Wayne State University
College of Education

Division: Administrative and Organizational Studies
Program Area: Educational Administration
Course #: EDA 7675
CRN: 14016
Course Title: Public School Finance & Budgeting
Section #: 001
Term/Year: Fall 2015
Course Location: 370 Education
Day: Wednesday Time: 5:00 – 8:40 PM
Instructor: Michael Addonizio
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Course Description

If American public education is to obtain the financial support necessary to meet legal requirements and the expectations of its various publics, then administrative practitioners and other supporters of public education--including academicians, researchers, policy makers, and lay citizens--must provide leadership in the debate concerning taxation and revenues, resource distribution and school management. To provide this leadership, they must possess specific knowledge of the field of education finance--an understanding of the basic concepts and how they are applied in practice--and the ability to bring this knowledge to bear on the policy processes which shape decisions in the public sector. Further, they must be aware of the fundamental constitutional and legal rights that all Americans, including children, enjoy in our daily lives. They must also be familiar with case law, statutes and rules, which establish standards for education finance. This course is designed to help provide this knowledge and develop this ability.

This is a graduate course in elementary and secondary public school finance and budgeting, with particular emphasis on Michigan. Major emphasis will be placed on the constitutional and legal foundations of public education and on raising and allocating school revenue, with attention also given to the objectives of the nationwide school finance reform movement that has been underway since 1970 and the fiscal reforms in Michigan that have been adopted since 1994. Particular emphasis will be placed on Michigan’s reforms in school finance and associated budgeting standards and practice.

Course Outcomes

1. To understand and analyze basic systems for generating and allocating revenue for elementary and secondary education;
2. To understand the philosophical foundations and fiscal implications of alternative school finance formulas, with particular attention to Michigan’s school finance formula;
3. To examine the constitutional and legal bases of school finance litigation;
4. To become familiar with the basic fundamentals of district and school budgeting;
5. To examine case law and statutory reform in the areas of equal educational opportunity and school finance;
6. To examine current efforts to achieve increased accountability and efficiency in public education: choice, charters, and the role of the Emergency Financial Manager.
Required Readings:

Textbook:


Course Pack:


Optional Readings:

**Course Assignments:**

Two written critiques and one paper are required. The first critique is due by **SEPTEMBER 23**, the second is due by **OCTOBER 21**, and the paper is due by **DECEMBER 2**.

Each critique should be 3-5 pages (500-1,000 words), double-spaced and typewritten, and NEVER MORE THAN 5 PAGES. You must critique an article taken from entries 1-5 from the Coursepack.

The critique should be organized in two parts:

1. *a brief summary* of the main points or arguments the author is making or trying to make, (1-2 pages); and
2. *your criticisms and comments* on the positive and/or negative aspects of the article (2-3 pages).

To assist in writing the critique, you should ask yourself questions such as:

1. Have I accurately and adequately summarized the main points--and done in it in no more than two pages?
2. Was the article well organized? Was the author's argument or thesis well developed? Was it well supported with evidence?
3. Did I learn anything from reading the article/chapter?
4. Have I supported my criticisms and comments with evidence, statements, illustrations drawn from my reading or personal experience?
5. Is my critique logical, well organized, well developed, i.e., will it make good sense to the reader?

Your writing will be judged both for its substance and clarity and style. Your writing should not only say something, it should say it well—in clear, concise English. We will read, evaluate, and provide feedback on the critiques. In evaluating writing assignments, we will consider the following criteria:

1. How engaged are you the writer with the topic? How strongly do you engage the reader?
2. Is your critique well focused? Does it have a clear beginning, middle and end? Is your critique well organized and well developed through examples that support the points or arguments you are making?
3. Is your paper sound grammatically? Do you use language with fluency and variety?
4. Does your paper’s content reflect a deep understanding of the subject?
The Paper: School District Fiscal Analysis – due December 2:

Each student will write a short research paper, not to exceed 10 pages double-spaced, including tables, analyzing the impact of Michigan’s 1994 tax and school finance reforms (i.e., “Proposal A”), subsequent school choice legislation (i.e., charter schools and “schools of choice”) and Michigan’s fiscal condition on his or her local school district. At a minimum, your paper should discuss the following topics:

1. Impact on local school district operating millage rates, for both homesteads and nonhomestead property; Does your district levy any “hold harmless” millage or local enrichment millage? What are the relative local, state, and federal shares of your district’s operating revenue? Does your district levy a debt millage or sinking fund millage?

2. Impact on school district revenue; What have your district’s annual foundation allowance and per pupil operating revenue levels been since 2004-05?

3. What has happened with enrollment in your school district in recent years? Does your district enroll nonresident students under Michigan’s “Schools of Choice” program? Can you estimate the effect of charter schools and “schools of choice” programs on your district’s enrollments? How have enrollment changes affected financing in your district?

4. How have the finance reforms affected collective bargaining in your district (e.g., terms or duration of the bargaining agreement)? On staffing levels or class size? Has your district recently offered a retirement incentive to staff? If so, what was the result in terms of financial savings and staffing?

5. How have the finance reforms affected programs or services provided in your school district over the past four or five years? In particular, has your district eliminated or scaled back particular programs or services recently as a result of revenue limitations?

