

Reforming Education Finance: School-Funding Portability



Reason

Most Likely To Succeed: The Best Philanthropic Strategies
in K-12 Education Reform

The Philanthropy Roundtable

April 19-20, 2011

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Reason Foundation | www.reason.org

Student-Based Budgeting



Student-based budgeting is a policy tool and financing mechanism that can be implemented by Governors or school boards and school superintendents within the confines of existing state education budgets and economic constraints, to create more efficient, transparent, and equitable funding systems across all schools in a state or a school district.

Student -based Budgeting in a Nutshell



The broad concept of student-based budgeting funding goes by several names including results-based budgeting, weighted student funding, "backpacking" or fair-student funding. In every case the meaning is the same: dollars rather than staffing positions follow students into schools. The school funding is portable and follows the student. In many cases, these resources are weighted based on the individual needs of the student.

Where Has SFP Been Implemented?



[Baltimore Public Schools](#)

[Belmont Pilot Schools, Los Angeles Unified School District](#)

[Boston Pilot Schools](#)

[Chicago Public Schools—Renaissance 2010 Schools](#)

[Cincinnati Public Schools](#)

[Clark County School District](#)

[Denver Public Schools](#)

[Hartford Public Schools](#)

[State of Hawaii](#)

[Houston Independent School District](#)

[New York City Department of Education](#)

[Oakland Unified School District](#)

[Poudre School District](#)

[Saint Paul Public Schools](#)

[San Francisco Unified School District](#)

Louisiana Time-Line



- Individual meetings introduce concept of SFP to Governor, staff, state board of education, legislators Spring 2009
- Testimony on SFP to Streamlining Commission Fall 2009
- Streamlining Commission Passes Resolution Directing State Board to Study and Implement SFP Fall 2009
- Two Presentations to Full BESE Board on SBB Spring 2010
- BESE establishes Task Force Late Spring 2010
- Walton supports technical assistance for Project SUMMER 2010



What Have We Learned

August 26, 2010 Meeting: Introduction to Student Based Budgeting (SBB)

- **Lisa Snell with the Reason Foundation provided an overview of the components and best practices found within a Student Based Budgeting System**
- **Ms. Snell provided details on a number of situations where this methodology has been implemented**



What Have We Learned

November 3, 2010 Meeting: Presentations by School District Administrators

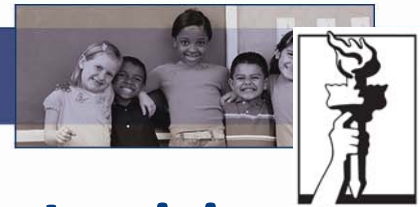
- Three school district administrators having played major roles in the implementation of a Student Based Budgeting methodology in their districts provided insight to their experiences
- These school districts included:
 - Los Angeles Unified School District
 - New York City School District
 - Stockton Unified School District



What Have We Learned

November 3, 2010 Meeting: Presentations by School District Administrators

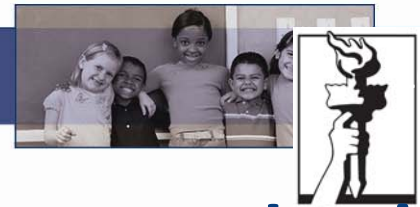
- Bringing funding and decision making closer to the schools and classrooms was the main focus of these education reform activities with the ultimate goal being to increase student achievement
- Aligning resources for greater impact and equity, and giving schools the ability to target resources to meet school specific needs were the primary activities implemented in both of these instances



What Have We Learned

January 6, 2011 Meeting: Presentations by Louisiana Association of School Business Officials (LASBO) and Principal Team from Oakland Unified School District

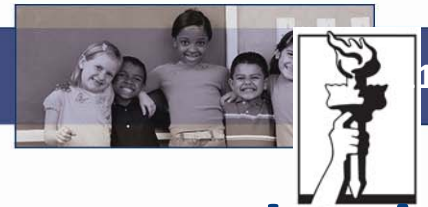
- The Principal team from Oakland described rewarding experiences generated from the implementation of Results Based Budgeting and summarized the things learned as follows:
 - Budgeting is a part of Instructional Leadership
 - Decisions are made closest to the children with input from stakeholders
 - Principals feel accountable to achievement results because they have the tools they need
 - Training and support is key to Principal success
 - Fosters sharing of best practices



What Have We Learned

April 5, 2011 Meeting: Presentation by Dr. Andres Alonso, CEO, Baltimore City Public Schools

