



## Getting Down to Facts A Research Project to Inform Solutions to California's Education Problems

Three decades ago, California was a national leader in education. Today, far too many students do not graduate from high school or graduate without the necessary skills to be successful in post-secondary education, work and life. Over the past seven years, the state has made great strides in establishing world-class standards and developing a system of assessment and accountability for schools and students. Yet, there is overwhelming agreement that California can and should do better. Many initiatives have aimed to remedy the state's K-12 crisis, but it has been difficult for education stakeholders to get on the same page because they lack the ground-level information about California's school finance and governance systems necessary to assess the effectiveness of any proposed reform.

"Getting Down to Facts" is a research project of more than 20 studies designed to provide California's policy-makers and other education stakeholders with the comprehensive information they need to raise student achievement and reposition California as an education leader. The purpose of the research project is to carve out common ground for a serious and substantive conversation that will lead to meaningful reform by providing ground-level information about California's school finance and governance systems necessary to assess the effectiveness of any proposed reform. "Getting Down to Facts" was specifically requested by Governor Schwarzenegger's Committee on Education Excellence, Democratic leaders in the State Legislature and Jack O'Connell, Superintendent of Public Instruction.

The project addresses three broad questions:

- What do California school finance and governance systems look like today?
- How can we use the resources that we have more effectively to improve student outcomes?
- To what extent are additional resources needed so that California's students can meet the goals that we have for them?

The following briefly describes the studies that make up each of these areas of research.

### **I. What do California school finance and governance systems look like today?**

This portion of the research asks the following questions:

- What is the structure of California's school finance system?
- How are the revenues distributed across districts and how do districts spend these dollars?
- How do schools receive funds from districts and how much control do school sites have over resource allocation?
- What services do students in California receive and how do they compare to services in other states?

The research examines California's current school finance system at the state level, the district level, the school level, and the student level.

At the state level, one study will provide a clear and detailed overview of the California finance system, describing how the state raises funds and allocates money to school districts, and how districts may supplement state money with locally raised revenues. A second study will document state facilities funding and the distribution of K-12 school facilities and construction and modernization funds in California.

The district-level study uses the Standardized Accounting Code Structure (SACS) data on California district budgets to describe the sources of revenues, and the expenditures categories for which these

revenues are used in districts across California. This research will draw comparisons across districts, asking whether and, if so, how districts with certain characteristics differ systematically in either revenues or expenditures.

Because it is likely that much of the interesting variation in education spending takes place at the school level rather than at the district level, the project will supplement the district analysis with a school-level analysis that asks what principals do to obtain resources and how they use these resources to reach their goals. As there is no administrative data on revenues or expenditures at the school level, this study will be based on a new survey of principals and on data for a sample of California schools from a national survey.

The final study in this section will use a two-pronged approach to estimate the total resources going to students and how that amount differs across states. It uses broad budget categories to see how California compares to other states in student expenditures outside of the education system and supplements this with student-level data from national surveys that ask students and their families about the resources they receive.

## **II. How can we use the resources that we have more effectively to improve student outcomes?**

Are schools and districts using their education dollars in the best way possible to meet their goals?

Moreover, are state systems of school finance allowing institutions such as schools and districts to do so?

This portion of the project isolates three overarching questions to examine possible inefficiencies:

- In what ways do the structures of school finance and governance affect the use of resources?
- How do school and district personnel and personnel policies help or hinder effective resource use?
- In what way does lack of information hinder policy-makers and practitioners from making the most effective decisions and what additional information would be most helpful?

**Systems:** Most student learning in the United States takes place within classrooms that are only one part of a complex set of conditions that constitute the education governance and finance systems. Policies, laws, regulations and informal practices are all part of this framework, and are reflected in the behaviors of all those who are part of our education system. Two studies will take a broad look at these systems to identify potential inefficiencies. The first will describe California's current governance system and review its development, compare California's governance system to other states along important dimensions, summarize the research evidence on the effectiveness of different governance systems, and assess the benefits and costs for several suggested governance changes. The second study will look more closely at finance, using the description of California's school finance system outlined above to identify strengths and weaknesses inherent in the California system. This study will compare California's system to other states' finance systems in order to determine whether there are aspects of the California system that can be improved by modeling them after other states.

**Personnel:** There is little doubt that teachers are a critical factor, if not the key factor, affecting students' educational experiences. Yet it is unclear to what extent state and/or district policies assist California schools and districts in recruiting, training and retaining qualified teachers. Two studies directly address teacher policy in California. While students interact directly with teachers, other personnel may be at least as important for the efficient allocation of resources in a school. Two additional studies address administration.

An overview of teacher policy will address issues including the state's role in certification, professional development, salary schedules and due process. It will review what we know directly about the effectiveness of different policy approaches, as well as what we can learn from past research that allows us to indirectly assess the relative merits of different approaches. A second study focuses specifically on the effects of collectively bargained teacher contracts on teacher hiring and assignment. It will look at the state

of California's legal and policy structure as well as describe the extent to which district contract provisions affect school districts and/or principals' authority to assign and transfer teachers. It will describe how contracts differ across the state and assess how binding these contract provisions are on the actual hiring and transfer of teachers through semi-structured interviews with district and school personnel.

