



Blue Ribbon Task Force on School Funding QUALITATIVE DATA REPORT

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The Purpose

The purpose of this qualitative data report is to provide information for the Blue Ribbon Task Force about public perceptions concerning school funding. Over the course of three months, a concerted effort was made to listen and capture the voices of constituents and stakeholders across the state to generate input to inform the discussions of the Blue Ribbon Task Force. At the core of the “listening” process was the overarching question:

“What possibilities are there to meaningfully fund education for our kids and our communities?”

Participants were invited to share input in the listening process via three venues:

- 1) Regional Meetings conducted at six locations across the state for educators, business leaders, and community members,
- 2) Stakeholder Listening Sessions held in conjunction with eight previously-scheduled gatherings of educators across the state, and
- 3) Messages/comments submitted directly to a link on the Blue Ribbon Task Force website.

This report reflects an overview and analysis of the qualitative data garnered from the three venues.

A word about qualitative data...

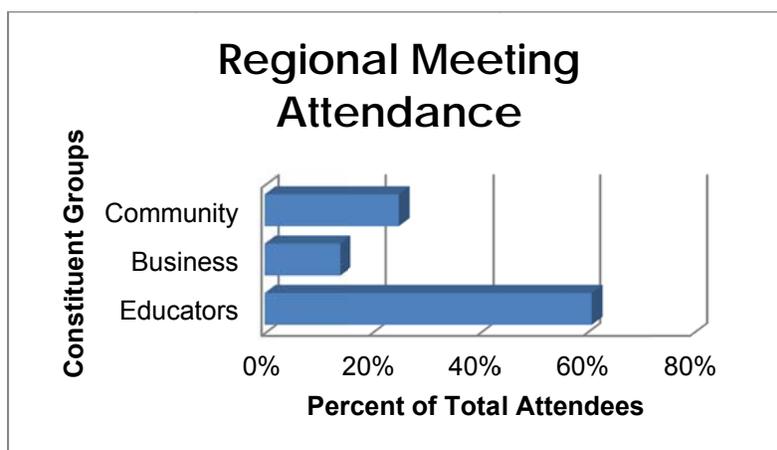
Unlike quantitative data, which can be neatly counted and efficiently processed because of its numerical nature, qualitative data is more obscure because it is based on perceptions from real people. These perceptions are varied and not of equal size or weight so organizing the perceptions to make them easily interpretable for the reader is not an exact science. It would not be valuable for the reader to simply be presented with a list of the more than 10,000 points of data. Thus, significant effort has been made to objectively categorize the data in order to develop themes that will effectively convey meaning about the data collected. It is also important to note that the citizens who contributed to the data set contributed voluntarily. The set of data collected does not represent a scientific or uniform sample of the citizens of South Dakota. Another factor the reader should consider is that although a number of educators from small rural districts traveled as far as 90 miles to attend regional meetings, the majority of participants were from the immediate area surrounding the meeting location. As a result, the voice of citizens associated with larger school communities may be more frequently represented in the data set.

REGIONAL MEETING LOCATIONS

Chamberlain • Rapid City • Sioux Falls • Yankton • Watertown • Aberdeen

Regional Meetings

Over 800 educators, business leaders, and community members participated in meetings at six regional locations: Chamberlain, Rapid City, Sioux Falls, Yankton, Watertown, and Aberdeen. Approximately 60% of the total participants were educators with representation from more than 80 school districts. The audience included 45 legislators (15 senators and 30 representatives) from 27 of the legislative districts.



