include estimated enrollment by sending district for FY 2014.

The table below shows operating support for the Davies for FY 2005 through the FY 2014 enacted budget.



Targeted Aid

Statute(s). §16-7.1-10

Description. The Targeted Aid fund was introduced by the 1998 Assembly to provide funds to locally or regionally operated districts in which tax effort exceeds tax capacity and at least 40.0 percent of the K-3 students are eligible for free or reduced lunches. Districts could use targeted funds providing new or expanded programs for early childhood education, helping improve instruction to meet high standards and reducing class size at the elementary level.

These funds also supported after school programming for middle schools, junior and senior high schools; Child Opportunity Zones called COZs; teacher mentoring; curriculum revision to meet new standards; school and district intervention; or other programs which the Commissioner believes will result in increased student performance. The General Laws had allowed the Commissioner to require a district to reserve up to 5.0 percent of its allocation from this fund for intervention remedies. The 2002 Assembly amended that statutory language to provide that such reserved funds shall only be spent with the prior approval of the Commissioner.

Historically, East Providence, Providence, Pawtucket, West Warwick and Woonsocket qualified for distributions under this category of aid. For FY 2002 and FY 2003 the percent of K-3 students eligible for free and reduced price lunches in East Providence dropped below 40.0 percent making this district currently ineligible to receive funds from this category of aid.

Funding. The Assembly appropriated \$8.0 million for the Targeted Aid investment category each year from FY 1999 through FY 2002. That increased to \$10.0 million for FY 2003 and to \$20.0 million for FY 2004 through FY 2011. Those budgets froze the distribution to each community at the FY 2006 level and did not reflect the update of relevant data. The 2011 Assembly discontinued distributions from the Targeted Aid fund for FY 2012 with the implementation of the education funding formula enacted by the 2010 Assembly.

Core Instruction Equity Fund

Statute(s). §16-7.1-10

Description. The Core Instruction Equity fund was established to improve the capacity of cities and towns to support the core instruction activities that are the basis of daily teaching and learning in all classrooms and reduce inequities in resource distribution. The enabling statute noted that communities primarily rely on local property taxes to finance education programs, and that the state's highest effective property tax rates are concentrated in the state's urban communities. Therefore, certain communities, because of low tax capacity and high tax effort, are unable to appropriate sufficient funds for the support of core instructional programs.

The formula determined the statewide median per pupil instructional cost and the statewide property tax yield. These were compared to the median per pupil instructional costs and tax yields for each community. Communities with a gap in instruction costs and a tax effort well above the statewide median were eligible for this fund. Providence, Pawtucket and Woonsocket have qualified in FY 1998 through FY 2002 for distributions from this category of aid.

The 2002 Assembly amended the formula used to distribute these funds. The amended language allowed for inclusion of previously eligible communities that may have been eliminated upon the update of relevant data. There was also a statutory change that requires that 10 percent of funds from the category be used to increase student and school performance in a manner that has the prior approval of the Commissioner of Elementary and Secondary Education.

Funding. The 2003 Assembly discontinued distributions from the Core Instruction Equity Fund for FY 2004. Communities with a gap in instruction costs and a tax effort well above the statewide median are eligible for this fund. Since the inception of this fund, these instructional gaps have successfully been narrowed. FY 2003 funding for the Core Instruction Equity Fund was \$30.2 million, which is \$0.2 million more than the FY 2002 and FY 2001 levels. For FY 2001, funding in this category increased from \$22.6 million to \$30.0 million. From FY 1998 through FY 2003 funding in this category increased threefold.

Student Equity Investment Fund

Statute(s). §16-7.1-8

Description. The Student Equity Investment Fund was established to close gaps in student performance in mathematics, reading and writing by targeting students in greatest need of additional educational services. The funds were based on each district's proportion of children eligible for USDA reimbursable school meals relative to the total number of such students statewide.

No distinction was made between students eligible for free lunches and those eligible for reduced price lunches. This is the same distribution method that had been used for the Poverty/Equity fund under the old categorical formulas. The 1998 Assembly amended the new Student Equity and Early Childhood Investment funds to require that three percent of the appropriations for these funds be added to the literacy set-aside base.

Funding. The 2011 Assembly discontinued distributions from the Student Equity Investment Fund for FY 2012 with the implementation of the education funding formula enacted by the 2010 Assembly. FY 2011 funding for the Student Equity Fund was \$73.8 million. This was \$10.0 million more than the FY 2003 through FY 2005 funding of \$63.8 million and the same as the FY 2006 through FY 2010 enacted levels. Those budgets froze the distribution to each community at the FY 2006 level and did not reflect the update of relevant data. FY 2003 through FY 2005 funding was \$0.1 million more than the FY 2002 level, which was unchanged from FY 2001. For FY 2001, the Assembly appropriated \$63.7 million for the Student Equity Fund, a \$20.2 million increase over FY 2000. The initial investment in FY 1998 was \$8.6 million.

Professional Development Investment Fund

Statute(s). §16-7.1-10

Description. The Professional Development Investment Fund provided for continued skill development for Rhode Island's teachers and staff. The expenditure of these funds was to be determined by a committee at each school consisting of the school principal, two teachers selected by the teaching staff of the school and two parents of students attending the school. Collaborative programs among schools were encouraged. These resources were used to close student performance gaps in accordance with the school and district's strategic plans.

Distribution of these resources was based on a district's pupil-teacher ratio. Rather than award funds based on staffing levels, the formula used an ideal ratio of 17 students per teacher. For FY 2000, language was added to the enabling statute to require that \$555,000, or 14.3 percent of the distribution from this fund, be retained by the Department of Elementary and Secondary Education to support teacher professional development in all districts through a number of specified programs. That language was amended to eliminate the specific dollar amount and percentage and allow for some funds to be set aside for those programs.

Funding. Consistent with its action in the FY 2009 final budget, the 2009 Assembly eliminated the distributed portion of the Professional Development Investment fund for FY 2010. The FY 2009 enacted budget had included \$5.8 million.

The enabling statute included language allowing for an additional appropriation to be made to support teacher professional development in all districts through a number of specified programs. As part of the FY 2010 budget, the Governor had proposed allocating \$995,000 for Department programming, \$500,000 more than the enacted level. The additional funding was for the Department to develop and implement a new statewide performance management system for educators. The summary table at the beginning of this report displays the distributed funds and the set aside funds separately. The 2009 Assembly eliminated this indirect funding as well.

FY 2009 enacted funding by the 2008 Assembly was \$6.3 million, of which \$495,000 was the set aside. The 2008 Assembly reduced the set aside amount by \$175,000. This reflects a \$100,000 reduction as well as a shift of \$75,000 to the Department's budget to backfill unavailable federal funds for a position dedicated to English language learners. Consistent with the Governor's recommendation, the 2009 Assembly eliminated the distributed portion of professional development funds for FY 2009 for savings of \$5.8 million.

FY 2008 funding was \$6.5 million, which was equal to the appropriation for FY 2007, of which \$670,000 was the set aside. Funding was added for FY 2007 for the Physics First program and to provide professional development in mathematics and science.

The FY 2006 appropriation was \$5.9 million, consistent with FY 2003 through FY 2005 funding. The 2005 Assembly amended statutory language to provide that funds shall only be spent with the prior approval of the Commissioner. For FY 2000 through FY 2002, the Assembly appropriated a total of \$3.9 million, of which \$0.6 million was set aside. The initial investment for FY 1998 was \$0.8 million. Beginning in FY 2002, the tables showing fund distributions were adjusted to reflect the set aside from this fund separately. Tables from preceding years have been adjusted accordingly for comparability. Expenditures were \$251,300 in FY 2000, \$544,251 in FY 2001 and \$479,290 in FY 2002. Each year, remaining funds lapsed to surplus. The FY 2007 through FY 2009 budgets froze the distribution to each community at the FY 2006 level and did not reflect the update of relevant data.

Early Childhood Investment Fund

Statute(s). §16-7.1-11

Description. The Early Childhood Investment fund provided support for schools and teaching staff for kindergarten through third grade to begin improving student performance. These funds were also be used for early childhood pilot programs, including Child Opportunity Zones called COZs, that combine and/or leverage other sources of funds and that focus on beginning to improve student performance through developmentally appropriate early childhood education and integrated social and health service support. Districts were encouraged to give funding emphasis to programs in schools serving concentrations of at-risk students and integrated with programs for special needs students. Full day kindergarten programs were also funded.

These resources were used in conjunction with literacy set-aside funds and were distributed based on the student population in these grades for each district. The 1998 Assembly amended the Student Equity and Early Childhood Investment funds to require that three percent of the appropriations for these funds be added to the literacy set-aside base.

Funding. The 2011 Assembly discontinued distributions from the Early Childhood Investment fund for FY 2012 with the implementation of the education funding formula enacted by the 2010 Assembly. FY 2011 funding for the Early Childhood Investment Fund was \$6.8 million. This is the same as FY 2003 through FY 2010, \$0.3 million more than FY 2000 through FY 2002 levels and \$1.3 million more than FY 1999. The FY 1998 appropriation was \$3.5 million. The FY 2007 through FY 2011 budgets froze the distribution to each community at the FY 2006 level and did not reflect the update of relevant data.

Student Technology Investment Fund

Statute(s). §16-7.1-12

Description. The Student Technology Investment fund provided schools and teaching staff with up-to-date educational technology and training to help students meet the demands of the twenty-first century. The funds were used for curriculum development to improve teaching and learning; in-service professional development to support the effective use of technology in schools; and infrastructure requirements such as equipment, technology related instructional materials, software and networking of systems. These resources were used to close student performance gaps in accordance with district strategic plans.

School districts could use student technology funds to replace up to 35.0 percent of funds spent in technology related programs in the prior fiscal year. Distribution of this aid was based on a district's proportion of total student population; it was not wealth based.

Funding. The 2011 Assembly discontinued distributions from the Student Technology Investment Fund for FY 2012 with the implementation of the education funding formula enacted by the 2010 Assembly. For FY 2011, the Assembly appropriated \$3.4 million for Student Technology, the same level of funding as in FY 1999 through FY 2010. The FY 1998 appropriation was \$1.4 million. The FY 2007 through FY 2011 budgets froze the distribution to each community at the FY 2006 level and did not reflect the update of relevant data.

Student Language Assistance Investment Fund

Statute(s). §16-7.1-9

Description. The Student Language Assistance Investment Fund targeted state resources to assist students that require additional language educational services, and distribution is based on a district's proportion of Limited English Proficiency students. Student counts were expressed as full-time equivalents in accordance with Section 16-54-4 of the General Laws, under which the old Limited English Proficiency aid was distributed.

Funding. The 2011 Assembly discontinued distributions from the Student Language Assistance Investment fund for FY 2012 with the implementation of the education funding formula enacted by the 2010 Assembly. The Assembly appropriated \$31.7 million for Student Language Assistance for FY 2011. This is the same as FY 2004 through FY 2010, which was \$24.7 million more than the FY 2003 level of \$7.0 million. The significant increase in funds was available largely from funds formerly programmed for Core Instruction Equity. FY 2001 and FY 2002 funding was \$5.1 million and \$3.7 million more than FY 2000. The FY 2000 appropriation was \$2.0 million over the FY 1999 and FY 1998 levels of \$1.3 million. The FY 2007 though FY 2011 budgets froze the distribution to each community at the FY 2006 level and did not reflect the update of relevant data.

Charter Schools

Statute(s). §16-77.1-2

Description. Charter schools are public schools authorized by the state through the Board of Education to operate independently from many state and local district rules and regulations. Current law limits the statewide total to no more than 35 charters. At least half of the total charters shall be reserved for charter school applications designed to increase the educational opportunities for at-risk pupils. The 2005 Assembly removed the cap on the number of charter schools per community but kept the statewide cap that had been 20. Previously, no more than two charters could be granted in a single school district, except if a district had more than 20,000 students, then four charters could be granted.

The 2010 Assembly increased the statewide total to no more than 35 charters; it had previously been no more than 20 charters serving no more than 4.0 percent of the state's school age population. At least half of the 35 total charters shall be reserved for charter school applications designed to increase the educational opportunities for at-risk pupils.

As of September 2013, there are 19 charter schools in ten communities. A list of each charter school and the host community is shown in the table below.

Charter School	Host Community
Achievement First Providence Mayoral Academy	Providence
Beacon	Woonsocket
Blackstone Academy	Pawtucket
Compass	South Kingstown
Greene School	West Greenwich
Highlander	Providence
International	Pawtucket
Kingston Hill	South Kingstown
Learning Community	Central Falls
New England Laborers Construction Career Academy	Cranston
Nowell Leadership Academy	Central Falls & Providence
Nurses Institute	Providence
Paul Cuffee	Providence
RI Mayoral Academies Democracy Prep	Cumberland & Lincoln
Segue Institute	Central Falls
Textron (Academy for Career Exploration)	Providence
Times 2	Providence
Trinity Academy	Providence
Village Green	Providence

The 1999 Assembly adopted legislation that changed funding for charter public schools. Charter public schools had formerly received operating support from the district in which they are located. This was equal to the per-pupil cost for the district multiplied by the school's share of the district's students. The new legislation was based on recommendations from a commission appointed to create a new funding plan.

This funding mechanism provided state funding equal to that per-pupil cost, reduced by the district's share ratio. The 2005 Assembly enacted a change in the calculation of charter school aid that set the minimum share ratio for each district at 30 percent.

The share ratio formula measured state and community wealth using two factors: the full value of local property and the median family income as determined by the most recent census. Property value is certified annually by the Department of Administration, Office of Municipal Affairs, based on local sales data and appraisals. The total assessed local property value of a community is adjusted for differences in local assessment rates to allow the reporting of figures comparable on a statewide basis, resulting in the Equalized Weighted Assessed Valuation (EWAV).

The valuations were then adjusted by the ratio that the community's median family income bore to the statewide median family income, as reported in the most recent federal census data. Use of both the property value and the median family income was an attempt to compensate for districts that have significant disparity between median family income and the full value of property.

There is also a statutory allowance for a mid-year aid adjustment if a school's October enrollment data in the current fiscal year shows a 10 percent or greater change from the prior October. The statute also allows for a ratable reduction in aid if the level of funding appropriated is not sufficient.

The 2005 Assembly extended the moratorium on final approvals of new charter schools, first enacted by the 2004 Assembly, through the 2007-2008 school year so new schools could open beginning in FY 2009. While the 2008 Assembly did not extend the moratorium, there was no funding in the FY 2009 budget for the opening of any new schools. The FY 2010 budget included \$1.5 million for the opening of a new charter school including mayoral academies.

Mayoral Academies. The 2008 Assembly revised the charter school statutes to allow for the creation of a new type of charter school, called a mayoral academy. These academies would have to go through the same approval process as other charter schools but would be exempt from teacher retirement and prevailing wage laws.

Employment Mandates. The Assembly did not adopt the Governor's proposed legislation to exempt charter schools that are chartered after July 1, 2009 and those subject to renewal after July 1, 2009 from having to follow the same employee provisions as other public schools. He proposed that these schools be exempt from prevailing wage and benefit provisions and from participation in the state teacher

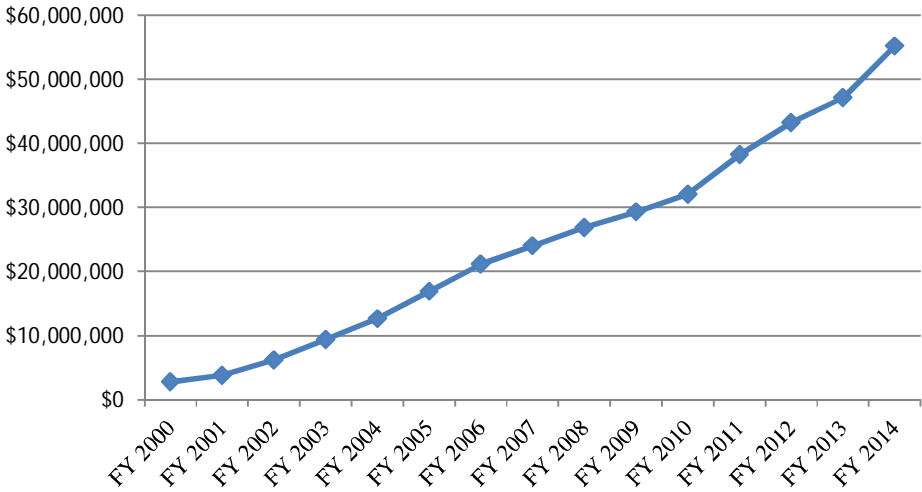
retirement system or from classifying their employees as public employees. Currently only mayoral academies are exempt from these provisions. The state currently grants charters for a period of up to five years.

Funding Formula. Beginning in FY 2012, charter schools are funded pursuant to the education funding formula adopted by the 2010 Assembly. Charter schools are funded like other districts with the state share being that of the sending district for each student plus the local contribution being the local per pupil contribution of the sending district.

Funding. The FY 2014 Budget includes \$55.1 million for formula aid to charter schools. This is \$8.1 million or 17.1 percent more than the FY 2013 enacted level. This increase includes funding for the opening of three new schools for the 2013-2014 school year.

For FY 2002 through FY 2011, community distribution tables do not reflect those funds paid directly to the charter schools. They do continue to reflect the indirect cost payment to the sending district through FY 2011, which is equal to 5.0 percent of the per pupil cost. For comparison, prior years' tables are adjusted accordingly.

Charter School Aid



Urban Collaborative Accelerated Program

Statute(s). §16-3.1-11

Description. The 2012 Assembly adopted legislation that requires that beginning in FY 2014, the Urban Collaborative Accelerated Program (UCAP) will be funded pursuant to the education funding formula. These students are currently in the district enrollment counts and the state is currently paying education aid for these students to the sending communities. The state will remit education aid for these students directly to the school and the sending districts will send the local share to the school similar to the way the Met School is funded. UCAP operates as an independent public school dedicated to reducing the dropout rates in Providence, Central Falls and Cranston.

Funding. The FY 2014 Budget includes \$0.3 million for the first year of new funding for the Urban Collaborative Accelerated Program.

Full Day Kindergarten

Statute(s). §16-7.1-11.1

Description. The Full Day Kindergarten Investment Fund was established by the 2000 Assembly to require that there be an appropriation to support full day kindergarten programs. The appropriation is based on the number of students enrolled in full day kindergarten programs and the tax equity index of each district. Districts receive a minimum of \$500 for each student. Districts with a tax equity index below 1.0 receive \$1,000 per student, and those with a tax equity index below 0.6 receive \$1,500 per student.

In FY 2001, these funds were included in the determination of minimum aid increases. The 2001 Assembly's enactment excluded distributions from this fund in determining minimum aid increases. The Governor's FY 2003 budget recommendation used this fund toward a proposed 1.0 percent minimum increase in aid. The 2002 Assembly instead provided a 1.0 percent minimum increase, excluding full day kindergarten funds, but did include this aid in calculating its overall provision of a 2.5 percent minimum increase.

Funding. The 2011 Assembly discontinued distributions from the Full Day Kindergarten Investment Fund for FY 2012 with the implementation of the education funding formula enacted by the 2010 Assembly. For FY 2011, funding totaled \$4.2 million, the same as the FY 2010 level. The FY 2007 through FY 2011 budgets froze the distribution to each community at the FY 2006 level and did not reflect the update of relevant data. In FY 2001, \$2.4 million was distributed through this category and incorporated into the aid used to meet minimum increase guarantees. For FY 2002, funding totaled \$3.1 million and was excluded from the determination of minimum increases. For FY 2003 total funding was \$4.0 million. Funding was \$4.4 million for FY 2004, \$4.7 million for FY 2005 and \$4.2 million since FY 2006.

There are different programs related to full day kindergarten that are noted later in the report.

Vocational Technical Equity Fund

Statute(s). §16-7.1-19

Description. The Vocational Technical Equity Fund was established by the 2000 Assembly to require that there be an appropriation to provide aid for districts that send students to locally operated career and technical centers. The appropriation was intended to support the academic instruction component of vocational education for students enrolled in career and technical education programs.

Prior to 2000, the state had been allocating \$10.7 million to support the vocational program component for these students. Those funds remained in the base operations aid allocation for each district. This fund provided districts with \$500 for each student, based on the prior year enrollment, who attended a locally operated career and technical center.

Funding. The 2011 Assembly discontinued distributions from the Vocational Technical Equity Fund for FY 2012 with the implementation of the education funding formula enacted by the 2010 Assembly. The Assembly provided \$1.5 million for the Vocational Technical Equity Fund in FY 2011. It has fluctuated between \$1.7 million and \$1.4 million since FY 2001, based on changes in enrollment. The FY 2007 through FY 2011 budgets froze the distribution to each community at the FY 2006 level and did not reflect the update of relevant data.

Group Home Aid

Statute(s). §16-64-1.1-3; §16-64-2; §16-64-8

Description. The 2001 Assembly adopted legislation in Article 22 of the FY 2002 Appropriations Act to eliminate billing among communities for the education costs of children placed in group homes by the Department of Children, Youth and Families and create a mechanism for the state to pay those costs.

Prior to FY 2002, an official community of residence was determined for each child living in a group home, which is generally based on the parents' residence. The district of official residence is responsible to pay the district in which the child is placed for the cost of the child's education. This system produced numerous disputes among communities concerning financial responsibility. These disputes often resulted in costly legal fees for all parties involved and districts hosting group home were largely unsuccessful in seeking reimbursements.

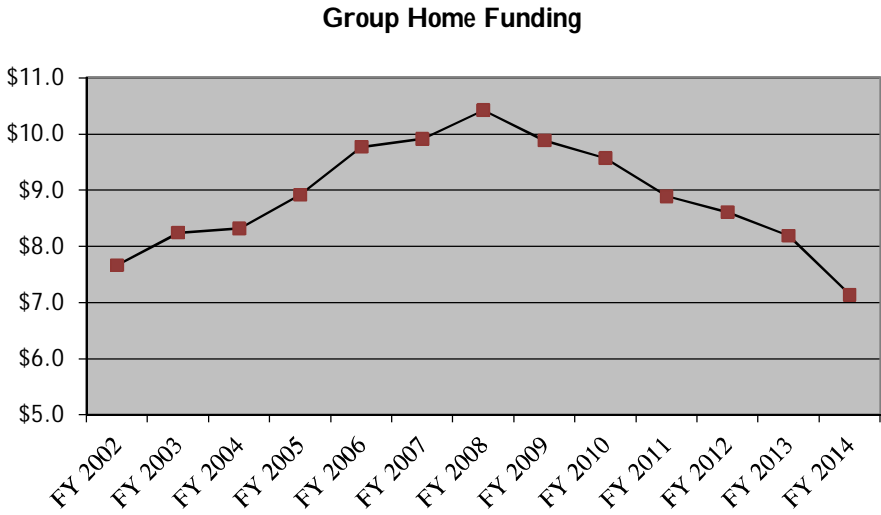
The changes contained in Article 22 provide for a per bed allotment to districts in which group homes are located. This allotment would be set annually and attempt to reflect the mix of regular and special education students residing in these homes. The legislation also relieves the sending districts of financial responsibility for students placed in out-of-district group homes, and prevents the hosting district from billing for those students.

The 2007 Assembly enacted legislation to ensure that the payment of communities' group home aid more closely reflects the actual number of group home beds open at the time of the budget. The legislation mandates that increases in beds prior to December 31 of each year shall be paid as part of the supplemental budget for that year and included in the budget year recommendation. Decreases in beds will not result in a decrease in aid for the current year but will be adjusted in the subsequent year. Previously, there was no requirement for the funding of new beds in a fiscal year until the next fiscal year.

