FINANCING EDUCATION IN A CLIMATE OF CHANGE

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Dedication

To Dawn
To Michael and Nathan
To Kathleen
CONTENTS

Preface xiii

Chapter 1 THE ECONOMICS OF EDUCATION 1

Education as Human Capital 2
Creation of Wealth and Education 3
Education: An Important Industry 4
A Public-Sector Responsibility 8
Economics and Social Progress 9

Education Produces Nonfree Services 11 • Education Stimulates Economic Growth 12 • The Scope of Educational Services 13 • The Marginal Dollar Principle 14 • The Point of Diminishing Returns 15

Economic Benefits of Education 16

Increasing Expenditures and the Economy 19 • Education Expenditures Benefit Individuals and Society 19

Noneconomic Benefits of Education 20

Education Produces External Benefits 21 • Exclusion or Free Rider Principle 22 • Externalities Justify the Ability Principle 22

Cost–Quality Relationship in Education: Does Money Matter? 23

Summary 27 • Assignment Projects 27 • Selected Readings 28 • Endnotes 28

Chapter 2 THE NEED FOR ADEQUATE FUNDS 31

Adequacy and the Factors Impacting It 31
Education Deserves High Priority 32
The Public wants Good Schools 33
The Increasing Costs of Education 34

Goals Have Increased 35

Spending on Education and the Size of the Enterprise 35

Impacts on the Cost of Providing an Adequate Education 41

Effects of Inflation/Deflation 41 • Scarcity and High Cost of Energy 43

What is the Cost of an Adequate Education? 44

A Failure to Provide Opportunity and Associated Costs 47

Illiteracy 47 • Unemployment 48 • Poverty and Low Income 49 • Military Service Incapability 51 • Prison Incarceration 52 • Health and Education 52
Society Suffers the Effects of Poor Education  53
  A Question of Priorities  53 • Equality and Adequacy Not Yet
  Attained  54 • Underinvestment Is Poor Economy  55
Summary  56 • Assignment Projects  56 • Selected
  Readings  57 • Endnotes  57

Chapter 3 FINANCING EDUCATION EQUITABLY  61
Inequalities in Financing Education  62
  Equity Issue Revisited  63 • Quality and Fiscal Equity  65
Equity: An Objective of School Finance Reform  65
  Equity for Children  67 • The Weighted-Pupil Approach  73 • Equity
  at the School Level  74 • Equity for Taxpayers  79 • Unequal
  Assessments  81 • General Classifications of Taxes  82
Measures of School District Wealth  83
  Assessed Valuation per Pupil  83 • Assessed Valuation per Capita  84
Income Tax  84
  Wealth Tax  85
Historical Influences on Equity  86
  Local District Funding  86 • Flat Grants  87 • Equalizing
  Grants  88
The Equalization Principle  89
Improving State Equalization Practices  90
Foundation Programs and Variations  91
The Impact of Average Daily Attendance on Equity  95
The Changing Climate and Current School Finance Practices  95
  Summary  97 • Assignment Projects  98 • Selected
  Readings  99 • Endnotes  100

Chapter 4 PATTERNS FOR SCHOOL FINANCE SYSTEMS  103
Developing Patterns  104
Determining the Best Finance Plan  104
Full State Funding  107
District Power Equalization  108
Property Reassessment and Local District Revenues  114
Emphasis on Weighting Factors  115
Principal Types of Weights  116
  Sparsity Factors  116 • Density Factors  118 • Special
  Education Weightings  119 • Funding for Low-Income Students
  and English Language Learners  126 • Funding for English
  Language Learners  128 • Gifted and Talented Education
  Funding  129 • Funding for High-Cost Programs and Districts:
  Vocational, Career and Technical Education  130 • Other Individual
  Student Needs and Characteristics  131
Chapter 5 SOURCES OF REVENUE 135

Education—Financed By Government 136

The Taxation System 136

All Citizens Owe Taxes 137 • Tax Equity 137

Characteristics of a Good Tax System 138

Economic Efficiency 139 • Administrative Simplicity 139 • Flexibility 139 • Political Responsibility: Impact and Incidence 140 • Fairness 140 • Adequacy of Yield 141 • Predictability 141

