Strategic School Funding for Results (SSFR)

A Presentation prepared for the Association for Education Finance and Policy
Saturday, March 26, 2011

Session Chair: Jay G. Chambers, AIR, SSFR Co-Principal Investigator

Presenters: Karen Manship, AIR, SSFR Research Analyst

Iliana Brodziak, AIR, SSFR Research Analyst

Jesse Levin, AIR, SSFR Director of Evaluation

Jim Hollis, Pivot Learning Partners, Director of Technology

SSFR Mission and Vision

- **Mission Statement:**
  - to design a comprehensive approach for LEAs to *finance*, **governance**, and **human resource management** with the goal to enhance student learning.

- **Vision Statement:**
  - to develop a model, supported by innovative technology and processes, for future implementation and testing in other districts around the nation.

Who's involved in SSFR?

Two Partners	Two Districts

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SSFR "will make the district budget more transparent, align resources for greater impact and equity, and give schools the ability to target resources to meet their school's specific needs, bringing funding and decision-making closer to schools and classrooms. " *(Latest LAUSD weekly update , March 14-18, 2011, Ramon Cortines,Supt)*

Equity	→	• *Need Based Funding of Schools* • *Support equitable distribution of effective staff*
Transparency	→	• *Simplify processes for allocating resources* • *Increase stakeholder participation in decision making*
Innovation and Efficiency	→	• *Increase school autonomy linked to accountability* • *Implement performance incentives* • *Support educational choices* • *Create a market for central office services*

Two SSFR Sessions

American Institutes for Research (AIR)
Pivot Learning Partners (PLP)

#1. Research Session

- Karen Manship (AIR):
  - Attitudes and Perspectives
- Iliana Brodziak (AIR):
  - Resource Allocation Analyses
- Jesse Levin (AIR):
  - Goals for Building Resource Allocation Tools
  - Targeted Revenue Model (TRM)
- Jim Hollis (PLP):
  - Planning , Budgeting and Allocation of Resources (PBAR)

#2. Implementation

- Jim Brown (PLP):
  - Project Overview
- Matt Hill (LAUSD):
  - Administrative Office, Office of Superintendent, Los Angeles Unified School District
- Mahala Archer (TRUSD):
  - SSFR Project Manager, Twin Rivers Unified School District
- Steve Jubb (PLP):
  - Project Director, SSFR Implementation

Attitudes and Perspectives of Staff

Key Domains Measured

- Equity of resource allocation to schools

- Transparency of the budget process

- Autonomy of budget decisions

- Facilitation of innovation

- Accountability

Attitudes and Perspectives of District Staff: 2009-10 Interviews

- ## Twin Rivers:
  - Interviews with key district staff
  - Focus group with five principals
- ## LAUSD:
  - Interviews with three central office staff
  - Interviews with eighteen principals *(UCLA business school students)*

- ## Pasadena:
  - Focus group with members of the Superintendent's Cabinet
  - Follow-up interviews with three key district staff
  - Interviews with five principals

Interview findings:
School leaders seek control over means to success

Interviews showed that school leaders…

- Feel they need greater control over their budgets

- Believe that the schools and students would benefit from greater control

- Worry about their capacity to manage their budgets

- Do not feel that they are supported by the central office

- Vary in their understanding of the current budgeting system

Phase II Surveys and Interviews

- Years 1 and 3: Surveys
  - Principals
  - Teachers
  - Parents and teachers on School Site Councils
- Year 2: Follow-up interviews with District officials

Key Questions Asked of Principals

- *To what extent do you agree with the following statements?*
  - I have discretion over how the dollars in my school budget are spent. (BUDGET AUTONOMY)
  - I feel that I receive adequate support from the central office to develop my school's budget. (DISTRICT SUPPORT)
  - I have sufficient autonomy to implement an instructional program that meets the needs of the students in my school. (INSTRUCTIONAL AUTONOMY)
  - I believe funds are equitably allocated to schools within our district. (EQUITY)
  - I feel that the evaluation of my performance is related to my students' achievement. (ACCOUNTABILITY)
  - I understand how resources (staff, funds, etc.) are allocated to my school. (TRANSPARENCY)

Key Questions Asked of Teachers

- *To what extent do you agree with the following statements?*
  - Teachers have the opportunity to provide input into developing and spending the budget at this school. (TRANSPARENCY, AUTONOMY)
  - I have sufficient autonomy to implement an instructional program that meets the needs of my students. (INSTRUCTIONAL AUTONOMY)
  - I believe funds are equitably allocated to schools within our district. (EQUITY)
  - I understand how resources (staff, funds, etc.) are allocated to my school. (TRANSPARENCY)

Key Questions Asked of School Site Council members

- *To what extent do you agree with the following statements?*
    - The SSC has significant influence over how the dollars in this school's budget are spent. (SSC ROLE/INFLUENCE)
    - I believe funds are equitably allocated to schools within our district. (EQUITY)
    - I understand how resources (staff, funds, etc.) are allocated to my school. (TRANSPARENCY)
    - This school communicates effectively with parents about school budgets and resources. (TRANSPARENCY)

TRUSD principals generally seem to understand how resources are allocated to their schools.

I understand how resources (staff, funds, etc.) are allocated to my school.

Bar chart showing responses:
- Strongly disagree: 3%
- Disagree: 14%
- Agree: 66%
- Strongly agree: 17%
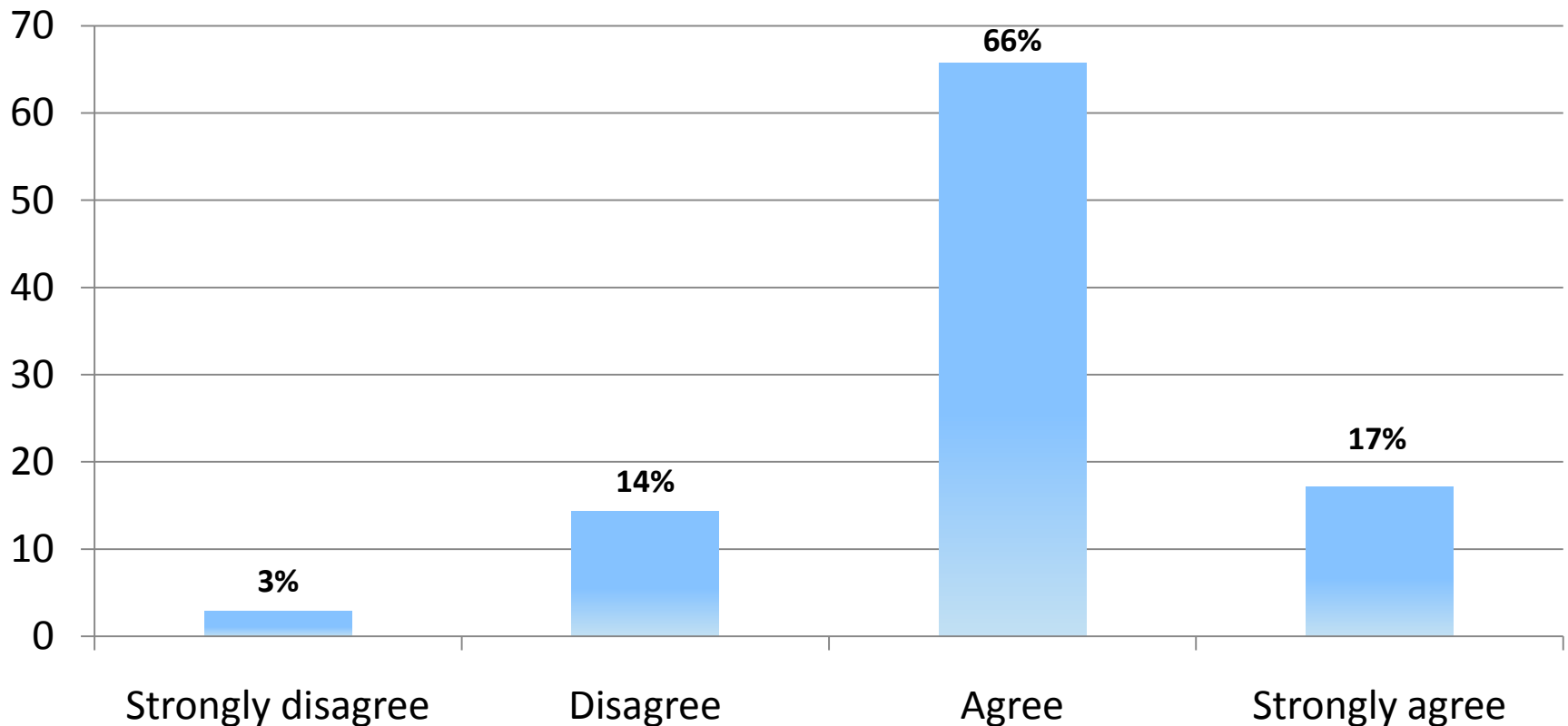
A strong majority of TRUSD principals feel that they have discretion over how their budgets are spent.

