

Teacher Key Communicator Minutes March 16, 2016

Dr. Mitchell began the meeting with handouts 2016 Legislature: Bill Summary, Summary of new school funding laws, and KG-P Use of School Facilities. Dr. Mitchell explained how the funding formula is anticipated to work but the formula is complicated and must be implemented meeting the accountability standards set by the statute correctly or the district could lose 50% of funding for the next fiscal year. An attached sheet also shows who is determined as certified instructional staff and who is not included. Because the certified instructional staff and other certified staff are one bargaining unit all included in one salary schedule, this will need to be considered at the negotiation table. Dr. Mitchell will be meeting with DOE officials and also attending an ASBSD seminar to get more information on the funding process.

I have a question about the raises next year. How will that money be distributed to the teachers? Will teachers at the top of the pay scale get the same raise as those on the bottom? The Rapid City Journal said each teacher should get an \$8,000 raise. Is that true?

The teachers will not each get an \$8,000 raise. That amount was a figure discussed at the Blue Ribbon Task Force Meetings and the finalization of the new formula did not allocate enough resources to increase all teachers' salaries and benefits by \$8,000. The additional tax had an emergency clause placed on it so will not be referred for vote this year. South Dakota does have initiated measure though that could place it on the ballot in the future for vote.

"If the replacement building for South Middle School is put on hold, is RCAS going to water the field in order to aid in the reclamation of the property being torn up for the new storm sewer? Also, will "Rebel Butte" be removed (that is the big pile of dirt that is left)? It is kind of an attractive nuisance for kids."

A clause in the contractor's agreement states that they will return the ground to previous status. We do know that the district does stock pile dirt so that it is readily available at other campuses across the district when needed because soil is very expensive to purchase. Dr. Mitchell will follow-up because this is a city project not school.

How does the curriculum at RCAS teach the five areas of reading as identified by the National Reading Panel in 2000? They are phonemic awareness, phonics, fluency, vocabulary, and comprehension.

The district has tried to implement an evidenced based approach regarding literacy and to provide a balanced literacy framework for all students in the district as an instructional approach. **Please refer to the attached sheet.**

What tools do they use to ensure they are using research-based interventions for students with academic difficulties?

All instructional programs are vetted through Instructional Council. Teachers may use additional learning tools in their classroom but not all of those programs are reviewed through the Instructional Council.

At our Salary Task Force meetings, we were told that the role of the lawyer is to sit back and consult on legalities of the contract. Can we expect the district to negotiate on its own behalf or will it be a lawyer again? How much do we pay a lawyer to negotiate against the different groups?

The district utilizes legal services to be certain that we stay within the confines of the negotiation process, other personnel issues, student issues and other legal work. We budget \$100,000 annually for legal services but they also assist with student issues, public complaints and many other issues outside of negotiations.

Our music teacher was wondering – “What is the procedure for those groups (like basketball teams) that want to use a school building.” She understands that it goes down town, but there has been several times that a sports group has come in and it was a "surprise" to everyone. We already have kidstop in our gym so it is really a hardship when people just show up. Does it just get scheduled or are buildings able to say no if other events are going on?

The building principal has the right to block time for their building events. There has been issues with people being in the building and they are not on the schedule and their FOB is taken away. Our procedure is being revised but we have attached the current one for your review. If you see people in the building not on the schedule, please report to your principal and he/she in turn should contact Kit Cline at 394-4045.

What is the plan to budget the extra \$57,000 for the new superintendent?

When the 2016-2017 budget is developed this will be included in that budget. The district will provide a balanced budget for approval at a board meeting at the end of the fiscal year.

What benefit package is added to her salary?

I have not seen the new superintendent package but this information is available in the Human Resources office. I believe she will receive a car and benefits as current superintendent and possibly the addition of an annuity.

Will para's etc. also get a raise with the 15% additional money given to the district?

The Board of Education is committed to giving all Rapid City employees a raise.

Where are we at for how we are going to spend our new \$8 million (Is it correct that \$4million will go toward funding the pay increases/corrections from last year)?

This was answered with question #1 and in the handout.

When will our new supt. and the school board explain their vision for our district? We currently have early release for PLC, is that something the district is looking to keep? (Hoping we stay the course!)

I am sure the new superintendent will analyze what is currently in place and the board and new superintendent will go from there. The 2016-2017 calendar has been approved with 27 early releases so that will continue for the next year.

What is the difference between key communications and roundtable?

Key Communicators has a representative from each building. Each representative gathers questions from their building and brings them to the meeting and reports back to their building on the discussions and information shared at the Teacher Key Communicator meeting.

Roundtable is facilitated by four district teachers with board members present. Staff members attend if they wish to have a topic addressed. If the information is not available, appropriate personnel will come to the next meeting to answer questions posed at the prior meeting.

What new dollars can we anticipate coming into our District for next year? How is that money allocated? Even though this is a negotiated item, is it a hope that all teachers can anticipate and equal amount of raise or are there other areas of priority? (A common concern is many teachers have not yet received a raise in many years.)

The new funding formula is very complicated. The district will run numbers and the board has committed to review and provide raises to staff.

Why is it so much more expensive to buy some supplies through our warehouse? Example, a projector bulb is nearly half as much outside of the warehouse?

The bulbs and products provided through the warehouse are the required replacement parts for the machines in the district. Cheap bulbs often explode or cause issues which can cause issues with our equipment. The same is true for the generic or recycled printer cartridges.

Can any of the new money help give raises to the support staff?

The board is committed to provide raises for all staff.

2016 Legislature: Bill Summary

Updated: March 14, 2016

Bill Summary

***SB 5** – This bill revises the procedure to initiate a boundary change of a school district. Highlights include: changes are initiated by school boards, not individuals; children do not need to reside within the area of the land to be moved; and nothing in the bill compels a school board to approve an exchange of land. The bill lays out a new process for the exchange of land and indicates that a board's decision does not constitute grounds for an appeal.

