

PROPOSED RECOMMENDATIONS TO IMPROVE THE CURRENT RESOURCE ALLOCATION SYSTEM (RAS)



DECEMBER 2018

Resource Allocation Advisory Committee (RAAC)

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OVERVIEW

In 2018, the Resource Allocation Advisory Committee (RAAC) was created by Houston ISD's Interim Superintendent of Schools, Dr. Grenita Lathan, to make recommendations on the current school funding model. The RAAC consists of Houston ISD principals, parents, community leaders and staff who met twice a month to learn about HISD's current funding model for schools and make recommendations to Cabinet and the Board of Education. There are 41 people on RAAC and nine were appointed by the current school board. The contents of this document will capture the findings, recommendations and strategies HISD leadership can leverage to improve the existing funding model at all 281 HISD campuses.

The RAAC had to work within a set of restrictions, including:

The extreme likelihood of limited resources and additional budget cuts, given HISD's recapture situation and the growing payments to the state.

- The possibility of no new money, either from the state or local sources.
- The strengths, opportunities, weaknesses and threats (SWOT) of the current Per Unit Allocation model for funding HISD schools.
- The definitions of "equity," "adequacy" and "essential" as the drivers of student needs in the classroom.
- The 88 small schools HISD operates, which currently require a school subsidy under the Per Unit Allocation (PUA) model.
- The 119 magnet programs pulling students from their neighborhood school and causing neighborhood school erosion.
- The decline of student enrollment.
- The image of HISD in the greater community.

CONTEXT

Between January and March of 2018, Houston ISD received a large amount of criticism from the public for announcing a Full-Time Equivalent (FTE) or staffing model as the proposed funding structure for all HISD schools. The proposed FTE model would have replaced the longstanding Per Unit Allocation (PUA) model which allocates a standard funding amount "per student" and inclusive of weights associated with special populations. The public's criticism of the FTE model came from a variety of stakeholder groups, including parents, business leaders and principals. The District's proposed timeline for implementing the FTE model was the 2018-19 school year and was perceived as unreasonable and detrimental.

The articulated purpose of the FTE model was to redistribute funding between all HISD schools to ensure each campus had a standard set of personnel and services in their building, regardless of size or program offerings.

The FTE model was proposed by the previous administration to provide equitable services to campuses with lower enrollment and inadequate learning outcomes.

At the time, HISD was projecting a \$200 million budget shortfall for the upcoming school year – a worst case scenario given the looming million recapture payment in 2018-19, existing budget deficit and Hurricane Harvey recovery. That budget proposal included major departmental cuts, reduced services, layoffs and significant budget cuts to schools.

Simultaneously, HISD was also proposing significant changes to the District’s magnet or school choice programs. One component of the magnet proposal was to improve equity by taking funds from magnets with double and triple funding per student and reallocating those dollars to magnet programs with inadequate resources. Negative criticisms by the public were compounded by the school communities of some schools whose magnet funding would be affected. These criticisms played out in all forms of media, particularly social media outlets. The magnet and FTE proposals combined drew criticism from similar groups of stakeholders.

Lastly, beyond the funding model and magnet proposals, the District was also facing a state takeover or campus closure of 10 struggling schools, also known as the Superintendent’s Schools. The 10 Superintendent Schools were Kashmere High School, Worthing High School, Wheatley High School, Henry Middle School, Woodson K-8, Blackshear Elementary School, Mading Elementary School, Highland Heights Elementary School, Wesley Elementary School and Dogan Elementary School.

To stave-off sanctions for two years and receive additional state funds (up to \$1,800 per student), the HISD Board and Administration proposed partnerships or Senate Bill 1882¹ plans for the Superintendent Schools. Community meetings were held during the initial months of 2018.

Given the community’s reaction to the above challenges and proposals, the RAAC was created by Interim Superintendent Dr. Grenita Lathan to provide a more meaningful community voice. The Administration is open to recommendations from the public and views the community as a critical partner in the decision-making process of reimagining HISD.

