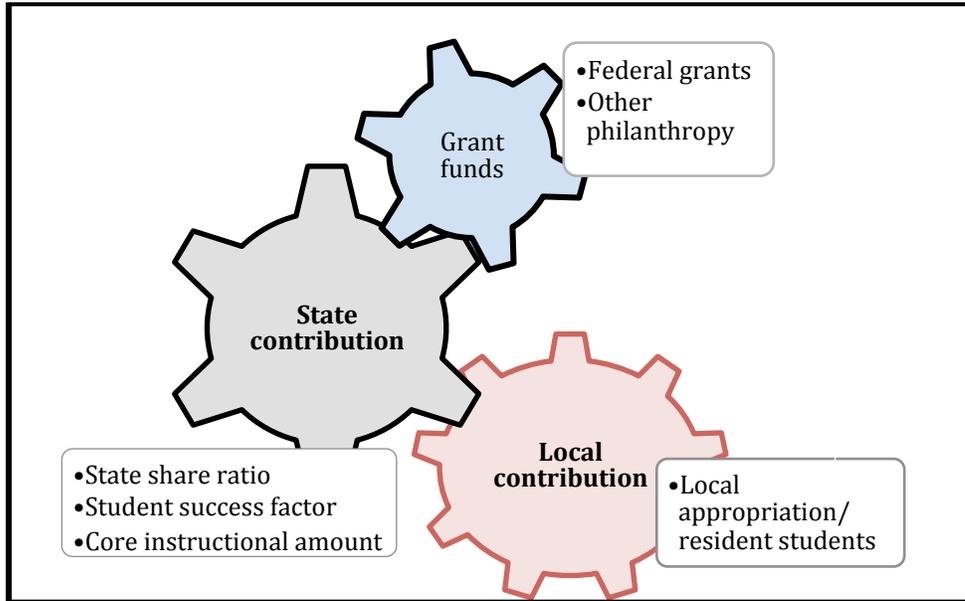## The Rhode Island Fair Funding Formula in Action

Public education funding in Rhode Island consists of three major components: (1) state contributions, (2) local contributions, and (3) federal and other grants. State and local contributions are governed by the fair funding formula.

The state contribution is based on three major components: (1) the core instructional amount, (2) the student success factor, and (3) the state share ratio.

(1) Core instructional amount: Serves as a base per pupil amount for the funding formula. The core instructional amount includes nearly all instruction and pupil support expenses, which are calculated as a regional average (RI, NH, MA, & CT).

Core instructional amount x district resident students = the core instruction funding
(school of choice funding is derived from sending community demographics)

(2) Student success factor: Rhode Island's single student "weight" (or multiplier), which is 40% of the core instruction amount and applied to all students from families at or below 180% of the federal poverty level.

The student success factor x eligible resident students = student success factor funding

(3) State share ratio: A calculation of a district's revenue-generating capacity expressed as a number between 0% and 100% based on each district's assessed real estate values, poverty density, and a median income value.

Total core instruction funding + student success factor funding = total foundation.

Total foundation x state share ratio = state contribution to total foundation

The local contribution is the total local appropriation for public education and for the purposes of the funding formula, is usually expressed as a per pupil value.

The local share in every community varies substantially. This variation is expected and based on three major factors:

(1) Variation in the state share, which is the reciprocal of the estimated core educational expenses for which the community is responsible;
(2) Differences across community ability and willingness to contribute to local education; and
(3) Differences in student demographics and academic programs.

Funding Formula Example: Barrington

Calculating the state share

> Resident students x core instruction amount = core instruction funding

Barrington has 3,287 PK-12 students, which is multiplied by *the core instructional amount of $8,928* for *core instruction funding* of $29,346,336

> Free/reduced lunch eligible students x student success factor =student success factor funding

Barrington has 164 students eligible for free and reduced lunch who each qualify for the *student success factor* of 40% of the core instructional amount (40% of $8,928), or $585,677.

> Core instruction funding + student success funding = total foundation

Barrington's total *foundation* is the core instructional funding ($29,346,336) + the student success funding ($585,677) = total foundation ($29,932,013)

> Total foundation x state share ratio = state contribution to total foundation

Barrington has a state share ratio of 19.7%, indicating that the state pays 19.7% of Barrington's total foundation, or $5,908,863 of $29,932,013. This is the equivalent of $1,798 per pupil. *

Calculating the local share

> Adjusted local appropriation/resident students = Local share

The town of Barrington determines its local appropriation for education; the adjusted local appropriation of $41,346,378/3,245 resident students = $12,742 local share.

Calculating the Per Pupil Funding

> State share + Local share = per pupil funding

Barrington's state share is $1,798 * and their local share is $12,742. The combined state plus local share is $14,540. This is the approximate amount that is transferred to public schools of choice for every Barrington resident student.

*Average state funding per pupil for Barrington; public schools of choice funding is based on the demographics of the students attending the school.