

School Spending Disparities Persist, Center Reports in New N.C. Focus

by Ran Coble

Despite the promise of the state's new Basic Education Plan, the state's share of total per-pupil spending remains about the same, while the local contribution is moving up steadily and the federal contribution continues to decline sharply, the N.C. Center for Public Policy Research says in a new book. Because the state's share of school funding has remained about the same since 1973-74, the state has done little to counteract the enormous differences in local district supplements that can occur from one school district to the next.

"Disparities in local school supplements create a political headache for North Carolina," says Marianne M. Kersey, co-editor of the new book. "On one hand, no one wants to discourage local officials from appropriating money to improve schools, but on the other hand, no one wants to see children receive varying opportunities for a good education, just based on where they live."

In effect, despite the spending of hundreds of millions of dollars, the Basic Education Plan has done nothing to reduce disparities among school districts, the Center says. "The state's Basic Education Plan aims to provide a basic curriculum for every school child, but it was not designed to reduce disparities among the state's 140 districts," notes Kersey, who adds that some states have a special school equalization fund to deal with the problem of disparities.

The Center says per-pupil spending in North Carolina varied by as much as 56 percent among the state's 140 public school systems in the 1987-88 school year, the latest year for which figures are available. This situation remains virtually unchanged since the Center last checked the results in the 1983-84 school year, when there was a 58 percent difference in spending. The Center says the disparities among school districts are caused mainly by differences in local supplements and lead to greatly differing educational programs among the city and county systems. This kind of disparity has led courts in eight states to find school finance systems unconstitutional, the latest in Texas on Oct. 2, 1989.

These findings are among those contained in 61 different articles on state government, politics, and public policy included in *North Carolina Focus*, the Center's 447-page textbook for high school social studies classes and college-level courses on state and local government. The new book, available now from the Center, was specially designed to give students of government a sharp-eyed overview of how their state operates.

"It's hard to find a book of this sort containing a comprehensive view of what North Carolina does in a variety of areas—school funding, how

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legislators vote, how well gubernatorial succession works, or how the courts make public policy," says Kersey.

Up to now, when students studied state government, state politics, or state policy problems like school finance, there were no up-to-date texts specifically on North Carolina and its state government. With that in mind, the Center published *Focus* as a public service for teachers and students across the state. The book was funded by grants from The Janirve Foundation in Asheville and the A. J. Fletcher Foundation in Raleigh.

The book is organized like the North Carolina Constitution. It contains chapters on the rights of citizens, the legislative branch, the executive branch, the judicial branch, and budgeting and financing in state government—which comprise the first five articles in the Constitution. Next, there are chapters on four policy areas—economic development, education, corrections, and the environment. The final two chapters examine state politics and the media's coverage of government and politics. In all, there are 61 articles in the book, as well as a copy of the state Constitution.

In the article on school finance, Kersey counters the conventional wisdom that financial disparity among North Carolina school systems is not a major problem because the state provides a base level of funding to support local districts' operating costs. The article then explains how two trends in the last decade have diluted the base of state support.

First, the share of school budgets from *federal sources* has been cut in half. It has decreased from 14.2 percent in 1972 to 7.7 percent in 1987-88, the latest school year for which figures are available. Second, since 1973-74, the *state's share* has stayed about the same, at 69 percent. "Thus, since 1973-74," says Kersey, "the most flexible and controversial part of school budgets—the *local* contribution—has increased from 19 to 23 percent."

The state base of funding does little to counteract the differences in local supplements. In 1987-88, *local* per-pupil spending ranged from a high of \$1,535 in the Chapel Hill/Carrboro City Schools to a low of \$287 in the Fairmont City School District within Robeson County, a more than five-fold difference. The variation in these local supplements is the chief reason for the disparities in *total per-pupil spending*. In 1987-88, total spending (excluding food service) in the

Onslow County system was \$2,645 per pupil, the lowest of any of the 140 districts. The Tryon City system in Polk County ranked first with \$4,124 spent on each pupil—56 percent more than the Onslow County system. Both the Fairmont City and Tryon City districts have been consolidated into county school systems for the 1988-89 school year. (For data on each school district, see table, page 72.)

Differences in Course Offerings

In explaining the possible consequences of disparities in school financing, the book points to differences in course offerings. A student at Blue Ridge High School in Jackson County has 116 fewer courses to choose from than a student at Northern Durham High School. A student at Northern Durham has such choices as German, musical theater, and principles of technology, while a student at Blue Ridge gets only a few choices beyond the required curricula. Another possible consequence of the disparities is that better teachers might be attracted to school systems that offer higher wages and better benefits. In addition, better buildings might be available in wealthier districts, since the responsibility for facilities lies mostly with the counties.

