

*Equity in Education
Series*

LAUNCH EVENT: UNDERSTANDING SCHOOL FUNDING, BASICS AND BEYOND

March 17, 2023

VISION
COALITION
OF DELAWARE

Preparing our students for a lifetime of success

ROB RESCIGNO

*Assistant Vice President
Partnerships and Community
Affairs, Associate Professor,
Wilmington University*



ASHLEY LOCKWOOD

State Teacher of the Year
*5th Grade Teacher, Lulu Ross
Elementary School*





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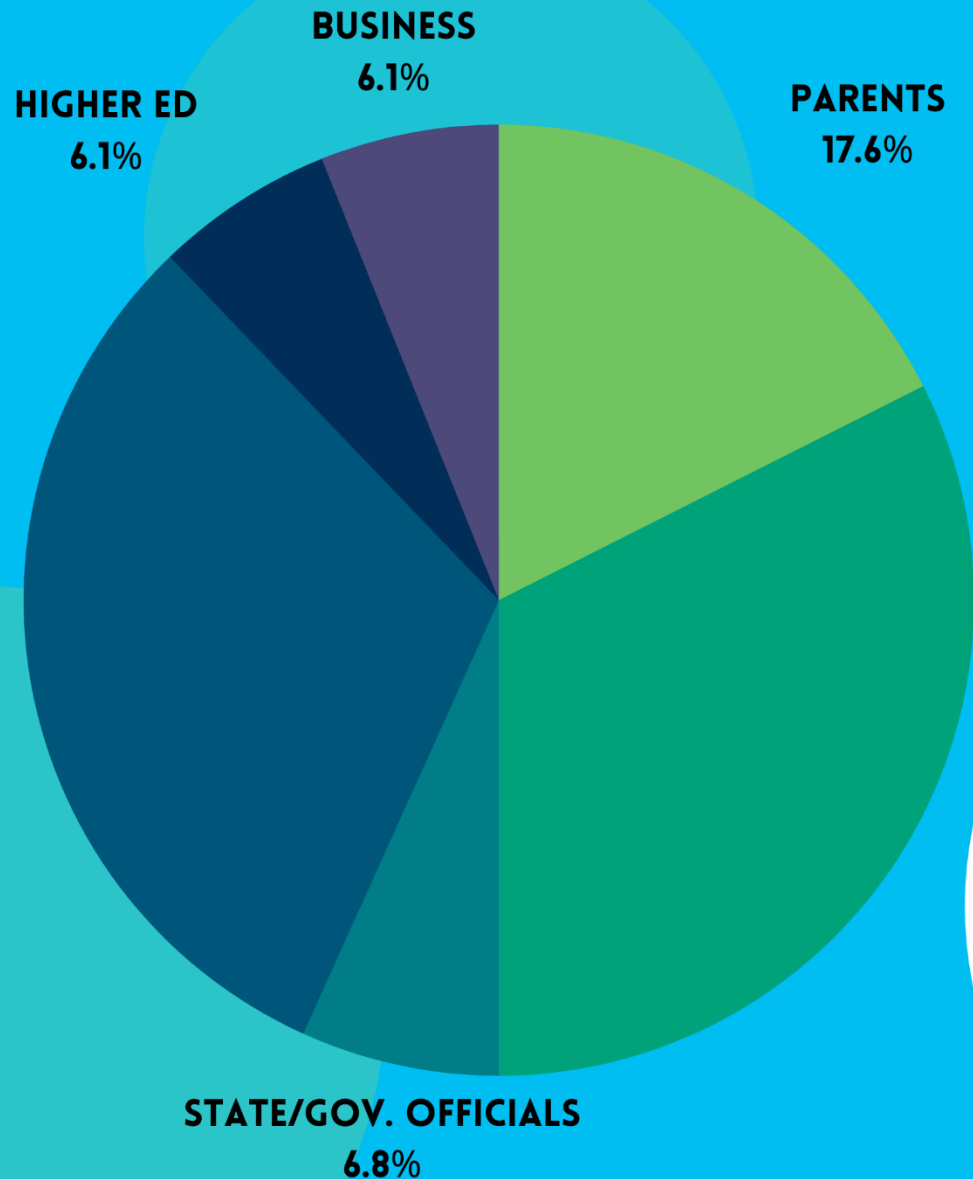
Preparing our students for a lifetime of success

BETTINA TWEARDY RIVEROS

*Chief Public Affairs Officer,
Chief Health Equity Officer,
ChristianaCare*



WHO IS IN THE ROOM TODAY?



