



State of Rhode Island and Providence Plantations  
**DEPARTMENT OF EDUCATION**  
Shepard Building  
255 Westminster Street  
Providence, Rhode Island 02903-3400

Peter McWalters  
Commissioner

January 9, 2009

TO: Superintendents of Schools

FROM: Carolyn Dias, Director of Finance

SUBJECT: FY 2009 State and Charter Aid Projections Based on Governor's Revised Budget

---

The education and charter aid projections based on the Governor's recommended FY 2009 revised budget are included in this letter and will also soon be available on the Rhode Island Department of Education's (RIDE) website ([www.ride.ri.gov](http://www.ride.ri.gov)). This budget recommends mid-year reductions to education aid. However, the Governor's budget also recommends many ways to reduce municipal and school department costs, including eliminating certain mandates and requiring participation in statewide programs. A summary of these proposals is attached. **Please note, final revisions to aid entitlements are determined upon passage of the FY 2009 revised state budget; thus, the following aid amounts could change.**

The Governor's budget recommends the following:

1. Suspension of the Professional Development Fund for FY 2009 only (\$5,825,502) – Professional development funds are distributed in the spring in accordance with plans approved by the commissioner. For those districts that have conducted or wish to continue professional development activities, the Governor's budget does recommend that districts shall have the latitude to maintain these activities and achieve savings across all other education programs, restricted and non-restricted, with the exception of federally funded programs.
2. Reduction of General Aid for Projected Distribution from the Permanent School Fund (\$4,313,778) – During the last General Assembly session, legislators included a provision that would allocate earnings from the extended hours at Twin River to school districts, up to \$13.6M. Districts receive the permanent school fund distribution in the same proportion as the enacted aid amounts. As of January 1, approximately \$4.1 million has been distributed to districts from this fund for earnings at Twin River through November 30, 2008. This figure was annualized to project earnings for the remainder of the year from December 1, 2008 through June 30, 2009. The Governor's budget recommends reducing districts' aid by the projected permanent school fund distribution. Please note, the permanent school fund distribution will continue at the original percentages derived from the enacted budget and will not be updated based on the new aid figures.
3. Reduction of General Aid by the Equivalent Savings Realized by Reducing the Teachers' Retirement Payment (\$40,712,948) – The Governor recommends reducing the required payments for teachers' retirement due from February 1 to June 30, 2009 by 75%. Because of

**Telephone** (401) 222-4600    **Fax** (401) 222-6178    **TTY** 800-745-5555    **Voice** 800-745-6575

this, he proposed to reduce general aid for school districts and charter aid for non-district sponsored charter schools by the equivalent savings. The reduction for Chariho Regional School District is reflected in the member communities of Charlestown, Hopkinton, and Richmond. The reduction for district-sponsored charter schools is reflected in the sponsoring districts' reduction. The Governor has proposed numerous pension system reforms that are expected to reduce school districts' future obligations. An actuarial study is underway to determine what the new rate of contribution would be if the pension reform passes. The rate determined by the actuary would be the rate that state and locals would contribute.

4. Reduction of General Aid for Previously Appropriated Housing Aid Determined to be Ineligible for Reimbursement (\$9,450,266) – This reduction affects only one district that has been involved in an audit of school housing aid during the past year. Although this district is appealing RIDE's decision, the Governor recommends a \$9.5 million reduction to general aid in FY 2009. This reduction was derived from the final determination letter submitted to the applicable district in May 2008 and subsequent discussions with the district.

Please note that the documentation provided by the State Budget Office reflected additional changes in housing aid. This column reconciles the differences between the enacted and revised FY 2009 budgets. Each July districts submit projects completed by the preceding June 30<sup>th</sup> and projected projects to be completed by the following June 30<sup>th</sup>. RIDE uses the projected project data to calculate an estimate of housing aid for the next fiscal year. This figure is updated the following July when completed project information is submitted to RIDE. Revised aid was \$2.6M less than initially projected because some projects did not complete by June 30<sup>th</sup> as initially projected and some districts refinanced bonds, which resulted in savings in aid on interest. The changes in aid (including additional aid for districts that exceeded the initial projection) were reflected in the housing aid numbers submitted to districts in October. The Governor's budget does not propose to change these figures.

