

# **Common Core of Data (CCD) School-Level Finance Survey (SLFS) 2022-2024**

## **Appendix D2: Response to Public Comments Received During the 30-day Comment Period and NCEs Responses**

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***Submitted by:***

National Center for Education Statistics (NCES)

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U.S. Department of Education

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## Introduction

On September 27, 2022, the U.S. Department of Education (ED) published a 60-day public notice in the Federal Register on the Common Core of Data (CCD) School-Level Finance Survey (SLFS) 2022-2024. This request is to conduct the SLFS for fiscal years 2022 through 2024 (corresponding to school years 2021–22 through 2023–24). The Office of Civil Rights (OCR) proposes to work with NCES to assist OCR with collecting school-level finance data as part of the Civil Rights Data Collection (CRDC).

The 60-day comment period for the SLFS 2022-2024 package closed on November 28, 2022. ED received a total of 49 submissions (though many specific comments were duplicated) from 82 total signatories (some submissions are signed by multiple signatories), many covering multiple topics. Twenty-three (23) submissions contained identical content. The ED response to 60-day comments was filed on released on February 23, 2023.<sup>1</sup>

On February 23, 2023 ED published a 30-day public notice in the Federal Register. This attachment contains the responses to 30-day public comments on the SLFS for fiscal years 2022 through 2024.

The 30-day comment period for the SLFS 2022-2024 package closed on March 27, 2023, although technical difficulties in the closing days required some commenters to email their comments directly to ED. ED received a total of 31 submissions (though many specific comments were duplicated) from 33 total signatories (some submissions are signed by multiple signatories), many covering multiple topics. Several submissions contained identical content.

<b>Submitter category</b>	<b>Submissions</b>	<b>Signatories</b>
<b>Total</b>	<b>31</b>	<b>33</b>
State Education Agencies	6	7
State Board of Educations	1	1
School Districts	3	3
National Councils	1	1
National Associations	1	2
Research Labs	1	1
Public K-12 Teachers	1	1
Public Education Employees	3	3
General public	9	9
Anonymous	5	5

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<sup>1</sup> The ED response to 60-day comments can be found at these links:  
[https://www.reginfo.gov/public/do/PRAViewDocument?ref\\_nbr=202209-1850-002](https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202209-1850-002)  
See [Appendix D-SLFS 2022-2024 Response to 60-day Public Comments.docx](#)

## **Comments related to the Purpose of SLFS and Authority for the Department of Education/NCES to Conduct the Collection**

### **Public response**

NCES received 5 submissions with a total of 5 signatories pertaining to the purpose of the SLFS and the authority for the Department of Education/NCES to conduct the data collection.

### **Recommendations/Concerns**

One individual stated that “This data is valuable not just for academic research or federal policy, but to inform individual school district (LEA) decisions and actions.”

Another individual stated that, “Access to financial data at the end of a fiscal year (or once it's been audited) is crucial to understanding the ROI for education in schools.”

One former SEA employee stated that, “In theory, detailed school spending data at the level that the SLFS proposes would be great. However, the data would need to be timely, comparable, and of high quality in order to be most valid and useful.”

One retired public elementary and special education teacher remarked that, “The [SLFS]data helps schools to adjust and readjust school level outlays in order to shift funds to targeted areas of need for student supports, learning situations, the teaching process, and provide learning experiences and improved content for all students... The SLFS data collections for instruction and instructional staff supports may be the key that unlocks new answers and insight.” This former special education teacher also stated that, “Knowing school-level expenditure data helps schools to adjust and readjust school level outlays in order to shift funds to targeted areas of need for the teaching process and scientific backed instructional knowledge, instructional student supports, learning situations, and provide learning experiences and improved content for all students.”

One research lab stated that, “To be clear, we agree with the goal of getting more detailed data on school-by-school financials. This could be achieved by a simple workaround that lifts much of the burden of the proposed SLFS collection: Permitting different states to submit the chart of accounts variables they already use.”

## ED Response

The SLFS is relevant and useful to practitioners, researchers, policymakers, and the public in that there is a significant demand for finance data at the school level.

As previously set forth in the ED responses to 60-day public comments on the SLFS for fiscal years 2022 through 2024, policymakers, researchers, and the public have long voiced concerns about the equitable distribution of school funding within and across school districts (Cobb, 2022; Heuer and Stullich, 2011; Mathewson, 2020; Presume and Morgan n.d.; Roza, Hadley, and Jarmolowski 2020).<sup>2</sup> School-level finance data addresses the need for reliable and unbiased measures that can be utilized to compare how resources are distributed among schools within local districts.

“Rather than debate whether money matters, a growing number of researchers subscribe to the view that it is more important to examine what works—how is the money being used?” (Cornman, 2021, p. 38)<sup>3</sup> Michael Rebell stated that, “In the end, all of the elaborate analysis and technical discussion in the academic literature and in the legal decisions come down to a basic consensus that, of course, money matters—if it is spent well.” (Rebell 2009, p. 34)<sup>4</sup>

The SLFS can be utilized to answer research questions such as the following:

- Have increased resources from COVID–19 federal assistance and State/local funding directly reached students in the classroom through enhanced instruction and student support services?<sup>5</sup>

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<sup>2</sup> Cobb, J. (2022, April). *Snapshot of Within-District School Funding Inequities 2018-19*. Paper presented at the annual meeting of the State and Local Resource Equity meeting of the Education Civil Rights Alliance, Washington, D.C.;

Heuer, R., Stullich, S. (2011). *Comparability of State and Local Expenditures Among Schools Within Districts: A Report From the Study of School-Level Expenditures*. Office of Planning, Evaluation and Policy Development, US. Department of Education. Washington, DC. Retrieved October 7, 2022, from <https://www2.ed.gov/rschstat/eval/title-i/school-level-expenditures/school-level-expenditures.pdf>;

Mathewson, T.G. (2020, October 31). New data: Even within the same district some wealthy schools get millions more than poor ones. *The Hechinger Report*. Retrieved August 31, 2022, from <https://hechingerreport.org/new-data-even-within-the-same-district-some-wealthy-schools-get-millions-more-than-poor-ones/>;

Presume, R. and Morgan, I. S. (n.d.). *Going Beyond ESSA Compliance: A 50-State Scan of School Spending Reports*. The Education Trust. Retrieved August 31, 2022, from [https://edtrust.org/school-spending-beyond-compliance/#void](https://edtrust.org/school-spending-beyond-compliance/#void;);

Roza, M., Hadley, L. and Jarmolowski, H. (2020). *School Spending Data: A New National Data Archive*. Rockville, MD: National Comprehensive Center at Westat. Retrieved August 31, 2022, from <https://www.compcenternetwork.org/sites/default/files/School%20Spending%20Data.pdf>

<sup>3</sup> Cornman, S.Q. (2021), *Do Equity and Adequacy Court Decisions and Policies Make a Difference for At-Risk Students? Longitudinal Evidence from New Jersey*. Columbia University, New York, N.Y. Retrieved April 7, 2023 from <https://academiccommons.columbia.edu/doi/10.7916/d8-2deq-rw47/download>

<sup>4</sup> Rebell, M. A. (2009). *Courts and Kids: Pursuing Educational Equity through the State Courts*. University of Chicago Press.

<sup>5</sup> Expenditures for student support services includes attendance and social work, guidance, health, psychological services, speech pathology, audiology, and other student support services.

- Is there evidence of resource inequity in schools within and across districts with respect to instructional expenditures or spending across the various essential support services?
- Is there a correlation at the school level between pupil/teacher ratio and instructional expenditures per pupil within and across school districts and states?
- Whether levels of expenditures for instruction per pupil vary between high-income and low-income schools within and across school districts and states?
- Are there differences in the activities, or functions, on which schools are spending money and do these differences have an impact on student outcomes?

Section 203(c)(1) of the 1979 Department of Education Organization Act (DEOA) conveys to the Assistant Secretary for Civil Rights the authority to “collect *or coordinate the collection* of data necessary to ensure compliance with civil rights laws within the jurisdiction of the Office for Civil Rights.” See 20 U.S.C. § 3413(c)(1) (emphasis added).<sup>6</sup>

The civil rights laws enforced by OCR for which the CRDC collects data include Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, or national origin; Title IX of the Education Amendments of 1972, which prohibits discrimination based on sex and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability.

OCR proposes to work with the Department’s National Center for Education Statistics (NCES) to assist OCR with collecting school level finance data as part of the CRDC.

## Associated comments

2; 10; 19; 21; 25

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<sup>6</sup> Section 203(c)(3) of the DEOA also authorizes OCR “to enter into contracts and other arrangements ... with public agencies ... as may be necessary to carry out [its] compliance and enforcement functions ....”

# Comments Related to SLFS Reporting Burden

## Public response

NCES received 9 submissions with a total of 10 signatories related to the point that the SLFS would “impose a significant cost burden” on districts in the state.

## Recommendations/Concerns

One SEA stated that, “It will be a huge undertaking for the State of Delaware. This will require additional personnel, time, and resources which will cause hardship for our local education agencies (LEAs). To ensure compliance with the proposed change, the state will have to make programming changes to the reports which is an expensive and time-consuming process.”

A second SEA stated that, “CDE would still need to develop a software application for LEAs to report SLFS data, provide technical assistance to LEAs, and manage the data collection and submission process for over 1,900 reporting entities reporting for over 10,000 school sites.” The SEA further stated that, “Given the complexity and size of California and the challenges described above with relation to the reporting of charter school data, CDE requests an adequate implementation timeline be allowed prior to collecting data. This would allow adequate time to create a new LEA reporting data collection system, provide lead-time and training to LEAs, and address charter school financial reporting.”

A third SEA stated that, “This survey would impose a significant increase of resources in staffing, technology, and infrastructure that our state agency currently does not have the capacity to absorb with this. The requirements of this additional survey will also place a burden on our state’s LEAs that do not have the staffing or resources to further require additional reporting of the data items in the School Level Finance Survey.”

A fourth SEA stated that, “We need time to: 1) secure the funding in the State budget, 2) secure a contract with a vendor, 3) implement the system, and 4) have our LEAs modify their systems. This is not something that can be done overnight in our State. This would reasonably take 5 to 10 years to implement in our State.”

Another State Department of Education official indicated that, “It would be difficult for school corporations to code operational expenditures at the school building level.”

The School Superintendents Association (AASA) and the Association of School Business Officials International (ASBO) stated that, “This proposed data collection is extremely burdensome, will fall far short of its stated goals in terms of actionable, functional, and accurate data (especially in the short term) and come with significant fiscal and opportunity cost.”

The Council of Chief State School Officers (CCSSO) stated that, “We must reiterate that many states do not currently collect the data in the manner proposed and would need to create new systems to do so. Consequently, the cost of this collection will be extremely high, up to millions of dollars per state. This process would also take years to complete. We appreciate the Department’s response in providing further explanation regarding the burden time estimated for an SEA to develop the necessary reporting systems to align with SLFS. We want to highlight that, for SEAs who currently do not have a system to report the four subfunctions, the estimated range of 11,908-17,308 hours is very substantial even if it underestimates the true burden.”

One public school employee stated that, “We are focused on leveraging our reporting to drive better decision-making for students and desire to stay focused on that rather than an additional compliance reporting regime which taps limited available resources from our central staff/advisory such as our fiscal budget, 24 hours in a day, physical energy, and mental stamina.”

One retired elementary and special education teacher stated that, “On the topic of SLFS Reporting Burden, the current burden of issues in education has exponential costs which are much larger than currently understood or accepted. As examples, dropout rates, and the hidden surtax per state yearly for low literacy rates are tremendous... The burden is on the school-level and LEAs to come through with incrementally collected data to support better transparency and facilitate increased educational outcomes and solutions to issues.”

## ED Response

NCES recognizes that reporting even minimal data to SLFS will be a significant change for some states. For this reason, the proposal for collecting school level finance data, which would be used as part of the CRDC, is built upon the foundation of an incremental action plan that clearly describes what will be expected from new respondent states to meet the reporting requirements over the three years covered by this collection request. NCES staff have carefully considered comments and recommendations on the SLFS incremental action plan, particularly pertaining to providing sufficient “ramp-up” time for state and district level personnel to submit school-level finance data.

The establishment of an incremental action plan directly responds to the request of one SEA that “an adequate implementation timeline be allowed prior to collecting data.” If the specifics of the incremental action plan as outlined here are not feasible for a new state initiating their SLFS reporting with data on FY22, ED is open to working with the state on modifications to the reporting requirement expectations outlined here and can report back to OMB on modifications made to accommodate conditions within individual states.

It is crucial to note that the proposal for NCES to assist OCR with collecting school level finance data as part of the CRDC for fiscal years 2022 through 2024 requires:

- SEAs to report total current expenditures for each public PK-12 school within the state for school year 2021-22; and
- SEAs to report total current expenditures by four subfunctions and three exhibits for school years 2022-23 and 2023-24.

The proposal does not require SEAs to collect and report current expenditure by all subfunctions and exhibits in the full SLFS for fiscal years 2022 through 2024 (emphasis added). It is important to consider the comments related to reporting burden for individual years of reporting.

The estimated SLFS reporting burden for FY 22, FY 23, and FY 24 remains consistent with the burden estimate set forth in the ED responses to the 60-day public comments on the School-Level Finance Survey (SLFS) published in February of 2023.

### A. FY 22 Estimated SLFS Reporting Burden

The management of information on total current expenditures for each public PK-12 school within the state is already required by ESEA, as amended by ESSA, which requires that current expenditures per pupil be reported on annual State and LEA report cards. The burden for SEAs to provide total current expenditures per pupil already reported on the annual State and LEA report cards is relatively low as NCES and the Census Bureau will accept a “data dump” of the report card data.

Table 1 (“SLFS FY 2022-24 Estimated Respondent Burden: SLFS Incremental Action Plan”), which was included in ED’s response to 60-day public comments received and is reproduced below, includes thirty-three (33) SEAs that are either already participating in SLFS or have committed to do so in the immediate future in conjunction with eighteen (18) SEAs that would submit at a minimum the total current expenditures per pupil for each school from the ESSA report card data for the FY 2022 data collection.

As previously set forth in the ED responses to 60-day public comments on the SLFS for FY 2022 through 2024, the estimate of total hours for the thirty-three (33) SEAs that are either already participating in SLFS or have committed to do so in the immediate future was amended to 3,211. For the balance of eighteen (18) SEAs, since the incremental action plan calls for SEAs to report total current expenditures for each public school, the estimate of maximum total hours was amended to 2,430.

Therefore, the FY 22 SLFS grand total estimate of burden hours for fifty-one (51) SEAs is 5,641, which is comprised of the thirty-three (33) SEAs that are either already participating in SLFS or have committed to do so; and eighteen (18) SEAs who would submit an excerpt of ESSA report card data.

#### B. FY 2023 Estimated SLFS Reporting Burden

Commencing with the second year of the SLFS incremental action plan, for the 2022–23 and 2023–24 school years, SEAs would be required to report the following:

1. Total current expenditures for each public PK-12 school within the State;
2. The following four function-based SLFS current expenditure categories for each PK-12 school within the state:
  - (1) total current expenditures for Instruction (function 1000);
  - (2) total current expenditures for Student Support Services (function 2100);
  - (3) total current expenditures for Instructional Staff Support Services (function 2200); and
  - (4) total current expenditures for School Administration Support Services (function 2400).
3. The following three exhibits for each public PK-12 school within the state:
  - (1) Teacher salaries (function 1000: objects 1X1 and 1X3);
  - (2) Instructional aide salaries (function 1000: objects 1X2); and

(3) Books and periodicals (function 1000 and 2200; object 640) If an SEA does not currently have a system for districts to report the four subfunctions of total current expenditures down to the building code level and three exhibits for each public PK-12 school to the State, as set forth in the incremental action plan, the Department of Education estimated a range of an additional 500–800 hours could be necessary to develop such a reporting system in those particular states. Therefore, the total amount of hours estimated for SEAs that may not currently have a system for districts to report the four subfunctions of total current expenditures down to the building code level is in the range of 9,000–14,400 hours.<sup>7</sup>

Once the reporting system from districts to the SEAs has been developed, we also estimate that it will take each SEA on average 125 hours to provide data in the F-33 SLFS format or 42 hours to submit data in their own state-specific format. If we assume that fourteen (14) SEAs will submit in the F-33 SLFS format, and four (4)

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<sup>7</sup> The table below illustrates the estimated burden utilizing the highest range of 14,400 hours to collect data from LEAs in 18 SEAs.

SEAs will submit data in their own state-specific format, the estimated burden hours for submitting data from these eighteen (18) SEAs is 1,918.

In summary, if an SEA does not currently have a system for districts to report the four subfunctions of total current expenditures and three exhibits down to the building code level to the State, the maximum total burden hours for participation in the SLFS is estimated to be in the range of 11,908 to 17,308 hours. The Department of Education, per NCES concurs with the 30-day public comment of the Council of Chief State School Officers (CCSSO) that states in part that, “For SEAs who currently do not have a system to report the four subfunctions, the estimated range of 11,908-17,308 hours is very substantial.” This estimation remains consistent with ED responses to 60-day public comments on the SLFS for FY 2022 through 2024

The estimate of total burden hours for thirty-three (33) SEAs that are either already participating in SLFS or have committed to do so in the immediate future plus the eighteen (18) SEAs that may not have a system for districts to report the four subfunctions of total current expenditures down to the building code is in the range of 15,119–20,519 hours. This estimate applies strictly to the FY 2023 SLFS data collection, which is encompassed by the second year of the SLFS incremental action plan. The estimate is based around the premise that all eighteen (18) SEAs not currently participating in the SLFS may need to develop a new system for documenting and reporting more detailed data than total current expenditures at the school level.

