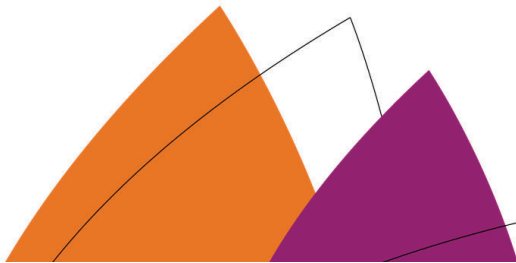




Student Based Budgeting Project Update

Jeffco Public Schools



Why this project?

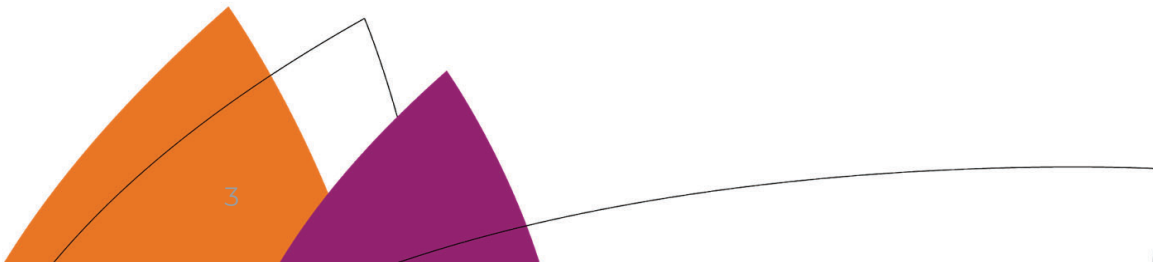
- Over the past couple years, many stakeholders have questioned our school budgeting approach and how it works
- This project will allow us to:
 - Analyze how our budgeting approach has or has not supported equitable funding levels to meet student needs in schools
 - Benchmark our funding formulas to other districts
 - Facilitate internal conversations to update and revise our budgeting approach
 - Design tools and resources to train and support principals and school communities on the school budgeting process

About Student-Based Budgeting

Student-Based Budgeting (SBB) is a funding system whereby dollars follow students based on student need. It describes a funding model that: allocates dollars instead of staff or materials, is based on the number of students, and uses objective and measurable student characteristics as weights.

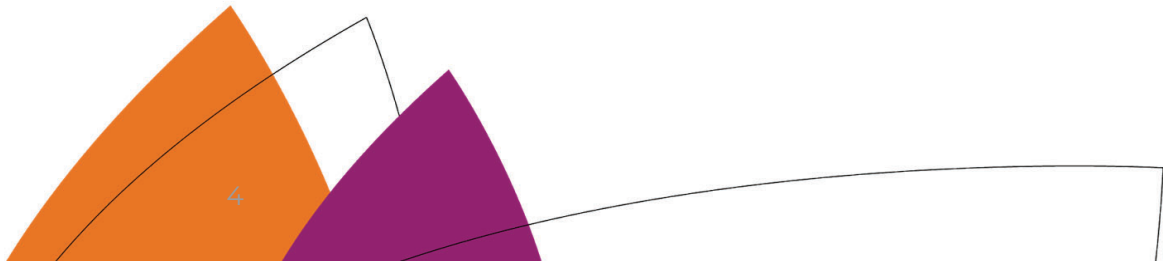
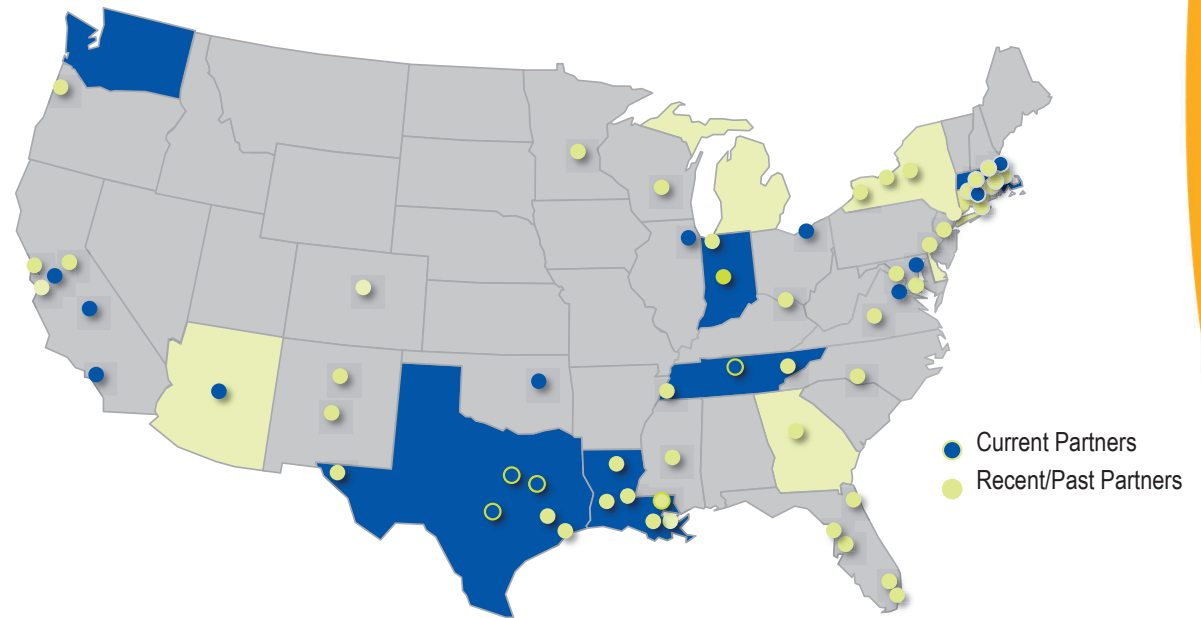
- Jeffco implemented SBB in 2015/16
- SBB allocates dollars to schools primarily based on student enrollment
- Each student receives a funding "weight" based on need

