COMPARATIVE SCHOOL FINANCE DATA, NEW ENGLAND STATES vs. CALIFORNIA

Steven J. Weiss and Deborah Driscoll

The state Supreme Court in California and Federal courts in Minnesota and Texas have found that programs for financing public schools in those states are unconstitutional. In the wake of these decisions, state legislatures and interested citizens across the nation have good reason to re-examine their own education finance systems. Dozens of new lawsuits are in process in all parts of the country, including New England.

The courts recognized that unacceptable intra-state variations in educational quality and in local school tax burden stem essentially from over-reliance on the local property tax for financing schools. These disparities are the inevitable result of the existing combination of large inter-district differences in the school tax base and state school aid programs that do not achieve significant equalization. The courts prescribed no specific remedies; they simply held that a school finance system which effectively ties educational spending to local wealth (i.e. the local property tax base in practice) is invalid.[1]

The close ties between local property values and disparities in district school spending levels and tax rates have previously been documented for the New England states, together with a critical analysis of existing school finance systems.[2] The purpose of this brief paper is to present some summary data comparing school finance disparities and state school aid programs in the New England states and California.

Mr. Weiss is an Assistant Vice President and Economist, Federal Reserve Bank of Boston. Miss Driscoll is a Research Assistant, Federal Reserve Bank of Boston.

[1]The winning constitutional standard that "the quality of public education may not be a function of wealth other than the wealth of the state as a whole," was originally proposed by John E. Coons, William H. Clune III, and Stephen D. Sugarman, "Educational Opportunity: A Workable Constitutional Test for State Financial Structures," *California Law Review*, Vol. 57 (April, 1969), pp. 338-70, and *Private Wealth and Public Education*, Harvard University Press, Cambridge, 1970.

[2]Steven J. Weiss, *Existing Disparities in Public School Finance and Proposals for Reform*, pp. 10-42, Research Report No. 46, Federal Reserve Bank of Boston, February, 1970.

Statistical Profile of Disparities

Statistics on school tax rates, expenditures per pupil, state aid per pupil, and local "fiscal capacity" per pupil (adjusted per pupil local tax base) were compiled for every school district in the New England states and California.[3] In order to facilitate comparisons among the states, the individual districts within each state were arranged in order from "poorest" to "wealthiest" according to local "fiscal capacity" per pupil, and separated into decile groups.[4] Then, for every decile group, the actual median value for each statistic was identified and expressed as a *relative* value by comparing it to the median value for the state as a whole. The relative figures provide index ratios, which are most useful for comparative purposes. In the following pages these statistics are presented for each state. All the actual and relative figures are given in tabular form, and the relative figures on school tax rates and spending levels are charted.

The state-by-state data reveal that disparities are as pervasive among the New England states as in California, and, with minor exceptions, at least as severe in New England. The fundamental cause of inequities in school finance is the variation in local fiscal capacity, or the available local tax base. The extent of this variation in California is indicated by the fact that there is a 6-to-1 ratio between median "modified assessed valuation" per pupil in the "wealthiest" districts (10th decile group) and in the "poorest" districts (1st decile group). The comparable ratios are even greater for four of the six New England states (Maine, Massachusetts, New Hampshire, and Vermont), reaching almost 17-to-1 in Maine. Similar comparisons of disparities in school tax rates and expenditures per pupil can also be made by using data in the tables. The figures suggest, for example, that differences in per pupil expenditure among school districts are comparable to those in California and even greater in Connecticut and Maine. Compared with California, tax rate inequities appear even more severe in every New England state except Rhode Island.

The strong statistical relationship between differences in tax base and variations in local school expenditures per pupil and school tax rates is indicated by the simple correlations between district "fiscal capacity" per pupil and per pupil expenditures and school tax rates, respectively, as shown in Table VIII.

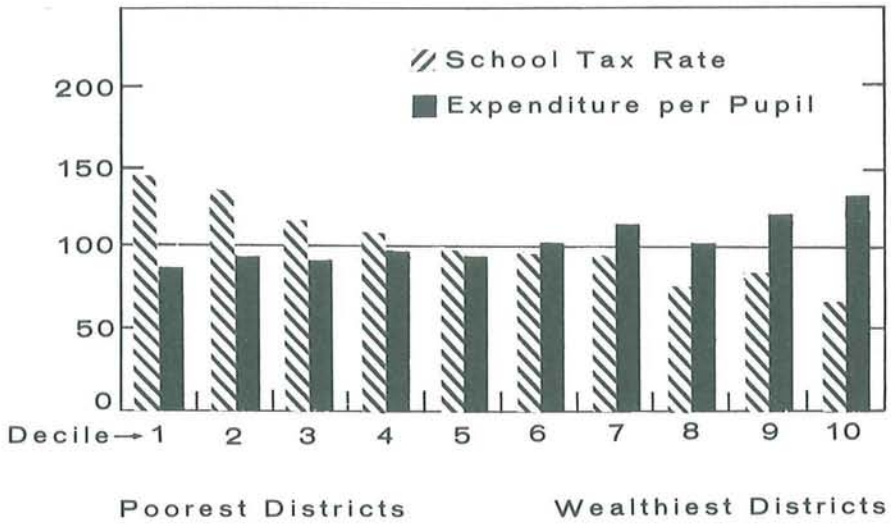
[3]Sources, definitions, and methods of deriving the figures are described in the Appendix.

