Successful School District Approach

Justin Silverstein and Dr. Amanda Brown
APA Consulting

February 12, 2026

Agenda

- Introduction of Study Team
- Overview of Methodology
- Considerations and Limitations
- District vs School Level Analysis
- Data Needed for the Analysis
- Options for Defining Success
- Commission Discussion/Input
- Next Steps and Expectations for April

STUDY TEAM

APA Team Members

- **Justin Silverstein,** Co-CEO, Project and SSD Lead
- **Dr. Amanda Brown,** Vice President, Commission Support
- **Dr. Robert Reichardt,** Senior Associate, Statistical Support
- **Michaela Tonking,** Senior Associate, Expenditure Analysis Lead
- **Jennifer Piscatelli,** Senior Associate, Policy Analysis Lead

Study Team Experience and Expertise

- Unparalleled national school finance expertise gained over the past 40 years, having conducted state-level finance studies in all 50 states including Montana
- Decades of experience in developing, refining, and applying nationally recognized cost study approaches, including:
  - Conducting a significant portion of cost studies completed in the past two decades.
  - Developing the **successful schools/districts (SSD)** approach and implementing the approach in more than 10 states.
  - Providing actionable results with funding formulas (specific components as well as entire systems) based on APA's recommendations enacted in New Hampshire, Kentucky, Louisiana, Mississippi, Ohio, Maryland, Nevada, Kansas, New Jersey, Pennsylvania, and the District of Columbia.

OVERVIEW OF THE SUCCESSFUL SCHOOL DISTRICT METHOD

Key Terms for Discussion

Base or foundation amount – the amount of funding needed for a student with no special needs in a district with no special circumstances

Special needs students – generally include special education, at-risk or economically disadvantaged, and English Learner students (For MT, this term includes American Indian students)

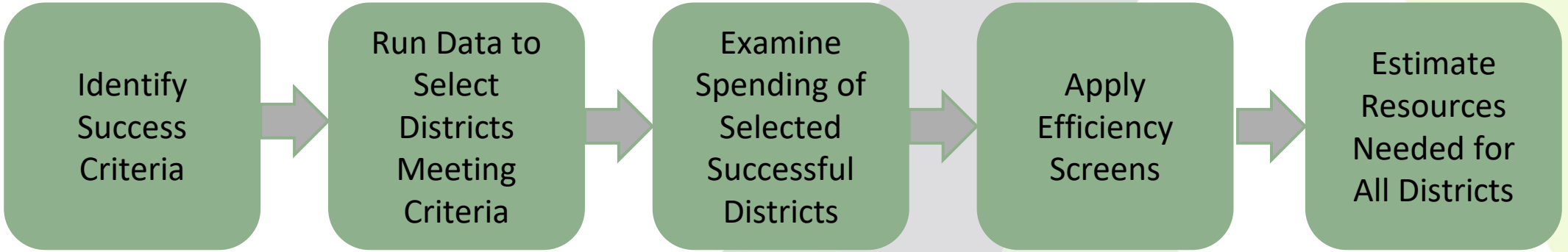
District circumstances – can include district size, small and/or isolated schools, and differences in the costs districts face

Overview of Methodology

- The Successful School Districts Approach was developed by APA in the late 1990s.
  - One of four approaches that have been developed to examine the resources needed to serve students, teachers, schools, and districts
  - Data driven approach that relies on readily available data to estimate the resources needed for students, teachers, schools, and districts to meet state standards

Overview of Methodology, Continued

- **Theory of action:** a state can identify a set of "successful" districts and examine the spending of those districts to estimate the amount needed for all districts to succeed



- **Historically used to identify the base or foundation amount**, which is then adjusted for each district's unique student and district needs

CONSIDERATIONS AND LIMITATIONS OF THE APPROACH

Considerations and Limitations

- "Successful" districts or schools
  - Are not meant to be representative of the state, but instead are performing notably higher than other districts in the state
  - Enough successful districts/schools must be selected that success at the identifiable spending levels feels replicable and not due to unique circumstances in the identified districts
- *Important note: the selected successful districts/schools are not the only successful districts/schools in the state, but are those meeting a specific set of measurable goals*

Early Issues with the Selection Process

- Early criticism of the SSD approach focused on the selection of successful districts. Generally, only districts with low levels of student need met the selection criteria.
  - This was related to the fact that the focus of the approach was only on base/foundation spending. Thus, identifying low-need districts and what it took them to serve students was seen as appropriate.
- Additionally, the performance data at the time often did not provide a way for researchers to examine success for districts with higher need.

