School Funding and Assessment and Their Impact on Efficiency and Productivity in Texas before the Texas Senate Education Committee
Presented by Lisa Hernandez, TLEC Advisor, Texas Center for Educational Policy, and TLEC Co-Chair, David Hinojosa, IDRA, August 3, 2016.

Members of the Senate Education Committee:

Thank you for allowing the Texas Latino Education Coalition (TLEC) the opportunity to provide written and oral testimony on the comprehensive performance review of all public schools in Texas, while examining ways to improve efficiency, productivity, and student academic outcomes. TLEC is a collaborative of organizations and individuals who advocate for the rights of Latino students at the local, state and national levels. The coalition was organized to focus specifically on critical educational issues in Texas and to improve the state of education for Latino students in public schools.

Our testimony today focuses on two areas: (1) the need to focus funding on access to learning opportunities for schoolchildren to achieve better outcomes; and (2) the disconnect between testing outcomes and quality of schooling. We include key recommendations that the Committee may consider as it looks for ways to improve efficiency, productivity, and student academic outcomes in the area of school funding and assessment.

In addressing the efficiency and productivity of the current system, it is important that the Committee understand the impact that other “reform” policies have had on student learning. Many of the State's continuing “reforms,” (including the proliferation of privately-controlled charter schools and school closures) have undermined public education and usurped local control, primarily from communities of color. Other reforms taking place in the near future, including the A-F accountability grading system, will likely further undercut local community engagement from underserved communities. So the Committee should ask itself: Are the reforms presented today really about improving student learning and opportunity to build a better democracy? Or do they have a separate agenda in mind?

A. Funding Opportunities and Access Must Come Before Academic Outcomes

*If the Texas Legislature wants to improve student academic outcomes for all students, then it must start with funding the learning opportunities all students need to succeed and with building*
a framework for a supportive educational system. Educational research shows the importance of several learning opportunities and how, collectively, these opportunities lead to improved academic outcomes. These essential opportunities include, among others:

a) high quality teachers;
b) high quality curriculum and course offerings;
c) professional development for educators and leaders;
d) high quality pre-kindergarten;
e) small class sizes (especially in high-need schools);
f) parent and community engagement; and

g) high quality tutoring and accelerated learning programs.

There also is a price tag on each. For example, to recruit and retain high quality teachers, teacher pay must be competitive with other fields, including stipends for high-need schools and high-need areas, such as bilingual education, special education, and math and science. Teaching conditions must be supportive with well-built safe facilities, mentoring, professional learning communities, and strong professional development (Solís, 2004).

In another example, high quality pre-kindergarten programs can help students achieve in the near term and have shown effects on long-term outcomes as well (Montes, 2016). High quality pre-kindergarten is supported by quality standards that pay well-qualified teachers and offer high quality professional development, small class size, assistant teachers, and lower pupil-to-teacher ratios (Barnett, et al., 2015).

Providing an efficient system of free public schools cannot be achieved by merely attempting to tie funding to outcomes. IDRA’s Quality Schools Action Framework™ (shown below) is based on experience and empirical evidence that emerges from existing theories of change. It provides a model for assessing a school’s conditions and outcomes, for identifying leverage points for improvement, and for informing action (Robledo Montecel, & Goodman, 2010). As this demonstrates, it is a complex process that incorporates citizens, leadership and public policy, as well as opportunities such as curriculum and teaching quality, as well as outcomes.
**Current School Finance is Structurally Sound, Though Imperfect**

The current school finance system is sound structurally but is not without its inefficiencies. It is sound because it includes a basic allotment, two “enrichment” tiers (theoretically), and cost adjustments based on educational or operational need, such as for small school size, sparsity, cost of education, special education, bilingual education and compensatory education.

