ELEME NTA L AND SECON DARY EDUCATION ACT

Potential Effects of Changing Comparability Requirements
January 28, 2011

The Honorable Tom Harkin
Chairman
Committee on Health, Education, Labor, and Pensions
United States Senate

Dear Chairman Harkin:

For fiscal year 2010, Congress appropriated $14.5 billion for Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA), which funds services to students in schools with high concentrations of students from low-income families. Title I, Part A includes several fiscal requirements, which are designed to prevent local school districts from using federal dollars to replace state and local education funding. One of these measures, Title I comparability, requires districts to provide services with state and local funds to Title I schools that are at least comparable to services provided in schools not served by Title I.\(^1\) State educational agencies monitor district compliance with Title I comparability requirements.

Districts may comply with comparability requirements through one of several measures. Under Title I, districts are deemed to be in compliance with comparability requirements if they have established and implemented a districtwide salary schedule; a policy to ensure equivalence among schools in teachers, administrators, and other staff; and a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies. Guidance from the U.S. Department of Education (Education) also allows districts to comply with requirements through several other measures, including student-teacher ratios (referred to in guidance as student-to-instructional-staff ratios) and expenditures per pupil. Under Title I, districts are precluded from including staff salary differentials for years of employment in determining comparability. Thus, actual teacher salaries may not be used in comparability calculations.

An Education analysis of a nationally representative sample of school districts did not find a significant difference between Title I and non-Title I

\(^1\) 20 U.S.C. § 6321(c)(1)(A).
schools in state and local expenditures on personnel for the 2004-2005 school year. However, this study did not attempt to evaluate whether expenditures at Title I and non-Title I schools within the same district were different. Some other research shows that teachers at Title I schools in some districts have fewer years of experience and lower average salaries than teachers at non-Title I schools in the same district. As a result, Title I schools in these districts may receive less state and local funding per pupil than non-Title I schools.

A bill was introduced in the prior session of Congress to require districts to demonstrate comparability using an expenditure-per-pupil measure that includes actual teacher salaries. Advocates believe that this kind of requirement would help eliminate any funding discrepancies between Title I and non-Title I schools due to lower teacher salaries at Title I schools and improve educational outcomes at Title I schools.

Based on your request, this report addresses the following questions:

- Which of the methods for demonstrating comparability are used by school districts in selected states and how does the chosen method affect resource allocation in selected school districts?
- What have been Education’s monitoring and audit findings for comparability?
- What might be the benefits and drawbacks of requiring school districts to use an expenditure-per-student ratio that includes actual teacher salaries to demonstrate compliance with comparability requirements?

To identify methods districts use to demonstrate comparability and assess potential benefits and drawbacks of changing comparability requirements, we selected a nongeneralizable sample of three states (California, Ohio, and North Carolina) using criteria including geographical dispersion,

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3 See, for example, Marguerite Roza and Paul T. Hill, How Within-District Spending Inequities Help Some Schools Fail, Brookings Institution, (Washington, D.C., 2004), 201-228.

diversity of school districts, and availability of data on district methods of
determining comparability. In each state, we interviewed state education
officials and reviewed school district comparability data for the 2009-2010
school year. We determined that these data were sufficiently reliable for
our purposes. We also selected a nongeneralizable sample of three school
districts in each state using criteria including district size, whether the
district was urban or rural, and the method used to demonstrate
comparability. We interviewed district officials and, in some cases, local
teachers’ union officials as well. The findings for these three states and
nine districts cannot be projected nationwide, but we believe they
illustrate valuable perspectives on Title I comparability. Lastly, to
summarize Education findings related to comparability, we reviewed 2009-
2010 Education Title I monitoring reports and relevant Inspector General
audits for comparability findings, and reviewed relevant federal laws and
regulations.

