

How Do Schools and Students Feel Local Control Funding?

\$41 billion later

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Sacramento – February 2017



Overview of Today's Talk

- Competing arguments over the extent to which new funding will (a) reach and alter schools, or (b) lift the pupils who generate supplemental and concentration grants [TSP].
- Quick overview of trends in state funding of K-12 (mostly Local Control Funding).
- Focus on LAUSD – the *distribution of budgets and rising spending* among schools.
- Focus among districts statewide – do *concentration grants* spur school-level change and differences in student achievement? A 'quasi-experimental' design.



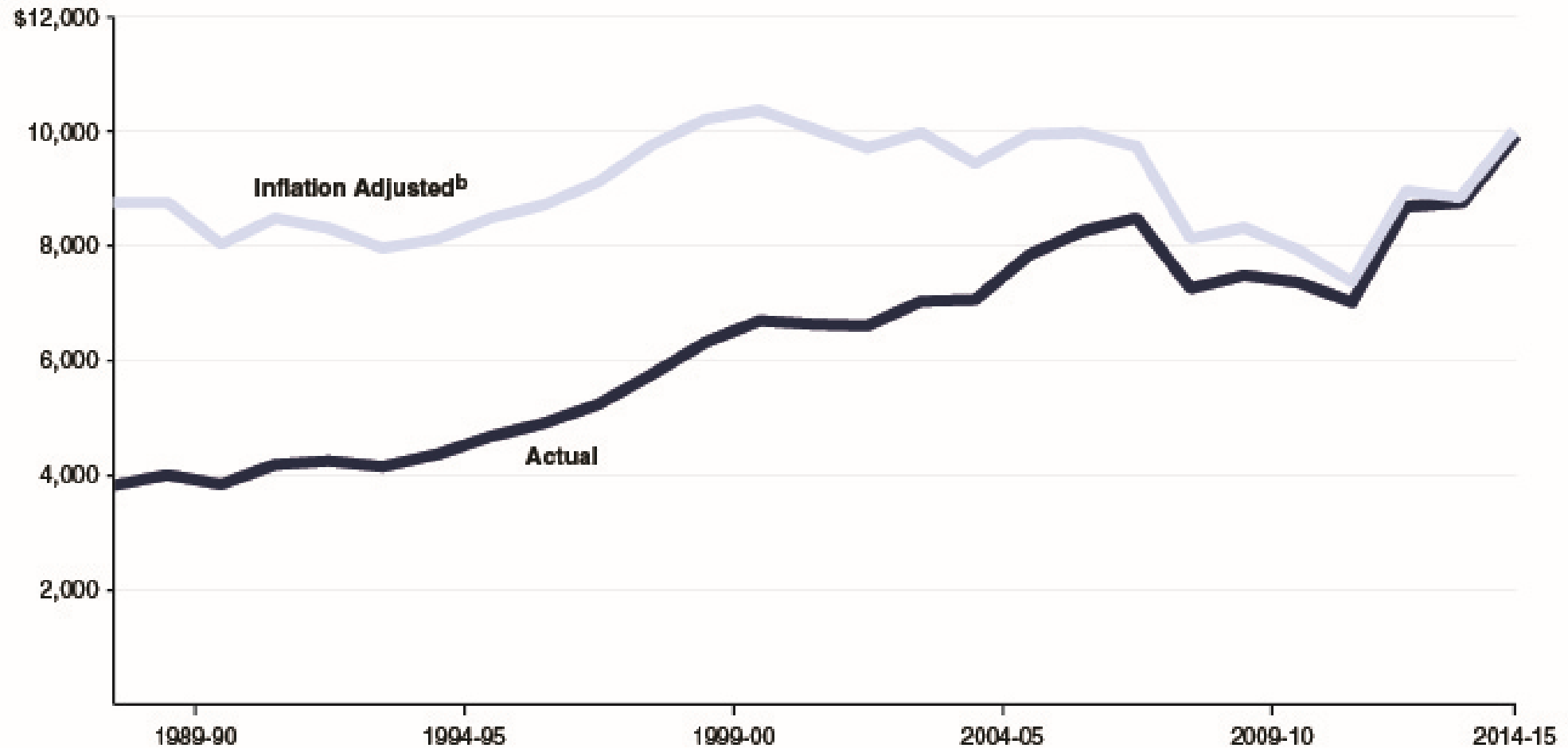
Competing Arguments about Supplemental and Concentration Grants Reaching 'TSP Kids'

LCF as backpack or dump truck?

- Supplemental and concentration grants *will move to schools* serving higher concentrations of TSP students because –
 - The LCAP process *spurs local activism* re achievement gaps... So district boards will extend TSP weights down to schools.
 - The '*proportionality requirement*' works to enlarge services for pupils.
- Supplemental and concentration grants *will not necessarily move to schools* serving higher concentrations of TSP students because –
 - Political-economies of districts resist progressive targeting (*labor, class*).
 - Districts face *rising fixed costs* for facilities, health and pension benefits.
 - Lack of *analytic capacity* to tackle between-school distributions.

K-12 Proposition 98 Funding Per Student^a

From Passage of Proposition 98 (1988-89) Through 2014-15 Final

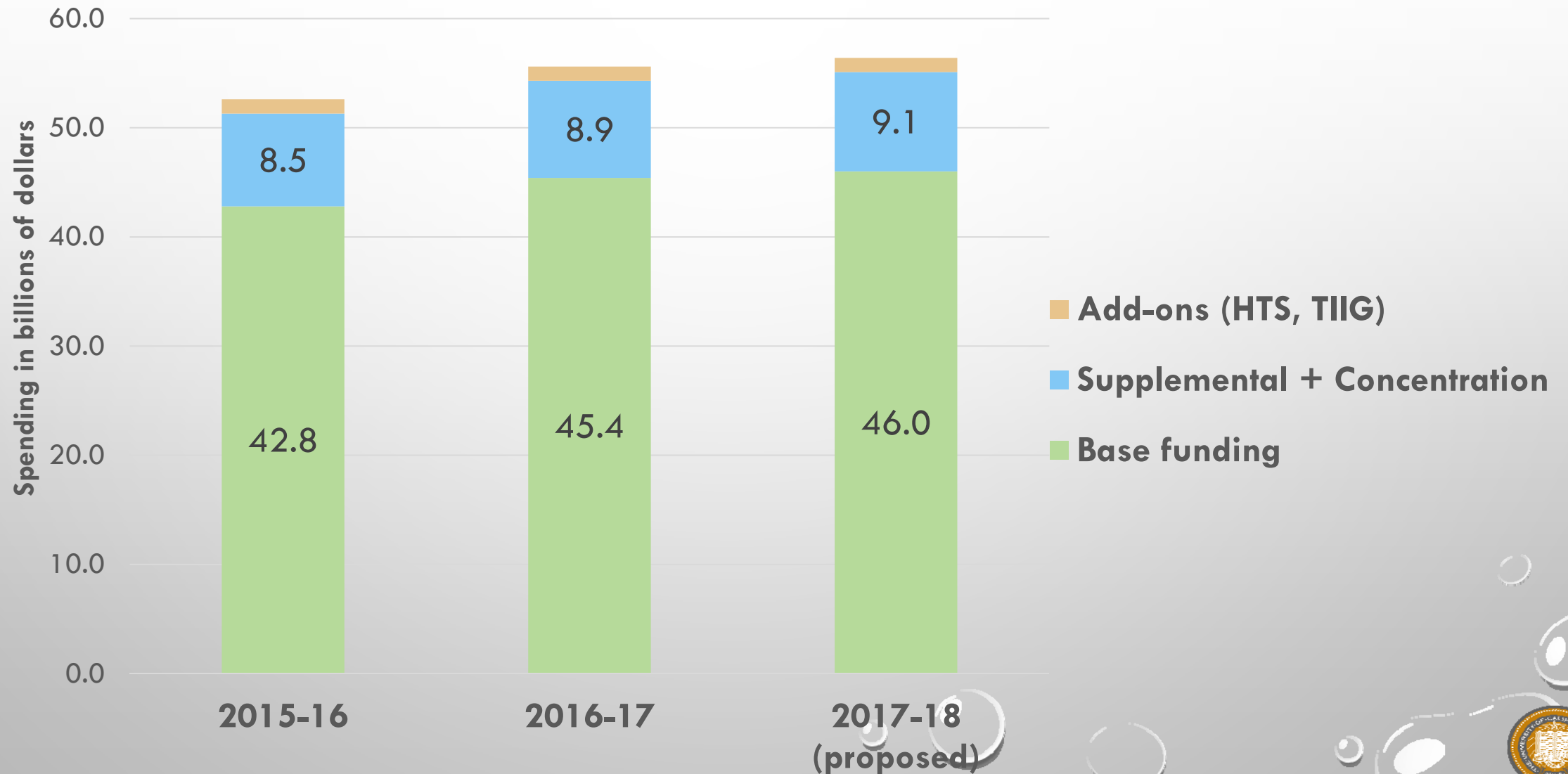


^a Reflects all Proposition 98 funding except the amount going to the California Community Colleges.

^b In 2014-15 dollars. Adjusted using the state and local government price index.

Posted January 2017.

Elements and levels of Local Control Funding (billions of dollars \$)



STUDY 1 – LOS ANGELES

How dollars are distributed among schools in LAUSD

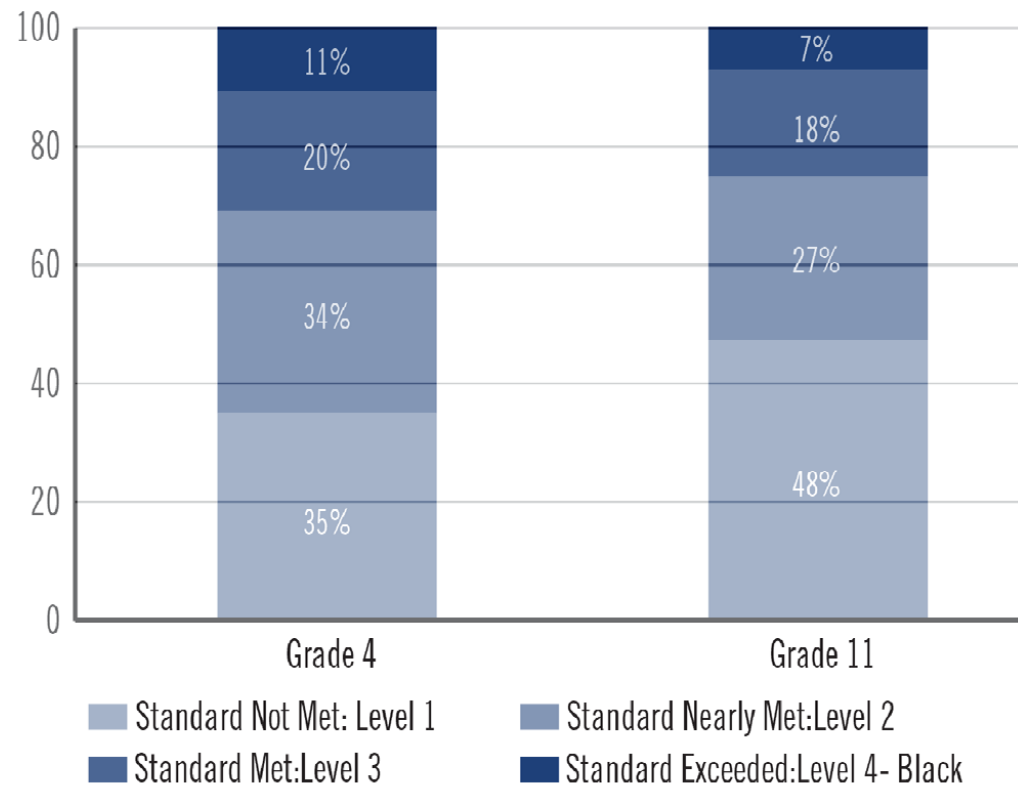
- Wide disparities in pupil achievement among schools and students, even in urban districts like LAUSD.
- To what extent has per-pupil spending grown in LAUSD schools across grade levels? We examine the first three years of implementation.
- Has per-pupil spending grown more strongly in schools serving larger shares of TSP students?
- Observable shifts in *how* school-level dollars are spent, as spread across teachers, administrators, and support staff?
- Maybe dollars tied to the ‘proportionality requirement’ – LAUSD’s ‘Investment Fund’ – are more progressively targeted?



