



October 21, 2015

## California Students can Excel and Guarantee the State's Future Success through Investment Model Developed by San Diego Unified School District

### *A Vision for San Diego Unified's Schools and California's Future*

California can prepare virtually all of its students to succeed in school and the workplace through targeted strategies, according to an investment model developed by San Diego Unified School District. With this approach, the academic rigor and creative entrepreneurship needed for solving the state's looming crises – such as climate change, competing in a global economy, and sustaining our high quality of life – is within our grasp.

After years of deep budget cuts at the state level, it may be difficult to re-imagine what adequate funding can mean for our students, especially those who face barriers to success that are often out of their or their families' control. Imagine a classroom and school environment that clearly demonstrates to families, business partners, and visitors that our students have adequate and meaningful resources, from classroom supplies to safe and highly efficient instructional facilities to teachers and support staff. What would this look like?

In a typical first grade classroom, one would see 20 students working collaboratively in small groups as the teacher works with individual students who need additional support or coaching. At high-needs schools, one would see no more than 17 first graders in a classroom. One would see classroom libraries, fully stocked with grade-level books for students, and cabinets stocked with classroom supplies and materials, sufficient for every child.

All elementary schools are staffed to ensure students have access to fundamental instructional programs including the arts, sciences and world languages. There would be staff dedicated to building capacity among the instructional team to support English Learners, and enhance work with mathematics and literacy. The schools would also have resources dedicated to parent education and support, and additional clerical support to better serve families.

From elementary to middle to high school, all sites would have access to a full time librarian and a full time nurse. All schools would have at least one full time counselor dedicated to supporting students; two at the secondary level and three for high-needs schools.

By creating academic, physical, and social environments worthy of our students we equip our schools with what is required to close the achievement gap and prepare our diverse, multi-lingual student population to be actively literate, contributing members of society. These are the students California will rely on to solve future challenges; to invent technologies that mitigate the impacts of global warming and climate change; to become leaders of innovation in the medical or legal fields; and who will be civically-motivated lifelong learners interested in improving the lives of others.

To achieve this vision and turn successful data-driven pilots into full-scale programs across all schools, San Diego Unified and California public schools must be funded at a robust level to meet the state's expectations, and to serve all students while providing them with the skills and knowledge needed to succeed in today's society and to maintain California's advantage in this global economy.

## EXECUTIVE SUMMARY

The mission of the San Diego Unified School District is that *all San Diego students* will graduate with the skills, motivation, curiosity and resilience to succeed in their choice of college and career in order to lead and participate in the society of tomorrow.

To achieve those goals and prepare students for today's competitive global economy, the San Diego Unified Board of Education has developed a focused, long-term plan for student achievement, [Vision 2020](#), a community-based school reform plan that engages parents, staff, students and community members.

In October 2014, the Board of Education approved a plan for the Board and the Superintendent to collaborate on the development of a *long-term advocacy plan for robust funding*. The goal of the plan is to develop a high level estimate of the funds that would be needed to fully implement the goals of Vision 2020, and the goals for student achievement outlined in the district's [Local Control Accountability Plan](#) (LCAP). Examples of these additional investments include:

- The cost of fully implementing class size reduction; scaling up high school programs for a full range of college and career preparation options for all students;
- Additional support for English learners;
- A broad range of professional development opportunities for new and veteran teachers;
- The expansion of arts programs; and
- Other strategies designed to enhance student achievement and close the achievement gap.

Further development and enhancement of these programs is based on the community input accumulated during the development of the district's LCAP, consistent with the goals of the Local Control Funding Formula to provide accountability by showing community members and local stakeholders what the district plans to achieve with their tax dollars.

### **Recent History of State Funding for K-12 Education**

When Proposition 98 was approved in 1988, California voters confirmed in California's Constitution that public education is the top priority for state funding. Two explicit educational goals were at the heart of Proposition 98: first, that California's annual per-student expenditures would equal or exceed the average annual per-student expenditures among the top 10 states across the nation, and second, that average class sizes in California would be equal to or less than the average class size of the top 10 states with the lowest class sizes.

