

# Saint Paul Public Schools

<b>Program Name:</b>	<b>Site-Based Budgeting</b>
<b>Implemented:</b>	<b>2002-2003 School Year</b>
<b>Program Type:</b>	<b>District-Wide</b>
<b>Legal Authorization:</b>	<b>School Board Policy</b>

<b>School Empowerment Benchmarks</b>		
<b>1.</b>	<b>School budgets based on students not staffing</b>	<b>yes</b>
<b>2.</b>	<b>Charge schools actual versus average salaries</b>	<b>no</b>
<b>3.</b>	<b>School choice and open enrollment policies</b>	<b>yes</b>
<b>4.</b>	<b>Principal autonomy over budgets</b>	<b>yes</b>
<b>5.</b>	<b>Principal autonomy over hiring</b>	<b>yes</b>
<b>6.</b>	<b>Principal training and school-level management support</b>	<b>yes</b>
<b>7.</b>	<b>Published transparent school-level budgets</b>	<b>yes</b>
<b>8.</b>	<b>Published transparent school-level outcomes</b>	<b>yes</b>
<b>9.</b>	<b>Explicit accountability goals</b>	<b>yes</b>
<b>10.</b>	<b>Collective bargaining relief—flat contracts, etc.</b>	<b>no</b>
<b>Saint Paul met 8 out of 10 school empowerment benchmarks.</b>		



## I. Program Overview

Saint Paul public schools enrolls 40,228 students. The student demographics are 30 percent African American, 29 percent Asian, 25 percent Caucasian, 13 percent Latino and 2 percent American Indian. In Saint Paul, 69 percent of students qualify for the free or reduced lunch program and 43 percent are students whose home language is not English.

Saint Paul public schools are in a period of declining enrollment. There are 6,000 fewer children living in Saint Paul since 1999 and charter schools are now competing for public school enrollment.

In 2002, Saint Paul began a discussion around site-based budgeting because schools were looking for more autonomy and the district felt that better budget decisions could be made closer to the children. It also became obvious that some schools were funded at different levels than others for reasons that could not be easily explained. The goal of the site-based budgeting initiative was to more equitably allocate resources to schools as a part of the new school funding formula.<sup>1</sup>

For fiscal year 2009 the budget philosophy is that each school site's School Comprehensive Improvement Plan (SCIP) will drive the school budget processes. Site-based management and budgeting have now been fully phased in at all schools and tied to the long-range goals adopted by the school board. They include:

### High Achievement

- To improve student achievement
- To reflect accurately the anticipated costs of meeting the identified needs of students
- To propose budgets and expend funds

in accordance with responsibility for results

- To provide schools with a common base allocation for elementary, junior high/ middle and senior high schools

### Meaningful Connections

- To involve all staff, students and community in the budget process
- To develop school budgets in accordance with the district Strategic Action Plan and the School Comprehensive Improvement Plan (SCIP)
- To develop budgets in accordance with generally accepted accounting practices, district policies and state law

### Respectful Environment

- To maintain accountability of resources by planning, controlling and evaluating the results of their use
- To maintain formulas that are transparent to the users and relevant to the changing student needs

The district funds schools using a site-based budgeting model. Funds are allocated to schools using the legally mandated state formulas and each school's student demographics. Principals work with their site councils to determine how best to use these funds, which make up about 45 percent of their budget. The remaining 55 percent of their budgets is composed of the centrally funded budgets for programs and staff. The central office programs and staffing include budget items such as special education teachers, English as a second-language teachers, custodians, utilities, property liability insurance, payroll services and financial reporting.

## II. Student-Based Budgeting Formula

In Saint Paul public schools the pupil funding formula provides revenue to schools in the form of a lump-sum allocation. This formula provides schools with a common base allocation for elementary, junior high/middle and senior high schools and more directly allocates categorical funds to school sites.