Even if the maximum total estimated burden hours for 33 SEAs that are either already participating in SLFS or have committed to do so in the immediate future plus the eighteen (18) SEAs that may not have a system to report current expenditure data by four subfunctions is 20,519 hours, this does not approach the annual burden estimate of in excess of 20,000 hours when OCR previously collected four school finance data items in the CRDC for school years 2013–14, 2015–16, and 2017–18.

As previously set forth in the ED responses to 60-day public comments on the SLFS for FY 2022 through 2024, the estimated burden for the FY23 data collection could also be less if an SEA must develop just one part of a system to report the four subfunctions of total current expenditures and three exhibits down to the school level. For example, if an SEA has to modify a system for districts to report current expenditures for student support services down to the school level, as the capacity to report expenditures for instruction, instructional staff support services, and school administration support services already exists at the school level, the estimated burden would also be much less.

It is also possible that some SEAs which do need to develop new reporting capabilities for the FY 23 SLFS data collection could spread the burden of creating a new system out over the FY 23 and FY 24 data collections. NCES, in conjunction with OCR, is willing to work with states on a case-by-case basis to establish the plan for incrementally reporting only some of the functions and exhibits discussed within the collection proposal.

NCES will carefully listen to the comments of State Fiscal Coordinators regarding whether the incremental action plan should be applied in a flexible manner. For example, it is anticipated that schools will be able to collect and report total current expenditures for Instruction (function 1000) and Instructional Staff Support Services (function 2200) as that data includes salaries and benefits for teachers, teaching assistants, librarians and library aides, and in-service teacher trainers. (Cornman, Phillips, Howell, and Zhou, 2022, fn. 5).<sup>8</sup> Personnel at the school-level are cognizant of the salaries and benefits for teachers as well as teaching assistants for their respective schools. School-level personnel also have access to expenditures incurred for curriculum

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<sup>8</sup> Cornman, S.Q., Phillips, J.J., Howell, M.R., and Zhou, L. (2022). *Revenues and Expenditures for Public Elementary and Secondary Education: FY 20* (NCES 2022-301). U.S. Department of Education. Washington, DC: National Center for Education Statistics. Retrieved [date] from <https://nces.ed.gov/pubsearch>.

development, student assessment, technology, and supplies and purchased services related to those activities, which encompasses the balance of current expenditures for Instruction and Instructional Staff Support Services. It is also anticipated that schools will be able to collect and report total current expenditures for School Administration Support Services (function 2400).

If SEAs cannot immediately report expenditures for Student Support Services (function 2100), which includes activities designed to assess and improve the well-being of students (e.g. administrative, guidance, health, and logistical support), NCES will be flexible and focus on developing the capacity of school-level personnel to collect and report these expenditures going forward. (Allison, 2015, p. 123).<sup>9</sup> NCES will provide technical support to State Fiscal Coordinators on how to collect and report expenditures related to student health and guidance by conducting quarterly interactive webinars, including cross-training by other SEAs.<sup>10</sup> Therefore, if SEAs cannot report expenditures for one of four data items in the SLFS incremental action plan, such as Student Support Services, NCES will provide the opportunity for an extension of time the States to develop the ability to report the data.

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<sup>9</sup> Allison, G.S. (2015). *Financial Accounting for Local and State School Systems: 2014 Edition* (NCES 2015- 347). National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC. Retrieved January 2, 2023, from <https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2015347>.

<sup>10</sup> The SLFS instructions for student support services provide that, “Report expenditures for administrative, guidance, health, and logistical support that enhance instruction. Include attendance, social work, student accounting, counseling, student appraisal, information, record maintenance, and placement services. Also include medical, dental, nursing, psychological, and speech services.”

**Table 1. SLFS FY 2022-24 Estimated Respondent Burden: SLFS Incremental Action Plan**

Submission Method or Form Type	Maximum Number of Respondents	Maximum Number of Responses	Hours Per Respondent	Maximum Total Burden Hours	Maximum Number of Respondents	Maximum Number of Responses	Hours Per Respondent	Maximum Total Burden Hours	Maximum Number of Respondents	Maximum Number of Responses	Hours Per Respondent	Maximum Total Burden Hours
	FY 2022				FY 2023				FY 2024			
Survey Announcement	51	51	0.25	13	51	51	0.25	13	51	51	0.25	13
Annual Webinar	51	51	2	102	51	51	2	102	51	51	2	102
Form F-33-SLFS Instructions	51	51	0.25	13	51	51	0.25	13	51	51	0.25	13
Annual Data Plan Survey	51	51	2.5	128	51	51	2.5	128	51	51	2.5	128
<b>Data Collection Activities</b>												
Collection of ESSA Report card data	18 <sup>†</sup>	18	125	2,250	-	-	-	-	-	-	-	-
Data Submission: Current expenditures per school	18 <sup>†</sup>	18	10	180	-	-	-	-	-	-	-	-
Develop system for state to collect school-level finance data from districts	-	-	-	-	18 <sup>†</sup>	18	800	14,400	-	-	-	-
Collection of Current expenditure by 4 subfunctions and 3 exhibits	-	-	-	-	18 <sup>†</sup>	18	50	900	18	18	50	900
Data Submission using SLFS F-33 Format	20	20	125	2,500	34*	34	125	4,250	34*	34	125	4,250
Data Submission using SEA's Format	13	12	42	504	17*	17	42	714	17*	17	42	714
<b>Annual Totals</b>	<b>51</b>	<b>325</b>	<b>--</b>	<b>5,641</b>	<b>51</b>	<b>344</b>	<b>-</b>	<b>20,519</b>	<b>51</b>	<b>325</b>	<b>-</b>	<b>6,119</b>

Greyed out cells represent data collection activities we don't expect SEAs to perform in that year. The changing activities by year reflect the transitional nature of this period of SLFS. \*For the FY 2023 and FY 2024 reporting, all respondents will submit data using either the SLFS F-33 format or their own unique format. A subset of those respondents will ALSO submit current expenditures by 4 subfunctions and 3 exhibits separately. †These are not unique respondents; the two rows represent that these respondents will perform multiple activities as part of their data submission processes.

### C. FY 2024 Estimated SLFS Reporting Burden

Once SEAs have developed a system for districts to report to the State the four subfunctions of total current expenditures and three exhibits for each public PK-12 school, as set forth in the incremental action plan, ED estimated 50 hours for collection of the four current expenditure data items and three exhibits. The total amount of hours estimated for collection by SEAs who have developed a system for districts to report the four subfunctions of total current expenditures down to the building code level is 900 hours.

As previously set forth in the ED responses to 60-day public comments on the SLFS for FY 2022 through 2024, the estimate of total burden hours for 33 SEAs that are either already participating in SLFS or have committed to do so in the immediate future plus the 18 SEAs that have developed a system for districts to report the four subfunctions of total current expenditures down to the building code is 6,119 hours. This estimate applies to the FY 2024 SLFS data collection, which is encompassed by the third year of the SLFS incremental action plan.

Participating SLFS states have indicated that reporting burden is generally minimal, ranging from zero additional burden hours in a few states to as many as 120 hours in two states, though most participating states have indicated that their reporting burden is substantially less than 40 hours to complete their SLFS reporting process. For participating states, burden hours generally include annual review of the SLFS form, instructions and related business rules; programming updates to generate the school-level finance data in the format requested by the SLFS; review of the SLFS data generated; and completion of the nine (9) question SLFS Data Plan questionnaire.

Some states have been successful at minimizing burden by integrating their school-level SLFS data with the data files they submit annually for the F-33. North Carolina and Idaho, for example, submit a single school-level finance expenditure data file that has been used for complete reporting in those states for both the F-33 survey and the SLFS. As a result of automation of this process, these states incur no additional burden related to generation of the school-level finance data requested by NCES on the SLFS. Other states, such as Massachusetts, have also integrated their school-level SLFS data into the LEA data they already report for F-33 as a way to minimize overall reporting burden for both surveys.

NCES and the Census Bureau have included two questions in the SLFS data plan since the survey's initial data collection in 2014 that ask for burden estimates for LEAs and SEAs. One question asks for the estimated amount of time that the SEA has spent on SLFS related activities (e.g., creating the data file submission, corresponding with LEAs concerning SLFS, etc.). The second question asks how much time on average a typical LEA would spend collecting and reporting data specifically for SLFS (i.e., any time spent collecting and sending school level data to the SEA only because of SLFS reporting requirements).

The responses to the FY 21 SLFS data plan reveal that for twenty-five (25) participating SEAs, the average burden estimate fell into a range of between 40.4 to 42.4 hours, while the median estimate of SEA burden was in a range of 20 to 24 hours. Eighteen (18) out of twenty-five (25) states reported a burden of 40 hours or less; while seven (7) states that reported SEA burden reported a burden of 10 hours or less.

The responses to the FY 21 SLFS data plan also indicate that the average LEA burden estimate fell into the range of 6.9 to 7.1 hours. Twenty-one (21) out of twenty-five (25) states indicated that the LEA burden would be 10 hours or less per LEA, with eighteen (18) of those states indicating that their LEAs incurred no additional burden as a result of SLFS reporting."

The average estimated annual burden for SLFS 2022-2024 is 10,760 hours. Estimating an average hourly rate for SEA technicians and managers to prepare and submit SLFS data to be \$35.91<sup>11</sup> and for managers, estimated to contribute 20 percent of the SLFS data submission time, to be \$54.89, the total average estimated burden time cost for the annual SLFS collection is \$427,223.

## Associated comments

ED-2022-SCC-0120:

15; 19; 20; 22; 23; 24; 26; 29; 33

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<sup>11</sup> The mean salary for SEA technicians is estimated at \$35.91 per hour (SOC code 132031, Budget Analysts) and the mean salary for financial managers (SOC code 113031) working in State government is estimated at \$54.89 per hour, based on May 2021 Occupation and Employment Statistics, Bureau of Labor Statistics (BLS) website, <https://www.bls.gov/oes/current/999201.htm>, accessed July 21, 2022.

## Comments related to SLFS data collection is Duplicative of the Elementary and Secondary Education Act (ESEA) as amended by Every Student Succeeds Act (ESSA) Current Expenditures per Pupil Provision

### Public response

NCES received 7 comments with a total of 8 signatories related to the point that SLFS data collection is duplicative of the Elementary and Secondary Education Act (ESEA) as amended by Every Student Succeeds Act (ESSA) data collection.

### Recommendations/Concerns

One SEA stated that, “The proposed SLFS data collection is duplicative of the Elementary and Secondary Education Act (ESEA) existing school level financial data collection, Every Student Succeeds Act Per-Pupil Expenditure (ESSA PPE) data collection, and it will place additional reporting burdens on LEAs and state education agencies (SEA).”

The SEA further stated that, “For ESSA PPE, there are no standardized protocols for attributing expenditures to individual schools. Due to the lack of standardized protocols for how ESSA PPE school-level expenditures are determined, schools, districts, and states have adopted various methods for determining PPE.”

A second SEA stated that, “NCES requirements for School Level reporting is a duplication...”

A third SEA requested that “NCES consider working with the states to add data elements to ESSA reports instead of mandating the proposed school level data sets at this time.”

The School Superintendents Association (AASA) and the Association of School Business Officials International (ASBO) urged “IES to focus on improving an already-existing school-by-school financial data collection under the Every Student Succeeds Act (ESSA).”

The Council of Chief State School Officers (CCSSO) stated that, “Many of the proposed requirements would be duplicative of and misaligned with the existing school-by-school financial data collection expressly required by the ESEA statute.”

One individual stated that, “IES should not continue with this effort but instead work on improvements to the existing school-by-school financial data required by ESSA.”

One research lab stated that, “SLFS would require many states to essentially abandon the ESSA-mandated work already done to establish common school-by-school financials and create a duplicate collection that would take years to achieve similar reliability.”

### ED Response

The elements collected within the School-Level Finance Survey (SLFS) are separate and distinct from the current expenditures per pupil provision in ESEA, as amended by ESSA in that commencing with the second year of the SLFS incremental action plan, four subfunctions of current expenditures are required, in addition to total current expenditures per pupil as mandated on the ESSA report cards. The incremental action plan calls for reporting data on expenditures for Instruction, Student Support Services, Instructional Staff Support, and School Administration Support Services at the school level. Furthermore, the incremental action plan also calls for SEAs to submit three exhibits, including Teacher Salaries, Instructional Aide Salaries, and Books/ Periodicals.

In contrast, the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA) requires that per-pupil expenditures be reported on annual State and LEA report cards. The ESEA as amended requires SEAs to produce report cards beginning with the 2017–18 school year that 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 (LEA) and each school in the State for the preceding fiscal year.” 20 U.S.C. 6301 §1111(h)(1)(C)(x) and (h)(2)(C).

The reporting of current expenditures by four subfunctions and three exhibits at the school-level under the SLFS incremental action plan is based on clearly established protocols by virtue of definitions of these data items set forth in the NCES Accounting Handbook; as well as in the instructions for the NPEFS, F-33, and SLFS data collections. The comment that “For ESSA PPE, there are no standardized protocols for attributing expenditures to individual schools,” does not apply to the four subfunctions and three exhibits in the SLFS incremental action plan.

As previously set forth in the ED responses to 60-day public comments on the SLFS for FY 2022 through 2024, while SLFS requests more detailed data than the total current expenditures per pupil required on annual State and LEA report cards, SLFS is entirely consistent with ESEA as amended by ESSA in that these four data items comprise a sizeable portion of total current expenditures.<sup>12</sup> On a national basis, “Expenditures for instruction and instructional staff support services comprised 65.5 percent (\$447.0 billion) of total current expenditures.” (Cornman, Phillips, Howell, and Zhou 2022).<sup>13</sup> In FY 20, expenditures for student support services account for 6.3 percent (\$42.9 billion) of total current expenditures. Finally, expenditures for school administration support services were 5.7 percent (\$38.9 billion) in FY 20.

Reporting on the SLFS complements, but does not duplicate or replace, the annual State and LEA Report Cards. The reporting instructions for SLFS are entirely consistent with established Department guidance for the reporting current expenditures per pupil provision in the ESEA, as amended by ESSA. NCES will utilize meetings with state fiscal coordinators to provide technical assistance for all states on how reporting and analysis within SLFS can help the data and process for report cards required under ESSA.

In response to the point that “NCES consider working with the states to add data elements to ESSA reports,” NCES is amenable to offering technical assistance to SEAs to improve the data collection and reporting systems they currently utilize to produce ESSA report cards data to develop the capacity to report total current expenditures for Instruction, Student Support Services, Instructional Staff Support, and School Administration activities at the school level. Furthermore, NCES is willing to offer technical assistance that States can use to develop the capacity to report teacher salaries, instructional aide salaries, books and periodicals. NCES will

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<sup>12</sup> The expenditure functions include instruction, instructional staff support services, pupil support services, general administration, school administration, operations and maintenance, student transportation, other support services (such as business services), food services, enterprise operations, and total current expenditures. Cornman, S.Q., Phillips, J.J., Howell, M.R., and Zhou, L. (2022). *Revenues and Expenditures for Public Elementary and Secondary Education: FY 20* (NCES 2022-301). U.S. Department of Education. Washington, DC: National Center for Education Statistics. Retrieved [date] from <https://nces.ed.gov/pubsearch>.

<sup>13</sup> Cornman, S.Q., Phillips, J.J., Howell, M.R., and Zhou, L. (2022). *Revenues and Expenditures for Public Elementary and Secondary Education: FY 20* (NCES 2022-301). U.S. Department of Education. Washington, DC: National Center for Education Statistics. Retrieved December 27, 2022 from <https://nces.ed.gov/pubsearch>.

readily accept data for these four subfunctions of current expenditures and three exhibits from the same exact SEA systems that currently produce the total current expenditure per pupil data for each school within the State for the ESSA report cards.

The inclusion of these data by the four functions in the SLFS incremental action plan is also consistent with the definition of current expenditures. Since ESEA was amended by ESSA in 2015, NCES has engaged in annual training seminars for State Fiscal Coordinators that emphasized the critical importance of utilizing a consistent definition of current expenditures to calculate current expenditures per pupil at the school level.<sup>14</sup> A consistent definition of current expenditures supports the comparability of current expenditures per pupil across schools within districts; and across schools within the State. NCES has collaborated with State Fiscal Coordinators to ensure that the definition of current expenditures is consistent across the state-level NPEFS; the district-level School District Finance Survey (F-33); and the school-level SLFS. Furthermore, NCES has continuously reiterated that utilizing a consistent definition of current expenditures facilitates the comparison of current expenditures per pupil on the annual State and LEA report cards required by ESEA, as amended by ESSA.

