Show me the Money:
School Level Spending Reporting

Katie Hagan, Research Associate
How much is spent per student at a school near you?

Who decided how to spend that money?

School Boards
True/False – Background

1. If you want to know what is spent on a school, you can look up that number online. **T/F**

2. Most principals have a good sense of how much is spent at their school. **T/F**

3. Most districts deploy resources equitably across schools. **X**

4. Most school boards have a good sense of how equitably funds are deployed across schools. **T/F**

5. Most principals and district leaders have a good sense of how well their schools are able to leverage dollars to maximize outcomes. **T/F**
ESSA – includes a new requirement to report spending **by school**!
What is the financial transparency requirement?

ESSA requires that beginning with the 2018-2019 School Year, State Report Cards must include:

“The per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual nonpersonnel 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.”

Title I, Part A, Sec. 1111; Annual State Report Card Requirements
Outcomes by school + Spending by school
Schools spending the same amount and getting different outcomes
Schools spending different amounts and getting the same outcome
For what purpose?

✓ Visibility on whether funds divvied up fairly => drive greater demand for equity.
✓ Spread innovation: learn from those able to use funds to drive greater benefits for students.
✓ Benchmark progress by school on how well dollars leveraged relative to meaningful peers.
What might this look like?

<table>
<thead>
<tr>
<th></th>
<th>District 1</th>
<th>District 2</th>
<th>Charter</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Elementary</td>
<td>Middle</td>
<td>High</td>
</tr>
<tr>
<td>A: Enrollment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School #11</td>
<td>375</td>
<td>442</td>
<td>2103</td>
</tr>
<tr>
<td>School #12</td>
<td>511</td>
<td>992</td>
<td></td>
</tr>
<tr>
<td>School #17</td>
<td>992</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site level</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B: Federal</td>
<td>$456</td>
<td>$197</td>
<td>$356</td>
</tr>
<tr>
<td>C: State/Local</td>
<td>$6,111</td>
<td>$6,987</td>
<td>$5,982</td>
</tr>
<tr>
<td>D: Site level total</td>
<td><strong>$6,567</strong></td>
<td><strong>$7,184</strong></td>
<td><strong>$6,338</strong></td>
</tr>
<tr>
<td>Site share of central</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E: Federal</td>
<td>$161</td>
<td>$621</td>
<td>$621</td>
</tr>
<tr>
<td>F: State/Local</td>
<td>$5,378</td>
<td>$4,921</td>
<td>$4,921</td>
</tr>
<tr>
<td>G: Site share of central total</td>
<td><strong>$5,539</strong></td>
<td><strong>$5,542</strong></td>
<td><strong>$5,542</strong></td>
</tr>
<tr>
<td>H: Total school expenditures</td>
<td><strong>$12,106</strong></td>
<td><strong>$12,726</strong></td>
<td><strong>$11,880</strong></td>
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</tbody>
</table>
Activity: Using the data
### Activity: Using the data

<table>
<thead>
<tr>
<th></th>
<th>Superintendent with Principals</th>
<th>Principals with School Staff</th>
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<tbody>
<tr>
<td><strong>School A</strong></td>
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Headlines coming...

- Equity
- Efficiency/Tradeoffs
- Productivity/ROI
“DC is misspending millions of dollars intended to help the city’s poorest students”

City district spends more on affluent schools
City district spends more on affluent schools: teacher salaries to blame
Board approves WSF to address equity concerns
Weighted student formula (WSF)/Student Based Allocation (SBA)

- Basic: $3,943, Weight = 1.0 or 100%
- Poverty: $677, Weight = 0.17 or 17%
- ELA: $407, Weight = 0.10 or 10%
- Gifted: $145, Weight = 0.04 or 4%

Per Pupil Spending

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Feisty middle school principal wants less district services and more cash for kids
First time school leaders will see what’s spent centrally on behalf of their schools

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| B: Federal | $456 | $209 | $164 |
| C: State/Local | $6,111 | $4,756 | $5,998 |
| D: Site level total | $6,567 | $4,965 | $6,462 |

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Parents demand better outcomes from high spending, low performing school
Per-Pupil Expenditures

Student Outcomes

Visualization #4: Actual interactive tool using real state data that builds in student, school and district characteristics, as well as student outcomes.
Messaging research related to finance

• Lots of distrust regarding school financial information.
• Teachers/parents know VERY LITTLE about how much is being spent and why.
• Parents/teachers trust their principals for communication regarding $.
• All financial communication should reference students (and what XX will do to improve student outcomes).
• Communication should acknowledge local context to be trusted.
• Parents and teachers will accept cuts (or reallocations) if they understand the tradeoff: “By raising class sizes, we are able to pay for xx.”
Leveraging dollars to do more for students
<table>
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Reallocation
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Do more with less
Don’t say:

- Reallocation
- Efficiency
- Do more with less

Do say:

- Leveraging dollars to do more for students.

Link discussion to STUDENTS
Don’t say:

- Reallocation
- Efficiency
- Do more with less

Do say:

- Leveraging dollars to do more for students.
- Link discussion to STUDENTS

Admit to the tradeoff: “We could have done XX or YY and we chose YY because it helps us do ZZ for students.”
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x Acknowledge a cut as just that: a cut.
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- Acknowledge a cut as just that: a cut.

Do say:

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Spending smarter
Don’t say:

- Reallocation
- Efficiency
- Do more with less
- Acknowledge a cut as just that: a cut.

Do say:

- Leveraging dollars to do more for students.
- Link discussion to STUDENTS
- Admit the tradeoff: “we could have done XX or YY and we chose YY because it helps us do ZZ for students.”
- Spending smarter

Communicate with $ amounts
Don’t say:

- Reallocation
- Efficiency
- Do more with less
- Acknowledge a cut as just that: a cut.

Do say:

- Leveraging dollars to do more for students.
- Link discussion to STUDENTS
- Admit the tradeoff: “we could have done XX or YY and we chose YY because it helps us do ZZ for students.”
- Spending smarter
- Communicate with $ amounts

“We were told we had to...”
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We have the flexibility to make tradeoffs that meet the needs of our students.
Don’t say:

X Reallocation
X Efficiency
X Do more with less
X Acknowledge a cut as just that: a cut.
X “We were told we had to…”

Do say:

✓ Leveraging dollars to do more for students.
✓ Link discussion to STUDENTS
✓ Admit the tradeoff: “we could have done XX or YY and we chose YY because it helps us do ZZ for students.”
✓ Spending smarter
✓ Communicate with $ amounts
✓ We have the flexibility to make tradeoffs that meet the needs of our students.
Second wave of finance research: early findings

• When asked about expenditures, principals think in terms of non-labor costs.

• Parents, teachers and principals are all comfortable spending more on high needs students.
Are you ready?

Questions?

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Certificate in Education Finance
Finance Strategy, Policy & Leadership

Next cohort starts: July 31- August 1, 2018
Learn more: https://mccourt.georgetown.edu/cef
Email: Elizabeth.Ryan@georgetown.edu