



Education

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FINAL REPORT



**Southwest Arizona Town Hall
FUNDING PREK-12 EDUCATION
Town Hall Report
October 5, 2017**

Participants of the October 5, 2017 Southwest Arizona Town Hall in Yuma make the following findings and recommendations. This report reflects the consensus achieved through group discussions by Town Hall participants.

PRINCIPAL GOALS FOR ARIZONA’S PREK-12 EDUCATION SYSTEM

The overriding goal of Arizona’s education system is to develop a foundation of skills for students to advance to post-secondary education and careers. Schools must cultivate basic skills and abilities for success in academics and life, including the ability to effectively communicate and interact, and the ability to acquire and apply knowledge. By developing students’ competencies in problem-solving, critical thinking, and social skills, the preK-12 education system positions students to succeed in a range of potential careers, including some careers that may not yet exist. Highly qualified and motivated educators are essential for realizing this goal, but to attract and retain such teachers, compensation must be more competitive with other states.

In addition to teaching academic skills and knowledge, schools should expose students to potential career pathways. Schools should equip students with enough knowledge about future options to determine a path beyond high school, with a focus on postsecondary education and training. Partnerships between education and business can introduce children to the diversity of career options. This should include options besides college, for those who may wish to pursue skilled and technical-based careers.

Stability is key to children’s success in school, and since proficiency in core subjects translates into future success, schools must be places where every student has the structure and opportunities to excel. For students whose home life is characterized by uncertainty, stability at school is all the more important. Stability in teaching staff is an essential piece of this picture. With fair compensation, passionate teachers are more committed to their school and students, and more likely to remain in their positions for several years. This stability in staffing should be a priority for schools, and helps to provide structure to students. Ideally, some of this structure is also supplied by parents, and schools must engage parents as partners in their children’s education. However, schools must also be attuned to the unique needs of children with difficult family situations and more challenging economic circumstances; for these children, school may be one of few places with assured structure and stability.

The preK-12 education system plays a vital role in the personal development of children: their self-motivation, interest in life-long learning, and engagement in the community as informed citizens. Teachers provide leadership and motivation to students, underpinning their academic as well as personal development. Attracting quality, long-term teachers is contingent on competitive salaries. Teachers need not only better pay, but also support to advance their education and obtain master’s degrees, avoid burn-out, and participate in professional development. Professionally supported and involved teachers translate into student engagement, which in turn is taken home and builds stronger, more civic-minded communities.

THE AVAILABILITY OF FUNDS AND THE METHODS OF USE OF THE SAME IN ACHIEVING ARIZONA'S PREK-12 EDUCATIONAL GOALS

The amount of funds provided to Arizona's preK-12 schools, along with the methods for the use of the same, greatly impact the ability to achieve principal goals of Arizona's educational system. Current funding levels are inadequate—and often inequitable, too. For example, wealthier districts, where the per student public funding is similar to lower income districts, have additional district and parent resources to fill gaps, while other districts do not have such local resources available. The end result is that zip codes still determine the quality of funding.

As such, at this time there is not enough money being funneled into the education system to support the students' and Arizona's educational goals. Some of this inadequacy is a sourcing issue, and available fund sources currently are being ignored or dismissed. For example, education relies heavily on property taxes, which is detrimental to Yuma County's ability to source funds, as there is a minimal amount of taxable property (approximately 8%). One alternative would be to instead focus on utilizing a sales tax, especially since Arizona is a tourism and vacation destination. Other alternatives include food taxes, local taxes earmarked for schools, or excise taxes on electricity and other commodities.

In short, Arizona schools need a dedicated public funding source that must be used for public education and cannot be swept for use in other budget measures. Other traditional methods are demonstrably not as effective. For example, bonds are a double-edged sword. When a district passes a bond, it can lead voters to believe that these bonds are now adequately funding school operations, which they often are not. Additionally, there are also issues with other funding sources which must be allocated to a specific purpose. With these "strings-attached" funds, there often are no resources allocated for the underlying infrastructure required to implement those purposes that receive the "strings-attached" funding resources. When the funds sit unspent, it makes school districts appear to have unused funds, but the district literally cannot spend the money because it does not have the resources to implement the programs to then spend the additional money on the students. This is often the case with federal funds provided for education.