While most existing aid categories were replaced by the new education funding formula, communities hosting group homes will continue to receive funding consistent with current law for group home beds. Group home aid is provided in addition to aid through the new funding formula.

Funding. Consistent with current law, the Budget adjusts group home aid to reflect actual beds, and includes \$7.1 million, which is \$1.1 million less than the final FY 2013 allocation and enacted budget. The 2008 Assembly increased the per bed amount from \$15,000 to \$22,000 for the group home beds associated with the Bradley Hospital's residential CRAFT program.

The chart below shows group home funding for FY 2002 through FY 2014. In FY 2013, the 18 communities hosting group homes will have a total of 467 beds. Funding is in millions.



Progressive Support and Intervention

Statute(s). §16-7.1-5

Description. Section 16-7.1-5 of the General Laws authorized the Board of Regents to adopt a series of progressive support and intervention strategies for those schools and districts that continue to fall short of performance goals outlined in the district strategic plans. The 1998 Assembly amended this section to specify the scope of those strategies. It also gave the Department of Elementary and Secondary Education the authority to exercise progressive levels of control over a school and/or district budget, program or personnel when, following a three year period of support, there has not been improvement in the education of students.

This section further delegated responsibility to the Board of Regents for the reconstitution of those same elements of a school's operation, if necessary. The section did not specify a funding plan for this work.

Funding. The 2011 Assembly eliminated the general revenue support for these activities based on availability of federal Race to the Top funds. It appears that this work is also part of the Department's Race to the Top planned activities.

For FY 2001 and FY 2002 the Assembly provided \$4.7 million for progressive support of reform efforts in selected school districts. Actual spending was slightly lower. The funds were to primarily be used to assist the Providence school district in its education reform efforts, in conjunction with its Excellence in Education Compact with the state. FY 2003 funding was enacted at \$0.5 million. It was increased to \$1.1 million for FY 2004 to reflect a \$0.6 million appropriation specifically targeted at achieving school improvement at Hope High School in Providence. For FY 2005, the budget included the Governor's recommendation for adding \$1.0 million to achieve school improvement at the state's urban high schools. This increased total funding to \$2.1 million.

The 2005 Assembly increased funding by \$0.8 million to \$2.9 million, as recommended by the Governor for FY 2006. Funding continues providing the \$0.6 million first allocated for Hope High School in FY 2004 and \$1.0 million to achieve school improvement at the state's urban high schools. The 2006 Assembly enacted \$2.9 million for FY 2007.

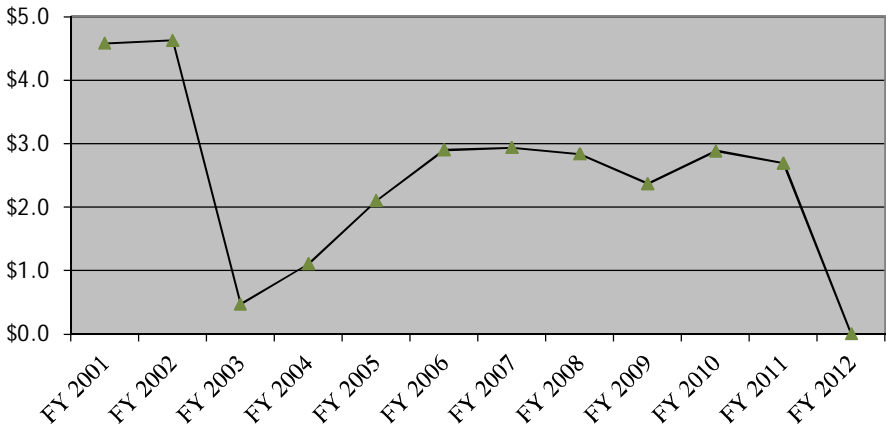
The 2007 Assembly included \$2.8 million for FY 2008 or \$93,212 less than the FY 2007 enacted level for support of reform efforts in selected school districts. The 2007 enacted budget contained legislation that dedicated \$100,000 from progressive support and intervention funds to support the Rhode Island Consortium for Instructional Leadership and Training. The 2007 Assembly included this funding as a community service grant and reduced progressive support and intervention funds by \$100,000 and increased community service grants by that same amount.

The 2008 Assembly provided \$2.7 million for FY 2009. This is \$0.1 million less than enacted for FY 2008. The reduction reflected the elimination of funding for a Principal Fellow position responsible for developing district leadership in both schools and central offices.

The 2009 Assembly enacted \$3.2 million or \$0.8 million more than the FY 2009 allocation for support of reform efforts in selected school districts. The additional funding is to fund two initiatives recommended by the Governor’s Urban Education Task Force. This includes \$0.7 million for a preschoolers’ pilot program to increase school readiness and \$0.1 million for extended learning time in the urban districts.

The 2010 Assembly enacted \$2.7 million or \$0.2 million less than the FY 2010 allocation for support of reform efforts in selected school districts. This reflected moving funding for an early education program from progressive support and intervention to program administration. It also reflected increased funding to hire experts to begin the design and development work for the transformation process contained in the Regents’ strategic plan.

Progressive Support & Intervention



Hasbro Children's Hospital School

Statute(s). §16-7-20 (e)

Description. The Hasbro Children's Hospital School program supported expenditures for educational personnel, supplies, and materials for students in the hospital. The Assembly also incorporated support for the Hasbro Children's Hospital School into the state aid program, which had formerly only been reflected in the operating budget of the Department of Elementary and Secondary Education.

Funding. The Assembly provided \$100,000 annually from FY 2001 through FY 2009 for the Hasbro Children's Hospital School program. This level of funding was \$4,804 greater than FY 2000 and \$20,000 greater than the several years prior to FY 2000.

The 2009 Assembly opted to treat the grant to the Hasbro Children's Hospital as a community service grant; the funding is now budgeted elsewhere in the Department's budget and no longer treated as education aid.

School Visits

Statute(s). §16-7.1-10

Description. Legislation establishing the Targeted Aid fund for FY 1999 also required an appropriation for comprehensive on-site school reviews as part of the School Accountability for Learning and Teaching system, known as SALT, and other accountability measures to carry out the purposes of the accountability legislation. These measures have included training sessions and the contracting of Master Teachers, called Regents Fellows, to work directly in the districts.

Funding. The Assembly appropriated \$461,273 for this purpose in FY 1999 and \$408,635 in FY 2000. For FY 2001 and FY 2002, the Assembly enacted appropriations of \$658,635 for each year. The increase was intended to fund 20 additional school visits to fully implement SALT at 60 visits per year. This implementation schedule was to allow all of the state's schools to be visited every five years.

For FY 2003 funding dropped to \$0.4 million. This change continued support for the concept but required the Department to review the visit schedule and reallocate resources to the most essential expenditures. It remained at this level through FY 2008.

The 2008 Assembly included \$145,864 to support school visits, which is \$262,071 less than enacted. Combined with other reductions in the Department's budget, the total FY 2009 reduction for SALT was \$0.6 million. The 2009 Assembly provided \$145,864 for FY 2010, the same as for FY 2009.

The FY 2011 budget eliminated the enacted level of \$145,864 to support school visits. Funds are allocated to the Department of Elementary and Secondary Education for on-site school reviews and other support for district accountability measures. This funding supported the School Accountability for Learning and Teaching system, known as SALT. The Department is no longer conducting the accountability visits. The accountability work was transitioned into a comprehensive district visit and incorporated into the Office of Transformation.

All Day Kindergarten Pilot Program

Statute(s). §16-99-4, §16-99-5, §16-7-22

Description. The 2013 Assembly enacted funding for a new full day kindergarten incentive grant program. This will provide one-time, startup funding for school districts that move from offering a part-time kindergarten to a full day kindergarten. The Commissioner shall approve up to four eligible districts per year to voluntarily implement a full day kindergarten program. Funds would be appropriated based upon criteria established by the Commissioner.

Funding. The FY 2014 Budget includes \$250,000.

Textbook Loans

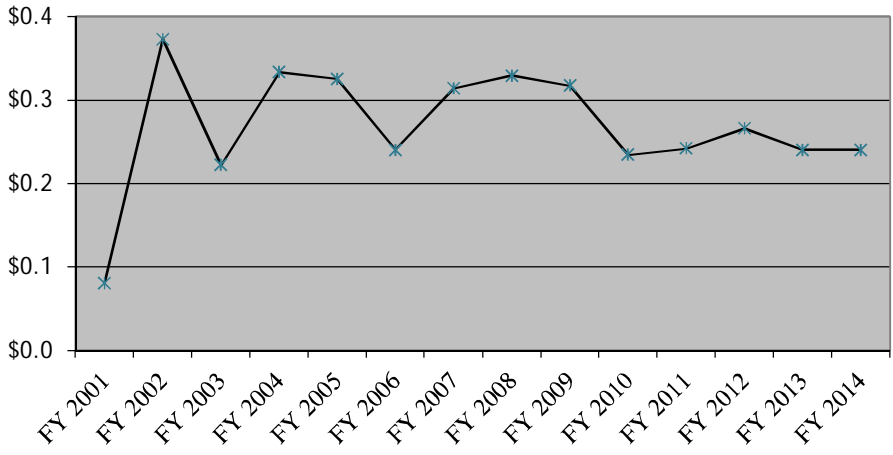
Statute(s). §16-23-2; §16-23-3; §16-23-3.1

Description. The 2000 Assembly enacted legislation expanding the class subjects covered by the Textbook Loan program. Prior to that, the law mandated that school committees of every community furnish at the expense of the community textbooks in the field of mathematics, science, and modern foreign languages appearing on the list published by the Commissioner of elementary and secondary education to all pupils of elementary and secondary school grades resident in the community. The expansion required that English, history and social studies textbooks be among those that must be available for loan to students that are in grades K-8. Since communities already provide books for all subjects to public school students, the additional costs relate to loaning books to non-public school pupils.

Although this expenditure is incurred at the local level, expanding the program without supporting appropriations would have presented an unfunded mandate to local communities. Therefore, the change included a provision that the state would reimburse districts for the expenditures incurred in providing English, history and social studies textbooks to non-public school students that are in grades K-8. The 2003 Assembly further expanded the availability of English, history and social studies textbooks to non-public school students in all grades.

Funding. The Assembly initially provided \$320,000 for the textbook loan program in FY 2001. Actual expenditures were \$80,253. Since the low level of expenditures was likely related to late implementation of the program, the FY 2002 funding level was enacted at the \$320,000 level and the final reimbursement was \$372,630. Between FY 2003 and FY 2013, the average annual expenditure was \$0.3 million, ranging from a low of \$221,811 in FY 2003 to a high of \$329,000 in FY 2008. The Governor did propose eliminating the requirement that the state reimburse certain costs allowed under the program and removed the funding as part of his FY 2012 and FY 2013 recommended budgets but the Assembly rejected the proposal each time.

Textbook Loans



School Breakfast

Statute(s). §16-8-10.1

Description. In Rhode Island, the School Breakfast Program provides balanced, low-cost or free breakfasts to an average of about 7,000 children daily. Program participants include public school districts, private schools, residential child care centers, and state schools.

As in the lunch program, children from families with incomes at or below 130 percent of poverty level are eligible for free meals. Children between 130 percent and 185 percent of poverty level are eligible for reduced-price meals. Children from families over 185 percent of poverty pay a regular price for their subsidized meal. About 95 percent of the breakfasts served in Rhode Island are served free or at a reduced price.

State law currently mandates that all public schools provide a breakfast program. The 2000 Assembly adopted this as a universal requirement. Previously the requirement was limited to districts based on specific poverty guidelines. That same statute provides that any costs (other than transportation costs) associated with this program in excess of available federal money shall be borne exclusively by the state of Rhode Island and not by municipalities.

The 2005 Assembly concurred with the Governor's proposal, effective July 1, 2005, that would provide a per breakfast subsidy, subject to appropriation, to school districts based on each district's proportion of the number of breakfasts served in the prior school year relative to the statewide total in the same year.

As part of his FY 2009 and FY 2010 budgets, the Governor proposed eliminating the administrative reimbursement, which would shift the cost to communities. Food is paid from federal sources. The 2008 and 2009 Assemblies did not concur with this proposal.

The Governor proposed eliminating the administrative reimbursement again as part of his FY 2013 budget; the Assembly did not concur with this proposal.

Funding. Reimbursement began as a pilot program in FY 1996 with funds from the Legislature's budget. Expenditures were \$168,068 in that year and reflected reimbursements for costs during the 1994-1995 school year. The 2003 Assembly transferred the responsibility to the Department of Elementary and Secondary Education.

The table on the following page shows the appropriation for FY 2004 through FY 2014.

Fiscal Year	Appropriation
2004	\$ 647,872
2005	\$ 700,000
2006	\$ 600,000
2007	\$ 600,000
2008	\$ 600,000
2009	\$ 300,000
2010	\$ 300,000
2011	\$ 300,000
2012	\$ 270,000
2013	\$ 270,000
2014	\$ 270,000

Speech Pathologist Salary Supplement

Statute(s). §16-25.3-2

Description. The 2006 Assembly created an annual \$1,750 salary supplement for any licensed speech language pathologist who is employed by a school district and who has met the requirements and acquired a certificate of clinical competence from the American Speech-Language-Hearing Association. Payments were made to the employee by the school department upon proof of certification and the state reimbursed the local school district for these costs.

Funding. The 2006 Assembly provided \$265,000 for FY 2007. The 2007 Assembly increased funding to \$304,500 for FY 2007 to pay the supplement to all full-time speech language pathologists as reported by the Department of Elementary and Secondary Education. The 2007 Assembly also repealed this law for FY 2008 and beyond.

Teacher Retirement

Statute(s). §16-16-22

Description. The state funds a percentage of the employer's share of the necessary contribution to the Teacher Retirement System, and municipalities contribute the balance. The employer's share is determined annually, based on actuarial reports by the State Employees Retirement System and is applied to the covered payroll.

The state's share has varied over the years, but since FY 1993 it has been fixed at 40.0 percent, with the municipalities contributing 60.0 percent. The share does not vary by wealth of each district. Neither does the state limit what communities pay its teachers. Teacher contribution rates are set in the General Laws. Prior to changes enacted in a special legislative session during the fall of 2011, teachers had contributed 9.5 percent of their salaries; beginning July 1, 2012, teachers contribute 8.75 percent. In the early 1990s, there were proposals that were never adopted, that would have wealth equalized the state's contribution through use of the share ratio.

Significant Legislative Revisions. The state deferred its contributions to Teacher Retirement in both FY 1991 and FY 1992. These deferrals, valued at \$22.4 million in FY 1991 and \$22.2 million in FY 1992, will be paid back over 20 years. The calculation now used to determine the state's contribution to Teacher Retirement includes an adjustment to accommodate the deferral liability.

Five municipalities including Burrillville, East Greenwich, Little Compton, New Shoreham and North Smithfield did not participate in these deferrals. Because they do not have to make up a deferral liability, they contribute a smaller percentage of teachers' salaries.

The 2005 Assembly made changes in teacher retirement benefits for new and non-vested teachers including changes to accrual of benefits, retirement age, maximum benefits and cost-of-living adjustments. The changes include: increasing the minimum retirement age eligibility from age 60 with ten years of service, or 28 years to age 65 with ten years, or age 59 with 29 years or age 55 with 20 years of service with a decreased benefit; decreasing the maximum benefit from 80 percent of the highest three years salary at 35 years of service to 75 percent at 38 years; revising the benefit accrual; and lowering the retirement pay cost-of-living adjustment from three percent to the lower of Consumer Price Index, or three percent.

The 2009 Assembly adopted pension changes that apply to those eligible to retire on or after October 1, 2009. The changes include a minimum retirement age of 62 with a proportional application of that minimum age to current members based on their current service as of October 1, 2009. This means that those closest to retirement eligibility would have the smallest change in their current minimum retirement age.

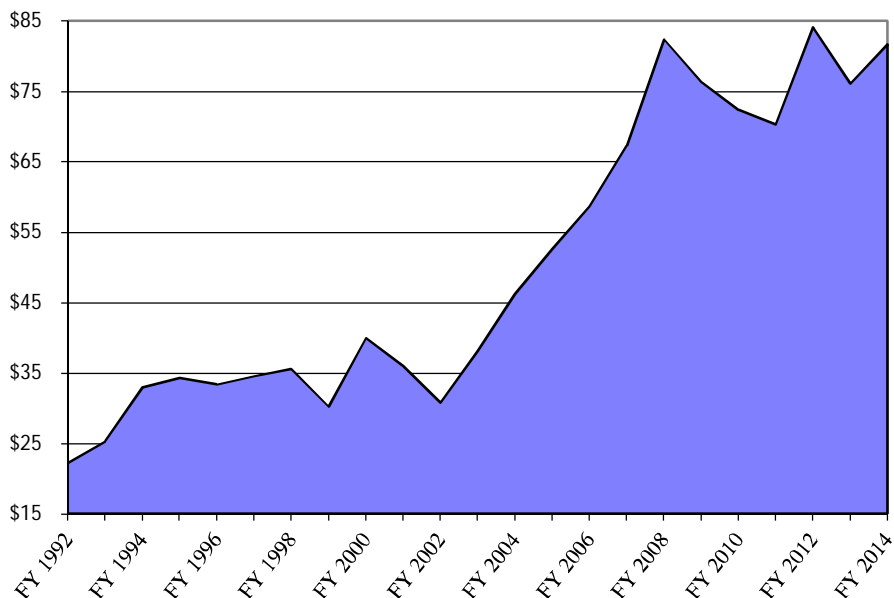
Changes also include freezing service credits for those in Plan A, shifting all future accrual to Plan B. Members in both plans would retain the respective 80.0 and 75.0 percent caps on their accruals. The cost-of-living adjustment would be based on the Plan B model of the lesser of inflation or 3.0 percent on the third anniversary. Finally, the salary basis for benefits would be changed to the five consecutive highest years, from the current three.

The 2010 Assembly adopted pension changes that limit the cost-of-living adjustment to the first \$35,000 of a pension, indexed to inflation but capped at 3.0 percent, beginning on the third anniversary of retirement or age 65, whichever is later. This applies to all retirees that were not eligible to retire before the date of passage, June 12, 2010.

The 2011 Assembly adopted changes including participation in a new defined contribution plan for all employees, except judges, state police and correctional officers. Under the new plan, current employees not yet eligible to retire have an individualized retirement age based on their years of service but they must be at least 59 years old to retire. New employees must work until their social security normal retirement age. The salary basis is the five highest consecutive years. Cost-of-living adjustments are only granted when the pension systems' aggregate funded ratio exceeds 80.0 percent. The adjustments are equal to the difference between the five-year smoothed investment return and 5.5 percent, but no more than 4.0 percent or less than zero. It is only applied to the member's first \$25,000 of pension income, indexed to grow at the same rate as the cost-of-living adjustment.

Funding. The following graph depicts the state's contributions to Teacher Retirement since 1992. Because of occasional problems with System accounting, year-end expenditure data does not always reflect the obligations in the proper fiscal year.

Teacher Retirement (in millions) FY 1991-FY 2014



The Employee Retirement System completed a full actuarial study of the state's retirement system in the summer of 1998. This study replaced outdated life expectancy information and revealed that, among other things, retired teachers were living longer. Based in part on this study, the employer contribution rates for teachers rose from the FY 1999 level of 11.52 percent of salaries to 14.64 percent for FY 2000.

The increase seen in FY 2000 was essentially reversed with the 2001 change in the actuarial method used to determine liability, which resulted in a significant rate decrease. The FY 2002 budget initially assumed a total rate of 11.72 percent based on the proposed change; subsequently, the Retirement Board adopted a rate of 9.95 percent. The FY 2002 final expenditures were \$30.8 million, a \$5.2 million reduction from FY 2001. FY 2003 expenditures were \$38.1 million, a \$7.3 million increase over FY 2002.

The 2004 Assembly included \$45.4 million to fully fund projections for the state's share of teacher retirement costs in FY 2004. The Assembly did not concur with the Governor's proposal to increase teachers' contributions to their retirement costs from 9.5 percent of salaries to 11.5 percent. The 2004 Assembly provided \$52.6 million to fully fund estimated costs for FY 2005 under current law. The 2005 Assembly provided \$58.6 million for the state's share of teacher retirement costs, or 11.5 percent more than enacted for FY 2005. Funding reflected an updated teacher payroll base and the changes in teacher retirement benefits.

The 2006 Assembly provided \$69.2 million for the state's share of teacher retirement costs, or 18.0 percent more than enacted for FY 2006. The Assembly did not concur with the Governor's proposal to increase the state's share of teacher retirement costs from 40.0 percent of the employer share to 50.0 percent.

The 2007 Assembly provided \$78.1 million for the state's share of retirement costs for FY 2008. This is \$8.9 million or 12.8 percent more than enacted for FY 2007.

The 2008 Assembly included \$97.0 million to fund the state's 40.0 percent share of the employer contribution for teacher retirement costs, an increase of \$18.9 million or 24.2 percent to the FY 2008 enacted budget. The Assembly also added \$2.2 million for teacher retirement costs for payments due to the system for FY 2003 through FY 2007 that were mistakenly never billed to the state by the System.

The 2009 Assembly included \$77.8 million to fund the state's 40.0 percent share of the employer contribution for teacher retirement, an increase of \$1.5 million or 1.9 percent to the FY 2009 final budget based on adopted pension changes. Based on final actuarial analysis of adopted pension changes, the budget assumes a FY 2010 employers' contribution rate, shared between the state and local school districts, of 20.07 percent of payroll. Savings for the employer's share is estimated to be \$37.2 million for both the state and locals. The state's savings for FY 2010 are estimated to be \$14.9 million.

The 2010 Assembly included \$75.6 million to fund the state's 40.0 percent share of the employer contribution for teacher retirement, an increase of \$3.3 million or 4.5 percent to the FY 2010 final budget based on adopted pension changes. The Assembly adopted pension changes that limit the cost-of-living adjustment to the first \$35,000 of a pension, indexed to inflation but capped at 3.0 percent, beginning on the third anniversary of retirement or age 65, whichever is later. This was estimated to save \$10.3 million for the employer share of teacher retirement costs for FY 2011. This includes \$4.2 million for the state's 40.0 percent share and \$6.1 million for the local share.

The final FY 2012 budget includes \$84.1 million to fund the state's 40.0 percent share of the employer contribution for teacher retirement, an increase of \$13.8 million or 19.7 percent to the FY 2011 final budget.

The final FY 2013 budget includes \$76.1 million to fund the state's 40.0 percent share of the employer contribution for teacher retirement, a decrease of \$0.8 million or 1.1 percent to the FY 2012 revised budget.

The FY 2014 Budget includes \$81.7 million to fund the state's 40.0 percent share of the employer contribution for teacher retirement, an increase of \$5.6 million or 7.4 percent to the FY 2013 revised budget.

Despite major pension changes in the 1992, 2004, 2009 and 2010 legislative sessions, the contribution rates continued to increase and funding ratios declined. Employee

rates are fixed in statute, with the last increase imposed in the 1995 legislative session for FY 1996. Therefore, increased costs to the system appear in the employer rates, absent legislative action.

The 2011 Assembly adopted changes to that affect both the employer and employee rates. Participation in the new defined contribution plan includes a mandatory 5.0 percent employee contribution and a 1.0 percent employer contribution. For teachers not participating in Social Security, there is an additional 4.0 percent contribution to the defined contribution plan, of which 2.0 percent comes from the teacher and 2.0 percent is paid by the local employer. This is in addition to a 3.75 percent employee contribution to the defined benefit plan for all teachers. The table on the following page assumes rates for a teacher that does participate in Social Security.

For teachers participating in Social Security, the adopted changes result in a reduction of 0.25 percent in the employee rate. For teachers that do not participate in Social Security, there is an increase of 1.25 percent in the employee rate.

