

How to Communicate About Money (and the soon-to-be-released ESSA mandated school financials) (and the soon to happen economic downturn)

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ESSA requires:

parsing finance
BY SCHOOL!

How much is spent all in from public funds
per pupil at a school near you?



School leaders will see what's spent centrally on behalf of their schools

	District 1			District 2		
	Elementary School #11	Elementary School #12	Middle School #17	Elementary School #13	Middle School #22	High School #31
	A: Enrollment	375	511	992	442	992
Site level						
B: Federal	\$456	\$209	\$164	\$197	\$222	\$356
C: State/Local	\$6,111	\$4,756	\$5,998	\$6,987	\$5,124	\$5,982
D: Site level total	\$6,567	\$4,965	\$6,162	\$7,184	\$5,346	\$6,338
Site share of central						
E: Federal	\$161	\$161	\$161	\$621	\$621	\$621
F: State/Local	\$5,378	\$5,378	\$5,378	\$4,921	\$4,921	\$4,921
G: Site share of central total	\$5,539	\$5,539	\$5,539	\$5,542	\$5,542	\$5,542
H: Total school expenditures	\$12,106	\$10,504	\$11,701	\$12,726	\$10,888	\$11,880



Interviews with principals/district leaders about school spending...

District Leader: We are transparent – we put all our financial files online.

Principal: All in, my school receives about \$40,000 a year.

Principal: I don't get as much \$ as other schools in the district because my school is in a neighborhood with lower property values.

Principal: Is the district shortchanging my school? I assume not, but I have no idea.

Interviews with principals/district leaders about school spending...

District Leader: Our equity initiative has funded counselors, reading programs and social workers.

District Leader: We give extra staff to our higher needs schools, but they don't know that. They assume all schools have what they have.

Principals: I want to be more engaged in school finance decisions.

Principal: In my district, principals don't question budget choices.



Interviews, cont.

Teacher: My salary shouldn't be counted as part of what's spent on students.

Parent: I can accept a cut in something if I understand what's at stake.

Parent: Of course the district has to spend more on a student with greater needs.

Principal: I'm in favor of equity but not if it means taking money away from another school.



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Monday 5th June

City district spends
more on affluent
schools

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District doesn't spend
dollars on kids that
generate them

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Teachers don't understand
why spending increased by
5% but salaries are flat

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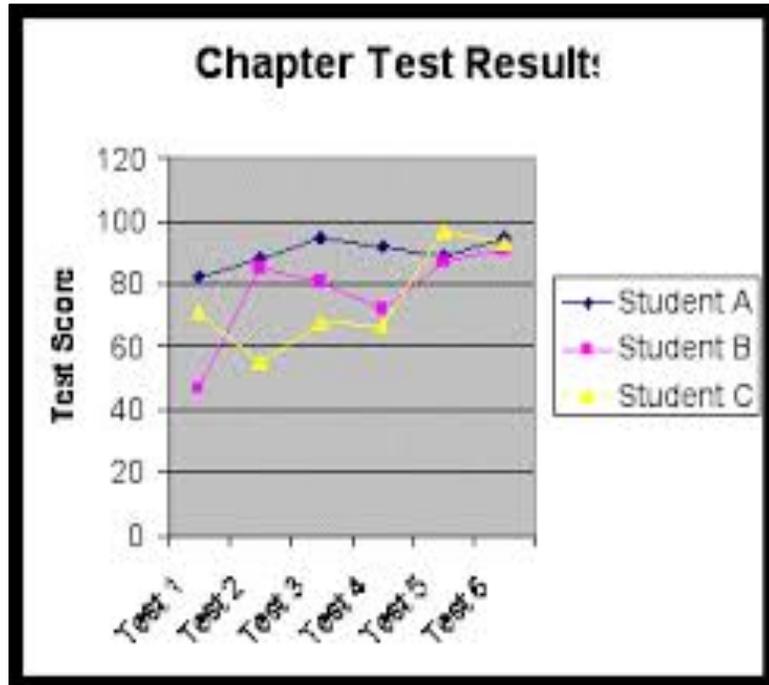
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Monday 5th June

Parents demand better
outcomes from high
spending, low performing
school

Outcomes by school



+

Spending by school



Schools: \$ Spent by Student vs. Math Score (circle color is school's %FRL)

Student Outcomes



Choose Outcome

- Overall Achievement
- Math Score
- Reading Score
- Growth Score

School District

cranston

School Level

Elementary

School Size Group

(All)

View by

- Quadrant
- Quadrant in View
- #Students
- %FRL
- %ELL
- %Special Ed

Click to highlight

- 0%-25%
- 25%-50%
- 50%-75%
- 75%-100%

Urban Rural

Not Urban

Saylesville ES (170-3112)
Lincoln
Q1: Higher Spending, Higher Outcomes

\$ Spent by Student:	\$16,649
#Students:	255
#ELL:	6
#FRL:	83
#SpEd:	53
Overall:	
ELA:	60.90
Math:	42.20
Growth:	



Per-Pupil Expenditures



How much is spent, all in, in public funds per student at your school?

