



New
American
Schools

Matching Spending with Strategy: Aligning District Spending to Support a Strategy of Comprehensive School Reform

By Karen Hawley Miles

District Services

New American Schools partners with school districts and states to provide support and assistance in the implementation of comprehensive school reform designs throughout an entire school system. New American Schools also recognizes that for comprehensive school reform to make a significant difference in public education, it must be widely implemented within systems.

New American Schools has put together a team of experienced educators and leading experts to create a District Services division with staff who serve as consultants to school districts in five areas critical to the successful implementation of a comprehensive school reform design:

- Leading and managing a focused, comprehensive, and coordinated plan for improvement at all levels;
- Identifying and reallocating resources to support the implementation of comprehensive school improvement strategies;
- Enhancing and aligning professional development systems to help build teacher capacity

through design-based assistance and comprehensive school reform;

- Developing a process for summative and formative evaluation of school improvement strategies; and
- Engaging parents and the community to build broad-based support and long-term commitment to a continuous improvement process.

New American Schools is partnering with a number of school districts implementing and interested in implementing comprehensive school reform designs.

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About the Author

Dr. Karen Hawley Miles of Education Resource Management Strategies in Dallas, Texas, specializes in strategic planning in public schools and district and school resource allocation. She works with school districts nationwide to rethink the use of resources and the organization of districts and schools. She has worked to design school improvement and planning processes in several districts. Working at the intersection of research and practice, she has also coordinated national research projects of school district and school level resource allocation. She has focused especially on how districts and schools can find the necessary resources and time to invest in building teacher capacity. She co-directed the study by Economic Policy Institute, "Where Has the Money Gone?" which traced the growth in school spending since 1967. She also concluded a study for the Consortium for Policy Research in Education (CPRE) on resource allocation in high performing schools. Prior to this, she worked at Bain & Company as a strategy and management consultant for hospitals and corporations. She has a B.A. in economics from Yale University and a doctorate in education from Harvard University, specializing in school organization, change, and finance.

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The national focus on creating “standards based” schools and “accountability” is pushing school districts and schools to define their goals and priorities for student learning more clearly. And districts and states make headlines with bold proclamations about the importance of academic achievement for all children. Nevertheless, there is a gap between rhetoric and reality that threatens hopes for improvement. While teachers scramble to help students meet these targets, school and district spending patterns and organization have changed very little in the last three decades.¹ No matter what school leaders and communities say is important, the way schools and districts use their dollars, organize their people, and structure their time is what dictates the results.

As public institutions, schools and school systems are accustomed to try to do everything for everyone and do it all without making enemies. New dollars come to schools in small increments, usually tied to specific purposes. Naturally, instead of making choices about where to focus resources, new priorities and programs have been added on top of the old. Instead of restructuring and integrating school and district organizations, specialities and departments have been created to meet the newly defined need. After decades of this piling on, schools and districts now spend significantly more to educate each pupil than ever before.² But, taking advantage of these resources to meet ambitious academic goals will require a kind of political will and singleness of purpose that is hard to sustain in public schools. And, it will require a level of attention to the details of organization and budget that does not come naturally to many educators and policymakers.

Deciding what’s important

If we hope to meet our seemingly unreachable goals — to “put the man on the moon” so-to-speak — then districts and schools will have to define a few priorities for student performance, make choices about how to organize to meet them and then move the dollars and people to match these commitments. For example, if school leaders say that academic

achievement is a priority, then the district staff and budget should shift to support it. If the district has declared that all students will read by third grade, then staff, dollars, and time should move toward support more effective literacy teaching. Districts and schools should expect to give up some longstanding and useful programs in order to support these choices. The act of prioritizing means that some things are plain more important than others.