Methodology

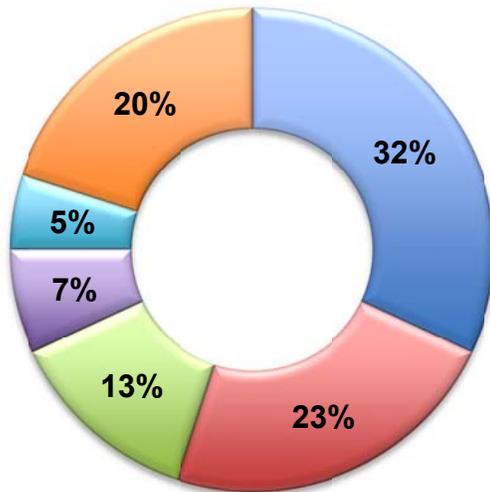
The educators, business leaders, and community members were scheduled for 90-minute sessions at 2:00 PM, 4:00 PM, and 6:30 PM, respectively. The sessions implemented a World Café format, which engaged participants in small group discussions. This format is a conversational process intended to facilitate open discussion among small groups and then link ideas with a larger group to access the collective wisdom of the group. Participants move between a series of tables where they respond to a set of guiding questions that are focused around a specific topic. The large group was first presented with the overarching question, *"What possibilities are there to meaningfully fund education for our kids and our communities?"* Subsequently, three guiding questions were generated to focus the discussion of the small groups:

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- 1) *When you think about funding schools in your local community, what is important to you?*
 - 2) *What ideas or new approaches might make those priorities more possible for schools in your community?*
 - 3) *What advice do you offer to the Task Force as this work moves forward?*
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The small groups recorded and prioritized the output of their discussions which will subsequently be referred to as data. The prioritized data were placed on a wall for public viewing by the participants. Facilitators for the meetings clustered the data based on initial impressions of the themes and reported their observations to the group. The following graphs and matrices reflect the major themes gleaned from the data from all three constituent groups based upon a rigorous compilation and analysis.

Guiding Question #1

When you think about funding schools in your local community, what is important to you?



- Recruit/retain; salary & benefits
- Quality programs; learning opportunities
- Stable funding; equitable tax structure
- Education viewed positively as investment
- Smaller class size
- Other*

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Major Theme (in order of most-noted)	Examples of Raw Data	Observations
Recruiting and retaining high quality staff; increasing teacher pay, incentives, and benefits	<ul style="list-style-type: none"> • Money to attract and retain quality teachers • Recruit, retain, reward, support quality educators • Salaries and insurance costs • Competitive teacher pay • Funding needs to be in line with retention of teachers in competitive work force • Pay enough, good teachers will stay 	<ul style="list-style-type: none"> ✓ Nearly one-third of the data fits with this theme. ✓ This theme was most-noted by all three groups (educators, business leaders, and community members).
Quality education; learning opportunities addressing the diverse needs of students	<ul style="list-style-type: none"> • Variety of opportunities for students of all levels in the classroom and out • Maintaining programs • Funding to help maintain programs while expanding and growing new programs (technology) • Programs available to benefit all students • Level playing field for all students 	<ul style="list-style-type: none"> ✓ Nearly one-quarter of the data fits with this theme. ✓ This theme was the second most-noted by all three groups (educators, business leaders, and community members).