I have discretion over how the dollars *in my school budget* are spent.
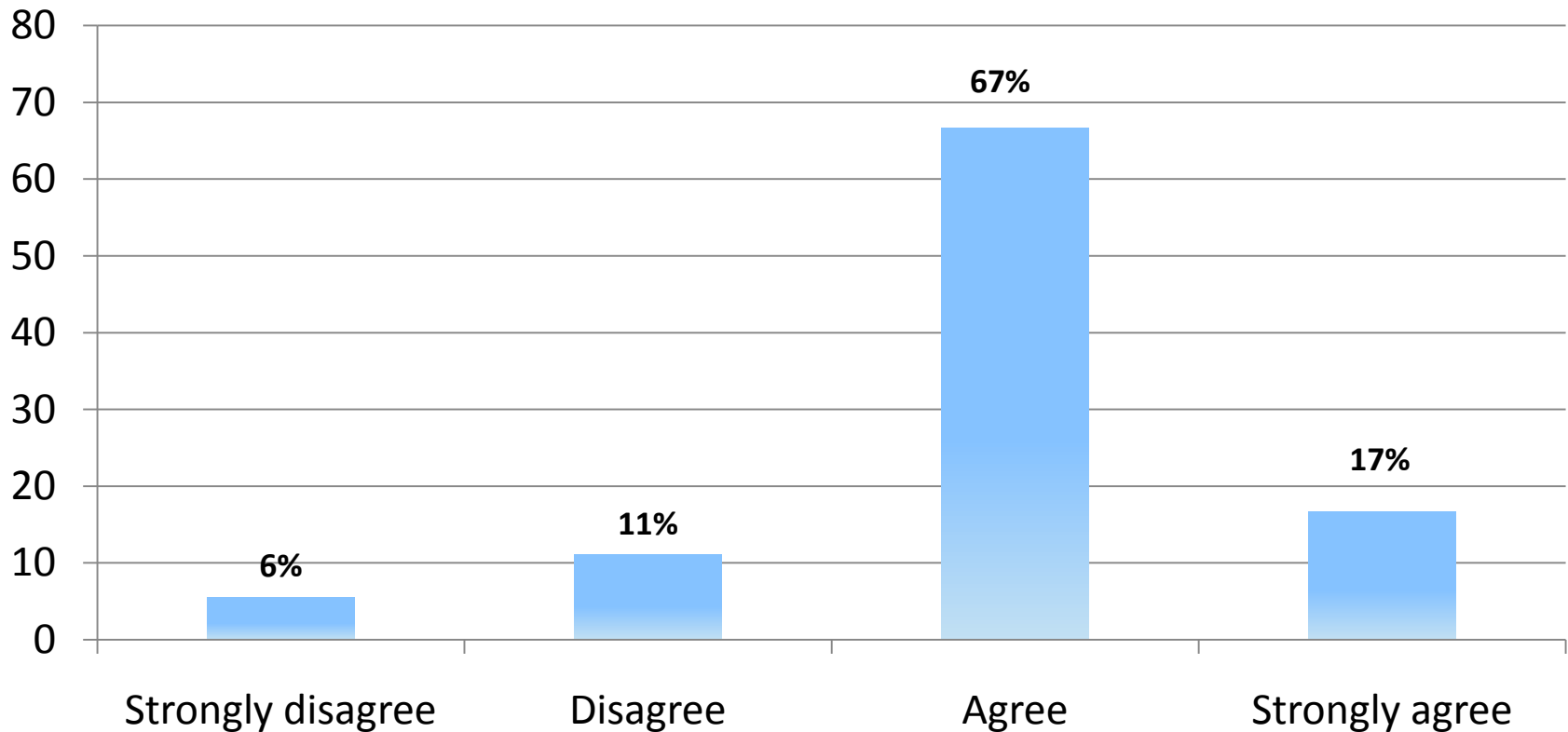
Most TRUSD principals feel they have little discretion over how district dollars are used at their school.

I have discretion over how *district dollars* are spent at my school.
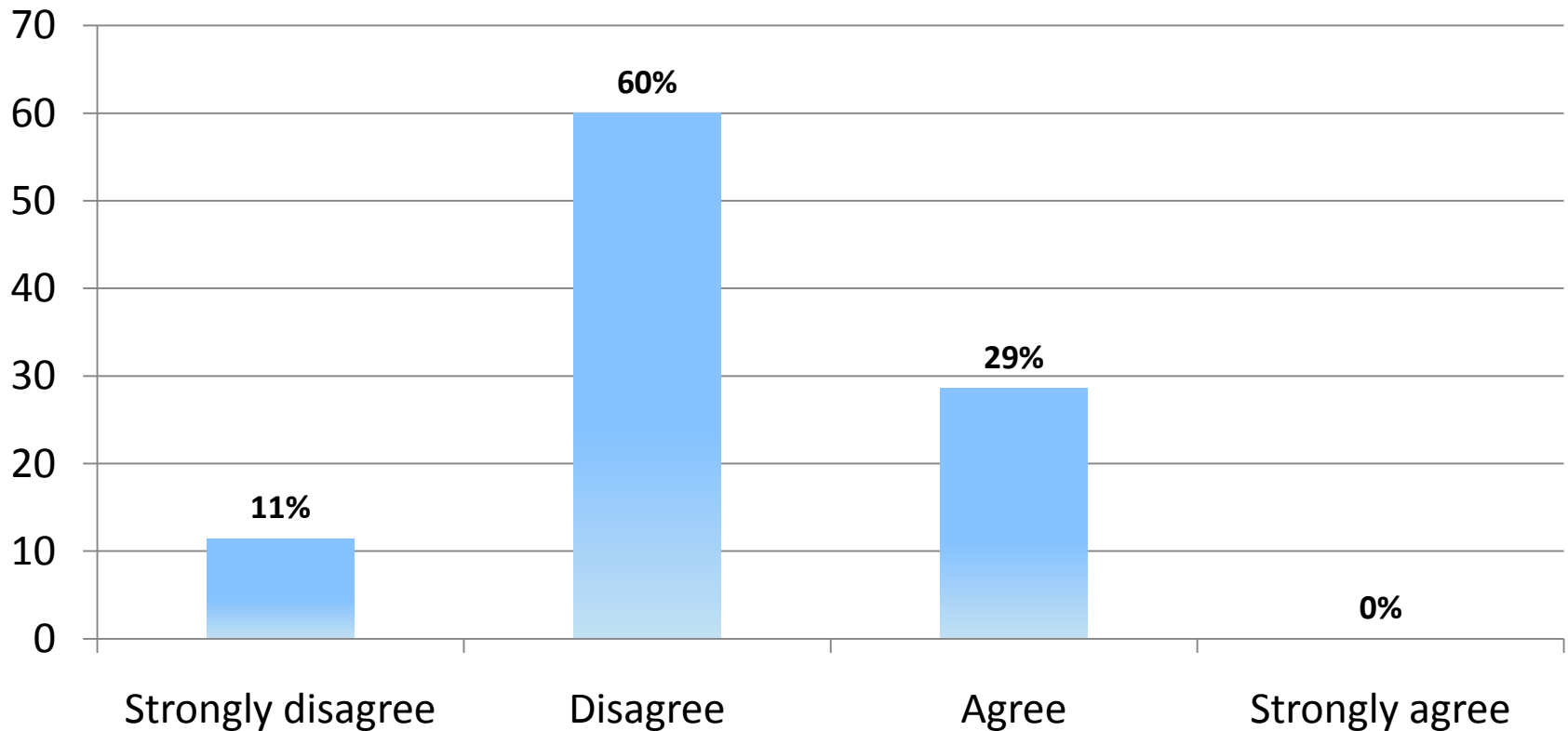
Resource Allocation Agenda

