

Stakeholder Forums Regarding Pennsylvania's Costing-Out Study

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About the Study

Pennsylvania, like other states, has adopted statewide academic standards for what all students should learn. However, our state has not figured out how much funding public schools need to prepare all students to meet the standards. A costing-out/adequacy study is a good way to calculate what it really takes to support high quality schools that consistently prepare students from diverse backgrounds to succeed.

Pennsylvania recently started the process of conducting its own study. In June 2006, the General Assembly authorized the study and allocated the funds. The State Board of Education will use the funds to hire an experienced consulting company to conduct the study. The Board will supervise the study and approve the final report. Initial results are expected in April 2007, with the final report issued later in the year.

To successfully educate all students, public schools need things like good teachers, small enough classes, and a safe learning environment. In short, a costing-out study will provide objective data about the programmatic and financial resources needed to ensure that all children including those with disabilities, students living in poverty, or English language learners have access to a high quality education.

More than thirty other states have already conducted costing-out/adequacy studies. In many of these states, the study results have been used to make the school funding system more effective and equitable for all students and schools. The goal is to use the study results to distribute state education funds based on real needs, rather than political influences. Similarly, Pennsylvania's study can form the basis for a new and fairer system for funding public education in Pennsylvania.

About the Forums

During July and August 2006, Good Schools Pennsylvania and the Education Law Center sponsored several stakeholder forums to receive feedback about Pennsylvania's costing-out/adequacy study. Over 100 public education experts attended these forums, including parents, advocates, teachers, administrators, businesspeople, and community leaders. The forums were held in Lancaster, Philadelphia, and Pittsburgh, and drew from communities in 14 counties, including rural, urban and suburban communities.

Each forum followed the same format. After a brief introduction by GSPA and ELC staff, the stakeholders brainstormed and debated for over two hours about three central issues regarding the costing-out/adequacy study. These three issues are described below and the remainder of this report summarizes the results of the stakeholder discussions on these issues. The forums demonstrated the power of open community involvement in developing state education policy, by effectively engaging and informing grassroots leaders and developing valuable information about the school improvement needs of diverse communities. The forums can serve as a model for community involvement in the costing-out/adequacy study and related state efforts.

Three Central Issues

The stakeholder forums sponsored by GSPA and ELC focused on the following issues. Continue reading the next three pages to see how our stakeholders responded to these important questions.

ISSUE #1 THE EDUCATIONAL GOALS. Most people agree that all public schools should provide a quality education. But how should a "quality education" be defined and funded? In other words, what are the qualities and educational goals to be achieved and funded as a foundation level for all students in all school districts? This question is important because these standards set the bar for the costing-out study; if it's set too low, it may not accurately show the basic minimum level of funding needed to ensure that students and schools perform to high levels.

ISSUE #2 SPECIAL FUNDING CONSIDERATIONS. Pennsylvania has 501 school districts. Each district is somewhat different, with different circumstances facing the students, teachers, and families. For instance, in some communities, upwards of 75% of the students live in poverty, while in other communities virtually no children have experienced poverty. In some school districts there may be more than two dozen language groups, while in other districts there are no English language learners. What are the special considerations of students and schools that should influence state education funding? This question is important because, based on the variables and weights determined by the study, a new state funding formula may drive more funding (above the foundation level) to districts having exceptional needs.

ISSUE #3 INDEPENDENT COMMISSION. Should the state form an Independent Funding Reform Commission to consider the results of the study, along with other information, and make recommendations to the General Assembly about ways to reform the PreK-12 education finance system in Pennsylvania? Who should be members of the Commission and how should the Commission operate? This question is important because we want the study to lead to real changes. Some legislators have discussed forming a Commission as one possible way to develop understanding and support for reform legislation on these issues.

How can you get involved?

GSPA and ELC strongly encourage you to get involved and make your voice heard on these important issues. Here are some options for action:

- Keep up-to-date on these issues by reading the GSPA website at www.goodschoolspa.org or the ELC website at www.elc-pa.org.
- Send your own opinions about the three issues listed above to GSPA (Janis@goodschoolspa.org) or ELC (bkintisch@elc-pa.org).

- Hold a stakeholder forum for your organization or your community. Use the attached Forum Guidelines also on the GSPA or ELC websites and call our organizations for assistance.
- Let your elected state representatives and the State Board of Education know that you support using the costing-out/adequacy study to reform the state system for funding public education.

ISSUE #1 SETTING THE EDUCATIONAL GOALS.

The stakeholders agreed that all public schools should provide a quality education. The stakeholders told powerful stories about how many children do not receive a quality education from their local schools. There is a general sense of outrage that children from more privileged communities often receive a far superior education compared to children who happen to live in other communities. The state should help struggling school districts to raise the quality of education, without diminishing the educational excellence already found in some communities.

One of the biggest reasons for educational differences is the inequity in funding for public schools. Some districts spend two or three times more per student than other districts. Although funding differences are often due to local property values, the state should play a larger role in ensuring that all schools and students have at least a basic minimum level of funding per year. The "foundation" level of a new state funding formula should support a quality education for all students in all school districts.

The key challenge for the costing-out study thus becomes properly defining and measuring the cost of providing a "quality education". According to the stakeholders, the educational standards to be achieved and funded as a foundation level for all students in all school districts should include many, if not all, of the following factors:

- Academic results Proficient or advanced performance on the PSSA for 100% of all students. A broad curriculum including Advanced Placement, college preparatory, and music/arts classes in all schools. Technological proficiency for all students. A quality curriculum in all schools, aligned with state academic standards and supported with adequate teaching materials, modern libraries and laboratories, and up-to-date technology.
- Graduation rate Either 100% of all students or the average of the top 25 most successful school districts.
- Classroom and school size No more than 20 students assigned per elementary classroom and 25 per secondary classroom. No more than 400 students per school.
- Early childhood education Pre-kindergarten and full-day kindergarten should be provided for all children.

- Teacher quality 100% of all classrooms should have a teacher who is truly highly qualified in the appropriate subject area and grade level. New teachers should receive appropriate classroom assignments and extra supervision, mentoring, and training. All teachers should be prepared to teach diverse learners in inclusive classrooms. Financial incentives to recruit/keep teachers in high-needs districts.
- Safe environment 100% of all schools should have an environment that is healthy, attractive, well-maintained, and safe.
- Post-graduation success 100% of all students should be fully employed or attending post-secondary education within three months after graduation.
- Additional factors such as 100% parent involvement; language access programs for all children/families; extra supports for at-risk and struggling students; effective career counseling for all students; education for all children on life skills, citizenship, and social-emotional development; properly trained administrators and board members.

ISSUE #2 IDENTIFYING SPECIAL FUNDING CONSIDERATIONS.

The stakeholders listed the following circumstances as presenting the greatest challenges in ensuring that all children achieve academic success. However, the stakeholders strongly believe that, with effective support and sufficient funding, students and schools facing these circumstances can be successful.

Thus, a new state funding formula is needed to drive more funding above the foundation level to districts having the following exceptional needs:

- Poverty Measured in a manner that reflects the number of students from low-income families, the percentage of low-income students compared to all students in the district, the local unemployment rate, and average family income.
- Students with disabilities Measured in a manner that reflects the number of students with a disability or in special education, balanced by the state average for all districts and reflecting the true cost of providing a quality education in the least restrictive setting with appropriate supports and services (such as assistive technology).
- Limited English proficiency of students.
- Student diversity by socio-economic status, disability, language, race, and other factors.
- Student transience and homelessness.

- Rural communities Measured by district size, population scarcity, and distance from university, business, health, and transportation centers.
- Regional differences in the cost-of-living.
- Historically low student achievement Measured by drop-out rates and test scores.
- Local ability to raise funds for public education Measured by property values, local business and family income, and multiple municipalities within the district.

It is worth noting that many stakeholders did not view population growth as an exceptional factor that should by itself drive additional state funding, because ideally a sound school funding formula would take into consideration the actual number of students in any given school district. Beyond that, growing communities often have a strong ability to raise local funds from rising property values, family income, and business expansion. Thus, factors other than population growth are far more important for funding purposes and will benefit growing districts.

In addition, many stakeholders were skeptical about whether district consolidation would lead to long-term cost savings. Some national studies have not supported this approach. Additional Pennsylvania-based research about this topic is needed before consolidation should be considered as a funding reform strategy.

ISSUE #3 FORMING AN INDEPENDENT COMMISSION.

The stakeholders felt strongly that the costing-out/adequacy study must lead to real changes in the PreK-12 education finance system. The study should become the basis for a totally new state system for education funding. The study provides an opportunity to develop greater understanding and support for reforms among both the public and elected officials.

Many stakeholders also believe that the state should form an Independent Funding Reform Commission to consider the results of the study, along with other information, and make recommendations to the General Assembly about ways to reform the education finance system in Pennsylvania. The process of holding Commission hearings and deliberations can provide additional opportunities for creating the broad-based support needed for comprehensive and lasting reform. On the other hand, the formation of a Commission must not delay serious reform initiatives. The initial results of the costing-out/adequacy study should be used to make changes as soon as possible, starting with the 2007-08 budget year.

Any Commission formed by the General Assembly should have the following characteristics to be an independent and effective body:

- Total membership should not exceed 25 people.

- Members should include representatives from the Governor's office, General Assembly, PA Dept. of Education, and State Board of Education, although these representatives must not comprise a majority of the Commission.
- All other members should serve as independent experts, not as official delegates from established interest groups or education associations.
- Members must include students, parents, teachers, administrators, school board members, college professors, local elected officials, business people, financial analysts, economists, faith based groups, and other stakeholders and experts.
- Members should reflect the diversity of Pennsylvania communities and the public education system, including factors such as age, disability, gender, geography, language ability, race, and socio-economic status.

- Members should be paid a stipend for expenses and time off from work.

- The Commission should hold meetings throughout the state and conduct its business subject to state sunshine laws for open public meetings and public records.

- The Commission should have funding dedicated to support activities such as staff, hearings, travel and research.

- The Commission should be required to issue its recommendations to the General Assembly within one year, but continue to monitor and report on state implementation of the new funding system for up to five years.

- Commission recommendations should aim to create a new education funding system that meets the basic principles of equity, adequacy, efficiency, accountability, and predictability.

- The Commission should draft a legislative package for which the General Assembly must hold an "up or down" vote.