Improving the Selection Process

Initially SSD selection focused on **absolute overall performance**

- As accountability systems were refined, it allowed the process to expand the criteria used:

Many studies began to include growth as a criteria

Performance of special populations began to be included in the selection process

- Now, **multiple groups of successful districts are often selected**, those with high absolute performance and those showing growth

Early Issues with Expenditure Data

- Similar to performance data, early SSD studies faced a lack of expenditure information related to special needs populations, and analysis:
  - Focused only on the base/foundation amount and did not look at district spending
  - Did not include any examinations of efficiency
  - Generally did not compare expenditures, or expenditure patterns, of successful vs unsuccessful districts

Improving Expenditure Analysis

States began to collect more information on expenditures for special needs populations, especially special education

Analysis of expenditures now includes **disaggregating spending by area**, including at least:

- Instruction,
- Administration, and
- Operations and Maintenance

Utilizing the disaggregated expenditures, **efficiency screens** can be applied in each area as part of the SSD process

Now, the expenditures and demographics of successful and non-successful districts can be compared

Key Considerations and Limitations

- SSD studies still often identify districts that have lower levels of student need overall
  - Inclusion of growth standards and beat the odds analysis can help broaden the pool of districts
- Though the collection of expenditures by programs has grown, it is still uncommon to collect expenditures specifically for at-risk/economically disadvantaged students
- The approach does not provide detail on how successful districts spend dollars at the programmatic level

Key Considerations and Limitations, Continued

- Not all indicators of success that policymakers and stakeholders may want to include have commonly collected data to measure
  - For example, many states want to find districts that provide a well-rounded, whole child education
    - Various stakeholders can define this differently, and even with agreement there may be few data points that are collected for all districts
    - For example, it can be difficult to compare the level of course offerings available between settings

DISTRICT VS SCHOOL ANALYSIS

District vs School Analysis

- To have confidence in the results of a SSD study, **an adequate number of successful sites must be identified**
  - When a state has a limited number of districts, the approach will often be done at the school level
- School level analysis can be more difficult due to the constraints of expenditure data collection
- Montana has nearly 400 districts, but those districts are split into Elementary, High School, and K-12 districts
  - APA wants to ensure that the split will not impact the study and require shifting to a school level analysis

Current District Layout*

	Number of Districts	Minimum Enrollment	Maximum Enrollment	Average Enrollment
Elementary	227	2	11,037	374
High School	98	4	5,430	388
K-12	65	19	1,921	330
Totals	**390**	**2**	**11,037**	**370**

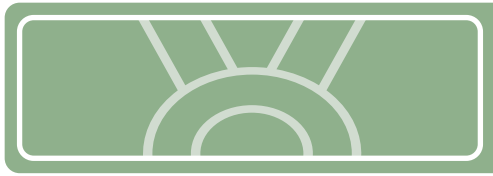
* List does not include non-operating districts

Additional District Information

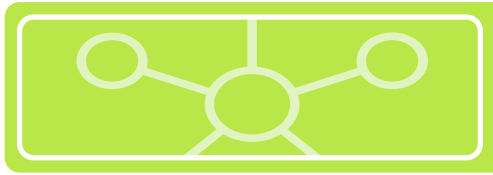
- There are many small districts in the state, which will mean some issues with suppression of data.
  - Over 100 districts have fewer than 50 students and at least 180 with fewer than 100 students
  - APA has worked in many states with small settings and will bring that experience to the work to ensure inclusion of small districts in the analysis
- Working on identifying all the elementary and high school districts that could be examined as a K-12 system.

DATA NEEDED FOR THE ANALYSIS

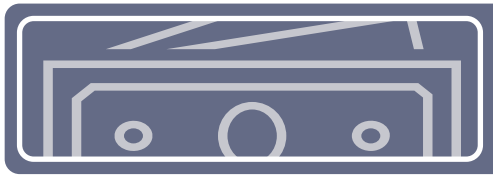
Categories of Data



Student Performance Data



Subgroup Data



Expenditure Data

Demographic Data

Staffing Data

Student Performance Data

- Performance data is needed at the district level, by student group and collected for past years.
- Montana's testing system includes:
  - MAST ELA and Mathematics grades 3-8
  - Montana Science Assessment grades 5 and 8
  - ACT with writing (measures ELA, mathematics, and science) grade 11
  - Several alternative assessments for students with significant cognitive disabilities
  - Will need to meld the MAST data with past SBAC data
- Can look at absolute performance levels and percent making progress.

