

Rethinking School Budgets to Support Whole School Reform

by Allan Odden

Under current school structures and management practices, marginal improvements in student achievement are possible, but significantly improving student achievement probably is not. Teaching *all* students to high academic standards will require dramatic improvements such as the powerful high-performance school designs offered by New American Schools and other school reform networks, or created at the local level.

When a school or school district implements a comprehensive school design, it is not buying a program to be layered on top of what the school already does; the school is not adding a few new program features. Adopting one of the New American Schools designs involves discarding ineffective practices and building on strong ones to create a more successful school.

The focus of each New American Schools design is a high-quality, standards-based curriculum. Most designs require regrouping students and greater teacher involvement in managing the schools. Teachers and administrators need training in using new strategies. The costs are the ingredients—staffing, instructional materials, teacher-training, and time—required to develop and teach the curriculum.

Each New American Schools design requires a core staff of one principal and 20 teachers for a school of 500 students, with approximately 25 students per class. Funding the core staff is the first priority for use of resources. In addition, each New American Schools design requires other essential personnel and some require substantial equipment. Table 1 (see insert) summarizes the major ingredients and costs above the core staff for each of the seven designs during the 1996-97 school year.

The overall additional costs of these high-performance school designs are quite low. The additional dollar costs range from \$106,600 for the National Alliance for Restructuring Education design and \$114,600 for the Audrey Cohen College design to \$354,000 for the Modern Red Schoolhouse Institute design. Assuming an average staff salary and benefits equal to \$50,000, the number of staff positions that would need to be traded or redefined through resource allocation—required to finance the necessary design ingredients range from 1.7 slots for the National Alliance design, to 2.2 to 3.2 slots for the Expeditionary Learning Outward Bound design, to 7.0 slots for the Modern Red Schoolhouse design. Most U.S. schools employ more staff than this already, particularly those with Title I funds.

Professional Development

The professional development provided by the design teams is a consistent aspect of all seven New American Schools designs. Many traditional schools do not make substantial investments in the kind of professional development that is essential to preparing teachers to help all students to meet high standards.

For most of the designs, the professional development budget includes an average of about \$50,000 in technical assistance and about \$15,000 for teacher stipends, mainly for summer institutes. This would equal about 2.1 percent of a school budget that spends approximately \$6,000 per pupil.

Rethinking Essential Staff Positions

Traditional schools have additional staff members who have come to be assumed as necessary to run a school. Few, if any, of these resource people are part of the New American Schools high-performance school designs. They include:

Regular education specialists: These include teachers who teach art, music, and physical education, and school librarians, and at the high school, technical education and home economics teachers. Also included are reading and writing specialists, math and science specialists, and instructional aides.

Except for the Modern Red Schoolhouse, none of the New American Schools designs requires any of these teacher specialists, although they would not be considered at odds with the designs. The New American Schools designs and most high-performance schools focus on mathematics, science, social studies, writing and language arts. Specialist teachers and teachers' aides are not core elements of their designs, and thus have a secondary priority for budget resources. The New American Schools designs provide alternative ways of providing common planning time for teachers that do not depend on specialist teachers.

Categorical Program Remedial Specialists: The specialists, instructional assistants and computer laboratories that provide extra math and reading assistance to small groups of students (supported by federal Title I, state compensatory education, desegregation, bilingual education and some special education programs in resource room settings) do not contribute significantly to higher student achievement.

The New American Schools designs require few if any of these specialists. Most urge schools to trade these resources for the ingredients of their particular programs.

Pupil-Support Specialists: Guidance counselors, deans, social workers, psychologists and nurses comprise approximately 10 percent of the average school budget.

With the exception of the ATLAS design, these specialists are not core ingredients of the New American Schools designs. The New American Schools designs have teachers working with a smaller number of students; guidance and counseling functions are assigned to teacher teams.

Teachers as Core Service Providers

The New American Schools designs require the core staff—one principal and 20 teachers for a school of 500 students—plus an instructional facilitator who helps teachers continually to improve the instructional program, and a substantial investment in ongoing high-quality professional development to promote new skills and competencies. The New

American Schools model is similar to how corporations restructure and produce better results with current or reduced resources: reduce the number of specialists expand the responsibilities of core service providers, and increase emphasis on ongoing training.

Funding Design Implementation

Implementing each New American Schools design means finding \$100,000 to \$350,000 to finance the design's unique ingredients. Three major financing strategies can be used in conjunction or separately.