While Jeffco's current SBB model has given schools flexibility, it is less clear how well SBB has improved equity and transparency.



About Education Resource Strategies (ERS)

Education Resource Strategies (ERS) is a **national non-profit** that partners with district, school and state leaders to **transform how they use resources (people, time, and money)** to create strategic school systems that enable **every school** to prepare **every child** for tomorrow, **no matter their race or income.**

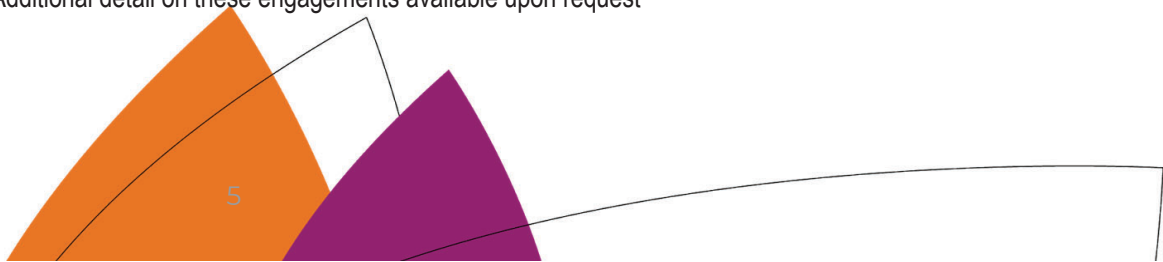
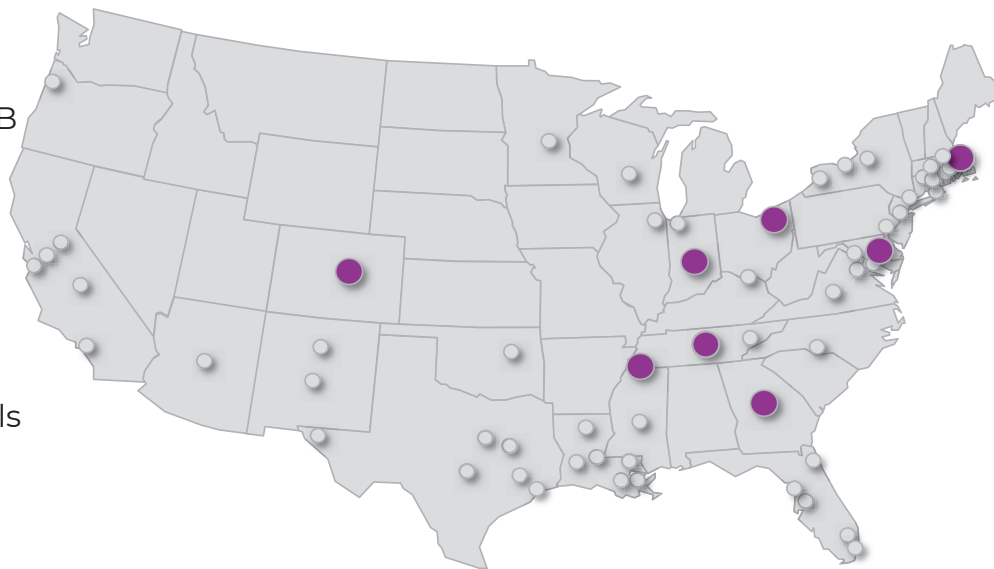


ERS has supported districts across the country in building and revising their SBB models

Past SBB support projects having included*:

- **Atlanta:** Support for the rollout of a new funding model and budget training for school leaders
- **Baltimore:** Support for evolutions to a long-standing SBB model to align with changing needs and fiscal context
- **Boston:** Analytic support to improve transparency into school funding allocations districtwide
- **Cleveland:** A readiness assessment and support for the redesign the district's existing SBB model
- **Indianapolis:** A readiness assessment, support for redesign of a new SBB model, and coaching for principals in adopting new flexibilities
- **Nashville:** Support for the design of a new SBB formula and targeted training for school leaders
- **Shelby County:** Support for design of a new SBB formula and tools, and school design support for school leaders

