

A LONGITUDINAL STUDY OF SELECTED SCHOOL STATE AID FORMULA CHANGES IN KANSAS 1992-2017

Shiloh Vincent, EdD

“Since school finance is at the forefront of Kansas legislative issues...it seems prudent now more than ever to examine selected trends across the history of Kansas school funding to glean insights for future policy development and implementation.”

EXECUTIVE SUMMARY

Since school finance is at the forefront of Kansas legislative issues, and since it has been the unending task of the state legislature to develop a school funding formula which provides equal access to an adequate education for all public elementary and secondary pupils, it seems prudent now more than ever to examine selected trends across the history of Kansas school funding to glean insights for future policy development and implementation. The research conducted in this study extended the longitudinal perspective begun by DeBacker (2002) and Jordan (2012) and, when considered wholly, provides insights into the educational experiences offered by school districts in the state of Kansas from the years 1992 through 2017, as well as the impacts that changes to school funding had on those experiences. This study assessed selected fiscal and pupil performance variables and examined the impacts that changes to school funding had on those variables, paying close attention to the shift from per pupil funding under the School District Finance and Quality Performance Act (SDFQPA) of 1992 to block grant funding under the Classroom Learning Assuring Student Success (CLASS) Act from 2015 to 2017. The fiscal variables that this study analyzed were enrollment, general fund per pupil, supplemental fund (LOB) per pupil, capital outlay per pupil, bond and interest per pupil, pupils per certified employee, and average teacher salaries. The pupil performance variables that this study examined were graduation rate, dropout rate, state English language arts results, state math results, ACT results, and Success and Effective Rates.

INTRODUCTION

There has been a contentious and enduring struggle between education stakeholders to devise a school finance formula for Kansas that will provide an education for all children in an adequate and equitable manner. Each attempt to ensure fiscal adequacy and equity has met resistance, either through litigation or policy responses, with each new attempt resulting in vexing permutations on perceptions of winners and losers. From the School District Equalization Act (SDEA) to SDFQPA to CLASS and, now to the Kansas School Equity & Enhancement Act (KSEEA), the intent has been to provide a free and appropriate education for all students in Kansas while providing districts the flexibility to respond to unique needs and the growing challenges they face.

Scholars have examined the problem from many angles. In 2002, DeBacker’s study examined selected effects of SDFQPA on school districts over the early formula years 1993-2001. Subsequently, Jordan’s study extended that analysis over the years 2002-2011. Both studies yielded results rooted in the ashes of the old SDEA of 1973. However, another five years had gone by before this study’s analysis, and still yet another formula intervention in the form of CLASS had occurred along with a fledgling new formula in 2017 known

as SEEA. With an untested new aid scheme in place, not enough was known about any consequent changes to P-12 fiscal adequacy, equity, and attendant educational program effects over the ensuing time, and it seemed necessary for additional analysis in order to avoid repeating the mistakes of the past.

METHODS

Because this study extended the longitudinal view of Kansas school funding begun by DeBacker (2002) and Jordan (2012), the baseline for this research repeated the same measures for the years 2001, 2011, 2014, and 2016. Both prior studies used the basic framework of decile analysis, a schema that Thompson first utilized, that was approved by the trial court in *Bezdichek v. State of South Dakota* (1993) and validated in subsequent litigations in other states. For this study, this procedure ranked all Kansas school districts from wealthiest to poorest based on their assessed valuations per pupil for the respective years, with the top decile (10%) consisting of school districts considered to be the wealthiest and the bottom decile (10%) consisting of school districts considered to be the poorest. The remaining deciles represented the school districts falling within the two extremes and made up the remaining 80%. This step was used to create a longitudinal wealth line graph expressing the years 2001 – 2016 and was the basis for all other analysis and observations.

Baseline wealth data were then paired with other fiscal and pupil performance data for each respective district, so that a “taxable wealth and educational performance profile” was generated by decile for 2001, 2011, 2014, and 2016. This allowed examination of trends and changes by wealth-based deciles and construction of time-based line graphs for fiscal variables and pupil performance variables. Fiscal variables included: Enrollment, general fund per pupil, supplemental fund (LOB) per pupil, capital outlay per pupil, bond and interest per pupil, pupils per certified employee, and average teacher salaries. Pupil performance variables included: Graduation rate, dropout rate, state English language arts results, state math results, ACT results, and Success and Effective Rates.

Treatment of fiscal and static program data was descriptive and narrative for the purpose of constructing and recounting for policy. More specifically, data tables and graphs were created through alignment and reporting, with statistical analysis confined to calculating means, medians, percentages, and percentage changes since the purpose was to construct a narrative for policymakers and other end users interested in implications for practice.

This analysis was followed with superintendent interviews based on a sample of high wealth, average wealth, and low wealth school districts in order to gain a deeper insight regarding the impact that the CLASS funding formula changes had at the local level. More specifically, selected school district leaders drawn from wealth deciles were interviewed on the fiscal and pupil performance variables listed above, plus additional topics of new building projects, closure of buildings, combining of buildings, and more. The researcher reviewed all interview data to answer the overarching question driving the study: i.e., What broad trends and conclusions can be drawn across all three state aid formulas (SDEA, SDFQPA, with emphasis on CLASS) that would assist and/or warn in relation to success of any new state aid plan, including the new SEEA?

