

# K-12 SCHOOL FINANCE FINDINGS EXHIBITS

- I. Executive Order – January 12, 2015
- II. Press Release – May 22, 2015
- III. Working Groups and Meeting Schedule
- IV. June 26, 2015 Presentations
  - a. School Finance and Accountability
  - b. Funding Levers and Special Education
  - c. School Governance and Budget
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- V. July 30, 2015 Presentations
  - a. High School Graduate Data Presentation – Arizona Board of Regents
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  - c. Incentives for Excellence Working Group Presentation
  - d. Student Centered Learning Priorities Working Group Presentation
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  - a. Equitable Funding Structure Working Group Presentation
  - b. Incentives for Excellence Working Group Presentation
  - c. Student Centered Learning Priorities Working Group Presentation
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  - a. Equitable Funding Structure Working Group Presentation
  - b. Incentives for Excellence Working Group Presentation
  - c. Student Centered Learning Priorities Working Group Presentation
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- b. Current Year Funding – Arizona Department of Education
  - c. An Equitable Student-Funding Formula – Arizona Charter Schools Association
- XI. Public Feedback for Council

CLASSROOMS FIRST INITIATIVE; INCREASED DOLLARS TO THE CLASSROOM

**WHEREAS**, Arizona's K-12 public school finance code has existed for generations without the comprehensive reform needed to deliver adequate funding for teachers and classroom instruction;

**WHEREAS**, reform is needed for the additional reason that the public school finance code has not sufficiently integrated major substantive additions to the public education system, such as charter schools, open enrollment, and other school choice options;

**WHEREAS**, the Auditor General's report, "Arizona School District Spending (Classroom Dollars) Fiscal Year 2013," conducted by the Division of School Audits, concludes that only 53.8 percent of dollars spent on K-12 public education were spent on teachers and classroom instruction;

**WHEREAS**, to the greatest extent possible, every dollar should be spent on teachers and classroom instruction;

**WHEREAS**, K-12 education represents 43 percent of Arizona's FY2015 General Fund spending, and Arizona will spend more than \$10 billion on K-12 education in FY15 from all federal, state, and local sources;

**WHEREAS**, a modernized school finance code is needed to ensure adequate funding for teachers and classroom instruction, directly resulting in student success and ultimately a stronger workforce for the State of Arizona;

**NOW, THEREFORE, I, Douglas A. Ducey**, Governor of the State of Arizona, by the authority vested in me by the Constitution and the laws of this State, do hereby establish the Classrooms First Initiative, "the Initiative," and I order as follows:

1. The Initiative shall be directed by an Initiative Council consisting of the following members, appointed by the Governor:
  - At least one chair;
  - At least one representative of the Governor;
  - The Superintendent of Public Instruction;
  - The President of the State Board of Education;
  - The President of the Arizona State Board for Charter Schools;
  - A county school superintendent;
  - A charter school operator or representative;
  - A school district superintendent;
  - A public school teacher;
  - At least one school finance expert; and
  - A taxpayer representative.
2. Members of the Initiative Council serve at the pleasure of the Governor.
3. The Initiative Council shall meet at least once per month and as often as required, as determined by the chair(s).

4. No later than September 1, 2015, the Initiative Council shall provide the Governor with a preliminary report and, no later than December 1, 2015, the Initiative Council shall provide the Governor with a final report.
5. The reports shall address the following:
  - Revisions to the K-12 public school finance code;
  - Maximizing the delivery of funds to teachers and classroom instruction; and
  - Any other items consistent with the policies and principles set forth in this Order.
6. This Executive Order expires on December 31, 2015.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Arizona.

*Douglas Ducey*

**GOVERNOR**

**DONE** at the Capitol in Phoenix on this twelfth day of January in the Year Two Thousand and Fifteen and of the Independence of the United States of America the Two Hundred and Thirty-Ninth.

**ATTEST:**

*Michele Reagan*



**FOR IMMEDIATE RELEASE**

May 22, 2015

## **GOVERNOR DOUG DUCEY ANNOUNCES LAUNCH OF CLASSROOMS FIRST INITIATIVE COUNCIL**

*Group Will Work To Improve Educational Outcomes Through School Finance Reform*

**PHOENIX** -- Governor Doug Ducey today announced the launch of the Classrooms First Initiative Council, a team of business and education leaders charged with simplifying and modernizing the current school finance code to ensure more funding for teachers and classroom instruction.

Created through Executive Order in January, the Council reflects the governor's commitment to improving educational results and rewarding student success.

The Council will be co-chaired by Governor Ducey and Jim Swanson, President and CEO of Kitchell Corporation.

Additional members include:

- The Honorable Diane Douglas, Superintendent of Public Instruction
- Greg Miller, President, State Board of Education
- Janna Day, President, State Board for Charter Schools
- The Honorable Tim Carter, County School Superintendent, Yavapai County
- Brian Capistran, Superintendent, Glendale Union School District
- Alicia Alvarez, Principal, Alta Vista High School
- Susan Chan, District Administrator, Kingman Academy
- Beth Maloney (2014 AEF Arizona Teacher of the Year), Elementary School Teacher, Dysart Unified School District
- Annie Gilbert, Director of School Operations & Finance, Ball Charter Schools
- Ken Hicks, Chief Financial Officer, Peoria Unified School District
- Dawn Wallace, Education Policy Advisor to Governor Ducey

"The current system of financing schools is antiquated, complicated in its implementation and too rigid for 21st century education expectations," said Governor Ducey. "Our goal is to create a funding formula that incentivizes student success, not seat time."

The Council members, who will serve at the pleasure of the Governor, will build a long-term strategy around school finance reform with multi-year policy initiatives and implementation plans. The group will present preliminary recommendations in September 2015, with final recommendations due to the governor in December 2015.

"The Council's charge is to develop a funding formula that recognizes and rewards performance, efficiency and innovation through flexible distribution of funds for every successful education delivery model," added Governor Ducey. "Our goal is to align funding to student achievement -- and with that as our target -- we will shift the focus to the increased spending in the classroom."

The following organizations will assist the Council through technical and policy assistance: Center for School Funding Portability at the Reason Foundation, Arizona School Boards Association, A for Arizona, Arizona Chamber of Commerce and Industry, Foundation for Excellence in Education, the Goldwater Institute, Center for Student Achievement at the Arizona Charter Schools Association, Arizona Association of School Business Officials, and the Education Finance Reform Group. Other organizations may participate in the future.

The first meeting of the full Council is scheduled for June 2015, with monthly meetings to follow.

###



**CLASSROOMS FIRST INITIATIVE COUNCIL**

**Proposed**

**Full Council Meeting Schedule**

Thursday, July 30, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Thursday, August 13, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Thursday, August 27, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Thursday, September 10, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Tuesday, September 22, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Preliminary recommendations will be presented.		
Thursday, October 8, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Thursday, October 29, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Thursday, November 19, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Wednesday, December 2, 2015	2:30 pm	1700 West Washington Phoenix, AZ 85007 2nd Floor Conference Room
Final recommendations will be presented.		



**CLASSROOMS FIRST INITIATIVE COUNCIL**  
 Proposed  
 Working Groups  
 Meeting Schedule

Equitable Funding Structure	Incentives for Excellence	Student Centered Learning Priorities
<b>Proposed Council Members:</b> Ken Hicks, Annie Gilbert, Jim Swanson, Dawn Wallace	<b>Proposed Council Members:</b> Brian Capistran, Tim Carter, Greg Miller, Janna Day	<b>Proposed Council Members:</b> Susan Chan, Alicia Alvarez, Beth Maloney, Jim Swanson
<b>Proposed Consultants:</b> Arizona Association of School Business Officials, Goldwater Institute, Arizona Charter School Association	<b>Proposed Consultants:</b> A for Arizona, Education Finance Reform Group, Jaime Molera/Greater Phoenix Leadership	<b>Proposed Consultants:</b> Reason Foundation, Arizona Chamber of Commerce, Arizona Schools Boards Association, Foundation for Excellence

Day/Date	Location	8—10 am	10—12 pm	12—2 pm
Thursday, July 30, 2015	2nd Floor Conference Room	8—10 am	10—12 pm	12—2 pm
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Thursday, September 10, 2015	2nd Floor Conference Room	8—10 am	10—12 pm	12—2 pm
Tuesday, September 22, 2015	2nd Floor Conference Room	No working group meetings.		
Thursday, October 8, 2015	2nd Floor Conference Room	8—10 am	10—12 pm	12—2 pm
Thursday, October 29, 2015	2nd Floor Conference Room	8—10 am	10—12 pm	12—2 pm
Thursday, November 19, 2015	2nd Floor Conference Room	8—10 am	10—12 pm	12—2 pm
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## CLASSROOMS FIRST INITIATIVE COUNCIL

# Proposed Working Groups

### 1. Equitable Funding Structure

- ⇒ *What is equitable in the current formula? What is not?*
- ⇒ *Revenue inputs (per-pupil, Group A weights, QTR, bonds & overrides)*
- ⇒ *Tax reform policies (items outside of the revenue control limit)*
- ⇒ *Creation of one easy to understand formula*

**Proposed Council Members: Ken Hicks, Annie Gilbert, Jim Swanson, Dawn Wallace**

Proposed Consultants: Arizona Association of School Business Officials, Goldwater Institute, Arizona Charter School Association

### 2. Student Centered Learning Priorities

- ⇒ *Funding levers (achievement, poverty, special education, human capital, capital)*
- ⇒ *Backpack funding*
- ⇒ *Transparency of the distribution of funds to school site*
- ⇒ *Governance under school site/student-based budgeting—involvement of principals*
- ⇒ *Classroom spending definitions*

**Proposed Council Members: Susan Chan, Alicia Alvarez, Beth Maloney, Jim Swanson**

Proposed Consultants: Reason Foundation, Arizona Chamber of Commerce, Arizona School Boards Association, Foundation for Excellence

### 3. Incentives for Excellence

- ⇒ *Performance expectations: What is true achievement? Synergy with A-F Redesign Subcommittee*
- ⇒ *School-level achievement weights*
- ⇒ *Regulatory, formulaic and operational incentives (high-performing schools)*
- ⇒ *Regulatory, formulaic and operational disincentives (low-performing schools)*

**Proposed Council Members: Brian Capistran, Tim Carter, Greg Miller, Janna Day**

Proposed Consultants: A for Arizona, Education Finance Reform Group, Jaime Molera/Greater Phoenix Leadership

Presentation  
Date here

# Understanding Arizona's School Finance and Accountability

A photograph of a classroom scene. A teacher in a teal shirt is sitting on the right, facing a group of young students. Several students have their hands raised, indicating an interactive lesson. The students are wearing school uniforms. In the background, another teacher is visible, and there are bookshelves and educational posters on the wall. The overall atmosphere is one of active learning.

# Public School Funding

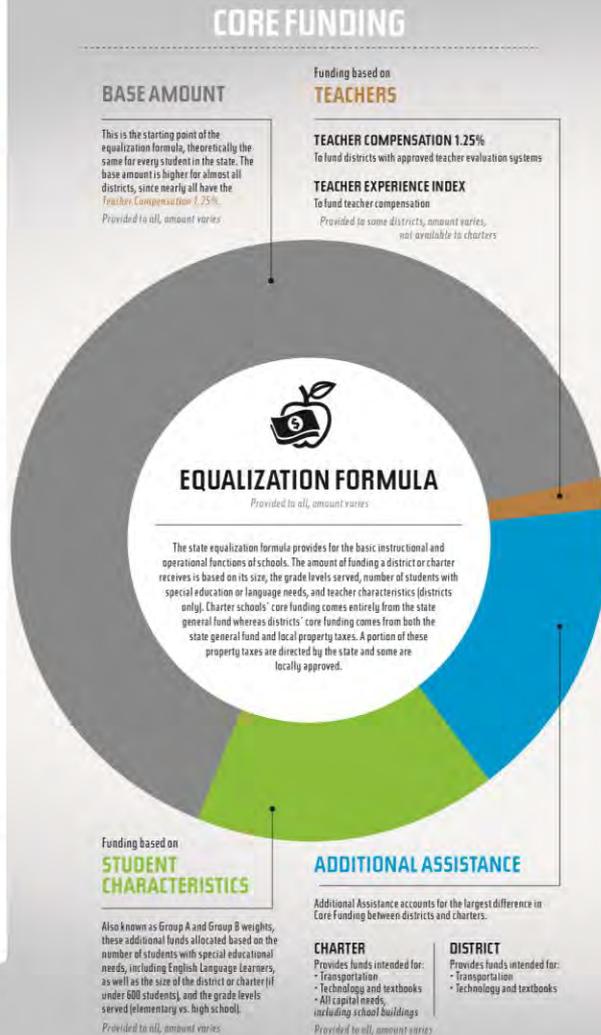


CENTER FOR  
STUDENT  
ACHIEVEMENT

# HOW ARE ARIZONA PUBLIC SCHOOLS FUNDED?

Technically, Arizona does not fund schools, nor does it fund students. Instead, the state provides funding to local school districts and independent charter holders that, in turn, distribute resources to their school sites. This graphic shows the various sources of revenue that fund our public schools. Core funding is, for the most part, equitably provided to districts and charters. Supplemental funding varies for each individual district or charter and is unreliable as the amounts can vary every year.

Each revenue source (circle) is shown relative to the size of all sources of funding. The shades of colors within each circle represent the proportion of each funding component.



## SUPPLEMENTAL FUNDING



### ADDITIONAL LEVIES ON THE LOCAL PROPERTY TAX

- ADJACENT WAYS**  
Funds are used to pay for expenses related to new construction, e.g., sale egress or ingress from schools, creation and improvements of bus and fire lanes, or improvements to adjacent roadways.
- DESEGREGATION**  
Provides funding to 19 school districts that are under a federal court order to rectify discriminatory practices
- DROPOUT PREVENTION**  
Funds activities in districts with high dropout rates to help keep students in schools.  
*Provided to some districts, amount varies, not available to charters*



### REVENUE SOURCES FOR SCHOOL BUILDINGS

Funds are allocated from the state general fund to the School Facilities Board for new school building construction, building renewal, and debt service.  
*Available to some districts, amount varies; not available to charters*



### ADDITIONAL PROPERTY TAX REVENUES BASED ON LOCAL ELECTIONS

- BONDS**  
Used for building school facilities
- M & O OVERRIDES**  
Used to pay for teachers
- CAPITAL OVERRIDES**  
Used for textbooks and technology
- K-3 OVERRIDES**  
Fund early elementary education  
*Provided to some districts, amount varies; not available to charters*



### REVENUE FROM FEDERAL DOLLARS

Targeted programs such as Title I, Individuals with Disabilities Education Act, National School Lunch Program, and competitive grants.  
*Outside the state's control; Provided to nearly all, amount varies*



### REVENUE FROM PROPOSITIONS/VOTER INITIATIVES

**CLASSROOM SITE FUND/INSTRUCTIONAL IMPROVEMENT FUND**  
Helps fund teacher compensation, teacher performance pay, dropout prevention  
*Provided to all, equal amount*



### REVENUE FROM STATE GRANTS

Targeted programs such as the Structured English Immersion Fund and K-3 Reading.  
*Provided to some, amount varies*



### REVENUE FROM TAX CREDITS

**TAXPAYER DONATIONS**  
Private citizens may donate up to \$200 as an individual or \$400 as a couple to a school and deduct it from their taxes. Funds are used for student activities and extra curriculars.  
*Provided to some, amount varies*

# Equalization Formula

- The state formula provides for basic instructional and operational functions of schools.
  - Funding is based on size, number of students (with special needs and language minorities) and teacher characteristics.
- Charter school funding comes entirely from the state's general fund
- District school funding comes from the general fund, local property taxes, bonds and overrides

# Core Funding- Equalization Formula

- Base Amount- Provided to all, amount varies
- Teacher Funds-
  - Experience: provided to some, amount varies, not available to charters
  - Compensation: to districts with approved evaluation systems
- Student Characteristics- Group A and B weights, provided to all, amount varies
- Additional Assistance- Accounts for the largest differences between districts and charters
  - Charter: transportation, technology and textbooks, all capital needs
  - Districts: transportation, technology and textbooks

# Supplemental Funding

- Local Property Tax- additional levies provided to some districts, amounts vary
- School Buildings- School Facilities Board funds provided to some districts, amounts varied
- Local Elections- bonds and overrides (K-3, M&O and Capital) available to some districts, amounts vary
- Propositions/Voter Initiatives- provided to all, equal amount

# Supplemental Funding

- State Grants- provided to some, amounts vary
- Tax Credits- individual contributions to some, amounts vary
- Federal Funding- outside of the state's control, provided to nearly all, amounts vary

# Accountability Requirements

## A.R.S § 15-241

- Student-level performance indicators
- Models based on statutory requirements of half growth and half academic outcomes
- Includes other indicators of school performance

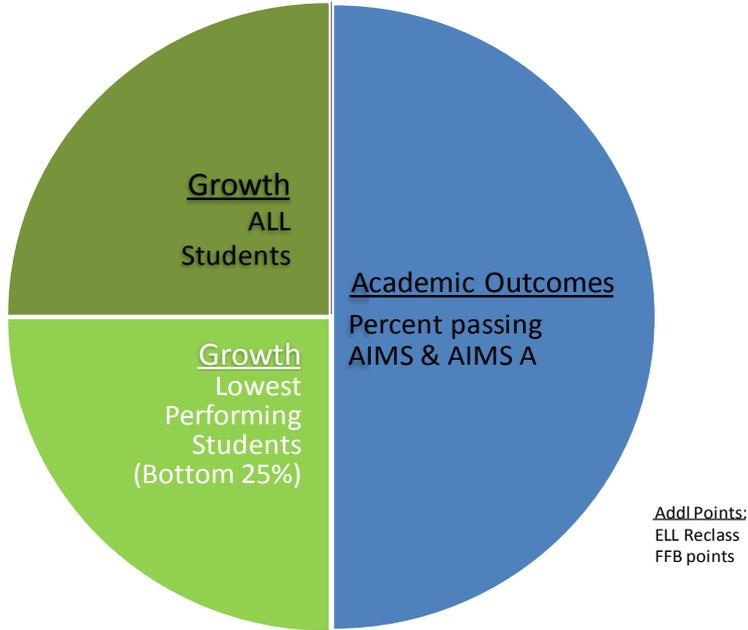
# Accountability Requirements

## Annual Measurable Objectives (AMOs)

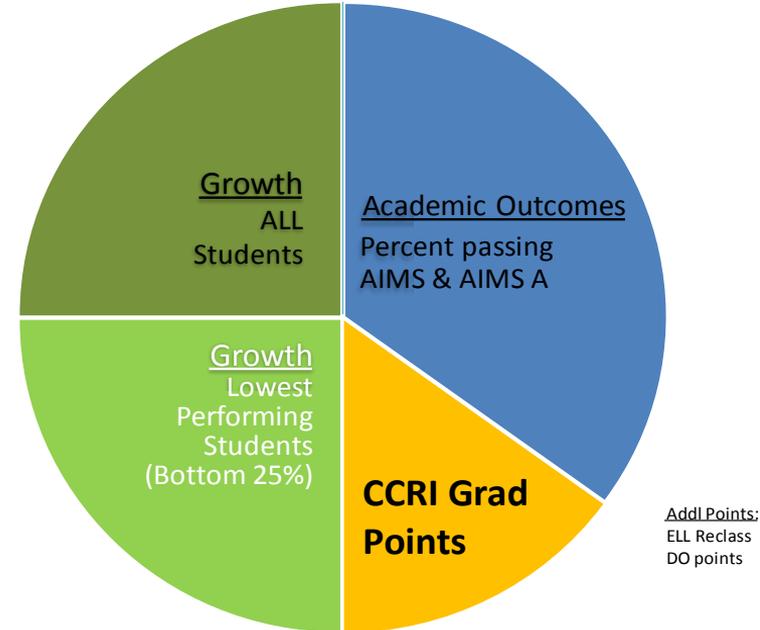
- Test 95% of all students;
- Unique yearly targets for subgroups;
- Annual increase in proficiency for all AZ students

# Traditional Model

## Elementary School 2013-2014



## High School 2013-2014



# Elementary Composite Score

## Percent Passing

Spring 2014 AIMS &  
AIMS A

Reading & Math only

## ELL

Reclassification

FY 2014 new AZELLA  
test scores

Students in any grade  
who test “Proficient”

## FFB Rate – Elementary

2014 improvement  
over 2013 Grade 3  
Reading

2014 improvement  
over 2013 Grade 8  
Math

Average of 2014, 2013,  
& 2012 FFB Rate

# High School Composite Score

## Percent Passing

Spring 2014 AIMS  
& AIMS A

Fall 2013 (FY  
2014) AIMS &  
AIMS A

Reading & Math  
only

## CCRI Graduation Component

4 & 5 year  
cohort rate

6 & 7 year  
cohort rate\*

## ELL

### Reclassification

FY 2014 new  
AZELLA test  
scores

Students in any  
grade who test  
“Overall  
Proficient”

## Dropout Rate – HS Only

FY 2014 rate

# ARIZONA STATE CHAMBER



LEVERS TO SUPPORT STUDENTS AND IMPACT  
CHANGE

# Basics



***Inputs:*** Conditions of the school; funding; laws

***Outputs:*** Results

***Levers:*** Funding mechanisms and Policies we can use to Impact Conditions and fund the work to give us the Results we seek

*Conditions + Modifications to Conditions = Results*

# Funding Levers

- ***Weighted Students***: adds a multiplier to the funding formula for each funded student or school based on characteristics of student and/or school
- ***Grants***: To all schools of a certain type or some schools by application
- ***Bonus or Incentive Funding***: Students, teachers, schools, central office
- ***Spending*** can be flexible or prescribed by law: related to performance

# Policy Levers



- ***Changes to the Law***
  - Mandates: Require certain actions or process
- ***Regulatory requirements***
  - Implementation of new Laws
  - Substantive rule makings and guidelines from agencies

# Poverty and Achievement



Goal: *To improve Achievement for students in high Poverty schools*

## Poverty

- Funding: Cost
- Effort

## Achievement

- Expectations
- Accountability

# *To improve Achievement for students in High Poverty schools*



## **Combine Inputs and Outputs**

Fund Students In Poverty: Schools with Dense Poverty

Additional costs: Time and Teacher Retention

Set Expectations: A-F School Performance Letter Grade

Maximize funding and Recognition for Best

# Human Capital Levers



- **Educator Preparation**
  - Regulatory Supports and Challenges
  - Performance Funding to Educator Prep Institutions
- **New Teachers**
  - Strong Evaluation for Readiness
  - Competitive Starting Pay
  - Embedded support and mentoring
- **Keeping Experienced Teachers: Retention Specific Policies and Pay Designs**
  - Train Teachers for what you're asking them to do: Hard to Staff Schools
  - Leadership opportunities
  - Competitive Salaries
  - Campus Leadership

# Options for Human Capital Growth

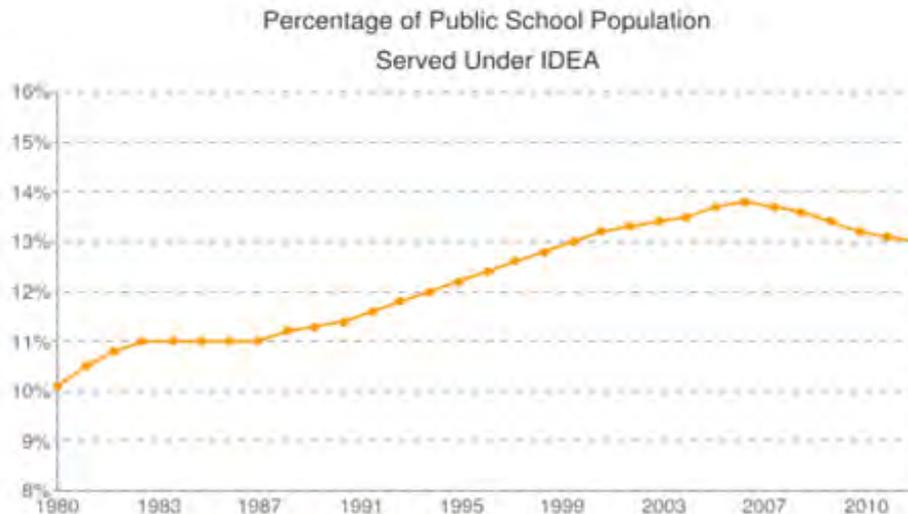


- ***Improve Pay: Base and Performance***
  - Improved Expectations for Entry to Profession    Statewide improvements to Starting Pay
  - Highest Pay to Best Teachers and Teacher Leaders
- ***Revisit TEI and 301***
- ***Fund Mentoring and Leadership Training***

# Describe the special education population

## Nationally the Population of Students with Disabilities Has Increased

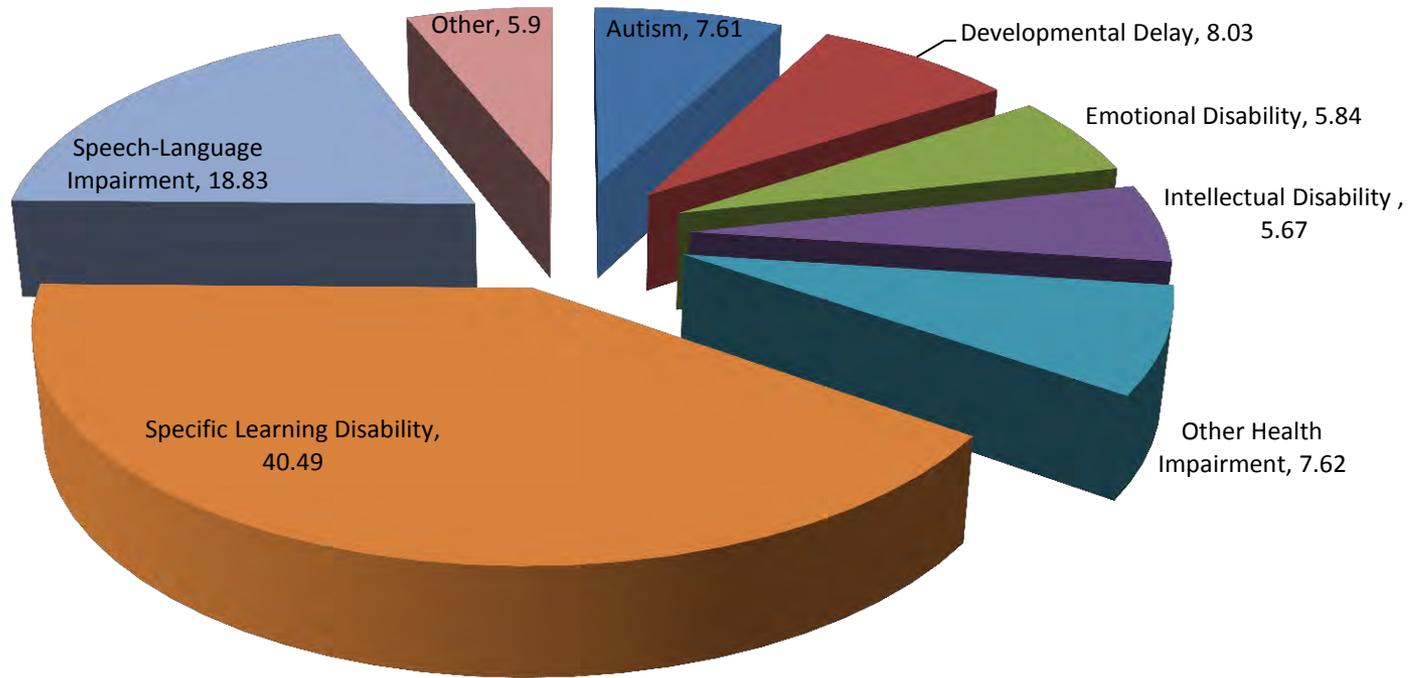
- The population of students served under IDEA has grown at nearly twice the rate of the general education population.
- During the twenty-five year period between 1980 and 2005, the IDEA population increased by 37 percent, while the general education population grew by only 20 percent.
- Moreover, students served under IDEA today account for about 13 percent of the total education population, up from about 10 percent in the 1980s.
- Why?
  - o Greater identification of children 0-5.
  - o Federal expansion of the definition of "disabled" in 1997 to include "developmentally delayed" children ages three to nine.



Source: National Center for Education Statistics

# Arizona Data 2013-3014

## Arizona Special Education



\* Almost 60% of students with special needs are considered high-incidence, lower- cost.

\* Other includes Deaf-Blind (.11%), Orthopedic Impairment (.52%), Traumatic Brain Injury (.26%), Visual Impairment (.51%), Hearing Impairment (1.29%), Multiple Disabilities (1.73%), and Preschool Severe Delay (1.48%)

\* Intellectual Disability combines all three categories of Mild, Moderate, and Severe

## Demographics of the special education population

Below is some race/ethnicity SpEd data from ADE. Please note that the U.S. Department of Education requires all states to collect, analyze and report the percent of LEAs with disproportionate representation of racial and ethnic groups in special education and related services that is the result of inappropriate identification.

October 1, 2013 Count/Percentage by Ethnicity/Race

Code	Ethnicity/Race	Count	Percentage
AM	American Indian	8244	6.35%
AS	Asian	1813	1.40%
BL	Black (African American)	8232	6.34%
HL	Hispanic/Latino	56313	43.38%
MU	Multi-Racial	2622	2.02%
PI	Pacific Islander	282	0.22%
WH	White	52295	40.29%

## Average costs associated with the group

### Nationally Costs Have Increased

- Rising enrollment, not rising per pupil costs, has been the primary driver of special education spending.
- It is true that service costs associated with some high-need disabilities have increased.
- However, the main expansion of the children with disabilities population has been in the lower-cost developmental disability categories.
- The annualized growth rate of spending per pupil for children with disabilities between 1985-86 and 1999-2000 was 1.7 percent after inflation, lower than the 2 percent growth rate in spending per pupil for all students.

<http://febp.newamerica.net/background-analysis/individuals-disabilities-education-act-cost-impact-local-school-districts>

Disability Category	Estimated Per Pupil Amount
Multiple Disabilities with Severe Sensory Impairments	\$26,293
Orthopedic Impairments (self-contained program)	\$22,409
Orthopedic Impairments (resource program)	\$10,488
Multiple Disabilities, Autism, Severe Intellectual Disability (resource – self-contained)	\$19,299 - \$19,931
Emotional Disabilities in Private Placement	\$15,947
Hearing Impaired	\$15,785
Visually Impaired	\$15,901
Moderate Intellectual Disability	\$14,627
Preschool Severe Delay	\$5,598
Developmental Delay	\$10
Emotional Disabilities	
Mild Intellectual Disability	
Specific Learning Disability	
Speech/Language Impairment	
Other Health Impairment	

<http://www.azed.gov/esa/files/2013/08/esa-parent-handbook.pdf>

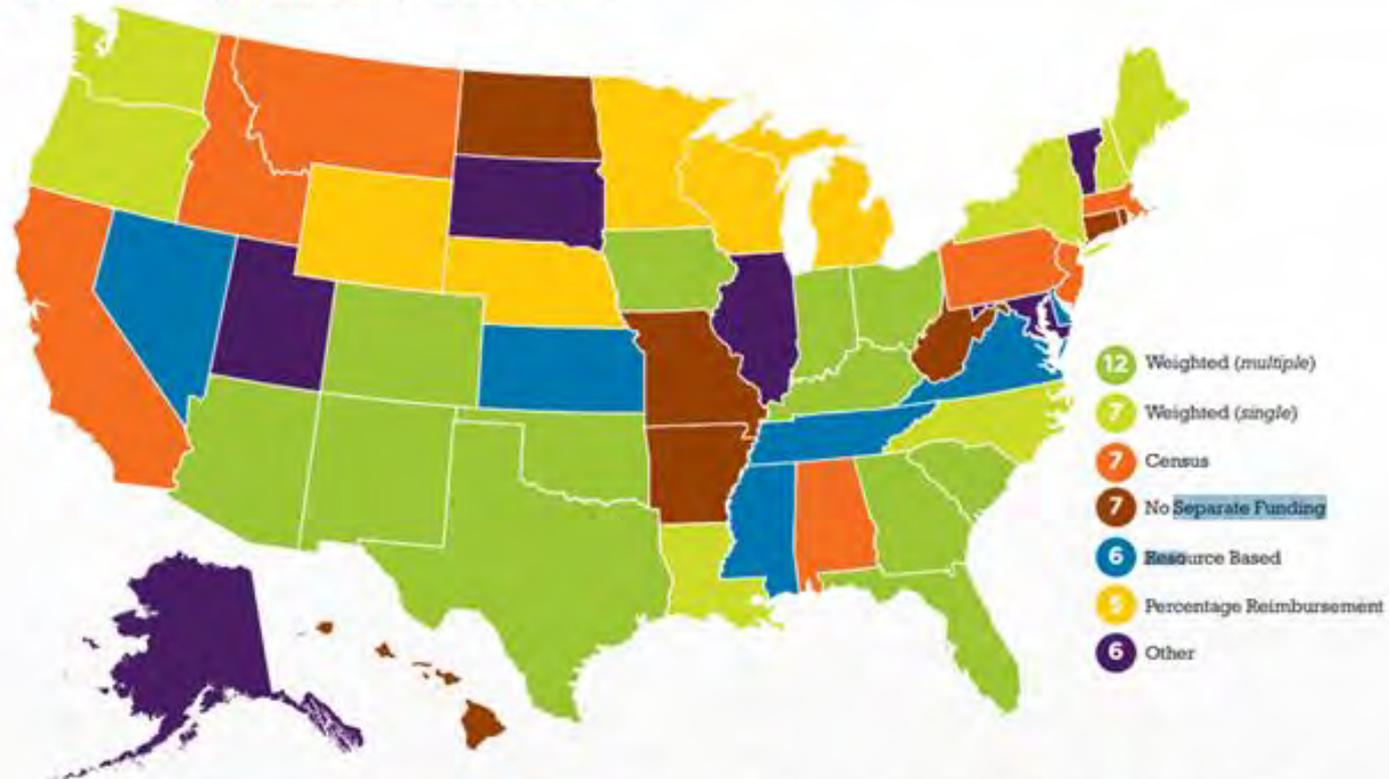
## Sources of revenue for special education and its distribution

- Federal funding is provided under the Individuals with Disabilities Education Act. It is distributed to states via a formula based on a baseline of 1999 combined with a state's share of students within the age range covered by IDEA and the share of children in the same age range living in poverty.
- Before distributing the money to local education agencies, the state can reserve a portion for administration.
- In fiscal year 2014, which covers the school year 2014-15, total IDEA funding was \$12.50 billion, of which \$11.47 billion is dedicated to IDEA Part B Section 611 state grants.
- IDEA is not "fully funded." In the IDEA legislation, Congress set a maximum target for the federal contribution to special education spending equal to 40 percent of the estimated excess cost of educating children with disabilities.
- For FY 2014, IDEA federal funding covered 16 percent.
- Because schools are still legally required to provide the necessary services and supports, the difference is assumed by the states and local school districts.

<http://febp.newamerica.net/background-analysis/individuals-disabilities-education-act-funding-distribution>

# How other states fund special education and the difference between funded and actual costs

Figure 1: Funding Formulae by State, 2008–09



- **Multiple weights** funding weights student characteristics (such as disability type) differently, resulting in varying levels of funding for individual students.
- **Single weights** have one weight, so that all students in special education receive the same boost in funding.
- **Census** funding distributes dollars based on the assumption that each district has the average number of children with disabilities (and the cost of services is also average).
- **No separate funding** is as the name implies: special education, including funds for high-needs children, does not receive separate funds.
- **Resource-Based** funding pays for a certain number of prescribed resources, such as teachers, determined by set staff-to-student ratios that vary based on disability.
- **Percentage Reimbursement** reimburses districts for a percentage of allowable expenditures.
- **Other** refers to a variety of funding mechanisms, such as hybrid systems or those based on prior-year revenues.

**Multiple weights** funding weights student characteristics (such as disability type) differently, resulting in varying levels of funding for individual students. (12 states including Arizona)

**Single weights** have one weight, so that all students in special education receive the same boost in funding. (7 states)

**Census** funding distributes dollars based on the assumption that each district has the average number of children with disabilities (and the cost of services is also average). (7 states)

***No separate funding*** is as the name implies: special education, including funds for high-needs children, does not receive separate funds. (7 states)

**Resource-Based** funding pays for a certain number of prescribed resources, such as teachers, determined by set staff-to-student ratios that vary based on disability. (6 states)

**Percentage Reimbursement** reimburses districts for a percentage of allowable expenditures. (5 states)

**Other** refers to a variety of funding mechanisms, such as hybrid systems or those based on prior-year revenues. (6 states)

<http://edex.s3-us-west-2.amazonaws.com/publication/pdfs/Financing-the-Education-of-High-Need-Students-FINAL.pdf>

## RECOMMENDATIONS

### Financing the Education of High-Need Students - The Thomas B Fordham Institute – November 2013

- 1. *District Cooperatives:*** Many districts—including charter schools, which often comprise their own mini-districts—do not have the requisite size and capacity to serve high-need students effectively and affordably. Multi-district co-ops allow for both economies-of-scale and better service-delivery for these children.
- 2. *Student Funding Based on Multiple Weights:*** Special education funding systems based on average student needs may be easily administered, but they can also lead to inefficient and ineffective resource allocations. Weighted student funding is a tiered system of resource allocation that allows for a more rational and efficacious distribution of funds, enabling districts with more high-need pupils (or pupils who require more dollars to pay for their IEP-mandated services) to receive more money while jurisdictions that need less receive less.  
**Basing those weights on services needed by children rather than disability diagnoses significantly improves the accuracy of this system. Florida system of Multi-Tiered System of Supports is used as an example.**
- 3. *Exceptional-Need Funds:*** Districts (especially small ones) sometimes find themselves overwhelmed by the high cost of educating one or two particularly needy children. This type of fund, managed and predominantly financed by the state, acts as an insurance mechanism for districts that can't cover the full cost of educating high-need pupils along with all others under their purview.

- Arizona has an Extraordinary Special Education Needs Fund that remains unused. Original appropriation was \$1 million but was swept and has never been restored.
- Statute only includes school districts and should be expanded to include charter schools.  
<http://www.azleg.gov/FormatDocument.asp?inDoc=/ars/15/00774.htm&Title=15&DocType=ARS>
- *A school district* may apply to the state board of education for an extraordinary special education needs grant from the fund. The state board of education shall prescribe the format of the applications. The applications shall include the following:
  - Demonstration of extraordinary needs, including a description and documentation of pupil services required and evidence that the district is not able to absorb the costs of these services.
  - Evidence that monies from the fund will not supplant federal, local or other state efforts.
  - Evidence that before making an application for monies from the fund the school district has made sufficient efforts to seek but has not received funding to cover the extraordinary costs applied for pursuant to paragraph 1 of this subsection from all other sources, including federal and other state sources of funding.
  - Extraordinary special education needs grants shall be used in the current year. All unspent grant monies shall be returned to the department of education at the end of the fiscal year for deposit in the extraordinary special education needs fund.

## BIG TAKEAWAYS:

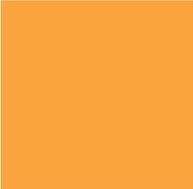
- The largest share of students (60%) have speech language impairments or specific learning disabilities and do not necessarily represent the students typically thought of as special education.
- The vast majority of students with special needs have no cognitive impairment.
- Historically special education finance mechanisms have attempted to address cost of services without providing incentives for over-identification.
- However, many states, including Arizona fund diagnoses rather than actual services. Transitioning away from diagnoses based funding would further reduce over-identification and provide a framework to begin a conversation regarding improved outcomes.
- Arizona example: Three girls – same age – all three have Down Syndrome and generally need the same services and supports. However, based **solely** on IQ scores one receives a label of Mild ID (\$10); one is labeled Moderate ID (\$14,627); and one is labeled Severe ID (\$19,299 - \$19, 931).
- Arizona has an Extraordinary Special Education Needs Fund that remains unused. Original appropriation was \$1 million but was swept and has never been restored.
- The fund only includes school districts and should be expanded to include charter schools as well.



