

Financial and Educational Tipping Point

Malcolm Gladwell stated in his book, that the one dramatic moment when everything can change all at once is the Tipping Point. Little causes can have big effects. Change can happen at one dramatic moment.

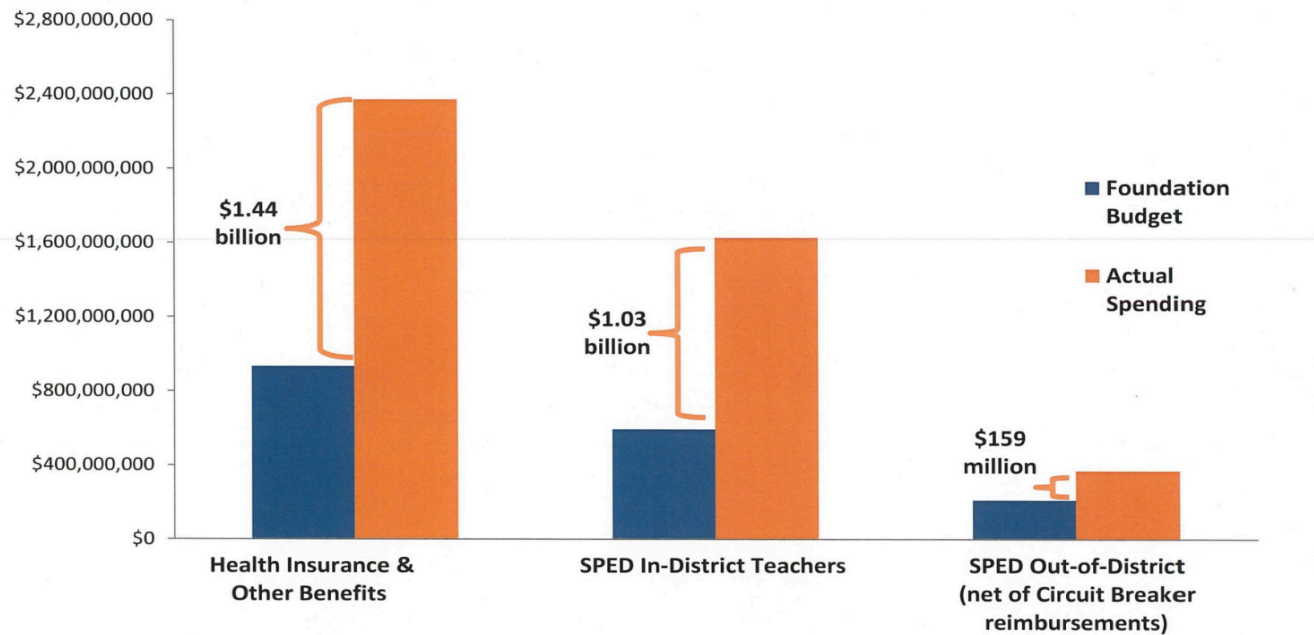
- Fairhaven is underestimated for health insurance and special education by \$2,863,674.00 **using the proposed legislation in House 1 for changes to the foundation budget calculation for FY 20.**
- The funding gap between the town appropriation and our level service request for FY 20 is \$442,247. The funding gap is primarily in Out of District Tuition and Special Education Transportation.
- Circuit Breaker reimbursement has decreased from 779,741 to 235,633 in five years. As a result, the impact of out of district expenditures to the regular town appropriated budget continues to increase considerably.
- Transportation of special education students is a budgetary item that has increased from \$419,536 in FY 2014 to a projected \$839,233 in FY 2020
- Over 20% of the resources allocated for teaching and learning are spent in the areas of Health Insurance and Special Education.
- The Fairhaven Public School District relies on our town appropriation annually at town meeting to fund our educational program.
- Beginning with the economic downturn in 2009, many communities were forced to make financial decisions that created a “new normal” for school districts.
- Any reduction to the level service request has resulted in the elimination of educational programs, re-structuring, and reductions in force.
- Our school department’s ability to absorb budget reductions beyond our level service budget request no longer exists.
- For FY 20 the funding gap between the town appropriation and our level service request is \$442,247. The funding gap is primarily in Out of District Tuition and Special Education Transportation.
- For FY 20 the budgeted expense for Out of District Tuition is \$1,861,997. We offset this expense with a Circuit Breaker account that is projected at \$341,940. The town budgeted figure for Out of District Tuition for FY 20 is \$1,520,057.
- Our circuit breaker offset has decreased from 779,741 to 235,633 in five years. Most of our Out of District students are now placed in the least restrictive environment. The threshold for eligibility continues to increase, and as a result, our district’s net claim continues to decrease.

- Transportation of special education students is a budgetary item that has increased from \$419,536 in FY 2014 to a projected \$839,233 in FY 2020.
- Level service dollars are being diverted from instruction to deal with the onslaught of behavioral issues that occur today in our schools.
- Children affected by trauma are displaying actions that require an immediate increase of adult services. Within the past five years, we have re-apportioned classroom teacher budgeted dollars to behavior interventionist, school psychologist and social workers/adjustment counselor positions. Adolescents are asked to deal with the exponential growth of social media and external stimuli whether they are developmentally ready or not. The ramifications of this societal condition, causes our faculty and staff to consistently address issues of anxiety, depression and suicidal ideation in our student population.
- We cannot even get to instruction if our students are not socially and emotionally well, and more often than not, this responsibility falls solely on our schools.
- The components that make up the current foundation formula of 1993 are not the realities that take place in the educational system of 2020.
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- Over and above health insurance and special education costs, level service dollars are being diverted from instruction to deal with the onslaught of behavioral issues that occur in our schools. The current environment that exists within our schools today is exponentially more complex than the issues that took place one generation ago. The components that make up the current foundation formula of 1993 are not the realities that take place in the educational system of 2020.
- Today, the average district is spending approximately 126% above foundation while nearly 160 districts remain at or near the minimum required of foundation.
- Fairhaven is one of those 160 communities that spend at or near foundation level.
- Fairhaven often is treated as a “forgotten sub-urban” district. On March 21, 2019, Michael Jonas published the following in Commonwealth Magazine, *“Districts without a lot of property wealth to tax, but also without a high population of low-income students who generate added state aid, fall through the cracks under the various formula fixes.”*
- Fairhaven’s Per Pupil Expenditure is \$11,715.00. The average of the comparable districts in our regions is \$13,743.00.
- Per pupil spending for Fairhaven is last in per in-district pupil expenditures compared to districts with similar student demographics, and similar wealth (personal income and property value), in our region.
- Fairhaven is in the Second 20% from the bottom Wealth Quintile.

The single most important factor to improve student learning in a school is the quality of instruction. However, over 20% of the dollars allocated for teaching and learning are spent in the areas of health insurance and special education. This is because of the flawed school foundation formula of 1993. For FY 18, health insurance was understated in the formula for Fairhaven by \$1,749,889.00 and special education costs were underestimated by \$565,960.00 after netting out circuit breaker.

Foundation Budget Undercounts Critical Costs by \$2.63 Billion

Fiscal Year 2017



For FY 18, health insurance was understated in the formula for Fairhaven by \$1,749,889.00 and special education costs were underestimated by \$565,960.00 after netting out circuit breaker. For FY 19, our actual Employee Benefits/Fixed Charges were \$4,191,066. The FY 19 Chapter 70 Foundation Budget for Employee Benefits/Fixed Charges was \$2,114,852. The FY 19 Employee Benefits/Fixed Charges are underestimated by \$2,076,214.