“With an untested new aid scheme in place, not enough was known about any consequent changes to P-12 fiscal adequacy, equity, and attendant educational program effects over the ensuing time, and it seemed necessary for additional analysis in order to avoid repeating mistakes of the past.”

CONCLUSIONS

Responses to the broad research questions framed in this study were grouped by major headings of per-pupil impact on assessed valuation, enrollment, general fund, supplemental fund, capital outlay, bond and interest, FTE per pupil, average teacher salary, graduation and drop-out rates, Kansas language arts, math, and ACT assessments, success and effective rates, construction or remodeling of facilities, closure or combining of facilities, curricular offerings at the secondary level, certified employees and compensation, and general impact of CLASS. When examining fiscal variables in this study, Decile 1 (i.e. poorest) saw the most growth in general fund per pupil, bond and interest per pupil, and pupils per certified staff. Decile 5 (i.e. average wealth group) saw the most growth in average teacher salary, while Decile 6 (i.e. another average wealth group) saw the greatest growth in supplemental general fund (LOB) per pupil. Finally, Decile 10 (i.e. wealthiest) saw the most growth for capital outlay per pupil from 2001 to 2016.

Examination of pupil performance variable revealed a clear trend: Decile 1 (i.e. poorest) routinely saw the most growth, while Decile 10 (i.e. wealthiest) saw the least. Knowing that Decile 1 ranked the lowest in most of the pupil performance variables in 2001, it stands to reason that Decile 1 had the greatest room for improvement. However, the consistent growth by Decile 1 across pupil performance variables demonstrated an equalizing trend in the educational opportunities offered for students across Kansas over the years of this study.

RECOMMENDATIONS

As the state of Kansas emerges from the block grant years of CLASS and moves into a new era of per pupil funding under KSEEA, the future feels bright despite ongoing debate and seemingly never-ending litigation. As the continued transition to KSEEA is realized, further study will be crucial to ensure progress is made and the goals of adequacy and equity in education are achieved.

While the findings of this study provided many insights and areas in need of deeper study, three central recommendations emerged, including:

1. Enrollment shifts – Significant shifts in enrollment occurred over the years of this study, with the state of Kansas experiencing two major trends: (1) movement from rural to suburban and urban areas, and (2) movement to the virtual setting. As the state continues to see the population shift toward more urban and suburban areas, further research seems vital to examine the potential impact that large increases and decreases of students will cause. Additionally, as technology continues to play an integral role in 21st Century learning – particularly as the COVID-19 pandemic fosters greater use of remote learning options – the impact that movement from the brick-and-mortar setting of the physical classroom to the virtual setting will warrant close study. Consequently, a deeper examination seems vital to determine the impact felt by districts losing students and those gaining them for online schools and programs.
2. Locally levied taxes and equity – Examination of independent funds per pupil and combined funds demonstrated that some districts, particularly wealthier districts, benefit from a greater ability to generate taxes locally (i.e., LOB, capital outlay, bond and interest). As the state returns to a per pupil funding formula, a closer look at equalization mechanisms seems crucial.

"As the state of Kansas emerges from the block grant years of CLASS and moves into a new era of per pupil funding under KSEEA, the future feels bright despite ongoing debate and seemingly never-ending litigation."

3. Success and effective rates – An examination of success and effect rates were offered in this study, but limited trends could be observed or gleaned from the limited data. If the state of Kansas stays committed to collecting and reporting data in this form, policy makers and practitioners alike will benefit from further research into the wealth-based connections that could exist between these two rates and school funding provided to districts.

REFERENCES

Researchers interested in this specific topic – school funding in Kansas and its impact on the educational experiences of students from 1992 through 2017 – the following research is highly recommended:

DeBacker, D. (2002). A longitudinal study of selected impacts of the 1992 school finance and quality performance accreditation (SDFQPA) act on representative Kansas school districts, 1993-2001 (Doctoral Dissertation).

Jordan, B. C. (2012). A longitudinal study of selected impacts of the 1992 school finance and quality performance accreditation (SDFQPA) act on representative Kansas school districts, 1992-2011 (Doctoral Dissertation).

Additionally, for a comprehensive look at finance formulas across the United States, including an analysis of the current Kansas formula, the following text is highly recommended:

Thompson, D.C., Wood, R.C., Nuenenswander, S.C., Heim, J.M., & Watson, R.D. (2019). Funding Public Schools in the United States and Indian Country. Van Haren Publishing.

CONTACT INFORMATION

To learn more about this research brief and other research endeavors in the College of Education at Kansas State University, please reach out to the Office of External Funding and Research at: coeresearch@k-state.edu

Major Professor: Dr. David Thompson

To read the full dissertation, go here: <http://hdl.handle.net/2097/39366>