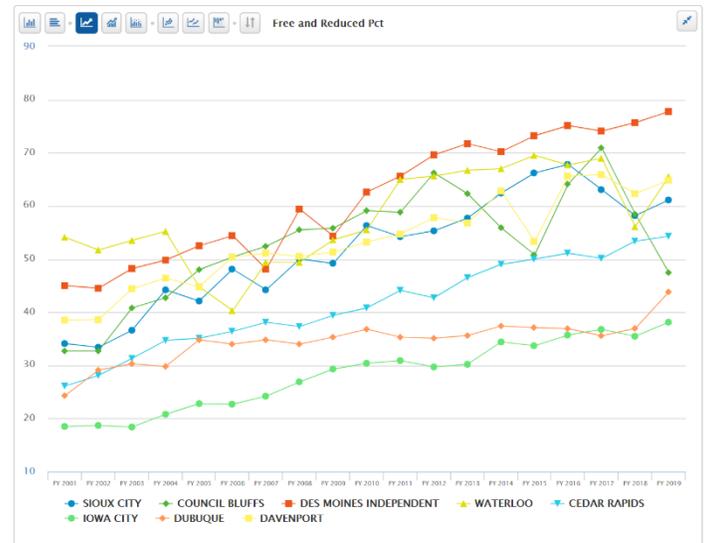


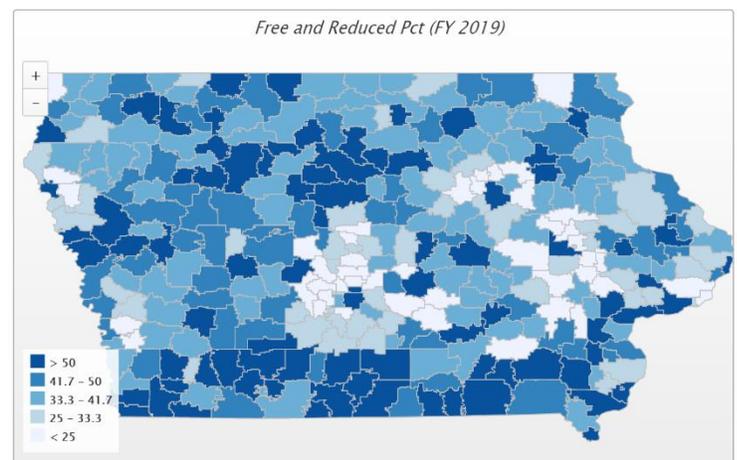
Issue Brief 2020

Childhood Poverty/At-Risk Students and School Funding

Background: Iowa used to be a homogenous state with relatively low poverty. In 2001, about 28% of students were eligible for Free & Reduced Lunch. In 2019, over 43% of students are eligible. All eight UEN Founding Districts have higher student poverty today than in FY 2001, ranging from a low of 38% in Iowa City Schools to a high of 78% in Des Moines Public Schools. Iowa's funding formula, developed at a time when Iowa schools were not diverse, does not sufficiently identify low income as a driver of at-risk student programming. Dropout Prevention (DoP) funding is based on total enrollment count, not the percent of students at-risk, and is limited to between 2.5% and 5% of regular program district cost based on historical practice. At-risk funding is minimal and based half of enrollment and half on elementary FRPL eligibility.

**Current Reality:**

- Students in poverty are more likely to begin school behind peers academically, struggle with health, exhibit attendance challenges, have nonproficient literacy skills, and fall further behind over summer breaks, unless schools have the resources, staff and programs to meet their needs.
- Although Iowa's urban centers certainly exhibit concentrated poverty, its now a statewide issue. The darkest color in the map shows districts with more than 50% of their students eligible. In FY 2019, 84 school districts in Iowa had more than half of their students FRPL eligible, among them, 10 of UEN's 17 member districts .
- The national average investment is an additional 29% above the base for low-income students. In 2012, weights varied but ranged from an additional 0.05 in Mississippi to 0.97 in Maryland. The average weight was 0.29—or an additional 29% funding per low-income pupil. "Most states provide about an additional 0.20 to 0.25 in funding for low-income students," according to the American Institutes for Research, "Study of a New Method of Funding for Public Schools in Nevada," Sept. 25, 2012. A follow-up analysis, [Nevada School Finance Study](#), Oct. 22, 2018, examined school staffing and supports that were effective in closing the gap, documented an equivalent weighting of 0.31 for "at-risk" student and .40 for English-language learners empirically funded sufficient instructional and support strategies to significantly close the gap for students in poverty.
- Iowa's funding for at-risk students and dropout prevention, combined, translates into just short of 10% funding commitment for poverty, less than half the national average investment. It's time for Iowa to study how best to structure a funding system that supports school districts in closing the opportunity gap for low-income students.



The UEN calls on the Iowa Legislature to fund districts based on student need. Give districts flexibility to identify students and direct funds to educate them. Invest early, increasing access to quality preschool programs, to prevent higher costs later.