5. Group home aid is updated for increases in the number of licensed beds between December 31, 2007 and December 31, 2008, per R.I. General Law 16-64-1.1. Updating the data resulted in six districts experiencing aid increases for a total increase of \$330,000.

The Governor's budget proposes to allocate the reduction in four equal installments in the March, April, May, and June 2009 aid payments, with the exception of East Providence and the charter schools that will receive the full reduction in their final aid payments.

The web document summarizes aid by category (pages one to three). Page four of the web document summarizes the restricted set-aside funds. These funds are breakouts of aid categories included on pages one through three and do not represent additional funds to the total aid shown on page three. Page 5 reflects districts' enacted aid and the permanent school fund distribution percentage. Page 6 reflects the revised charter aid figures with a projection of the fourth quarter aid payment.

I encourage you to forward this email to all interested parties including the appropriate municipal officers. As communicated by the commissioner, there is no doubt that these reductions are hard to bear; however, mid-year cuts underscore the need for all districts to reduce spending. Since everyone is sharing the burden, it is important that all parties work together to determine ways to reduce spending.

Please call Kristen Cole with any questions or for additional information (222-4681) or email her at [Kristen.Cole@ride.ri.gov](mailto:Kristen.Cole@ride.ri.gov).

**FY 2009 GOVERNOR'S RECOMMENDED EDUCATION  
AID TO DISTRICTS**

DISTRICT	GENERAL AID	LITERACY SET-ASIDE	TECH- NOLOGY	STUDENT EQUITY	PROFESSIONAL DEVELOPMENT
BARRINGTON	\$1,126,205	\$46,481	\$75,069	\$130,057	\$0
BURRILLVILLE	\$11,565,849	\$322,346	\$57,676	\$643,294	\$0
CHARLESTOWN	\$1,466,811	\$0	\$0	\$0	\$0
COVENTRY	\$15,990,382	\$507,532	\$129,453	\$1,067,028	\$0
CRANSTON	\$25,231,428	\$746,429	\$245,122	\$3,300,376	\$0
CUMBERLAND	\$9,757,420	\$334,046	\$116,373	\$922,987	\$0
E GREENWICH	\$731,519	\$25,484	\$54,497	\$156,628	\$0
E PROVIDENCE	\$19,793,758	\$541,397	\$135,129	\$2,767,561	\$0
FOSTER	\$1,150,575	\$38,119	\$7,970	\$75,517	\$0
GLOCESTER	\$2,634,905	\$88,582	\$16,985	\$162,222	\$0
HOPKINTON	\$5,271,838	\$0	\$0	\$0	\$0
JAMESTOWN	\$228,403	\$2,279	\$17,053	\$39,157	\$0
JOHNSTON	\$7,945,615	\$240,819	\$73,593	\$978,925	\$0
LINCOLN	\$5,170,803	\$189,448	\$78,475	\$419,539	\$0
LT COMPTON	\$180,065	\$1,875	\$9,946	\$41,954	\$0
MIDDLETOWN	\$7,819,712	\$266,970	\$59,992	\$644,692	\$0
NARRAGANSETT	\$796,652	\$11,770	\$38,057	\$303,467	\$0
NEWPORT	\$8,023,906	\$187,017	\$62,353	\$1,764,862	\$0
NEW SHOREHAM	\$0	\$404	\$1,486	\$9,151	\$0
N KINGSTOWN	\$9,307,336	\$289,123	\$98,889	\$629,309	\$0
N PROVIDENCE	\$10,195,931	\$330,096	\$76,613	\$1,104,787	\$0
N SMITHFIELD	\$3,591,084	\$121,116	\$42,916	\$226,551	\$0
PAWTUCKET	\$44,040,007	\$1,148,981	\$220,462	\$9,110,996	\$0
PORTSMOUTH	\$4,590,679	\$158,676	\$65,305	\$290,881	\$0
PROVIDENCE	\$97,024,094	\$3,337,425	\$634,047	\$31,146,602	\$0
RICHMOND	\$5,268,029	\$0	\$0	\$0	\$0
SCITUATE	\$2,483,949	\$81,590	\$39,556	\$132,854	\$0
SMITHFIELD	\$4,048,673	\$140,492	\$60,128	\$233,544	\$0
S KINGSTOWN	\$7,420,076	\$243,296	\$93,280	\$636,301	\$0
TIVERTON	\$4,522,260	\$149,744	\$49,024	\$451,704	\$0
WARWICK	\$27,832,543	\$873,802	\$264,219	\$3,275,204	\$0
WESTERLY	\$3,858,465	\$136,433	\$84,538	\$1,036,262	\$0
W WARWICK	\$14,952,730	\$421,957	\$85,696	\$1,715,916	\$0
WOONSOCKET	\$33,456,989	\$786,548	\$150,479	\$5,660,984	\$0
BRISTOL WARREN	\$16,610,805	\$549,104	\$81,268	\$1,250,227	\$0
EX-W. GREEN	\$5,861,771	\$180,586	\$47,685	\$317,451	\$0
CHARIHO	\$58,032	\$328,447	\$84,288	\$707,623	\$0
FOS-GLOC	\$4,852,934	\$150,598	\$38,375	\$220,957	\$0
CENTRAL FALLS	\$42,510,466				
<b>TOTAL</b>	<b>\$467,372,699</b>	<b>\$12,979,012</b>	<b>\$3,395,999</b>	<b>\$71,575,572</b>	<b>\$0</b>