Achievement gaps in urban districts – disparities persist among LAUSD students (Yes, 82% targeted student population, TSP)

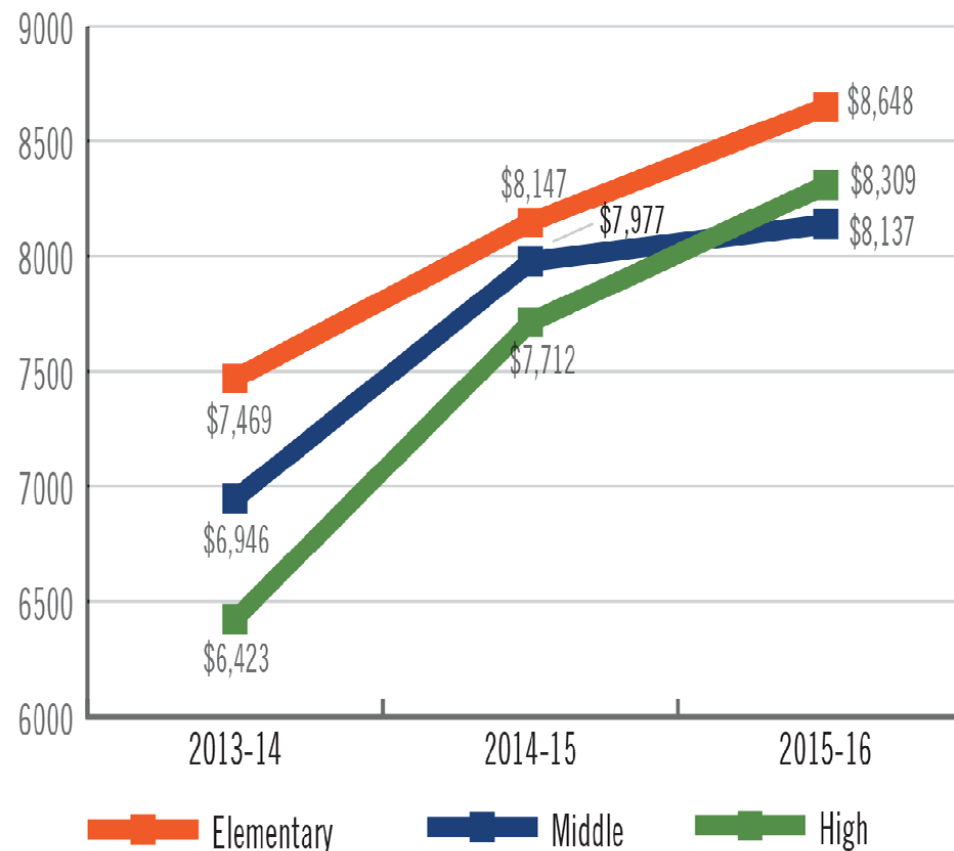
Spring 2016 SBAC

FIGURE 1 LAUSD students greatly vary in their achievement levels – state test proficiency levels at fourth and eleventh grade, spring 2016



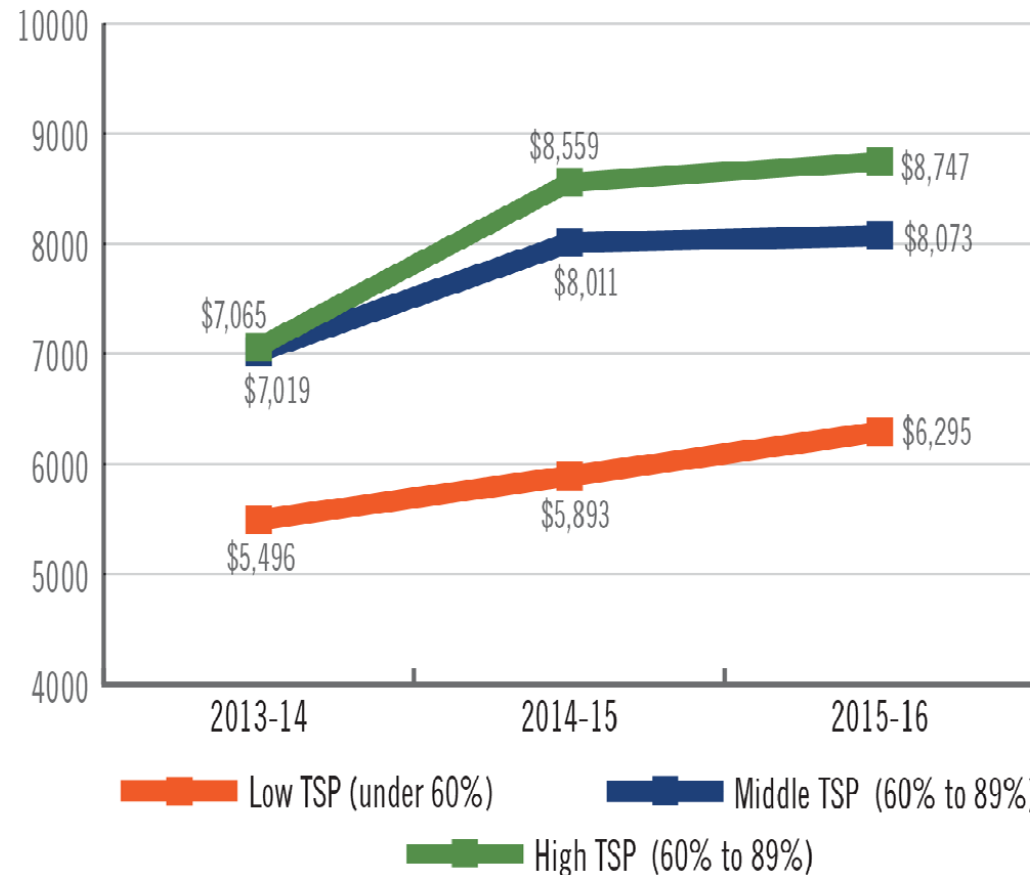
Per-pupil spending grew markedly during the first three years of LCF implementation (current dollars)

FIGURE 3 Per-pupil school spending: Total budget



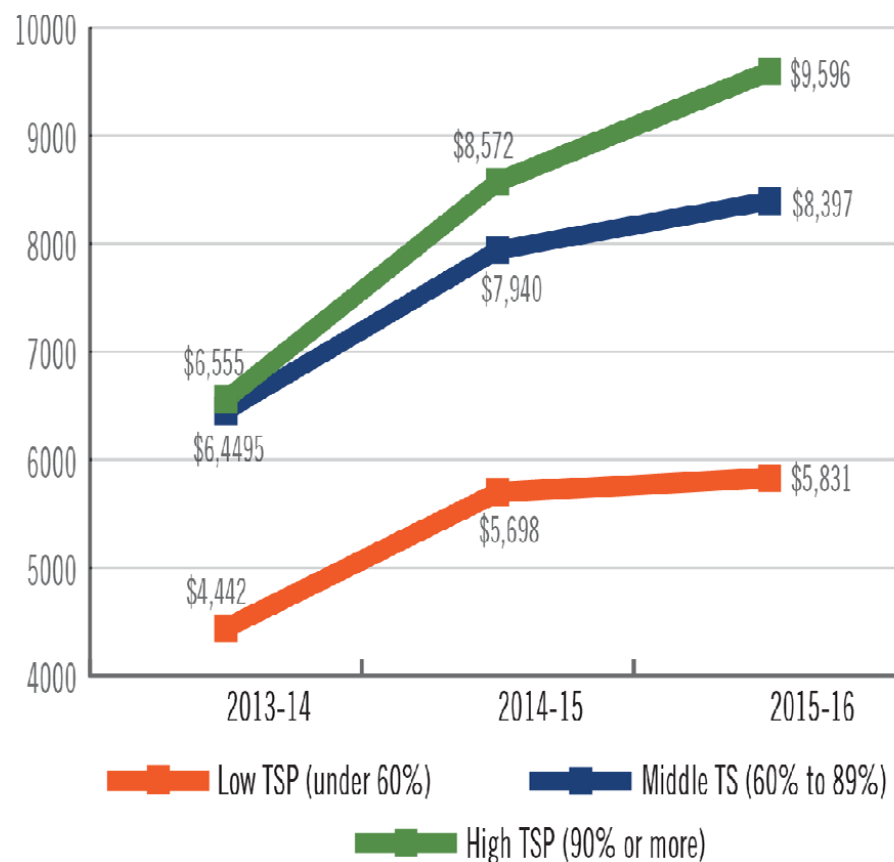
Has per-pupil spending climbed more in *elementary* schools serving larger shares of TSP students?

FIGURE 5 Middle Schools - total budgeted spending per pupil



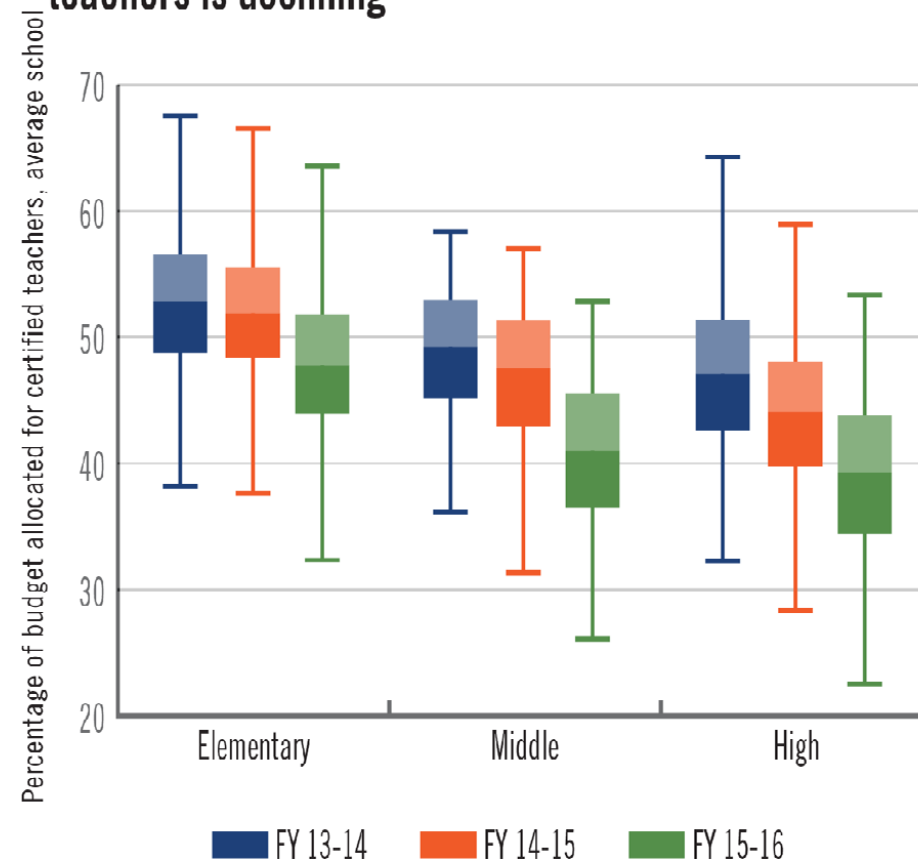
Has per-pupil spending climbed more strongly in *high schools* serving larger shares of TSP students?

FIGURE 6 High Schools - total budgeted spending per pupil



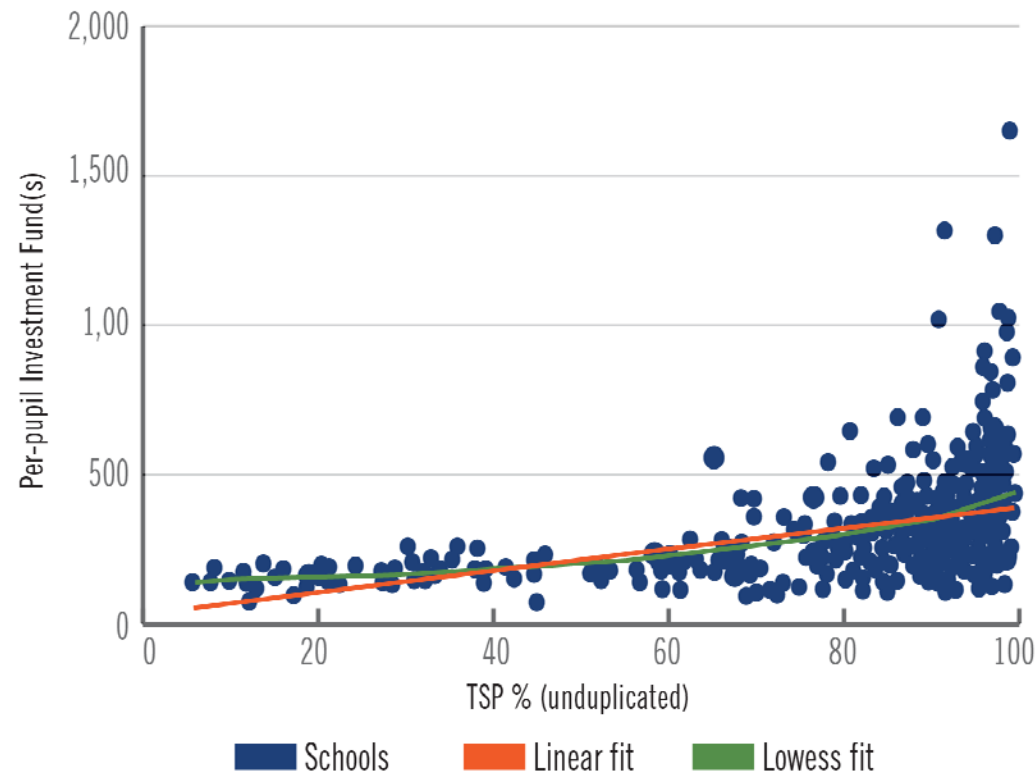
How might school budgets shift among teaching, administrative, and support staff?

FIGURE 7 Share of school budgets spent on certified teachers is declining



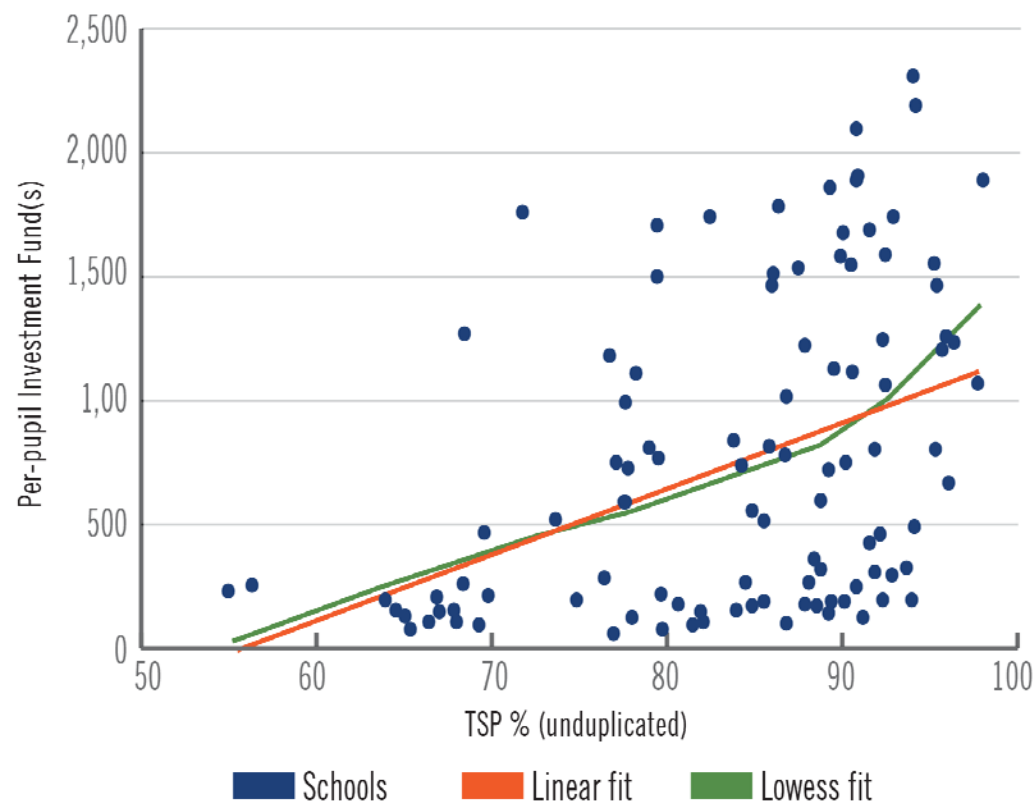
Perhaps dollars tied to the 'proportionality requirement' – LAUSD's
'Investment Fund' – are more progressively targeted?
Elementary Schools

FIGURE 9 Elementary schools - little relationship
between share of enrollment TSP and Investment Fund
spending per pupil (2015 -16)



Perhaps dollars tied to the 'proportionality requirement' are more progressively targeted? *High Schools*

FIGURE 10 High schools - moderate relationship between share of enrollment TSP and Investment Fund spending per pupil (2015-16)



Detecting organizational changes inside schools

- Schools with faster growing budgets overall display lower class size, on average.
- Schools with faster growing budgets assign fewer teaching periods to teachers on average.