NONPROFITS
32.4%

LEADERSHIP TEAM



Jeffrey Benson

Mg. Partner, Prominent Insurance



Heath Chasanov

Supt., Woodbridge



Katrina Daniels

Prin., The Colwyck Center



Joe DePaulo

CEO, College Ave Student Loans



Liz Farley-Ripple

Associate Professor, UD



Dorrell Green

Supt., Red Clay



Paul Herdman

Pres. and CEO, Rodel



Logan Herring

Kingswood Community Ctr.



Mark Holodick

Del. Sec. of Education



Stephanie Ingram

President, DSEA



Kirsten Olson

CEO, Children & Families First



Rev. Provey Powell Jr.

State Board of Ed.



Rob Rescigno

AVP, Wilmington University



Shelley Rouser

Chair, Ed. Dep.,
Del. State University



Justina Thomas

VP Academic Affairs, DelTech



Javier Torrijos

Co-chair, Gov. Advisory
Council on English Learners



Bettina Tweardy Riveros (Chair)

Chief Public Affairs Officer, Chief Health
Equity Officer, ChristianaCare,
ChristianaCare



Margie Lopez Waite

CEO, Las Americas
ASPIRA Academy



VISION COALITION OF DELAWARE

Preparing our students for a lifetime of success

The Vision Coalition of Delaware is a public-private partnership composed of a broad range of Delawareans who work together to improve Delaware public education.

The coalition's leadership developed the *Vision 2015* plan in 2006. Ten years later, they collaborated with Delawareans to develop a new 10-year plan.

Over 4,000 Delawareans shared their ideas, perspectives, and opinions during the plan development process. The plan, *Student Success 2025*, aimed to prepare every Delaware student for a lifetime of success.



STUDENT
SUCCESS
— 2 0 2 5 —



[#VCCDelaware](#)

STUDENT SUCCESS 2025 RECOMMENDS:



1. Allocating funding to respond to individual student needs
2. Updating our system so funds follow students
3. Allowing students to take courses across schools, online and in higher education
4. Increasing equity and flexibility
5. Building more transparent and efficient systems

**HEARING
FROM OUR
AUDIENCE**

**LEADERSHIP
EQUITY**

TRAUMA-INFORMED CARE

STATE BUDGET

SUPPORTING EDUCATORS

**EARLY
LEARNING +
PRE-K**

SPECIAL EDUCATION

PREVENTION

UPCOMING MEETINGS

Visit:

bit.ly/equity-education-series

**SEN.
ELIZABETH
"TIZZY"
LOCKMAN**

*Vice-Chairperson, Redding
Consortium, Senate Education
Committee Vice Chair and
Senate Majority Whip*



RICHARD MORSE

*Senior Counsel, Community
Legal Aid Society, Inc. (CLASI)*



In re
Delaware
Public
Schools
Litigation

Delawareans for Educational
Opportunity and NAACP of
Delaware

v.

State Officials and County
Officials

Community Legal Aid Society

Arnold & Porter law firm

ACLU of Delaware

Reports, Statement, Action

2001

- Report of the Wilmington Neighborhood School Committee - Statute

2008

- Report of the Wilmington Education Task Force – Senate Joint Resolution

2015

- Report of the Governor's advisory group

2015

- General Assembly Joint Resolution:
- Delaware's education funding system does not reflect the needs of today's children, teachers, schools and districts. It lacks the flexibility, transparency, and innovation necessary to allow the state to target resources to students in poverty, students with disabilities, English language learners and other high needs children.

2017

- State education funding reduced by \$26 million.

