

Tuning the Tin Ear: In Search of Fiscal Congruency

By Anthony N. Dragona, RSBA



School-based budgeting promotes fiscal congruency and gives administrators the flexibility to allocate their resources effectively.

For 70 years, the Union City School District used a line-item budget system, a top down approach that was regarded by many as “deaf, dumb, and blind.” This antiquated central administration process gave school leaders and staff little, if any, input into the distribution of resources for their schools, resulting in a redundancy of allocations, regardless of efficacy.

[Poor, urban districts] desperately needed to create a structure whereby the people responsible for affecting positive outcomes among the students were directly involved in deciding how to best allocate funds that would allow them to achieve their goals.

Putting an end to the days of throwing good money after poor results, the *Abbott v. Burke* decision finally gave the Union City School District an opportunity to adopt a

school-based budget model and tune its tin ear when it came to budgeting, buy-in, and accountability.

A New Union City SD

Historically, the Union City School District has had considerable odds to surmount. Not only is it the most densely populated urban community in the United States, according to the 1990 census (85,000 residents in 1.4 square miles), the Brookings Institute ranks Union City itself among the top 92 more economically depressed localities in the United States.

Additionally, of the 11,811 enrolled students, 94% are Latino, 97% are minority, and 85% do not speak English at home. Forty percent of the student body is enrolled in bilingual/ESL programs and 11% are special needs. A whopping 50% of the district enrollment is made up of at-risk students and 92% of students qualify to receive free or reduced-priced lunch.

Phased in over a three-year period, starting in 1999, the school-based budget model has helped the Union City School District not only vastly improve student outcomes, but become a beacon of hope for similar districts across the country—despite these seemingly insurmountable odds.

Since the inception of the school-based budget model, the Union City School District has been named one of the top performing urban Abbott districts in New Jersey; recognized as one of three national sites of promising practices for adolescent ELLs by the Alliance for Excellent Education, the Carnegie Corporation of New York, and the Center for Applied

Linguistics; identified as one of two districts nationwide that have been most effective on a long-term basis at educating large numbers of low-income early learners, and recognized as a national model for professional development by the National Institute of Professional Development.

In addition, standardized test scores have consistently met or exceeded state averages across grade levels, and subgroups of ELLs have outperformed other large urban districts. Perhaps most importantly—and at the root of the aforementioned measurable successes—a newfound urgency and enthusiasm for education has sprung forth among at-risk students, school leaders, parents, and staff.

What Is School-Based Budgeting?

Emerging out of an effort to provide whole school reform, the school-based budget model exemplifies the concept of educating the whole child by getting all hands on deck, making key stakeholders of the people most directly involved in affecting positive outcomes among the students.

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Ultimately, school-based budgeting necessitates “fiscal congruency,” or the assurance that allocated funds not only align with the objectives of the school, but that they are being used in an effective and efficient manner. It does so by giving *school administrators* the flexibility to allocate their resources to the mix of inputs and processes that they determine are best suited to achieving the agreed outcomes (**where**); allowing *districts* to be responsible for deciding **what** will be achieved; and providing *school and departmental administrators* some flexibility in determining **how** to go about achieving those outcomes.

A Double-Edged Sword

School administrators and educators initially viewed the change to the school-based budget model with great skepticism. Already overwhelmed by the daunting tasks of running their schools and demonstrating increased proficiency among students, school administrators were exhausted by the knowledge that they would now have the additional responsibility of preparing a budget.

A lack of guidance, training, or even clear examples of the process to be shared among schools or districts throughout the state exacerbated this initial reluctance. In fact, many school administrators and staff initially

confused the process with zero-based budgeting, which means the re-establishment of staff, programs, and allocations each year, with a starting point of zero.

School-based budgeting, on the other hand, is simply the disaggregation of resources and allocations into understandable programmatic components that are easier to understand and analyze.

Sure, the school administrators would be able to petition for the allocation of funds as they saw fit, championing causes within their schools that may not have received enough fiscal attention. But that also meant more work and more accountability. It was, in essence, a double-edged sword. After all, they were not only being asked to demonstrate successful student performance and continued achievement; they were being challenged to account for the fiscal congruency of the program.

The line itemization employed in the school-based budget model meant that resource allocation could be tracked and tied into subgroup populations. With student assessment data disaggregated to align to the same subgroups, schools could make a qualitative analysis of the impact certain resources were having on student outcomes. The prospects of “culpability” and “opportunity” duelled.

Getting Buy-In

Shortly after the arrival of the school-based budget model, a school leadership council (SLC) comprised of school administrators, teachers, staff, and parents, emerged, empowering school leaders and staff to establish an action plan unique to their schools. The SLC provided an organized framework and the tools with which the school leaders could accomplish the new task. As the SLC began to curtail ineffective programs and implement new strategies, a spirit of “no fault” emerged.

In developing the action plan, the SLC identified areas of improvement, focusing on instruction, staff development, and program review. Buoyed by the support structure they provided for one another, the SLC quickly realized that the line-item accountability was less of a liability and more of an asset in that it enabled them to continually assess and modify to ensure optimal results.

As a result, the initial reticence gave way to enthusiasm as the members of the SLC began to see the ways in which the changes they were advocating were having measurable positive outcomes.

How Does It Work?

