Delaware Education
Funding Convening

Tuesday, October 8, 2019

Early College High School at
Delaware State University
Dover, Delaware
Student Success Says:

- **Ensure Funding Responds to Individual Student Needs**
  - “Increase funding system equity by factoring student needs into funding allocations, and update the system so that funding follows each student, enabling them to take courses from a variety of approved providers (e.g., other district and charter schools, distance learning, higher education organizations).”

- **Increase Equity and Flexibility**
  - “Allocate a larger portion of district/school funding in flexible funds so that district and school leaders can expand the ways they educate children to meet specific student needs, rather than in one-size-fits-all categories.”

See handout in your folder for the full list of Fair & Efficient Funding recommendations in Student Success 2025
Why Are We Here?

1. Student needs are growing

2. Opportunity Funding is a first step

3. Lawsuit creates a catalyst for community-driven solutions
Objectives and Expectations

- **Objectives:**
  Inform all future decisions and conversations about education funding in Delaware by:
  1. Surfacing varying perspectives and areas of agreement
  2. Identifying potential solutions to issues and questions holding back change
  3. Learning from peers in other states

- **Expectations:**
  - Focus on what works best for students
  - Find common ground and be open to learn
  - Raise potential solutions to pain points
Research and analysis supported by:
The Alliance for Resource Equity

See appendix for more detail on our partners
Education Funding in Delaware
Delaware is a racially, socioeconomically, and linguistically diverse state.

Total Enrollment: 139,144

- African American (30.23%)
- Asian American (4.03%)
- Hispanic or Latino (17.67%)
- Multi-Racial (4.04%)
- Native American (0.43%)
- Native Hawaiian/Pacific Islander (0.12%)
- White (43.48%)

- English Learners: 13,358 (9.6%)
- Students from Low-income Families: 43,775 (31.5%)
- Students with Disabilities: 22,472 (16.2%)

Source: DE Report Card [https://reportcard.doe.k12.de.us/detail.html#aboutpage?scope=state&district=0&school=0](https://reportcard.doe.k12.de.us/detail.html#aboutpage?scope=state&district=0&school=0)
Delaware schools spend about $15K per student and most of those funds come from the state.

In 2018, Delaware schools spent an average of $15,153 per student.

Per-Pupil Expenditures by Source of Funds

- Federal: 5%, $812
- State: 63%, $9,473
- Local: 32%, $4,868

Source: DE Report Card [https://reportcard.doe.k12.de.us/](https://reportcard.doe.k12.de.us/)
Current Resource Inequities

Students from **low-income families** are far **less likely** to be enrolled in **higher-level math** in 8th grade than their higher income peers.


Districts serving more **students from low-income families** tend to have **lower average teacher salaries** than districts serving primarily students from historically advantaged groups.

Data Source: DE Department of Education (2016–17), Data Request

Schools with more **students from low-income families** and **students of color** are **more likely** to have **novice teachers**.

Data Source: DE Department of Education (2016–17), Data Request

**High-poverty schools** have **higher student-to-counselor ratios** than low poverty schools.

Nearly one in four students from low-income families and nearly one in three English learners does not graduate from high school in four years.

Source: Delaware state report card at [https://reportcard.doe.k12.de.us/detail.html#displaypage?scope=state&district=0&school=0&id=1](https://reportcard.doe.k12.de.us/detail.html#displaypage?scope=state&district=0&school=0&id=1)
With new school-level per-pupil spending data expected this year...

Delaware will have the opportunity to better understand differences between schools within a district and the extent to which spending is aligned with student needs and outcomes.
Delaware has made some progress in providing additional funding for students from low-income families and English learners.

**FY18 Opportunity Grants**

$1M in competitive grants to a handful of districts/charters

**FY20 Opportunity Funding**

$60M (over three years) in formula grants

*This is real progress in the right direction*

This is an additional $500 per English learner and $300 per low-income student, or about 2-3% more per student.

**Looking Ahead**

Research suggests systems should provide 100% to 200% more

*Regional neighbors invest 30-99% more*

Delaware Department of Education, Opportunity Funding [https://www.doe.k12.de.us/domain/587](https://www.doe.k12.de.us/domain/587)
A National Comparison
How does Delaware compare to other states?

Delaware is one of 8 states that relies solely on a resource allocation-based funding system.


Source: EdBuild FundEd: A National Overview of State Education Funding Policies [http://funded.edbuild.org/national#formula-type](http://funded.edbuild.org/national#formula-type)
Every state/district funding system ends up developing a system that includes a unique combination of these components:

For example, even in districts that use “Student-Based Budgeting (SBB)”:

Only **45 to 60% of school-based resources** (or 35-50% of total district operating dollars) are allocated out per pupil.
How does Delaware compare to other states?