# Classrooms First: School Board Roles and Responsibilities

Dr. Tim Ogle, Executive Director

Janice Palmer, Director of Governmental Relations  
& Public Affairs



# American System of Education

- Unique compared to rest of world: school board made up of members that are not “experts” in education but that are there to represent the views of the community in setting policy
  - Ensure that what makes that community unique is valued and protected
- 



# GOVERNING BOARDS

- Definition: instruments through which the residents of a school district exercise democratic control over the public schools in their community
- School districts are political subdivisions of the state, deriving their legitimacy from local control authority granted from the state



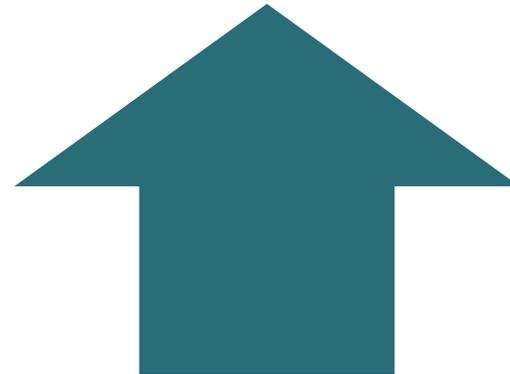
# The Voice of the Community



School Boards Create  
the Overarching Policy



The Superintendent  
carries out that policy





# Overarching Duties

- **Set the Direction**
  - Vision, Mission, Goals
- **Establish the Structure**
  - Policies and procedures
- **Provide Support**
  - Resources aligned to meet goals
- **Ensure Accountability**
  - Academic, financial, and operational
- **Advocate for Students**
  - Ambassador for the district



# Title 15: Arizona's Education Code

- Because governing boards are political subdivisions of the state, they only have powers that are granted to them by statute - expressed or implied
- Two Main Statutes for Governing Board Responsibilities: 15-341 and 15-342
  - 15-341-mandatory: a list of things governing boards MUST do
  - 15-342-permissive: a list of things governing boards CAN do



# 15-341: Governing Board Requirements (List of 42)

- Prescribe and enforce policies
- Provide a district budget
- Maintain the schools
- Manage and control school property
- Acquire school equipment, library books or supplies
- Prescribe curricula and criteria for promotion and graduation
- Purchase school sites
- Hold pupils to strict account for disorderly conduct
- Prescribe and enforce policies for discipline of teachers, admin.



# 15-342: Permissive Governing Board Authorities (List of 36)

- Expel pupils
- Enter into leases
- Review the decision of a teacher to promote a pupil to a grade or retain a pupil in a grade
- Enter into intergovernmental agreements/contracts
- Suspend a teacher or administrator w/o pay for up to 10 days
- Require students to wear uniforms
- Receive reimbursement from the district for travel/board training



## Most Duties in 15-341 and 15-342 are Delegable!!

- While governing board has oversight function, day to day operations of the district and the requirements of statute are taken care of by district personnel
  - ONLY DUTIES THAT ARE CLEARLY NOT DELEGABLE ARE DUTIES OF HIRING AND FIRING PERSONNEL, PASSING A BUDGET AND EVALUATING THE SUPERINTENDENT

# Classroom First Initiative Council Presentation

## School Budget Process

Meghaen Dell'Artino  
Chuck Essigs

# Group A Concept

Extra funding for  
every student

=

Expenditures for special  
needs students

- No financial incentive to put students in
- No financial incentive not to end services
- Assumes fairly equal distribution of students

# Group B Concept

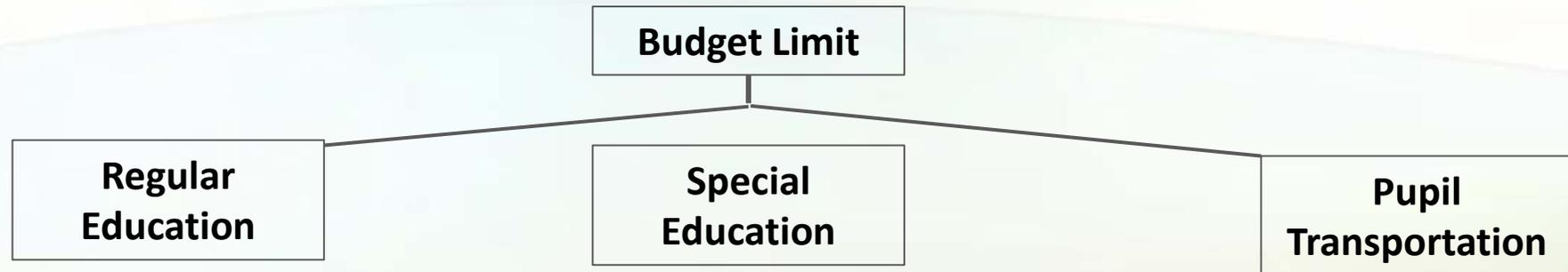
Extra funding for  
specific students

=

Expenditures for  
specific students

- Identification criteria clear
- Parents follow programs

# School District Governing Board Allocates Funds to Regular, Special and Pupil Transportation Program from Budget Limit



## **Special Ed includes:**

- A. Programs for disabled students
- B. Gifted education
- C. Programs for LEP students
- D. Remedial education
- E. Vocational and technical education

# Other Major Revenue Sources 2015-2016

- Classroom Site Fund – Prop 301\*  
(\$327 Per weighted count)
- Instructional Improvement Fund – Indian Gaming  
(\$40 per student)
- New Student Success Funding Program (\$21.5 Million)  
Eliminated in 2015-2106

\*Low of \$120 in FY2011 and FY2012/High of \$401 in FY2008  
Up by \$32/10.8% in FY 2016

# Local and Federal Funding Sources

- Overrides      Voter approval/November Election  
15% Limit
- Bonds            Voter Approval/November Election  
% of Property Values
- Federal Funds
- Grants & Donations

# **District Additional Assistance (DAA)**

- **Combined Capital Outlay Revenue Limit (CORL) and Soft Capital**
- **Can be used for Operations or Capital Costs**

# 2015-2106

## District Additional Assistance

- DAA K-8 = \$450\*
- DAA 9-12 = \$492\*
- DAA textbooks 9-12 = \$69.88\*
- DAA (Cut by \$352.4 Million)

\*Same amount since 1998-99

# District Additional Assistance (DAA)

- No increase in formula amount
- Existing reduction of \$238,985,500 remains
- New reduction of \$113,457,200 added
- Total reduction for FY2016 \$352,442,700
- Reduction for districts with less than 1,100 students remains capped at \$5,000,000
- Estimate reduction of 85% for districts with more than 1,100 students

# Rollover for FY2016

- Continues to defer \$930,727,700 in Basic State Aid for FY2016 in FY2017
- Continues to exempt school districts with less than 600 students
- Rollover payments to be made no later than July 12, 2016
- Continues to require school districts to include in FY2016 Revenue Estimates the rollover monies that they will receive

# Questions

# School Finance Reform and Backpack Budgeting

Lisa Graham Keegan

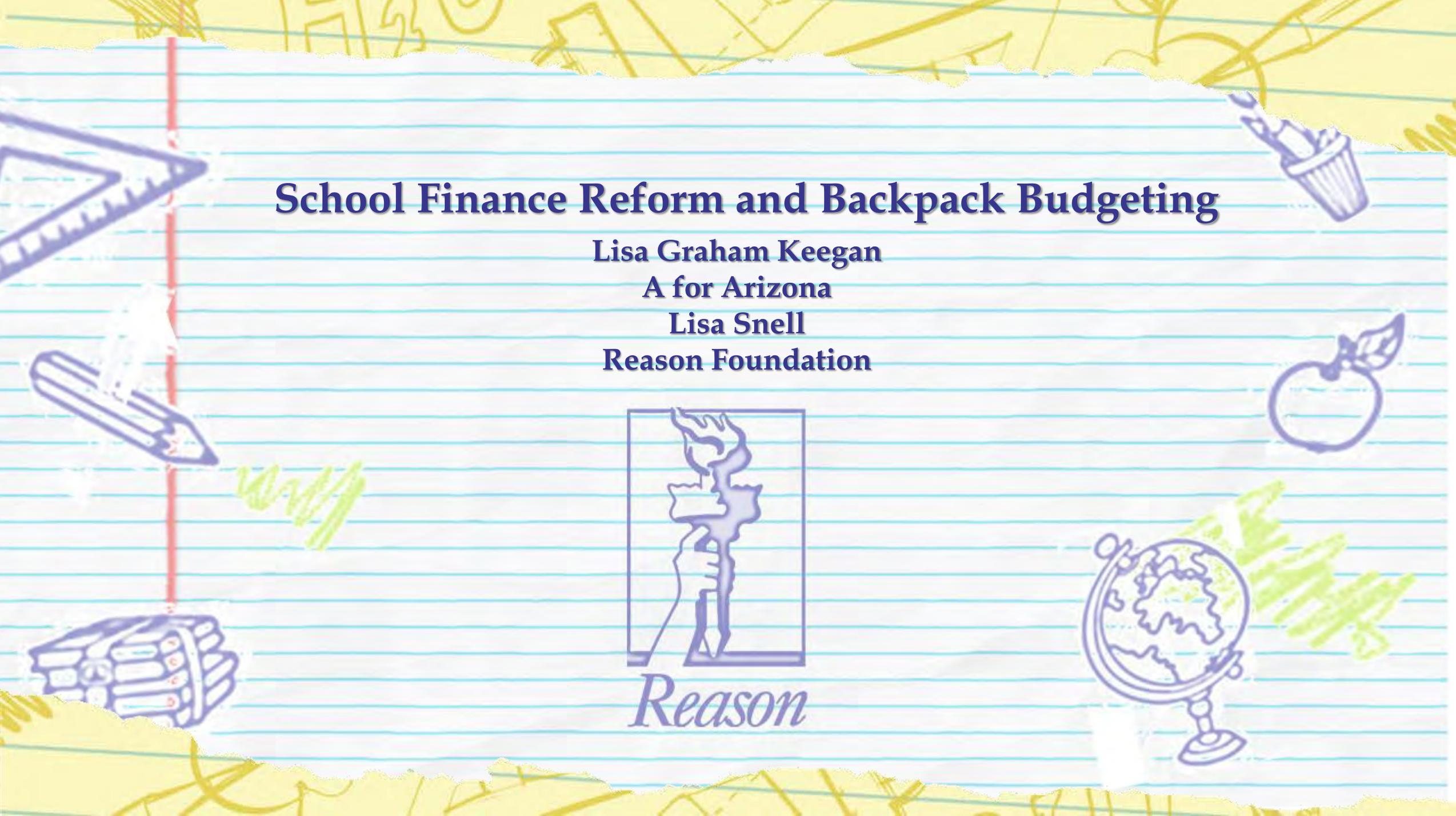
A for Arizona

Lisa Snell

Reason Foundation



*Reason*



# Backpack Funding Concept

*“Public funding systems at the state and local level are adapting to a school funding portability framework, where state and local school funding is attached to the students and given directly to the institution in which the child enrolls. More than 30 school funding portability systems are funding students through student-based budgeting mechanisms.”*

*A Handbook for Student-Based Budgeting, Principal Autonomy and School Choice*

## Components of Backpack Funding

- School budgets based on students not staffing
- Charge schools actual versus average salaries
- School choice and open enrollment policies
- Principal autonomy over budgets
- Principal autonomy over hiring
- Principal training and school capacity building
- Published transparent school-level budgets
- Published transparent school-level outcomes
- Explicit accountability goals
- Collective bargaining relief, flat contracts, etc.

# Weighted Student Formula in the States



- Baltimore, MD
- Boston, MA
- Cincinnati, OH
- Denver, CO
- Poudre, CO
- Hartford, CT
- Houston, TX
- New York, NY
- Newark, NJ
- Prince George's County, MD
- Oakland, CA
- Saint Paul, MN
- Milwaukee, WI
- Minneapolis, MN
- San Francisco, CA
- Rhode Island
- Hawaii

- |  |  |  |  |
|--|--|--|--|
| <span style="color: purple;">□</span> Rochester City, NY | <span style="color: purple;">□</span> Twin Rivers, CA  | <span style="color: purple;">□</span> Jefferson Parish, LA         | <span style="color: purple;">□</span> Detroit, MI      |
| <span style="color: purple;">□</span> New Orleans, LA    | <span style="color: purple;">□</span> Philadelphia, PA | <span style="color: purple;">□</span> East Baton Rouge, LA         | <span style="color: purple;">□</span> Memphis, TN      |
| <span style="color: purple;">□</span> Los Angeles, CA    | <span style="color: purple;">□</span> Austin, TX       | <span style="color: purple;">□</span> Adams 12 School District, CO | <span style="color: purple;">□</span> Clark County, NV |
| <span style="color: purple;">□</span> Chicago, IL        | <span style="color: purple;">□</span> Camden, NJ       | <span style="color: purple;">□</span> Cleveland, OH                |  |

# Backpack Budgeting in a Nutshell

The broad concept of portable funding that follows the child goes by several names including results-based budgeting, weighted student funding, "backpacking" or fair-student funding. In every case the meaning is the same: dollars rather than staffing positions follow students into schools. Resources are weighted according to individual needs of the student.

# Arizona has a head start.

- Since 1980, Arizona has had weighted operational funding statewide based on individual student need, but the money may not follow students into the school they attend. (Weights multiply the basic formula by a different factor for Special Education, English Language Learners, etc.)
- Since 1980, Arizona has set a statewide tax rate to support a portion of the full weighted funding in school districts, and backfills the needed remainder from the general fund. Since 1994, Arizona has paid for the full weighted formula for charter schools from the general fund only.
- Our goal should be to support the funding “earned” by each student equitably across the state, and deliver those dollars to each public school.

# Student-Based Budgeting and School Empowerment

SBB allows public school choice and principal autonomy, for both district and charter public schools.

The funding system gives individuals, particularly school administrators, the autonomy to make local decisions.

Autonomy is granted based on the contractual obligation that principals will meet state and/or district or system standards for student performance.

# Essence of Student-Based Budgeting

The essence of the concept is that funding, weighted according to a student's needs, should follow that child to whatever public school he or she attends.

Funding should arrive at the school as real dollars (not teaching positions, ratios or staffing).

The program pushes decision-making and spending transparency to the school level, so that funds can be spent based on the needs of the kids while focusing on results.

# Key Findings

Greater Principal  
Autonomy

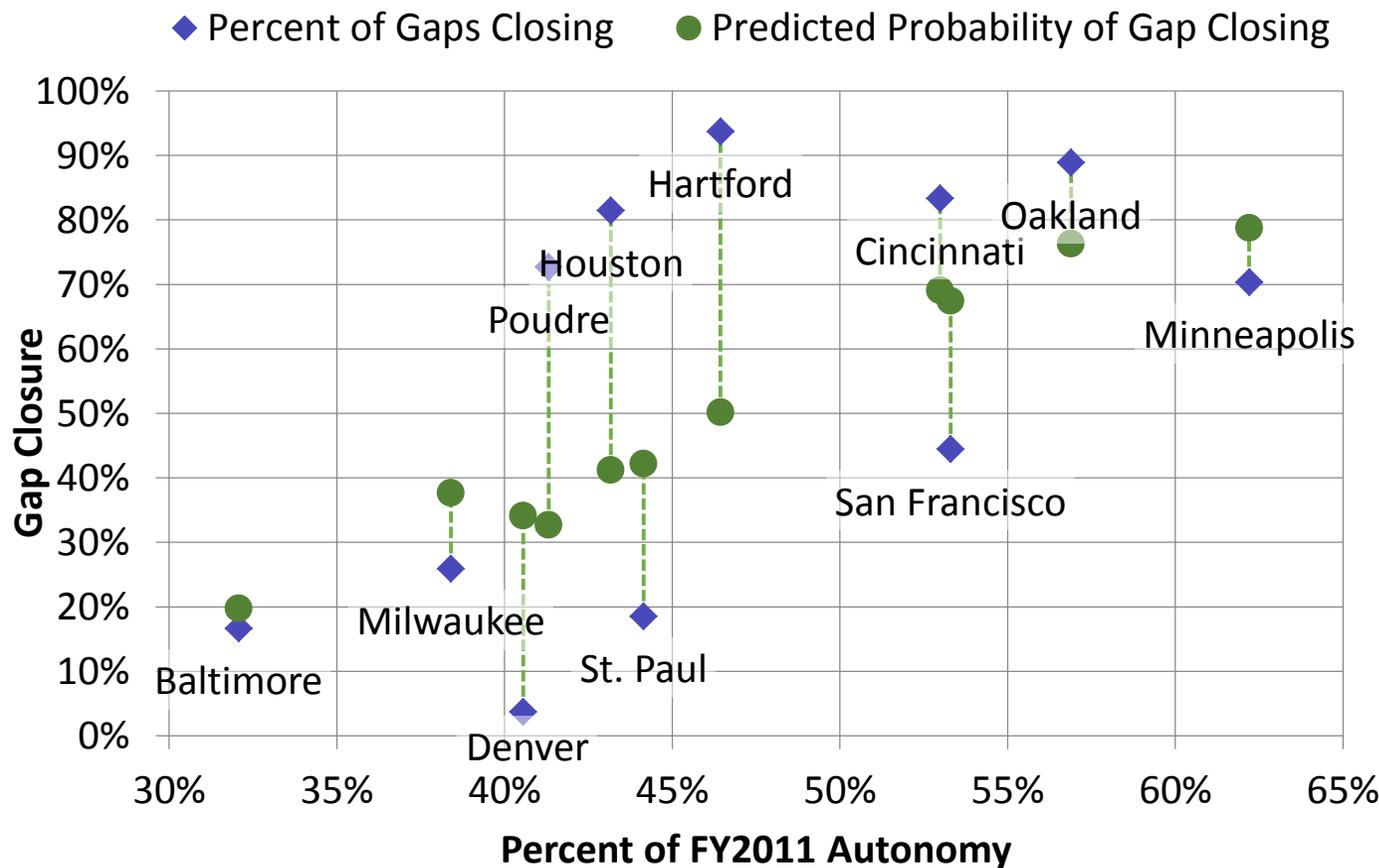
Better Student  
Outcomes



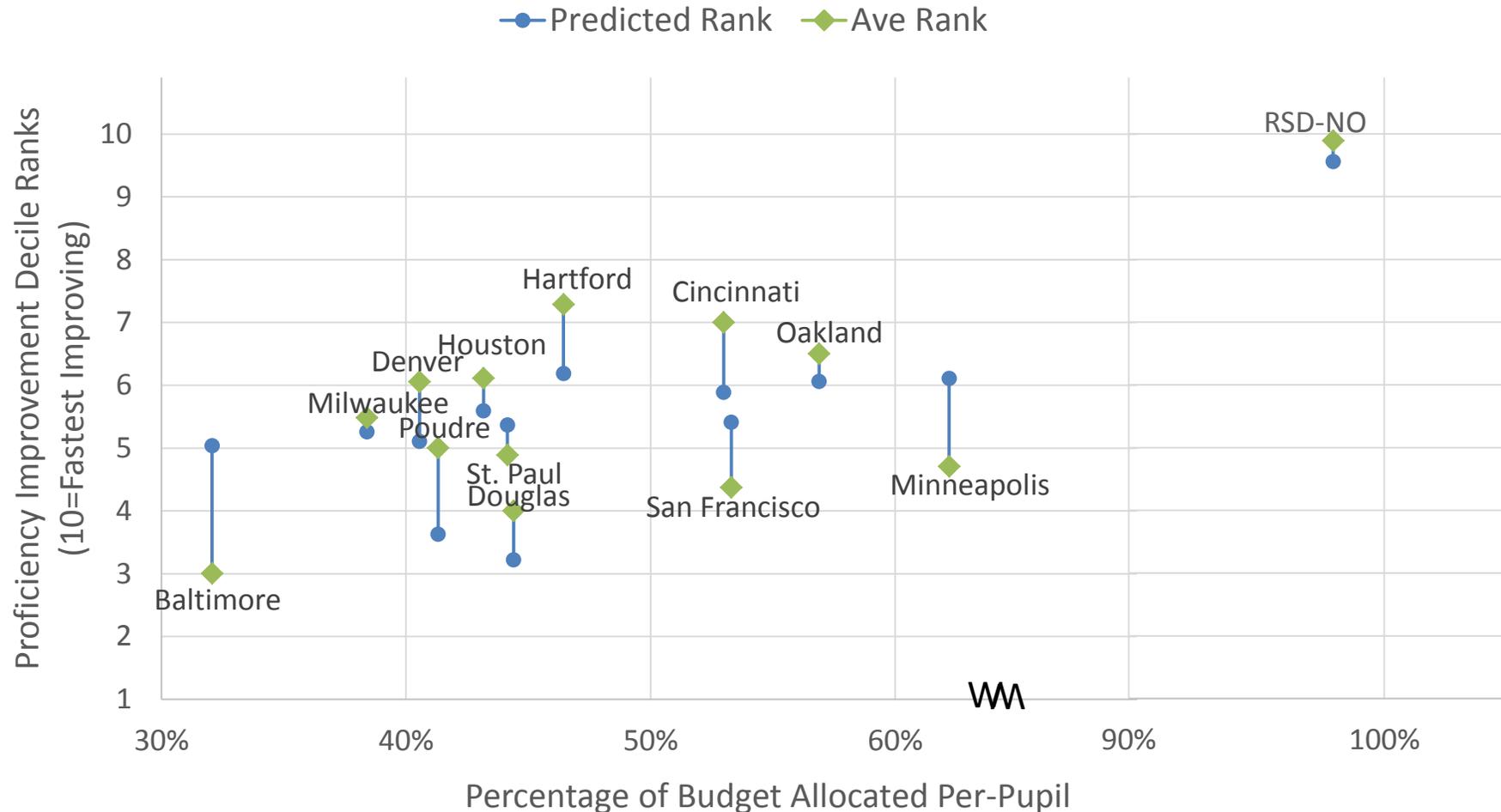
“Holding all else constant, a school district that allocated 50 percent of its FY2011 budget to weighted student formula, where money follows the student, is nearly 10 times more likely to close achievement gaps than a district that only allocated 20 percent of its FY2011 budget to weighted student formula.”

2013 Weighted Student Formula Yearbook

### Percent of Achievement Gaps Closing vs. Predicted Probability of Achievement Gap Closing



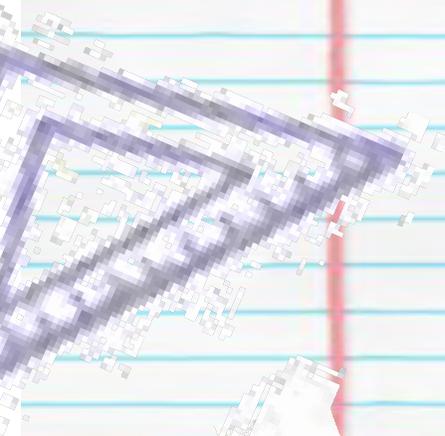
## Predicted Improvement Rank vs. Average Improvement Rank Disadvantaged Student Groups



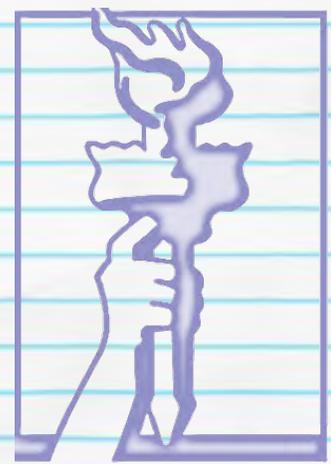
“School districts with a higher amount of budget autonomy are predicted to have a higher ranking for proficiency improvement, though their actual rankings may be higher or lower depending on exogenous factors.”

# Big Backpack Ideas for Arizona

- The state level funding formula should be changed so that the money follows the child to the school level.
- All funding streams including federal and local bonds and overrides should flow to students rather than districts to level the playing field between charter and district schools.
- School funding must be transparent and equitable at the school level rather than the district or system level.
- All public schools should be funded based on current year enrollment.
- Schools should receive revenue on a per-pupil basis reflecting the enrollment at a school and the individual characteristics of students at each school.
- Principals must be able to decide how to spend the resources earned by the students in their school



Why



*Reason*



# Improving Educational Outcomes

*A look at student success beyond K-12*

Presenter: **Eileen I. Klein**  
**President**

Date: **July 30, 2015**

# High-School Eligibility Study



Percentage of Arizona high-school graduates  
eligible for admission into our universities:

46.7%

# Arizona high-school graduates' eligibility for admission into our universities by ethnicity:

African American	36.8%
American Indian	33.7%
Asian American	69.9%
Hispanic	34.2%
White	54.9%
Total	46.7%

# High-School Report Card



## Enrollment down; academic preparedness up

- 4% decrease in high-school graduates who enroll in the fall semester immediately following senior year
- Academic preparedness is up:
  - 83% admitted without deficiencies compared to 82% in fall 2012 and 80% in fall 2011
  - First-term GPA's unchanged at 2.9 from fall 2010-13
  - More students taking calculus than college algebra

# College Going and Completion Rates



Percentage of Arizona high-school graduates who enroll in a postsecondary institution immediately following graduation:

50.5%

# College going rates by ethnicity

Arizona High-School Graduates College Going Rate				
	Class of 2013-14	Enrolled in a 2-Year Institution	Enrolled in a 4-Year Institution	Percent College Going
Whites	30,259	6,933	10,164	56.5%
Hispanics	24,195	6,579	3,989	43.7%
Blacks	3,849	935	984	49.9%
Native Americans	3,122	505	444	30.4%
Asians	2,384	413	1,295	71.6%
Two or More	118	24	32	47.5%
<b>TOTAL</b>	<b>63,927</b>	<b>15,389</b>	<b>16,908</b>	<b>50.5%</b>

# Statewide performance inconsistent

51

The number of high schools that sent zero graduates to postsecondary education (10.5% of schools)

172

The number of high schools that sent five or fewer graduates to postsecondary education (35.2% of schools)

225

The number of high schools that sent 10 or fewer graduates to postsecondary education (46.1% of schools)

52

The number of high schools (out of 488) that produced half of our total graduates going to postsecondary education (10.6% of schools)

Percentage of Arizona high-school graduates who complete a postsecondary degree six years out:

6.4%

Have completed a degree at a two-year institution

19.4%

Have completed a degree at a four-year institution

# College completion rates by ethnicity

## Arizona High-School Graduates - Class of 2007-2008 College Graduation

	Class of 2013-14	Enrolled in a 2-Year Institution	Enrolled in a 4-Year Institution
Whites	31,551	6.6%	26.1%
Hispanics	19,635	6.7%	10.0%
Blacks	3,312	5.4%	14.1%
Native Americans	3,379	4.0%	6.3%
Asians	1,841	5.1%	38.7%
<b>TOTAL</b>	<b>59,718</b>	<b>6.4%</b>	<b>19.4%</b>

Arizona's public university completion rate is higher than the national public university average, and the numbers continue to improve.

**55%**

NATIONAL  
public university  
completion rate  
average for 2012-13\*

**59.8%**

ARIZONA'S  
public university  
completion rate  
for 2013-14\*

**65.6%**

ARIZONA'S  
public university  
completion rate  
2020 goal

\*Most recent data available.

# Conclusion

- Statewide performance for postsecondary preparation not consistent; must work collaboratively to increase student success
- Council should include indicators that look at preparedness of students for success beyond high school
- Alignment of funding formula and underlying tax structure necessary to incent better outcomes for students and economic competitiveness for our state

# Welcome



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Office of the Governor



# Arizona School Finance

Equitable Funding Structure Work Group  
July 30, 2015

# Funding of Schools

## 1900 – 1950

- Very little state assistance
- Very little state control
- Ability to fund educational programs based upon wealth of community

## 1950 – Today

- Gradual increase in state assistance
- Gradual increase in state control
- Higher level of equity between school districts

# 1980 Reforms

- Reduce disparities in tax rates
- Equalize per-pupil spending
- Decrease reliance on property taxes for schools
- Limit property tax growth
- Allow local prerogative of voter-approved budget overrides
- Distinguish between primary and secondary (voter-approved) taxes

# 2015-16 Group A Concept Elementary and High School

	<u>Basic Wt.</u>	<u>Group A Wt.</u>	<u>Total*</u>
Elem.	1.00 - \$3,469.57	0.158 - \$548.19	1.158 - \$4,017.76
H.S.	1.163 - \$4,035.11	0.105 - \$364.30	1.268 - \$4,399.41

## Regular education - special services:

Specific learning disability

Mild mental retardation

Speech/language impairment

Other health impairment

Preschool/speech lang. delay

Preschool/moderate delay

Emotional disability

Remedial education

Homebound

Bilingual

Gifted

Career Exploration

\*Includes 1.25% for "Teacher Compensation"

\*\* Not including \$54.31 added to the Base Level for FY 2016 (Laws 2015, Ch. 8)

# Small School District/Charter Funding Weights 2014-15 School Year

District Size	<u>Elementary</u>		<u>High School</u>	
	<u>Small Isolated</u>	<u>Small</u>	<u>Small Isolated</u>	<u>Small</u>
Over 600	\$4,017.76	\$4,017.76	\$4,399.41	\$4,399.41
500				
400		increases up to		
300				
200				
99	\$5,409.06	\$4,853.93	\$5,790.71	\$5,409.06
	+34%	+21%	+32%	+23%

\*Isolated = no schools within 30 miles of another district or if road conditions and terrain make the driving slow or hazardous; 15 miles

# Group B Add-On

<u>Category</u>	<u>Weight</u>	<u>Amount</u>
K	1.352	\$2308*
K-3	0.060	\$ 208
K-3 Reading	0.040	\$ 139
English Learners	0.115	\$ 399
Disabled Students	Range from \$10,956 to \$27,570	

Hearing Impaired, Multiple Disabilities, Physically Impaired, Moderate Mental Retardation, Severely Emotionally Disabled, and Visual Impairment

\*Old Funding for Full Day K

# Group A Concept

Extra funding for  
every student

=

Expenditures for special  
needs students

- No financial incentive to put students in
- No financial incentive not to end services
- Assumes fairly equal distribution of students

# Group B Concept

Extra funding for  
specific students

=

Expenditures for  
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- Identification criteria clear
- Parents follow programs

# 2014-15 District Additional Assistance

- DAA K-8 = \$450\*
- DAA 9-12 = \$492\*
- DAA textbooks 9-12 = \$69.88\*

\* Same amount since 1998-99

# District Additional Assistance (DAA) FY 2016

- No increase in formula amount
- Existing reduction of \$238,985,500 remains
- New reduction of \$113,457,200 added
- Total reduction for FY2016 \$352,442,700
- Reduction for districts with less than 1,100 students remains capped at \$5,000,000
- Estimate reduction at 85% for districts with 1,100 or more students
- Reductions to both state aid and non-state aid districts

# District Base Level Add-ons

- **Teacher compensation**
  - Increase Base Level by 1.25% if SBE approves “performance evaluation system” i.e. certification
- **Teacher experience index**
  - 2.25% increase to BSL for each year of experience above average
- **Career ladder**
  - 28 districts get additional increase to Base Level and no new teachers with 4 year phase out (Ends with 2014-15 School Year)

# District Support Level + Additional Assistance = Equalization Base

Weighted student  
count

X

Base support amount

+

Teacher experience  
index & Performance  
incentives

+

Transportation  
support

+

Unweighted  
student count

X

Additional  
assistance

(adjusted for  
district size)

# Equalization (“Foundational”) Funding

## Equalization Base

—

**QTR Levy**  
(Property Tax)

=

**State Aid**  
(General Fund)

# Two Hypothetical Unified Districts

## “Property Rich”

- \$4,145 x 1,000 (weighted ADM)  
**\$4,145,000 guaranteed**
- Local property taxes  
**\$50,000,000/\$100**  
(district’s taxable value)  
x
- \$4.1954 QTR  
*equals* **\$2,097,700**  
(50.6% of guaranteed amount)
- State (& county)  
\$4,145,000 minus \$ 2,097,700  
*equals* **\$2,047,300**  
(49.4% of guaranteed amount)

## “Property Poor”

- \$4,145 x 1,000 (weighted ADM)  
**\$4,145,000 guaranteed**
- Local property taxes  
**\$25,000,000/\$100**  
(district’s taxable value)  
x
- \$4.1954 QTR  
*equals* **\$1,048,850**  
(25.3% of guaranteed amount)
- State (& county)  
\$ 4,145,000 minus \$1,048,850  
*equals* **\$3,096,150**  
(74.7% of guaranteed amount)



# Property Tax Components Impacting the General Fund

- Qualifying Tax Rate (QTR)
- State Equalization Tax Rate (SETR)
- Truth in Taxation (TNT) and the current value of existing property
- Additional state aid: homeowner rebate and one-percent cap



## Some District Budget Categories ...

- **are paid from local property taxes ..**
- **... causing issues with per-pupil spending and taxation**



District Revenue Control Limit

**District Support Level**

(Equalization Base)

+

**Transportation  
Revenue  
Control Limit**

=

**Revenue Control Limit**



## Voter-Approved Budget Categories

- M&O budget overrides  
(15% of RCL)
- Capital budget overrides  
(10% of RCL)
- General obligation bonds  
(10% or 20% of NAV)

# Outside Equalization Base

- Desegregation/OCR
- Adjacent Ways
- Transportation:TRCL-TSL
- Small School District Adjustment
- Dropout Prevention
- Interest on Registered Warrants



# Other Major Revenue Sources 2015-2016

- Classroom Site Fund – Prop 301\*  
(\$327 per weighted count)
- Instructional Improvement Fund –  
Indian Gaming (\$40 per student)
- New Student Success Funding Program (\$21.5  
Million) Ended in FY 2015

\*Low of \$120 in FY2011 and FY2012/High of \$401 in FY2008  
Up by \$32 10.8% for FY2016

# Prop. 30 I and Inflation Funding

- 0.6-cent sales tax approved by voters in Nov. 2000, expires in 2021
- “For fiscal year 2006-2007 and each year thereafter, the legislature shall increase the base level or other components of the revenue control limit by a minimum growth rate of either two per cent or the change in the GDP price deflator...”

