

Adequate and Equitable Funding

Issue Definition

Nationally, discussions and policies around funding formulas for K-12 systems are shifting from a focus on equal funding across districts to considerations of equity. The equity approach takes into account that it simply costs more to educate some students than others. To address inequalities in student outcomes, increasing evidence shows that substantive and sustained state school finance reform can improve both short-term and longer-term student outcomes. Tied to effective policies, school finance reforms can reduce outcome disparities and increase overall outcomes for all students.

Elements of an Effective System

Top-performing systems make explicit decisions to ensure all students are educated to the high standards set by the state and all schools have the resources to do so. More resources are allocated to students who come to school with greater disadvantages. Most high-performing countries allot more teachers to hard-to-educate students, along with strong incentives for their best teachers to work in classes and schools serving students and families from low-income and minority groups. High-performing countries and states aim to ensure their K-12 funding systems have a combination of the following elements:

- The funding system provides the basis for the general recurring funding for all students.
- It includes additional resources associated with the costs of meeting educational needs, taking into account socioeconomic background, disability, language proficiency, school size, and location.
- Funding is based on actual resources used by schools already achieving high educational outcomes for students over a sustained period of time.
- Schools with similar student populations require and receive the same level of resources.
- Funding schemes are periodically reviewed to continually reflect community needs and aspirations.
- The total resource amount is indexed to take into account increasing costs over time. The goal is to maintain at least current levels of achievement over time.

Georgia School Funding Data – By the Numbers

28	Number of states that provide increased funding for low-income students. Georgia does not.
40	Number of states—including Georgia—that provide increased funding for English Language Learners
35th	Georgia's national ranking in total spending per student (\$9,403 per student in 2014)
34%	Percentage difference in total revenues per student between Georgia's highest-funded and lowest-funded district
40%	The average local share of total dollars as a percentage of total per-student spending

TOP FIVE STATES AND GEORGIA'S SOUTHERN NEIGHBORS - EDUCATION WEEK'S QUALITY COUNTS 2017 SCHOOL FINANCE RANKINGS

State	Grade	Rank
Top Five States		
Wyoming	A-	1
New York	B+	2
New Jersey	B+	3
Connecticut	B+	4
Maryland	B+	5
Southern Neighbor States		
Virginia	C	19
South Carolina	C	25
Kentucky	C-	33
Alabama	D+	35
Georgia	D+	36
Florida	D+	37
Mississippi	D+	38
Tennessee	D+	42
North Carolina	D	45
US Average	C	

Opportunities

The Georgia Constitution includes language guaranteeing an adequate public education for all citizens. However, determining whether the state actually provides adequate resources to schools is a dominant issue in school finance in Georgia, as well as in many other states. Best practices from other states and countries indicate the following:

- All students should have adequate funding to reach the high standards set out for them.
- Additional resources should be targeted at students who come to school with greater disadvantages.
- Funding levels should be tied to actual costs and periodically reviewed to reflect community needs and aspirations.

ALERT! POLICY MISSING OR NEEDS IMMEDIATE ACTION

Conduct a cost assessment.

- Weighted student formulas should be based on real-world costs..
- Costs should be tied to student outcomes.

Provide district resources to be able to uniformly track expenditures to the school level.

- Provide state and local funds needed to implement a comprehensive data system that can use data to measure and improve effectiveness in meeting objectives for enhanced student learning.
- Fulfill federal expenditure reporting requirements.
- Increase transparency about the efficient use of funds.

Evaluate district and school expenditures.

- Evaluation studies are needed to examine the impact of school spending on student outcomes, with special considerations to equity.
- Studies can identify best instructional practices and efficient financial practices.

YIELD! PROCEED WITH CAUTION, MORE WORK TO BE DONE

Pass funding reform legislation that allows for greater flexibility to target resources to district need.

- Allow local districts to have greater flexibility.
- Tie funding plans to educational priorities and district and student need.
- Provide support and guidance to districts to guard against inequity as district capacity varies.

Consider both equity and adequacy in funding decisions.

- Georgia receives a B for equity, Education Week's Quality Counts 2017.
- Georgia receives an F for adequacy, Education Week's Quality Counts 2017.

GO!

None noted at this time.