1. Welcome!

2. **SBA 101**: What is SBA?

3. **SBA District Collaborative Network**: Why a network?
Today’s focus: Allocation of resources from districts to schools

Federal $ → District $ → School $
Why does allocation matter?

Districts have a fiduciary responsibility to apply funds equitably across students.

Comparing schools on performance requires level playing field on spending.

Allocation strategies can dictate resource use, especially important amidst constrained resources.

Allocation strategies can inhibit or enhance efforts such as school autonomy, choice, accountability and can affect behavior in schools.
For example, DPS Spending for each school, 2005, before SBA

ON AVERAGE, district was spending:

- $3,943 per pupil
- $677 per FRL pupil
- $407 per Bilingual
- $145 per Gifted

But some schools getting more than those averages, and some getting less.
Some schools get more than the averages, some less.

- Some getting >110%
- Some getting <90%

Many schools close to the average.

Each Elementary School's Actual $ as a Percent of District Per Pupil Averages.
Student Based Allocation (SBA) models

*Dollars* are allocated (not staff positions or other ingredients) *on the basis of students*. Students are weighted according to needs.

In contrast, traditional allocation practices distribute purchased schooling items (staff positions, supplies, books, etc.) to schools.
Looking at what’s spent at each school also doesn’t enable relative comparisons.

<table>
<thead>
<tr>
<th>Calculation/Funding Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>One per school</td>
<td></td>
</tr>
<tr>
<td>Principal, assistant principal</td>
<td>$206,000</td>
</tr>
<tr>
<td>Building engineer</td>
<td>$69,000</td>
</tr>
<tr>
<td>Formula based on total enrollment</td>
<td></td>
</tr>
<tr>
<td>Regular classroom teachers</td>
<td>$3,084,000</td>
</tr>
<tr>
<td>Art, gym, counselors, other “specials”</td>
<td>$451,000</td>
</tr>
<tr>
<td>Clerical, custodial staff</td>
<td>$427,000</td>
</tr>
<tr>
<td>Equipment, supplies</td>
<td>$283,000</td>
</tr>
<tr>
<td>Formula based on students served</td>
<td></td>
</tr>
<tr>
<td>Special ed teachers, support staff</td>
<td>$534,000</td>
</tr>
<tr>
<td>Bilingual teachers</td>
<td>$144,000</td>
</tr>
<tr>
<td>Per pupil with free or reduced-price lunch</td>
<td></td>
</tr>
<tr>
<td>Poverty supplement</td>
<td>$1,837,000</td>
</tr>
<tr>
<td>Union contracts</td>
<td></td>
</tr>
<tr>
<td>Staff benefits</td>
<td>$1,082,000</td>
</tr>
</tbody>
</table>

**Total: $8,117,000**
Uneven spending in traditional allocation:

- Resources for special student populations
- Staff based formulas create lumpy allocations, especially for schools of different sizes
- Placement of non-formula staff assignments, magnet or special programs, or other add-ons
- Differences in teacher salary costs
- Central programs/services
In contrast, student-based allocation divvies up funds on the basis of students.
• Weights are deliberate
• Formula detail can be summarized on one page
• District leaders manage the weights, not each school’s allocations or how funds are used
• Spending across schools can be compared in percentages in terms their SBA allocation
• The district spends the same amount on a student regardless of where that student attends school.
How does SBA work?

The "averages" for each student become the actual allocations:

- $3,943 per pupil = BASE
- $677 per FRL pupil = .17 or 17% FRL weight
- $407 per Bilingual = .10 or 10% Bilingual weight
- $145 per Gifted = .04 or 4% Gifted weight

*Districts can revise the base or weights to create more purposeful allocations*
Weights are identified for student types

- Poverty
- Limited English Language Proficiency
- Disability
- Grade span (high school, elementary, etc.)
- VocEd
- Gifted
- Other vulnerable students

*Allocations that weight school size, school types, programs or other non-student factors are not considered SBA.*
Metro Nashville Public Schools

Initial student weights in Nashville.

<table>
<thead>
<tr>
<th>Weights</th>
<th>ES</th>
<th>MS</th>
<th>HS</th>
<th>Total Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Weight (1.0)*</td>
<td></td>
<td></td>
<td></td>
<td>$323.1M</td>
</tr>
<tr>
<td>Grade Weight</td>
<td>.10</td>
<td>.05</td>
<td></td>
<td>$18.6M</td>
</tr>
<tr>
<td>Prior Academic Performance</td>
<td>.10</td>
<td>.10</td>
<td>.05</td>
<td>$18.8M</td>
</tr>
<tr>
<td>(Poverty as a proxy in ES)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>English Learners</td>
<td></td>
<td></td>
<td>.10</td>
<td>$8.0M</td>
</tr>
<tr>
<td>Special Education</td>
<td></td>
<td></td>
<td></td>
<td>$40.2M</td>
</tr>
<tr>
<td>Hold Harmless</td>
<td></td>
<td></td>
<td></td>
<td>$9.2M</td>
</tr>
</tbody>
</table>

* The $323.1M Base Weight includes an $8.4M supplement for small schools who do not meet "Baseline Services".
## Prince George’s County Public School District

