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## A Moral Framework for Increasing Public Education Funding based upon a Critical Review of the Literature\*

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## Abstract

Based upon the a critical review of three purposefully selected studies the author opines that professors within educational leadership programs have an obligation to encourage future administrators to lobby local, state, and federal leaders to increase budgetary allocations for K-12 public education programs.

## Summary

Based upon the a critical review of three purposefully selected studies the author opines that professors within educational leadership programs have an obligation to encourage future administrators to lobby local, state, and federal leaders to increase budgetary allocations for K-12 public education programs.

A Moral Framework for Increasing Public Education Funding based upon

A Review of the Literature

A moral crisis continues to haunt 21<sup>st</sup> Century American public education. This emergency does not stem from the increased reliance on standardized test scores or a narrowing of the school curriculum. Rather, the problem confronting the nation's public schools is a lack of political leadership to fully fund K-12 primary and secondary education programs. Each election cycle, candidates seeking to obtain elected office tout their support and commitment to public education. Unfortunately, following their inaugurations, any vows of supporting our institutions of learning are either forgotten or just outright broken. These shattered promises of adequate funding extend beyond the ornate halls of the state legislatures. When President George W. Bush signed the No Child Left Behind Act of 2001 (NCLB), a covenant was forged between the federal and state levels of government to fund this major piece of educational policy. Unfortunately, due to military conflicts, economic collapse, and generous corporate tax cuts, the federal government will once again underfund this legislative enactment. While Congress deliberates NCLB's reauthorization, the Republic's K-12 schools will be held up to the highest academic standards without the highest commitment of fiduciary responsibility, even with the revenues stemming from President Obama's stimulus package.

Educational leadership must begin with political leadership as demonstrated by the continuous harping of local, state, and federal elected officials' development of their respective budgets. Given numerous variables such as political partianship, economic uncertainty, unfunded mandates, and the need to fulfill campaign

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promises, the budgetary process can traverse one of two roads. One path of budget development can be characterized by mutual agreements between political leaders. The other road of fiscal apportionment can be illustrated by the conflict between the libertarian notion that taxation is an anathema of a free society (Wills, 1999) and the progressive belief that government services can foster the formation of a more just and equitable society.

Following the California Proposition 13 anti-tax revolt, Quindry and Fox (1983) examined the impact of limited revenue resources on public school funding. Using a computer simulation program known as the Tennessee Econometric Model (TEM), this research team replicated state budgets for California, Tennessee, Michigan, New Jersey, and Colorado. Within each budget simulation, the program held the level of state taxes constant with minor increases in both state taxes as well as local property taxes. In addition, the TEM factored in the state constitutional requirements mandating a balanced budget. The states of California, Michigan, New Jersey, and Colorado were purposively selected as a result of legislation restricting the amount of tax revenue levied or the enactment of codes that limited their spending. Tennessee was selected because of its demographic characteristics mirrored the urban and rural, socioeconomic, and ethnic percentages of the United States.

The result of Quindry and Fox's (1983) simulations, published in Educational Evaluation and Policy Analysis, revealed startling figures noteworthy for scholars and policy analysts studying state education budgets. In their control simulations for states with rigid tax structures, the results for projected 1988 state public education allocations to localities in California, Colorado, New Jersey, and Tennessee were, respectfully 100.2, 91.4, 98.3, and 110.0. When these same figures were calculated under a more relaxed tax system the figures for California (Proposition 13), Colorado, Michigan, New Jersey, and Tennessee were 85.2, 74.7, 92.5, 100.1, and 92.9 respectively.