Meeting State Proficiency Standards

	ELA/Reading	Math
3rd Grade	<ul style="list-style-type: none">• 37% of low-income students• 32% of English language learners• 21% of students with disabilities	<ul style="list-style-type: none">• 39% of low-income students• 40% of English language learners• 24% of students with disabilities
11th – 12th grade	<ul style="list-style-type: none">• 34% of low-income students• 6% of English language learners• 7% of students with disabilities	<ul style="list-style-type: none">• 12% of low-income students• 5% of English language learners• 5% of students with disabilities

State Track: State response – Funding:

School Year(s)	K-3 Basic Special Ed	Low Income and ELL	
Pre-suit	0	\$1M	\$18/student
Suit filed (2018)	0	\$6M	\$110/student
MTD denied (2019)	0	\$25M	\$300 – 500/student ¹
Settlement			
2021 & 2022	\$4 million	\$35M	\$488 - \$688/student ²
2023	\$7.38 million	\$50M	\$900/student ³
2024	\$11.9 million	\$60M	\$1,080/student ⁴
Future	Increases with student numbers	Increases with student numbers	
2022, 2023 & 2024		\$4M to recruit & retain teachers at high needs school	
2023 & 2024	\$6.1M additional for ECAP	Doubles previous amount but at least \$32M is needed	

Additional Settlement Terms

- No supplanting and no decrease in existing programs for Disadvantaged Students to pay for the LI and ELL supplemental funding
- ELL and LI funding to be made part of Delaware Code Education Title
- 98% at the LI/ELL students' school
- Annual reporting on LI and ELL spending by school
- **Independent assessment funding system (due January 2014)**
- Independent ombudsperson program (starting September 2021)
- Suit reinstated if General Assembly does not approve & \$1M breakup fee
- Jurisdiction retained for enforcement and reinstatement
- Public equity statements required for capital bond referenda

