Tennessee Funding Review Engagement

Steering Committee Meeting

February 3, 2022

Agenda

- Welcome

- Subcommittee Recommendations

- Timelines and Next Steps

- Q & A

Policy Feedback

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Base

Are there any specific components of the base that you want to ensure are included or considered?

Weights Policy Feedback: Economically Disadvantaged and Concentration of Poverty

▪ **Feedback - Should the state use either:**

- Option 1 - Eco-Dis: Direct Certification **+** Concentration of Poverty: Title I

OR

- Option 2 - Eco-Dis: Free/Reduced Price Meals/Milk **+** Con. of Poverty: Only eco-dis students in a Title I School

▪ **Considerations**

- Most subcommittees recommended FRPM (Option 2), but the economically disadvantaged subcommittee recommended Option 1
- Option 1: Current Calculation for Eco-Dis plus a few additional groups
  - Pros
    - Low bureaucracy and high accuracy
    - Prioritizes the most high-need students
  - Cons
    - Does not include reduced-price students that may need support. (Would include the majority of those students in the Concentration of Poverty calculation).

- Option 2: Return to FRPM forms
  - Pros
    - Would catch more "reduced price meal" students (larger number), but fewer students in concentration of poverty
  - Cons
    - Would require a move back to form collection and greater bureaucracy. There was some hesitation from parents in having to complete "those forms" again.
    - Typically disadvantages high schools (and sometimes middle schools), as well as communities that may be more hesitant in providing income information to government entities.
    - FRPM applications have a relatively high error rate on the forms (up to 6-8%), largely because they are complicated. Because dollars would be attributed to each error, districts would need to "pay back" all of those dollars when the error is found. This is because you can't verify on the front-end like you can with direct certification.

Weights Policy: Unique Learning Needs

To ensure accountability and accuracy, the intent is to require:

Assessment + Plan

This is consistent with data and plans that are already required in federal and state statute.

Weights Policy: Sparsity

- The policy question for subcommittees was how to consider "sparse."

- The federal definition is 10 people per square mile.

- Subcommittees wanted to account for geographic differences within the state, such as mountain ranges and rivers isolating communities.

- Current proposal would define "sparsity" as 25 students or less per square mile.

Direct Funding

- Focus on elementary reading (tutoring, as required in statute) and high school (CTE)

- Funding generated on the student's need or eligibility in the current year

- Focus on prioritizing funding for high-demand and high-wage CTE pathways

Outcomes

- **Literacy: Proficiency on 3ʳᵈ grade TCAP**
  - There was strong feedback to measure growth, but few ideas on how to do that in a standardized (uniform) way across the state OR the state would need to use universal screener for high-stakes testing.

- **ReadyGrad Indicators with Outcomes (culled down)**
  - ACT: 21 or higher (growth)
  - SAT: 1060 or higher (growth)
  - Advanced Placement (AP): pass the AP exam with a qualifying score
  - Cambridge International Examinations (CIE): pass the exam with a qualifying score
  - College Level Examination (CLEP): pass the exam with a qualifying score
  - Industry Credential: passes the exam
  - International Baccalaureate (IB): pass the exam with a qualifying score (earns college credit)
  - Dual Enrollment: passes the course
  - Local Dual Credit: pass the course
  - Statewide Dual Credit: pass the course

- CTE Completers

- WBL and Apprenticeships

Discussion: What additional feedback and direction do you have?

Outcomes: Policy Questions

- **Eligibility:** Subcommittees generally preferred that this funding be limited to specific groups of students:
  - Economically disadvantaged
  - Students with disabilities
  - English learners
  - Characteristics of dyslexia

- **Eligibility:** Should there be any other guardrails for outcomes-based funding?
  - Proficiency and/or Growth
  - School or district eligibility (ie. local funding requirements or accountability)

- **Eligibility:** Should a student be funded only once or multiple times (for each criteria met)?

Fast-Growing

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Fast Growing

Policy Question: Is fast growing funding for (a) real-time formula funding for the additional students that a district has and/or (b) funding for the one-time infrastructure costs related to areas like bus routes, portables, etc.?

Policy Question: As a definition of fast-growing, is the goal to consider growth over time or growth year-over-year? Should this definition change for (a) and (b)?

Accountability

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Accountability

- **Fiscal Accountability Report:** There are a number of fiscal implications that would be considered on transparent reporting. The department would establish a consistent fiscal accountability report to allow the public to review various fiscal indicators.

- **State, District, and School Reporting:** In addition to state and district reporting, school-level information would also be publicly available. This would include school-level per pupil expenditure information, as well as the amount of funding that each school generated in the formula. The reporting would illustrate current data as well as trends over time and with comparable peers.

- **Expenditure and Investment Transparency:** Reporting would include information on resource investments at the district and school levels. Many of the feedback components in public comment included <u>how</u> money should be spent. While a state education funding formula is a funding plan and not a spending plan, it is important that the Tennessee General Assembly and public have clarity and transparency in how those dollars were used, in alignment with student growth.

Discussion: What feedback and direction do you have?

Local Funding Considerations

Discussion and Feedback

Do you want to move forward with a new local contribution proposal this year (still with a 5-year roll-out) or wait and discuss for a year?

Local Share

Is the priority to keep the local contribution amount stable?

What is the feedback about continuing to provide grants to districts that have had sustained decreases in ADM? (This is different than year-over-year decreases, where the state would continue to cover significant, unexpected and abrupt changes for one year only).

What reflection on how to calculate local fiscal capacity?

Additional Feedback and Discussion?

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