



Designing a New State Funding Formula: Summary of Engagement

Presentation to Governor Lee
December 21, 2021

Engagement Process

Overview

TDOE-Led Public Engagement Opportunities

- **18 Public Subcommittees**
 - 6 meetings per subcommittee (108 total meetings)
 - Recorded and posted on the TDOE website
- **8 Regional Town Halls**
 - Over 500 Tennesseans attended + additional stream views
 - Evenly spread across district types (urban, rural, suburban)
- **8 Local Funding Town Halls**
 - Discussions focused on local match and maintenance of effort
- **Twitter Town Halls**
 - Every other week with guided questions to solicit stakeholder feedback
- **Newsletters**
 - School funding updates sent every other week
- **Dedicated Email (tnedu.funding@tn.gov)**
 - Accepting public comment from any Tennessean for subcommittee review

TDOE-Supported Public Engagement

- **Toolkits:** TDOE posted toolkits for school districts and community organizations to host local town halls throughout the state
- **~1,300 School Funding Ambassadors:** TDOE launched School Funding Ambassadors who proactively volunteered to collect feedback in their communities on school funding
- **Vanderbilt Poll:** TDOE worked with TERA to include school funding-related questions in the Vanderbilt Poll (third-party, researcher-developed)
- **School Funding National and State Experts:** TDOE is working with a group of national experts on school funding to support formula development and answer questions from the Steering Committee and Subcommittee members

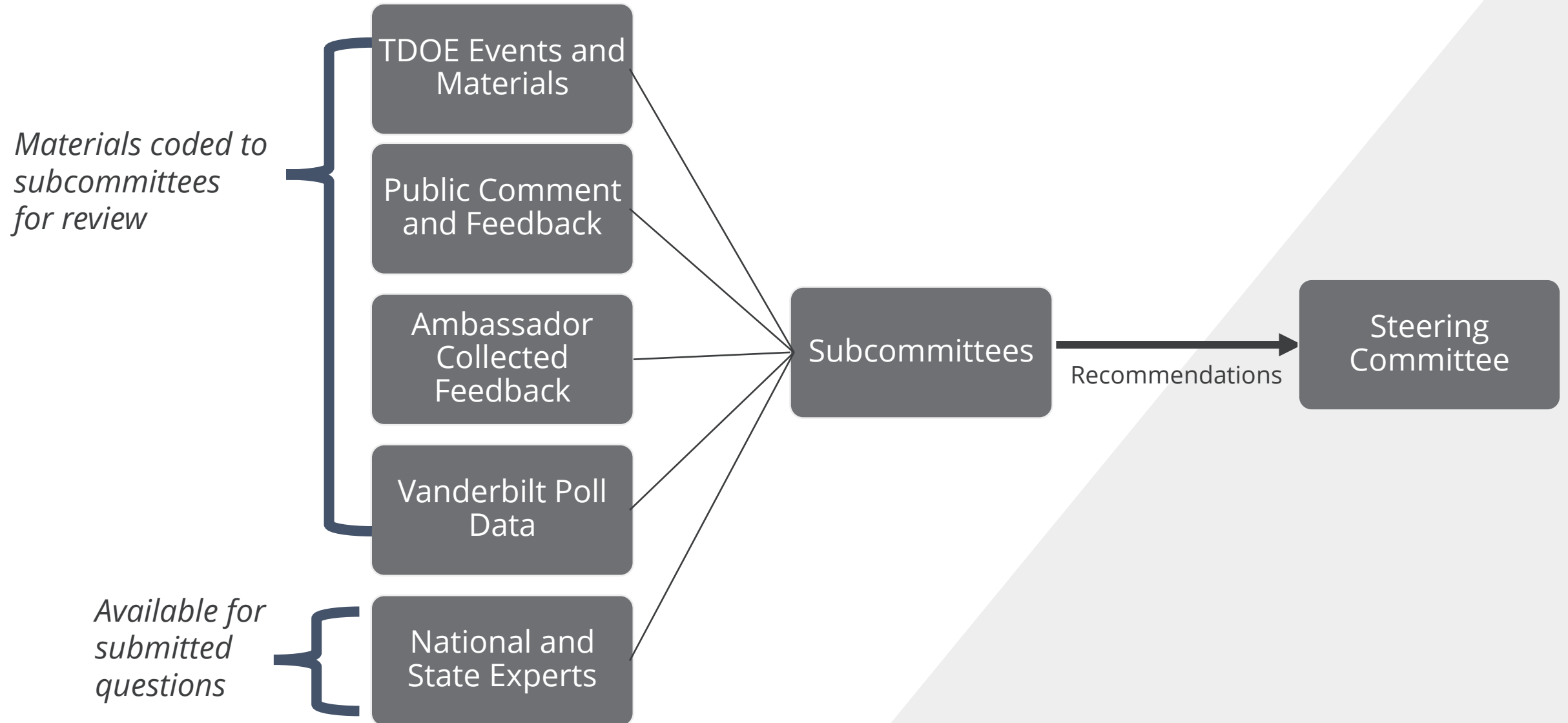
TDOE-Facilitated Additional Engagement Opportunities