Once a school management team (SMT) was assembled, its members received training and then embarked on a continuous review process: assessing needs, developing an operational plan, implementing an operation plan, evaluating that plan, and implementing progress and outcomes. Throughout the year, they “rinsed and repeated,” correcting course as necessary.



Although the process is highly collaborative, the daily operation of the school remains the responsibility of the principal, and, at no point does the principal abdicate administrative and supervisory responsibilities to the team.

TRAINING

No one expected the parents, school leaders, and school administrators who comprise the SMT to have a thorough understanding of the inner machinations of the school and its budgetary history. To do their job, however, they needed to learn everything from the role of needs assessment in establishing budgeting priorities to staffing patterns to unit costs per pupil. To give the SMT the foundation of knowledge they needed to create a well thought-out budget, they received thorough training in an array of areas before embarking on the completion of budget work papers.

ASSESSMENT

Once the SMT had a firm grasp of the various elements that contribute to the creation of a successful budget, they began the assessment phase. This is an evaluation of impediments and deficiencies that prevent students from achieving the core curriculum content standards (CCCS) identified by a valid assessment methodology.

After they were identified, the needs were compared to existing programs and services using data to determine their effectiveness in addressing each need. If the needs were not addressed by existing programs and services, the needs assessment was expanded to identify a proven program strategy that should. In performing a needs assessment, the SMT determined the data needed and best method of assessment, conducted the assessment, analyzed the results, and reported their findings.

Given the results of the needs assessment, the SMT began to plan how to address the needs identified by exploring possible solutions, determining priorities, and developing goals, measurable objectives, and activity plans.

DEVELOPMENT

The first step in the development phase was to determine the current status for each of the nine elements of whole school reform (WSR) and other required components by providing the current status of: student test scores; outcomes of current and proposed research-based programs; outcomes of SMT training and school staffing; infusion of technology into all aspects of the curriculum and instruction; results of professional development activities; current incidences of violence and vandalism and school safety; outcomes of student and family services; and rewards.

The SMT members established their goals and objectives, taking into account what could reasonably be accomplished in a school year, how they planned to collect formal and informal data to determine their success in meeting goals and objectives, as well as what the timeline was for meeting each goal and objective.

The goals the SMT established, while based on the needs assessment they conducted, also took into account the current status of the nine elements of WSR and other required components, were measurable, and encompassed all student performance areas (student achievement, dropout, attendance) in which the school had not met state standards.

PLANNING

With the needs assessed and the measurable goals and objectives determined, the SMT worked to create their activity plan by considering what activities would accomplish the goals and objectives, what costs were associated with each activity, who was responsible for the accomplishment of each activity, and what the timeline for completion should be for each activity. Then they were ready to propose their budget.

REASSESSMENT

Assessments made via standardized assessments, classroom observations, and collaborative planning sessions may reveal to the data team (a subgroup of the SMT

usually chaired by an assistant principal or a district supervisor) that a certain method of disseminating information is not working. As these new data elements become available, they can shape the need for adjustments in the programs. For instance, a certain version of a textbook may fall short of reaching the benchmarks contained in the state standardized assessments. Therefore resources must be allocated to provide for new textbook purchases.

By demanding accountability, ensuring measurability, and providing an opportunity to assess and modify on an ongoing basis to meet changing needs, the school-based budget model creates a fluid environment in which the shifting needs of the students are met by correlative shifting in the allocation of the funds.

Helping the Neediest Students

At-risk students are considered at-risk not only because of a host of socio-economic factors, but because they are often the most unengaged—whether as a result of the inefficiency of their educators, their communities, or their own indifference.

As the number of at-risk students in the Union City School District increases each year, the continued goal

of district remains to actively engage this group of students. This long-standing goal largely eluded the district until the implementation of the school-based budgeting model.

Based on preliminary research conducted by School Media Specialist Grace Poli—a former middle grade teacher who recalled how her bilingual students struggled with reading and pronunciation—a small allocation of start-up revenue was allocated for the purchase of 25 iPods for Jose Marti Middle School and the iPod project for limited English proficient students and at-risk students was piloted.

Developed to assist bilingual students with language acquisition, the Pod People program uses the iPod as both listening and recording device to help students with their reading comprehension (audio books), proper grammar usage (song lyrics), and speaking skills (voice recorder). Poli also emphasizes a strong visual component in the program—offering students large print books and written exercises to complement the listening and speaking aspects of the program.

Defying the conventional techniques for teaching grammar, the lyrical grammar exercises have been wildly popular with students. In one such exercise, the students are given the written lyrics to a song, with blank spaces labeled noun, verb, adjective or contraction. The students are instructed to fill in these blanks as they listen to the song on their iPods.

With school-based budgeting, the district has been able to reach at-risk students in a way previously unimaginable, with encouraging results, rekindling an enthusiasm for teaching this population and sparking an enthusiasm among these students for an education to which they'd previously defaulted to apathy.

Achieving Fiscal Congruency

It may seem deceptively simple, but achieving fiscal congruency—ensuring that allocated funds not only align with the school's objectives but that they are used in an effective and efficient manner—eluded the district for over seven decades. With 16 schools employing the school-based budgetary model, and all slated to continue doing so, the Union City School District looks forward to many more years—and decades—of zeal for education and improved outcomes.

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