



MASSACHUSETTS
Department of Elementary
and Secondary Education

Rural School Aid

Report to the House and Senate Committees on Ways and Means

Submitted pursuant to Chapter 126 of the Acts of 2022, line item 7061-9813.

December 30, 2023

Massachusetts Department of Elementary and Secondary Education

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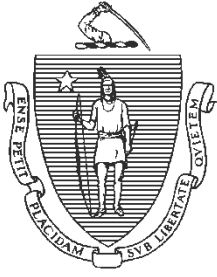
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Jeffrey C. Riley
Commissioner

December 30, 2023

Dear Members of the General Court:

I am pleased to submit this Report to the Legislature on *Rural School Aid*. The information provided in this report was compiled by the Department of Elementary and Secondary Education (Department) from state budget data, plans submitted by aid recipients, and expenditure data from school district End of Year Reports.

The recommendations in the report were developed by Department program staff based on their experience working on the program for the past six years.

If you have any questions about this report, please feel free to contact Rob O'Donnell, Director of School Finance at Robert.F.O'Donnell@mass.gov or at 781-338-6512.

Sincerely,

Jeffrey C. Riley
Commissioner of Elementary and Secondary Education

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Introduction

The Department of Elementary and Secondary Education (the Department) respectfully submits this report to the House and Senate Committees on Ways and Means on rural school aid pursuant to Chapter 126 of the Acts of 2022, line item 7061-9813:

For rural school aid to eligible towns and regional school districts, excluding vocational schools, independent agricultural, technical schools and charter schools; provided, that a school district shall be eligible for rural school aid if a school district has a student density of not more than 35 students per square mile and an average annual per capita income of not more than the average annual per capita income for the commonwealth for the same period; provided further, that rural school aid shall be allocated equitably in the following priority order: (i) school districts serving less than 11 students per square mile; (ii) school districts serving not more than 21 students per square mile; and (iii) school districts serving not more than 35 students per square mile; provided further, that not later than February 1, 2023, any district receiving funds under this item shall submit a plan to the department of elementary and secondary education outlining steps the district will take to increase regional collaboration, consolidation or other efficiencies over the next 3 fiscal years; provided further, that not later than December 1, 2022, the department shall submit a report to the house and senate committees on ways and means detailing: (a) its recommendations for additional adjustments to the rural school aid calculation for fiscal year 2024 to improve the accuracy and equity of the student density component and the per capita income component; and (b) the calculation and planned distribution of funds to school districts; and provided further, that funds distributed from this item shall not be considered chapter 70 aid for the calculation of the minimum required local contribution for fiscal year 2024.

Rural school aid (line item 7061-9813) was initially funded in fiscal year 2019 at a level of \$1.5 million. Under the initial appropriation, 33 school districts (districts) were eligible for funding. The program was subsequently funded at \$3.5 million in fiscal year 2020, \$3.0 million in fiscal year 2021, \$4.0 million in fiscal year 2022, and \$5.5 million in fiscal year 2023. Over the same period the number of eligible districts grew from 47 to 65.

Rural school aid recipients

Eligibility for rural aid is currently based on two criteria: per capita income and student density. School districts were eligible for rural school aid in fiscal year 2023 if they had a student density of not more than 35 students per square mile and a per capita income less than the state average of \$54,355 based on Massachusetts Department of Revenue data.¹ After determining income eligibility, the Department calculates student densities (current foundation enrollment divided by district square mileage) and assigns districts that meet the density criteria to priority groups. In fiscal year 2023, there were three priority groups:

¹ In fiscal year 2022, the Department began using Department of Revenue data to determine per capita income. Previously, U.S. Census data was used.

- Priority 1 included districts that serve no more than 11 students per square mile.
- Priority 2 included districts that serve more than 11 and not more than 21 students per square mile.
- Priority 3 included districts that serve more than 21 and not more than 35 students per square mile.

Consistent with the line-item language, the Department set aside more of the available funding for Priority 1 districts, leaving the remaining balance for Priority 2 and 3 districts. The rural aid that the districts in each priority group receive is based on a prorated share of their Chapter 70 target aid. The Department allocated \$2.75 million of the available fiscal year 2023 funding for Priority 1 districts, \$1.75 million for Priority 2 districts, and \$1 million for Priority 3 districts.²

For all three groups, the Department calculated the target aid amounts for each district based on their current Chapter 70 aid, summed these amounts, and gave the districts in each priority group a prorated share of their target aid totals based on available funding. Priority 1 districts received a higher percentage of aid than priority 2 districts, and priority 1 and 2 districts received a higher percentage of aid than priority 3 districts.