<p>Stable and consistent funding mechanisms for education; fair and equitable tax structure for funding mechanisms</p>	<ul style="list-style-type: none"> • No Band-Aids, we need a long term solution, commitment to see it through • Security in funding • Consistent and reliable funding • Unfair tax system • Fair and equitable collection of funds and distribution • Funding should be equal in all South Dakota communities regardless of size or property tax base 	<ul style="list-style-type: none"> ✓ Over 10% of the data fits with this theme. ✓ This theme was third most-noted by all three groups (educators, business leaders, and community members).
<p>Education viewed and marketed more positively; education treated as an investment and priority throughout the state</p>	<ul style="list-style-type: none"> • Investment vs tax burden • Change the negative attitude in the community about education and educators • Make education a top priority not an after-thought for funding in Pierre • The community needs to be in support of school funding • Move to have society value public education 	<ul style="list-style-type: none"> ✓ About 7% of the data fits with this theme. ✓ While educators and community members noted this theme as fourth, business leaders noted this theme as fifth and career/ college readiness as fourth.
<p>Smaller class size</p>	<ul style="list-style-type: none"> • Class size - limits for physical space and age • Smaller class size for remedial programs • Cap class size incorporating research regarding age groups • Keeping class size small - small enough for teachers to make relationships 	<ul style="list-style-type: none"> ✓ Although only 5% of the data fits this theme it was included for consistency in reporting the top five most noted themes.
<p>*Other The top five major themes that were most-noted by the constituent groups have been presented. An additional category titled "Other" consists of 20% of the remaining data points. These data group together in low frequencies that make for less significant themes. The next three themes in order of descending importance are presented below with three examples each of the raw data that support the theme. Additionally ten data points that did not cluster as an identifiable theme are presented:</p> <p>Adequate facilities and instructional resources</p> <ul style="list-style-type: none"> ○ Basic classroom structure - windows that open, hot classrooms, desks that fit, classes that fit ○ Quality infrastructure - funding so buildings and playgrounds are safe ○ Funding for updated technology, curriculum and student resources 		

College/career readiness; future citizenry

- Creating good citizens that are prepared for life - lifelong learners
- Return on investment - increase graduation rate, increase average ACT scores
- Our students should be prepared to cope with students from our state, country, and the world

Fiscal efficiency/accountability; Community informed

- Don't let funding go toward inefficiencies, be brave and cut out what doesn't work
- Detailed audits, IDEA data stats, tracking funding, public knowledge
- Revenue providers should have more input on the expense side of school funding

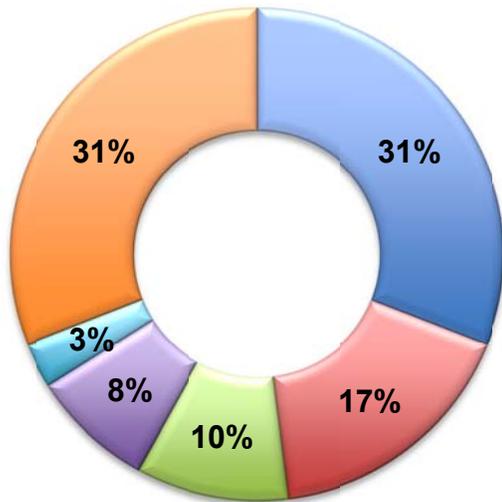
Data with no identifiable theme

1. Funding is a dark cloud hanging over our heads
2. Don't confuse what consolidation will/won't do for school funding
3. When allocating funding use "average teacher pay" as a metric - not individual teacher pay
4. County school system to accommodate growth
5. More leadership and more vision when making hard decisions on where funding will come from
6. Reallocate funding - large school to small schools
7. Professional part time opportunities
8. Worried about schools being forced to consolidate
9. Use professional expertise of educator to determine need, establish funding needs then allow local control
10. Opportunities for parent choice of school their kids attend

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Guiding Question #2

What ideas or new approaches might make those priorities more possible for schools in your community?



- New revenue stream; partnership support
- Education as investment/priority; statewide support
- Share more services; use technology; consolidate
- Compensate educators with pay & incentives
- Follow-through/revisit prior funding earmarks
- Other*

Major Theme (in order of most-noted)	Examples of Raw Data	Observations
Identify new revenue stream or partnerships designated for education	<ul style="list-style-type: none"> • Corporate sponsorship for specialized programs • Corporate income tax • Tourism tax 2% • Corporate income tax on box stores • Extra penny sales tax • Funding - tobacco, lottery, state income tax, tourism tax 	<ul style="list-style-type: none"> ✓ Nearly one-third of the data fits with this theme. ✓ This theme was most-noted by all three groups (educators, business leaders, and community members).
Market education as an investment, make it a priority; build community and statewide support for education and educators	<ul style="list-style-type: none"> • Make education an investment, not expenditure • Education is economic development • More positive light on educators, student success stories • Educate public on school funding • Place education as high of a priority in the minds of the public and state leaders as roads, etc. • Increasing awareness of the problem by the community 	<ul style="list-style-type: none"> ✓ More than 15% of the data fits with this theme. ✓ Across all groups by numerical count, this theme was second most-noted. ✓ This theme was noted fifth among the business group and third among the community group.