This does *not* necessarily advance equity – until supplemental and concentration dollars are distributed progressively.

Do Large Infusions of Decentralized Finance Alter School Organizations?
Early Evidence from Los Angeles

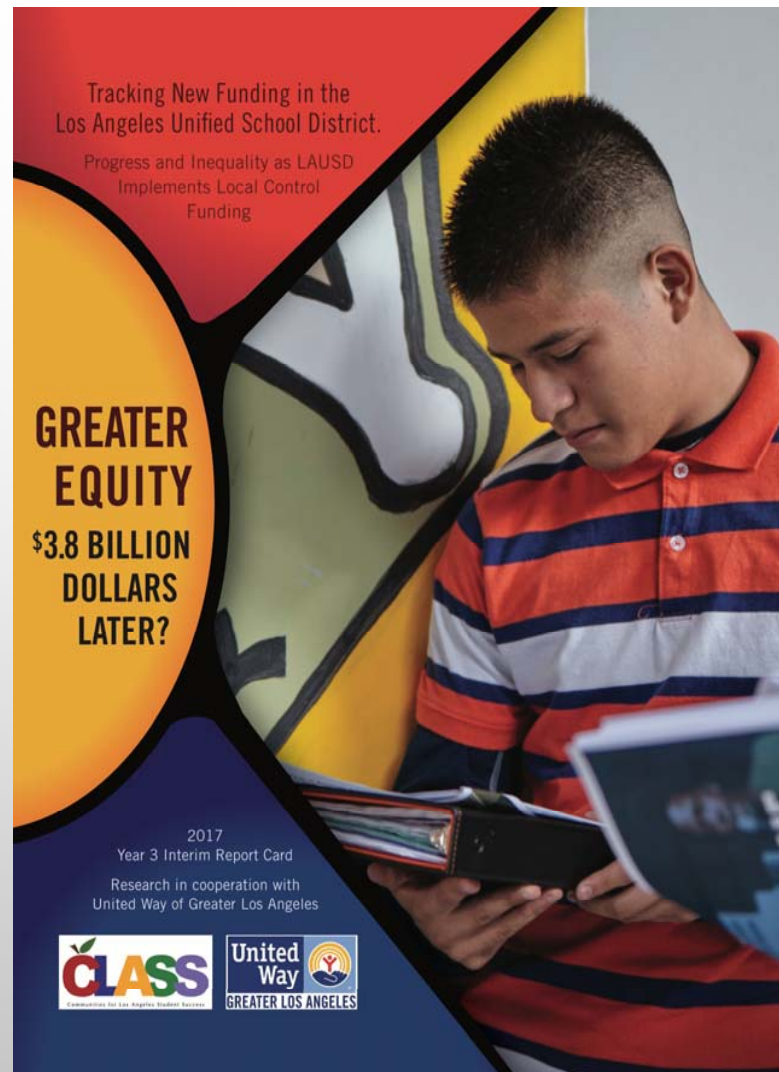
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American Educational Research Association – Washington D.C. – April 2016



¹ This paper accompanies a Powerpoint presentation that is available from the authors.

Full LAUSD update from United Way next month...



STUDY 2 – STATEWIDE

Have LCF Concentration Grants altered school organizations or lifted pupil achievement among districts?

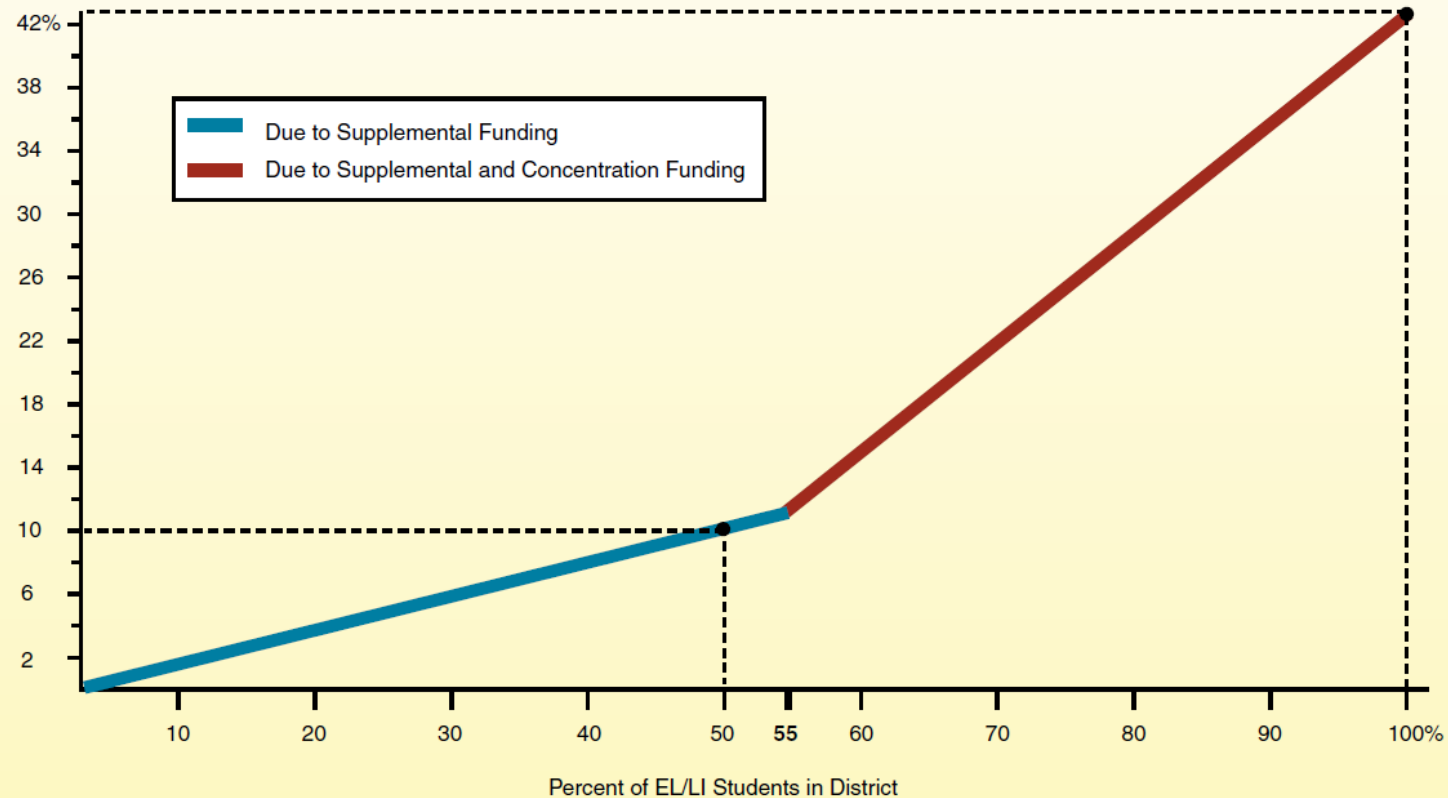
- Concentration grants (CGs) are triggered when TSP pupils exceed 55% of all pupils district-wide. Provides a discrete cut-point for defining a ‘quasi-experiment’.
- Districts vary greatly in their receipt of concentration grants. Charter schools display similar variability [not reported today].
- Does the level of CG funding predict (a) school-level organizational changes that may foster higher achievement, or (b) associated with higher achievement [over the first two years of LCF implementation, 2013-14 to 2014-15].



Taking advantage of a discrete jolt in additional CG spending – ‘regression discontinuity’

How a District's EL/LI Concentration Affects its LCFF Allocation

Percent Increase in District Funding Allocation



EL/LI = English learner/low-income.



The state's LCF priorities – a starting list of school-organization and pupil-level outcomes that CG's might move

Student Achievement

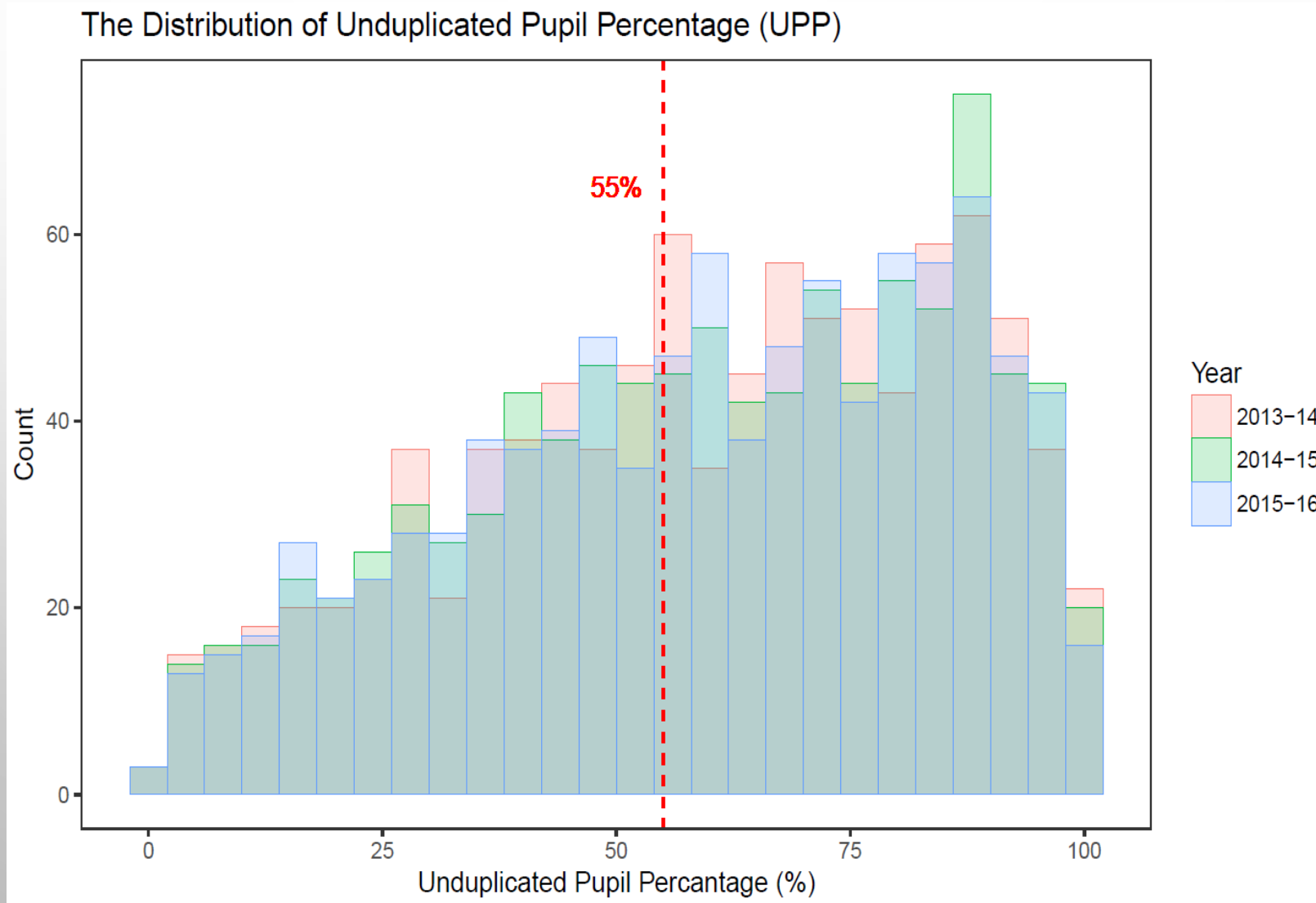
- Performance on standardized tests.
- Score on Academic Performance Index.
- Share of students that are college and career ready.
- Share of ELs that become English proficient.
- EL reclassification rate.
- Share of students that pass Advanced Placement exams with 3 or higher.
- Share of students determined prepared for college by the Early Assessment Program.

