



ALLIANCE FOR RESOURCE EQUITY



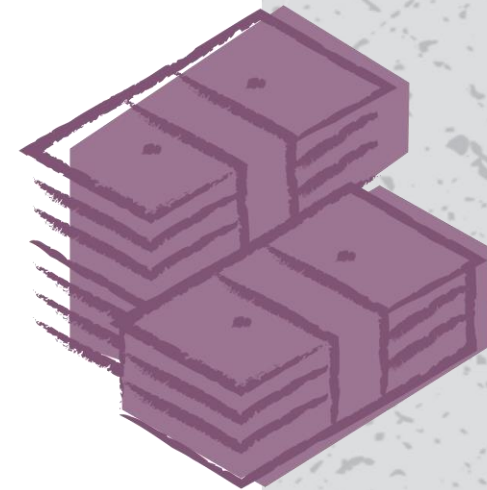
Dimension 1:
School Funding

Diagnostic Blueprint

On the following slides, we share the types of data analyses that districts can conduct to assess resource equity for this dimension.

Key Question for this Dimension:

Does the funding system distribute adequate funding based on student needs and enable flexible use of funds in ways that are clearly understood?



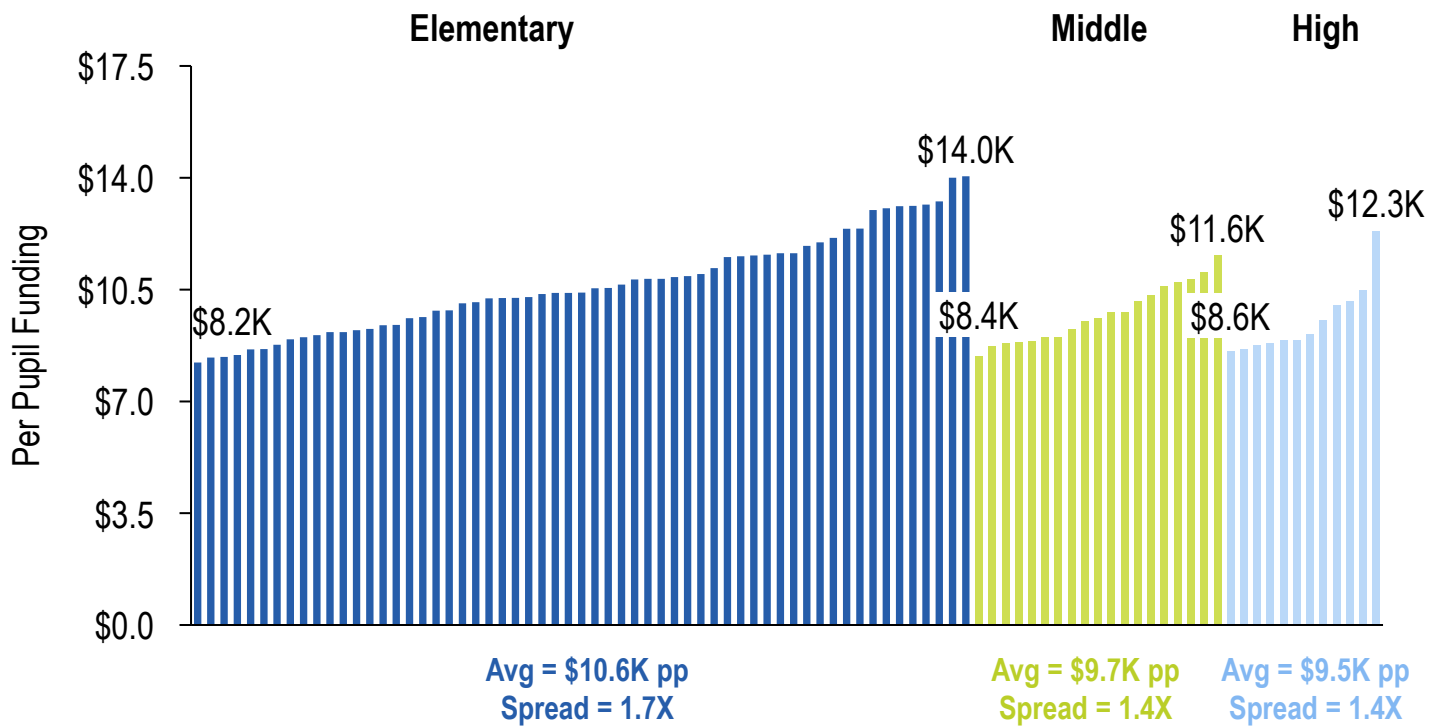
SCHOOL FUNDING

Looking at per pupil funding across school levels is a helpful starting place for understanding overall variation.

1.1 Does the funding system distribute **adequate** funding based on student needs and enable **flexible** use of funds in ways that are clearly understood?

For example, in District X ...

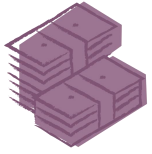
School-Reported Per Pupil Funding by School Level



For example, in District X:

