Top-Down Approach

According to Maxwell experts in education finance and school choice, efforts to federalize school standards represent a laudable national reinvestment in education. But programs like No Child Left Behind fundamentally strain current systems. And, what’s more, they might not work.

The Obama administration delivered a jolt to U.S. public education in March by selecting just two states, Delaware and Tennessee, to receive $600 million in grants designed to help districts overhaul their K-12 programs.

As part of last year’s American Recovery and Reinvestment Act of 2009 — the so-called stimulus package — Obama created Race to the Top, a competition to reward states with the most ambitious and comprehensive plans for improving public schools. Such plans are expected to feature performance pay, expansion of public charter schools, and improvement of low-achieving schools.

Race to the Top created a nationwide scramble among states, each trying to champion the most robust changes and earn a piece of a $4.35-billion pot. Many states pushed through contentious legislation in order to qualify for the federal funds as a means to bolster their budgets, but only Delaware and Tennessee received awards in the first round.

At the same time, Secretary of Education Arne Duncan is attempting to rewrite and reauthorize No Child Left Behind (NCLB), launched by Obama’s predecessor, George W. Bush. The largest federal aid to education act in history, NCLB reauthorized the existing Elementary and Secondary Education Act with the addition of groundbreaking accountability standards to increase classroom performance by students and teachers. NCLB requires states to develop basic-skills tests, to be given to all students in certain grades; the goal is that all children in all schools be proficient in reading and math by 2014. NCLB also requires that teachers achieve “highly qualified” status in their subject areas. While lauded for putting the spotlight on low performance, the program has been criticized for placing unrealistic standards on schools, for inadequate funding to support what is being asked, and for exerting too much federal control in public education.

The Obama version, as conceived by Secretary Duncan, would uphold NCLB’s central characteristic — testing pupils regularly to determine how each significant subgroup is doing — while changing some of its most controversial aspects. It would assess student growth over time, relying on multi-year rather than single-year evaluations. And it would create tiers of schools, performance benchmarks and reform options would be tailored to the needs of...
schools within the distinct tiers. While it’s too soon to know how the NCLB reauthorization will fare in Congress, experts are mixed as to how much of a difference these new and revised efforts will ultimately make.

In any form, NCLB represents a new approach. Washington is more involved in local schools than ever. Federal funding of education is not new and, admittedly, accounts for less than 10 percent of nationwide education spending. Still, when federal funding is tied to doing things a particular way, the longstanding tradition of local control of public education becomes strained.

“There is a tension that exists between the recognition of the importance of education and the role it can play in economic development and dealing with inequality and a willingness to give up local control,” says Bill Demongeot, professor of public administration and associate director of the Education Finance and Accountability Program (housed in the Maxwell School’s Center for Policy Research). “The government can provide incentives through funding, but states can opt out and say ‘we don’t want the money’ if they don’t want to do what’s required to get it."

Plus, there is evidence that any top-down, Ten Commandments approach to improving student performance is doomed to fail. The challenge is too complex for monolithic ideas.

“But the thing about the U.S. education finance situation is that it combines complicated analytical issues, difficult policy issues, and all kinds of legal issues to try to combat some hard social problems,” says John Yinger, Trustee Professor of Economics and Public Administration at the Maxwell School and director of the Education Finance and Accountability Program. “That’s a pretty tough combination that makes for a problem that is going to take a very long time to figure out. There’s not a quick fix.”

Thinking Locally

Historically, education in the United States has been a local responsibility. With no constitutional charge to the federal government, responsibility to provide public education defaults to the states, which individually establish general guidelines to be followed with great leeway by local districts. School funding comes primarily from local districts, the bulk through property taxes. School districts are governed by local citizens, elected by their peers.

With the majority of a public school’s funding coming from local taxes, the district in which a student resides largely determines the quality of the school. This can create a huge disparity in the quality of education between the middle class and low-income communities. State funding — and to a much lesser degree, federal funding — is intended to fill gaps to achieve greater equity.

“There’s always been this kind of tension in the U.S. between equity and local control,” says Ross Rubenstein, associate professor of public administration at the Maxwell School, whose research focuses on public finance and education policy, including educational equity. Recently, he was principal investigator on a study of intra-district resource disparities for the New York State Education Finance Research Consor-tium; in the early 2000s, he was co-investigator for a large U.S. Department of Education study of performance measurement in K-12 public schools.

“If you wanted to improve equity,” Rubenstein says, “certainly one way is to centralize everything. If we ignored the constitutional implications for a second, we certainly could see improvements in equity if the federal government played a bigger role in distributing funding to school districts. But, in the U.S., I don’t know that most people would be in favor of the federal government taking over the funding of education.”

