

A Penny Saved

How Schools and Districts Can Tighten
Their Belts While Serving Students Better

American Enterprise Institute

Thomas B. Fordham Institute

January 11, 2010

The collected papers from this conference are available online at
www.aei.org/event/100164.

Overcoming the Barriers to Change

Martin West

Harvard Graduate School of Education

“A Penny Saved: How Schools and Districts can Tighten Their Belts While Serving Students Better.”

January 11, 2010

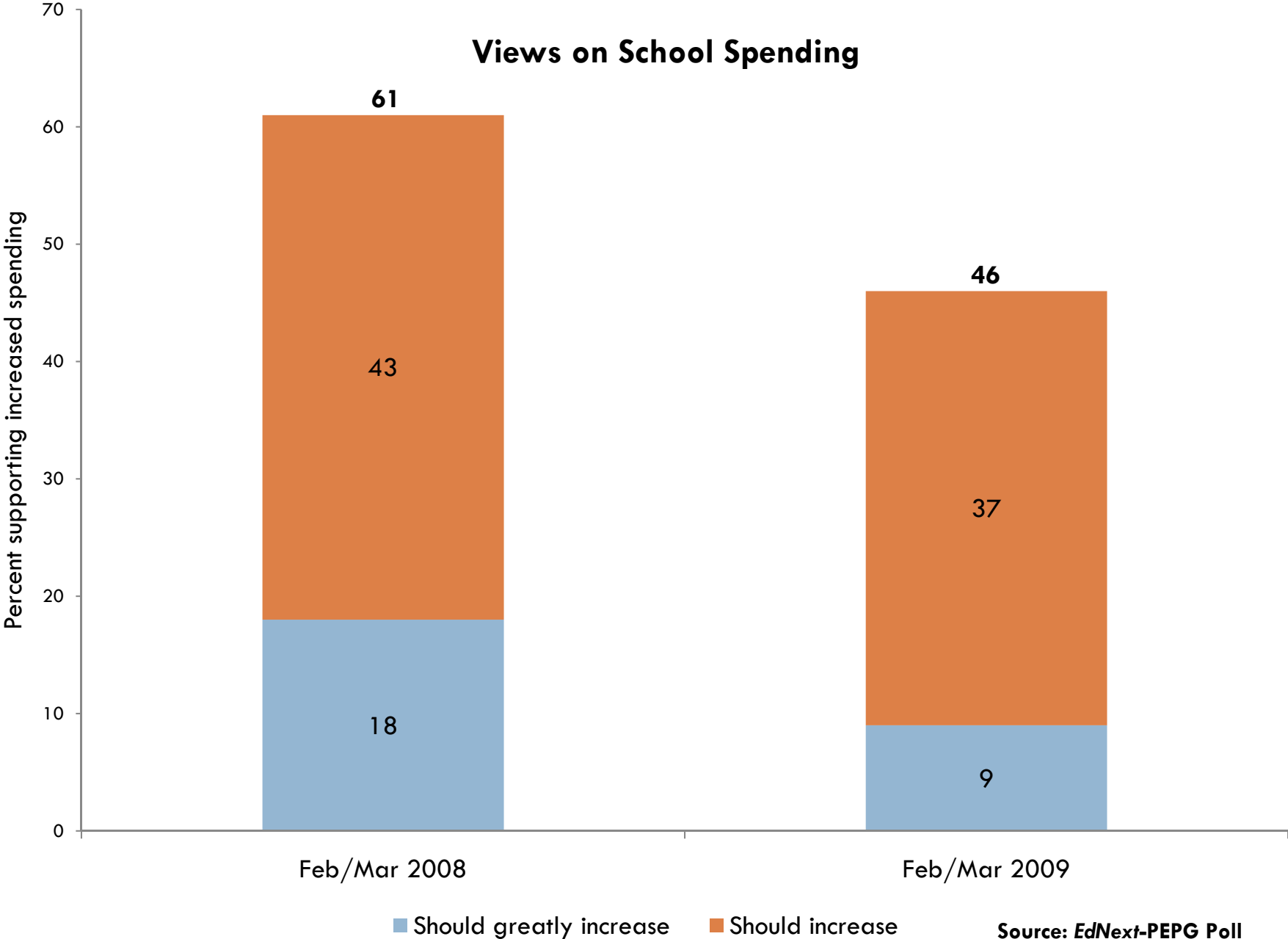


Agenda



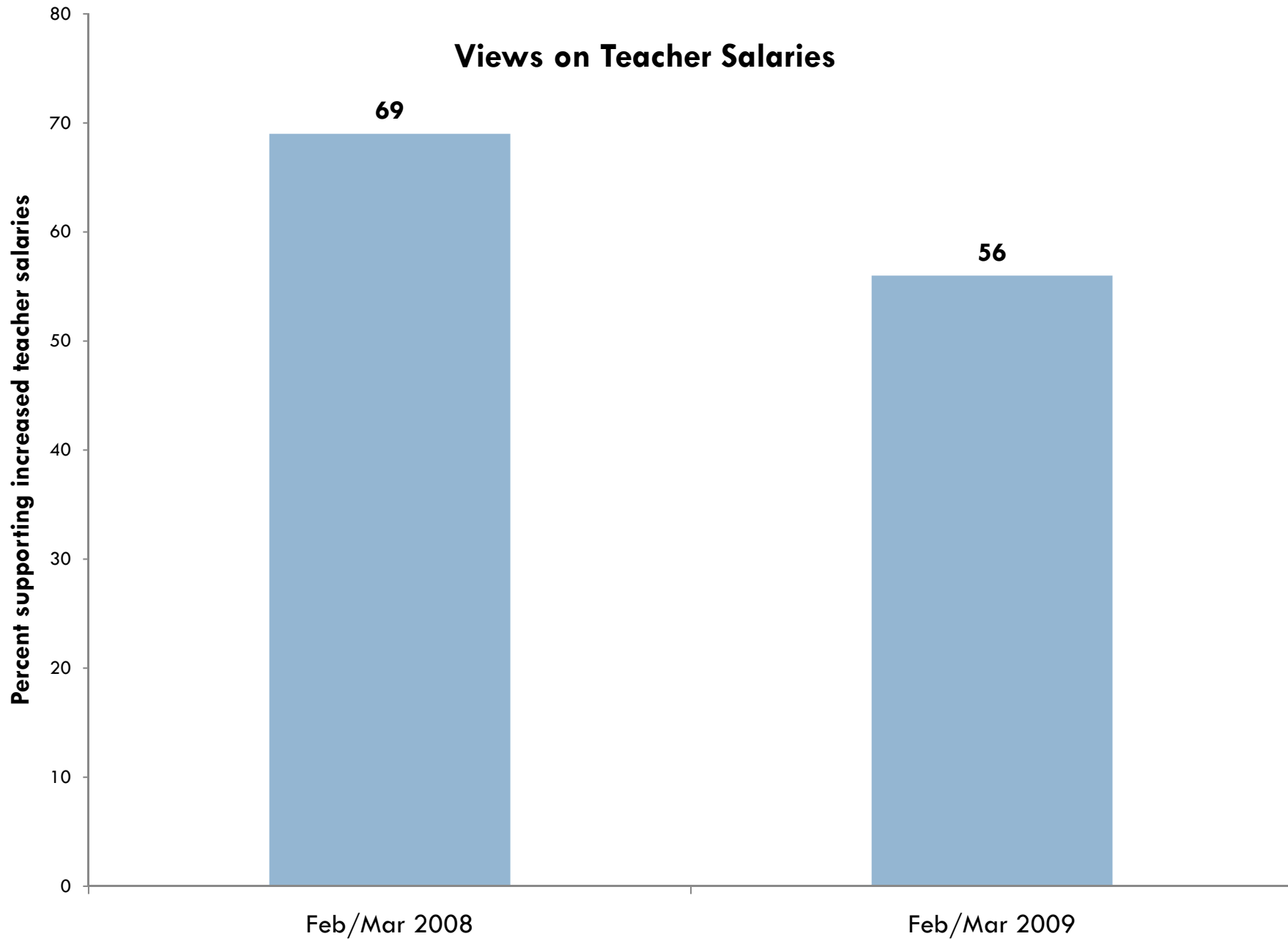
1. The need for (sensible) change
2. The political barriers to change
3. Policy options to change politics

Support for school spending declined with economy...