¹ Senate Bill 1882 passed in the 2017 Texas Legislative Session to incentivize innovation between school districts, non-profits, institutes of higher learning and charter schools. House Bill 1842 passed in the 2015 Texas Legislative Session to “force the hand” of superintendents and school boards to turnaround low-performing schools. House Bill 1842 says if one school is “improvement required,” or IR, for five or more consecutive school years by August 15, 2018, the Commissioner of Education must close the campus or appoint a board of manager to replace the current elected school board.

VISION STATEMENT

The RAAC debated a number of issues pertaining to the current funding model for campuses. However, recommendations to improve the current funding model also require a fundamental understanding or vision behind those recommendations.

1. Priority: Site-based decisions are critical to student performance. Principals and Site-Based Decision Making Committees (SDMCs) must be able to decide what services and positions are best for their individual campuses, based on community feedback and the unique social emotional and learning needs of the children for which principals are responsible.
2. Priority: Strong student growth and progress across all regions of the district makes HISD more competitive. Parents will choose HISD and keep their students in HISD, if performance is impressive. We must get that right and put student outcomes first. The district must prepare students for college and career throughout their matriculation in all HISD schools.
3. Priority: HISD's marketing and communication plan must effectively and publicly underscore our district's innovation, family options, and strengthen parent empowerment. HISD's success will be measured by how its stakeholders (staff, students, families, and partners) articulate benefits and attributes of working in or being a family in HISD.
4. Priority: HISD must demonstrate its investment in social services and wrap-around supports for all campuses. Local partnerships are key in educating the whole child.
5. Priority: HISD must improve the overall student and parent experience across the district. Schools must be safe (physically and emotionally), conducive for learning (facilities), and welcoming environments that provide timely and accurate information to parents. Central office must provide the necessary supports for schools and their individual communities with understanding and timely responses.

EXECUTIVE SUMMARY

The RAAC was created by Dr. Grenita Lathan, HISD's Interim Superintendent, to create a forum for the public and HISD principals to recommend changes to HISD's current Per Unit (or Student) Allocation model (PUA) for all HISD schools. The RAAC met from August to November of 2018 with staff support from the Administration.

The RAAC consists of 18 HISD principals, 9 appointees from trustee districts, 1 District Advisory Committee appointee, 1 appointee from the Houston Education Research Consortium (HERC) appointee, 6 appointees from HISD departments, 2 District Administrators, 1 Houston Federation of Teachers appointee, 1 HESP appointee, 1 Teacher Congress appointee and 1 academic researcher.

RAAC's deliberations were complex, multi-faceted and difficult. Time constraints would not allow for some issues to be resolved or fully debated. This executive summary includes a brief explanation of the RAAC's areas of agreement on several key issues.

- The HISD Board should define equity.
- Magnet programs, and "separate and unique" schools should be reviewed.
- HISD should redistribute existing funds despite the likelihood of winners and losers at the campus level.
- The District must guarantee essential services, such as academic and mental health counselors and maintain existing supports (interventions, wrap-around services and nurses) for every campus.
- The District should pursue new revenue sources either local (Tax Ratification Election/local partnerships) or state sources.
- HISD should seek to understand causes for decreasing enrollment and accordingly tailor re-imaging and marketing efforts as needed to improve enrollment in under-enrolled campuses.
- Under-enrolled schools should be closed, consolidated and/or facilities repurposed to increase enrollment. Closing and consolidating schools is a long-term proposal/last resort and should not be instituted in the 2018-19 school year. Planning (which includes demographic studies) and thorough review should begin immediately.
- HISD should consider a hybrid model, inclusive of PUA and FTE concepts.

FINDINGS

Defining Terms: What is Equity?

The initial RAAC meetings began with the group debating their definitions of words like “equitable,” adequate” and “essential.”

