

TITLE I: TIME TO GET IT RIGHT

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Congress enacted the Elementary and Secondary Education Act (ESEA) 50 years ago as part of President Lyndon B. Johnson's "War on Poverty." The most expansive federal education bill ever passed, it was developed as redress, establishing that poor children needed more educational services than wealthier children.

Title I of the ESEA provides federal funds to state and local education agencies with the intention of augmenting funding for high-poverty students. Yet even today, after five decades, substantial revisions, and an allocation of over \$14 billion, Title I is not living up to its promise.

Title I funds layer onto an uneven base

First of all, the federal funds don't layer onto an equitable base. Some 90% of all public funding in school districts comes from state and local sources. Districts have never been able to resist local pressures to favor their wealthier schools.¹

While Title I can't solve uneven resources across districts or states, one wave of Title I revisions included a "comparability" provision to require equal distribution of state and local monies within districts. The so-called "comparability" clause was supposed to force school districts to spend as much on poor schools as they do on richer ones *before* Title I dollars came into play. It didn't work. Myriad loopholes mean that comparability serves more as a compliance test than the intended remedy for unequal spending across schools within districts.²

So even when districts pass the comparability test, their local allocation practices perpetuate vast inequities that contribute to the glaring achievement gap between white students and brown and black students, between rich and poor. Title I may boost spending on poor kids, but because those funds layer on top of this profoundly broken base, the federal program falls far short of its goals for poor students. Districts pay teachers more to teach in their more affluent schools and send extra funds to magnet or other special programs that enroll fewer poor students. District budgets can't help but favor their key stakeholders, so much so that in nearly every mid-sized and large district, the poorest schools are last in line for district resources.

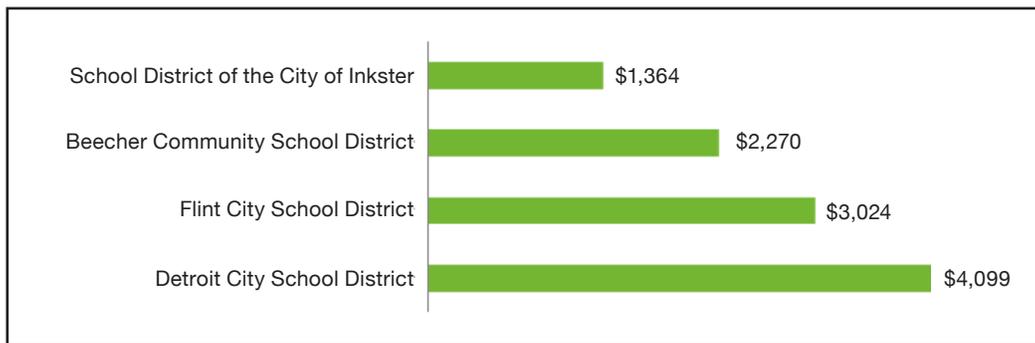
Messy layered formulas make Title I allocations opaque and unfair across districts

While Title I has not succeeded as a lever to create an equal base, it also has not been a screaming success at disbursing the federal monies in ways that could best help the intended poor students. Title I formulas have become ridiculously layered and complex, larded with nonsensical factors and seemingly random cut points that almost no one fully understands. Before money flows downstream into the classroom where it can actually make a difference, it funnels through three distribution channels—federal to state, state to district, and district to school. Each level offers rich possibility for watering down Title I's original intent.

First, in the federal-to-state phase, the monies flow out to different states based in part on a state's effort to fund education and in part on a flawed measure of the cost of schooling. The result is that some states receive more for their poor students than others. On average, Title I sends out \$1,148 per census-defined poor student in Tennessee, while Delaware's eligible students receive double that amount at \$2,316 per poor student.³ Because Delaware spends more on education than Tennessee (more likely a product of the state's overall economic health than of effort or cost of living), it gets even more funds from Title I. Title I money follows money – which flies in the face of the goal of offsetting poverty.

Next, in the state-to-district step, the funds are further divided by another four-part formula. Defenders of the current formula are adamant that it works to concentrate funds in the highest poverty districts. They are wrong. Yes, there is a factor based on concentration of low-income students, but it is moot in many districts where the default formula is actually a factor based on district size (called “number weighting”). Add up the formulas and what each district gets doesn't track well with concentrations of poverty. Take four districts in Michigan, all with essentially the same percentage of census-defined poverty students:

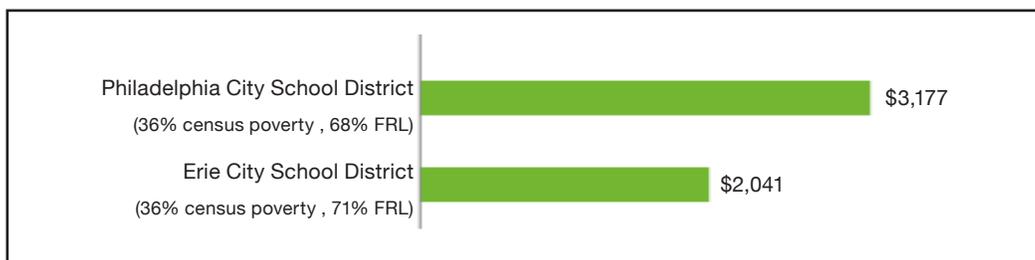
Michigan districts with the same poverty percentage (53%) get dramatically different Title 1 amounts per eligible poor student



Poor students in Detroit get over \$1,000 more in Title 1 funds than poor students in Flint and nearly \$3,000 more than in Inkster, all school systems with essentially the same concentrations of poverty.⁴

The same patterns exist in all states where large districts exist. In Pennsylvania, Philadelphia receives more than \$1,000 more in Title 1 funds than Erie City School District, which mirrors Philadelphia in concentration of poverty.⁴

Pennsylvania districts with the same poverty percentage get different Title I amounts per eligible poor student



This “bias for bigness” means that the nation's mega-districts (Chicago, New York City and Los Angeles) get a disproportionate share of the pot, leaving less for equally concentrated (and equally deserving) poor students in high-poverty smaller districts. This formula bias is so dominant, that it leaves fewer funds for very poor urban districts without the size advantage. Take the poorest districts

in the Seattle area, for example. Relatively affluent Seattle gets more money per poor pupil than bordering Highline or Tukwila (both containing dense pockets of poverty), simply because of how the district lines were drawn.