For fiscal year 2009, the schools receive \$234,416,512 in total allocations. The percentage received from each source is as follows:

General Revenue	58.6 percent
Referendum Revenue	8.5 percent
Compensatory Education Revenue	25.4 percent
Integration Revenue	3.1 percent
Title I Revenue	4.4 percent

The general revenue allocation for all schools in 2008-2009 is a minimum of \$4,900 per pupil at the elementary level, \$4,500 per pupil at the junior high level and \$4,000 per pupil at the high school level. In each case the school district has determined that this is the amount necessary to support a viable school program.

In addition to the general revenue, schools receive four other funding streams in their lump-sum allocation. Revenue from a local 2006 tax-supported referendum on a per-pupil basis, state compensatory revenue based on the number of students that qualify for the free or reduced lunch program at each school, integration funds provided by the state to create an inclusive environment for special education and Title I federal dollars, which are distributed to schools based on the number of students who qualify for the free or reduced lunch program.

## III. Autonomy

In Saint Paul, principals have discretion over about 45 percent of their school-level budgets. In the 2009 fiscal year, out of a \$516 million operating budget, 45 percent or \$234 million was allocated to schools, 27 percent or \$137 million was central office resources allocated directly to schools and 28 percent or \$144 million was use to fund central office programs at the district level.

Principals in Saint Paul public schools have discretion over hiring through a voluntary transfer process where teachers can apply to open positions every year and the school principal and the school site councils conduct interviews and make the final decision about which teacher is hired at the school level.

## IV. School-Level Management Support

Leaders from Saint Paul Public School District, Minneapolis Public School District, Minnesota Department of Education and the University of Minnesota have developed a coordinated inter-district partnership for professional development for principals called the Minnesota Principals Academy.<sup>2</sup>

The goals of the Academy are to increase current principals' capacity to provide instructional leadership that results in improved student achievement and teacher instruction in high-need schools and to improve retention of effective and experienced principals in high-need schools.

## V. School Site Councils

Principals, with support and input from site councils, make budget decisions at each

school.<sup>3</sup> Parents, staff, community members and students can participate in the school's budget development process by joining its site council. The site council includes the principal and is made up of no more than 50 percent district staff. The areas a site council can influence include school improvement plans, school reform models, staffing, mission, budget and instructional strategies.

## VI. School Choice Component

Saint Paul Public School District has a straightforward choice-based enrollment process. For elementary schools, parents go through an application process where the parents list their top three school choices for kindergarten. There is some preference given to students who live within an attendance area of each school. Saint Paul schools also include several citywide magnet and open-enrollment schools. The district has open enrollment for middle and high schools where students list two choices on an application.

## VII. Accountability

Saint Paul Public School District launched a "Shared Accountability Framework" in fall 2008.<sup>4</sup> This framework is based on the following underlying principles:

1. The Shared Accountability Framework is goal-oriented, not compliance-based, although it recognizes legal and contractual requirements.
2. The federal No Child Left Behind (NCLB) requirements are important, but not enough. We have higher expectations for student achievement as

reflected in the district's strategic plan.

3. Saint Paul Public School District is committed to supporting all of our schools and all of our departments on behalf of all our students.
4. All stakeholders play a role: the "shared accountability" model has expectations of both internal and external stakeholders.
5. The district will provide incentives, supports and interventions to assist schools and departments in their continuous improvement beyond NCLB.
6. The Shared Accountability Framework will be coherent, equitable and transparent for all stakeholders.

The Shared Accountability Framework seeks to integrate the accountability interventions for Title I and non-Title I schools. In addition, it expands accountability beyond schools to all levels of the organization including central office departments and programs.

Three major components work together to support the district's focus on student achievement and gauge its effectiveness in meeting performance expectations at all levels:

- All Schools Shared Accountability Matrix - The district's network of incentives, supports and interventions that assists schools in ensuring high achievement standards for all students. The matrix applies to both Title I and non-Title I schools.
- School and Systems Audits -A strategic, focused examination of how a school, program or department conducts itself to ensure high achievement for every student.



