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# Differentiated Funding Evaluation and Research Request

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## Document Information

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## Document Revision History

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## Program Evaluation Design and Theory of Change

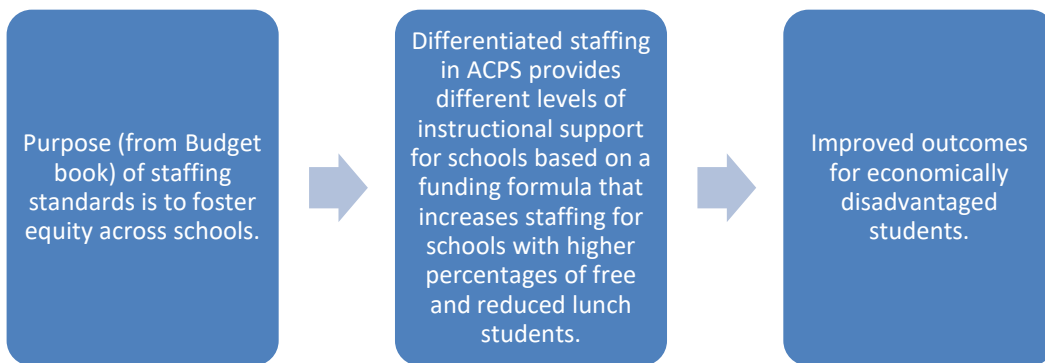
**Situation:** In March of 2021, Dr. Kate Acuff requested a program evaluation of the ACPS differentiated funding model. Her motion read:

ACPS provides additional funding for schools in the Division based on the percent of low-income students enrolled at each school--that is, students who are eligible for free and reduced cost school lunches. This differentiated funding, introduced approximately 20 years ago, is used to provide additional resources to improved educational achievement. Principals may use the funding to add interventionists, reduce class sizes, etc. This differentiated funding program has never been evaluated for its effectiveness and given the School Board's highest priority is to reduce the achievement gaps we see for low-income as well as our Black and Brown students, I question whether this is the most effective way to address these challenges. Given the sizeable investment made in differentiated funding, and given how much the demographics of our community have changed, specific questions I would like answered include:

- Given the SB's stated highest priority is to reduce achievement gaps of racial, income and other demographic groups, is differentiated funding the best tool to address these gaps or is there a better way to invest some or all of these funds? That is, what is our return on this investment as compared to other potential uses?
- If some differentiated funding is warranted, is the income-only based model, the most robust metric to use?

As a result of these concerns, I move that the Division conduct a program evaluation of our differentiated funding model, including examining other ways the funds might be used, and as needed, engage EAB's resources to identify best practices to address the persistent achievement gap.

### Theory of Change:



**Evaluation Purpose:** The purpose of this evaluation is, primarily, to research the most up-to-date practices for reducing and closing opportunity gaps in schools. Given the Board's specific interest in equitably funding schools as well as staffing, ACPS reached out to our partners at EAB to conduct that research.

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## Evaluation Questions

1. What are the best strategies to equitably fund schools to close achievement gaps according to current research?
2. What funding strategies have actually been most impactful in closing achievement gaps in Virginia?
3. How does ACPS allocate funding to all schools?
4. How is the additional staffing used?
5. What impacts on student achievement are we able to identify as a result of this funding strategy?
6. What other funding models may ACPS consider?
7. How do other funding models/do other funding models consider mental health?

## Executive Summary

There are several funding models that the Board may consider to equitably fund schools and they are outlined at the end of this report. Strategies range from completely centralized funding, where a central office or Board decides the strategy and funds the programs and staffing to completely decentralized processes that allocate specific dollars to specific students whose principals decide how that money is spent.

The research provided by EAB and the ACPS staff shows that there is still much to learn about closing achievement gaps, but the recommendation is to identify where the inequities exist using an Equity Needs Assessment or similar tool and then use research-backed strategies to work towards closing those gaps. Several promising strategies are outlined in the new ACPS strategic plan and also in the “Equity Roadmap” from the Virginia Department of Education. These two products were not in place when Dr. Acuff made the request for an evaluation. These two documents provide clear direction and specific strategies to close gaps.

