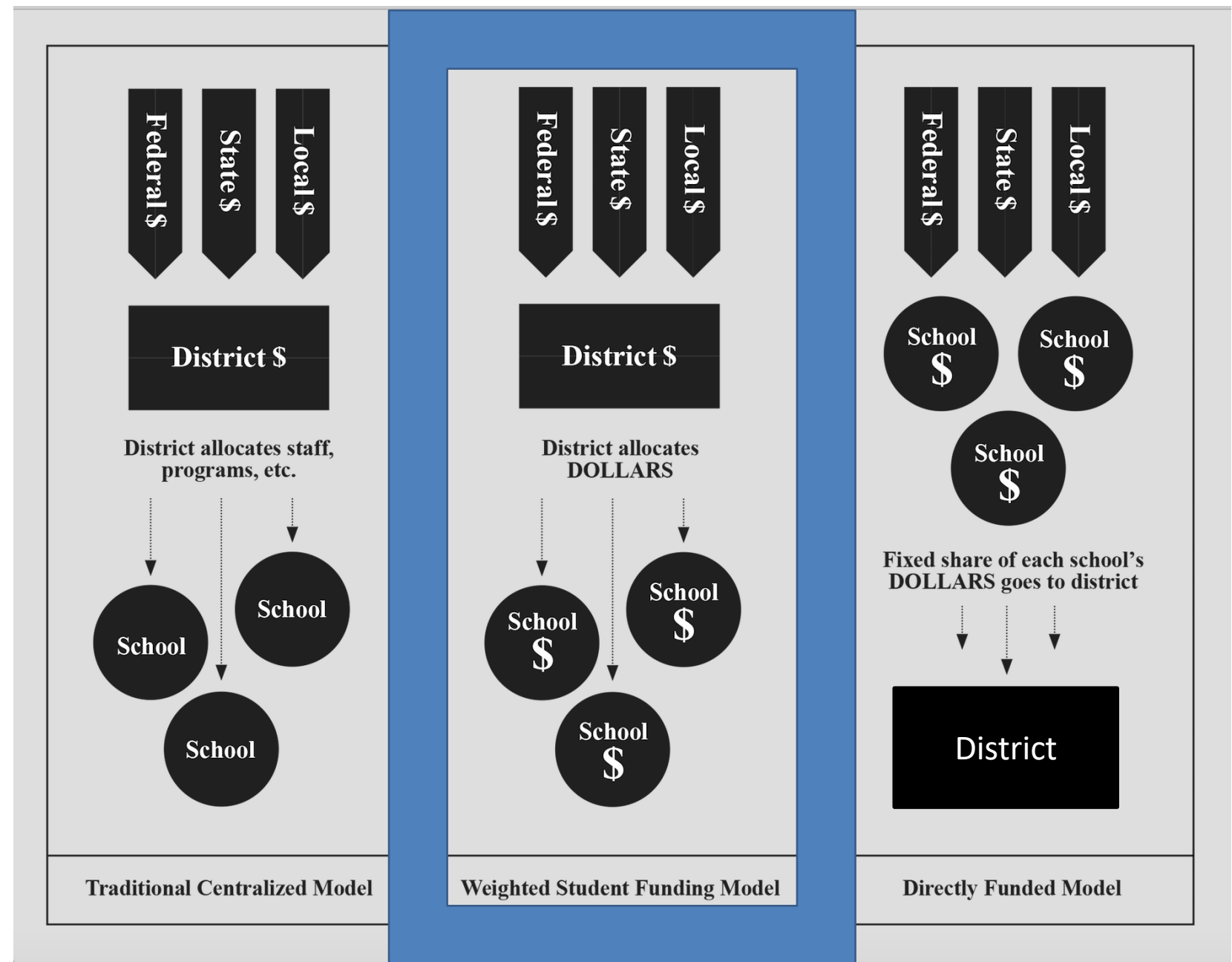


Student Centered Formula Update

March 23, 2021

What is Weighted Student Funding?



A Student-Centered Funding model can help improve the strength of the funding system:



Equity

An equitable system ...

- Distributes resources equitably based on student need.
- Allocates similar funding levels to students with similar characteristics, regardless of which school they attend.



Transparency

A transparent system ...

- Includes clear and easily understood rules for where, how, and why dollars flow.
- Makes it clear to all stakeholders who gets what and *why* (Note: the why is often the missing piece).