Teacher Group	Previous	Current			
		Defined Benefit	Defined Contribution	Additional Contribution	Total
w/ Social Security	9.50%	3.75%	5.00%	n/a	8.75%
w/o Social Security	9.50%	3.75%	5.00%	2.00%	10.75%

The table on the following page shows the employer and employee rate for FY 1980 through FY 2014. Under Rhode Island General Laws, the Employees' Retirement Board adopts the employer contribution rates for state employees, judges, state police and teachers annually. These rates are determined using actuarial valuations, which consider the current benefit provisions along with demographic assumptions such as mortality rates and age at retirement and economic assumptions such as salary increases and investment earnings. Changes in these variables result in rate changes. An actuarial experience study is also now performed every three years to test the appropriateness of these economic and demographic assumptions. The actuaries also report the plans' funded ratios.

Fiscal Year	Employer Rate	Employee Rate	Total Rate	Annual Change
1980	15.40%	6.50%	21.90%	
1981	10.80%	6.50%	17.30%	-21.00%
1982	13.20%	6.50%	19.70%	13.87%
1983	14.60%	7.00%	21.60%	9.64%
1984	16.20%	7.00%	23.20%	7.41%
1985	18.70%	8.00%	26.70%	15.09%
1986	19.80%	8.00%	27.80%	4.12%
1987	18.90%	8.50%	27.40%	-1.44%
1988	18.60%	8.50%	27.10%	-1.09%
1989	20.30%	8.50%	28.80%	6.27%
1990	21.60%	8.50%	30.10%	4.51%
1991	15.40%	8.50%	23.90%	-20.60%
1992	15.10%	8.50%	23.60%	-1.26%
1993	14.74%	8.50%	23.24%	-1.53%
1994	16.02%	8.50%	24.52%	5.51%
1995	16.02%	8.50%	24.52%	0.00%
1996	14.71%	9.50%	24.21%	-1.26%
1997	14.57%	9.50%	24.07%	-0.58%
1998	14.25%	9.50%	23.75%	-1.33%
1999	11.52%	9.50%	21.02%	-11.49%
2000	14.64%	9.50%	24.14%	14.84%
2001	12.01%	9.50%	21.51%	-10.90%
2002	9.95%	9.50%	19.45%	-9.58%
2003	11.97%	9.50%	21.47%	10.39%
2004	13.72%	9.50%	23.22%	8.15%
2005	14.84%	9.50%	24.34%	4.82%
2006	20.01%	9.50%	29.51%	21.24%
2007	19.64%	9.50%	29.14%	-1.25%
2008	22.01%	9.50%	31.51%	8.13%
2009	20.07%	9.50%	29.57%	-6.16%
2010	19.01%	9.50%	28.51%	-3.58%
2011	19.01%	9.50%	28.51%	0.00%
2012	22.32%	9.50%	31.82%	11.61%
2013*	20.29%	8.75%	29.04%	-8.74%
2014*	21.68%	8.75%	30.43%	4.79%

**Includes 1.0 percent Employer contribution to defined contribution plan.*

Supplemental Retirement Contribution

Statute(s). §36-10-2(e)

Description. Rhode Island General Law requires that for any fiscal year in which the actuarially determined state contribution rate for state employees or teachers is lower than that for the prior fiscal year, the Governor shall include an appropriation to that system equal to 20.0 percent of the rate reduction for the state's contribution rate to be applied to the actuarial accrued liability of the system. The law requires that the amounts to be appropriated shall be included in the annual appropriation act.

No supplemental contribution has ever been made. The 2010 Assembly enacted legislation to provide that no supplemental contributions be made to the Retirement System for FY 2009, FY 2010 and FY 2011. Based on the pension changes adopted by the 2009 and 2010 Assemblies, the rates in those years would have been lower than the prior year's.

The Governor had proposed eliminating the requirement as part of his FY 2013 budget. The Assembly did not concur with the proposal.

Funding. The 2012 Assembly provided \$1.5 million for FY 2013.

Construction Aid (School Housing Aid)

Statute(s). §16-7-35 through §16-7-47

Description. The state provides local districts with partial reimbursement for school construction projects through the School Housing Aid Fund, also known as Construction Aid. The Commissioner and the Board of Education review and certify the need for the local community's request, which qualifies the project for reimbursement under the program. The program reimburses a community for expenditures after the project is completed.

The reimbursement rate is based on the cost of the project over the life of the bonds issued for the project. The housing aid share ratio calculation is similar to the operations aid share ratio calculation, i.e., based on a district's wealth compared to the aggregate state wealth. For this program; however, the minimum share for each district is 35.0 percent. It should be noted that although the reimbursement reference for completed projects is one year, there is a two-year reference for formula factors. For example, the FY 2013 allocations are based on 2011 enrollment levels.

Bonuses of four percentage points are given for projects that demonstrate that at least 75 percent of their costs are for energy conservation, asbestos removal, and/or handicapped access. Regional districts receive a two-percent bonus for each regionalized grade for new construction projects and an additional four-percent bonus for renovation projects. The calculation also includes a debt service adjustment for heavily burdened districts.

Reimbursement is based on total expended project cost, not on the amount of the original bond issuance. For example, if a community issued \$6.5 million for 10 years for a capital improvement to a school, but only spent \$6.0 million, the Department would only reimburse the community for the \$6.0 million spent on the completed project, as well as the bond interest payments over a ten-year period. If the community has a share ratio of 35.0 percent, which is the minimum share ratio, the state would reimburse the community approximately \$210,000 for ten years (\$6.0 million divided by 10 years, multiplied by the share ratio).

The share ratio formula measures state and community wealth using two factors: the full value of local property and the median family income as determined by the most recent census. Property value is certified annually by the Department of Revenue, Office of Property Valuation, based on local sales data and appraisals. The total assessed local property value of a community is adjusted for differences in local assessment rates to allow the reporting of figures comparable on a statewide basis, resulting in the Equalized Weighted Assessed Valuation (EWAV).

The valuations are then adjusted by the ratio that the community's median family income bears to the statewide median family income, as reported in the most recent federal census data. Use of both the property value and the median family income is an

attempt to compensate for districts that have significant disparity between median family income and the full value of property. Each community's share ratio for FY 2013 is in a table in Appendix III at the back of this book.

Significant Legislative Revisions. Prior to FY 1998, only projects supported by general obligation bonds were reimbursable under the school housing aid program. In 1997, the General Assembly passed legislation to qualify projects supported by three additional financing mechanisms: lease revenue bonds, capital leases and capital reserve funds. The expansion of qualified projects contributed to the growth of this program.

The 2003 Assembly enacted changes to the program in an effort to control growth. The legislation limits bond interest reimbursements for new projects to only those financed through the Rhode Island Health and Educational Building Corporation. It also eliminated debt impact aid and made other changes to this program, largely to codify existing practice into the General Laws. Governor Carcieri had proposed eliminating the reimbursement of all interest costs on new projects. The FY 2004 budget assumed no savings from these changes, as they would apply only to new projects, for which the state would not likely begin reimbursing for at least a year. None of the projects for which reimbursement is included in the FY 2005 budget were financed through the Rhode Island Health and Educational Building Corporation.

Prior to FY 2006, a community's reimbursement was based on the total principal owed divided by the number of years of the bond and interest was reimbursed based on the actual amount owed. The community received an equal principal reimbursement throughout the life of the bond, even if the debt was structured so that the principal payments were lower in the early years and increased over time. The 2005 Assembly passed legislation to ensure that the reimbursement was based on the debt service payments made by a community in any given year. The Assembly also passed legislation that allowed housing aid to be paid to the Rhode Island Health and Educational Building Corporation or its designee. These actions were intended to strengthen the bond rating by showing a more stable link to aid programs and thereby reduce borrowing costs.

The 2007 Assembly increased its diligence over the program by requiring every school construction project to receive Assembly approval because of concern over the escalating cost of the school construction aid program. It also passed legislation providing incentive for communities to refund bond projects at a lower interest rate by allocating the net interest savings between the community and the state, by applying the applicable school housing aid ratio at the time of the refunding bonds.

The 2008 Assembly enacted legislation that mandated school housing aid bonds be refunded when net present value savings, including any direct costs normally associated with such a refunding, of at least \$100,000 and 3.0 percent are possible for the state and the communities or public building authorities. The legislation allowed for the refunding through the Rhode Island Health and Educational Building Corporation

without additional legislative authority for projects that have already received enabling authorization from the Assembly.

The 2009 Assembly amended the education aid statutes to establish a repayment schedule for communities that have been overpaid school housing aid. The repayment schedule is based on the total amount of overpayment in relation to the amount of local revenues reported by the school district.

The 2010 Assembly enacted legislation that allows the state to spread reimbursement of debt service costs accumulated prior to project completion over three years if necessitated by appropriation level rather than paying it all in the first year of reimbursement, which is the current practice. The Budget includes \$4.5 million less than the estimated cost for full funding based on this proposal.

The education funding formula legislation adopted by the 2010 Assembly included a two-year phased increase in the state's minimum housing aid participation to provide that no local receives less than a 40.0 percent state reimbursement by FY 2013 for projects completed after June 30, 2010. The previous minimum had been 30.0 percent.

The 2011 Assembly imposed a three-year moratorium on the approval of new school housing aid projects with exception for projects necessitated by health and safety reasons effective July 1, 2011. It also required the Department of Elementary and Secondary Education to develop recommendations for cost containment strategies in the school housing aid program. There was no impact assumed on the FY 2012 budget.

The 2012 Assembly adopted the Governor's proposed legislation to roll back the state's minimum housing aid participation to 35.0 percent and added language to ensure that projects that received approval from the Board of Regents prior to June 30, 2012 and were expecting the 40.0 percent minimum would be allowed to receive it.

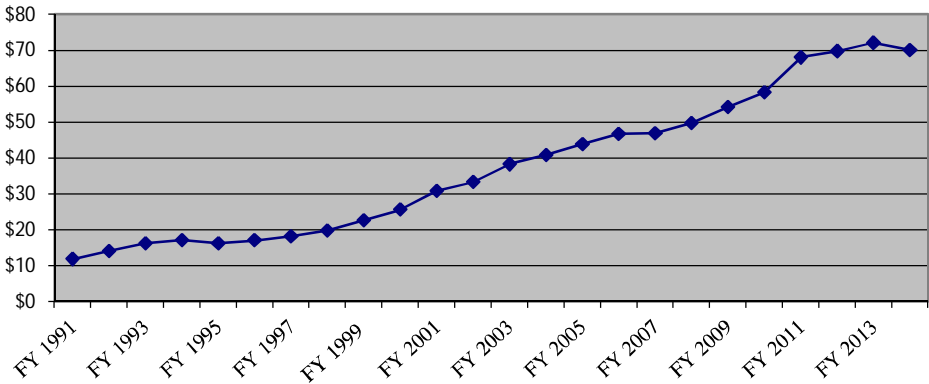
The 2013 Assembly adopted legislation to distribute 80.0 percent of the total savings from the local refunding of school housing bonds to the community and the state would receive 20.0 percent of the total savings. This provision would apply to any refunding between July 1, 2013 and December 31, 2015. Current law requires refunding when there are savings of at least \$100,000 and 3.0 percent and any savings resulting from the refunding of bonds is allocated between the community and the state by applying the applicable school housing aid ratio at the time of issuance of the refunding bonds.

The 2013 Assembly also enacted legislation to allow the Central Falls school district to borrow and/or refund school construction bonds. The court decision that the schools are not part of the city impacts the city's ability to borrow or refund school housing bonds.

Funding. The following chart depicts statewide expenditures for the program from FY 1991 through FY 2014. From FY 1991 through FY 2013, funding for the program increased from \$3.4 million to \$72.0 million. From FY 1998 to FY 2004, the cost of the program doubled from \$19.7 million to \$40.7 million. The figure for FY 2014 is

an estimate. It is based on the ongoing costs, net of retired obligations and a projection of the additional costs to the program from newly completed projects.

**Construction Aid (millions)
FY 1991-FY 2014**



FY 2003 through FY 2005 funding also includes a payment to the Town of Burrillville to lessen the impact of a change in the way the General Laws treat income that communities receive from certain tax treaties. This change affected the calculation of the reimbursement rate for school construction, causing a significant reduction in construction aid for Burrillville, which was the only community affected in this manner. The 2002 Assembly provided \$0.2 million for FY 2003 as part of a three year plan to phase in the impact of this change, with the understanding that \$0.1 million would be provided in FY 2004 and nothing additional in FY 2005. The impact of the law change continued to be greater than originally anticipated, and the Assembly provided \$225,000 in impact aid for FY 2004 and FY 2005. The 2005 Assembly repealed the tax treaty legislation.

As part of his FY 2009 revised budget, the Governor reduced Providence’s education aid by \$9.5 million, which is the amount of overpaid school construction aid it received on expenditures not eligible for reimbursement. In previous years, when it has been determined that a community owes the state for overpayments it received through the school construction aid program such in the case of Burrillville, the community has been able to repay the state over a number of years. Applying the same treatment to Providence would result in a seven-year payback at \$1.4 million per year. The FY 2009 final and FY 2010 budgets reduce Providence’s aid by \$1.4 million each year.

Tables in Appendix II offer reimbursement detail by community for FY 1990 through FY 2013.

Recurring Funding Issues

Lottery Revenues. Since the establishment of the Rhode Island Lottery in 1974, the notion of a link between lottery revenue and education aid surfaces from time to time. State education aid for FY 2014 is over \$930 million. Conversely, projected deposits to the General Fund from lottery revenues are \$394.1 million.

The 2008 Assembly enacted legislation that became law on May 6, 2008 to allow Twin River and Newport Grand to operate video lottery games on a twenty-four hour basis on weekends and federally recognized holidays. The state share of any additional revenue from the additional hours, up to \$14.1 million through June 30, 2009 only, will be allocated to the Permanent School Fund. Those funds are to be distributed as aid to local education authorities in the same proportion as the general revenue aid distribution. The FY 2010 budget does not include this funding, as the law sunset on June 30, 2009. The Department of Administration administratively extended the overnight hours; the 2009 Assembly did not adopt legislation to direct those proceeds to the Permanent School Fund.

60-40 Funding. Efforts were made in the late 1980's to achieve 60 percent state funding of statewide education costs. Funding constraints in the early 1990's resulted in the elimination of programs designed to promote this ideal. The 1985 General Assembly passed the "Omnibus Property Tax Relief and Replacement Act." Among the provisions of this act was language requiring a two percent annual increase in the state share of local education expenditures, until the state share reached 50 percent.

In 1988, the language was amended to increase the goal of average state support to 60 percent. The additional funds appropriated to reach the 60 percent state share were not distributed through the operations aid program; rather, they were restricted for use in block grants. Although 50 percent state funding was achieved in FY 1990, block grants have not been funded since FY 1990. The goal of reaching 60 percent state funding remains as §16-69 of the Rhode Island General Laws, but financial constraints faced by the state continue to prevent funding for realization of this goal.

Upon implementation of the Rhode Island Student Investment Initiative in FY 1998, the statewide share of education aid increased from 42.9 percent to 43.7 percent of total education expenses. That increased to 45.6 percent in FY 1999 and 46.6 percent in FY 2000. By FY 2003 the share grew to an estimated 50.1 percent. It has since declined almost annually beginning with 48.9 percent in FY 2004 until reaching 38.7 percent for FY 2010. The share for FY 2014 is estimated to grow to 45.1 percent. Because state and local education expenses are now over \$1.7 billion, increasing support by one percent requires over \$17 million, plus funds to cover expenditure increases.

The following table shows the state share for the past two decades. These calculations are based on a comparison of the statewide expenditures reported for the reference year and the aid allocation to local districts, excluding teacher retirement and construction

aid. Funds set aside for department use such as professional development and school visits as well as the Hasbro allocation are excluded from the aid total.

FY 2003 uses FY 2001 actual expenditure data, the first year for which data collected through the In\$ite program is being used. In\$ite is the finance reporting system for school district expenditures managed by the Department of Elementary and Secondary Education. It replaces the old expenditure data collection system, which was designed to report reimbursable expenditures under the old aid formula. In\$ite is designed to allow for the disaggregating of expenditure data in a number of different ways. Beginning with FY 2010, the Department implemented a Uniform Chart of Accounts, which replaced the In\$ite system. Expenditures included in FY 2003 through FY 2014 data have been adjusted to be as comparable to the old system as possible.

	Reference Year Reimbursable Expenditures	State Aid Excluding Retirement and Construction	State Share
FY 1990	\$ 604,228,110	\$ 312,541,162	51.7%
FY 1991	662,362,821	336,869,955	50.9%
FY 1992	733,496,034	308,894,886	42.1%
FY 1993	786,179,924	322,119,499	41.0%
FY 1994	805,934,876	333,175,422	41.3%
FY 1995	842,799,851	381,761,726	45.3%
FY 1996	900,116,358	400,749,768	44.5%
FY 1997	960,254,518	412,197,645	42.9%
FY 1998	1,001,549,032	437,757,473	43.7%
FY 1999	1,051,570,024	479,507,364	45.6%
FY 2000	1,106,305,803	515,088,325	46.6%
FY 2001	1,170,980,829	567,546,261	48.5%
FY 2002	1,260,763,697	608,824,420	48.3%
FY 2003	1,269,360,060	636,095,389	50.1%
FY 2004	1,342,823,753	656,758,572	48.9%
FY 2005	1,421,887,254	664,930,195	46.8%
FY 2006	1,579,311,672	688,358,909	43.6%
FY 2007	1,676,241,941	724,520,724	43.2%
FY 2008	1,726,447,528	730,407,664	42.3%
FY 2009	1,685,407,791	723,176,843	42.9%
FY 2010	1,767,161,609	684,274,628	38.7%
FY 2011	1,743,656,943	683,881,297	39.2%
FY 2012	1,714,331,540	717,497,267	41.9%
FY 2013	1,766,556,463	755,813,855	42.8%
FY 2014	1,745,601,350	786,769,252	45.1%

The state share has been steadily increasing since FY 2008. In fact, the FY 2014 share of 45.1 percent is comparable to FY 2005 and FY 2006 rates.

If the expressions of the state share were adjusted to accommodate both expenditures and aid for teacher retirement and construction, the data show a greater level of state support. The adjustments add the value of the state contribution for retirement to both the expenditure and aid side of the equation. This is done because state support for teacher retirement is paid directly to the retirement system and is not otherwise reflected as a reimbursable expenditure.

The expenditures side is then adjusted for the full value of the projects covered by the construction aid allocation. The corresponding construction aid allocation is then added to the aid total.

Making these adjustments to incorporate all direct education aid to communities increases the state share for FY 2014 by 530 basis points to 50.4 percent. This is the highest it has been since 2005.

This is shown in the table on the following page.

	Reference Year	State Aid Excluding Retirement and Construction	Expenditures Adjusted for Retirement and Construction	Total State Aid	Total State Share
FY 1990	604,228,110	312,541,162	\$ 644,662,945	\$ 346,425,297	53.7%
FY 1991	662,362,821	336,869,955	706,642,862	371,073,935	52.5%
FY 1992	733,496,034	308,894,886	782,487,057	345,165,717	44.1%
FY 1993	786,179,924	322,119,499	843,004,429	363,549,750	43.1%
FY 1994	805,934,876	333,175,422	872,375,383	383,116,082	43.9%
FY 1995	842,799,851	381,761,726	909,316,463	432,227,881	47.5%
FY 1996	900,116,358	400,749,768	968,812,299	451,100,866	46.6%
FY 1997	960,254,518	412,197,645	1,034,051,145	464,824,027	45.0%
FY 1998	1,001,549,032	437,757,473	1,079,723,737	493,048,860	45.7%
FY 1999	1,051,570,024	479,507,364	1,130,323,318	532,279,253	47.1%
FY 2000	1,106,305,803	515,088,325	1,200,303,742	580,591,125	48.4%
FY 2001	1,170,980,829	567,546,261	1,269,277,607	634,309,502	50.0%
FY 2002	1,260,763,697	608,824,420	1,358,506,654	672,809,950	49.5%
FY 2003	1,269,360,060	636,095,389	1,390,873,545	712,400,097	51.2%
FY 2004	1,342,823,753	656,758,572	1,467,272,941	743,711,785	50.7%
FY 2005	1,421,887,254	664,930,195	1,555,304,465	761,369,067	49.0%
FY 2006	1,579,311,672	688,358,909	1,722,214,073	794,163,592	46.1%
FY 2007	1,676,241,941	724,520,724	1,820,115,256	838,595,616	46.1%
FY 2008	1,726,447,528	730,407,664	1,844,759,363	862,409,469	46.7%
FY 2009	1,685,407,791	723,176,843	1,831,167,027	853,602,913	46.6%
FY 2010	1,767,161,609	684,274,628	1,878,290,711	814,920,632	43.4%
FY 2011	1,743,656,943	683,881,297	1,848,719,994	822,144,072	44.5%
FY 2012	1,714,331,540	717,497,267	1,839,907,933	871,258,796	47.4%
FY 2013	1,766,556,463	755,813,855	1,871,689,112	902,374,776	48.2%
FY 2014	1,745,601,350	786,769,252	1,861,263,190	938,410,009	50.4%

Special Education. Many communities have cited the cost of special education services as a major factor in the rising cost of providing a public education. Consequently, they have called for the reinstatement of the special education funding formula. The now-suspended formula for Special Education Aid was based on the difference, or excess cost, between educating a regular student and a special education student, and it is not based on wealth. Using a two-year reference, districts were entitled to 110 percent of the state median excess cost. If the statewide appropriation were less than the entitlement, each district's entitlement was ratably reduced. In FY 1998, special education funding of \$33.4 million represented 36 percent of the statewide entitlement. In FY 1996 and FY 1997, special education funding represented 40 percent and 37 percent, respectively, of the statewide entitlement.

Calculating full funding of special education aid in FY 1999 under the suspended formula shows a statewide entitlement of \$100.3 million. This is 22.1 percent of total aid distributed to local districts. However, because this formula was not wealth based,

the special education entitlement represents as little as 10.8 percent of total FY 1999 education aid appropriation in the state's poorer communities. Conversely, in some wealthier communities, appropriation of the full special education aid entitlement would actually exceed the district's total FY 1999 aid.

The 1999 General Assembly commissioned the Children with Disabilities Study Group to review special education within the context of Rhode Island school reform. The findings of that study were released in 2002 and generated recommendations and areas that needed further study. The 2002 Assembly, as part of Article 18 of the FY 2003 Appropriations Act, recommended addressing the needs of all children and preventing disability through scientific, research-based reading instruction and the development of Personal Literacy Programs for students in the early grades performing below grade level in reading, and a system of student accountability that will enable the state to track individual students over time. The article language indicated that additional study was needed to determine factors that influence programming for students with low incidence disabilities and alternatives for funding special education required examination.

The education funding formula allows for additional funding from the state to districts for high-cost special education students. The legislation defines high-cost as costs that exceed five times the core foundation amount. The Department of Elementary and Secondary Education will prorate the available funds for distribution among eligible school districts each fiscal year. The Budget includes \$1.0 million for high cost special education for FY 2014.

Urban Issues. One of the challenges in the state's education funding system, which is so heavily reliant on the local property tax, is that the urban property tax base supporting students has not grown at the same pace as the suburban and rural communities. In fact, data suggest that a significant portion of the state's property wealth has shifted from the urban communities to non-urban communities. In addition, the influx of needy students to several of the urban communities has had an adverse impact on the amount of property value per student. Many of these students require additional services, such as language instruction, that are not directly related to general instruction activities.