# Rollover For FY2016

- Continues to defer \$930,727,700 in basic state aid for FY 2016 in FY 2017
- Continues to exempt school districts with less than 600 Students
- Rollover payments to be made no later than July 12, 2016
- Continues to require school districts to include in FY2016 revenue estimates of the rollover monies that they will receive

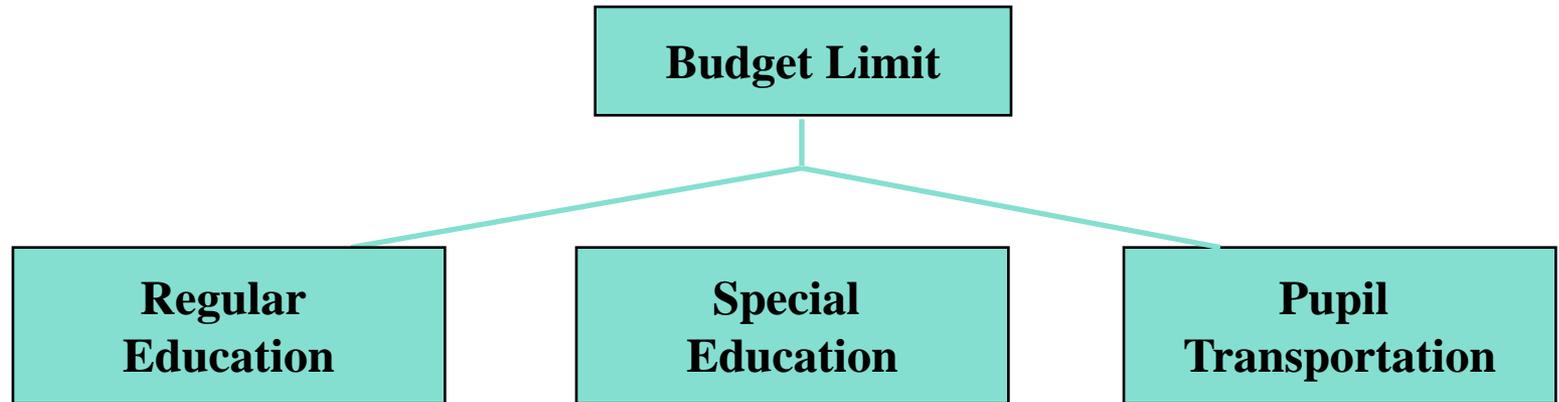
# FY 2016 Funding Formula

- Transportation Support Level (TSL)
- 1.59% Increase
- \$2.04 per mile increases to \$2.07
- \$2.49 per mile increases to \$2.53

# Transportation Formula

- Transportation Support Level TSL
- Transportation Revenue Control Limit (TRCL)
- TRCL can not exceed TSL by more than 120% (Since 2006-2007)

# School District Governing Board Allocates Funds to Regular, Special and Pupil Transportation Program from Budget Limit



## **Special Ed. includes:**

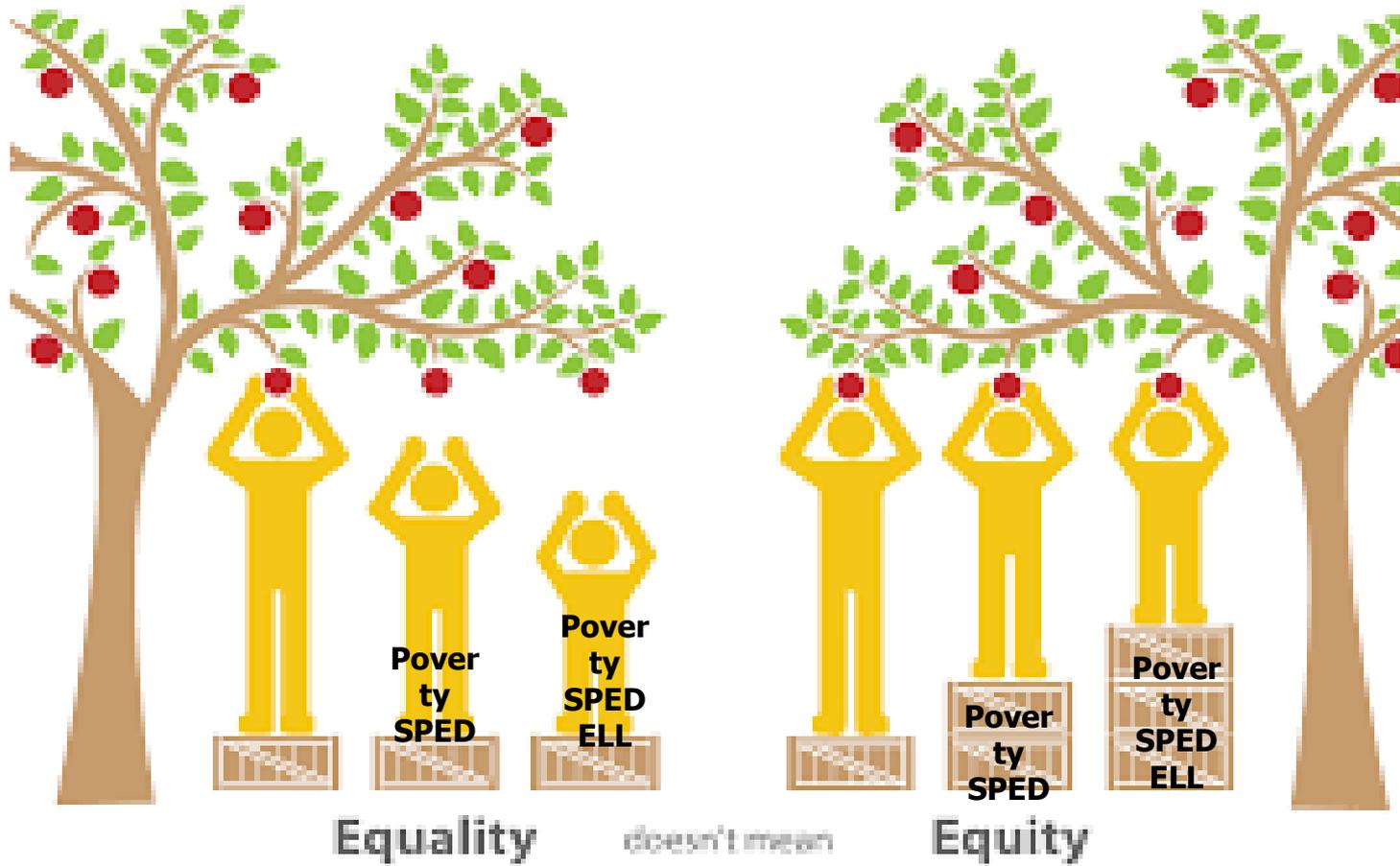
- A. Programs for the handicapped
- B. Gifted education
- C. Programs for LEP students
- D. Remedial education
- E. Vocational and technical education
- F. Career education



# Financial Management Salary and Benefits

85-90% of Operating Budget

# Goal: Equitable Funding Structure



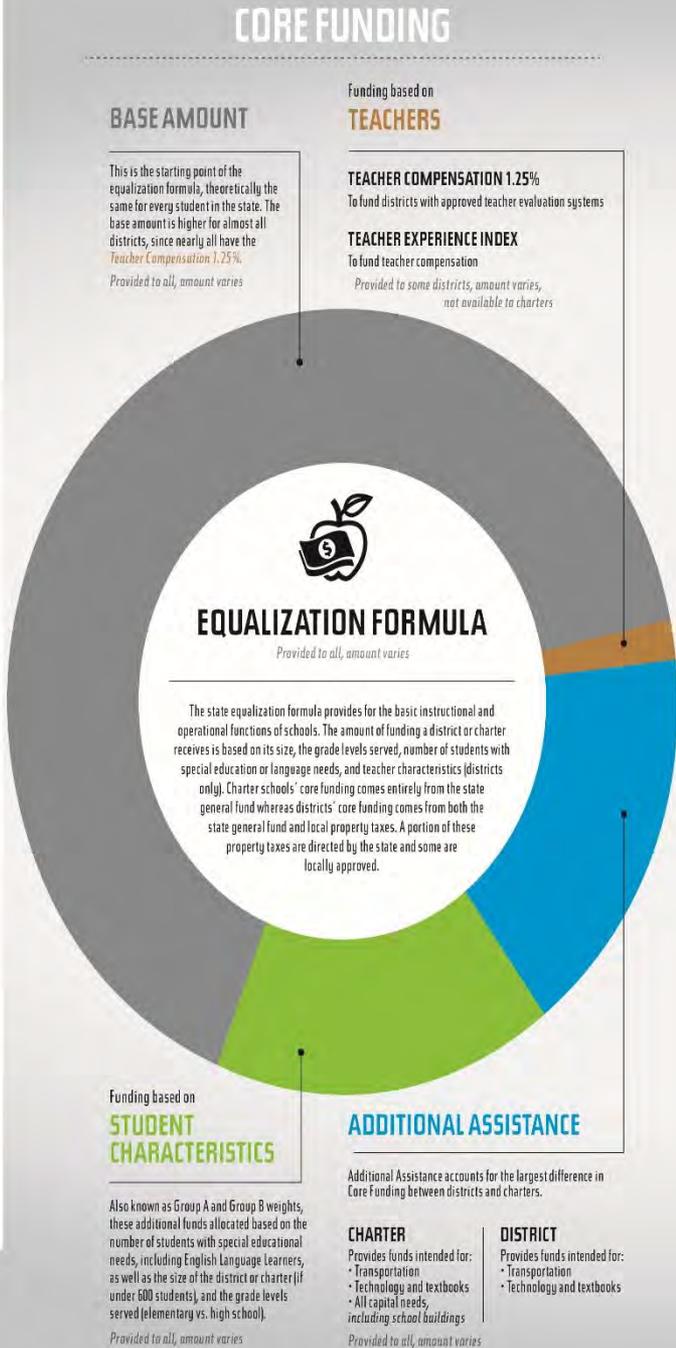


CENTER FOR STUDENT ACHIEVEMENT

# HOW ARE ARIZONA PUBLIC SCHOOLS FUNDED?

Technically, Arizona does not fund schools, nor does it fund students. Instead, the state provides funding to local school districts and independent charter holders that, in turn, distribute resources to their school sites. This graphic shows the various sources of revenue that fund our public schools. Core Funding is, for the most part, equitably provided to districts and charters. Supplemental Funding varies for each individual district or charter and is unreliable as the amounts can vary every year.

Each revenue source (circle) is shown relative to the size of all sources of funding. The shades of colors within each circle represent the proportion of each funding component.



## SUPPLEMENTAL FUNDING



Additional levies on the

### LOCAL PROPERTY TAX

#### ■ ADJACENT WAYS

Funds are used to pay for expenses related to new construction, e.g., sale egress or ingress from schools, creation and improvements of bus and fire lanes, or improvements to adjacent roadways.

#### ■ DESEGREGATION

Provides funding to 19 school districts that are under a federal court order to rectify discriminatory practices

#### ■ DROPOUT PREVENTION

Funds activities in districts with high dropout rates to help keep students in schools.

*Provided to some districts, amount varies; not available to charters*



Revenue sources for

### SCHOOL BUILDINGS

Funds are allocated from the state general fund to the School Facilities Board for new school building construction, building renewal, and debt service.

*Available to some districts, amount varies; not available to charters*



Additional property tax revenues based on

### LOCAL ELECTIONS

#### ■ BONDS

Used for building school facilities

#### ■ M & O OVERRIDES

Used to pay for teachers

#### ■ CAPITAL OVERRIDES

Used for textbooks and technology

#### ■ K-3 OVERRIDES

Fund early elementary education  
*Provided to some districts, amount varies; not available to charters*



Revenue from

### FEDERAL DOLLARS

Targeted programs such as Title I, Individuals with Disabilities Education Act, National School Lunch Program, and competitive grants.

*Outside the state's control; Provided to nearly all, amount varies*



Revenue from

### PROPOSITIONS/ VOTER INITIATIVES

### CLASSROOM SITE FUND/ INSTRUCTIONAL IMPROVEMENT FUND

Helps fund teacher compensation, teacher performance pay, dropout prevention

*Provided to all, equal amount*



Revenue from

### STATE GRANTS

Targeted programs such as the Structured English Immersion Fund and K-3 Reading.

*Provided to some, amount varies*



Revenue from

### TAX CREDITS

### TAXPAYER DONATIONS

Private citizens may donate up to \$200 as an individual or \$400 as a couple to a school and deduct it from their taxes. Funds are used for student activities and extra curriculars.

*Provided to some, amount varies*

# K-12 Student Funding Formula

- The state formula provides for basic instructional and operational functions of schools.
  - Funding is based on size, number of students (with special needs and language minorities) and teacher characteristics.
- Charter student funding comes entirely from the state's general fund
- District student funding comes diverse sources including the general fund, local property taxes, bonds and overrides
- Online and JTED students funded differently

# Core Funding- Equalization Formula

- Base Amount- Provided to all, amount varies
- Student Characteristics
  - Group A and B weights, provided to all, amount varies
- Additional Assistance
  - Charter: All capital needs; transportation, technology and textbooks
  - District: transportation, technology and textbooks

## **DISTRICT ONLY: Not Available to Charters**

### Teacher Funds

- Experience: provided to some districts, amount varies,
- Compensation: to districts with approved evaluation systems

# Supplemental Funding

## **District Only: Not Available to Charters**

- Local Property Tax- additional levies provided to some districts, amounts vary
- School Buildings- School Facilities Board funds provided to some districts, amounts varied
- Local Elections- bonds and overrides (K-3, M&O and Capital) available to some districts, amounts vary

## **Available to All Students**

- Propositions/Voter Initiatives-all public students receive equal amount



# Public Student Supplemental Funding

- State Grants- provided to some, amounts vary
- Tax Credits- individual contributions to some, amounts vary
- Federal Funding- outside of the state's control (except for FY 16 decrease in Title I funding), provided to nearly all, amounts vary

# Questions??



# Adjourn



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Office of the Governor



# Incentives for Excellence

## July 30 Working Group



Education  
Finance  
Reform Group



# Big Goals

- Performance Expectations:
  - *What is Achievement?*
  - *Synergy with A-F Redesign Subcommittee*
- School-level Achievement Weights
- Regulatory, formulaic and operational incentives (high-performing schools)
- Regulatory, formulaic and operational incentives (low-performing schools)

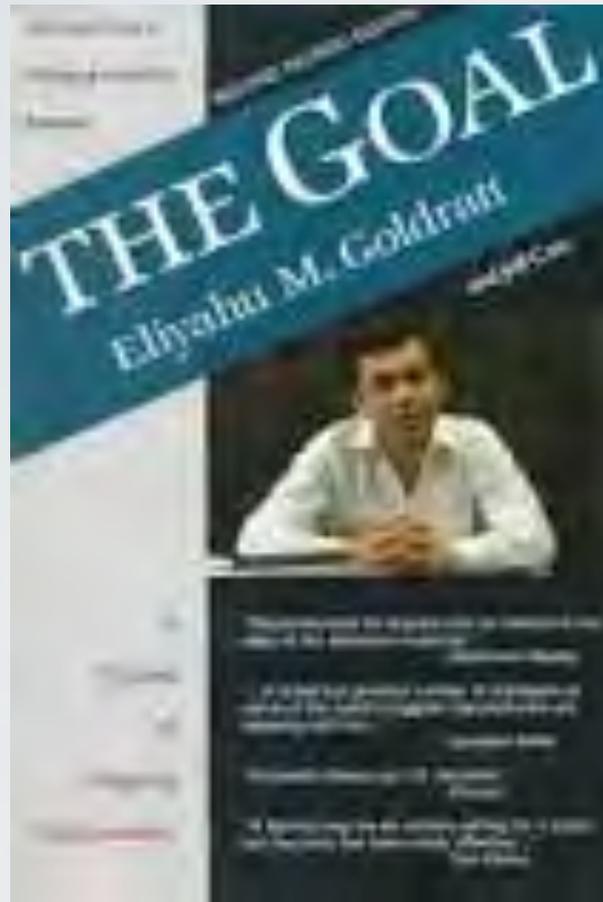


## Rule #1

Keep the focus on what is best for ALL of our students.

Education  
Finance  
Reform Group

# What's Our Goal?





# Agenda

1. Defining Excellence
2. Power of the Current Moment
  - A. Unique Opportunity to Align Performance AND Finance
  - B. Achievement District
3. Who Should Control Performance Incentives?
  - A. The school/local system - now and in future
  - B. The state - now and in the future
  - C. Performance incentives and consequences must promote the highest possible number of “A” quality seats for all public school students.
4. Examples



# 1. Defining Excellence

A. How does the state currently define 'excellence'?

B. Current consequences for performance

C. Transition in grades

- Opportunity to align A-F & funding discussions
- A-F Principles

## **School Finance Reform Team Feedback**

- Emphasize Growth
- Account for Other Variables – Poverty, At-Risk, etc.
- Be Flexible with Funding



## 2. Power of the Current Moment

A. Aligning funding and achievement

B. AZ Public Schools Achievement District

- 4 Pillars
- The goal is “A” status for ALL public schools
- WHY increase support levels for “A” schools?
  - Not as “bonus” or even “incentive”
  - The additional funds allow “A” models to scale by supporting the time and talent needed



### **3. Who Should Control Performance Incentives?**

- A. The school/local system - now and in future
- B. The state - now and in the future
- C. *Performance incentives and consequences must promote the highest possible number of “A” quality seats for all public school students.*

## A Suggestion

- Top 25% - Administrative Relief, Consultant Incentive
- Mid 50% - Optional Use of Consultants
- Bottom 25% - Consultant Evaluation, Additional Resources as Identified by Consultant



## 4. Examples

Arizona currently has hundreds of exceptional schools and exceptional examples of how to increase and sustain excellent achievement levels...including in very low-wealth schools. It will be critical to design policy around their successful examples.



# Questions?



Education  
Finance  
Reform Group

# Welcome



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Office of the Governor

# Arizona's Student Centered Funding

Arizona School  
Boards Association  
Janice Palmer

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Office of the Governor





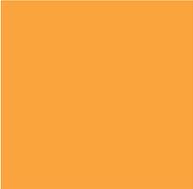
# Classrooms First: Student-Centered Learning Priorities Work Group (7/30/15)

Janice Palmer, Director of Governmental Relations  
& Public Affairs



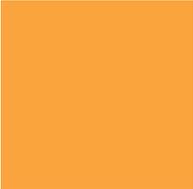
Is it already student-centered?

# Arizona's Funding Formula



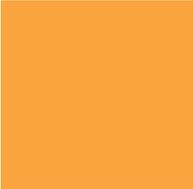
# District Spending Limit

- School Districts are subject to an equalization base that determines how much a school district can spend
  - Includes the sum of the Base Support Level, Transportation Support Level, and District Additional Assistance
- Revenue Control Limit = Base Support Level and Transportation Support Level
- Charter Schools are not subject to this; have in essence a revenue limit
- Focus of the Equitable Funding Structure Work Group



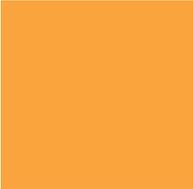
# Base Support Level

- Weighted Student Count x Base Level Amount x Teacher Experience Index (TEI)
- Weighted Student Count: Includes small and isolated schools, Group A, and Group B (14 categories)
- Base Level Amount: \$3,426.74
- Teacher Compensation -- 1.25% added to the Base Level Amount (Charters do not receive)
- TEI – additional monies for districts whose teacher experience exceeds the statewide average (Charters do not receive)



# Transportation Support Level

- Statutorily defined amount (adjusted for inflation annually) x approved daily route miles per student + bus passes



# Charter Schools

- Base Support Level + Charter Additional Assistance
  - Charter Additional Assistance: unweighted student count x statutorily defined per pupil amount
  - CAA is to cover transportation, facilities, etc.



# District Additional Assistance

- Previously known as Capital Outlay Revenue Control Limit (CORL) and soft capital (combined in 2013)
  - Districts were allowed to move up to 100% of their CORL monies into M&O
  - Now combined districts can move all into M&O
- Unweighted student count x per pupil amount (six different per pupil categories)
- Currently funded at ~14% of what the formula requires (districts with >1,110 students will have a bit more)



# AZ District Capital Funding

- Students First created to resolve *Roosevelt v. Bishop* lawsuit in 1998
- Established minimum standards, a School Facilities Board, and three buckets of monies:
  - Deficiencies Correction
  - New Schools Fund
  - Building Renewal



# How Does Arizona Rank?

- School Finance Overall – “D” or 46<sup>th</sup> in the Nation
  - Focuses on Two Aspects: Spending and Equity
    - Spending – “F”
    - Equity – “B+”

*Source: Education Week: Quality Counts 2015*





# Is School Funding Fair?

- Defines “fair” as: *“a state finance system that ensures equal educational opportunity by providing a sufficient level of funding distributed to districts within the state to account for additional needs generated by student poverty.”*
- Four measures: Funding Level, Funding Distribution, Effort, and Coverage
- Arizona ranks low in all categories except Coverage

Source: “Is School Funding Fair? A National Report Card, Spring 2015



# Reflection Questions

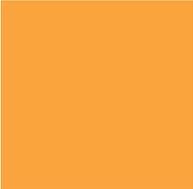
- Is Arizona's school finance system currently student-centered?
- Are there areas that could be improved?



How do we allocate?

# Setting a Budget





# Districts

- Governing Board must adopt the Budget by July 15<sup>th</sup>
  - Winter: Plans begin for upcoming year's budget
  - March: Plan incorporated into proposed budget
- Superintendent and Business Manager works with Board and staff (directors and principals) on priorities
  - Sampling of districts: A portion of funds, based on the number of students at the school, is provided to principals for their discretion



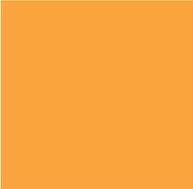
# Financial Accountability/Transparency

- Auditor General – Annual Dollars in the Classroom Report and random Performance Audits
- ADE – Annual Financial Report
- State Board – Annual Financial Report violations; Financial Receivership
- Charter Board – Contractual



# Academic Accountability/Transparency

- A-F System – Districts and Schools
- ADE – School Improvement Teams
- State Board – Academic Receivership
- Charter Board – Contractual



# Reflection Questions

- Is Arizona's current school finance system transparent?
- Are there areas that can be improved?
- Are there current accountability/transparency items that should be removed?



What fosters and improves student learning?

# Leadership Roles



# Leadership

- Two overarching principles should drive any planning for improving educational leadership:
  - Don't separate leadership from teaching quality
  - Ensure the primary role is instructional leadership
- Four areas in recommended policy:
  - Preparation, preservice, and licensure
  - Professional Development
  - Program and Principal Evaluation
  - Strengthening the role of school boards

Source: Education Commission of the States, "Strong Leaders, Strong Achievement"



# Reflection Questions

- Is the development of leadership a statewide responsibility?
  - <http://nga.org/files/live/sites/NGA/files/pdf/2015/1506SupportingPrincipals.pdf>
- What about the role of Statewide Leadership Academies?
  - <http://ecs.force.com/mbdata/mftab6NE?SID=a0i700000009va3&rep=SLA>
- What skills are necessary for an effective school leader?

# Backpack Funding

Reason Foundation

Lisa Snell



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Office of the Governor

# Classrooms First: Student-Centered Learning Priorities Working Group

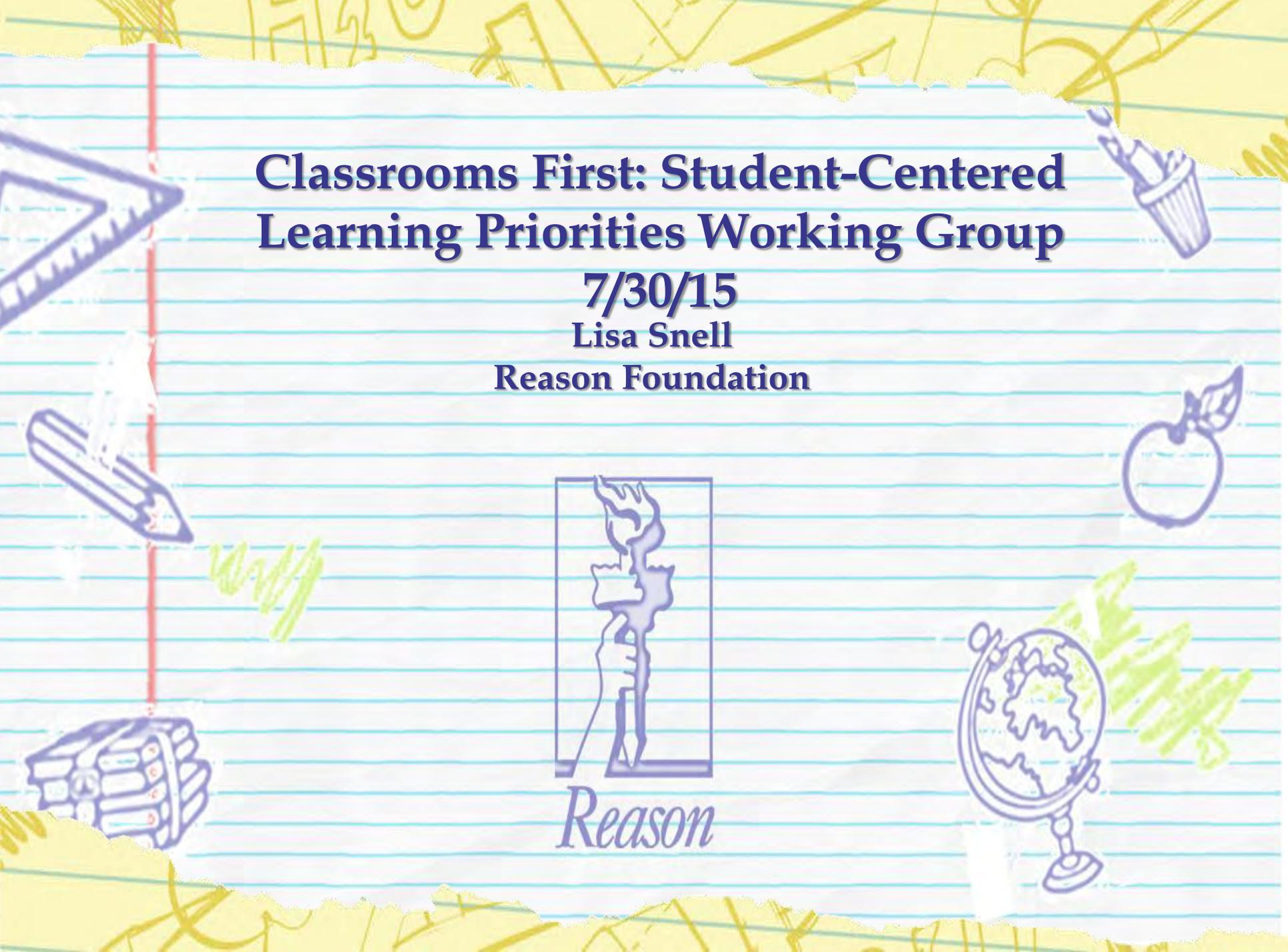
7/30/15

Lisa Snell

Reason Foundation



*Reason*



# Backpack Funding Concept

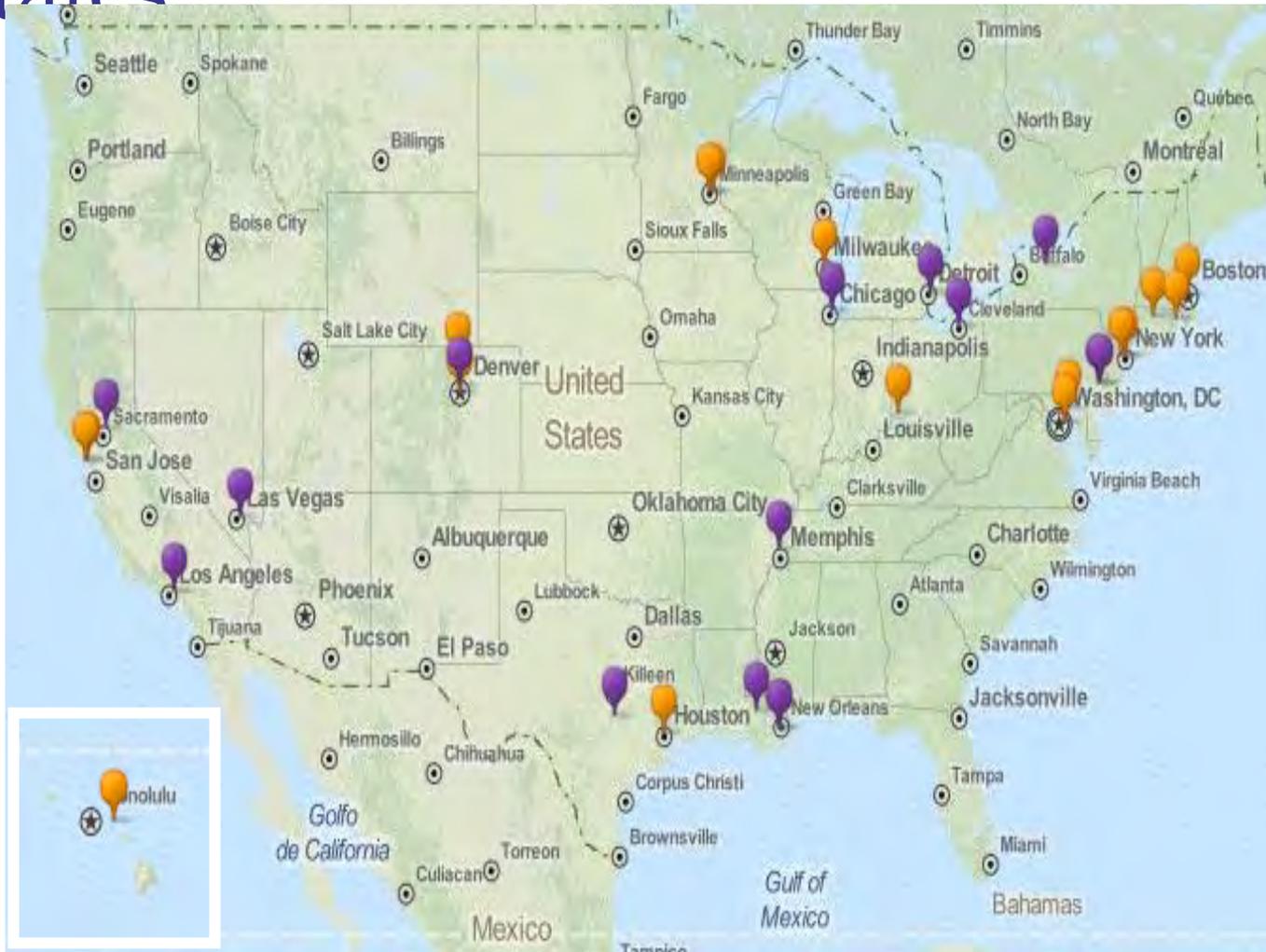
*“Public funding systems at the state and local level are adapting to a school funding portability framework, where state and local school funding is attached to the students and given directly to the institution in which the child enrolls. More than 30 school funding portability systems are funding students through student-based budgeting mechanisms.”*

*A Handbook for Student-Based Budgeting,  
Principal Autonomy and School Choice*

## Components of Backpack Funding

- School budgets based on students not staffing
- Charge schools actual versus average salaries
- School choice and open enrollment policies
- Principal autonomy over budgets
- Principal autonomy over hiring
- Principal training and school capacity building
- Published transparent school-level budgets
- Published transparent school-level outcomes
- Explicit accountability goals
- Collective bargaining relief, flat contracts, etc.

# Weighted Student Formula in the States



- Baltimore, MD
- Boston, MA
- Cincinnati, OH
- Denver, CO
- Poudre, CO
- Hartford, CT
- Houston, TX
- New York, NY
- Newark, NJ
- Prince George's County, MD
- Oakland, CA
- Saint Paul, MN
- Milwaukee, WI
- Minneapolis, MN
- San Francisco, CA
- Rhode Island
- Hawaii

- |  |  |  |  |
|--|--|--|--|
| <span style="color: purple;">■</span> Rochester City, NY | <span style="color: purple;">■</span> Twin Rivers, CA  | <span style="color: purple;">■</span> Jefferson Parish, LA         | <span style="color: purple;">■</span> Detroit, MI      |
| <span style="color: purple;">■</span> New Orleans, LA    | <span style="color: purple;">■</span> Philadelphia, PA | <span style="color: purple;">■</span> East Baton Rouge, LA         | <span style="color: purple;">■</span> Memphis, TN      |
| <span style="color: purple;">■</span> Los Angeles, CA    | <span style="color: purple;">■</span> Austin, TX       | <span style="color: purple;">■</span> Adams 12 School District, CO | <span style="color: purple;">■</span> Clark County, NV |
| <span style="color: purple;">■</span> Chicago, IL        | <span style="color: purple;">■</span> Camden, NJ       | <span style="color: purple;">■</span> Cleveland, OH                |  |

## TRADITIONAL FUNDING FORMULAS



Keep most funds – both school and district level – under district control



Budget funds for special programs, not for student types



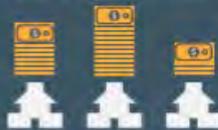
Limit principal's budgetary authority



Distribute staff to schools based on enrollment counts

### INHERENT FLAWS:

Uneven funding distribution within districts



**SIMILAR SCHOOLS MAY RECEIVE DIFFERENT FUNDING**

**LACK OF AUTONOMY FOR SCHOOL ADMINISTRATORS AND LEADERS**



**5%**  
Typical principal's budget authority. Schools lack flexibility to meet needs.

**RESOURCES ARE BASED ON AVERAGES — NOT ACTUAL STUDENT NEED OR STAFF SALARIES**

Schools do not receive resources in proportion to student need.

## A STUDENT BASED ALLOCATION MODEL



**Dollars, not fixed staff positions or purchased materials, are distributed to schools based on students**



Objective, deliberate, measurable characteristics of each student are weighted in dollar terms; possibilities include:

- ✓ **POVERTY**
- ✓ **LIMITED ENGLISH LANGUAGE PROFICIENCY**
- ✓ **HOMELESSNESS**
- ✓ **DISABILITY AND/OR GIFTEDNESS**
- ✓ **GRADE SPAN (high school, elementary, etc.)**



In a more advanced model, central office budget comes out of school funds either through "charge-back" (services that schools must pay for) or "buy-back" (services that a school may purchase if it is the best option for them).

### PRIMARY BENEFITS OF SBA



#### EQUITY

Funds are allocated on a per-pupil-type basis to any eligible school the student attends

#### TRANSPARENCY

Funding formula is simple and accessible to all stakeholders

#### AUTONOMY

Schools have autonomy to individualize resources to match their staff and students' strengths and needs

#### ACCOUNTABILITY

School-based accountability hinges on equitable per pupil funding and school level autonomy

SBA is increasingly being used in large urban districts like Boston, Denver and Houston.

# Do Districts Fund Students Fairly or Why Backpack Funding?

## U.S. Department of Education Study: Comparability of State and Local Expenditures Among Schools Within Districts: A Report From the Study of School-Level Expenditures

- States were required to report all school level expenditures to federal government to receive ARRA funding
- Feds examined 6,129 school districts across United States
- Nearly half of all schools had per-pupil personnel expenditures that were more than 10 percent above or below their district's average.
- Among districts with at least one Title I school and one non-Title I school at that school grade level, 47 percent of the Title I districts had lower personnel expenditures per pupil in their Title I elementary schools than in their non-Title I elementary schools. This percentage was about the same for middle schools (46 percent) but lower for high schools (39 percent).
- Sixty-three percent of districts with two or more elementary schools had at least one higher-poverty school with per pupil personnel expenditures that were below the district's average for lower-poverty schools. Again, the percentages

# Texas: Education Next Study

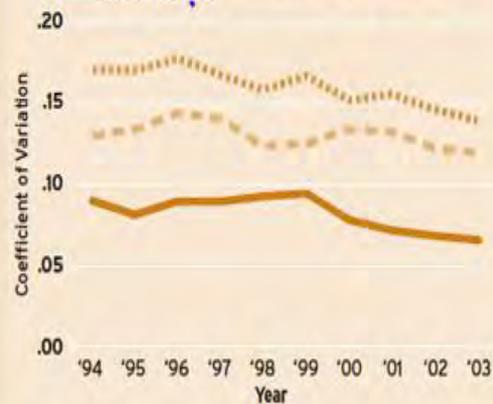
## Similar Scholars, Unequal Dollars (Figure 1)

*Inequity in noncategorical spending between schools in the same Texas school district far exceeds inequity between districts. The picture is similar for total school spending.*

Figure 1a

### Inequity in Noncategorical Spending Between and Within Large Texas School Districts, 1994-2003

- Within Districts
- Within Districts (excluding the four largest districts)
- Between Districts



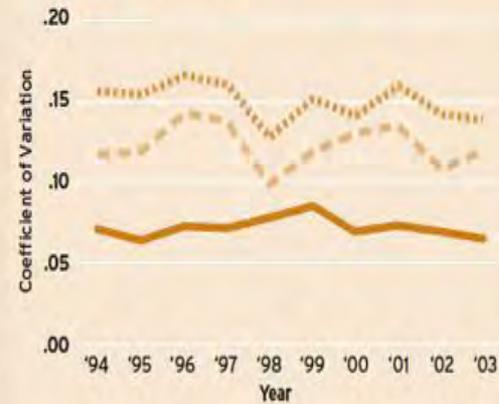
Note: Large districts are those with more than 25,000 students.

SOURCE: Authors' calculations from Texas Education Agency data

Figure 1b

### Inequity in Total Spending Between and Within Large Texas School Districts, 1994-2003

- Within Districts
- Within Districts (excluding the four largest districts)
- Between Districts



# Hawaii- State Level SBB

In 2004, Act 51 defines a WSF as a “means for allocating operating money to individual public schools that includes a system of weighted characteristics affecting the relative cost of educating each student attending a public school. Act 51 called for allocating at least 70 percent of education appropriations from the state directly to schools, to further the goal of decentralization.



## Tale of Two Schools: Pre-WSF

	Hanalei	Keonepoko
Enrollment	209	615
% "Poor"	22%	78%
% ESLL	2%	8%
% Trans.	13%	16%
\$/Student	\$6,818	\$4,606
Total \$	\$1,424,982	\$2,836,116



## Tale of Two Schools: WSF

	<b>Hanalei</b> (R -78%; M- 35%)	<b>Keonepoko</b> (R- 38%; M- 22%)
Enrollment	(209) \$1,006,425	(615) \$2,946,770
% "Poor"	(22%) \$20,310	(78%) 213,759
% ESLL	(2%) \$4,530	(8%) \$45,500
% Trans.	(13%) \$6,125	(16%) \$22,121
K-2	\$51,821	\$194,330
\$/Student	\$5,212	\$5,565
Total WSF \$	\$1,089,211	\$3,422,480

# Hawaii

## The Operating Budget

Each year, the Hawaii State Department of Education educates and supports more than 180,000 students and employs about 25,000 teachers and staff in positions across 290 public schools (256 Department schools, 34 charter schools), 15 complex areas, and the state office. The Operating Budget for Fiscal Year (FY) 2015-16 is \$1.9 billion — \$1.5 billion come from the state's General Fund.

### STATE FUNDING

Money is allocated from the state's General Fund into program buckets, known as EDNs. Nearly all funds go to schools.

#### DIRECT FUNDING (94%)

- **EDN 100 (58%)** is almost entirely distributed to schools using the [Weighted Student Formula](#) (WSF). The WSF gives schools a specific dollar amount for each student, and additional funds for students with certain characteristics, such as qualifying for the free and reduced lunch program (socioeconomically challenged) or being English Language Learners. This creates a transparent model of funding equity on a statewide basis. The balance of EDN 100 is used to support programs such as Athletics, JROTC and Alternative Learning Centers.
- **EDN 150 (23%)** supports [special education](#) students who may require or have an Individualized Education Plan ([IEP](#)).
- **EDN 400 (13%)** pays school bills — sewer, electric, water, repair, food service and others.

#### SUPPORT FUNDING (6%)

- The remainder of the budget is spread among EDNs 200, 300, 500 and 700, which provide support at school, district and state levels. These include [instructional supports](#), statewide [testing](#), administrative support ([personnel](#), technology and fiscal), community programs such as [A+](#) and [adult education](#), Complex Area [administration](#), the early learning office to provide [pre-kindergarten](#) programs, as well as the [Board of Education](#) and Office of the Superintendent.

# Hawaii

## FISCAL YEAR 2015-16

Here is a breakdown, by program category, of the \$1.53 billion the State Legislature appropriated for FY 2015-16 during the 2015 session ([HB 500 CD1](#)). Percentages are rounded:

CATEGORY	STATE FUNDS	%
EDN 100: School Based Budgeting	\$880.3 million	58%
EDN 150: Special Education	\$351.5 million	23%
EDN 200: Instructional Support	\$50.6 million	3%
EDN 300: State Administration	\$47.0 million	3%
EDN 400: School Support	\$195.2 million	13%
EDN 500: School Community Services	\$3 million	< 1%
EDN 700: Early Learning	\$3.1 million	< 1%

# Hawaii

A March 2015 survey of Hawaii principals by the Hawaii Education Institute found that principals overwhelmingly supported school empowerment and new Governor Ige's plan to increase DOE funding allocated by the Weighted Student Formula to 75 percent.

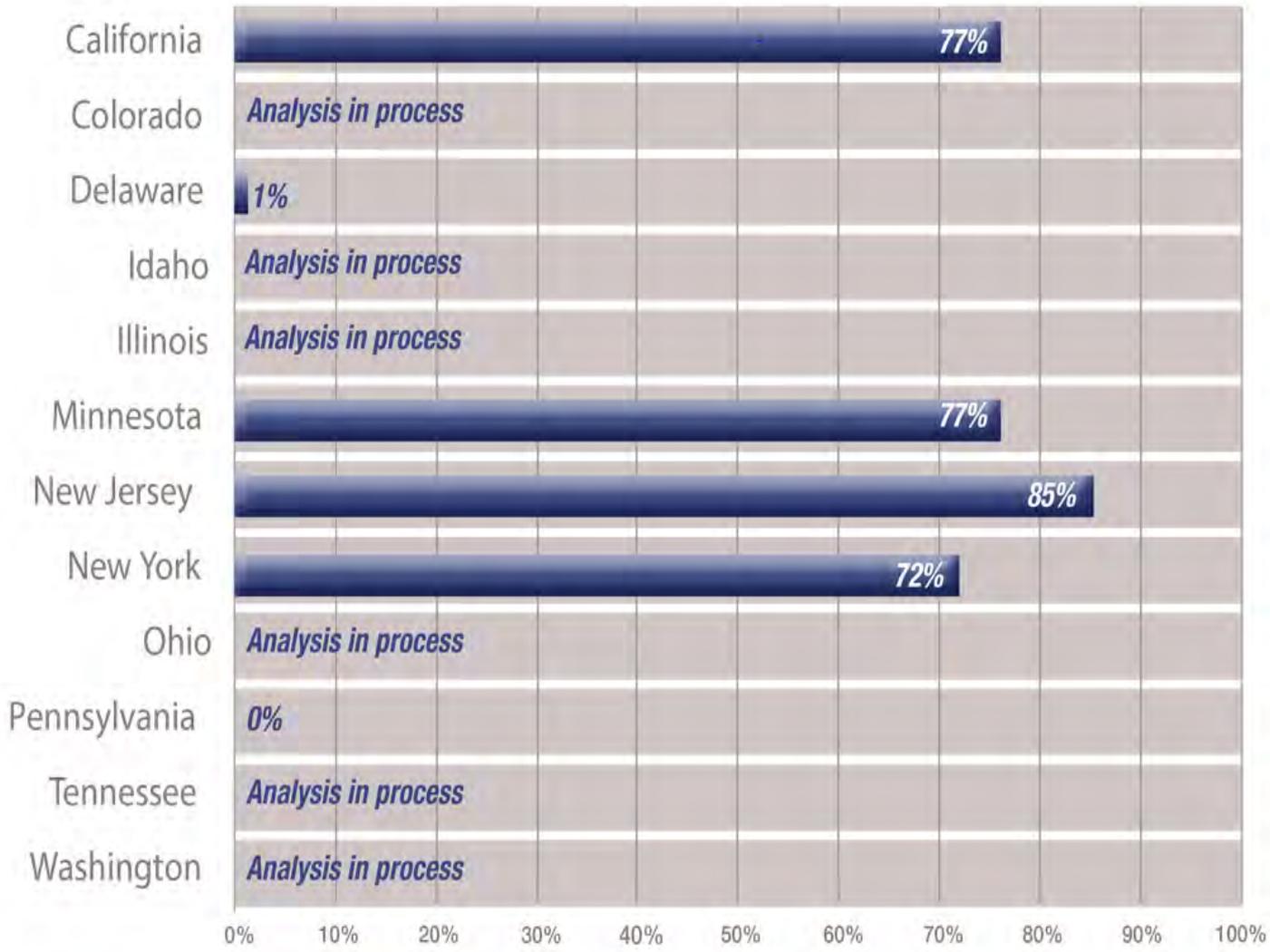
# How much \$\$ to follow students?

