Introduction

Over the past 10 years, the needs of Connecticut students have changed. While the overall enrollment in Connecticut public schools has decreased by approximately 34,500 students, Connecticut’s students have increased in need. In 2015, 38 percent of Connecticut public school students qualified for free or reduced price lunch (an indicator for low-income students), as compared to 27 percent in 2006. Additionally, the percent of Connecticut students who are English Language Learners (ELLs) also has increased from 2006 to 2015.

These changes coupled with the varying ability of communities to pay local education costs, and the inflexibility and unresponsiveness of state and local funding sources, have resulted in a mismatch between district need and district resources. This briefing details the current mismatch between student needs and per pupil spending in Connecticut’s local public school districts, and examines some of the factors that contribute to this mismatch.

Definition of Need

For the purposes of this policy briefing, student need is defined at the district level as the percent of students classified as having at least one of the following types of needs:

- Low-income students, as determined by qualifying for free or reduced price lunch
- English Language Learners (ELLs)
- Student receiving Special Education services

While additional measures of need exist, these three measures were chosen because they have been used in the calculation of state education aid to municipalities, and are available from the Connecticut State Department of Education. Furthermore, research has shown students in the above categories require funding at a higher level than their non-need peers to achieve at a level similar to their non-need peers.

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1 Duncombe & Yinger (2004) note “Both scholars and policy makers have recognized that it costs more to achieve any given level of student performance when the students are disadvantaged than when they are not” (p.4). For English
**Student Need Demographics**

The distribution of Connecticut students by type of need is graphed and mapped in this section. These graphs and maps show the distribution of need across local public school districts. These graphs compare the percent of high-need students enrolled in a local school district with the actual number of enrolled students classified as having that specific need. The maps show the total number of students in a local public school district who are classified as high-need. This analysis finds those districts that educate the greatest percentage of need students also educate the largest number of need students.

**Low-Income Students**

The largest concentrations of poverty are located in the state’s largest school districts—Bridgeport, Hartford, Waterbury, and New Haven. Outside those four cities, the districts serving the highest percentage of low-income students are: New Britain, Windham, New London, Norwich, Meriden, and Ansonia— in each of these districts, more than 65 percent of students are eligible for free or reduced price lunch. Over the past decade, the low-income population of those six districts has grown by an average total of 15.4 percent.

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Language Learners, Gandara & Rumberger conclude that “English Learners and other linguistic minority students, do require additional resources, above and beyond those of all other students” (p. 18).
English Language Learners

In the last decade, the percentage of Connecticut public school students who are ELLs has increased slightly, from five percent to six percent\textsuperscript{vi}. However, some districts have seen significant increases in the percentage of their students who are ELLs, while other districts have experienced no increase. The local public school districts serving the largest percentage of ELLs are: Windham, New London, Danbury, Hartford, and New Britain. Over the last 10 years, these districts have seen an average total increase in their ELL student population of 4.9 percent\textsuperscript{vii}. 

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Students with Disabilities

The percentage of students with disabilities (Special Education students) in Connecticut has increased from 12 percent to 13 percent over the past decade. Special Education students include students diagnosed as having: learning disabilities, intellectual disabilities, Attention-Deficit Hyperactivity Disorder, Autism, speech and language disabilities, emotional disturbances, and other qualifying medical diagnoses. Unsurprisingly given their size, the local public school districts serving the largest number of Special Education students are: Waterbury, Hartford, Bridgeport, and New Haven. However, the districts serving the highest percentage of Special Education students are: Sharon, Regional School District 11, Union, Colebrook, and East Windsor.
Mismatched Needs & Resources in Local School Districts

Connecticut’s public school districts are not funded equitably. Students are not funded according to their learning needs and, as a result, districts serving the highest-need students often do not receive funding that reflects the needs of their student population. This section examines the relationship between needs and resources in local public school districts, and highlights the inequity that occurs between low-need, wealthy districts and high-need, less affluent districts.

To examine the relationship between need and resources in Connecticut public school districts, the level of analysis is the total spent per pupil at each local public school district\(^2\). To measure district spending, this briefing uses the Net Current Expenditures per Pupil (NCEP) provided by the Connecticut State Department of Education. In Connecticut, districts are not required to report spending at the school level, or the amount spent per pupil on students with additional learning needs. Additionally, this analysis also only examines local public school districts because the Connecticut State Department of Education does not publish per pupil expenditures for any other type of local education agency—including regional education service centers (RESCs) or charter schools.

