


State of Rhode Island and Providence Plantations
DEPARTMENT OF EDUCATION
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Peter McWalters
Commissioner

June 20, 2008

TO: Superintendents of Schools
FROM: Peter McWalters, Commissioner 
CC: Business Managers of Schools
SUBJECT: FY 2009 Permanent School Fund Distribution for Education

The FY 2009 enacted budget, passed by the General Assembly last week, included new language that requires the RI Department of Education (RIDE) to allocate to districts on a monthly basis all funds received into the permanent school fund related to overnight gambling. The potential new distribution is capped at \$13.6M. This cap is different from the \$14.1M noted in the legislation because Newport Grand has not begun overnight gambling.

It is important to note that these funds are not guaranteed and are subject to the availability of additional revenues. Districts should not include a projection for this revenue in their budgets because it will create a structural deficit if overnight gambling proceeds fall short. Any funds received by districts are unrestricted; however, the intent of these additional funds is to offset unforeseen costs, such as rising heating costs, higher gas prices and utilities, or excess snow plowing demands.

In terms of payment, on a monthly basis RIDE will allocate the previous month's balance for the permanent school fund based on the percentage of the district's total education aid in relation to the statewide total of education aid. Thus, the July 2008 education aid payment will include an allocation of overnight gambling earnings deposited in the permanent school fund through June 30, 2008, the August 2008 payment will be based on earnings deposited through July 31, 2008, and so forth. Because of this, the July payment may be higher than subsequent months because the June 30, 2008 balance includes two months of earnings. RIDE will email the actual amounts to superintendents and business managers prior to the payment so that you will know the additional aid for a given month.

This program is expected to end on June 30, 2009. Therefore, any aid from the permanent school fund beyond fiscal year 2009 would require a legislative extension.

The balance in this fund as of June 20, 2008 was \$1,019,264. Attached are the percent allocations each district will receive based on its proportion of aid. Therefore, at a minimum, districts can expect to receive their proportion of this amount as part of its July education aid payment. Any amount beyond this allotment is subject to the availability of additional revenues.

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**FY 2009 PERMANENT SCHOOL FUND
DISTRIBUTION PERCENTAGE**

DISTRICT	TOTAL 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%
TOTAL	\$690,374,942	100.00%