



masc

LEARNING LUNCH: 70 (MINUTES) ON (CHAPTER) 70

VIRTUAL PROGRAM | APRIL 2026

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~~70~~ 60
(minutes)
on
(chapter)
70

- Why we have it
- What it is
- How it works
- How it doesn't
- What is changing

Spring 2026
Preliminary FY27

MILK

FOR

BABES.

DRAWN

Out of the Breasts of both
TESTAMENTS.

Chiefly, for the spirituall nourishment
of *Boston* Babes in either *England*:
But may be of like use for any
Children.

By JOHN COTTON, B. D.
*and Teacher to the Church of Boston
in New-England.*

LONDON,
Printed by J. Coe, for Henry Overton,
and are to be sold at his Shop, in
Popes-head Alley.
1646.

“That every Township in this Jurisdiction, after the Lord hath increased them to the number of fifty Housholders, shall then forthwith appoint one within their town to teach all such children as shall resort to him to write and read, whose wages shall be paid either by the Parents or Masters of such children, or by the Inhabitants in general, by way of supply, as the major part of those that order the prudentials of the Town shall appoint.”

“Old Deluder Satan” law of 1647

**Studies In Public School
Finance**

Volume 2



FLETCHER HARPER SWIFT, RICHARD ARTHUR GRAVES,
ERNEST WALTER TIEGS, FRANCES KELLEY DEL PLAINE,
OLIVER LEONARD TROXEL, JOHN HAROLD
GOLDTHORPE

“No other state pursued so long and so completely the policy of placing almost the entire burden of school support upon the local communities”

Fletcher Swift, writing of Massachusetts in *Studies in Public School Finance* as cited by Matthew Gardner Kelly in *Dividing the Public: School Finance and the Creation of Structural Inequity* (2023)

“Wisdom and knowledge, as well as virtue, diffused generally among the body of the people, being necessary for the preservation of their rights and liberties; and as these depend on spreading the opportunities and advantages of education in the various parts of the country, and among the different orders of the people, it shall be the duty of legislatures and magistrates, in all future periods of this Commonwealth, to cherish the interests of literature and the sciences, and all seminaries of them; especially the university at Cambridge, public schools and grammar schools in the towns . . .”

McDuffy v Secretary
of State Executive
Office of Education
1993

“In this light, we have considered the proper meaning of the words "duty" and "cherish" found in c. 5, Section 2. What emerges from this review is that the words are not merely aspirational or hortatory, but obligatory. What emerges also is that the Commonwealth has a duty to provide an education for all its children, rich and poor, in every city and town of the Commonwealth at the public school level, and that this duty is designed not only to serve the interests of the children, but, more fundamentally, to prepare them to participate as free citizens of a free State to meet the needs and interests of a republican government, namely the Commonwealth of Massachusetts.”

825
misc-25
3/10

L A W S

OF THE

Commonwealth of Massachusetts,

PASSED BY THE GENERAL COURT

AT THEIR SESSION, WHICH COMMENCED ON WEDNESDAY THE 26th DAY

OF MAY, AND WHICH ENDED ON THE 16th DAY OF JUNE, 1812.

Published agreeably to a Resolve of 16th January, 1812.



BOSTON;

PRINTED BY RUSSELL & CUTLER.

1812

Massachusetts General
Law
Chapter 70, section 1

“It is the intention of the general court, subject to appropriation, to assure fair and adequate minimum per student funding for public schools in the commonwealth by defining a foundation budget and a standard of local funding effort applicable to every city and town in the commonwealth.”

“to assure fair and
adequate minimum
per student funding”

“by defining a foundation budget”

The state has a big new school funding law. Here's what it means

By

MASS LIVE

NEWS

Gov. Charlie Baker signs \$1.5 billion education funding bill into law

Updated: Nov. 26, 2019, 2:07 p.m. | Published: Nov. 26, 2019, 1:59 p.m.



CommonWealth
BEACON

POLITICS, IDEAS, AND CIVIC LIFE IN MASSACHUSETTS

DONATE



NEWS ▾ OPINION IN DEPTH BY THE NUMBERS THE CODCAST MEMBERSHIP ABOUT ▾

EDUCATION

On target: ed reform money reaching poorer districts

New state aid flowing to needier systems, as intended, while 141 districts see only minimum increase

by SHIRA SCHOENBERG
October 30, 2022



Dalializ, a kindergartener at the Kelly School in Holyoke, asks a question to an Enchanted Circle artist. (Photo by Sarah Betancourt)

Student Opportunity Act

- THIS IS IT! FY27 is Year six of the six year implementation
- Within the foundation budget, this includes:
 - A separate inflation rate for health insurance
 - An increase in the in-district special education percentage
 - An increase in the dollar amount per pupil for English learners
 - An increase in the dollar amount per pupil for low income students