Flexibility

A flexible system ...

- Balances local autonomy and accountability in a way that is in alignment with district strategy.
- Reduces barriers to a school's ability to maximize spending power, e.g., blending general and non-general funds where possible.



Stability & Sustainability

A stable and sustainable system ...

- Provides predictable allocations to support school and district multi-year strategic plans.
- Is in alignment with the district's financial outlook and supports overall district strategy.

Why are we doing this?

CHANGE IN RESOURCE ALLOCATION AND USE

Better **align school funding with school and student needs**, while making effective use of scarce resources.

Support school leaders to meet the heightened learning, physical, and social- emotional needs of students, family and staff by **offering targeted flexibilities that allow them to adapt their budgets** based on their unique needs.

CHANGE IN UNDERSTANDING

Increased understanding of how the **district's funding system supports district's strategy**.

Increased understanding of **bright spots & challenges of current funding system** in relation to equity, transparency, flexibility, and sustainability.

Increased **support for and ownership of new funding formula** among school leaders and other community members.

CHANGE IN SCHOOL DESIGN & SERVICE DELIVERY

School leaders **design their schools differently** to better meet the district's vision for a high-quality student experience.

CHANGE IN STUDENT EXPERIENCE & OUTCOMES

All students experience high quality instruction and supports, no matter the school they attend, or their individual student identities.

Accelerate learning for all students.

Improved student outcomes across all of the district's LCAP priority areas.



Alignment with LAUSD Vision for Communities of Schools

Implementing a student-centered funding model aligns and accelerates LA Unified's vision for communities of schools

LA Unified's Vision of Communities of Schools:

- Provide our communities of schools with the services and supports they need to improve student achievement and equity
- Provide our communities of schools with autonomy tied to accountability
- Align our resources, systems, policies and processes to LA Unified's communities of schools model

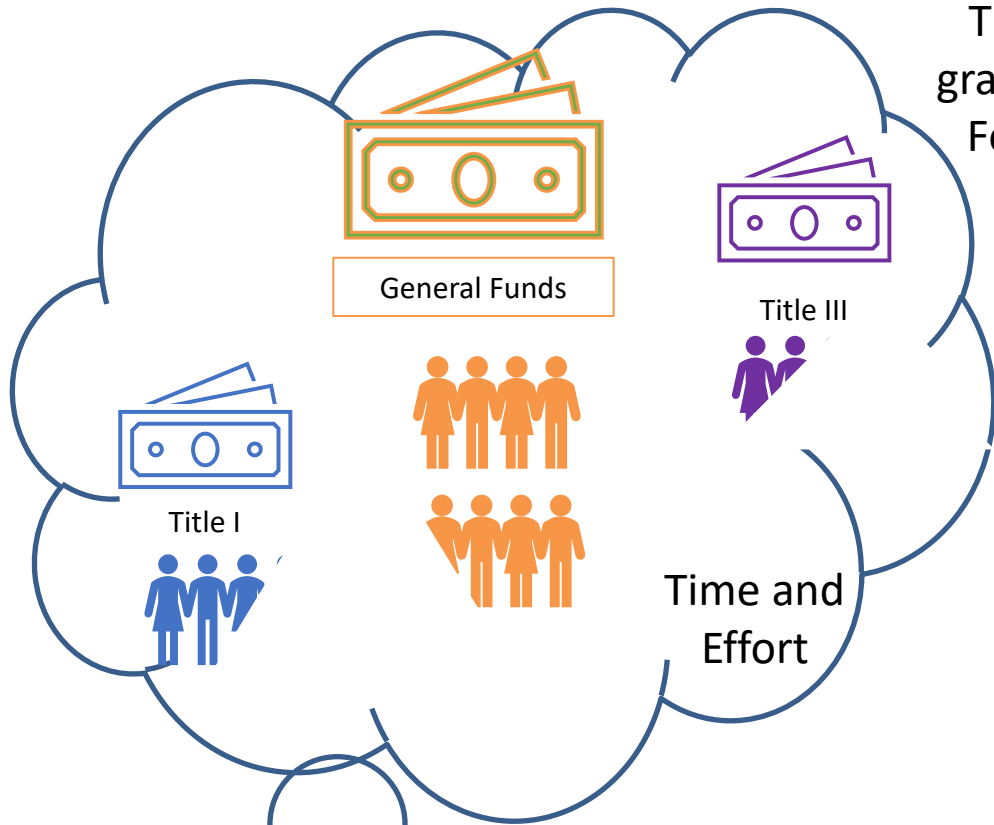
Services and Supports moved closer to students