*Additional detail on these engagements available upon request



Summary of the Diagnostic Phase

	May	June	July	August	Sep	
Kick-Off & Interviews						Design Team Kick-Off
<ul style="list-style-type: none"> Current perceptions, pain points, & challenges 						
1: Understanding the Landscape (Mid-June)						
<ul style="list-style-type: none"> How has our SBB model changed since 2016? How have revenue, enrollment, and student needs changed since 2016? 						
2. Understanding the SBB model (Early July)						
<ul style="list-style-type: none"> What are the drivers of variation in SBB allocations across schools? What are the benefits and trade-offs of SBB and other funding models? 						
Recap: Share-Out with Principals and Community Superintendents end of July						
3: Understanding total spend (Mid August)						
<ul style="list-style-type: none"> What does the rest of our financial picture look like and what drives variation in non-SBB dollars that go to schools? What opportunities exist to re-allocate dollars to the SBB formula? What are the impacts of the current budget exceptions processes? 						
4: Understanding Resource Use (Late August)						
<ul style="list-style-type: none"> How does the current funding formula enable/hinder strategic design decisions at schools (e.g. class sizes, course offerings, teacher collaboration and teacher utilization) at a subset of schools? How effective are our supports to principals in making strategic budgeting and school design decisions? 						

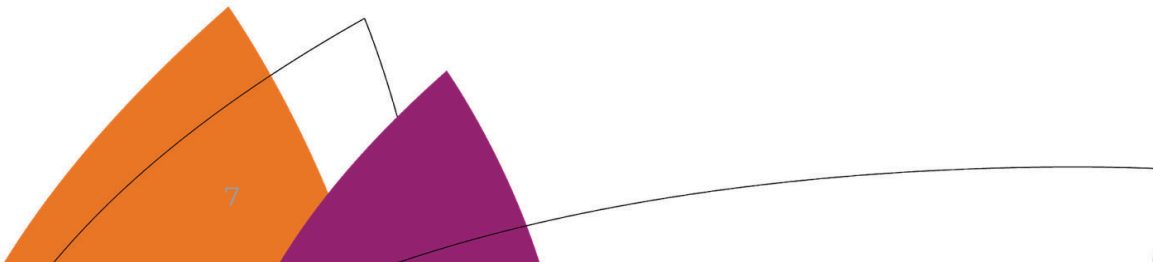
Phases II & III: Design and Implementation

Phase II

- **Design:** ERS will facilitate a design process to improve the process to allocate resources and build school budgets
 - Explore potential changes by modeling “what if” scenarios
 - Discuss changes with various stakeholders to gain input and perspective
 - Facilitate decision making considering tradeoffs between different approaches
 - Revise the budget model design and update policies where necessary

Phase III

- **Training & Implementation:** ERS will support Jeffco in updating the materials that explain and facilitate the budgeting process, and support training for leaders in the revised process
 - Update the School Budgeting Handbook
 - Establish clear timelines and communicate the process to various internal and external groups
 - Develop training materials that can be used with school leaders



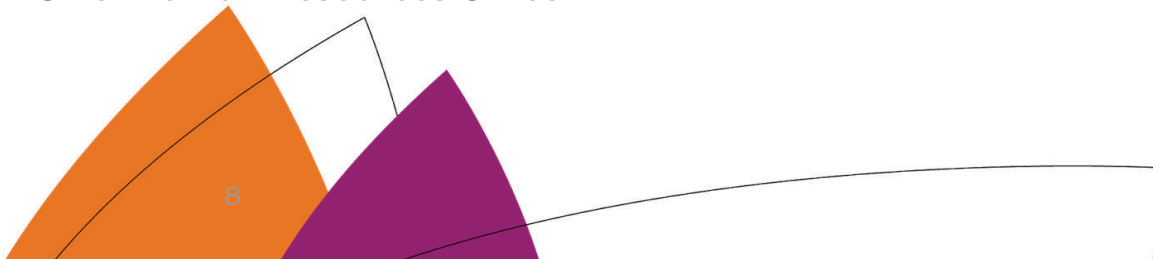
Kickoff & Interviews: Who have we gathered input from?

Conversations to Date

- **Review Team:** Cross-functional group of Principals, Community Sups and Central Office Teams
- **School Leaders:** Over 20 Principals representing a mix of ES, MS and HS
- **Academic Leadership Team** Deputy Superintendent, Chief of Schools and Chief of Academic Affairs
- **Budget Team:** Director of Budget and Budget Analysts
- **Student Success Team:** Chief of Student Success, ED of Special Education and Budget Analyst
- **Association Leadership:** President & Lead Staff Members for JCEA, JCAA and JESPA
- **Human Resource Programs:** Director of HR Programs, Sr. Manager of HR Programs, Managers of HR Programs and HR Programs Specialist

Upcoming Conversations

- **Community Superintendents**
- **Additional Principal Focus Groups**
- **Chief Human Resources Office**



Kickoff & Interviews: What are some things we've heard so far?