## Strategies to Close Achievement Gaps According to Current Research

Albemarle County Public Schools has shifted to a focus on equitable achievement in the last few years. In 2021, the School Board adopted the new Strategic Plan, [Learning for All](#), with the following mission:

Working together as a team, we will end the predictive value of race, class, gender, and special capacities for our children’s success through high-quality teaching and learning for all. We seek to build relationships with families and communities to ensure that every student succeeds. We will know every student. (ACPS, 2021)

The [Anti-Racism policy](#), adopted in 2019, recognized the disparities between racial groups and stated the Division’s priority to close equity and achievement gaps. There are many different gaps between groups that the Board may consider when thinking about funding for equity including racial and ethnic minorities, English language learners, students with disabilities, and students from low-income families, to name a few. Division, department, and school equity needs assessments and equity dashboards show the range of gaps that exist, from test performance to access to key opportunities.

As the Board considers how to equitably fund schools, the research shows that an integrated approach with several research-based strategies to close achievement gaps in partnership with families, and, focusing on those students who are most in need, proves to be the best way to close gaps.

There is at least one report (Baker, Farrie, and Sciarra, 2016) that examines the relationship between student funding and outcomes for economically disadvantaged students. This report, like others, posits that money does

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matter for student outcomes. The two main strategies discussed for closing gaps are staffing quality and staffing quantity to reduce class sizes. A sizable body of research has demonstrated the connection between staffing quality and student outcomes (Baker, Farrie, and Sciarra, 2016). These researchers support the literature that shows that teacher’s overall wage affect the quality of teachers who enter the teaching profession. This report also shows that “ample research has indicated that children in smaller classes achieve better outcomes, both academic and otherwise, and that class size reduction can be an effective strategy for closing racially or socioeconomically based achievement gaps (see Coalition for Evidence-Based Policy, 2003).” Their research concludes that increased targeted staffing to higher poverty schools within states is associated both with higher measured outcomes of children from low-income families and with smaller achievement gaps between children from low-income and children from non-low-income families (Baker, Farrie, and Sciarra, 2016). This supports the ACPS methodology to provide additional staffing to schools based on the number of economically disadvantaged students. It also supports continuing to seek high-quality teachers for the division and a new strategy in the strategic plan (Goal 3, objective 3, strategy 5) that seeks to “develop a process to assign staff with demonstrated successful outcomes to students in the most need” (ACPS, 2021).

### **EAB Research Request Results**

EAB researchers compiled the following resources which offer strategies to improve student outcomes in areas commonly tied to equity gaps (e.g., race, socioeconomic status).

To effectively address achievement gaps, administrators must first identify achievement and equity gaps and then deploy evidence-based solutions for remediation. To that end, EAB offers an [Equity Self-Assessment](#) to help administrators determine how current policies and practices in the district can lead to inequity. [Albemarle County Public Schools has also begun using several metrics and tools to uncover gaps including the Division’s equity dashboard and school and department equity dashboards. ACPS has also used the TOCA tool, [Transforming Organizational Cultural Assessment](#), in the Human Resources department and developed Division-level Professional Learning Communities to analyze student data and uncover inequities.]

Once leadership has uncovered specific areas of inequity, the following resources may be helpful when considering strategies to increase equity in student outcomes.

**Competency Based Education and Standards-Based Grading:** Many districts use competency-based education (CBE) and standards-based grading to narrow achievement gaps. Learn more about CBE and standards-based grading in EAB’s research compilation on the topic ([attached](#)). The research team has also shared this [article](#) which outlines the characteristics of standards-based grading:

- **Meaningful:** Grades connect directly to progress toward, proficiency, and/or mastery of academic standards. Students cannot receive a zero.
- **Multi-Faceted:** Grades reflect input from numerous, formative assessments. Teachers add weight to the most recent assessment.
- **Targeted:** Teachers grade students’ content knowledge separately from homework completion or extra credit. Often, teachers do not grade homework or extra credit at all.
- **Early Childhood Education:** Research shows that accessible early childhood education programs, particularly full-day programs, can narrow achievement gaps between more- and less-traditionally disadvantaged students. Consult this EAB [resource](#) for a repository of research and specific practices (e.g., full-day pre-K) administrators can follow to offer effective early childhood programming.
- **Response to Intervention:** Use a Response to Intervention (RTI) framework to maximize student achievement and provide students with appropriate supports to close achievement gaps. See EAB’s [research brief](#) on the topic for specific information on developing and implementing an effective RTI framework.

