

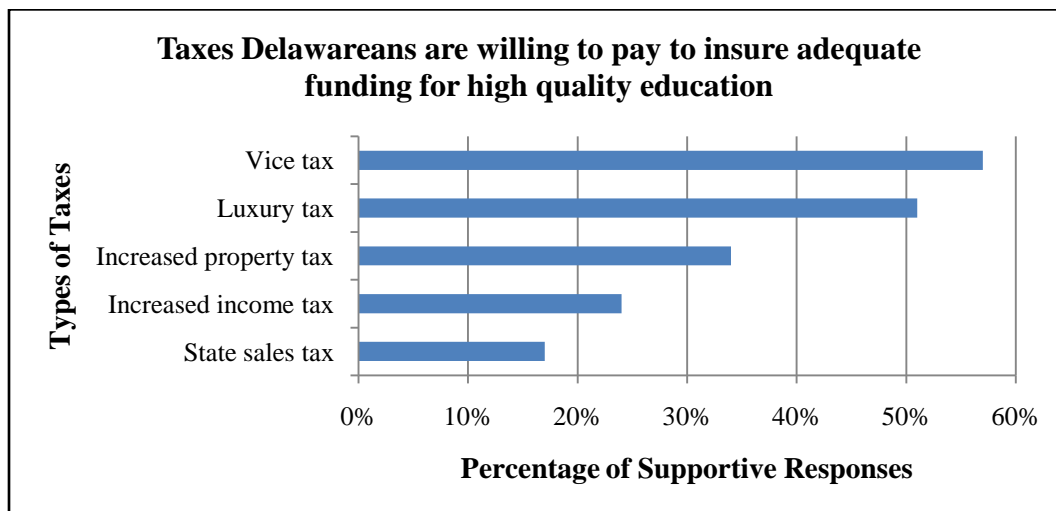


PUBLIC OPINION OF EDUCATION: FINANCING PUBLIC EDUCATION

Highlights of the 2007 Statewide Public Poll on the Condition of Education in Delaware

March 2008

The 2007 Delaware public opinion poll shows that residents have clear preferences for how to increase public education funds. More than half of Delawareans appear willing to pay vice and luxury taxes to support high quality education in the state. Far fewer residents support increasing income or property taxes or creating a state sales tax.



In addition to discussing tax options to increase the public education funding pool, this poll brief also addresses the public's interest in education finance information and how they choose to use it.

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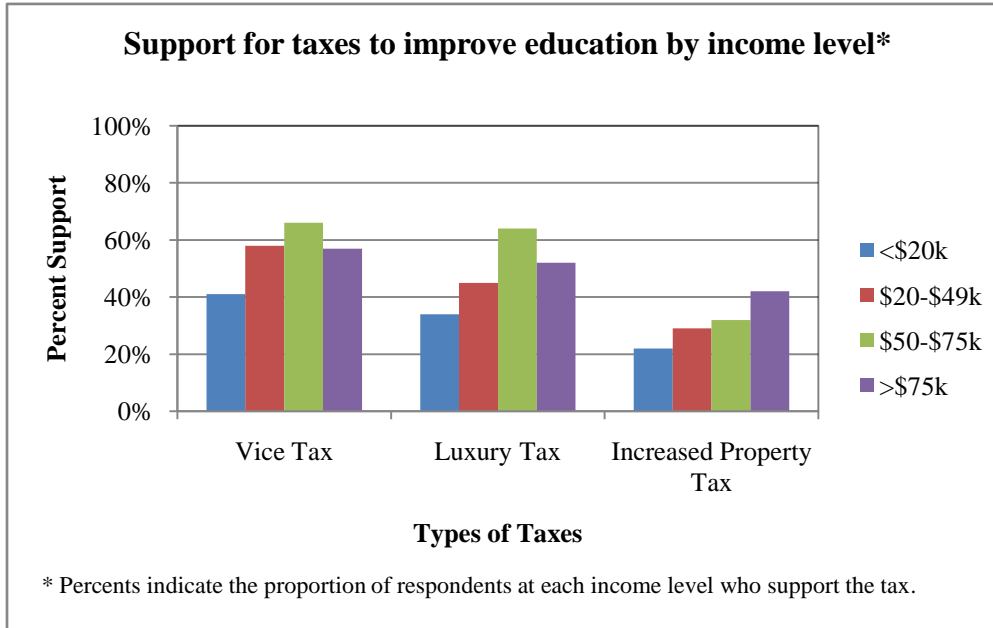
This poll is a collaborative effort of various members of the College of Human Services, Education and Public Policy at the University of Delaware. The authors extend special thanks to the Delaware Education Research and Development Center staff members Kelly Sherretz and Leslie Cooksy for their editing assistance.