“Before SBB, we just had to beg the community sup for more staff; this was based on favoritism; **now we have transparency and more rules – no more ad hoc allocations**”
- Review Team

“The budget process and formula feels transparent, but **contract requirements limit flexibility** beyond the foundational staff. This is more of a challenge at small schools...”
- Principal

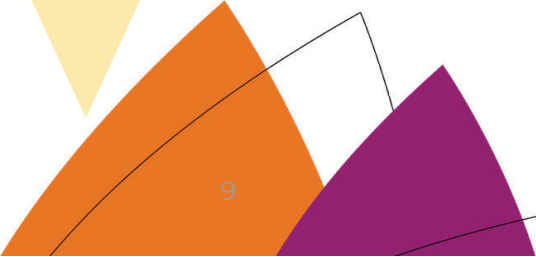
“The big schools, with a waiting list have to give money back to the district; **the bigger schools have figured out just the right amount of students to let in so they don't lose funds** from the size equity factor”
- Association Leadership

“The current funding system doesn't fully support the needs in my building...Because we are so tight on funds, **we have to configure our classes so they are multigrade.**”
- Principal

“**[The] biggest struggle [with school funding] is declining enrollment** and how it limits staffing opportunities. And enrollment challenges are uneven across schools”
- Human Resources

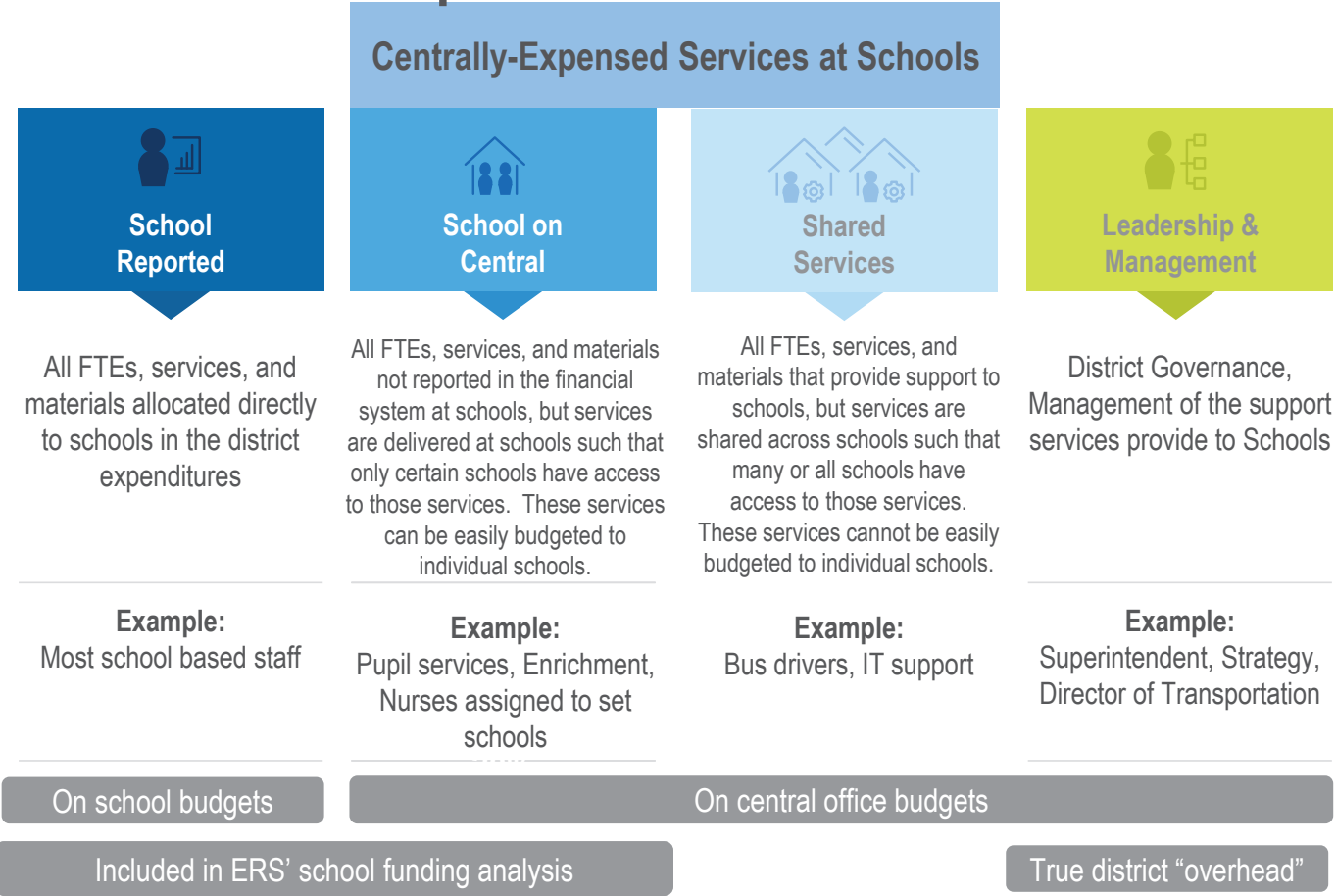
“I think it's great to have a certain level of flexibility, but **there are fundamentals that every school should have a right to**”
- Association Leadership

