

EdWeek[™]
Research Center

School Spending

Results of a National Survey



About Editorial Projects In Education

Editorial Projects in Education (EPE) is a nonprofit, tax-exempt organization based in Bethesda, Md. Its primary mission is to help raise the level of awareness and understanding among professionals and the public of important issues in American education. EPE covers local, state, national, and international news and issues from preschool through the 12th grade. Editorial Projects in Education publishes Education Week, America’s newspaper of record for precollegiate education, the online Teacher, EdWeek Market Brief, and the TopSchoolJobs employment resource. It also produces periodic special reports on issues ranging from technology to textbooks, as well as books of special interest to educators.

The Education Week Research Center conducts surveys, collects data, and performs analyses that appear in Education Week and special reports such as Quality Counts, and Technology Counts. The center also conducts independent research studies and maintains the Education Counts online data resource.

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Executive Summary

In August of 2019, the Education Week Research Center conducted a nationally-representative survey of more than 700 school and district leaders. The objective was to learn more about perceptions and needs related to school funding and spending. Major findings include widespread concerns that state lawmakers are barriers to making wise funding decisions, a perceived lack of alignment between spending priorities and academic goals, the belief that special education and changing student demographics are driving rising per-pupil expenditures, and a prediction that most districts are only partially prepared for the next economic downturn.

The Public Sphere:

- Administrators perceive that members of the public do not have a good understanding of how money is distributed within districts and schools, especially in the Western United States. Local, state and federal elected officials also receive poor ratings for their understanding of district and school spending needs.
- Persuading the public and/or elected officials to sufficiently fund schools is far and away administrators' top funding challenge, especially in large districts and in the Western United States.
- State lawmakers are the elected officials who are most likely to be perceived as barriers to making good spending decisions.

Budgeting:

- More than half of administrators assign district-level staff an A for their level of understanding of school/district funding needs. However, district and school based leaders alike rate their own levels of understanding more highly than they rate the levels of understanding of one another.
- Most administrators say they know how much money is spent at each school in the district. However, this knowledge is more widespread among district leaders than principals and in smaller, rural, and lower-poverty districts.
- Just 1 in 4 administrators say local principals have a lot of autonomy over their budgets. Levels of autonomy are higher in the Western United States, in smaller districts, and among private and charter school principals.
- Academic goals have a limited influence on budgeting priorities: Fewer than 1 in 5 leaders say academic objectives have a lot of sway when it comes to budgets. Academics impact budgeting more in large, Southern, and higher-poverty districts and also in charter schools.
- Especially in large and urban districts, leaders assign mediocre grades to the software they use for budgeting.

Spending:

- Most administrators say there are too many restrictions on spending.
- Leaders embrace the status quo on teacher pay, with most saying experience and education should have a major impact on salaries. Charter school administrators are more likely to support paying teachers based on additional factors such as student outcomes and parent surveys.
- Nearly every administrator says per-pupil expenses are rising in her school district. The top culprits are special education, and the demographics of students, who have more needs than they once did. Special education is having an especially big impact on smaller districts-especially rural ones and also in the Northeastern United States. Private school leaders are more likely to be concerned about declining enrollment and debt.
- Leaders most need additional funding for increasing teacher salaries, building and maintaining facilities, school counseling/psychology, social-emotional learning, and special education. Teacher salaries are an especially big priority for charter school leaders and Southerners.

- Most leaders define equity as funding based on student and school needs — not as allotting the same amount of money to everyone. Most also say that their districts or schools spend money equitably although equity concerns are more pronounced among principals, charter school administrators, Northeasterners, and leaders in large and urban districts.
- Across the board, leaders are skeptical that equity will increase as a result of an ESSA requirement that school-level per-pupil spending be made public by the summer of 2020.

The Future of School Spending:

- Most leaders say their districts are prepared for the next economic downturn but just 3 percent say they're completely prepared. Private school leaders are more likely to say they're unprepared.
- If a recession does lead to reductions in spending, administrator hiring, savings/rainy day funds, extracurriculars, marketing budgets, and teacher hiring will be the first to take the hit, leaders say. Marketing budgets risk more reductions from principals and from leaders in large and urban districts. Teacher hiring reductions are more likely to be proposed by district leaders than principals and by administrators from small and rural districts.

Introduction

What do school and district leaders think about how they budget and spend their money? What would they do if they had more of it? Less? What role do elected officials and the public play in school spending? Is spending really equitable? What might the future hold?

With questions like these in mind, the Education Week Research Center set out in the summer of 2019 to survey principals and district level administrators-with a special emphasis on the district-level chief finance officers who have a front seat when it comes to budgeting.

The results are described in this document and also in a September 2019 Education Week special report entitled *Managing the Money*.

Although it does incorporate survey results, *Managing the Money* is mainly a work of journalism. This report delves more deeply into the survey data, sharing previously unreported breakdowns by categories including professional role, district size, locale, district poverty rate, region and sector (charter, traditional public, or private). The result is a richly textured examination of the ways in which K-12 administrators perceive school budgeting and spending.

SURVEY DETAILS

Survey Administered: August 2019, online

Sample: Nationally-representative

Respondents: K-12 school and district-level administrators including:

- 420 principals
- 98 chief financial officers
- 84 superintendents

Total Respondents: 727

Total Questions: 21

The Public Sphere

The public

The 2019 installment of the longstanding Kappan education poll found that 60 percent of Americans believe that their schools have too little money. In fact, this is the 18th year in a row that lack of funding was identified as the top problem facing public schools. Yet the poll also found that more than 70 percent opposed raising taxes to increase public school funding—they'd cut other government expenditures instead.

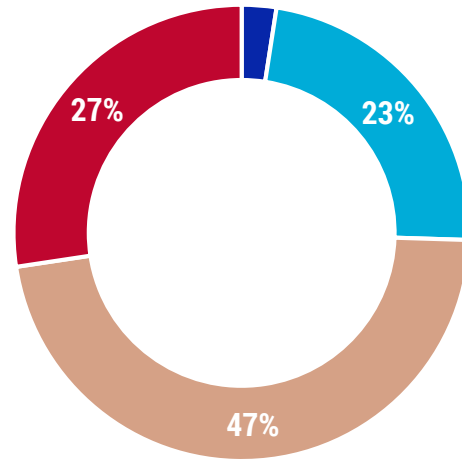
The Education Week Research Center survey raises questions about whether Americans even understand issues related to school funding.

Just a quarter of administrators say the public has a good understanding of how money is distributed in their district or school.

That percentage is even lower (17 percent) for leaders who work in urban areas although it is slightly higher in the suburbs (30 percent) in in rural or town settings (26 percent).

Northeastern administrators rate the public's level of understanding most highly, with 31 percent saying that people have a good understanding of how money is distributed in their districts/schools. By contrast, that percentage is 18 percent for Western leaders, 25 percent for leaders from the South, and 28 percent for Midwestern administrators.

The public has a good understanding of how money is distributed in my district/school

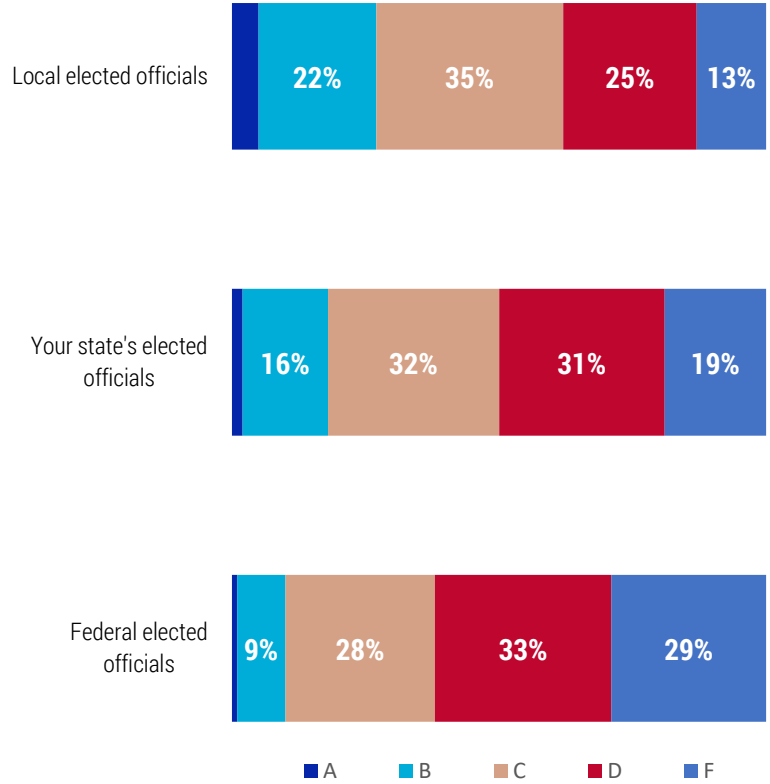


■ Completely agree ■ Agree ■ Disagree ■ Completely disagree

Elected Officials: Level of Understanding

Like members of the public, elected officials face challenges when it comes to understanding school funding, according to the administrators surveyed. Just 1 percent of leaders say federal elected officials deserve an A for their level of understanding of school or district funding needs. State and local elected officials fare slightly better, with 2 and 5 percent respectively receiving As.

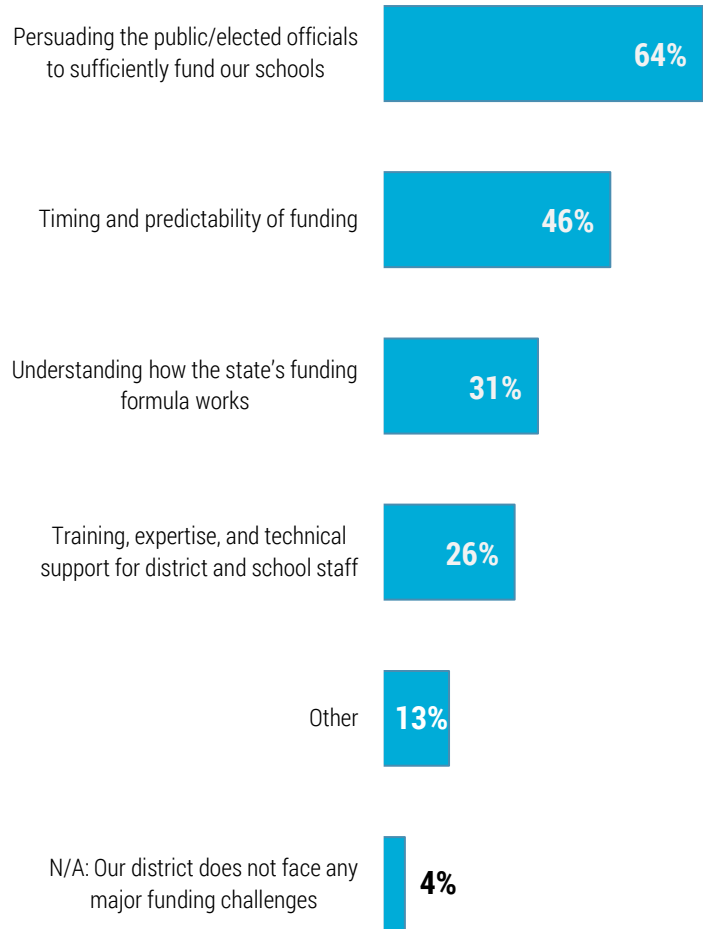
What grade would you assign the following groups' understanding of your district or school's funding needs?



Elected Officials and the Public as Obstacles

Persuading the public and/or elected officials to sufficiently fund schools is administrators' top funding challenge.

When it comes to funding, which of the following is a MAJOR challenge in your district? Select all that apply.



Public Support Perceived as Bigger Challenge in Larger, Western Districts

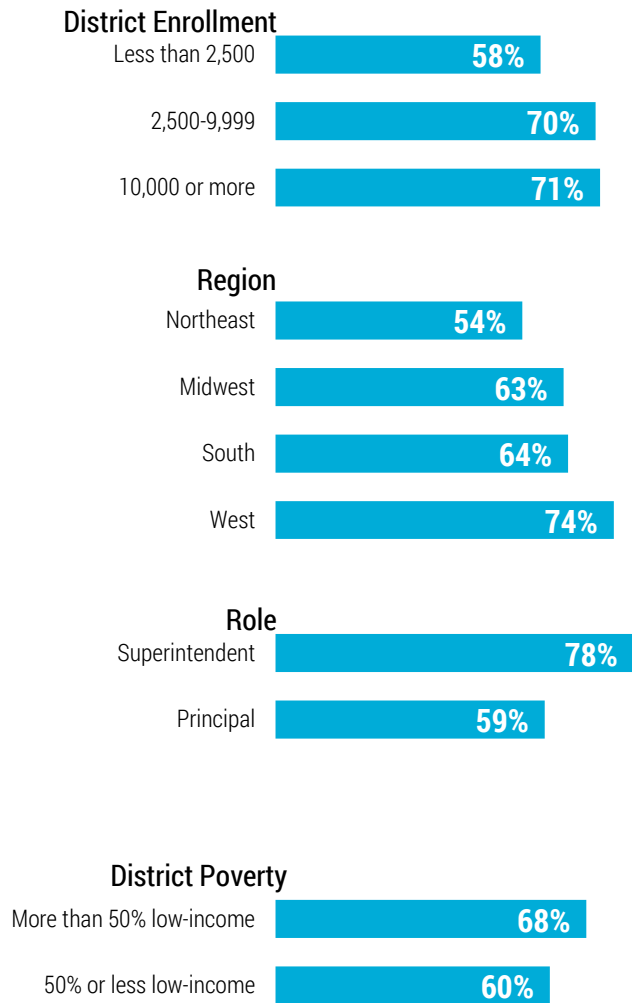
Leaders from larger school districts are significantly more likely to say that it is a major challenge to persuade the public or elected officials to sufficiently fund schools.