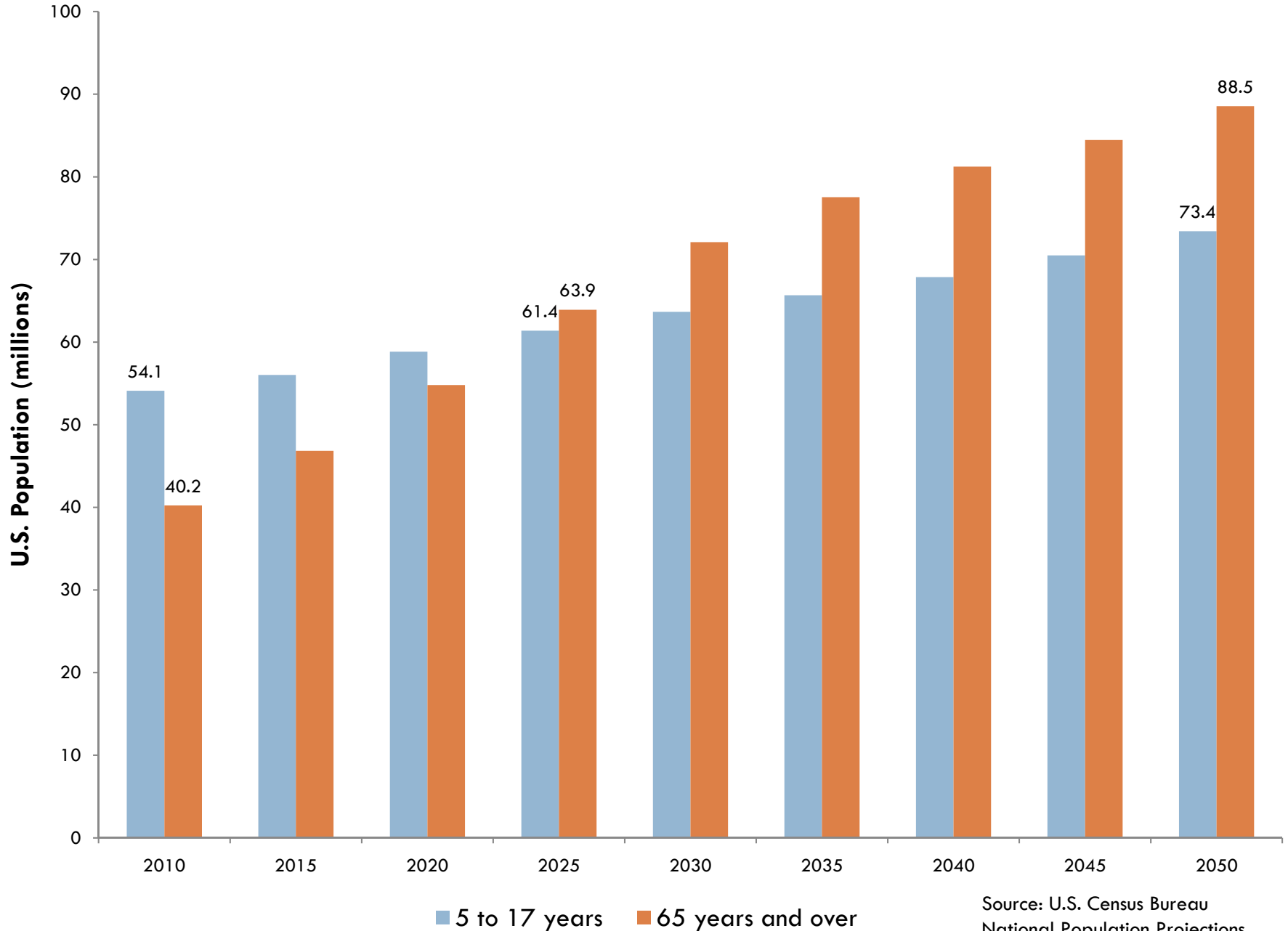


...as did support for teacher salaries

Views on Teacher Salaries



Changing Demographics

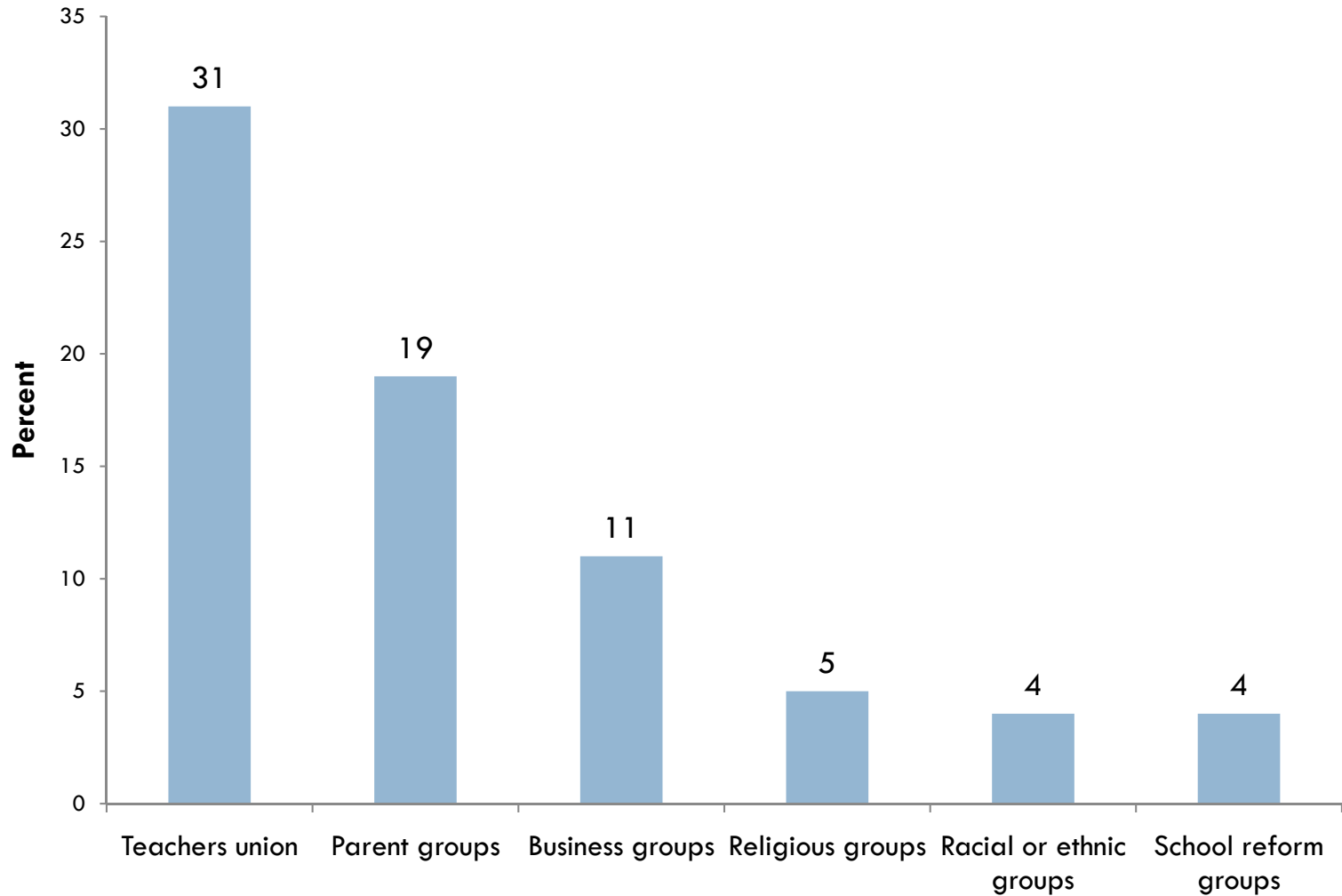


Barriers to Change

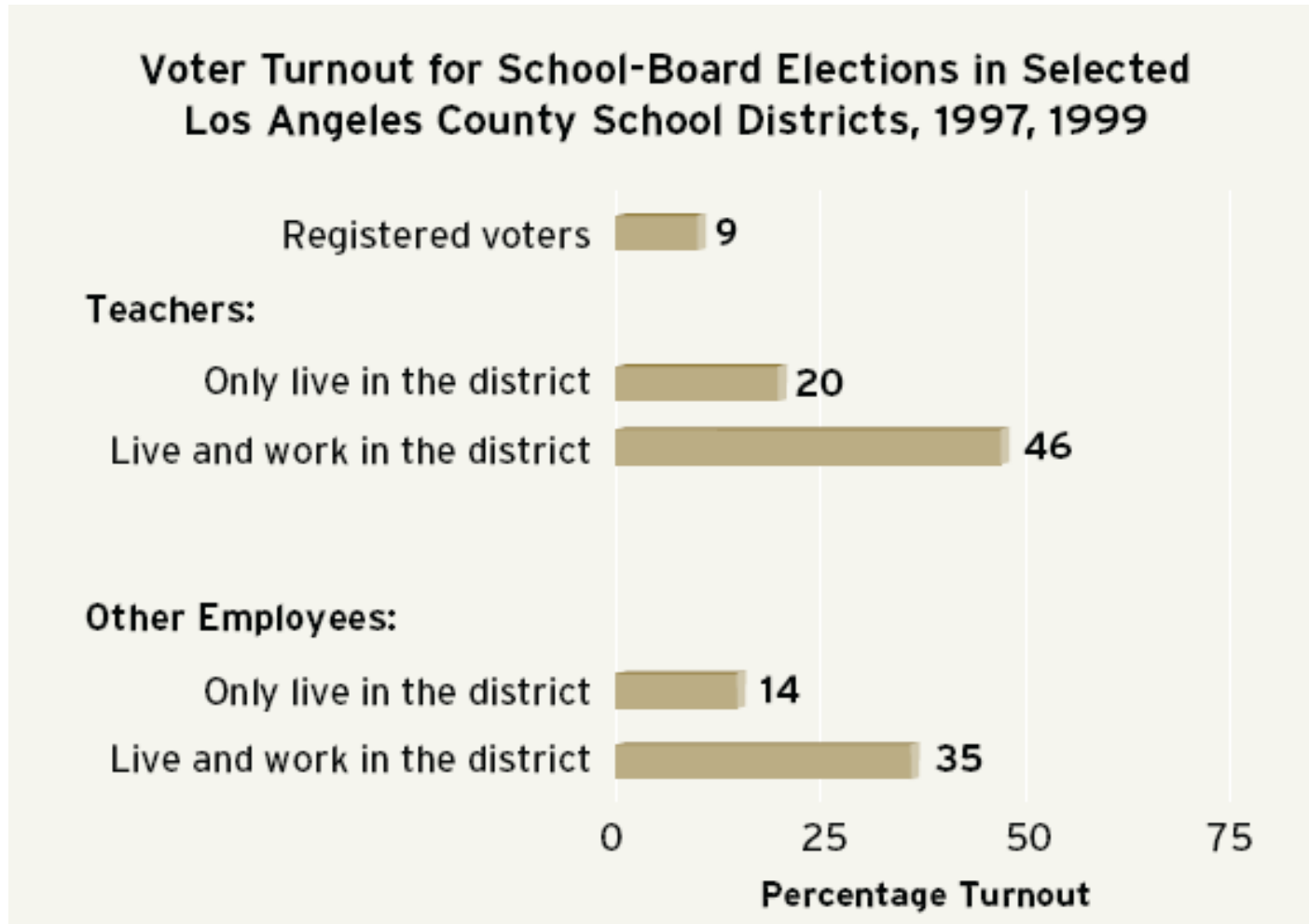
1. Lack of information (not raw data)
2. Lack of “knowhow”
3. Cultural norms and bureaucratic inertia
4. Politics
 1. Interest group pressures
 2. Public information and opinion
 3. State and federal policy constraints

