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Good morning. My name is Patrick Dowd and I am the executive director of Allies for Children, a nonpartisan, child advocacy nonprofit based in Pittsburgh. Our mission is to be a bold voice for policy and practice changes that improve the lives of children and youth in Allegheny County.

On behalf of the board of Allies for Children, I would like to thank the members of the Basic Education Funding Commission not only for the opportunity to testify today but also for the time and energy you have thus far committed to this effort.

The Commission has before it the opportunity to align Basic Education Funding with the needs of our students and the academic goals we have set for them, to reverse significant education disparities through the creation of accurate, equitable, stable and accountable funding and, ultimately, to provide all of our students the opportunities they deserve to succeed.

Recent studies examining Pennsylvania's education funding have concluded there are large funding disparities across the commonwealth that have had corresponding effects on the academic achievement of our students. This is not as a result of policy decisions traceable to one administration or another, to one legislative session or another, but rather an accumulation over time.

In January 2014, the Education Law Center's *National Report Card* described education funding in Pennsylvania as regressive; the state provides districts with relatively high concentrations of poverty less money per-student than wealthier districts.¹ This same study ranks Pennsylvania third in the overall percentage of children attending severely financially disadvantaged school districts.

A recent study by the Center for American Progress examined academic performance of students in different districts across the commonwealth and concluded that "the lack of sufficient state support [is] a significant source of cumulative inequality in Pennsylvania's school finance" and that state funding is reinforcing inequality.²

In their October 2014 report analyzing Pennsylvania's education funding system, Bruce Baker of Rutgers University and Jesse Levin of the American Institute for

¹ Baker, Bruce D., David G. Sciarra, and Danielle Farrie. *Is School Funding Fair? a National Report Card*. 3rd ed. Newark, NJ: Education Law Center, 2014. Print.

² Baker, Bruce D., and Sean P. Corcoran. "How State and Local School Finance Systems Perpetuate Inequitable Student Spending." *The Stealth Inequities of School Funding*. Washington, DC: Center for American Progress, 2012. Print.

Research concluded that our state has one of the least equitable education funding systems. They found that the level of state funding to the poorest twenty percent of districts was significantly lower than that received by the wealthiest twenty percent. Furthermore, Pennsylvania ranks among those states most dependent on local property tax as the primary source of education funding while the state contributes below the national average to the overall funding.³

Baker and Levin go further and concluded that policies associated with Pennsylvania's school funding system correspond to growing disparities in academic achievement. Specifically, Baker and Levin argue that "the achievement gap between low-income and non-low-income students on 4th and 8th grade reading and math NAEP is much larger than expected given the income level gap between high and low income families."⁴

While we may dispute one or another findings or take issue with part of a particular study, the preponderance of evidence demonstrates that Pennsylvania's education funding system maintains and promotes rather than eliminates inequality.

In order to reverse these disparities, Basic Education Funding must be aligned to the needs of our students.

Pennsylvania has set academic standards and defined academic achievement. Using these standards, it is possible to determine the mix of education inputs-- curriculum, instruction, administration, supports, and equipment -- necessary for a typical student to achieve our standards. From these calculations, we could determine the base cost for educating a typical student in each grade.

Thirty-six states have each established formulas many of which start with a base cost for educating a typical student.⁵ There are a number of methods for determining a base cost and in many cases they can be deployed simultaneously.

One method is statistical modeling. Researchers develop models or assumptions regarding academic standards, instructional inputs, student needs and district structure and then establish a cost function and a picture of the level of resources associated with acceptable student performance

³ Baker, Bruce, and Jesse Levin. *Educational Equity, Adequacy, and Equal Opportunity in the Commonwealth: An Evaluation of Pennsylvania's School Finance System*. San Mateo, CA: American Institutes for Research, 2014. Print, pg 9

⁴ Ibid., 15.

⁵ "What Pennsylvania Can Learn From Other States' Education Funding Formulas." *Funding, Formulas, and Fairness*. Education Law Center, 2013. Print.

A second method closely analyzes successful districts. Researchers identify a mix of districts relatively representative districts that are achieving academic success. They analyze the spending of these districts and establish cost calculations adjusted on different student and district factors.

A third method involves assembling experts and seeking their professional judgment. Researchers establish a mixed panel of experts to define educational inputs necessary for each student to achieve academic standards. Based on these inputs cost calculation are made and adjusted for student and district factors.

Similar to professional judgment method, researchers can also apply a fourth method, the evidence-based research approach. Researchers review educational literature, identify best practices for instruction and cost out these interventions based on different student and district factors.

When applied in combination, these methods offer the best possible analyses of costs for the education services needed to educate typical students to state standards.⁶

In the funding process, the most important starting point is the base cost of educating a typical student. To that, then, is applied an accurate system for counting the number of students in each district.

To the base cost, many states apply two types of factors or weights -- student weights and district weights. We can distinguish them generally by saying the first group involves counting students whereas the second group involves factors associated with instructing those students.

Looking first at student weights, research shows us that different factors in the life of each student affect their education and change the relative cost of the education services they need in order to meet standards.⁷ By acknowledging these factors, recognizing the different education costs associated with them and then applying different funding weights, we could accurately account for the work of helping students advance to the standards.