As noted, 65 districts received rural aid in fiscal year 2023. Awards ranged from \$7,999 for Rowe to \$532,168 for Central Berkshire Regional School District, see Table 1 for the funding distributions for the last five years.

Table 1: Rural aid distributions, FY19–FY23

Org	District	FY19 (n=33)	FY20 (n=47)	FY21 (n=50)	FY22 (n=67)	FY23 (n=65)
0043	Brimfield	\$0	\$67,768	\$63,749	\$59,851	\$82,382
0068	Conway	\$0	\$0	\$0	\$8,151	\$14,611
0074	Deerfield	\$0	\$0	\$28,966	\$28,126	\$38,525
0098	Florida	\$10,029	\$17,357	\$13,230	\$9,978	\$26,847
0121	Hancock	\$4,679	\$8,129	\$7,598	\$8,247	\$11,916
0154	Leverett	\$0	\$0	\$0	\$10,056	\$15,846
0230	Pelham	\$0	\$0	\$0	\$6,889	\$9,192
0234	Petersham	\$7,124	\$14,746	\$13,519	\$13,628	\$23,200
0253	Rowe	\$3,913	\$5,916	\$5,536	\$5,111	\$7,999
0263	Savoy	\$11,336	\$22,595	\$12,895	\$4,774	\$13,719
0272	Shutesbury	\$0	\$34,282	\$25,019	\$22,847	\$30,967

² In fiscal year 2022, the Department allocated \$2 million of the available funding for Priority 1 districts, \$1.25 million for Priority 2 districts, and \$750,000 for Priority 3 districts. In fiscal year 2021, the Department allocated \$1.5 million of the available funding for Priority 1 districts, \$870,000 for Priority 2 districts, and \$630,000 for Priority 3 districts. In fiscal year 2020, the Department set aside \$1,750,000 of the available funding for Priority 1 districts, \$1,000,000 for Priority 2 districts, and \$750,000 for Priority 3 districts. In fiscal year 2019, DESE set aside \$1 million of the available funding for Priority 1 districts and \$500,000 for Priority 2 districts.

Org	District	FY19 (n=33)	FY20 (n=47)	FY21 (n=50)	FY22 (n=67)	FY23 (n=65)
0300	Truro	\$12,644	\$23,325	\$19,749	\$19,836	\$26,973
0306	Wales	\$36,480	\$55,101	\$49,168	\$49,205	\$75,174
0318	Wellfleet	\$7,431	\$11,573	\$10,815	\$11,216	\$19,645
0327	Westhampton	\$15,095	\$22,504	\$16,290	\$10,748	\$14,858
0337	Whately	\$0	\$0	\$0	\$9,369	\$14,898
0340	Williamsburg	\$0	\$0	\$0	\$37,232	\$49,533
0349	Worthington	\$0	\$0	\$11,821	\$10,466	\$15,442
0618	Berkshire Hills	\$21,275	\$46,036	\$38,981	\$105,274	\$154,940
0632	Chesterfield-Goshen	\$17,962	\$24,840	\$20,129	\$16,580	\$29,396
0635	Central Berkshire	\$246,056	\$395,150	\$336,916	\$359,344	\$532,168
0662	Farmington River	\$16,150	\$23,465	\$19,685	\$21,174	\$33,088
0670	Frontier	\$0	\$0	\$0	\$59,129	\$88,826
0672	Gateway	\$157,048	\$260,836	\$223,214	\$219,254	\$300,721
0683	Hampshire	\$0	\$0	\$0	\$109,247	\$134,143
0685	Hawlemont	\$23,096	\$34,645	\$27,643	\$24,294	\$35,130
0717	Mohawk Trail	\$132,932	\$244,156	\$192,644	\$161,077	\$262,497
0728	New Salem-Wendell	\$21,657	\$33,977	\$30,611	\$36,581	\$47,935
0750	Pioneer	\$92,593	\$157,654	\$123,612	\$116,848	\$175,088
0755	Ralph C. Mahar	\$183,774	\$291,982	\$247,192	\$260,024	\$362,430
0765	Southern Berkshire	\$0	\$0	\$0	\$70,159	\$101,911
0041	Brewster	\$0	\$0	\$0	\$19,879	\$27,944
0045	Brookfield	\$14,760	\$34,567	\$31,976	\$36,780	\$46,891
0063	Clarksburg	\$13,877	\$28,808	\$24,222	\$32,168	\$49,869
0085	Eastham	\$3,199	\$7,093	\$0	\$9,423	\$13,569
0091	Erving	\$4,153	\$8,702	\$7,654	\$9,566	\$12,539
0117	Hadley	\$0	\$0	\$0	\$7,878	\$30,172
0127	Hatfield	\$6,375	\$5,547	\$4,371	\$15,745	\$20,656
0135	Holland	\$7,461	\$18,969	\$14,694	\$14,258	\$25,933
0191	Monson	\$43,130	\$38,627	\$29,833	\$101,995	\$132,216
0223	Orange	\$51,458	\$117,085	\$97,140	\$110,214	\$174,503
0240	Plympton	\$0	\$12,514	\$12,272	\$13,506	\$22,629
0250	Rochester	\$0	\$0	\$0	\$38,711	\$58,122
0275	Southampton	\$0	\$0	\$0	\$35,817	\$42,596
0289	Sunderland	\$4,840	\$10,857	\$6,997	\$15,151	\$12,536
0605	Amherst-Pelham	\$42,609	\$93,807	\$75,979	\$90,086	\$111,447