For more information on the 2007 Public Poll, please contact the staff of the R&D Center by email at ud-rdc@udel.edu or by phone at (302) 831-4433. The briefs and full report will also be available on the web as they are produced at <http://www.rdc.udel.edu>

Financing Public Education

Poll Results

Delawareans were asked a series of questions to determine what types of taxes they would be willing to pay to support high quality education in Delaware. A vice tax and a luxury tax were the most strongly supported with more than half of interviewees willing to pay them (51% and 57%, respectively). Implementing a state sales tax (17%), increasing income tax (24%), and increasing property taxes received less support (34%). There were, however, some significant differences in responses based on



household income level. In general, significantly fewer Delawareans earning less than \$20k annually were in favor of paying an increased property tax, a luxury tax, and a vice tax, compared with residents with an annual income of at least \$50,000.

School funding in Delaware is tied to property assessment. One way to increase school funding without

increasing tax rates, is to periodically reassess property for its current market value. Delawareans were asked how much they would support the periodic reassessment of property to ensure adequate funding for education in Delaware. The majority (62%) of residents supported this option somewhat or a great deal.

Putting it in Context

As reported by Public Agenda, 67% of people polled nationally were somewhat or very willing to pay increased taxes if they were earmarked for improving education.¹ Delawareans were less supportive of increased or new taxes, particularly of a sales tax, increased income taxes, or increased property taxes. However, Delawareans' support for reassessing property periodically to ensure adequate funding for public schools approached that of the national sample (62% of Delawareans and 67% nationally). According to Condliffe and Ratledge, "the reality is that [the Delaware education] budget or policy process has for decades now been governed by formula. A formula-based approach supports primarily current activities, with new programs approved for funding only through the availability of additional monies above the needs of current activities. This renders the budget system relatively inflexible to changes in the provision of public education" (p.24).² However, there may be opportunities to look beyond the current status quo of public education funding since nationally, 65% percent of adults and 68% of policy-makers say it is appropriate to allocate tax revenues raised in other areas to schools in low-income areas.³

In Delaware, public education is funded from numerous sources; some of these funds are allocated through a formula intended to equalize resources across the state. However, the Condliffe and Ratledge report, *Financing public education in Delaware* helps clarify the formula.⁴ They explain that public

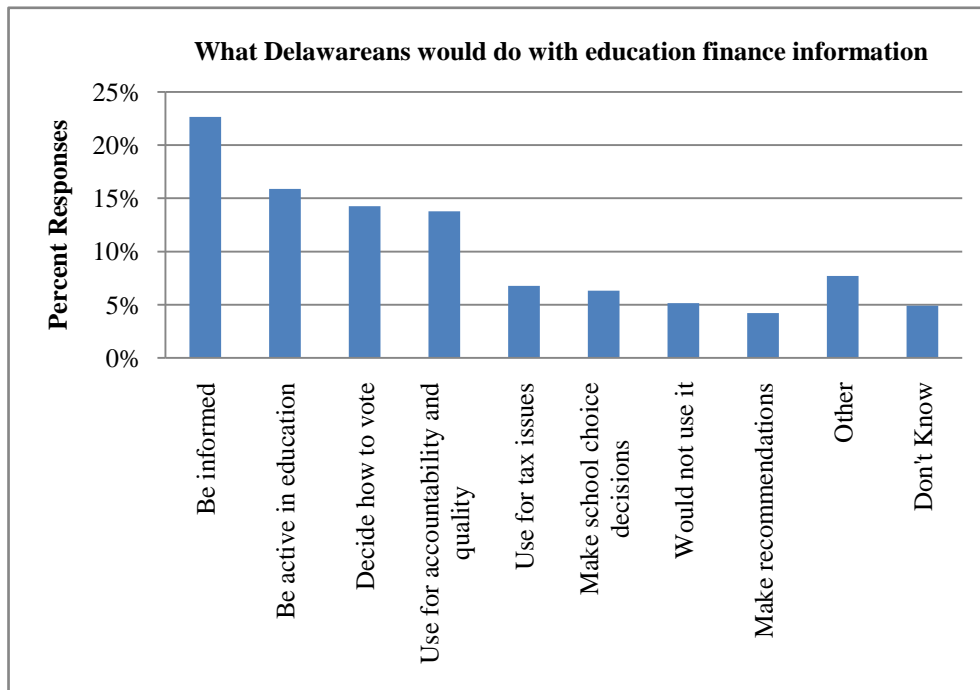
education is the largest expenditure in the Delaware state budget, and the per pupil cost, adjusted for inflation, has increased by 31% since 1990. This report also indicates that on average, 27% of public education revenue comes from local school district support, while the remainder comes from the state (63%) and the federal government (10%). The local school district portion is raised primarily through property taxes while the state portion comes from personal income tax, corporation taxes, gross receipts tax, and franchise taxes. According to GreatSchools.Net, “paying for schools with local property taxes has been one of the main causes of unequal funding...[and] the poorer communities, precisely the ones that need more resources to educate their children, must make do with smaller pots of money.”⁵

