SPRING 2015

Following the Dollars to the Classroom Door

Why and How Effective Student-Based Budgeting Must be Linked with Strategic School Design

By Jonathan Travers and Courtney Catallo

Introduction

In the spring of 2014, the principal of the Hannah Gibbons-STEM School, a K-8, faced some common challenges. Dr. Tamea Caver wanted to improve her kindergarten to 2nd grade students' reading scores—to ensure they would meet the state's "Third Grade Guarantee" of reading proficiency—and she felt her teachers didn't have enough collaborative planning time to fully emphasize STEM and project-based learning.[1]

In some school districts, Caver would have been limited in how she could respond—maybe using discretionary funds for professional development workshops or buying a new literacy program. But instead, Caver made a few strategic changes that had ripples across the entire school. For one, she added 10 minutes to every school day so that teachers could get a full day of collaborative planning every quarter to focus on STEM, project-based learning, and literacy. She converted four half-time elective teachers into two full-time positions, so that those teachers could fully integrate with the teaching staff and support the instructional model. Moreover, she organized the school day to include a reading intervention block supported by a new literacy program, tied to students' skill levels.

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1. Ohio's Third Grade Reading Guarantee is a program to identify elementary students that are behind in reading. Students are evaluated from kindergarten through 3rd grade for their reading proficiency, and provided assistance if they are behind. If they do not reach proficiency on the 3rd grade Ohio Achievement Assessment, they remain in 3rd grade reading classes until their score improves.

This response was possible because Hannah Gibbons-STEM is in the Cleveland Metropolitan School District (CMSD), which is undergoing a big change in how it funds, designs, and supports schools. Under The Cleveland Plan, CMSD aims to become a "portfolio district" in which the central office gives schools more control over their budgets, among other things, in exchange for high accountability.[2] As part of this goal, CMSD adopted a funding system called student-based budgeting (SBB)—also referred to as weighted student funding—in which schools receive dollars based on the number of enrolled students and their individual needs (such as English language learners, or students from high-poverty backgrounds), and school leaders have more control over their budgets.

But CMSD realized that a new funding formula and new flexibility were not enough to ensure effective resource use and student achievement. The district linked SBB with Strategic School Design, a practice in which school leaders start with a strong vision for student success, and are empowered to reorganize their resources—people, time, technology, and money—around that vision.[i] Strategic school designs often involve changes that increase and improve collaborative planning time, data-driven instruction, personalized learning, and social-emotional supports, among other strategies. CMSD shaped its SBB model with an eye toward key Strategic School Design principles, provided guidance on best practices, and created support and accountability measures to ensure the principles became a reality.

> *"Autonomy doesn't ensure success. It helps create the conditions for success."*
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> *—Boston Public School Principal*

More and more districts—and several states—are using SBB or similar funding models as a way to increase equity and promote principal autonomy. Over the past 10 years, we at Education Resource Strategies (ERS) have partnered with several of them as they shaped their models, including Baltimore City Public Schools, Boston Public Schools, and most recently, CMSD.[ii] We learned through these partnerships that giving school leaders access to—and flexibility over—new resources is a good first step, but it does not automatically lead to improvement in student outcomes. It's what happens to those resources *at the school-level* that will make the difference for students. Student-based budgeting must go hand-in-hand with Strategic School Design. Through our work with CMSD, we identified seven critical success factors to creating a powerful SBB-Strategic School Design reform strategy:

2. The Center for Reinventing Public Education describes a portfolio school district as one where "families have the freedom to attend their neighborhood schools or choose one that is the best fit for their child." They say that, "performance-based accountability for schools," "school autonomy," and "pupil-based funding for all schools" are among the seven components of a portfolio strategy.

1. **Leadership:** Place academic or school-support leaders in charge (not finance leaders)

2. **Flexibilities:** Choose resource flexibilities that best support Strategic School Design and allow principals to make meaningful changes in their schools

3. **Process:** Connect budgeting to the school planning process

4. **Collaboration:** Help the central office become a service provider, not a compliance watchdog, to support schools

5. **Preparation:** Educate school leaders on Strategic School Design before implementing SBB

6. **Models:** Give examples of Strategic School Designs found in your district

7. **Accountability:** Create clear accountability for school design in the support process

Under SBB, it's often said that the dollars follow the student. The question we must ask is—what happens to those funds at the school? When the dollars follow the student to the classroom door, what transformational changes await the student there?

