

# Fair School Funding and Equal Opportunities

**M**any wealthy industrialized countries have built comprehensive social welfare systems that subsidize income, healthcare and housing in order to create more equality among their citizens. In contrast, the US historically has relied on the public school system to be the prime means of improving the lives of the poor and disadvantaged. However, the irony of the American educational system is that low-income children who come to school with the greatest educational needs generally have the fewest resources and least expertise devoted to them—and therefore the least opportunity to improve their futures.

## Why Are Some Schools Shortchanged?

Our nation's enormous educational inequities result, in large part, from our tradition of depending on local property taxes for school funding. If a community is poor, it is less able to raise large revenues for its schools. State school funding dollars targeted to poor districts can help to even things out. However, even though state aid formulas often purport to be "equalizing," they rarely are because of the strong political power of affluent districts. For example, in Pennsylvania, per-pupil-spending ranged from \$6,114 to \$17,082 across 500 school districts.<sup>1</sup> And while the federal government provides additional funding for schools that serve low-income children, it generally amounts to less than 10 percent of school funding nationwide.

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## Per-Pupil Spending in Pennsylvania

2008  
School Year  
Ranged from:



Across 500 school districts.

**That's a difference of  
\$10,968**

The way school districts typically budget for teachers—paying for a number of positions rather than providing a specific amount of money toward teachers' salaries—means that less money is spent on schools that serve low-income students. This is because experienced teachers with higher salaries tend to move to more-affluent schools where working conditions are frequently better. High-poverty schools are then left with higher teacher turnover and many more inexperienced teachers.<sup>2</sup>

A *Washington Post* analysis found that students in DC's poorest neighborhoods are nearly twice as likely to have a new or second-year teacher as those in the wealthiest.<sup>3</sup> Urban districts continue to lack enough effective, diverse teachers who are committed long-term to high-needs schools.

A new model showing promise in Chicago and Boston is Urban Teacher Residencies. The goal of this model is to use best practices in recruitment, preparation, placement, induction and teacher leadership to foster long-term teacher success in urban school districts. Aspiring teachers are selected according to rigorous criteria aligned with district needs. These "residents" integrate their master's-level course work with a full year in the classroom alongside experienced mentor teachers. In their second year, they become teachers with their own classrooms while continuing to receive intensive mentoring.<sup>4</sup>

**A *Washington Post* analysis found that students in DC's lowest-income neighborhoods are nearly twice as likely to have a new or second-year teacher as those in the wealthiest.**



Photo courtesy: Power Design, Inc.



**Children in lowest-income schools and districts frequently have to contend with overcrowding. This is in spite of evidence that shows smaller classes are directly correlated with improved student achievement, especially for low-income students.**

Nearly 90 percent of the students in the Charlotte-Mecklenburg School District in North Carolina are categorized as economically disadvantaged. In 2008, only 29 percent of the students tested at or above proficient in reading, 44 percent in math and 13 percent in science. The district implemented a Strategic Staffing program, which began with a comprehensive understanding of the needs of the lowest-performing schools, providing appropriate support and taking dramatic action to change staff where needed. As a result, within one year, test scores increased on average 6 to 10 percent.<sup>5</sup>

### **The Consequences for Our Kids and Our Nation**

As a result of inequitable local, state and federal funding formulas, many schools in low-income communities lack sufficient funding for basic education essentials.

**On average, low-income students are roughly two years behind in learning compared with financially better-off students of the same age.**

Children in the poor schools and districts frequently have to contend with overcrowding.<sup>6</sup> This is in spite of evidence that shows smaller classes are directly correlated with improved student achievement—especially for low-income students. These students are more likely to attend school in dilapidated buildings with insufficient or out-of-date technology and textbooks.<sup>7</sup>

US schools received a D grade on the most recent *Report Card for America's Infrastructure* issued by the American Society of Civil Engineers.<sup>8</sup> The Obama administration recognized that schools are overcrowded, in disrepair and outdated and pledged \$15 billion to fix leaky roofs and boilers, install new windows and bring buildings up to a level of acceptable repair and modernize classrooms. While this is a step in the right direction, estimates suggest that between \$100 and \$360 billion are needed to address the country's school buildings.<sup>9</sup>

High schools in low-income communities often are not able to offer the college preparatory curriculum required for application to universities. Many schools lack science labs, even though students are expected to pass a laboratory science exam to meet state high school graduation requirements.

