

March
2020



Equitable State Funding

VSBA Equity Month



My Equitable Funding Journey

to 273,194 projected students in 2018

4.0% of high-schoolers dropped out in 2015-2016

- 18% of all school-age children lived in poverty in 2015-2016 compared to 14% statewide
- 50% of all students got free or reduced lunch in 2013-2014 compared to 41% statewide
- 3% of all students were English-language learners in 2016-2017 compared to 12% statewide
- Rural divisions filled 90% of slots with state funding for the Virginia Preschool Initiative

TAFFING

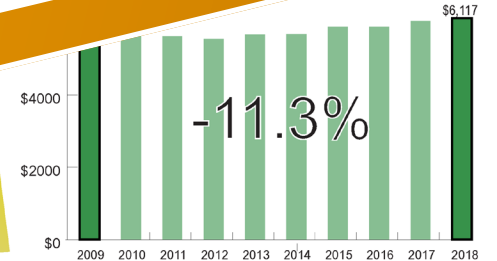
relative to student enrollment in 2008-2009, there are fewer staff in rural Virginia public schools. This includes:

Numbers show how many more or fewer staff schools have from not maintaining their 2008-2009 staffing ratio.

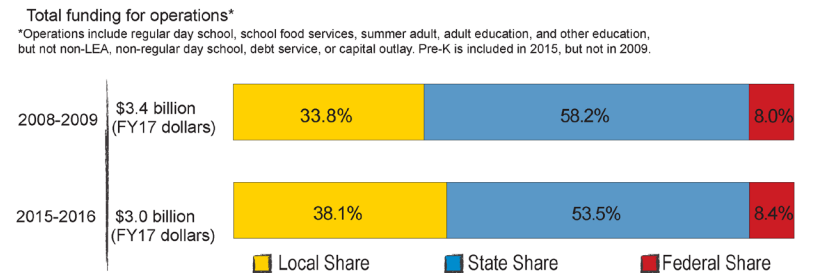
- 645 Fewer teachers and instructors
- 4 Fewer principals and assistant principals
- 43 Fewer guidance counselors and librarians
- 192 Fewer teacher aides
- 53 Fewer support staff

137 Fewer staff in schools relative to student enrollment in 2008-2009

per capita spending for Virginia public schools after adjusting for inflation.



The shares of local, state, and federal funding for school operations has shifted since 2008-2009. Rural localities have taken on a larger share of funding.

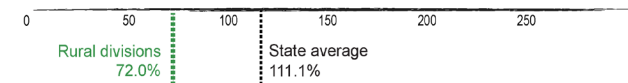


Did you know

... that a one-cent increase in the property tax rates for all of Virginia's rural localities can raise about \$19,469,500?



... that rural divisions invested 72.0% above the required local effort for SOQ programs in 2016?





Origins

Coalfields Coalition 2016

- In 2015-16, 7 Divisions in SWVA lost 274 students over the course of the year.
- From May 2016 to August 2016, those Divisions lost another 644 students
- We decided to come together to :
 - Establish a Regional Voice
 - Educate, Engage, and Unite our Communities
 - Acknowledge our Challenges
 - Enrollment Decline
 - State Funding Discrepancies
 - Struggling Localities
 - Provide Solutions
 - Propose a Plan of Action for Policy Makers



