

**PUBLIC RESOURCES SPENT ON CHILDREN AND FAMILIES IN THE  
UNIVERSITY OF SOUTHERN CALIFORNIA COMMUNITY:  
ESTIMATED EXPENDITURES, OUTCOMES, AND IMPLICATIONS**

**By**

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**Abstract:**

Understanding how money is spent to educate and support families and children in local communities is essential in order to improve decision-making about the allocation and use of public resources. Better understanding of resources available at the community level may also help in addressing questions about how community context influences the daily lives of children and their families. This study includes school finance data from the Los Angeles Unified School District as well as data from the Children’s Budget of Los Angeles County Government to derive estimates of total public expenditures on services for children and families in the community around the University of Southern California campus. Findings show the substantial amount of public resources spent by “allied” public agencies in one inner-city community. They also show that, even using the highest estimate of school district spending, the public schools account for just over half of the total public resources available for children and families in this neighborhood.

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Understanding how money is spent to educate and support families and children in local communities is necessary in order to improve decision-making about the allocation and use of public resources. Better understanding of the resources available at the community level should also help decision-makers and community leaders address key questions about how community context may influence the daily lives of children and families. This exploratory study links two different methods of accounting for public expenditures in order to examine the total public resources spent on children and families in one local community. It overlays two distinct traditions of analysis in order to estimate the total public resources expended in a specific community and to begin to link those resources with outcomes for children.

In the first tradition, *children's budgets* have been used to provide an overview of spending on a large number of social and health service programs. Most of these programs are provided by state, county and municipal governments that have responsibility for protecting the health and well-being of their residents. Because there are so many different programs serving any one community, it is extremely difficult to track funding across institutions and categorical funding streams. Unlike education, where districts are responsible for channeling funding from multiple funding streams in a coordinated allocation process reflected in a unified budget document, there is no single entity responsible for allocating and tracking expenditures on social and health services. Funds for human services are allocated according to funding categories (i.e., child care, juvenile justice, mental health, welfare, etc.), and these categorical funding streams are generally allocated separately and administered by different departments and institutions at different levels of government. Children's budgets have been used by child advocates to aggregate the many different categorical funding streams that support child and family services, providing a glimpse of the whole for the public and for decision-makers used to thinking about one program or one department at a time.

In the second tradition, *school finance*, analysts have long studied school district spending patterns and recently have begun to look at school level resources. However, to date researchers have had little success in relating the allocation and use of educational resources to outcomes for individual students. Resource use patterns are remarkably similar at the district level and appear to be more alike than different at the school level. Even brief observations in schools in different communities, however, are enough to demonstrate substantial differences in the resources that are available to children and families.

## LITERATURE REVIEW

In his New York Times article, "What No School Can Do," James Traub suggests that even the most effective school reform efforts can only be partially successful in erasing the educational achievement gap between children in rich and poor communities. He says that "educational inequality is rooted in economic problems and social pathologies too deep to be overcome by school alone" (2000: 54).

Describing how disappointing test results in New York City have fanned controversy about how to improve the nation's largest school district, Traub maintains that many school reform advocates have ignored an obvious connection (p. 52).

What was not said, however, was the obvious: that the city districts that performed poorly, like those that performed well, scored almost exactly as the socioeconomic status of the children in them would have predicted. You could have predicted the fourth grade test scores of all but one of the city's 32 districts merely by knowing the percentage of students in a given district who qualified for a free lunch. Only a few dozen of the city's 675 elementary schools scored well despite high-poverty rates.

While much attention has been devoted to research on the effectiveness of various school reform strategies (Tyack & Cuban 1995; Sarason 1990), Traub suggests that this kind of data is not really driving policy discussions. If data were driving reform, analysts would begin with the changing demographics of urban communities. As Hodgkinson (1989a) noted more than a decade ago, schools and other key public service organizations are "serving the same children and families." Recognition that they serve the same clients suggests that these "allied" agencies should be planning together, coordinating their efforts to assure that public resources are maximized to achieve desired results for families and children.

