

Public Education: For Richer, For Poorer

by Lawrence Baines - October 04, 2014

Since 1965, three precedents have had a powerful influence on the direction of public education—the promise to educate all children, the fluctuating nature of school funding, and mandated standardized tests. This commentary discusses the interplay of these three precedents for rich and poor.

American public schools are complex, messy, multi-billion dollar enterprises that educate over fifty million children. Consider that:

- More than 10 million children have at least one parent whose first language is not English (Ryan, 2013).
- 6.5 million children receive special education services.
- 31.5 million children receive free or reduced lunch (National Center for Education Statistics, 2014a).

For a single parent with two children, the qualifying income for free lunch is \$19,790; for reduced-price lunch, the qualifying income is \$36,612 (Federal Register, 2014). From this statistic, it can be surmised that about two of three American children who attend public schools hail from households with modest to low incomes.

In the United States, the promise of providing a free, high-quality education to all children is still a work in progress. From 1776 until 1964, a period of 188 years, American schools were often segregated, unequal, and highly variable. In 1965, President Lyndon Johnson signed the Elementary and Secondary Education Act (ESEA), as part of the “War on Poverty,” to ameliorate social inequities through public school initiatives, funded by the federal government. In his state of the union speech in 1964, President Johnson stated,

Unfortunately, many Americans live on the outskirts of hope—some because of their poverty, and some because of their color, and all too many because of both. Our task is to help replace their despair with opportunity. (1965, p. 116)

In many ways, today’s public schools were launched with President Johnson’s effort to eradicate poverty.

Considered in this context, free, accessible, and unsegregated public education in the United States has only been in existence for about fifty years. Since 1965, three precedents have shaped public schools and have made them what they are today:

1. The promise to educate all children
2. The fluctuating nature of school funding
3. The mandating of standardized tests

A precedent can be defined as any act, decision, or case that serves as a guide or justification for subsequent situations. These three precedents have influenced the trajectory of American public education for the past fifty years and, barring extreme shifts in policy, seem likely to dominate reform for the foreseeable future.

PRECEDENT 1: THE PROMISE TO EDUCATE ALL CHILDREN

It is astounding to consider that, before public law 94-142, many special needs children were sent to asylums for the “deaf and dumb.” A year before the ratification of PL 94-142, in 1973, a million disabled children were refused admission to their local public schools (Horn & Tynan, 2001, p. 24). Public Law 94-142 outlawed discrimination against special needs children and required public schools to respond to the needs of every child, without regard to “how or how seriously he may be handicapped.”

While the motivation behind PL 94-142 may have been laudable, the federal government has never fully funded special education. Expenditures to educate students in special education are about twice those to educate traditional students. Parrish (2012) calculated that, in California, which ranks 48th in terms of the percentage of students in special education (meaning that the state refers relatively few students into special education), 32% of the instructional budget is spent on behalf of students with special needs.

The federal government has always paid for only a fraction of special education costs—about 17% in 2013 (National Education Association, 2014a), leaving the remaining 83% to be paid by states and local schools.

Similarly, the federal government contributes very little to the education of English Language Learners. By law, a school with English Language Learners (ELLs) must follow a specific protocol, including the following steps (Lyons, 1988):

1. Evaluate the students’ language proficiency in the native language and in English and determine appropriate instructional treatments;
2. Establish standards for teachers, which usually includes fluency in the child’s native language and track student progress over time.

If tens of thousands refugees happen to immigrate to a city, the local school is required, by law, to educate these children without regard to cost or degree of difficulty. For most urban school districts, such as New York City, whose students speak 160 different languages, it is preposterous to expect that every teacher will be simultaneously a master of a subject area and a native speaker of the language spoken at home. Three of the most prevalent languages in New York City Schools are Albanian, Urdu, and Uzbek (New York City Department of Education, 2013). Imagine the difficulty of finding a physics teacher who also happens to be fluent in Uzbek to work in a New York City high school.