[4]Except in the case of Rhode Island, where the small number of school districts required grouping by quintiles rather than by deciles.

Chart 1

Disparities in Public School Finance, Connecticut, 1969-70

Relative Values of School Tax Rates and Expenditure per Pupil by Decile Groups According to District Fiscal Capacity per Pupil (Index of 100=state median)



Source: Table I

TABLE I

STATISTICAL DATA* FOR CONNECTICUT, 1969-70

Decile	School Tax Rate (mills)	Expenditure per Pupil ($)	State Aid per Pupil ($)	Fiscal Capacity per Pupil ($ thous.)
1	22.77	656.39	234.96	17.96
2	21.20	708.10	233.24	21.76
3	18.10	702.41	228.22	24.74
4	16.86	733.10	223.28	27.97
5	15.46	732.29	223.32	32.02
6	15.12	765.61	227.82	34.98
7	15.09	852.81	232.62	39.79
8	11.98	777.03	228.93	44.69
9	12.88	912.76	231.01	50.72
10	10.56	1,017.65	231.34	66.36
State Median	15.65	760.28	229.52	33.60
		RELATIVE FIGURES**		
1	145.5	86.3	102.4	53.5
2	135.5	93.1	101.6	64.8
3	115.7	92.4	99.4	73.6
4	107.7	96.4	97.3	83.2
5	98.8	96.3	97.3	95.3
6	96.6	100.7	99.3	104.1
7	96.4	112.2	101.4	118.4
8	76.5	102.2	99.7	133.0
9	82.3	120.1	100.7	151.0
10	67.5	133.9	100.8	197.5

*The figures are median values for decile groups arranged according to the state's measure of district fiscal capacity per pupil based on "net grand list adjusted ratio of assessments to fair market value."

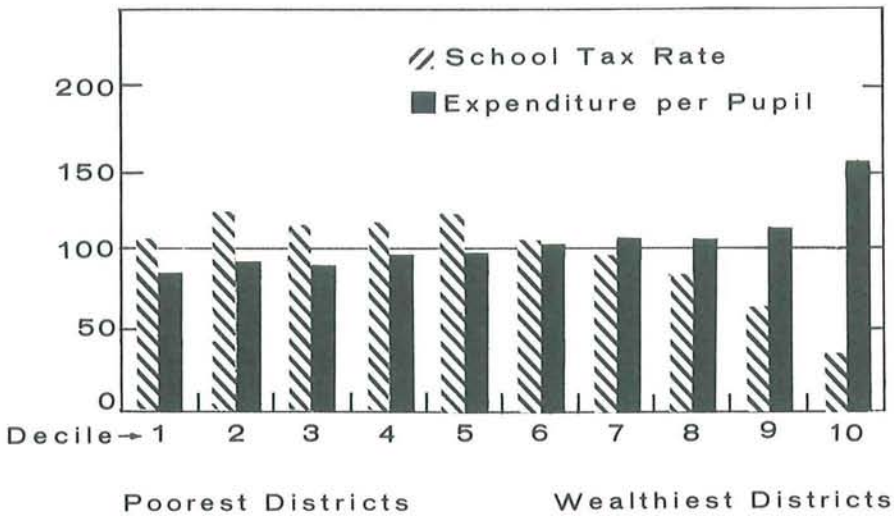
**Ratios of decile medians to the medians for the state as a whole.

Source: See the Appendix to this paper for sources, definitions, and methods of deriving the statistics.

Chart 2

Disparities in Public School Finance, Maine, 1969-70

Relative Values of School Tax Rates and Expenditure per Pupil by Decile Groups According to District Fiscal Capacity per Pupil (Index of 100=state median)



Source: Table II

TABLE II

STATISTICAL DATA* FOR MAINE, 1969-70

Decile	School Tax Rate (mills)	Expenditure per Pupil ($)	State Aid per Pupil ($)	Fiscal Capacity per Pupil ($ thous.)
1	41.00	514.48	410.89	4.59
2	47.15	555.42	325.94	6.31
3	44.30	539.93	269.68	8.26
4	45.55	572.10	226.88	9.53
5	46.50	590.98	204.76	11.27
6	39.40	603.00	157.56	13.15
7	37.80	615.98	130.92	17.22
8	31.80	625.89	106.68	21.94
9	24.65	689.91	84.20	31.94
10	13.40	932.91	122.82	76.77
State Median	38.25	601.94	197.95	12.23
		RELATIVE FIGURES**		
1	107.2	85.5	207.6	37.5
2	123.3	92.3	164.6	51.5
3	115.8	89.7	136.2	67.5
4	119.1	95.0	114.6	77.9
5	121.6	98.2	103.4	92.1
6	103.0	100.2	79.6	107.5
7	98.8	102.3	66.1	140.7
8	83.1	104.0	53.9	179.3
9	64.4	114.6	42.5	261.1
10	35.0	155.0	62.0	627.6

*The figures are median values for decile groups arranged according to the state's measure of district fiscal capacity per pupil based on "state valuation."