The screenshot shows the Michigan Department of Education's website. At the top left is the logo for the Michigan Department of Education, featuring a stylized 'm' and 'e' in blue and green. To the right of the logo is the text 'DEPARTMENT OF EDUCATION'. In the top right corner, there is a 'stay connected:' section with icons for Twitter, Facebook, YouTube, and an email icon. Below the logo and navigation is a dark blue navigation bar with links for Home, About, Students and Families, Licensing, Districts, Schools and Educators, and Data Center. Below the navigation bar is a breadcrumb trail: 'MDE > Data Center > Data Reports and Analytics'. To the right of the breadcrumb is a search box with a 'Search' button. The main heading is 'Expenditures - District/Site Level Report'. Below the heading are links for 'Download' and 'PDF'. A paragraph of text explains that a site-level report identifies general revenue, by category, generated at the school site using the average daily membership (ADM) of General Fund covers the majority of schools operating budgets and is where schools account for elementary and secondary education student transportation, student support services and district-wide administration. A link to 'Read the help document.' is provided. Below the text is a section titled 'Use the Drop Downs to identify the report of interest' with three dropdown menus: 'Year' (set to 2017), 'District' (set to Statewide), and 'School' (set to All Schools). Below the dropdowns are two buttons: 'Run Report' and 'Reset'.

Access School Spending Data Hub at
<https://edunomicslab.org/>

#1. T/F? Two schools with roughly the same mix of students can spend the same amount money and get different results.

#2 T/F? Two schools with roughly the same mix of students can spend the same amount money *in the same way* and get different results.

#3 You are the superintendent and meeting with a principal in Quadrant I, what do you say? Quadrant IV?

#4 You are the principal in Quadrant IV, what do you say to your school staff? Quadrant I?



Successful Communication on Finance

- Avoid business lingo.
- Reference students (and what finances will do for students).
- If citing evidence/research, acknowledge local context
- “Fair” is received better than “Equitable”
- Citing dollar figures improves credibility. Explain tradeoffs with dollars.
- Get feedback from principals and invite them to communicate
- Acknowledge good faith
- When communicating, offer a means to weigh in



Don't say:

Do say:

Leveraging dollars to do more for
students



Don't say:

Do say:

- ✓ Leveraging dollars to do more for students.

Reallocation



Don't say:

X Reallocation

Do say:

- ✓ Leveraging dollars to do more for students.

Efficiency



Don't say:

- X Reallocation
- X Efficiency

Do say:

- ✓ Leveraging dollars to do more for students.

Do more with less



Don't say:

- X Reallocation
- X Efficiency
- X Do more with less

Do say:

- ✓ Leveraging dollars to do more for students.

Link discussion to STUDENTS



Don't say:

- X Reallocation
- X Efficiency
- X 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.”



Don't say:

- X Reallocation
- X Efficiency
- X Do more with less

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.”

Acknowledge a cut as just that:
a cut.



Don't say:

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- X Efficiency
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- ✓ 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.”

Communicate with \$ amounts



Don't say:

- X Reallocation
- X Efficiency
- X Do more with less
- X 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.”
- ✓ Communicate with \$ amounts

“We were told we had to...”



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.”
- ✓ Communicate with \$ amounts

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.”
- ✓ Communicate with \$ amounts
- ✓ We have the flexibility to make tradeoffs that meet the needs of our students.



Let's try it. Message this:

- A. 7% across-the-board raise for teachers.
- B. Cuts in the theater program (or sports team, IB program, nurses,??).
- C. More investment in counsellors in some schools.
- D. More flex funds given to schools where teacher salaries are lower (or where poverty is higher).
- E. Closing an under-enrolled school to save money. **Others?**
- F. An increase in employee contributions to pensions
- G. "This information makes conversations around equity possible. For too long, we've accepted an unjust funding structure that does not take into account the significant gaps between low income and high-income districts."