Interest Group Activity in School Board Elections (as reported by board members)

Respondents reporting that the group is "very active"

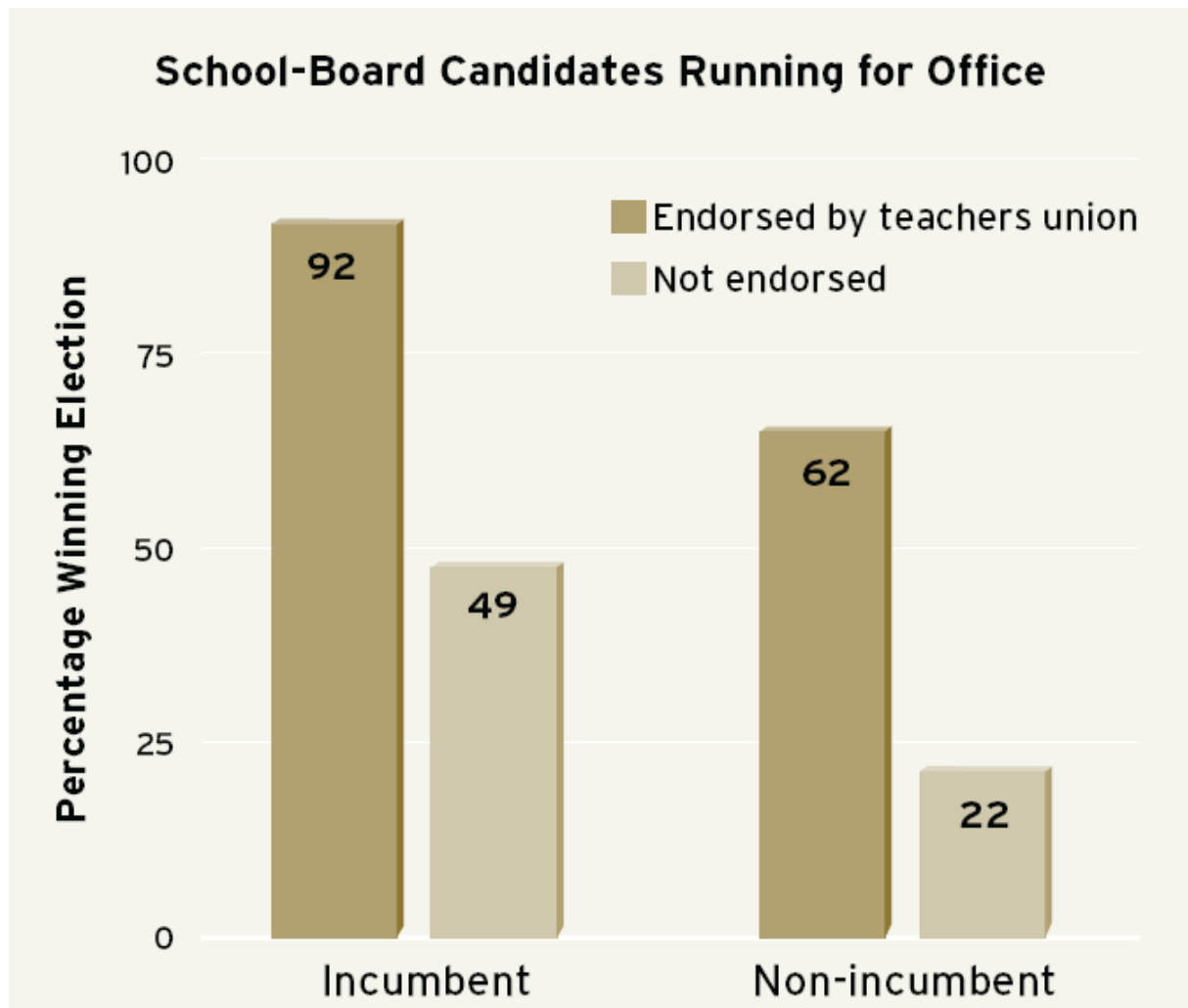


District Employee Turnout in School Board Elections



Source: Moe (2006)

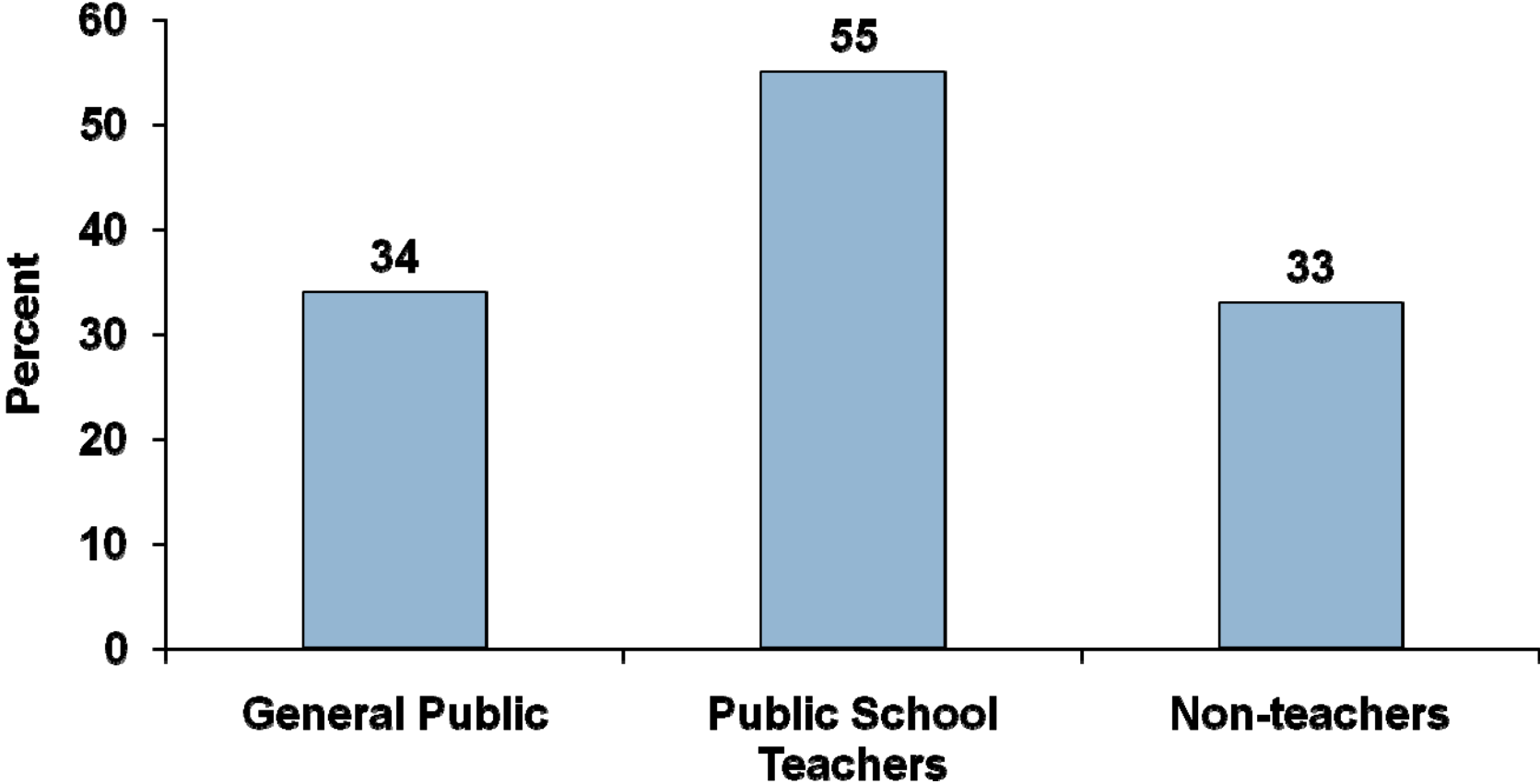
Effects of Union Endorsements on Election Outcomes



Note: Based on a random sample of 526 school-board candidates in 253 California school districts (2000–2003).

Source: Moe (2006)

Self-reported Turnout in Last School Board Election (2008)

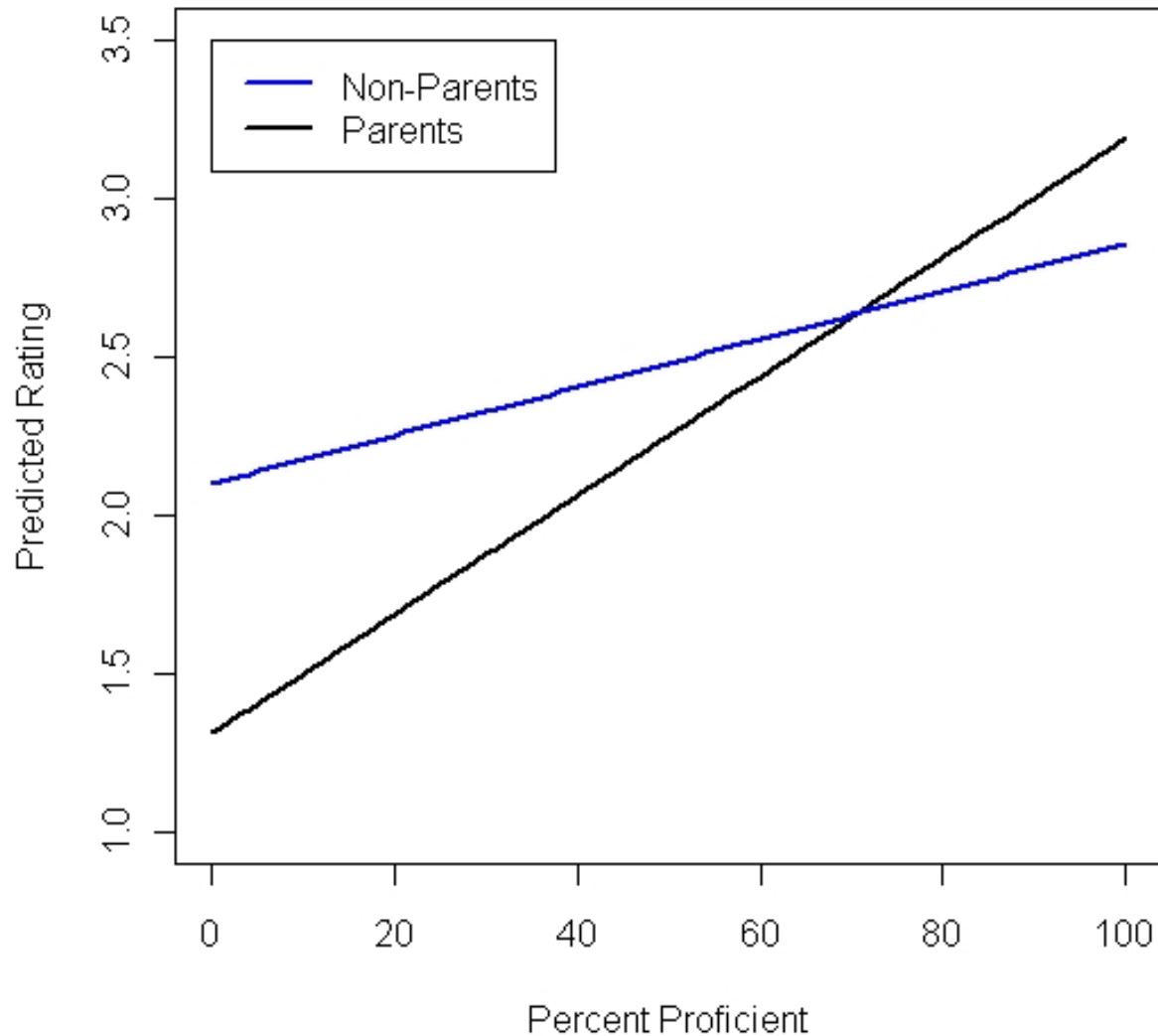


Evidence on public knowledge

- ❑ Americans are very uninformed about school spending
 - ❑ Underestimate per pupil spending in their district by more than \$5,000 (median response: \$2,000)
 - ❑ Underestimate average teacher salaries in their state by more than \$14,000 (or roughly 30%)
 - ❑ Providing them with information reduces support for spending/salary increases by 8-16 percentage points

- ❑ They are much better informed about student outcomes
 - ❑ Provide reasonably accurate information about national ranking on international tests and graduation rate
 - ❑ Grades assigned to local schools reflect publicly available data on student achievement

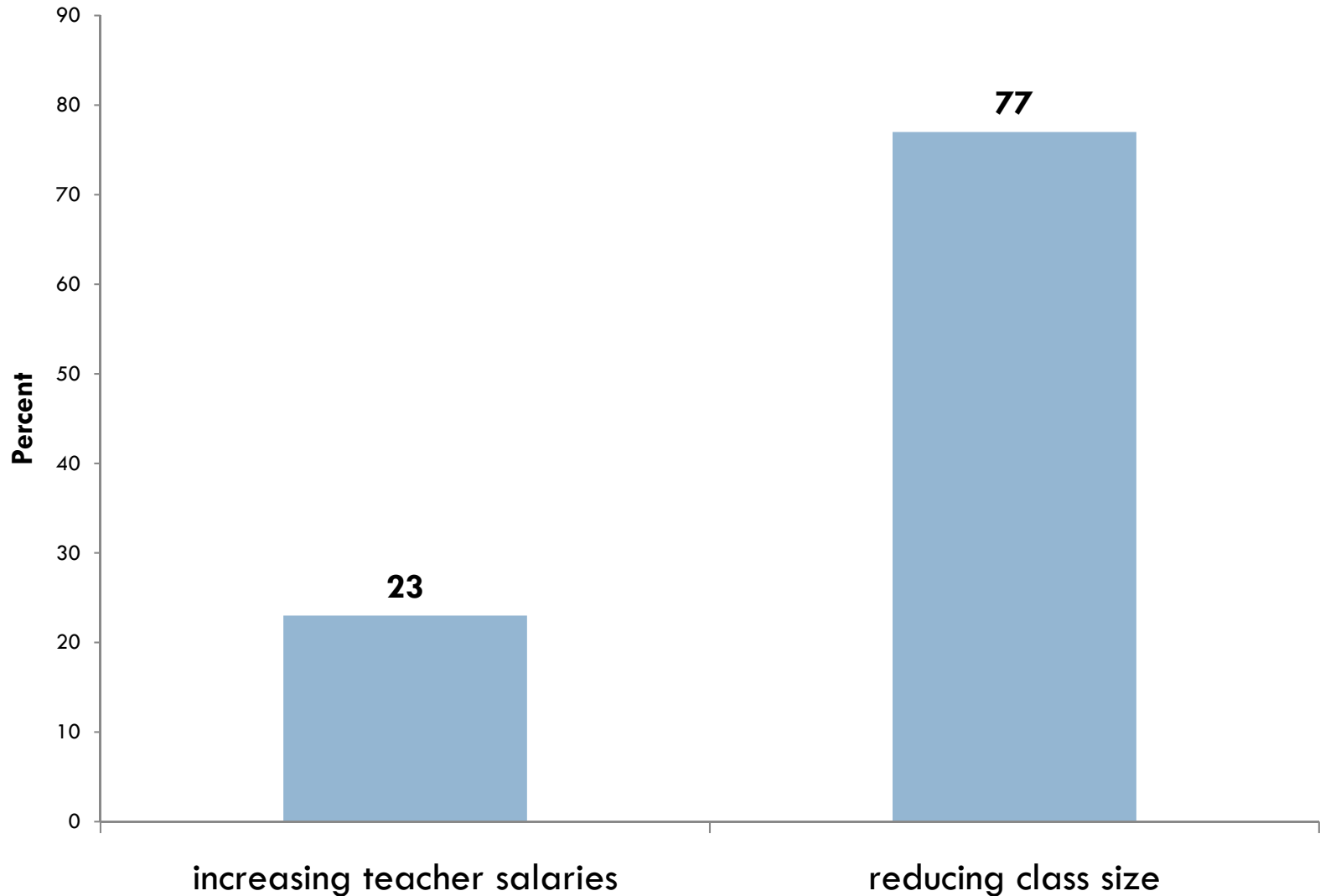
Citizens, and especially parents, are responsive to differences in school-level proficiency rates



Note: Predicted ratings after controlling for school poverty rate, racial/ethnic composition of student body, average class size, school size, and state.

Public Support for Class-size Reduction (2007)

Which is a better use of our educational dollars...?



State and federal policy constraints

1. Incentives built into funding systems

1. Title I funding formula rewards spending for its own sake
2. “Supplement not supplant” and “maintenance of effort” provisions can penalize states/districts for efficiency gains
3. Funding policies for special education often create incentives for over-identification

2. Laws and regulations

1. Categorical funding programs limit flexibility
2. Mandated class-size reductions/caps
3. Teacher certification, licensure, and tenure policies
4. Restrictions on the expanded use of virtual schooling

Policy options to remove barriers

1. State and federal policy
 1. Funding policies should not reward spending
 2. Remove statutory barriers to new resource strategies (esp. technology)
 3. Carefully use new mandates to restrict scope of collective bargaining
 4. Promote choice and competition
2. Increase public awareness
 1. Disseminate timely information on school spending
 2. Highlight constraints on resource use (and their absence)
3. Change electoral institutions
 1. Align school board elections with general elections
 2. Facilitate mayoral involvement/control
4. Invest in analytic capacity → key role for foundations

A Penny Saved

How Schools and Districts Can Tighten
Their Belts While Serving Students Better

American Enterprise Institute

Thomas B. Fordham Institute

January 11, 2010

The collected papers from this conference are available online at
www.aei.org/event/100164.