

Wilmington Education Improvement Commission
Funding Student Success Committee
October 27th, 2015 Meeting

The meeting was called to order by co-chairs Jill Floore and Mike Jackson at 2:05 p.m.

Weighted Unit Funding

The Committee began by discussing a model where schools would receive additional units based on the percentage of students they serve that are low income and English language learners. Bob Silber and Jill Floore showed a model of how this model could work using Christina and Red Clay School District schools as examples. The Committee discussed the need for firm definitions of poverty to help it select an index to use in the model.

In order to increase local flexibility and autonomy over spending, the committee discussed that additional “weighted units” should carry a cash out value where districts can choose not to receive the staffing units but instead receive the cash equivalent of the state’s Division I, II, and III parts of the units. Committee members wanted to ensure that funds will be used responsibly and appropriately, so the recommended that districts must demonstrate that the funds will be used in accordance with a plan developed by the school to serve low income students and English language learners. The committee discussed having districts report on the use of those funds on an annual basis. Jill Floore pointed out that the cash out value of the units would be closer to true value than Academic Excellence Units funding, which is one of the current funding sources allocated to schools that is flexible. The Committee agreed that the alternate cash out value should be indexed to some measure to ensure that it is responsive and accurate over time.

Committee members voiced the support for weighting based on the spectrum of ELL needs. Others suggested that basic K-3 units proposed in Representative Williams’ bill be included in the funding model in order to achieve a more comprehensive view of the changes that the committee is recommending.

The Committee recognized that the weighted units would update the funding system to provide additional resources to support low-income students and English language learners. The Committee discussed that it should revisit the topic of weighted student funding formulas after the modifications to the current system have been made. One Committee member suggested a funding allocation based on risk factors.

The Committee revisited the discussion of “how much is enough to serve the needs of the students?” and “How can we expect that this added investment will make a difference?” The Committee discussed striking a balance between what recommendations could be realistic within the current budget context while at the same time, serving students. Jill Floore stated that Red Clay has experience through the Priority Schools planning process with planning how to direct resources to serve students in need, and knows how additional units could be employed for this purpose. Dan Rich stated that there are several in-school factors linked to

student improvements, and schools can't deliver on those factors without additional resources. He stated that Delaware first needs to get on the same page as other states by taking into student needs into account in its funding system.

The Committee clarified that the additional weighted units would not be the only supports that students would need. For instance, WEAC recommended a state-level plan to mobilize and coordinate resources to support students in poverty. Not all serviced can be expected to flow from the unit count. Other WEIC committees are looking at other institutional, community sources for resources to meet student needs.

Draft Report

The Committee reviewed a draft of its section of the WEIC report in order to recap its discussions of critical issues and verify its recommended action items to date. The Committee first discussed and then formally voted whether to approve the high-level concepts, not specific dollar amounts, of each recommendation:

- The Committee voted and agreed to recommend the concept of weighted unit funding described above and continue tweaking the details of the model, such as how to weight for poverty and ELL.
- Committee members raised the point that in order to ensure consistency, they may need to recommend a method for counting and identifying basic special education students in grades K-3. Currently, this method doesn't exist in law. Mike Jackson offered to revisit the fiscal note for the bill to determine possible ways to identify these students. The Committee voted and agreed to endorse H.B. 30 with the acknowledgement that a method for consistently identifying these students needs to be determined.
- The Committee voted and agreed that student enrollment counts is an important issue that needs to be addressed because student transience after the September 30th count greatly impacts districts. It agreed that any new method of counting students should held harmless districts that experience decreases in enrollment midyear.
- The Committee voted and agreed that education funding should be restored to '08 levels.
- The Committee voted and agreed to endorse the recommendations of the 2008 HJR 22 task force to implement rolling property reassessments.
- The Committee discussed current expense tax rate implications for supplemental funds. The Committee voted to support the districts' ability to raise local revenue through the following measures:
 - Until property reassessment occurs, districts impacted by redistricting must be authorized to enact tax rate adjustments to meet current operating expenses as voted by their school boards. Taxpayers should be reassured that this recommendation is NOT intended to allow school boards set tax rates without limits; annual tax adjustments should not exceed inflation as measured by the CPI. This funding mechanism would provide districts much needed stability in the local revenue base. This mechanism should sunset after the recommendations

for rolling reassessments are implemented. The Committee endorses the recommendations of the Fiscal Year 2016 report of the Equalization Committee. The recommendations also call for reassessment while providing measures to begin to address disparities in the short term.

- There was one dissenting vote. The dissenting opinion was that districts should maintain the ability to raise local funds after reassessment because fixing Equalization and adding in a floor during reassessment are not enough of a safety net for districts during economic downturns. Also, the dissenting opinion was that that school boards should be allowed to approve increases in operating fund tax rates annually up to a limit without referendum and beyond it with referendum if there is some extra ordinary need.
- The Committee voted and agreed to endorse the concept of a transition fund to support the planning needs identified by the Redistricting Committee.
- The Committee discussed the issue of capital funding. Some members expressed discomfort with providing 100% state funding for within the capital funding stream for needs related to redistricting. The Committee discussed that this may not be good precedent, but that it would not be fair for Red Clay to shoulder the burdens of capital projects deemed necessary as part of redistricting. The Committee defined two sorts of capital funding needs:
 - General renovations to existing buildings for existing purposes
 - Significant conversions/changes in purpose to existing buildings or creation of new buildings

There was no motion to vote on the issue, and it was decided that the Committee would revisit the subject at its next meeting.

- The Committee discussed funding for early learning. Dan Rich explained that the Early Learning Challenge grant was focused on improving access and quality in early childhood education. Without this funding, which will lapse this year, support for low income kids to retain access to quality improvement programs through the tiered reimbursement system will be eroded. This will have significant impact children in Wilmington and statewide impact. The Committee voted and agreed to endorse the concept, recognizing that the early learning funding operates on principles similar to those that the Committee used to develop a weighted unit model for the. The Committee noted that the tiered reimbursement system for early learning is a complement to the K-12 weighted unit model it is recommending.

More information on the critical issues and action steps included in the working draft of the WEIC report. Dan Rich emphasized that this report will be updated and edited many times throughout the coming months as feedback is received.

Next Steps

Jill Floore reminded everyone that the next meeting is November 10th. Topics for discussion will include:

- Looking at student enrollment numbers and local impact of redistricting. The Committee knows that additional units would have local tax impact for existing school district. It needs to determine what is that local share and local tax rate implications will be. For instance, there is uncertainty about debt service for buildings.
- Implications of redistricting on other funding streams.
- Capital funding

Public Comment

Bill Doolittle shared public comment. He acknowledged the group for looking at national best practice while developing its model for weighted units. But he called attention to the fact that results have been limited for other states that have chosen this path of funding for poverty. Funding a portion of student needs within such a complex system does not have 1:1 return. No efficiency will come from instructional units if related services are not provided. There is great inefficiency in funding all low income students the same way. He wanted to make the Committee aware that this model creates financial incentive to concentrate poverty in schools. He stated that the Committee needs to consider a growth cycle and have a long-term end point of serving Wilmington student needs. Lastly, he stated the need to make sure we are looking at all Wilmington students and not just two districts.