

The background of the image is a blurred classroom scene. In the foreground, there are rows of wooden desks and metal chairs. The desks have some papers and small items on them. The chairs are blue. In the background, there are more desks, chairs, and some colorful decorations on the wall. A semi-transparent blue rectangle is overlaid on the center of the image, containing the text.

# Public Education Funding Commission

December 8, 2025





**Welcome from the Chair**





# Roll Call





# Approval of Meeting Minutes

November 10th



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# Five Values

1. Adequacy
2. Equity
3. Flexibility with guardrails
4. Transparency
5. Accountability (formerly: connecting student outcomes to funding)

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# Feedback From the Public on the PEFC Funding Model

Marcus Wright

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# Public Feedback On the Model

- Broad support for the modernized, flexible approach that the hybrid model offers.
- Desire for meaningful flexibility paired with guardrails to ensure investments reach classrooms as intended.
- Clear expectation for transparency in how weighted funds are used.
- Strong interest in a continuous improvement approach, with regular recalibration and ongoing opportunity for public input.
- Concerns about raising local revenue given tax burden, property values, and demographic shifts.

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## Public Feedback On the Model (cont.)

- Strong support for tiering MLL funding.
- Interest in having the Commission review the current Special Education weights to see if they meet current student needs.
- Questions about implications for Pre-K.
- Questions regarding what accountability plans will be implemented and shared with families to ensure the funds are flowing to the students.



# Overview

- Q&A Follow Up: Weights
- Moving the PEFC proposed formula forward
- (Re)-introducing equalization





# Questions on Weights:

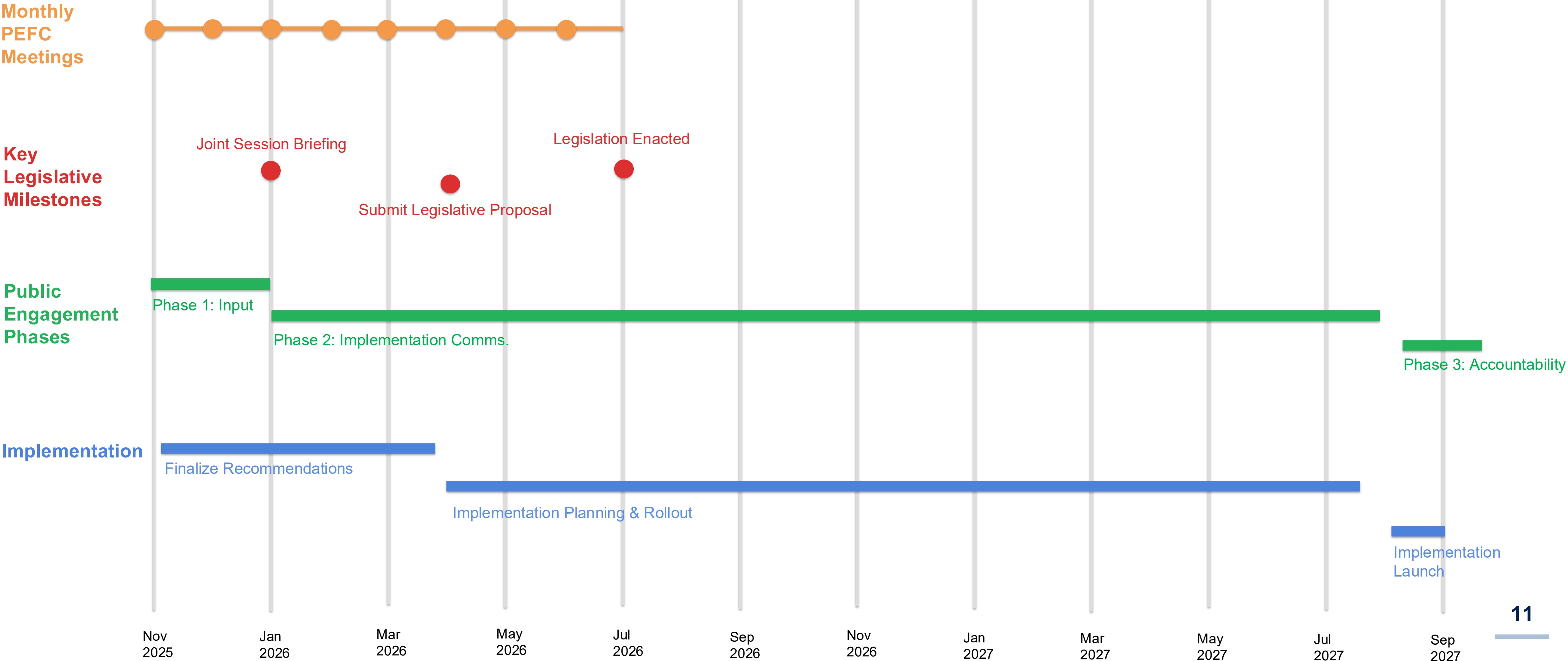
## How would students receiving special education services be funded?