This bias for district size is not rooted in evidence; it is merely the accretion of past political agreements that have served to benefit some and disadvantage others.

Lastly, the money filters through a district-to-school formula in each district before it reaches the schools. Each district's formula can change every year based on discretion by district and state leadership. The district can put all its Title I money into elementary programs if it chooses, meaning that high schools get nothing. The district can change the cut points, or weightings, and so on. Further complicating any analysis, the district allocation formulas use a different measure of poverty than the federal and state formulas. Since districts don't have census data on individual students, they tend to use eligibility for subsidized lunch as their determinant of which schools get how much. In the end, the amount of money a school or district receives per qualifying student is different in nearly every school and district within and across states.

Complex and opaque formulas confuse the purpose of Title I

What's the result? With fingerprints on these funds from three different governmental layers, no one can predict how much Title I money any student will receive. The totals per pupil vary across states, districts, and schools. And the means of identifying and counting poor students changes from one layer to the next. Who could ever know why a school gets the amount they get? School leaders have no idea whether they are getting their fair share and no one is accountable for making sure federal dollars are really reaching the students they were intended to serve.

Put simply, Title I hasn't fulfilled its promise. It's not a matter of simply fixing one piece or another of a given formula. We need to go back to basics: A poor student deserves the federal support promised to poor children 50 years ago, regardless of where that student lives and what their school or school district looks like.

Five Principles to Guide Changes to Title I

Proposed changes to these formulas have triggered much partisan sniping and tugs of war between the formula winners and losers. Most of the arguments have been reactionary, involving objections that some district or subset of districts could lose money in the shift. Such is the nature of politics, but that doesn't mean that we can't start with some clear principles for Title I formulas, and then measure progress against them. So, before policymakers and advocacy groups do "runs" to see whether their favorite district would be a winner or a loser, they should first commit to the following principles:

1. **Simplicity.** Rather than define formulas to first divide the money by state, and then by district, and then by school, Title I could skip layers of government and allocate funds directly by qualifying pupil. Districts, then, would receive the monies for the schools they control without a separate allocation by state.
2. **Tie the money to qualifying students in schools with concentrated poverty.** Rather than allocate Title I dollars based on the size of districts, a better plan is to simply tie the money to qualifying students. Given Title I's focus on the concentrations of poor students, qualifying students might be those that surpass a threshold of poverty (say 15%) at the school or district level. A strict adherence to an allocation formula that only funds qualifying students in higher poverty schools, means the funds won't be diluted, and thus can have their intended effect of boosting spending on the target students.

3. **Consistency.** Rather than allocate a different dollar amount for every district, the key point here is that the dollars delivered are in the form of a fixed amount per qualifying student. Qualifying students must be identifiable, so Title I should move away from census definitions and use a characteristic (like subsidized lunch eligibility) that can be assessed on a school-by-school basis. We want superintendents and principals to understand the mission behind Title I. Such a transparent formula can reiterate the purpose of Title I by linking the money directly to the students it is intended to help.
4. **Level playing field.** Title I is supposed to augment spending in poor schools, so it should include a requirement that districts allocate an equal share of their state and local monies to their poor schools. The best way to measure this requirement is with transparent real dollar spending reports by school that include all of a district's monies and allow school spending to be compared.
5. **Flexibility.** Title I advocates will want to make sure the money is being used well. The best way to monitor Title I is to examine student outcomes (particularly of poor students) in Title I schools. Rather than place restrictions on how the funds are used, the program should encourage schools to use the monies in ways that they believe will best augment the outcomes for the targeted students. Where the programs aren't working, the evidence will make that clear.

Title 1 funding formulas have become so complex and murky that few people really understand how they work and even fewer think they are achieving their true purpose. Stakeholder politics will persist, but if both sides can come together to judge proposals against these fundamental principles, Title I could finally start to fulfill its 50-year-old promise to poor students

Endnotes

1. Washington Research Project, [Is It Helping Poor Children? Title I of ESEA. A Report.](#), accessed March 13, 2015.
2. School districts can indicate compliance with the comparability provision by reporting that the district has a salary scale, a staffing policy, and a policy to allocate curricular materials and supplies. [Extensive research](#) has documented how the presence of these policies does not prohibit districts from allocating substantially uneven funds across schools.
3. If defining poverty as eligibility for free or reduced lunch (FRL) services, the numbers are \$578 per FRL student in Tennessee versus \$1092 per FRL student in Delaware.
4. U.S. Department of Education, [Title I LEA allocations by state](#)

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Center on Reinventing Public Education's research and policy analysis is focused on the complex systemic challenges affecting public education. CRPE develops, tests, and supports evidence-based solutions to create new possibilities for the parents, educators, and public officials who strive to improve America's schools. CRPE is based in Seattle and affiliated with the University of Washington Bothell.