Return on Investment Analyses in Education

December 6,2024

Agenda

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- System Strategy Return on Investment
- Return on Investment / Return on Achievement Analysis
- Model Implementation Plan
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Systems Strategy Return on Investment

- In 2024, the National Comprehensive Center, Strategic Planning for Continued Recovery initiative hosted a Community of Practice (CoP) on Supporting the Use of a Return on Investment Approach. Nevada was one of 8 state education agencies (SEAs) selected to participate.

- Based on national trends, Commission on School Funding discussions, legislative and gubernatorial interests, and the solicitation for a new accountability and financial management system for the State, NDE was excited to participate in this CoP to explore alignment and best practices regarding return on investment (ROI) analyses.

- Participants included:
  - Amelia Thibault, Director, Office of Division Compliance
  - Dr. Kulwadee Axtell, Education Programs Professional, Office of Student and School Supports
  - Beau Bennett, State Education Funding Specialist, Office of Pupil-Centered Funding

Systems Strategy Return on Investment

- System Strategy ROI (SSROI) uses various mechanisms to support training and implementation of systems thinking across multiple levels of education administration, to include:
  - Boards of Trustees
  - District Administration
  - School-level Administration

- Process is supported by cross-functional teams that include specialists in programs/academics, finance, data/research, and accountability

- SSROI has emerged as the leading trend in school finance and investment
  - Lays groundwork for student-based budgeting and design-based budgeting

Systems Strategy Return on Investment

- SSROI is a five-step process that supports district leaders in **assessing the impact of their district's strategies** and drives positive changes in practice by guiding district leaders through the process of **identifying core needs, exploring a range of strategies, articulating a theory of action, defining metrics to measure success, and considering costs and sustainability.** Unlike other educational ROI strategies, SSROI encourages district leaders to fundamentally explore how schools are organized to change existing structures in ways that support innovation.
  - Evaluate strategies to decide what to stop, continue, or scale.
  - Identify more sustainable approaches to implement the same strategy.
  - Demonstrate effective resource use to the Board, community, and other stakeholders.
  - Communicate and justify the reason(s) for decisions that result in budgetary changes.
  - Identify root cause of why a current strategy is not resulting in the desired outcome and make strategic adjustments to improve outcome.

Systems Strategy Return on Investment

- SSROI supports strategic decision making about resource allocation – tying into school improvement Resource Allocation Reviews – and systems organization.

- Asks whether existing strategies are having the desired impact

- This process supports alignment between strategic improvement plans and budgeting, linking "why" and "how" strategy implementation will occur and creating a holistic system-wide response. These teams should be led by a finance chief in collaboration with an academic chief.

- Data-based decision making, proactive community engagement, and continuous improvement serve as core functions

- Training and Tools readily available from Education Resource Strategies and the Comprehensive Centers Network

Return on Investment/Achievement Analysis

- Building on SSROI, identify strategies/interventions associated with funding expenses to track the investments made on various strategies

- Specifically, use the existing Chart of Accounts to link specific interventions/strategies with an object or strategy code to track school-level investments in a given strategy

- Long term, review and assess achievement metrics at the school level that may be associated with specific strategies to assess whether there is a correlation between the amount invested in a given strategy and student achievement outcomes

Return on Investment/Achievement Analysis

- NRS 387.12445(10) defines eligible services for English learners (previously Zoom programming) and At-Risk students (previously Victory programming) under weighted funding. ELs have (8) allowable and recommended interventions, while At-Risk has (9).

- Funding resources for EL include general fund, weighted state funding for ELs, and Title III, with accountability mechanisms to include NRS 388.408 ("AB 219") corrective action plans, School and District Performance plans, and CSI/TSI/ATSI plans.

- Funding resources for At-Risk include general fund, weighted state funding for At-Risk, and various grant sources to include Title I-A, Title IV-A, Title IV-B, McKinney Vento, and more, along with School and District Performance plans and CSI/TSI/ATSI plans.