Western leaders are more likely than their peers from other regions to report that public support is challenging. Leaders from the Northeast find public support least challenging.

More than three quarters of superintendents say public support is a major challenge as compared to 59 percent of principals.

Finally, public support is perceived as a somewhat bigger barrier for leaders from higher-poverty school districts.

Percentage who say persuading the public/elected officials to sufficiently fund our schools is a major challenge



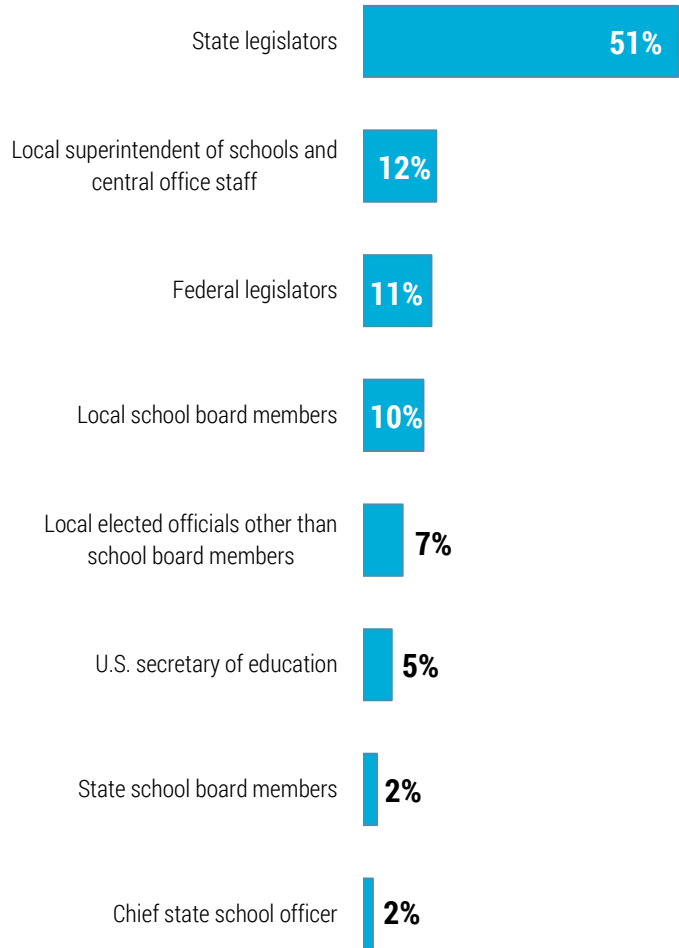
State Lawmakers Seen as Barriers to Good Spending Decisions

Compared to other elected and appointed officials, state legislators are the biggest barrier to making spending decisions that best address students' needs, administrators say.

And it's not even close.

More than half say state legislators are the top barrier as compared to 12 percent who perceive the local school superintendent to be the biggest obstacle.

Who is the biggest obstacle to making spending decisions that best address your students' needs?

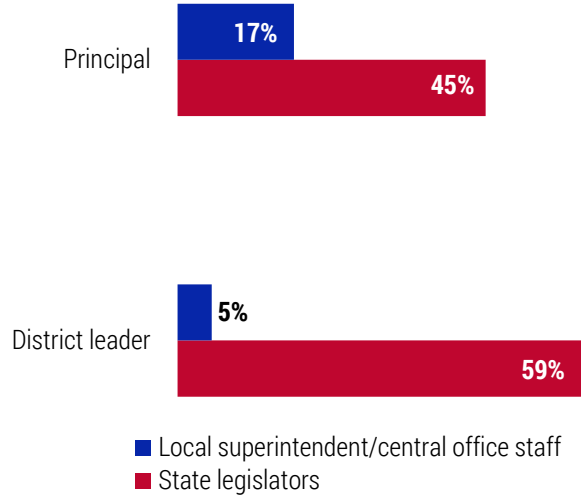


Principals More Likely to See Central Office As Obstacle

Perhaps not surprisingly, principals are more likely than district leaders to view the local superintendent and central office staff as obstacles to making decisions that suit their students' needs.

In turn, they are significantly less likely to perceive state lawmakers as their top obstacle.

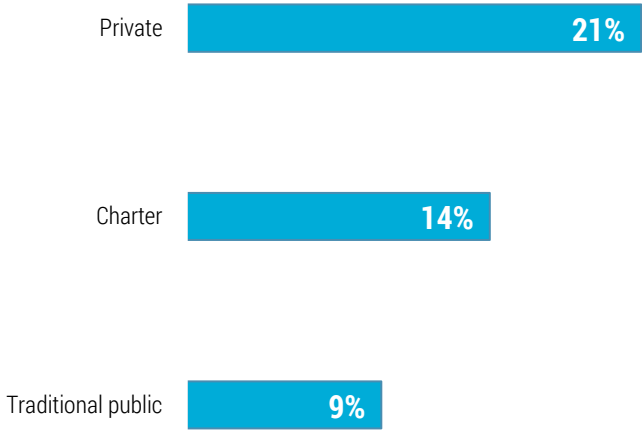
Who is the biggest obstacle to making spending decisions that best address your students' needs?



Local School Board Members Perceived as Bigger Barriers in Private, Charter Schools

Compared to their peers in traditional public districts and schools, private and charter school administrators are more likely to view local school board members as obstacles. Local board members are the top obstacle for 21 percent of private school administrators and 14 percent of charter school administrators as compared to 9 percent of leaders in traditional public schools.

Percentage who say local school board members are the biggest obstacle to making spending decisions that best address student needs



Budgeting

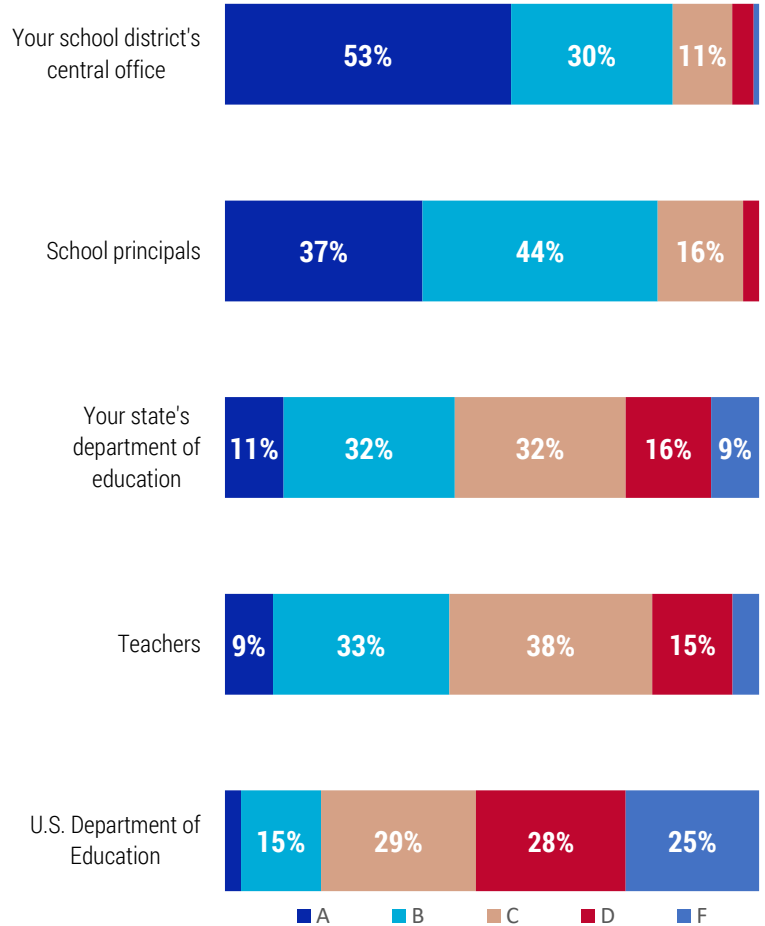
Who Understands Funding Needs?

In order to budget, school and district staff need to understand funding needs.

Survey respondents say district leaders do a fairly good job there: More than half receive As.

By contrast, just 3 percent of U.S. Department of Education staff get that grade, with a quarter rated a failing F.

What grade would you assign the following groups' understanding of your district or school's funding needs?



School and District Leaders Rate Themselves More Highly Than They Rate One Another

School and district leaders diverge sharply when it comes to the grades they assign to colleagues' understanding of school and district funding needs.

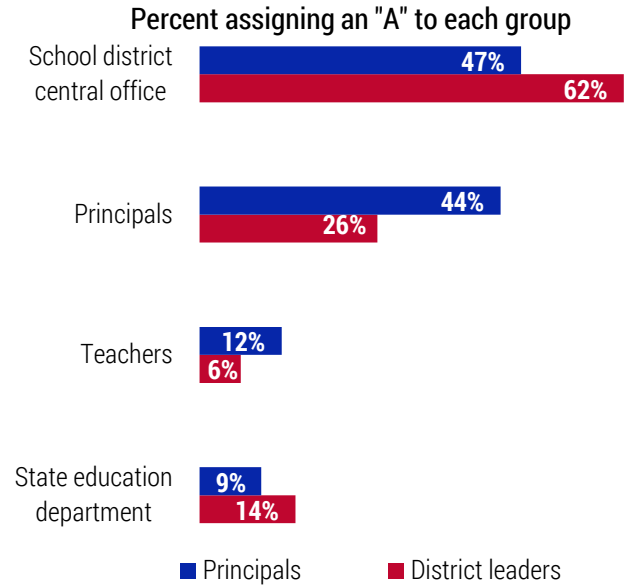
Both school and district leaders are more likely to give themselves As than to assign that grade to one another.

Well over half of district leaders give themselves an A but they assign As to less than half of principals.

Similarly, 44 percent of principals give themselves an A. Their bosses at the central office say only 26 percent deserve an A.

Principals rate teachers more highly than do district leaders. Compared to principals, district leaders assign higher grades to state education departments.

What grade would you assign the following groups' understanding of your district or school's funding needs?



Do Administrators Know How Much Each School Spends? It Depends.

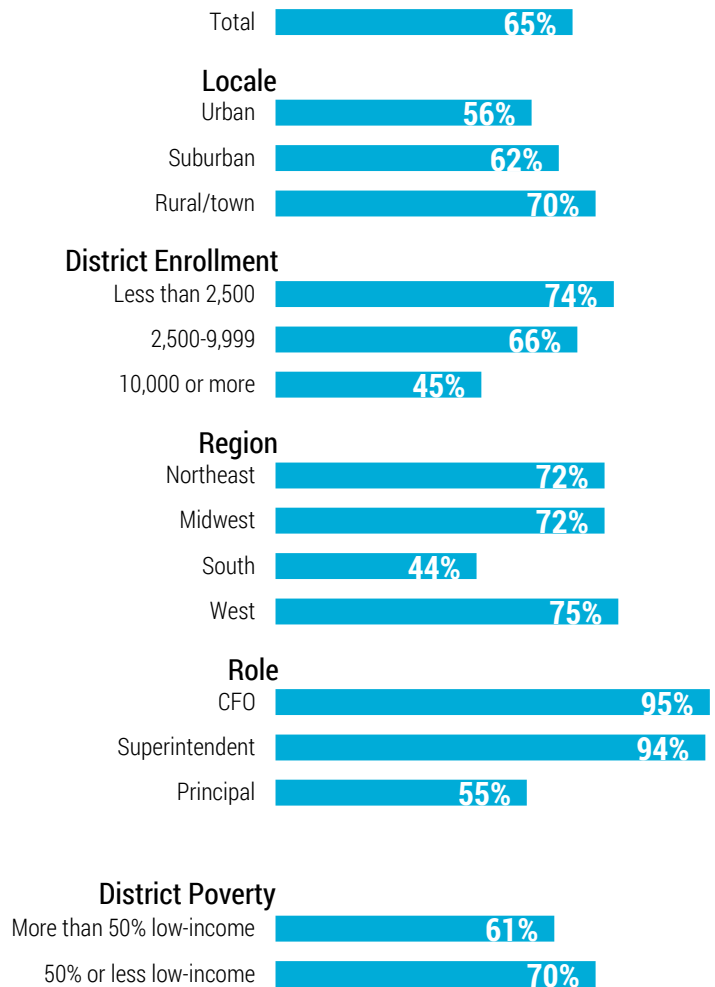
It is difficult to budget unless you have a complete picture of what is being spent and where.

Sixty-five percent of school and district leaders say they know how much money is spent annually at each school in their district.

However, the percentage of administrators who possess this knowledge varies significantly by role, by district size, by locale, by the district's student demographics and by region of the United States:

- CFOs and Superintendents know more than principals.
- As districts get bigger, leaders are less likely to know how much each school spends.
- Leaders in rural districts, which tend to be smaller, are more likely to know how much schools spend annually.
- Leaders in lower poverty districts are slightly more likely to know how much each school spends.
- Southern administrators are significantly less likely than their peers elsewhere in the United States to know how much each school spends. Southern survey respondents are significantly more likely than their Northeastern and Midwestern peers to work in larger districts (where knowledge levels are lower) but their district sizes are similar to those of respondents from the Western United States- who are significantly more knowledgeable.

Percentage who know how much money is spent annually at each school in their districts



Just 1 in 4 Say Principals Have A Lot of Autonomy Over Their Budgets

Administrators are relatively unlikely to report that principals in their districts have a lot of autonomy over their own budgets. However, most say that principals have at least some control over school spending.

