

## State Control Over School Funding Allocations

**THE COUNCIL opposes the Executive Budget proposal to impose a state formula to dictate how funding could be allocated among schools within a district.**

The Governor proposes to inject state control over how funds are allocated among schools. A clumsy mathematical formula would supersede judgments by educators and locally elected leaders. Eventually, any district with two or more schools at any level (elementary, middle or high school) could be affected.

What is wrong with this? First, not every disparity is an inequity. Differences in average years of experience among teachers will be a major driver of cost differences. We should expect that a school where teachers have an average of 17 years' experience will have higher per pupil spending than one where experience averages 12 years, for example, but a difference of that sort is unlikely to affect student chances for success. Teacher placements are often fixed by collective bargaining agreements and districts cannot make unilateral assignment shifts, even if they wish, even if indicated by state formulas.

Building size can also affect per pupil costs. A school with three sections per grade will generally cost more than one with six sections. A few children with expensive special needs can drive large overall cost differences as well.

Most school spending is for personnel. If the state formula tells a district to spend \$40,000 more in a school, does it hire half a teacher? Does it arrange to have a social worker spend more time there and less in other schools? Or should it buy more computers and library books just to hit its target?

We foresee the proposal forcing reallocations merely to comply with state directives. As one of our members said, "Compliance does not promote innovation, it does not enable excellence." After our collective misadventures with Annual Professional Performance Reviews, the last thing we should embark upon now is another round of empty compliance exercises.

The school allocation reporting now required by state and federal law will illuminate local school spending decisions. Where actual inequities are brought to light, that should spark discussions at the local level and that is where these funding decisions should be made.

### How the proposal would work:

The proposal would provide that if a district has a school deemed "high need" and "underfunded" relative to its other schools, it would be required to devote to leveling up expenditures a sum equal to at least 10 percent of its Foundation Aid increase times the number of identified schools up to a cap of 50 percent, for districts receiving more than half their total revenues from state sources, or 75 percent for other districts.

Schools would be deemed "high need," if an index based on students with disabilities, students who qualify for free or reduced-price lunches, and students who are English language learners produces a value more than 5 percent above the average for other schools of that level in the district.

Likewise, schools would be designated "underfunded" if their per pupil spending is not at least 5 percent above the district average for schools of that level.

Because determinations would be relative to other schools of the same level *within each district*, even the wealthiest school districts in the state could have "high-need underfunded schools."

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Finally, if you as a legislator have a concern with how one of your districts allocates funds among its schools, please, contact the superintendent or school board. Imposing a clumsy state formula is likely to compel pointless reallocations, frustrate some parents, and satisfy no one.

***THE COUNCIL strongly urges that this proposal be rejected.***