NCLB: The Money Was Left Behind

New York City Shortchanged $3.3 Billion After 5 Years Under The No Child Left Behind Act

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Executive Summary

The Bush Administration's No Child Left Behind Act, signed in January 2002, made many promises to America's children and made many demands of their teachers and schools. NCLB required students to be subjected to standardized tests every school year from grades 3-8. Schools which failed to meet federal standards based on these exams were sanctioned. To justify these new "accountability" measures NCLB promised schools new funding and added resources to ensure this new promise of a better education.

New York City schools have tried to hold up their end of the bargain and have been testing their students annually. But the schools were never given the money they were promised. Title I-A provides federal aid specifically for disadvantaged students. It is the largest federal education program, making up over half of NCLB spending. Yet in the 2007 budget the actual grants to New York City schools for Title I-A funding fell $973,416,900 short of what NYC schools were promised by Congress. This brings the total NYC shortfall from FY2003 to FY2008 in Title I-A funding close to $3.3 billion.

New York City is not alone. President Bush's FY08 budget underfunded NCLB by $14.8 Billion nationally. This brings the cumulative shortfall to $70.9 billion since the law was signed. Every year since its passage, President Bush has failed to provide the funds the law's own formulas say schools districts need to excel. States are forced to use their own scarce funds to try and make up the difference, even as the NCLB law states that *"nothing in this Act shall be construed to... mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this Act.*
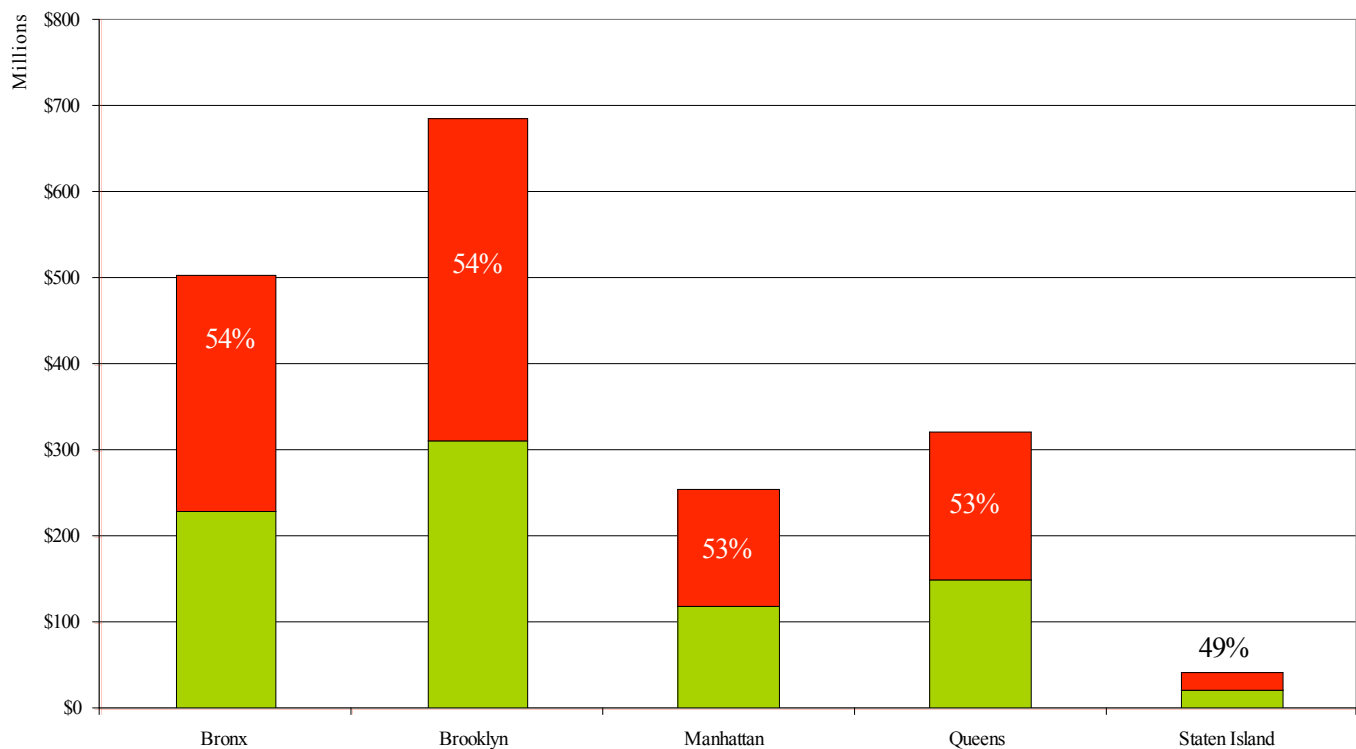
Considering the severe underfunding of schools it is unfair to continue to hold them to unreasonable standards and testing. By not providing our schools with the resources they need to meet NCLB's standards, our students and schools are being set up for failure.