	Average Unit Funding	Weighted Funding	Total
Basic	\$9,806	\$1,615	\$11,421
Intense	\$13,729	\$2,254	\$15,983
Complex	\$31,682	\$5,181	\$36,863





# Timeline — Nov 2025 to Sep 2027





# PEFC Voting Timeline

Dates	Activities
September 2024	First meeting
June 2025	Commission approval of a hybrid funding concept
December 2025	Commission vote on the proposed PEFC hybrid funding model
March 2026	Commission vote on the final proposed PEFC hybrid funding model, including weights, local funding, equalization changes, and recommendations for implementation funding
April 2026	Present final PEFC recommendations to the legislature

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## Reminder: Items that Exist Outside the State's Primary Formula

- Transportation
- Custodial costs
- Capital expenditures
- Food services



# What other decisions will the commission have to make?

- **Equalization**: Determine required equalization changes to the final formula based on district/charter's relative wealth (December & January meetings)
- **Local Funding**: Determine future state funding percentages taking local and federal funds into account (e.g., property wealth, income, etc.) (January or February meetings)
- **Total funding**: Adjusting funding levels up or down (At or before the March meeting)
- **Possible Future Adjustments to be Made After Year 1 Implementation:**
  - Concentration funding for low-income students,
  - Tiered funding for MLL students

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# Commission Vote: The PEFC Hybrid Model



## Proposed Committee Action: Vote

Members of the Delaware Public Education Funding Commission (PEFC) agree to proceed with the PEFC hybrid funding model with the understanding that key components, including final weights, local funding reform, funding level estimates, and equalization changes will need to be included in the final PEFC recommendations ahead of the March 2026 vote.

