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## Funding Formula Implementation Profile: Rhode Island

### Interviewee Information:

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**Background:** Rhode Island adopted its student-centered funding formula in 2009 and began implementing it in the 2011–2012 school year. Before this reform, the Rhode Island Department of Education (RIDE) was one of the only state departments of education in the nation without a state-level funding formula. Along with their application for the Race to the Top initiative, RIDE and state legislators set about creating a formula that would distribute the existing state funds more equitably and in accordance with student enrollment, student needs, and the capacity of local municipalities to fund their education system. The formula was validated by a team of Brown University education experts.

State aid covers instructional expenditures only, such as instructional staff, instructional supplies, and leadership. Anything operational is intended to be funded locally. There is currently only one weight tied to student poverty, which is calculated by eligibility for free or reduced price lunches. There are several categorical programs — such as transportation, early childhood, career and technical education, special education, English learner services, and school safety officers — that are not included in the base amount. Categorical funding is subject to legislative appropriations and is therefore not guaranteed.

**Intent:** RIDE’s transition to this funding formula was primarily fueled by the need for a more equitable distribution of funds. There were no hold harmless provisions or minimums included in the transition plan and it relied heavily on local municipalities adjusting their contribution to ensure adequacy. LEAs losing funds had 10 years to adjust their local contributions and LEAs gaining funds had 7 years. RIDE also prioritized the goal of maximum transparency when building their funding mechanisms. The allocations were based on average daily membership of each LEA, and their theory of action is that if the formula is tied to student data, money will go where it is most needed. All of the calculations and supporting data are explained on the RIDE website.

**Support and Training for School Leaders:** Initially, RIDE focused its energy on explaining to various stakeholder groups how their allocation was calculated and what changes they could expect. The Commissioner at the time went in person to every LEA in the state to explain to each community how their funding amount was to be calculated. RIDE also provided training and updates to the RI Association of School Business Officers. RIDE staffing did not change once the funding formula was put in place, but staff continue to provide training annually to LEA business and data officials.



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A variety of stakeholder groups played key roles throughout the initial development and implementation of the funding formula.

**Reporting:** Student information is collected three times per year from each LEA — on June 30 (end of year projections), October 1 (assess changes), and March 15 (final). While each LEA has its own student information system, all LEAs upload their data files into the e-RIDE student data management system. LEAs report final, audited expenditure and revenue data from the previous year to RIDE on or before December 31. Typically, the financial data files — in Excel or text file format — are emailed to RIDE staff or uploaded as attachments in e-RIDE. Expenditure data are coded in accordance with the state’s uniform chart of accounts (UCOA), which has an extensive instruction booklet and an accompanying 56-tab Excel template. The UCOA allows for expenditures to be reported at the schoolhouse level. RIDE has recently begun requiring budget projections from LEAs but does not yet have full compliance with this requirement.

RIDE hired EdGate, a San Diego consulting firm, to run a series of checks on all of the financial data, with a particular focus on finding coding errors. Student information is validated internally with the system business process. LEAs receive a snapshot and a sampling of reports to sign off on.

**Monitoring:** RIDE prioritizes transparency. As such, RIDE posts all of the allocation calculations, as well as all LEA expenditure and revenue data, publicly on its website. They also calculate and publish per-pupil expenditure data at the LEA and school level and offer ways to easily compare per-pupil expenditures of LEAs within the state. There are no minimum thresholds of per-pupil expenditures, nor maximum cash reserve requirements. RIDE has just started to create data visualizations to compare LEA spending in different categories. They have not yet been able to analyze financial and student outcome data together.

**Measuring Success:** Over the ten year period, there has been an increase in state and local funds going toward education. However, a Senate task force was recently convened to study how the system may disincentivize local municipalities from adequately funding their schools by supplementing state aid. While more money is being distributed to schools with higher concentrations of poverty, per-pupil expenditures have not increased at the same rate across the state.

**Lessons Learned/Advice:** When there was an influx of state funds, local funding remained stagnant. Many LEAs were not prepared to absorb local funding requirements when state aid was redistributed to other LEAs.

If the state maintains integrity to a formula driven by data, it must be prepared to accept that swings in student enrollment cannot be predicted and that will have an effect on funding.



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Keeping a simple formula is key so that it is easy for the public to understand. Keeping simple account codes and financial reporting is also important. When the accounting system is overly complicated, local staff will inevitably code different costs differently. Additionally, it takes a lot of time on behalf of the state to audit and understand data coded at a deep level of detail. The benefit of having highly-detailed data should be weighed against the burden placed on LEAs and the state agency.