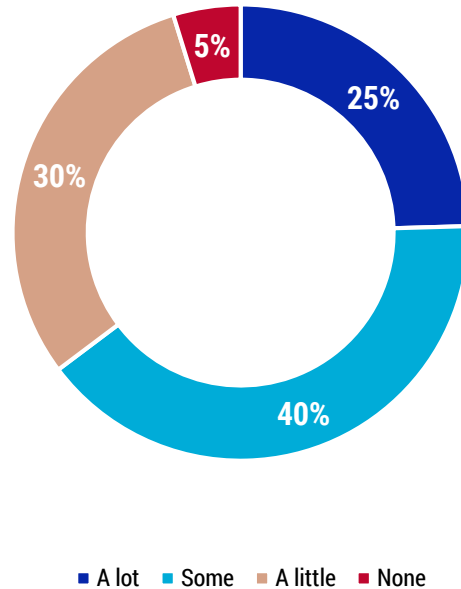
Interestingly, school and district leaders are on the same page, with roughly a quarter of each group reporting that principals have a lot of budgeting autonomy.

Western leaders are slightly more likely to report that principals have a lot of autonomy (35 percent) when compared to their Southern (23 percent); Midwestern (21 percent) and Northeastern (21 percent) peers.

Principals in districts with fewer than 2,500 students are also somewhat more likely to have a lot of autonomy (26 percent) as compared to those from districts with 2,500-9,999 students (22 percent) or from districts with 10,000 or more enrolled (23 percent).

Relatively fewer public school principals have a lot of autonomy (23 percent) as compared to private and charter school peers (35 percent and 32 percent respectively.)

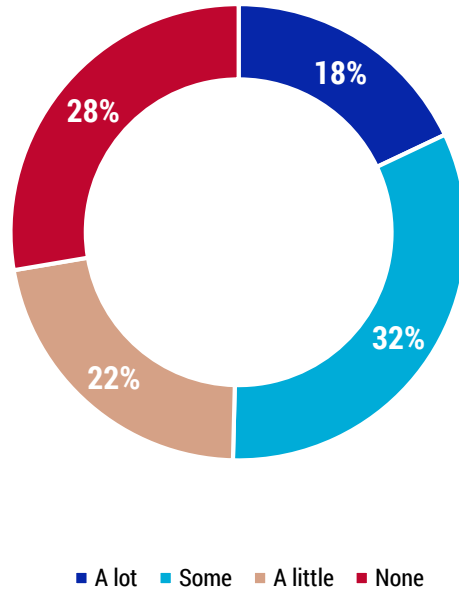
How much autonomy do principals in your school district have over their budgets?



Administrators: Academic Goals Have Limited Impact on Budgeting

Teaching and learning are the core mission of schools. But most leaders say academics do not have a lot of influence on how the district allocates its money. In fact, a substantial portion (28 percent) say academics have no impact on budgeting.

To what extent is funding in your district allocated based on the district's stated academic goals?



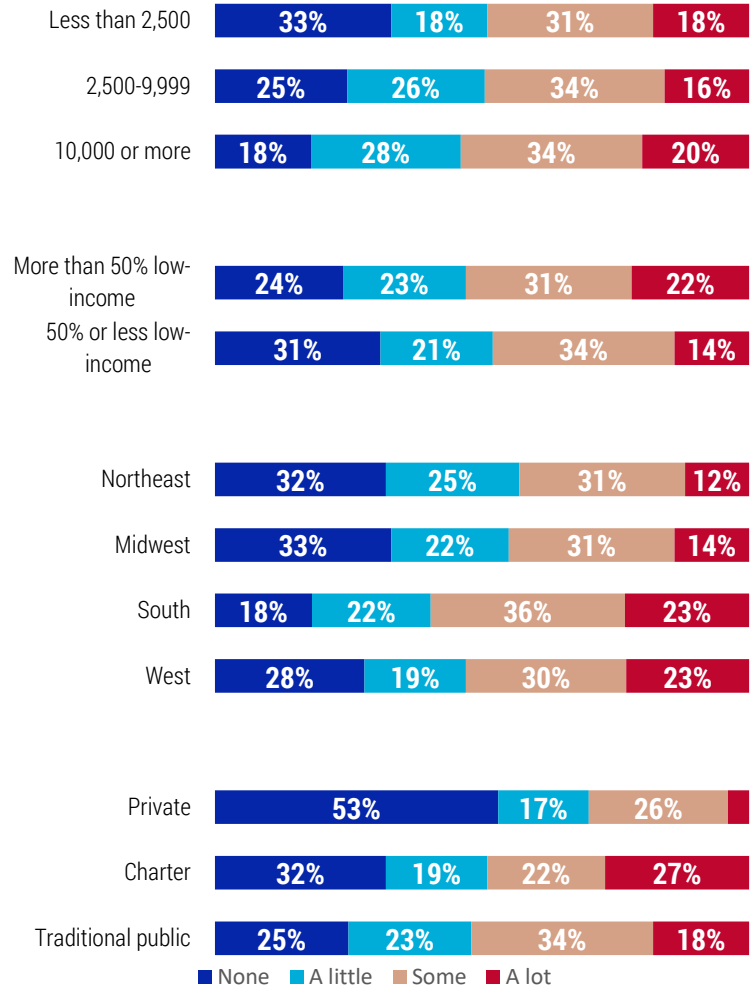
Connection Between Academics And Funding Stronger in Some Districts than in Others

Administrators in certain settings are more likely to report that academics impact budgeting.

The influence of teaching and learning on allocation is stronger in Southern and charter schools and in high-poverty larger districts that enroll 10,000 students or more.

It is weakest in Midwestern and private schools and in smaller and lower-poverty districts.

To what extent is funding in your district allocated based on the district's stated academic goals?



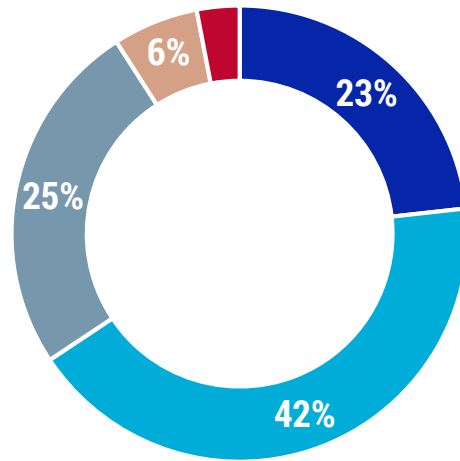
Leaders Assign Mediocre Grades to Budgeting Software

Good budgeting software can make it easier to plan and track school spending.

Yet just 21 percent of administrators assign an A to the software their districts use for this purpose.

That said, very few would assign an F (3 percent). The most common grade was B (39 percent).

Teachers often grade students on a scale of A through F. What grade would you assign the technology/systems your district/school uses to budget, allocate, and/or track funding?



■ A ■ B ■ C ■ D ■ F

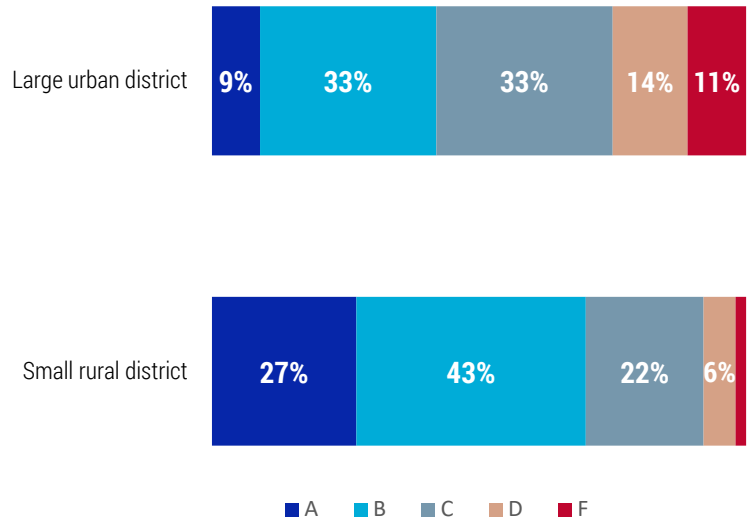
Note: Totals may not add up to 100 percent due to rounding.

Budgeting Software a Bigger Challenge in Large, Urban Districts

Budgeting software is especially challenging to leaders in urban districts with 10,000 or more students. It is much less problematic to leaders in rural districts with enrollments under 2,500.

Compared to their peers from large, urban districts, leaders from smaller, rural districts are three times as likely to assign an A to their budgeting software.

Teachers often grade students on a scale of A through F. What grade would you assign the technology/systems your district/school uses to budget, allocate, and/or track funding?



Spending

Restrictions on Spending

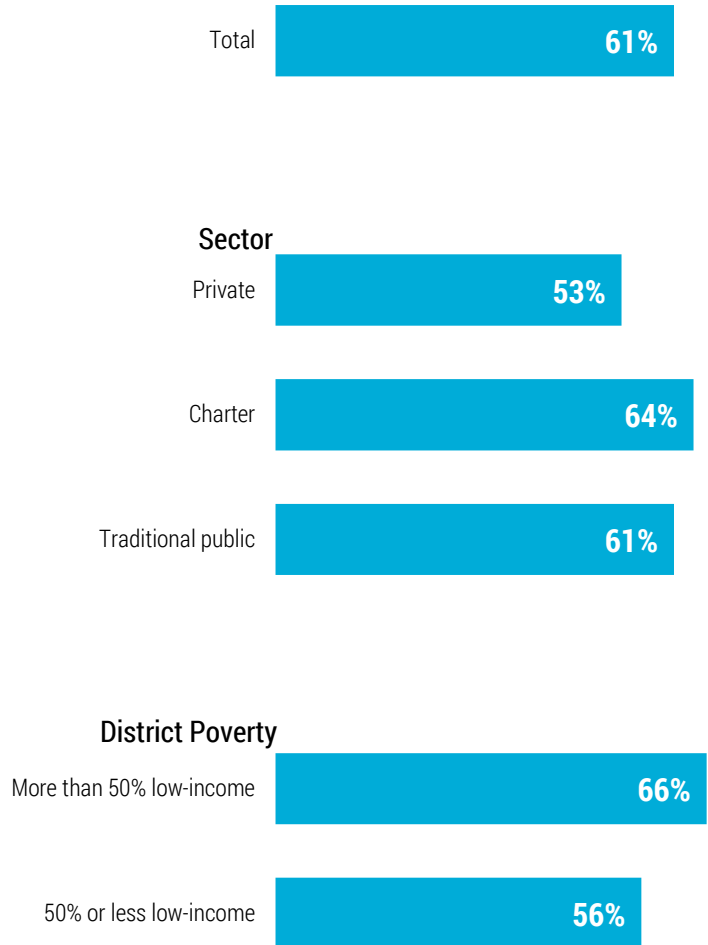
Most administrators (61 percent) agree that there are too many restrictions on how funding is spent in their school districts.

Of that 61 percent, 15 percent completely agree that there are too many restrictions. 46 percent agree. Thirty-four percent disagree. And 5 percent completely disagree.

Public school administrators are more likely than their private school peers to perceive that there are too many spending restrictions.

Compared to their colleagues at lower-poverty schools, administrators at higher-poverty schools are also more likely to say there are too many funding restrictions.

Percentage who say there are too many restrictions on how school funding is spent in their districts/schools



Administrators Embrace Status Quo on Teacher Pay

K-12 teachers in the United States have historically been paid based on experience and education, with veteran teachers earning more than novices and educators with master’s degrees or doctorates earning more than their peers who have not pursued a graduate education.

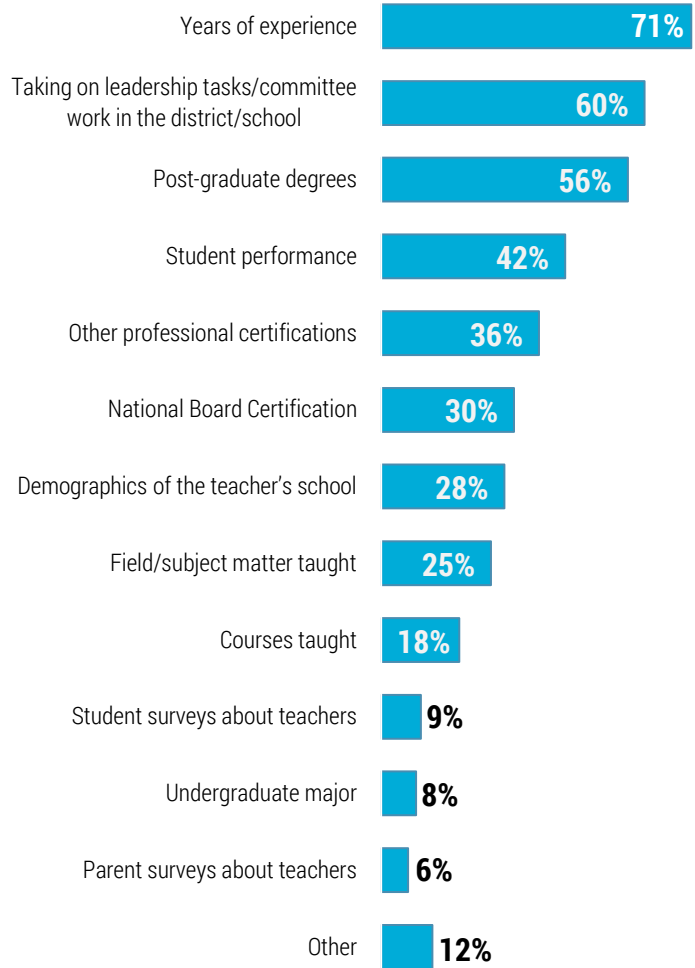
Asked how teachers should be paid, a majority of administrators said they should be compensated based on those two factors- experience and education.

