EDUNOMICS LAB The Study of Education Finance

AT GEORGETOWN UNIVERSITY

LEVERAGING RESOURCES TO DO THE MOST FOR STUDENTS: THE VIEW FROM THE STATE

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Key finance opportunities for states:

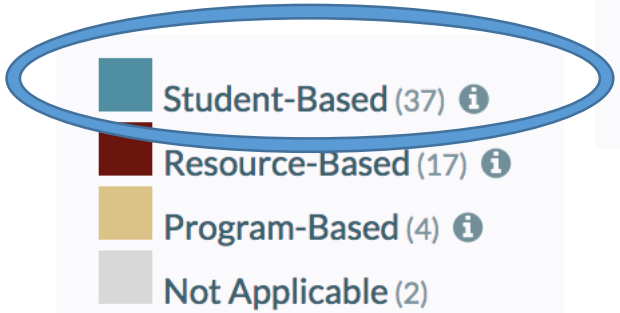
1. Deliver funding via an equitable formula driven by students and student types/needs (that stands the test of time).
2. Prioritize flexibility.
3. Ensure access to productivity data: Build an information system that benchmarks spending and outcomes by school and share successes.
4. Develop financial skills of district leaders and school communities.
5. Tackle long-term cost obligations and ensure sustainable revenue structure.

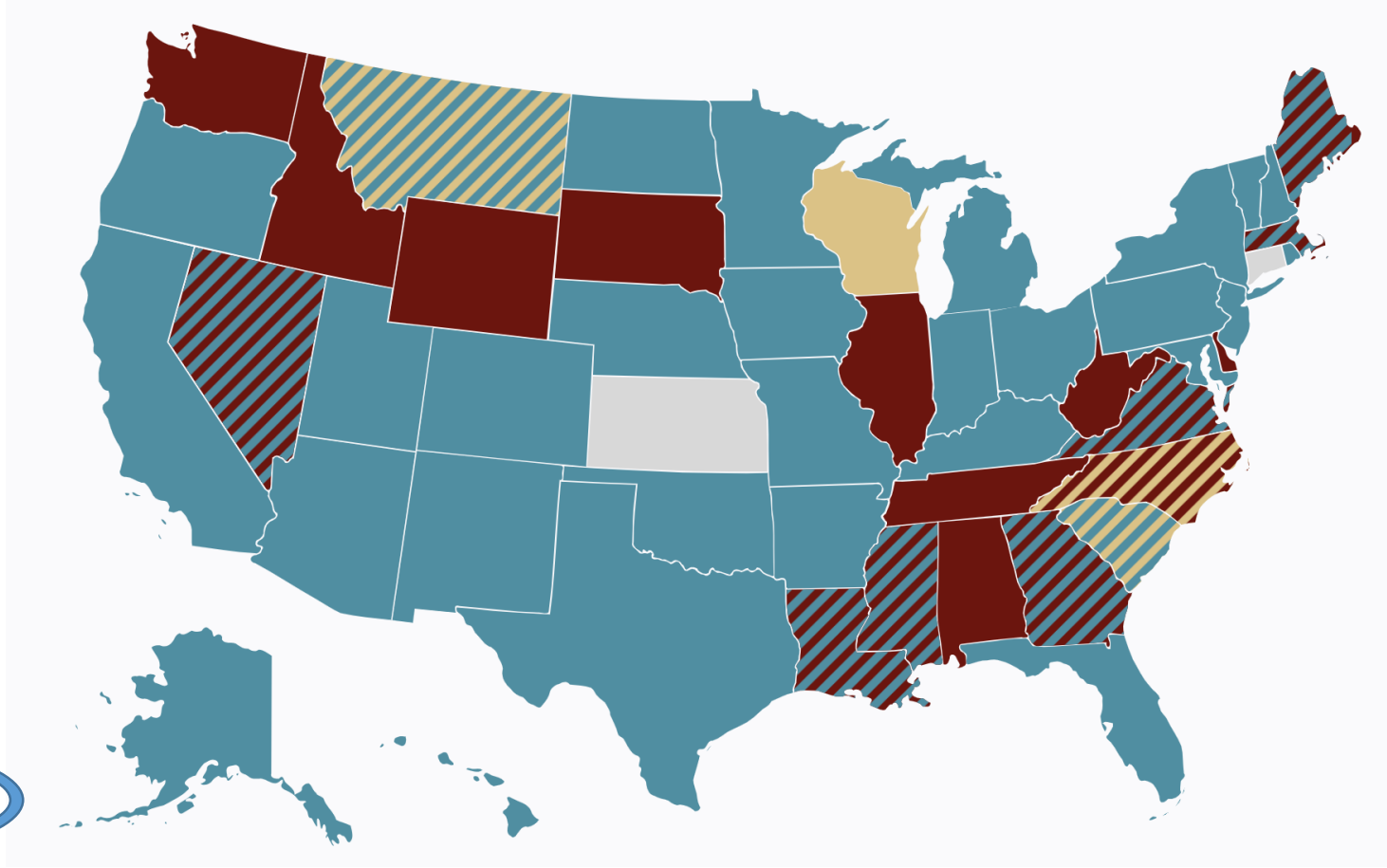
For more information: https://edunomicslab.org/wp-content/uploads/2014/04/SEA_of_the_Future_Vol-2_Prioritizing_Productivity-11-2013.pdf

