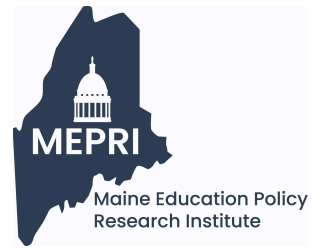


# RESEARCH BRIEF: EPS Study, Part 1

Maine Education Policy Research Institute

Amy Johnson, Sharon Gerrish, Lisa Morris, James Sloan, and Jennifer Chace



## Historical Trends and Overview of Revenue Sources



### Study Purpose

Resolve 2286 directed MEPRI, in collaboration with the Maine Department of Education, to study the Essential Programs and Services (EPS) school funding formula in FY2025. The study has five parts: Data Trends, State Aid & Local Ability to Pay, Regional Cost Variation, Special Education, and Other. Stakeholder feedback, primarily from superintendents, school board members, and school business officers, as well as prior MEPRI studies, contributed to the study's findings.

<b>Part I Context</b>	<p>The Essential Programs and Services (EPS) school funding system was implemented in 2005, with a goal of improving equity of funding across all Maine school districts. The Part I report provides a general overview of the past two decades under EPS:</p> <ul style="list-style-type: none"><li>● Trends in staffing and enrollment,</li><li>● Trends in spending in major budget categories (total and per pupil)</li><li>● Patterns in total local spending compared to EPS cost estimates</li><li>● Stakeholder feedback on how EPS is working at the local level</li></ul>
<b>Historical Trends 2001 to 2023</b>	<p><i>Staffing &amp; Enrollment</i></p> <ul style="list-style-type: none"><li>● Public school student enrollment decreased 19% between 2001 and 2023.</li><li>● Total number of teachers (in all categories) fluctuated, ending at approximately the same place in 2023 as it was in 2001.</li></ul> <p><i>Spending</i></p> <ul style="list-style-type: none"><li>● Total spending has increased more than inflation since 2001.</li><li>● Per-pupil spending increased even more due to declining enrollments.</li><li>● Biggest increases in total dollars compared to inflation are in special education and student and staff support.</li><li>● Impactful increases above inflation also seen in operations and maintenance, transportation, and school administration, especially on a per-pupil basis.</li><li>● CTE and Other Instruction (pre-pandemic) increases are proportionally large but less impactful in total dollars (they are smaller cost categories).</li><li>● Regular instruction and system administration spending tracks inflation.</li></ul>

	<p><i>Spending compared to EPS</i></p> <ul style="list-style-type: none"> <li>● SAUs budgets over time have become increasingly higher than EPS amounts.</li> <li>● In FY24, district budgets were 26% higher than EPS.</li> </ul>
<p><b>Stakeholder Perspectives In Their Words</b></p>	<ul style="list-style-type: none"> <li>● Lack of statewide consensus on definitions of “equitable” and “essential.”</li> <li>● EPS has not kept up with changing expectations for additional educational services (especially student and staff support).</li> <li>● Property values are not always an accurate measure of local homeowner ability to pay.</li> <li>● Quality for Maine students relies on individual towns’ commitment to education. Some communities feel pride in not spending “over EPS” although the model was never intended to account for all costs.</li> <li>● Some taxpayers in RSUs see “unequal payment for the same services” (i.e. different levels of local vs. state funding) as problematic.</li> <li>● Intense competition for staff between neighboring districts; some districts’ salaries are too low to attract and retain staff at all levels. Regional salary adjustments are seen as a barrier to raising wages.</li> <li>● SPED services are costly and often unpredictable. Some students are not receiving necessary services due to lack of resources and staff.</li> <li>● A regional approach to SPED and PD is desirable to nearly all, however a systematic (not voluntary) approach is essential. “We can’t do this alone, we just can’t.”</li> <li>● Superintendents want to see statewide prioritization conversations so policy decisions can be made for long term stable support for all students and communities. “No winner and no losers.”</li> </ul>
<p><b>Next Steps</b></p>	<p>Additional findings will be included in the subsequent four report sections, as well as in the final report.</p>
<p><b>Additional MEPRI resources</b></p>	<ul style="list-style-type: none"> <li>● <a href="#">Link to MEPRI website, EPS study page</a></li> <li>● <a href="#">Link to Maine DOE website, EPS reports page</a></li> </ul>