Court Cases on School Finance

In a companion article in *North Carolina Focus*, the N.C. Center reviewed court cases across the country involving the constitutionality of disparities in school financing. Though the court decisions are split, the Center noted that many of the successful challenges to school financing schemes were based on state constitutions with provisions similar to North Carolina's. North Carolina's Constitution has an equal protection clause as well as a clause guaranteeing a uniform system of education. Article IX, Section 2 of the Constitution says "The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools . . . wherein equal opportunities shall be provided for all students."

Both of these guarantees have been important in cases in eight states which found disparities in school finance unconstitutional. The eight states are California, Connecticut, Kentucky, New Jer-

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Per-Pupil Expenditures (PPE) by School District, 1987-88
(Excluding School Food Service)¹

School District	State		Federal ²		Local		Total	
	PPE	Rank	PPE	Rank	PPE	Rank	PPE	Rank
Alamance County	\$ 2,235	131	\$ 110	128	\$ 502	81	\$ 2,848	124
Burlington City	2,460	43	142	95	792	19	3,394	29
Alexander County	2,469	40	120	118	333	130	2,922	111
Alleghany County	2,688	11	206	34	408	106	3,302	37
Anson County	2,297	101	160	71	442	95	2,900	116
Ashe County	2,621	14	179	54	401	108	3,201	50
Avery County	2,547	22	221	31	510	72	3,278	41
Beaufort County	2,367	72	184	45	366	125	2,917	112
Washington City	2,275	115	240	21	389	115	2,904	115
Bertie County	2,296	103	248	17	380	120	2,925	110
Bladen County	2,484	38	250	16	444	94	3,178	55
Brunswick County	2,289	106	157	76	589	54	3,036	84
Buncombe County	2,550	21	137	104	658	35	3,345	33
Asheville City	2,417	49	281	9	1,399	2	4,097	2
Burke County	2,538	25	121	117	518	71	3,177	56
Cabarrus County	2,330	88	112	126	549	66	2,991	91
Kannapolis City	2,333	84	146	87	583	57	3,061	82
Caldwell County	2,312	96	119	119	520	70	2,950	101
Camden County	2,702	9	174	59	585	56	3,461	24
Carteret County	2,225	132	143	92	431	102	2,799	133
Caswell County	2,346	79	157	75	338	129	2,842	126
Catawba County	2,354	75	80	140	601	48	3,035	85
Hickory City	2,383	64	164	68	614	44	3,162	59
Newton City	2,353	76	143	93	738	26	3,234	46
Chatham County	2,315	95	102	131	648	37	3,065	81
Cherokee County	2,372	70	177	56	307	134	2,855	123
Chowan County	2,605	16	174	58	573	60	3,353	31
Clay County	2,587	18	158	74	347	128	3,092	78
Cleveland County	2,389	59	148	84	445	92	2,981	92
Kings Mtn. City	2,369	71	180	50	588	55	3,137	66
Shelby City	2,460	42	311	6	671	32	3,443	26
Columbus County	2,340	82	241	20	375	121	2,955	99
Whiteville City	2,332	85	240	22	372	123	2,943	102
Craven County	2,197	136	289	8	445	93	2,931	107
Cumberland County	2,159	138	225	28	505	75	2,890	119
Currituck County	2,396	57	138	101	915	14	3,450	25
Dare County	2,130	139	86	138	756	23	2,973	93
Davidson County	2,182	137	108	129	390	114	2,681	139
Lexington City	2,315	94	231	24	745	24	3,292	38
Thomasville City	2,508	32	222	30	592	52	3,322	34
Davie County	2,262	121	129	108	502	82	2,893	118
Duplin County	2,416	50	179	52	368	124	2,963	98
Durham County	2,210	133	87	135	1,170	6	3,468	23
Durham City	2,280	112	170	63	1,296	3	3,745	8
Edgecombe County	2,428	47	297	7	436	101	3,161	60
Tarboro City	2,388	60	124	112	599	51	3,111	74
Forsyth County	2,303	100	129	109	1,098	9	3,530	15
Franklin County	2,292	105	134	106	456	89	2,882	120
Franklinton City	2,334	83	191	39	426	104	2,951	100

