B+

Weighted Student Formula Yearbook

Poudre

by Katie Furtick & Lisa Snell

Poudre Public School District

Program Name: Student-Based Budgeting
Implementation: 2007–2008 School Year
**Program Type:** District-Wide
Legal Authorization: School Board Policy

Overall Grade: B+

| Category	Grade	Rank*
Overall Grade **	B+	5
Principal Autonomy	C	10
School Empowerment Benchmarks	D	15
2011 Proficiency Rates	A	1
Proficiency Rate Improvement	C-	10
Expected Proficiency vs. Actual	B+	4
Expected Proficiency Improvement	C	10
2011 Graduation Rates	A	1
2011 Achievement Gaps	C+	8
Achievement Gap Improvement	C	9
Achievement Gap Closures:		
■ *Internal District*	B-	6
■ *Internal District vs. Internal State*	B	5
■ *External Achievement Gaps*	A-	2

* Tied with St. Paul for "Proficiency Rate Improvement." Tied with Cincinnati for "2011 Achievement Gaps." Tied with Prince George's County for "School Empowerment Benchmarks."

** Overall grades and ranks may not equal the average of individual grades and ranks because categories are weighted differently to reflect their importance.
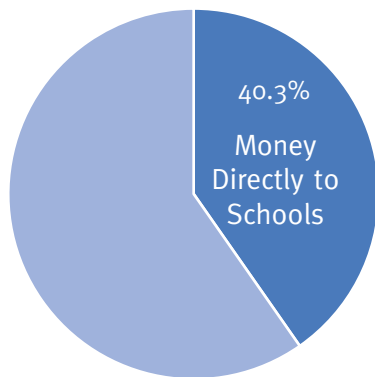
Demographics
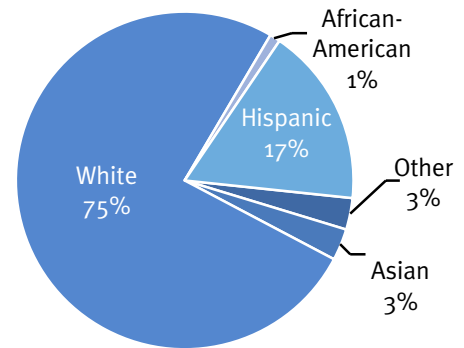
ELL/Low-Income   Non-ELL/Non-Low-Income
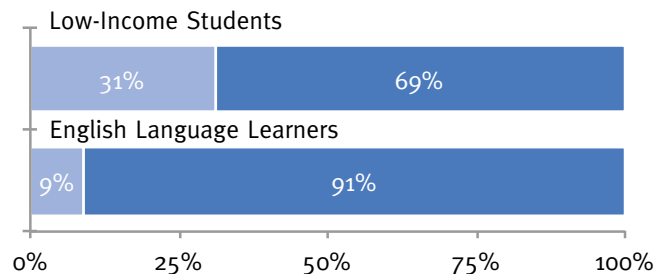
Source: 2012–2013 PSD Profile

2012–2013 Principal Autonomy

Source: PSD 2012–2013 Budget Review Committee

School Empowerment Benchmarks

School budgets based on students not staffing	Yes
Charge schools actual versus average salaries	No
School choice and open enrollment policies	Yes
Principal autonomy over budgets	Yes
Principal autonomy over hiring	No
Principal training and school capacity building	No
Published transparent school-level budgets	Yes
Published transparent school-level outcomes	Yes
Explicit accountability goals	Yes
Collective bargaining relief, flat contracts, etc.	No

PSD Met 6 out of 10 School Empowerment Benchmarks

1. Overview of Poudre's Weighted Student Formula Program

The Poudre School District (PSD) is located in Fort Collins, Colorado and has a student enrollment of 27,510 students with district student demographics of 75 percent White, 17 percent Hispanic, 3 percent Asian, 1 percent African-American and 31 percent of students participating in the free and reduced lunch program and 9 percent of students as English Language Learners.

Following a year-long district study in 2006–2007 and an in-depth discussion with principals, Superintendent Jerry Wilson implemented a new funding allocation system called "student-based budgeting" (SBB). The district had multiple characteristics that fit well with the student-based budgeting design: about one-third of students choose their school, the district had practiced site-based management for over 13 years, and the various sites have increasingly different programs based on the needs and characteristics of the students they serve.

PSD's school board adopted this more equitable, transparent, flexible, student-centered model in February 2007 to allocate funds to schools beginning with fiscal year 2007–08. SBB replaced a traditional staffing model that allocated full-time equivalent staff (FTEs) to schools. According to the Poudre School District, the SBB model will:[1]

- Increase equity in the way funds are allocated to schools, through identifying "factors" or student weights related to the cost of educating students;
- Increase flexibility for budgeting during changing conditions, such as decreases or increases in enrollment;
- Make the budgeting process easier to understand and more transparent;
- Simplify and decentralize the annual budgeting process, and
- Focus funds on specific student needs.

In addition, according to Jim Sarchet, assistant superintendent of business services, PSD adopted student-based budgeting as a way to cope with declining enrollment in a more flexible manner.[2] For the Poudre School District, student-based budgeting allowed schools to align expenditures with revenue. Enrollment in the district had been flat over the past five years. The traditional district staffing model that gave schools positions based on numbers of students worked with consistent growth in student numbers, but that method was not sustainable with declining enrollment. For example, before SBB, if three schools lost five students each, it is was very difficult to reduce revenue at each school because the only way to reduce revenue was to cut one FTE position. Therefore, the district had to maintain a larger number of staff positions than was supported by student enrollment. In fact, according to Jim Sarchet, before implementation of SBB, the

district was maintaining 10 more staffing units over and above what was justified by district enrollment. However, with student-based budgeting the district can now align resources with enrollment and make financial adjustments at the school level because the school receives dollars instead of staff positions. The bottom line is that principals have more flexibility to adjust class sizes to align funding instead of not being able to make adjustments when they receive a predetermined number of staff positions.

The Poudre School District followed several steps to implement SBB.[3] First, PSD administrators appointed teams to develop a district funding model using SBB. Two committees studied numerous formula options during 2006–2007 year. These design and implementation teams of administrators, principals and parents studied successful models used around the country, studied many formula options, and made the recommendation to adopt SBB.

2. How Does Poudre's Student-Based Budgeting Process Work?

The theory of student-based budgeting is to allocate funds according to the needs of each student enrolled in a school. SBB distributes dollars, rather than staff, to schools using a "student-centric" formula, "weighting" students' funding to reflect their individual educational needs and the cost to serve them. SBB is based on the idea that dollars follow students. Unlike the past formula, schools have more predictable, consistent parameters for their budgets, along with more autonomy for targeting funds.