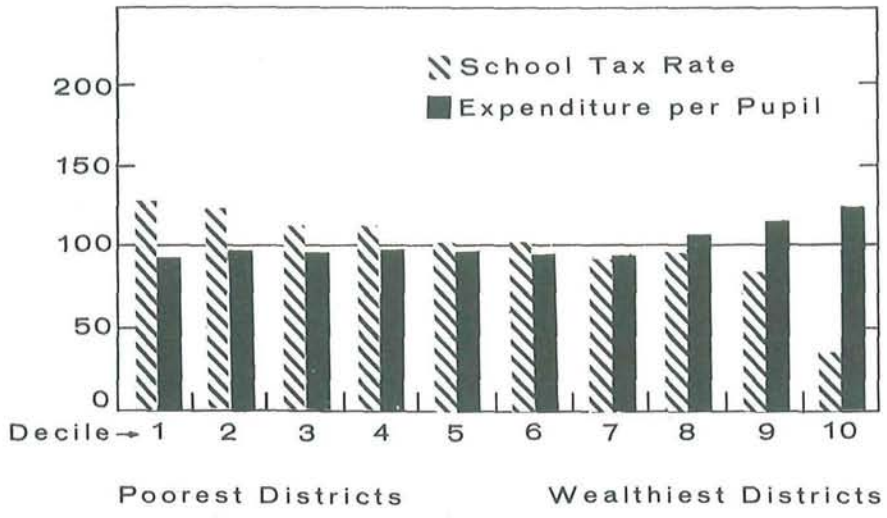
**Ratios of decile medians to the medians for the state as a whole.

Source: See the Appendix to this paper for sources, definitions, and methods of deriving the statistics.

Chart 3

Disparities in Public School Finance, Massachusetts, 1969-70

Relative Values of School Tax Rates and Expenditure per Pupil by Decile Groups According to District Fiscal Capacity per Pupil (Index of 100=state median)



Source: Table III

TABLE III

STATISTICAL DATA* FOR MASSACHUSETTS, 1969-70

Decile	School Tax Rate (mills)	Expenditure per Pupil ($)	State Aid per Pupil ($)	Fiscal Capacity per Pupil ($ thous.)
1	27.28	706.22	247.24	15.60
2	26.11	740.59	249.08	17.86
3	23.70	728.71	229.52	19.51
4	23.64	761.48	231.98	21.34
5	21.36	742.58	215.08	23.10
6	21.54	738.91	178.58	25.97
7	19.27	743.28	170.06	28.62
8	20.02	807.62	161.82	32.42
9	17.26	866.02	124.17	40.98
10	7.61	944.42	133.37	99.70
State Median	21.19	762.90	200.57	24.57
		RELATIVE FIGURES**		
1	128.7	92.6	123.3	63.5
2	123.2	97.1	124.2	72.6
3	111.8	95.5	114.4	79.4
4	111.6	99.8	115.7	86.8
5	100.8	97.3	107.2	94.0
6	101.7	96.8	89.0	105.7
7	90.9	97.4	84.8	116.5
8	94.5	105.9	80.7	131.9
9	81.4	113.5	61.9	166.8
10	35.9	123.8	66.5	405.7

*The figures are median values for decile groups arranged according to the state's measure of district fiscal capacity per pupil based on "equalized valuation."

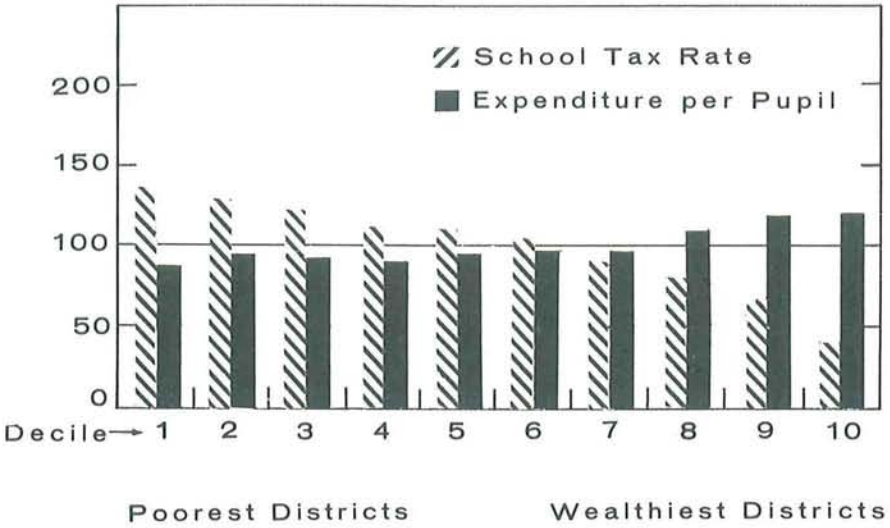
**Ratios of decile medians to the medians for the state as a whole.

Source: See the Appendix to this paper for sources, definitions, and methods of deriving the statistics.

Chart 4

Disparities in Public School Finance, New Hampshire, 1969-70

Relative Values of School Tax Rates and Expenditure per Pupil by Decile Groups According to District Fiscal Capacity per Pupil (Index of 100=state median)



Source: Table IV

TABLE IV

STATISTICAL DATA* FOR NEW HAMPSHIRE, 1969-70

Decile	School Tax Rate (mills)	Expenditure per Pupil ($)	State Aid per Pupil ($)	Fiscal Capacity per Pupil ($ thous.)
1	28.28	625.46	141.82	16.73
2	26.58	677.48	103.63	20.22
3	25.06	657.42	71.24	21.84
4	23.24	645.14	51.07	24.87
5	23.21	684.97	34.15	27.88
6	21.21	715.62	6.00	31.97
7	18.56	708.20	5.89	36.98
8	16.21	798.34	5.93	46.32
9	13.30	858.42	6.11	64.20
10	8.05	866.41	6.01	118.57
State Median	20.48	724.64	7.46	29.82
		RELATIVE FIGURES**		
1	138.1	86.3	1,901.1	56.1
2	129.8	93.5	1,389.1	67.8
3	122.4	90.7	955.0	73.2
4	113.5	89.0	684.6	83.4
5	113.3	94.5	457.8	93.5
6	103.6	98.8	80.4	107.2
7	90.6	97.7	79.0	124.0
8	79.2	110.2	79.5	155.3
9	64.9	118.5	81.9	215.3
10	39.3	119.6	80.6	397.6

*The figures are median values for decile groups arranged according to the state's measure of district fiscal capacity per pupil based on "equalized valuation."

