**SJR 4 – Education Funding Improvement Commission Meeting #5**

**March 14, 2016**

**Tatnall Building, Dover**

**MINUTES**

**Member Attendees:**

Ray Jones Avery Claudia Porretti

Rep. Ruth Briggs King Tanner Polce for Senator David Sokola

Jill Floore Ed Ratledge

Vicki Gehrt Barbara Rutt

Walter Gilefski Darryl Scott

Michael Jackson Sen. Gary Simpson

Rep. Earl Jaques Mark Stellini

Robert Overmiller Jeff Taschner for Kristin Dwyer

Rod Ward

**Members Not In Attendance:**

Brian Maxwell

Sally Maldonado

Meghan Wallace

Kevin Carson

Heath Chasanov

**Members On The Phone:**

Ashley Dalzell-Gray

Madeleine Bayard

David Blowman

**Non-Member Attendees:**

Bill Doolittle

Tina Shockley

Donna Johnson

Ed Seibert

Javier Torrijos

Lynne Howard

Nnamdi Chukwuocha

Kathleen MacRae

Terry Richard

Maria Matos

Charito Calvachi-Mateyko

The fifth meeting of the Senate Joint Resolution (SJR) 4 Education Funding Improvement Commission was held on March 14, 2016 at the Tatnall Building, Dover. Chairman of the Commission, Darryl Scott called the meeting to order at 5:15 p.m. Everyone introduced themselves. The Chair began the meeting by making the commissioners aware of the Attorney General’s new rule on teleconferences. It states that the Freedom of Act Information does not permit public bodies to convene a meeting via teleconference. While a member of the public body may listen to a meeting by telephone, his or her attendance is not counted for quorum purposes, and he may not participate in the discussion or vote. (<http://attorneygeneral.delaware.gov/documents/FOIA_Manual_10-30-15.pdf>)

The chairman confirmed there was a quorum present in the room. He asked for the approval of the minutes from Meeting #4. Walter Gilefski commented, requesting that comments be accurately reflected in the minutes for Meeting #4. His comments will be amended as such. Additionally Jill Floore had edits to her comments in the minutes, and those will be amended as discussed. With those changes noted the meeting minutes were motioned to be approved, with the Chairperson motioning to approve the minutes and a second member motioning as well. All members were in favor, except Ray Jones Avery who opposed the minutes, and the motion to approve the amended minutes carried.

**Overview of Charge**

The Chairman reiterated the charge of the SJR 4 committee as noted in the legislation. He added that we must also consider necessary funding to improve student success, funding for poverty students, and addressing other unmet needs.

**Development of Recommendations: Points of agreement**

Next, the Chairman asked commission members to do an exercise which would allow for the development of recommendations. Value statements were placed on chart paper around the room and members were asked to place stickers indicating whether they agreed (green) or disagreed (orange). After some explanation and clarification of the statements on the charts in the room, the group completed the exercise.

Upon completion of the first set of questions commission members suggested additional questions for consideration.

Ray Jones Avery noted that another question, “Do we believe that building leaders should have flexibility in terms of funding?” should be added to the chart.

Ruth Briggs King wanted to add, “Do we believe there should be a review or reorganization of DOE to better achieve the financial outcomes that we need?” She noted that restructuring could mean more money for the classrooms.

Rod Ward referencing a line from the legislation regarding modernization of a funding system, wanted to add two questions, “Do we believe that a modernize funding system would allow us to better serve Delaware children? There was some discussion around the definition of what modernizing a funding system meant.

Donna Johnson added, “Are there opportunities in the existing system for savings? For example, consolidating services, or reorganize the way funding is currently allocated?

Walter Gilfeski brought up purchasing agents, and noted that a lump sum of money is going to districts, and that we should let them decide where to spend it - “do with it what you will.”

Ray Jones Avery wanted to add, “Is there a need for efficiency and cost savings in the system?

The group agreed we should add that question to the chart.

Mike Jackson noted that we should consider both short and long term fixes to the funding system. We should consider these questions in the short term context when thinking about our existing system and ways to address some of the issues we have. We need use that as we build a bridge into the future to a longer term (which would take more time) approach. Transitioning to a completely different (student focused) system is an option, but we all must truly understand what that means (student focused formula). We need to make sure there are no losers in the system. Chairman Scott asked how we manage through the transition to minimize impact to districts in the interim.

Mike Jackson further noted that the conversation to date says we should throw out existing system. He is not agreeing or disagreeing. Even if the system would be student focused, it doesn’t necessary mean that everyone will get same funding. Some will get less, which isn’t necessarily better.

Mike Jackson noted that a change in how we fund schools (from unit funding to student weighted funding) would take at least 12 months to accomplish. A short term report could show us ways to tweak the system until we can iron out the long term approach.

Mark Stellini asked the group, “Where do commission members stand on that?”

Jeff Taschner noted that regarding cost savings, we may need the committee to look at that. He noted that he and Ed Ratledge worked on a report, which the committee should see. It is regarding expenditures on education. If the committee wants to explore it, we can take a look at that report.

Jill Floore asked if 85% of the district’s money is spent in staff --- at the teacher level – then collective bargaining contracts should be undone, as that is the ultimate outcome. This is a consequence of student weighed funding. Jeff Taschner disagreed. Jill noted that if a principal has $1million, they won’t be able to afford with redistribution to move money and move people. Schools will get less experienced staff, and it will force involuntary transfers. Jeff thinks the collective bargaining is that labor and management would talk about what to change in the contract in order to work in the new funding system. They will change when circumstances change.