## District Dollars Following Students

District	State	Funds Given Directly to Schools (\$M)		GF Operating Budget (\$M)	Percent of Budget Autonomy
Baltimore City Public SS	MD	\$377.50	/	\$1,273.31	29.6%
Boston PS	MA	\$420.66	/	\$995.61	42.3%
Cincinnati City PS	OH	\$211.27	/	\$467.50	45.2%
Denver PS	CO	\$364.72	/	\$823.93	44.3%
Hartford PS	CT	\$167.02	/	\$400.11	41.7%
Houston ISD	TX	\$769.72	/	\$1,793.67	42.9%
Milwaukee PS	WI	\$334.77	/	\$1,143.29	29.3%
Minneapolis PS	MN	\$300.75	/	\$537.58	55.9%
New York City Dept. of Ed.	NY	\$5,000.00	/	\$19,700.00	25.4%
Newark PS	NJ	\$353.53	/	\$924.13	38.3%
Oakland USD	CA	\$197.20	/	\$379.70	51.9%
Prince George's County PS	MD	\$414.30	/	\$1,664.40	24.9%
Poudre SD	CO	\$94.31	/	\$234.15	40.3%
San Francisco USD	CA	\$254.89	/	\$586.42	43.5%
St. Paul PS	MN	\$237.10	/	\$490.60	48.3%

# Edunomics Analysis State Funding Follow the Child to District 1/1/2015

## Percentage of State And Local Monies Disbursed on Basis of Students



# Student-Based Budgeting and School Empowerment

SBB allows public school choice and principal autonomy, for both district and charter public schools.

The funding system gives individuals, particularly school administrators, the autonomy to make local decisions.

Autonomy is granted based on the contractual obligation that principals will meet state and/or district or system standards for student performance.

# Future of School-Level Reporting

The federal DOE is studying school-level reporting in states.

Will likely be a federal requirement after 2016.

## School Based Expenditure Reports School Year 2011-2012

District: 01 School: M142 Title 1: Yes

P.S. 142 Amalia Castro

By Total Dollars

Total Enrollment: 433

General Ed: 357

Full Time Special Ed: 76

	Total	Pct of School Exp	Per Stud Amt	Salary	Fringe	Salary + Fringe	OTPS
<b>I. Direct Services to Schools</b>	\$9,179,987	91.5%	\$21,201	\$4,928,597	\$2,846,567	\$7,775,165	\$1,404,822
<b>A. Classroom Instruction (All Funds)</b>	\$4,834,189	48.2%	\$11,164	\$2,862,354	\$1,619,570	\$4,481,924	\$352,265
i. Teachers	\$4,024,009	40.1%	\$9,293	\$2,585,859	\$1,438,150	\$4,024,009	\$0
ii. Education Paraprofessionals	\$280,303	2.8%	\$647	\$158,388	\$121,916	\$280,303	\$0
iii. Other Classroom Staff	\$987	0.0%	\$2	\$626	\$361	\$987	\$0
iv. Text Books	\$27,856	0.3%	\$64	\$0	\$0	\$0	\$27,856
v. Librarians and Library Books	\$145,913	1.5%	\$337	\$89,730	\$49,418	\$139,147	\$6,765
vi. Instructional Supplies and Equipment	\$25,501	0.3%	\$59	\$0	\$0	\$0	\$25,501
vii. Professional Development	\$86,268	0.9%	\$199	\$13,207	\$5,169	\$18,376	\$67,893
viii. Contracted Instructional Services	\$224,247	2.2%	\$518	\$0	\$0	\$0	\$224,247
ix. Summer and Evening School	\$19,105	0.2%	\$44	\$14,545	\$4,557	\$19,102	\$3
<b>B. Instructional Support Srvc (All Funds)</b>	\$1,918,131	19.1%	\$4,430	\$1,113,751	\$676,391	\$1,790,142	\$127,990
i. Counseling Services	\$70,925	0.7%	\$164	\$56,438	\$14,444	\$70,882	\$43
ii. Attendance & Outreach Services	\$12,113	0.1%	\$28	\$3,127	\$1,699	\$4,826	\$7,287
iii. Related Services	\$1,207,577	12.0%	\$2,789	\$688,795	\$439,876	\$1,128,671	\$78,906
iv. Drug Prevention Programs	\$291	0.0%	\$1	\$181	\$110	\$290	\$0
v. Referral and Evaluation Services (All Funds)	\$456,906	4.6%	\$1,055	\$280,407	\$174,154	\$454,561	\$2,346
vi. After School and Student Activities	\$57,863	0.6%	\$134	\$21,912	\$3,323	\$25,234	\$32,628
vii. Parent Involvement Activities	\$112,457	1.1%	\$260	\$62,893	\$42,784	\$105,677	\$6,780
<b>C. Leadership/Supervision/Support (All Funds)</b>	\$777,529	7.7%	\$1,796	\$458,728	\$276,181	\$734,909	\$42,620
i. Principals	\$222,933	2.2%	\$515	\$141,449	\$81,484	\$222,933	\$0
ii. Assistant Principals	\$343,311	3.4%	\$793	\$218,595	\$124,716	\$343,311	\$0
iii. Supervisors	\$4,006	0.0%	\$9	\$2,540	\$1,466	\$4,006	\$0
iv. Secretaries, School Aides & Other Support Staff	\$164,659	1.6%	\$380	\$96,143	\$68,516	\$164,659	\$0
v. Supplies, Materials, Equipment, Telephones	\$42,620	0.4%	\$98	\$0	\$0	\$0	\$42,620
<b>D. Ancillary Support Services (All Funds)</b>	\$1,064,151	10.6%	\$2,458	\$204,125	\$168,826	\$372,951	\$691,199
i. Food Services	\$517,878	5.2%	\$1,196	\$196,189	\$133,798	\$329,987	\$187,891
ii. Transportation	\$384,692	3.8%	\$888	\$0	\$0	\$0	\$384,692
iii. School Safety	\$133,389	1.3%	\$308	\$2,588	\$32,038	\$34,626	\$98,763
iv. Computer System Support (School Level)	\$28,192	0.3%	\$65	\$5,348	\$2,990	\$8,338	\$19,854
<b>E. Building Services (All Funds)</b>	\$524,778	5.2%	\$1,212	\$243,624	\$105,598	\$349,222	\$175,556
i. Custodial Services	\$326,879	3.3%	\$755	\$228,743	\$96,896	\$325,639	\$1,240
ii. Building Maintenance	\$87,393	0.9%	\$202	\$14,882	\$8,702	\$23,584	\$63,810
iv. Energy	\$110,506	1.1%	\$255	\$0	\$0	\$0	\$110,506
<b>F. Field Support (All Funds)</b>	\$61,209	0.6%	\$141	\$46,016	\$1	\$46,017	\$15,192
i. Additions to Salary / Projected Expenses	\$61,209	0.6%	\$141	\$46,016	\$1	\$46,017	\$15,192

**New York City Department of Education**  
**School Based Expenditure Reports School Year 2011-2012**  
**District: 01 School: M142 Title 1: Yes**  
**P.S. 142 Amalia Castro**  
**By Total Dollars**

Total Enrollment: 433

General Ed: 357

Full Time Special Ed: 76

	Total	Pct of School Exp	Per Stud Amt	Salary	Fringe	Salary + Fringe	OTPS
<b>II. Field Support Costs</b>	\$153,647	1.5%	\$355	\$91,553	\$48,307	\$139,860	\$13,787
A. Instructional Support and Administration (All Funds)	\$137,915	1.4%	\$319	\$78,841	\$45,287	\$124,128	\$13,787
B. Other Field Support Costs (All Funds)	\$15,732	0.2%	\$36	\$12,712	\$3,021	\$15,732	\$0
i. Sabbaticals, Leaves, Termination Pay	\$14,548	0.1%	\$34	\$11,664	\$2,883	\$14,548	\$0
ii. Additions to Regular Salary	\$67	0.0%	\$0	\$67	\$0	\$67	\$0
iii. Projected Expenses	\$1,118	0.0%	\$3	\$981	\$137	\$1,118	\$0
<b>III. System-Wide Costs</b>	\$208,381	2.1%	\$481	\$86,446	\$48,327	\$134,773	\$73,608
A. Central Instructional Support (All Funds)	\$39,892	0.4%	\$92	\$16,976	\$8,630	\$25,606	\$14,286
i. Instructional Offices	\$39,892	0.4%	\$92	\$16,976	\$8,630	\$25,606	\$14,286
B. Central Administration (All Funds)	\$168,489	1.7%	\$389	\$69,469	\$39,697	\$109,167	\$59,323
i. Instructional Offices	\$38,687	0.4%	\$89	\$13,181	\$7,420	\$20,602	\$18,085
ii. Operational Offices	\$115,239	1.1%	\$266	\$48,507	\$27,660	\$76,167	\$39,072
iii. Central Leadership	\$14,564	0.1%	\$34	\$7,781	\$4,617	\$12,398	\$2,166
<b>IV. System-Wide Obligations</b>	\$495,573	4.9%	\$1,145	\$203,793	\$1,196	\$204,989	\$290,584
A. Other System-Wide Obligations (All Funds)	\$495,573	4.9%	\$1,145	\$203,793	\$1,196	\$204,989	\$290,584
i. Debt Service	\$290,471	2.9%	\$671	\$0	\$0	\$0	\$290,471
ii. Retiree Health and Welfare	\$201,834	2.0%	\$466	\$201,834	\$0	\$201,834	\$0
iii. Special Commissioner for Investigation	\$3,267	0.0%	\$8	\$1,958	\$1,196	\$3,154	\$113
<b>Total</b>	<b>\$10,037,589</b>	<b>100%</b>	<b>\$23,181</b>	<b>\$5,310,389</b>	<b>\$2,944,398</b>	<b>\$8,254,786</b>	<b>\$1,782,802</b>

**School Campus: Lee H S District: HOUSTON ISD**

Campus Number: 101912009 Total Membership: 1,359

	General Fund	%	Per Student	All Funds	%	Per Student
<b>Expenditures by Object (Object: 6100-6600)</b>						
Total Expenditures	8,376,036	100.00	6,163	9,744,039	100.00	7,170
Operating-Payroll	7,035,780	84.00	5,177	7,492,779	76.90	5,513
Other Operating	1,186,485	14.17	873	1,902,523	19.52	1,400
Non-Operating(Equip/Supplies)	153,771	1.84	113	348,737	3.58	257
<b>Expenditures by Function (Object: 6100-6400 Only)</b>						
Total Operating Expenditures	8,222,265	100.00	6,050	9,395,302	100.00	6,913
Instruction (11,95) *	5,495,228	66.83	4,044	6,124,947	65.19	4,507
Instructional Res/Media (12) *	190	0.00	0	190	0.00	0
Curriculum/Staff Develop (13) *	290,807	3.54	214	298,247	3.17	219
Instructional Leadership (21) *	1,846	0.02	1	1,846	0.02	1
School Leadership (23) *	889,077	10.81	654	906,346	9.65	667
Guidance Counseling Svcs (31) *	351,043	4.27	258	352,630	3.75	259
Social Work Services (32) *	95,158	1.16	70	95,158	1.01	70
Health Services (33) *	67,192	0.82	49	67,901	0.72	50
Food (35) **	0	0.00	0	472,953	5.03	348
Extracurricular (36) *	230,558	2.80	170	230,558	2.45	170
Plant Maint Operation (51) * **	618,414	7.52	455	623,491	6.64	459
Security/Monitoring (52) * **	53,523	0.65	39	53,709	0.57	40
Data Processing Svcs (53)* **	129,229	1.57	95	167,326	1.78	123
<b>Program expenditures: by Program (Object: 6100-6400 only)</b>						
Total Operating Expenditures	7,190,541	100.00	5,291	7,847,265	100.00	5,774
Regular	4,115,101	57.23	3,028	4,127,354	52.60	3,037
Gifted & Talented	3,982	0.06	3	3,982	0.05	3
Career & Technical	578,733	8.05	426	607,599	7.74	447
Students with Disabilities	885,358	12.31	651	887,570	11.31	653
Accelerated Education	265	0.00	0	265	0.00	0
Bilingual	46,773	0.65	34	62,258	0.79	46
Nondisc AltEd-AEP Basic Serv	0	0.00	0	0	0.00	0
Disc AltEd-DAEP Basic Serv	0	0.00	0	0	0.00	0
Disc AltEd-DAEP Supplemental	0	0.00	0	0	0.00	0
T1 A Schoolwide-St Comp >=40%	1,308,435	18.20	963	1,906,343	24.29	1,403
Athletic Programming	0	0.00	0	0	0.00	0
High School Allotment	251,894	3.50	185	251,894	3.21	185
Prekindergarten	0	0.00	0	0	0.00	0

\*Please refer to Sections 1.4.13-1.4.13.2 in the Financial Accountability System Resource Guide for information concerning requirements for accounting for expenditures by campus.

\*\*Please note that, in many instances, expenditures under function codes 34-99 are not directly attributable to a specific campus. It is recommended that district-level data (<http://www.tea.state.tx.us/index2.aspx?id=2147495078>) be used for the analysis of costs reported by comparable school districts.

Texas

## Rhode Island

The UCOA relies on [SchoolNomics](#)<sup>™</sup>, a methodology that links all costs that benefited students to individual schools in a district. SchoolNomics is used to benchmark every district's spending on a per-pupil basis.

## Rhode Island

The Uniform Chart of Accounts (UCOA) is a method of accounting that provides transparency, uniformity, accountability, and comparability of financial information for all schools and districts.

Rhode Island invests more than \$2.3 billion in elementary and secondary public education. UCOA data provides invaluable financial information that stakeholders at every level can use to make informed investment decisions.

The UCOA standardized account-code structure allows every district, charter public school and state operated school to use the same account codes and methods for tracking revenue and expenses in their daily accounting. This not only allows for an apples-to-apples comparison between districts, but also helps districts in their financial decision-making processes to

# Colorado school NEW school transparency law

- **Uniformity** – The law requires greater standardization in how districts display financial information on their websites. “All districts will have to report [data] in the same fashion,” said Leanne Emm, associate commissioner for school finance at CDE.
- **Data for every school** – Districts ultimately will have to report spending information for individual schools, information that some districts report now but others don’t.
- **One-stop shopping** – Three years from now there will be a single website containing financial information about all districts and schools. The law requires the website to be designed so as “to ensure the greatest degree of clarity and comparability by laypersons of expenditures among school sites, school districts, the state Charter School Institute, and boards of cooperative services.” (The site will be created by a to-be-selected contractor, not CDE.)

# Colorado RFP school-level reporting

## RFP - Online School Level Financial Reporting (SLFR) Website

**Bid Date & Time:** 07/13/15 12:00 PM

**Owner Solic Number:** 2015000238 **Status:** bidding **Report:** 6367249

**Country:** United States **State:** CO **County:** Denver

**Location:** Denver

**Scope:** Provide online school level financial reporting (SLFR) website, the respondent shall provide detailed, standardized security procedures for review and approval by the state. Approved security procedures shall be included in the work plan. The procedures must: a. Define a secure architecture to protect processing, storing, and reporting environments from network-based attacks. B. Provide security procedures and safeguards to ensure that electronic files and data are developed, used, and maintained in a secure manner to protect the confidentiality of all personally identifiable information. See attached files.

**Notes:** Deadline for questions: 6/22/2015, 5:00 PM.

**Plans:** From Owner. See attached files.

**Owner Type:** Public

# Key Findings

Greater  
Principal  
Autonomy

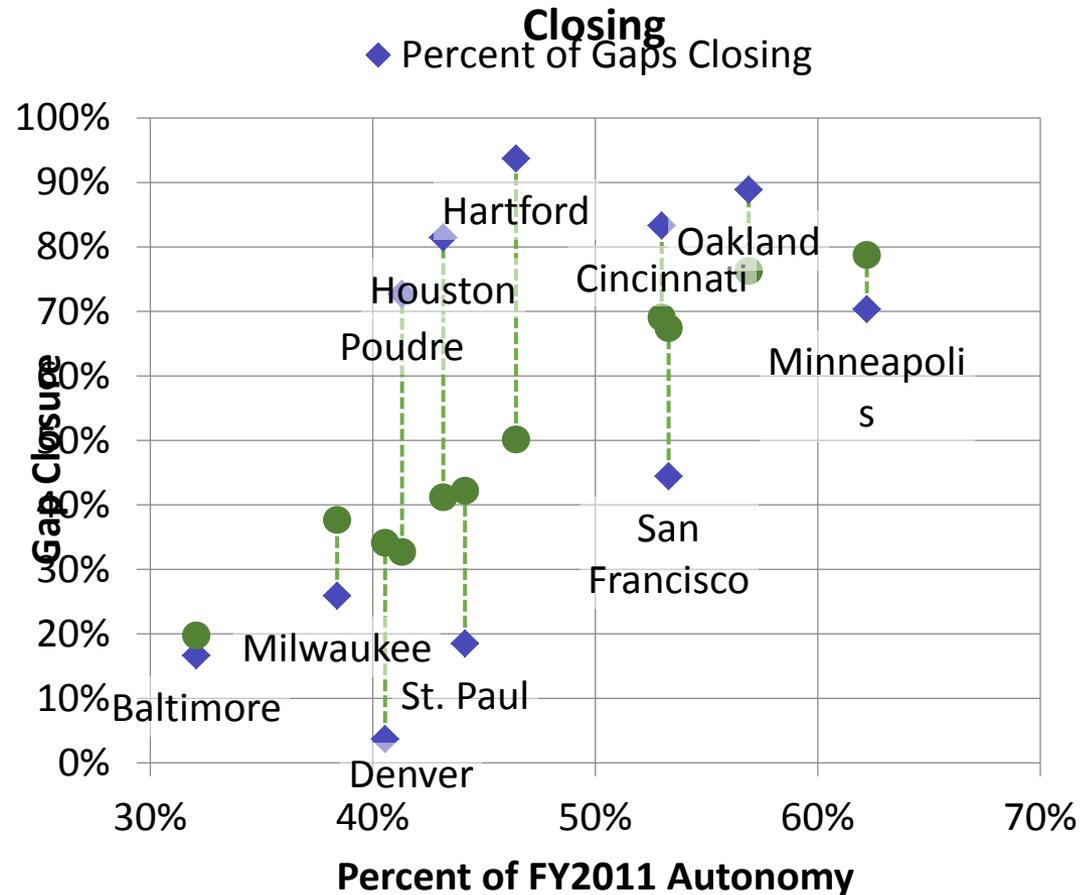
Better  
Student  
Outcomes



“Holding all else constant, a school district that allocated 50 percent of its FY2011 budget to weighted student formula, where money follows the student, is nearly 10 times more likely to close achievement gaps than a district that only allocated 20 percent of its FY2011 budget to weighted student formula.”

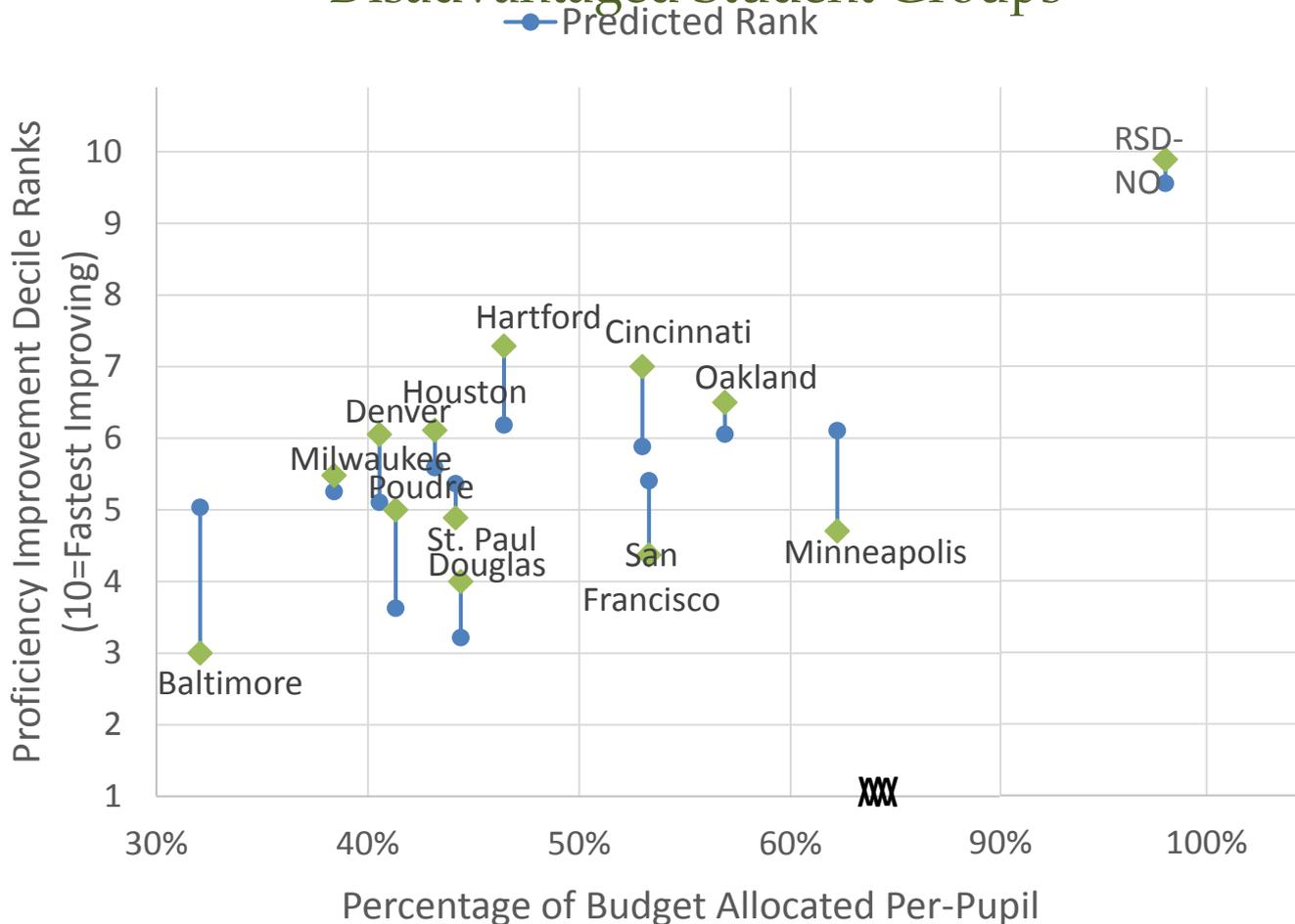
2013 Weighted Student Formula Yearbook

Percent of Achievement Gaps Closing vs. Predicted Probability of Achievement Gap Closing



# Predicted Improvement Rank vs. Average Improvement Rank

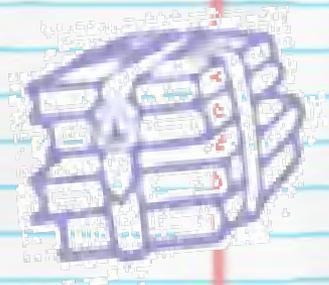
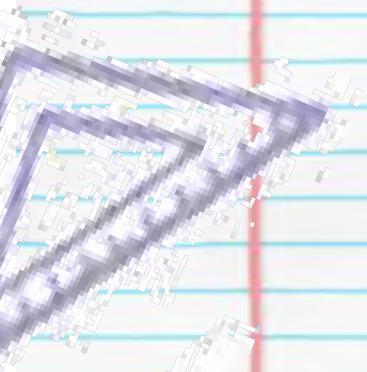
## Disadvantaged Student Groups



“School districts with a higher amount of budget autonomy are predicted to have a higher ranking for proficiency improvement, though their actual rankings may be higher or lower depending on exogenous factors.”

# Big Backpack Ideas for Arizona

- The state level funding formula should be changed so that the money follows the child to the school level.
- All funding streams including federal and local bonds and overrides should flow to students rather than districts to level the playing field between charters and traditional schools.
- School funding must be transparent and equitable at the school level rather than the district level.
- Both charter schools and traditional schools should be funded based on current year enrollment.
- Schools should receive revenue in the same way that the district receives revenue, on a per-pupil basis reflecting the enrollment at a school and the individual characteristics of students at each school.
- Principals must be able to make decisions about how to spend resources in terms of staffing and programs.



*Reason*



# Retention Strategies

Arizona State  
Chamber  
Becky Hill

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Office of the Governor



# Student Centered Funding

Policy Levers and Transparency:  
Strategies for Student Achievement

# Transparency: Language Matters

- Formula Simplicity
- Labels tell the story
- Switch the context from practitioner driven to parent driven

# What We Say

- **BASE LEVEL FUNDING – 2.** "Base level" means the following amounts plus the percentage increases to the base level as provided in sections 15-902.04, 15-918.04, 15-919.04 and 15-952, except that if a school district or charter school is eligible for an increase in the base level as provided in two or more of these sections, the base level amount shall be calculated by compounding rather than adding the sum of one plus the percentage of the increase from those different sections:
- **GROUP “A” WEIGHT** – Not a single weight but a series of weights depending on grade level followed by a Special Education weight
- **GROUP “B” WEIGHT** – K-3 programmatic weights, plus ELL, plus Special Education -14 weights Total; Mostly Special Education but not all

# What we Might Say

- Base Funding for all Students
- Additional funding by grade level
- Additional funding to Support Students in Special Education programs
- Additional Funding to support English Language Learners
- Funding options to support Teachers
- Funding options to support struggling students in any school
- Additional Dollars for schools that support learning at grade level for all students

# Where We Say It

- A.R.S – State Law Houses our formula and the confusing language that drives it
- USFR – This packet of documents that school districts and charter school systems fill out to show compliance and how money is spent is focused on central office and not individual schools

# Public Policy Triplets

- Transparency, Student Centered Funding & Policy Levers are synonyms for one another
- How to leverage funding for improvement is easier if you can “see” and understand your formula and where it goes
- How can Working Groups pair these concepts to develop recommendations

# Need to See What you Want to Fund

- Achievement:
- Improvement: Close the Achievement Gap
- Address Special Education
- Adequately Staffed Schools
  - Enough excellent teachers and principals

# Governor's Direction

- Be Transparent
- Use transparency to drive solutions for students in poverty and to support special education
- Recognize Achievement
- Empower Great Principals

# Educators

- Poverty
  - Prepared Teachers
  - Supported Teachers who Stay
  - Fund Best Practices: More flexibility for highest achievers
- Special Education
  - Prepared Teachers
  - Supported Teachers who Stay
  - Appropriately allocated resources for teachers and students (revisit funding models)
- Achievement:
  - Prepared and Supported Teachers who Stay
  - Reward Achievement – resources, students, flexibility
  - Variety of Models and Learning Options
  - High Standards and Expectations

# THE ISSUE

How the Formula Impacts Funding and change

What we don't have

v.

What we don't use to best effect

# Key Take-Aways



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Office of the Governor

# Adjourn



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Office of the Governor

# Equitable Funding Structure

## Working Group



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Office of the Governor

# Welcome



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Office of the Governor

# Redesign to Restore Equalized Base Funding

**AASBO, Goldwater  
Institute, Arizona  
Charter Schools  
Association**

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Office of the Governor



# Equitable Funding Structure Work Group

August 13, 2015



**AASBO**  
Arizona Association of  
School Business Officials



# OBJECTIVE:

Phase-in structure of equitable K12 finance  
for a student-based allocation model

Redesign the system to restore an equalized base

- standardized property tax rates
- state general fund appropriations

that contributes to all public K-12 students



**AASBO**  
Arizona Association of  
School Business Officials



# State Funding Formula for 2014-15 School Year

		District		Charter	
	Elem.	H.S.	Elem.	H.S.	
Basic student count amount *	\$3,831.32	\$4,195.27	\$3,784.02	\$4,143.47	
Capital Outlay Revenue Limit and Soft Capital	\$450.76	\$492.94	N/A	N/A	
Transportation	\$235.00	\$235.00	N/A	N/A	
Additional Assistance	N/A	N/A	\$1,621.97	\$1,890.38	
Total Funding Level	\$4,517.08	\$4,923.20	\$5,405.99	\$6,033.85	
Group B Special Ed.		Same for Districts & Charters			
Difference from District	N/A	N/A	\$888.91 19.6%	\$1,110.65 22.6%	

Source AZ Association of School Business Officials

Note: Not included in the formula amounts are those items that come to school districts from local property taxes such as budget overrides, desegregation dollars, and other items outside the Revenue Control Limit (RCL) and funding provided by the School Facilities Board and School Bonding.

# Funding Unavailable to Charter Schools & Some LEAs

## Operational

K-3 Overrides	\$4,764,208
M&O Overrides	\$386,576,764
Desegregation*	\$209,889,989
Dropout Prevention**	\$5,775,403
Small School Adjustment	\$24,751,128

## Capital

Capital Overrides	\$76,057,060
Capital Debt Service	\$712,770,689
School Facilities Board Debt Service	\$64,000,000
Building Renewal Funds	\$30,900,00
Adjacent Ways	\$72,465,669
<b>TOTAL</b>	<b>\$1,587,950,910</b>
Average Per-Pupil (1.2M enrollment)	\$1,323.29

\*Limited to 19 districts

\*\*Amount frozen since 1999\no new districts; no additional funding

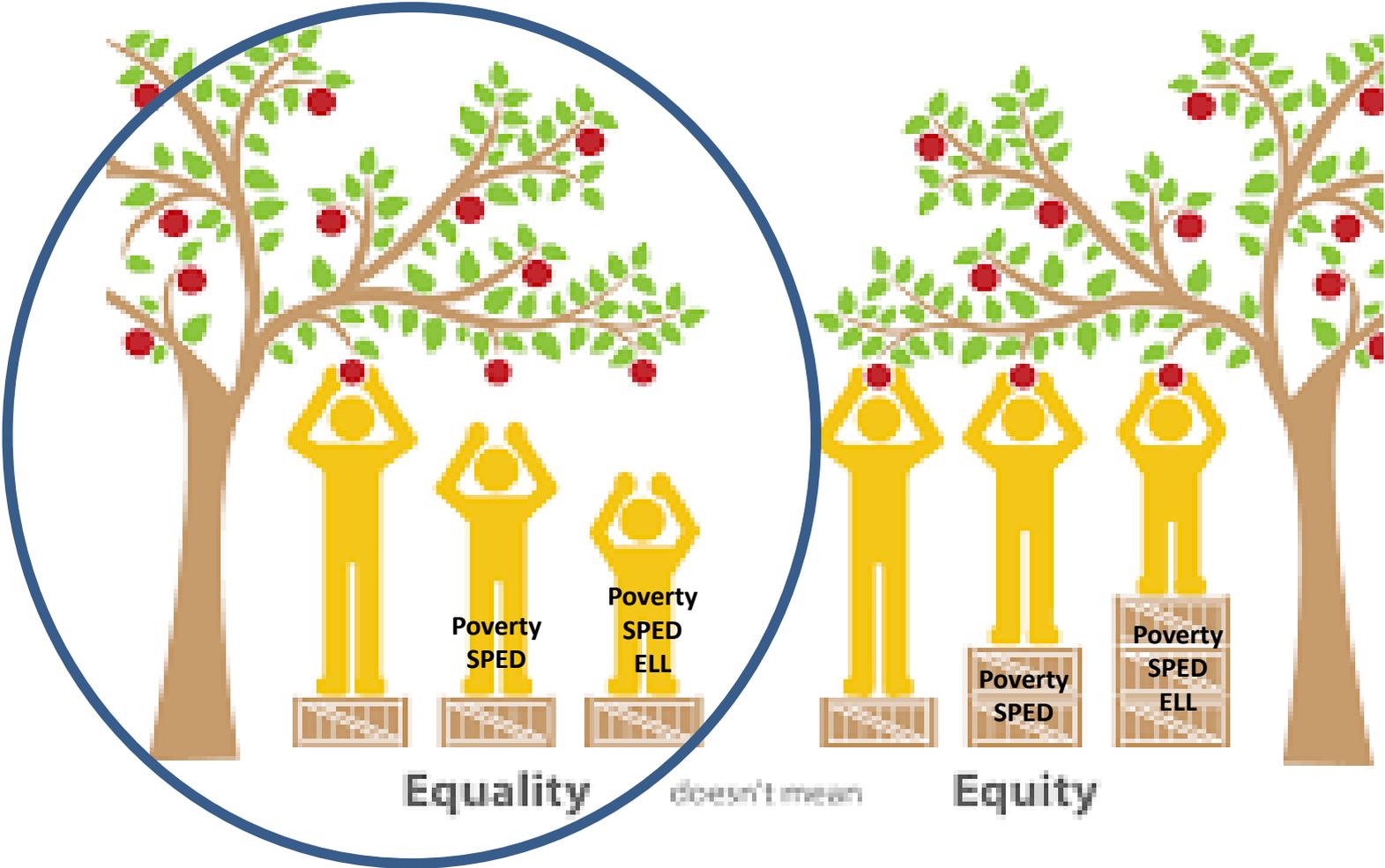
# **OPERATIONAL CONSIDERATIONS**

## **DEFINED AS: PAYING ONGOING EXPENSES ON AN ANNUAL BASIS**

Definition is flexible depending on a school's annual needs. For example, technology was considered a one-time fixed cost, but now may be included annually in a school's operational budget.

We are NOT discussing one-time costs such as buildings or facilities.

# Outcome: Equitable Funding Structure



Equalization Base Funding + Equitable Student Based Funding

# Equalization Base Funding Objectives

1. Uniform for public students
2. Defines state commitment to students- wherever they are enrolled
3. Addresses student needs
4. Equalized tax burden for the equalization base funding (overrides and facilities are not included)
5. State funding cannot control federal funding and other grants

# Current Inequities in Equalization Base Funding Formula

1. Teacher Experience Index (TEI)
2. Teacher Compensation\Evaluation (1.25%)
3. Additional assistance:
  1. District: transportation, technology and textbooks
  2. Charter: ALL capital, transportation, technology and textbooks
4. Small School Weight (?)
5. AOI (Online) (.95 full-time/.85 part-time)

# Weight Issues In the Equalization Base Funding

- Weight for grade level adjustment for high school and JTED.
  - Is it appropriate ?
  - Based on a study from 1970's which may not reflect current needs
- Special Education Funding-
  - Is it adequate based on population? Last report 2006-07
  - Is it properly structured to address extraordinary costs?

# Weight Issues In Equalization Base Funding Effects Distribution of Funds

Distribution of funds based on:

- Weighted Student Counts: Base support, CSF
- Unweighted Student Counts : Indian Gaming
- District and charter additional assistance is higher for high school students
  - District is adjusted also for size

# How does Arizona fund an equalization base?

Redesign the system to restore an equalized base\*

- Standardized property tax rates
- State general fund appropriations that contribute to ALL public K-12 students

\*JLBC support needed to get financial data

# Options: Tough questions!

- What is outside the equalization base to allow stable, predictable information for taxpayers?
  - Desegregation\Office of Civil Rights
  - Adjacent ways
  - Small school district adjustment
  - Transportation
  - Dropout prevention
  - Bonds & Debt Service
  - Overrides (K-3; M&O; Capital)
  - School Facilities Board Funding

# Options: Tough questions, continued!

- Do we need more state oversight?
- Do these items need to be brought into the equalization base? Or add as a weight? Or distributed through a grant program?
- What about student population growth?
  - Arizona has one of the highest projections for growth in the country, according to National Center for Education Statistics.
- Should differences exist if local communities want to increase support?

“If the options were easy political solutions, the student inequities would have been solved long ago!”

Your consultants.



**AASBO**  
Arizona Association of  
School Business Officials



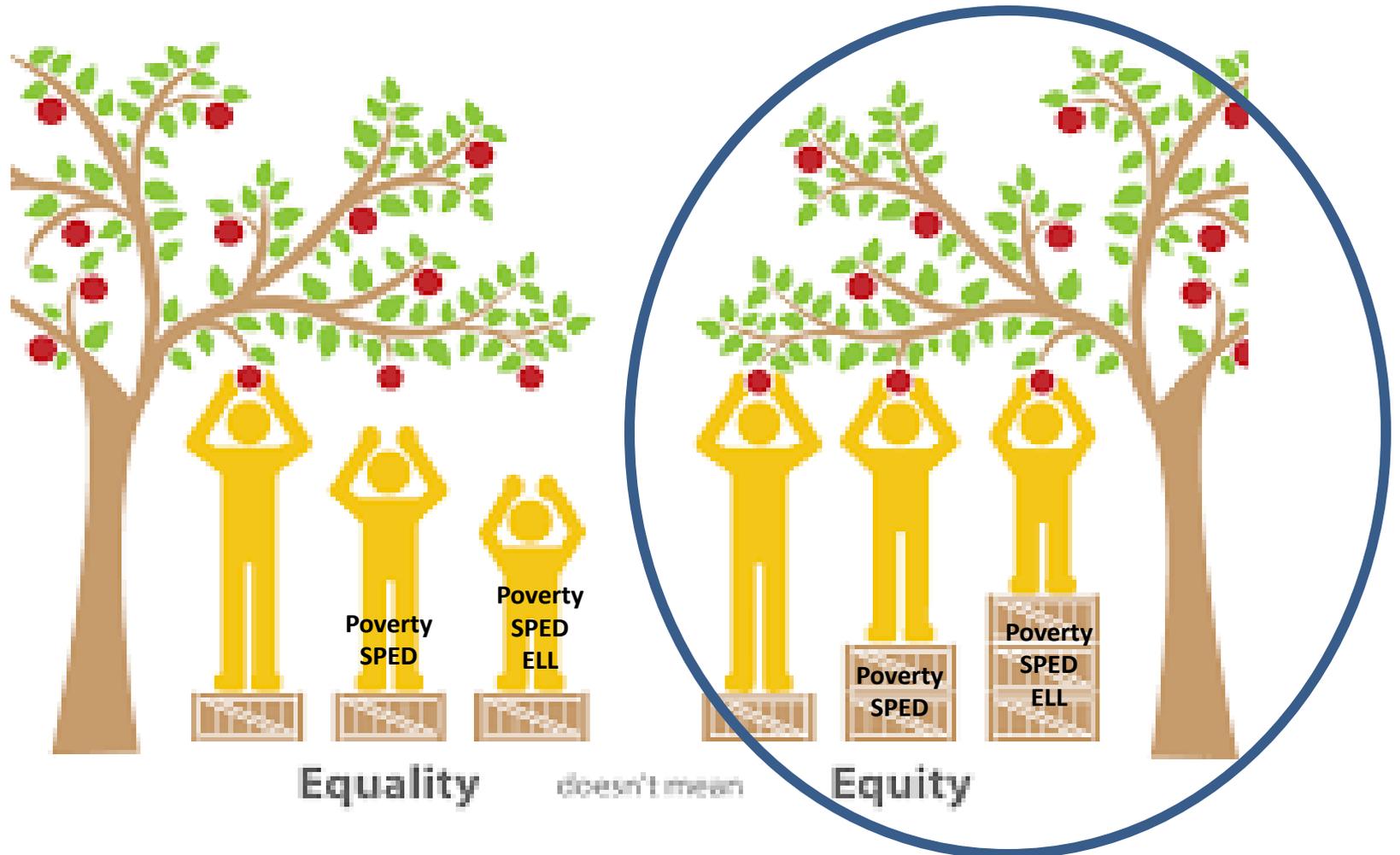
Next time:

**CAPITAL CONSIDERATIONS**

**&**

**EQUITABLE STUDENT-BASED FUNDING**

# Outcome: Equitable Funding Structure



Equalization Base Funding + Equitable Student Based Funding

# Equity Funding: Group “B” Considerations\*

## Equitable Student-Based Funding

- At-risk student weight
- 1% funding for highly impacted special education (i.e., CO)
- Full-day kindergarten funding (?)