- Shared Accountability Expectations
  - Research-based lists of learning supports, highlighting responsibilities for individual district stakeholders: students, teachers, non-teaching staff, school administration, central administration, school board, parents/guardians and community members.

As part of the Shared Accountability Framework, the district has a transparent data center at its Web site. The data center provides multiple district-level and school-level reports. Each school receives an annual report card called the “school accountability summary.” It includes student performance data for each subgroup of students as well as trend data for each school. Each school is rated with a district performance category of excelling, meeting, progressing, static or declining. In addition, teachers and principals have access to integrated student data for research and analyses through online data tools that allow them to access all student information in one location.

### VIII. Performance Outcomes

Overall Saint Paul public school students made gains across the board on state-wide tests in 2008. Yet, the district still scores lower than state averages and struggles with large achievement gaps between subgroups.<sup>5</sup>

The 2008 overall reading proficiency rate in all grades was 51.1 percent, an increase of 3.3 percent from 2007. This compares to a state-wide reading proficiency rate of 70.7 percent, a 2.5 percent increase over last year.

The 2008 overall math proficiency rate was 44.7 percent, an increase of 3.3 percent from last year. This compares to a state-wide math proficiency rate of 60.4 percent, a 1.8

percent increase from 2007.

Overall, the graduation rate improved from 2006 to 2007. The overall graduation rate was up from 80.5 percent to 82.4 percent. The American Indian graduation rate increased by 10 percentage points and Latino, Caucasian, African American, ELL and low-income students all saw increases in this measure ranging from less than one to four percentage points.

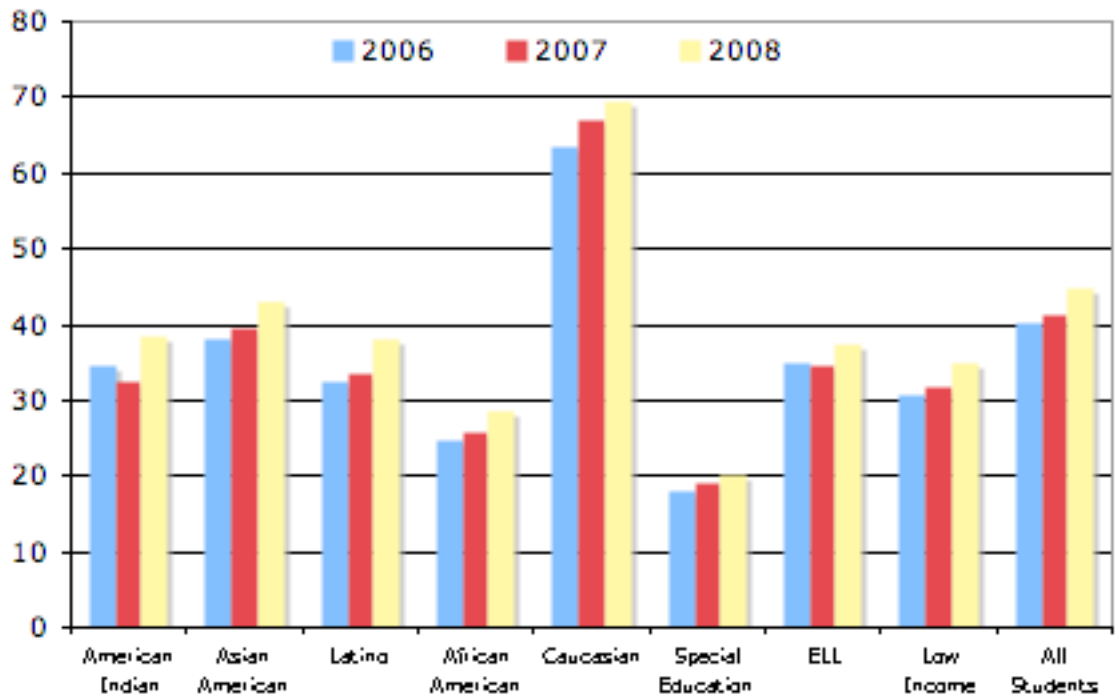
The district also saw increases in advanced placement participation from 19 percent of students taking an AP test to 21 percent in 2008; increases in students taking an honors course from 33 percent in 2006 to 40 percent in 2008 and increases in students enrolling in higher education from 58 percent in 2006 to 60.4 percent in 2007.

