

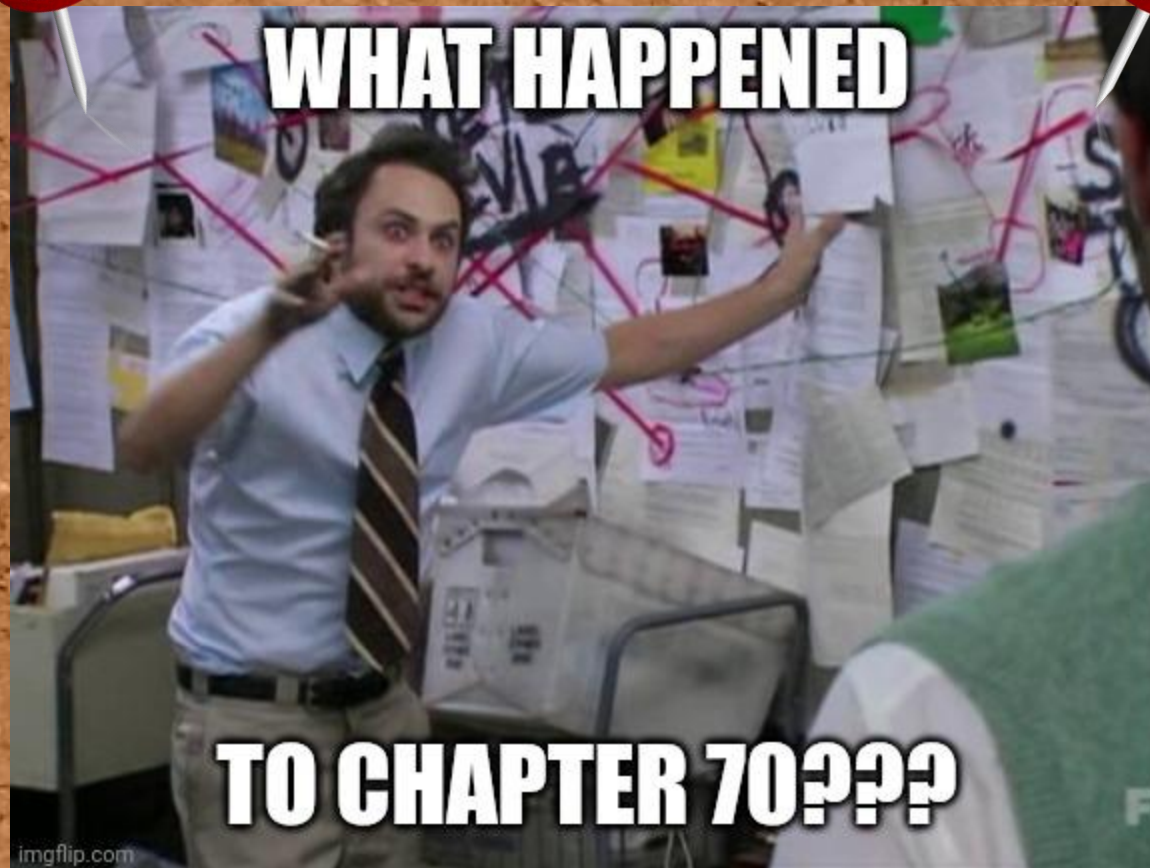
What

with

happened

Ch. 70?

An FY25
update
from MASC





WHAT HAPPENED

TO CHAPTER 70???

Expected
for
FY25

End of
ESSER



Fourth year
of
the Student
Opportunity
Act



Ending ESSER:

- ESSER I and II have been obligated and expended
- \$1.2M of ESSER II in late liquidation being spent out
- ESSER III: 52% of all funds claimed (\$860M)
- The state expects that a number of districts will want late liquidation authority for ESSER III.
- Districts have to have obligated funds by end of September, but would have 18 months to spend out with late liquidation.

(per DESE CFO Bill Bell as of January)



Student Opportunity Act:

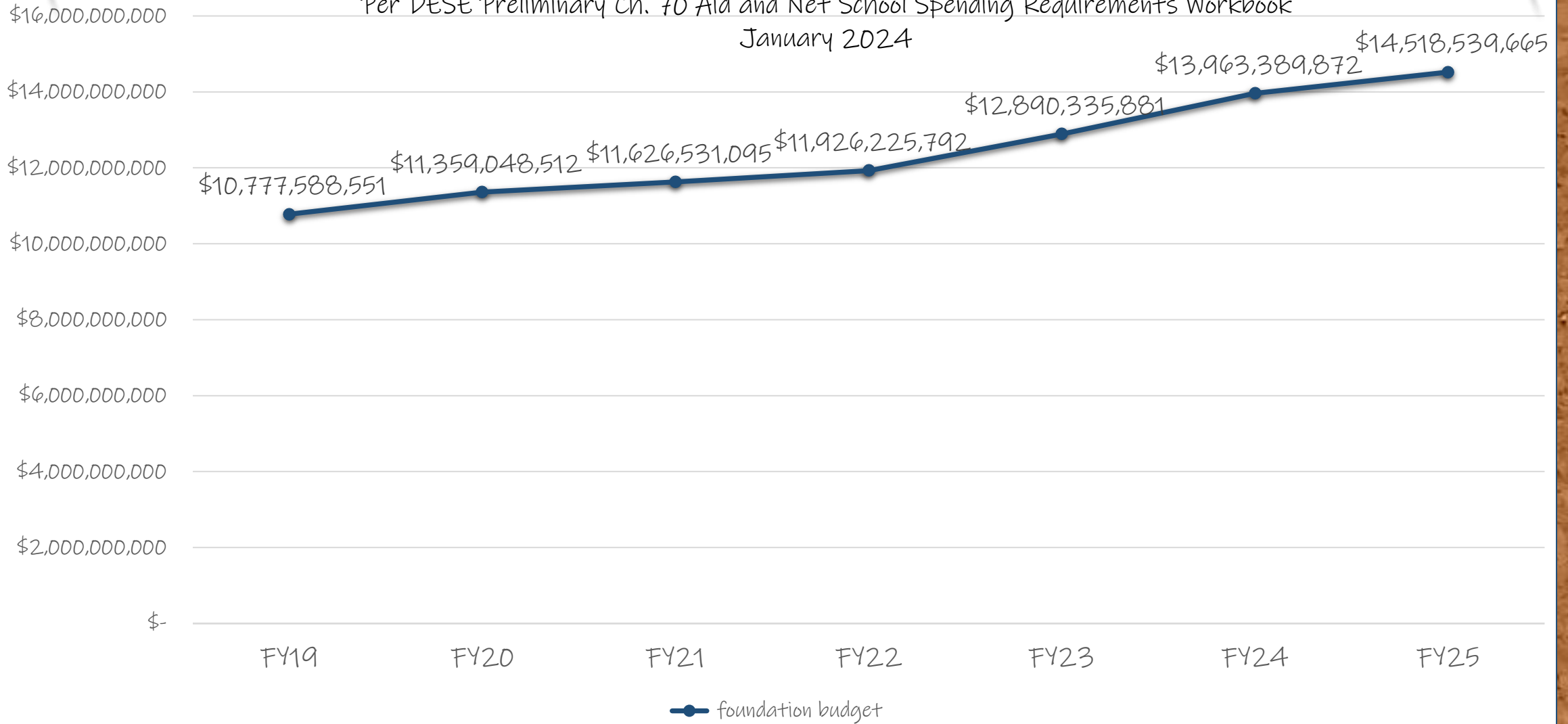
- Fourth year of implementation
 - Phase in of increasing percentage of special education
 - Phase in of increase of low income increment
 - Phase in of increase of English learner increment
 - Phase in of increase in benefits and fixed charges
 - Phase in of increase in guidance and psychological services

(per January DESE Ch. 70)

Statewide foundation budget

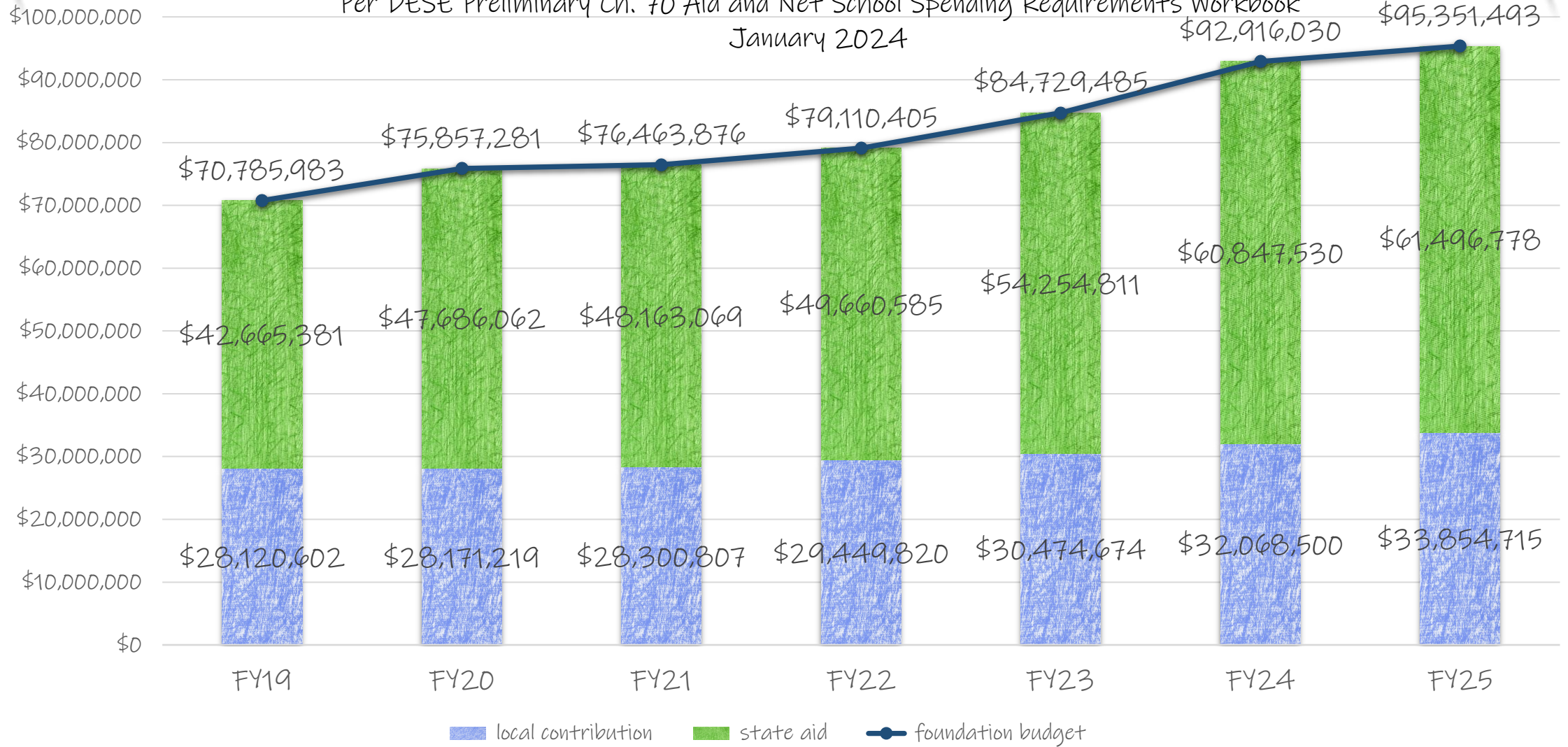
Per DESE Preliminary Ch. 70 Aid and Net School Spending Requirements Workbook