Org	District	FY19 (n=33)	FY20 (n=47)	FY21 (n=50)	FY22 (n=67)	FY23 (n=65)
0660	Nauset	\$0	\$0	\$0	\$57,890	\$81,045
0715	Mount Greylock	\$27,988	\$64,723	\$52,303	\$71,452	\$92,683
0753	Quabbin	\$119,758	\$242,603	\$212,420	\$261,905	\$379,603
0766	Southwick-Tolland-Granville	\$52,292	\$113,343	\$106,610	\$113,358	\$141,379
0770	Tantasqua	\$86,825	\$200,892	\$171,748	\$208,631	\$273,669
0077	Douglas	\$0	\$47,130	\$36,177	\$37,104	\$47,298
0111	Granby	\$0	\$0	\$0	\$24,168	\$27,375
0150	Lee	\$0	\$12,708	\$9,363	\$9,903	\$12,879
0215	North Brookfield	\$0	\$33,183	\$25,025	\$28,805	\$39,705
0287	Sturbridge	\$0	\$0	\$0	\$26,086	\$35,681
0331	Westport	\$0	\$23,841	\$18,465	\$22,851	\$31,548
0343	Winchendon	\$0	\$90,912	\$66,144	\$81,258	\$110,190
0603	Hoosac Valley	\$0	\$81,569	\$60,145	\$72,938	\$93,982
0610	Ashburnham-Westminster	\$0	\$96,328	\$78,182	\$89,702	\$121,856
0615	Athol-Royalston	\$0	\$118,896	\$97,446	\$113,416	\$163,225
0674	Gill-Montague	\$0	\$55,095	\$44,973	\$48,340	\$69,708
0720	Narragansett	\$0	\$72,572	\$57,747	\$63,992	\$92,798
0760	Silver Lake	\$0	\$0	\$47,952	\$58,972	\$71,203
0778	Quaboag	\$0	\$73,592	\$54,177	\$64,586	\$82,552
0224	Orleans	\$0	\$0	\$0	\$8,614	\$0
0700	Marthas Vineyard	\$0	\$0	\$0	\$100,134	\$0
0089	Edgartown	\$0	\$0	\$17,004	\$0	\$0
9999	State totals	\$1,500,000	\$3,500,000	\$3,000,000	\$4,000,000	\$5,500,000

District Progress Reports and Regional Efficiencies Plans

Rural school aid recipients each year have been required to submit regional efficiencies plans (herein also referred to as plans) detailing how they would undertake efforts to increase regional collaboration, consolidation, or other efficiencies, focusing on the next three fiscal years. The Department has informed districts that they could use their rural school aid awards to support these activities, but that they were not required to do so. The Department first collected these plans in February 2019 and required districts to submit progress reports on their plans by the end of the fiscal year. Progress reports and plans have been submitted in recent years by means of a survey.

For fiscal year 2023, the most recent year for which districts have submitted proposed regional efficiencies plans, districts reported their intent to use funds in the following general categories of activities:

- 66.2% of districts planned to convene internal discussions with district stakeholders to explore options for collaboration or regionalization with other school districts.
- 36.9% of districts planned to convene discussions with other districts to explore options for collaboration or regionalization with other school districts, including discussions on shared services for students with behavioral issues and creation of a therapeutic education program.
- 36.9% of districts planned to initiate shared service/staff agreements.
- 21.5% of districts planned to engage in other activities, such as expanded professional development offerings, collaboration with municipal partners, collaboration with regional organizations on career and technical education initiatives, collaboration to create a shared school psychologist position, and to explore after school, evening, and weekend class offerings.
- 15.4% of districts planned to fund studies to explore the establishment of a new regional school district or expansion of an existing regional school district.

