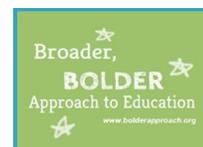


***Rich Hill:***  
**The Gap Between Student Needs and School Capacity**

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***The Broader, Bolder Approach to Education*** is a national campaign that acknowledges the impact of social and economic disadvantage on schools and students and proposes evidence-based policies to improve schools and remedy conditions that limit many children's readiness to learn. BBA was launched in 2008 by the Economic Policy Institute, but is guided by outside co-chairs and an independent Advisory Council that shape policies distinct from those of EPI. For more information, visit [www.boldapproach.org](http://www.boldapproach.org).

***AASA, the School Superintendents Association*** AASA, the School Superintendents Association, founded in 1865, is the professional organization for more than 13,000 educational leaders in the United States and throughout the world. AASA members range from chief executive officers, superintendents and senior level school administrators to cabinet members, professors and aspiring school system leaders. AASA's mission is to support and develop effective school system leaders who are dedicated to the highest quality public education for all children. For more information, visit [www.aasa.org](http://www.aasa.org).

#### ***ABOUT THE AUTHORS***

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*Rich Hill* offers a stark illustration of the large gap that exists between the myriad needs many children growing up in poverty bring with them to school and the capacities of those schools to meet those needs. It also shines a spotlight on the unique gaps that emerge in isolated/rural communities. These realities illustrate the need for policies to focus on bridging those gaps in order to improve education for all students.

This paper explores some of the most common challenges facing students growing up in poverty in the town of Rich Hill, Missouri. While the documentary tracks life in Rich Hill through the eyes of the three boys featured in the film, the circumstances and impacts of poverty on students and schools are not unique; they can be found in towns across the country. This paper examines how schools and students are affected by concentrated poverty and related opportunity gaps. It then assesses the data and research about how school funding and distribution systems at the local, state and federal levels tend to exacerbate—rather than alleviate—these gaps. The paper concludes with suggestions for policy changes at both the federal and state levels that would support schools’ efforts to address student needs and narrow the gaps we see here.

### **Case studies**

The depiction of life in Rich Hill through the eyes of three adolescent boys – Andrew, Appachey and Harley – underscores a range of challenges that are both explicitly and implicitly carried with those boys to school. While they are not necessarily representative of the challenges of the “average” low-income student in the United States, nor all-inclusive, these problems correlated with growing up in poverty highlight the many obstacles that schools in impoverished communities face in providing students with a strong and successful educational experience.

Andrew’s story depicts a life that is challenging but also fulfilling. He wishes that his parents had an easier time – that his mother’s health were better and she were able to be more present, and that his father could find steady work, or at least more odd jobs – but he knows that they love him, and he and his sister are close to them and very supportive of one another. He enjoys school and being on the football team. At the same time, he is carrying some heavy burdens for someone his age. The family is chronically short of money, so Andrew works with his father, gardening, painting and doing other maintenance work, putting in a full day for just \$20 so he can contribute to the household. It is tough to see an adolescent boy tucking his own mother into bed at night and assuring her that everything will be fine, or taking a bath quickly so that others can use the hot water, boiled on several appliances, after he does. Even harder is listening to his casual comment, as he enters yet another new school after his family moves to yet another town in search of a better life, that he may not have any friends. That is just the way it is.

Appachey makes no attempt to depict his life as easier than it is; he is angry at a lot of the world, and he makes that clear. He talks openly about his desire to be somewhere else, a place with better food, less homework and more fun. In nearly every scene, Appachey is smoking a cigarette and either playing video games or out riding his skateboard. He can't seem to find the space he needs to get away from his mother, his little sister and perhaps himself. At critical moments the tough facade cracks open and we see him for the 12-year-old child he really is. He envisions life as a champion skateboarder. When the lack of support to address his anger finally lands him in juvenile detention, he reaches out for his mother, who wants desperately to help him but is overwhelmed by his many needs, those of his young siblings and her own lack of a support system.

Harley does not even live with one parent; his mother is in prison, so his grandmother is doing her best to raise a very angry, very troubled adolescent. Like Appachey, we see the little boy in Harley when he writes letters to his mother wondering when he might get to live with her again and telling her how much he loves and misses her, and what a great mom she is. And the filmmakers starkly depict his grandmother's lack of resources to deal with Harley's uncontrollable outbursts of rage. For Harley, poverty manifests itself in his inability to buy the new knife that he wants or his grandmother's explanation that she cannot afford to buy energy drinks, given that their food stamps will likely run out before the end of the month. And when we finally learn why his mother is in jail, the lack of consistent professional support to address his social and emotional needs becomes a stark and obvious barrier to his likelihood of finishing school. Indeed, after repeated warnings from his principal that there is now no other option besides declaring him truant, Harley walks out, declaring that he does not need an education anyway; all he needs is his family.

Following the boys over the course of the year, living life in a town that is neither the poorest nor the most desolate of the area, *Rich Hill* vividly illustrates the multiple barriers to success posed by growing up in poverty. It also provides a sense of the substantial resources that a school would need to address them adequately, and a less-than-subtle hint that many are not there.

