



November 6, 2009

Classroom spending pays off for schools

Mich. budget crunch puts spotlight on learning

BY PEGGY WALSH-SARNECKI
FREE PRESS EDUCATION WRITER

Schools in Wyandotte, Grosse Pointe, Troy, Garden City and Trenton differ in enrollment and demographics.

But they have this in common: Their district leaders have put a priority on spending money in the classroom -- on teachers, aides and librarians, for instance -- at the expense of administrative costs.

Garden City Public Schools spent the most -- about 79% of its \$45-million budget -- of any district in the tri-county area during the 2007-08 school year, according to a Free Press analysis.

The payoff? Higher scores on the ACT college entrance and placement exam that students took last spring.

The analysis also shows that districts with the highest numbers of students in poverty spend far less in the classroom.

Officials said that good administrators are crucial, but the budget crisis makes spending wisely more important than ever. "Schools have to make sure they spend their money where it counts the most," said Gary Murrell, assistant superintendent for Garden City schools.

Analysis: Spending tied to students' achievement

Hazel Park Schools' curriculum coordinator also heads up the bilingual and reproductive health programs. He also writes the district's federal and state grants and, while he's at it, oversees most of school system's hiring decisions.

Mike Barlow wears about a dozen administrative hats. That's one reason the district is among the top 10 that spent the most in the classroom and is the district that spent the least on administrative costs during the 2007-08 school year.

"We have fewer people now working in the central office than we've ever had," Barlow said.

The five lowest spenders on administration -- the Hazel Park, Lincoln Park, Wyandotte, South Lake and Garden City districts -- all spent about 8% of their budgets on administration.

Spending money where it matters most -- in ways that directly affect students -- is more important than ever for Michigan schools. Districts are facing a budget cut of nearly \$300 per student, adding up to millions of lost dollars and forcing leaders to make critical choices about where to spend limited funds.

In Garden City, that has meant cutting associate principals and other administrators, such as directors of special education and buildings and facilities, said assistant superintendent Gary Murrell.

Officials said that when they keep the administration costs low, they can focus money on keeping classes small, hiring teachers and aides, buying books and supplies and providing counselors, librarians and social workers -- all things that have a direct effect on classroom learning.

That's not to say good administrators are not valued, said Kerry Birmingham, media relations specialist with the Michigan Education Association.

"Our priorities would be yes, you need to make cuts in the areas that don't impact student learning, but we do recognize that you need good administration, and money needs to be spent there, as well," she said. "I would just hope administrators, as they're looking at the budget, would look first to areas that don't impact student learning."

Why spending matters

A Free Press analysis of district spending indicated that students in schools spending the most in the classroom also tended to be more ready for college, based on results of ACT college entrance exams.

The college readiness average of the 10 districts spending the most in the classroom was 38.8% in English and 34.4% in math, according to the ACT college readiness score. That's above the state average of 34.5% college ready in English and 28.5% in math.

At the other end of the spectrum, the average of the 10 districts spending the least in the classroom was well below the state average in English and math, 16.55% and 12.16% respectively.

And, the analysis found, high percentages of students living in poverty were likely to be enrolling in the districts that spent the least in the classroom.

Kurt Metzger, director of Detroit Area Community Information Systems, a think tank that compiles databases relative to Detroit, reviewed the Free Press data and found a link between student poverty and high spending on administration.

"It seems to indicate that as the percentage of kids who qualify for a free or reduced-price lunch goes up, the spending in the classroom goes down," Metzger said.

Those programs, funded largely by state and federal programs, also require administrative-level workers to complete the large amount of paperwork required for programs that assist low-income students, which could tilt administrative costs, said Ray Telman, executive director for Middle Cities Schools, an organization for Michigan's urban districts.

Priorities for districts, parents

Grosse Pointe Public Schools officials begin their yearly budgeting process by studying all the available student achievement data and, from that, deciding what needs to be done to help students improve. Those expenses, line items such as reading programs or salaries for remedial teachers, are budgeted first.

Keeping programs for students is key, agreed Mark Deldin, Chippewa Valley Schools superintendent, who said that in recent years, the district hasn't cut a single program affecting students.

"Those are conscious decisions," said Suzanne Klein, superintendent of Grosse Pointe Public Schools, which spends more than 76% of its approximately \$103-million budget in the classroom, the third highest in the metro area. Wyandotte spent the second-highest amount in the classroom, almost 78% of its budget. Klein said the state budget crisis and funding cuts are "absolutely" going to make careful budgeting even more important.

"Obviously, as we're dealing with the new financial realities, we're going to be looking closely at every expenditure and moving from priority to priority," Klein said.

To parents, the priorities are clear.

"Definitely spend it in the classroom," said Deborah Waller of Detroit. Her son is a junior at Northwestern High School in Detroit, where she said he still doesn't have books in some classes and teachers spend their own money on copiers because the school copiers are broken.

"I definitely think they should spend more in the classroom, on qualified teachers and whatever materials they need," said Sharon Graybowski of Beverly Hills, who has a daughter in the eighth grade in Birmingham Public Schools.

Other funding factors

But school funding isn't always a cut-and-dried issue, and there can be circumstances that affect the amount spent in the classroom or on administration.

For example, older districts often have declining enrollments, Telman said. A district may lose 100 elementary students, but that may not be enough to close one school and eliminate those administrators.

"As population drops, you have things that you can't adjust in one year," Telman said.

In other cases, districts may run special programs that add to their administration. Armada Area Schools, for example, runs middle and high school math and science academies that include students from several other districts. This skews its administration ratio because the students from outside the district don't count as full-time Armada students to offset the principals and other administrators hired for the programs.

And -- in some cases -- administrative costs can be high simply because of mismanagement.

"You can have a group of school board members who are not fiscally responsible," Highland Park Schools board member Robert Davis said. "They want to make political deals, rather than make fiscally sound decisions that are good for kids."

Contact PEGGY WALSH-SARNECKI: 313-222-8851 or mmwalsh@freepress.com

Related content

About the database

The database used for this report was derived from financial information each Michigan school district reports annually.

The Free Press defined classroom spending as expenses that can directly affect students, including salaries for teachers, classroom aides, guidance counselors and others. It also includes supplies and enrichment programs.

Administration spending includes the costs involved in providing central office and building administrators and business and personnel offices.

Transportation, operations and maintenance, and capital expenses were not included. Classroom and administration spending will not add up to 100% because of this.

By Peggy Walsh-Sarnecki