***SB 28** – SB 28 adds meningococcal infection to the list of diseases for which vaccination is required for school entry. The Department of Health will be drafting administrative rules to require both Tdap (Tetanus, Diphtheria, Pertussis) and MCV4 (Meningococcal ACYW) vaccines for entry into 6th grade, beginning with the 2016-17 school year. Vaccine requirements for kindergarten entry have been in place for many years; this will be the first such requirement for middle school entry.

***SB 73** – This bill clarifies the definition of official meetings of a public body to include both in-person meetings and meetings conducted via teleconference. It states: "A teleconference is information exchanged by any audio, video, or electronic medium, including the Internet."

SB 81 – SB 81 creates a scholarship program for paraprofessionals working in targeted public school districts: those with high Native student populations (at least 50%) and low state test scores (below state average in ELA and math). The scholarships are designed to help individuals already living and working in these districts to earn their teaching degrees. This bill is a result of the Native American Student Achievement Advisory Council's work.

SB 82 – SB 82 establishes the Native American achievement schools grant program. The grant would allow for the start-up of three pilot schools, located within targeted public school districts, aimed at improving academic outcomes for students, with a focus on infusing language and culture into the educational experience. This bill is a result of the Native American Student Achievement Advisory Council's work.

SB 90 – This is another bill related to open meetings. It allows for public meetings to be recorded by any person, as long as the recording is reasonable, obvious and not disruptive.

SB 129 – This bill requires applicants for certification – both initial and renewal – to complete one hour of suicide awareness and prevention training. The requirement applies to teachers, administrators and other education professionals. The requirement begins July 1, 2017. It charges the Board of Education with creating rules and curating evidence-based resources to fulfill the requirement.

SB 159 – SB 159 provides a tax credit to insurance companies that make contributions to a scholarship granting organization that provides scholarships to certain students who attend private schools in the state.

***HB 1013** – HB 1013 removes the requirement to test students who receive alternative instruction (i.e., homeschool) at the 2nd grade.

HB 1061 – This bill extends the 50 percent tuition-reduction benefit currently available to educators taking courses at the Board of Regents' institutions to educators enrolled in distance education courses at these same institutions. Currently, the benefit only applies to face-to-face courses.

***HB 1090** – This bill requires any pool arrangement established by one or more public agencies to have an annual audit of its financial statements and to file a copy with the Department of Legislative Audit.

***HB 1096** – This bill applies to a limited number of districts that fall under a tuition regulation program between South Dakota and Iowa. It removes the limit on the rate of tuition paid by the sending SD district to the receiving Iowa district.

HB 1118 – HB 1118 limits the amount of time that may be spent on administering state-required assessments to 2 percent of total instructional time. The current state-required tests fall below that percentage.

HB 1145 – This bill requires any accredited SD school to accept transfer credits earned by a student for coursework taken from another SD accredited school outside the regular school term. If a student fails to provide advance notice, the school may refuse to accept the credits. The bill also requires each district to establish a policy for accepting transfer credits, and provides some flexibility for the district to determine whether the course/credits in question will count towards state and local graduation requirements.

***HB 1169** – This bill allows a school district to operate an attendance center within another school district only when both districts have entered into a joint powers agreement. It grandfathers in any such situations that existed prior to Jan. 1, 2016. The bill does not impact the operation of any cooperative educational learning unit or virtual school.

***HB 1188** – This bill exempts certain operations of school buses from commercial motor vehicle fees.

***HB 1189** – The bill provides for the parent of a student who takes a state-required assessment to have access to their student's assessment in a secured environment. The Department of Education is required to post information about this process on its website.

HB 1203 – HB 1203 allows for paying or pre-paying of certain state obligations, in order to support a tuition freeze at Board of Regents' institutions and the state's four Technical Institutes.

***HB 1214** – This bill regulates conflicts of interest for targeted organizations, including state boards and commissions, as well as school districts, cooperative education service units, education service agencies, and others. It provides these organizations some flexibility to authorize a board member, fiscal agent, officer or executive to have an interest in a contract if certain conditions are met.

*Indicates a bill has been signed by the Governor

Summary of new school funding laws

Gov. Dennis Daugaard proposed House Bill 1182, Senate Bill 131, and Senate Bill 133, based on the recommendations of the Blue Ribbon Task Force. These three bills passed the legislature and take effect this summer. House Bill 1182 included a half-cent increase in the state sales tax, which takes effect June 1. That will fund approximately \$67 million for K-12 education, \$36 million for property tax relief, and \$3 million for technical institutes.

New K-12 funding formula

The new funding formula, which is based on a target statewide average salary of \$48,500, works as follows:

- For each district, calculate a target student-to-teacher ratio, based on a sliding scale by student enrollment (see below).
- The district's target number of teachers is calculated by dividing the district's fall enrollment by the target student-to-teacher ratio.
- The district's total instructional need is calculated by multiplying the district's target number of teachers by the statewide target for average teacher salary, and by increasing that total by 29% for benefits.
- The total instructional need is increased by 31% to cover non-instructional costs. This category includes operating costs as well as salaries and benefits of non-instructional staff, such as administrators, guidance counselors, librarians, and school nurses.
- These steps calculate the district's total need for state aid. At this point, local effort is applied against total need, with the state providing any necessary funds to achieve the total need.

The law provides the following sliding scale for the target ratio, based on enrollments:

- Less than 200 12 students to 1 teacher
- Between 200 and 600 Sliding scale between 12 to 1 and 15 to 1
- Greater than 600 15 to 1

This sliding scale retains the same enrollment thresholds as the current small school factor, as well as the value of the small school factor.

Today, the statewide student-to-teacher ratio is approximately 14:1. If every district achieves its target ratio under the new formula, the statewide ratio would be approximately 14.48:1. This ratio does not determine class size because it considers other instructional staff, such as special education teachers.

However, the formula does not require school districts to strictly meet the target ratio or to use a certain level of funding for benefits or overhead costs. Those are merely used to calculate total need, and districts retain local control on how to use the dollars they receive. However, the law requires that the increase received in FY17 be substantially used to increase teacher salaries and benefits (see "Accountability," below).

Notably, the "benefits factor" includes sufficient funds to cover all district benefit costs, regardless of current funding source. This means that revenues currently collected by the pension levy can be considered to cover this total benefits need.

