

Report: Deepest education cuts in Virginia came to highest-poverty school divisions

Alicia Petska | Posted: Monday, December 15, 2014 7:46 pm

During the economic downturn, Virginia dealt its deepest education cuts to its highest-poverty school divisions, according to a new report from a Richmond-based policy group. “The state made a series of cuts to education during the recession to close the state budget shortfall, but the way they did it did not protect high-poverty communities in Virginia,” said Michael Cassidy, president and CEO of The Commonwealth Institute for Fiscal Analysis. The Commonwealth Institute, a left-leaning think tank, said a review of Census figures and superintendents’ reports found the steepest cuts in state aid were sustained by communities with the highest poverty rates among children.

In Virginia’s poorest school divisions, nearly 30 percent of students live in households under the federal poverty line, it reported. Those same divisions saw their state aid drop by an average of \$1,490 per student — or about 21 percent — during the four-year cycle between 2008-09 and 2012-13.

In contrast, school divisions with the most affluent student bodies saw their state aid drop by \$511 per student on average — or about 11 percent — during the same period, according to the Commonwealth Institute.

“I was startled by how it was so lockstep,” Cassidy said. “... To me, it’s almost the perfect inverse of how you would want to structure reductions in education funding if you had to.” Virginia’s education funding formula strives to factor in a community’s wealth through the composite index, a measurement of each locality’s ability to pay based on its local tax base. Communities with the lowest score get more than 80 percent of their eligible expenses covered by the state under current budget levels. Those with the highest get about 20 percent. But Cassidy said that formula relies heavily on local real estate values that were harder-hit in more affluent areas when the housing bubble burst, tilting the metrics in their favor when cuts were made.

The state formula doesn’t take into account the relative wealth or poverty of a community’s student body. Lynchburg ranks near the middle of the pack among Virginia school divisions based on the composite index, according to the state Department of Education.

But it also numbers among the state’s highest-poverty divisions with 62 percent of its students qualifying for free or reduced lunch, according to a June report from the Joint Legislative Audit and Review Commission.

The JLARC report, which examined school performance in high-poverty urban communities, noted there is a correlation between poverty and increased absenteeism, lower test scores and higher drop-out rates.

Lynchburg Superintendent Scott Brabrand is adamant all children can succeed in school, but said some may need more instruction time and one-on-one attention — which carries a cost. “As we ask schools to achieve higher standards with less support, we’re going to have to have these conversations if we want to see strong outcomes for all kids, regardless of economic background,” he said. “We’ve got to be sure we’re giving our kids the necessary supports ... You can’t cut systems with large numbers of kids in poverty and expect them to do better.”

Like many school divisions, Lynchburg’s state aid and overall operating budget still lags behind the pre-recession peaks reached in 2008-09. In an effort to avoid classroom cutbacks, Brabrand said, the division balanced its budget by eliminating administrative roles like subject area specialists and its director of professional development.

But at the same time, Standards of Learning testing and other requirements were growing more rigorous. “We didn’t have the same leadership in the central office to help teachers prepare,” Brabrand said, adding he “absolutely” felt it affected the division’s performance. The division restored its specialists for math/science and English/social studies just this year. Brabrand is exploring proposals to beef up professional development next year. Going forward, he said, the state will have to have an honest discussion about its priorities. “What does the future of education look like in Virginia, and will Virginia continue to support students in this generation like they did a generation or two ago?” he asked. “That’s a huge question.”

The state cuts affected school divisions across the board. Bedford County — one of the more well-off communities in the state, according to the Commonwealth Institute — said its schools have lost a net total of more than 175 full-time staffers since 2008-09. “Class sizes have gone up significantly, programs and services have been reduced, employee compensation — which was already challenged back when the recession started and the state funding decreased — has gotten worse,” Bedford Superintendent Doug Schuch said. “To say that the impact has been significant would really be an understatement.” High-level poverty statistics don’t necessarily tell the whole story of a community, Schuch added. Bedford County includes large rural swaths where poverty is widespread, he said. Within its schools, 37 percent of students qualified for free or reduced lunch last year, according to state data.

Support for K-12 education was protected from the most recent rounds of state budget cuts driven by shrinking revenue projections. But there’s no guarantee that will continue next year. Schuch said his outlook on the new year is one of cautious optimism. The state’s growing focus on workforce development and diversifying its economy speak to the need to invest in education, he said.

“What I am hoping and expecting is that Gov. [Terry] McAuliffe’s budget supports K-12 public education to the fullest extent possible,” he said. “But I would not even begin to speculate on what that will actually look like or what the final budget will ultimately produce after the General Assembly acts.”

Virginia already has drawn on its reserves and cut millions out of its budget. Current estimates suggest it will have to cut another \$322 million from next year’s spending plan. Cassidy said the institute hopes its report sheds light on the impact of past “misguided budget decisions” and prompts state leaders to rethink their approach going forward. “I think the findings of this report point to some problems with the way our education funding works in Virginia that should raise some red flags for lawmakers,” he said.

The governor is set to present his budget recommendations to a joint meeting of the General Assembly money committees on Wednesday. The General Assembly begins its regular session Jan. 14.