1. Deliver funding via an equitable formula driven by students and student types/needs

Student Based Allocation

- Formula is based on counts of students or student types.
- Some states use weights for various student types.
- Majority of state use this approach, similar to UPSFF, but also have funding outside the formula => In effect, most are actually operating as a hybrid

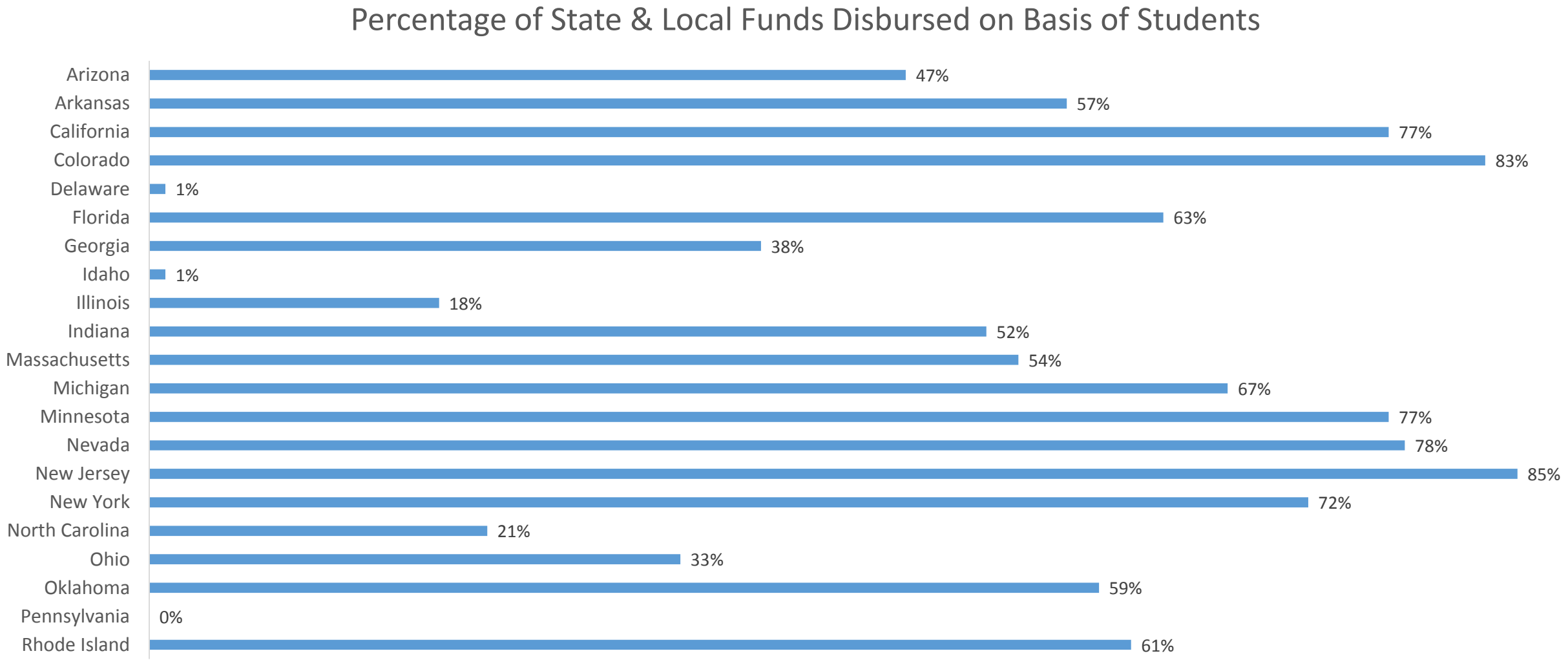




http://funded.edbuild.org/national#formula-type

Key Decision: What portion of total funds are in the formula?

DC apportions some $ outside its student formula. For instance, apportions for SpEd Transp., Charter School Board, etc. are outside the student-based formula.



https://edunomicslab.org/wp-content/uploads/2014/05/chap2_SEAF3_Miller_Roza_Simburg.pdf **Additional state analysis by Edunomics Lab**

Key Decision: What should the weights be?

- No empirical method to determine “the right” weight.

- Can explore evidence of performance of each group to assess which student groups need relatively more resources.

  Ex. If English Learner secondary student performance is weak across all school types, a state might consider adding/raising the weight for this student type

State formulas differ in base and type/level of weights

Note of caution when comparing amounts/ weights across state and district formulas:

- State formulas deliver funds to LEAs (with goal of broad equity, flexibility).
- LEA's tend to use more nuanced WSF formulas (in concert with central programs) to meet the needs of their students in their schools taking into account their context and spending history

Category	UPSFF (FY19)	CA LCFF (FY18)
Base	$10,658	$7,301
Grade level	Preschool: 1.34 Pre-K & K: 1.30 Grades 1-5: 1.00 Grades 6-8: 1.08 Grades 9-12: 1.22	Grades K-3: 1.03 Grades 4-6: 1.00 Grades 7-8: 1.03 Grades 9-12: 1.22
Special Education	Range: .97-3.49	N/A
ELL	.49	.20
At-Risk/ Poverty	.224	.20
Foster Youth	N/A	.20

LEA formulas tend to differ in complexity from state formulas

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Boston Public Schools FY19 Weighted Student Funding Budget Template

BOSTON Public Schools Focus on Children

BPS School Code	All WSF Schools
School Name	All WSF Schools

Budget Summary	FY18 Allocation	FY19 Allocation	Difference	% Difference
WSF School Allocation	$ 483,329,094	$ 516,712,644	$ 33,383,550	6.9%
Projected Enrollment	56,498	56,199	(299)	-0.5%
School level average rate per pupil	$ 8,554.80	$ 9,194.34	$ 639.54	7.5%
Base Per Pupil	$ 4,100.00	$ 4,291.00	$ 191.00	4.7%