Disadvantaged Students Shortchanged 54% in FY 2007

No Child Left Behind uses formulas based on a school district's student population and poverty concentration to determine how much funding the district should receive for Title I-A, a program designed to assist disadvantaged students. In Fiscal Year 2007, New York City's schools were authorized $1.8 billion for these programs, but only received $834 million. In FY2007, NYC schools were shortchanged 54% of what they needed to meet NCLB requirements.

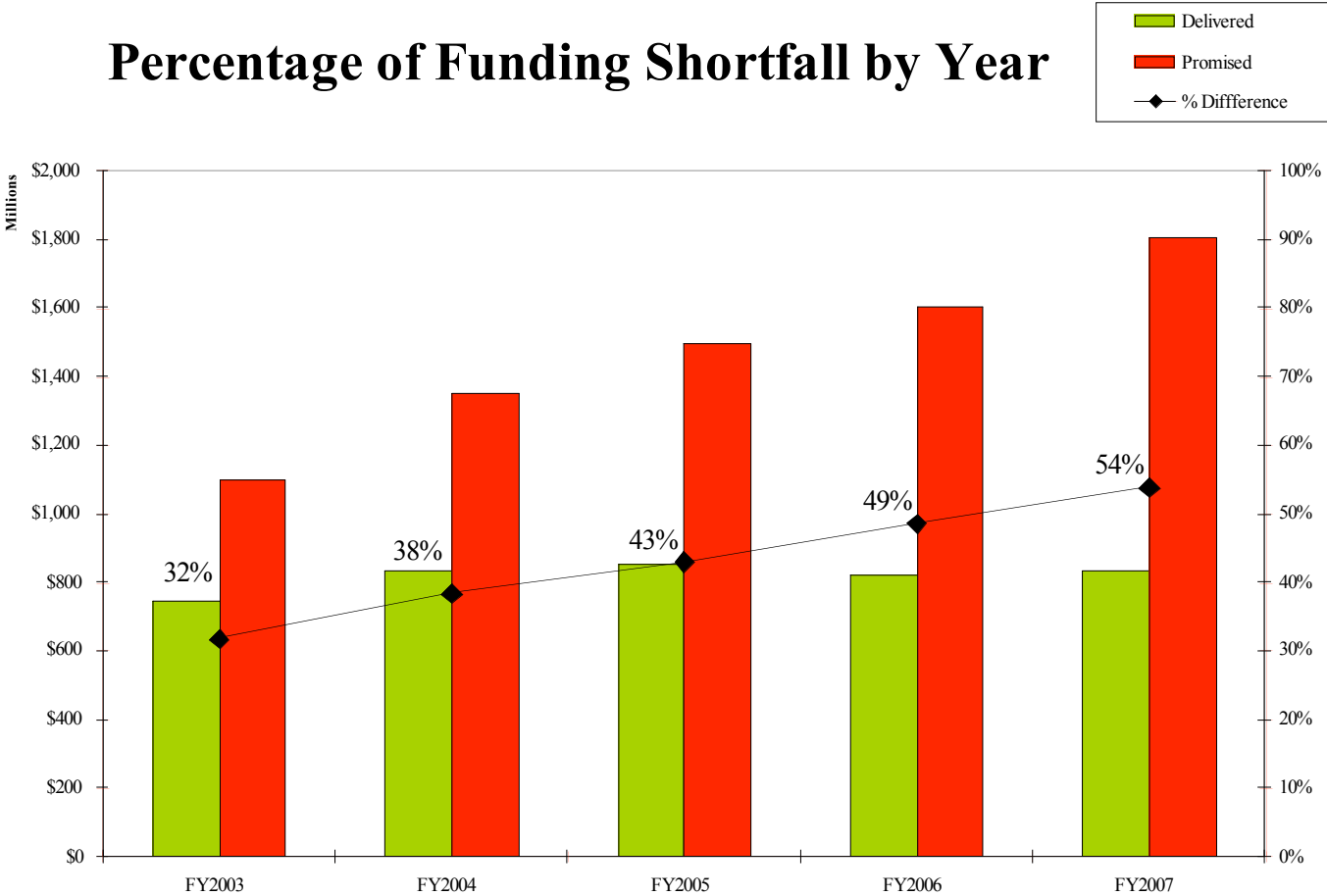| FY 2007	AUTHORIZED LEVEL	ACTUAL GRANT	SHORTFALL	%
Bronx	$503,155,700	$230,801,600	$272,354,100	54%
Brooklyn	$686,041,400	$312,650,300	$373,391,100	54%
Manhattan	$255,418,000	$119,928,900	$135,489,100	53%
Queens	$321,707,200	$149,596,000	$172,111,200	53%
Staten Island	$41,266,400	$21,195,000	$20,071,400	49%
TOTAL	$1,807,588,700	$834,171,800	$973,416,900	54%