## **Student needs**

***Food insecurity/nutrition:*** Issues of food insecurity and poor nutrition feature prominently among Rich Hill students and their families. When refrigerators open, many are empty, and we hear Harley discuss with his grandmother her concern that she will not be able to stretch their food stamps (SNAP funds) to the end of the month. When there are glimpses of food in the homes, they are very rarely of ‘whole’ foods, fresh foods or foods that provide a lot of nutritional value. Even in the home, the preferred/available meals are prepackaged, prepared and simply reheated. Fast food restaurants are the only option depicted outside of home, and many of those interviewed are drinking large soft drinks, which also feature prominently in the small local supermarket. Nutritious food seems hard to come by, and several of the film’s featured characters are overweight or obese. In all, then, we see a town in which food insecurity represents a major problem. Research tells us that this takes a particularly hard toll on children, who need sufficient healthy food to develop both physically and cognitively, and who suffer academically and mentally when they do not get it (Murphy et. al. 2008, Frank et. al. 2010).

***Housing and mobility:*** Two of the three boys featured in the film live in conditions that most Americans would describe as squalor. The homes are small, dirty and lack privacy. Light bulbs are bare, doors are falling off hinges, wiring is exposed and appliances do not work or are jerry-rigged. Such conditions are not conducive to doing the homework or quiet thinking that middle and high school requirements demand.

Andrew also faces additional problems; he describes how his family moves each year, sometimes more than once, to new towns with new schools, teachers and peers. Indeed, we listen to him comment that he may not be able to make friends as he sits in the back of yet another new classroom. Later in the film, after hoping that the most recent such move will offer real promise and a sense of permanency, his family again moves back to Rich Hill, this time doubling up with cousins, a tiny house sheltering ten people in all.

Here, too, research indicates substantial challenges to these students’ academic success. Some studies link lack of a quiet space to do homework to problems at school (Lubell and Brennan 2007). Others calculate the negative impact of excess mobility – which is disproportionately common among low-income and minority students – on student attendance, engagement, grades and even graduation from high school (Hanushek, Kaine and Rifkin 2004 and Haveman, Wolfe and Spaulding

1991). Poverty is a key driver of excess mobility, and both mobile and non-mobile students in high-poverty schools suffer disproportionately from the disruptions it causes (Smith, Fien and Paine 2008).

***Physical and mental health issues:*** While the kids' physical health is not explicitly addressed in the film, extensive research documents challenges posed by poor health and lack of consistent access to care in low-income contexts. Poor children are more likely to be born too early or too small and less likely to see pediatricians regularly for such basic preventive supports as immunizations and screenings (Johnson and Schoeni 2011). Later, they suffer disproportionately from poor vision and chronic ear infections, both of which limit school success (Rothstein 2004). They also are less likely to receive quick treatment for the kinds of everyday ailments that can be treated with antibiotics but cause chronic absence when not addressed. Indeed, low-income students miss more than twice as much school, on average, due to treatable illness than their higher-income peers (HHS 2010).

The stresses of trying to support struggling parents and young siblings as an adolescent, of having a parent in jail, and of insecure food and housing are just a few of the mental and emotional health triggers depicted in the film. Harley and Appachey repeatedly discuss their inability to control their rage, and we see them lash out at their mother, grandmother, little sister and even school principal. Living in poverty, especially in the context of a lack of jobs and surrounded by so many other families with poor prospects, leads to high levels of stress for all members of the family. It is tempting to judge a mother who screams at her young children for failing to tidy a house that does not seem possible to clean, until we learn that this is her only "break" from six-day-a-week poverty-wage fast food work, which has been her life since marrying and having her first child as a teenager.

Extensive evidence documents the harsh toll that living in poverty exacts on families and children. Indeed, recent studies indicate that low-income adults who make competent and rational decisions in other contexts become "stupid" when faced with high-stakes choices, such as having to make an unexpected car repair payment with no money in the bank, but no job if the car is not fixed (Mani et. al. 2013). It is not difficult to see how living for many years in the depressed circumstances depicted in Rich Hill – with no visible way to break out of them – could induce rage, especially in teens who lack the resources to deal with their feelings of powerlessness.

***Parent support/education:*** In each of the three households tracked in *Rich Hill*, we see parents – or, in the case of Harley, his grandmother standing in for his imprisoned mother – doing the best they can. It is clear, however, that parents who are physically absent–in jail – mentally absent, due to illness, or emotionally absent, are too common in contexts like this one. And the parents who are present are so stressed by the immediate demands of trying to find more work, keep the utilities on and stretch food stamps, that they have limited capacity to devote much-needed time and attention to address anything beyond the very basic needs of their children.

Children need the support of caring, capable adults to thrive, and researchers document that parent engagement in school is particularly critical to success (Casper, Lopez and Wolos 2007). The circumstances of parenting in *Rich Hill* are often more challenging than average, and lack of support for those parents is starkly illustrated.