January 2024

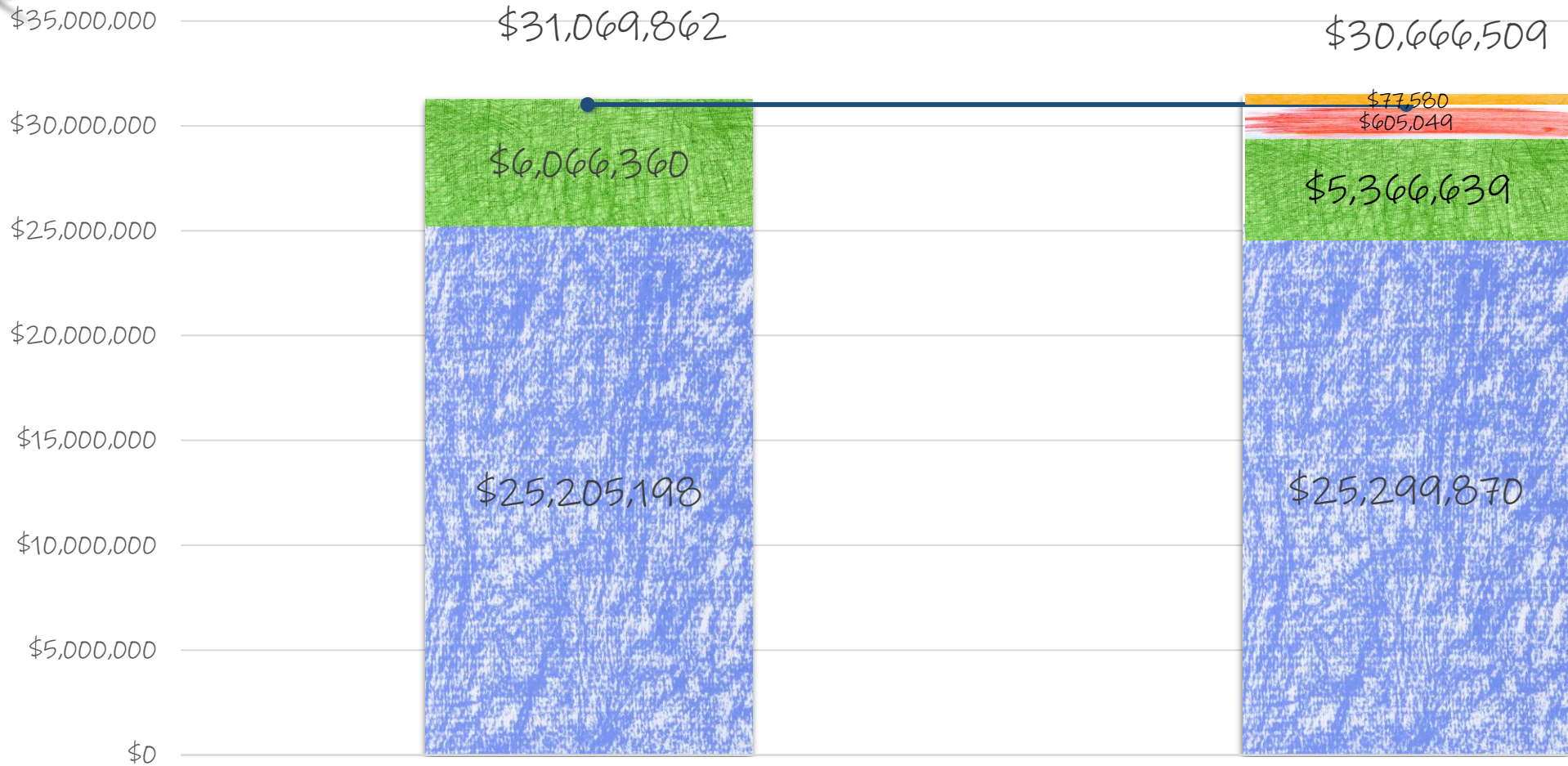


Pittsfield

Per DESE Preliminary Ch. 70 Aid and Net School Spending Requirements Workbook
January 2024



