

Equity Suit Updates From The Courtroom

DAY 13 - JANUARY 23, 1997

Mr. Schmidt continued with his cross-examination of Dr. Fairley by asking that section 4 of the expert witness report be struck from the record because it appears to draw educational conclusions. Dr. Fairley has not been accepted as an educational expert. Judge Pellegrini said that he would review the pages, 21-28 and make a decision.

Dr. Fairley was asked to comment on the nomenclatures that he used and the data that he used to come to his conclusions. Were the same as the Department of Education's, which is what Dr. Alexander had used in his report. When he used the data from 1993-94 did he test the data to see if it equated with the Department of Education's or Dr. Alexander's. Did he use the new measure, especially property per capita for a particular reason. Dr. Fairley indicated that it was not "a principle issue" for him. All of the Department's data is in the public domain and he used it in a way that he saw fit. Was it not important to correlate the numbers with the Department of Education's numbers. Fiscal capacity is an educational utility. Dr. Fairley believes that he does not have to tell why he used the different measure, which he says are common. He stated that the suit attacks the system of local funding. Mr. Schmidt corrected by saying that the suit attacks the entire system of public school funding in Pennsylvania.

There were a number of questions about the use of the deciles in Dr. Fairley's documents. The questions of why there is a spread of about \$5,200 of market value per capita in the first decile and from \$41,000 to \$109,000 in the 10th decile. Dr. Fairley said that he arrayed the districts in what he thought were similar ranges. "You make analytical choices, you make the decisions." Any analysis is overwhelming if you use all of the data." Dr. Fairley was asked if he could have arranged the deciles in any other way. Such as ADMS or equal intervals. Dr. Fairley answered that you get the same results if you use the same analytical techniques.

Mr. Schmidt pointed out that even though Dr. Fairley uses the deciles in equal school district numbers, they do not represent the same number of students. There were 400,000 students in the last two deciles. Therefore that may be significant to those student (Mr. Schmidt). According to Dr. Fairley, per pupil market value and income is wrong economically.

There was then a discussion of scatter diagrams with their relationship to numbers. Dr. Fairley said that a trained statistician can look at a scattergram and make the same decisions about the numbers as an actual number. This answer was in response to a question about whether a portrayal of numbers in a chart is just as good as an actual numerical description. Is a .60 correlation of any significance. "You cannot tell" said Dr. Fairley. It depends on the groupings and sub-groupings.

"There is a clear relationship between spending and the economic base if you use only the last three deciles." The question is what is it in the whole state. Is there a positive correlation. There was a discussion on the issue.

Dr. Fairley had also said that taking inter area cost of living data into consideration, there is very little in the way of evidence that spending is related to wealth. Mr. Schmidt asked where Dr. Fairley had gotten his cost of living index. He cited a book (Citro) that had described regional and state differences of cost of living. He had derived the numbers for each school district and had indexed them. He was asked if there was a table in the book that took the indexing down to the school district level. Was it done by SMSA's where a place like Perry County, a rural county, is put in with the Harrisburg SMSA (State metropolitan statistical area). He was asked if he had tested some of the indexes by going out and making comparisons. He said that he didn't

When asked if he could come up with the same numbers as Dr. Alexander did when he did his analysis, Dr. Fairley said he couldn't for some of the information.

There was a discussion of the Lorenz Curve and the question was (a line on a 45 degree angle).

If all the districts were one school district would there be a perfectly straight line so that there would be all costs the same, with some minor variations. The reason for the variations on the Lorenz Curve is the fact that there are 500 districts with differing expenditures and revenues.

Dr. Fairley had indicated that he did not do a literature search. He had pre selected six references, 4 of which had the conclusion that "Money didn't matter." The only one that Dr. Fairley looked at that was in contention with that surmise was the Hedges work that he found unconvincing. He did say that he had read many other references but did not put them in. He said that Dr. Hedges and Dr. Hanushek were getting closer together and that money spent in different ways might be more effective than in other ways. Dr. Fairley said that we have not yet found a way to use money effectively in public education.

The discussion of the TELLS test, which was described by the Department as a test of remediation with a number of differing caveats; don't use the test as a measure of the quality of a school, remember that in small districts the fewer numbers change the scores dramatically, do not compare the scores from year to year because the content, not only the test questions are different. Dr. Fairley said he read all of those cautions and still used them in comparing scores between districts and using the scores from year to year as a proxy for ability in multiple regression analysis.

Dr. Fairley was asked if other variables were used to try and determine the reason for the scores. He said that he had considered them, but had not used them. Personal Income was also used as a proxy for environmental considerations Mr. Schmidt said do you mean, "Big Money; Big House?")

Dr. Fairley said that the Coleman Report had shattered the myth that schools were a major determiner of the success of youngsters, although there have been some contrary reviews of the report since its inception. There are other variables, that were not tested in this study.

In reviewing the differences in medians between deciles in spending, Mr. Schmidt indicated that the difference of even \$300 per student multiplied by the number of students in a class over 13 years might be significant. Dr. Fairley did not respond.