What Is Student-Based Budgeting? What Is Strategic School Design?

Student-based budgeting describes any funding model that:

- Allocates dollars instead of staff
- Distributes those dollars based on student enrollment per school, as well as specific student and school characteristics
- Gives schools increased flexibility over what to do with those funds

In short: with SBB, dollars follow the student based on student need. These needs can vary from poverty, special education, or ELL status to high or low academic performance or many other factors. This differs from traditional funding models, which distribute most resources to schools in the form of staff and dollars designated for specific purposes, such as categorical funding.

Across the country, more than 10 of the largest urban districts have adopted SBB or similar models, including New York City, Houston, and Denver. [iii] A few states—including New Jersey and most notably California—have also adopted funding systems that distribute money to districts based on student need, including poverty status.[iv] The goal of these systems is to increase equity, flexibility, and transparency by granting schools extra funds to serve high-needs students, pushing more control down to the school level, and making the funding formula crystal clear to all. ERS has found that under these models, school leaders generally control between 40 to 80 percent of school-level spending, as opposed to as little as one to five percent under traditional models.[v] (You can learn more about the components of SBB in Transforming School Funding: A Guide to Implementing Student-Based Budgeting)

"SBB provides school leaders the ability to align resources to the strategic vision of the school in order to meet the unique learning needs of their scholars. No two schools are identical so no two schools' solutions are identical."

–CMSD Principal

But while SBB funding systems aim for equity, flexibility, and transparency, the real goal is to improve student achievement. Principals must be empowered and supported to use those resources in new ways to meet their schools' unique needs. In Strategic School Design, school leaders think of themselves as "lead designers" with many resources under their control—principally, people, time, technology, and money. They identify their key student and teacher needs, and then craft a "vision for success" that would meet those needs. They then make a plan to reorganize their resources according to three big principles:

- Excellent Teachers for All Students

- Personalized Learning and Support

- Cost Effectiveness Through Creative Solutions

Some common strategies that schools use to implement these principles are:

- **Teacher teaming:** Teams are led by excellent teacher leaders, and team members work together to plan and adjust instruction based on student data, as well as share responsibility for student success.

- **Targeted and dynamic learning resources:** Student groupings and schedules are initially set and frequently adapted to differentiate which students need to be with which teachers or technology, learning what content, in what group size, and for how long, based on their individual needs.

- **Personal relationships and school culture:** Because learning happens in the context of deep relationships between students and teachers, and among students, schools implement a variety of strategies, from advisory periods and smaller class sizes, to buddy systems and more, to ensure every student is "known."

- **Community partnerships:** Community partners can sometimes provide high-quality services (such as health screenings, physical education, and arts education) at a lower cost; partners and schools must ensure they have shared goals and ongoing communication.[vi]

ERS has identified these principles and strategies by studying high-performing schools across the country, from traditional districts to charter schools. While high-performing schools strive to maximize all three principles, they cannot—nor should not—implement dozens of new initiatives

at once. Strategic school leaders identify their schools' specific needs, and implement targeted designs that match those needs. For example, a school with a young and relatively inexperienced faculty might focus on providing more job-embedded, individual professional development, tied to each teacher's skill gaps. A school with a relatively expert teaching force might focus more on creating teacher leader roles and differentiating instruction. (You can read more about the principles of Strategic School Design in [Designing Schools that Work: Organizing Resources Strategically for Student Success](#))

This kind of strategic planning is much more narrowly constricted under traditional district funding systems, where school leaders have little say over staffing, scheduling, or meaningful school-level spending. That's why SBB is a key complement to Strategic School Design—and why the two initiatives must be seen as part of the same reform strategy.

The Cleveland-ERS Experience

Over the course of 2013 and 2014, CMSD partnered with ERS to design and implement SBB paired with a focus on Strategic School Design. ERS worked with district leadership on all steps of the process, from defining funding weights in the SBB model, to creating enrollment projections, to sharing Strategic School Design templates. ERS also provided training and intensive coaching on Strategic School Design to two cohorts of schools—19 schools total. The focus of this design work was to create school plans that better matched resources to the core strategy and vision. For example, among the 10 schools in the second cohort:

"When school leaders have the capability to strategically plan to meet the needs of their scholars, they can lead their scholars and schools to victory. It is the sum of each school's victory that will create a portfolio of high-performing schools for CMSD."

