

**Testimony of Norwich Free Academy, RE Governor's Senate Bill 786
An Act Concerning Mandate Relief, Transparency and Regional Incentives**

**David J. Klein,
NFA Head of School/Superintendent
3/6/2017**

Senator Slossberg, Representative Fleischmann, Senator Boucher and distinguished members of the Education Committee,

Incorporated. June 6, 1854, by the Office of Secretary of State of the State of Connecticut, Norwich Free Academy is a 504(c) 3 nonprofit duly constituted and governed by the laws of the State of Connecticut. Norwich Free Academy operates like any other nonprofit in the state of Connecticut and complies with all the rules, regulations, and requirements of other nonprofits in Connecticut. It operates under formal by-laws and strict internal checks and balances, and by Connecticut's Nonprofit Association's *Principles and Practices for Nonprofit Excellence in Connecticut*.

A Board of Trustees chosen from a Board of Corporators governs Norwich Free Academy. The majority of both the Trustees and Corporators are, by requirement (66%), from Norwich, but NFA's other Partners are represented on both Boards. The current Board of Trustees of 12 includes 9 Norwich residents, and one resident from each of Preston, Franklin, and Canterbury. The current Board Chairperson is from Norwich, as were the immediate past three Board Chairpersons.

NFA provides educational services to 8 partner districts (Bozrah, Canterbury, Franklin, Lisbon, Norwich, Preston, Sprague, and Voluntown) and a host of private tuition and international students. As a school of choice, NFA accepts students who choose to attend, and by agreement, their sending communities (NFA Partners) fund tuition. NFA operates under the same provisions and costs for all partners according to a five-year (July 1, 2015-June 30, 2020) master agreement. The provisions of that agreement are the same for all partners with the exception of a \$200 per pupil discount for Norwich students in recognition of municipal services provided by the host city. NFA's Board of Trustees doubled that discount in the first year of the current five-year agreement. At the request of the partner districts, NFA agreed to tuition increases of no more than 2.5% in the first three years of the same five-year agreement.

Norwich Free Academy operates under all provisions of Connecticut's general statutes concerning education.

NFA's 2,324 students represent a variety of urban, suburban, and rural characteristics, and a diverse racial, ethnic, linguistic, and economic background. The student population is 45.9% minority: 16.3% African-American, 15.7% Hispanic, and the remainder a multi-national, multi-linguistic mix. Students speak in excess of 18 different languages other than English. About 44% of NFA's students qualify for free or reduced lunch, an accepted federal measure of low income.

Based upon the CT SDE's district ranking groups, NFA is placed in DRG G.

Founded as an independently governed, endowed academy, after 160 years of operation, Norwich Free Academy by design is a mission-driven school intended to operate free of political or personal influence or conflict of interest. For 160 years the independent governance model has successfully allowed the school to remain focused upon the mission and to accommodate changing student and community needs with agility and stability.

NFA's mission, in the words of Founder John P. Gulliver is to "return to our hamlets and our homes its priceless freight of youthful minds, enriched by learning, developed by a liberal culture, refined by study of all that is beautiful in nature and art, and prepared for the highest usefulness and the purest happiness."

Independent governance and private endowment have empowered Norwich Free Academy to empower students. Empowered students strengthen our communities. It is a simple, but inspiring, mission and a very simple formula.

Norwich Free Academy is vigorously opposed to the provisions of Governor's Senate Bill 786 which apply to Connecticut's independently governed, endowed academies; specifically, §12b, c, d, e, and f, lines 407-445, pp. 14-16. These provisions represent an unprecedented, unnecessary, level of oversight and governmental overreach upon a successfully and transparently governed nonprofit providing outstanding opportunities to the region's students and exceptional value to NFA's Partners.

SUCCESSFUL GOVERNANCE

NFA's governance structure is pure, ethical, and solely focused upon the mission of the institution. The institution has maintained a socially responsible position regarding Trustee and Corporator membership so that all constituencies are represented. Norwich residents have always represented the largest and most influential membership. Corporators and Trustees take an oath to put aside any partiality to focus solely upon the school's mission and to serve the needs of all students.

Transparency

- **Master Agreement** – A five-year Master Agreement (July 1, 2015 – June 30, 2020) and a tuition side agreement were reached through a collaborative process among all partners.
- **Monthly Superintendent Meetings**
Per the Master Agreement, the NFA Head of School/Superintendent hosts bi-monthly Superintendent Meetings with advance correspondence, opportunity to enter agenda items, and follow-up correspondence and meeting minutes. These discussions address programmatic and curricular issues; educational / policy changes and mandates; calendar development; enrolment trends, and budgetary challenges.
- **Board of Trustees Meetings**
Agendas and minutes are posted on the NFA website, noticed with the City of Norwich, and all meetings are public.
- **Budget Process**
The Master Agreement simplified and stabilized the budget process for Partners because, by agreement, NFA and all Partners fixed upon no more than a 2.5% tuition increase in the first three years of the agreement. Those parameters represent NFA's response to partner needs and economic conditions, especially when in the first two years, NFA's tuition increase was less than the agreed upon 2.5% increase cap. (Please eliminate this sentence – it is inaccurate. The total budget increase was less than 2.5% but the tuition was increased by 2.5%).

Annually before adoption, NFA holds a media briefing about its proposed operating budget and releases budget discussion documents and an executive summary to the media.

- **Annual Audit**
BlumShapiro, the largest regional certified public accounting firm serving businesses and nonprofits in Connecticut, Massachusetts and Rhode Island, annually audits Norwich Free Academy. The complete audit and 990 forms are available to the public.