The following student weight or educational need factors are now a part of the PSD formula:

- **At-Risk –** based on students who qualify for the federal free lunch program, an indicator of poverty.
- **English Language Learners (ELL) –** students whose primary language is not English.
- **At-Risk and ELL –** students identified as being both at-risk and ELL
- **Grade K-3 –** continues PSD philosophy of reducing primary grade class sizes
- **Gifted/Talented** – for accelerated student academic opportunities
- **Geographic –** factor for isolated areas, such as PSD's three mountain schools
- **Size –** funds smaller schools that typically cannot enjoy efficiencies realized from larger enrollments

Table 1: Poudre School District 2012–2013 Student Funding Formula

		K–12th	Supplemental K–3rd
	Base Allocation	$3,433 1.00	$481 0.140
	Free/Reduced Lunch	$687 0.20	
	English Language Learners	$687 0.20	
	Both ELL and Free Lunch	$858 0.25	
A+	Gifted and Talented	$343 0.10	
	Geographic (Mountain Schools)	$2,763 0.8050	
	Small Schools (Range Varies)	$0.00 – $687 0.00 – 0.20	

3. How Much Autonomy Do Poudre Public Schools Enjoy?

There are two ways to view school-level autonomy. First, autonomy at the school site can be evaluated by budget discretion—what proportion of funds is sent to the schools versus retained at the district level? Second, one can evaluate by planning discretion—how much control over staffing and programmatic offerings do principals have?

The letter grade given to school districts in the *Weighted Student Formula Yearbook* indicating the level of autonomy over school budgets is based on the percentage of yearly operating funds that are allocated to the school level. The higher the percentage of operating funds allocated to the school level, the greater budget autonomy the principal enjoys.[4]

Combining both unrestricted and restricted operating funds, Poudre schools received 40.3 percent of funds through student-based budgeting allocations. This is about the average percentage of the budget that is given directly to schools relative to other school districts in the *Weighted Student Formula Yearbook*, giving PSD a "C" in principal autonomy.

In terms of autonomy over hiring, principals are bound by the collective bargaining agreement that restricts hiring based on seniority and other staffing rules.

4. How Does Poudre School District Support Principals?

Poudre School District did not have a specific principal support system beyond the normal supports that the central office provides principals through the business service office.

5. The Site-Based Management of Poudre Public Schools

Poudre School District uses site-based management to help principals make effective budget decisions. The school board policy requires a site-based shared decision-making group to be established at each school to hold open, publicized public meetings on a quarterly basis throughout the school year. This group acts at the discretion and direction of the principal or site leader. The site-based shared decision-making group is comprised of three to five parents and/or community members, classified staff, teachers, administrators and (when appropriate) students.

The principal is accountable for both the implementation and results of his or her site-based decisions. This includes the school site's compliance with all applicable federal, state and local laws, district policies, regulations and administrative guidelines, district contracts (including employee agreements) and district budgetary restrictions.

6. The School Choice Component of Poudre's Weighted Student Formula Program

Poudre School District's school choice program allows families to select the schools that best meet their children's educational needs. Parents may register their child to attend a school outside their neighborhood attendance area on a space-available basis. Round-trip transportation is the responsibility of parents. Approximately one-third of students choose to attend a school other than their neighborhood school.

Poudre School District implemented an online process for school choice applications beginning in the 2009–2010 school year. The process provides parents the opportunity to complete and submit their application from the comfort of their own home and eliminates the need to take the application to the school and/or schools where they are applying. Other benefits of the online system include providing parents the opportunity to apply for multiple schools with one application.

PSD's annual school choice deadline is generally the last Friday in January for grades 6–12 and the second Friday in February for grades K–5 for the following school year.

Families can still submit applications after the above deadlines during the second consideration application period. During the second consideration application period, applications will be considered at the time they are received.
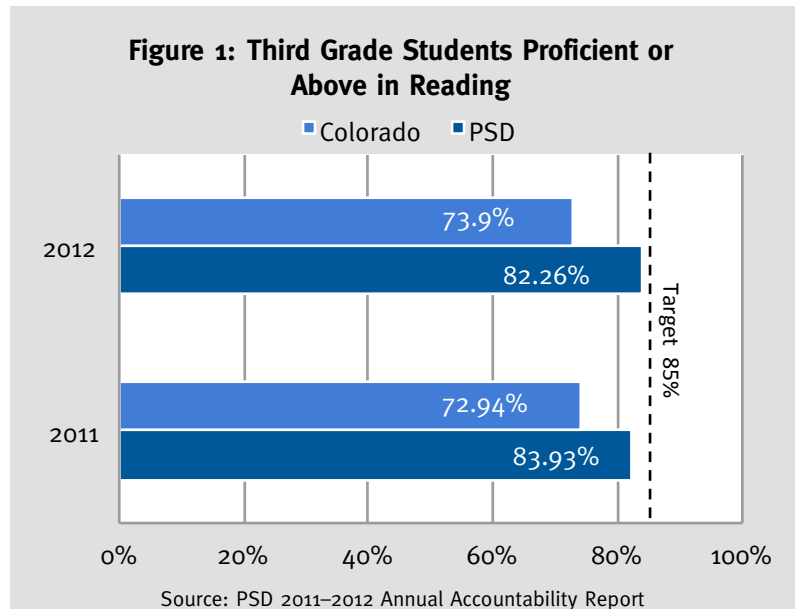
7. Initiatives to Increase School-Level Accountability at Poudre Public Schools

Poudre School District has several district-wide accountability goals that are outlined for every school in the district. Poudre School District reports annual progress in a district accountability report and requires every school to produce an annual school improvement plan to address district goals and areas for improvement.

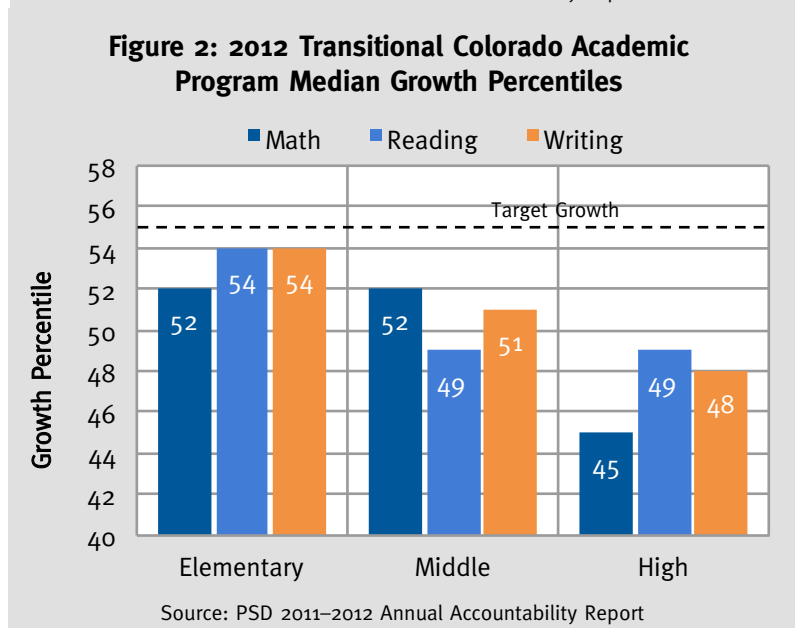### Goal 1: Students achieve 3rd grade reading proficiency

- **Target:** 85 percent proficient and above as a mid-range goal toward a long-term goal of 90 percent proficient for all schools.