Delaware is one of few states that does not provide sustainable funding or resources to support English learners and students from low-income families.

What We Heard: Initial Findings from Interviews with Delawareans
We talked to Delaware district, charter, government, advocacy, business, and community leaders from all three counties.
We heard broad agreement that …

1. How much money is allocated matters, but how well it’s used to support student success matters just as much.

2. Delaware's current funding system has strengths to build upon, but also opportunities to improve.

3. Change will require a gradual transition, not flipping a switch overnight. There are things the state could do immediately that would have a positive impact for students.

4. To work best for all students, a funding system should have the following principles: equity, flexibility, stability, and transparency.
We heard broad agreement that Delaware's funding system should have:

**Equity**
Resources are distributed equitably to districts and schools based on student need

**Stability**
District and school leaders are able to make strategic long-term planning decisions

**Flexibility**
District and school leaders define the resources they need to drive student achievement

**Transparency**
Clear and easily understood rules for where, how, and why dollars flow
Equity

Broad agreement that changes to the funding system should …

• Ensure the amount of funding a child’s school receives **does not depend on where they live**

• Ensure that each school receives **increased and sustained funding according to their needs**, especially for low-income students, English learners, and students with disabilities

• Improve the ability to equalize between property-rich and property-poor districts

Questions and differing perspectives …

• How much does the unit system **advance or inhibit equity**?

• How can we allocate more equitably and maintain a salary schedule, given most money is spent on personnel? What are the impacts on teachers/hiring?

“We do get Opportunity Funding for ELL/poverty but … it’s unknown how long that funding will be available. The unit system has always been equitable when it comes to SPED but not really with ELL/poverty.”

- District leader

"The existing arrangement systematically disadvantages certain types of kids – and it happens to be poor kids, English learners, and other kids with special needs."

- Advocate
Flexibility

Broad agreement that changes to the funding system should...

- **Increase flexibility** for district and school leaders to make resource decisions
- Reflect the **current needs** of schools and students in Delaware
- Empower **local decision making**, including maintaining **state salary schedule** while improving ability to **recruit and retain** strong educators

Questions and differing perspectives...

- How do we balance **local decision making** with **oversight/accountability**?
- What would be the **impact of increased flexibility on school leaders**?
- What is the **range** of ways to give districts and schools **more flexibility**?

“*If we want a counselor right now or reading specialist or a school psychologist, I need to take it out of teacher allotment ... because the [current] formula doesn’t account for those positions.*”

- District leader

“You want to give [district leaders] as much flexibility as possible ... so they can look at the population of students and create the best environments and attract the best people to make that work.”

- Advocate
Stability

Broad agreement that changes to the funding system should …

• Maintain **predictability** so that districts and schools know what they will receive from the state

• Maintain the **state’s investment** in education

Questions and differing perspectives …

• **How to prevent shifting additional costs to districts?**

  “I know what I’ll get each year so I can plan ahead.”
  - District leader

  “We have a system that has quite distinctive strengths in comparison with some other systems. Those strengths are that it’s reasonably, at the state-level, stable in its operation and function. It’s predictable. It’s reliable.”
  - Advocate
Transparency

Broad agreement that changes to the funding system should ...

- Prioritize transparency

Questions and differing perspectives ...

Heard varying opinions about the transparency of the current systems

- Systems leaders see the system as easy to understand
- Those outside the system find it complex and lacking in transparency

“Discussing units makes for a much simpler budgeting process. Everyone understands how many units we have, how many units we’ve spent, and how many are left so we can jointly make decisions about what’s best. If we were to shift towards money, the discussion would be so much more complicated.”

- District leader

“That’s one of the biggest problems ... How funding is spent and is allocated, is really not clear. So, that’s something I think is very much needed. I think they need to be very transparent about and very clear about how much money is being spent, how it’s being allocated within schools itself, and the school districts.”

- Advocate
Delaware Discussion

Moderated by:
Betty Chang, Director, Education Resource Strategies

Panelist:
Alonna Berry, Founder, The Bryan Allen Stevenson School of Excellence
Mark Dudendach, Retired Superintendent, POLYTECH School District
Emily Falcon, Chief Financial Officer, Colonial School District
Paul Herdman, President and CEO, Rodel and Vision Coalition Leadership Team member
Margie López-Waite, Head of School at Las Américas ASPIRA Academy and Vision Coalition Leadership Team member
What We Heard From Delawareans

• A tension between how much the system can change and how fast the system can change
  — There is concern about a “gradual” approach to change because students do not have time to wait.
  — One panelist proposed making incremental change rather than waiting for a big political battle.