**FY 2009 GOVERNOR'S RECOMMENDED EDUCATION**

**AID TO DISTRICTS**

DISTRICT	CHARTER SCHOOL INDIRECT AID	FULL DAY KINDERGARTEN	EARLY CHILDHOOD	LANGUAGE ASSISTANCE
BARRINGTON	\$0	\$11,000	\$132,433	\$4,256
BURRILLVILLE	\$520	\$81,000	\$97,770	\$578
CHARLESTOWN	\$0	\$0	\$0	\$0
COVENTRY	\$2,454	\$1,000	\$231,758	\$5,202
CRANSTON	\$65,900	\$1,000	\$445,795	\$1,382,357
CUMBERLAND	\$867	\$3,000	\$230,514	\$484,324
E GREENWICH	\$1,130	\$1,500	\$98,548	\$3,363
E PROVIDENCE	\$3,251	\$63,000	\$235,022	\$406,668
FOSTER	\$0	\$0	\$31,865	\$0
GLOCESTER	\$0	\$0	\$71,346	\$0
HOPKINTON	\$0	\$0	\$0	\$0
JAMESTOWN	\$3,833	\$23,500	\$32,953	\$1,471
JOHNSTON	\$1,884	\$1,000	\$143,314	\$54,958
LINCOLN	\$523	\$0	\$145,956	\$25,693
LT COMPTON	\$0	\$0	\$18,031	\$0
MIDDLETOWN	\$0	\$102,000	\$137,407	\$84,329
NARRAGANSETT	\$14,105	\$47,500	\$77,097	\$4,781
NEWPORT	\$746	\$77,500	\$142,226	\$82,069
NEW SHOREHAM	\$0	\$2,337	\$3,923	\$3,217
N KINGSTOWN	\$8,866	\$20,500	\$188,546	\$42,611
N PROVIDENCE	\$554	\$1,500	\$121,086	\$79,968
N SMITHFIELD	\$484	\$67,000	\$89,688	\$210
PAWTUCKET	\$132,664	\$366,000	\$447,816	\$3,458,205
PORTSMOUTH	\$0	\$0	\$124,972	\$0
PROVIDENCE	\$807,334	\$2,365,500	\$1,384,018	\$23,973,522
RICHMOND	\$0	\$0	\$0	\$0
SCITUATE	\$0	\$8,000	\$73,211	\$15,657
SMITHFIELD	\$0	\$0	\$99,169	\$2,627
S KINGSTOWN	\$71,971	\$26,500	\$164,298	\$40,772
TIVERTON	\$0	\$0	\$80,361	\$0
WARWICK	\$7,323	\$39,000	\$477,505	\$119,163
WESTERLY	\$2,810	\$109,000	\$175,645	\$102,455
W WARWICK	\$0	\$3,000	\$169,583	\$98,620
WOONSOCKET	\$0	\$600,000	\$326,108	\$1,037,372
BRISTOL WARREN	\$0	\$111,000	\$150,153	\$183,106
EX-W. GREEN	\$8,112	\$1,500	\$82,848	\$6,883
CHARIHO	\$28,214	\$26,500	\$160,567	\$7,356
FOS-GLOC	\$0	\$0	\$0	\$0
CENTRAL FALLS	\$78,462			
<b>TOTAL</b>	<b>\$1,242,006</b>	<b>\$4,160,337</b>	<b>\$6,591,529</b>	<b>\$31,711,793</b>