Taxes for Education 141

Income Tax 150

Sales Tax 152

Property Tax 153

Assessment Practices 154 • Unfairness of the Property Tax 155 • Other Criticisms of the Property Tax 155 • Personal Property Taxes 157

Excise Tax 158

Severance Tax 158

Other Funding Sources 160

Lotteries 160 • Private Foundations 163 • School–Business Partnerships 164

Potential New Taxes 165

E-Commerce and Internet Sales 165 • Sales and Excise Taxes on Marijuana 166 • Value-Added Tax 167

Summary 167 • Assignment Projects 168 • Selected Readings 170 • Endnotes 170

Chapter 6 EDUCATION: A STATE FUNCTION 173

Early Development of State Responsibility 175

Development of Decentralized Educational Systems 176

Development of School Finance Policies 177

Land Grants and Other Nontax Funds 177 • Early Taxation Patterns 179

Developmental Stages of School Finance 180

Period 1: Emphasis on Local Responsibility 180 • Period 2: Early Grants and Allocations 181 • Period 3: Emergence of the Foundation Program Concept 183 • Period 4: Refinement of the Foundation Program Concept 185 • Period 5: Power Equalization 187 • Period 6: Shift of Emphasis and Influence, and Special Needs Funding 188 • Period 7: A Focus on Adequacy 189
The Varying State Programs 191
Arizona 191 • Florida 194 • Illinois 196 • Maryland 199

State Ability to Support Education 201
Summary 202 • Assignment Projects 203 • Selected Readings 203 • Endnotes 204

Chapter 7 ERODING LOCAL CONTROL 205
Changing Rural–Urban Influence On Education 207
Basic School District Administrative Units 209
The Administration of Local School Districts 213
Local Control by Contract 216 • Local Control Not Guaranteed 218 • Local Control and Tax Shifting 219 • Excessive Reliance on Property Taxes 220 • Municipal Overburden 221 • Local Nonproperty Taxes 222
Advantages of Local Control 223
Fiscal Independence of School Districts 223
Trends In Local Taxation Practices 224
Measures of Local Taxpaying Ability 224
Local, State, and Federal Tax Responsibility 225
Summary 225 • Assignment Projects 226 • Selected Readings 227 • Endnotes 227

Chapter 8 FEDERAL INTEREST IN EDUCATION 229
Federalism 230
Historical Role of The Federal Government 231
U.S. Department of Education 233
Education and U.S. Presidents 233
Constitutional Role 235
Evolution of Federal Interest 236
Block Grants, Categorical Aid, and General Aid 239
The Elementary and Secondary Education Act (ESEA) 241 • Individuals with Disabilities Education Act (IDEA) 243 • Race to the Top 245 • Carl D. Perkins Career and Technical Education Act 246 • Payments in Lieu of Taxes 247
Federal Expenditures 247
Fiscal Advantages and Disadvantages 250
Neutral Position 251
Increased Governmental Services 252
The Future of Federal Aid to Education 253
Summary 253 • Assignment Projects 254 • Selected Readings 254 • Endnotes 255
Chapter 9 THE INFLUENCE AND CLIMATE OF THE COURTS  258

Three Waves of School Finance Litigation  259

First Wave of School Finance Litigation  259

The Second Wave of School Finance Litigation  263
  Robinson v. Cahill  264 • Washakie County School District v. Herschler  264 • Serrano II  264

The Third Wave of School Finance Litigation: A Shift From Equity to Adequacy?  265
  Rose v. Council for Better Education  265 • Helena Elementary School District No. 1 v. State  266 • Edgewood v. Kirby  266 • Abbott v. Burke  267 • Other Significant Court Cases  268 • Plaintiff Victories  268 • Defendant Victories  272

Second-Generation Adequacy Cases  273

Impact of School Finance Litigation Over Time  275

Pressure for Reform  277
  California’s Proposition 13  278

Finance Reform or Tax Reduction?  279

Court Decision Guidelines  279
  Summary  280 • Learning Outcomes and Assignment Projects  281 • Selected Readings  281 • Endnotes  282

Chapter 10 PUBLIC FUNDS AND NONPUBLIC SCHOOLS  287

History  288

Educational Choice  289
  Charter Schools  291 • Homeschooling  292 • Education Vouchers  292 • Tax Credits  297