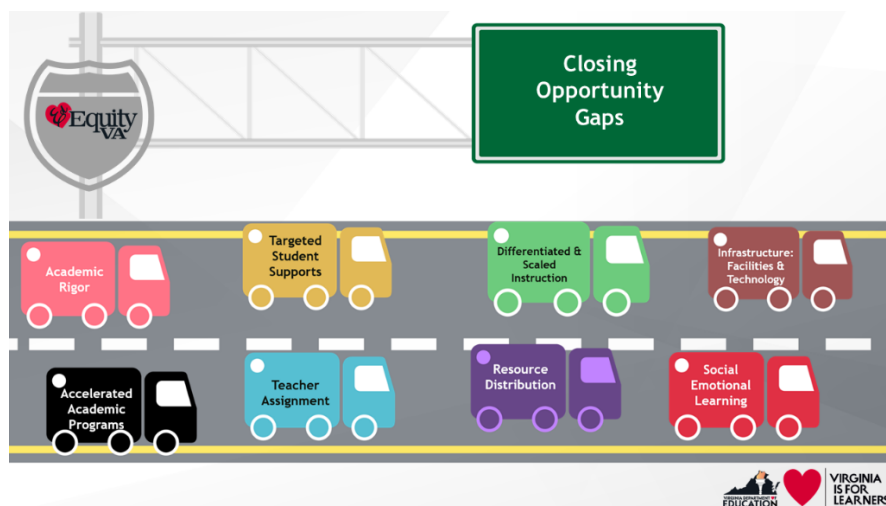
- **Culturally Responsive Teaching:** Consider adopting a culturally responsive teaching approach to maximize support for diverse groups of learners and increasing equitable student outcomes. Visit The Education Alliance at Brown University’s [resource](#) to learn more about the seven principles of culturally responsive teaching.
- **Behavior Management and Equitable Discipline Policies:** See **pages 11-14** of the brief [Behavior Management and Disciplinary Strategies](#) to learn how districts have implemented restorative practices to reduce punitive discipline and promote positive relationships and reduce disparities in student outcomes. Although the brief focused on elementary schools, the insights should prove useful at the secondary level. For example, **page 13** profiles a district that used the book [Better than Carrots or Sticks: Restorative Practices for Positive Classroom Management](#) to create a curriculum for teacher training on restorative classroom practices. From this resource, learn how to set procedures and expectations for student behavior and establish conflict resolution strategies that build relationships and mutual understanding.
- **Addressing Race-Based Achievement Gaps:** When addressing race-based achievement gaps, leadership should employ interventions and programs specifically designed to improve BIPOC student achievement. The **research summary (attached)** offers several evidence-based strategies to reduce race-based academic and behavioral disparities.

Another trusted name in research, [Hanover Research](#), discusses the complexity of reducing achievement gaps and underscores the high level of coordination among school staff, families, and students. Certain conditions that create the best results for students include high expectations, strong student-teacher relationships, family involvement in students’ education, and a focus on improving reading and math proficiency before students leave third grade. The new strategic plan in ACPS has strategies that focus on all of these things and in the 2021-22 school year, one focus for elementary principals has been on the science of reading and closing the third - grade reading gap, specifically.

### Closing Achievement Gaps in Virginia: [VDOE’s Equity Roadmap](#)

In addition to the research provided by our partners at EAB, this summer the Virginia Department of Education released “EdEquity Virginia” and an “Equity Roadmap” for the state to follow.

The Virginia Department of Education recognizes the need for Virginia schools to focus on equity in order to close “opportunity gaps.” The word “opportunity” gap, rather than “achievement” gap, recognizes that systemic, institutional, and individual racism contributes to inequities in achievement and lack of opportunities to learn. To address inequities, the VDOE is focusing on two main strategy categories: Focusing on Closing Opportunity Gaps and Increasing the Cultural Proficiency of Virginia’s Educator Workforce.



The following table summarizes the strategies that the research team at EAB highlighted as well as the strategies that VDOE expects for divisions to consider to close opportunity gaps. The last column shows which strategies are embedded in the new Strategic Plan.

Strategy	EAB Research Highlights	VDOE Focus	In ACPS Strategic Plan <i>Learning for All</i> ( <i>goal.objective.strategy</i> ) or Currently Doing
Identify Achievement and Equity Gaps	X	X	X (1.1.4 and 2.1.6)
Competency-Based Instruction and Standards-Based Grading	X		X (1.2.1)
Early Childhood Education	X		X
Response to Intervention	X		X
Culturally Responsive Teaching	X	X	X (2.1.1)
Behavior Management and Equitable Discipline Policies	X	X	X
Academic Rigor	X	X	X (Goal 1)
Targeted Student Supports	X	X	X
Differentiated and Scaled Instruction	X	X	X
Infrastructure: Facilities and Technology		X	X (3.2 and 3.3)
Accelerated Academic Programs	X	X	X
Teacher Assignment	X	X	X (3.3.5)
Resource Distribution		X	X (3.3)
Social Emotional Learning	X	X	X (2.2.1)