Massachusetts Department of Elementary and Secondary Education
Office of School Finance



FY19 Chapter 70 Foundation Budget

94 Fairhaven

	Base Foundation Components										Incremental Costs Above The Base			TOTAL*
	(1) Pre-School	(2) ----- Kindergarten Half-Day	(3) ----- Kindergarten Full-Day	(4) Elementary	(5) Jr High/Middle	(6) High School	(7) ELL PK	(8) ELL K Half	(9) ELL KF - 12	(10) Vocational	(11) Special Ed In District	(12) Special Ed Out of Dist	(13) Economically Disadvantaged	
Foundation Enrollment	20	0	129	743	468	422	0	0	37	0	67	18	681	1,809
1 Administration	3,778	0	48,731	280,676	176,792	159,415	0	0	13,977	0	174,683	46,930	0	904,981
2 Instructional Leadership	6,823	0	88,013	506,927	319,302	287,918	0	0	25,244	0	0	0	0	1,234,227
3 Classroom and Specialist Teachers	31,284	0	403,569	2,324,401	1,288,409	1,708,475	0	0	174,326	0	576,410	0	2,071,370	8,578,245
4 Other Teaching Services	8,024	0	103,507	596,168	270,312	202,919	0	0	23,738	0	538,186	717	0	1,743,571
5 Professional Development	1,237	0	15,968	91,983	62,810	54,915	0	0	6,200	0	27,806	0	53,111	314,030
6 Instructional Equipment & Tech	4,528	0	58,411	336,430	211,910	305,731	0	0	16,754	0	24,270	0	0	958,034
7 Guidance and Psychological	2,276	0	29,367	169,144	141,813	160,297	0	0	11,212	0	0	0	0	514,109
8 Pupil Services	905	0	11,684	100,929	103,845	215,921	0	0	5,026	0	0	0	0	438,309
9 Operations and Maintenance	8,687	0	112,065	645,459	440,767	385,366	0	0	43,514	0	195,129	0	318,674	2,149,662
10 Employee Benefits/Fixed Charges	9,387	0	121,083	697,432	443,847	366,338	0	0	39,790	0	224,524	0	212,452	2,114,852
11 Special Ed Tuition	0	0	0	0	0	0	0	0	0	0	0	445,573	0	445,573
12 Total	76,929	0	992,397	5,749,549	3,459,807	3,847,294	0	0	359,781	0	1,761,008	493,220	2,655,607	19,395,593
13 Wage Adjustment Factor	100.0%										Foundation Budget per Pupil			10,722
14 Economically Disadvantaged Decile	8													

* Total foundation enrollment does not include columns 11 through 13, because those columns represent increments above the base. The pupils are already counted in columns 1 to 10. Total foundation enrollment assigns pupils in pre-kindergarten and half-time kindergarten an enrollment count of .5. Special education in-district headcount is an assumed percentage, representing 3.75 percent of K to 12 non-vocational enrollment and 4.75 percent of vocational enrollment. Special education out-of-district headcount is also an assumed percentage, representing 1 percent of non-vocational K-12 enrollment. Economically disadvantaged headcounts are the number of pupils in columns 1 through 10 who are directly certified as eligible for the Supplemental Nutrition Assistance Program (SNAP); the Transitional Assistance for Families with Dependent Children (TAFDC); and MassHealth (Medicaid). Each component of the foundation budget represents the enrollment on line 1 multiplied by the appropriate state-wide foundation allotment. The wage adjustment factor is applied to underlying rates in all functions except instructional equipment, benefits and special education tuition. The foundation budget shown on this page may differ from the final number used in the formula, due to rounding error.

For FY 19, our special education tuition is \$1,776,917. The FY 19 Chapter 70 Foundation Budget for special education tuition was \$445,573. After netting out circuit breaker, SPED Tuition is underestimated by \$1,036,879.

Massachusetts Department of Elementary and Secondary Education
Office of School Finance



FY19 Chapter 70 Foundation Budget

94 Fairhaven

	Base Foundation Components										Incremental Costs Above The Base			TOTAL*
	(1) Pre-School	(2) ----- Kindergarten Half-Day	(3) ----- Kindergarten Full-Day	(4) Elementary	(5) Jr High/Middle	(6) High School	(7) ELL PK	(8) ELL K Half	(9) ELL KF - 12	(10) Vocational	(11) Special Ed In District	(12) Special Ed Out of Dist	(13) Economically Disadvantaged	
Foundation Enrollment	20	0	129	743	468	422	0	0	37	0	67	18	681	1,809
1 Administration	3,778	0	48,731	280,676	176,792	159,415	0	0	13,977	0	174,683	46,930	0	904,981
2 Instructional Leadership	6,823	0	88,013	506,927	319,302	287,918	0	0	25,244	0	0	0	0	1,234,227
3 Classroom and Specialist Teachers	31,284	0	403,569	2,324,401	1,288,409	1,708,475	0	0	174,326	0	576,410	0	2,071,370	8,578,245
4 Other Teaching Services	8,024	0	103,507	596,168	270,312	202,919	0	0	23,738	0	538,186	717	0	1,743,571
5 Professional Development	1,237	0	15,968	91,983	62,810	54,915	0	0	6,200	0	27,806	0	53,111	314,030
6 Instructional Equipment & Tech	4,528	0	58,411	336,430	211,910	305,731	0	0	16,754	0	24,270	0	0	958,034
7 Guidance and Psychological	2,276	0	29,367	169,144	141,813	160,297	0	0	11,212	0	0	0	0	514,109
8 Pupil Services	905	0	11,684	100,929	103,845	215,921	0	0	5,026	0	0	0	0	438,309
9 Operations and Maintenance	8,687	0	112,065	645,459	440,767	385,366	0	0	43,514	0	195,129	0	318,674	2,149,662
10 Employee Benefits/Fixed Charges	9,387	0	121,083	697,432	443,847	366,338	0	0	39,790	0	224,524	0	212,452	2,114,852
11 Special Ed Tuition	0	0	0	0	0	0	0	0	0	0	0	445,573	0	445,573
12 Total	76,929	0	992,397	5,749,549	3,459,807	3,847,294	0	0	359,781	0	1,761,008	493,220	2,655,607	19,395,593
13 Wage Adjustment Factor	100.0%										Foundation Budget per Pupil			10,722
14 Economically Disadvantaged Decile	8													

* Total foundation enrollment does not include columns 11 through 13, because those columns represent increments above the base. The pupils are already counted in columns 1 to 10.
 Total foundation enrollment assigns pupils in pre-kindergarten and half-time kindergarten an enrollment count of .5.
 Special education in-district headcount is an assumed percentage, representing 3.75 percent of K to 12 non-vocational enrollment and 4.75 percent of vocational enrollment.
 Special education out-of-district headcount is also an assumed percentage, representing 1 percent of non-vocational K-12 enrollment.
 Economically disadvantaged headcounts are the number of pupils in columns 1 through 10 who are directly certified as eligible for the Supplemental Nutrition Assistance Program (SNAP); the Transitional Assistance for Families with Dependent Children (TAFDC); and MassHealth (Medicaid).
 Each component of the foundation budget represents the enrollment on line 1 multiplied by the appropriate state-wide foundation allotment.
 The wage adjustment factor is applied to underlying rates in all functions except instructional equipment, benefits and special education tuition.
 The foundation budget shown on this page may differ from the final number used in the formula, due to rounding error.

Specifically for Fairhaven, FY 19 health insurance is understated in the formula for by \$2,076,214.00, and special education costs are underestimated by \$1,036,879.00 after netting out circuit breaker. As a result, in these two categories alone the Foundation Formula for Fairhaven is underestimated \$3,113,093.00 for FY 2019!

For FY 19, our actual Employee Benefits/Fixed Charges were \$4,191,066. The proposed legislation in House 1 for changes to the foundation budget calculation for FY 20 is \$2,368,431. The difference between the actual FY 19 Employee Benefits/Fixed Charges and the proposed legislation in House 1 for changes to the foundation budget calculation for FY 20 is \$1,822,635.