Included in this section are three charts detailing the relationship between the amounts of money spent per pupil in local school districts in 2015 and the level of student need present\(^{\text{ixx}}\). *(Data from the 2014-15 school year was used for the charts, as this is the most recent data year available.)*

The findings of this analysis are as follows:
- There is no correlation between the amount of money a district spent per pupil and the percentage of low-income students the district serves.
- There is no correlation between the amount of money a district spent per pupil and the percentage of ELL students the district serves.

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\(^2\) Per pupil spending is used in this analysis, as opposed to per pupil funding, because it provides a more accurate view of how much money goes toward a student’s education. In Connecticut, funding for education from state and local sources goes directly to the city government, rather than the local school district. The city then passes allocated education funding to the district. This pass through can sometimes cause a discrepancy between expected per pupil funding and actual per pupil spending. Therefore, we have used per pupil spending, as reported by the district, as a more accurate source of data.
This is the case, even though research, cited previously in this briefing, has detailed the need for additional funding for students of need to achieve at levels equivalent to their non-need peers.

However, there is a positive correlation between the amount spent per pupil and the level of Special Education need. This is most likely due to the fact that there is a correlation between district wealth and the Special Education identification rate.\textsuperscript{x1}

**Low-Income Students**

In Connecticut, there is no correlation between the percentage of low-income students a district serves and the amount it spends. The scatter plot below shows the relationship between the percentage of low-income students a district serves (on the horizontal axis) and per student spending (on the vertical axis). Some districts with very low percentages of low-income students have very high per student spending. These districts are in the upper left corner of the chart and are colored in orange. Oppositely, some districts that serve a high percentage of low-income students have lower per student spending. These districts are in the lower right of the chart and are colored in green.
**English Language Learners**

There is also no correlation between the percentage of ELL students a local school district serves and the amount it spends. The scatter plot below shows the relationship between the percentage of ELL students a district serves (on the horizontal axis) and its per student spending (on the vertical axis). Some districts with very low percentages of ELL students have very high per student spending. These districts are in the upper left corner of the chart and are colored in orange. Oppositely, some districts that serve a higher percentage of ELL students have lower per student spending. These districts are in the lower right of the chart and are colored in green.
Students with Disabilities

There is a slight positive correlation between the percentage of Special Education students in a local school district and the district’s spending per student. This is most likely due to the correlation between Special Education populations and the wealth of school districts. Districts spending high amounts per pupil with high Special Education population percentages are colored in red on the chart below. Smaller wealthy districts such as Cornwall, Hampton, Norfolk, Scotland, Sharon, Regional School District 11, North Canaan, and Regional School District 01 all have Special Education percentages above 15 percent and spend at least $19,000 per pupil. The districts listed above all serve less than 500 students, with Cornwall, Hampton, Norfolk, Scotland, and Sharon each serving less than 250 students in 2015.
Why the Mismatch?

The mismatch between student learning needs and district resources occurs because Connecticut is not funding school districts based on the learning needs of the students they serve. As a result, districts serving the highest-need students often do not receive funding that reflects the needs of their student population, making it difficult for those districts to provide their students with educational opportunities equal to those of their non-need peers.

The following section examines funding of local public school districts and the contributing factors to the current mismatch between needs and resources, and the inequity that exists between districts across the state.

How are Local Public School Districts Funded?

In fiscal year 2013, Connecticut public schools spent $10.1 billion dollars educating students\textsuperscript{xii}. The funding for educating these students is primarily split between state and local funding sources. According to the United States Census Bureau, federal funding sources accounted for just 4.3 percent of public elementary-secondary school system revenue in fiscal year 2013\textsuperscript{xiii}. State sources, on the other hand, accounted for 38.3 percent, and local sources accounted for 57.4 percent of school system revenues\textsuperscript{xiv}.

