



NORWICH FREE ACADEMY

**Testimony of Norwich Free Academy, RE Governor's Senate Bill No. 874
An Act Concerning Education Initiatives and Services in Connecticut
David J. Klein
NFA Superintendent / Head of School
March 1, 2019**

Senator Looney, Senator Duff, Representative Aresimowicz, Representative Ritter and distinguished members of the Education Committee.

Norwich Free Academy is vigorously opposed to Sec 9. Section 10-34 (b).

Each incorporated or endowed high school or academy approved by the State Board of Education shall be operated by a governing board. The membership of such governing board shall include, but need not be limited to, a representative selected by each local or regional board of education that sends more than fifty students to such incorporated or endowed high school or academy. Such representative may be the superintendent of schools employed by such board of education.

This provision represents 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 Partner Communities.

THE VALUE PROPOSITION OF NFA'S INDEPENDENCE

In the next fiscal year, a seven-year total of donor dollars from the NFA Foundation will total \$9.15 million in operational support alone. The magnitude of this benefit to the taxpayers of NFA's Partners is primary among many others that independent governance affords.

a. 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.

b. NFA Tuition Compared with Partner K-8 Costs

Because of economies of scale and the generous donor dollars of the private NFA Foundation, Inc., (\$9,150,000 in tuition subsidy over seven years) the Norwich Free Academy experience is an exceptional value by any measure.

The information below compares NFA's 2018-19 average real cost per pupil cost based upon the October 2018 invoice to each Partner Community's 2016-2017 per pupil expenditure (PPE). The 2016-17 CSDE District Profile and Performance Report is the most current audited source of the PPE data available from the state.

This comparison demonstrates the value proposition of the NFA experience to NFA's Partner Communities. The 2018-2019 NFA average per student cost compared with the reported CSDE measure (PreK-8 PPE) demonstrates that the cost of an NFA education is less than the cost of NFA's Partner Communities to deliver their PreK-8 programs, and is particularly compelling when the two-year difference in data is noted.

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Partner	2018-19 Real Cost Per Pupil ¹	2016-17 Audited CSDE PPE, Pre K-8 ²
Bozrah	\$13,667 / pupil	\$20,502 / pupil
Canterbury	\$12,918 / pupil	\$18,530 / pupil
Franklin	\$13,701 / pupil	\$17,307 / pupil
Lisbon	\$13,684 / pupil	\$19,897 / pupil
Norwich	\$14,615 / pupil	\$17,850 / pupil
Preston	\$13,575 / pupil	\$20,295 / pupil
Sprague	\$13,516 / pupil	\$14,128 / pupil
Voluntown	\$13,488 / pupil	\$21,038 / pupil

[1] Real average cost per pupil is determined by dividing the invoiced total of all tuitions (general education, special education, and specialty programs) by the number of students for each Partner Community attending NFA as recorded on the official census, October 1, 2018).

[2] This data from the CSDE District Profile and Performance Reports is the most up-to-date available from the state.

SUCCESSFUL INDEPENDENT GOVERNANCE = NORWICH FREE ACADEMY

MISSION-DRIVEN

Founded as an independently governed, endowed academy, after over 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 over 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."

A Board of Trustees chosen from a Board of Corporators governs Norwich Free Academy. By requirement, the majority (66%) of both the Trustees and Corporators are from Norwich, but NFA's other Partner Communities 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's governance structure is pure, ethical, and solely focused upon the mission of the institution. The institution has maintained a socially responsible inclusive position regarding Trustee and Corporator membership. 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.

ABOUT NORWICH FREE ACADEMY

Incorporated, June 6, 1854, by the Office of Secretary of State of the State of Connecticut, Norwich Free Academy is a 501 (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.

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

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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 Partner Communities 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 from \$100 to \$200 in the first year of the current five-year agreement. At the request of its Partner Communities, NFA agreed to tuition increases of no more than 2.5% in the first three years of the same five-year agreement. Increases in the final two years of the contract have been 1.5% and 1.75% respectively.

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

NFA's 2,256 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 more than 18 different languages other than English. About 50% of NFA's students qualify for free or reduced lunch, an accepted federal measure of low income.

The CT SDE's district ranking groups place NFA in DRG G.

CONCLUSION

Norwich Free Academy was founded on a commitment to independence. That commitment has fueled passionate loyalty and generosity. That generosity, carefully stewarded for over 160 years, has afforded tremendous opportunity to students and significant benefits to municipalities without a public high school. Without the donor support of the NFA Foundation, Inc., the breadth and depth of the NFA experience would be unsustainable. Tampering with NFA's independent governance would have a chilling, perhaps even, a devastating effect upon donor philanthropy moving forward and as former donors seek the return of funds given solely to support an independently governed and privately endowed institution.

Norwich Free Academy's founders saw with clarity that, free from contentious political forces and conflict of personal interest, their school could focus solely on developing students into productive, contributing members of their communities. For over 160 years, donors have agreed. Students are been the direct beneficiaries of NFA's independence.

Sincerely,

David J. Klein
Head of School