

**Colorado School Finance Project:
Analysis Update**

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Colorado School Finance Project

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Colorado School Finance Project

- Began 14 years ago – Profile data
- In 2001-02, Adequacy Analysis – Professional Judgment and Successful School District
- Updated Adequacy Analysis twice
- Analyze district issues: enrollment changes – cost pressures – national trends
- 2007-08 National Trends and Research on Spending and Performance

Previous CSFP Work

- Purpose
 - Cost of meeting state standards and requirements
 - Weights for student and district characteristics
 - Total cost for every district
- Utilize methodology results:
 - Successful School District
 - Professional Judgment
 - Evidence-Based
 - Statistical

Recent CSFP Work

- Identify research that has examined the relationship between particular resources and student achievement
- Examine states with large increases in spending
- Compare Colorado to 50 states in achievement & spending

Research Cautions

- Most research focuses on improvement in student achievement, ***no direct link to meeting state-specific performance expectations***
- Given how focused most research is, it is ***difficult*** to put all the pieces together and ***create one best service-delivery approach***

Do Resources Affect Achievement?

- Career-technical education
- Counselors
- Full-day kindergarten
- Pre-school
- Professional development
- Small class size
- Summer school
- Teacher pay (amount)
- Technology

Research Shows

- Positive results for most resource areas
- Differences in findings:
 - Some is older (no longer relevant)
 - Some is highly focused (not generalized)
 - Approach (few studies use random assignment)
 - A few "meta" analyses (numerous studies)
 - Some research by recognized entities (e.g. RAND or the USDoE), and/or cited by AERA

Other Limitations

- Studies *do not equate a dollar investment* to a specific performance requirement
- Local control - a balance with state initiatives

Questions

- Initial thoughts? Reactions?
- How is it helpful?
- Cautions?

Looking at 4 states

- Arkansas
- Kentucky
- Maryland
- New Jersey

States differ

- Rationale for spending increase (litigation or not)
- Timing of new revenues (when and targeted)
- Extent of impact (all or some districts)
- Did school finance system change?

Findings

- Some common categories:
 - pre-school - expansion
 - increase teacher salaries
 - student support programs/services:
summer school, parent program, after school, health centers, counselors

Findings (continued)

- Student performance rose at higher-than-average rates.
- Investments resulted in school district funding increases (4-10% per year over inflation)

Questions?

- What can Colorado learn from other states?
- Does it matter?

50 State Comparison

- Utilize NAEP performance results and state spending
- First step:
 - Analyze relative need, wealth, tax effort, spending, and performance in 2004-05

Analysis

- **Relative need**
 - Weighted students divided by un-weighted students
- **Wealth**
 - Personal income per capita adjusted by inter-state COL
- **Tax effort for education**
 - State and local tax effort for current operations per \$1,000 of personal income

Analysis (continued)

- **Spending**
 - Total staff per 1,000 weighted students
 - Average salary of instructional staff adjusted by inter-state COL
 - Current spending per weighted student adjusted by inter-state COL
- **Performance**
 - Average of NAEP percent proficient and above for 4th and 8th grade math and reading

Results for Colorado:

- Average in need (-.9%)
- High in wealth (+12.1%)
- Low in tax effort (-18.8%)
- Low in spending (-13.3% for staffing, -2.7% for instructional staff salary, and -10.8% for spending)
- High in relative performance (+11.1%), but low relative to where the state needs to be (only 34.8% proficient and above)

Colorado specific

- Relationship between performance and variables (50 states):
 - High negative with need
 - Moderate positive with wealth
 - None with effort
 - Moderate positive with staffing
 - Low positive with salary
 - Moderate positive with spending

50 State Comparison

COMPARISON OF THE 50 STATES IN TERMS OF K-12 EDUCATION NEED, WEALTH, RESOURCE USE, TAX EFFORT, AND PERFORMANCE IN 2004-05

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Need	Need	Wealth	Wealth	State/Local Tax Effort	State/Local Tax Effort	Total Staff Weighted	Staffing	Average Salary of Instructional Staff Adjusted by Inter-state Cost of Living	Salary Index Relative to National Average	Current Operating Expenditure per Weighted Student Adjusted by Inter-state Cost of Living	Spending Index Relative to National Average	Average of NAEP Percent Proficient and Above for 4th Grade and 8th Grade Math and Reading	Performance
	Relative to National Average	Relative to National Average	Personal Income per Capita 2005 Adjusted by Inter-state Cost of Living	Wealth Index Relative to National Average	Total Current Operating Expenditure Less Federal Revenue Divided by Total Personal Income (per \$1,000 of Personal Income)	Tax Effort Index Relative to National Average	Total Staff per 1,000 Weighted Students	Index Relative to National Average	Cost of Living	Index Relative to National Average	Cost of Living	Index Relative to National Average	Percent Proficient and Above	Index Relative to National Average
Colorado	1.341	99.1%	\$54,535	112.1%	\$92.23	81.4%	101.9	86.7%	\$46,992	97.3%	\$5,947	89.2%	94.8	111.1%
National Average	1.353	100.0%	\$54,535	100.0%	\$92.23	100.0%	101.9	100.0%	\$46,992	100.0%	\$5,947	100.0%	94.8	100.0%

Correlations of Colorado 13 with:

- Need
- Wealth
- Staffing
- Salary
- Spending
- Effort
- Performance

Need	-0.73
Wealth	0.62
Staffing	0.42
Salary	0.07
Spending	0.55
Effort	-0.02
Performance	1.00

States surrounding Colorado

- Kansas – Litigation
- Utah – NCEE
- New Mexico
- Nebraska
- Wyoming

Other State Examples

- Maryland
 http://mlis.state.md.us/other/education/public_school_facilities/Presentation_091802.pdf
- New Jersey
 <http://www.state.nj.us/education/sfft/reports/AllChildrenAllCommunities.pdf>
- Delaware
 <http://www.vision2015delaware.org>
- Pennsylvania
 http://www.pde.state.pa.us/stateboard_ed/lib/stateboard_ed/PA_Costing_Out_Study_rev_12-07.pdf
- Massachusetts
 <http://www.mass.gov/Agov3/docs/Readiness%20Final%Report.pdf>

Questions?

- Is NAEP the right measurement?
- Are other states spending and performance relevant to Colorado? Or for a global preparedness?

Colorado Relevance?

- A window of opportunity – CAP4K
- Different implications for each district
- Making a difference for kids
- Strengthening Colorado's economy

Making the Connection

A Venn diagram consisting of three overlapping circles. The top circle is labeled "CAP4K". The bottom-left circle is labeled "School Finance". The bottom-right circle is labeled "Costing out Analysis". The circles overlap in the center and at the intersections between adjacent circles.
