



## GETTING DOWN TO FACTS: NOW WHAT?

Lawrence O. Picus

USC Rossier School of Education

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### Introduction

In March 2007, amidst much public attention, the Getting Down to Facts project released the findings from 22 separate studies assessing the status of California's school funding system. The result of over a year of work by some of the most prominent school finance experts in the United States, this compendium of studies is almost unprecedented for its depth of analysis. The need for studies of this sort is immense. California's K-12 public schools serve approximately six million children in nearly 9,000 schools. The California Department of Finance (2007) estimates that by the year 2050 there will be almost 11 million children ages 5-18 in California, nearly doubling the demands on our educational system. At the same time, the California Legislative Analyst (2007) continues to warn lawmakers about the structural deficit in the state's budget – a condition where the natural growth in current expenditures exceeds the projected growth of revenues.

As stated on the project's web site, Getting Down to Facts "was not designed to recommend specific policies. Rather it aims to provide a common ground of understanding about the current state of California school finance and governance in order to facilitate the serious and substantive conversations necessary for meaningful reform to ensue." (IREPP, 2007). Unfortunately, the lack of any specific policy recommendations makes it difficult to interpret the findings from the studies. As a result, discussion of the studies has been disjointed, focusing on the governance structure for California's school system, cost estimates that range from an additional \$1.5 million to an additional \$1.5 billion for schools, the need to make it easier to fire "bad teachers," and the

importance of a data system so we can better understand how our schools spend the more than \$60 billion of state, local and Federal money that will be available to them in the current fiscal year to educate the state's school children. While there was some discussion about the poor performance of students on standardized tests, the focus of the studies was on "adult" issues and not on policies that directly impact children and learning.

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Lawrence O. Picus is Professor of Education Finance and Policy at the University of Southern California's Rossier School of Education. He can be reached at [lpicus@usc.edu](mailto:lpicus@usc.edu) or by phone at either 213 740-2175 or 818 980-1881.

The opinions expressed in this policy brief are those of the author and do not necessarily reflect the views of the University of Southern California or the Rossier School of Education.

Losing the momentum Getting Down to Facts has generated would be a loss for California. The purpose of this policy brief is to suggest ways that the efforts of the Getting Down to Facts studies can be used to further policy discussions about education and education finance in California. Space limitations prevent an analysis of the strengths and weaknesses of the studies, so this analysis begins with a discussion of the steps California needs to take to design schools for high performance. It then

suggests that once we know what these high performing schools look like, it will be possible to estimate the resources they require, and develop finance, governance and accountability systems to support those schools. The paper concludes by suggesting we already know a great deal about how to improve our schools and what we need is the collective will to make it happen.

### **Determining What is Needed and Organizing Schools for Success**

The fundamental building block for developing an adequate education system is the design of what successful schools will look like. We need to understand what happens – and what should happen – every day in each of the 9,000 schools across the state. Until we have a common understanding of what a school needs to do to help all children learn to our state’s standards, and the resources required to enable them to undertake those tasks, it will be impossible to “fix” the myriad of complex and contradictory finance, governance and accountability systems currently in place. One approach to estimating the school, district and system-wide resources needed is the Evidence-Based method. This approach has been used in several other states and offers estimates of the resources – and their costs – needed to make dramatic improvements in student learning in a relatively short period of time.

Some school improvement themes emerge from the 22 Getting Down to Facts studies. For example, many of the authors appear to suggest that California needs a system that sets high standards (which we arguably already have) and relies on local flexibility to create and then widely implement programs that work. The state would hold schools accountable for student performance through the use of a comprehensive data system and a coordinated approach to governance. There are also suggestions throughout the study, and in current discussions about next steps, that a “weighted pupil” approach to funding our schools would solve many of the problems facing California education finance today. Below, the Evidence-Based method is briefly described, followed by

discussion of the issues of flexibility and weighted pupil funding systems.

### *The Evidence-Based Approach to School Finance Adequacy*

Past review of the evidence has uncovered individual educational strategies that work, and has informed an evidence-based funding model that that has been used successfully in a number of states, and that currently is the basis of funding systems in two of those states, Wyoming and Arkansas. These strategies include class sizes of 15 in grades K-3, school-based instructional coaches as part of ongoing professional development, individual and small-group tutoring as the first intervention for students struggling to meet academic standards, summer school and extended day programs and other successful practices.

