

July 29, 2010

The Honorable Chaka Fattah
2301 Rayburn HOB
United States House of Representatives
Washington, D.C. 20515

Dear Representative Fattah,

We write in support of your bill, the ESEA Fiscal Fairness Act, which would fix the comparability loophole in Title I of the Elementary and Secondary Education Act (ESEA). The bill would ensure that school districts receiving Title I funds provide their high-poverty schools—schools facing the steepest challenges—with a fair share of their state and local resources.

The comparability provisions of Title I require that participating districts provide all schools with an equal share of state and local resources. When there's an equal funding base, Title I funds can buy the extra supports that low-income kids need to achieve at high levels.

A loophole in the comparability provisions of Title I, however, allows districts to budget and account for funds in ways that shortchange high-poverty schools. So instead of buying extra supports for low-income students, too many school districts use Title I funds to make up for district-created funding gaps between high-poverty and low-poverty schools. This undermines the intent of the law and makes it a far less powerful tool to boost the achievement of low-income students.

A decade of careful study of budgeting practices in school districts around the country has revealed widespread use of a practice called "salary averaging." This method counts all teacher salaries as equal—despite significant differences in actual teacher pay. In reckoning how resources are allocated to schools, a district using salary averaging would count the salary of a first-year teacher with a bachelor's degree as equal to the salary of a ten-year veteran. This practice is rampant, even though years of teacher experience lead to major salary differentials in most districts. High-poverty schools, meanwhile, tend to disproportionately employ less experienced teachers. As a result, teacher head counts in high-poverty schools may be the same, or even higher, than such head counts at more affluent schools, but the resulting dollars are far from equal.

At P.S. 291 in the Bronx, for instance, averages mask big differences. The school, where 96 percent of students are low-income, spends just \$3,558 in state and local funds per student for teacher salaries—\$1,012 less than the average in non-Title I schools. This adds up to more than half a million dollars in lost revenue for P.S. 291, every single year.

Although salary differences account for much of the disparity in school-to-school funding, research shows that the allocation of other resources also hurts the poorest schools. A deeper look at state and local per-student expenditures at P.S. 291 reveals that, in addition to the half million dollars noted earlier, the school still falls short of the average spending at non-Title I schools—\$700,000 short. Simply equalizing teacher salaries will not solve the problem. Nor will "forcing" teachers to transfer to schools in which they do not want to work.

School districts should provide equal *funds*. Some schools may have a more expensive teacher corps than others, but fair funding could provide added supports even though salaries differ. Such funds could pay for extra costs of master and mentor teachers, better professional development, teaching tools, expanded learning time, and technology—improvements to make high-poverty schools attractive places to work and learn. This cannot happen, however, unless we ensure that high-poverty schools receive an equitable share of state and local funds.

The ESEA Fiscal Fairness Act gives Congress the power to end school-to-school funding gaps by passing this legislation. Specifically, the bill would close the comparability loophole by requiring districts to do the following:

- Spend at least as much per pupil in state and local funds in Title I schools as they do in non-Title I schools.
- Count all school-level expenditures in dollars, including actual teacher salaries, to demonstrate equitable funding across a school district.
- Publicly report per-student expenditures in several categories by school building.

We support the ESEA Fiscal Fairness Act. And we look forward to working with Congress to help end the unfair budgeting practices of school districts that deny poor children the resources they need to succeed.

Sincerely,

Advance Illinois
Center for American Progress Action Fund
Children's Defense Fund
Citizens' Commission on Civil Rights
Civic Builders
ConnCAN
Democrats for Education Reform
Disciples Justice Action Network
Education Equality Project
Education Reform Now
Forum for Youth Investment
Hope Street Group
League of Education Voters
League of United Latin American Citizens
Mass Insight Education and Research Institute

NAACP
National Council of La Raza
National Hispanic Caucus of State Legislators
National Indian Education Association
National Urban League
The Education Trust
The Mind Trust
The New Teacher Project
Oklahoma Business & Education Coalition
The Schott Foundation for Public Education
Southeast Asian Resource Action Center
United Negro College Fund
United Methodist Church, General Board
of Church and Society

(Note: This letter contains additional signatories to a letter originally dated April 30, 2010.)