NCES procedures are repeatedly cited throughout the ESEA Report Card Guidance entitled *Opportunities and Responsibilities for State and Local Report Cards under the Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act*.<sup>15</sup> The Guidance states that, “To reduce burden, an SEA and its LEAs have the flexibility to align their procedures with existing NCES data collection procedures and to work closely with LEAs when developing guidance on how to calculate per-pupil expenditures. Under NCES data collection and publication procedures, the numerator for per-pupil expenditures consists of current expenditures (see ESEA §8101(12)), which are comprised of expenditures for the day-to-day operation of schools and LEAs for public elementary and secondary education, including expenditures for staff salaries and benefits, supplies, and purchased services.” (ESEA Report Card Guidance, pg. 39.)

The current expenditures provision of ESEA, as amended by ESSA is entirely consistent with SEAs providing data in the SLFS. Twenty-six (26) states submitted SLFS data for FY 20, which covers the 2019–20 school year. Twenty-six states are also in the process of submitting FY 21 data, with twenty-four reporting at this juncture. The submission of SLFS data by these twenty-six (26) SEAs has not interfered with their ability to comply with the ESEA provision requiring current expenditures per pupil be reported on annual State and LEA report cards. In fact, there has not been any SEA that has indicated participation in the SLFS adversely impacts their ability to comply with the current expenditures per pupil provision of ESEA, as amended by ESSA. States currently participating in the SLFS have been advised to continue to comply with the current expenditures provision of the ESEA, as amended by ESSA.

## Associated comments

ED-2022-SCC-0120:

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<sup>14</sup> “Current expenditures comprise expenditures for the day-to-day operation of schools and school districts for public elementary and secondary education, including expenditures for staff salaries and benefits, supplies, and purchased services. General administration expenditures and school administration expenditures are also included in current expenditures. Expenditures associated with repaying debts and capital outlays (e.g., purchases of land, school construction, and equipment) are excluded from current expenditures. Programs outside the scope of public prekindergarten through grade 12 education, such as community services and adult education are not included in current expenditures. Payments to private schools and payments to charter schools outside of the school district are also excluded from current expenditures.” (Cornman, S.Q., Ampadu, O., Wheeler, S., Hanak, K. and Zhou, L. (2019), p. B-2).

<sup>15</sup> <https://oese.ed.gov/files/2020/07/report-card-guidance-final.pdf>.

12; 20; 21; 23; 24; 27; 31.

# Comments related to Implementing SLFS Requires SEAs to Change Their Mandated Chart of Accounts and Revise Current State and District Accounting Systems

## Public response

NCES received eight (8) comments with a total of 8 signatories related to the point that implementing SLFS requires SEAs to change their mandated chart of accounts and revise current State and district accounting systems.

NCES received two comments with a total of 2 signatories related to the point that States need to train thousands of district leaders and vendors on new accounting codes.

## Recommendations/Concerns

One SEA stated that, States and districts should not have to redo systems and charts of accounts to accommodate NCES, when they could harness existing data.

A second SEA stated that, “This will require additional personnel, time, and resources which will cause hardship for our local education agencies (LEAs). To ensure compliance with the proposed change, the state will have to make programming changes to the reports which is an expensive and time-consuming process.”

A third SEA noted that, “California LEAs currently self-report school-level data to meet federal ESSA PPE reporting requirements. Should the SLFS proposal move forward, CDE would take a similar reporting approach as the ESSA PPE because it is not feasible to modify the SACS financial reporting system used by LEAs in order to report school-level financial data given the considerable cost and resources that would be required.”

One district stated that, “Undoubtedly, the SLFS will have different requirements for metrics, parameters, and defining these metrics differently than our state defines them.” The district also indicated that, “We are already in FY 2023, creating appropriate new accounts or Program\Functions would be highly subjective and difficult to ascertain.”

One former employee of an SEA stated that, “Our SEA chart of accounts does not go down to the site level, and the vast majority of our LEAs had not tracked spending by site prior to ESSA.” She further stated that, “While implementation in some states may be easy, the states without a site-based chart of accounts face a daunting overhaul that will require hours of additional time and expense for little additional value.”

One public school employee stated, “SLFS would be a tremendous burden that involves revising our accounting system at the same time.”

One individual stated that, “New York State has an existing chart of accounts, established by OSC...The chart of accounts is designed to accommodate the needs of all types of municipalities across New York. The NY SEA has neither the ability nor authority to change the existing chart of accounts to match the proposed collection.

A second individual stated that, “Implementing SLFS in Texas would require the Texas Education Agency to change their mandated chart of accounts. A change in the state mandated chart of accounts would require changes to the chart of accounts of more than 1,000 Local Education Agencies (LEA’s).”

One research lab stated that, “The new estimates are still too low for states like CA and IL that need to overhaul their chart of accounts and train thousands of district leaders and vendors on new accounting codes.”

## ED Response

As previously set forth in the ED responses to 60-day public comments on the SLFS for FY 2022 through 2024, in order to report reliable school-level finance data, SEAs and LEAs must have accounting systems which allow for classification or allocation of expenditures at the school level; consistent protocols; and a viable method for the SEA to efficiently collect and process the school-level data.

If an SEA does not currently have a system for LEAs to report the four subfunctions of total current expenditures down to the building code level, as set forth in the incremental action plan, the State may need to develop a method for LEAs to report this data. The primary change necessary for SEAs to report school-level finance data under the SLFS incremental action plan is the implementation of a building or school code that applies to total current expenditures for instruction, student support services, instructional staff support, and school administration activities.

However, SEAs should not have to develop an entirely new chart of accounts to report total current expenditures by these four subfunctions and three exhibits. Developing a method for districts to report total current expenditures for Instruction (function 1000); Student Support Services (function 2100); Instructional Staff Support Services (function 2200); and School Administration Support Services (function 2400) down to the building code level is readily distinguished from the action of installing a new accounting system.

The definitions of total current expenditures for instruction, student support services, instructional staff support, and school administration are clearly set forth in the NCES Accounting Handbook; the National Public Education Financial Survey (NPEFS) instructions; the School District Finance Survey (F-33) instructions; and the SLFS instructions. Many SEAs have either aligned their state accounting categories with the chart of accounts in the NCES accounting handbook or have developed methods for cross-walking their state accounting categories to the appropriate functions on NPEFS and F-33 survey.<sup>16</sup>

For states that do not have a method to crosswalk their accounting categories, the Census Bureau maintains a crosswalk used to translate the state chart of accounts into the accounting categories reported on the NPEFS and F-33 and performs the cross-walking on behalf of the SEA. The Census Bureau is willing to utilize the crosswalk to translate the state chart of accounts into the four subfunctions of current expenditures requested in the SLFS incremental action plan, including total current expenditures for instruction, student support services, instructional staff support, and school administration activities.

All 50 states and the District of Columbia report current expenditures for PK-12 education by function on NPEFS and on the F-33 survey. Therefore, SEAs would be able to utilize their existing accounting categories or charts of accounts to report on the SLFS.

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<sup>16</sup> The NCES accounting handbook, *Financial Accounting for Local and State School Systems: 2014 Edition* (Allison 2015), provides a set of standards and guidance for school system accounting. Allison, G.S. (2015). *Financial Accounting for Local and State School Systems: 2014 Edition* (NCES 2015- 347). National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC. Retrieved January 2, 2023, from <https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2015347>.

Total current expenditures for instruction, student support services, instructional staff support, and school administration activities—which together comprise over 75% of total current expenditures for PK-12 education on a national basis—are generally directly attributable to the activities of a specific school and can be extracted from current accounting structures.

Personnel at the school-level should be able to extract current expenditures for instruction and instructional staff support services from current accounting structures by virtue of clear data item definitions and guidelines. “Specifically, the instruction and instruction-related expenditures category includes salaries and benefits for teachers, teaching assistants, librarians and library aides, in-service teacher trainers, curriculum development, student assessment, technology, and supplies and purchased services related to those activities.” (Cornman, Phillips, Howell, and Zhou, 2022, fn. 5).<sup>17</sup>

The NCES Accounting Handbook also provides clear guidance on the definition on the function of instruction, stating that, “Instruction includes the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving cocurricular activities.” (Allison, 2015, p. 123).<sup>18</sup> “Instruction includes activities associated with assisting the instructional staff with the content and process of providing learning experiences for students.” (Allison, 2015, p. 124).

As a point of background, the Office of Civil Rights (OCR) collected four school finance data items in the CRDC for school years 2013–14, 2015–16, and 2017–18. The CRDC formerly collected the following data items:

- (1) Salary Amounts for Teachers;
- (2) Salary Amounts for Staff;
- (3) Salary Amount for Total Personnel; and
- (4) Amount of Non–Personnel Expenditures.<sup>19</sup>

As previously set forth in the ED responses to 60-day public comments on the SLFS for FY 2022 through 2024, because the CRDC is a mandatory collection, the majority of LEAs are presumed to already have a method in place for attributing these types of instructional expenditures down to the school level.

SEAs have previously developed a definition for the function of instruction by virtue of participation in the NPEFS and F-33 surveys on an annual basis; as well as districts previously reporting on CRDC for school years 2013–14, 2015–16, and 2017–18.

Current expenditures for most student support services activities are also directly attributable to the school level and can generally be extracted from current accounting structures. Student support services includes “activities

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<sup>17</sup> Cornman, S.Q., Phillips, J.J., Howell, M.R., and Zhou, L. (2022). *Revenues and Expenditures for Public Elementary and Secondary Education: FY 20* (NCES 2022-301). U.S. Department of Education. Washington, DC: National Center for Education Statistics. Retrieved [date] from <https://nces.ed.gov/pubsearch>.

<sup>18</sup>The NCES accounting handbook, *Financial Accounting for Local and State School Systems: 2014 Edition* (Allison 2015), provides a set of standards and guidance for school system accounting. Allison, G.S. (2015). *Financial Accounting for Local and State School Systems: 2014 Edition* (NCES 2015- 347). National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, DC. Retrieved January 2, 2023, from <https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2015347>.

<sup>19</sup> It acknowledged that the four school finance data items previously collected in the CRDC did not include benefits for teachers, teaching assistants, librarians and library aides, and in-service teacher trainers.

designed to assess and improve the well-being of students and to supplement the teaching process” (Allison, 2015, p. 123).<sup>20</sup> SEAs have been reporting current expenditures for student support services (function 2100) on the district-level F-33 survey for several decades. Therefore, it is presumed that SEAs and LEAs have existing account codes in their chart of accounts which are used to report student support services.

Current expenditures for school administration support services (function 2400) can also be extracted from current accounting structures. School administration support services include “activities concerned with overall administrative responsibility for a school” (Allison, 2015, p. 128).<sup>21</sup> Similar to instruction, instruction support services, and student support services, SEAs have also been reporting current expenditures for school administration support services on the F-33 survey for several decades. Therefore, it is presumed that SEAs and LEAs have existing account codes in their chart of accounts which are used to report school administration support services.

NCES will offer SEAs some flexibility in the implementation of the SLFS incremental action plan. For example, if an SEA can report current expenditures for Instruction, Instructional Staff Support, and School Administration activities at the school level and cannot initially report current expenditures for Student Support Services, NCES will provide technical assistance, training for SEA staff, and facilitate cross-training from other SEAs on how to collect and report this data item. In this example, while SEAs are developing the capacity to report current expenditures for Student Support Services at the school-level, NCES will offer an extension of time to comply with the incremental action plan.

As previously set forth in the ED responses to 60-day public comments on the SLFS for FY 2022 through 2024, based on responses of SEAs to the FY 21 NPEFS fiscal data plan, the majority of states are able to separately report both personnel and nonpersonnel current expenditures at the school level using their current accounting structures (see table below). On the NPEFS fiscal data plan, thirty-six (36) states and the District of Columbia indicated that they collect and maintain school-level data on all schools, four (4) states indicated that they collect and maintain school-level data for all schools except charter schools, one (1) state maintains school-level data for some schools, and ten (10) states do not maintain school-level data.

**Number and percentage of states that track school-level expenditures, by type of expenditure:  
Fiscal year 2021**

Type of School-Level Expenditure	Number of States	Percent of States
Personnel expenditures	38	74.5
Nonpersonnel expenditures	38	74.5
Personnel expenditures for instructional staff	38	74.5
Personnel expenditures for instructional aides	32	62.7
Personnel expenditures for teacher salaries	34	66.7
Personnel expenditures for support services staff	35	68.6
Personnel expenditures for school administration staff	35	68.6
Nonpersonnel expenditures for textbooks and periodicals	32	62.7
Nonpersonnel expenditures for improvement of instruction	32	62.7

<sup>20</sup> The SLFS instructions for student support services provide that, “Report expenditures for administrative, guidance, health, and logistical support that enhance instruction. Include attendance, social work, student accounting, counseling, student appraisal, information, record maintenance, and placement services. Also include medical, dental, nursing, psychological, and speech services.”

<sup>21</sup> The SLFS instructions specifically provide that, “Report expenditures for the office of the principal services.”

Nonpersonnel expenditures for library and media services	31	60.8
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Current expenditures for instruction are comprised primarily of personnel expenditures for teacher salaries, instructional staff, and instructional aides as well as nonpersonnel expenditures for textbooks and periodicals.<sup>22</sup> Approximately seventy-five (75) percent of the SEAs indicated that they separately track personnel expenditures for instructional staff at the school-level. Approximately sixty-seven (67) percent of the SEAs responded that they separately track school-level personnel expenditures for teacher salaries. Personnel expenditures for instructional aides and nonpersonnel expenditures for textbooks and periodicals are tracked at the school-level by almost sixty-three (63) percent of SEAs. Therefore, it appears that a majority of states would be able to report school-level current expenditures for instruction.

Total current expenditures for student support services, instructional staff support services, and school administration are also comprised primarily of personnel expenditures.<sup>23</sup> Close to sixty-nine (69) percent of SEAs indicated that they separately track school-level personnel expenditures for support services staff as well as personnel expenditures for school administration staff. Nonpersonnel expenditures for improvement of instruction and for library and media services, both which are included in instructional staff support services, are tracked at the school-level by more than 60 percent of SEAs. Therefore, it appears that a majority of states would be able to report school-level current expenditures for student support services, instructional staff support, and school administration.

As previously set forth in the ED responses to 60-day public comments on the SLFS for FY 2022 through 2024, a few states not currently participating in the SLFS have indicated that the burden of participating in the full-scale SLFS would be significant, as it would necessitate upgrades to their accounting software and likely require funding and time resources to train SEA and LEA staff on revised business rules for school-level finance reporting to comply with the SLFS.<sup>24</sup> Accounting software upgrades would largely center around 1) the implementation of a school code so that each current expenditure can be associated with a specific school to the detail requested on the SLFS (participating states already have this school code implemented) and 2) developing business rules as appropriate within the software to allocate centralized and other expenditures not typically reported at the school level down to the school level.

<sup>22</sup> On the FY 20 NPEFS, 61.9 percent of total current expenditures for instruction were spent on salaries and wages for instructional staff, including teachers and instructional aides, 26.9 percent were spent on employee benefits, and 0.6 percent were spent on textbooks and periodicals (U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), “National Public Education Financial Survey (NPEFS),” fiscal year 2020, Version 1a).

<sup>23</sup> On the FY 20 NPEFS, 62.1 percent of current expenditures for student support services were spent on salaries and wages and 26.5 percent were spent on employee benefits. For instruction support services, 55.1 percent of current expenditures were spent on salaries and wages and 22.0 percent were spent on employee benefits. For school administration, 67.1 percent were spent on salaries and wages and 28 percent on employee benefits. (U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), “National Public Education Financial Survey (NPEFS),” fiscal year 2020, Version 1a).

<sup>24</sup> Accounting software upgrades would largely center around 1) the implementation of a school code so that each current expenditure can be associated with a specific school to the detail requested on the SLFS and 2) developing business rules as appropriate within the software to allocate centralized and other expenditures not typically reported at the school level down to the school level.

Accounting software updates would also require funding and time resources in order to effectively implement them. In recognizing the challenges faced by a small number of SEAs implementing accounting system upgrades, NCES is proposing the incremental action plan which would reduce the reporting burden in the first three years of participation in the SLFS, while allowing states to spread the burden to upgrade systems or develop new data collection and reporting processes over multiple years. Nearly all states—both participating and non-participating—have internal uniform accounting manuals for their LEAs that incorporate (albeit to varying degrees) the account codes detailed within the NCES accounting handbook. The fact that most SEAs already have uniform accounting guidance aligned with the accounting standards and structure documented in the NCES accounting handbook is expected to mitigate the burden of implementing school-level finance reporting for the SLFS.

Finally, SEAs can apply for funding that could support activities such as implementing accounting software updates through programs such as the School Longitudinal Data System grants.

### [Associated comments](#)

ED-2022-SCC-0120:

12; 15; 18; 20; 21; 23; 25; 27; 30.

# Comments related to U.S. Department of Education Engaging Directly with Groups Impacted by its Proposal for NCES to Collect School Finance data as part of the Civil Rights Data Collection (CRDC)

## Public response

NCES received 10 submissions with a total of 11 signatories related to the point that NCES should engage directly with groups impacted by its proposal for NCES to collect school finance data as part of the Civil Rights Data Collection (CRDC).