Wealth Equalization. In order to promote a goal of equity in the distribution of aid, the state employs methods that allocate funds to districts that are not as able, relative to the rest of the state, to raise sufficient funds through the property tax. Use of the share ratio, tax equity indices and student wealth factors in distributing aid does promote equity. Construction aid still uses these methods. The funding formula share ratio considers the district's ability to generate revenues and its poverty concentration.

Distributions based on student or teacher population, hold-harmless guarantees and minimum increases are "disequalizing." This means that community and student wealth are not considered in the allocation of aid. These categories of aid include the Early Childhood funds, Professional Development funds, and Teacher Retirement support. Without additional funds, only a radical redistribution of existing resources,

resulting in funding cuts to many communities, would achieve an equity ideal under a system that relies heavily on the local property tax.

School Budget Dispute Resolution. Rhode Island General Law, Section 16-2-21.4 establishes the procedure when a school committee of a city, town or regional school district determines that its budget is insufficient to comply with the provisions of state law. State law requires each community to contribute local funds to its school committee in an amount not less than its local contribution for schools in the previous year. This is expressed in Rhode Island General Law, Section 16-7-23.

The appropriation appeal process was created as part of the 1995 Public Laws and is often referred to as the Caruolo Act. Prior to enactment of this legislation, there was no statute that addressed the recourse available to school committees in the event of a budget dispute. The Department of Elementary and Secondary Education indicated that prior to the 1995 law, school committees appealed to the Commissioner of Elementary and Secondary Education when budget disputes between school communities and municipalities arose.

The procedure established in Section 16-2-21.4 is a multi-step process. First, the chairperson of the city, town or regional school committee, must petition the Commissioner of Elementary and Secondary Education, in writing, to seek alternatives for the district to comply with state regulations and/or waivers to state regulations that would allow the school committee to operate within the authorized budget.

If the Commissioner does not provide waivers or approve the alternatives sought by the school committee, the school committee may submit a written request to the city or town council within ten days of receiving the Commissioner's response for increased appropriations for schools to meet expenditure requirements. In the event of a negative vote by the appropriating authority, the school committee has the right to seek additional appropriations by bringing actions in the Superior Court for Providence County and shall be required to demonstrate that the school committee lacks the ability to adequately run the schools for that school year.

The Governor proposed legislation to the 2008 Assembly as part of his original FY 2009 budget to modify the Caruolo process beginning with a negative vote by the appropriating authority. The article would have removed the school committee's right to bring action in the Superior Court. The new process would allow the school committee to request non-binding fact-finding and mediation within five days of the negative vote. Upon such request, the auditor general would conduct an audit of the school department and identify and recommend opportunities to increase the efficiency of the school district.

The proposed legislation also established a fact-finding and mediation panel comprised of the Auditor General and the Commissioner of Elementary and Secondary Education or their designees. The panel would meet separately with members of the school committee and with representatives of the city or town in an effort to mediate resolution

of the pending budget dispute. The panel would be empowered to hold public hearings and take testimony.

If a budget dispute continues to exist after the fact-finding and mediation process is completed, an education budget resolution committee would be appointed. The Committee would be comprised of one member of the city or town council appointed by the city or town council; one member appointed by the mayor, city or town manager or the chief elected official of the city or town; two members of the school committee appointed by the school committee, and one member appointed by the Director of Revenue. The education budget resolution committee would be empowered to render a binding decision within 30 days after it is established. The 2008 Assembly did not enact this legislation.

The Governor proposed legislation to the 2009 Assembly as part of his FY 2009 revised budget requiring that when a category of state aid to education or general revenue sharing is reduced or suspended to any local school district or municipal government, the appropriation appeal process shall be suspended for the fiscal year in which the reduction or suspension of any aid is implemented. The article created a three-member budget resolution panel to determine a remedy. The panel would be comprised of the Commissioner of Education or his/her designee, the Director of Revenue or his/her designee, and the Auditor General or his/her designee and shall act as binding arbitrators. The panel would develop a corrective action plan within 60 days of convening. The plan could include the suspension of any contracts or non-contractual provisions to the extent that state aid has been reduced and to the extent legally permissible. The 2009 Assembly did not enact this legislation.

Again, as part of his FY 2010 revised budget, the Governor proposed legislation that suspends the local appropriation appeal process in any fiscal year when education aid or general revenue sharing is reduced or suspended for that year. The article creates a three-member budget resolution panel to resolve those school budget disputes. This is the same proposal that the Governor submitted with his FY 2009 revised budget. The 2010 Assembly did not enact this legislation.

Tax Credit for K-12 Scholarship Contributions. The 2005 Assembly enacted a tax credit against corporate income tax liability for business entities that make contributions to Section 501(c)(3) scholarship organizations that provide tuition assistance grants to eligible students to attend non-public K-12 schools in Rhode Island. The 2007 Assembly amended the statutes to expand the private tuition tax credit to add Subchapter S Corporations, Limited Liability Corporations, and Limited Liability Partnerships to the definitions of business entities able to take the credit.

Students who are members of households with annual household income of 250 percent of the federal poverty level or less are eligible. The credit is 75 percent of the contribution for a one year contribution and 90 percent for a two year contribution provided the second year contribution is at least 80 percent of the first year's contribution. The maximum credit per tax year is \$100,000 and must be used in the

year it is awarded. There is an annual total program cap of \$1.0 million awarded on a first-come-first-serve basis.

The Governor proposed legislation as part of his FY 2011 budget that would double the cap on the tax credit allowed for business entities making contributions to scholarship organizations from \$1.0 million to \$2.0 million. Currently, the funds are awarded on a first-come-first-serve basis. The maximum credit per tax year is \$100,000 and must be used in the year it is awarded. For 2012, 382 scholarships were awarded, totaling \$1.0 million. The Budget assumed a revenue loss of \$1.0 million. The Assembly did not enact this legislation.

The 2013 Assembly adopted legislation that increases the cap on the tax credit allowed for business entities making contributions to scholarship organizations from \$1.0 million to \$1.5 million. Currently, the funds are awarded on a first-come-first-serve basis. The maximum credit per tax year is \$100,000 and must be used in the year it is awarded.

Glossary of Terms

Ratably Reduced. Ratably reduced refers to a group of numbers decreased by the same percentage. Certain aid programs allow for a ratable reduction of the aid in the event that a full entitlement is not appropriated.

Reference Year. The year, established by law, that provides the variable or data used in determining aid allocations is the reference year. Calculation of a formula with a two-year reference in FY 2014 would require using FY 2012 data.

Share Ratio. The share ratio is a measure of a community's per pupil wealth as compared to the per pupil wealth of the rest of the state. The formula measures state and community wealth using two factors: the full value of local property and the median family income as determined by the most recent census. Once community wealth is determined, it is divided by pupil counts to calculate the wealth per pupil for each community compared to the per pupil wealth for the state as a whole. The relative per pupil community wealth is then multiplied by 50 percent for the calculation of charter school aid, and 62 percent for the calculation of school housing aid, the mean state reimbursement, and subtracted from one, yielding the district's share ratio.

Tax Equity Index. The tax equity index had been used in calculation and distribution of the Core Instruction Equity, Targeted Aid and Full Day Kindergarten funds. For FY 2000 through FY 2002, it was used to determine the minimum aid increases guaranteed to communities. This tool is used to promote equity in education aid funding because it measures a community's effort and capacity to raise local resources to finance education relative to the state's other communities. It is calculated by measuring the actual municipal tax yield, *tax effort*, against a hypothetical yield on the same property value at the state average tax rate, *tax capacity*.

If a community were taxing its property at the statewide average, then it would have a tax equity index of one. Those communities taxing property at greater than the average would have an index of less than one. Conversely, those taxing at less than the average would have an index of more than one. The data and formulas used to calculate the equity index are outlined below. Two sample calculations are also shown. Community A has an equity index greater than 1, and Community B's equity index is less than one.

Data

1. Population for state and municipal is from the most recent census.
2. Equalized weighted assessed valuations (ewav) are from the most recently completed and certified study. This expression of community wealth measures the total assessed local property values of the communities and adjusts them for differences in local assessment rates to allow the reporting of figures comparable on a statewide basis. The values are then adjusted by the ratio that the community's median family income bears

to the statewide median family income, as reported in the most recent federal census data.

3. The tax yields are from the most recent tax data certified by the local assessors to the Department of Administration.

Methodology

Step 1. Calculate state average tax rate:

$$\frac{\text{Total statewide property tax yield}}{\text{Total statewide property tax base (ewav)}} = \text{State average tax rate}$$

$\frac{\$ 1,381,790,345.00}{\$ 53,630,883,084} = \$ 0.02576$

Step 2. Calculate statewide yield per capita:

$$\frac{\text{Total statewide property tax yield}}{\text{State population}} = \text{State property tax yield per capita}$$

$\frac{\$ 1,381,790,345}{1,003,464} = \$ 1,377$

Step 3. Calculate municipal property tax yield per capita:

$$\frac{\text{Municipal property tax yield}}{\text{Municipal population}} = \text{Municipal property tax yield per capita}$$

<p>Community A</p> $\frac{\$ 40,225,840}{23,786} = \$ 1,691$

<p>Community B</p> $\frac{\$ 40,198,980}{32,090} = \$ 1,253$

Step 4. Calculate municipal property tax capacity:

$$\frac{\text{Municipal property tax yield per capita}}{\text{State property tax yield per capita}} \times 100 = \text{Municipal property tax capacity index}$$

Community A	
$\frac{\$ 1,691}{\$ 1,377}$	$\times 100 = 122.80$

Community B	
$\frac{\$ 1,253}{\$ 1,377}$	$\times 100 = 90.99$

Step 5. Calculate hypothetical municipal property tax yield per capita:

$$\frac{\text{Municipal property tax base (ewav)}}{\text{Community Population}} \times \text{State average tax rate} = \text{Hypothetical municipal property tax yield per capita}$$

Community A	
$\frac{\$0.02576 \times \$1,898,349,460}{23,786}$	$= \$2,056$

Community B	
$\frac{\$0.02576 \times \$1,387,106,541}{32,090}$	$= \$1,114$

Step 6. Calculate tax capacity index:

$$\frac{\text{Hypothetical municipal yield per capita}}{\text{State average property tax yield per capita}} \times 100 = \text{Total tax capacity index}$$

Community A	
$\frac{\$ 2,056}{\$ 1,377}$	$\times 100 = 149.31$

Community B	
$\frac{\$ 1,114}{\$ 1,377}$	$\times 100 = 80.90$

Step 7. Calculate property tax effort index:

$$\frac{\text{Municipal property tax yield per capita}}{\text{Hypothetical municipal yield per capita}} \times 100 = \text{Tax effort index}$$

Community A	
$\frac{\$ 1,691}{\$ 2,056}$	$\times 100 = 82.25$

Community B	
$\frac{\$ 1,253}{\$ 1,114}$	$\times 100 = 112.48$

Step 8. Calculate the equity index:

$$\frac{\text{Tax capacity index}}{\text{Tax effort index}} = \text{Equity index}$$

<i>Community A</i>	<i>Community B</i>
$\frac{149.31}{82.25} = 1.82$	$\frac{80.90}{112.48} = 0.72$

Step three illustrates that both communities in the example yield about the same amount of money through the property tax. However, step six shows that Community A's property is valued about 37 percent greater than Community B. This suggests that Community A has the ability to generate more local resources through the property tax.

The formula considers this information on a per capita basis. This accentuates the differences between the example communities, as the community with more valuable property has 25 percent fewer residents. If Community B had the same population as Community A, and all other data was unchanged, Community B would have an equity index of 0.97.

If a community raises its property taxes, it is essentially increasing its tax effort, which in theory would lower its Equity Index. It should be noted; however, that the Equity Index is a relative measure, and as such, a change in one community affects that measure for all communities. Therefore, the effect such a tax increase would have on the community's equity index depends on actions taken statewide.

Adjusted EWAV. The adjusted equalized weighted assessed valuation (EWAV) is a calculation of a community's relative property wealth currently used in the distribution of school housing and charter school aid and is used in the new education funding formula. The computation is intended to weight property values more heavily in communities that also have higher family incomes.

Equalized weighted assessed valuations are from the most recently completed and certified study. This expression of community wealth measures the total assessed local property values of the communities and adjusts them for differences in local assessment rates to allow the reporting of figures comparable on a statewide basis. The values are then adjusted by the ratio that the community's median family income bears to the statewide median family income, as reported in the most recent federal census data to produce the "adjusted EWAV." The calculation is outlined in Rhode Island General Law, Section 16-7-21; the specific language is provided at the end of this report along with the most recent statewide calculations.

The following example shows the steps for calculating the adjusted EWAV for two sample communities.

Step 1. Start with the assessed value of real and tangible personal property for each city and town as of December 31 of the third preceding calendar year in accordance with Rhode Island General Law, Section 16-7-21. The assessed value as of December 31, 2009 is used for FY 2014 calculations and is that certified and used in the 2009 municipal tax rolls. The certification from the city or town includes the gross amount due to negate the impact of the various homestead exemptions and other tax treaties available at the local level.

<p><i>Community A</i></p> <p>Assessed value = \$5,323.4 million</p>

<p><i>Community B</i></p> <p>Assessed value = \$5,482.6 million</p>

Step 2. Bring all *assessed values* up to *full value* based upon market value. The Division of Municipal Finance does this by examining the past two years of sales in a community, including both residential and commercial. For each sale, the Division calculates the ratio of the assessed value of the property, which is obtained from the tax assessor, to the actual sale price. A separate ratio is developed for residential and commercial properties. The assessed values as reported by the community are then divided by the ratio of assessed value to sale price to arrive at the full value.

The Division of Municipal Finance determined that the ratio to full value for Community A is 93.66 percent and is 93.74 percent for Community B.

<p><i>Community A</i></p> <p>\$5,323.4 million / 93.66% = \$5,683.5 million</p>

<p><i>Community B</i></p> <p>\$5,482.6 million / 93.74% = \$5,848.9 million</p>

Step 3. Calculate the *statewide ratio* of assessed value to full value. This is derived by dividing the total statewide assessed values by the total statewide full values. For FY 2011, the statewide ratio of assessed value to full value was 92.07 percent.

<p><i>Statewide Ratio</i></p> <p>Assessed value: \$141,600.0 million /Full Value: \$153,793.1 million =92.07%</p>

Step 4. Calculate the *equalized weighted assessed valuation* by multiplying the full value by the statewide ratio of full value to assessed value.

Community A
\$5,683.5 million * 92.07% =
\$5,232.9 million

Community B
\$5,848.9 million * 92.07% =
\$5,385.2 million

Step 5. Calculate the *adjusted equalized weighted assessed valuation* by adjusting for median family income. The median family income adjustment factor is based on the United States Census Bureau 2000 census and is the ratio of the median family income of a city or town to the statewide median family income as reported in the latest available federal census data. In these scenarios, Community A's median family income is 28.67 percent higher than the statewide median family income. Community B's median family income is 73.96 percent of the statewide average.

The *equalized weighted assessed valuation* is multiplied by the median family income adjustment factor to get the *adjusted equalized weighted assessed valuation*.

Community A
\$5,232.9 million * 128.67% =
\$6,733.1 million

Community B
\$5,385.2 million * 73.96% =
\$3,982.9 million

Step 6. The law requires that the total state *adjusted equalized weighted assessed valuation* be the same as the total state *unadjusted equalized weighted assessed valuation*. For FY 2011, each community is adjusted by 93.48 percent to make the totals match.

Community A
\$6,733.1 million * 93.48% =
\$6,294.1 million

Community B
\$3,982.9 million * 93.48% =
\$3,723.2 million

While Communities A and B begin with assessed values of \$5.3 billion and \$5.5 billion respectively, once brought to full value and adjusted for the median family income, Community A's property value increases to \$6.3 billion while Community B's decreases to \$3.7 billion.

This information is then used to calculate property value per pupil for the purpose of developing share ratios used to distribute state aid. The adjusted equalized weighted

assessed valuation is divided by the number of pupils in a community to determine property value per pupil. Communities with higher wealth per pupil receive less aid.

In the case of Community A with average daily membership of 8,895 pupils, the property value per pupil would be \$0.4 million. For Community B with average daily membership of 3,727 pupils, the property value per pupil would be \$1.7 million. Even if all calculations above were the same for two communities, a significant variation in the number of pupils yields a very different property value per pupil.

Appendix I
Education Aid by Community
FY 1987-FY 2014

Education Aid By Community

Community	FY 1987	FY 1988	FY 1989	FY 1990
Barrington	\$ 3,134,712	\$ 3,404,085	\$ 3,620,769	\$ 3,559,362
Burrillville	5,459,731	5,988,696	7,082,968	8,183,642
Charlestown	1,003,094	1,150,161	1,201,038	1,436,039
Coventry	9,035,899	10,361,426	11,522,467	12,554,333
Cranston	11,506,564	13,580,243	14,539,821	17,617,420
Cumberland	6,322,991	7,354,740	7,894,258	9,243,082
East Greenwich	2,545,515	2,694,833	2,804,976	3,306,901
East Providence	9,354,522	9,598,386	11,233,501	12,559,035
Foster	581,415	673,586	782,891	935,816
Glocester	987,596	1,240,848	1,415,725	1,709,433
Hopkinton	3,286,274	3,699,579	3,823,782	4,086,774
Jamestown	664,528	716,357	750,849	816,249
Johnston	4,740,269	5,206,785	6,141,612	6,741,404
Lincoln	3,060,376	3,258,168	3,435,518	4,252,359
Little Compton	516,593	548,168	618,134	700,797
Middletown	3,573,990	3,544,518	4,093,849	5,065,090
Narragansett	1,869,557	2,139,355	2,251,193	2,643,617
Newport	4,599,740	5,023,577	5,344,902	6,138,396
New Shoreham	148,938	174,105	193,518	190,669
North Kingstown	5,873,875	6,713,782	7,716,674	8,741,843
North Providence	4,328,432	5,391,847	6,258,544	7,275,762
North Smithfield	2,655,174	3,129,087	3,566,454	4,033,119
Pawtucket	18,112,658	20,977,982	23,604,531	25,729,683
Portsmouth	3,140,102	3,355,885	3,876,416	4,518,790
Providence	40,429,049	46,205,383	50,176,136	54,693,230
Richmond	2,233,042	2,821,318	3,093,559	4,154,371
Scituate	1,827,869	2,344,139	2,725,901	3,225,483
Smithfield	2,962,825	3,048,238	3,857,642	4,370,067
South Kingstown	3,263,684	3,526,826	3,952,229	4,561,623
Tiverton	3,911,433	4,062,298	4,447,090	4,916,576
Warwick	18,951,542	21,099,507	22,974,410	25,391,110
Westerly	2,899,990	3,134,453	3,266,642	3,983,447
West Warwick	7,478,300	7,779,477	9,309,869	9,916,074
Woonsocket	15,257,976	17,151,492	18,430,748	19,582,260
Bristol/Warren	7,378,245	8,148,116	8,681,630	9,781,046
Exeter/W Greenwich	2,686,946	3,121,980	3,622,817	4,197,216
Chariho	45,256	54,548	444,932	502,179
Foster/Glocester	2,021,775	2,494,435	3,056,807	3,399,843
Central Falls	5,015,226	5,925,157	6,705,975	7,827,022
Subtotal	\$ 222,865,703	\$ 250,843,566	\$ 278,520,777	\$ 312,541,162
Teacher Retirement	29,659,627	32,229,400	36,891,788	27,590,735
Construction Aid	3,420,996	2,903,445	3,288,315	6,293,400
Total	\$ 255,946,326	\$ 285,976,411	\$ 318,700,880	\$ 346,425,297

Education Aid By Community

Community	FY 1991	FY 1992	FY 1993	FY 1994
Barrington	\$ 3,672,693	\$ 3,012,624	\$ 1,971,802	\$ 1,650,771
Burrillville	8,317,938	8,694,188	8,697,771	8,650,576
Charlestown	2,037,748	2,086,517	1,519,979	1,474,736
Coventry	13,620,016	12,146,133	13,230,028	13,146,355
Cranston	18,591,175	17,860,641	18,000,480	18,501,147
Cumberland	9,692,433	8,584,049	8,774,235	8,779,212
East Greenwich	3,254,152	2,832,168	1,727,621	1,360,018
East Providence	14,098,180	13,282,741	12,243,005	12,625,677
Foster	1,096,567	952,858	949,962	921,641
Glocester	1,928,285	1,941,760	1,803,496	2,198,779
Hopkinton	5,117,607	4,430,895	4,806,810	4,783,133
Jamestown	847,909	710,451	488,000	408,126
Johnston	7,579,479	6,687,327	5,776,380	6,333,960
Lincoln	5,183,954	4,347,108	4,702,669	4,724,030
Little Compton	747,233	588,702	407,575	324,769
Middletown	5,640,077	6,052,264	6,521,213	6,732,072
Narragansett	2,757,270	2,220,428	1,954,078	1,419,082
Newport	5,941,287	4,886,052	5,193,753	4,908,163
New Shoreham	221,962	199,002	127,136	106,397
North Kingstown	9,914,958	9,032,261	8,100,427	7,852,346
North Providence	7,819,993	6,474,400	6,508,359	6,698,599
North Smithfield	4,011,262	3,755,606	3,623,574	3,426,384
Pawtucket	27,770,627	23,026,504	24,351,019	25,112,522
Portsmouth	5,021,047	4,619,605	4,949,351	4,736,710
Providence	59,020,113	58,495,112	60,800,777	68,743,193
Richmond	4,777,665	4,411,138	4,379,596	4,831,565
Scituate	3,402,297	3,013,843	2,841,997	2,739,289
Smithfield	4,380,463	3,700,016	3,094,916	3,419,893
South Kingstown	6,365,852	4,969,294	5,481,771	5,976,655
Tiverton	5,176,309	4,547,510	4,241,204	4,088,482
Warwick	25,620,977	23,327,819	24,649,582	24,477,481
Westerly	4,485,370	3,605,696	3,207,459	3,124,127
West Warwick	11,061,769	10,047,790	10,472,843	10,605,875
Woonsocket	19,674,748	17,025,970	19,543,504	19,790,958
Bristol/Warren	10,445,424	8,708,277	12,971,062	13,258,764
Exeter/W Greenwich	4,711,978	4,343,189	4,953,660	4,799,996
Chariho	556,991	487,194	435,825	443,552
Foster/Glocester	3,816,618	3,533,100	3,591,580	3,852,746
Central Falls	8,489,529	10,254,654	15,025,000	16,147,639
Subtotal	\$ 336,869,955	\$ 308,894,886	\$ 322,119,499	\$ 333,175,422
Teacher Retirement	22,436,000	22,200,000	25,276,134	32,932,225
Construction Aid	11,771,980	14,070,831	16,154,117	17,008,435
Total	\$ 371,077,935	\$ 345,165,717	\$ 363,549,750	\$ 383,116,082