### IX. Lessons Learned

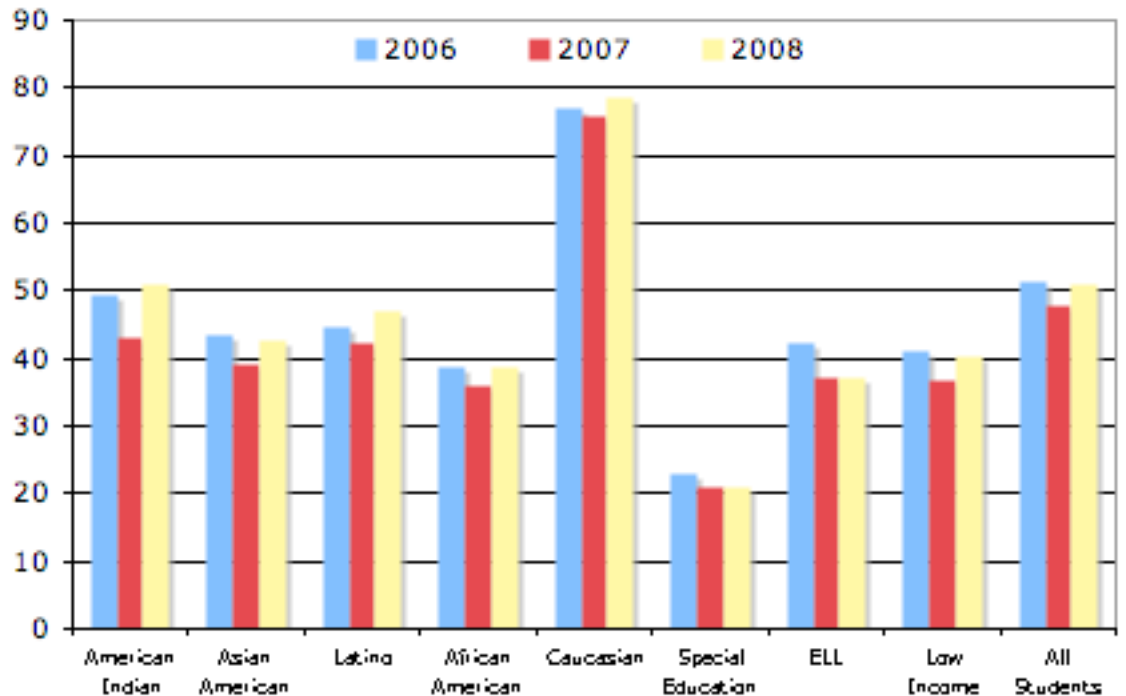
1. Saint Paul has pioneered an impressive “Shared Accountability Framework” that makes explicit the district’s performance outcomes and is goal-oriented to specific performance targets rather than compliance-oriented. As part of the framework schools receive a transparent school accountability summary on multiple performance targets and a school district rating based on those performance targets.
2. Saint Paul demonstrates that a school district can allocate resources on a per-pupil basis in the same way it receives the money from the state. The district also demonstrates that per-pupil funding for categorical programs can also be allocated to schools on a per-pupil basis in the same way the money is given to districts from the state. Districts do not have to run district-wide programs for



Saint Paul Public Schools: MCA-II Reading Percent Proficient Trend by Subgroup  
2006-2008



Saint Paul Public Schools: MCA-II Math Percent Proficient Trend by Subgroup  
2006-2008



all categorical programs required by each state or the federal government. Many categorical programs can have the funding devolved to the school level on a per-pupil basis. The challenge for Saint Paul is to move more categorical programs such as English language learners and gifted and talented into the lump-sum budget. Currently, only 45 percent of the district's operating budget is given to schools for discretionary spending.