Other Potential Performance Metrics

Other metrics that may be used include:
Graduation Rates
College and Career Readiness Rates
Attendance Metrics
- Attendance Rates
- Chronic Absenteeism
Climate Survey Data
- Accelerated Coursework

Subgroup Data: At-Risk / Economically Disadvantaged

- Best practice is to examine performance by special needs groups including at-risk/economically disadvantaged students
- Some schools in Montana participate in the Community Eligibility Provision (CEP) of the federal nutrition program
  - As of the 2024-25 school year, this allows schools with at least 25% of students that qualify for free/reduced price lunches to serve all students for free
- Those schools' performance data counts all students in the school in the at-risk category, meaning **total school performance** and **at-risk performance** look exactly the same
- APA has been working with staff and OPI to understand how to address this issue in the study

Expenditure Data

- District expenditure data will be used to identify the base cost/foundation figure along with examining the resources needed for special needs students
  - The analysis will look at spending categories such as instruction, administration, and operations and maintenance (O&M)
- Montana's chart of accounts includes the function and object code information needed for a deeper expenditures analysis
  - Includes program codes for some subgroups

Demographic Data

- Demographic data is used to both understand the differences in need levels between districts, and can also be used to refine the base cost/foundation calculation if details on special needs spending are not adequate
  - Demographic data will also help in the analysis of small settings, allowing the study to examine the impacts of economies of scale on the study
- Data collected will include total enrollment, special education students, English learners, at-risk/economically disadvantaged, and other Montana-specific categories as identified

Staffing Data

- A key aspect of the SSD approach is the application of **efficiency screens** after the successful districts are selected.
  - Different efficiency screens are applied to each area of expenditures
  - To run the efficiency screens, the study team will need to collect instructional and administrative staffing data for each identified successful district
  - These data are converted to ratios that allow a comparison of resource usage between successful districts

OPTIONS FOR DEFINING SUCCESS

Successful Schools Studies Since 2003

State	Year(s)	Organization Type
Colorado	Multiple	Advocacy
Maryland	2016	State
Michigan	2016	State
Minnesota	2006	Advocacy
Missouri	Ongoing	Formula
Montana	2007	Advocacy
Nevada	2006	State
New York	2004	State
Pennsylvania	2006	State
Rhode Island	2007	State
Washington, D.C.	2013	State

Approaches to Successful School/District Selection

- Almost all of the studies use some mix of absolute and growth performance
  - The application varies across states, with some using the two as separate measures, and others using them in combination
- A few states use(d) ratings on state accountability systems
  - This includes later Colorado studies, and Missouri's current funding formula
- Few of the approaches include performance of special needs populations

Studies During No Child Left Behind Era

- Studies done in the early- to mid-2000s often linked performance standards to the state's NCLB performance implementation plan
  - For example, in the 2006 Pennsylvania study the absolute standard was set at the 2011-12 targets and the growth standard was districts identified as on pace to meet the full 100% proficiency target
- A few of the studies during this time did include special needs populations, with performance of these students an aspect of absolute performance
  - These studies did not use a growth standard, likely due to limited years of data

Michigan Study (2016)

- Study looked at five different selection criteria:

Above Statewide Average

One Standard Deviation Above Statewide Average

Growth Above Statewide Average

Special Populations Above Statewide Average

Notably Successful: Met Above Average & One of the Other Three Criteria

- Used Notably Successful for final cost estimates

Missouri (Ongoing)

- Currently set part of the state's finance formula, using "Performance Districts"
- Performance Districts are any district receiving 90% of points in the state accountability system
  - Points are 70% performance and 30% continuous improvement
    - Performance includes absolute and growth scores, student readiness, and graduation rates
    - Continuous Improvement includes improvement planning, MSIP Documentation, student readiness

School- or District-Level Analysis, Percent of Population Identified as Successful

State	Level	Percent Identified
Colorado	District	~10%
Maryland	School	~5%
Michigan	District	~10%
Minnesota	District	~10%
Missouri	Ongoing	Varies
Montana	District	N/A
Nevada	School	~15%
New York	District	N/A
Pennsylvania	District	~10%
Rhode Island	School	N/A
Washington, D.C.	School	~15%

