

Study of Education Resources and Federal Funding: Final Report

Briefing
April 6, 2000

U.S. Department of Education, Planning and Evaluation Service

Study of Education Resources and Federal Funding: Study Purpose

Examine distribution and uses of resources from six federal elementary-secondary programs:

- Title I, Grants to LEAs
- Title II, Eisenhower Professional Development, Elementary/Secondary Programs
- Title III, Technology Literacy Challenge Fund
- Title IV, Safe and Drug-Free Schools, State and Local Agency Programs
- Title VI, Innovative Education Program Strategies
- Goals 2000, State and Local Systemic Improvement

Study of Education Resources and Federal Funding: Study Methodology

- Random sample of 720 schools in 180 school districts
- Surveys of district coordinators, school principals, classroom teachers, Title I teachers, and Title I teacher aides (1997-98 school year)
- Collection of detailed resource data at the district and school levels, including program budgets and expenditures as well as personnel and payroll information for all staff in the sample schools (1997-98)
- School allocations for Title I from the sample districts (1997-98)
- School district allocations for all 6 federal programs from all 50 states (FY 1994 through FY 1997)
- School district revenues from federal, state, and local sources (secondary analysis of 1994-95 data from the NCES Survey of Local Government Finances)

Study of Education Resources and Federal Funding: Preliminary and Final Reports

Preliminary Report (July 1999)

- Findings on targeting and uses of funds from the six programs

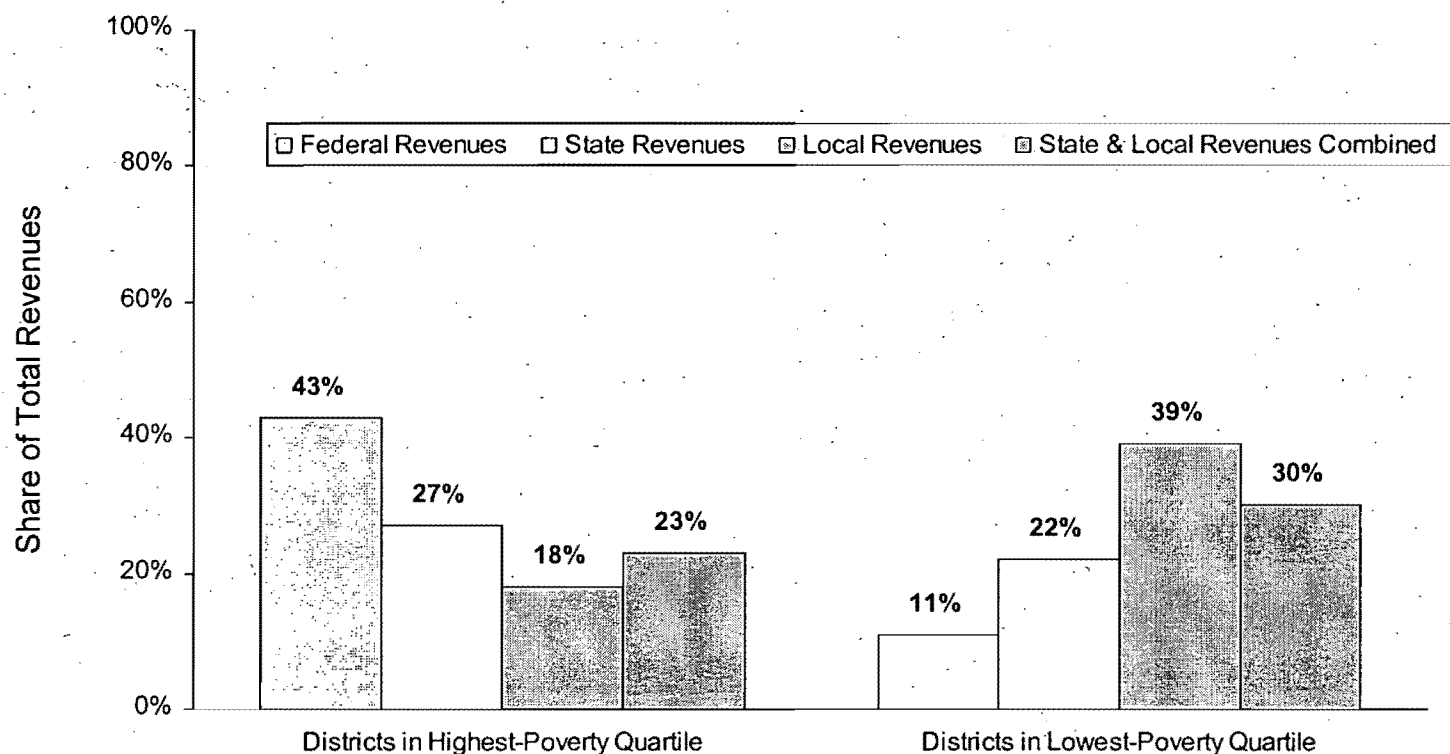
Final Report (to be released in late March 2000)

Additional information focuses on Title I program:

- Targeting of Title I and all federal funds compared with state and local funds
- Comparability of state and local resources in Title I and non-Title I schools
- Impact of Title I funds on total resources in different types of Title I schools
- Use of Title I Funds for teachers and teacher aides

Distribution of Federal, State, and Local Revenues, by District Poverty Quartile, 1994-95

The highest-poverty school districts received 43% of all federal revenues, compared with only 27% of state revenues and 23% of state and local revenues combined. The share of state and local funds going to the highest-poverty districts is less than these districts' share of the nation's school-age children (25%).

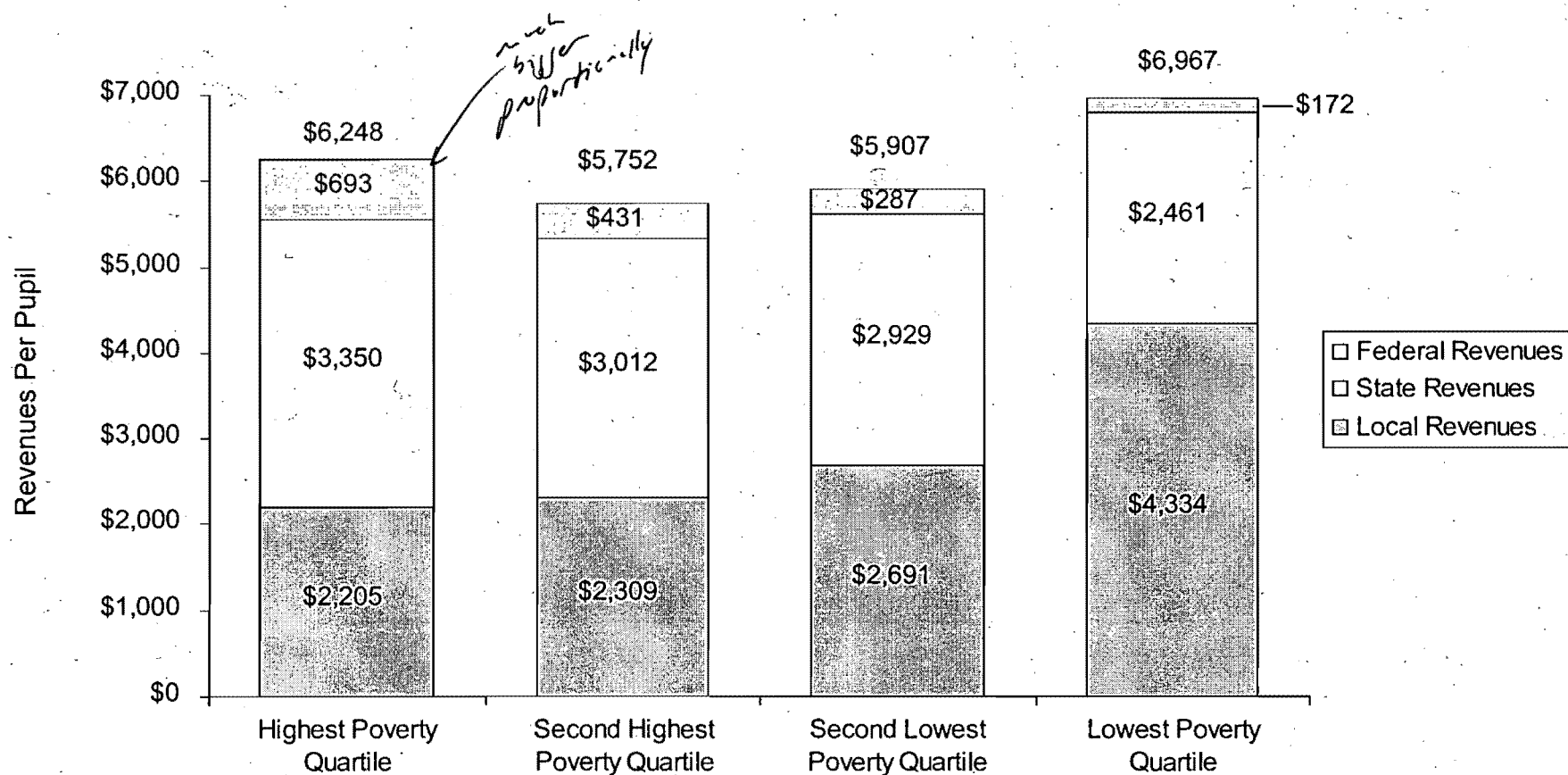


* Highest-poverty quartile of districts contains 25% of the nation's students and 49% of the poor students.
Lowest-poverty quartile of districts contains 25% of the nation's students and 7% of the poor students.

Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Federal, State, and Local Revenues per Pupil, By District Poverty Quartile, 1994-95

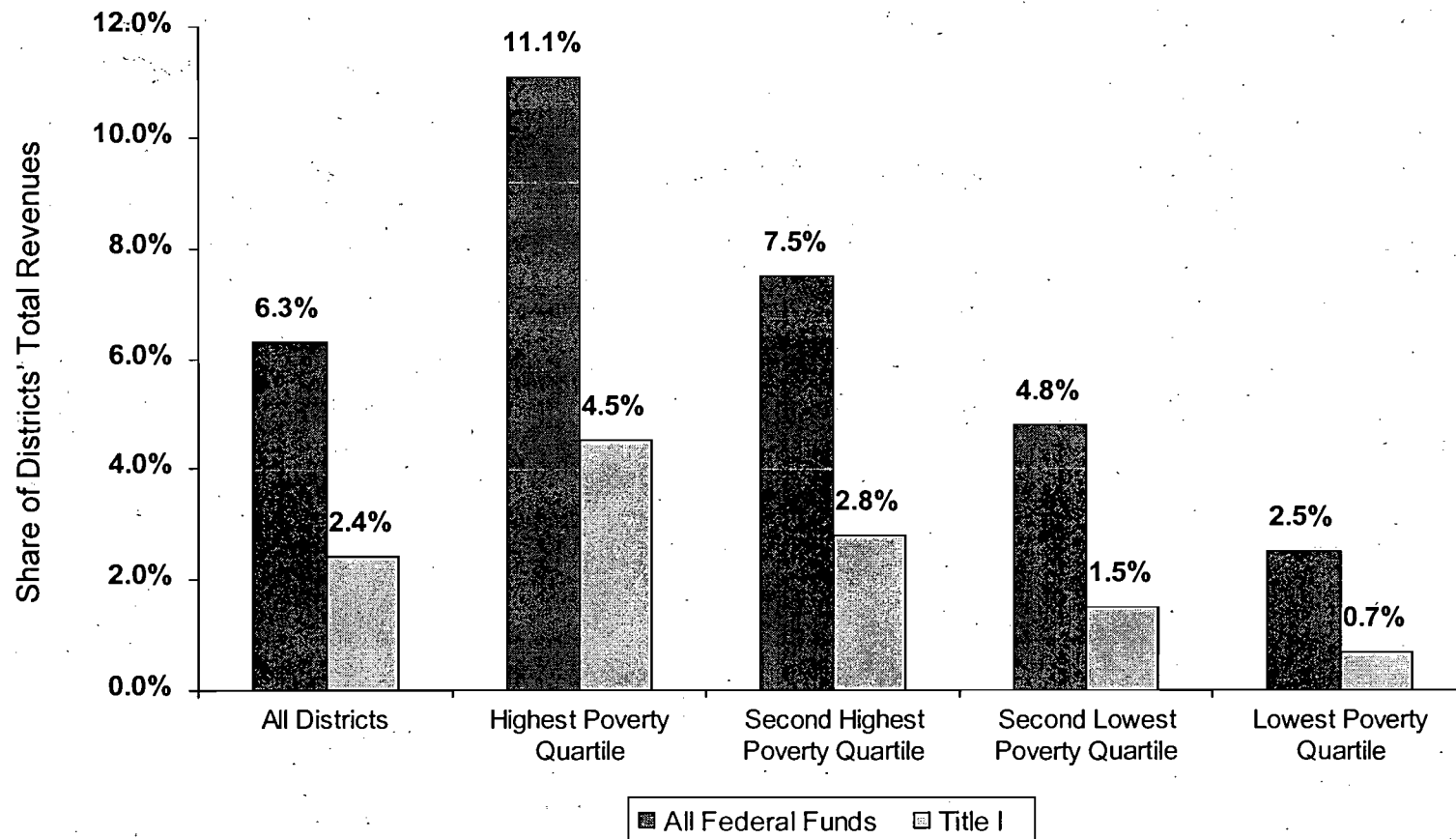
Although federal revenues provided an additional \$693 per pupil in the highest-poverty districts, compared with \$172 per pupil in the lowest-poverty districts, the highest-poverty districts still received 10% less in total revenues per pupil (\$6,248) compared with the lowest-poverty districts (\$6,967).



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Share of School District Revenues Provided Through Title I and All Federal Funds, by District Poverty Quartile, 1994-95

In the highest-poverty districts, federal funds provided 11.1% of district revenues and Title I provided 4.5% — about twice as high as the national average for all districts (6.3% and 2.4%, respectively).

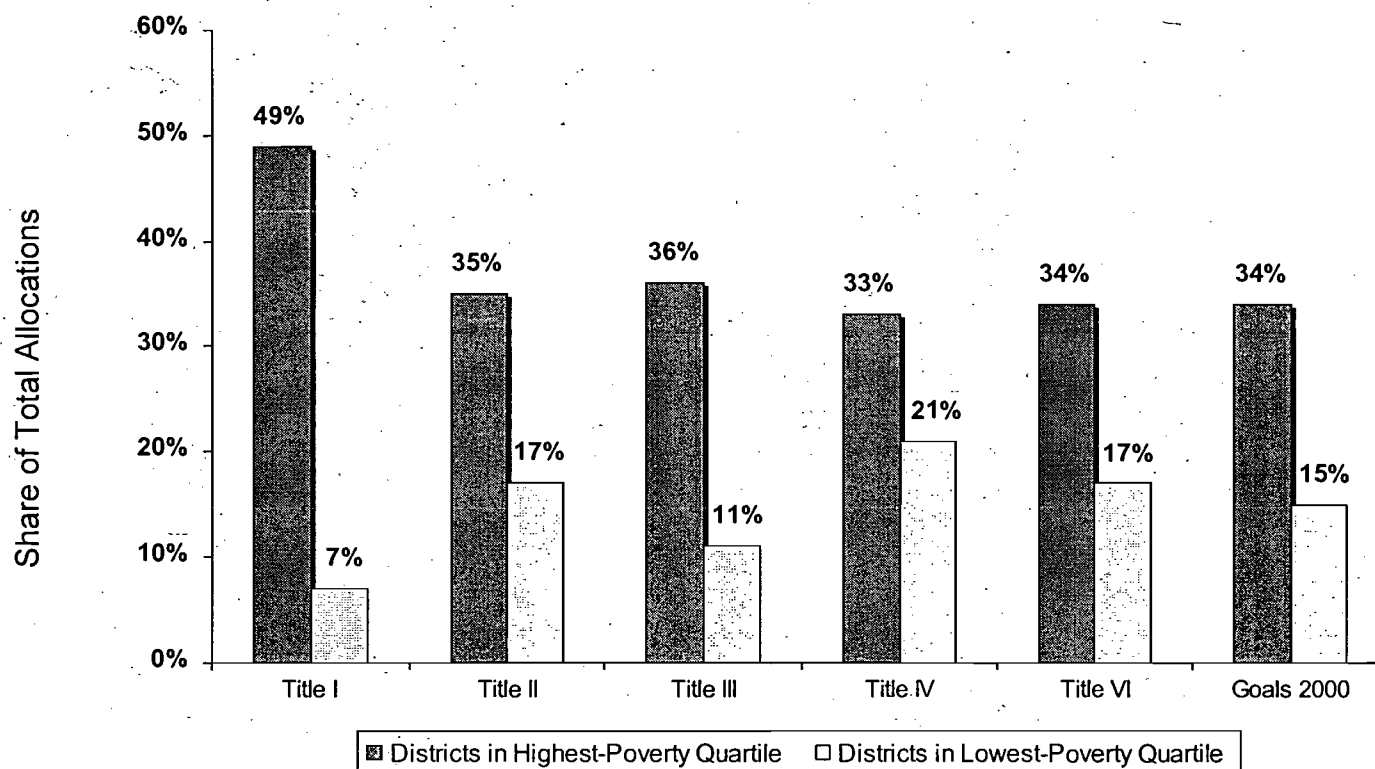


Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Nationally, Title I is 2.5% of funds

Share of Funds from Six Federal Education Programs Allocated to Highest- and Lowest-Poverty Districts, FY 1997

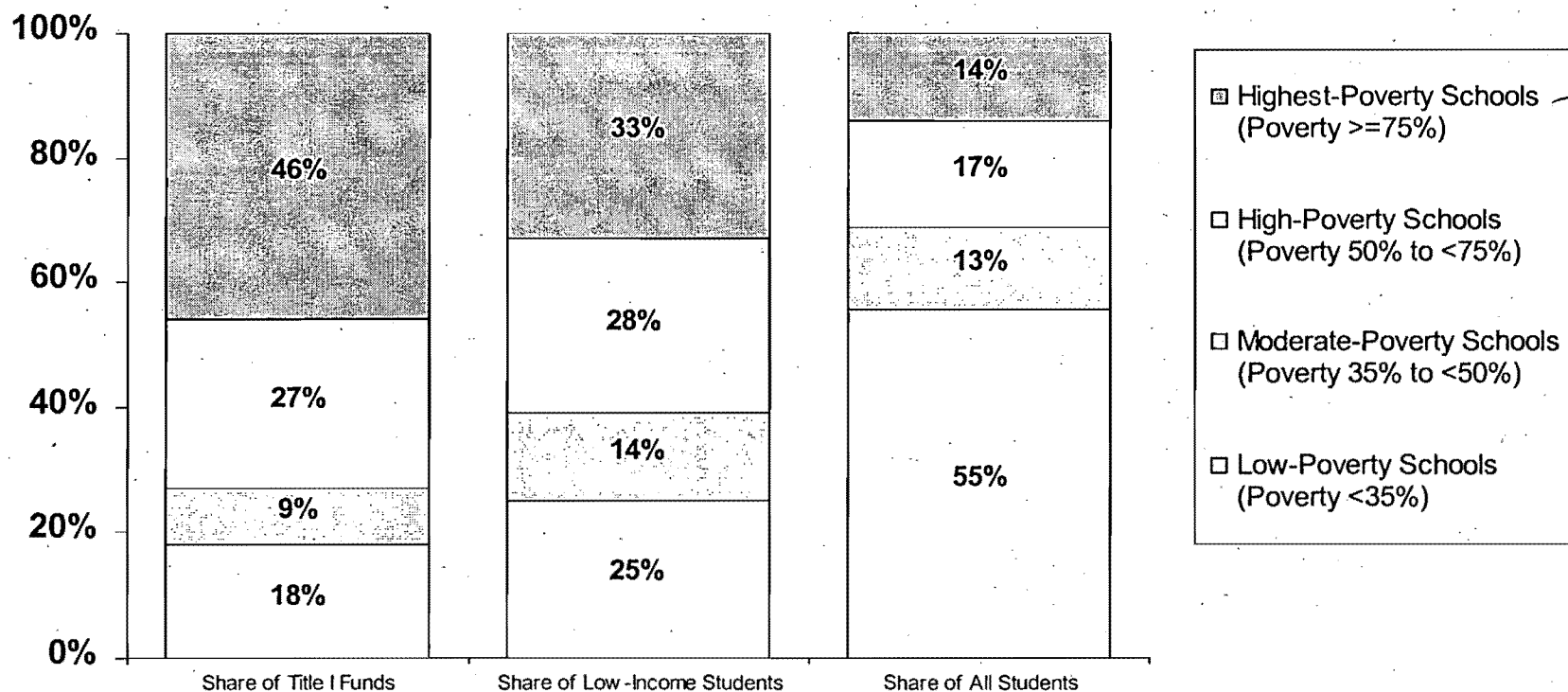
Of the six federal programs in this study, Title I was the most strongly targeted to the highest-poverty districts. These districts received 49% percent of the Title I funds, about the same as their share of the nation's poor children. For the other five federal programs, the share of funds allocated to the highest-poverty districts (33% to 36%) was less than for Title I but greater than for state and local funds (23%).



