



# Tipping the Scale Towards Equity: Making Weighted Student Formula Work for California’s Highest-Need Students

## EXECUTIVE SUMMARY

California’s education funding system is fundamentally unfair, with large gaps in funding between the wealthiest and the lowest-income school districts, as well as between schools within districts.

In 2012, Governor Brown sought to correct the funding gaps between districts by shifting to a weighted student formula (WSF). WSF is designed to provide additional funding to districts and schools to meet the needs of low-income students and English learners and to simplify the state’s education funding system.

While the Governor’s WSF model would correct funding inequities *between* districts, it would not fix funding gaps between schools *within* districts. Using a new set of data from the Office for Civil Rights (OCR) at the U.S. Department of Education, our analysis of school spending patterns in California’s 20 largest school districts reveals three major findings:

## OUR KEY FINDINGS

1. **There are significant teacher salary gaps between the highest- and lowest-poverty schools in almost all of California’s 20 largest school districts.** As we detailed in our 2005 *Hidden Teacher Spending Gaps* report, low-poverty schools with more experienced teachers continue to receive far more funding per teacher than high-poverty schools. Teachers in the wealthiest schools can earn up to \$6,600 more than teachers in the poorest schools.
2. **Within California’s largest districts, school spending is highly variable and not clearly aligned to student need.** For example, within a single district, school spending can range from \$3,692 in one school to \$5,424 in another – a difference of over \$1,700. This spending is not clearly aligned to the needs of students in those schools.
3. **There are large gaps between district revenues per student and reported expenditures per student at the school level.** The lack of transparency and clear accounting for school- and district-level expenditures makes it impossible to determine how much funding for high-need students is actually reaching them.

## RECOMMENDATIONS

California should build on Governor Brown’s proposal and adopt a WSF model that corrects teacher spending gaps, ensures that dollars are distributed directly to schools based on student need, and provides the fiscal transparency critical for stakeholders to understand local spending decisions. Policymakers should learn from innovative districts and states already doing this work and shift to a WSF model that includes:

- **Strong Assurances** that additional funding will be spent on high-need students;
- **Public Transparency** and consistency around school- and district-level revenues and expenditures;
- **Local Community Involvement** in spending decisions; and
- **Robust Accountability** for improving student outcomes by spending dollars effectively.