

ONE STATE, ONE FUTURE

Reimagining School Finance in Connecticut

August 2016



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**We believe, that is, you and I,
that education is not an expense.
We believe it is an investment.**

Lyndon B. Johnson, October 16, 1968





CONTENTS

| | | |
|------------|--------------|--|
| i | | Letter to state legislators |
| ii | | Our values |
| iii | | Definitions |
| 1 | | Introduction |
| 6 | | Recommendations on adequacy & equity |
| 12 | | Recommendations on student impact |
| 16 | | Recommendations on support & accountability |
| 21 | | Conclusion |
| 22 | | Process & methodology |
| 22 | | Notes |
| 24 | | Acknowledgments |

Dear Connecticut Legislators,

When we became educators, those of us teaching in urban schools were prepared to teach with reduced resources and in older buildings without the modern technology required for a true 21st-century education. But what we were not prepared for was the internalization of these deficits by our students, such as the looks on their faces when they visit a suburban school's athletic facilities. In these moments, our students lose more than just a game; they lose bits of their confidence and dignity as well.

Some of us even grew up in these inequitable school systems. We were first underserved students before we became the teachers who advocate for them. Coming together to create these recommendations meant overcoming the pressure to work against each other in competition for the same limited resources.

School finance impacts more than just the resources in our schools and classrooms. We see high teacher turnover due to unsatisfactory teaching conditions, creating and perpetuating a deficit culture within our buildings. We witness district funds spent ineffectively while we spend our own savings on basic school supplies. We may have flashy new projectors, but too many of our schools have no money to replace burned-out light bulbs or guided reading materials to serve the majority of our students who are below grade level.

We simply want all students to have the opportunity to receive a high-quality education, regardless of race or socioeconomic status. We want to ensure that the decisions you make regarding school funding are based on actual evidence and reasoning rather than on a mysterious set of numbers or the illusion of formulas. We demand public education systems that no longer perpetuate the cycle of poverty.

Every child deserves the right to an excellent education that provides him or her with the skills, knowledge and competencies needed to be successful and have a positive impact on the future of our state. Our current method of funding does not provide for that opportunity equitably.

The health and future of our cities and state is dependent on the youth of our inner cities. We need more state and district officials standing up for those who need a voice. We invite you to join us.

In partnership,

The 2016 Educators 4 Excellence—Connecticut Teacher Policy Team on School Finance

Our Values

When we came together to research the underlying issues impacting inequitable school finance and create these recommendations, we started by identifying our values for creating a better system.

Equity: We want to ensure that all Connecticut students, regardless of background, have access to the opportunities that meet students' individual needs.

Student-focused: We must focus on the dignity and potential of all Connecticut students and set aside adult wants.

Community: We are proud residents of Connecticut united in the desire to impact policy decisions that affect our children, neighborhoods and livelihoods.

Transparency: We believe in full disclosure of readily accessible and understandable information.

Integrity: We know that it is our collective responsibility to act in the best interest of our children.

These values serve as the underpinning of our recommendations.



As we defined our values, we never lost focus of our main goal—putting our students first.

Patty Ovalles, bilingual kindergarten teacher, Strong 21st Century Communications Magnet School and Laboratory, New Haven Public Schools



Definitions

Look for the magnifying glass throughout the text and refer back to this page for definitions.

Diagnostic And Statistical Manual Of Mental Disorders (DSM-V): Published by the American Psychiatric Association, the DSM is the standard-bearer for diagnosing mental disorders.¹

District Reference Groups (DRGs): A division of Connecticut's 169 school districts by relative socioeconomic status.² DRGs are labeled alphabetically, starting with the most economically advantaged districts in group A and ending with the least economically advantaged in group I. These groups were last defined by the Connecticut State Department of Education (CSDE) in 2006.³

Education Cost Sharing (ECS) Formula: The formula that determines the state contribution to funding traditional, district-run schools that are not magnet schools. The formula is composed of three main parts: the foundation, need students weight, and base aid ratio.⁴

- Foundation: The purported smallest dollar amount needed to adequately educate an average student in the state of Connecticut.⁵
- Need student weight: A multiplier that determines additional funds a municipality requires to educate its students based on the percentage of students eligible for free and reduced price lunch.⁶
- Base aid ratio: A ratio that determines a municipality's ability to pay for public education based on its property and income wealth.⁷

Excess Cost Grant: A provision within the state of Connecticut's funding legislation that seeks to provide additional funding to a district for special education services that exceed 4.5 times the district's per-pupil expenditures.⁸

General Assembly: The state's legislative body composed of the Senate and the House of Representatives. Members of the General Assembly are assigned to districts. Districts are not always inclusive to one city or town but may encompass segments of different towns and cities.

Hold-harmless: Requirement within the ECS legislation that prevents the state from reducing its commitment to a district.⁹

Husky A: Connecticut's income-based, or Medicaid, healthcare program.¹⁰

Supplemental Nutrition Assistance Program (SNAP): Federal income-based food assistance program that is operated through state agencies; previously referred to as food stamps.¹¹

INTRODUCTION

In the state of Connecticut, several factors intersect to create a system of public school funding that is not only failing but also incredibly challenging to navigate and subsequently difficult to reform.

First, Connecticut funds its public schools through 11 cumbersome funding formulas (see *Fig.3*) that create a piecemeal system, lacking adequacy, equity and transparency.