The project addresses school and district administrators from multiple angles. One study will ask what the skills and knowledge of the people making budget decisions are, how strategic these decision-makers are in obtaining public and private grants and in using available resources to achieve district goals, and what systems they use to aid them in financial management. It will also describe how districts are approaching the responsibilities of non-wage benefits for teachers. At the school level, the project will supplement the study of resource allocation by principals, described in Section I, with research on the principals' education and state policy for certification and professional development of principals. It will compare the characteristics and training of principals in California to the rest of the nation and examine principal training and professional development program policies and financing.

**Information:** Schools, districts and states are increasingly using student- and school-level data to rate schools and districts on their effectiveness and make decisions about school and classroom processes. In order to assess whether or not districts are getting the resources they need and using them effectively, it is useful to have information on revenues and expenditures of districts and schools. Two studies will examine which data are most useful to collect, what data are available, and how to best ensure that available data fits the needs of the community, parents, school personnel, and state policy-makers. The first study will compare the availability and transparency of data on schools and students across states, identifying best practices for state-level data collection and sharing. The second study will examine effective approaches for the use of data within districts and how state policy can aid in data use at the district level.

### **III. What resources are needed so that California's students can meet the goals that we have for them?**

While ineffective and inefficient use of resources likely limits the opportunities available to California's students, it is equally important to explore school funding levels to determine if there is a shortage of resources in some schools that would make it difficult to meet state standards for student achievement even if the current resources were more efficiently delivered to students. Determining school and student resource needs is far from a perfect science, but the following studies are designed to do this to the best of research's current ability. This project aims to pinpoint resource needs for different academic goals by answering three questions through several studies:

- What do Californians believe schools should be held responsible for and students should be expected to achieve?
- What resources appear to be important for allowing students to reach these goals?
- How do needs for resources differ across students, particularly as a function of geographic location, increasing or decreasing enrollment, special education, poverty, and English language learner status?

**Defining Goals:** Researchers will examine a range of student outcome goals drawing both on the California student performance standards, as well as on results from efforts to ascertain public opinion. Specifically, researchers will use focus groups to explore the public's expectations of the public schools.

**Identifying Resource Needs:** Three separate studies estimate what resources are needed for public education to reach the goals set forth by Californians. Each of these studies uses a different method to approach the question.

The first of these studies will survey teachers, principals and superintendents, asking them to allocate resources for their schools and districts under a number of different budget constraints and to predict the outcomes for students. The study then uses this information to estimate the cost of reaching different outcome levels, on average, for schools and districts with varying student characteristics.

The second study is based on a statistical approach that uses variation in the current levels of spending and student outcomes to predict the dollars necessary to achieve given student outcomes. It will also use results of resource need studies in other states, adjusting other states' findings to account for differences in student population and cost of resources.

The final study uses information from currently operating schools to draw conclusions about resource needs and avenues for increased efficiency. In particular, it looks at schools that "beat the odds" by succeeding regardless of the fact that they are working with students who are particularly hard to serve or who are facing challenging circumstances. The study will also examine schools with innovative resource allocation strategies and those that face reduced resource constraints, such as charter schools. In addition, the study will discuss what reforms and interventions have been proven, through high-quality research, to be effective harbingers of quality education, and will analyze the potential costs of these reforms.

***Identifying Specific Cost and Need Differences:*** It is important to not only consider the cost of providing a quality education for the average student, but also for specific student groups and for schools and districts facing particular circumstances. At the student level, the studies will specifically address the costs and needs of English language learners, special education students and students in poverty. In addition, the research will estimate cost differences associated with increasing and decreasing enrollment and with differences in the availability of teachers.

#### **IV. Supplementary studies**

Three additional papers will help frame the research by asking the following questions:

- What theoretical perspectives including issues of equity, efficiency and adequacy can help guide school finance and governance policy?
- What can be learned about effective implementation of school finance reforms from experiences in other states?
- What are the major lessons from all of the research studies in this project?

**Getting Down to Facts Researchers:** "Getting Down to Facts" is being lead by Susanna Loeb of Stanford University. Other researchers include: Anthony Bryk, Linda Darling-Hammond, Eric Hanushek, Michael Kirst, William Koski and Rob Reich from Stanford University; Eric Brunner from Quinnipiac University; Jennifer Imazeki from San Diego State University; William Duncombe and John Yinger from Syracuse University; Thomas Downes from Tufts University; Patricia Gandara and Thomas Timar from the University of California at Davis; Bruce Fuller from the University of California at Berkeley; Russell Rumberger from the University of California at Santa Barbara; Margaret Goertz from the University of Pennsylvania; Dominic Brewer and Priscilla Wohlstetter from the University of Southern California; Allen Odden from the University of Wisconsin; Jay Chambers, Tom Parrish, Jesse Levin and Maria Perez from American Institutes for Research; Trish Williams and Mary Perry from EdSource; Jon Sonstelie and Heather Rose from the Public Policy Institute of California; Janet Hansen of the RAND Corporation; Ron Bennett and Robert Miyashiro from School Services of California; and Ida Oberman and Jim Hollis from Springboard Schools.

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