Money Is Not All We Need

Independent Funding Assessment

Provides for a holistic assessment of the Delaware public school system financing to be completed by an organization that is independent of the State by January 2024. The assessment shall consider total funding levels, the mechanisms for raising and distributing education revenue at the state and local level, and make recommendations for improvements to equity and efficiency. The Parties agreed that the assessment shall not obligate the State to take any action and is limited to providing information concerning potential modifications and improvements to the financing of Delaware's public school system.

County Track

Statewide property reassessment

10% local revenue increase

DREW ATCHISON

*Senior Researcher, American
Institutes for Research (AIR)*



Delaware Public Education Funding Assessment

Drew Atchison

March 17, 2023

Evaluating State Systems of Education Funding

Key Goals of State Funding Formulas

- **Adequate** – Provide sufficient resources for all students to meet the state’s educational goals
- **Equitable** - Account for differences in the costs of providing an equal educational opportunity across schools/districts and the students they serve
 - Provide more resources to schools/districts that need more
- **Wealth Neutral** - Account for differences in ability to raise local revenue (mostly via property taxes)
 - Achieving adequate funding levels should not depend on the property wealth of the community

Key Study Questions

- **Equity and Wealth Neutrality**

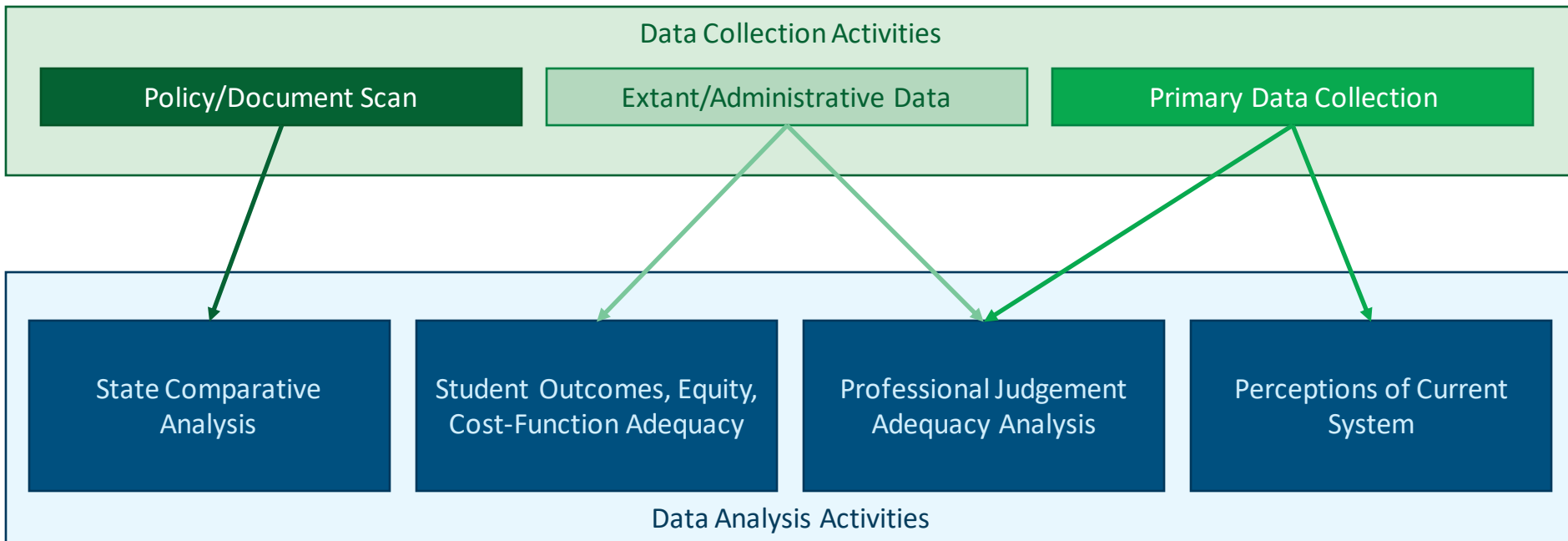
- How is existing school funding/spending distributed with respect to student needs and other characteristics that affect cost (e.g., district or school size)?
- To what extent are school funding levels dependent on local revenue capacity?