Figure 1 shows PSD's percentage of 3rd grade students proficient or above in reading in the 2011–2012 school year compared to Colorado.

Figure 1: Third Grade Students Proficient or Above in Reading

Colorado   PSD

2012: 73.9% (Colorado), 82.26% (PSD)
2011: 72.94% (Colorado), 83.93% (PSD)

Target 85%

0%   20%   40%   60%   80%   100%

Source: PSD 2011–2012 Annual Accountability Report

Goal 2: Students achieve annual academic growth

- **Target:** Meet or exceed the statewide 85th percentile with a median growth percentile of 55 relative to other districts with at least 500 students included in the calculations.

- **Target:** Each PSD school will meet or exceed the 85th percentile relative to other schools at the same level statewide with K–8 median of 62 and 9–12 median of 57.

Figure 2: 2012 Transitional Colorado Academic Program Median Growth Percentiles

Math   Reading   Writing

Target Growth

	Math	Reading	Writing
Elementary	52	54	54
Middle	52	49	51
High	45	49	48

Growth Percentile

Source: PSD 2011–2012 Annual Accountability Report

- **Target:** School improvement plans will identify interventions and strategies to meet targets.

Figure 2 shows Poudre's 2011–2012 academic growth percentiles for math, reading and writing among elementary, middle and high school students.

Goal 3: Students prepare to become post-secondary ready

- **Target:** 92 percent of students graduating complete a postsecondary, AP or IB course.
- **Target:** Percentage of students meeting ACT College Readiness Benchmarks will meet or exceed 77.5 percent in English, 55 percent in mathematics, 65 percent in reading and 47 percent in science. In 2012, PSD met 75 percent in English, 58 percent in reading, 51 percent in math, and 38 percent in science.
- **Target:** 61 percent of 8th grade students will complete Algebra 1 or higher. In 2012, 60 percent of 8th graders completed Algebra 1.
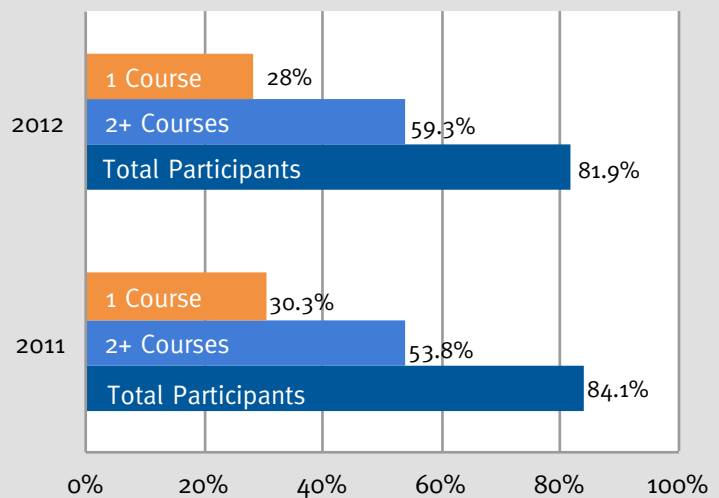
Figure 3 shows the percentage of students that took post-secondary courses in the 2011–2012 school year.

Goal 4: Students experience successful transitions between grades

- **Target:** The average attendance rates for all school levels will be at least 95 percent.
- **Target:** By 2013, PSD dropout rate will be less than 0.7 percent.
- **Target:** By 2012, PSD graduation rate will be at least 85 percent.
- **Target:** Fewer than 23 percent of PSD graduates will be assigned to remediation when entering Colorado Public Higher Education.

Figure 4 shows PSD's dropout rate from 2008 to 2011. Figure 5 shows the district's four-year cohort graduation rate in 2011 and 2012 compared to Colorado's state average.

Figure 3: Post-Secondary Course Participation

2012
- 1 Course 28%
- 2+ Courses 59.3%
- Total Participants 81.9%

2011
- 1 Course 30.3%
- 2+ Courses 53.8%
- Total Participants 84.1%

Source: PSD 2011–2012 Annual Accountability Report

Figure 4: PSD Dropout Rate

Target 0.7%

2008 2009 2010 2011
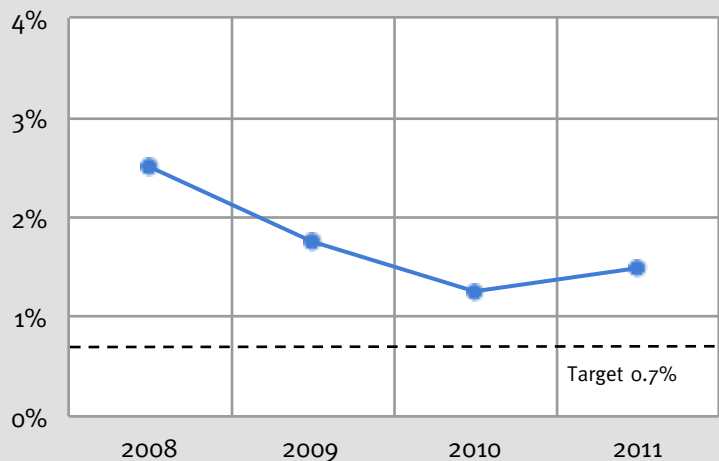
Source: PSD 2011–2012 Annual Accountability Report

Figure 5: Four-Year Cohort Graduation Rates

Colorado ■ PSD   Target 85%

2011: Colorado 73.8%, PSD 84.0%
2012: Colorado 72.5%, PSD 82.4%
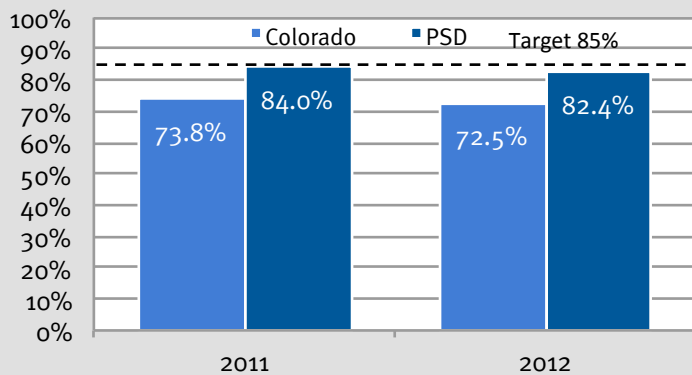
Source: PSD 2011–2012 Annual Accountability Report. Note: Four-year cohort graduation rates only include students who graduated four years after entering 9th grade. This calculation does not include students who did not graduate "on time" or who received a GED.