Instructional
Leadership

Administration

Classroom & Specialist
Teachers

PD

Other
teaching
services

Instructional
Materials, Equipment,
and Technology

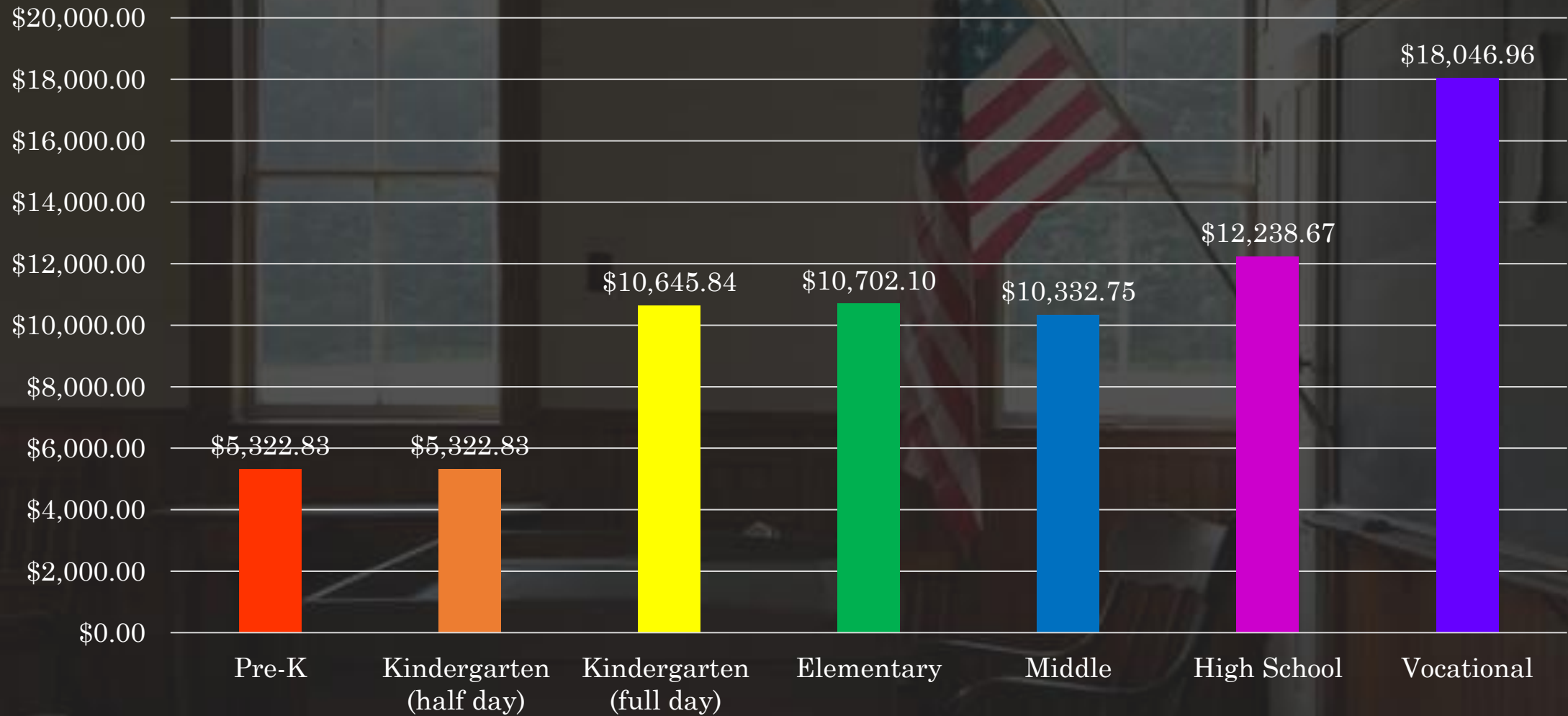
Base foundation
amount

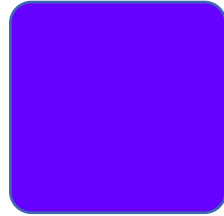
Tuition

Charges

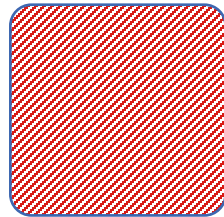


Foundation budget rates: FY27





English Learner
increment

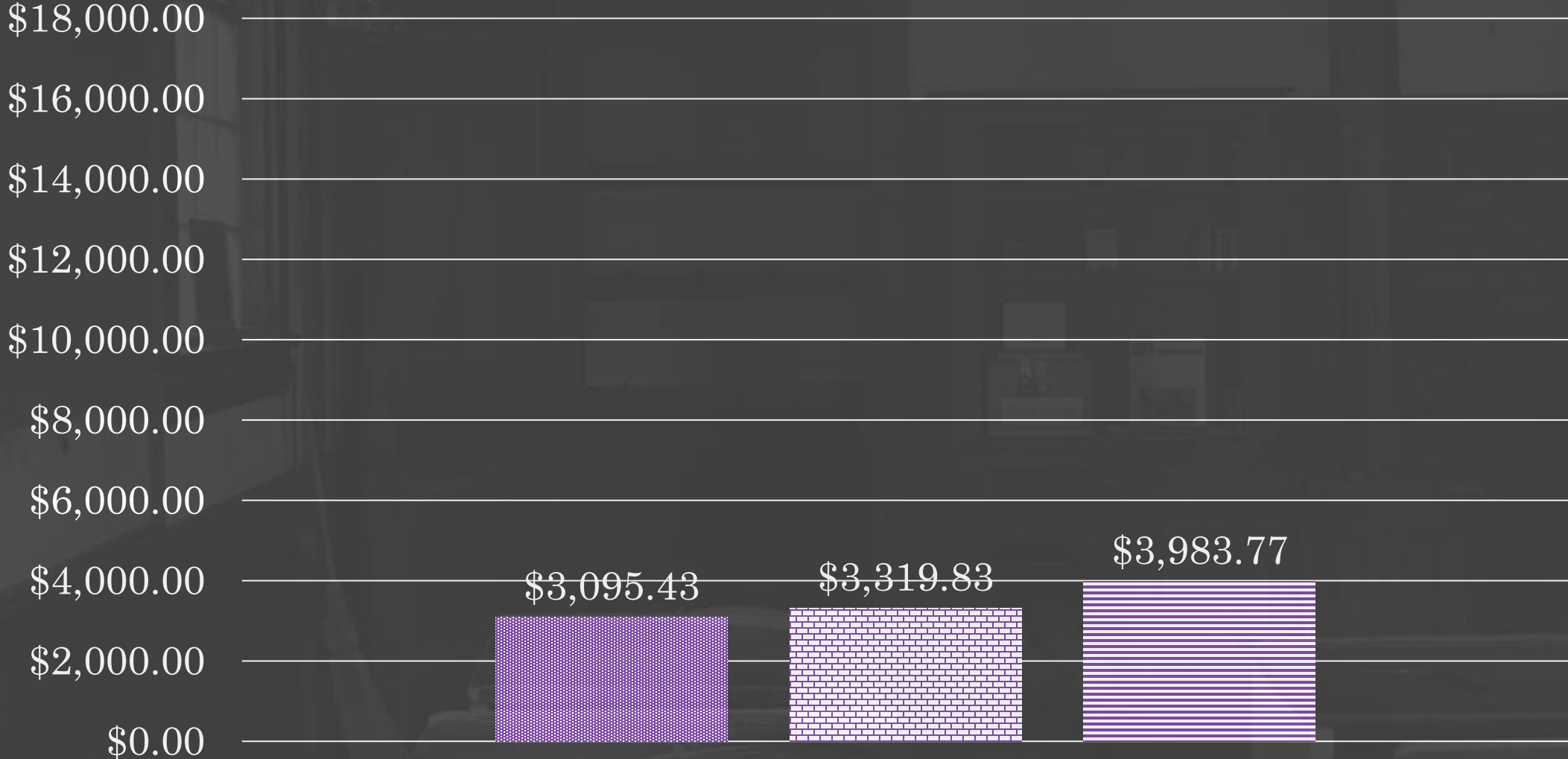


Low income
increment

Base foundation
amount

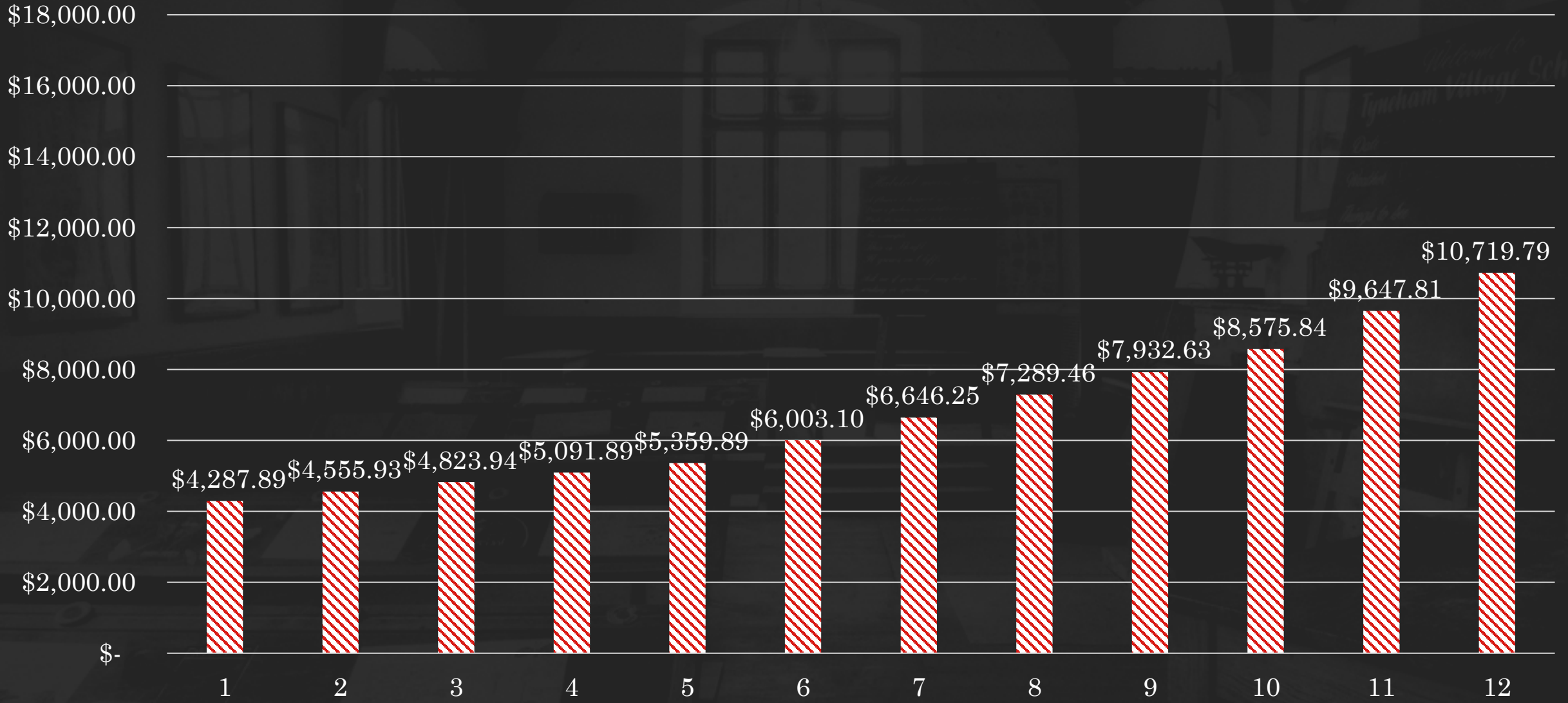


English learners increment: FY27



■ PreK-5 ■ Grades 6-8 ■ Grades 9-12

Low income: FY27



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%+)

How do we count low income students?

The state determines the number of students in the district who are enrolled in:

- **Supplemental Nutrition Assistance Program (SNAP)**
- **Transitional Assistance for Families with Dependent Children (TAFDC)**
- **Department of Children and Families' (DCF) foster care program**
- **MassHealth (Medicaid).**

This is called direct certification.

The state is now using the above PLUS students identified by districts as homeless, AND students the district has confirmed have met the low-income criteria through a supplemental process with required supporting documentation.

This is intended to measure students who are at or below 185% of the federal poverty level.