Common findings:

Here's how to talk about them:

- 1. YIKES! (District feels defensive.)**
 1. Looking at the district's expenses from the school lens is new for us and reveals some noteworthy patterns. We're eager to engage with our principals/community to explore how to best deploy our limited funds to do the most for all the district's students.
- 2. Seniority drives up \$ at some schools**
 2. We use a salary scale based on experience so we spend more on schools that attract senior teachers. That leaves fewer dollars for schools w/ junior teachers. We're eager to engage with our principals/teachers/community about options that might both retain our teachers and work better for all our students.
- 3. Special programs (magnets) are costly.**
 3. The extra funds we've been applying to our magnet programs do leave fewer dollars for other schools. This is good time to explore whether there are ways to protect our best programs without drawing funds from other schools and students.



Common findings, cont.

4. Central expenses
feel high

5. School size is a
factor --or--
Schools with
declining
enrollment have
high costs

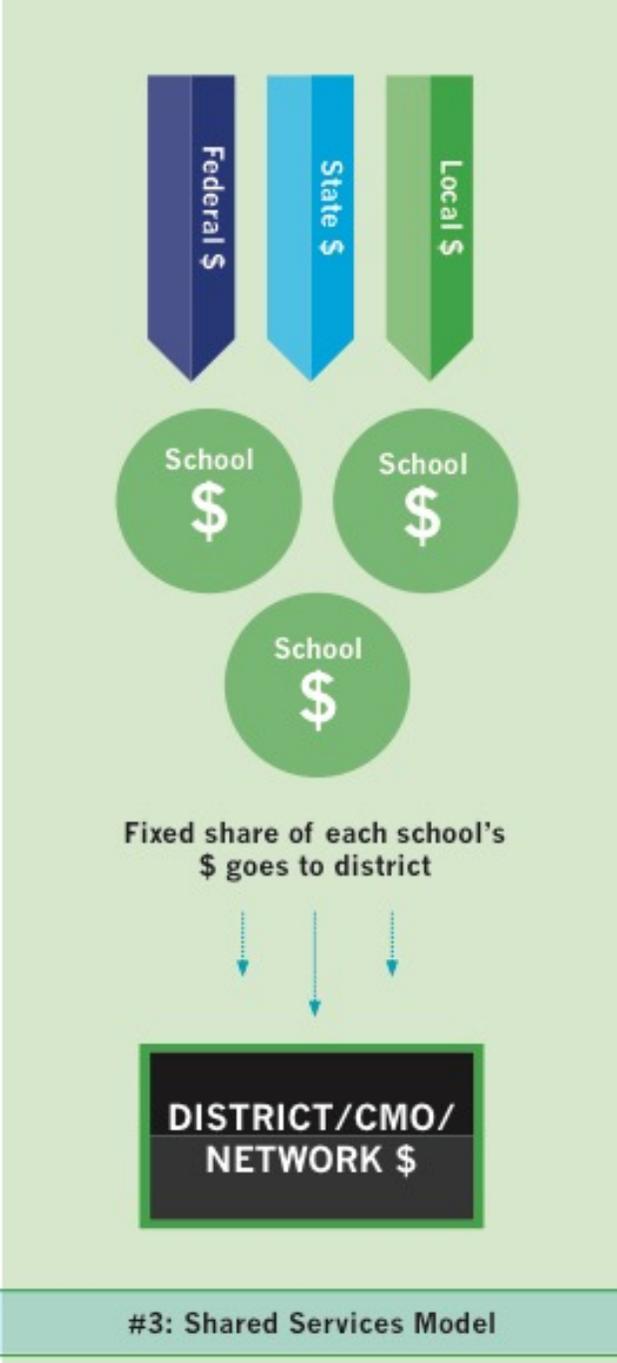
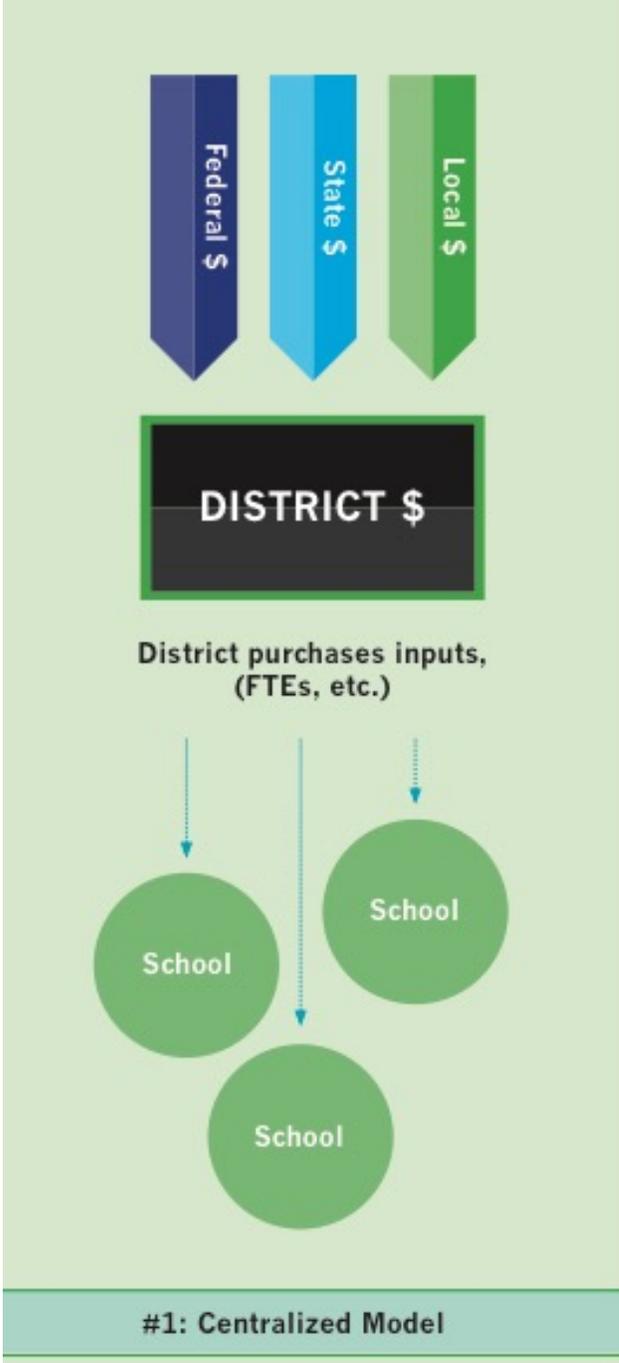
Here's how to talk about them:

4. We've prepared a breakdown of central expenses, which include \$xx pp in transportation and \$xx in food services. We invite principals/community to weigh in on how to better deploy those dollars to do the most for students.

5. The district does deploy more dollars to its smaller (or under-enrolled) schools, leaving fewer dollars for all other schools. Given the limited district resources, it may be time to explore how we can construct a budget that better serves all our students where they are.



1. Be clear about how the district divvies up resources to schools



Maple receives nearly all of the public funds allocated to Oak School District for the students it serves.

92%

2. Help principals compare their spending to dollars generated by students

3. Put costs in per pupil terms (including centrally-managed expenses).

Public Funds Allocated to Oak School District for Students at Maple Elementary <i>(Total Combined Federal, State & Local Funds)</i>	
Base per pupil	\$4,380,849
Grades K-3	\$295,974
Grades 4-6	\$23,205
Grades 7-8	0
Grades 9-12	0
Poverty	\$194,481
Poverty Concentration (over 55%)	\$366,235
Other Needs (Foster, At-Risk)	\$17,204
Bilingual Ed	\$11,742
Special Education	(Considered Separately)
Total Funding	\$5,289,690
Funding Per Student	\$8,437

What Oak School District Spends on Students at Maple Elementary	
Funds Spent at School Site	\$3,204,801
Maple's Share of Shared District Costs	
Transportation	\$252,054
Buildings	\$494,076
District Leadership	\$255,189
Food Services	\$249,546
Technology	\$139,194
Other	\$260,832
Sum of Shared Costs	\$1,650,891
Total Spent on Behalf of Maple Students	\$4,855,692
Spending Per Student	\$7,744

Oak School District receives \$5,289,690...
(for Maple Elementary Students)

