ESSA Fiscal Transparency: Whats and Whys of Per Pupil Funding & the New Reporting Requirement

December 5, 2017
2:00pm – 3:00pm ET
Logistics:

- Access the audio for today’s webinar either via your computer or phone.

1. Call in to the event:
   1-650-479-3208 (Call-in toll number (US/Canada))

2. Enter the access code:
   660 674 3208

3. Enter your attendee ID number
Jonathan Travers, Partner

**Education Resource Strategies (ERS)** is a non-profit organization dedicated to transforming how urban school systems organize resources—people, time, and money—so that every school succeeds for every student. Since 2004, we have worked hand-in-hand with the leaders of over 30 urban school systems and several states on topics such as funding equity, budget development, central office support, teacher compensation and career path, and strategic school design.

Ary Amerikaner, Director of Resource Equity

**The Education Trust** is a national non-profit advocacy organization that promotes high academic achievement for all students at all levels, particularly for students of color and low-income students. We use data analysis, policy proposals, partnerships with state advocates, and proven strategies to improve the educational outcomes of our nation’s youth. We aim to expose – and eliminate – the gaps in opportunity by race and income that have led to enormous gaps in educational achievement, pre-K through college.
Today’s Objectives

Our Goal for Today
Identify and understand the “success factors” that will better enable us (district leaders) make this requirement have a positive impact for our districts

Three Critical Steps

- Accurate Calculations
- User Friendly Reporting / Communicating
- Using the Data
ESSA requires the public reporting of $/pupil at the school level.

Why *might* this be a good idea for your district?

1. We (district leaders) don’t currently have our arms around how much we spend by school, and having to report it publicly will help us be more deliberate about this.

2. We have our arms around this and creating more transparency will help us garner political support for make changes in *spending levels* across schools (that we’re not able to make right now).

3. We have our arms around this and creating more transparency will help us garner political support for make changes in the *ways in which funds are being used* across schools (that we’re not able to make right now).

4. Something else? (Please explain in the “Chat” function)

5. Under no circumstance is this a good idea for our district 😞 (Please explain in the “Chat” function)

Use the Survey to provide your answer; Chat explanations as appropriate
Per-pupil Expenditure Reporting in ESSA

- State and district report cards must annually include per-pupil expenditures of Federal, State, and local funds, disaggregated by source of funds.
- Must include actual personnel and non-personnel expenditures.
- Must be reported for the LEA as a whole and for each school.
- Must be reported for the previous fiscal year.

*ESEA section 1111(h)(1)(C)(x), (h)(2)(C)*
Reporting Timeline

2017-2018 Report Cards *(likely published fall/winter of 2018)*

- Report per pupil expenditures from the preceding fiscal year (e.g. the fiscal year covering the 2017-2018 school year); *or*
- 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.

2018-2019 Report Cards *(likely published fall/winter of 2019)*

- Report per pupil expenditures from the preceding fiscal year (e.g. the fiscal year covering the 2018-2019 school year)

So Where Are We Right Now?

- Most SEAs are “in process” – they are developing their methodology, and this work is generally led by the SEA’s finance or IT departments

- Most appear to be opting to delay reporting the data until 2018-2019 report cards
What does this mean for district leaders?

- Data collection takes a substantial amount of time for your staff.

- This effort could be extremely helpful if done well – or a huge waste of time if done badly.

- You have 3 critical roles right now:
  - Prompt / prod / ensure the State gets their part right
  - Get prepared to talk about these data with your stakeholders
  - Get prepared to use these data to improve your schools

- We are going to give you some questions for your SEA and some actions you can take now to get prepared.
Question 1 for the SEA: Will there be statewide business rules?

- Why have statewide rules?
  *(Much like with any statewide collection.* . . *)

  ✓ **Consistency:** Statewide business rules ensure consistency across districts so that public data are not “apples – to – oranges.” This is critical if the data are going to allow you to learn from one another, and allow advocates, researchers, and the media to tell accurate stories.

  ✓ **Efficiency:** Avoids the inefficiency of every district spending time on the same questions about which kinds of spending to include, how to treat central office expenditures, how to count pupils, etc.
There are good reasons to have statewide rules, but it is important that district voices are involved in developing those rules so that you can ensure that:

- The rules make sense for your district;
- The rules will allow you to use the data in meaningful ways (see later slides);
- You understand and can explain the data to your stakeholders when they are publicly reported.
Critical Success Factor #2: User Friendly Reporting / Communicating

Question 3 for the SEA: What will the data look like to the public?

- The SEA will be making critical decisions soon about the layout of the report cards and what interactive features the online version will include.

- Done badly, your local reporters and parents may simply see a list of schools, each with a dollar figure next to them.

- Done well, the data would be part of a more holistic story about the school, including student demographic and achievement data that might help to explain spending patterns.
Getting Prepared to Talk About These Data

- Do you know how much money is actually spent on each school in your district? (Using actual salaries, not district averages!)

- If so, get those numbers out and take a look.

- If not, you have a little time to get “ahead” of the public reporting – take the time to figure it out – and try to use whatever business rules the State may require you to use, so that you have a sense of what story the numbers will tell about your district.

- What questions do you think local reporters and parents will ask you when school level spending data are made public?