The public is keenly aware of discouraging statistics on family and child well-being especially for poor urban areas. Many have lost faith in the capacity of public schools and government human service agencies to make real differences in the lives of poor children, but the alternative of rebuilding the social and economic infrastructures of poor communities seems overwhelming. In response, professionals in different systems around the country are trying to implement their own reform agendas (for example, welfare reform, managed health care, "systems of care" for mental health, etc.), often without much knowledge of parallel reform efforts in allied agencies. Too often, these reforms are designed and implemented without the active participation of the community members who have the most at stake.

In some communities, however, groups have begun the hard work of trying to connect the public agencies that serve families and children with each other and with members of the communities they are meant to serve (Nelson 1996; Walsh 1999; Gardner 1998; Cutler 1997; Bruner et al 1999; Adams & Nelson 1995). Based on a set of values that have become a "mantra" for reformers (Bruner 1996), the principles guiding these collaborative efforts are that services for children and families should be *community-based, comprehensive, family-centered, culturally competent, strengths-based and outcomes-driven*.

In brief, this means that, in order to understand and respect the needs of different communities, services should be organized around communities as children and families experience them, rather than in large administrative districts designed for institutional convenience. The full range of services needed by families should be

available and accessible in each local community. Services should be flexible enough to meet the needs of families, providing a “seamless” fit for each family rather than sending a family from one agency to another in search of the different kinds of help. Service providers should understand and respect the cultural diversity of communities, becoming competent in dealing with families from different racial, ethnic and cultural backgrounds (Nai-Lin Chang 1997). Service providers should not just focus on problems and needs, but respect and build on family and community strengths (McKnight 1997). Service providers should be held accountable for outcomes or results, rather than just assuring that they follow the complex set of rules that guide government programs (Hogan 1999; McCroskey 1999).

This reform “movement” also draws from Osbourne and Gaebler’s (1992) ideas about reinventing government, suggesting how entrepreneurial sprits can transform the public sector “from school house to statehouse, city hall to the Pentagon.” A key step is tying spending to results, and a number of authors have pointed out the importance of performance or investment budgeting (Brizius & the Design Team 1994; Popovich 1998). This is especially challenging for human service agencies, where desired results are not always clearly defined or measurable. Intensive efforts to define measurable indicators of desired results – and to link them to spending via results-based budgeting -- are underway across the country (Friedman 1997; Melaville 1997; Friedman 2000).

These principles of community-based change processes are easier to write about than to bring about in real time in complex urban communities. In Los Angeles -- a set of “communities” without much communal sense or orientation to place -- even the most knowledgeable don’t know where all the child and family agencies are, much less how they work and what resources they rely on. Schools are the most visible community institutions serving families and children, but school personnel don’t necessarily know about other resources in local communities so they often can’t guide parents to find help. Some may be reluctant to get involved in family troubles or to try to bridge complex institutions (Adler & Gardener 1994). Despite these difficulties, however, in many inner-city communities where the needs of children and families are most visible and urgent, partnerships between schools, allied local agencies and community-based groups are flourishing (Briar-Lawson & Lawson 1997; Cibulka & Kritek 1996; Dryfoos 1994,1998).

The configuration of the 81 school districts in Los Angeles County is probably the most complex in the nation (Hodgkinson 1989b). Here, as in other large urban areas, potential partnerships are complicated because the public institutions that schools most need as partners use different administrative districts to organize service delivery (Balaoing, McCroskey & Sandoval 1995). In California, where counties have primary responsibility -- and the lion’s share of the resources -- for provision of health and human services, partnerships between schools and county government are especially important. From the point of view of the schools, they are also particularly challenging—how does a local school get the attention of county

government? And it is equally difficult for county departments to know how to respond to requests from individual schools when there are about 1500 public schools (and another 1200 private schools) countywide. City agencies have similar problems, although the City of Los Angeles “only” has to deal with about 700 schools.

### **Children’s Budgets**

Although the lack of fit between institutional service delivery boundaries, combined with the sheer size and scope of the county, presents continuing challenges, a good deal has been done in Los Angeles to encourage school-community partnerships (Los Angeles County Children’s Planning Council 1995, 1998). Public and private funding agencies have developed new grant opportunities to support these partnerships. In fact, it sometimes seems that the best way to get new funding is to work in a collaborative, network or partnership.