The most recent survey responses included progress reports that indicated that recipient districts used fiscal year 2022 rural school aid in the following broad categories:

- 81.3% of recipients supported ongoing expenses, in place of other revenues,
- 25% of recipients invested in new programs and services, and
- 23.4% of recipients used funds for capital investments.

Districts reported the following specific uses of rural school aid to the Department in a survey issued following the FY22 disbursement:

Table 2: Regional Efficiencies Progress Updates

School district(s)	FY22 reported use of rural school aid ³
Amherst-Pelham Regional	Support costs for the school district related to professional development and materials that benefit all students
Ashburnham-Westminster	Pay for digital learning coaches to increase the district’s use of technology in the classroom
Athol-Royalston Regional	Purchase instructional technology (Chromebooks) for the district
Berkshire Hills Regional	Support collaborative care to help connect families to community resources; for additional tutoring to accelerate learning and provide post-pandemic supports; and to support the efforts of the regional school district planning board

³ Note: The report includes FY22 (as opposed to FY23) because at the reporting deadline only FY22 reported uses were available.

School district(s)	FY22 reported use of rural school aid ³
Brimfield, Brookfield, Holland, and Wales (School Union 61 and Tantasqua Regional)	Updates and upgrades to technology that could not be funded from the general fund and, in the case of Wales, to add support staff
Brewster	Pay for a portion of the adjustment counselor's salary, which was needed to support students social emotional learning (SEL) needs after COVID, which allowed Brewster to share another adjustment counselor with Eastham Elementary and reduce costs down for both districts
Central Berkshire Regional	Building maintenance and capital improvements in the schools to help offset the costs to the district's member communities
Chesterfield-Goshen Regional	For staff development and recognition
Clarksburg	Support the shared technology director position with the other schools in the Northern Berkshire School Union
Douglas	Purchase iPads and Chromebooks
Erving, Leverett, Shutesbury, and New Salem-Wendell Regional (School Union 28)	Support the local budgets of these districts
Farmington River Regional	Repave parking lots, the basketball court, and the bus circle
Florida	Offset the cost of shared services such as the IT director, business manager, and related service providers
Frontier Regional, Deerfield, Conway, Sunderland, and Whately (School Union 38)	Purchase additional educational supplies and materials as well as miscellaneous operating expenses
Gateway Regional	Communications, administration, and operational costs, and for cost-free summer programming staff
Gill-Montague Regional	Purchase book vending machines as a reward for students to promote reading and technology purchases to support programs
Granby	Facility upgrades in the district's junior/senior high school
Hadley	Fund technology upgrades

School district(s)	FY22 reported use of rural school aid ³
Hampshire Regional	Support professional development for teachers, technology purchases, graduation expenses, and the refurbishment of the teacher's work and lunch space
Hancock	Fund a paraprofessional to work with a student, which allowed the student to continue in their neighborhood school
Hatfield	Professional development to support instructional practices
Hawlemont Regional	Fund a math interventionist that otherwise would have been eliminated due to budget cuts
Hoosac Valley Regional	Fund the regular replacement of leased laptops
Lee	Invest in software to improve dismissal procedures and to purchase remote meeting technology
Mohawk Trail Regional	For technology
Monson	Fund a full-time security officer to augment the capacity of the School Resource Officer; purchase instructional materials and technology, including assessments and curriculum to support special education students; and to share van transportation with Palmer to cut costs
Mount Greylock Regional	Add to social and emotional staff and programming, including organizing new classes, and to reorganize the district's maintenance and facilities department, including adding building level leads to all three schools and a campus-wide grounds lead custodian
Narragansett Regional	Upgrade a section of the HVAC system and upgrade internet switches and security cameras
Nauset Regional	Purchase instructional technology for the high school and to fund a new grant manager position to support district-wide initiatives in obtaining new sources of funds
North Brookfield	Organization and association fees (Southern Worcester County Educational Collaborative; Massachusetts Association of School Superintendents, French River Collaborative, and New England Association of Schools and Colleges); new Chromebooks; and projectors