“Over the last 2 years, SBB allocations have been based on prior year October count. But **when enrollment numbers shift in the Fall, this is disruptive.**”
- Review Team

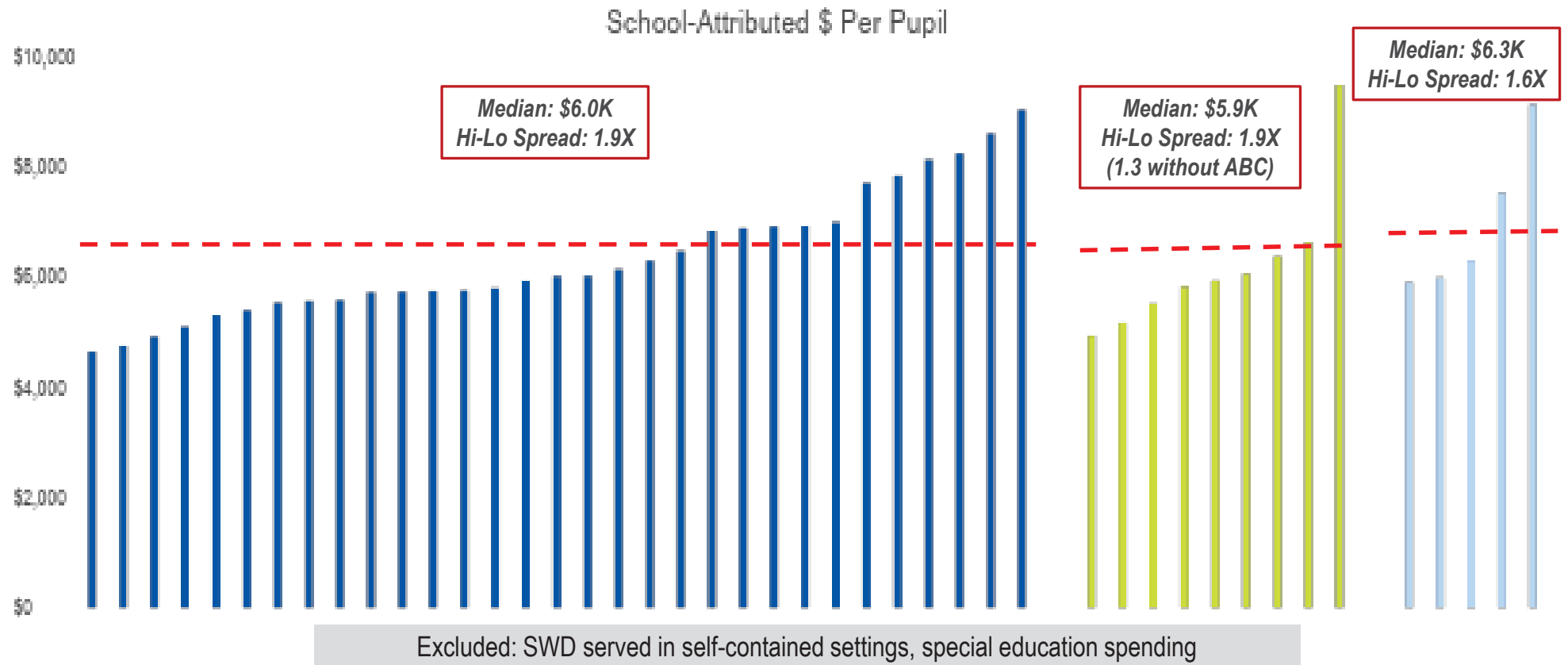


Sample School Funding Analyses

ERS begins its analysis of school funding by breaking dollars into “sharing levels”, which creates a truer picture of school-level resources










ERS allocates “school on central” dollars down to individual sites so it can analyze funding variation across schools and school levels