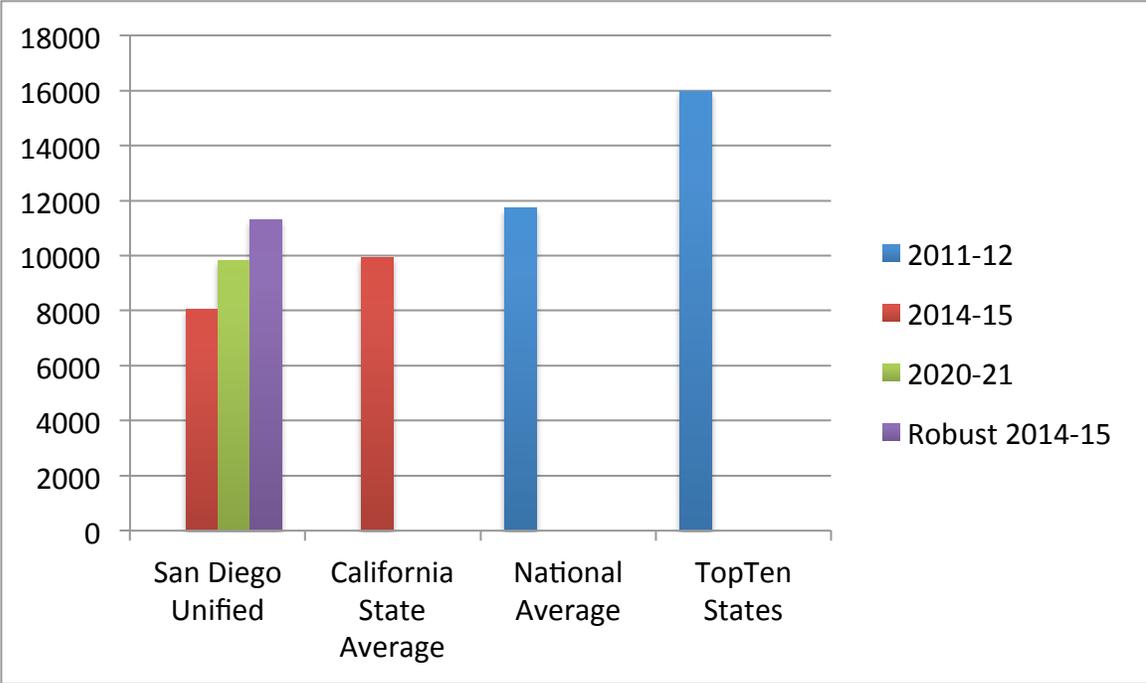
More than 25 years following the adoption of Proposition 98, the state remains far from achieving that goal. According to the Education Week *Quality Counts* 2015 survey results, the average per-student spending for the top 10 states in the country was at \$15,967, yet California's K-12 per-student funding in the 2015-16 fiscal year is an average of \$9,942.<sup>1</sup> To reach the annual per-student expenditures of the top 10 funded states in the country, California would need to invest an additional \$6,025 per student. California even trails behind the national average in per-pupil spending of \$11,735. When it comes to

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<sup>1</sup> Legislative Analyst Office, [Proposition 98 Analysis](#), June 19, 2015

class size, the National Education Association’s most recent rankings from 2012 showed California had the highest number of students enrolled per teacher in public elementary and secondary schools. At that time, California’s average number of students per teacher was 24.9, much higher than the national average of 15.9. The state is failing to meet its constitutional target and promise to the voters.

Figure 1: Comparison of Per-Pupil Spending Over Time



With the adoption of the [Local Control Funding Formula](#) (LCFF) in 2013, California directed increased resource’s to the state’s neediest students and restored local control over how funding is spent on schools. Under LCFF and the [2015 Budget Act](#), it is projected that funding for schools will be restored to 2007-08 funding levels over an eight-year period, by 2020-21, adjusted for cost-of-living-adjustments. While this investment from the state has allowed many school districts to restore programs and make investments in programs to enhance student achievement and equity, it remains generally recognized that K-12 education is significantly underfunded in California.

As California moves towards higher expectations for student learning and continues to implement more rigorous academic standards and new assessments, it is critical that school districts and county offices of education be provided with the financial resources and support necessary to graduate all students college and career ready – for San Diego Unified, to achieve the goals inherent in Vision 2020.

**Existing Research on Robust Education Funding**

According to [research conducted by WestEd](#), a California nonprofit research, development and service agency, adequacy funding formulas begin with the base cost of education and then adjust for student characteristics, such as poverty level, English language status, and special education needs, among other

factors; district size and character; and geographic cost differences.<sup>2</sup> Then defining and quantifying components of success such as education strategies and staffing positions are figured into the formulas.

WestEd found that Western states face special challenges in calculating the base cost of a robust education. Western states have a long history of funding schools at a lower level than those in the Midwest and East. For example, Arizona, California, Nevada and Utah are high-wealth states that rank near the bottom in national per-pupil funding. WestEd points to an assumption that may not be valid that schools in these states can reach ambitious goals for all students by mainly reallocating existing resources. These states face soaring enrollments and growing diverse student populations. California has one of the nation's largest student populations of English learners and child poverty.

The American Institutes for Research (AIR) [professional judgment study](#) from “beating the odds” schools outlined the resources necessary for providing children a robust education, in accordance with performance standards.<sup>3</sup> The study concluded a 53 percent to 71 percent increase was needed for all schools to reach robust funding levels. The calculated increase in annual spending, using 2007 figures, was estimated at \$24.1 to \$32 billion in additional funding for K-12 schools. Most of the increased costs came from extending the school day or school year, hiring more teachers to reduce class sizes, hiring more specialists to work with special needs students, and professional development for educators.