- **3 Superintendent Study Councils:** Education funding will be a regular agenda item each month if SSC members would like to provide additional input
- **24 Superintendent Monthly Regional Meetings:** Q&A on education funding will be a regular agenda item if superintendents would like to provide additional input
- **54 Local Engagement Meetings:** TDOE cabinet members will solicit feedback and participate in smaller, personalized discussions across the state to gather feedback – targeting small and rural districts
- **36 TDOE Partner and Other Engagement Groups:** TDOE will request feedback from the 36+ regular engagement groups that work with the department
- **4 Scheduled Meetings with Shelby County, Metro Public Schools, and TSSE**
- **District Support:** TDOE will provide no-cost professional development for public school districts
- **School Funding Professional Development:** Sessions provided on student-based budgeting (content will be made publicly available)

Process

1. Feedback and materials will be made available to **all Tennesseans**.
2. Information and feedback will be **received in writing** via email, postal mail, provided at a TDOE-event, and/or through social media comments posted directly to school funding-related posts (Town Halls and Twitter Town Halls) and/or **provided through public comment at a TDOE event** and then transcribed and coded by the department.
3. A paralegal and a trained TDOE team will **code all above information received** to one or more subcommittees, but all comments will be available to all subcommittee members.
4. Recommendations are **provided to the Steering Committee** for consideration and feedback.
5. All materials will be **transparently posted** on the website.

Process Structure



Timing: Why Now?

- **Significant and Consistent Feedback for 15 years**

- The current BEP is 30+ years old and one of the most complex funding formulas in the country.
- The BEP Review Committee has provided similar recommendations for improvements since 2004, demonstrating consistent and regular public engagement in this conversation.
- The Haslam Task Force was a yearlong process (Jan. 2014 – March 2015) with a review committee that came to recommendations aligned to what we are hearing now.

- **Robust Public Engagement**

- All Tennesseans should have an opportunity to engage and help build a new formula together.
- Important this happens on the front-end because once a potential draft is produced, there are trade-offs to making changes.