## Resources

*2008 Annual Report*, Saint Paul Public Schools, <http://www.spps.org/sites/209472fd-849d-4015-bcbe-8839b20be25b/uploads/AnnualReport08F.pdf>.

*2008-2009 Adopted Budget*, Saint Paul Public Schools. <http://www.businessoffice.spps.org/sites/6ddf745b-fdfd-452f-8c77-a44af8055848/uploads/AdoptedBudgetBook08-09-FINAL.pdf>

*Per Pupil Funding in a Site based environment*, Saint Paul Public Schools, April 2005. [http://www.businessoffice.spps.org/sites/6ddf745b-fdfd-452f-8c77-a44af8055848/uploads/PerPupil\\_Funding.pdf](http://www.businessoffice.spps.org/sites/6ddf745b-fdfd-452f-8c77-a44af8055848/uploads/PerPupil_Funding.pdf).

*Shared Accountability Framework*, Saint Paul Public Schools, Spring, 2008. [http://accountability.spps.org/sites/f42ee0d1-1629-4940-887c-d0d839c0eedf/uploads/REVISED\\_FINAL\\_SHARED\\_ACCOUNTABILITY\\_FRAMEWORK\\_-\\_6.16.08.pdf](http://accountability.spps.org/sites/f42ee0d1-1629-4940-887c-d0d839c0eedf/uploads/REVISED_FINAL_SHARED_ACCOUNTABILITY_FRAMEWORK_-_6.16.08.pdf)

*Saint Paul School level budgets* are here: <http://businessoffice.spps.org/sites/6ddf745b-fdfd-452f-8c77-a44af8055848/uploads/AdoptedBudgetBook08-09-FINAL.pdf>

## Contact Information

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## Endnotes

1. *Per Pupil Funding in a Site based environment*, St. Paul Public Schools, April 2005, [http://www.businessoffice.spps.org/sites/6ddf745b-fdfd-452f-8c77-a44af8055848/uploads/PerPupil\\_Funding.pdf](http://www.businessoffice.spps.org/sites/6ddf745b-fdfd-452f-8c77-a44af8055848/uploads/PerPupil_Funding.pdf).
2. For more information see [http://leadership.spps.org/MN\\_Principals\\_Academy.html](http://leadership.spps.org/MN_Principals_Academy.html)
3. *What Can Site Councils Do in the Saint Paul Public Schools?*, Saint Paul Public Schools, August 2006, [http://leadership.spps.org/sites/ce2bfd41-1d6f-48fd-819e-2496a64b4920/uploads/What\\_Can\\_SC\\_Do\\_-\\_Grid.pdf](http://leadership.spps.org/sites/ce2bfd41-1d6f-48fd-819e-2496a64b4920/uploads/What_Can_SC_Do_-_Grid.pdf).
4. *Shared Accountability Framework*, Saint Paul Public Schools, Spring 2008. [http://accountability.spps.org/sites/f42ee0d1-1629-4940-887c-d0d839c0eedf/uploads/REVISED\\_FINAL\\_SHARED\\_ACCOUNTABILITY\\_FRAMEWORK\\_-\\_6.16.08.pdf](http://accountability.spps.org/sites/f42ee0d1-1629-4940-887c-d0d839c0eedf/uploads/REVISED_FINAL_SHARED_ACCOUNTABILITY_FRAMEWORK_-_6.16.08.pdf)
5. For detailed student performance outcomes see: *2008 Annual Report*, Saint Paul Public Schools, <http://www.spps.org/sites/209472fd-849d-4015-bcbe-8839b20be25b/uploads/AnnualReport08F.pdf>.