## Recommendations/Concerns

A former SEA employee stated that, “We engaged LEA representatives and other stakeholder groups to set our ‘value proposition.’ These steps allowed us to implement the mandate in a way that honored our LEAs’ time and desire to serve students even as we led them through the sometimes painful process of accounting for their spending at the school level for the very first time.”

The former SEA employee further stated that, “I encourage NCES to pursue that cause through proven channels for successful implementation: in partnership with SEAs and LEAs, leveraging existing data, honing in on the potential value of the data to stakeholders, and designing any new data collection to best support those stakeholders and the value proposition.”

One state education agency (SEA) stated that, “NCES should develop standardized protocols for reporting these data. This would require careful consideration of several important questions, with extensive input from local, state, and federal experts to make the data meaningful, which has not been done. Even if protocols were developed for determining school-level expenditures, those protocols would still only provide a degree of consistency in costs attributed to a school site. They would not provide an accurate measure of costs actually incurred at that school site.”

One SEA employee stated that, “I am asking for continued conversations to make sure we can bring everyone along at a sustainable pace with the plan we really are comparing the same variables across state lines in the end.”

The School Superintendents Association (AASA) and the Association of School Business Officials International (ASBO) stated that, “We respectfully ask the U.S. Department of Education to engage directly with the major groups impacted by its proposal, like ours. To date, the department has refused to do so. We do not understand why.”

AASA and ASBO further stated that, “If it advances, this revised proposal will consume the time and energy of district finance teams for years to come. It should come as no surprise to our federal education leaders that the timing simply could not be worse. The nation’s school districts are grappling with unprecedented financial turmoil and devastating learning gaps from the pandemic (especially for the most vulnerable students). We see nothing in this proposal that would justify diverting scarce time and resources away from the mission-critical, student-centered work that needs doing in our nation’s districts. Again, we advise IES to halt its proposal to make SLFS mandatory. And we ask NCES to engage directly with groups like ours toward a responsible solution.”

One district-level employee and multiple individuals stated that, “It would be helpful if NCES could be more responsive to the needs of districts with this collection.”

## ED Response

The Department of Education Sciences concurs with the comments pertaining to the point that NCES should engage directly with groups impacted by the proposal for NCES to collect school finance data as part of the Civil Rights Data Collection (CRDC).

Over the past three (3) years NCES staff have engaged with State Fiscal Coordinators on a quarterly basis in part to ascertain the content of COVID-19 revenue and expenditure data; Average Daily Attendance (ADA) data; and school-level finance data that the SEAs can accurately report.

As a direct result of these quarterly meetings, it became apparent that an incremental action plan should be applied to the proposal for NCES to assist OCR with collecting school level finance data as part of the CRDC. As previously set forth, the incremental action plan requires:

- SEAs to report total current expenditures for each public PK-12 school within the state in school year 2021-22; and
- SEAs to report total current expenditures by four subfunctions and three exhibits in school years 2022-23 and 2023-24.

In developing the SLFS incremental action plan, NCES staff have carefully considered the coordinators' comments and recommendations, particularly pertaining to providing sufficient "ramp-up" time for school and district level personnel to submit school-level finance data to the SEAs. NCES staff listened very carefully to the State Fiscal Coordinators comments regarding the feasibility of collecting and reporting specific finance data items at the school level. For example, based on the interactive sessions with State Fiscal Coordinators it appears that current expenditures for the functions of Instruction and School Administration activities can be readily reported at the school level.

NCES is also carefully listening to the comments of State Fiscal Coordinators, school business administrators, school-level personnel, and groups impacted by the proposal regarding whether the SLFS incremental action plan should be applied in a flexible manner. As previously set forth, if an SEA cannot initially report current expenditures for Student Support Services or Instructional Staff Support, NCES will provide technical assistance and training for SEA staff on how to collect and report these data items (infra, pg. 22).

NCES will continue to collaborate with SEAs to ascertain the content of school-level finance data that States can accurately report and provide further clarification, if appropriate, in the FY 2022, FY 2023, and FY 2024 reporting instructions. To support this effort, NCES will also provide technical support to State Fiscal Coordinators through quarterly interactive webinars to help support consistent collection and submission of accurate school-level finance data.

Furthermore, NCES has convened a panel of State Fiscal Coordinators and LEA-level personnel to review how school-level finance data are being reported by schools to LEAs and ultimately to SEAs. Based on comments and suggestions from State Fiscal Coordinators and LEA-level personnel, additional guidance on collecting and reporting school level finance data will be provided.

Going forward NCES is amenable to meet with groups that may be impacted by the proposal for NCES to collect school finance data as part of the CRDC, particularly when the intent is to foster communication between districts and SEAs. During quarterly meetings over the last three years NCES has been consistently

receiving feedback from the State Fiscal Coordinators on whether SEAs can submit SLFS data. Going forward, NCES is willing and able to invite representatives of groups such as the School Superintendents Association (AASA), the Association of School Business Officials International (ASBO), and the Council of Chief State School Officers (CCSSO) to meet in conjunction with State Fiscal Coordinators and district-level personnel on the SLFS.

For example, in May of 2023, NCES Associate Commissioner Ross Santy will be providing an update on federal programs for the Education Information Management Advisory Collaborative (EIMAC) , an organization of SEA representatives coordinated by the CCSSO.<sup>25</sup> As part of his presentation, Mr. Santy will provide an overview of the School-Level Finance Survey and the proposal for the Office of Civil Rights (OCR) to work with NCES to assist OCR with collecting school level finance data as part of the CRDC.

Furthermore, over the past three years NCES convened an expert panel consisting of State Fiscal Coordinators and LEA-level personnel in part to review potential changes in how Average Daily Attendance (ADA) data are being reported by LEAs and States, make recommendations to clarify ADA reporting instructions, and develop best practices for reporting ADA data. The expert panel also determined whether there is a match between the COVID-19 federal assistance revenue and expenditure data items that are being requested on the State and district-level finance surveys and data that the State Fiscal Coordinators can actually provide. NCES is amenable to convening this expert panel of State Fiscal Coordinators and LEA-level personnel in conjunction with groups that may be impacted by the proposal for NCES to collect school finance data as part of the CRDC for the purpose of determining whether flexibility should be a crucial component of applying the SLFS incremental action plan. The State Fiscal Coordinators and LEA-level personnel in particular have the expertise to determine if there is a match between current expenditures for Instruction, Instructional Staff Support, Student Support Services, and School Administration activities requested on the SLFS and data that the State Fiscal Coordinators can actually provide.

## Associated comments

ED-2022-SCC-0120:

4; 5; 7; 9; 11; 17; 23; 25; 28; 31

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<sup>25</sup> The Education Information Management Advisory Collaborative (EIMAC) mission is to influence, advance, and sustain the innovative use of data and technology in support of CCSSO's aspiration that each child—across all backgrounds—graduates ready for college, careers, and life, and that our state leaders, schools, and educators are prepared and have the right resources at the right moment to meet the needs of each student they serve.

## Comments related to NCES Improving the Timeliness of Releasing Data

### Public response

NCES received 23 submissions with a total of 23 signatories related to the point that NCES should improve the timeliness of releasing data.

### Recommendations/Concerns

One state education agency (SEA), two (2) districts, and twelve individuals suggested that NCES should improve their timeliness in releasing data for its school finance collections.

One SEA stated that, “The U.S. Department of Education’s (ED) timeline for releasing financial data makes it hard for California LEAs to benchmark our data against that of others for use in continuous improvement. For communities to be able to constructively use this data to improve their delivery of services to students, the data needs to be released more quickly.”

One district stated that, “The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement. If you are able to release it in a more timely manner, I would be grateful.”

A second district stated that, “The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement.” This district also echoed the statement of an individual who stated that, “It would be helpful if NCES could be more responsive to the needs of districts with this collection. That would require being more timely.”

One individual stated that, “USDE must commit to a regular release schedule. The delay and frequency of the existing SLFS data set makes it of little use to policymakers and researchers.”

A second person stated that, “Please consider the usefulness of timely data as you weigh the decision to shift into a longer lag time for data reporting.”

A third individual stated that, “It would be helpful to have the data in a timely manner. Right now the data available for my state is from 2018/2019 which is not very helpful in decision making.”

A fourth person stated that, “The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement. We need our data systems to be faster than 2 years if we’re going to deliver for our students.”

A fifth person stated that, “The timeline for releasing financial data makes it extremely difficult for our district to benchmark our data against that of others for use in continuous improvement and to quickly pivot to take action.”

Four other individuals reiterated the identical point that, “The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement.”

Another person stated that, “It is my hope that NCES would be more responsive to the needs and capacity of school districts. Thus, when data is released two-years later, it is no longer a leading indicator and as such offers very little value in planning.”

One person also stated that, “I think you would be better served trying to improve your own processes to get that data out sooner than be 2-3 years behind.”

One research lab stated that, “Two years is still far too long a lag for the data to be of practical use for district and state leaders or even for research that isn’t limited to longitudinal scope.”

Finally, one person commented that, “To wait a long period of time is the opposite of where private business is going and seems to affirm the problem with bureaucracy.”

## ED Response

The mission of NCES is to “Collect, report, and analyze, and disseminate statistics and other data related to education in the United States and in other nations.” § 406 (b) of the General Education Provisions Act, as amended (20 U.S.C. 1221e-1). The mission is also to “Collect, analyze and report education information and statistics in a manner that is relevant and useful to practitioners, researchers, policymakers, and the public.” Education Sciences Reform Act § 9543. In carrying out that mission, NCES conducts comprehensive iterative reviews of education finance data to help ensure that the data released are accurate and trustworthy.

The issue of timeliness of releasing NCES data was recently addressed in the National Academies of Sciences report entitled [A Vision and Roadmap for Education Statistics](#) (2022). Recommendation 4-6 provides in pertinent part that, “NCES should release data and data products that are useful, actionable, and timely for local and state education agencies and other stakeholders. To increase timeliness, NCES, in collaboration with the Institute of Education Sciences, should review and revise its internal and external quality assurance processes.”<sup>26</sup> The report stated that, “Regarding timeliness, the panel recommends that NCES consider three things: Stakeholders, operations, and review processes. NCES is encouraged to engage with practitioners, policy makers, and other stakeholders on their need, as expectations for timeliness vary by stakeholder and have changed over time. The panel urges NCES to revisit the timeliness of each of its existing products, to determine if the degree of timeliness suits the product’s target audience.”

### A. Internal Reviews of Fiscal Data by SEAs, the U.S Census Bureau, and NCES

The annual state-level National Public Education Financial Survey (NPEFS) files, district-level School District Finance Survey (F-33) files, and the School-Level Finance Survey (SLFS) files are subject to comprehensive internal reviews by state departments of education (SEAs), the Census Bureau, and NCES. These reviews are performed to ensure reasonableness of the finance data submitted. The identification and resolution of data issues in the State, district, and school-level fiscal files consumes substantial time and elongates the data release. If data issues and anomalies are identified during the review process, NCES and the Census Bureau collaborate with SEAs to resolve these issues. Every year, several states make (often substantial) data revisions to their originally submitted data to improve accuracy of the data disseminated to the public.

Furthermore, NCES performs a multi-stage review of all state-level NPEFS files, district-level F-33 files, and SLFS data files and documentation separately to ensure the data releases meet the agency’s data quality (statistical, technical, style, etc.) standards. In the past, it was not uncommon for single stages within the internal standards review to take several weeks to months to complete.

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<sup>26</sup> National Academies of Sciences, Engineering, and Medicine. (2022). *A Vision and Roadmap for Education Statistics*. Washington, DC: The National Academies Press. <https://doi.org/10.17226/26392>.

Currently, NCES and the Census Bureau are aggressively examining several measures to expedite the internal review processes. For example, NCES and the Census Bureau will immediately contact SEAs if data issues and anomalies are identified during the initial data reviews. NCES will collaborate with SEAs to ensure that the outstanding data issues are resolved in a timely manner.

NCES has recently established consistent table shells for the State, district, and school-level finances report on an annual basis that highlight the data items that practitioners, policy makers, and researchers are currently seeking to analyze. NCES and Census Bureau staff are keenly aware of leading education finance indicators by virtue of attending annual conferences of the Association for Education Finance and Policy (AEFP), the American Education Research Association (AERA), the Association of School Business Officials International (ASBO), and Council of Chief State School Officers (CCSSO). The consistent annual table shells reduce the time the technical review staff need to invest in that the standardized tables are geared toward illuminating education finance issues which are critical to the research community, rather than exploring new data analysis techniques across the tables in each round of reviews.

NCES is currently implementing a WRITe system that requires authors to provide a statement of purpose and research questions; a conceptual framework; a summary of data and methods; and findings prior to submitting reports into the agency internal review system. The WRITe system facilitates a laser focus by authors and reviewers on the purpose and research questions of each report and developing data analysis plans to narrowly respond to those questions. The WRITe system will ultimately improve the timeliness of releasing CCD fiscal reports and data in that authors and reviewers of fiscal reports and documentation will be implicitly encouraged to specifically answer the mutually agreed upon research questions and not focus on ancillary issues.<sup>27</sup>

Finally, NCES will also provide more extensive training for staff on applicable statistical, technical, and style standards. NCES will actively require staff to periodically review the publication tip sheets, forms and policies on the members website.

## **B. Independent Reviews of Fiscal Data by an Outside Entity**

NPEFS, F-33, and SLFS data are also subject to multiple independent reviews by an outside entity. NCES commits to commencing the independent review process of state-level NPEFS files, district-level F-33 files, and the school-level SLFS files immediately subsequent to SEA submission of their initial data files. NCES also commits to collaborating with SEAs in an efficient manner to resolve data issues.

It is anticipated that the fiscal year (FY) 22 (school year 2021-22) SLFS data collection will open by mid-late April, 2023. The FY 22 SLFS data files will be independently reviewed by an outside entity on a rolling basis as soon as they are received by NCES. The deadline for the FY 22 SLFS data collection is December 31, 2023.

## **C. Review of State and District Level Data Utilized for Calculating Allocations for Certain Formula Grant Programs, including, but not limited to, Title I, Part A**

NCES provides the Department of Education Office of Elementary and Secondary Education (OESE) Title I Office on a quarterly basis with NPEFS data extracts by state for the following variables: current expenditures, exclusions for purposes of 20 U.S.C. § 8801(11), net current expenditures, average daily attendance and state

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<sup>27</sup> At this juncture, the WRITe system is voluntary so authors can practice using the system and provide feedback to improve it. The WRITe system is required for all NCES reports as of September 1, 2023.

per pupil expenditures (SPPE). SEAs report attendance, revenue, and expenditure data from which NCES determines a State's "average per-pupil expenditure" (SPPE) for elementary and secondary education, as defined in section 8101(2) of the Elementary and Secondary Education Act of 1965, as amended (ESEA) (20 U.S.C. 7801(2)). "In addition to using the SPPE data as general information on the financing of elementary and secondary education, the Secretary uses these data directly in calculating allocations for certain formula grant programs, including, but not limited to, title I, part A, of the ESEA, Impact Aid, and Indian Education programs."<sup>28</sup> Federal Register /Vol. 87, No. 7 /Tuesday, January 11, 2022.

Prior to submitting the quarterly data extracts to OESE Title I Office, NCES engages in the most stringent and comprehensive independent review process of SPPE data, including cross-checking it with district level F-33 and school-level SLFS data. The independent review process takes a substantial amount of time and impacts the release dates of NPEFS data. NCES will continue to enhance the efficiency of the internal and independent reviews of SPPE data by standardizing the data checks and edits on an annual basis.

#### **D. NCES Release of Reports Based on State, District, and School-Level Finance Data**

In the immediate future, NCES commits to releasing reports based upon the state-level NPEFS files, district-level F-33 files, and the school-level SLFS files within six to eight months of the respective data collection closing dates. NCES requires that Finance Tables or First Look Reports be published as a prerequisite to release of Common Core of Data (CCD) fiscal data files.<sup>29</sup> NCES further commits to releasing documentation and data files for the NPEFS, F-33, and SLFS surveys within nine months of the data collection closing dates.

For example, the FY 21 NPEFS Finance Tables Report is currently in review and is projected to be released in May 2023, eight months after the initial closing date of September 6, 2022.<sup>30</sup> The FY 21 NPEFS data has been subjected to three to five independent reviews by an outside entity within that eight-month time frame. It is anticipated that the FY 21 NPEFS data file and documentation will also be released by May of 2023.

Going forward, the NPEFS Finance Tables Report will be released by April of the following year, which is within seven months of the closing of the data collection.

The School District Finance Survey (F-33) data collection for a given fiscal year opens in late January after the fiscal year ends and has an initial deadline of August 15<sup>th</sup> later that year (e.g., the FY 21 F-33 collection opened in late January of 2022 and initially closed on August 15, 2022). The official closing date for the FY 21 F-33 data collection is December 31, 2023.

The FY 21 F-33 Finance Tables Report is currently in review and is projected to be released in June of 2023, which is within six months of the data collection closing date. The FY 21 F-33 data file and documentation will also be released by June of 2023.