- Purpose for Resource Allocation Analyses and Resource Questions

- Types of Analyses Performed and Data

Resource Allocation Analyses

Resource Allocation Agenda

- Purpose for Resource Allocation Analyses
- Resource Questions
- Types of Analyses Performed
- Examples

Motivation and Questions

- Purpose of Resource Allocation Analyses
  - Provide baseline account of existing resource allocation patterns.
  - Evaluate changes in resource allocation over time.
- Key Research Questions
  - Are SSFR districts achieving equity in the allocation of restricted versus unrestricted funds to schools?
  - How are restricted and unrestricted dollars being spent?
  - Are teacher and other staffing resources equitably allocated both in terms of quantity and quality?

Types of Analyses

Descriptive Analysis Across School-Level of Student Need (Percent Free/Reduced Price Lunch) and:

1. Per-Pupil Expenditures
   – By Type: Overall, Unrestricted, Restricted
   – Broken Out by Object (Certificated Salaries, Classified Salaries, Benefits, Books and Supplies, and Other)
   – Broken Out by Targeted Student Population (All Students, Poverty, ELL, Special Education, Low-Performing Student, and Other)

2. Personnel
   – Staffing Ratios for Administration, Instruction and Pupil Support
   – Staff Qualifications (Average Experience, Level of Out-of-Field Teaching, etc.)

Data Used

- Central District Fiscal Data and California Department of Education Demographics

- **Positive relationship between overall expenditures and poverty.**
- **Lots of variation around the fitted line.**

Plot of Overall Spending Per Pupil by Percent Free and Reduced
Price Lunch (FRL) Students for LAUSD Elementary Schools in 2009-10
(463 Observations)

Per-Pupil Spending

Percentage of Students in Free and Reduced Lunch Program

Legend: ■ Expenditure per Pupil · Outlier Schools ── Fitted Line
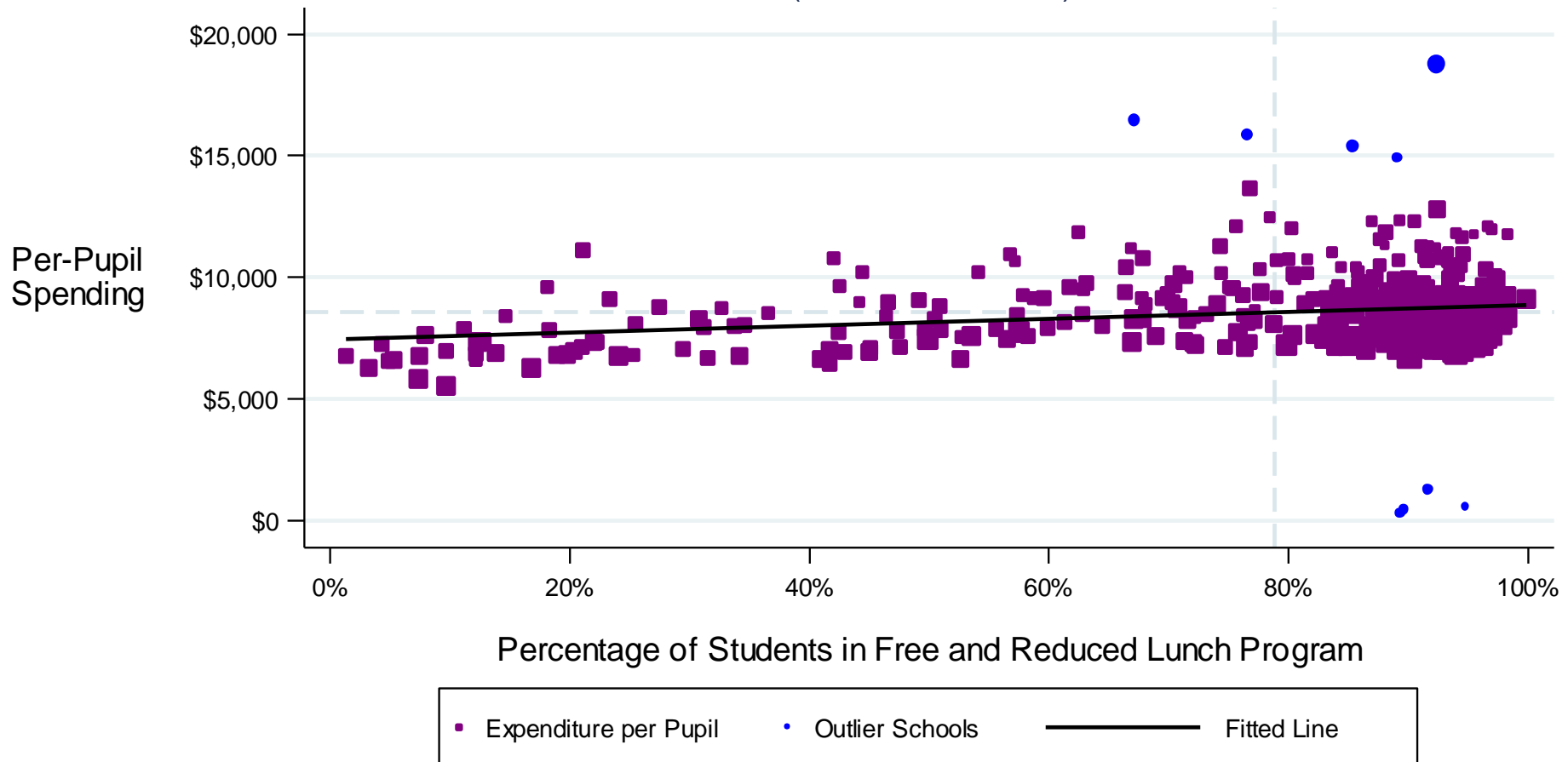
- **Slight negative relationship between unrestricted expenditures and poverty.**
- **Most variation around the fitted line is among the highest poverty schools.**

Plot of Unrestricted Spending Per Pupil by Percent Free and Reduced Price Lunch (FRL) Students for LAUSD Elementary Schools in 2009-10 (463 Observations)

Per-Pupil Spending

Percentage of Students in Free and Reduced Lunch Program

- Expenditure per Pupil   • Outlier Schools   —— Fitted Line
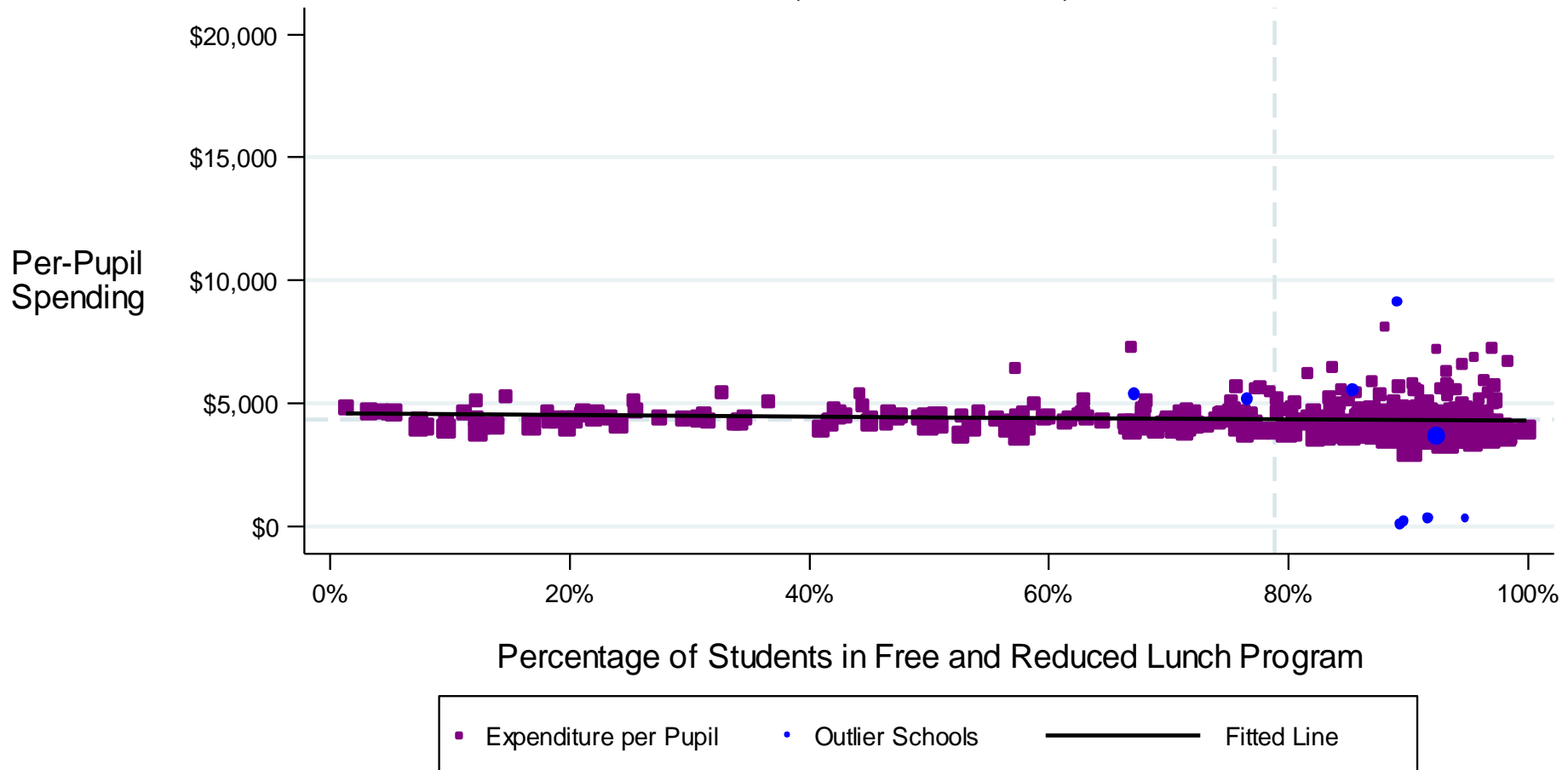
- **Positive relationship between restricted expenditures and poverty.**
- **Lots of variation in spending around the fitted line.**

Plot of Restricted Spending Per Pupil by Percent Free and Reduced Price Lunch (FRL) Students for LAUSD Elementary Schools in 2009-10 (463 Observations)
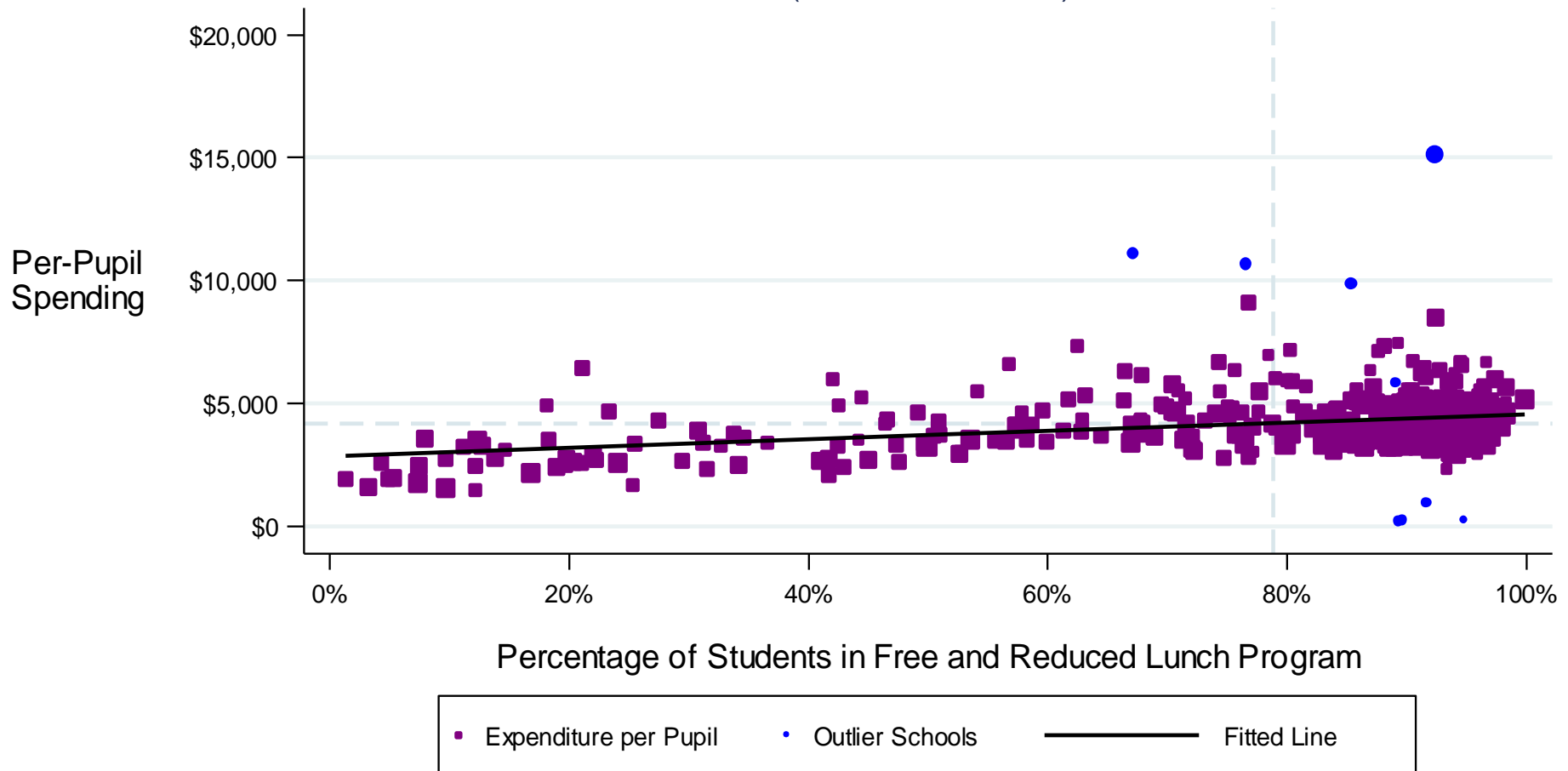
Overall spending-poverty relationship is driven by variations in restricted expenditures

Predicted Overall, Restricted, and Unrestricted Per-Pupil Expenditure Across Percent Free/Reduced Price Lunch for LAUSD Elementary Schools (2009-10)
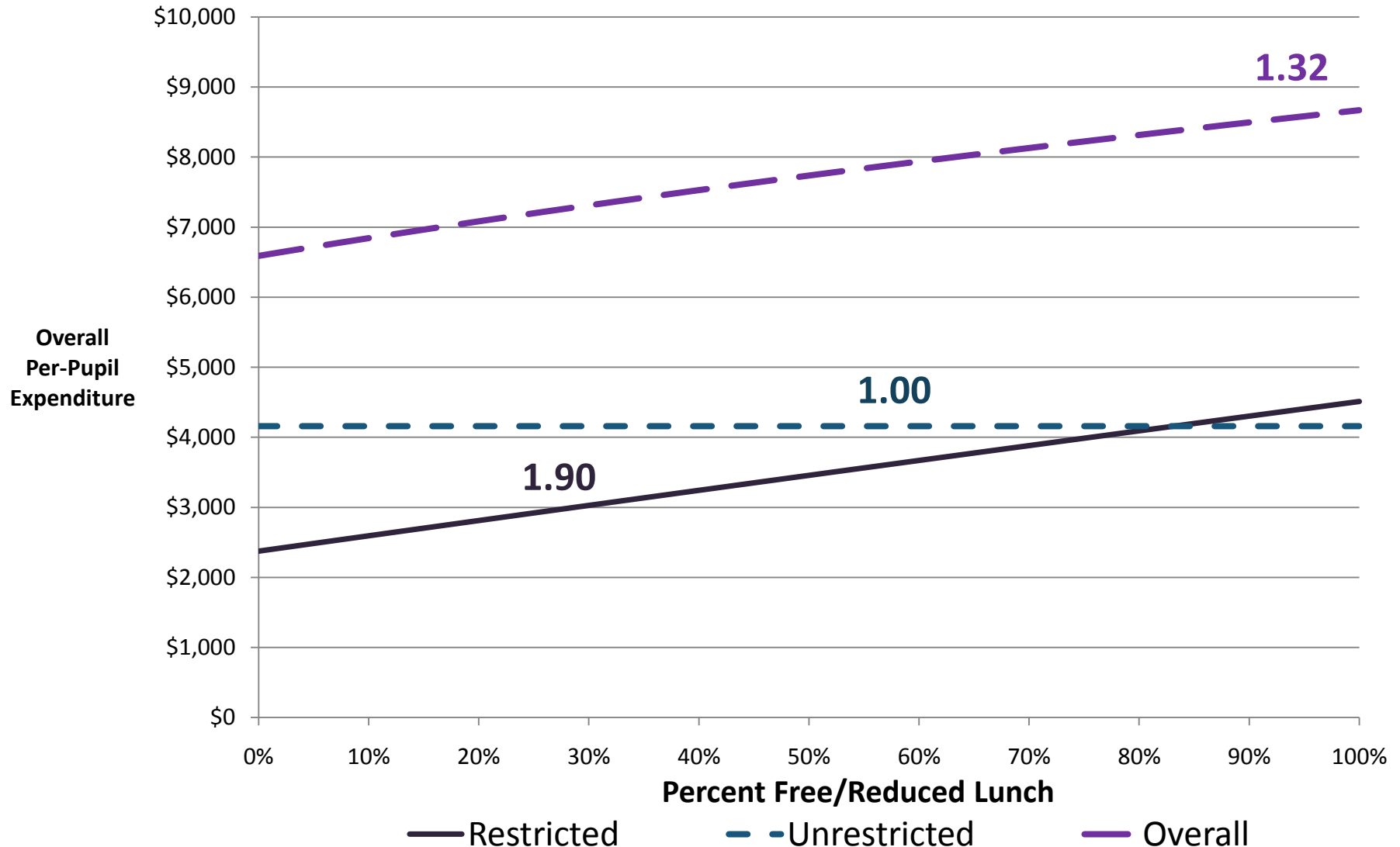
- **Economic crisis has resulted in substantial decline in spending.**
- **Spending-poverty relationship has become stronger over time.**

Predicted Overall Per-Pupil Expenditure Across Percent Free/Reduced Price Lunch for LAUSD Elementary Schools (2006-07 to 2009-10)

Year	Implicit Weights
2007	1.16
2008	1.20
2009	1.29
2010	1.32

Overall Per-Pupil Expenditure

Percent Free/Reduced Lunch

2007 — 2008 — 2009 — 2010
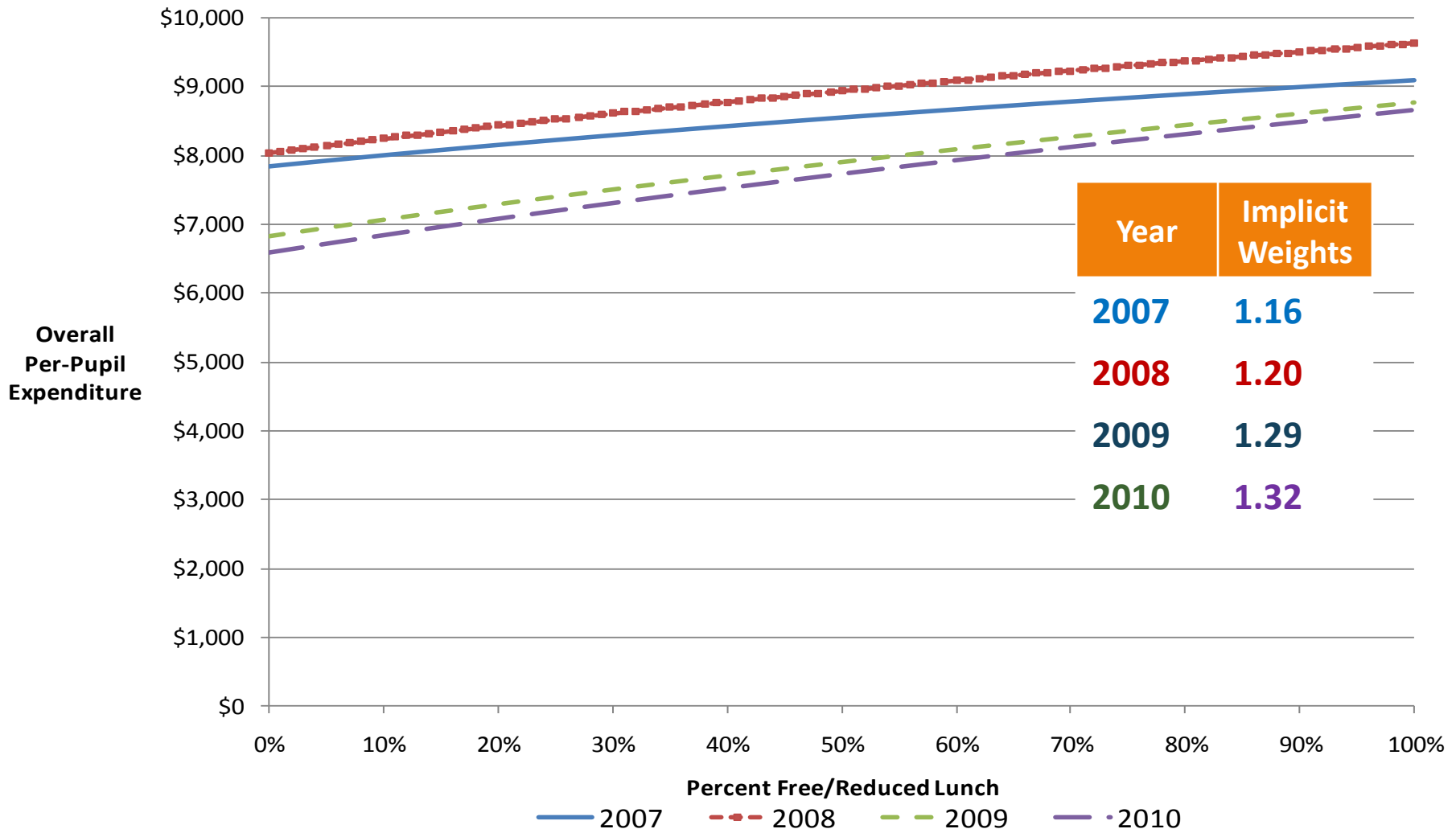
- **Almost no variation in unrestricted expenditures.**
- **Substantial differences in restricted funds.**

Average Overall Elementary School Per-Pupil Expenditures by Targeted Student Population Across Poverty Deciles in 2009-10 (Total Expenditures in Bold, 463 Observations)