Long-term financial sustainability – ensuring LAUSD's viability and alignment of resources in support of student outcomes

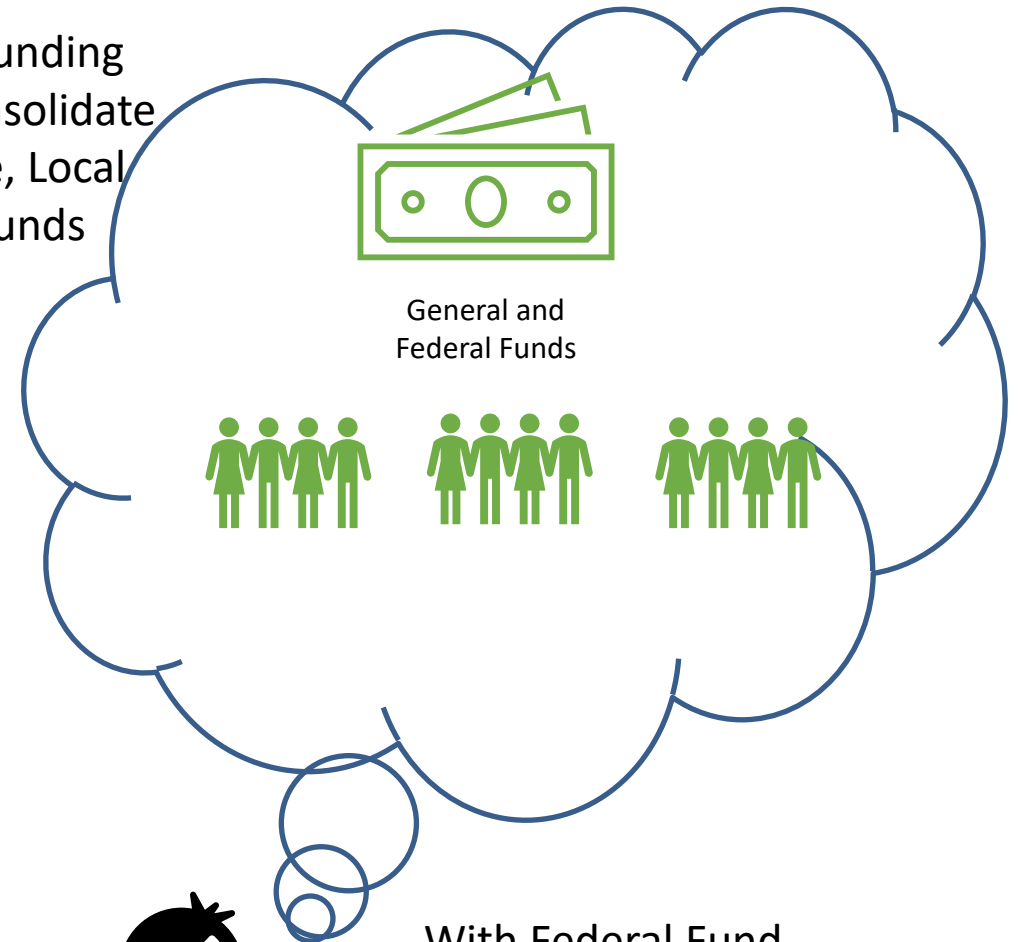
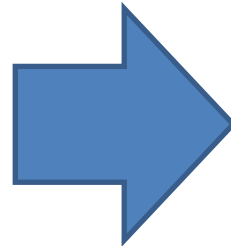
Student Centered Funding model increases autonomy and flexibility closer to students

Federal Funds Simplification

The Student-Centered Funding grant allows LAUSD to consolidate Federal Funds with State, Local and other sources of funds



In current state, Budget owners have to account for and balance multiple funding sources within their school budget – including onerous time and effort and other compliance requirements



With Federal Fund consolidation/simplification, budget owners can focus more on student outcomes without onerous accounting and compliance requirements

In an SCF system, schools are allocated dollars based on the characteristics of their students



Illustrative

Northwest High School

Total Enrollment: 1,750 | ELL: 27% | Econ. Disadvantaged: 85% | Below Proficient: 53%

Traditional School Budgeting

Personnel	Non-Personnel
60 Teachers	\$65,000 for Instructional Supplies
5 Principal and AP's	\$20,000 for Athletic Supplies
2 Counselors	\$6,000 for Custodial Supplies
3 Office Techs	Etc.
Etc.	