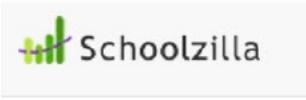
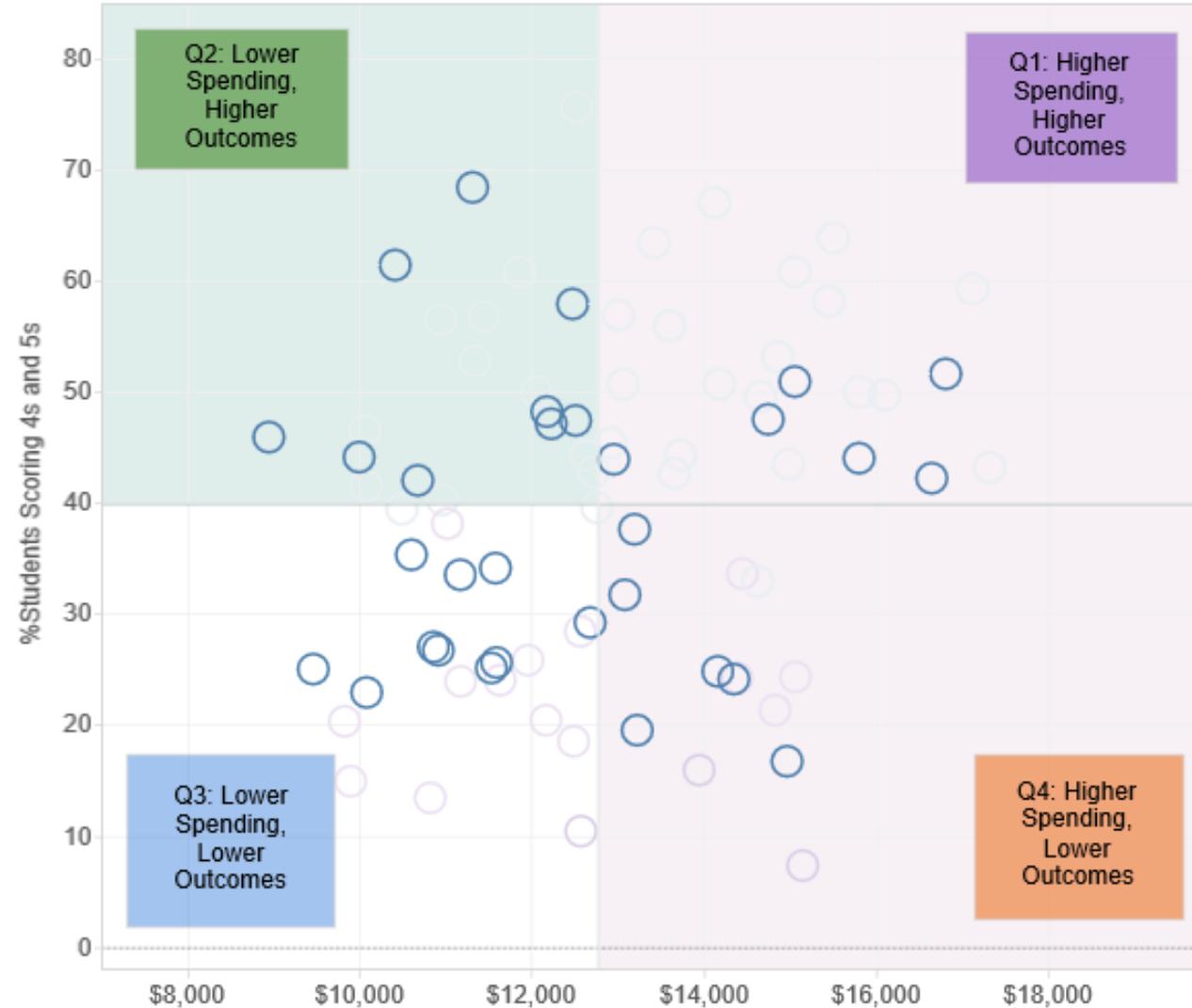
...then spends \$4,855,692
(on behalf of Maple Elementary Students)

Analyses by Edunomics Lab

4. Link spending and outcomes by school. Ask principals how to leverage resources to do more for students.

Student Outcomes

Schools: \$ Spent by Student vs. Math Score (circle color is school's %FRL)



Per-Pupil Expenditures

Choose Outcome

- Overall Achievement
- Math Score
- Reading Score
- Growth Score

School District: +

School Level:

School Size Group:

View by

- Quadrant
- Quadrant in View
- #Students
- %FRL
- %ELL
- %Special Ed

Click to highlight

- 0%-25%
- 25%-50%
- 50%-75%
- 75%-100%

Urban Rural:

Saylesville ES (170-3112)
Lincoln
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\$ Spent by Student:	\$16,649
#Students:	255
#ELL:	6
#FRL:	83
#SpEd:	53
Overall:	
ELA:	60.90
Math:	42.20
Growth:	