A much more difficult path -- but one more likely to improve the basic operations of key public agencies -- is to look to existing institutional resources, assuring that available dollars are spent as efficiently and effectively as possible toward shared goal of improving outcomes for children and families. While some work has been done to inventory resources countywide (Los Angeles County Children’s Planning Council 1995; McCroskey & Yoo 1999), to our knowledge this study is the first effort to aggregate resources spent by schools and allied public human service agencies in a specific urban community. This effort would not have been possible without data collected over the last twenty years through a Children’s Budget process initiated by the Los Angeles Roundtable for Children (the Roundtable).

In 1984, the Roundtable began an intensive two-year study of county expenditures made on behalf of children and families. Their 1986 report, *The Children's Budget of Los Angeles County Government*, analyzed county expenditures for children using data from 1980-85 (Los Angeles Roundtable for Children 1986; McCroskey 1989). The genesis of the study was the need for more information about the distribution of funds, the sources of these funds and changes in funding patterns over time. One of the key issues then, as now, was how to integrate many different data sources to produce timely information to support proactive planning for children and families. Then, as now, information collected by county government was often not accessible to policy-makers or the public in a useful format. The difficulties of integrating information from 24 departments with over 200 programs serving children and families continue to be one of the major roadblocks to effective countywide planning and evaluation of services.

At that time, the children’s budget was a relatively new idea. Although there had been some reports that analyzed expenditures at the state level, the Roundtable found no other such studies at the county level (Georgia Appropriations for Children Committee 1983; Grubb & Heilbrun 1982; Hugi 1983). Fortunately, the two county Chief Administrative Officers who served between 1984 and 1986, and the three who have followed since that time, have all supported the children’s budget process

and provided staff assistance in collecting and analyzing budget data. Since that time, others have adopted similar processes (Fellmuth 1999; Coleman Advocates for Children and Youth 1989). The fact that data have been collected continuously for almost twenty years (with only a few gaps) means that this is the longest running children's budget in the country.

One of the biggest challenges is the timing of data collection. Budget figures can be actual (tabulated after the close of the fiscal year), estimated (accounts kept during the fiscal year), or projected (estimates for the upcoming year). Obviously, even the most careful projections can change dramatically during the year. During some years, data were reported at different points in the budget process resulting in slightly different figures. Changes in departmental management and increased use of program budget techniques have also changed program definition. Despite some discrepancies, the data still provide valuable insights into patterns and trends of county funding for key public health and social service programs.

Findings from McCroskey and Yoo's 1999 analysis of children's budget data show that the proportion of the overall county budget devoted to serving children and families increased gradually from 1980-81, when expenditures totaled about \$1.5 billion, until 1993-94 when expenditures totaled about \$3.8 billion. Expenditures have remained relatively constant since 1994 at about \$3.8 billion, or about one-quarter of the county's total expenditures.

### **School Finance**

Despite the large sums of money spent annually for K-12 education, we know remarkably little about how those funds are used at the individual student and school level. School finance studies have traditionally focused on school districts as the level of analysis, and most states only collect information from constituent school districts at the district level. The focus of most state finance reporting systems is on fiscal accountability, not on understanding how or why resource decisions are made. As a result, we know a great deal about how much school districts spend for salaries, benefits, contracts, etc. but relatively little about how expenditure patterns affect key functions such as instruction, administration or pupil services.

For example, many districts do not calculate how much is spent per pupil for elementary vs. secondary instruction, much less answer a question like "what are the per pupil costs of mathematics instruction at the high school?" Until such costs can be identified, it remains extremely difficult to track how the use of educational resources is linked to student achievement.

Berne and Stiefel (1997) argue that studies of individualized student resources can answer important questions about resource effectiveness, equity and intent. Studies that relate inputs to outputs (production function analyses) would be especially useful. To date, such analyses have not clearly identified a link between spending and student achievement. Hanushek has concluded that there does not appear to be a systematic link between student achievement and the level of spending (Hanushek,

1989; 1994a; 1994b; 1996a; and 1996b). He does not suggest that such a link does not exist, only that schools need to spend the resources they have more efficiently if they hope to improve student learning with more money (Hanushek, 1994b).