Category	FY18 Projected Enrollment	FY19 Projected Enrollment	Variance	FY18 Weight	FY18 Per Pupil Rate	FY19 Weight	FY19 Per Pupil Rate	FY18 Amount	FY19 Amount	Budget Variance
Total Enrollment by Grade Level (All Students)										
K0 - K1	3,429	3,507	78	1.80	$ 7,380	1.80	$ 7,724	$ 25,306,020	$ 27,087,367	$ 1,781,347
K2	4,244	4,286	42	1.60	$ 6,560	1.60	$ 6,866	$ 27,840,640	$ 29,425,962	$ 1,585,322
1 - 2	8,426	8,278	(148)	1.40	$ 5,740	1.40	$ 6,007	$ 48,365,240	$ 49,729,257	$ 1,364,017
3 - 5	12,663	12,474	(189)	1.30	$ 5,330	1.30	$ 5,578	$ 67,493,790	$ 69,583,714	$ 2,089,924
6 - 8	10,885	11,125	240	1.40	$ 5,740	1.40	$ 6,007	$ 62,479,900	$ 66,832,325	$ 4,352,425
9 - 12	16,851	16,529	(322)	1.30	$ 5,330	1.30	$ 5,578	$ 89,815,830	$ 92,203,721	$ 2,387,891
Students with Disabilities										
Low Severity (resource room)	3,124	2,130	(994)	1.00	$ 4,100	1.00	$ 4,291	$ 12,808,400	$ 9,139,830	$ (3,668,570)
Moderate Severity (resource room)	1,493	1,594	101	1.40	$ 5,740	1.40	$ 6,007	$ 8,569,820	$ 9,575,796	$ 1,005,976
High Severity (full inclusion or substantially separate)										
Autism	1,099	1,237	138	3.90	$ 15,990	3.90	$ 16,735	$ 17,573,010	$ 20,701,071	$ 3,128,061
Developmental Delay	18	17	(1)	6.70	$ 27,470	6.70	$ 28,750	$ 494,460	$ 488,745	$ (5,715)
Early Childhood (Ages 3-4)	586	549	(37)	2.50	$ 10,250	2.50	$ 10,728	$ 6,006,500	$ 5,889,398	$ (117,103)
Early Childhood (Ages 5-6)	423	438	15	1.90	$ 7,790	1.90	$ 8,153	$ 3,295,170	$ 3,570,970	$ 275,800
Emotional Impairment (Elementary)	379	402	23	2.70	$ 11,070	2.70	$ 11,586	$ 4,195,530	$ 4,657,451	$ 461,921
Emotional Impairment (Middle and High School)	556	557	1	2.70	$ 11,070	2.70	$ 11,586	$ 6,154,920	$ 6,453,235	$ 298,315
Full Inclusion - High Complexity	317	310	(7)	4.30	$ 17,630	4.30	$ 18,451	$ 5,588,710	$ 5,719,903	$ 131,193
Inclusion - Unknown Disability	459	447	(12)	3.00	$ 12,300	3.00	$ 12,873	$ 5,645,700	$ 5,754,231	$ 108,531
Intellectual Impairment	998	900	(98)	2.00	$ 8,200	2.00	$ 8,582	$ 8,183,600	$ 7,723,800	$ (459,800)
