



Designing a New State Funding Formula: Summary of Engagement

State Board of Education
February 3, 2022

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

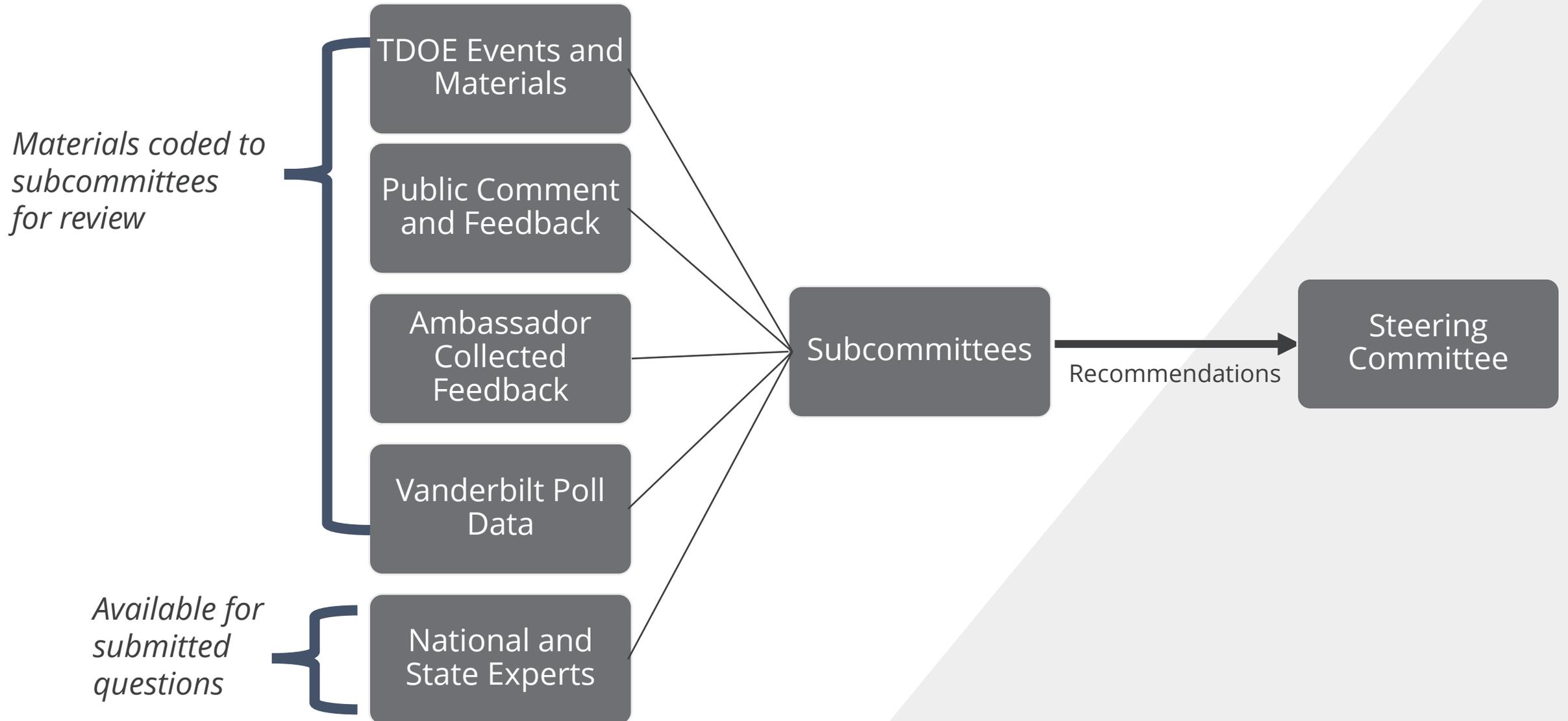
TDOE-Supported Public Engagement

- **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 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**