Massachusetts Department of Elementary and Secondary Education
Office of School Finance

1/23/19



FY20 Chapter 70 Foundation Budget

94 FAIRHAVEN

	Base Foundation Components										Incremental Costs Above the Base				EcoDis	High Needs Increment	TOTAL*
	Pre-School	----- Kindergarten ----- Half-Day	Full-Day	Elementary	Jr High/ Middle	High School	Early College or Innovation Pathways	Vocational	Special Ed In District	Special Ed Out of Dist	EL PK-5	EL 6-8	EL High				
Foundation Enrollment	11	0	117	747	480	448	0	0	67	18	20	3	4	688	0	1,798	
1 Administration	2,156	0	45,856	292,772	188,126	175,585	0	0	181,234	50,452	1,725	323	517	38,088	0	976,833	
2 Instructional Leadership	3,893	0	82,820	528,771	339,773	317,121	0	0	0	0	3,018	566	905	180,456	0	1,457,323	
3 Classroom and Specialist Teachers	17,852	0	379,754	2,424,553	1,371,000	1,881,752	0	0	598,025	0	21,125	3,961	6,337	1,761,569	0	8,465,928	
4 Other Teaching Services	4,578	0	97,399	621,855	287,640	223,498	0	0	558,368	771	3,018	566	905	0	0	1,798,599	
5 Professional Development	706	0	15,025	95,945	66,835	60,484	0	0	28,848	0	862	162	259	85,463	0	354,590	
6 Instructional Equipment & Tech*	2,584	0	54,964	350,926	225,494	336,739	0	0	25,180	0	2,156	404	647	13,100	0	1,012,193	
7 Guidance and Psychological	1,299	0	27,634	176,434	150,902	176,552	0	0	0	0	1,293	243	388	71,332	0	606,078	
8 Pupil Services	517	0	10,994	105,275	110,501	237,821	0	0	0	0	431	81	129	370,660	0	836,409	
9 Operations and Maintenance	4,957	0	105,452	673,271	469,022	424,449	0	0	202,447	0	5,173	970	1,552	0	0	1,887,293	
10 Employee Benefits/Fixed Charges*	5,713	0	121,534	775,972	513,497	433,598	0	0	226,114	0	4,742	889	1,423	284,949	0	2,368,431	
11 Special Ed Tuition*	0	0	0	0	0	0	0	0	0	479,018	0	0	0	0	0	479,018	
12 Total	44,255	0	941,432	6,045,773	3,722,791	4,267,600	0	0	1,820,215	530,241	43,543	8,164	13,063	2,805,616	0	20,242,695	
13 Wage Adjustment Factor	100.0%																
14 Economically Disadvantaged Decile	8																
											Foundation Budget per Pupil						11,258

*The wage adjustment factor is applied to underlying rates in all functions except instructional equipment, benefits and special education tuition.

Total foundation enrollment does not include incremental costs above the base. The pupils are already counted in columns 1 to 8.
 Total foundation enrollment assigns pupils in pre-kindergarten and half-time kindergarten an enrollment count of .5.
 Special education in-district enrollment is an assumed percentage, representing 3.75 percent of K to 12 non-vocational enrollment and 4.75 percent of vocational enrollment.
 Special education out-of-district enrollment is also an assumed percentage, representing 1 percent of non-vocational K-12 enrollment.
 Economically disadvantaged enrollment is the total enrollment of students who are directly certified as eligible for the Supplemental Nutrition Assistance Program (SNAP); the Transitional Assistance for Families with Dependent Children (TAFDC); and MassHealth (Medicaid).
 English learner enrollment includes students with low English proficiency as measured by the statewide ACCESS for ELLs test.
 Each component of the foundation budget represents the enrollment on line 10 multiplied by the appropriate state-wide foundation allotment.
 The foundation budget shown on this page may differ from the final number used in the formula, due to rounding error.

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English learner foundation budget as % total foundation budget	0.3%
Economically disadvantaged foundation budget as % total foundation budget	13.9%

The difference between the actual FY 19 Employee Benefits/Fixed Charges and the proposed legislation in House 1 for changes to the foundation budget calculation for FY 20 is \$1,822,635. The difference between the actual projected out-of district expenses after netting out circuit breaker and the proposed legislation in House 1 for changes to the foundation budget calculation for FY 20 is \$1,041,039. As a result, in these two categories alone the Foundation Formula for Fairhaven is underestimated \$2,863,674.00 for FY 2020!

For FY 20, our special education tuition is \$1,520,057 after netting out circuit breaker. The proposed legislation in House 1 for changes to the foundation budget calculation for FY 20 is \$479,018. The difference between the actual projected out-of district expenses after netting out circuit breaker and the proposed legislation in House 1 for changes to the foundation budget calculation for FY 20 is \$1,041,039.

Massachusetts Department of Elementary and Secondary Education
Office of School Finance 1/23/19



FY20 Chapter 70 Foundation Budget

94 FAIRHAVEN

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	Base Foundation Components								Incremental Costs Above the Base							
	Pre-School	----- Kindergarten ----- Half-Day	Full-Day	Elementary	Jr High/ Middle	High School	Early College or Innovation Pathways	Vocational	Special Ed In District	Special Ed Out of Dist	EL PK-5	EL 6-8	EL High	EcoDis	High Needs Increment	TOTAL*
Foundation Enrollment	11	0	117	747	480	448	0	0	67	18	20	3	4	688	0	1,798
1 Administration	2,156	0	45,856	292,772	188,126	175,585	0	0	181,234	50,452	1,725	323	517	38,088	0	976,833
2 Instructional Leadership	3,893	0	82,820	528,771	339,773	317,121	0	0	0	0	3,018	566	905	180,456	0	1,457,323
3 Classroom and Specialist Teachers	17,852	0	379,754	2,424,553	1,371,000	1,881,752	0	0	598,025	0	21,125	3,961	6,337	1,761,569	0	8,465,928
4 Other Teaching Services	4,578	0	97,399	621,855	287,640	223,498	0	0	558,368	771	3,018	566	905	0	0	1,798,599
5 Professional Development	706	0	15,025	95,945	66,835	60,484	0	0	28,848	0	862	162	259	85,463	0	354,590
6 Instructional Equipment & Tech*	2,584	0	54,964	350,926	225,494	336,739	0	0	25,180	0	2,156	404	647	13,100	0	1,012,193
7 Guidance and Psychological	1,299	0	27,634	176,434	150,902	176,552	0	0	0	0	1,293	243	388	71,332	0	606,078
8 Pupil Services	517	0	10,994	105,275	110,501	237,821	0	0	0	0	431	81	129	370,660	0	836,409
9 Operations and Maintenance	4,957	0	105,452	673,271	469,022	424,449	0	0	202,447	0	5,173	970	1,552	0	0	1,887,293
10 Employee Benefits/Fixed Charges*	5,713	0	121,534	775,972	513,497	433,598	0	0	226,114	0	4,742	889	1,423	284,949	0	2,368,431
11 Special Ed Tuition*	0	0	0	0	0	0	0	0	0	479,018	0	0	0	0	0	479,018
12 Total	44,255	0	941,432	6,045,773	3,722,791	4,267,600	0	0	1,820,215	530,241	43,543	8,164	13,063	2,805,616	0	20,242,695
13 Wage Adjustment Factor	100.0%															Foundation Budget per Pupil 11,258

Generation Gap

Over and above health insurance and special education costs, level service dollars are being diverted from instruction to deal with the onslaught of behavioral issues that occur in our schools. Children affected by trauma are displaying actions that require an immediate increase of adult services. Within the past five years, we have re-structured classroom teacher budgeted dollars to behavior interventionist, school psychologist and social workers/adjustment counselor positions.

Our school district is often expected to "fill the gaps" that have been created by other systems failures. A family's inability to access wrap around services due to insurance restrictions, as well as, community partners who are unwilling to contribute their fair share of resources limits the service provided to high risk students and families. One example is Best Interest Determinations of DCF students. A district that has had a student for a brief period (sometimes only months) will often "own" them for years due to Best Interest Determinations. This also adds a new unfunded mandate to expend on alternative transportation services for this student population. Stakeholders and community partners continually look to school districts to be the "primary", if not the "sole" provider for student needs, especially those with high needs.

Adolescents are asked to deal with the exponential growth of social media and external stimuli whether they are developmentally ready or not. The ramifications of this societal condition, causes our faculty and staff to consistently address issues of anxiety, depression and suicidal ideation in our student population. As a matter of fact today, our secondary school community is addressing a Lifetime Original movie premiere entitled, Conrad and Michelle: If Words Could Kill. This movie depicts the suicide of Conrad Roy III that took place in Fairhaven in July 2014. The relationship depicted between Conrad and Michelle, although primarily through social media, discloses interaction and actual follow through of these young adults.

