



White Paper on Elementary and Secondary Education

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Executive Summary

Public elementary and secondary education in Louisiana has historically ranked at the bottom of the nation in measures of education performance and funding levels. But, in recent years the state has made some gains in these areas. The school and district accountability system has prompted increases in student performance and closer scrutiny of problem areas. A higher budget priority for state-level education funding has increased the per-pupil and teacher salary funding levels. However, in spite of that effort, Louisiana has barely kept up with other southern states as they, too, strive to increase student performance and teacher pay.

In terms of the funding effort Louisiana taxpayers put forth, the state ranks quite well in comparison to its southern peers and the nation as a whole. Considering that Louisiana citizens devote a higher percentage of their personal income to education than the national and southern averages and given current economic conditions, substantial increases in funding for education will be difficult to achieve.

Rather, education reform in Louisiana needs to incorporate programmatic, governance and funding changes to effect lasting, comprehensive improvement. Reforming the state's elementary and secondary education system is key to building Louisiana's reputation as a state worthy of corporate investment and economic development. A strong education system ensures that prospective employers, whom the state is trying to attract, will have a strong candidate pool from which they can draw future employees. Additionally, high quality

public education is essential to improving the overall quality of life in the state, making it an attractive place to live for recent college graduates and corporate executives alike.

A top priority for education reform in Louisiana is to fix the state's failing schools. A means must be established for temporary state takeover of schools that consistently fail to meet the new quality standards outlined by the accountability system and reinforced by the federal No Child Left Behind Act (NCLB) of 2001. Also, until a failing school can be fixed, its students should be guaranteed school choice by a limited voucher program that subsidizes their attendance at a private school when no other acceptable public school option exists.

Accordingly, to assist every school in meeting the improved performance standards, the state must find innovative and effective ways to attract and retain highly qualified, motivated and professional teachers to its classrooms. Effective recruitment and retention strategies incorporate mentoring, scheduling and placement tactics designed to reinforce a teacher's commitment to the profession, but also include fair and competitive pay as their foundation.

Adjusting the state's tenure laws is another strategy for improving teacher quality. The teaching probationary period should be more flexible, tenure should be awarded according to the attainment of professional standards and loss of state certification should result in loss of tenure.

—CONTINUED (Page 3)

This is the third report in PAR's four-part white paper series to inform the issue debates of the 2003 gubernatorial and legislative campaigns. The white papers will address the topics of higher education, state finance, K-12 education, and governmental ethics/constitutional revisions.

PAR Recommendations

ACCOUNTABILITY

- No. 1** Maintain Louisiana's commitment to fully fund programs designed to improve student performance in accordance with the federal No Child Left Behind Act and the state's School and District Accountability System.
- No. 2** Establish constitutional authority for the state to take direct control over chronically failing schools.
- No. 3** Establish a limited private school voucher program to accommodate school choice for students in consistently failing schools for which there are no other public school alternatives.

TEACHER QUALITY

- No. 4** Develop recruitment strategies including a differential pay system and/or bonus program for more competitive or hard-to-fill areas, harder teaching assignments and less desirable teaching areas. Continue to expand recruitment efforts by the state's teacher training programs and colleges of education.
- No. 5** Create high quality and consistent placement, induction and mentoring programs for new teachers to improve teacher retention. Provide funding to support local school districts in offering these programs and eliminating practices that place novice rather than experienced teachers with the most challenging students.
- No. 6** Base tenure awards on the attainment of minimum professional teaching standards within the first three to five years of employment. Require the revocation of tenure upon the revocation of teaching certification.

STATE FUNDING

- No. 7** Avoid across-the-board pay raises for teachers or support workers.
- No. 8** Continue the work of the School Finance Commission to evaluate the Minimum Foundation Program and consider options to improve the formula for equity and adequacy in school funding.

SCHOOL-TO-WORK

- No. 9** Base high school funding on student credit hours per semester and allow funding to follow students into alternative senior-year programs.
- No. 10** Develop sound alternative paths such as advanced placement, dual enrollment in secondary schools and postsecondary institutions, rigorous structured work experiences and community service for credit toward high school graduation to ease the transition from high school to postsecondary education and the workforce.

ADMINISTRATION

- No. 11** Give the district superintendent and school board complete control over decisions on how to provide student support services.
- No. 12** Place the clear authority to hire, fire, promote, demote, transfer or suspend teachers under the district superintendent rather than the school board.
- No. 13** Streamline the tenured employee dismissal process and require that an independent administrative law judge be used to hear appeals of tenure decisions.

—Continued from Page 1

To reinforce the ability of district superintendents to make necessary personnel decisions, local school boards and their political tendencies should be removed from personnel decisions. However, school board power should be expanded to allow districts complete control over their provision of transportation, janitorial and food services. Outsourcing such services is a viable and more cost-effective option in some cases and should be allowed.

State-level funding of local districts should continue to be examined to ensure maximum equity and adequacy around the state. Thus, statewide teacher pay raises should be resisted, and the state's funding formula for school districts, or Minimum Foundation Program (MFP), should be adjusted to base high school

funding on student credit hours per semester. Further, state funds for high school students should be more flexibly distributed to allow for the expansion of vocational and technical programs for students who are not college bound and college-credit options for those who are.

Elementary and secondary education in Louisiana has the potential to play a major role in improving the state's economy and breaking the cycle of poverty prevalent in many of its communities. First, however, policies must be established to break Louisiana's education legacy of unstable education funding, low student and school performance expectations and inefficient delivery of services. The next governor and new Legislature face major challenges in determining the proper level of funding for schools, how to fund teacher pay raises and the best way to improve school facilities in the state.

Introduction

A sound public elementary and secondary education system provides the state's population with the essential intellectual basics needed to progress to the next education or skill levels required for jobs in today's knowledge-based, high-tech global economy. Quality schools shape children into more productive and involved members of society. Also, the reputation of a state's public education system is an important consideration for corporations as they decide whether or not to invest in an area. Thus, a good elementary/secondary education system is a fundamental building block in developing a state's economy.

Louisiana has ranked at the bottom of the nation in most measures of education progress. Policymakers have recognized this fact as they have struggled to implement education reforms that improve student and school performance. Unfortunately, many of the reform attempts were eventually ignored, poorly implemented,

challenged in court, repealed or simply watered down until they were ineffective.

In 1996, the state embarked on what was acknowledged as a very long journey to education reform by beginning the development of the Louisiana School and District Accountability System. Accountability is not a miracle cure that will fix the state's education system overnight. The system must be given time and strong support from all levels of government to allow schools and school districts to implement difficult reforms before they can achieve their new, challenging goals of reducing the achievement gap between subgroups and raising student academic achievement by 2014.

This report focuses on the status of elementary and secondary education in Louisiana and offers recommendations for improvement. The report also identifies several tough policy choices that the next governor and new Legislature will face as they set their priorities for the next four years.

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Framing the Debate

Status of Education Funding in Louisiana

Recently, a great deal of concern has been raised over the increased cost of public elementary and secondary education in Louisiana. Mainly, critics note that, while the public school student population has decreased in Louisiana, education funding in Louisiana has increased 56% from 1990-91 to 2000-01, and the average teacher salary has increased by only 28%. (See Figures 1 and 2.) These statistics by themselves raise significant red flags, making one wonder if there were misplaced priorities and inefficient operations in the state's education system. Although inflation accounts for much of this increase (the Consumer Price Index rose 31% for this period), one questions why education spending increased at a rate significantly higher than the increase in teacher salaries.

The major problem in looking at gross statistics such as these is that they fail to compare Louisiana's education funding growth to the growth experienced in other states. In addition, these statistics do not compare Louisiana spending to what an adequate level of education services should cost the state.