8. Performance Outcomes at Poudre Public Schools

While compiling this *Weighted Student Formula Yearbook*, Reason Foundation conducted an analysis to determine how the school districts that have adopted a Weighted Student Formula are performing relative to other districts in their state, and relative to each other.

Reason's analysis grades 10 performance metrics. Scores are determined by comparing the school district in question—in this case Poudre—with other school districts in the same state (Colorado, in this instance), and sorting them into a decile ranking. Based on the school district's decile rank within its own state, the analysis then compares it with the other districts studied in this *Weighted Student Formula Yearbook*. Finally, this analysis assigns the studied school districts a grade based on how they measure up against one another. This analysis also grades and ranks studied school districts on two other measures: the number of school empowerment benchmarks the district has reached, and the degree of autonomy principals have over school budgets. In determining the grades on these two measures, districts are compared only with the other districts covered in this *Yearbook*. A detailed explanation of the methodology used to determine performance metrics and grading can be found in the methodology chapter of the *Weighted Student Formula Yearbook*.

Student proficiency rates, as determined by standardized state tests, and student enrollment data were used to calculate the following:

- 2011 proficiency rates;
- Improvement (average change) in proficiency rates from 2008 to 2011;
- Expected versus actual proficiency rates;
- Improvement in expected proficiency from 2008 to 2011;
- Achievement gap, and
- Each of three achievement gap closure metrics.

Poudre School District proficiency rate data were obtained from the Colorado Department of Education SchoolVIEW data lab reports on state, district and school performance.[5] Elementary, middle and high school

student proficiency rates in reading, mathematics and science derive from Colorado Student Assessment Program (CSAP) test results.

The analysis also discusses student achievement including 2012 proficiency rates, but 2012 data were not included in the analysis because in many school districts the data were not yet available at the time of analysis. Therefore, 2012 student achievement is mentioned, but not compared relative to other school districts in Colorado and in the *Weighted Student Formula Yearbook*.

Graduation rates were collected from Data.gov based on adjusted cohort graduation rates at the school level for school year 2010–11 (most recent data available).[6] Four-year adjusted cohort graduation rates are calculated by state education agencies in accordance with U.S. Department of Education regulations on ESEA, Title I, published in 2008. Adjusted cohort graduation rates are reported for each school as a whole and for key sub-groups of students.

To find district graduation rates from the available school-level graduation rates, this analysis averaged graduation rates across schools, weighted by the total number of students in each graduation cohort at each school. It also calculated average district graduation rates overall and for three sub-groups (African-American, Hispanic, and low-income students).

The grade given for school empowerment benchmarks is based on 10 benchmarks determined to be best practices within existing weighted student formula programs, and recommendations of other studies on student-based budgeting.

The following sections expand upon each graded category by highlighting areas in which PSD performed exceptionally well relative to other districts in Colorado, and to other districts in the *Weighted Student Formula Yearbook*. This analysis also discusses areas in which PSD has fallen behind or could use improvement.

Student Achievement

Poudre School District has the highest relative 2011 proficiency rates of all other school districts in the *Weighted Student Formula Yearbook*. Overall, PSD proficiency rates are above average relative to all other Colorado school districts. The district is among the top

Category	Grade
2011 Proficiency Rates	A
Proficiency Rate Improvement	C-
Expected Proficiency vs. Actual	B+
Expected Proficiency Improvement	C
Graduation Rates	A

20 percent of Colorado school districts for 2011 mathematics and reading proficiency rates among middle school students. Among elementary school students, PSD is among the top 30 percent and 20 percent of districts for 2011 mathematics and reading proficiency rates.

Figure 6 shows 2011 proficiency rates in Poudre School District compared to the state average (excluding PSD).
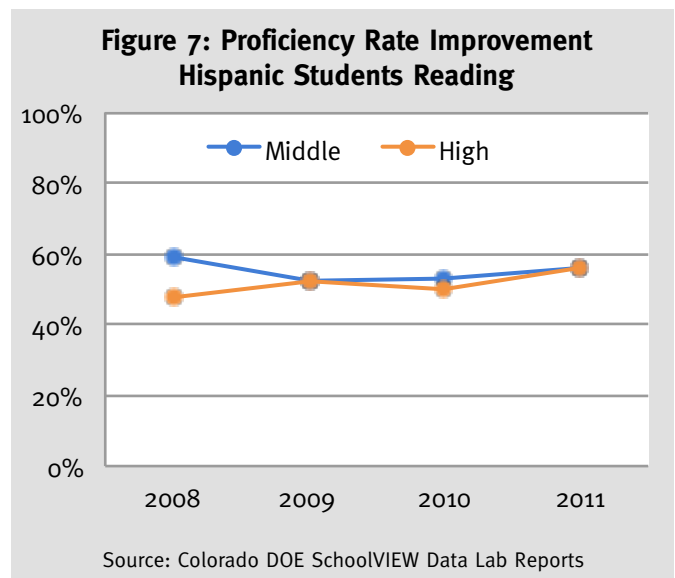
In 2012 82.3 percent of Poudre School District 3rd grade students reached reading proficiency—very nearly reaching the accountability goal of 85 percent proficiency.