### ***Concentrated Poverty and Schools***

Another growing problem is that of concentrated poverty and schools that serve students living in such contexts. While living in poverty is associated with many of the individual problems described above, schools serving students who live in areas in which many, or even most, families are poor – neighborhoods of “concentrated poverty” – struggle in additional and unique ways (PRRAC YR). This barrier to academic and life success is rising rapidly in recent years:

In 2011, 21% of school-aged children in the U.S. were living below the federal poverty level (approximately \$23,000 for a family of four), a 30% increase over levels in 2007. ... Compounding the challenges of extremely high levels of poverty, these students are increasingly concentrated in schools with other poor children. The percentage of U.S. students in high-poverty schools (poverty rates greater than 30%) doubled from 7% in 2007 to 16% in 2011. Decades of research demonstrates that concentrated poverty is a significant barrier to educational progress. The increasing isolation of poor students in schools and districts presents what may be the most daunting challenge currently facing American public education. (Baker, Sciarra and Farrie 2014, 2)

Such circumstances present multiple obstacles to school improvement and student success. Taken together, being poor and attending schools with classmates who are poor constitutes a clear “double handicap” (PRRAC, 2). High concentrations of poverty in a school threaten the opportunities of poor and non-poor students alike to obtain basic and essential skills. Concentrated poverty also impedes parent involvement in schools, a key indicator of achievement, as engagement is closely

associated with socioeconomic class. Indeed, research establishes that the most successful schools are those in which the middle class is the majority. When schools reach a “tipping point” of 50 percent student poverty (or minority status) and above, success becomes extremely difficult, and failure is likely (PRRAC, 3). Among many challenges, such schools find it extremely difficult to recruit and retain the strong teachers and principals who are most needed in precisely these schools.

Issues of lack of steady employment and low wages are also implicated in the film: Andrew’s father cannot find enough jobs to make ends meet, leading to the family’s repeated moves, and Appachey’s mother seems to have been trying to support three children on minimum – or near minimum – wage jobs since high school. Working full-time jobs that do not support even a family’s basic needs is an increasingly common reality in the United States (Shipler 2004, Mishel et. al. 2012). Growing momentum to raise the federal minimum wage is just one indication of how widespread the problem is, and only one piece of a solution that will need to address issues of chronic un- and under-employment, loss of middle-class jobs to international trade, and stagnating wages for most Americans other than those at the top of the income and education ladders (Mishel et. al. 2012).

## **School capacity/mismatch**

As set out above, schools like those in Rich Hill face a number of impediments to effective teaching and learning, due to the circumstances in which students live and the physical, emotional and cognitive problems many of them bring to school as a result. Unfortunately, our system of school funding is not well structured to enable schools to address these needs. Indeed, there is a fundamental mismatch between the level of student and teacher needs that a school (or district) is likely to encounter and the resources it can muster to meet them.

### ***A. Root of the problem: Our property tax-based funding system***

This mismatch has its basis in decisions regarding how American schools are funded. Unlike our Western counterparts, all of which organize and fund schools at the national (and/or regional) levels, the United States has traditionally vested authority over schools at the state level. Funding comes heavily from an even more dispersed source: local property taxes. On average, 44 percent of school district revenue is from these taxes (NCES 2013). Only in the last few decades has state funding become a second major source, and it varies hugely, from 29 percent in Missouri to 82 percent in Vermont (FEBP). Indeed, federal dollars represent, on average, just 10 percent of an operating school district budget. AASA recently mapped the share of federal dollars<sup>i</sup> in school districts across the nation.

The enormous disparities in property value within and among both states and districts translate to stark inequities in available funding and funding bases.<sup>ii</sup> In places with very low property values, like Cleveland and Detroit, districts must tax their residents at higher rates in order to raise enough revenue to provide even basic necessities for schools (FEBP). Such rates make living in the district less attractive to families that can afford other options, especially those with no students in the schools. And even at those rates, schools are often hard-pressed to offer the competitive salaries needed to attract good teachers or provide students with up-to-date technology (Berry 2011). This creates a cycle in which families that can afford to move out may do so, leaving the school with an increasingly difficult-to-teach student body, high rates of teacher and leadership turnover, falling property values and a community hard-pressed to provide critical funding relief through supporting/affording higher tax rates.

In wealthy districts, in contrast, relatively low tax rates yield more than enough revenue without straining families' budgets. Schools can attract strong teachers, keep class sizes reasonable, and provide students with appropriate materials, labs, supplies, and many "extras" that low-income schools cannot afford. Moreover, such schools can and do raise private funds through bake sales, auctions and donations

for other items they deem important. This creates the opposite effect of that seen in struggling districts; schools are increasingly attractive to families that can afford to live in the area, but these do not include low-income households, for whom the cost of housing and transportation is far too high. In all, this system leads, among other problems, to increased stratification of both neighborhoods and schools by race and income level (Berry 2011).

On New York's Long Island, for example, property owners in the wealthy North Shore town of Locust Grove pay under \$23 per \$1,000 of property value in order to provide \$1,722 in school revenue per student, while, only a few miles away in blue-collar Levittown, owners pay near \$36 but garner less – just \$955 per student in the denser, less wealthy district (Berry 2011). This self-reinforcing pattern ensures that the two towns' students remain segregated groups.

The impact of these funding disparities in a town like Rich Hill is substantial. Schools cannot afford to provide the wrap-around services that are critical to combating the impacts of poverty. With increased local revenue, districts would have greater capacity to meet the non-academic needs of students that are vital to improving overall learning. If cost were not an issue, schools would have a range of options: hire more social workers and counselors; reduce the size of classes so that students receive the individual attention they need; and offer engaging after-school options that free their parents to work and help them connect what they learn during the school day to hobbies, broader interests, and, as they enter high school, potential career applications. Unfortunately, the opposite is more common. As states and districts cut revenues during and since the recession, low-income districts in particular have lost out on these critical resources which are often deemed “extras” that are no longer affordable (Ellerson 2012).