We conducted this performance audit from November 2010 to January
2011 in accordance with generally accepted government auditing
standards. Those standards require that we plan and perform the audit to
obtain sufficient, appropriate evidence to provide a reasonable basis for
our findings based on our audit objectives. We believe that the evidence
obtained provides a reasonable basis for our findings and conclusions
based on our audit objectives.

On December 17, 2010, we briefed bipartisan committee staff on the
results of this study, and this report formally conveys the information
provided during this briefing (see appendix I for the briefing slides). In
summary, we found that: 1) Districts in selected states commonly
demonstrate comparability using student-teacher ratios, but factors other
than comparability may drive their resource-allocation decisions; 2)
Education has found weaknesses in state oversight of district compliance
with comparability requirements; and 3) Potential changes in
comparability requirements could increase funding to some Title I schools,
but may be challenging for some districts to implement. Some district and
union officials we interviewed supported providing additional funds to
Title I schools, but some also noted potential challenges and budgetary
implications of complying with revised requirements, including
transferring teachers and negotiating changes to union contracts. For
example, Oakland Unified School District currently distributes state and
local funds to schools to ensure comparable per-pupil funding, but some
schools have had difficulty balancing their budgets.
We provided a draft copy of this report to Education for review and comment. Education did not have any comments on the report.

As agreed with your office, unless you publicly announce the contents of the report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies of this report to relevant congressional committees, the Secretary of Education, and other interested parties. In addition, this report will be available at no charge on GAO's Web site at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or scottg@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix II.

Sincerely yours,

George A. Scott  
Director, Education, Workforce, and Income Security Issues
Elementary and Secondary Education Act

Potential Effects of Changing Comparability Requirements

Briefing to Committee on Health, Education, Labor, and Pensions

United States Senate
December, 2010
Overview

• Introduction
• Research Objectives
• Scope and Methodology
• Summary of Findings
• Background
• Findings
• Conclusions
School Districts Received $14.5 Billion in Title I, Part A Funds for Disadvantaged Students in 2010

- For fiscal year 2010, Congress appropriated $14.5 billion for Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA), which funds services to students in schools with high concentrations of students from low-income families.

- Title I, Part A fiscal-accountability measures are designed to prevent local school districts from using federal dollars to replace state and local education funding.
  
  - **Maintenance of Effort**—Districts must maintain spending at 90 percent or more of their previous year’s state and local education expenditures.
  
  - **Supplement-not-Supplant**—Districts must use Title I funds to supplement, and not supplant, nonfederal funds that would otherwise be available for students assisted by Title I.
  
  - **Comparability**—Districts must provide services with state and local funds to Title I schools that are comparable to services in schools not served by Title I.¹

Research Objectives

1. Which of the methods for demonstrating comparability are used by school districts in selected states and how does the chosen method affect resource allocation in selected school districts?

2. What have been U.S. Department of Education’s (Education) monitoring and audit findings for comparability?

3. What might be the benefits and drawbacks of requiring school districts to use an expenditure-per-student ratio that includes actual teacher salaries to demonstrate compliance with comparability requirements?
Scope and Methodology

- We selected three states using criteria including:
  - geographical dispersion
  - diversity of school districts
  - availability of data
  - California
  - Ohio
  - North Carolina
- We interviewed state educational agency officials in each state.
- We also reviewed school district comparability data for the 2009-2010 school year, and determined that these data were sufficiently reliable for our purposes.
Scope and Methodology, cont.

- In each state we selected three school districts using criteria including:
  - urban or rural location
  - comparability method used
  - size

  \[ \begin{align*}
  &3 \text{ California districts} \\
  &3 \text{ Ohio districts} \\
  &3 \text{ North Carolina districts}
  \end{align*} \]

- We interviewed district officials and, in some cases, local teachers’ union officials as well.
Scope and Methodology, cont.