Going forward, the F-33 Finance Tables Report will be released by June of the following year, which is within six months of the data collection closing date. In contrast, over the past five years, F-33 annual reports, data

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<sup>28</sup> Other programs, such as the Education for Homeless Children and Youth program under title VII of the McKinney-Vento Homeless Assistance Act, and the Student Support and Academic Enrichment Grants under title IV, part A of the ESEA make use of SPPE data indirectly because their formulas are based, in whole or in part, on State title I, part A, allocations.

<sup>29</sup> NCES utilizes Finance Tables Reports or First Look Reports to provide descriptive statistics pertaining to NPEFS, F-33, and SLFS data.

<sup>30</sup> The FY 20 NPEFS data collection opened on January 29, 2021 and closed on August 13, 2021. The NPEFS Web Tables Report was released on May 11, 2022, approximately nine months after the collection ended. The FY 21 NPEFS data collection opened on January 31, 2022.

files, and documentation have typically been released approximately nine months after final data collection closing date.

Going forward, the SLFS Finance Tables Report will be released by July of the following year, which is within seven months of the data collection closing date. For example, the SLFS Finance Tables Report based on FY 22 data will be released by July of 2024. Furthermore, the SLFS Finance Tables Report based on FY 23 data will be released by July of 2025.

#### **E. Release of State, District, and School-Level Finance Data by NCES**

The provisional NPEFS data and documentation is projected to be released by May of the following year after data collection closes on or about September 6th on an annual basis, which is within eight months of the data collection closing date.<sup>31</sup>

The provisional F-33 data and documentation will be released by July of the following year, which is within seven months of the data collection closing date. SEAs generally perform comprehensive audits and other internal data quality reviews of their school finance for accuracy prior to preparing and submitting their F-33 data. Upon receipt, F-33 staff perform additional review and editing of the data, corresponding with SEA staff throughout the collection period to confirm questionable data and process revisions if data are determined to be erroneous. Occasionally, delayed responses from SEAs to inquiries or requests for revised data from NCES or the Census Bureau can result in delays in the review process beginning or continuing.

Finally, the FY 22 SLFS data file and documentation is projected to be released by August of 2024, which is within eight months of the data collection closing date.

#### **F. Proposal for SEAs to Consider Changing Timetable for Submitting Fiscal Data**

Going forward, future collections of SLFS data will open earlier than the mid/late April opening of the FY 22 data collection. For example, the FY 23 SLFS data collection is currently scheduled to open in January of 2024.

NCES will seek feedback from the State Fiscal Coordinators during quarterly meetings pertaining to whether the SEAs can submit SLFS data earlier than the currently proposed December 31<sup>st</sup> closing date. For example, if the State Fiscal Coordinators can submit the FY 24 SLFS data by November 1, 2025, the SLFS Finance Tables Report is projected to be released by May of 2026. If it is determined that SEA respondents can submit SLFS data earlier, SLFS data files (as well as the related documentation and reports) will be released accordingly in a more timely manner.

If the currently proposed December 31<sup>st</sup> closing date for the SLFS data collection cannot be moved to an earlier date for future collections, it is anticipated that SLFS reports will be released the June following the survey's closing date (with the related data file and documentation released in July following the survey's closing date). For example, it is projected that the SLFS Finance Tables Report based on FY 23 data will be released by June of 2025, with the FY 23 SLFS data file and documentation being released by July of 2025.

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<sup>31</sup> The Federal Register states that, "SEAs must submit all data, including any revisions to FY 2020 and FY 2021 data, to the Census Bureau no later than Monday, August 15, 2022. Any resubmissions of FY 2020 or FY 2021 data by SEAs in response to requests for clarification or reconciliation or other inquiries by NCES or the Census Bureau must be completed by Tuesday, September 6, 2022." "Between August 12, 2022, and September 6, 2022, SEAs may also, on their own initiative, resubmit data to resolve issues not addressed in their final submission of NPEFS data by August 15, 2022. All outstanding data issues must be reconciled or resolved by the SEAs, NCES, and the Census Bureau as soon as possible, but no later than September 6, 2022." Federal Register /Vol. 87, No. 7 /Tuesday, January 11, 2022.

In conclusion, NCES realizes that the timeliness of releasing education finance data can be improved and is committed to developing a plan to ensure data from the State, district, and school-level fiscal surveys are released earlier and within a more consistent time frame going forward.

### Associated comments

ED-2022-SCC-0120:

1; 2; 3; 5; 6; 7; 8; 9; 10; 11; 14; 16; 17; 21; 23; 27; 30,

## All comments (in numerical order)

**Docket:** ED-2022-SCC-0120 Common Core of Data (CCD) School-Level Finance Survey (SLFS) 2022-2024

Agency Information Collection Activities; Comment Request; Common Core of Data (CCD) School- Level Finance Survey (SLFS) 2022-2024

### Comment 1

**Author Full Name:** Kathryn York **Received Date:** 03/02/2023 01:31 PM

Pease consider the usefulness of timely data as you weigh the decision to shift into a longer lag time for data reporting. Lagging data that is also out of date will be useless for the evolving pace of the world.

### Comment 2

**Author Full Name:** Chris Gonzalez **Received Date:** 03/02/2023 01:34 PM

Access to financial data at the end of a fiscal year (or once it's been audited) is crucial to understanding the ROI for education in schools.

To wait a long period of time is the opposite of where private business is going and seems to affirm "the problem with bureaucracy."

### Comment 3

**Author Full Name:** Anonymous **Received Date:** 03/02/2023 01:45 PM

It would be helpful to have the data in a timely manner. Right now the data available for my state is from 2018/2019 which is not very helpful in decision making.

### Comment 4

**Author Full Name:** Keisha Nzewi **Received Date:** 03/02/2023 01:48 PM

The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement.

We need our data systems to be faster than 2 years if we're going to deliver for our students.

It would be helpful if NCES could be more responsive to the needs of districts with this collection. That would require being more timely. When data are released after 2 years, there is no real time practical value.

### Comment 5

**Author Full Name:** Jim Grady **Received Date:** 03/02/2023 01:48 PM

The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement.

We need our data systems to be faster than 2 years if we're going to deliver for our students.

It would be helpful if NCES could be more responsive to the needs of districts with this collection. That would require being more timely.

When data are released after 2 years, there is no real time practical value.

## Comment 6

**Author Full Name:** Kathryn Haines **Received Date:** 03/02/2023 01:49 PM

Hello,  
I am a School Board Member in VA and rely on your data. The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement. If you are able to release it in a more timely manner, I would be grateful.  
warm regards,  
Kathryn Haines  
Chesterfield County Public School, Vice Chair, Midlothian District

## Comment 7

**Author Full Name:** Aaron Marquez **Received Date:** 03/02/2023 01:50 PM

“The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement.”

“We need our data systems to be faster than 2 years if we’re going to deliver for our students.”

“It would be helpful if NCES could be more responsive to the needs of districts with this collection. That would require being more timely.”

“When data are released after 2 years, there is no real-time practical value.”

-Aaron Marquez  
Governing Board Member  
Phoenix Union High School District

## Comment 8

**Author Full Name:** LORENZO RICHARDSON **Received Date:** 03/02/2023 01:53 PM

My name is Lorenzo Richardson, from Jersey City, New Jersey, writing as a taxpayer and education advocate. The timeline for releasing financial data makes it extremely difficult for our district to benchmark our data against that of others for use in continuous improvement and to quickly pivot to take action.

Is it possible to release data as soon as it is calculated and compiled on your end so we can better respond to the needs of our students?

## Comment 9

**Author Full Name:** Natalie Blasingame **Received Date:** 03/02/2023 01:53 PM

The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement. We need our data systems to be faster than 2 years if we’re going to deliver for our students. It would be helpful if NCES could be more responsive to the needs of districts with this collection. Thank you.

## Comment 10

**Author Full Name:** Sendhil Revuluri **Received Date:** 03/02/2023 02:20 PM

This data is valuable not just for academic research or federal policy, but to inform individual school district (LEA) decisions and actions. Especially in a time of rapid change and high student need, when data are released after two years, there’s far less practical value than getting them closer to real time. A slow timeline to release financial data makes it hard for districts to benchmark our data against that of others for use in continuous

improvement. Accurate and comprehensive data is helpful, but we also need data systems to be faster to deliver for our students.

### Comment 11

**Author Full Name:** Anonymous **Received Date:** 03/02/2023 08:03 PM

The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement. We need our data systems to be faster than 2 years if we're going to deliver for our students. How can our district make changes or assess what is happening if we don't have current data? How can we budget effectively? It would be helpful if NCES could be more responsive to the needs of districts with this collection. That would require being more timely. When data are released after 2 years, there is no real time practical value.

### Comment 12

**Author Full Name:** David Pate **Received Date:** 03/07/2023 06:13 PM

NCES's proposal mandating the School-Level Financial Survey (SLFS) for all states and all school districts fails to adequately justify the significant financial and opportunity cost.

Implementing SLFS in Texas would require the Texas Education Agency to change their mandated chart of accounts. This would require changing the Texas Student Data Systems (TSDS) PEIMS data standards. The testing and implementation of these changes would be a significant financial burden to the state and would degrade if not completely eliminate longitudinal data analysis due to data inconsistencies.

A change in the state mandated chart of accounts would require changes to the chart of accounts of more than 1,000 Local Education Agencies (LEA's). Changing the chart of accounts in general ledger systems of these LEA's would effectively require reimplementing of the software resulting in significant hard dollar cost to all LEA's. Additionally, such reimplementing will take months if not years for some LEA's. As with any financial accounting system implementation, it will also create significant business risk that staff and vendors are not paid correctly or on time.

Making this change would also be an unnecessary distraction to LEA staff when enrollments are declining and costs are increasing. It will likely take several years to make the proposed changes and several more to expect quality data. IES should not continue with this effort but instead work on improvements to the existing school-by-school financial data required by ESSA.

### Comment 13

**Author Full Name:** Anonymous **Received Date:** 03/07/2023 07:25 PM

Our state data systems store countless amounts of data. During this proposal, NCES has offered to accept a raw data file from our state to meet the SLFS survey submission. Submitting our district and school level financial data as a 'data-dump' is the only way we are able to meet this requirement.

### Comment 14

**Author Full Name:** Andrea Guerrero **Received Date:** 03/08/2023 06:12 PM

The slow timeline for releasing financial data makes it hard for our district to benchmark our data against that of others for use in continuous improvement.

### Comment 15

**Author Full Name:** Weston Young **Received Date:** 03/08/2023 12:22 PM

We are trying to stay focused on managing the financial storm. SLFS would be a tremendous burden that involves revising our accounting system at the same time.

As a district CFO who has implemented Student-Based Allocations and sought to strategically report and communicate funding at school level since 2015, we are probably in a better position than many others. Even with that, the additional reporting requirements will not be timely for decision making for the "students need existing yesterday, today, and tomorrow. We are focused on leveraging our reporting to drive better decision-making for students and desire to stay focused on that rather than an additional compliance reporting regime which taps limited available resources from our central staff/advisory such as our fiscal budget, 24 hours in a day, physical energy, and mental stamina. Educators and those who support Educators have a passion for student growth, not another reporting requirement.

### Comment 16

**Author Full Name:** Anonymous **Received Date:** 03/09/2023 04:40 PM

It is disappointing that after much negative comment about what NCES is asking for, this is still moving forward. If you really understand data and numbers, and you really understand schools and students we serve, you would know that this data collection serves no purpose to improve schools. The data you currently offer is fantastic, although not entirely current. I think you would be better served trying to improve your own processes to get that data out sooner than be 2-3 years behind. My people are tired of having additional burden put upon them in the name of accountability and you are underestimating the burden, unfunded no less, that we will bear. Utilize your existing data and the NERDS database and please give us a break from another mandate.

### Comment 17

**Author Full Name:** Teresa Lance **Received Date:** 03/11/2023 07:29 PM

It is my hope that NCES would be more responsive to the needs and capacity of school districts. Thus, when data is released two-years later, it is no longer a leading indicator and as such offers very little value in planning.

### Comment 18

**Author Full Name:** Diane Bartholomew **Received Date:** 03/15/2023 12:18 PM

As the nation's fifth largest school district with over 300,000 students, the Clark County School District (CCSD) opposes the recent proposal mandating the School-Level Finance Survey (SLFS) for all schools, districts, and states starting in 2022.

The following are the main concerns:

Extensive Re-working of Data and Differing Definitions of Metrics:

- The district already reports school-site data to the State of Nevada via the statewide database "InSight" administered by EDMIN <https://www.edmin.com/>
- This data ends up on the "Nevada Report Card" website as the "School Accountability Report" (see:<http://nevadareportcard.nv.gov/di/> )
- Undoubtedly, the SLFS will have different requirements for metrics, parameters, and defining these metrics differently than our state defines them.
- For example, defining "FTE" vs "Headcount" is problematic as there are several ways of defining a "full-time equivalent".
- CCSD already attempts to allocate all central expenses down to the 350+ school sites in our financial database only to adjust some of them back out in order to comply and align with our state-mandated database, InSight.

#### Limited Resources:

- CCSD is currently implementing a new Payroll and Human Capital Management (HCM) system as well as complying with the January launch of our state's new state pension system. All of our consultants are working on these projects.
- We are already in FY 2023, creating appropriate new accounts or Program\Functions would be highly subjective and difficult to ascertain.
- New GASB statements are taking up the Accounting Department's resources

For all of the reasons stated above, we strongly oppose this proposal.

#### Comment 19

**Author Full Name:** Evelyn Gross.Whitebay, M.Ed. **Received Date:** 03/20/2023 06:21 PM

Please see the full written document attached. Sources, studies, and footnotes are included.

Here are some excerpts from the full document:

1. The School Level Finance Survey is a viable mechanism that promotes knowledge of expenditures that are intended to affect students' educational outcomes. The SFLS helps obtain school-level data used to inform issue-driven decisions, which helps educational processes become more effective in addressing student, school-level and other needs through appropriate expenditures. The data helps schools to adjust and readjust school level outlays in order to shift funds to targeted areas of need for student supports, learning situations, the teaching process, and provide learning experiences and improved content for all students. SLFS, school-by-school data can provide required information to define needed action, and increase efficacy of important shifts in expenditure.

2. The SLFS data collections for instruction and instructional staff supports may be the key that unlocks new answers and insight. One ongoing dilemma is inequity particularly of literacy skills linked to poor reading achievement for marginalized learners including those having disabilities, specific learning disabilities, impoverishment, the general population of students coming out of the Covid-19 situation, and schools with pre-existing learning gaps especially in reading and language arts. In major part, studies show level of literacy has to do with teacher knowledge levels and instructional practices. Collecting expenditure data in the future would help facilitate transitions to address these overall, civil, and low outcome issues.

3. To address the civil issues and equity of having every student reading at or above grade level by the end of third grade, there are related findings: "The increase in teacher knowledge of early[basic] literacy skills was found to be associated with the progress educators made in the [scientific research-based, and peer-reviewed] professional development program," using a specified training in language essentials for teaching. "At the end of the study, educators who had not started the professional development program were in the 54th percentile on the Teacher Knowledge of Early Literacy Skills (TKELS) ...[compared to] educators who completed the program and who were in the 65th percentile. (footnoted: 1,3)

4. Continued consistent planning and good usage of funding can avoid or directly address problems. Knowing school-level expenditure data helps schools to adjust and readjust school level outlays in order to shift funds to targeted areas of need for the teaching process and scientific backed instructional knowledge, instructional student supports, learning situations, and provide learning experiences and improved content for all students. Another important role emerges for potential SLFS data collection functions which can serve and address some civil needs: pervasive fund allocation and expenditure shifts that will effectively expedite increased teacher knowledge and updates in the science of reading through training in order to improve school and student literacy rates equitably, and our educational system school-by-school. Monies that get to the students and foster effective instructional and positive equity outcomes for students is good.

Please see the full written document attached, in docx or PDF format including sources and footnotes.

Thank you for the opportunity to comment.

1. The School Level Finance Survey is a viable mechanism that promotes knowledge of expenditures that are intended to affect students' educational outcomes. The SFLS helps obtain school-level data used to inform issue-driven decisions, which helps educational processes become more effective in addressing student, school-level and other needs through appropriate expenditures. The data helps schools to adjust and readjust school level outlays in order to shift funds to targeted areas of need for student supports, learning situations, the teaching process, and provide learning experiences and improved content for all students. SLFS, school-by-school data can provide required information to define needed action, and increase efficacy of important shifts in expenditure.

Also, when you are given more money, it follows that more accountability measures are appropriate. It is important to track Federal allocations to point of expenditure, and their effect. Then reassessment of student and school-level problems or needs can be ascertained. Next, the solutions to the disparity or problems can be funded by appropriate means by shifting funds to those areas of implementation.

SEAs of some states, LEAs, School levels may find it necessary to shift allocations to accounting categories that may need to be generated in the future. This could be done in order to address school issues of their specified or unspecified cohorts, and school site needs. This is assuming that purchasing is on a needs-based basis.