One of the most commonly applied weights is for at risk, low-income students. Across the country, 36 states provide funding weights for these students. To help put this into local perspective, over the past five years Allegheny County has seen total public

⁶ Baker, Bruce, and Jesse Levin. *Educational Equity, Adequacy, and Equal Opportunity in the Commonwealth: An Evaluation of Pennsylvania's School Finance System*. San Mateo, CA: American Institutes for Research, 2014. Print

⁷ Coley, Richard J., and Bruce Baker. *Poverty and Education: Finding the Way Forward*. Princeton, NJ: ETS Center for Research on Human Capital and Education, 2013. Print.

school enrollment decline from 151,753 in 2008-09 to 144,403. While total enrollment has declined, over that same period the number of low-income students has increased from 51,075 to 56,569. In Allegheny County, the average percentage of enrollment of low-income students has increased from 39.5 percent to 43.2 percent.⁸

A weight for students who are at risk, low-income should be based on objectively determined and verifiable costs associated with educating students in this category to the level of our academic standards. Based on research, states have determined that different services or interventions are required. These may include increased number of tutoring opportunities or summer learning programs to make sure students are reaching and then maintaining levels of proficiency. Some states calculate the weight in part based on an increased number of qualified counselors to assist with behaviors support or the need for reduced class size, for increased coaching or for increased campus security. Some states have calculated the weight in part based on the need for more qualified substitute teachers to ensure that effective teaching continues even when teachers are absent.

There are different methods of determining which students are counted in the category of at risk, low-income. Many use the National School Lunch Program eligibility because this is already part of their student information systems. Some states use census data or the number of students from families receiving food stamps. Still other states use multiple measures. Texas and other states include in their counts those students who participate in parenting and pregnancy courses, and at least one state includes students in a single parent household.

Another commonly applied weight is for students who are English Language Learners. Across the country, 42 states provide weights for students who are English Language Learners. In Allegheny County the rate of growth for our foreign-born is on the rise but still lags that of the state. In Pennsylvania, during the period from 2003 to 2009 the enrollment of English Language Learners students has increased by 24.7 percent. Between 2003 and 2009, enrollment for English Language Learners increased from 2.1 to 2.7 percent of the student population.⁹

Like weights for at risk, low-income students, those for English Language Learners should be based on objectively determined and verifiable costs associated with educating students in this category to the level of our academic standards. For those states that provide a weight for English Language Learners, costs have been

⁸ "Public Schools Percent of Low-Income Report." *The Pennsylvania Department of Education*. Commonwealth of Pennsylvania. Web. 2014.

⁹ O'Conner, Rosemarie, Jamal Abedi, and Stephanie Tung. *A Descriptive Analysis of Enrollment and Achievement Among English Language Learner Students in Pennsylvania*. Institute of Education Sciences, 2012. Print.

calculated based in part on the need for a smaller student-teacher ratio, the need for additional support in the early grades for literacy, as well as additional tutoring and summer learning opportunities. Some states provide weights for English Language Learners that phase out over a period of time or that end once a student has achieved success on a language proficiency test.

Another student weight to consider would be for students who are highly mobile. Highly mobile students could include those who are experiencing homelessness, who are members of a migrant family or who through a court mandate are either delinquent or dependent. Research has shown that “children experiencing residential instability demonstrate worse academic and social outcomes than their residentially-stable peers, such as lower vocabulary skills, problem behaviors, grade retention, increased high school drop-out rates, and lower adult educational attainment.”¹⁰ In recognition of this, At least one state, Hawaii, provides a weight for transiency. Some states, such as Oregon, provide a weight for students who are court mandated dependent. It may be worth researching the needs and associated education costs for students of migrant families or who are experiencing homelessness.

This is by no means an exhaustive list of student weights and others could certainly be applied in Pennsylvania. Any student weight that is to be applied must be based on objectively determined and verifiable costs associated with education services that student in the particular category need in order to achieve our academic standards.

As the Commission weighs the question of student weights, they will need to consider whether multiple weights could apply to one student. There are states that have established caps but assuming that analysis for determining weights is based objectively determined and verifiable costs one could argue there may be no need for caps.

The second type of factors or weights are those associated with the characteristics of the district and might include weights for:

- Concentration of Poverty
- Enrollment Decline
- Population Density/Sparsity
- Cost of Living Variation
- District Wealth
- Local Tax Effort

¹⁰ Sandstrom, Heather, and Sandra Huerta. "Low-Income Working Families." *The Negative Effects of Instability on Child Development: A Research Synthesis*. Urban Institute, 2013. Print.



These weights relate to the districts in which students are enrolled and are typically factors that do not involve counting students but rather derive from conditions external to the individual student but impact district operations.

Knowing that others will testify on these weights, I only want to call attention to two.

Some states apply a weight for those districts, which have a high concentration of poverty. When a district exceeds a certain threshold for concentration of poverty a weight, in some cases on a sliding scale depending upon the level of poverty, could be applied. As the Commission considers this possible weight it will have to determine whether or not it should be applied to the district as a whole or to school buildings within a district and to what count of students the weights apply.

Some states apply a weight for enrollment decline. Such a factor acknowledges that when students leave a district to attend school in another district or to attend a charter school the district cannot immediately adjust to the population changes. There are, for example, state mandated processes associated with school closure that necessitate carrying additional costs beyond the point of the students departure.

Others will testify regarding district wealth and local tax effort but it is important to note that these are important for determining the state and local share.

To summarize, providing Basic Education Funding that starts with the needs of our students means calculating a base cost of education, counting the students, applying student and district weights directly connected to objectively determined and verifiable costs associated with educating students in the particular category to the level of our academic standards. District wealth and local taxing effort are used to determine the local and state share of the funding. Such a system would provide Basic Education Funding that is truly based on the needs of our students.

The Commission has before it the opportunity to align Basic Education Funding with the needs of our students and reverse significant education disparities across our commonwealth. This is not something that will be achieved in one year, one legislative cycle or even a few terms. However, the Commission can lay the foundations and begin building the long-term commitment to achieving Basic Education Funding that is accurate, equitable, stable and accountable and that gives every student in Pennsylvania an equitable chance at success.

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