For schools, the use of public money is just as important as the availability of public money. For example, in the abovementioned federal funds dilemma, if the state adequately funded the districts in order to support infrastructure, it could increase its investment, as the districts could now spend the available federal funding as intended. As it is now, shrinking state budgets are requiring districts to choose between competing essential needs, putting tires on the bus or fixing air conditioners. When bathrooms in school buildings need repair, sometimes the whole wing needs to be shut down. Employees are being asked to work double duty, with administrators going back to the classrooms to teach and doing the administrative jobs after hours. Doing more with less is the norm in Arizona schools, but it has reached new extremes—now districts are being asked to fulfill increasing demands with almost no funding.

Effective use of the public funding available is critical to achieving local and state educational goals. Currently, increased class size and the elimination of librarians, arts education, music programs, physical education, and other programs all are the adverse effects of inadequate funding. The "pot of public money" for education must be divided so many ways, including salaries, facilities maintenance, and special programs, that there simply is not any left for real, demonstrable needs of the school districts. Foremost among these needs is an increase in teacher salaries, as Arizona is losing quality teachers to other, more competitive salary environments.

The current political climate and system makes it difficult to address these issues. Top-down decision-making has reduced local influence and the resultant willingness of local population to tax themselves as a bottom-up countermeasure. Apart from low teachers' salaries and turnover, the State

is also seeing unfunded educational mandates, reduced secondary undergraduate education programs in Arizona public universities, expiring and unstable revenue sources, teacher shortages, slow implementation of technology, a lack of funding to incentivize experienced teachers to remain in their careers, and an inability to fund extracurricular activities such as sports, arts, and student government. While funding has shrunk, it has also focused on improving metrics on required tests rather than, arguably, the true needs of students and districts.

A disconnect has emerged between politicians' focus on performance metrics and local understanding of where funds should be prioritized for the greatest impact on educational success. When schools must devote educational and administrative resources to measuring and capturing data for metrics, this comes at the cost of allocating resources on the basis of local community interests and true student and teacher needs. And, once "metrics" are achieved, revenue sources tied to such achievement are withdrawn from schools. Furthermore, the focus on performance measures creates special challenges for obtaining infrastructure funding, with its indirect link to outcomes data.

Instead, public monies should be used to hire more teachers—and not just stop there. Funding should focus on retaining teachers, which rests heavily on salary and benefits. Indeed, a standardized statewide salary structure should be considered. Funds should also expand teacher days without students in order to allow professional development such that teachers can better reach students and help them to become more engaged and achieve their individual potential. Additionally, the State should fully fund JTED. Resources should also be utilized to increase job skills programs and certifications, which will provide practical job experience and assist students to make informed life choices.

In addition to public monies, schools should consider partnering with private businesses to employ teachers during the summer and keep them in the area, as well as to obtain additional resources for schools and assist with vocational programs. Engaging the business community to more effectively address and fund education issues is critical for local success in education. This was demonstrated when recent proposed JTED funding cuts were considered, and business leaders, speaking out against the cuts because they would adversely affect the ability to provide a trained technical workforce, stopped the proposal from advancing. Further, various educational organizations need to provide specific, real economic and tax data to communities to justify and explain education spending methods and legislative bills, such that funding is not seen as a "black hole" but rather a concrete, data-supported plan with a strong return on investment. And lastly, a continued push for parental involvement is necessary to achieve goals, as it takes understanding and involvement to change the system that affects all Arizona children.

THE FUNDING IMPACT OF SCHOOL CHOICE, IMPACT OF VOUCHERS, AND GEOGRAPHICAL DIFFERENCES

In Arizona, education funding is fragmented by the variation in types of schools (public, charter, and private), vouchers and tax credits, and the right to school choice. Public dollars not only fund public schools, but also charter schools, even though charter schools can be for-profit. While private schools rely on private funding sources, Arizona's voucher and tax credit systems position private schools to siphon tax dollars (both individual and corporate) from the public purse and into private schools.