Figure 6: 2011 Proficiency Rates

Source: Colorado DOE SchoolVIEW Data Lab Reports
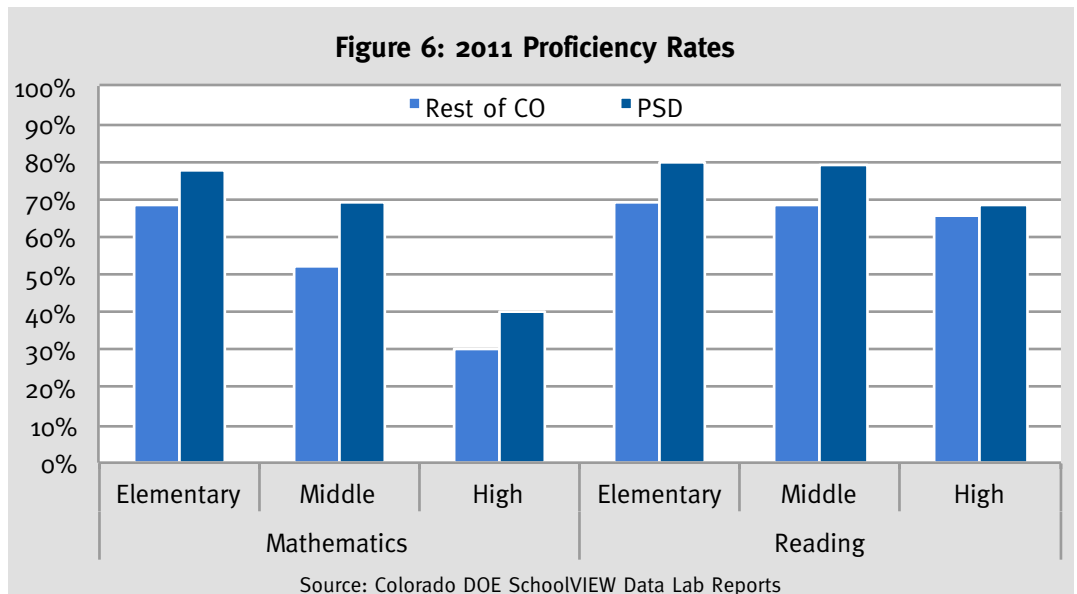
Disaggregated by student group, PSD's Hispanic students are also high-performing. In 2011 proficiency rates among Hispanic students were above average relative to the rest of Colorado school districts in reading at every grade level, and in mathematics at the middle and high school level. Proficiency rates among African-American students could not be calculated due to the low population of African-American students enrolled in Poudre School District.

PSD Hispanic high school students are among the fastest improving school districts for reading proficiency in Colorado. Despite already impressive high school reading proficiency rates among Hispanic students, PSD is still one of the fastest improving school districts in this category, shown in Figure 7.

Poudre School District received a low grade for improvement in proficiency rates due to ceiling effects. This means that, because PSD is already high-achieving relative to other Colorado school districts, it is more difficult to make sizable improvements year to year in proficiency rates.

Figure 7: Proficiency Rate Improvement Hispanic Students Reading

Source: Colorado DOE SchoolVIEW Data Lab Reports

Poudre School District's 2011 expected mathematics proficiency rate among middle and high school students was among the top 30 percent and 40 percent of all Colorado school districts, shown in

Figure 8. The predicted proficiency rate was determined for each Colorado school district, controlling for the percentage of low-income students at each grade level. This student population was taken into account because generally school districts with a higher low-income student population perform worse than school districts with a small low-income student population. By controlling for the percentage of low-income students in each school district, this analysis predicted what proficiency rates "should have been" based on outcomes of all Colorado districts. If the predicted proficiency was below actual proficiency rates, a school district is performing above expected.
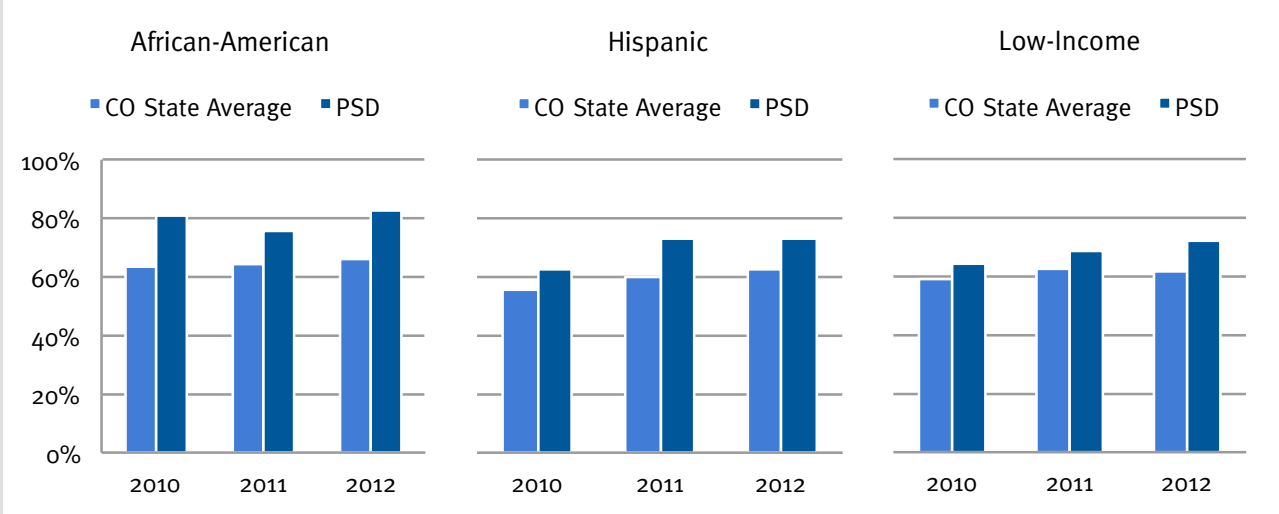
Figure 8: 2011 Expected Proficiency Rates – Mathematics

