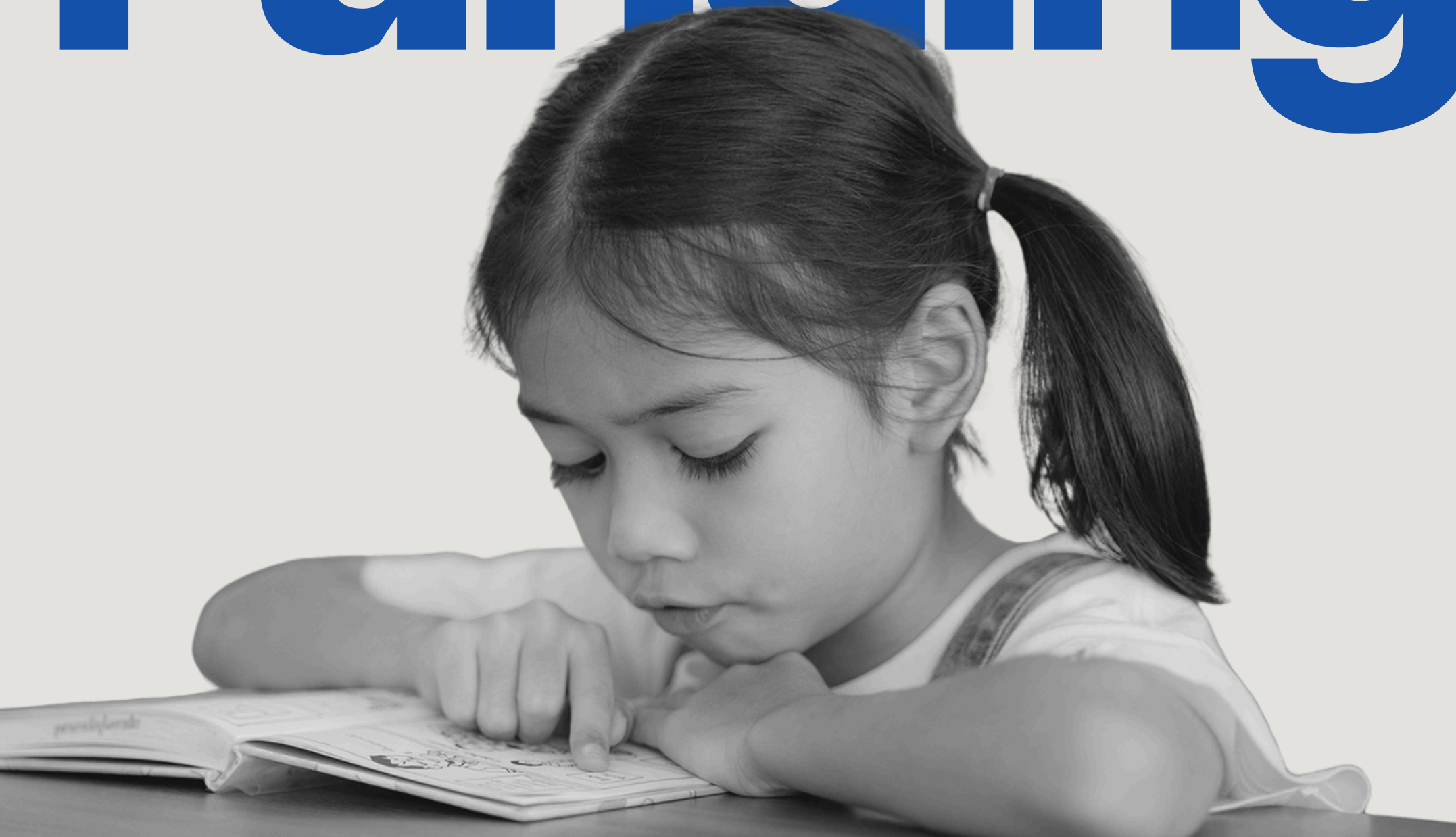


Education Funding in MN

AN EQUITABLE SOLUTION
TO THE FUNDING CRISIS



PRESENTED BY
**SADIE STOWERS, DANI BAIG,
ISABEL CHEN, & JACK ERRINGTON**

TODAY'S AGENDA

CONTEXT

SOLUTIONS CONSIDERED

PART I

PART II

IMPLEMENTATION

SUMMARY

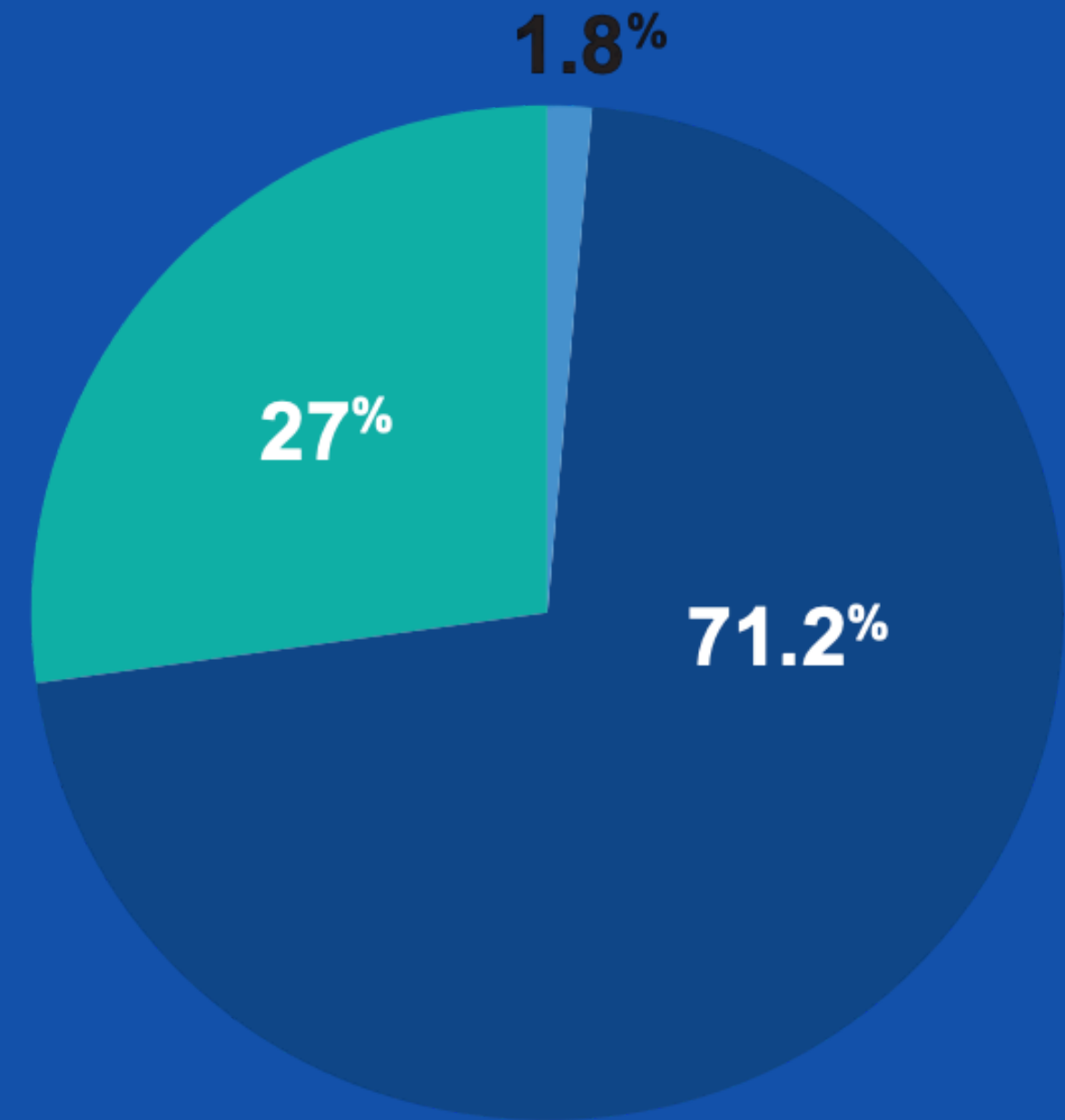
HOW DOES MN SCHOOL FUNDING WORK?

Three Layers of Funding

- Compensatory Funding & Equity Funds (State)
- Local Property taxes
- Federal Aid

MINN. STAT. § 126C.10 (LEXIS 2021)

How does our current system factor in equity?



Minnetonka Public Schools Annual
Financial Report FY24

(EDFUNDED, N.D.)

The Issue


Flaws of Minnesota's funding formula result in:

- Large disparities for certain student groups
- Inadequate pay, outdated resources, & lack of ECs

(Whitler, 2023)



The Research Question



“WHAT WOULD BE THE MOST EFFECTIVE LEGISLATIVE SOLUTION TO THE ISSUE OF SCHOOL FUNDING IN THE STATE OF MINNESOTA?”

CONSIDERED SOLUTIONS

- Increasing referendum allowance based on average per-pupil spending
- Limiting open-enrollment
- Increased funding for MN Tax relief programs

Our Solution

In Our Two-Part
Proposal We Will
Address:



**PART I: REFERENDUM
ADJUSTMENT**



**PART II: AWARENESS
CAMPAIGN**

Part I: Referendum Reform

OBJECTIVES:

- Keep referendum funds adjusted for inflation
- Address funding disparities between districts
- Allocate more money for specialized student needs



What Would This Look Like?