The Law and Church–State Relations  298
  Legal Provisions for Separation  299 • The Courts and the Child-Benefit Theory  299 • Other Court Action  300
  Controversy Not Solved  306 • Summary  306 • Assignment Projects  307 • Selected Readings  307 • Endnotes  308

Chapter 11 FINANCING SCHOOL FACILITIES  311

The Need  312

Early Capital-Outlay Programs  318

Capital-Outlay Court Decisions  319

State Support  322

Equity in Financing Educational Facilities  324

The Federal Government and Capital Outlays  325
Chapter 12  ADMINISTERING THE DISTRICT AND SCHOOL BUDGET  342

Evolution of Budgetary Practices  343
   Budgeting Developed Slowly in America  343 • The Budget's Three Dimensions  344

Development of a Systems Approach to Budgeting  345

District and School Budgetary Approaches  346
   Line-Item Budgeting  346 • Performance Budgeting  346 • Program and Planning Budgeting Systems (Program Budgeting)  347 • Zero-Based Budgeting  348 • Site-Based Budgeting  348 • Outcome-Focused Budgeting  349

District-Level Budgetary Practices  350
   The Budget Calendar  350 • Setting Instructional Priorities  352 • Developing the District Budget  353 • The Budget Hearing  357

Administering the District Budget  357
   Evaluation of the Budget  358

School/District Coordination  358

Budgeting at the School Level  359
   Activity Funds  359

Challenge of Leadership  366
   Summary  367 • Assignment Projects  367 • Selected Readings  368 • Endnotes  368

Chapter 13  ACCOUNTING AND AUDITING  370

The School Accounting System  371
   Principles  372
The Changing Accounting Environment 374
Comprehensive Annual Financial Report 377
  Government-wide Statements 378 • Individual Fund Statements 379 • Notes to the Financial Statements 379 • State Reports 379 • Other Reports 379
Characteristics of Governmental (Fund) Accounting 379
  Types of Funds 380
Encumbrance Accounting 381
Cost Accounting 382
Accrual Accounting 382
Receiving and Depositing Funds 383
Expending School Funds 383
Auditing 384
  Purposes 384 • Kinds of Audits 385 • Selecting an Auditor 387
Protecting School Funds 388
  Surety Bonds 388
  Summary 389 • Assignment Projects 389 • Selected Readings 390 • Endnotes 390

Chapter 14 BUSINESS ASPECTS OF THE SCHOOL COMMUNITY 392
Increased Safety Hazards 393
The Business Office 395
Supplies and Equipment 397
Purchasing 398
  Policies Governing Purchasing 400 • Standardization 400
  Quantity Purchasing 402 • Bidding 402
Supply Management 402
  Supply Storage 403 • Distribution of Supplies and Equipment 404
Risk Management 404
  Insurance 406 • School Board Responsibility 406 • Basic Principles 406 • Main Types of Insurance 407
  Coinsurance 408
Transportation 409
  Transportation Funding Methods 411
School Food Services 413
  Summary 416 • Assignment Projects 417 • Selected Readings 417 • Endnotes 417
Chapter 15 HUMAN RESOURCES AND SCHOOL FINANCE 420
The Expanded Role of Human Resources Administration 421
Teacher Compensation 422
Teacher Salary Issues 424 • Benefits 425
Certification 431
Pay-for-Performance—Merit Pay 434
Additional Issues 436
Teachers and School Finance 437
The Changing Assignments of Teachers 438
The Impact of Technology 439 • Teacher Turnover 439
Administrative and Supervisory Salaries 440
Noncertificated Personnel Salaries 441
Payroll Policies and Procedures 441
Governmental Influence 443
Summary 443 • Assignment Projects 444 • Selected Readings 444 • Endnotes 445

Chapter 16 THE ROAD AHEAD IN SCHOOL FINANCE 447
The New Finance 449
The Future of Public School Finance 455
Unresolved Issues 456
Some Characteristics of Educational Structure 457
School Finance Goals 458
The Challenge 459
Endnotes 460

Index 461
Change is a constant. The pace of change is not. Just since the last edition of this text, change has been accelerating at an alarming rate. The Great Recession that encompassed the country finally turned around, but school funding has been uneven. Some states have provided new money to elementary and secondary public schools, while schools in other states remain underfunded and struggling. Teachers have walked out of the classroom for better wages and working conditions in Kentucky, Arizona, West Virginia, Colorado, Oklahoma, and North Carolina. Illinois and Kansas have completely revised their school finance systems. More states are considering student centered funding, and the federal government has replaced the ESEA, Title I, *No Child Left Behind Act* with the *Every Student Succeeds Act*. A new wave of weighted funding systems has spread across the states.

