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[Equity Matters - Episode 3.m4a](#)

Transcript

Tyler Bond

Welcome to Equity Matters. I'm Tyler Bond and on this episode, we're going to talk about race and school spending. Today's guests are Doctor Bob Bifulco, a professor of public administration, and Sarah Souders, a doctoral student in public administration, both at the Maxwell School of Citizenship and Public Affairs at Syracuse University. Bob and Sarah recently published a working paper titled "Racial Disparities in School Poverty and Spending." Thanks for joining us, Bob and Sarah.

Bob Bifulco

Great to be here. Thanks Tyler.

Sarah Souders

Yeah. Thanks for having me.

Tyler Bond

Schools are as segregated today as they were in the late 1960s. New York is still the most segregated for black students, and the second most segregated for Hispanic students behind California. So how does racial segregation lead to unequal educational opportunity for black and Hispanic students?

Bob Bifulco

The fact of racial segregation in US schools at least creates the possibility that black and Hispanic students will encounter systematically different schools and systematically different educational experiences in those schools. And two ways that those experiences might differ- one has to do with the level of student educational need in the schools that are attended by black and Hispanic students as opposed to those of white students, and in particular one thing we know is that low-income students and the percentage of low income students in a school can have lots of important effects on the school. And the second factor that we focus on here is access to per pupil student funding and student spending. Again, if black and Hispanic students are attending different schools in large part than white students are, that suggests that access to resources may differ systematically between races.

Tyler Bond

How does the average white, black and Hispanic student's districts differ in terms of educational need?

Bob Bifulco

The average black and average Hispanic student attends a school with much higher levels of poverty than the average white student school. So in the average black student school, 62% of students are low income. In the average Hispanic student school, 59% are low income. And compare that to the percent

low income in the average white student school, which is about 32%. So those are pretty large differences.

Tyler Bond

What about school spending? How does school spending differ by race?

Bob Bifulco

If you just look at per pupil spending without worrying about differences in the costs across different educational environments, we find that in the average, black students' schools spends about 6.6% more than the average white student school. The average Hispanic student school spends about 3% more than the average Hispanic student school.

Tyler Bond

So these schools are spending more, but is that addressing the costs adequately?

Bob Bifulco

Right. So that, you know- the stark difference in exposure to student low-income classmates, right, naturally raises that question whether the small amount of additional spending that black and Hispanics seem to have access to is sufficient to address those needs. And so that's where we draw on this literature that tries to estimate the cost of an additional low-income student. And so using estimates from that literature, we developed what we call cost adjusted spending measures, which makes the spending more comparable across districts with different levels of student need. And what that analysis tells us is that spending in the average black students' district falls about 12 or 13% short of what would be needed to provide the students in that school the same chance of achieving educational outcomes as are achieved in the average white student school, and the figure for black and Hispanic students is about the same there. So they're getting- so another way to say that is by these estimates, about 80- the black and Hispanic- average black and Hispanic student schools have about 80%- 87% of the funding they need to provide equal educational opportunities.

Tyler Bond

So let's talk about costs. So why are schools with concentrated poverty more expensive to operate than wealthier schools?

Sarah Souders

Yeah. So I think there are three main reasons that have been cited in the education policy literature. So that there's difficulty attracting and retaining high quality teachers in a lot of these schools. So you have to pay more to have a high quality teacher to limit attrition of teachers. You also might need to pay more for student educational services. There might be more intensive services that are required. And this is not necessarily helped by the fact that students in these schools are typically exposed to many stressors at home that influence early cognitive development. So the classroom and peer environments might be less conducive to educational achievement.

Tyler Bond

So you're saying that not only do the students need more educational support services, but the teachers are going to demand higher wages?

Bob Bifulco

Yeah, that's exactly right.

Sarah Souders

Two things happening.

Tyler Bond

So why do teachers ask for higher wages to teach in high poverty schools?

Bob Bifulco

There certainly is a large literature that documents the fact that schools with concentration of low-income students- with concentration of minority students- they tend to have lower quality teachers. They tend to have more novice teachers. They tend to have more teacher turnover, and now the reasons for that are a little bit more difficult to say. You know, part of it may be related to the other things Sarah mentioned like some of the stresses that are more prevalent in schools of high poverty. The extent to which comfort, racial biases or prejudices play is harder to say, but that may be part of it as well. There's also a set of studies that Jim Wyckoff and Ham Lankford did a number of years ago which suggests that, you know, teachers tend to go and teach at schools that are both geographically close to where they used to work and similar to where they went to school. They're segregated schools. That's going to perpetuate this kind of segregation of teachers as well.

Tyler Bond

In order to achieve the same level of teacher quality, high poverty schools are going to have to pay more. So I'm convinced that high poverty schools, which are predominantly black and Hispanic, have higher resource needs. So what are states doing about this?

