

School Finance Working Group Overview

The School Finance Working Group was convened in 2019 to focus on reviewing key funding streams, identifying school finance reform options, and seeking consensus on recommendations for systemic change that will:

- Improve the adequacy and stability of pre-K through grade 12 education funding;
- Prioritize equity;
- Simplify education funding;
- Preserve local control;
- Close the achievement gap;
- Promote high achievement for all students; and,
- Direct resources to high-quality teaching and learning.

Participants

The 24 members of the working group consisted of parents, school officials, teachers, and members of the public. [Read the full list of participants in the 2019-20 School Finance Working Group.](#) The working group held 20 meetings between September 21, 2019, and October 22, 2020.

Outcome

Minnesota is paying less today for education than in the 20th century as a percentage of our personal income and getting—at best—uneven results 20 years into the 21st century. The School Finance Working Group made recommendations for changes to support high quality, equitable education for all students. The working group focused on the 10 areas that follow.

1. We need to restore the equal basic revenue per pupil regardless of zip code to 60 percent.
2. We need to address funding cost differentials related to district geographic location and size.
3. We need to reduce cross-subsidies in English Learner, special education and pupil transportation cost adjustment revenues.
4. We need to simplify current formulas.
5. We need to equalize current levies. Operating capital should be equalized at 150 percent as are other general education and categorical general education revenues and we should equalize the Career and Technical Education, capital projects and reemployment levies. We should lower the Community Education tax rate to increase the state share of revenue and equalize both school-age care and home visiting at 125 percent of ANTC/APU.
6. We need to close the opportunity gap and address racial equity. Recommendations in this area include changes involving:
 - a. Compensatory revenue;

- b. Achievement and Integration Revenue; American Indian Aid;
 - c. Extended Time Revenue and Charter School Extended Time Revenue;
 - d. New Tribal Schools Contract Aid;
 - e. New Racial Equity Aid;
 - f. New Full Service Community School funding;
 - g. New Trauma Incentive Aid; and,
 - h. New aid focused on Education Support Professionals.
7. We need to expand early learning opportunities statewide through two approaches focused on the state's 4-year-olds.
8. We need to improve staff recruitment, retention and development. Recommendations in this area include:
- a. Expanding Q Comp;
 - b. Expanding teacher loan forgiveness;
 - c. Funding semester-long student teaching experiences;
 - d. New scholarships for Teacher Candidates of Color and American Indian Teacher Candidates;
 - e. New funding for schools in greater Minnesota to support, mentor and retain teachers of color and American Indian teachers;
 - f. New training for Education Support Professionals who work in special education.
9. We need to improve equity in school facilities.
10. We need to strengthen concurrent enrollment aid and increase safe schools revenue.

More information: Read the School Finance Working Group's full report titled [80-20-10: Bringing Equity to Minnesota's Education Finance System](#).