



August 22, 2011

Education Cost Sharing (ECS) Grant

In 2007, the State made changes to the ECS formula and set a goal of making the grant fully funded at a total of roughly \$2.7 billion.

This increase was originally proposed to be phased in over five years, from 2007 through 2012, with an average annual increase of about \$200 million. Only about \$260 million (26 percent) of the \$1 billion increase was actually added, and the last of that was in FY2009. This leaves over \$700 million of the target increase that has yet to be implemented.

The actual ECS grant for FY2011 was \$1.9 billion, which is only about 70 percent of the fully funded amount. The grant covers only 35 percent of the \$5.4 billion “foundation” level spending statewide. This means that 65 percent of the foundation spending level statewide still must come from other sources, primarily the local property tax.

In FY2011, ECS aid accounted for less than 20 percent of total education expenditures, given actual costs were estimated to be about \$10 billion.

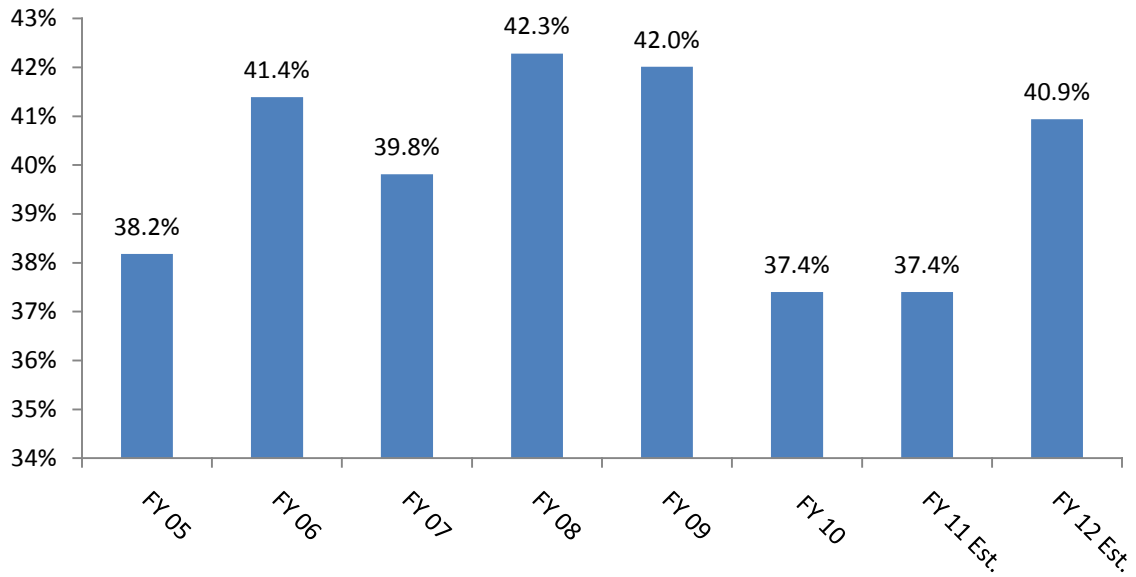
The level funding of the grant in recent years means that the formula is not truly used in determining the amounts distributed to towns. Instead, the grant payments are based on the amounts paid in FY2009, which, in turn, were not based on full funding.

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If you have any questions, please contact George Rafael at (203) 928-9077 (grafael@ccm-ct.org) or Jim Finley (203) 804-6895 (jfinley@ccm-ct.org).

Attachment

State's % Share of Pre-K to 12 Education Costs



Source: SDE; CCM calculations

Note: The state share reached 45.5% in FY1990, the highest percentage to date.