SCHOOL-LEVEL RESOURCE ALLOCATION: COMMUNICATING FOR TRANSPARENCY AND EQUITY

NATIONAL TITLE I CONFERENCE
FEBRUARY 2018 | PHILADELPHIA, PENNSYLVANIA
PER PUPIL SPENDING WITHIN A DISTRICT

THIS SPENDING CAN VARY WIDELY WITHIN A DISTRICT, WHICH MAKES IT HARD FOR STAKEHOLDERS TO KNOW IF INDIVIDUAL SCHOOLS ARE OVER- OR UNDER-FUNDED

Source: ERS analysis
OBJECTIVES

- Identify per-pupil expenditure report card requirements under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA).

- Describe possible data patterns that may show up in per-pupil spending reports and explain why such patterns may occur.

- Strategize about methods for communicating per-pupil spending data.

- Identify resources that assist SEA and LEA calculation and communication.
AGENDA

- ESEA Requirements
- Tools for Reviewing Financial Data
  - Building State Capacity and Productivity
  - State Support Network
- Communicating About Per-pupil Spending Data
- Questions

Don’t forget to join the conversation! Navigate to our TodaysMeet URL (www.todaysmeet.com/resourceallocation) to ask questions and react to content!
PRESENTERS

- Jessica McKinney, U.S. Department of Education
- Aaron Butler, American Institutes for Research
- Katie Hagan, Edunomics Lab, Georgetown University
- Sara R. Shaw, Illinois State Board of Education
- Bradley McMillen, Wake County Public School System (NC)

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ESEA Requirements
PER-PUPIL EXPENDITURES

- A State and its LEAs must annually report per-pupil expenditures of Federal, State, and local funds on State and LEA report cards, disaggregated by source of funds.

- Per-pupil expenditures must include actual personnel and non-personnel expenditures.

- A State and its LEAs must report per-pupil expenditures for the LEA as a whole and for each school served by the LEA for the preceding fiscal year.

*ESEA section 1111(h)(1)(C)(x), (h)(2)(C)*
As stated in the June 28, 2017, Dear Colleague Letter, the U.S. Department of Education is giving States and LEAs until the 2018-2019 school year to report on annual report cards regarding per-pupil expenditures as described on the previous slide.

If an SEA elects to delay reporting, on the 2017-2018 report cards, the SEA and its LEAs must provide a brief description of the steps the SEA and LEAs are taking to ensure that information on the per-pupil expenditures will be included beginning with report cards for the 2018-2019 school year.
RELATIONSHIP WITH SUPPLEMENT, NOT SUPPLANT

- Per-pupil expenditure data must be collected annually in order to meet State and local report card requirements.
- An LEA could potentially use per-pupil expenditure data as a method of demonstrating compliance with the new supplement, not supplant requirements in ESEA section 1118(b)(2), although there are other methods an LEA can use to demonstrate compliance.
川AND LEA PERSPECTIVES

- Sara R. Shaw, Illinois State Board of Education
- Bradley McMillen, Wake County Public School System (NC)

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SEA and LEAs working together: value proposition

- Resource allocation will be more readily accessible to schools and stakeholders
- Empowers LEAs and communities to assess and improve equity
- Enables LEAs and communities to gain a better understanding of the relationship between student outcomes and financial resources
- Enables LEAs, schools, and the state to identify evidence-based best practices and opportunities to foster innovation between peers
SEA and LEAs working together:
Guiding principles for Year 1 implementation

“Guidance” rather than formal changes to accounting rules

Stay close to “minimum ESSA compliance”

Leverage existing reporting wherever possible

Couple the financial reporting with state report card data

Districts know their data best and can tell their own story

This initiative should and will evolve over years
Site-Based Expenditure Reporting Framework

This level of reporting detail will be the only mandated collection for Year 1, along with notation of allocation methodologies.

For more information, please see www.isbe.net/essa.

<table>
<thead>
<tr>
<th>Sites</th>
<th>Enrollment</th>
<th>Site-Level Per-Pupil Expenditures</th>
<th>District Centralized Per-Pupil Expenditures</th>
<th>Total Per-Pupil Expenditures</th>
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<tbody>
<tr>
<td></td>
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<td>State and Federal</td>
<td>State and Local</td>
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<td>1,170</td>
<td>$353</td>
<td>$5,861</td>
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</table>

Total Exclusions: $2,330,361
Total Expenditures: $13,707,753
Questions?
Tools for Reviewing Data
BSCP Center & Edunomics Lab
Financial Transparency Resources

National Association of State Title I Directors (NASTID)

Katie Hagan
February 9, 2018
ESEA section 1111(h)(1)(C)(x) Annual State Report Card Requirements

The per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual non-personnel expenditures of Federal, State, and local funds, disaggregated by source of funds, for each local educational agency and each school in the State for the preceding fiscal year.
Beyond the requirement – value of per-pupil expenditure data

• Prompt district leaders to be more equitable when deploying funds across schools.