Multiple Disabilities	131	133	2	4.80	$ 19,680	4.80	$ 20,597	$ 2,578,080	$ 2,739,374	$ 161,294
Physical Impairment	63	60	(3)	4.30	$ 17,630	4.30	$ 18,451	$ 1,110,690	$ 1,107,078	$ (3,612)
Sensory Impairment: Vision	5	4	(1)	3.00	$ 12,300	3.00	$ 12,873	$ 61,500	$ 51,492	$ (10,008)
Specific Learning Disability	1,359	1,375	16	2.00	$ 8,200	2.00	$ 8,582	$ 11,143,800	$ 11,800,250	$ 656,450
English Language Learners										
K0 - 5 ELD Levels 1-3	5,957	6,756	799	0.24	$ 984	0.24	$ 1,030	$ 5,861,688	$ 6,957,599	$ 1,095,911
6 - 8 ELD Levels 1-3	1,090	1,389	299	0.51	$ 2,091	0.51	$ 2,188	$ 2,279,190	$ 3,039,701	$ 760,511
9 - 12 ELD Levels 1-3	1,935	2,401	466	0.61	$ 2,501	0.61	$ 2,618	$ 4,839,435	$ 6,284,642	$ 1,445,207
All Grades ELD Levels 4-5	7,170	7,536	366	0.02	$ 82	0.02	$ 86	$ 587,940	$ 646,740	$ 58,800
Students Limited or Interrupted Formal Education (SLIFE)										
Grades 3 - 5 SLIFE	114	172	58	0.50	$ 2,050	0.50	$ 2,146	$ 233,700	$ 369,026	$ 135,326
Grades 6 - 8 SLIFE	99	129	30	0.84	$ 3,444	0.84	$ 3,604	$ 340,956	$ 464,973	$ 124,017
Grades 9 - 12 SLIFE	93	124	31	0.94	$ 3,854	0.94	$ 4,034	$ 358,422	$ 500,159	$ 141,737
High Risk Students										
9th Grade	1,961	1,857	(104)	0.20	$ 820	0.20	$ 858	$ 1,608,022	$ 1,593,480	$ (14,542)
10th Grade	2,039	1,691	(348)	0.05	$ 205	0.05	$ 215	$ 417,906	$ 362,725	$ (55,181)
Opportunity Index Score		0.50								
High Need - OI		45,283	45,283					$ -	$ 3,008,626	$ 3,008,626
High Need - OI Concentration (Partnerships in FY19)		23,434	23,434					$ -	$ 5,554,584	$ 5,554,584
Economic Disadvantage										
% of students in poverty	69.82%	70.01%								
Projected number of students in poverty	39,448	39,346	(102)	0.10	$ 410	0.10	$ 429	$ 16,173,545	$ 16,883,199	$ 709,655
# of students above the threshold for concentration of poverty	12,380	12,316	(64)	0.10	$ 410	0.10	$ 429	$ 5,075,664	$ 5,284,865	$ 209,200
Projected number of students experiencing homelessness		3,161	3161			0.10	$ 429	$ -	$ 1,356,385	$ 1,356,385
# of students above the threshold for concentration of homelessness		1,022	1022			0.10	$ 429	$ -	$ 438,519	$ 438,519

