

July 28, 2021

As part of the state budget for fiscal years 2022 and 2023,^A the Connecticut General Assembly made several changes to the Education Cost Sharing (ECS) formula, which is used to distribute approximately \$2 billion annually in state education funding to local and regional public school districts. One of the changes made was to the formula's Regional District Bonus, which directs additional state funding to towns that send their students to regional school districts.

The adopted state budget expands the types of districts eligible for the Regional District Bonus, and increases the amount of funding per student for towns that send students to regional school districts or endowed academies. This document provides an overview of these changes to the Regional District Bonus, and answers some of the most common questions about this component of the ECS formula.

What is the Regional District Bonus?

The Regional District Bonus is a component of the ECS formula that provides additional funding to towns that send students to a regional school district. The Regional District Bonus is scaled based on the number of student grades educated by the regional school district. This means a town that sends students to a regional school district that educates kindergarten through 12th grade students would receive more funding from the Regional District Bonus than a town that sends students to a regional high school, which educates 9th grade to 12th grade students.

What is the new method for calculating the Regional District Bonus?

As part of the changes made in the state budget for FYs 2022 and 2023, towns will now receive **\$100 for each student and each grade** sent to a regional school district. Additionally, towns will receive plus \$100 for each student and each grade sent to one of Connecticut's three endowed academies: The Gilbert School, Norwich Free Academy, and Woodstock Academy.

For example, a town sending 10 students to a regional high school (four grades) would receive **\$100 x 10 students x 4 grades = \$4,000**. The Regional District Bonus is calculated prior to the ECS phase-in, which means this example town would not receive the entire \$4,000 prior to the ECS grant being fully funded.

^A Unless otherwise cited, all figures and policies referenced in this document are sourced from Conn. Acts 21-2 (June Special Session).

How does the new calculation differ from the previous method?

Previously, the Regional District Bonus prorated the \$100 for each student by the percent of total grades a regional school district provided. Additionally, students sent to endowed academies were not included in the Regional District Bonus.

Using the above example, under the previous method for calculating the Regional District Bonus, a town sending 10 students to a regional high school (four grades) would receive **$\$100 \times (4 \text{ grades} / 13 \text{ total grades}) \times 10 \text{ students} = \308** , which is far less than the \$4,000 bonus generated by the new calculation.^B

How do the changes to the Regional District Bonus impact the state budget?

The previous Regional District Bonus calculation resulted in a total state obligation of \$1.8 million for FY 2022, prior to the application of the ECS phase-in and any hold harmless provisions. The new calculation for the Regional District Bonus is projected to cost \$25.2 million for FY 2022 (prior to applying the ECS phase-in and any hold harmless provisions), which is an increase of \$23.3 million.

Of the \$25.2 million, the vast majority of the funding increase is attributable to the change in how the Regional District Bonus is calculated for students attending regional school districts (\$23.7 million) when compared to the amount attributable to the inclusion of students attending endowed academies (\$1.4 million).

How do the Regional District Bonus changes impact town eligibility and grants?

Prior to the changes made as part of the state budget for FYs 2022 and 2023, 47 towns were eligible for the Regional District Bonus. As a result of the budget including students attending endowed academies as part of the Regional District Bonus, 62 towns are now eligible for the Bonus and its additional funding.

^B Just like the new calculation of the Regional District Bonus, the previous version of the calculation was made prior to the ECS phase-in, which means this example town would not receive the entire \$308 prior to the ECS grant being fully funded.

Table 1 below shows the impact of the changes to the Regional District Bonus on town ECS grants. Please note that only towns eligible under the previous or new calculations of the Regional District Bonus are included in this table.

Table 1: Town Impacts of Change to Regional District Bonus Calculation

Town Name	Previous Law		Adopted Budget for FYs 2022 and 2023					Change
	Students Sent to Regional District (10/2020)	Regional District Bonus	Students Sent to Regional District (10/2020)	Regional District Bonus	Students Sent to Endowed Academy (10/2020)	Regional District Bonus from Acads.	TOTAL Regional District Bonus Incl. Academies	Change in Bonus (Prior to Application of Phase-In)
Andover	234	\$10,799	234	\$140,400	0	\$0	\$140,400	\$129,601
Ashford	165	\$5,077	165	\$66,000	0	\$0	\$66,000	\$60,923
Barkhamsted	279	\$12,876	279	\$167,400	0	\$0	\$167,400	\$154,524
Beacon Falls	725	\$72,500	725	\$942,500	0	\$0	\$942,500	\$870,000
Bethany	390	\$17,999	390	\$234,000	0	\$0	\$234,000	\$216,001
Bethlehem	363	\$36,300	363	\$471,900	0	\$0	\$471,900	\$435,600
Bozrah	0	\$0	0	\$0	63	\$25,200	\$25,200	\$25,200
Bridgewater	112	\$11,200	112	\$145,600	0	\$0	\$145,600	\$134,400
Brooklyn	0	\$0	0	\$0	202	\$80,800	\$80,800	\$80,800
Burlington	1,493	\$149,300	1,493	\$1,940,900	0	\$0	\$1,940,900	\$1,791,600
Canaan	34	\$1,046	34	\$13,600	0	\$0	\$13,600	\$12,554
Canterbury	0	\$0	0	\$0	147	\$58,800	\$58,800	\$58,800
Chaplin	105	\$4,846	105	\$63,000	0	\$0	\$63,000	\$58,154
Chester	201	\$9,276	201	\$120,600	0	\$0	\$120,600	\$111,324
Colebrook	89	\$4,107	89	\$53,400	0	\$0	\$53,400	\$49,293
Columbia	0	\$0	0	\$0	1	\$400	\$400	\$400
Cornwall	29	\$892	29	\$11,600	0	\$0	\$11,600	\$10,708
Deep River	297	\$13,707	297	\$178,200	0	\$0	\$178,200	\$164,493
Durham	956	\$95,600	956	\$1,242,800	0	\$0	\$1,242,800	\$1,147,200
Eastford	0	\$0	0	\$0	43	\$17,200	\$17,200	\$17,200