Some authors have challenged these findings, arguing that more money does relate to higher levels of student achievement. Hedges and others have suggested that, if different statistical methods are used to conduct meta-analyses of production function studies, there is a clear link between spending and student achievement (Hedges, Laine & Greenwald, 1994a and 1994b; Greenwald, Hedges & Laine, 1996a and 1996b; and Laine, Greenwald & Hedges, 1996). Ferguson found that "hiring teachers with stronger literacy skills, hiring more teachers (when students per teacher exceed 18), retaining experienced teachers, and attracting more teachers with advanced training are all measures that produce higher test scores in exchange for more money" (Ferguson, 1991: 485).

*Value of Student Level Data.* Elsewhere, Picus (2000, 2001) and Picus and Peternick (2000) argue that collection of student level fiscal data would improve our knowledge of equity, adequacy and accountability. For example, in terms of equity, an area of recent attention is within-district spending disparities. Hertert (1996) demonstrated that even in a state with relatively equal per-pupil spending (California), there are substantial differences in per-pupil spending among schools within and across districts. While school level data would help, anyone who has visited schools recently can see that there are considerable differences in the resources available for children even within classrooms. For example, some children, as part of a special education inclusion program, may have their own teaching aide for all or part of the day. Other children may be taken from the classroom for a portion of some or all days each week for special instruction.

## **STUDY METHODOLOGY**

This study includes school finance data from the Los Angeles Unified School District (LAUSD) as well as data from the Children's Budget of Los Angeles County Government (McCroskey & Yoo 1999). These data are used to derive estimates of total public expenditures on services for children and families in a specific local community around the University of Southern California's University Park campus.

*Geographic area studied.* Because this study combines data from sources that use different definitions of "community" boundaries, the authors have tried to reach reasonable compromises for the purposes of estimation. Health and social services data is based on five zip codes covering the attendance areas of the "Family of Five" schools (those closest to USC's main campus designated for special partnerships with the university). This study uses these zip code areas because they are commonly used for reporting by county departments and other "allied" agencies. For the purposes of the study, the authors conceived of the "USC community" as comprised of these five zip code areas. All five zip codes – 90007, 90018, 90037,

90044 and 90062 -- fall in the center of the county, a poor inner-city area commonly known as South Central Los Angeles.

**Children's budget methodology**

*Estimation of expenditures by county departments.* The study uses children's budget data for 1997-98 in order to derive estimates of spending by county government departments in the five zip code areas around the university campus. Five county departments account for most of the funding in the children's budget and provide the majority of direct services to children and families:

1. The Department of Public Social Services (DPSS) provides welfare payments through the CalWORKs program (Temporary Assistance to Needy Families), Medi-Cal (Medicare), food stamps and some child care services
2. The Department of Children and Family Services (DCFS) provides services for abused and neglected children and their families
3. The Department of Health Services (DHS) provides outpatient and inpatient treatment through a system of county-funded clinics and hospitals
4. The Department of Mental Health (DMH) provides prevention and treatment services to children through its Children and Youth Services Bureau;
5. The Department of Probation provides incarceration and long-term supervision for juvenile delinquents.

For study purposes, data on the number of child and family clients seen in each of the five zip codes were obtained from the Los Angeles County Service Planning Area Databook (United Way & Children's Planning Council 1999) or from department sources. The percentage of annual funding estimated to have been allocated to serving these clients was derived by comparing total clients served by each department countywide to the number of clients known to live in the USC community. Percentages were used to estimate the proportion of funding from each of the five departments that would have served clients living in the USC area. Funding for programs supported by other county departments was aggregated and divided by 5% (the average percentage of clients served from the five zip codes).

The biggest limitation of this method of estimation is that we do not know whether the families served by county government programs sent their children to the public schools in the area. Monies for health and social services are allocated to programs that serve residents of specific communities, often independent of whether they have children, and certainly independent of where those children attend school. Additional limitations include: 1) incorrect zip codes may have been recorded by program or data entry staff; 2) families who reported living in the area may have moved or reported incorrectly; and 3) aggregating more expensive services with less expensive ones may have led to under- or over-estimation. Despite these limitations, however, this method appears to provide a reasonable estimate of the dollars spent

by county government on health and social services for children and families living in the USC community.