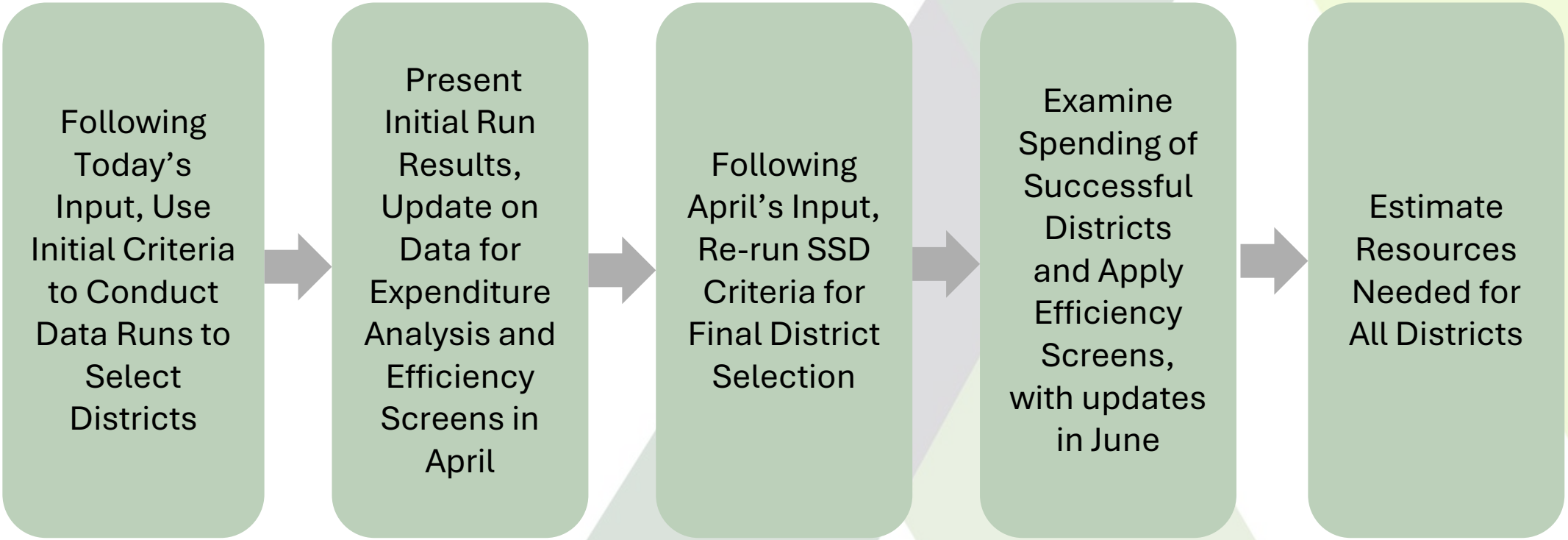
Beat the Odds Analysis

- None of the studies reviewed for this presentation included one additional approach known as a Beat the Odds Analysis.
- In this analysis, district performance and demographic data is used to identify districts that are outperforming their predicted performance.
- This approach is well suited to identifying higher need districts.
- Requires using higher level statistical analysis.

COMMISSION DISCUSSION AND INPUT

Engagement and Implementation Process

- SSD is an iterative process and Commission input is essential



Key Conversation Topics

- District vs. School Level Analysis
- Types of Analysis to Include
- Identify Criteria to Use
  - Performance Metrics
  - Non-Performance Metrics

District vs School Level Discussion

- State has almost 400 districts
  - About 40 elementary/high schools that run like a single district
  - If analyze these combine districts as a single district, still leaves about 360 districts for analysis
- Will have several very small districts in the analysis which may not have the data needed.
- APA would suggest running the analysis at the district level

Type of Analysis

- Common types of analysis include absolute performance measures and growth measures.
- APA would suggest also including a Beat the Odds Analysis.
- How should special needs students be included?
- Is the Commission open to running any of the analysis at different outcome levels for the initial set of runs?

Performance Data Discussion

- Does the Commission want to use all tests for all analysis?
  - This would mean looking at absolute and growth for all the tests
- Should other performance metrics, such as graduation rates and chronic absenteeism, be used?
  - These could be brought in as minimum standards regardless of the performance levels set later. For example, a district with a high school has to have at least the statewide graduation rate to be included, regardless of test performance

Non-Performance Data Discussion

- What are the other areas of success the Commission would like APA and staff to analyze if possible?
- These areas will likely take a review of available data points.
- Examples might be number of students in AP/IB courses or availability of CTE courses for high schools.
  - Important to note that some of these criteria may be harder for smaller settings to meet.

NEXT STEPS AND EXPECTATIONS FOR APRIL

Recap: Next Steps

- APA and staff will meet to begin to develop appropriate criteria based on today's discussion
- APA and staff will continue to refine datasets, and prior to April's meeting, initial runs will be made to identify the successful sites
  - Collaborating with OPI to finalize databases
- April's meeting will include updates on:
  - Initial runs to identify successful sites
  - Information on the level of available expenditure detail
  - Information on the metrics that can be used for efficiency screens
- Other information the Commission would like to see?

QUESTIONS?