Funding Adequacy

Unfortunately, there is no nationally recognized or validated formula that defines an adequate level of funding for a school or school system. The main reason for this lack of a standard is that the funding a school or district requires is determined by several complex variables affected by difficult policy decisions. Some of these various policy considerations include:

- **School Size.** Consolidating students into larger schools allows those schools to provide more services and courses at lower costs. However, some research suggests that large schools negatively impact student motivation and performance due to their more impersonal, less engaging or less inclusive learning environments.
- **District Size.** Consolidating school districts into larger districts reduces overhead expenses for the district by spreading the cost of essential services such as purchasing, financial management, supervision, curriculum development, professional development and other services over a larger financial base. The trade-off is loss of local control.
- **Class Size.** Increasing the number of students in a class reduces costs. However, some research suggests that smaller classes, especially for high-risk students at

FIGURE 1
Ten-Year Growth Comparison

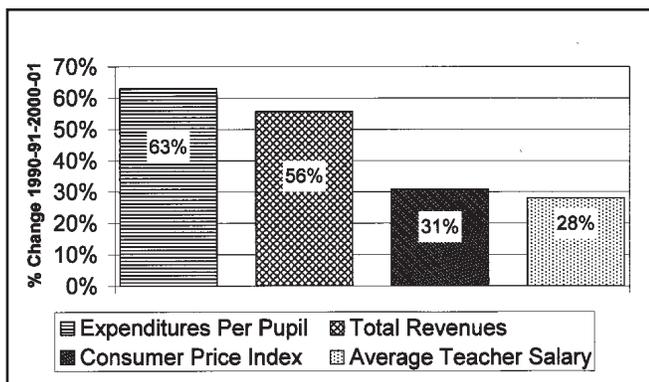
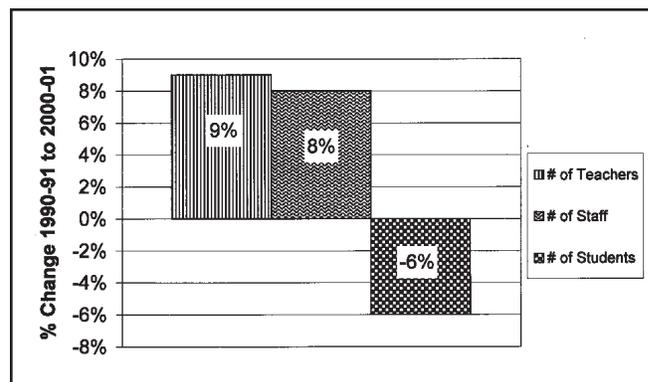


FIGURE 2
Ten-Year Change in Total Staff, Teacher and Student Counts



SOURCES for the above figures: Education Data, Louisiana Department of Education Annual Financial and Statistical Report; Personal Income Data, U.S. Department of Commerce, Bureau of Economic Analysis.

the elementary grades, result in higher student achievement. There is no general agreement on what the optimum class size should be.

- **Staffing Requirements.** Reducing non-instructional staff positions allows schools to put more resources in the classroom to improve student achievement. But schools are also facing several societal and health issues that demand additional non-instructional services for students.

- **Resource Targeting.** Redirecting resources to areas identified by school accountability programs as needing improvement should result in higher student achievement and a reduction of the performance gap between identified subgroups. But accountability programs, especially those with “high stakes” testing, generally require summer school, tutoring, individualized instruction or other remediation programs that demand resources for schools at all levels of achievement. In addition, accountability programs require all schools to devote resources to curriculum development, professional development and other programs to improve or at least maintain their performance. With such high demand on resources statewide, it is difficult to identify which high performing schools might be able to sacrifice resources for the sake of targeting them toward poorer performing schools.

- **Special Populations.** Louisiana uses a funding formula, the Minimum Foundation Program (MFP), to equitably allocate state funding to school districts in relation to their wealth and additional costs they incur

due to their unique student bodies. However, there is no generally accepted and validated measurement that defines the additional cost of educating high poverty student bodies or children with varying degrees of disabilities, so the adequacy of the funding supplements is still up for debate.

Without having a general consensus or established policy on the above issues, it is virtually impossible to establish what is an adequate level of funding for each school and district. On one end of the spectrum, policy-makers could select a funding level that provides a very cost-efficient system that only minimally aims to improve student achievement. At the other end of the spectrum, they could select a funding level that maximizes student achievement, but also provides education services in an inefficient manner at a greatly increased cost.

National Comparison

Since there is no accepted measurement of adequate funding for schools, we are limited to using national comparisons of per-pupil expenditures to evaluate the state’s adequacy of spending on education. The danger in using this comparison is that it encourages the use of two possibly false assumptions: (1) average state spending is adequate for the average state; and, (2) average state spending (either at the national level or southern regional average) is adequate for Louisiana. Table 1 provides a history of per-pupil expenditures and average

TABLE 1
Current Expenditures Per Pupil and Average Teacher Salaries,
Selected Years

School Year	Expenditures Per Pupil ¹					Annual Teacher Salaries ²				
	Current Dollars		LA as % of U.S.	National Rank	SREB Rank	Current Dollars		LA as % of U.S.	National Rank	SREB Rank
	Louisiana	U.S.				Louisiana	U.S.			
1969-70	\$ 589	\$ 751	78.4%	40	8	\$ 7,028	\$ 8,628	81.5%	42	10
1979-80	1,629	2,088	78.0%	42	9	13,760	15,970	86.2%	36	10
1989-90	3,625	4,643	78.1%	41	10	24,300	31,367	77.5%	43	12
1996-97	4,724	5,923	79.8%	42	12	29,025	36,477	75.4%	48	15
1997-98	5,187	6,189	83.8%	40	11	30,090	39,417	76.3%	48	15
1998-99	5,548	6,508	85.2%	40	11	32,384	40,580	79.8%	45	13
1999-00	5,804	6,911	84.0%	40	11	33,109	41,724	79.4%	45	14
2000-01	6,037	7,376	81.9%	41	11	33,615	43,400	77.5%	47	15

1. Full enrollment in public elementary and secondary schools.

2. Estimated averages in public elementary and secondary schools.

SOURCE: National Center for Education Statistics.

teacher salaries in Louisiana compared to the nation and the 16-state Southern Regional Education Board (SREB) region.

Louisiana has consistently ranked at the bottom of the SREB and nation in per-pupil expenditures and teacher salaries. Even with a significant increase in state dollars for education during the past eight years, the state's ranking has remained low, since other states have also increased education spending.

Louisiana's per-pupil spending rose \$1,590 from 1995-96 to 2000-01. School districts spent over \$940 million more in 2000-01 than in 1995-96, accounting for some of the per-pupil increase. But, Louisiana also tied for fourth in the nation with

West Virginia (also tied for first in the SREB) with the highest student loss, a 6.8% decrease. Only four other states in the South and 15 other states in the nation experienced student decreases. Thus, the rise in per-

TABLE 2
Louisiana Education Revenues by Source

Funding Source	1990-91	Percent of Total	2000-01	Percent of Total	Percent Change
State	\$1,759,673,365	55%	\$2,425,434,133	49%	38%
Local	1,116,098,000	35%	1,978,896,656	40%	77%
Federal	325,969,894	10%	579,603,436	12%	78%
TOTAL	\$3,201,741,259		\$4,983,934,225		56%

SOURCE: Louisiana Department of Education, *Annual Financial and Statistical Report, 1990-91 and 2000-01*.