Most also say teachers should be paid based upon their track record taking on leadership or committee work in districts or schools.

In recent years, multiple states have passed laws requiring that at least part of a teachers’ compensation should be based on student outcomes such as test scores.

Most administrators surveyed do not support this approach. And only a minority support other recent approaches that mimic private sector trends- such as compensating teachers based on their subject matter or field, with educators in hard-to-fill positions such as special or bilingual education receiving more money.

Select all that apply: In your opinion, which of the following factors should **STRONGLY INFLUENCE** how much teachers get paid?



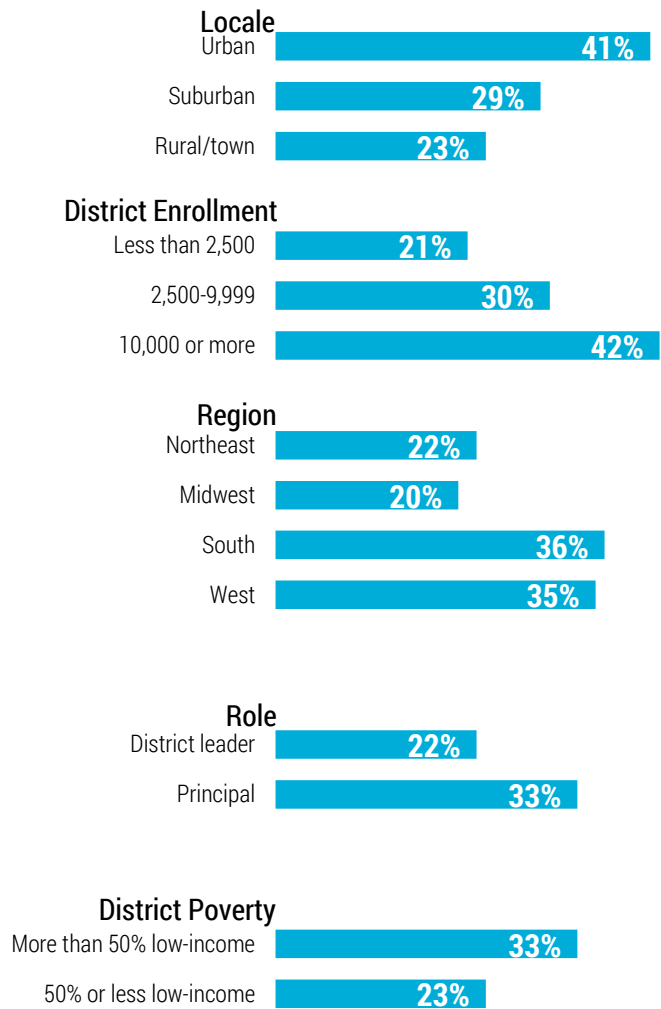
Leaders Split on Paying Teachers Based on the Demographics of Their Schools

In the Denver school district, teachers can earn more if they are employed at high-poverty schools. The idea is that such schools are more challenging work environments and, as a result, struggle to attract top teachers or entice them to remain.

The practice has not been without controversy: Although it continues, it was a bone of contention during the district's 2019 teacher strike.

On a national level, just 28 percent of administrators surveyed support paying teachers based on student demographics. However, support varies significantly with the job title, district size, locale, region and district demographic profile of the leader. The typical administrator who supports paying teachers based on student demographics is principal in a large and/or urban district with a high poverty rate, located in the South or West of the United States.

Percentage who say school demographics should strongly influence how much teachers get paid



Student Performance

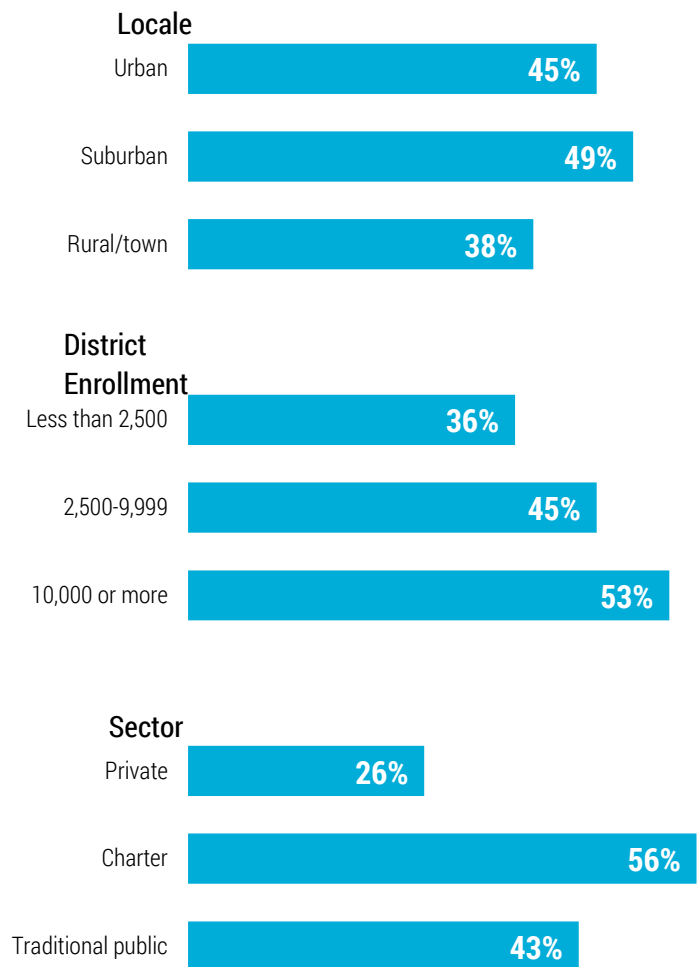
Overall, less than half (42 percent) of school administrators say student performance should strongly influence teacher pay.

However, support varies significantly by district locale and size. Charter, traditional public, and private school principals also have different views on linking student outcomes to teacher pay.

Support is tepid among private school administrators and in small and/or rural school districts.

By contrast, more than half of charter school administrators approve of basing a major portion of teacher salaries on student outcomes, as do more than half of leaders from large districts with enrollments of 10,000 or more.

Percentage who say student performance should strongly influence how much teachers get paid



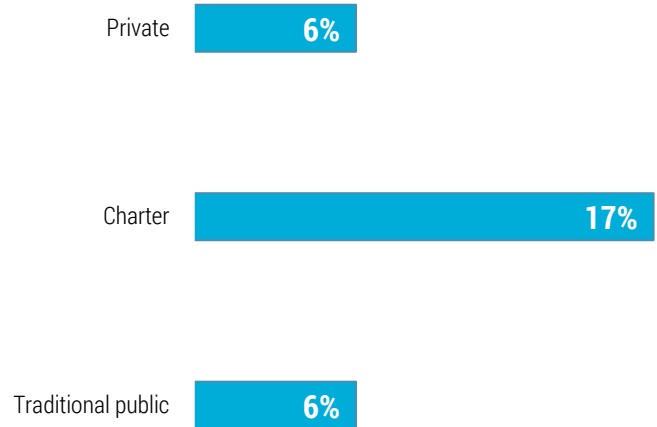
Parent Surveys and Other Possible Ways to Pay Teachers

Just as they break from the pack by more strongly supporting paying teachers based on student outcomes, charter school administrators are also more likely than private or traditional public school peers to say that parent surveys should influence teacher pay. If adopted, this approach would be novel: few if any schools actually pay teachers based on parent perspectives.

Additionally:

- District leaders are more likely than principals to say a teacher's field should strongly influence her salary. Nearly 1 in 3 support paying more to teachers in certain fields as compared to 1 in 5 principals.
- Years of experience is the most popular way to determine teacher pay, with 70 percent of administrators supporting this approach. But perspectives do vary by region and by district size. The approach is less popular among Northeasterners (58 percent) as compared to Modwesterners (69 percent), Southerners (75 percent) and Westerners (77 percent). It's also less popular among administrators from mid-sized districts enrolling 2,500-9,999 students (63 percent) and more popular among those from smaller districts (74 percent) and larger ones (70 percent).

Percentage who say parent surveys should strongly influence how much teachers get paid



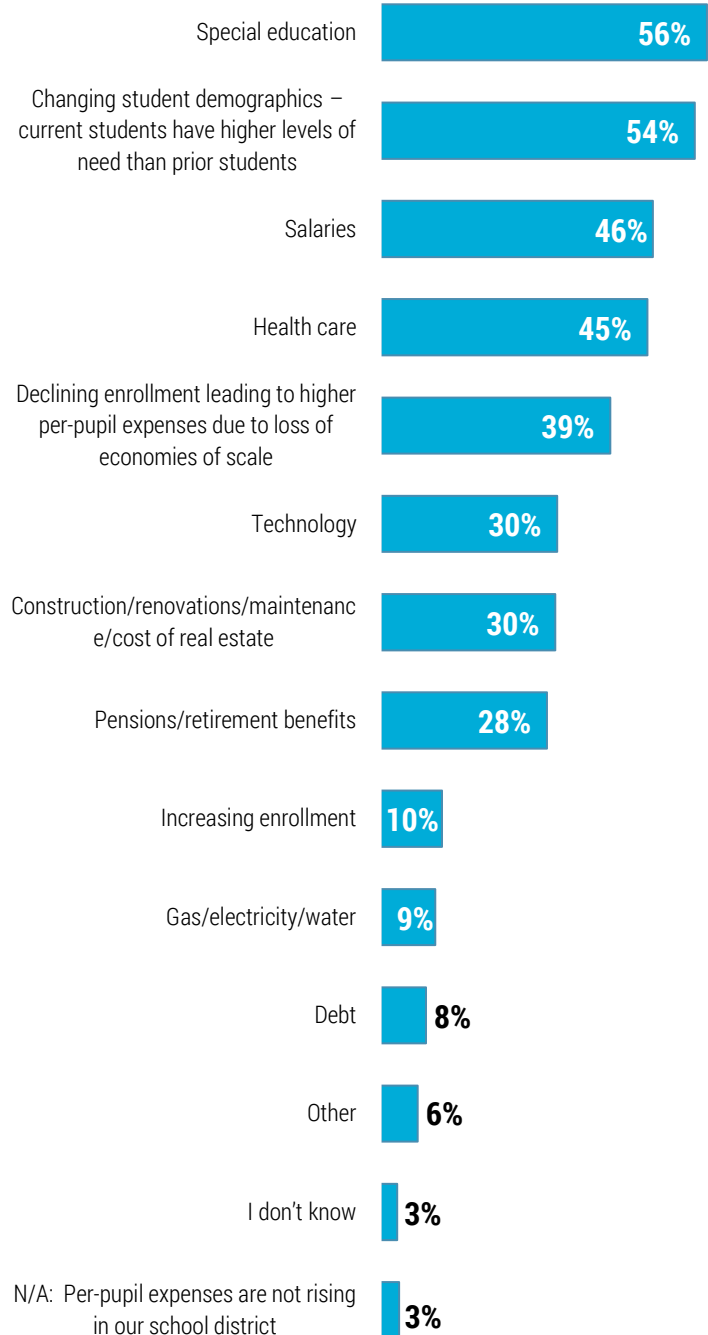
Almost Every Administrator Says That Expenses are Rising. Why?

Ninety-seven percent of administrators say that per-pupil expenses are rising in their school districts.

The top culprit? Special education, followed closely by changing student demographics: Current students have higher levels of need than prior students.

Other top contributors are salaries, health care and declining enrollment resulting in the reduction of economies of scale.

Select all that apply: Which of the following is having a MAJOR impact on rising per-pupil EXPENSES in your school district?



Rising Expenses Driven by Different Factors in Districts of Different Sizes

Special education, healthcare and utilities are more likely to contribute to rising per pupil expenses in smaller districts.

For instance, less than half of administrators from districts with 10,000 or more students say that special education is having a major impact on rising per pupil expenses as compared to more than half of those from smaller districts.

Nearly half of administrators from smaller districts with fewer than 10,000 students report that healthcare is a major influence on expenses as compared to roughly 1 in 3 of those from larger districts.

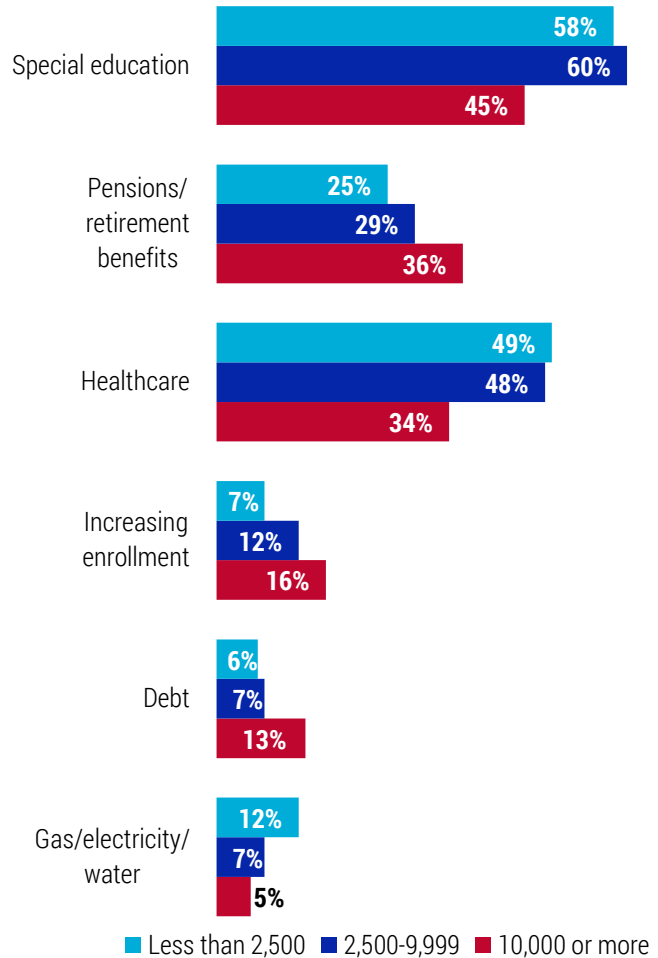
For leaders from the smallest districts with enrollments under 2,500, the rising cost of utilities is roughly twice as likely to be a major cause of rising expenses.