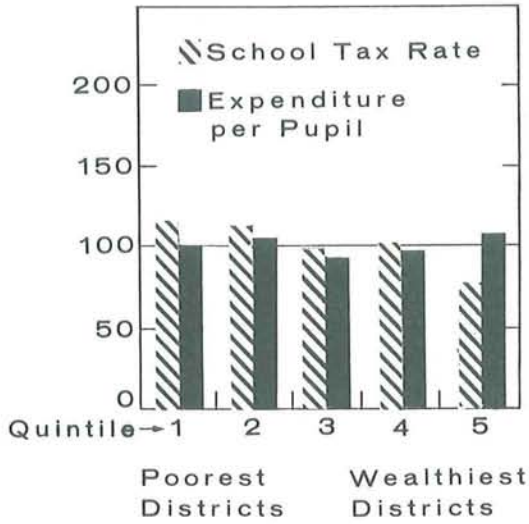
**Ratios of decile medians to the medians for the state as a whole.

Source: See the Appendix to this paper for sources, definitions, and methods of deriving the statistics.

Chart 5

Disparities in Public School Finance, Rhode Island, 1969-70

Relative Vaues of School Tax Rates and Expenditure per Pupil by Quintile Groups According to District Fiscal Capacity per Pupil (Index of 100=state mèdian)



Source: Table V

TABLE V

STATISTICAL DATA* FOR RHODE ISLAND, 1969-70

Quintile	School Tax Rate (mills)	Expenditure per Pupil ($)	State Aid per Pupil ($)	Fiscal Capacity per Pupil ($ thous.)
1	17.41	740.51	344.19	15.22
2	16.81	776.29	310.94	17.54
3	14.89	687.23	220.26	19.90
4	15.22	718.83	219.20	21.56
5	11.68	798.63	240.75	28.49
State Median	15.03	740.51	260.86	19.90
		RELATIVE FIGURES**		
1	115.8	100.0	131.9	76.5
2	111.8	104.8	119.2	88.1
3	99.1	92.8	84.4	100.0
4	101.3	97.1	84.0	108.3
5	77.7	107.8	92.3	143.1

*The figures are median values for quintile groups arranged according to the state's measure of district fiscal capacity per pupil based on "equalized weighted assessed valuation."

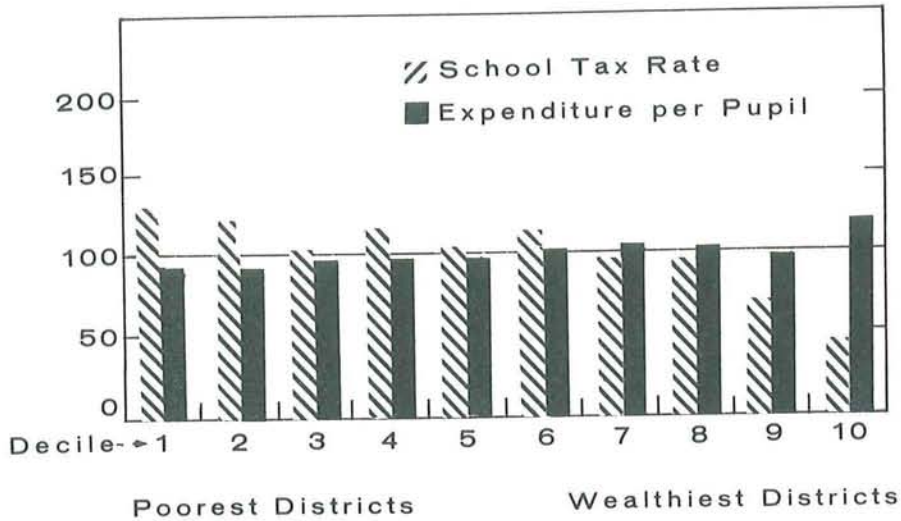
**Ratios of quintile medians to the medians for the state as a whole.

Source: See the Appendix to this paper for sources, definitions, and methods of deriving the statistics.

