

Blue Ribbon Task Force Meeting Minutes

Meeting 1 – July 7, 2015

Capitol Visitors Center

The Blue Ribbon Task Force on Funding Teachers and Students held its first meeting on July 7, 2015 at the Capitol Visitors Center in Pierre. Task force members present were: Co-chair Sen. Deb Soholt, Co-chair Rep. Jacqueline Sly, Sen. Corey Brown, Sen. Troy Heinert, Sen. Billie Sutton, Sen. Craig Tieszen, Rep. Justin Cronin, Rep. Paul Hawks, Rep. Mark Mickelson, Dr. Melody Schopp, Tony Venhuizen, Jason Dilges, Dave Davis, Dr. Becky Guffin, Vicki Harmdierks, LuAnn Lindskov, Dr. Brian Maher, DeLon Mork, Steven O'Brien, Erik Person, Beth Peitila, Jim Scull, Eric Stroeder, and Kevin Tetzlaff. Excused were Rep. Steve Westra and Dr. Michael Rush

Senator Deb Soholt was chair of the meeting.

Opening comments by Governor Daugaard

Governor Dennis Daugaard opened the meeting by thanking the task force members for their commitment of time and energy. He said that he joined with legislative leaders to create the task force because of the need to ensure that South Dakota has great schools and great teachers to prepare our young people. The Governor noted that, although many decisions are made at the local level, the state should create a state funding system that incentivizes our goals for schools.

The Governor urged the task force to keep everything on the table, and to consider every option. He promised to keep an open mind and give full consideration to the task force's findings. Finally, he thanked co-chairs Sly and Soholt for their work.

Opening comments by co-chairs Sen. Soholt and Rep. Sly

Sen. Soholt outlined the scope of the task force and assumptions upon which the task force must build. She reminded everyone of the constitutional mandate the State of South Dakota provides for public education. Sen. Soholt set the parameters of the task force around the question "What possibilities are there to meaningfully fund education for kids and our communities?"

Rep. Sly outlined the stakeholder outreach the task force had already undertaken to gather input from around the state. Members of the group met with specific education groups in April and May. In June, the task force held stakeholder meetings for the public, teachers, and the business community in six communities across the state. At the next meeting, Technology and Innovation in Education (TIE), will present a report compiling the stakeholder input.

Current SD School Funding Presentation

The task force heard presentations from Jim Terwilliger of the Bureau of Finance and Management, Mike Houdyshell of the Department of Revenue, and Tami Darnall of the Department of Education. These presentations are available at blueribbon.sd.gov.

Task force members asked questions about the utilization of lottery proceeds, the Property Tax Reduction Fund, capital outlay, property tax opt outs, funding for English language learners, the sparsity factor, the small school adjustment, and other school district revenues.

Education Expenditures and Teacher Salaries in SD

The task force heard a presentation from Michael Griffith at the Education Council for the States. The presentation is available at blueribbon.sd.gov.

During this presentation, task force members asked if the data took into account cost of living and how it compared to other states. Griffith explained that the data is standardized across the states and things like cost of living are built into the numbers.

The task force discussed how capital outlay funding and federal funding could impact South Dakota's national ranking for per-pupil spending on education. The conversation also covered the availability of efficiencies in our funding formula and possible explanations for the disparity in our level of funding and our average teacher pay.

Griffith shared his opinion that, South Dakota's formula, for all of its nuances, is one of the simpler formulas in the country.

The task force also discussed the exact nature of "instructional costs" and the definition of "teacher." Griffith explained that these definitions may include teaching aides and certain special education positions.

The task force requested further study as to how South Dakota compares to the region in several specific sets of data. Also, the task force requested more granular data, by school district.

Discussion of Policy Options

After the presentation on South Dakota's standing nationally, Griffith led a discussion into possible policy options that South Dakota could implement. Among the options discussed were incentive and performance pay, increased funding, and bonuses for certain teacher behavior. The task force discussed a balance between local control and state initiatives. The task force also considered the possibility of using technology to allow smaller schools to leverage economies of scale to their benefit by building consortiums of smaller schools. Task force members also raised a question of how poverty might affect our standings nationally. The group brainstormed several ideas and issues to address our current average teacher salary.

Co-chair Soholt said that each of these requests for the following information would be met, either by email prior to the next meeting, or at the next meeting:

- Capital outlay by district
- District by district other revenue
- Expenditures in relationship to teacher pay by school district
- Sub-categories of instruction funding
- Per pupil spending without federal dollars
- Per student expenditures w/o impact aid
- Salary schedules for every state
- Expenditure per pupil from another source
- Poverty by school district compared to other states

Next meeting: August 19, 2015, held in Pierre, SD