Pensions, growth, and debt are more widespread challenges for administrators in the nation's larger school districts.

Compared to their peers from districts with fewer than 2,500 students, administrators from the nation's largest districts with enrollments of 10,000 or more are roughly twice as likely to report that growth and debt are driving rising per-pupil expenditures.

Retirement benefits are a major cause of rising costs in more than 1 in 3 large districts of 10,000 or more as compared to 1 in 4 small districts with fewer than 2,500 students.

Select all that apply: Which of the following is having a MAJOR impact on rising per-pupil EXPENSES in your school district?



Expenses Increase for Different Reasons in Different Locales

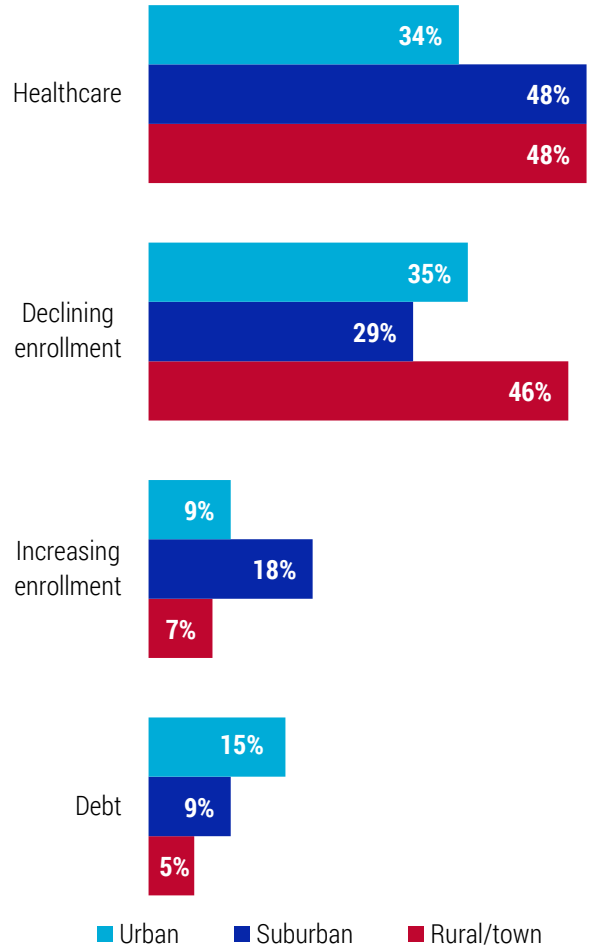
When it comes to rising expenses, rural, urban and suburban administrators face a different set of challenges, especially when locale is examined in the context of district size.

Debt is a significantly bigger challenge for urban administrators. Compared to their peers from small, rural districts with enrollments under 2,500, leaders from large, urban jurisdictions with 10,000 students or more are four times more likely to report that debt is having a major impact on rising expenses (4 percent versus 16 percent).

Healthcare is less likely to drive expenses for administrators from urban districts: Just 1 in 3 report it's a major influence on increasing expenses as compared to half of those from small, rural districts.

Growth-related expenses are more common for suburban leaders while rural administrators are more likely to lose economies of scale due to declining enrollment.

Select all that apply: Which of the following is having a MAJOR impact on rising per-pupil EXPENSES in your school district?



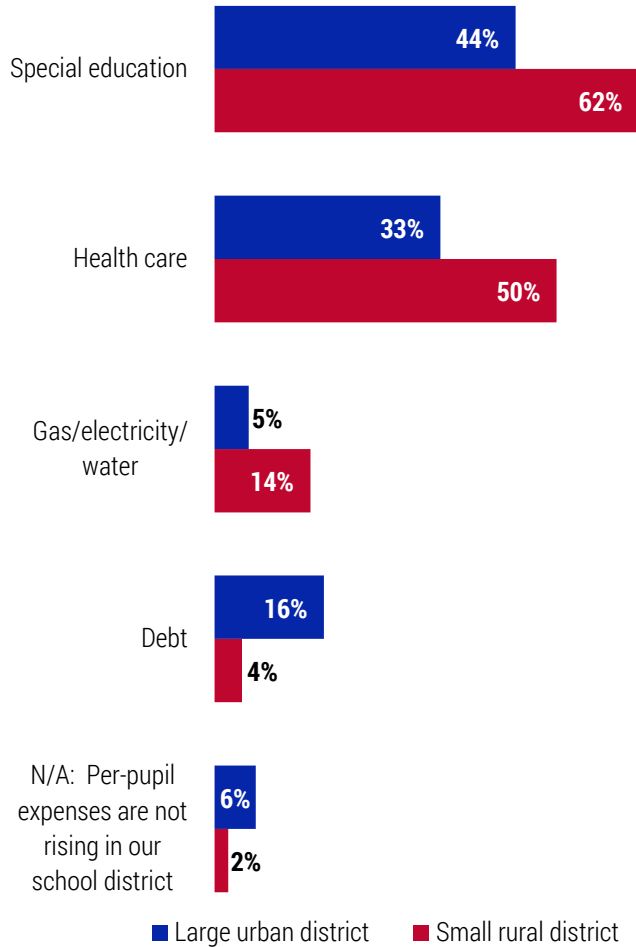
Small Rural Districts See Different Expense Drivers Than Their Large Urban Counterparts

Administrators in small rural districts see differing expense drivers than their peers in large urban districts.

- Utilities are more likely to be a major driver of rising expenses for leaders from small rural districts (14 percent) than for those from large urban districts (5 percent).
- Special education is a major expense for more than half of small, rural district administrators (62 percent) as compared to less than half of their peers from large urban districts (44 percent).

Finally, only a small handful of leaders report that per-pupil expenses are not rising in their school districts. But those who do fall into this rarefied category are roughly three times more likely to work in large urban districts than small, rural jurisdictions.

Select all that apply: Which of the following is having a MAJOR impact on rising per-pupil EXPENSES in your school district?



Causes of Rising Costs Differ by Region

Growth. Declining enrollment. Pensions. Healthcare. Special education. Salaries. All of these expenses are more likely to contribute to rising expenses in some regions than in others.

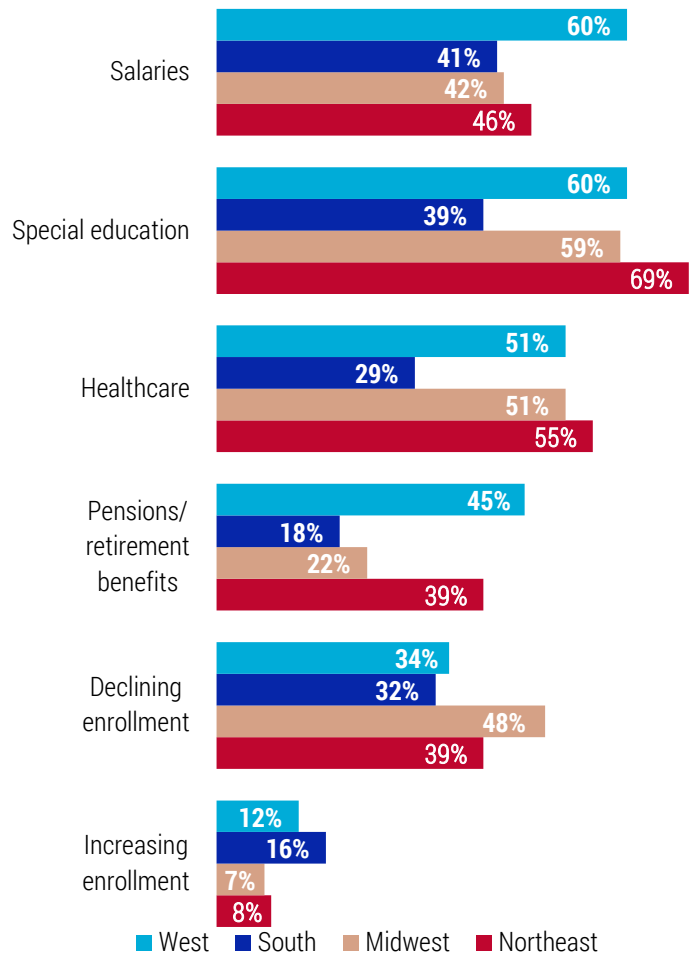
For example, more than half of Western leaders say salaries are having a major impact on rising expenses as compared to less than half of those from other areas of the United States.

Compared to their peers elsewhere in the country, Southern leaders are significantly less likely to report that special education and healthcare are having a large impact on rising expenses.

Pensions and other retirement benefits are a more widespread challenge for leaders from the Western and Northeastern United States.

Expenses related to increasing enrollment are more frequently reported by leaders from the rapidly-growing Southern and Western United States while Northeastern and Midwestern leaders are more likely to face rising expenses related to declining numbers of students.

Select all that apply: Which of the following is having a MAJOR impact on rising per-pupil EXPENSES in your school district?



Debt, Declining Enrollment Bigger Challenges for Private School Leaders

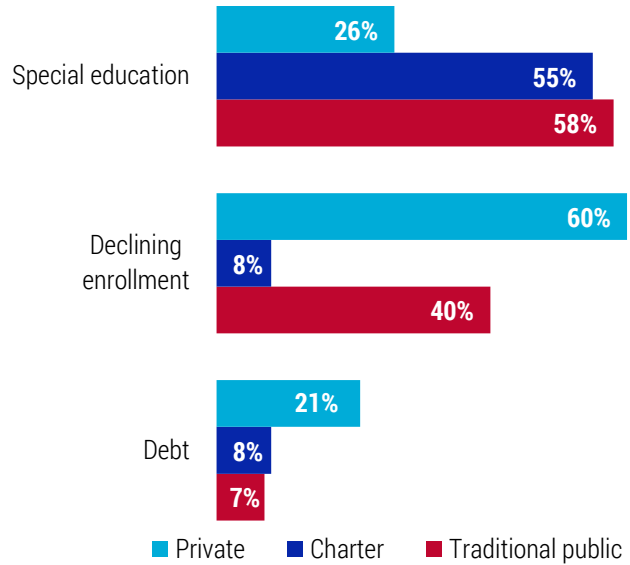
Traditional public, charter and private school administrators are equally likely to face rising per-pupil expenses. However, some of the causes vary dramatically.

Declining enrollment and debt are significantly bigger challenges in private schools. Charter school administrators in particular are very unlikely to report that enrollment declines are driving rising expenses.

By contrast, special education is a much bigger contributor to rising expenses for both charter and public school leaders.

This is likely because private schools do not necessarily offer extensive special education services while public schools are required by law to do so.

Select all that apply: Which of the following is having a MAJOR impact on rising per-pupil EXPENSES in your school district?



Teacher Salaries Top List of Funding Needs

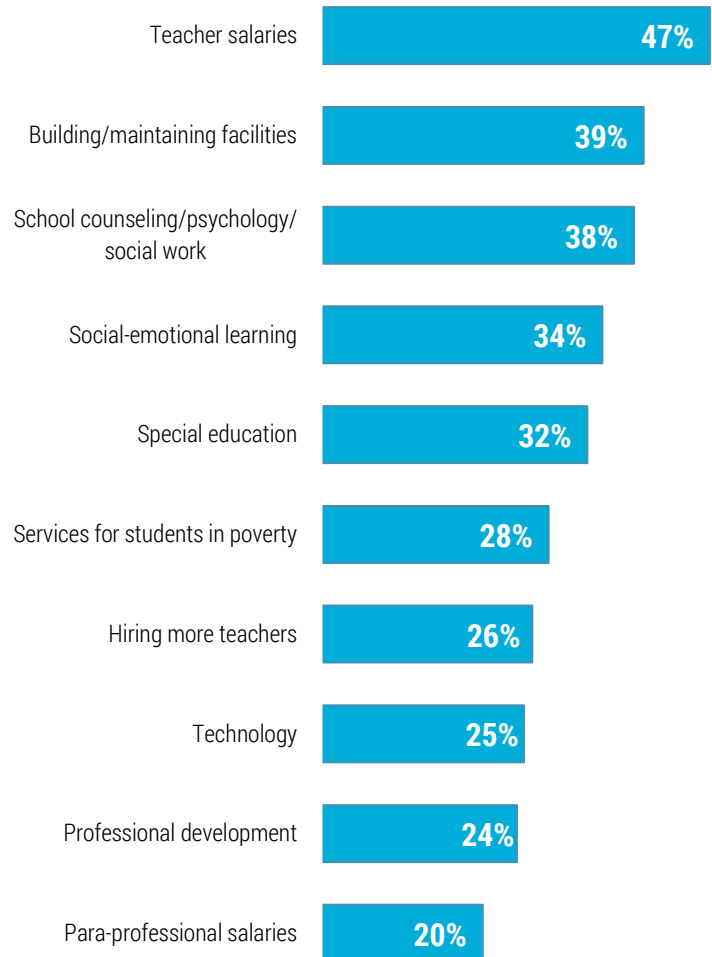
The survey asked leaders to list the five areas for which they most need additional funding.