Ed Ratledge said don’t take down to school level, but made up above. Principals don’t want to be the funding agent, so there may be some efficiency there. He suggests taking it to the superintendent level to get the proper funding out to schools. Walt Gilefski agrees with Ed and notes that we should individualize the control. Rod noted that most states have already created these bridges. Chairman Scott noted it is something that would need to be fleshed out further on another day.

Claudia Porretti asked how long is long term, noting this new system could take several years to set up. We are at the deciding what to do point. She noted that there is no money for this right now, and that we have modeled some of this for ELL and low income students. She then asked relative to other states, how long did it take them? Chairman Scott noted that a facilitator could help us answer that and map it all out.

Ray reiterated do we believe that the system needs to redistribute teachers for high needs schools? The greatest resources are the teacher and school leader. We have that information, whether we want to accept it or not.

Ed noted that regarding other states, Delaware had the largest state funding (60%) vs. other states. We have to be careful as to how this will be done. Mike agreed, that when you transition into something completely different, you are going to have losers in it, and we as a committee would need to understand that.

Ray suggested a hold harmless provision discussion to ensure there was not a move of funding from particular types of schools. Mike noted we would need to discuss that further, specifically interdistrict and intradistrict.

Vicki Gehrt noted that we are not hearing from the users (superintendents and business managers) of the system. There is a voice to be heard from users of current system. We should be advised of what they believe is working and not working. She believes we should address this at some point.

Donna put the last two charts up with the committees’ added questions, and the group made choices from those new questions as to which one they would be likely to consider for recommendation.

The Chairman thanked members for doing the activity, and noted we will quantify the information received and report back at a future meeting.

**Hanover Model Discussion Follow Up (handout provided to the group – Attachment #1)**

Donna Johnson talked about the handout the group received. She noted that Hanover ran the model using our existing funds, which is what they were asked to do. The handout does not represent any new funds into the process. She noted that in order to be successful with this system, new money would need to be phased in.

Also, we asked Hanover to run data relative to a system with a student weighted funding – how much new money would be needed, what would impacts look like? We asked them to look at current day numbers, but in the light of a new system and a couple other models (other states). They are working on this for the next meeting (will get that ahead of next meeting).

We will look at opportunities in the short term, specifically the modeling for more funding allocated toward the system for ELL and low income students.

If $60 million was infused into state system. Perhaps we could do a pilot on a small scale to see if this would be effective and efficient?

Ed Ratledge requested documentation of weights they are using for either model, and he asked that be provided to the committee.

**WEIC Model Overview handout provided (Attachment #2)**

Mike Jackson and Jill Floore explained that the WEIC recommendations are:

1. Establish a K-3 Basic Special Funding Formula equivalent to the Grade 4-12 Basic Special Education Formula
2. Implement a Weighed Unit Formula for Low Income and English Language Learner students

Mike explained how the examples were arrived at, noting that additional units generated through these new funding formulas.

Ray Jones Avery liked the WEIC proposal as a starting point. She questioned the use of the unit ratio being funding unit per student, not teacher/student ratio.

Vicki Gehrt asked does this recommendation consider things at a real value not just academic value.

Briggs King asked how does this compare to equalization funding? It was noted that it is totally different.

Claudia asked about the “key considerations, item #2, what is the real value of ELL?” Mike noted that was a typographical error. It should say “What is the $ value of the ELL/Low Income unites?” She asked who makes that determination. It would be supplemental funding to the normal student funding.

Ed asked about the use of DHSS poverty and the DOE low income number as a criteria. He thinks that is a bad measure. Jill explained that it has to do with child nutrition and it is the most effective measure for us to use. It is consistent for what we use for federal funds. Medicaid is included.

Rep Jaques requested that at the next meeting we look at the key considerations and discuss the possibility of the WEIC formula being used in each of the three counties.

**Public Comment**

The Chairman called for public comments.

Nnamdi Chukwuocha of the Wilmington Education Strategy Think Thank (WESTT) provided public comments and a written copy of his testimony. He spoke about priorities regarding governance reform and achieving fair and equitable resourcing of schools as it effects Wilmington students.

Bill Doolittle provided his comments via handout, which expressed his concern with: (1) information presented to the committee to date regarding presentations and materials lacking a depth of knowledge of Delaware’s funding system, (2) that a number of individuals and groups have put forward a direct dollar based resource allocation system, thereby disqualifying a unit based system, (3) definition based data inaccuracies, (4) ESSA implication inaccuracies and over-reach and (5) that the funding formula must be simple and transparent (believes a need level alignment would lend itself to the simplest formulas).

Ed Seibert noted that the current funding model is important because it addresses the diverse population. Noted that the current funding model has two gems: equalization and targeted block grants. Expressed support for existing funding models (and more funding), noting it is equitable. Encouraged the committee to consider targeted block grants, which are community and school based programs for kids in poverty.

Javier Torrijos of De Hispanic Commission provided a letter and noted that English Language Learners need to be supported, as their population has doubled. He provided statistics on the Hispanic population as it relates to education measures. He strongly encouraged the group to consider funding (Title III) for ELL.

Terry Richard, DOE Title III ELL Program Manager, who approves consolidated grant applications called for support for more funding for ELL. Most states have state level funding for ELL, however in Delaware there is no state level funding for basic services for ELL. District use federal funds for ELL right now. She believes we must serve pre-kindergarten. She notes that this has been considered before. She also noted that WEIC is only for Wilmington based schools, but ELL funding is needed statewide.

Donna Johnson noted that we would provide a hard copy (packet) of all public comments received to date at our next meeting.

**Next Meetings**

It was noted that we would look at the calendar and do a doodle poll for the next meeting.

Rep. Jaques requested that a letter be sent extending the work of the committee. Chairman Scott said he would work on that.

Meeting adjourned at 7:19 p.m.

Drafted 03.22.16