\*Highlighting as part of our equalization base



# Adjourn



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Office of the Governor

# Incentives for Excellence

## Working Group



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Office of the Governor

# Welcome



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Office of the Governor

# Recognition of Success

## **A for Arizona**

Lisa Graham Keegan



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Office of the Governor



# Incentives for Excellence

## August 13 Working Group

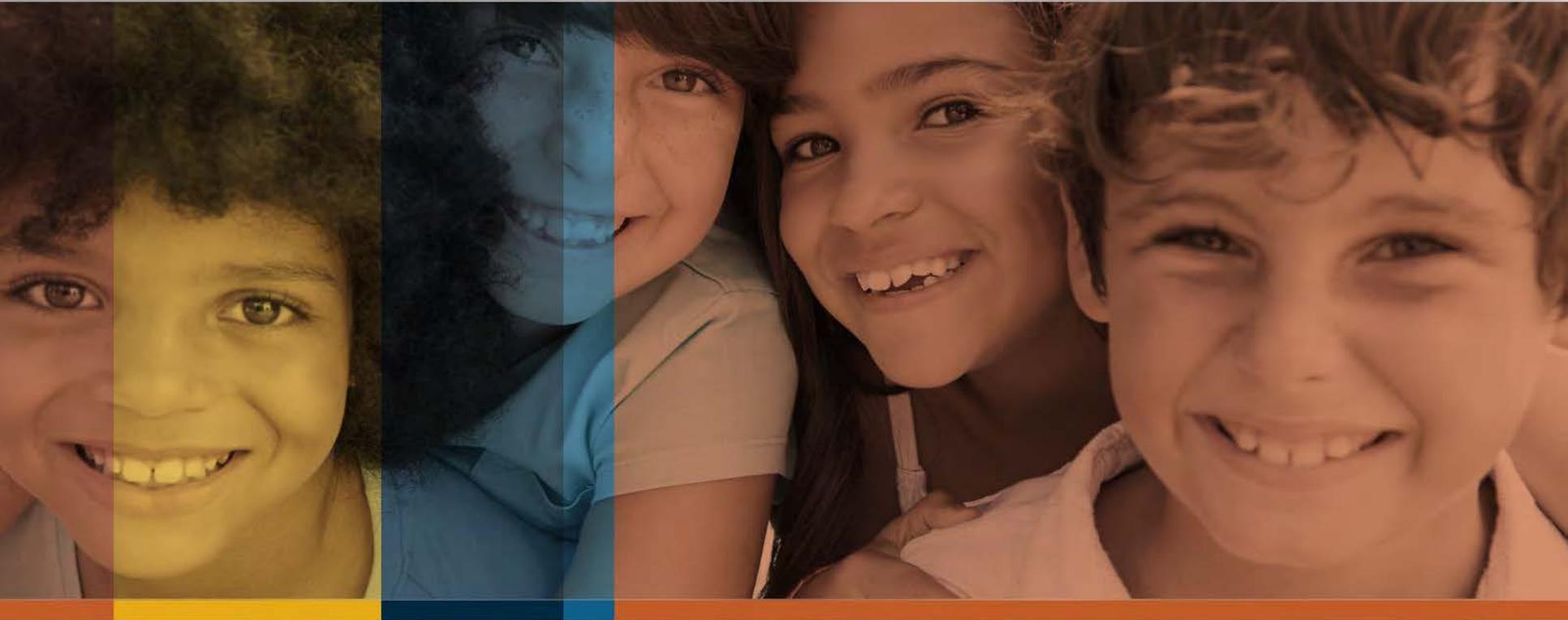


Education  
Finance  
Reform Group

# Why Incentives?



**Not for a pizza party.**



Great school leaders are intrinsically motivated. Serious incentives will support their work and the state's vision for all students.



## **Incentives Should Shape the System.**

- Create the greatest number of students in “A” quality schools in the least amount of time.
- Make “A” honest and attainable, then reward “A”.
- “A” schools should not struggle to sustain or grow their work.



# The Achievement District Can Grow “A” Schools

- Additional dollars through school weights
- Maximal autonomy in the school/system
- Qualified School Replication

# “A” School Weights

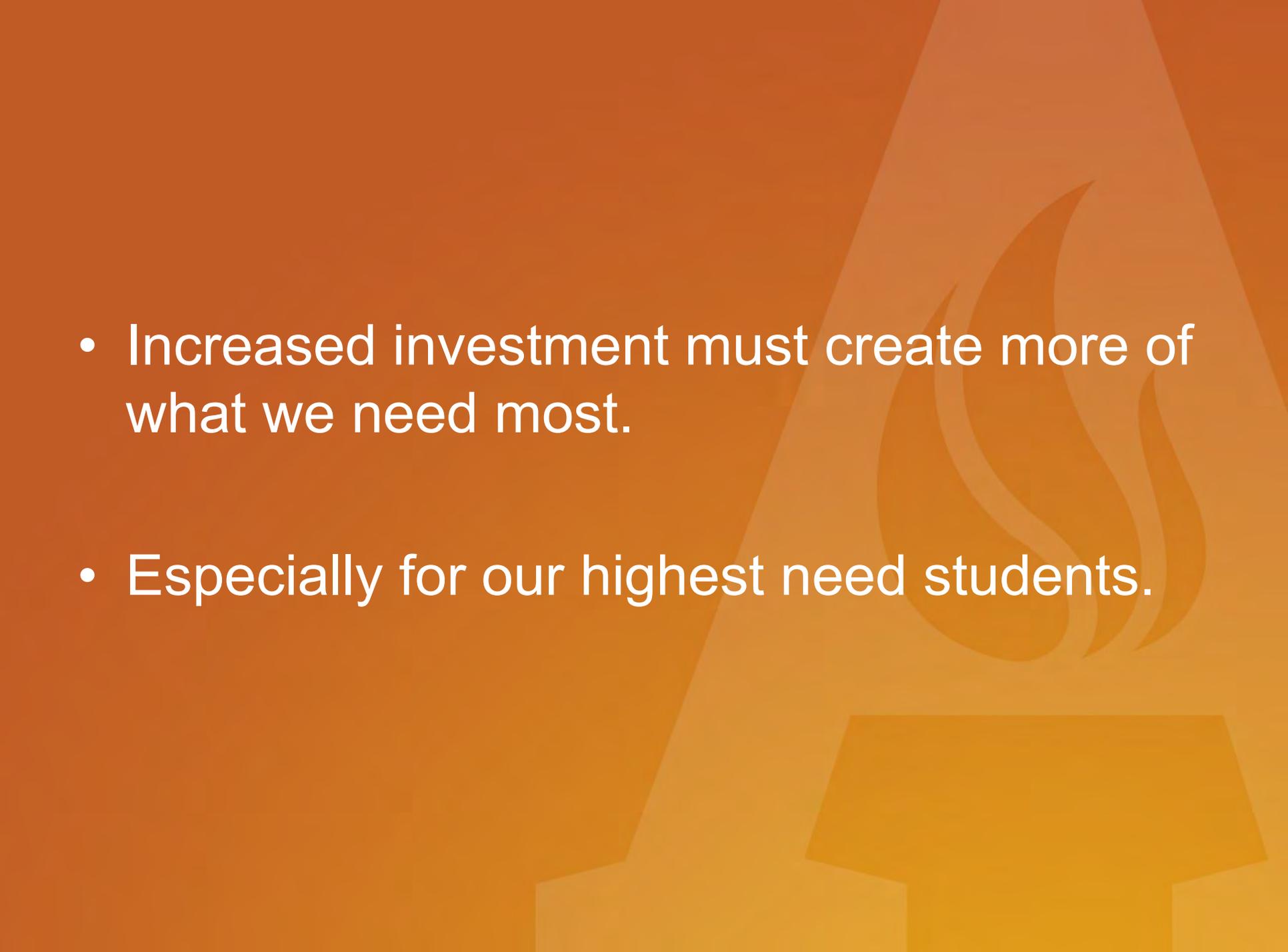
- High-Wealth A School Weight =  $X$
- Mid-Wealth A School Weight =  $1.5X$
- **Low-Wealth A School Weight =  $2X$**

# “On the Way to A”

Consider a smaller weight to B grade schools whose gain scores are high.

# Low-income schools take more time.

- So why not offer a low-income weight to all low-income students?
- We do.
- Arizona's Federal Title I funds are meant to support this need and average around \$1000 per pupil.

- 
- Increased investment must create more of what we need most.
  - Especially for our highest need students.



# Achievement District Leaders Should have Maximal Autonomy





Arizona can decide to grow only excellent schools.





Excellence is a decision that hundreds of our public schools have already made.



Our actions now can encourage hundreds more to do the same.



# Adjourn



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Office of the Governor

# Student Centered Learning Priorities Working Group



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Office of the Governor

# Welcome



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Office of the Governor

# Teacher Pipeline

**Arizona Chamber of  
Commerce, Arizona  
School Boards  
Association**

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Office of the Governor



# Teacher Pipeline

Options for Support

# Successful Start for Teachers: Prep

- ✿ Excellent Students Become Excellent Teachers
- ✿ More practical experience in the Classroom
- ✿ Do more to prepare Teachers for closing Achievement gap
- ✿ Understand Placement Policies

# It's Not You, Oh Wait...

- ❁ Retention is a combination of Pay and Culture
- ❁ Address pay policies and current resources for support: transparency, competitiveness
- ❁ Expand teacher mentoring and leadership

# Teacher Leaders

- ❁ Leaders who Mentor and Coach



# Programs that Multi-Task

- ❁ K12 Center's Arizona Master Teacher
- ❁ LEA designed programs
- ❁ National Board Certified
- ❁ The New Teacher Project: PhillyPLUS
- ❁ TNTP: Denver's "Differentiated Roles"

# \$

- ✿ Governor Ducey's Land Trust Proposal
- ✿ Be strategic with funding formula buckets
- ✿ Design Impact Grants that leverage Philanthropy and Identify Excellent Programs
- ✿ Understand Regional competitiveness
- ✿ Explore a Starting Pay initiative
- ✿ Examine Efficacy of Loan Repayment Programs

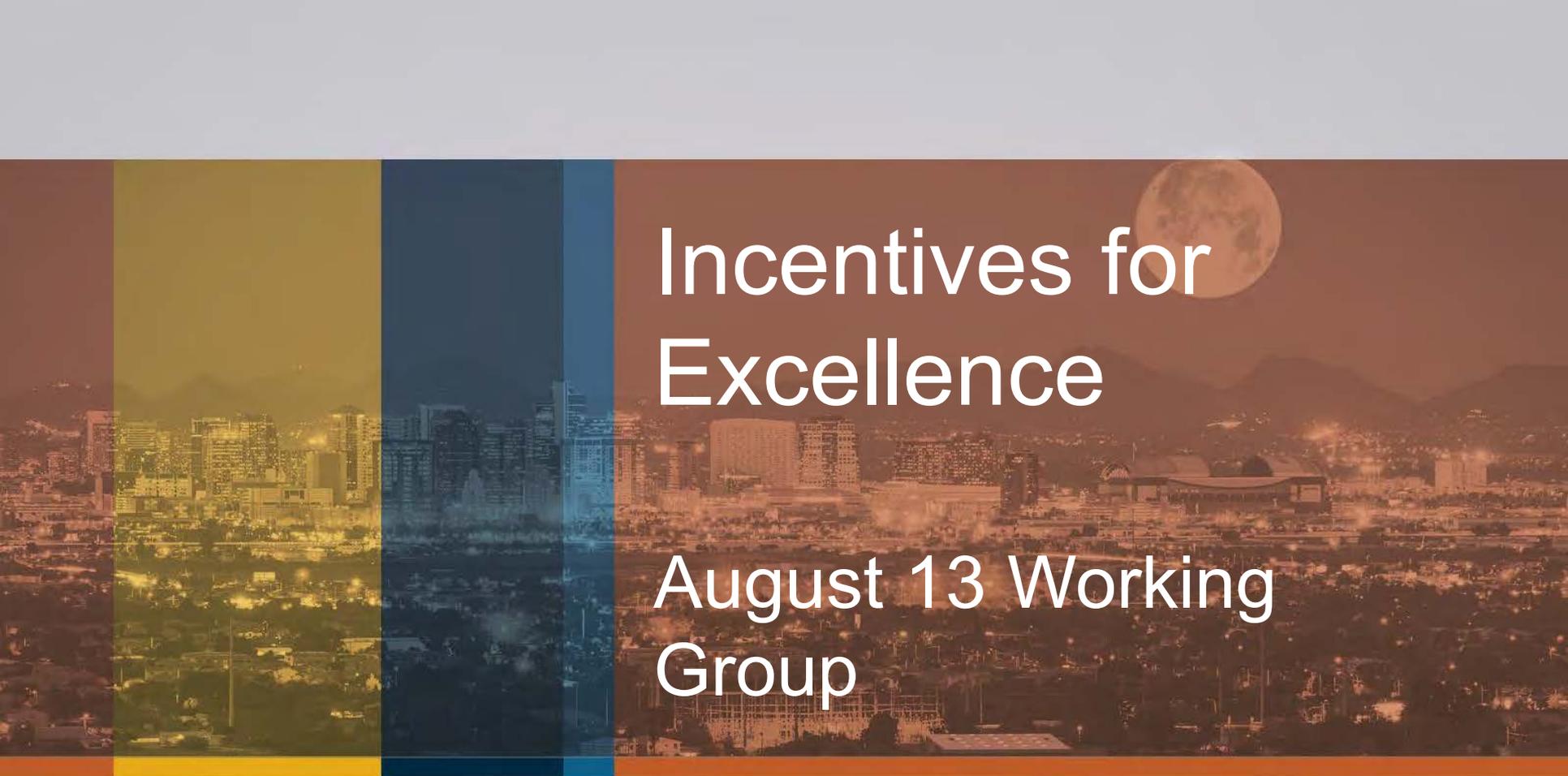
# Closing the Achievement Gap

**Arizona Chamber of  
Commerce, Arizona  
School Boards  
Association**

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Office of the Governor



A nighttime cityscape with a full moon in the sky. The image is overlaid with four vertical color bars: brown, yellow, dark blue, and light blue. The text is white and centered on the right side of the image.

# Incentives for Excellence

## August 13 Working Group

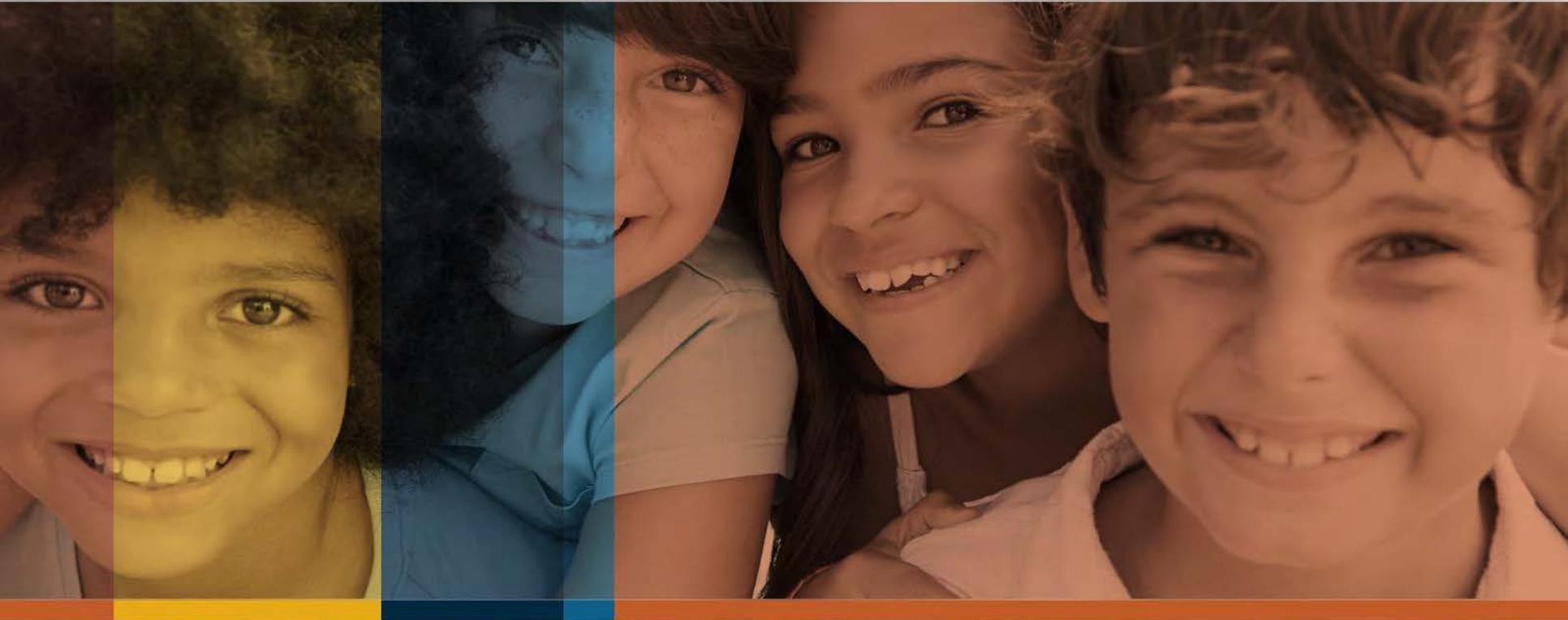


Education  
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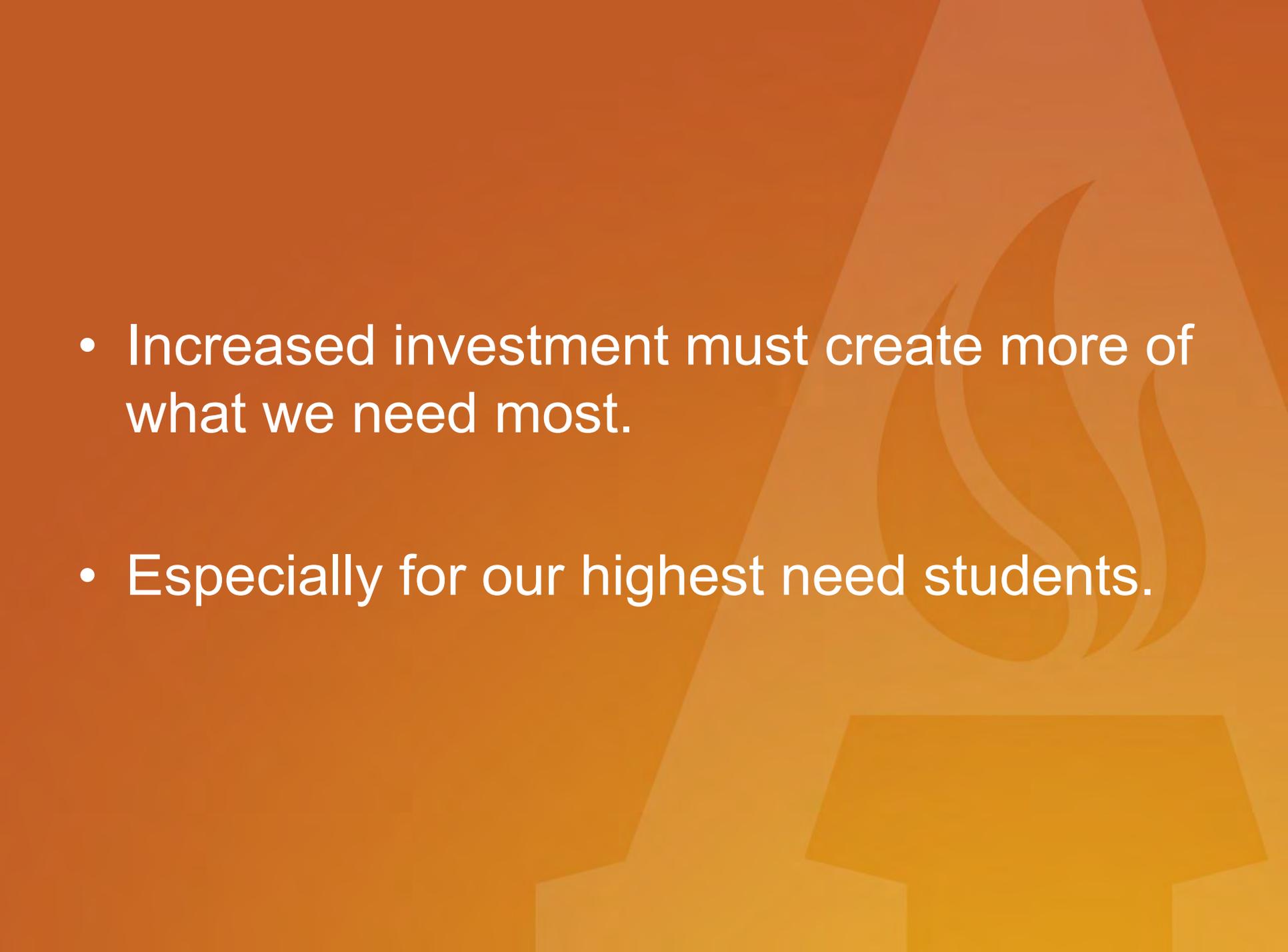
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Consider a smaller weight to B grade schools whose gain scores are high.

# Low-income schools take more time.

- So why not offer a low-income weight to all low-income students?
- We do.
- Arizona's Federal Title I funds are meant to support this need and average around \$1000 per pupil.

- 
- Increased investment must create more of what we need most.
  - Especially for our highest need students.



# Achievement District Leaders Should have Maximal Autonomy





Arizona can decide to grow only excellent schools.





Excellence is a decision that hundreds of our public schools have already made.



Our actions now can encourage hundreds more to do the same.



# Adjourn



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Office of the Governor

# Equitable Funding Structure

## Working Group



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Office of the Governor

# Welcome



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Office of the Governor

# Assorted Funding Topics

**AASBO, Goldwater  
Institute, Arizona  
Charter Schools  
Association**

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Office of the Governor



# Equitable Funding Structure Work Group

August 27, 2015



**AASBO**  
Arizona Association of  
School Business Officials



# Today's Agenda

- Concepts for consideration:
  - Special Education
  - Teacher Funding
  - Per pupil Funding Overview
- 8/13/15 Working Group questions- answered

# Special Education

- Student-specific costs: The special education debate centers largely on two questions:
  - What is the true cost of special education?; and
  - Are these special education costs diverting funds from general education programs?
- Consideration:

Conduct an updated cost study for special education students including the cost of transportation

# Catastrophic Special Education Fund

- Student-specific costs: Private placement and services for the most “significantly impacted students” (1%) significantly exceed state funding

- Consideration:

Once a child is identified by an LEA as needing special education services outside the LEA or for catastrophic (top 1%) services, Arizona – and not the LEA - is financially responsible for that student

# Catastrophic Special Education Fund

- A.R.S. §15-774 should be revised;
- *See National Association of State Directors of Special Education*  
[http://nasdse.org/DesktopModules/DNNspot-Store/ProductFiles/82\\_dce66976-08dd-4cdd-abbd-1397e973c81a.pdf](http://nasdse.org/DesktopModules/DNNspot-Store/ProductFiles/82_dce66976-08dd-4cdd-abbd-1397e973c81a.pdf)
- *Colorado has had a tiered system of state funding since 2007*
  - *A base amount goes to all students with disabilities. A second tier gives additional funding to more impacted areas, e.g., autism, multiple disabilities, traumatic brain injury, etc. A third tier helps defray local costs for students with disabilities where educational needs are \$40,000 or greater.*

# Allocation of Resources

- District LEA's abilities to allocate and carry forward resources (funding) is limited and creates inefficiencies and perverse spending behaviors
  - Charter LEA's are not subject to these limitations
- Consideration:
  1. Simplify District LEA accounting for full expenditure flexibility; and
  2. Either increase or eliminate carry-forward limitation
    - Currently set at 4% for District LEAs

# Base Level Teacher Funding

- The equitable based allocation does not provide charter LEAs access to teacher funding thus creating an inequity
- Consideration:
  1. Make Teacher Compensation (1.25%) uniform for all LEAs; and
  2. Make Teacher Experience Index (TEI) calculations uniform for all LEAs

# Per-Pupil Funding Concept Overview-

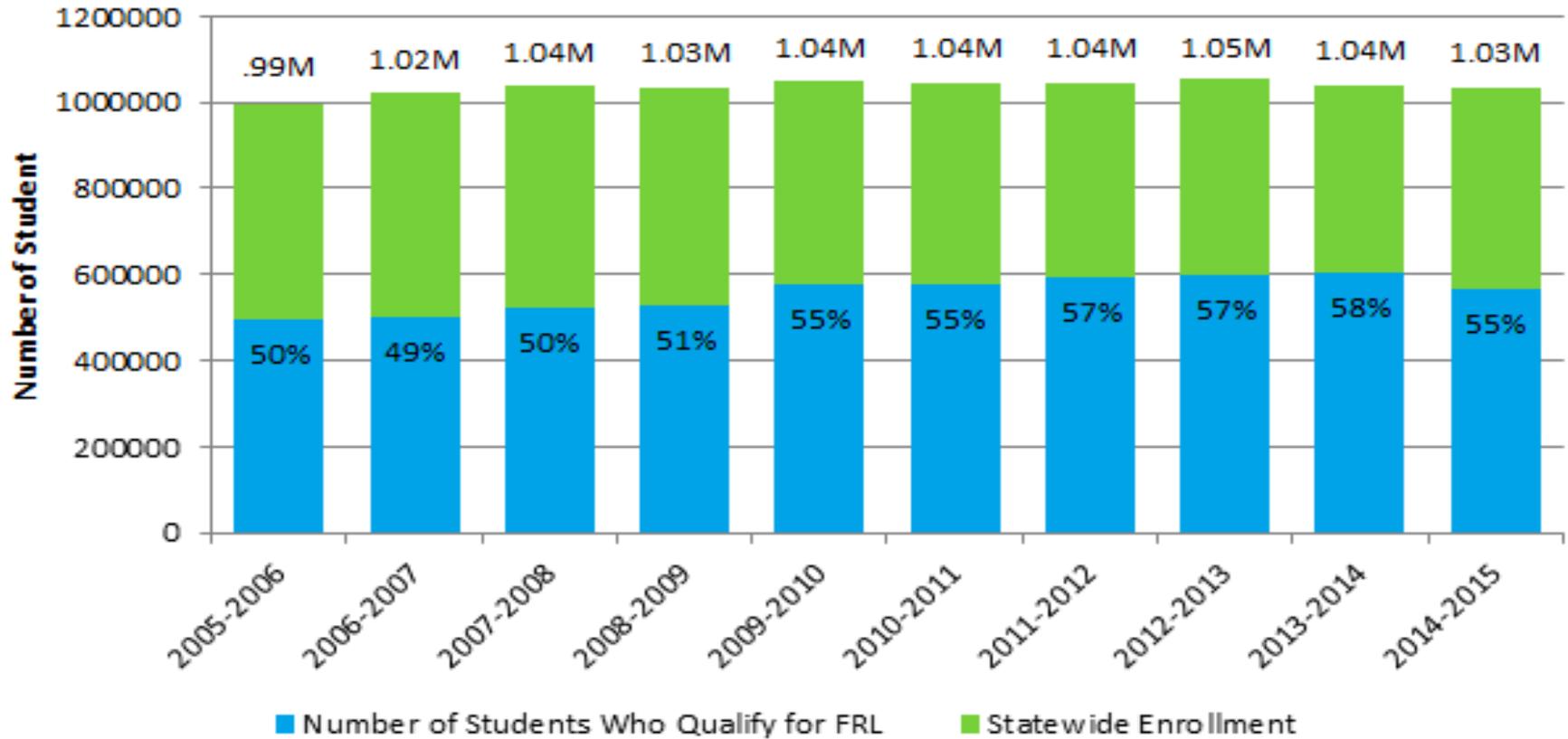
## Uniform formula for all LEAs

1. Base-level
  2. Grade-specific weights
  3. School-type specific weights  
Isolated; Quality
  4. Additional Assistance  
Capital; Transportation
  5. Student-specific weights  
At-risk; Gifted & Talented
- 
- Equalization Base**
- Equity Funding**

This overview attempts to operationalize other working groups recommendations, i.e., at-risk and quality school weights

# Arizona's Student Population

## Statewide Enrollment with Percent Free and Reduced Lunch



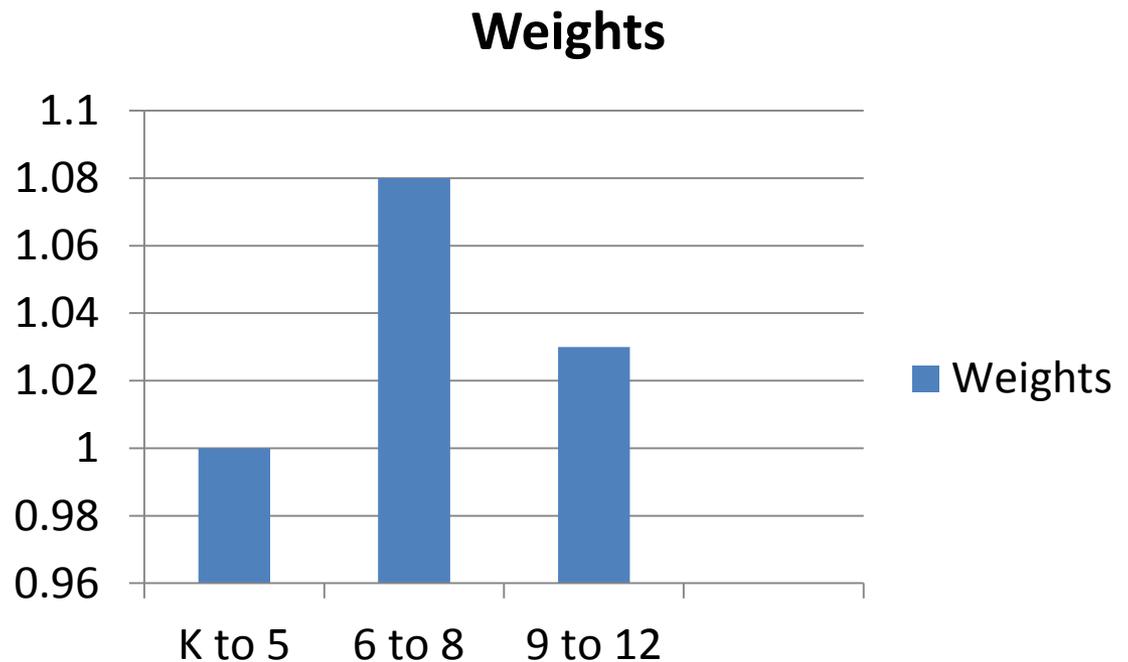
**Poverty Trend: Increasing**  
**Predicted Growth: 1 million more students by 2030**

# 8/13/15 Working Group Questions

1. Are there studies regarding weights associated with Elementary vs. High School? What are the costs- is our weight at high school sufficient?
2. What do other states do to fund special education students?
3. How many LEAS went out for overrides in 2014-15, what percentage of districts and what were the totals?

# Elementary vs. High School Weights New York

- K to 5 (1.00)
- 6 to 8 (1.08)
- 9 to 12 (1.03)



Source: New York City Department of Education 1/15/13

[http://schools.nyc.gov/offices/d\\_chanc\\_oper/budget/dbor/allocationmemo/fy12\\_13/FY13\\_PDF/FSF\\_Guide.pdf](http://schools.nyc.gov/offices/d_chanc_oper/budget/dbor/allocationmemo/fy12_13/FY13_PDF/FSF_Guide.pdf)

# Grade Level Weights Rationale- New York

Every student receives a grade weight determined by his or her grade level:

- **Elementary school students** weight is set at the primary weight of 1.00, and it serves as the starting point for the calculation of all of the subsequent Fair Student Funding weights.
- **Middle school students** carry the largest weights due to their high drop-offs in student achievement, as well as higher teacher-cost factors.
  - The percentage of students at or above grade level on the 2011 State ELA and Math exams was almost 22 percent lower for 8th graders than for 5th graders (44% dual subject passage rate for 8th graders vs. 56% dual subject passage rate for 5th graders)
  - As middle schools program by subject area, 1.4 middle school teachers are needed to cover each class, compared to 1.2 for elementary school classes
- **Students in grades 9–12** are weighted at a slightly higher level than grades K–5 for several reasons:
  - Older students tend to have higher costs for non-personnel (such as more costly science materials);
  - They often take electives that break into smaller classes; and
  - Their schools often require more administrative personnel
  - This approach is consistent with our historic funding practices and with practices in other cities.

# Grade Level Weights Rationale- Arizona

- High School students are weighted higher than elementary or middle school students due to:
  - Size
    - Larger enrollment requires more administrative staff to maintain school safety
  - Facilities
    - Sports
    - Instructional settings associated with core and elective courses, i.e., science labs, arts, etc.
  - Curriculum Options have an impact on staffing and therefore have potentially higher talent costs
    - AP
    - Electives
    - Smaller class sizes (due to electives and advanced classes)

# Arizona's Instructional Hours

- (A.R.S.) §15-901(A)(2) sets instructional hours
- Instructional time varies by grade level and AOI
  - Middle school students are required by statute to attend more minutes of instruction than any other grade level

Grade Level	INSTRUCTIONAL HOURS PER YEAR		
	FY2010 AND PREVIOUS FISCAL YEARS	FY2011 AND FISCAL YEARS THEREAFTER	AOI* FY2011 AND FISCAL YEARS THEREAFTER
Kindergarten	356	356	346
1, 2 and 3	712	712	712
4, 5 and 6	890	890	890
7 and 8	1,068	1,000	1,068
9, 10, 11 and 12	720	720	900

# Special Education Resources

- State funding mechanisms for students with disabilities. (Study)
  - 50 state reports on funding students with disabilities
  - This database contains information about states' primary funding mechanisms for students with disabilities.
  - It includes an interactive map, with each state's choice of funding: formula, categorical or reimbursement funding. From the database, you can generate profiles of states' funding mechanisms and view 50-state reports by data point.
- The Progress of Education Reform: A look at funding for students with disabilities. (Study)
  - This issue of ECS' Progress of Education Reform outlines some facts -- and myths -- surrounding the federal Individual with Disabilities Education Act (IDEA) and how its passage has made state policymakers think differently about how they fund their public schools.

# English Language Learner Resources

- State funding mechanisms for English Language Learners. (Study)
  - As demographics of the nation's schools continue to shift, state-level policy surrounding English language learners (ELLs) becomes increasingly important.
  - Information regarding the various methods of funding of ELL students can be confusing and difficult to locate.
  - This report provides a clear and detailed description of the ways states finance ELLs and allows policymakers to evaluate their own funding models against those from other states.

# Five-Year Average Bonds/Overrides

- Bonds (2009-2014):
  - 13 Bond Elections
  - 78% pass rate
- Overrides (2009-2014):
  - 42 Override Elections
  - 47% pass rate



# Adjourn



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Office of the Governor

# Incentives for Excellence

## Working Group



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Office of the Governor

# Welcome



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Office of the Governor

# Procurement & Achievement Weights

**A for Arizona,  
Education Finance  
Reform Group,  
Center for Student  
Achievement**

Office of the Governor





# Incentives for Excellence

August 27 Working Group



Education  
Finance  
Reform  
Group



Education  
Finance  
Reform Group

## Follow-Up Tasks

- Procurement and reporting – What can we get rid of?
- Modeling of Achievement & Gains weights
  - ‘C’ Gainers School Data



Education  
Finance  
Reform Group

## A.R.S. § 15-215

- If a school district or charter school has an 'A'-grade during at least 2 of the last 3 consecutive years, they may receive exemptions from statutes and rules relating to
  - Schools,
  - Charter schools,
  - School district governing boards,
  - Charter school governing bodies, and
  - School Districts
- School can identify and submit exemptions to SBE for approval



Education  
Finance  
Reform Group

## A.R.S. § 15-215(B)(1-7): Exceptions to exemptions

- SBE may approve exemptions for 'A' schools, except for those rules/statutes that apply to:
  1. Certification
  2. Health and Safety
  3. State academic standards and assessment
  4. Requirements for the graduation of pupils from high school
  5. Special education
  - 6. Financial compliance and procurement requirements**
  7. School and school district accountability provisions of § 15-241



Education  
Finance  
Reform Group

# Modifying Exceptions to Exemptions in A.R.S. § 15-215 **Flexibility for 'A' schools**

- Financial Audits
- Financial Freedom
- Self-certify
- Procurement rules



Education  
Finance  
Reform Group

# Conforming Two Systems

- Procurement Rules
- Financial Reporting
  - USFR suspended for charters districts still required
  - Reports are different in both content and complexity
- Spending limits, budget capacity and restriction of funds
  - Restricted for districts and flexible for charters
- Teachers (see handout)
- Unfunded Standards
  - SFB: Library books
- Special Education Allocation budgeting



Education  
Finance  
Reform Group

## Modeling of Achievement Weights

- 0-20% A: **X**
- 21-59% A: **1.5X**
- 60%+ A: **2X**
- Gainers: **TBD**



Questions?



Education  
Finance  
Reform  
Group

# Adjourn



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Office of the Governor

# Student Centered Learning Priorities Working Group



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Office of the Governor

# Welcome



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Office of the Governor

# Classroom Spending

**Arizona Chamber of  
Commerce, Arizona  
School Boards  
Association**

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Office of the Governor



# Classroom Spending

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Becky Hill, Arizona Chamber of Commerce

Janice Palmer, Arizona School Boards  
Association

# History of Dollars in the Classroom

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- Prop. 301 changed the debate: More money = more accountability
- July 1, 2001 – Established the School Wide Audit Team in the Office of the Auditor General
  - Dollars in the Classroom report
- 2010 reforms - Focus on achievement
- 2015 – Dollars in the Classroom reemerges
  - What is “classroom?”

# Auditor General's Dollars in the Classroom Report – Teachers and Administrators

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- Salaries and benefits for administrators are 31% lower than national average
  - National \$904
  - Arizona \$621
- Arizona's larger classroom sizes partially explain the differential 18.6 v 16; generally lower funding levels and teacher shortage exacerbate this issue
- Teacher support is up from 2009
  - In 2010 two important things happened that impact the need to pay more attention to teacher Professional Development: New Standards and Educator Evaluations

# Auditor General's Dollars in the Classroom Report – Utilities

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- Arizona's plant operations costs are primarily due to energy costs
- Phoenix Metro Area is hottest in the country with most days above 99 degrees ([currentresults.com](http://currentresults.com))
- Miami is second hottest but they have lower utility costs ([Numbeo.com](http://Numbeo.com))
- Top 10 hottest states ([currentresults.com](http://currentresults.com))

# Auditor General's Dollars in the Classroom Report – Poverty and Special Needs

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- Poverty and Special Needs are *directly* correlated to higher spending on Student Support
- In the most recent NAEP, Arizona was fourth best in the country in closing the gap in fourth grade reading.
- We also know in Arizona that we fund based on Special Ed diagnosis rather than scope of services. In other words, if we paid more for the services out of the formula it would show up in classroom not non-classroom.