- On average, elementary schools receive more funding than middle schools and high schools. This made sense to District X because they had recently invested in early literacy efforts.
- However, there is significant variation **within** school levels. For example, the highest funded elementary school in the district is receiving 1.7X more than the lowest funded elementary school.
- After seeing this, district leaders decided they needed to understand **why** this variation was happening and its primary drivers.

Sources: Example of ERS Resource Equity Diagnostic, Alliance for Resource Equity



It's okay for school funding to vary! Variation is not necessarily a bad thing. The question is: Is the variation *strategic* (aligned with district's goals) and *equitable* (higher-need schools receive additional dollars)?

Here are some of the most common drivers of variation in school funding.

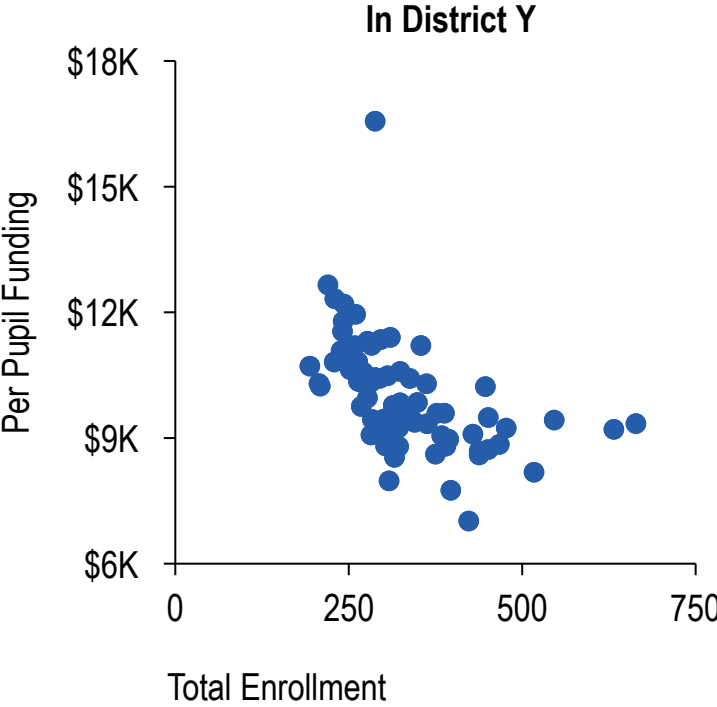
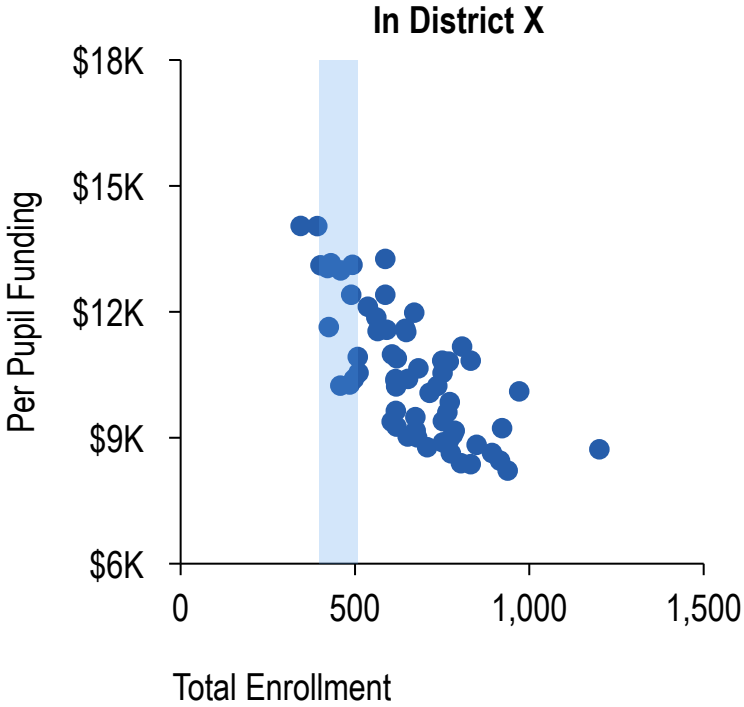
*Our analysis will guide you through the first two drivers. We encourage you to explore the others too.