- **Adequacy**

- Are current funding/spending levels sufficient to meet the state's educational goals?
- How should funding be distributed across districts to provide equal educational opportunity?

Analytic Approach and Data Collections

Overview of Main Data Collection/Analysis Activities












Types of Adequacy Analyses

- Professional Judgement
 - Expert educators specify resources necessary to meet outcome goals for hypothetical schools that vary in student need.
 - Determine the cost of those resources how they vary with respect to student need.
- Cost-Function
 - Use existing data on student outcomes and education spending to determine the appropriate level of spending to meet specified outcomes for schools with differing student needs.

Project Timeline and Progress

Project Timeline

Project Task	Summer 2022	Fall 2022	Winter 2023	Spring 2023	Summer 2023	Fall 2023
Develop analysis plan						
State comparative analysis						
Collect administrative data						
Conduct interviews with district and charter school leaders						
Conduct administrative data analysis						
Conduct professional judgment panels and analyze data						
Develop models of funding formulas						
Develop report and recommendations						
Disseminate Findings						

We are here

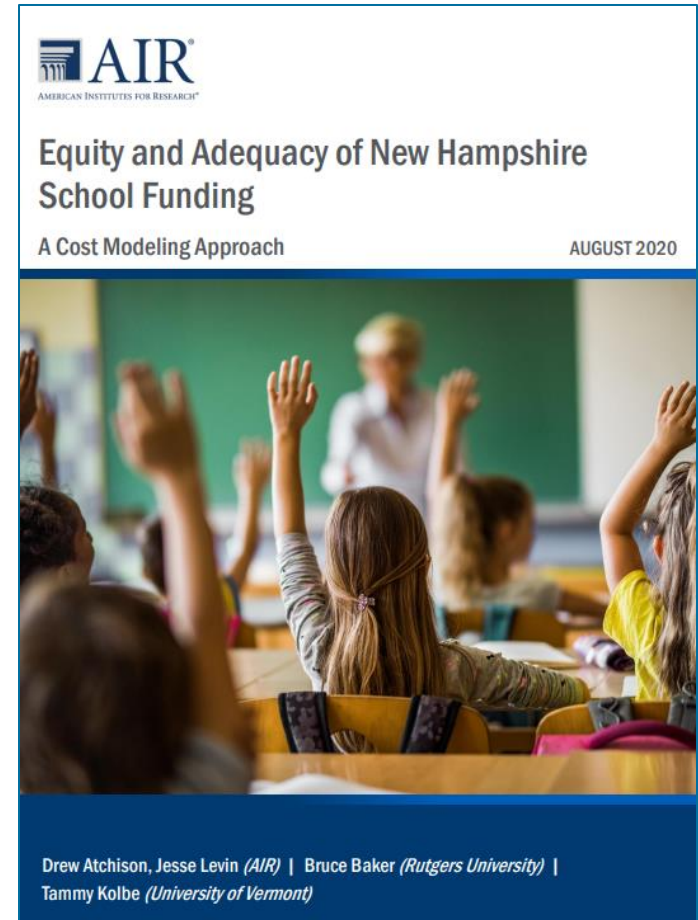
What to Expect In the Report

What to Expect in the Report

- Comparison of Delaware's current system to other states
- Strengths and weaknesses of Delaware's current system
 - Is there evidence of unequal opportunity?
 - Is the current distribution of funding/spending equitable to students and taxpayers?
 - Is the current system adequate?
- Modeling an equitable and adequate system
 - What would an equitable and adequate funding system look like?
- Recommendations for achieving an equitable and adequate system

Reports from Other States

- New Hampshire – Cost-Function Approach
 - https://carsey.unh.edu/sites/default/files/media/2020/09/20-12685_nh_final_report_v10.pdf
- Vermont – Cost-Function Approach
 - <https://lifo.vermont.gov/assets/Subjects/Education-Finance-Studies/1b00803525/edu-pupil-weighting-factors-report-act173-sec11-011820.pdf>
- California – Professional Judgment Approach
 - https://gettingdowntofacts.com/sites/default/files/GDTFII_Report_Levin.pdf



**Meet me at lunch if interested in these
types of studies and experiences in
other states.**

Next up, Secretary Mark Holodick!

MARK HOLODICK

*Delaware Secretary of
Education*



SESSION II

*Delaware's Education Funding
System in the National Landscape*



MICHAEL GRIFFITH

*Senior Researcher and Policy Analyst,
Learning Policy Institute*



STEPHANIE LEVIN

*Research Manager,
Learning Policy Institute*

Delaware School Funding

How States Fund Their Schools

Michael Griffith – Senior Researcher and Policy Analyst
Stephanie Levin – Research Manager

March 17, 2023



Today's Presentation

1. What is a school funding formula?
2. What is a good formula?
3. The formulas that states use
4. What is a foundation formula?

What is a Funding formula

Primary Funding Formula

(About 70% to 90% of Funding)

+

Categorical Funding

(Capital, Transportation, and others)

=

Total State Funding

(Sometime confusingly referred to as the “State Funding Formula”)

High-Quality Funding Formula

Adequate: Funding is sufficient to meet current state education requirements for all students, these can include:

- Inputs: seat time, class sizes, 1-to-1 computers
- Outcomes: test scores graduation rates, college going

Equitable:

- All districts have access to a relatively equal level of resources and
- All students have access to relatively equal educational offerings