– CMSD Principal

- **Eight** schools planned to increase structured and supported teacher collaborative planning time

- **Eight** planned to implement targeted and dynamic student grouping strategies, such as tutoring, more deliberate regrouping across grade levels, push-in of specialists, and targeted class size reductions

- **Six** planned to implement supports for social and emotional learning (SEL), such as peer buddy programs, SEL programs, and adding school-based social-emotional staff

Through our partnership with CMSD, we have learned from the rollout of this special SBB-Strategic School Design model. After reflecting on the achievements and challenges of our work thus far, we identified the seven critical success factors explored in this paper. We hope these guidelines provide a road map for any other district that is interested in using SBB as a tool to improve student outcomes.

A Profile of Strategic School Design in CMSD:
Douglas MacArthur Girls Leadership Academy

"Overall, the culture at my school is very positive," says Victoria King, principal of the Douglas MacArthur Girls Leadership Academy, a K-8 all-girls school in CMSD. "That's something I'm proud of—a testament to how we work collaboratively together, and how everyone's voice is heard."

But before the spring of 2014, Principal King found that her teachers did not have enough time to plan together, especially beyond their grade-level teams. She also identified a goal to increase her girls' math scores, and to ensure that every student met the Third Grade Reading Guarantee—an Ohio law under which students must pass the reading portion of the state test before they can move to 4th grade in the subject. These concerns were similar to those of many other principals in the district, including Dr. Caver at Hannah Gibbons-STEM School, as we discussed above.

Under SBB and with the flexibility accorded by CMSD's Strategic School Design approach, Dr. King could make several important changes to address her concerns. She reorganized her master schedule to create one early release day a month, which teachers use to plan across grade levels and to work with intervention specialists, who otherwise would not be able to work with so many teachers. For example, teachers can use this time to ensure that the math curriculum is vertically aligned. To address the reading guarantee, Principal King changed her schedule to implement a WIN block—which stands for "What I Need." During this time, students are regrouped to attend to their particular needs. For example, one group of 2nd graders might work on comprehension, another on fluency, and another on phonemic awareness.

Principal King says that she really liked the Strategic School Design process, because it allowed her to make the decisions that were right for her school—even within a tough budgetary environment. For example, she used to be assigned one full-time and one part-time art teacher, as well as a part-time physical education teacher (PE). She would have preferred a full-time PE teacher instead of the part-time art teacher, who was hard to schedule effectively. Under SBB, Principal King opted to forgo the part-time art teacher so she could make other needed changes.

2014–2015 was certainly a learning year—a chance to try out the new school designs and help teachers adjust. Next year, Principal King is looking forward to prioritizing the integration of technology into the curriculum, and to further focusing on math scores. In Cleveland, she will be able to think strategically about what *her* girls need.

1. Leadership

Place academic or school-support leaders in charge (not finance)

With a name like student-based budgeting it may seem natural to put the budgeting department in charge. But as argued above, SBB and Strategic School Design must be linked; one is not as powerful without the other. Therefore, ERS recommends that districts approach SBB-Strategic School Design as *an academic reform strategy*. This means that the academics department (or another department with a substantial connection to schools, such as school leadership support) must direct the effort and ensure it aligns with district-wide academic priorities. The finance department remains a key partner, however: understanding the ins and outs of the budget, making allocations based on enrollments, and handling other aspects of technical execution.

CMSD's experience in design and implementation of SBB illustrates the importance of leadership by the academics office. Initially, SBB was driven by the CFO's office, with the academics office expected to play an important but supporting role. As a result, school supervisors—those staff who guide school leaders—were not an integral part of planning for SBB. They reported feeling unprepared to support their principals on SBB or Strategic School Design, and unsure how to juggle this new paradigm along with many other academic priorities. In reflecting on its experience, CMSD decided to assign a member of its academics team to direct SBB-Strategic School Design moving forward, charging this person with responsibility for engaging school supervisors in the process. Additionally, CMSD planned to embed school design in the capacity-building plan for school supervisors, before they need to support principals the following year.

This school-level, academics-oriented expertise should be leveraged throughout implementation—from informing SBB policies, to providing Strategic School Design support for principals and school supervisors. When the district is building its SBB model, academics and school-support personnel can provide expertise as to what flexibilities will be most useful for school leaders, better identify Strategic School Design best practices already in the district, and credibly provide training and accountability for school leaders. If an academic leader or school supervisor leads this work from the beginning, the entire enterprise becomes about how SBB enables Strategic School Design—and not just a funding exercise meant to distribute funds differently.