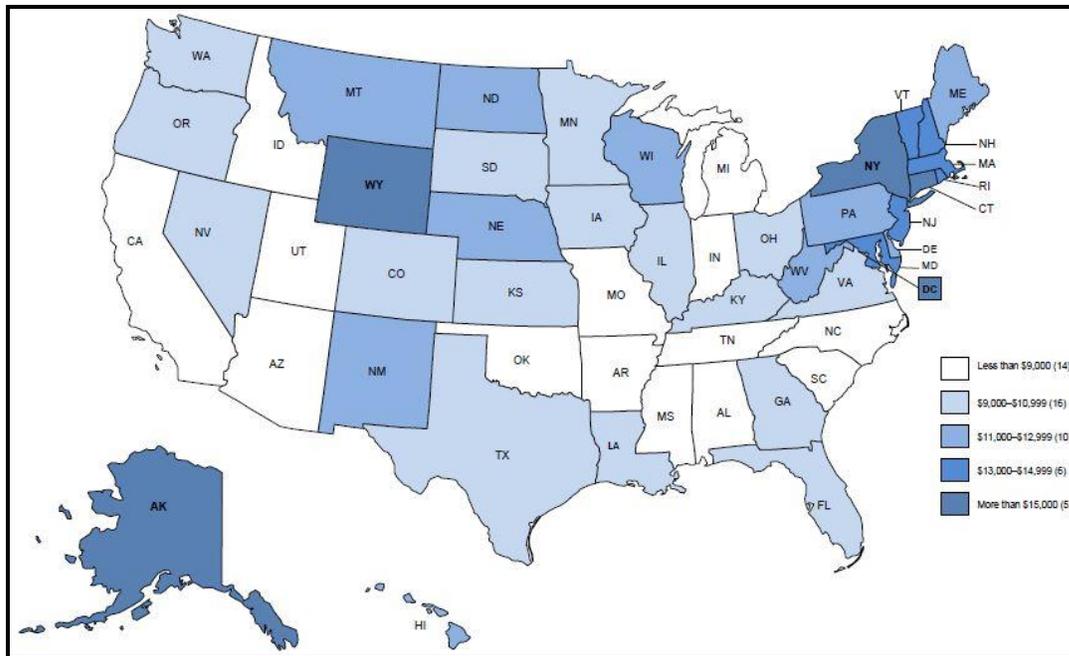
### ***B. Compounding the problem: States' failure/inability to compensate/equalize***

These substantial differences in districts' capacities to raise revenue for their schools make state funding all the more important. States provide the second major source of funds for schools, roughly equal to local funding, on average, around 44 percent (NCES 2013). However, states also vary greatly in the degree to which they supplement local revenues, due to both disparities in their overall level of funding to school districts, and their effort – how much they spend on education relative to state fiscal capacity – as, like districts, states vary greatly in their levels of wealth.

A recent report from the Education Law Center, which tracks state funding along four indicators of “fairness,” finds troubling trends overall, even more so in the wake of loss of federal stimulus funds following the Great Recession (Baker, Sciarra and

Farrie 2014). As illustrated in Figure 1, average per-pupil funding varies vastly across states, from a low of \$6,753 in Idaho to \$17,397 in Wyoming.<sup>iii</sup>

*Figure 1: Median current expenditures per pupil for public elementary and secondary regular school districts, by state: Fiscal year 2011*



Source: [http://nces.ed.gov/pubs2013/2013344/figure\\_03.asp](http://nces.ed.gov/pubs2013/2013344/figure_03.asp)<sup>iv</sup>

Six states provide average funding below \$8,000 per pupil. These states, many of which also have some of the lowest average student test scores, are Tennessee, Mississippi, Oklahoma, Arizona, Utah and Idaho.

This gap is reflected in the effort states make to fund their public schools. The highest-effort states – Vermont, New Jersey and New York – “devote more than 4.5% of their economic productivity to schools,” compared to just 2.5% or less among those with the lowest effort – Oregon, South Dakota and Delaware (Baker, Sciarra and Farrie 2013).

In addition, most states distribute funds in a flat or regressive manner; they provide equal or less funding to low-income districts relative to higher-income ones. “In the five most regressive states (North Dakota, Vermont, New Hampshire, North Carolina, Nevada), the poorest districts receive at least 20% less funding than the higher wealth districts.”

Only 14 states are classified as progressive – i.e., they provide more funds to high-poverty districts than to others to help those schools compensate for the negative

effects of student poverty. And even among these, only eight provide more than a 10 percent boost to high poverty districts (Baker, Sciarra and Farrie 2013, 15-16).<sup>v</sup>Moreover, the number of such states is falling post-recession, and several progressive states, including New Jersey and Utah, reduced supplements to poor districts between 2009 and 2011.

Overall, state funding has been on the decline since the recession began, and many states continue to cut or have declined to restore funding to pre-recession levels. Federal stimulus funds cushioned this blow in 2008 and 2009, after which large cuts began. Roughly half of states cut funding between 2010 and 2011, and per-pupil spending was below 2007 levels in 14 states, even before adjusting for inflation.