School Size*	Smaller schools often receive additional resources to cover their higher overhead costs (e.g., one Assistant Principal per ES regardless of school size).
Student Need*	Budgeting formulas that distribute additional costs to schools to meet specific student needs (e.g., allocations based on the % Economically Disadvantaged, % Students with Disabilities (SWD), % Multilingual Learners (MLL)).
School Type	Certain school types/designations may receive additional resources (e.g., schools with dual language programming).
Enrollment Projections	If fall budget true-up doesn't occur, over-projected schools will receive fewer resources than they should, and under-projected schools will receive more.
School Utilization	Schools with many empty seats often require additional resources to pay for required upkeep.
Teacher Compensation	Schools with more experienced and highly compensated teachers spend more than those with more novice teachers, even when they have the same number of positions.
Vacancies	Some schools may have difficulty filling positions, meaning that these schools will typically spend less than their budget.
Ad-hoc Exceptions	Districts often make one-off exceptions to the stated allocation rules/formulas and grant individual school requests for an additional position or resource. We call this the "squeaky wheel syndrome" where schools who complain to the right people in the district receive more resources.

District leaders can investigate whether school size is unintentionally driving differences in school funding.

 For example ...

Elementary Schools: School-Reported Per Pupil Funding by Total School Enrollment



1.1

Does the funding system distribute **adequate** funding based on student needs and enable **flexible** use of funds in ways that are clearly understood?

For example:

- In District X, smaller elementary schools tend to receive more \$pp than larger schools. But significant variation still exists – for example, elementary schools who serve between 400-500 students range in \$pp by ~\$4,000 (see shaded blue area). To further understand what was causing funding variation, District X decided to dig into the other drivers.
- Unlike District X which shows a linear relationship between \$pp and total enrollment, District Y shows a cost curve which is typical of most districts. The per-pupil cost starts to even out at around 300-400 students for elementary schools and 500-600 in middle and high schools.

Note: This chart shows analysis of elementary schools, but in the analysis support tool, you will analyze all school levels
Sources: Example of ERS Resource Equity Diagnostic, Alliance for Resource Equity