4%*

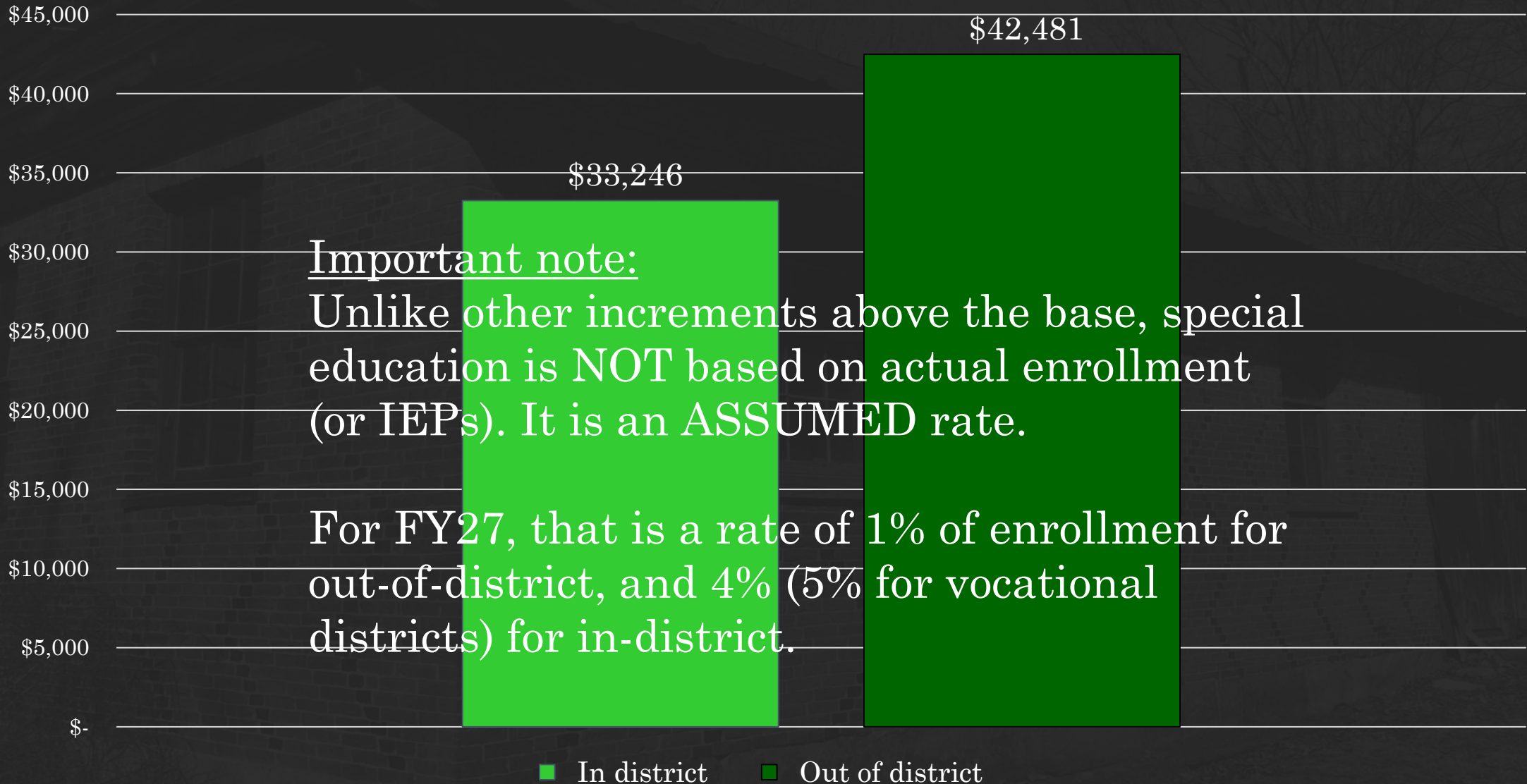
- In district special education

1%

- Out of district special education

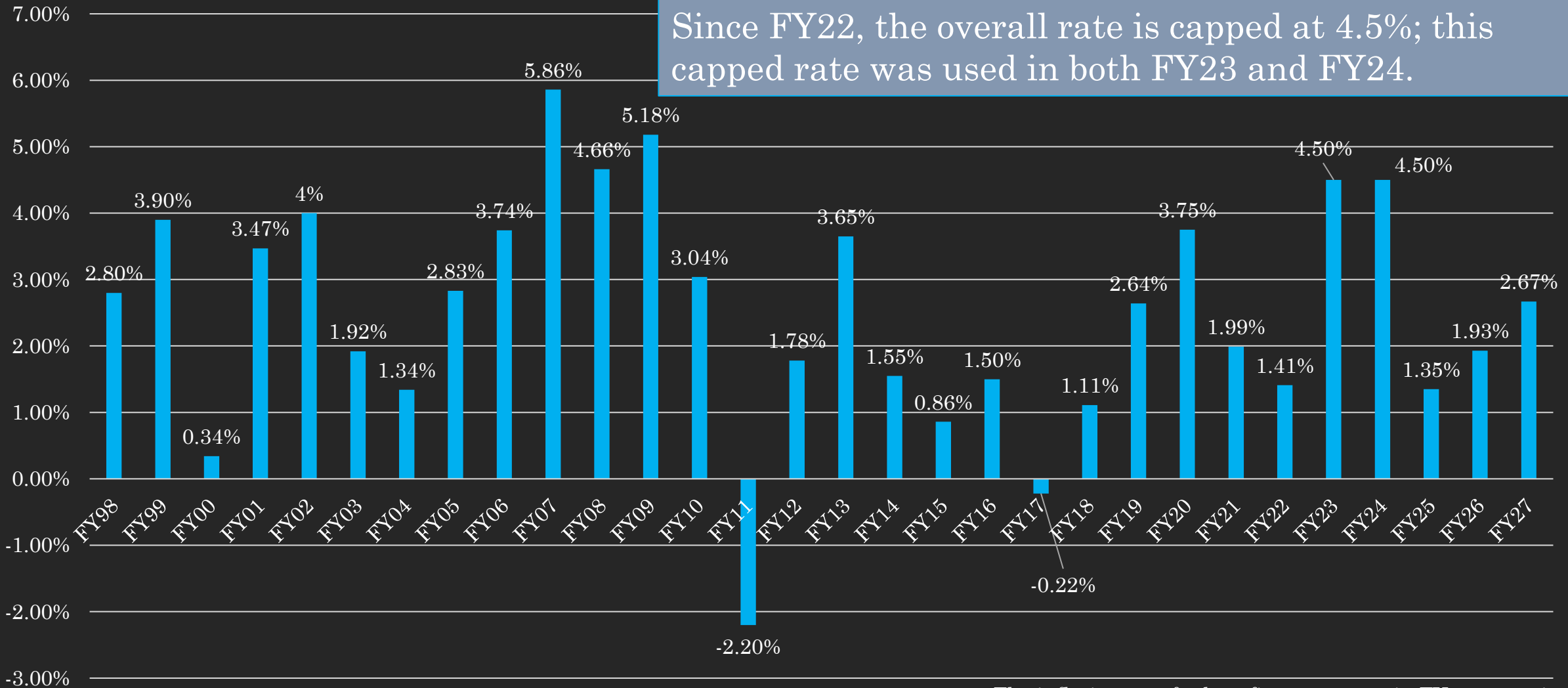
*5% for vocational districts

Special education: FY27



Inflation rate*: FY98 to FY27

NOTES: Since FY22, benefits have a separate rate; it is 8.29% for FY27.
 Since FY22, the overall 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

The inflation rate for benefits was 2.78% in FY22; 4.51% in FY23; 5.16% in FY24; 5.03% in FY25; 6.13% in FY26



"Slow and steady doesn't quiiiiite keep up with inflation."

Bit of commentary, courtesy of the *New Yorker* cartoonist Asher

From one year to the next, then, your foundation budget will change due to two factors*:

- Enrollment changes
- Inflation changes

*prior to and now aside from the Student Opportunity Act implementation!

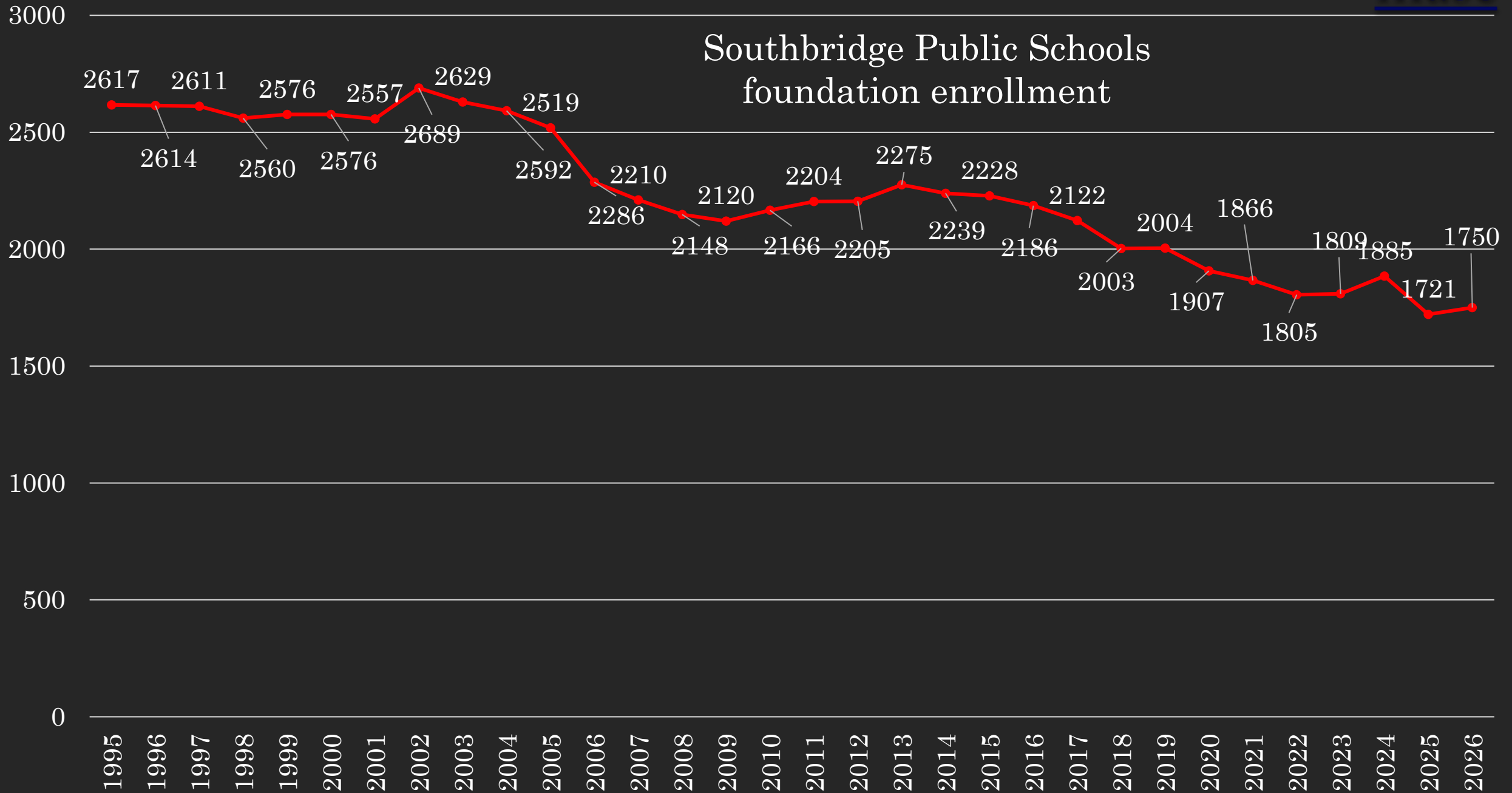
Adding it up for Southbridge in FY27

category	enrollment	Per pupil \$	total
Preschool	65	\$5,322.83	\$345,984
Full day K	176	\$10,645.84	\$1,873,668
Elementary	930	\$10,702.10	\$9,952,953
Middle	537	\$10,332.75	\$5,548,68
High	544	\$12,238.67	\$6,431,239
Vocational	1	18,046.96	\$18,047
<i>In-district sped</i>	<i>87</i>	<i>\$33,245.60</i>	<i>\$2,826,062</i>
<i>Out-of-district sped</i>	<i>22</i>	<i>\$43,481.32</i>	<i>\$956,589</i>
<i>English learners (K-5)</i>	<i>217</i>	<i>\$3,095.43</i>	<i>\$671,708</i>
<i>English learners (6-8)</i>	<i>67</i>	<i>\$3,319.83</i>	<i>\$222,429</i>
<i>English learners (9-12)</i>	<i>92</i>	<i>\$3,983.77</i>	<i>\$366,507</i>
<i>Econ. Disadvantaged (group 12)</i>	<i>1,636</i>	<i>\$10,719.79</i>	<i>\$17,537,576</i>
Total	2,221		\$47,004,351

Increments above the base are in italics

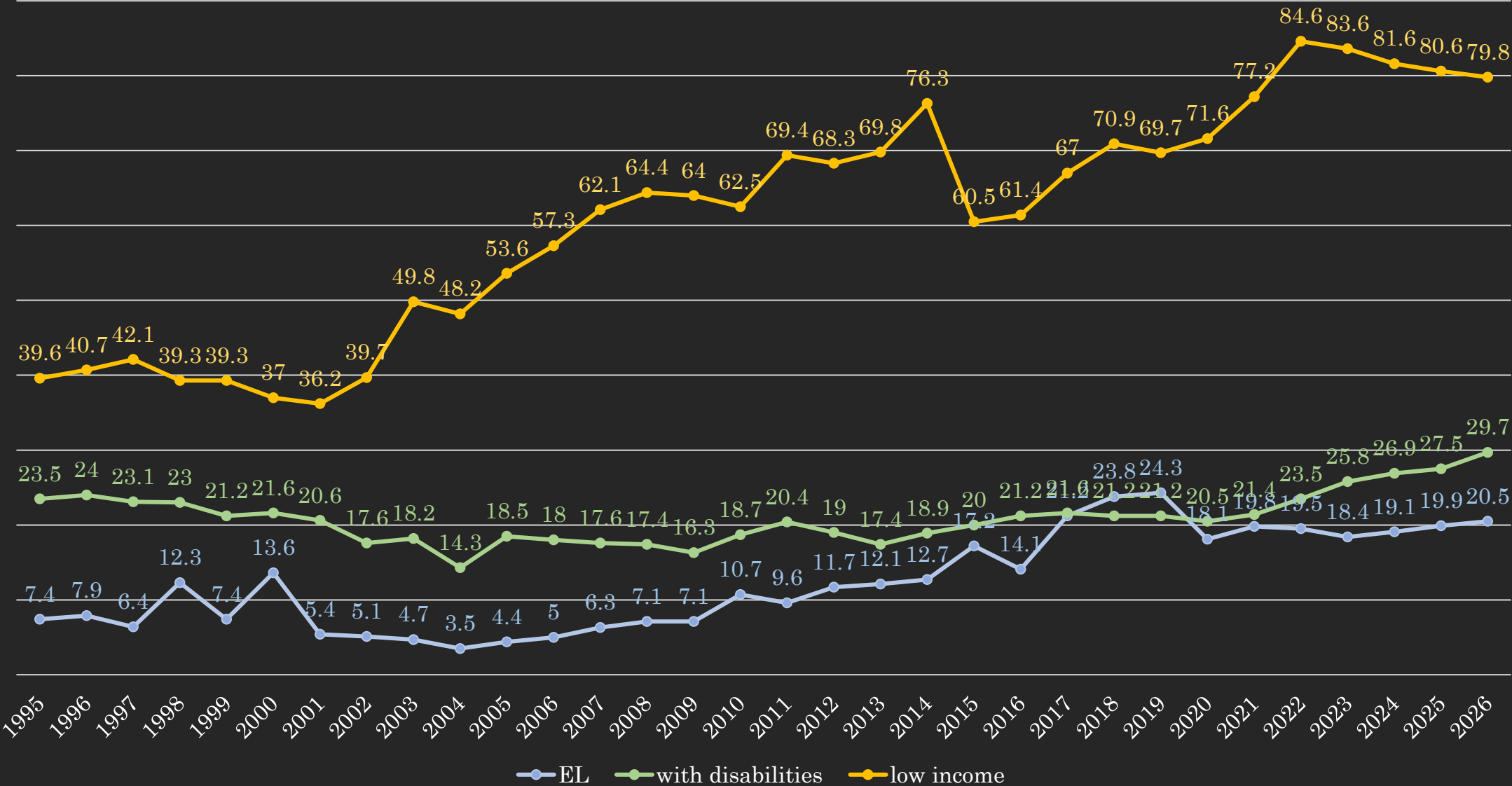
Categories with zero students not included