Requirements that new money go to teacher salaries and benefits

The law creates two separate requirements for use of the general fund increase in FY17. Districts must comply with both requirements.

First, a district must spend 85% of its increase in local need in FY17 on instructional salaries and benefits for certified instructional staff.

Second, a district must calculate the percentage by which its local need increases in FY17, and the district's average teacher salaries and benefits must increase by 85% of that percentage increase. (For example, if a district's local need increased by 10%, its average salaries and benefits must increase by 8.5%).

For both requirements, districts can deduct the loss of pension levy proceeds from the increase in local need. Districts are also not required to count increases in local need that result from enrollment increases.

A district that fails to comply with these requirements must will have its FY18 state aid to general education funding decreased by an amount equal to fifty percent of the new money. However, the law creates a School Finance Accountability Board that can recommend waivers for school districts who can demonstrate good cause for failing to meet the requirements.

Reserve fund caps

The law reinstates reserve fund caps, on a tiered system based on enrollment, as recommended by the Blue Ribbon Task Force.

At the time that reserve fund caps were repealed, districts were capped at 40%. That was calculated by dividing the district's June 30 fund balance by general fund expenditures. If that system were reinstated today, 68 districts would be over that limit.

In FY15, DOE began collecting monthly cash balances from districts.

The law reinstates caps as follows:

- The "percentage fund balance" will be calculated by dividing the lowest monthly cash fund balance of the previous 12 months by general fund expenditures for that year. The purpose of this mechanism is to ascertain the fund level that, over the course of a year, is never used.
- Districts caps are determined by the same three enrollment tiers as the funding formula:
 - Less than 200 40%
 - Between 200 and 600 30%
 - Greater than 600 25%
- For the purpose of selecting a tier, districts use the lowest of the current year's enrollment or the previous two years' fall enrollments. This prevents a district that is close to the line from fluctuating too frequently between tiers.
- The caps take effect for FY19, or the 2018-19 school year. There are no intermediate tiers to transition districts – it is the districts' responsibility to manage toward the caps.
- Once in effect, a district that is in excess of the cap would have its state aid reduced dollar-for-dollar. The Governor will appoint a five-member oversight board to consider requests to waive the caps in special circumstances.

Abolition of the pension levy

In the past, school districts could assess up to 0.3 mills for a pension levy. The new law merges the pension levy into the general education levy. For the coming year, each general ed levy was increased 0.233, which raises the same \$19.2 million that the pension levy raised in FY15. Because each class of property paid the same pension mill levy rate, the shift to the general education levy was even across the classes. Statewide, this is revenue-neutral to taxpayers.

Merging the pension levy with the general education levy also allows the \$19.2 million collected to be counted toward total need in the funding formula. The new formula also includes a benefits rate for schools that will cover these pension-related benefits costs.

Currently, districts also maintain a separate pension fund. Districts will be allowed to maintain this separate fund for five years, but then will be required to merge it into the district general fund in FY21. This gives the districts time to spend down these funds without initially counting against reserve fund caps.

Capital Outlay

The law makes four changes to the current capital outlay (CO) levy:

- Repeals the sunset of CO flexibility and makes it permanent. Broadens CO flexibility so that CO collections can be used for any general fund purpose at the current level of 45% of CO property tax revenue. It also requires that funds used for flexibility be transferred to the general fund instead of expended out of the CO fund.
- Requires that districts make annual CO requests in the form of a dollar amount, not a mill levy rate.
- Limits future growth in CO collections by capping the maximum dollar amount that can be collected to increasing annually by 3% or inflation, whichever is less, plus new construction.
 - Note that this differs from the growth cap on other levies, which are applied to the amount collected, rather than the maximum that can be collected.
 - The effect of this cap in future growth will be to continue to allow districts to manage their levies up or down, while gradually lowering the maximum from 3.0 mills over time as valuations increase. This growth cap does not, in any case, require a district to collect less than it does now.
- Imposes an alternative maximum on CO collections, on a per-student basis, at \$2800 per student, which is double the approximate state average of \$1400 per student. In future years this would inflate at the same rate as the formula – CPI or 3%, whichever is less. This alternative maximum would take effect in FY21, and special provision will be made for districts with capital outlay certificate obligations.
- The new law does not mandate that any current capital outlay funds be shifted to general ed purposes. The capital outlay proposal has no effect on the general ed levies.

Other revenues counted as local effort

Other revenues are funding sources that school districts receive that, in the past, were counted outside of the formula, and therefore not equalized across all districts. The new law will bring equity to other revenues over time by counting these sources as local effort, while giving schools a glide-path to that solution through the phase-in period.

Six sources of other revenue that have the character of a state tax will be counted as local effort. These sources are: gross receipts tax on utilities, local revenue in lieu of taxes, county apportionment of revenue from traffic fines, county revenue in lieu of taxes, wind farm tax, and bank franchise tax.

Initially, each school district will be given a base that will hold its other revenues harmless in the first year, based on the greatest of its collections from FY13, FY14, and FY15. This base will be stepped down over five years, at 20% per year.

Each year, any other revenue collected beyond the “hold harmless base” will be counted as local effort and therefore equalized across districts through the funding formula. At the end of the five-year phase-in, the “hold harmless base” is eliminated and all revenue from these six sources will be counted as local effort and equalized through the funding formula. At that point, these revenue sources will be treated in the same way as local property taxes.

For new wind farm projects, the wind farm taxes will be outside of the formula for five years and then will be phased into local effort over the next five years.

This new money will not offset state or local funding and will not take any funds away from the state’s education system. The Cutler/Gabriel ratio, which determines the share of education expenses paid by the state and by local taxes, will be adjusted so that the state’s dollar amount contribution is not reduced and local property taxes are not impacted.

For districts with very high levels of other revenue, the law also allows an optional alternative to phase into the new formula. School districts that would lose money from this switch have an opportunity to opt out of the new formula, keep their current funding, which will remain frozen at the current amount per student generated through the current funding formula plus revenues from the six other revenues to be equalized. When the inflationary increases to the new formula catch up with that school districts, they can opt into the new formula.

