EDUCATION REFORM COMMISSION

RECOMMENDATIONS FROM SUB-COMMITTEES

TO

FULL COMMISSION

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Funding Formula Committee

Chairperson: Dr. Charles Knapp

Committee Members: Tom Dickson, Kent Edwards, Terry England, Barbara Hampton, Jack Hill, Cynthia Kuhlman, Lindsey Tippins, Alvin Wilbanks, Dick Yarbrough

Recommendation of Funding Formula Committee

Governor Deal and the General Assembly have prioritized K-12 education and have devoted the largest percentage of the state budget to K-12 education of any Georgia governor and legislature in the last 50 years. Over the last two years alone, K-12 education has received an infusion of over one billion dollars in additional state revenue. It is the recommendation of the Funding Formula Committee that Governor Deal and the General Assembly should continue their strong track record of prioritizing K-12 education funding.

Governor Deal formed the Education Reform Commission in early 2015. His vision for K-12 education in Georgia is a system driven by student need that provides local school and district leaders with real control and flexibility. He charged the commission to work together to make education more accessible and effective in preparing our state's students for the rigors of college and the workforce. He specifically charged the funding committee with making recommendations to create a weighted student-based funding formula that recognizes that students with certain characteristics cost more to educate but also recognizes that there is no one-size-fits-all approach to meeting their needs. Governor Deal knows that it is essential that we have a modern, student-based formula that gives local districts the flexibility they need to meet the needs of all learners.

The recommendation of the funding committee is that we permanently add $258M to the current K-12 state budget beginning in the FY18 budget and that, as funds are available, an additional $209M be added to this modern, student-based formula.

The recommendation of the Funding Formula Committee is for the development of a student-based funding formula that consists of three components: Student Base Funding, Weighted Student Characteristics, and Categorical Grants.

This formula includes a major shift from the method used in the Quality Basic Education (QBE) formula for how students are counted for funding purposes. Instead of funding full time equivalent counts based on six instructional segments, the recommended formula will use student enrollment counts for funding purposes.

It should be noted that students can have multiple characteristics and will earn money based on each identifiable characteristic. The district will earn funding based on the characteristics of the students enrolled and may use the money flexibly to meet the needs of the students. A number of examples of the cumulative effect of the recommended weights on the recommended student base are found on pages 14-15 of this document.

It is also important to emphasize that the recommended formula determines how districts earn state funding for K-12 education, and it does not impose scheduling controls in order to earn the funds.

Districts that have accountability contracts with the State Board of Education (SBOE) will have the flexibility to allocate earned funds at their discretion, with the exception of funds earned for teachers who are continuing to be compensated under the T&E model, and would not be restricted by law or rule, nor tested by expenditure controls. These districts will have the flexibility to structure local budgets and allocate resources in the way that best meets the needs of the students in that district.

Districts without accountability contracts will continue to be required to meet all expenditure requirements and controls in Title 20 and State Board Rule.

SUMMARY OF STUDENT-BASED MODEL

Student Enrollment				1,697,497
Base Weighted Per Student				$2,393.13
K-12 Enrollment Funds				$4,062,325,096
Student Characteristic Weights: Add-On Weights				
	Enrollment	**Amount Per Enrollment**	**Student Characteristic Weight**	
K3	542,483	$687.21	0.2872	$372,797,544
4-5	261,247	$191.45	0.0800	$50,015,770
6-8	392,717	$2,393.13	1.0000	
9-12	501,050	$196.72	0.0822	$98,567,702
CTAE	272,354	$120.02	0.0502	$32,504,485
Special Ed Cat A	46,151	$978.58	0.4089	$45,162,087
Special Ed Cat B	41,667	$1,698.82	0.7099	$70,784,551
Special Ed Cat C	65,662	$4,250.79	1.7762	$279,114,411
Special Ed Cat D	18,132	$5,913.44	2.4710	$107,220,056
Special Ed Cat E	2,136	$11,713.54	4.8947	$25,020,809
Special Ed Adjustment (LEA MOE)		$0.00		($738,265)
English to Speakers of Others Languages	127,868	$463.62	0.1937	$59,281,952
Economically Disadvantaged	529,226	$232.23	0.0970	$122,904,744
Gifted	177,878	$773.15	0.3231	$137,527,095
Grand Total for Student Earnings				**$5,462,488,036**
State Funded Salary Level				$2,054,273,915
T&E Per Committee Hold Harmless				$89,281,850
Central Office/Administration				$45,793,318
MEC Add on				$1,163,597
Sub Total				**$7,653,000,716**
Low Density/Low Enrollment				$40,183,285
Charter Schools Supplement				$70,256,677
Charter Systems				$33,423,913
Sub total				**$7,796,864,590**
TRS				$948,509,933
Health Insurance				$1,099,617,120
Equalization				$506,525,394
Local 5 Mill Share				($1,664,571,267)
Total				**$8,686,945,771**
Hold Harmless				$0
Total Current Model with Hold Harmless				**$8,686,945,771**
Grand Total of Additional Funds Needed				**$467,472,112**

WEIGHTED STUDENT CHARACTERISTICS:

The recommendation of the funding committee includes the weighted student characteristics as explained below.

K-3:

- The formula recommended by the funding committee proposes that K-3 students would be weighted to reflect the importance of, and state priority for, all children reading on grade level by third grade. The weight adds additional funding to the base amount for students in grades K-3.
- The current recommended model weight for K-3 is 0.2872.
- K-3 weighted earnings for one student in the recommended formula = $687.21.
    - K-3 total funding earnings above the base in the FY16 QBE formula are approximately $331M.
    - K-3 total funding weighted earnings in the recommended formula are $ 372,797,544.

4-5:

- The formula recommended by the funding committee proposes that students in grades 4 and 5 would be weighted to reflect the importance of all students being proficient in mathematics by the end of the fifth grade. The weight adds additional funds to the base amount for students in grades 4-5.
- The current recommended model weight for 4-5 is 0.0800.
- 4-5 weighted earnings for one student in the recommended formula = $191.45.
    - 4-5 total funding earnings above the base in the FY16 QBE formula are approximately $13.2M.
    - 4-5 total funding weighted earnings in the recommended formula are $50,015,770.

9-12:

- Due to the cost of providing specialized classes to hone college and career skills, the funding committee recommends the provision of a weight for students enrolled in grades 9-12.
- The current recommended model weight for 9-12 is 0.0822.
- 9-12 weighted earnings for one student in the recommended formula = $196.72.
    - 9-12 total funding earnings equivalent to the base in the FY16 QBE formula are $768,375,017.
    - 9-12 total funding weighted earnings, in addition to the base, in the recommended formula are $98,567,702.

Career, Technical, and Agricultural Education (CTAE):

- The vision of the leadership in Georgia is to ensure that students are college and career-ready. To support this vision, the committee recommends that students enrolled in CTAE courses would earn additional funding. Additional state funds are necessary to purchase the materials, equipment and supplies necessary for successful CTAE classes to operate.
- CTAE weighted earnings for 1 segment in the FY16 QBE formula = $73.11. For six segments that weight earned $438.66 in FY16 QBE.
- The current recommended model weight for CTAE is 0.0502.
- CTAE weighted earnings for 1 student in recommended formula = $120.02.
    - CTAE total funding earnings above the base in the FY16 QBE formula are approximately $28M.
    - CTAE total funding weighted earnings in the recommended formula are $32,504,485.

Additional Proposed Methodology Investigated:

In previous committee meetings there has been some discussion of a proposal that the weight for CTAE be modeled in a tiered method weights as follows.

- Using the materials and equipment requirements of each course as a guide, the CTAE pathway courses will be categorized as high cost and low cost.
- Maintaining the same total weight effect of 0.0502, students enrolled in CTAE courses designated as "high cost" will earn a funding level twice as high as the "low cost" courses.

Staff met with a group of CTAE directors and the Georgia Association for Career and Technical Education (GACTE) director on Monday, November 9, to discuss whether or not they recommended a tiered method of funding for CTAE students by course enrollment, and, if so, which courses should be consider "high cost" and "low cost."

The consensus of that group was to recommend against proceeding with a tiered funding model as previously proposed and discussed by the committee. Their reasons included the following.

- Designating some courses and high cost could have the unintended consequence of influencing a school district's course and pathway offerings unduly. Currently school districts state that they are working to identify the needs of local businesses and industry and align CTAE course/pathway offerings with those needs. The group meeting on November 9th felt that tiered funding levels would create counterproductive tension between meeting the needs of the community businesses/industries and increasing earned funding in the district.
- Many of the high costs for maintaining and/or replacing capital equipment, sustaining warranties, and replacing consumable materials and supplies are already in the process of being addressed by GaDOE in its annual request for a specific appropriation by the legislature for this purpose. In addition, Perkins and other funds help meet these needs.

GIFTED:

- The formula recommended by the funding committee proposes a weighted funding amount for students identified as Gifted.
- Gifted weighted earnings for 1 segment in the FY16 QBE formula = $237.98. Students statewide were funded for an average of three segments. For three segments in QBE the student earned $713.94 in FY16 QBE.
- The current recommended model weight for Gifted is 0.3231.
- Gifted weighted earnings for 1 student in recommended formula = $773.15.
    - Gifted total funding earnings above the base in the FY16 QBE formula are approximately $129M.
    - Gifted total funding weighted earnings in the recommended formula are $137,527,095.

Rationale for the weighted gifted student characteristic: [1]

- Developing and nurturing high performance supports the future prosperity of our nation, state, community, and of individuals.
- Most gifted students are not developing to the level their potential would indicate is possible.
- In the normal distribution of ability and/or of achievement, 68% of students score near the mean; students far from the mean require different educational experiences to develop optimally or at all.
- All children deserve the opportunity to learn something new each day.
- Schools have a responsibility to meet the learning needs of all students. Gifted children are found in all income, cultural, and racial groups; gifted children may also have one or more disabilities.
- Most teachers say their brightest students are bored and under challenged.
- Most teachers have no training in working with gifted learners.
- In classroom observations, most learning activities are not differentiated for gifted learners.

Additional considerations:

- Gifted classes often require additional materials, supplies, and lab equipment for in-depth study that results in students producing projects/products that demonstrate real-world application of concepts.
- Teachers must be specifically trained to differentiate instruction at high levels, to fulfill the teaching roles of facilitator and guide, and to accommodate the variety of giftedness that students bring into a classroom.
- Additional funds are required to allow students to participate in challenging competitions that require complex thinking and high level problem-solving abilities.
- Curriculum, instruction, and assessment must often be modified or developed to meet the needs of the gifted student.

[1] Rationale taken directly from the National Association of the Gifted at Rationale for Gifted, October 30, 2015.

STUDENTS WITH DISABILITIES:

- The funding committee recommends providing a weighted funding amount for students identified and served as Students with Disabilities (SWD). The QBE funding level for an SWD student is based on the student's primary disability and does not take into account the amount of time for which students are provided services. The methodology described below based student funding on the number of minutes served during a week, regardless of primary or secondary disability, and is under discussion by the committee.

- Students receiving services for less than 30 minutes per week would be consultative students served fully in the regular classroom and would not be weighted.

- Category A students would receive services from 30 to 360 minutes (6 hours) per week. Category A students account for 26.0% of the sample population.
    - The current recommended model weight for Category A is 0.4089.
    - Category A weighted earnings for one student in the recommended formula = $978.58.

- Category B students would receive services from 361 to 900 minutes (6+ to 15 hours) per week. These are the higher incidence/lower service level categories and make up 23.6% of the students in the sample.
    - The current recommended model weight for Category B is 0.7099.
    - Category B weighted earnings for one student in the recommended formula = $1,698.82.

- Category C students would receive services from 901 to 1800 minutes (15+ to 30 hours) per week. This category weight would include students receiving full time services from a single provider (paraprofessional or teacher) or in total from a combination of providers (teacher, paraprofessional, OPT, OHI, interpreter, etc.). Students in Category C make up 38.3% of the sample.
    - The current recommended model weight for Category C is 1.7762.
    - Category C weighted earnings for one student in the recommended formula = $4,250.79.

- Categories D and E could actually be considered sub-categories of C and provide weights to the lowest incidence but highest service levels of students.

- Category D students would receive services from 1801 to 3600 minutes (30+ to 60 hours per week). Simply put, these students receive full-time special education services and then some, up to the equivalent of two full time providers. These students account for 10.8% of the sample population.
    - The current recommended model weight for Category D is 2.4710.
    - Category D weighted earnings for one student in the recommended formula = $5,913.44.

- Category E students would be those that receive the highest level of services, more than 3600 minutes (60 hours) per week, have multiple service providers, and are representative of 1.3% of the sample population.
    - The current recommended model weight for Category E is 4.8947.
    - Category E weighted earnings for one student in the recommended formula = $11,713.54.

- The IEP for each student should absolutely determine the services provided, which would in turn determine the number of minutes of service per week. This would require the addition of a data collection element in student record, which currently collects disability but not the time of service.

- The recommended collection of special education data based on total minutes served, instead of primary disability, is completely different than under QBE; therefore, it is not possible to directly compare the earnings by category. However, below is a comparison of the total SWD earnings of the five SWD weight categories statewide.
    - SWD total funding earnings above the base in the FY16 QBE formula are approximately $510M.
    - SWD total funding weighted earnings in the recommended formula are $527,301,913.

- The MOE adjustment line item reflected in the "Summary of the Student Base Model" is a safeguard included until more accurate data is reported by the districts. The state average enrollment in each category was used in modeling for some districts as this is a new data element, to be collected by the Georgia Department of Education (GaDOE), and accurate counts were not available from every school district.

ESOL:

- The funding committee recommends providing a weighted funding amount to support the additional instruction required for students who need instruction in English as a second language.
- The current recommended model weight for ESOL is 0.1937.
- ESOL weighted earnings for one student in the recommended formula = $463.62.
    - ESOL total funding earnings above the base in the FY16 QBE formula are approximately $56M.
    - ESOL total funding weighted earnings in the recommended formula are $59,281,952.

ECONOMICALLY DISADVANTAGED:

- The recommendation of the funding committee is that it would be appropriate to include a new weight for economically disadvantaged students. This will add a weighted student characteristic that was not included in FY16 or any previous QBE funding allocations.
- The recommendation of the funding committee is to use Direct Certification (which includes SNAP and TANF enrollment, homeless students, foster students, and migrant students) as the identifier for this characteristic.
- The current recommended model weight for Economically Disadvantaged (ED) students is set at 0.0970.
- ED weighted earning for one student in the recommended formula = $232.23.
    - ED total funding weighted earnings in the recommended formula are $122,904,744.

ECONOMICALLY DISADVANTAGED AND K-3 RECOMMENDED WEIGHTS – IMPACT SUMMARY:

The formula recommended by the funding committee provides funding for a new Economically Disadvantaged (ED) student characteristic that was never funded in QBE.

FY16 QBE earnings, above the QBE base, for Early Intervention Programs (EIP) and Remedial Education Programs (REP) totaled approximately $140.8M and are the closest comparison for the ED student characteristic weight. Taking into account the K-3 student weight, the 4-5 student weight, and the ED student weight, these student groups earn $60,525,058 more using the recommended model than was earned above the FY16 QBE base for both EIP/REP and K-5 FTEs.

COMPARISON		
	FY16 QBE	Recommended Model
EIP	$128,371,000	-
REP	$12,422,000	-
K-3	$331,000,000	$372,797,544
4-5	$13,200,000	$50,015,770
ED	-	$122,904,744
TOTAL	$485,193,000	$545,718,058
INCREASE IN RECOMMENDED MODEL		**$60,525,058**

Economically disadvantaged students are well able to learn and succeed in school. Their abilities and learning are certainly not determined or limited by this characteristic. There are a number of schools in Georgia that have effectively demonstrated such academic success with student populations including high percentages of students who are economically disadvantaged.

However, there are many more Georgia schools, with high percentages of ED-weighted students in their populations, where additional support and resources are needed to provide expanded instructional time and opportunities for these students to increase academic progress and improve academic performance. The fact is that ED students enter kindergarten far behind their peers in language and vocabulary development, and we know that ED students often lag in the development of background knowledge for learning. Access to additional instructional time is a critical element in remedying the language gap, building background knowledge, and securing academic success for these students at any grade level. While additional funding absolutely does not guarantee increased learning, the recommended funding weights will provide such schools with every opportunity, and the flexibility, to develop and implement ever more effective instructional models and strategies for student success.

STUDENT FUNDING BASE:

The recommendation of the funding committee establishes grades 6-8 as the base student cost category. The base amount does not include training and experience (T & E) for teachers, the state health benefit plan (SHBP), or Teachers Retirement System (TRS) contributions. Listed below are the details regarding how this base amount was calculated.

- In the recommended model, the student base (6-8) amount is $2,393.13. In QBE, the student base (9-12) is $2,215.51.
- The recommended student base includes funding that was previously allocated in QBE for Direct Instructional Costs (counselors, art/music/PE/foreign language teachers, technology specialists, instructional operations) and Indirect Instructional Costs (social workers, psychologists, principals, assistant principals, secretaries, operations, and facility maintenance and operation).
- The recommended student base also includes funding that was previously allocated in QBE for special purposes to include media, staff development, nursing, and transportation.
- The recommended student base includes increased funding, in the amount of $110 per student, for technology.
- The difference between the state average teacher salary and T & E for those districts which do not currently pay the state average teacher salary is $89,281,850. When spread across all districts, this adds $52.60 to the base. This amount in included in the $2,393.13 base.
- The total funding earnings for the student base in the recommended formula are $4,062,325,096.

EXAMPLES OF STUDENT EARNINGS USING BASE AND WEIGHTED STUDENT CHARACTERISTICS:

1. Kindergarten Student with the following weighted student characteristics:	
Student Base Funding	$2,393.13
K-3 Weighted Funding	$687.21
SWD Category C Student Weighted Funding	$4,250.79
Total Student Funding (Base + Weights)	**$7,331.13**
2. First Grade Student with the following weighted student characteristics:	
Student Base Funding	$2,393.13
K-3 Weighted Funding	$687.21
Gifted Student Weighted Funding	$773.15
Total Student Funding (Base + Weights)	**$3,853.49**
3. Second Grade Student with the following weighted student characteristics:	
Student Base Funding	$2,393.13
K-3 Weighted Funding	$687.21
Economically Disadvantaged Student Weighted Funding	$232.23
Total Student Funding (Base + Weights)	**$3,312.57**
4. Third Grade Student with the following weighted student characteristics:	
Student Base Funding	$2,393.13
K-3 Weighted Funding	$687.21
Gifted Student Weighted Funding	$773.15
ESOL Student Weighted Funding	$463.62
Total Student Funding (Base + Weights)	**$4,317.11**
5. Fifth Grade Student with the following weighted student characteristics:	
Student Base Funding	$2,393.13
4-5 Weighted Funding	$191.45
SWD Category A Student Weighted Funding	$978.58
Economically Disadvantaged Student Weighted Funding	$232.23
Total Student Funding (Base + Weights)	**$3,795.39**
6. Seventh Grade Student with the following weighted student characteristics:	
Student Base Funding	$2,393.13
ESOL Student Weighted Funding	$463.62
Economically Disadvantaged Student Weighted Funding	$232.23
Total Student Funding (Base + Weights)	**$3,088.98**

7. High School Student with the following weighted student characteristics:	
Student Base Funding	$2,393.13
9-12 Weighted Funding	$196.72
CTAE Student Weighted Funding	$120.02
Economically Disadvantaged Student Weighted Funding	$232.23
Total Student Funding (Base + Weights)	**$2,942.10**
8. High School Student with the following weighted student characteristics:	
Student Base Funding	$2,393.13
9-12 Weighted Funding	$196.72
CTAE Student Weighted Funding	$120.02
ESOL Student Weighted Funding	$463.62
Economically Disadvantaged Student Weighted Funding	$232.23
Total Student Funding (Base + Weights)	**$3,405.72**

SPECIALIZED FUNDING OUTSIDE THE BASE AND WEIGHTED CHARACTERISTICS:

CENTRAL OFFICE/ADMINISTRATION:

The recommendation of the funding committee is for this funding to be outside the student base.

Recommended Methodology:

This cost has been removed from the student base in this recommended model in order to fund a standard central office that includes 1 Superintendent, 1 secretary, 1 accountant, and 2-12 assistant superintendents or other certified Central Office staff, based on enrollment up to 125,000 students. Additionally, adjustments ensure that the school district earns funding for a principal at each school if not already earned at that level in the student base calculations.

