

**DRAFT**  
**COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT**  
**FUNDING COMMITTEE**  
**WORK PLAN**

**Background Information**

As stated in the “Recommendations for Inclusion as Strategic Imperatives for K-20 Long Range Planning” submitted by CEPRI to the Florida Board of Education in December 2001:

*The goal of Florida’s K-20 Education System is to achieve the highest level of student learning, the result of which contributes significantly to improving the economy and the quality of life in Florida.*

The Council determined that appropriate funding was critical to achieve this goal:

*...to ensure that the necessary resources are made available to the system based on the demonstrated capability to make efficient and effective use of resources and a clear definition of the adequacy and equity of funding needed for both operating needs and capital expenditures.*

The Council further expanded on this concept by indicating that:

*Given the reality of finite resources and an absolute public need, a practical, sound and “outside the box” strategy toward funding in both an operational and capital basis is an absolute imperative.*

*Additional funding for education is not in and of itself the solution to the challenges facing our educational system. The efficient and effective use of fiscal resources, as well as the equity and adequacy of funding, must be considered in any planning effort. Funding encompasses the allocation and expenditure of dollars from all sources. Any quality education system requires sufficient infrastructure investment and maintenance. The efficient use of space and facilities will be needed to address the population growth demands of Florida. This investment must be made in a timely manner to ensure that the highest quality of learning occurs.*

*Support for all levels of education must be rationally allocated to sustain high quality learning opportunities and measurable results for Floridians. Mechanisms for assessment, collection, distribution, and allocation of these funds must be reviewed for efficiency and mission appropriateness. The impact of performance as a funding issue must be studied and addressed as a tool in the overall strategy. All available federal, state, and local public and private resources should be used effectively to meet the educational needs of the State.*

*At the postsecondary level, affordable access should be achieved through comprehensive, balanced tuition and financial aid policies that recognize the shared responsibility of all involved in addressing the common goals of increased access and opportunity, retention of our best students, incentives for better high school preparation, and increased numbers of individuals with postsecondary credentials. The state’s overall strategy should include a comprehensive review of tuition and financial aid policies, including but not limited to the role of the university boards of trustees and community*

*college boards, as well as an integration of those policies with the state's workforce and economic development objectives. There should be institutional flexibility to meet market demand and capacity, while throughout the K-20 system, funding should be flexible but accompanied by standards and quantifiable outcomes, which will serve as indicators of progress and success.*

*Capital spending for development must be thoroughly reviewed and compared to that taking place outside of the public sphere. Any and all procedures and requirements that increase cost and/or delay completion significantly must be closely examined as to their necessity for safety, health, and welfare implications and modified if possible to allow for the most efficient, focused, and expeditious use of capital funds. It is important that projected student population calculations from school districts, community colleges, and universities be combined with current facilities utilization information in order to maximize the use of existing facilities while planning for additional space. With these two factors in place, future K-20 capital outlay projects for new construction need to be planned so that appropriations may be accomplished within a timeframe that meets the projected required space need for instructional, research, and administrative purposes.*

*As this planning process is executed, appropriate standards for incorporating state-of-the-art affordable and justifiable instructional environments, including information technology infrastructure, must be included for all new classroom and support facilities. Such standards must be tuned to address any unique requirements across school districts, community colleges, and universities. Any such standards portfolio should place emphasis on having multi-media technology presentation capability, in addition to more traditional classroom presentation techniques, in all public education classrooms and appropriate support facilities.*

*The deployment of sophisticated instructional technology will require an improved infrastructure for delivery. Such enhancements need to be incorporated with appropriate measurement criteria so that tracking of emerging standards and their relevance to imparting knowledge can be adequately assessed across school districts, community colleges, and universities. As enhancements to technology products occur, existing processes for facilities management of the physical plant utility infrastructure in school districts, community colleges and universities must adequately provide for properly assessing existing instructional facility utilization and rendering decisions on the need to enhance both campus and classroom technology infrastructure to accommodate new and improved information management and presentation capabilities.*

In order to determine an "outside the box" strategy toward funding, the Council created the Funding Committee as a committee-of-the-whole. At the Council meeting in October 2002, staff presented papers on the current funding process in each of the educational delivery systems. At the December meeting of the Council, Dennis Jones, President of the National Center for Higher Education Management Systems, presented "A Framework for Finance Policy" as part of the Council's participation in the national "Changing Direction" project supported by the Lumina Foundation. The "Equity of University Funding" study required by the 2002 Legislature provided an additional opportunity for the Council to reinforce the need "to consider new approaches which link funding to the achievement of state goals."