6. What is your school district’s fund balance (i.e., “financial reserves”) going into the current fiscal year? (This figure is usually expressed as both a dollar amount and a percentage of your district’s current operating expenditures.) What has the district’s fund balance been in recent years? What accounts for the changes in the fund balance? Does your district have a policy or informal position regarding a “target” fund balance?

Financial information for your district should be available from your local school business office or from your intermediate school district. A useful website is maintained by the State of Michigan’s Center for Educational Performance and Information (CEPI) at www.michigan.gov/cepi. Financial information is also available from the Michigan Department of Education (although they rely on local and intermediate districts to
provide it to them). The Department’s website is www.mde.state.mi.us/. If you are having difficulty obtaining data, see me.

**Class Policy**

You are expected to attend all fourteen class sessions, to arrive on time, and to be present for the entire session. Class activity will consist of informal lectures and discussion based, in large part, on the readings. You are expected to participate in the discussion.

**Course Requirement: Take-home final or in class presentation**

A comprehensive, written take-home final examination will be distributed during class on **November 18**. The exam will generally be essay type and may include a question asking you to analyze or interpret a set of data. Your completed exam is due **no later than Thursday, December 10**. You may, of course, turn in your exam on **Wednesday, December 9**, our last class meeting. Depending upon student interest, participation in a presentation to the class on **December 2 or 9** may be substituted for the take-home final. Additional information regarding these presentations will be distributed in class.

**Plagiarism:**

Plagiarism includes copying material (any more than 5 consecutive words) from outside texts or presenting outside information as if it were your own by not crediting authors through citations. It can be deliberate or unintended. If you’re in doubt about the use of a source, cite it. Students caught plagiarizing information from other sources will receive a failing grade in the course. University policy states that students can be subject to multiple sanctions, from reprimand to expulsion as a consequence of academic dishonesty. To enforce this policy, all outside references must be submitted with assignments.
Class Schedule and Topics

September 2 — Introduction -- Setting the Frame & Context

Readings: [It will be helpful to read the selections below following our first session]
- Springer, Houck & Guthrie – CP #8

September 9 & 16 — The Legal Issues in School Finance Reform

Readings:
- Dayton & Dupre – CP #5

September 23 — Revenue Generation

Readings:

September 30 — Revenue Distribution

Readings:

October 7 – Models of State School Aid Systems

Readings:

October 14 -- Michigan School Aid

Readings:
- Addonizio – CP#1

October 21 —- Michigan School Aid

Readings:
- Addonizio – CP#2
October 28 – Michigan School Aid – Equity & Adequacy
  Readings:
  • Addonizio -- From fiscal equity to educational adequacy . . . – CP # 1
  • Rebell – CP # 7

November 4 – Building District & School Budgets - I
Readings:
  • Class Handouts

November 11-- Building District & School Budgets - II
Readings:
  • Class Handouts

November 18 – Special Education Funding, Emergency Management of School Districts, and Michigan’s Pending Legal Challenge
Readings:
  • Citizens Research Council of Michigan (June 2012). State Bailouts to Erase School District Accumulated Deficits, CRC Memorandum No. 1113 – CP#4
  • Hollenbeck et al. – CP#6

December 2 — Course Review/Evaluations/Presentations

December 9 -- Presentations
Grading System

Your final grade will be based on your performance on the writing assignments and the final exam:

- 40 percent on your two critiques (20 percent each)
- 35 percent on the Fiscal Analysis or Case Study paper
- 25 percent on the final exam or class presentation.
- Class participation will also be considered.

Withdrawal Policy

- Students who withdraw from a course after the end of the 4th week of class will receive a grade of WP, WF, or WN.
  - WP will be awarded if the student is passing the course (based on work due to date) at the time the withdrawal is requested
  - WF will be awarded if the student is failing the course (based on work due to date) at the time the withdrawal is requested
  - WN will be awarded if no materials have been submitted, and so there is no basis for a grade
- Students must submit their withdrawal request on-line through Pipeline. The faculty member must approve the withdrawal request before it becomes final, and students should continue to attend class until they receive notification via email that the withdrawal has been approved. Withdrawals can be requested at any point from the fifth week of class through the study day.

Attention Students with Disabilities:

If you have a documented disability that requires accommodations, you will need to register with Student Disability Services (SDS) for coordination of your academic accommodations. The Student Disability Services (SDS) office is located at 1600 David Adamany Undergraduate Library in the Student Academic Success Services department. SDS telephone number is 313-577-1851 or 313-577-3365 (TDD only). Once you have your accommodations in place, I will be glad to meet with you privately during my office hours to discuss your special needs. Student Disability Services’ mission is to assist the university in creating an accessible community where students with disabilities have an equal opportunity to fully participate in their educational experience at Wayne State University.

Please be aware that a delay in getting SDS accommodation letters for the current semester may hinder the availability or facilitation of those accommodations in a timely manner. Therefore, it is in your best interest to get your accommodation letters as early in the semester as possible.
Religious Observance Policy:

Because of the extraordinary variety of religious affiliations represented in the University student body and staff, the Wayne State University calendar makes no provision for religious holidays. It is University policy, however, to respect the faith and religious obligations of the individual. Students who find that their classes or examinations involve conflicts with their religious observances are expected to notify their instructors well in advance so that alternative arrangements as suitable as possible may be worked out.