School efficiencies and teacher recruitment and retention

The law provides for the Blue Ribbon Task Force’s recommendations on voluntary shared services, e-learning, and teacher recruitment and retention:

- The e-learning proposal expands the capacity of the NSU e-learning center at an ongoing cost of \$1 million, and creates a “classroom innovation grant fund” to incentivize teacher training and classroom access to virtual education and customized learning tools, at an ongoing cost of \$1 million. These efforts build upon a recent Bush Foundation \$4 million grant received by TIE to develop online learning platforms.
- A mentoring program is created for first and second-year teachers, at a cost of \$1 million ongoing.
- The plan reinstates the bonus for achieving National Board Certification, and payment to those teachers who achieved this in the five years since it was suspended, at a one-time cost of \$150,000 and estimated ongoing cost of \$50,000.
- Expansion of voluntary shared services. The state has already done this successfully in areas such as internet bandwidth and a student information system. The state pays for these services centrally and the school districts receive them for free. The amount that school districts save from not having to procure these services separately exceeds the amount of money the state pays to provide them. The proposal will expand this approach to more areas – such as purchasing, payroll, and software licensing. There will also be incentives for school districts to share staff.

The law appropriates \$5 million in ongoing funds be allocated for these proposals. Combined with the new formula need of \$64.8 million, this brings the total need to \$69.8 million in new funds.

Property tax relief

The legislature allocated 34% of the proceeds of the half-cent sales tax to property tax relief. This will generate approximately \$36 million for the first year.

Beginning in 2017, the pension levy is abolished and the average pension levy of 0.233 is added to the general ed levy. In 2016, the current year, the combined general ed and pension levies for each class were as follows:

Agricultural	1.801 dollars per thousand of valuation
Owner occupied	4.308
Other property	8.960 (this includes commercial property and utilities)

For 2017, the pension levy is merged in to the general ed levy. The levies were also adjusted downwards by the Cutler-Gabriel mechanism and further reduced due to \$36 million in property tax relief. As a result, 2017 levies are as follows:

Agricultural	1.568
Owner occupied	3.687
Other property	7.630

Had the \$36 million in property tax relief not passed, the levies would have been higher:

Agricultural	1.751
Owner occupied	4.107
Other property	8.530

New School Funding Law – Implementation Timeline

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<p>New formula Target salary \$48,500 -Based on student teacher ratio: <200 = 12:1 200-600 = sliding scale of 12-15 >600 – 15:1 *Districts can choose an alternate formula by July 1, 2016.</p>	<p>Target teachers x \$48,500 + 29% benefit allowance. Total need increased by 31% for non-instructional costs.</p>	<p>Target teacher salary increases by index factor</p>	<p>Target teacher salary increases by index factor Salaries re-evaluated to determine regional competition</p>	<p>Target teacher salary increases by index factor and any adjustment recommended to stay competitive in the region</p>	<p>Target teacher salary increases by index factor</p>	<p>Target teacher salary increases by index factor Salaries re-evaluated to determine regional competition</p>
<p>Property tax relief</p>	<p>Applied to all classes of property at same ratio as their contribution to local effort after the pension levy change</p>					→
<p>Pension levy expenses will be rolled into formula -\$19.2 counts against local need</p>	<p>Districts have five years to spend down existing funds so it doesn't count against reserve fund caps</p>				<p>Remaining pension fund balance merged into general fund</p>	→
<p>Other revenue Other revenues, except new wind farms, would be counted in the formula as local effort. The statewide total formula need would increase by the amount of other revenues recognized in the formula during the phase in.</p>		<p>Districts held harmless at the base amount and only revenues above that base, excluding any new wind farms, would be equalized - the base would step down by 20% each year -Year 6, FY2023, all of these other revenues would be recognized as local effort</p>	<p>Step down: 80% of the highest amount from the FY2013 through FY2015 compared to FY2017 actual revenues.</p>	<p>Step down: 60% compared to FY2018 actual revenues</p>	<p>Step down: 40% compared to FY2019 actual revenues</p>	<p>Step down: 20% compared to FY2020 actual revenues FY 2023 and future = 0%</p>

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Fund balance caps based on lowest enrollment from the current year or the previous 2 years: < 200 = 40% 200-600 = 30% > 600 = 25%			Calculated by dividing lowest monthly cash fund balance of previous 12 months by gen fund expenditures			
Capital outlay -Requires annual requests for capital outlay in the form of a dollar amount instead of a levy	-Cap max amount to 3% or inflation, whichever is less, plus new construction -CO flexibility at 45% may be used on any gen. fund purpose					Maximum on CO collections at \$2800 per student -Will inflate at same rate as formula
E-Learning	Opportunities expanded for free courses for difficult to fill positions	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Mentoring	Statewide mentoring for first and second year teachers Summer academy for new teachers	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
National Board Certification	Funding for teachers obtaining cert. at \$1000/five years with match from districts	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Innovation classroom grants	Funding established to incentivize districts to provide opportunities for teachers and students	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Voluntary shared services	Schools incentivized for sharing of staff with stipends	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing

Speaking points for SB 159 – Vote NO on 159

1. Use of public funds to accredited nonpublic schools including nonpublic religious schools violates S.D. constitution.
 - a. Two sections of SD Constitution prohibit use of public funds to aid sectarian schools:
Art 6 § 3: “No money or property of the state shall be given or appropriated for the benefit of any sectarian or religious society or institution.”
 - b. Art 8 § 16: No appropriation of lands, money or other property or credits to aid any sectarian school shall ever be made by the state, or any county or municipality within the state, nor shall the state or any county or municipality within the state accept any grant, conveyance, gift or bequest of lands, money or other property to be used for sectarian purposes, and no sectarian instruction shall be allowed in any school or institution aided or supported by the state.
 - c. SD Supreme Court interprets these provisions as prohibiting aid “in every form.” (“[t]hose provisions of our constitution though not identical to any other state constitution are not mere reiterations of the Establishment Clause of the United States Constitution but are more restrictive as prohibiting aid ‘in every form.’” McDonald v. School Board of Yankton Independent School Dist. No. 1, 246 N.W.2d 93, 98 (SD 1976).
 - d. The SD Attorney General, Opinion 92-04: “serious doubts” whether allowing children attending local church preschool to ride public school busses constitutional despite statute allowing it because of the “strict interpretation” the SD Supreme Court has given this constitutional language
 - e. SD Supreme Court: “The intent of the framers of our constitution [was] to “prohibit in every form, whether as a gift or otherwise, the appropriation of the public funds for the benefit of or to aid any sectarian school or institution.” Matter of Certification of a Question of Law from the U.S. Dist. Court, Dist. of S.D., S. Div., 372 N.W.2d 113, 116 (S.D. 1985)); citing Synod of Dakota v. State, 50 N.W. 632 (SD 1891) re: S.D. Const. art. VI, § 3 and art. VIII, §16).
2. No justification why public dollars should go to private schools was given. Proponents said in committee that parents have a “desire” to go to private schools, but can’t afford it. No reasons were given as to why some kids should be given a special privilege to attend a private school other than some are from low income families. Desire to attend private schools is not justification to give public funds for private purposes?

3. Tax credits for scholarships opens the door for more dangerous precedents of even more public funds shifted to private schools in the future. In some places in the country there is a growing move to implement tax credits for scholarships also called neo vouchers. In his book *Neovouchers: The Emergence of Tax Credits for Private Schooling* written by Kevin Welner defines “neovouchers” are tax credits designed to mirror the effects of vouchers. The concern is once you start with tax credits or neovouchers, proponents will take incremental steps to move more public dollar to private purposes and eventually to vouchers. One of the proponents fo 159 said in testimony, “if this works, we might be back to expand it.”

This is a dangerous precedent

4. The bill lacks Accountability in a very important way: Since there are no regulations of the “qualifying organization” who hands out the scholarships, there is a question about where the money actually goes. There are some provisions of reporting in the bill, but how qualifying organizations are regulated is a question. What stops a qualifying organization from becoming a channel of funding to one private school and monopolizing the money to fund a single school? Arizona has a similar scholarship program and found this was a problem.

Welner sites examples of this in Arizona:

“In 2005 Christ Lutheran School Foundation handed out 69 vouchers, totaling \$114,000, all of this money went to students attending a single school. The Arizona Lutheran Scholarship Organization gave 43 vouchers totaling, \$61,000 and all went to students attending a single school.

5. Insurance companies can currently contribute to private schools if they wish by making a contribution to the schools’ foundation programs, contributing to schools directly, sponsoring scholarships for disadvantaged students. Private schools could also reduce tuition or apply for grants from major business groups.
6. Bill opens the door to other businesses asking for tax incentives – like banks from bank franchise tax.
7. Currently insurance companies get a federal deduction if they contribute to charities.

In South Dakota we support public schools with public school dollars. If you open this door of public funds to private schools we will spend the next 10 years trying to stop more and more public dollars diverted to private schools.

March 14, 2016

Large School Group
Dianna Miller
4904 Quail Run
Sioux Falls, So. Dak. 57108

Governor Dennis Daugaard
500 East Capitol
Pierre, So. Dak. 57501

Dear Gov. Daugaard:

On behalf of the Large School Group representing 22 schools including Aberdeen, Belle Fourche, Brandon Valley, Brookings, Chamberlain, Dakota Valley, Dell Rapids, Douglas, Huron, Hot Springs, Madison, Mitchell, Pierre, Rapid City, Spearfish, Sioux Falls, Sturgis, Tea, Todd County, Vermillion, Watertown, and Yankton, we respectfully request that you VETO SB 159 – tax credits for insurance companies that contribute to private school scholarships.

We feel SB 159 is detrimental to the state and public education and lacking in four main areas:

- **Constitutionality** – South Dakota Constitution specifically states in Article 8 Section 16 that no appropriation of lands, money or other property or credits to aid any sectarian school shall ever be made by the state, or any county or municipality within the state.....We feel a tax credit for insurance companies to give scholarships violates this section of the SD Constitution. Our constitution is very specific on this topic and different from other states that do allow this type of action. The South Dakota Supreme Court has also acted on certain provisions brought forth concerning private schools.
- **Transparency/open government** – Our state has worked very hard to be open and transparent in all actions that the state or a department takes and SB 159 is not open at all. Section 9 of the bill keeps the identity of the insurers receiving tax credits **SECRET**. Why is this action allowed when the taxpayers have a right to know what insurers and how many are receiving the credits? The taxpayers should be allowed to track how the money is being used and who is receiving the scholarships and this bill does not require that either.
- **Revenue Neutrality** – We find it difficult to understand how this bill is revenue neutral in the fact that it potentially takes two million dollars for a tax credit and that potentially could be money for the state general fund. We understand a student participating in this program would not be in a public school so the state would not be paying for that student, but our formula is now completely different from what it was based on SB 131. We are now dealing with number of students and ratio of teachers to students. There is no per student amount as stated in SB 159.
- **Accountability/Performance standards** – All public schools are required to have accountability measures in place and meet performance standards and we have

supported this. Now in SB 159 there are NO accountability measures for the insurance companies or for the recipients. They only have to meet a household income that does not exceed 150% of the income standard for free or reduced lunch under federal law. There are also no performance standards for the students receiving the scholarships to meet and we feel this is necessary if the program is to go forward. Public schools meet performance standards and publish a report each year as to how the school is doing.

We, therefore, ask that you consider the ramifications to the state and public education that this bill brings forward. This is a bill that does NOT need to be enacted as insurance providers can currently contribute to private schools either directly or through the private school foundation programs. The private schools can also reduce their tuition to help disadvantaged students, if they so choose. This also opens the state to other businesses and groups to ask for a tax credit in future years. Please do not blur the lines between public and private education by enacting a poorly thought out bill.

Thank you for all your work for public education funding and formula changes in the 2016 Session. It was truly a historic session and public education is very grateful.