**Education 2009-2010 Title I monitoring reports:**
- We reviewed these reports for comparability findings.

**Education’s Office of Inspector General (OIG) audits:**
- We reviewed audits of comparability compliance.
- We also reviewed relevant federal laws and regulations.
- We conducted our work from November 2010 to January 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings based on our audit objectives.
Potential Changes in Comparability Requirements Could Increase Funding to Some Title I Schools, But May Be Challenging for Some Districts to Implement

- Districts in selected states commonly demonstrate comparability using student-teacher ratios, but factors other than comparability may drive their resource-allocation decisions.

- Education has found weaknesses in state oversight of district compliance with comparability requirements.

- Potential changes in comparability requirements could increase funding to some Title I schools, but may be challenging for some districts to implement.
Districts Currently Have Several Options to Demonstrate Comparability

• Under Title I, a district is deemed to be in compliance with comparability requirements if it has established and implemented:
  • (1) A districtwide salary schedule; (2) a policy to ensure equivalence among schools in teachers, administrators, and other staff; and (3) a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies.

• Education guidance also allows districts to comply with requirements through several other measures, including:
  • Student-teacher ratios (referred to in guidance as student-to-instructional-staff ratios), and
  • Expenditures per pupil.²

²Other measures include student-to-instructional-staff salary ratios and a resource-allocation plan based on student characteristics such as poverty, limited English proficiency, or disability.
Appendix I: Briefing Slides

Actual Teacher Salaries Cannot Be Included in Comparability Calculations

- Under Title I, a district is precluded from including staff salary differentials for years of employment in determining comparability.3
  - Thus, actual teacher salaries may not be used in comparability calculations.
- In comparing Title I schools to non-Title I schools:
  - Districts may group schools by size and grade span.
  - Districts may exclude schools with less than 100 students.
- A district with only Title I schools must demonstrate that those schools are substantially comparable to each other.

States Monitor District Compliance with Comparability Requirements

- State educational agencies monitor district compliance and may:
  - Specify the comparability methods districts should use, and
  - Establish whether all instructional staff or classroom teachers only may be included in comparability calculations.

- Education requires that state educational agencies review districts’ comparability calculations at least once every two years.\(^4\)
  - Districts must perform comparability calculations each year.

\(^4\)Of our three selected states, California and Ohio require Title I school districts to submit comparability reports to the state every other year, while North Carolina requires comparability reports from all of its Title I districts every year.
While National Data Show Similar Personnel Expenditures for Title I and non-Title I Schools, Some Districts May Spend Less on Teachers in Title I Schools

- An Education analysis of a nationally representative sample of school districts did not find a significant difference between Title I and non-Title I schools in state and local expenditures on personnel for the 2004-2005 school year.5
  - This study did not attempt to evaluate whether expenditures at Title I and non-Title I schools within the same district were different.
- Some research shows that teachers at Title I schools in some districts have fewer years of experience and lower average salaries than teachers at non-Title I schools.6
  - Title I schools in these districts may receive less state and local funding per pupil than non-Title I schools as a result.

6See, for example, Marguerite Roza and Paul T. Hill, How Within-District Spending Inequities Help Some Schools Fail, Brookings Institution, (Washington, D.C., 2004), 201-228.
Advocates Believe Requiring Comparable Expenditures Per Pupil Could Improve Outcomes at Title I Schools

- A bill was introduced in the 111th Congress to require districts to demonstrate comparability using an expenditure-per-pupil measure that includes actual teacher salaries.7

- Advocates believe that this kind of requirement would help:
  - Eliminate any funding discrepancies between Title I and non-Title I schools within the same district due to lower teacher salaries at Title I schools.
  - Improve educational outcomes at Title I schools.

7ESEA Fiscal Fairness Act, H.R. 5071, 111th Cong. (2010). This bill has not been introduced in the 112th Congress.
Appendix I: Briefing Slides

Districts in Selected States Commonly Demonstrate Comparability Using Student-Teacher Ratios, but Factors Other than Comparability May Drive their Resource Allocation Decisions

• 80 percent or more of districts in each of the three states we selected use student-teacher ratios to demonstrate comparability.