HISD staff provided the dictionary definitions of the following terms:

- Equitable: Dealing fairly with all concerned. —Fair, Just, Objective.
- Adequate: Sufficient amount of money to meet needs. –Sufficient, Enough, Satisfactory.
- Essential Personnel: Staff members necessary to meet basic student needs.
–Basic, Necessary, Important.
- Opportunity: Favorable circumstances; a good chance for advancement or progress.
- Support: To promote the interests or cause of. –Bolster, Stand, Reinforce
- Service: Contribute to the welfare of others. –Assist, Benefit, Boon

In response to the dictionary definitions, the RAAC members provided their personal definitions of each term. Some examples for “equitable” include:

Equitable

- “Finance model developed with consideration to the unique needs of campuses, as well as students. Impartial and just balance of power without prejudice or outside influences based upon factual information.” – RAAC Member
- “The certainty that all students have equal access to supports, services and opportunities regardless of size of school.” – RAAC Member

Note: The RAAC heavily debated the appropriate definition of equity but could not come to a consensus without Board guidance. They wanted to make sure their definition of equity aligned with the Board’s definition.

Strengths, Opportunities, Weaknesses and Threats (SWOT) of the Current PUA Model

After confirming definitions, the RAAC discussed the SWOT analysis of the current PUA model. RAAC spent the most time discussing the current funding model’s weaknesses.

STRENGTHS:

- Provides school principals flexibility and autonomy to decide which positions and services are most essential based on the critical and/or unique needs of their student population
- Keeps spending closest to students and allows money to be used for interventions.
- Fosters a spirit of innovation for their individual school programs that best fits their community

WEAKNESSES:

- Because funding is driven by enrollment, the PUA model does not adequately address campus programming for under-enrolled school resulting in the utilization of small school subsidies. There is no consistent method of addressing economies of scale that impact the campus.
- There are economically disadvantaged funding inequalities/Inequities for high need schools.
- The current weights under the PUA model may not adequately provide resources for high needs, economically disadvantaged students on all campuses.
- There is not an adequate methodology to assess the effective allocation of funds.

OPPORTUNITIES:

- Schools receive the needed resources to meet their unique needs (ie. Site Based Allocation of Resources).
- Expand/Enhance the perception of district innovation and autonomy for campus planning that responds to the needs of individual communities.
- Establishes a culture of autonomy, flexibility, adaptability, and innovation in comparison to other school districts.
- Adequately fund all schools and making the tough decisions to be equitable.

THREATS:

- HISD students leaving for charter and private schools.
- Recapture payments to the state.
- Loss of confidence and trust from the community and parents, this results in parents either moving or looking for alternatives for their children's education
- The lack of affordable housing with a centralized community effort. (after school care, health care, and wrap-around services).

What School Budgets Currently Cover and What Central Office Covers

| EXPENDITURE | CAMPUS | CENTRAL | BUY BACK SERVICE |
|--|---------------|----------------|-------------------------|
| Athletic equipment at campuses | X | | |
| Athletic equipment at stadiums | | X | |
| Athletic stipends and extra days | X | | |
| Athletic uniforms | | X | |
| Athletics games and playoffs* | X | | X |
| Band instruents | X | | |
| Band uniforms | X | | |
| Bilingual stipends | | X | |
| Critical Shortage stipends | | X | |
| Crossing Guards | | X | |
| Custodial (positions and supplies) | | X | |
| Department Chair stipends | X | | |
| Field trips | X | | |
| Police Officers | X | X | |
| Special Education stipends | | X | |
| Special Education Teachers and Aides | | X | |
| Special Education supplies / substitutes | X | | |

| | | | |
|-----------------------------------|---|---|---|
| Substitutes-Daily | X | | |
| Substitutes-Long-Term | | X | |
| Transportation to and from school | | X | |
| UIL academic activities* | X | | X |

*Campuses purchase packages. The program is centrally managed.

Other Takeaways

- Experienced plant operators should work at older school buildings because they are more knowledgeable about the maintenance needs for those facilities. The complexity and sophistication of newer buildings is equally specialized.
- To respond to the consequences of increased school choice at HISD, a proposal was made to keep all or part of the PUA funds at the student’s zoned school instead of the school they transfer to. HISD staff did the runs for this proposal and determined it was even more inequitable than the current PUA model.
- The RAAC understands certain HISD schools are small by design because of their programming. These schools are typically at capacity. However, HISD’s continual operation of under-enrolled schools is unsustainable with the financial challenges we face as a school district. The small school subsidy is still not enough. And from a facility perspective, HISD operates 88 small or under-enrolled schools. The number of under-enrolled schools has doubled in 20 years. Many of HISD’s under-enrolled schools are near other under-enrolled schools.
- A school consolidation or closure proposal must be well thought-out and not solely based on numbers. To see where HISD’s 88 small, under-enrolled schools are located, the RAAC was provided with a map of all schools under 50% capacity (based on student enrollment). HISD’s under-enrolled schools are in depressed neighborhoods with generational poverty.