Beginning in the early 1970s, numerous state courts have heard challenges to the constitutionality of their state finance systems — typically on the basis that a child’s education depends on the wealth of his or her district. While 18 state finance systems have been declared unconstitutional by state supreme courts, resulting in significant education finance reform; in just as many states, education finance systems have been upheld. The litigation highlights, however, that, inequality in funding exists within states, from district to district.

“The percentage of state funding versus local funding varies tremendously across the country,” says Rubenstein. “In some states, the majority of funding comes from state governments; in others, the vast majority comes from local governments. Most are somewhere roughly split.”

The amount spent per pupil varies greatly from state to state, too, according to Rubenstein, New York spends, on average, more than twice what Utah spends per pupil, as just one example. And within states there are huge variations from district to district, primarily related to the district’s property tax base and the services the district provides. Furthermore, within large districts, he says, you can see large variations from school to school. In almost every state, the key to achieving equity across districts is supplemental state funding. And yet, with almost every state cutting funding in the midst of budget crises, such disparities are likely to persist, says Rubenstein.

After the New York State Court of Appeals ruled in 2003 that New York State was not meeting its constitutional obligation to provide a “sound basic education” in New York City schools (Campaign for Fiscal Equity v. N.Y. 2003), Rubenstein began a study of resource allocation across the New York City district. He found the biggest disparity to be the distribution of teachers. “In most school districts, you tend to see sorting of teachers across schools,” he explains. “The teachers with the most experience and the most education, and who are highest paid, tend to teach in the schools with the lowest percentage of poor students or lowest percentage of students with limited English proficiency. This usually plays out to the detriment of the schools with the highest concentration of poverty.”

For such schools — those saddled with extraordinary poverty — it’s not enough to get the same funding as their better-off counterparts, because of extra challenges faced within high-poverty districts. “Some districts need to spend more to have the same educational opportunities,” he says. “And sometimes the extra resources still aren’t nearly enough to compensate for all the other problems and disadvantages these students bring to school.”

The gap between high-poverty and low-poverty schools and districts is at the heart of the equity issue. “A poor district, no matter how high they raise their property taxes, will never have close to the resources that a very wealthy district has,” says Rubenstein, explaining that many communities and neighborhoods simply don’t have the wealth to meet education needs, and so their schools will lag. “As long as we rely on decentralized funding, that’s likely to be the case.”
Holding Schools Accountable

In a Child Left Behind wasn’t an entirely new concept. It began as the Elementary and Secondary Education Act, passed first in 1965 and reauthorized periodically ever since. The difference is that, when President George W. Bush’s administration reauthorized the act, sweeping mandates were added, and the law was renamed.

Those mandates include state standardized tests in math and reading for all public school students in grades 3 through 8 and grade 11, as well as the requirement that all students in every school score as “proficient” or better by 2014. Those expectations apply to all students — among them those who, statistically, don’t do well on standardized tests, such as low-income students, minority students, those in special education, and those learning English as a second language.

While many agree that holding schools accountable is a good idea, there is skepticism about the current accountability standards. Since states set their own standards and write their own standardized NCLB tests, states can compensate for inadequate student performance by setting very low standards and making tests unusually easy. And, because of severe penalties levied by NCLB when a school does not meet its state’s standards, states have a strong incentive to do so.

“The specifics of how NCLB asks states to measure school performance and the consequences that follow doing poorly by those measures are problematic,” says Duncombe, recognized as a national expert on developing education cost indices for school aid programs and examining the impacts of school and enrollment size on the cost of providing education.

For years, he and colleague Yinger have studied the link between accountability requirements and financing associated with NCLB. They have published dozens of articles and chapters, in publications such as the Journal of Education Finance and Public Finance Review, on myriad school-budgeting topics. Last year, they completed a report on state aid, student performance, and district efficiency for the New York State Education Finance Research Consortium.

One problem, Duncombe says, is that NCLB doesn’t take into account the specific needs a district has or the resources available to meet those needs, making the proficiency requirements “unrealistic.” Another is inadequate funding. Duncombe believes the federal government needs to substantially increase funding for Title 1 (the funding within NCLB specifically targeted for children of low-income families) and do a better job of targeting and distributing that money. NCLB was passed with the promise that there would be a big boost in funding to districts that need it most. In actuality, most experts say, the Title I funding isn’t close to enough if we expect disadvantaged districts to reach the targets that NCLB wants them to reach.

“What you end up with is money being sprinkled around for everyone, which becomes not enough money to do anything for anyone,” says Duncombe. “If the federal government is going to wade into the middle of high-stakes accountability, then, in my view, it needs to come up with the money. Otherwise, it only provides states strong incentive to undo the accountability system.”