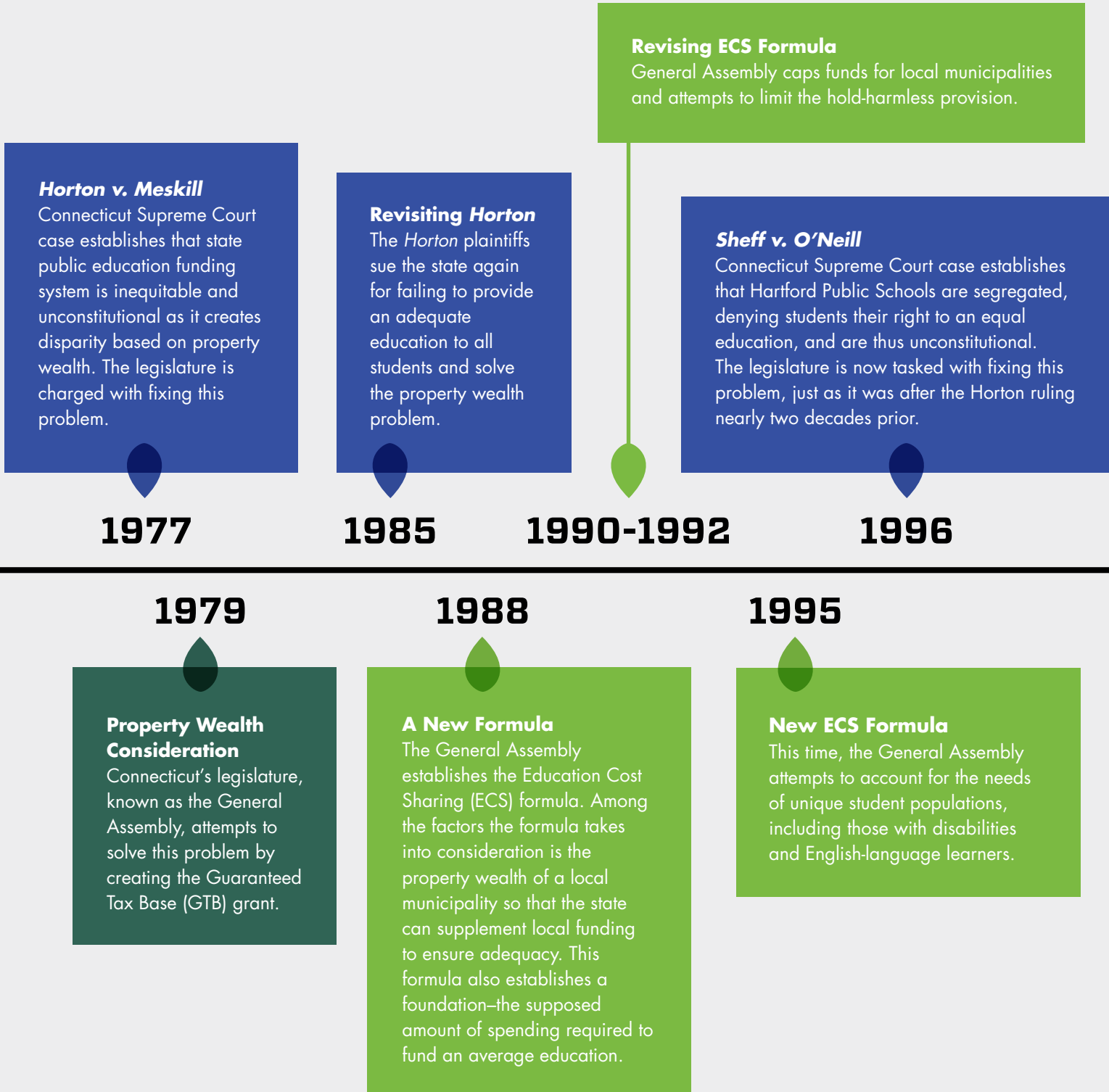
Second, the state is not adequately providing for unique student populations. Only one formula takes into account student need, defined as eligibility for Free and Reduced Price Lunch (FRPL)¹², yet this formula is neither fully funded nor used by the state legislature to allocate education aid to municipalities. Therefore, funding is also not adapting to changing enrollment numbers.¹³

Lastly, the state of Connecticut is in a fiscal crisis, projecting a year-end deficit of over \$200 million.¹⁴ Anticipating ongoing deficits in future fiscal years,¹⁵ the state legislature adjusted downward the 2016-17 Connecticut State Department of Education (CSDE) budget by \$108.6 million, or 3.5 percent.¹⁶

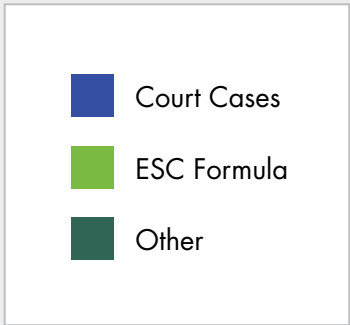
Issues at the state level trickle down to the district and school levels. Our highest-need districts create budgets without the proper supports and lack incentives to channel money to students requiring the most resources. Throughout this paper, we focus on a variety of recommendations in order to create an adequate, equitable and transparent state-level funding system—one that holds districts accountable to community engagement in local budgeting and ensures that students' needs are met.

Fig 1. **Adequacy & equity in Connecticut public education funding**

For decades, the state of Connecticut has debated what adequacy and equity mean for school finance. This timeline gives an overview of those arguments, including the state’s response to litigation and subsequent legislative action.



Source: Connecticut School Finance Project. (April 26, 2016). History of School Finance in Connecticut. Retrieved June 24, 2016, from <http://ctschoolfinance.org/assets/uploads/files/History-of-School-Finance-in-Connecticut.pdf>.



Revising ECS Formula
 New legislation results in the current hold-harmless provision, which requires the state to grant municipalities no less than the amount of funds they received the previous year.

Entitled to Adequacy
 In response to the *CCJEF v. Rell* lawsuit's appeal of the trial court's ruling, the Connecticut Supreme Court concludes that students are entitled to an adequate public education but does not establish how to make that determination, leaving that up to the trial court.

Revising ECS Formula
 General Assembly increases the foundation by 64% while also increasing the state's overall education budget.

Overhauling ECS Formula
 General Assembly eliminates all weights but the low-income student weight and increases the foundation again.

1999

2007

2010

2013

1997

Sheff Magnet Schools
 The General Assembly passes legislation that creates the *Sheff* magnet schools, as well as regional magnet schools and the open choice enrollment program, in order to integrate city and suburban schools.

2005

Another Lawsuit
 Connecticut Coalition for Justice in Education Funding (CCJEF) sues the state over the constitutionality of its funding system.

2009

Ignoring ECS Formula
 For the first time since its creation, the ECS formula is not used by the General Assembly to fund the state's contribution to education costs in local municipalities for the current and next fiscal years.

2011

Ignoring ECS Formula
 The state again does not use the ECS formula for the current and next fiscal years.

2016

CCJEF Lawsuit
 Court case returns to Hartford Superior Court.



Recommendations on Reimagining School Finance



Adequacy & Equity

Establish an adequacy-based funding system

1. Define the dollar amount necessary to achieve an adequate education.
2. Condense the 11 funding formulas into one comprehensive, evidence-based formula.

Adjust the comprehensive formula for equity

3. Replace the hold-harmless provision with a declining-enrollment provision.
4. Adjust funding disbursement based on student attendance.



Student Impact

Provide accurately and sufficiently for student need

1. Include weights in a new, comprehensive funding formula for special education, English-language learners, and low-income needs.
2. Evaluate the impact of the formula weights on students.

Ensure state funding effectively serves kids

3. Provide nonfinancial incentives to districts that demonstrate positive student outcomes.
4. Continue to support Alliance Districts in improving student outcomes.