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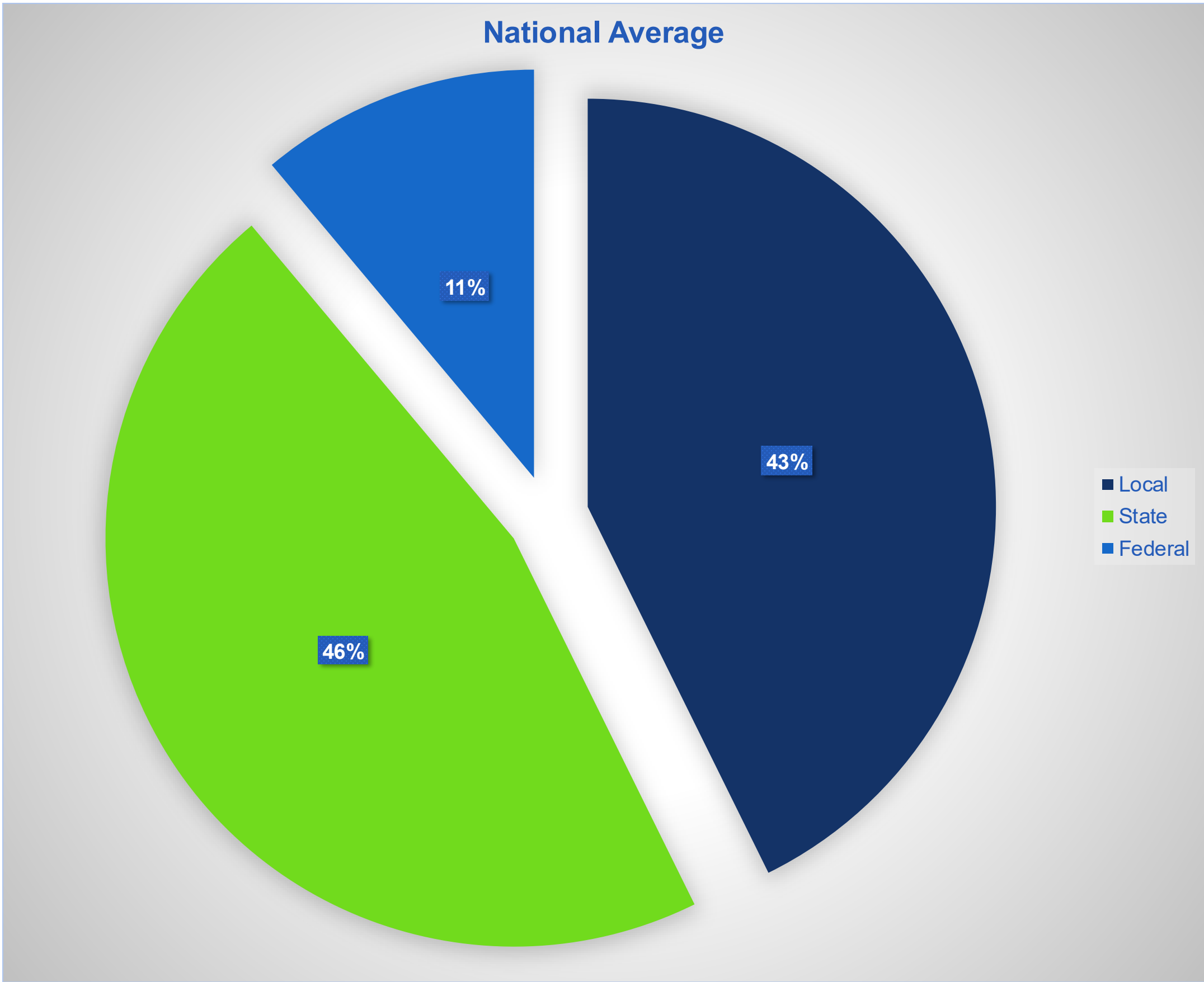
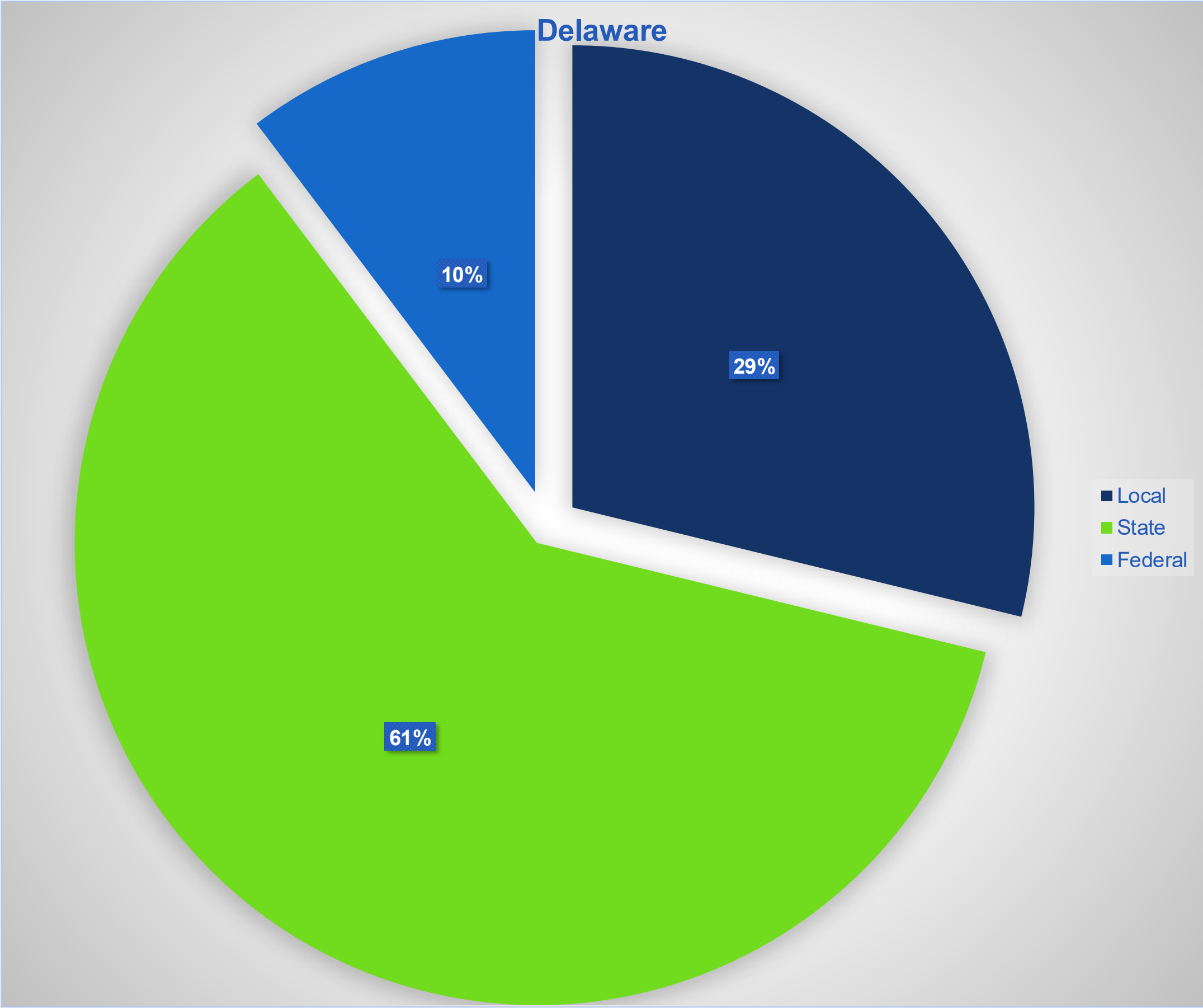
# Equalization