Education Aid By Community

Community	FY 1995	FY 1996	FY 1997	FY 1998
Barrington	\$ 1,668,106	\$ 1,692,513	\$ 1,714,875	\$ 1,845,479
Burrillville	9,065,322	9,364,224	9,506,648	9,725,426
Charlestown	1,039,082	1,131,983	1,165,216	1,455,289
Coventry	14,420,985	14,890,966	15,103,517	15,464,764
Cranston	21,652,818	22,534,696	23,022,977	23,933,839
Cumberland	9,445,524	9,628,420	9,757,601	10,081,007
East Greenwich	1,071,266	1,102,385	1,144,504	1,258,719
East Providence	15,641,888	16,177,101	16,600,249	17,239,374
Foster	997,683	1,030,295	1,042,453	1,075,870
Glocester	2,275,386	2,348,549	2,376,339	2,453,703
Hopkinton	4,389,459	4,479,194	4,806,810	4,896,244
Jamestown	260,961	267,560	276,027	318,647
Johnston	6,915,349	7,142,571	7,246,567	7,467,703
Lincoln	5,257,584	5,360,480	5,428,870	5,628,166
Little Compton	163,376	181,972	192,176	222,570
Middletown	7,298,471	7,399,838	7,511,867	7,713,312
Narragansett	834,376	948,559	1,006,310	1,126,281
Newport	6,585,095	7,048,861	7,321,769	7,692,235
New Shoreham	36,102	36,102	36,970	42,109
North Kingstown	8,591,791	8,849,057	8,970,856	9,258,078
North Providence	8,668,400	8,843,076	8,943,164	9,215,443
North Smithfield	3,409,519	3,477,534	3,520,522	3,610,676
Pawtucket	30,450,679	32,192,673	33,265,198	36,262,521
Portsmouth	4,478,224	4,530,091	4,581,980	4,727,029
Providence	87,814,504	93,951,873	97,987,955	108,499,534
Richmond	4,373,697	4,457,967	4,524,768	4,847,976
Scituate	2,438,647	2,464,815	2,502,592	2,594,370
Smithfield	3,947,424	4,005,569	4,055,939	4,193,817
South Kingstown	7,339,124	7,433,939	7,539,672	7,787,460
Tiverton	4,213,554	4,264,510	4,335,288	4,481,663
Warwick	26,328,104	27,187,916	27,638,203	28,464,625
Westerly	4,075,651	4,320,704	4,452,707	4,702,928
West Warwick	12,208,841	12,487,388	12,736,414	13,113,895
Woonsocket	23,489,478	25,802,389	26,578,776	28,621,117
Bristol-Warren	13,511,908	15,192,295	15,404,195	15,769,324
Exeter-West Greenwich	4,826,494	5,077,427	5,144,295	5,690,556
Chariho	299,457	301,595	301,596	301,596
Foster-Glocester	3,926,390	4,057,499	4,152,388	4,519,602
Central Falls	18,351,007	19,085,182	19,636,642	21,454,420
Met School Operations	-	-	400,000	800,000
Subtotal	\$ 381,761,726	\$ 400,749,768	\$ 411,934,895	\$ 438,557,367
Teacher Retirement	34,312,346	33,348,192	34,521,869	35,565,169
Construction Aid	16,153,807	17,002,906	18,104,513	19,726,218
Hasbro School	-	-	80,000	80,000
School Breakfast	-	165,068	178,850	196,931
School Visits	-	-	-	-
Professional Development	-	-	-	-
Direct Charter School Aid	-	-	-	-
Progressive Support	-	-	-	-
Textbook Loans	-	-	-	-
Total	\$ 432,227,879	\$ 451,265,934	\$ 464,820,127	\$ 494,125,685

Education Aid By Community

Community	FY 1999	FY 2000	FY 2001	FY 2002
Barrington	\$ 2,005,421	\$ 2,065,075	\$ 2,168,873	\$ 2,294,840
Burrillville	10,112,186	10,783,631	11,593,651	12,458,207
Charlestown	1,567,379	1,624,314	1,705,908	1,776,443
Coventry	16,113,590	16,657,015	17,491,176	18,103,867
Cranston	25,372,860	27,046,566	29,062,257	31,098,284
Cumberland	10,522,993	10,873,076	11,417,319	11,816,925
East Greenwich	1,408,020	1,459,571	1,533,092	1,642,030
East Providence	19,431,746	20,718,133	22,271,132	23,830,537
Foster	1,119,668	1,157,431	1,215,376	1,257,914
Glocester	2,555,961	2,642,259	2,774,666	2,871,779
Hopkinton	5,036,614	5,207,822	5,468,492	5,659,889
Jamestown	369,423	391,046	415,535	453,231
Johnston	7,827,586	8,343,132	8,963,511	9,607,836
Lincoln	5,942,178	6,137,023	6,443,726	6,669,256
Little Compton	262,788	274,495	288,426	312,417
Middletown	8,080,269	8,352,910	8,770,837	9,194,316
Narragansett	1,305,047	1,398,842	1,505,383	1,616,920
Newport	8,346,291	8,783,522	9,569,026	10,065,853
New Shoreham	53,028	59,037	67,076	79,523
North Kingstown	9,657,163	9,978,867	10,478,908	10,851,375
North Providence	9,653,497	10,292,025	11,064,498	11,937,013
North Smithfield	3,749,585	3,874,506	4,068,328	4,258,219
Pawtucket	41,381,578	46,931,978	52,978,940	56,785,845
Portsmouth	4,931,266	5,093,615	5,348,784	5,535,991
Providence	124,843,132	136,400,819	151,980,243	165,275,304
Richmond	4,974,230	5,143,462	5,400,935	5,589,968
Scituate	2,727,581	2,816,362	2,957,624	3,068,641
Smithfield	4,388,767	4,532,091	4,759,338	4,986,915
South Kingstown	8,197,603	8,468,205	8,892,982	9,219,644
Tiverton	4,741,236	4,898,999	5,144,427	5,324,482
Warwick	29,819,040	30,817,788	32,347,660	33,502,797
Westerly	5,108,037	5,393,170	5,691,315	5,994,381
West Warwick	14,331,218	15,284,719	16,432,161	17,658,912
Woonsocket	32,166,967	35,861,818	38,728,073	41,551,538
Bristol-Warren	16,359,443	16,917,340	17,764,213	18,393,960
Exeter-West Greenwich	5,868,194	6,065,919	6,369,693	6,862,455
Chariho	301,596	312,152	327,759	341,021
Foster-Glocester	4,605,195	4,760,602	4,998,829	5,173,788
Central Falls	24,268,988	27,268,988	31,496,700	33,271,624
Met School Operations	1,200,000	1,800,000	1,980,000	2,155,000
Subtotal	\$ 480,707,364	\$ 516,888,325	\$ 561,936,872	\$ 598,548,943
Teacher Retirement	30,202,943	39,962,520	35,987,467	30,763,337
Construction Aid	22,568,946	25,540,280	30,775,773	33,222,193
Hasbro School	80,000	95,196	100,000	100,000
School Breakfast	215,478	268,636	420,640	610,529
School Visits	394,165	372,798	621,757	694,313
Professional Development	-	251,300	544,251	479,290
Direct Charter School Aid	-	2,768,767	3,781,547	6,174,888
Progressive Support	-	-	4,571,840	4,621,507
Textbook Loans	-	-	80,253	372,630
Total	\$ 534,168,896	\$ 586,147,822	\$ 638,820,400	\$ 675,587,630

Education Aid By Community

Community	FY 2003	FY 2004	FY 2005	FY 2006
Barrington	\$ 2,352,211	\$ 2,393,375	\$ 2,398,582	\$ 2,479,907
Burrillville	12,851,288	13,076,186	13,076,186	13,145,661
Charlestown	1,820,855	1,852,720	1,852,720	1,910,676
Coventry	18,556,464	18,881,202	18,881,202	19,151,316
Cranston	31,875,741	32,907,994	33,029,207	33,943,638
Cumberland	12,112,348	12,594,809	12,594,809	12,646,981
East Greenwich	1,765,450	1,796,345	1,810,042	1,860,042
East Providence	24,579,320	25,009,458	25,064,677	25,530,776
Foster	1,289,362	1,311,926	1,311,926	1,351,283
Glocester	2,943,574	2,995,087	2,995,087	3,065,960
Hopkinton	5,801,386	5,902,911	5,902,911	5,954,153
Jamestown	478,137	486,504	492,652	507,432
Johnston	9,962,918	10,137,270	10,188,342	10,413,088
Lincoln	6,835,988	6,955,618	7,012,603	7,062,603
Little Compton	320,227	325,831	341,592	351,839
Middletown	9,699,260	9,916,122	9,916,122	10,014,086
Narragansett	1,657,343	1,709,968	1,725,404	1,809,860
Newport	10,870,512	11,060,746	11,060,746	11,253,278
New Shoreham	86,319	93,128	93,128	101,451
North Kingstown	11,122,659	11,317,305	11,384,463	11,434,463
North Providence	12,235,439	12,449,559	12,511,050	12,623,955
North Smithfield	4,462,302	4,540,392	4,541,694	4,611,787
Pawtucket	60,024,535	61,074,964	61,615,711	63,782,029
Portsmouth	5,711,351	5,811,300	5,854,978	6,632,443
Providence	174,934,589	181,224,594	181,224,594	185,142,176
Richmond	5,729,717	5,829,987	5,829,987	5,903,843
Scituate	3,145,357	3,200,400	3,200,400	3,250,400
Smithfield	5,215,581	5,306,854	5,332,948	5,407,726
South Kingstown	9,598,923	9,766,904	9,766,904	9,948,816
Tiverton	5,457,594	5,553,102	5,553,102	5,659,091
Warwick	34,340,367	34,941,323	35,195,464	35,894,621
Westerly	6,146,521	6,284,205	6,386,546	6,528,189
West Warwick	18,643,537	19,275,597	19,341,994	19,499,965
Woonsocket	43,059,505	43,813,046	43,913,617	45,425,511
Bristol-Warren	18,853,809	19,183,751	19,267,184	19,554,956
Exeter-West Greenwich	7,092,069	7,216,180	7,227,202	7,308,493
Charlho	352,610	360,305	368,936	380,004
Foster-Glocester	5,303,133	5,395,937	5,395,937	5,466,199
Central Falls	34,430,272	35,635,332	37,804,406	41,319,965
Met School Operations	3,982,350	5,750,000	7,261,970	8,814,530
Subtotal	\$ 625,700,921	\$ 643,338,236	\$ 648,727,029	\$ 667,143,195
Teacher Retirement	38,072,353	46,212,606	52,583,171	58,632,638
Construction Aid	38,232,355	40,740,608	43,855,701	47,172,045
Hasbro School	100,000	100,000	100,000	100,000
School Breakfast	672,118	647,872	700,000	600,000
School Visits	407,002	407,935	407,935	407,935
Professional Development	120,000	120,000	120,000	120,000
Direct Charter School Aid	9,407,634	12,645,077	16,913,929	21,138,978
Progressive Support	471,986	1,112,500	2,100,000	2,896,883
Textbook Loans	221,811	325,000	325,000	240,000
Speech Path. Supplement	-	-	-	-
Total	\$ 713,406,179	\$ 745,649,834	\$ 765,832,765	\$ 798,451,674

Education Aid By Community

Community	FY 2007	FY 2008	FY 2009	FY 2010
Barrington	\$ 2,599,526	\$ 2,599,526	\$ 1,874,283	\$ 1,800,191
Burrillville	13,854,743	13,854,743	13,496,340	13,169,342
Charlestown	2,002,838	2,002,838	1,537,609	1,725,632
Coventry	20,075,081	20,075,081	18,931,163	18,278,654
Cranston	35,580,911	35,580,911	33,293,971	32,032,775
Cumberland	13,257,009	13,257,009	12,396,323	11,966,879
East Greenwich	1,949,761	1,949,761	1,368,921	1,450,763
East Providence	26,762,254	26,888,254	25,842,575	24,881,232
Foster	1,416,463	1,416,463	1,352,512	1,305,135
Glocester	3,213,847	3,213,847	3,086,837	2,973,405
Hopkinton	6,241,352	6,241,352	5,500,572	5,749,276
Jamestown	531,908	531,908	406,981	391,353
Johnston	10,915,364	10,915,364	10,059,081	9,701,822
Lincoln	7,403,268	7,403,268	6,642,302	6,384,476
Little Compton	368,810	368,810	286,369	291,845
Middletown	10,497,116	10,497,116	10,003,066	9,653,308
Narragansett	1,897,159	1,897,159	1,496,256	1,440,139
Newport	11,871,080	11,871,080	11,393,399	10,912,686
New Shoreham	106,345	106,345	48,348	57,149
North Kingstown	11,986,005	11,986,005	11,120,493	10,735,891
North Providence	13,262,872	13,382,872	12,628,146	12,222,938
North Smithfield	4,834,237	4,834,237	4,461,320	4,384,693
Pawtucket	67,023,559	67,023,559	65,549,352	63,316,158
Portsmouth	6,480,042	6,700,042	6,171,329	6,026,090
Providence	194,109,756	194,109,756	188,429,408	181,619,378
Richmond	6,188,615	6,188,615	5,495,302	5,722,291
Scituate	3,407,183	3,407,183	3,067,839	2,942,545
Smithfield	5,668,568	5,743,568	5,206,280	5,023,550
South Kingstown	10,548,698	10,548,698	9,635,747	9,289,273
Tiverton	5,932,058	5,932,058	5,515,521	5,326,062
Warwick	37,626,000	37,626,000	35,084,429	33,816,257
Westerly	6,843,077	6,843,077	6,014,334	5,780,009
West Warwick	20,440,547	20,440,547	19,700,774	19,030,395
Woonsocket	47,616,613	47,661,613	46,542,684	44,881,514
Bristol-Warren	20,498,190	20,498,190	19,774,955	19,071,142
Exeter-West Greenwich	7,661,019	7,661,019	7,135,966	6,894,092
Chariho	398,334	398,334	1,543,338	387,074
Foster-Glocester	5,729,861	5,729,861	5,454,813	5,268,913
Central Falls	43,873,873	44,358,224	43,453,765	43,255,325
Met School Operations	10,406,956	11,487,734	11,830,303	12,508,767
Subtotal	\$ 701,080,898	\$ 703,232,027	\$ 672,833,006	\$ 651,668,420
Teacher Retirement	67,259,910	80,225,355	76,286,018	72,346,889
Construction Aid	46,814,982	49,652,976	54,140,052	58,299,115
Hasbro School	100,000	100,000	100,000	-
School Breakfast	600,000	600,000	300,000	300,000
School Visits	407,935	407,935	145,864	145,864
Professional Development	670,000	605,000	495,000	-
Direct Charter School Aid	24,339,885	26,844,840	29,280,724	32,072,347
Progressive Support	2,930,109	2,831,023	2,363,432	2,879,734
Textbook Loans	313,500	329,000	316,677	233,861
Speech Path. Supplement	304,500	-	-	-
Total	\$ 844,821,719	\$ 864,828,156	\$ 836,260,773	\$ 817,946,230

Education Aid By Community

Community	FY 2011	FY 2012	FY 2013
Barrington	\$ 1,777,692	\$ 2,374,854	\$ 3,350,904
Burrillville	13,049,312	13,008,772	12,965,501
Charlestown	1,708,264	1,704,449	1,694,669
Coventry	18,106,570	18,670,838	19,707,074
Cranston	31,729,746	34,148,058	39,188,868
Cumberland	11,853,639	12,663,079	13,834,760
East Greenwich	1,327,711	1,507,198	1,955,236
East Providence	24,531,957	25,375,608	26,993,305
Foster	1,293,021	1,242,314	1,214,327
Glocester	2,946,000	2,862,833	2,792,685
Hopkinton	5,695,888	5,726,195	5,615,973
Jamestown	386,846	369,267	363,461
Johnston	9,609,655	10,131,916	11,083,498
Lincoln	6,320,677	6,999,556	8,156,329
Little Compton	288,570	313,858	338,666
Middletown	9,562,746	9,407,808	9,288,241
Narragansett	1,423,684	1,488,608	1,663,260
Newport	10,812,053	10,701,213	10,661,062
New Shoreham	56,081	61,851	72,292
North Kingstown	10,633,129	10,674,839	10,758,204
North Providence	12,107,544	12,751,556	14,139,108
North Smithfield	4,342,683	4,630,725	5,133,980
Pawtucket	62,743,324	64,600,780	68,246,641
Portsmouth	5,968,097	5,762,149	5,380,832
Providence	179,813,040	185,804,948	197,968,379
Richmond	5,669,397	5,648,866	5,474,556
Scituate	2,913,522	3,155,942	3,514,829
Smithfield	4,899,277	4,966,920	4,982,755
South Kingstown	9,198,692	8,832,470	8,511,975
Tiverton	5,275,223	5,329,648	5,677,809
Warwick	33,493,714	33,796,578	34,449,461
Westerly	5,721,304	5,982,372	6,572,162
West Warwick	18,855,252	19,143,704	19,775,027
Woonsocket	44,356,033	45,012,523	46,744,955
Bristol-Warren	18,896,443	18,625,047	17,832,370
Chariho	383,667	642,082	898,450
Exeter-West Greenwich	6,708,949	6,818,348	6,705,948
Foster-Glocester	5,219,945	5,372,978	5,289,023
Central Falls	42,865,644	41,145,437	39,744,688
Met School Operations	13,025,640	12,236,284	11,648,256
Davies Career & Tech	-	14,090,211	13,381,539
Charter Schools	38,230,649	43,204,584	47,082,800
Subtotal	\$ 683,801,279	\$ 716,987,266	\$ 750,853,858
Teacher Retirement	69,653,293	81,635,719	78,219,694
Supp. Ret. Contribution	-	-	1,548,753
Construction Aid	67,976,514	72,507,180	74,568,906
School Breakfast	300,000	270,000	270,000
Progressive Support	2,687,536	-	-
Textbook Loans	241,490	240,000	240,000
Total	\$ 824,660,112	\$ 871,640,165	\$ 905,701,211

Appendix II
Construction Aid By Community
FY 1990-FY 2013

Construction Aid by Community

Community	FY 1990	FY 1991	FY 1992	FY 1993
Barrington	\$ 2,250	\$ -	\$ -	\$ 73,648
Burrillville	645,022	1,258,034	1,180,285	1,178,691
Charlestown	18,000	18,000	18,000	18,000
Coventry	220,708	356,255	533,284	750,284
Cranston	284,214	368,327	412,907	686,549
Cumberland	45,278	101,110	57,297	58,555
East Greenwich	55,501	27,001	27,001	27,001
East Providence	124,275	319,515	639,721	564,328
Foster	200,429	174,600	126,255	117,635
Glocester	27,645	26,251	183,372	362,591
Hopkinton	-	-	-	-
Jamestown	27,492	27,492	61,036	182,365
Johnston	117,326	92,227	89,317	130,658
Lincoln	42,937	16,500	-	-
Little Compton	8,801	8,801	8,801	72,929
Middletown	3,000	3,000	3,000	3,000
Narragansett	66,765	270,167	456,430	449,796
Newport	-	-	-	38,128
New Shoreham	-	33,977	107,314	86,622
North Kingstown	155,004	165,295	231,424	214,882
North Providence	1,347	1,347	1,347	-
North Smithfield	-	242,993	252,858	257,919
Pawtucket	254,810	256,263	276,923	334,060
Portsmouth	132,349	152,134	172,001	152,790
Providence	840,091	1,658,931	2,427,376	3,063,303
Richmond	-	-	-	-
Scituate	41,460	82,495	145,482	121,115
Smithfield	139,125	90,750	68,251	111,769
South Kingstown	123,000	226,638	288,721	308,589
Tiverton	86,852	86,852	86,852	86,852
Warwick	258,811	258,811	311,115	243,017
Westerly	42,000	153,814	142,626	158,850
West Warwick	109,125	274,817	267,399	513,369
Woonsocket	124,545	124,078	123,805	23,185
Bristol-Warren	828	828	828	828
Exeter-West Greenwich	-	1,865,338	1,830,165	1,855,504
Chariho	2,014,060	2,626,934	2,229,250	1,980,525
Foster-Glocester	-	-	308,506	684,452
Central Falls	80,346	402,404	1,001,882	1,242,328
Subtotal	\$ 6,293,400	\$ 11,771,980	\$ 14,070,831	\$ 16,154,117

Construction Aid by Community

Community	FY 1994	FY 1995	FY 1996	FY 1997
Barrington	\$ 114,717	\$ 112,740	\$ 110,797	\$ 108,796
Burrillville	1,093,146	1,028,953	985,283	1,229,915
Charlestown	18,000	18,000	18,000	-
Coventry	627,350	602,282	451,758	410,126
Cranston	668,032	603,774	588,736	822,082
Cumberland	42,456	161,588	268,338	277,246
East Greenwich	27,001	27,001	335,209	388,206
East Providence	622,306	603,206	605,274	613,840
Foster	106,360	105,838	97,904	97,446
Glocester	384,176	373,454	346,856	323,615
Hopkinton	-	-	-	-
Jamestown	180,521	178,624	166,115	163,991
Johnston	183,512	179,603	176,152	172,676
Lincoln	-	-	-	-
Little Compton	74,425	72,313	70,201	68,089
Middletown	3,000	73,606	141,905	126,413
Narragansett	437,010	429,635	292,388	388,051
Newport	47,393	46,458	223,960	195,966
New Shoreham	85,206	83,774	80,807	77,621
North Kingstown	190,330	184,618	179,749	175,251
North Providence	-	-	-	315,543
North Smithfield	188,028	176,399	166,995	161,701
Pawtucket	442,790	502,314	858,208	911,929
Portsmouth	151,008	148,413	144,953	141,493
Providence	3,995,710	4,878,197	4,695,202	4,583,925
Richmond	-	-	-	-
Scituate	109,583	185,681	309,990	296,234
Smithfield	110,063	107,626	59,438	57,001
South Kingstown	623,362	554,343	857,790	873,159
Tiverton	86,852	73,538	-	-
Warwick	213,100	396,048	531,299	635,185
Westerly	152,401	148,208	354,184	783,917
West Warwick	539,698	525,354	449,945	452,872
Woonsocket	23,386	23,139	136,353	171,652
Bristol-Warren	828	-	-	-
Exeter-West Greenwich	1,832,586	1,764,727	1,698,297	1,498,735
Chariho	1,669,977	-	-	-
Foster-Glocester	704,661	679,339	657,835	618,696
Central Falls	1,259,456	1,105,016	942,983	963,141
Subtotal	\$ 17,008,435	\$ 16,153,809	\$ 17,002,906	\$ 18,104,513

Construction Aid by Community

Community	FY 1998	FY 1999	FY 2000	FY 2001
Barrington	\$ 106,819	\$ 104,823	\$ 329,374	\$ 736,749
Burrillville	1,250,502	1,317,312	1,358,795	1,386,663
Charlestown	-	-	-	-
Coventry	385,165	370,899	349,836	292,558
Cranston	846,259	829,548	947,157	1,176,208
Cumberland	343,542	472,354	608,920	664,204
East Greenwich	373,966	335,573	349,977	393,879
East Providence	571,282	527,757	403,819	725,693
Foster	94,041	-	-	-
Glocester	300,704	248,603	263,049	247,856
Hopkinton	-	-	-	-
Jamestown	161,701	159,240	156,601	153,834
Johnston	164,988	402,460	271,508	362,554
Lincoln	337,434	307,193	300,260	311,733
Little Compton	65,977	63,865	61,753	59,641
Middletown	118,546	195,951	349,274	230,868
Narragansett	388,799	381,036	398,099	391,152
Newport	191,324	186,535	181,763	177,096
New Shoreham	76,360	80,292	70,339	69,343
North Kingstown	244,527	381,844	442,776	526,160
North Providence	443,383	736,017	671,034	594,629
North Smithfield	210,036	151,127	145,731	140,293
Pawtucket	944,534	1,030,431	912,627	1,281,242
Portsmouth	120,701	149,705	182,103	306,114
Providence	5,642,166	6,645,457	8,064,957	10,827,562
Richmond	-	-	-	-
Scituate	290,603	329,368	407,600	382,176
Smithfield	54,563	245,389	297,058	292,257
South Kingstown	896,791	949,989	919,950	926,198
Tiverton	-	36,903	61,791	32,959
Warwick	709,287	734,320	889,448	915,390
Westerly	678,234	647,208	629,677	608,075
West Warwick	424,095	749,955	987,317	775,009
Woonsocket	165,256	159,764	263,810	654,225
Bristol-Warren	79,525	968,320	840,963	966,529
Exeter-West Greenwich	1,430,320	1,243,251	1,260,968	1,250,807
Chariho	-	-	-	305,472
Foster-Glocester	580,074	505,087	491,572	485,957
Central Falls	1,034,715	921,368	1,670,374	2,124,688
Subtotal	\$ 19,726,218	\$ 22,568,946	\$ 25,540,280	\$ 30,775,774