- Dr. Alonso desired to create in the Baltimore City Public School Schools the “conditions such that every school will have the opportunity to win.”
- When he first arrived, there appeared to be inequities between the schools and a perceived “endorsement of low expectations of the Central Office.”
- To remedy this, Fair Student Funding formula was created
 - In the first year, this included staffing and custodial services
 - The second year formula included the special education funds



What Have We Learned

April 5, 2011 Meeting: Presentation by Dr. Andres Alonso, CEO, Baltimore City Public Schools

- **During this same period, the role of the Central Office was shifted from directing to supporting schools**
 - **This created a “new belief system” that had to be accepted by the Central Office staff**
 - **This made the Principals feel an increased level of support and respect**
 - **Guidance documents were developed by the Central Office for the Principals and schools to alleviate anxiety about these additional responsibilities**



What Have We Learned

April 5, 2011 Meeting: Presentation by Dr. Andres' Alonso, CEO, Baltimore City Public Schools

- All of this effort has yielded the following achievements:
 - Provided the Principals and Schools with unprecedented flexibility to respond to school needs in new ways
 - Reduced Central Administration staff by 30% and devolved over \$500 million from Central Administration to the schools since 2008
 - Shifted the role of the Central Administration from close supervision to oversight and support

Louisiana Passes Statewide Student-Based Budgeting Pilot



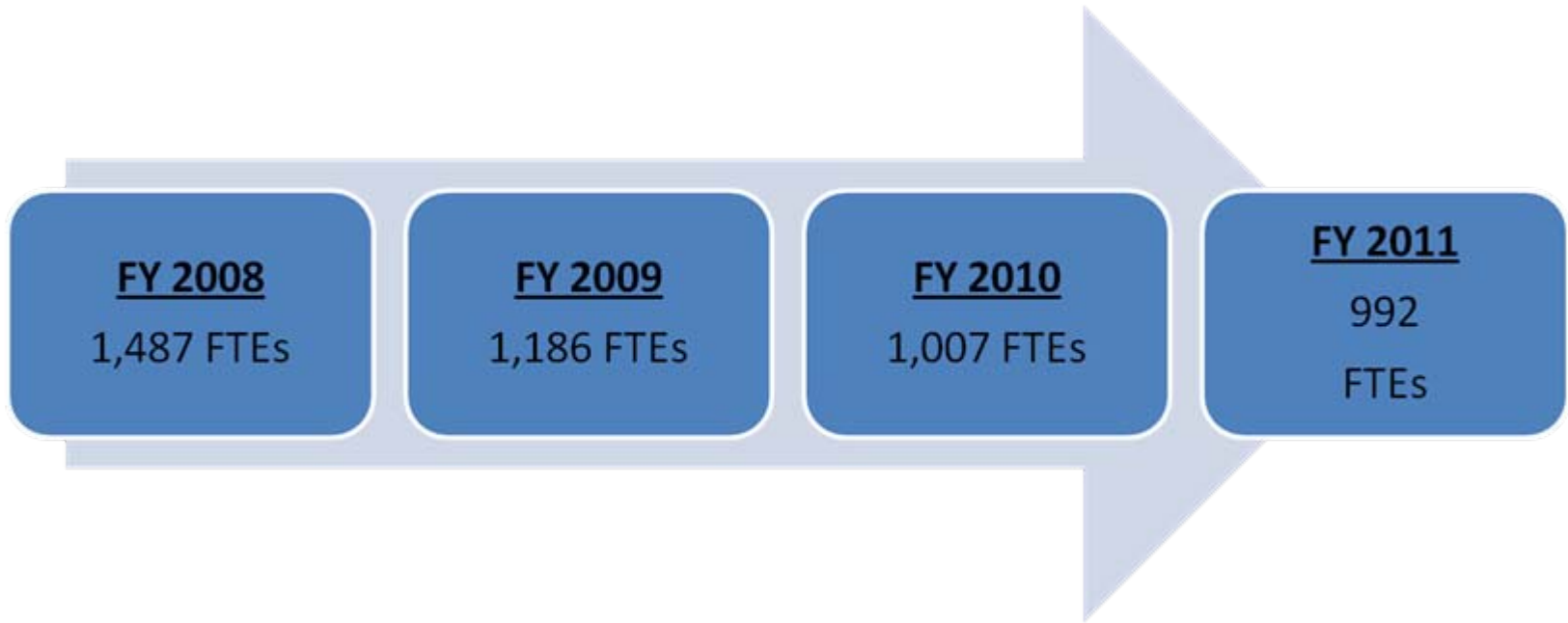
Louisiana joins 25 cities to allow the money to follow the child.

Baltimore City schools CEO Andres Alonso helps out Louisiana state Superintendent Paul Pastorek with school funding portability





Streamlining the Central Office in Baltimore

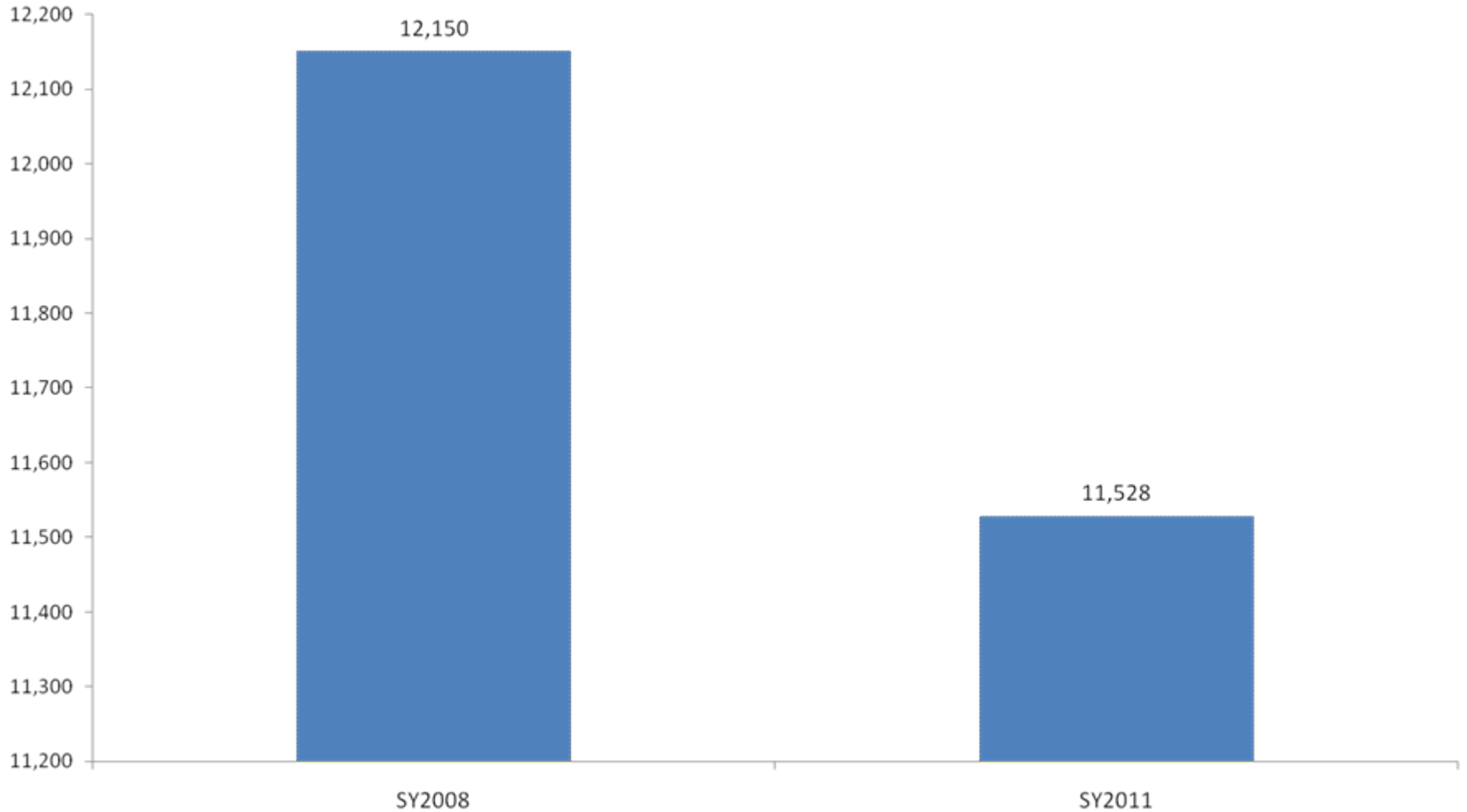


33% Reduction in central office* FTEs since FY08

* The following positions are backed out of the central office roll-up above:
- Certain school-based operations employees
- School Police

Staffing Trends: 2008 to 2011

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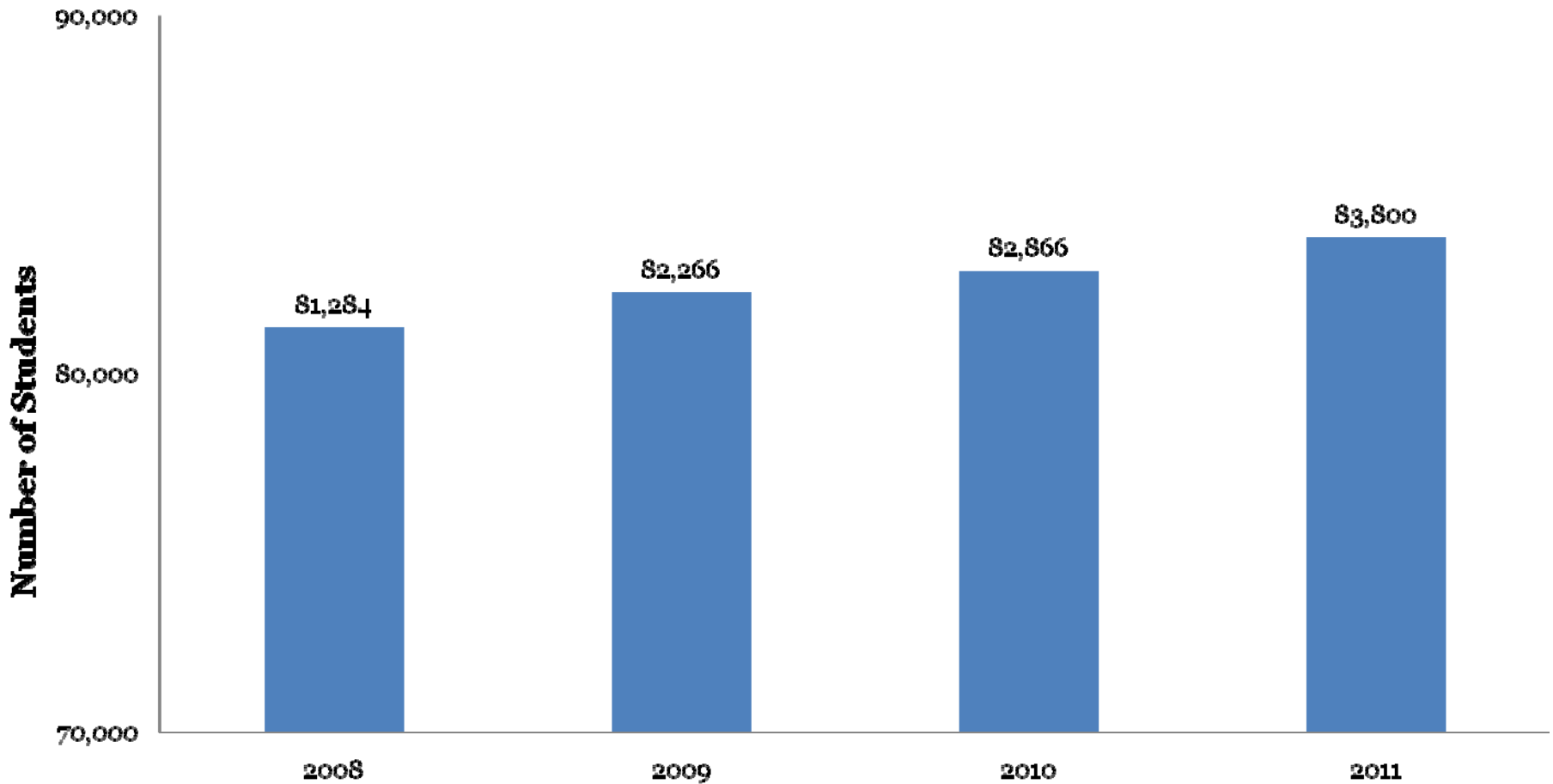


BALTIMORE CITY



PUBLIC SCHOOLS

Enrollment Trends SY '08 to SY '11

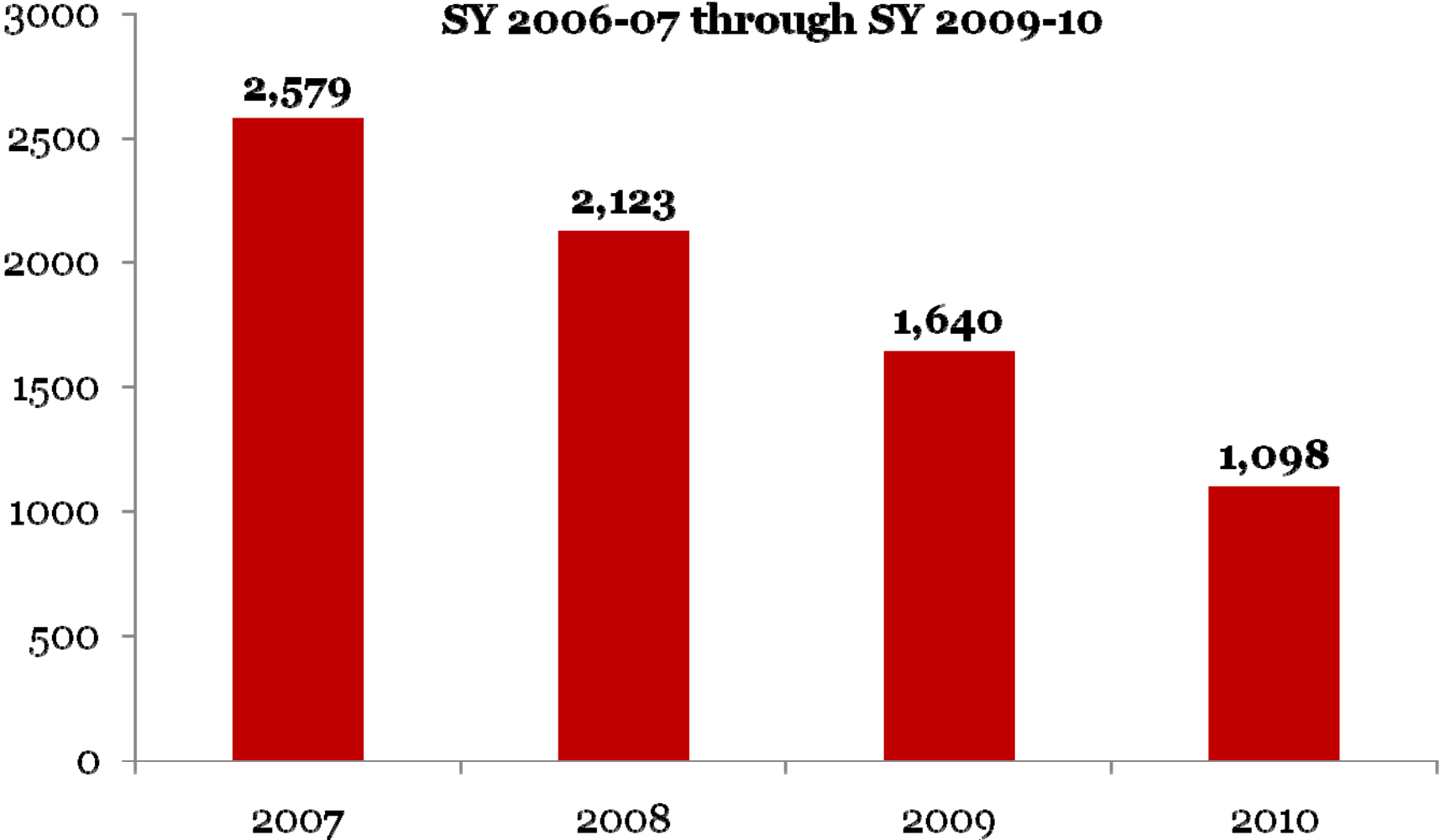


Note: 2008 Includes the return of three Edison Schools

Number of Dropouts in Baltimore



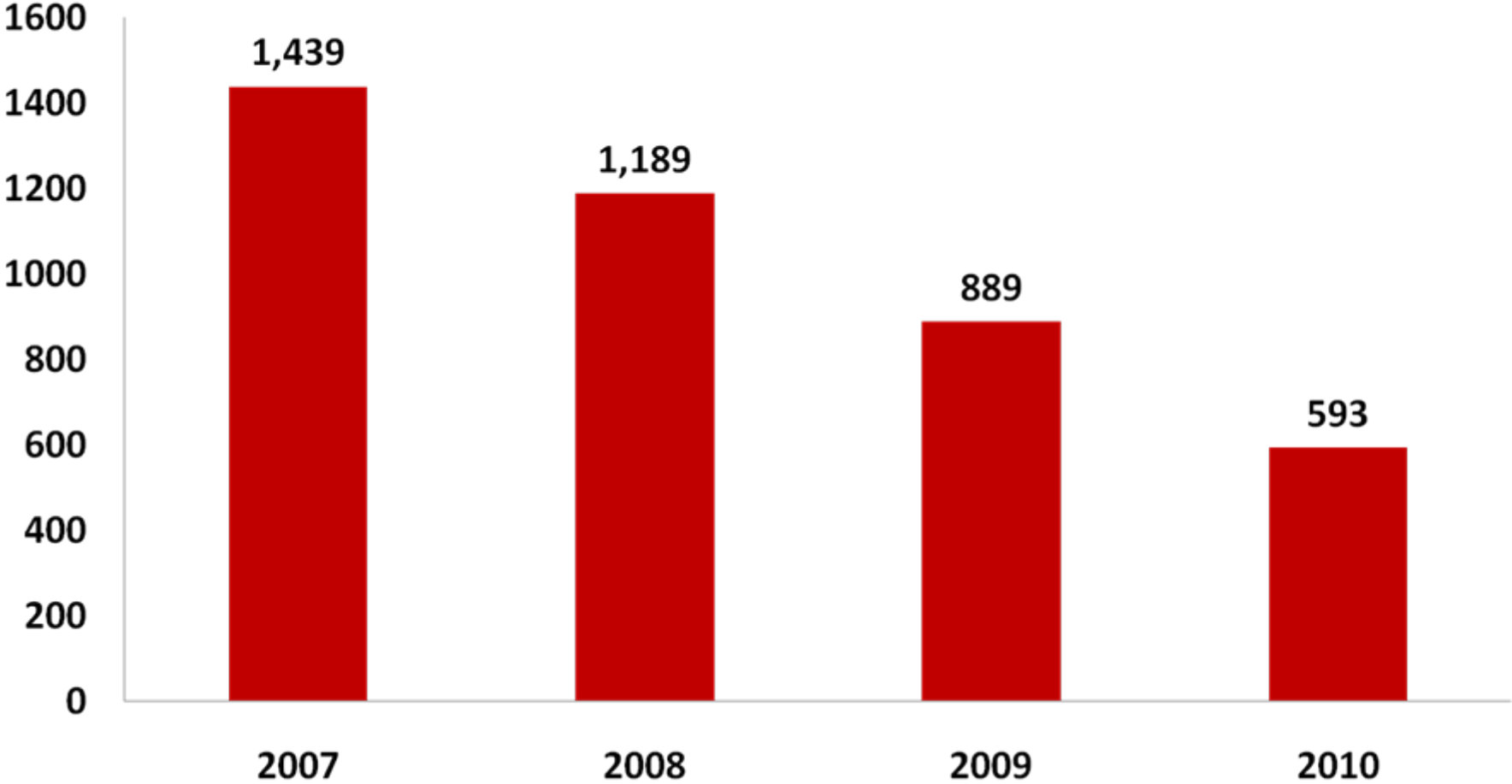
SY 2006-07 through SY 2009-10



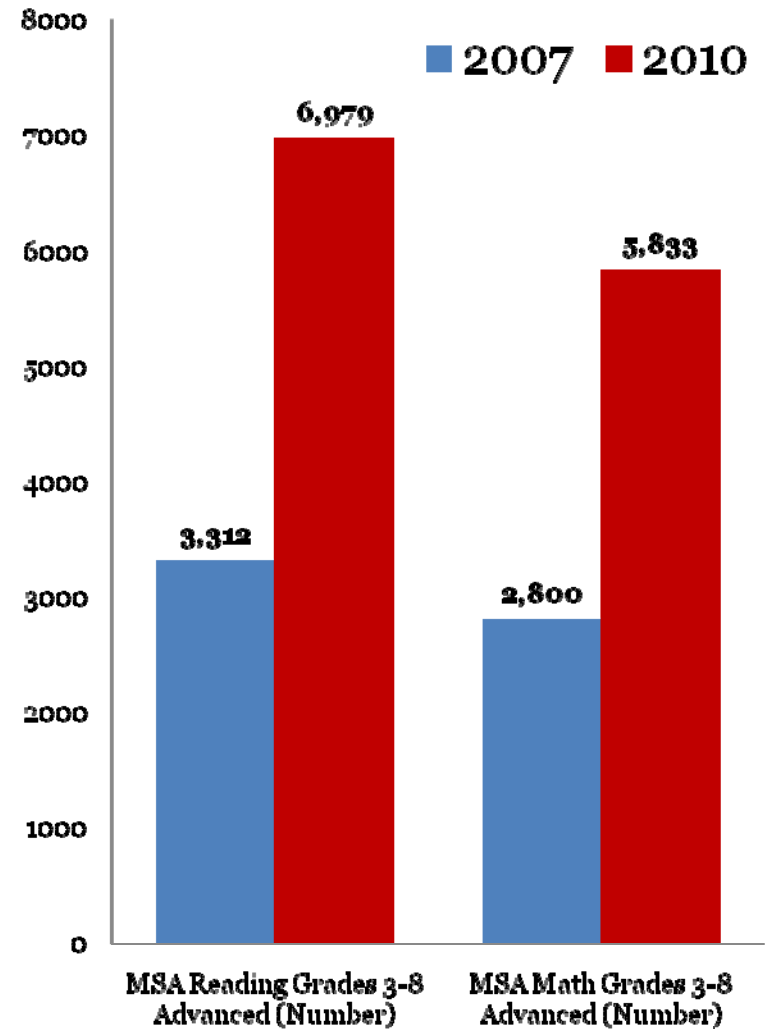
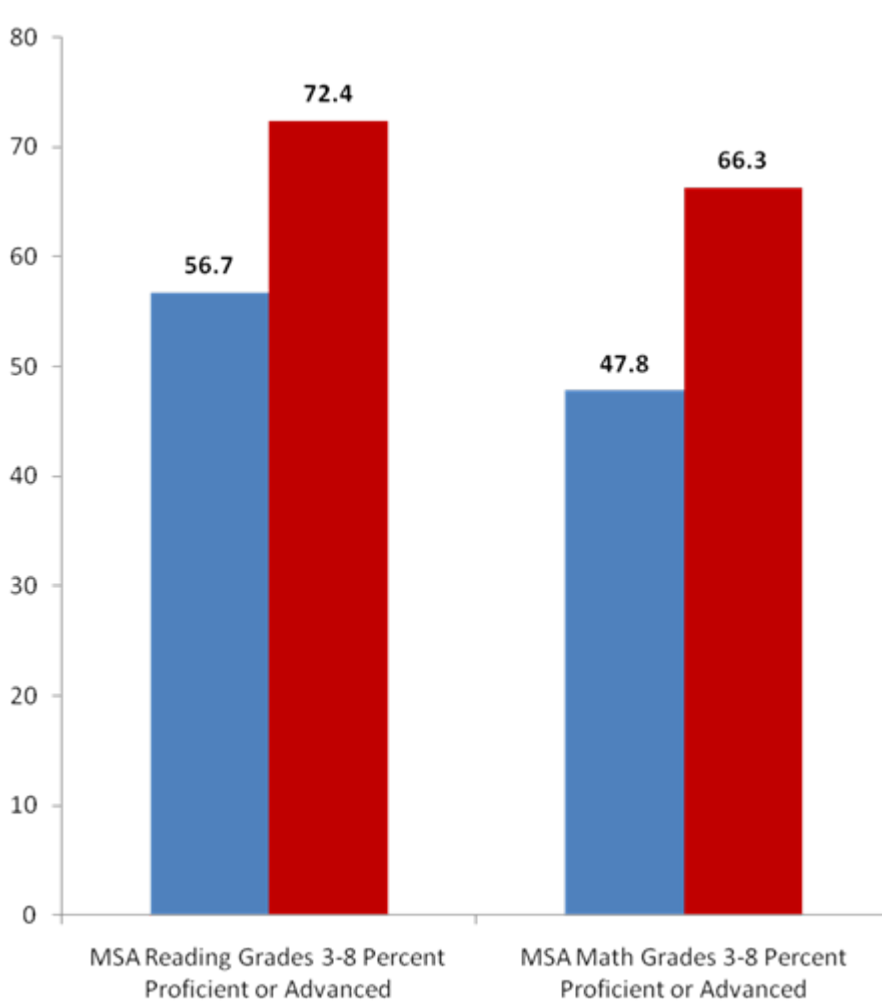
Number of African American Male Dropouts



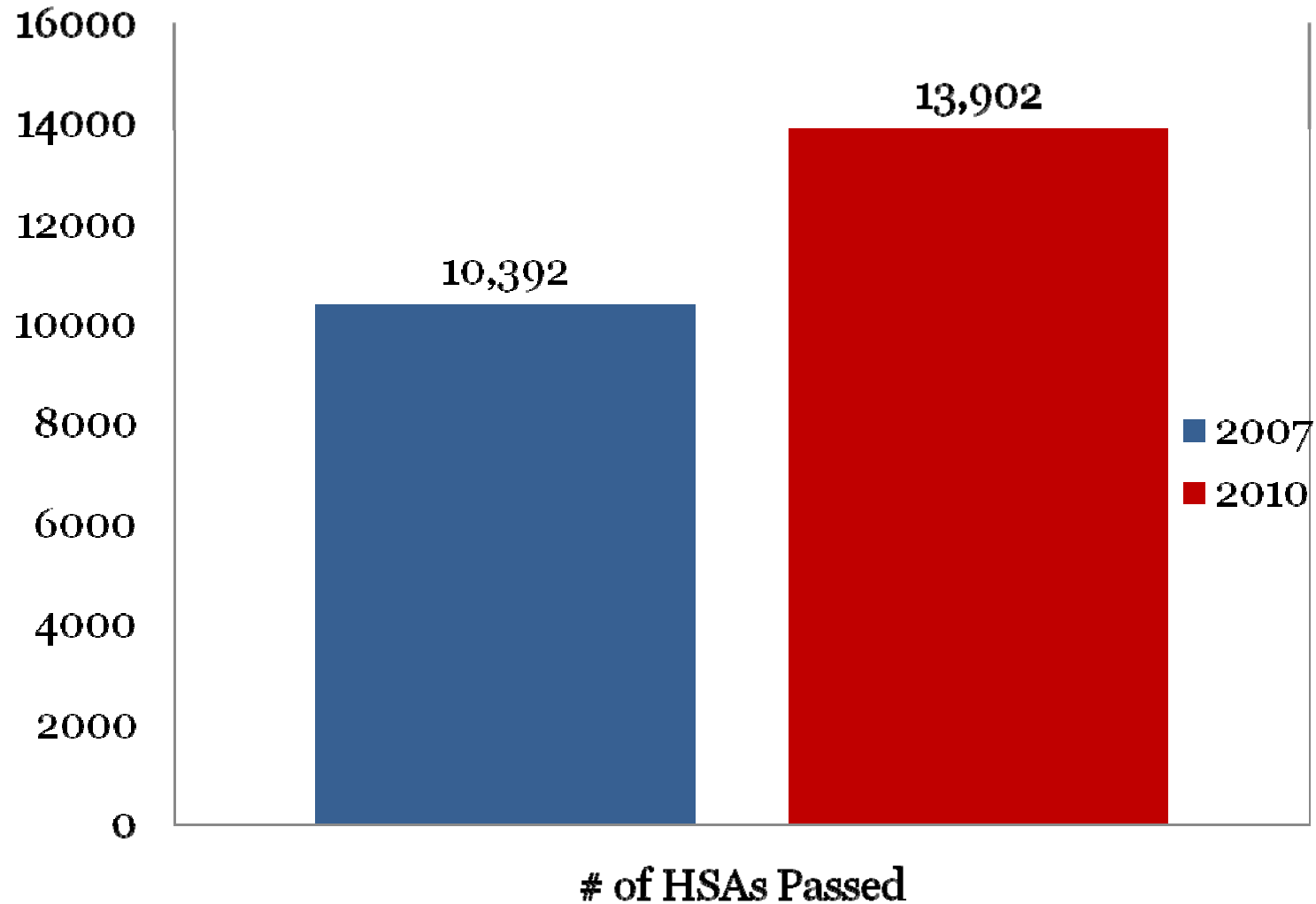
2006-07 through 2009-10



Student Achievement in Maryland School Assessment: 2007 to 2010



Student Achievement in High School Assessment: 2007 to 2010



School Choice Baltimore

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- Continued high school choice for all 8th graders. The % of students making a choice expanded over the last four years.
 - 88.3% of student made a choice in SY06-07 compared to 97.8% in SY10-11.
- Launched middle school choice for SY2010-11
 - 35% of 5th graders chose a school for 6th grade.

Examples Reason SFP Projects



- Louisiana
- Los Angeles-Build a “Tiger Team” of Principals to Train 800 Principals. Help Move from 70 schools to 800 using school funding portability in LAUSD.
- Indiana-work with Mitch Daniels ed-team to implement SFP and principal Autonomy (advocacy stage)
- Utah-Work with Parents for Choice in Education and Senator Lilenquist (drafting statewide legislation) legislator buy-in (completed advocacy and briefing).

Critical Need Areas



- Advocacy and Technical Support for New Programs
- Principal training
- Start-up support for building data and software to support and report school-level budgeting and transparency
- Ongoing Resources to Build Permanent Principal “Tiger Teams” within districts



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