Mike Griffith, LPI



# K-12 Revenue Sources

## 2023-24



# Why Equity in School Funding Matters

- If the state does not provide some form of equalization based on a district's relative wealth, it can lead to significant disparities in funding.
- Limited local resources can lead to:
  - Difficulty in recruiting/retaining qualified staff
  - Reductions in educational offerings
  - Reduction in programs targeted to high-need students (after-school, summer school, etc.)



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# Two Types of School Funding Equalization

Equalizing based on student need

- The proposed formula addresses this by providing additional funding for LI and MLL students

Equalizing based on a district's relative wealth

# Equalization Funding

- Originally, states provided equalization funding via a separate line-item
- The most common equalization programs provided districts a payment either based on their relative poverty or on how much funds were raised based on their tax levies
- Today, the majority of states provide equalization funding through their primary funding formula



# How States Determine a School District's Wealth

- The majority of states use property values as the only measure of wealth
- Some states include additional measures to determine wealth, these can include:
  - Income
  - Sales tax revenue
  - Taxes on other property (utility property, personal property, mineral extraction)
  - Other smaller local taxes

# Property Wealth Comparisons by School District

School districts in Delaware have a vast difference in taxable property

District	Taxable Property	One Cent of Property Tax
Indian River (highest)	\$40,797,771,767	\$4,079,777
Delmar (lowest)	\$1,056,813,600	\$105,681



# Equalization As a Separate Line-Item

State formula amount

+

Equalization aid

=

Total State Funding

# Equalization: Final Thoughts

	Line-Item Funding	Within the Formula
Positives	Ease of use	Equalizes all state funding
Negatives	Often is not enough to fully equalize funding in the state	Difficult to adopt



## Next Steps

The Technical Working Group (TWG) will:

- continue meeting to develop an equalization funding model that better serves Delaware's students and taxpayers; and
- present some equalization options to the full PEFC at our next meeting in January.

Additional Public Engagement Meetings will be held in:

- Seaford: January 20<sup>th</sup>, 5:30-7:00 pm at Seaford Central Elementary School
- Red Clay (date TBD)

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# Public Comment





# Public Comment

- Members of the public are welcome to speak before the PEFC during the scheduled public comment period as noted on the publicly posted meeting agendas. Interested persons should:
  - (1) send their name, the name of the group they represent and the topic of their comment via **email to Anna Sullivan (asulliv@wested.org)**, ideally 7 days in advance of the meeting, to request to have their name put on the public comment list for the upcoming meeting;
  - OR (2) raise their hand during the meeting. Those who register ahead of time will be called on by the facilitator to provide public comment first, followed by those who raise their hand during the meeting.
- In order to provide all members of the public with an equal opportunity to speak before the PEFC, each individual is limited to two minutes, unless otherwise noted at the beginning of the meeting.
- Public comments received by DOE 7 days in advance will be sent to members with advance meeting materials via email. All written public comments will be included with the meeting minutes and publicly posted following each committee meeting.



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## Next Meeting

January 26, 2026, 4:00- 6:00 pm (virtual)

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# Adjourn