

TECHNICAL APPENDIX

DATA DEFINITIONS

- Wealthiest districts are defined as districts with the lowest rates of students in poverty, as measured by free and reduced-price lunch.
- Poorest districts are defined as districts with the highest rates of students in poverty, as measured by free and reduced-price lunch.
- Higher-funded districts are defined as districts receiving a general per-pupil allocation (foundation allowance) that is higher than the state’s minimum foundation allowance.
- Lower-funded districts are defined as districts receiving a general per-pupil allocation (foundation allowance) at the state’s minimum foundation allowance.
- Vulnerable students are defined as students with additional needs such as low-income students, English learners, students with disabilities and students experiencing homelessness or in foster care.

BUDGET CUT ANALYSIS

Quintile Demographics:

	Poverty Rate Range	Total Number of Districts	Total Number of Students
Wealthiest	0 – 26%	73	298,025
Wealthy	26 - 42%	114	286,994
Average	42 - 57%	187	290,850
Poor	57 – 73%	206	291,179
Poorest	74 – 100%	247	289,975

Data Sources:

- Michigan Department of Education, Student Count 2018-19
- State of Michigan, 2019-20 School District Foundation Amounts. Retrieved from https://www.senate.michigan.gov/sfa/Departments/DataCharts/DCK12_FoundationHistory.pdf
 - Note: The FY '18-19 and FY '19-20 data were used to derive the 2X formula used in the Reduced Cut model.

Model Calculations:

- An overview of each model’s calculations can be found on pages 5 -7 of the brief.
- Reduced Cut – In the modeling data published in the brief, the lowest-funded districts (districts that are funded at the minimum foundation allowance level) receive a reduced cut for every student. Districts with a higher foundation allowance receive the same reduced cut as districts funded at the minimum foundation allowance level for the number of low-income students enrolled. Higher-funded districts receive a higher cut, based on how much higher the district’s foundation allowance level is according to the 2x formula, for the number of non-low-income students enrolled.

- Closing the Gap – The lower cut in the modeling data published in the brief, which is applied for every low-income student, is set at 30.1% of the full cut applied for every non-low-income student. This full cut amount is \$722.63.

OTHER NOTES

- The chart on page 3 is from the Education Trust report, Funding Gaps 2018.
 - This report and chart can be found [here](#) on The Education Trust website.
 - Reading this figure: In Utah, the highest poverty districts receive 21 percent more in state and local funds per student than the lowest poverty districts (not adjusted for additional needs of low-income students). In states shaded in green, the highest poverty districts receive at least 5 percent more in state and local funds per student than the lowest poverty districts; in states shaded in red, they receive at least 5 percent less. Grey shading indicates similar levels of funding for the highest and lowest poverty districts. Note that although all displayed percentages are rounded to the nearest percentage point, states are ordered and classified as providing more or less funding to their highest poverty districts based on unrounded funding gaps.
 - Note: Hawaii was excluded from the within-state analysis because it is one district. Nevada is excluded because its student population is heavily concentrated in one district and could not be sorted into quartiles. Alaska is excluded because there are substantial regional differences in the cost of education that are not accounted for in the ACS-CWI. Because so many New York students are concentrated in New York City, we sorted that state into two halves, as opposed to four quartiles. Though included in the original publication, data from Ohio are now excluded from this chart because of subsequently discovered anomalies in the way Ohio reported its fiscal data to the federal government.
- The data on page 5 regarding Bloomfield Hills Public Schools and Grand Rapids Public Schools is from the 2019-20 Student Count File. The data for the narrative were accessed on July 17, 2020, which is within the audit window for Michigan's student count data and thus there may be slight changes to the data if accessed on a different date. See [MDE's Student Count Day and School Information](#) sheet for more details.