

PHILANTHROPY & PUBLIC EDUCATION

Providing Adequate Resources

IN OUR OPINION

While Floridians receive an abundance of information on government spending on public education, we know little about how much we should be spending, or whether we are spending our public dollars wisely. State policymakers should invest greater effort in determining how current dollars are spent and how spending might be altered for greater effectiveness. Additionally, policymakers should work to identify a dedicated, sustainable source of revenue for public education.

The state of Florida is embarking on a new phase of PreK-12 education changes “designed to improve student achievement and ultimately enhance economic growth in the state.”⁽¹⁾ In fact, the 2010 legislative session made “the most substantial changes to the state’s education laws since 1999,” according to the Florida Tribune.⁽²⁾

Under this new phase, the state calls for enhanced assessment, testing and accountability measures, and, according to the state’s Race To The Top application for federal education funding, sets bold goals for student achievement by 2015.

As hopeful and ambitious as this new strategy appears, its success is imperiled by the difficult financial realities facing Florida today and the state’s history of education funding.

HOW FLORIDA FUNDS K-12 EDUCATION

Funding for K-12 education in Florida comes from a combination of state, local and federal dollars, with federal dollars comprising the smallest portion.

State funds for education come primarily from the state’s general fund, which is fueled largely by sales tax revenues. Local funds come primarily from ad valorem taxes. Through a complex formula and process, state and local dollars are combined and redistributed to Florida’s 67 school districts in an effort to ensure

SCHOOL SPENDING INDICATORS			
	Florida State Average	Florida Rank	National Average
Adjusted Per Pupil Expenditures	\$9,253	38th	\$10,557
Percent of Students in Districts With Per Pupil Expenditures At or Above National Average	8.7%	43rd	40.5%
State Expenditures on K-12 Schooling as a Percent of State Taxable Resources	3.3%	39th	3.8%

Source: Quality Counts 2010, EPE Research Center, January 2010. 2007 data.

equitable funding across districts with variable wealth.⁽³⁾

Historically, the state provided more than half of the funding for public schools, but in recent years that balance has shifted. In 1998-99, the balance of public school funding was 52% state/41% local. By 2007-08, that balance had shifted to 40% state/51% local.⁽⁴⁾

Regardless of who pays the lion’s share of the bill, Florida historically funds education at a low level.

In the last decade, Florida has consistently ranked in the bottom third of states in per-pupil expenditures.⁽⁵⁾ In fact, the 2010 edition of Education Week’s Quality Counts assessment of public education nationwide gives Florida a grade of “F” in spending.⁽⁵⁾

Contributing to that failing grade, no doubt, is Florida’s historically low investment in its teachers. In recent decades, Florida has steadily ranked in the bottom half of states in terms of teacher salaries. In 2009, Florida teacher salaries were 11% lower than the national average, and lower than both of its neighbors, Georgia and Alabama.⁽⁷⁾

Florida’s most recent budget, passed by the 2010 Legislature, leaves education funding essentially flat, with an increase of \$1.22 in per pupil funding.⁽⁸⁾ And that budget includes \$872 million in federal stimulus funding, dollars that will not be available over time to sustain the state’s investment in education.

IN SEARCH OF FUNDING

Florida's new era of educational assessment and accountability does not come without a price tag.

Changes in assessment — the addition of new end-of-course tests and the tracking of individual students' academic progress for use in teacher merit pay calculations — require new tests and new tracking mechanisms. Changes in standards — moving to an updated version of the 15-year-old Sunshine State Standards for teaching — will require new curricula, new tests and new data systems.⁽⁹⁾

In its Race To The Top application, Florida acknowledged that it faced some shortcomings in data and evaluation systems. Bringing these components up to speed will be costly. While Race To The Top brings with it roughly \$700 million in federal funds, that amount is small in the context of Florida's \$18 billion budget for PreK-12 education.

But just as these new initiatives create new demands for funding, Florida revenue streams are under increasing pressure — from the recession, from economic and demographic shifts and from a business model that forces the state to rely on volatile sources of funds.

Increasing education funding to the national norm would require raising the per pupil expenditure by \$1,304 — equivalent to adding \$3 billion-plus to the state's education budget.

PHILANTHROPY'S POTENTIAL

While Florida's education grantmakers lack the resources to fill the looming gaps in Florida's education budget, they do have the potential to invest strategically in ways that could leverage other funding sources or test new operating strategies.

Additionally, philanthropy brings assets to the table beyond the checkbook, and those assets have the potential to help school districts and communities — and voters — think in new ways about education costs and funding.

In Duval County, The Jacksonville Public Education Fund connected Duval County Public Schools with Education Resource Strategies, a nonprofit that works with large urban school districts to help them understand how people, time and money are being used and how those resources might be more effectively deployed. The Fund was instrumental in helping the Duval County School Board decide to invite ERS to assess its current resource strategies and consider how resources might be reallocated to maximize impact on student learning. And the Fund provided a substantial portion — though not all — of the financial support needed for the project.

ENDNOTES

- 1) Stonecipher, Allen, Florida's Latest Strategy for Improving Schools Promises More of the Same—Uncertain Results, Florida Center for Fiscal and Economic Policy, July 2010.
- 2) 2010 Legislative Session Special Report, Florida Tribune.
- 3) 2010 Florida Tax Handbook, Florida Revenue Estimating Conference.
- 4) Legislature to Schools: Do More With Less State Money, Florida Center for Fiscal and Economic Policy Florida Policy Matters blog.
- 5) Stonecipher, Allen.
- 6) Quality Counts 2010, Education Week, January 14, 2010.
- 7) National Center for Education Statistics, Estimated average annual salary of teachers in public elementary and secondary schools, by state or jurisdiction: Selected years, 1969-70 through 2008-09.
- 8) 2010 Legislative Session Special Report.
- 9) Stonecipher, Allen.

FLORIDA'S K-12 EDUCATION GOALS

1. Double the percentage of incoming high school freshmen who ultimately graduate from high school, go on to college, and achieve at least a year's worth of college credit;
2. Cut the achievement gap in half in 2015;
3. Increase the percentage of students scoring at or above proficiency on NAEP by 2015, to or beyond the performance levels of the highest-performing states.

Florida's Race To The Top Application for Initial Funding

FLORIDA PHILANTHROPIC NETWORK & THE EDUCATION FUNDERS AFFINITY GROUP

Florida Philanthropic Network is a statewide association of grantmakers working to build philanthropy to build a better Florida. FPN's members are private independent, corporate and family foundations, community foundations, public charity grantmakers and corporate giving programs — from Miami to Jacksonville, Naples to Pensacola — who hold more than \$6 billion in assets (excluding members located outside Florida) and invest more than \$420 million annually to improve the quality of life for our citizens. FPN's members share a commitment to promoting philanthropy, fostering collaboration and advancing public policy *by Floridians for Floridians*.

Through the years, FPN members have expressed concern about the state of public education in Florida, noting the state's consistently low rankings on various measures and the challenges of providing adequate public funding. In 2009, a group of FPN members joined together to create the informal Education Funders Affinity Group, with the goal of building stronger partnerships with government around education policy in Florida.

These reports are intended as a tool to build the foundation for productive collaborations between state policymakers and education funders going forward. The viewpoints represented in this Issue Brief do not necessarily represent the viewpoints of any individual FPN member.