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State of Rhode Island and Providence Plantations

Gina M. Raimondo
Governor

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EXECUTIVE ORDER

15-16

October 22, 2015

ESTABLISHING THE WORKING GROUP TO REVIEW
THE PERMANENT EDUCATION FOUNDATION AID FORMULA

WHEREAS, in 2010, the Education Equity and Property Tax Relief Act ("Act") was enacted in order to address (1) the need for an equitable distribution of resources among the state's school districts, (2) property tax relief, and (3) a predictable method of distributing education aid;

WHEREAS, the legislative intent of the Act was to create a funding formula designed to ensure educational opportunity to every student in each city or town on substantially equal terms;

WHEREAS, the funding formula created by the Act was designed around four core principles:

1. All children should have access to an adequate and meaningful education regardless of their residence or economic means;
2. A school funding system should treat property taxpayers equitably, limit the portion of school budgets financed by property taxes, and establish sufficient cost controls on spending;
3. The State should ensure that its school funding structure adequately reflects the different needs of students, and responds to educational inequities among the state's school districts; and

4. The state education funding system should provide a predictable amount and source of funding to ensure stability in the funding of schools;

WHEREAS, the foundation education aid formula consists of the sum of three elements: (1) the core instruction amount, (2) a 40% supplemental amount to support students meeting a state-established poverty threshold, and (3) a local community's ability to provide financial support to its schools;

WHEREAS, there is evidence to suggest that there are some differences in the costs borne by traditional public schools, by public charter schools, and by public career and technical education schools/programs; and

WHEREAS, the Act calls for a regular review of the manner of distributed state aid to ensure accuracy and equity.

NOW, THEREFORE, I, GINA M. RAIMONDO, by virtue of the authority vested in me as Governor of the State of Rhode Island and Providence Plantations, do hereby order as follows:

A. Working Group to Review the Permanent Education Foundation Aid Formula

1. There is hereby established the Working Group to Review the Permanent Education Foundation Aid Formula ("Working Group") that shall exist for the purpose of advising the Governor.
2. The members and chair(s) of the Working Group shall be appointed by the Governor and shall serve at the pleasure of the Governor. The membership shall include, but not be limited to, stakeholders with expertise in areas such as:
 - a. The current state funding formula;
 - b. School and district operations, finance, and budgeting;
 - c. Uniform Chart of Accounts (UCOA);
 - d. School and district governance;
 - e. Municipal finance;
 - f. Teaching and learning, including those with a particular focus on special education, English language learners, and career and technical education;
 - g. Education policy and research;
 - h. Business and finance; and
 1. Other relevant areas.
3. The Working Group shall engage and solicit input from a broad and diverse range of groups, organizations, and individuals.

B. Cooperation with the Working Group

1. All departments, offices, boards, and agencies of the State shall provide assistance and cooperation to the Working Group, including use of state facilities, which may be necessary to fulfill the purposes of this Executive Order.
2. All departments, offices, boards, and agencies of the state shall provide staff support necessary for the Working Group.

C. Duties and Purpose

1. The Working Group shall engage in a review of relevant UCOA data to ascertain legitimate, quantifiable, and structural differences in expenses incurred across public school types.
2. The Working Group shall review the degree to which the funding formula is functioning as intended, when examined against expenditure and revenue data that was not available to inform its design, with a particular focus on the categorical programs; funding for students with special needs, English language learners, and career and technical education; and any quantifiable differences in operating expense between traditional public schools and public charter schools.
3. The Working Group shall identify trends in expenditures or revenue that may have a bearing on the overall adequacy of public school funding at the state and/or municipal level.
4. The Working Group shall examine the relationship between investments, expenditures, and multiple measures of school district outcomes and determine whether taxpayer investment in public education occurs in the most efficient manner for the greatest possible benefit to our students, families, and communities.
5. The Working Group shall engage key stakeholders with the purpose of understanding their experiences with the aspects of the funding formula related to the categorical spending accounts and other types of funding complementary to the school aid formula, with a focus on refinements that would enhance equity, adequacy, innovation, fairness, and predictability.
6. The Working Group shall review the current approaches for the funding of public charter schools and their unique governance, mission, academic and financial profiles.
7. The Working Group shall review educational funding policies in other states with a focus on prudent, sustainable, and fair approaches to maintaining a diverse portfolio of public school types that meet the needs of all learners.

8. The Working Group's meetings shall be open public meetings held in various locations throughout Rhode Island in order to engage the public and to ensure transparency of process.
9. The Working Group shall establish parameters and mechanisms for the submission of proposals and recommendations by stakeholders and other interested parties. Such proposals shall be evaluated to determine if they can be feasibly implemented and, if so, the benefits to public education that may be realized from each proposal and recommendation.
10. The Working Group shall begin its work immediately. The Working Group shall submit a draft report to the Governor of its initial findings and recommendations on or before January 1, 2016 and shall continue its work thereafter.

This Executive Order shall take effect immediately.

So Ordered:

A handwritten signature in black ink, appearing to read "Gina Raimondo", written over a horizontal line.

Gina M. Raimondo
Governor

Dated: 10/22/15