Duncombe and Yinger say NCLB needs to be rewritten to better define and encourage high standards. The National Governors Association and Council of Chief State School Officers are drafting a set of common standards for math and English studies that will provide a national benchmark. President Obama is a strong proponent of establishing national education standards to boost performance. Although the administration played no role in drafting their proposal, it is offering more than $4 billion in incentives for states that adopt it. So far, 48 states — all but Alaska and Texas — have signed on.

The move to national standards and national assessments may help raise national performance, but will no doubt also raise controversy: “Once you’ve got a national standard and a national test, standardized curriculums follow and that strikes right at local control,” says Duncombe. “This is moving into new territory and I think they’re going to face some real challenges implementing it on a national level. There will be states that just opt out and forfeit the funding to keep their independence.”

“Privatizing” Public Schools

To varying degrees, both NCLB and Race to the Top promote charter schools — schools that are governed by nonprofit boards, separate from any school district, and receive public funding based on the size of their enrollment. On the one hand, NCLB specifically encourages parents to move their children to alternate public schools (including charter schools) if they believe their current school is unsafe or substandard. Race to the Top, meanwhile, specifically rewards states that expand charter schools. Clearly, the Obama administration is banking on charter schools to do a better job than traditional public schools. Currently, 40 states have adopted laws that allow the operation
Charter schools in North Carolina "are more segregated by race and class as a result of school choice programs."

Robert Bifulco, associate professor of public administration, is an expert on education policy and racial segregation who has studied charter schools across several states, writing a major study of charter schools in North Carolina. (Before he earned a doctorate in public administration, Bifulco worked for the New York State Education Department in the New York City field office, which was responsible for identifying and rectifying problems in City schools, and for administering Title I dollars directed to those schools.)

According to Bifulco, charter schools have been drawn into an ideological debate by those who argue that private actors can provide public services better than the government can. "A lot of research on charter schools has been motivated by ideological views, and people have tried to draw strong conclusions from weak evidence," he says. Those results would seem to conform with other forms of conservative skepticism toward public-sector efficacy, he believes.

Bifulco's research (as well as other credible studies) find no evidence that the governance and/or financing of charter schools makes them systematically more productive than traditional public schools or better at raising achievement. In a study of Durham, North Carolina, for example, he found that schools "are more segregated by race and class as a result of school choice programs than they would be if all students attended their geographically assigned schools." He found that segregation by class was even more pronounced than segregation by race. In North Carolina, U.S. spends more on education per student than almost every other industrialized country, yet nations that spend far less achieve higher levels of student performance.

"The main reason the reforms don't have big impact on outcomes is that they don't recognize the enormous challenges that some school districts face. The reforms themselves are inevitably compromises and the compromises work in the direction of minimizing the amount of redistribution that happens," says Yinger.

The distribution of funding is really unfair and not focused on the places that need help the most. The state aid programs in just about every state do something to tilt their money a little more toward the districts that need it the most, but that tilting is always a political compromise and is almost never enough to make the funding truly equal. The schools with a lot of poor students don't have the resources they need to provide an equal education."

The fact is, it's more expensive to improve education in a very disadvantaged school because of the myriad outside factors that interfere with learning. "If you have a lot of kids that are moving in and out of classrooms because their families are moving, if you have kids with no health insurance so they get sick and are absent or get other kids sick, if you have kids that haven't had a lot of contact with books and don't know their letters or numbers, all of these things are great disruptions to learning," says Yinger.

Despite the greater need, simply increasing school budgets doesn't increase performance.

As a whole, the U.S. spends more on education per student than almost every other industrialized country, yet nations that spend far less achieve higher levels of student performance.

"There are no silver bullets," says Duncombe. Although he and other experts can point to specific financing systems and intervention programs that have helped certain students in certain settings, he can point to very few that have been successful once they've been ramped up and greatly expanded. "There's frustration when programs find success on a local level, but the program doesn't seem to produce clearly the same effect when it is expanded," he says.

In districts where students come in with many disadvantages, it turns out to be incredibly difficult to turn them around. "Despite an enormous amount of research on this, we can't point to a lot of programs that we know are going to make a big difference," Yinger says.

As with any ambitious policy to address social problems, it's important to have realistic expectations. Maxwell experts say expecting to eliminate issues that have developed over 100 years or so within a decade is naïve.

"Failure to completely eliminate the disparities in outcomes that concern us doesn't mean that these policy approaches have been failures," says Bifulco. "Instead, we should be making a significant effort to seriously evaluate interventions and the effect they've had with the hope that this growing bank of cumulative knowledge will help states and school districts make better choices."