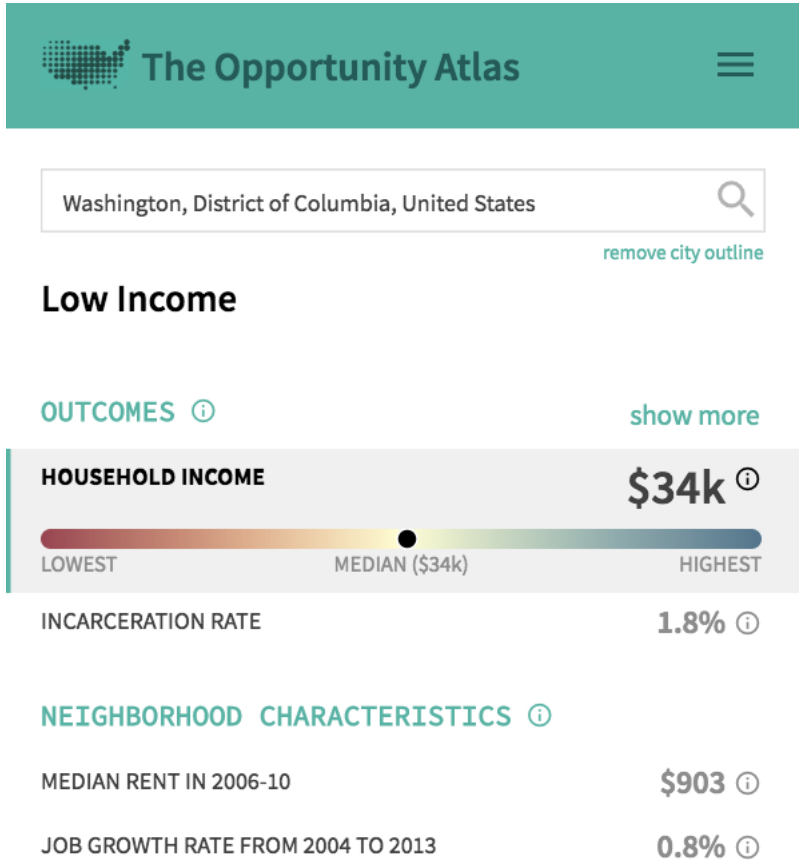
Key Decision: Should weights be additive?