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**Appendixes:**

UCOA Accounting Manual

(<https://www.ride.ri.gov/FundingFinance/SchoolDistrictFinancialData/UniformChartofAccounts.aspx>)

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### FY 2021 Preliminary Formula Calculations

(<https://www.ride.ri.gov/FundingFinance/FundingSources/StateEducationAid.aspx#32231125-funding-formula-supporting-calculations-and-documents>)

LEAs	PK-12 RADM (March 2019 data adjusted for 20-21 PSOC growth)	FRPL RADM (March 2019 data adjusted for 20-21 PSOC growth)	C \$10,310 Core Instruction Funding	E 0.4 \$4,124 Student Success Factor Funding	Total Foundation	%FRPL PK6	State Share Ratio Community (SSRC)	State Share Ratio Quadratic Mean	State Funding (upon full transition)	FY 2020 Enacted Distribution (excludes group home)	State \$ Change
Districts:	A	B	A*C=D	B*E=G	D+G=H		I	H*=J	K	J-K=L	
BARRINGTON	3,349	130	\$34,528,190	\$536,120	\$35,064,310	4.7%	22.7%	16.4%	\$5,747,660	\$5,693,721	\$53,939
BURRILLVILLE	2,264	734	\$23,341,840	\$3,027,016	\$26,368,856	37.0%	66.4%	53.7%	\$14,173,058	\$12,926,571	\$1,246,487
CHARLESTOWN	757	171	\$7,804,670	\$705,204	\$8,509,874	22.4%	0.0%	15.8%	\$1,347,895	\$1,543,188	(\$195,293)
COVENTRY	4,632	1,338	\$47,755,920	\$5,517,912	\$53,273,832	31.5%	56.2%	45.6%	\$24,269,403	\$24,332,697	(\$63,294)
CRANSTON	10,153	4,152	\$104,677,430	\$17,122,848	\$121,800,278	43.6%	66.3%	56.1%	\$68,342,059	\$64,319,722	\$4,022,337
CUMBERLAND	4,619	938	\$47,621,890	\$3,868,312	\$51,490,202	23.2%	52.0%	40.3%	\$20,731,569	\$21,547,453	(\$815,884)
EAST GREENWICH	2,527	155	\$26,053,370	\$639,220	\$26,692,590	7.4%	15.4%	12.1%	\$3,224,836	\$2,531,530	\$693,306
EAST PROVIDENCE	5,108	2,544	\$52,663,480	\$10,491,456	\$63,154,936	50.0%	63.4%	57.1%	\$36,057,984	\$35,472,845	\$585,139
FOSTER	256	65	\$2,639,360	\$268,060	\$2,907,420	24.7%	50.7%	39.9%	\$1,159,434	\$1,149,740	\$9,694
GLOCESTER	525	68	\$5,412,750	\$280,432	\$5,693,182	12.9%	48.5%	35.5%	\$2,020,342	\$2,164,338	(\$143,996)
HOPKINTON	1,113	236	\$11,475,030	\$973,264	\$12,448,294	23.6%	56.4%	43.2%	\$5,381,580	\$5,169,861	\$211,719
JAMESTOWN	666	49	\$6,866,460	\$202,076	\$7,068,536	7.6%	0.0%	5.4%	\$379,864	\$425,899	(\$46,035)