*Estimates of expenditures by city departments.* The City of Los Angeles invests a much smaller proportion of its resources than the County on services for children and families (about 5% as compared to 25%). For purposes of this study, a single estimate of City expenditures was derived from the most recent children's budget for the City (Los Angeles Mayor's Committee on Children, Youth and Families 1995). The percentage of children living in the five zip codes was calculated using the City Data Book (United Way & City of Los Angeles 1999).

### **School budget methodology**

The authors estimated public school expenditures for each student in Manual Arts High School, the school that anchors the cluster of schools in the USC community. Manual Arts is a large, comprehensive, urban, year-round, high school whose student body fluctuates between 3500 and 4000. Students attend school in one of three enrollment tracks (designated A, B and C), to which they are assigned based on residential zip code and enrollment in special programs. The school offers several special and magnet programs that operate on one of the three tracks. Thus, students accepted in the Graphic Arts Academy enroll in the B Track. Students not enrolled in any particular program are assigned to a track by zip code. There are eight "academies" in the school. The academies offer instruction in specialized areas, such as graphic arts, for approximately one-third of the students. The school recently received the California Distinguished Schools award and is a finalist to become a New American High School.

Eighty percent of the students in the school are Latino, and the remaining 20 percent are African-American. Approximately half of the Latino population is of Mexican descent with the other half from Central American and South American countries. This latter group includes many recent immigrants. The transiency rate is over 20 percent per year. More than 90 percent of the school's students receive free and reduced price lunch each day. The school operates at enrollment capacity, requiring that more than 200 students who also live in the in the school's attendance area had to be bused to other schools out of the community during the 1999-2000 school year.

*Method.* To understand how resources are allocated to students, the school's spending was divided into three categories. The first was those expenditures that could be directly allocated to individual students (i.e., dropout prevention program, social workers, attendance counselor, health clinic costs). These expenditures were assigned directly to individual students on a per pupil basis. Total direct student costs amounted to \$430,714 or 2.2 percent of the total school budget of \$19,307,808.

The second step was to identify the costs associated with each course in the school. The cost of compensation for each teacher was determined based on the master calendar and the assignment of teachers to specific classes. Classes that were part of academies that received additional funding shared equally in that funding. Total

direct classroom costs amounted to \$10,595,450 or 54.9 percent of the school's total budget.

Finally, all other costs in the school were allocated on a per student basis. These costs included administration, student support services, utilities, maintenance and operations, food services, transportation, etc. These costs amounted to \$8,281,644 or 42.9 percent of the total budget for 1999-2000.

The total costs for each student was the sum of the direct student costs allocated to that individual, that student's equal share of the indirect or school level costs, plus the costs associated with one student in each of the classes in which the student was enrolled. The figures reported in this article represent expenditure estimates based on the school's budget for 1999-2000 and are subject to revision at the end of the school year. Budget data from 1999-2000 was used because data from the student information system for previous years were not available.

*Student Data.* A database was created from the school's student information system using a date in November 1999 when all three tracks were present on campus. Approximately 3800 student records were downloaded. The variables included: student name, birthday, unique record number, grade, track, ethnicity code, and the course numbers in which the student was enrolled for each of the six periods of each day. The database was checked for duplicate students and for students not enrolled in any classes, reducing the sample to 3,489 students. Information available on all classes (approximately 1,200 different classes) included type of class (i.e. algebra IA, world history) and special programs.

For the purposes of the study, it was assumed that students would enroll in the same classes during the second semester of the school year. We also assumed that teachers would remain constant throughout the year and that they would continue to teach the same classes each semester. (Since teacher turnover has been less than three percent in 2000-01, the assumption is not too far from actual practice.)

School and district personnel systems were used to estimate teacher salary and benefits. The costs of assistant teachers (where they were utilized), departmental costs, academy costs, and special program costs were also determined. These were allocated to determine how much was spent on each individual class offered by the high school. The cost for each class was then divided by the number of students in that class to reach a per-pupil expenditure figure.

The last category of expenditures was the costs associated with running the school generally. These include expenditures for administrators, instructional support staff such as counselors and deans, administrative support staff such as security and school police, teacher substitutes, materials and supplies, utilities, custodial staff and supplies, maintenance, student cafeteria, transportation and costs associated with the district office. These costs were divided by the number of students to arrive at a constant per pupil figure.

