



GOVERNOR'S FY13 BUDGET  
PROPOSAL:  
SCHOOL AID

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- \$136 million increase over FY12
  - ▣ “Winners”
    - 484 districts receive an increase in state aid
    - \$179.8 million
  - ▣ “Losers”
    - 97 districts receive a cut in state aid
    - \$40.4 million

# Changes to the Formula: Revised Costs



- Revised costs using same formula from SFRA with updated data
  - ▣ Base: \$105 per pupil increase
  - ▣ Special ed excess costs: \$3,127 per pupil increase
- Updated special education classification rates (state averages)
  - ▣ Special Ed: 14.69% to 14.70%
  - ▣ Speech Only: 1.897 to 1.770%

# Changes to the Formula: Weight Adjustments

- At Risk
  - ▣ lowered scale from .47 - .57 to .42 - .46
  - ▣ \$478 to \$1,101 less per at risk pupil
- LEP
  - ▣ Lowered from .50 to .47
  - ▣ \$264 less per LEP pupil
- Combination (LEP & At Risk)
  - ▣ Lowered from .125 to .1052
  - ▣ \$196 less per combo pupil (in addition to at risk reduction)

# Impact of Weight Adjustments

- Reduces the “cost” of an adequate education by over \$460 million statewide or an average of \$344 per pupil
- Greatest impact in low-wealth districts:
  - DFG A adequacy budgets reduced by \$231 million or \$964 per pupil (50% of total reduction)
  - DFG J adequacy budgets reduced by <\$1 million or \$16 per pupil (1% of total reduction)

# Changes to the Formula: Counting Students

- SFRA uses one-time resident enrollment (Oct. 15<sup>th</sup> count)
- Propose changing to Average Daily Attendance (ADA)
- Threshold set at 96%, districts with lower rates will see aid reduced proportionately

# Impact of Change to ADA

- Reduces the “cost” of an adequate education by nearly \$270 million statewide, or an average of \$198 per pupil
- Greatest impact in low-wealth districts
  - DFG A adequacy budgets reduced by \$125 million or \$522 per pupil (47% of total reduction)
  - DFG J adequacy budgets reduced by <\$2 million or \$28 per pupil (1% of total reduction)

# Adjustment Aid

- Adjustment aid made sure no district got less than 2008-09 aid level
- Proposed change would reduce adjustment aid in over adequacy districts by 50% of the amount the district is over adequacy



# “New formula”, already “off formula”: The 5-Year Phase In

- Districts that lose aid will have those reductions phased in over 5 years
- Slowing the move to adequacy for underfunded districts – modified growth caps
  - ▣ Instead of seeing 10% or 20% increase *each year*, the one-year increase is phased in over 5 years
  - ▣ Districts won't see the full amount they are entitled to in FY13 until FY17