Student Engagement

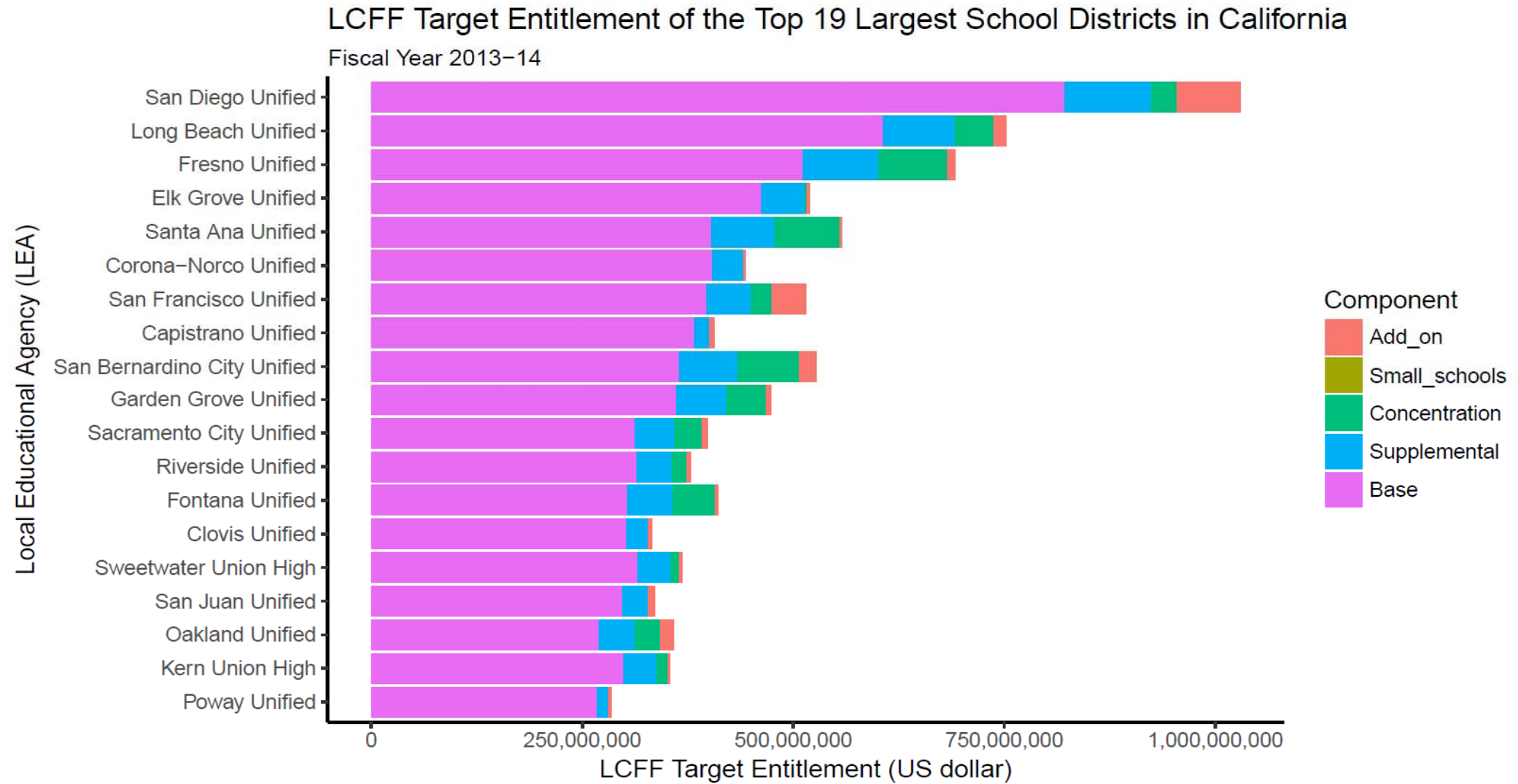
- School attendance rates.
- Chronic absenteeism rates.
- Middle school dropout rates.
- High school dropout rates.
- High school graduation rates.



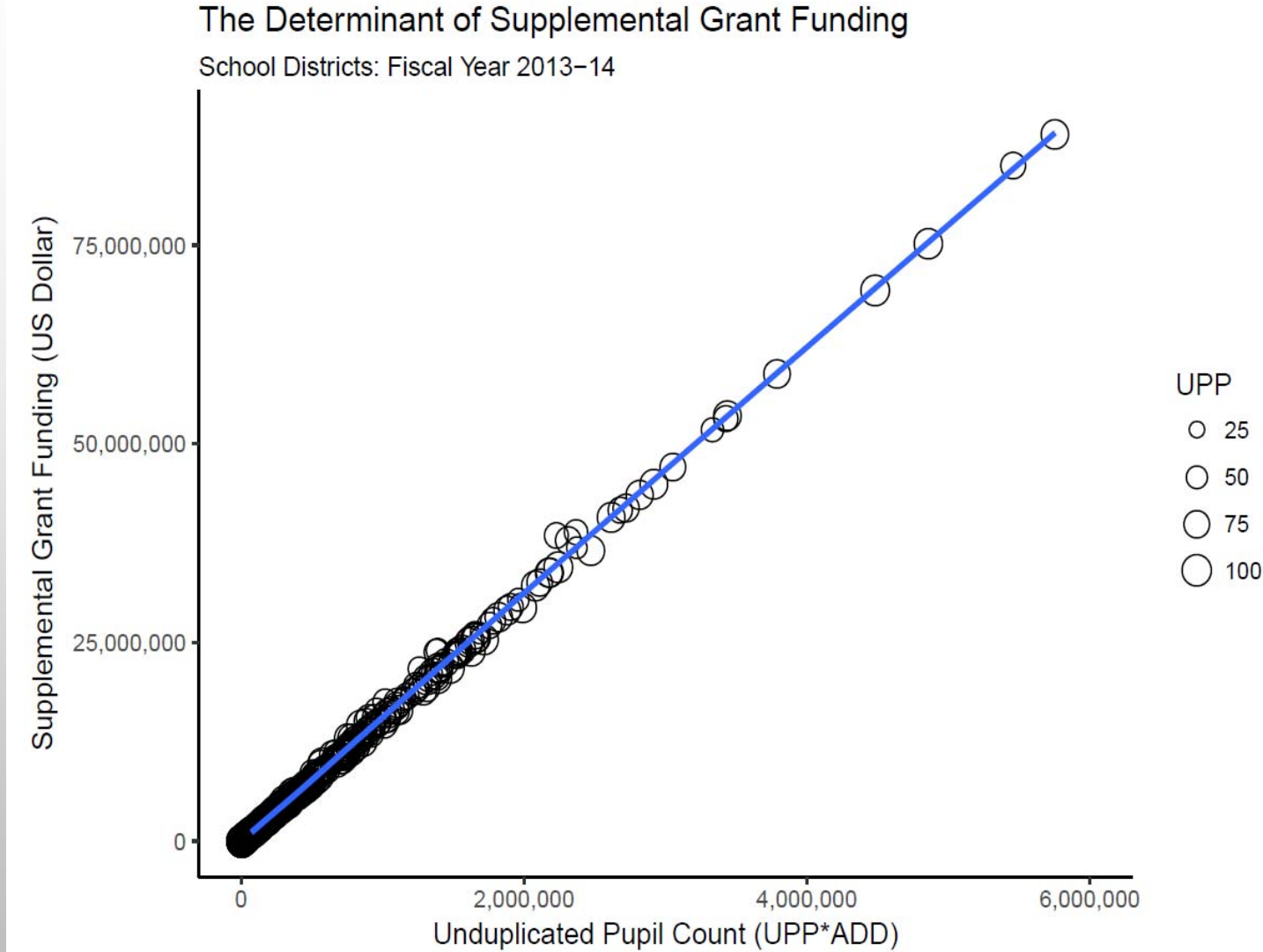
Let's first look at the distribution of districts' unduplicated counts of TSP students statewide



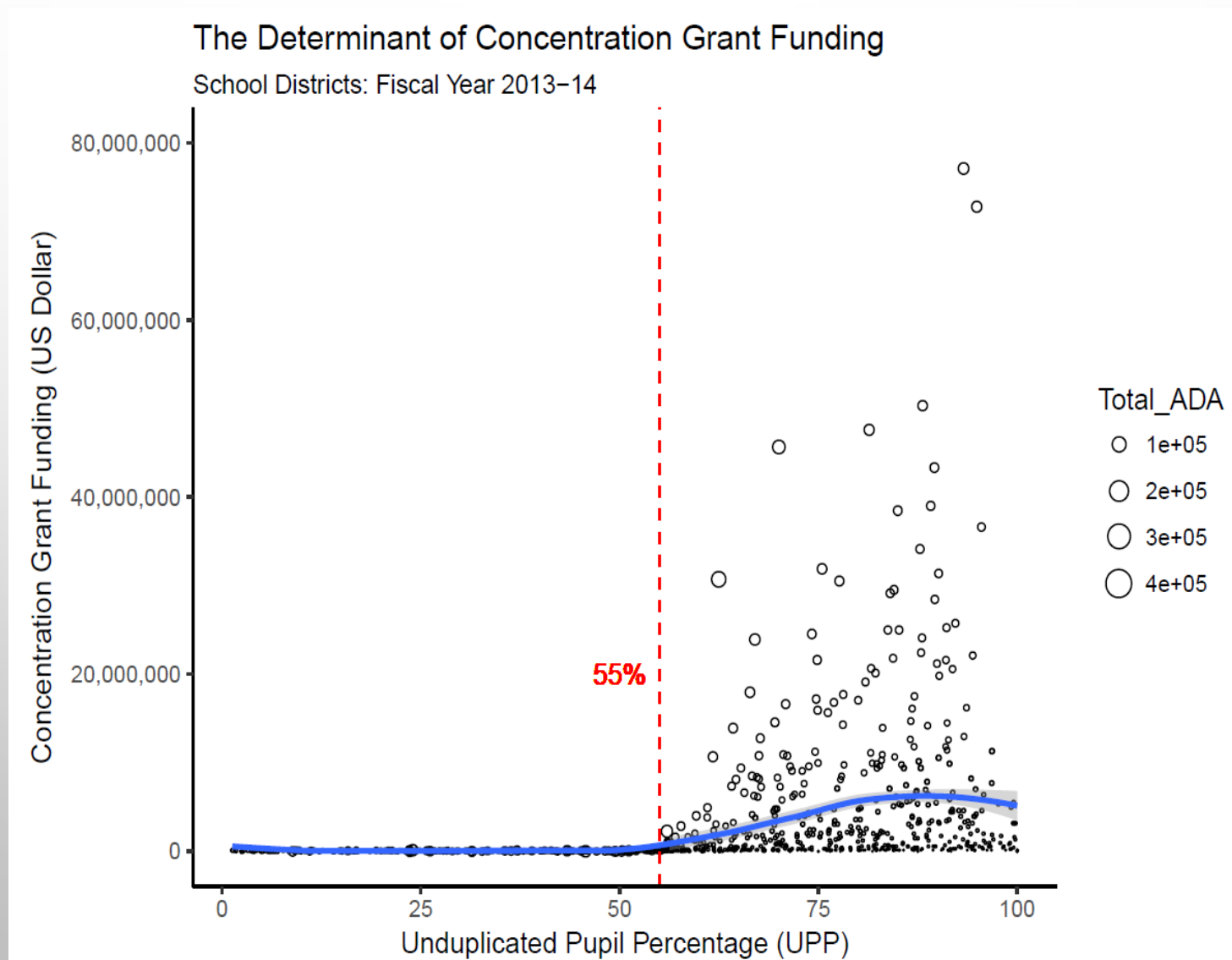
The *share of dollars* coming from CGs is modest among the state's largest 20 school districts



Comparing Concentration Grant [CGs] allocations to Supplemental Grants – linearly driven by the count of a district's TSP enrollment



... but CG funding kicks-in when TSP enrollment exceed 55%, and then varies widely based student TSP counts among districts



We then test whether districts over the 55% cut-point, receiving concentration grants display stronger –

Social-organizational features for high schools

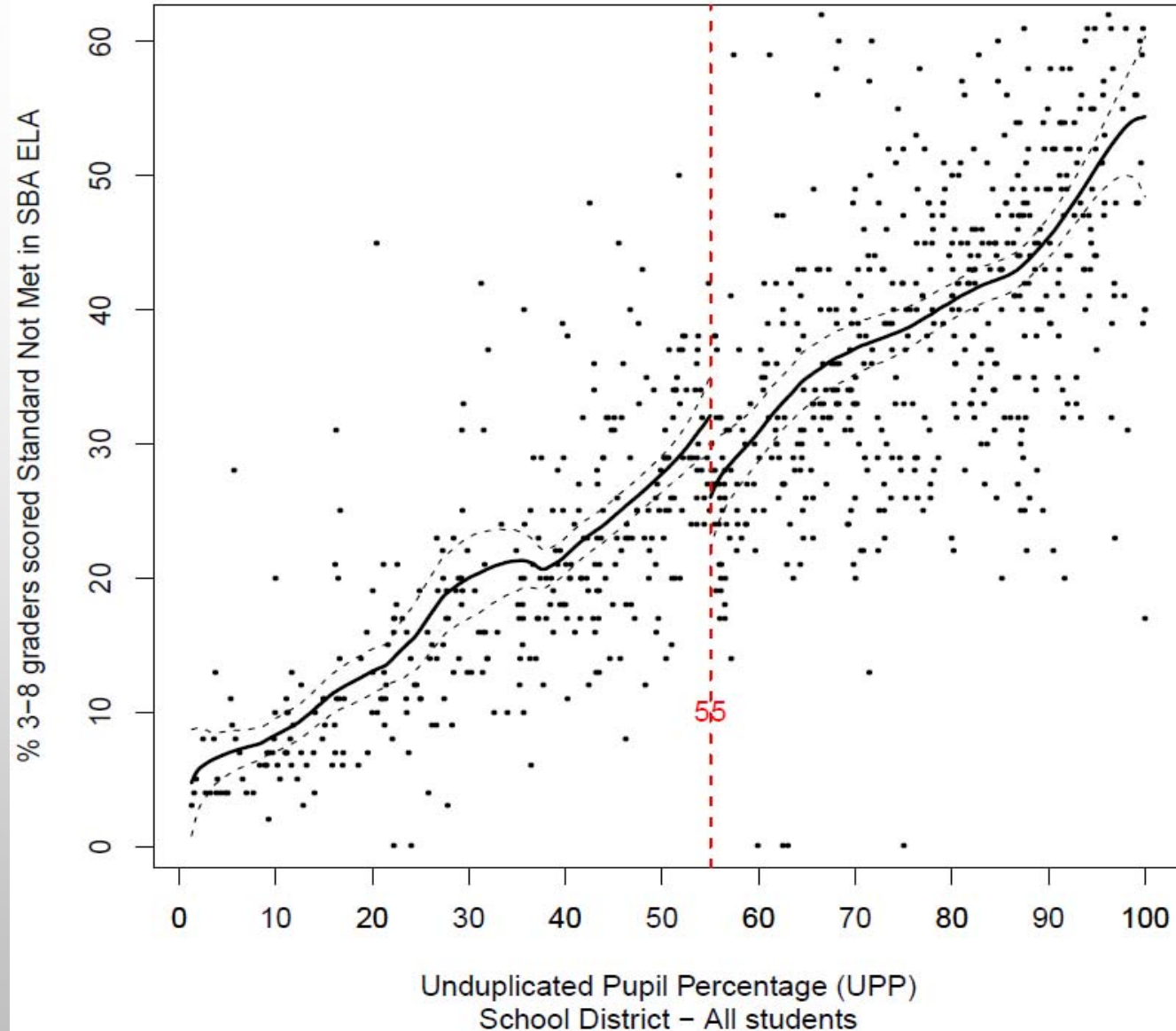
- Percentage [or counts] of courses meeting A-G guidelines.
- Number of class periods assigned to teachers on average.