**FY 2009 GOVERNOR'S RECOMMENDED EDUCATION  
AID TO DISTRICTS**

DISTRICT	TARGETED AID	VOCATIONAL EQUITY	GROUP HOME AID	SUBTOTAL	SUPPLEMENTAL GROUP HOME	TOTAL FY 2009 AID
BARRINGTON	\$0	\$3,500	\$0	\$1,529,002	\$0	\$1,529,002
BURRILLVILLE	\$0	\$9,000	\$315,000	\$13,093,032	\$75,000	\$13,168,032
CHARLESTOWN	\$0	\$0	\$0	\$1,466,811	\$0	\$1,466,811
COVENTRY	\$0	\$111,000	\$120,000	\$18,165,808	\$0	\$18,165,808
CRANSTON	\$0	\$248,000	\$15,000	\$31,681,407	\$0	\$31,681,407
CUMBERLAND	\$0	\$12,500	\$0	\$11,862,033	\$0	\$11,862,033
E GREENWICH	\$0	\$0	\$105,000	\$1,177,667	\$0	\$1,177,667
E PROVIDENCE	\$0	\$176,000	\$756,000	\$24,877,788	\$0	\$24,877,788
FOSTER	\$0	\$0	\$0	\$1,304,046	\$0	\$1,304,046
GLOCESTER	\$0	\$0	\$0	\$2,974,039	\$0	\$2,974,039
HOPKINTON	\$0	\$0	\$0	\$5,271,838	\$0	\$5,271,838
JAMESTOWN	\$0	\$1,000	\$0	\$349,650	\$0	\$349,650
JOHNSTON	\$0	\$48,000	\$135,000	\$9,623,109	\$0	\$9,623,109
LINCOLN	\$0	\$0	\$120,000	\$6,150,437	\$30,000	\$6,180,437
LT COMPTON	\$0	\$1,500	\$0	\$253,371	\$0	\$253,371
MIDDLETOWN	\$0	\$12,000	\$420,000	\$9,547,101	\$60,000	\$9,607,101
NARRAGANSETT	\$0	\$3,000	\$0	\$1,296,429	\$0	\$1,296,429
NEWPORT	\$0	\$98,000	\$555,000	\$10,993,678	\$0	\$10,993,678
NEW SHOREHAM	\$0	\$0	\$0	\$20,518	\$0	\$20,518
N KINGSTOWN	\$0	\$6,500	\$0	\$10,591,680	\$0	\$10,591,680
N PROVIDENCE	\$0	\$500	\$240,000	\$12,151,035	\$15,000	\$12,166,035
N SMITHFIELD	\$0	\$7,000	\$120,000	\$4,266,049	\$0	\$4,266,049
PAWTUCKET	\$4,042,637	\$2,000	\$1,020,000	\$63,989,769	\$0	\$63,989,769
PORTSMOUTH	\$0	\$11,500	\$570,000	\$5,812,014	\$30,000	\$5,842,014
PROVIDENCE	\$11,626,590	\$162,500	\$3,045,000	\$175,506,631	\$120,000	\$175,626,631
RICHMOND	\$0	\$0	\$0	\$5,268,029	\$0	\$5,268,029
SCITUATE	\$0	\$9,500	\$0	\$2,844,317	\$0	\$2,844,317
SMITHFIELD	\$0	\$0	\$315,000	\$4,899,633	\$0	\$4,899,633
S KINGSTOWN	\$0	\$5,500	\$375,000	\$9,076,994	\$0	\$9,076,994
TIVERTON	\$0	\$9,000	\$0	\$5,262,093	\$0	\$5,262,093
WARWICK	\$0	\$112,000	\$360,000	\$33,360,759	\$0	\$33,360,759
WESTERLY	\$0	\$18,000	\$0	\$5,523,608	\$0	\$5,523,608
W WARWICK	\$1,571,420	\$84,500	\$0	\$19,103,422	\$0	\$19,103,422
WOONSOCKET	\$2,759,353	\$222,000	\$405,000	\$45,404,835	\$0	\$45,404,835
BRISTOL WARREN	\$0	\$3,500	\$210,000	\$19,149,163	\$0	\$19,149,163
EX-W. GREEN	\$0	\$8,500	\$330,000	\$6,845,337	\$0	\$6,845,337
CHARIHO	\$0	\$123,000	\$0	\$1,524,028	\$0	\$1,524,028
FOS-GLOC	\$0	\$3,500	\$0	\$5,266,364	\$0	\$5,266,364
CENTRAL FALLS				\$42,588,928	\$0	\$42,588,928
<b>TOTAL</b>	<b>\$20,000,000</b>	<b>\$1,512,500</b>	<b>\$9,531,000</b>	<b>\$630,072,452</b>	<b>\$330,000</b>	<b>\$630,402,452</b>