<p>Share more services among districts; consolidate districts; utilize more technology to share services and deliver instruction</p>	<ul style="list-style-type: none"> • Share quality teachers between schools • Centralize administration • Develop “blended schools” for our digital generation • Share with other districts, resources, staff • School consolidation in certain regions • Take advantage of money saving strategies such as digital education • Better/more innovative education delivery 	<ul style="list-style-type: none"> ✓ About 10% of the data fits with this theme. ✓ Across groups, this was the third most-noted theme. ✓ This theme was second most-noted for the business group and the community group, and fourth most-noted for the education group.
<p>Compensate educators with increased pay and/or other incentives, opportunities, benefits</p>	<ul style="list-style-type: none"> • Competitive salaries • Incentives to keep teachers around • Larger pools for health insurance to reduce cost • Retain young teachers by loan repayment funding • Designate money to only fund teacher pay 	<ul style="list-style-type: none"> ✓ About 8% of the data fits with this theme. ✓ Across groups, this theme was the fourth most-noted. ✓ This theme was noted fifth among the business group and third for the community group.
<p>Follow-through/revisit prior funding earmarks for education</p>	<ul style="list-style-type: none"> • Honor gambling promise-supplement not supplant • Earmarked funds for education, stay at education • State has fund balance, could happen, priority • Don’t address education by cuts 	<ul style="list-style-type: none"> ✓ Only 3% of the data fit this theme, but to maintain consistency the top five themes were reported for each guiding question.
<p>*Other</p> <p>The top five major themes that were most-noted by the constituent groups have been presented. An additional category titled “Other” consists of 31% of the remaining data points. These data group together in low frequencies that make for less significant themes. The next three themes in order of descending importance are presented below with three examples each of the raw data that support the theme. Additionally ten data points that did not cluster as an identifiable theme are presented:</p> <p>More flexibility among district funds</p> <ul style="list-style-type: none"> ○ Allow money to be moved around as needed within individual districts ○ Different guidelines for general fund and capital outlay ○ Legislature change capital outlay rules so money can be used for teacher salaries at local discretion 		

Revise current funding formula

- Rework funding formula to more equitable system
- Equal funding for every student, rural = urban
- Fundamental change in funding formula to make it fair for districts of all sizes

Identify strategies from other states

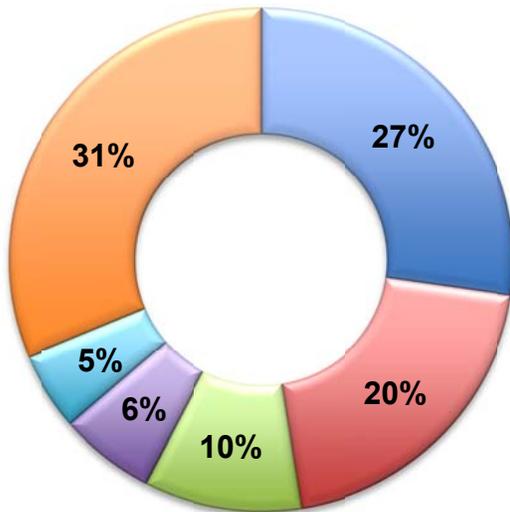
- Engage SD universities to do white paper on education quality comparing to states that do well
- Study other state education plans and adopt helpful ideas of distributing finances
- When comparing funding to other states, our state doesn't fund education (see statistics.sdbudgetandpolicyproject.org)

Examples of data that did not constitute an identifiable theme

1. Diversity is growing, but resources aren't
2. State doesn't respect workload, new paper work all of the time. Let us teach!
3. Take money off student's foreheads
4. More student accountability
5. Do something this time instead of just having another task force of interim study
6. Develop students to become job creators in our state
7. More community ed programs, tutoring and mentoring
8. Make teachers employees of the state
9. Make schools whole after the cuts
10. Fund education first, not last

Guiding Question #3

What advice do you offer to the Task Force as this work moves forward?