Support & Accountability

Support districts with fiscal accountability and transparency

1. Require a single, uniform chart of accounts.
2. Model fiscal transparency for districts.
3. Hold districts accountable for effective and transparent funding.



RECOMMENDATIONS ON ADEQUACY & EQUITY

The current problem

For decades, the state of Connecticut has reinforced an inequitable and inadequate funding system, particularly for many of our urban centers and, thus, our poorest students and students of color. It also prevents us from adapting funding to fit changing municipality size and demographics.¹⁷

The one state education funding formula that factors in student need is the Education Cost Sharing (ECS) formula. Yet it falls drastically short of its goal: to level the playing field for municipalities with high student need and an inability to provide an adequate public education through property taxes.¹⁸ In fact, the state suspended use of this formula in 2013, leaving the state's distribution of funds arbitrary and subject to political influence and historical precedent.¹⁹

Lack of adequacy and transparency are also contained within components of the [Q ECS formula](#). The state does not publish how it determined the number used as the foundation, while research points to the number not being grounded in any evidence.²⁰ The [Q hold-harmless](#) provision does not take into consideration changing enrollment or student demographics in a district, either of which could drastically alter the amount of money needed to provide an adequate education. For instance, of the 169 school districts in Connecticut, 150 are likely to have a declining school-age population while 16 are posed to increase during the years 2015–2025.²¹ In order to solve such pervasive problems, we must fix the underpinnings of our funding system.

Resource equity is essential, but I would go a step further, which is resource adequacy.

Randi Weingarten, *president, American Federation of Teachers, to the U.S. Senate committee on Health, Education, Labor, and Pensions on May 18, 2016*²²

Our solution

We envision a public education system that meets the needs of every pupil and creates and reinforces equitable opportunities for all. We must assess and implement a research-based, adequate foundation amount and then consolidate the 11 formulas into one. By doing so, we are ensuring that all schools, regardless of type, receive fair funding from the state to educate their students. After establishing adequacy in the system, we can then focus on enrollment-based equity by safeguarding funds for our high-need districts that are experiencing both transient populations and increasing enrollment.

When creating a funding formula, there are so many factors that must be considered in order to ensure educational equity.

Heidi Moeller, 2nd grade elementary teacher, Dunbar School, Bridgeport Public Schools

Establish an adequacy-based funding system

1 The state should define the dollar amount necessary to achieve an adequate education.

RATIONALE

We must establish a system that recognizes that every child at least deserves a sufficient investment in his or her education. To do so, we need to accurately identify how much it costs, on average, to adequately educate students in our state. Then, we can more precisely incorporate weights for students' additional educational needs, and districts will better understand how many resources they should devote to specific students.

WHAT THIS LOOKS LIKE

Local Successful Schools Approach: When defining the cost of an adequate education, the state should identify Connecticut schools and districts that are successfully

educating their students. Known as the “successful schools” approach, this model provides an estimate of what it takes to educate a student to reach today’s standards based on current spending.²³ A study has been conducted before using this approach for the state of Connecticut.²⁴

In order to do this effectively, the state should:

- Analyze expenditures from a set of schools per **Q District Reference Group (DRG)** to better understand how adequacy is influenced by socioeconomic factors.
- Isolate and remove expenditures related solely to special education, English-language learners (ELLs) and intervention programs in order to more accurately compute the average cost of education and its correlation to meeting current educational standards.
- Set a reasonable interval for recalculating this data in order to comprehensively update the foundation while adjusting for inflation during intermediary years.

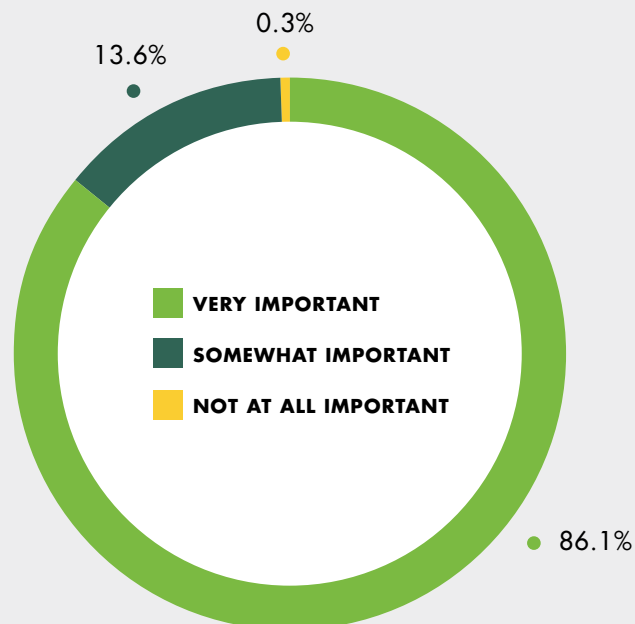
By controlling for factors that increase the resources needed to adequately educate a student, the state can begin to more accurately define the foundation for a funding formula. Later on, we will explore funding for unique student populations' needs.

Regional Comparisons: The state of Connecticut should analyze the findings of existing adequacy studies from regional peers, like the New England states,

POLL

Fig 2.

How important is distributing funding based on each district's needs?



New Jersey, New York, and Maryland.²⁵ This approach would avoid the cost of commissioning a Connecticut-specific study while still providing a reasonable comparison for determining the cost of adequacy in the state. Most of these states mirror Connecticut through the use of a foundation amount, though adjustments for implementation may need to be made for states that do not (i.e., Maine and Massachusetts).²⁶

CAVEATS & CONSIDERATIONS

Each of these methods—the successful schools approach and other adequacy-based studies—has its limitations. The successful schools approach assumes that success can be replicated by other schools within a district or other districts within a state at the same price and usually defines success solely as test score achievement.²⁷ Plus, it typically falls short when defining adequacy for high-need populations,²⁸ though we can correct this shortcoming with safeguards for those populations (see “Student Impact” section on page 12).

In states that have conducted multiple types of adequacy studies, these studies have yielded vastly different results.²⁹ Though adequacy may prove challenging to define, we cannot continue to base our funding formula on a foundation amount lacking evidence.

2 The state should condense the 11 funding formulas into one comprehensive, evidence-based formula.

RATIONALE

As urban and suburban teachers from different school types, we stand united. Whether a magnet, charter or traditional district school, we all have the potential and

desire to well-educate our students. By combining the 11 formulas into one, we bring all of our public schools under a single funding model and eliminate unnecessary political infighting over dollars that must serve any and all Connecticut students.