Southbridge Public Schools foundation enrollment



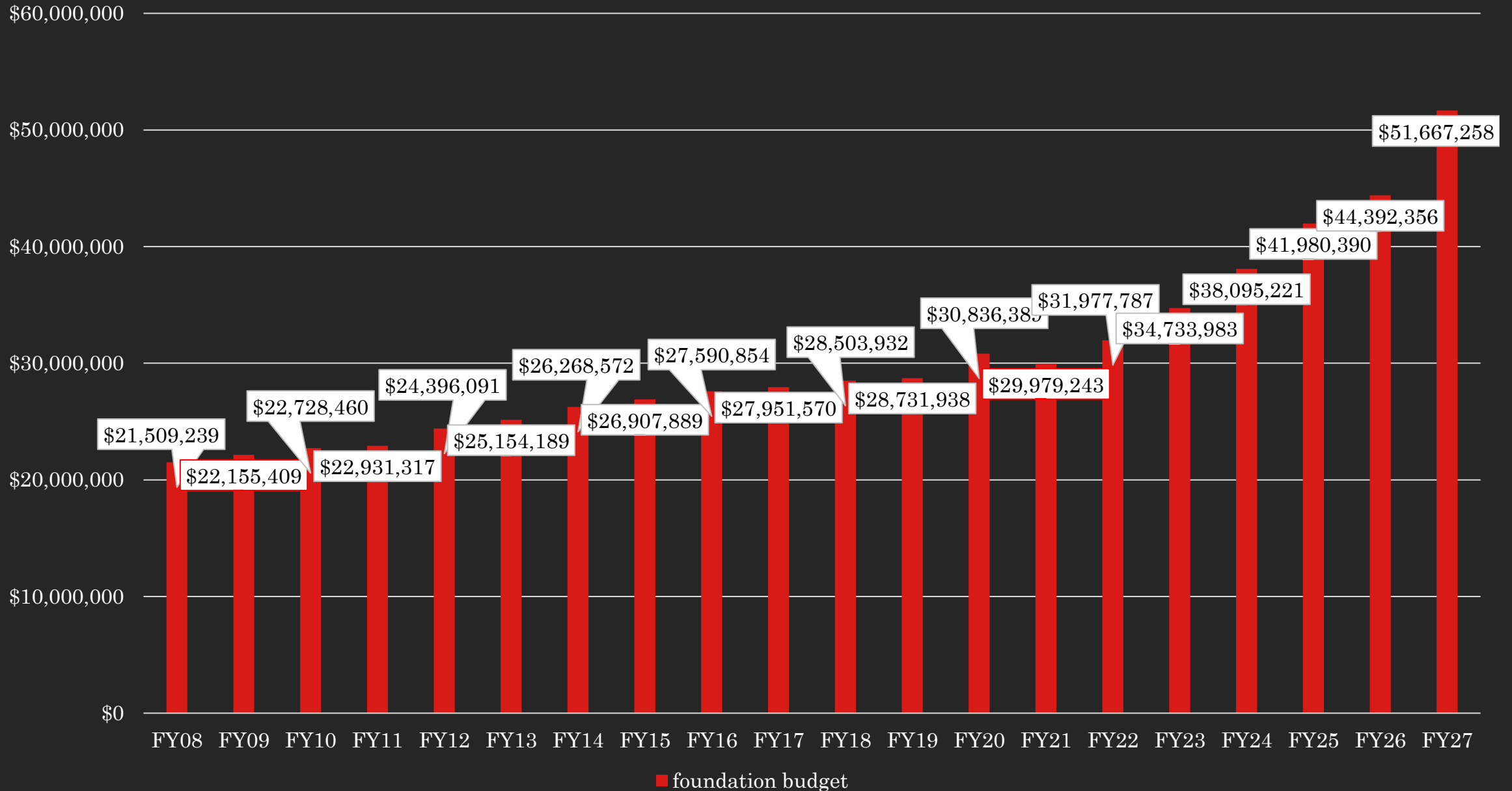
Southbridge Public Schools

% selected populations: actual enrollment



Massachusetts Department of Elementary and Secondary Education Enrollment: Grade, Race/Ethnicity, Gender, and Selected Populations Dataset, as updated March 3, 2026

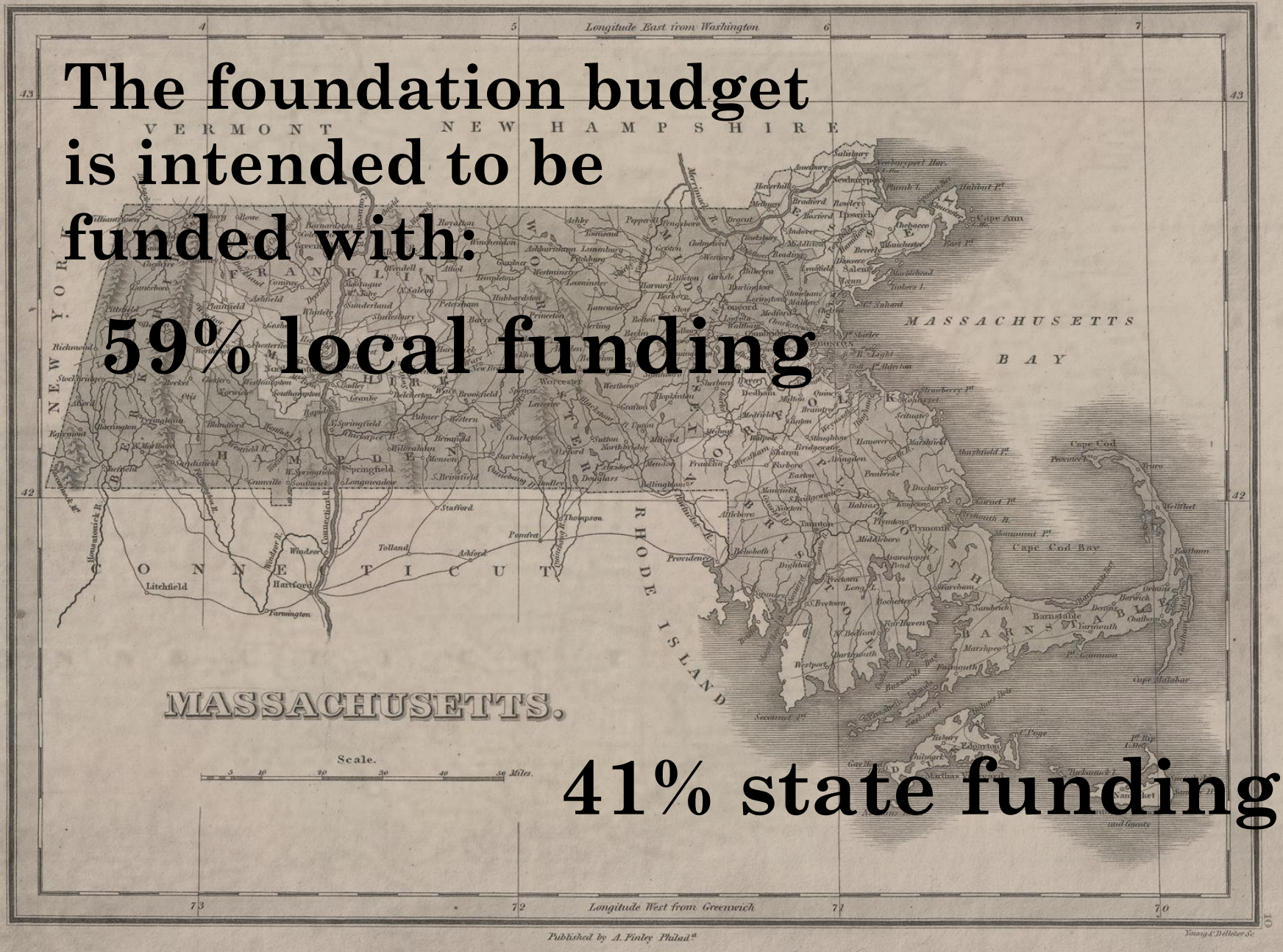
Southbridge Public Schools foundation budget