Student achievement in elementary and middle schools

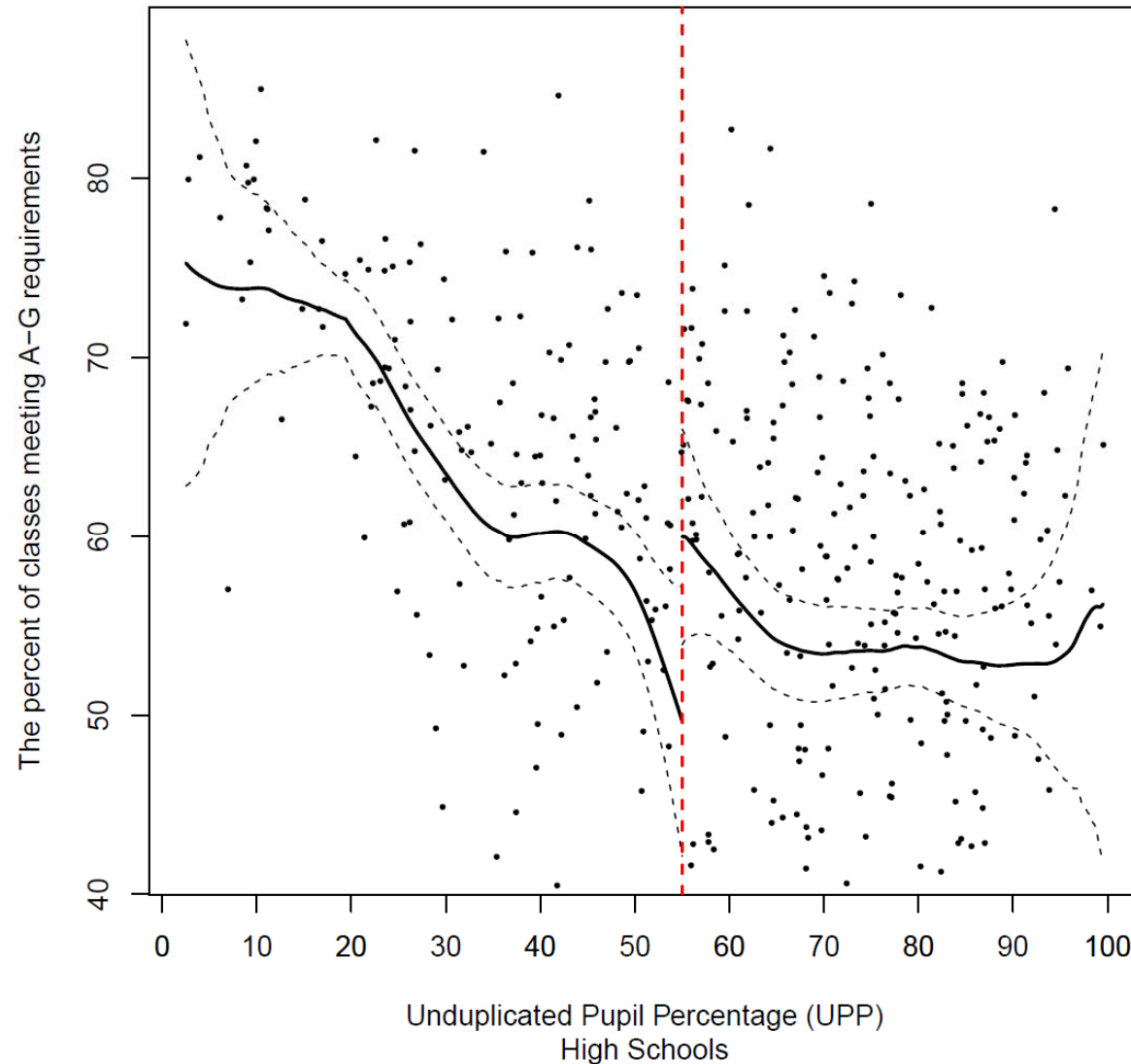
- Percentage of high school pupils scoring 3+ on AP exams
- Percentage of pupils, grades 3-8, *not meeting* ELA or math standard.
- Percentage of pupils, grades 3-8, *exceeding* ELA or math standard.



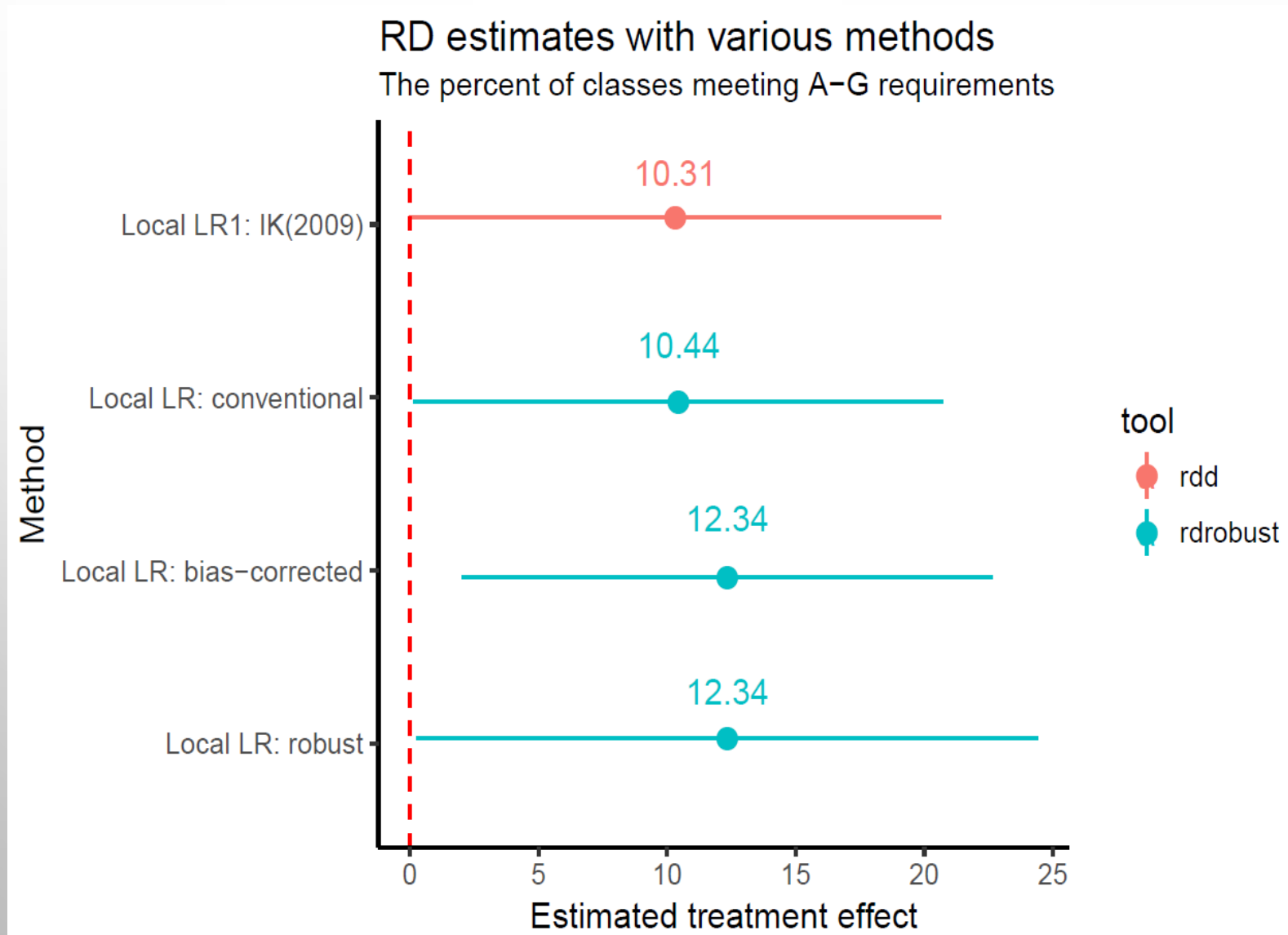
METHOD – ‘Regression Discontinuity’ to Emulate an Experiment



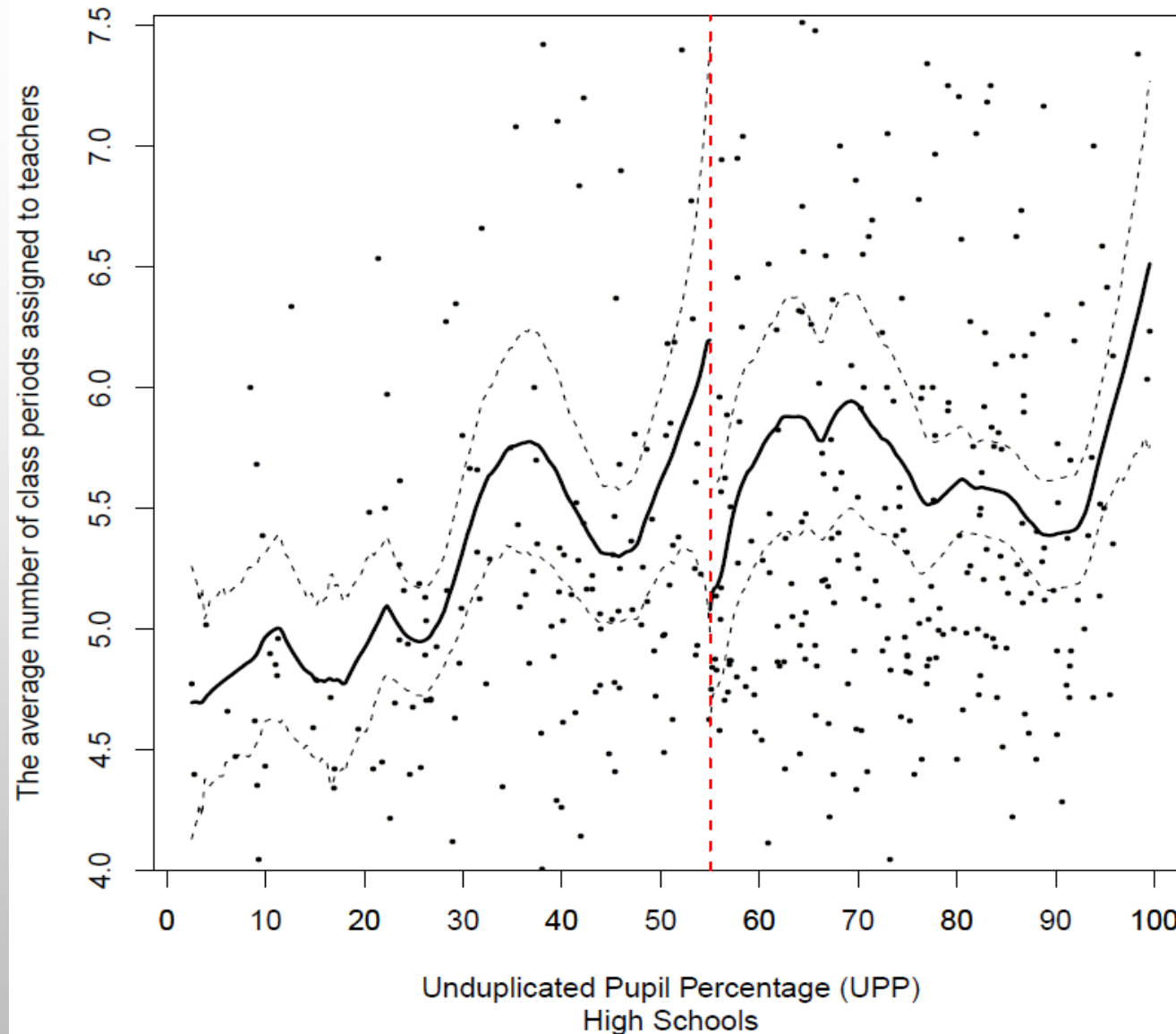
FINDINGS 1 – Do districts that receive CGs offer a greater percentage of courses that *meet A-G course guidelines*?