Sincerely,

Dianna Miller on behalf of the Large School Group

Glossary from Stat Digest

Query to determine Certified Instructional Staff ✓

Position Code = Teacher

- Pre-Kindergarten Teacher
- Elementary School Teacher
- MS/JH Teacher
- High School Teacher
- Special Education Teacher
- Gifted Teacher
- Deaf/Hearing Impaired Teacher
- Blind/Visually Impaired Teacher
- Kindergarten Teacher
- Early Childhood Special Education Teacher

Does not include:

- Instructional Coaches
- Social Workers
- School Counselors
- SLP
- Curriculum Specialist
- School Psychologists
- SPED Directors
- Librarian/Media Specialists
- Administrators

If a teacher is certified or non/authorized they are included in the formula. If the person is a non-certified teacher the FTE is not included in the formula.

Balanced Literacy: A constructivist approach to teaching that provides students with daily opportunities to engage in reading, writing, speaking and listening.

4 Critical Questions

- What do we want students to learn?
- How will we know if students are learning?
- How will we respond when students do not learn?
- How will we enrich and extend the learning for students who are proficient?

The focus is on the success of ALL students; addressing their needs, interests, strengths, challenges, and prior knowledge.

<p>Reading Workshop: State Standards Pacing Guides Units of Study Leveled Text</p>	<p>Provide opportunities for students to engage in purposeful reading and conversations about their reading. Learners grow in their ability to tackle increasingly complex levels of text through instruction in reading, comprehension, fluency and decoding skills.</p>	<p>Direct Instruction:</p> <ul style="list-style-type: none"> • Mini lesson • Interactive Read Aloud • Shared Reading • Shared Writing • Interactive Writing <p>Small Group-Differentiation and Intervention:</p> <ul style="list-style-type: none"> • Guided Reading • Leveled Text <p>Individual- Differentiation and Intervention:</p> <ul style="list-style-type: none"> • Conferring • Independent Reading • Independent Writing 	<p>Assessment is ongoing through progress monitoring and district benchmark assessments. All forms of assessment, informal and formal, give teachers specific information about their students' reading achievement and progress. Assessment should not be used solely for deriving a proficiency score, most importantly it is used to guide instruction.</p>
<p>Writing Workshop: State Standards Pacing Guides Units of Study</p>	<p>Provides opportunities for children to write authentic texts. Students learn important writing skills and strategies such as gathering ideas, structure, development and conventions of effective writing.</p>	<p>Direct Instruction lessons at each grade level. Small Group or individual lessons for differentiation and intervention.</p> <ul style="list-style-type: none"> • Phonemic Awareness • Phonics • Spelling • Vocabulary 	
<p>Word Study: State Standards Pacing Guides Units of Study Words Their Way</p>	<p>A developmental approach to phonics, vocabulary, and spelling instruction. A systematic, hands-on way to develop fluent, fast and accurate perception of word features. Students are engaged with multiple opportunities to examine words and word features both in context and in isolation.</p>	<p>Small Group-Differentiation and Intervention: Leveled Literacy Intervention Kit</p> <ul style="list-style-type: none"> • Reading, writing, and phonics/word study with an emphasis on comprehension and fluency. • Specific work on sounds, letters, and words • Explicit teaching of effective and efficient strategies for expanding vocabulary. 	
<p>System of Intervention: RTI <i>Fountas & Pinnell Leveled Literacy Intervention System (LLI)</i></p>	<p>A small-group, supplementary literacy intervention designed to help teachers provide powerful, daily, small-group instruction for the lowest achieving students at their grade level. Through systematically designed lessons and original, engaging leveled books, <i>LLI</i> supports learning in both reading and writing, helps students expand their knowledge of language and words and how they work.</p>		

USE OF SCHOOL FACILITIES

Other than for school functions and school-related events (e.g., open house, back to school night, parent conferencing, class plays and musicals, etc.), persons (including District employees) or organizations who desire to use facilities will apply for permission, and their request will be processed according to this procedure and in accordance with Rapid City Area Schools District Policy KG.

A. GENERAL GUIDELINES

1. Application for use of school facilities shall be made using the process outlined in these procedures. See Section C - CLASSIFICATION AND SCHEDULING for specific information. Application Windows are as followed:
 - i. Indoor Facility Use:

Opens the 4th week of July for facility use the first day of school through December 31.

Opens the 4th week of November for facility use January 1 through the last day of school.
 - ii. Outdoor Facility Use:

Will be taken anytime during the current calendar year for facility use in the current calendar year.
2. Using party will be given contact information, and will be responsible to call should there be any facility issues e.g., electrical, plumbing, heating and ventilation, or building security. Using party will make certain that unauthorized sections of the buildings are not accessed, ensure the safe, proper, and authorized use of District furniture and equipment, and will be responsible to call 911 in case of an emergency.
3. Insofar as is practical, all meetings shall close in sufficient time to clear the building by the time established by the district. If the event goes beyond the time designated in the contract, additional charges shall apply. If time allows and an event extends more than one (1) hour past its scheduled use, or cleanup takes more than one hour, or a group presents itself for use that is not listed, the custodian on duty shall contact the supervisor on duty for approval of continued coverage or use. All additional use is to be reported by the custodian who worked the event to Support Services no later than the following business day.