Dedham

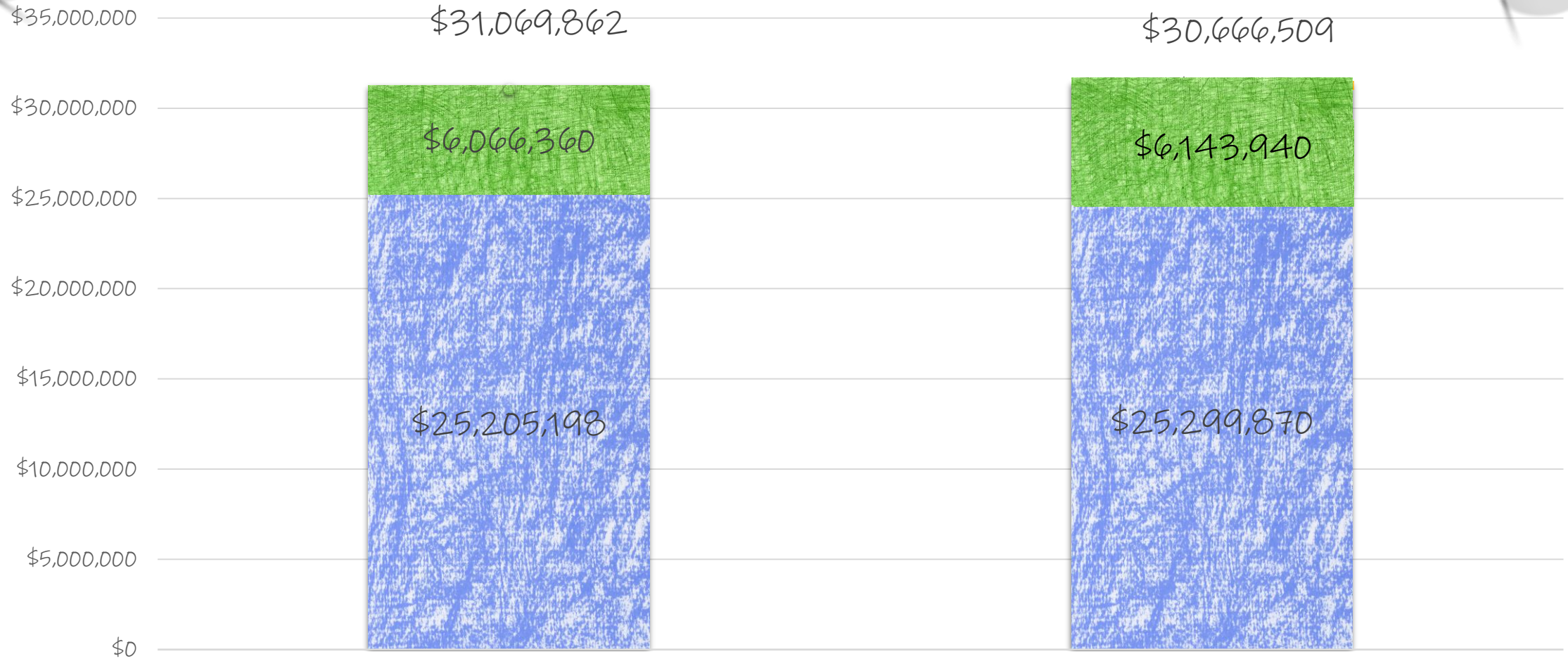


FY21

FY22

■ local contribution ■ state aid

Dedham

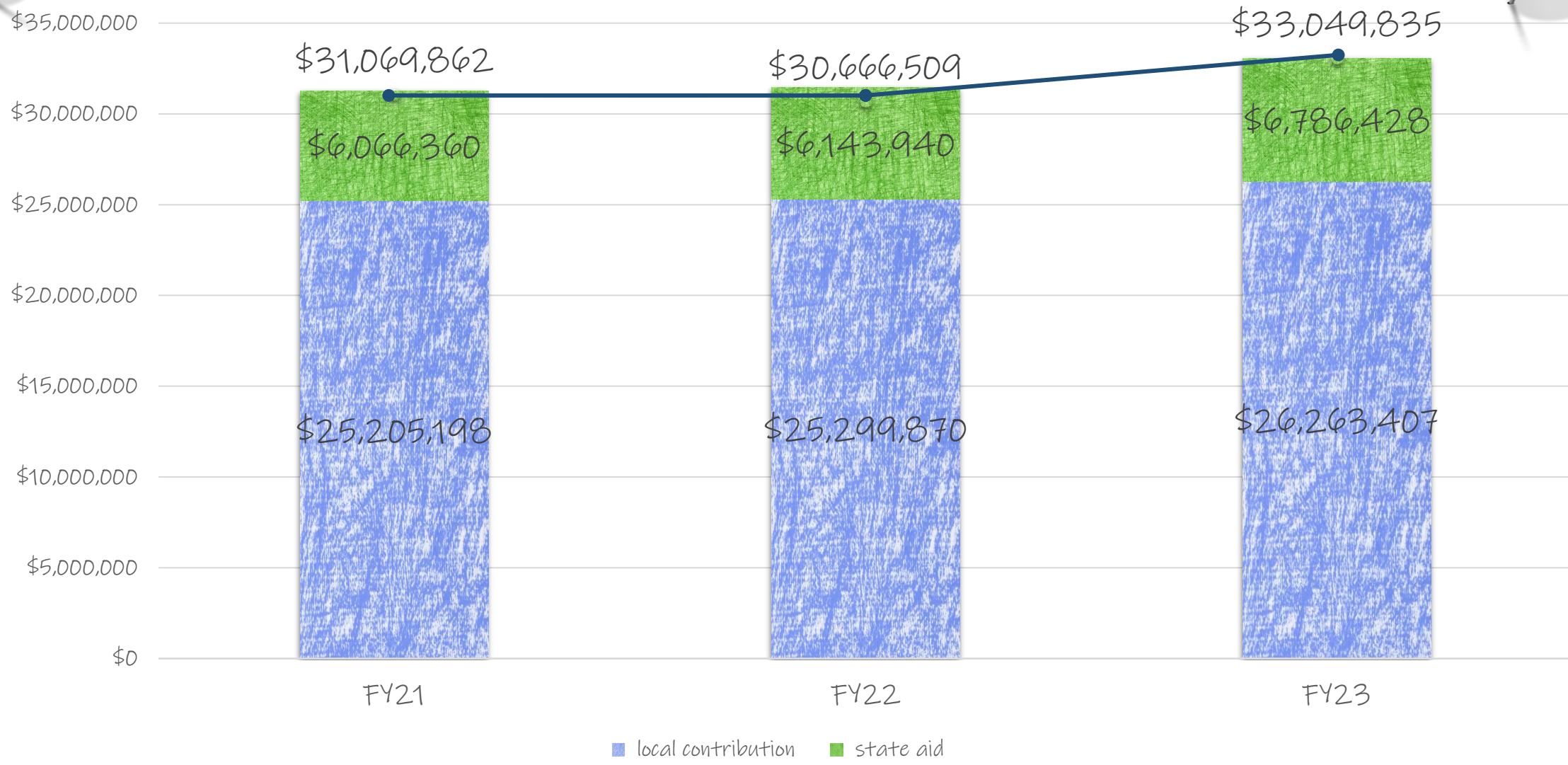


FY21

FY22

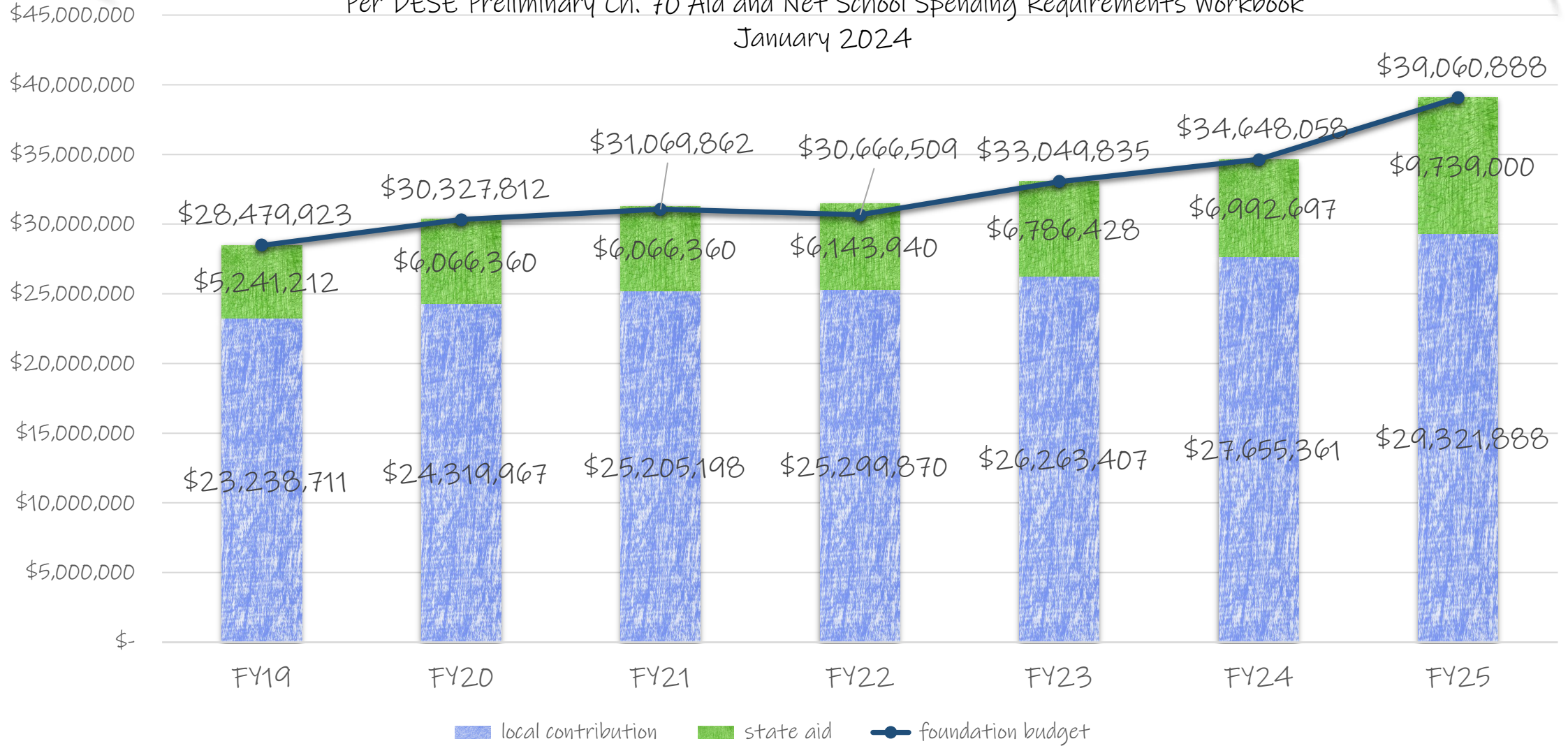
■ local contribution ■ state aid

Dedham



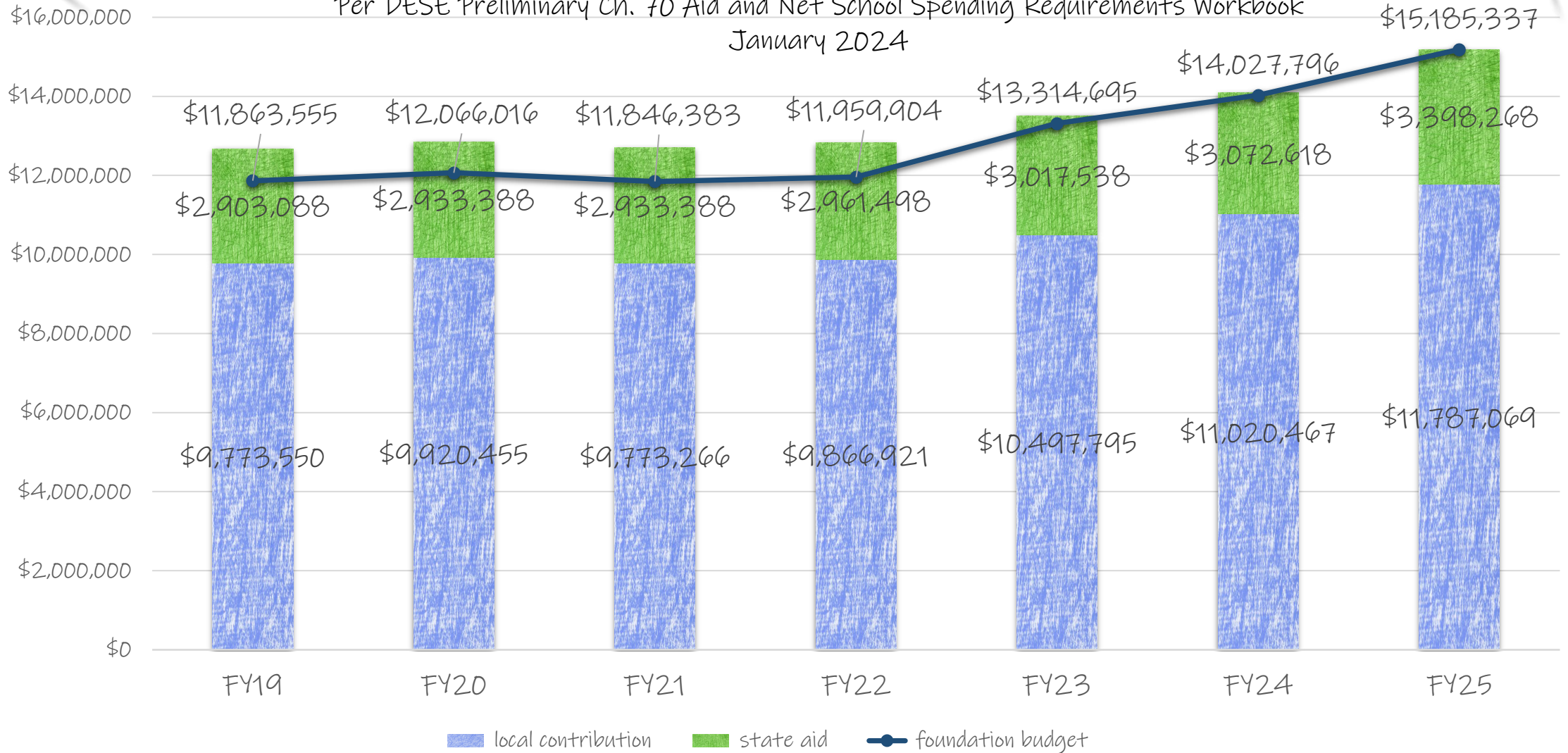
Dedham

Per DESE Preliminary Ch. 70 Aid and Net School Spending Requirements Workbook
January 2024



