

The Education Cost Sharing (ECS) formula is the method the State of Connecticut has established to distribute over \$2.46 billion annually in state education funding to local and regional public school districts. The formula is made up of several different components: the foundation, student need-based weights, the Base Aid Ratio, and the phase-in schedule.

ECS grants are calculated on an annual basis and take into account updated data that may alter previous grant estimates. As a result, actual ECS grant amounts may differ from previous projections and estimates due to changes in enrollment, student needs, and/or community wealth.

Since being passed by the General Assembly in October 2017, the ECS formula has been adjusted several times. Below is a table detailing the current components of the ECS formula, which was last revised during the 2025 regular legislative session.

Current Education Cost Sharing (ECS) Formula	
Formula Component	Details
Foundation <sup>1</sup>	\$11,525 per student
State Aid for Special Education Incorporated in Foundation <sup>2</sup>	Yes
Low-income Student Weight <sup>3</sup>	<b>Weight per Student:</b> 30% <b>Identification Method:</b> Eligibility for free or reduced-price lunch
Concentrated Poverty Weight <sup>4</sup>	<b>Weight per Student:</b> 15% <b>Identification Method:</b> Low-income student residing in district where low-income students account for over 60% of the district's enrollment
Multilingual Learner Weight <sup>5</sup>	<b>Weight per Student:</b> 25%
Base Aid Ratio <sup>6</sup>	<b>70% Property Wealth Factor</b> Determined by a town's Equalized Net Grand per Capita (ENGLPC), compared to state median town ENGLPC  <b>30% Income Wealth Factor</b> Determined by a town's Median Household Income (MHI), compared to state median MHI
Base Aid Ratio Bonus for Higher-need Towns <sup>7</sup>	Adds a bonus of 3-6 percentage points to the Base Aid Ratio of communities that have one of the 19 highest Public Investment Communities (PIC) index scores
Regional District Bonus	The state pays a \$100 per grade per student regional bonus for any town that pays tuition for its students to attend a State Board of Education-approved incorporated or endowed high school or academy.

Current Education Cost Sharing (ECS) Formula	
Formula Component	Details
Statewide Guaranteed Wealth Level <sup>8</sup>	1.35
Minimum Aid Ratio <sup>9</sup>	<b>Alliance Districts:</b> 10% <b>Priority School Districts:</b> 10% <b>Non-Alliance Districts:</b> 1%
Hold-Harmless Provisions	<p>Alliance Districts are “held harmless” and will receive the greater of their base grant amount (FY 2017), current year grant, or prior year grant.</p> <p>Towns that are “overfunded,” according to the formula, and would normally experience decreases in their ECS funding are “held harmless” for FYs 2026 and 2027 and will receive their FY 2025 grant amounts instead.</p>
Funding for Public School Choice Programs	State charter schools, magnet schools, and AgriScience programs are partially funded based on the ECS foundation and student-need weights (passed in the 2024 legislative session).
Phase-in/out Schedule	<p>Formula is phased in over time with the phase-in schedule differing between towns receiving, according to the formula, an increase in ECS funding over their prior year grant amounts and those receiving a decrease compared to their prior year grant amounts.</p> <p><b><u>Towns Receiving an Increase</u></b>  <b>FY 2026 and beyond:</b> Grant fully funded</p> <p><b><u>Towns Receiving a Decrease</u></b>  <b>FY 2026:</b> Phase-out schedule paused and any town supposed to receive a decrease is held harmless at its FY 2025 grant amount  <b>FY 2027:</b> Phase-out schedule paused and any town supposed to receive a decrease is held harmless at its FY 2025 grant amount  <b>FY 2028:</b> Decrease phased out by 14.29%  <b>FY 2029:</b> Decrease phased out by 16.67%  <b>FY 2030:</b> Decrease phased out by 20%  <b>FY 2031:</b> Decrease phased out by 25%  <b>FY 2032:</b> Decrease phased out by 33.33%  <b>FY 2033:</b> Decrease phased out by 50%  <b>FY 2034:</b> Grant fully funded</p>
Estimated Total Cost When Fully Funded (based on FY 2025 data)	\$2.40 billion

## Endnotes

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<sup>1</sup> Amount that is intended to represent the estimated cost of educating a Connecticut general education student who does not have any additional learning needs.

<sup>2</sup> According to the Connecticut State Department of Education, approximately 23% of all ECS funding is spent on special education.

Connecticut General Assembly, Office of Fiscal Analysis. (2025). *Overview of Special Education Funding in Connecticut* [PowerPoint slides]. Hartford, CT: Author. Retrieved from [https://cga.ct.gov/sed/related/20250129\\_2025%20OFA%20Presentation/OFA%20Special%20Education%20Funding%20Presentation.pdf](https://cga.ct.gov/sed/related/20250129_2025%20OFA%20Presentation/OFA%20Special%20Education%20Funding%20Presentation.pdf).

<sup>3</sup> Increases foundation amount by a certain percentage for students who live in low-income households as identified by a designated eligibility metric.

<sup>4</sup> Increases foundation amount by a certain percentage for students who reside in a district where the percentage of the district's enrollment of low-income students is above a designated threshold.

<sup>5</sup> Increases foundation amount by a certain percentage for students who are identified as needing additional English-language skills.

<sup>6</sup> Variable in the ECS formula that determines each community's ability to financially support its public schools.

<sup>7</sup> Calculated annually by Connecticut's Office of Policy and Management, the PIC index measures the relative wealth and need of Connecticut's towns by ranking them in descending order by their cumulative point allocations based on: per capita income; adjusted equalized net grand list per capita; equalized mill rate; per capita aid to children receiving Temporary Family Assistance benefits; and unemployment rate. The below chart outlines the additional percentage point bonus towns with one of the 19 highest PIC index scores will see added to their Base Aid Ratio.

Town's PIC Index Rank	Additional % Points Added to Base Aid Ratio
1-5	6 percentage points
6-10	5 percentage points
11-15	4 percentage points
16-19	3 percentage points

<sup>8</sup> Commonly referred to as the threshold factor, the Statewide Guaranteed Wealth Level (SGWL) determines each town's ECS aid percentage. Each town's ability to support its public schools (as determined by the Base Aid Ratio) is compared to the SGWL to determine what percentage of the per-student funding amount the town will receive from ECS and what will have to come from local tax dollars. As the SGWL is lowered, and all other formula factors remain constant, the formula distributes education aid more equitably.

<sup>9</sup> Ensures every town receives some amount of ECS funding, even when the result of the ECS formula calculation would be that the town would be ineligible to receive ECS grant funding.