## Albemarle County Public Schools Funding Allocations, including Differentiated Funding

The Division’s financial management system is divided into a number of funds. A separate sum of money is set aside for each fund. Funds are established for special program groups which usually have specific revenue sources associated with their expenditures. The Division’s major funds, which are subject to appropriation by the Albemarle County Board of Supervisors, are: 1. School Fund (Operating) 2. Special Revenue Funds 3. Capital Improvement Program Fund (CIP) & Debt Service Fund (ACPS, 2021).

The School Fund is usually referred to as the operating fund. It is used to finance the day-to-day operations of the Division and comprises the largest part of the Division’s total financial operation. Special Revenue funds are defined as programs generating sufficient revenues to cover their own expenditures. However, in the event these revenues are insufficient, the School Board may appropriate additional funds to sustain the current



program. These funds also include both grant funds and holding accounts to facilitate overall operations (ACPS, 2021).

The Capital Improvement Program (CIP) and Debt Service Funds are facilitated by the Albemarle County Board of Supervisors. The Local Government collaborates with the School Board in developing and coordinating the School Division’s capital projects.

### School Fund

School budgets are primarily driven by and developed based on projected student enrollment levels and special population changes. The majority of budgeted funds can be attributed to staff compensation. Schools are provided staffing resources based on the Division’s staffing standards and formulas. The remaining budget is allocated for general operations and determined by various formulas and factors, including student enrollment. Therefore, the Board could look at those two major areas to consider funding--staffing and then general operations money.

Page G-20 in the School Board Adopted Budget shows where the schools receive differentiated staffing based on the percent of economically disadvantaged students.

		FY 2020/21		Instruction:													
	2021/22 K-12 Projected Enrollment	2021/22 Adjusted Enrollment <sup>(1)</sup>	% Economically Disadvantaged <sup>(2)</sup>	# Economically Disadvantaged	Base Teachers <sup>(3)</sup>	Differentiated Teachers <sup>(4)</sup>	K-1 Teacher Aides	Testing Specialists	Career Awareness	STEP	NDCC	Freshman Seminar	Art, Music, P.E. <sup>(5)</sup>	Gifted	School Counselors <sup>(6)</sup>	Media Specialists <sup>(6)</sup>	Subtotal
<b>Elementary</b>																	
Agnor-Hurt	430	430	52.0%	224	20.34	6.44	1.39						4.40	1.00	1.00	1.00	35.57
Baker-Butler	686	686	25.5%	175	32.34	5.21	2.11						6.66	1.00	2.00	1.00	50.31
Broadus Wood	265	265	15.7%	42	12.46	1.20	0.76						2.30	0.70	1.00	1.00	19.42
Brownsville	870	870	10.7%	93	41.00	2.89	2.58						8.20	1.00	2.00	1.00	58.67
Crozet	342	342	25.5%	87	16.18	2.70	1.06						3.10	1.00	1.00	1.00	26.04
Greer	476	476	71.5%	340	22.41	8.83	1.66						4.40	1.00	1.00	1.00	40.30
Hollymead	400	400	12.0%	48	18.84	1.43	1.24						4.00	1.00	1.00	1.00	28.51
Meriwether Lewis	372	372	9.8%	37	17.55	1.03	1.22						3.10	1.00	1.00	1.00	25.90
Mountain View	704	704	42.6%	300	33.19	8.08	2.08						7.20	1.00	2.00	1.00	54.55
Murray	257	257	7.0%	18	12.11	0.49	0.77						2.30	0.70	1.00	0.80	18.17
Red Hill	178	178	53.8%	96	8.39	2.95	0.61						1.80	0.50	1.00	0.80	16.05
Scottsville	221	221	46.0%	102	10.40	3.13	0.74						1.80	0.60	1.00	0.80	18.47
Stone-Robinson	470	470	27.4%	129	22.09	3.94	1.29						4.40	1.00	1.00	1.00	34.72
Stony Point	215	215	31.5%	68	10.13	2.06	0.72						1.80	0.60	1.00	0.80	17.12
Woodbrook	541	541	58.9%	319	25.51	8.44	1.72						5.70	1.00	1.50	1.00	44.87
<b>Elementary Total</b>	<b>6,427</b>	<b>6,427</b>	<b>32.3%</b>	<b>2,076</b>	<b>302.94</b>	<b>58.81</b>	<b>19.95</b>						<b>61.16</b>	<b>13.10</b>	<b>18.50</b>	<b>14.20</b>	<b>488.67</b>
<b>Middle</b>																	
Burley	615	615	40.1%	247	32.03	6.97	0.50	0.50						1.00	2.37	1.00	44.37
Henley	906	906	12.8%	116	47.19	3.58	0.50	0.50						1.00	3.48	1.33	57.58
Jouett	709	709	53.3%	378	36.93	9.45	0.50	0.50						1.00	3.18	1.00	52.55
Lakeside	587	587	18.4%	108	30.57	3.31	0.50	0.50						1.00	2.81	1.00	39.69
Walton	334	425	38.6%	164	22.14	4.91	0.50	0.50						1.00	2.00	1.00	32.05
<b>Middle Total</b>	<b>3,151</b>	<b>3,242</b>	<b>32.1%</b>	<b>1,013</b>	<b>168.85</b>	<b>28.22</b>	<b>2.50</b>	<b>2.50</b>						<b>5.00</b>	<b>13.84</b>	<b>5.33</b>	<b>226.24</b>
<b>High</b>																	
Albemarle	1,866	1,796	27.9%	502	99.78	10.88	0.75	1.00	0.50			2.17		1.00	8.02	2.00	126.10
Monticello	1,205	1,135	30.1%	342	63.06	8.85	0.50	1.00	0.50	2.00		1.34		1.00	5.08	2.00	85.33
Western	1,180	1,130	10.5%	118	62.78	3.64	0.50	1.00	0.50			1.34		1.00	4.97	2.00	77.73
Center 1		100	23.7%	24	5.56	0.66											6.22
<b>High Total</b>	<b>4,251</b>	<b>4,161</b>	<b>23.2%</b>	<b>985</b>	<b>231.17</b>	<b>24.03</b>	<b>1.75</b>	<b>3.00</b>	<b>1.50</b>	<b>2.00</b>		<b>4.85</b>		<b>3.00</b>	<b>18.07</b>	<b>6.00</b>	<b>295.38</b>
Community Lab School	191	191	22.5%	43	15.37	0.00									1.00	1.00	17.54
Post High	26	26															