ERS School Level Reporting Self-Assessment & Diagnostic Tool
Critical Success Factor #2: User Friendly Reporting / Communicating

Getting Prepared to Talk About These Data

- Why is my child’s school getting less per pupil?
- Why are all the schools on the east side of town getting less?
- Why are all the high schools getting more?
- Why are all the schools serving more students living in poverty getting less? (or getting more, if that’s the case)
- Why are our schools getting less than schools in the next district over?
- What are you buying with the money?
- How are the dollars leading to – or not leading to – student achievement?
- What’s the budget process that leads to these spending numbers? How can I get involved in changing it?
Critical Success Factor #2: User Friendly Reporting / Communicating

Getting Prepared to Talk About These Data

- You will have better answers if you are already making smart use of these data – you can tell your community that you are considering or making change based on patterns you see in the data

- So now let’s talk about how to really use the data
Critical Success Factor #3: Using the Data

Two Steps to Using Fiscal Data

1. Identify drivers of spending variation in your system and potential reallocation implications

2. Money isn’t everything: Provide data on key resources to identify full resource equity picture and potential implications
Critical Success Factor #3: Using the Data – Identifying Drivers of Spending Variation Within Districts

<table>
<thead>
<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>English Language Learners $$</td>
<td>School Level $</td>
<td>Teacher Compensation $</td>
</tr>
<tr>
<td>Economic Disadvantage $$</td>
<td>School Type $</td>
<td>Building Utilization $</td>
</tr>
<tr>
<td>Other Student Needs $</td>
<td></td>
<td>Enrollment Projections $</td>
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<td></td>
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<td>Ad-hoc exceptions $</td>
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Critical Success Factor #3: Using the Data – Reallocation Implications

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For Reflection

1. What drives spending variation in your district?
   - What variation is strategic?
   - What variation is deliberate?

2. What contextual information would help stakeholders understand the per pupil metric authentically?
Critical Success Factor #3 – Using the Data: Money Isn’t Everything

<table>
<thead>
<tr>
<th>School Funding</th>
<th>Access to Effective Teaching</th>
<th>School Leadership</th>
<th>Personalized Time and Attention</th>
<th>Social and Emotional Supports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructional Time – Length of Curriculum and Instruction</td>
<td>Achievement of Peers</td>
<td>Early Intervention and Remediation</td>
<td>Parental Involvement</td>
<td></td>
</tr>
</tbody>
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There are many factors that influence the quality of education; the distribution of key resources won’t be visible from spending level data alone.
In fact, typically a large district’s highest funded schools are often under-resourced relative to need in other areas - and low performing as a result.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Metric</th>
<th>High $pp Schools</th>
<th>Low $pp Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to Effective Teaching</td>
<td>% highly effective teachers</td>
<td>Below</td>
<td>Above</td>
</tr>
<tr>
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<td>% novice teachers</td>
<td>Below</td>
<td>Above</td>
</tr>
<tr>
<td>Rigor</td>
<td>% secondary students enrolled in at least one AP course</td>
<td>Below</td>
<td>Below</td>
</tr>
<tr>
<td></td>
<td># of AP courses offered</td>
<td>Below</td>
<td>Above</td>
</tr>
<tr>
<td>Instructional Time</td>
<td>Length of school day (hrs)</td>
<td>Similar</td>
<td>Similar</td>
</tr>
<tr>
<td>School Leadership</td>
<td># of principals in last three years</td>
<td>Above</td>
<td>Below</td>
</tr>
<tr>
<td>Concentration of Need</td>
<td>% poverty</td>
<td>Similar</td>
<td>Below</td>
</tr>
<tr>
<td></td>
<td>% Black or Latino students</td>
<td>Above</td>
<td>Below</td>
</tr>
</tbody>
</table>

How do these schools compare to the district median?

- A: Below
- B: Below
- C: Below
- X: Above
- Y: Above
- Z: Above
For Reflection

- What other data do we need to show about a school to help users interpret whether its students have equitable access to all resources?
ERS School Finance Toolkit for ESSA Financial Transparency

School Finance Toolkit
Tools for AASA webinar
December 4, 2017

District leaders face ever-increasing challenges around school finance—scarce revenues, lawsuits, new mandated reporting, and so on. These resources will demystify some of these complex realities that district leaders must navigate. If you have any questions, contact us.

Financial Transparency and Equity

- From Financial Transparency to Equity, Part 1: Using ESSA to Advance Equity and Excellence
  A publication by ERS and Chiefs for Change

- School-Level Reporting Self-Assessment & Diagnostic Tool – Coming soon!
  A tool to help you assess the readiness of your current school-level reporting. Get help attributing

https://www.erstrategies.org/tap/aasa_toolkit
Actions for LEAs (who want to use financial transparency to make positive change)

1. Self-assess reporting readiness
2. Engage with SEA to influence development of methodology and/or reporting
3. Begin to develop engagement plan internally and externally
4. Plan to use the data
   a. Identify drivers of spending variation in their system and potential reallocation implications
   b. Identify additional pieces of full resource equity and potential implications
5. What else? (Please explain in the “Chat” function)

Use the Survey to provide your answer – select all that apply; Chat explanations as appropriate