



Using an Evidence-Based Approach to Estimate School Finance Adequacy

In the 1990s when school finance adequacy began to dominate discussions about school funding, the idea seemed promising. This straightforward idea called for states, as they began to develop curriculum content and student performance standards, to identify the financial resources needed for students to meet those standards. One approach for estimating what those resources are is the Evidence-Based method developed by Allan Odden and Lawrence O. Picus.

The Evidence-Based Model

The Evidence-Based method developed by Odden and Picus has two steps: a review of the evidence from research and best practice on what programs work in education; and a study of schools and districts that have dramatically increased the level of student performance over a three to seven year time period.

A review of the evidence uncovered individual educational strategies that work. These 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, and other successful practices.

A study of schools and districts in four states – Arkansas, Wyoming, Washington and Wisconsin— offers examples of what can be accomplished when schools and districts put it all together and in many cases literally double student performance on state tests.

In addition to deploying resources effectively, schools that doubled performance also engaged in data-based decision making – making use of both state level and more curriculum-focused formative assessments. They also engaged teachers in collaborative work around the instructional program, produced a professional school culture, and had district, school and teacher leaders

orchestrating all efforts around improving the academic achievement of every student. The Odden and Picus studies indicated that the types of resources outlined in their Evidence-Based funding model were very similar to the resources used by these successful schools and school districts.

Based on these analyses, Odden and Picus conclude that a great deal is known today about how to dramatically improve our schools. They believe that while the country needs more evidence on how to educate all students to achievement levels that require more than doubling performance to attain, the current knowledge base provides a sound foundation for starting now to move towards that lofty goal.

Structuring School Finance Systems

Simply finding enough money to adequately fund a state's schools does not solve the school finance problem. An equally difficult challenge is structuring a school finance system to support these evidence-based resource allocation strategies. Today many state legislators prefer to rely on "block grants" that defer decisions on how best to use educational resources to the professionalism of local educators. But the legislators still want to know how the money they appropriate is used at the school level. Unfortunately, current state and local fiscal reporting systems do not provide that information.

Consequently, legislatures in Arkansas and Wyoming, two states that have enacted school finance reforms based on the Evidence-Based model, also sought Odden and Picus' help to determine how schools use the education dollars. Their findings were somewhat discouraging. When school districts receive revenues through a block grant, local education systems frequently do not use the funds to implement the school-based instructional improvement strategies that work.

They rarely employ school-based instructional coaches – the key resource to making professional development work. Neither do they use the funds for certificated tutors to help struggling students – the most effective early intervention program.

Instead they use resources to expand the number of elective classes, particularly in middle and high schools (and at a time when student performance in core subjects like mathematics, science, reading and writing are both the highest policy goal and the focus of most state testing). They also hire large numbers of instructional aides, even though the same research that finds that class sizes of 15 work in grades K-3 shows that a large class with an instructional aide does not raise student performance.

In one state that targeted funds to provide additional services to students who were struggling to meet performance standards, Odden and Picus found that educators argued for more local discretion – seeking to use those resources to increase teacher salaries, lower class size, or establish preschool programs. All of these are potentially effective uses of school resources, but none of those strategies provide the *extra help* struggling students need to meet state performance standards. Thus, Odden and Picus question the value of providing complete local discretion as part of a state’s education reform program.

Future State Actions

From these studies, Odden and Picus have concluded that there are four key aspects of school finance adequacy that they would recommend for future state action:

1. Identify what it takes to dramatically improve student performance; they believe educators have sufficient information to be specific about this issue and that their evidence-based model is a good summary of that evidence.
2. Cost out those strategies; they believe their evidence-based model provides a solid place to start and it provides any state with what currently is the most reasonable adequacy cost estimate. States would be smart to start with this level of resources

and make sure it is used effectively before adding more resources.

3. Surround any school finance reform based on an adequacy study with a sharp accountability system; holding students, teachers, schools and districts appropriately accountable for results so there is at least some pressure, other than local discretion, to use resources for the most effective strategies.
4. Establish some constraints to ensure that schools use key resources – instructional coaches, tutors, and formative assessments for data-based-decision-making – as part of a strategy to double student performance.

Applying these strategies in combination with the growing body of evidence about what works in schools to improve student learning, Odden and Picus are convinced, would enable schools and districts over time to dramatically improve student performance.

Resources

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