Funds for assistant superintendents/certified Central Office staff are earned as follows. Districts have flexibility to expend the funds based on district priorities and needs.

- Enrollment below 5,000 earns 2 assistant superintendents/certified staff members.
- Enrollment 5,000-9,999 earns 4 assistant superintendents/certified staff members.
- Enrollment 10,000-24,999 earns 6 assistant superintendents/certified staff members.
- Enrollment 25,000-49,999 earns 8 assistant superintendents/certified staff members.
- Enrollment 50,000-74,999 earns 10 assistant superintendents/certified staff members.
- Enrollment 75,000-99,999 earns 12 assistant superintendents/certified staff members
- Enrollment 100,000-124,999 earns 14 assistant superintendents/certified staff members
- Enrollment 125,000 and above earns 16 assistant superintendents/certified staff members.

The total funding earnings for the central office in the recommended formula are $38,745,341.

District Enrollment Range	Number of Districts in Range
0-4,999	103
5,000-9,999	30
10,000-24,999	18
25,000-49,999	11
50,000-74,999	2
75,000-99,999	2
100,000-124,999	1
125,000 and above	1

Adjustments to ensure that districts earn funding for a principal at each school, if it is not already earned at that level in the student base, require the addition of $7,047,977 in this grant.

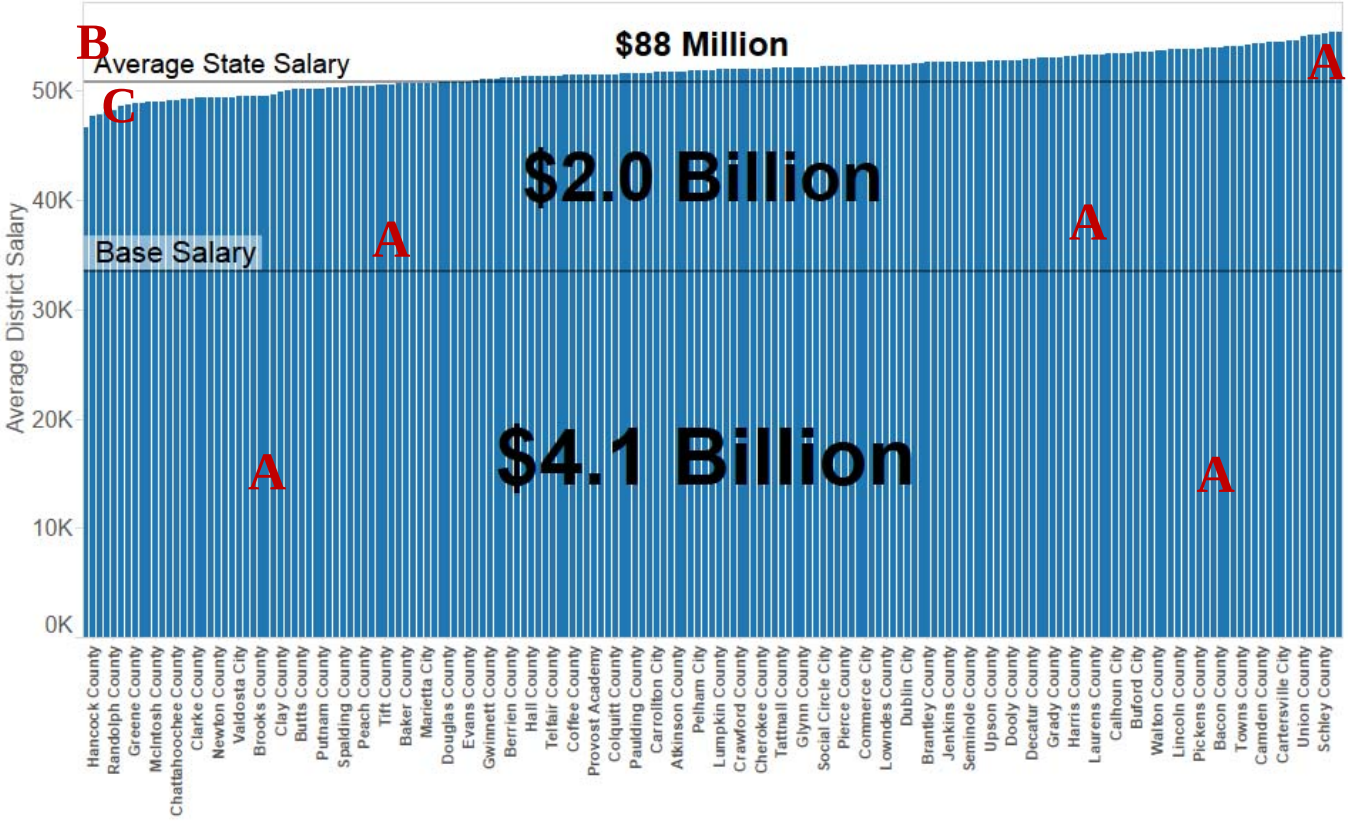
Total funding for the Central Office/Administration grants in the formula recommended by the funding committee is $45,793,318.

T & E:

The following narrative outlines the key components of the funding committee recommendation to maintain T&E funding for current district employees and to support districts in the development and implementation of new compensation models tailored to meet the unique needs of each district.

The funding for T&E should continue, until all teachers employed in the year immediately prior to implementation of the new model phase out of the system, and will be calculated outside the base in the following manner. For example and for clarity, if the new funding model is implemented in FY18, this would apply to all teachers employed in local districts in FY17.

A. Following implementation of the new student-based funding model, districts will continue to earn funding for all such teachers at the level that would have been earned based on T and E (A on the graphic below), including any step or education/training increases, unless the teacher is included in or opts into the new local salary model.
B. For all new teachers to the profession in the implementation and subsequent years, and any existing teachers who are included in or who opt into the new local compensation model developed and implemented by the district, funds will be allocated to the district based on the state funded level for teacher salary. (The average teacher salary in the state for FY16, $50,767.69, is modeled and represented by the line B on the graphic below.)
C. During the transition period, while both T&E and new compensation models are in place, funding based on the state funded level for teacher salary that the district might have earned for current employees, who are not included in or who do not opt into a new local district model, but above what would have been earned under the T and E calculation, will be used to increase the base amount of funding for students statewide (C on the graphic below).



To further clarify:

- The recommended model uses the T&E as a separate calculation in which each teacher who is currently above the state average/funded level for teacher salary earns:
  1) The state average salary funding of $50,767.69 (represented by line B in the graphic on page 12), and
  2) The difference between $50,767.69 and his/her actual T&E earnings. (The total amount of this funding is represented in A in the graphic on page 12.)
- The cost of continuing to compensate current teachers according to their T&E earnings, above the state average/funded level for teacher salary amount of $50,767.69, is $89,281,850. (This funding is also represented in A in the graphic on page 12.)
- Those teachers below the state average/funded level (line B) for teacher salary earn only their actual T&E funding. (The total amount of this funding is also represented in A in the graphic on page 12.)
- The initial difference between the actual T&E funding earned by teachers making less than the state average/funded level for teacher salary and the amount of $50,767.69 is added back into the student base so that every student in the state earns additional funding, which is $52.60 based on the FY16 state average/funded salary level. (This is represented by the white space C in the graphic on page 12.)

The state funded level for teacher salary will be reviewed annually and adjusted periodically as determined to be appropriate in the annual state budget process. When adjustments are made to the state funded level for teacher salaries in the new funding model, the same factor or percentage adjustment shall be applied to the T&E schedule for all teachers still paid under that model.

Upon implementation of the recommended funding model, each local school district would proceed to adopt, adapt, or develop a new compensation model to meet the unique needs of that district.

- All districts will develop their own local models to submit to the State Board of Education for approval.
  a. All new compensation models must have effectiveness as one component, but may also take into account experience, critical shortage areas, or other local priorities. The new compensation models cannot require existing teachers to make less than their contracted amount in the year immediately prior to the implementation of the new funding model.
  b. All new compensation models must contain a provision that allows teachers employed in the year immediately prior to implementation the choice to opt in to the new system or to continue to be paid based on the T&E model unless the district has executed a contract with SBOE that includes a waiver providing flexibility in determining teacher compensation levels, models, and participation. For district accountability contracts currently in existence or in development with SBOE to be renewed in the future, the district must have begun to implement a new compensation model prior to the renewal date.
- Districts that have accountability contracts with the State Board of Education will have the flexibility to allocate earned funds at their discretion, with the exception of funds earned for teachers continuing to be compensated under the T&E model, and would not be restricted by law or rule, nor tested by expenditure controls. Districts without accountability contracts will continue to be required to meet all expenditure requirements in Title 20 and State Board Rule.

- Upon the effective date of a new funding formula, all new employees earn funds based on the state funded level for teacher salary and will be paid according to the new local compensation model adopted by the district.

DRAFT COMPENSATION FRAMEWORKS

The staff has developed several compensation frameworks around which districts could begin discussion of a local compensation model that would best meet the unique needs of each district. These were provided to the funding committee during the October 28, 2015 meeting and to all members of the Education Reform Commission via email on October 29, 2015.

These frameworks should be considered for discussion purposes only.

For the development and implementation of new, local compensation plans to be effective and successful in Georgia, it is critical that each school district carefully review the GASPA guidance titled "Strategic Compensation Redesign: Potential Models for Georgia School Systems" and consider the criteria and factors of the most importance to that district to ensure the recruitment and retention of a highly effective faculty in each of its schools.

There will be no "one size fits all" compensation plan that districts can successfully adopt and implement without such thoughtful analysis and consideration of its own unique situation, taking into consideration the district's mission, vision, values, and strategic plan.

TEACHERS RETIREMENT SYSTEM (TRS):

Teachers Retirement System contributions are a calculation completed through the data provided in the Certified Personnel Index (CPI) report from each school district. Contributions are calculated and the amounts are always based on teacher salaries from the prior year's personnel report, with TRS requiring a certain percentage be contributed by both the employee and the employer each year. The employer cost would be outside of and in addition to the student base funding amount so that districts receive the necessary funding to meet the annual required employer contribution. The recommendation of the funding committee would not change this calculation or procedure.

STATE HEALTH BENEFIT PLAN (SHBP):

The state's contribution to local school districts for health insurance is a fixed cost - a per member, per month calculation. This cost would always be calculated based on the prior year's personnel report and would be outside of and in addition to the student base funding amount, in the same manner as TRS, to ensure that districts continue to receive the funding necessary to meet the required annual employer contributions. The recommendation of the funding committee would not change this calculation or procedure.

EQUALIZATION

The funding committee recommends that no changes be made in the new K-12 funding model to the current methodology and calculation of the equalization grants with the exception of transitioning from the use of FTEs to student enrollment counts. The staff modeled the use of a multi-year average of tax digests for calculating equalization, but after review and discussion by the funding subcommittee, no changes were adopted due to the negative impact the still-declining digests would have on district funding. This multi-year methodology may be revisited and reviewed in the future when the tax digests in the state have recovered from the most recent economic recession.

Under Georgia's current school funding system, equalization funding is a form of additional aid that is provided to school districts beyond their core-funding amount. The state currently (FY16) provides $506,525,394 in equalization aid directly to districts, authorized in O.C.G.A. § 20-2-165. This funding is intended to address any property wealth inequalities arising between districts on a per pupil basis.

The table provides examples of how districts can receive differing amounts of equalization aid based on these factors in FY16.

Rank	Name	Tax Wealth per Weighted FTE (Statewide Average: $135,047)	Equalized Difference	Weighted FTEs	Total Equalization Grant
1st	Rabun	$521,674	NA	3,023	-
30th	Decatur City	$186,075	NA	6,196	-
60th	Rome City	$139,285	NA	8,636	-
90th	Banks	$119,046	$16,001	4,169	$718,840
120th	Catoosa	$107,418	$27,629	15,352	$5,450,225
150th	Wheeler	$87,438	$47,609	1,389	$991,796
180th	Pelham City	$24,616	$110,431	2,087	$2,762,537

To calculate a district's equalization grant, Georgia has used and will continue to use a three-step process.

1. The first identifies high and low wealth districts on a per pupil basis, while the second identifies the size of the grant. Currently, equalization funding grants are allocated to all districts whose per-pupil property tax digest value is less than the statewide average.
2. All districts are sorted by property tax wealth per student enrollment (in QBE the weighted FTE) in comparison to a statewide benchmark, which excludes the nine highest and nine lowest district values as part of the calculation of this average.
3. After districts are sorted by property wealth per student, those that are at or below the statewide average are "equalized" for their local tax effort when the state generates their annual equalization grants.

The formula for determining a districts equalization grant after it has been deemed eligible is listed below.

Equalized Difference X Student Enrollment = Equalization Grant Total

LOCAL FIVE MILL SHARE REQUIREMENT

The funding committee recommends that no changes be made in the new K-12 funding model to the current methodology and calculation of the local five mill share requirement. The staff modeled the use of a multi-year average of tax digests for calculating the local five mill share, but after review and discussion by the funding subcommittee, no changes were adopted due to the negative impact the still-declining digests would have on district funding. This multi-year methodology may be revisited and reviewed in the future when the tax digests in the state have recovered from the most recent economic recession.

All school districts electing to receive K-12 education funding from the state are required to levy the equivalent of at least five mills in property taxes as a basic local commitment to educating their students. The "Local Five Mill Share" in the QBE formula refers to the portion of the direct and indirect Instructional Costs that the state expects local systems to pay with locally raised funds.

Currently, the state requires local systems to pay an amount equal to 5 Mills of property tax generated within their taxing authority. By law, the amount of money represented by the 5 Mills statewide cannot exceed 20 percent of the total QBE formula earnings (direct and indirect instructional costs). Funds that are raised through locally levied property taxes, which included the minimally required five mill share, do not leave the school system. These funds remain with the district/taxing authority, and are not directly remitted to the state. This is consistent with the practice of locally raised bonds and SPLOSTS remaining within the local school system. The Local Five Mill Share represents each system's "obligation" toward educating their students in order to participate in the state funding model.

The local five mill share is authorized in O.C.G.A. § 20-2-164. The FY16 reduction of the state's portion of QBE earnings, representing approximately 15.9% of total QBE earnings, was $1,664,571,267.

Current Methodology:

- Take the most recent 100% equalized school property tax digest.
- Reduce this amount account for constitutionally authorized homestead, veterans, and age (65+) exemptions.
- Calculate five mills (.005) of the remaining digest.
- "Deduct" this amount from the K-12 education funding earnings at the state level.

Recommended Methodology (reflects no changes from the current methodology):

- Take the most recent 100% equalized school property tax digests.
- Reduce this amount to account for constitutionally authorized homestead, veterans, and age (65+) exemptions.
- Calculate five mills (.005) of the remaining average digest.
- "Deduct" this amount from the K-12 education funding earnings at the state level.

In the recommended model, the reduction of the state's portion of student based formula earnings is $1,664,571,267.

LOW ENROLLMENT / LOW DENSITY GRANTS:

Sparsity grants are currently allocated to qualified school systems who do not earn sufficient funds through the QBE formula to provide a full educational program because their FTE counts are less than established base sizes at any of the grade levels:

- Elementary schools: 450
- Middle schools: 450
- Middle/High schools: 485
- High schools: 485
- K12 schools: 935

These grants are intended to recognize the fundamental administrative and other overhead costs associated with the day-to-day operating of a school building for those systems with exceptionally low enrollments.

The current implementation of the sparsity grant program includes recent changes to the manner in which the grants are allocated. Previously, grants were awarded to a defined list of schools which were deemed eligible as a result of their relative enrollments, similar to current program rules – however, the list of eligible schools was not regularly reviewed or updated. The current program requires these schools be reevaluated in comparison to the established enrollment thresholds on an annual basis, and the amounts for each grant to be recalculated, based on the most recent year's enrollment data.

The QBE-based sparsity funding is authorized in O.C.G.A. § 20-2-292.1. The FY16 appropriation for sparsity funding was $5,455,241.

Current Methodology:

- Identify all schools with enrollment counts lower than the established thresholds
- Calculate the base teacher salary with fringes, and divide by the 9-12 class size ratio (23)
- Calculate the difference between the school's enrollment and the threshold
- Multiply this result by the per student base teacher salary with fringes
- Multiply the sum of all grants by a prorated amount (currently 27%)

Recommended Methodology:

The funding committee recommends funding the low density/low enrollment grants at 100% of earned funds instead of a 27% pro-rated amount as was funded in FY16 Sparsity Grants. The total funding for low density/low enrollment as outlined below would be $40,115,193, which is $34,659,952 more than is currently funded for sparsity.

Having a single school in a district for any level that does not meet base size qualifies that school for a sparsity grant in QBE. However, the recommended revised calculation is one in which individual schools do not earn additional funding. The recommended funding is earned based on district enrollment size, district density, and whether or not the tax digest is in the top quintile of the state in per student earnings.

1. Define minimum student enrollment size as 3,500, slightly fewer students than in 4 base size elementary schools, 2 middle schools, and 1.5 high school, as outlined below.

Elementary:	350 (1,400 total students)
Middle:	500 (1,000 total students)
High:	750 (1,125 total students)
Total:	3,525

2. Identify all non-city districts that meet one or both of the following two criteria.
    - Student enrollment less than or equal to 3,500
    - Students per square mile (SPSM) less than 6.0

3. Remove from eligibility any districts that do not levy the millage rate or equivalent millage of at least 13 mills beginning July 1, 2017, or at least 13.5 mills beginning July 1, 2018, or at least 14 mills beginning July 1, 2019, as set forth in O.C.G.A. § 20-2-165(a)(9)(C). This is an absolute requirement for eligibility to receive any funding in this grant.

4. Remove from eligibility any districts that meet only one low density or low enrollment criteria and that are in the Top Quintile of Tax Digest per Student.

5. Retain in eligibility districts meeting both the low density and the low enrollment criteria whether or not they are also in the Top Quintile of Tax Digest per Student.

6. For districts qualifying based on low enrollment determine funding by taking the difference between the district's enrollment and 3,500. Allot $225 per enrollment difference.
   Example: Heard County Enrollment: 1,899 Square Miles: 301.2 SPSM: 6.3
   3,500 – 1,899 = 1,601 1,601 x $225 = $360,225
   Heard would be allotted $360,225.

7. For districts qualifying only based on low density, determine the number of students per square mile less than a district with 6 students per square mile. Allot $225 per student per square mile difference times the number of the square miles in the district.
   Example: Washington County Enrollment: 3,043 Square Miles: 684.70 SPSM: 4.44
   6.00 – 4.44 = 1.56 1.56 x 684.70 x $225 = $240,329.70
   Washington would be allotted $240,329.70.

8. For districts qualifying on both criteria, whether or not they are in the Top Quintile of Tax Digest Per Student, calculate and total the two amounts. Any such districts would be funded for both amounts.
   Example: Atkinson County Enrollment 1,589 Square Miles 344.8 SPSM: 4.61
   3,500 – 1,589 = 1,911 1,911 x $225 = $429,975
   6.0 – 4.61 = 1.39 1.39 x 344.83 x $225 = $107,845.58
   $429,975 + $107,845.58 = $537,820.58
   Atkinson would be allotted $537,820.58 as the total of both calculations.

All districts currently earning sparsity funds qualify under this methodology except two – Towns County and Union County. However, the amount of $400,324, equivalent to the FY16 sparsity grant for Union County, has been added to the low density/low enrollment grants in support of the small school in Woody Gap. A "hold harmless" allocation has been included for Town County of $68,092, which brings the total funds for Low Enrollment / Low Density grants to $40,183,285.

Thirty-four (34) additional districts qualify for low enrollment/low density grants above those who currently qualify for Sparsity Grants.

HOLD HARMLESS: RECOMMENDATION FOR A TIME-LIMITED SPECIALIZED GRANT

The requirement for a hold harmless grant is low – only slightly more than $2M - with the addition of the recommended $258M in the student-based formula for FY18. And, as additional funds become available so that $209M more can be added through this formula, there will be no need for a hold harmless amount.

However, as Georgia transitions to a student-based funding formula and away from the current K-12 funding formula, there will be districts that earn more money due to the changes and districts that will earn less money due to the changes. After several years of declining revenue due to a struggling economy, local school districts are beginning the recovery from the Great Recession with the Governor's recent additions to the funds allocated in the K-12 education budget for the state. Districts must be confident that there is no intent, explicit or implicit, that the process for developing a new funding formula will result in any school district experiencing a sudden decrease in state funding.