In its work with comprehensive school reform designs in thousands of schools across the country, New American Schools has found that existing schools need help shifting their use of resources and that districts often lag behind schools in changing their own spending and organization. To support schools in raising student performance, most districts will need to realign spending and staffing in at least five ways:

1. Changing the structure of teacher salaries to attract and retain high quality academic teachers.

It is no secret that teacher salaries nationwide lag behind those of other professionals. The gap between teacher salaries and those of other professionals is especially great for two types of individuals desperately needed in schools — high performing students from top colleges who have many career options and those trained in math and science.³ The earnings gap grows wider over a teaching career.⁴ Maximum teaching salaries fall well below those in other professions. This means that the most talented individuals sacrifice much higher potential earnings if they remain in teaching. Districts will need to reconsider the customary practice of paying all teachers the same regardless of their subject area. In addition, school systems will need to find ways to restructure teacher salaries and responsibilities to provide their most talented, productive teachers with the opportunity to earn more competitive salaries over their careers.⁵



2. Investing more strategically in professional development for teachers.

The average teacher has been teaching for 15 years with little opportunity to learn about recent research on improving literacy or assessing students. The new, higher student performance standards require teachers to learn new curriculum and instructional strategies and to integrate the teaching of skills and themes across disciplines. Doing this means investing in providing coaching and time for existing teachers to improve their practice. Most districts spend a small percentage of their budgets on professional development and this spending is often divided between many fragmented, sometimes conflicting programs.⁶ Furthermore, the majority of professional development is delivered in workshops or one-session presentations offered to individual teachers away from the school site. This delivery method goes directly against research which shows that the most effective professional development in improving school performance is offered to school-based teams of teachers, is continuous, and involves follow-up and support.⁷

Comprehensive school reform designs can help districts integrate and organize professional development based on these research principles, using tested materials and processes. But, paying for intensive on-site coaching that lasts over a period of years can seem expensive to districts that use traditional workshops as their “training”. In detailed analysis of budgets in four urban districts, New American Schools has found that districts will need to reorganize existing professional development *and* shift dollars from other places to pay for the intense coaching for all of the schools that need it.⁸

3. Shifting more teachers to teaching literacy in grades K-3.

Research consistently shows that smaller group sizes matter most in early grades when students learn to read. It also shows that when students don't learn to read by third grade, they continue to fall further behind in school and are more likely to be assigned to costly special education programs and to drop out of school. To create the individual attention so desperately needed in the early grades, districts may need to shift resources from secondary schools into elementary schools. Most districts allocate more staff per student in secondary schools than to elementary schools. Elementary schools will also have to direct

more of their resources to the teaching of literacy in early grades. They will have to rethink the role of each teacher and instructional aide to ensure they support the focus on literacy. In some schools, this may mean changing the role of physical education, art, and music teachers or making these class sizes larger. It may mean converting from using a traditional librarian to using a highly trained literacy specialist. And redirecting resources toward literacy will mean integrating bilingual, Title I, and special education teachers more fully into a school-wide literacy strategy.

4. Reducing spending on non-academic teaching staff in secondary schools.

The traditional comprehensive high school often employs more teaching staff in academic subjects than it does in English, math, science, and history. And, they devote only about half of the student's school day to courses covering academic skills. This can mean that over half of the high school resources are aimed at goals not being measured by the standards that states and districts have set. It also means that class sizes for the core subjects are usually 30 or above, with teachers responsible for more than 125 students at a time.⁹ Changing the balance of staff to make a meaningful difference in student loads and academic time can require some high schools to double the number of academic staff. And, shifting more resources toward academic subjects, means reducing staff in other areas and challenging the structure—even the existence—of cherished programs like band and athletics during the school day. Given the size of the change and their sometimes painful nature, it is unreasonable and impractical to expect principals or “school based decision making groups” to make them on their own. Until districts take steps to change the mix of staff, many high schools will make marginal improvement at best.

5. Redirecting district staff and spending from compliance efforts toward providing support and accountability.

Using standards to measure school performance changes the role of the district office. In a world where student performance was not measured, schools and districts could only be held accountable for whether they did as they were told. So for example, curriculum offices issued guidebooks and sometimes checked whether they were used. Additionally, districts created separate departments to monitor



whether dollars from each funding source were spent as stipulated.