It is also inefficient because, for example:

1. It fails to level up the funding for hundreds of low-wealth districts with high needs to the level of wealthy districts across the state, thus creating a large equity gap.
2. It fails to update many of the cost adjustments made above to reflect current need.
3. It continues to allow funding to be based on arbitrary laws that have nothing to do with need, such as target revenue and unrecaptured golden pennies.
4. It fails to provide any regular funding for facilities, despite the substantial need.

Each of these items is a direct result of legislative action and inaction and can be easily fixed with a stroke of a pen and an investment in public education.

**Of Course Money Matters – Studies Prove It**

The false claim that “money does not matter” has been put to bed long ago. While a few researchers still rely on a few outdated studies that question the importance of money on student achievement, most researchers recognize the value that money plays in education. Money pays for teachers, professional development, tutoring and school facilities – among countless other educational tools, such as technology, science experiments, and extracurricular activities.

Current research shows that school funding has a demonstrable effect on opportunities and achievement, some of which follow (excerpted from Amicus Brief, No. 14-0076).

1. C. Kirabo Jackson, et al., *The Effect of School Finance Reforms on the Distribution of Spending, Academic Achievement, and Adult Outcomes* 3-5 (Working Paper No. 20118; Cambridge, Mass.: National Bureau of Economic Research, 2014) (“Jackson Report”) – A longitudinal study in 2014 conducted a detailed analysis of the timing of changes in educational outcomes in relation to the timing of changes in school funding in 28 states from 1970 through 2010, (Jackson, 2014). The longitudinal analysis showed that, for economically disadvantaged students in particular, there was a significant causal relationship between school funding and improvements in long-term educational outcomes: a 20 percent increase in per-pupil spending “for a child’s entire K-12 schooling career increases high school completion by 22.9 percentage points, increases the overall number of years of education by 0.928, increases adult earnings by about 24.6 percent, increases annual family income by 52.2 percent, and reduces the incidence of adult poverty by 19.7 percentage points.”


4. Rob Greenwald, et al., “The Effect of School Resources on Student Achievement,” *Review of Educational Research* (Vol. 66, No. 3, pp. 361-396, 1996) – A peer-reviewed study concluding that “a broad range of school inputs are positively related to student outcomes, and that the magnitude of the effects is sufficiently large to suggest that moderate increases in spending may be associated with significant increases in achievement.”


An efficient system of free public schools requires much more than what it requires a company to build widgets. Schools are not just about test scores, but also play a role in developing civic participants, building cross-racial understanding, and preparing students for college and career in a globally competitive environment. *If education is indeed ever to become the “great equalizer” in this state, schools must be provided the resources needed to provide a well-rounded education to engage an incredibly diverse group of students coming from diverse communities.*

**B. Texas’s Assessments Used for Measuring Student Achievement are a Poor Choice to Base Student Funding on.**

Despite the loud uproar over standardized testing in Texas and across the nation by parents, educators and leaders, the Senate’s charge asks for input on how the State may use “performance-based funding mechanisms that allocate dollars based upon achievement versus attendance.” The net effect of any such proposal would likely be to put *more* dollars in low-need, high wealth majority-White school districts and *fewer* dollars in high-need, low wealth majority-minority school districts. The current system already has over a $1,000 gap per student between the wealthiest and poorest decile of districts and shifting funding based on “performance” would only increase those advantages for the wealthy districts. This is inefficiency at its best.

While the acronyms for testing have changed over the last fifteen years from TAAS to TAKS to STAAR, the fundamental nature of the system has not. According to Valenzuela (2005), Texas style accountability was “leaving children behind,” particularly underprivileged, children of color. That sad legacy continues to this day.

**Harms from Testing**

The standardized tests have fostered a “teach-to-the-test” environment which has contributed to the disconnect that exists between student academic outcomes and the testing standards used to
measure the curriculum being taught. Moreover, there have been no studies demonstrating that a student test score on a state-mandated test is a valid or accurate measure of what the student has learned (McNeil, 2005). In order to prepare students for the 21st Century demands in the workplace, but also in regards to engaging students in ways that are meaningful and valuable to them, their parents and their communities in expressly a democratic project (Valenzuela, Pulte, Worthington, 2016).

