

**Title:** Identifying budgetary savings within school districts

**Date:** May 2009

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**Question:** How can districts identify which cuts to make when facing budget shortfalls?

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**Response:**

Districts are searching for ways to make difficult budget decisions while remaining focused on improving student achievement. This is a formidable task. However, a time of scarce resources can also provide unexpected opportunities, pushing district leaders to identify their highest priorities and fund only what really works for students. But it is challenging to find research-based information on strategically identifying budgetary savings within school districts, particularly since local contexts vary so widely. Additionally, solid research on the subject is scarce. For example, there may be rigorous research on the effects of specific budget items or interventions, but much less on making local financial decisions.

Below we provide a selection of organizations and websites that have tools, presentations or ideas that may inform discussions. We have not evaluated the content of these resources, and provide them for your information only. Links are provided where possible, and abstracts and descriptions are written by the author, organization, or program featured.

**1. The Center on Reinventing Public Education**

Based at the University of Washington, The Center on Reinventing Public Education (CRPE) ([http://www.crpe.org/cs/crpe/print/csr\\_docs/home.htm](http://www.crpe.org/cs/crpe/print/csr_docs/home.htm)) engages in independent research and policy analysis on a range of K-12 public education reform issues, including choice & charters, finance & productivity, teachers, urban district reform, leadership, and state & federal reform. Several projects address the issues of school finance in tight budget times.

- **Finance, Spending, and Productivity Project**

(<http://www.crpe.org/cs/crpe/view/projects/5>)

Unlike traditional school finance research, which tracks how funds are distributed among school districts, we focus on how money is used at the district and school levels, and how different uses of funds affect children's learning opportunities. We hope to help district and school leaders see the consequences of current and possible alternative ways of spending money, and to help educators use every dollar to the maximum benefit of students. Further, we aim to explain the connections between policy at all levels and the ways in which resources are ultimately brought to bear on students.

- **School Finance Redesign Project**

(<http://www.crpe.org/cs/crpe/view/projects/3>)

In the past decade, controversies about public spending on education have grown as states adopted performance standards and as *No Child Left Behind* has put teeth in those expectations. In this environment, elected officials have searched for answers to two questions: How much money will it take for all students to meet standards and how should the money be spent? The Bill & Melinda Gates foundation asked the Center on Reinventing Public Education to create the School Finance Redesign Project (SFRP) to help elected officials better understand how the finance system now works and to identify the options that they have in allocating resources to support K-12 education.

A new series of SFRP studies

(<http://www.crpe.org/cs/crpe/view/projects/3?page=initiatives&initiative=10>)

focuses on resource allocation practices at the local level. These five studies both identify causes of variation in how districts and schools use resources and make recommendations for how public funds might be more directly focused on student learning. Two studies in this series describe ways in which variations in resource allocation arise from non-strategic decisions. A study by Marguerite Roza illustrates how variations in resource allocation can result from micro-level decisions by central office staff—decisions that are often influenced by historical practices and politics. Another study demonstrates how unintentional resource variations result from provisions of collective bargaining contracts.

Other work in this series proposes changes to support strategic resource allocation including increasing school-level autonomy over staff and salaries, adopting reform-oriented collective bargaining, utilizing a S&P tool to benchmark and reduce spending on non-instructional expenditures, and implementing continuous improvement practices. While these studies show that decision-making at the local level is oftentimes haphazard and influenced by politics and collectively bargained rights, they also demonstrate how various reforms can help districts and schools more directly target funds to support student performance.

## **2. School Services of California, Inc. (SSC)**

School Services of California, Inc. (SSC) (<http://www.sscal.com/index.cfm>) is a business, financial, management, and advocacy resource for educational agencies in California, providing information services, legislative and governmental advocacy, financial and business consulting, executive search, and innovative workshops and training that are designed to help solve problems and improve student performance. Two relevant resources developed by SSC are:

- “Checklist for Maximizing Flexibility” can help guide discussion and considerations regarding how to best take advantage of the categorical program flexibility options and budget reductions included in the final 2008-09 State Budget Act.
- “Surviving and Thriving Limited Resources,” a PowerPoint presentation by Jannelle Kubinec, provides information and tips to motivate and guide districts to build accurate and purposeful budgets.