Construction Aid by Community

Community	FY 2002	FY 2003	FY 2004	FY 2005
Barrington	\$ 763,712	\$ 680,023	\$ 679,257	\$ 614,948
Burrillville	1,704,074	1,690,099	1,393,697	1,419,023
Charlestown	-	-	-	-
Coventry	264,620	934,966	1,592,507	1,813,886
Cranston	1,292,596	1,609,528	1,589,157	1,550,705
Cumberland	770,952	676,877	653,823	520,220
East Greenwich	417,557	405,672	422,974	412,271
East Providence	861,524	766,765	721,151	1,075,975
Foster	-	-	55,150	-
Glocester	237,071	227,449	207,673	213,948
Hopkinton	-	-	-	-
Jamestown	150,925	177,900	228,515	232,410
Johnston	382,561	314,011	234,039	270,528
Lincoln	393,965	421,457	325,255	319,376
Little Compton	57,512	55,384	53,255	51,109
Middletown	255,460	150,461	137,771	387,513
Narragansett	422,786	397,450	346,715	383,997
Newport	172,304	826,094	834,466	790,722
New Shoreham	68,284	67,183	67,749	67,219
North Kingstown	439,170	2,270,636	1,623,002	1,651,078
North Providence	597,656	490,948	787,476	915,008
North Smithfield	134,779	222,921	248,284	235,168
Pawtucket	1,276,880	1,357,902	1,650,933	1,592,391
Portsmouth	298,105	523,026	454,278	436,594
Providence	11,548,717	11,817,799	13,558,759	13,114,528
Richmond	-	-	-	-
Scituate	365,977	378,149	370,131	338,548
Smithfield	241,807	284,907	312,165	396,374
South Kingstown	1,126,476	1,200,296	1,129,383	1,152,452
Tiverton	87,865	67,792	47,058	51,161
Warwick	1,075,149	1,055,278	1,197,483	1,278,695
Westerly	619,000	585,775	604,000	620,356
West Warwick	768,523	698,286	1,369,414	1,483,809
Woonsocket	1,107,541	2,279,387	2,539,895	2,491,814
Bristol-Warren	1,151,542	1,076,656	1,415,828	1,743,840
Exeter-West Greenwich	1,290,728	1,244,556	1,034,431	1,200,307
Chariho	184,021	453,264	419,486	558,928
Foster-Glocester	471,425	498,585	429,683	593,620
Central Falls	2,220,929	2,324,875	2,005,765	2,201,324
Subtotal	\$ 33,222,193	\$ 38,232,355	\$ 40,740,608	\$ 42,179,845

Construction Aid by Community

Community	FY 2006	FY 2007	FY 2008	FY 2009
Barrington	\$ 667,377	\$ 655,830	\$ 722,908	\$ 758,680
Burrillville	1,703,941	1,500,710	2,252,182	2,209,816
Charlestown	-	-	-	-
Coventry	1,871,366	1,841,708	1,977,580	1,646,976
Cranston	1,971,752	2,043,736	2,066,982	3,019,930
Cumberland	509,941	1,076,972	1,018,502	1,746,602
East Greenwich	215,410	230,462	370,018	316,700
East Providence	1,017,009	1,053,867	1,046,005	1,245,633
Foster	18,843	5,970	-	-
Glocester	257,045	241,344	220,824	266,605
Hopkinton	-	-	-	-
Jamestown	150,840	132,666	133,450	149,954
Johnston	292,170	492,804	411,664	441,354
Lincoln	429,951	787,172	1,122,712	1,200,798
Little Compton	48,931	46,720	67,530	41,454
Middletown	447,880	384,664	419,902	401,574
Narragansett	396,063	323,606	413,798	307,488
Newport	631,616	708,200	677,718	667,718
New Shoreham	65,339	387,282	238,550	234,620
North Kingstown	1,398,210	1,157,222	1,219,743	1,401,829
North Providence	1,296,766	1,307,986	1,436,066	1,209,018
North Smithfield	229,029	344,134	246,430	846,191
Pawtucket	1,555,338	1,512,210	1,734,462	1,933,960
Portsmouth	458,573	540,615	521,034	538,467
Providence	15,198,821	15,039,118	14,590,152	15,849,982
Richmond	-	-	-	-
Scituate	303,605	307,400	268,304	271,174
Smithfield	416,859	360,104	360,434	353,668
South Kingstown	1,166,211	1,134,488	1,116,126	1,009,808
Tiverton	61,400	135,344	297,190	605,269
Warwick	1,378,705	1,357,818	1,324,518	1,295,770
Westerly	1,318,770	1,538,292	1,457,842	1,463,772
West Warwick	1,458,541	1,349,824	1,377,910	1,280,858
Woonsocket	2,428,040	2,328,168	2,285,854	2,260,336
Bristol-Warren	1,718,956	1,201,418	2,054,268	2,589,745
Exeter-West Greenwich	1,278,791	1,223,466	1,223,644	1,172,380
Chariho	631,669	510,056	580,760	782,536
Foster-Glocester	542,123	378,440	1,327,459	1,454,114
Central Falls	2,137,947	2,002,196	1,963,701	2,006,909
Subtotal	\$ 45,673,828	\$ 45,642,012	\$ 48,546,222	\$ 52,981,688
Charter Schools	949,827	1,172,970	1,205,860	1,158,364
Total	\$ 46,623,655	\$ 46,814,982	\$ 49,752,082	\$ 54,140,052

Construction Aid by Community

Community	FY 2010	FY 2011	FY 2012	FY 2013
Barrington	\$ 712,371	\$ 609,990	\$ 494,814	\$ 467,642
Burrillville	1,588,425	1,484,283	1,345,436	1,317,946
Charlestown	-	-	-	-
Coventry	1,626,572	1,458,782	1,381,328	1,062,874
Cranston	2,059,819	2,740,155	2,503,052	2,322,792
Cumberland	1,831,329	1,943,330	1,918,706	1,909,819
East Greenwich	285,674	395,581	318,487	1,638,060
East Providence	1,156,449	818,408	785,051	2,038,138
Foster	27,822	-	5,768	-
Glocester	199,953	245,279	98,950	169,492
Hopkinton	-	-	-	-
Jamestown	139,224	137,388	143,114	95,996
Johnston	511,312	501,426	469,256	387,140
Lincoln	1,363,574	1,312,036	1,168,344	1,280,344
Little Compton	39,488	58,757	56,692	85,055
Middletown	428,928	318,632	218,652	222,570
Narragansett	796,649	608,856	655,832	655,881
Newport	623,228	630,776	639,908	562,908
New Shoreham	236,030	219,444	218,822	217,952
North Kingstown	1,267,081	1,217,606	1,103,811	938,703
North Providence	1,221,290	1,173,268	1,313,686	1,527,944
North Smithfield	1,133,701	1,013,702	1,102,986	1,109,652
Pawtucket	2,305,195	2,058,878	2,158,707	2,069,634
Portsmouth	670,569	427,866	410,372	416,539
Providence	17,797,981	25,879,243	28,548,574	28,950,999
Richmond	-	-	-	-
Scituate	259,928	443,843	296,393	279,110
Smithfield	293,343	324,572	319,778	332,642
South Kingstown	1,042,384	942,636	907,030	855,370
Tiverton	766,861	876,787	891,074	881,996
Warwick	1,203,438	1,212,196	1,162,397	1,070,900
Westerly	1,543,070	1,471,772	1,413,316	2,645,213
West Warwick	1,251,818	948,292	992,272	994,868
Woonsocket	1,762,910	5,973,275	5,746,227	5,744,780
Bristol-Warren	2,440,170	2,131,157	2,596,293	1,870,031
Exeter-West Greenwich	991,728	820,705	541,923	625,378
Chariho	1,193,930	1,168,378	1,597,063	1,086,530
Foster-Glocester	4,386,150	3,260,890	3,179,807	3,140,126
Central Falls	1,935,543	1,599,030	1,570,426	1,693,903
Subtotal	\$ 57,093,937	\$ 66,427,219	\$ 68,274,347	\$ 70,668,927
Charter Schools	1,205,178	\$ 1,549,295	\$ 1,373,975	\$ 1,365,451
Total	\$ 58,299,115	\$ 67,976,514	\$ 69,648,322	\$ 72,034,378

Appendix III
Share Ratio Calculation
Housing Aid FY 2014

Calculation of School Housing Aid Ratio. The following table shows the calculation for each community's share ratio for FY 2014 for the purpose of school housing aid. The share ratio formula measures state and community wealth using two factors: the full value of local property and the median family income as determined by the most recent census.

A. The equalized weighted assessed property valuations for the third preceding calendar year per current law, as of December 31, 2009 as reported by the Department of Administration's Office of Municipal Affairs in August of each year. Property value is certified annually by the Department of Administration, Office of Municipal Affairs, based on local sales data and appraisals. The total assessed local property value of a community is adjusted for differences in local assessment rates to allow the reporting of figures comparable on a statewide basis, resulting in the Equalized Weighted Assessed Valuation (EWAV).

The valuations are then adjusted by the ratio that the community's median family income bears to the statewide median family income, as reported in the most recent federal census data. Use of both the property value and the median family income is an attempt to compensate for districts that have significant disparity between median family income and the full value of property. Once community wealth is determined, it is divided by pupil counts to calculate the per pupil wealth for each community compared to the per pupil wealth for the state as a whole.

B. The FY 2012 student counts are shown in column **B** based on the resident average daily membership as of June 30. Average daily membership calculates an average of the number of days all students are formally members of a district and/or a school per year.

C. The resulting relative per pupil community wealth is then multiplied by 62.0 percent, the mean state reimbursement, and subtracted from 1.0, yielding the district's share ratio. This represents the approximate average district share of school support as mandated in Rhode Island General Laws, Section 16-7-39. The result is subtracted from 100 percent to yield the share ratio.

D. Column **D** adjusts the share ratio so that each district receives at least 35 percent as set in law.

E. Regional districts receive a two percent bonus for each regionalized grade for new construction projects and an additional four percent bonus for renovation projects in accordance with Rhode Island General Laws, Section 16-7-40. Additionally, bonuses of four percentage points are given for projects that demonstrate that at least 75 percent of their costs are for energy conservation, asbestos removal, and/or handicapped access.

F. Column **F** shows the final share ratio with the inclusion of any regional bonuses.

<i>District</i>	<i>A</i> <i>Property Values</i> <i>12/31/09</i>	<i>B</i> <i>FY 2012</i> <i>Student</i> <i>Count</i>	<i>C</i> <i>Base</i> <i>Share</i> <i>Ratio</i>	<i>D</i> <i>Adjust for</i> <i>35%</i> <i>Minimum</i>	<i>E*</i> <i>Regional</i> <i>Bonus</i>	<i>F</i> <i>Final</i> <i>Share Ratio</i>
Barrington	\$ 4,539,598,993	3,341	7.5%	35.0%		35.0%
Burrillville	1,592,616,509	2,472	56.1%	56.1%		56.1%
Coventry	3,757,142,814	5,012	49.0%	49.0%		49.0%
Cranston	7,267,568,127	10,317	52.0%	52.0%		52.0%
Cumberland	4,318,613,963	4,742	38.0%	38.0%		38.0%
East Greenwich	3,497,620,787	2,358	-1.0%	35.0%		35.0%
East Providence	4,209,035,401	5,580	48.7%	48.7%		48.7%
Foster	260,259,342	274	35.3%	35.3%		35.3%
Glocester	515,301,967	549	36.1%	36.1%		36.1%
Jamestown	2,187,578,764	688	-116.4%	35.0%		35.0%
Johnston	2,919,429,152	3,066	35.2%	35.2%		35.2%
Lincoln	3,423,659,167	3,383	31.1%	35.0%		35.0%
Little Compton	2,606,578,282	425	-317.5%	35.0%		35.0%
Middletown	3,074,324,564	2,421	13.6%	35.0%		35.0%
Narragansett	5,281,546,372	1,467	-145.1%	35.0%		35.0%
Newport	5,940,632,829	2,076	-94.8%	35.0%		35.0%
New Shoreham	2,539,977,525	112	-1443.8%	35.0%		35.0%
North Kingstown	5,182,590,182	4,044	12.8%	35.0%		35.0%
North Providence	2,573,842,569	3,410	48.6%	48.6%		48.6%
North Smithfield	1,744,614,178	1,775	33.1%	35.0%		35.0%
Pawtucket	2,780,557,955	9,838	80.8%	80.8%		80.8%
Portsmouth	4,484,179,151	2,520	-21.1%	35.0%		35.0%
Providence	7,038,348,378	25,324	81.1%	81.1%		81.1%
Scituate	1,739,422,685	1,532	22.7%	35.0%		35.0%
Smithfield	3,443,216,742	2,383	1.6%	35.0%		35.0%
South Kingstown	5,769,424,522	3,540	-10.9%	35.0%		35.0%
Tiverton	2,134,450,522	1,812	19.8%	35.0%		35.0%
Warwick	10,203,911,940	9,634	27.9%	35.0%		35.0%
Westerly	6,315,621,118	3,161	-36.0%	35.0%		35.0%
West Warwick	2,000,274,630	3,425	60.2%	60.2%		60.2%
Woonsocket	1,314,861,435	5,795	84.6%	84.6%		84.6%
Bristol/Warren	4,499,731,754	3,504	12.6%	35.0%	28.0%	63.0%
Chariho	4,789,690,897	3,461	5.8%	35.0%	26.0%	61.0%
Exeter/West Greenwich	2,274,020,398	1,762	12.1%	35.0%	26.0%	61.0%
Foster/Glocester	1,169,467,296	1,241	35.8%	35.8%	14.0%	49.8%
Central Falls	263,185,446	3,715	95.2%	95.2%		95.2%
Davies/Deaf/Met						
Total	\$ 127,652,896,356	140,159				

*Only regional bonuses are shown here. Other bonuses are project specific.

Appendix IV
Calculation and Distribution Tables
Funding Formula FY 2014

The nine tables on the following pages include the calculation and distribution of the FY 2014 enacted education aid to districts, charter and state schools. Tables 1A and 1B show the total recommended funding and Tables 2 through 8 illustrate different components of the funding formula.

Table 1A: Total Education Aid for Districts for FY 2014

Table 1B: Total Education Aid for Charter and State Schools for FY 2014

Table 2: Calculation of Funding Formula for FY 2014

Table 3: Group Home Aid

Table 4: Calculation of State Share Ratio

Table 5: Transition Plan for Districts

Table 6: FY 2014 Estimated Charter & State School Enrollment by Sending District

Table 7: Transitioned Formula Funding to Charter and State Schools by Sending District

Table 8: Categorical Aid

Tables 1A: Total Education Aid for Districts for FY 2014

A. Column **A** is the amount that districts would receive in the third year of the formula's implementation pursuant to the ten-year phase in of the formula. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years.

B. Column **B** is the amount of group home aid districts will receive in FY 2014. Group home aid is paid pursuant to current law in addition to aid paid through the funding formula.

C. The formula allows for additional resources from the state for high-cost special education students, high-cost career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. Column **C** shows the distribution from high-cost special education and transportation funds.

D. Column **D** shows FY 2014 total enacted education aid.

E. Column **E** is the FY 2013 enacted aid.

F. Column **F** is the difference between the FY 2014 total enacted education aid shown in Column **D** and the FY 2013 enacted budget in Column **E**.

G. Column **G** is the Governor's FY 2014 recommended budget. It was based on June 30, 2012 student enrollment data.

H. Column **H** is the difference between the FY 2014 total enacted education aid shown in Column **D** and the Governor's FY 2014 recommendation shown in Column **G**.

Table 1A: Total Education Aid for Districts for FY 2014

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
<i>District</i>	<i>FY 2014 Formula Aid</i>	<i>Group Home Aid</i>	<i>All Categoricals</i>	<i>Total FY 2014 Enacted</i>
Barrington	\$ 3,918,965	\$ -	\$ 52,832	\$ 3,971,797
Burrillville	12,712,387	330,000	20,856	13,063,243
Charlestown	1,706,995	-	-	1,706,995
Coventry	20,180,158	120,000	48,284	20,348,442
Cranston	42,922,101	60,000	365,508	43,347,609
Cumberland	14,621,350	-	84,107	14,705,457
East Greenwich	2,266,168	-	57,400	2,323,568
East Providence	27,403,793	636,000	42,872	28,082,665
Foster	1,189,070	-	15,713	1,204,783
Glocester	2,683,922	-	21,522	2,705,444
Hopkinton	5,515,535	-	-	5,515,535
Jamestown	359,449	-	2,487	361,936
Johnston	11,636,085	120,000	241,508	11,997,593
Lincoln	8,822,047	135,000	33,559	8,990,606
Little Compton	365,270	-	-	365,270
Middletown	8,678,862	420,000	10,414	9,109,276
Narragansett	1,799,609	-	5,470	1,805,079
Newport	10,371,310	270,000	15,022	10,656,332
New Shoreham	75,366	-	6,396	81,762
North Kingstown	10,791,146	-	5,458	10,796,604
North Providence	14,744,604	240,000	109,782	15,094,386
North Smithfield	5,244,804	120,000	35,250	5,400,054
Pawtucket	70,719,232	735,000	5,460	71,459,692
Portsmouth	4,570,144	555,000	3,517	5,128,661
Providence	203,678,050	2,055,000	540,298	206,273,348
Richmond	5,335,436	-	-	5,335,436
Scituate	3,685,657	-	34,814	3,720,471
Smithfield	4,684,041	240,000	61,752	4,985,793
South Kingstown	7,785,494	315,000	53,992	8,154,486
Tiverton	5,769,004	-	6,386	5,775,390
Warwick	34,762,103	330,000	72,147	35,164,250
Westerly	7,122,961	-	41,258	7,164,219
West Warwick	20,265,989	-	43,068	20,309,057
Woonsocket	47,972,469	120,000	77,975	48,170,444
Bristol-Warren	16,455,588	120,000	514,281	17,089,869
Chariho	268,242	-	859,167	1,127,409
Exeter-West Greenwich	5,858,269	210,000	510,951	6,579,220
Foster-Glocester	5,001,611	-	211,747	5,213,358
Central Falls	38,399,591	-	52,267	38,451,858
Total	\$ 690,342,873	\$ 7,131,000	\$ 4,263,520	\$ 701,737,393
<i>Adjusted Chariho</i>	12,826,208	-	859,167	13,685,375

Table 1A: Total Education Aid for Districts for FY 2014

<i>District</i>	<i>E</i>	<i>F</i>	<i>G</i>	<i>H</i>
	<i>FY 2013 Enacted</i>	<i>Total FY 2014 Change to Enacted</i>	<i>FY 2014 Governor</i>	<i>FY 2014 Total Change to Governor</i>
Barrington	\$ 3,350,904	\$ 620,893	\$ 3,992,762	\$ (20,965)
Burrillville	12,965,501	97,742	13,066,259	(3,017)
Charlestown	1,694,669	12,326	1,716,895	(9,899)
Coventry	19,707,074	641,368	20,479,492	(131,050)
Cranston	39,603,294	3,744,315	43,247,399	100,209
Cumberland	13,834,760	870,697	14,569,681	135,775
East Greenwich	1,955,236	368,332	2,325,308	(1,740)
East Providence	26,993,305	1,089,360	28,241,893	(159,228)
Foster	1,214,327	(9,544)	1,200,243	4,540
Glocester	2,792,685	(87,241)	2,712,595	(7,151)
Hopkinton	5,615,973	(100,438)	5,521,254	(5,719)
Jamestown	363,461	(1,525)	363,326	(1,390)
Johnston	11,083,498	914,095	11,980,082	17,511
Lincoln	8,156,329	834,277	8,980,430	10,177
Little Compton	338,666	26,604	367,484	(2,214)
Middletown	9,288,241	(178,965)	9,097,122	12,154
Narragansett	1,663,260	141,819	1,801,230	3,849
Newport	10,661,062	(4,730)	10,647,363	8,969
New Shoreham	72,292	9,470	81,863	(101)
North Kingstown	10,758,204	38,400	10,869,601	(72,997)
North Providence	14,139,108	955,278	14,862,816	231,570
North Smithfield	5,133,980	266,074	5,401,904	(1,851)
Pawtucket	68,246,641	3,213,051	70,665,028	794,664
Portsmouth	5,380,832	(252,171)	5,137,647	(8,985)
Providence	197,968,379	8,304,969	205,359,173	914,175
Richmond	5,474,556	(139,120)	5,338,583	(3,147)
Scituate	3,514,829	205,642	3,745,608	(25,137)
Smithfield	4,982,755	3,038	4,989,366	(3,573)
South Kingstown	8,511,975	(357,489)	8,167,141	(12,655)
Tiverton	5,677,809	97,581	5,755,375	20,015
Warwick	34,449,461	714,789	35,279,134	(114,884)
Westerly	6,572,162	592,057	7,168,616	(4,397)
West Warwick	19,775,027	534,030	20,355,282	(46,225)
Woonsocket	46,744,955	1,425,489	48,211,600	(41,156)
Bristol-Warren	17,832,369	(742,500)	17,092,785	(2,915)
Chariho	898,450	228,959	1,127,409	-
Exeter-West Greenwich	6,705,948	(126,728)	6,583,675	(4,455)
Foster-Glocester	5,289,023	(75,665)	5,227,071	(13,714)
Central Falls	39,744,688	(1,292,830)	38,240,578	211,281
Total	\$ 679,155,688	\$ 22,581,705	\$ 699,971,071	\$ 1,766,322
<i>Adjusted Chariho</i>	13,683,648	1,727	13,704,140	(18,765)

Table 1B: Total Education Aid for Charter and State Schools for FY 2014

- A.** Column **A** is the FY 2013 enacted formula aid.
- B.** Column **B** includes mid-year revisions to FY 2013 based on current law requirements that any changes in enrollment as of October 1 that are greater than 10.0 percent get adjusted in that year.
- C.** Column **C** is the base formula aid calculation for FY 2014. It uses March 14, 2013 enrollment and lottery data.
- D.** Column **D** is the difference between FY 2014 base funding and FY 2013 revised formula aid.
- E.** Column **E** shows the transition calculation. Charter and state schools that will receive more state funding will have the additional funding phased in over seven years and those that are going to receive less state funding will have that loss phased in over ten years.
- F.** Column **F** is the FY 2014 enacted formula aid. It is the transition calculation in Column **E** added or subtracted from the FY 2013 revised formula aid shown in Column **B**.
- G.** Growth due to adding grades is paid in the year of the growth.
- G.** Column **G** is the difference between the third year of funding under the formula and total state formula aid shown in Column **C**.
- H.** Column **H** shows the Governor's FY 2014 recommended formula aid.
- I.** Column **I** is the difference between the FY 2014 enacted formula aid shown in Column **F** and the Governor's recommendation shown in Column **H**.