New Jersey, previously one of the fairest states, now falls \$2,619 below its funding level in 2007 [and] Florida, once about average in its spending, has reduced funding by an average of nearly \$1,488 per student and is now at the bottom in terms of overall funding” (Baker, Sciarra and Farrie 2014, 11).

The overall picture, which was nowhere near fair or sufficient prior to the major cuts triggered by the recession, continues to worsen. This means that states are more likely to compound than to compensate for large disparities across districts and states and lack of resources to provide what all students, especially disadvantaged students, need.

These problems with state funding mechanisms have particular implications for districts like Rich Hill, given the extensive needs described above of its students. In addition to sufficient general funding levels to provide the average student a fair and adequate education, Rich Hill High School would benefit from smaller-than-average classes, so that teachers can provide individual students the attention and custom instruction they might need. Social workers could help address students’ social and emotional needs, and added counselors could counteract the lack of parental capacity to guide students in choosing classes and exploring post-secondary options. Finally, the school would benefit from added nutrition and health supports for students and, ideally, for housing supports to increase stability for families. Unfortunately, it is unlikely that such resources are available. The Education Law Center ranks Missouri as one of the two least “fairly” funded school systems:

[Missouri and North Carolina] are low-effort, regressive states with low funding levels and low coverage. Without significant improvements in their funding systems, there is little chance that they are providing their students, especially those who are low-income, a meaningful education” (Baker, Sciarra and Farrie 2014, 30).

### ***C. Title I – Important, but Not Enough***

#### ***I. Insufficient funding, problems with formula***

Understanding these limitations, Congress passed the Elementary and Secondary Education Act (ESEA) in 1965 as part of President Lyndon Johnson’s War on Poverty. The cornerstone of the flagship program designed to level the playing field for historically disadvantaged youth—those from low-income families—is commonly referred to as Title I. While multiple titles within the broader law are designed to compensate for flaws within state and local funding mechanisms by directing funds to schools and districts that serve students who are disproportionately poor, it is the Title I program that has the largest funding power.

In its nearly 50 years of existence, Title I has never been funded at a level so as to completely address the impacts of concentrated poverty. Moreover, over the past five decades, changes in law have made federal funding both less equitable and less sufficient in meeting its stated goal, equity, especially in rural areas. An unintentional flaw in the Title I formula means that larger, but less poor, school districts end up with a higher per-pupil Title I allocation, a flaw that disproportionately impacts small, rural schools like Rich Hill across the country. Beyond the flaw in the Title I formula, which is explained in greater detail below, a more recent trend in federal education funding has proven just as concerning: reliance on competitive funding. In recent years, the availability of new funding for K-12 education has largely been driven through competitive programs. Key federal formula programs, like Title I and the Individuals with Disabilities Education Act (IDEA) were designed to level the playing field for historically disadvantaged student populations: students living in poverty and students with disabilities. The programs rely on formula to make funding available to all eligible individuals.

Federal dollars represent, on average, ten percent of a school’s operating budget. While not a large portion of the overall budget, it is a critical component on which schools rely in order to fully meet their educational mission. This makes the recent shift to competitive grants for traditional and basic public education resources problematic. When education is widely perceived as the civil rights issue of this generation, it is critically important that the limited federal education dollars are available to all schools and students, not just those with the capacity to navigate the competitive grant application process. That is, federal dollars must be driven through formula programs. Continued reliance on competitive grants—including Race to the Top, Investing in Innovation and others—exacerbates resource gaps, which have been linked to achievement and learning gaps (Strange 2010, Weiss 2013).

In rural communities, this shift to competitive funding is especially problematic; such funding is less available to smaller, more rural districts, most of which lack the capacity to compete successfully. This is not because they lack competitiveness; rather, rural schools often lack the administrative capacity necessary to apply for, implement, and monitor competitive grants.

Notwithstanding shortcomings in current federal funding law, Title I has proven critical to supporting schools' efforts to improve student learning, narrow achievement gaps, and increase graduation rates.

## ***II. Inequitable Teacher Quality, Experience, and Pay***

Equitable access to effective teachers is a critical priority and a major concern in low-income and heavily minority schools and districts in particular. There is broad agreement across education and civil rights groups that one important step to ensuring a real opportunity for all to learn is making teacher quality more equitable.

Current law requires state and local education agencies to demonstrate that their respective education resources are allocated among schools and districts. This requirement is commonly referred to as the “comparability” calculation. Current law, which lists the expenditures and factors to be included in the calculation, explicitly excludes teacher salary. Some groups refer to this as a “comparability loophole” and are pushing for the inclusion of teacher salary in the comparability calculation. A recent U.S. Department of Education report further highlights the disparity between the goals of Title I funding and the resources actually allocated for low-income districts and schools that receive it. As the report notes,

[ESEA Title I] requires that, taken as a whole, services provided in Title schools from state and local funds be at least comparable to those provided in non-Title I Schools. ... The purpose of this comparability requirement is to ensure that federal assistance is providing additional resources in high-need schools rather than compensating for an inequitable distribution of funds that benefits more affluent schools. (Heuer and Stullich 2011, ix).