To provide a safety net for those districts that will earn less money in a student-based educational funding environment as opposed to the current K-12 formula, there should be a defined period of time in which they are held harmless at their current level of funding.

Recommendation:

Districts will receive hold harmless funds, for at least three years, to account for any differences between current K-12 formula earnings in the year immediately prior to implementation of a new funding formula and earnings received from the recommended student-based funding formula for a period of time to be recommended by the funding committee. The hold harmless amount would be $2,091,801 compared to FY16 formula funding and categorical grants if calculated with the recommended $258M added. As additional funds become available, and $209M more can be added through the new funding formula, there will be no need for a hold harmless amount.

CHARTER SYSTEMS AND SCHOOLS

Charter System Grant

A Georgia school district has the option to operate under the terms of a charter contract between the State Board of Education and the local Board of Education to receive flexibility waivers from certain state laws and state board rules and guidelines in exchange for greater accountability for student performance. Each charter system must implement school level governance bodies and grant decision-making authority to these teams. There are currently 32 approved charter systems in Georgia, and an additional 15 are in the process of negotiating charter system contracts with the State Board of Education.

Charter systems receive a supplement in addition to Quality Basic Education (QBE) formula earnings which must be used in accordance with recommendations of the school level governing body or to advance student achievement goals and school level governance training objectives.

The QBE-based charter system grant funding is authorized in O.C.G.A. § 20-2-165.1. The FY16 appropriation in QBE was $14,891,514 for 32 approved charter systems.

Current Methodology:

- Multiply each charter system's FTE segments by 3.785% of the base QBE per FTE funding amount (Grades 9-12) to generate $87.75 additional funds per student.
- Cap each charter system's earnings at $4.5 million.
- Apply the current austerity percentage to each charter system's earnings.

Recommended Methodology:

The recommendation of the funding committee is that the following methodology be used for the calculation of funding for state charter school systems.

- Fund each charter system's enrollment count at a percentage, 3.861%, of the student base funding amount (Grades 6-8) to generate $92.40 in additional funds per student.
- Cap each charter system's earnings at $4.5 million.
- The total recommended formula earnings for the 47 charter systems, already approved or anticipated to be approved by FY18, in the recommended model are $33,423,913.

Virtual State Charter Schools

There are currently three virtual state charter schools. Funding for virtual state charter schools is similar to brick and mortar state charter with a few exceptions. Virtual state charter schools receive QBE formula earnings and receive the same austerity reduction as local school systems and other state charter schools. Virtual state charter schools are not eligible for the Transportation grant, Nutrition Grant, or Capital Grant, which are components of the State Charter Schools Supplement. In addition, the supplement for virtual state charter schools is reduced by one-third as prescribed by state law. Finally, because the supplement for virtual state charter schools is reduced by one-third, the calculated local five mill share amount is also reduced by one-third.

The virtual state charter school supplement funding is authorized in O.C.G.A. § 20-2-2068.1. The FY16 appropriation in QBE was $36,788,763.

Current Methodology:

- Virtual State Charter Schools earn QBE formula earnings in the same manner as all other public schools.
- Calculate the average amount of total revenues less federal revenues, less state revenues other than equalization grants per FTE for the lowest five school systems ranked by assessed valuation per weighted FTE count from the prior fiscal year to provide a grant to all state charter schools. Reduce the amount by one-third.
- Calculate the per FTE Local Five mill Share amount for state charter schools by averaging the Local Five Mill Share per FTE amount for the lowest five school systems ranked by assessed valuation per weighted FTE county. Multiply each state charter school's number of FTEs by the calculated Local Five Mill Share per FTE amount. Reduce the calculated Local Five Mill Share amount for virtual state charter schools by one-third.

Recommended Methodology:

The recommendation of the funding committee if that the following methodology be used for the calculation of funding for virtual state charter schools.

- Virtual State Charter Schools earn funding in the same manner as all other public schools.
- Calculate the average amount of total revenues less federal revenues, less state revenues other than equalization grants per enrollment for the lowest five school systems ranked by assessed valuation per enrollment count from the prior fiscal year to provide a grant to all state charter schools. Reduce the amount by one-third.
- Calculate the per enrollment Local Five mill Share amount for state charter schools by averaging the Local Five Mill Share per enrollment amount for the lowest five school systems ranked by assessed valuation per enrollment county. Multiply each state charter school's enrollment by the calculated Local Five Mill Share per enrollment amount. Reduce the calculated Local Five Mill Share amount for virtual state charter schools by one-third.

The total recommended supplement earnings, in addition to the student-based formula earnings, for the virtual charter schools are $36,594,288.

State Charter School Supplement

State charter schools are a public school of choice that operate under the terms of a contract between the governing board of the charter school and the authorizer such as the State Charter Schools Commission and the State Board of Education. State charter schools receive flexibility waivers from certain state laws and state and local board rules and guidelines in exchange for greater accountability for student performance. In addition to QBE formula earnings, state charter schools receive a supplement to partially offset the absence of local tax revenue flowing to state charter schools. There are 21 state charter schools.

The QBE-based state charter school funding is authorized in O.C.G.A. § 20-2-2068.1. The FY16 appropriation in QBE was $65,797,180, which included $36,788,763 for state virtual charters and $29,008,417 for state brick and mortar charters.

Current Methodology:

- Calculate the proportional share of the Transportation grants to local school systems by dividing the prior fiscal year's appropriation for transportation by the total number of FTEs (excluding state charter schools' FTEs) in the prior fiscal year to generate a per FTE cost. For state charter schools with a qualifying transportation program, multiply the number of FTEs in the state charter school by the calculated per FTE cost to generate a Transportation award amount.
- Calculate the proportional share of the Nutrition grants to local school systems by dividing the prior fiscal year's appropriation for nutrition by the total number of FTEs (excluding state charter schools' FTEs) in the prior fiscal year to generate a per FTE cost. For state charter schools with a qualifying nutrition program, multiply the number of FTEs in the state charter school by the calculated per FTE cost to generate a Nutrition award amount.
- Calculate the average amount of total revenues less federal revenues less state revenues other than equalization grants per FTE for the lowest five school systems ranked by assessed valuation per weighted FTE count from the prior fiscal year to provide a grant to all state charter schools.
- Calculate the state-wide average total capital revenue per FTE for local school systems from the prior fiscal year to generate a Capital grant for all brick and mortar state charter schools. Virtual state charter schools do not qualify for the Capital grant.
- Total the four grants to generate an award amount for each state charter schools.

Recommended Methodology:

The recommendation of the funding committee is that the following methodology be used for the calculation of funding for state charter schools.

- Charter schools will receive funding through the new student-based funding formula which includes weighted funding for specific student characteristics, base funding for each enrolled student, and categorical grants as described elsewhere in this document.
- State charter schools will continue to receive the proportional share of the Nutrition grants to local school systems, but, instead of being based on FTE, the calculation will be based on enrollment. The proportional share will be calculated by dividing the prior fiscal year's appropriation for nutrition by enrollment (excluding state charter schools' enrollment) to

generate a per student cost. For state charter schools with a qualifying nutrition program, multiply the enrollment in the state charter school by the calculated per enrollment cost to generate a Nutrition award amount.

- State charter schools will continue to receive the proportional share of the Capital Outlay grant. Calculate the state-wide average total capital revenue per enrollment for local school systems from the prior fiscal year to generate a Capital grant for all brick and mortar state charter schools. Virtual state charter schools will not qualify for the Capital grant.
- Charter schools will continue to receive a Charter School Supplement grant. Calculate the average amount of total revenues less federal revenues, less state revenues other than equalization grants per enrollment for the lowest five school systems ranked by assessed valuation per enrollment from the prior fiscal year and multiply by a factor of 1.2 to provide a grant to all state charter schools.
- Calculate the Local Five Mill Share amount per enrollment for state charter schools by averaging the Local Five Mill Share per enrollment amount for the lowest five school systems ranked by assessed valuation per enrollment. Multiply each state charter school's enrollment by the calculated Local Five Mill Share per enrollment amount.
- Total the grants noted above to generate an allocation amount for each state charter school.

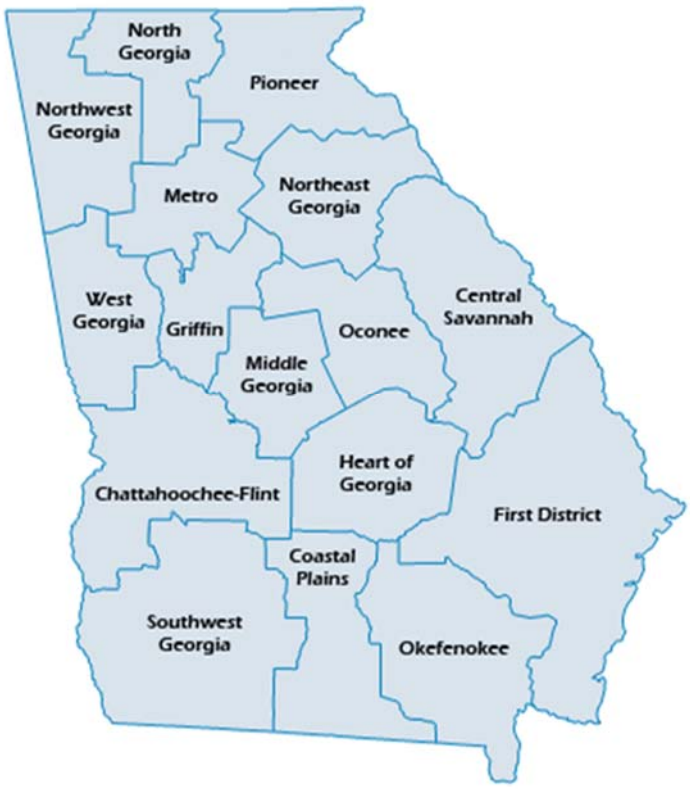
The total funding earned in the recommended model for state charter school supplements is $70,256,677, which includes $36,594,288 for state virtual charters and $33,662,388 for state brick and mortar charters.

REGIONAL EDUCATIONAL SERVICE AGENCIES (RESA)

Regional Educational Service Agencies (RESAs) are currently governed by O.C.G.A. § 20-2-270 – § 20-2-274. The law establishes a state-wide network of regional education services agencies for the purposes of providing shared services designed to improve the effectiveness of educational programs and services to local school systems; providing instructional programs directly to selected public school students in the state; and providing GLRS services. There are 16 RESAs strategically located throughout the state. In addition, the RESAs also assist the Georgia Department of Education in promoting its initiatives.

The following are current RESA locations.

- Central Savannah River RESA
- Chattahoochee-Flint RESA
- Coastal Plains RESA
- First District RESA
- Griffin RESA
- Heart of Georgia RESA
- Metro RESA
- Middle Georgia RESA
- North Georgia RESA
- Northeast Georgia RESA
- Northwest Georgia RESA
- Oconee RESA
- Okefenokee RESA
- Pioneer RESA
- Southwest Georgia RESA
- West Georgia RESA



The QBE-based RESA funding is authorized in O.C.G.A. § 20-2-274. The FY 2016 QBE appropriation for the 16 RESAs was $10,223,960. An additional $275,000 was provided for Positive Behavior Intervention Supports (PBIS) trainers. In addition to the state funds received by RESAs, the members of the Boards of Control of each RESA set an annual dues amount that each participating district pays. Through the combination of these funds, RESA leadership and staff provide a variety of programs, professional development, and other services to the members.

Current Methodology:

- Count the number of School Systems located in each RESA from the fall FTE report
- Count the number of School Systems by RESA with less than 3,300 from the fall FTE report
- Count the number of Schools by RESA from the fall FTE report
- Count the number of Square Miles within each RESA
- Count the total number of FTEs from the fall report
- Enter Health Insurance utilization based on the fall CPI report
- Calculate the Base for Operations and Salary for each RESA
- Calculate variables based on System size, Number of Schools, FTEs, and Miles
- Reduce the Local Share (20%)

- Apply Austerity
- Add in Education Training Center (ETC) (Total divided evenly to the 16 RESAs)
- Add in Math Mentor (Total divided evenly to the 16 RESAs)
- Add in School Climate Specialist (Total divided evenly to the 16 RESAs)
- Add in ELA Professional Learning Specialist Grants (27% of Total allocated to the Metro RESA based on size and the remaining 73% divided evenly to 15 RESAs)

Recommended Methodology:

The funding committee recommends that no changes should be made in the current methodology for funding RESAs.

The funding committee recommends that all opportunities and avenues for increasing shared services, and targeting such shared services by RESA facilitation and support, be maximized. Specific areas for potentially expanding shared services, aligned with state educational priorities, include early literacy initiatives, K-8 math support, increasing the availability of computer science/coding courses, and Move On When Ready dual enrollment programs.

GEORGIA SPECIAL NEEDS SCHOLARSHIP PROGRAM

The Georgia Special Needs Scholarship (GSNS) Program is available to special needs students attending a Georgia public school who are served under an Individualized Education Plan (IEP). Eligible special needs students that transfer to an authorized participating private school receive an award amount equivalent to their Quality Basic Education (QBE) formula earnings to subsidize the costs of attending the private school. A student may continue to participate in the GSNS Program as long as the student remains a resident of Georgia and has continual enrollment and attendance in a private school participating in the GSNS Program. Funds received can only be used to offset tuition and fees at a private school authorized by the State Board of Education to participate in the program. Funds cannot be used to offset the costs of out of district tuition, charter schools, or other options available under public school choice. Scholarship awards for students continuing in the GSNS Program are calculated using the data from the last year a student was enrolled in a Georgia public school.

The funding for the special needs scholarship program is authorized in O.C.G.A. § 20-2-2110. The FY16 appropriation for this program was $21,449,292.

Current Methodology:

Multiply the FTE segments of program participants by the QBE funding formula weights.

- Total the segment amounts to provide an award amount for each eligible student.
- Apply the current austerity rate to each student's award amount.
- The Georgia Department of Education sends payments out to private schools for eligible students four times during a school year.

Recommended Methodology:

The funding committee recommends that no changes be made to the Special Needs Scholarship Program until there is a review of the final recommendations of the School Choice subcommittee, presented below and later in this document on pages 95-97.

- **Recommendation:**

If the legislature wishes to pursue the creation of Educational Savings Accounts (ESAs) in Georgia, they should consider:

1. Converting the current Georgia Special Needs Scholarship program to an ESA on an opt-in basis for existing recipients.
2. Including other student populations in addition to students with special needs, ensuring that students with the greatest needs are prioritized.
3. Ensuring academic accountability.
4. Ensuring financial accountability/transparency.
5. Allowing funds unused during a student's K-12 career to be allocated for college, within reasonable limits.

- **Rationale:**

While scholarship programs may meet many needs, in the 21st century/digital age, there are many programs and instruction models available to students that do not conform to traditional private/public school modalities. ESAs provide an outlet for parents to seek multiple service providers – including online learning, tutoring, support services, etc. – to meet the needs of their student in a more customizable/flexible way than traditional scholarships provide.

STATE SCHOOLS

Georgia is fortunate to have an extensive array of personnel and physical facilities for providing services to sensory impaired students to ensure that they are college, career, and life ready. The state has made a strong financial commitment to serving this student population.

Atlanta Area School for the Deaf (AASD) and Georgia School for the Deaf (GSD), for instance, are outstanding schools that provide a centralized, highly sophisticated program for students with a hearing loss. AASD is located in Clarkston and was developed in the early 1970s through a cooperative effort of the state of Georgia and school districts within the Atlanta metropolitan area. GSD is located in Cave Spring and has provided a full service residential educational program for deaf children in Georgia since 1846. Georgia Academy for the Blind (GAB) is in Macon and has served visually impaired students continually since it was established in 1852 as the state's residential school for the blind. The Division of State Schools, the state-operated school's central office, is located at the Georgia Department of Education (GaDOE).

In addition to the three state-operated schools, the Division of State Schools also manages the operation of the Georgia Parent Infant Network for Educational Services (Georgia PINES). Georgia PINES offers early intervention services to children birth to three years old that have sensory impairments. Georgia PINES is located on the campus of AASD. The program has 200 parent advisors that are under contract and provide early intervention to approximately 400 families across the state. The early intervention services support children with varying special education eligibilities.

Current Methodology:

The State Schools do not currently have a formula funding system in place. The traditional process of establishing funding amounts for the State Schools involves three components.

- First, each program within the Division of State Schools submits a budget request for the subsequent fiscal year to the State Schools Director as part of an internal "bottom-up" budgeting process.
- Second, the State Schools Director works with staff in the GaDOE Finance and Business Operations Division using the submitted "bottom-up" budgets, historical budget data, and budget projection data to build the official GaDOE State Schools' budget requests.
- Third, the State Schools Director works with staff in the GaDOE's Finance and Business Operations Division to allocate final funding amounts for each program.

The GaDOE has used a "bottom-up" budgeting process in conjunction with using historical budget data and budget projection data to develop funding requests as discussed in this executive summary.

Recommendation:

The funding committee recommends no changes to this budgeting process for the State Schools.

The committee recommends a comprehensive review and study of the current model for providing services to students in the State Schools to include effectiveness of and efficiency in all services provided. The report from this study should provide recommendations for future direction in terms of State School models and service delivery, and should be presented to the Governor's Office, the Lieutenant Governor's Office, the House of Representatives, the State Senate, the Office of Planning and Budget, and the State Board of Education no later than January 1, 2017.

RESIDENTIAL TREATMENT FACILITIES

Residential Treatment Facilities (RTF) grants are allocated to qualified school systems to provide education to eligible students. An eligible student is defined as:

- All students who are "in the physical or legal custody" of the Department of Juvenile Justice (DJJ), Department of Human Services (DHS), or the Department of Behavioral Health and Developmental Disabilities (DBHDD),
- Students in a placement operated by DHS, and/or
- Students in a facility or placement paid for by DJJ, DHS or any of its divisions, or DBHDD.

These grants are intended to recognize the additional educational costs for students served in RTFs and a portion of the operations costs. To receive grant funds RTFs must apply to the Georgia Department of Education to become eligible to provide education services through the school system in which they are located. Currently, 17 RTF schools and three RTF programs located in 16 school systems are eligible to receive these funds.

The QBE-based funding for residential treatment facilities is authorized in O.C.G.A. § 20-2-133. The FY16 appropriation in QBE was $5,222,590.

Current Methodology:

- RTFs submit counts for full time enrollment, average daily attendance, contract days, and additional days of instruction.
- Fund the Equalized cost by calculating the difference between each FTE's QBE cost per FTE and the Special Education Category III per FTE cost and the per FTE cost for 20 days of additional instruction.
- Adjust the funding based on the average daily attendance each RTF reported.
- Multiply the average daily attendance by the number of additional days of instruction and the daily Equalized cost per FTE.
- Provide additional funding for counselors and paraprofessionals by multiplying the average daily attendance by the number of school days and the cost per school day.
- Provide funding for maintenance and operations based on the number of average daily attendance days and contract school days reported by each RTF.
- These amounts are totaled to provide a grant allocation to each RTF.

Recommendation:

The funding committee recommends the following methodology for the calculation of funding for Residential Treatment Facilities.

- RTFs submit counts for full time enrollment and average daily attendance
- Fund the Equalized cost by calculating the difference between each student's formula earnings and the Students with Disabilities Category D.
- Provide additional funding for additional days of instruction (where applicable), counselors, paraprofessionals, and maintenance and operations per student.
- These amounts are totaled to provide a grant allocation to each RTF.

This calculation depends on the new Students with Disabilities categories described earlier in this document, which will require an additional data element to be collected on students' time served from their Individualized Education Plan (IEP). Since student-level data are not available for these new

categories at this time, the equalized cost for each student to earn Category D funding cannot be calculated. However, the intent of this recommended methodology, and the recommendation of the funding committee is to provide equivalent funding for Residential Treatment Centers as under QBE.

PRESCHOOL HANDICAPPED

The Preschool Handicapped grant provides funding for teachers, transportation, and operations to provide early education services to three- and four-year-old students with disabilities to better prepare them to succeed upon entering school. School systems receive these funds if they have eligible students within the system.

The FY16 appropriation in QBE was $31,446,339, which is approximately 60% of the FY16 calculated amount is $52,220,260.

