



NFA FOUNDATION

Testimony of NFA Foundation, Inc. RE Governor's Senate Bill 874 An Act Concerning Education Initiatives and Services in Connecticut

Keith Fontaine
President, NFA Foundation, Inc.
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Senator Looney, Senator Duff, Representative Aresimowicz, Representative Ritter and distinguished members of the Education Committee.

Thank you for this opportunity to provide testimony on behalf of the NFA Foundation, Inc., in opposition a certain provision contained in Governor's Bill No. 874 (LCO No. 4520).

The NFA Foundation, Inc., is a 501(c)(3) non-profit organization duly constituted and governed by the laws of the State of Connecticut. The Foundation exists solely to advance the educational opportunities available at Norwich Free Academy. Every dollar raised and spent by the Foundation provides and enhances Norwich Free Academy's educational offerings, and the academic success and opportunities for its students.

NFA Foundation, Inc., is vigorously opposed to the provision of Governor's Senate Bill 874 that applies to Connecticut's independently governed, endowed academies — specifically Section 9 (b) [lines 389 through 396 in the current version].

This provision would mandate Norwich Free Academy (NFA) — which for over 160 years has successfully operated as a privately-endowed, independently-governed secondary school, serving students of Eastern Connecticut — to politicize its governing board. This represents an unprecedented, unnecessary, and harmful level of governmental overreach upon a successful nonprofit.

NFA Foundation donors support a truly unique institution — a one-of-its-kind secondary school that:

- is free from political or personal interests
- offers unparalleled educational opportunities for all its students, especially its most vulnerable
- and provides demonstrable value for each of its partner districts.

As proposed, this bill would imperil the Foundation by fundamentally altering the mission of the Academy it supports.

The Foundation proudly provides substantial funding to NFA in four specific and meaningful ways that benefit the Academy's students, reduce costs for our partner districts, and fulfill our mission:

1. General Tuition Subsidy — Since 2013, and including support for the 2019-2020 fiscal year, the Foundation has provided **\$9.15 million in general tuition subsidy** to the Academy to maintain a program of choices and opportunities unlike any other available to public school

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students in the state. The tuition subsidy maintains NFA's broad, robust and rich curriculum for a diverse student population.

Let me be clear: In providing this subsidy to NFA, the Foundation is underwriting the tuition for each of its partner districts — including the city of Norwich, NFA's largest partner, whose students account for about 66.5% of the Academy's student body. For Norwich alone, this subsidy equates to a tuition rate reduction of more than \$800,000 a year.

Without this Foundation subsidy, the Academy's student programs would have to be sharply reduced or eliminated, or the tuition would have to be substantially raised.

2. Restricted Annual and Endowment Program Support — Some NFA Foundation donors stipulate how their support will be used to benefit students at NFA. Restricted funds support program in one of five areas:

- Textbooks (including online and digital learning)
- Technology (including computers, tablets, and software for use by students)
- Programs (including academic, athletic, cultural and extracurricular opportunities)
- Materials and Equipment (including supplies for classes, clubs, and sports)
- Facilities (including specialized laboratories for science, math, and music)

The recent yearly breakdown for **endowed program support** is as follows — in addition to the above-noted \$9.15-million tuition reduction.

- 2013-2014 — \$221,775
- 2014-2015 — \$169,739
- 2015-2016 — \$329,996
- 2016-2017 — \$268,288
- 2017-2018 — \$230,425
- 2018-2019 — \$275,285

Through its donors, the Foundation's endowment program support additionally underwrites educational costs in targeted areas — resulting in an enhanced educational experience, especially for the most vulnerable students, and an additional overall general tuition reduction for each of our partner districts.

3. Student Scholarships and Awards — Annually, Norwich Free Academy students receive scholarships and awards, thanks to the generosity of Foundation donors who have left gifts or bequests specifically for this purpose. This Foundation-funded scholarship support averages more than \$300,000 per year. Nowhere else in this entire state do this many public school students annually receive these amounts of financial awards from a single foundation.

4. Student Support — Income from a bequest and endowed more than a century ago pays for field trips, textbooks, uniforms, college credit fees, activity fees, caps and gowns, AP exam fees, and other academic necessities for students in financial need. NFA faculty and staff also contribute annually to ensure students have the tools and resources needed to participate in the opportunities available during their four-year NFA experience.

Summary

- NFA Foundation, Inc.'s prudent stewardship of donor dollars support NFA, enable the Academy's students and provide substantial cost savings to its partner districts.

- The Foundation's substantial support from its donors has always been — and continues to be — based on donors' firm and justified belief in the proven value of an **independently governed** and **privately endowed** Academy.
- Since the mid-1850s, this model has done wonders in Norwich and its surrounding towns.
- As for transparency: The Foundation's tax filings and audits are publicly available.

So, there is transparency, there is cost-effectiveness, and there are results:

- The per-pupil tuition at NFA is lower than our towns' K-8 per-pupil costs.
- The subsidies the NFA Foundation provides — and the capital projects we undertake — are funded by donor generosity, not tax dollars.
- And the educational opportunities, challenges, and experiences the Academy provides — and the Foundation supports — are unequalled.

All of this is imperiled by a needless move to destroy NFA's independence, and therefore remove the rationale of the Foundation donors to support that which NFA's independence can do, and all that it has done for over 160 years and counting.

For these reasons, NFA Foundation, Inc., vigorously opposes the provision of Governor's Bill 874 that applies to Connecticut's independently governed, endowed academies.

There is no demonstrated need or reason, no demonstrated lack of transparency, and no mandate for such unabashed overreach into the workings and purpose of a highly functioning, privately-funded nonprofit.

Thank you.

Keith Fontaine,
President, NFAF, Inc.