4. Any use of facilities necessitating cleanup shall be charged a minimum two (2) hour fee for custodial time.
5. To accommodate as many teams as possible in Gyms, weeknight Gym use will be in 1.5 hour increments to accommodate two teams per night, 6:00pm to 7:30pm and 7:30 to 9:00pm. Teams will be allowed 1.5 hours two (2) nights a week per facility. Weekend use is not limited.
6. Indoor Facility Use will not be scheduled over Thanksgiving break and Winter break including weekend use during Thanksgiving and Winter break times. Indoor Facility Use during summer break will be limited to special events at the discretion of the School District.
7. Indoor Facility use will be canceled if School Activities are canceled due to inclement weather. Special events scheduled after school hours on weather related closures will be decided at the discretion of the School District. Outdoor facility use will be at the discretion of the team/group.
8. School district owned furniture and equipment shall not be removed from District facilities for loan to any individuals, groups, or organizations unless approved by the Principal, Director of Support Services or designee.
9. Equipment and furniture including, but not limited to, pianos, tables, chairs, podiums, PA systems, and audio/video equipment shall not be used or moved without the approval of the building principal or his/her designee, and/or without the knowledge of the Office of Support Services.
10. District-owned office and school supplies shall not be used.
11. The using party shall report any damage incurred, missing equipment, additional cleanup required, or other related or similar costs to Support Services the following work day after the event. Support Services shall invoice the individual or group who used the facility for any damage identified as a result of a using parties use.
12. Keys and/or security fobs may be issued or loaned on any occasion to any individual or group for any purpose for the duration of the agreement. Doors will be unlocked and locked by authorized using party only. Doors will not be blocked opened. Using party will remain on-site at all times during the event.
13. District employees have authority to order any person, persons, or groups to leave or vacate all or any portion of the school facility or grounds and may contact law enforcement to report a concern.

14. The use of school facilities may be granted to religious organizations for religious services. Facility usage for religious organizations is intended for groups that are seeking their own permanent quarters, or groups that temporarily have no quarters. Fees will be based on the Class V – Facility Cost Recovery Fee Schedule.
15. If an approval has been issued to a group for use of District facilities and it is determined that for some reason the facilities will not be available, a timely notice shall be given the applicant, including the reason for the cancellation.
16. The maximum number of people permitted in any school facility shall be restricted by the Fire Marshal.
17. The District reserves the right to require police supervision, security, or fire protection at any event whenever the building principal, the Director of Support Services/designee or the Superintendent's office deems such protection necessary. The cost for this additional supervision shall be borne by the user.
18. Organizations using District facilities other than those covered by a Joint Use Agreement with the District, are required (at their expense) to include the following statement in any and all advertising associated with the event: "This is not a Rapid City Area Schools sanctioned or sponsored event."
19. Employees have the same rights and must comply with the same procedures for the use of District facilities as any citizen. Students must have teacher or parent/guardian supervision when using District facilities.
20. It is the sole responsibility of the users of District property to comply with Federal, State, and municipal laws and to obtain any permits necessary to conduct a particular activity including, but not limited to, zoning permits and approvals and including events where serving of alcohol is allowed.

No possession, use, storage, or distribution of alcohol is permitted on Rapid City Area School premises except as specified here in:

The Rapid City Area Schools Board of Education and/or the Office of the Superintendent shall reserve the right to allow alcohol distribution subject to certain conditions.

- a. Exceptions to the prohibition of alcoholic beverages are restricted to Western Dakota Technical and the Rapid City High School/Performing Arts Center.
- b. Events must be scheduled and approved by the Rapid City Area Schools Board of Education and/or the Superintendent one month prior to date.

- c. Temporary on-sale licensing must be obtained through the City of Rapid City prior to event.
- d. The sponsoring organization or authorized person has the responsibility to ensure the compliance with the Rapid City Area Schools use policies and all legal requirements prior to, during, and after the scheduled event.

B. FEES AND PAYMENT

1. The Rapid City Area Schools Office of Support Services will receive and receipt payment for Facility Cost Recovery Fees. Payment of all fees, whether in person, or by postal mail, shall be made payable to the Rapid City Area Schools, and delivered/mailed to the Office of Support Services, on the first floor of the City/School Administration Building, 300 6th Street, Rapid City SD. 57701.
2. For "Ongoing Use", the using party shall notify Support Services a minimum of two (2) school business days prior to the scheduled use any time the using party will not be using the facility/room(s).
3. For "Ongoing Use", the using party shall immediately notify Support Services any time the using party will no longer be using the facility/room(s) for all remaining future scheduled ongoing use.
4. For "Ongoing Use", three (3) consecutive missed uses, without notification to Support Services as required by paragraphs above shall permit the District to terminate this usage agreement.

C. CLASSIFICATION AND SCHEDULING

School facilities exist for the benefit of the student and to support and enhance the educational program. The following classifications of use have been developed by the District to designate those uses most closely related to the educational process or those most likely to provide direct benefit to the students of Rapid City Area Schools. Any requested use of the school facility will be classified in accordance with the following guidelines, and facility cost recovery fees will be charged accordingly (unless waived by the Superintendent). The Superintendent or his/her designee shall make the final decision regarding classification of proposed uses.

1. Class I - School Sanctioned Activities
 - a. Regular classroom activities and other school events will always have the highest priority for use.

- b. School sponsored activities for students (e.g. school clubs and dances, South Dakota High School Activities Association events, intramural sports, other after school programs).
- c. School sponsored activities for parents (e.g. plays, musicals, meetings).
 - 1) Class I activities shall be scheduled through the building principal. The principal or building administrator or their designee shall be responsible for ensuring that the events are entered in to the scheduling system by the second week after the first day of school or, for unforeseen events, a minimum of two (2) weeks prior to the event.
 - 2) Class I activities or school events taking place in a facility other than their own, shall be scheduled through the school where the event is to take place). The Office of Buildings and Grounds will coordinate Custodial Services, and all other applicable district departments through the scheduling system.
 - 3) Class I activities will not be charged for use of District facilities.

2. Class II – Joint Use Partners

- a. Entities with which the District has entered into a Joint Use Agreement (e.g. City of Rapid City Parks and Recreation Department, Pennington County, YMCA, Rapid City Library).
- b. Educational service districts (e.g. meetings and special events) serving RCAS staff.
- c. Overnight out of district school groups (only).
 - 1) Class II events shall be scheduled through the Support Services Department. The Office of Buildings and Grounds will communicate and coordinate Custodial Services and all other applicable district departments through the scheduling system.
 - 2) Joint Use activities will be charged to the extent defined in the Joint Use Agreements.
 - 3) Educational organization activities will be charged custodial overtime costs only during hours which custodians are not on duty to include access or times to clean and secure the building.