Current Methodology:

- Take the teacher base salary with fringes and divide by the funding class size (five for Special Education Category III and three for Special Education Category IV) to get a per student cost.
- Take the per student cost for Special Education Categories III and IV and divide by six to generate a per segment cost.
- Special Education Category III three- and four-year-olds receive funding for two segments and Category IV three- and four-year-olds receive funding for three segments.
- Teacher salaries are funded at 75% for Special Education Category III students and 25% for Special Education Category IV students.
- Multiply the number of three- and four-year-old students with disabilities within a school system by the calculated per student cost for teacher salaries using the ratios above.
- Calculate training and experience and health insurance for each eligible teacher.
- Provide a grant for transportation and to school systems with eligible students.
- Total the amounts for teacher salaries with fringes and health insurance, transportation, and operations for each school system.
- Apply the current austerity rate to the grant award amount.

Recommendation:

The funding committee recommends the following methodology for the calculation of funding for Preschool Handicapped.

- Take the teacher salary with fringes and divide by the average funding class size for Special Education Categories D and E to get a per student amount.
- Special Education Category D three- and four-year-olds receive 33.3% of the per student amount and Category E three- and four-year-olds receive 50% of the per student amount.
- Teacher salaries are funded at 75% for Special Education Category D students and 25% for Special Education Category E students.
- Multiply the number of three- and four-year-old students with disabilities within a school system by the calculated per student cost for teacher salaries using the ratios above.
- Calculate TRS and health insurance for each eligible teacher.
- Provide a grant for transportation to school systems with eligible students.
- Total the amounts for teacher salaries with fringes and health insurance, transportation, and operations for each school system.

The recommended methodology generated $53,578,578 in Preschool Handicapped funding, an increase of $1,358,318 over the FY16 QBE calculation.

DEPARMENT OF JUVENILE JUSTICE SCHOOLS

The schools operating within the Department of Juvenile Justice (DJJ) are collectively considered Georgia's 181st school district. The leadership of DJJ determines the funding needs of the students and requests those funds through the annual budgeting process in which all state agencies engage.

DJJ schools do not receive state funding through the Department of Education (DOE) or through the current QBE formula. However, federal education funds flow through DOE to the DJJ schools.

The table below indicates the amounts of federal funding received in FY15:

Title I –A, Improving Academic Achievement of the Disadvantaged	$ 599,168.00
Title I-D, Neglected and Delinquent	1,554,729.00
SPECIAL ED-VIB FLOWTHROUGH	717,983.00
CTE-State Institutions Perkins IV	12,747.00
CTE-State Institutions Perkins IV	0.00
Education for Homeless Children and Youth	0.00
Charter Schools-Federal Dissemination Grants	0.00
Title II-A, Improving Teacher Quality	40,885.00
Teacher of the Year	1,014.25
	$2,926,526.25

Recommendation:

The funding committee recommends no changes to this allocation process for the Department of Juvenile Justice Schools. Having direct knowledge of the needs of students within their jurisdiction, the leadership of the Department of Juvenile Justice will continue to request funding for DJJ schools in the annual budgeting process.

System Name	Enroll-ment	Formula Earnings	T&E Hold Harmless	**Total Earnings**	Current QBE Allotments	Variance	Hold Harmless	%
Appling	3,456	11,369,988	588,660	**17,445,490**	**16,974,736**	**470,755**	**0**	**2.77%**
Atkinson	1,589	5,347,415	125,179	**12,151,503**	**11,534,170**	**617,332**	**0**	**5.35%**
Bacon	2,026	6,888,220	502,859	**13,618,790**	**12,862,086**	**756,705**	**0**	**5.88%**
Baker	314	1,044,568	-	**2,724,111**	**2,020,669**	**703,443**	**0**	**34.81%**
Baldwin	5,481	17,746,051	254,306	**25,898,968**	**23,975,140**	**1,923,828**	**0**	**8.02%**
Banks	2,816	9,564,369	364,988	**16,142,837**	**15,397,337**	**745,500**	**0**	**4.84%**
Barrow	12,995	41,896,887	-	**74,674,810**	**71,908,167**	**2,766,643**	**0**	**3.85%**
Bartow	13,582	43,540,253	666,695	**71,370,707**	**68,092,423**	**3,278,284**	**0**	**4.81%**
Ben Hill	3,097	10,225,176	522,308	**20,203,154**	**19,206,009**	**997,145**	**0**	**5.19%**
Berrien	3,054	9,848,695	101,999	**17,981,159**	**17,357,090**	**624,069**	**0**	**3.60%**
Bibb	23,490	74,359,584	-	**110,360,694**	**104,356,398**	**6,004,296**	**0**	**5.75%**
Bleckley	2,312	7,602,727	630,578	**14,803,464**	**13,965,930**	**837,534**	**0**	**6.00%**
Brantley	3,315	10,962,366	459,847	**22,684,346**	**22,044,985**	**639,361**	**0**	**2.90%**
Brooks	2,073	6,572,002	-	**10,734,158**	**10,085,594**	**648,564**	**0**	**6.43%**
Bryan	8,263	25,886,934	-	**39,003,723**	**37,112,914**	**1,890,809**	**0**	**5.09%**
Bulloch	9,756	31,006,656	1,213,707	**46,402,518**	**44,783,970**	**1,618,548**	**0**	**3.61%**
Burke	4,128	13,287,671	374,037	**13,587,788**	**13,380,254**	**207,534**	**0**	**1.55%**
Butts	3,411	11,087,462	-	**16,704,071**	**15,807,269**	**896,802**	**0**	**5.67%**
Calhoun	665	2,146,879	-	**4,641,380**	**4,085,755**	**555,625**	**0**	**13.60%**
Camden	8,761	27,012,757	2,373,328	**45,276,486**	**42,894,769**	**2,381,717**	**0**	**5.55%**
Candler	2,047	6,629,724	-	**12,359,607**	**11,372,310**	**987,297**	**0**	**8.68%**
Carroll	14,172	46,814,129	17,670	**80,014,305**	**76,394,838**	**3,619,467**	**0**	**4.74%**
Catoosa	10,590	35,729,954	2,662,439	**64,796,564**	**60,218,549**	**4,578,015**	**0**	**7.60%**
Charlton	1,571	4,867,246	473,821	**9,547,978**	**8,460,476**	**1,087,502**	**0**	**12.85%**
Chatham	36,552	120,796,467	-	**146,690,650**	**137,061,716**	**9,628,934**	**0**	**7.03%**
Chattahoochee	866	2,785,668	-	**6,929,532**	**6,080,678**	**848,854**	**0**	**13.96%**
Chattooga	2,736	9,120,617	320,948	**15,745,440**	**15,074,524**	**670,915**	**0**	**4.45%**
Cherokee	40,140	129,507,354	3,445,065	**193,723,095**	**182,740,913**	**10,982,182**	**0**	**6.01%**

Clarke	12,282	41,348,541	-	**60,154,819**	**56,818,729**	**3,336,089**	**0**	**5.87%**
Clay	282	931,669	-	**2,647,790**	**1,941,852**	**705,939**	**0**	**36.35%**
Clayton	52,496	166,809,928	-	**288,399,817**	**272,700,541**	**15,699,275**	**0**	**5.76%**
Clinch	1,318	4,325,235	-	**7,948,612**	**6,622,074**	**1,326,538**	**0**	**20.03%**
Cobb	110,945	358,341,734	-	**483,839,773**	**464,245,604**	**19,594,169**	**0**	**4.22%**
Coffee	7,354	23,216,355	364,721	**45,521,263**	**44,707,504**	**813,758**	**0**	**1.82%**
Colquitt	9,073	30,690,992	506,613	**61,527,575**	**57,966,546**	**3,561,029**	**0**	**6.14%**
Columbia	25,170	76,442,225	1,955,197	**113,285,744**	**108,095,317**	**5,190,427**	**0**	**4.80%**
Cook	3,123	10,086,403	260,989	**17,864,023**	**17,112,709**	**751,313**	**0**	**4.39%**
Coweta	21,713	69,126,739	2,126,794	**103,231,179**	**97,031,118**	**6,200,061**	**0**	**6.39%**
Crawford	1,680	5,639,233	152,599	**9,839,637**	**8,991,929**	**847,708**	**0**	**9.43%**
Crisp	3,982	13,257,105	86,885	**22,561,103**	**22,156,150**	**404,953**	**0**	**1.83%**
Dade	2,070	7,071,295	327,917	**11,184,987**	**10,558,090**	**626,897**	**0**	**5.94%**
Dawson	3,406	10,961,271	483,227	**15,648,915**	**15,061,711**	**587,204**	**0**	**3.90%**
Decatur	5,004	16,129,109	740,304	**26,351,660**	**24,938,157**	**1,413,504**	**0**	**5.67%**
DeKalb	98,255	318,042,683	-	**463,879,040**	**436,599,989**	**27,279,051**	**0**	**6.25%**
Dodge	3,127	10,583,257	680,512	**19,475,669**	**18,670,619**	**805,051**	**0**	**4.31%**
Dooly	1,307	4,072,383	179,414	**6,907,989**	**6,228,076**	**679,912**	**0**	**10.92%**
Dougherty	14,976	46,836,204	401,046	**85,832,558**	**80,042,123**	**5,790,435**	**0**	**7.23%**
Douglas	25,740	83,007,211	17,453	**143,010,539**	**136,678,923**	**6,331,616**	**0**	**4.63%**
Early	2,091	6,992,570	398,013	**12,225,782**	**11,269,598**	**956,184**	**0**	**8.48%**
Echols	773	2,463,793	-	**5,713,470**	**4,877,556**	**835,914**	**0**	**17.14%**
Effingham	11,066	36,473,451	608,841	**62,337,120**	**59,548,748**	**2,788,372**	**0**	**4.68%**
Elbert	2,863	9,239,979	740,438	**16,478,250**	**15,820,975**	**657,275**	**0**	**4.15%**
Emanuel	4,047	13,152,363	677,385	**24,446,597**	**23,261,614**	**1,184,984**	**0**	**5.09%**
Evans	1,775	5,705,463	3,369	**10,733,412**	**10,070,896**	**662,516**	**0**	**6.58%**
Fannin	2,929	9,290,594	1,123,401	**13,447,049**	**12,703,982**	**743,067**	**0**	**5.85%**
Fayette	19,783	63,023,625	4,228,377	**95,305,263**	**89,642,121**	**5,663,143**	**0**	**6.32%**
Floyd	9,602	32,689,144	3,389,269	**58,424,651**	**57,411,067**	**1,013,583**	**0**	**1.77%**
Forsyth	42,104	134,109,774	-	**185,672,487**	**173,296,229**	**12,376,258**	**0**	**7.14%**
Franklin	3,547	11,470,986	975,291	**20,515,236**	**19,922,922**	**592,313**	**0**	**2.97%**
Fulton	93,376	298,016,698	-	**359,045,767**	**336,346,765**	**22,699,002**	**0**	**6.75%**
Gilmer	4,146	13,026,348	842,077	**19,033,451**	**18,367,350**	**666,101**	**0**	**3.63%**
Glascock	570	1,746,624	19,859	**4,110,796**	**3,567,230**	**543,566**	**0**	**15.24%**

Glynn	12,637	41,029,706	1,245,997	**49,226,972**	**46,792,089**	**2,434,883**	**0**	**5.20%**
Gordon	6,433	20,545,984	547,864	**36,769,536**	**35,572,378**	**1,197,158**	**0**	**3.37%**
Grady	4,396	13,834,695	695,745	**26,099,373**	**25,031,821**	**1,067,553**	**0**	**4.26%**
Greene	2,193	6,921,852	-	**6,533,130**	**5,975,585**	**557,546**	**0**	**9.33%**
Gwinnett	172,234	559,702,637	3,814,657	**925,049,876**	**876,755,004**	**48,294,871**	**0**	**5.51%**
Habersham	6,724	21,886,731	1,440,385	**39,407,618**	**38,211,375**	**1,196,243**	**0**	**3.13%**
Hall	26,811	86,044,083	1,098,537	**138,942,324**	**132,863,576**	**6,078,747**	**0**	**4.58%**
Hancock	907	3,049,032	-	**4,926,615**	**4,102,746**	**823,869**	**0**	**20.08%**
Haralson	3,383	11,372,592	388,367	**21,634,311**	**21,193,782**	**440,530**	**0**	**2.08%**
Harris	5,071	15,408,252	855,007	**22,136,339**	**21,003,267**	**1,133,072**	**0**	**5.39%**
Hart	3,418	10,953,114	775,484	**16,200,122**	**15,664,337**	**535,785**	**0**	**3.42%**
Heard	1,899	6,007,132	301,555	**10,081,664**	**9,375,081**	**706,583**	**0**	**7.54%**
Henry	41,064	133,594,320	-	**225,505,423**	**211,517,743**	**13,987,680**	**0**	**6.61%**
Houston	27,062	86,926,440	3,049,293	**157,595,915**	**148,661,220**	**8,934,695**	**0**	**6.01%**
Irwin	1,708	5,663,597	250,577	**11,300,583**	**10,506,959**	**793,624**	**0**	**7.55%**
Jackson	7,171	23,730,335	659,273	**34,485,798**	**32,973,122**	**1,512,676**	**0**	**4.59%**
Jasper	2,242	7,137,743	-	**11,989,807**	**11,080,886**	**908,921**	**0**	**8.20%**
Jeff Davis	2,921	9,607,284	239,354	**17,646,118**	**17,012,368**	**633,750**	**0**	**3.73%**
Jefferson	2,680	8,389,568	334,352	**15,418,233**	**14,707,201**	**711,031**	**0**	**4.83%**
Jenkins	1,190	3,814,981	194,397	**7,546,711**	**6,704,771**	**841,940**	**0**	**12.56%**
Johnson	1,103	3,543,699	-	**6,903,075**	**6,281,726**	**621,350**	**0**	**9.89%**
Jones	5,187	16,842,890	568,572	**31,706,001**	**30,330,828**	**1,375,173**	**0**	**4.53%**
Lamar	2,531	8,072,684	99,468	**12,713,891**	**12,015,283**	**698,608**	**0**	**5.81%**
Lanier	1,663	5,486,646	-	**12,303,590**	**11,528,990**	**774,600**	**0**	**6.72%**
Laurens	6,286	19,914,574	1,117,631	**38,022,363**	**36,730,863**	**1,291,500**	**0**	**3.52%**
Lee	6,284	19,350,985	325,923	**31,845,687**	**30,277,055**	**1,568,633**	**0**	**5.18%**
Liberty	9,610	30,470,580	376,944	**55,678,527**	**52,628,771**	**3,049,757**	**0**	**5.79%**
Lincoln	1,129	3,586,598	268,631	**6,519,731**	**6,073,386**	**446,346**	**0**	**7.35%**
Long	3,077	9,730,854	-	**18,271,365**	**17,547,741**	**723,623**	**0**	**4.12%**
Lowndes	10,166	32,498,886	1,147,237	**54,342,526**	**51,535,046**	**2,807,480**	**0**	**5.45%**
Lumpkin	3,698	11,920,458	315,260	**17,154,113**	**16,771,177**	**382,937**	**0**	**2.28%**
Macon	1,514	4,764,472	-	**7,758,335**	**6,899,350**	**858,985**	**0**	**12.45%**
Madison	4,708	16,009,177	964,015	**32,954,286**	**32,178,388**	**775,898**	**0**	**2.41%**
Marion	1,378	4,304,982	130,206	**7,958,059**	**7,213,076**	**744,983**	**0**	**10.33%**

McDuffie	4,129	12,951,215	326,002	**23,422,484**	**22,355,773**	**1,066,711**	**0**	**4.77%**
McIntosh	1,551	4,879,616	-	**7,161,526**	**6,093,191**	**1,068,335**	**0**	**17.53%**
Meriwether	2,814	9,309,917	-	**15,715,499**	**15,156,335**	**559,164**	**0**	**3.69%**
Miller	950	3,048,538	-	**5,617,330**	**4,893,517**	**723,813**	**0**	**14.79%**
Mitchell	2,279	7,202,634	-	**11,673,788**	**10,681,582**	**992,207**	**0**	**9.29%**
Monroe	3,813	11,962,414	255,460	**15,131,355**	**14,669,599**	**461,757**	**0**	**3.15%**
Montgomery	2,836	8,078,032	121,880	**11,005,459**	**9,963,597**	**1,041,862**	**0**	**10.46%**
Morgan	3,125	9,981,658	407,489	**16,206,114**	**15,381,214**	**824,900**	**0**	**5.36%**
Murray	7,374	23,365,827	1,255,795	**41,681,061**	**39,951,441**	**1,729,620**	**0**	**4.33%**
Muscogee	31,127	100,875,353	1,465,350	**161,016,265**	**150,284,271**	**10,731,994**	**0**	**7.14%**
Newton	18,954	63,743,391	-	**121,814,057**	**115,659,187**	**6,154,871**	**0**	**5.32%**
Oconee	6,966	21,983,405	1,660,540	**33,585,337**	**31,942,956**	**1,642,382**	**0**	**5.14%**
Oglethorpe	2,160	7,039,713	393,231	**13,557,816**	**12,581,164**	**976,652**	**0**	**7.76%**
Paulding	28,332	89,745,683	1,555,463	**172,603,377**	**164,453,739**	**8,149,638**	**0**	**4.96%**
Peach	3,604	11,334,504	-	**17,753,366**	**16,567,277**	**1,186,089**	**0**	**7.16%**
Pickens	4,272	13,950,922	969,738	**19,814,523**	**19,221,741**	**592,783**	**0**	**3.08%**
Pierce	3,588	11,407,188	421,036	**21,986,153**	**21,243,968**	**742,186**	**0**	**3.49%**
Pike	3,340	10,389,948	446,744	**18,291,638**	**17,367,816**	**923,822**	**0**	**5.32%**
Polk	7,396	24,658,254	1,028,421	**43,496,232**	**41,428,230**	**2,068,002**	**0**	**4.99%**
Pulaski	1,321	4,303,303	364,137	**8,021,962**	**7,303,131**	**718,831**	**0**	**9.84%**
Putnam	2,709	9,129,946	-	**9,630,747**	**9,189,946**	**440,801**	**0**	**4.80%**
Quitman	300	933,863	-	**2,679,536**	**2,150,112**	**529,424**	**0**	**24.62%**
Rabun	2,159	6,919,754	592,343	**6,449,127**	**6,378,487**	**70,640**	**0**	**1.11%**
Randolph	912	3,068,233	-	**5,814,245**	**4,809,959**	**1,004,286**	**0**	**20.88%**
Richmond	30,550	94,648,883	-	**150,054,942**	**140,874,413**	**9,180,530**	**0**	**6.52%**
Rockdale	16,142	51,324,221	-	**92,503,885**	**87,051,239**	**5,452,646**	**0**	**6.26%**
Schley	1,316	3,976,536	391,597	**8,591,905**	**7,830,390**	**761,515**	**0**	**9.73%**
Screven	2,259	7,667,367	141,533	**13,057,787**	**11,916,446**	**1,141,340**	**0**	**9.58%**
Seminole	1,578	4,911,045	210,937	**8,707,081**	**7,790,015**	**917,065**	**0**	**11.77%**
Spalding	9,964	31,656,428	-	**56,700,873**	**55,370,751**	**1,330,122**	**0**	**2.40%**
Stephens	3,921	13,202,552	682,883	**22,681,045**	**21,750,378**	**930,667**	**0**	**4.28%**
Stewart	474	1,551,182	109,109	**3,902,651**	**3,017,816**	**884,835**	**0**	**29.32%**
Sumter	4,504	14,545,247	-	**23,400,031**	**22,191,493**	**1,208,538**	**0**	**5.45%**
Talbot	504	1,622,533	23,987	**3,295,329**	**2,490,665**	**804,664**	**0**	**32.31%**

