

ESSA Financial Reporting Requirement

Three Action Steps to Build Equity

Under ESSA, districts must report expenditure per-pupil at the LEA and school level. The logic is that financial transparency leads to equity. But in order to ensure equity, where schools get comparable resources based on student need, stakeholders need to make sure states take the following steps:

1 Report Accurately

Work toward a rigorous and accurate method for calculating school-level per-pupil spending: *This will more likely result in more informative numbers that enable comparisons within districts and states.*

2 Communicate

Understand school-level spending differences by incorporating schools' contexts: *All differences in per-pupil spending are not driven by equity-related issues; you need to dig deeper to see what's driving the differences. Therefore:*

- Know how different school characteristics (school level, % special education, size, etc.) drive spending differences.
- Demand that data on these spending drivers accompany the per-pupil reporting.
- Seek to identify schools that are higher and lower funded only after controlling for the drivers that are unrelated to equity.

3 Expand

Track resources beyond dollars: *Per-pupil spending is only one type of resource equity. Students can be served in schools with high spending but be under-resourced in other important ways, such as course offerings, teacher and leader expertise, or extra time and support for students to catch up. Therefore:*

- Advocate for districts to track multiple dimensions of equity at the school level.
- Base equity strategy around multiple dimensions, not just per-pupil spend.