### 3. Education Resource Strategies (ERS)

ERS (<http://www.educationresourcestrategies.org/>) is a nonprofit organization that works closely with leaders of urban public school systems to rethink the use of district and school-level resources, supporting strategies for improved instruction and performance. Recent work, described below and in further detail at [http://www.educationresourcestrategies.org/tough\\_times.htm](http://www.educationresourcestrategies.org/tough_times.htm), discusses tight budgets as a catalyst for change.

ERS has tools educators need to grapple with budget cuts. We can help districts identify what, when and how to cut spending in a way that makes sense—and that still helps them achieve their long-term goals. By asking tough questions about spending and advising district leaders on how to reallocate existing resources to more productive purposes, ERS can help school and district leaders be more effective even in the most difficult times. By focusing attention and money on what matters most, districts can still improve teacher quality and student achievement. And good decisions and choices made now will continue to yield productive results even in times when resources are more plentiful. The following tools can help districts get started.

- Essential Resource Questions
- Using Stimulus Funds to Build a Bridge to Better Practice
- Making Strategic Resource Decisions: Finding the Resources to Invest in Teachers and Students
- Presentation on Turning Tough Times Into Opportunity
- The ERS District Resource Allocation Modeler (DREAM)

### 4. Oregon School Boards Association Budget Survival Toolkit

The Oregon School Boards Association provides a Budget Survival Toolkit with helpful information that could be applied in any state and by those in roles other than school board members: <http://www.osba.org/relations/budget/index.htm>. Sample resources for budget reduction include: Coming to Grips with Less for Everyone, Shortening the School Year, Potential Policy Impacts in a Climate of Shrinking Resources, Budget Communication Tools, and Subcontracting.

### 5. The Center for Comprehensive School Reform and Improvement

The Center for The Comprehensive School Reform and Improvement (<http://www.centerforcsri.org>) is funded through the U.S. Department of Education's Office of Elementary and Secondary Education and operated by Learning Point Associates, a nonprofit education research and consulting organization. The purpose of The Center is to assist schools and school districts contemplating or engaged in school reform and improvement. We provide them with reliable information about research-based strategies and assistance in using that information to make positive changes. The Center's mission is to help schools organize, plan, implement, and sustain improvement.

- "Reallocating Resources for School Improvement" (<http://www.centerforcsri.org/pubs/reallocation/>) is a guide designed to provide support for school leaders who are being asked to efficiently use limited resources to improve student achievement. Under No Child Left Behind, school districts have increased flexibility to transfer funds to target areas of need at the school site. This

guide can help you take advantage of this flexibility to ensure that your existing resources are aligned with the goals of your school improvement plan.

## 6. Influences on Student Learning

A synthesis of research titled "What Helps Students Learn?"

([http://casdk12.net/GHS04/SRB/5-](http://casdk12.net/GHS04/SRB/5-Curriculum/What%20Helps%20Students%20Learn.pdf)

[Curriculum/What%20Helps%20Students%20Learn.pdf](http://casdk12.net/GHS04/SRB/5-Curriculum/What%20Helps%20Students%20Learn.pdf)) could provide insights when considering which inputs are most beneficial for students, while weighing the merits of particular budget items. The authors (Wang, Haertel and Walberg) analyzed the content of 179 handbook chapters and reviews, compiled 91 research syntheses, and surveyed 61 educational researchers to create a knowledge base comprising 11,000 statistical findings that shows reasonable consensus on the most significant influences on learning. They state that "In general, [we] found that direct influences have a greater impact on learning than indirect influences. Direct influences include the amount of time a teacher spends on a topic and the quality of the social interactions teachers have with their students. Indirect influences include policies adopted by a school, district, or state, and organizational features such as site-based management."

## 7. The American Association of School Administrators

The American Association of School Administrators (AASA)

(<http://www.aasa.org/about/index.cfm>), founded in 1865, is the professional organization for more than 13,000 educational leaders across the United States. AASA members range from chief executive officers, superintendents and senior level school administrators to cabinet members, professors and aspiring school system leaders. Recent, relevant articles from AASA include:

- "Budget Cutting Without Rancor: One district's rational process for protecting spending that's close to students."  
<http://www.aasa.org/publications/saarticledetail.cfm?ItemNumber=1775>
- "Trimming Costs in Personnel & Health Care: A suburban school district pursues two promising approaches for preventing employee expenses from spiraling upward."  
<http://www.aasa.org/publications/saarticledetailtest.cfm?ItemNumber=10951>

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