

Reform and Resource Allocation: National Trends and State Policies

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This study asks how recent efforts at school reform and student outcome-based accountability have impacted state and district resource allocation. We use the school district-level information from the *Annual Survey of Local Government Finances* (F-33) and the Common Core of Data

to examine both national trends in resource allocation patterns and whether districts in "high-reform" states allocate resources in ways that differ from districts in other states. National trends from 1992 to 1997 did not show districts investing more heavily in instruction as one might expect. In four "high-reform" states, only two of the four demonstrated a disproportionate increase in district money allocated to instruction. These increases are likely to be explained by simultaneous increases in education spending in those states rather than by concerns over accountability reforms. Thus, reform efforts alone may not be sufficient to cause schools to reallocate resources to instruction. In fact, schools in reform states increased administrative spending over and above schools nationally, suggesting that reform efforts actually create administrative burdens for schools. **(In *Developments in School Finance, 1999-2000*, edited by William Fowler (57-76). Washington, DC: U.S. Department of Education, National Center for Education Statistics.)**

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