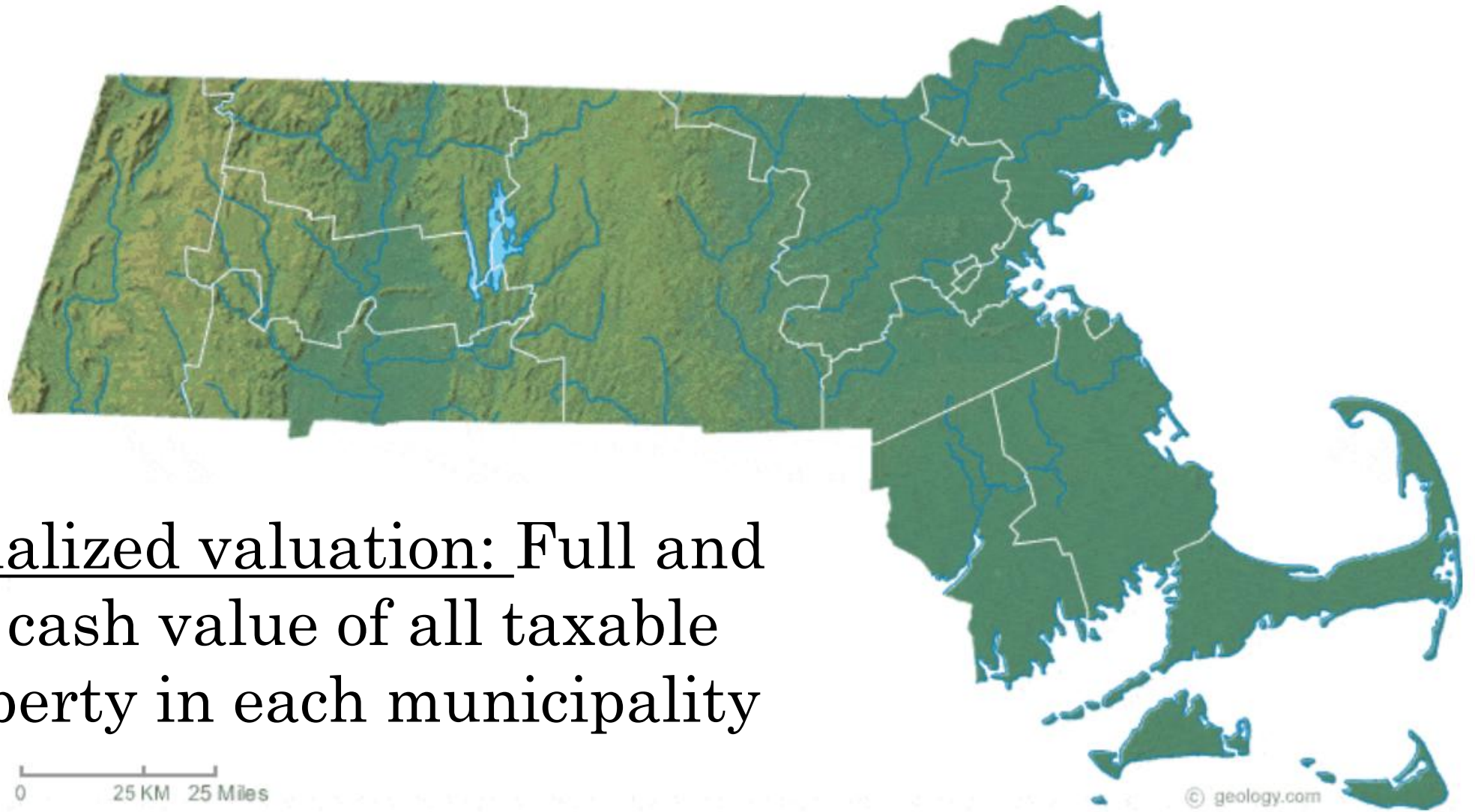


“by defining...a standard of local funding effort applicable to every city and town in the Commonwealth”

The foundation budget
is intended to be
funded with:
59% local funding

41% state funding





Equalized valuation: Full and fair cash value of all taxable property in each municipality



Fill out in black ink.
 For a faster refund, file your return electronically at mass.gov/dor.
 You must also complete and enclose Schedule HC.

2024

Massachusetts Department of Revenue

Form 1 Massachusetts Resident Income Tax Return

TAXPAYER'S FIRST NAME P M.I. LAST NAME *Waltham* TAXPAYER'S SOCIAL SECURITY NUMBER
M'Holohoe C E S T E R *B A Y*

SPOUSE'S FIRST NAME M.I. LAST NAME SPOUSE'S SOCIAL SECURITY NUMBER

MAILING ADDRESS (no. & street; apt./suite/postal box). If you have a foreign address, also complete line below. CITY/TOWN STATE ZIP CODE
B A Y

FOREIGN ADDRESS (no. & street; apt./suite/postal box). If you have a foreign address, also complete line below. FOREIGN COUNTRY (OR COUNTRY CODE) FOREIGN POSTAL CODE

Fill in if (see instructions): Amended return Other jurisdiction change (enter date of change) Federal amendment Amended return due to IRS BBA Partnership Audit

State Election Campaign Fund (this contribution will not change your tax or reduce your refund) \$1 Taxpayer \$1 Spouse Total \$

Fill in if veteran of U.S. armed services who served in Operation Enduring Freedom, Iraqi Freedom, Noble Eagle or Sinai Peninsula. Taxpayer Spouse

Fill in appropriate oval(s) if taxpayer(s) is deceased. See instructions. Taxpayer Spouse

Fill in if under age 18. See instructions. Taxpayer Spouse

Income: Derived annually from state Department of Revenue filings

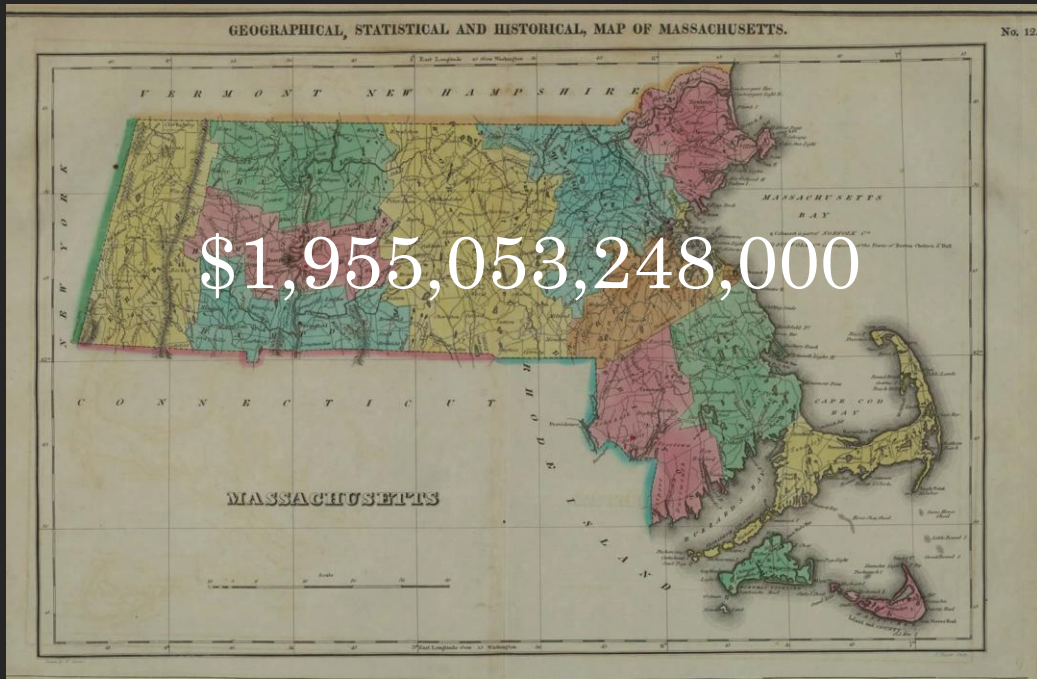
Calculating local share in funding the foundation budget:

**Total statewide FY27 foundation budget
= \$15,830,181,515**

59% of that is to come from local funding
= \$9,339,807,090
(Target local share)

Because the maximum local contribution is 82.5% of the foundation budget, the target local share is 82.5% of what?

Statewide Combined Effort Yield= \$12,939,860,384



\$1,955,053,248,000

$$\times 0.3309\% = \$6,469,930,193$$

(sum)= Combined Effort Yield
(CEY) \$12,939,860,384

A screenshot of the Massachusetts Department of Revenue Form 1, "Massachusetts Resident Income Tax Return" for the year 2024. The form includes fields for taxpayer and spouse information, mailing address, and various checkboxes for filing status and amendments. A large white number, "\$406,999,997,833", is overlaid on the form.

\$406,999,997,833

$$\times 1.5897\% = \$ 6,469,930,193$$

Southbridge* FY27

Effort Goal

1)2024 equalized valuation	1,766,245,600
2)Uniform property percentage	0.3309%
3)Local effort from property wealth	5,845,102
4)2023 income	469,496,000
5)Uniform income percentage	1.5897%
6)Local effort from income	7,463,406
7)Combined effort yield (3 + 6)	13,308,508
8)FY27 Foundation budget**	51,667,258
9)Maximum local contribution (82.5% * 8)	42,625,488
10)Target local contribution (lesser of 7 or 9)	13,308,508
11)Target local share (10 as % of 8)	25.76%
12)Target aid share (100% minus 11)	74.24%



\$1,766,245,600

X 0.3309% = \$5,845,102



\$469,496,000

X 1.5897% = \$7,463,406

Total CEY = \$13,308,508

82.5% of foundation (\$42,625,488) > Combined Effort Yield



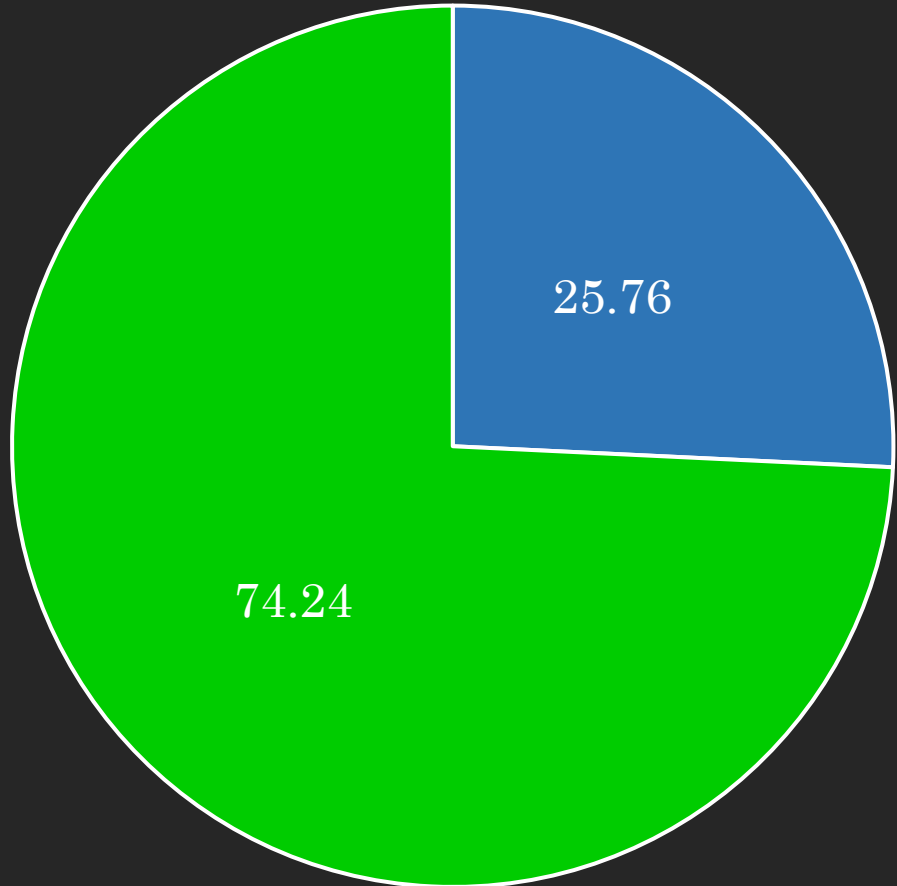
= 25.76% of the foundation budget

*the town, not the public school district

**Includes Southbridge contribution to Bay Path Regional Vocational

Southbridge: FY27

■ target local share (%) ■ target aid share (%)



How much was Southbridge required to contribute to schools last year?