• Most of the nine selected districts allocate resources to achieve target class sizes, but factors other than comparability may drive these decisions.

• Officials from selected districts do not believe it is difficult to comply with current comparability requirements.
Appendix I: Briefing Slides

Finding 1: Current Methods

80 Percent Or More of Districts in Selected States Use Student-Teacher Ratios to Demonstrate Comparability

- Between 80 and 97 percent of districts in selected states that reported data for the 2009-2010 school year used student-teacher ratios.
  - Ohio recommends student-teacher ratios for ease of calculation and verification.
  - California and North Carolina do not recommend a particular method, but California provides extra support to encourage usage of student-teacher ratios.

Figure 1: Methods Used By Districts in Selected States to Demonstrate Comparability, 2009-2010

Source: GAO analysis of district data.

Note: Twelve school districts in Ohio and California demonstrated comparability using student-teacher ratios along with another method. To avoid double counting, we categorized these districts as using student-teacher ratios for the purposes of our analysis.
Appendix I: Briefing Slides

Finding 1: Current Methods

Selected Districts Allocate Resources to Achieve Target Class Sizes, But Comparability May Not Drive Decisions

- Most selected districts use student-teacher ratios to demonstrate comparability and allocate teachers to achieve target class sizes as a normal part of their annual budget process.

- However, most officials said that factors other than comparability requirements drive their decisions to allocate teachers to achieve target class sizes. These factors include:
  - Union contract requirements
  - State guidance
  - District goals
Officials in Selected Districts Do Not Believe it is Difficult to Comply With Current Comparability Requirements

- District officials said they do not generally have problems complying with comparability requirements.
- Three districts found compliance problems during initial comparability calculations in recent years. In response:
  - One reallocated $500 to one school.
  - One funded additional instructional positions at two schools.
  - One filled vacant positions at multiple schools.
- State officials we interviewed said districts rarely report compliance problems.
- Two states said most issues can be resolved by altering the method of calculating comparability rather than reallocating resources.
Education Has Found Weaknesses in State Oversight of Comparability Requirements

- In 2009-2010, Education found weaknesses in state oversight of Title I comparability requirements in 7 of the 13 states it monitored. Specifically, it found:
  - 7 states had gaps in their oversight.
  - 2 states allowed noncompliant school districts to receive Title I funds.
- Education’s OIG found inadequate state monitoring and district noncompliance in all three state comparability audits it conducted between 2003 and 2006.
Education Found Gaps in State Oversight of District Comparability Compliance

- 7 out of 13 states monitored by Education in 2009-2010 were found to have gaps in oversight:
  - 2 failed to verify district supporting data.
  - 2 failed to ensure that districts properly grouped schools when making comparability comparisons.
  - 2 monitored compliance every 5 years, rather than every 2 years as required.
  - 1 provided incorrect guidance to districts.
- For 4 of the 7 states, the problems had been identified in prior monitoring reports.
Finding 2: Education Monitoring

Education Found that Some Districts Improperly Received Title I Funds

- Two states allowed districts to receive Title I funding without demonstrating comparability, as required by law.
  - One state inappropriately waived comparability requirements for a large school district.
  - Another state distributed Title I funds to a large school district that told the state it could not afford to provide additional funds to Title I schools whose services were not comparable to those at non-Title I schools.
IG Audits Identified Inadequate Monitoring and District Noncompliance

- Education’s OIG conducted three state comparability audits between 2003 and 2006, and found that:
  - All three states had inadequate monitoring practices.
  - Seven of the nine districts reviewed in these states used inaccurate or unsupported data to determine comparability.
  - The OIG recommended that all three states improve monitoring to ensure district compliance with comparability requirements.
Potential Changes in Comparability Requirements Could Increase Funding to Some Title I Schools, But May Be Challenging for Some Districts to Implement

- Some Title I schools could receive additional state and local funding if districts are required to ensure comparable per-pupil expenditures including actual teacher salaries.