However, viewing this distribution at the aggregated state level hides significant variations in the share of school district revenue coming from state and local sources. For example, in fiscal year 2014, Bridgeport Public Schools received 21 percent of revenue from local sources and 71 percent from state sources, while Westport Public Schools received 96 percent of its revenue from local sources and three percent from state sources\textsuperscript{xv}.
State Education Aid to Municipalities to Fund Public Schools

The state began providing aid to cities and towns as a result of a 1977 Connecticut Supreme Court decision, Horton v. Meskill. In Horton (1977), the Court ruled an education funding system that allows "property wealthy" towns to spend more on education with less effort, is a system that impedes children’s constitutional rights to an equal education. As a result, Connecticut established the Education Cost Sharing (ECS) formula in 1988. The goal of this formula is to distribute state education aid to cities and towns in order to make up the difference between the cost of operating a local public school system and each community’s ability to pay those costs through local property tax revenue. Since 1988, the ECS formula has been revised and changed numerous times.

The ECS formula uses three variables to determine how much a community must raise from its property taxes to pay education costs, and how much the state should contribute to offset these costs:

- **The Foundation**: The average estimated cost of educating a child.
- **Need Students**: A calculation that considers the number of students within a town, including groups of students that are typically more costly to educate because they have greater needs.
- **Base Aid Ratio**: Each community’s ability to financially support education.

However, Connecticut stopped using the ECS formula in 2013 and is no longer funding public schools based on a formula.

Source of Local Revenue

Local sources accounted for more than 57 percent of school district revenue in fiscal year 2013. The only type of tax Connecticut cities and towns are able to levy to pay for public services is property taxes. However, cities and towns have varying amounts of property wealth. The amount of property wealth per resident in each municipality is the equalized net grand list per capita (ENGLPC), or the equalized amount of total taxable property list per resident. While the town of Greenwich had an ENGLPC of $677,437 in grand list year 2013, New Britain’s ENGLPC for the same year was $48,665, or almost 14 times less than Greenwich. The following map displays the ENGLPC of each town as a color gradient. The darker the color, the higher the ENGLPC for the municipality.
A second measure of town wealth is the median household income. When analyzing this measure, similar disparities are found. For example, Weston had a median household income of $207,262 in 2013, while Hartford’s median household income was $29,430\textsuperscript{xxii}. The map below details the wide disparity in median household income among Connecticut towns. The gradient is such that darker colors correspond to higher median household incomes.

**Median Household Income by Town - 2013**
As a result of the considerable variance in wealth between cities and towns, there are also significant differences in the property tax rates (known as “mill rates”) cities and towns must levy in order to fully fund public services, including funding the local public school district. For example, Putnam’s mill rate is 15.07, while Norwich’s mill rate is 38.55. The map below details the FY2015 mill rate for each Connecticut town. The darker the color, the higher the mill rate for the municipality. The map reveals a large number of towns with similar mill rates, with disparities appearing at the high end of the mill rates, located in Connecticut’s urban cities.
Conclusion
While overall enrollment has decreased by approximately 34,500 students over the last 10 years, Connecticut’s public schools continue to experience an increase in higher-need students. Growth in low-income and ELL student populations, as well a stagnant percentage of Special Education students, coupled with the varying ability of communities to pay local education costs and the lack of responsiveness of state and local funding sources, has resulted in a consistent mismatch between district needs and district resources.

This mismatch is the result of several contributing factors and Connecticut’s overall school finance system, which is not based on student learning needs. The lack of a funding method that fully accounts for student needs has created an inequitable system, which hinders districts with larger, higher-need populations from providing their students with the same opportunities to succeed as districts that serve students with fewer learning needs.

To fix the funding inequity that exists among local public school districts and resolve the mismatch between student needs and resources, further research should focus on understanding and developing a fair funding system based on student learning needs that distributes state education dollars in a transparent, consistent, and predictable manner. As districts across Connecticut continue to experience growth in their higher-need student populations, inequity and mismatched needs and resources will also persist until districts are funded based on the needs of their students.
Endnotes


ii Ibid.

iii Ibid.

iv Ibid.

v Ibid.

vi Ibid.

vii Ibid.

viii Ibid.

ix Ibid.


xi The percentage of students identified as students with disabilities is negatively correlated (r = -0.36) with the percentage of district funding from local sources, a proxy for district wealth that is more consistently predictable than net current expenditures per pupil. Data sources: Connecticut State Department of Education. (2014). *2013-14 District Expenditures by Source*. Available from http://ctschoolfinance.org/data/connecticut-school-district-expenditures-by-revenue-source-2006-14.


xiv Ibid.


xvi Horton v. Meskill, 172 Conn. 615 (Conn. Sup. Ct. 1977)


xviii Ibid.