U.S. elections in 2016 and 2018 brought many new directions to the nation at large and have impacted schooling. Stock markets initially soared but then experienced volatility. Unemployment fell to record lows. Passage of a broad income tax overhaul brought new brackets and additional changes, but a rising national debt and greater income inequalities followed. Wars continued in Afghanistan and Syria. Schools experienced major disruptions and losses. Natural disasters punctuated the decade, with hurricanes, flooding, fires, and drought. Mass shootings continued to plague education. The Parkland, Florida students rose up and were joined by others across the nation to demand gun control and additional safety measures for students and schools after a school shooting that resulted in many lives lost. A focus on school choice dominated the federal agenda, and Congress enacted legislation that allowed 529 college savings accounts to be used for private schooling, including religious education. Demographics and costs continued to change, as did goals and standards for the nation’s schools. The list goes on. As Bob Dylan penned, “The times they are a changing.”

*Financing Education in a Climate of Change*, 13th edition, reflects these and other changes while retaining its practical tone and superior presentation of finance concepts. It includes the most up-to-date information and material regarding funding education in a post-recession era. It provides readers with firm knowledge of all facets of financing education—along with a number of helpful pedagogical tools such as clear tables and figures, end-of-chapter assignment projects, key concepts, new to this edition, and learning objectives. This new edition adds information on classic and current topics such as the economics of education, recent court decisions, 50-state tables on key funding provisions, state taxes, and the ongoing debate about vouchers, tax credits, church–state issues, and charter schools.

This classic school finance book contains three major sections: the economics of education, education finance policy, and school business management. Cross-cutting themes of equity, adequacy, and efficiency are woven throughout the text.
NEW TO THIS EDITION

Financing Education in a Climate of Change provides future education leaders, policymakers, concerned citizens, and others the basic concepts of school finance. Indeed, the dynamic nature of school finance brings about many changes in a brief period of time. This new edition reflects those great changes and other significant information, including the following:

- **A focus on adequacy, equity** and efficiency throughout the text emphasizes these continuing public policy priorities and the trade-offs inherent in their resolution.
- **Updated tables, figures, and references** throughout the book reflect new issues and information surrounding education finance as it is influenced by public demand, legislative action, and the courts. These elements highlight concepts and comparisons in a clear and understandable manner for the reader while using up-to-date research and information.
- **Current 50-state comparisons** throughout provide readers with contrast, similarities, and other information among all the states along key dimensions in school finance, including state taxes, the major state finance system, funding for high-cost students (that is, special education, English language learners, low-income students, gifted and talented students), funding for transportation, capital outlay, and small/sparse school districts.
- **Attention to issues concerning students with special needs** and new information on state funding mechanisms for English language learners across all 50 states.
- **The federal role** in education is discussed, and new information is given on federal programs including the *Every Student Succeeds Act* program and the *Carl Perkins Act* for career and technical education.
- **Budget procedures** focus on the interrelationship between the district and the local school in building and managing the budget, emphasizing the great responsibility associated with controlling large amounts of revenue in various program categories. New procedures are outlined, and actual examples of budgetary and purchasing procedures are included in this edition.
- **Expanded material and new information** on the following school finance issues are provided:
  - The economic benefits of education, especially related to a changing economy and the gender gap, with recent census tables providing facts and figures (Chapter 1)
  - The question of whether money matters in student outcomes, with recent research informing the discussion (Chapter 1)
  - Shifting demographics, including the increased number of children in poverty, a new majority-minority in the schools, and changing balances among different groups involved in the education sector (Chapter 2)
  - A focus on equity and adequacy, with an expanded section on horizontal and vertical equity (Chapter 3)
• Weighted student funding, also called student centered funding, which is dis-
cussed in greater detail for states, districts, and schools (Chapter 3)
• A new analysis of funding for English language learners, with a 50-state
table depicting allocation methods together with tables for low-income, spe-
cial education, and gifted and talented funding provisions across the states
(Chapter 4)
• Updated information on the tax structure for state governments, including taxes
for education in all 50 states, that highlights the public finance side of education
support (Chapter 5)
• New developments in state finance systems, including the new funding model in
Illinois and detail on finance plans in Arizona and Maryland (Chapter 6)
• The influence of the courts and legislatures on states and local districts, including
a comprehensive overview of recent cases restructured into three major “waves”
and its aftermath (Chapter 9)
• The most current information on the volatile church–state issue, with recent court
decisions discussed, as well as the continuing evolution of public charter schools,
education savings accounts, and vouchers (Chapter 10)
• A focus on business management of schools, with examples of budgetary,
accounting, and purchasing procedures (Chapters 10, 13, 14)
• The new salary schedules for teachers, as well as the actual cost of school person-
nel when benefits are added to salaries (Chapter 15)
• Issues related to the State Standards and future funding for elementary and sec-
ondary public schools, including the New Finance (Chapter 16)