In addition to being more expensive to educate, English Language Learners, like special education students, usually do not post high scores on standardized tests. As funding and reputation are increasingly predicated upon test performance, a school that seeks to advance its ranking would do well to avoid enrolling students with high needs.

To understand how the system works against schools that serve needy students, consider two elementary schools in California—Stone Corral Elementary, located about 30 miles from Sequoia National Park in the farmland near Visalia, and William Faria Elementary, located in Cupertino, California, home to corporations such as Google and Apple. Stone Corral is rated as one of the worst elementary schools in California; William Faria is rated as one of the best.

In California, the Department of Education uses a 1000-point scale to rate schools. Schools that score 800 or higher are considered “passing;” schools that score under 800 are considered to be “failing.” In 2013, Stone Corral’s rating was 561; William Faria’s rating was 999 (California Department of Education, 2014).

At Stone Corral, 100% of students live in poverty, 60% are English Language Learners, and average family income is around \$14,000 (Brown, 2012). At William Faria, 0% of students live in poverty, 4% are English Language Learners, and average income is \$160,000 (California Department of Education, 2014).

An 1800-square foot home in the William Faria school district likely will cost well over a million dollars while an 1800-square foot home in Stone Corral’s district can be had (at least at the time of this writing) for under \$200,000. The property value differential means that William Faria generates approximately 500% more money in taxes *per student* than Stone Corral.

The disparity in school funding exacerbates the problems in operating a school in an area of high poverty. For example, there are no water fountains at Stone Corral because the water in the area has been polluted by unregulated disposal of livestock waste. On the other hand, in addition to receiving more money from the state through higher property taxes, William Faria’s parents are willing and able to fund a dizzying array of social events, such as First Day Tea, Dinner on the Green, and Ice Cream Socials.

Using test scores as indicators of effectiveness punishes schools like Stone Corral. When scores decline, a school’s reputation deteriorates, as may a teacher’s salary. This “value-added model,” now implemented in about half of the states, venerates test scores above all other factors and simultaneously encourages teacher flight from the nation’s neediest schools (Spiridakis, 2003).

PRECEDENT 2: THE FLUCTUATING NATURE OF SCHOOL FUNDING

California public schools used to be consistently ranked among the best in the world during the 1960s; but today California students post some of the lowest test scores in the country, alongside students from Louisiana and Mississippi (National Center for Education Statistics, 2014b). While California’s annual per student spending was well above the national average for decades, the state began to spend less on education after the ratification of Proposition 13 in 1978, which placed limits on property taxes (Carroll, Drop, Arkes, Morrison, & Flanagan, 2004). According to a Rand report from 2005, “The decline of California’s K-12 system has paralleled the shrinking of per pupil financial support for education during the past three decades...when the state became the first to implement school finance reform.”

Funds for public schools mostly come from state and local sources. On average, only about 10% of funding is provided by the federal government (National Educational Association, 2013b, p. 81). Taxes on property usually provide the largest single source of revenue, although relying upon property taxes can be catastrophic, especially during periods of economic downturn.

For example, Detroit, a city that in 1950 was the fifth largest in the United States with a population around two million, has shrunk by more than half to a population of only 700,000 today. Ensuing decreases in revenue decimated city services, particularly the public schools.

To make up for losses in revenue, Detroit has raised property taxes and shuttered school buildings (Bomey & Gallagher, 2013). As a result, the property tax rate in Detroit has become the highest in Michigan. See Table 1 for a comparison of property tax rates in two Michigan cities—Detroit, where 38% of the population lives below the poverty line, and Rochester Hills, where only 6% of the population lives below the poverty line.