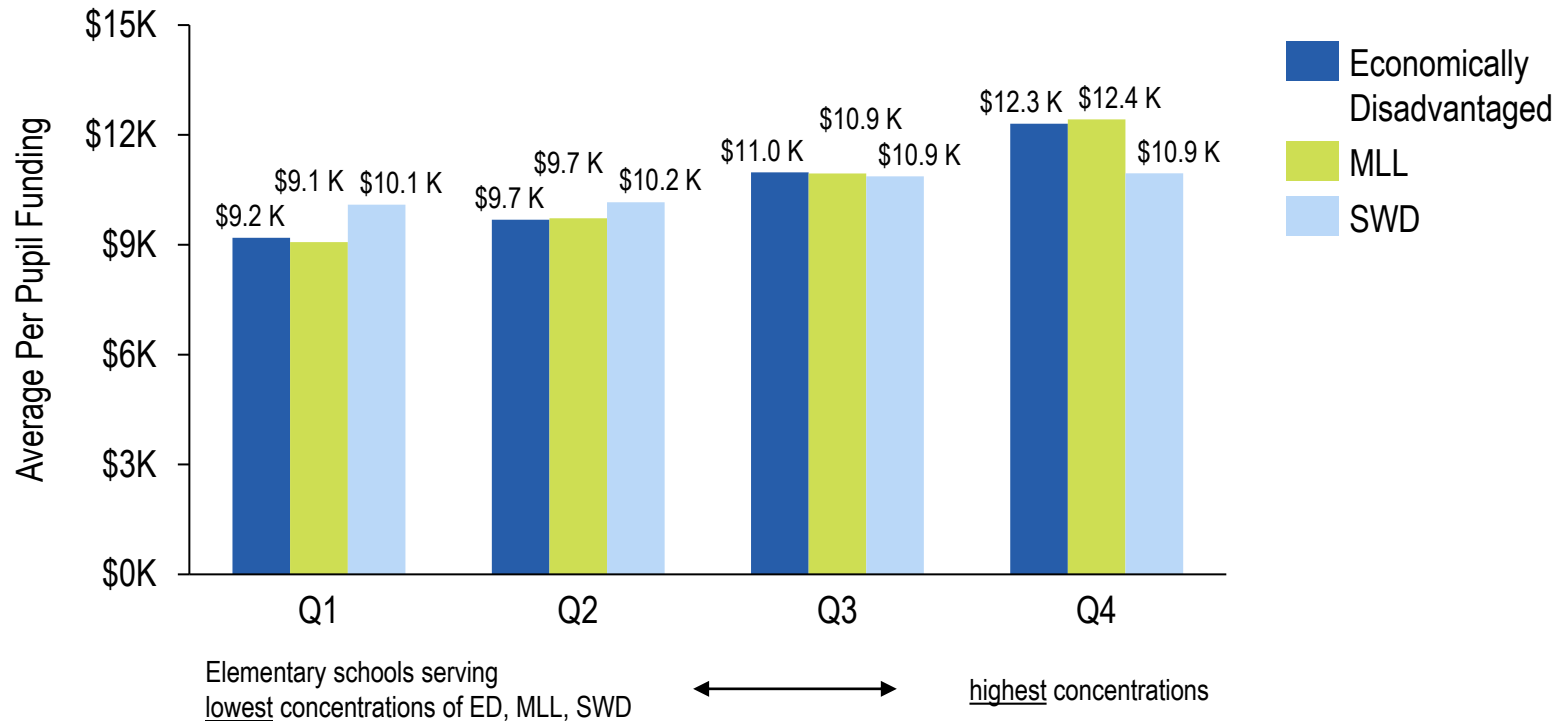
District leaders can also investigate whether schools with higher concentrations of student need receive more funding.

1.1

Does the funding system distribute **adequate** funding based on student needs and enable **flexible** use of funds in ways that are clearly understood?

 For example, in District X ...

Elementary Schools: Average School-Reported Per Pupil Funding by Student Need Quartiles



For example, in District X:

- Elementary schools that serve higher concentrations of economically disadvantaged (ED) students (Q4) receive, on average, \$3.1K pp more than the schools serving lower concentrations of economically disadvantaged students (Q1). This pattern was also true for multilingual learners (MLLs) and students with disabilities (SWD).
- However, looking at averages can mask outliers and variation. District X's next step was to look at scatterplots to identify potential outliers, and to understand the relationship *between* ED, MLL, and SWD status and how it may impact funding. District X also conducted this analysis at the middle school and high school levels.