Source: Colorado DOE SchoolVIEW Data Lab Reports
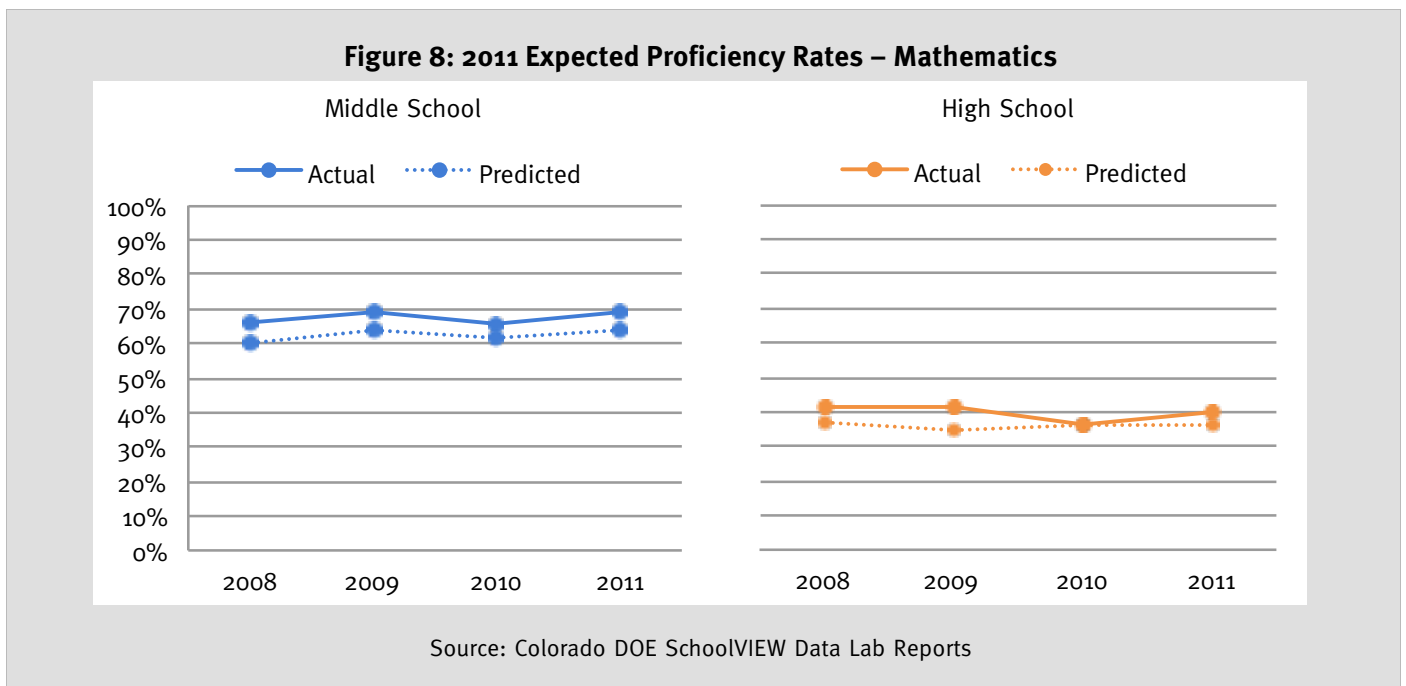
Poudre School District has the highest 2011 graduation rate ranking of all districts discussed in the *Weighted Student Formula Yearbook*. PSD's 2011 average graduation rates among African-American and Hispanic students were in the top 30 percent of all Colorado school districts. In 2012 the district's African-American students missed the target graduation rate of 85 percent by just 2 percent. Also, overall and among low-income students, PSD was among the top 40 percent of Colorado school districts for their 2011 graduation rate. PSD's four-year cohort graduation rate from 2010 to 2012 is shown by student group compared to that of the Colorado state average in Figure 9.

In addition to being well above the state average, from 2010 to 2012 graduation rates have increased each year overall and among African-American, Hispanic, and low-income student populations.
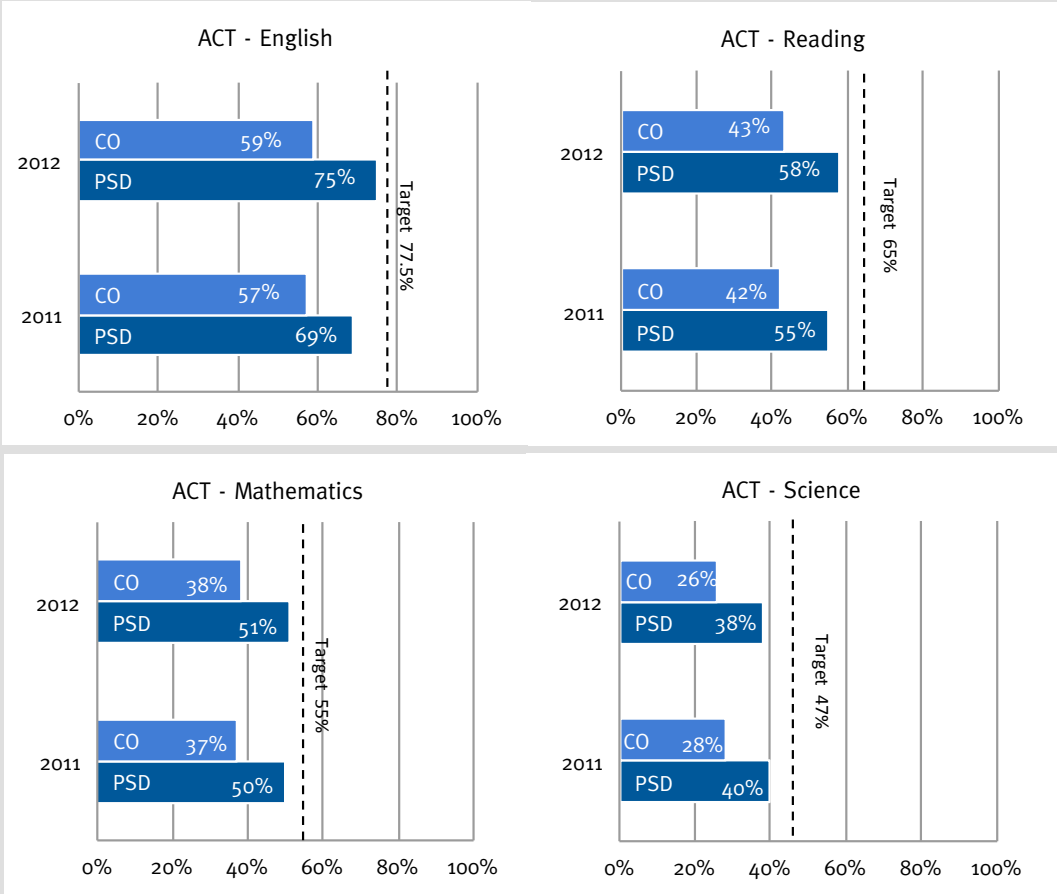
In line with the district's accountability target for post-secondary readiness, PSD high school seniors have far surpassed the state for their ACT scores in English, reading, mathematics and science. Further, from 2011 to 2012 students have improved their ACT scores in each of the four school subjects tested.

Figure 9: Four-Year Cohort Graduation Rates

African-American

■ CO State Average ■ PSD

Hispanic

■ CO State Average ■ PSD

Low-Income

■ CO State Average ■ PSD

Source: Colorado DOE SchoolVIEW Data Lab Reports

Figure 10: 2011 and 2012 ACT Scores

ACT - English

2012 CO 59% PSD 75%
2011 CO 57% PSD 69%
Target 77.5%

ACT - Reading

2012 CO 43% PSD 58%
2011 CO 42% PSD 55%
Target 65%

ACT - Mathematics

2012 CO 38% PSD 51%
2011 CO 37% PSD 50%
Target 55%

ACT - Science

2012 CO 26% PSD 38%
2011 CO 28% PSD 40%
Target 47%

Source: Poudre School District Annual Accountability Report, 2012

Achievement Gaps

The following three achievement gaps are measured across all grade levels (elementary, middle and high school) and school subjects (reading, mathematics and science):

Category	Grade
2011 Achievement Gaps	C+
Improvement in Achievement Gaps	C
Achievement Gap Closures:	
Internal District	B-
Internal District vs. Internal State	B
External Achievement Gaps	A-

- African-American versus White student proficiency;
- Hispanic versus White student proficiency, and
- Low-income versus non-low-income student proficiency.

