A Guide for SEA-led Resource Allocation Reviews

The Every Student Succeeds Act (ESSA) requires that state education agencies (SEAs) conduct periodic resource allocation reviews (RARs) in districts that serve low-performing schools. The mandate represents a new opportunity for states and districts to examine the connection between resource allocation and academic outcomes, but the language of the law may leave state agencies unsure of their role in this process. This document offers a step-by-step guide that SEA leaders can use when conducting their RARs.

Starting with the language of the law, it's important to note that it requires a review of resource *allocation* (versus a review of *resources*). Resource allocation, as we interpret it, refers to the mechanism by which districts distribute money and other inputs to schools. While local education agencies (LEAs) distribute numerous types of resources, we recommend that states start by examining how *dollars* are distributed (or the equivalent dollar costs of various schooling inputs). The dollar resources considered here include all federal, state, and local dollars and also include salaries.

It's also worth emphasizing that while a review of resource allocation could have a range of goals, the law states that the central purpose of the RAR is school improvement. Toward this end, we see several ways that the RAR could ultimately help with school improvement, including that the review could:

- Identify if a school has been shortchanged relative to its peers, and whether changes in district allocation could help.
- Help LEA and school leaders connect resource allocation to student outcomes.
- Generate high-quality discussions between leaders at the LEA and school to uncover opportunities and obstacles to more strategic resource use to improve student performance.
- Create urgency among school and LEA leaders for leveraging resources to do more for students.
- Minimize the burden by tapping existing data and coordinating with other existing requirements.

It's just as important to note what the RAR is not. It is not an evaluation or accountability measure and does not result in punitive action against a school or LEA. The purpose of the RAR is not to surface specific action steps, but rather to have a conversation that connects resources to outcomes.

The following steps and discussion protocol are designed to meet the above goals and to do so in a way that is both feasible and doesn't overstep the current SEA/LEA relationship. With this protocol, the role of the SEA is not to provide solutions or prescribe spending changes, but rather to facilitate a critical conversation around data on resources and outcomes. SEAs can adapt the protocol as needed to conduct their own RARs.

Step 1: SEA Leaders Prepare for the RAR

⇒ Identify schools for the RAR.

⇒ Schedule a 90-minute meeting (in person or virtual) with leaders from the school(s) and the LEA. At least one of the LEA participants should be someone, often the CFO, who is knowledgeable about the district's finances. While the resource allocation review conversation between the SEA and the LEA and the conversation between the LEA and school leader can be separate, we recommend having one conversation with leaders at all three levels. Not only is this efficient, it allows both the district and school leaders to bring an important context to the SEA-led discussion.

⇒ When scheduling this meeting, be sure to make clear to LEA and school leaders that the point of the RAR is professional development; it is meant to be an informative conversation, not a performance review nor a planning session.

Step 2: SEA Leaders Assemble Data and Conduct Base Analyses

⇒ In general, we suggest SEA leaders tap data that are readily available, including demographic data, financial data, and outcomes data. (See **Appendix 1** for a sample data report assembled from public sources.) Note that by

June 2020, all states will have the necessary per-pupil spending data for each school, as required by ESSA, and as a result, it should become easier to assemble these figures or pull them down from an **existing source**.

⇒ To facilitate a discussion about resource allocation, it is helpful to include a bar graph of all district schools arrayed by per-pupil spending (see Figure 1) so that school leaders might see how their resources compare to those of other schools in the district.

⇒ If feasible, SEA leaders might assemble a scatterplot comparing per-pupil spending to performance across demographically similar schools across the state (see Figure 2).