TABLE 3
K-12 Education Revenues from State and Local Sources as a Percentage of Total State Personal Income

	1995-96			2000-01			Change 1995-2000		
	State/Local Education as Percent of Personal Income	National Rank	SREB Rank	State/Local Education as Percent of Personal Income	National Rank	SREB Rank	Growth In Per Capita Personal Income	Growth National Rank	Growth SREB Rank
United States	4.34%			4.35%			28.0%		
SREB	4.20%			4.33%			26.7%		
LOUISIANA	4.09%	38	10	4.66%	21	8	20.0%	47	16
Alabama	4.08%	39	11	4.70%	14	5	21.3%	45	14
Arkansas	4.38%	29	5	4.42%	28	9	21.3%	46	15
Delaware	4.21%	33	7	4.11%	35	11	24.4%	36	9
Florida	3.67%	46	14	3.69%	47	16	23.6%	37	10
Georgia	4.45%	26	4	4.58%	20	7	28.9%	16	3
Kentucky	4.32%	31	6	4.02%	39	13	27.3%	20	5
Maryland	4.01%	40	12	3.71%	45	15	27.8%	17	4
Mississippi	4.16%	35	8	4.93%	12	3	23.2%	41	11
North Carolina	3.62%	49	15	4.18%	33	10	25.5%	31	7
Oklahoma	4.09%	37	9	4.60%	19	6	25.4%	32	8
South Carolina	4.70%	19	3	4.96%	11	2	26.0%	29	6
Tennessee	3.31%	50	16	3.80%	44	14	22.6%	43	12
Texas	5.01%	11	2	4.84%	13	4	32.0%	9	1
Virginia	4.00%	41	13	4.11%	36	12	29.0%	15	2
West Virginia	6.81%	4	1	5.45%	3	1	22.0%	44	13

NOTE: Figures in **Bold** are above the national average.

SOURCES: Personal Income: U.S. Department of Commerce, Bureau of Economic Analysis; State and Local Education Revenues: U.S. Census Bureau.

pupil spending was due partly to increased spending and partly to a loss of over 50,000 students during this period.

At the U.S. per-pupil spending rate of \$7,376, Louisiana would have spent almost \$995 million dollars more in 2000-01 on elementary and secondary education. For the SREB per-pupil spending rate of \$6,479, over \$328 million in additional spending would have occurred. Thus, spending on education in Louisiana was well below the U.S. and SREB levels.

Personal Income and State Effort

The lower spending did not mean that the state placed a lower priority on education. Louisiana is generally a poor state, ranking 42nd in the nation and 11th in the SREB in per capita personal income for 2002. (This was an improvement over previous years, with the state's ranking bottoming out at 46th and 13th, respectively, in 2000). A lower per capita personal income generally means that it is somewhat harder to raise tax revenues in Louisiana than in other states.

While Louisiana's per-pupil spending was around 82% of the national average in 2000-01, its per capita personal income was closer to 78%. Of course, total school spending includes federal money, which inflates Louisiana's apparent effort. While total spending cannot be broken down according to revenue source, total revenues can. Table 2 shows Louisiana's total revenues according to source. Local and federal sources are responsible for most of the 56% education revenue growth in the state for the past ten years.

A better measure of fiscal effort is to compare education revenues from state and local sources only, as a percentage of the state's total personal income. As shown in Table 3, Louisiana's education funding exceeded the SREB and national figures in 2000-01, even though the

state's per capita personal income growth was one of the lowest in the nation. Seven of the ten poorest states in the nation in 2000 (including Louisiana) were SREB states, and all of them exceeded the national and SREB figures in education funding effort. In fact, nine of sixteen SREB states are exerting an education funding effort higher than the national percentage. For this group, the average state used 4.8% of its personal income for education.

How Does Louisiana Spend Its Education Dollars?

The latest data from the U.S. Census Bureau show that Louisiana compares quite well in spending on instruction. (See Table 4.) The state as a whole spent 59.9% of its total current expenditures on instruction compared to 60.7% for the nation and 60.3% for the SREB. Moreover, the state exceeded the national average on the amount spent on instructor's salaries and employee benefits. Over 55% of the state's education expenditure was spent on teachers, paraprofessionals and other instructional employees, exceeding the national and SREB percentages.

TABLE 4
Comparison of Current Expenditure Spending on Instruction, 2000-01

	Per Pupil Current Expenditure ¹	Total Current Expenditure			
		Percent Spent on Instruction ²	Percent Spent on Instruction-Salaries and Wages ³	Percent Spent on Instruction-Employee Benefits ³	Percent Spent on Instruction-Total Compensation ³
United States	\$7,284	60.7%	43.6%	11.2%	54.8%
SREB	\$6,418	60.3%	40.3%	16.3%	54.5%
LOUISIANA	\$5,934	59.9%	43.9%	11.8%	55.6%
Louisiana's National Rank	43	28	16	20	18
Louisiana's SREB Rank	12	11	7	6	7

1. The U. S. Census Bureau report has a different current expenditure per-pupil figure than that reported by the National Center for Education Statistics (NCES). This table uses the U. S. Census Bureau figures while Table 1 uses NCES data. For the SREB States, the average difference between the two numbers was 0.64%.

2. Instruction expenditure covers expenditure for regular, special and vocational programs offered in both the regular school year and summer school. It excludes instructional support, student support and other support activities as well as adult education, community services and student enterprise activities.

3. Some state accounting systems do not include fixed charges for employee benefits, group insurance, workmen's compensation, retirement or unemployment compensation in "instruction." The Census Bureau made adjustments to states' data to deal with these differences.

SOURCE: U. S. Census Bureau, Governments Division *Public Education Finances 2001*.

Status of Public School Staffing in Louisiana

Louisiana's school systems tend to employ more staff than other school systems throughout the nation. As seen in Table 5, there were about 139 employees per 1,000 students for the state in 2001-02, with the state ranking 18th nationally and fifth in the SREB. The largest category of employees is instructional staff, with over 60% of the total staff employed in the classroom. (See Table 6.)

In the past ten years, Louisiana's student/teacher ratio has decreased 14% from 17.3 students per teacher to 14.9, and the state's student/staff ratio has decreased 12% from 8.6 to 7.5. National data also show that over all Louisiana's school districts:

- Tend to have more teachers and aides per student than most other states, but the state's percentage is very close to the national and SREB percentages.

- Have fewer administrators and administrative staff than other states due to large, parish-wide school districts and economies of scale.

- Tend to have larger school support staffs than other states, in a category containing slightly less than 30% of the school systems' total staff.

- Have considerably more guidance counselors than other states. This category is misleading in its labeling since it also contains therapists and specialists that are not performing guidance counselor duties. In addition, this is a very small part of a school's staff, consisting of slightly over 3% of the total employees.

The National Center for Education Statistics (NCES) employment data are contained in categories that are too broad to allow comparison of

most specific types of workers. Thus, it is difficult to determine why the state has more employees in certain categories and if there is a valid reason for the higher staffing levels. While the data indicate that the state does have a higher staffing level than most states, there are several plausible reasons that explain some of the variance. Further examination of how these employees are used would be useful.

There are often significant pressures or direct demands on a school system to hire non-instructional staff. For example, instances of school violence have raised security concerns for the safety of students, adding pressure on school systems to add security personnel to school staffs. High rates of students with health problems and lacking health insurance increase the need for schools to employ full-time school nurses to handle student medications and be on hand for medical emergencies. Increased use of technology in schools has increased the need for schools to maintain full-time librarians, and desegregation has required the state to maintain more transportation staff for busing. Also, "high stakes" testing requirements and remediation programs for students who have failed or are at risk of failing place pressure on school districts to hire tutors, test coordinators and other specialists.

TABLE 5
Public School Employees
Per 1,000 Students, 2001-02

Type of Employee	U.S.	SREB	Louisiana	National Rank	SREB Rank
Instructional Staff					
Teachers	62.66	64.90	68.34	21	4
Instructional Aides	14.16	14.31	15.17	26	6
Total Instructional Staff	77.02	79.21	83.51	24	5
Administrative Staff					
Administrators					
Instructional Coordinators and Supervisors	0.96	0.77	1.78	7	1
School Administrators	3.37	4.36	3.53	19	9
School District Administrators	1.33	1.39	0.54	46	15
Administrative Support Staff	8.66	7.74	5.23	48	14
Total Administrative Staff	14.32	14.26	11.09	44	14
Other Staff					
Guidance Counselors	2.10	2.46	4.46	1	1
Librarians	1.14	1.44	1.64	14	8
Support Staff (Student/Other)	29.20	31.52	38.16	5	2
Total Other Staff	32.44	35.42	44.26	3	2
TOTAL STAFF	123.78	128.89	138.66	18	5

NOTE: The rankings include the District of Columbia.