JOHNSTON	3,288	1,409	\$33,899,280	\$5,810,716	\$39,709,996	43.5%	50.7%	47.2%	\$18,757,961	\$17,893,657	\$864,305
LINCOLN	3,086	793	\$31,816,660	\$3,270,332	\$35,086,992	28.2%	51.3%	41.4%	\$14,523,917	\$14,269,740	\$254,177
LITTLE COMPTON	351	49	\$3,618,810	\$202,076	\$3,820,886	15.0%	0.0%	10.6%	\$405,266	\$403,530	\$1,736
MIDDLETOWN	2,177	619	\$22,444,870	\$2,552,756	\$24,997,626	29.7%	32.3%	31.0%	\$7,756,075	\$7,533,193	\$222,882
NARRAGANSETT	1,227	235	\$12,650,370	\$969,140	\$13,619,510	23.3%	0.0%	16.5%	\$2,243,894	\$2,217,917	\$25,977
NEWPORT	2,074	1,373	\$21,382,940	\$5,662,252	\$27,045,192	70.7%	0.0%	50.0%	\$13,520,554	\$12,377,253	\$1,143,301
NEW SHOREHAM	132	24	\$1,360,920	\$98,976	\$1,459,896	16.9%	0.0%	12.0%	\$174,459	\$130,462	\$43,997
NORTH KINGSTOWN	3,744	815	\$38,600,640	\$3,361,060	\$41,961,700	26.6%	29.6%	28.1%	\$11,808,025	\$10,417,472	\$1,390,553
NORTH PROVIDENCE	3,515	1,562	\$36,239,650	\$6,441,688	\$42,681,338	47.8%	64.2%	56.6%	\$24,156,431	\$22,896,007	\$1,260,424
NORTH SMITHFIELD	1,655	295	\$17,063,050	\$1,216,580	\$18,279,630	21.5%	41.2%	32.9%	\$6,006,868	\$5,716,299	\$290,569
PAWTUCKET	8,649	6,273	\$89,171,190	\$25,869,852	\$115,041,042	72.7%	87.4%	80.4%	\$92,477,722	\$89,623,419	\$2,854,303
PORTSMOUTH	2,302	365	\$23,733,620	\$1,505,260	\$25,238,880	18.1%	0.6%	12.8%	\$3,232,006	\$3,428,751	(\$196,745)
PROVIDENCE	22,487	18,624	\$231,840,970	\$76,805,376	\$308,646,346	85.2%	85.4%	85.3%	\$263,275,514	\$259,312,069	\$3,963,445
RICHMOND	1,138	180	\$11,732,780	\$742,320	\$12,475,100	17.9%	50.4%	37.8%	\$4,717,972	\$4,640,585	\$77,386
SCITUATE	1,288	224	\$13,279,280	\$923,776	\$14,203,056	14.8%	23.0%	19.3%	\$2,746,814	\$2,767,459	(\$20,646)
SMITHFIELD	2,406	361	\$24,805,860	\$1,488,764	\$26,294,624	16.5%	26.7%	22.2%	\$5,835,807	\$6,081,263	(\$245,456)
SOUTH KINGSTOWN	2,965	500	\$30,569,150	\$2,062,000	\$32,631,150	19.6%	0.0%	13.9%	\$4,522,447	\$5,102,341	(\$579,894)
TIVERTON	1,763	450	\$18,176,530	\$1,855,800	\$20,032,330	27.6%	44.9%	37.3%	\$7,465,598	\$7,166,770	\$298,829
WARWICK	8,761	2,897	\$90,325,910	\$11,947,228	\$102,273,138	36.5%	38.6%	37.6%	\$38,418,575	\$38,179,304	\$239,270
WESTERLY	2,745	920	\$28,300,950	\$3,794,080	\$32,095,030	35.6%	0.0%	25.2%	\$8,079,282	\$8,550,266	(\$470,984)