\$11,105,884



How much did municipal revenue in Southbridge grow this past year using the **Municipal Revenue Growth Factor**

3.85%

= preliminary contribution of **\$11,533,461**

But that is 22.32%, not 25.76%, of the Southbridge foundation budget!

Municipal Revenue Growth Factor (MRGF)

Raises or lowers the local contribution from last year's required contribution by the **actual changes** in:

- State-imposed levy limit of 2.5%
- New growth
- State aid
- Prior year local receipts

Massachusetts Department of Revenue
Division of Local Services
Municipal Revenue Growth Factor (MRGF) Calculation, FY2026
SOUTHBRIDGE

1. LEVY LIMIT BASE		AMOUNT	
FY2025 Levy Limit Prior to Exclusions		26,720,006	
Impact of FY1994-FY2024 Overrides on FY2025 Limit			
FY2025 Overrides			
FY2025 Limit Adjusted for Overrides		26,720,006	

2. INCREASE IN LEVY LIMIT GROWTH DUE TO NEW GROWTH					
Fiscal Year	Levy Limit Without Exclusions, CH		Certified New Growth	New Growth Adjusted for 653	Percentage of Previous Year's Limit
	Overrides	653			
FY2021	23,419,283		445,037	445,037	1.99%
FY2022	24,761,280		756,515	756,515	3.23%
FY2023	25,787,036		406,724	406,724	1.64%
FY2024	26,720,006		288,294	288,294	1.12%
FY2025	27,598,423		255,789	255,789	0.96%
Average of Last Three Years					1.24%
Lowest Three of Last Four Years					1.24%
Maximum, Last Three Years					1.64%
Average of Two Smaller Years					1.04%
Difference, Maximum Minus 2 Yr Average					0.60%
Percent Increase in New Growth for MRGF					1.24%

*Adopted CH 653

3. CHANGE IN REVENUE SHARING	Fiscal Year 2025 Cherry Sheet	Fiscal Year 2026 Estimates
Unrestricted General Government Aid	4,331,911	4,427,213
State Owned Land	6,993	7,128
TOTAL	4,338,904	4,434,341

4. RECURRING LOCAL RECEIPTS	FY2024 Budget	FY2025 Budget
Motor Vehicle Excise	1,650,000	1,652,610
Other Excise	505,000	547,000
Penalties and Interest	230,000	250,000
Payments in Lieu	95,571	90,000
Fines and Forfeits	95,000	85,000
Investment Income	200,000	200,000
Medicaid & Miscellaneous Recurring	675,241	570,000
TOTAL	3,450,812	3,394,610

5. SUMMARY	Amount	Pct Chg
FY2025 MRGF Levy Limit	26,720,006	
FY2025 General Revenue Sharing	4,338,904	
FY2024 Budgeted Recurring Local Receipts	3,450,812	
Total Base Municipal Revenues	34,509,722	
FY2026 Estimated Levy Ceiling	46,709,095	
FY2025 Levy Limit * 1.025	27,388,006	
FY2026 Estimated New Growth	331,328	
FY2026 Estimated Levy Limit	27,719,334	3.74
FY2026 General Revenue Sharing	4,434,341	2.20
FY2025 Budgeted Recurring Local Receipts	3,394,610	-1.63
Total Estimated Current Municipal Revenues	35,548,285	
Change, Base to Current Revenues	1,038,563	3.01
FY2026 Municipal Revenue Growth Factor		3.01

Municipal revenue growth factor Southbridge: FY20-FY27 (%)



Department of Revenue, Division of Local Services, Municipal Revenue Growth Factor report: FY20, FY21, FY22, FY23, FY24, FY25, FY26, FY27



How close to your target is that contribution?



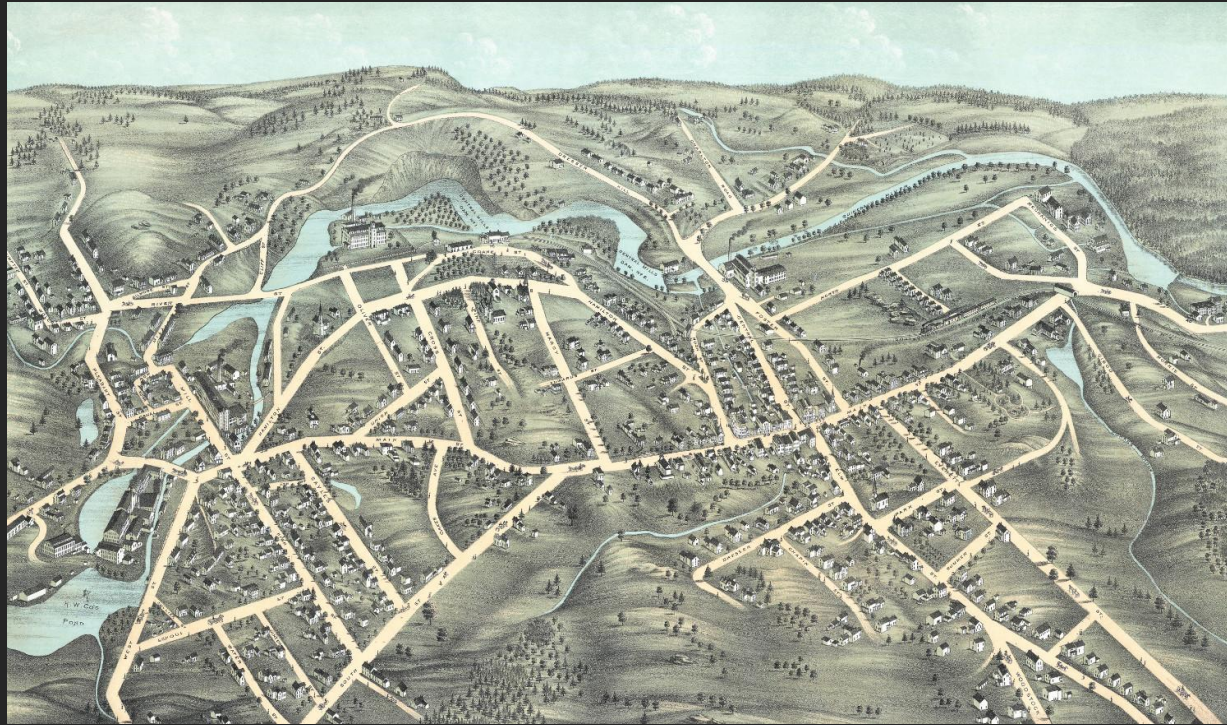
If ABOVE target share: 100%* reduction towards the target

If BELOW target share: An additional 1% if the shortfall is between 2.5% and 7.5%;

Or an additional 2% if the shortfall is greater than 7.5%. These additional amounts are based on the FY26 required local contribution amounts.