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Easton	414	\$12,739	414	\$165,600	0	\$0	\$165,600	\$152,861
Essex	353	\$16,291	353	\$211,800	0	\$0	\$211,800	\$195,509
Franklin	0	\$0	0	\$0	49	\$19,600	\$19,600	\$19,600
Goshen	341	\$34,100	341	\$443,300	0	\$0	\$443,300	\$409,200
Haddam	1,137	\$113,700	1,137	\$1,478,100	0	\$0	\$1,478,100	\$1,364,400
Hampton	61	\$2,815	61	\$36,600	0	\$0	\$36,600	\$33,785
Hartland	0	\$0	0	\$0	1	\$400	\$400	\$400
Harwinton	763	\$76,300	763	\$991,900	0	\$0	\$991,900	\$915,600
Hebron	640	\$29,536	640	\$384,000	0	\$0	\$384,000	\$354,464
Kent	44	\$1,354	44	\$17,600	0	\$0	\$17,600	\$16,246
Killingworth	739	\$73,900	739	\$960,700	0	\$0	\$960,700	\$886,800
Lisbon	0	\$0	0	\$0	122	\$48,800	\$48,800	\$48,800
Lyme	238	\$23,800	238	\$309,400	0	\$0	\$309,400	\$285,600
Mansfield	525	\$16,154	525	\$210,000	0	\$0	\$210,000	\$193,846
Marlborough	489	\$22,567	489	\$293,400	0	\$0	\$293,400	\$270,833
Middlebury	1,208	\$120,800	1,208	\$1,570,400	0	\$0	\$1,570,400	\$1,449,600
Middlefield	494	\$49,400	494	\$642,200	0	\$0	\$642,200	\$592,800
Morris	218	\$21,800	218	\$283,400	0	\$0	\$283,400	\$261,600
New Hartford	450	\$20,768	450	\$270,000	0	\$0	\$270,000	\$249,232
Norfolk	72	\$3,323	72	\$43,200	0	\$0	\$43,200	\$39,877
North Canaan	106	\$3,262	106	\$42,400	0	\$0	\$42,400	\$39,138
Norwich	0	\$0	0	\$0	1,462	\$584,800	\$584,800	\$584,800
Old Lyme	1,044	\$104,400	1,044	\$1,357,200	0	\$0	\$1,357,200	\$1,252,800
Orange	1,095	\$50,534	1,095	\$657,000	0	\$0	\$657,000	\$606,466

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Pomfret	0	\$0	0	\$0	157	\$62,800	\$62,800	\$62,800
Preston	0	\$0	0	\$0	158	\$63,200	\$63,200	\$63,200
Prospect	1,312	\$131,200	1,312	\$1,705,600	0	\$0	\$1,705,600	\$1,574,400
Redding	434	\$13,354	434	\$173,600	0	\$0	\$173,600	\$160,246
Roxbury	192	\$19,200	192	\$249,600	0	\$0	\$249,600	\$230,400
Salisbury	59	\$1,815	59	\$23,600	0	\$0	\$23,600	\$21,785
Scotland	81	\$3,738	81	\$48,600	0	\$0	\$48,600	\$44,862
Sharon	43	\$1,323	43	\$17,200	0	\$0	\$17,200	\$15,877
Southbury	2,359	\$235,900	2,359	\$3,066,700	0	\$0	\$3,066,700	\$2,830,800
Sprague	0	\$0	0	\$0	79	\$31,600	\$31,600	\$31,600
Union	0	\$0	0	\$0	34	\$13,600	\$13,600	\$13,600
Voluntown	0	\$0	0	\$0	52	\$20,800	\$20,800	\$20,800
Warren	121	\$12,100	121	\$157,300	0	\$0	\$157,300	\$145,200
Washington	257	\$25,700	257	\$334,100	0	\$0	\$334,100	\$308,400
Wilmington	179	\$5,508	179	\$71,600	0	\$0	\$71,600	\$66,092
Winchester	0	\$0	0	\$0	429	\$257,400	\$257,400	\$257,400
Woodbridge	703	\$32,443	703	\$421,800	0	\$0	\$421,800	\$389,357
Woodbury	993	\$99,300	993	\$1,290,900	0	\$0	\$1,290,900	\$1,191,600
Woodstock	0	\$0	0	\$0	449	\$179,600	\$179,600	\$179,600
Totals	22,636	\$1,824,649	22,636	\$23,720,700	3,448	\$1,465,000	\$25,185,700	\$23,361,051