Table 1: Property Taxes, Crime Rate, Income, and Average SAT in Two Cities in Michigan

City	Property tax rate on a \$200,000 home	Crime rate (U.S. average is 301; lower is less crime)	Household income	Average ACT score
Detroit	\$13,400	562	\$26,955 (U.S. Census Bureau, 2014a)	14.9 (King High)
Rochester Hills	\$7412	68	\$77,764 (U.S. Census Bureau, 2014b)	24 (Stoney Creek)

Students at Stoney Creek High School in Rochester Hills recently scored an average of 24 on the ACT. In contrast, students at King High in Detroit scored 9 points lower, an average of 14.9 (Detroit Free Press, 2014) on the ACT.

Of course, the number of high needs students at King—ELLs, special education, and high-poverty—far exceed those at Stoney Creek. Today, Detroit Public Schools educate only about 49,000 students, even less than the 51,000 or so students enrolled in local charter schools (Higgins, Dixon, & Dawsey, 2014). The budget for Detroit Public Schools fluctuates so much from year-to-year that, to meet its financial obligations, the school system often must fire most of its teachers at the end of the year only to re-hire new teachers a few months later. Such volatile fluctuations and massive layoffs may not attract the best and brightest teachers to the district.

Arizona provides another vivid example of how fluctuating funds affect school quality. While Arizona has never been a big spender on public education, recently, it has dropped to a new low, and was, in fact, dead last in state spending on public education in 2012. Arizona spent less per pupil (\$6683) in 2012 than in 1989 using dollars adjusted for inflation (National Education Association, 2013c, p. 54). As funding for education in Arizona declined from 1999 to 2012, average ACT scores in Arizona also declined from 21.4 to 19.6 (ACT, 2013).

On the other hand, Massachusetts spent \$15,746 per pupil, more than twice Arizona’s expenditures. On NAEP tests of reading, Massachusetts students ranked #1 in the United States; Arizona students ranked #46 (National Center for Education Statistics, 2014b).

The wide variability of spending between states is also evident within states. Consider the case of Highland Park, a wealthy school district carved out of the center of Dallas, Texas and surrounded on all sides by Dallas Public Schools. Students who live on one side of a street may attend Highland Park schools, while students who live on the other side may attend Dallas schools.

Although school boundary lines may seem random, the differences in quality of life variables, such as property tax rate, crime rate, and average SAT score are substantial. For 2013, the average SAT score in Highland Park schools was 1203; the average SAT score in Dallas schools was 861 (Texas Education Agency, 2014). Yet, property tax rates in Highland Park are about a third lower than they are in Dallas. As in Michigan, property tax rates for multi-million dollar mansions in wealthy areas are substantially lower than for low-income houses located in troubled neighborhoods. See Table 2 for side-by-side comparisons of taxes, crime, income, and average SAT.

Table 2: Property Taxes, Crime Rate, Income, and Average SAT in Two Cities in Texas

	Property tax rate on a \$200,000 home	Crime rate (U.S. average is 301)	Median household income	Average SAT score
Highland Park	\$4,000	129	\$192,499	1203
Dallas	\$5,460	448	\$47,974	861

Another problem with relying upon property taxes to fund schools is that many states are eliminating or reducing taxes to lure business. To attract Caterpillar Corporation, the state of Georgia and two counties offered about \$80 million worth of tax incentives. Caterpillar is paying only 10% of its tax for the first three years, with the rate rising gradually until, twenty years in the future, the corporation will be expected to finally pay its full tax bill (Haggerty, 2012).

In Manor, Texas, student enrollments have tripled since 2000, yet per pupil spending has actually declined. The drop in school funding occurred, despite the relocation of a massive Samsung fabrication plant in 2005 to the small Texas town.

As part of an incentive package, the state offered \$112 million in tax abatements to Samsung. Students in the district, 80% of whom are economically disadvantaged and 71% of whom the state considers to be “at risk,” have yet to reap much benefit from the new factory in town. In all, Texas disperses about 19 billion dollars of “incentives” to businesses every year (Story, 2012).