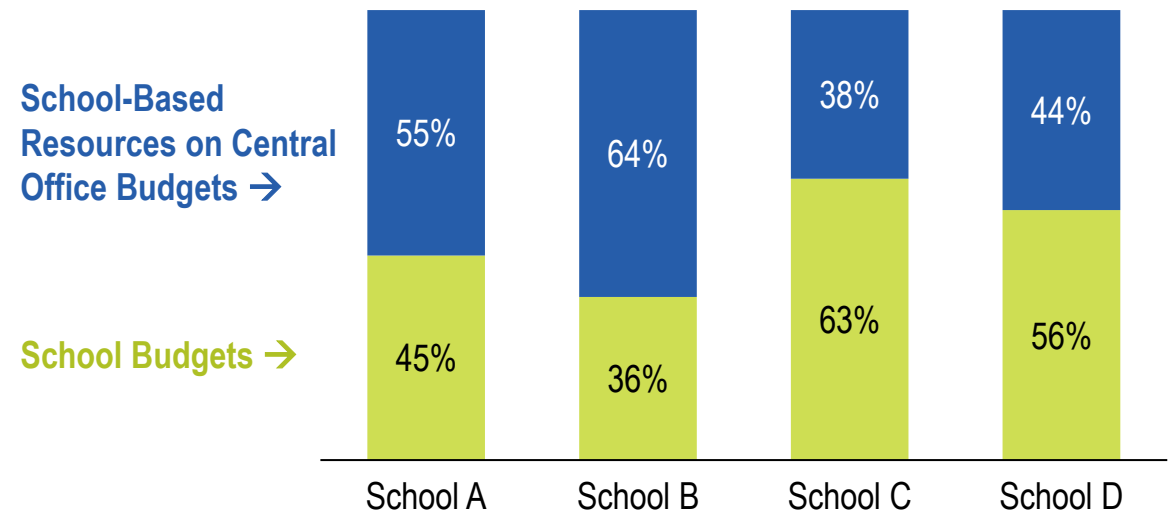
Notes: This chart shows analysis of elementary schools, but in the analysis support tool, you will analyze all school levels; Poverty quartiles sort the concentrations of poverty experienced at schools in the district; Measure of economically disadvantaged students will depend on the district context (i.e., federal free-and-reduced lunch, direct certification, etc.)

Sources: Example of ERS Resource Equity Diagnostic, Alliance for Resource Equity

Important Note: For the proposed analyses to be meaningful, it's important for districts to be analyzing *all* school-based resources.

- **In many districts, school budgets are often not complete. For example, the following positions and resources are often reported on central office budgets instead of at the school level:**
 - Instructional coaches
 - MLL and SWD teachers
 - Counselors, Social Workers
 - OT/PT/Speech Therapists
 - Spending on instructional materials and textbooks
- **We strongly suggest including *all* school-based resources in your analysis, which may mean taking the step of allocating any centrally-budgeted, school-based resources to the correct schools.**

For example: If your district has a lot of school-based resources reported on central budgets (blue), analyzing only the resources that currently sit on school budgets (green) would provide an *incomplete and incorrect understanding* of school funding in the district.