Berkshire Hills Regional


Per DESE Preliminary Ch. 70 Aid and Net School Spending Requirements Workbook
January 2024




YIKES
in
FY25

LOW
INCOME
COUNT



INFLATION



YIKES
in
FY25



LOW
INCOME
COUNT



Low income count:

- Based on 185% of the federal poverty level (due to the Student Opportunity Act)
 - Students are eligible three ways:
 - Enrollment in state public assistance programs: SNAP; TAFDC; MassHealth; or
 - Reported by a district as homeless; or
 - Verified via supplemental process through the district
- (per DESE Preliminary FY25 finance release)

Millions on Medicaid May Soon Lose Coverage as Pandemic Protections Expire

Local Coverage // Health

Health Care

MassHealth scrubs more than 200,000 people from its rolls

Eligibility review trimmed 129,000 people from the state health insurance program in November

‘It is going to be disruptive.’ MassHealth rolls set to shrink by 300,000, F

Many will no longer qualify as the state reviews eligibility for the first time since the start of the pandemic.

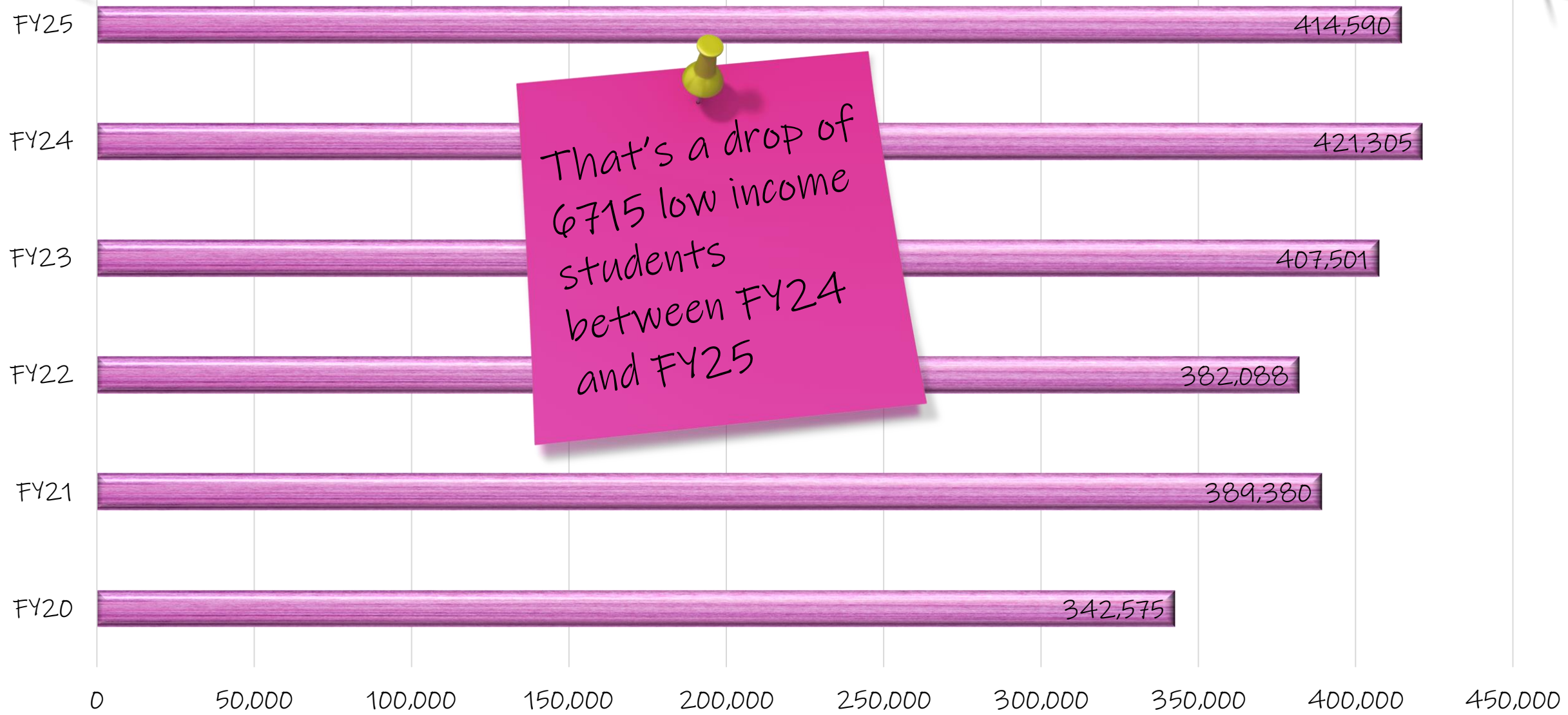
By [Jessica Bartlett](#) Globe Staff, Updated March 1, 2023, 7:01 p.m.

If for some reason they don't receive their renewal notice, or don't respond fast enough, they could lose health coverage altogether.

The burden is especially high for immigrants and communities of color who don't speak English, or who lack easy access to technology.

Statewide low income enrollment

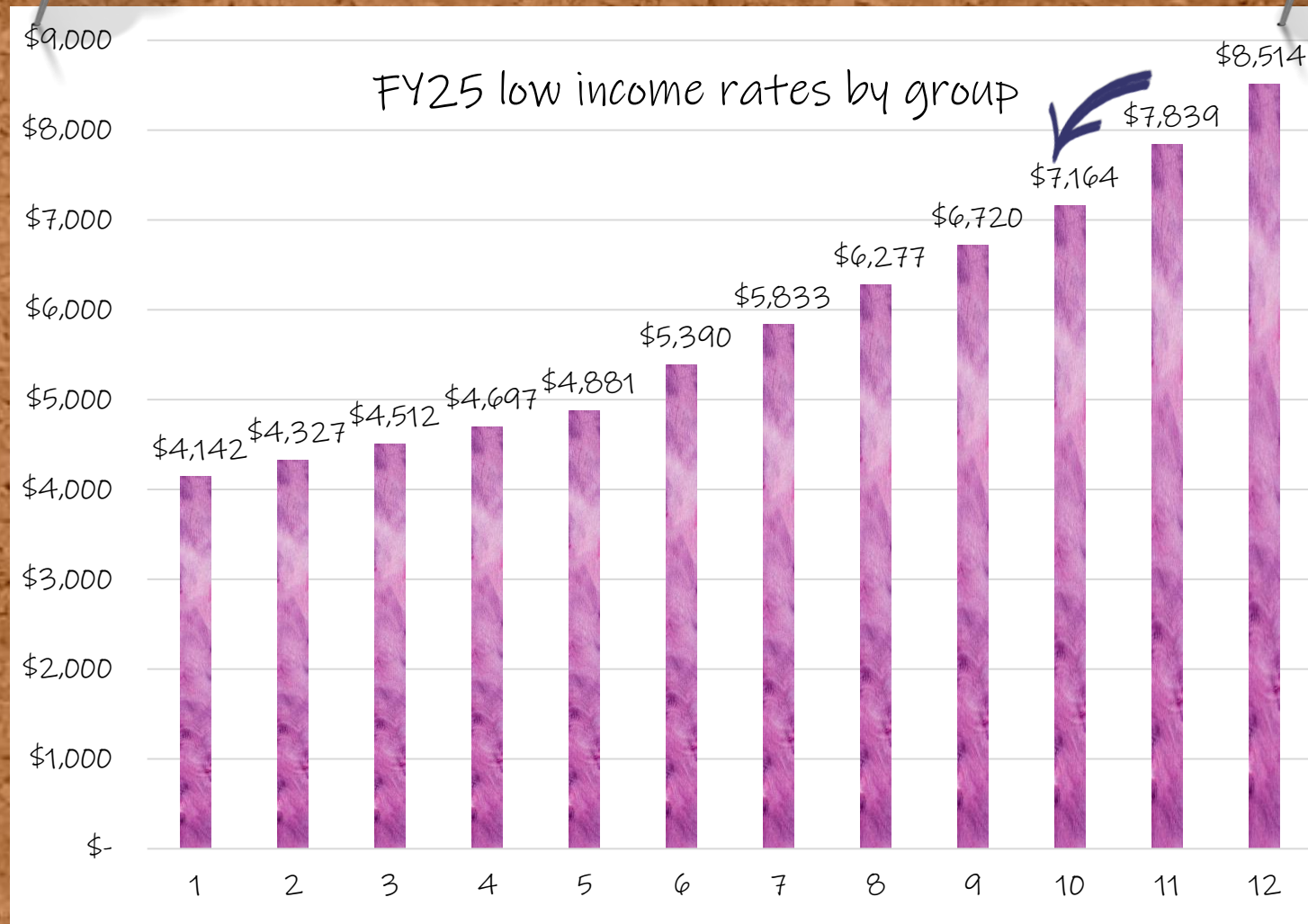
Per DESE Ch. 70 state aid and spending requirement FY20- FY25