The current environment that exists within our schools today is exponentially more complex than the issues that took place one generation ago. We cannot even get to instruction if our students are not socially and emotionally well, and more often than not, this responsibility falls solely on our schools. The components that make up the current foundation formula of 1993 are not the realities that take place in the educational system of 2018.

Funding Gap

The Fairhaven Public School District relies on our town appropriation annually at town meeting to fund our educational program. Our annual appropriation from the town allows our district to sustain our educational program and to provide level services to our children. When the town appropriation falls short of our level service request, a reduction in services occurs. The following reduction in services to our educational program has occurred since 2010.

Instructional Leadership

Director of Instructional Services
Academic Coordinator (6-12)
District Wide Academic Coordinators
Math Coach
Reading Specialist

Support Staff

Elementary Instructional Media
Maintenance

Classroom Teachers

High School Mathematics
High School English
High School Social Studies
Middle School Mathematics
Middle School History
Middle School Science
Middle School Art
Middle School Spanish

Our school department does not have the ability to absorb budget reductions beyond our level service budget request. The funding gap between the town appropriation and our level service request for FY 20 is **\$442,247. The funding gap is primarily in Out of District Tuition and Special Education Transportation.**

Out of District Tuition

MassBudget identified SPED Out-of-District (9000) as grossly underfunded in the foundation budget. The foundation formula understates SPED costs by \$1 billion statewide.

State Code	Line	Description
9100	TUITION TO MASS SCHOOLS	Tuition or transfer payments to other public school districts in Massachusetts for resident students
9200	TUITION TO OUT-OF-STATE SCHOOLS	Tuition or transfer payments to school districts in other states for resident students.
9300	TUITION TO NON-PUBLIC SCHOOLS	Tuition or transfer payments to non public schools for resident students.
9400	TUITION TO COLLABORATIVES	Payments of assessments to member collaboratives for administrative and instructional services in accordance with collaborative agreements.

	FY 20 BUDGETED EXPENSE	FY 2020 CIRCUIT BREAKER OFFSET	TOWN BUDGETED FIGURE
TOTAL 9000	\$1,861,997	(\$341,940)	\$1,520,057

Circuit Breaker

The state special education reimbursement program, commonly known as the circuit breaker, was started in FY04 to provide additional state funding to districts for high-cost special education students. The threshold for eligibility is tied to four times the state average foundation budget per pupil as calculated under the Chapter 70 program. The Fairhaven Public Schools utilizes the Circuit Breaker to offset the total tuition costs for out of district students. Whereas most of our students are now placed into the least restrictive environment, and the threshold for eligibility continues to increase, our district's net claim continues to decrease. Our out of district actual costs have fluctuated from 1.4 million to 2.1 million for over a decade. However, our circuit breaker offset has decreased from 779,741 to 235,633 in five years.

	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual
Town Contribution	1,303,412	1,086,916	885,136	977,312	1,270,656
Circuit Breaker/ Offsets	779,741	567,104	510,133	464,589	235,633
Total Cost	2,083,153	1,654,020	1,395,269	1,441,901	1,506,289

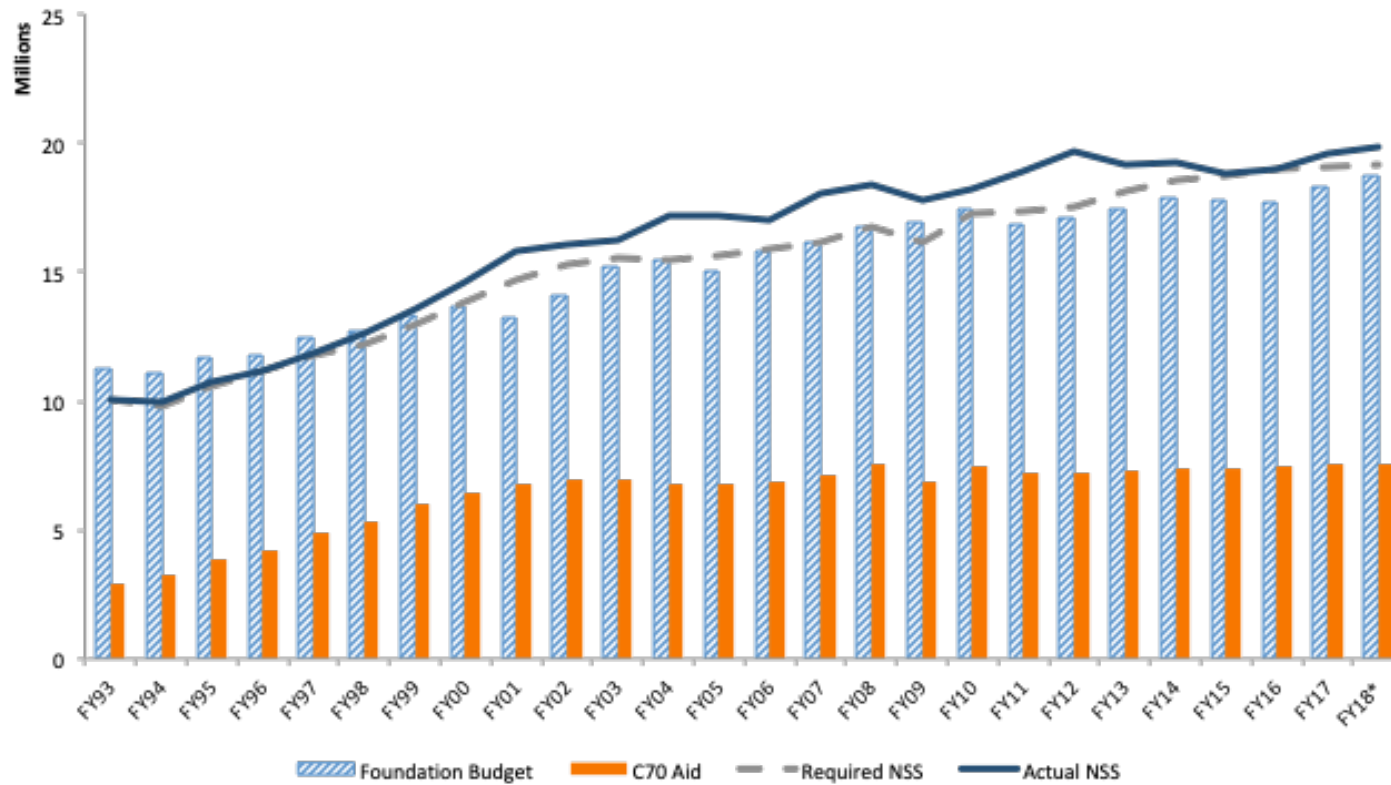
Special Education Transportation

Transportation of special education students is a budgetary item that has increased from \$419,536 in FY 2014 to a projected \$839,233 in FY 2020. Districts are required to educate students who have been placed by the state in foster care and state ward settings. If a student has special needs, the town is responsible for that student's education, even if the student is enrolled in a day or residential school that is not in town. Districts are also responsible for the transportation for the student.