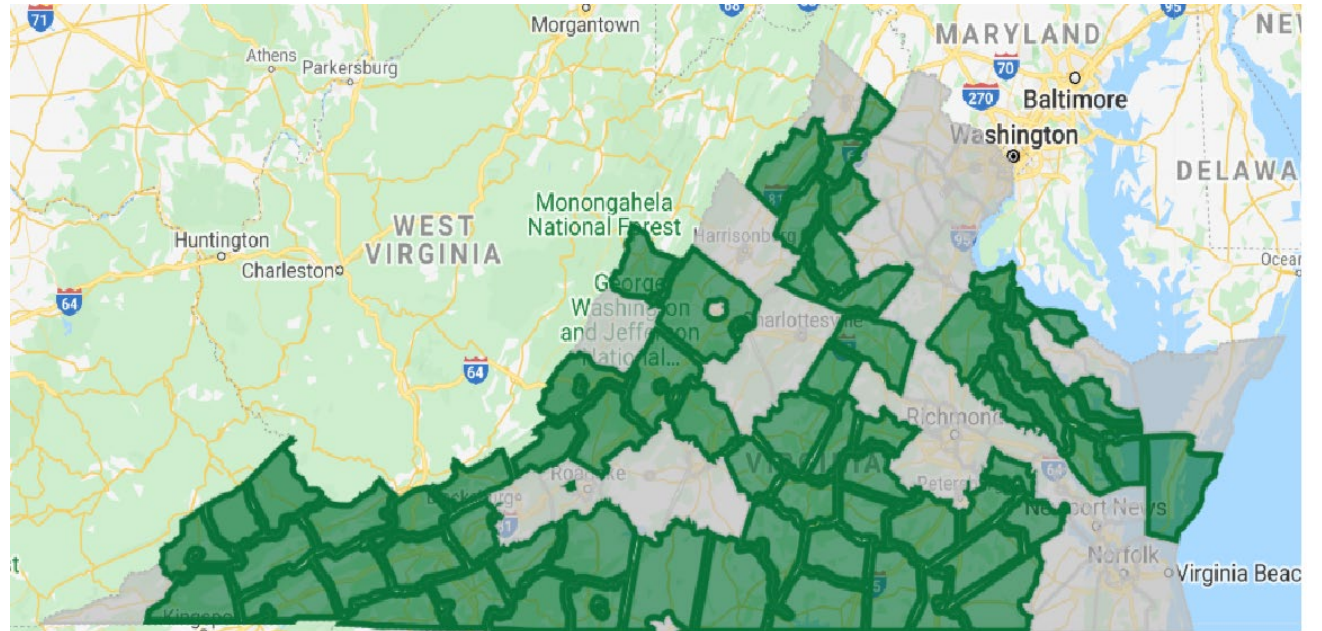
2019

Virginia
Coalition of
Small and
Rural
Schools

- 75 School Divisions from every region in the Commonwealth
- Enrollment Loss funding was reinstated - \$13.3 million in 2017 and 2018 combined
 - Removed in 2019
- The At-Risk Add On has been increased by \$36.2 million in 2018 and 2019 combined
- We have a Statewide voice that is improving education for students in our rural communities

2019

Virginia Coalition of Small and Rural Schools





Funding Inequities

Local Capacity as Measured by LCI

- Of the 20 Divisions with the lowest LCI, 15 are members of our Coalition
- 14 of those Localities invest less than the State Average of 109% above RLE
- 13 of those Divisions receive less than 30% above the legal minimum
- 4 of those Divisions receive less than 12% above the legal minimum
- 2 of those Divisions receive less than 7% above the legal minimum
- In contrast, some Divisions with the highest Required Local Effort, invest over 180% above the legal minimum
- *VDOE Website



Funding Inequities

Local Capacity as Measured by LCI

- If EVERY Rural Division in Virginia, as identified by the U.S. Census, raised property taxes by 1 penny, \$19,600,000 could be raised to support public education
- If one affluent division raised property taxes by 1 penny, \$23,900,000 could be raised to support public education
- *VDOE Website




Funding Inequities

Per Pupil Expenditures

- State Average - \$12,548
- Non-Rural Division A \$20,000+
- Non - Rural Division B \$19,000+
- Non - Rural Division C \$14,000+
- Wise - \$9,832
- Norton - \$9,219
- 7 out of 10 Divisions with the lowest PPEs are members of our Coalition
- *VDOE Website


Funding Inequities

Change since
2009 in State
Direct Aid Per
Student
(adjusted for
inflation)

- 
- Rural Divisions – Down 10%
 - Wise County – Down 15%
 - Pittsylvania County – Down 12%
 - Charlotte County – Down 16%
 - State Average – Down 9%
 - A more affluent, non-rural Division – Up 14%
 - We don't want to take away from them, we just expect the same 14% increase per student for our communities
 - Zip Code should not matter, but the data tells us that it clearly does
 - *The Commonwealth Institute


Funding Inequities

School Facility Funding

- 
- The condition of school facilities across the Commonwealth has been well documented recently
 - In 2009, Virginia budgeted \$71,000,000 for School Construction, through grants, the literary fund, and interest rate subsidies (down from 2002)
 - In 2019, Virginia budgeted \$0 for School Construction
 - *Multiple Sources

Funding Inequities

School Facility Funding

- 
- In 2009, Bristol received over \$400,000 in State money for facilities
 - We have six schools in Bristol. They were built in 1916, 1938, 1948, 1957, 1968, and 1974
 - Our Locality doesn't have the capacity to provide funding for renovations or construction

Funding Inequities

At-Risk Add On

- Virginia has repeatedly earned a grade of F for School Funding Distribution and Fairness from the annual report card published by Rutgers University and the Education Law Center
- The National Average for increased funding for At-Risk students is more than 20% per student
- Virginia's cap, for its highest poverty Divisions is 16%

Funding Inequities

Regressive Funding

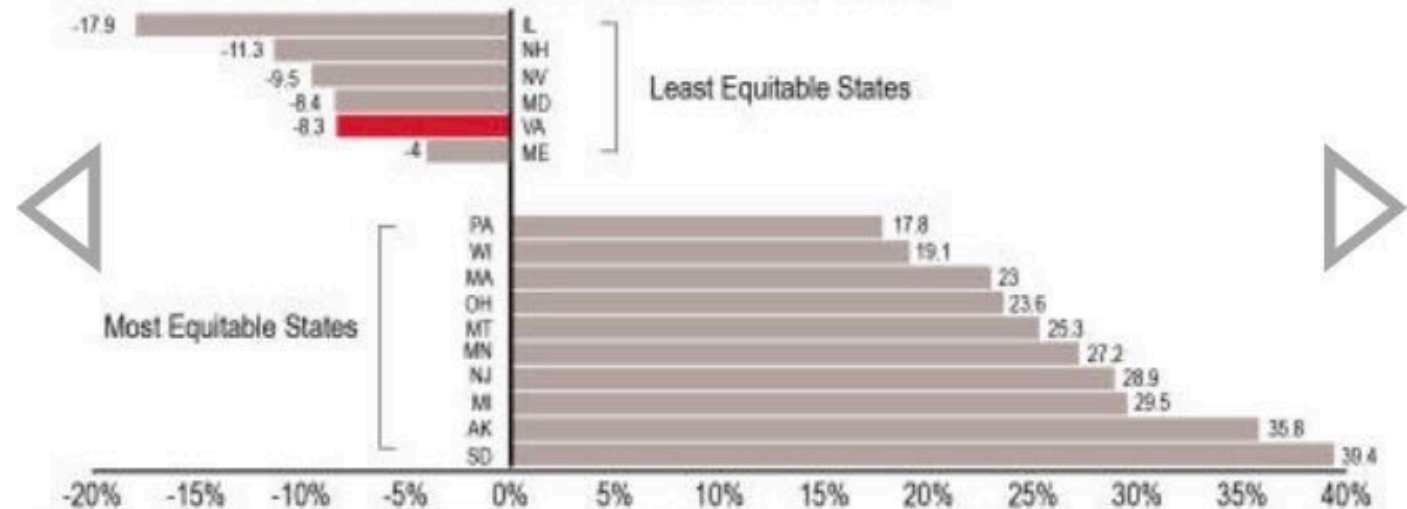
ADD A FOOTER



High-Poverty Virginia Schools Receive Less

Virginia is one of only six states nationally with lower per-pupil funding in high-poverty districts.

% difference in per-pupil state, local, and federal funding between high and low poverty districts



Source: National Center for Education Statistics, Revenues FY2015

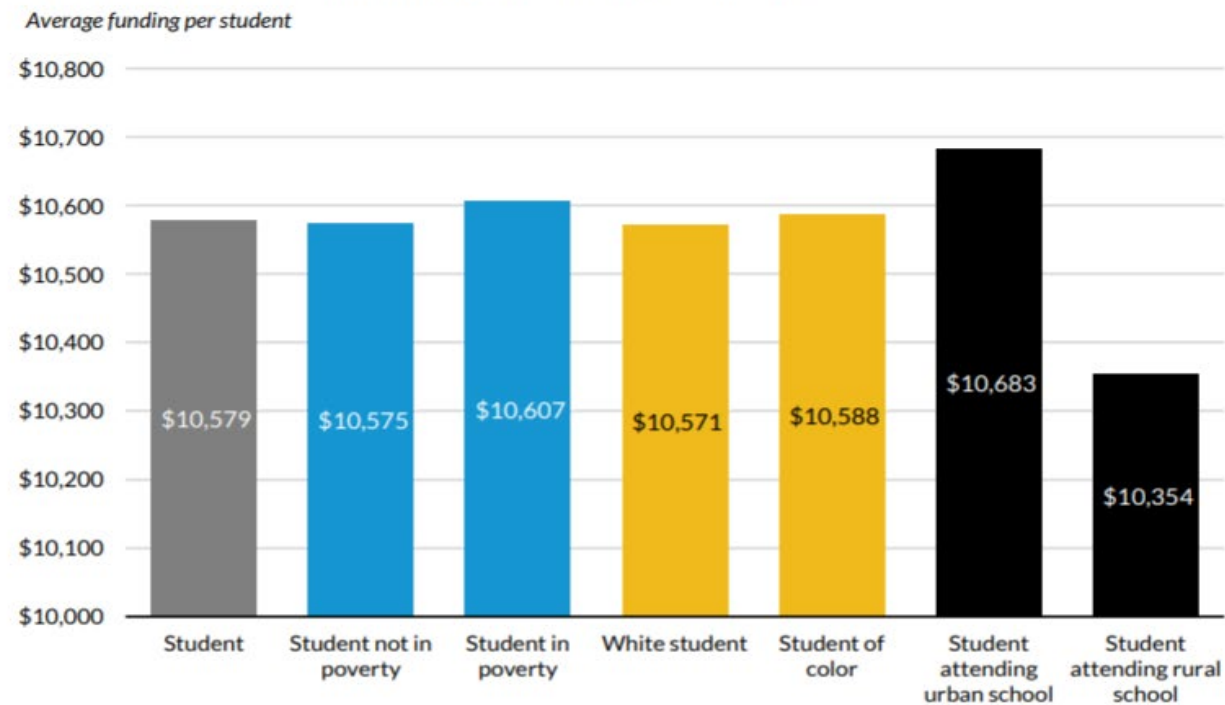
Funding Inequities

Regressive Funding

*The Urban Institute




FIGURE 1
Cost-Adjusted District Funding Average Student Receives in Virginia



Funding Inequities

Recommended Solutions

- 
- Make the At-Risk Add On a Standard of Quality and increase it to 26% or more
 - Reinstate the Enrollment Loss line item to the budget using the original formula
 - Reinstate School Construction Grants (\$54 million in 2002 and \$27 million in 2009)
 - Provide Incentives for Public/Private Partnerships for School Construction and Alternative Financing Models
 - Increase Teacher Pay




Conference Budget

At-Risk Add On

- Moves the cap to 26% in the 2nd year of the biennium
- That means over \$60 million to schools in our Coalition and even more to Urban school Divisions
- This will get Virginia in line with the rest of the Nation


Recommended Funding Solutions

Enrollment Loss

- 
- Partial funding for loss of enrollment
 - $\text{Prior Year ADM} - \text{Current Year ADM} = \text{Number of Students Lost}$
 - Recommended formula
 - Number of students lost weighted at:
 - 85% for LCI of .0000 - .1999
 - 70% for LCI of .2000 - .3499
 - 45% for LCI of .3500-.4999
 - 30% for LCI of .5000 or more
 - $\text{Weighted number of students lost} \times \text{state share of per pupil amount} = \text{State Share Enrollment Loss}$


Conference Budget

Enrollment Loss

- 
- School Divisions with less than 10,000 students
 - An annual decrease of 2%
 - $\text{Prior Year ADM} - \text{Current Year ADM} = \text{Number of Students Lost}$
 - $\text{Weighted number of students lost} \times \text{state share of per pupil amount} = \text{State Share Enrollment Loss}$

Funding Solutions

School Construction

- 
- It is evident that the Commonwealth can't afford to fund the billions of dollars in school infrastructure needs
 - It is even more evident that most localities don't have the capacity to carry that burden
 - Instead of placing \$80 million in the Literary Fund, where there is a waiting list of 13 Divisions dating back to 2008, why not place \$80 million in a fund that encourages Public/Private Partnerships and Innovative Financing Models



Conference Budget

School Construction

- Requires localities to use 30% of Lottery Per Pupil Allocation towards Capital Projects in the 1st year of the biennium
 - Including buses, renovations, roofs, debt service issued in the last 10 years, etc.
- Requires localities to use 40% of Lottery Per Pupil Allocation towards Capital Projects in the 2nd year



Conference Budget

- 2% increase for SOQ positions in the 1st year of the biennium
- 2% increase for SOQ positions in the 2nd year of the biennium

Teacher Pay

Painting the Equity Picture

According to the VEA, Virginia is the 12th wealthiest State in America but we rank 42nd in education funding. We CAN do better. In order to provide equitable learning experiences, regardless of Zip Code we MUST!