The relevancy of the SLFS mechanism is current, as well as being useful "sometime in the future". Considering the vast increase of monies dispensed through the American Rescue Plan, CARES, etc. and deadlines, expediency is of utmost importance in implementation and maybe future expansion of the school-by-school financial categories. Not all schools have: assessed the most current disparities and problems coming out of the pandemic, have been spent funds, nor demonstrated academic recovery coming out of the C19 situation. Schools seem to need slight leeway to update where and how remaining funds ought to be spent to address current or ongoing problems, rights, and inequities effectively and fully. Also, there's public outcry to ascertain where this money goes and how monies are currently being spent. The public has many concerns, one of which is equity and its relation to poor literacy. In the future, the School Level Finance Survey could facilitate data that addresses inequities and give factual answers regarding expenditures. SLFD is a useful mechanism to many and can meet demands of transparency and demands for data from the public. People want school problems solved and the financial means can make this a reality with good, effective, appropriate plans.

2. The SLFS data collections for instruction and instructional staff supports may be the key that unlocks new answers and insight. One ongoing dilemma is inequity particularly of literacy skills linked to poor reading achievement for marginalized learners including those having disabilities, specific learning disabilities, impoverishment, the general population of students coming out of the Covid-19 situation, and schools with pre-existing learning gaps especially in reading and language arts. In major part, studies show level of literacy has to do with teacher knowledge levels and instructional practices. Collecting expenditure data in the future would help facilitate transitions to address these overall, civil, and low outcome issues.

Universally, at the school level, literacy issues have become exponentially explosive throughout the United States fueling little-known unwanted lawsuits and gag orders. Data collection will help ascertain whether current large allocations are being appropriately shifted, and refocused as purposeful expenditures around illiteracy and inequity issues that were observed during the Covid19 pandemic circumstances. Looking deeper into the literacy and inequity issues is important. When teachers know more, students have improved outcomes.<sup>1,3</sup> A new deeper look at instruction, and instructional staff support services, developing strong early

and basic literacy skills is found to be a strong link to reading achievement in all grades: primary grades and beyond.<sup>1,3</sup>

A study conducted by Folsom, Smith, Burke, and Oakley, in 2017, reports the results of systematic investigation of change in educators' knowledge and classroom practices. "Changing educators' knowledge and classroom practices did not directly evaluate the impact of the *professional development program*" but the findings suggest "teacher knowledge of early[basic] literacy skills, the quality of early[basic] literacy skill instruction, student engagement during early[basic] literacy skills instruction, and teaching competencies improved among educators who participated in the program over and above any increases found among educators generally (p. 15)."<sup>1,3</sup> Further consider that U.S. K-12 students have not received equitable instruction in language essentials as reflected in NAEP 2019 scores sufficient for attaining increased performance, for most students. One exception was the state that engaged in training and implementation of this program which was scientific research backed and specified science of reading knowledge. Thus, "expanding teacher knowledge of literacy skills... expanding the progress educators made in the professional development program"<sup>1,3</sup> that updates teachers, yields much better and equitable student outcomes.

3. To address the civil issues and equity of having every student reading at or above grade level by the end of third grade, there are related findings: "The increase in teacher knowledge of early[basic] literacy skills was found to be associated with the progress educators made in the [scientific research-based, and peer-reviewed] professional development program," using a specified training in language essentials for teaching. "At the end of the study, educators who had not started the professional development program were in the 54th percentile on the Teacher Knowledge of Early Literacy Skills (TKELS) ... [compared to] educators who completed the program and who were in the 65th percentile."<sup>1,3</sup>

Albeit a challenge, it is necessary to update or fill the gaps in knowledge of teachers who give instruction and those staff giving instructional support services. This also includes teacher preparation and in-service. Specified training can also address literacy as a civil equity issue. The study showed increased teacher knowledge and performance affect increased student learning: a good use of funds for expenditures. "Other powerful beneficial effects on student learning: "effective teachers who are more content and whose sense of efficacy and empowerment will replace burnout and low expectations."<sup>1</sup> When teachers are "updated," they "are more content and... [their] sense of efficacy and empowerment [replaces] burnout and low expectations."<sup>1,3</sup>

Research shows that all students can learn to read and improve literacy performance. In terms of criteria for allowable uses and expenditures directed toward program training (of the high efficacy I cited above) can address the marginalized and other populations better when teachers are updated to know the current science of reading. Yet presently, we do not seem to track funding expenditure data in this impactful area. We do not appear to investigate deeply enough to see a positive co-relation between expenditures and intended effects as these studies reflect. The negative consequences of unidentified and unaddressed education issues are great and costly. This is a proposal request for consideration and implementation of future SLFS function(s), to include a deeper look at data regarding this instruction for teachers primarily and those in instructional staff support services.

On the topic of SLFS Reporting Burden, the current burden of issues in education has exponential costs which are much larger than currently understood or accepted. As examples, dropout rates, and the hidden surtax per state yearly for low literacy rates are tremendous.<sup>4</sup> Also, 2/3 of children that do not read proficiently by the end of fourth grade end up in jail, or on welfare.<sup>5</sup> That is a burden far greater than the burden of collecting data especially when states may take advantage of the tech supports which are consistently offered directly to them. The burden is on the state to come through for its students, and submit data, but can be supported by NCES/IES

tech supports. The burden is on the school-level and LEAs to come through with incrementally collected data to support better transparency and facilitate increased educational outcomes and solutions to issues.

We can do better. “Helping people to learn to read is an upstream tactic to make both individuals and community better. A study conducted per the Department of Justice indicates “*the link, between academic failure and delinquency, violence-and crime, is welded to reading failure*”<sup>5</sup> Statistics from the National Institutes of Health report that: +2/3 of students who cannot read proficiently by the end of 4<sup>th</sup> grade will end up in jail or on welfare<sup>5</sup> the National Institute for Literacy notes. +43% of adults at Level 1 literacy skills live in poverty compared to only 4% of those at Level 5.<sup>5</sup> +85% of all juveniles who interface with court systems are functionally illiterate.<sup>5</sup> +63% of prison inmates cannot read.<sup>5</sup>

I would urge the committee members to endorse and implement the SLFS and look to future expansion to include expenditure data for specified literacy knowledge training for a teacher instruction function, and secondarily instructional staff support services, at this critical educational juncture. It will help the educational goals of the Department of Education to be attained. Overall and academic recovery from the Covid-19 circumstances can be accelerated. Chronically and habitually low outcomes can be increased and target low literacy driven civil poverty issues. However, we need to stay out of danger zones, be intentional and timely with our near-term actions. Compare the first study to the one beneath.

“The study examined changes in the teacher knowledge of early[basic] literacy skills” and other related ratings initially within about a 6–10-month period.<sup>1,3</sup> “Mississippi is one ... [highly successful example] of how instruction rooted in the science of reading backed by scientific research can transform outcomes. [Example:] a statewide LETRS implementation catapulted Mississippi to #1 in the US on the 2019 NAEP.”<sup>3</sup>

As the next study illustrates to us, timely and uniform action is needed to avoid poor outcomes years later. “The case of Pakistan after the 2005 earthquake in Pakistan, schools in part of the country were shut down for 14 weeks. Four years later, researchers found that students who were directly affected by the quake ended up being 1.5 years behind peers living in unaffected regions; a roughly fourfold expansion of the immediate learning loss from school closures.”<sup>2</sup> This study comparison informs urgency of our tasks.

SLFS can collect data on shifting expenditures, expenditure percentages allocated or categorical shifts in funding expenditures, for the public knowledge, research purposes, and accountability. Data can be used to assess success of expenditures considering updated goals and state/local or school level spending plans.

4. Continued consistent planning and good usage of funding can avoid or directly address problems. Knowing school-level expenditure data helps schools to adjust and readjust school level outlays in order to shift funds to targeted areas of need for the teaching process and scientific backed instructional knowledge, instructional student supports, learning situations, and provide learning experiences and improved content for all students. Another important role emerges for potential SLFS data collection functions which can serve and address some civil needs: pervasive fund allocation and expenditure shifts that will effectively expedite increased teacher knowledge and updates in the science of reading through training in order to improve school and student literacy rates equitably, and our educational system school-by-school. Monies that get to the students and foster effective instructional and positive equity outcomes for students is good.

Source and Footnotes:

1. Educator Outcomes Associated with Implementation of Mississippi's K-3 Early Literacy Professional Development Initiative, pages 2, 3, and page 15 of the report from Educator Outcomes Associated with Implementation of Mississippi's K-3 Early Literacy Professional Development Initiative.
2. Source: Tahir Andrabi, Benjamin Daniels, and Jishnu Das, "Human capital accumulation and disasters: Evidence from the Pakistan earthquake of 2005," RISE Programme, May 2020, riseprogramme.org

Source Report: McKinsey & Company, *Public & Social Sector Practice COVID-19 and learning loss—disparities grow and students need help*. "The pandemic has set back learning for all students, but especially for students of color. Evidence-based acceleration approaches can help. December 2020, by Emma Dorn, Bryan Hancock, Jimmy Sarakatsannis, and Ellen Viruleg

3. LETRS Literacy Professional Development booklet, page 20.  
Voyagersopris.com/professionaldevelopment/letrs/letrs-new
4. 2003, 2013 National Adult Literacy Survey: Prose Literacy Scale and the Rochester Reading Champions Presentation, Rochester Public Library, MN, National Institute for Literacy, Department of Justice study, National Institutes of Health
5. Education Consumers Foundation <https://education-consumers.org/research-areas/consumertools/ecf-cost-calculator/> Failure to Teach Reading's Hidden Annual Surtax in New York State: \$ 3,088,573,000. Credit: Education Consumers Foundation (pre-C19 figure)

The following are numbered and were recorded in the comment window section. Please see the full written document attached, in docx. Sources, studies, and footnotes are included.

Here are some excerpts from the full document:

1. The School Level Finance Survey is a viable mechanism that promotes knowledge of expenditures that are intended to affect a student's educational outcomes. The SFLS helps obtain school-level data used to inform issue-driven decisions, which helps educational processes become more effective in addressing student, school-level and other needs through appropriate expenditures. It helps schools to adjust and readjust school level outlays in order to shift funds to targeted areas of need for student supports, learning situations, the teaching process, and provide learning experiences and improved content for all students. SLFS, school-by-school data can provide required information to define needed action, and increase efficacy of important shifts in expenditure.

2. The SLFS data collections for instruction and instructional staff supports may be the key that unlocks new answers and insight. One ongoing dilemma is inequity particularly of literacy skills linked to poor reading achievement for marginalized learners including those having disabilities, specific learning disabilities, impoverishment, the general population of students coming out of the Covid-19 situation, and schools with pre-existing learning gaps especially in reading and language arts. In major part, studies show level of literacy has to do with teacher knowledge and instructional practices. Collecting expenditure data in the future would help facilitate transitions to address these overall, civil, and low outcome issues.

3. To address the civil issues and equity of having every student reading at or above grade level by the end of third grade, there are related findings: “The increase in teacher knowledge of early[basic] literacy skills was found to be associated with the progress educators made in the [scientific research-based, and peer-reviewed] professional development program,” using a specified training in language essentials for teaching. “At the end of the study, educators who had not started the professional development program were in the 54th percentile on the Teacher Knowledge of Early Literacy Skills (TKELS) ... [compared to] educators who completed the program and who were in the 65th percentile.<sup>1,3</sup> (footnoted 1,3)

4. Continued consistent planning and good usage of funding can avoid or directly address problems. Knowing school-level expenditure data helps schools to adjust and readjust school level outlays in order to shift funds to targeted areas of need for the teaching process and scientific backed instructional knowledge, instructional student supports, learning situations, and provide learning experiences and improved content for all students. Another important role emerges for potential SLFS data collection functions which can serve and address some civil needs: pervasive fund allocation and expenditure shifts that will effectively expedite increased teacher knowledge and updates in the science of reading through training in order to improve school and student literacy rates equitably, and our educational system school-by-school. Monies that get to the students and foster effective instructional and positive equity outcomes for students is good.

Please see the full written document attached, in docx format including sources, studies, and footnotes.

Thank you for the opportunity to comment.

## Comment 20

**Author Full Name:** Sandra Jani **Received Date:** 03/23/2023 11:49 AM

The State of Delaware would like to reiterate that we are concerned with the proposal from NCEES to require school level finance survey data that currently is reported at the district level. While this method of collecting data has good intentions, it will be a huge undertaking for the State of Delaware. This will require additional personnel, time, and resources which will cause hardship for our local education agencies (LEAs). To ensure compliance with the proposed change, the state will have to make programming changes to the reports which is an expensive and time-consuming process. We also have concerns regarding the implementation of the new reporting structure which is scheduled to begin for the reporting period of 2021-22 school year. The LEA school level data in the new proposed categories is not available at the school level for previous years so we would not be able to provide the data as proposed for the previous or even current school year. Due to the barriers identified, I request NCEES consider working with the states to add data elements to ESSA reports instead of mandating the proposed school level data sets at this time.

## Comment 21

**Author Full Name:** Edunomics Lab **Received Date:** 03/24/2023 02:27 PM

Edunomics Lab again advises against the NCEES proposal to mandate the SLFS. Please see attached comments. We reaffirm our opposition to the proposed SLFS data collection.

We call again on NCEES to come together with others working on education finance datasets (like ourselves) to develop a plan that does not erode the existing, reliable, already-in-use school-by-school financial data collection under the Every Student Succeeds Act (ESSA). We continue to oppose the SLFS collection because none of our concerns have been alleviated in this revised proposal. Most remain unaddressed in the response to comments.

Those concerns are clearly outlined from our first-round comments in the public record (posted Nov. 23, 2022, under ED-2022-SCC-0121-0009) and are attached below.

The revised proposal is hardly different than the original plan. Sure, NCEs acknowledges that its data collection poses a greater financial and time burden than initially stated. The new estimates are still too low for states like CA and IL that need to overhaul their chart of accounts and train thousands of district leaders and vendors on new accounting codes. To our knowledge NCEs has not consulted with the true burden that this will impose on states that are unable to comply with SLFS.

And, yes, NCEs does now commit to producing data more quickly—within two years. But that commitment rings hollow. NCEs has no record to back up that commitment as **NCEs regularly misses its own deadlines for data release**. NCEs’s 2019-2020 district financial dataset was released in February 2023, some 32 months after the close of the school year, 8 months after NCEs pledged to release it (documented on its website). And NCEs still has yet to release any SLFS pilot data beyond 2016-17.

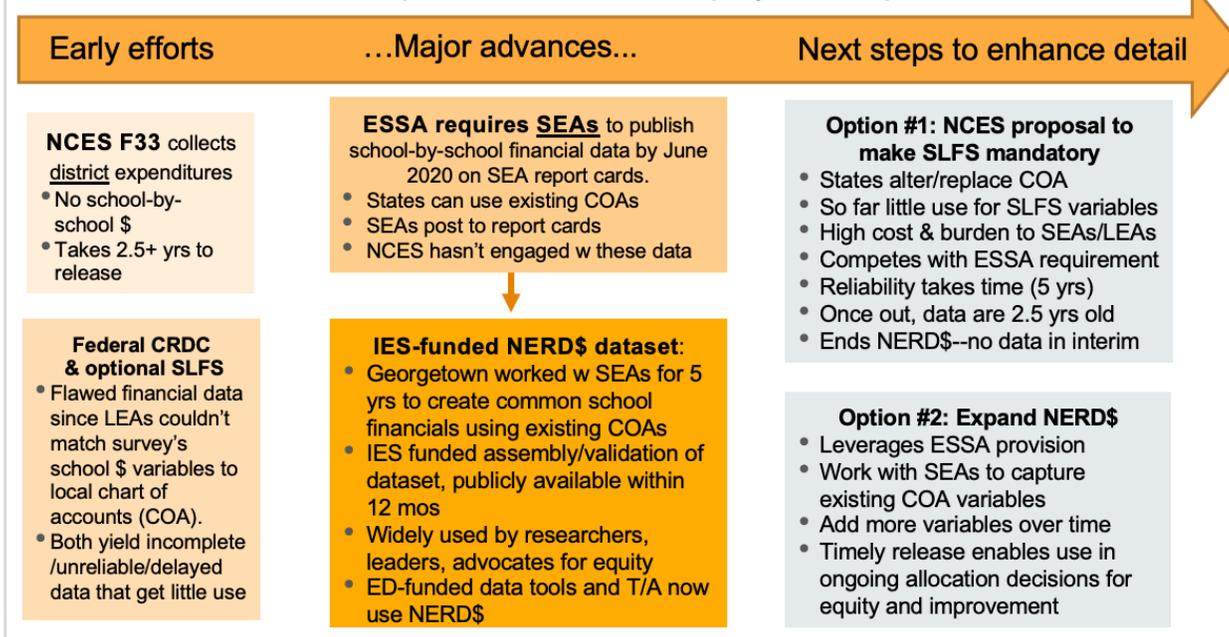
And even if NCEs could meet its own pledge, **two years is still far too long a lag for the data to be of practical use for district and state leaders** or even for research that isn’t limited to longitudinal scope.