There is a common perception in Arizona that charter and private schools inevitably provide students with a better education than public schools. However, private schools are not held accountable for standards and outputs in the same ways as public and charter schools. For example, mandated state tests that students at public and charter schools must take are not requirements for private schools. This makes real comparison of outcomes between private, public, and charter schools

unobtainable. An additional confounding factor in such a comparison would be the income level of families with the resources—whether those resources are financial or knowledge of system navigation—to send their children to private schools. The perception of higher quality in private schools nonetheless supports the trend of diverting funding from public schools, thereby weakening the funding base necessary for public school systems to succeed.

Charter schools have been a central component of the “school choice” concept, and charter schools enjoy unique advantages in funding. With limited enrollment, sometimes specific curriculum, and a smaller population of students with disabilities than public schools, charter school students are often less expensive, per student, to educate than the general student population. Charter schools, for instance, can push students with emotional or discipline challenges back into the public school system. Charter schools additionally benefit from public school tax credits, which can offset costs for extracurricular and enrichment activities. Furthermore, charter schools can exercise more flexibility in the use of their funding than public schools can. They also do not share some of the administrative costs that public schools bear, such as costs related to open meeting laws, student transportation, and employment of certified teachers.

Vouchers—or more precisely Empowerment Scholarship Accounts, for which students with special needs and circumstances are eligible—disproportionately benefit private schools and negatively impact the funding of public schools. For public schools, vouchers compound the uncertainty inherent in school choice: both force districts to assume the burden of unpredictable class sizes and student volume from year to year. Vouchers exacerbate the challenges of Arizona’s already-low investment in the public preK-12 education system. Proponents of vouchers, however, emphasize the possibilities they open for students with disabilities; vouchers may provide educational opportunities and true choice to those who cannot otherwise afford or access it.

In assessing the funding impact of school choice, geographical variation between urban, rural, and tribal areas must be taken into consideration. Indeed, geography significantly impacts the range of choices available in a given zip code. In urban areas, schools have access to a larger supply of teachers for recruitment, whereas rural schools do not enjoy this selection. Rural and tribal areas often struggle with recruiting and retaining sufficient numbers of qualified teachers. A potential measure is offering salary differentials to help recruit more teachers to rural and tribal areas. Tribal students most often attend public schools, but often in rural areas where choice is limited.

While the option for parents to exercise school choice is valued in Arizona, the concept underpins inequities in the current funding system. This leads to an uneven playing field in which not all schools—or students—enjoy the same opportunities. School choice also leads to the diversion of funds from a family’s local school district, which contributes to severing the traditional ties between a public school and the surrounding neighborhood. The impact of this can be cyclical: local parents are less likely to pass a bond or levy to raise funds for the local schools that their child may never attend. Furthermore, school choice is only an operational principle when there are multiple schools in the area for parents to choose among. In rural and tribal areas with only one school, school choice can be meaningless. For instance, this is the case in East Yuma County, in Dateland and Wellton. In these rural areas, additionally, schools struggle to attract qualified teachers. Even in more populated areas, school choice is still limited by the availability of transportation. These factors all contribute to the school choice concept applying more in urban areas than rural ones, and more to resourceful families that tend to have more choices beyond the selection of school.

In short, fragmentation characterizes the current education system in Arizona. With school choice, schools are competing for the same education dollars; this pits public schools not only against private and charter schools, but also against each other. School choice allows for some parents to move children who are underperforming between schools, which can lead to a vicious cycle of poor

accountability and passing on blame. The school choice system is an element of the increasing privatization of the education system, which has accompanied market-like evaluations of schools as successes or failures based on student performance. In such calculations, however, public schools are disadvantaged in their accountability to state testing and performance measures, which do not apply to private schools. Despite the fragmentation of funding, public schools are mandated to accommodate students of all circumstances and abilities. Yet more resourceful families gravitate toward charter and private schools, depleting public schools of both per-student funding as well the social capital these parents bring. With steady or declining overall education funding in Arizona—and a portion of that funding going toward charters, tax credits, and vouchers—public schools are put in a position in which they must do more with fewer resources.