Taliaferro	178	564,982	-	**2,252,232**	**1,685,142**	**567,090**	**0**	**33.65%**
Tattnall	3,557	11,238,853	335,418	**20,906,898**	**20,464,360**	**442,537**	**0**	**2.16%**
Taylor	1,376	4,255,703	395,200	**8,650,924**	**7,913,384**	**737,539**	**0**	**9.32%**
Telfair	1,593	5,111,800	70,628	**9,420,183**	**8,599,953**	**820,230**	**0**	**9.54%**
Terrell	1,387	4,468,229	155,221	**7,722,687**	**6,690,312**	**1,032,376**	**0**	**15.43%**
Thomas	5,337	18,137,228	92,002	**29,440,078**	**28,413,955**	**1,026,123**	**0**	**3.61%**
Tift	7,608	24,738,549	-	**42,068,327**	**39,605,159**	**2,463,168**	**0**	**6.22%**
Toombs	2,844	9,400,077	162,278	**17,102,727**	**16,274,753**	**827,974**	**0**	**5.09%**
Towns	1,022	3,296,151	297,947	**3,437,403**	**3,402,681**	**34,721**	**0**	**1.02%**
Treutlen	1,134	3,511,407	70,305	**6,978,936**	**6,254,701**	**724,236**	**0**	**11.58%**
Troup	12,142	37,842,296	1,064,007	**58,450,718**	**55,651,400**	**2,799,317**	**0**	**5.03%**
Turner	1,339	4,450,490	278,346	**8,868,026**	**7,974,322**	**893,704**	**0**	**11.21%**
Twiggs	878	2,796,586	-	**4,900,539**	**4,134,102**	**766,437**	**0**	**18.54%**
Union	2,686	8,891,764	936,272	**12,994,402**	**12,543,684**	**450,718**	**0**	**3.59%**
Upson	4,100	13,320,485	576,023	**22,239,502**	**21,596,043**	**643,459**	**0**	**2.98%**
Walker	8,801	29,732,193	901,605	**53,330,396**	**51,616,559**	**1,713,837**	**0**	**3.32%**
Walton	13,383	42,737,959	2,586,595	**71,211,659**	**67,416,040**	**3,795,619**	**0**	**5.63%**
Ware	5,764	19,685,927	331,544	**36,849,978**	**35,836,074**	**1,013,904**	**0**	**2.83%**
Warren	635	2,087,158	-	**3,978,908**	**3,275,168**	**703,739**	**0**	**21.49%**
Washington	3,043	9,816,921	240,181	**14,214,128**	**13,206,975**	**1,007,153**	**0**	**7.63%**
Wayne	5,172	16,835,074	5,677	**27,871,630**	**26,972,901**	**898,729**	**0**	**3.33%**
Webster	401	1,232,387	65,604	**3,226,930**	**2,603,966**	**622,965**	**0**	**23.92%**
Wheeler	962	3,113,833	-	**6,946,075**	**6,259,869**	**686,206**	**0**	**10.96%**
White	3,845	12,251,392	804,940	**19,319,449**	**18,344,753**	**974,697**	**0**	**5.31%**
Whitfield	13,105	42,765,947	1,007,752	**76,623,624**	**74,155,561**	**2,468,063**	**0**	**3.33%**
Wilcox	1,180	3,708,253	263,400	**7,790,208**	**6,830,965**	**959,243**	**0**	**14.04%**
Wilkes	1,532	4,900,885	239,942	**8,794,198**	**7,845,646**	**948,551**	**0**	**12.09%**
Wilkinson	1,437	4,522,563	75,863	**7,809,015**	**7,044,241**	**764,775**	**0**	**10.86%**
Worth	3,227	10,132,693	189,297	**17,152,650**	**16,807,356**	**345,294**	**0**	**2.05%**
Atlanta City	50,032	157,916,370	-	**194,360,098**	**179,822,688**	**14,537,411**	**0**	**8.08%**
Bremen City	2,050	6,442,197	537,157	**12,684,459**	**12,194,450**	**490,009**	**0**	**4.02%**
Buford City	4,151	13,317,601	798,843	**19,971,927**	**18,482,857**	**1,489,070**	**0**	**8.06%**
Calhoun City	3,794	12,408,890	635,220	**18,175,937**	**17,223,363**	**952,574**	**0**	**5.53%**
Carrollton City	4,809	15,235,017	283,738	**24,754,646**	**23,308,845**	**1,445,801**	**0**	**6.20%**

Cartersville City	4,061	12,771,381	1,046,369	**19,652,332**	**18,873,087**	**779,246**	**0**	**4.13%**
Chickamauga City	1,368	4,126,818	205,977	**7,840,380**	**7,411,618**	**428,762**	**0**	**5.79%**
Commerce City	1,449	4,781,941	182,756	**9,388,565**	**9,133,073**	**255,492**	**0**	**2.80%**
Dalton City	7,486	24,033,187	932,648	**38,077,936**	**36,710,751**	**1,367,184**	**0**	**3.72%**
Decatur City	4,345	14,003,727	503,676	**22,643,058**	**21,426,264**	**1,216,794**	**0**	**5.68%**
Dublin City	2,431	7,760,024	296,244	**12,143,989**	**11,235,935**	**908,055**	**0**	**8.08%**
Gainesville City	7,713	25,110,464	-	**38,694,254**	**38,634,515**	**59,739**	**0**	**0.15%**
Jefferson City	3,131	9,794,811	601,079	**14,709,391**	**13,857,566**	**851,825**	**0**	**6.15%**
Marietta City	8,769	28,484,522	-	**40,403,971**	**38,503,870**	**1,900,102**	**0**	**4.93%**
Pelham City	1,413	4,594,138	123,080	**11,265,490**	**10,936,908**	**328,582**	**0**	**3.00%**
Rome City	6,052	19,640,993	-	**29,061,098**	**27,587,205**	**1,473,893**	**0**	**5.34%**
Social Circle City	1,597	5,117,374	187,547	**10,253,217**	**9,675,225**	**577,992**	**0**	**5.97%**
Thomasville City	2,792	8,803,398	-	**13,133,561**	**12,311,063**	**822,498**	**0**	**6.68%**
Trion City	1,346	4,409,949	461,187	**10,537,574**	**10,181,435**	**356,139**	**0**	**3.50%**
Valdosta City	7,861	25,388,432	-	**36,987,572**	**35,379,397**	**1,608,175**	**0**	**4.55%**
Vidalia City	2,410	7,524,041	-	**12,465,511**	**11,851,323**	**614,188**	**0**	**5.18%**
Total School Districts	1,671,662	5,382,668,734	88,358,400	8,510,229,293	8,056,414,773	453,814,520	-	
Mountain Education Charter High School	1,505	4,695,365	905,769	**16,261,086**	**15,158,311**	**1,102,775**	**0**	**7.28%**
Odyssey School	382	1,210,787	-	**3,589,882**	**3,242,594**	**347,288**	**0**	**10.71%**
Provost Academy Georgia	1,894	5,533,156	17,681	**11,399,470**	**9,629,342**	**1,770,127**	**0**	**18.38%**
Georgia Cyber Academy	13,659	42,760,167	-	**81,173,302**	**75,071,895**	**6,101,408**	**0**	**8.13%**
Utopian Academy for the Arts Charter School	179	504,874	-	**1,737,692**	**1,595,801**	**141,891**	**0**	**8.89%**
Cherokee Charter Academy	917	2,879,851	-	**8,552,829**	**7,556,213**	**996,617**	**0**	**13.19%**
Georgia Connections Academy	3,859	11,891,968	-	**22,813,888**	**21,732,574**	**1,081,314**	**0**	**4.98%**
Ivy Preparatory Young Men's Leadership Academy School	359	1,105,648	-	**3,375,800**	**2,950,332**	**425,468**	**0**	**14.42%**
Ivy Prep Academy at Kirkwood for Girls School	384	1,131,274	-	**3,508,980**	**3,087,370**	**421,610**	**0**	**13.66%**
CCAT School	147	419,403	-	**1,412,168**	**1,295,310**	**116,858**	**0**	**9.02%**
Ivy Preparatory Academy School	306	836,256	-	**2,691,773**	**2,439,762**	**252,011**	**0**	**10.33%**
Pataula Charter Academy	473	1,418,997	-	**4,355,926**	**3,871,333**	**484,592**	**0**	**12.52%**
Fulton Leadership Academy	294	868,531	-	**2,847,993**	**2,514,853**	**333,140**	**0**	**13.25%**

Atlanta Heights Charter School	707	2,167,562	-	**6,197,003**	**5,436,004**	**760,999**	**0**	**14.00%**
Coweta Charter Academy	770	2,395,463	-	**6,798,686**	**6,082,965**	**715,721**	**0**	**11.77%**
Total Charter Schools	25,835	79,819,302	923,450	176,716,478	161,664,659	15,051,819	-	
STATE TOTALS	1,697,497	5,462,488,036	89,281,850	8,686,945,770	8,218,079,431	468,866,339	0	
Transportation Funds Not Allocated till Midterm					**1,359,748**	**1,359,748**		
					8,219,439,179	**467,472,112**		

Early Childhood Committee (ECC)

Chairperson: **Amy Jacobs**

Committee Members: **Madelyn Adams, Kylie Holley, Fran Millar, Noris Price, Valencia Stovall**

Invited members: Ellen Reynolds, Erica Fener Sitkoff, Mindy Binderman, Donnie Smith, Michelle Taylor, Kay Laws, Lynn Ross, Debbie Rector, Scott Cotter, Lydia Thacker, Julie Barnett, Wande Okunoren-Meadows, Hows King, Christine Murdock, Sara Arroyo, Melody DeBussey, Patrice Kerner, Ted Beck, William Willoughby

The Early Childhood Committee members divided their recommendations into two categories - Pre-Kindergarten and Early Childhood. Recommendations are prioritized within the two categories.

Pre-Kindergarten

ECC Pre-K Recommendation 1

Develop and implement a pay structure for Pre-Kindergarten lead teachers based on experience and teacher credential, while developing other compensation models based on teacher effectiveness that would be feasible and reliable across multiple program types.

Rationale:

1. Classroom quality is largely determined by the quality of teaching instruction.
2. Georgia's Pre-K teachers are not currently paid for experience, training or performance.
3. Retention has decreased with many Georgia Pre-K teachers leaving for a job in the K-12 system.
4. Best early education practices, as set by the National Institute for Early Education Research (NIEER) suggests that paying Pre-K teachers on the same scale as K-12 is a critical strategy in achieving and maintaining quality.
5. Georgia's Pre-K Project Directors continue to indicate that teacher pay is a barrier to achieving quality.

Estimated Cost: $13,103,100 - $19,173,368

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Recommendation would require additional lottery funds allocated during the budget process.

Examples of successful implementation or indicators of best practice:

1. Georgia's Pre-K lead teacher retention increases.
2. Recruitment of Georgia's Pre-K teachers increases.
3. The quality of Georgia's Pre-K classrooms increases.

ECC Pre-K Recommendation 2

Increase the pay for Georgia's Pre-K assistant teachers.

Rationale:

1. Classroom quality is largely determined by the quality of teaching instruction. Georgia's Pre-K Assistant teachers are a vital component of the quality teaching instruction that takes place in a Georgia's Pre-K classroom.
2. Retention has decreased among Pre-K Assistant Teachers.
3. To improve quality in the classroom, Georgia's Pre-K assistant teachers are required to hold a Child Development Credential (CDA). The change in requirement did not result in increased salary. The CDA requirement is aligned with best early education practices set by the National Institute for Early Education Research (NIEER).

Estimated Cost: $5,072,266 - $6,974,366

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Recommendation would require additional lottery funds allocated during the budget process.

Examples of successful implementation or indicators of best practice:

1. Georgia's Pre-K assistant teacher retention increases.
2. Recruitment of Georgia's Pre-K assistant teachers increases.
3. The quality of Georgia's Pre-K classrooms increases.

ECC Pre-K Recommendation 3

Reduce the Pre-kindergarten class size from 22 students to 20 students. Each class of 20 students would continue to be staffed with a lead teacher and an assistant teacher.

Rationale:

1. Best early education practices, as recommended by the National Institute for Early Education Research (NIEER), set the quality benchmark for class size at a maximum of 20 students.
2. The quality of teacher-child interactions is critical in Pre-K classrooms. The quality of those interactions correlates with higher child outcomes. Reducing the class size, even by two students, will allow for increased interactions between the teacher and individual children.

Estimated Cost: $31,905,765 - $33,433,765

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Recommendation would require additional lottery funds allocated during the budget process.

Examples of successful implementation or indicators of best practice:

1. The quality of Georgia's Pre-K classrooms increases.
2. The quality of teacher- child interactions improves.

ECC Pre-K Recommendation 4

Increase the start-up funds for new Georgia's Pre-K classes from $8,000 to $12,000 and increase operating costs by 5% to 8%.

- **Benefits and Non-Instructional Costs would be combined into a single, budget line item known as Operating Costs.**
- **Operating costs would include lead and assistant teacher benefits, instructional and non-instructional costs and administrative expenses.**

Rationale:

1. Research continues to document the importance of quality in achieving and sustaining impacts for children. Materials, equipment, and effective administration have been shown to be critical components of quality.
2. Currently, DECAL provides $8,000 for new Georgia's Pre-K classes. Sufficient start-up funds are necessary for purchasing materials and equipment necessary to meet the program's high standards.
    - The cost of materials has continued to increase while the amount of start-up funds has not increased.
    - Approximately 5% of Georgia's Pre-K classes each year are new and would be eligible for start-up funds.
3. Operating costs have continued to increase without subsequent increases in funds. Providers report not having sufficient funds to manage the program.
4. Benefit costs have also increased without funding increases. Local school systems, in particular, report taking a significant loss to pay the state mandated benefits to their teachers. This reduces the likelihood that local school systems can offer additional Georgia's Pre-K classes. In many areas, this hinders access for families who would like to enroll their children in the program.
5. The consolidation of Benefits and Non-Instructional Costs into Operating Costs will allow more flexibility for programs to use this funding for teacher performance pay, benefits, non-instructional and administrative costs.

Estimated Cost: $6,011,824 - $9,465,318

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Recommendation would require additional lottery funds allocated during the budget process.

Examples of successful implementation or indicators of best practice:

1. Providers would less likely report a loss in offering the program.
2. In areas where there is not sufficient capacity to meet demand, the increase in start-up funds would support programs increasing the number of Georgia's Pre-K classes they are able to of

ECC Pre-K Recommendation 5

Provide funding to support the implementation of Positive Behavior Interventions and Support (PBIS) in early learning programs.

Rationale:

1. Addressing social emotional skills in the first five years of a child's life is crucial for building the foundation for success in school and life. High quality early childhood programs provide the positive experiences that nurture learning and development; however, preschool teachers report that they are least equipped to address building social emotional competence.
2. Research shows that 10-30% of children are not socially or behaviorally ready for school.
3. *Positive Behavior Interventions and Supports (PBIS*) is an evidence-based framework which is currently utilized across Georgia in K-12. DECAL is in the process of scaling up supports for early learning programs. The funds would support scaling up social emotional professional development, curricula, and resources to early learning programs statewide.
4. In early 2015, DECAL conducted two surveys: one for Georgia's Pre-K directors and one for directors of programs participating in Quality Rated. In both surveys, respondents were asked to indicate their level of satisfaction with supports currently being offered in a variety of areas (family engagement, instructional supports for teachers, etc.). The lowest scoring item on both surveys was "supporting children with challenging behaviors." As one director stated, "there are not good systems in place to support programs and teachers in assisting and supporting children with challenging behaviors."

Estimated Cost: $500,000

Action necessary for changes to be enacted: (Legislation, policy, rule, etc.)
Recommendation would require additional funds allocated during the budget process.

Examples of successful implementation or indicators of best practice:

1. Providers would report greater satisfaction with the social emotional supports offered to teachers to support children in developing social emotional competence and children with challenging behaviors.
2. A reduction in the number of suspensions and disenrollments of young children from early learning programs and elementary school.
3. Preschool teachers demonstrate increased skill in supporting social emotional development of young children.
4. The number of early learning programs using the PBIS framework will increase.

ECC Pre-K Recommendation 6

Provide funding for demonstration grants to select Georgia's Pre-kindergarten programs to support effective instruction for dual language learners.

Rationale:

1. Recent research conducted on Georgia's Pre-K Program demonstrates the significant positive growth for dual language learners served in the program. The study documents the growth that dual language learners make in both English and Spanish. However, dual language learners begin their Pre-K year significantly behind and, even though they make gains, are still below national means at the end of their Pre-K year. Additional resources would help close that gap.
2. Demonstration grants would provide targeted funding to support effective instruction for dual language learners while also informing the department on strategies and resources that could be scaled for statewide benefit.
3. In early 2015, DECAL conducted two surveys: one for Georgia's Pre-K directors and one for directors of programs participating in Quality Rated. In both surveys, respondents were asked to indicate their level of satisfaction with supports currently being offered in a variety of areas (family engagement, instructional supports for teachers, etc.). The second lowest scoring item on both surveys was "supporting dual language learners and their families."

Estimated Cost: $920,000

Action necessary for changes to be enacted: (Legislation, policy, rule, etc.)
Recommendation would require additional lottery funds allocated during the budget process.

Examples of successful implementation or indicators of best practice:

1. The effectiveness of instruction in Georgia's Pre-K Program for dual language learners will improve.
2. The skills of Georgia's Pre-K Program teachers in differentiating instruction for dual language learners will improve.
3. Effective strategies and supports for dual language learners will be identified for scale-up in Georgia's Pre-K Program.

Early Childhood

ECC EC Recommendation 1

1. **Consider enacting legislation to create a consumer tax incentive (credit or deduction) for families when their children are enrolled in a Quality Rated child care program. Tax incentive should be tiered based on star level.**
2. **Consider enacting legislation to create an occupational tax incentive (credit or deduction), based on teacher credentials, for teachers who are employed at a Quality Rated child care program. Tax incentive should be tiered based on star level.**
3. **Consider enacting legislation to create a business investment tax incentive (credit or deduction) for child care providers who are Quality Rated. Tax incentive should be tiered based on star level.**

Rationale:

1. Recommendations are designed to increase access to quality child care for children statewide. Research continues to demonstrate the impact of high quality early learning in improving children's outcomes.
2. Recommendations build on Georgia's signature quality improvement program, Quality Rated. The recommendation supports work already undertaken in the state.
3. Recommendations increase demand for high quality early education environments while preserving parent choice, so families can select the program that best meets their needs.
4. Recommendations are based on similar tax credits offered in Louisiana. These types of tax credit, when taken together, increased the availability of quality child care in that state.

Estimated Cost: Size and scope of tax incentives would depend upon usage of the program and limits set by legislation.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
Legislation to create the tax incentives would need to be passed. Rules regarding implementation would need to be written by DOR and DECAL.

Examples of successful implementation or indicators of best practice:

1. Similar tax credits have been offered in Louisiana. The results of the tax credits increased the availability of high quality early learning environments.
2. DECAL, along with DOR, will monitor the use of the tax incentive. If implemented successfully, the recommendation will serve as an incentive for families to select high quality child care. It is expected that use of the tax incentive will increase over time.
3. Over time, availability of high quality child care should increase. As part of DECAL's Early Learning Challenge Grant, the state is aggressively monitoring the increase of high quality child care.

ECC EC Recommendation 2

Develop a timeline in which child care programs must be Quality Rated to receive child care subsidy funds by December, 2016.

Rationale:
This recommendation will be considered as DECAL develops the state plan to respond to the reauthorization of the Child Care and Development Fund (CCDF), which funds the state's child care subsidy program. Developing a timeline will help ensure there are enough Quality Rated programs serving children who receive subsidized child care.

Estimated Cost: There is not a cost associated.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Recommendation would require the development of new DECAL policy.

Examples of successful implementation or indicators of best practice:
Timeline will reflect state's efforts for 100% participation in Quality Rated. Based on determined time to achieve that goal, state will develop and refine milestones to gauge progress.

ECC EC Recommendation 3

Appropriate funding to adjust the subsidy rates for Quality Rated providers to more closely align with the true cost of tuition.

Rationale:

1. Through the Childcare and Parent Services (CAPS) program, the state subsidizes part of the cost of child care for income eligible families. Currently, Quality Rated child care programs are eligible for a small percentage increase in reimbursement rates based on their Quality Rated star rating.
2. This recommendation would raise the rates paid to child care programs who have achieved higher program quality standard and would support the state's Early Learning Challenge goals.
3. Research continues to document the importance of higher quality early education environments for achieving and sustaining positive long-term impacts.

Estimated Cost: Amount of child care subsidy rate increase would depend upon appropriation.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Recommendation would require additional state funds allocated during the budget process.

Examples of successful implementation or indicators of best practice:
A greater percentage of children receiving child care subsidies will attend two- and three-star Quality Rated programs.

ECC EC Recommendation 4

Appropriate funding to at least match private dollars raised to support a comprehensive marketing and public relations campaign to promote awareness of Quality Rated and the importance of high quality early learning.

Rationale:
This recommendation focuses on current efforts to increase demand for high quality early education. It will strengthen the current marketing plan that is being developed. Increasing consumer demand is a critical component in the strategy to increase access to high quality care.