Apart from responding to the above, **NCEs has summarily dismissed all other comments** from the multitude of responders in the first round of comments. **NCEs inexplicably hasn’t engaged with other data providers over the concerns that this NCEs collection will harm other widely used financial datasets**, such as ESSA. This is particularly confusing given that the ESSA data are federally funded. And the ESSA data are required by law and used in federally-funded data visualizations including the School Spending and Outcomes Snapshot (SSOS) at [compcenternetwork.org/ssos](http://compcenternetwork.org/ssos). So, we now have a proposed federally funded data collection that will prompt unintended damage to an existing, reliable, widely used federally funded data collection. **The response from NCEs to this claim is simply to deny there will be any impacts**. Also problematic, where the NCEs proposal could be modified to reduce unintended damage and still produce a valid federal school-by-school financial collection (per Option #2 in the below graphic), **NCEs leaders have not engaged to hear how**. To be clear, we agree with the goal of getting more detailed data on school-by-school financials. This could be achieved by a simple workaround that lifts much of the burden of the proposed SLFS collection: Permitting different states to submit the chart of accounts variables they already use.

The refusal on the part of NCEs to engage on such modifications is a disservice to the field. The existing datasets are already widely used, including in efforts to investigate or advance equity, including as part of equity campaigns like EdTrust’s State of Equity Tool. Why jeopardize all this activity at a time when the Department of Education is committed to advancing equity?

At Edunomics Lab, we talk a lot about maximizing return on investment with limited public resources. To date, NCEs has not made a compelling case for what that return would be. We **strongly advise not going forward with the proposal to make SLFS mandatory at this time**.

## Goal: Reliable school expenditure data for equity and improvement



Edunomics Lab, March 8, 2023

*Edunomics Lab first-round comment:*

Document: ED-2022-SCC-0121-0009 Posted: November 23, 2022

**SUMMARY:** IES requested [comments](#) on the NCES proposal to mandate the School-Level Finance Survey (SLFS) for all schools in all districts and states starting 2022. We strongly recommend IES not proceed with the proposal at this time and instead focus on improving and expanding ESSA's existing school-by-school financial data. To date, **NCES has ignored existing Congressionally mandated ESSA data** by not capturing or assembling the publicly reported figures that are higher quality than what SLFS would produce anytime soon. The ESSA data (currently assembled by Edunomics Lab in NERD\$, the National Education Resource Database on Schools) can be produced at a lower cost and a faster pace than SLFS and has a proven track record of relevance for research and practice. Making SLFS mandatory will require some states and districts to abandon ESSA data and instead spend millions for lower-quality data produced on a time frame that renders it essentially useless for most applications. In essence, if mandated, SLFS will do more harm than good.

**First and foremost, NCES is ignoring the already reliable school-by-school financials, as mandated by ESSA.** NCES mistakenly claims<sup>26</sup> that "SLFS is the only national annual collection of school-level finance data." It's true that until recently, there existed no standardized school-by-school financial data, since the NCES F-33 collected finances only at the unit of the district. But in 2015 Congress passed ESSA, which required states to report expenditures school by school on their report cards. Since each state and many districts have different accounting structures, establishing a uniform school-by-school collection posed an immense challenge. For four years, states worked together to establish interstate financial reporting (IFR) criteria and map the IFR on to their different accounting systems. As part of this work, 46 state agencies met monthly via the federally funded FiTWiG (Financial Transparency Working Group) to create uniform expenditure reports. Rather than replace accounting structures, each state mapped its own existing accounting structure on to the IFR to deliver the standardized school-by-school financial metrics.

**Since 2019, all 50 states now publish school-by-school expenditures. NCES does not acknowledge these data (not even capturing the figures before they disappear each year).** Instead, the university-based Edunomics Lab cleans, validates, norms and makes public these data via the IES-funded NERD\$ database. SLFS would require many states to essentially abandon the ESSA-mandated work already done to establish

common school-by-school financials and create a duplicate collection that would take years to achieve similar reliability.

**Mandating SLFS would interfere with ESSA’s requirement to post school-by-school financials on state report cards, in that it would require a different (conflicting) calculation of financial data on a different timeline.**

**NCES is greatly miscalculating the burden that SLFS would impose on many states and districts.** The difference between the ESSA data and SLFS is that SLFS requires a specific set of accounting categories that must be separated out school by school. The accounting categories are designed to deliver more detailed data (for example, parsing expenses by “instruction” versus “instructional support” and “salaries” versus “benefits”). In states like Illinois and California and many others, the SLFS data cannot be extracted from the current accounting structures. **SLFS would require those states and districts to replace the accounting structures that are deeply rooted in their systems.** That’s because many accounting systems don’t currently slice expenses both by school and function/object categories or they do it for some expenses but not others. (In contrast, the ESSA financial collection was built on top of existing accounting systems instead of replacing them. ESSA data delivers only a few total expenditure figures by school, allowing for instance the aggregating of all labor expenses by school.) While NCES has done a pilot SLFS collection, the only states that participated were ones where elements of their accounting systems already matched the SLFS categories. Note that states where the chart of accounts did not match the F-33 categories did not participate in the SLFS pilot.

**The SLFS pilot proves that the data would not be reliable for years.** Even among participating pilot states, much of the data produced is incomplete, where states leave off categories of expenses in cases where there is misalignment between the accounting systems. The result is that the total expenses submitted are missing some of the money, and thus don’t produce a dataset that can be used for research or policy. **For example, NCES’s most recent SLFS publication<sup>27</sup> indicates that 15 states participated in the pilot, but 13 of them were missing data for one or more elements across the entire state.<sup>28</sup> At the school level, the participating states could report all data elements for only 15% of schools.<sup>29</sup>**

This lack of comprehensiveness shows up in NCES’s supporting statements. As shown in Table C-3 of their materials, the pilot states reported less than half of total personnel expenditures through the SLFS survey, and less than 40% of all current expenditures were captured.

Financial data that is missing some of the money is essentially useless for exploring equity and productivity.

**NCES has greatly underestimated the costs to SEAs of complying with SLFS, assuming it will cost \$196,054 (or under \$4000 per state).** For states unable to extract data from their current systems, a partial or wholesale replacement of a state’s chart of accounts would require new financial software (often embedded in vendor contracts) and training for thousands of financial staff in every single school district in the state. Such an effort would be enormously expensive (likely millions of dollars per state) and take years to accomplish. Even Maine—a state that participated in the SLFS pilot and already had an aligned data collection system—had to write a separate contract to an external vendor to produce the SLFS report. Those costs are not captured in any of NCES’s estimates.

**Mandating SLFS would shift the focus away from ESSA school-by-school financials at a time those data are getting widespread use in research and practice.** Last year, the Association for Education Finance and Policy (AEFP) reported that some 10% of all research papers submitted had used the NERD\$ ESSA school-by-school financial data. In this year alone, NERD\$ data fueled research papers published by the Urban Institute, Brookings, Peabody Journal, and Annenberg Ed Working Papers. The data are also embedded in mandated report cards and now incorporated in [federally funded data displays](#) that are being used by hundreds of districts. Forcing states to focus on SLFS could compromise these existing efforts. Because the financial collections are different, in some states SEAs could not continue to collect ESSA data (built on their existing accounting systems) and produce SLFS data (which would mean adopting a new accounting system).

**NCES has not provided a compelling use case for the SLFS data.** While the pilot has produced some data for years, we know of no meaningful research study that has used the data on those states where it is available

and no applications of states' data for practice. It may sound appealing to have detailed school-by-school expenditure data, but the categories are still quite broad. For example, function codes like "instruction" could not pick up the difference between a schoolwide class-size reduction versus a high-dosage tutoring program targeted to the students who are furthest behind. Similarly, the object category of "salaries" would not distinguish between extra pay for new hires, pay for a longer school year, or a cost-of-living raise. In other words, researchers could still not conduct meaningful program explorations with SLFS data.

NCES's Stephen Cornman recently told FutureEd30 that the new collection will allow us to "look at schools with high poverty levels and those low-poverty levels and see the difference in spending, and what money is actually spent on, including who's getting the most experienced teachers." **That's an overstatement.** SLFS would provide a total for instructional salaries at a given school, but currently there is no FTE count (in any collection) with the same definition that can be used to compute an average salary. **So while advocates may anticipate that SLFS data will enhance equity analyses, in practice, mandating SLFS will jeopardize the quality of school-by-school financials and derail the equity analyses that have already been made possible with ESSA data.**

**NCES has proven that it is unable to produce financial data in a timely manner.** NCES's long release timelines would render these data useless for all but the most arcane applications. That's in part because of the process NCES is using to gather data. Schools/districts submit data to states, states compile and submit them to NCES, and then NCES takes time to verify the data before releasing it to the public. **Currently NCES takes well over 2 years to release the district-level financials – a collection it's been doing for decades.** In contrast, the ESSA data is publicly available within 6-15 months.

**There is a better path forward.** The goal behind the proposal is an admirable one: To improve the collection of detailed spending information on a school-by-school basis. However, we believe this proposal will do more harm than good.

We agree that expanding the school-by-school financial categories will likely be useful at some point in the future. A better path forward would be to build on the school-by-school expenditure data required under ESSA, working with states to assemble and expand on that dataset. The first step however is to encourage states to release what financial data they do have and invite research and use of that data to learn about how to proceed. NCES could continue a pilot, reaching more states or helping more states collect more data elements, releasing the data publicly to see whether there emerges any utility in the data.

If there are categories that prove especially helpful in some states, before ED commits to making them mandatory, we'd like to see an expanded pilot to assess feasibility.

While we are proud of the work the Edunomics Lab team has done to collect and share the ESSA data, we believe that the dataset needs a more permanent home (perhaps NCES) and are committed to transferring the collection process to ensure its survival going forward.

In summary, we believe the proposed regulation to expand the SLFS data collection is not necessary or useful at this time. The supporting materials understate the challenges of implementing the proposed changes, which would likely have a much higher cost burden on states and school districts. Moreover, we have concerns about the ability of NCES to compile and release the results in a timely manner. As such, we advise IES to not go forward with the proposal to make SLFS mandatory at this time.

## Comment 22

**Author Full Name:** Amy Pattison **Received Date:** 03/24/2023 03:46 PM

It would be difficult for school corporations to code operational expenditures at the school building level.

## Comment 23

**Author Full Name:** John Miles **Received Date:** 03/27/2023 02:03 PM

Hello,

I am submitting California's response to the Office of Management and Budget (OMB) Control Number 1850-0930, Docket Number ED-2022-SCC-0120, Common Core of Data (CCD) School-Level Finance Survey (SLFS) 2022-2024. Per the Federal Register, Volume 88, Number 36, dated February 23, 2023, interested persons are invited to submit comments on or before March 27, 2023. However, the OMB web page is no longer accepting comments.

Please confirm receipt of the letter.

Regards,

John Miles, Administrator  
School Fiscal Services Division  
California Department of Education  
1430 N Street, Suite 3800  
Sacramento, CA 95814-5901  
Phone: 916-322-1770  
<http://www.cde.ca.gov>

March 27, 2023

To the U.S. Department of Education:

Subject: Common Core of Data (CCD) School-Level Finance Survey (SLFS) 2022–2024 (OMB Control Number: 1850-0930)

The California Department of Education (CDE) appreciates the opportunity to review and comment on the Common Core of Data (CCD) School Level Finance Survey (SLFS) 2022-2024 as proposed in the Federal Register, Volume 88, on February 23, 2023. California has not participated in the voluntary SLFS in operation since 2014; this data collection would be a new requirement for CDE and the local educational agencies (LEA) in California.

Below is the CDE's response to the issues outlined in the Federal Register.

### **Issues Outlined in the Federal Register**

#### **Issue #1: Is this collection necessary to the proper functions of the Department?**

The proposed SLFS data collection is duplicative of the Elementary and Secondary Education Act (ESEA) existing school level financial data collection, Every Student Succeeds Act Per-Pupil Expenditure (ESSA PPE) data collection, and it will place additional reporting burdens on LEAs and state education agencies (SEA). While the CDE embraces the concept of fiscal transparency and believes that equal educational opportunity is a fundamental civil right, the CDE believes that an additional data collection to capture school-level expenditures in more detail than the current federally mandated ESSA PPE collection is unnecessary, because the existing data collection already addresses the need that has been identified to substantiate the need for the SLFS. Additionally, financial data alone will not provide a valid measure of educational opportunity due to the data limitations CDE delineates below.

Schools are unique and diverse due to their need to be responsive to the needs of their communities. Spending may differ for several legitimate reasons. As examples:

- Some schools provide a “magnet” curriculum that attracts pupils with particular interests. That curriculum may involve greater or lesser costs than the curricula in other schools.

- Sometimes pupils are transported to another school for part of a day to participate in a particular program such as music. The costs of that school might appear more significant than the schools from which those pupils come.
- Some schools have a higher concentration of more costly classes, such as special education, than others. Even though there is the possibility of excluding special education costs from the comparison between schools, some schools serve special education pupils within the regular classroom, incurring higher costs than schools that do not, and those incremental costs are not easily identified.
- A school might incur higher substitute teacher costs because of a health epidemic that impacted only that school. However, that additional cost does not reflect a better educational opportunity for pupils.
- Even equal spending does not assure equal value. For example, a school could hire ten teachers earning \$120,000 each for the same cost of hiring fifteen teachers earning \$80,000 each, but class sizes would differ considerably.

The CDE believes that reviewing ESSA PPE data in conjunction with other pre-existing data collections would be a better measure to determine equity and educational quality.

**Issue #2: Will this information be processed and used in a timely manner?**

The U.S. Department of Education’s (ED) timeline for releasing financial data makes it hard for California LEAs to benchmark our data against that of others for use in continuous improvement. For communities to be able to constructively use this data to improve their delivery of services to students, the data needs to be released more quickly.

**Issue #3: Is the estimate of burden accurate?**

The National Center for Education Statistics (NCES) is significantly underestimating the cost burden both at the SEA and LEA level to report SLFS data as well as under appreciating the reporting challenges.

California LEAs currently self-report school-level data to meet federal ESSA PPE reporting requirements. Furthermore, the amounts reported by California LEAs are calculated manually by the LEA, as the CDE does not require LEAs to track and report expenditures at the school level. Should the SLFS proposal move forward, CDE would take a similar reporting approach as the ESSA PPE because it is not feasible to modify the SACS financial reporting system used by LEAs in order to report school-level financial data given the considerable cost and resources that would be required. CDE would still need to develop a software application for LEAs to report SLFS data, provide technical assistance to LEAs, and manage the data collection and submission process for over 1,900 reporting entities reporting for over 10,000 school sites.

Additionally, LEAs will incur time and cost to prepare SLFS data and report to CDE, which could be a significant burden depending upon the number of school sites in the LEA. The magnitude of these costs cannot be quantified as LEAs in California operate and manage their financial systems at the local level. In some cases, LEAs may need to make modifications to their local financial systems to be able to report SLFS data. For example, the five largest California LEAs (measured based on the number of school sites) have a combined total of almost 1,200 school sites. In contrast, the LEAs with the least number of school sites (829 LEAs) have almost 900 school sites.

Regardless of size, California’s LEAs are experiencing severe staffing shortages and a lack of experienced business staff that would be responsible for this new workload. Local capacity continues to focus on pandemic recovery efforts, which includes Education Stabilization Fund (ESF) data collection and reporting requirements, as well as other state required financial data reporting requirements for new educational programs that have been recently enacted by the California Legislature. Consequently, if the SLFS were to continue as proposed, there would be high costs and additional burdens because site-level accounting and reporting are currently only required at the level necessary for ESSA PPE and with limited local resources available to meet the new requirements there may be a high probability of inaccurate reporting.

**Issue #4: How might the Department enhance the quality, utility, and clarity of the information to be collected?**

For ESSA PPE, there are no standardized protocols for attributing expenditures to individual schools. Due to the lack of standardized protocols for how ESSA PPE school-level expenditures are determined, schools, districts, and states have adopted various methods for determining PPE. As a result, the comparability and reliability of the resulting data are compromised as a basis in decision-making.

To avoid similar issues with the SLFS data collection, NCES should develop standardized protocols for reporting these data. This would require careful consideration of several important questions, with extensive input from local, state, and federal experts to make the data meaningful, which has not been done. Even if protocols were developed for determining school-level expenditures, those protocols would still only provide a degree of consistency in costs **attributed** to a school site. They would not provide an accurate measure of costs **actually incurred** at that school site. Attribution of expenditures to the school site level, no matter how elegant the method, does not produce school-level expenditures that are “real.” Those expenditures would represent a very flawed basis for important conclusions on matters such as disproportionality.

Furthermore, California *Education Code* sets forth the minimum financial reporting requirements for charter schools, which does not align with the reporting requirements being proposed for SFLS data. The level of detail for the SLFS is greater than the minimum financial reporting that most charter schools in California utilize. To incorporate charter schools financial reporting requirements to comply with the proposed SLFS data collection, the CDE will need to do extensive consultation with stakeholders and, ultimately, propose reporting changes to the California Legislature.

**Issue #5: How might the Department minimize the burden of this collection on the respondents, including through the use of information technology?**

As the state with the most extensive education system in the country, should the NCES move forward with the mandatory SLFS data collection, the CDE urges adequate time be provided to the SEAs to implement, sufficient federal resources be provided, and clear federal guidelines be established.