2. Flexibilities

Choose resource flexibilities that best support Strategic School Design and enable principals to make meaningful changes in their schools

When school districts build their SBB model, they must define what part of each school budget is *locked*—i.e., managed by central office—and what part is *unlocked*—i.e., available as part of the SBB allocation that school leaders can use freely. However, it is not enough just to push money into an

SBB formula for principals to control. School leaders must be given flexibility over the resources and choices that will actually impact their school designs. Instead of simply trying to unlock as much money as possible, district leaders should prioritize resources and choices that create the greatest flexibility for Strategic School Design. They can also consider unlocking resources that are not core to Strategic School Design, but which free up funds that can be transferred to instructional priorities, based on individual school circumstances.

For example, it is generally strategic to give school leaders control over their instructional staff and scheduling. CMSD took this route by giving principals the flexibility to choose the number and types of instructional positions at their schools, consistent with collective bargaining requirements. They also allowed some flexibility over the length of the school day. This lets a school leader decide whether to use his/her resources for another English teacher, or to extend the school day, or to group students differently to provide greater individual attention. Moreover, CMSD gave principals control over their budgets for substitute teachers. While this resource is not core to Strategic School Design, it is a pool of money that school leaders can tap to support other strategic choices. For example, before SBB, Cleveland principals had no direct incentive to lower their substitute expenditures. Now, principals can actively encourage teacher attendance and use those freed funds to invest in their designs (like smaller class sizes for targeted groups of students, etc.)

On the other hand, it is less important to unlock resources that are unlikely to be used any differently when schools control them. For example, self-contained special education classrooms represent a significant amount of total school spending in CMSD. However, because those services are highly prescribed by students' IEPs and state-mandated staffing ratios, CMSD's SBB design team—the group charged with shaping the systems and policies of SBB—determined that unlocking them was unlikely to change service delivery for the vast majority of schools. In the first phase, they thought it was better to give flexibility over staff that serve low-need special education students—to encourage more inclusive special education placements and innovative co-teaching scenarios that serve more students, and better align special education resources to students' needs.

Finally, it is important for districts to try out flexibilities and get feedback from school leaders. In 2014, ERS and Boston Public Schools asked principals across the district their opinion on resource flexibilities. At least half of principals surveyed said they wanted flexibility to define staff job descriptions, to make final decisions on hiring and exiting staff, and to choose interim assessments. They did not want to contract with food service vendors or transportation partners.[viii] This study was invaluable to Boston's future thinking on school autonomy. In Cleveland, the district piloted school flexibility with nine high-performing schools, called the Transformation Schools Pilot, before implementing SBB. These nine schools had greater flexibility over their budgets during the 2013–2014 school year, allowing the district to understand the types of changes principals wanted to make, to test if central functions were ready to support them in this way, and to plan how to offer better support in the future. In addition to this pilot, the SBB design team included nine principals and seven central office staff. This input from both principals and central office staff was critical to understanding how to prioritize resource flexibilities.

3. Process

Connect budgeting to the school planning process

In many districts, the central office hands down most of each school's budget and staffing allocations in the spring, before principals even get to school planning closer to the summer. This means that school leaders end up creating new school plans based on what they did last year—instead of first identifying their school's fundamental needs and goals, and building a budget and plan shaped by awareness of those needs.

In an SBB-Strategic School Design district, budgeting and strategic school planning would be integrated. First, the district should support principals to begin school planning before they receive their budgets. This means helping them identify their school's needs, goals, and resource priorities—just as Dr. Tamea Caver and Victoria King did in CMSD. Once the school leader understands the needs of her school, then she can work with central office experts and her instructional supervisor to figure out how to make her plan work given her school budget and staffing options. This may happen before or at the same time that the district calculates next year's enrollment and budget allocations to schools. This process is iterative: school leaders can start planning early but then revise as they receive more budget information.

It is admittedly difficult to get this process exactly right due to conflicting timelines. For planning purposes, the school planning process would ideally start as early as possible, potentially December or January. This would allow school leaders to identify their school's academic needs and goals early, prior to getting school budgets. Budgets would then be released early in the year, by the end of January, so that schools could create final staffing plans by early March, allowing the district to jump-start the hiring process early in the spring. This would give the district access to a larger pool of potential candidates, allowing them to better recruit to meet the needs of their schools.