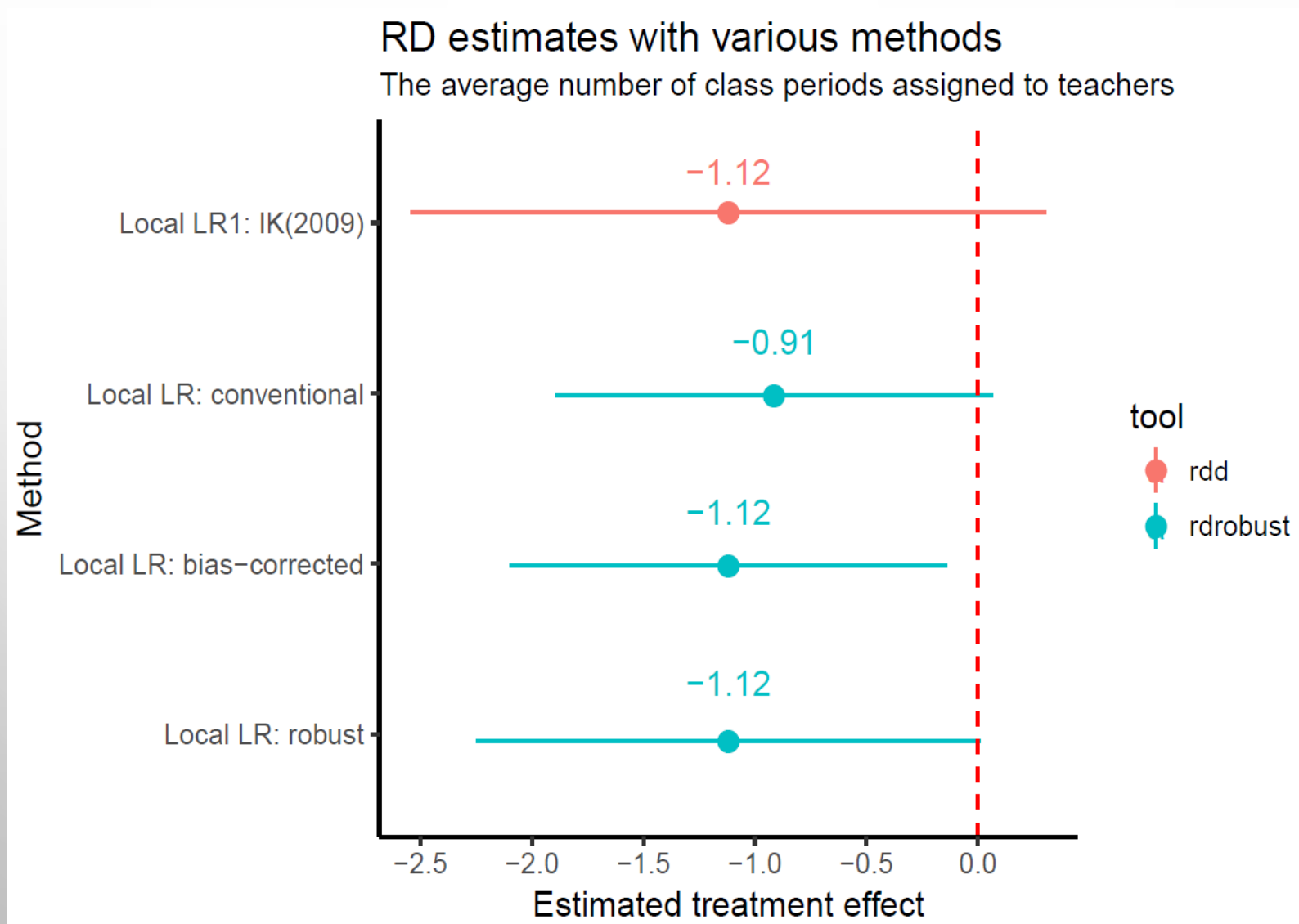
Testing that the difference is statistically significant



FINDINGS 2 – Are fewer class periods assigned to teachers on average in districts that receive CGs?



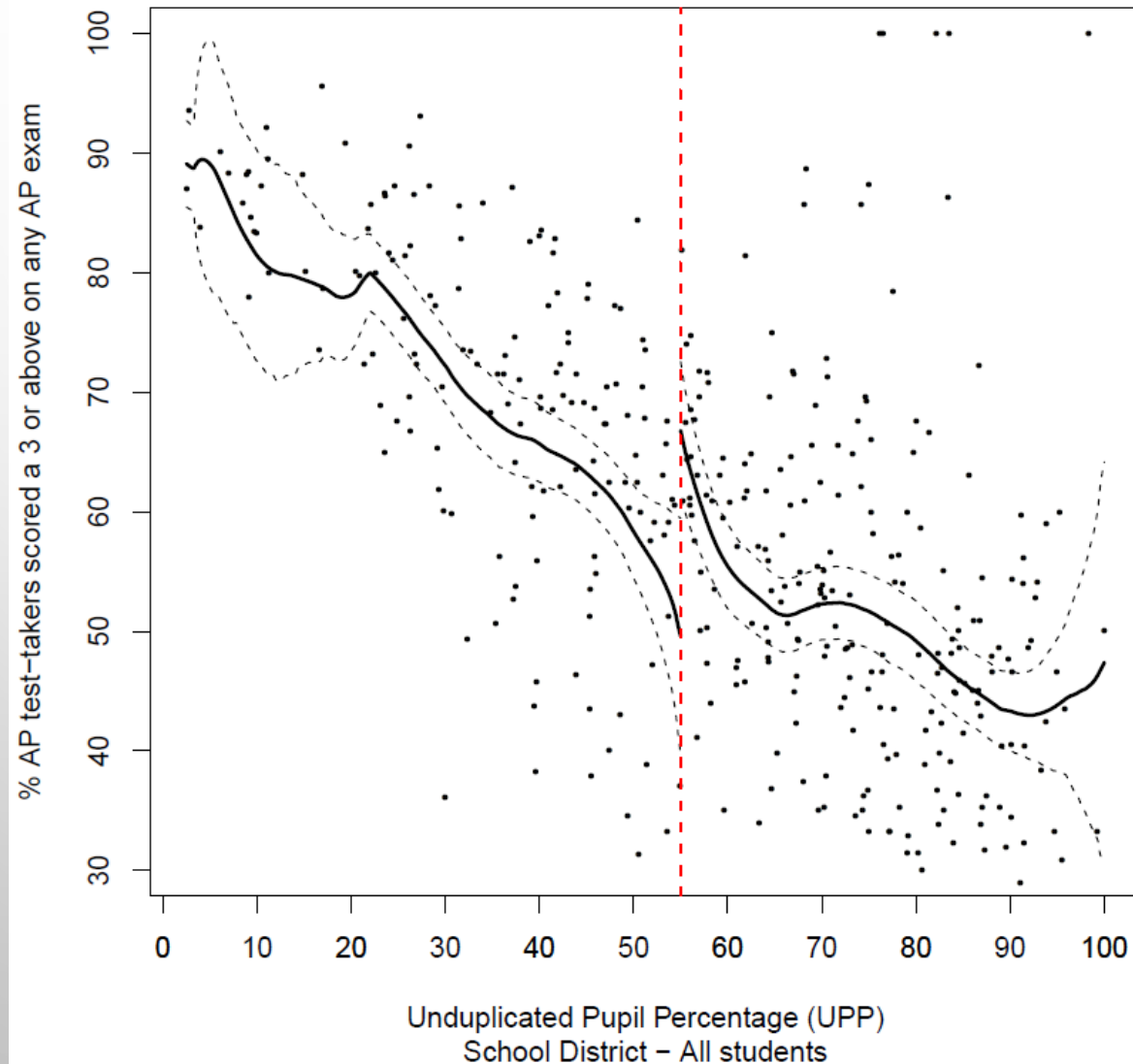
This difference is statistically significant



Turning to indicators of student achievement



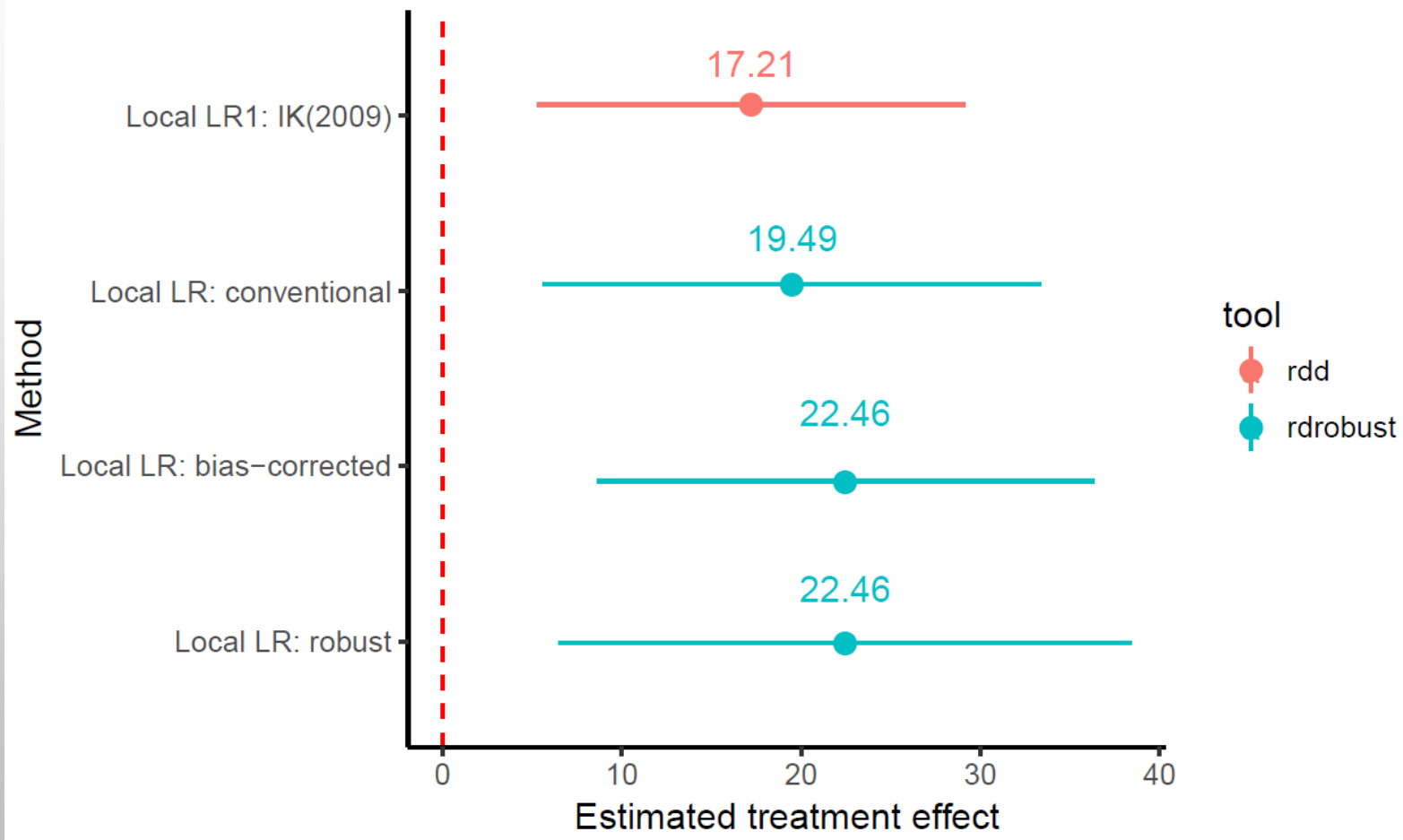
FINDINGS 3 – Do larger shares of students who *score 3 or above on Advanced Placement exams* in districts receiving CGs?