One can see that Agnor-Hurt, Greer, Mountain View, and Woodbrook receive more differentiated staffing than other elementary schools. Jouett and Albemarle receive more at the secondary level.



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There are also operational funds that represent 1.4% – 3.0% of elementary school budgets, 1.9% - 2.6% of middle school budgets, and 3.5%-4.7% of high school budgets (ACPS, 2021). There is a centralized process to approve and affirm how the differentiated staffing is used at each school and for how the operational monies are spent.

(On a related note, Albemarle County Public Schools is pursuing a strategy to start an education foundation that may support initiatives that general school operation funds are unable to support and at schools who may not receive as many donations or raised funds from their Parent Teacher Organizations. The foundation is not running at this time.)

ACPS provides funding within the budget for special populations. There is some money for targeted student supports for those students who are identified as belonging to a special population. For example, Section F in the Budget Book, Special Revenue Funds, outlines several of the categories (ACPS, 2021).

The Child Nutrition department has provided free meals for breakfast and lunch for the past school year, during the COVID-19 pandemic. Traditionally, the Department of Child Nutrition has been able to provide free meals for those students who are identified.

In the 2020-2021 school year, the CARES Act provided funds to support remote learning and to support the diverse needs of ACPS students during the school closure including mental health services and supports, provisions for distributing meals, and extended learning and a summer learning program offered to a much larger student group than in previous years. The Board may consider keeping certain initiatives for future years.

Families in Crisis grants support the effective structure to meet the needs of homeless students in the school division.

Title I Funds support reading, language arts, and math instruction for students with achievement levels that do not meet expected state standards in schools with free-and-reduced lunch program participation percentages above the ACPS average. The schools receiving Title I funds see that in the form of a staffing allocation and receive additional staffing in the form of these interventionists. The schools who receive this money are Greer, Woodbrook, Red Hill, Agnor-Hurt, Scottsville, and Mountain View.

Migrant Funds are used to identify and serve migrant students. Individual needs are evaluated and support services are provided. The Migrant Consortium Incentive Grant primarily provides teachers with tools to improve literacy skills for migrant students.

Pre-School Special Education Grants support programming for special education students between the ages of two and five. Special Education services provided through this grant include funding for part-time teaching assistants to serve pre-school students during the regular school year.