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Per Pupil Expenditures by District

(<https://www.ride.ri.gov/Portals/0/Uploads/Documents/UCOA/FY17%20Per%20Pupil%20Expenditure%20Charts.pdf>)

RI Department of Education  
FY2018 Per Pupil Expenditures - Sorted by Net PPE

No.	LEA	Average Daily Membership	Total Expenditures from all sources of funds	Total Per Pupil	Debt Service	Less Debt Service PPE	Capital Projects	Less Capital Projects PPE	Net Per Pupil (Less Debt & Capital)
410	RI School for Deaf	70	\$ 8,265,211	\$117,693	\$ -	\$ -	\$ -	\$ -	\$117,693
220	New Shoreham	119	\$ 5,343,286	\$44,864	\$ 14,000	\$ 118	\$ 405,856	\$ 3,408	\$41,339
180	Little Compton - Note 1	243	\$ 7,274,618	\$29,893	\$ -	\$ -	\$ -	\$ -	\$29,893
150	Jamestown - Note 1	483	\$ 12,754,170	\$26,391	\$ -	\$ -	\$ 117,553	\$ 243	\$26,148
200	Narragansett	1,296	\$ 29,076,743	\$22,434	\$ 84,618	\$ 65	\$ 523,803	\$ 404	\$21,965
360	Westerly	2,740	\$ 59,184,978	\$21,603	\$ -	\$ -	\$ -	\$ -	\$21,603
210	Newport	2,194	\$ 45,534,574	\$20,752	\$ -	\$ -	\$ -	\$ -	\$20,752
320	South Kingstown	3,042	\$ 62,314,781	\$20,482	\$ -	\$ -	\$ -	\$ -	\$20,482
400	Davies Career & Technical Center	845	\$ 17,106,819	\$20,250	\$ -	\$ -	\$ -	\$ -	\$20,250
970	Exeter-W. Greenwich Regional	1,634	\$ 33,447,714	\$20,473	\$ 654,434	\$ 401	\$ 514,268	\$ 315	\$19,758
350	Warwick	8,879	\$ 176,049,527	\$19,828	\$ -	\$ -	\$ 2,155,551	\$ 243	\$19,585
420	Metropolitan C&TC	780	\$ 15,055,534	\$19,311	\$ 16,357	\$ 21	\$ 433,183	\$ 556	\$18,735
040	Central Falls	2,705	\$ 50,706,866	\$18,743	\$ -	\$ -	\$ 189,115	\$ 70	\$18,674
160	Johnston	3,251	\$ 61,123,960	\$18,802	\$ 58,699	\$ 18	\$ 511,402	\$ 157	\$18,627
430	Urban Collab Accelerated Prog	134	\$ 2,621,778	\$19,633	\$ 141,000	\$ 1,056	\$ -	\$ -	\$18,577
170	Lincoln	3,064	\$ 56,591,281	\$18,468	\$ -	\$ -	\$ 141,454	\$ 46	\$18,422
690	Southside Elementary Charter	93	\$ 1,722,557	\$18,438	\$ 117,536	\$ -	\$ 2,400	\$ 26	\$18,412
280	Providence	23,275	\$ 428,381,903	\$18,405	\$ 194,703	\$ 8	\$ 174,366	\$ 7	\$18,390
300	Scituate	1,275	\$ 23,084,290	\$18,106	\$ 2,500	\$ 2	\$ 129,820	\$ 102	\$18,002
190	Middletown	2,169	\$ 41,142,324	\$18,973	\$ -	\$ -	\$ 2,146,782	\$ 990	\$17,983
120	Foster	277	\$ 5,051,770	\$18,236	\$ -	\$ -	\$ 70,329	\$ 254	\$17,982
980	Charlro Regional	3,159	\$ 70,939,681	\$22,453	\$ 8,890,550	\$ 2,814	\$ 5,366,730	\$ 1,699	\$17,941
990	Foster-Glocester Regional	1,255	\$ 27,928,559	\$22,258	\$ 4,898,058	\$ 3,904	\$ 634,872	\$ 506	\$17,849
960	Bristol-Warren Regional	3,195	\$ 61,301,585	\$19,186	\$ 2,750,685	\$ 861	\$ 2,436,872	\$ 763	\$17,562
330	Tiverton	1,820	\$ 32,156,419	\$17,670	\$ -	\$ -	\$ 335,123	\$ 184	\$17,486
570	Academy for Career Exploration	194	\$ 3,470,214	\$17,844	\$ 84,000	\$ 432	\$ -	\$ -	\$17,412
230	North Kingstown	3,891	\$ 68,716,343	\$17,659	\$ 427,661	\$ 110	\$ 1,192,112	\$ 306	\$17,243
100	E Providence	5,255	\$ 90,997,093	\$17,317	\$ 35,503	\$ 7	\$ 1,179,827	\$ 225	\$17,086
590	Learning Community	568	\$ 9,976,306	\$17,558	\$ 216,856	\$ 382	\$ 150,153	\$ 264	\$16,912
130	Glocester	535	\$ 9,054,565	\$16,909	\$ -	\$ -	\$ 130	\$ 0	\$16,909
310	Smithfield	2,380	\$ 40,111,286	\$16,854	\$ -	\$ -	\$ 42,868	\$ 18	\$16,836
380	W Warwick	3,562	\$ 59,831,349	\$16,799	\$ -	\$ -	\$ 450,159	\$ 126	\$16,672
240	N Providence	3,587	\$ 59,666,787	\$16,633	\$ 17,215	\$ 5	\$ 451,881	\$ 126	\$16,502
270	Portsmouth	2,407	\$ 40,121,334	\$16,672	\$ -	\$ -	\$ 428,008	\$ 178	\$16,494