Dedicating Title I Funding to Finance Whole-School Designs. Traditional Title I pull-out programs have not had the desired impact on student achievement. More coherent, schoolwide strategies may have more powerful effects. More powerful whole-school designs expose Title I students to curriculum that teaches basic skills and higher-level problem-solving and thinking skills. Federal and state Title I staff are urging schools with at least 50 percent low-income students to implement school wide programs designed to teach all students to high standards.

In many cases, Title I funds would be sufficient to financing New American Schools designs. For example, a 500-student school receiving \$900 per pupil for 80 percent of its students from low-income families would have \$360,000, more than what is required by any of the seven New American Schools designs. If just 50 percent of the students were from low-income families, the school would receive \$175,000, an amount that would nearly cover the expenses of the Roots and Wings or ATLAS designs, and would be more than enough for less expensive designs.

Reallocating Existing Resources may be the most difficult approach because it usually involves trading in or redefining positions of current educational specialists to fund needed ingredients of the New American Schools designs. However, in terms of actively promoting and sustaining real reform, it is the most powerful and effective approach.

Finding so-called inefficiencies is the wrong approach to funding high-performance designs. New American Schools designs are not about helping schools to do what they do now a little better. The challenge is to identify excess resources to trade for the ingredients of a particular New American Schools design.

Examination of the resources available to four real schools illustrates what resources can be used to support implementation of one of the New American Schools Designs.

- One school has above-average spending, substantial numbers of students from low-income families and with limited English proficiency, and class sizes averaging 22 students. This school has nine regular education specialists, nine categorical program specialists, 10 instructional aides and two pupil-support specialists. This represents an extra \$1,089,500.
- A second school is in an average district with about half of its students eligible for federal Title I or state compensatory funds. It has four regular education specialists, four categorical specialists, ten instructional aides, and a small amount for trips, materials, and a smattering of technology. The school has a total of \$489,500 above its core base.
- A third school has no special-needs students, only two specialist teachers, one guidance counselor, ten instructional aides, and a small amount of money for instructional materials. These resources would completely fund three of the designs and fund a major portion of three other designs.
- A fourth school is a bare-bones school with no specialist resources, only 16 teachers and classes of more than 30 students. This school would need to make a strong case for additional funds from its district or local community to implement a high-performance school design.

Resource reallocation is a possible route to financing a high-performance design for many but not all schools. But, resource reallocation must be done thoughtfully, sensitively, and legally. Schools should tap all possibilities for redeploying specialists to new roles, using normal teacher turnover, and exploring cooperative efforts with local colleges to train instructional assistants as certified teachers.

Local, state and federal rules and regulations limit a school's ability to reallocate its specialist resources. Districts and states must assess current limitations and consider changing codes, granting waivers, or otherwise lifting legal limits on a school's ability to spend its resources differently. It will likely take two-to-four years to make such changes—such as changing

individual education plans so students may be served within regular education programs, eliminating the need for a guidance counselor in every elementary school, and waiving specified class sizes.

Investment Funding to Begin Implementation. Districts can create an investment fund to cover at least the initial costs of transforming the school over a two-to-three-year period, along with reallocation of some of the school's existing resources.

Many schools and districts are unwilling to wait two-to-four years to reallocate resources and change staffing patterns; they want to begin the process of creating an environment that supports improved student performance. Investment funding during this transition period can provide the means to support the first phases of transforming a school and maintaining staff interest and commitment.

Possible sources for an investment fund include: pooling the district's money for teacher professional development; applying for state categorical funds; dedicating school-improvement funds already provided by the state; or making the investment fund the first priority for inflationary or other increases in the district's budget. Or, a district could cut its budget to provide monies for the investment fund.

Another potential source of funding is the \$150 million available under the 1997 Comprehensive School Reform Development Program, also known as "Obey-Porter" for its Congressional sponsors. This new federal program funds states to award competitive grants to school districts that specify in their applications which reform programs they plan to implement in which schools. States and local districts must demonstrate that they will select only "high-quality, well-defined, and well-documented comprehensive school programs," descriptors which fit the New American Schools designs.

The costs of the high-performance designs created by New American Schools are not high relative to what is currently spent in schools—\$100,000 to \$350,000 per year, or about \$200 to \$700 per student, approximately 3.3 to 11.7 percent of the average national expenditure of \$6,000 per student. Because the designs offer great potential for dramatically increasing student achievement, they are attractive targets for new funds. Reallocating resources present real problems, but, what is at stake is important—a quality education for every student.