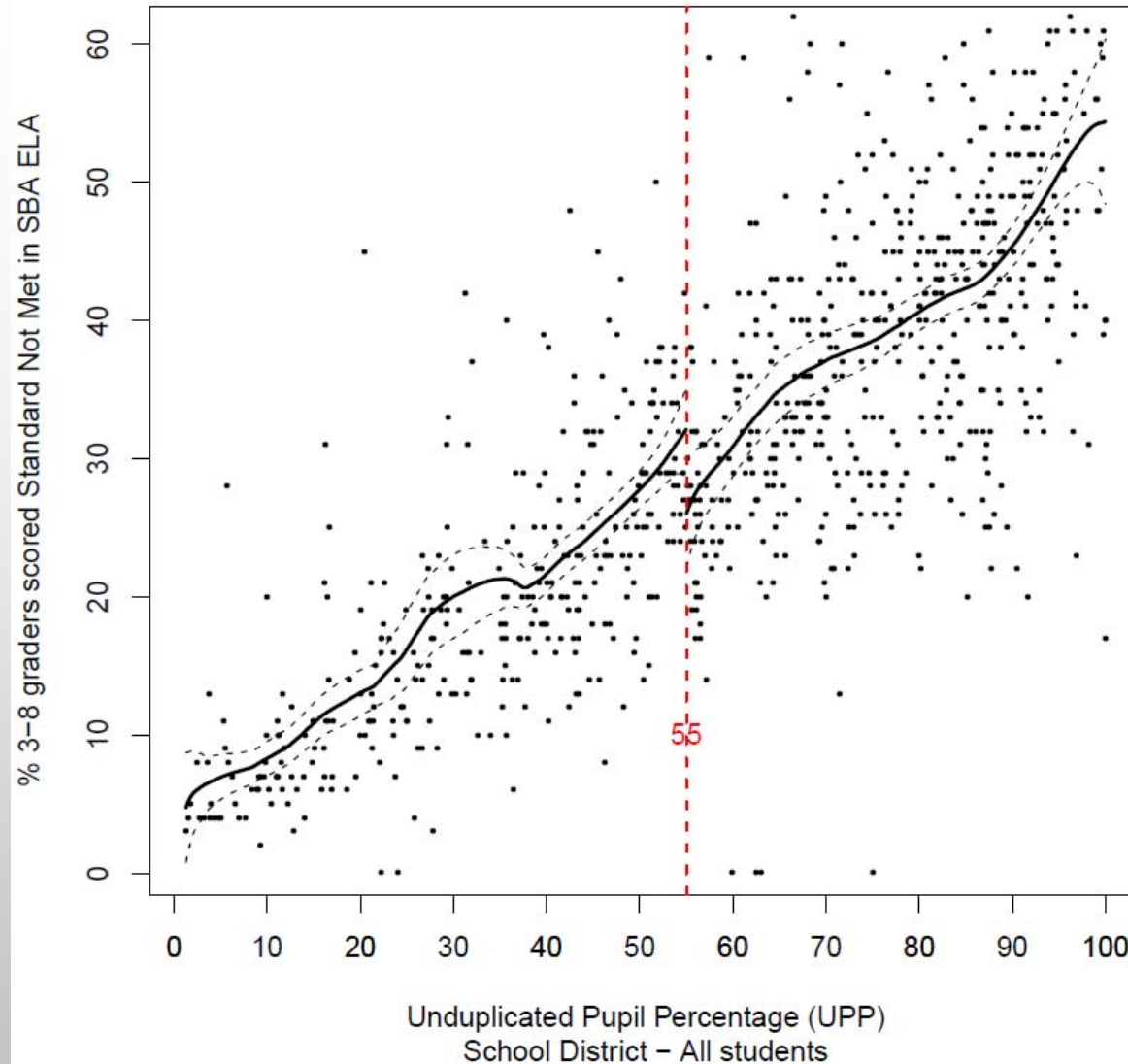
Statistically significant

RD estimates with various methods

% AP test-takers scored a 3 or above on any AP exam



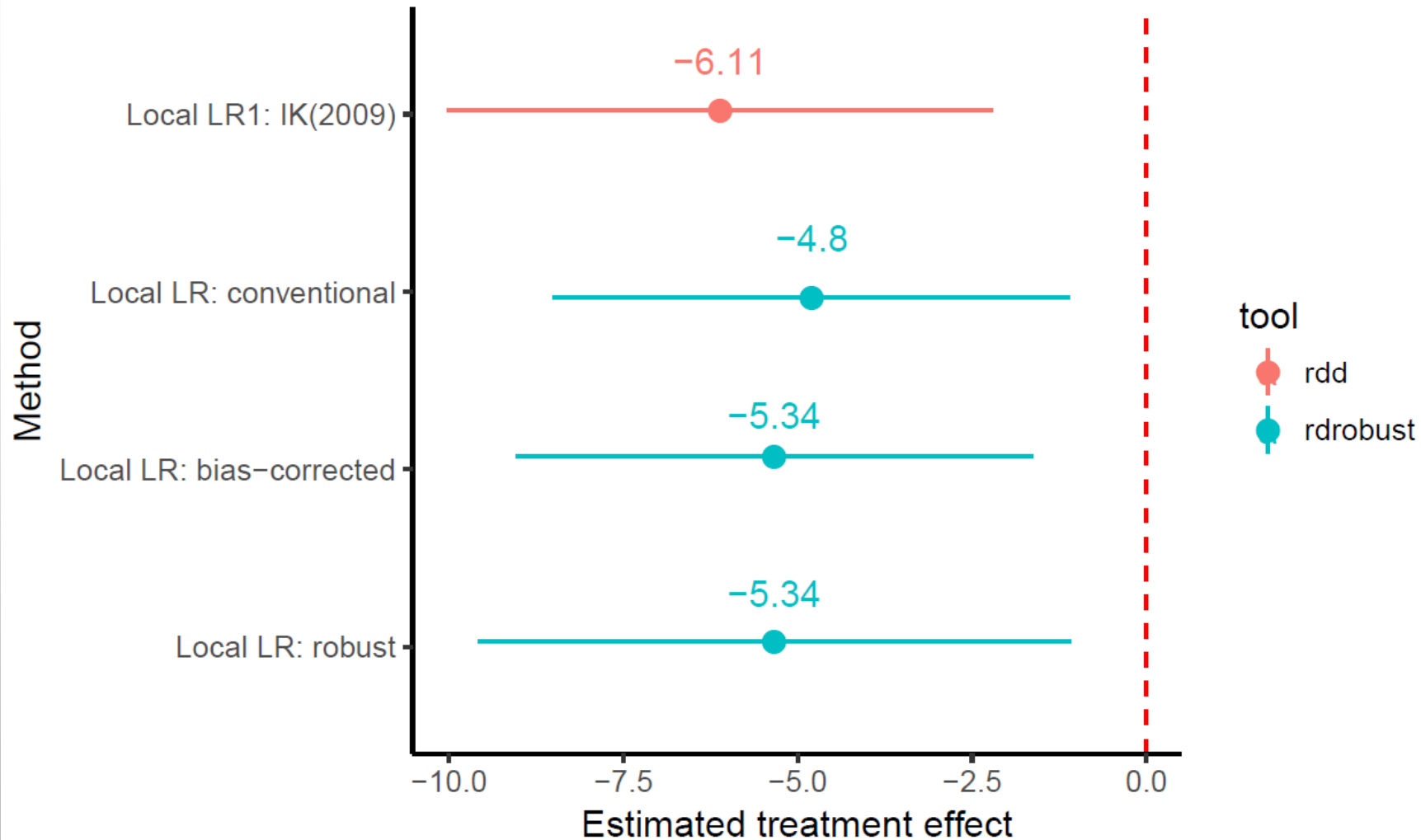
FINDINGS 4A – Does a *smaller* percentage of pupils, grades 3-8, *fail to meet the ELA standard* in districts receiving CGs?



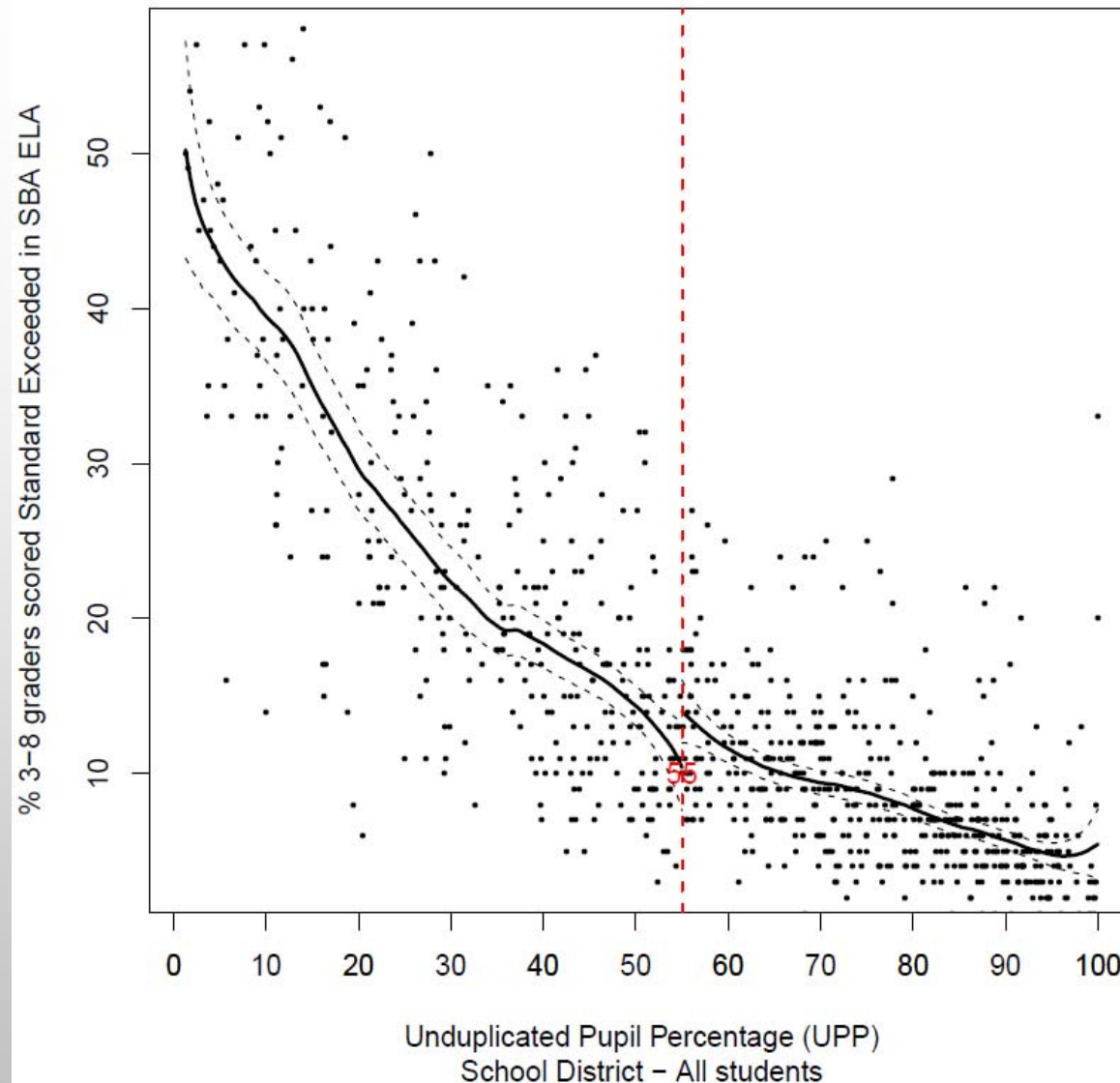
Statistically significant

RD estimates with various methods

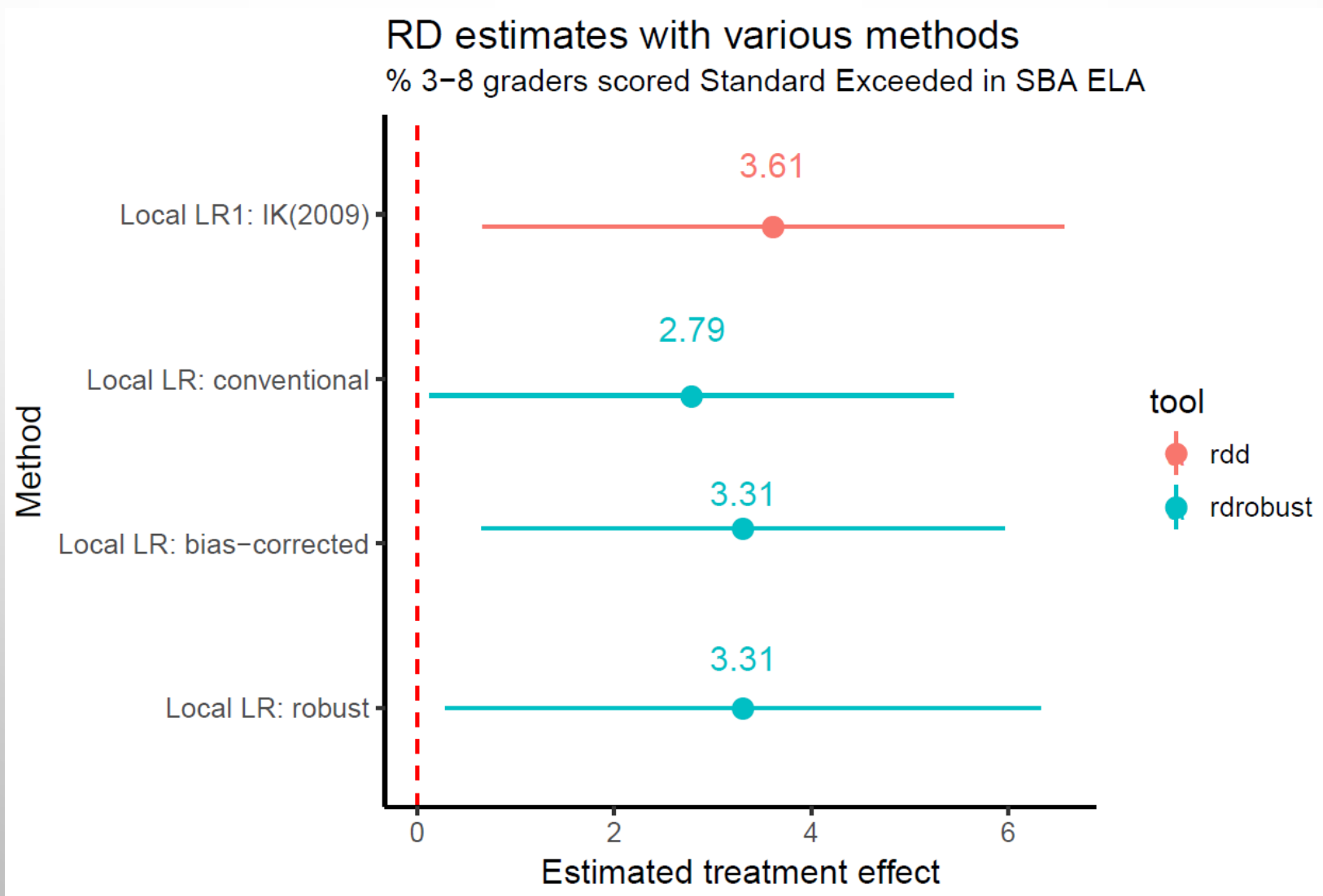
% 3–8 graders scored Standard Not Met in SBA ELA



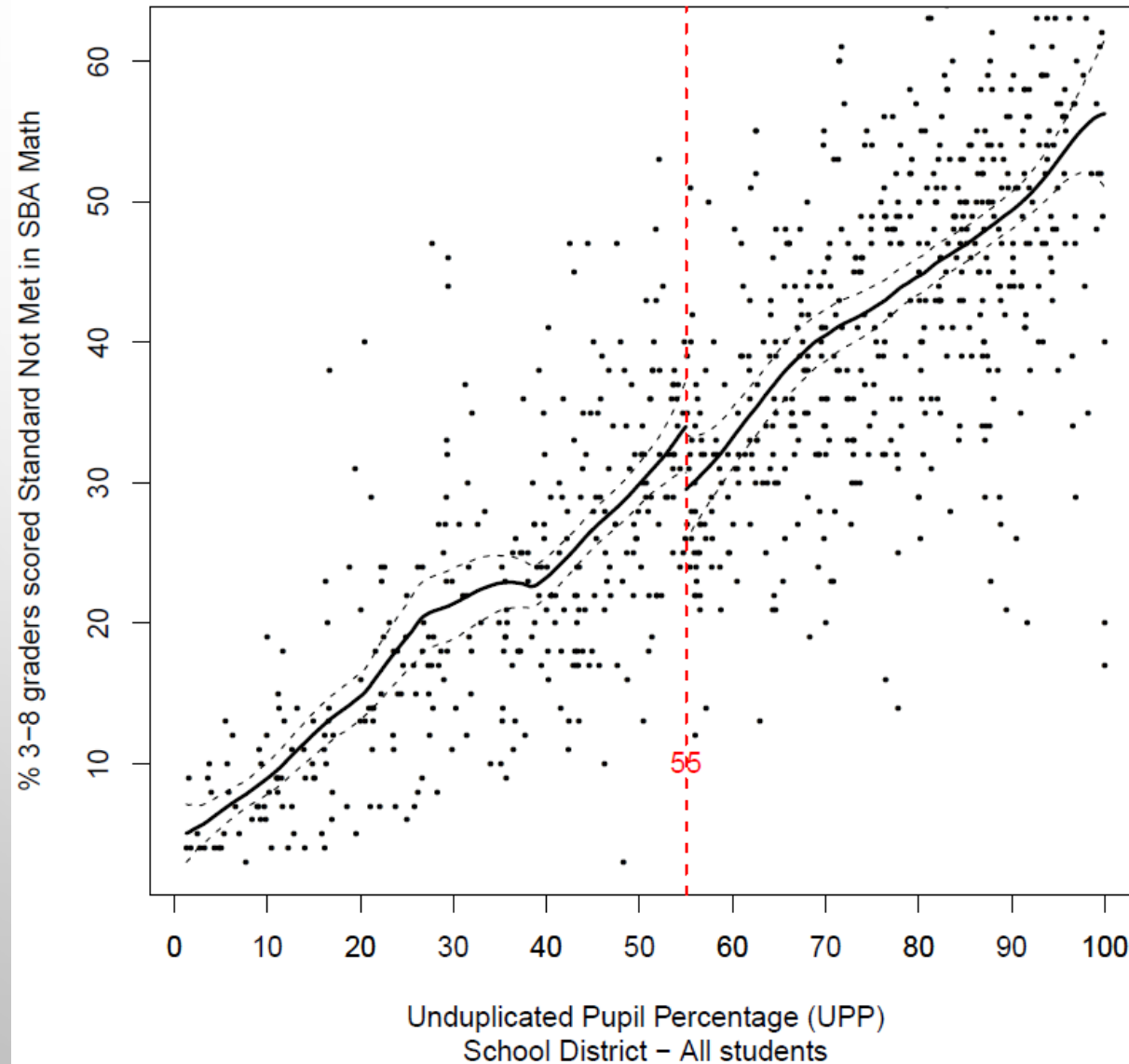
FINDINGS 3B – Does a *larger* percentage of pupils, grades 3-8, exceed *the ELA standard* in districts receiving CGs?