Internal district achievement gaps (IDG) are measured as proficiency gaps between disadvantaged and non-disadvantaged student groups within a given district. Because internal district achievement gaps are measured for each district in the state, this analysis can rank relative size of achievement gaps across districts in the state, and assess how quickly those achievement gaps are closing from 2008 to 2011.

An achievement gap is considered to be closing if the disadvantaged student group proficiency rate is increasing faster than the advantaged student group proficiency rate.

Poudre School District has the smallest and fastest closing achievement gap between Hispanic and White high school students out of all school districts in the *Weighted Student Formula Yearbook,* shown in Figure 11. PSD is among the top 20 percent of Colorado districts for fastest closing reading proficiency achievement gap between these student groups.

However, Hispanic students' proficiency gap at other grade levels, and proficiency gaps between low-income and non-low-income students are still

Figure 11: Achievement Gap Improvement High School Reading

Source: Colorado DOE SchoolVIEW Data Lab Reports

wide compared to other Colorado school districts. Also, proficiency gaps between White and African-American students could not be measured because less than 5 percent of the student population is African-American at each grade level.

In addition to internal district achievement gaps (IDG) discussed above, this analysis also measures internal district versus internal state (ID vs. IS) achievement gaps and external district achievement gaps (EDG).

Internal district achievement gaps (IDG) are measured between student groups within the district. Internal district versus internal state (ID vs. IS) achievement gaps are measured as the district's achievement gap versus the average achievement gap of every other district in Colorado (excluding Poudre School
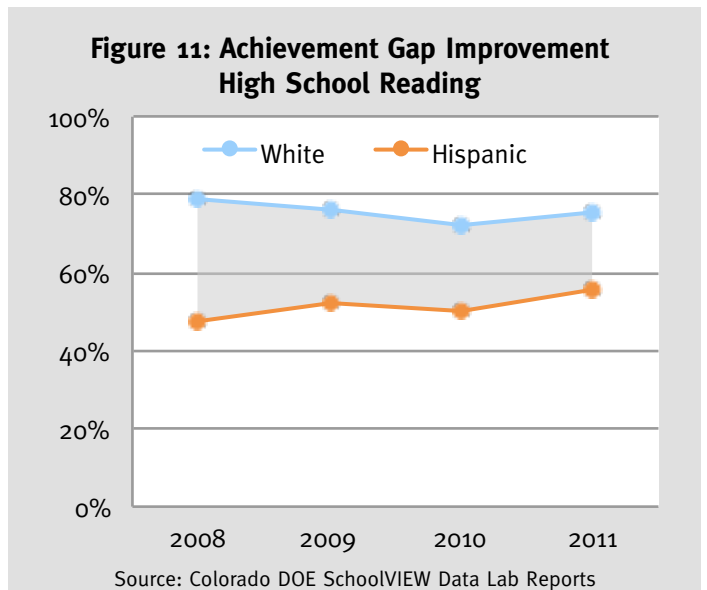
District). If a given PSD achievement gap is closing faster than that of the rest of the state, the ID vs. IS gap is considered to be closing. Finally, external achievement gaps (EDG) are measured by the difference between the district's disadvantaged student group proficiency rate and the advantaged student group average proficiency rate of all other districts in the state. External achievement gaps are considered to be closing if the district disadvantaged group proficiency rate is increasing faster than the state advantaged group. Table 2 shows which achievement gaps Poudre is closing, and which achievement gaps are not closing, given the available data.

Table 2: All Achievement Gap Closures

Achievement Gap	School Level	Subject	IDG	ID vs. IS	EDG
African-American vs. White	Elementary	Math	---	---	---
Hispanic vs. White	Elementary	Math	X	X	X
Low-income vs. Non-low-income	Elementary	Math	√	√	√
African-American vs. White	Elementary	Reading	---	---	---
Hispanic vs. White	Elementary	Reading	†	†	†
Low-income vs. Non-low-income	Elementary	Reading	†	†	†
African-American vs. White	Elementary	Science	---	---	---
Hispanic vs. White	Elementary	Science	---	---	---
Low-income vs. Non-low-income	Elementary	Science	---	---	---
African-American vs. White	Middle School	Math	---	---	---
Hispanic vs. White	Middle School	Math	√	X	X
Low-income vs. Non-low-income	Middle School	Math	√	X	√
African-American vs. White	Middle School	Reading	---	---	---
Hispanic vs. White	Middle School	Reading	X	X	√
Low-income vs. Non-low-income	Middle School	Reading	X	X	√
African-American vs. White	Middle School	Science	---	---	---
Hispanic vs. White	Middle School	Science	---	---	---
Low-income vs. Non-low-income	Middle School	Science	---	---	---
African-American vs. White	High School	Math	†	†	†
Hispanic vs. White	High School	Math	√	√	√
Low-income vs. Non-low-income	High School	Math	√	X	√
African-American vs. White	High School	Reading	†	†	†
Hispanic vs. White	High School	Reading	√	---	√
Low-income vs. Non-low-income	High School	Reading	†	†	†
African-American vs. White	High School	Science	---	---	---
Hispanic vs. White	High School	Science	---	---	---
Low-income vs. Non-low-income	High School	Science	---	---	---
Total Gaps Closing out of Total Available:			6/9	2/8	7/9

† Data were suppressed due to unreliability or group represented less than 5 percent of test-takers at that grade level.
– Data were unavailable.

Of the measurable achievement gap closures, PSD is closing most external achievement gaps. This means that on average, PSD disadvantaged students are increasing proficiency faster than the average advantaged students in the rest of Colorado. The district is failing to close internal district versus internal state achievement gaps where they are measurable. This indicates that, on average, other Colorado school districts are closing achievement gaps more quickly than PSD.

Areas for Improvement

PSD's middle school reading proficiency rates have stayed stagnant from 2008 to 2011 overall, and among Hispanic and low-income students, shown in Figure 12. Having little to no improvement in proficiency rates is not as much of a concern overall and among Hispanic students because PSD already has higher relative reading proficiency rates among these student groups relative to most Colorado school districts. Among low-income students, however, 2011 proficiency rates are below average (bottom 60 percent of school districts) and are not improving.

Poudre School District is failing to close achievement gaps between White and Hispanic elementary school students. Hispanic elementary school students are losing ground in their reading and mathematics proficiency rates, shown in Figure 13.

Contrary to most school districts in the *Weighted Student Formula Yearbook*, PSD is doing a better job at closing achievement gaps between advantaged and disadvantaged high school students, but doing poorly at closing achievement gaps among elementary school students. Particularly, gaps between low-income and non-low-income elementary and middle school students are wide and failing to close quickly—leaving PSD in the bottom 20 percent of school districts for these performance metrics.