IMPROVING THE AMOUNT OR METHODS OF FUNDING FOR ARIZONA'S PREK-12 SCHOOLS

There is much that can be done by various stakeholders to improve the amount and methods of funding Arizona's preK-12 schools. Mainly, however, stakeholders should focus on tax solutions or reforms, and education of the voting populace.

First and foremost, solidifying the public's knowledge of all sides of the issues is critical. Without understanding, support for additional resources—and certainly support for additional taxes—is difficult to achieve. Various stakeholders may hold the responsibility for educating the populace including educators, governmental agencies, non-profit organizations, and political action committees. This education should supplement their work of lobbying and advocacy to the government for funding. With education to better grasp the issues, the voting public can and will support pro-education candidates and initiatives. An educated voting populace can then elect public officials who truly reflect the community's interest in improving education. This movement starts early by motivating students to register to vote when they reach voting age, and teaching them the reasons why their votes are important. Stakeholders should encourage younger, politically active members of the community to focus on education to benefit their families. Since education has such broad stakeholders, grassroots movements must energize discussions on improving education. Education then allows stakeholders to maximize the spirit of collaboration to improve education with elected officials and the business community.

By understanding the history of funding public education, from local funding to state funding, and the societal reasons for those changes, voters can then understand the current challenges and options. Citizens must understand that public education is worth it. Spending money on education now can save spending money on criminal justice later on. Educational attainment is an economic resource that serves the public good.

Apart from education, obtaining funds through a variety of taxes seems the most tenable option. Cooperation and involvement of the legislature is the easiest answer. However, the issues with education funding seem to be created by the legislature, and a sense of urgency to fix the problems created needs to be fostered within the legislature. The legislature exacerbated the educational funding problems during the great recession. In the time of falling revenues, the legislature cut funding in education to balance the budget and the public had little say in the matter. Now is the legislature's opportunity to incorporate new tax solutions to fix the funding problem.

As discussed earlier in this report, there are a variety of potential funding sources that the legislature could explore, such as a sales tax, a food tax, excise taxes, and partnership with local businesses, by reference. Further, there currently is a disparity between the amount one can donate to a private school and the amount one can donate to a public school for tax credits. If the State is going

to proceed with the tax credits model, the ability to donate needs to be equitable across all schools. Indeed, certain tax credits may need to be reduced or eliminated.

The State should continue to foster and fully fund JTED, as it provides access to resources for students in all local schools and in a variety of programs. More sources of funding, or greater portions of those sources (such as an increased amount from Proposition 301), need to be earmarked strictly for educational use, protecting them from being subsumed into the general fund. We need to set regulations to prevent shifting of funds from one purpose to another, such as from capital to facilities, within the education system.

Additionally, when tax breaks for businesses are passed, many times there is no plan to make up for this lost revenue. Unintended consequences of tax breaks/credits, such as the Scottsdale Art Gallery sales tax exemption to address online sales, create education funding issues. Other times, focus on the source of taxes affects areas outside of Maricopa County. For example, Yuma is disadvantaged due to relatively low assessed property value and fewer large businesses than metro areas like Phoenix, resulting in a higher (secondary) tax rate. Areas like Yuma need another outside dedicated funding source to compensate for this inequality. In other states, developer fees on new homes and requirements to provide land for schools provide revenue and also good, new schools; such an approach may work here, as well. In situations such as this, local taxes may alleviate local concerns and supplement State allocations.

But, again, when it comes to taxes, education is key. While many Arizonans moved from other states where education is a portion of their taxes, and may expect it here, others do not want to see a penny more in taxes. There is also a perception that a portion of population believes it does not need to pay for schools now that their kids are grown.

