

# KERA UPDATE

April 2003

About The Kentucky Education Reform Act

#68

## Big Funding Increases Didn't Improve School Performance

Kentucky's news media are alive with stories of new studies that say we have to spend many hundreds of millions more dollars per year to really improve the state's public school system. This raises questions about how the many hundreds of millions of dollars in increased funding we have already spent since passage of the Kentucky Education Reform Act of 1990 (KERA) impacts education. Is there evidence in graduation rates and ACT college entrance scores that school systems which got the top increases in spending made much improvement? I found the answers raise strong questions about whether more big spending is the solution to Kentucky's school problems.

School districts included here experienced total per pupil funding increases of at least 130 percent between the 1989-90 and the 1999-00 school years. These are the leading increases in funding under KERA according to the 2001 *Annual Report* from the Kentucky Office of Education Accountability (OEA).

Data to compute district graduation rates before 1993 isn't available in the Kentucky Department of Education's web site, so this became one study limitation.

ACT tests given in 1990 and earlier did not include reading and science reasoning, so I only included ACT performance from 1991 to 2002 to maintain consistent data.

The ACT participation rates are calculated as the percent of each class' 9th grade enrollment that took the ACT.

OEA has not published an annual report since 2001, so I rely on their 1989-90 to 1999-00 data for funding changes. Although the resulting time periods thus dif-

fer slightly, I felt it would be more relevant to use the latest data and longest time streams available, as KERA is still in effect today. If anything, this allowed even more time for study districts to improve their performance. The results are quite revealing.

### ***BLACK/BOLD ITALICS = BAD:***

Number pairs in white on black bold typeface indicate performance stagnation or decline. As you can see, there is a lot of black in the table. Half the districts "strike out" on all three measures.

Graduation rates (the proportion of 9th graders who graduated four years later) for

these top funding increase districts indicate general decline. Only 2 districts improved their graduation rates. In 1993 five districts had graduation rates above state average, but that decayed to just two districts in 2001.

Of the 12 districts, only 2 increased ACT scores. No district in the study increased both ACT participation rates and Composite scores.

**Clearly, lots more money did not improve ACT scores and graduations in this collection of school districts. Kentucky should weigh this evidence carefully as they approach the decision on more massive school funding increases.**

**Graduation Rate and ACT Performance for Kentucky Public School Districts with the Highest Percent Increase in Total Per Pupil Funding Between the 1989-90 and 1999-00 School Years (Black background shows decline)**

District Name <i>(Districts in Large White on Black Bold Italics Declined in All Three Statistics)</i>	Graduation Rate 1993	Graduation Rate 2001	1991 ACT Takers As PCT of 1989 9th Grade	2002 ACT Takers as PCT of 1997 9th Grade	1991 ACT Composite Score	2002 ACT Composite Score
BELL CO	68.3	57.7	29.78	30.36	19.7	19.4
BREATHITT CO	75.2	60.0	43.56	33.68	18.5	17.5
FLOYD CO	73.6	56.3	35.75	34.31	18.4	17.9
HARLAN CO	64.6	62.2	39.38	32.07	17.6	17.0
KNOTT CO	64.2	56.8	40.88	35.88	18.3	17.5
LESLIE CO	73.1	68.1	37.19	40.84	18.3	17.8
LETCHER CO	73.1	57.4	42.48	28.83	19.3	18.4
MARTIN CO	69.5	77.4	33.20	36.17	19.7	18.8
PARIS IND	62.0	59.0	58.70	44.26	20.4	19.0
PERRY CO	33.3	47.7	27.40	26.72	18.9	18.9
PROVIDENCE IND	69.2	60.6	23.08	42.42	20.6	16.7
WAYNE CO	74.5	49.8	41.04	28.72	18.2	19.7
State	72.7	64.5	Not Avail	42.78	Not Avail	19.9