SEAs that have not previously participated in the voluntary version of this data collection, like California, should be given time to appropriately prepare at the state and local level. California has over 1,900 LEAs that would need to complete the SLFS and over half of those are charter schools. Given the complexity and size of California and the challenges described above with relation to the reporting of charter school data, CDE requests an adequate implementation timeline be allowed prior to collecting data. This would allow adequate time to create a new LEA reporting data collection system, provide lead-time and training to LEAs, and address charter school financial reporting.

Thank you for the opportunity to provide comments on this important topic. If you have any questions regarding this letter, please contact John Miles, Education Fiscal Services Administrator, Fiscal Oversight and Support Office, by e-mail at [JMiles@cde.ca.gov](mailto:JMiles@cde.ca.gov).

Sincerely,

Elizabeth Dearstyne, Director  
School Fiscal Services Division  
ED:hkt

**Comment 24**

**Author Full Name:** Jessah Walker, CCSSO **Received Date:** 03/27/2023 02:04 PM

I am writing to provide the comments of the Council of Chief State School Officers (CCSSO) regarding the Department of Education’s (ED’s or the Department’s) proposed revisions of the Common Core of Data (CCD) School-Level Finance Survey (SLFS) 2022-2024 as revised and published in the Federal Register on February 23. CCSSO is the nonpartisan, nationwide, nonprofit organization of public officials who head departments of

elementary and secondary education in the states, the District of Columbia, the Department of Defense Education Activity, the Bureau of Indian Education, and the five U.S. extra-state jurisdictions.

CCSSO shares the concern of the National Center for Education Statistics (NCES) regarding the distribution of school funding; as state leaders, our members see firsthand the importance of fiscal equity. We appreciate the Department's recognition of CCSSO's concern that the proposed changes to SLFS would be burdensome on state educational agencies (SEAs); however, we continue to assert that many of the proposed requirements would be duplicative of and misaligned with the existing school-by-school financial data collection expressly required by the ESEA statute. The collection lacks a clear federal use case that justifies this duplicative collection and the additional burden to states and school districts. Below, we have provided additional comments for the Department's consideration that reiterate our concerns about the implementation of these new changes to SLFS moving forward.

**SLFS data will not be aligned to ESEA's existing school-by-school financial data collection.** SLFS will collect data similar to the data already collected under ESEA requirements, but SFLS will require new systems to do so without a convincing rationale for why a second data collection is necessary. Although guidance from the Department provides an SEA and its LEAs with flexibility to align their procedures with existing NCES data collection procedures, we believe that there will be several areas of reporting where data required for ESEA Report Cards will not be directly comparable to data required for the SLFS. This will be confusing to the public.

**The creation of new systems will be extremely costly and burdensome for SEAs to implement and lack an express use case.** In the February 23 Federal Register notice, NCES still estimates the cost of SLFS as being very low, based on the assumption that most states already collect variations of these data. We must reiterate that many states *do not* currently collect the data in the manner proposed and would need to create new systems to do so. Consequently, the cost of this collection will be extremely high, up to millions of dollars per state. This process would also take years to complete. We appreciate the Department's response in providing further explanation regarding the burden time estimated for an SEA to develop the necessary reporting systems to align with SLFS. We want to highlight that, for SEAs who currently do not have a system to report the four subfunctions, the estimated range of 11,908-17,308 hours is very substantial even if it underestimates the true burden.

Given these issues of duplication, misalignment, and burden, CCSSO urges NCES to reevaluate this proposed collection and continue to work with stakeholders on necessary data collections. Thank you for the opportunity to provide the comments of CCSSO on this important topic.

## Comment 25

**Author Full Name:** Sara Shaw **Received Date:** 03/27/2023 03:40 PM

Thank you for the opportunity to provide comment on the proposed SLFS mandate. I offer the following comments as a previous SEA manager of financial transparency initiatives; my comments are made solely on behalf of myself and not any current or former employer.

As a general matter, I wholeheartedly support efforts to increase school spending transparency and have been excited for the potential of school-level financial data to drive critical conversations, research, and action toward better and fairer resource allocation for our students. The proposed SLFS mandate does not effectively support these goals. Instead, NCES could invest in the existing ESSA financial transparency mandate to fully leverage its potential.

In my SEA experience, I frequently heard LEA complaints against new mandates that required new, burdensome data collection and reporting. Some of the most infuriating mandates, according to these LEAs, were those that resembled and shared goals with existing practice but were different enough to render existing infrastructure insufficient.

Part of our SEA's success in implementing the ESSA mandate lay in the time we spent acknowledging those frustrations, committing to implementing this new mandate as simply as possible while still upholding the law and gaining the potential benefit of the new data. Critically, it was not solely the SEA that determined what that potential benefit was; rather, we engaged LEA representatives and other stakeholder groups to set our "value proposition." These steps allowed us to implement the mandate in a way that honored our LEAs' time and desire to serve students even as we led them through the sometimes painful process of accounting for their spending at the school level for the very first time. (Our SEA chart of accounts does not go down to the site level, and the vast majority of our LEAs had not tracked spending by site prior to ESSA.) We were left with a data set and stakeholder group full of potential for timely discussion, research, and action.

The proposed SLFS mandate would not honor this work. While implementation in some states may be easy, the states without a site-based chart of accounts face a daunting overhaul that will require hours of additional time and expense for little additional value. In theory, detailed school spending data at the level that the SLFS proposes would be great. However, the data would need to be timely, comparable, and of high quality in order to be most valid and useful. The current proposal does not offer sufficient evidence that it will fulfill all three of those key characteristics. Were I still at an SEA, I would have a difficult time justifying this new requirement to my team and to our hundreds of LEAs that already pushed hard to fulfill the ESSA requirement, potentially jeopardizing the good faith we built and the existing ESSA data.

Advancing school spending transparency is a worthy cause. I encourage NCES to pursue that cause through proven channels for successful implementation: in partnership with SEAs and LEAs, leveraging existing data, honing in on the potential value of the data to stakeholders, and designing any new data collection to best support those stakeholders and the value proposition. The ESSA mandate was a decisive step forward in school-level financial data collection. What would it look like for NCES to claim that mandate as a victory and further invest in it to refine its precision and use?

## Comment 26

**Author Full Name:** Mark Manganiello **Received Date:** 03/27/2023 4:00 PM

### **Comment on SLFS:**

The expansion of the school-level reporting requirement will create a significant burden on the State of NH and our school districts. From a data reporting perspective, the State of NH has just entered a five-year contract with a software developer to improve our school finance reporting system. However, this expanded reporting is not within the scope of work. We would have to seek additional funding and go through a lengthy contract amendment process to add this work. Under the current proposed FY 24 and 25 State budget, no such funding has been allocated. We need time to: 1) secure the funding in the State budget, 2) secure a contract with a vendor, 3) implement the system, and 4) have our LEAs modify their systems. This is not something that can be done overnight in our State. This would reasonably take 5 to 10 years to implement in our State.

The main tool the State has to mandate detailed data from LEA is we can delay setting a tax rate until all data is provided. If the federal government imposes an unreasonable deadline and requirement on us, we cannot in

good faith hold up taxes to achieve this mandate. If tax rates are held up, then local governments have limited means to raise money. This may result in local governments not making payroll which would have disastrous economic impacts.

### Comment 27

**Author Full Name:** Laura Wilson, Utah State Board of Education **Received Date:** 03/27/2023 4:48 PM

NCES requirements for School Level reporting is a duplication, and their 2 year lag in publishing data makes it obsolete for budgeting and other decision making processes.

This requirement will be an unnecessary burden on resources for the state of Utah.

Especially as we head into the post COVID financial storm, states and districts should not have to re-do systems and charts of accounts to accommodate NCES, when they could harness existing data systems instead.

Best Regards,

Utah State Board of Education  
School Finance Team  
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### Comment 28

**Author Full Name:** Michael Wiltfong **Received Date:** 03/27/2023 7:59 PM

Dear NCES and To Whom It May Concern:

While I can appreciate the need for the SLFS data, especially as we continue to emerge from the pandemic, I have concern for the current implementation timeline for all states and the potential risk this data will bring if it isn't administered in a uniform, systematic approach.

While we are fortunate in Oregon, where we have had an established chart of accounts and a data system that has supported school-level financial reporting for many years, I know this is not the case in several states. In conversations I have been part of, where I have heard of tremendous fatigue and burnout, and loss of institutional knowledge for various reasons, I am concerned pushing this through with all of the competing priorities states are currently facing may prove to be very difficult and it's hard to say what the final result will be. Even with all of the advantages we had in our process and work, we are struggling and just hanging on, where we have been sprinting from one emergency to the next for the past three years. I can't imagine what that stress and fatigue is like where just a few years ago some states didn't have an established chart of accounts.

I am asking for continued conversations to make sure we can bring everyone along at a sustainable pace with the plan we really are comparing the same variables across state lines in the end. I would be concerned about policy discussions and decisions being made with data that may be inconsistent for the reasons I've listed.

Thank you for your consideration.

Mike

## Comment 29

**Author Full Name:** Cody Stoesser South Dakota Department of Education **Received Date:** 03/27/2023

Thank you for the opportunity to submit public comment regarding the School Level Finance Survey. South Dakota Department of Education opposes the required participation in this survey. This survey would impose a significant increase of resources in staffing, technology, and infrastructure that our state agency currently does not have the capacity to absorb with this. The requirements of this additional survey will also place a burden on our state's LEAs that do not have the staffing or resources to further require additional reporting of the data items in the School Level Finance Survey.

The Elementary and Secondary Education Act (ESEA) as amended by the Every Student Succeeds Act (ESSA) requires that per-pupil expenditures be reported on annual State and LEA report cards. This data collection places a greater burden on the state and our LEAs by requiring additional data outlined in this survey which is more than the requirement in the current law. The additional data items outlined in this survey is an over-reach of what it currently required in law to be reported on the state and LEA report cards.

## Comment 30

**Author Full Name:** Anonymous **Received Date:** 03/27/2023

### **Response to USDE Common Core of Data School-Level Finance Survey Request for Information**

The United States Department of Education (USDE) has proposed making an existing collection process, the School-Level Finance Survey (SLFS), mandatory. Due to fiscal and policy concerns about this optional collection process, many states have not participated. For those states, requiring this collection is a new mandate. I strongly advise against continuing in its present form.

New York State annually provides to USDE and the U.S. Census Bureau financial data at the State Level under the National Public Education Financial Survey (NPEFS), at the LEA level under the Annual Survey of School System Finances (F-33) Survey, and at both the LEA and school level under the Every Student Succeeds Act (ESSA) provisions on per pupil expenditure reporting.

The NPEFS survey collects approximately 200 fiscal items by state. To produce this data set, New York State created a crosswalk between the chart of accounts (the ST-3) established and maintained by the Office of the State Comptroller (OSC). This crosswalk rolls up thousands of account codes and objects of expenditure across multiple funds to provide consistent and reliable state level data.

The F-33 process collects hundreds of thousands of entries from the ST-3, for each school district and the closest analogue available for each charter school. To produce this data, New York invests a significant amount of time from its fiscal experts to prepare a large file to provide to the Census Bureau. The Census Bureau crosswalks this file to the chart of accounts utilized by the F-33.

The ESSA Financial Transparency (ESSA FT) process starts with detailed guidance on how to report expenses in each ST-3 account code and objects of expenditure within the general and other funds. Guidance is also provided to charter schools to report elements of their audited financial statements. Districts and Charter Schools must report more than 30 elements per school and double at the LEA level. All of this adds up to a substantial body of financial data, available at each level, for USDE. Aside from the very meaningful burden on each LEA and SEA, these data elements give a very close look at the way in which

the state allocates funds to each LEA, the way in which each LEA allocates funds among schools, and the level of revenue and expenditure at each level.

### **General concerns**

New York State has an existing chart of accounts, established by OSC. This chart of accounts is utilized by all municipalities in New York, from city and county governments to school and fire districts. The chart of accounts is designed to accommodate the needs of all types of municipalities across New York. The NY SEA has neither the ability nor authority to change the existing chart of accounts to match the proposed collection. New York and its LEAs lack the capacity to maintain two separate charts of account.

A crosswalk between the existing New York chart of accounts and the one used for F-33 and CRDC would lead to less accurate information than is provided in the ESSA FT data collection. New York spent several years working with LEAs and other agencies to generate a crosswalk between the ST-3 and the ESSA FT collection. Due to the flexibility within the ST-3, it is a permissive crosswalk that offers multiple options for reporting certain expenses. This flexibility cannot be reflected in a crosswalk done at a state or federal level.

Charter Schools in New York State do not report ST-3 level data. Charter schools submit audited financial statements, which are not aligned to either the F-33 or the ST-3. Requiring the level of detail that is sought in this proposed data collection is likely to increase non-submittal rates among all LEAs for both this process and existing data collections, including the ESSA FT process.

New York has neither the staff nor systems capable of collecting, reviewing, and tracking well over 3,000 individual ST-3 items annually for approximately 5,000 schools and LEAs. New York will be unable to comply with this requirement for many years.

LEAs in New York do not have the capacity produce another rollup of school level financial data. This would require tagging all account codes at a school level and to aggregate the data based on the F-33 accounts differently than is done under the ESSA FT requirement. This approach would more than double the work of ESSA FT and undermine the reliability of both.

The use case for this data is unclear. Of the data collected through this process voluntarily, only [two years of data tables have been published](#) and both many years after the collection process. The ESSA FT data is more timely and complete. Inequity is evident in existing data collections, including at a school level through the ESSA FT data sets.

### **General recommendations**

USDE should utilize existing data collections in lieu of imposing a new collection process. The most appropriate existing collection is that of the ESSA Financial Transparency requirement. This data set has several years of history and both SEAs and LEAs have done the work to align this reporting requirement with the existing chart of accounts. This experience makes the data more reliable.

If USDE decides to go forward with requiring this school level reporting in the account codes that match the F-33, USDE should consider the following:

- This newly require data collection must replace all existing NPEFS, F-33, and ESSA FT federally mandated collections. The proposed data collection may be aggregated by USDE to the state level to replace NPEFS, the LEA level to replace the F-33, and kept at the school level to replace the ESSA FT data and reports. This decision must be made up front while LEAs and SEAs reconfigure data systems and charter of accounts, and not deep into the process or after-the-fact in order to avoid millions in needless costs. Collecting and reporting multiple inconsistent school level expenditure reports is simply not feasible for LEAs or SEAs.

- SEAs and LEAs must have at least the same runway as was provided for the ESSA FT data. The Every Student Succeeds Act was signed into law late in 2015. The first year of final expenditure data to be reported was for the 2018-19 school year. The data collection was completed in the Spring of 2020—about 4.5 years from enactment. This gave SEAs and LEAs sufficient time to undertake this very significant work. A single year where existing ESSA FT data may be submitted in lieu of this new requirement is insufficient and will not result in comparable or usable data.
- USDE must commit to a regular release schedule. The delay and frequency of the existing SLFS data set makes it of little use to policymakers and researchers.

For these reasons, as well as reasons raised by others in comment, I oppose mandatory SLFS reporting as presently proposed.

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Concerned Citizen

### Comment 31

**Author Full Name:** Noelle Ellerson Ng **Received Date:** 03/27/2023

*The following comments are submitted jointly by AASA, The School Superintendents Association (AASA) and the Association of School Business Officials International (ASBO).*

On behalf of AASA, The School Superintendents Association, and the Association of School Business Officials International, I am writing in response to a second IES request for comments on the NCES proposal to mandate the School-Level Finance Survey (SLFS) for all schools in all districts in all states starting 2022. Our original comments, posted November 29, 2022, can be found at ED-2022-SCC-0121-0052.

I write to reiterate our opposition to this proposed data collection and urge IES to focus on improving an already-existing school-by-school financial data collection under the Every Student Succeeds Act (ESSA). The revised NCES proposal fails to address our many fundamental concerns.

Broadly, we remain deeply concerned that this proposed data collection is extremely burdensome, will fall far short of its stated goals in terms of actionable, functional, and accurate data (especially in the short term) and come with significant fiscal and opportunity cost.

Rather than enumerate those concerns one by one yet again here, we respectfully ask the U.S. Department of Education to engage directly with the major groups impacted by its proposal, like ours. To date, the department has refused to do so. We do not understand why.

The formal comment process IES now has engaged twice on behalf of NCES only works if the proposed action is just that: A proposal. We fear that this proposal, in contrast, is a foregone conclusion in search of external justification.

It makes no sense to collect and respond to comments from the field when NCES seems intent on ignoring that input. We continue to raise legitimate concerns from the nation's superintendents—yet those concerns seem to be falling on deaf ears.

If it advances, this revised proposal will consume the time and energy of district finance teams for years to come. It should come as no surprise to our federal education leaders that the timing simply could not be worse. The nation's school districts are grappling with unprecedented financial turmoil and devastating learning gaps from the pandemic (especially for the most vulnerable students).

We see nothing in this proposal that would justify diverting scarce time and resources away from the mission-critical, student-centered work that needs doing in our nation's districts.

Again, we advise IES to halt its proposal to make SLFS mandatory. And we ask NCES to engage directly with groups like ours toward a responsible solution.

Please direct any questions to Noelle Ellerson Ng ([nellerson@asa.org](mailto:nellerson@asa.org)).

Sincerely,

Noelle Ellerson Ng