5. Engage principals in discussing cost-equivalent tradeoffs.

The CFO calls a principal with an extra **\$85,000** for the coming school year. The CFO wants to know which option the principal prefers:

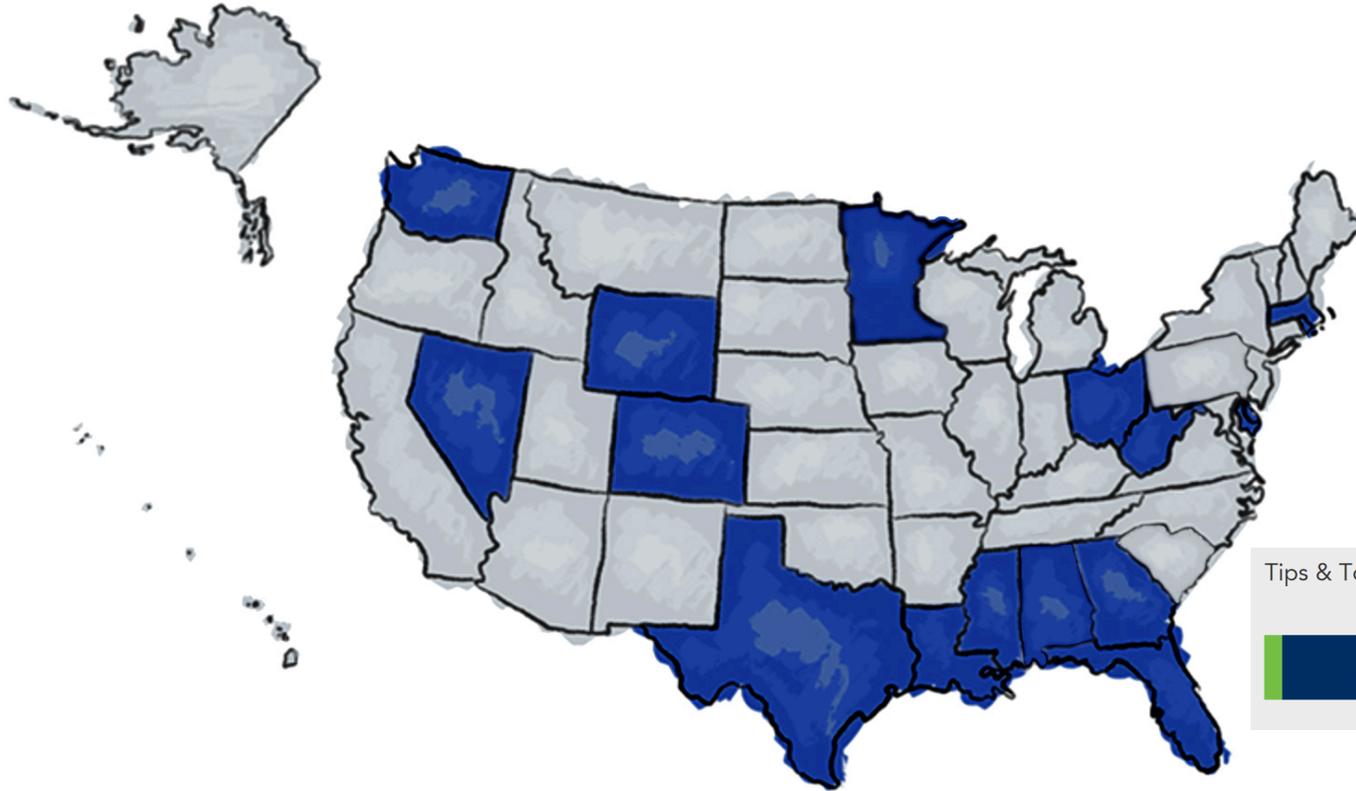
OPTION A: Add one FTE

OPTION B: Use the \$85K as stipends
to add time for current staff



6. Equip/encourage principals to talk to their communities about finance.

SCHOOL SPENDING DATA HUB



Tips & Tools for...

Journalists

District Leaders

Principals

PER STUDENT SPENDING STATE-BY-STATE



Certificate in Education Finance

GEORGETOWN UNIVERSITY



HOUSTON
JAN 29-30



SEATTLE
FEB 5-6



SAN FRANCISCO
FEB 11-12

EDUNOMICS
LAB The Study of Education Finance

REGISTER AT
mccourt.georgetown.edu/cef

Thank you!
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