Table 1B: Total Education Aid for Charter and State Schools for FY 2014

<i>School</i>	<i>A</i> <i>FY 2013</i> <i>Enacted</i> <i>Formula Aid</i>	<i>B</i> <i>FY 2013</i> <i>Revised</i> <i>Formula Aid</i>	<i>C</i> <i>FY 2014 Base</i> <i>Formula</i> <i>Funding</i>	<i>D</i> <i>Difference</i>	<i>E</i> <i>Transition</i> <i>= 1/5th or</i> <i>1/8th*</i>
Achievement First	\$ -	\$ -	\$ 1,745,202	\$ 1,745,202	\$ 1,745,202
Beacon	1,694,107	1,694,107	1,597,883	(96,224)	(12,028)
Blackstone	1,588,944	1,588,944	1,739,533	150,589	30,118
Compass	585,087	579,647	393,951	(191,136)	(23,892)
Greene School	898,333	898,333	892,101	(6,232)	(6,232)
Highlander	2,733,717	2,733,717	3,331,257	597,540	597,540
International	2,876,846	2,876,846	2,803,033	(73,813)	(9,227)
Kingston Hill	689,636	689,636	403,185	(286,451)	(35,806)
Learning Community	6,095,627	6,095,627	6,122,147	26,520	26,520
New England Laborers**	1,610,314	1,255,888	1,053,114	(202,774)	(25,347)
Nowell	-	-	1,573,568	1,573,568	1,573,568
Nurses Institute	1,621,866	1,633,673	2,478,686	856,820	856,820
Paul Cuffee	7,588,913	7,588,913	7,962,677	373,764	373,764
RI Mayoral Academies					
Blackstone Prep.	6,076,368	6,076,368	7,818,591	1,742,223	1,742,223
Segue Institute	2,572,083	2,572,083	2,692,623	120,540	24,108
Textron	2,323,013	2,323,013	2,419,140	96,127	19,225
Times2 Academy	7,054,405	7,054,405	6,725,741	(328,664)	(41,083)
Trinity	1,073,542	1,073,542	1,448,044	374,503	374,503
Village Green	-	-	1,209,709	1,209,709	1,209,709
Charter Schools Subtotal	\$ 47,082,800	\$ 46,734,741	\$ 54,410,185	\$ 7,681,811	\$ 8,419,685
Davies Career and Tech**	13,381,539	13,381,539	7,906,326	(5,475,213)	(589,491)
Met School	11,648,256	11,648,256	7,142,600	(4,505,656)	(563,207)
Urban Collaborative	-	-	1,536,493	1,536,493	296,703
Total	\$ 72,112,596	\$ 71,764,536	\$ 70,995,604	\$ (762,566)	\$ 7,563,690

* Growth due to adding grades is all paid in the year of growth

** Includes data adjustment based on current law

Table 1B: Total Education Aid for Charter and State Schools for FY 2014

<i>School</i>	<i>F</i> <i>FY 2014</i> <i>Enacted Aid</i>	<i>G</i> <i>Change to</i> <i>Base</i> <i>Calculation</i>	<i>H</i> <i>FY 2014</i> <i>Governor</i> <i>Recommended</i>	<i>I</i> <i>Change to</i> <i>Governor</i>
Achievement First	\$ 1,745,202	\$ -	\$ 1,386,792	\$ 358,410
Beacon	1,682,079	84,196	1,671,727	10,352
Blackstone	1,619,062	(120,471)	1,623,719	(4,657)
Compass	561,195	167,244	564,618	(3,423)
Greene School	892,101	-	917,566	(25,465)
Highlander	3,331,257	-	2,769,093	562,164
International	2,867,619	64,586	2,869,033	(1,414)
Kingston Hill	653,830	250,645	654,274	(445)
Learning Community	6,122,147	-	6,120,939	1,208
New England Laborers**	1,230,541	177,427	1,233,644	(3,102)
Nowell	1,573,568	-	1,690,687	(117,119)
Nurses Institute	2,478,686	-	2,544,265	(65,579)
Paul Cuffee	7,962,677	-	7,846,958	115,719
RI Mayoral Academies				
Blackstone Prep.	7,818,591	-	7,992,467	(173,876)
Segue Institute	2,596,191	(96,432)	2,605,273	(9,082)
Textron	2,342,238	(76,902)	2,335,358	6,881
Times2 Academy	7,013,322	287,581	7,021,531	(8,210)
Trinity	1,448,044	-	1,463,681	(15,637)
Village Green	1,209,709	-	1,191,062	18,647
Charter Schools Subtotal	\$ 55,148,059	\$ 737,874	\$ 54,502,687	\$ 645,372
Davies Career and Tech**	12,792,048	4,885,722	12,716,908	75,140
Met School	11,085,049	3,942,449	11,088,244	(3,195)
Urban Collaborative	296,703	(1,239,790)	275,977	20,726
Total	\$ 79,321,860	\$ 8,326,256	\$ 78,583,817	\$ 738,043

* Growth due to adding grades is all paid in the year of growth

** Includes data adjustment based on current law

Table 2: Calculation of Funding Formula for FY 2014

A. The student counts are shown in Column **A** based on the resident average daily membership as of March 14, 2013. Average daily membership calculates an average of the number of days all students are formally members of a district and/or a school per year.

B. Column **B** includes the number of students in pre-kindergarten through 12th grade that receive USDA reimbursable lunch as reported to the Department of Elementary and Secondary Education by the districts.

C. Column **C** includes the percent of students that are eligible for free and reduced price lunch - Column **B** divided by Column **A**.

D. Column **D** is the core instruction funding which is the student count in Column **A** times the core instruction per pupil amount of \$8,897. The legislation requires the core instruction per pupil amount to be updated annually.

E. Column **E** includes the student success factor funding which is a single poverty weight as a proxy for student supports and is 40.0 times the number of students in pre-K through 12th grade that receive free and reduced price lunch in Column **B** times the core instruction amount.

F. The total foundation amount in Column **F** is the sum of the core instruction amount in Column **D** plus the student success factor funding in Column **E**.

G. Column **G** is the state share ratio whose calculation is described in Table 4.

H. Column **H** includes the state foundation aid under the funding formula based on FY 2012 data. It is the total foundation amount in Column **F** times the state share ratio in Column **G**.

I. Column **I** is the FY 2013 base calculation shown in Table 5.

J. Column **J** is third year transition amount. It is the amount that will be added or subtracted from the FY 2013 base aid amount. It assumes districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years. The calculation is shown in Table 5.

K. Column **K** is the amount that districts would receive in the third year of the new formula's implementation pursuant to the ten-year phase in of the formula.

L. Column **L** is the difference between the third year of funding under the formula shown in Column **K** and the total state foundation aid shown in Column **H**.

Table 2: Calculation of Funding Formula for FY 2014

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
<i>District</i>	<i>FY 2013 PK-12 RADM</i>	<i>FY 2013 FRPL RADM</i>	<i>%FRPL</i>	<i>Core Instruction Funding</i>
Barrington	3,276	207	6.3%	\$ 29,146,572
Burrillville	2,407	905	37.6%	21,415,079
Charlestown	932	267	28.6%	8,292,004
Coventry	4,791	1,420	29.6%	42,625,527
Cranston	10,042	4,429	44.1%	89,343,674
Cumberland	4,562	1,056	23.1%	40,588,114
East Greenwich	2,326	182	7.8%	20,694,422
East Providence	5,355	2,670	49.9%	47,643,435
Foster	280	65	23.2%	2,491,160
Glocester	524	120	22.9%	4,662,028
Hopkinton	1,208	334	27.6%	10,747,576
Jamestown	656	65	9.9%	5,836,432
Johnston	2,986	1,354	45.3%	26,566,442
Lincoln	3,137	836	26.6%	27,909,889
Little Compton	402	60	14.9%	3,576,594
Middletown	2,407	735	30.5%	21,415,079
Narragansett	1,430	336	23.5%	12,722,710
Newport	2,047	1,304	63.7%	18,212,159
New Shoreham	111	14	12.6%	987,567
North Kingstown	3,885	773	19.9%	34,564,845
North Providence	3,401	1,527	44.9%	30,258,697
North Smithfield	1,769	297	16.8%	15,738,793
Pawtucket	8,640	6,894	79.8%	76,870,080
Portsmouth	2,453	362	14.8%	21,824,341
Providence	22,519	19,813	88.0%	200,351,543
Richmond	1,161	205	17.7%	10,329,417
Scituate	1,480	246	16.6%	13,167,560
Smithfield	2,327	366	15.7%	20,703,319
South Kingstown	3,349	628	18.8%	29,796,053
Tiverton	1,849	515	27.9%	16,450,553
Warwick	9,284	3,314	35.7%	82,599,748
Westerly	3,120	1,154	37.0%	27,758,640
West Warwick	3,370	1,691	50.2%	29,982,890
Woonsocket	5,624	4,194	74.6%	50,036,728
Bristol-Warren	3,429	1,288	37.6%	30,507,813
Chariho	-	-	0.0%	-
Exeter-West Greenwich	1,683	264	15.7%	14,973,651
Foster-Glocester	1,186	243	20.5%	10,551,842
Central Falls	2,561	2,295	89.6%	22,785,217
Total	131,969	62,428		\$ 1,174,128,193

Table 2: Calculation of Funding Formula for FY 2014

	<i>E</i>	<i>F</i>	<i>G</i>	<i>H</i>
<i>District</i>	<i>Student Success Factor Funding</i>	<i>Total Foundation</i>	<i>State Share Ratio (Table 4)</i>	<i>FY 2014 Base Funding</i>
Barrington	\$ 736,672	\$ 29,883,244	21.1%	\$ 6,309,895
Burrillville	3,220,714	24,635,793	53.0%	13,051,217
Charlestown	950,200	9,242,204	19.7%	1,823,328
Coventry	5,053,496	47,679,023	47.5%	22,654,737
Cranston	15,761,925	105,105,599	54.6%	57,421,624
Cumberland	3,758,093	44,346,207	40.5%	17,960,652
East Greenwich	647,702	21,342,124	16.9%	3,598,285
East Providence	9,501,996	57,145,431	55.8%	31,880,416
Foster	231,322	2,722,482	38.5%	1,048,493
Glocester	427,056	5,089,084	38.7%	1,971,322
Hopkinton	1,188,639	11,936,215	43.6%	5,201,698
Jamestown	231,322	6,067,754	6.0%	364,697
Johnston	4,818,615	31,385,057	47.8%	14,992,895
Lincoln	2,975,157	30,885,046	39.2%	12,098,189
Little Compton	213,528	3,790,122	12.4%	471,684
Middletown	2,615,718	24,030,797	32.5%	7,816,255
Narragansett	1,195,757	13,918,467	16.9%	2,352,200
Newport	4,640,675	22,852,834	46.7%	10,665,200
New Shoreham	49,823	1,037,390	9.5%	98,295
North Kingstown	2,750,952	37,315,797	29.3%	10,934,484
North Providence	5,434,288	35,692,985	52.1%	18,580,247
North Smithfield	1,056,964	16,795,757	37.1%	6,239,098
Pawtucket	24,534,367	101,404,447	82.9%	84,050,310
Portsmouth	1,288,286	23,112,627	13.0%	3,002,196
Providence	70,510,504	270,862,047	87.9%	238,037,429
Richmond	729,554	11,058,971	42.9%	4,741,017
Scituate	875,465	14,043,025	31.5%	4,428,165
Smithfield	1,302,521	22,005,840	20.3%	4,475,281
South Kingstown	2,234,926	32,030,979	17.5%	5,590,117
Tiverton	1,832,782	18,283,335	33.7%	6,157,400
Warwick	11,793,863	94,393,611	39.9%	37,619,614
Westerly	4,106,855	31,865,495	29.4%	9,373,440
West Warwick	6,017,931	36,000,821	62.1%	22,373,706
Woonsocket	14,925,607	64,962,335	82.6%	53,661,406
Bristol-Warren	4,583,734	35,091,547	33.6%	11,792,640
Chariho	-	-	0.0%	-
Exeter-West Greenwich	939,523	15,913,174	25.4%	4,034,202
Foster-Glocester	864,788	11,416,630	38.3%	4,372,033
Central Falls	8,167,446	30,952,663	94.5%	29,255,572
Total	\$ 222,168,766	\$ 1,396,296,959		\$ 770,499,437
<i>Adjusted Chariho</i>	<i>2,868,393</i>	<i>32,237,390</i>		<i>11,766,043</i>

Table 2: Calculation of Funding Formula for FY 2014

<i>District</i>	<i>I</i> <i>FY 2013</i> <i>Enacted</i> <i>Formula Aid*</i>	<i>J</i> <i>Adjusted Year</i> <i>Three</i> <i>Difference</i> <i>(Table 5)</i>	<i>K</i> <i>FY 2014</i> <i>Formula Aid</i>	<i>L</i> <i>Difference</i> <i>from Base</i> <i>Funding</i>
Barrington	\$ 3,321,232	\$ 597,733	\$ 3,918,965	\$ (2,390,930)
Burrillville	12,627,679	84,708	12,712,387	(338,830)
Charlestown	1,677,912	29,083	1,706,995	(116,333)
Coventry	19,561,513	618,645	20,180,158	(2,474,579)
Cranston	39,297,220	3,624,881	42,922,101	(14,499,523)
Cumberland	13,786,524	834,826	14,621,350	(3,339,302)
East Greenwich	1,933,139	333,029	2,266,168	(1,332,116)
East Providence	26,284,637	1,119,156	27,403,793	(4,476,623)
Foster	1,209,152	(20,082)	1,189,070	140,576
Glocester	2,785,722	(101,800)	2,683,922	712,600
Hopkinton	5,560,369	(44,834)	5,515,535	313,837
Jamestown	358,137	1,312	359,449	(5,248)
Johnston	10,796,882	839,203	11,636,085	(3,356,810)
Lincoln	8,003,012	819,035	8,822,047	(3,276,142)
Little Compton	338,666	26,604	365,270	(106,414)
Middletown	8,802,092	(123,230)	8,678,862	862,608
Narragansett	1,661,461	138,148	1,799,609	(552,591)
Newport	10,297,837	73,473	10,371,310	(293,890)
New Shoreham	69,634	5,732	75,366	(22,929)
North Kingstown	10,755,311	35,835	10,791,146	(143,338)
North Providence	13,785,693	958,911	14,744,604	(3,835,643)
North Smithfield	4,996,230	248,574	5,244,804	(994,294)
Pawtucket	67,386,462	3,332,770	70,719,232	(13,331,079)
Portsmouth	4,794,137	(223,993)	4,570,144	1,567,948
Providence	195,088,205	8,589,845	203,678,050	(34,359,379)
Richmond	5,420,353	(84,917)	5,335,436	594,419
Scituate	3,500,030	185,627	3,685,657	(742,508)
Smithfield	4,713,864	(29,823)	4,684,041	208,760
South Kingstown	8,099,120	(313,625)	7,785,494	2,195,377
Tiverton	5,671,905	97,099	5,769,004	(388,396)
Warwick	34,047,725	714,378	34,762,103	(2,857,511)
Westerly	6,560,341	562,620	7,122,961	(2,250,479)
West Warwick	19,739,060	526,929	20,265,989	(2,107,717)
Woonsocket	46,550,235	1,422,234	47,972,469	(5,688,936)
Bristol-Warren	17,121,724	(666,136)	16,455,588	4,662,949
Chariho	306,562	(38,320)	268,242	268,242
Exeter-West Greenwich	6,118,850	(260,581)	5,858,269	1,824,067
Foster-Glocester	5,091,550	(89,940)	5,001,611	629,578
Central Falls	39,705,880	(1,306,288)	38,399,591	9,144,019
Total	\$ 667,826,056	\$ 22,516,817	\$ 690,342,873	\$ (80,156,564)
<i>Adjusted Chariho</i>	<i>12,965,196</i>	<i>(138,988)</i>	<i>12,826,208</i>	<i>1,060,165</i>

*Includes a data correction. Totals might differ from previous publications.

Table 3: Group Home Aid

<i>District</i>	<i>FY 2013 Enacted Aid</i>	<i>FY 2013 Revised Aid</i>	<i>Change to Enacted</i>	<i>FY 2014 Aid</i>	<i>Change to Enacted</i>	<i>Change to Revised</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Burrillville	330,000	330,000	-	330,000	-	-
Charlestown	-	-	-	-	-	-
Coventry	120,000	120,000	-	120,000	-	-
Cranston	-	60,000	60,000	60,000	60,000	-
Cumberland	-	-	-	-	-	-
East Greenwich	-	-	-	-	-	-
East Providence	636,000	636,000	-	636,000	-	-
Foster	-	-	-	-	-	-
Glocester	-	-	-	-	-	-
Hopkinton	-	-	-	-	-	-
Jamestown	-	-	-	-	-	-
Johnston	120,000	120,000	-	120,000	-	-
Lincoln	135,000	135,000	-	135,000	-	-
Little Compton	-	-	-	-	-	-
Middletown	480,000	480,000	-	420,000	(60,000)	(60,000)
Narragansett	-	-	-	-	-	-
Newport	360,000	360,000	-	270,000	(90,000)	(90,000)
New Shoreham	-	-	-	-	-	-
North Kingstown	-	-	-	-	-	-
North Providence	240,000	240,000	-	240,000	-	-
North Smithfield	120,000	120,000	-	120,000	-	-
Pawtucket	855,000	855,000	-	735,000	(120,000)	(120,000)
Portsmouth	585,000	585,000	-	555,000	(30,000)	(30,000)
Providence	2,640,000	2,640,000	-	2,055,000	(585,000)	(585,000)
Richmond	-	-	-	-	-	-
Scituate	-	-	-	-	-	-
Smithfield	240,000	240,000	-	240,000	-	-
South Kingstown	375,000	375,000	-	315,000	(60,000)	(60,000)
Tiverton	-	-	-	-	-	-
Warwick	360,000	360,000	-	330,000	(30,000)	(30,000)
Westerly	-	-	-	-	-	-
West Warwick	-	-	-	-	-	-
Woonsocket	165,000	165,000	-	120,000	(45,000)	(45,000)
Bristol-Warren	210,000	210,000	-	120,000	(90,000)	(90,000)
Exeter-West Greenwich	210,000	210,000	-	210,000	-	-
Foster-Glocester	-	-	-	-	-	-
Central Falls	-	-	-	-	-	-
Total	\$8,181,000	\$8,181,000	\$ 60,000	\$ 7,131,000	\$ (1,050,000)	\$ (1,110,000)

Table 4: Calculation of State Share Ratio

The following table shows the calculation of each community's state share ratio for the purpose of the new education funding formula. The share ratio formula considers the district's ability to generate revenues and its poverty concentration.

A. The assessed value of real and tangible personal property for each city and town as of December 31 of the third preceding calendar year in accordance with Rhode Island General Law, Section 16-7-21. The assessed value as of December 31, 2009 is used for FY 2014 calculations. Property value is certified annually by the Department of Revenue, Division of Municipal Finance, based on local sales data and appraisals.

B. The adjusted equalized weighted assessed property valuations for the third preceding calendar year per current law, as of December 31, 2009 as reported by the Department of Revenue's Division of Municipal Finance. The total assessed local property value of a community is adjusted for differences in local assessment rates to allow the reporting of figures comparable on a statewide basis, resulting in the equalized weighted assessed valuation (EWAV).

The valuations are then adjusted by the ratio that the community's median family income bears to the statewide median family income, as reported in the most recent federal census data. Use of both the property value and the median family income is an attempt to compensate for districts that have significant disparity between median family income and the full value of property. Once community wealth is determined, it is divided by pupil counts to calculate the per pupil wealth for each community compared to the per pupil wealth for the state as a whole.

C. The FY 2012 student counts are shown in Column **C** based on the resident average daily membership as of June 30, 2012. Average daily membership calculates an average of the number of days all students are formally members of a district and/or a school per year.

D. The resulting relative per pupil community wealth is then multiplied by 0.475 and subtracted from 1.0, yielding the district's share ratio. The result is multiplied by 100 to convert this share ratio to a percentage.

E. Column **E** includes the percentage of students eligible for USDA reimbursable school meals in pre-Kindergarten through 6th grade as of June 30, 2012.

F. The calculation in Column **F** is the square root of the sum of the state share ratio for the community calculation in Column **D** squared plus the district's percentage of students eligible for USDA reimbursable school meals in grades pre-Kindergarten through 6th in Column **E** squared, divided by two.

$$h \quad () = \frac{\text{+ \% 6}}{2}$$

G. Column **G** shows what the share ratio was for FY 2013. It uses property valuations as of December 31, 2008 and student counts as of June 30, 2011.

H. Column **H** shows the difference between the share ratio for FY 2014 and that for FY 2013.

Table 4: Calculation of State Share Ratio

<i>District</i>	<i>A</i> <i>Assessed Value</i> <i>12/31/09</i>	<i>B</i> <i>Adjusted EWAV</i> <i>12/31/09</i>	<i>C</i> <i>June 2012</i> <i>Student Count*</i>	<i>D</i> <i>Adjusted</i> <i>EWAV</i>
Barrington	\$ 3,227,243,614	\$ 4,539,598,993	3,341	29.1%
Burrillville	1,412,680,197	1,592,616,509	2,472	66.4%
Charlestown	2,803,161,017	2,779,675,053	1,065	0.0%
Coventry	4,091,309,347	3,757,142,814	5,012	60.9%
Cranston	7,903,879,742	7,267,568,127	10,317	63.3%
Cumberland	4,287,545,101	4,318,613,963	4,742	52.5%
East Greenwich	2,561,478,059	3,497,620,787	2,358	22.6%
East Providence	4,601,573,106	4,209,035,401	5,580	60.7%
Foster	254,021,263	260,259,342	274	50.5%
Glocester	496,958,238	515,301,967	549	51.0%
Hopkinton	1,121,461,727	1,057,628,291	1,220	54.8%
Jamestown	2,031,355,605	2,187,578,764	688	0.0%
Johnston	2,944,614,816	2,919,429,153	3,066	50.3%
Lincoln	2,865,383,280	3,423,659,167	3,383	47.2%
Little Compton	1,840,431,623	2,606,578,282	425	0.0%
Middletown	2,909,898,606	3,074,324,564	2,421	33.8%
Narragansett	4,864,903,627	5,281,546,372	1,467	0.0%
Newport	5,872,175,471	5,940,632,829	2,076	0.0%
New Shoreham	1,741,807,685	2,539,977,525	112	0.0%
North Kingstown	3,980,690,309	5,182,590,182	4,044	33.2%
North Providence	3,269,975,391	2,573,842,569	3,410	60.6%
North Smithfield	1,542,240,445	1,744,614,178	1,775	48.7%
Pawtucket	4,561,193,481	2,780,557,955	9,838	85.3%
Portsmouth	3,991,821,336	4,484,179,151	2,520	7.2%
Providence	11,846,634,587	7,038,348,378	25,324	85.5%
Richmond	1,005,366,555	952,387,553	1,176	57.8%
Scituate	887,880,710	1,739,422,685	1,532	40.8%
Smithfield	2,671,295,603	3,443,216,742	2,383	24.6%
South Kingstown	4,562,570,657	5,769,424,522	3,540	15.0%
Tiverton	2,341,550,296	2,134,450,522	1,812	38.6%
Warwick	10,327,383,992	10,203,911,940	9,634	44.8%
Westerly	6,259,976,859	6,315,621,118	3,161	0.0%
West Warwick	2,254,353,768	2,000,274,630	3,425	69.5%
Woonsocket	2,153,549,193	1,314,861,435	5,795	88.2%
Bristol/Warren	4,639,119,361	4,499,731,754	3,504	33.0%
Exeter/West Greenwich	1,873,210,367	2,274,020,398	1,762	32.7%
Foster/Glocester	1,132,400,439	1,169,467,296	1,241	50.9%
Central Falls	519,800,883	263,185,446	3,715	96.3%
Total	\$ 127,652,896,356	\$ 127,652,896,356	140,159	

*Includes charter and state school students

Table 4: Calculation of State Share Ratio

<i>District</i>	<i>E</i> <i>FY 2012 % of</i> <i>PK-6 FRPL</i>	<i>F</i> <i>FY 2014 State</i> <i>Share Ratio</i>	<i>G</i> <i>FY 2013 State</i> <i>Share Ratio</i>	<i>H</i> <i>Change to</i> <i>Share Ratio</i>
Barrington	6.7%	21.1%	21.1%	0.0%
Burrillville	34.7%	53.0%	53.0%	0.0%
Charlestown	27.9%	19.7%	18.3%	1.4%
Coventry	28.4%	47.5%	47.2%	0.3%
Cranston	44.3%	54.6%	53.0%	1.7%
Cumberland	22.9%	40.5%	40.8%	-0.3%
East Greenwich	7.6%	16.9%	15.6%	1.3%
East Providence	50.4%	55.8%	54.3%	1.5%
Foster	20.4%	38.5%	37.1%	1.4%
Glocester	20.0%	38.7%	42.9%	-4.3%
Hopkinton	28.2%	43.6%	43.7%	-0.1%
Jamestown	8.5%	6.0%	4.5%	1.6%
Johnston	45.1%	47.8%	44.0%	3.8%
Lincoln	29.0%	39.2%	37.9%	1.2%
Little Compton	17.6%	12.4%	11.0%	1.5%
Middletown	31.2%	32.5%	33.7%	-1.2%
Narragansett	23.9%	16.9%	16.3%	0.6%
Newport	66.0%	46.7%	47.4%	-0.8%
New Shoreham	13.4%	9.5%	9.2%	0.3%
North Kingstown	24.8%	29.3%	29.2%	0.1%
North Providence	41.8%	52.1%	54.1%	-2.1%
North Smithfield	19.7%	37.1%	39.7%	-2.7%
Pawtucket	80.4%	82.9%	82.3%	0.6%
Portsmouth	16.9%	13.0%	11.1%	1.9%
Providence	90.2%	87.9%	87.5%	0.4%
Richmond	18.3%	42.9%	41.3%	1.5%
Scituate	18.0%	31.5%	32.5%	-1.0%
Smithfield	14.9%	20.3%	21.6%	-1.3%
South Kingstown	19.6%	17.5%	16.8%	0.7%
Tiverton	27.9%	33.7%	38.3%	-4.6%
Warwick	34.2%	39.9%	38.2%	1.8%
Westerly	41.6%	29.4%	26.7%	2.7%
West Warwick	53.8%	62.1%	60.8%	1.2%
Woonsocket	76.6%	82.6%	81.4%	1.2%
Bristol/Warren	34.2%	33.6%	32.2%	1.4%
Exeter/West Greenwich	14.7%	25.4%	29.4%	-4.0%
Foster/Glocester	18.5%	38.3%	40.0%	-1.7%
Central Falls	92.7%	94.5%	93.1%	1.4%
Total				

**Includes charter and state school students*

Table 5: Transition Plan for Districts

The new funding formula results in a redistribution of aid among communities with some getting less aid than prior years. In an effort to mitigate any losses to communities and allow for an adjustment period, the law allows for a transition of up to ten years. The Department of Elementary and Secondary Education has developed a methodology to implement this transition based on how a district fares compared to funding distributions under the current system. It requires establishing the total gain or loss to each district.

