

## *The Role of the Federal Government in Public Education, Part 3*

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### **EQUITY AND FUNDING ISSUES**

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#### **Public school funding comes from many sources**

– federal, state and local taxes as well as grants provided by both governmental and nongovernmental agencies. The federal government adds less than 10 percent to local education budgets, yet it contributes significantly to the rules for how the funding is used. Additionally, the United States invests 5 percent of the GDP in public education. Nearly half of the k-12 education funding in the United States is intended to come from the states, drawn from a combination of income taxes, fees and other taxes. However, some states resemble Illinois, where the state's share is only 27 percent. The remainder usually comes from local property taxes.

#### **Equity**

States that rely heavily on property taxes to fund education tend to have large inequities in school funding, which mirror the inequity of wealth in society-at-large. Hurst (2007) noted that inequities in wealth stem from the fact that wealthy people earn much of their income from investments and/or inherited funds, while the poor earn all of their income from jobs and they spend it on food, shelter, transportation, etc. In the United States, the wealthiest 20 percent own 84 percent of the total wealth. Inequities in school funding reflect housing patterns. During the past 50 years since *Brown vs. Board of Education*, schools have become re-segregated (Ladson-Billings, 2006). Currently, three-fourths of the Black and Latino/a students attend schools that are predominately non-white.

**Adequacy** Since, 1990, rather than looking at equity, most lawsuits have focused on adequacy—whether a state is providing local districts with just enough funding and resources to give all students a basic education. Odden and Picus (2008) developed a model calculating the cost of an adequate education. They defined an adequate education as one that includes factors such as a full-day kindergarten, core class sizes of 15 for grades K-3, 25 for grades 4-6 and specialist teachers. The cost of an adequate education varies. For instance, more money is needed to educate

students from impoverished communities and students with special needs.

#### **Funding Priorities**

When schools are not funded adequately, this has a long-lasting impact. For instance, Darling-Hammond (2010) noted that dropouts cost the country at least \$200 billion a year in lost wages and taxes, costs for social services and crime. Since the 1980s, national investments have spent three times more on the prison system than on education. Data show that the national average for educating a child is \$9500, while it costs \$43,000 per year to keep a person incarcerated. With 5 percent of the world's population in the United States, we house 25 percent of the world criminals (Kang & Hong, 2008).

#### **No Child Left Behind (NCLB)**

In 2001, President George W. Bush signed the reauthorization of Elementary and Secondary Education Act, “No Child Left Behind,” which was intended to close achievement gaps, particularly for minority children. However, data from the National Assessment of Educational Progress (NAEP) reveal that scores were higher in math and reading for minority students before NCLB. One provision of NCLB permitted parents to remove a student from a low-performing school and transfer to another, better performing school. They would receive a voucher which would pay some of the cost of attending another school – public or private. Additionally, courts and education agencies stepped in to “remediate.”

The sanctions imposed by NCLB had the effect of punishing or threatening punishment to low-performing schools and teachers, sending them the message that they were incompetent and that they should not have the right to make decisions about how to educate students. Studies (Reeve, 2009) showed that threatening public schools and teachers with punishment had harmful effects on students who remained in the public schools.

Supporters of NCLB appreciate the increase in accountability for schools and teachers as well as the focus on low scoring sub-groups. Critics of NCLB decry the lack of federal funding for many of the Act's mandates, the

emphasis on penalties, the reliance on standardized tests, and the lack of attention to gifted students as well as to subjects such as science, social studies and the arts. One goal of NCLB has been to offer choice to parents whose children attend poorly performing schools.

However, large-scale studies of voucher school students have revealed little difference in their performance compared to public school students with similar backgrounds, and having vouchers has not raised the performance of the most needy students (Rouse & Barrows, 2009). Furthermore, many (Holland, 2011) argue that the NCLB goal of 95 percent of students meeting state standards in reading and math by 2014 is unrealistic.

### **Race to the Top (RttT)**

Race to the Top was signed into law by President Barack Obama in 2009. This program shifted the basis of awarding funds to emphasize competition. Competitive grants reward reform planned in the winning states. Funding is flexible as long as states demonstrate grant dollars are aligned with the agenda outlined in their winning applications. Only twelve states received funding through RttT.

Two of the requirements met by states that received RttT funding were (1) improving teacher and principal effectiveness based on performance and (2) lifting the cap on the number of charter schools that could be created.

While both these funding requirements can be effective, neither is foolproof, and each addresses only one part of the problems schools face. For instance, research studies show that promising increased pay based on teacher effectiveness is not an effective incentive. Furthermore, research showed there is a problem when teacher performance evaluation is based only on student scores in standardized tests (Springer et. al. 2010).

Although there is no question that some charter schools are effective, they have not been the panacea many expected. They were originally proposed as an opportunity for educators to test research-supported methods for reaching hard-to-educate children, and some have done quite well. However, a large-scale research study funded by pro-charter advocates revealed that only 17 percent of the 2403 charter schools had significantly more growth in test scores compared to traditional public schools, and, in fact, 37 percent showed significantly less growth (Center for Research on Education Outcomes, 2009). Furthermore, many charter schools do not admit and/or retain students who need increased support, e.g., students from impoverished communities and students with special needs.

The progress of the U.S. Department of Education's Equity and Excellence commissions can be tracked through: [www2.ed.gov/about/bdscomm/list/eec/index.html](http://www2.ed.gov/about/bdscomm/list/eec/index.html)

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