Needs-based cap= (ref. cap x inflation)(1 + necessity weight)

Example Weighing Values:

Special Needs = (.4)

Free/Reduced Meals = (.3)

ELL = (.2)

Reformed Minnetonka FY24 Cap: $(2,211) \times (1 + .1166) = \$2,468.8$ per pupil

Reformed Minneapolis FY24 Cap: $(2,211) \times (1 + .2886) = \$2,849.1$ per pupil



Benefits & Limitations

BENEFITS

- Provides for districts with specialized student programs
- Allows districts to fund themselves according to their needs, solving infrastructure and school size issues (Swanson, 2025)
- Limits growth in funding disparities between districts

LIMITATIONS

- May not benefit districts that are unable to pass referendums
- Requires additional indexing of specialized weights across districts



Part II:

Awareness Campaign

OBJECTIVES:

- Ensure that ballots are properly worded to inform voters
- Enhance student engagement in district matters



Benefits & Limitations



➔ BENEFITS

- Increased resident/student involvement in district policies
- District residents more likely to vote on referendums

(Peter-Leatherman Firm, 2024)

➔ LIMITATIONS

- Difficult to make information accessible for all
- Local election officials cannot be lobbied

Implementation



Education Minnesota, 2025.

How Public Schools are funded

3 layers of funding

1. **Compensatory
Funding & Equity
Funds (State)**
2. **Local Property taxes**
3. **Federal Aid**



Education Awareness Campaign: Taking Financing to Social Media

What can you do?

1. Repost information about public school funding
2. Learn about your districts referendums
3. participate in voting!



Informative Short-form Content

Short informational videos in the style of All Aboard



Spread Social Media Outreach

Expand School Board news to new social media platforms (ex. Tiktok, Instagram)

Infographics and Posters

Share school funding information around local communities

Key Takeaways

Referendum Allowance Reform

- Increase the referendum cap with a *needs-based* formula to address district needs
- 3–5 year roll-in period for proper indexing

Awareness Campaign

- Promote civic education and awareness of district matters through social media
- Create short-form content of school board news on new platforms (ex. Tiktok, Instagram)

SUMMARY



Thank You!

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Public Policy: Financing Education

Current Inequities

Socioeconomic factors such as property wealth, result in 63 districts classified as “underfunded” in MN (Whitler, 2023). The public consider adequacy of local school funding to be 7% worse compared to last year (Morris-Leatherman Firm, 2025).

Voter Opinions

Many people in Minnesota are content with the state’s methods of funding schools. According to surveys conducted by the Morris-Leatherman company, 72% of people agree that MN school districts do a good job of involving the community and 73% of people trust that the state does the right thing for children

Social Awareness

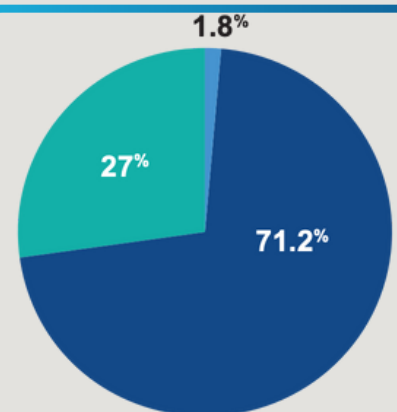
Ensure that those who vote on critical funding are aware of where the funding is going. Awareness about funding must be raised through social media, infographics, and public material provided by groups like EdMN.

Raising Revenue

In Minnesota, almost 40% of state budget is K-12 education (Wigfall, 2024). However, individual districts still have a high burden to provide additional funding through referendums to support their needs. To properly fund districts, the referendum cap formula must be multiplied by a needs-based multiplier specific to each district’s population of students in special programs.

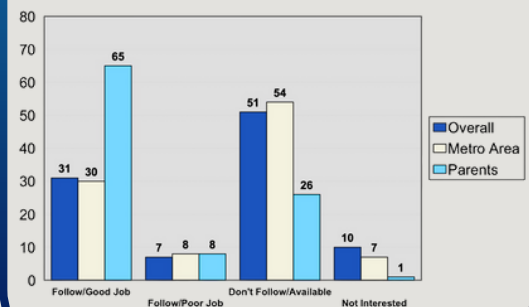
Based on a Minnetonka Parent Survey:

92% of parents believe our community receives a good value from its investment in our local public schools.



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Following District & Getting Information 2025 August Statewide Survey



Morris Leatherman Company

“If we get public education right, everything else will follow. But if we get it wrong, not much else will matter.”

– Former U.S. Rep. Steve Kagen

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