- **Potentially Favorable Funding Window with Well-Designed Strategy**

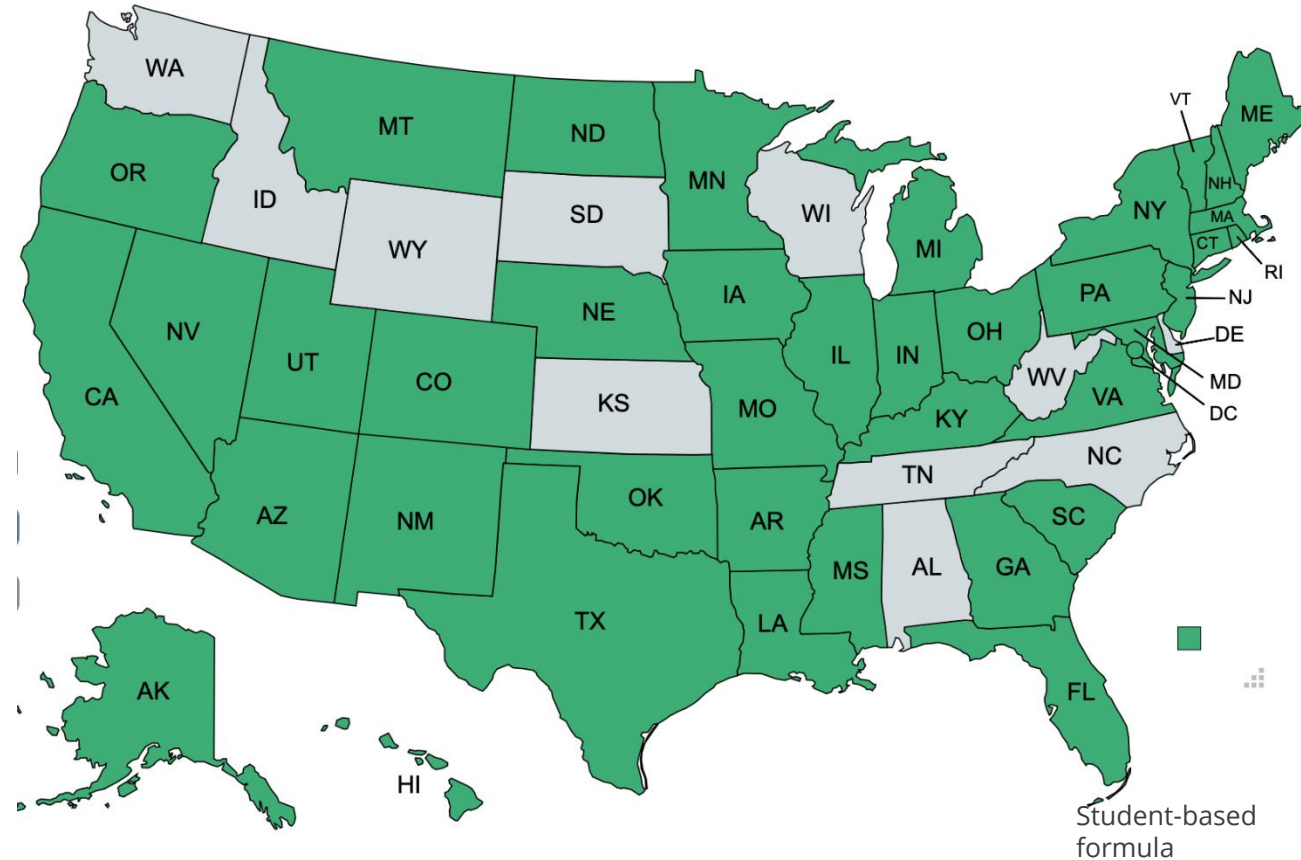
- Not just about money, but a well-designed strategy for state investment.
- Federal relief funds and greater change creates the opportunity to do this important work now.