Mr. Macdonnell for the Intervenors asked about a number of anomalies across Dr. Fairley's numbers, where costs per student seemed to be different by small amounts in one noted case large amounts. Dr. Fairley did not know why.

Judge Pellegrini asked if districts are wasting their money if they get good scores on the TELLS tests. If you put your hand over the scattergram shown and cover the larger number of school districts in the middle, the other districts must either be spending little or a

great deal, and the ones that are spending a great deal seem to be getting higher scores. He also asked about municipal overburden in Philadelphia.

On redirect, Dr. Fairley was asked about his conclusion that money did not matter. Logic tells you, he said that money must count, and maybe it does if it is spent in certain areas. There is no evidence, said Dr. Fairley about how to do it. Just spending more money doesn't do it.

Dr. Fairley indicated that Dr. Hedges retreated from some of his earlier conclusions about money does matter.

Why did you use 5th grade to 8th grade comparisons on the TELLS. He said that this was a statistical decision because ability is measured by this test and that the tests don't change and neither do the children over the years. Therefore you can do those sorts of things. He did not think that he had to write a monograph to explain them. He divided the state into deciles of his choosing so that he could get a "fine grained analysis" You can do it imperfectly or not do it at all.

Dr. Fairley was asked about the efficiency of some districts. An objection was raised by Mr. Schmidt because the plaintiffs were restricted in using the term earlier in the case.

If you don't inject clarity, you get fallacious results.

On recross Mr. Schmidt asked Dr. Fairley if he knew where Philadelphia and Pittsburgh were in the deciles. He said that he was not sure. He was asked again about the cost of living index and where the table was. There was no response to that question, no yes or no.. Was he aware of two studies about the misuse of SAT vs. Spending studies and Dr. Mosteller (a former colleague of Dr. Fairley) who examined smaller class sizes in Tennessee among minority students with very positive results. Dr. Fairley had not read it. Dr. Fairley's final comment was that there is no relationship between wealth and spending and even if they did they would have no relevance to educational productivity.. There are clear mechanisms that more money can reduce achievement.

Dr. Eugene Hickok described his educational and academic background and his tenure on a school board in Carlisle. He described this year's budget as only corrections and education getting more money, education getting the \$40,000,000 Link to Learn and some other funds. Dr. Hickok's job is to oversee the entire educational operation, advise the Governor, the legislature, the state board, to enforce laws, support higher education. His 3 goals are" Education to get better, Citizens become more engaged with their children in schooling, citizens have a better understanding of schools. We spend 7 out of 16 billion dollars on education in the budget.

We are doing well in some cases, quoting an Education Week study giving PA a C+, we have higher teacher salaries, spend more money per pupil than most. We have improved some, but we need to improve even more. 1/3 to 1/4 of our students are below a basic level.

We need a criteria based test rather than PISA. PISA is not a wise investment. It is not complete. The issue of mandates was raised. There are some mandates that are a burden, however most are not expensive nor are they bad. One of the issues is non-public busing, three reasons for doing it are, the parents are taxpayers, it is of value to get children to schools, and safety. Property taxes are a reasonable way to fund schools on the local level They are consistent and they are tied to the community.

On cross examination Dr. Hickok was asked if the \$7 billion described as a part of the budget, was all basic education. It was not, that number is lower. We got a B+ on standards and policy, which the Secretary thought was too high because there was a revision going on. There was a D on school climate, the Secretary said that was something we had to do something about. He agreed that children come to school with "baggage" but that a math teacher should be able to teach math and have social agencies take care of the other things. However, he knows that it is difficult to do. The state got a C+ in equity.

Questions were asked about the similar schools category in the school profile. The property tax is a connection between the school and the community. Mr. Schmidt asked if some schools have fewer resources because of that fact. The Secretary agreed.

On redirect the defense attorney asked Dr. Hickok if that was the reason for the kind of school funding that we have in Pennsylvania. The Secretary said that it was.

Mr. Macdonnell asked about mandates. Don't they reduce flexibility in budget. The Secretary said that unfunded mandates were exaggerated. Mr. MacDonnell read a statement from testimony from Dr. Hickok when he has a board member in Carlisle where he spoke of the mandates as a problem. Dr. Hickok said that he had a different perspective across the Commonwealth because of his position as Secretary.

Mr. Schmidt asked about the reasons schools make certain decisions on the local level. The Secretary agreed that we had a state system of education, that districts are creations of the legislature and that school board members are agent of the state. In the Commission Report there is a statement that says that all districts should have a Quality Core Educational Program.

There was no court session on Friday January 24th.

There will be no court session on Monday January 27th.

On Tuesday and Wednesday January 28 & 29th there will be rebuttal witnesses for the Plaintiffs

On one of those days, Dr. Richard Altenbaugh, historian of education in PA. Will be a witness. If the defense chooses, they may cross examine or produce their own witness.