By using one formula that includes an accurate foundation, the state should also even the playing field between wealthy districts and their less affluent counterparts. Currently, too many of our schools lack basic resources that should be guaranteed, such as textbooks, paper and buildings in good repair.

WHAT THIS LOOKS LIKE

Gradual Implementation: To ensure that this recommendation has the desired effects, the state should:

- Run simulations of the single-formula funding model prior to implementation.
- Institute a phase-in period to gradually transition municipalities from current funding to new funding levels.

Improve Base Aid Ratio: When creating one formula, the state should include a ratio that considers a municipality’s property and income wealth, or its ability to fund its own public education system. The current ECS formula attempts to account for this factor through the base aid ratio, but the result is unsatisfactory; municipalities with high property and low income wealth suffer under this system.³¹ The state should improve the ratio by placing greater emphasis on income wealth.

CAVEATS & CONSIDERATIONS

This recommendation poses political and logistical challenges. Our own polling data shows that teachers are divided on this issue (see Fig. 4).

Constraints of adequacy

Augenblick, Palaich and Associates, Inc., one of the primary firms that conducts adequacy studies throughout the nation, provides the following disclaimer on many of its studies: “The effort to develop these approaches stems from the fact that no existing research demonstrates a straightforward relationship between how much is spent to provide education services and performance, whether of student, school, or school district.”³⁰

How are parents or regular voters supposed to understand the complicated formulas, let alone advocate for students?

Tiffany Moyer-Washington, 9th grade honors literature teacher, Classical Magnet School, Hartford Public Schools

Adjust the comprehensive formula for equity

3 The state should replace the hold-harmless provision with a declining-enrollment provision.

RATIONALE

Given current and projected financial constraints, the state is facing pressure to spend each dollar wisely. Thus, the state should take into account changing municipality populations and demographics by eliminating the hold-harmless provision. Doing so will reduce funding to the 150 districts with declining enrollment, assuming student learning needs remain constant.³² The state may even free up funds to equitably support districts based on student needs.

WHAT THIS LOOKS LIKE

Enrollment Data: The state should use already-collected Average Daily Attendance (ADA) data from school districts in order to determine how to adjust a municipality's total funding package based on declining—or increasing—enrollment trends.

Funding Phase-Out: The state should consider gradually reducing funds for districts that will see drastic funding decreases. This method would require the state to

determine a threshold for qualifying districts for the phase-out program, possibly correlated to the percentage of funds lost in contrast to the municipality's ability to supplement through property taxes and needs of the student population. Additionally, the state could use projected data for birth rates and school-age population growth to forecast funding shifts and prepare municipalities for anticipated adjustments.

CAVEATS & CONSIDERATIONS

Legislating a declining-enrollment provision may prove politically difficult given that the vast majority of districts are projected to lose students and thus some funding. But believing all Connecticut students deserve equal opportunities demonstrates the need for this provision. When cutting education spending during the 2016 legislative session, the [Q General Assembly](#) did not hold districts harmless. Instead, wealthier districts saw the largest cuts to their ECS funding in order to spare significant cuts to high-need districts.³³ The General Assembly now has an opportunity to phase out hold-harmless funding permanently.

4 The state should adjust funding disbursement based on student attendance.

RATIONALE

The urban educators among us witness fluctuations in student enrollment throughout the school year. The current enrollment cutoff for funding—October 1—does not always encapsulate our real attendance numbers for the majority of the year, and students received after that cutoff often present greater educational needs than the average student. When our unaccounted-for students require



Fig 3. Condensing the funding formulas

The current method of distributing funding based on school type does not support a public education system that is equitable and particularly damages our students with the greatest needs. Additionally, we need a formula that starts from a foundation amount that is adequate.



Traditional Public Schools

Funded by the Education Cost Sharing (ECS) formula through block grants awarded to local municipalities.

Host District Magnet Schools (Sheff)

Municipality receives ECS grant funds, plus the state sends \$13,054 per pupil coming in from other districts and \$3,000 per pupil from host district.

Host District Magnet Schools (non-Sheff)

Municipality receives ECS grant funds, plus \$7,085 per pupil coming in from other districts and \$3,000 per pupil from host district.

Regional Educational Service Center (RESC) Magnet Schools (Sheff)

RESC receives a magnet school grant from the state between \$7,900-\$10,443 per pupil.

RESC Magnet School (non-Sheff)

Thomas Edison Magnet School—falls within the RESC Magnet School (non-Sheff) designation but has its own formula.
RESC receives \$3,000-\$7,900 per pupil.

Open Choice Enrollment

Municipality receives ECS grants, plus \$3,000-\$8,000 per pupil, plus 50% of ECS grant funds for students coming in from other districts, while districts sending students receive 50% of ECS grant funds for the students they send.

State Charter School

State grant awards municipalities \$11,000 per pupil.

Local Charter School

Municipality receives its ECS grant funds and \$3,000 per pupil.

Agriscience Program

Municipality receives ECS grant funds, plus at least \$3,200 per pupil for the program.

Connecticut Technical High School System

Grant from the state goes directly to this system.

additional and costly resources, our already resource-strapped districts struggle to provide those students with what they need to be successful in a timely manner. Conversely, some districts are receiving extra dollars per pupil because students have transferred out of the district after that cutoff. Those funds should be fairly utilized to provide for incoming students at other schools, particularly those with higher needs.

WHAT THIS LOOKS LIKE

Average Daily Attendance (ADA) Data: In order to more accurately determine districts' allocation of state funding based on number of students served, the state should use existing ADA data from schools. The state should also be working toward pinpointing trends in order to predict local funding needs and to anticipate enrollment shifts over multiple years.

Pilot Program: Before statewide implementation, we recommend that the state conduct a pilot program using ADA data. The pilot should include districts from each District Reference Group (DRG) to ensure socioeconomic diversity and evaluate the impact on funding across income indicators.

CAVEATS & CONSIDERATIONS

The most challenging component of this recommendation is using enrollment data to adjust funding. If the state chooses to decrease funding during the school year based on declining enrollment, it should consider how to lessen the impact on student programming and resources.³⁴ For example, rather than reduce state funding to a municipality by the entire calculated amount, the state could diminish only a percentage of that amount during the current fiscal year and the full amount for the following year if enrollment numbers remain constant or decrease during the year. By tying some level of funding to attendance, however, the state would be complementing efforts that are already underway in Connecticut and nationwide to curb chronic absenteeism³⁵ and would be providing further incentives to districts to ensure students are in our classrooms.³⁶



Connecticut's school districts spend drastically different amounts on their students' education, leading to learning experiences that are far from equal or fair.

