

# Presentation to the Henderson County Board of Commissioners May 22, 2012

#### Children's Issues

The Henderson County Board of Commissioners has been asking the Children & Family Resource Center to provide information about the "state of the child" in Henderson County since 2000.

#### **United Agenda for Children**

The United Agenda for Children is a coalition of citizens, civic leaders, businesses government and community agencies who have united to ensure that children in Henderson County are safe, healthy and well-educated.

#### Speak Out for Kids 2007 and the Top 7 Priorities

Approximately 300 local citizens who demographically represented our community gathered to go through data, discuss children's issues and to set priorities. The top priorities set were to:

- 1. Provide school nurses at nationally-recommended levels (1 nurse to every 750 students).
- 2. Increase safe, affordable housing.
- 3. Increase access to preschool through additional funding for child care subsidies and additional preschool spaces.
- 4. Increase mental health services for children in the community and in schools.
- 5. Establish mentoring programs for at-risk kids.
- 6. Provide alternatives for youth and teens create social venues for them.
- 7. Develop programs that help young people make post high school graduation plans.

## **Major Accomplishments**

- Increased the number of school nurses, which has decreased the nurse to student ratio from 1:2,538 students in 05-06 school year to 1:1,336 students in the current school year.
- ☑ 3 additional school based health centers (for a total of four) have opened.
- A five member team including a representative from four local health care providers and a UAC member, worked to develop a business plan to market eSN (Electronic School Nurse) software program to provide source of revenue to support the school nurse program. Software program recently won NC Association of County Commissioners award.
- ☑ Minimum housing code established for county.
- ☑ Affordable housing projects under construction.
- ☑ Town Hall on Early Childhood Education hosted and local business leaders advocate for affordable childcare for their workforce.
- Mental Health providers are serving students on-site in 10 of our county schools, with two more this Fall.
- ☑ Tele-mental health program will provide access to mental health services for all students in local middle and high schools.

#### The Challenge

The Community Foundation of Henderson County awarded the United Agenda for Children with a grant for \$20,000 to continue our work, to update the data about child well-being and to re-engage citizens in the coming year. That grant comes with a CHALLENGE for 25% (n=\$5,000) to be matched by support from our local county government and municipalities.

#### Request: \$2,500 from Henderson County

- City of Hendersonville has committed \$1,000
- Town of Mills River has committed \$500
- Funding requests to the Town of Laurel Park, Town of Fletcher and Village of Flat Rock will follow.
   All have supported in the past.

#### **School Finance**

## Federal, State, and Local K-12 School Finance Overview

America spends over \$500 billion a year on public elementary and secondary education in the United States. On average, school districts spend \$10,591 for each individual student, although per pupil expenditures vary greatly among states, school districts and individual schools. Spending also differs among school districts in the same state and among schools within the same district.

All three levels of government – federal, state, and local - contribute to education funding. States typically provide a little less than half of all elementary and secondary education funding. Local governments generally contribute about 44 percent of the total, and the federal government contributes about 10 percent of all direct expenditures.

The share of education funding that federal, state, and local governments provide has changed significantly over time. Historically, elementary and secondary education was funded largely by local governments and states played only a supporting role. Today, states play a large and increasing role in education funding, a trend that emerged in the 1970's when state spending first overtook education spending by local governments. Federal funding has always been minor with respect to total direct elementary and secondary education spending, though the federal government's role in education funding has slowly increased, along with the role of the federal government in education policy.

#### Source: National Center for Education Statistics

#### **Federal Funding**

The federal government spends more than \$40 billion annually on primary and secondary education programs. Much of the funding is discretionary, meaning it is set annually by Congress through the appropriations process. Funds flow mainly through the Department of Education although other federal agencies administer some funding for education related activities.

#### Source: National Center for Education Statistics

Through the U.S. Department of Education, the federal government provides more than \$40 billion a year on primary and secondary education programs. The two biggest programs are No Child Left Behind Title I Grants to local school districts (\$14.5 billion in fiscal year 2011) and IDEA Special Education State Grants (\$11.5 billion in fiscal year 2011).

Other federal agencies that administer funding for primary and secondary education include the Department of Agriculture, which coordinates the funding for the child nutrition programs (\$18.6 in fiscal year 2011), the Department of Health and Human Services, which supports the Head Start program (\$7.6 million in fiscal year 2011) and the Department of Labor, which supports Youth Employment and Training Activities and Youthbuild (\$1.0 billion in fiscal year 2011). 1

#### Source: National Center for Education Statistics

Federal education funding is distributed to states and school districts though a variety of formula and competitive grant programs. While the federal government contributes about 10 percent of direct funding for elementary and secondary schools nationally, the amount varies considerably from state to state. In some states the federal share of total elementary and secondary education spending is less than 5 percent of the total, while in other states it is higher than 16 percent.