There is evidence that the strategies outlined in the Evidence-Based model work. A recently concluded analysis in the state of Washington assessed 31 schools in nine districts that had made dramatic improvements in student performance (Fermanich, et. al. 2006). Many of them relied on the same strategies identified in the evidence based model as being successful. Other researchers have also identified successful schools and districts. A review of their work suggests the schools they studied also implemented strategies remarkably similar to those in the Evidence-Based model (See for example Supovitz, 2006; Togneri & Anderson, 2003; Snipes, Doolittle & Herlihy, 2002; Massell and Goertz, 2002; Hightower, 2002; and Elmore & Burney, 1999).

The Evidence-Based approach to school finance adequacy offers a fresh look at estimating the resources needs of California’s public schools.

### *Flexibility*

While more flexibility is needed in many schools, it is not clear that simply allowing each school to create its own curriculum and educational strategy absent any guidance from school districts and/or the state will result in more students meeting our proficiency

standards. Although many argue that the current system has become so burdensome with regulations and requirements that it is impossible to provide a good education, the California Education Code (EC 33050 and following) provides that schools and school districts may seek waivers from almost all of the requirements of the education code. Exceptions include health and safety issues, collective bargaining and the provision of special education services, but in general, waivers are available. In fact, under the California Education Code, if the State Board of Education does not act on a waiver request, it is automatically approved – so there is the potential for plenty of flexibility – if school leaders ask.

The question is why don't schools seek more flexibility? Maybe they like the security of rules and regulations to protect them? Maybe they don't have better ideas about how to improve their schools? Maybe there is another reason? But if they ask, they can probably get a waiver to regulations that some argue are holding them back. Thus, it seems unlikely less regulation will suddenly result in hundreds of new ideas sprouting up across the state – schools with ideas to dramatically improve student learning can implement those ideas today.

More likely, what school leaders need is access to better information about programs that work, and more time to think about how to implement them in their own schools. The Evidence-Based approach to school finance offers a research-based school-level design that has led to improved student performance in many schools across the United States. Work in a number of states has estimated the costs of an Evidence-Based model (see for example, Odden, et. al., 2006a; 2006b; 2006c; 2005; 2004; 2003a; 2003b). Over time estimates derived using this model have grown beyond school level instructional programs to include research based estimates of the resources needed for school site and central office administration, utilities, maintenance and operations, and other costs associated with the operation of a school system.

Once we know what a successful school should look like, it is possible to develop a state-level finance, governance and data system to support schools organized along those lines, and to hold the schools accountable for student performance. Also once the resources for these schools and the related services have been identified; it is possible to estimate the costs of providing those resources. A recent analysis by Odden, Goetz and Picus (2007) suggests that at a national level, these evidence based strategies can be implemented at slightly more than the national average cost per pupil – although in California with its large class size, limited number of administrators and support personnel, and relatively high salaries, the costs are likely to be substantial.

### *Weighted Pupils*

One recommendation that appears to be garnering interest is to reform our state's school finance system by using a weighted pupil approach. Under this system, students with greater needs are counted as more than one student and thus generate additional funding to meet their specific needs. Weighted pupil models are in use in a number of states and it is certainly an approach that offers promise in California, but it is not a solution in and of itself.

Before a weighted pupil model can be implemented, it is essential to know what the base funding level would be, and to have accurate estimates of appropriate weights for student characteristics. Thus the first step is, as described above, determining the resources needed to ensure an adequate education for all children. Once that is established, estimation of pupil weights remains a complex process. The weights need to be sensitive to the wide variety of student needs, yet the system needs to be simple enough to be transparent and easily understood by education officials and the public. There is no reason to believe that weights established in other states would be appropriate for the unique needs of California's children.