The top five areas are:

1. Increasing teacher salaries
2. Building/maintaining facilities
3. School counseling/psychology/social work
4. Social-emotional learning
5. Special education

Leaders were relatively unlikely to say they needed more money for physical education, social studies/history, world languages, or English/language arts.

Select FIVE. In your school district, which FIVE areas are most in need of additional funding?



Principals and District Leaders Have Different Funding Priorities

Principals and district leaders diverge when it comes to their number 1 funding priorities.

Principals are most likely to say they need more money for teacher salaries.

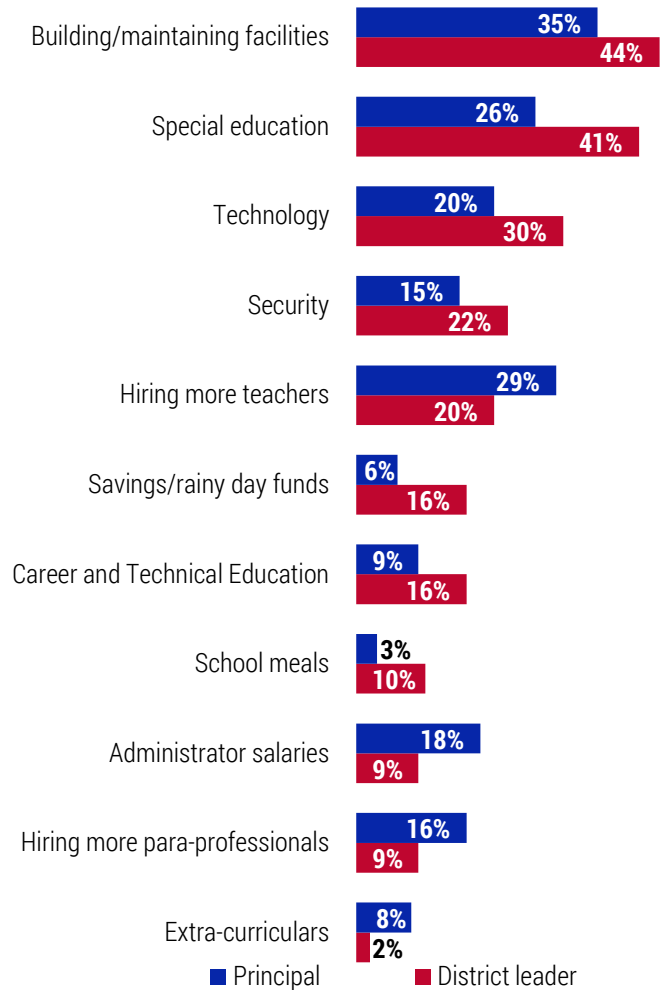
District leaders are most likely to want additional funds for building and/or maintaining facilities.

However, both groups include the same funding categories in their top five list: (teacher salaries, building/maintenance, school counselors, social-emotional learning and special education).

Compared to district leaders, principals are significantly more likely to say they need more funding for increasing administrator salaries, extracurriculars, and hiring additional para-professionals and teachers.

District leaders are significantly more likely than principals to prioritize additional funding for school meals, career and technical education, savings/rainy day funds, security, technology, special education, and building maintaining/facilities.

Select FIVE. In your school district, which FIVE areas are most in need of additional funding?



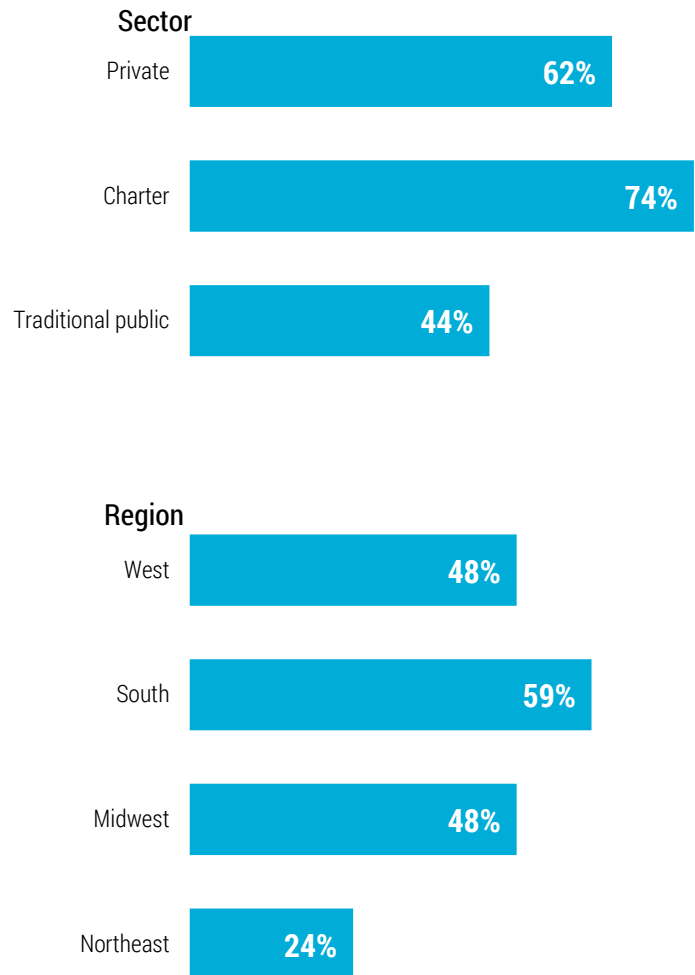
Teacher Salary Increases Bigger Priority in Charter, Private Schools, the South

Compared to their peers elsewhere in the United States, Northeastern administrators are roughly half as likely to prioritize teacher salary increases.

Southern leaders are most likely to say that increasing teacher salaries is a top five priority.

Teacher salary increases are also a significantly bigger priority in charter schools, where nearly three quarters of administrators prioritize them. They're also a bigger priority in private schools than in traditional public schools.

Percentage who say teacher salary increases are among five areas most in need of additional funding

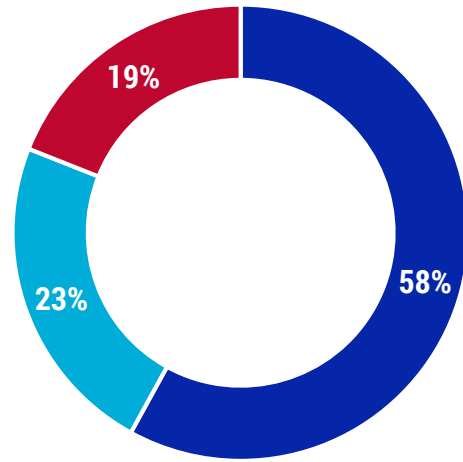


Equity

How Do Leaders Define Equity?

When it comes to educational equity, there are two main schools of thought: Everybody gets the same thing, regardless of his or her needs. Or everyone gets what he or she needs, with students with higher needs receiving more and students with lower needs receiving less. In an open-ended question, leaders were asked to share their own definitions of equitable school spending. Most (58 percent) associate equity with funding based on student and school needs. However, a substantial minority (more than 1 in 5) say equity means that everyone gets the same amount of funding.

How would you define equitable school spending?



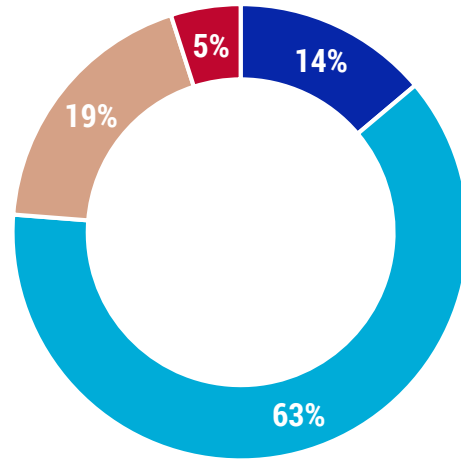
- Spending according to individual students' and schools' needs
- Providing equal funding to all students and schools
- Other

Most Administrators Say Their Spending is Equitable

Seventy-seven percent of school administrators say their districts or schools spend money equitably.

It's important to note that leaders were not asked about equitable funding — just spending. Also, they were asked only about their districts and schools and not about states, which currently provide the majority of K-12 funding in our country.

To what extent do you agree or disagree with the following statements? My district/school spends money equitably



■ Completely agree ■ Agree ■ Disagree ■ Completely disagree

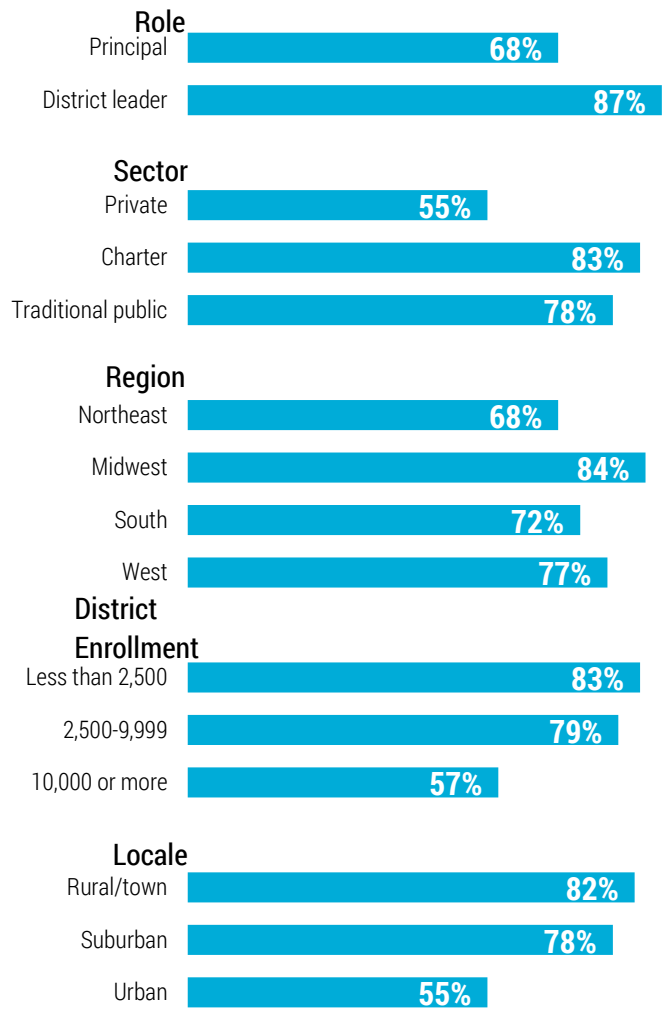
Different Settings and Jobs, Different Views on Equity

Most administrators say that their districts or schools spend equitably but their perceptions diverge significantly based upon their professional roles, sectors, regions, locales, and district sizes.

District leaders, charter school administrators, Midwesterners, and respondents working in small and/or rural districts are more likely to perceive that school and district-level spending is equitable.

Principals, private school administrators, Northeasterners, and respondents working in large and/or urban districts are more likely to perceive that school and district spending is inequitable.

Percentage who say their districts/schools spend money equitably



Educators Skeptical that ESSA Will Increase Equity

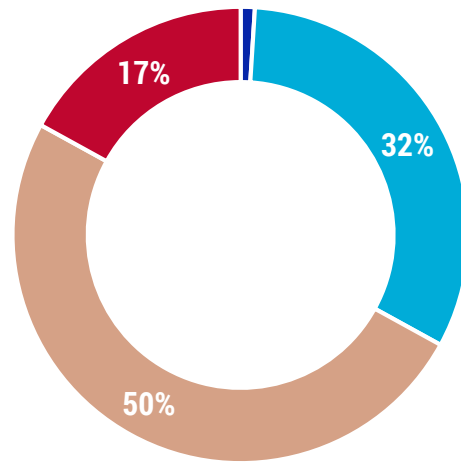
The federal Every Student Succeeds Act requires that school-level, per-pupil spending data be made public by the summer of 2020. Historically, per-pupil expenditures have been widely available for districts and for states but not for individual schools.

Some civil rights advocates have expressed hope that the requirement could help reduce within-district funding inequities by making communities aware of how much their schools spend.

However, just 1 in 3 school and district leaders surveyed perceive that the law will actually increase equity.

Leaders from larger districts are significantly more likely to perceive that school-level spending transparency will increase equity. Forty-four percent of administrators from districts with 10,000 or more students associate the new requirements with equity as compared to 32 percent of those from districts with enrollments of 2,500 to 9,999 and 29 percent of their peers from even smaller districts. This makes sense given that small districts may have only one or two schools, reducing the odds of the existence of spending differences between schools.

To what extent do you agree or disagree with the following statements? ESSA's requirement for public reporting of per-pupil spending at the school level will lead to more equitable spending



■ Completely agree ■ Agree ■ Disagree ■ Completely disagree

How Will School Spending Fare in the Future?

Just 3 Percent of Leaders Are Completely Prepared for the Next Recession

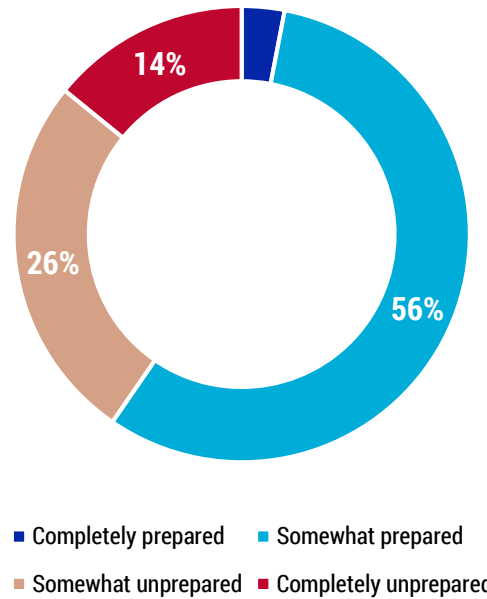
Economic busts and booms are a reality of life in a capitalist society. During the most recent recession in 2008, state and local spending declined by \$400 per child but temporary federal funding helped make up the difference. When that funding source dried up, per-pupil expenditures declined.

