

Blue Ribbon Task Force Meeting Minutes

Meeting 4 – October 1, 2015

View 34, Pierre SD

The Blue Ribbon Task Force on Funding Teachers and Students held its fourth meeting on October 1st, 2015 at View 34 in Pierre. All members were present except Representative Cronin, who was excused.

Rep. Sly chaired the meeting. The task force approved the minutes from the September 9th meeting.

Abby Javurek-Humig Follow-Up Data

During the September meeting, Abby Javurek-Humig, Director of Assessment and Accountability at the South Dakota Department of Education, gave a presentation titled “Trends in Educator Preparation and Employment in South Dakota”. This presentation provided a better understanding of the teacher pipeline. She returned to clarify and present follow-up data for the questions the task force had generated. The follow-up data can be found here: <http://blueribbon.sd.gov/docs/10-1Javurek-HumigFollowup.pdf>.

Teacher Based Funding Model

Tami Darnall, Chief Financial Officer at the South Dakota Department of Education, presented on formula variables and pointed out areas to be decided on such as student/staff ratios, teacher salary, and benefits. She also started introducing other revenues. The presentation can be found here: <http://blueribbon.sd.gov/docs/10-1Darnall-TeacherBasedFundingModel.pdf>.

The model formula Darnall presented included several assumptions about variables, which Darnall included to demonstrate the model. The task force discussed the appropriateness of several of these variables, including the target student to teacher ratio, the percentage of salaries that should be included for benefits, and the percentage of total general spending that should be committed to instructional personnel. The task force asked Darnall, for the sake of discussion, to modify the model to allow for the student to teacher ratio to be applied on a sliding scale for smaller school districts.

“Fund Balance Policy in Bordering States” by Michael Griffith, Senior Policy Analyst of the Education Commission of the States is introduced to the task force to compare fund balance

policies of surrounding states. This report can be found here:
<http://blueribbon.sd.gov/docs/10-1FundBalancePolicyinBorderingStates.pdf>.

Education Funding Options

Andy Gerlach, Secretary of the South Dakota Department of Revenue, presented funding options via taxes and the considerations of each. The presentation can be found here:
<http://blueribbon.sd.gov/docs/10-1Gerlach-EducationFundingOptions.pdf>.

Workgroup members asked about the statistics of the current tourism tax. Members asked specific question about the impact on property taxes that specific relief plans would provide for property tax payers.

Maximizing Efforts for Delivery of First Class Education

After expressed interest in distance learning and virtual education, Dr. Melody Schopp, South Dakota Secretary of Education, presented current opportunities in offered in the state. The presentation is found here: <http://blueribbon.sd.gov/docs/10-1Schopp-DeliveryofFirstClassEducation.pdf>.

Some members of the workgroup worried that many teachers see distance education as a threat, not an opportunity to bolster their own classrooms. The workgroup wondered about the possibility of broader tuition reimbursement for teachers. Workgroup members discussed the need for money in the system to get to teachers.

Small Groups

After presenting available funding sources, the task force broke into three small groups. Each group had a mix of legislators, educators, business owners, and executive branch staff. Each group had an assigned facilitator and an individual assigned to report back to the task force at the conclusion of small group discussions.

- Group One Report Out (given by Dr. Brian Maher): The group discussed what the student/teacher ratio should be and whether it should be fixed or on a sliding scale. The group wanted to know what sort of cap there would be with the equalization of other revenues. The group agreed it would be a good idea to move capital outlay to the general fund as well as pension levy. There was general support for levy fund caps, but

would want to see how revenue flows into each district. The group also liked innovation learning and would like to see it incentivized along with cost control across the state. For the financing model, the group centered around two things: sales and use year round and an exemption of food or property tax relief.

- Group Two Report Out (given by Dr. Michael Rush): The group decided that windfall money through other revenues were illogical. The group determined that equalization is going to be hard, but equity needs to be created. The group also thought it would be good to move the pension levy to the general fund and that the fund balance caps would need to be set and graduated by the size of the district. The totals of the fund balances should be measured at the lowest point in the year to give a more accurate balance for each district. The group was wary of setting too many limit on districts, but instead thought incentivize sharing and efficiency would work well.
- Group Three Report Out (given by LuAnn Linskov): The group agreed that the pension levy should be moved to the general fund. The group also thought that the equalization of other funds would be difficult, but the reforms should seek some sort of equity, even in a limited form, should be sought. The group thought a sliding scale for sparsity and a small school adjustment were necessary plus that enrollment counts should be a two year average. Capital outlay should be moved to the general fund. Fund balance caps should be phased in over four years. The group decided that there might need to be a board that would consider fund balances that are out of compliance to give waivers of the caps where appropriate. The group reiterated the urgency to make an impact on teacher salaries quickly.

Full Meeting Materials

Please visit the Blue Ribbon Task-Force website to listen to an audio recording of the September meeting and access all meeting materials. <http://blueribbon.sd.gov/materials.aspx>.

Next meeting: October 29, 2015, held in Pierre, SD at View 34.