**FY 2009 SET-ASIDE FUNDS**

DISTRICT	5% STUDENT EQUITY SET-ASIDE	PROFESSIONAL DEVELOPMENT SET-ASIDE (SUSPENDED)	5% TARGETED AID SET-ASIDE	TOTAL SET-ASIDE FUNDS
BARRINGTON	\$6,503	\$0	\$0	\$6,503
BURRILLVILLE	\$32,165	\$0	\$0	\$32,165
CHARLESTOWN	\$0	\$0	\$0	\$0
COVENTRY	\$53,351	\$0	\$0	\$53,351
CRANSTON	\$165,019	\$0	\$0	\$165,019
CUMBERLAND	\$46,149	\$0	\$0	\$46,149
E GREENWICH	\$7,831	\$0	\$0	\$7,831
E PROVIDENCE	\$138,378	\$0	\$0	\$138,378
FOSTER	\$3,776	\$0	\$0	\$3,776
GLOCESTER	\$8,111	\$0	\$0	\$8,111
HOPKINTON	\$0	\$0	\$0	\$0
JAMESTOWN	\$1,958	\$0	\$0	\$1,958
JOHNSTON	\$48,946	\$0	\$0	\$48,946
LINCOLN	\$20,977	\$0	\$0	\$20,977
LT COMPTON	\$2,098	\$0	\$0	\$2,098
MIDDLETOWN	\$32,235	\$0	\$0	\$32,235
NARRAGANSETT	\$15,173	\$0	\$0	\$15,173
NEWPORT	\$88,243	\$0	\$0	\$88,243
NEW SHOREHAM	\$979	\$0	\$0	\$979
N KINGSTOWN	\$31,465	\$0	\$0	\$31,465
N PROVIDENCE	\$55,239	\$0	\$0	\$55,239
N SMITHFIELD	\$11,328	\$0	\$0	\$11,328
PAWTUCKET	\$455,550	\$0	\$202,132	\$657,682
PORTSMOUTH	\$14,544	\$0	\$0	\$14,544
PROVIDENCE	\$1,557,330	\$0	\$581,330	\$2,138,660
RICHMOND	\$0	\$0	\$0	\$0
SCITUATE	\$6,643	\$0	\$0	\$6,643
SMITHFIELD	\$11,677	\$0	\$0	\$11,677
S KINGSTOWN	\$31,815	\$0	\$0	\$31,815
TIVERTON	\$22,585	\$0	\$0	\$22,585
WARWICK	\$163,760	\$0	\$0	\$163,760
WESTERLY	\$51,813	\$0	\$0	\$51,813
W WARWICK	\$85,796	\$0	\$78,571	\$164,367
WOONSOCKET	\$283,049	\$0	\$137,968	\$421,017
BRISTOL WARREN	\$62,511	\$0	\$0	\$62,511
EX-W. GREEN	\$15,873	\$0	\$0	\$15,873
CHARIHO	\$35,381	\$0	\$0	\$35,381
FOS-GLOC	\$11,048	\$0	\$0	\$11,048
CENTRAL FALLS	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$3,579,300</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$4,579,300</b>