Figure 12: Proficiency Rate Improvement Middle School Reading
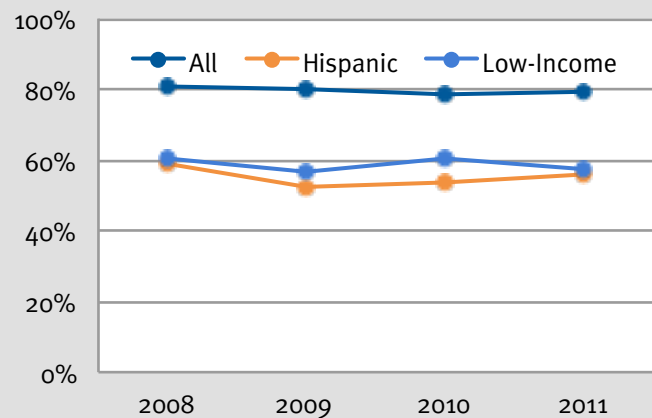
Source: Colorado DOE SchoolVIEW Data Lab Reports

Figure 13: Achievement Gap Improvement Elementary School Mathematics
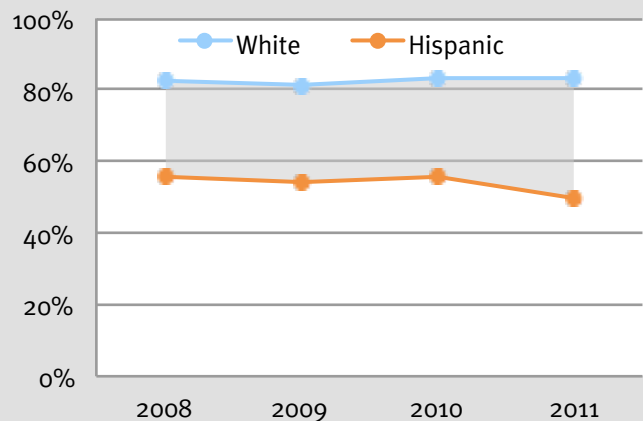
Source: Colorado DOE SchoolVIEW Data Lab Reports

School Empowerment Benchmarks

Poudre School District has reached only 6 out of the 10 school empowerment benchmarks. Relative to other school districts in the *Yearbook*, PSD is reaching few benchmarks including:

Category	Grade
School Empowerment Benchmarks	D
School budgets based on students not staffing	Yes
Charge schools actual versus average salaries	No
School choice and open enrollment policies	Yes
Principal autonomy over budgets	Yes
Principal autonomy over hiring	No
Principal training and school capacity building	No
Published transparent school-level budgets	Yes
Published transparent school-level outcomes	Yes
Explicit accountability goals	Yes
Collective bargaining relief, flat contracts, etc.	No

- Charging schools actual versus average teacher salaries;
- Principal autonomy over hiring and firing teachers;
- Principal training and school capacity building, and
- Collective bargaining relief from teachers unions.

If Poudre School District were able to charge schools actual salaries, then schools employing less-tenured teachers would receive more equitable funding. Also, if PSD principals were given autonomy over hiring and firing decisions in addition to budget autonomy, teachers would share accountability for student performance in addition to the school's principal. This would give the district's teachers the incentive to make sure that they are doing their best to educate their students. Finally, if principal training and school capacity building were available, PSD schools would have more information and be able to share best practices learned by various district principals.

9. Lessons Learned in Poudre

1. Unlike the majority of districts that have turned to student-based budgeting as a policy tool to increase equity within school districts and as a tool to help hold schools more accountable for school performance, PSD demonstrates that student-based budgeting can be a flexible and transparent tool for budgeting even in school districts with a consistent record of high performance. PSD demonstrates how student-based budgeting can be a flexible financial tool that is more effective at aligning enrollment with resources. In Poudre School District, student-based budgeting is better at allocating resources to individual schools than the previous staffing model.

2. Poudre School District's student-based budgeting program offers a transparent method to examine the cost of maintaining small schools. PSD used student-based budgeting to determine the costs of schools of different sizes. Student-based budgeting makes it transparent how much small schools may need to be subsidized and the additional resources necessary for a district to support small schools.

3. Poudre School District demonstrates that the school choice process can be managed with online customer-oriented technology that allows families to apply to multiple schools without having to visit a district office or individual school sites to turn in multiple applications. The online choice process offers parents and the district a more efficient method to manage school enrollment.

Resources

- *Annual Accountability Report 2011–2012*, Poudre School District, http://www.psdschools.org/webfm_send/2065.
- "Background and Rationale for Student Based Budgeting," Poudre School District, https://www.psdschools.org/documentlibrary/downloads/Superintendent_Office/Initiatives_06-07/Initiative_2-New_SE_Elementary_School/Background_and_Rationale_for_Student-Based_Budgeting.pdf.
- "New PSD Budgeting Process Increases Equity, Transparency," Poudre School District, http://www.psdschools.org/documentlibrary/downloads/Superintendent_Office/Initiatives_07-08/Small_Schools_Study/Student_Based_Budgeting_Description.pdf.
- Poudre School District Student Based Budget Review Committee, Agenda, May 31 2012, http://www.psdschools.org/webfm_send/1081.
- Small Schools Study, Poudre School District, Prepared by the Small Schools Committee, May 2008, http://www.psdschools.org/documentlibrary/downloads/Superintendent_Office/Initiatives_07-08/Small_Schools_Study/Small_Schools_Study_Final_Report.pdf.

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Endnotes

1   "New PSD Budgeting Process Increases Equity, Transparency," Poudre School District, http://www.psdschools.org/documentlibrary/downloads/Superintendent_Office/Initiatives_07-08/Small_Schools_Study/Student_Based_Budgeting_Description.pdf.

2   JoAn Bjarko, "School Budgets Changing," *North Forty News*, March 2007, http://www.northfortynews.com/Archive/A200703schoolBudgets.htm.

3   "Background and Rationale for Student Based Budgeting," Poudre School District, https://www.psdschools.org/documentlibrary/downloads/Superintendent_Office/Initiatives_06-07/Initiative_2-New_SE_Elementary_School/Background_and_Rationale_for_Student-Based_Budgeting.pdf.

4   The methodology used for determining principal autonomy is explained in detail in section 2 of the methodology chapter of this *Weighted Student Formula Yearbook*.

5   http://www.schoolview.org/performance.asp.

6   U.S. Department of Education, EDFacts, *Adjusted Cohort Graduation Rates at the School Level: School Year 2010–11,* https://explore.data.gov/Education/School-graduation-rates/5vtz-kvrk, April 17, 2013.