RECOMMENDATIONS

From August to November of 2018, the RAAC held a series of meetings. RAAC's final recommendations include the following ideas:

Basic Services: What's Essential at Each School

HISD staff worked with RAAC to model the essential services and positions at elementary, middle and high schools. The RAAC was able to provide a proposed list of essential services and personnel that is fundamental to every campus.

| ESSENTIAL SERVICES/POSITIONS | E | M | H |
|---|---|---|---|
| Academic Advisement-Counselor | | | X |
| Administrative Assistant | X | X | X |
| Appropriately staffed teachers at grade levels (Bilingual) | X | X | X |
| Assistant Principal(s)/Deans- size, program, and population-based | X | X | X |
| At Risk Coordinator (Dropout prevention) | | X | X |
| Behavior Intervention Specialist* | X | X | X |
| Business Manager | | | X |
| College, Career and Military Readiness (CCMR) Advisors | | | X |
| Certified librarian (books)/Library Services | X | X | X |
| Certified Special Educations Teacher(s)- ratio based | X | X | X |
| College Access* | | | X |
| Crossing Guard | X | X | X |

| | | | |
|---|---|---|---|
| CTE Population Based/Pathway | | | X |
| Early Reading Interventionist/Dyslexia Specialist* | X | X | X |
| Food Services* | X | X | X |
| Full day Pre-k | X | | |
| Grad Lab-Credit Recovery | | | X |
| Mental Health/ Social & Emotional Learning-Social Worker* | X | X | X |
| Music, PE, Art (Full time positions) (Theater) (Appropriate operating budgets) (Band, Sports, etc.) | X | X | X |
| Paraprofessionals | X | X | X |
| Plant Operator(s)- based on size and age of building | X | X | X |
| Principals | X | X | X |
| Psychologist* | | X | X |
| Quality Infrastructure/Facilities | X | X | X |
| Recess | X | | |
| Safety Features (Police Officer) * | X | X | X |
| School Nurse | X | X | X |
| Special Ed Department Chair | | X | X |
| Staff for quality instruction across all TEKS | X | X | X |
| Student Information Reps/Registrars (registrars at middle and high schools) | X | X | X |

| | | | |
|--|--|---|---|
| Technologist/IT | | X | X |
| Testing Coordinator | | X | X |
| TIS (Technology & Information Service) | | X | X |

- The RAAC understands the magnet program is under review by the Magnet Committee. The Magnet Committee is in the process of presenting their findings to Cabinet and the Board. Magnet programs provide a safeguard to the outward threats to the District as it relates to charter schools and private schools challenging for our student enrollment. The Magnet schools are some of the most sought-after seats. Many students from all over the district seek position not in their neighbor schools but outside their zones. This is inclusive of schools which are under the label of small schools or under-enrolled schools. However, the RAAC also understands how HISD’s 119 magnet programs and schools, including separate and unique schools without attendance zones, can impact the enrollment of under-enrolled and neighborhood schools without magnet programs. The work to address the rewards and complexities of school choice within must be thoroughly explored.
- Maintaining under-enrolled schools is unsustainable. The small school subsidy is a flawed way to keep small schools afloat. However, some schools are small by design, which is a separate topic. For neighborhood schools where families are leaving or aging out, it is unwise keep under-enrolled schools open. However, a thorough and multi-faceted analysis, by a local research institution, is required before closing or consolidating any HISD schools, especially the human element and the economic impact to each community. Closing of schools without a long-range process and community dialogue undermines public trust. More should be done to re-imagine how the school building could be used beyond traditional school use. Many ideas were explored (including the renting of available space, moving HISD administrative offices into underutilized schools, opening the unused space for needed social services) but more work is needed to fully develop these ideas.
- More specifically, some not all RAAC members believe under-enrolled or low-performing schools that have been subjected to state sanctions should be repurposed, closed or consolidated, as well.
- To maintain and improve existing services at the campus level, HISD must pursue new revenue sources, either local or state sources of funding. HISD should continue to advocate for additional state funding while doing everything necessary to improve the reputation of the institution and its leadership.