Figure 1. Per-pupil spending in district elementary schools
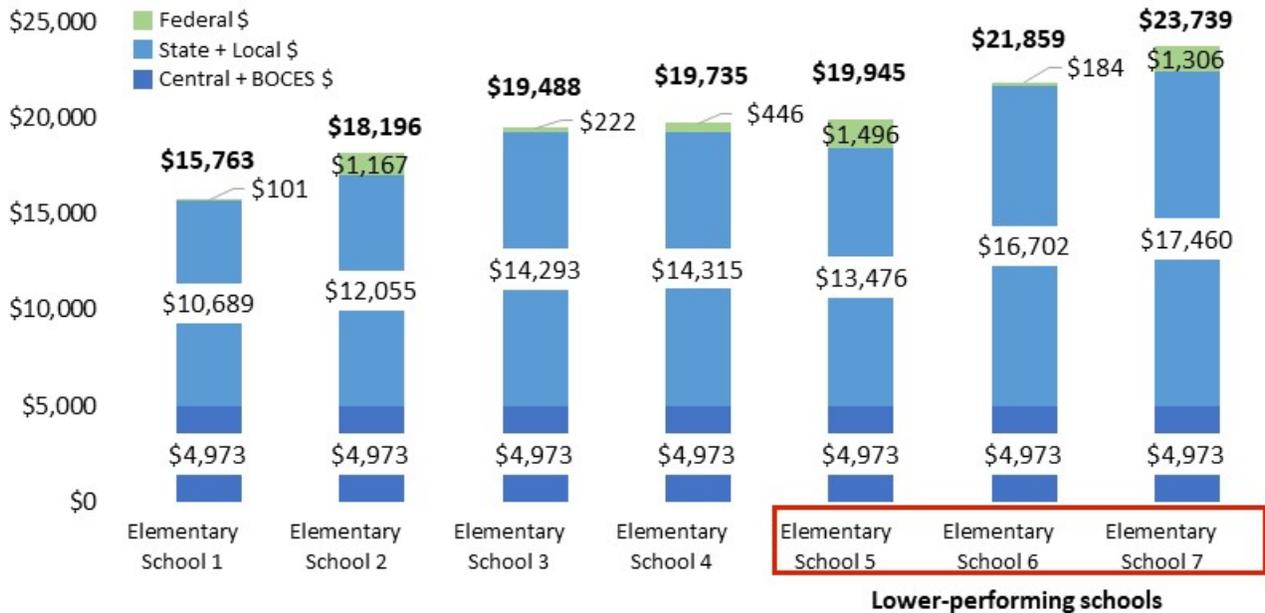
Figure 2. Schools: Dollars spent per student vs. math scores*
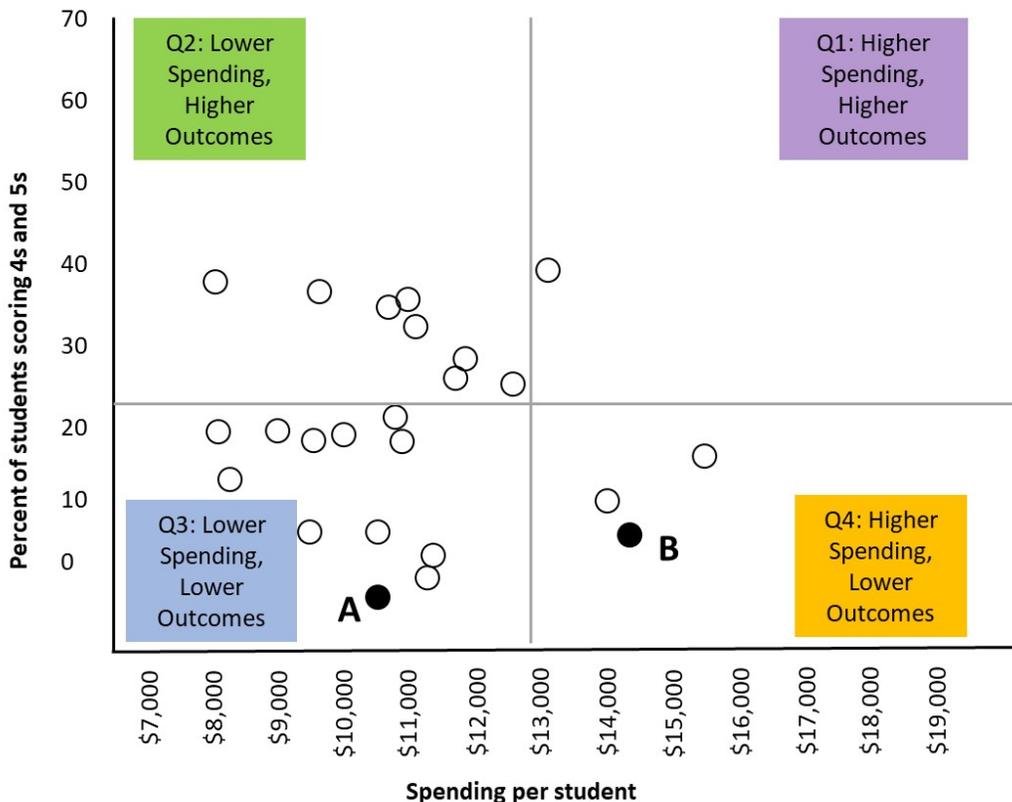
***For schools with 25%-50% of student population eligible for free or reduced-price lunch (FRL).**