# Arizona Current vs. New Classroom Reporting

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## Existing FY2014

Administration	10%
Plant Operations	12.2%
Food Service	5.3%
Transportation	4.9%
Student Support	7.9%
Instruction Support	5.9%
<b>Instruction</b>	<b>53.8%</b>

## New FY2014

Administration	10%
Plant Operations	12.2%
Food Service	5.3%
Transportation	4.9%
<b>Total % of Classroom Spending 67.6%</b>	

# National Current FY 2014 Vs. New Classroom Reporting

## Arizona Classroom Spending

Instruction	53.8%
Student Support	7.9%
Instruction Support	5.9%
Total	67.6%

## U.S. Classroom Spending

Instruction	60.9%
Student Support	5.6%
Instruction Support	4.8%
Total	71.3%

# Is This Information Valuable?

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- Does this information drive decisions or is there a better way?
  - Page 3 Succinctly explains the differentials and makes the point that any problems with classroom versus “other” is more of a district-by-district exercise and that legitimate Arizona-specific issues exist for the cost differentials in most cases
  - Inefficient v. Efficient
- Inputs v. Outputs
  - Focus on Dollars in the Classroom or Achievement?

# Competency-Based Education

## Foundation for Excellence in Education

Karla Phillips

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Office of the Governor







# Foundation for Excellence in Education

Our vision is to build an education system that maximizes every student’s potential for learning and prepares all students for success in the 21st century.

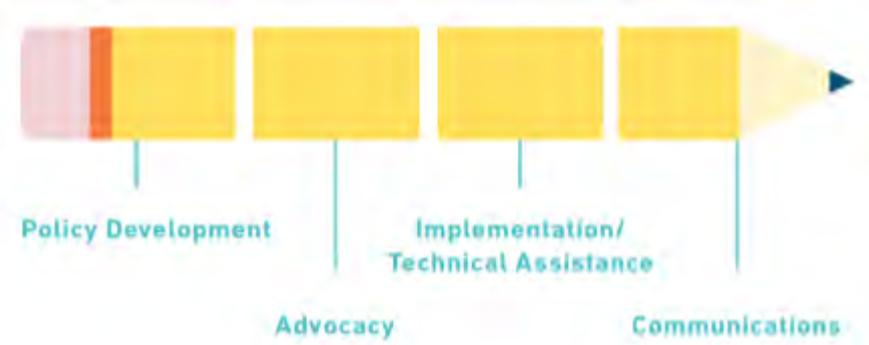
## Our Guiding Principles

All children can learn.

All children should learn at least a year’s worth of knowledge in a year’s time.

All children will achieve when education is organized around the singular goal of student success.

## What We Do



## Our Board of Directors



**Dr. Condoleezza Rice**  
Chair of the Board of Directors



**F. Philip Handy**  
President of the Board of Directors



**Reginald J. Brown**  
Board of Directors



**César Conde**  
Board of Directors



**Betsy DeVos**  
Board of Directors



**Joel Klein**  
Board of Directors



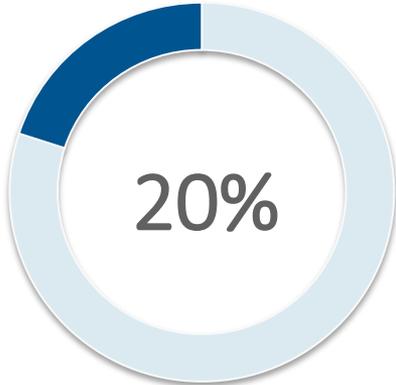
**William Obendorf**  
Board of Directors



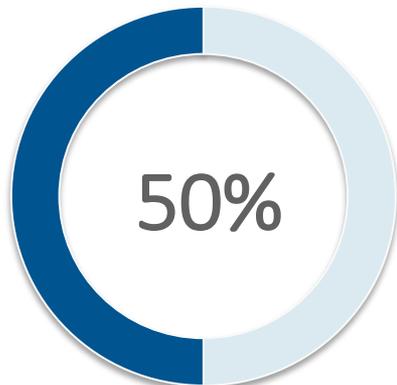
**Charles R. Schwab**  
Board of Directors



# Parents Trust Schools to Tell Them if Their Child is Succeeding, but Post-Graduation Numbers Tell a Different Story

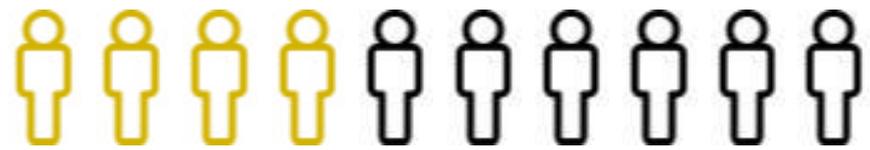


Of those entering four-year universities are placed in remedial classes.



Of students entering two-year colleges are placed in remedial classes.

Nearly **4 in 10 remedial students** in community colleges never complete their remedial courses



Annually, **\$7 billion** spent on remedial coursework.

**1.7 million** beginning students start in remediation each year.

Sources: Complete College America and National Bureau of Economic Research



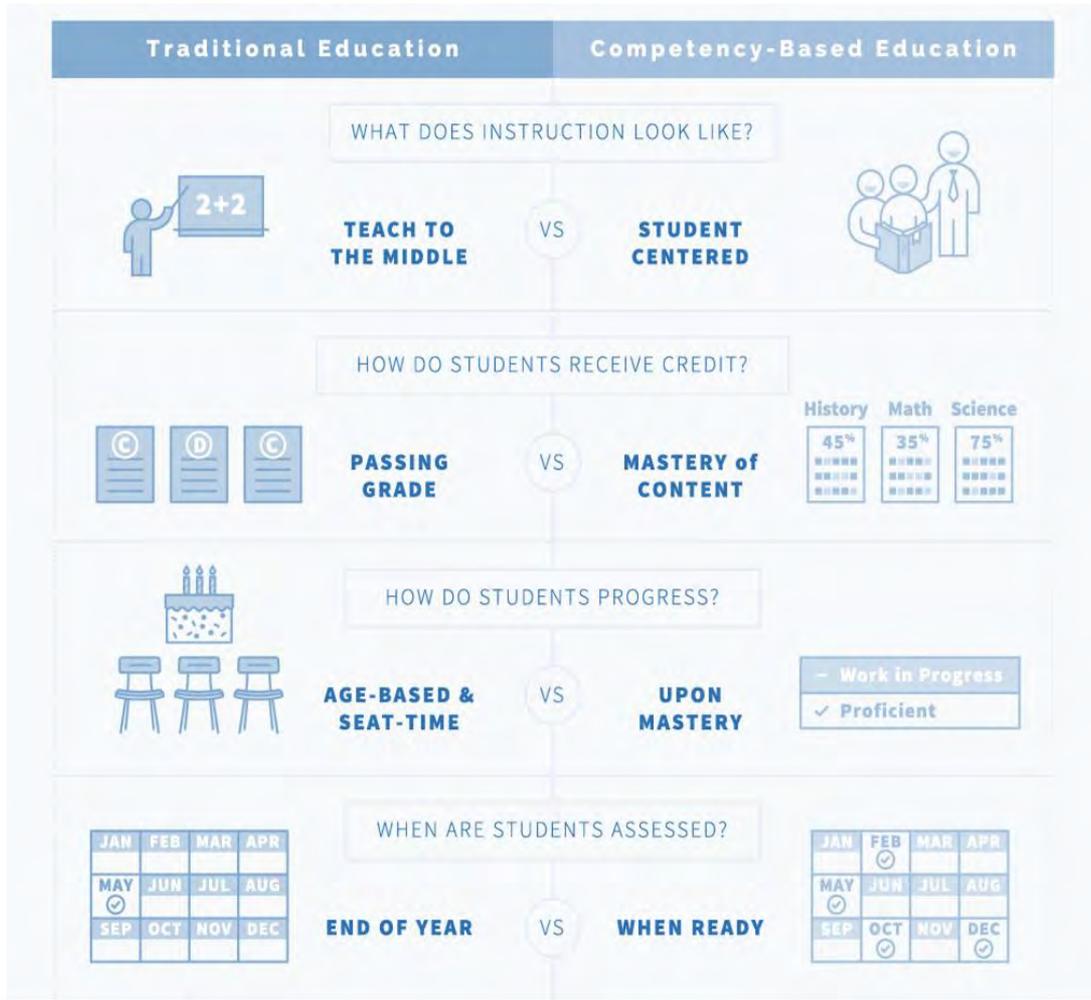
# What is Competency-Based Education?

Time should be the variable, and learning the constant.

## Competency-based education

is a system where students advance to higher levels of learning when they demonstrate mastery of concepts and skills regardless of time, place or pace.

## Shift in Instruction and Learning:





# Where Can States Begin?

1

## **Flexibility from Time Based Systems**

Eliminate policies that tie the award of credit to the amount of minutes spent in a classroom and provide flexibility from mandatory time-based attendance reporting requirements as well as required 180-day annual calendars and fixed amounts of daily instructional minutes per day.

2

## **Facilitate Higher Education Acceptance**

Develop a certification or other assurance that higher education will recognize for competency-based diplomas.

3

## **Transition to Proficiency-Based Diplomas**

Amend graduation requirements to require that diplomas must be competency-based and specifically preclude the use of seat-time for credit acquisition and redefine course and credit requirements as competencies.

4

## **Create Innovation Districts and Schools**

To empower innovative leaders who already have a clear vision for transition to a competency based system, states can authorize a competency-based pilot.

5

## **Encourage Anytime, Anywhere Learning**

Encourage learning out-of-school, after-school, and before school activities. Eliminate policies that impede a schools ability to award credit for extended learning opportunities.



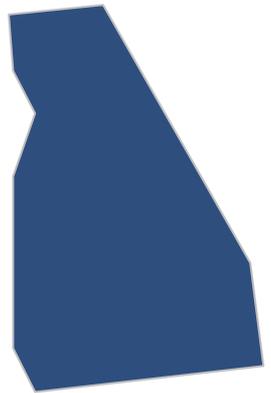


# Implementation Challenges

- 1 State Graduation Requirements
- 2 Data Systems
- 3 Assessment Policies
- 4 Accountability
- 5 School Finance

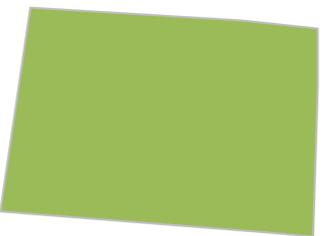


# Challenge 1: State Graduation Requirements



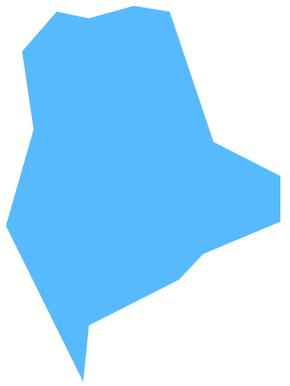
## New Hampshire:

Abolished Carnegie Unit and directed that all high schools determine credit by students' mastery of material, rather than time spent in class.



## Colorado:

Embedded competency-based education into graduation guidelines.



## Maine:

Proficiency Based diplomas legislated: Beginning in 2017, a diploma indicating graduation from a secondary school must be based on student demonstration of proficiency.



# Challenge 2: Data Systems

Competency-based learning  
\_\_\_\_\_ vs. \_\_\_\_\_  
Learning management systems

- Competency-based learning strains existing data systems: Student management systems, interaction with state data reporting systems, record keeping system/ gradebook.
- Current learning management systems are difficult to use in a system committed to flexible pacing and numerous pathways for their students to advance.



# Challenge 3: Assessment Policies

## State Policies



**Ohio** Innovation Lab Network assessment waivers.



**New Hampshire** - USED waiver – the Performance Assessment of Competency Education (PACE).



**North Carolina** SBE recommendation to pilot through course assessments. 9,000 5th and 6th graders will take shorter assessments throughout the year.

## Federal Policies

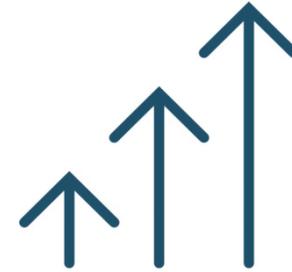


Innovative Assessment and Accountability Demonstration Authority in Senate ESEA Reauthorization bill.

# Challenge 4: Accountability



Senate ESEA Reauthorization proposal includes accountability.



Proficiency and growth should both play a role.

## How can accountability and competency-based education co-exist?



Accountability systems will need to reinforce a pace that reflects a four year graduation expectation while providing incentives for acceleration and credit for students needing extended time for achieving readiness.

# Challenge 5: School Finance



- The days of students sitting behind a desk in the same school for the exact amount of legally required minutes are slipping away.
- A school finance system based on the amount of time students physically spend in a building or in a desk **has created a zero-sum game and has multiple implications**



# Challenge 5: School Finance

Some states have made fundamental steps to reframe their school finance conversations:



**Idaho's** Task Force for Improving Education made recommendations to “enhance fiscal stability and remove current barriers to personalized and/or mastery learning models...”



**Utah** passed SB 393 directing the State Board of Education to develop recommendations for a funding formula to support competency based education.



**Georgia** Governor Deal's Digital Learning Task Force recommended designing “a funding mechanism that provides flexibility to foster blended and competency-based learning while balancing the operational needs of districts.”

# Challenge 5: School Finance



The conversations and recommendations of each state differ, but there is one common theme:

*These states recognize the need for a school finance formula that is flexible and breaks the connection between seat time (a.k.a. average daily membership) and funding.*



# ExcelinEd Competency-Based Initiative

ExcelinEd is partnering with state leaders and local schools to build a shared vision and understanding of competency-based models.



The pilots will assist participating states in setting a path to a competency-based system that addresses unique policy landscapes and starting points.



# Competency-Based Education Resources and Materials

- ExcelinEd Fundamental Principles
- Digital Learning Now: [The Shift from Cohorts to Competency](#)
- *CompetencyWorks*: [Aligning K-12 State Policies with CBE](#)
- iNACOL - *CompetencyWorks*: [Necessary for Success](#)
- Achieve: [Advancing Competency Based Pathways to College and Career](#)
- KnowledgeWorks: [Policy and Political Landscape for K-12 Competency Education](#)
- CCSSO: [Roadmap for Competency-Based Systems](#)



# Thank You !

Foundation for Excellence in Education  
P.O. Box 10691  
Tallahassee, FL 32302



(850) 391-4090



(786) 664-1794



[info@excelined.org](mailto:info@excelined.org)



# Adjourn



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Office of the Governor

# JTED Funding

**Classrooms First Initiative Council**

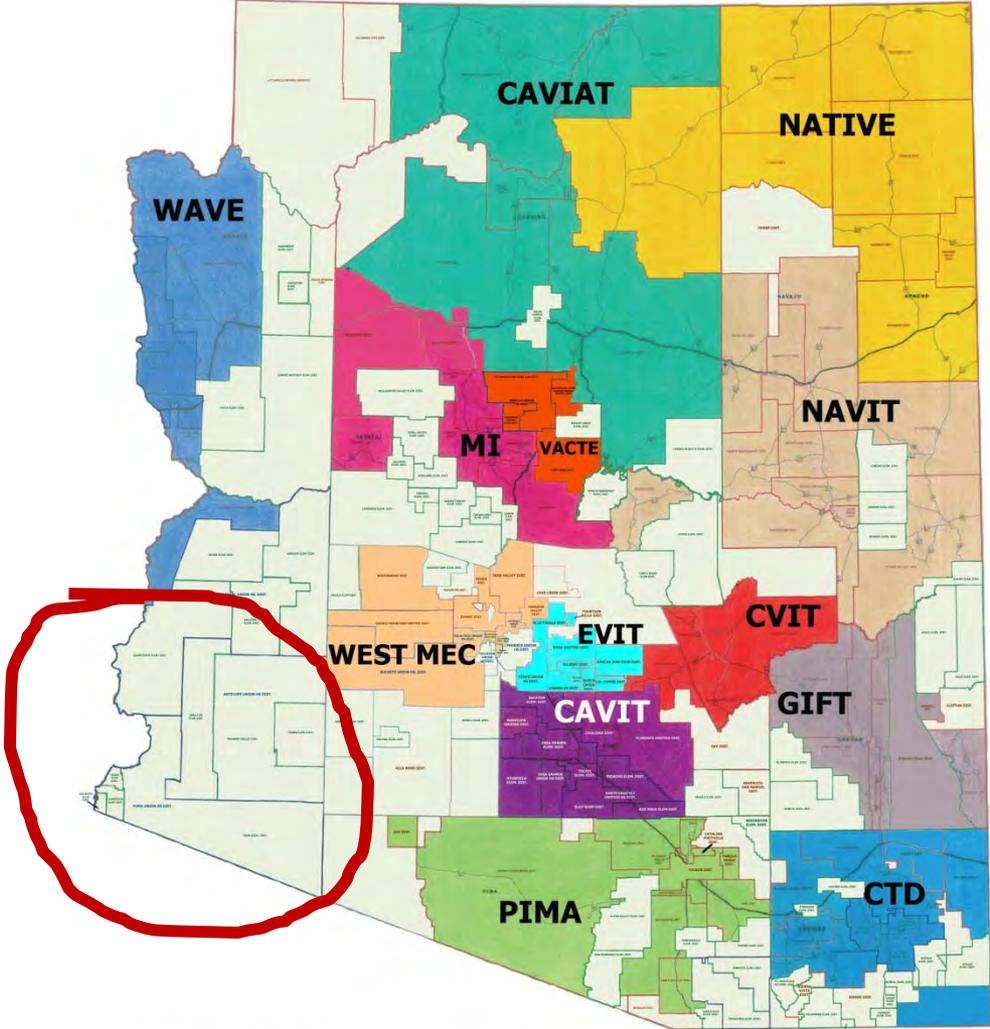
**September 10, 2015**



# Purpose of JTED

- Deliver Premier Technical Education Programs in Partnership with Business, Industry and Community Stakeholders
- Develop a Skilled Workforce by Helping Students Attain Industry Certifications, Technical and Employability Skills and Preparing them to Succeed in Post Secondary Education

# *JTED School Districts*



**New JTED for  
Yuma area!**

# Specialized Equipment Required by Statute







Provide  
Comprehensive  
Teacher Training  
Program  
&  
Program  
Evaluation

# ARS 15-393 C

- The joint technical education district shall be subject to the following provisions of this title:
  1. Chapter 1, articles 1 through 6.
  2. Sections 15-208, 15-210, 15-213 and 15-234.
  3. Articles 2, 3 and 5 of this chapter.
  4. Section 15-361.
  5. Chapter 4, articles 1, 2 and 5.
  6. Chapter 5, articles 1, 2 and 3.
  7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729 and 15-730.
  8. Chapter 7, article 5.
  9. Chapter 8, articles 1, 3 and 4.
  10. Sections 15-828 and 15-829.
  11. Chapter 9, article 1, article 6, except for section 15-995, and article 7.
  12. Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
  13. Sections 15-1101 and 15-1104.
  14. Chapter 10, articles 2, 3, 4 and 8.

Does Not Include  
15-943 group a and b  
weights

Does Not Include  
15-945 and 15-946 TSL  
and TRCL



Register & Media Conference  
Cory Walker  
Senior Electrical Technician  
Cory Walker  
1152

## Characteristics of GED and High School Diploma Holders Among the Population 18 Years and Over: 2009

(Earnings in dollars)

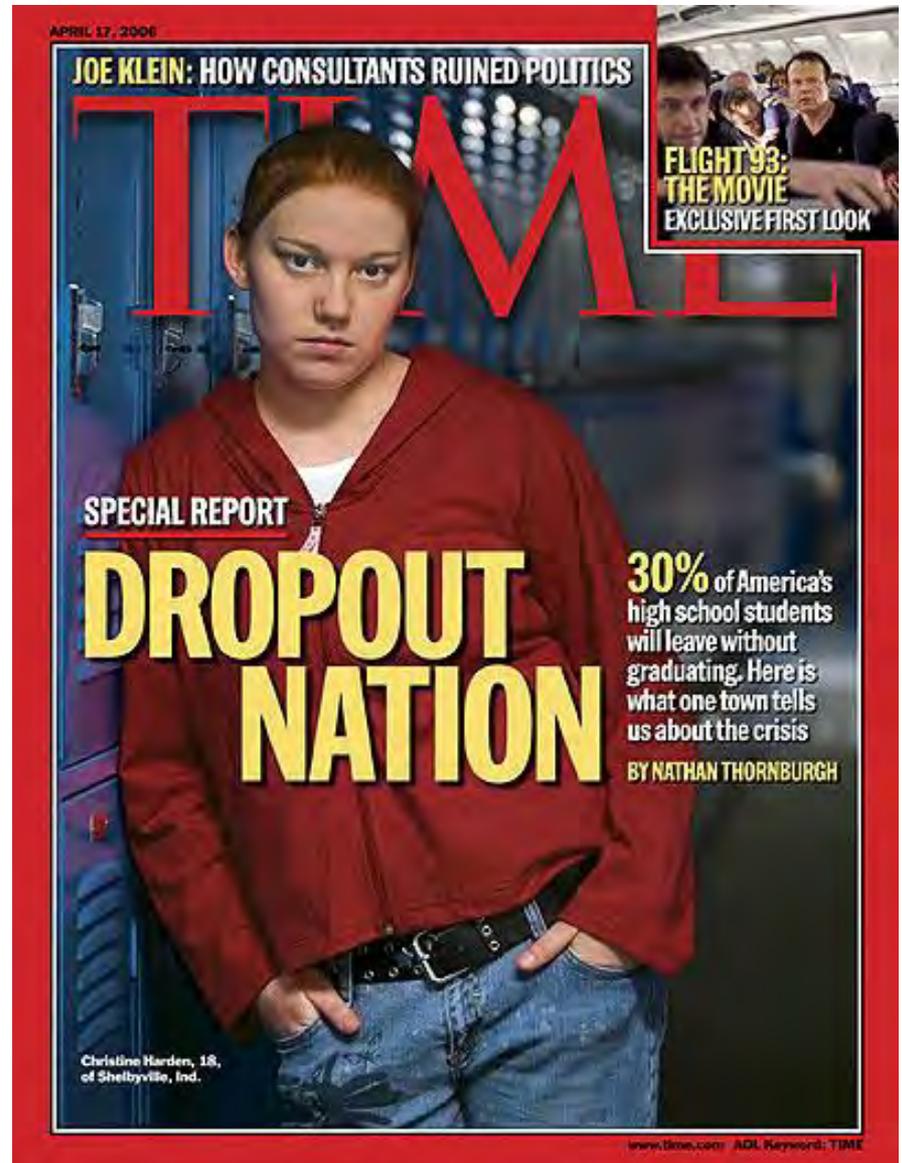
	GED		High school diploma	
	Percent	Mean monthly earnings	Percent	Mean monthly earnings
<b>Total</b>	100.0	3,149	100.0	4,690
<b>Highest Degree Level</b>				
High school graduate	57.3	2,922	27.2	3,222
Some college	38.0	3,192	39.6	3,794
Bachelor's degree or higher	4.8	4,852	33.2	6,305

**\$35,000**

Minimum earning threshold  
for family of four to be  
**considered middle class**

**81%**

Of high school dropouts  
**earn less than \$35,000**  
per year by mid-career



CTE

Az Avg.

96%

2013 Grad Rate

76%

89%

2013 AIMS Math

70%

96%

2013 Aims Reading

75%

# On the Rise

## ASU Morrison Institute for Public Policy

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The analysis of data from Tucson Unified School District and Mesa Public Schools found:

The hazard of dropping out was reduced by 70% for Mesa students and 50% for Tucson students who had taken 2 or more CTE courses

Taking two or more CTE courses reduced absenteeism by 3 days for CTE students in Tucson.

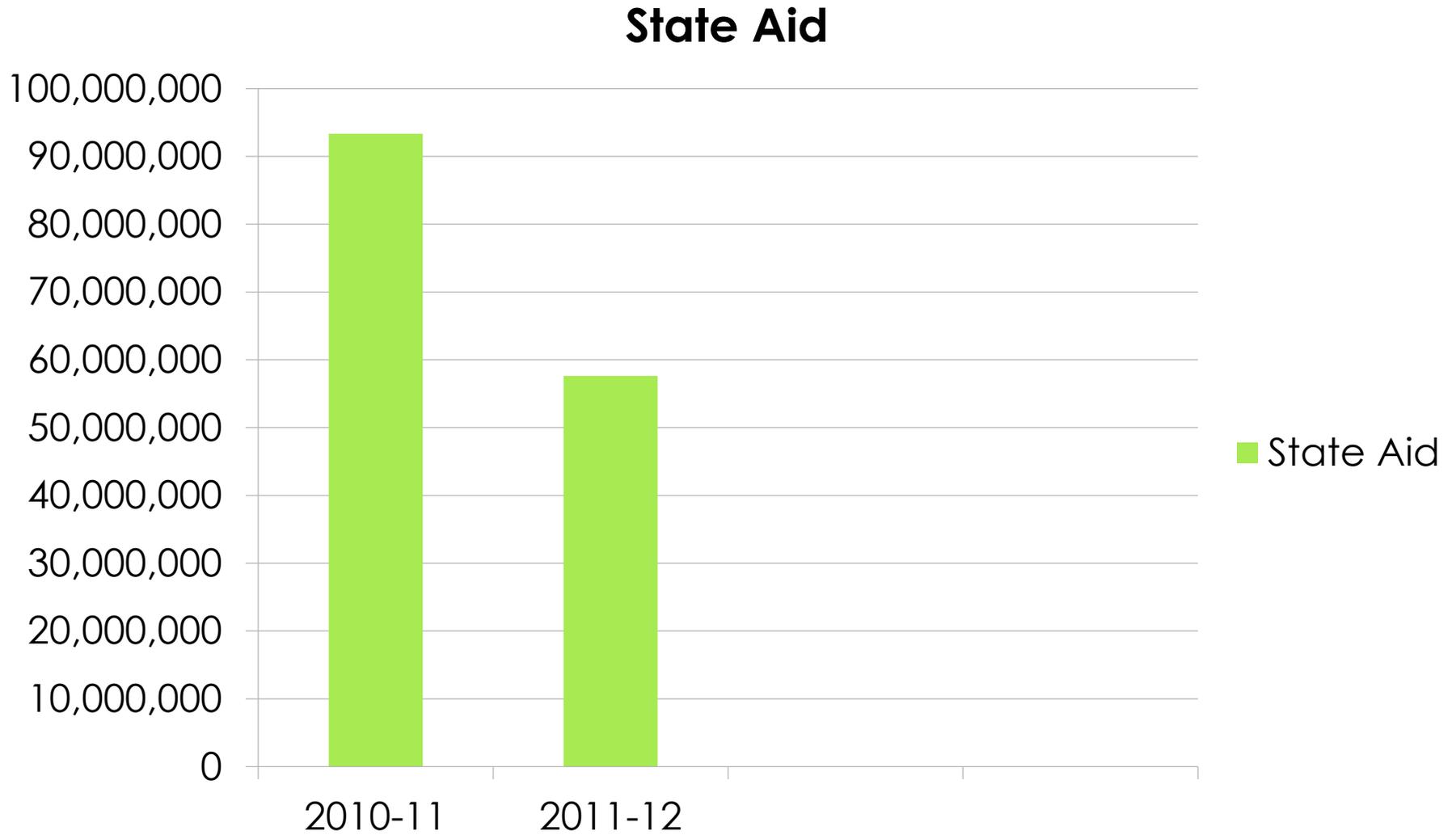
**Compared to students who shared the same socio-economic and academic characteristics but**  
**did not take CTE**

# ARS 15-393 D (5) (6) and (8)

5. A joint district may operate for more than **one hundred eighty days per year**, with expanded hours of service.
6. A joint district **may** use the **carryforward** provisions of section 15-943.01.
8. A joint technical education district shall use any monies received pursuant to this article **to enhance** and **not supplant** career and technical education courses and directly related equipment and facilities.

# Reduction to State Aid for JTEDs

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# JTED Property Tax is Capped at 5 Cents Per \$100 in Secondary Assessed Value



# Homeschool/Charter/Private/ Elementary District



	JTED	Central Enrollment	Satellite Enrollment
1	CAVIT (Central/Casa Grande)	460	2162
2	CAVIAT (Flagstaff/Page)	82	1636
3	Cochise Technology District	105	2576
4	CVIT (Cobra Valley, Globe)	177	468
5	GIFT - Gila Inst. for Tech. (Thatcher)	242	785
6	East Valley Inst. Tech. (EVIT)	2937	21,040
7	Mountain Institutes JTED (Prescott)	432	973
8	NATIVE JTED	153	1944
9	NAVIT (White Mts.)	359	2394
10	Pima County JTED	1527	12,477
11	VACTE (Cottonwood)	41	793
11	WAVE (Kingman/ NW)	90	2527
12	WestMEC	955	19,251
	TOTAL	7560	69,026







# Joe JTED Satellite

**1.25 ADM**



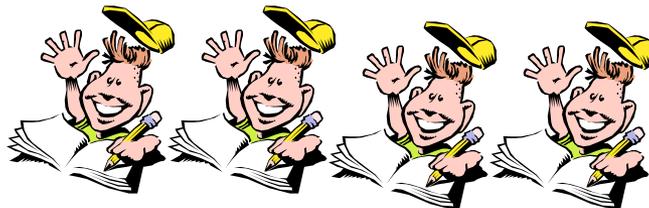
**1.00 ADM**



**.25 ADM**



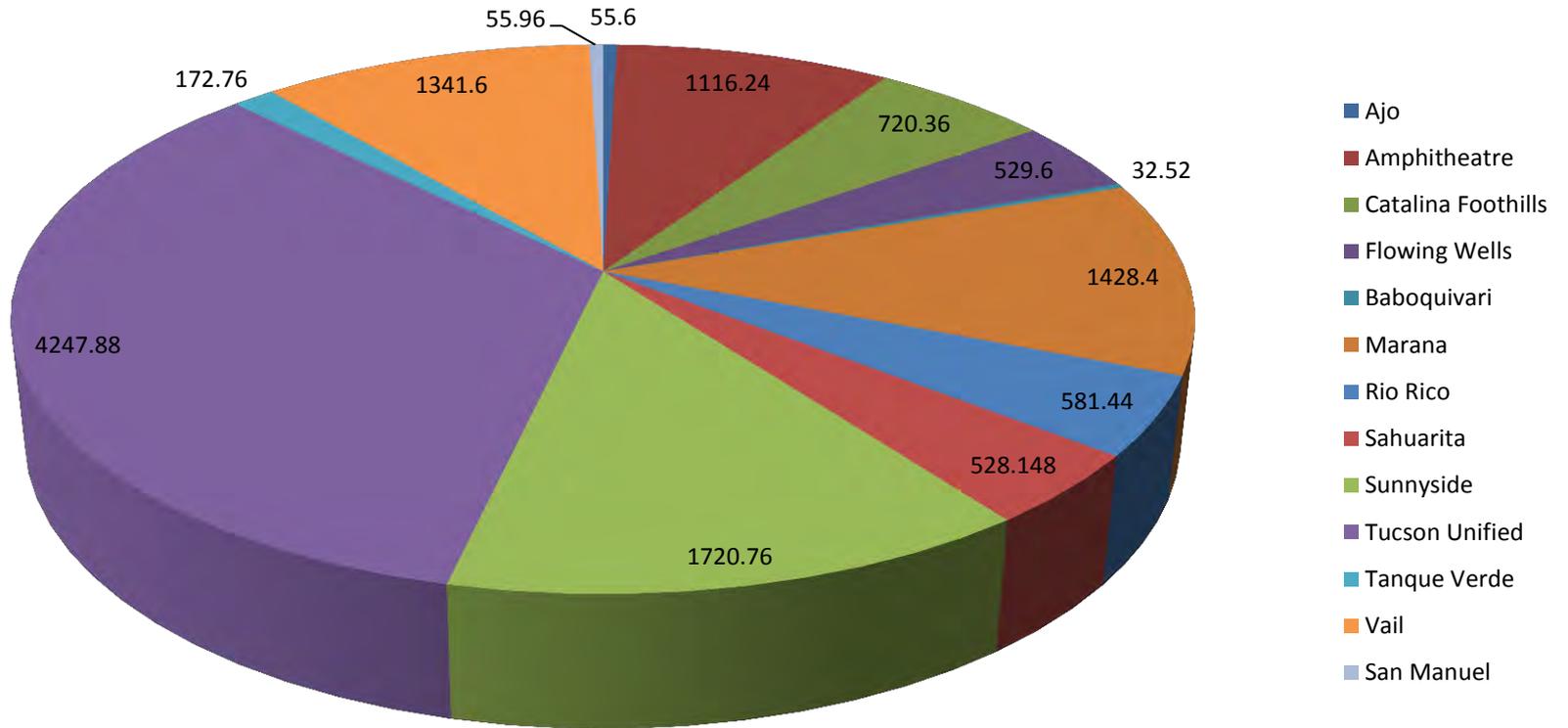
**= 1.00 ADM**



**= 1.339 weighted student count**

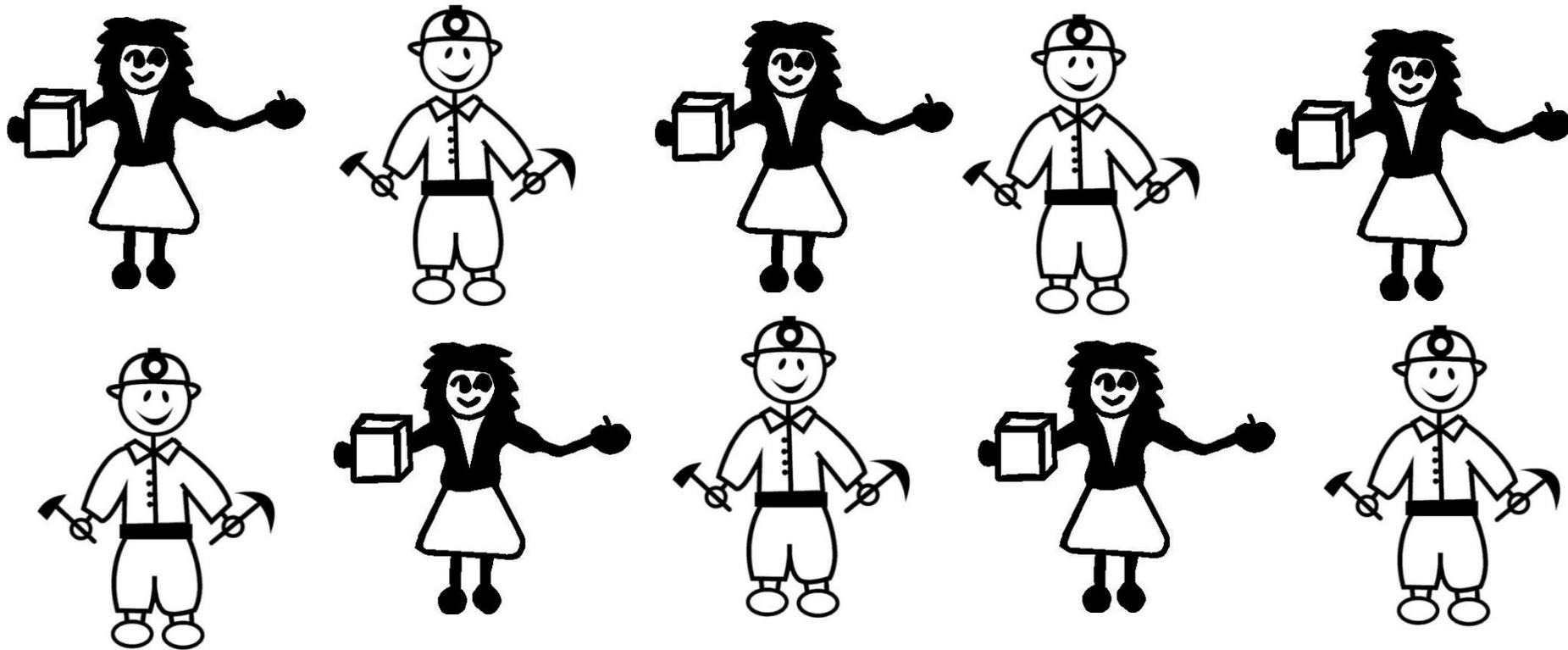
**X Base Support Level**

# Example



3133 ADM





*Only 69,026 of the 138,751  
CTE/JTED Satellite Students  
generate funding = 49.7%*

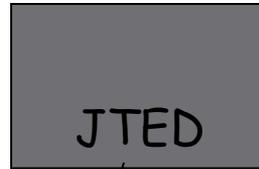


**Joe JTED Central**

**1.75 ADM**



**1.00 ADM**



**.75 ADM**



**= 1.00 ADM**



**X**



**= 1.339 weighted student count**

**X Base Support Level**

# ARS 15-393 T

T. Notwithstanding any other law, the student count for a joint technical education district shall be equivalent to the joint technical education district's average daily membership.