In reality, however, it is difficult to finish this process early in the spring, as school leaders and central office staff are still only partially through the current school year. In December through March, school leaders will not have complete information about their student achievement and teacher effectiveness, making it difficult to know exactly how to plan for next year. Similarly, the district budget is likely still in flux, as the district must wait for federal, state, and local revenue to be finalized. With all of these hurdles and trade-offs, the point is not to plan perfectly from the start. The point is to start planning earlier as much as possible, and integrate it with budgeting so that the needs of the school and the design priorities of school leadership shape the budget—rather than allocating resources separately and disconnectedly from school leadership's vision for improving student outcomes.

In 2013–2014 CMSD made significant changes to integrate school planning and budgeting. First, it created a new template to guide the school planning process. Principals created their 2014–2015 school plans—including identifying the vision and strategic uses of people, time, technology, and money—in tandem with their final budget and staffing plan. To facilitate this, CMSD set up Network Support Teams, made up of representatives from budget, human resources, special

education, and academics. Each team was assigned to work with schools in a particular network based on shared concerns/needs. School leaders met with their Network Support Team as they first identified strategic priorities and set the vision for their school, as they created strategic school plans, and as they aligned their plan with their available budget. The Network Support Team thus helped make school leaders' plans come to life.

4. Collaboration

Help the central office become service providers, not compliance watchdogs, to support schools

For this school planning process to go smoothly—and to support all the steps outlined below—the district must change how it operates on a day-to-day basis. For a district's SBB-Strategic School Design strategy to be successful, the central office must reorganize and evolve to serve schools and school leaders in a new way.

The first big change needed at the central office is a shift from a compliance-driven mindset to a new service provider mindset; from top-down control to "get to yes." Under SBB and with Strategic School Design, the district can no longer simply tell principals what to do and how to do it. Instead, administrators must work directly with principals to find solutions that best meet the unique needs and vision of their schools. For some central functions, the needed culture change may be enormous. The very thing that may have made them successful previously—the ability to provide their specific program or service across all schools, no matter the unique conditions in each school—risks becoming a liability. They are no longer delivering programs independent of school leadership and conditions; they now need to support and advise the school leadership on how to customize solutions based on school conditions.

To facilitate this fundamental change in culture, some districts choose to revamp their structure of support. For example in CMSD, the Network Support Teams play this vital role of first line of support for principals. In addition to creating new structures, the central office staff and support teams must also be comfortable and confident supporting principals in Strategic School Design and school planning. For most districts, this means investing in professional development around Strategic School Design at the central office level. This may also mean giving central office staff more opportunities to visit schools, so that they have a better understanding of the realities principals face every day.

Secondly, the central office should evolve current practices and processes to enable principals to make Strategic School Design changes. This involves connecting the budgeting process to the school planning process, but also many smaller process changes as well. In CMSD, for example, we mentioned earlier how principals were given control over their budgets for substitute teachers. This seemingly small change required the central office to implement a new system to track its substitute budget at the school level, such that principals could see how much they spent on substitutes as compared to their budget at any

given point in time. Changes such as these often require cross-departmental coordination across the central office, requiring the central office staff to work together differently. To meet this need, some districts create cross-functional teams to identify processes that need to be changed and to work together to come up with new solutions. (For ideas on how the district CFO can shift his or her role to support cross-departmental collaboration, you can read [The New Education CFO: From Scorekeeper to Strategic Leader](#)) No matter how exactly it's done, it is important to create the time and space for different departments to come together to address these types of changes as a whole.

5. Preparation

Educate school leaders on Strategic School Design before implementing SBB

Just as school leaders should start strategic school planning before they feel tied down by their budget, it is important to start educating them on the basic principles of Strategic School Design before getting into the nitty-gritty of SBB. This encourages principals to focus on school design first, without feeling limited by resource constraints, and, just as importantly, it gives the district a sense of what principals *want* freedom to do, before the district sets the rules on what they *can* do.

First, by training school leaders on school design before implementing SBB, principals will enter the process without feeling constrained by their budgets. If principals are given their budgets first or at the same time as they are thinking about school design, they are more likely to make small, incremental changes, rather than thinking big about what their school needs. CMSD worked with their principals on SBB and Strategic School Design in parallel. This had benefits, as it got school leaders thinking in terms of Strategic School Design from the very start. But school leaders could have benefited more from having dedicated time and space to reflect on their school's needs and vision before taking on the tactical work of balancing their budgets.