## **FINDINGS**

### **Description of the USC Community**

Two primary methods were used in this study to define the USC community: the attendance areas of the Family of Five schools were used for school budget data, and the five zip code areas that cover the Manual Arts High School cluster were used for health and human service data. Using either method, it is clear that this area is a diverse urban community with dense residential patterns and many poor families.

There were 263,058 residents in the five zip code area in 1998 (or about 3% of the population of the County and 7% of the City). Of these, 59% were Latino, 38% African American, 3% White and less than 1% Asian Pacific Islander and American Indian. According to the 1990 census, single parents headed 38% of families, and about one in three children lived in families with incomes under the poverty level.

In 1998, there were 90,218 children (under age 18) living in the area -- 31% were under five years old, 29% were between five and nine years old and 40% were over ten years old. The ethnic breakdown of children was similar to that of the area's whole population, but there were more Latino (70%) and fewer African American (27%) and White children (1%).

Data suggest a community greatly in need of health and social services, as reflected in utilization rates for county services (which are somewhat higher than the 3% of the population living in the area). Data on utilization of services provided by the City of Los Angeles was not available for this area.

### **Estimated expenditures by county government**

The residents of the USC community accounted for the following percentages of county department services:

- 7.6% of all children served by the Department of Children and Family Services in 1997;
- 5% of all children served by the Department of Mental Health in 1999-2000;
- 5% of all public assistance recipients served by the Department of Public Social Services in the month of January 1998;
- 4% of all youth served by the Department of Probation in 2000;
- 6.6% of all Medi-Cal eligible clients in August 2000 (a proxy measure for families with children using county health services).

An average number of 5% was used to calculate estimated expenditures by other county departments providing services to children and families. Table 1 summarizes estimated county expenditures. Using the children's budget figures for 1997-97, the

estimated total spent by county departments on services for families and children in the USC area was over \$223 million.

**Table 1**  
**Estimated County Department Expenditures in USC Community**

<b>County Department</b>	<b>Estimated County Expenditures in USC Community (\$)</b>
Children and Family Services	73,979,521
Public and Social Services	110,447,500
Mental Health	5,657,841
Probation	8,258,051
Health Services	19,124,031
Other Child and Family Programs	6,416,956
<b>Total Estimated County Expenditures</b>	<b>223,883,900</b>

**Estimated expenditures by the City of Los Angeles**

According to 1998 figures, the number of children and youth living in the USC area was 3.6% of the city's child and youth population (ages 0-24). Using the city children's budget figures, the estimated expenditures by the City of Los Angeles on services for families and children in the USC community were over \$15 million (see Table 2).

**Table 2**  
**Estimated Expenditures by the City of Los Angeles**

<b>Description</b>	<b>Amount</b>
Percent of child and youth residents of the city living in the USC community	3.6 %
Total City expenditures on children and families	\$427,862,635
3.6 Percent of children's budget or estimated expenditures by City Departments	\$15,403,054

Source: Children's budget of 1994, City of Los Angeles

**Estimated Expenditures by the Los Angeles Unified School District**

Calculation of the estimated cost per pupil of \$2,374 is summarized in Table 3.

**Table 3**

**Summary of School Level Costs Allocated on a Per-Pupil Basis**

<b>Category</b>	<b>Amount (\$)</b>	<b>Amount Per pupil (\$)</b>	<b>Percent Of Total (%)</b>
Administrators	512,182	147	2.65
Student Support	1,670,805	479	8.65
Administrative Support	1,223,257	351	6.34
Substitutes	221,880	64	1.15
Supplies	1,270,585	364	6.58
Utilities	170,369	49	0.88
Custodial	485,407	139	2.51
Maintenance	410,907	118	2.13
Student Cafeteria	1,256,400	360	6.51
Transportation	191,000	55	0.99
District Office	868,852	249	4.50
<b>Total</b>	<b>8,281,644</b>	<b>2,374</b>	<b>42.89<sup>1</sup></b>

<sup>1</sup>Figure represents percentage of total school expenditures, not expenditures for school level only.

Source: Computed from school records

The average budgeted per-pupil expenditure at Manual Arts High School was \$5,534 during the 1999-2000 school year. This amount is below the state-wide average of \$6,269. We expect this is the result of both less experienced teachers (with lower average salaries) and larger class sizes at this high school.

