

## **School Funding Committee remarks, September 27, 2016**

Representative Horman (or Senator Winder) and members of the committee:

Thank you for the work that you do and your commitment to the students of the State of Idaho. I have lived in Idaho for 36 of my 48 years and love living here. Idaho was a great place to attend school for me grades 1-12, graduating from Lewiston High School almost 30 years ago.

For the past almost 18 years it has been my pleasure to work for Idaho public schools in a financial capacity. I am currently the Chief Financial & Operations Officer for Bonneville School District 93. I have thoroughly enjoyed having student success as the focus of the work that I do.

I would like to offer some observations and suggestions for your consideration as you continue to work through your responsibilities on this committee. Many changes have occurred since the current formula was put into place, so I believe that some changes are in order. I also recognize that changing the formula will produce winners and losers if the pool of funds stays the same and is just allocated differently. I would hope districts would have plenty of time to study and implement changes prior to going live with the new formula. Perhaps there can be a built in hold harmless provision for one year for districts that are negatively affected by a new formula.

Items I have wondered about with the current funding formula:

1. Special Education students comprise somewhere near 10% of student population but are only funded at 5.5% to 6%.
2. School Districts are required to pay PERSI and PERSI Sick Leave benefits for qualifying employees, however the current funding formula only funds PERSI. PERSI Sick Leave is left out of the equation.
3. All Classified employees are treated the same for funding purposes. No differences are recognized between funding a duty aide and a computer network administer. (There have been proposals in past years to fund "Super Classified" positions.)
4. Certificated positions such as Speech Language Pathologists, Psychologists, nurses are funded at the same amount as a certificated teacher. Because these positions pay much more in the private sector, these positions have become

difficult to fill. Leadership premium funds can be used to funnel extra pay to them, but they can still get paid much more working in the private sector.

5. Is attendance or enrollment a better measure for funding schools? If the goal is merely to provide a funding mechanism, I suppose it does not matter. If the funding model is in place to support students in their educational pursuits, then the funding model should support that goal, whether it is attendance, enrollment, mastery, or some other measure.

Thoughts concerning a new funding formula:

1. Use concepts and language that fosters effective communication between stakeholders. Most patrons only want to know “how much does the state fund your district per student?” Trying to explain the current funding formula only makes patrons think I am trying to confuse them and hide something from them.
2. Recognize that health insurance is a large enough component of expenditures that it should be a separate line item and not included in what is commonly called “discretionary funds”. Health insurance costs are a significant portion of district budgets.
3. Would there be a way to forecast or project more than one year at a time parts of the funding formula? (similar to career ladder that is mapped out for several future years)
4. Should virtual education be funded the same as traditional education?
5. Would having all districts use the same accounting and student software help provide more accurate and relevant data upon which past decisions could be validated or rescinded, or help in future decision making?
6. Avoid implementation timing issues that could not be reasonably foreseen and planned for by districts. Example: Career ladder bill passed in Spring 2015 contained deadlines of September 2014 that no one could have reasonably anticipated.
7. Federal Special Education funds are not keeping pace with increased costs related to special education students, causing districts to increase their Maintenance of Effort costs in the General Fund. Special Education students are becoming more and more expensive.
8. Districts do have many things in common, however districts do need flexibility in how funds are spent so that local leaders can customize educational programs to the unique needs of their students.
9. Accountability is easier to accomplish when the rules are known beforehand. Speaking for myself, I am happy to provide data regarding how funds were spent when I know before-hand what the report format is going to look like. (this is current practice, would like it to stay the same.)

Thank you for your efforts in regards to the time and energy put forth in behalf of Idaho's students.

Thank you for your time.

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