Schools receive staff, programs and supplies

- Central office determines how much funding schools receive and how the funding is spent
- Schools have limited flexibility over how their total budget is used across personnel and non-personnel resources

Student-Centered Funding

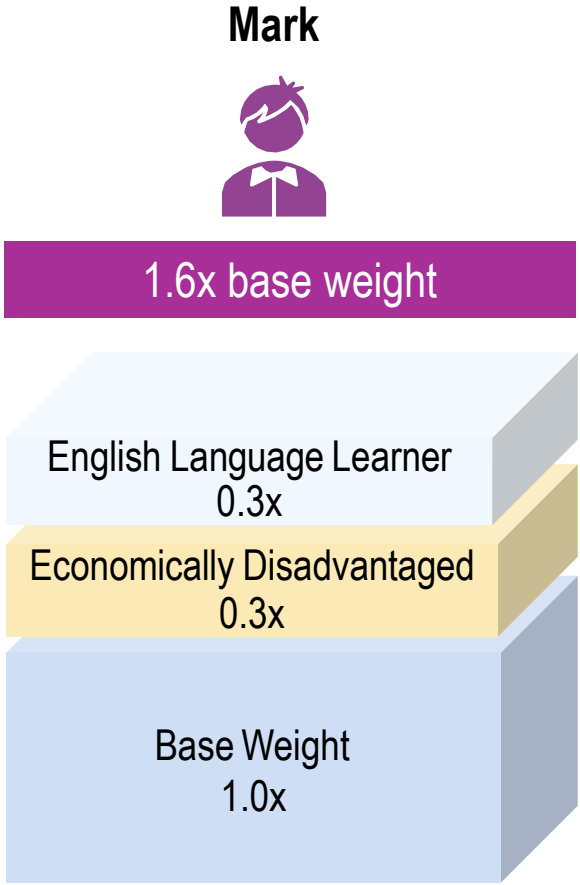
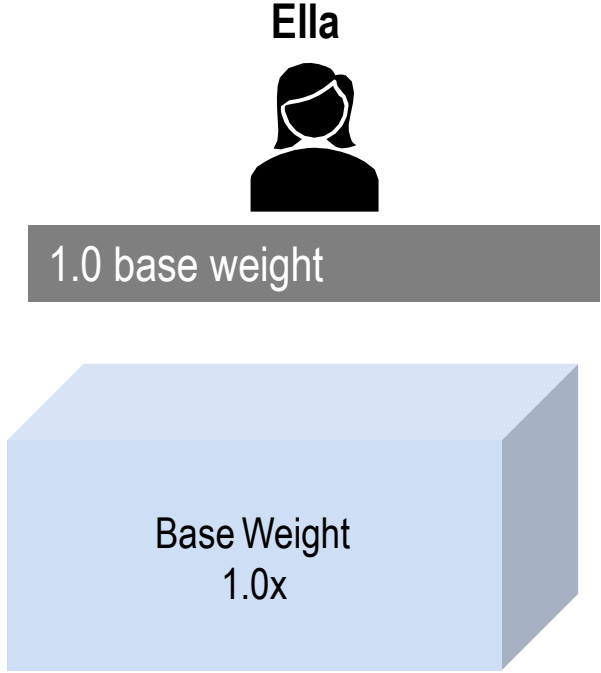
	Enrollment	Weight	Total
All Students	1,750	1.0 = \$4,250	\$7,437,500
Below Proficient	928	0.10 = \$425	\$394,400
Economically Disadvantaged	1,488	0.05 = \$212	\$315,456
ELL	473	0.20 = \$850	\$402,050
Total:			\$8.6M

Schools primarily receive \$s, not staff and programs

- Central office supports principals by setting guardrails and guidance for how to use new flexibilities
- Many programs continue to be allocated outside of the SCF formula to ensure compliance and meet unique student needs
- Multi-year process of expanding flexibilities and SCF pool

In most district SCF systems, the student weights are additive – aka “duplicated” – where students receive all the weights they are eligible for

Illustrative



Step 2: Specific student need (e.g. ELL or SPED)
Schools get an additional allocation for each individual student's need profile – weights are additive, so students receive all the weights they meet the criteria for.