FY2007 Percent Shortfall by District

No Child Left Behind's Funding Gap For Disadvantaged Children is Growing
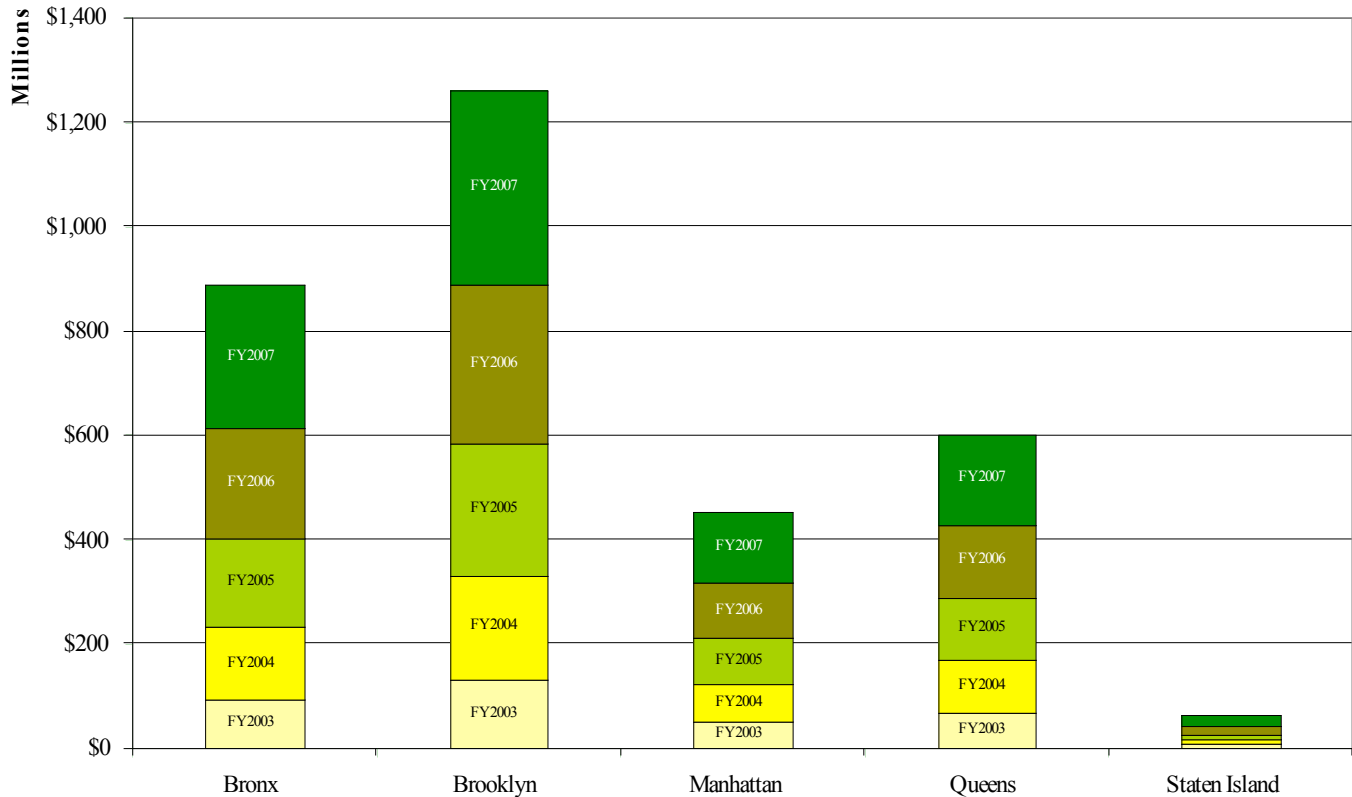
      If a school district does not meet the mandated higher standards of NCLB, it may lose its Title I-A funding. Yet, while NCLB ties continued federal education funding to a school district's higher test scores and an increasing number of qualified teachers, the funding gap grows. Between FY 2003 and FY 2007 the gap has grown from 32% to 54%.