Statistically Significant



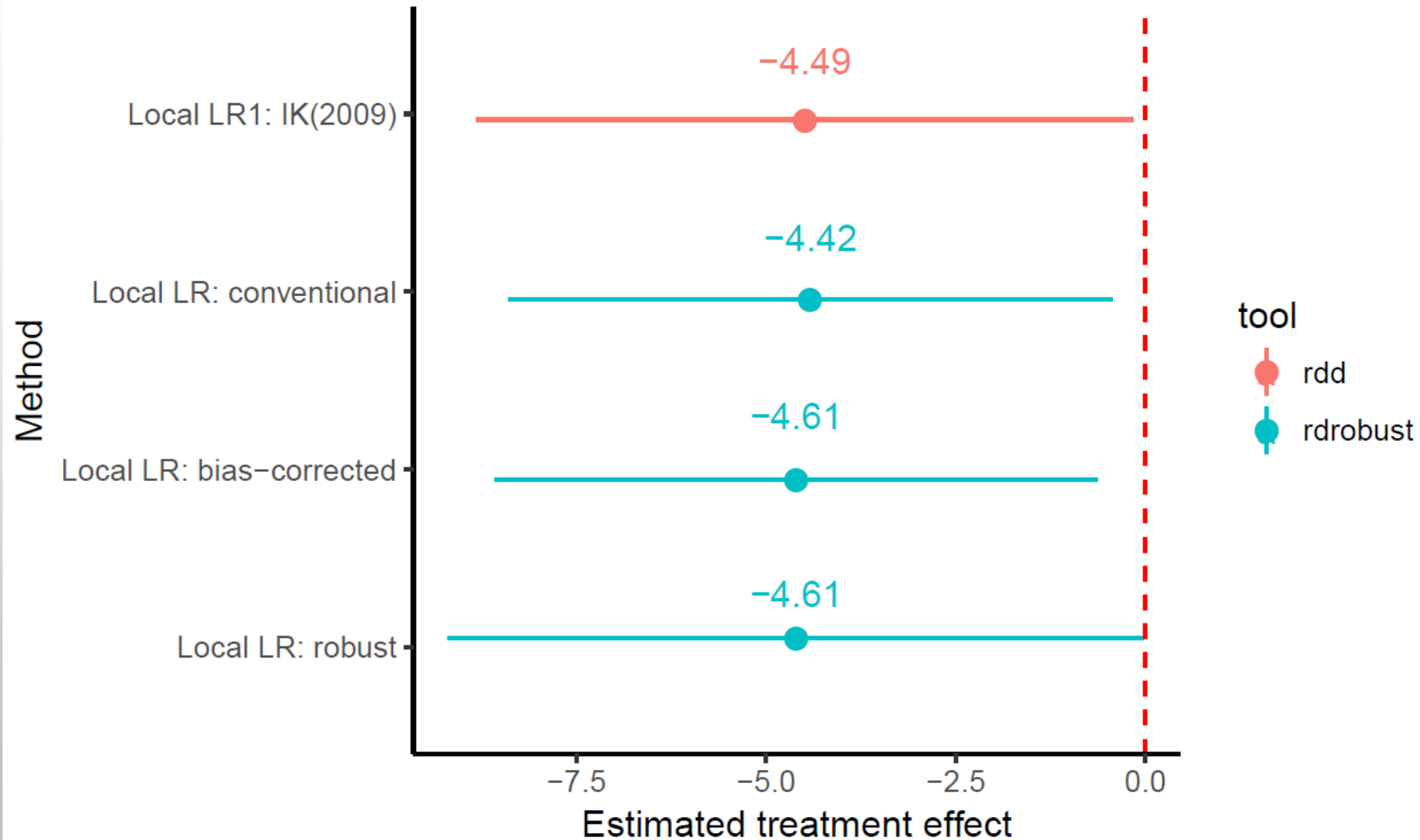
FINDINGS 5A – Does a *smaller* percentage of pupils, grades 3-8, *fail to meet the math standard* in districts receiving CGs?



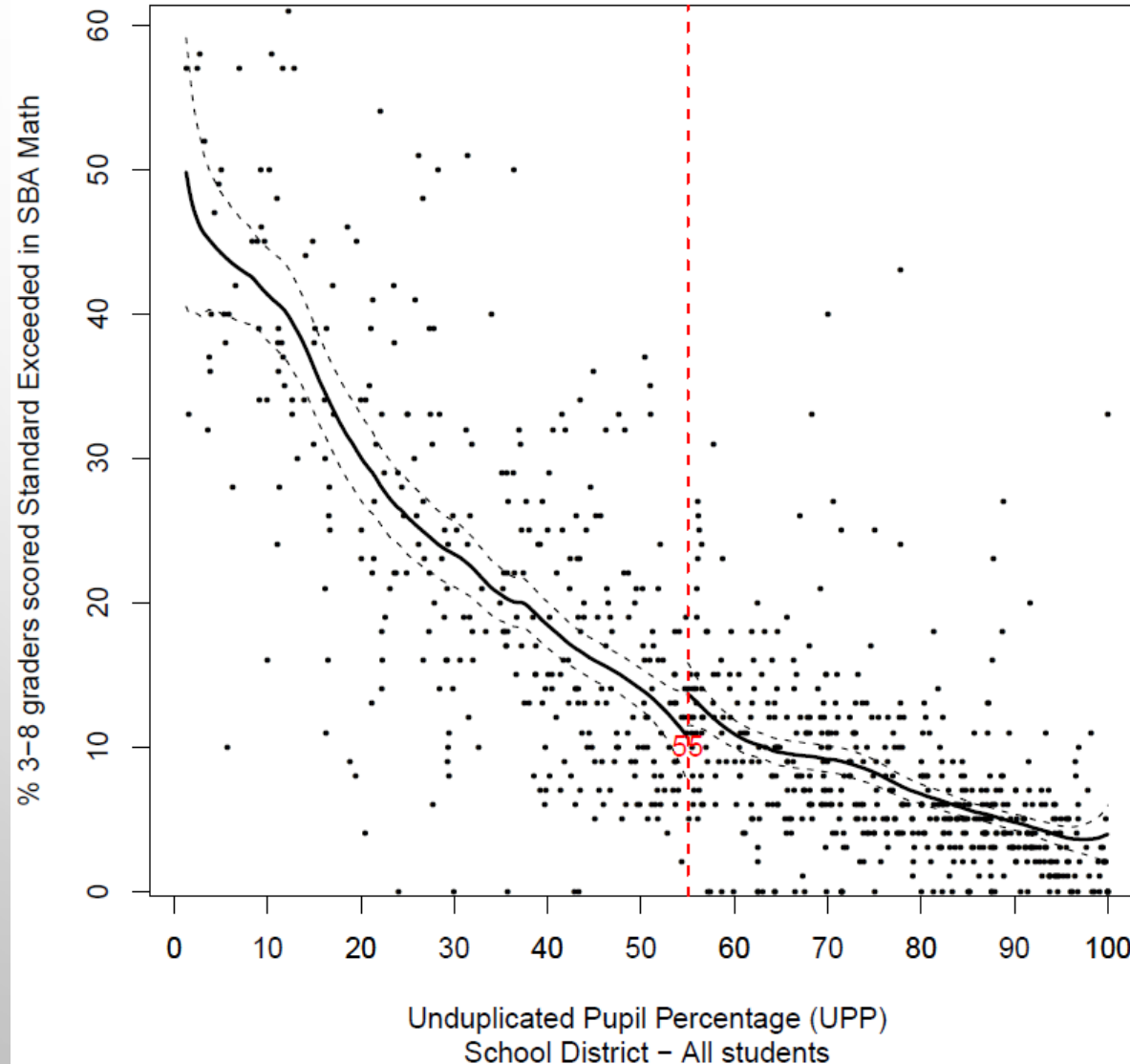
Statistically Significant

RD estimates with various methods

% 3-8 graders scored Standard Not Met in SBA Math



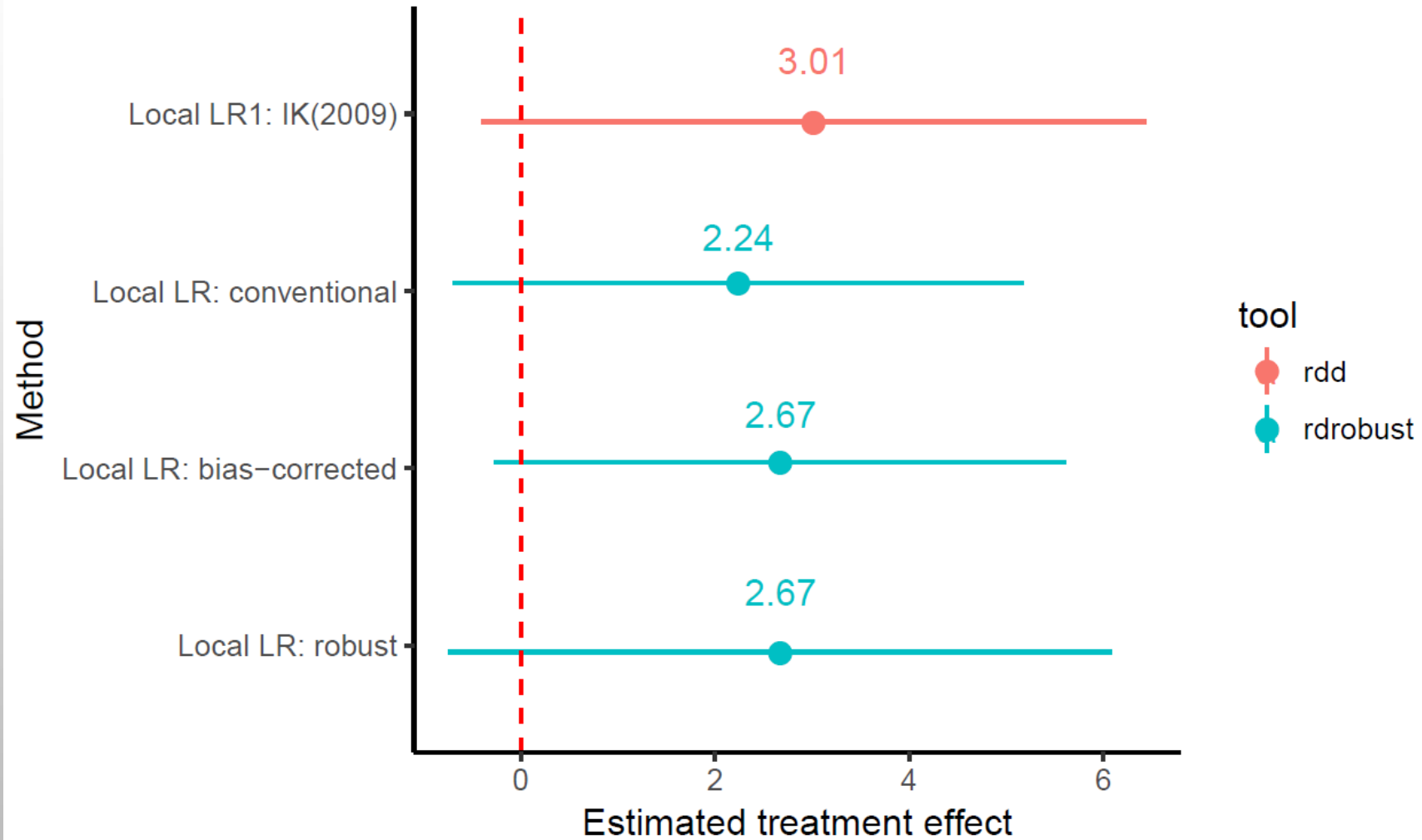
FINDINGS 5B – Does a *larger* percentage pupils, grades 3-8, *exceed the math standard* in districts receiving CGs?



Statistically Significant

RD estimates with various methods

% 3-8 graders scored Standard Exceeded in SBA Math



Summary and Future Analysis

Lessons from L.A.

- ❑ When LCF operates as a ‘dump truck’, new dollars may not reach the schools that serve intended students.
- ❑ Even when school boards rhetorically commit to progressive distributions, fiscal, analytic, and political constraints arise.
- ❑ The structure of high school budgets may be shifting.

Lessons statewide – preliminary results

- ❑ Concentration grants help widen access to challenging courses.
- ❑ CGs may be improving working conditions for teachers.
- ❑ CGs appear to drive higher levels of achievement, especially in ELA, for elementary and middle-school students.
- ❑ Future work: additional indicators of school-level change, and probing whether charter school pupils enjoy gains as well.



Special Thanks

Officials at LAUSD generously share annual budget data, thanks to Megan Reilly, Sam Gonzalez, Carmen Silva, and Cheryl Simpson. Pedro Salcido offers steady advice along the way. We could not conduct this analysis without the steady labor of Jonathan Isler and the CALPADS data team. Much of our research is conducted in collaboration with Sara Mooney and Elmer Roldan at United Way of Greater Los Angeles. Art design by Katie Nash. Our work is funded by the California Community Foundation, California Endowment, and the Stuart Foundation. Thank you all.