- Be bold, take action, be transparent, follow-through
- Promote education; make it a priority, put kids first
- Identify new revenue stream or partnerships
- Develop/implement long-term, consistent plan
- Pursue increased teacher pay and incentives
- Other*

Major Theme (in order of most-noted)	Examples of Raw Data	Observations
Be bold, take action, be timely, be transparent, communicate progress, cross party lines, follow-through	<ul style="list-style-type: none"> • Follow through • Get on with fixing the issues-precious time is being wasted • Keep us all updated on your progress-transparent • Time for action • Be bold! Make it happen • Set politics aside and get down to what needs to be done, put personal bias aside • Listen to the input from these meetings, act on the input 	<ul style="list-style-type: none"> ✓ Over 25% of the data fits with this theme. ✓ This theme was most-noted by all three groups (educators, business leaders, and community members).
Promote education positively as investment; make education a priority, put kids first	<ul style="list-style-type: none"> • Promote positives of education • Focus on what is good about education in SD • Make education a funding priority • Be sure focus stays on education of kids • Put education first, not last • Education is not an expense, it's an investment 	<ul style="list-style-type: none"> ✓ Nearly 20% of the data fits with this theme. ✓ This theme was the second most-noted by all three groups (educators, business leaders, and community members).

Identify new revenue stream designated for education	<ul style="list-style-type: none"> • Write a bill for penny summer sales tax • Additional dedicated revenue source • State income tax, corporate tax • New revenue source, do not re-shuffle current funding sources • Don't take anything off the table, examine everything (penny sales tax, income tax, etc.) 	<ul style="list-style-type: none"> ✓ About 10% of the data fits with this theme. ✓ This theme was third most-noted by all three groups (educators, business leaders, and community members).
Develop and implement long-term, stable, consistent funding plan	<ul style="list-style-type: none"> • Find a long term solution and stay committed to the case • Long-term plan in place, no more band-aids • Consistent source of revenue • Follow through with funding consistently 	<ul style="list-style-type: none"> ✓ More than 5% of the data fits with this theme. ✓ Again, there was consistency across all three groups.
Pursue increased teacher pay and/or other incentives	<ul style="list-style-type: none"> • Salaries must rise to keep teachers • Look at loan forgiveness • Lower tuition going in to education • Allow teachers to retire/rehire • Teachers should be on state health insurance • Improve conditions and quality of life 	<ul style="list-style-type: none"> ✓ Approximately 5% of the data fits with this theme. ✓ This theme was fifth most noted by educators and community. It was sixth most noted for business.

***Other**

The top five major themes that were most-noted by the constituent groups have been presented. An additional category titled "Other" consists of 31% of the remaining data points. These data group together in low frequencies that make for less significant themes. The next three themes in order of descending importance are presented below with three examples each of the raw data that support the theme. Additionally ten data points that did not cluster as an identifiable theme are presented:

Attend to what other states are doing

- What is it that other states/districts are doing with less and able to give their educators more?
- Research formulas for successful programming in other states
- Develop leaders in administration as well, review best practices from other rural states, keep open mind

Attend to efficiencies, cut non-essential spending

- Find out where money is going and eliminate nonessential spending
- Do an audit on district, independent, non-partisan. View every 3 years. Take a look at what has happened over the last 10 years.
- More public oversight on how revenues are spent

Pursue strategies for economy of scale, more technology, consolidation

- Rethink delivery methods of education, not always brick and mortar
- Look at number of school districts, cut smaller districts, economies of scale
- Use technology to do more consolidation of small school district and reallocate savings