Highest-poverty quartile of districts contains 25% of the nation's students and 49% of the poor students.
Lowest-poverty quartile of districts contains 25% of the nation's students and 7% of the poor students.

Distribution of Title I Funds by School Poverty, Compared with the Distribution of All Students and Low-Income Students, 1997-98

Most Title I funds are allocated to high-poverty schools. The highest-poverty schools (over 75% low-income students) receive 46% of schools' Title I allocations, and schools over 50% poverty receive nearly three-fourths (73%) of Title I funds. The highest-poverty schools' share of Title I funds (46%) is much greater than their share of low-income students (33%) or all students (14%).



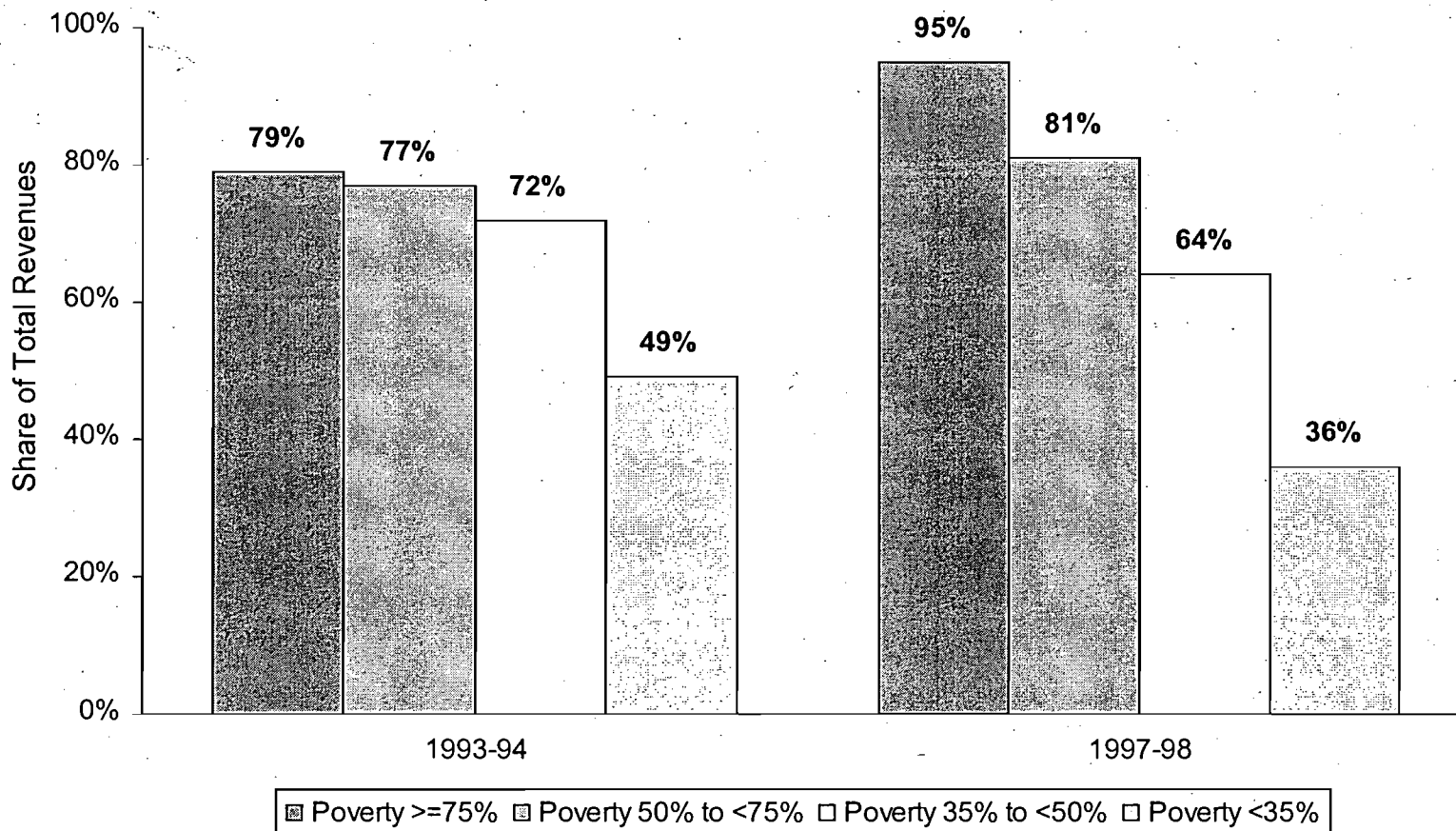
Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Highest poverty Title I schools get 46% of funds w/ 33% of poor kids & 14% of all kids

Change in Proportion of Schools that Receive Title I Funds, by School Poverty Level, 1993-94 to 1997-98

School level - about the same

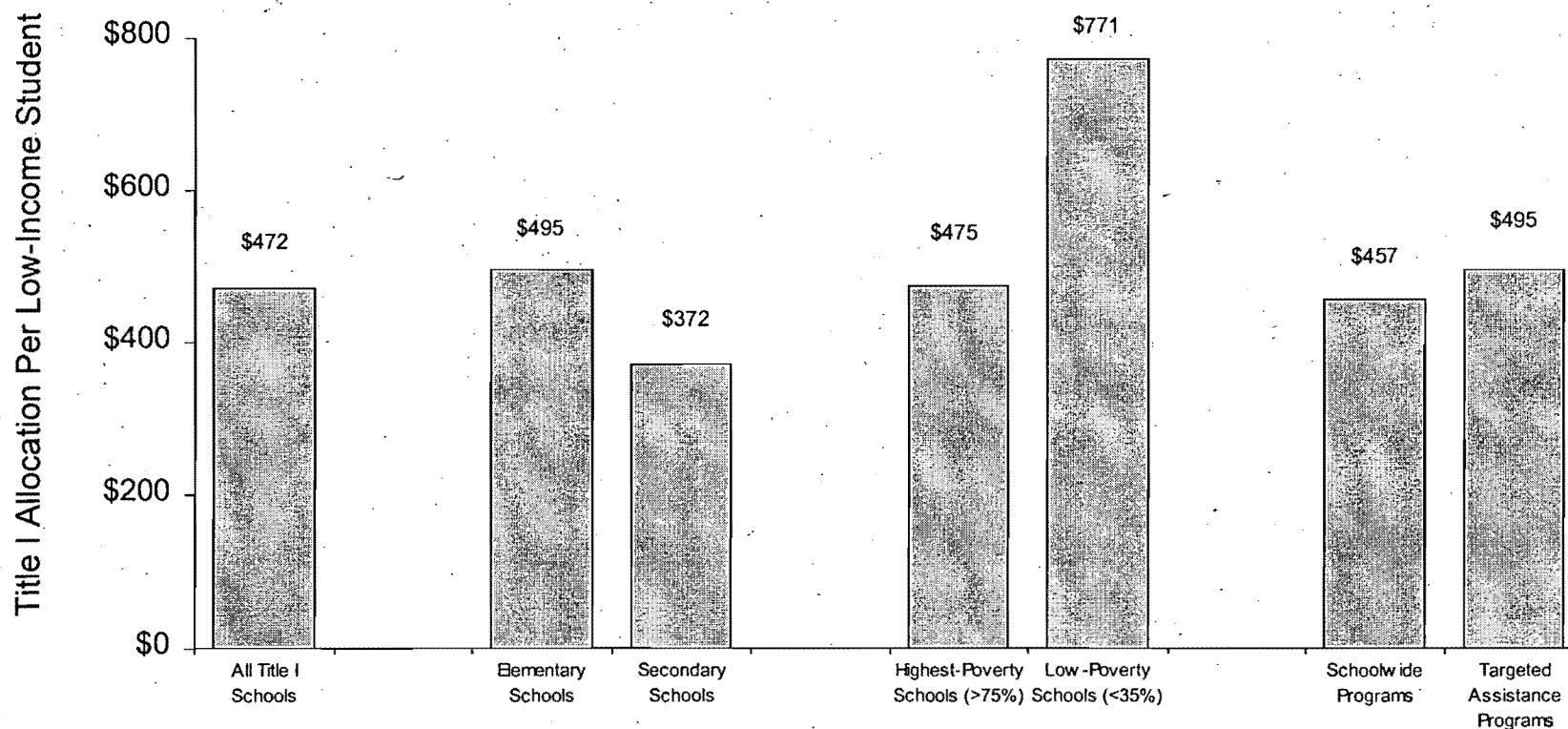
Title I targeting at the school level increased significantly after the 1994 reauthorization. In 1997-98, nearly all (95%) of the highest-poverty schools received Title I funds, up from 79% in 1993-94. In addition, low-poverty schools became less likely to receive Title I funds (36% in 1997-98, compared with 49% in 1993-94).