3300 - TRANSPORTATION SERVICES - OPERATIONAL

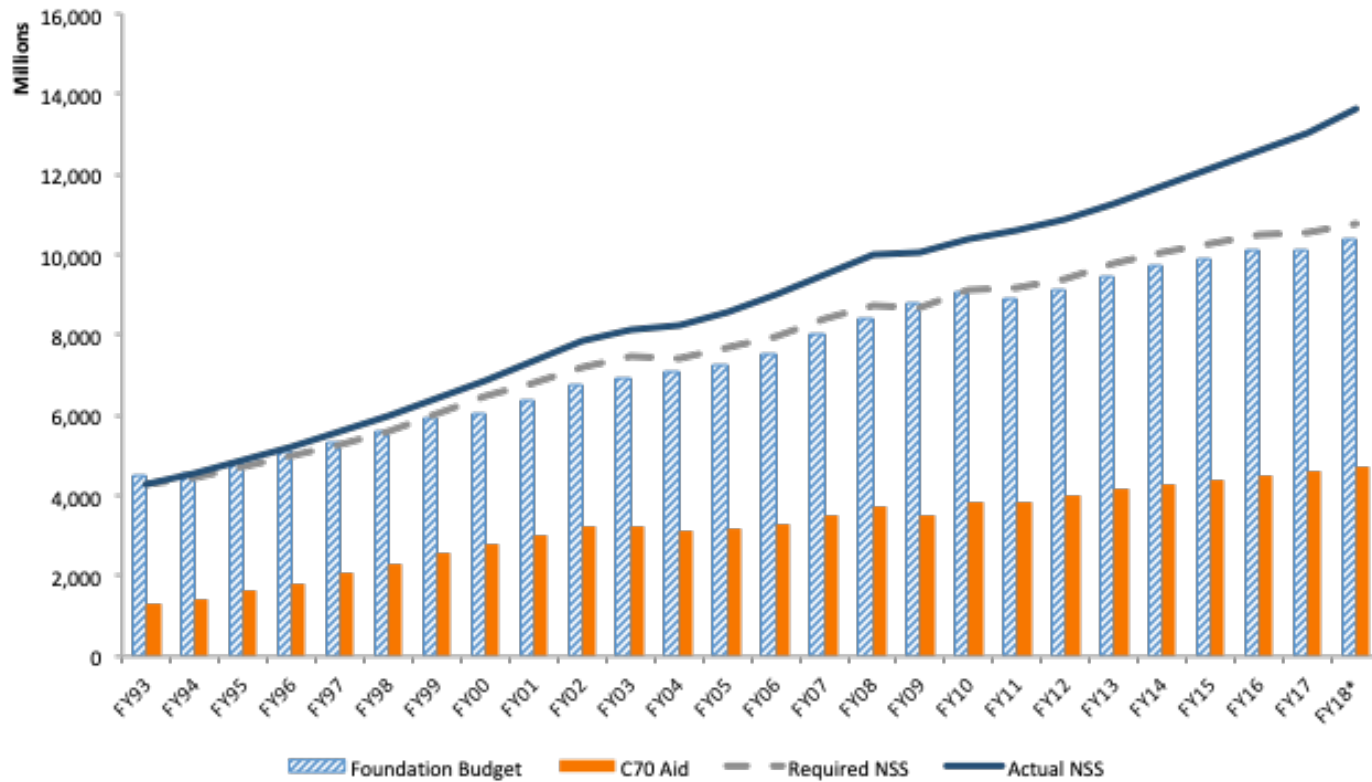
State Code	Line	Description	FY 20 Budget
3300	HOMELESS TRANSPORTATION	Tuition or transfer payments to other public school districts in Massachusetts for resident students	50,000
3300	SPED SUMMER TRANSPORT	Tuition or transfer payments to school districts in other states for resident students.	86,504
3300	SPED TRANSPORTATION	Tuition or transfer payments to non public schools for resident students.	702,729
TOTAL			839,233

Massachusetts Department of Elementary and Secondary Education
 Chapter 70 District Profile ~ 0094 Fairhaven



Today, the average district is spending approximately 126% above foundation while nearly 160 districts remain at or near the minimum required of foundation. The disparities between the haves and the have not's are dramatically impacting the amount and quality of programs and services can offer.

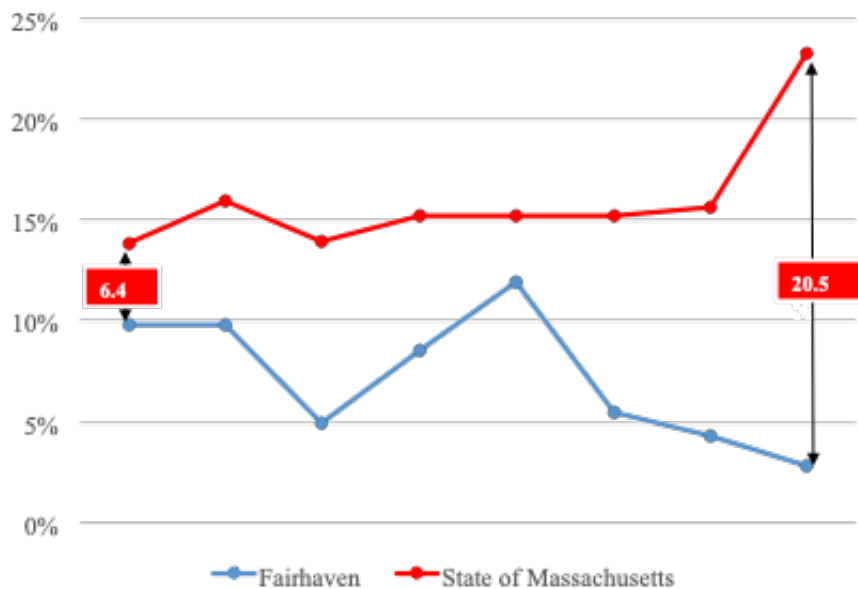
Massachusetts Department of Elementary and Secondary Education Chapter 70 District Profile ~ State Total



All communities are measured utilizing the same statewide accountability system. However, we cannot claim that a race to educational achievement is fair if the participants begin from such diverse starting points.

Fairhaven, Massachusetts 02719

The Fairhaven Public School District is a non-regional, sub-urban public school district. Fairhaven borders a Gateway school district to our west (New Bedford). Fairhaven neither qualifies for state and federal grant programs nor the amounts of state aid that our urban neighbor rightfully receives. Old Rochester Regional School District borders our east. They are 42% above net school spending. The FY 2017 Chapter 70 District Profile shows the actual spending for Fairhaven at 2.8% above the required net school spending figure. In the middle of these two diverse school districts, Fairhaven often is treated as a “forgotten sub-urban” district. On March 21, 2019, Michael Jonas published the following in Commonwealth Magazine, *“Districts without a lot of property wealth to tax, but also without a high population of low-income students who generate added state aid, fall through the cracks under the various formula fixes.”*



In less than a decade, a severe gap has widened between those communities that spend well above the flawed formula and those communities that cannot.

The Department of Elementary and Secondary Education has created a benchmarking tool named RADAR. The Resource Allocation and District Action Report compares data between districts with similar student demographics, similar wealth (personal income and property value), and by region. These similar districts are generated by algorithms.