Chart 6

Disparities in Public School Finance, Vermont, 1969-70

Relative Values of School Tax Rates and Expenditure per Pupil by Decile Groups According to District Fiscal Capacity per Pupil (Index of 100=state median)



Source: Table VI

TABLE VI

STATISTICAL DATA* FOR VERMONT, 1969-70

Decile	School Tax Rate (mills)	Expenditure per Pupil ($)	State Aid per Pupil ($)	Fiscal Capacity per Pupil ($ thous.)
1	17.90	638.13	346.09	16.26
2	16.39	637.16	299.57	20.77
3	13.96	674.70	331.27	23.95
4	15.84	676.67	277.99	26.24
5	14.06	673.85	264.54	29.06
6	15.48	705.22	213.05	32.89
7	12.96	722.01	197.53	36.54
8	13.00	711.30	119.51	44.88
9	9.31	689.29	86.20	65.63
10	6.26	820.11	91.50	122.81
State Median	13.61	691.22	231.40	30.63
		RELATIVE FIGURES**		
1	131.5	92.3	150.9	53.1
2	120.4	92.2	129.5	67.8
3	102.6	97.6	143.2	78.2
4	116.4	97.9	120.1	85.7
5	103.3	97.5	114.3	94.9
6	113.7	102.0	92.1	107.4
7	95.2	104.5	85.4	119.3
8	95.5	102.9	51.6	146.5
9	68.4	99.7	37.3	214.3
10	46.0	118.6	39.5	400.9

*The figures are median values for decile groups arranged according to the state's measure of district fiscal capacity per pupil based on "equalized grand list."

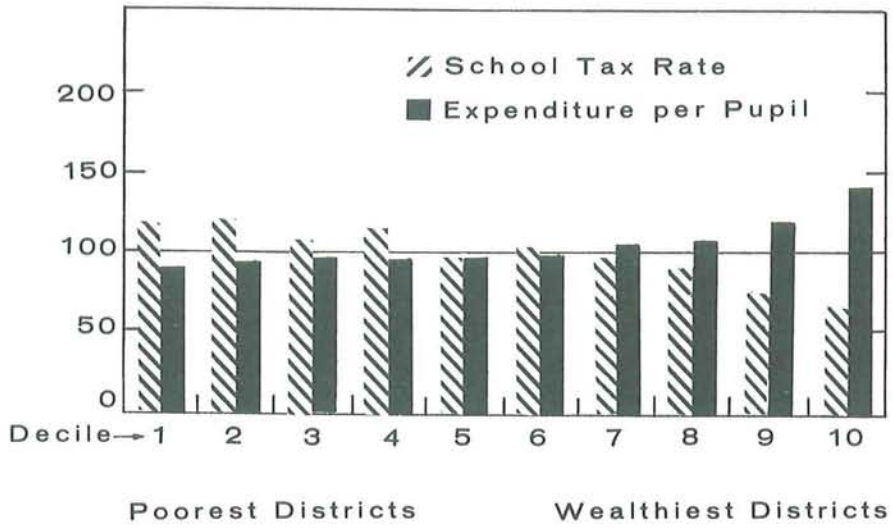
**Ratios of decile medians to the medians for the state as a whole.

Source: See the Appendix to this paper for sources, definitions, and methods of deriving the statistics.

Chart 7

Disparities in Public School Finance, California, 1969-70

Relative Values of School Tax Rates and Expenditure per Pupil by Decile Groups According to District Fiscal Capacity per Pupil (Index of 100=state median)



Source: Table VII

TABLE VII

STATISTICAL DATA* FOR CALIFORNIA, 1969-70

Decile	School Tax Rate (mills)	Expenditure per Pupil ($)	State Aid per Pupil ($)	Fiscal Capacity per Pupil ($ thous.)
1	41.98	671.91	404.04	5.79
2	42.84	693.39	362.60	7.29
3	38.61	704.41	325.73	8.87
4	38.90	703.36	298.50	10.31
5	34.39	711.65	278.40	11.53
6	36.58	734.90	255.44	12.69
7	34.08	766.92	235.37	14.76
8	32.05	789.17	210.28	16.89
9	26.40	890.81	193.53	22.73
10	23.60	1,039.21	189.77	35.37
State Median	35.25	737.44	276.65	12.06
		RELATIVE FIGURES**		
1	119.1	91.1	146.1	48.0
2	121.5	94.0	131.1	60.4
3	109.5	95.5	117.7	73.5
4	110.4	95.4	107.9	85.5
5	97.6	96.5	100.6	95.5
6	103.8	99.7	92.3	105.2
7	96.7	104.0	85.1	122.3
8	90.9	107.0	76.0	140.0
9	74.9	120.8	70.0	188.4
10	67.0	140.9	68.6	293.2

*The figures are median values for decile groups arranged according to the state's measure of district fiscal capacity per pupil based on "modified assessed valuation."

**Ratios of decile medians to the medians for the state as a whole.

Source: See the Appendix to this paper for sources, definitions, and methods of deriving the statistics.

TABLE VIII

CORRELATIONS BETWEEN SCHOOL DISTRICT FISCAL CAPACITY and EXPENDITURES and TAX RATES THE NEW ENGLAND STATES and CALIFORNIA

Simple Correlations:

State	Number of Districts in Sample	Per Pupil "Fiscal Capacity" and per Pupil Expenditure	Per Pupil "Fiscal Capacity" and School Tax Rate*
Connecticut	161	+.62	+.79
Maine	274	+.48	+.87
Massachusetts	351	+.62	+.92
New Hampshire	234	+.57	+.91
Rhode Island	38	+.65	+.78
Vermont	252	+.33	+.93
California	356	+.82	+.68

*Although local per pupil "fiscal capacity" and school tax rates are negatively related, these correlations all have positive signs because the tax rate variable was entered in reciprocal form for the purpose of calculating the correlation coefficients. This was done because the data suggested an inverse curvilinear "scatter," which is approximated better by the reciprocal form than by a direct linear correlation. Using the direct linear relationship the coefficients ranged from -.41 in Maine to -.73 in New Hampshire.