Kerry Zrenda, interim elementary literacy specialist, Kings Highway Elementary School, Westport Public Schools



RECOMMENDATIONS ON STUDENT IMPACT

The current problem

Connecticut's current funding structures take a very limited look at student need. Of the 11 formulas, only the ECS formula attempts to account for the additional cost of educating students in low-income situations as defined by the number of students receiving free and reduced price lunch in the district.

Without other metrics that could measure student need within a district, the state struggles to distribute funds equitably to districts and, thus, does not adequately support districts that need additional funding to ensure that their students receive sufficient resources to improve academically and socio-emotionally.

Our solution

Our dedication to our most vulnerable students should be reflected in our spending. The state should take into account multiple factors that have a significant impact on students' abilities to access their learning, such as special education services, English-language acquisition, and low-income situations. By connecting funding to these metrics, we also need to demonstrate that the funding is leading to increased student outcomes.

It is not simply enough to address the problem or propose a solution. Rather, it is only right and necessary that we create a sustainable and transparent model for funding that accurately and adequately meets the needs of all students.

Nate Deysher, 11th grade American literature teacher, Amistad High School, Achievement First Public Charter Schools

Provide accurately & sufficiently for student need

- 1 The state should include weights in a new comprehensive funding formula for special education, English-language learners, and low-income needs.**

RATIONALE

We live in a world of increased academic expectations for all students. Though, as educators, we believe that this is an appropriate shift, we also understand that not every student

walks into our classroom ready to access the same levels of learning and that unmet physical or foundational academic access needs can prevent a student from achieving his or her full potential.³⁷ Accurate, inclusive measures ensure that Connecticut's funding model is not one size fits all, but rather, that it represents the needs of all students.

WHAT THIS LOOKS LIKE

Special Education: The state's [Excess Cost Grant](#) does not fully account for the real cost of special education services.³⁸ In order to more accurately provide for special education needs, the state should:

- Devise weights that account for specific categories of special education needs. For example, the state could use the [Q Diagnostic and Statistical Manual of Mental Disorders \(DSM-V\)](#) to factor in psychiatric and mental health needs by studying the average cost of services per student in each diagnostic category.
- Support districts in identifying cost reductions based on scaling services (e.g., providing the same resources to multiple students).

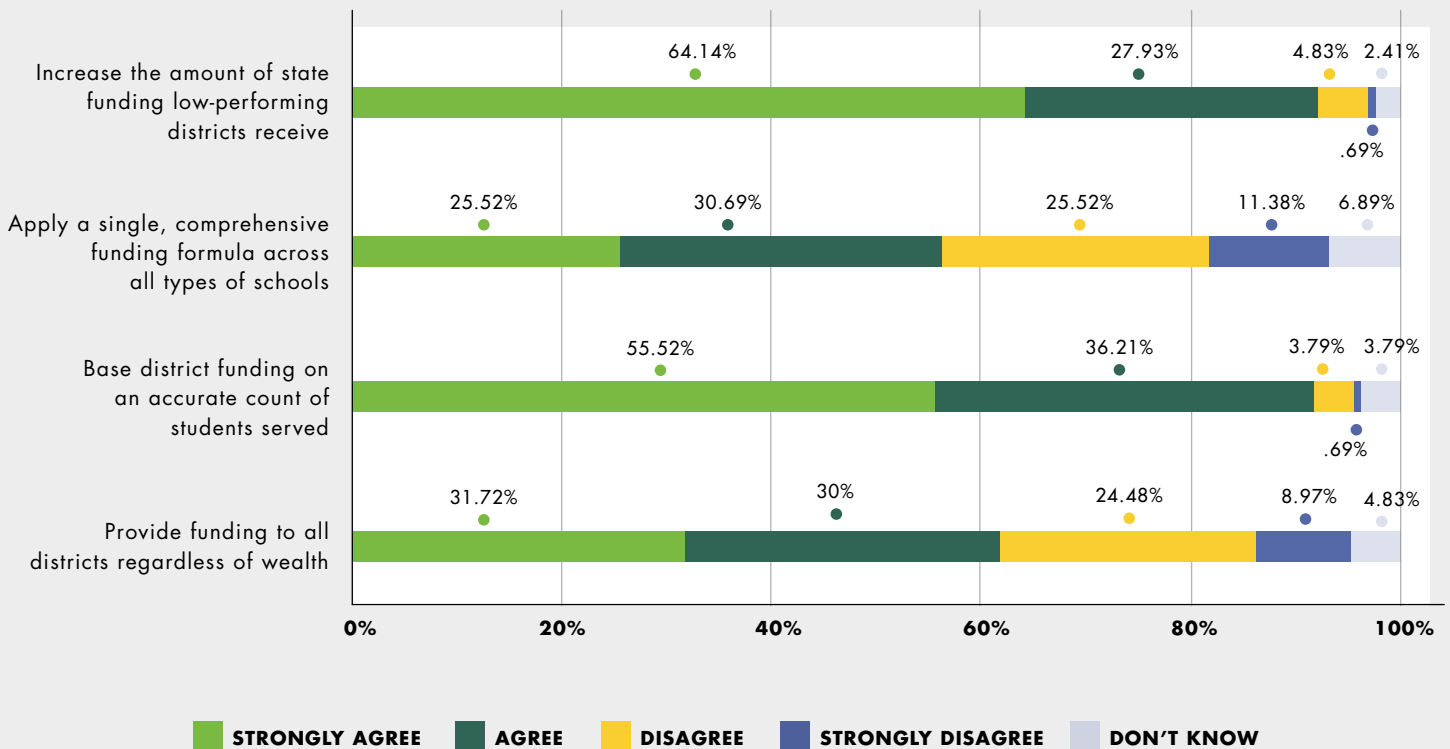
English-Language Learners (ELLs): English-language acquisition is dependent on the student’s age and English-language proficiency upon entry to the program, and the degree of services required can vary based on those two factors. The state should determine appropriate weights based on the intersection of student age and proficiency and the number of students requiring services in a specific native language. The recently approved Connecticut English Language Proficiency (CELP) standards serve as a starting point.³⁹

Other states can serve as a model. Currently, 34 states allocate funding for ELLs through their primary funding formulas, including some of our regional peers.⁴⁰ Some use weights, like New Jersey and Maryland; some set dollar amounts, like Colorado; and others allocate additional instructional staff, like Tennessee.⁴¹ Adjusting state funding by language level will allow schools to provide appropriate programming for each emergent bilingual.