Because of the political sensitivity of raising taxes, total reliance on the legislature may not be the best way to go about funding schools. Arizona may want to consider an option for private funding of education that would allow the individual to be responsible for their children's education, although protections must be in place for those who are economically disadvantaged. Schools may also benefit from private sponsorship and support, as well as community resources beyond financial support. Businesses and public/private partnerships can provide outside funding sources, as in the case of Gowan Company's assistance to Crane School District in Yuma. Schools need to determine how to better utilize the resources they have access to, such as community resources and knowledge and existing infrastructure, in order to save money and expand opportunities. The "Community School" concept currently being implemented at O.C. Johnson Elementary School in Yuma is a case in point. Alternative income sources, such as in-house businesses at schools or the use of students to handle certain tasks may also defray costs.

FUNDING CHALLENGES FACING YUMA AREA SCHOOLS, AND POTENTIAL SOLUTIONS AND SOURCES OF LOCAL SUPPORT

A number of funding challenges face Yuma-area schools; with competing priorities and limited funds, sacrifices can jeopardize the ability of schools to fulfill their many obligations. Funding challenges for Yuma schools include financing the soft capital expenses of classroom furniture and supplies, the costs of maintenance and operations for school facilities, and the costs of purchasing and maintaining vehicles for school transportation. Funding should also support the acquisition of new forms of classroom equipment and technologies to support various learning styles, and to support the many English Language Acquisition learners in Yuma County.

Funding shortfalls in Yuma County can in some respects be attributed to geography. A unique challenge is our location on the border with Mexico; Yuma County schools educate students who cross the border from Mexico each day, but education dollars for these students are not accompanied by the typical property tax investment of parents. The geography of Yuma also means isolation from policymakers whose priorities in education funding are often informed by the more densely-populated areas of the state. Within the sizable landmass of Yuma County, an additional challenge is the minimal amount of taxable property, and the large portion of agricultural land that is taxed at a lower rate.

Despite these current limitations to Yuma's property tax revenues for education, this is also an area of opportunity. With strategic community development, in-fill of areas with commercial properties can increase the tax base for school districts. Other new tax revenues, such as sales taxes and excise taxes on electricity and other commodities, as mentioned previously, could further supplement education funding.

Tax credits are mostly considered for their impact on private education, but are not limited to private schools. Tax credits could provide a more equitable revenue source; currently, there is a disparity between the amount one can donate to a private school and the amount one can donate to a public school for tax credits, by more than twofold. The community should create more awareness of the ability to donate to public schools via their tax returns, and advocate to policymakers so that tax credits can more significantly benefit the public educational system.

This lack of funding has material consequences for public schools. Teachers often pay for supplies out of pocket, or must independently seek outside funding for basic teaching resources. There are, however, creative efforts that also mobilize parents and the broader community to address funding challenges. At a grassroots level, fundraising opportunities for education include Box Tops for Education, which can help defray field trip costs, Target grants for field trips, and websites such as zigaty.com and DonorsChoose.org. Other local efforts in the Yuma area include drives for school supplies and Operation School Bell, which helps low-income families with school uniforms. Additionally, some foundations offer grants to support the purchase technology and consumable supplies, such as the Staples Foundation. To pursue such opportunities, some schools are investing more resources in grant writing, but it must be underscored that no one grant is a sustainable solution to funding shortfalls.

Creative opportunities also include collaborations, such as locating kindergartens in senior facilities to share facility costs and provide the mutual benefits of cross-generational social interaction. Schools also have resources that could be shared, such as buses that could serve the public as well as the educational system. Other potential funding opportunities include taxation targeted at tourists and the seasonal visitors who otherwise are not substantially investing in Yuma's education.

The value of education must be better recognized and valued outside of the education sector. Given the importance of an educated populace in all sectors, the education sector must be at the table in discussions regarding economic development, business, and healthcare. With such representation of the education sector, Yuma can differentiate itself in a positive way, highlighting the importance of education and our students' work ethic to attract new businesses to the area. Forging stronger ties between education and economic development is most effective with mutual support. Local industry can be recruited to invest in extracurricular activities at early stages of education, and to develop mentorship programs for local students. These investments not only enhance educational opportunities in the school setting, but also open the eyes of students to future career opportunities.