SOURCE: National Center for Education Statistics, Public School Student, Staff and Graduate Counts by State, School Year 2001-02 and PAR calculations.

Additionally, the Legislature continues to mandate that certain non-instructional personnel be assigned to schools. Besides mandating that certain schools have guidance counselors, legislation was passed in 2003 that requires all failing schools in Orleans Parish have a full-time social worker.

School staffing is often a contentious and highly debated issue. School systems face many demands for services in their schools and must balance the cost of providing these services with the requirement to provide a quality education for all of their students. Many walk a fine line, especially during periods of limited revenues.

Given that per-pupil funding in Louisiana is generally lower than other states, that the state spends around the national average on instruction and instruction compensation and that the state's school districts have a high percentage of their staffs assigned to the classroom, it does not seem feasible to believe that restructuring the state's staffing will result in a significant cost savings that can be applied to teacher pay raises. The state's school district staffing is out of alignment with the other states, but the data do not suggest that this is a major problem that requires immediate and drastic changes.

Status of Student Performance

One of the main components of No Child Left Behind Act of 2001 (NCLB) is that it requires states to reach a level of "proficiency" by the year 2014. Yet, it has also given states discretion in defining their own level of proficiency.

Louisiana has defined proficient as the "Basic" level on the state's primary assessment test, the Louisiana

TABLE 6
Distribution of Public School Employees, 2001-02

Type of Employee	U.S.	SREB	Louisiana	National Rank	SREB Rank
Instructional Staff					
Teachers	50.8%	50.3%	49.2%	36	11
Instructional Aides	11.4%	11.1%	10.9%	35	8
Total Instructional Staff	62.2%	61.4%	60.1%	41	11
Administrative Staff					
Administrators					
Instructional Coordinators and Supervisors	0.8%	0.6%	1.3%	8	1
School Administrators	2.7%	3.4%	2.5%	25	12
School District Administrators	1.1%	1.1%	0.4%	50	15
Administrative Support Staff	7.0%	6.0%	3.8%	49	15
Total Administrative Staff	11.6%	11.1%	6.0%	50	15
Other Staff					
Guidance Counselors	1.7%	1.9%	3.2%	2	1
Librarians	0.9%	1.1%	1.2%	16	10
Support Staff (Student/Other)	23.6%	24.5%	27.5%	6	2
Total Other Staff	26.2%	27.5%	31.9%	3	1
TOTAL STAFF	100.0%	100.0%	100.0%		

NOTE: The rankings include the District of Columbia.

SOURCE: National Center for Education Statistics, Public School Student, Staff and Graduate Counts by State, School Year 2001-02 and PAR calculations.

Educational Assessment Program for the 21st Century (LEAP). Considered a "NAEP-like" assessment of student achievement (see below), LEAP 21 is a content-based test administered to all fourth- and eighth-grade students in Louisiana. In recent years, student performance on the LEAP 21 has improved. For instance, on the language arts portion of the test the percentage of fourth-grade students scoring at the Basic level or above increased from 55% in 1999 to 59% in 2003; and, eighth-grade scores increased from 43% to 53%. In mathematics the percentage of fourth-grade students scoring at the Basic or above level increased from 42% in 1999 to 58% in 2000; and, eighth-grade scores increased from 38% in 1999 to 47% in 2000.

In addition to the state's annual assessment test, NCLB also requires all states receiving Title I funds to participate in the National Assessment of Educational Progress (NAEP) test. Administered by the federal government and often referred to as the "nation's report card," NAEP provides an independent assessment of student achievement in Louisiana and, further, allows for comparison of student achievement across states. NAEP biennially tests a sample of Louisiana students at the fourth- and eighth-grades in both reading and mathematics, using four levels to mark achievement: Advanced, Proficient, Basic and (by default) Below Basic. The

Basic level is defined as “partial mastery of prerequisite knowledge and skills that are fundamental for proficient work at each grade.”

Louisiana’s student scores have consistently ranked at the bottom of states participating in the NAEP tests. For instance, on the 2002 reading test 50% of tested Louisiana fourth-graders and 32% of tested eighth-graders scored at the Below Basic level. However, the percentage of fourth-grade students scoring at the Basic or higher level increased from 44% in 1998 to 50% in 2002; and, eighth-grade scores increased from 63% in 1998 to 68% in 2002. In mathematics, the percentage of fourth-grade students scoring at the Basic or above level increased from 42% in 1999 to 58% in 2000; and, eighth-grade scores increased from 38% in 1999 to 47% in 2000.

Thus, it appears that students in Louisiana continue to perform well below their peers on the NAEP tests. But, student scores on both the LEAP 21 and NAEP tests also seem to be improving with many reaching or exceeding the state’s 2014 goal of Basic.

Louisiana administers the Iowa Tests of Basic Skills (ITBS) in the third, fifth, sixth and seventh grades and the Iowa Tests of Educational Development (ITED) in the ninth grade. The Iowa Tests are norm-referenced achievement tests that are standardized nationally. Thus scores can be used to compare the performance of students tested locally with the performance of students tested in the national sample. The national average is a percentile rank score of 50.

The latest scores for Louisiana students on the ITBS/ITED also showed gains from previous years. For 2003, the state’s third- and fifth-graders scored well above their national peers at the 55th and 56th percentiles, respectively. But the scores also show a wide gap between districts and a decline in performance from the early to middle grades. (See Table 7.)

Student test score data indicate Louisiana is heading in the right direction, but that the state still has a long way to go to make the 2014 goals. The positive results strongly suggest that the accountability program should be continued. But the data also show that more innovation and systematic reform is needed to increase student performance, especially in the middle grades and high poverty, high minority districts such as Orleans.

TABLE 7
Louisiana Spring 2003 IOWA Test Scores for Selected Districts

	Grade 3	Grade 5	Grade 6	Grade 7	Grade 9
Statewide	55	56	44	48	47
East Baton Rouge	47	51	36	42	45
Caddo	55	57	41	51	50
Calcasieu	61	64	50	54	50
Jefferson	47	50	37	42	41
Lafayette	59	59	46	56	54
Orleans	33	39	27	28	32
St. Tammany	73	69	60	62	61

NOTE: The listed score is the composite national percentile rank of the average standard score based on 2000 norms. The national average is a score of 50.
SOURCE: Louisiana Department of Education.

Recommendations for Reform

Accountability Program

Recommendation No. 1: Maintain Louisiana’s commitment to fully fund programs designed to improve student performance in accordance with the federal No Child Left Behind Act and the state’s School and District Accountability System.

Louisiana’s poor history in education reform prompts major concern for the future. Over the last quarter century, a series of education reforms have come and gone leaving little impact on student achievement. This trend in education reform in Louisiana may have been broken with the state’s implementation of a school and district accountability program that is showing some positive results in improving student achievement.

However, the program is not a miracle cure and will take several more years to accomplish its objectives of raising the educational achievement level of all students to acceptable levels.

The program is currently undergoing significant changes due to recent federal government action. Louisiana was the 11th state to receive federal approval for its plan to modify its current school and district accountability program to include the federal requirements mandated by NCLB. The state has committed to make several major changes to the current accountability program, which will result in an even more complex but generally improved system with new tests, sanctions and other changes.

The transition to a new governor and Legislature at this critical juncture in the accountability program raises great concern. The program will need considerable support from the administration and restraint by the Legislature from meddling in the program as it transitions to the new NCLB compliant program. This is especially true as the changes place harsher sanctions on several schools for failure to improve at an acceptable rate.