Low-Income: The current system measures low-income needs based on the number of families eligible for Free and Reduced Price Lunch (FRPL) benefits.⁴² But some families may not feel comfortable disclosing their financial information to their children’s teachers and schools, especially in districts that are wealthier on average. Instead, the state should use more accurate, local data, like [Q HUSKY A](#) and [Q SNAP](#).⁴³ The state then relies less on self-reporting and avoids creating a data collection need.

POLL

Fig 4. The state legislature should:



Source: Educators 4 Excellence—Connecticut survey of Connecticut educators and education supporters, March–June 2016 (n=290).

English-language learners

Our ELL communities are not monolithic and have unique needs within them. By providing adequate resources for these services, districts can provide better training for teachers, updated and effective curricula for ELL specialists, and an opportunity for ELLs to transition out of the program, furthering their academic growth and reducing costs.

CAVEATS & CONSIDERATIONS

Taking into account all of these metrics in one formula is a complicated process. The state will need to decide how to reasonably determine the cost of all these services without creating an overly cumbersome formula that perpetuates the current lack of transparency. Additionally, the state should consider how to ensure that the additional funding reaches the students for whom it is intended. If done well, accounting for student needs will be more accurate and allow us to demonstrate the usefulness of increased funds to serve unique student populations in future years.

2 The state should evaluate the impact of the formula weights on students.

RATIONALE

With the implementation of funding weights based on student need, we fear that districts may recognize a perverse incentive to keep students in programs that result in additional funding, which could result in ineffective programs or an unwillingness to promote students out of programs upon their demonstrated success. We aim to control for that outcome while believing deeply in the professionalism of Connecticut educators.

With increased funds comes a responsibility to demonstrate that those funds benefit the students that they're intended to serve. This recommendation allows us to strike an equitable and adequate balance among all populations of students served by our public education system.

WHAT THIS LOOKS LIKE

Gradually Phase Out Needs-Based Funding: In order to lessen the impact of losing resources for services, the state should gradually phase out needs-based funding as a student is exiting a program, allowing municipalities to retain a percentage of the funds in the year after a student exits. The percentage would continue tapering off over a set period of time.

Assessing Impact: The state should identify whether the weights for student needs correlate to sufficient funding and determine where adequate services could be offered with less funds, aiding the state in spending its money efficiently and effectively.

CAVEATS & CONSIDERATIONS

These two recommendations regarding student needs will require a significant amount of tracking and data collection; however, it is essential that students have the opportunity to succeed regardless of need and that state funds are used wisely, simultaneously. By tracking this information, we foster an evidence-based conversation on how to best serve our students.

The inequalities of school funding in Connecticut have exacerbated the achievement gap, leaving Connecticut's students with an educational deficit that denies them equal participation in a rapidly changing and globalized workforce.

Erika Wright, 10th grade English language arts teacher, Central High School, Bridgeport Public Schools

Ensure state funding effectively serves kids

3 The state should provide nonfinancial incentives to districts that demonstrate positive student outcomes.

RATIONALE

Our public schools all share a common goal: to foster student success. Nonfinancial incentives do not run the risk of punishing districts in need of extra funds by taking them away if desired results are not immediately seen. They also allow other districts that may not see much change in their funding or even see a decrease in funding from the

state to benefit in some way from this new system. Upon reaching goals, we should not automatically take away funds either. This reaction could jeopardize future success and create a disincentive to achieve for fear of resource scarcity.

WHAT THIS LOOKS LIKE

Nonfinancial incentives may include freedom from reporting requirements or flexibility in how state standards are met. The state will need to decide what constitutes evidence of positive student outcomes; these may be academic, as demonstrated through an achievement metric, or reflect other important steps toward success, like lowered rates of chronic absenteeism. Lastly, the state should align outcomes to unique district situations. For districts that are already high achieving on average, positive student outcomes may be contingent on academic improvements made by a small percentage of vulnerable students. A district with high need may pinpoint improvements with a certain population of students, overall student growth at certain schools of focus, or district-wide gains.

CAVEATS & CONSIDERATIONS

The greatest challenge will be defining “positive student outcomes.” Measuring student achievement is in and of itself a controversial issue and one that requires extensive research and input from various constituencies, including educators. During the 2016 legislative session, standardized testing was called into question as a reliable measure, while the state was first adjusting to the new SBAC exams.⁴⁴ Regardless, it is critical that we remain student-focused in our spending on education and reward districts that can demonstrate a correlation between funds spent and student success, however defined.

4 The state should continue to support Alliance Districts in improving student outcomes.

RATIONALE

Alliance Districts deserve continued financial support as the state-identified districts with the greatest need. Our most vulnerable communities benefit from these funds and monitoring thereof to ensure that our underserved student populations receive much-needed support. We should continue focusing on strengthening our education system where it is most disadvantaged.

WHAT THIS LOOKS LIKE

The state should annually review the expenditures of Alliance Districts to ensure that all state funds they are receiving are used to implement evidence-based strategies that promote student growth. In order to do this, the state must clearly define what counts as an evidence-based strategy and should work with local districts and educators to make that determination. Then the state should follow through on monitoring to ensure those strategies result in real student progress and achievement.

CAVEATS & CONSIDERATIONS

In order to ensure accuracy, this recommendation will require isolating other variables of student success to determine that a specific strategy is indeed having its intended effects. The state may also consider rewarding Alliance Districts with flexibility from other requirements, as discussed in the previous recommendation.



As teachers, our sole purpose is to improve the lives of students. Our recommendations are not political; nor are they against anyone. They are for students and meant to improve the lives of those who need the most improvement.

Alex Torres, 10th grade science teacher at Central High School, Bridgeport Public Schools



RECOMMENDATIONS FOR SUPPORT & ACCOUNTABILITY

The current problem

Our current state funding systems are, on the whole, lacking in transparency, causing breakdowns of communication throughout the entire education system. As stakeholders, we are then limited in our ability to hold our state and legislators accountable.⁴⁵

Our communities lack reasonable access to the information we need to proactively contribute to local budgeting processes. Our state expects districts, and even teams of parents, teachers and administrators, to know how to effectively budget for a school without any consistent training. Thus, a school's success may be dependent on whether former and current educators and engaged parents are able to put the budgeting process to work for their students. This expectation is not fair to anyone.

Our solution

We envision funding information that is readily accessible to and easily understood by the public. The state should model transparency for districts and provide nonpunitive incentives for districts to adhere to accountability requirements that are meant to increase transparency at the local level. Without this support from the state, districts will continue to run the risk of mismanaging funds and spending money without benefiting our students. In order to create fiscal transparency, stakeholders should be able to access district budgets and expenditures in order to give input on the efficient use of funds.