Human capital is an essential—if not the essential—asset in any organization, and in schools, the importance of teachers cannot be underestimated. Yet with poor compensation and recognition, public school teachers are not properly valued, leading to dissatisfaction and turnover. To build local support for education and educators, Yuma must continue to foster appreciation for teachers. Schools should reach out to local businesses to expand the opportunities for teachers to find short-term

employment during the summer, which helps keep them in the area. Additionally, schools must identify internal pathways for professional development for teachers; this incentivizes teachers to remain in the profession, and in the community.

COMMUNITY AND BUSINESS LEADER SUPPORT TO YUMA AREA SCHOOLS

There are many ways in which our community and business leaders can and do support Yuma area schools. For example, local business leaders can mentor students, volunteer for speaking engagements, provide resume and interview training and practice, offer career experience programs (with a stipend to the student), sponsor field trips or other programs, and invite students to conferences and other events. By coming into the schools, leaders can introduce students to various professions and encourage pathways to success. This includes teaching as a profession, as recruitment for this field can start early. Creative ways to encourage students to consider teaching as a profession include clubs, meetings, stories, and publicity. Involvement in the classroom has the added benefit of raising awareness of businesses that allow their employees to spend some of their time in the classroom. Collaboration between public schools for special events, such as science fairs, continues this mutually beneficial relationship.

Schools are the heart of the community, and this should be reflected in community partnerships. Right now, there is collaboration and partnership in certain industries that provide information to assist in developing education curriculums based on those industries' needs. It can get better. Many companies are starting to explore continuing education scenarios, such as shadowing opportunities for students, preceptor opportunities to satisfy program requirements, and internships for students to gain experience. These are available to traditional and non-traditional students alike. These students will facilitate learning opportunities for students to improving their communication and soft skills, and will help them cultivate interviewing skills. Many students need to know how to foster those skills to continue to the next level, and in this way companies could provide a substantial resource to schools with only a small increase in their participation.

In particular, there is room for such partnerships to grow within Yuma's key sectors: agriculture and the military. Yuma County is fortunate in that it has a huge resource in the agriculture and fertilizer industry. They also have a significant political presence that can influence our legislature. Since the military also has a significant presence in this area, the voices of these sectors can be amplified by joining together in advocacy. By way of example, Future Farmers of America (FFA) receives a great deal of support from companies through scholarships, sponsor drives, job shadowing, and other experiences that help students learn about careers. Companies located across the border in Mexico could also provide support for education and learning experiences at their facilities.

Unfortunately, vocational education is dwindling with decreasing budgets. As such, students may not know about the available opportunities right now. Many students may not have ever been exposed to industry and may have only seen a real scientist on television. The fact that there may be a real scientist around the corner could provide inspiration for students to continue with education and seize available opportunities, such as continuing education. Students may not see the light at the end of the tunnel without a local leader showing them that their hard work pays off. Through involvement of local industry, the creation of field-based learning opportunities could translate into school credits and real-life experiences. Teachers need this help from local role models to assist in exposing students to future options and real success stories. These must demonstrate that success is not always about the money; it is also about opportunity.

Education is a life-long endeavor that needs continuous inspiration. Everyone understands that funding is lackluster, to say the least, but the proposed solutions focus on what to do with the education that local students *do* receive and what is available without the need for more money. To facilitate these

solutions, community residents, and leaders in particular, should take the opportunity to tour public schools and observe teachers and students in action, such that they better understand the challenges and opportunities first-hand. Elected officials should be included in invitations to schools so that politicians are educated on what is really going on in public education, rather than drawing conclusions based on anecdotes.

In the end, schools and interested citizens should continue to advocate for the positions discussed herein, through positive messages on social media, continued communication with the legislature, and education to the voting public. Education and collaboration is crucial between all stakeholders, from parents to businesses to legislatures, in order to ensure workable solutions in funding sources, funding adequacy, and maximization of available resources.