

School Funding Studies

Montana Legislature

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The Learning Policy Institute conducts and communicates independent, high-quality research to improve education policy and practice.

Today's Presentation

School Funding Studies

1. Why do states undertake school funding studies?
2. What are the different types of school finance studies?
3. How are studies conducted?
4. Other issue to think about

Why do States Undertake School Funding Studies

- To (re)calibrate costs within their funding formula (Georgia, Tennessee, and Wyoming)
- To set a goal for state funding (Illinois and Oregon)
- As a guide for changing their school funding system (Delaware, Maryland, and Michigan)
- Court mandated (Kansas and North Carolina)

Type of Studies

What are you costing out?

- **Inputs**

- Staffing (Teachers, counselors, social workers, psychologists, librarians, etc.)
- Programs (English language learners, extended learning, special education, etc.)
- Services (Facility maintenance, food services, transportation, etc.)
- Other (Equipment, supplies, technology, textbooks, etc.)

Type of Studies

What are you costing out?

Outcomes

- Attendance
- Test scores
- Graduation rates
- Dropout rates
- College/career going rates
- Teacher recruitment/retention

Most commonly based on the state's current standards.

Input Only Studies

How input studies are conducted:

1. Identify all of the state required inputs
2. Determine if any inputs need to be adjusted or added (this step is not always included)
3. Cost out each input

Adequacy Studies

- Adequacy studies focus on the the relationship between expenditures and student outcomes
- Prior to starting an adequacy study the user must determine their definition of an “adequate education”
 - Example: 75% of students testing proficient or above on the state exam, 80% on time graduation rate, etc.

Adequacy Approaches

	Professional Judgment	Successful School/District	Evidence-Based	Education Cost Function
How the Study is Conducted	A group of education professionals help to design schools that will meet or exceed the state's standards	Study schools/districts that meet or exceed the state's standards	Examines the academic and best practice research on resources that impact student and school performance.	Uses statistical models to determine the link between education costs and desired outcomes.
Data Requirements	Expertise of educators serving on PJ panels; uses research as a starting point, but defers to educators when conflict arises in resource recommendations based on their understanding of state standards	Expenditure data from selected successful schools or districts	Best-practice research, reviewed by educators; when conflict arises in resource recommendations, the EB approach defers to the research	Performance, student and district characteristics and expenditure data

Adequacy Study Notes

- **Mix and match**
 - Most of studies use a combination of the different study methodologies.
- **What is not included in an adequacy study:**
 - The following costs are usually not included in an adequacy study: facility funding, food services, and transportation.
 - These studies do not address any issues around school district consolidation.

Adequacy Study Notes

- **How long do they take?**
 - Studies can be done in as little as 3 months. However, most studies take 6 months to a year.
- **Who conducts these studies**
 - Most commonly by consulting firms but sometimes by state DOE staff
- **What do they cost?**
 - Normally between \$100,000 and \$500,000

Questions or Comments?

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