A. Column **A** is the amount of formula aid that districts received in the second year of the formula's implementation, FY 2013.

B. Column **B** is the FY 2014 total base funding calculation.

C. Column **C** is the difference between FY 2014 base funding shown in Column **B** and the amount of formula aid received in FY 2013 shown in Column **A**.

D. Column **D** shows the transition calculation. Districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years.

Table 5: Transition Plan for Districts

<i>District</i>	<i>A</i> <i>FY 2013 Enacted</i> <i>Base Formula</i> <i>Funding</i>	<i>B</i> <i>FY 2014 Base</i> <i>Calculation</i>	<i>C</i> <i>Difference</i>	<i>D</i> <i>Transition =</i> <i>1/5th or 1/8th</i>
Barrington	\$ 3,321,232	\$ 6,309,895	\$ 2,988,663	\$ 597,733
Burrillville	12,627,679	13,051,217	423,538	84,708
Charlestown	1,677,912	1,823,328	145,416	29,083
Coventry	19,561,513	22,654,737	3,093,224	618,645
Cranston	39,297,220	57,421,624	18,124,404	3,624,881
Cumberland	13,786,524	17,960,652	4,174,128	834,826
East Greenwich	1,933,139	3,598,285	1,665,146	333,029
East Providence	26,284,637	31,880,416	5,595,779	1,119,156
Foster	1,209,152	1,048,493	(160,659)	(20,082)
Glocester	2,785,722	1,971,322	(814,400)	(101,800)
Hopkinton	5,560,369	5,201,698	(358,671)	(44,834)
Jamestown	358,137	364,697	6,560	1,312
Johnston	10,796,882	14,992,895	4,196,013	839,203
Lincoln	8,003,012	12,098,189	4,095,177	819,035
Little Compton	338,666	471,684	133,018	26,604
Middletown	8,802,092	7,816,255	(985,838)	(123,230)
Narragansett	1,661,461	2,352,200	690,739	138,148
Newport	10,297,837	10,665,200	367,363	73,473
New Shoreham	69,634	98,295	28,661	5,732
North Kingstown	10,755,311	10,934,484	179,173	35,835
North Providence	13,785,693	18,580,247	4,794,554	958,911
North Smithfield	4,996,230	6,239,098	1,242,868	248,574
Pawtucket	67,386,462	84,050,310	16,663,848	3,332,770
Portsmouth	4,794,137	3,002,196	(1,791,941)	(223,993)
Providence	195,088,205	238,037,429	42,949,224	8,589,845
Richmond	5,420,353	4,741,017	(679,336)	(84,917)
Scituate	3,500,030	4,428,165	928,135	185,627
Smithfield	4,713,864	4,475,281	(238,582)	(29,823)
South Kingstown	8,099,120	5,590,117	(2,509,003)	(313,625)
Tiverton	5,671,905	6,157,400	485,495	97,099
Warwick	34,047,725	37,619,614	3,571,889	714,378
Westerly	6,560,341	9,373,440	2,813,099	562,620
West Warwick	19,739,060	22,373,706	2,634,646	526,929
Woonsocket	46,550,235	53,661,406	7,111,171	1,422,234
Bristol-Warren	17,121,724	11,792,640	(5,329,084)	(666,136)
Chariho	306,562	-	(306,562)	(38,320)
Exeter-West Greenwich	6,118,850	4,034,202	(2,084,648)	(260,581)
Foster-Glocester	5,091,550	4,372,033	(719,517)	(89,940)
Central Falls	39,705,880	29,255,572	(10,450,308)	(1,306,288)
Total	\$ 667,826,056	\$ 770,499,437	\$ 102,673,381	\$ 22,516,817
<i>Adjusted Chariho</i>	<i>12,965,196</i>	<i>11,766,043</i>	<i>(1,199,153)</i>	<i>(138,988)</i>

Table 6: FY 2014 Estimated Charter/State School Enrollment by Sending District

<i>Sending District</i>	<i>Achievement First</i>	<i>Beacon</i>	<i>Blackstone Academy</i>	<i>Compass</i>	<i>Greene School</i>
Barrington	-	-	-	-	-
Burrillville	-	16	-	-	-
Charlestown	-	-	-	49	6
Coventry	-	1	-	2	56
Cranston	17	6	-	-	4
Cumberland	-	34	-	-	-
East Greenwich	-	1	-	2	2
East Providence	-	3	-	-	2
Foster	-	-	-	1	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	4
Jamestown	-	-	-	1	3
Johnston	-	2	-	-	2
Lincoln	-	7	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	1	-	-	-
Narragansett	-	-	-	9	5
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	33	5
North Providence	4	8	-	-	-
North Smithfield	-	18	-	-	-
Pawtucket	-	10	91	-	3
Portsmouth	-	-	-	-	-
Providence	154	21	-	4	28
Richmond	-	-	-	3	4
Scituate	-	1	-	-	1
Smithfield	-	3	-	-	-
South Kingstown	-	-	-	31	11
Tiverton	-	-	-	-	-
Warwick	1	7	-	3	10
Westerly	-	-	-	19	11
West Warwick	-	-	-	-	6
Woonsocket	-	66	-	-	-
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	-	10	11
Foster-Glocester	-	-	-	-	2
Central Falls	-	20	74	-	6
Total	176	225	165	167	182

Table 6: FY 2014 Estimated Charter/State School Enrollment by Sending District

<i>Sending District</i>	<i>Highlander</i>	<i>International</i>	<i>Kingston Hill</i>	<i>Learning Community</i>	<i>New England Laborers</i>
Barrington	1	-	-	-	-
Burrillville	-	-	-	-	-
Charlestown	-	-	36	-	-
Coventry	-	1	-	-	5
Cranston	43	18	1	1	90
Cumberland	1	5	-	-	4
East Greenwich	-	-	-	-	-
East Providence	4	19	-	1	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	7	1	-	-	19
Lincoln	2	6	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	2	9	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	3	-	39	-	-
North Providence	4	10	1	-	2
North Smithfield	1	-	-	-	-
Pawtucket	27	123	-	115	9
Portsmouth	-	-	-	-	-
Providence	249	103	-	105	10
Richmond	-	-	-	-	-
Scituate	-	1	-	-	8
Smithfield	-	-	-	-	1
South Kingstown	-	-	65	-	-
Tiverton	-	-	-	-	-
Warwick	-	1	4	1	18
Westerly	-	-	10	-	-
West Warwick	2	2	2	-	5
Woonsocket	-	-	-	-	-
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	13	-	1
Foster-Glocester	-	-	-	-	1
Central Falls	8	32	-	335	-
Total	352	324	180	558	173

Table 6: FY 2014 Estimated Charter/State School Enrollment by Sending District

<i>Sending District</i>	<i>Nowell Academy</i>	<i>Nurses Institute</i>	<i>Paul Cuffee</i>	<i>RI Mayoral Academies Blackstone Valley</i>	<i>Segue Institute</i>
Barrington	-	2	-	-	-
Burrillville	-	1	-	-	-
Charlestown	-	1	-	-	-
Coventry	-	2	-	-	-
Cranston	10	15	-	1	-
Cumberland	-	6	-	290	-
East Greenwich	-	1	-	-	-
East Providence	8	8	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	4	-	-	-
Lincoln	-	6	-	123	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	-	4	-	-	-
North Smithfield	-	1	-	-	-
Pawtucket	29	57	-	315	-
Portsmouth	-	-	-	-	-
Providence	60	119	774	1	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	2	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warwick	2	9	-	2	-
Westerly	-	-	-	-	-
West Warwick	-	1	-	-	-
Woonsocket	23	2	-	-	-
Bristol-Warren	-	3	-	-	-
Exeter-West Greenwich	-	-	-	-	-
Foster-Glocester	-	-	-	-	-
Central Falls	28	28	-	276	237
Total	160	272	774	1,008	237

**Table 6: FY 2014 Estimated Charter/State School
Enrollment by Sending District**

<i>Sending District</i>	<i>Textron</i>	<i>Times2</i>	<i>Trinity</i>	<i>Village Green</i>	<i>Davies Career & Tech Center</i>
Barrington	-	-	-	-	-
Burrillville	-	-	-	-	-
Charlestown	-	-	-	1	-
Coventry	-	-	-	4	-
Cranston	-	-	-	2	2
Cumberland	-	-	-	4	4
East Greenwich	-	-	-	-	-
East Providence	-	-	-	8	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	6	1
Lincoln	-	-	-	-	48
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	-	-	-	4	79
North Smithfield	-	-	-	-	1
Pawtucket	-	-	-	15	494
Portsmouth	-	-	-	-	-
Providence	225	647	136	64	67
Richmond	-	-	-	1	-
Scituate	-	-	-	2	-
Smithfield	-	-	-	-	12
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warwick	-	-	-	6	-
Westerly	-	-	-	-	-
West Warwick	-	-	-	2	-
Woonsocket	-	-	-	-	2
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	-	-	-
Foster-Glocester	-	-	-	-	-
Central Falls	-	-	-	17	165
Total	225	647	136	136	875

Table 6: FY 2014 Estimated Charter/State School Enrollment by Sending District

<i>Sending District</i>	<i>Metropolitan Career & Tech Center</i>	<i>Urban Collaborative</i>	<i>Total</i>	<i>Charter/State School % of Total Enrollment</i>
Barrington	3	-	6	0.2%
Burrillville	8	-	25	1.0%
Charlestown	6	-	99	9.3%
Coventry	4	-	75	1.5%
Cranston	25	12	247	2.4%
Cumberland	13	-	361	7.6%
East Greenwich	3	-	9	0.4%
East Providence	26	-	79	1.4%
Foster	-	-	1	0.4%
Glocester	-	-	-	0.0%
Hopkinton	-	-	4	0.3%
Jamestown	6	-	10	1.5%
Johnston	17	-	59	1.9%
Lincoln	5	-	197	5.8%
Little Compton	2	-	2	0.5%
Middletown	23	-	24	1.0%
Narragansett	3	-	28	1.9%
Newport	42	-	42	2.0%
New Shoreham	-	-	-	0.0%
North Kingstown	8	-	88	2.2%
North Providence	11	1	128	3.8%
North Smithfield	-	-	21	1.2%
Pawtucket	41	-	1,329	13.5%
Portsmouth	13	-	13	0.5%
Providence	457	120	3,344	13.2%
Richmond	2	-	10	0.9%
Scituate	2	-	15	1.0%
Smithfield	5	-	23	1.0%
South Kingstown	14	-	121	3.4%
Tiverton	17	-	17	0.9%
Warwick	17	-	81	0.8%
Westerly	-	-	40	1.3%
West Warwick	9	-	29	0.8%
Woonsocket	39	-	132	2.3%
Bristol-Warren	28	-	31	0.9%
Exeter-West Greenwich	2	-	37	2.1%
Foster-Glocester	-	-	3	0.2%
Central Falls	24	12	1,262	34.0%
Total	875	145	7,992	5.7%

Table 7: Transitioned Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Achievement First</i>	<i>Beacon</i>	<i>Blackstone Academy</i>	<i>Compass</i>	<i>Greene School</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Burrillville	-	86,725	-	-	-
Charlestown	-	-	-	91,623	10,531
Coventry	-	4,227	-	8,455	251,954
Cranston	96,241	33,052	-	-	21,387
Cumberland	-	135,487	-	-	-
East Greenwich	-	1,500	-	3,600	3,000
East Providence	-	14,890	-	-	9,927
Foster	-	-	-	4,797	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	17,060
Jamestown	-	-	-	535	1,818
Johnston	-	10,200	-	-	10,200
Lincoln	-	25,790	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	2,894	-	-	-
Narragansett	-	-	-	13,532	7,518
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	89,161	13,035
North Providence	22,231	46,314	-	-	-
North Smithfield	-	64,777	-	-	-
Pawtucket	-	97,342	895,251	-	30,972
Portsmouth	-	-	-	-	-
Providence	1,623,185	211,108	-	31,275	278,350
Richmond	-	-	-	12,968	16,782
Scituate	-	2,805	-	-	1,809
Smithfield	-	5,428	-	-	-
South Kingstown	-	-	-	49,998	18,322
Tiverton	-	-	-	-	-
Warwick	3,546	24,821	-	10,637	35,458
Westerly	-	-	-	53,912	28,788
West Warwick	-	-	-	-	35,387
Woonsocket	-	608,519	-	-	-
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	-	23,457	25,713
Foster-Glocester	-	-	-	-	6,814
Central Falls	-	222,003	844,283	-	67,274
Total	\$1,745,203	\$1,597,882	\$ 1,739,534	\$ 393,950	\$ 892,099

Table 7: Transitioned Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Highlander</i>	<i>International</i>	<i>Kingston Hill</i>	<i>Learning Community</i>	<i>New England Laborers</i>
Barrington	\$ 2,630	\$ -	\$ -	\$ -	\$ -
Burrillville	-	-	-	-	-
Charlestown	-	-	67,401	-	-
Coventry	-	4,227	4,861	-	27,901
Cranston	244,004	103,046	-	4,861	569,667
Cumberland	5,045	20,900	-	-	14,413
East Greenwich	-	-	-	-	-
East Providence	27,795	114,160	-	4,963	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	39,952	4,250	-	-	90,954
Lincoln	9,758	22,305	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	4,210	15,938	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	9,907	-	103,761	-	-
North Providence	20,378	57,429	4,631	-	12,968
North Smithfield	3,305	-	-	-	-
Pawtucket	255,154	1,145,980	-	1,157,779	87,018
Portsmouth	-	-	-	-	-
Providence	2,603,664	949,204	-	1,118,090	106,336
Richmond	-	-	-	-	-
Scituate	-	2,805	-	-	26,933
Smithfield	-	-	-	-	1,809
South Kingstown	-	-	115,212	-	-
Tiverton	-	-	-	-	-
Warwick	-	3,546	14,182	3,546	75,171
Westerly	-	-	31,405	-	-
West Warwick	15,482	11,059	11,059	-	34,282
Woonsocket	-	-	-	-	-
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	34,735	-	2,256
Foster-Glocester	-	-	-	-	3,407
Central Falls	94,183	359,913	-	3,832,909	-
Total	\$ 3,331,257	\$ 2,803,034	\$ 403,185	\$ 6,122,148	\$ 1,053,115

Table 7: Transitioned Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Nowell Academy</i>	<i>Nurses Institute</i>	<i>Paul Cuffee</i>	<i>RI Mayoral Academies Blackstone Valley</i>	<i>Segue Institute</i>
Barrington	\$ -	\$ 4,509	\$ -	\$ -	\$ -
Burrillville	-	6,599	-	-	-
Charlestown	-	1,755	-	-	-
Coventry	-	10,146	-	-	-
Cranston	56,383	92,352	-	4,861	-
Cumberland	-	30,268	-	1,194,878	-
East Greenwich	-	1,500	-	-	-
East Providence	47,649	49,635	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	20,401	-	-	-
Lincoln	-	25,093	-	480,247	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	-	22,231	-	-	-
North Smithfield	-	3,305	-	-	-
Pawtucket	281,702	564,878	-	2,995,476	-
Portsmouth	-	-	-	-	-
Providence	634,887	1,258,828	7,962,677	7,819	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	5,066	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warwick	8,510	40,422	-	7,092	-
Westerly	-	-	-	-	-
West Warwick	-	3,664	-	-	-
Woonsocket	224,888	20,578	-	-	-
Bristol-Warren	-	11,362	-	-	-
Exeter-West Greenwich	-	-	-	-	-
Foster-Glocester	-	-	-	-	-
Central Falls	319,549	306,095	-	3,128,219	2,692,623
Total	\$1,573,568	\$2,478,687	\$7,962,677	\$7,818,592	\$2,692,623

Table 7: Transitioned Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Textron</i>	<i>Times2</i>	<i>Trinity</i>	<i>Village Green</i>	<i>Davies Career and Technical Center</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Burrillville	-	-	-	-	-
Charlestown	-	-	-	1,755	-
Coventry	-	-	-	18,601	-
Cranston	-	-	-	11,666	11,666
Cumberland	-	-	-	15,855	18,738
East Greenwich	-	-	-	-	-
East Providence	-	-	-	47,649	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	28,901	5,950
Lincoln	-	-	-	-	207,712
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	-	-	-	20,378	430,720
North Smithfield	-	-	-	-	3,305
Pawtucket	-	-	-	146,013	4,645,864
Portsmouth	-	-	-	-	-
Providence	2,419,140	6,725,741	1,448,044	678,673	695,874
Richmond	-	-	-	3,814	-
Scituate	-	-	-	5,611	-
Smithfield	-	-	-	-	23,884
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warwick	-	-	-	24,112	-
Westerly	-	-	-	-	-
West Warwick	-	-	-	13,270	-
Woonsocket	-	-	-	-	17,638
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	-	-	-
Foster-Glocester	-	-	-	-	-
Central Falls	-	-	-	193,411	1,844,976
Total	\$2,419,140	\$6,725,741	\$1,448,044	\$ 1,209,709	\$7,906,327

Table 7: Transitioned Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Metropolitan Career and Technical Center</i>	<i>Urban Collaborative</i>	<i>Total</i>
Barrington	\$ 6,387	\$ -	\$ 13,526
Burrillville	39,592	-	132,916
Charlestown	11,233	-	184,298
Coventry	20,292	-	350,664
Cranston	160,401	81,659	1,491,246
Cumberland	62,699	-	1,498,283
East Greenwich	5,100	-	14,700
East Providence	156,846	-	473,514
Foster	-	-	4,797
Glocester	-	-	-
Hopkinton	-	-	17,060
Jamestown	3,208	-	5,561
Johnston	79,053	-	289,861
Lincoln	17,426	-	788,331
Little Compton	2,214	-	2,214
Middletown	79,291	-	82,185
Narragansett	4,511	-	45,709
Newport	217,572	-	217,572
New Shoreham	-	-	-
North Kingstown	25,028	-	240,892
North Providence	67,618	-	704,898
North Smithfield	-	-	74,692
Pawtucket	399,692	-	12,703,121
Portsmouth	15,948	-	15,948
Providence	4,783,548	1,313,560	34,850,003
Richmond	7,628	-	41,192
Scituate	5,611	-	45,574
Smithfield	9,771	-	45,958
South Kingstown	22,980	-	206,512
Tiverton	61,724	-	61,724
Warwick	73,044	-	324,087
Westerly	-	-	114,105
West Warwick	67,457	-	191,660
Woonsocket	368,933	-	1,240,556
Bristol-Warren	93,284	-	104,646
Exeter-West Greenwich	5,413	-	91,574
Foster-Glocester	-	-	10,221
Central Falls	269,094	141,274	14,315,806
Total	\$ 7,142,598	\$ 1,536,493	\$70,995,606

Table 8: Categorical Aid

<i>Sending District</i>	<i>High Cost Special</i>		<i>Total</i>
	<i>Education</i>	<i>Transportation</i>	
Barrington	\$ 17,186	\$ 35,646	\$ 52,832
Burrillville	11,796	9,060	20,856
Charlestown	-	-	-
Coventry	33,648	14,636	48,284
Cranston	43,635	321,873	365,508
Cumberland	14,203	69,904	84,107
East Greenwich	31,672	25,728	57,400
East Providence	36,397	6,475	42,872
Foster	8,201	7,512	15,713
Glocester	10,987	10,535	21,522
Hopkinton	-	-	-
Jamestown	2,487	-	2,487
Johnston	22,906	218,602	241,508
Lincoln	25,985	7,574	33,559
Little Compton	-	-	-
Middletown	10,414	-	10,414
Narragansett	5,470	-	5,470
Newport	15,022	-	15,022
New Shoreham	6,396	-	6,396
North Kingstown	5,458	-	5,458
North Providence	11,558	98,224	109,782
North Smithfield	10,046	25,204	35,250
Pawtucket	5,460	-	5,460
Portsmouth	3,517	-	3,517
Providence	355,439	184,859	540,298
Richmond	-	-	-
Scituate	4,541	30,273	34,814
Smithfield	14,610	47,142	61,752
South Kingstown	5,927	48,065	53,992
Tiverton	6,386	-	6,386
Warwick	72,147	-	72,147
Westerly	41,258	-	41,258
West Warwick	11,810	31,258	43,068
Woonsocket	62,722	15,253	77,975
Bristol-Warren	34,272	480,009	514,281
Chariho	6,109	853,058	859,167
Exeter-West Greenwich	26,447	484,504	510,951
Foster-Glocester	14,843	196,904	211,747
Central Falls	11,045	41,222	52,267
Subtotal	\$ 1,000,000	\$ 3,263,520	\$ 4,263,520
Charters & State Schools	-	-	-
Total	\$ 1,000,000	\$ 3,263,520	\$ 4,263,520