The accountability program will also require a strong commitment from the next governor, new Legislature and current school boards to fund remediation programs, summer schools, option programs for LEAP failures and other school improvement initiatives to give the accountability program the tools it needs to be successful. The system should be used to give every student in the state access to a quality education, an opportunity to succeed and, if behind, some assistance to catch up.

Give Accountability Program More Teeth

Recommendation No. 2: Establish constitutional authority for the state to take direct control over chronically failing schools.

It is likely that, in the next few years, some schools under local school board control will continue to fail after reaching the harshest level of sanctions under the state's school accountability program--reconstitution. Some local school boards will be unable, or possibly unwilling, to take the necessary (and sometimes innovative) action that is required to enable their schools to break the cycle of failure in which they are trapped.

Therefore, the state needs some leverage over local districts to force needed and sometimes drastic changes.

The state constitution prohibits the State Board of Elementary and Secondary Education (BESE) from controlling the business affairs of local school systems, including the selection or removal of their officers and employees. This basically leaves state funding as the only leverage the state has against local school systems that fail to improve their schools. This sets a condition where the "death penalty" of removing funding from a school is the state's only recourse in dealing with an inflexible or incompetent school board that cannot effect change in its consistently failing school(s). The removal of funding would effectively close the school, creating new problems of overcrowding in the districts' other schools, if other schools were even available to take on the extra load. Thus, the constitution needs to be modified to allow the state to take control of a failing school after a local school board has had ample opportunity to implement reforms.

Limited Voucher Program

Recommendation No. 3: Establish a limited private school voucher program to accommodate school choice for students in consistently failing schools for which there are no other public school alternatives.

NCLB and the current state accountability program sanctions (punishes) schools and school districts that continually fail to achieve the minimum standard of performance. One of these sanctions is public school choice, required when a school fails to achieve the minimum standard of performance for two consecutive years. In Louisiana, the accountability program requires school districts to offer parents of students in schools labeled "Academically Unacceptable" for two consecutive years the option to transfer to another acceptable public school. In addition, public school choice must be offered to students in Title I schools that have a subgroup that fails to achieve the minimum standard for two consecutive years.

In many cases, the public school choice sanction is ineffective and needs to be strengthened. The problem with the policy is that there are few choices in some areas due to several reasons including:

- School overcrowding in the few acceptable public schools in an area.

- Lack of another acceptable public school within the district.
- Lack of funding for transportation.
- Lack of incentives for other school districts to accept transfer students.
- Unwillingness of parents to send children to a more distant school.

Title I schools receive additional federal support because they have been designated high poverty schools. NCLB provides a vehicle for funding transportation costs for students in federal Title I schools that are required to offer school choice. Parents may be required to pick up the tab for transportation costs for students in non-Title I schools.

Leaving students in failing schools if there are other viable options available is an unacceptable policy. Expanding school choice to include non-public schools gives parents with students in failing schools more options as they search to find a quality education for their children. Besides, school districts should not be rewarded with a captive student population if they have failed to provide the resources or governance to correct a school that has failed to meet the required standards.

It should be noted that this recommendation does not call for a full voucher program in Louisiana. (See PAR's 1999 report "Education Accountability and the Role of School Choice.") The state could not afford to cover the costs of students already in private schools. Besides, the redirection of funds from public to private schools can eventually be fully avoided once local school systems provide an adequate education for all their students. In addition, any student in the voucher program should be required to take the state's assessment tests, but this requirement should not be extended to all students at schools that accept voucher students.

Teacher Recruitment and Retention

NCLB has mandated that by the 2005-06 school year all students must be taught by "highly qualified" teachers and paraprofessionals. To comply with this federal mandate, Louisiana school districts are faced not only with filling their existing shortages of certified teachers and stemming the flow of teachers leaving the profession, but also with ensuring that the state's teachers at all levels meet the definition of "highly qualified." At the state, district and school level, administrators are challenged with choosing the right policy instruments to attract and retain qualified teachers.

Basically, federal law defines highly qualified teachers as those who hold a bachelor's degree from a four-year college, have state certification and demonstrate competence in the subject they teach. According to the U. S. Department of Education, only 54% of secondary teachers, 47% of math teachers and 55% of science and social studies teachers are highly qualified nationwide.

Teacher shortages are primarily the result of deficient recruitment and retention strategies. Finding highly qualified teachers for every teaching position in the state will be a difficult task. Louisiana universities are not graduating enough education students to fill all the positions currently filled by uncertified teachers, and many districts are increasingly losing their certified teachers to other professions or districts. In 2002, there were 8,667 uncertified teachers in Louisiana public school classrooms, or 15.6% of the state's faculty. Since 1997, the number of uncertified teachers has grown by 7%, while the size of the statewide faculty has grown by only 3%.

The Blue Ribbon Commission on Educational Excellence has been studying teacher quality, recruitment and retention issues in Louisiana since 2000. The Commission has made progress in defining the scope of problems and developing recommendations for action in these areas. Its recommendations are presented annually to the Board of Regents and BESE, some of which have been implemented and others are still under consideration. Many of the solutions to Louisiana's teacher quality and shortage problems are not currently financially feasible to implement. However, others can be phased in or established with cost-free policies and procedures. No matter their present affordability, work to define and solve the problems in this area should continue as the nature of education in the state evolves.

Recommendation No. 4: Develop recruitment strategies including a differential pay system and/or bonus program for more competitive or hard-to-fill areas, harder teaching assignments and less desirable teaching areas. Continue to expand recruitment efforts by the state's teacher training programs and colleges of education.

Enhanced recruitment strategies incorporate incentives to attract new teachers to the field. Incentives are primarily financial, such as scholarship opportunities, tax breaks, student loan forgiveness and pay increases. Depending on the shortage area, different incentives will be appropriate. Bonuses and tax incentives may be more

appropriate to fill geographic-area shortages, while pay supplements may be more appropriate to ease subject-area shortages.

Differential pay is a highly contentious issue due to the traditional pay-for-time-in-service model commonly used in elementary and secondary education. However, school systems operate in the same human resources market as their competitors, which offer higher pay for skills in higher demand. The common example used to make the case for differential pay is competition for science and math teachers, who often choose to work in the private sector where their specialized knowledge is better compensated.

Another recruitment strategy is to use targeted guidance to expose students to the teaching profession at their secondary and postsecondary education institutions. Programs to place qualified high school seniors in lower level classrooms to expose them to teaching and give them some practical experience can be effective recruitment tools. Additionally, rural and high poverty districts and schools should encourage local graduates and paraprofessionals already familiar with the culture and challenges associated with those environments to become certified.

In developing recruitment initiatives, focus should be maintained on data-defined shortage areas. Developing across-the-board incentives for teachers ignores problem areas and encourages out-of-field hiring.

Recommendation No. 5: Create high quality and consistent placement, induction and mentoring programs for new teachers to improve teacher retention. Provide funding to support local school districts in offering these programs and eliminating practices that place novice rather than experienced teachers with the most challenging students.

Simply attracting new teachers to the field is only a portion of the solution, however. Fostering the professional commitment and development of the new recruits must follow suit to maintain any gains new recruitment strategies win. In 2000, 33% of the teachers who became certified to teach in Louisiana did not enter into teaching positions in public schools. Further, of those who did begin their careers in the public school system, 16-22% left after their first two years of teaching. Additionally, an average of 4-6% left after the end of

their third year, 4% left after the end of their fourth year and 3% left after the end of their fifth year - leaving less than three-quarters of new teachers in the public schools after their first five years of teaching.

Intensive mentoring not only encourages new teachers to stay in the profession, but also enables them to become competent more quickly. The state needs to promote the use of effective mentoring and induction programs to retain new teachers in the classroom and make them more effective in a shorter period of time. There are some successful teacher induction and mentoring programs in the state that can be used as a model. For example, Lafourche Parish developed the Framework for Inducting, Retaining and Supporting Teachers (FIRST), which dropped the rate of new-teacher attrition from 51 percent to 12 percent in its first year. The attrition rate in Lafourche is currently holding at 7 percent.