Note: Per-pupil expenditures totaling less than $250 are not displayed.
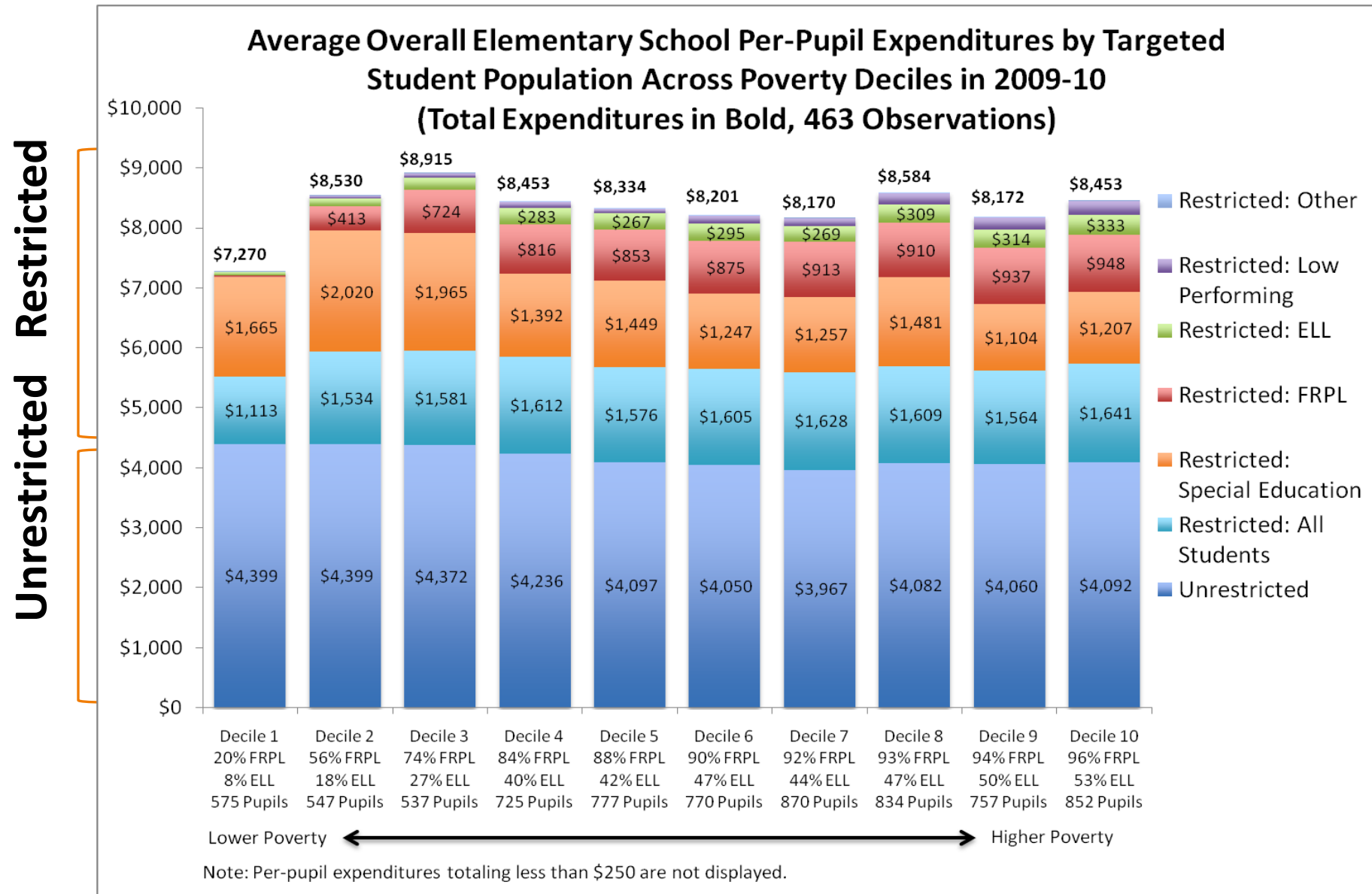
Introduction to Tools and Targeted Revenue Model

Overview of SSFR Tool Use Cycle

1- Targeted Revenue Model (TRM)

District determines services and dollars to place under school discretion and equitably distributes resources to schools based on pupil needs.

District modifies TRM based on review of DBOM reports

Projected school-level budget caps forwarded to PBAR

District establishes districtwide goals and provides accountability oversight and capacity building to schools

3 - District Budget and Outcomes Management (DBOM)

Reporting and monitoring based on current school spending and goal /budget data coupled with information on school outcomes

2 - Planning, Budgeting and Resource Allocation (PBAR)

Schools set goals, develop strategies and specify staff/materials to achieve goals, and link budgeted dollars to revenue sources.

Finalized school-level goals, strategies and budgets forwarded to DBOM

Targeted Revenue Model Agenda

- Benefits of the TRM

- Description of TRM Process

- Examples of TRM Output

Benefits of the TRM

- **Problem** – Existing methods of distributing resources inhibit <u>equity</u>, <u>efficiency</u> and <u>transparency</u>.
- **Solution** – SSFR provides new tools to help overcome these limitations:
  - **Equity** gained by providing a per-pupil mechanism for distributing *dollars* to schools based on student needs.
  - **Efficiency** increased by giving schools control over the means to success.
  - **Transparency** achieved through simple-to-use model to calculate dollars available to each school.
- **Timely** – In the current unprecedented fiscal crisis SSFR tools help districts be more thoughtful in administering limited available funding.

Targeted Revenue Model (TRM)

Model Inputs

Enrollments: School-level Counts Overall and by Pupil Need Subpopulations

Revenues: Federal, State and Local by General Purpose and Restricted Categories

Major District Decisions

1. Designate Status of Each Revenue Source (Lock, Unlock or School Grant)
2. Develop Foundation (Minimal Operational) Levels of Staff/Materials
3. Determine Level of School Discretion Over Revenues
4. Specify Allocations by Schooling-Level and Across Student Need Subpopulations

Model Outputs

1. Simple Model of Per-Pupil Dollar Adjustments by Student Need
2. Pupil-Need Funding Weights
3. School-Level Projected Budgets (Overall and by Revenue Source)
4. Comparison of Projected Budgets to Current and Minimum Operational Budgets (MOB)
5. Calculation of Budget Adjustments Necessary to Provide Schools With MOB

Example of TRM Per-Pupil Allocations

Resource Code	Resource Name	Per Pupil-Eligible Resources	Schooling-Level Allocations			Allocation Shares				Projected Total Dollars			
			Schooling Level	Schooling Level Allocation	School-Level Specific Amounts to Allocate	All	Poverty	EL	SE	All	Poverty	EL	SE
Unrestricted Resources													
0	Unrestricted	$107,147,298	Elementary	55.0%	$58,931,014	92.0%	8.0%	0.0%	0.0%	$54,216,533	$4,714,481	$0	$0
			Middle	15.0%	$16,072,095	92.0%	8.0%	0.0%	0.0%	$14,786,327	$1,285,768	$0	$0
			High	30.0%	$32,144,189	92.0%	8.0%	0.0%	0.0%	$29,572,654	$2,571,535	$0	$0
		$107,147,298			$107,147,298					$98,575,514	$8,571,784	$0	$0
											$107,147,298		

Schooling Level	Projected Per-Pupil Dollars			
	All	Poverty	EL	SE
Elementary	$3,513	$357	$0	$0
Middle	$3,440	$356	$0	$0
High	$4,159	$499	$0	$0

Divide Projected Dollars by Pupil Counts to Generate Per-Pupil Dollars

Examples of TRM Output

- Transparent Per-Pupil Allocation Matrix (Per-Pupil Dollars by Schooling Level and Need Category.