That's a drop of 6,715 low income students between FY24 and FY25

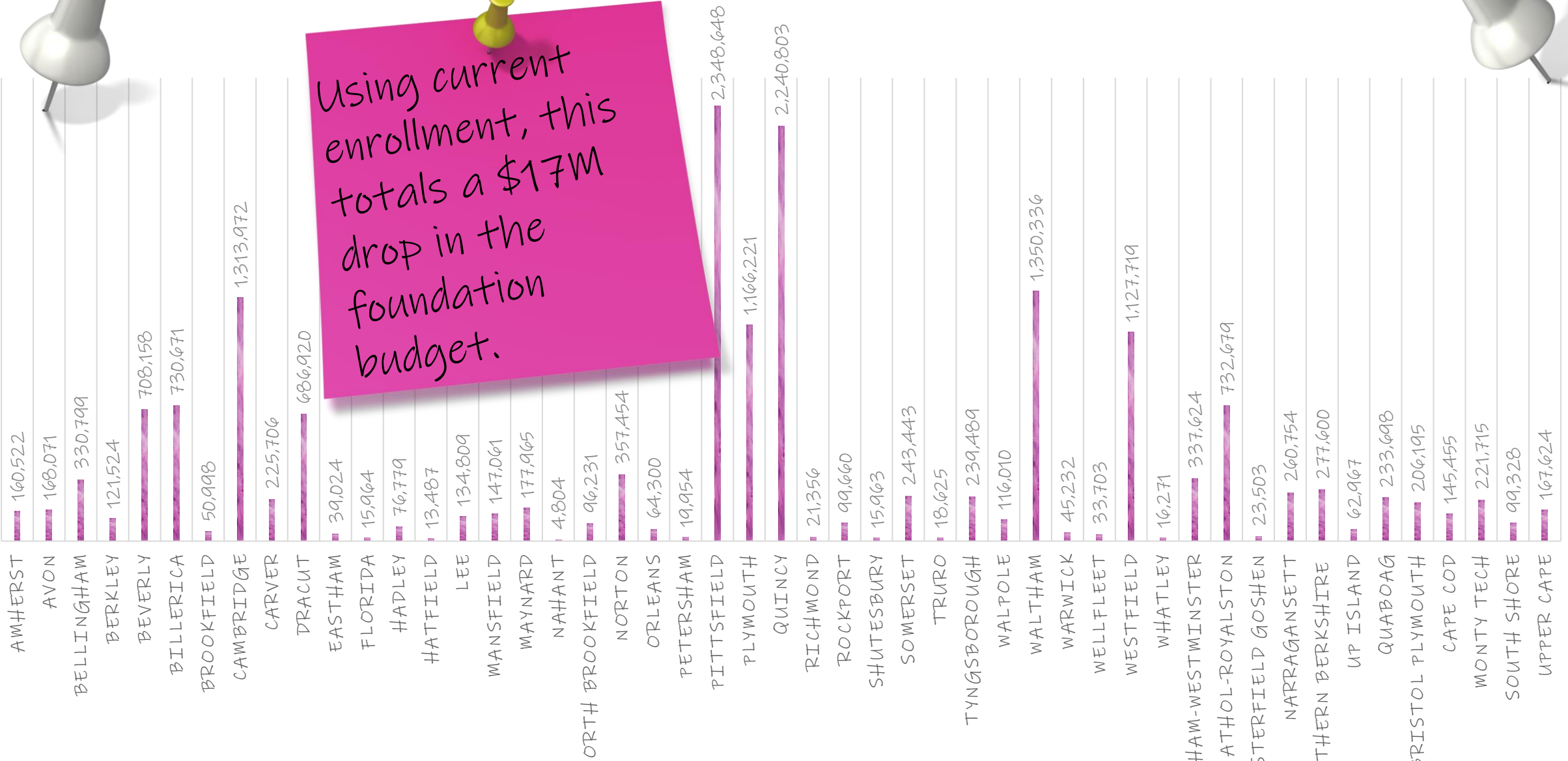
Low income groups:

- Low-income group 1 (0-5.99%)
- Low-income group 2 (6-11.99%)
- Low-income group 3 (12-17.99%)
- Low-income group 4 (18-23.99%)
- Low-income group 5 (24-29.99%)
- Low-income group 6 (30-35.99%)
- Low-income group 7 (36-41.99%)
- Low-income group 8 (42-47.99%)
- Low-income group 9 (48-53.99%)
- Low-income group 10 (54-69.99%)
- Low-income group 11 (70-79.99%)
- Low-income group 12 (80%+)



DISTRICTS DROPPING A LOW INCOME GROUP LEVEL FY24-FY25

Per DESE Ch. 70 state aid and spending requirement FY24 & FY25
 Note chart estimates drop in foundation budget given current enrollment but higher group dollar amount.



Using current enrollment, this totals a \$17M drop in the foundation budget.



This is not a one year issue as low income count:

- Moves on a four period match system
- Thus for FY26, students counted as low income for:
 - October of 2024; the end of this school year (June 2024); March 2024; October 2023
- And for FY27, students counted as low income for:
 - October of 2025; the end of next school year (June 2025); March 2025; October 2024

YIKES
in
FY25

INFLATION

Forbes

FORBES > BUSINESS

BREAKING

Inflation Comes In Higher Than Expected For Fourth Straight Month

LIVE Updated 21 minutes ago

February Inflation Report

Consumer Price Increases Inch Higher

BARRON'S

Topics Stock Lists & Rankings Magazine Data Advisor Penta

FROM AFP NEWS

US Inflation

By SAMUEL BARBOSA, SOPHIE STUBER March 12, 2024

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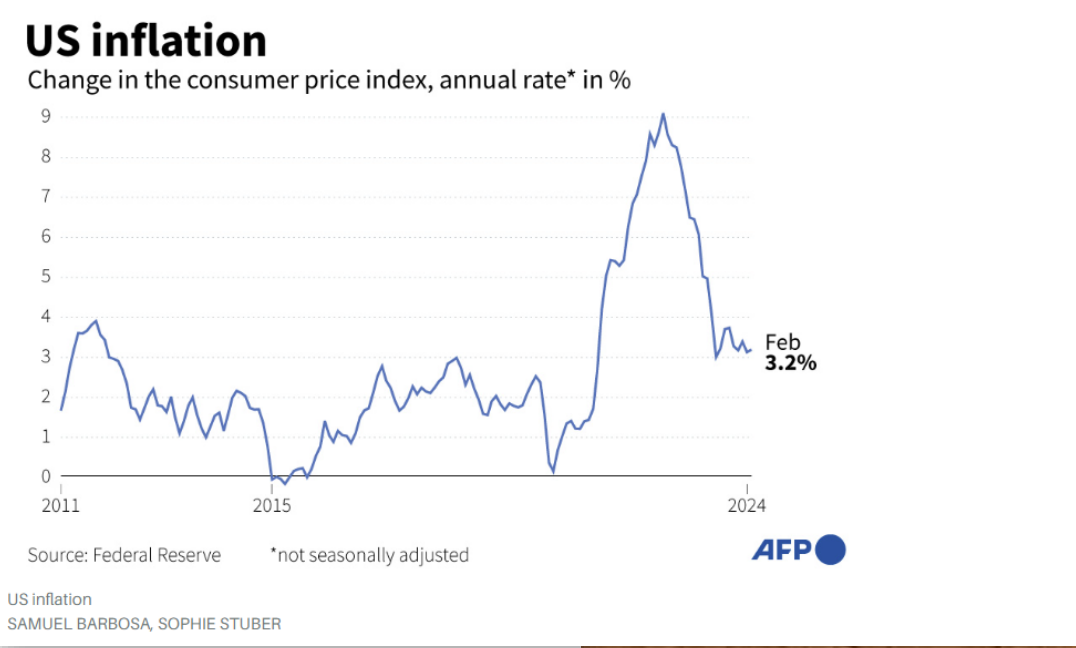
ECONOMY

Inflation Picks Up to 3.2% in Unexpected Turn Higher

Core prices, which exclude food and energy items in an effort to track inflation's underlying trend, were up 3.8% from a year ago.

By *Justin Lahart* [Follow](#)

Updated March 12, 2024 8:46 am ET



School bus costs increase 26 percent, following a national trend

By Sean Flannelly - editor@dartmouthweek.net - Jan 2024

Transportation Bids Will Drive Bus
on February 17, 2024

Danvers 6.41 Percent School Budget Increase Gains School Committee Nod

Superintendent Dan Bauer said the increase is needed to offset increased special education costs and maintain some ESSER-funded positions.

What was driving the budget "deeper into a hole," Superintendent Brian Bauer said, was transportation costs that were out of their control, like a 48% increase for in-district transportation.