Trying to operate a school with an unstable budget is difficult, even during times of economic prosperity. During times of economic swoon, schools are often forced into last-minute cuts in order to conform to budgetary realities. As a result, budgeting has become short-term, tenuous, and contingent. When I worked in Colorado, publicly supported schools would regularly monitor the snowpack every winter because some of the tax revenue from skiing tourism was designated for school funding. During times of poor snowfall, budgets contracted; during times of abundant snowfall, budgets expanded.

The Los Angeles Unified Schools (2014) notes on its website,

California school districts...face dramatic cyclical funding variations as the economy rises and falls. Further, California’s Governor and State Legislature, whose vote on the State Budget Act determines how State funds may be spent, have enormous control over the ability of local school districts to utilize funding to meet the specific needs of their students.

PRECEDENT 3: MANDATED STANDARDIZED TESTS

It is difficult to overstate the importance of standardized tests. Consider that a test in the United States may determine all of the following:

1. High school graduation rate
2. The move from third to fourth grade
3. College admission
4. Scholarships
5. Salary and job security for teachers
6. Salary and job security for administrators
7. The value of a home
8. A school’s operating budget

Spending on tests was about \$7 million in 1955 (Clark, Madaus, Horn, & Ramos, 2001), but zoomed to about \$2 billion by 2012 (Chingos, 2012), an increase of approximately 25,000 percent. Of course, children in public schools were evaluated in 1955, but assessments were mostly in the hands of the teachers, thus little to no additional money needed to be spent. Today, the responsibility for assessment has been wrested from teachers and handed over to corporations. Yet, the relative advantage of outsourcing assessment to corporations and external agencies has yet to become apparent, decades after the switch.

Exactly, what do outsourced tests reveal that a good teacher does not already know?

Results from PISA (Program for International Student Achievement) indicate that American students post mediocre results in comparison with countries such as South Korea and Finland; however, Asian-Americans score higher on PISA tests than students from South Korea and Japan and middle-class Americans score about the same on PISA tests as students from Finland (Baines & Goolsby, 2013).

However, the low scores posted by America’s poor, African-American, and Hispanic students drop the American mean score to below the OECD average.

Tests are not required to establish the correlation between scores and income (Rampell, 2009). In Ohio, where schools are graded A-F based upon test scores, 95% of the richest schools earned an A or B. Zero of the poorest schools earned an A; only 4% earned a B (DiCarlo, 2012).

CONCLUSIONS

Promising to deliver a high-quality education for every child is easy; actually doing so is difficult. The three powerful precedents in education, active since 1965, have created a system of schooling that favors the rich and penalizes the poor. Because much of the funding for schools derives from property taxes, the poorest schools inevitably educate the neediest students, whose families contribute the least in funding for the continued operation of schools. To keep the doors of public schools open in poor neighborhoods, tax rates have soared, making property in high-poverty, high-crime areas more expensive to own than property in wealthy, low-crime neighborhoods.

It is not surprising that children from rich families attend better schools where they post higher test scores, and gain access to the bundle of benefits associated with higher test scores—college admission, scholarships, and high-paying jobs. However, what is surprising is the seeming acceptance of the blatant bias against the poor as expected and inevitable by communities, states, and the federal government.

For poor families, education is sometimes the only viable form of hope that they can latch onto. To require the poor to pay more in taxes than the rich is not just bad form, it is morally reprehensible. However, higher taxes are not the only punishment endured by the poor. The poor must also suffer underfunded schools, higher crime rates, and lower achievement. When achievement levels in poor schools do not improve, they are “taken over” by the state or closed down, which means a loss of jobs, commerce, and cultural capital in neighborhoods that need them the most. Last year, 49 elementary schools and a high school program were closed in Chicago alone (Fitzpatrick, 2013).

In addition to educating more special education and ELLs on less money, schools in high-poverty areas often have wildly fluctuating budgets, yet are expected to compete against rich schools on test scores—a variable that has a long-established, strong correlation to family income.

Today, poor students are experiencing no “soft bigotry of low expectations” (Bush, 2000), but have become widely acknowledged liabilities in a systematically brutal, flagrantly discriminatory system of education.

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