$ Per-Pupil by Std Type	All	Poverty	English Learner
Elementary Schools	$3,741	$1,129	$686
Middle Schools	$3,667	$1,132	$717
High Schools	$4,683	$1,602	$736

- Student Need Weights

Estimated Student Need Weights

Elementary: All 1.00, Poverty 1.30, English Learner 1.18
Middle: All 1.00, Poverty 1.31, English Learner 1.20
High: All 1.00, Poverty 1.34, English Learner 1.16

Legend: All (red), Poverty (blue), English Learner (green)
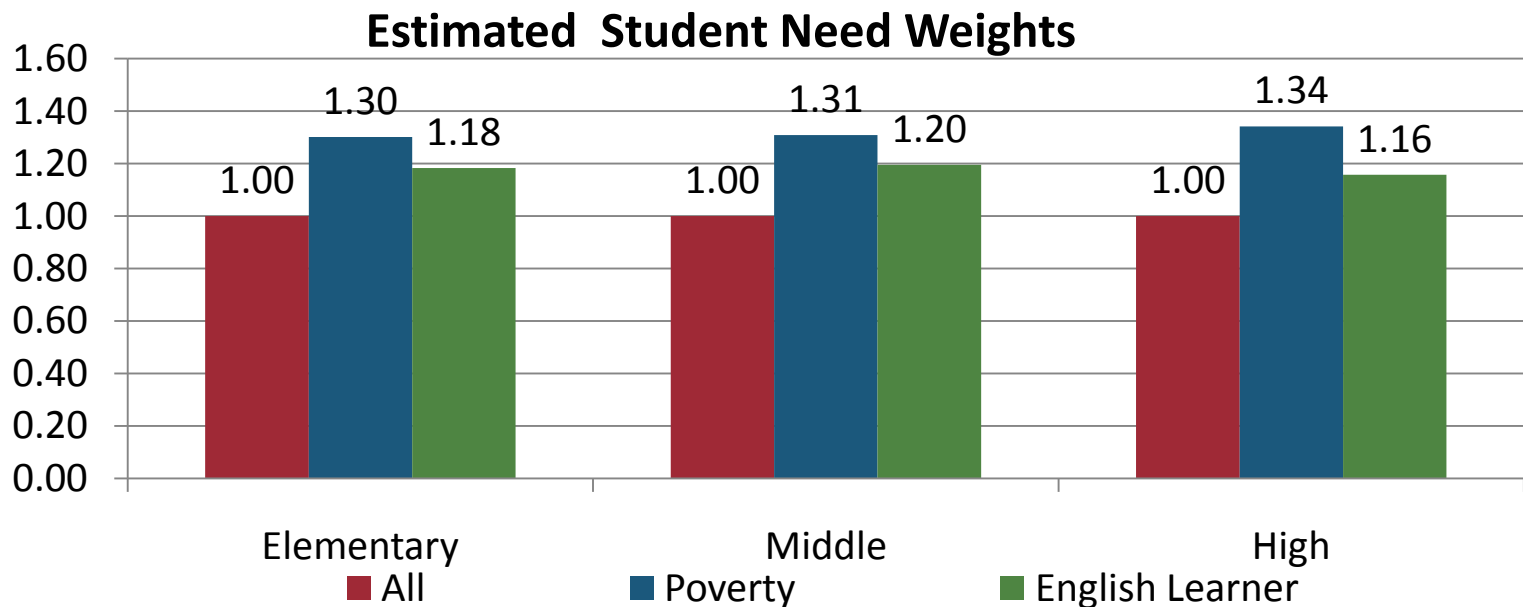
Planning, Budgeting and Resource Allocation (PBAR) Tool

Vital Questions PBAR Will Answer

BUDGET AUTONOMY – How are the dollars in my school budget spent?

DISTRICT SUPPORT – What support is necessary from the central office to develop my school's budget?

INSTRUCTIONAL AUTONOMY – How can controls over resources at the site level effect instruction?

EQUITY – Are funds equitably allocated to schools within our district?

TRANSPARENCY – Do site level administrators understand how resources (staff, funds, etc.) are allocated ?

Benefits of PBAR
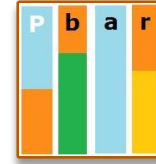
Engages and includes both school leaders and community stakeholders in decision-making process

Explicitly connects district/school goals, strategies and resources

Fosters more thoughtful and innovative school planning process

Provides transparent information for district to monitor progress and provide planning/capacity building support if needed

Feeds into a knowledge base of school plans/budgets and outcomes

Provides school leadership with greater control

Focuses on the needs and usability of the 'End-User'

What do I want to accomplish?

How will I accomplish it ?

How much does it cost to accomplish it?

Goals

Strategies

Costs

Priorities

Best Practice

10**0**1110**10**0101**0**10**1**01
0010**1**0111**0**0010110111
0**1**010**11**010110**0**11**011**

Resources

Most restrictive

Least restrictive
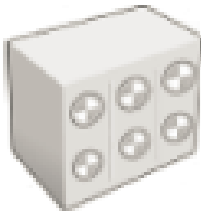
Current district system

What Educators Do	What the Tool Does
Assess last year	Compare benchmarked results against original goals
Set goals for this year	1. Align site goals with district/state/ hierarchical goals
Create strategies for achieving this years goals	2. Prioritize Strategies by urgent /important
Estimate the cost of each strategy	Link strategized costs with district budget and procurement system
Budget against Resources (funding streams)	Aligns budgeted items to existing financial systems *(proposed)*

Basic Information

Programs

Goals

Strategies

Costs

Resources

Budget

Reporting

Summary

Monitoring

Goal Tree Page

Basic Information

Programs

Goals

Strategies

Costs

Resources

Budget

Reporting

Summary

Monitoring

Goals are set and monitored from one screen
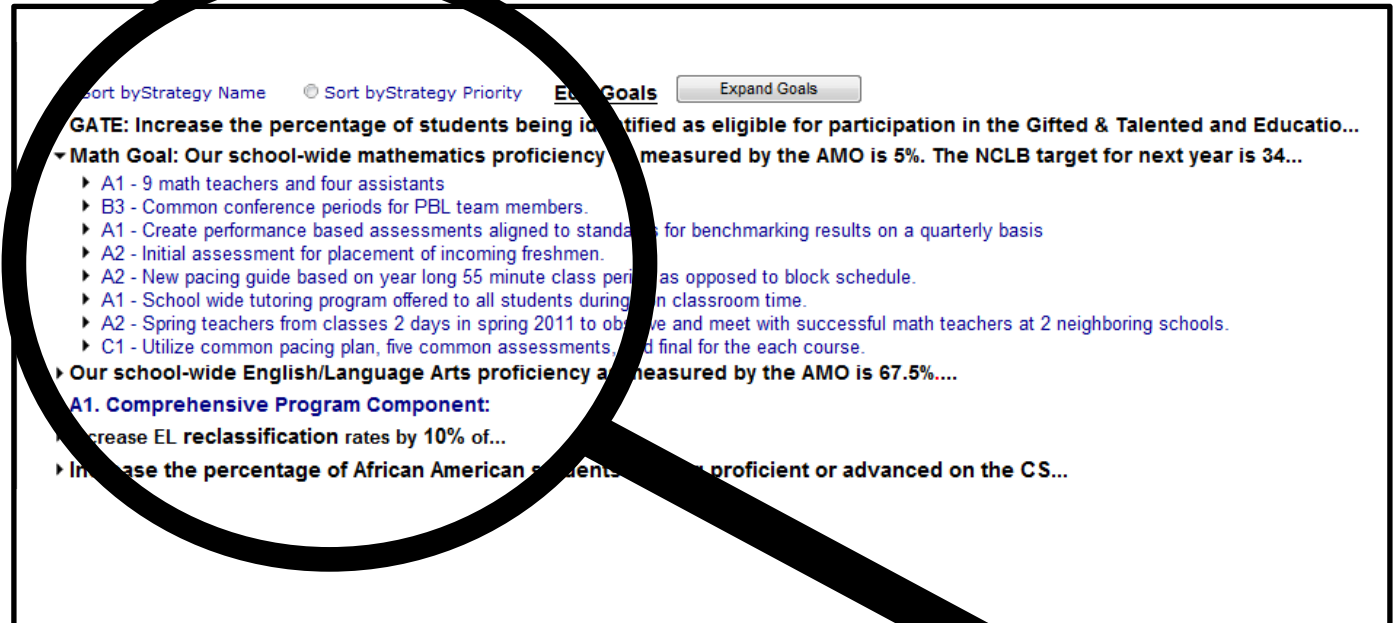
Sort byStrategy Name   ○ Sort byStrategy Priority   **Edit Goals**   [Expand Goals]

GATE: Increase the percentage of students being identified as eligible for participation in the Gifted & Talented and Educatio...