High-Quality Funding Formula

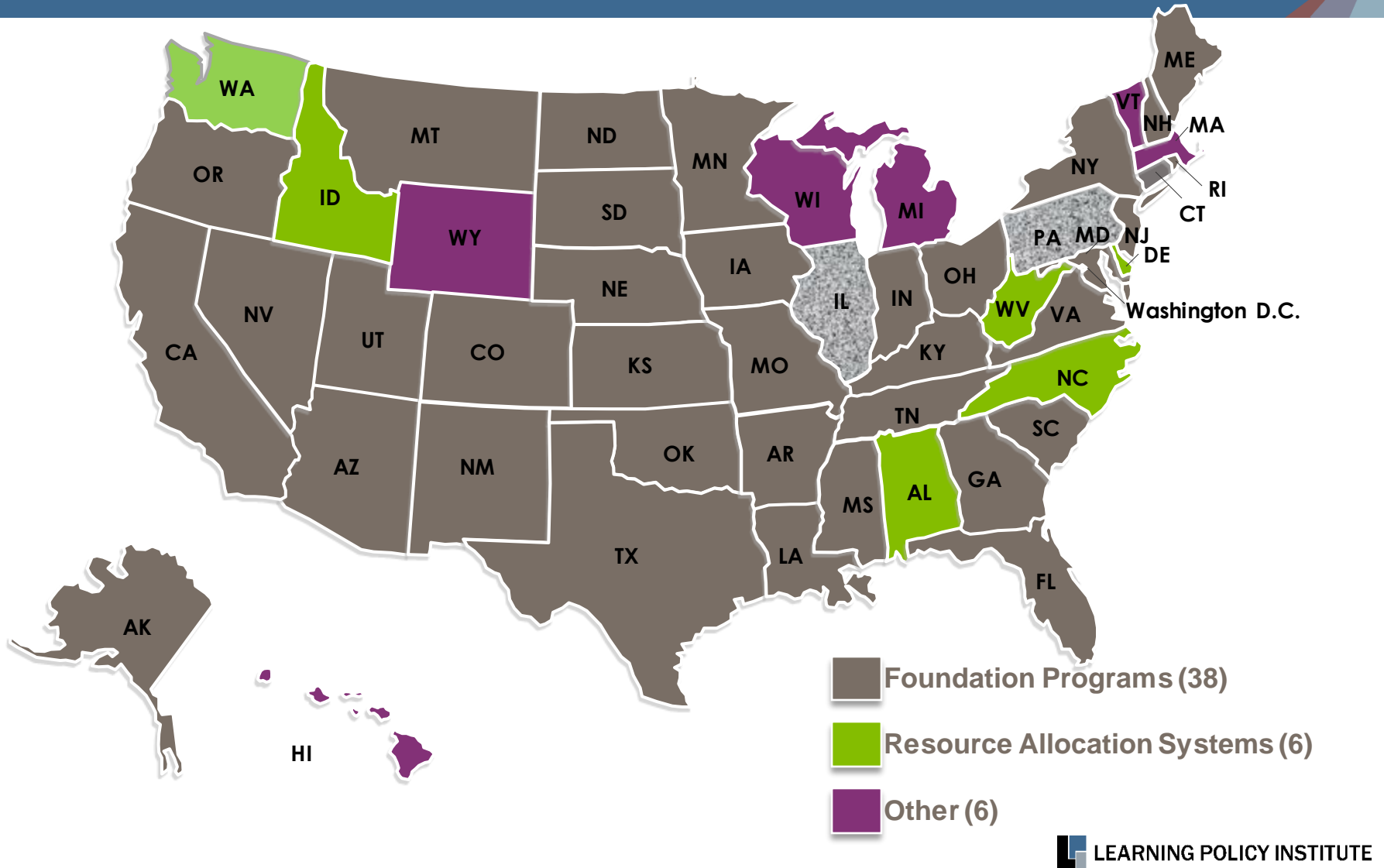
Flexible: Districts can use their resources to meet their unique needs

Adaptable: The formula can adapt to changes in the way that educational services are delivered with little to no adjustment

The Evolution of State Primary Funding Formulas

- 1st Generation: Flat payment
- 2nd Generation: Takes district wealth into account
- 3rd Generation: Takes both relative wealth & student needs into account (State makes expenditure decisions)
- 4th Generation: 3rd gen but LEA makes expenditure decisions
- 5th Generation: Ensuring that the resources are better targeted to the student

School Funding Formulas in Each State



How A Foundation Formula Works

1. Determine foundation/base amount
2. Count students with weights
3. Multiply student count by the foundation amount
4. Determine state vs. local split
5. Add on categorical funding (*capital, transportation, other*)

What are Funding Weights?

- Weights are the additional funding that states provide to high-need student groups
- Most common weights are for at-risk, English language learners, and special education students
- The weights (when multiplied by the foundation amounts) should equal the cost of educating a high-need student

Why do so Many States Use a Foundation Formula?

- Easy to establish
- Easily adjusted to meet a state's/district's educational needs and economic circumstances
- Provides districts with greater autonomy in decision making

Foundation Formulas

Foundation formulas can be adjusted to include various policy choices, such as:

- Class size requirements
- Teacher salary schedules
- Targeted funding for certain programs/student groups

The more mandates that are added the less flexibility districts will have

Foundation Funding

- What should a foundation amount be?
 - The amount of funding needed to allow a general education student to achieve state standards
- Ranges in states from:
 - \$4,015 – Louisiana
 - \$11,525 – Connecticut

How is a Foundation Amount Determined?