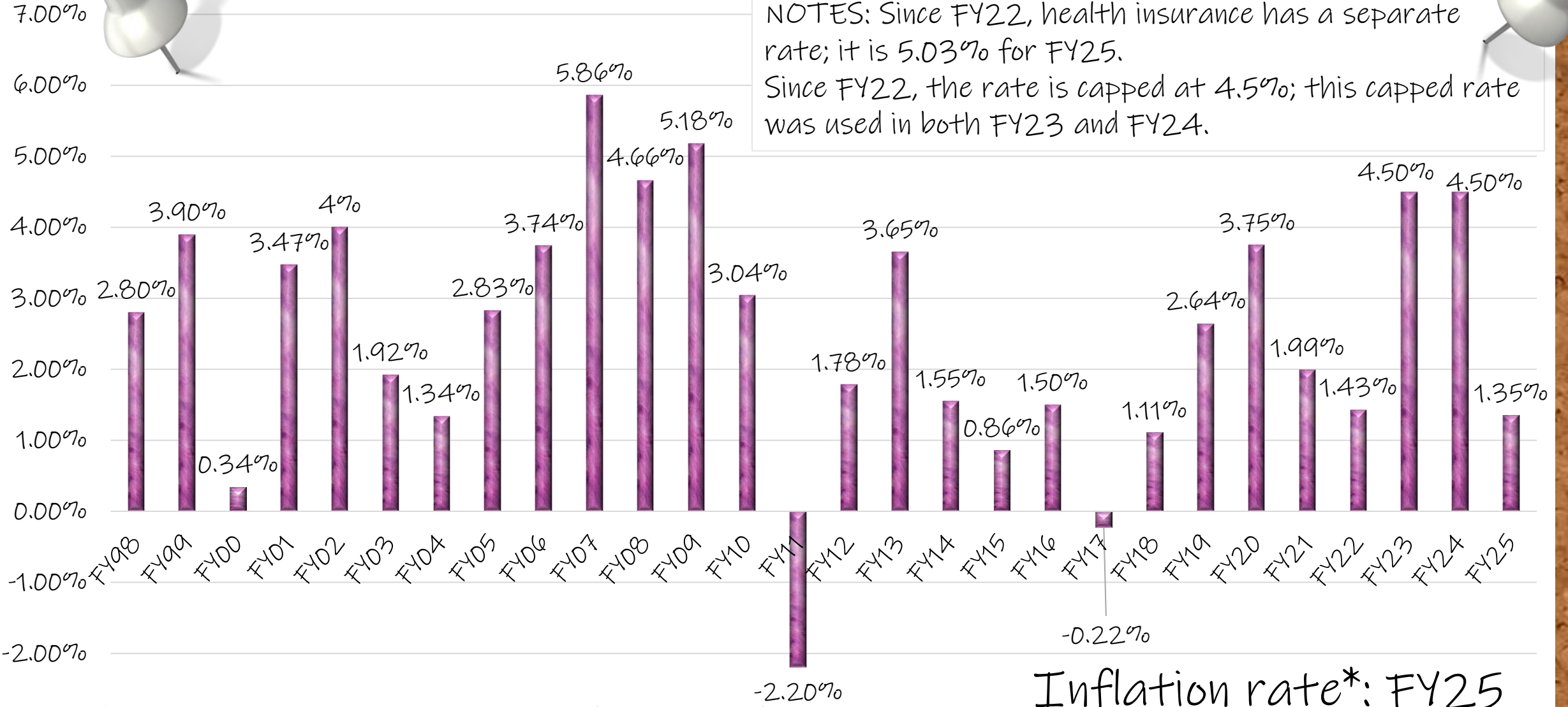
[NEWS](#) > [EDUCATION](#)

Newton teachers and school committee reach tentative agreement after 11-day strike

Melrose, Massachusetts, teachers, school committee reach contract agreement

Watertown Teachers Contact Approved by School Committee

By Charlie Breitrose | March 8, 2023



NOTES: Since FY22, health insurance has a separate rate; it is 5.03% for FY25.
 Since FY22, the rate is capped at 4.5%; this capped rate was used in both FY23 and FY24.

*Rate of change in the implicit Price Deflator Index for State and Local Governments

Inflation rate*: FY25

Table 3.9.4. Price Indexes for Government Consumption Expenditures and Gross Investment

[Index numbers, 2017=100] Seasonally adjusted

Last Revised on: February 28, 2024 - Next Release Date March 28, 2024


[Modify](#)



[Chart](#)

[Table](#)

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[Print](#)

Line		2021				2022				2023			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
25	Nondefense	107.329	108.259	109.325	110.425	111.748	112.835	114.890	116.225	117.702	118.377	119.446	120.374
26	Consumption expenditures	108.400	109.492	110.681	111.821	113.147	114.100	116.584	118.325	119.935	120.763	122.074	123.166
27	Gross investment	104.542	105.044	105.800	106.790	108.087	109.474	110.524	110.909	112.071	112.395	112.908	113.461
28	Structures	112.465	115.062	117.540	121.749	125.632	129.991	133.866	136.395	138.545	139.033	139.229	139.825
29	Equipment	104.323	106.446	108.383	110.145	113.292	116.095	117.576	118.613	120.350	120.972	121.775	122.055
30	Intellectual property products	103.702	103.761	104.189	104.802	105.622	106.572	107.351	107.482	108.483	108.753	109.251	109.834
31	Software	92.906	92.958	92.846	93.038	92.612	92.942	93.112	91.363	91.904	90.653	89.614	89.247
32	Research and development	108.071	108.137	108.799	109.591	110.959	112.183	113.234	114.239	115.448	116.422	117.624	118.643
33	State and local	112.765	114.846	116.664	118.892	121.509	125.490	126.015	126.868	126.866	125.947	127.717	127.873
34	Consumption expenditures	113.297	115.264	116.973	119.054	121.578	125.643	125.805	126.575	126.235	125.096	127.176	127.298
35	Gross investment	110.369	112.942	115.264	118.198	121.270	124.827	127.185	128.449	130.086	130.202	130.567	130.872
36	Structures	113.542	116.760	119.413	123.036	126.900	131.355	134.301	136.048	137.869	138.099	138.457	138.811
37	Equipment	100.177	101.312	103.776	105.313	107.542	109.762	110.973	112.268	113.074	112.729	113.002	113.252
38	Intellectual property products	99.864	100.102	100.479	101.022	100.863	101.206	101.673	100.673	102.032	101.971	102.433	102.537
39	Software	94.871	95.211	95.239	95.369	94.619	94.793	95.013	93.080	94.691	94.240	94.402	94.097
40	Research and development	106.527	106.595	107.555	108.795	109.692	110.332	111.252	112.113	112.925	113.636	114.677	115.599



Where does this put us?

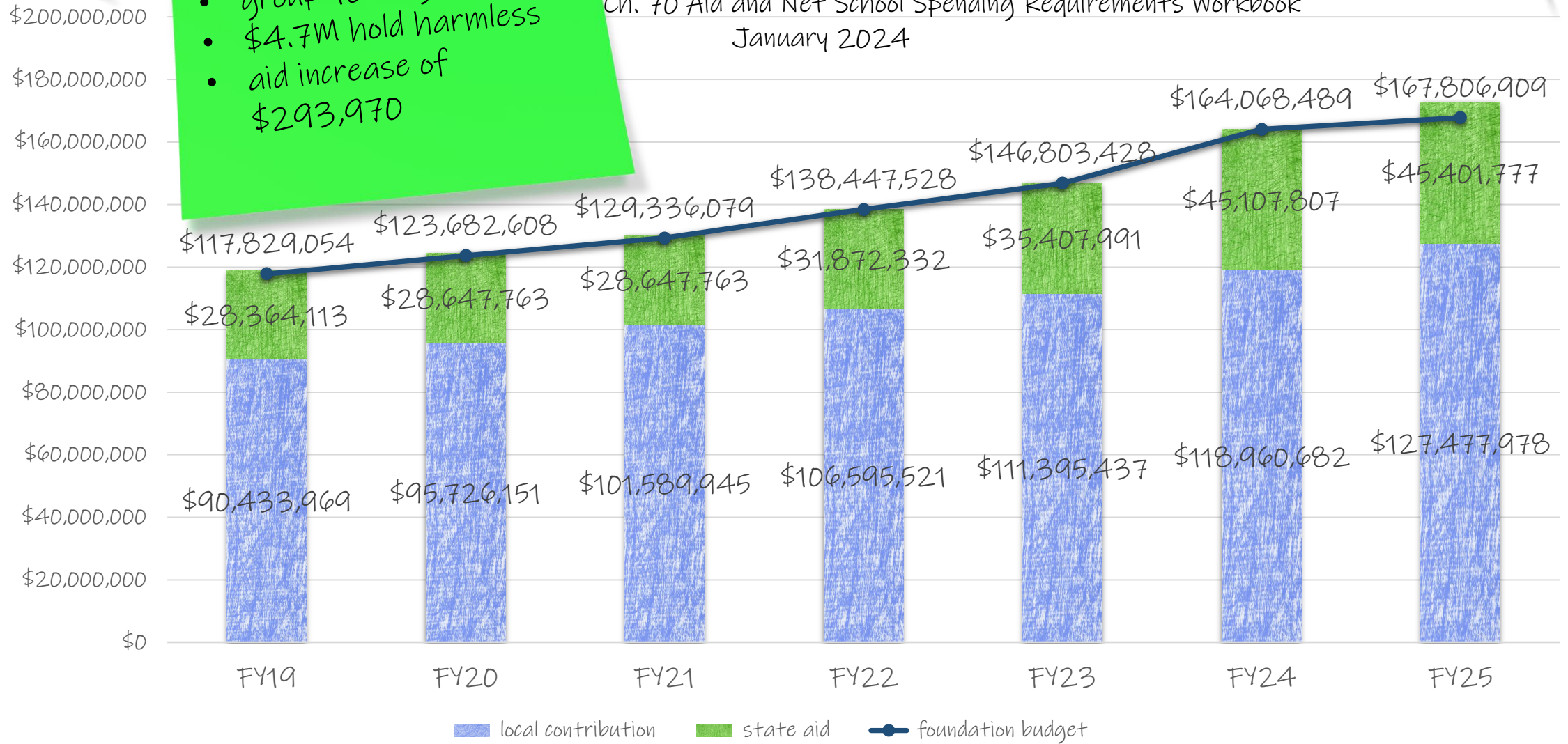
- The drop in the number of counted low income students both drops the count (across the state) and drops the dollar amount when it overlaps with a group change.
- Inflation is the piece that is intended to take into account the increase in costs year over year. It is fair to say that this year, it does not.
- Together, these work against the reforms of the Student Opportunity Act, leading to fewer districts seeing significant increases in state aid, fewer districts leaving hold harmless, and many districts even sliding back into hold harmless this coming year.