Source: See the Appendix for sources, definitions, and methods of deriving the statistics.

State School Aid Programs:
Design, Level of Support, and Impact

The disparities described above exist in spite of the ostensible intent of state legislatures to provide school aid in a way that will tend to equalize spending per pupil among districts and reduce differences in local school tax rates. Good intentions and rhetoric about equal educational opportunity are meaningless without a program of state aid for schools capable of achieving substantial equalization. There are two necessary ingredients for such a program: (1) a system designed to allocate school funds in a significantly equalizing manner, and (2) a large enough financial commitment by the state to make the system work.

Table IX provides indicators of some important *design* features of school aid programs in New England and California (columns 1-3). First, column 1 shows the number of different school aid programs in each state. It may be argued that it is better to have relatively few programs if the objective is to focus state aid on areas of greatest need. No New England state has nearly as many different aid programs as California, and Rhode Island and Vermont appear best by this measure. Second, a state school aid program is more likely to have equalizing effects as the proportion of total available funds allocated for general operating purposes increases (column 2). California appears best by this measure, followed closely by Rhode Island, while Connecticut and New Hampshire rank at the bottom of the list.

The most important single index of program design is probably the proportion of total school aid funds distributed by methods that are *intended* to have equalizing effects (column 3). However, equalizing intent too often falls victim to faulty program design, frequently the result of political compromise.[5] Therefore even this measure is not entirely reliable. For example, Massachusetts' major school aid program starts with a reasonably good basic design, but constraints on the school aid formula seriously reduce the otherwise possible equalizing effects. Connecticut is the only state covered in this study that distributes *none* of its school aid funds by methods explicitly intended to have equalizing effects. Connecticut's school aid program is probably the worst in the nation in terms of basic design. Among

[5]See Steven J. Weiss, "The Need for Change in State Public School Finance Systems," *New England Economic Review,* Federal Reserve Bank of Boston, January/February, 1970, pp. 11-17.

TABLE IX

STATISTICS ON STATE SCHOOL AID PROGRAMS THE NEW ENGLAND STATES and CALIFORNIA

	(1) Number of School Aid Programs	(2) % of Funds Allocated for General Purpose Use	(3) % of Funds Distributed by Equalizing Methods	(4) State Share (%) of Non-Federal Costs (1970-71)	(5) Simple Correlation Between Local per Pupil "Fiscal Capacity" & State Aid
Connecticut	12	51	0	34	+.06
Maine	10	63	88	35	-.16
Massachusetts	8	69	78	23	-.01
New Hampshire	8	33	33	10	-.47
Rhode Island	6	79	88	41	-.01
Vermont	5	73	73	35	-.43
New England Average	--	--	--	28	--
California	21	82	36	40	-.61
U.S. Average	--	--	--	44	--

Sources and Notes: Cols. (1) & (2) New England data are from David M. Hersey and Robert S. Ireland, "Supporting Public Schools in New England," (Newton, Mass.: New England School Development Council, January 1972), covering the school year 1970-71 for all states except New Hampshire (1971-72). California data are from Thomas L. Johns (compiler and ed.), *Public School Finance Programs, 1968-69*, U.S. Office of Education (Washington: 1969), OE-22002-69, covering school year 1968-69.

Col. (3) is based on the authors' interpretation of description and statistics in the source material for Cols. (1) & (2).

Col. (4) National Education Association, *Estimates of School Statistics, 1970-71*, Research Report 1970 - R 15, 1970.

Col. (5) is derived from data collected for this study. See the Appendix for sources, definitions, and derivations.

the other states studied, California and New Hampshire rank at the bottom of the list by this measure. Although the other four states look distinctly better, it is important to bear in mind the serious differences between equalization intent and actual effect.

In addition to aid programs in support of basic operations, every one of the seven states has categorical aid programs designed to provide partial or full funding for special purposes. These programs can aid equalization to the extent that they help districts pay for special needs that arise because of factors beyond the individual school district's control. These programs are not generally a large part of total school aid, however, and only very rarely are categorical aid funds distributed by a method that takes account of the district's ability to pay for schools.

No matter how well a state school aid program is designed, equalization will not be attained unless the state makes a large enough commitment of funds (including funds that may be raised through a statewide property tax and redistributed). Studies undertaken for the National Educational Finance Project have suggested that, regardless of program design, significant equalization is unlikely unless the state commitment totals at least 60 percent of public school costs. Column 4 of the table shows that neither California nor any one of the New England states approaches this level of state support or even exceeds the 1970-71 national average of 44 percent. Rhode Island and California rank highest among the states studied, and New Hampshire, with only 10 percent state support, ranks lowest in the Nation.

Column 5 shows the simple correlation between local per pupil "fiscal capacity" and state aid. (As a rough benchmark for evaluating these results, a perfectly equalizing aid program should yield a perfect negative correlation of -1.00 between these variables.) California's system appears "best" by this rather crude measure. Among the New England states, overall equalizing tendencies appear to be significant only in New Hampshire and Vermont, and even then the tendencies are not very pronounced. Rhode Island and New Hampshire provide an instructive comparison. According to all previous criteria, Rhode Island's program appears superior to New Hampshire's. Yet, the Rhode Island program involves a lot of wastage — significant amounts of state funds are allocated to relatively wealthy districts, as shown in Table V above. New Hampshire's program is deficient because the total state share of school support is very small, and only a small proportion of the total state funds is allocated to general purpose aid. Even so, the small amount of funds

available for general aid is well directed, i.e., channeled to districts with the greatest need. The wealthier New Hampshire districts get only very modest amounts of aid per pupil (see Table IV); in fact, fewer than half of the school districts in the state receive any aid at all under the basic foundation program.