- Based on research (California, Maryland)
- Based on past year expenditures (Maine, Nebraska, and Nevada)
- Based on educational inputs including student/teacher ratios (Georgia and Ohio)
- Based on how much money the state has (Everyone else)

Measuring a Districts Ability to Pay

- Using income as part of the measure for a district's ability to pay can make sense
- If income is used incorrectly it can lead to directing more funds to high-wealth areas
 - The gap between high-income and low-income districts is smaller than the gap between high and low property wealth districts

Questions and Comments

Let's talk school funding!

Questions or Comments?

Mike Griffith: mgriffith@learningpolicyinstitute.org

Stephanie Levin: slevin@learningpolicyinstitute.org

KIM KLEIN

*Associate Secretary of Finance
and Operations,
Delaware Department of
Education*





Public Education Funding Overview

Kim Klein

Associate Secretary, Operations Support



Fund Sources

- **State/General Funds:**
 - Appropriated annually through the Operating Budget.
- **Local Funds:**
 - Includes funds that are raised through local taxes, cafeteria revenues, facility rentals, and local grants.
- **Federal Funds:**
 - Includes Title funds, IDEA, Perkins and others allocated by the federal government.
- **Bond/Capital Funds:**
 - Includes Major Capital, Minor Capital and Architectural Barrier initiatives.

September 30th Unit Count:

- Count of pupils enrolled
- Conducted annually
- Certified by the Department of Education
- Determines the amount of division funding appropriated in that fiscal/school year.

Units of Pupils:

1 Preschool Unit = 12.8 students

1 K-3 Regular Education Unit = 16.2 students

1 K-3 Basic Special Education Unit = 10.2 students

1 4-12 Regular Education Unit = 20 students

1 4-12 Basic Special Education Unit (Basic) = 8.4 students

1 Pre K-12 Intensive Special Education Unit (Intensive) = 6 students

1 Pre K-12 Complex Special Education Unit (Complex) = 2.6 students

Note: K-3 Basic Special Education will transition to 1:8.4 in Fiscal Year 2024.

Division I Funds:

- One unit pays the state share of salary and other employment costs, including health insurance for one teacher or two paraprofessionals.
- State share of salary and benefits is based on education and experience in accordance with the State salary schedule.
- Units generate other positions based on various formulas outlined in Delaware Code.
- The average unit value is \$80,052, including other employment costs and health insurance.

Division II Funds:

- Provides for resources in the classroom.
- One Division I unit generates one Division II unit.
- Two components:
 - All Other Costs (\$2,925)
 - Energy (\$2,387)
- Vocational programs generate additional Division II units depending on the type of program.

Division III Equalization Funds:

- Intended to alleviate local funding disparities between property rich and property poor districts.
- Designed to be inversely related to district ability to tax.
- Proportionately related to district effort in taxing.
- Districts' individual Division III per unit values have remained frozen since Fiscal Year 2009.

Other State Entitlements and Block Grants:

- Academic Excellence
- Technology Block Grant
- Educational Sustainment
- Student Success Block Grant
- Opportunity Fund
- Private Placements
- Transportation

Local Funds

- Current Expense - general operations:
 - For the 16 geographical districts, the maximum current expense rate must pass referenda.
 - For the three vocational technical school districts, the maximum current expense rate can only be increased through legislative approval.
- Tuition - special needs students for Pre-K, Intense and Complex students (not the entire special education population):
 - Within a district, between districts and private placements.

Local Funds

- Match - State programs that authorize a local match.
 - Minor Capital - 60% State, 40% Local
 - Others - Reading and Math specialists, Technology, Extra Time, Student Success Block Grant and Opportunity Fund.
- Debt Service - pays principal and interest on local bonds authorized by referenda.
 - Debt Service rates do not need to be approved in referenda.
 - A “good faith” Debt Service estimate rate is given in a referendum campaign.
 - The local school board approves a Debt Service rate.

- Other local funds may include, but are not limited to:
 - Cafeteria/School Nutrition
 - Rentals/Building Use Fees
 - Athletic Gate Receipts
 - Interest Earnings
 - Indirect Costs
 - Private Grants

Choice / Charter

- Local funds follow a student to their school of choice, either another district or charter school.
- Amount per student is differentiated by needs-based special education category.
- Geographic school districts may have net inflow or outflow of funds based on the amount of choice students.