Student Count =

$$\del{12531.268} = \underline{3133 \text{ ADM}}$$

# FY 16/17 Funding Changes

If a district has a student enrolled in a CTE/JTED Satellite course ARS 15-393 U reduces the Districts Base Support Level for that student by **-7.5%**

$$\$4588.74 \times 92.5\% = \$4,244.58$$

This is difference of **\$344.16** to the school for each student they enroll in a CTE/JTED Class

# FY 16/17 Funding Changes

That same student generates .25 funding on the JTED side of the equation. ARS 15-393 V reduces the JTED Base Support Level by 7.5 %

$$\$4588 * .25 = \$1147 * 92.5\% = \$1061$$

This is difference of **\$86.00** to the JTED for each student in a **Rural** JTED

# FY 16/17 Funding Changes

The three Urban JTED's are capped at 95.5% in the FY 15/16 budget. This will be the JLBC base budget for FY 16/17

$$\$4588 * .25 = \$1147 * 95.5\% = \$1095$$

$$\$1095 * 92.5\% = \$1013$$

This is difference of **\$134.00** to the JTED for each student in an **Urban** JTED



WACO  
Supply Bag

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STUDENT  
MAY 2018  
JTB

bioptim

TECTO

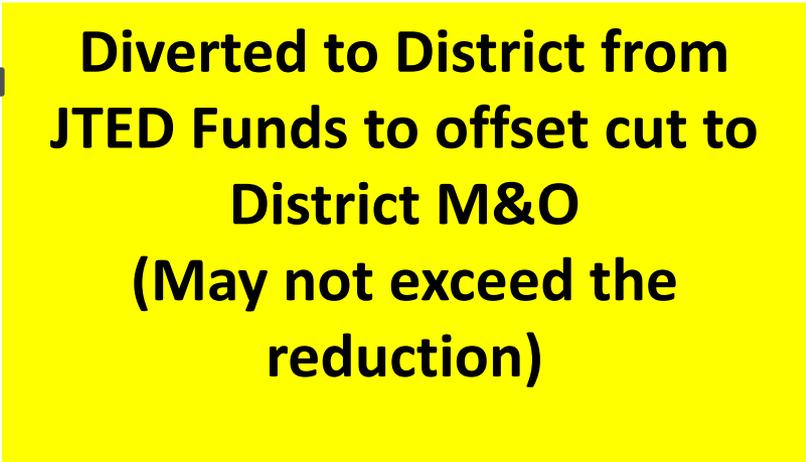
# ARS 15-393 X

The Average JTED returns 70% of \$1013 to the satellites to run their programs. (The remaining 30% supports services that allow JTED's to comply with the Law)

\$710 is what the Satellite District receives per student

- \$344 =

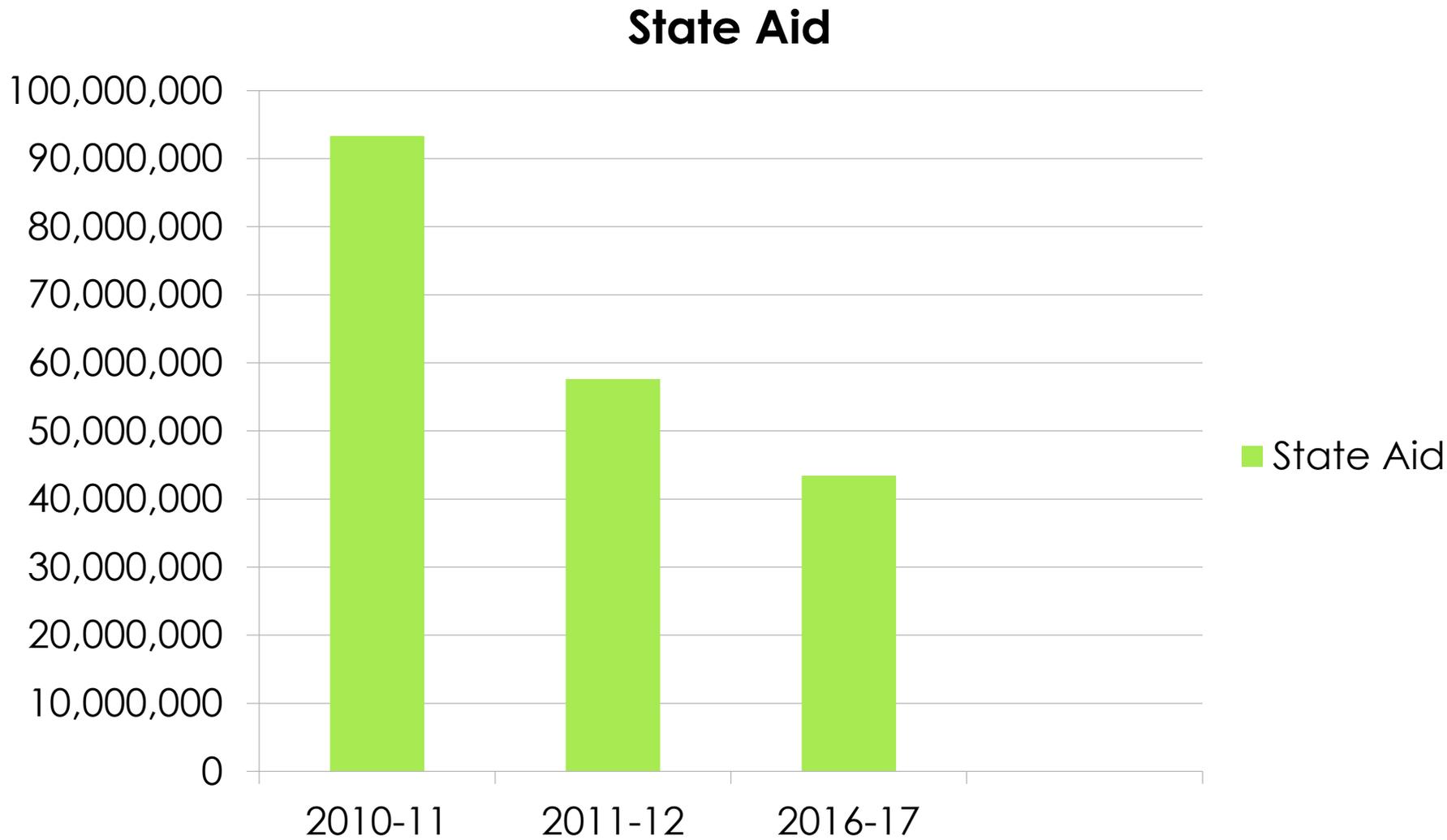
\$365 total per student



Diverted to District from  
JTED Funds to offset cut to  
District M&O  
(May not exceed the  
reduction)

# Reduction to State Aid for JTEDs

---



# Classrooms First Initiative Council

## **Preliminary Framework**

September 22, 2015



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Office of the Governor

# Classrooms First Initiative Council Charge

*Ensure that every child – regardless of where they live  
– has access to an excellent education.*

- Governor Doug Ducey

Classrooms First Initiative Council Speech

June 26, 2015

2



# Vision Statement

**Arizona's children will have access to a high quality education that promotes excellence and school choice and is equitably funded through a system of clarity, transparency, and recognition of results.**



# Governor **Ducey's** Principles: **What's Best for Our Kids**

- ✓ Single formula everyone can understand
- ✓ Focus on academic outcomes
- ✓ Efficiency and flexibility in funding
- ✓ Normalize underfunded levers to ensure equity
- ✓ Transparency in school level budgeting
- ✓ Empowering school leaders



# Meetings:

June 26, 2015 – September 10, 2015

- Five all-day public meetings
- Working Groups a.m.
- Full Council p.m.
- Consultants
- Presentations



# Working Groups

Equitable  
Funding  
Structure

CLARITY

Student-  
Centered  
Learning  
Priorities

TRANSPARENCY

Recognition of  
Excellence

RESULTS

6



# EQUITABLE FUNDING STRUCTURE

**FORMULA CLARITY**  
**FORMULA UNIFORMITY**  
**FORMULA EQUITY**

7



# Current Funding Process: Equalization Formula

- The state formula provides for basic instructional and operational function of schools:
  - Charter student funding comes entirely from the state's General Fund
  - District student funding comes from diverse sources including **state's General Fund, local property taxes, and bonds and overrides**



# Formula Clarity: Understandable and Clear

- Annual publication of **student** funding formula available to all parents in the state
- Website for parents to calculate how much their child generates in funding - wherever the child is enrolled
- Reorganize and condense Title 15 school finance laws
- Operationalize school finance laws in State Board of Education rule and/or policy handbooks not in statute



# Formula Uniformity (Future): Structure of a Single Formula for All Public Schools

- Base Level – Per Pupil Funding
- Grade-Specific Funding
- School-Type Funding (small, rural, or quality)
- Additional Assistance (Same for school districts & charter schools)\*
- Student-Specific Funding
- Lump-Sum Flexible Funding

\*Components TBD – see Issues for Continued Discussion

10



# Formula Equity: Equal Funding for Each Student

Group A  
Weights

- Move into base level\*

“Teacher  
Weights”

- Collapse or repurpose\*

\*Subject to inflation factor

11



# Issues for Continued Discussion at Council

- Consolidation of QTR/SETR rates into one rate
- Equalization of property tax base
- Formula Capital vs. Bonds/Overrides
- One definition of **“Additional Assistance”** amount for all public schools
- Special Education (real costs vs. formula)
- Transportation (real costs vs. formula)
- Grade Level Weights rationale



# Issues for Continued Discussion at Council

- Online Schools
- Joint Technical Education Districts
- Desegregation/Adjacent Ways
- Current-Year Funding for school districts
- Concurrency of Average Daily Membership
- Proposition 301



# STUDENT CENTERED LEARNING PRIORITIES

**FUNDING LEVERS  
TRANSPARENCY**

14



# Funding Levers:

## Normalize Special Student Demographics for Equity

- Fund special education students at 2007 cost (most current)\*
- **Fund the existing “Extraordinary Special Needs Fund” to address high-cost students/percentages for all public schools\***
- Human Capital (Teachers) policies for recruitment and retention\*\*

\*New funding    \*\*Reallocation of existing funding

15



# Transparency: How Resources are Allocated

- School Level Budgeting and Reporting
  - Applies to all school district and charter schools
  - Redesign of Annual Financial Reports
  - Revise Uniform System Financial Records
  - Require clear and concise school-level reporting of financial data
  - Align spending categories to capture broader definition of classroom spending (instruction, instructional and student support)
  - Publish school-level allocations (total revenues per student vs. actual allocation) on school website
- Eliminate the Current Auditor General Classroom Spending Report



# Issues for Continued Discussion at Council

- Funding mechanism for teacher recruitment and retention policies
- Achievement Gaps: At-risk **“Opportunity Funding”** for all low-socioeconomic schools regardless of performance
  - Schools with high density of low-income students more likely to have academic challenges
  - Trigger implementation of new strategies to support students
  - Permanent or transitional?



# RECOGNITION OF EXCELLENCE

**RESULTS**  
**LEADERSHIP**  
**REGULATORY RELIEF**

18



# Defining Excellence: Scores and/or Gain

Schools as Defined by  
A-F Letter Grading System  
(Currently in Redesign)

**"A" schools**  
demonstrating  
excellence

**"B" and "C"**  
schools showing  
significant gains

# Results:

## Academic Outcomes

- School Level Achievement Funding as *additional funding*:\*
  - "A" schools
  - "B" and "C"-grade schools showing significant gains
  - Vary according to degree of low-income students being served in a school
    - 1.0 multiplier for high-wealth
    - 1.5 multiplier for mid-wealth
    - 2.0 multiplier for low-wealth

\*New funding

20



# Leadership: Great Leaders

- Support professional training for Principals
- State partnership with philanthropy and local funding for school leader academies



# Regulatory Relief: Operational Flexibility

- Revise existing statute (ARS 15-215) **to allow “A”-rated** schools to receive exemptions from operational and financial statutes and rules including:
  - Financial Audits
  - Procurement
- Conforming school district and charter systems including:
  - USFR
  - Budget Capacity/Restriction of Funds
  - Special Education Allocation Funding



# Issues for Continued Discussion at Council

- Understanding the redesign of A-F
- Streamline state certification process to ensure more efficient Arizona certification and reciprocity processes
- Allow high-performing school leaders an option for school-based budgeting
- Use of existing vacant buildings by high-performing schools
  - Empty school buildings – sale or lease of land and buildings without voter approval
  - Excess space in school systems – accurate measurement of “under-utilized space”



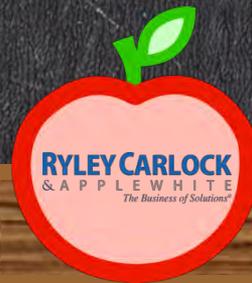
# Classroom's First Initiative Council

## The Importance of Investing in Early Childhood Literacy

**Phil Francis**

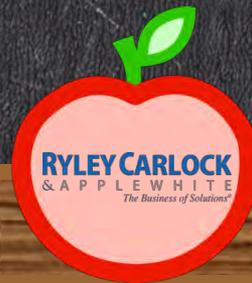
former CEO of PetSmart / Community Volunteer

November 19, 2015



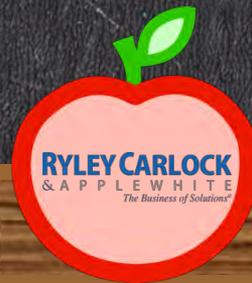
# Agenda

- Why Early Childhood Literacy
- Legislative History of Early Childhood Literacy
- Additional Classroom Time Coalition
- Early Childhood Literacy & Public Safety
- Driving the Dialogue
- The “Ask”
- Questions



# Why Early Childhood Literacy?

- The “Great Equalizer”
  - Speaking English
  - Reading by 3<sup>rd</sup> Grade
- Traditional Public Schools and Charters
  - “Local Control” from elected school boards
  - Qualified, certified educators driving success
  - Reduced administrative costs deliver greatest ROI
  - Most effective way to drive accountability



# Early Childhood & Public Safety

## Graduation Rates- 1:5

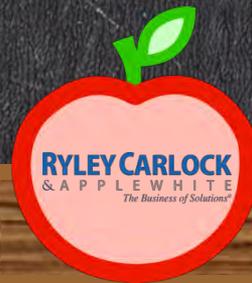
One in five children who are not reading by third grade will not graduate from high school

## Incarceration Rates- 80%

According to the National Education Association, nationally over 80% of statewide prisoners did not graduate from high school

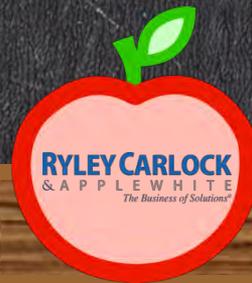
## Benjamin Franklin once said:

“An ounce of Prevention is worth a pound of cure”



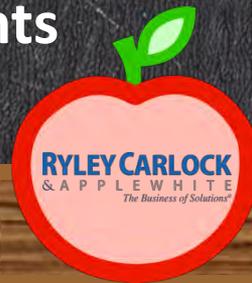
# Early Childhood In Arizona

- 2002- Napolitano campaigns on “All Day Kindergarten” to promote early childhood literacy
- 2006- Napolitano trades the temporary "double funding" of half-day kindergarten for a permanent tax cut for business
- 2011- Napolitano leaves Arizona for Obama Administration, economy collapses, and funding for early childhood literacy is eliminated
- 2015- Additional Classroom Time Coalition is formed to advocate for increased investment in Early Childhood Literacy programs



# Additional Classroom Time Coalition

- **Advocates for Early Childhood Literacy**
  - **CASE**
    - Central Arizonans for a Sustainable Economy
  - **John Whiteman**
    - President of Whiteman Foundation
  - **Phil Francis**
    - Former CEO of PetSmart
  - **Arizona School Administrators**
    - Representing over 230 public school superintendents



# Driving Early Childhood Literacy

## State Representative Sonny Borrelli (R-LD 5)

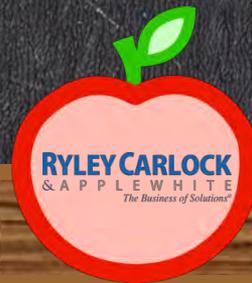
- Chair of House Public Safety, Military, & Regulatory Affairs
- Advocate for “Local Control” and efficient government
- Knows the importance of 3<sup>rd</sup> grade reading

## Spring 2016- Presenting to the Phoenix Mayor & Council at the invitation of Mayor Greg Stanton and CM Bill Gates

- Phil Francis (former CEO of PetSmart)
- Todd Sanders (President/CEO Phoenix Chamber of Commerce)
- Public School Superintendent

## Fall 2016- “Power of K” Breakfast

- Sponsored by Stardust Foundation
- Produced by the Arizona Community Foundation



**Please join us in  
championing  
Arizona's  
Investment in Early  
Childhood Literacy!**



# Current-Year Funding

Classrooms First Initiative Council

November 19, 2015

Lyle Friesen

Director of School Finance

Arizona Department of Education



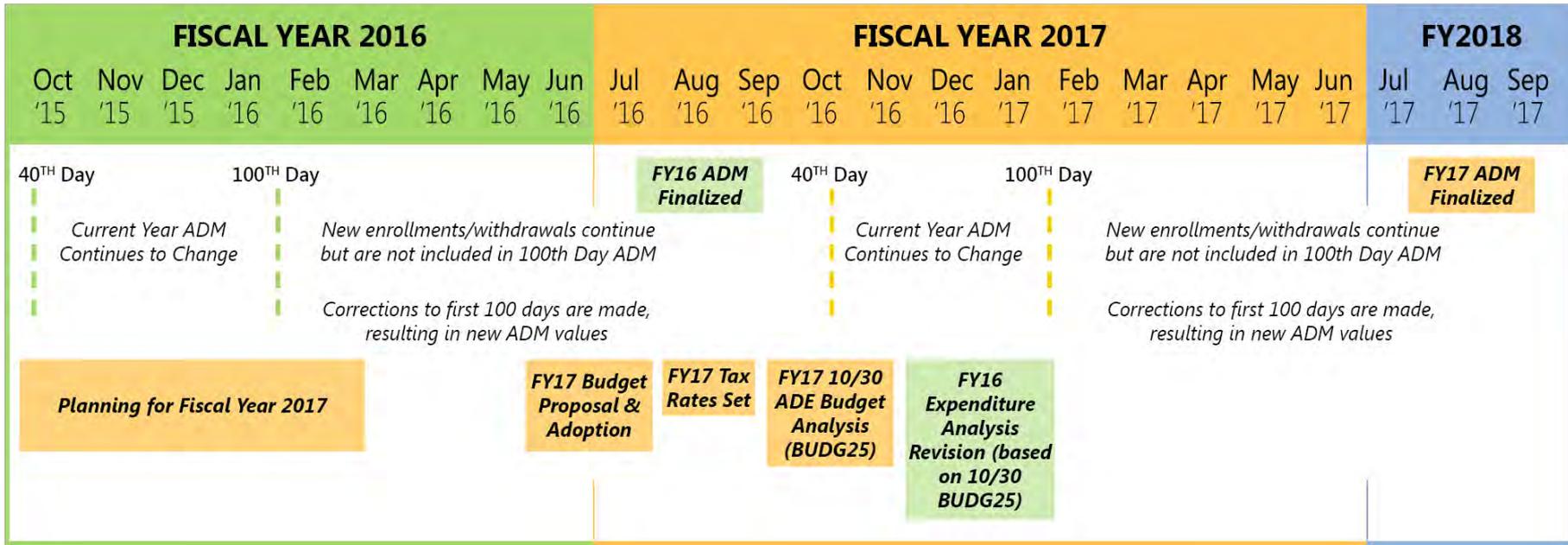
# Road Map for Presentation

- Transition from prior-year to current-year funding for all school districts
- Impact of current-year funding on Arizona's IT system
- Only qualitative information will be provided
  - Fiscal impact will be provided to districts and the state on December 15, 2015.

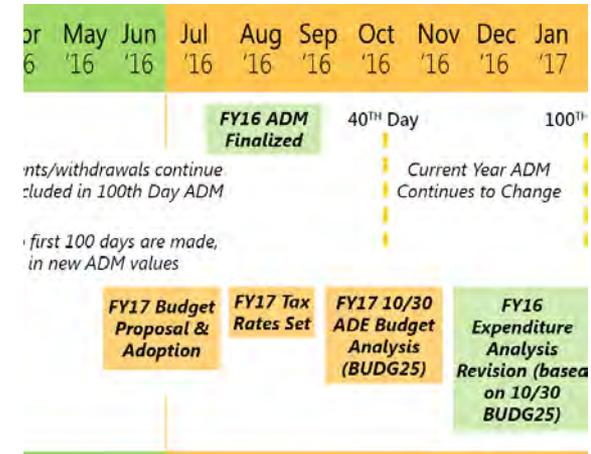
# Moving to current-year funding?

- Beginning July 1, 2016, the student count – is defined as the average daily membership (ADM) for the current year
- The Arizona Department of Education will notify school districts by December 15, 2015:
  - How it plans to implement current year funding in FY17
  - Report the estimated fiscal impact by district

# Timeline



# Budgets Estimated

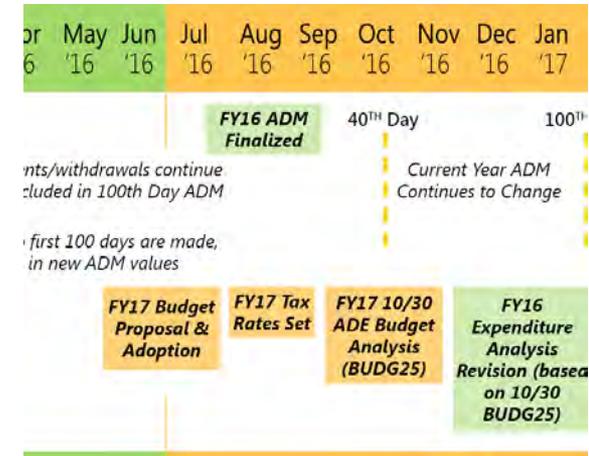


## Impacts of Funding Model Transition

1. Prior-year funding is based on ADM from the prior school year under current year, basis is estimated ADM for upcoming school year
  - A. If school districts budget in excess of limit, expenditures/budgets must be reduced
  - B. Under current-year funding, changes will occur for **every** school district.
2. Renewal or nonrenewal of teacher contracts must be made prior to knowing the final budget
  - A. Once the budget is known:
    1. Existing teacher contracts must be honored
    2. It will be difficult to hire new teachers

# Funding Implications

- State aid rollover
  - \$930,727,700 is being rolled over in July 2017 before knowing student count
- Lump sum reduction
  - \$380 million will be reduced before knowing student count
- Revenue control limit
  - Expenditure capacity in excess of the 4% limit is permanently lost
- Overrides
- Eligibility for small school adjustments now will not be known at budget proposal/adoption time



# Property Tax Rates

## Impacts of Funding Model Transition

1. Non-state aid school districts will receive inadequate or excess tax revenues (but county school superintendents must certify and report)
2. Inability to set tax rate higher than previous year
3. Homeowner's rebate and 1% cap will be effected

# A Lost Year of Funding

## Impacts of Funding Model Transition

1. Under prior year funding, students are paid for each year they attend school.
2. There will be a loss of one year of funding during the transition to current-year funding.
  - Schools will *not be paid* for their students from the 2015-16 school year.

School Year	2013-14	2014-15	2015-16	2016-17	2017-18
Student's Actual Grade	Kindergarten	1 <sup>st</sup> Grade	2 <sup>nd</sup> Grade	3 <sup>rd</sup> Grade	4 <sup>th</sup> Grade
Existing Prior-Year Funding Model		Kindergarten	1 <sup>st</sup> Grade	2 <sup>nd</sup> Grade	3 <sup>rd</sup> Grade
Transition to Current-Year Funding Model*		Kindergarten	1 <sup>st</sup> Grade	3 <sup>rd</sup> Grade	4 <sup>th</sup> Grade

*\*In this scenario, 2nd grade is not funded*

# IT Impact: Prior-Year vs. Current-Year Funding

Classrooms First Initiative Council

November 19, 2015

Mark T. Masterson  
Chief Information Officer  
Arizona Department of Education



# Technical Implementation of Transition

- Current-year funding is feasible if necessary direction and approvals occur by February 2016.
- The current-year funding requirement would be added to AELAS School Finance Project Investment Justification (PIJ).
  - PIJ was approved by the JLBC in May 2015 for FY1
- Must defer current 2<sup>nd</sup> and 3<sup>rd</sup> quarter AELAS projects to FY17.
  - Approvals are needed by February 2016 from DGC, State Board, ITAC and JLBC

# AELAS Impacts

- Current-year funding was not in the appropriated funds target for AELAS
- To accommodate current-year funding, AELAS scheduled and funded for FY16 will be deferred to FY17
  - Work includes modification of SAIS components of School Finance
  - Also included a web-based budget for districts to forecast ADM
- Large outreach effort required to prepare all districts for this transition to current-year funding
  - 37 percent of estimated cost would go to outreach

# Risks of Transitioning

- 80% of SAIS School Finance components have not transitioned to AELAS
  - This high complexity equates to a high risk and high cost
- Testing and user acceptance prior to implementation is tied to availability of School Finance personnel
  - This is considered a medium risk and cost
- 20% of SAIS School Finance has already been converted to AELAS
  - This is considered low risk and cost
- Two major School Finance component modifications are a duplication of effort and cost (APOR and CHAR)

## An Equitable Student-Funding Formula

### A Concept for Classrooms First Initiative Council Discussion

Arizona Governor Doug Ducey appointed the Classrooms First Council to propose one equitable, transparent funding formula for all students. In response, the Arizona Charter Schools Association has developed an equitable student-funding formula concept. This concept addresses the inequities of student funding, is substantially uniform among school districts and charter schools, and is revenue neutral as Governor Ducey requested. The intent of presenting this discussion concept is to encourage conversation about school finance solutions among the Council and the public.

### Formula Outline

*Base Level + Student Weights + School Weights + Operational Assistance + Transportation = Total Formula*

#### Assumptions:

- Operational Assistance (replaces additional assistance) will be the same for all students, at current charter additional assistance amounts (Approximately \$1,000 increase per district student.)
- Reform and adopt a transportation formula that is available to all LEAs
- Lump sum flexible funding without capital or M&O designations
- Establish an “Extraordinary Costs Fund” to address unmet transportation or transition related costs
- Increase Group B weights pending the results of a Group B special education cost study
- Include Group A weight amounts into the base level, simplifies formula
- Identify a funding stream and appropriate reforms of the Extraordinary Special Education Needs Fund
- Geographically isolated LEAs shall continue to receive an isolated school weight
- Small school weights shall be applied consistent with policies adopted in 2015

### Revenue Collections Adjustment

*Adjust revenue collections to properly fund equitable student funding formula*

- Consolidate QTR and state equalization property tax rates into a single uniform tax rate
- The consolidated tax rate will be calculated to fund the student funding formula, and will be offset by:
  - Cease the collection of tax levies for district bonds and overrides in excess of determined percentage
  - Cease the collection of local property tax levies in support of adjacent ways, dropout prevention, and small school adjustment
- School districts shall be authorized to exceed their total annual budget by up to 5% with voter approval
- Phase out desegregation: 10 years for court order districts, 5 years for OCR districts

## A “Revenue Neutral” Approach

<u>Current Formula</u>		<u>Student Equity Formula</u>
	Base Funding	+\$875M
	Transportation Funding	
-\$242M State, - \$87M Local= -\$329M		+\$329M
	Special Education	
		+\$350M
	Bonds & Overrides	
-\$1.2B Local		
	Allowable Overrides	
		+\$310M
	Adjacent Ways, Dropout, Small School Adjustment	
-\$103M		
	Desegregation	
-\$210M		
	<b>TOTALS</b>	
<b>-\$1.842B</b>		<b>+\$1.864B</b>
		(+\$22M)



# Public Feedback

October 8 – October 28, 2015

## Kristin Sorensen

---

**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, October 28, 2015 3:23 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Oct. 28, 2015 3:23pm Submitted values are:

First Name: Lisa

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED] Stakeholder Identification: Educator Please identify the issue(s) you wish to address.: Other

Comments:

I am very encouraged to see in Classrooms First materials a plan to fund public schools and programs; accommodation, charter, & district; serving at-risk students. Arizona's alternative schools, as well as schools serving high special education and homeless populations, fill a very important need for Arizona society. Our colleagues in Oklahoma provide the figure of a 41 to 1 return on investment by funding alternative education. "Typical dropout costs taxpayers \$290,000 in lower tax revenues and higher costs for social services, health, criminal justice, etc." What a effective way for Arizona to invest in its future!

Further, a "quality," even "excellent," alternative education school/program is much more than a simplistic reduction to a letter grade. I support the Arizona Alternative Education Consortium's position statement <http://www.azaec.org/wp-content/uploads/2011/11/AZAEConuniquelabels.pdf>, issued in June 2015, advocating for unique achievement profiles - just as the student population is unique that these schools and programs serve.

Documents:



## **Parallel, yet Unique, Achievement Profiles for Arizona's Alternative Schools**

### **Challenge:**

Research on best practice for state ratings of alternative education accountability shows that the top rated states use distinct labels for alternative education campuses. The Florida Department of Education's Division of Accountability, Research, and Measurement clarified to us that the Florida A+ system is comprised of two sets of labels, a letter grade or a rating for alternative schools. In Florida, a school identified as an alternative school has the opportunity to choose for its annual accountability rating either a letter grade or a distinct rating for alternative schools.

A through D-Alt designation does communicate the distinction of a school being an alternative school; however, simply adding -Alt to letter grades may be a source of confusion for the public. Two-thirds of Arizona's alternative schools have shared with the Arizona Alternative Education Consortium that a unique labeling system would be clearer to the public and allow for achievement profiles more appropriate to the data available for a relatively small number of schools.

### **Opportunity:**

Work is currently underway to revise Arizona's A-F letter grade system. Arizona's State Board of Education has convened an A-F policy focus group to make recommendations regarding revised legislation.

The Consortium recommends unique labels for alternative schools similar to those used for Alternative Education Accountability in other states yet a distinct Arizona innovation:

Academically Performing (in FY 14, A through C-Alt, 117 schools)

Academic Improvement Required (in FY 14 D-Alt and F, 23 schools)

Not Rated - Other

### **Benefit:**

Parallel, yet unique, achievement profiles for alternative and accommodation schools would communicate clearly to the public and be consistent with the unique student population at alternative schools that the Arizona State Board of Education has identified.

Many components of the existing alternative school model provide a solid foundation. The Consortium will suggest further refinement of the existing model in other position statements.

Arizona Alternative Education Consortium; June 26, 2015

## Kristin Sorensen

---

**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, October 28, 2015 12:52 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Oct. 28, 2015 12:52pm Submitted values are:

First Name: Tani  
Last Name: [REDACTED]  
Phone Number:  
Email Address:  
Stakeholder Identification: Educator  
Please identify the issue(s) you wish to address.:

- Formula Equity
- Special Education Funding
- Human Capital (Teachers)
- Allocation of Resources
- Achievement Weights
- Regulatory Relief

**Comments:**

We (I) are (am) very encouraged to see in Classrooms First materials a plan to fund public schools and programs; accommodation, charter, & district; serving at-risk students. Arizona's alternative schools, as well as schools serving high special education and homeless populations, fill a very important need for Arizona society. Our colleagues in Oklahoma provide the figure of a 41 to 1 return on investment by funding alternative education. "Typical dropout costs taxpayers \$290,000 in lower tax revenues and higher costs for social services, health, criminal justice, etc." What a effective way for Arizona to invest in its future!

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Thank you very much for for your support of alternative education in Arizona.

Documents:



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Many components of the existing alternative school model provide a solid foundation. The Consortium will suggest further refinement of the existing model in other position statements.

Arizona Alternative Education Consortium; June 26, 2015

**Kristin Sorensen**

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, October 28, 2015 12:23 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Oct. 28, 2015 12:23pm Submitted values are:

First Name: Colleen

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED] Stakeholder Identification: Educator Please identify the issue(s) you wish to address.: Other

Comments:

I am very encouraged to see in Classrooms First materials a plan to fund public schools and programs; accommodation, charter, & district; serving at-risk students. Arizona's alternative schools, as well as schools serving high special education and homeless populations, fill a very important need for Arizona society. Our colleagues in Oklahoma provide the figure of a 41 to 1 return on investment by funding alternative education. "Typical dropout costs taxpayers \$290,000 in lower tax revenues and higher costs for social services, health, criminal justice, etc." What a effective way for Arizona to invest in its future!

Further, a "quality," even "excellent," alternative education school/program is much more than a simplistic reduction to a letter grade. I support the Arizona Alternative Education Consortium's position statement <http://www.azaec.org/wp-content/uploads/2011/11/AZAEConuniquelabels.pdf> , issued in June 2015, advocating for unique achievement profiles - just as the student population is unique that these schools and programs serve.

Thank you very much for for your support of alternative education in Arizona.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, October 28, 2015 11:25 AM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Oct. 28, 2015 11:24am Submitted values are:

First Name: Debbi

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Uniformity

Comments:

In order to provide formula uniformity and equity for our public district and charter schools, reduce the additional assistance that charters receive to an amount that is sustainable for both charters and districts to receive. Then allow charters to join in with districts to bond and override the constituents. If a district or charter wanted to go out for an election, the charter(s) would use the same school district's boundaries as the school district in which they function. If one system was wanting to go for an election, they could invite the other charters and/or district to join in. Overrides would be determined by the total budget amounts of the charters/district. Election costs could be shared. PACs could work together to pass the election. In order to do this, there would need to be changes to current laws, obviously.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, October 28, 2015 10:35 AM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Oct. 28, 2015 8:47am Submitted values are:

First Name: Shannon

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Transparency
- Special Education Funding
- Allocation of Resources
- Other

Comments:

Please continue your efforts to fund public schools and programs according to how each school develops student knowledge and skill sets including adjustments for each school's unique student population served particularly charter schools specifically serving at risk students. Charter alternative schools who serve higher than the norm special education and homeless populations are critical to developing productive citizens.

Thank you supporting alternative funding for alternative schools.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, October 28, 2015 8:44 AM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Oct. 28, 2015 8:43am Submitted values are:

First Name: Kelly  
Last Name: [REDACTED]  
Phone Number: [REDACTED]  
Email Address: [REDACTED]  
Stakeholder Identification: Educator  
Please identify the issue(s) you wish to address.: Other  
Comments:

I am very encouraged to see in Classrooms First materials a plan to fund public schools and programs; accommodation, charter, & district; serving at-risk students. Arizona's alternative schools, as well as schools serving high special education and homeless populations, fill a very important need for Arizona society. Our colleagues in Oklahoma provide the figure of a 41 to 1 return on investment by funding alternative education. "Typical dropout costs taxpayers \$290,000 in lower tax revenues and higher costs for social services, health, criminal justice, etc." What a effective way for Arizona to invest in its future!

Further, a "quality," even "excellent," alternative education school/program is much more than a simplistic reduction to a letter grade. We (I) support the Arizona Alternative Education Consortium's position statement <http://www.azaec.org/wp-content/uploads/2011/11/AZAEConuniquelabels.pdf>, issued in June 2015, advocating for unique achievement profiles - just as the student population is unique that these schools and programs serve.

Thank you very much for for your support of alternative education in Arizona.

Documents:



## **Parallel, yet Unique, Achievement Profiles for Arizona's Alternative Schools**

### **Challenge:**

Research on best practice for state ratings of alternative education accountability shows that the top rated states use distinct labels for alternative education campuses. The Florida Department of Education's Division of Accountability, Research, and Measurement clarified to us that the Florida A+ system is comprised of two sets of labels, a letter grade or a rating for alternative schools. In Florida, a school identified as an alternative school has the opportunity to choose for its annual accountability rating either a letter grade or a distinct rating for alternative schools.

A through D-Alt designation does communicate the distinction of a school being an alternative school; however, simply adding -Alt to letter grades may be a source of confusion for the public. Two-thirds of Arizona's alternative schools have shared with the Arizona Alternative Education Consortium that a unique labeling system would be clearer to the public and allow for achievement profiles more appropriate to the data available for a relatively small number of schools.

### **Opportunity:**

Work is currently underway to revise Arizona's A-F letter grade system. Arizona's State Board of Education has convened an A-F policy focus group to make recommendations regarding revised legislation.

The Consortium recommends unique labels for alternative schools similar to those used for Alternative Education Accountability in other states yet a distinct Arizona innovation:

Academically Performing (in FY 14, A through C-Alt, 117 schools)

Academic Improvement Required (in FY 14 D-Alt and F, 23 schools)

Not Rated - Other

### **Benefit:**

Parallel, yet unique, achievement profiles for alternative and accommodation schools would communicate clearly to the public and be consistent with the unique student population at alternative schools that the Arizona State Board of Education has identified.

Many components of the existing alternative school model provide a solid foundation. The Consortium will suggest further refinement of the existing model in other position statements.

Arizona Alternative Education Consortium; June 26, 2015

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Tuesday, October 27, 2015 7:45 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Tuesday, Oct. 27, 2015 7:44pm Submitted values are:

First Name: Kimberly

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Other

Please identify the issue(s) you wish to address.:

- Human Capital (Teachers)
- Allocation of Resources

Comments: Teachers. We need quality teachers, in EVERY district, with every student. They are leaving the profession in droves in Arizona, unable to sustain a quality living. Some are not pursuing this career choice at all, due in part to the grim pay situation. This needs immediate attention. If resources are put in the restructuring of the educational compensation schedule, and into the recruitment and retention of quality teachers, the 'outcome' will benefit our students in Arizona.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Tuesday, October 20, 2015 2:30 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Tuesday, Oct. 20, 2015 2:29pm Submitted values are:

First Name: Laura

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.: Achievement Weights

Comments: I am concerned about the use of normed assessments for recognizing achievement. I prefer a criterion reference. Norming means there are always losers no matter how well schools do. They are always rated based on how they compare to others. This model doesn't allow everyone to meet and I believe that is our goal that all students master the content. A criterion measure says we expect this and then allows us to potential all or most get to that level. The current A-F even norms growth in that it doesn't matter how much growth you make it just matters how your growth compares to others. Norming does have its place but not in comparing schools or students to one another for a rating.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Friday, October 16, 2015 2:17 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Friday, Oct. 16, 2015 2:16pm Submitted values are:

First Name: Cynthia

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.: Other

Comments: I've recently moved from California where I taught for 20 years and am now teaching in a high-school in Arizona as I look after my father. I have to say that I'm a little dismayed at the low skills of the otherwise wonderful children I have in my classroom. They are at a distinct disadvantage to the children I taught in California -- especially in reading. We desperately need CTE classes to fill the gap for the thousands of kids who...frankly...will not be able to compete with their better educated peers elsewhere. We can help families for generations to come if we offer both excellent teachers with decent pay, and CTE classes for those who will never see a college campus...otherwise, over half our kids will have nothing to support their families with.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Friday, October 16, 2015 8:44 AM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Friday, Oct. 16, 2015 8:44am Submitted values are:

First Name: Patti

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Parent

Please identify the issue(s) you wish to address.:

- Current Year Funding
- Allocation of Resources
- Other

Comments:

- Why isn't JTEDs being funded at 100%?
- Why are member JTEDs being penalized for having CTE programs (possible for 2016-2017 school year)?
- Providing current year funding doesn't allow for budgeting and can change the number of teachers needed each quarter and violates teacher contracts in ARS - why is this being considered?
- Should on-line education institutes receive less money than charters and public school districts, they don't have as much overhead?
- Why is education not being adequately funded?

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Thursday, October 15, 2015 1:26 PM  
**To:** GOE  
**Subject:** Feedback for the Council  
**Attachments:** educationcouncil10915.docx

Submitted on Thursday, Oct. 15, 2015 1:25pm Submitted values are:

First Name: Jo Anne

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Parent

Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Uniformity
- Formula Transparency
- Formula Clarity
- Current Year Funding
- Special Education Funding
- Human Capital (Teachers)
- Allocation of Resources
- Achievement Weights
- Regulatory Relief
- Other

Comments: Dear Carmen and Members of the Council, attached please find my thoughts,! Thank you!

Documents: <http://education.azgovernor.gov/sites/default/files/webform/cfi/educationcouncil10915.docx>

October 15, 2015

Dear Members of the Education Council,

I attended your meeting in Prescott on 10/8/15, hosted by Superintendent Tim Carter. I appreciated that the public was welcome to attend your council meeting. It was not clear to me until 2:30pm that the public could make statements. I was not aware of meeting outline and was not able to prepare my thoughts for you last Thursday. That is why I am taking this opportunity to share with you my feelings on these daunting education tasks. Also, I just want to thank all of you for volunteering your time to serve on this committee as I can only imagine the job ahead of you is vast.

My husband and I are parents of a wonderful son [REDACTED] who is a [REDACTED] at [REDACTED] [REDACTED] plays Varsity Football, Basketball, and Track and an amazing daughter [REDACTED] who is a freshman at [REDACTED]. Our daughter finished her high school experience this past May with graduating with distinction and earned the Lumberjack scholarship along with \$5,500.00 in scholarships. I currently hold the position as President of the PTSA at Prescott High School. My husband and I are both retired and he has worked as a bus driver for the past 5 years for Prescott Unified School District. I am on the leadership committee for the current bond and override ([www.prescottsos.com](http://www.prescottsos.com)) in Prescott for Prescott Unified School District. I have served on a PTA since we moved here in 2006. I also have participated in both of our children's athletic boosters. I would say I have served as an advocate for public education since our children were born, as I believe in public district education. I had a few questions regarding last Thursday's meeting. I could feel a lot of division on the panel and in the audience between public schools and charter schools. Here are my thoughts:

1. I wanted to ask if the council would be making sure to tell our governor that all future monies given to charter schools would be able to be audited by the auditor general just like the public schools. As a tax payer, I don't understand how the State of Arizona can cut a check to a for-profit or nonprofit school, that doesn't have to jump through the same hoops as unified public school districts.
2. It doesn't make sense to me that the public school districts have to ask permission to sell a property (or how to lease a property) and the charter schools can sell their property without the public's input, make a profit on that property and put the money in the bank. By the way, until charters make their books public the assumption from me will be that they are paying way too much for their administration and not enough on the kids. I know how much money is being spent on our kids, admin and teacher in our public school district. I would like to see the same in all charters.
3. The steps our public school districts have to go through to get money and how to spend money is amazing. Yet when you talk to a CFO of a district they will tell you they don't mind the audits as they know they are following the letter of the law and doing the right thing by our tax payers. Whereas with charters, they can make as much money as they want, build what they want with our money, and hire non-certified teachers and get state compensation. To me, this is unfair to our students, teachers and to the tax payers. To me, our legislators are making a grave mistake by letting this continue. This leads me to my next thought. In line with charters, for instance a new charter to Prescott is Basis. A lot of my friends have their children there. I would never have a judgement about my friends seeking out the best education for their child. I do mind however, that the rules for both charters and public schools need to be the same. If you are funding an institution they must all follow the same rules, property is owned by the community, the charters can be funded less money due to not having buses, serving lunches, or taking care of kids with special needs.