Title III funds indirectly and directly support our English language learners by providing family liaisons and tutors for ELL students.

The Algebra Readiness Fund is provided for math tutoring in middle schools for the 7<sup>th</sup> and 8<sup>th</sup> grade students who are at-risk of failing the Algebra end-of-course test and this number is approximated using the free lunch eligibility percentage for the School Division. All of these funds and additional information can be found in the School Board Adopted Budget, Section F.

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## How is the Differentiated Funding and Differentiated Staffing Used in ACPS?

The Division conducted a [survey of principals](#) in 2019 (slides 7-10 on the link)

Principals primarily use the differentiated staffing to reduce class sizes, for intervention and prevention, and to add classes. Listed in the “Other” category, principals mostly used the staffing to make other positions “whole,” or full-time, and one listed that they added a counselor position.

Having small class sizes has been a high priority for the division and it is a costly initiative. As discussed previously in the research section, there is [research](#) that suggests that smaller classes can help reduce achievement gaps, particularly for students with varying learning abilities. Smaller class sizes are beneficial in the early grades, particularly kindergarten through third grade.

Principals continue to use their differentiated staffing, primarily, to make teachers full-time and to reduce class sizes. In the 2021-22 school year, for example, Greer elementary used the differentiated staffing to add a counselor position, to make teachers full-time, and to reduce class sizes by adding additional staffing. Greer used a total of 8.84 FTEs in differentiated staffing.

It is important to note that decreasing class size has an effect on other teaching positions; for example, the specials teachers at the elementary level or additional assistants. When another teacher is added to reduce class sizes, another teacher assistant may be needed for a kindergarten or first grade class. A principal will also need to introduce more sections for the art, music, librarian, or PE teachers as well. Principals often use portions of their differentiated staffing for these things.

A smaller school, like Murray Elementary, used the staffing to increase two part-time teaching positions, the talent development resource teacher and the librarian.

Jouett used their additional FTEs for an additional mental health coordinator (separate from the Learning Recovery position), three AVID teaching positions, math intervention, additional counseling support, one academic/tier 3 coordinator position, and teaching assistants.

At the high schools, the differentiated teachers go into the hiring for all teachers, so it can be said that the staffing is generally used to reduce class sizes by having more teachers or to provide additional class periods by adding more hours to a teacher.

Staffing Standards in the school division are also designed to provide staffing for special populations of students, including pre-school students, Special Education, Intervention/Prevention, Response to Intervention, Gifted (Talent Development), and English Language Learners. So, Greer Elementary is given 8.44 Special Education teachers, 4.50 ESOL teachers, .60 Teachers for Response to Intervention in addition to those 8.84 FTEs for “Differentiated Staffing.” All of this can be found, annually, in the Budget Book, Section G.

One strategy that the division is continuing to work towards is developing staffing standards for all positions and then staffing to that standard. It may be that ACPS or the Board decides to implement increased mental health position standards (i.e. counselors or the SEL Coach added this year) and the principals would not need to use differentiated staffing towards some of those positions. This is reflected in the strategic plan under Goal 3, objective 3, strategy 4, “ACPS will develop a staffing standard for all positions in ACPS and staff to that standard to ensure that staffing is aligned to the goals of the strategic plan.”

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## Impacts on Student Achievement

As a division, ACPS has persistent opportunity gaps within certain populations, including the free and reduced-price lunch, or, economically disadvantaged population.

In the 2019 survey, principals attribute the differentiated staffing to these outcomes: increases in academic achievement as evidenced by SOL scores improving, the ability to provide high-quality staff for direct and targeted intervention for students, and, more student choice.

There is no data to support positive or negative associations with the current ACPS funding model.

## Funding for Equity: Other Funding Models for Consideration

### *Weighted Funding*

Differentiated funding is called weighted funding or student-based budgeting in the education field. The EAB research team found evidence which supports the practice, and many methodologies administrators can use to determine how to allocate these funds. When specifically reviewing information on impacts of weighted funding initiatives on academic achievement, EAB found that administrators should specifically allocate extra funds towards improving instructional quality and implementing evidence backed programs (i.e., early childhood education and rigorous curricula).

### *Rationale*

Weighted funding arose in response to the inequitable student outcomes in districts using the traditional funding model. Under the traditional model, schools receive funds based on the number of enrolled students and the model provides equal resources for every student. This [article](#) from the Fordham Institute explains how the differentiated funding model first determines a base price required to educate all students and then uses objective criteria (i.e. family income, English language learner, disability, etc.) to determine how much additional funding the school will need to educate students according to their needs. Under this model, the district ties some funds to the student, instead of a school's total enrollment, so each school receives the necessary funds to adequately support each student.