The report's analysis finds that in roughly half of all schools in districts that receive Title I funds, the comparability requirement is violated in one or more respects. For example, “In 40 percent of districts that had both Title I and non-Title I schools, more than 40 percent of Title I schools had lower personnel expenditures per pupil than did non-Title I schools at the same grade level” (Heuer and Stullich 2011, xi). And when other school budget items, such as instructional staff or non-personnel expenditures, are taken into account, the proportion grew to fully half or more.

I.e., a large proportion of high-poverty schools are using Title I funds to compensate for low levels of state and/or local funding and/or regressive funding mechanisms, rather than to provide the added supports and services intended by, and mandated under, Title I. Indeed, there is ample documentation of the disparities in teacher distribution, with students in low-income schools more likely to have younger, lower-paid and less effective teachers, who are also less likely to specialize in the subjects they teach (Peske and Haycock 2006). But “closing the loophole” offers a single-factor solution to this multi-factor problem.

Research demonstrates that there are many complex and interacting reasons for these disparities, and that these reasons are attributable as much to the school as to the broader community/district. Among the many factors scholars identify are: typical teacher sorting patterns; hiring/staffing decision patterns; compensation and benefits; affordable housing; community setting; work commute; professional development/mentoring; and job opportunities for spouses. Moreover, research does not find teacher pay to be the most pressing factor (NSF 2008). In fact, when asked why they choose to relocate from lower-income (harder-to-staff) settings, teachers cite myriad reasons, among the most significant: access to a stable and cohesive corps of colleagues; strong principal leadership; and other aspects of school climate (Loeb, Darling-Hammond and Luczak 2005). Overall school resources—such as breadth as curriculum, access to technology, and professional development—are also important factors. The implications are clear: addressing the core drivers of these disparities, including the aforementioned state and local funding issues, would represent a comprehensive, sustainable, and less disruptive way of ensuring that every classroom—especially those populated with struggling students—is staffed by the great teacher we know they need and that we all expect.

#### ***D. Particular concerns for rural schools/districts***

On top of these disadvantages for districts and schools that serve low-income students, the Title I formula includes a hiccup that disproportionately hurts the nation’s rural schools. The Title I formula is actually comprised of four formulas: basic, concentrated, targeted and the Education Finance Incentive Grant (EFIG). Two of those formulas—targeted and EFIG—include weighting mechanisms designed to ensure that Title I dollars are directed towards students in poverty.

Each formula has two weighting brackets, one based on the number of students in poverty, the other based on the percentage of students in poverty. Each school district submits both metrics (count and percent of students in poverty) to the state, and whichever schema garners the school the largest per-pupil weight is the one

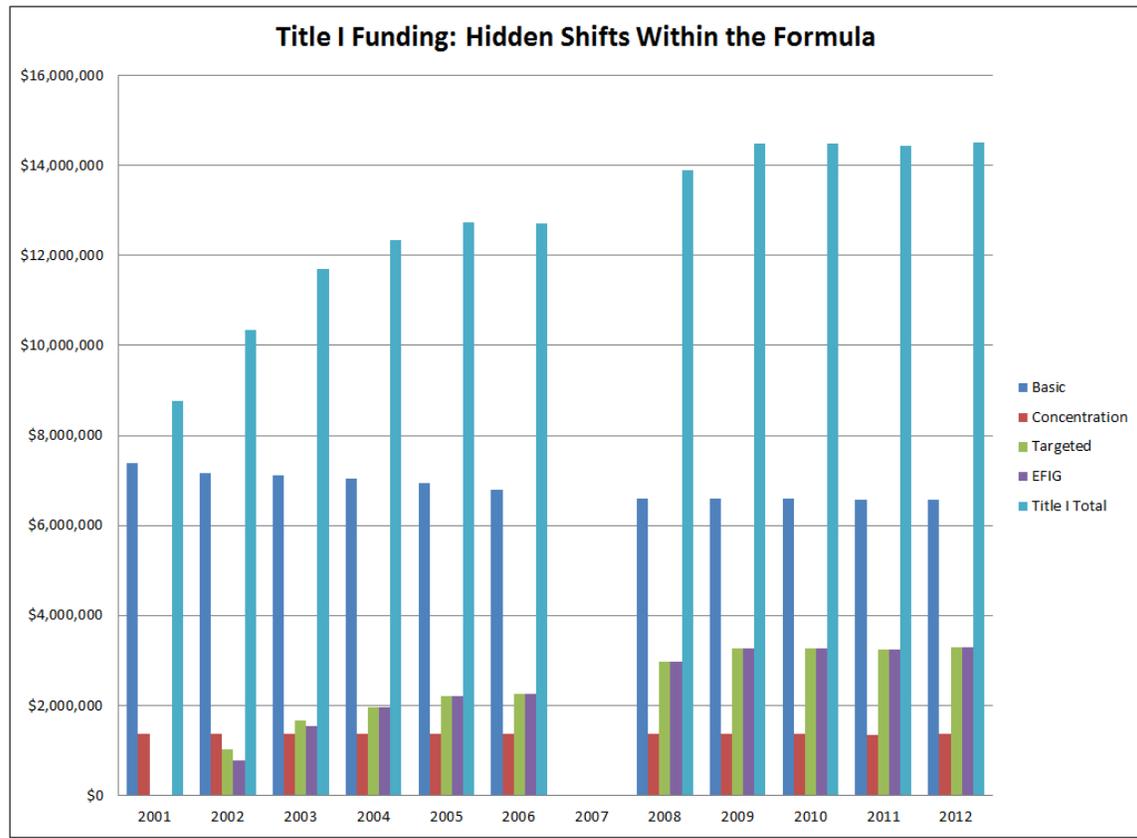
that is used. This seems fair, on the surface, as each school is receiving the apparent maximum.