The 2007 California project, [Getting Down to Facts](#), from Stanford University and overseen by Dr. Susanna Loeb, included 20 separate studies that covered every aspect of education finance.<sup>4</sup> The funding cost studies overall conclusion was that California's education system is substantially under-funded, but that funding increases must be accompanied by major governance reforms.

## ***Purpose for Defining Robust Funding***

California's current investment in education ranks 46 in the nation despite a commitment towards restoring funding to public education.<sup>5</sup> The lack of robust funding toward K-12 education is widely acknowledged, and while in-depth funding adequacy studies have been conducted, the results have been largely overlooked and not addressed. Through the lens of San Diego Unified, this investment model demonstrates the significant improvements to the classroom that would be afforded for our schools should public education be funded at an acceptable level.

The tool is intended to help calculate the funding needed from Sacramento and to assist California school districts demonstrate what is needed to properly invest in students and classrooms to all but eliminate the achievement gap. In San Diego, the investment model highlights the estimated costs of education based on realistic expenditures aligned with the district's educational objectives, allowing San Diego Unified to take to scale smaller initiatives that have been proven to be successful in closing achievement gaps to ensure each and every student will graduate high school career and college ready, and be vital future leaders for California.

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<sup>2</sup> WestEd, [From Equity to Adequacy](#), July 2000

<sup>3</sup> American Institute for Research, [Efficiency and Adequacy in California School Finance: A Professional Judgment Approach](#), March 2007

<sup>4</sup> [Getting Down to Facts: A Research Project Examining California's School Governance and Finance Systems](#), March 2007

<sup>5</sup> Education Weekly *Quality Counts* 2015, January 8, 2015.

## ***Description of the Investment Model***

Since December 2014, a cross-functional team of San Diego Unified's operational and instructional leaders have been collaborating with the finance department to develop a model that defines the appropriate academic support systems and the classroom environment that are needed to ensure success for all students to graduate college and career ready. This investment model highlights staffing and cost projections, divided between the current reality for our school district using the 2014-15 fiscal year as a baseline (labeled "Current") and what the more appropriate scenario would be if K-12 public education was funded at a robust level (labeled "Adequate"). The investment model is not designed to reflect every cost incurred by a school district. For this reason, areas that would not change the current funding level are not reflected. For example, in the current model, the assumption is that every school has a principal. With robust funding, we do not expect to increase the number of principals. Therefore, a line for principals is not included in the model.

The model is programmed in Excel for ease of data calculations and is divided into four categories: elementary, middle, high schools and a districtwide summary of the costs. Cost estimates were provided for both "basic" schools and "high need" schools, defined as the elementary school sites with the highest concentration of poverty which require additional support services for students with the greatest academic needs. Each school level worksheet is designed to reflect a specific school in the district for transparency as to where additional dollars would be allocated. The final worksheet in the model calculates the difference between the Current and Adequate funding levels, and is referred to as an "opportunity" or "investment gap" to illustrate the additional estimated minimum funding needed in the classroom to support student learning in San Diego Unified.

It is important to note that there were several operational costs that were ***not included*** in the calculations as noted on the districtwide worksheet to maintain focus on robust supports in the classroom. For example, school districts require additional funding to cover operational costs associated with keeping a school open, including but not limited to: deferred maintenance, new construction and modernization of school facilities, electricity and custodial needs. These and other important cost considerations would have required a deeper level of analysis to produce a comprehensive review of a district's budgets.

We acknowledge that these costs are not included so that it is clear that the Opportunity or Investment Gap could be significantly higher if all of these costs had been taken into consideration. While a calculation or cost estimate is not provided, sufficiently funding these costs could result in the tens of millions or hundreds of millions more. For a list of other operational costs that were not included in the calculation, please see Appendix A.

## ***Summary of Key Investments to Support Student Achievement and Close the Achievement Gap***

While we are conservative with the calculations, the purpose is to provide examples of the additional investments that are needed in the classroom and the type of support systems students need to receive a well-rounded education. The purpose of the spreadsheet is to highlight robust funding. The investment model is designed to highlight changes that would be accomplished with additional resources at a robust funding level. For example, San Diego Unified does not currently have the

resources to place a literacy specialist, math specialist or English Learner support teachers at every elementary, middle or high school.<sup>6</sup> With robust funding, San Diego Unified would invest in one full-time equivalent (FTE) for each of these categories at every school across the district to support capacity building in the classroom.