School district(s)	FY22 reported use of rural school aid ³
Old Rochester Regional	Emergency repair of a Network Automation Engine (NAE) and a Java Control Engine (JCE)
Orange	Assist with operational expenses along with other teaching services
Pelham	Professional development and supplies
Petersham	Ongoing operational expenses (in place of other revenues)
Pioneer Valley Regional	Investments in technology hardware; mentoring to new administrators; and maintenance of buildings
Quabbin Regional	Purchase and install upgraded security cameras for the middle high school building to replace a 20-year-old system
Quaboag Regional	Special education tuition and instructional supplies
Ralph C. Mahar Regional	Facility repairs and technology upgrades
Rowe	Teacher and teacher assistant salaries; textbooks and technology; and professional development for teachers and teaching assistants related to social emotional learning (SEL)
Savoy	Support a shared technology director with the three other schools in the Northern Berkshire School Union
Silver Lake Regional and School Union 31 (Halifax, Kingston, and Plympton)	Improve emergency communications across the superintendency union and for network and technology improvements throughout the region
Southern Berkshire Regional	Investments in early college programming and internship programs; replacement of an HVAC system; participation in a regionalization study with Berkshire Hills; late bus transportation for students focusing on academic supports and enrichment; and professional development for staff
Southampton	Contracted services from Tate Behavioral
Southwick-Tolland-Granville Regional	Offset the cost of out-of-district vocational tuitions to Northampton Smith Vocational, where many students from the district are enrolled in the animal science and agricultural mechanics programs
Sturbridge	Additional long term substitute coverage needs

School district(s)	FY22 reported use of rural school aid ³
Tantasqua Regional	Fund facility repairs and improvements that could not be budgeted for and to fund additional classroom assistants
Truro	Support the district’s Farmer-in-the-School program; provide after school activities; fund stipends for mentors for new teachers; provide professional development; and purchase preschool materials
Wellfleet	Support the district’s Farmer-in-the-School Program; phonemic awareness and phonics materials; controlled-reading texts; reading instructional intervention licenses; and classroom library books
Westhampton	Support the salary of a teacher leader
Westport	Help with staffing at the elementary school
Williamsburg	Support a teacher's salary and to purchase new curriculum and instructional materials
Winchendon	Fund stipends and payroll expenses and for maintenance of buildings and facilities
Worthington	Convened discussions with district stakeholders and initiated shared service/staff agreements, including counseling and professional development with Hampshire Regional

Recommendations

Use three years of data from the Massachusetts Department of Revenue to determine income eligibility

In the first three year of the program, the Department determined eligibility for rural school aid using U.S. Census data on per capita income. However, the Census income data are estimates, and for over 40 Massachusetts districts the margins of error exceeded \$5,000 per capita.⁴ These estimates lacked the precision necessary to accurately identify districts above or below the income eligibility threshold because of the large margins of error. As an alternative, the Massachusetts Department of Revenue (DOR) produces per capita income data each year based on information reported on state tax returns. The Department began using DOR income data in fiscal year 2022 to improve the accuracy of the income eligibility criteria. This change also

⁴ U.S. Census, 2013-2017 American Community Survey 5-Year Estimates, Table B19301. The U.S. Census provides margins of error at the 90 percent confidence level. Source: U.S. Census, Per Capita Income, last accessed October 2019 at <https://www.census.gov/quickfacts/fact/note/US/INC910217>.

aligns the income eligibility determination for rural school aid with the Chapter 70 program, which uses DOR income data to determine local contribution requirements.

The Department would recommend that the legislature allow districts to qualify based on income data from any of the most recently available three years to address the impact that small changes in a district's income could have on their eligibility from year to year.

Maintain the student density threshold at 35 students per square mile and use three years of data to minimize the impact of year-over-year changes

The Department recommends that the program maintain the threshold of 35 students per square mile first established in the fiscal year 2019 supplemental budget. As in the previous recommendation, the Department recommends that the legislature allow districts to qualify based on density data from any of the most recently available three years to minimize the impact of small fluctuations from year to year.

Require districts to submit a short survey detailing how Rural School Aid was utilized at the end of each fiscal year instead of submitting a three-year plan every year in February

The legislature should streamline planning requirements for districts that receive rural school aid to reduce administrative burden and standardize the information that the Department collects. The program currently requires that districts submit three-year plans to the Department each year that they receive rural school aid. However, as densities and income levels tend to be stable from year to year and as our recommendations above would address any fluctuations that might arise, the Department does not expect that the group of eligible districts will change much over time, which makes it less necessary to collect three-year plans every year. Starting in fiscal year 2022, the Department began collecting these plans through an online survey that also includes general and specific questions that each district is required to answer on their use of the previous fiscal year's funds.

The Department recommends that the legislature consider eliminating the requirement that districts submit three-year plans and instead direct the Department to collect a short survey from participating districts at the end of each fiscal year to determine how rural school aid was used that year. This survey could also be used to gather updates on each district's efforts to improve efficiencies and promote shared services and regionalization; identify steps that the state can take to assist with these efforts; and report on the district's plans for the upcoming fiscal year.