#### Source: National Center for Education Statistics

As an overall share of the total federal budget, federal spending on elementary and secondary education programs through the U.S. Department of Education account for less than 3 percent of the total federal

\$6,548 per student. When school districts rely on the local property tax as their primary source of funding, schools located in wealthier districts have more resources to draw from than schools in low-income communities.

The Federal Government established a standardized measure, called the "equity factor" as part of Title I, Part A of the No Child Left Behind Act that measures school finance equity among districts in a state. Click here for a detailed map that shows how states rank in school finance equity based on the federal standard.

3. Intradistrict disparity – School finance inequities among schools within the same district
Even within a single school district, the amount of funding that individual schools receive can differ
significantly. For small school districts this is not usually an issue, but in large school districts that operate
many schools, intradistrict disparities can be significant. Until recently, resource allocation at the individual
school level has been largely ignored, partly due to a lack of transparency and understanding of the budget
process at the local level. Recent research suggests that resources are not evenly distributed among schools
in a school district and that some schools, often those that serve students with greater needs, receive less
resources. A large portion of the disparity is related to the allocation of teachers. Higher paid, more
experienced teachers tend to be congregated in lower needs schools, while less experienced teachers end
up in high needs schools. In many school districts disparity in teacher pay does not factor in the way in which
funding distributions are calculated. A handful of notable school districts, however, including New York City,
are recalculating the way they allocate funding to schools.

#### The Role of the Courts in School Finance

In 1973, the United States Supreme Court, in a case called Rodriguez v. San Antonio Independent School District, 411 U.S. 1 (1973), held that education is not a fundamental right under the federal constitution and that wealth is not a suspect classification. However, many states have clauses that provide for education in the state constitution. In most of the 50 states there has been some type of lawsuit or legal action to address education funding disparities.

Early school funding litigation efforts generally focused on education equity, which sought the same level of per-pupil funding for every student in the state. Since the late 1980's, litigation has focused more on education adequacy, which seeks funding levels necessary to ensure that every student receives an adequate education. Defining what constitutes an adequate education as well as what resources are necessary to provide that level of education, have been central questions in the litigation. "Costing-out studies", which have been done in over 35 states, are one method which has been used to help calculate the amount of funds needed to provide students with an education that meets state standards. From 1989 to 2010, plaintiffs won 26 education adequacy cases and there a number of cases still pending in courts across the nation.

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Federal Education Budget Project

Home

# **Background & Analysis**

The Federal Education Budget Project's background and analysis pages provide detailed information on federal K-12 and higher education programs and spending.

Search background and analysis

Learn about the federal budget process and federal education programs below

# **School Finance**

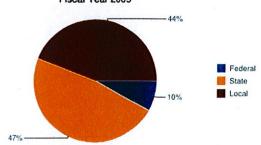
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### Elementary and Secondary Education Funding Fiscal Year 2009



Source: National Center for Education Statistics

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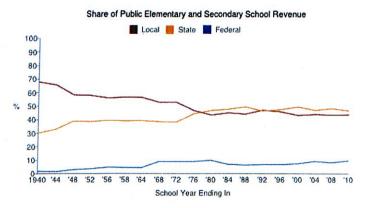
In this section

#### **Education Budget Background & Analysis**

Education in the Federal Budget

**School Finance** 

Federal Education Programs
Federal Education Tax Benefits

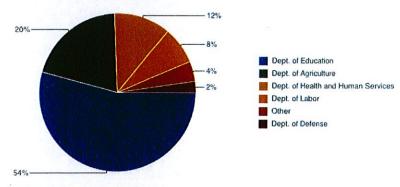


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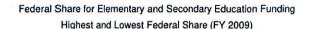
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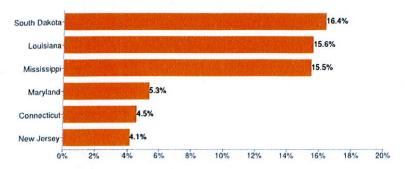
## Federal Funding for Elementary and Secondary Education By Agency, Fiscal Year 2009



Source: National Center for Education Statistics

Federal education funding is distributed to states and school districts though a variety of formula and competitive grant programs. While the federal government contributes about 10 percent of direct funding for elementary and secondary schools nationally, the amount varies considerably from state to state. In some states the federal share of total elementary and secondary education spending is less than 5 percent of the total, while in other states it is higher than 16 percent.





Source: National Center for Education Statistics

As an overall share of the total federal budget, federal spending on elementary and secondary education programs through the U.S. Department of Education account for less than 3 percent of the total federal budget. In the annual appropriations process, elementary and secondary education funding accounts for about 5 percent of discretionary funding across all federal programs.

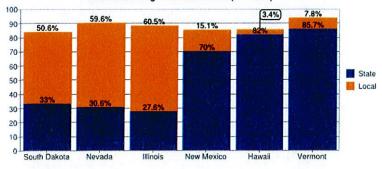
# **State Funding**

States rely primarily on income and sales taxes to fund elementary and secondary education. State legislatures generally determine the level and distribution of funding, following different rules and procedures depending on the state.

State funding for elementary and secondary education is generally distributed by formula. Many states use funding formulas that provide funding based on the number of pupils in a district. Some formulas are weighted based on different factors such as the number of students with disabilities, the number of students living in poverty, or the number of students for whom English is a second language. The allocation for students with different types of needs can vary significantly depending on the funding formula. Additionally, in some states the formula is designed so that higher poverty school districts with less access to local funding receive additional assistance.

The share of total education funding provided by the state government differs from state to state. In some states the state share is as high as 86 percent, while in others it is as low as 31 percent. States that rely heavily on local property taxes instead of state funding to fund elementary and secondary education, often have larger funding disparities between school districts in the state.

# State and Local Share of Elementary and Secondary Education Funding Lowest and Highest State Share (FY 2009)



Source: National Center for Education Statistics

# **Local Funding**

Property taxes support most of the funding that local government provides for education. Local governments collect taxes from residential and commercial properties as a direct revenue source for the local school district. Wealthier, property-rich

localities have the ability to collect more in property taxes. Having more resources to draw from enables the district to keep tax rates low while still providing adequate funding to their local school districts. Poorer communities with less of a property tax base may have higher tax rates, but still raise less funding to support the local school district. This can often mean that children that live in low-income communities with the highest needs go to schools with the least resources, the least qualified teachers, and substandard school facilities.

# **Funding Disparities**

There are large disparities in the amount of funding that schools receive which create differences in educational opportunity. The funding disparities can be broken down into three main areas:

#### 1. Interstate disparity - School finance inequities among different states

There are significant differences in education funding across different states. For example, in the 2008-09 school year, New Jersey spent \$16,271 per student while Utah spent only \$6,356 per student. Even when adjusted for regional variations in costs, large disparities between states exist. The disparity is caused by a number of factors, including: (1) capacity - how well off a state is based on their economy and resources, and (2) effort - the states willingness to provide funding for education. Wealthier states with a high fiscal capacity, (typically those in the Northeast), have more funding available to spend on education than states with more limited resources (typically those in the South and the West). Additionally, some states spend more of their total available funding on education. Montana, for example, is a low fiscal capacity, but high fiscal effort state.

#### 2. Intrastate disparity - School finance inequities within a particular state

There are large differences in funding among school districts within the same state. Some districts spend significantly more on education than other school districts even if they are within the same state, and sometimes only a few miles apart. For example, in Illinois, the New Trier Township High School District spent \$19,927 per student in 2008-09 while the Farmington Central Community Unit School District spent only \$6,548 per student. When school districts rely on the local property tax as their primary source of funding, schools located in wealthier districts have more resources to draw from than schools in low-income communities.

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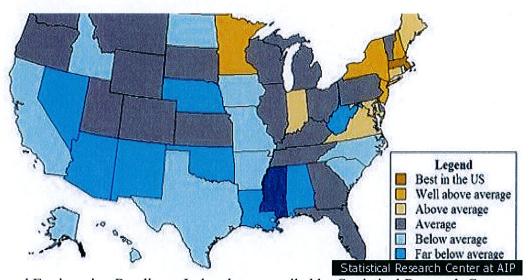
About Blog News Publications

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Dear Mr. Thompson,

We have never met, however I do look forward to the day when we will shake hands. I will want to congratulate you for supporting our Henderson County education system, teachers, & most importantly our children. We are continually reminded that the United States is falling behind the other countries of the world in all subject matters. Also, a recent study showed that North Carolina ranks below average when compared to the other 50 States (see the figure below: "State Education Rankings: The Best And Worst For Math & Science, from: http://www.huffingtonpost.com/2011/07/11/state-education-rankings-\_n\_894528.html)

# State Education Rankings: The Best And Worst For Math And Science



Science and Engineering Readiness Index data compiled by Statistical Research Center at AIP.

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