• Restructuring of Chapters 6 and 7, with the state role now examined in Chapter 6
following the discussions in Chapters 3, 4, and 5 on state funding and taxes
• New ancillary material is provided for each chapter, including PowerPoint slide
presentations and a test bank. This material is available from Pearson’s instructor
resource center at pearsonhighered.com. The assignment projects at the end of the
chapters are continued in this edition and can serve as topics for projects, papers,
and discussion; key concepts are highlighted in each chapter.

Financing Education in a Climate of Change is a user-friendly education finance
text for graduate students in education administration, public finance, and business
administration. The text is also of interest to policymakers and citizens who are concerned
with funding schools. It discusses foundational concepts and current issues related to the
debate over funding schools, including the following: How do states pay for schools?
Does money matter in producing student outcomes? Where does the money come from
and where does the money go? How are high-cost students and districts supported? What
are the strengths and weaknesses of the property tax for funding schools? How are charter
schools funded and operated? What are the developments of the church–state issue? How
have the courts and the federal government influenced education support?
Many people were involved in the development and production of this text, and we thank them wholeheartedly. First, it is a special pleasure to welcome author Robert C. Knoeppel, professor and dean, University of South Florida. Dr. Knoeppel brings a wealth of knowledge and experience to the team, and provides invaluable conceptual, practical and scholarly contributions to the text.

We would like to acknowledge the finance scholars, leaders, and experts who provided the epigraphs that open each chapter. We are also grateful to our reviewer, Daniel Wayne Eadens from Northern Arizona State University for excellent suggestions and thought-provoking comments. Importantly, much gratitude is expressed to Misty Soles, attorney and doctoral candidate, Clemson University, who carefully, and with attention to the recent court decisions, revised Chapter 10. We appreciate Blake Haselton, superintendent-in-residence and dean, University of Louisville, for his contributions to Chapter 7. Particular appreciation is expressed to Kevin Davis, and others at Pearson including Aileen Pogran, Faraz Sharique Ali, Jessa May Dales, Rajakumar Venkatesan, and Maria Feliberty. Their expertise and assistance are valued.

Finally, we deeply regret the passing of Rulon Garfield and thank him for his contributions to the 4th through 10th editions of the text. Continued gratitude is extended to Percy Burrup, who made the foundation of this work possible. His influence still remains.

Deborah A. Verstegen  
Vern Brimley, Jr.  
Robert C. Knoeppel
The latest edition of this popular text, Financing Education in a Climate of Change (Eleventh Edition), Brimley, Verstegen, and Garfield, improves on earlier editions, offering a thoughtfully critical approach to school finance issues. Among its sixteen chapters, the text includes the topics of the economics of education, funding adequacy, equity and state funding formulas, taxation principles, the roles of the local, state and federal governments in funding education, the influence of the courts, the funding of nonpublic schools, and the administration of school business aspects of education. Start by marking “Financing Education in a Climate of Change” as Want to Read: Want to Read saving… Want to Read. A popular, user-friendly school finance text that is both current and comprehensive. The newly revised eleventh edition of this classic school finance text retains its practical tone and superior presentation while adding the most up-to-date information and material regarding education. For educational administration and leadership students taking school finance courses. A popular, user-friendly school finance text that is both current and comprehensive.