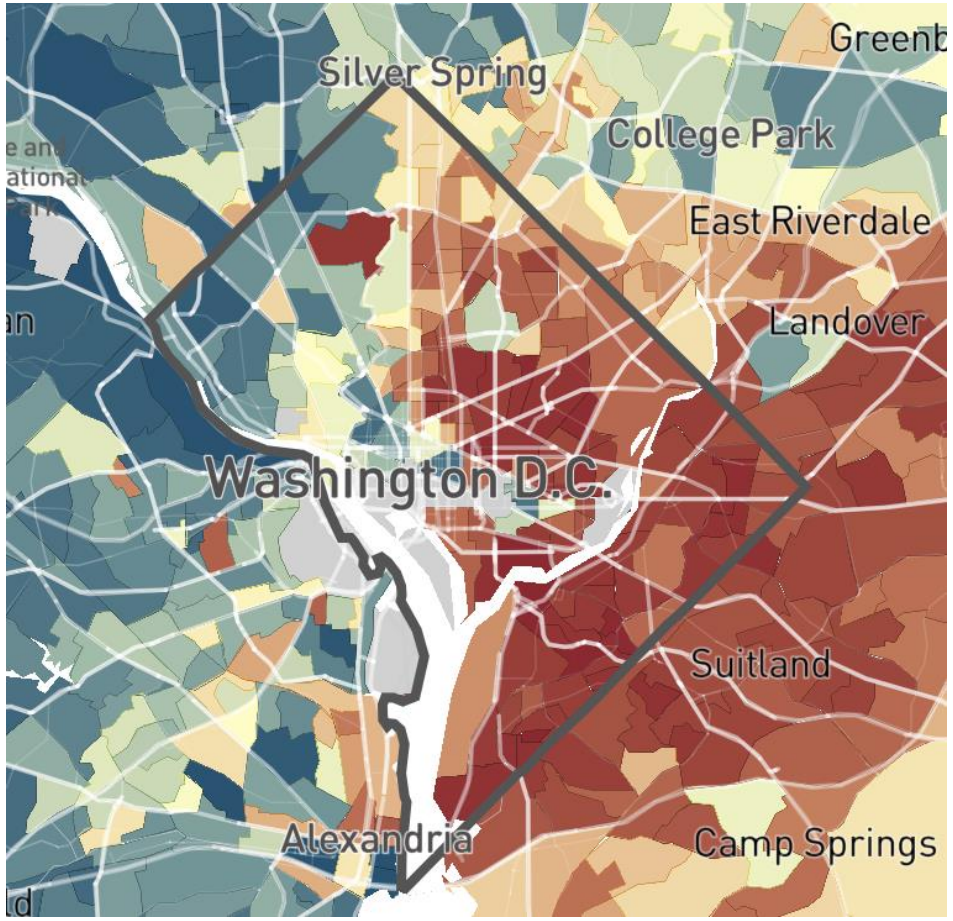
- Usually they are
- In CA, weights are not additive

Key Decision: Does ‘at-risk’ funding target students most in need of additional support?

- Measuring poverty is challenging, but should be considered
- Some districts use attendance gaps, courses failed, prior year performance, etc. to measure “at risk” (fewer states use measures of “at-risk” in formulas)
- Best place to start: see how current definition stacks up to performance
- New measures emerging

New measures emerging, such as the Opportunity Atlas - measuring average outcomes of adults by neighborhood in which they grew up





https://www.opportunityatlas.org/

Key Decision: How to measure need in ELL weights?

States vary in how they structure ELL weights:

- Standard weight for all students regardless of level.
- Vary the weight dependent on student proficiency (six states do this).
- Higher weight corresponding to ELL concentrations within districts.
- Combination of any of the above.

Key Decision: How to structure weights for SpEd?