Per-Pupil Expenditures by District, *continued*

School District	State		Federal ²		Local		Total	
	PPE	Rank	PPE	Rank	PPE	Rank	PPE	Rank
Gaston County	\$ 2,250	126	\$ 114	123	\$ 459	88	\$ 2,823	128
Gates County	2,672	12	187	41	634	40	3,493	20
Graham County	2,796	7	329	5	390	113	3,515	18
Granville County	2,277	113	145	88	550	65	2,972	94
Greene County	2,804	6	244	18	478	84	3,526	16
Guilford County	2,317	90	81	139	1,028	11	3,426	27
Greensboro City	2,472	39	139	99	1,253	4	3,864	6
High Point City	2,359	73	166	67	1,240	5	3,765	7
Halifax County	2,407	52	261	14	324	132	2,992	90
Roanoke Rapids City	2,450	44	131	107	674	31	3,255	43
Weldon City	2,513	31	267	12	571	61	3,351	32
Harnett County	2,402	54	161	70	332	131	2,896	117
Haywood County	2,618	15	180	49	717	29	3,516	17
Henderson County	2,275	116	140	96	523	68	2,938	104
Hendersonville City	2,284	109	144	91	855	16	3,283	40
Hertford County	2,386	62	227	27	503	78	3,116	71
Hoke County	2,269	119	187	42	292	137	2,748	137
Hyde County	2,967	1	253	15	768	22	3,988	3
Iredell County	2,256	123	110	127	454	90	2,820	130
Mooresville City	2,347	78	143	94	665	33	3,154	61
Statesville City	2,542	23	181	48	996	13	3,719	10
Jackson County	2,466	41	235	23	525	67	3,225	47
Johnston County	2,286	108	137	103	388	116	2,811	131
Jones County	2,839	4	340	4	290	139	3,468	22
Lee County	2,317	92	167	66	660	34	3,143	63
Lenoir County	2,494	36	187	43	506	74	3,186	53
Kinston City	2,316	93	220	32	592	53	3,128	69
Lincoln County	2,317	91	118	121	438	100	2,873	122
Macon County	2,516	30	125	111	617	41	3,258	42
Madison County	2,605	17	180	51	386	117	3,171	57
Martin County	2,380	66	186	44	650	36	3,215	48
McDowell County	2,297	102	122	115	402	107	2,821	129
Mecklenburg County	2,377	67	101	132	1,098	8	3,576	14
Mitchell County	2,555	20	149	82	439	98	3,142	64
Montgomery County	2,521	28	149	81	390	112	3,061	83
Moore County	2,296	104	157	77	726	27	3,179	54
Nash County	2,199	135	174	60	502	80	2,875	121
Rocky Mount City	2,255	124	121	116	744	25	3,121	70
New Hanover County	2,383	65	173	61	685	30	3,240	44
Northampton County	2,557	19	268	11	477	85	3,302	36
Onslow County	2,098	140	199	37	348	127	2,645	140
Orange County	2,525	27	112	125	869	15	3,506	19
Chapel Hill/ Carrboro City	2,281	111	89	134	1,535	1	3,904	5
Pamlico County	2,502	34	222	29	383	119	3,108	75
Pasquotank County	2,310	98	159	73	503	77	2,972	95
Pender County	2,255	125	178	55	503	76	2,936	105
Perquimans County	2,717	8	168	65	601	47	3,486	21
Person County	2,375	68	169	64	600	50	3,144	62
Pitt County	2,391	58	155	78	644	38	3,190	52
Polk County	2,692	10	179	53	722	28	3,593	13
Tryon City	2,848	3	123	114	1,153	7	4,124	1

Per-Pupil Expenditures by District, *continued*

School District	State		Federal ²		Local		Total	
	PPE	Rank	PPE	Rank	PPE	Rank	PPE	Rank
Randolph County	\$ 2,202	134	\$ 87	137	\$ 397	111	\$ 2,685	138
Asheboro City	2,351	77	140	97	643	39	3,134	67
Richmond County	2,250	127	140	98	364	126	2,754	136
Robeson County	2,244	130	268	10	291	138	2,804	132
Fairmont City	2,540	24	343	3	287	140	3,170	58
Lumberton City	2,269	118	153	80	372	122	2,795	134
Red Springs City	2,385	63	216	33	307	135	2,908	114
Saint Pauls City	2,248	129	200	36	314	133	2,762	135
Rockingham County	2,488	37	170	62	577	59	3,236	45
Eden City	2,308	99	119	120	503	79	2,929	108
Western Rockingham	2,343	80	154	79	601	49	3,097	76
Reidsville City	2,408	51	164	69	560	63	3,132	68
Rowan County	2,288	107	98	133	522	69	2,908	113
Salisbury City	2,666	13	242	19	814	17	3,722	9
Rutherford County	2,331	87	144	90	497	83	2,972	96
Sampson County	2,498	35	231	25	463	87	3,191	51
Clinton City	2,310	97	146	86	615	43	3,072	80
Scotland County	2,329	89	175	57	612	45	3,115	72
Stanly County	2,387	61	108	130	438	99	2,933	106
Albemarle City	2,406	53	126	110	772	21	3,304	35
Stokes County	2,281	110	139	100	604	46	3,025	87
Surry County	2,399	56	145	89	427	103	2,970	97
Elkin City	2,508	33	87	136	1,084	10	3,679	11
Mount Airy City	2,357	74	136	105	796	18	3,289	39
Swain County	2,813	5	695	1	410	105	3,918	4
Transylvania County	2,375	69	123	113	579	58	3,078	79
Tyrrell County	2,854	2	191	40	617	42	3,662	12
Union County	2,276	114	113	124	442	96	2,831	127
Monroe City	2,342	81	264	13	790	20	3,396	28
Vance County	2,265	120	182	47	399	110	2,846	125
Wake County	2,249	128	115	122	1,025	12	3,390	30
Warren County	2,537	26	227	26	440	97	3,204	49
Washington County	2,519	29	206	35	297	136	3,022	88
Watauga County	2,443	46	148	83	551	64	3,141	65
Wayne County	2,259	122	159	72	507	73	2,925	109
Goldsboro City	2,274	117	388	2	449	91	3,111	73
Wilkes County	2,417	48	137	102	385	118	2,939	103
Wilson County	2,331	86	194	38	570	62	3,094	77
Yadkin County	2,400	55	147	85	465	86	3,012	89
Yancey County	2,446	45	183	46	400	109	3,030	86
STATE AVERAGE	\$ 2,338		\$ 154		\$ 656		\$ 3,149	