Sarah Souders

Well states are oftentimes and largely in the last two decades have implemented school finance reforms where they're targeting more money in their state aid funding package to these types of districts. And so this additional funding is often tied to the types of pupils, so it's typically tied to whether students are identified as low income, English learner, or they have disabilities that might require more intensive services. So those are the types of things in districts with high concentrations of these students are often receiving more if they're in one of these states that has undergone reform at the district level.

Tyler Bond

How do you quantify how much an additional low-income student costs as compared to a higher income student?

Bob Bifulco

There have been several approaches that have been taken to try to address that question. The one that I find most convincing are those that kind of rely on historical data and relationships between proportion of low-income students in a school or district, the amount of spending in the district, and the outcomes in the district. There's a set of folks, some of the leading folks here at Maxwell, that have developed techniques for trying to sort out how much more a district needs to spend when they have more low-income students holding constant the level of achievement.

Tyler Bond

So in the data, I believe you came up with a few different measures. One was that low-income students required 50% more spending. Another was that they required twice the amount of spending, and then the third was that they required 2.5 times the amount of spending. So which of these measures did you settle on, and why did you do that?

Bob Bifulco

Like I said, this is a difficult task to try to precisely identify how much more it costs to give low-income students an equal chance of achieving educational outcomes. The way you try to handle that type of uncertainty in analyses is to pick lower case, mid case, and higher case scenarios. That's what we did there. Now, you know, what's our best guess or what's the- what do we think are the best estimates in the literature? They're probably closer to that it costs twice as much to bring- to give a low-income student equal chance of achieving educational outcomes. But that's a very rough number, which is the reason we wanted to see how sensitive some of the comparisons we made to it was to our choice of that type of student pupil weight.

Sarah Souders

And part of the reason for the lowest cost estimate is that most states in their aid packages, they're not spending twice as much. So most states are not meeting that threshold of adequate spending. And we're trying to see whether that makes a difference even if states are spending less than what might be necessary. How much of a difference does that make than when they are spending what the studies indicate might be necessary?

Tyler Bond

So the states can decide whether higher poverty districts receive more or less funding, and they largely do allocate a little more funding for the districts that are predominantly black or Hispanic. But once you get within the district, do districts replicate that equitable distribution? In other words, do they allocate more for black and Hispanic students and for high poverty schools than they do for wealthier white schools?

Sarah Souders

Well, until recently we really didn't know systematically whether this is the case or not. There have been quite a few kind of case studies of large metropolitan districts looking at Chicago, looking at New York City, looking at Rochester- like a few one off studies were done kind of in the early 2000s, but really this question hadn't been revisited until now when we have nationally available school level spending data. And so that is kind of one of the advantages of our paper is that we're able to take such a comprehensive look at the within district distributions of spending. And so before earlier literature, it

really was mixed. There are some studies that find that the spending in these schools was greater, but the quality of resources typically judged by the number of teachers that have only a few years of experience or lower levels of education. And so these schools might be spending more, but they're spending more on lower quality resources. And we find that there's quite a bit of variation across our metro areas as well. So we provide kind of average estimates in the paper, but we also dig into some of that variation to find that about 74 metro areas are not spending more within districts for the black students compared to white students.

Tyler Bond

So Bob, take us inside the black box. How do districts allocate their resources among schools? Is it based on a formula?

Bob Bifulco

There's two approaches that districts have taken to distributing resources across schools. One is the staff funding model where basically they say, you know, we're going to give each school a certain number of teachers per student and we're going to give them a certain amount of other staff per student, and then they assign those staffs to the schools, and that's what drives most of the funding to the schools. Now that funding model can lead to inequities in the following way, right. If low income, high minority schools have a harder time attracting and retaining qualified, experienced teachers, then they're going to tend to have less qualified teachers, right? They're going to have less experienced teachers, right? And since a lot of the teacher salaries are tied to the experience level, right, then that ends up driving more resources towards more advantaged schools that have more qualified and more experienced teachers.

Tyler Bond

That's what you find in your results.

Bob Bifulco

Well, again, it's a varied picture- it varies a little bit across different districts and in different regions because another funding- a second funding model which some districts have moved towards recently actually tries to address that issue I just talked about by using what are known as student weighted student funding formulas, right? And then instead of allocating staff to schools and kind of letting the dollars follow the staff that are allocated, they allocate dollars to the school and then provide the schools a bit more flexibility with what they're going to use those dollars to hire. And usually when districts adopt that type of system, they design formulas that drive more dollars to schools with more low-income students and students with other types of needs- English as second language, special education needs. And so, you know, because the way that student districts handle resource allocation differs, the answer to your question differs. So, you know, we're finding that in some places black/white disparities and Hispanic/white disparities are made worse through these within district allocation procedures, but in other places, they're ameliorated a little bit, right? And so, you know, one of the things I think that sets up is, you know, I think that's an area that a lot of people are interested in now- understanding a bit better how within district resource allocations contribute to or ameliorate inequities in school funding.