- The identified services for EL and At-Risk allow for tracking within the chart of accounts to determine the financial investment in select interventions and corresponding achievement outcomes over a multi-year study with local education agencies (LEAs).

Return on Investment/Achievement Analysis

English Learner services; for pilot purposes, temporary object codes will be introduced under object code 370

- 371 – Reading Skills Center
- 372 – PreK
- 373 – Summer/Intersession Academies
- 374 – Extended School Day
- 375 – Professional Development
- 376 – Incentives
- 377 – Family Engagement
- 378 – Innovation Service/program

- These object codes may be used with corresponding function codes 1000 (instruction) and 2000 (support services)

At-Risk services; for pilot purposes, temporary object codes will be introduced under object code 370

- 381 – Reading Skills Center
- 382 – PreK
- 383 – Summer/Intersession Academies
- 384 – Extended School Day
- 385 – Professional Development
- 386 – Incentives
- 387 – Support Personnel
- 388 – Wraparound Services
- 389 – Innovation Service/program

- These object codes may be used with corresponding function codes 1000 (instruction) and 2000 (support services)

Return on Investment/Achievement Analysis

Ultimately, tagging fund codes to these services will allow:

- Greater understanding of school-level practices statewide
- Ability to analyze investment in interventions
- Ability to analyze the achievement levels of schools utilizing different interventions and/or making specific investments
- Analysis that drives technical assistance and support for EL services, including improved outcomes

Model Implementation Plan

Goal 1: LEA SSROI Training

- SSROI Process and Skill Building
- Investment Grids, Resources
- Board Training (Silver State Governance)
- Systems Thinking

Goal 2: Encoding ROI/ROA

- Use of Chart of Accounts codes to match identified interventions
- Intervention-Achievement Analysis
- ROI Pilot

Model Implementation Plan

Goal 1: Provide Trainings, Resources, and Technical Assistance to all LEAs and Boards of Trustees

- SY24-25
  - January 2025, Share Schedule of SSROI Trainings throughout 2025 with LEAs
  - February-June 2025, Provide General Trainings and Resources
  - Align SSROI Trainings and Practices with NDE Resource Allocation Reviews
- SY25-26
  - July-December 2025, Provide Technical Assistance and Trainings to individual LEAs
  - Develop an NDE Cross-Functional SSROI Support Team for sustained training and supports to LEAs across future school years
  - January 2026 – Forward, continuous and sustained training and technical assistance

Model Implementation Plan

Goal 2: Pilot the Return on Investment/Achievement Analysis

- SY24-25
  - January 2025, Distribute Pilot Information, Host Office Hours
  - February 2025, Present at Federal Title Directors Meeting for Q&A; Confirm Pilot Participants
  - March-June 2025, Provide Training to Pilot Participants on ROI/ROA Analysis
    - Includes development of resources

- SY25-26
  - All piloting LEAs participate in a virtual bi-monthly (every two months) meeting to share experiences
  - NDE's cross-office ROI team has a virtual monthly check-in meeting with each piloting LEA (one on one)
  - LEAs code their (applicable) expenditures using strategy codes
  - LEA and school-level financial reports are submitted to NDE to support problem solving, progress monitoring
  - Consistent technical assistance, reporting, and monitoring for year one implementation
  - Support in alignment with Multi-Tiered Systems of Support (MTSS)

Model Implementation Plan

Goal 2: Pilot the Return on Investment/Achievement Analysis

- SY26-27
  - NDE will conduct SY2025-26 student outcomes/interventions analysis*
  - Present what we learn to the Commission on School Funding
    - Discuss introduction of new chart of accounts category "strategy codes"
  - Continue Pilot, expanding to additional LEAs
  - Begin identification of strategies and coding for additional categories in collaboration with LEAs

- SY27-28
  - Expand pilot
  - Further analysis of return on achievement
  - Following the pilot, LEAs may collaborate to identify various interventions across multiple categories which can be integrated into the chart of accounts for long-term/permanent ROI analyses.

Questions

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