Secondly, the district can use the Strategic School Design process to understand what changes principals want to make, and identify any potential barriers or needed supports. For example, if in their school plans principals consistently seek to add new intervention or tutoring blocks, the central office has time to find the necessary expertise for these types of instructional blocks—either in the district, or through outside partners or professional development. As CMSD worked with its principals on SBB and Strategic School Design, it uncovered some gaps between what principals wanted to do and what they were able to do given the policies in place. For example, the district encouraged school leaders to use technology to provide more personalized learning and support to students. But as principals explored these possibilities, they ran into barriers with both the teacher collective bargaining agreement and the technology infrastructure. If principals explore Strategic School Design early, the district can address those kinds of issues before final school plans are due. (School leaders can take an initial self-assessment to identify where they may want to focus their attention with the [School Check](#) tool)

At its core, SBB and Strategic School Design require a mental shift—from a world where the central office doles out resources and rules, and school leaders act within those constraints, to a world where the central office provides guidelines and support to help school leaders succeed. Making this shift requires more than a few weekend training sessions; it requires a coordinated effort to educate school leaders and central office functions on how to set goals collaboratively, creatively organize resources to meet those goals, and accept accountability for results.

6. Models

Give examples of Strategic School Designs that work in your district

Strategic School Design is an empowering process for school leaders—but it is also potentially intimidating. School leaders need access to Strategic School Design frameworks and self-assessment tools to help them identify where to start. But most importantly, they need exposure to real-life examples of strategic schools, preferably from their own district. This way, principals will not only have models to replicate, they can easily call up an experienced peer and ask for advice throughout the process.

CMSD set up its SBB implementation with ample opportunity to experiment with flexibility and Strategic School Design before rolling it out to all schools. As mentioned earlier, CMSD piloted school flexibility with nine Transformation Pilot Schools during the summer of 2013. This not only helped the district prepare for SBB, but it generated Strategic School Design examples. When CMSD trained the rest of its school leaders on school design, it gave out templates showing each Transformation Pilot School's goals, as well as the specific school design changes and corresponding trade-offs the district decided to make. The district also provided examples of *how* principals made their decisions—for example in a budget loss, budget surplus, and no budget change scenario. Some of the nine principals who participated in the pilot also shared their experiences with their peers at district-wide trainings. CMSD principals provided strong positive feedback about these district-specific examples, and sought them out throughout their own planning.

In addition to a pilot program, it is helpful for central office academics staff to highlight examples of Strategic School Design already happening in the district. Though school leaders may not have had as much flexibility in the past, many examples of specific strategic choices—from personalized learning to high-functioning teacher teams—have probably existed in the district for some time. SBB-Strategic School Design presents an opportunity to identify and share those. Finally, districts can offer examples of Strategic School Design from across the nation as inspiration. With such examples it is important to keep in mind each district's context—such as union contracts and state legislation—that may make some outside examples more relevant than others. (You can see the school design choices of 14 diverse schools, from charters to traditional district schools, at Strategic School Designs in Action)

7. Accountability

Create clear accountability for school design in the support process

Finally, for any innovative reform like this to flourish, the district should offer school leaders both support and accountability. Because SBB-Strategic School Design touches on so many elements, from staffing to instructional technology, the central office needs to provide coordinated support from many angles, not just the budget side. It's also important for school supervisors to be closely involved, as they work with school leaders throughout the year and can bring a full perspective on their schools' specific needs, strengths, and context.

In CMSD, the Network Support Teams played this role. Because they were made up of representatives from several departments, including budget, human resources, special education, and academics, this created an atmosphere of holistic problem-solving, as opposed to one of isolated and potentially conflicting feedback. As school leaders created their school plans, they used a planning document that prompted them to consider both strategic and technical elements. Network Support Teams acted as coaches, helping school leaders put together their budgets and school plans throughout the process.

The teams were guided by a set of review criteria, made up of both compliance checks and strategic assessments and recommendations. For example, Network Support Teams were asked to assess whether the design features in a school plan sufficiently addressed the school's most urgent needs and priority areas. By requiring Network Support Teams to comment on specific strategic questions, CMSD focused planning discussions on Strategic School Design and not just budget compliance. While network team members themselves identified lots of room for improvement in meeting schools' needs in the first year, principals rated the Network Support Teams to be the most helpful form of support they received as they developed their strategic school plans.