The assumption is flawed, however. The weighting brackets were unintentionally structured in such a manner that larger districts, though less poor, end up receiving a higher per-pupil allocation. For example: School district A has 200,000 students overall, 20,000 (10%) of whom live in poverty. District B has 2,000 student in poverty, 200 (10%) of whom live in poverty. While both districts have the same concentration of poverty, the weighting mechanism results in District A maxing out under the sheer count (as opposed to concentration) of poverty and, thus, ending up with a high per-pupil allocation. This flaw has the cumulative effect of shifting critical Title I dollars away from poorer districts, an impact that is particularly problematic for areas of rural poverty.

The fix to this is easy, and requires a simple reduction in the weights assigned to the count bracket to ensure that all districts are evaluated based on the *concentration* of poverty among their students. As with any funding formula fight, though, there are winners and losers, and large, less poor districts have powerful incentives to oppose the change. Unless the policy change comes with a significant increase in funding, it is likely that these larger, less-poor districts would ‘feel the pinch’ as Title I distribution is corrected.

This reality becomes even starker when we look at the overall trend in Title I funding. ESEA was last reauthorized in 2002, and is currently known as No Child Left Behind. As illustrated by the light blue bar in **Figure II** below, Title I received a significant funding increase over the last 10 years. Upon closer inspection, however, it becomes clear that all of that growth went to targeted and EFIG grants, the very formulas that are flawed in their ability to accurately distribute Title I dollars to the schools with the greatest concentration of poverty.

Figure II: Title I Funding: Hidden Shifts Within the Formula



## **Policy implications**

*Rich Hill* offers suggestions for policy improvements both within schools and within the broader community and state, and at the federal level. Perhaps most direct is the need to fund schools more equitably and progressively. Other Western nations, to whom our policy leaders often refer as “beating” or “out-competing” us, recognize that students who come to school with fewer resources at home and greater needs must be funded at higher levels in order to reduce gaps in learning and achievement. Until we do the same – through a combination of reduced reliance on property taxes, more equitable state funding formulas, and strong incentives in federal laws that also advance equity – such competition will remain heavily lopsided. Students in Rich Hill and similar towns will continue to be served by a public school system that compounds, rather than compensates for, the many consequences of growing up in poverty.

Moreover, funding should be flexible, so that states, districts, and individual schools can tailor supports to meet their students’ needs. It should also be channeled in ways that are based on evidence, not politics or fads. Current reforms’ insistence that states make student test score growth a substantial part of teacher evaluations, for example, runs afoul of the vast bulk of scholarly evidence that such practices are unlikely to accurately identify good and bad teachers, while carrying with them major negative consequences, in particular for the struggling schools like Rich Hill High School that they are intended to benefit.

Finally, funding intended to level an uneven playing field should be formula based, and not appropriated on a competitive basis. Competitive grants, like Race to the Top, are disadvantageous to schools with lower capacity – often those serving low-income and minority students – and particularly harmful to rural schools, which struggle the most with issues of capacity both in the proposal/application and implementation/documentation stages. Indeed, while we catch only small glimpses of Rich Hill High School, it is not hard to imagine the added burdens that such reforms and competitive grants place on a system already struggling to provide even the basics to its very needy students.

More explicitly, the film makes clear the need to address the larger community’s needs if schools in high-poverty areas, and their students, are to have a real chance at success. Food stamps provide critical support for the families depicted in Rich Hill but are already stretched thin; recently-passed cuts to SNAP might force Appachey’s mother or Harley’s grandmother to skip some meals or substitute cereal with potato chips for breakfast. The minimal federal budget savings of such counterproductive decisions are dwarfed by costs to schools in reduced student well-being and ability

to focus. Ensuring that schools serve not only nutritious lunches, but accessible breakfasts, would bolster the benefits of SNAP. Introducing programs like backpacks of food to carry students through weekends, as is the practice in many full-service community schools, seems another smart idea.

School-based health clinics represent a second evidence-based program from which Rich Hill and schools like it would greatly benefit. Research indicates that having a doctor on-site to assess, diagnose and address Harley and Appachey's mental and emotional health problems would relieve pressure on their over-stretched mother and grandmother, and greatly reduce the number of classes and days missed due to rage, stress and related conditions brought on by their tough life circumstances. Having such a resource also reduces chronic absence due to the ear infections, asthma and colds that low-income students disproportionately suffer, ensures that students are not misdiagnosed with learning disabilities when they really just need glasses, and, at the high school level, reduces unwanted pregnancies and sexually transmitted diseases that are also prevalent in communities like Rich Hill.

Beyond the school walls, districts can partner with community and state agencies to advance policies that stabilize families in more substantial ways. In particular, they can encourage housing policies that help Andrew and students like him stay at the same school, so that they do not lose ground every six months due to new teachers, friends and lessons, and so that schools that already face substantial hurdles need not also expend added resources on lesson repetition and administrative tasks.