According to this [article](#) from the Reason Foundation, a **weighted funding model offers three main benefits:**

1. **Increased student equity** - weighted funding equalizes dollars for similar populations of students which means that students with more obstacles to achievement (i.e., economically disadvantaged students, students in special education programming, etc.) receive additional support that helps to close the achievement gaps.
2. **Improved transparency between the district and taxpayers** – weighted funding requires district administrators to clearly articulate their procedure for determining how much funding each student receives and allows them to accurately identify effects of funding changes on student outcomes.
3. **Greater spending flexibility at the individual school level** – weighted funding shifts the power to make decisions about resource allocation from central district administrators to building leadership which gives schools the ability to invest in staff and programming to support actual student needs instead of student needs determined preemptively by the district.

### *Methodology*

Research shows that **districts report success with a variety of approaches to weighted funding**. EAB has reviewed several models for allocating funds under weighted funding models from this U.S. Department of Education [study](#) and identified commonly used metrics with which administrators may wish to create their own formula for weighted funding.

Across all models, the basic formula to determine total school finding is:

- $(\text{Per Pupil Cost} \times \text{Number of Pupils}) + (\text{Special Population Adjustment} \times \text{Number of Special Population Pupils}) + \text{School Level Adjustment} = \text{Total School Funding}$
- **Per Pupil Cost** (“Base Cost”): Funds allocated to a school for each enrolled pupil, regardless of need, to cover instructional and operational costs.
  - Example: Boston Public Schools - \$4291 a pupil/ year
- **Special Population Adjustment** (“Individual Level Weights”): Dollar value assigned to serving the needs of individual students in certain populations. Schools must spend these funds on serving those individual students for their certain needs. In addition, some districts allocate additional funds if schools enroll above a certain concentration of students in the population.
  - Example: Boston Public Schools - schools receive an increase of 1% of the base cost (an additional \$429.10) for each student from a low-income family (i.e., families that qualify for free and reduced priced lunch).
- **School Level Adjustment** (“School Level Weight”): Additional funds allocated to the whole school in recognition of certain school or population characteristics
  - Example: Denver Public Schools – In recognition of the fact that small schools lack the economies of scale present in large schools, the district provides a small-school supplement to schools that enroll fewer than 217 students (the minimum number of enrolled students required to meet the threshold of baseline funding to cover operational costs) to offset the difference.

Districts in the US Department of Education study use the following as considerations for funding weights. Consult the report to see how each profiled district determines eligibility for funding adjustments and their respective dollar amounts, frequently represented as a percentage of the base per pupil cost.

*Components of Weighted Funding Model Formulas in US Department of Education Study*

Base Per Pupil Cost	Individual Level Weight Considerations	School Level Weight Considerations
<ul style="list-style-type: none"> <li>• <b>Model 1:</b> All students have same base cost for education (e.g., Boston Public Schools - \$4,291 per pupil)</li> <li>• <b>Model 2:</b> Administrators assign a base price to students based on grade level (e.g., Milwaukee Public Schools – Elementary: \$3,469 per pupil, Middle: \$3,163 per pupil, High: 3,294 per pupil)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Students from low-income households</b></li> <li>• <b>English Language Learners</b></li> <li>• <b>Students with Disabilities</b></li> <li>• <b>Homeless Students</b></li> <li>• <b>Students Identified as Low Performing and At Risk of Dropping Out</b> (as evidenced by: chronic absenteeism, poor academic performance, and insufficient credit accumulation)</li> <li>• <b>Transfer Students</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Small-School Supplement:</b> The district determines a baseline operating budget for all schools. Schools that receive an allocation of funds below this baseline under the weighted funding model also receive supplemental funding from the district.</li> <li>• <b>Hold-Harmless Provision:</b> Additional funds for schools to ameliorate the effects of budget decreases under weighted funding due to enrollment or loss of supplemental funding previously</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>Specialized Programming Participants</b> (i.e., Career and Technical Education, Early Childhood Education, etc.)</li> </ul>	<p>provided for factors such as poor school performance.</p>
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*Impacts on Student Achievement*

To effectively use a weighted funding model to improve student outcomes, administrators must first accurately calculate the cost of educating a general education student proficiently without extra supports. This [article](#) from The Detroit News explains that when districts determine a base cost that is too low, funding from additional weights does not lead to improved outcomes because students will not receive enough funding for the support they need. Conversely, when districts allocate too much funding for the base cost of each student, student achievement may still increase but administrators will experience difficulty trying to link any observed improvements to the weighted funding model specifically.