Estimated Cost: $1,000,000

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Recommendation would require additional state funds allocated during the budget process.

Examples of successful implementation or indicators of best practice:
There is an increase in demand for Quality Rated programs. Providers will report that more families are asking about Quality Rated when selecting a program.

Move On When Ready (MOWR)

Chairperson: Matt Arthur

Committee Members: Brooks Coleman, Tyler Harper, Audrey King, Will Schofield, Anthony Townsend

MOWR Recommendation 1

Develop and implement multiple formative assessments in literacy and numeracy for students in grades K-3 which would serve the function of Student Learning Objectives (SLOs) in those grades, and extend these assessments to grades 4 and 5 numerical fluency once K-3 is in place.

Rationale:
All children must read at or above grade level by the end of the third grade so that they can read to learn the rest of their lives. Reading is the foundation for all learning and if this skill is not developed in the young child, they will be handicapped the rest of their lives. All students must also be numerically literate with addition, subtraction, multiplication, and division by the end of the fifth grade. With the ability to provide immediate feedback, the results of these formative assessments would serve to guide teacher practice and support effective school planning. As soon as possible, these formative assessments would be expanded to assess students in fourth and fifth grades in numerical fluency until proficiency is attained. The Georgia Milestones End of Grade assessments would remain in place for grades 3, 4, and 5.

Estimated Cost:
- $2.5 million for the development of K-3 formative assessments to serve the function of SLOs.
- $10,000,000 to be added to the Innovation Fund administered by the Governor's Office of Student Achievement for pilot programs to identify the most effective activities and materials necessary to support students in attaining the needed levels of proficiency. In order to more closely determine actual costs to a school or district, our committee is recommending that numerous pilot programs be implemented throughout the state supported by Innovation Fund grants.

Action Necessary:
- Encourage smaller class sizes in grades Pre-K – 3.
- Eliminate seat time.
- Encourage cross-class and cross-grade grouping.
- Support multiple approaches to teaching reading (phonics, whole language, etc.).
- Fund paraprofessionals in the lowers grades to support instruction of high-risk students.
- Provide literacy instruction throughout the day by integrating the skills into all subjects.
- Provide training programs for parents.
- Support other research-based activities that improve reading skills.
- Increase the number of high school students earning postsecondary credentials and degrees.

Examples of Success:
Currently there are successful models found in Gwinnett County, Hall County, Fulton County, Buford City, and many other school districts.

MOWR Recommendation 2

Begin the transition to a competency-based education system.

Rationale:
The Need for Competency Based Education (CBE)
Georgia has taken significant steps to encourage innovation and personalized learning. Establishing a corresponding system of competency-based education is the next logical step.

Competencies are the cornerstone of personalized learning, honoring the reality that in this age of readily-available information, learning happens both inside and outside of classrooms. By prioritizing the most essential academic content and 21st Century skills needed to be globally competitive for college, career and life, competency-based progression increases student ownership, creates multiple pathways to graduation, and ensures more students graduate prepared for jobs that have yet to be created.

Competency-based learning fosters equity by holding all students to a common set of rigorous expectations, while providing flexibility in the way credit can be earned by allowing students to progress through content as they demonstrate mastery, regardless of time, pace, or place.

Estimated Cost:
$10,000,000 for Pilot Programs: The cost considerations for the move to a competency-based system of education would include the planning and development of proficiency-based competencies, professional development for implementation, rubric development to assess mastery of competencies, appropriate formative and summative assessments, and a data reporting tool to ensure community stakeholders are made aware of the progress and results. Simultaneously, the state of Georgia should provide increased autonomy to the local boards of education through strategic contracts or charter system designation, as well as provide innovation grants to create more opportunities to pilot competency-based systems.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
The pieces are all in place in Georgia to accelerate the adoption of competency-based education (CBE). All that is needed is to message the priority and illuminate the pathways already available by implementing the following recommendations.

- **Incorporate into Innovation Fund**
  - Recommend an appropriation to the Innovation Fund for competency-based education (CBE). With such a clear commitment to CBE, the state should clearly identify CBE as a Priority Area in the next round of Innovation Grants.
  - Leverage the Innovation Fund staff experience and resources to begin outreach and awareness for CBE as well as the current ability for blended learning grants to incorporate CBE.
  - Design the guidance and technical assistance for CBE Innovation Grant applications to allow applicants to request flexibility from statutory or regulatory requirements that may impede

the full implementation of a CBE system. This will provide the specific information the state needs to approach policy barriers as well as a prioritization.
    - Provide a report of flexibility requests to the Move On When Ready Committee for recommendations on policy solutions.
    - The process to approach the policy work should not impede the ability to award grants for districts and schools to begin or continue the design and planning process.

- **Incorporate into Governance Models**
    - The Charter System and SWSS/IE2 models both can provide some flexibility but the goal wasn't to promote specific school models. However, in order to achieve the goals of the Move On When Ready Committee and truly incent transition to competency-based learning, the model can be encouraged through specific guidance.
    - Articulate a crosswalk between CBE and the possibilities under the Charter System and SWSS/IE2. There is recognition that flexibility will be needed for a full transition to a competency-based model and accommodating these types of strategies appears to have been the intent of the governance model reform.
    - Final governance model decisions were finalized in July. Request an analysis of applications and contracts to offer insight to which policies and regulations LEAs already perceive to be the greatest barriers of reform in general.

- **Complementary Policy Considerations -** As the state contemplates and plans for a transition to a competency-based system, careful consideration should be given to the intersection of other important policies also being discussed.
    - State policy should allow students to take benchmark and summative assessments on-demand or at multiple points throughout the year.
    - The current data collection model for teacher effectiveness is built on a Carnegie unit and a time based model where one teacher is held accountable for a set of students for at least 65% of the year. This becomes very problematic in a competency-based system.

Examples of successful implementation or indicators of best practice:

School Case Studies
The move from traditional school schedules, time-bound assessing and stringent Carnegie unit requirements to a more personalized environment where learning is not measured by time, but measured instead by students mastering content, is gathering momentum across the country.

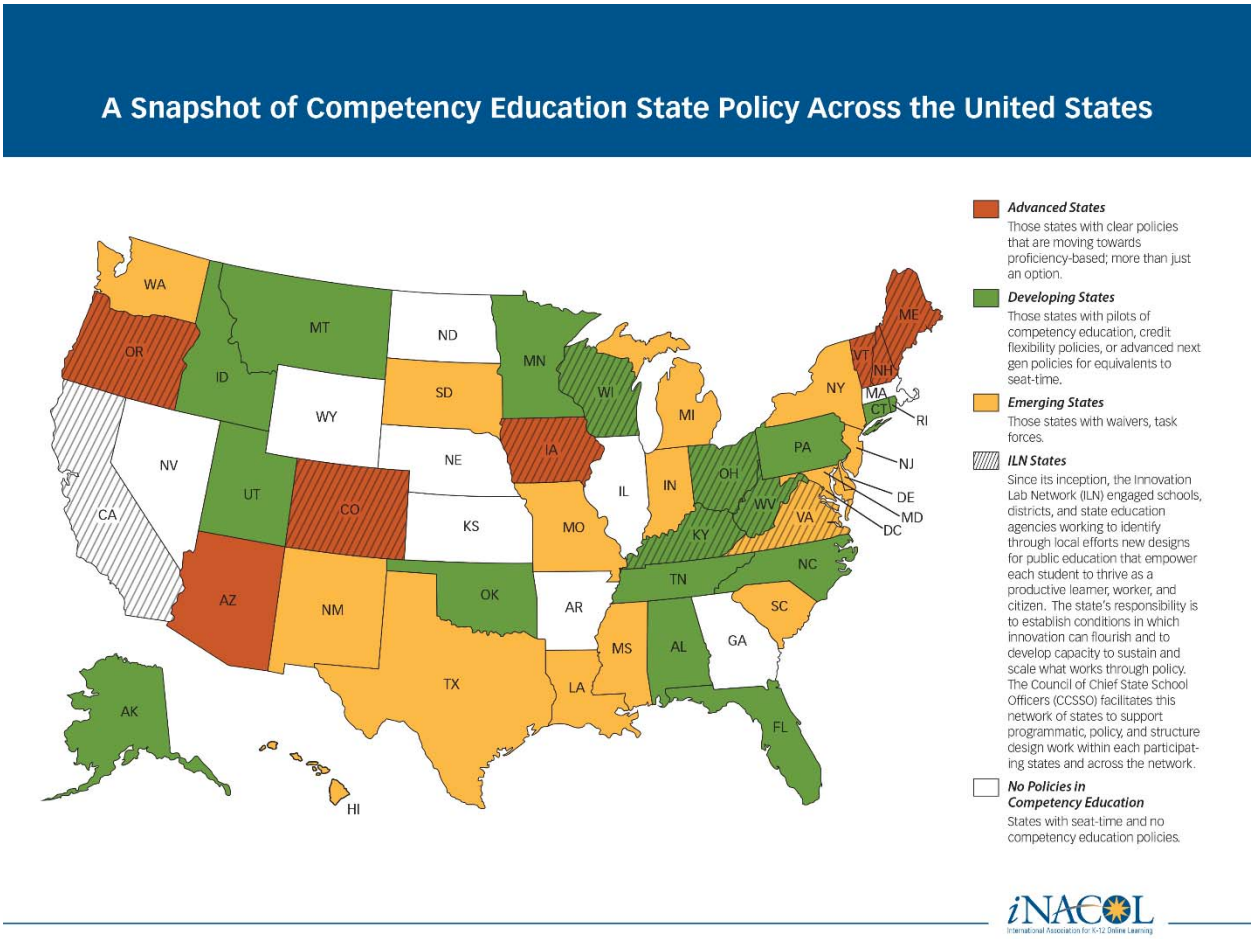
- **State Graduation Requirements:**
    - **New Hampshire:** Abolished Carnegie Unit and directed that all high schools determine credit by students' mastery of material, rather than time spent in class.
    - **Colorado and Vermont:** Embedded competency-based education into graduation guidelines.
    - **Maine:** Proficiency based diplomas legislated. Beginning in 2017, a diploma indicating graduation from a secondary school must be based on student demonstration of proficiency.

- **CBE Pilot Programs:**
    - **Idaho** – Legislation directed the state department of education to conduct the following activities to move Idaho toward a mastery-based education system 1) conduct a statewide

awareness campaign 2) establish a committee of educators to identify roadblocks and possible solutions and 3) facilitate the planning and development of an incubator process and assessments of local education agencies to identify the initial cohort of 20 local education agencies to serve as incubators in fiscal year 2017.

- **Ohio** – Legislation provided for five selected applicants to plan and implement competency-based programs from SY2016 through SY2019. Funding will be awarded in an amount up to $200,000 per academic year for selected applicants.

There are pioneering districts and charters across the country developing innovative personalized and competency-based systems. Examples include Chugach School District in Alaska, Lindsay Unified in California, Pinellas and Lake County in Florida, and Adams 50 in Colorado. Right here , in the state of Georgia, Henry and Gwinnett County have begun using the idea of competencies to better engage learners and provide a more accurate and rigorous tool to assess true mastery than our current system of state assessments.



MOWR Recommendation 3

Develop a pathway that allows students to receive both a high school diploma and a "Job Ready" designation in a high demand field. This action would rapidly expand Senate Bill 2 to include several high demand industry certification fields.

Rationale:
Thousands of Georgia students currently exit K-12 schools without obtaining a high school diploma, GED or high demand "Job Ready" skills. Current pathways available to obtain a Georgia high school diploma include:

- Complete specific courses in a traditional course of study (currently 23 Carnegie units).
- Complete 9 specific foundational courses and matriculate to the Technical System of Georgia (TSCG) or University System of Georgia (USG) to complete an approved program of study. There are various technical college options, including obtaining a Diploma, a two=year Associate's degree, or two certifications.

This recommendation would expand the final component of SB2 by completing 9 specific foundational courses and pursing a "Job Ready" certificate in a high demand career field through TCSG and local high schools. Upon completion, students would obtain both a high school diploma and a "Job Ready" certificate, prepared for entry-level high demand careers or a continuing education in Georgia's post-secondary programs.

Estimated Cost:

- $2,000,000 over two years to articulate 12-15 high demand, "Job Ready" pathways.
- $5,000,000 over five years to expand pool of current instructors and re-train teachers to deliver TCSG correlated coursework.
- $2,000,000 million over two years to develop integrated math, Language Arts, and soft skills portions of the coursework.

Action Necessary:

- Revise language in Senate Bill 2 to include "Job Ready" pathways.
- Revise Georgia Department of Education Graduation Rule.
- The "Job Ready" certification courses should be revised to include necessary mathematics and Language Arts/communications components. Students would complete the Language Arts coursework, which would include reading and writing for technical information, along with rigorous mathematics coursework related to the particular field of interest. Students could also fulfill the math/ELA requirement by successfully completing college-level algebra and English.

- A state-approved soft-skills curriculum should be developed and required for all students in the "Job Ready" pathways.
- Revise TCSG and USG entrance requirements for students who graduate from high school under this new rule.

Examples of successful implementation or indicators of best practice: N/A

MOWR Recommendation 4

Increase opportunity for advancement or remediation of students through flexible Georgia Milestones testing available throughout the calendar school year, preferably every nine weeks.

Rationale:

- Pre-tests & post-tests for students allow teachers to obtain academic benchmark and performance indicators.
- More current and accurate information:
    - Empowers teachers to advance/retain students as core competencies are evaluated;
    - Allows students to advance, without whole group indicators and seat time requirements;
    - Identifies weaknesses of students needing remediation;
    - Supports establishing beneficial small group sessions for students (remedial and advanced);
    - Eliminates the "One Size Fits All" instruction for students performing at different levels;
    - Makes testing available every 9 weeks and documents student performance for tracking progress;
    - Allows preparedness for high school, college and post-secondary; and
    - Provides options for students such as traditional instruction, blended learning, middle/high school partnerships, computer (web- based) learning online, flipped classrooms, project based learning and test out options (exemptions).

Estimated Cost:

Districts may use flexibly the funding provided through the proposed student-based funding formula to meet the needs of the students in the new pathways. There would be no additional costs for test development.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)

- Work with GaDOE to develop guidance and guidelines for implementing flexible assessment windows and maximizing the effectiveness of instruction supported by this more current performance data.
- Amendments to existing State Board of Education rules and policies would be needed.

Examples of successful implementation or indicators of best practice:

- Locust Grove Middle School
- IMPACT Academy

MOWR Recommendation 5

Increase the number of high school students earning postsecondary credentials and degrees through intense professional development for both high school and postsecondary teachers.

Rationale:
The number of jobs available to those with a high school diploma or less has steadily declined for decades, and the Great Recession hit those individuals hard. Despite the economic recovery, workers with a high school diploma or less continue to lost jobs. In Georgia, 63 percent of adults between the ages of 25-64 have less than a postsecondary credential. 23% of recent college graduates are unemployed or working in a job that requires less than a college degree. An analysis of educational and labor market data by the Southern Regional Education Board (SREB) suggests that for many young adults, the 20s are a lost decade. After years of underemployment or unemployment many return to school when they are nearly 30. To solve this problem, more high school students must get into technical colleges and on pathways to postsecondary attainment and career advancement.

High School and postsecondary teachers need intense professional development on how to instruct students in Career and Technical education using college level math and English. They also need training on how to blend career pathway classes around real world problems, using college level math, English, and high levels of technology and engineering. Professional development on incorporating soft skills and using critical thinking would also be beneficial to students.

Estimated Cost:
$5 million for professional development

Actions necessary for changed to be enacted:

Action 1 - Career pathways put students on a path to further education and great jobs in high-demand fields. In order to have a clear and speedy pathway to Georgia colleges, USG and TCSG will accept all college level courses taken at the high school level. This includes Advanced Placement (AP), International Baccalaureate (IB) and regular college courses that the high school student passes with an appropriate score.

Ensure that CTAE career pathways align with additional postsecondary education and training and high-skill, high-wage jobs in the state's high-demand career fields (e.g., agriculture, aerospace, automotive manufacturing, defense, film, television, interactive entertainment, healthcare, life sciences, information technology, logistics and manufacturing).

Work with the Technical College System of Georgia, the Georgia Department of Economic Development and employer partners to regularly audit these programs.

Action 2 — Expect all students to graduate academically ready for both college and careers.

Work with representatives of GaDOE, TCSG, USG and leading employers to identify the foundational literacy and math skills Georgia's students need to be academically ready for the full spectrum of postsecondary education and training programs available across the state.

Ensure that literacy and math standards for each career pathway reflect the requirements of the field. For example, students preparing for STEM-related TCSG programs will need an advanced math pathway that includes Algebra II, whereas students preparing for other TCSG programs may require algebra, geometry, statistics, and other career-related math courses.

If students are not college ready, use the senior year to prepare for college and career.

Action 3 — Support all career pathway teachers, especially new teachers from industry and teachers that teach core college courses, with professional development and fast-track induction programs.

Partner with an external agency to provide intensive professional development to GADOE and TCSG instructors on how to incorporate literacy and math strategies into instruction for high school students participating in career pathways.

Prepare GADOE and TCSG instructors in all career pathway areas to adopt literacy strategies that engage career pathway students in conducting research with the authentic technical texts and documents needed to develop a work plan or design to complete project assignments. Literacy Design Collaborative literacy strategies improve how teachers teach and students learn.

Prepare GADOE and TCSG instructors to adopt math practices that not only enhance students' procedural fluency in math, but help teachers teach with a greater emphasis on advancing students' ability to reason, understand and apply math. Provide intensive professional development on these math practices to instructors and math teacher partners on TCSG campuses and at students' home high schools.

Seek the support of GaDOE to drive these literacy and math strategies into middle grades instruction, so that rising ninth graders are better prepared for the rigors of high school and advanced studies at TCSG.

Adopt a research-based fast-track induction system for new GADOE, TCSG and USG career pathway instructors that helps them plan robust, standards-based assignments, design curriculum around real-world problems, manage diverse classrooms and create assessments that measure students' mastery of foundational learning skills.

Provide intensive professional development to GADOE and TCSG career pathway instructors and partnering academic teachers in students' home high schools on how to redesign career pathway assignments around real-world problems that blend college-ready literacy, math and science standards, leading-edge technical and technological knowledge, and engineering design principles with critical soft skills like teamwork and time management.

Partner with employers in Georgia's high-demand career fields to help GADOE and TCSG instructors periodically refresh their skills through summer industry externships and work experiences.

Action 4 —Restructure Georgia's low-performing high schools around rigorous career pathways that prepare students for postsecondary credentials and degrees.

Work with the Georgia Department of Education, the Technical College System of Georgia, the University System of Georgia, and employer partners to design a framework of strategies to restructure chronically failing schools around academically and technically rigorous GADOE and TCSG career pathways. Large urban high schools could be reorganized as career academies offering multiple GADOE and TCSG career pathways. Smaller schools may benefit from close partnerships with TCSG in which students take all or part of their course load on the TCSG campus. Action 6 — Harness the Move on When Ready initiative to create early advanced credential programs that align curricula, instruction and technology across home high schools and TCSG.

Work with the Georgia Department of Education to develop flexible school schedules that allow high school students pursuing career pathways to complete associate degrees and advanced industry credentials. Scheduling options may include extended school years, extended school days and 13th-year programs.

Allow career pathway students to complete their required academic coursework at TCSG with TCSG instructors, or work with students' home high schools to align literacy and math instruction and assignments with TCSG career pathway courses.

Action 5 — Double the percentage of career pathway students who earn certificates, credentials and degrees in Georgia's high-demand career fields.
Promote and market the availability of these courses and career fields to parents and students.
Use the senior year of high school for remediation and tutoring to prepare them for college readiness.

Action 6 — Work with secondary, postsecondary and employer partners to advocate for robust career pathway-related.
The Georgia Department of Education, the Technical College System of Georgia and the University System of Georgia should work to increase the percentage of students who complete their career pathway programs and earn industry credentials and postsecondary certificates and degrees linked to Georgia's high-demand career fields.

Examples of successful implementation or best practices:
Gwinnett County has five high schools with career themed academies of choice. Each using SREB's High Schools that Work model to design their academics, create pathways, and college and career counseling. Delaware, Tennessee, Kentucky, and Ohio have high schools with intense focus on literacy and math combined with career pathways.