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Average Title I School Allocations Per Low-Income Student in 1997-98, by School Grade Level, Poverty Level, and Type of Title I Program

Title I allocations averaged \$472 per low-income student in the average Title I school. The amount of funding per low-income student was higher in elementary schools (\$495) than in secondary schools (\$372). Low-poverty schools that received Title I funds received substantially more (\$771) than the highest-poverty schools (\$475), and targeted assistance programs received more (\$495) than schoolwide programs (\$457).

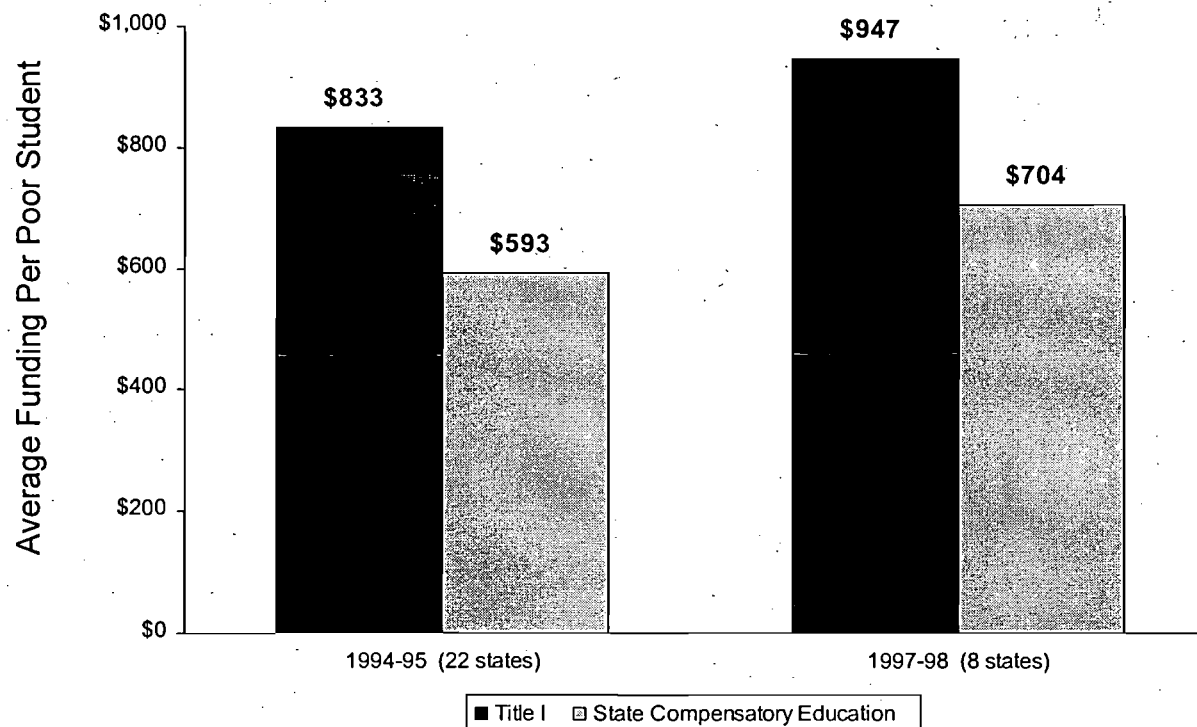


Source: U.S. Department of Education, Study of Education Resources and Federal Funding

*not having to
spread money as broadly
as high
poverty
districts*

Level of Funding for Title I and State Compensatory Education Programs, in States Reporting State Compensatory Education Revenues, 1994-95 and 1997-98

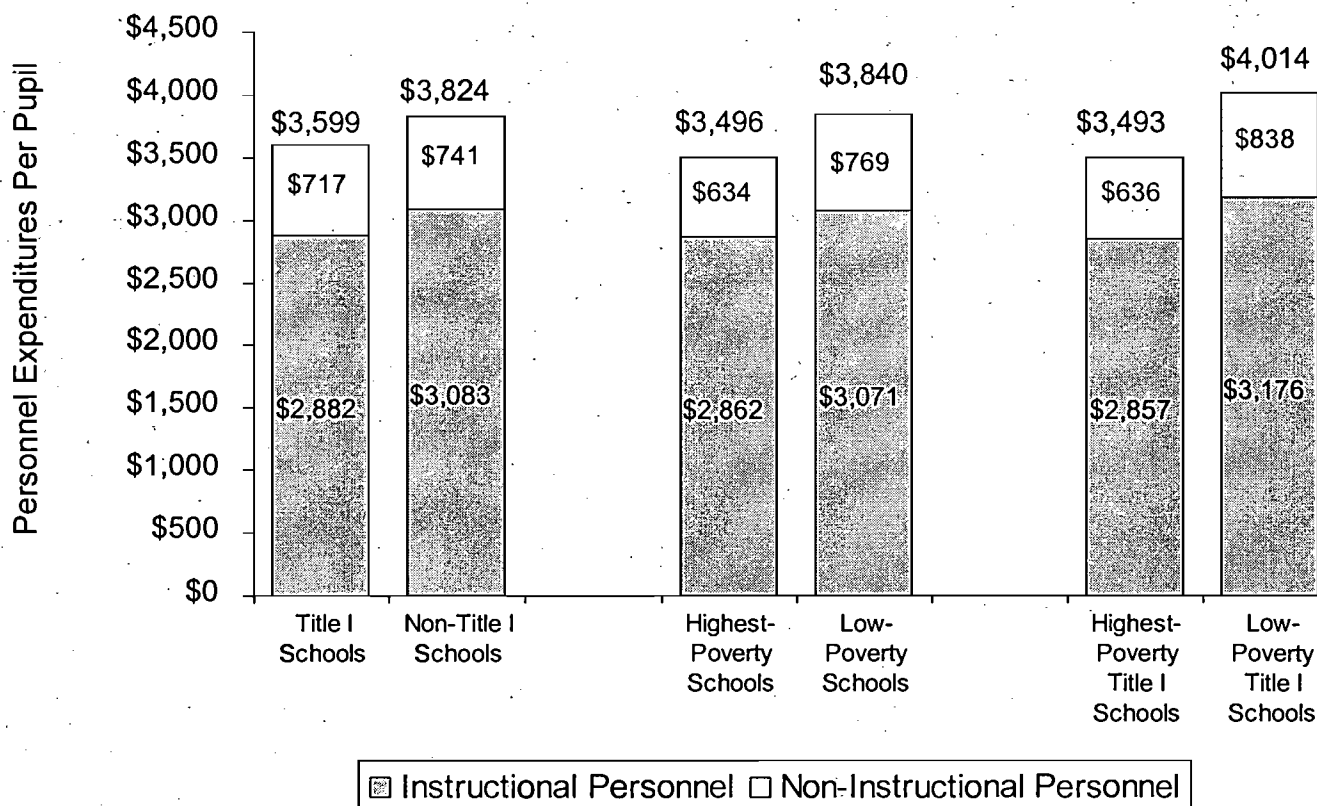
Comparisons between Title I and state compensatory education programs are not straightforward due to the ambiguity over which states have programs that can be classified as state compensatory education. However, according to two sets of data with different sets of states reporting state compensatory education revenues, Title I provides about 35% to 40% more funds per poor student than the state programs (in states that have such programs). There is considerable variation across states, with some states providing more than \$1,000 per poor student and others providing less than \$100 per poor student.



*In states w/
comp ed programs,
Title I provides
about 33% more
funds than
state comp ed
programs.*

Comparability of Non-Title I Resources: School-Level Personnel Expenditures Per Pupil in Elementary Schools in 1997-98

Looking only at non-Title I resources, Title I elementary schools had slightly lower personnel expenditures (\$3,599 per pupil) than non-Title I schools (\$3,824) — a 6% difference. The highest-poverty elementary schools spent 9% less than low-poverty elementary schools. The difference is greatest when comparing high- and low-poverty Title I schools — the highest-poverty Title I schools had 15% less than low-poverty Title I schools.



*more state & local &
non Title I if they
are Title I schools*

Comparability of Staffing in High- and Low-Poverty Elementary Schools, 1997-98

Looking only at non-Title I resources, the highest-poverty elementary schools have more teachers compared with low-poverty schools, resulting in lower class sizes. However, teachers in the highest-poverty schools earn lower salaries, have fewer years of experience, and are less likely to hold an advanced degree.

	Highest-Poverty Schools (Poverty $\geq 75\%$)	Low-Poverty Schools (Poverty $< 35\%$)
Spending on School Personnel	\$3,496	\$3,840
Average Class Size*	20.6	23.0
Average Teacher Salary	\$35,821	\$40,803
Average Years Teaching Experience	13.2 years	15.5 years
Percentage of Teachers with Masters Degree or Higher	37%	49%

* Average class size data include special education teachers and students.

Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Comparability Within and Across High- and Low-Revenue Districts, 1997-98

The lower personnel expenditures in high-poverty schools are explained almost entirely by differences in district revenues. Within high-revenue districts, the highest-poverty elementary schools actually had slightly higher expenditures than low-poverty schools; within low-revenue districts, spending levels were about the same in high- and low-poverty schools. Average class sizes were consistently better in the highest-poverty schools within each group of districts. Teacher salaries were consistently lower in the highest-poverty schools within each group of districts.

	Elementary Schools		
	Personnel Expenditures Per Pupil	Average Class Size	Average Salary for Classroom Teachers
All Districts			
Highest-Poverty Schools ($\geq 75\%$)	\$3,496	20.6	\$35,821
Low-Poverty Schools ($< 35\%$)	\$3,840	23.0	\$40,803
High-Revenue Districts			
Highest-Poverty Schools ($\geq 75\%$)	\$4,882	21.8	\$41,746
Low-Poverty Schools ($< 35\%$)	\$4,723	23.9	\$50,535
Low-Revenue Districts			
Highest-Poverty Schools ($\geq 75\%$)	\$3,000	20.6	\$31,669
Low-Poverty Schools ($< 35\%$)	\$3,042	22.9	\$36,356

Includes other than teachers and there are more teachers

High- and low-revenue districts were defined as those in the upper and lower thirds of the distribution of total district revenues per pupil based on NCES data for the 1995-96 school year.

Use of Title I Funds for Instruction, Instructional Support, and Program Administration, 1997-98

Most Title I funds were used for instructional expenditures such as teachers (47%), teacher aides (14%), instructional materials (7%), and computers (4%). Professional development accounted for 3% of total expenditures, and other spending on instruction and instructional support accounted for an additional 13%. Program administration at the district and school levels accounted for 12% of total spending.

	Total Expenditures (\$ in millions)	Share of Total Expenditures
Teachers	\$3,337	47%
Teacher Aides	\$1,025	14%
Instructional Materials	\$481	7%
Technology for Instruction	\$297	4%
Professional Development	\$221	3%
Other Spending on Instruction and Instructional Support	\$934	13%
Program Administration	\$835	12%

88% of funds to teachers & instructional support

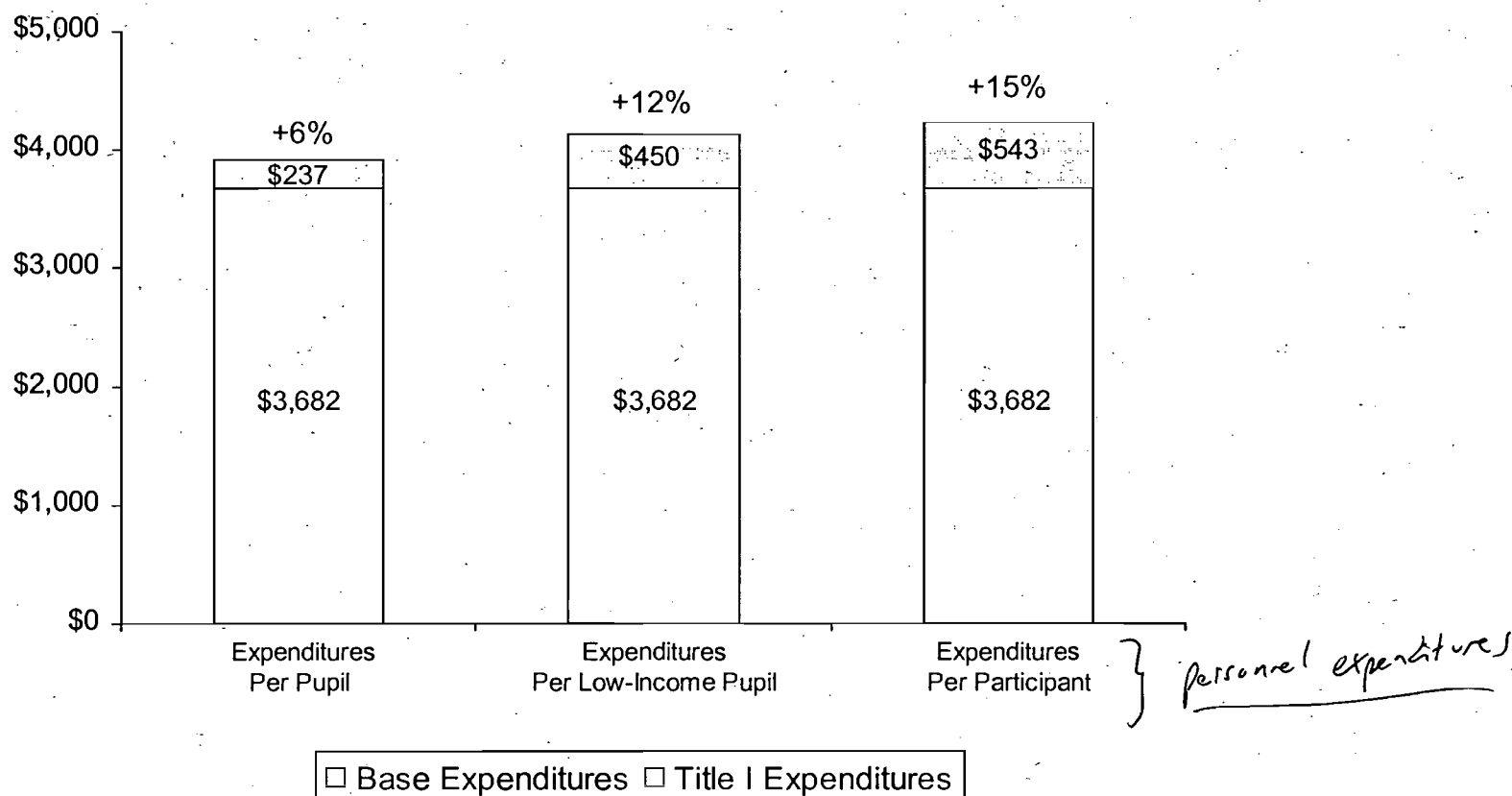
*Health workers
pre-school
after-school
summer counselors
8% district
4% school*

→ driven by large urban districts

Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Amount that Title I Added to School-Level Personnel Expenditures in Title I Schools, 1997-98

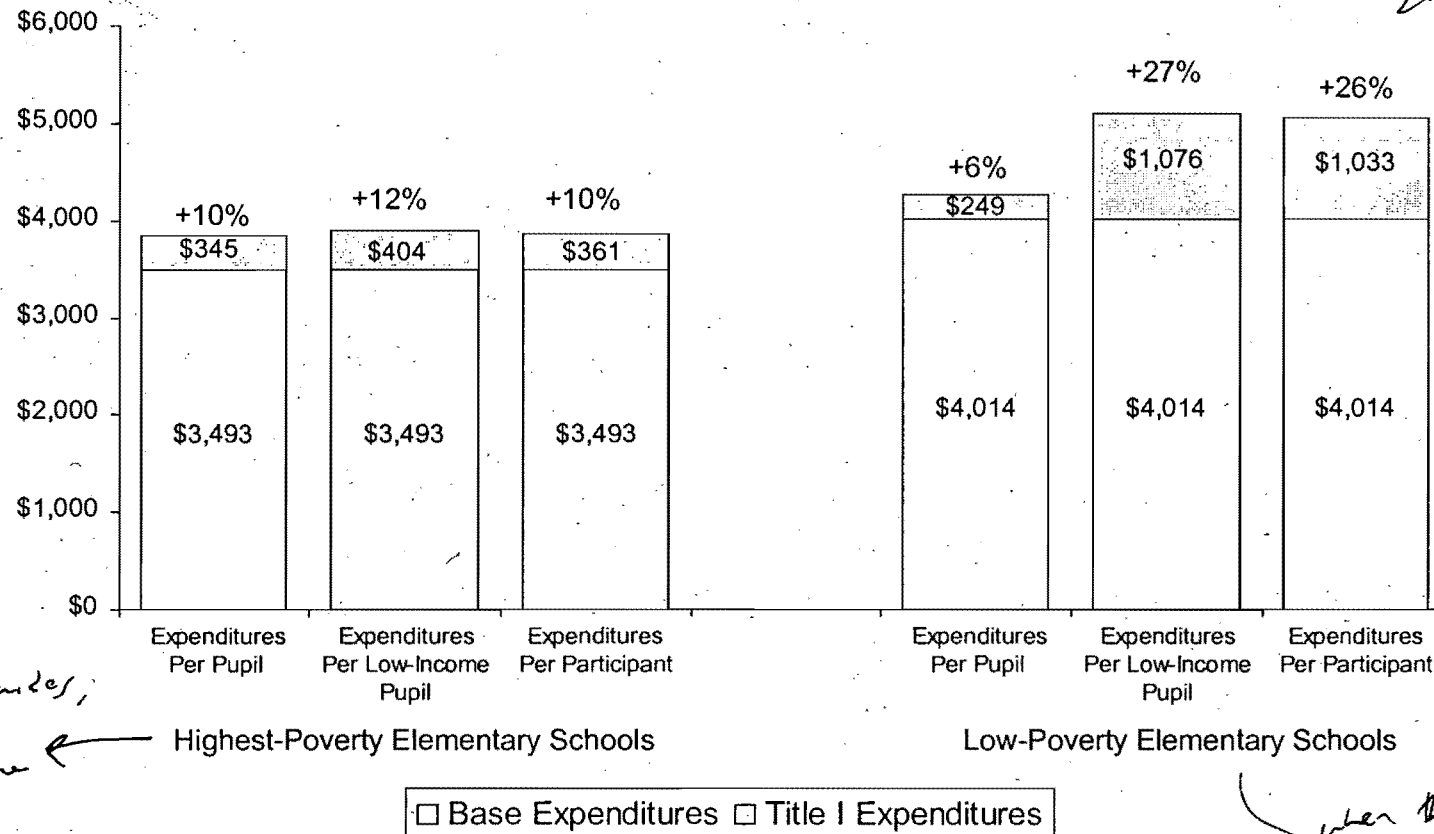
Title I added \$237 per pupil to personnel expenditures in Title I schools — a 6% increase over the base of non-Title I expenditures. When calculated in terms of low-income students, Title I added \$450 per low-income student, for a 12% increase over base spending levels. In terms of spending per Title I participant, Title I added \$543 per participant, for a 15% increase over base spending levels. (This analysis assumes that on average schools spend the same amount of non-Title I resources on low-income students and Title I participants as they do on all students.)



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Amount that Title I Added to School-Level Personnel Expenditures in High- and Low-Poverty Title I Elementary Schools, 1997-98

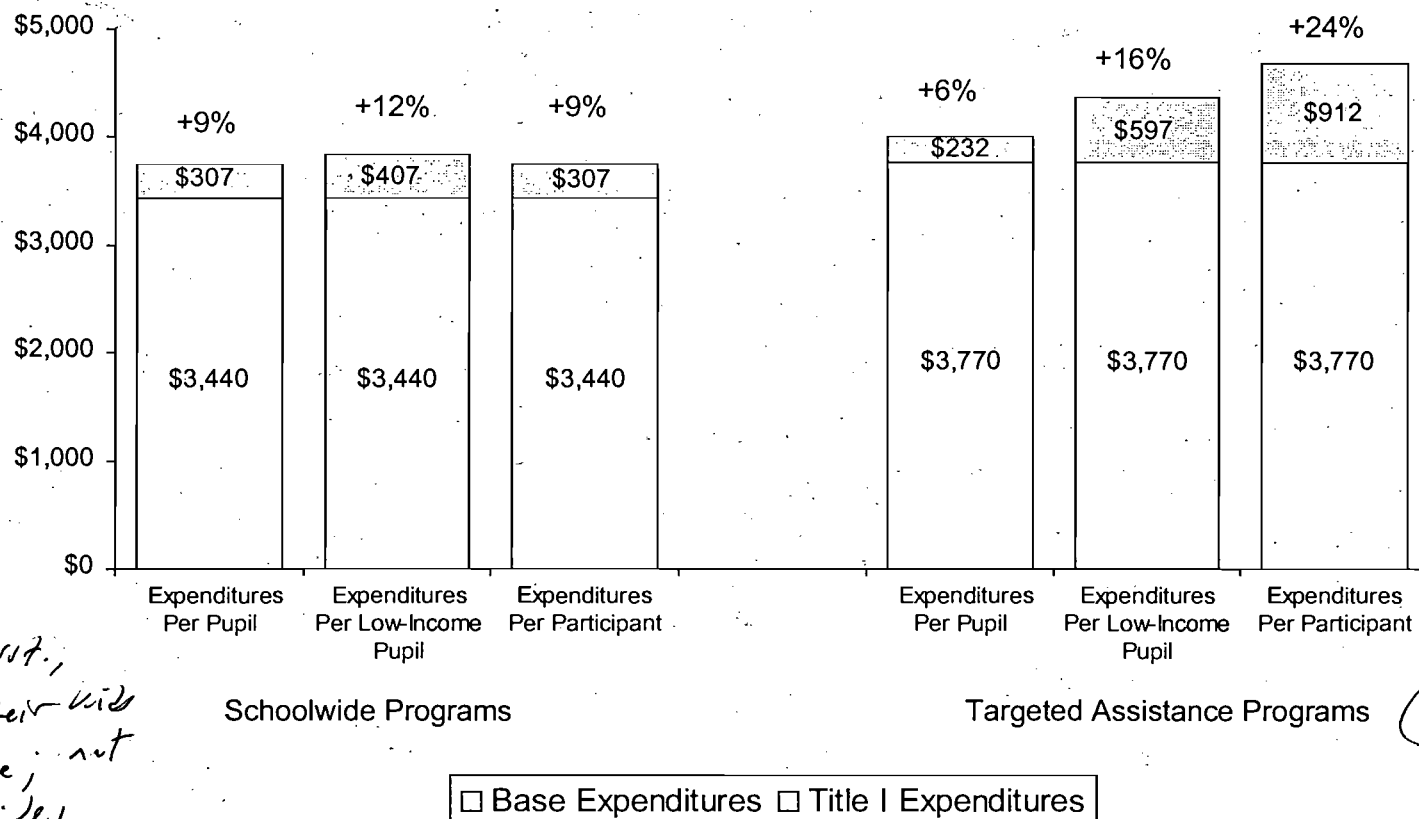
In terms of personnel expenditures per student, Title I added more in the highest-poverty elementary schools (a 10% increase) than in low-poverty schools (6%). However, Title I personnel expenditures per low-income student represented a much larger increase in low-poverty schools (27%) than in the highest-poverty schools (12%). Similarly, Title I provided a much larger increase in spending per Title I participant in low-poverty schools (26%).



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Amount that Title I Added to School-Level Personnel Expenditures in Schoolwide and Targeted Assistance Elementary Schools, 1997-98

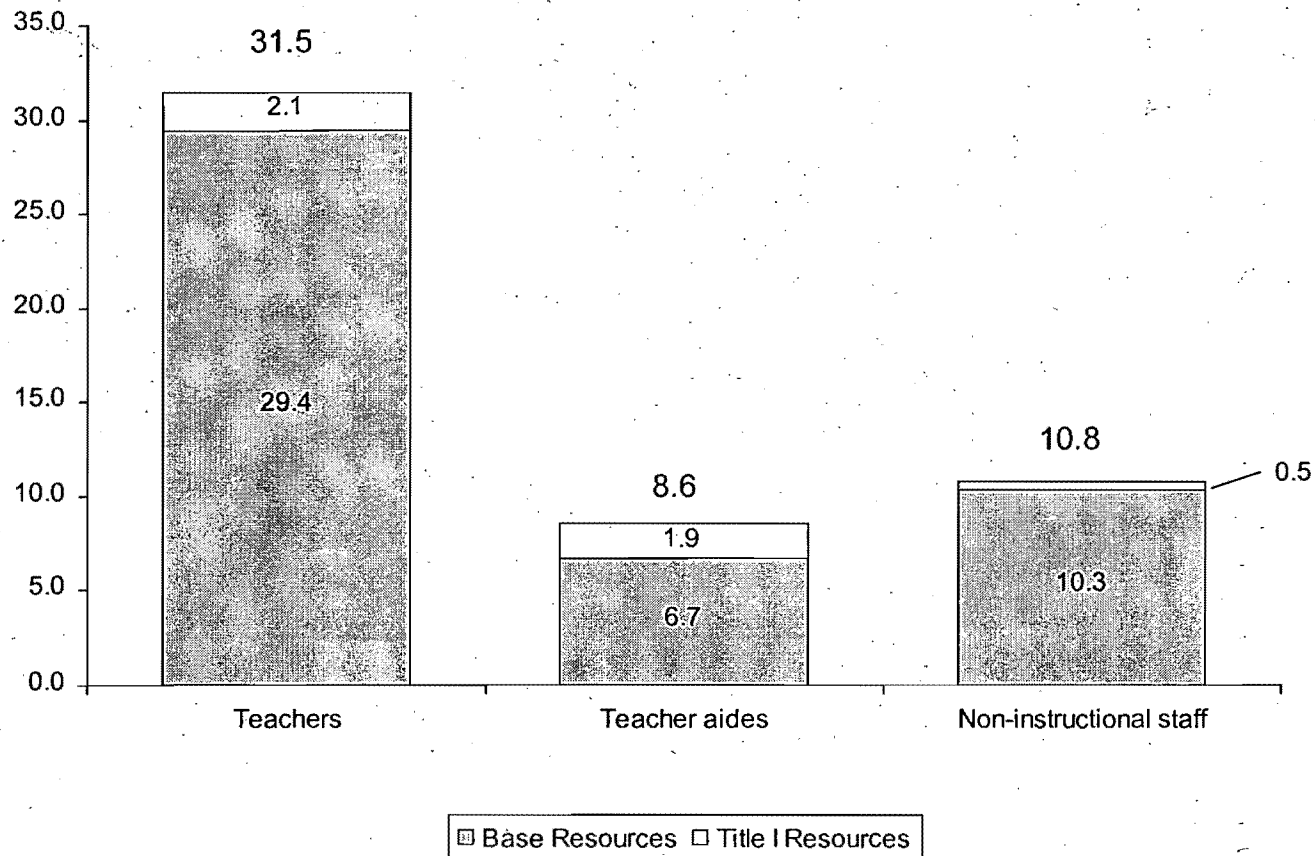
In elementary schools using Title I funds for schoolwide programs, Title I personnel expenditures resulted in a 9% increase in spending per Title I participant, compared with a 24% increase in targeted assistance programs. This difference occurs because all students in schoolwide programs are considered "Title I participants", whereas targeted assistance programs are required to use Title I funds only to serve low-achieving students.



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Number of FTE Staff Per School of 500 Students in Title I Elementary Schools, Before and After the Addition of Title I Funds, 1997-98

In a typical-size elementary school of 500 students, Title I resources added 2.1 additional full-time equivalent (FTE) teachers, 1.9 FTE teacher aides, and 0.5 FTE non-instructional staff. Title I funds increased the total number of teachers from 29.4 to 31.5.



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Use of Title I Funds for Teachers and Teacher Aides, 1997-98

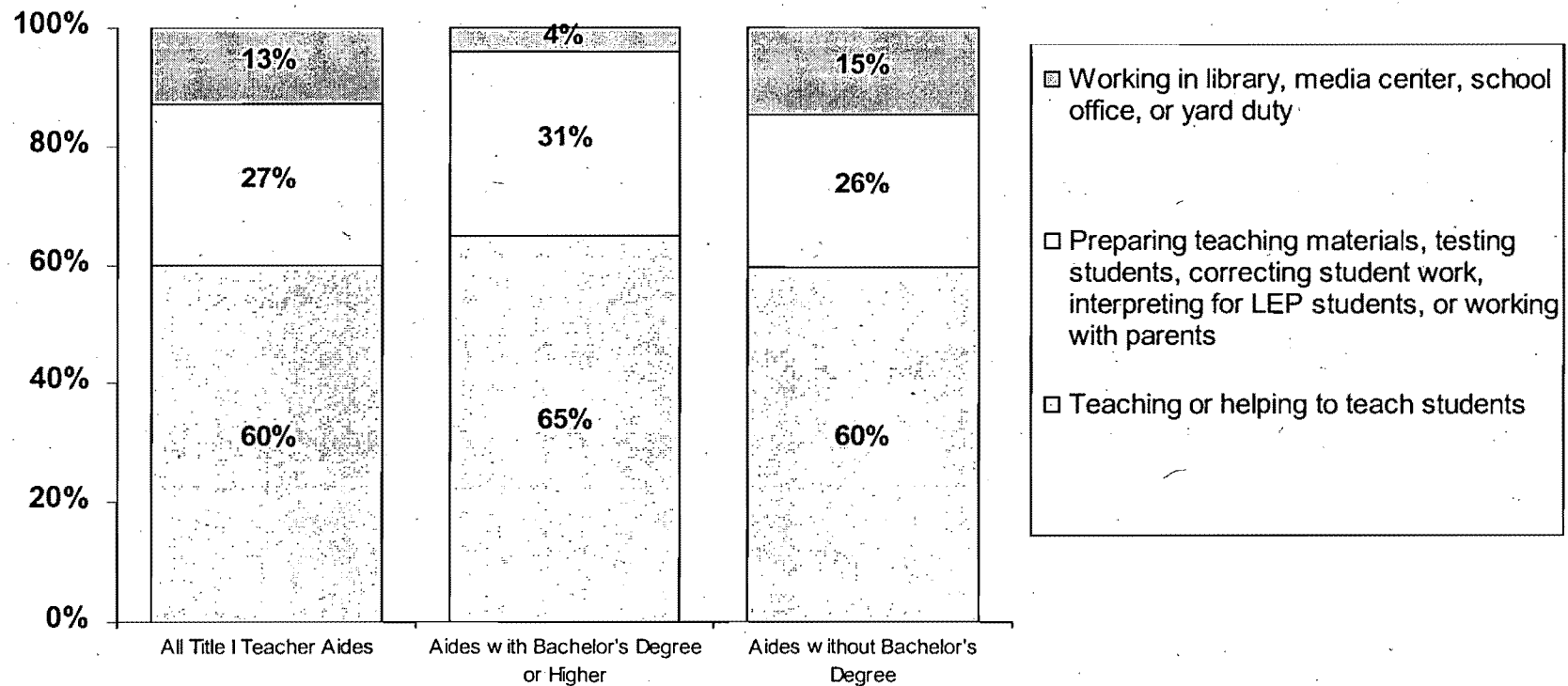
Title I funds support about the same number of teacher aides as teachers. However, teacher aides account for a relatively small percentage of Title I spending on instructional staff (24%) and total Title I expenditures (14%) because they earn much lower wages.

	Teachers	Teacher Aides
Total Full-Time Equivalent (FTE) Staff	65,745	68,582
Percent of Instructional Staff	49%	51%
Percent of Title I Expenditures on Instructional Staff	76%	24%
Percent of Total Title I Expenditures	47%	14%
Average Annual Salary & Benefits per FTE	\$51,411	\$15,135

Schools are getting 3 for 1 cents with teacher aides

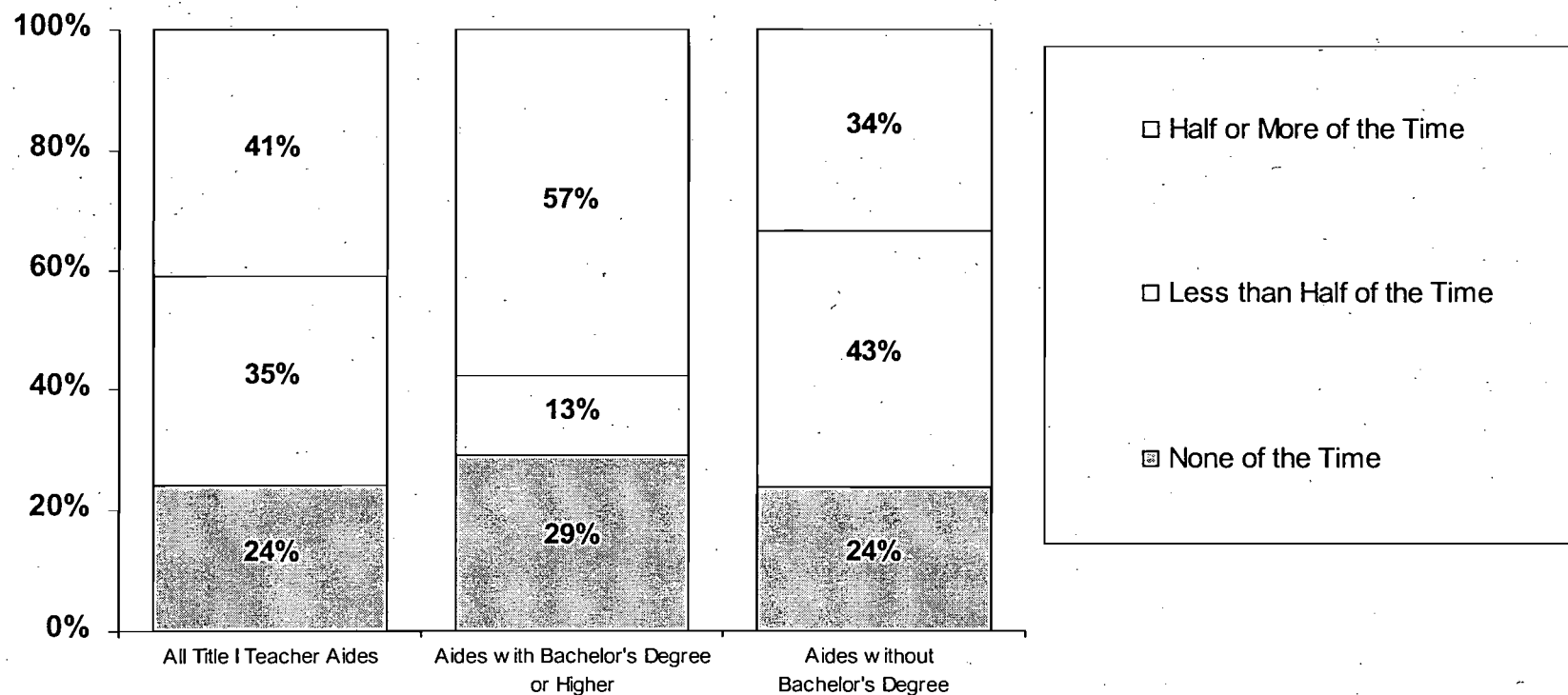
Amount of Time that Title I Aides Report Spending on Various Activities, 1997-98

Title I teacher aides reported spending 60% of their time teaching or helping to teach students, 27% assisting the teacher by preparing teaching materials, testing students, correcting student work, interpreting for LEP students, or working with parents, and the remaining 13% of their time working in the library, media center, school office, or on yard duty. The amount of time spent teaching or helping to teach students did not vary substantially for aides with and without a bachelor's degree.



Percentage of Time that Title I Teacher Aides in Elementary Schools Spent Teaching or Helping to Teach Students Without a Teacher Present, 1997-98

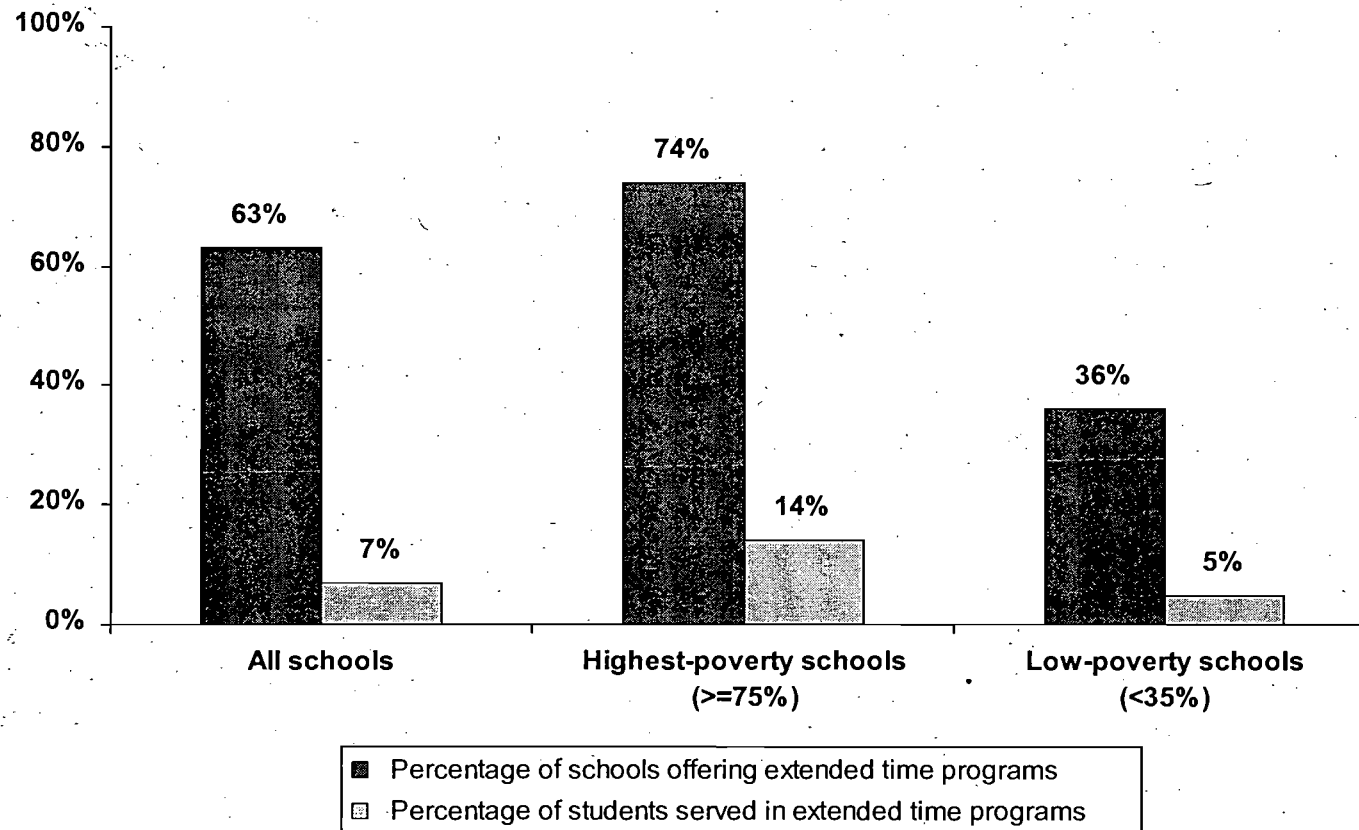
Forty-one percent of Title I teacher aides reported that half or more of the time they spent teaching or helping to teach students was on their own, without a teacher present. Aides with a bachelor's degree were more likely to report working with students on their own, but one-third (34%) of aides without a bachelor's degree also reported that half or more of the time they spent teaching or helping to teach students was without a teacher present.



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Availability of Extended Time Instructional Programs Offered During the School Year

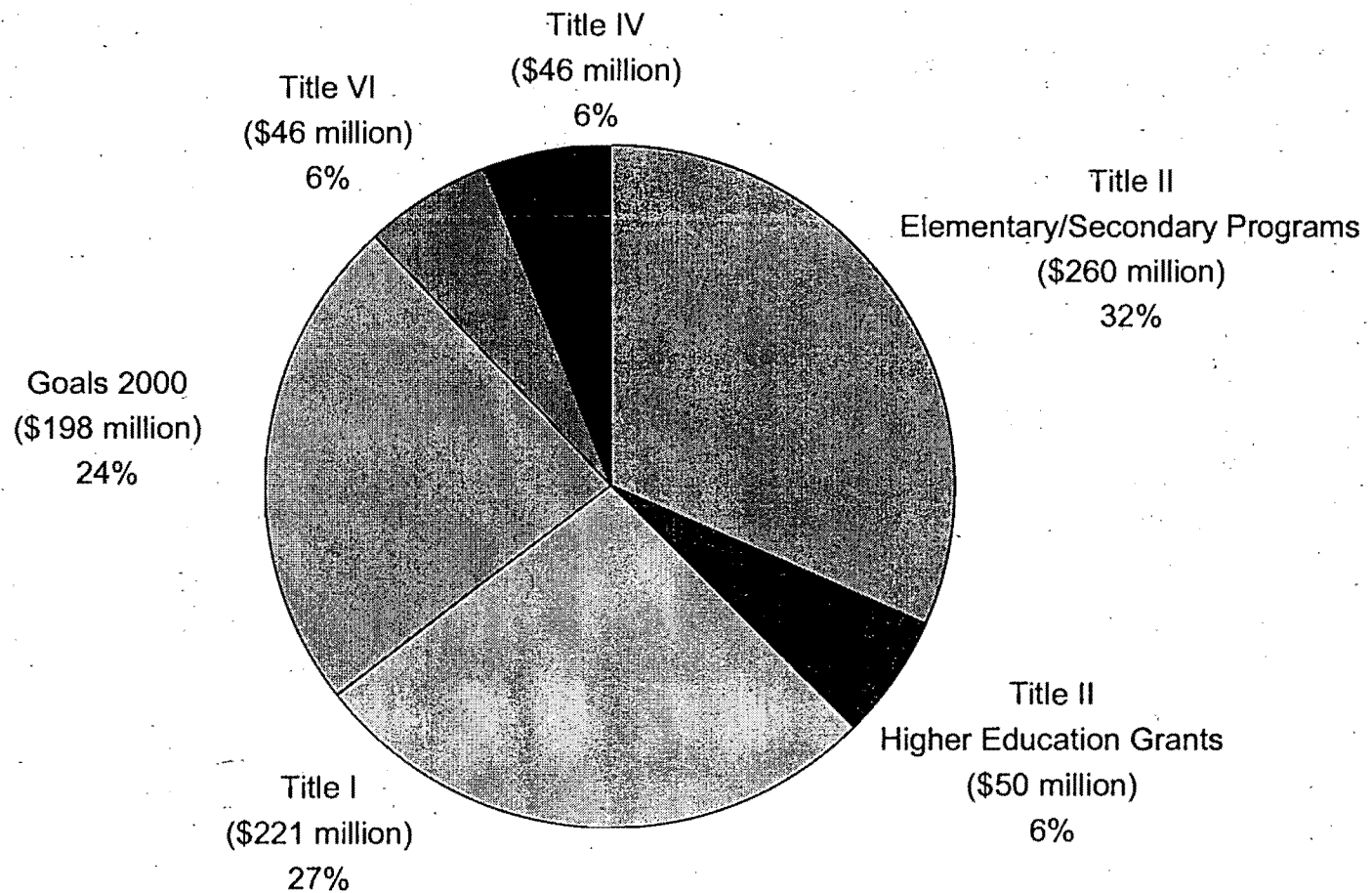
Nearly two-thirds of all schools (63%) offer before-school, after-school, or weekend instructional programs, but these programs serve only 7% of all students. Extended time programs were more prevalent in the highest-poverty schools (74%) and served a higher proportion of the students in those schools (14%).



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Financial Contribution of Six Federal Programs to Funding for Professional Development, 1997-98,

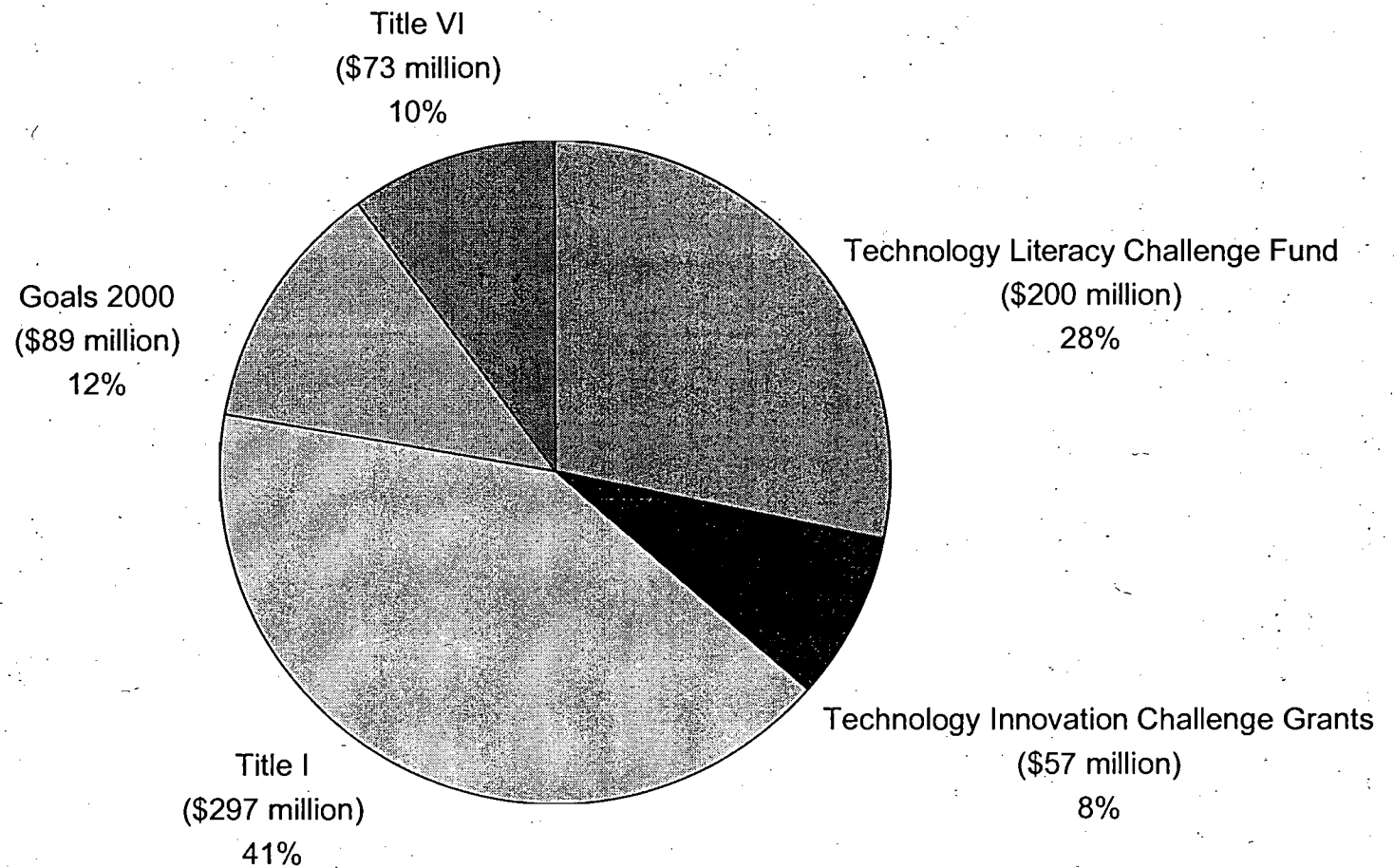
District and school spending on professional development from Title I funds amounted to \$221 million, or 27% of total support for professional development from the programs in this study.



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Financial Contribution of Five Federal Programs to Funding for Technology, 1997-98,

District and school spending on technology from Title I funds amounted to \$297 million, or 41% of total support for professional development from the programs in this study.



Source: U.S. Department of Education, Study of Education Resources and Federal Funding

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.



88 of the *Best*

1999 Title I
Distinguished Schools

September 1999

