Foundation And Incentive Revenue (FAIR)



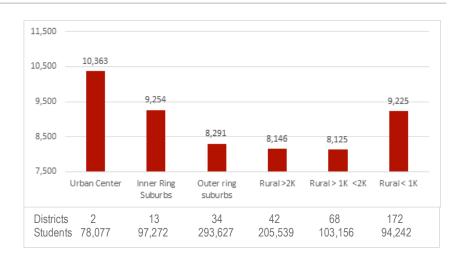
A funding solution that helps all students.

Where students attend a public school currently matters in Minnesota. Rural schools receive far less funding per pupil than their metro area counterparts. Yet the standards and expectations are the same. Minnesota wants all students to succeed. A new Foundation And Incentive Revenue (FAIR) can help achieve that. Here's how.

View impact by school district at MREAVOICE.org/FAIR

WIDE DIVIDE IN FUNDING >>

The 15 school districts in the central cities and inner ring suburbs receive nearly \$1,400 more per pupil than the average of the other four tiers, a 16% difference.



HOW IT WORKS: Every school district starts with \$200,000. This is then multiplied by the ratio of the district's three-year rolling average of 8th grade MCA reading and math scores divided by the state's three-year average. The result is a median revenue of \$184,000 per district, and a median of \$190 per ADM. The three-year average provides a balance between stability due to student differences in smaller classes and the ability of schools to affect student achievement positively.

WHAT'S THE COST: FAIR costs about \$60 million per year, but only a dozen rural districts receive less than \$60 per pupil, or 1 percent on per pupil funding. All other 150+ rural districts receive more up to a maximum of \$1,000 per APU.

WHAT'S THE IMPACT: FAIR helps deliver more equitable funding to school districts across the state while rewarding them for student achievement.

Tier (Region)	Region Description	FAIR Avg. (Per APU)	Closing the Gap
1	Urban Center	\$4	
2	Inner Ring Suburbs	\$27	0.7%
3	Outer ring suburbs	\$28	1.1%
4	Rural > 2,000	\$49	1.4%
5	Rural 1,001-1,999	\$136	2.4%
6	Rural < 1,000	\$317	4.0%



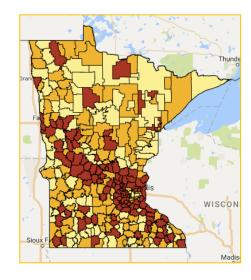
FAIR: A Student Achievement Bonus

Funding with a reward for achievement.

In addition to narrowing the funding gap between rural and metro schools, FAIR aims to reward schools that are closing the achievement gap and getting better results for Minnesota students. The funding allocation is illustrated by school district in this map.

Learn more at MREAVOICE.org/FAIR

WEALTH & ACHIEVEMENT: A MREA analysis shows a clear relationship between wealth and achievement when state's districts are split in thirds by FRE percentages and MCA 8th grade proficiency. The lowest FRE schools align with the highest MCA scores while the highest third of FRE schools have the lowest MCA scores. Schools that are in the middle for FRE tend to be in the middle of MCA scores.



- ☐ Below 8th Grade Proficiency
- Near Median 8th Grade Proficiency
- Above 8th Grade Proficiency

DEFYING THE PATTERN >>

Six rural districts with the highest FRE percentages achieved the highest 8th grade MCA proficiency.



Another 63 rural districts' MCA scores are in the next highest third than expected given their FRE percentage, as shown in the chart below. These districts defying the pattern represent 25 percent of all rural districts.

8th Grade MCA Scores and Free and Reduced Lunch (FRE) Percentages

	Rural School Districts	Percent Rural Districts	Metro School Districts	Percent Metro Districts	State Total	State Percentages
Significantly Above Expectations	6	2%	0	0%	6	2%
Above Expectations	63	23%	6	10%	69	21%
Meeting Expectations	141	52%	50	85%	191	58%
Below Expectations	54	20%	1	2%	55	17%
Significantly Below Expectations	9	3%	2	3%	11	3%
Total	273	100%	59	100%	332	100%