Table 4 displays summary statistics for per-pupil expenditures for each of the 3,489 students in the sample. The table shows that per pupil expenditures ranged from a low of \$3,615 to a high of \$16,734, a range of over \$13,000 per pupil. However, the restricted range – representing the difference between the student at the 95<sup>th</sup> percentile and the student at the 5<sup>th</sup> percentile is considerably smaller, only \$2,907. The standard deviation in per-pupil expenditures is \$1,075. Finally, the Gini coefficient, which measures the equity of the distribution of resources, is a relatively good 0.0901. This suggests that even though there are a few students receiving very high levels of resources, for the most part, students have roughly equal access to educational dollars at this high school.

**Table 4  
Summary Statistics for Per-Pupil Expenditures**

<b>Statistic</b>	<b>Amount</b>
Average -per-pupil expenditures (\$)	5,534

Standard Deviation (\$)	1,075
Minimum (\$)	3,615
Maximum (\$)	16,734
Range	13,059
Median	5,265
Restricted Range, 95 <sup>th</sup> – 5 <sup>th</sup> (\$)	2907
Gini Coefficient	0.091

Source: Computed from school data

Clearly, there are several potential sources of variation in expenditures per pupil. Table 5 shows slight differences by track and grade. For example, expenditures are lower than average for 9<sup>th</sup> and 10<sup>th</sup> graders and higher than average for 11<sup>th</sup> and 12<sup>th</sup> graders. Note also the substantial drop off in the number of students in the 11<sup>th</sup> and 12<sup>th</sup> grades. This drop-off is most likely the reason for the increased per-pupil cost -- there being fewer students to put in some, if not most, of the classes that are aimed at the older students. Analysis of expenditures by track shows relatively little variation, with Track C having expenditures somewhat above the school average and Tracks A and B somewhat below. This may be a function of teacher experience by track.

Four of the school's six academies providing specialized educational programs to students have per-pupil expenditures higher than the school average, while two others are somewhat below the average. Special education is a major expense item since many of the highest cost children in the school receive special education services due to some disability. The school spends an average of \$7,958 per pupil enrolled in Special Day Classes (156 students), \$6,697 per pupil for students in Resource Rooms (159 students), and an average of \$5,612 for the 1,341 Limited English Proficiency students. The school also spends \$5,564 on 112 gifted students.

**Table 5**  
**Expenditures Per-Pupil by Grade and Track**

Measure	Number of Students	Expenditure Per-Student (\$)
<u>Grade</u>		
9	1,248	5,507
10	1,042	5,332
11	663	5,805
12	539	5,649
<u>Track</u>		
A	1,196	5,357
B	1,101	5,436
C	1,194	5,800

School	3,489	5,534
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If the average figure of \$5,534 per pupil is used calculate expenditures for the Manual Arts school cluster – an area that closely approximates the area considered in the children’s budget analysis for non-school service providers – this figure translates to a total of \$117.8 million. This figure may be low. LAUSD’s budget for 1999-00 was \$8.4 billion. Divided by the 709,792 students in the district, this amounts to \$12,259 per pupil. Using that figure, total expenditures in the study area would amount to \$260.9 million -- more than twice the estimate generated above.

While the authors attempted to include all district expenditures, it appears that some may have been missed since district figures are considerably higher than our average. Questions for future analysis include whether average salaries in our sample school were substantially lower than the district average, and/or if the average class size in the high school is considerably higher than the rest of the district. While further research is needed to fully understand discrepancies, these estimates provide a reasonable ball-park figure of public school expenditures in the USC community.

**Estimated total expenditures for children and families**

Total estimated expenditures by public education and human service providers for this community range from a low of \$357 million to a high of \$500 million as summarized in Table 6. Using the low estimate of LAUSD expenditures, county programs account for almost two-thirds of all public resources spent in the USC community, while LAUSD accounts for 33% and the city accounts for 4%. Using the high estimate, county programs account for 45%, LAUSD for just over half (52%) and the city for 3% of all public expenditures in the area.

Table 6 shows the substantial amount of public resources spent in this community. It also shows that even using the highest estimate of school district spending, the public schools account for just over half of the total public resources available for children and families in the neighborhood.