Research suggests that placing a large emphasis on standardized tests can negatively impact the learning environment and the quality of education being provided, (Welner, 2015):

- Overuse of testing measures can make school less engaging because it limits innovation and creativity, (Zhao, 2009);
- High stakes testing has contributed to de-professionalizing teachers and the teaching profession as a whole, (Milner, 2013);
- Testing has overshadowed curriculum that allows students to pursue learning opportunities that incorporate art, music, social studies, and science, (Cawelti, 2006); and
- Testing measures have replaced the important skills that students need to develop in order to solve problems, reason and make sound judgments, (Schoen, 2008).

**Authentic Assessment Framework**

On the other hand, valid and reliable student assessment has its role both in an accountability system and for informing good teaching and helping communities and schools identify areas of need. The following is a framework for improving teaching and learning outcomes through authentic assessment:

1. “Assessments sample the actual knowledge, skills, and dispositions desired of teachers as they are used in teaching and learning contexts.”
2. “Assessments require the integration of multiple kinds of knowledge and skill as they are used in practice.”
3. “Multiple sources of evidence are collected over time and in diverse contexts.”
4. “Assessment evidence is evaluated by individuals with relevant expertise against criteria that matter for performance in the teaching field.” (Darling-Hammond & Snyder, 2000, pp. 527-528).

Research on authentic assessments in New York shows how a different framework of testing can improve learning and outcomes. According to Professor Pedro Noguera, the New York Performance Standards Consortium is one such effort that has achieved remarkable results “on almost every measure of need and disadvantage” (Performance Standards Consortium, 2012, p.i) by finding ways to meet student learning needs with the kinds of skills often ignored, including: “critical thinking, problem solving, research and expository writing, public speaking, and independent initiative,” (Performance Standards Consortium, 2012, p.i). A major reason for the success of Performance Standards Consortium is its ability to build “internal accountability at the school level in the service of teaching deeply, rigorously, and fairly,” (Knecht, 2007, p.63).

Texas’s student assessment system does not follow the above framework and is highly punitive, basing grade promotion and graduation on performance on the state’s mandated tests. This
pattern persists despite a large body of research and even test-makers’ insistence that one test should not be used as a sole criterion in making high-stakes decisions about students. **Basing student achievement on the performance of students on the test would exasperate the inefficiencies and lack of productivity in Texas schools.** TLEC is greatly concerned about the State’s consideration of such proposed policies. We understand that the Texas Commission on Next Generation Assessments and Accountability is currently working to develop and make recommendations for new systems of student assessment and public school accountability. We look forward to working with the legislature on those items when the Senate discusses them in the near future.

**Policy Recommendations Regarding Assessment to Increase Efficiency and Productivity of Students**

TLEC encourages the Senate Education Committee to refuse to adopt any policies that even suggest the use of student performance in allocating funding (unless it is used to provide additional resources for struggling students and/or schools). Instead, the Committee should look to adopt policies that remove negative outcomes associated with student assessment, such as dropouts resulting from grade retention related to the tests, increased stress and anxiety, and diluting instruction, including the following:

- Eliminate high stakes testing consequences for student retention and graduation;
- Eliminate state standardized tests not required by the federal government;
- Adopt authentic assessment framework;
- Utilize sample testing, in lieu of testing every child (possibly through waiver with federal government);
- Eliminate the Grade A-F accountability system for schools and grades (similar to what occurred in Virginia and New York) and instead, utilize a dashboard that includes outcomes and opportunities to learn;

**Conclusion**

Texas’s current funding system remains inadequate and inequitable but the solution is not to “throw out the baby with the bath water.” There are inefficiencies identified above in the school finance system that should be addressed to ensure every child has access to an excellent education and to control waste. Texas also spends millions of dollars each year on assessment and millions more are spent at the local level on interventions related to assessments.

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