Defining school finance stakeholders

We are defining stakeholders on this issue as students, parents, teachers, administrators, taxpayers and community members. Stakeholders should also represent the diverse voices in our communities.

We need to create a system where we all feel invested to hold each other accountable in such a way that we make decisions based on data rather than arbitrary numbers.

Stefani Gospodinova, 4th grade teacher, Barnum School, Bridgeport Public Schools

Support districts with fiscal accountability & transparency

1 The state should require a single, uniform chart of accounts.

RATIONALE

The state should extend current legislation to fully implement a uniform chart of accounts for all districts.⁴⁶ This system will increase transparency across the state by requiring consistency in reporting district expenditures and thus allowing for comparison of expenditures between districts. Furthermore, a common standard for reporting would create a heightened sense of integrity around district and school budgeting.

By requiring districts to detail how funds are spent through a uniform chart of accounts, the state can hold districts accountable to spending that aligns with student needs as part of an effort to close the achievement gaps in our state. Our schools and teachers will have the resources they need to meet the unique needs of their students, and our communities will see clearly whether a district is spending according to those needs.

WHAT THIS LOOKS LIKE

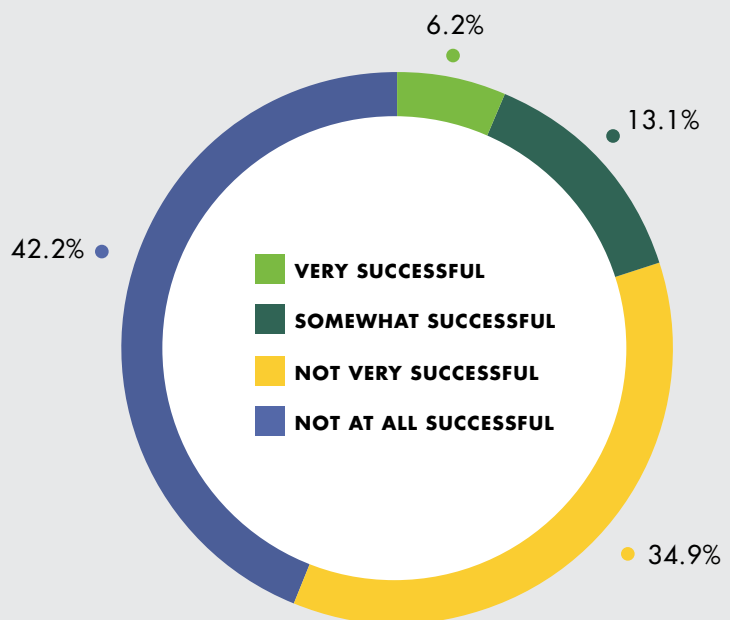
Key Components: The uniform chart of accounts should include a breakdown of per-pupil spending by district and by school. It should also demonstrate how state formula funds are spent by weighted demographics—students receiving special education services, students enrolled in English-language acquisition programs and students in low-income situations.

Incentivize Compliance: The state should create nonpunitive incentives for districts that comply with the uniform chart of accounts. For districts consistently in compliance, the state should reward them with more flexibility in meeting other state mandates. Once in compliance, if money is not reaching populations of high-

POLL

Fig 5.

How successful is Connecticut's current education funding system at ensuring transparency and providing teachers and parents with an understanding of the funding formulas?



need students based on an analysis of the uniform chart of accounts, then the state should provide districts with support to improve spending efficacy.

The state should also support districts with similar student populations in comparing and contrasting their expenditures to help determine relationships between student success and funding and to help one another pinpoint best practices.

School-Level Resources: The state should provide resources to districts for creating and implementing school-based budgets that align to the uniform chart of accounts, including trainings for principals and school governance councils. These mechanisms further ensure that funds are spent effectively and managed efficiently.

CAVEATS & CONSIDERATIONS

Though districts may balk at the extra oversight and the state may pause at the need to process and analyze these reports, we need to know that we are doing right by our students when it comes to such major spending. The investment is greatest upfront, and the state is already in the process of creating these tools.⁴⁷

2 The state should model fiscal transparency for districts.

RATIONALE

It only makes sense that the state would improve its own budgeting processes in such a way that lives up to its expectations for districts in making their budgets accessible. By creating these processes first at the state level, districts will have a starting point for creating their own systems of transparency, which may lead to consistency among districts.

WHAT THIS LOOKS LIKE

The state-level budget should be published online in easy-to-read language and in an accessible format. For example, a state budget website could feature an infographic on how the legislature passes the budget and a list of definitions for major expenditure categories.

CAVEATS & CONSIDERATIONS

The state budget is a piece of legislation that is already public record. The state would need to determine how this website and information is created and posted, which likely requires administrative costs.

3 The state should hold districts accountable for effective and transparent funding.

RATIONALE

Community input is critical in determining how to allocate funds within local districts. By engaging with stakeholders, district officials can better understand the perceived needs of different schools and constituencies. When districts provide an unambiguous school budgeting process and communicate clearly the opportunities for input, they increase community investment in the quality of our schools. Thus, the state should support districts in gathering community input during budgeting and expenditure review processes and then hold districts accountable for ongoing levels of transparency.

WHAT THIS LOOKS LIKE

Public Hearings: Hearings should be simple to implement and flexible to district needs, but the state should provide adequate support to districts through procedural guidelines.

These guidelines may include:

- A required window of time each year when hearings must take place.
- The number of hearings a district should hold based on its city or student populations.
- What qualifies as sufficient advance notice of hearings and related information (e.g., making public draft budgets or areas of needed input prior to hearings).
- What constitutes reasonable access to hearings (e.g., advertising hearings in multiple languages representative of cultures in the community).
- How to best utilize school governance councils in ensuring that stakeholders take advantage of these hearings.

These hearings could either be structured like town hall meetings or led by committees chaired by diverse community leaders. The hearings should result in recommendations from the community that are then made publicly accessible online by the district.

Online Access: Districts should post publicly accessible budgets, with minimal jargon, online. The budget should be searchable and broken down by school. Past district and school expenditures should also be available online. These reports should clearly state how much is spent per pupil

and how that correlates to the needs of the given student population. In all budgets and financial reports, the district should include guiding information to explain categories and expenditures.

CAVEATS & CONSIDERATIONS

Public Hearings: These hearings require a considerable amount of human capital; districts will need to identify officials with the knowledge and capacity to host these hearings. With increased community input and access, districts will be challenged to understand and recognize competing voices and opinions. Too often, however, the loudest voices are heard in response to opaque district

finances. These hearings create an accessible, transparent dialogue about our communities' education priorities—one in which all voices can be heard.⁴⁸

Online Access: Districts may worry about the risk of increased confusion and conflict from publishing budgets and expenditures for the greater community to read; however, it is more important that we create an atmosphere of integrity, transparency and accountability with our local finance systems. Additionally, public hearings will provide deeper opportunities for community education, while the supports from the state will help to structure these publications and conversations.



