



# 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](mailto: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

*Materials coded to subcommittees for review*

TDOE Events and Materials

Public Comment and Feedback

Ambassador Collected Feedback

Vanderbilt Poll Data

*Available for submitted questions*

National and State Experts

Subcommittees

Recommendations

Steering Committee

# 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**

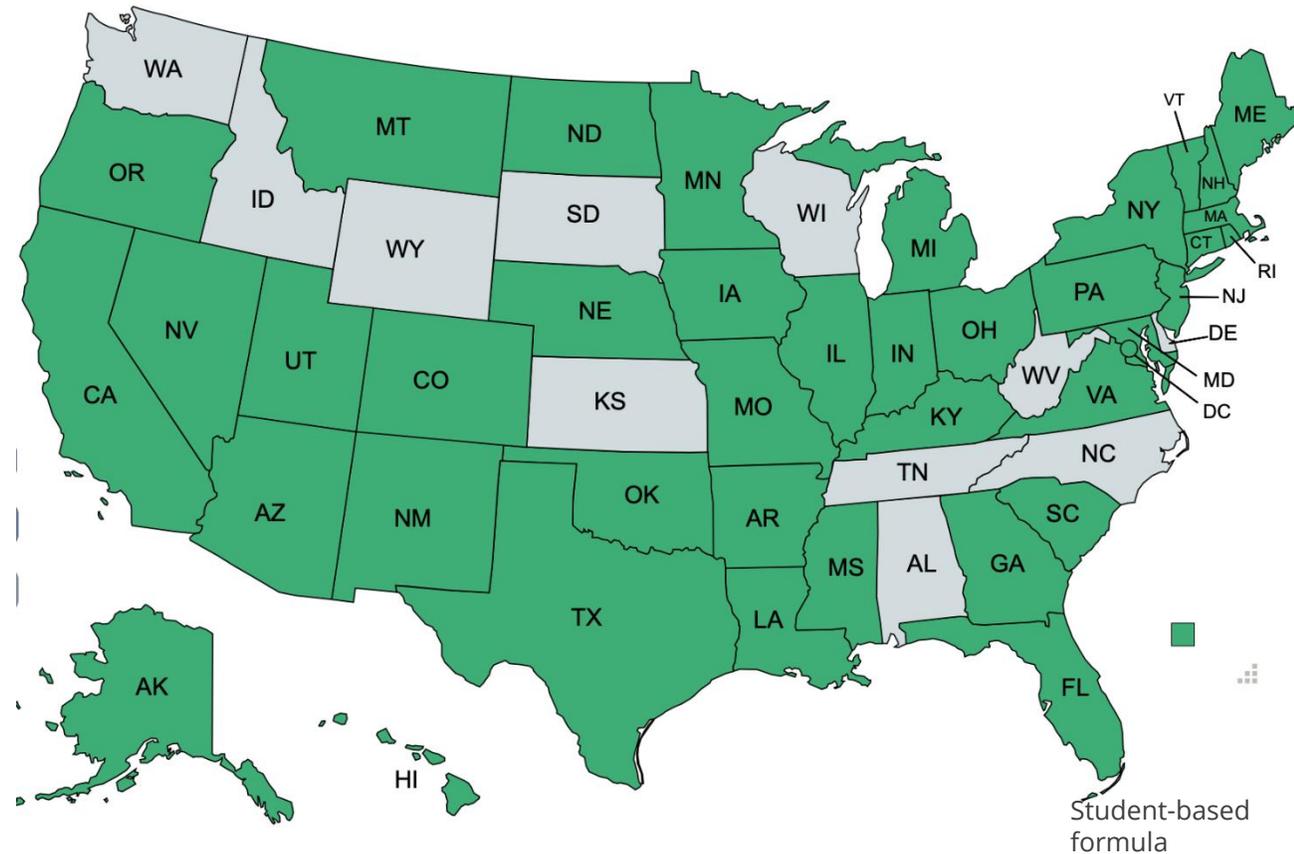
- Not just about money, but a well-designed strategy for state investment.
- Federal relief funds and greater change creates the opportunity to do this important work now.

# Feedback Summary

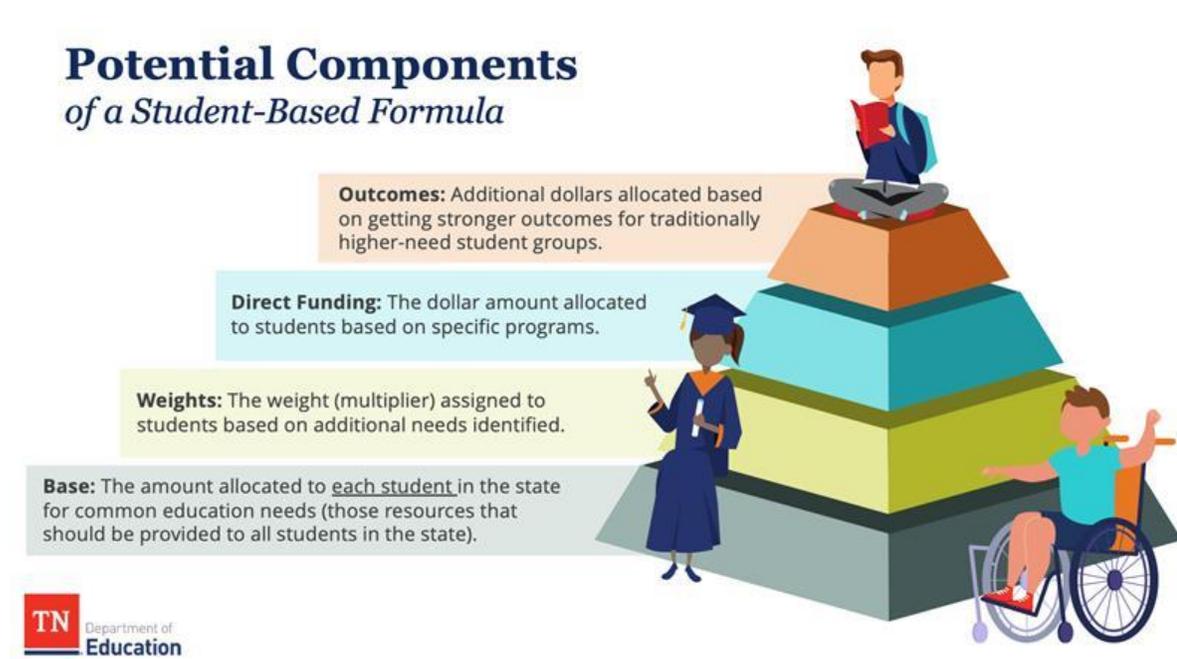
## Feedback Trends

# 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 4<sup>th</sup> 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 14<sup>th</sup> 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?