More on the Subject

This **CPRE Policy Bulletin** is based on the report, “How to Rethink School Budgets to Support School Transformation,” by Allan Odden of the University of Wisconsin-Madison, which was published in *Getting Better by Design*, Fall 1997, Volume 3.

Acknowledgments

CPRE Policy Bulletins are published by the Consortium for Policy Research in Education. This publication was supported by a grant (No. OERI-R308A60003) to the Consortium for Policy Research in Education (CPRE) from the National Institute on Educational Governance, Finance, Policymaking and Management, Office of Educational Research and Improvement, U.S. Department of Education. *The views expressed in this publication are those of its author and are not necessarily shared by the U.S. Department of Education, CPRE, or its institutional members.*



Table 1

ATLAS Communities	Audrey Cohen College	Co-NECT Schools	Expeditionary Learning Outward Bound	Modern Red Schoolhouse Institute	National Alliance for Restructuring Education	Roots and Wings
Half-time instructional facilitator.	Full-time staff resource specialist.	Full-time technology coordinators/instructional facilitator.	Instructional facilitator (best if filled by several individuals working as a team).	Full-time technology coordinator (half-time in first year).	School leadership team (including lead person for each task area: standards and assessment; the learning environment; public engagement; community services; and high-performance management).	Instructional facilitator (full-time if 100 percent of students are from low-income families; half-time if 50 percent of students are from low-income families).
School/health/family liaison team (combination of a family liaison, guidance counselor, psychologist, social worker, educational specialists, nurse).					Participation in national conference on standards-based teaching and leadership.	Half-time family liaison.
\$4,000 for instructional materials.	\$7,900 for instructional materials and student trips.		Funds for instructional materials (some of which are one-time expenditures) and trips.		Materials on teaching students to standards and use of New Standards assessments.	\$26,000 in instructional materials.
Small amount of technology, including a computer and Internet and e-mail connection (\$5,000 per year for four years).		\$125,000 per year for substantial computer technologies phased in over several years.		\$125,000 per year for substantial computer technologies phased in over a number of years.		Tutors (four if 100 percent of students are from low-income families; two if 50 percent of students are from low-income families).
\$28,000 of ATLAS professional development.	\$36,700 of Audrey Cohen materials and professional development.	\$53,500 of Co-NECT professional development.	\$71,000 in Expeditionary Learning Outward Bound professional development.	\$70,000 in Modern Red Schoolhouse Institute professional development.	\$37,000 (of which \$24,000 is a district-paid participation fee) for National Alliance professional development.	
\$15,000 in stipends for week-long summer institute for the entire staff.	\$15,000 in stipends for week-long summer institute for the entire staff.	\$14,000 in stipends for substitutes and travel for week-long summer institute and other activities.	\$15,000 in stipends for a week-long summer institute for entire staff.	\$29,000 for stipends or substitute teachers for week-long summer institute for entire staff and other training experiences.		\$18,000 in Roots and Wings professional development.
Design Total	Design Total	Design Total	Design Total	Design Total	Design Total	Design Total
\$32,000 for ATLAS assistance and materials	\$44,000 for Audrey Cohen assistance and materials	\$53,500 for Co-NECT assistance and materials	\$84,280 for Expeditionary Learning Outward Bound assistance and materials	\$75,000 for Modern Red Schoolhouse Institute assistance and materials	\$45,000 for National Alliance for Restructuring Education assistance and materials	\$44,000 for Roots and Wings assistance and materials
2.6 to 4.6 additional staff	1.0 additional staff	1.0 additional staff	1.0 additional staff	2.5 additional staff	1.0 additional staff	3.6 to 6.1 additional staff slots
\$182,000 to \$282,000	\$114,600 (plus a one-time \$7,000 district license fee)	\$242,500	\$114,280 to \$164,280	\$354,000	\$82,600 (includes a \$24,000 participation fee paid by district)	\$224,000 to \$349,000
Equals 3.6 to 5.6 staff slots	Equals 2.3 staff slots (excluding license fee)	Equals 4 to 9 staff slots	Equals 2.2 to 3.2 staff slots	Equals 7.0 staff slots	Equals 1.7 staff slots	Equals 4.5 to 7.0 staff slots