It is essential for state policymakers and educators to work hand in hand to build effective and sustainable financial models to mend Connecticut's opportunity and achievement gaps.

Kevin Ith, AmeriCorps tutor, Great Oaks Charter School, Bridgeport

Example of state-driven transparency: California's local control legislation

Overview: In 2013, the California state legislature overhauled the state's funding system with the Local Control Funding Formula (LCFF), making it far simpler for districts to understand how state funding would be allocated. This legislation also established Local Control and Accountability Plans (LCAPs). Through LCAPs, the state has set up clear guidelines for districts on incorporating community input into district budgeting and expenditure reviews in order to hold districts accountable to their goals.

Defining Transparency and Accountability: LCAPs must contain the eight goals and budget categories defined by the state. The categories range from progressive indicators of success, like school climate, to traditional budget items, like basic resources.

Outcome: Within the initial year of implementation, districts have reported increased and more expansive input from stakeholders, including parents and students.

Application: In addition to modeling transparency at the state level, the LCFF/LCAP legislation holds districts accountable for effective and transparent funding.

Source: Menefee-Libey, D. J., & Kerchner, C. T. (2015, March 02). California's First Year with Local Control Finance and Accountability. Education Policy Analysis Archives, 23(22). DOI:10.14507/epaa.v23.2022.



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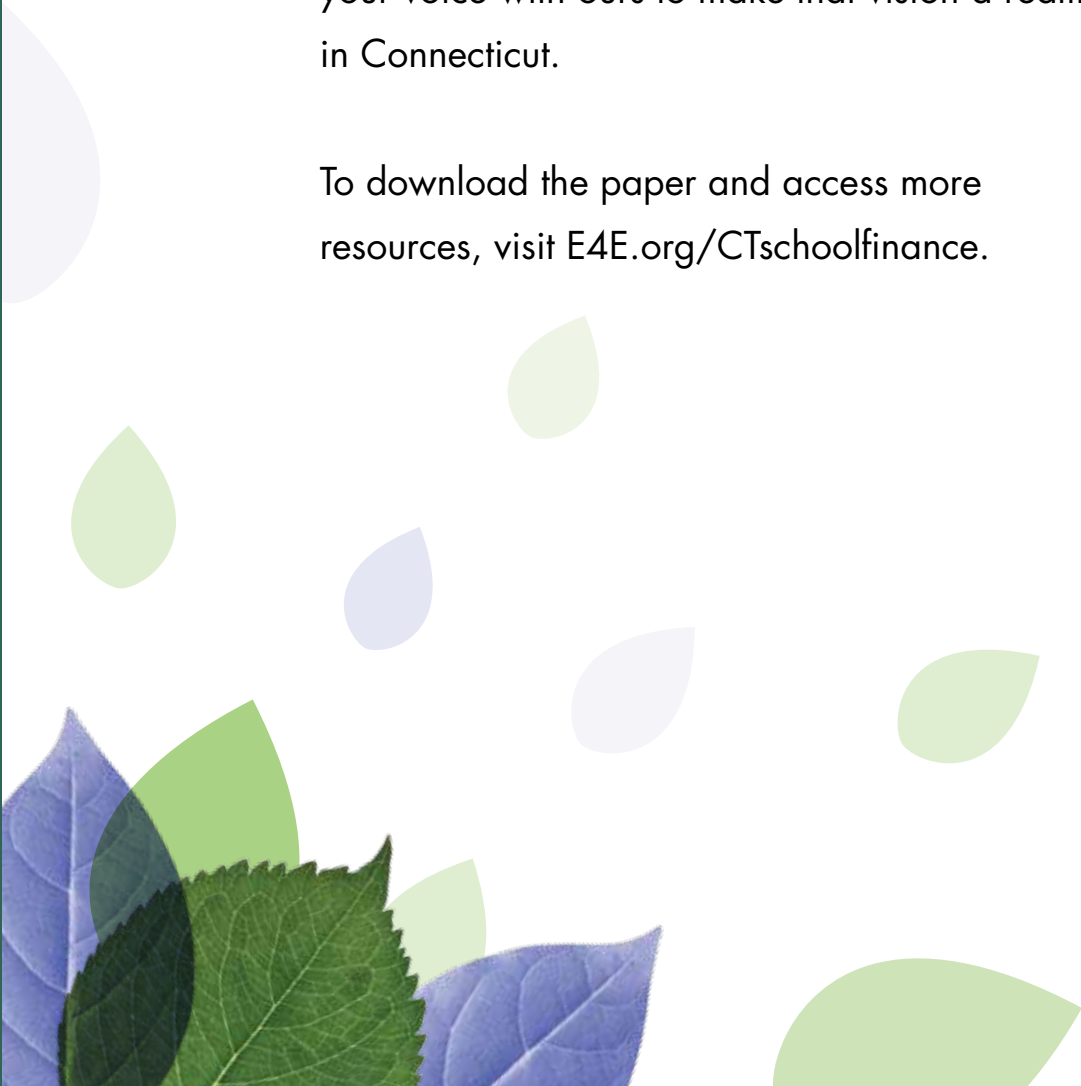
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CONCLUSION

As educators, we believe deeply in the potential of all our students. We know what is at risk if our students, schools and districts with the highest needs continue to lack the necessary resources to provide an adequate, equitable and transparent education. Together, we must act as one state that recognizes its shared future and reimagine a school finance system that works for all. Elevate your voice with ours to make that vision a reality in Connecticut.

To download the paper and access more resources, visit E4E.org/CTschoolfinance.



Teacher policy team process & methodology

Identifying Our Policy Focus: Educators 4 Excellence held over a dozen focus groups with teachers across the state who serve our public schools to gauge the importance of school finance as a policy issue. School finance emerged as one of the most important and impactful issues in our conversations.

Reviewing Research: The Teacher Policy Team met for seven weeks to review research on national attempts to improve adequacy, equity, accountability and transparency in school finance. Additionally, we hosted a presentation from a local expert, the Connecticut School Finance Project.

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Conducting Local Research: The Teacher Policy Team conducted a survey of nearly 300 Connecticut teachers and hosted several focus groups with educators to understand the most essential strategies for improving school finance in the state. The polling and focus group data pushed the Teacher Policy Team to understand and address key needs and concerns among peers within this paper.

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