4. Having charter teachers not be certified is concerning to me. I would suggest make the applying for, renewing and updating credentials easier for all teachers, make sure that all of the hard work that they have done is accounted for and transferable. I think all teachers should be certified if the system can be easier to navigate. To hear in last Thursday's meeting that our certified teachers had to go to Phoenix to update; turn in their paper work must have been a nightmare. I was happy to hear that the online process is being implemented. There must be some sort of testing that non certified teachers could go through to become certified. If you erase that program there will be unrest. To hear that we have 1000 teacher job openings in Arizona is embarrassing. At some point we have to see that we aren't doing something right.
5. If asked as a council, I would recommend to Governor Ducey to pay the districts the back funding for inflation and Prop. 301 and stop spending money on attorneys.
6. After briefly reviewing the "Friends of ASBA educating Arizona, How Arizona Legislators Voted in 2015 on High Priority K-12 Education Bills", I am sad to see that our Representatives in our District 1, Senator Steve Pierce, Representatives Karen Fann, and Noel Campbell didn't really support public education. When speaking with representatives I think it's a difficult process. When they are doing their job, they have lobbyists in their ear, other representatives pushing them towards their ideas or bills, and perhaps a few parents telling them how to vote. This is frustrating for the regular Mom or Dad who just want their kids to be a priority. I note that our representatives are responsible for 47,612 children in district 1, of those 89.5 percent are in public district schools. I am embarrassed by my state when my representatives, say "the state can't fund education so you better work on getting bonds and overrides voted on if you want funding". I am okay with that but our state has a responsibility to either get in the game or get out. I want the state to tell each and every stake holder why we must all pass bonds and overrides. Because frankly, it's their duty to be transparent. I guess when I speak to my representatives it worries me to hear, education is not my thing, you don't understand politics, I have to vote with my party, or you should run for office. I am sure this is a tough job, but I would rather be like alone on the corner holding a sign telling my neighbors to vote rather than staying at home and not participating in a resolution. I say to all representatives, stand up for education, these kids will be taking care of us in a few years. Don't we want highly educated kids to live in our state to care for us as we grow older.
7. I want to be part of the solution not the problem. I hope that you can get more parents involved in this process. Although, I felt the meeting was very long I did learn a lot. I would suggest to the governor that more time would be needed to roll out better ideas for funding structure (the current year funding is another letter), understanding that there is a place for every school; we just must have accountability for every school, and district. All schools should be owned by the community, not a company, all schools should only hire certified teachers, and all teachers should be compensated for what they are worth as they are not worth less like we have been funding them. We must continue to build and strengthen our public schools as we must be able to educate all students. Children with IEP's are not always welcome in charter schools, these things have to be addressed. It is so important that we really put our money where our mouth is and build great leaders. Our children must not pay for our mistakes; our leaders must make better choices, smarter choices. Our future is in your hands and our Governors. The decisions you have been asked to help with is a huge job but it must be done. I felt like there was a lot of us and them in the room during the meeting I hope with all of you that you will be able to as a council simplify processes and make some key recommendations to the Governor. It is sad to be living in Arizona right now. With 80 percent of our public school districts in the State of Arizona being at the will of the government with the constant budget cuts to K-12. It is a miserable struggle.

I hope this council can keep the things like funding JTED, rural compensation, funding M & O, and accountability for anyone receiving funding from the state a priority.

8. I am not sure if this is on your agenda or not but the idea of vouchers and ESA funds is crazy unless and until the state regulates those funds. If the state continues to not monitor charter schools, or ESA's we will have a state in bankruptcy. I have heard of families that have stashed the ESA money and have not had to account for anything that they have done with the money with the state. Why in the world are we so consumed with having so much choice that our state government can't even manage to audit everyone that receives funding. That's a bad business plan. Accountability always makes sense.

It's a huge task you are all up against. I don't think the next two months will be enough time for you to come up with all of the answers but I hope that you will find some clearer ways of cleaning up the credential process, funding issues, and protecting programs so vital to public education.

Lastly, when holding a public meeting, either arrange for all participants to enjoy the luncheon provided or give the participants time to get lunch. I would suggest that you put on the meeting agenda (for future meetings) that the luncheon is provided for the council folks only and to please bring your own lunch. Please be respectful of the council and anyone attending your meeting and start on time. Again, I thank you all for being on this council for education. I appreciate all that you do!

JoAnne [REDACTED] Parent



## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, October 14, 2015 4:09 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Oct. 14, 2015 4:08pm Submitted values are:

First Name: Derek

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.:

- Current Year Funding
- Special Education Funding

Comments: Of all these proposals, I think the two that could be most significant are current year funding and special ed. Providing more robust special education funding would by far mean the most to our students with special needs, and also provide the most budget relief for cash strapped districts. Unfunded mandates are immoral when it comes to our kids. And the current year funding proposal would be disastrous. Like businesses, districts need to plan ahead. Unlike businesses, districts can't afford to "fold" midway through the year if their "sales" are down. They need reliable funding. This is education of human children, not production of widgets. Continue to fund us primarily using the prior year student count for the sake of stability in educating children. It may not be without flaws, but is far preferable to the uncertainty and administrative nightmare of firing people midway through the year, shuffling students into different combos of classes due to midyear budget cuts, etc. Please do not advocate for this idea that only seems "common sense" until you realize that education is not in most real senses a business enterprise, even though it shares some common elements.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, October 14, 2015 10:35 AM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Oct. 14, 2015 10:34am Submitted values are:

First Name: Vickie

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED] Stakeholder Identification: Educator Please identify the issue(s) you wish to address.: Formula Equity

Comments:

The people of the state voted on 301 funds for teachers. Is there anyway you can avoid the red tape and put money immediately in these funds for schools, ultimately teachers who are underpaid in our state. We really are dealing problems holding on to great because they can drive one mile away and get a substantial increase of pay in Nevada. We need to do provide funds now!

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Tuesday, October 13, 2015 1:03 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Tuesday, Oct. 13, 2015 1:03pm Submitted values are:

First Name: Rita

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Parent

Please identify the issue(s) you wish to address.: Other

Comments: Please restore the constitutional local control of education that was usurped when non-local officials signed on for Common Core. Not only is Common Core unconstitutional, it is also detrimental to children. Materials used for Common Core are shoddy. They slow the learning process by making it tedious and time-consuming. Time is wasted on breaking learning into steps that are not necessary to learning. Common Core makes it difficult, if not impossible, for parents to participate in the education of their children because they do not understand the homework. No textbooks are provided to help parents and children at home. Websites are cited, but not all parents have access to the internet. CC standards presume that students have cognitive abilities they have not yet developed. Curricula and testing make no allowances for children who are developmentally delayed, have learning disabilities, or are learning a new language. Those children educated via Common Core will be poorly equipped to enter the work force or go on to college. We need to throw out Common Core and go back to Arizona standards and curricula, which are infinitely better than the pile of garbage known as Common Core.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Friday, October 09, 2015 2:22 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Friday, Oct. 9, 2015 2:22pm Submitted values are:

First Name: Karl

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Parent

Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Uniformity
- Allocation of Resources

Comments: Does anyone within this committee, the legislature, or the Governor's office understand how District Additional Assistance ("DAA") supports 'classroom spending' in many Districts throughout the State? I found it extremely illogical that the Governor would demand proof that, despite significant reductions to DAA, that more budget dollars for 2016 are pushed into the classroom. In my District (1650 students) for the last 12 plus years we have, on average, transferred \$350,000 of DAA into M&O. Of course with the recent arbitrary 'reductions to DAA the District was unable to transfer any funding to M&O for 2016. Of course, you realize that teacher salaries/benefits make up a large part of M&O and accounts for close to 90% of "classroom spending". Does it make sense?

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Friday, October 09, 2015 2:12 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Friday, Oct. 9, 2015 2:11pm Submitted values are:

First Name: Karl

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Parent

Please identify the issue(s) you wish to address.: Formula Equity

Comments: District Additional Assistance ("DAA") is a relatively new funding source that was created, in part, to combine other funding sources (Unrestricted Capital and Soft Capital). This formula-based source of district funds, based on student counts, appears to have taken someone considerable time to design the formula. Yet, despite this 'reform' the legislature arbitrarily and capriciously under-funds or limits (ie. reduces) the amount provided to the District. How are any of the formula equity/uniformity reforms that you may design going to be 'protected' from these types of 'reductions' in the future?

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Friday, October 09, 2015 7:13 AM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Friday, Oct. 9, 2015 7:12am Submitted values are:

First Name: Jana

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Parent

Please identify the issue(s) you wish to address.: Human Capital (Teachers)

Comments: If teachers are working harder than ever to teach, then why isn't it working? I see teachers doing what is pressed upon them to do and making it work because they are professionals and experts in their field. I also seem them after years of teaching becoming upset that it is not working or getting better. I also see them having to work year after year on someone else's idea of what is going to make it better and yet it doesn't. I am tired of seeing "something new" being taught to make it better. Meanwhile, teachers are getting the worst treatment with overworking and stressing about their students because hey, if the student isn't doing well it's the teachers' fault, right? Stop blaming the teachers please. And while I am at it, stop giving money to people who home school their children. That is their choice to do it and then these kids can't cope with life and are under educated because parents think they can do it better.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Thursday, October 08, 2015 2:35 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Thursday, Oct. 8, 2015 2:35pm Submitted values are:

First Name: Michele

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.:

- Human Capital (Teachers)
- Allocation of Resources
- Other

Comments: As an educator for 18 years I am discouraged at where Arizona's Education is going. Teaching has become a job no one wants because of the extremely low pay, the mandatory testing (not teaching), increasing demands, specialists created positions that provide NO support and the overall outlook on teachers. I would love for any lawmaker to go into the Maryvale area and teach a week in one of our Middle Schools and tell us what we are worth. Twice our salary would be the outcome. Charter School are robbing the public schools of much needed funds and steps need to be taken. The children of this state are suffering! I would never suggest to anyone to become a teacher. The amount of education is not worth the pay and negativity felt on a daily basis. Help our teachers and our students.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Thursday, October 08, 2015 12:19 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Thursday, Oct. 8, 2015 12:18pm Submitted values are:

First Name: Angie

Last Name: [REDACTED]

Phone Number:

Email Address: [REDACTED]

Stakeholder Identification: Parent

Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Uniformity
- Current Year Funding

Comments:

Documents:



# **Public Feedback**

**October 29 – November 18, 2015**

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, November 04, 2015 2:34 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Wednesday, Nov. 4, 2015 2:34pm Submitted values are:

First Name: Billie

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.: Current Year Funding

Comments:

The following are my comments concerning the change to current year funding for public schools.

First . . . I really do not believe that enough thought was put into the ramifications of this decision and hope that it will be revisited in the next legislature, but if it is not then . . . As the business manager for Concho ESD6, I have these concerns:

What numbers and what dates will be used to determine funding? It makes a huge difference in our school since we sometimes lose up to 10% of our student body in the winter.

What happens if we are under budget and have more than 4% left at the end of the year?

How can we write contracts that will allow us to increase the teacher's salary to capture funds that are available if we budgeted very frugally at the beginning of the year, but we ended up with more students, which means increased funding?

We want to be fair to our teachers and staff, but we also must be careful especially until we can get used to the new system.

My personal and professional opinion on this matter is to allow charter schools to be funded the same as public schools. The only problem for them would be their first year. Provisions would have to be made for schools who have a decreased student population in the next school year in order to prevent fraud by those who would see an easy way to make a "fast buck", but that is something that could be overcome with a little thought.

I am sure if this progresses we will all have more questions. I come from a very small school and I believe my problems with this will be nothing in comparison to some of the larger districts.

Also, our former superintendent used to be the head of charter school that had been very successful, had a stable student count for a number of years and then the recession came. He should have been able to depend on the numbers that had been projected, but when people start moving because there are no jobs, then bad things happen. He said he would never want to have to go through that again, especially having to cut staff salaries in the middle of the school year. At least with prior year funding, the school knows what to expect. At Concho we have been through a number of

years of declining enrollment, but we were able to adjust each year and keep things balanced. I know many want the schools to be run like a business, and many times I agree with this assertion, but this is one time that I do not. Our students are too important.

Thank you for allowing me to voice my concerns,

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Thursday, November 05, 2015 9:06 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Thursday, Nov. 5, 2015 9:05am Submitted values are:

First Name: Scott

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Uniformity
- Formula Transparency

Comments: Based on the schedule, final presentations are in December? I believe there needs to be a model or models of possible formula changes before then. If the models are available, districts and charters could provide better feedback about the proposed changes.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 09, 2015 7:59 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 9, 2015 7:58am Submitted values are:

First Name: Louis

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED] Stakeholder Identification: Educator Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Uniformity
- Formula Transparency
- Special Education Funding
- Allocation of Resources
- Achievement Weights
- Regulatory Relief
- Other

Comments:

I appreciate the opportunity to provide feedback to the Council. I support a process that infuses new funding, enhancing opportunities for students in all schools, and not simply redistributing funding currently in place in the name of equity.

1. High School Weights within Group-A should be retained to fund related additional costs (athletics, counselors, etc.). The remaining weight should be in Group-B benefiting schools with Special Education students rather than general population.
2. TEI should be retained to reflect the reality of higher costs for experienced teachers.
3. Bond and override funding should be retained to avoid failed Students First policies which clearly demonstrated that formula capital funding is too easily reduced. Long-term capital programs require sustainable funding. Existing debt should continue to be funded by property taxes consistent with the investor expectations. The state can build and lease buildings to charters.
4. Transportation funding formulas should be revised only after studying actual costs to transport today's students addressing high-cost drivers such as SPED/Homeless populations and urban district miles.
5. Uniform reporting for all districts (i.e. including all districts in the valuable AG classroom dollars report) will increase transparency and support funding allocations.
6. DAA and JTED funding should be reinstated.
7. Regulatory relief for high academic achieving districts is not transparent or appropriate.
8. Similar to recognizing student academic growth as opposed to solely student scores, a low wealth funding multiplier and current desegregation funding provides a level playing field for these at risk populations.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Tuesday, November 10, 2015 12:40 PM  
**To:** GOE  
**Subject:** Feedback for the Council  
**Attachments:** classrooms\_first\_submission\_mingus\_uhsd\_electricity.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Tuesday, Nov. 10, 2015 12:40pm Submitted values are:

First Name: Paul

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.: Other

Comments: Mingus Union HSD has taken extensive actions to reduce operational expenses to then shift operational funds into direct instructional expenses, in ideological support of the Classrooms First Initiative. However, the electricity billing rate structure for E-32 large meter systems used by APS has inhibited the anticipated savings, in effect penalizing conservation efforts. This effects many districts across the state and, addressing the rate structure by eliminating demand charges could significantly improve districts' efforts to shift more money directly into instruction. A summary sheet and related graphs are attached.

Documents:

[http://education.azgovernor.gov/sites/default/files/webform/cfi/classrooms first submission mingus uhsd electricity.pdf](http://education.azgovernor.gov/sites/default/files/webform/cfi/classrooms_first_submission_mingus_uhsd_electricity.pdf)

**MINGUS UNION HIGH SCHOOL DISTRICT # 4**

**Dr. Paul Tighe, Superintendent**

1801 East Fir Street Cottonwood, AZ 86326

928-634-8640 ptighe@muhs.com

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**School Energy Savings Measures Thwarted by Electricity Rate Structures**

The District made significant progress in reducing electricity consumption, yielding environmental benefits but also supporting **Governor Ducey's Classrooms First** initiative to reduce school district operational expenses such that a greater percentage of the very limited educational dollars can be used to directly support instruction. Unfortunately, the rate structures in place penalize school districts for energy conservation.

Mingus Union High School campus is on an E-32 Large Meter rate plan with Arizona Public Services Co. (APS) that took effect July 1, 2012.

During the 2013-14 fiscal year, Mingus Union High School District implemented extensive energy savings measures, including lighting replacements, HVAC replacements, installation of an energy management system, and behavioral conservation efforts.

A pre/post year over year (March 2012 - February 2013 compared to March 2013 – February 2015) analysis of the impact of the energy conservation measures yielded the following:

- Electricity **consumption decreased** by **27.7%** (455,400 KWH)
- **Cost of electricity decreased** by only **12.0%** (\$24,276)
- “Demand Charges” were **\$55,891**, offsetting the anticipated cost savings

When comparing the May 2015 invoice to the June 2015 invoice, electricity **consumption** decreased by **16.2%** (15,000 KWH) but **costs** only decreased by **4.2%** (\$502) due to “demand charges” and the rate plan structure.

**MINGUS UNION HIGH SCHOOL DISTRICT # 4**

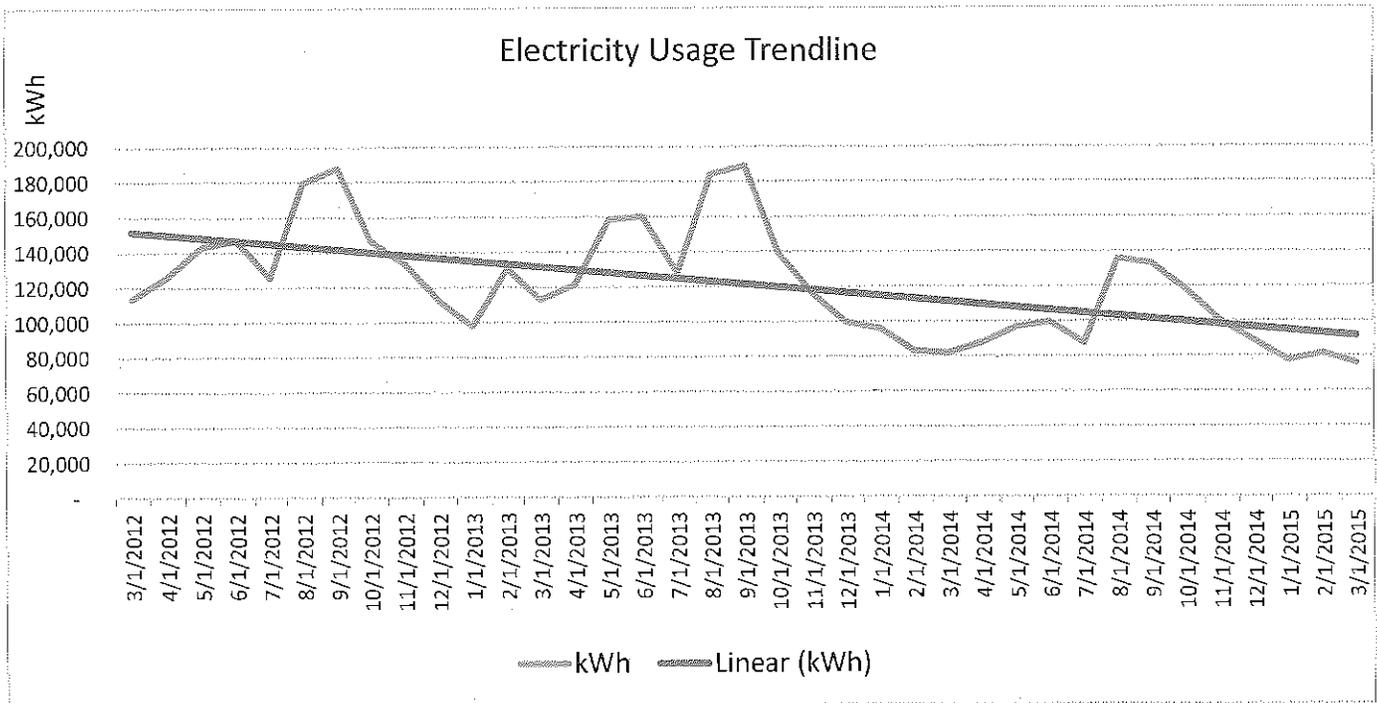
**Dr. Paul Tighe, Superintendent**

1801 East Fir Street Cottonwood, AZ 86326

928-634-8640 ptighe@muhs.com

**Electricity Demand Charge Illustration**

Exhibit A



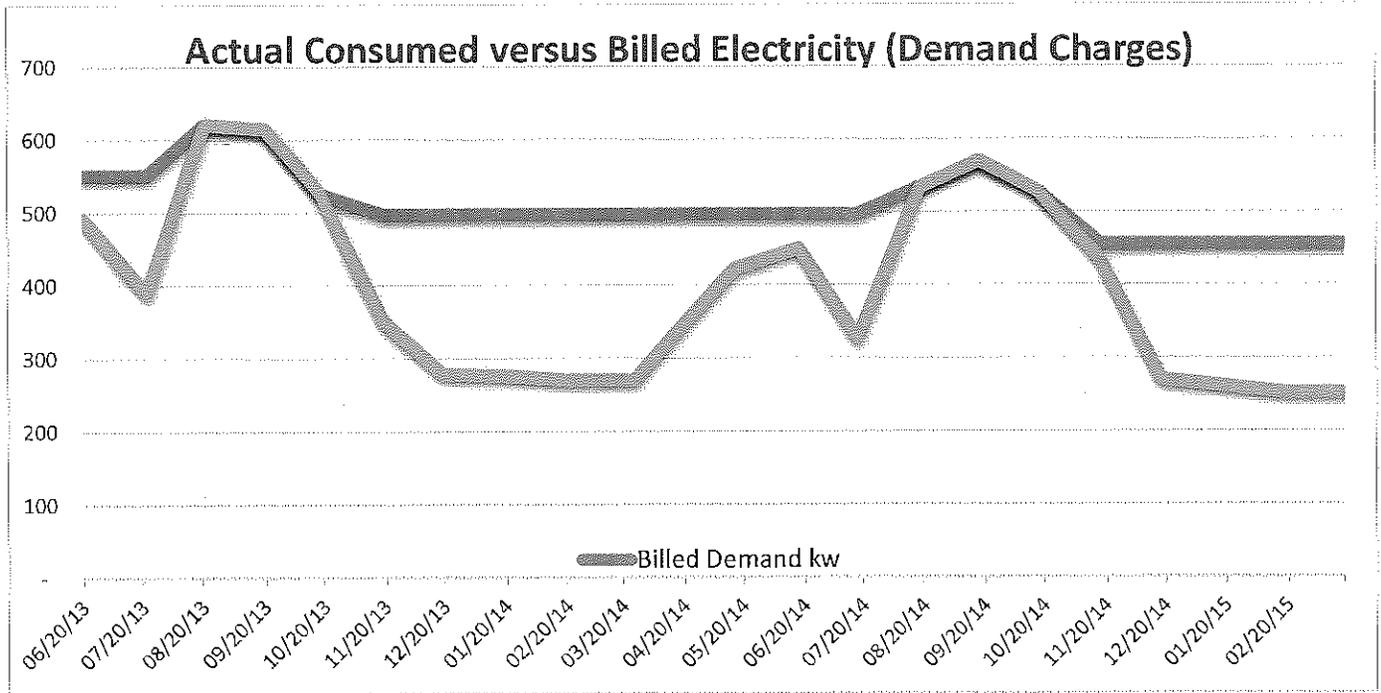
**MINGUS UNION HIGH SCHOOL DISTRICT # 4**

**Dr. Paul Tighe, Superintendent**

1801 East Fir Street Cottonwood, AZ 86326

928-634-8640 ptighe@muhs.com

Exhibit B



**Kristin Sorensen**

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Saturday, November 14, 2015 8:03 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Saturday, Nov. 14, 2015 8:03pm Submitted values are:

First Name: James

Last Name: [REDACTED]

Phone Number:

Email Address: [REDACTED]

Stakeholder Identification: Parent

Please identify the issue(s) you wish to address.: Other

Comments: Restore all JTED funding to 100%. How can you claim to be concerned about economy, but cutting #1 job training program?

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Sunday, November 15, 2015 7:07 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Sunday, Nov. 15, 2015 7:07am Submitted values are:

First Name: Andrew

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.: Allocation of Resources  
Comments: Having been involved in the automotive industry for 25 years I have seen first hand the shortage of qualified people entering this industry and the resistance of school administrations to promote voc-tech programs within their schools. Lets face it, not all high school seniors are going on to higher education. To me it seems prudent to provide students not moving on in their education an avenue to learn a trade in school so they are better prepared to support themselves after high school. This lack of administrative support along with the state's systematic raiding of JTED funds which were specifically allocated to voc-tech programs is decimating the programs that will help these kids the most. I urge the state dept of education to relook at their policies on this issue before we loose these valuable programs.  
Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Sunday, November 15, 2015 1:56 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Sunday, Nov. 15, 2015 1:56pm Submitted values are:

First Name: Jean

Last Name: [REDACTED]

Phone Number:

Email Address: [REDACTED]

Stakeholder Identification: Community Member Please identify the issue(s) you wish to address.: Other

Comments: CTE funding is vital for our students. Relevant skills and realistic goals will help our community. A degree in Philosophy, with \$35,000.00 accrued in student loans is a drain on our economy.

Documents:

**Kristin Sorensen**

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 16, 2015 7:15 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 16, 2015 7:14am Submitted values are:

First Name: Martha

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.:

- Current Year Funding
- Human Capital (Teachers)
- Allocation of Resources

Comments: My overall comment is that schools need the resources to make successful children. Teachers need to have the support in their classrooms to deal with children with mental/behavior issues. They also need to have a curriculum that everyone is on the same page and parents can understand as well. After school programming is very important. The continued cuts are now impacting the children and the facilities that we house them in.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 16, 2015 8:04 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 16, 2015 8:03am Submitted values are:

First Name: Tiarra

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address:

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.: Current Year Funding

Comments:

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 16, 2015 8:50 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 16, 2015 8:50am Submitted values are:

First Name: Karen

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Community Member Please identify the issue(s) you wish to address.:

- Formula Equity
- Current Year Funding

Comments:

Governor Ducey,

I strongly support ASBA's position for their LT, ST and legislative-specific session priorities.

<http://azsba.org/advocacy/political-agenda/>

This year, I especially look for your support in:

Fully funding full-day kindergarten and include kindergarten students in the override calculation.

Funding inflation fully in the manner prescribed by statute mandated by Arizona voters.

Repealing CTE and JTED cuts slated to take effect in Fiscal Year 2017.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 16, 2015 10:11 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 16, 2015 10:11am Submitted values are:

First Name: Wade

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.:

- Current Year Funding
- Human Capital (Teachers)

Comments: I just want to encourage you to fund CTE education to the fullest extent. I know from personal experience that for some students, CTE programs are the one thing that keeps them from dropping out of school. These are intelligent kids who are not motivated by the core subjects. CTE programs help students focus on a career and get a "step up" on the competition. Also, please support the teachers. Most, if not all of the educators, could make more money outside of education but they choose to "give back" to the community by teaching. Please allow us to earn enough money, so we can afford to teach.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 16, 2015 10:57 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 16, 2015 10:56am Submitted values are:

First Name: Darrell

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED] Stakeholder Identification: Educator Please identify the issue(s) you wish to address.:

- Current Year Funding
- Allocation of Resources

Comments: As a CTE Teacher I am always concerned with funding for our classroom and activities. As a CTE student in high school I can speak to the importance of CTE in education. Remember, that CTE is where you learn to apply why you learned everything else.

Documents:

**Kristin Sorensen**

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Tuesday, November 17, 2015 8:54 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Tuesday, Nov. 17, 2015 8:53am Submitted values are:

First Name: Kord

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.: Allocation of Resources  
Comments: I feel it imperative to give students, vocational, and financial training ,first to close the huge skill gap in our nation, second to teach them how to live within their means, and prosper. This will promote a more stable home enviroment ,increase home ownership, and a laundry list of other societal benefits!!!

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, November 18, 2015 12:23 PM  
**To:** GOE  
**Subject:** Feedback for the Council

Submitted on Wednesday, Nov. 18, 2015 12:22pm Submitted values are:

First Name: Susan

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Other

Please identify the issue(s) you wish to address.: Other

Comments: As the Grandmother of AZs Child Left Behind I am requesting that as you try to bring funding for charter schools more in line with other schools you find a way to hold charter schools to the same standards and ethics of all schools. They cannot act on their own will ignoring state and federal guidelines. I am requesting again to meet with Gov Ducey to discuss.

Documents:



# **Public Feedback**

**November 19 – December 1, 2015**

**Kristin Sorensen**

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Thursday, November 19, 2015 5:11 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Thursday, Nov. 19, 2015 5:10pm Submitted values are:

First Name: Steven  
Last Name: [REDACTED]  
Phone Number: [REDACTED]  
Email Address: [REDACTED] Stakeholder Identification: Parent Please identify the issue(s) you wish to address.: Human Capital (Teachers)

Comments:  
Putting teacher certification reciprocity into place could help mitigate Arizona's teacher shortage by making it that much simpler for certified teachers to relocate here to work. If there are concerns about shortcomings in the certifications provided by other states, get them on the table, and limit reciprocity accordingly until those shortcomings are addressed by the states in question. If Arizona were to offer reciprocity to teachers from the remaining states, we'd still be ahead of where we find ourselves now.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Sunday, November 22, 2015 2:46 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Sunday, Nov. 22, 2015 2:46pm Submitted values are:

First Name: Arthur

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Community Member Please identify the issue(s) you wish to address.: Allocation of Resources

Comments: EVIT in Mesa should be the model for ALL students pursuing career and technical education. A visit there confirms that the instruction is superb, the students diligent and enthusiastic. The facility at EVIT makes real career education possible. Replicate EVIT. Restore EVIT's funding to 100\$ -- and more.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Sunday, November 22, 2015 8:37 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Sunday, Nov. 22, 2015 8:36pm Submitted values are:

First Name: Margaret

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.: Current Year Funding  
Comments:

As Marco Rubio recently stated, "why is there a stigma on vocational training. We need welders, plumbers, etc".

1) All of Arizona deserves to have a high quality career and technical education center like EVIT, where resources are pooled at one campus to give high school students and adults the best career training possible, and that 2) EVIT, which receives only 95 percent of funding due to budget cuts should be restored to 100 percent funding. PLEASE CONSIDER THIS.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 23, 2015 12:35 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 23, 2015 12:35am Submitted values are:

First Name: Rex

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.: Allocation of Resources

Comments: To attract business to Arizona, we need a trained workforce. Schools like the East Valley Institute of Technology ( EVIT) in Mesa provide the training for high paying jobs. Every high school student does not necessarily need to go to college but every high school student needs to have a marketable skill. EVIT prepares students for both college and trade careers and for a productive future. We need more schools Like the EVIT in Arizona.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 23, 2015 8:51 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 23, 2015 8:50am Submitted values are:

First Name: Lisa  
Last Name: [REDACTED]  
Phone Number: [REDACTED]  
Email Address: [REDACTED]  
Stakeholder Identification: Parent  
Please identify the issue(s) you wish to address.: Other  
Comments:  
Governor Ducey,

I am a parent, a business member and a community member and I want to emphasize with you that education should be a top priority for the state of Arizona. A solid educational system supports the entire community for a lifetime by creating a learning environment to encourage children to love learning and strive for great things in life. It also reduces the prison population and welfare rolls. I know education is a long-term investment and many politicians don't like long term investments as it will not help them get elected but please put the children of Arizona at the top of your priority list and lead by example.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 23, 2015 11:42 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 23, 2015 11:42am Submitted values are:

First Name: Richard

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.: Other

Comments: I believe that all of Arizona deserves to have a high quality career and technical education center like EVIT, where resources are pooled at one campus to give high school students and adults the best career training possible. EVIT, which receives only 95 percent of funding due to budget cuts should be restored to 100 percent funding

Documents:

## Kristin Sorensen

---

**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Tuesday, November 24, 2015 8:38 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Tuesday, Nov. 24, 2015 8:37am Submitted values are:

First Name: Neil

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.:

- Formula Equity
- Current Year Funding
- Allocation of Resources

Comments:

I served on the East Valley Institute of Technology (EVIT) Education Foundation board since its inception. Serving on this board filled me with a tremendous sense of pride. As a business executive, I strongly endorse the EVIT model of career and technical education and believe that my tax dollars for education and career advancement are best served by funding the efforts of EVIT. The campuses support students and adults from ten East Valley communities. EVIT is a school viewed as a national model for successful career and technical education. EVIT students have a 96% high school graduation rate, two of three students go on to college and an impressive 87% are in college, employed or are serving in the military within one year of completing their EVIT training. Combine these results with the fact that the cost of education to taxpayers like you and like me is much lower as students are training at centralized campuses as opposed to implementing programs at 50 different high schools.

Arizona deserves a high quality career and technical education center like EVIT; for the students, for business and industry and finally for the taxpayers.

Documents:

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, November 25, 2015 9:12 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Wednesday, Nov. 25, 2015 9:12am Submitted values are:

First Name: Robert

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED] Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.:

- Current Year Funding
- Allocation of Resources

Comments:

We are a structural steel erecting company based in Gilbert. We are concerned to hear that EVIT has been giving a budget cut. The reason for our concern is that in our apprenticeship program, which is registered with the state 11 out of 27 are EVIT graduates. We find that the EVIT students are better prepared for a career than the normal workforce pool. EVIT students understand the principles of work ethic, and the value of education in their desired trade.

As we continue grow and build in Arizona, not only in infrastructure but commercially as well we will need a strong, educated, and willing workforce. EVIT is by far the best model to help develop that future workforce. As a company that can see firsthand what EVIT brings to the table, we ask that their budget be restored to 100 percent funding.

Documents:

## Kristin Sorensen

---

**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Wednesday, November 25, 2015 3:21 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Wednesday, Nov. 25, 2015 3:20pm Submitted values are:

First Name: Larry

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED] Stakeholder Identification: Community Member Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Transparency
- Formula Clarity

Comments: I have a special interest in career and technical education funding. Working with West-MEC over the last 7 years has really enlightened on the funding issues with JTED's as compared to traditional school districts. I would like to see CTE funding at the same level as traditional school districts. I also have concerns about the upcoming 2017 proposed cuts. I would like to get involved and see how we can help with this and many other issues. Please let me know how I can get engaged in this process? Thanks! Larry

Documents:

**Kristin Sorensen**

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Friday, November 27, 2015 3:18 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Friday, Nov. 27, 2015 3:17pm Submitted values are:

First Name: Rudy  
Last Name: [REDACTED]  
Phone Number: [REDACTED]  
Email Address: [REDACTED]  
Stakeholder Identification: Business Member Please identify the issue(s) you wish to address.: Other  
Comments:

[REDACTED]

November 27, 2015

Governor Ducey  
1700 W. Washington  
Room 301  
Phoenix AZ 85007

Dear Governor Ducey:

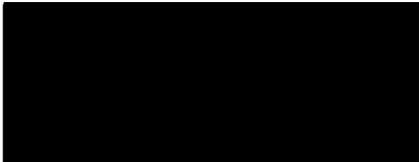
I am currently a business owner Prescott Valley and Phoenix. I have had my business in the Prescott Valley for 20 years. I have seen the impact of Mountain Institute JTED (MIJTED) has had on the community. The programs that MIJTED has to offer has helped increase the training that students in the community can earn. In being a small business owner, I went through an apprenticeship for the tattoo industry when there were only 5 studios in the Phoenix area. The training that I received through my training program has allowed me to be a successful business owner today. Several of my clients have benefited from the programs MIJTED has to offer. I have meet certified nursing assistants, automotive mechanics, welders, medical assistants, pre-engineering students, and pilots who all started their training with MIJTED. If the 15% pending budget reduction goes into effect it will devastate the current state of the MIJTED programs. The 15% reduction will reduce the \$2 Million MIJTED Budget by an additional \$300,000. This will create a financial cliff that will have massive impacts on the operation of Central Campus Facilities, Satellite Program Funding, Staffing, and could potentially close programs.

There are over 2000 MIJTED students in Yavapai Country and over 90,000 students enrolled in JTEDs across Arizona. JTED/CTE program has helped students in Yavapai County stay in school with students who complete a JTED program have a 98% graduation rate over students who haven't participated in these programs. Industry certifications allow students to pursue post-secondary education which allows them to work a high paying job while attending college. Students who are earning money while in college in Arizona will help fuel the economy all while reducing their student loan debt. It is incredible that MIJTED students have earned over 9000 post-secondary at Yavapai College many which transfer to Degree programs, saving tax payers over \$800,000. MIJTED has also issued over 1600 third party industry certifications with over 78% of JTED students pass their industry certifications on the first attempt.

I urge you to consider restoring the JTED budget cuts for FY17. The students in Arizona need to have the opportunity to earn college credit, industry certifications, and increase their employability in a tough job market. Being a business owner I search for well-trained employees who have business and industry backgrounds. JTED's are critical to improve the quality of life of Arizona students as well as the overall economy of Yavapai County.

I thank you for your time and consideration.

Sincerely,



Documents:

**Kristin Sorensen**

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 30, 2015 9:41 AM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 30, 2015 9:40am Submitted values are:

First Name: Charlotte

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.: Current Year Funding

Comments:

I have concerns regarding current year funding - We methodically set our tax rate according to what we need for our budget currently, but it will be a guess if we go to current funding, not knowing what it will be until the end of the year. Teacher/other employee contracts- if the school district is declining in enrollment - what happens if there is not enough funding to support the contracts? I hope that you will consider continuing with using the previous year ADM to set the budget.

Documents:

**Kristin Sorensen**

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**From:** Edward Taylor via Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 30, 2015 3:36 PM  
**To:** GOE  
**Subject:** Website Contact Form Submitted

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 30, 2015 3:36pm

## Contact the Governor's Office of Education

Your Name Edward [REDACTED]

Your Email [REDACTED]

Your Phone [REDACTED]

Your Message

Please restore JTED funding. CTE and career jobs are the backbone of my community, state and country. As a 25 year career professional now turned teacher I can see the benefits of CTE to get students ready for the workforce. I know there are studies that show CTE students have a higher graduation rate. I wonder if there is a study to show how many Arizona high school graduates go to and finish a 4 year college compared to being educated or trained in a career. I would be willing to bet it would be 75% career to 25% college. Where are we investing our money?

Thank You

## Kristin Sorensen

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 30, 2015 9:03 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 30, 2015 9:02pm Submitted values are:

First Name: Debbie

Last Name: [REDACTED]

Phone Number: [REDACTED]

Email Address: [REDACTED]

Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.:

- Formula Equity
- Formula Uniformity
- Formula Transparency
- Formula Clarity

Comments:

Documents:

**Kristin Sorensen**

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**From:** Office of the Arizona Governor <noreply@az.gov>  
**Sent:** Monday, November 30, 2015 9:31 PM  
**To:** GOE  
**Subject:** Feedback for the Council

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Submitted on Monday, Nov. 30, 2015 9:30pm Submitted values are:

First Name: Rob  
Last Name: [REDACTED]  
Phone Number: [REDACTED]  
Email Address: [REDACTED]  
Stakeholder Identification: Educator

Please identify the issue(s) you wish to address.:

- Current Year Funding
- Human Capital (Teachers)
- Achievement Weights

Comments: I just want to make sure that the teachers that work hard for the students are given the resources they need to do what needs to be done.

Documents: