DISTRICT OF COLUMBIA
PUBLIC SCHOOLS

Next Generation Budget Model: Summer 2020 Engagement

Our Capital Commitment:
We define our success in terms of student outcomes.

OUR GOALS

1 DOUBLE THE PERCENT of students who are COLLEGE AND CAREER READY AND TRIPLE THE PERCENT of at-risk and students of color who are college and career ready.

2 100 PERCENT of K-2 students are READING ON OR ABOVE GRADE LEVEL.

3 85 percent OF STUDENTS GRADUATE WITHIN FOUR YEARS AND 90 PERCENT graduate within four or five years.

4 100 percent OF STUDENTS FEEL LOVED CHALLENGED & PREPARED.

5 100 PERCENT of schools are HIGHLY RATED or are improving.

6 90 percent OF STUDENTS RE-ENROLL AND DCPS SERVES 54,000 STUDENTS.

The call for equity, sustainability, and transparency

- DC's per student funding is currently one of the highest in nation, yet many feel that students and schools are being shortchanged.

- A significant amount of DCPS budget data is available to the public and communities have many ways of providing input, yet many feel budget decisions are opaque, top down, and unfair.

- There has been dissatisfaction expressed related to the DCPS Comprehensive Staffing Model.

- DCPS' model needs to be sustainable over time.

Our work addresses these three issues:

Equity	Financial Sustainability	Transparency
• Is the current Comprehensive Staffing Model yielding the results in student outcomes that we want?	• How do we create a model that is financially sustainable, given the reality of rising costs?	• How do we help our stakeholders track dollars so they can make the best decisions for students?

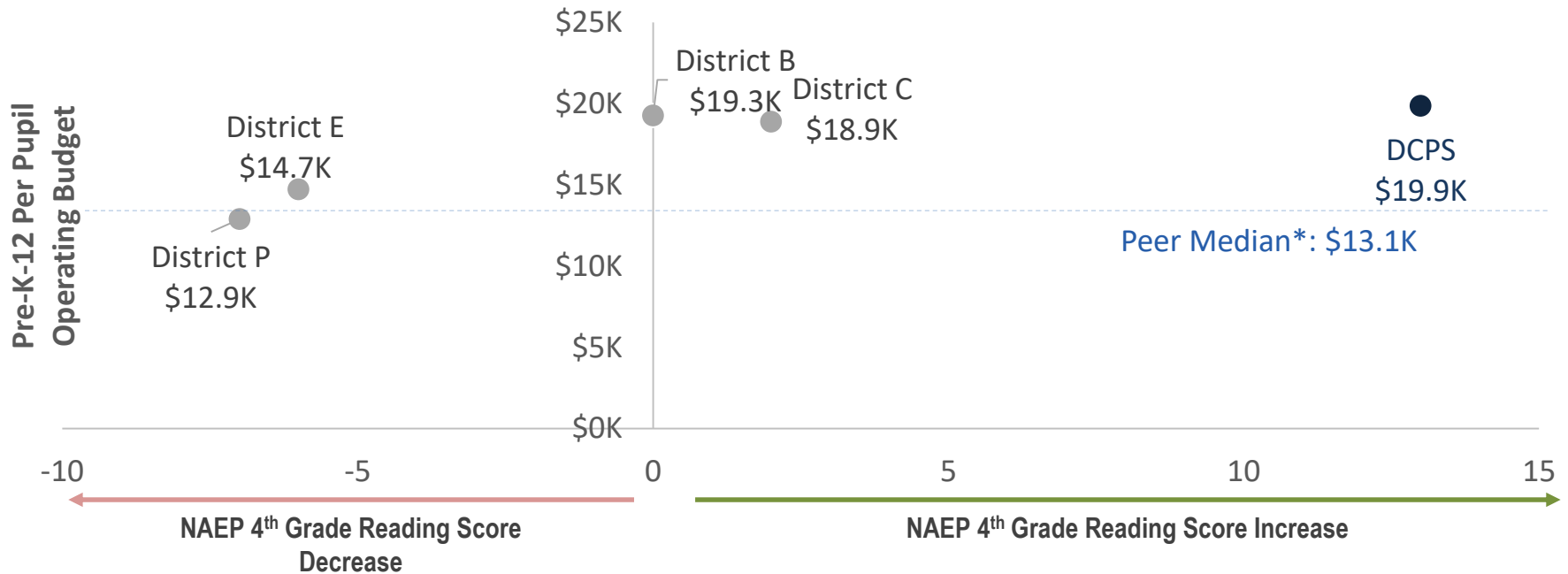# The First Step: Understanding Our Current Model
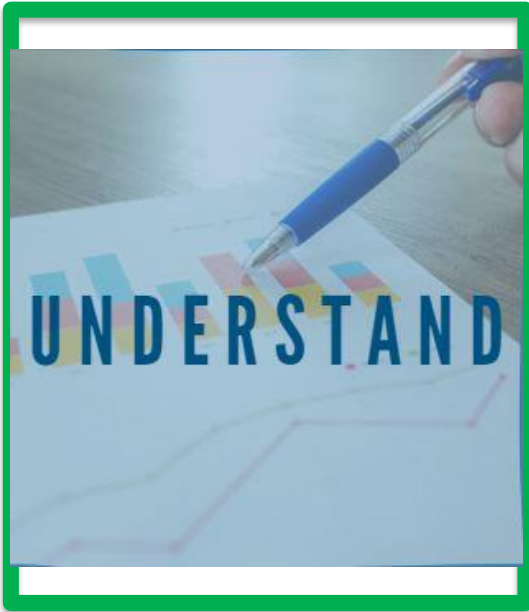
Historical Context

Student-Based Budgeting (SBB)	Comprehensive Staffing Model (CSM)
• **DCPS launched a SBB model in the late 1990s** • **Allocated dollars** to schools based on student demographics (similar to USPFF). • Viewed as providing **greater flexibilities for principals** in how to use funds, but its implementation resulted in lack of consistency among schools' offerings.	• **DCPS launched the CSM to establish a floor of consistency** across schools (e.g. to offer art, music, PE in every elementary school); implemented in response to concerns that schools with decreasing enrollment were unable to fund core educational programming. • **The CSM allocates positions to schools** based on the school's expected enrollment and the staffing model for that school type (elementary, middle, high school, or education campus). • Often hard for community members to understand the model.

While DCPS spends more than some peers, we are experiencing significant growth in student achievement.

NAEP 4th Grade Reading Score Growth 2011-17 – NSLP Eligible Students

Pre-K-12 Per Pupil Operating Budget (y-axis): $0K, $5K, $10K, $15K, $20K, $25K

District B $19.3K

District C $18.9K

District E $14.7K

District P $12.9K

DCPS $19.9K

Peer Median*: $13.1K

NAEP 4th Grade Reading Score Decrease

NAEP 4th Grade Reading Score Increase

x-axis: -10, -5, 0, 5, 10, 15

NSLP stands for National Student Lunch Program.
*Peer Median includes other districts that are not included here due to missing NAEP data.
Note: NAEP is taken by a representative sample of students across the country
Source: National Assessment of Educational Progress (NAEP), Education Resource Strategies (ERS) Benchmark Comparative Database

These investment patterns can be used to estimate the funding needed to support schools with varied student populations.

Example: Economically Disadvantaged/Poverty Weight
How much does DCPS spend to serve a low-income student compared to a general ed setting only student?

Free & Reduced Lunch eligible students
Spend $14,550 per pupil

Students in General Ed Setting Only
Spend $13,599 per pupil
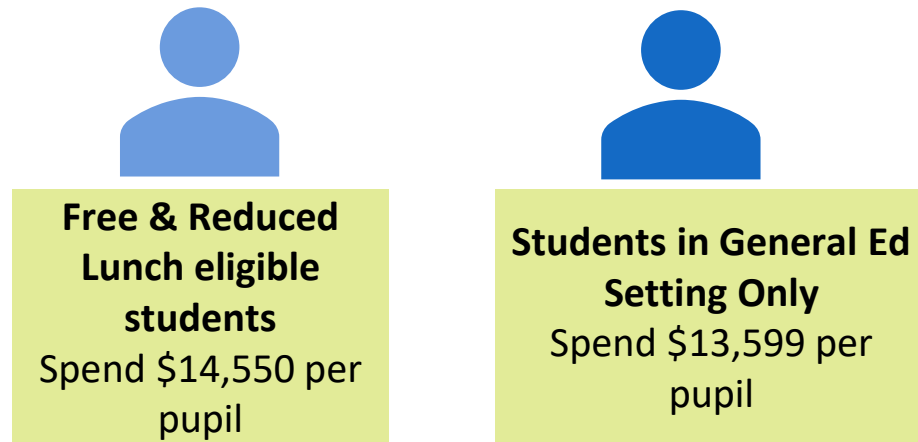
This implies that Economically Disadvantaged students are weighted at $14,550/$13,599 = **1.07x**

To control for varying student needs, we create a "**Dollar Per Weighted Pupil**" figure for each school by **adjusting school enrollment** with the derived weights for all student populations

Source: FY18 Expenditures, SY17-18 Payroll.

DCPS makes greater investments for students at-risk, with disabilities, and learning English, than peers.

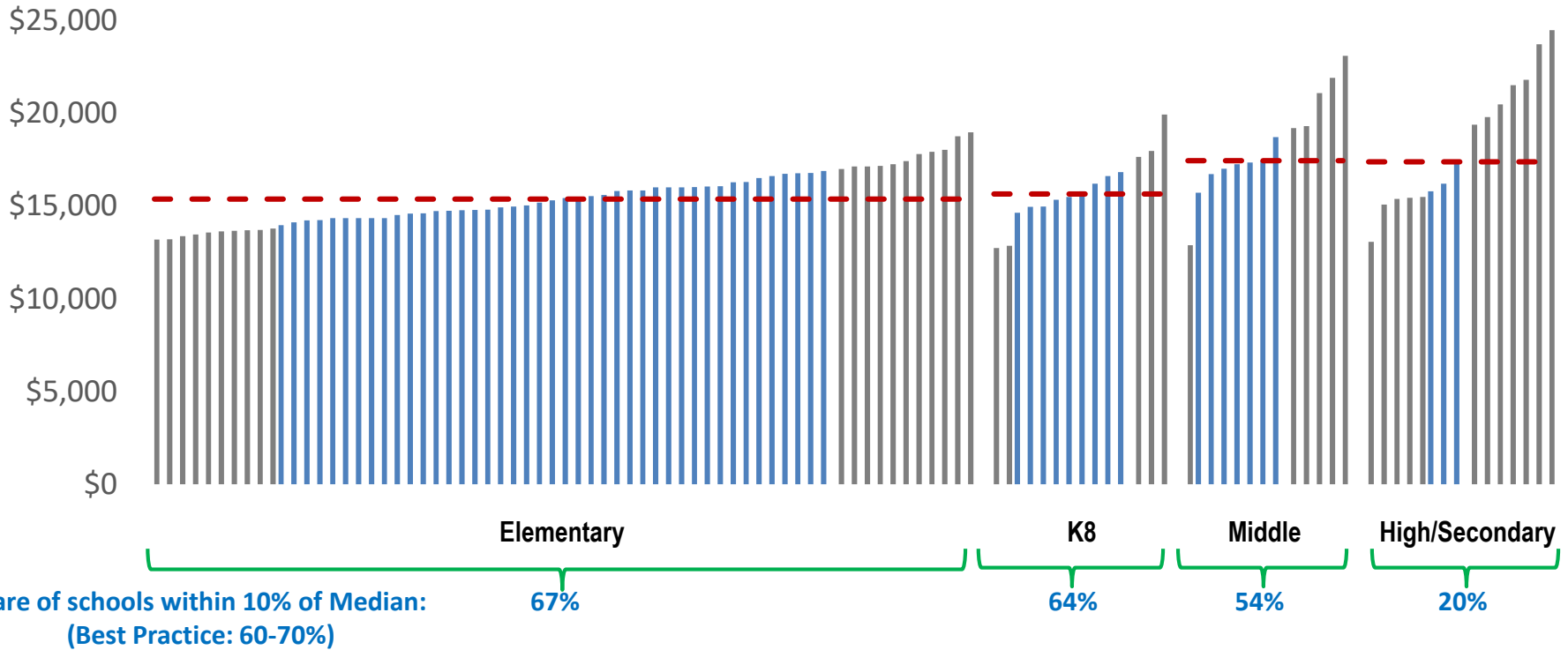| District	Adjusted GenEd $pp	Poverty	At-Risk	SWD: Related Svcs Only	SWD: Resource/ Inclusion	SWD: Self-Contained	ELL
DC 17-18	$13,599	1.07	1.17	1.68	2.57	3.44	1.34
Peer Median	$10,891	1.08	N/A	1.42	2.51	3.69	1.24
District C	$15,956	1.09	N/A	1.51	2.51	2.62	1.24
District B	$13,344	1.05	N/A	1.42	3.43	3.21	1.46
District E	$11,270	1.08	N/A	1.95	2.56	4.85	1.35
District M	$10,891	1.14	N/A	1.20	2.78	2.84	1.24
District I	$10,538	1.09	N/A	1.13	2.2	4.31	1.24
District S	$10,241	1.12	N/A	1.12	1.92	3.69	1.30
District O	$7,852	1.08	N/A	1.45	2.22	4.67	1.19

*Analysis also includes a PreK weight of 1.5 and an additional 0.78 weight to all PreK SWD for Early STAGES center (early identification/ assessment).
Source: FY18 Expenditures, SY17-18 Payroll, SY 17-18 OSSE Enrollment Audit, ERS comparison database. Gen-ed $pp adjusted for inflation using the Bureau of Labor Statistics' CPI and adjusted for labor costs using the NCES' CWI

The CSM has resulted in a wide range of spending per student at secondary schools.

Per Student Spending (Adjusted for need)

Within 10% of Median

Elementary | K8 | Middle | High/Secondary

Share of schools within 10% of Median: 67% | 64% | 54% | 20%
(Best Practice: 60-70%)

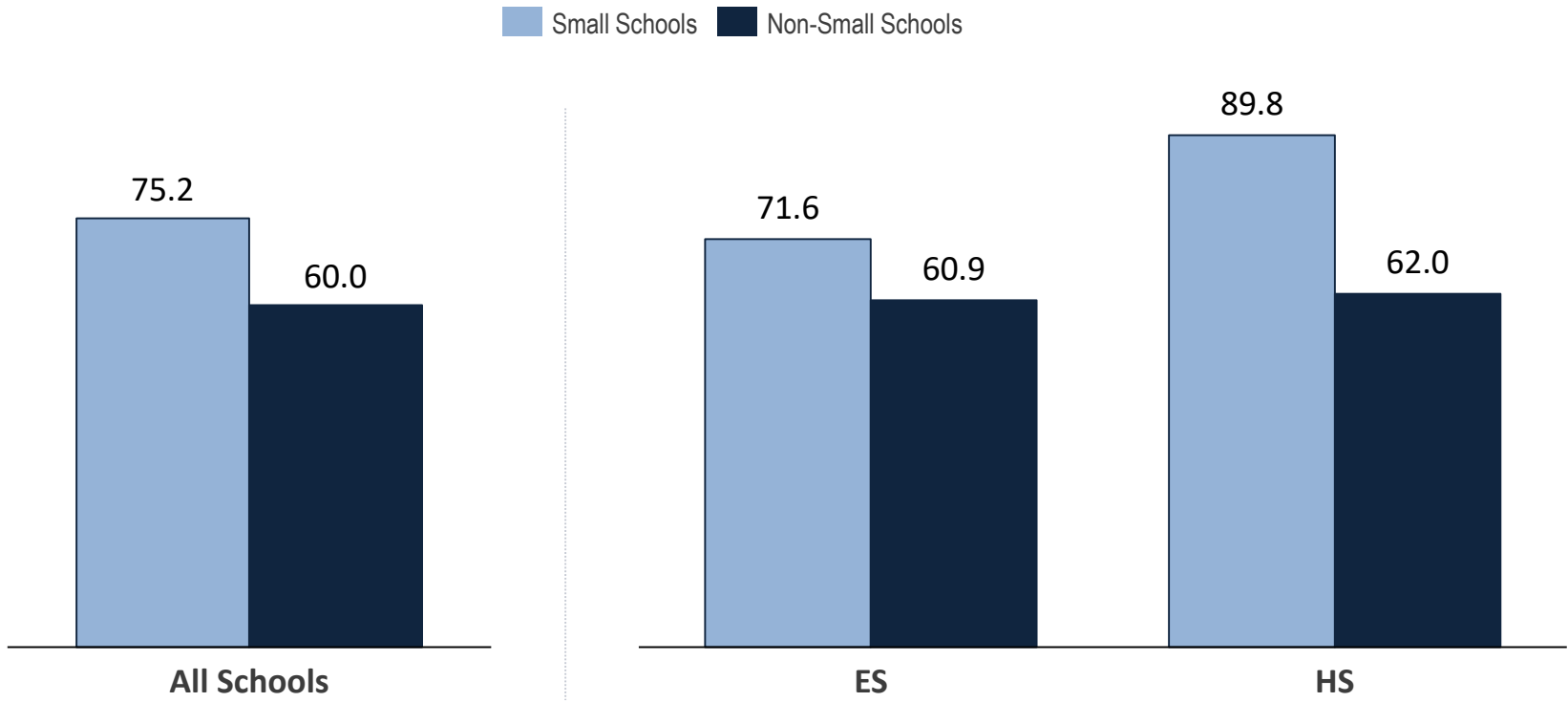*Note: Alternative and special education schools not included (see slide 27 for full list)*
Source: FY18 Expenditures; SY17-18 Payroll; SY17-18 OSSE Enrollment Audit; DCPS SWD Enrollment Data

Utilizing the CSM, smaller schools end up being budgeted with more staff (FTEs) per student.

FTEs/500 Students in Small Schools vs. Non-Small Schools in Initial Budget (FY18 Data)

Legend: Small Schools | Non-Small Schools

All Schools: Small Schools 75.2, Non-Small Schools 60.0
ES: Small Schools 71.6, Non-Small Schools 60.9
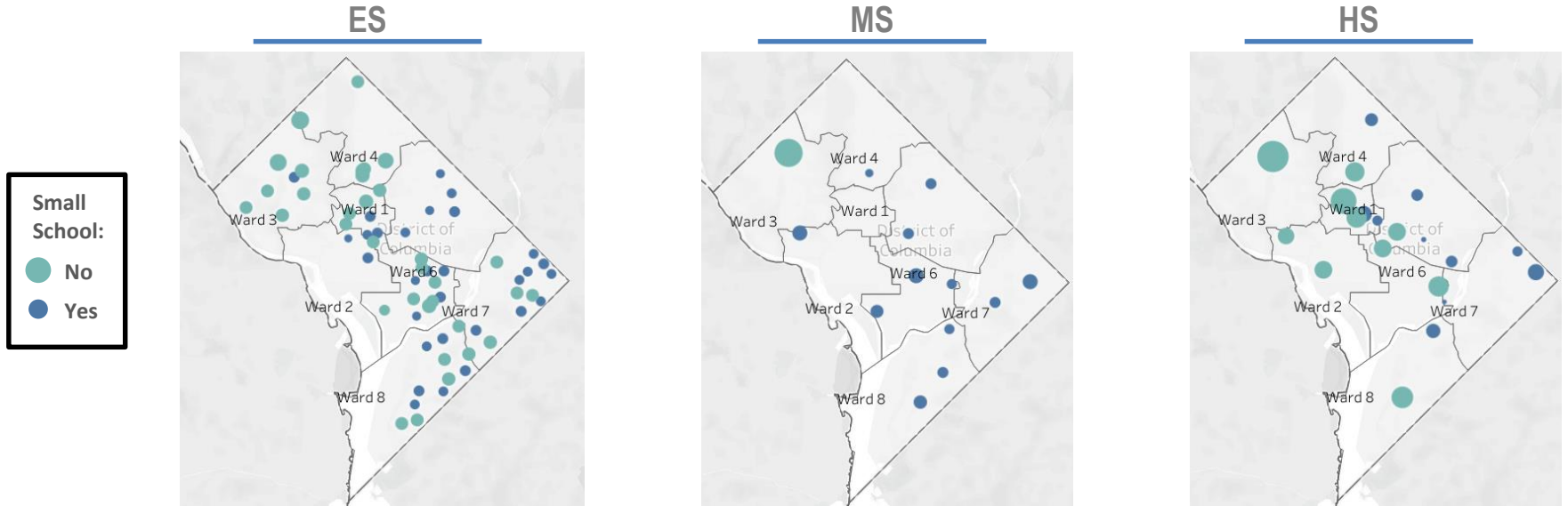HS: Small Schools 89.8, Non-Small Schools 62.0

Note: Alternative and special education schools not included; ES excludes K8 schools
Source: FY18 Initial Budgets; SY17-18 Payroll; SY17-18 OSSE Enrollment Audit; DCPS SWD Enrollment Data; Education Resource Strategies Analysis

The CSM drives more funds per student to small schools, which are largely in Wards 5, 6, 7, and 8.

Distribution of small and non-small schools by ward and school level

	ES	MS	HS

Small School:
- No
- Yes

	ES	MS	HS
# Small schools	30 *(47%)*	12 *(92%)*	6 *(40%)*
% Small schools in Wards 1-4	*27%*	*67%*	*29%*
% Small schools in Wards 5-8	*57%*	*100%*	*50%*

Source: SY17-18 Payroll; SY17-18 OSSE Enrollment Audit; Education Resource Strategies Analysis

The current model has some strengths and also many opportunities for growth.

Bright Spots

✓ DCPS **invests more in its students'** PreK-12 education than similar large urban districts
✓ **Student achievement has grown** considerably, and continues to outpace other urban districts
✓ DCPS continues to **prioritize spending *in schools***, and **among students in poverty** in particular

Opportunities for Growth

o Total **per student spending varies across schools**, even after adjusting for varying student needs; this inequity is most pronounced in secondary schools
o DCPS believes that small schools are important, but they are inherently more costly. We must ensure that **higher spending in small schools** is accompanied by a better student experience
o We have an opportunity to create a model that increases **equity**, while maintaining financial sustainability

Source: Education Resource Strategies Resource Study Findings

Next Step: Key Design Considerations

There are two primary mechanisms to resource schools: by **staff** or by **dollars per student**.

By Staff: Comprehensive Staffing Model (CSM)	By Student: Student-Based Budgeting (SBB)
• Allocates staff based on student counts • Budgets funds for programs, rather than based on student demographics • May limit flexibilities at the school level and be more centrally-driven	• Allocates dollars based on student attributes • Model is generally simple to understand • Model is often paired with flexibilities for customizing at the school level • Small schools may find it challenging to offer comprehensive programming

A third option would **combine** the best attributes of a CSM and SBB.

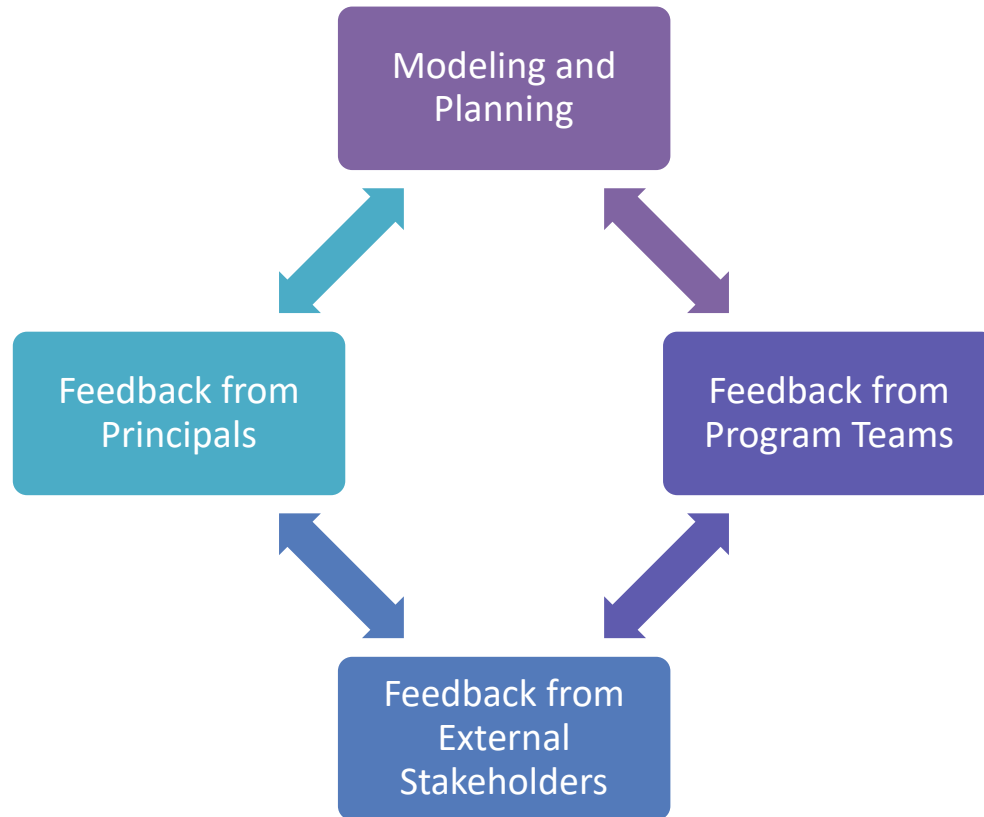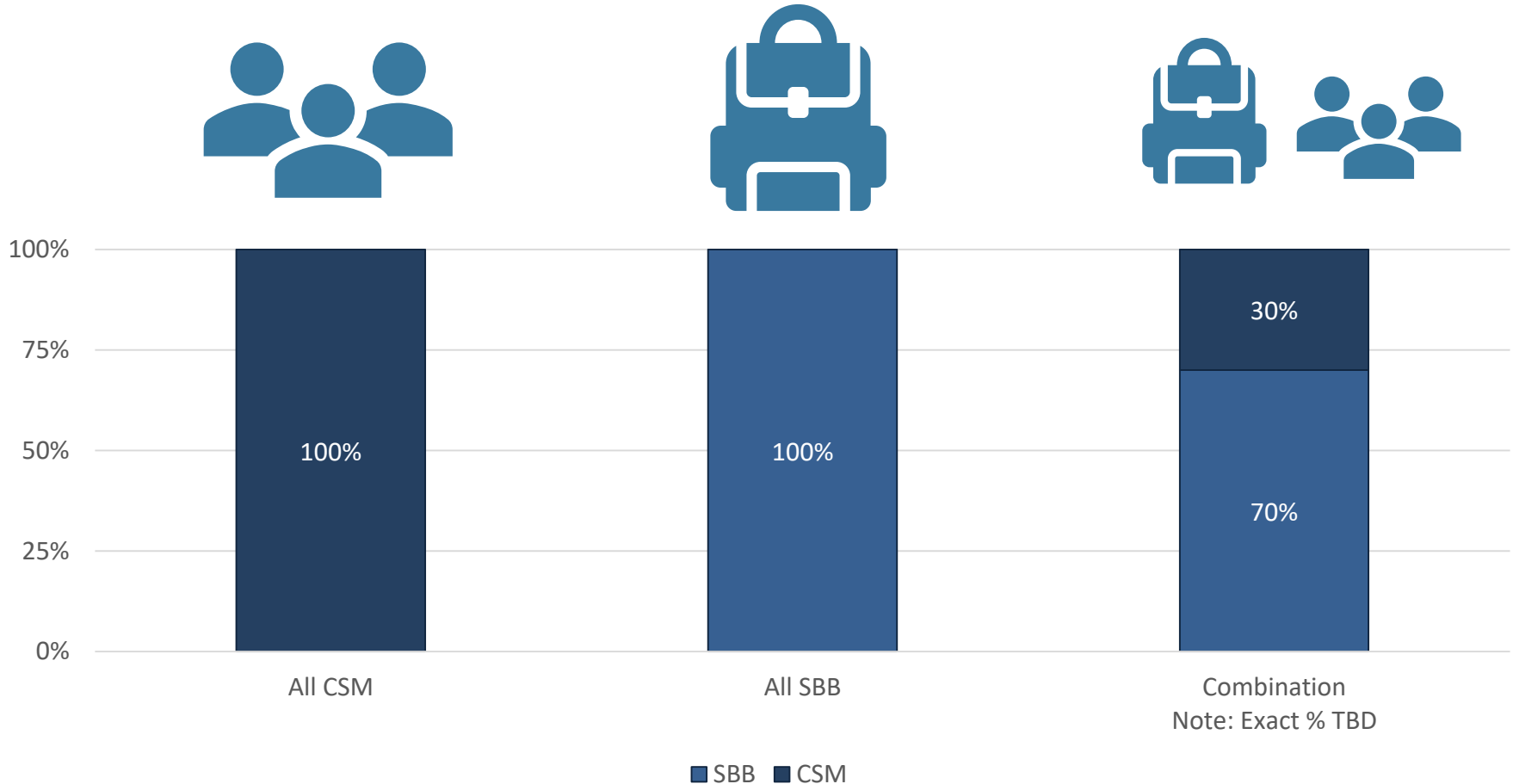| By Staff: Comprehensive Staffing Model (CSM)	By Student: Student-Based Budgeting (SBB)
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Combination Model: Allocates some resources as staff (e.g. principal) and others as dollars per student.

As we began the design work, members of various stakeholder groups dug into specific scenarios.

```
                    Modeling and
                      Planning


Feedback from                      Feedback from
 Principals                        Program Teams


                    Feedback from
                      External
                    Stakeholders
```

We began testing some approaches.

		30%
100%	100%	70%

All CSM | All SBB | Combination
Note: Exact % TBD

■ SBB ■ CSM

Key Considerations for our New FY 22 Model

As we build the new model together, key considerations include:

1. **Weights** – For the SBB portion of an allocation, select weights for students that reflect our values and fund the programs we believe are making a difference.

2. **Small Schools** – Develop compelling and adequately funded small school model(s).

3. **Weighted Staffing Ratios** – Consider adjusting staffing ratios that invest more in different student need and accounts for more nuanced student need, such as ELL levels.

4. **Specialty Grants** – Allocate specific programs in a subset of DCPS schools in a more transparent way, including clarifying the requirements and resources that accompany each program and why they are allocated to individual schools.

Next Steps: Building the Model

Feedback Item #1

Resource Study Finding

- School size is one of the main drivers of funding variation, even after controlling for the varying concentration of student needs in schools: **Small schools cost more** than larger schools
- We must ensure that **higher spending in small schools** is accompanied by a strong student experience

Source: Education Resource Strategies Resource Study Findings

Potential Policy Changes

- Develop **compelling and adequately funded small schools model(s).**
- Allocate more resources **based on student need** rather than need-agnostic school staffing ratios

We want to hear from you...

What experiences do you believe should be consistent across DCPS, regardless of school size?

Where would you like to see schools specialize to offer a deeper, more tailored experience to meet the needs of a smaller population? (Example: athletics, electives, enrichment, career and technical)

Feedback Item #2

Resource Study Finding

- Total **per student spending varies across schools**, even after adjusting for the varying concentration of student needs in schools.
- This variation is most pronounced among **secondary schools.**
- We should seek to distribute resources **equitably to schools based on student need.**
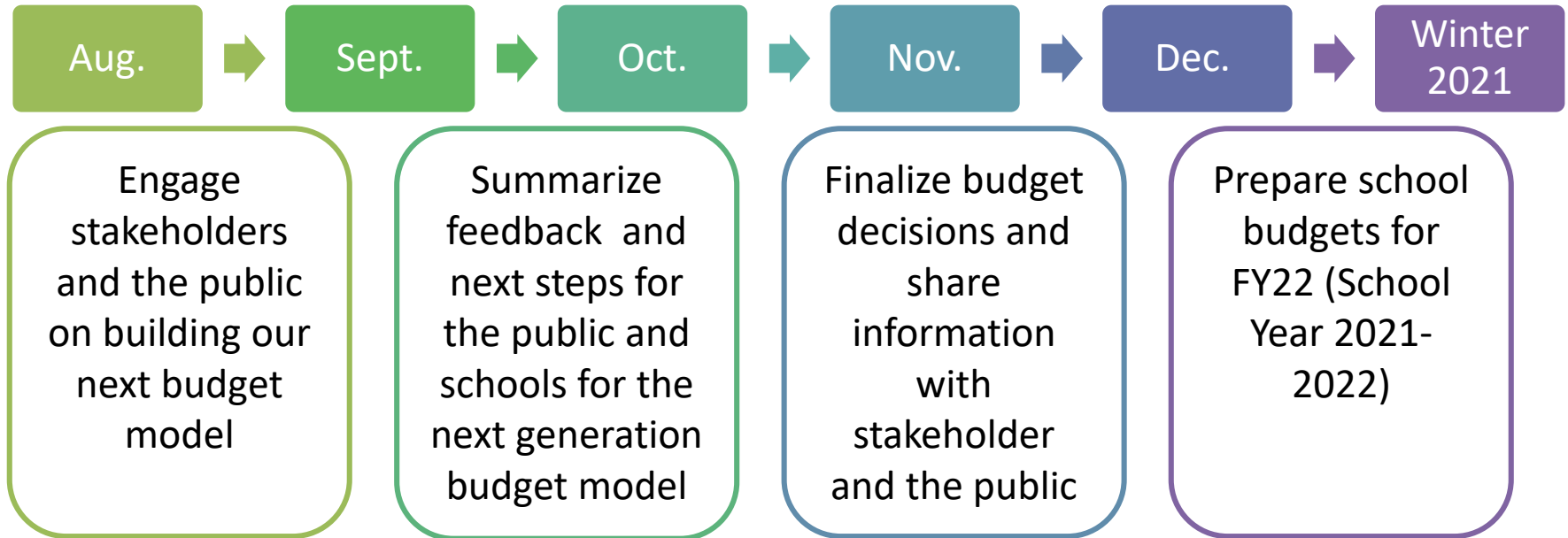
Potential Policy Changes

- For the student-based budgeting portion of an allocation, select weights for students that reflect our values and fund the programs we believe are making a difference.

We want to hear from you...

Consider what resources are needed for 20 students with unique learning needs -- what would be needed (e.g. staff, curriculum, other) to successfully close the opportunity gap if these students were:

- 20 Students with Disabilities?
- 20 English Learners?
- 20 Students with Disabilities who are ELs
- 20 students who have experienced homelessness

Source: Education Resource Strategies Resource Study Findings

Our Next Steps

| Aug. | → | Sept. | → | Oct. | → | Nov. | → | Dec. | → | Winter 2021 |

Engage stakeholders and the public on building our next budget model

Summarize feedback and next steps for the public and schools for the next generation budget model

Finalize budget decisions and share information with stakeholder and the public

Prepare school budgets for FY22 (School Year 2021-2022)

More Ways to Give Feedback

- Public Input Online Engagement – Through September 4
- Community Virtual Briefings – September (dates to be announced)