FOOTNOTES

¹ Low-income students receive reduced price or free school meals, and others pay for meals. The figures in this chart *exclude* all food service funds. The data are rounded to the nearest dollar.

² Federal funds are designed to supplement, not supplant, state and local efforts. Federal funds are included in this table to give the local funding picture for each school district. Federal monies, however, should not be considered as a way to address disparities in per-pupil spending among districts.

Source: "Selected Financial Data 1987-88," N.C. Department of Public Instruction Information Center, pp. 6-8. For more, see also "Local School Finance in North Carolina," the Public School Forum of North Carolina, 1989, pp. 6-13.

Total Per-Pupil Expenditures, 1987-88

The Top Ten

1. Tryon City	\$4,124
2. Asheville City	4,097
3. Hyde County	3,988
4. Swain County	3,918
5. Chapel Hill/Carrboro	3,904
6. Greensboro City	3,864
7. High Point City	3,765
8. Durham City	3,745
9. Salisbury City	3,722
10. Statesville City	3,719

The Bottom Ten

140. Onslow County	\$2,645
139. Davidson County	2,681
138. Randolph County	2,685
137. Hoke County	2,748
136. Richmond County	2,754
135. St. Pauls City	2,762
134. Lumberton City	2,795
133. Carteret County	2,799
132. Robeson County	2,804
131. Johnston County	2,811

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sey, Texas, Washington, West Virginia, and Wyoming. The Texas Supreme Court decision is the most recent, with a decision rendered on Oct. 2, 1989 that glaring disparities between rich and poor districts violated the state constitution. However, in six other states—Arizona, Colorado, Georgia, New York, Ohio, and Oregon—courts did not strike down unequal financing among local school districts under their state constitutions.

In North Carolina, about two-thirds of school finances come from the state, and all counties get some amount of money. But the Reidsville City School System is considering suing the state over its financing formula. School board attorney Robert L. Watt III says, "The board is considering doing it, and we are doing some research on it right now. The board has asked me to continue looking into it, but there is no timetable or deadline."

"These articles on school financing are just a sample of the kind of issues *Focus* can raise in classrooms across North Carolina," says the Center's Board Chairman, Thad Beyle, a teacher of courses on state government and on N.C. politics and public policy at UNC-Chapel Hill. "There is no other text available that provides in-depth

information on North Carolina state government and policy issues," says Clyde Frazier, a professor of political science at Meredith College. "*Focus* should prove to be an invaluable resource for high school teachers of North Carolina state government," adds John Ellington, head of the social studies section for the N.C. Department of Public Instruction.

The book has been well received. Several newspapers have reviewed it on their book pages, and *Fayetteville Times* Editor Roy Parker Jr., a member of the Center's board of directors, called *Focus* "a fat collection of scores of articles produced by the state's premier independent research-and-report center covering the workings, problems, needs, the past, present, and future of government activities in North Carolina."

Parker said the Center's studies "are regularly quoted, but even more, they have become the basis for a growing number of policy initiatives and public goals."

Copies of *North Carolina Focus* containing the research on school finance are available for \$19.00 (plus \$.95 tax and \$2.50 postage and handling) from the N.C. Center for Public Policy Research, P.O. Box 430, Raleigh, NC 27602, or call (919) 832-2839. ☐☐