### FY14 Formula

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Amount for All Students</td>
<td>$ 3,110</td>
<td>100%</td>
</tr>
<tr>
<td>Kindergarten</td>
<td>$ 168</td>
<td>5%</td>
</tr>
<tr>
<td>Grade 1</td>
<td>$ 168</td>
<td>5%</td>
</tr>
<tr>
<td>Grade 6 (ES)</td>
<td>$ 336</td>
<td>11%</td>
</tr>
<tr>
<td>Grade 6-8 (K8,MS)</td>
<td>$ 839</td>
<td>27%</td>
</tr>
<tr>
<td>Grade 9</td>
<td>$ 336</td>
<td>11%</td>
</tr>
<tr>
<td>Poverty</td>
<td>$ 95</td>
<td>3%</td>
</tr>
<tr>
<td>Student Achievement Double Basic</td>
<td>$ 134</td>
<td>4%</td>
</tr>
<tr>
<td>Student Achievement Double Advanced</td>
<td>$ 92</td>
<td>3%</td>
</tr>
<tr>
<td><strong>English Language Learner - Beginner</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elementary</td>
<td>$ 1,944</td>
<td>63%</td>
</tr>
<tr>
<td>Middle</td>
<td>$ 2,333</td>
<td>75%</td>
</tr>
<tr>
<td>High</td>
<td>$ 3,402</td>
<td>109%</td>
</tr>
<tr>
<td><strong>English Language Learner - Intermediate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elementary</td>
<td>$ 1,458</td>
<td>47%</td>
</tr>
<tr>
<td>Middle</td>
<td>$ 1,166</td>
<td>37%</td>
</tr>
<tr>
<td>High</td>
<td>$ 1,701</td>
<td>55%</td>
</tr>
<tr>
<td><strong>English Language Learner - Advanced</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elementary</td>
<td>$ 972</td>
<td>31%</td>
</tr>
<tr>
<td>Middle</td>
<td>$ 1,166</td>
<td>37%</td>
</tr>
<tr>
<td>High</td>
<td>$ 1,701</td>
<td>55%</td>
</tr>
</tbody>
</table>
Why SBA models are gaining traction in U.S.

• Equity
• Transparency
• Flexibility in resource use
• Accountability/ Ownership
• Student choice and funding portability
• Financial sustainability
• Service-oriented central departments
Beyond equity, what value is there from school-level engagement in financials?
Spending Vs Performance across WA state's high poverty elementary schools

Percent of students meeting writing standard vs. per pupil spending by school (salary/benefits expenditures only)

- X-axis: Per pupil spending by school
- Y-axis: Percent of students meeting writing standard
A. Weak relationship between $ and outcomes
B. Two schools could spend same $ and get different outcomes
C. Could spend same $ in same way and get different outcomes (e.g. substantial school effects).
D. Very little awareness at school level of school effects
Schools customize decisions about resource use to:
1. Needs of students
2. Strengths and weaknesses of staff

Customization

Without changing mix of resources, schools change behavior:
1. Own the tradeoffs and outcomes as theirs.
2. Reduce blame.
3. Increase sense of control

Ownership

How can decentralization matter?
When principals are asked what stands in the way of leveraging their dollars to get greater outcomes for students

On average, they list 16 barriers per principal! *

What is the case against SBA?

- Not as much benefit for small districts.
- Some districts don’t have a plan for schools with declining enrollment. (Unwilling to close or allow flexible staffing when schools have insufficient resources for prototypical staffing). (Seattle)
- Creates a disconnect in districts wanting large central operations.
- Not compatible with districts wanting uniformity in services
What does SBA implementation look like?

- Weights initially reflect existing averages (to minimize winners/losers).
- Some districts use a pilot.
- Some allow hold harmless.
- Often initially use average salaries in budgeting.
- Over time, more money added to the “formula”
Initially, most schools make only modest changes with their budgeting flexibility. Changes that do take place, do so on the margin.
Principal know what stuff costs

- Identify highest and lowest paid staff and examine workloads
- Consider costs of all functions in per pupil terms
- Are some services costing too much?
- Consider tradeoffs. What else could this money buy?
- Changes will come from REALLOCATION (vs. new monies).
SBA can also be used to budget for centrally managed services

- Each school’s budget includes their share of the allocations to central office.
- The budget articulates the level of services provided and the cost.
- Where feasible, schools are given the choice on whether to participate and “buy back” services or keep the funds.
- Where not feasible, the district “charges back” a fixed per student (or other unit) amount to cover the service.

*This is about central office redesign, not only efficiency*
Pricing examples for centrally managed services

- Superintendent’s office
  - $8.56 per pupil, Charge back
- Board of directors
  - $5.02 per pupil, Charge back
- Accountability, research/data support
  - $6.80 per pupil, Charge back
- C&I: Educational plan review
  - $3082 per school, Buy back
- Grant writing
  - $80 per hour, Buy back
- Mail delivery
  - $2200 for 5 days/wk, $900 for 2 days/wk, $500 for 1 day/wk
District finance leads meet via webinar 1 X month. Edunomics Lab hosts Dynamic and evolving group—topics driven by the needs of the partner districts

Three primary goals:

• To share knowledge to solve district challenges around problems of SBA practice
• To collectively produce research districts need and want
• To serve as a trusted professional network for district finance leaders specific to an innovative student-based financial strategy
Student Based Allocation Working Group

Atlanta Public Schools
Austin Independent School District
Baltimore City Public Schools
Boston Public Schools
Camden City Schools
Chicago Public Schools
Cleveland Metropolitan School District
Denver Public Schools
D.C. Public Schools
Durango School District
Hartford Public Schools
Houston Independent School District
Indianapolis Public Schools

Metropolitan Nashville Public Schools
Milwaukee Public Schools
Minneapolis Public Schools
New Haven Public Schools
New York City DoE
Newark Public Schools
Orleans Parish School Board
Shelby County Schools
Spokane Public Schools
Syracuse City Schools
Tulsa Public Schools
Next Meetings

November 14, 2017

Possible upcoming topics
• ESSA impact on districts
• California’s LCFF research update
• Taking stock of salary impacts – and possible remedies
• Community based partnerships
• A challenge posed by one district to the group
• Other ideas – please email Laura at Laura.Anderson@georgetown.edu
Student Based Allocation
District Collaborative Meeting