Examples of data that did not constitute an identifiable theme

1. Abandon core curriculum -teaching to test
2. Remember that we are not all Sioux Falls
3. Get rid of 3 month off mentality
4. Wrong people are promoting education. Must be bank presidents, heads of law firms, corporate CEOs, police chief, mayor, etc.
5. 4th in nation on spending of highways vs. last in education funding, incorporate wind energy (USGS survey SD and ND could supply entire USA electrical grid), adjust budget
6. No losers in this plan. Don't rearrange existing money that schools have
7. Put yourself in our shoes, if this was your career, how would you proceed?
8. Make sure the bill is stable before presenting to legislature
9. Acknowledge the harm done to teachers and school district 4 years ago when the Governor and legislature made 8% cuts
10. It will take 10+ years to see a change from your efforts

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Stakeholder Listening Sessions

Eight “listening sessions” were held in conjunction with previously scheduled stakeholder group events across the state including the Parent Teacher Association State Convention, the SD Education Association Representative Assembly, Technology and Innovation in Education Conference, Associated School Boards of SD Board of Directors Retreat, Aspiring School Leaders Retreat, State Elementary Principals Conference, Northeast Area Superintendents Meeting, and the Wild West Leaders Conference. Approximately 475 educators, school board members, and parents participated in these sessions.

Methodology

While the structure of these sessions was somewhat variable depending on the size of the group and type of event, all of the discussions centered around the overarching question: *What possibilities are there to meaningfully fund education for our kids and our communities?* Participants at the meetings were invited to freely voice their thoughts concerning school funding. In some of the larger group settings a time limit was suggested for individual comments in order to allow for more participants to share perceptions. A designated recorder typed notes from each session. Following is a list of the major themes or topics gleaned from session notes.

New or increased revenue designated for education is needed

- Pursue revenue streams such as sales tax, corporate and personal income tax, and funds from gambling.
- Need designated revenue, that is, specific taxes for education.
- Consider a tourism tax in the summer.
- Consider a sales tax, in particular, on internet sales.
- Need new revenue—not just moving the money around.

Limited educator compensation and benefits reduces options to hire and retain qualified staff

- There is a need to increase the base salary in SD.
- Proximity to neighboring states with higher pay makes it more difficult for districts near the borders.
- Many teachers move out of education because of the pay issue.
- Money is core issue—teachers leave after they gain some experience.

The pool of high-quality teacher applicants and newly-graduated teachers is dwindling so filling positions is difficult

- Schools are not attracting quality candidates.
- Had 100 applications for a 2nd grade position a few years ago and this year our school received 12 applications for a 5th grade position.
- Schools are required to engage highly-qualified staff but the quality of candidates is decreasing.
- About one-third of newly-graduated teachers are leaving SD to find jobs.
- Unable to find a math teacher for coming year.

Observations/concerns and potential ideas/strategies which address funding issues

- Look to other states for ideas and strategies to address funding issues.
- Explore opportunities to share services and/or consolidate districts.
- Economic development should be a major component of increasing the revenue generated for education.
- Use balanced approach—provide a level of property tax relief while adding a half-penny sales tax.
- Empower schools to deal with capital outlay and general fund based on local needs.
- The formula is not the issue—it is that the formula is not funded adequately.
- Need a consistent revenue source—can't rely on one-time money.

Incentives/supports for recruiting and retaining educators are options

- Offer teachers financial assistance for paying their children's postsecondary tuition.
- Suggestion for teachers to be included in the state insurance pool.
- Offer teachers tax breaks, pay for their graduate credits and recertification credits.
- Pay mentor teachers a stipend for supporting new teachers.
- Pay graduate credit expense or provide tax cuts for teachers.
- Consider loan forgiveness for teachers.

