

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

**Sarette B. Williams,
Chairperson, NFA Board of Trustees
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 its strict internal checks and balances, and by Connecticut's Nonprofit Association's *Principles and Practices for Nonprofit Excellence in Connecticut*.

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."

For these reasons, 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 successful, and transparently governed nonprofit providing outstanding opportunities to the region's students and exceptional value to NFA's Partners.

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. 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.

NFA provides educational services to 8 partner districts (Bozrah, Canterbury, Franklin, Lisbon, Norwich, Preston, Sprague, and Voluntown) and a host of tuition and international students. As a school of choice, NFA accepts any student who chooses to attend, and historically, 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 (2015-2020) 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 a consortium of representatives from these eight partners, NFA agreed to fix tuition increases to no more than 2.5% in the first three years of the current five-year agreement.

Norwich Free Academy operates in compliance with all provisions of Connecticut's general statutes concerning public school education.

NFA's 2,324 student demographic is very diverse consisting of urban, suburban, and rural characteristics, including diverse racial, ethnic, linguistic, and economic backgrounds. The student population is 45.9% minority: including 16.3% African-American, and 15.7% Hispanic. 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 state's district ranking system by demographic and economic reference groups, NFA is placed in DERG G. Other districts in DERF G include Bloomfield and Putnam.

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. Therefore, none of our Board of Trustees is an elected official, whose commitment to NFA would be compromised by a need to promote the interests and needs of the districts from which he/she is elected.

The NFA Independent Governance Model Includes Transparency

As suggested by its title, GSB 786 purports to mandate greater transparency into the prudence of NFA's fiscal operations. We submit that the transparency that SB 786 purports to guarantee is already a pillar of the NFA's governance model. The independent governance model that has sustained NFA as a quality secondary school option for 163 years should not need to be disturbed by GSB 786 and the implementing regulations that would follow. The private governance model of NFA currently promotes transparency to our partner districts as follows:

(a) Master Agreement

The five-year Master Agreement and the tuition side agreement were reached through a collaborative process among all partners, including implementation by the partner districts that the first three years of the Master Agreement, include a fixed tuition increase

(b) Monthly Superintendent Meetings

Per the Master Agreement, the NFA Head of School/Superintendent hosts monthly Superintendent Meetings with the Superintendents of our partner districts. An agenda in advance of these meetings is produced by the NFA Superintendent, and each participant is invited to enter agenda items. The NFA Superintendent produces minutes from these discussions which are provided to all invitees, whether or not they have attended the meeting. These discussions address budget considerations.

(c) Board of Trustees Meetings

As is required by law for public schools, the agendas for the monthly meeting of the NFA Board of Trustees and minutes are posted on the NFA website, and all meetings are open to the public.

(d) 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.

Before adoption, NFA holds a media briefing about the budget and releases detailed budget discussion documents and an executive summary to the media.

(e) 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.

(f) Annual Report

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

THE EDUCATIONAL AND FISCAL VALUE OF THE NFA EXPERIENCE

Tuition Subsidies

During the current academic year, the Norwich Free Academy Foundation, Inc. provides \$1.2 million dollars to the operating costs of NFA. This gift amounts to a \$516.00/per pupil tuition discount. A direct fiscal benefit to all of our partner towns.

Host City Discount

Sixty-eight percent of NFA students reside in the city of Norwich. By agreement, the city of Norwich receives a \$200/pupil discount in recognition of the municipal services provided by the city (the host city discount). In the current fiscal year, the host city discount amounts to \$305,800. This amount is in addition to the tuition subsidy of approximately \$816,000 benefitting Norwich students (or 68% of the \$1.2 million gift from the Norwich Free Academy Foundation).

NFA Tuition Is Less Than the Partner District's K-8 Costs

Because of economies of scale and the support of the private NFA Foundation, Inc., (\$5.9 million in 5 years in tuition subsidy alone) 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 real average cost per pupil cost based upon the October 2016 invoice to each Partner compared with two measures provided by the Connecticut State Department of Education ("SDE"). The SDE figures are the most recent figures available.

This comparison demonstrates the fiscal value proposition of the NFA experience to NFA's Partner Communities. The first set of figures compared with the second set of two measures clearly demonstrates that the cost of NFA is less than the cost to Partners for students in their K-8 programs.

1. (2016-17) Average Cost Per Student – 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. 2014-15 CT SDE Figures

Data from the Connecticut State Department of Education’s

(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 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 invoiced totals represented above 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, 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
- Over 65 Clubs and Activities
- Over 30 Interscholastic Athletic Programs (many fielding freshmen, JV, and Varsity teams)
- Unified Classes, Activities, & Sports

Norwich Free Academy's Partners also have access to **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 PROGRAM** serving students in special life circumstances. Those programs include:

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

Norwich Free Academy students also have access to a host of **ENRICHING AND SUPPORTIVE SUMMER PROGRAMS** at no additional cost to Partners. These programs include:

- Step Up
- Strive
- ELL Summer Academy
- Summer Physical Conditioning
- World Language Bridge Programs
- Mathematics Review & Bridge Programs
- Marching Band Camp
- Summer Engineering Workshop for Women

CONCLUSION

The passage of GSB 786 unnecessarily encroaches upon the right of NFA and other privately endowed public academies to exist as independently governed secondary education schools of choice. As we have demonstrated in our oral and written testimony, NFA provides a competitive

academic and fiscal value to the eight partner districts that designate NFA as a school of choice. We cannot support legislative and regulatory encroachment that effectively dissolves the independent high school governance model – which to date has maintained itself free of the well-meaning, yet necessarily biased interests of elected representatives. For 163 years, the NFA Board of Trustees has had one focused purpose - to actualize our educational mission in a focused and prudent fashion to benefit the students whose communities have designated NFA as a school of choice.

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.