**Table 6  
Total Estimated Health and Social Service  
Expenditures in the USC Area**

Service Provider	Amount (\$)	Percent of Total (%)
<b>Low Estimate</b>		
County of Los Angeles	223,833,900	63
City of Los Angeles	15,403,054	04
LAUSD	117,818,860	33
Total	357,055,814	

<b>High Estimate</b>		
County of Los Angeles	223,833,900	45
City of Los Angeles	15,403,054	03
LAUSD	260,994,110	52
Total	500,231,064	

## CONCLUSIONS AND IMPLICATIONS

The purpose of this study was to estimate public expenditures on children and families in the geographic community around the USC campus. The point was to illustrate to educators that, taken together, the public agencies that provide human services also have a powerful influence on the lives of school children and their families. Likewise, the authors hoped that the data would underline the urgent need for partnerships among the many different government agencies providing social and health services to children and families. Effective community-based partnerships between schools and other government agencies serving children and families are only possible if each recognizes what the other brings to the table.

In his column in the New York Times on March 7, 2001, Richard Rothstein suggests that gains in student achievement may be possible by investing in the living conditions of families in poor communities. His point is that relatively small investments, such as removing lead from the environment or improving pre-natal care for children and their mothers, could reduce the incidence of physical and emotional problems that correlate with lower school performance. Despite the logic, the question many will ask is “where will the money come from?” The findings reported in this study suggest that plenty of money is already being spent by public agencies on education, health and social services for families and children in communities across the nation. If public officials and community members could agree on their goals and coordinate their expenditures, we could significantly improve outcomes for children and families.

Although schools often plead “poverty,” this study shows that, in at least one urban high school, more than \$16,000 is spent annually on some children. Moreover, despite an average expenditure of approximately \$5,500 per pupil in that high school, this figure appears to be low when compared to the total expenditures of the entire district.

When the expenditures of other public agencies serving children and families are considered in conjunction with school spending, many millions of public dollars are already being spent—albeit in a largely unplanned, uncoordinated and seemingly aimless fashion. It may come as a surprise to many that, even using the higher estimate of school expenditures, only half of the resources available for children in this inner-city neighborhood are controlled by the school district.

The implications of this are profound. First, it is clear from the school finance analysis presented above that there are considerable differences in what is spent on individual children at any school and there may be significant differences between expenditures on schools in different communities. Equally importantly, there are considerable public resources available to help children and their families outside of the school system. And this analysis did not include the additional resources available from non-profit and grass-roots community-based organizations that also provide help and support to many families and children. Imagine what could happen if all of these “allied” agencies focused on working together in poor communities to enhance child and family well-being and to improve school performance.

In the long term, though, effective integration of these resources is only possible if we recognize that communities are different -- each with its own constellation of strengths and needs – and that the people who live there understand these differences best and must help to make needed changes. Social workers can and do help to mobilize such local change processes by drawing representatives of schools, allied agencies and residents into collaborative efforts focused on understanding community goals and shared responsibility for improving child and family outcomes.

Might there already be sufficient resources to improve the educational performance of poor children? Might there even be enough to improve the conditions of families in poor communities? Before waging battles for additional funds, we need to understand how current resources can be better used to meet the needs of children and their families. Even if current funding levels are not adequate to effectively solve community problems, it is incumbent on all of us to do a better job in coordinating and leveraging funds across these different funding streams – to make sure that we are spending the money we have as wisely and effectively as possible.

Social workers, at all levels and in all kinds of agencies, can play key roles in collaborative efforts to leverage funds and improve the lives of poor children and families. They can draw attention to the contributions of the many different public agencies that serve families and children. They can encourage information sharing and joint planning by allied agencies at all jurisdictional levels -- federal, state, county, school district and municipal. They can encourage collaboration between community members and the broad range of professionals from different agencies that serve local communities. They can also advocate for active and substantial inclusion of community voices in coordinated and comprehensive planning efforts. This is hard, and seemingly endless work, as social workers around the country can attest. But, even when it is difficult to develop and sustain effective school-community partnerships, we need to keep our eyes on the many benefits to be gained from working together and the extravagant cost of our collective failures.

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