Constituent Messages Submitted to Website

Over the past two months, citizens were invited to submit comments to the Blue Ribbon website <http://blueribbon.sd.gov/>. Approximately 55 messages were received. The following list captures the most prevalent themes from the diversity of messages. The bulleted items exemplify comments drawn from the email messages. It should be noted that this data source was significantly smaller than the sources for the Regional Meetings and the Stakeholder Listening Sessions.

Methodology

No structured methodology was utilized for this data source. Citizens were invited to submit any feedback concerning the current funding system for South Dakota schools.

Current funding situation is problematic and/or disheartening and requires action

- Low salaries are contributing substantially to the challenge of retaining qualified staff.
- The situation with education is urgent, take action.
- Attend to the low morale among educators associated with not feeling valued.
- The number of teachers leaving classrooms is increasing the shortfall of teachers.
- Fewer students are enrolling in teacher preparation programs.

Consider new or alternative revenue source for education

- Put an income tax in place which is designated for education.
- Initiate a new tax designated for education.
- Consider a summer sales tax as a revenue source.
- Consider a separate sales tax directed to education funding.
- Consider a new tax such as a tourism tax, hotel tax, gas tax, or sales tax.

Consider changes to funding structure for education

- Increase the state's share of funding for education in a manner which makes up for the reductions of 2012-2014.
- Consider increasing the funding formula by 4% annually.
- Initiate a more reliable, consistent funding formula.
- Consider eliminating the restrictions between general fund and capital outlay funds.

Consider new strategies for meeting education needs

- Think outside the box—consider the option of charter schools.
- Utilize more virtual/online education sources for providing education.
- Make online learning opportunities more available.
- Consider consolidation as an option.

Observations Across Venues and Constituent Groups

Although there is diversity among the individual pieces of data collected from each of the three venues - Regional Meetings, Stakeholder Listening Sessions and Blue Ribbon Task Force website - there are clear themes and messages that span the venues and the constituent groups that participated in those venues.

The citizens of South Dakota that voluntarily participated in this data collection process perceive a current or looming crisis in education. They seek bold, urgent and meaningful action to retain quality educators and to ensure a pipeline of future educators to provide appropriate learning experiences for South Dakota students. Competitive salaries and benefits have been identified as a major factor in accomplishing this task. Constituents also offered suggestions for incentives such as loan forgiveness and tuition reduction for educators and/or dependents of educators. A compilation of extended information related to teacher recruitment, retention, compensation, benefits and incentives are presented in Appendix A.

Increasing salaries and benefits in order to retain and recruit high quality teachers has implications for school funding. Suggestions offered as cost saving measures across venues included increasing efficiencies, cutting non-essentials, relying on more technology, sharing services and partnering with the business community. Identifying new revenue sources emerged as the most prevalent theme across all venues. Constituents seek stable, consistent and equitable funding mechanisms for a long-term solution. A compilation of extended information related to ideas about revenue is provided in Appendix B.

Constituents expressed interested in students having a variety of quality learning experiences in order to prepare them for careers, post-secondary success and to be productive and contributing citizens. Concerns were expressed about the learning conditions for students and about the teaching conditions for educators. Schools need adequate infrastructure, technology and materials to support high levels of learning.

Educators perceive themselves as being undervalued and that education needs to be marketed as an investment in the future of South Dakota, rather than as a burden to society and taxpayers. All venues expressed a need to boost public perception about the value of education and its role in building strong communities and robust economies. A condensed, one page summary of this report can be found in Appendix C.

This report is respectfully submitted by TIE Director Julie Mathiesen, Ed.D. and TIE Director Emeritus James Parry, Ph.D. of the Technology and Innovation in Education (TIE) Office as a review of data gathered for the Qualitative Study portion of the work of the Blue Ribbon Task Force on Education appointed by Governor Dennis Daugaard and co-chaired by Senator Deb Soholt and Representative Jacqueline Sly. TIE's involvement with the work of the Task Force is supported by funds from a private foundation.