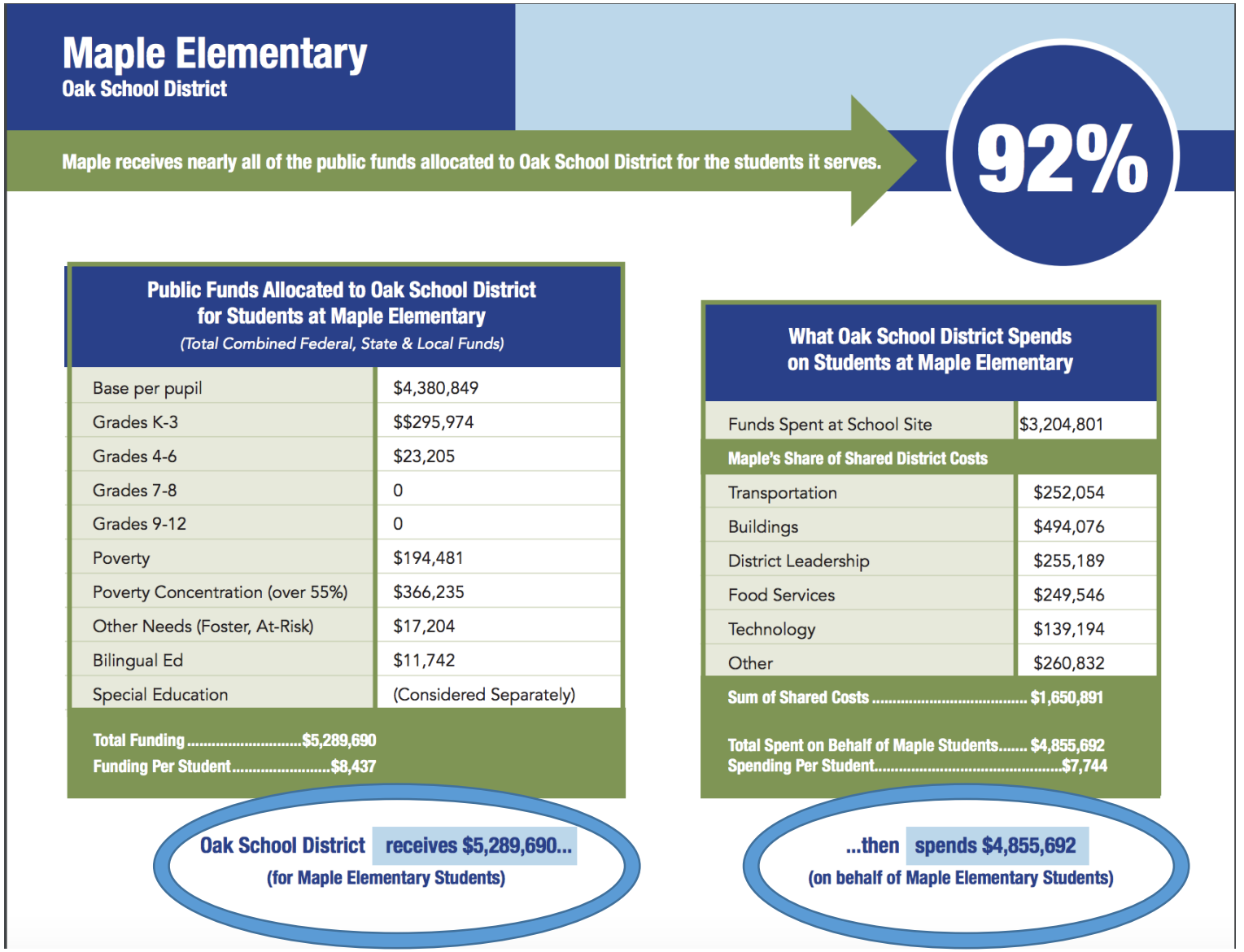
- Some weight the type of disability (e.g. autism, hearing impaired),(e.g. OK)
- Others define level of need corresponding to rough costs (levels 1-4) (e.g. PA).
- Treatment of highest costs students sometimes is done by reimbursement.

Oklahoma

Primary/Secondary Disability	Weight	Primary/Secondary Disability	Weight
3-Hearing Impairment (HI)	2.90	11-Deaf-Blindness (DB)	3.80
5-Speech/Language Impairment (SLI)	0.05	12-Multiple Handicapped (MH)	2.40
6-Vision Impaired (VI)	3.80	13-Autism (AU)	2.40
7-Emotional Disturbance (ED)	2.50	14-Traumatic Brain Injury (TBI)	3.80
8-Orthopedic Impairment (OI)	1.20	15-Development Delay	Suspected Disability
9-Other Health Impairment (OHI)	1.20	16-Intellectual Disability (ID)	1.30
10-Specific Learning Disability (SLD)	0.40	Special Education Summer Program	1.20

Key Decision: should the state require that funds delivered on behalf of student types be passed along in same portion by the district to the school?

New school-by-school spending data will enable understanding of whether or not the schools with students who generate revenue via UPSFF actually receive those funds at the school level.