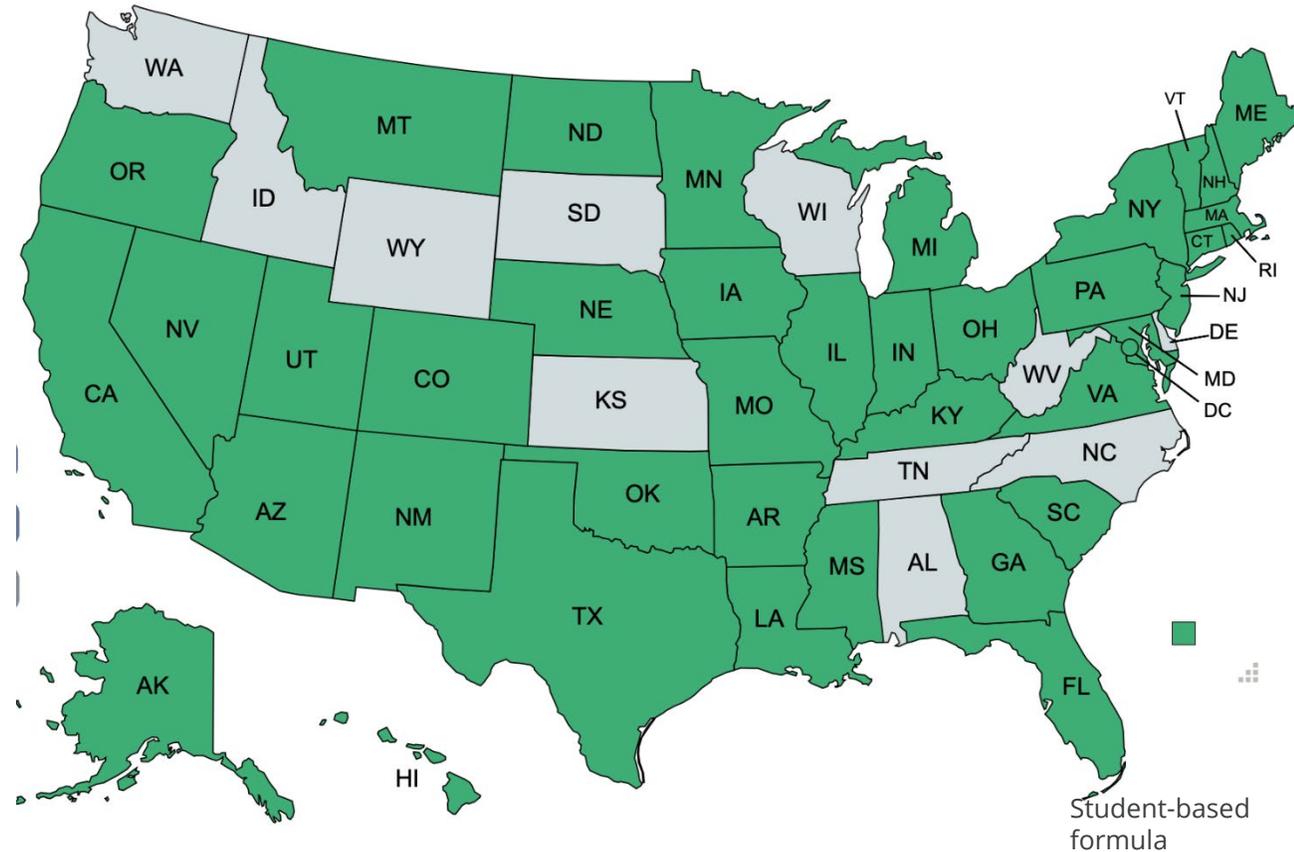
- Not just about money, but a well-designed strategy for state investment.
- Federal relief funds and greater change creates the opportunity to do this important work now.

Draft Framework

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)



Potential Components of a Student-Based Formula

Outcomes: Additional dollars allocated based on getting stronger outcomes for traditionally higher-need student groups.

Direct Funding: The dollar amount allocated to students based on specific programs.

Weights: The weight (multiplier) assigned to students based on additional needs identified.

Base: The amount allocated to each student in the state for common education needs (those resources that should be provided to all students in the state).



Overall Feedback Received (General)

- **Requested:** Districts should not receive less state funding than they currently receive in the BEP (year of implementation).
- **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).

Draft Framework

- On January 11, 2022, the department released a draft framework for a new student-based funding formula
- Reflects feedback from the first 4 meetings of subcommittees
- Public comment accepted on the draft framework through January 18, 2022
- Subcommittees provided additional feedback on the framework in meeting 5
- Steering committee provided feedback in January 13, 2022 meeting

Base

Below are the supports and services that have been consistently named in public and recommended in the draft framework (*this is not an exhaustive list, but represents areas of focus in the subcommittee conversations*):

- Educator salaries
- RTI² support
- Counselors and school-based supports
- District-specific needs (SROs, Principals and APs, middle school CTE, financial literacy)
- Technology sustainability
- Coordinated School Health
- Nurses

Weights

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

- Poverty and concentrated poverty
- Rural
- Unique learning needs (special education, English learner, gifted, dyslexia)
- Charter schools

Direct Funding

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

- Fast growing district
- High-dosage tutoring in 4th grade (Learning Loss Bill)
- Career and Technical Education (CTE)

Outcomes

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

- Early literacy
- Ready Graduate indicators with outcomes
- CTE completers
- Work Based Learning and apprenticeships

Timelines and Next Steps

Timeline

- All subcommittee meetings completed by the end of January
- TDOE will refine framework based on additional feedback from subcommittees and steering committee
- Governor's State of the State Address January 31, 2022

Questions?