• Enable school leaders to benchmark how well they are able to leverage resources to maximize outcomes.

• Encourage leaders to discover spending and outcomes patterns across like-peers and consider strategies that have been successful elsewhere.

• Prompt healthy dialogue and engagement within communities about tradeoffs.
Financial Transparency Working Group (FiTWiG) hosted by Edunomics Lab

- Reporting standards
- Data visualization
- Communicating with LEAs
- Data inventory
- Draft SEA guidance
- Data analyses
- Excluded expenditures

38 states + D.C.

Biweekly virtual meetings since November 2016

One-on-one TA with states as requested
BSCP Center Resources

**Guidance Documents:**
- Data Inventory
- Moving from Inventory to Action
- Four Approaches to Assigning Costs

**Technical Assistance:**
- Individualized support
- “Office hours” group TA

**Tools & Videos**
- Financial Transparency 101 webinar
- Equity & Financial Transparency video series
- The Productivity Opportunity activity guide
- School Level Finance Survey Converter Tool

For all materials, visit: www.bscpcenter.org/ftresources
Opportunities to Engage

• Join FiTWiG or connect with existing state member

• Schedule one-on-one virtual technical assistance with Edunomics Lab

• Review BSCP Center resources and request additional resources that would be helpful for all states

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Financial Transparency and Reporting Readiness Assessment Tool

State Support Network
How Financial Transparency Can Lead to Resource Equity: Three Key Questions

1. What changes in accounting practices and structures might help me more completely and accurately report the “true” dollars per pupil at each school?

2. What factors drive spending variation among my schools, and what are the implications of these drivers?

3. What do I need to know about other factors that drive resource equity, beyond funding, in order to understand the gap between spending and student performance across the district?
Two Primary Uses for the Financial Transparency and Reporting Readiness Assessment Tool

1. For SEAs:
   a. To see the impact of various methodology decisions on an individual district’s data to inform your approach (if you choose to specify a $ per pupil calculation methodology)
   b. Inform types of technical assistance you or your districts may need to do this well

2. For Districts:
   a. To examine current accounting practices and structures to inform improvements to your own systems
   b. Inform evolutions to your SEA’s methodology decisions
Complete and Accurate Per Pupil Expenditures at Each School: Four Key Considerations

1. Can I clearly and easily identify all the dollars to exclude, like major capital expenditures and those that do not fund direct educational services?

2. What percent of my funds are accounted for directly at schools vs. centrally vs. centrally managed school services?

3. Do all the “schools” to which student enrollment is reported match the “schools” to which expenses are accounted?

4. How can I attribute centrally held funds, and what is the impact on each school’s $ per pupil?
1. What changes in accounting practices and structures might help me more completely and accurately report the “true” dollars per pupil at each school?

2. What factors drive spending variation among my schools, and what are the implications of these drivers?

3. What do I need to know about other factors that drive resource equity, beyond funding, in order to understand the gap between spending and student performance across the district?
Drivers of School Spending Variation

What factors drive spending variation among my schools, and what are the implications of these drivers?

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<tr>
<th>Student Need</th>
<th>District Strategy</th>
<th>Unplanned</th>
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</thead>
<tbody>
<tr>
<td>Special Education</td>
<td>School opening/closure</td>
<td>Enrollment/ School Size</td>
</tr>
<tr>
<td>$$$</td>
<td>School Level</td>
<td>$$$</td>
</tr>
<tr>
<td>English Language Learners</td>
<td>School Type</td>
<td>Teacher Compensation</td>
</tr>
<tr>
<td>$$</td>
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<td>$</td>
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<tr>
<td>Economic Disadvantage</td>
<td></td>
<td>Building Utilization</td>
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<tr>
<td>$$</td>
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<td>$</td>
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<tr>
<td>Other Student Needs</td>
<td></td>
<td>Enrollment Projections</td>
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<tr>
<td></td>
<td></td>
<td>Ad-hoc exceptions</td>
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</tbody>
</table>

What factors drive spending variation among my schools, and what are the implications of these drivers?
Dimensions of Resource Equity

What do I need to know about other factors that drive resource equity, beyond funding, in order to understand the gap between spending and student performance across the district?

School Funding
Access to Effective Teaching
School Leadership
Personalized Time and Attention
Social and Emotional Supports

Instructional Time – Length of Day/Year
Rigor of Curriculum and Instruction
Achievement of Peers
Early Intervention and Remediation
Parental Involvement

The full paper will be available in early March at www.ERStrategies.org.
How to Access the Financial Transparency and Reporting Readiness Assessment Tool

State Support Network website
https://statesupportnetwork.ed.gov

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Communicating About Per-pupil Spending
SEA AND LEA PERSPECTIVES

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Questions?
RESOURCES & NEXT STEPS

- State Support Network: statesupportnetwork.ed.gov
- Building State Capacity and Productivity Center: