



ACHIEVING FUNDING EQUITY

A Guide for Policy and Advocacy Leaders



▶▶ EQUITY IN EDUCATION
PLAYBOOK 5 OF 5

INTRODUCTION

In every industry and business sector, securing a skilled, diverse, ready-to-work-and-lead talent pipeline is vital for short-term success and long-term sustainability. That challenge cannot be solved without transforming our education system to truly prepare all students to succeed. America Succeeds' Equity in Education platform pursues five systemic changes to ensure every student has equitable access to quality education and businesses have diverse talent and leadership pipelines for generations to come. Our work is focused on five pillars:

- Advancing equity in STEM
- Strengthening equity through social-emotional learning
- Recruiting and retaining educators of color
- Expanding equity in course access and options
- Achieving funding equity

We gathered BIPOC leaders, advocacy partners, policy experts, and businesses to develop a set of promising policies and practices emerging from across the country to improve equitable outcomes for students. Tapping into our partnership ecosystem's wide breadth of expertise allowed us to amplify leading voices in the conversation, build consensus, and identify impactful solutions to accelerate change and address these challenges.

At America Succeeds, we believe business is a powerful voice in crafting solutions that will dramatically improve the future talent pipeline. Our goal is to ensure business leaders have a seat at the table and can thoughtfully contribute to systemic change alongside other key stakeholders. There are multiple levers businesses can engage in to improve equity and this guide will focus specifically on achieving funding equity.



WHAT YOU NEED TO KNOW



The Problem

Education funding is a complex system that is often misunderstood, outdated, and difficult to navigate. Yet, education funding policies are the foundation of the education system, impacting everything within it. Although each state has its own funding formula, there are general characteristics that nearly every state shares, such as deriving funding from locally controlled property taxes.

Despite huge investments made each year in public education, however, the system is not performing to its potential. This is due in part to the fact that public funds are not being allocated to where they'll have the most impact. Students with greater needs are often shortchanged, receiving insufficient resources to support their academic success. Schools and districts in underserved communities struggle to generate enough revenue to fund their schools while those in wealthier communities enjoy an abundance of resources to meet every need. In short, the way schools are currently funded has the effect of only providing sufficient resources for some students, limiting the impact of public investments overall to a smaller group of students. More often than not, students of color and students from low-income households bear the burden of this inequitable system, which ultimately leaves them underprepared for college and a career.

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“Equity is an issue for the prosperity of the companies in our country.”

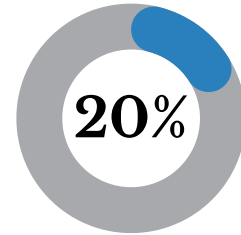
- Maurice Jones, OneTen

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FACTS & FIGURES

\$23,000,000,000

Did you know that a \$23 billion funding gap presently exists between predominately white and non-white school districts?



A study found that school reforms focused on allocating more money to low-income schools reduced achievement gaps by 20 percent on average.



Even within the same school district, some wealthy schools get millions more than poor ones.

SPOTLIGHTS

California: Building an Equitable Funding System

California is approaching school funding with the goal of building an equitable and excellent funding system. The state's Local Control Funding Formula plan shifts billions of dollars to districts serving high-needs students to provide all districts with the flexibility needed to spend based on local needs and priorities. The state's success will be dependent on new and continued investments for capacity-building across all levels, capitalizing on new resources, continuous improvement commitments, and community-based decision-making.

Boston Public Schools: Transitioning to a Student-Based Allocation Formula

Boston Public Schools transitioned to a student-based allocation formula in 2011 that shifted 40 percent of its total budget toward student-based allocation. The district considers equity implications to determine additional weights for students who typically cost more to educate. These weights include English learners, students with disabilities, young students, and migrant students. Having a student-based formula allows the district to build on the Every Student Succeeds Act's transparency requirements to use financial resources for schools based on the needs of their student population.

WHAT YOU CAN DO



Make transparent data on school expenditures and per-pupil spending readily accessible to the general public.



Ensure funds meant for supporting low-income students can be targeted toward schools with higher concentrations of students in poverty so that schools serving the most high-need students receive the greatest share of resources.



Ensure revenue sources are as stable as possible and collected at the highest level in order to reduce reliance on local property taxes and improve equity across districts.



Enact student-centered funding that follows the student wherever they choose to attend school.



LEARN MORE

The following organizations are leading the charge on achieving funding equity:



Bellwether Education Partners: Bellwether Education Partners is focused on dramatically changing education and life outcomes for underserved children by helping education organizations accelerate their impact and by working to improve policy and practice.

Edunomics Lab: Edunomics Lab is a Georgetown University research center exploring and modeling complex education finance decisions to inform education policy and practice.

Urban Institute: Urban Institute provides original data and analysis on state and federal policies that can support equity and opportunity from early childhood through higher education.

Leading research and resources on school finance:

- EdBuild’s comprehensive report on school finance, [“23 Billion”](#)
- Edunomics Lab compiled list of [datasets commonly used in education finance research and practice](#)
- EdBuild’s interactive [data toolbox](#)
- Urban Institute’s overview of funding formulas, [“How do school funding formulas work?”](#)

ABOUT US

America Succeeds is a 501(c)(3) non-profit education advocacy organization committed to improving educational opportunities, outcomes, and equity by harnessing the influence and acumen of the business community in accelerating systems change.