A majority of leaders surveyed (59 percent) say they are at least somewhat prepared for the next recession, which many economists believe will happen in the next year.

However, just 3 percent report that they are completely prepared to weather a coming economic downturn.

And 14 percent report that they're not prepared at all.

To what extent is your district prepared for the next recession

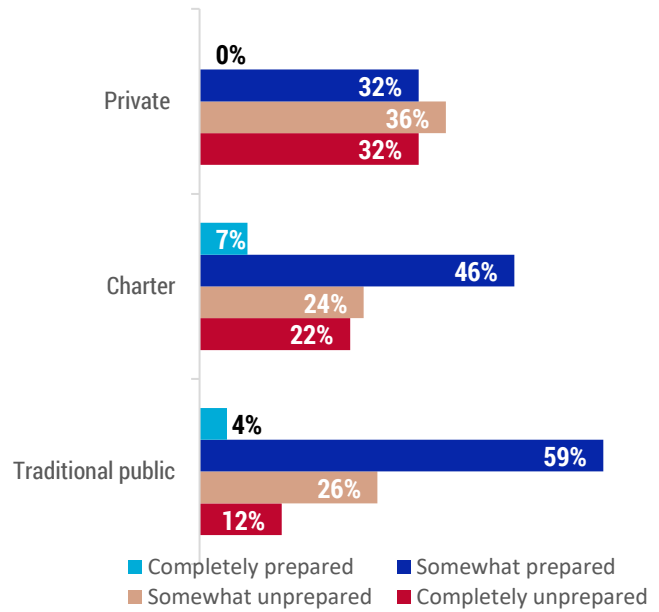


Private School Leaders Expect Challenges During the Next Recession

Private school administrators are significantly less likely than their public school peers to report that they are prepared for the next recession. Less than 1 in 3 say they're prepared as compared to well over half of public school leaders. In fact, close to 1 in 3 private school leaders say they are completely unprepared for an economic downturn.

Compared to their public school peers, charter school leaders are nearly twice as likely to say they're completely unprepared for the next recession.

To what extent is your district prepared for the next recession?



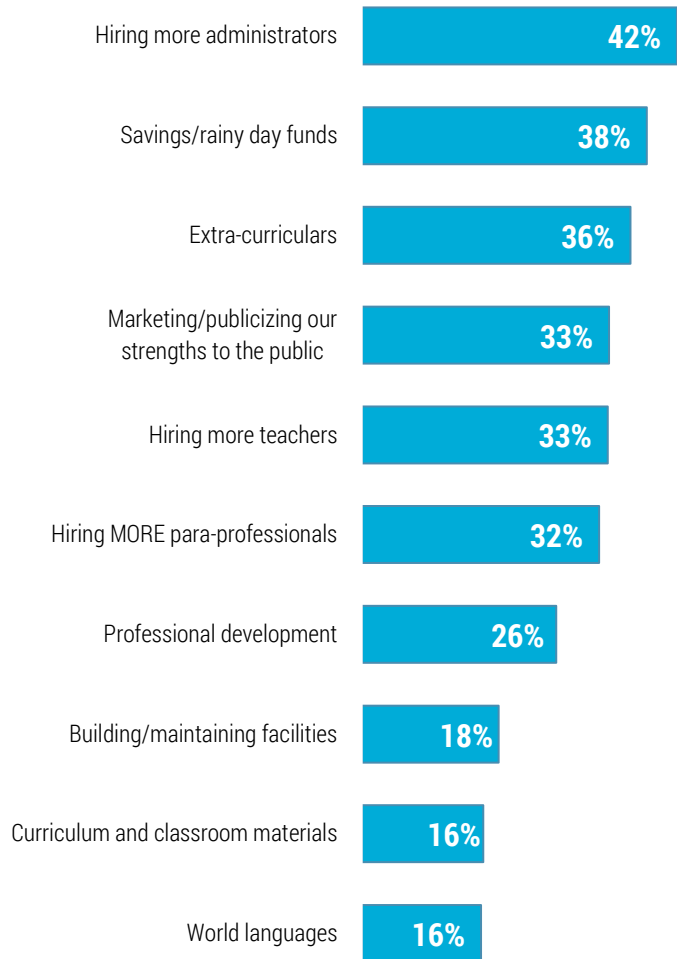
The Next Recession Could Flatline Hiring

A recession could lead to budget reductions. Asked to list the five areas they'd be most likely to propose cutting if budgets shrink, leaders were most likely to select:

1. Hiring more administrators
2. Savings/rainy day funds
3. Extracurriculars
4. Marketing/publicizing our strengths to the public, Hiring more teachers [TIE]

Given that salaries consume the lion's share of most school district budgets, it is unsurprising two of the five top areas involve hiring additional employees.

If your district had to make budget reductions today, which FIVE areas would you be most likely to propose cutting?



Principals, District Leaders Disagree on Budget Reductions

When it comes to budget cuts, principals and district leaders are not necessarily on the same page, especially when it comes to reducing funds for marketing and para-professionals.

Marketing is the expense that principals would be second most likely to cut (behind hiring additional administrators, which is the top budget reduction priority for principals and district leaders alike). Yet marketing does not make district leaders' top five budget cut priority list.

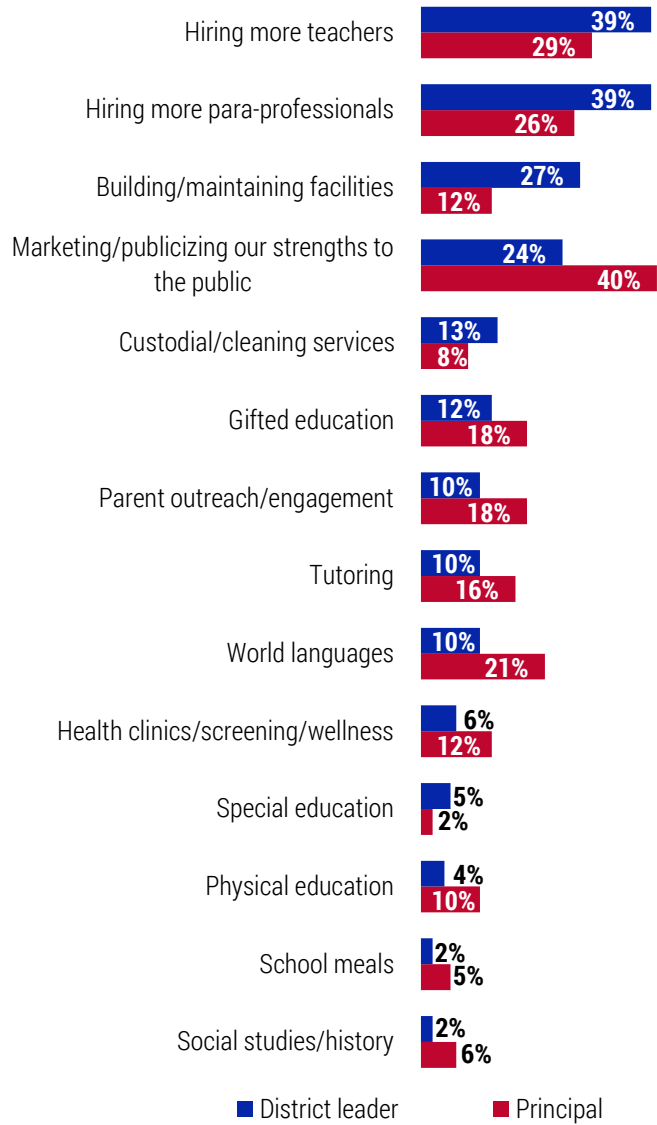
Hiring more para-professionals, by contrast, does make central administrators' top five list of budget cut priorities. It does not make principals' lists.

Other than marketing and para-professional hiring, principals and district leaders agree that the top five budget reduction priorities should include administrator hiring, savings, extra-curriculars, and teacher hiring.

Principals are significantly more likely than district leaders to propose cuts not only to marketing but to gifted education, parent outreach, tutoring, world languages, social studies, health clinics, physical education.

District leaders are significantly more likely than principals to propose cuts not only to paraprofessional hiring but to teacher hiring, building/maintenance, custodial services/cleaning, and special education.

If your district had to make budget reductions today, which FIVE areas would you be most likely to propose cutting?



District Size Impacts Budget Reduction Priorities

Leaders from bigger and smaller districts disagree on some budget cut priorities.

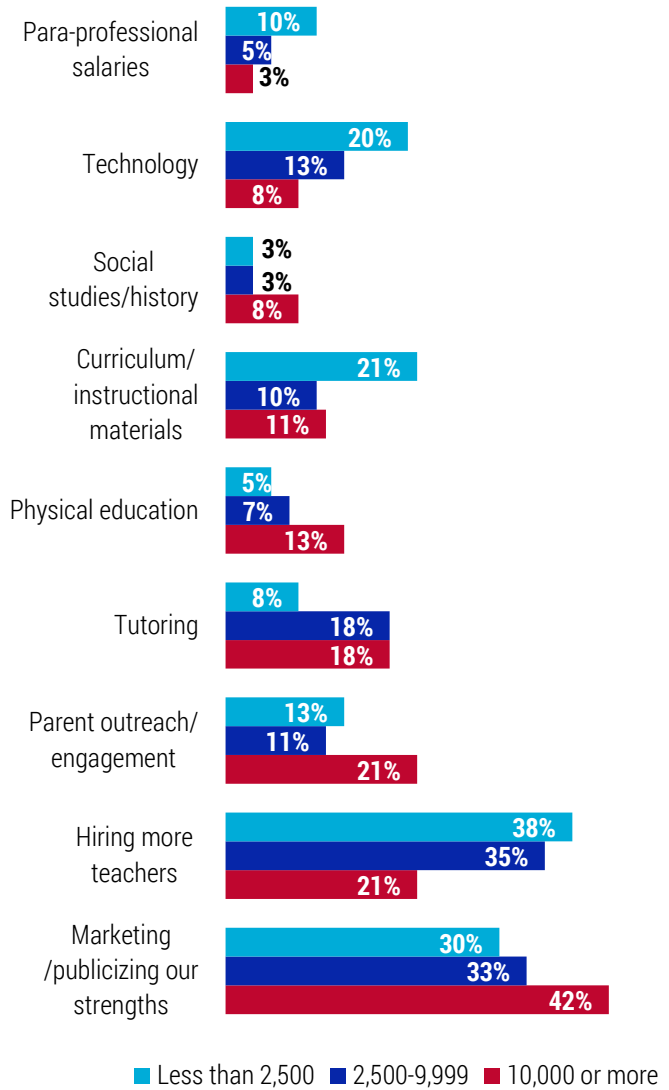
Hiring more administrators is the top budget cut priority regardless of district size. Extracurriculars, and savings also make everybody's top five.

Hiring more teachers ties as the number 1 priority for leaders from smaller districts with enrollments under 2,500. It's the number three priority for those from mid-sized districts with 2,500 to 9,999 students. But it does not even make the top five list for administrators in the largest districts with enrollments of 10,000 or more.

For leaders from those larger districts, marketing is the number 2 budget cut priority. It's the fourth-highest priority for their peers from mid-sized districts. But it does not crack the top 5 list for those from smaller districts.

Hiring additional paraprofessionals is a top 5 priority for leaders from the biggest and smallest districts but not for their colleagues from smaller districts.

If your district had to make budget reductions today, which FIVE areas would you be most likely to propose cutting?



Rural, Urban, Suburban Leaders Disagree About Marketing, Teacher Hiring

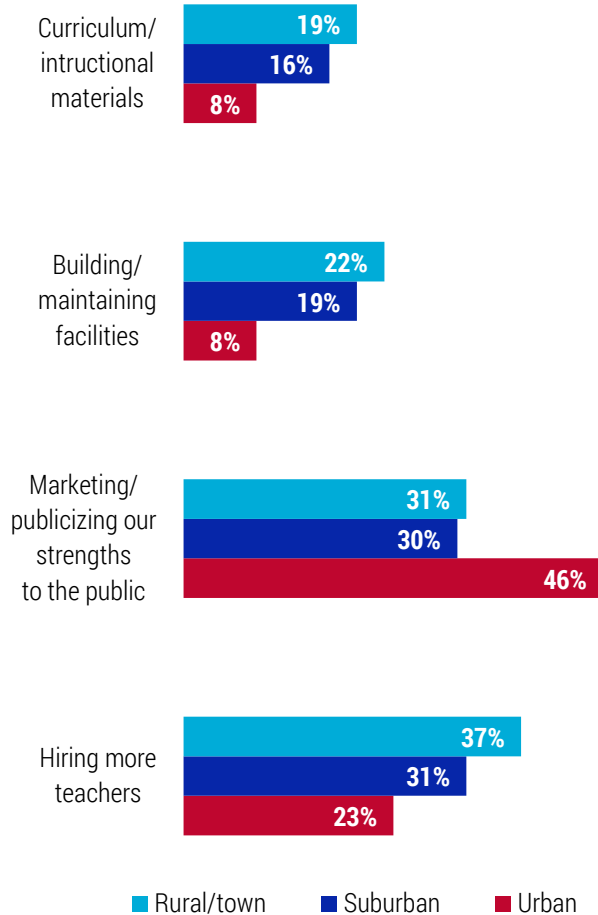
If asked to make budget cuts, rural, suburban and urban leaders would first reduce funding for hiring additional administrators. They also agree that savings, extracurriculars, and hiring additional para-professionals are top 5 budget cut priorities.