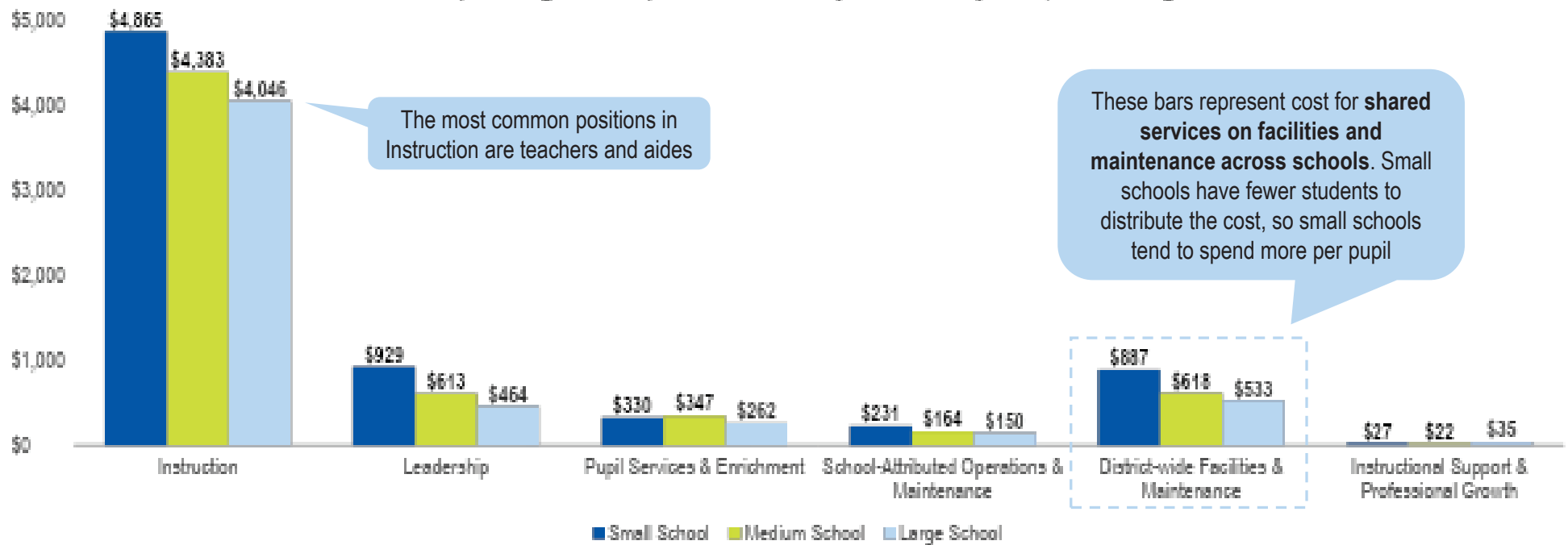
Source: Anonymized District Expenditure Data FY20, Student Enrollment Data SY19-20, ERS Analysis. Excludes students with disabilities served in self-contained settings and excludes special education spending.

Through its school funding analysis, ERS tests common drivers of funding variation to help assess equity

Common Drivers of Variation in Per-Pupil Spending Across Schools		Is this a factor in <u>elementary</u> schools?	In <u>secondary</u> schools?
	Student need	✓	✓
	School size	✓	✓
	Third-party operator	✓	✓
	Supplemental and ad hoc allocations	?	?
	Average teacher compensation	✗	✗
	Maintenance costs due to variation in building quality	✗	✗
	Enrollment projections	?	?

The analysis also looks at how schools with different characteristics (e.g. school size) allocate their resources to different “Uses”

General Education Spending Per-Pupil at Elementary Schools by Use, Excluding Title I and SCE



Excluded: Partner Schools, SWD served in self-contained settings, spending on SWD, Title I & Comp. Ed. funds

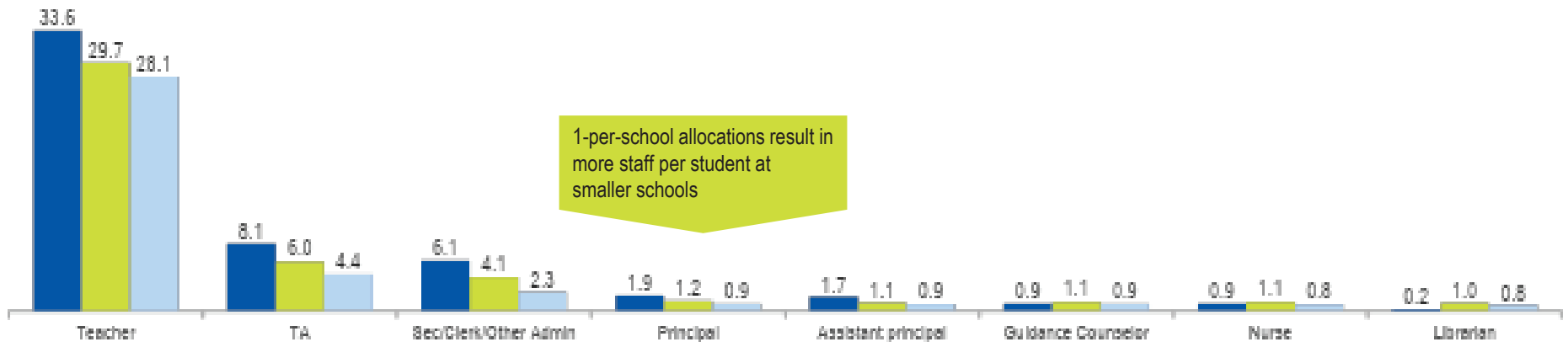
Source: Student Enrollment Data SY19-20; Anonymized District Expenditure Data FY20, ERS Analysis