** The amount of effort reduction is subject to annual appropriation of the legislature*

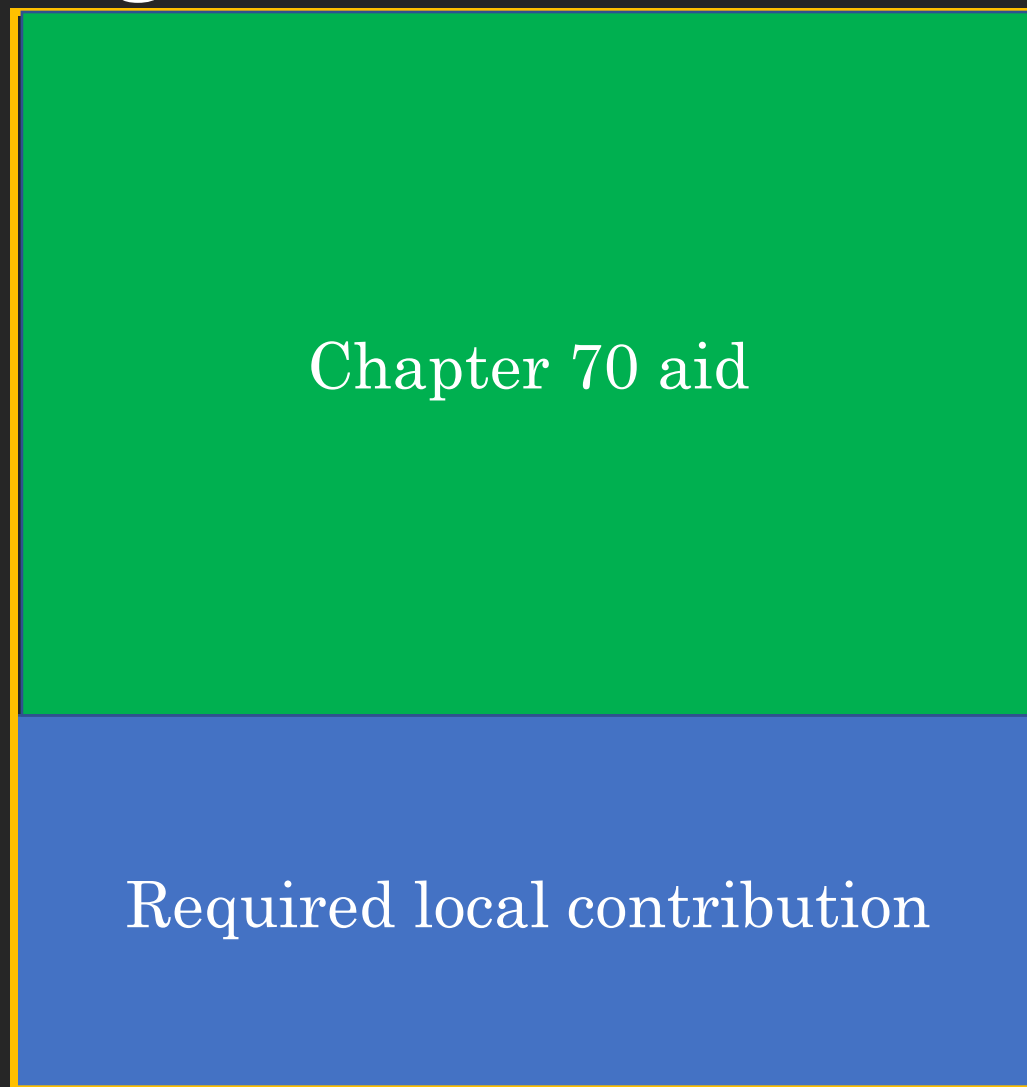
Southbridge is below target by 3.44%



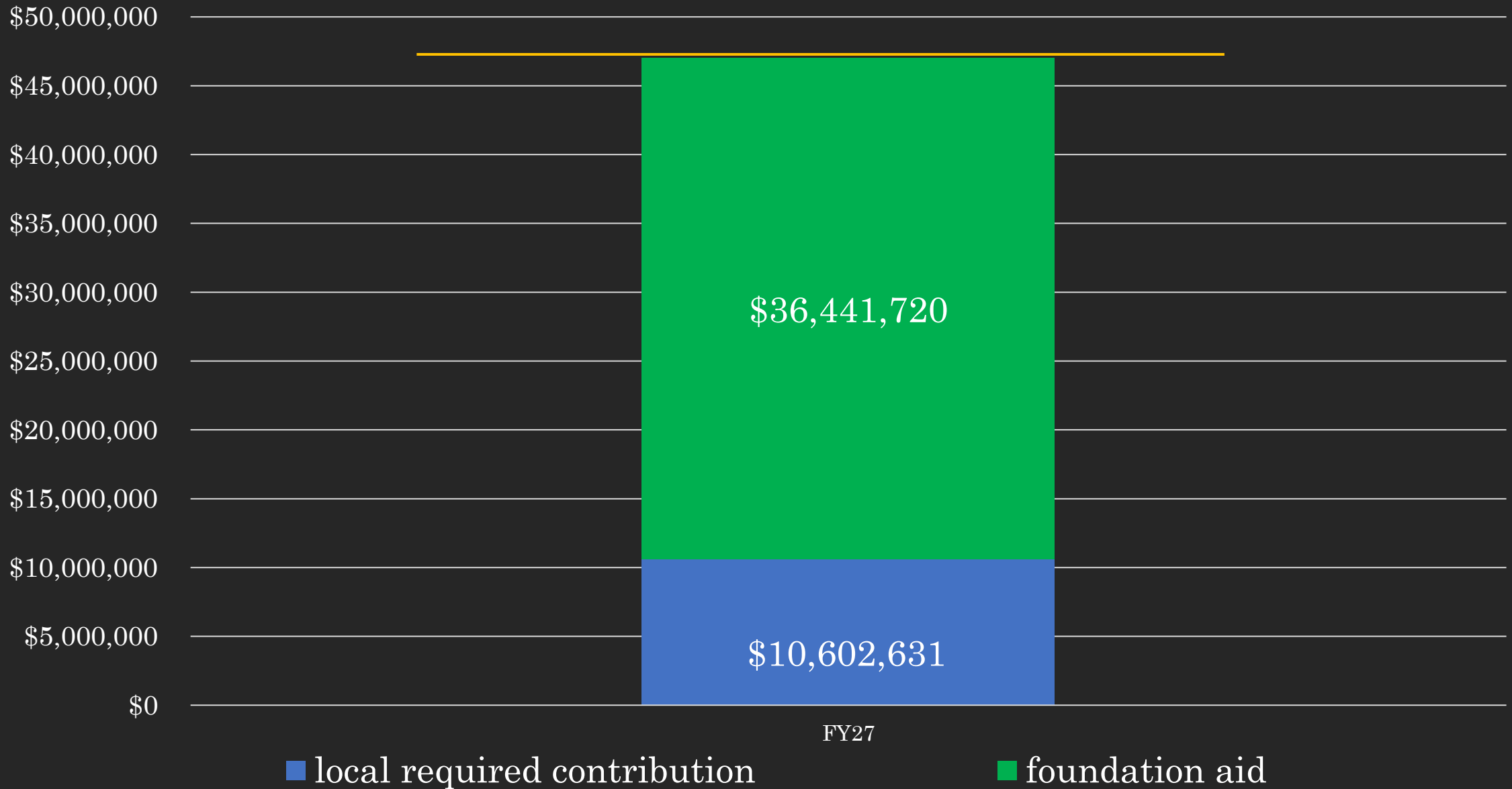
That 3.44% is between 2.5% and 7.5% short, so 2%
is added to the preliminary contribution = \$111,059
= required contribution of **\$11,644,520**

That's 22.54% of the Southbridge foundation budget

Putting it together:

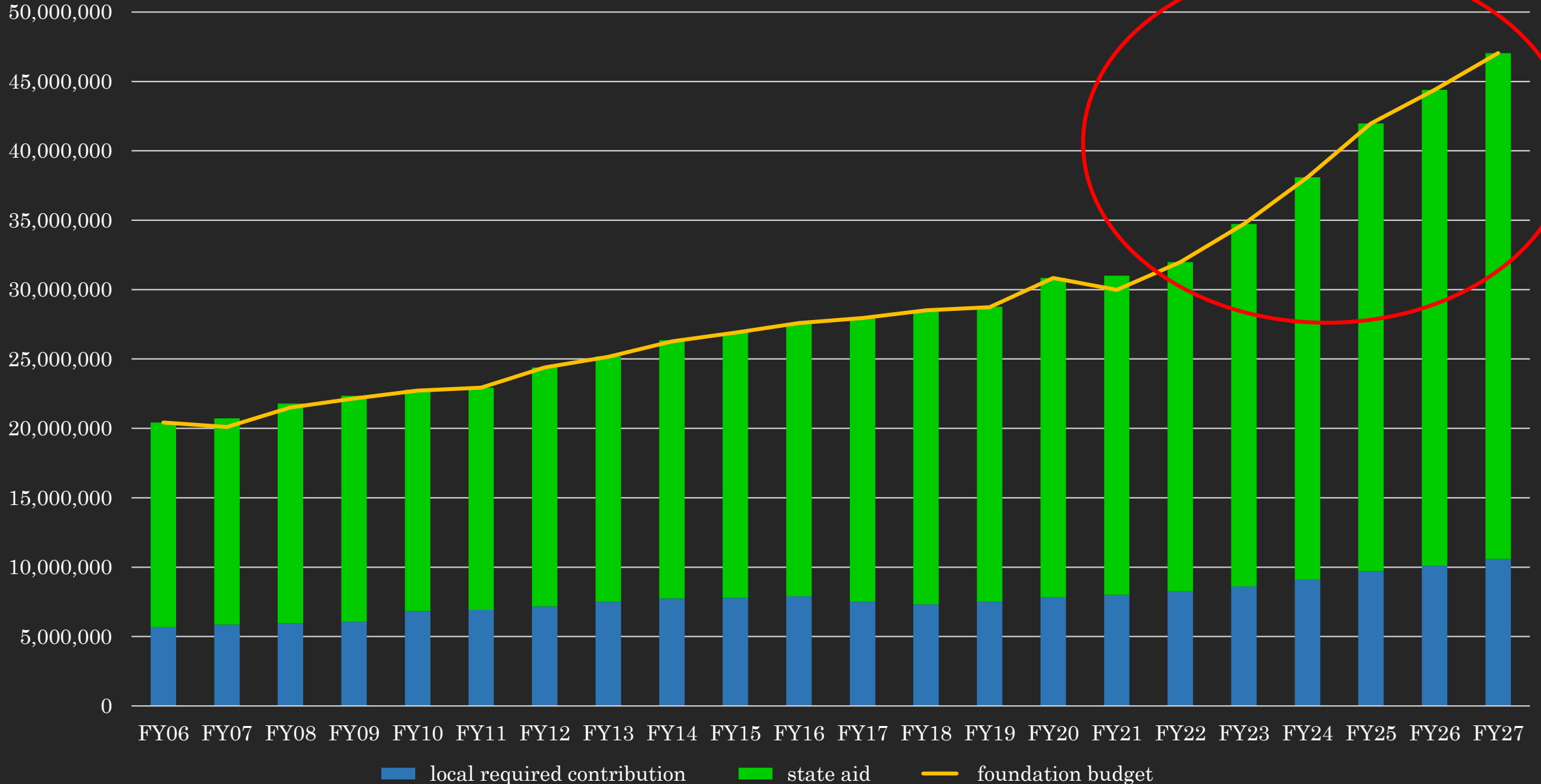


And so for FY27 for Southbridge Public Schools



“to assure fair and
adequate minimum
per student funding”

Southbridge: Student Opportunity Act implementation



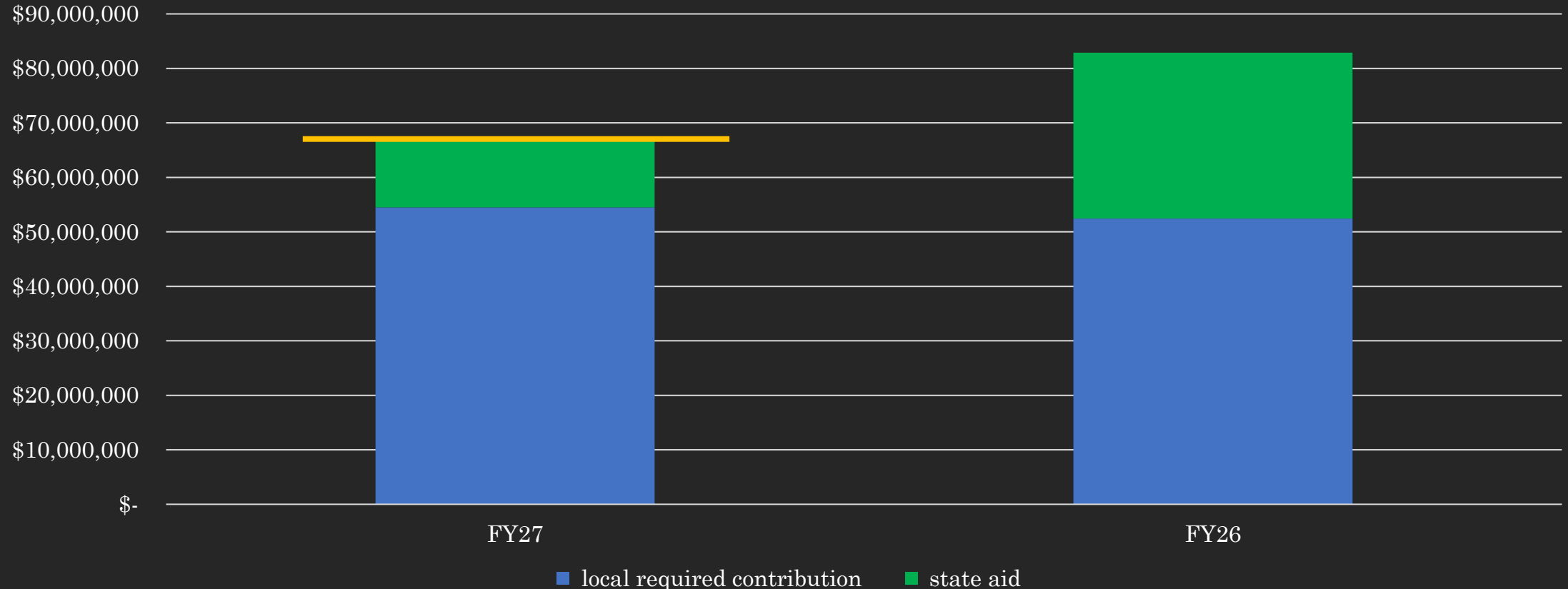
Department of Elementary and Secondary Education Chapter 70 and Net School Spending: FY27

But what if you would get less state aid than you'd gotten the year before?