630	Trinity Academy	207	\$ 3,415,511	\$16,461	\$ -	\$ -	\$ -	\$ -	\$16,461
600	Segue Institute	236	\$ 4,041,688	\$17,105	\$ -	\$ -	\$ 165,635	\$ 701	\$16,404
671	Achievement First Mayoral	914	\$ 15,331,875	\$16,774	\$ 345,444	\$ 378	\$ 103,500	\$ 113	\$16,283
070	Cranston	10,208	\$ 165,471,985	\$16,210	\$ 1,620	\$ 0	\$ 440,732	\$ 43	\$16,166
480	Highlander Charter School	555	\$ 9,339,772	\$16,817	\$ 493,354	\$ 888	\$ 58,120	\$ 105	\$15,824
510	Paul Cuffee Charter	796	\$ 12,773,426	\$16,047	\$ 164,264	\$ 206	\$ 16,492	\$ 21	\$15,820
500	N. E. Laborers Career & Const.	154	\$ 2,643,408	\$17,199	\$ 218,734	\$ 1,423	\$ -	\$ -	\$15,776
090	East Greenwich	2,462	\$ 39,038,710	\$15,854	\$ -	\$ -	\$ 202,160	\$ 82	\$15,772
620	The Greene School	200	\$ 4,225,990	\$21,163	\$ 74,091	\$ 371	\$ 1,026,701	\$ 5,142	\$15,650
550	The Compass Charter School	168	\$ 2,925,224	\$17,437	\$ 194,895	\$ 1,162	\$ 109,687	\$ 654	\$15,622
030	Burrillville	2,250	\$ 35,129,002	\$15,615	\$ -	\$ -	\$ 5,365	\$ 2	\$15,612
060	Coventry	4,686	\$ 73,252,562	\$15,633	\$ -	\$ -	\$ 136,707	\$ 29	\$15,604
250	North Smithfield	1,705	\$ 26,454,695	\$15,516	\$ -	\$ -	\$ 4,444	\$ 3	\$15,513
260	Pawtucket	8,814	\$ 139,710,750	\$15,851	\$ -	\$ -	\$ 3,624,504	\$ 411	\$15,439
660	Nowell Leadership Academy	159	\$ 2,599,432	\$16,329	\$ 144,370	\$ 907	\$ -	\$ -	\$15,422
520	Kingston Hill Academy	189	\$ 3,142,288	\$16,605	\$ 223,921	\$ 1,183	\$ 6,526	\$ 34	\$15,388
010	Barrington	3,359	\$ 50,559,739	\$15,052	\$ 107,240	\$ 31.93	\$ -	\$ -	\$15,020
560	Times 2 Academy	732	\$ 12,192,544	\$16,663	\$ 1,256,046	\$ 1,717	\$ 25,922	\$ 35	\$14,911
530	International Charter School	361	\$ 5,497,563	\$15,238	\$ 247,958	\$ 687	\$ -	\$ -	\$14,550
390	Woonsocket	5,956	\$ 89,745,093	\$15,068	\$ -	\$ -	\$ 3,204,345	\$ 538	\$14,530
080	Cumberland	4,613	\$ 67,792,336	\$14,697	\$ -	\$ -	\$ 783,024	\$ 170	\$14,527
680	The Hope Academy	143	\$ 2,073,922	\$14,458	\$ 392,750	\$ -	\$ -	\$ -	\$14,458
640	RI Nurses Middle Level College	265	\$ 4,427,741	\$16,707	\$ 610,643	\$ 2,304	\$ -	\$ -	\$14,403
540	Blackstone Academy Charter	345	\$ 4,875,706	\$14,139	\$ 223,822	\$ 649	\$ -	\$ -	\$13,490
650	Village Green Virtual Charter	223	\$ 3,457,505	\$15,476	\$ 519,733	\$ 2,326	\$ 15,556	\$ 70	\$13,080
610	RIMA-Blackstone Valley	1,822	\$ 25,872,157	\$14,199	\$ 2,308,228	\$ 1,267	\$ 441,630	\$ 242	\$12,690
580	Beacon Charter School	367	\$ 4,823,360	\$13,135	\$ 238,578	\$ 650	\$ 38,933	\$ 106	\$12,379
700	RISE Prep Mayoral Academy	161	\$ 1,890,203	\$11,764	\$ -	\$ -	\$ 27,503	\$ -	\$11,764
	<b>State Totals</b>	<b>142,428</b>	<b>\$ 2,528,810,394</b>	<b>\$17,755</b>	<b>\$ 26,370,066</b>	<b>\$ 185.15</b>	<b>\$ 30,622,103</b>	<b>\$ 215.00</b>	<b>\$17,355</b>

Note 1: Jamestown and Little Compton do not have high schools and pay tuition to send their students in grades 9-12 to high schools in other communities. This results in higher per pupil expenditure costs since ADM (Average Daily Membership) does not capture these students. Tuition payments are, however, included in the total expenditures. Adding the RADM (Resident Average Daily Membership) for these high school students going outside the district, the per pupils in these districts would be as follows:

District	RADM	Total PPE	Net PPE
Jamestown	662	\$ 19,268	\$ 19,090
Little Compton	364	\$ 19,991	\$ 19,991

Source: FY18 UCOA Data  
Created: 6/21/19