Teacher Retention, Recruitment, and Compensation (TRRC)

Chairperson: Pam Williams

Committee Members: Brad Bryant, Mike Dudgeon, Hunter Pierson, Freddie Powell Simms, Elizabeth Rhodes, Ken Zeff

The members of the Teacher Retention, Recruitment, and Compensation Committee have organized their recommendations within three Priority Levels.

PRIORITY LEVEL 1

TRRC Priority Level 1, Recommendation 1

Develop guidance to assist districts in developing strategic compensation models for teachers. The guidance may include, but not be limited to the following tenets:

Provide the opportunity for teacher involvement in the creation of strategic compensation models at the district levels;

Allow currently employed teachers to opt in to the new compensation systems OR remain on the current state salary schedule;

Refrain from using level of degree as a significant determinant of compensation increases. Instead, consider reimbursing teachers for the costs of pursuing advanced degrees;

Provide additional pay and/or signing bonuses for high needs subjects and hard-to-staff schools;

Provide additional pay for accepting additional responsibilities;

Provide additional compensation for teachers who complete the requirements for Teacher Leader Certification.

Provide opportunities for teachers to make higher salary levels earlier in their career

Rationale:
The Committee believes that alternative teacher compensation approaches can help attract, retain, and maximize the impact of great teachers. Therefore, the Committee is recommending that the State Board of Education provide guidance to districts to support the development of district teacher compensation models. This approach will create opportunities for Georgia school districts to select features for compensation that are most appropriate for their unique local contexts.

Estimated Cost:
The Funding Formula Committee recommendations address teacher compensation. See pages 17-18 of this document for full details.

Action required for changes to be enacted (legislation, policy, rules, etc.):
Current law allows for charters and strategic waiver contracts to waive the current state salary schedule. Annual budget review and approval would be need to increase the state funded salary level for teachers (reference page 18 of this document).

Examples of successful implementation or best practices:
Washington D.C. and Denver, Colorado have both transitioned to various strategic compensation models. While these models have varied, both systems are experiencing gains in student achievement.

TRRC Priority Level 1, Recommendation 2

Increase K-12 educational funding, which will allow local districts to recruit, retain, and reward the most effective teachers and will allow Georgia teacher salaries to be competitive with those in other states and with comparably-leveled positions in other career fields.

Rationale:
National research indicates that teachers improve the most during their first few years of teaching. Yet teacher pay is relatively flat for the first five years of a teacher's career and is generally back-loaded. This contributes to many promising teachers leaving the field prematurely. Furthermore, research indicates there is no consistent relationship between holding a graduate degree and a teacher's ability to increase student learning. Yet earning an advanced degree is currently one of the primary drivers of teacher salary growth. As a result, the Commission recommends that districts develop compensation approaches that enable teachers to reach median salaries faster than traditional systems allow, and recommends districts develop reimbursement models instead of significantly weighting graduate degrees for salaries.

A generic, static career structure holds little promise of attracting or retaining enough great teachers, and the lack of a career path often brings about burnout, stress, and dissatisfaction in "mid-career" teachers. For teachers, there are often few opportunities for advancement without leaving the classroom or becoming an administrator. Hence, identifying, developing and leveraging expert teachers with additional role opportunities for additional pay while recognizing their growth through career ladder structures are key recommendations of the Commission.

Attracting high potential teachers to the teaching profession and retaining them is a top priority for our state. Yet we often have difficulty attracting top talent to subjects and schools where they are most critically needed. Thus, the Commission encourages districts to consider developing compensation models that provide additional pay for high needs subjects (e.g. STEM) and high need schools, and that include signing bonuses to attract potential teachers to tough to fill fields. Finally, the Committee believes that compensation models should not reduce existing contractual salary levels of current Georgia teachers.

With over a 16% decline in enrollment in Teacher Preparation Programs in Georgia in the last five years and only 28% of Georgia teachers remaining in education for the required ten years to become vested in TRS, it is clear that Georgia must make a statement that teaching is viewed as a worthy profession.

Action required for changes to be enacted (Legislation, policy, rules, etc.): N/A

Examples of successful implementation or best practices: N/A

PRIORITY LEVEL 2

TRRC Priority Level 2, Recommendation 1

Provide grants to support districts in developing strong teacher induction programs. Charter systems and strategic system contracts should include a description of how they will provide support for Induction level teachers.

Rationale:
With over a 16% decline in enrollment in Teacher Preparation Programs in Georgia in the last five years and only 28% of Georgia teachers remaining in education for the required ten years to become vested in TRS, it is evident that Georgia districts must provide a comprehensive induction program comprised of multiple types of support, including high-quality mentoring, common planning times, and ongoing support from school leaders. http://all4ed.org/wp-content/uploads/2014/07/PathToEquity.pdf

Research by Richard Ingersoll from the University of Pennsylvania has shown that high-quality teacher induction programs can advance teaching practice and teacher retention. Mentoring new teachers with talented experienced teachers is essential to ensure that Georgia's induction phase educators quickly develop the skills they need to have a positive impact of student learning and growth. The New Teacher Center's studies concur with this research.

Estimated Cost:
The Induction Specialist at the Georgia Department of Education provides support, technical assistance, coaching, and additional resources to districts in implementing strong induction programs. Additional Induction Specialists will be able to provide increased, regional support to districts. Three additional Induction Specialists would cost $363,716 in additional funds.

Action required for changes to be enacted (legislation, policy, rules, etc.):
Line item in appropriations

Examples of successful implementation or best practices:
The GaDOE induction guidance (teacher and principal) were developed as a component of Georgia's Race to the Top initiative. A cross-disciplinary team – including teachers, instructional coaches, early career and experienced principals, district leaders, university faculty, education organization staff, and state agency leaders – was convened multiple times over a period of several months. The team worked collaboratively to review research on effective teacher induction programs and information gathered from new teachers in Georgia, and then, incorporated this research into guidance that was intended to be flexible and accommodating for the wide range of districts and district needs in Georgia. Collectively, the domains provide a comprehensive, coherent and sustainable model for all Georgia districts as no component has a cost. Georgia's 26 RT3 districts were required to develop (2011) and implement (2012) district programs aligned to the guidance and non-RT3 districts were encouraged to align their programs to this work. However, Georgia has no state induction policy requiring support for induction phase

educators and their mentors. Additionally, induction tools and resources were developed for all Georgia districts and are accessible online and in the TLE Electronic Platform at no cost to districts and include teacher and principal mentor professional learning resources.

Examples of successful implementation or best practices: N/A

TRRC Priority Level 2, Recommendation 2

Keep as a top priority of the education community the preservation of teacher planning time. To monitor implementation, the climate survey for LKES should be amended to include a question related to how well principals protect teacher planning time.

Rationale:
Empirical and quantitative research on teacher planning and collaboration is not abundant, however what has been done suggests that increased teacher planning and collaboration is good for teachers. For example, other work has found that collaboration is associated with improved outcomes, such as higher levels of self-efficacy and increased knowledge base (Goddard, Goddard, and Tschannen-Moran), for teachers.

In the multiple teacher input sessions across Georgia this was one of the most noted concerns among the approximately 200 teachers.

Estimated Cost: N/A

Action required for changes to be enacted (legislation, policy, rules, etc.):
SBOE enact change in LKES climate survey.

Examples of successful implementation or best practices:
A study of a large, urban school district found a small but statistically significant positive association between teacher collaboration on school improvement and student achievement in both math and reading (Goddard, Goddard, and Tschannen-Moran, 2007).

TRRC Priority Level 2, Recommendation 3

Encourage the General Assembly and State Board of Education to implement the following guidelines to promote the best use and respect of teacher's instructional time:

1. **Return to a "normal" curricular adoption cycle, and maintain a high bar before implementing major changes outside a 6 year cycle.**
1. **Apply a high bar of consideration to any legislation and/or rules that adds new requirements, training, or job functions for educators. Repeal or sunset rules / requirements when not needed.**
2. **Encourage regional and state-wide collaboration to make SLO assessments more consistent within the state.**
3. **Support full implementation of the teacher career ladder and participation in the top levels of the Tiered Certification model.**

Rationale:
It was abundantly clear to the committee through our input sessions that teachers are overwhelmed with work, much of which they feel is not directly related to helping students learn in the classroom. Many teachers are more concerned with increased duties and requirements than salary.

It is also obvious that with CCGPS, GSE, Milestones, SLOs, CCRPI, Integrated Math, TKES, LKES, and various new laws and rules from the legislature and SBOE, that the past 5 or so years have been very demanding on teachers' time. As state policy leaders, we feel it is only appropriate to slow down as much as possible to allow our teachers to catch up.

Estimated Cost:
Should actually save money if there fewer new programs/rules.

Action required for changes to be enacted (legislation, policy, rules, etc.):
SBOE/General Assembly attention and direction required.

Examples of successful implementation or best practices: N/A

TRRC Priority Level 2, Recommendation 4

Investigate a sustainable state-level funding program for providing compensation to classroom teachers for supervising Teacher Interns.

Rationale:
Educators who supervise teacher interns play a pivotal role in ensuring our state has high quality instructors in each classroom. We need our best educators to serve in these positions, yet they are also the ones who are most burdened by other responsibilities. Moreover, school and district officials often assign teacher interns to lower performing educators in a misguided attempt to ensure more adults are in these struggling classrooms. Giving classroom teachers compensation for supervising Teacher Interns will address both of these challenges in that effective educators will be enticed to serve and schools will think twice about assigning Teacher Interns to lower performing educators thus boosting their pay.
We believe this should be a state funded program because we would not want to discourage districts and schools from taking Teacher Interns due to the budgetary impact. We are open to the idea of postsecondary schools of education covering these expenses but believe this route merits further study.

Estimated Cost:
Education program students are required to student teach to meet bachelor's degree graduation requirements in Georgia. Approximately, 3,645 baccalaureate education program students were in clinical practice during the 2014-2015 reporting year. Providing a $1,500 stipend per year for each Teacher Mentor to supervise a Teacher Intern would cost approximately $5,467,500.

Action required for changes to be enacted (legislation, policy, rules, etc.):
Line item appropriation for a pilot study

Examples of successful implementation or best practices: N/A

TRRC Priority Level 2, Recommendation 5

Modify the implementation of Teacher Keys Effectiveness System (TKES) to allow fewer required classroom observations for effective teachers after a baseline of effectiveness has been established.

Rationale:
The Teacher Keys Effectiveness System requires two 30 minute observations and 4 walkthroughs for each teacher annually. After the state has enough data to develop a baseline identifying those teachers who are proficient and exemplary, the number of observations and walkthroughs for highly proficient and exemplary teachers should be reduced to allow administrators to place a greater focus on improving the performance of less experienced or less effective teachers. Exceptions should be made if the evaluator changes due to administrative changes or if there is a transfer to a different school.

Estimated Cost:
No cost

Action required for changes to be enacted (legislation, policy, rules, etc.):
SBOE rule regarding TKES implementation would need to be amended.

Examples of successful implementation or best practices:
Currently, DOE is conducting a pilot using modified numbers of observations in several districts.

PRIORITY LEVEL 3

TRRC Priority Level 3, Recommendation 1

Develop and implement a statewide media campaign to promote the positive aspects of teaching as a profession.

Rationale:
As the state experiences a decline in enrollment in teacher preparation programs, and the GaPSC reports that 44% of teachers leave the profession within the first five years, it is imperative that the state be proactive in its efforts to highlight the positive impacts and rewards of teaching. In the current flux of the educational landscape, even those who are actively teaching have consistently reported negative feelings about the profession during the teacher input sessions of this subcommittee. Additionally, the Deans of the Schools of Education reported that they struggle to find positive supervisors in the school buildings for their student placements. A media campaign consisting of television and radio commercials, billboards, bus signs, and social media such as Twitter, Facebook, etc., should be used to launch a systemic campaign that features faces and stories of actual teachers across the state. This campaign should highlight teachers from all levels, all subjects and all demographic regions. Additionally, it could highlight a myriad of stories from students who share the impact a teacher had in their lives. The focus of the campaign should be to restore and grow the pride of the teaching profession for those who are current practitioners and those who are considering entrance to the profession.

Estimated Cost:
The Georgia Department of Education estimates the first year of the media campaign would cost approximately $4M to $5M depending on the scale of the campaign. The estimated annual recurring cost for continuing the media campaign is $2.5M

Action required for changes to be enacted (legislation, policy, rules, etc.):
Organize through a state agency (perhaps the State Board of Education) and set up a plan to reach out to businesses for “in kind” donations to support the campaign.

Examples of successful implementation or best practices: N/A

TRRC Priority Level 3, Recommendation 2

Require a study of the Teacher Retirement System (TRS) of Georgia to determine if small changes should be made for new educators, or if new alternatives should be implemented for new educators, as a way to minimize the probability of reduced solvency for existing teachers 10 to 15 years from now. Note that no changes are recommended to TRS for existing members. It is recognized that TRS is currently rated as one of the strongest educator retirement systems in the country.

Rationale:
There are many factors and trends to suggest that now is a good time to consider long term implications for teacher retirement. In 1985, 80% of the private sector was covered by defined benefit plans, now it is 20%. Many states are struggling with long term financial viability of retirement programs. The committee also saw some evidence that the younger generation may want a more portable plan, and TRS statistics show only 28% of teachers ever collect benefits. TRS is one of the best funded programs, but it is not 100% funded. Given these data points and the need for a long lead time and "grandfathering" of any changes, the next few years are a good time to study TRS.

Estimated Cost:
Georgia legislators receive per diem of $173 per day for service on legislative study committees. A joint study committee with seven members appointed from the House of Representatives and seven members from the Senate for five days would cost $12,110. If citizens were appointed to the committee, then public members of the committee who are not public employees shall receive a daily expense allowance of $105 as provided in O.C.G.A. 45-7-21(b).

Action required for changes to be enacted (legislation, policy, rules, etc.):

1. Joint resolution from House and Senate could call for the study.

OR

2. Retirement committees of the House and Senate could complete the study independently.

Examples of successful implementation or best practices: N/A

TRRC Priority Level 3, Recommendation 3

Investigate the benefit of re-instituting the service cancellable loan programs for students graduating from a University System of Georgia (USG) teacher education program. The funding should include tailored grant programs which support low-income students teaching in Georgia public schools and should develop clear pathways to demonstrate to prospective students a financially viable option for college completion that does not result in excessive student loan indebtedness. The program would apply to graduates who teach in Georgia public schools for a pre-determined number of years and be limited to teachers who teach in hard to staff schools and high needs fields.

In addition to this effort, teaching as a profession should be designated as a High Demand Workforce Initiative in Georgia.

Rationale:
The Great Recession allowed Georgia a temporary pause in a growing teacher shortage which is fueled by the number of veteran teachers approaching retirement and Georgia's student population growth, coupled with decreasing enrollment in teacher preparation programs. An improved economy will re-engage those twin engines requiring the State to focus multiple approaches to mitigate any shortages.

Attention may be given to high quality teacher preparation designed to fill critical shortages in schools which serve high needs populations, regions of the State where the teacher shortage is acute, and in teaching fields which are strategically aligned with Georgia's High Demand Workforce Initiative. Within early education and learning and public K-12 systems, the Governor and the General Assembly should consider teaching as a high demand workforce initiative.

Estimated Cost:
To reinstate the PROMISE Teacher Scholarship Loan Program, undergraduate students would receive financial assistance for their junior and/or senior year if the recipients agree to obtain a degree in teacher education within five years, obtain the Professional Georgia Education Certificate, and teach in a Georgia public school classroom after graduation. Eligible recipients may receive $1,500 per semester (maximum of $3,000 per academic year) for the junior and senior years of college. The loans would be forgiven at a rate of $1,500 per year of service with a maximum of four years to repay. Approximately 9,239 baccalaureate students were enrolled in educator preparation programs in public higher education institutions in Georgia. To provide a $3,000 per academic year service cancellable loan to approximately 9,239 students would cost $27.7M per year.

Action required for changes to be enacted (legislation, policy, rules, etc.):
Consideration of the following:

- Recognition by the Governor and the General Assembly of the looming shortage of teachers within Georgia's public schools;

- Task the Alliance of Agency Heads with development of recommendations which would deliver a blueprint for short, mid and long-term strategies and implementation action plans to remove financial barriers for students seeking a career in Georgia's public schools; and
- Re-institute service-cancelable teacher loan programs and/or grants which were suspended during the Great Recession.

Examples of successful implementation or best practices:
PROMISE Teacher Scholarship Program (Georgia)
HOPE Teacher Scholarship Loan Program (Georgia)
TEACH Grants (Federal Student Aid)

TRRC Priority Level 3, Recommendation 4

Reimburse the costs of the required GACE exams and edTPA which pre-service teachers incur while enrolled in a teacher preparation program of the University System of Georgia. To qualify for reimbursement, the student must graduate from a USG institution and sign a contract to teach in a Georgia school.

Rationale:
Deans of teacher preparation programs reported that the additional expense of edTPA and GASE is a hardship for many teacher candidates. In a reimbursement system to cover these expenses, the state will incentivize and reward those teachers who remain in Georgia for at least one year.

Estimated Cost:

- Possibly a moderately-salaried employee at the GaPSC to handle administration (or cost may be less if absorbed by current GaPSC employee)
    - The estimated cost for salary and benefits for one administrative employee at the Georgia Professional Standards Commission is $72,900.

- Approximately $150-$300 for the required GACE exams and $300 for edTPA
    - One combined content Georgia Assessment for the Certification of Educators (GACE) assessment costs $193. A single content test costs $123 ($246 total for two tests).
    - Approximately 4,094 students passed the required GACE Content Assessment before completing the educator preparation program during the 2014-2015 reporting year.
    - The estimated cost to reimburse 4,094 students for the combined content assessment is $790,142. To reimburse 4,094 students for two content tests at $123 per test would cost $1,007,124.
    - The full edTPA assessment costs $300. Beginning Fall 2015, all students must successfully pass edTPA. The estimated cost to reimburse 4,094 students for the edTPA assessment is $1,228,200.

Action required for changes to be enacted (legislation, policy, rules, etc.):
PSC looks at how to do this (Kelly Henson is supportive of the initiative and said it can be managed through the GaPSC.)
Line item budget appropriation

Examples of successful implementation or best practices: N/A

TRRC Priority Level 3, Recommendation 5

Study the benefits of replacing a single semester student teaching model with a full year of clinical practice for teacher candidates. Transitioning to a clinical practice model should not add semesters to the education degree timeline, but current courses should be integrated into the clinical experience. Rename student teaching using a more appropriate descriptor, such as Teacher Intern or Teacher Candidate.

Rationale:
The research is replete on the benefits of a full-year clinical practice model versus a traditional semester student teaching experience. With the expanded responsibility and accountability of the 21st century teacher, the pre-service experience must be one that includes a coherent integration of coursework and practical application of theories and pedagogies in diverse classrooms. The need for teachers to deliver more complex material, while keeping order and increasing student learning and achievement is paramount to raising the academic achievement of students in the *new* common core classroom. This can best be accomplished as teacher education programs integrate a yearlong clinical experience where pre-service interns participate in well-rounded experiences that allow:

- Adequate time in authentic classroom experiences where interns solve the multi-layered problems that teachers face in classrooms and become self-reflective professionals,
- Integration and delivery of applied education theories and pedagogies (methods) in a year-long real-time practicum experience where clinical observation, self-assessment/reflection, peer-assessment and feedback conferencing are a regular part of the experience, and
- Participation in yearlong mentoring experiences with highly qualified teacher-mentors who help interns become grounded in content as well as the policies, procedures and culture of public schools.

Further, with the onset of the *new* Georgia curriculum (common core) and assessment (GA Milestones), Georgia is postured to use the rich exchange of its regional Schools of Education and the public schools to develop Professional Development Schools (PDS). These PDS are well documented in the research for promoting professional exchange experiences and alignment between higher education professors and public school educators where pre-service interns benefit and public school student achievement is enhanced. Certainly the full-year pre-service clinical experience produces a better prepared beginning teacher.

Estimated Cost: N/A

Action required for changes to be enacted (legislation, policy, rules, etc.):
A study by the Board of Regents of the benefits, modification to course requirements, and other issues related to a full year of clinical study.

Examples of successful implementation or best practices:

Darling-Hammond, L., (2006). Constructing 21st century teacher education. (Vol. 57, No. X, pp. 1-15), doi: 10.1177/0022487105285962

Edward, M. J. (1991). Reshaping the clinical phase of teacher preparation. *Phi Delta Kappan,* (Vol. 72, No. 9, pp. 666-669).