High school dropouts earn about

**73 percent**

of the amount earned by diploma recipients

The annual price tag of inadequately educating our young people:

**\$250 billion/year**

in health & welfare costs, criminal justice expenses & lost tax revenues

In 2008, the GDP in the U.S. could have been:

**\$400-670 billion higher**

if the U.S. narrowed the gap between low income students and their peers

After-school and summer learning opportunities are limited or non-existent. In spite of steady improvements in the overall caliber of the American public school system and in the educational attainment of the general public, wide achievement gaps exist between low-income students and their peers in more affluent communities.<sup>10</sup> On average, low-income students are roughly two years behind in learning compared with financially better-off students of the same age.<sup>11</sup>

Low academic achievement has a devastating impact on the opportunities available for millions of low-income children. High school dropouts earn about 73 percent of the amount earned by diploma recipients.<sup>12</sup> There are also enormous costs for the nation. The price tag of inadequately educating our young people is staggering, in the realm of \$250 billion per year in health and welfare costs, criminal justice expenses and lost tax revenues. The achievement gap also has an effect on the economy. If the US narrowed the gap between low-income students and their peers, GDP would be between \$400 billion and \$670 billion higher, a 3 to 5 percent increase.<sup>13</sup>

### **What More Can Be Done? Promising Practices in School Funding Reform**

Advocates for low-income children have long sought a fairer system for funding public schools. In many states, parents and advocates have gone to court to fight for these changes. Courts have been asked to decide whether students' rights were being violated as a result of unfair funding. In the majority of cases, the courts held that money matters and additional resources are needed to provide meaningful educational opportunities to poor children. As a result, many courts have ordered changes to state funding formulas.

New Jersey has been in pursuit of a fair funding system the longest of any state and is showing positive results with its targeted population. Thanks to a series of rulings in the landmark *Abbott v. Burke* case, new dollars have enabled urban districts to provide their students with educational programs that are on par with their suburban counterparts. These include smaller class sizes; art, music and technology specialists; student support services; and modern facilities. As a result, more

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**A number of states, including New Jersey, Vermont and Kentucky, are developing effective funding reforms to provide urban districts with educational programs that are on par with their suburban counterparts.**



**These include small class sizes; art, music and technology specialists; student support services and modern facilities.**

## Kentucky's Education Reforms:

- Increased funding & improved equity
- A state-funded preschool program
- Extended school services & family support centers
- Higher student outcome goals & a model curriculum
- Improved state oversight of education



= Consistent **MODERATE TO LARGE GAINS** in National Assessment of Educational Progress scores

than 80 percent of eligible three- and four-year-olds are enrolled in preschool programs. Additionally, test scores in the Abbott schools, as measured by both state and national assessments, have risen in the fourth grade and eighth grade as much as 22 points, narrowing the performance gap between poor urban and other students in the state.<sup>14</sup>

a state-funded preschool program, extended school services and family support centers; higher student outcome goals and a model curriculum; and improved state oversight of education. In the years since then, student achievement in the state has shown consistent moderate-to-large gains in National Assessment of Educational Progress scores.<sup>15</sup>

Court orders have led to promising practices in other states too. Vermont, for example, leads in school funding formula reform. Its school districts are now primarily state funded, and state law requires that dedicated revenues from a number of statewide sources be deposited into a state education fund that is used only to fund schools and to maintain a reserve for times of economic crisis.

Providing equal educational opportunities regardless of socio-economic status is vital to our nation's economic well-being as well as to the future of our democracy. All 50 states and the federal government should work to narrow the achievement gap and promote equality in education through fair funding and budgeting practices. For the future of our country and the generations to follow, we can't afford to do less.

Kentucky implemented a thorough set of education reforms, including increased funding and improved equity;

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*The Campaign for Educational Equity at Teachers College, Columbia University, is a non-profit research and policy institute that champions the right of all children to meaningful educational opportunity and works to define and secure the full range of resources, supports and services necessary to provide this opportunity to disadvantaged children.*

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