...And how school spending translates into staffing levels and mixes

Small schools are more likely to have underfilled classrooms, and so more teachers per 500 students

General Education FTE per 500 Students at Elementary Schools, Excluding Title I and SCE

■ Small ■ Medium ■ Large



1-per-school allocations result in more staff per student at smaller schools

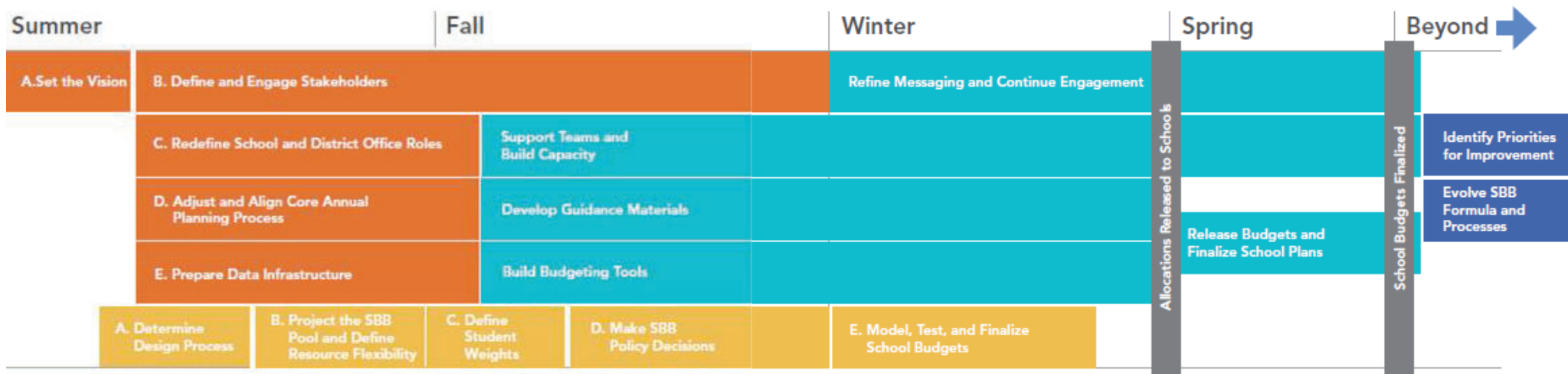
How are these staff assigned to schools?	Teacher	TA	Sec/Clerk/Other Admin	Principal	Assistant principal	Guidance Counselor	Nurse	Librarian
	20:1 for PreK 22:1 for K-4; 25:1 for 5 Specials: <350: 2, 350-500: 3, 500+: 4	2 if > 350 students 1 if < 350	1 per school	1 per school	1 if > 350 students 0.5 if < 350	1 if > 500 students 0.5 if < 500	1 if > 350 students 0.5 if < 350	1 if > 500 students 0.5 if < 500

Excluded: LPN Schools, SWD served in self-contained settings, spending on SWD, Title I & Comp. Ed. funds

