TOP EDITOR TO STATES OF SMITH

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

April 18, 2023

The Honorable Angélica Infante-Green Commissioner Rhode Island Department of Education Shepard Building 255 Westminster Street Providence, RI 02903

Dear Commissioner Infante-Green:

The U.S. Department of Education (Department) received your written plan for a reasonable level of tolerance when calculating whether the Rhode Island Department of Education (RIDE) has met State maintenance of equity requirements under the American Rescue Plan Act of 2021 (ARP Act). This written plan applies only to a subset of Rhode Island's local educational agencies (LEAs).

The ARP Act State maintenance of equity requirements help ensure that State funding supports LEAs with high concentrations of poverty and the students who have been subject to longstanding opportunity gaps in our education system and experienced the greatest impact from the COVID-19 pandemic. These requirements are vital for ensuring that States maintain funding to address the impact of the pandemic on students' education, and for protecting students in high-need and highest-poverty LEAs from disproportionate cuts if reductions in State effort do occur.

The Department determined that it is consistent with the State maintenance of equity requirements to allow a State educational agency (SEA) to calculate whether it has maintained funding equity with respect to its very small high-need and highest-poverty LEAs within a reasonable "tolerance level." The Department's determination is based on the possibility of significant volatility in the calculated per-pupil funding amounts for very small LEAs caused by small changes in student enrollment, which may be unrelated to whether an SEA has achieved the intent of the requirements. (See *Frequently Asked Questions, American Rescue Plan Elementary and Secondary School Emergency Relief Program, Maintenance of Equity Requirements*, July 26, 2022, Question 21(a).)

RIDE's plan considers LEAs with memberships of fewer than 1,000 students, and that receive formula funding aid based upon the characteristics of various sending LEAs, to be small. Under this proposed threshold, Rhode Island has 23 such LEAs. RIDE asserts that calculated per-pupil funding amounts for these small LEAs are significantly affected by small changes in attendance rates and students' educational needs. For these 23 LEAs, RIDE proposes to implement a

400 MARYLAND AVE. SW, WASHINGTON, DC 20202 www.ed.gov tolerance of up to a 10 percent decline in per-pupil funding. Applying this tolerance would impact one LEA in FY 2022 that served 0.006 percent of Rhode Island's students. According to RIDE, all LEAs receive most State funding via the State's education funding formula based on core educational costs, enrollment, and the local community's ability to fund education. The one LEA impacted by this proposal serves students statewide; therefore, the per-pupil amounts at this LEA vary year to year based on the community characteristics of sending LEAs. This makes the per-pupil funding for this LEA an imperfect indicator of whether the SEA has achieved the intent of maintaining equity in funding.

After reviewing RIDE's tolerance proposal and accompanying data, the unique circumstances in the State, and our further State-specific analysis, we have determined that this approach includes a reasonable level of tolerance when calculating whether Rhode Island has maintained equity for small LEAs.

We appreciate your diligence in developing this proposal. If you have any questions, please contact your program officer at: RhodeIsland.OESE@ed.gov.

Sincerely,

Laura Jimenez

Laura Jimenez Director, Office of State and Grantee Relations