



The Commonwealth of Massachusetts
AUDITOR OF THE COMMONWEALTH
STATE HOUSE, BOSTON 02133

SUZANNE M. BUMP, ESQ.
AUDITOR

TEL: 617-727-2075

January 12, 2018

Governor Charlie Baker
Office of the Governor
State House, Room 360
Boston, MA 02133

Dear Governor Baker:

I am writing to request full funding of regional school transportation (line item 7035-0006) and McKinney-Vento homeless student transportation (line item 7035-0008) in your Fiscal Year 2019 budget.

My office recently released a study of the local cost impacts of state statutes, regulations and policies impacting regional schools districts, and provided recommended changes to support these educational institutions. I have included a copy of the report with this letter.

The report examined barriers and incentives to regionalization and found that the current incentives do not provide enough enticement for municipalities to give up some measure of local control over their schools. In order to address this barrier, the Commonwealth should develop deeper incentives to encourage communities to regionalize, including fulfilling its commitment to reimburse municipalities 100% of regional school transportation costs. The Department of Early and Secondary Education estimates that for FY19, this would require an appropriation of \$86 million, a \$24.5 million increase over FY18 funding levels. This long term investment will assist 58 academic regional school districts serving approximately 107,000 students in over 170 towns, and will further serve as an incentive to municipalities considering regionalization. This funding will close a gap for vocational-technical high schools also covered by the line item.

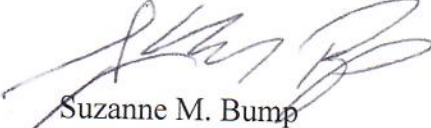
In addition, my office determined in 2011 that McKinney-Vento homeless student transportation costs constituted an unfunded mandate on municipalities and in 2015, my office released a report examining the fiscal impact on municipalities of the growing disparity between actual costs and the Commonwealth's reimbursement to municipalities. Despite these two reports, the Commonwealth continues to underfund municipalities for these items. For FY17, the McKinney-Vento homeless student transportation costs totaled just over \$22 million with only \$8.3 million in reimbursement. The FY18 line item funding remains at \$8.3 million, which will enable the state to only reimburse districts between 33-35 percent of actual costs. In FY19, this account requires an additional \$14.7 million for a total appropriation of \$22 million.

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As a Commonwealth, we must prioritize the public education of our children. Fully funding the Commonwealth's obligation to these institutions is important not only to incentivize school districts to regionalize, but also to allow the school districts to effectively engage in long-term planning and budgeting so they can meet this most important of responsibilities.

Thank you for your time and consideration. Should you have any questions, please feel free to contact my office.

Sincerely,



Suzanne M. Bump
Auditor of the Commonwealth

cc: Jeff Wulfson, Acting Commissioner of the Department of Elementary and Secondary Education
Robert A. DeLeo, Speaker of the House of Representatives
Harriette L. Chandler, Acting Senate President
Jeffrey Sánchez, Chair of House Committee on Ways and Means
Karen Spilka, Chair of Senate Committee on Ways and Means
Kimberly Ferguson, House Chair of the Regional Schools Caucus
Anne Gobi, Senate Chair of the Regional Schools Caucus