An example from Franklin

FY27 foundation budget for Franklin:

But this is what the required local contribution plus state aid was for FY26:

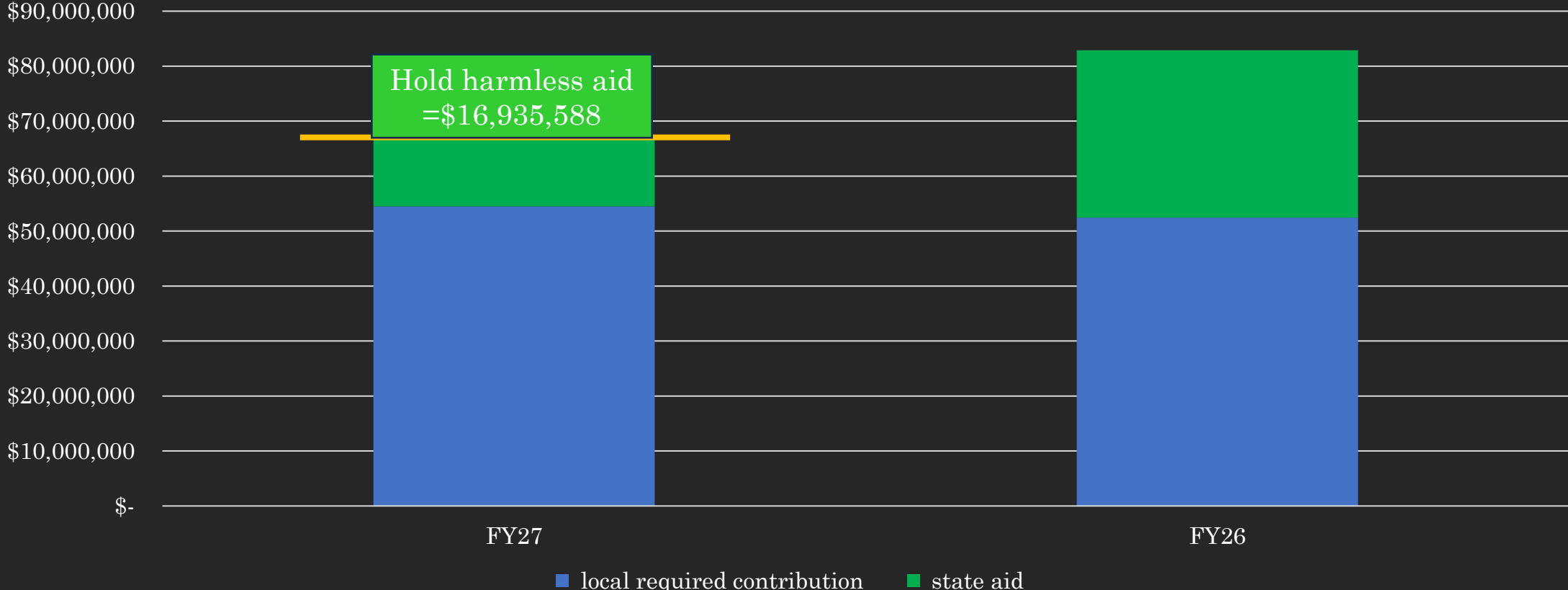


And so the state does this:

An example from Franklin

FY27 foundation budget for Franklin:

But this is what the required local contribution plus state aid was for FY26:

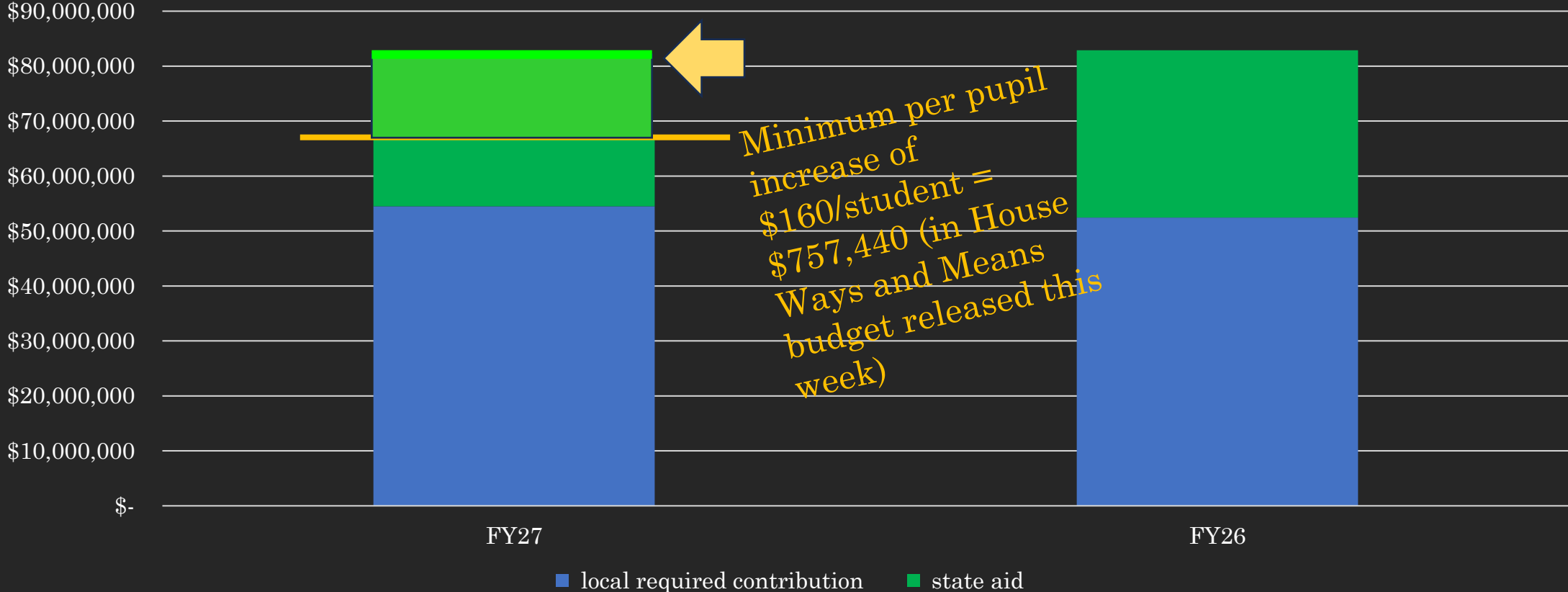


And then this:

An example from Franklin

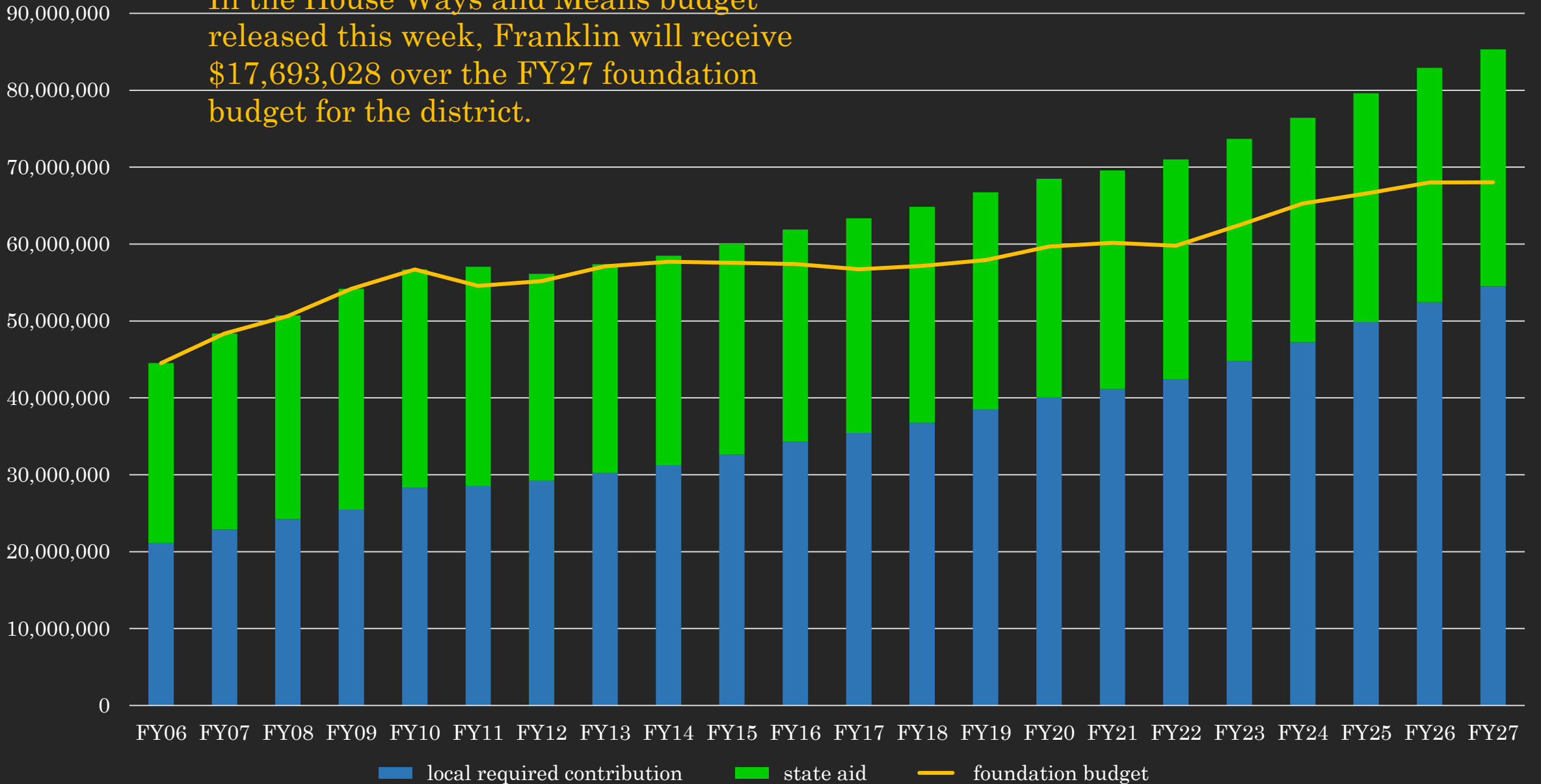
FY27 foundation budget for Franklin:

But this is what the required local contribution plus state aid was for FY26:



Franklin:

In the House Ways and Means budget released this week, Franklin will receive \$17,693,028 over the FY27 foundation budget for the district.



Department of Elementary and Secondary Education Chapter 70 and Net School Spending: FY27

“to assure fair and
adequate minimum
per student funding”



~~70~~ 60
(minutes)
on
(chapter)
70

Tracy Novick
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