Quincy:

- \$167.8 foundation budget
- group 10 to group 9
- \$4.7M hold harmless
- aid increase of \$293,970

Quincy

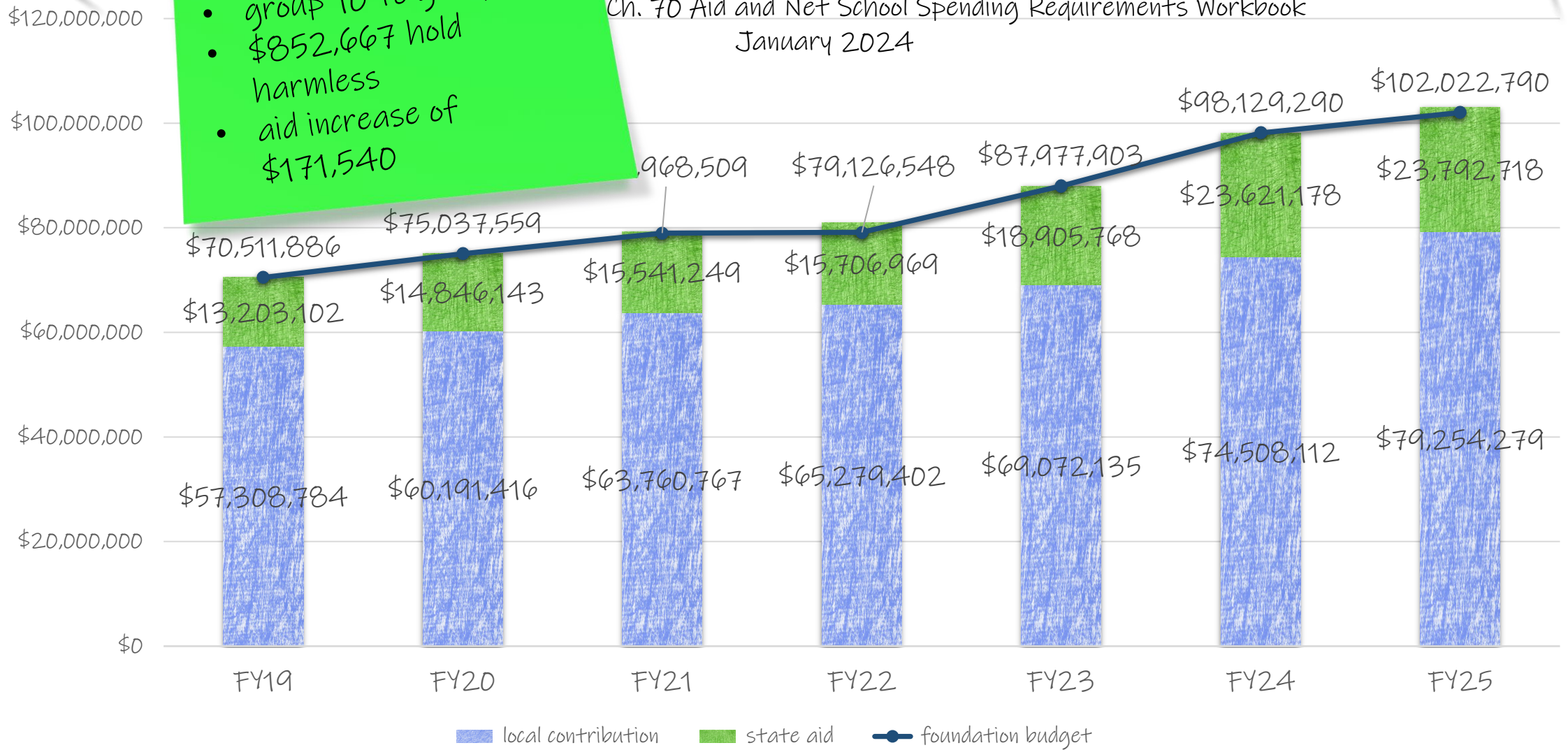
Ch. 70 Aid and Net School Spending Requirements Workbook
January 2024



- Waltham
- \$102M foundation budget
 - group 10 to group 9
 - \$852,667 hold harmless
 - aid increase of \$171,540

Waltham

Ch. 70 Aid and Net School Spending Requirements Workbook
January 2024

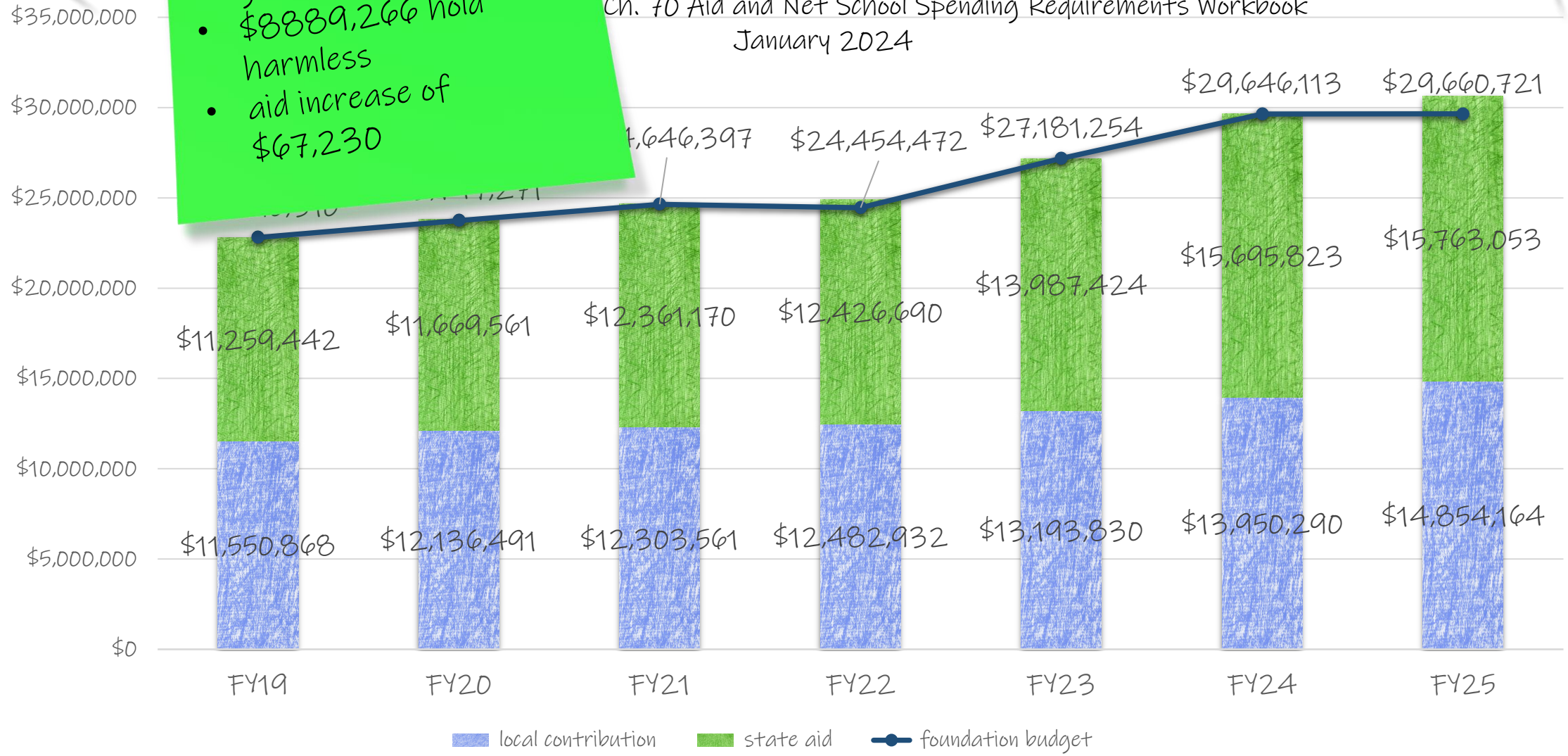


Ashburnham Westminster

- \$29.6M foundation budget
- group 6 to group 5
- \$8889,266 hold harmless
- aid increase of \$67,230

Ashburnham Westminster

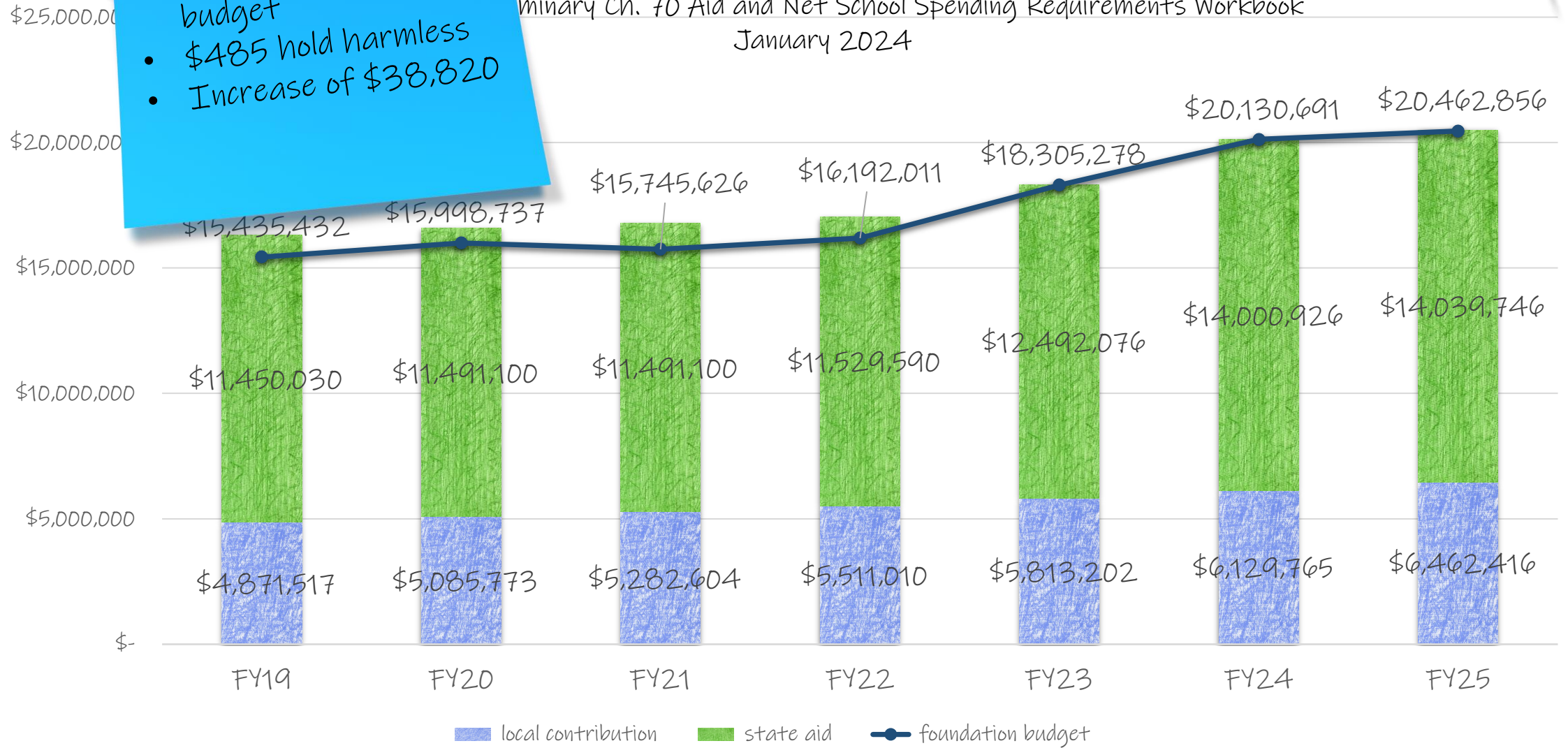
Ch. 70 Aid and Net School Spending Requirements Workbook
January 2024



