



# Massachusetts Department of Elementary and Secondary Education

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Jeffrey C. Riley  
Commissioner

October 10, 2023

Sarah Laven Jones  
United States Department of Education

Dear Ms. Jones:

We are pleased to provide you with Massachusetts' submission of its FY24 (federal fiscal year 2023) SEA-level Maintenance of Equity baseline data for its high-need LEAs, highest-poverty LEAs, and high-poverty schools, respectively, as required by section 2004(b) and (c) of the ARP Act.

To demonstrate its required Maintenance of Equity, Massachusetts relies on the US Department of Education's guidance, which allows that if the "State includes such local revenues as part of its determination of State funding to meet a "guaranteed" funding level or as part of a "equalization" funding structure in order to ensure fiscal equity for LEAs, the State may consider the local revenues to be State funds for MOEquity purposes only and part of the calculation to determine any reduction of per-pupil funding."

The Commonwealth's school finance statute, Chapter 70 of the General Laws, establishes an annual *net school spending requirement* for each Massachusetts school district, which serves as a guaranteed amount of state and local funding for our school districts. The goal of Chapter 70 is to ensure that every district has sufficient resources to meet its foundation budget spending level and provide an adequate education for all students, through an equitable combination of local property taxes and state aid. The Chapter 70 formula determines a local contribution plus the amount of state aid the LEA will receive to arrive at a district's net school spending (NSS) requirement. NSS is the minimum amount that a district must spend to comply with state law.

Amounts are determined based on prior year student enrollment, and equity is a central tenet of the state funding formula.

The Excel document contains three tabs: the first shows a list of MA school districts and reflects Massachusetts' Required Net School Spending amounts. The second tab shows a list of schools for which districts must meet MOEquity. The third tab shows the overall statewide per pupil required net school spending data.

Put together, these tabs contain all information outlined in Appendix A of the U.S. Department of Education's MOEquity FAQ.

Massachusetts meets Maintenance of Equity for all High Poverty districts in the state in FY24.

However, for certain High Need districts, small changes in student enrollment or student poverty in small Massachusetts LEAs have created variability and fluctuations with respect to per pupil funding. Massachusetts has a plan to maintain equity for all of its districts. Overall, Massachusetts continues to invest heavily in its public education system. Despite the pandemic, the Commonwealth has increased its average per pupil NSS from FY19 (\$11,853 per pupil) to FY23 (\$15,639 per pupil), which represents an increase of over 30%. Moreover, we are currently implementing the Student Opportunity Act of 2019, which, over the next several years, is infusing approximately \$2 billion more in state education aid to districts *annually*, equitably weighted to those districts that serve more disadvantaged students. Naturally, as enrollment fluctuates from year to year, so too will per pupil expenditures, and there may be select outlier cases, especially in smaller districts, in which per pupil expenditure levels decrease from one year to another. However, due to the Commonwealth's huge investments over time, the vast majority of high poverty and high need districts will continue to see year-over-year increases in per pupil spending.

Massachusetts therefore proposes the following tolerance level, which was approved last year, for complying with Maintenance of Equity:

- For districts that have between 6 and 200 students enrolled, MA will tolerate a 7% reduction in per pupil funding from year to year.
  - Massachusetts has two such high need districts.

Overall, these districts represent .04% of the “high need” district enrollment in Massachusetts.

To the best of my knowledge and belief, the information in this MOEquity data submission is true and correct and the failure to submit accurate data may result in liability under the False Claims Act, 31 U.S.C. § 3729 et seq.; OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR part 180, as adopted and amended as regulations of the Department in 2 CFR part 3485; 18 USC § 1001, as appropriate, and other enforcement actions.

We would be happy to have a dialogue to discuss this filing upon your review.

Kind regards,



William Bell  
Senior Associate Commissioner and Chief Financial Officer