For urban leaders, marketing would be the number 2 expenditure to go on the chopping block. Yet marketing did not even make the top five priority list for rural and suburban leaders.

For rural and suburban leaders, hiring additional teachers is a top 5 budget cut priority. However, this expenditure did not make the top 5 list for their urban peers.

Rural leaders are also less likely than their urban and suburban peers to say they could reduce funds for curriculum/instructional materials or for building/maintaining facilities.

If your district had to make budget reductions today, which FIVE areas would you be most likely to propose cutting?



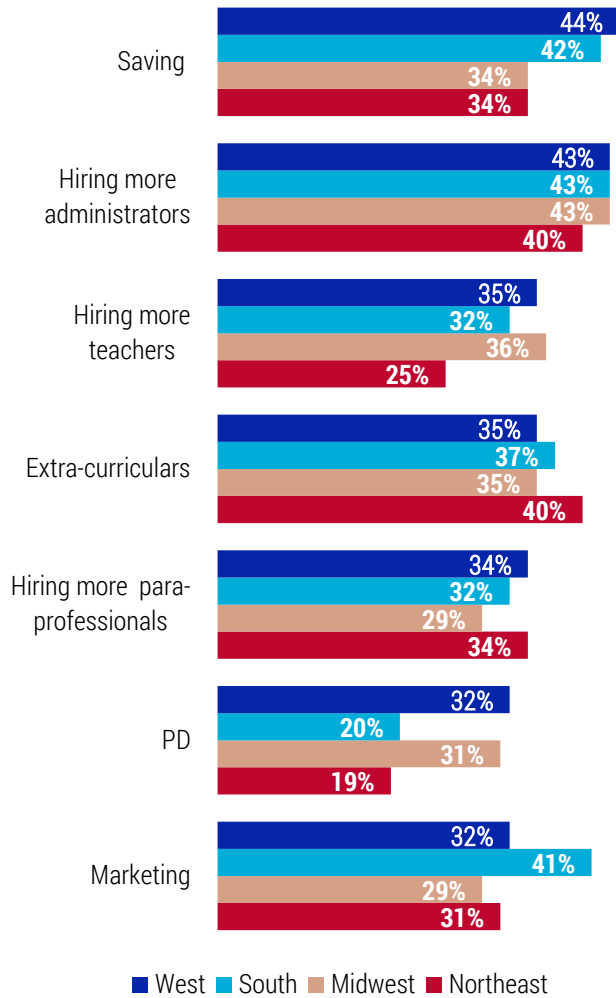
Teacher, Para-Pro Hiring, Marketing, PD More Likely to Face Chopping Block in Certain Regions

Regardless of region, administrators would begin their budget reductions by cutting funds for administrator hiring, savings, and extra-curriculars. Hiring more administrators is the most popular budget cut in every region, although in the Northeast it ties with cutting expenditures for extracurriculars.

Four types of expenditures made the budget reduction priority list in certain regions but not others:

- Hiring more teachers made the top 5 list in every region except the Northeast.
- Hiring more para-professionals is a top 5 reduction priority in every region except the Midwest.
- Reducing funds for marketing is a top 5 priority in the Northeast and the South but not in the Midwest or West.
- The Midwest is the only region where professional development made the top 5 list.

If your district had to make budget reductions today, which FIVE areas would you be most likely to propose cutting?



Budget Cut Priorities of Charter, Public, Private School Leaders

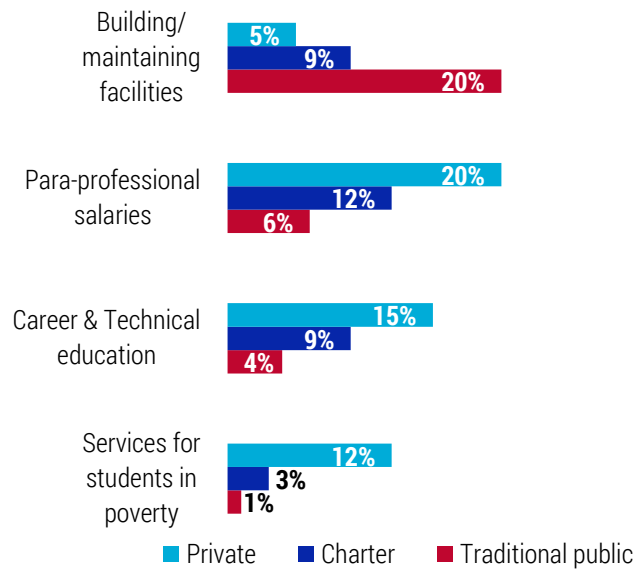
If asked to cut budgets, charter and traditional public school leaders would prioritize the exact same list of priorities in the exact same order: Hiring more administrators followed by dipping into savings, and cutting back on extracurriculars, marketing, and teacher hiring.

Hiring more administrators is also the top budget cut priority for private school administrators but it ties with marketing. Hiring more teachers also makes the list, as the number 3 priority. From there, private school leaders diverge from their public school colleagues: Priorities 4 and 5 are reducing expenditures that would have been devoted to hiring additional para-professionals and decreasing parent outreach budgets. Private school leaders do not consider dipping into savings or reducing extra-curriculars to be top 5 budget cut priorities.

Compared to their public school colleagues, private school administrators are also significantly more likely to say they'd cut para-professional salaries, Career & Technical Education, and services for students in poverty.

Leaders in traditional public schools are more likely than charter or private school administrators to say they'd reduce fundings for building and maintenance.

If your district had to make budget reductions today, which FIVE areas would you be most likely to propose cutting?



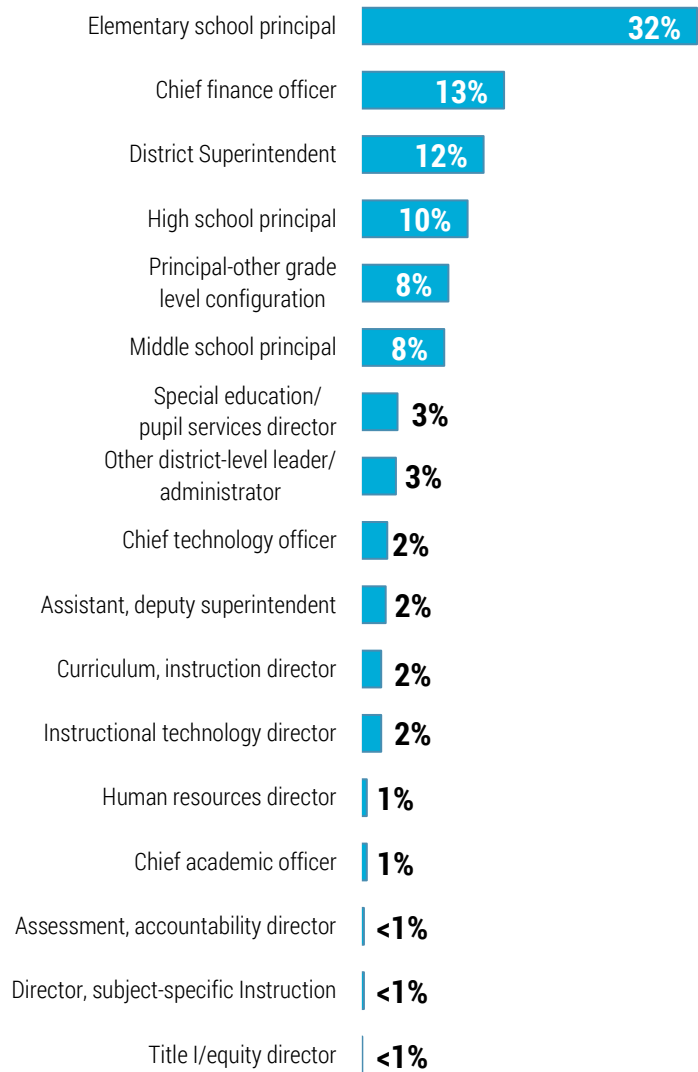
Demographics

Professional Role

The majority of respondents (58 percent) are principals. Of the 420 principals who took the survey, more than half (55 percent or 230) are elementary administrators. Fourteen percent (57) are middle school principals. Seventeen percent (73) are high school principals. The remaining 14 percent (60) are principals at a school with a grade level configuration other than elementary, middle, or high.

Forty-two percent of respondents are district leaders. Of those 307 leaders, 1 in 3 (98) are chief financial officers and 27 percent (84) are superintendents.

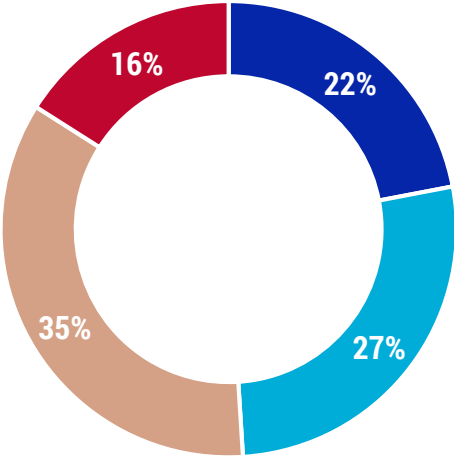
Which title MOST CLOSELY describes your role within your district?



Location

Survey respondents hail from every state in the nation and from the District of Columbia. The majority work in the Midwest or the South.

Where do you work?

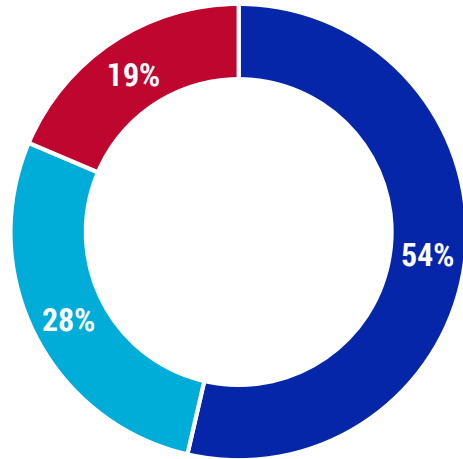


■ West ■ South ■ Midwest ■ Northeast

Locale

The majority of survey respondents work in rural areas or in towns.

Which of the following best describes the location of your district?

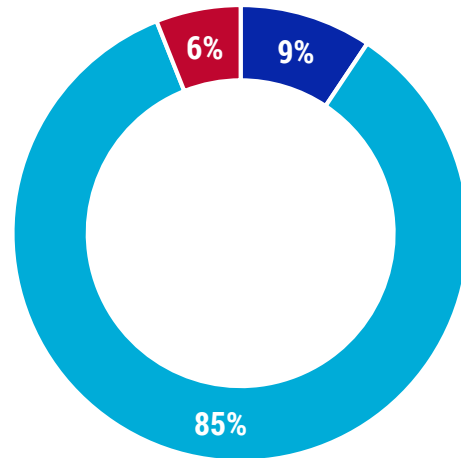


■ Rural/town ■ Suburban ■ Urban

Sector

The vast majority of survey respondents work in traditional public districts or schools. Nine percent work in the private school sector and 6 percent are employed by charter schools or management organizations.

Which of the following best describes your employer?

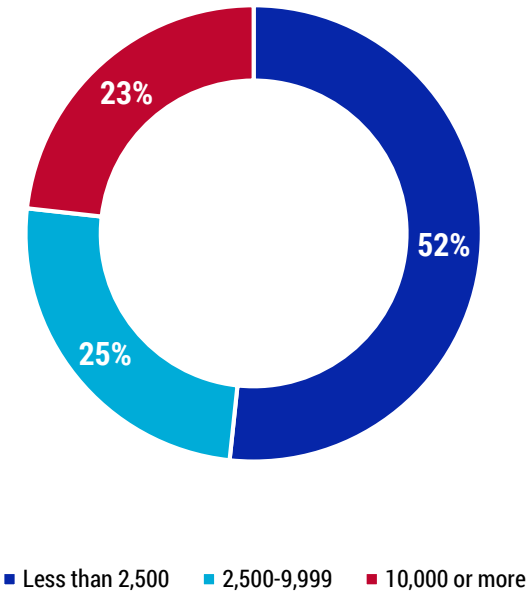


- Private school/school system
- Traditional public school district/school
- Charter management organization/school

District Enrollment

Most survey respondents work in smaller school districts with fewer than 2,500 students.

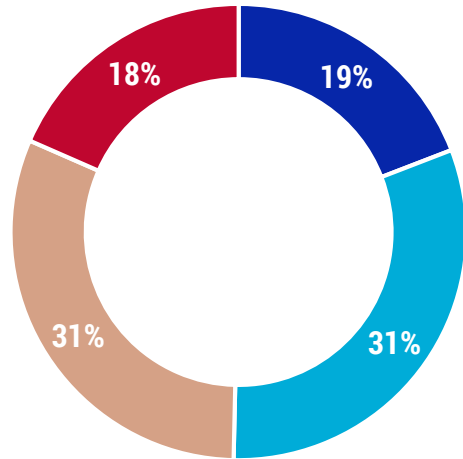
How many students does your district serve?



District Poverty Rates

Most respondents work in districts with poverty rates between 26 and 75 percent.

Which of the following best describes your school district's percentage of students from low-income families?



- Less than 25 percent
- 26 to 50 percent
- 51 to 75 percent
- More than 75 percent