Percentage of Funding Shortfall by Year

NCLB mandates that schools reach 100% proficiency in Reading and Mathematics by the 2013-2014 school year. However, as the funding gaps grow, the cumulative shortfall of Title I-A programs has grown to $3.3 billion.

Funding Shortfall by District Since FY2003

The Bush FY2008 NCLB budget cuts nearly $2.3 billion by eliminating 44 programs including: State Grants for Innovative Programs ($99 million) and Ed tech state grants ($272 million). New York City has lost funds for programs specifically geared towards reaching NCLB goals in student performance and English language learning from FY2006 to FY2007. New York City received $1.4 million dollars less in technology grants in FY2007 than the year before, and $1 million less for students learning English as a second language.

Revenue Budget as of Year-End Close (includes carryovers)	FY 2006 (in thousands)	FY 2007 (in thousands)	Change from FY2006-FY2007 (in thousands)
Title I-A (Disadvantaged Students)	$ 880,000	$834,172	-45,828
Title IIA (Teacher Quality)	129,150	148,428	19,278
Title IID (Technology Grants)	16,020	14,587	-1,433
Title III (LEP & Immigration Student)	38,776	37,731	-1,045
Title V (Public Charter Schools)	7,867	8,797	930
Title VII(American Indian Education)	8,285	6,757	-1,528
Total	**$ 1,080,097**	**$ 1,050,471**	**-29,627**

Solutions

Congress will be addressing *No Child Left Behind* reauthorization in the near future. Not only must the issue of perpetual underfunding be addressed the very premises upon which NCLB was built must be questioned.

Congress must:
- relieve schools and students of the burden of the NCLB testing regime
- measure accountability in a way that rewards student improvement
- put quality educators in every classroom
- increase support for research based methods to help struggling schools
- provide districts and schools the funding they need to best teach their students

Sources

- Information detailing requirements of NCLB and historical accounts of Presidential budget requests and Congressional appropriations for NCLB provided by the Congressional Research Service and the Senate Labor, HHS Appropriations Subcommittee Majority Staff.
- Title I-A mission and federal appropriations information provided by the Congressional Research Service.
- Title I-A borough and historical funding estimates provided by the Congressional Research Service.
- Revenue Budget as of Year-End Close (includes carryovers) provided by New York City Department of Education.