An important component of any mentoring or induction program is providing new teachers with sufficient planning time for developing their lesson plans under the guidance of an experienced mentor. Accordingly, the extracurricular responsibilities of new teachers should be limited.

Many schools often place their newest teachers in their most difficult classrooms. To the greatest extent possible, new teachers should not be assigned to the more difficult classes until they have demonstrated effective classroom management skills and have been trained to work with “at-risk” children. This recommendation will be impossible to implement, however, until experienced teachers are given sufficient incentive to teach in the more difficult classrooms - getting back to the case for differential pay. Similarly, new teachers should only be assigned to teach the fields in which they specialize.

Teacher Tenure and Certification

Recommendation No. 6: Base tenure awards on the attainment of minimum professional teaching standards within the first three to five years of employment. Require the revocation of tenure upon the revocation of teaching certification.

Tenure is an outmoded concept that should be replaced with generally accepted human resource management practices. But, as most states still have tenure

laws, removing them here would place Louisiana at a disadvantage in recruiting and retaining teachers if neighboring states continued to offer tenure as an incentive. Thus, the state's current tenure laws should be revised to require a higher professional standard to earn tenure. Accordingly, teacher certification should require periodic renewal to ensure that professional standards are maintained in the state's classrooms.

Certification is a state-level responsibility and tenure and dismissal are matters of local discretion. However, the state could establish more stringent requirements (i.e., continuing education, evaluation, etc.) for tenure awards, issue five-year renewable certificates and define the absence of a certificate as potential grounds for termination. This would leave the decision to dismiss an uncertified teacher to the discretion of the local school district, while providing a reasonable basis for dismissal. It would also provide teachers with a strong incentive to meet the statewide requirements for certificate renewal.

The current three-year probationary period for tenure may not be appropriate for all cases. If there is a question regarding a teacher's development, the district should have the flexibility to postpone granting tenure. The extra time would allow for additional education, mentoring, monitoring and evaluation.

Examine State's MFP

One of the most vilified programs in the state is the Minimum Foundation Program (MFP), which determines state financing for public schools. The MFP is a complex formula that distributes state funding to local school systems in a manner that is designed to be equitable. The formula is also supposed to provide local school systems with a minimum financial foundation to operate schools, but it does not guarantee that they receive "adequate" funding. Many legislators and others dislike the MFP program because they cannot control the process or modify the formula to protect their local school systems. Although many bemoan the complexity of the MFP and its unfairness, no one has proposed an acceptable change that would improve its fairness while maintaining equity.

The MFP is a constitutionally protected program that gives BESE the sole authority to set a formula to distribute over \$2 billion in state funding to local school systems. Once BESE has set the formula, it is

forwarded to the Legislature in the form of a concurrent resolution where they can approve it or return it for BESE modification. If the Legislature fails to approve the concurrent resolution and/or BESE fails to submit a revised formula, the last approved formula is continued with an automatic increase, currently 2.75%. This is an important protection, since legislators tend to take a local perspective on school funding to the detriment of a consolidated statewide approach that places a greater priority on equity. Equity (and possibly now including adequacy) issues have been cited by state courts in ruling that several state funding mechanisms are unconstitutional.

The MFP seeks equity in state funding to local school systems in order to give all students a similar quality of education. The current formula appears to have generally accomplished that goal, as evidenced by Louisiana's ranking based on the difference in spending at the state's highest- and lowest-spending district. Louisiana has the fourth lowest spending gap in the nation and SREB. The state also ranked fourth in the nation and SREB in terms of having the lowest district-level, per-pupil revenue gap. (See Table 8.)

Recommendation No. 7: Avoid across-the-board pay raises for teachers or support workers.

Recently, the state provided across-the-board teacher pay raises by placing the funding for the raises outside the MFP formula. While this gave each teacher in the state the same raise, it also skewed the equity portion of the formula by giving some districts more than they were due under the formula and other districts less than they deserved. An across-the-board pay raise also maintains instead of reduces the gap between the highest- and lowest-paid teachers. Across-the-board raises are more political than practical, since they allow politicians to take credit for the raises while ignoring the problems they create with funding equity.

Recommendation No. 8: Continue the work of the School Finance Commission to evaluate the Minimum Foundation Program and consider options to improve the formula for equity and adequacy in school funding.

The School Finance Commission was formed to evaluate the current MFP process and suggest improvements. They considered several proposals but did not find any acceptable changes that would improve the MFP formula. Their lack of success is not a mark against the Commission because of the complexity of the funding mechanism and the major consequences that can occur with even minor changes to the MFP formula. The state does not have a formal process to review the MFP that involves all of the stakeholders in the discussion, so the Commission serves a vital function that should be continued.

The Commission should consider the following, at a minimum, to see if there is a better way to fund education in the state.

- Should high schools be funded on a student credit hour basis per semester? Could this funding follow a student to a Community College or Technical College to take courses there?
- Should the state conduct two student counts for MFP funding as is currently done for charter schools?
- Should the state set a minimum level of effort for school districts in raising local revenues?
- Should the state reduce or eliminate the home-
stead exemption/industrial tax exemption on school millages?
- Is there a better way to determine a school district's wealth?
- Should school districts be empowered to collect revenues through local income taxes?
- Should the Hold Harmless provisions in the MFP be eliminated?
- Is there a way to lessen the effect of strong fluctuations in tax revenue collected by a district?
- Should the constitution be amended to increase the constitutional tax millage limit for school districts?

TABLE 8
District-Level Revenues and
Expenditures Per Pupil, 1999-2000

	Expenditures Per Pupil				Revenues Per Pupil			
	Lowest 10%	Median	Highest 10%	Difference Between Highest and Lowest	Lowest 10%	Median	Highest 10%	Difference Between Highest and Lowest
U.S. Average	5,713	6,706	8,979	3,265	6,808	7,908	10,928	4,320
SREB Average	5,435	6,020	7,161	1,727	6,163	6,915	8,449	2,286
LOUISIANA	5,093	5,611	6,414	1,321	5,603	6,274	7,209	1,606
Alabama	5,176	5,551	6,392	1,216	5,857	6,442	7,774	1,917
Arkansas	4,748	5,252	6,251	1,503	5,552	5,943	7,243	1,691
Delaware	7,039	7,624	8,594	1,555	8,007	9,413	12,433	4,426
Florida	5,185	5,574	6,351	1,166	6,365	7,051	8,641	2,276
Georgia	5,502	6,103	7,363	1,861	6,297	7,100	8,487	2,190
Kentucky	5,156	5,788	6,645	1,489	5,944	6,582	7,473	1,529
Maryland	6,548	7,048	7,919	1,371	7,366	8,226	9,064	1,698
Mississippi	4,479	5,012	5,987	1,508	4,850	5,354	6,563	1,713
North Carolina	5,552	6,179	7,234	1,682	6,534	7,311	8,714	2,180
Oklahoma	4,589	5,524	7,278	2,689	5,091	5,944	7,949	2,858
South Carolina	5,414	6,087	7,387	1,973	6,045	6,818	8,282	2,217
Tennessee	4,477	4,921	5,946	1,469	5,035	5,512	6,494	1,459
Texas	5,588	6,583	9,087	3,499	6,509	7,589	10,822	4,313
Virginia	5,838	6,459	8,071	2,233	6,586	7,387	9,597	3,011
West Virginia	6,569	7,008	7,660	1,091	6,961	7,696	8,454	1,493

SOURCE: National Center for Education Statistics *Revenues and Expenditures by Public School Districts: School Year 1999-2000 (NCES 2003407)*, May 2003; and PAR calculations.

High Schools That Work

Recommendation No. 9: Base high school funding on student credit hours per semester and allow funding to follow students into alternative senior-year programs.