School aid programs do not exist in a vacuum. While this statement may seem obvious, its full implications are important and often not appreciated. Substantial state aid for non-educational services is a crucial complement to any equalizing school aid. Without substantial general state aid to localities, equalization of school spending can never be fully effective unless there is *no* leeway for expenditures for education from locally raised funds. Ideally, general state aid should be fully equalizing, and the state should provide school and non-school aid in amounts that are proportional to the school and non-school shares of local expenditures. By adopting an "equalizing municipal grant" program, Massachusetts has made an important first step toward real equalization in this broader perspective.

Conclusion

School finance disparities in the six New England states are sufficiently similar to those prevailing in California to raise the threat of successful suits against the New England public school finance systems on constitutional grounds. Similarly, the very design of some of the New England systems may be open to challenge. The California court demonstrated a sophisticated understanding of how school finance systems actually work. Even though the New England state systems are different from California's, none is free of damaging defects.

APPENDIX: Sources, Definitions, and Methods of Deriving Figures

GENERAL NOTES:

1. The equalized school tax rate figures were *derived* for each state except New Hampshire and Maine, where state figures were used. Effective tax rates are calculated by subtracting state and Federal aid from total current expenditures and dividing the result by full market value of taxable property.
2. The number of pupils per district (or town) was determined on a resident pupil basis.
3. Expenditure figures were determined on the basis of current operational costs of the basic school program to the maximum extent possible, using readily available data. Similarly, the state aid figures exclude any non-current or non-basic program funds that are separately identifiable on a district basis.

Notes on the data for the seven individual states follow.

CONNECTICUT

Source: Connecticut Education Association, *Local Educational Finance, 1969-70,* 1971.

Resident Membership. This statistic is taken from Table II, "A.D.M. 1969-1970," pp. 8-13. This figure represents net resident average daily membership, defined as the number of pupils in the town or school district enrolled in public schools at the expense of such town or school district.

Current Expenditure. The figure used is "Total Current Expenses for Day Schools (Less Tuition)," from Table II. It includes administration, total instruction cost including supplies, attendance and health services, pupil transportation, operation and maintenance of schools, fixed charges, food services and student-body activities, and expenditures to other school districts. Also included are expenses for tuition-free summer schools. The sum of these items minus tuition receipts yields the current expenditure figure.

State Aid. "State Grants" from Table II is used for this statistic. This is a total of Grants for Assistance to Towns for Educational Purposes, the so-called general state aid, plus grants for trans-

portation. Also included are programs for special education, vocational education, school libraries, driver education, and grants for pupils residing on exempt state property.

Fiscal Capacity. Figures from Table I, "Net Grand List (1969)" pp. 1-7, were adjusted by the "Assessors' Percent" (assessment ratio) in the same table to yield Fair Market Value.

NOTE: Complete data for 14 towns that are part of six regional school districts are not available individually, but they are represented through consolidated data for the regional school district.

MAINE

Source: State of Maine, Department of Education, *Maine School Statistics, July 1, 1969 – June 30, 1970.*

Resident Membership. This statistic is the sum of elementary and secondary enrollment figures from Section I, "April 1, 1970 Resident Enrollment," pp. 1-17.

Current Expenditure. From Section II, pp. 18-35, the sum of elementary and secondary total operating expenditures is added to pupil transportation expenditure and tuition expenditure to yield total current expenditures.

State Aid. From Section I, "1970-71 Subsidy" represents the 1970-71 state general purpose aid figure. Subsidies for vocational education, evening schools, firemen's training, school construction aid, driver education, and school lunch programs are not included.

Fiscal Capacity. The appropriate figures appear in Section I, "State Valuation 1970." The valuation per pupil is based upon average resident pupil figures for October 1, 1969 to April 1, 1970.

Equalized Tax Rate. The tax rates were taken directly from Section II, "Total School Tax Rate Based on 1968 Valuation."

NOTE: Six towns have been omitted from this study because they had no enrolled pupils during the year of interest.

MASSACHUSETTS

Sources: Commonwealth of Massachusetts, Department of Education, (1) *Chapter 70 Distribution,* 1971.
(2) *Pupil Accounting Workbook, 1970-71.*
(3) *Per Pupil Expenditure, 1969-70.*
(4) *Educational Revenue and Expenditure Data – Fiscal Year '70.*

Resident Membership. A figure representing "School Attending Children" (as of October 1, 1969) is taken from (1). This figure includes any minor child in any school, kindergarten through grade 12, resident in the city or town. A figure for private school pupils, taken from (2), is subtracted out to yield the appropriate statistic.

Current Expenditure. A figure representing current operating expenditures per pupil in average membership for the fiscal year ending June 30, 1970 is taken from (3). The total figure taken includes regular day education, special education, and vocational day programs.

State Aid. A figure representing educational revenues per pupil in net average membership for the year ending June 30, 1970 is taken from (4) under "Revenues from the Commonwealth." This represents state school aid, including Chapter 70 aid, aid for transportation, aid to special education, school lunch support, and school building assistance.