In many larger districts, this “compliance” focus has resulted in a structure that spreads resources thinly across a large number of schools and priorities. For example, one large district we studied was surprised to find that they devoted nine experts to “supervising” services across 30 schools. Each was responsible for making sure that schools met program requirements in one specific area such as special education, Title I, bilingual, literacy, and technology. Responsible for their single issue in 30 schools, these nine individuals could look at only the most superficial indicators of effectiveness and they certainly couldn’t provide support to under-performing schools. So, even though the district devoted the equivalent of \$24,000 worth of salary and benefits to every school, the schools barely felt an impact. How different would it feel to schools if these resources could be used to provide deeper, integrated school support in areas they truly need help to improve?

Making Trade-offs

Organizing the resources to act upon urgent priorities like teaching all students to read in urban schools, requires leaders to take politically difficult stands. Union, district, and school board leaders must have the courage to say things like:

- Even though all subjects are important, literacy is most important.
- Even though all teachers are important, those who bring deep subject knowledge and can integrate across disciplines or programs are worth more in salary.
- Even though band, sports, and other electives can be a critical part of a balanced education, the community must find new ways to pay for and to provide them.

- Even though student readiness and social health provide the base for student learning, schools cannot be held accountable for providing all services to children (and they aren’t staffed to do so).
- Even though investments in teacher professional development and technology may mean an extra student in your class, we can’t build and sustain excellent schools without more of them.

Ensuring Adequate Funding

District and community leaders need to articulate priorities and direct spending to support them regardless of overall spending levels, but they must also ensure that schools have enough money to begin the task. There is no one way to define how much money is enough, but a few test questions can help put district spending in perspective. These include:

- How does spending per pupil compare to other districts with similar student populations?
- How do teacher salary levels compare?
- How does the community’s tax rate compare to other, similar, districts?

If this analysis shows that the community is underinvesting in education, then leaders must take the case for increased spending to the community. But, a community is much more likely to support increases in spending if it sees that leaders have clear priorities and are willing to make difficult trade-offs to ensure that the new money gets to the heart of improving student achievement.



Endnotes

- 1 Miles, Karen Hawley, "Finding the Dollars to Pay for 21st Century Schools: Taking Advantage of the Times," *School Business Affairs*, 63(6), 38-42, 1997.
- 2 Data from the National Center for Education Statistics, *Digest of Education Statistics*, Table 168 shows spending per pupil when adjusted for inflation tripling from 1960 to 1995.
- 3 Mohrman, A., Mohrman, S.A., and Odden, A., "Aligning teacher compensation with systemic school reform: skill-based pay and group based performance rewards," *Educational Evaluation and Policy Analysis*, 1995.
- 4 Conley, S., and Odden, A., "Linking teacher compensation to teacher career development: A strategic examination," *Educational Evaluation and Policy Analysis*, 1995.
- 5 For a description of districts that are already working to restructure salaries, see *Paying Teachers for What They Know and Do: New and Smarter Compensation Strategies to Improve Schools* by Allan Odden and Carolyn Kelley, Thousand Oaks, CA: Corwin Press, 1997.
- 6 Miles, Karen H., and Hornbeck, Matthew, "New American Schools District Issues Brief: Reinvesting in Teachers: Aligning District Professional Development Spending to Support a Comprehensive School Reform Strategy," 2000.
- 7 "Principles for Effective Professional Development" from the National Partnership for Excellence and Accountability in Teaching, September 1998.
- 8 Miles, Karen H., and Hornbeck, Matthew, "New American Schools District Issues Brief: Reinvesting in Teachers: Aligning District Professional Development Spending to Support a Comprehensive School Reform Strategy," 2000.
- 9 For a discussion of how staffing of a traditional high school differs from staffing in smaller alternative high schools, see Karen Hawley Miles and Linda Darling-Hammond, "Rethinking the use of Teaching Resources: Lessons from High Performing Schools" in *Education Evaluation and Policy Analysis*, Spring, 1998.