Step 1: Base Weight
Schools get a **base amount** of money for every single student

Hypothetical example -- not intended to reflect LA Unified numbers.
Source: Education Resource Strategies, 2020

Districts make different decisions on what student characteristics to weight in their SCF system

	Atlanta (SY1819)	Baltimore (SY1718)	Boston (SY1718)	Cleveland (SY1718)	Denver (SY1617)	Indianapolis (SY1718)	Nashville (SY1819)	San Francisco (SY1718)	Shelby County (SY1819)
Poverty	X		X		X	X	X	X	
ELL	X		X	X	X		X	X	
SWD	X		X	X			X		
Grade Weight	X		X	X		X	X	X	X
Low Performance	X	X		X	X		X		X
High Performance/ Gifted	X	X		X	X				X
Other Weights		Dropout Prevention	Community Index Factors	Mobility, Attendance				SWD Supplies	Mobility

School leaders then use their budget to determine the mix of staff and other resources to match school needs and priorities

Illustrative



Northwest High School

Total Enrollment: 1,750 | ELL: 27% | Econ. Disadvantaged: 85% | Below Proficient: 53%



I can use the additional funding for my below-proficient students to purchase two additional teacher FTEs and lower class sizes to 18 in 9th grade ELA and Math...

... I will also move to a distributive leadership model in my school so I spend less on administrators (like assistant principals), and more on stipends for my teacher leaders.

Item	FTEs	Avg Salary	Total
Classroom Teacher	65	\$85,000	\$5,525,000
Principal and AP's	4	\$100,000	\$400,000
Stipends for Teacher Leaders	8	\$10,000	\$80,000
<i>Etc...</i>			
Total:			\$8.6M

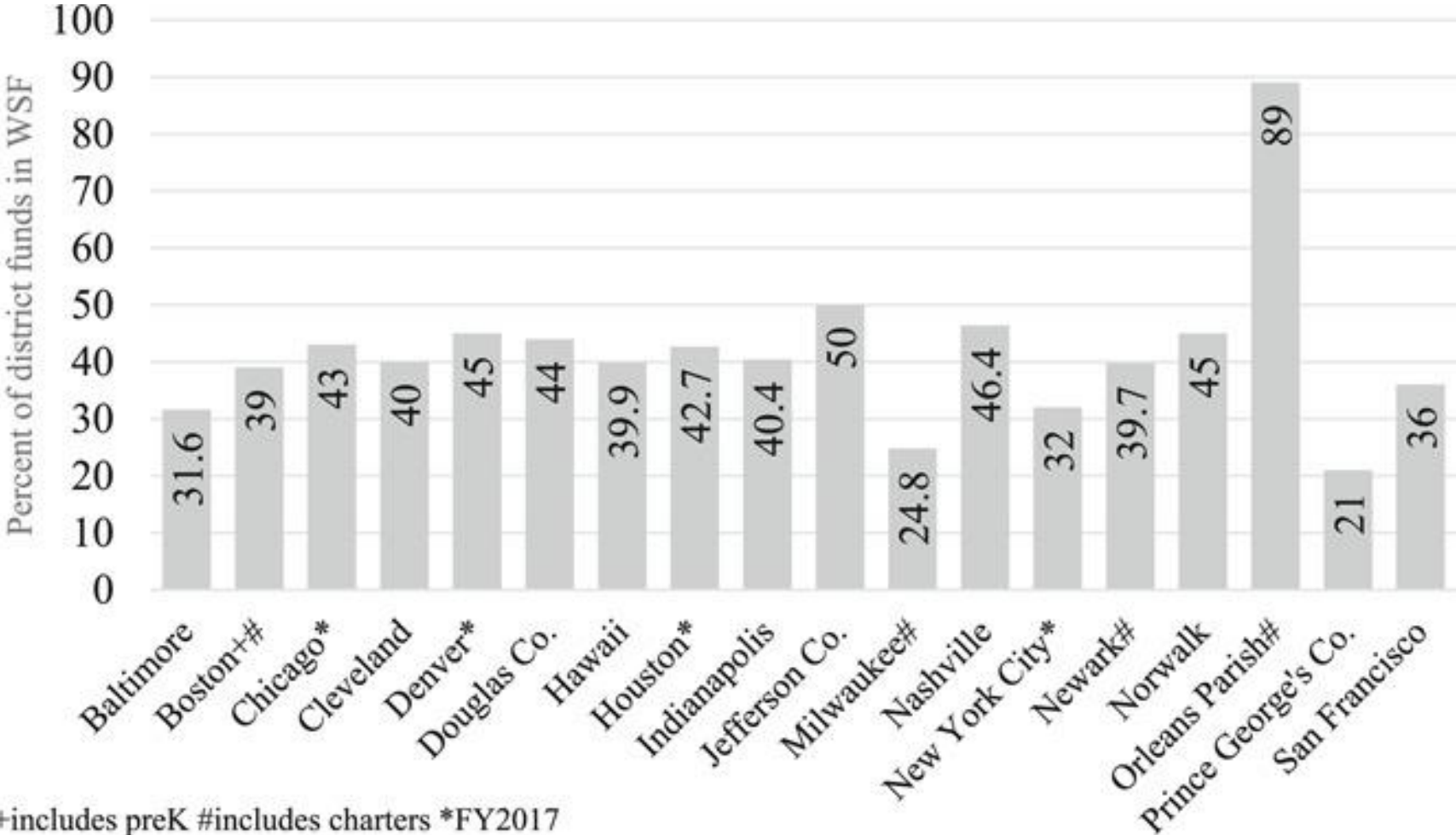
Districts also make different decisions about what resources principals have flexibility over:

	Atlanta	Baltimore	Boston	Cleveland	Denver	Indianapolis	Nashville	San Francisco	Shelby County
Instructional Staff									
Elementary School Homeroom Teachers	x	x	x	x	x	x	x	x	x
Secondary School Core Subject Teachers	x	x	x	x	x	x	x	x	x
ELL Teachers			x	x	x		x	x	
Special Ed Tchrs- Mainstreamed/Resource			x	x	x		x		
Special Ed Teachers –Self-Contained			x	X (Partial)	X (Partial)		x		
Special Ed 1-to-1 Aides (IEP-driven)					X (Partial)				
Instructional Coaches			x		x		x	x	
Librarian	x	x	x	x	x	x	x		x
Pupil Services Staff									
Counselors	x	x	x	x	x	x	x		
Social Workers	x			x	x	x			
Psychologists					x				
Nurses & Health Services Supplies					x				
Related Services Staff (OT/PT/Speech)									
School Administration Staff									
Principals	x		x	x	x		x	x	
Assistant Principals	x	x	x	x	x	x	x	x	x
Secretarial/Clerical Staff	x	x	x	x	x	x	x	x	x
Operations Staff									
Maintenance Staff (Plumber, Electrician,)									
Custodial Staff (Custodians, Cleaners)		x							
Security Staff (Guard, Sentries, etc.)									
Staff Overtime or Substitutes									
Short-term Substitutes	x	x	x	x	x	x		x	x
Long Term Substitutes			x		x				
Instructional Supplies and Services									
Extracurricular/Athletic supplies/materials			x					x	
Instructional Supplies	x	x	x	X (Partial)	x	x	x	x	x
Library Books and Materials	x	x	x	x	x	x	x	x	
Textbooks	x	x	x	X (Partial)					
Instructional Supplies and Services									
Custodial Services and Supplies		x							
Maintenance Services and Supplies									
Office/Admin Services and Supplies		x	x	x	x	x	x		x
Security Services and Supplies							x		
Utilities									

No two SCF formula looks the same

Weight	LEAs using	Weights
Grade level	17	1% - 45%
ELL	12	4% - 110%
Special Education	12	12% - 400%
Low-income/FRL	11	5% - 20%
Low academic performance	6	<1% - 26%
Gifted	6	<1% - 26%
At-Risk	6	1% - 17%
CTE	3	5% - 10%
High academic performance	2	15% - 31%
SIFE	2	12% - 94%
Refugee/homeless	1	5%

Most LEAs allocate fewer than 50% of funds through a Student Centered Formula



Key considerations for what is included in the formula:

1. Does this resource fall outside of the **VISION OF THE PRINCIPAL'S ROLE**?
2. Is this resource **CRITICAL TO LA UNIFIED'S STRATEGY**, such that the district needs to determine where and how it is provided?
3. What **CONSTITUTES BASE PER PUPIL** funding?
4. How does this **IMPROVE STUDENT OUTCOMES** in a measurable way?
5. Is there such a **HIGH LEVEL OF EXTERNAL COMPLIANCE** around this resource that including it in the SCF pool would require unreasonable levels of monitoring and evaluation to ensure compliance?
6. Does this resource have **ECONOMIES OF SCALE**?
7. Is this resource needed **INFREQUENTLY OR UNPREDICTABLY**, making it difficult for schools to adequately budget for it?
8. Does the resource **REQUIRE SPECIALIZED SKILLS** that school staff is unlikely to have access to?

In most SCF districts, 45-60% of school-based resources are flexible and allocated out via SCF formula; the rest are allocated outside of SCF

Hypothetical School Budget under SCF:

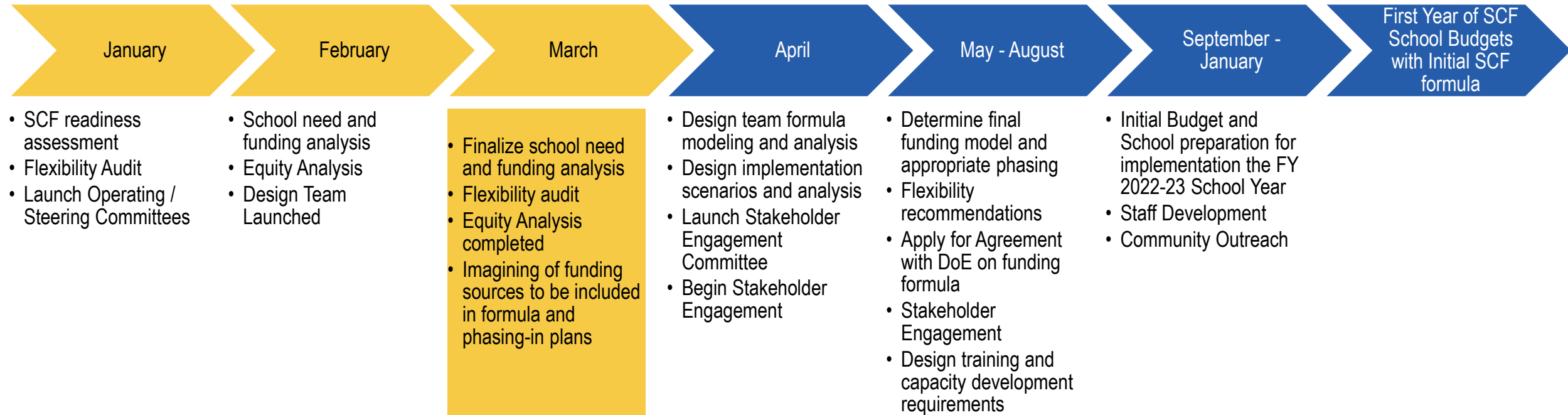
		# Students or # FTE	\$
Student-Centered Funding	Base Weight	300	\$1.9M
	English Language Learner	15	\$0.03M
	Special Education	60	\$0.1M
	Economically Disadvantaged	60	\$0.2M
Centrally allocated staff	SPED Teachers, Aides and Staff	15 FTEs	\$1.1M
	ELL Teachers, Aides and Staff	0.5 FTEs	\$0.04M
	Other Staff (e.g., Principal, Mental Health, Custodial)	20 FTEs	\$1.0M
Centrally allocated programs/funds	IB School Program	-	\$0.04M
	Program/Grant X	-	-
	Program/Grant	-	\$0.04M
	Others	-	\$0.07M

LA Unified will need to develop guidelines and guardrails for these flexible SCF resources and define what level of autonomy principals have over them:

For example

- **Full Autonomy:** Principals have full decision-making power as long as they meet any state/compliance requirements. The district may offer guidance and suggestions, but schools are not required to adopt them.
- **Partial Autonomy:** Principals have some autonomy but there are clearly defined limits or constraints, e.g., menu of option to choose from, minimum thresholds/benchmarks, etc.
- **No Autonomy:** Principals are required to use the funds in a certain way, e.g., meet a 1:40 ratio, spend at least \$200 per pupil, etc.

Timeline





Thank You