Tyler Bond

What are the regional differences in your findings? Do you find that the Northeast and the South and West and Midwest systematically differ in their racial disparities in school funding?

Bob Bifulco

Things are worse in the Northeast is the short answer to that question. So what's primarily driving that is racial segregation tends to be higher in the Northeast and to a lesser extent, but still more than in the South and the West. It's racial segregations higher in the Midwest. And so what that means is there's kind of more scope for these inequities to arise, and so what you really see is very stark differences in exposure to poverty among black and white students in the northeast. It's in the northeast where those disparities are largest. And so black students in the Northeast are really very likely to go to school with very high levels of student need. And now that's compounded a little bit in the Northeast because unlike in some other regions, they're not using more per pupil spending in black and Hispanic schools in the northeast, and so both factors are really contributing to making things a little bit more stark in the Northeast. And so I think the figure is in the Northeast, the average black student school has about 77% of the funding needed to provide their students equal opportunity to achieve outcomes on par with those in the schools that the average white student is.

Tyler Bond

It's interesting that in the data it shows that the South is actually doing better in terms of these racial disparities than the Northeast is.

Speaker 2

Well, again, I think part of that goes back to the history of desegregation efforts in the US. The South-many districts in the South were under pretty stringent desegregation requirements from the courts and actually achieved large amounts of integration as a result of those corridors. And for a complicated set of reasons and court rulings, there were never the same type of efforts made outside the South to desegregate the schools, all right. And so you- That's one of the reasons why you're seeing- you see higher levels of segregation in the northeast than other places, which then gives the scope for these types of inequities and access to resources and exposure to student need.

Tyler Bond

Because the court hasn't intervened in the northeast the same way that it did in the South.

Bob Bifulco

And in fact have placed constraints on trying to address issues of segregation on districts in the northeast.

Tyler Bond

And Sarah, the West shows higher Latino segregation, perhaps for the same reasons.

Sarah Souders

I think that's largely because that's where most of the Hispanic population is concentrated. We're able to see that. I mean we do have some bigger cities like New York City that do have a large proportion of Hispanic students and other regions. But I think a lot of that segregation is just driven by kind of the prevalence of the population in the West.

Tyler Bond

What are the long-term trends here? Are racial disparities widening, shrinking, or staying the same?

Sarah Souders

So we look at between 2006 and 2018 and we really find that these disparities have not changed much at all in spending. And in fact, they've gotten a little bit worse over time.

Bob Bifulco

And particularly in the Northeast, again, they've gotten a little bit worse. The pattern in the Northeast is interesting. The differences between black and white students, Hispanic and white students, in exposure to low-income classmates has gotten a little bit better in the northeast. But also in 2006 districts in the northeast were spending a bit more on black and Hispanic student schools, but that's no longer the case today. So overall, the kind of the cost adjusted disparities that we're looking at got a little bit worse in the Northeast, but Sarah's right. The bigger takeaway is we're not making progress, right? If we think the goal is to try to achieve parity on these types of measures that we're using, we are not making progress.

Tyler Bond

It sounds like the northeast is backsliding since spending on low-income students decreased over the last 10 years.

Sarah Souders

Well, it's interesting that we haven't made much progress despite, you know, these large district wide efforts, right. So what we're seeing is what we're able to document is that we haven't made much progress in closing between district gaps, right. So we don't have the longitudinal data for the within district allocations. And so when we're thinking about the effectiveness of spending more on students and the school finance reform literature that shows that spending matters. What we're documenting in addition to that is that spending matters, but also the allocations between districts, despite some of these reforms, are really not decreasing disparities as we would expect once you account for costs.

Tyler Bond

Bob, do you have takeaways for policymakers?

Bob Bifulco

To me there's two policy issues, both of which we've discussed a little bit that I think are really- these types of findings caused me to want to think a little bit more about. One is integration school desegregation, or what I think would be better called school integration policies. Again, I think what creates the scope for these types of disparities is the segregation of students across schools. And so I think the idea that school finance reform can offset some of the, for instance, the increased exposure to low income classmates for black and Hispanic students, you know, I don't think we're going to get there

with school finance reform by itself. I do think we need efforts that take as a goal trying to achieve more integration across schools. And the second thing which we talked a bit about is, you know, I think we need to pay attention to not only how resources are distributed across school districts, but also across schools within school districts. You know, I think thinking about policies to ensure that those resources are being distributed in an equitable way is something that deserves more attention and you could go further and think about the distribution of resources across students within schools, but it would at least be a step in the right direction to be thinking more about the distribution of resources across schools within districts.

Tyler Bond

Well, I encourage everyone to read the report by Doctor Bifulco and Sarah Souders. It's called "Racial Disparities in School Poverty and Spending." Thanks for joining us, Bob and Sarah.

Sarah Souders

Thank you.

Bob Bifulco

Thanks.

Tyler Bond

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