Step 3: SEA Leaders Share Data with LEA Leaders

⇒ Provide data to the LEA leader with instructions to also share with school leaders (and school staff, if desired) in advance of discussion.

Step 4: SEA Leaders Administer Discussion Protocol

The first part of the protocol will likely surface different issues with different LEAs and schools. For example, if the school targeted for resource allocation review receives less money per pupil than other schools in the district or than other similar peers, the district may want to rethink its allocation strategy. Conversely, if the school receives more money per pupil, the data might spark discussion about resource types and efficiency. In either case, district and school leaders can discuss resource equity, how resources are applied in schools, the role of teacher experience and salary, and what is and isn't working for students.

⇒ **A. SEA leader invites questions from LEA and school leader on the data provided**
- LEA and school leader ask questions [5 minutes]
- SEA leader responds where feasible and acknowledges that data are inherently incomplete in that they do not capture all the relevant detail of the LEA, school, community, and context [5 minutes]

⇒ **B. SEA leader asks LEA leader to briefly describe the LEA's current resource allocation methodology**
(Note that the federal Supplement, Not Supplant requirement calls for districts to be able to articulate a "resource allocation methodology" used to allocate resources to schools. A resource allocation methodology might be a staffing formula, **student-based allocation**, or some combination thereof.)
- LEA leader describes the LEA's methodology [5 minutes]
- SEA and school leader are invited to ask clarifying questions [3 minutes]
- LEA leader responds [2 minutes]

⇒ **C. SEA leader asks LEA and school leader to reflect on the level of dollar resources allocated to the school**
- School leader offers any reactions [5 minutes]
- LEA reflects/responds [5 minutes]

⇒ **D. SEA leader invites reflection on how to better leverage resources to do more for students (including changing the mix of resources)**
- School leader reflects [10 minutes]
- LEA leader reflects and responds [10 minutes]
- School leader responds [5 minutes]

⇒ **E. SEA leader invites discussion of possible opportunities and barriers**
- SEA leader recites back any possible opportunities for change identified by LEA or school leader and acknowledges any barriers [5 minutes]
- School leader reflects and responds [5 minutes]
- LEA leader reflects and responds [5 minutes]

⇒ **F. LEA and school leader reflect on discussion and identify next steps**
- LEA leader reflects and offers any other thoughts or next steps [5 minutes]
- School leader reflects and offers any other thoughts or next steps [5 minutes]
- SEA leader summarizes responses and any next steps [5 minutes]

Step 5: Additional SEA followup to increase overall effectiveness of the RAR

After the protocol is completed, SEA leaders can take additional steps to improve the RAR process going forward, and to help LEA and school leaders connect resource allocation and student outcomes, as well as create urgency for leveraging resources to do more for students:

⇒ Invite feedback on the conversation and discussion protocol from LEA and school leader(s) in order to assess effectiveness and make any necessary adjustments.
⇒ Host follow-up meetings with LEA and school leader(s) at 3, 6, and 12 months to again reflect on the data, progress, opportunities, and barriers.
⇒ Reflect on the following to see if other changes are warranted:
- Were SEA and LEA leaders comfortable in discussing finances? (Does the state need to modify certification requirements or trainings to increase financial fluency?)
- How well are the RARs integrated with the state's other current school improvement strategies? (Are there ways to ensure that the RAR works to enrich current efforts and does not feel like another box to check?)

- Was the SEA able to stay in the role of facilitator and refrain from mandating or recommending particular changes or "best practices"? (Doing so allows leaders closest to the students to incorporate their knowledge of local context and student need, rather than focus on compliance with the state agency. The SEA can monitor if those efforts are successful in promoting student achievement.)

If you would like a moderator guide or support in moderating or training on these activities, please contact Deb Britt at EdunomicsLab@georgetown.edu.