



EDUCATION COMMISSION
OF THE STATES

School Funding Interim Commission Helena, Montana

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State Facility Funding Programs

- 11 states provide no capital funding to districts
- State Grants (25 states)
 - Pros:
 - Easy to administer
 - Can be equalized based on a district's wealth
 - Funds can be targeted
 - Cons:
 - Funding is not always predictable
 - While it can be equalized it often is not



State Facility Funding Programs

- A per- pupil amount in the funding formula (10 states)
 - Pros
 - Funding is equalized
 - Provides districts with flexibility
 - Cons
 - Funding is not targeted – either to districts or to programs
 - Assumes that all districts have the same capital needs



State Facility Funding Programs

Indirect State Capital Funding:

- Debt service grants (8 states)
- Bond guarantees (5 states)
- Loans (4 states)



State Capital Funding Examples Connecticut

- The state surveys districts every two years on their school facility needs
- Districts annually request funding for school facility projects
- The state ranks projects based on health/safety needs, school environment and capacity issues



State Capital Funding Examples Connecticut

- The legislature provides funding for grants from the states general fund
- Funding for the FY 2013-15 biennium is \$960 million
- This equates to approximately \$865 per student each year



State Capital Funding Examples Massachusetts

- **Needs assessment (2015)**
 - On-site assessment of 1,757 school buildings every 5 yrs
 - Charter school buildings (64) were not part of the study
 - 84% received a highest rating of 1 or 2
 - 2% (23 schools) received lowest ratings
- **Funding priorities**
 - Schools with lowest rating
 - Science labs
 - Vocational/technical program space



State Capital Funding Examples

Massachusetts

- **Commitment to funding**
 - Between 2004-2014 Massachusetts expended \$10.2 billion on school facilities
 - This equates to \$10,710 per student (\$974 annually)
 - State funding comes from a 20% earmark of the states 5% sales tax



State Capital Funding Examples Washington

- Due to litigation the state is required to provide facility funding to low-wealth school districts
- The state determines funding based on a projects approved size times a pre-set cost per square footage. The state then provides 20% to 100% of funding based on a district's wealth
- Priority is given to projects in low-wealth districts



QUESTIONS?



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Your education policy team.

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