- Winchendon
- \$20.4M foundation budget
- \$485 hold harmless
- Increase of \$38,820

Winchendon

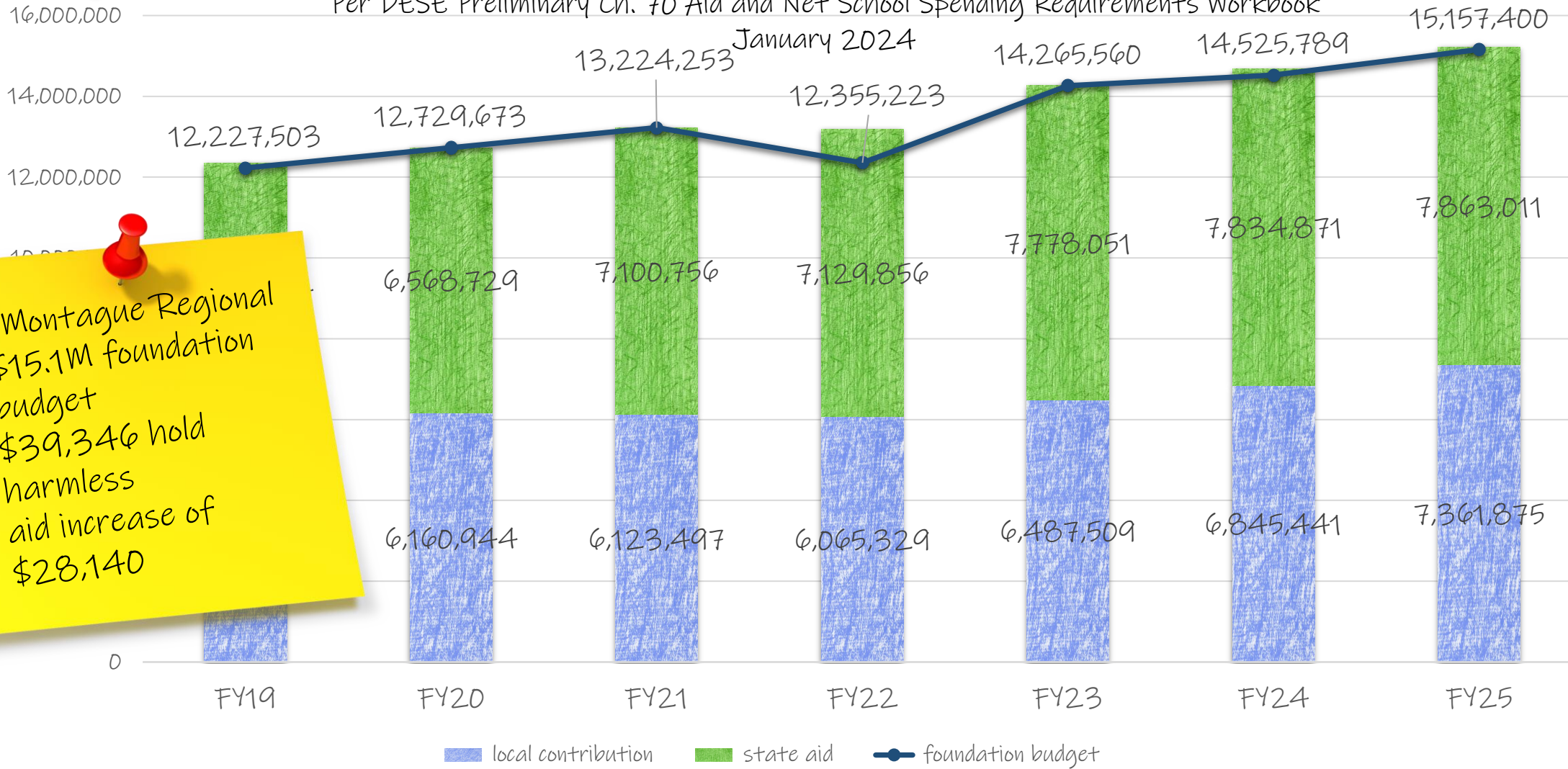
Primary Ch. 70 Aid and Net School Spending Requirements Workbook
January 2024



Gill-Montague Regional

Per DESE Preliminary Ch. 70 Aid and Net School Spending Requirements Workbook

January 2024



- Gill-Montague Regional \$15.1M foundation budget
- \$39,346 hold harmless
- aid increase of \$28,140

TO
DO:

Know your district and its relationship to state Ch. 70 aid.

How much of your district budget comes from state chapter 70 aid?

Are you a foundation aid district?

Share this information and its impact with your community and with your legislators.

What if any impact did the low income drop have on your district?

In hold harmless?
Moving out?

TO
DO:

DAY ON THE HILL 2024 masc

Monday, May 6

UMass Club, Boston
The State House

MASSACHUSETTS
ASSOCIATION OF
SCHOOL COMMITTEES

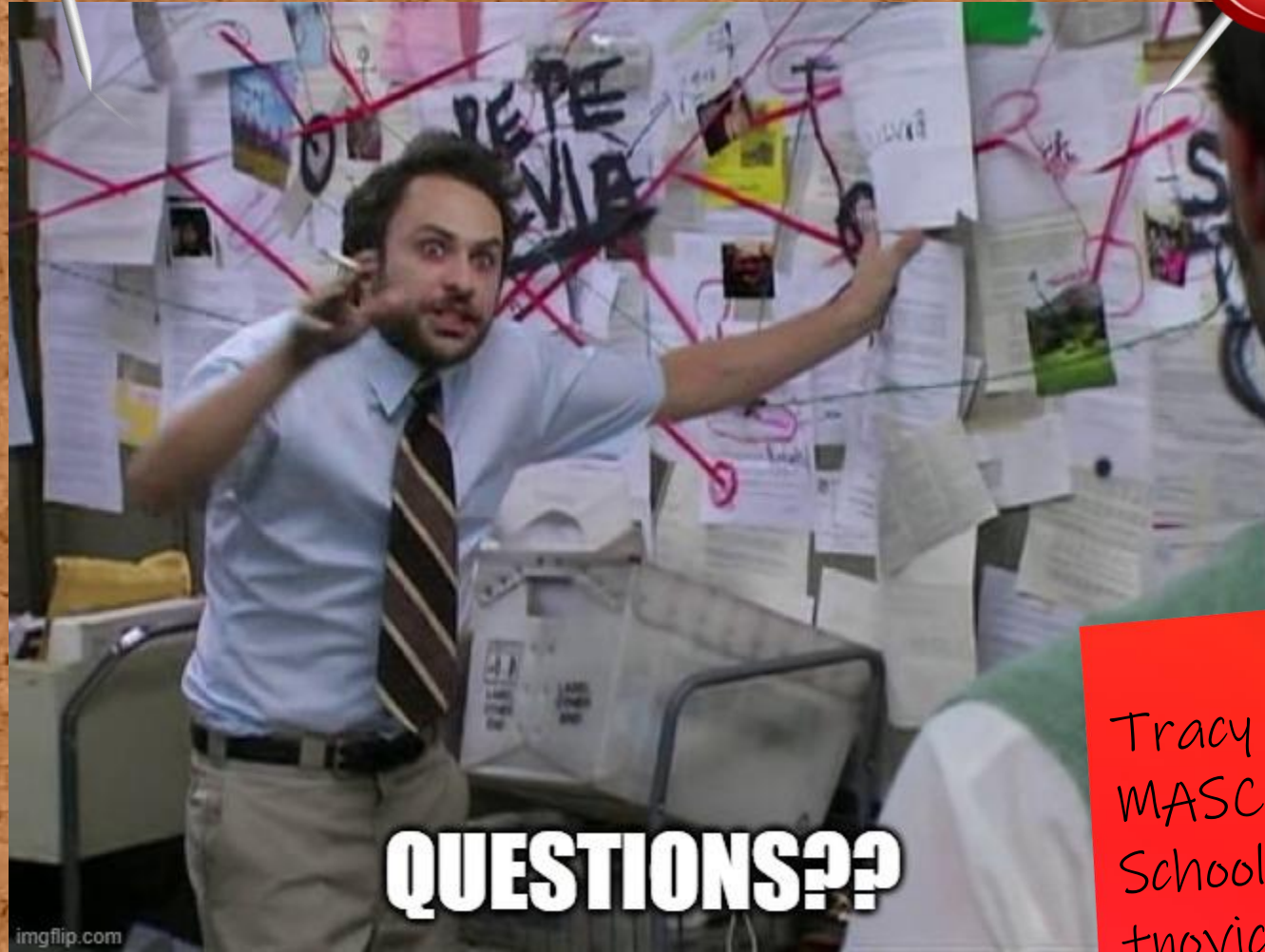
WWW.MASC.ORG

Plan to attend
MASC Day on
the Hill.

Make
arrangements in
advance to meet
with your
legislators.

If you cannot
make it, arrange
to meet with
your legislators in
your district.

Don't forget
the April 12th
Learning
Lunch!



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QUESTIONS??

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