



PARENT-DIRECTED SPENDING

How Public Schools Can Empower Parents

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Parent-Directed Education Spending (PDES) allows families to allocate education funding to one or more third-party service providers. It empowers parents to simultaneously enroll students in public schools and find the tutor, therapy, music lessons, language classes, outdoors clubs, athletic associations, and nearly any other education service that works best for their children.

WHY SHOULD PUBLIC SCHOOLS ALLOW PARENTS TO DIRECT SPENDING?

There are four reasons why state leaders should encourage public schools to adopt parent-directed education spending as a regular practice. Parent-directed education spending could be a win for parents, a win for public schools, and a win for service providers.

- Parent-directed education spending would **strengthen community relationships** between schools, providers, and parents. The pandemic demonstrates the vitality of third-party service providers like tutors, community learning hubs, and after-school programs. Parents may choose services for course credit, supplemental enrichments, or both.
- Parent-directed education spending is **a way to meaningfully engage parents** to determine how the \$122 billion of American Rescue Plan monies should be spent. By law, schools must consult parents and the community before dollars are allocated. What better way to do this than to allow families to allocate dollars directly?
- Parent-directed education spending could **support public schools by increasing their enrollment**. Approximately 2.6 million students have left public school rolls and levels of trust are low. More parent influence might reverse those trends.
- Parent-directed education spending would **increase the affordability of tailored, individualized education**. This would provide parents with more options and more influence over where and how their children are educated.

HOW IT WORKS IN SEVEN STEPS

1. Public school sets per-pupil budget for parent-directed spending.
2. Public school establishes vetting process for service providers.
3. Public school solicits and receives applications from service providers.
4. Public school publishes and regularly updates list of service providers.
5. Parents choose specific service providers and students receive services.
6. Service provider sends an invoice to the public school.
7. Public school pays the service provider directly.

THREE SUPPORTIVE STATE-LEVEL POLICIES

BROADEN DISTRICT FLEXIBILITY - Creating more district contracting flexibility will make parent-directed spending more likely. ExcelinEd published model policy in 2020 that would dramatically increase district flexibility to contract with third-parties for services.

STRENGTHEN SEAT-TIME FLEXIBILITY - Nearly every state has some level of attendance flexibility, and nearly every state can strengthen it. ExcelinEd published a national landscape of seat-time flexibility in 2019.

MAKE FUNDING STUDENT-CENTERED - When funds follow students then individual students will receive the full benefit of the public's investment. ExcelinEd published a 2017 how-to guide on student-centered funding.

