

## **School Finance Act of 1994**

### **Goals set forth by the legislature**

1. Create a foundation formula funding system.
2. Differentiate funding between districts based on district size, cost of living, personnel adjustments, and at-risk (defined by free-lunch).
3. Wanted local and state contribution of revenue – wanted a 50% split between state and local.
4. Wanted districts to levy 40 mills and then the state would equalize the difference – by backfilling the state portion – so all districts began with the same “base” funding before any adjustment.
5. Additional state dollars would be allocated outside the formula – called Categoricals – which went toward special education, non-English learners, gifted and talented, career and technical and transportation.
6. Local school districts had a 10% override limit.

### **What did the system fund?**

Education in 1994 was at the beginning of implementing standards, there were no state-wide assessments, no statewide accountability systems, no statewide teacher evaluation programs. The use of technology was taking key boarding in high school, but not used for instruction, assessments or record keeping. The Bell curve model was accepted – knowing that some students would not succeed. Measuring annual student progress and identifying state wide gaps in achievement was not in place.

### **Where are we today in meeting the 1994 School Finance Goals?**

1. We still have a foundation formula – the negative factor has eroded the base.
2. The adjustments or differentiation has been minimized due to the negative factor.
3. The state now contributes 62% of funding and locals 38%.
4. The mill levies range from 2 to 27 – creating large inequities.

5. Categoricals are still being funded, though have not been adjusted for current actual costs.
6. School districts today have a 25% override for larger districts and 30% for small, in addition to an operating override, a kindergarten override, a transportation override and a technology override. Creating large inequities between districts.

### **Today's Education System**

- 1. All students are to be proficient and graduate ready for college and career.**
- 2. Statewide standards, assessments, accountability and accreditation system**
- 3. Graduation guidelines**
- 4. Third grade literacy requirements**
- 5. Teacher evaluation systems based on student achievement.**
- 6. Technology used as a learning tool, a research tool, an assessment tool, and a reporting tool.**

### **Do we know the cost of this system?**

**What does a high-quality education system cost to be successful – not just to be compliant?**