RADAR Benchmarking

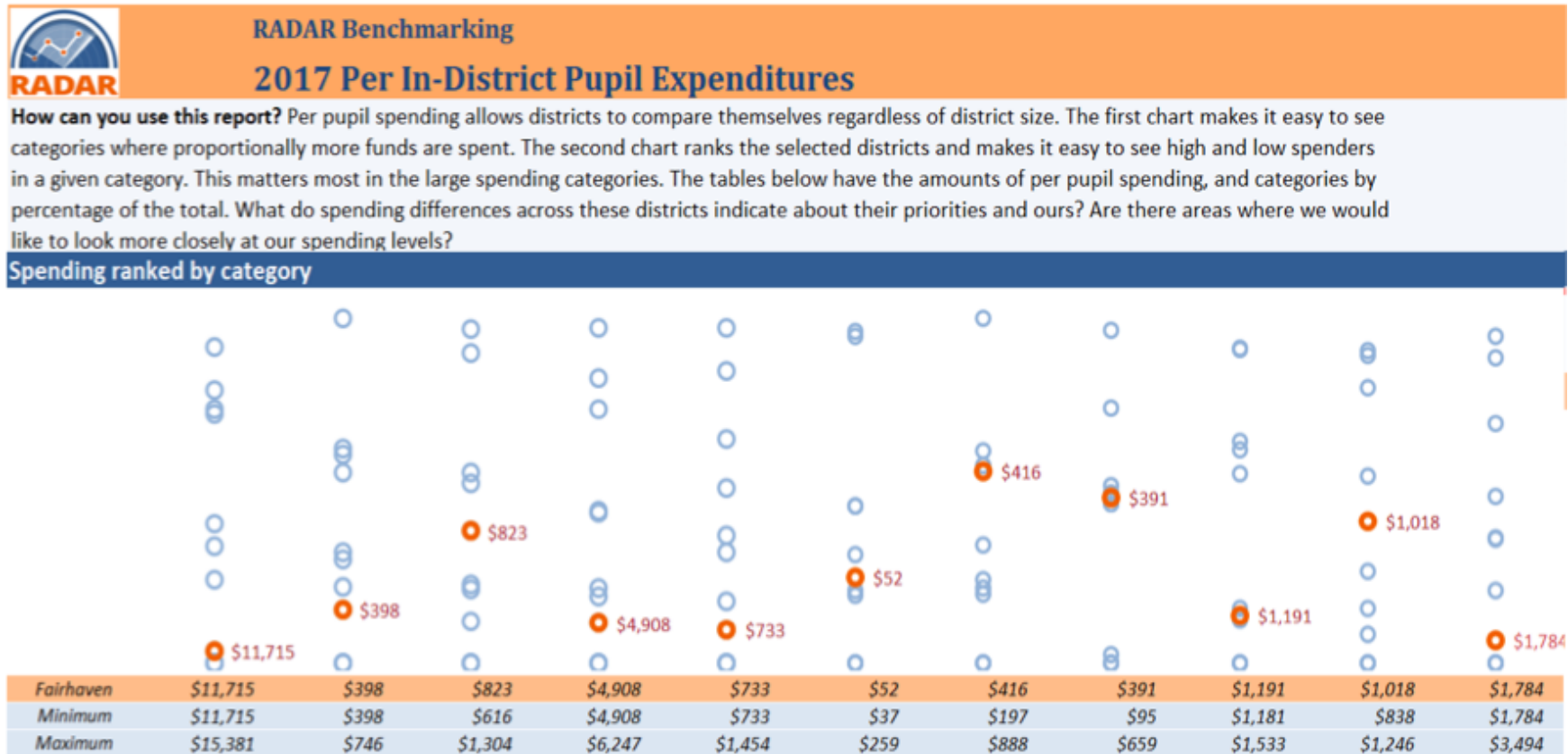
2017 Per In-District Pupil Expenditures

How can you use this report? Per pupil spending allows districts to compare themselves regardless of district size. The first chart makes it easy to see categories where proportionally more funds are spent. The second chart ranks the selected districts and makes it easy to see high and low spenders in a given category. This matters most in the large spending categories. The tables below have the amounts of per pupil spending, and categories by percentage of the total. What do spending differences across these districts indicate about their priorities and ours? Are there areas where we would like to look more closely at our spending levels?

Spending per in-district pupil in dollars

	Total	Admin	Instr'l Leaders	Teachers	Other Teaching Services	Professional Development	Instr'l Materials	Guidance & Psychology	Pupil Services	Operation & Maintenance	Benefits and Fixed Costs
Fairhaven	\$11,715	\$398	\$823	\$4,908	\$733	\$52	\$416	\$391	\$1,191	\$1,018	\$1,784
Swansea	\$13,354	\$541	\$718	\$5,383	\$822	\$41	\$197	\$396	\$1,398	\$1,246	\$2,613
Seekonk	\$14,768	\$746	\$616	\$6,247	\$1,130	\$102	\$293	\$659	\$1,364	\$1,177	\$2,433
Abington	\$13,557	\$424	\$706	\$5,378	\$1,043	\$259	\$888	\$383	\$1,203	\$838	\$2,434
Somerset	\$13,025	\$451	\$906	\$5,057	\$961	\$69	\$427	\$95	\$1,181	\$957	\$2,920
Rockland	\$14,518	\$536	\$1,186	\$5,095	\$931	\$37	\$209	\$405	\$1,390	\$1,235	\$3,494
Westport	\$14,573	\$521	\$926	\$5,868	\$1,454	\$247	\$451	\$496	\$1,533	\$899	\$2,179
Wareham	\$15,381	\$457	\$1,304	\$5,737	\$1,275	\$102	\$228	\$384	\$1,531	\$1,068	\$3,294

Fairhaven’s Per Pupil Expenditure is \$11,715.00. The average of the comparable districts in our regions is \$13,743.00.



Per pupil spending for Fairhaven is last in per in-district pupil expenditures compared to districts with similar student demographics, and similar wealth (personal income and property value), in our region.

July 18, 2018

**Building an Education System That Works for Everyone:
 Funding Reforms to Help All Our Children Thrive**

By Colin Jones, Noah Berger, and Roger Hatch

Fairhaven is in the Second 20% from the bottom Wealth Quintile.

Effect of Model 3 and 4 on Chapter 70 Aid and Foundation Budget – 5 sample districts						
District (FY 2023 enrollment projection)	Wealth Quintile	FY 2023 Baseline Foundation Budget	FY 2023 Baseline Chapter 70 Aid	FY 2023 Increase in Foundation Budget with Model 3 and 4	FY 2023 Increase in Chapter 70 Aid with Model 3	FY 2023 Increase in Chapter 70 Aid with Model 4
Fitchburg (6,233)	Bottom 20% of Wealth	\$78,884,699	\$62,358,891	+\$15,950,349	+\$12,776,426	+\$12,776,426
Fairhaven (1,776)	Second 20%	\$20,130,480	\$8,579,746	+\$3,424,906	+\$1,558,614	+\$1,558,614
Easthampton (1,736)	Middle 20%	\$19,790,860	\$7,926,222	+\$2,991,630	+\$717,346	+\$717,346
Swampscott (2,089)	Fourth 20%	\$22,166,752	\$3,782,708	+\$2,817,045	+\$563,925	+\$890,269
Concord (2,059)	Top 20% of Wealth	\$20,795,632	\$3,572,185	+\$2,136,933	+\$424,606	+\$459,013

- Today, the average district is spending approximately 126% above foundation while nearly 160 districts remain at or near the minimum required of foundation.
- Fairhaven is one of those 160 communities that spend at or near foundation level.
- Fairhaven often is treated as a “forgotten sub-urban” district. On March 21, 2019, Michael Jonas published the following in Commonwealth Magazine, “*Districts without a lot of property wealth to tax, but also without a high population of low-income students who generate added state aid, fall through the cracks under the various formula fixes.*”
- Fairhaven’s Per Pupil Expenditure is \$11,715.00. The average of the comparable districts in our region is \$13,743.00.
- Per pupil spending for Fairhaven is last in per in-district pupil expenditures compared to districts with similar student demographics, and similar wealth (personal income and property value), in our region.
- Fairhaven is in the Second 20% from the bottom Wealth Quintile.

District	Wealth Quintile	FY 20 Governor Percent	FY 20 House W&M Percent
Leicester	1	0.3	0.5
Oxford	1	0.3	0.5
Rockland	1	0.3	0.5
Middleborough	1	0.3	0.5
Mendon Upton	2	0.4	0.5
Wareham	2	0.4	0.5
Ludlow	2	0.4	0.6
Uxbridge	2	0.4	0.6
Agawam	2	0.4	0.6
Norton	2	0.4	0.6
Franklin	2	0.4	0.6
Silver Lake	2	0.4	0.6
Amesbury	2	0.5	0.7
Plainville	2	0.5	0.7
Bellingham	2	0.5	0.8
Fairhaven	2	1.6	2.1
East Bridgewater	1	1.9	2.2
Hingham	5	2.5	2.7
Westwood	5	2.7	3.0
Newton	5	2.7	3.3
Wellesley	5	3.2	3.6
Concord	5	3.3	3.6
Woburn	4	3.3	3.7
Natick	4	3.4	3.7
Cohasset	5	3.5	3.7
Millbury	2	3.7	3.9
Burlington	4	4.3	4.4
Swansea	2	4.5	4.5
Carlisle	5	3.9	5.0
Concord Carlisle	5	4.8	5.2
Belmont	4	3.0	5.3
Needham	5	5.6	5.8
Weston	5	5.4	5.9
Scituate	4	5.3	6.2
Norwell	4	6.0	6.9
East Longmeadow	2	7.4	7.5
Cambridge	5	7.6	7.7
Somerset	2	8.8	9.1
West Bridgewater	2	9.4	9.8
Somerset Berkley	2	9.5	9.8
Andover	4	8.1	10.1
Beverly	4	9.8	10.7
Abington	2	13.7	14.3
Bedford	4	11.1	14.5
Holbrook	2	15.4	16.0
Arlington	4	17.4	18.8
Seekonk	3	22.2	22.9
Ashland	3	27.4	28.2

For FY 18, health insurance was understated in the formula for Fairhaven by \$1,749,889.00 and special education costs were underestimated by \$565,960.00 after netting out circuit breaker. Combined, the flawed foundation formula underestimated \$2,315,849.00 for FY 2018.

For FY 19, our budgeted Employee Benefits/Fixed Charges are \$4,191,066. The FY 19 Employee Benefits/Fixed Charges are underestimated by \$2,076,214.

**Massachusetts Department of Elementary and Secondary Education
Office of School Finance**



FY19 Chapter 70 Foundation Budget

94 Fairhaven

	Base Foundation Components										Incremental Costs Above The Base			TOTAL*
	(1) Pre-School	(2) ----- Kindergarten ----- Half-Day	(3) ----- Full-Day	(4) Elementary	(5) Jr High/ Middle	(6) High School	(7) ELL PK	(8) ELL K Half	(9) ELL KF - 12	(10) Voca- tional	(11) Special Ed In District	(12) Special Ed Out of Dist	(13) Economically Disadvantaged	
Foundation Enrollment	20	0	129	743	468	422	0	0	37	0	67	18	681	1,809
1 Administration	3,778	0	48,731	280,676	176,792	159,415	0	0	13,977	0	174,683	46,930	0	904,981
2 Instructional Leadership	6,823	0	88,013	506,927	319,302	287,918	0	0	25,244	0	0	0	0	1,234,227
3 Classroom and Specialist Teachers	31,284	0	403,569	2,324,401	1,288,409	1,708,475	0	0	174,326	0	576,410	0	2,071,370	8,578,245
4 Other Teaching Services	8,024	0	103,507	596,168	270,312	202,919	0	0	23,738	0	538,186	717	0	1,743,571
5 Professional Development	1,237	0	15,968	91,983	62,810	54,915	0	0	6,200	0	27,806	0	53,111	314,030
6 Instructional Equipment & Tech	4,528	0	58,411	336,430	211,910	305,731	0	0	16,754	0	24,270	0	0	958,034
7 Guidance and Psychological	2,276	0	29,367	169,144	141,813	160,297	0	0	11,212	0	0	0	0	514,109
8 Pupil Services	905	0	11,684	100,929	103,845	215,921	0	0	5,026	0	0	0	0	438,309
9 Operations and Maintenance	8,687	0	112,065	645,459	440,767	385,366	0	0	43,514	0	195,129	0	318,674	2,149,662
10 Employee Benefits/Fixed Charges	9,387	0	121,083	697,432	443,847	366,338	0	0	39,790	0	224,524	0	212,452	2,114,852
11 Special Ed Tuition	0	0	0	0	0	0	0	0	0	0	0	445,573	0	445,573
12 Total	76,929	0	992,397	5,749,549	3,459,807	3,847,294	0	0	359,781	0	1,761,008	493,220	2,655,607	19,395,593
13 Wage Adjustment Factor	100.0%										Foundation Budget per Pupil			10,722
14 Economically Disadvantaged Decile	8													

* Total foundation enrollment does not include columns 11 through 13, because those columns represent increments above the base. The pupils are already counted in columns 1 to 10.
 Total foundation enrollment assigns pupils in pre-kindergarten and half-time kindergarten an enrollment count of .5.
 Special education in-district headcount is an assumed percentage, representing 3.75 percent of K to 12 non-vocational enrollment and 4.75 percent of vocational enrollment.
 Special education out-of-district headcount is also an assumed percentage, representing 1 percent of non-vocational K-12 enrollment.
 Economically disadvantaged headcounts are the number of pupils in columns 1 through 10 who are directly certified as eligible for the Supplemental Nutrition Assistance Program (SNAP), the Transitional Assistance for Families with Dependent Children (TAFDC), and MassHealth (Medicaid).
 Each component of the foundation budget represents the enrollment on line 1 multiplied by the appropriate state-wide foundation allotment.
 The wage adjustment factor is applied to underlying rates in all functions except instructional equipment, benefits and special education tuition.
 The foundation budget shown on this page may differ from the final number used in the formula, due to rounding error.

The proposed legislation sets targets for changes to the foundation budget calculation, to be fully phased-in by FY26. Here is a summary of the proposals:

- House 1 also initiates year 1 of a planned 6-year phase-in of increases to the *benefits and fixed charges* rate based on new goal rates derived from Group Insurance Commission (GIC) data. Consistent with FBRC recommendations, the goal rates account for GIC premium rates for both active and retired municipal employees. The legislation specifies that the goal rates will be updated annually to reflect changes in GIC's premium costs. House 1 builds on significant increases over the past two fiscal years and closes one-seventh of the gap toward the benefits goal rates in FY20, with one-fifth of the remaining gap to be closed in each of the next 5 years.

$$2368431 - 2114852 = 253,579 * 5 = 1,267,895$$

Massachusetts Department of Elementary and Secondary Education
Office of School Finance 1/23/19



FY20 Chapter 70 Foundation Budget

94 FAIRHAVEN

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	Base Foundation Components								Incremental Costs Above the Base							
	Pre-School	----- Kindergarten ----- Half-Day	Full-Day	Elementary	Jr High/ Middle	High School	Early College or Innovation Pathways	Vocational	Special Ed In District	Special Ed Out of Dist	EL PK-5	EL 6-8	EL High	EcoDis	High Needs Increment	TOTAL*
Foundation Enrollment	11	0	117	747	480	448	0	0	67	18	20	3	4	688	0	1,798
1 Administration	2,156	0	45,856	292,772	188,126	175,585	0	0	181,234	50,452	1,725	323	517	38,088	0	976,833
2 Instructional Leadership	3,893	0	82,820	528,771	339,773	317,121	0	0	0	0	3,018	566	905	180,456	0	1,457,323
3 Classroom and Specialist Teachers	17,852	0	379,754	2,424,553	1,371,000	1,881,752	0	0	598,025	0	21,125	3,961	6,337	1,761,569	0	8,465,928
4 Other Teaching Services	4,578	0	97,399	621,855	287,640	223,498	0	0	558,368	771	3,018	566	905	0	0	1,798,599
5 Professional Development	706	0	15,025	95,945	66,835	60,484	0	0	28,848	0	862	162	259	85,463	0	354,590
6 Instructional Equipment & Tech*	2,584	0	54,964	350,926	225,494	336,739	0	0	25,180	0	2,156	404	647	13,100	0	1,012,193
7 Guidance and Psychological	1,299	0	27,634	176,434	150,902	176,552	0	0	0	0	1,293	243	388	71,332	0	606,078
8 Pupil Services	517	0	10,994	105,275	110,501	237,821	0	0	0	0	431	81	129	370,660	0	836,409
9 Operations and Maintenance	4,957	0	105,452	673,271	469,022	424,449	0	0	202,447	0	5,173	970	1,552	0	0	1,887,293
10 Employee Benefits/Fixed Charges*	5,713	0	121,534	775,972	513,497	433,598	0	0	226,114	0	4,742	889	1,423	284,949	0	2,368,431
11 Special Ed Tuition*	0	0	0	0	0	0	0	0	0	479,018	0	0	0	0	0	479,018
12 Total	44,255	0	941,432	6,045,773	3,722,791	4,267,600	0	0	1,820,215	530,241	43,543	8,164	13,063	2,805,616	0	20,242,695
13 Wage Adjustment Factor	100.0%															
14 Economically Disadvantaged Decile	8															
											Foundation Budget per Pupil				11,258	

*The wage adjustment factor is applied to underlying rates in all functions except instructional equipment, benefits and special education tuition.

Total foundation enrollment does not include incremental costs above the base. The pupils are already counted in columns 1 to 8.

Total foundation enrollment assigns pupils in pre-kindergarten and half-time kindergarten an enrollment count of .5.

Special education in-district enrollment is an assumed percentage, representing 3.75 percent of K to 12 non-vocational enrollment and 4.75 percent of vocational enrollment.

Special education out-of-district enrollment is also an assumed percentage, representing 1 percent of non-vocational K-12 enrollment.

Economically disadvantaged enrollment is the total enrollment of students who are directly certified as eligible for the Supplemental Nutrition Assistance Program (SNAP); the Transitional Assistance for Families with Dependent Children (TAFDC); and MassHealth (Medicaid).

English learner enrollment includes students with low English proficiency as measured by the statewide ACCESS for ELLs test.

Each component of the foundation budget represents the enrollment on line 10 multiplied by the appropriate state-wide foundation allotment.

The foundation budget shown on this page may differ from the final number used in the formula, due to rounding error.

[Return to Index](#)

English learner foundation budget as % total foundation budget	0.3%
Economically disadvantaged foundation budget as % total foundation budget	13.9%

The proposed legislation sets targets for changes to the foundation budget calculation, to be fully phased-in by FY26. Here is a summary of the proposals:

- The *out-of-district special education tuition* rate is raised consistent with FBRC recommendations. FY20 establishes a new goal at three times the FY19 statewide average foundation budget per pupil, to close the gap between the foundation budget (1x statewide average foundation budget per pupil) and the circuit breaker threshold (4x statewide average foundation budget per pupil). The FY20 rate represents one-seventh of the gap between the FY19 rate and the goal rate plus inflation.

$$479,018 - 445,573 = 33,445 * 7 = 234,115$$

Massachusetts Department of Elementary and Secondary Education
Office of School Finance 1/23/19



FY20 Chapter 70 Foundation Budget

94 FAIRHAVEN

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	Base Foundation Components										Incremental Costs Above the Base					
	Pre-School	----- Kindergarten ----- Half-Day	Full-Day	Elementary	Jr High/ Middle	High School	Early College or Innovation Pathways	Vocational	Special Ed In District	Special Ed Out of Dist	EL PK-5	EL 6-8	EL High	EcoDis	High Needs Increment	TOTAL*
Foundation Enrollment	11	0	117	747	480	448	0	0	67	18	20	3	4	688	0	1,798
1 Administration	2,156	0	45,856	292,772	188,126	175,585	0	0	181,234	50,452	1,725	323	517	38,088	0	976,833
2 Instructional Leadership	3,893	0	82,820	528,771	339,773	317,121	0	0	0	0	3,018	566	905	180,456	0	1,457,323
3 Classroom and Specialist Teachers	17,852	0	379,754	2,424,553	1,371,000	1,881,752	0	0	598,025	0	21,125	3,961	6,337	1,761,569	0	8,465,928
4 Other Teaching Services	4,578	0	97,399	621,855	287,640	223,498	0	0	558,368	771	3,018	566	905	0	0	1,798,599
5 Professional Development	706	0	15,025	95,945	66,835	60,484	0	0	28,848	0	862	162	259	85,463	0	354,590
6 Instructional Equipment & Tech*	2,584	0	54,964	350,926	225,494	336,739	0	0	25,180	0	2,156	404	647	13,100	0	1,012,193
7 Guidance and Psychological	1,299	0	27,634	176,434	150,902	176,552	0	0	0	0	1,293	243	388	71,332	0	606,078
8 Pupil Services	517	0	10,994	105,275	110,501	237,821	0	0	0	0	431	81	129	370,660	0	836,409
9 Operations and Maintenance	4,957	0	105,452	673,271	469,022	424,449	0	0	202,447	0	5,173	970	1,552	0	0	1,887,293
10 Employee Benefits/Fixed Charges*	5,713	0	121,534	775,972	513,497	433,598	0	0	226,114	0	4,742	889	1,423	284,949	0	2,368,431
11 Special Ed Tuition*	0	0	0	0	0	0	0	0	0	479,018	0	0	0	0	0	479,018
12 Total	44,255	0	941,432	6,045,773	3,722,791	4,267,600	0	0	1,820,215	530,241	43,543	8,164	13,063	2,805,616	0	20,242,695
13 Wage Adjustment Factor	100.0%															Foundation Budget per Pupil 11,258



Massachusetts Department of Elementary and Secondary Education
Chapter 70 District Profile

9/25/18

Select a district

0094 Fairhaven

	Foundation Enrollment		Foundation Budget		Required Local Contribution		Chapter 70 Aid <i>Reflects Penalties, where applicable</i>		School Spending <i>Aid + Local Contribution</i>		Required NSS <i>Includes Carryover</i>		Actual NSS		Dollars Over/Under Requirement		% Over/ Under	
		% Chg		% Chg		% Chg		% Chg		% Chg		% Chg		% Chg		% Chg		% Chg
FY08	2,043	-1.4%	16,755,601	3.8%	9,196,548	7,559,053	5.8%	16,755,601	16,755,601	3.8%	18,389,488	2.0%	1,633,887	9.8%				
FY09	1,967	-3.7%	16,953,035	1.2%	9,303,393	6,852,118	-9.4%	16,960,796	16,155,511	-3.6%	17,744,404	-3.5%	1,588,893	9.8%				
FY10	1,929	-1.9%	17,423,767	2.8%	9,798,899	7,504,255	9.5%	17,303,154	17,303,154	7.1%	18,171,922	2.4%	868,768	5.0%				
FY11	1,898	-1.6%	16,843,034	-3.3%	10,187,330	7,179,423	-4.3%	17,366,753	17,366,753	0.4%	18,901,189	4.0%	1,534,436	8.8%				
FY12	1,879	-1.0%	17,104,751	1.6%	10,317,258	7,217,965	0.5%	17,535,223	17,535,223	1.0%	19,644,311	3.9%	2,109,088	12.0%				
FY13	1,858	-1.1%	17,453,568	2.0%	10,832,169	7,292,285	1.0%	18,124,454	18,124,454	3.4%	19,174,057	-2.4%	1,049,603	5.8%				
FY14	1,851	-0.4%	17,879,851	2.4%	11,242,923	7,338,560	0.6%	18,581,483	18,581,483	2.5%	19,282,842	0.6%	701,359	3.8%				
FY15	1,803	-2.6%	17,736,702	-0.8%	11,371,020	7,383,635	0.6%	18,754,655	18,754,655	0.9%	18,851,338	-2.2%	96,683	0.5%				
FY16	1,785	-1.0%	17,707,799	-0.2%	11,597,160	7,428,260	0.6%	19,025,420	19,025,420	1.4%	19,012,649	0.9%	-12,771	-0.1%				
FY17	1,794	0.5%	18,309,668	3.4%	11,486,709	7,526,930	1.3%	19,013,639	19,026,410	0.0%	19,549,972	2.8%	523,563	2.8%				
FY18*	1,801	0.4%	18,758,475	2.5%	11,557,489	7,580,960	0.7%	19,138,449	19,138,449	0.6%	19,815,992	1.4%	677,543	3.5%				

Massachusetts Department of Elementary and Secondary Education
Office of School Finance



FY20 Chapter 70 Apportionment of Local Contribution Across School Districts

	Fairhaven	Greater New Bedford	Bristol County	Combined Total for All Districts
94 Fairhaven				
<u>Prior Year Data (for comparison purposes)</u>				
1 FY19 foundation enrollment	1,812	182	18	2,012
2 FY19 foundation budget	19,508,512	3,075,096	290,243	22,873,851
3 Each district's share of municipality's combined FY19 foundation	85.29%	13.44%	1.27%	100.00%
4 FY19 required contribution	11,713,786	1,846,426	174,275	13,734,487
<u>FY20 apportionment of contribution among community's districts</u>				
5 FY20 total unapportioned required contribution ('municipal contribution' sheet row 19 or 25)				0
6 FY20 foundation enrollment	1,798	163	17	1,978
7 FY20 foundation budget	20,242,695	2,886,157	290,136	23,418,987
8 Each district's share of municipality's total FY20 foundation	86.44%	12.32%	1.24%	100.00%
9 FY20 Required Contribution	12,324,698	1,757,227	176,648	14,258,573
10 Change FY20 to FY19 (9 - 4)	610,912	-89,199	2,373	524,086