The second compilation of budgetary models focused exclusively on public education allocations. Assuming that each state had an inflexible budgetary environment, Quindry and Fox (1983) noted figures of 48.0, 53.0, 51.3, 48.9, and 48.5 for the states of California, Colorado, New Jersey, and Tennessee respectively, in the category of state aid to education divided by local education disbursements. When state direct funding was divided by the total state budget, the control figure was reported as 23.5, whereas the results for California, Colorado, New Jersey, and Tennessee were 23.5, 23.1, 23.2, and 24.3, respectively. When state assistance, the control amount equated to 25.8; in comparison, the figures for California, Colorado, New Jersey, and Tennessee were 25.8, 26.0, 26.1, and 25.3, respectively. Additionally, when the TEM computed the state education allocations divided by the total amount of state and local total education expenditures, the control figure was reported as 30.4 with respective scores of 32.6, 31.3, 30.3, and 33.5 for California, Colorado, New Jersey and Tennessee.

The next round of Qunidry and Fox's (1983) computer simulations considered the effects of implementing a flexible tax system in each of the four states. When state aid to education was divided by local education expenditures, the control figure was 50.1; the results for California (Propositions 4 and 13), Colorado, Michigan, New Jersey, and Tennessee were, respectively, 53.4, 51.0, 49.3, 51.1, and 49.2. The researchers then ran a simulation calculating the impact of state direct education expenditures divided by the states' total education expenditures. The control figure under this budgetary calculation was reported as 25.3, whereas, scores for California (under Propositions 4 and 13), Colorado, Michigan, New Jersey, and Tennessee were 25.3, 25.2, 24.7, 22.5, and 24.6 respectively. Finally when state education expenditures were divided by the total education allocations, the results for the control, California (under Propositions 4 and 13), Colorado, Michigan, New Jersey, and Tennessee were, respectively 34.0, 35.3, 34.3, 32.6, 27.0, and 32.7.

Quindry and Fox's (1983) analysis of the TEM simulations produced two conclusions regarding the impact of flexible and inflexible budgetary mandates on state education spending. The first conclusion reported by the researchers was that under Proposition 13, "state aid [to public education in California] remained relatively strong when there was no unlimited amount of state funding" (p. 170). The authors further indicated that as public education allocations fluctuate, legislators may perceive public education "as a luxury because the benefits are not highly visible and the payoff is less immediate" (p. 182).

According to Anderson (2003), the process of crafting a budget is more than a deliberate allocation of funds, it is "also a means, and a source of opportunities, for shaping the direction and intensity of

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public policies" (p. 158). Anderson further opined that as local, state, and federal budgets become more expansive, interest groups will seek greater influence in determining the specific allocation of tax revenue. This notion was postulated two decades earlier when Oppenheimer (1983) examined 245 purposefully selected publications focused on the legislative process. His findings, entitled "How Legislatures Shape Public Policy and Budgets," published as an executive summary of the literature, appeared in the peer reviewed journal Legislative Studies Quarterly. In this study, Oppenheimer divided the legislative literature into three distinct categories: congressional, state, and international. For purposes of this literature review, only Oppenheimer's summary of congressional and state analyses were examined. According to the author, most of the academic publications had focused on the legislative apparatus of the United States House of Representatives and the United States Senate. Quantitatively, this notion can be exemplified in the amount of space Oppenheimer devoted to each of his categories. Of the 31 pages of text, 16 pages were dedicated to summarizing the congressional literature. Meanwhile, eight pages were dedicated to the synopsis of international legislative reports, and seven pages were devoted to state legislative examinations. Oppenheimer surmised that this disparity was a result of political scientists' geographical constraints and academic focuses.

The 100 citations in Oppenheimer's (1983) section on Congress, which were derived from a high percentage of scholarly-conducted case studies, were analyzed. Despite a lack of critical examination of Oppenheimer's entire article, an analysis of these summaries revealed the transformation of legislative research over the past 40 years. As time progressed researchers have examined congressional committee structures, special interest groups, and Presidential involvement in legislative affairs. Oppenheimer's report provided readers with a rich narrative but failed to provide the specific details or critical examination commonly associated with scholarly research.

In contrast to the extensive research cited in Oppenheimer's (1983) section on Congressional analysis, there was a minuscule number of these devoted to state legislative analysis. A critical review of Oppenheimer's section on state governance revealed that most researchers employed case study methods to focus on the formation of public policy initiatives. Two of the four cases abridged in Oppenheimer's study compared education policy development in Missouri, Illinois, Michigan, and New York. These qualitative reports were not given the full academic appraisal commonly associated with most critical reviews of the literature. Oppenheimer suggested this disparity was a direct result of the exorbitant fiscal costs associated with state legislative research. He revealed scholars' difficulty in producing quality scholarship that could be generalized across 55 state and territorial legislatures. Finally, the author concluded that many state policy researchers have emerged as specialists in various policy fields, including legislative structure, state political climate and culture, staff professionalism, roll call reports, interest groups' influence, and budget analysis.

More recently, Jim Wallis (2005) indicated in God's Politics: Why the Right Gets it Wrong and the Left Doesn't Get It that budgets "reveal a government's priorities." This prophetic notion was also espoused by University of Alabama Law professor Susan Pace Hamill (2003) who examined the Alabama tax structure utilizing "the moral principles of Judeo-Christian ethics" (p. 3). She opined in a detailed law review article that the process utilized by the Alabama state government to collect tax revenues disproportionally favored the timber industry and the very wealthy at the expense of the state's poorest residents. Hamill discerned that such a process violated the teachings of Christ and the Old Testament prophets who commanded the children of Abraham to care for the poor, the socially marginalized, and any individual living in abject poverty.

In spite of Alabama's reluctance to reform its state Code, there have been some, albeit few, attempts by state legislatures to redesign their school funding measures. In 1998, a study examining the Kansas state legislature's effort to restructure it's method of school finance was published (Johnston & Duncombe). Johnston and Duncombe stated in their critical review of the literature that K-12 public school financing had "dominated state-local fiscal relationships" following the Supreme Court decision in  $Rodriquez\ v.\ San\ Antonio\ (p.\ 145)$ . In this court ruling, providing students with an equitable public education was deemed not to be a guaranteed right afforded under the United States Constitution. As a result, Johnston and Duncombe discovered that most states reacted to the  $Rodriquez\ case$  "by adopting school funding systems that significantly reduce[d] reliance on property taxes" (p. 147).

In tracing the historical development leading to Kansas' efforts in eliminating funding disparities, the

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authors (Johnston & Duncombe, 1998) reported that a cadre of local school officials sued Kansas for inconsistently allocating state aid to local school divisions. After ruling that this inequitable system of school finance violated the Kansas constitution, Judge Terry Bullock indicated, "The state, not the local school district has the ultimate authority and responsibility to provide education" (Johnston & Duncombe, pp. 147-148).

Responding to Judge Bullock's order, the Kansas legislature mandated that localities allocate no less than \$3,600 per student (Johnston & Duncombe, 1998). Additionally, localities were restricted from allotting more than their pretrial per-student allocation. The authors reported that the attempt to restructure the process of dispersing state revenue was met with dissent in Kansas' most rural jurisdictions. Those communities interpreted this legislative mandate as an abrogation of local control over their schools. Responding to their constituent's concerns, Kansas legislators amended the school finance legislation to empower localities to craft a Local Option Budget (LOB). Under the LOB plan individual school districts could extend "by up to 25 percent" their operating budgets (Johnston & Duncombe, p. 150).

Of the 300 local school districts across Kansas, fewer than half (n=137) opted to implement a Local Option Budget (Johnston & Duncombe, 1998). Using descriptive statistics, the authors reported that the total disbursements across all districts (n=300) resulted in a man of 2.37 an a median of .000. In contrast, those districts that opted to craft an LOB (n=137) resulted in a mean of 5.16, a norm of 3.41, and a median of 3.14. As a result, the Kansas state legislature failed to comply with the court order to equalize school funding across all local jurisdictions. Unfortunately, the authors made it very difficult to determine if those specific dollar amounts were thousands or millions.

As part of their study, Johnston an Duncombe (1998) examined the defining characteristics of the 137 LOB school districts and compared their descriptors with those jurisdictions that opted not to adopt a similar budget resolution (n=163). Their analysis indicated that the property values per full-time employee, the median household income, and the 1990 population for the LOB school districts (n=137) were \$55,830, \$25,505, and 12,000 residents respectively. In comparison, the non-LOB school districts (n=163) reflected property values per full-time employee, median household income, and a 1990 population of \$34,787, \$23,914, and 4,992 residents, respectively for property values, median household income, and population. The level of statistical significance was not indicated.

These authors (Johnston & Duncombe, 1998) conducted an additional set of statistical tests to ascertain the effectiveness of the Kansas legislature in equalizing school finance disparities. Using a pupil coefficient of variation, the reported expenditures in 1992, 1995, and 1995 (without LOB and state assistance) were 16.54, 15.09, and 15.77 respectively. A second statistical test, the Brazier Coefficient Variation, indicated respective scores of 13.94, 11.47, and 11.13. Finally, the Gini Coefficient, which factored total per-student inequality, produced scores of 0.073, 0.069, and 0.068. Finally, Johnston and Duncombe (1998) concluded that if the Kansas state legislature had a priority of reducing education funding inequalities, it had "a responsibility to review with care those factors influencing school district costs" (p. 154). Their final analysis of the school finance legislation indicated that property tax reductions would have "led to serious decreases in funding for education overall" (p. 155).

Irrespective of which elected official has assumed the mantle of leadership, how can ordinary citizens and public policy researchers determine if a government's policies are indeed helping the most vulnerable members of the community? Each legislator has to weigh various factions including the conflicting needs of their own constituents and the desires of the entire community. It was this conflict in values that spurred the insertion of Jim Wallis' statement that "budgets are moral documents" as quoted from his bestselling book God's Politics (2005, p. 241). According to Wallis, by analyzing the spending priorities of a budget, any individual can quantitatively determine the priorities of any given legislative body. In the end, how each local, state, and federal elected official votes is a personal statement of his/her political values. If vast amounts of taxpayer dollars are allocated towards tax breaks for wealthy homeowners and business interests (Quidry & Fox, 1983; Hamill, 2003), it could be assumed that neo-conservative economic philosophies are the best method to revitalize the economy. Likewise, a budget primarily geared towards national defense and foreign operations at the expense of domestic programs could be reflective of those same legislators' concerns over international terrorism thus begging the question if such appropriations can assist in helping to attract

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and retain the best teachers. On the other hand, a budget centered around maximizing domestic employment and housing partnerships, providing affordable health insurance, and equalizing educational opportunities (Johnston & Duncrombe, 1998) may well reflect a different set of values focused on resolving the conflict between libertarian notions that reducing revenues would spur education reform and progressive assertions that government services do require a fiscal commitment from individuals benefiting from the public trust.

According to Former Vice President Hubert Humphrey's 1977 speech at the dedication of a government building named in his honor, the American public can assess how well its government is performing by examining how public policies have helped its children, the poor, and the elderly. This adage has often been cited as a moral rationale for expanding programs which would eliminate or control the conditions causing poverty and economic injustice. With rising unemployment, the threat of home foreclosures, an inequitable tax structure, and a two front war on fundamentalist ideology, it should come to no surprise that a vast majority of voters found hope and security in the Presidential campaign of Barack Obama. As the United States begins to show signs of economic recovery, let us hope that the covenant between the people and the government regarding public education funding will finally be fulfilled. To this end, it is incumbent for the nation's cadre of educational leadership professors to continually speak truth to power and advocate on behalf of "the least of these" enrolled in today's public schools.

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<sup>&</sup>lt;sup>1</sup> http://www.bartleby.com/73/724.html