Federal Funds

- Federal funds are restricted to the purpose and time period during which money may be spent.
- The State receives and approves district applications and allocates funds to districts as subgrantees.
- Examples of federal funding allocations:
 - Elementary and Secondary Education Act (ESEA) Title Funds:
 - Title I (Improving Academic Achievement of Disadvantaged)
 - Title II (Improving Teacher Quality)
 - Title III (Immigrant Student Education Program and English Learner)
 - Title IV (Student Support and Academic Enrichment)
 - Perkins (Career and Technical Education)
 - Individual with Disabilities Education Act (IDEA)

Major Capital Funding

- Funding for district-owned buildings and facilities.
- Districts identify project needs and develop construction plans, with local board approval.
- Districts request a Certificate of Necessity (CN).
- Issuance of a CN is required prior to referendum.
- After passage of a referendum, State-share of funding is provided.
 - 60% to 80% of total project cost

Minor Capital Improvements

- Allocated through the annual Capital Budget.
- Intended to maintain public education infrastructure.
- Funding for all school districts and charter schools.
 - 60% State share (districts only)



Questions?



Position Calculations

Position Calculations

Position	Calculation
Div I Teacher - K-3 Regular Education *	1 per 16.2 pupils
Div I Teacher - K-3 Basic Special Education *	1 per 10.2 pupils
Div I Teacher - 4-12 Regular Education *	1 per 20 pupils
Div I Teacher - 4-12 Basic Special Education *	1 per 8.4 pupils
Div I Teacher - Pre K-12 Intensive Special Education *	1 per 6 pupils
Div I Teacher - Pre K-12 Complex Special Education *	1 per 2.6 pupils
Administrative Assistant	1 per charter school
11 Month Supervisor *	1 for each 150 Div I units
Transportation Supervisor *	1 for every 7,500 or more enrolled students
Principal	1 for first 15 or more Div I units
Assistant Principal #1	1 for first 30 or more Div I units; 0.65 for 25 to less than 30 Div I units
Assistant Principal #2	1 for first 55 or more Div I units; 0.65 for 50 to less than 55 Div I units
Assistant Principal #3 +	1 for each 20 Div I units beyond the first 55 Div I units
Visiting Teacher *	1 for each 250 Div I units
Driver Education Teacher *	1 for every 125 tenth grade students
Nurse *	1 for each 40 Div I units
Academic Excellence Units *	1 for each 250 pupils
Clerical Units	1 for every 10 units for the first 100 units; 1 for every 12 units thereafter
Custodial Units	TBD - Based on site evaluation
Cafeteria Manager	0.73 per charter school
Cafeteria Worker *	0.62 per 100 pupils
Related Services Specialist - Basic *	1 for each 57 Basic units
Related Services Specialist - Intensive *	1 for each 5.5 Intensive units
Related Services Specialist - Complex *	1 for each 3 Complex units
Counselor / Social Worker *	1 for each 325 K-5 students
School Psychologist *	1 for each 700 K-5 students

* Qualifies for fractional part of unit



HEATH CHASANOV

*Superintendent, Woodbridge School
District*



**MARGIE
LÓPEZ WAITE**

*Chief Executive Officer, Las Américas
ASPIRA Academy*

WORKING LUNCH

TABLE NUMBERS AND DISCUSSION TOPICS

Table	Topic	Expert
1	Digging Deeper: Delaware's State Funding Formula	Kim Klein, DDOE
2	Intentions and Outcomes of 2019 Lawsuit	Karen Lantz, formerly with ACLU
3	Independent Funding Assessments: Examples from Other States	Drew Atchison, AIR, Mike Griffith, LPI
4	What States Can do with Funding Systems to Support Equity for Students	Ivy Morgan, Education Trust
5	National Trends: How Other states are Rethinking their Funding systems	Indira Dammu, Bellwether
6	National Landscape of Impact of Litigation: Lawsuits and System Change	Jennifer O'Neal, Bellwether



**IVY SMITH
MORGAN**

*Director, P12 Data & Analytics,
The Education Trust*



**INDIRA
DAMMU**

*Senior Analyst,
Bellwether*



**JENNIFER
O'NEAL SCHEISS**

*Senior Partner & Policy
and Evaluation Practice
Leader, Bellwether*

Thank you!

**Find resources and
later, recordings of our
sessions:**

visioncoalitionde.org



#VCCDelaware

APPENDIX