NCATE, 2010. Transforming teacher education through clinical practice: A national strategy to prepare effective teachers. *Report of the Blue Ribbon Panel on Clinical Preparation and Partnerships for Improved Student Learning*.

Spooner, M., Flowers, C., Lambert, R., & Algozzine, B. (2008). Is More Really Better? Examining perceived benefits of an extended student teaching experience. *The Clearing House,* July/August, 263-269.

The Holmes Group. (1986). *Tomorrow's teachers. A report of the Holmes Group.* East Lansing, MI: The Holmes Group.

Expanding Educational Options (EEO)

Chairperson: Nels Peterson

Committee Members: Greg Beadles, Tina Fernandez, Mike Glanton, Hannah Heck, Bonnie Holliday

EEO Recommendation 1

For the existing tuition tax credit scholarship program, true up pledges to actual contributions annually by:

a. **Requiring the Department to switch from counting pledges to counting actual contributions against the tax credit cap;**
b. **Requiring the tax credits available to be adjusted as actual numbers come in and require the Department to make SSOs aware that additional space has become available below the cap**

Rationale:
The implementation of this recommendation would allow the full allotment of tax credits available under the program to be used rather than lost when potential donors pledge donations but do not make them.

Estimated Cost: The estimated cost to the state is $2.5 - $5.0 million.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Legislation would have to be enacted.

Examples of successful implementation or indicators of best practice:
Florida has the largest state tuition tax credit program. Their system allows for a running total of actual credits used and remaining available based on actual donations.

EEO Recommendation 2

Define "unused facility" in OCGA 20-2-2068.2

Rationale:
This recommendation would increase access to affordable facility options for charter schools. Because the term is currently undefined, there is great variance in how the relevant statute is applied. This change will clarify the existing law for both charter schools and local districts and allow charter schools greater opportunities to utilize unused school buildings.

Estimated Cost:
No cost

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
OCGA 20-2-2068.2 will need to be amended.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 3

Establish an appeals process by which a charter school can appeal to a third party when there is a disagreement about authorizer compliance with OCGA 20-2-2068.2. The third party would have authority to determine whether a facility meets the statutory definition of "unused".

Rationale:

The purpose of this recommendation is to ensure intended access to affordable facility options for charter schools. This change will allow for the enforcement of current law giving charter schools greater opportunities to utilize unused school buildings.

Estimated Cost:
No cost

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
Legislation would be required.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 4

Clarify that any property owned or leased by a non-profit for use by a charter school is considered "public property" and exempt from tax under OCGA 48-5-41.

Rationale:
This recommendation would increase access to affordable facility options for charter schools. As public schools, charter schools should be afforded tax exempt status for the portion of property that they use for charter school purposes. Currently, this property tax-exempt status is not always recognized and can be destroyed when a portion of the property is leased for other purposes.

Estimated Cost:
No cost

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
OCGA 48-5-41 would need to be amended.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 5

Establish a statewide competitive grant fund for charter facility expenses to more accurately reflect the per pupil facility funding for public schools in the state. Half of this funding should be allocated to charter schools on an enrollment basis and half on a competitive basis (looking at both need and school performance).

Rationale:
The purpose of this recommendation is increase access to affordable facility options for charter schools. There is currently great disparity in how charter school facilities are funded as opposed to other public schools. Charter schools currently have to utilize a significant percentage of their operating budgets for facility expenses (often upwards of 15% of their total operating budget). Very few local districts have included charter schools in their ESPLOST funding and only charter schools authorized by the State Charter Schools Commission have access to state Capital Outlay funding. The current state grant fund has declined in funding over the last several years and should be increased to more closely reflect the per-pupil funding available for other public schools.

Estimated Cost: The estimated cost to provide $100,000 facilities grants to start-up charter schools in approximately $8,000,000 to $10,000,000. There are 92 start-up and state charter schools in the 2015-2016 school year.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
Recommendation would require legislation to be enacted and additional state funds to be allocated.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 6

Establish an authorizer code based on National Association of Charter School Authorizers (NACSA) Principles and Standards for Charter School Authorizing; have a third party annually report the status of authorizer's compliance with the Georgia code to the General Assembly.

Rationale:
The purpose of this recommendation is to increase accountability for both charter schools and local authorizers. High quality authorizer practices are integral to providing quality charter school options for students.

Estimated Cost: The estimated cost for a third party contractor to review each local charter school's local authorizer for compliance would cost approximately $114,000 to $190,000. There are 95 local charter schools in the 2015-2016 school year and a third party evaluator could cost as must as $1,200 to $2,000 per local charter school.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
Recommendation would require legislation to be enacted and additional state funds to be allocated.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 7

Require all charter contracts or charter contract renewals to include language that allows the charter school to elect the State Charter School Commission (SCSC) as an authorizer if the local authorizer fails to materially comply with the Georgia authorizer code.

Rationale:
This recommendation would increase accountability for both charter schools and local authorizers. High quality authorizer practices are integral to providing quality charter school options for students. This will enable charter schools to petition the SCSC as an alternate authorizer if their local authorizer fails to implement a state code of best practices.

Estimated Cost: No cost

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
State Board of Education rule would need to be amended.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 8

Require training for authorizers on the Georgia authorizer code.

Rationale:
The purpose of this recommendation is to increase accountability for both charter schools and local authorizers. High quality authorizer practices are integral to providing quality charter school options for students. Training will ensure that authorizers have the opportunity to learn these best practices.

Estimated Cost: There are 43 local authorizers with approved charter schools in Georgia for the 2015-2016 school year. Local boards of education serve as local authorizers of local charter schools. The estimated cost to provide training on the Georgia Authorizer code for all members of the local boards of education in Georgia is $30,100.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
Recommendation would require legislation to be amended and additional state funds to be allocated.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 9

Codify a presumptive termination/non-renewal provision for any charter school that performs in the bottom quartile of the state AND local government in statewide student performance tests for three consecutive years absent exceptional circumstances (as defined in state rule).

Rationale:
The purpose of this recommendation is to increase accountability for both charter schools and local authorizers. This will ensure that only quality charter schools continue as options for Georgia students.

Estimated Cost: N/A

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Recommendation would require legislation to be enacted.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 10

Charter Schools should be equitably funded.

Rationale:
The purpose of this recommendation is to ensure equitable funding of Georgia charter schools. Charter schools are a public school choice for students across the state and therefore should be funded equitably to ensure the ongoing viability and continued growth of quality student options.

Estimated Cost: None

Actions necessary for changes to be enacted.
None. This recommendation is a statement of principle.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 11

Require districts to "true-up" charter allocations annually to include revenue collected in excess of budget target.

Rationale:
The purpose of this recommendation is to ensure equitable funding of Georgia charter schools.

Estimated Cost: None – Reallocation of Existing Local Funds

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.): N/A

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 12

To ensure the equitable distribution of state and federal funds, as appropriate: 1) Require that local districts give charter schools a proportional share of Title II and IDEA funds, or by mutual agreement, a proportional share of in-kind services 2) Ensure that training and state regulatory environment enable charters to receive an equitable share of Title I dollars 3) Work with DOE to create and post allotment sheets that include federal funds for all charter schools contemporaneously with district allotment sheets.

Rationale:
The implementation of this recommendation would ensure equitable funding of Georgia charter schools. Additional guidance and direction is needed to ensure that state and federal fund sources are allocated to charter schools equitably. Currently, districts pass through federal funds on an inconsistent basis and not all charter school allotment sheets are posted by DOE.

Estimated Cost: Minimal cost, if any, to the state.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
State Board of Education rules/guidance would need to be enacted.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 13

If the legislature wishes to pursue the creation of Educational Savings Accounts (ESAs) in Georgia, they should consider:

1. **Converting the current Georgia Special Needs Scholarship program to an ESA on an opt-in basis for existing recipients.**
2. **Including other student populations in addition to students with special needs, ensuring that students with the greatest needs are prioritized.**
3. **Ensuring academic accountability.**
4. **Ensuring financial accountability/transparency.**
5. **Allowing funds unused during a student's K-12 career to be allocated for college, within reasonable limits**.

Rationale:
While scholarship programs may meet many needs, in the 21st century/digital age, there are many programs and instruction models available to students that do not conform to traditional private/public school modalities. ESAs provide an outlet for parents to seek multiple service providers – including online learning, tutoring, support services, etc. – to meet the needs of their student in a more customizable/flexible way than traditional scholarships provide.

Converting the Georgia Special Needs Scholarship—Making changes to the existing special needs scholarship program should take into account parent perception and be an opt-in rather than mandatory shift.

Prioritizing students with greater need—a non-exhaustive list of such needs includes, but is not limited to, the following categories:

a. Students with special needs--these students are often the most difficult for traditional districts to provide for, when specialized programs and services already exist to meet their unique needs. Approximately 2 in 3 special needs students in Georgia public schools currently do not graduate.
b. Students from military families--military families do not get a choice where they are stationed, and therefore where their children are zoned for public school. It is often beneficial to prioritize these students and their families as a result of the sacrifices their parents have made.
c. Students who are refugees/English language learners--usually difficult to integrate into regular educational programs in a traditional school; specialized schools exist to serve them.
d. Students with financial need--while the legislature generally dislikes programs prioritizing access based on financial metrics, it is also the charge of the Governor to find

ways to expand choice with a clear emphasis on offering choices to those who don't already have them (i.e. financial resources). Exactly how this is measured is up to the will of the legislature. It is possible to offer ESAs to all students, but stagger the amount the state contributes to the ESA on a sliding scale based on income in order to prioritize students with greatest need. As an example, students of lower/middle income families might receive 100% of the state portion of their education funding in an ESA while families of slightly greater economic stability might only receive 75% of the state portion.

Allow unused funds during a student's K-12 years to be used for college expenses—this is one of the fundamental features of an ESA. For many economically disadvantaged families, it may be one of the only mechanisms to save for higher education. This should not mean that families skimp on K-12 in order to save for college. However, one of the fundamental features of ESAs as opposed to traditional scholarship/voucher programs is private program cost control and the ability to apply any realized savings toward future educational expenses.

Ensuring academic accountability

a. Require all participating students to be administered either nationally norm-referenced tests or state achievement tests.
b. Require results be published to a research entity contracted with by the state or an otherwise designated state entity (GOSA, etc.).
c. Require an annual parental satisfaction survey.

Ensuring financial accountability/transparency

a. Require annual audits of ESA accounts.
b. Allow for administrative action/prosecution of any parent willingly engaged in misuse of government funds via the ESA.
c. Require a hotline for reporting of fraud.
d. Require administering entity (GOSA) to collect and report data on how ESA funds are used.

Cost of administration—allow up to 5% of ESA funds to be withheld for administration of the program.

Estimated Cost:

Ultimately, costs will be a direct result of how the legislature designs the program. In other states, the funds allocated to ESAs are equal to or a percentage of the funds already being spent by the state on the student's public education via the student funding formula. This leaves the only expense to the state an amount necessary for administration of the program and potentially creates savings for local districts that are no longer educating ESA recipients, yet retain local property tax dollars collected to do so. The Governor's Office of Student Achievement estimates needing approximately $363,000 to hire an administrator and an attorney, and to conduct a satisfaction survey and audits of the ESA accounts. Other states cover these costs by allowing a percentage of ESA funds to be withheld for administration. The more the legislature prioritizes eligibility to students in greatest need (including, but not limited to students with special needs, students of military families, English language learners/legal refugees, and

students with financial need), the greater the cost savings to the state. It is also possible to determine the amount deposited into an ESA based on a sliding scale, where not all students participating would receive 100% of the money generated by the student funding formula, which could very well result in a program that is fiscally neutral or even positive.

Action necessary for changes to be enacted:
This recommendation would require new legislation.

Examples of successful implementation or indicators of best practice:
States with ESA programs currently include Arizona, Florida, Mississippi, Nevada and Tennessee (16 other state legislatures, including Georgia's, are currently considering one).

EEO Recommendation 14

For the existing tuition tax credit scholarship program, change the yearly start date of the program so as not to start January 1.

We applaud the Department of Revenue for accomplishing this through the promulgation of Rule 560-7-8-.54, which became effective October 20.

Rationale:
To avoid the deadline falling on a holiday. This results in the State incurring overtime expenses and is generally more difficult to administer for donors, SSOs and the Department.

Estimated Cost: None

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.): N/A

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 15

For the existing tuition tax credit program, clarify public reporting on the distribution and average amounts of scholarships by income and adjusted for family size per Federal Poverty Level Guidelines.

Rationale:
The current reporting is not very useful to understand the distribution of scholarships by family income level and should be done in a manner similar to other state existing programs. This recommendation will clarify the instructions and establish comparability and consistency among SSOs by using annual Federal Poverty Level Guidelines.

Estimated Cost: None

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
DOR already has this information; they would simply need to format their reporting somewhat differently.

Examples of successful implementation or indicators of best practice:
Federal Poverty Level is the basis for many well-known programs (e.g. PeachCare, Federal Free and Reduced Lunch Program, Medicaid, Children's Health Insurance Program, etc.).

EEO Recommendation 16

For the existing tuition tax credit program, add race of scholarship recipients to the data SSOs are required to report to the Department of Revenue.

Rationale:
To establish additional transparency in the existing program.

Estimated Cost: None

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
Legislation would have to be enacted.

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 17

Create a new scholarship tax credit program that will serve only children who qualify by direct certification upon their initial application to the program. A range of 250%-300% of Federal Poverty Level Guidelines that phases out as income increases is a best practice seen across other states.

Implement with following requirements:

I. Establish transparency

1. **Create clear public reporting on the distribution and average amounts of scholarships by income adjusted for family size per Federal Poverty Level Guidelines**
2. **Require SSOs to report annually the percentage of tax credit donations expended (not obligated) on scholarships versus administrative and other costs**
3. **Require each SSO to ensure that participating schools that accept its scholarship shall:**
    - **i. Annually administer either state achievement tests or nationally norm-referenced tests that measure learning gains in math and language arts to all participating students in 3rd, 5th and 8th grades;**
    - **ii. Allow costs of the testing requirements to be covered by the scholarships distributed by the student scholarship organizations;**
    - **iii. Provide the parents of each student who was tested with a copy of the results of the tests, beginning with the first year of testing;**
    - **iv. Provide the test results to the Department or an organization chosen by the state on an annual basis, beginning with the first year of testing;**
    - **v. Report student information that would allow state to aggregate data by grade level, gender, family income level, and race;**
    - **vi. Provide graduation rates of participating students to the Department or an organization chosen by the state; and**
    - **vii. Provide to the Department or an organization chosen by the state the results from an annual parental satisfaction survey, including information about the number of years that the parent's child has participated in the scholarship program. The annual satisfaction survey shall ask parents of scholarship students to express:**
        - **a. Their satisfaction with their child's academic achievement, including academic achievement at the school their child attended through the scholarship program versus academic achievement at any school previously attended;**

b. Their satisfaction with school safety at the schools their child attends through the scholarship program versus safety at any schools previously attended;

c. Whether their child would have been able to attend their school of choice without the scholarship; and

d. Their opinions on other topics, items, or issues that the department finds would elicit information about the effectiveness of the scholarship program.

II. The Department or an organization chosen by the state shall:

1. **Ensure compliance with all student privacy laws;**
2. **Collect all test results;**
3. **Provide the test results and associated learning gains to the public via a state Web site after the third year of test and test-related data collection. The findings shall be aggregated by the students' grade level, gender, family income level according to Federal Poverty Guidelines, number of years of participation in the scholarship program, and race;**
4. **Provide graduation rates to the public via a state Web site after the third year of test and test-related data collection;**
5. **Establish portability of scholarships;**
6. **Require that scholarships are portable during the school year and can be used at any qualifying school that accepts the eligible student according to a parent's wishes;**
7. **If a student moves to a new qualifying school during a school year, the scholarship amount may be prorated; and**
8. **Be consistent with nationally recognized standards.**

Rationale:
This recommendation is to expand educational choice by ensuring those students with fewer economic resources have a greater chance to attend the school that best suits their individual needs.
Georgia is the only state with a tuition tax credit scholarship program that does not give preference to students with lower economic resources.

Estimated Cost: The cost of this new program would depend entirely on the cap level set for the total annual credits to be awarded. It should be noted, however, that research from Florida suggests that tax-credit programs like this actually result in savings to the state, and thus the net overall cost to the state could well be substantially less than the cap level.

Supporting info:

QUOTE: "A legislative study of Florida's tax-credit scholarship program for low-income students found that taxpayers saved $1.49 for every $1 donated to the program."

- **Report title**: The Corporate Income Tax Credit Scholarship Program Saves State Dollars
- **Author**: the Florida Legislature's Office of Program Policy Analysis & Government Accountability (OPPAGA, the legislature's research unit)

- **Link**: http://www.oppaga.state.fl.us/Summary.aspx?reportNum=08-68
- **More info:** "The corporate income tax credit scholarship program produces a net savings to the state. We estimate that in Fiscal Year 2007-08, taxpayers saved $1.49 in state education funding for every dollar loss in corporate income tax revenue due to credits for scholarship contributions. Expanding the cap on tax credits would produce additional savings if there is sufficient demand for the scholarships. The Legislature may wish to consider expanding the program when the level of tax credits awarded approaches the cap and there is a sufficient waiting list of students who could use the scholarships."

QUOTE: "A study from Florida found that their tax-credit scholarship program for low-income students saved the state nearly $140 million in the two years after the program's passage, which allowed the state to increase public school spending per-student by more than $1,000."

- **Report title**: The Florida Corporate Income Tax Credit Scholarship Program: Updated Fiscal Analysis
- **Author:** The Collins Center for Public Policy (now defunct, but was a well-respected non-partisan org)
- **Link:** https://www.stepupforstudents.org/news-releases/corporate-tax-credit-scholarships-saved-state-nearly-140-million-in-just-three-years/
- **More info:** The major findings for the three years of available data (2002 FY- 2004 FY) are as follows:
    - General Fund Revenues for K-12 public education did not decline as a result of the Corporate Income Tax Credit Program but increased more than $2 billion the past three years from $13.6 billion in 2002 FY to $15.7 billion in 2004 FY.
    - K-12 per pupil state and local revenues did not decline but increased from $6,751/student in 2002 FY to over $7,782/student in 2004 FY.
    - The State of Florida accrued nearly $140 million in public school revenues since 2002 by saving the difference between the value of the $3,500 scholarship and the value of K-12 per pupil state and local revenue.
    - The Collins Center's 2002 projections of the accrued net statewide revenues were within $5.04 million or 3.6% of the actual results ($144.9 million-projected v. $139.8 million-actual).

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.):
This recommendation would require new legislation.

Examples of successful implementation or indicators of best practice:
Of the existing programs in 16 states, nearly all have a component of means testing. In states with universal scholarships, many also have a means-tested program to provide more opportunities to those with limited resources (AZ, PA).

EEO Recommendation 18

Reconsider 2013 amendments to SBOE Rule 160-5-1-.15(1)(a), which redefined accredited schools for purposes of credit transfer so to treat accredited Non-Traditional Educational Centers (NTECs) as though they are unaccredited.

Rationale:
Although many NTECs are unaccredited, those that are accredited should be treated accordingly.

Estimated Cost: Minimal, if any.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
Amend State Board of Education Rule 160-5-1-.15(1)(a).

Examples of successful implementation or indicators of best practice: N/A

EEO Recommendation 19

Require local school systems that offer PSAT or AP testing on-site to their students to offer such testing equally to students in private schools, NTECs, or home educated students who reside within the school system attendance zone.

a. **Allow local systems to charge students who are not enrolled in their local public school the marginal cost to the system of offering the additional tests.**
b. **If the charge exceeds $10 per test, the system must provide documentation for the amount and obtain the approval of the State Board of Education prior to imposing the charge.**

Rationale:
Unlike the SAT and ACT, which students sign up for directly with the test companies, the PSAT and AP tests are coordinated through the schools at which they are given. In many Georgia communities, the local school is the only option for taking such tests. Some schools, however, do not permit students from outside their school to participate, which effectively excludes students in home schools and some private schools from the opportunity to take the PSAT and AP tests. All schools should offer this opportunity.

Estimated Cost: Minimal if any.

Action necessary for changes to be enacted. (Legislation, policy, rule, etc.)
This recommendation would require Legislation or enactment of a State Board of Education Rule.

Examples of successful implementation or indicators of best practice:
There are schools within the state which already offer this opportunity.