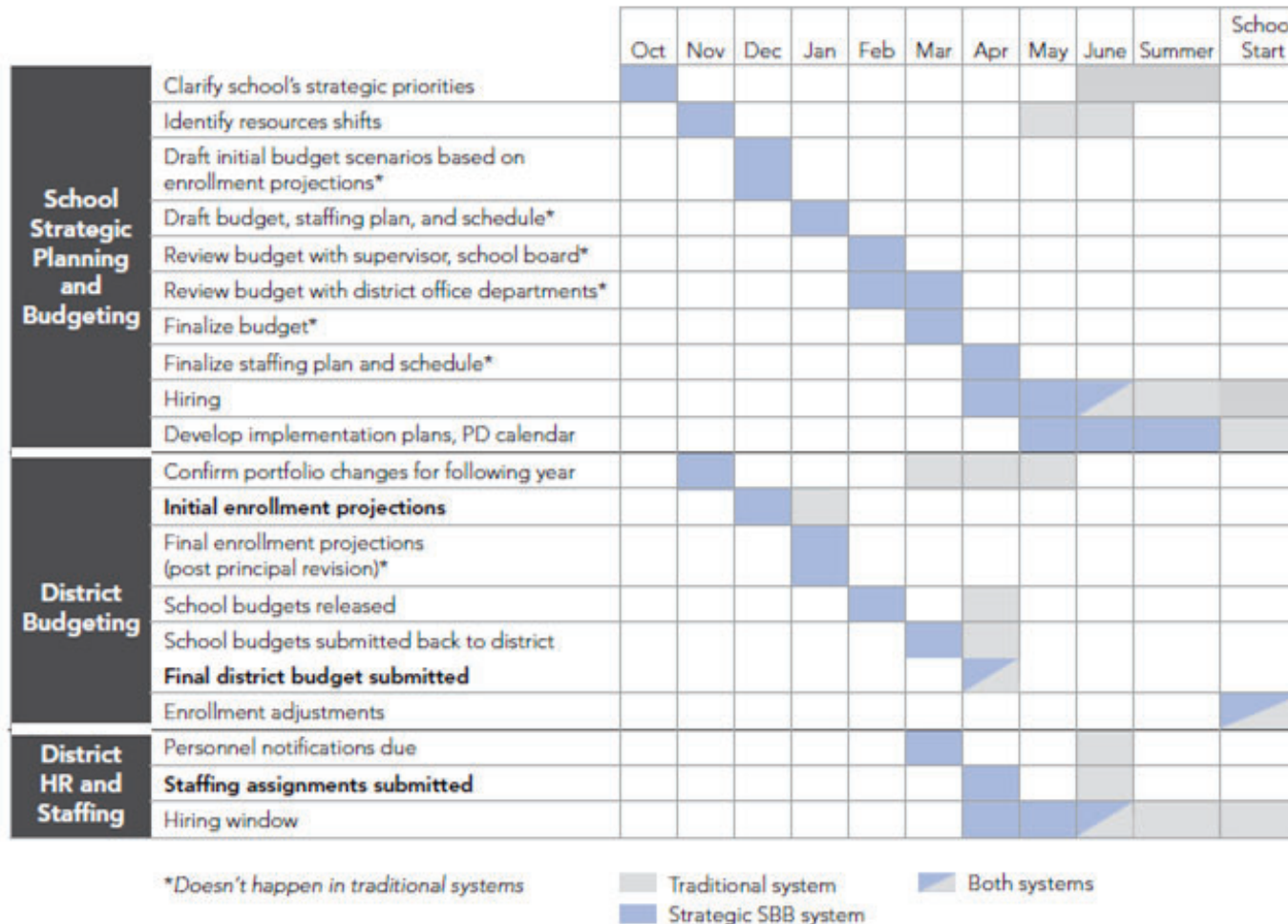
Sample Implementation Processes

ERS support for school funding redesign typically starts with a carefully designed implementation process

Sample Student-Based Budgeting Design & Implementation Process



ERS also helps districts draw connections between changes to funding and the annual school planning process



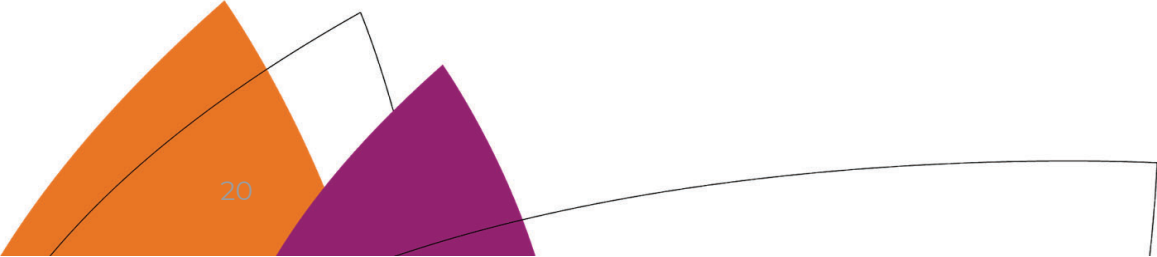
Appendix

Proposed Budget by Position Level and Work Stream

The table below summarizes the cost of Jefferson County’s partnership with Education Resource Strategies (ERS) broken out by phase of work and position level. To produce costs for this scope of work, ERS estimates the percentage of time over a given period of months that each team member will spend on each workstream and factor in estimated travel costs assuming multiple in-person site visits.

The table below shows our estimates of total time for each team member over the course of the project, and how this informs the total cost for this work.

Position Level	Billing Rate	Estimated Person Hours	Diagnostic <i>April-Sep 2022</i>	Design <i>Sep-Oct 2022</i>	Implementation <i>Nov -Dec 2022</i>	Total
Partner	\$300	390	\$47k	\$35k	\$35k	\$117k
Manager	\$167	975	\$72k	\$54k	\$37k	\$163k
Principal Associate	\$133	1,170	\$62k	\$47k	\$47k	\$156k
Associate/ Analyst	\$107	1,985	\$100k	\$75k	\$37k	\$212k
Travel & Out-of-Pocket Expenses	NA	NA	\$29K	\$19K	\$14K	\$62K
TOTAL		4,520	\$310k	\$230k	\$170k	\$710K



Other Projects

The table below summarizes two recent proposals ERS submitted to districts for similar school funding redesign work. These proposals were selected as comparisons because of their similarities to the contract with Jefferson County but are not identical. Both budgets were set using the same billing rates as Jefferson County, but with slightly different assumptions about the number of hours required. These differences reflect differences in the work required.

District	Year of Proposal	Person Hours Budgeted	Total Cost (in Thousands)
Jefferson County	2022	4,520	\$710.0
Boston Public Schools	2021	7,074	\$1,029.5
Cleveland Municipal School District	2021	3,840	\$565.0

