

Promoting Equity Metrics in the Recovery Act

June 19, 2009

Summary of Notes from Education Breakout Sessions-

- Geri Palast indicated that we are unaware of any states that have followed the maintenance of effort (MOE) and the equity guidelines in the statute as of yet. Molly Hunter mentioned that MD is the only known exception so far. Geri also offered that in the future, as funds are released and reports turned in for aggregation, we will need to know 1) Which states complied with the MOE requirements (greater of FY08 or FY09) and the equity part of the statute (“...funding for phasing in State equity and adequacy adjustments”) and 2) Do the systems of distribution in place address—through which the Stabilization funds are distributed--improve or reduce equity?
- A problem with tracking the uses of the funding is that the control of the money goes through LEAs or school districts--they will not be tracking data, but estimating it because there were no reporting guidelines set in place. Those guidelines, if used in the future, need to identify the top five or ten elements that need to be reported. [I don't understand this bullet point, especially since the school districts currently report their revenue/spending data in great detail to the states which report it to NCES. On the other hand, this could be accurate for capital spending data.]
- The money distributed will make a major impact in year two, also, so it is important to set these things up now so that they will be in place in time to be effective.
- The required State Applications were not being posted initially, but are now being posted, reported Geri and Molly. Also, ED (US Dept of Education) waivers to give more flexibility in distribution of ARRA funding (by states) and use of funds (by school districts) are not being posted, and, apparently, there is debate as to who has the authority to post them.
- Some of the ARRA education funds are being used by states to fill major budget holes other than education. This creates holes for education funding or makes education funding flat, ie, no increase to the schools. This was addressed in a recent letter from Sec. Duncan to Gov. Rendell; Duncan said that these actions will be taken into account when giving incentive grants in the future. (Beryl Radin noted that the literature, however, has stated that there is nothing you

really can do to prevent this--and even if they had paid attention to this in the language of the stimulus, it wouldn't have made a difference.)

- A lot of the data that we need is in some form available through both the Census and the Department of Education (ED). Mary Filardo indicated that regarding capital spending, the problem is that district data cannot be trusted as it is estimated, and the information is incredibly delayed- still waiting for 2006/7 data. Getting the school construction data would be very work intensive- and there was a large discussion about whether it was worth it, which was never resolved.
- Paul Marchand made a good point about needing to look at the recovery funds as a short term thing, for example, instead of hiring new teachers that would need to be sustained, they will hopefully train any untrained teachers. He said that the efforts should be focused on long-term sources of money such as Article 15, that will extend beyond 2011. A counter to that made later was that since the economy is still in the tank and state revenue rebounds are delayed until well after the recovery starts, there will probably need to be another recovery act in 2011 or so. If we have data to back up our advocacy, we will have a better way to change the policies and statutes, ie, try to get another recovery act passed.
- Paul also brought up a report that will be released next month for public comment on metrics and putting money for outside sources to create these metrics.
- Gary Bass emphasized that we need to figure out what we can do now- he wanted to be putting pressure on ED to require the states and districts to report to the FederalReporting.gov, bypassing the aggregating of data from state to federal, and leading to that information being posted in Recovery.gov. He thinks Duncan has the authority to do that, ie, require that quicker reporting. It would improve timeliness, but Paul feels there will be strong push back from the schools who do not want to report that they did not use funds for their original purpose.
- The fourth leg of the stool is transparency- that is the vehicle of advocacy for this topic.
- The reports will start in October, and we must be ready with the information that we want to overlay on their data once they have it. We need to identify the five or ten metrics, both need and performance based, so that public groups can use the ESRI type of thing to advocate to influence states to disburse differently, ie, more equitably. What are the indicators? Also, the initial quarterly reports will not have school district data. If it is not done well for the first round, and not fixed, it will screw everything up. [What??]

- We should make an effort to do state outreach, everyone looking at state budgets, do something. People are going to spin the recovery act in positive and negative ways due to politics. Use some vehicle to get people who know the budgets take a look and analyze. Education Commission of the States (ECS), a moderate to conservative organization, has a website and data already tracking the state budgets.
- Mary put great emphasis on making sure that the analysis and data are done in a way to show the historic problems, so that the influx of money in the recovery is not blamed for the inequality problems.
- Paul thinks that this is a once in a lifetime opportunity to use the incentive and innovation tools to develop new ways of teaching and ways of learning.
- OMB Watch's role could be connecting the experts in each area with the techie crowd that can accomplish the data they need to analyze the state distributions and spending.
- Education is a unique subject area because it is mostly state funding instead of federal funding. Conservatives may get into double bind by saying both that the money was flushed because there wasn't enough federal control, and that federal funds should not go to education.
- The best use of this data is to back up local groups advocating for more equitable allocations, which if they are heard enough, could influence the state's way of allocating funds.
- A goal is to give meaning to the equity part of the statute--to see how much equity is being influenced by the different funds.
- A challenge is that the people in charge at ED think that they know what they are doing and that they know the right formulas--race to the top is their ideological agenda.
- Having a clarified agenda in this subject between the many organizations and individuals that do business with ED would help--a broad based one.
- The final point was that stimulus funds are not being distributed in a way that poorer states, such as Mississippi, are not getting more money for education than wealthy states because of the formula and that should be reflected. Yes, but this is a more complex issue and warrants discussion, not assumptions about distributions to low-wealth and high-wealth states.
- For strategies and action items, the sessions ended by emphasizing the need to push for educational equity and the data we need and faster ways of getting it (Gary's point, above).