Feedback Summary

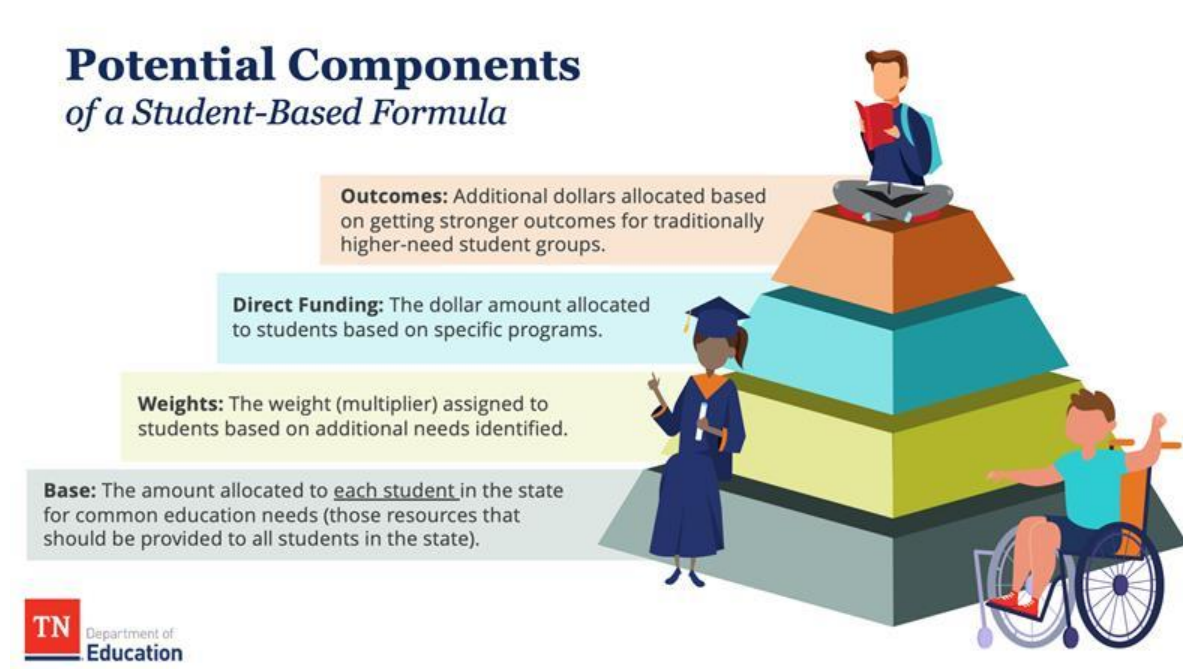
Feedback Trends

Moving to a Student-Based Formula

- Tennessee is considering a **student-based** formula.
- 39 states/territories have already moved to a student-based or hybrid student-based formula
 - 34 states and the District of Columbia that use a student-based foundation, with 5 states using a hybrid model
 - 10 states with a resource-based allocation
 - 1 states with guaranteed tax base (WI)



Overall Feedback Received (General)



- **Requested:** Districts should not receive less state funding than they currently receive in the BEP.
- **Requested:** Maintain flexibility for local district budgeting.
- **Requested:** Ensure whatever is currently funded outside of the BEP is included in a new formula.
- **Requested:** Local match should be reconsidered (county commissions) AND maintenance of effort should not change (school districts).

Base

Below are the supports and services that have been consistently named in public feedback that are best aligned with additions to a base.

- Nurses (at every school OR at the recommended ratio)
- Counselors (at every school OR at the recommended ratio)
- School Psychologists (at the nationally recommended ratio)
- Teacher Salaries and Benefits
- One principal and/or AP at every school
- Technology Sustainability
- Flexibility for Varied Local Needs (SROs, RTI2, Principals and APs, Middle School CTE, financial literacy)

Weights

The following are the areas that received the most substantial and/or positive feedback in terms of what should be **weighted**:

- Economically Disadvantaged and Concentration of Poverty
- Students with Disabilities (with tiers based on the cost to provide services, including gifted)
- Dyslexia
- English Learners (rec. to include tiers based on English proficiency)
- Rural
- Sparsity
- Public Charter Enrollment

Areas that have not received as much feedback that had previously been considered for weights include: small LEA size, K-2 small class size weight.

Additional Dollars

The following are the areas that received the most substantial or positive feedback in terms of what may be considered for **additional funding**:

- Additional Support for Fast Growing
- Middle School CTE
- Innovative High School Models (IHS, STEAM, P-TECH)
- High Dosage Tutoring in 4th grade (Learning Loss Bill)

Examples of content outside of the BEP that would exist in the formula: Coordinated School Health, VPK, School Safety, Drivers Education, ACT Retake, etc.

Outcomes

The following are the areas that received the most positive feedback in terms of what may be considered for **outcomes**:

- Early Postsecondary Opportunity (EPSO) Completion
- AP Course Completion and/or Passing
- Earning Industry Certificates or Certification
- Work-based Learning Completion Metric
- Reading proficiency
- Differentiated compensation support

A discussion that requires more input is whether outcomes funding should be **limited to economically disadvantaged students, to a broader group including students with disabilities and English learners, or to all students.**

Timelines and Next Steps

Timeline

- All subcommittees complete six meetings by the end of January.
- TDOE will begin to facilitate the development of a model based on public comment and Steering Committee feedback for review.
- All public comment must be submitted by January 14th for consideration (14 full weeks in addition to prior work in this area)
- The Steering Committee will meet 2-3 times in January to provide feedback and direction.

Questions?