There are many potential ways to provide school leaders the support and accountability they need to execute SBB-Strategic School Design successfully. The most important elements to keep in mind are clear coordination between several departments; a coaching, not compliance relationship; and a set of clear criteria for effective support focused on technical and strategic elements.

Conclusion

For the past several years, school districts across the country have tried to do more with less—to provide an excellent education on budgets made ever tighter by the recession. Now some districts are seeing an increase in funding, but still grappling with the question of how to ensure every child is prepared for college and careers in the 21st century.

Student-based budgeting is one way to ensure that limited dollars are directed to where students need them the most, rather than where they've simply always gone. And it's also a way to open the door to innovation and targeted solutions that fit each school—not one-size-fits-all mandates.

But even as SBB takes root, we need to follow those dollars to the schoolhouse door and support principals in using them strategically, through Strategic School Design. With any big initiative, it's easy to get lost in the details of implementation—new structures and timelines, trainings and templates. But we must never lose sight of the purpose of all of these planning. We believe that these seven critical success factors—leadership, flexibilities, process, collaboration, preparation, modelling, and accountability—should only serve to focus us on what matters most: student success.

Learn More

Transforming School Funding: A Guide to Implementing Student-Based Budgeting
http://www.erstrategies.org/library/implementing_student-based_budgeting

Designing Schools that Work: Organizing Resources Strategically for Student Success
http://www.erstrategies.org/library/designing_schools_that_work

The New Education CFO: From Scorekeeper to Strategic Leader
http://www.erstrategies.org/library/the_new_education_cfo

School Check
http://www.erstrategies.org/library/school_check

Strategic School Designs in Action
http://www.erstrategies.org/action_strategies/school_design_in_action

Endnotes

i   Adapted from "Designing Schools that Work: Organizing Resources Strategically for Student Success." Education Resource Strategies. July 2014. http://www.erstrategies.org/cms/files/2422-designing-schools-that-work.pdf.

ii   To learn more about Baltimore's implementation of fair student funding, see "Fair Student Funding and Other Reforms: Baltimore's Plan for Equity, Empowerment, Accountability, and Improvement," Education Resource Strategies. September 2012. http://www.erstrategies.org/library/fair_student_funding_and_other_reforms.

iii In March 2010, ERS invited urban education leaders to Baltimore, Maryland, for the Fair Student Funding Summit, a conference that brought together districts that use weighted student funding (WSF) as an approach for allocating dollars to schools. We created nine posters to provide information about each district's size, budget, and scope of its weighted student funding system, which can be accessed here: http://www.erstrategies.org/library/fsf_district_summaries.

     Seattle has subsequently dropped its WSF model, but we know that at least Boston and Cleveland have adapted it since then.

iv   Under California's Local Control Funding Formula, every district receives a "base grant" per student. All districts can receive "supplemental grants" for high-needs students. Districts where high-needs students make up more than 55 percent of the population receive "concentration grants." "High-needs" covers students in poverty, English Language Learners, and foster children. California also eliminated most of its "categorical" funding sources. Districts now have more freedom to use their funds as they see fit.

     Diepenbrock, William. "Amid Bumps, New School Funding System Rolls Out in California." Education Week. August 2014. http://www.edweek.org/ew/articles/2014/08/08/01thr_californiafunding.h34.html.

     Sources for New Jersey and Rhode Island's fair funding legislation:

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About the Authors: Jonathan Travers is a partner at Education Resource Strategies (ERS) and leads the ERS consulting practice area. He has worked closely with several of the nation's leading urban school systems in addition to Cleveland, including Denver, CO, Charlotte, NC, and Washington, DC. Courtney Catallo is a principal associate at ERS and has worked closely with Cleveland leadership to align the district's funding model with its overall portfolio reform strategy.

Education Resource Strategies (ERS) is a non-profit organization dedicated to transforming how urban school systems organize resources—people, time, technology, and money—so that every school succeeds for every student. We have worked hand in hand with more than 20 school systems nationwide, including 16 of the 100 largest urban districts, on topics such as teacher compensation and career path, funding equity, school design, central office support, and budget development. We also share research and practical tools based on our extensive dataset—including our School System 20/20 framework—and we collaborate with others to create the conditions for change in education.

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Education Resource Strategies | 480 Pleasant Street, Suite C–200 | Watertown, MA 02472 | Phone: 617.607.8000

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