Recommendation No. 10: Develop sound alternative paths such as advanced placement, dual enrollment in secondary schools and postsecondary institutions, rigorous structured work experiences and community service for credit toward high school graduation to ease the transition from high school to postsecondary education and the workforce.

There is a general consensus that high schools are not meeting the needs of many of today's students. High schools need to better prepare students for the transition to life after high school, whether life puts them directly

into the workforce, in a workforce training program or a traditional university setting.

The senior year is notably problematic. Some students reach their senior year with only one or two courses left to complete their graduation requirements, leaving them with a half-day or more of “free” time. Other students leave school early because there are no advanced courses available that fit into their career or education goals. Consequently, the senior year for many students is simply a period of marking time until graduation, even for college-bound students.

The state needs to rethink its policies concerning high schools. Flexibility is the key in placing students in the correct level of schooling with a demanding curriculum that meets their future needs. Close cooperation between the state’s technical colleges, universities, community colleges and local employers is needed to develop a seamless transition from high school to work or other schooling. Cooperation between these stakeholders should aim to maximize efficiency and reduce the duplication of efforts.

There are many technical programs being developed throughout the state to prepare students for work. From paramedic training to welding to restaurant career training, these technical programs provide students with skills and exposure to a range of careers. These programs should be continued and expanded where possible to maximize student access, but it is impractical to expect every high school in the state to offer every program to every student. Course demand, availability of teachers and equipment, local job requirements, availability of business partnerships and other factors will limit a school’s or school district’s ability to offer such programs.

To increase access to the courses students need, the state should change the way it funds high schools. Currently, school districts receive full funding for high school seniors, whether they are in class for one hour or seven, one semester or two. Funding high schools on a credit hour basis per semester and allowing students to use that funding at colleges, technical schools or other high schools that offer specialty courses would maximize student access to career-relevant courses.

Outsourcing

Recommendation No. 11: Give the district superintendent and school board complete control over decisions on how to provide student support services.

State law should be amended to give school boards and superintendents complete control over student support services. With school districts facing tight budgets and pressure to increase student performance, they should be granted increased flexibility in making decisions on how they staff their schools and provide certain services. Districts should have full authority to outsource transportation, janitorial services and food services in order to increase efficiency. In addition, state law should be amended to remove mandatory staffing requirements and give the local school boards the flexibility to staff their schools without state interference while they are making necessary adjustment to improve their district’s education outcome.

Improve State’s Tenure Law

Recommendation No. 12: Place the clear authority to hire, fire, promote, demote, transfer or suspend teachers under the district superintendent rather than the school

The separation of powers between school boards and their superintendents is vague and illogical. Too often, school board members interfere with their superintendents’ staffing decisions, even though they are holding the superintendent accountable for the performance of all employees. Many of these personnel decisions made by the school boards are political in nature and not in the best interests of the school district.

State law should be amended to clearly define the roles and powers of local school boards and their superintendents. The position of superintendent as chief executive officer of the school district should be strengthened by making him or her fully responsible for personnel decisions. The often very large, unwieldy and political boards should not make individual personnel decisions or even serve as the ultimate arbiter of such decisions. The role of the school board should be to hire a professional administrator to make those decisions and to hold him or her responsible. If the board loses confidence in the superintendent, it can refuse to renew the individual’s contract.

Recommendation No. 13: Streamline the tenured employee dismissal process and require that an independent administrative law judge be used to hear appeals of tenure decisions.

State law concerning tenure should be amended to remove the school board as the group responsible for tenure hearings. Currently, the school board hears charges against teachers to determine if they are “guilty” of willful neglect, incompetence, dishonesty or prohibited membership. The board, a large body of locally elected politicians, serves as prosecutor, judge and jury. The board’s decision can then be appealed to the courts where the entire case can be heard again.

This process should be revised to require that the superintendent would determine if a tenured teacher’s behavior or performance has met the conditions necessary for dismissal. An independent administrative law judge (ALJ), instead of the school board, would then

hear the case against the teacher. The school board could then accept the ALJ’s judgement, offer a lesser punishment or drop the case. The final decision could still be appealed to a court of competent jurisdiction. However, the entire case would not be heard again, as the appeal would be limited to matters of law. Upon appeal, the burden of proof would be shifted to the employee to show that there was legal error, fraud or bias on the part of the administrative law judge.

This change would improve the tenure hearing process by removing politics from the decision and placing the hearing in the hands of someone trained to conduct hearings in a professional, fair and procedurally sound manner.

Costly Solutions

As the next governor and new Legislature take office in January 2004, they will be faced with several serious challenges requiring costly solutions. There will be strong pressure to fund teacher pay raises (and probably support workers also), pre-K programs, school facility improvements and reforms for high poverty schools. If these items are a priority with the next governor and Legislature, they will have to come up with additional funding to support them. The availability of funding for these programs is doubtful, and difficult policy choices will be required if any of these programs are ever to be fully funded.

As seen in Table 9, Louisiana’s percentage of education revenues generated by local sources is slightly below that generated by the average state in the nation or the South. This indicates that some of the additional funding could come from local sources if the state gives locals a greater ability to raise revenues or forces them to increase their efforts to raise funding. The major problem with raising local revenues is that it usually requires voter approval, which can be difficult, if not impossible to get.

The percentage of education revenues raised by state sources is roughly equivalent to that in the average state--about half of the total revenues. If overall funding is increased, the state will have to pick up its fair share.

Louisiana receives a large portion of federal funds to support education. Given the challenges facing the federal government, it is doubtful that the state would receive additional federal funding that was not earmarked for a specific program. Besides, the state is already anticipating a loss of federal funding that is currently paying for several of the pre-K programs.

TABLE 9
Percentage Distribution of Revenues for Public K-12 Schools by Source, 1998-99 and 2000-01

School Year	Local		Intermediate		State		Federal	
	1998	2000	1998	2000	1998	2000	1998	2000
U. S.	43.9%	42.8%	0.3%	0.3%	48.7%	49.7%	7.1%	7.3%
SREB	42.2%	42.2%	0.1%	0.1%	49.6%	49.3%	8.0%	8.4%
LOUISIANA	38.1%	39.2%	0.0%	0.0%	50.4%	49.4%	11.5%	11.5%
Louisiana's National Rank	28	28	NA	NA	28	28	6	6
Louisiana's SREB Rank	8	7	NA	NA	10	10	2	2

SOURCE: The National Center for Education Statistics.

Teacher Pay

One of the top state priorities for the last eight years was to get the average teacher salary to the southern average. Teachers were given several across-the-board raises and the MFP was modified to require districts to use half of any new state funding for teacher raises. Because of these and other efforts, teacher salaries rose 37.5% from 1991-92 to 2001-02, one of the highest increases in the nation (see Table 10). But the state never achieved its goal of raising teacher pay to the southern average (\$39,711 in 2001-02, according to the SREB), mainly due to budget problems, a recession and a rapidly increasing southern average. Of the sixteen SREB states, ten (including Louisiana) exceeded the national rate of salary increases from 1991-92 to 2001-02.

Although Louisiana had one of the highest growths in average teacher salary, it still ranks at the bottom of the nation and the South in teacher pay. (See Table 10.) The ranking changes slightly when the state's average salary is adjusted for cost-of-living and experience level, but not enough to make it competitive with salaries in Texas. In addition, there is a wide gap in average salaries among the state's school districts, with an almost \$12,000 difference between the highest (Caddo) and lowest (Tensas) paying districts.

Some argue that teacher salaries have not been given a high enough priority by local school districts, considering the large influx of education funding. However, U.S. Census Bureau data show that Louisiana exceeds the national average in percentage of current education funding spent on instruction compensation, ranking 18th in the nation and seventh in the South. Recent salary data released by the American Federation of Teachers support the census data. Therefore, it appears that teacher pay in Louisiana has received the same or slightly higher priority as teacher pay in other states.

