

Another Money Doesn't Matter Story: Sadly, This One Includes Charter Schools

Evidence

“The truly important factors in school quality happen at the local level within individual schools. Simply put, spending more money does not lead to student achievement. Instead, critical examination must be directed to other factors (such as the actual learning environment) that make a school succeed or fail. Each school system requires different things in order to be successful. Similarly, each student is different in what he or she requires in order to be successful. For schools that are failing, the answer is not simply to increase funding, but rather to focus on ways to tailor instruction to fit individual student needs”.

<http://www.beacontn.org/wp-content/uploads/Following-the-Money.pdf>

“The idea that Tennessee needs to spend more on public education is based on significantly under reported data. Not only do state and local school districts spend more than reported, funding is increasingly directed toward out of classroom expenses such as administrative personnel. It is important for taxpayers and parents to understand these trends and what they mean for our students. Unfortunately, the prioritization of administrative growth over instructional spending has failed to lift student achievement and has placed substantial constraints on teachers. Rather than simply call for additional funding, public school districts can reallocate funds to restore emphasis on actual instruction, thereby communicating that students and teachers, rather than administrators, warrant a greater portion of existing resources. Only then can Tennessee expect to provide its students with the quality education they deserve.”

<http://www.beacontn.org/wp-content/uploads/Following-the-Money.pdf>

“What is more interesting is where the money is spent. Less than 54 percent of total spending is directed at classroom instruction, such as teacher salaries, textbooks, supplies, and other

instructional spending. And that figure is in constant decline, whereas administrative spending is on the upswing. For instance, since 2000, the number of administrators in Tennessee's education system has grown by 34.5 percent, while the number of teachers has increased by less than 17 percent, and the number of students has grown by just seven percent. Salary increases for administrative leaders have also climbed at a faster pace than salaries for teachers."

<http://www.beacontn.org/wp-content/uploads/Following-the-Money.pdf>

"According to the National Center for Education Statistics, the national standard for instructional expenditures is approximately 60 percent of total spending. Thus, Tennessee falls significantly behind the standard in prioritizing instruction. Within this instructional category, roughly eight percent goes to expenses other than salaries, which ultimately means that only about four percent of total expenditures go directly toward improving students' classroom experiences (Figure3). Moreover, only 49 percent of total expenditures go toward teacher compensation (including benefits), while only 32.5 percent of total expenditures go directly toward teacher salaries. Thus, barely half of total educational funds go directly to the classroom".

<http://www.beacontn.org/wp-content/uploads/Following-the-Money.pdf>

These data further indicate that the real issue with school quality is separate from funding levels. American schools have a management problem exemplified by Tennessee. There are too many administrators without enough focus on actual education. Instead of spending more, systems need to focus on spending differently.

<http://www.beacontn.org/wp-content/uploads/Following-the-Money.pdf>

"A survey published last October by the Center on Budget and Policy Priorities examined 46 states -- where 95 percent of the country's elementary and secondary students reside -- and

found that 37 have trimmed K-12 educational funding since the year before, after adjusting for inflation. Of those states, 19 cut funding by more than 5 percent”

“Looking back to before the recession, at least 30 states are funding schools at levels lower than they were in 2008. More than half of those -- 17 -- have cut funding by more than 10 percent, while Arizona, California, Hawaii and South Carolina saw the deepest spending cuts, slashing educational funding by more than 20 percent since pre-recession.”

http://www.huffingtonpost.com/2012/01/09/shanker-education-report- n_1195064.html

“The average performance change nationwide has declined 3 percent in mathematical and verbal skills. Moreover, there’s been no relationship, effectively, between spending and academic outcomes.”

<http://watchdog.org/136876/study-school-spending/>

The state-by-state results of this investigation are reported in the subsections that follow, but the overall picture can be summarized in a single value: 0.075. That is the correlation between the spending and academic performance changes of the past 40 years, for all 50 states. Correlations are measured on a scale from 0 to 1, where 0 represents absolutely no correlation between two data series and 1 represents a perfect correlation. Anything below 0.3 or 0.4 is considered a weak correlation. The 0.075 figure reported here suggests that there is essentially no link between state education spending (which has exploded) and the performance of students at the end of high school (which has generally stagnated or declined).

<http://object.cato.org/sites/cato.org/files/pubs/pdf/pa746.pdf>

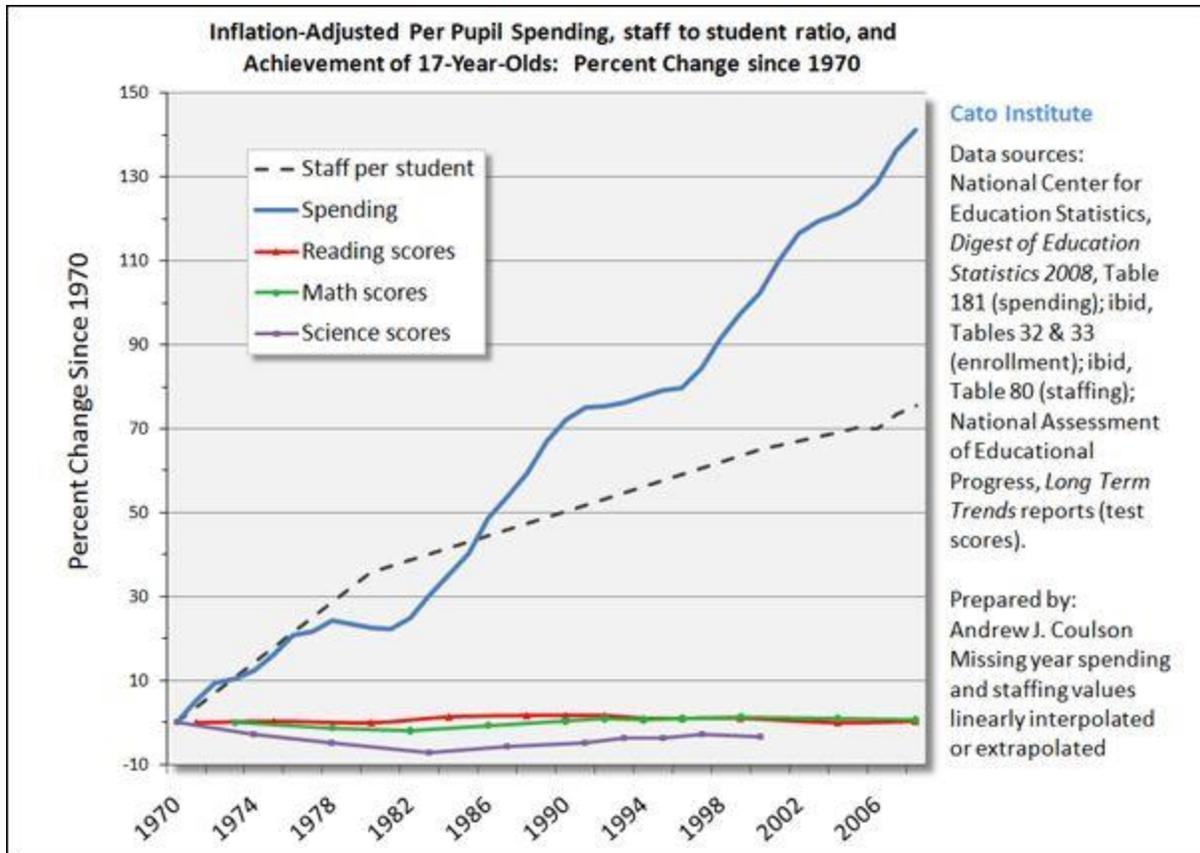
“More money, however, does not necessarily translate into better learning. California Watch’s analysis shows there is no substantial correlation between how much a school district spends

and its Academic Performance Index, which is based on student test scores and other academic measures. The Capistrano Unified School District, for example, spent much less than the San Bernardino City Unified School District. Yet its API score was 862, compared with San Bernardino's 699"

http://www.huffingtonpost.com/2011/06/03/california-school-district_n_870921.html

"Money may be necessary for school improvement, but it doesn't guarantee that improvement takes place," concluded UC Berkeley education professor W. Norton Grubb in his recent book "The Money Myth," after conducting an intensive review on the subject. In particular, he found that urban schools tended to spend inefficiently for a variety of reasons, including high staff and student turnover and conflicts over how to teach struggling students. At the same time, he said, urban districts often have extra expenses for needs such as security, dropout prevention, or for teaching students who are not proficient in English"

http://www.huffingtonpost.com/2011/06/03/california-school-district_n_870921.html



The following state-by-state analysis shows that there is no statistically significant correlation between spending and student achievement. This is seen when [Fiscal Year 2009 spending on current expenditures](#) is compared with reading and math scores on the 2009 National Assessment of Educational Progress (NAEP).

<http://www.npri.org/publications/analysis-shows-little-to-no-correlation-between-education-spending-and-student-achievement>

“In all states, charter schools deliver a greater ROI than do TPS”.

“The public charter school ROI exceeds the TPS ROI by a weighted average of almost 3 percent assuming a student has a single year of charter schooling but is 19 percent assuming that a child attends charter schools for half of their K-12 education (6.5 years)”

<http://www.uaedreform.org/downloads/2014/07/the-productivity-of-public-charter-schools.pdf>

“Put another way, our estimates suggests that Arizona charter schools are 38 and 39 percent more cost effective in math and reading achievement, respectively, compared to Arizona TPS. The roots of the Arizona public charter school cost effectiveness advantage is that Arizona charters generate higher NAEP scores than TPS even while being funded at a lower level. Complete Cost”.

<http://www.uaedreform.org/downloads/2014/07/the-productivity-of-public-charter-schools.pdf>

“As described in Table 5, most of the states in our study achieved higher levels of charter school cost effectiveness because the NAEP scores of charter students were higher than those for TPS students even while charters received less funding than TPS.”

<http://www.uaedreform.org/downloads/2014/07/the-productivity-of-public-charter-schools.pdf>