Finally, federal policies regarding both social welfare programs – most notably the Temporary Assistance to Needy Families and Unemployment Insurance programs – and broader wage policies, especially the minimum wage, are critical ingredients for the success of students in *Rich Hill* and millions like them across the country. Without stable jobs that pay their parents a living wage, and a secure safety net that provides for their basic needs when such jobs are unavailable, Andrew, Harley and Appachey may not go to school well-nourished, healthy, with clean clothes and undistracted by lack of a stable place to sleep, play and do homework.

*Rich Hill* highlights the stark disconnect between the many needs of children growing up in poverty and the ability of schools that serve those children to adequately address all those needs, both academic and non-academic. The documentary shines a light on the unique nuances of this disconnect as they unfold in small, rural communities. This paper aimed to bridge the disconnects identified in the film with the policy remedies that can best support schools in their ongoing effort to address the myriad of needs these students bring to school with them. Collectively, the film and this paper serve as a springboard for rich, meaningful

conversations about how best to mitigate and ultimately eliminate the challenges facing students growing up in poverty.

Appendix I: NCES Table I, Funding Disparities Across States and Districts

State	Total <sup>1</sup>	Salaries and wages	Employee benefits	Other <sup>2</sup>
<b>United States</b>	<b>\$10,326</b>	<b>\$6,237</b>	<b>\$2,256</b>	<b>\$1,833</b>
Alabama	8,798	5,074	2,100	1,624
Alaska	16,644	7,971	6,589	2,083
Arizona	7,540	4,915	1,149	1,476
Arkansas	9,154	5,537	1,549	2,068
California	8,612	5,356	1,921	1,336
Colorado	8,645	5,529	1,384	1,732
Connecticut	15,398	9,029	3,737	2,632
Delaware	12,540	7,105	3,088	2,347
District of Columbia <sup>3</sup>	18,475	10,253	1,977	6,245
Florida	8,887	5,134	1,727	2,026
Georgia	9,228	5,830	1,791	1,607
Hawaii <sup>3</sup>	12,004	6,681	2,288	3,035
Idaho	6,818	4,241	1,444	1,134
Illinois	11,386	6,425	2,716	2,244
Indiana	9,225	5,249	2,662	1,314
Iowa	9,209	5,872	1,898	1,439
Kansas	9,493	5,708	1,581	2,204
Kentucky	9,309	5,887	2,088	1,334
Louisiana	10,722	6,188	2,566	1,968
Maine	12,533	7,276	3,019	2,238
Maryland	13,871	8,235	3,531	2,105
Massachusetts	13,772	8,259	3,214	2,299
Michigan	9,862	5,388	2,760	1,714
Minnesota	10,136	6,575	2,081	1,479
Mississippi	7,928	4,732	1,485	1,712
Missouri	9,040	5,705	1,671	1,664
Montana	10,508	6,105	1,855	2,548
Nebraska	10,388	5,908	2,010	2,470
Nevada	8,492	5,112	1,920	1,460
New Hampshire	13,279	7,600	3,180	2,500
New Jersey	15,087	9,164	3,628	2,295
New Mexico	9,070	5,481	1,726	1,863
New York	19,065	10,805	5,024	3,236
North Carolina	8,312	5,393	1,569	1,351
North Dakota	10,939	6,629	2,005	2,305
Ohio	10,487	6,358	2,413	1,717

Oklahoma	7,564	4,348	1,398	1,818
Oregon	9,046	4,980	2,456	1,610
Pennsylvania	11,999	7,026	2,574	2,400
Rhode Island	14,351	8,445	3,517	2,389
South Carolina	8,945	5,452	1,724	1,770
South Dakota	8,754	5,289	1,482	1,983
Tennessee	8,085	5,032	1,638	1,414
Texas	8,587	5,917	1,036	1,634
Utah	6,212	3,551	1,602	1,059
Vermont	13,996	8,378	3,084	2,534
Virginia	10,363	6,722	2,144	1,497
Washington	9,427	5,889	1,920	1,617
West Virginia	11,682	6,118	3,993	1,570
Wisconsin	11,754	6,273	3,430	2,051
Wyoming	15,849	9,473	3,804	2,572

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<sup>i</sup> Share of Federal Education Dollars in School Operating Budgets, 2011

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<sup>ii</sup> See NCES Table 6, Appendix I in this paper.

<sup>iii</sup> The fact that these two states are at the extremes demonstrates, too, that differences are not necessarily due to cost-of-living or other regional differences, as these are neighboring states with similar demographic, political, and other characteristics.

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<sup>iv</sup> NOTE: Current expenditures include instruction, instruction-related, support services, and other elementary/secondary current expenditures, but exclude expenditures on capital outlay, other programs and payments to state and local governments, interest on long-term debt, and payments to private and charter schools. Interschool system transactions are excluded to prevent double counting. [SOURCE](#): U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "School District Finance Survey (F-33)," fiscal year 2011, Preliminary Version 1a.

<sup>v</sup> See Table 3 and Figure 2. These eight states are: Minnesota (28%), South Dakota (27%), Utah (24%), Louisiana (21%), Ohio (20%), Indiana (14%), Georgia (13%), and Massachusetts (13%).