- HISD's 2018-19 student projections anticipated 213,000 students. However, in November 2019, the District's student enrollment total is only 209,900 students. The decrease student enrollment is a concern for RAAC. The District must not only confront the causal factors for decreasing enrollment, but also commit to solutions that stabilize and increase enrollment and improve governance. The RAAC learned of new charters in Houston, especially in south Houston, and HISD must remain competitive. The District must leverage its gifts and attributes as a competitive strategy. The District must develop strategies and services that can *outperform* other school options. Strategies include additional early college, specialty program options to enhance options for families. Most importantly, the district must build a reputation for focusing on student performance.
- Many of the small schools in HISD are in depressed areas with extreme poverty and neglect. HISD must work with the County, City, the business community and non-profits to revitalize low income neighborhoods and bring in resources. These partnerships must also focus on more affordable housing developments to keep families in Houston.
- Lastly, the District must re-evaluate attendance boundaries, attendance zones, area demographic trends, and choice trends district-wide on an annual basis so changes can be planned for ahead of time.

Short-Term and Long-Term Recommendations

- Short-Term: Fund essential services districtwide (i.e. academic and mental health counselors and social workers) and maintain existing supports (Interventions, Wrap-Around, Nurse).
- Short-Term: Central Office must provide thorough training, oversight, accountability, and guidance to principals, especially new principals, on how the funding model works. RAAC learned that Central Office requires small school subsidy funds to be spent on essential personnel (i.e. counselors, social workers), but funds for magnet coordinators do not come with any oversight from Central Office, so some principals use magnet coordinator funds for other services. Support and guidance from Central Office must be consistent and fair; otherwise, inequities will occur between campuses.
- Short-Term: Improve maintenance of school facilities and response time for repairs. Note: a bond is needed for older campuses for security and safety reasons. However, the District's image must improve substantially before asking the voters for a bond or tax increase.
- Long-Term: Closing and consolidating schools is a long-term solution because the existing issues at HISD will make it much harder for the community to trust the rationale behind a school closure or consolidation proposal. Therefore, this proposal should not be instituted in the 2018-19 school year, but at a later date. However, the planning for repurposing underutilized school space should begin immediately. Some schools are small by design and some are under-enrolled; therefore, the District must perform a thorough review of which schools should close or consolidate.

- Of note, the RAAC has nuanced opinions about a possible school closure or consolidation proposal. If HISD undertakes an analysis to close or consolidate schools, the RAAC recommends communication to the community well in advance, so they can work to turn the school around and boost enrollment before it closes or consolidates with another campus. HISD should also explore innovative strategies to grow enrollment or boost achievement at campuses on the proposed closure list. Many members of the RAAC believe closing or consolidating schools is the last resort. HISD must consider the “human impact” before exploring the idea. Small school subsidies function to provide additional support to under-enrolled schools, but some members of RAAC believe the long-term cost of operating 88 small or under-enrolled HISD schools is a major concern and it is unsustainable.
- In addition, as it relates to the type of funding model HISD should utilize for its schools, the RAAC was unable to fully debate or view scenarios of a Full-Time Equivalent (FTE) model or a hybrid model which would combine the PUA model and the FTE model. However, when asked, RAAC suggested a hybrid model with several caveats and others preferred the PUA model first with the hybrid model as an alternative.

Other Recommendations

- HISD should leverage partnerships with entities like Communities in Schools (CIS) where funds cover social workers and other key positions at the campuses.
- SB1882 partnerships should be explored.
- Conducting a thorough and comprehensive study for all parents in all regions of the District.
- Re-imaging efforts and marketing HISD should continue.