**Summary Results Tables<sup>7</sup>**  
*Results are listed as Full Time Equivalent (FTE)*

<b>Class Size<sup>8</sup></b>	<b>Current (2014-15) Ratio</b>	<b>Robust Ratio</b>
TK-3 (basic elementary)	25.5:1	20:1
TK-3 (high need elementary)	24:1	17:1
4-6 (basic elementary)	32.13:1	25:1
4-6 (high need elementary)	32.13:1	20:1
Middle School (basic)	30:1	25:1
High School (basic)	30:1	25:1

<b>Fundamental Programs<sup>9</sup></b>	<b>Current (2014-15)</b>	<b>Robust</b>
Arts (basic and high need)	-	1.0
Sciences (basic and high need)	-	1.0
Physical Education (basic and high need)	0.7	1.0
World Language (basic and high need)	-	1.0

<b>Sample Student Support Services</b>	<b>Current (2014-15)</b>	<b>Robust</b>
Nursing (basic and high need elementary)	0.2	1.0
Nursing (basic middle)	0.2	1.0
Nursing (basic high)	0.4	1.0
Counseling (basic and high need elementary)	0.3	1.0
Counseling (basic middle)	1.0	2.0
Counseling (basic high)	2.3	3.0

<b>Clerical Support<sup>10</sup></b>	<b>Current (2014-15)</b>	<b>Robust</b>
Elementary (basic)	2.0	3.0
Elementary (high need)	2.0	3.0
Middle (basic)	4.5	5.0
High (basic)	4.0	7.0

<sup>6</sup> For current funding, all Resource Teachers are listed under Literacy Specialists.

<sup>7</sup> For more detailed results, including breakdown of projected costs, please see the Executive Summary. The results are calculations for general education classrooms only and do not include an analysis for the robust resources required by special education classes.

<sup>8</sup> Class Size is based on allocation, which approximates the goal to keep actual class sizes at 20 to 1 for grades TK-3 and 25 to 1 at grades 4-6.

<sup>9</sup> For current funding, preparation time assumes a Physical Education assignment.

<sup>10</sup> Clerical support includes 1.0 FTE library/media/central support.

Under supplemental support services, the district would provide parent education support at every elementary school, and would provide 80 additional hours of additional instructional time at every school.

Based on this analysis, San Diego Unified's results show that the district would require an additional \$350 million in funding per year to properly fund schools and increase investments in the classroom. On a per pupil basis, this would translate to an additional investment of \$3,250 per student. Since a calculation or cost estimate is not provided for several operational costs and additional academic programs, sufficiently funding these costs could result in the tens of millions or hundreds of millions more above this investment gap. For example, by the time an employers' contributions to the state's teacher retirement systems reaches 19.1 percent in 2020-21, San Diego Unified is projected to pay an additional \$55 million per year compared to what the district currently spends. This projected increase would be above and beyond the \$350 million in the projected investment gap and was not included as part of the calculations in order to focus on the classroom needs.

### ***Call to Action***

In order to increase student achievement and support a competitive workforce, a larger financial investment needs to occur not only to minimally restore past funding reductions to schools, but to move California to the national average in per pupil funding.

While the passage of Proposition 30 provided temporary relief from California's severe budget deficit, and the Local Control Funding Formula (LCFF) fundamentally changed the way the state allocates resources to schools by targeting additional funding to students that require additional supports or interventions, neither Proposition 30 nor LCFF addresses the fundamental problem of insufficient funding nor do they provide a long-term solution to California's funding needs.

This investment model intends to provide a local perspective on the additional investments that are needed to provide robust and challenging classroom environments for all students, and attempts to answer the question on defining "robust funding" for the classroom. However, an outstanding question on how the state will generate additional revenues for K-12 public education remains. A first step is for the Legislature to convene informational hearings as soon as possible to begin considering a long-term plan to invest in public education to finance the future California needs that does not depend on year-to-year temporary solutions.

At the local level, other school districts across the state could complete the investment model using their own vision for their schools. School districts who complete the model could also use these estimates in conversation with local stakeholders, parents, teachers and community members.

**Appendix A: Potential Increased Costs and Additional Educational Strategies  
Not Included in Investment Model Calculations**

- Extra student learning opportunities (preschool, transitional kindergarten, extended day academic programs)
- Professional development to build the capacity of teachers and principals
- Common planning time and teachers
- Full-time master teachers to work with classroom teachers
- Ongoing implementation costs of California State Standards and Next Generation Science Standards
- Academic intervention programs
- Special education
- Administrators
- Technology improvements, hardware and software
- Expansion of course offerings in Career Technical Education
- Routine and deferred maintenance
- Utilities
- Custodial and other facilities costs
- Home-to-School Transportation
- District support overhead
- Nutrition Program
- Employee Compensation
- Higher employer contributions for employee retirement (CalSTRS and CalPERS)
- Health care costs
- Negotiated salary increases as a result of future collective bargaining