Fiscal Capacity. "Latest Equalized Valuation" is taken from (1) and represents the equalized valuation of the aggregate property in a city or town subject to local taxation, as reported by the Tax Commissioner on December 31, 1970.

NOTE: No regional, vocational, or regional-vocational school districts were included in this study. Data for these districts are included for the individual towns making up these school districts.

NEW HAMPSHIRE

Sources: New Hampshire State Department of Education, Division of Administration,

(1) "1969-70 Average Daily Memberships based upon Attendance and Residence," 1971.
(2) "Cost Per Pupil in Residence of Current Expenses of Public Schools, by District, 1969-70."
(3) "Distribution of State Foundation Aid to School Districts for 1969-70," 1969.
(4) "Distribution to School Districts from the Proceeds of the New Hampshire Sweepstakes, 1969-70," 1969.
(5) "1968 Equalized Valuation Per Pupil, 1969-70, of New Hampshire School Districts," 1971.
(6) "Valuations, Property Tax Assessments, and School Tax Rates of School Districts, 1969-70," 1970.

Resident Membership. The total figure for "A.D.M. in Residence" is taken from (1).

Current Expenditure. This statistic is the sum of "Total Current Expenditures less Tuition Receipts" plus "Expenditures for Transportation," from (2).

State Aid. Aid figures from (3) and (4) are summed to arrive at a total state aid figure.

Fiscal Capacity. The appropriate figures are taken from (5), "1968 Equalized Valuation."

Equalized Tax Rate. "1969 School Tax Rate Per $1,000 of Equalized Valuation," is taken directly from (6).

NOTE: Six towns were consolidated into two cooperative districts for present purposes, and one town was eliminated because of inadequate data. Towns within the regional districts are represented individually.

RHODE ISLAND

Sources: (1) Rhode Island State Agency for Elementary and Secondary Education, *1969-70 Statistical Tables,* 1970.
(2) State of Rhode Island, Department of Community Affairs, *Annual State Report on Local Government Finances and Tax Equalization,* 1970.
(3) Rhode Island State Agency for Elementary and Secondary Education, *Selected School Statistics, 1969-70, 1970-71,* 1970.

Resident Membership. Resident average membership for each district is listed in (1), Table 8, p. 31. This represents the number of pupils for whom the district is financially responsible.

Current Expenditure. This figure is given in (1), Table 25, p. 66 as "Net Current Expenditures." It represents Total Current Expenditures less Tuition Received. Included are the expenditures attributed to the operation of day schools including transportation, tuitions paid out, and all other expenditures within the regulations governing the Foundation School Support Act.

State Aid. Table 27 in (1), p. 69, gives 1969-70 State Support Allotments for School Operations, and the "Total Allotments" figure is used to represent state aid. This includes the State Share for Foundation Enhancement Program, the Program for Disadvantaged Children, the Program for Handicapped Children, and a Miscellaneous category.

Fiscal Capacity. A figure representing "Equalized Weighted Assessed Valuation" is taken from (3), pp. 20-97, for the appropriate statistic. The weight is based upon a median family income adjustment factor.

NOTE: Two regional school districts were not included in the study. However, the individual towns making up these districts were included and the data for these towns reflect their proportions of the regional school statistics. The third regional district is represented as a region because data for the towns making up that district were not available individually.
The derived equalized tax rate was based upon an "Estimated Full Market Value" figure appearing in (2).

VERMONT

Source: Vermont State Department of Education, *1969-1970 Financial Statistics: Vermont School Systems,* Report 052.

Resident Membership. A "1970 A.D.M." figure, representing the resident membership, was taken from Table II, pp. 2-17.

Current Expenditure. This figure is taken from Table II. It represents the total expenditure figure minus deductions for Federal and state funds, tuition and transportation receipts from other districts, and a miscellaneous category.

State Aid. This item is the sum of "General State Aid" and "State Vocational Aid," taken from Table IV, pp. 38-55.

Fiscal Capacity. This figure is represented in Table II by "Equalized Grand List" which is 1 percent of fair market value of all taxable property in each school district. It was multiplied by 100 to arrive at full market value.

NOTE: No union school districts were included in the study. The towns making up these districts are represented individually and the data for these towns include their proportion of union school district figures.

CALIFORNIA

Source: California State Department of Education, *California Public Schools: Selected Statistics, 1969-70,* 1971.

Resident Membership. This is the sum of elementary and high school figures for "1969-70 Second Period Average Daily Attendance" taken from Table IV-11, pp. 85-117.

Current Expenditure. This is the "Current Expense per Unit of A.D.A." figure appearing in Table IV-11. It includes administration, instruction, health services, pupil transportation, operation of plant, and maintenance of plant. These categories are part of the General Fund expenditures which are common to all operating school districts.

State Aid. Table IV-11 presents figures for "State Aid per Unit of A.D.A." to yield this statistic.

Fiscal Capacity. The figure used was "1969-70 Modified Assessed Valuation" taken from Table IV-11. The assessed valuation of individual counties is modified by the "Collier Factor" which reflects the relationship of the county assessment levels to the statewide average assessment level.

NOTE: Data appearing in Table IV-11 are divided into Unified, High School, and Elementary School Districts. In order to make the data comparable, a unified district was created for each high school district which includes the specific high school and each elementary school district within the high school district. This procedure overcomes the problem of otherwise comparing high school and elementary districts separately because of large differences in expenditures per pupil between the two types of districts. Thus, all data are represented on a unified or "created unified" basis.