Keeping the Public Informed

Poll Results

Survey participants were asked a series of questions about the importance of being kept informed about educational finances. Nearly all (95%) Delawareans believe it is very or somewhat important that reports on educational funding be understandable and readily available to the public. This strong support for education finance transparency is consistent across diverse subgroups, including groups defined by income level, parenting status, or the extent to which the resident feels informed about education.

Delaware residents also appear interested in different types of information related to school finances. Between 77% and 85% of interviewees were very or somewhat interested in knowing: (1) how much is spent on things like salaries, facilities, books, and special programs, (2) who decides how much is spent, (3) how much money comes from federal, state, and local resources, and (4) finance information from individual schools or districts. The survey results indicate that respondents’ perceptions of how much they know about education is related to how interested they are in knowing about educational funding.



Delawareans who believe they are well informed are significantly more interested in knowing about three of the four kinds of funding information compared to those who are not at all informed. The two groups are more similar in their interest in school and district level information.

Finally, Delaware residents were asked what they would do if they had this information about school spending. Their responses were

grouped by several themes. The most common responses indicated that Delawareans would use the financial information to be better informed (23%), become more actively involved in education (16%), make decisions on how to vote (14%), and hold the education system accountable (14%).

Poll Context

There are sources of information on public education funding nationally and at the state level. For instance, the Center for Public Education provides national information about school spending and helps the reader by describing the data, explaining its usefulness and limitations, and identifying key questions to ask.⁶ Delaware school finance information is available by district on the Delaware Department of Education website, individual school websites, and at the School Data Direct website.^{7 8} While information on public school finances is available from several sources, there is little information on whether or how that information is used once parents and other citizens have access to it. However, according to *Financing public education in Delaware*, the available data may not answer the kinds of questions Delaware residents have about school financing related to funding equity, spending efficiency, or national comparisons.⁹ In addition, Strine's report for the Delaware State Chamber of Commerce, *Toward more effective financing of student achievement in Delaware's schools*, states that "the current finance system does not allow educational leaders to know whether resource decisions that they make are paying off in terms of improved outcomes for their students. Nor is the data that is available presented in a format that is understandable, accessible, and comparable for state policy makers, school board members, and researchers" (p. 4).¹⁰ So, while educational finance information is available to the public, Strine's work suggests that the available data may not be understandable to an interested public.

Design, Data Collection, and Sampling Error

From February 2 to April 14, 2007, telephone interviews were conducted with 910 citizens throughout the state comprised of 309 parents of school-age children and 601 non-parents. The data collection procedure for the polls was scientifically developed and random digit dialing was employed to obtain a random sample of citizens. All analyses conducted by the R&D Center for the Public Poll involved weighting the data to reflect the statewide population more accurately.

All surveys using a sample are subject to sampling error; that is, the extent to which the results may differ from what would be obtained if the entire population of Delaware citizens had been surveyed. It is important to remember that small differences may not be statistically significant. The size of the sampling error depends largely on the number of people surveyed. Therefore, the sampling error for the poll's sample size and for a 95% confidence interval, ranges from approximately 1.4% - 3.3% for the total sample, 1.8% - 2.0% for the non-parent sample and 2.5% - 5.7% for the parent sample. The sampling error for sub-groups (eg. income level) are larger.



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