Student-based allocation as a means toward increased productivity

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What is productivity?

- “Productivity” involves raising outcomes for a given expenditure.

“Efficiency” generally refers to achieving the same outcomes at a lower expenditure.
True or False?

Two schools with roughly the same mix of students can spend the same amount money and get different results.

- True
- False

Two schools with roughly the same mix of students can spend the same amount money in the same way and get different results.

- True
- False

Why? The “school effect.”
All WA Elementary Schools with > 75% F/RL

Math performance

Per pupil Spending (avg, $10,200)
Key opportunities for states to promote productivity

1. Ensure information systems link spending and outcomes by school.

1. Equitably fund students and student types (not inputs, programs, districts, etc.) in a way that maintains flexibility of funds

1. Build sufficient stable revenue stream: leverage local monies as part of the state formula (for adequacy and equity)
States base funding formulas on different things

<table>
<thead>
<tr>
<th>Mechanism</th>
<th>Sometimes there are qualifiers</th>
<th>Sometimes formulas vary by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inputs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programs/services</td>
<td>reimbursement</td>
<td>School type (charter, virtual)</td>
</tr>
<tr>
<td></td>
<td>compliance</td>
<td>Student type, Service type, Categoricals</td>
</tr>
<tr>
<td>Students</td>
<td>competency</td>
<td></td>
</tr>
<tr>
<td>Other -- hold harmless</td>
<td>political</td>
<td></td>
</tr>
</tbody>
</table>

Equitable, flexible, portable, enables productivity, school effects
New Jersey’s student-based formula*

<table>
<thead>
<tr>
<th>Weight</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base -- all students</td>
<td>1.00</td>
</tr>
<tr>
<td>Middle grades</td>
<td>4%</td>
</tr>
<tr>
<td>Secondary grades</td>
<td>16%</td>
</tr>
<tr>
<td>ELL</td>
<td>47%</td>
</tr>
<tr>
<td>Poverty</td>
<td>41%</td>
</tr>
</tbody>
</table>

Most states are a hybrid of formula types

*Data from Ed Build
Percentage of State and Local Monies Disbursed on Basis of Students

- California*: 77%
- Colorado+: 51%
- Delaware*: 1%
- Florida ~: 63%
- Georgia ~: 38%
- Idaho+: 0%
- Illinois+: 18%
- Minnesota*: 77%
- New Jersey*: 85%
- New York*: 72%
- Ohio+: 33%
- Pennsylvania+: 0%
- Rhode Island+: 61%
- Tennessee+: 5%
- Washington*: 6%

[+ 2013-14; * 2014-15; ~ 2015-16]