**FY 2009 PERMANENT SCHOOL FUND**

PAGE 5

**DISTRIBUTION PERCENTAGE**

DISTRICT	TOTAL ENACTED FY 2009 AID	DISTRIBUTION PERCENTAGE
BARRINGTON	\$2,599,526	0.38%
BURRILLVILLE	\$13,854,743	2.01%
CHARLESTOWN	\$1,624,508	0.24%
COVENTRY	\$20,075,081	2.91%
CRANSTON	\$35,475,911	5.14%
CUMBERLAND	\$13,257,009	1.92%
E GREENWICH	\$1,949,761	0.28%
E PROVIDENCE	\$26,888,254	3.89%
FOSTER	\$1,416,463	0.21%
GLOCESTER	\$3,213,847	0.47%
HOPKINTON	\$5,767,668	0.84%
JAMESTOWN	\$531,908	0.08%
JOHNSTON	\$10,750,364	1.56%
LINCOLN	\$7,403,268	1.07%
LT COMPTON	\$368,810	0.05%
MIDDLETOWN	\$10,497,116	1.52%
NARRAGANSETT	\$1,897,159	0.27%
NEWPORT	\$11,871,080	1.72%
NEW SHOREHAM	\$106,345	0.02%
N KINGSTOWN	\$11,986,005	1.74%
N PROVIDENCE	\$13,382,872	1.94%
N SMITHFIELD	\$4,834,237	0.70%
PAWTUCKET	\$67,023,559	9.71%
PORTSMOUTH	\$6,700,042	0.97%
PROVIDENCE	\$193,869,756	28.08%
RICHMOND	\$5,759,926	0.83%
SCITUATE	\$3,407,183	0.49%
SMITHFIELD	\$5,743,568	0.83%
S KINGSTOWN	\$10,548,698	1.53%
TIVERTON	\$5,932,058	0.86%
WARWICK	\$37,626,000	5.45%
WESTERLY	\$6,843,077	0.99%
W WARWICK	\$20,440,547	2.96%
WOONSOCKET	\$47,421,613	6.87%
BRISTOL WARREN	\$20,438,190	2.96%
EX-W. GREEN	\$7,586,019	1.10%
CHARIHO	\$1,679,035	0.24%
FOS-GLOC	\$5,729,861	0.83%
CENTRAL FALLS	\$43,873,873	6.36%
<b>TOTAL</b>	<b>\$690,374,942</b>	<b>100.00%</b>

**FY 2009 GOVERNOR'S RECOMMENDED CHARTER AID**

PAGE 6

DISTRICT	FY 2009 AID WITH MID-YEAR ADJUSTMENT	GOVERNOR'S RECOMMENDED CHARTER AID	REVISED 4TH QTR PAYMENT (4/1/09)
BEACON	\$1,548,322	\$1,512,785	\$485,681
BLACKSTONE	\$1,510,076	\$1,469,349	\$336,792
COMPASS	\$635,922	\$614,485	\$157,295
CUFFEE	\$4,551,780	\$4,449,006	\$1,035,171
HIGHLANDER	\$2,645,058	\$2,596,782	\$725,423
INTERNATIONAL	\$2,926,340	\$2,863,818	\$756,788
KINGSTON HILL	\$765,134	\$736,784	\$162,934
LEARNING COMMUNITY	\$3,713,890	\$3,669,529	\$1,229,501
NE LABORERS	\$1,508,866	\$1,508,866	\$432,968
TEXTRON	\$2,361,370	\$2,361,370	\$590,343
TIMES 2 ACADEMY	\$6,870,410	\$6,870,410	\$1,717,603
<b>TOTAL</b>	<b>\$29,037,168</b>	<b>\$28,653,184</b>	<b>\$7,630,499</b>