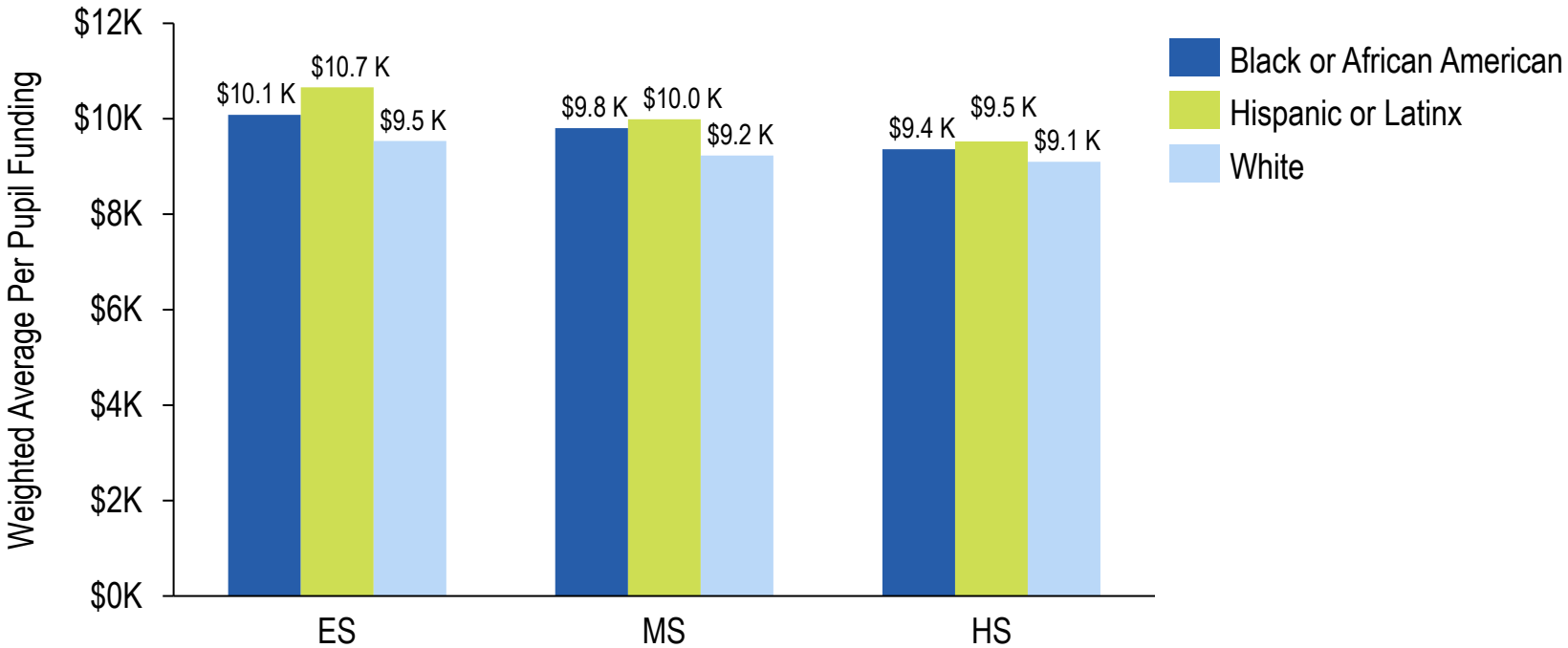
Investigating the relationship between school funding and race/ethnicity can help illustrate how district funding decisions interact with neighborhood segregation within the broader community.

1.1

Does the funding system distribute **adequate** funding based on student needs and enable **flexible** use of funds in ways that are clearly understood?

 For example, in District X ...

Weighted Average School-Reported Per Pupil Funding by Student Race/Ethnicity



For example, in District X:

- Although, school funding is in **no way** allocated based on race/ethnicity in District X, analyzing how school funding is *experienced* by students of different races/ethnicities felt important because of broader housing segregation challenges within the community.
- This analysis showed that Black/African American and Hispanic/Latinx students, on average, attended schools in District X that had higher per pupil funding levels.
- Further analysis indicated that this was due to the relationship between race/ethnicity and student need (ED, MLL, SWD) within the district.

Methodology Note: When calculating a weighted average, each data point value (in this case, each school's \$pp) is multiplied by an assigned weight (# students of a particular racial/ethnic group in that school), which is then summed (for all schools in the district) and divided by the number of data points (total # students of the racial/ethnic group in the district).
Sources: Example of ERS Resource Equity Diagnostic, Alliance for Resource Equity



DIMENSION 1: SCHOOL FUNDING

Summary of analyses:

1.1 Does the funding system distribute adequate funding based on student needs and enable flexible use of funds in ways that are clearly understood?

- 1.A School-Reported Per Pupil Funding by School Level
- 1.B School-Reported Per Pupil Funding by Total School Enrollment
- 1.C Average School-Reported Per Pupil Funding by Student Need Quartiles
- 1. D Weighted Average School-Reported Per Pupil Funding by Student Race/Ethnicity

Now, it's your turn!

Use our free toolkit to conduct these analyses in your district:

- 1 Conduct these analyses by plugging in your district's data into our [analysis tool](#).
- 2 Engage stakeholders in discussions using our [guiding questions and protocols](#).
- 3 Prioritize areas for further inquiry and identify potential root causes and actions using our [dimension guidebooks](#).