The state should continue placing a high priority on raising teacher pay to a level that makes it competitive with its neighbors, primarily Texas, and is more equalized across

school districts. Teacher pay remains a difficult political issue. Legislators, the governor and other elected officials all want the credit for raising teacher pay. But, the decision and responsibility rests squarely with local school boards. State funded across-the-board pay raises outside the MFP formula should be avoided at all costs, since they negatively affect equity in state funding. In addition, the state cannot set salary levels, because economic conditions in the local districts vary considerably across the state.

Pre-K in Louisiana

The Louisiana Department of Education (DOE) administers five different educational programs for 4-year-olds. Four of these programs are funded with federal money and one is funded with Louisiana mineral revenues through the 8(g) funds. They are:

- 8(g) Early Childhood Program (mineral revenues),
- Starting Points Preschool Program (Temporary Assistance for Needy Families [TANF] funding),
- LA 4 Early Childhood Development Program (TANF funding),
- Title I Preschool (Federal Title I, Part A funding),
- Even Start (Federal Title I, Part B funding).

In addition, Head Start, administered by the Louisiana Head Start Association and funded by the U.S. Department of Health and Human Services, operates educational programs for 4-year-olds across the state.

TABLE 10
Status of Louisiana's 2001-02 Teacher Salaries

	U.S.	Louisiana	National Ranking	SREB Ranking
Average Teacher Salary	\$44,367	\$36,328	43	13
Average Teacher Salary Adjusted by Cost of Living Index	\$44,367	\$40,390	36	14
Average Teacher Salary Adjusted for Differences in Teaching Experience	\$44,367	\$36,823	41	12
Actual Average Beginning Salaries	\$30,719	\$28,229	28	10
% Change from 1991-92 to 2001-02	29.7%	37.5%	9	5
Teacher Salaries as a Percent of Total Current Education Spending	37.1%	39.5%	10	7
Pay Ratio of Teachers to Private Sector	1.23	1.24	34	11
Ratio of Average Teacher Salary to Per Capita Personal Income	1.46	1.49	24	10

SOURCE: American Federation of Teachers, *Survey and Analysis of Teacher Salary Trends 2002*.

These early childhood development programs are primarily aimed at providing services to “at-risk” children. “At-risk” children in this case is defined as those who qualify for free and reduced lunch programs. They make up around 62% of Louisiana’s 4-year-old population. In the 2002-03 school year, Louisiana’s public early childhood development programs served around 26,000 of the nearly 42,000 at-risk 4-year-olds in the state. Because some of these children are enrolled in private care centers, around 7,000 at-risk children are not receiving pre-K service.

The per-pupil funding levels in the DOE programs for 4-year-olds vary from around \$2,900 to \$5,700 per pupil. The Title I Preschools spend the least per student (\$2,897) and have the highest enrollment levels. The LA 4 Early Childhood Development Program, only in its second year of existence, has the highest per-pupil funding level (\$5,711). The DOE estimates an ideal pre-K per-pupil funding level to be around \$5,000 per pupil.

Every Louisiana parish has some type of pre-K program, but only 22 parishes in 2003/04 have LA 4 programs, considered to be the highest quality in the state. Since the establishment of LA 4, some underfunded pre-K programs have been upgraded to meet the LA 4 standards. LA 4 requires the availability of certain curriculum materials and supplies in classrooms with any LA 4-funded pupils. It also requires certified teachers, a ten-to-one student/teacher ratio and adherence to state curriculum standards for LA 4 classes.

The majority of research literature on pre-K programs supports the contention that early education for at-risk students increases the likelihood of those students succeeding throughout the rest of their years in school. However, the quality of a preschool has been linked to the success of its students.

The continuum of state-level pre-K policies has no public pre-K at one end and mandatory, universal pre-K at the other. Louisiana is moving toward optional pre-K for its at-risk students and is now 7,000 pupils short of offering pre-K for all at-risk 4-year-olds in the state. However, the funding base for many of its pre-K programs is unstable (from unpredictable federal funds) and inadequate to provide high quality instructional environments. TANF funding for pre-K is disappearing. To continue at the current level of service and especially to expand the number of children served, Louisiana will have to find funding, probably from state resources.

By placing at-risk pre-K instruction under the Minimum Foundation Program (MFP), Louisiana could ensure the funding stability of its pre-K programs. Further, by expanding pre-K under the LA 4 program guidelines, the state could ensure high quality delivery of

early childhood education. At \$5,000 per pupil, public pre-K for the state’s 42,000 at-risk 4-year-olds would cost around \$210 million annually. However, if the pre-K program were included in the MFP, local school districts would have to pick up approximately 35% of the cost, or \$73.5 million.

School Facilities

Historically, in Louisiana and many other states, local communities have been responsible for all aspects of school construction and maintenance. But recent lawsuits in Arizona, Colorado, New Mexico, Ohio and Texas are challenging that tradition. Recently, a local school board voted to sue the state to gain funding for facility upkeep and maintenance, so Louisiana may soon be joining this list of states being sued.

Louisiana does not maintain data on the age and condition of its schools, so it is difficult to assess the magnitude of the problem. However, Louisiana school districts are experiencing the same problems as districts around the nation in dealing with poor school facilities. If the state is required to take a more active role in fixing its school facility problems, finding the funding to do so will be yet another drain on education resources.

There are many options available to the state, but each will take additional funding. Some states subsidize or match local funding for construction projects. Some provide low-interest loans for low-income school districts, and some have even established a new agency to oversee school construction within the state.

The issue of school facilities will present a major challenge to the next governor and Legislature if the courts rule that they must provide state funding for facilities. The state should be prepared for that possibility by examining the issue on its own. At a minimum, the state needs to assess the adequacy of school facilities with respect to enrollment projections, determine who is responsible for funding the needed projects and develop a funding mechanism to meet the needs.

High Poverty Schools

Several high poverty schools are on the Louisiana Department of Education’s watch list of poor performing schools. If these schools do not improve, they will eventually enter the reconstitution phase of the accountability program and may be eligible for state takeover. Eventually, the state will have to deal with the issue of how to fix chronically failing schools.



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—Continued from Page 19

Some have suggested that these schools will require additional funding well beyond what they currently receive. While there is some additional federal funding available, it may not be enough to cover the costs of completely reforming failing schools. To fix these high poverty schools, the state may have to implement policies that support increased funding for quality resources, facilities and materials. In addition, teachers in such schools might need to be given additional preparation time, as well as access to additional professional development that focuses on the particular challenges associat-

ed with teaching in a high poverty environment. Recruitment of high quality teachers through higher salaries or bonuses might also be required.

Giving additional funding to these schools may involve a difficult political fight. Some view these schools as failures and they are unwilling to throw more money at the problem. Others will see the need to provide additional funding, but not at the expense of reduced funding for their schools. In an era of tight budgets, it is difficult to find additional money to fund what is undoubtedly a highly risky endeavor--reforming a school that has refused to be reformed.

Conclusion

Elementary and secondary education in Louisiana is at a critical crossroads. The state's accountability system has shown some positive results, yet it is entering a period where the more controversial and harshest aspects of the plan, such as school reconstitution and raising the bar on the "high stakes" tests, are being implemented. To continue the progress being made, difficult and innovative reform policies will be required to raise the quality of instruction and remediation. Moreover, the state will need additional leverage in the form of a constitutional amendment allowing state takeover of failing schools to ensure that the lowest performing schools in the state get the attention they desperately need.

Public education in Louisiana will be competing for additional resources in this era of very tight state budgets. Spending and staffing reforms by themselves will not generate the revenues needed to fund critical spending priorities such as increasing teacher pay, continuing and expanding pre-K programs and upgrading or maintaining school facilities. This is especially true in a labor-intensive industry such as public education where spiraling health care costs place an even greater demand on limited resources. Tough choices will be required to define and provide an adequate level of funding for the state's public schools.