▼ **Math Goal: Our school-wide mathematics proficiency as measured by the AMO is 5%. The NCLB target for next year is 34...**

   ▶ A1 - 9 math teachers and four assistants
   ▶ B3 - Common conference periods for PBL team members.
   ▶ A1 - Create performance based assessments aligned to standards for benchmarking results on a quarterly basis
   ▶ A2 - Initial assessment for placement of incoming freshmen.
   ▶ A2 - New pacing guide based on year long 55 minute class periods as opposed to block schedule.
   ▶ A1 - School wide tutoring program offered to all students during in classroom time.
   ▶ A2 - Spring teachers from classes 2 days in spring 2011 to observe and meet with successful math teachers at 2 neighboring schools.
   ▶ C1 - Utilize common pacing plan, five common assessments, and final for the each course.

▶ **Our school-wide English/Language Arts proficiency as measured by the AMO is 67.5%....**

A1. Comprehensive Program Component:

Increase EL **reclassification** rates by **10%** of...

▶ Increase the percentage of African American students proficient or advanced on the CS...

Basic Information

Programs

Goals

Strategies

Costs

Resources

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Summary

Monitoring

Strategies are tied to goals and aligned to priorities

Basic Information

Programs

Goals

Strategies

Costs

Resources

Budget

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Summary

Monitoring

Costs are separated into '**Staff** and Stuff'

Basic Information

Programs

Goals

Strategies

Costs

Resources

Budget

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Costs are separated into 'Staff and **Stuff**'

Basic Information

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Summary

Monitoring

Resources are sorted from most restrictive to least restrictive

Resources for Site Plan: Levin 10-11

	Header	Resource Name	Description	Sort Order	Funding Agent	Amount	
⊘	QEIA	Quality Education Investment Act (QEIA)	Quality Education Investment Act (QEIA)	2	District	$322,986.00	✂
⊘	SGC	School Governance Council (SGC)	School Governance Council (SGC)	3	District	$54,476.00	✂
⊘	Title III	Title III English Language Acquisition, Language E	Title III English Language Acquisition, Language Enhancement, and Academic Achievement	4	District	$456,672.00	✂
⊘	(EIA-LEP)	English Learners Programs (EIA-LEP)	English Learners Programs (EIA-LEP)	4	Federal	$88,740.00	✂
⊘	Title I	Title I	Title I Targeted Assistance School (TAS)	1	District	$348,885.00	✂
⊘	GF Unrestr	Middle School Per Pupil	Allocation (Rate x Enrollment x Att Rate) - Adjustments = Total School Allocation Revenue Rate = $3,694 Enrollment = 1,206 Att Rate = 91.61% Cost Center Allocation = $4,081,193 Adjustments Rate = $367.96 Enrollment = 1,206 Adjustments = $406,529 $4,081,193 - $406,529 = $4,487,721	5	Federal	$4,487,721.00	✂
+					District ▾		

Basic Information

Programs

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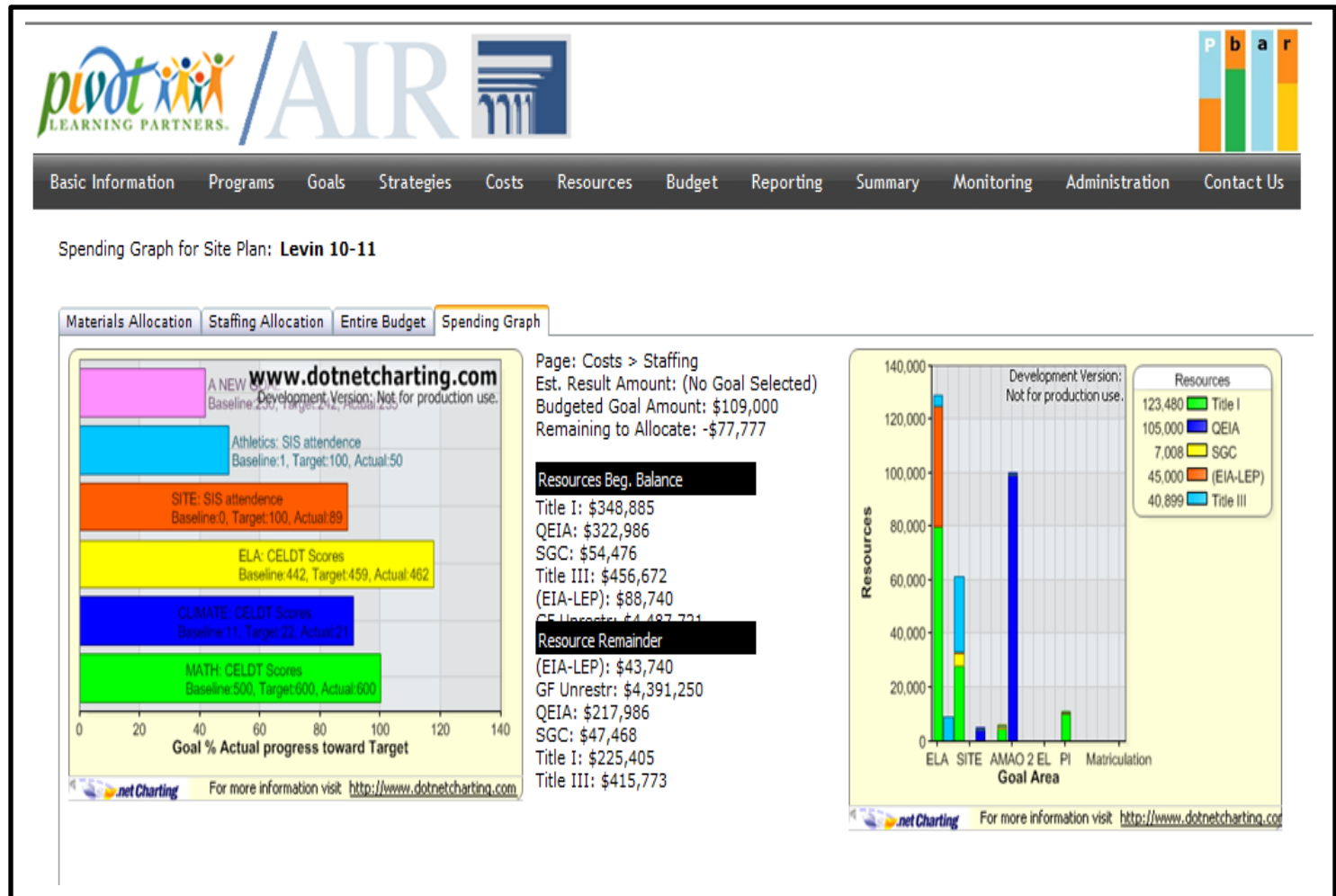Monitoring

Basic Information

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Next Steps and Discussion

- Develop "Industrial" Version of TRM
- Complete Development of PBAR
- Build District Budget and Outcomes Management (DBOM) Tool
- Interface Tools With District Information Systems
  - Student Demographics
  - Student Assessment/Outcomes
  - Fiscal/Payroll Data
  - Other Existing Data and Reporting Systems
- Seek Opportunities to Apply Tools in New Districts

Thank You!

www.schoolfundingforresults.org

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- Jesse Levin – jlevin@air.org
- Jim Hollis – Jhollis@pivotlearningpartners.org
- Iliana Brodziak – ibrodziak@air.org
- Karen Manship – kmanship@air.org

QUESTIONS?