## Major Issues to be Addressed

There are fundamental issues that need to be taken into consideration in designing an appropriate approach to funding. Where the state should be going, where it is in relationship to where it should be, and what the obstacles are that may be in the way of success all need to be considered. As funding options are explored, other issues need to be considered, such as federal laws and regulations, equity, stability, capacity for handling growth, and the balance between state and local (or student) contributions. Specifically, the following questions should be taken into consideration:

### I. Fundamental Considerations

- What refinements should be made to the educational goals and objectives set in Florida's statutes?
  - What are the needs and desires of parents, students and employers that are addressed by the educational system, and are these needs and desires being met?
- Are institutions/districts meeting the state's goals and objectives? If not, how can this situation be improved?
  - Are Florida's educational delivery systems organized for maximum efficiency and effectiveness? If not, what alternatives could improve organization?
  - Do institutions/districts currently have the capacity to meet the state's goals and objectives? If not, how can this situation be improved?
  - What institutional and student behaviors support the goals and objectives of the state? How do these behaviors differ from behaviors that are currently being exhibited?
  - What institutional and student behaviors obstruct achievement of the goals and objectives of the state?
  - What institutional and student behaviors should be rewarded? How should they be rewarded?
  - What additional fiscal and administrative flexibility is needed by local entities (higher education boards of trustees, presidents, school boards, superintendents, principals)?
- What are the strengths and weaknesses of the state's current funding processes?
- What attempts have been made in Florida and in other states to tie performance to funding? How successful have these attempts been?

### II. Development and Implementation of Funding Approaches:

- What are the unique challenges and issues faced by each delivery system that require unique funding solutions?
  - What are challenges and issues faced by each delivery system that can be addressed by a common solution for all systems?
  - What federal laws and rules should be considered in developing new funding approaches?
  - What past and current litigation should be taken into consideration?
- What alternative funding approaches would be appropriate for each of the delivery systems?
  - What are the advantages and disadvantages of each of the approaches?

- Are the approaches equitable? Will they provide stability?
- In postsecondary education, does the funding approach provide an appropriate balance between student fees and state appropriations?

### **Methodology**

Because of the magnitude of revamping approaches to education funding and because capital outlay decisions should be dependent upon the nature and size of operating programs, it will be necessary to address the project in two phases. Phase I will focus on operations. Based on the decisions and policies adopted in Phase I, Phase II will then focus on capital outlay.

State goals and objectives should first be formulated in such a way as to be measurable in terms of performance. Determining where the state needs to go will make it easier to formulate appropriate funding approaches to assist in reaching those goals.

In order to develop a practical, sound and “outside the box” strategy toward funding, the next step will be to conduct an extensive literature review and a review of education funding in Florida. Through such a review, it will be possible to benefit from past education finance and performance experience.

Because of the complexities related to education finance in Florida, it would be useful to survey the leadership in each of the delivery systems, i.e., the university and community college presidents, chairmen of the local boards of trustees and school boards, superintendents, principals, and the Commissioner of Education, to seek their input on a variety of issues, such as unique challenges they face that require unique solutions, fiscal and administrative flexibility needed, suggested funding approaches, and institutional and student behaviors that should be rewarded.

Staff will develop alternatives for the committee to consider. Each alternative will be evaluated to determine its appropriateness for a particular delivery system, its advantages and disadvantages, and whether it is equitable and provides stability. It will also be evaluated in terms of its intended and unintended consequences. Feedback from leadership in each of the delivery systems will be sought. At least one public hearing will be held to obtain reactions to the various alternatives.

A draft report will then be written to address the policy issues specified above, as well as to present recommended funding approaches for K-20. After receiving the committee’s feedback on the draft report, a final report will be submitted to the Council for approval.

The anticipated completion date for Phase I will be November 2003.