Those who argue pupil weights will solve our schools' financial problems without first doing a careful analysis and evaluation are wrong. We

must first determine the additional funding needed for an adequate education system. Simply instituting pupil weights into existing funding levels and organizational structures – if that is even possible – would do no more than redistribute funds among school districts in unpredictable and possibly politically unacceptable ways. Until we know what is needed for our children, pupil weights in the existing system and at existing funding levels are meaningless and have the potential to exacerbate current problems, not solve them.

A better approach might be to replace the state's overly complex and very confusing collection of categorical programs with a small set of categoricals designed to direct funding toward programs that research shows have been successful. For example, there is considerable evidence that strong, targeted and persistent professional development, particularly the use of instructional coaches at the school level, can lead to better teaching and improved student learning. Similarly, strategies to catch struggling students early, provide them intensive help from certificated teachers in the existing curriculum, with the goal of returning them to the regular program as quickly as possible, have also been successful. Categorical grants that focus resources into programs like these – along with accountability systems to be sure the money does not get lost in the adult issues so clearly outlined in the Getting Down to Facts studies – can dramatically improve student performance.

Like other approaches to school finance adequacy, it is likely that an Evidence-Based analysis for California would result in the recommendation of substantial new resources for our schools. What it would do is provide a clear picture of what those resources would be used to accomplish.

The difficulty of raising additional funds for government services in California is immense – and schools are not immune from this problem. Thus a two pronged strategy is needed. First those programs that are the most cost effective to implement – enhanced professional development, strategies to support struggling

students, and comprehensive ten day summer institutes for teachers (fully paid for as part of their contracts) should be implemented initially, with other programs funded in the future, and only if they are needed to fully meet the state's standards for students. Second, a coordinated effort to find the additional funds necessary to provide the state's schools with all of the resources they need has to be mounted. In a state with relatively high taxes, and a low tolerance for more taxation, this may be the greatest challenge of all – sadly, Getting Down to Facts was silent on this topic.

## **Conclusion**

Getting Down to Facts represents an incredible opportunity for the state of California. It identifies the tremendous challenge and need facing the state if it is to provide a world class education for all of its students. Unfortunately, it does not identify how to meet that challenge, or how to fund the likely additional costs.

To date, four states have been able to implement adequacy based school funding systems. Maryland established a five year funding goal in response to a number of professional judgment based adequacy studies and is currently entering its sixth year of sustained effort to provide each district in the state with the level of funding agreed upon as a result of those studies. Kansas made substantial increases in school funding in response to a court order. The state relied mostly on a cost function analysis of funding needs, and then established a three year time frame for funding the model's funding level.

Two states have used an Evidence Based approach to successfully implement school finance reform. In Wyoming, the Evidence-Based approach was used to recalibrate and fund schools beginning in the 2006-07 school year. In Arkansas, the state used the Evidence-Based model to estimate and fund adequate school costs for the 2004-05 school year and to recalibrate that system for the 2007-08 school year. In May 2007 the Arkansas Supreme Court ruled that the Legislature's efforts met the constitutional standard and ended that states long running *Lake View* case.

What all four of these states have in common is a long serious discussion about the school funding system *by the State Legislature*. It appears that one essential component of their success was the early and continued involvement of Legislative committees in the process. Once agreement on the components of a system was reached and the costs estimated, the support of the Legislative committee made it possible to pass Legislation implementing the recommendations and adequately fund them over time.

What does all this mean for California? We need a multi-year strategic plan that shows how schools will be organized, governed and held accountable, and provides adequate funding for all schools to establish programs that research shows will work to dramatically improve the performance of all children. Armed with that information, California's education community can begin the arduous task of seeking the funding to make the plan come about.

What happens next is critical to the success of Getting Down to Facts in helping the state's policy makers. Until the findings from these 22 studies – along with a detailed discussion of what California schools need to succeed – are considered by the Legislature, it is unlikely that anything will come of this excellent work. The fact is, we know what needs to be done, we just need the will to do it.

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Lawrence O. Picus  
 Professor, USC Rossier School of Education  
 Waite Phillips Hall, 904C  
 University of Southern California  
 Los Angeles, CA 90089  
 v. 213 740-2175 or 818 980-1881  
 f. 818 980-1624  
[lpicus@usc.edu](mailto:lpicus@usc.edu)