Annual Report

- NFA annual reports are published and made available to the public on the NFA website. They are presented to the media in open session at the Annual Corporators' Meeting.

THE VALUE PROPOSITION OF NFA'S INDEPENDENCE

Host City Discount

The city of Norwich, by agreement, has a \$200/pupil discount in recognition of the municipal services provided by the city. In the current fiscal year, this discount amounts to approximately \$300,000. This amount is in addition to the tuition subsidy of approximately \$816,000 (68% of 1.2 million).

NFA Tuition Compared with Partner K-8 Costs

Because of economies of scale and the generous support of the private NFA Foundation, Inc., (\$5.9 million in tuition subsidization over a five-year period) **the Norwich Free Academy experience is an exceptional value** by any measure, but especially when costs are considered within the context of the breadth and depth of the opportunities and choices offered to students by NFA's robust curriculum and co-curricular program.

The information below compares NFA's 2016-17 average cost per pupil cost based upon the October 2016 invoice to each Partner with two measures provided by the CT SDE. The SDE figures for PPE and NCEP are the most recent figures available.

This per student cost comparison demonstrates the value proposition of the NFA experience to NFA's Partner Communities. The 2016-2017 NFA average per student cost compared with the reported SDE measures (PreK-8 PPE and NCEP) clearly demonstrates that the cost of NFA is less than the cost of NFA's Partner Districts to deliver their PreK-8 programs.

1. (2016-17) Average Cost Per NFA Student – Based upon NFA's Oct. 1, 2016 Tuition Invoice

This year's real costs for districts are typical. The average tuition figures below are determined by dividing the invoiced total of all tuitions (general education, special education, and specialty programs) divided by the number of students for each Partner district attending NFA as recorded on the official census, October 1, 2016.

Bozrah	\$13,510 / pupil
Canterbury	\$13,152 / pupil
Franklin	\$12,854 / pupil
Lisbon	\$13,192 / pupil
Norwich	\$14,162 / pupil
Preston	\$13,067 / pupil
Sprague	\$13,064 / pupil
Voluntown	\$13,277 / pupil

2. Data from the Connecticut State Department of Education

(2014 -15) Audited SDE Per Pupil Expenditure - pre K-8 Costs

Bozrah	\$18,588 / pupil
Canterbury	\$18,207 / pupil
Franklin	\$16,949 / pupil
Lisbon	\$16,762 / pupil
Norwich	\$15,575 / pupil
Preston	\$19,785 / pupil
Sprague	\$13,763 / pupil
Voluntown	\$15,663 / pupil

(2015-16) SDE Net Current Expenditures per Pupil (NCEP)

Bozrah	\$17,519 / pupil
Canterbury	\$17,525 / pupil
Franklin	\$15,319 / pupil
Lisbon	\$17,042 / pupil
Norwich	\$16,260 / pupil

Preston	\$16,613 / pupil
Sprague	\$13,555 / pupil
Voluntown	\$19,440 / pupil

OPPORTUNITIES & CHOICES

For the 2016-2017 NFA invoiced totals represented above (No. 1 – 2016-2017 Average Cost Per NFA Student) all students from Norwich Free Academy Partners have access to a program unlike any other in Southeastern Connecticut, if not in the entire state.

Students have unparalleled opportunities and choices in **A DYNAMIC, DEEP, BROAD, AND MULTI-FACETED PROGRAM** that offers:

- 250 course selections
- 50 College Credit bearing courses (Concurrent Enrollment and Advanced Placement)
- 38 Visual & Performing Arts Courses & a Fine Arts Diploma Option
- 8 World Languages including American Sign Language (ASL)
- Approximately 70 Clubs and Activities
- Over 30 Interscholastic Athletic Programs (many fielding Freshmen, JV, and Varsity teams)
- Unified Classes, Clubs and Activities, & Sports

Norwich Free Academy's Partners also have access to **HIGHLY COMPREHENSIVE SPECIAL EDUCATION SERVICES AND 5 PROGRAMS**, some of which would require outplacement otherwise.

Those programs include:

- ABLE – Activity Based Life Education
- ILS – Independent Living Skills
- ACES – Alternative Curriculum for Educational Success
- PACE – Program for Academic & Career Education
- Resource Program

Norwich Free Academy Partners also have access to a **MENU OF SPECIALTY PROGRAMS** serving students in unique life circumstances. Those programs include:

- Sachus Campus Alternative High School Program
- Norwich Free Academy Night School
- APS Evening Program – Alternative Pathways to Success
- ELL Program & New Arrival Immersion Center

Norwich Free Academy students also participate in **ENRICHING AND SUPPORTIVE SUMMER PROGRAMS** at no additional cost to Partners. These programs include:

- Step Up – Grade 9 Transitional Program
- Strive – Academic Skills Enrichment – Grades 10 -12
- ELL Summer Academy
- Summer Physical Conditioning
- World Language Bridge Program
- UCONN STEM Program
- Mathematics Review & Bridge Programs
- Marching Band Camp
- Summer Engineering Workshop for Women

Norwich Free Academy was founded on a commitment to independence. With clarity, its founders saw that, free from contentious political forces and conflict of and personal interest, their school could focus solely on developing students into productive, contributing members of their communities. Today, NFA's independence fosters affordable, innovative responses to student needs. Independence affords the breadth of opportunities that students desire and excel at so passionately. Norwich Free Academy, its community-based mission, and its independence are irreversibly intertwined.