• The importance of districts receiving stable funds for students from low-income backgrounds and students of color

• The importance of flexibility but only when connected with adequate resources

• The funding system’s impact on teacher recruitment
  — There was acknowledgement that the unit system allows districts to hire without worrying about which salaries they can afford.
  — Another panelist, however, mentioned that teacher applicants vary from district to district and the teachers and resources students have access to depend on their zip code.

• Varied opinions on the panel and in the audience about transparency
  — Audience members shared that there is not a lot of consistency in budgets across districts
  — It’s not just about money, but it is hard to understand how money or resources flow to certain programs
Moderated By:
Betty Chang, Director, Education Resource Strategies

Panelist:
Ary Amerikaner, Vice President for P-12 Policy, Practice, and Research, Education Trust

Dan Curry, Superintendent, Calvert County Public Schools and Former Superintendent, Lake Forest School District

Jonathan Travers, Partner, Education Resource Strategies
What We Heard From National Experts

• Like Delaware, a lot of states and many districts have gone through or are currently going through the process of changing their education funding system
  – Other states’ approaches demonstrate that there is a spectrum of flexibility and that can be implemented in a funding system.

• The agreement among all stakeholders on the principles of a funding system (stability, flexibility, equity, and transparency) is very promising.
  – Designing a technical system that best achieves those criteria can involve making incremental changes or large-scale changes.

• Good public reporting of school-level per-pupil funding will help ensure money and resources are going to the right places and being used well.
## Audience Feedback on Proposed Principles

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<th>Equity</th>
<th>Flexibility</th>
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<td>“It is impressive that so many panelists see this as an issue. Hopefully this means this will gain momentum and create some urgency to change in this area.”</td>
<td>Audience members found it helpful to discuss how other states are allocating funds and the varying changes that could be implemented.</td>
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Areas for improvement:
- Need to incentivize, recruit and retain quality teachers in higher need schools
- Budgeting and supports for different student needs

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<th>Transparency</th>
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<td>Opportunity Funds are a good step and should be made permanent and consistent to target student needs.</td>
<td>“Vision Coalition has helped to provide transparency [for] education issues in DE.”</td>
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Areas for improvement:
- Need to combat a fear of change
- Must ensure that districts can make adjustments without a referendum every few years

Areas for improvement:
- Need to increase public understanding of system
- Need coordinated interagency data sharing and collection
Audience Perspectives on Opportunities for Delaware

- Delawareans want to know more about the options available for districts and schools to better support students

- School-level per pupil reporting is an opportunity for better understanding of how school and district resources are allocated

“How do we ensure funding is used in ways that improve student outcomes for all?”

“What are the key factors districts and schools need flexibility around?”

“Publicly share in layman’s terms comparison of resources across SES levels and school districts.”
Appendix: The Alliance for Resource Equity
Core Belief: Resources Matter

“How Much” Matters: increases in spending lead to improved student achievement, educational attainment, and higher wages – with greater benefits for students from low-income families.

Sources: Jackson, C.K., Johnson, R., and Persico, C. (2016); Lafortune, Julien; Rothstein, Jesse; and Schanzenbach, Diane Whitmore. (2016)
Core Belief: Resources Matter

“How Well” Matters: Money should be spent on evidence-based policies and practices.

Up to 40¢ of every $1 spent on resources that are not correlated with student outcomes

“Resource Misalignments”

Restructuring Resources for High Performing Schools (2011) ERS
Our Goal: Resource Equity

Resource equity is the allocation and use of resources (people, time, and money) to create student experiences that enable all children to reach empowering, rigorous learning outcomes – no matter their race or income.

Sources: https://www.erstrategies.org/tap/what_is_resource_equity
ERS is a national nonprofit that partners with district, school and state leaders to transform how they use resources (people, time, and money) so that every school prepares every child for tomorrow, no matter their race or income.
We partner with districts across the country to transform resource use so that every school succeeds for every student.
We believe ...

- All students deserve a great education tailored to their needs.
- One school-at-a-time reform is not enough; we must redesign school systems to create the conditions for all schools to succeed.
- It’s not just about how much you have, but how well you use it: districts can restructure their resources to meet their strategic goals and schools’ unique needs.
The Education Trust is a national, nonprofit organization that advocates for the high academic achievement of all students – particularly those of color or living in poverty.

We work alongside educators, parents, students, policymakers, and civic and business leaders in communities across the country, providing practical assistance in their efforts to transform schools and colleges into institutions that serve students well.
WHERE WE WORK

California  Michigan  New York

Louisiana  Massachusetts  Maryland  North Carolina

Washington  Delaware  Kentucky  Tennessee  Illinois  Ohio  Texas
EdTrust and ERS have partnered to leverage our organizations’ collective strengths in work to improve resource equity for all

Advocates & Practitioners are more effective working together

In order to change the resource equity landscape, we must collaborate to create and elevate examples of effective resource use