



New York State
EDUCATION DEPARTMENT

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Every Student Succeeds Act Financial Transparency Requirement

P-12 Education Committee

April 8, 2019

What is the ESSA Financial Transparency Requirement?

ESSA requires that beginning with data from the 2018-2019 School Year, State Report Cards must include:

“The per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual nonpersonnel expenditures of Federal, State, and local funds, disaggregated by source of funds, for each local educational agency and each school in the State for the preceding fiscal year.”

What is the ESSA Financial Transparency Requirement?

Districts will report 2018-19 data in early 2020.

Reporting will be on actual expenditures

- **where possible spending will need to reflect, in full, in the school where the spending occurred**

Allowance for truly district-wide expenditures, such as the Superintendent's salary, to be identified at the district level.

What is the State Financial Transparency Requirement?

Beginning with the 2018-19 School Year budget information, 76 districts were required to submit a form developed by the Division of the Budget.

For the 2019-20 School Year, 306 districts will be required to submit a report. In 2020-21, all school districts will submit.

In 2019, selected districts with “underfunded high-need schools”, as defined by DOB, will be required to submit a report specifying how such district effectuated appropriate funding for the underfunded high-need schools.

Why is the ESSA requirement important?

It is a federal requirement

Supports:

- **Transparency**
- **Equity**
- **Accountability**
- **Local decision-making**
- **Confirmation of best practices and opportunities for improvements**

Why should we look at per pupil expenditures?

Per-pupil comparisons are an additional tool for district leaders to examine their practices and answer some key questions:

- **Do actual spending practices align with stated district goals?**
- **Is the district using its resources equitably?**
- **Are there areas where over- or underspending can be identified and reprogrammed?**

Why should we look at per pupil expenditures?

However:

Per-pupil comparisons also present challenges that SED will need to consider in developing guidance:

- **Are differences across schools, districts, or program areas properly contextualized?**
- **What role will this data play in audits by the Office of the State Comptroller?**

Potential Implementation Challenges

SED will work with stakeholders to overcome some challenges of which we are already aware:

- **Budget accounting at the school level**
- **Developing understanding in local communities about what this data does, and does not, mean**
- **Concern about accuracy and internal controls for future audits**

SED Implementation Process - Outreach

- **Beginning Spring 2017:** Participated in monthly video conferences with a multistate working group sponsored by the Edunomics Lab and CCSSO
- **Fall/Winter 2017:** Preliminary feedback sessions with superintendents, business officials, and school board members
- **April 2018:** Met with Title I Committee of Practitioners

SED Implementation Process - Outreach

- **Spring/Summer 2018:** Began ongoing meetings with officials from the Big 5 City School Districts, including in-person meetings in NYC (twice), Rochester, and Yonkers
- **Summer 2018:** Feedback from CCSSO/Edunomics on state transparency form
- **Fall 2018:** Conducted eight regional meetings across the state to present requirements and receive feedback from superintendents, business officials, and school board members (hosted by BOCES and local school districts)

SED Implementation Process - Outreach

- **Regional meeting locations:**
 - **Albany/Saratoga (joint locations)**
 - **Saranac Lake/Watertown (joint locations)**
 - **Monroe-Woodbury**
 - **Long Island**
 - **Syracuse**
 - **Batavia**
 - **Buffalo**
 - **Elmira**

Participants also completed questionnaires requesting feedback on report templates, accounting decisions, and additional contextual information

SED Implementation Process - Outreach

- **Fall/Winter 2018:** Met with additional stakeholder groups, such as Alliance for Quality Education (AQE) and the Education Trust-New York
- **Winter 2018/Spring 2019:** Convened a working group of business and communications officials to begin developing guidance document
- **Spring/Summer 2019 (planned):** Will provide school districts and other stakeholders an opportunity to provide feedback to preliminary guidance and report template before it is made “final”

Next Steps (Anticipated)

- **April 2019:** Finalize internal development
- **May 2019:** Release preliminary guidance
- **May/June 2019:** Provide a public comment period for the field to review preliminary guidance and submit feedback to the department
- **Summer 2019:** Release final guidance and develop/announce submission process
- **Fall 2019:** Open submission period for school districts to submit data
- **March 1, 2020:** Final reports due and published on Report Cards



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Thank You