Researchers have established links between spending and improved student outcomes. However, **researchers argue that such observed improvements are the result of the quality of this additional support and not the funding alone.** EAB summarized the effective uses of weighted funds identified by the Center for American Progress in this [article](#) below.

- **Provide equitable access to core educational services for students from low-income families.** Students from families of lower socioeconomic status have less access to components of education that can positively impact achievement than their wealthier peers. Invest additional funds for low-income students in the following areas to help eliminate this gap:
  - Preschool programming and early childhood education
  - Ensuring that all schools in the district employ high-quality teachers at equal rates
  - Programs to increase teacher retention rates
  - Developing a high-quality curriculum with a focus on college and career readiness
- **Increase principal budget autonomy and monitor student outcomes to ensure accountability to students, families, and taxpayers.** Principals, who have greater discretionary spending power under the weighted funding model, should dedicate part of their budget (i.e., salaries for necessary employees) to ensuring that the school effectively communicates data regarding student outcomes to the district so administrators can accurately measure the impacts of weighted funding.

**For additional information, Prince William County Public Schools in Virginia** operates a student-based budgeting model. Their Budget Manual can be found [here](#).

In summary, weighted student funding, or student-based budgeting is a funding system where dollars follow students based on student need. Many of the research articles attached show districts using a hybrid model where some monies are differentiated to schools based on weights, but not all. Any model that allocates dollars instead of staff or materials to schools, is based on the number of students, and uses objective, and measurable student characteristics as weights is a weighted student funding model (Education Resource Strategies, 2018).

Weighted student funding proponents say that it increases equity, budget transparency, and resource flexibility. The model requires strong leadership because it is very complex and it would be another task for principals to have to take on and manage. It would be more difficult for the central office to ensure compliance with federal

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monies or grants. Also, it can be difficult to decide on the appropriate amounts per student. Enrollment projections and other data will become very important to ensure the number and *types* of students who enroll in a particular school.

Should ACPS wish to move forward with weighted student funding, Education Resource Strategies, provides a very [useful guide](#) to implementation starting with deciding if the model is right for the district. Some key questions to consider are, “What role does [weighted student funding] play in my broader strategy for improving student outcomes? How do I expect resources to shift as a result of [weighted student funding]? Which schools may gain resources and which schools may lose resources?” (Education Resource Strategies, 2014).

### **Funding Models considering Mental Health**

Funding for mental health for students comes in a variety of ways, from state, local, and federal funds. One way that ACPS receives funds for students is through Medicaid reimbursement.

EAB did not send any funding models that specifically consider mental health as a category, although one could reason that Special Education services for students may include mental health services. Specific strategies that support mental health were emerging in significance before the pandemic and now may be another important subset of strategies to consider to close opportunity and achievement gaps.

During the COVID-19 pandemic, a number of strategies were put in place to begin to address mental health in ACPS schools including adding counselor positions at each school, piloting the DESSA (the Devereaux Student Strengths Assessment) which will serve as a universal screener for mental health for students, SEL positions were given to schools, and a Mental Health Coordinator position was implemented and hired.

School districts can allocate a portion of their budget for school mental health funding. This could be through principal discretionary dollars, through staffing positions or programs, or even through the new foundation. If the Board decides to pursue a weighted funding model, specific weights can be developed for Special Education students by type/disability. Research suggests that school divisions should identify funds from the school, local, state, and federal level that are being used to support the comprehensive school mental health system and then bring together diverse agencies and organizations to strategize about opportunities to work together to support students ([National Center for School Mental Health](#), 2020).

### **Conclusion**

The differentiated funding model that Albemarle County Public Schools is using is one way to differentiate funding for students, primarily through staffing. ACPS does not have any specific data to show results of this funding model. The research does say that differentiated funding works and there are districts who differentiate funding in a variety of ways. The key to closing achievement gaps lies in identifying those achievement and opportunity gaps using equity needs assessments and then deploying evidence-based solutions for remediation. Each school will require differentiated support as each student requires differentiated instruction. The state of Virginia has identified several categories for districts to focus on concerning equity and many of these can be found in the new strategic plan.

### **Potential Next Steps**

1. Identify and prioritize strategies to close gaps in the new strategic plan and support those strategies through purposeful funding.
2. Consider weighted student funding models and provide direction to staff.



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