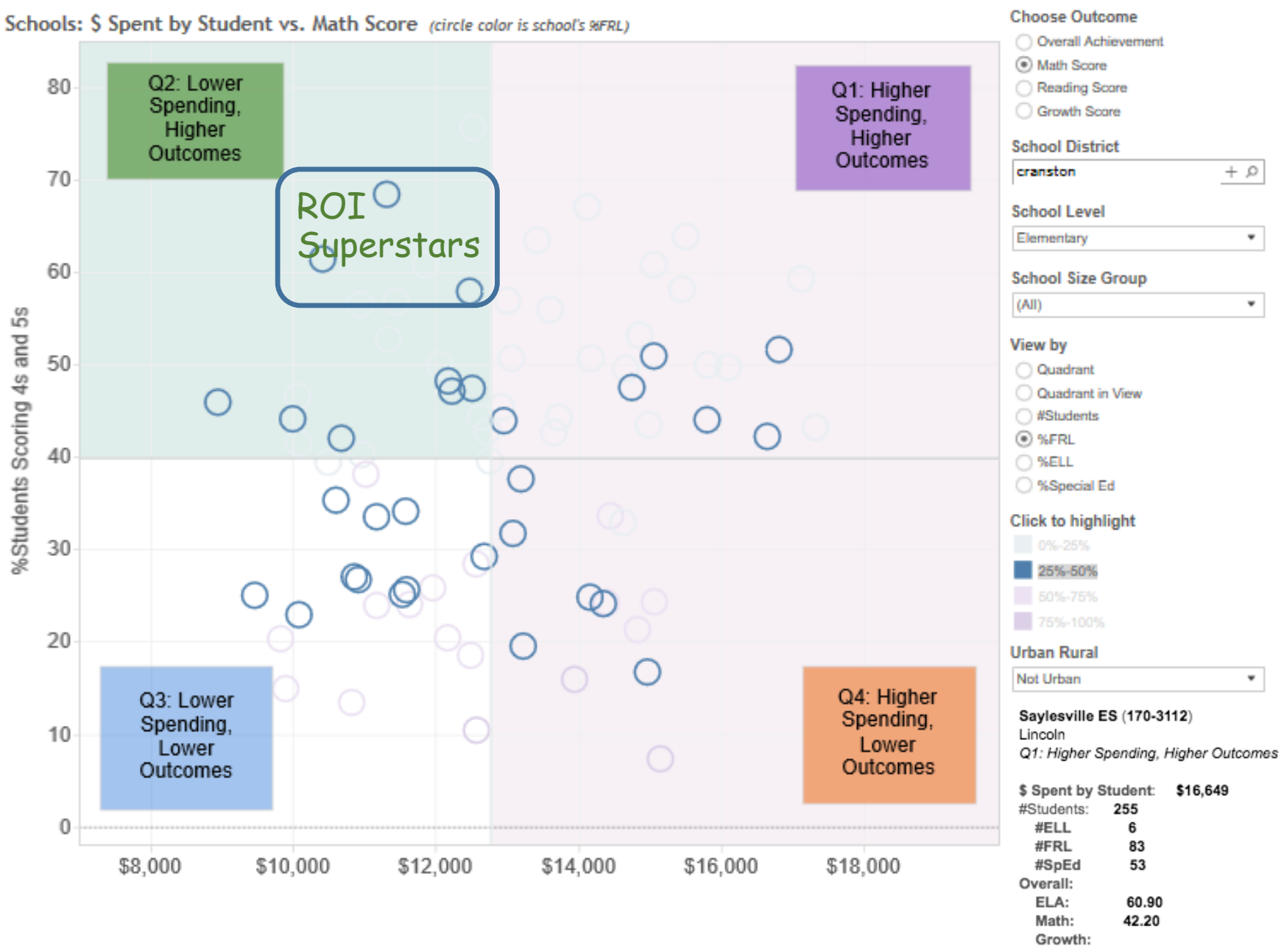


3. Ensure access to productivity data. Build an info system that compares spending and outcomes

--Goal is to drive continuous improvement.

--Train leaders to benchmark progress.

--Celebrate successes



4. Develop financial skills of district leaders and school communities

- School leader management skills explain significant portion of variation in student performance.[1]
- Most school/district leaders have little access to training in financial leadership.[2]
- Principals are eager to engage more on financial decisions. They believe doing so will better support their staff and students. [3]
- Teachers and the public trust financial information that comes from principals.[3]

1. Bloom, N., Lemos, R., Sadun, R., & Van Reenen, J. (2014). Does Management Matter in Schools. Economic Journal, Royal Economic Society, vol. 0(584), pages 647-674, 05. Retrieved from https://www.nber.org/papers/w20667
2. Roza, M. (2018). Equipping School Leaders to Spend Wisely. National Association of State Boards of Education, Journal: The Standard, September 2018. Retreived from http://www.nasbe.org/wp-content/uploads/2018/09/Roza_September-2018-Standard.pdf.
3. Research findings presented by Edge Research and HCM.

Thank you!
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