3. Class III - Civic, Service, and Educational

- a. Educational service districts (e.g. meetings and special events) not exclusively serving RCAS staff.
- b. Out-of-district school groups (all groups other than overnight visitors).
- c. State educational association meetings (e.g. music educators, reading teachers, teachers of English) not primarily serving the District's interests.
- d. Community education activities (e.g. government sponsored and other free educational events).
- e. Civic and service organizations.
- f. Community groups sponsoring moneymaking activities that directly benefit the schools or District's students (e.g. community development groups, coaches' clinics, activity camps).
- g. School-related groups and organizations (e.g. PTA, PTO, Booster Clubs, alumni group meetings, reunion tours).
- h. Youth groups (e.g. regularly scheduled meetings of the Boy Scouts, Girl Scouts, Camp Fire Girls, 4H, teen support groups, youth sports clubs and youth sports groups).
- i. Education related state agencies (e.g. Office of the Superintendent activities, State Board of Education)
- j. Non-profit organizations conducting fund raising activities for charitable purposes (e.g. Children's Miracle Network, United Way Agencies)
- k. College classes and activities (e.g. Rapid City Area Schools Staff Development classes, evening degree programs from area colleges and universities).
- l. Community organization meetings (e.g. neighborhood or citizen concern groups).
- m. City, county and state agencies.
- n. Private Interest meetings (e.g. Historical Preservation Society, Sierra Club, Ducks Unlimited).
- o. Family events that benefit students.

4. Class IV - Recreational and Community Use
 - a. Political rallies and caucuses.
 - b. Non-profit organizations conducting non-charitable fund raising activities.
 - c. Recreational or community use that does not benefit students.
 - 1) Class IV events shall be scheduled through the Office of Support Services. Buildings and Grounds will communicate and coordinate Custodial Services, and all other applicable district departments through the scheduling system.
5. Class V - Private Interest
 - a. Fee based events (e.g. recitals, lectures, sports and musical entertainment).
 - b. Profit-making activities (e.g. financial seminars, sales organization meetings).
 - 1) Religious organizations (for religious services or other church-related activities). Class V events shall be scheduled through Office of Support Services. Buildings and Grounds will coordinate the Custodial Services and all other applicable district departments through the scheduling system.

D. SPECIAL CONSIDERATIONS

1. Ticket or Seat Sales

If fees are charged for events taking place in or on District owned facilities, and if said fees are intended to make a profit and not just cover the expenses of the event, the District may, at its discretion, assess an additional percentage-based fee on ticket or seat sales.

2. Games of Amusement

- a. Games of amusement as approved by State of South Dakota and the District are allowed only at charitable and money raising events of non-profit educational, civic, and service organizations. Such organizations shall be permitted to conduct games of amusement for charitable money raising purposes only.

- b. It shall be the sole responsibility of the organization(s) operating such games of amusement to conduct such games in accordance with the provisions of all existing state, local laws and ordinances, Organizations shall accept full responsibility for any violations, intentional or unintentional, of such statutes and ordinances.

3. Sanitation and Food Permits

Because district cafeterias and kitchens are considered public eating-places, it is necessary that rigid rules and regulations be followed when they are used. Organizations shall observe the following rules in the use of these facilities:

a. Use of Kitchen Facilities

- 1) To prevent food borne illnesses and ensure the safety of staff, students, parents and community members, access to District kitchens, and/or the use of food service equipment, dishes, or utensils is not allowed without prior approval from the Food Services Supervisor.
- 2) Access to District kitchens and use of food service equipment, dishes, or utensils will require the presence of a qualified Food Services staff member to supervise the use, and cleaning, of the kitchen and associated equipment. Therefore, access to District kitchens is subject to the availability of a qualified Food Service worker.
- 3) Any group or organization using a District kitchen shall be charged a reasonable fee to cover direct and/or indirect costs of operation, and shall also be responsible for the additional cost of the supervision required. A fee schedule has been developed which lists these charges.

b. Serving of Food Products

- 1) Food sold, served, and/or consumed by groups or organizations using Rapid City Area Schools facilities must comply with the South Dakota Health Department rules, regulations, and comply with basic food sanitation procedures to ensure the safety of participants.

4. Stage Supervision and Crew

At each secondary school, a supervisor and/or one or more stage crew students will be required for the operation of auditorium stage lighting or built-in audio/video equipment or systems in any venue. Non-district lighting operators or audio/video persons will not be allowed to operate this equipment without district personnel supervising. This section does not typically apply to portable or "hand held" audio/video equipment. A fee schedule has been developed which lists these charges according to the job classification of the person required.

5. School Playgrounds, Playfields, Sioux Park Track and Field

The use of playgrounds and playfields by responsible organized groups for wholesome recreational purposes is encouraged at times when school is not in session, provided it does not unduly damage the playground or interfere with the school program or Joint Use Agreement activities. Organizations holding Joint Use Agreements with the District have priority usage for these facilities.

- 1) Playgrounds, playfields and Sioux Park Facility are available for use when school is not in session, on an as available basis and will be scheduled through the Office of Support Services. The District reserves the right to cancel or deny usage of all playfields in the event of weather, possible damage or over use of the fields.
- 2) Facility Use Applications for Playgrounds, Playfields and Sioux Park will be taken anytime during the current calendar year for use during the current calendar year.
- 3) Golf practice, flying motorized model airplanes, operating vehicles, or exercising animals are prohibited on school grounds. Activities must be limited so as to conform to the available space and the basic intent of the use of that area
- 4) For reasons of security, use of school playgrounds or playfields by individuals or groups is not authorized during the hours of darkness.
- 5) Private vehicles are not permitted on any school grounds except in designated driveways and parking lots. Such vehicles as may legally be permitted must be operated with extreme caution and their speed shall not exceed five (5) miles per hour on any school property.

E. LIABILITY

Any user of the Rapid City Area Schools' property shall sign a statement that indemnifies and holds harmless the District from any and all losses, including claims, demands, payments, suits, actions, recoveries, and judgments of every nature and description brought against the Rapid City Area Schools by reason of any act or omission of the user. Such statement shall be made on a standard form provided by the school principal or the Support Services Department. The Rapid City Area Schools may, at its sole discretion, require satisfactory insurance certificates for certain events.

Revised 07/29/14