New American Schools District Support in Resource Reallocation

Redesigning schools to generate higher student performance requires districts to rethink their use and allocation of resources. Districts need to adjust spending priorities in order to fund the initial transformation of schools to new designs. At the same time, districts need to review their spending levels and resource allocation practices and procedures in all areas to ensure they are supportive of comprehensive school reform. To do this, New American Schools has found that districts typically need to:

- Re-align district spending to better support its comprehensive school reform strategy and academic priorities;
- Implement a district level initiative to support and encourage schools to rethink resources to generate higher student performance; and
- Redesign district practices surrounding the allocation and control of resources so that schools and principals can reorganize staff and dollars to support and maintain new designs.

New American Schools offers an evolving set of district services including, analysis, introductory presentations, self-analysis and reference tools, and ongoing consulting and training to help districts address these issues. Though districts face similar issues, each confronts the need to rethink and reorganize resources with a different history and a unique set of leadership skills and experience. Whatever actions a district takes to change its spending and allocation of resources need to fit with and build on the initiatives it has underway. New American Schools works closely with districts to understand the combination and timing of services that make the most sense for the district. Our goal is to share what we are learning from our work with other districts in a way that builds leadership capacity in the district from the inception of the work. There are three major areas of district work in resource reallocation as conceived by New American Schools.



1) District Spending Levels and Strategy

Supporting comprehensive school reform requires two kinds of changes in district spending. First, districts need to invest in buying the new curriculum, assessments, computer equipment and professional development to support the new designs. Typically, districts need to pull together a multi-year investment fund to support the cost of introducing the new designs. Second, most districts find that they need to change the way they spend their dollars at the district level to focus more on academic priorities and building teacher capacity. Services and tools to support this work include:

- Introductory presentations and reading materials outlining the issues and experience from other districts;
- District Issues Brief: “Matching Spending with Strategy: Aligning District Spending to Support a Strategy of Comprehensive School Reform”;
- District Issues Brief: “Money Matters: Rethinking School and District Spending to Support Comprehensive School Reform”;
- District Issues Brief: “Reinvesting in Teachers: Aligning District Professional Development Spending to Support a Comprehensive School Reform Strategy”;
- Ongoing updates of funding sources available to support comprehensive school reform investment funds in the first years; and
- Analysis framework and tool kit for understanding spending on professional development and instructional and school support.

2) Rethinking School Resources

Tools here aim at giving district leaders a way to support schools in re-examining and redesigning their use of resources to support new designs. For example, all of the designs call for significantly more planning time for teachers than most districts provide and most urge the creation of smaller, more individualized learning environments. Even though the individual designs provide guidance to schools in reorganizing to support new designs, we are finding that concerted district reinforcement and support is required to enable the necessary changes. Tools and services here include:

- Introductory presentations and reading materials for schools;
- District Issues Brief: “Rethinking School Spending: Organizing Schools to Support Comprehensive School Designs”;
- District Issues Brief: “Many Programs, One Investment: Combining Federal Funds to Support Comprehensive School Reform”;
- Training of district staff to support resource reallocation work;
- A tested calendar and process for training and supporting school efforts;
- A “Resource Review Guide” that supports schools in systematically reviewing their existing staff and dollars and aims at helping them prioritize areas where they need to make or investigate changes;
- Case studies of schools that have significantly reorganized staff time and dollars to support improved student performance and new designs; and
- Ongoing consulting.

3) District Practices and Procedures

Tools here aim at helping district leaders identify how district practices and procedures need to change in order to enable schools to align their resources to better support their instructional priorities, strategies and design. Services and tools here include:

- Introductory presentations and reading materials on school resources and levers for change;
- District Issues Brief: “Freeing School Resources for Learning”;
- Self-analysis tool: “District Practices and Procedures” for districts to identify which policies, practices and procedures need to change to support more autonomy in the use of school resources; and
- Consulting services to support the self analysis and the development of new practices and procedures.





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