- Some district and union officials we interviewed supported providing additional funds to Title I schools, but some also noted potential challenges including:
  - Transferring teachers
  - Negotiating union contract changes

- Oakland Unified School District currently distributes state and local funds to schools to ensure comparable per-pupil funding, but some schools have had difficulty balancing their budgets.
Finding 3: Benefits and Drawbacks

Potential Changes in Comparability Requirements Could Benefit Title I Schools

- Additional state and local funds may benefit Title I schools with low per-pupil costs in various ways.
  - In Oakland, some schools that received funding increases have reduced class sizes or introduced additional educational supports.
  - In another selected district, officials discussed extending instructional hours at Title I schools.
- However, changes in comparability requirements may not result in funds being reallocated to Title I schools in all districts.
  - Officials in some selected districts believed they would be in compliance currently without reallocating resources.
Officials from some districts believed they would need to transfer higher-salaried teachers out of schools with high per-pupil expenditures to comply with revised comparability requirements.

Teacher salaries and benefits make up the large majority of schools’ instructional expenditures.

- Nationally, 90 percent of average 2006-2007 instructional expenses were for salaries and benefits, while 5 percent were for supplies.  

Therefore, transferring high-salaried teachers into schools with low per-pupil expenditures may be an effective way for some districts to ensure comparability if requirements are changed.  

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Findings and Drawbacks

Districts May Need to Transfer Higher-Salaried Teachers to Achieve Comparability

- Officials from some districts believed they would need to transfer higher-salaried teachers out of schools with high per-pupil expenditures to comply with revised comparability requirements.

- Teacher salaries and benefits make up the large majority of schools’ instructional expenditures.
  - Nationally, 90 percent of average 2006-2007 instructional expenses were for salaries and benefits, while 5 percent were for supplies.  

- Therefore, transferring high-salaried teachers into schools with low per-pupil expenditures may be an effective way for some districts to ensure comparability if requirements are changed.

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9Under legislation proposed in the 111th Congress, school districts would be able to include salary costs for non-instructional administrative staff in comparability calculations. Thus, they could possibly reallocate administrative resources to achieve comparability. (See H.R. 5071, 111th Cong. (2010)). According to NCES data, in 2006-2007, school districts spent $1 on school administration for every $10 spent on instructional salaries and benefits. See National Public Education Financial Survey, 2005-2006 and 2006-2007.
Districts May Need to Negotiate Changes to Union Contracts to Reallocate Resources

• Some union and district officials said that if teacher transfers were needed to achieve comparability:
  • Seniority rights may prevent districts from compelling more experienced teachers to transfer schools.
  • Districts may not be able to use incentive pay as a tool to encourage voluntary transfers due to union opposition.

• Additionally, some district officials said they would need to work with unions to undertake other actions. For instance:
  • Officials from one district said they would need to work with their union to reduce class sizes in Title I schools.
  • Officials in another district said that in the past teachers had to vote in favor of extending instructional hours.
Teacher Transfers May Harm Teacher Morale and Union Relationships

- California district and union officials were concerned about the possible effects of involuntary transfers on teacher morale and union relations.
  - These officials cited other challenges currently facing teachers, particularly budget cuts.

- North Carolina and Ohio district officials were also concerned about the potential for transfers to disrupt rural communities. They mentioned cases where:
  - there are long distances between schools, and
  - the majority of staff grew up in the community and attended the school where they now work.
Appendix I: Briefing Slides

Finding 3: Benefits and Drawbacks

Requiring Comparable Per-Pupil Expenditures May Not Improve Educational Quality

- District officials in all three selected states were concerned that requiring comparable per-pupil expenditures may not improve educational quality.

- District officials said moving high-cost experienced teachers to high-poverty schools may not improve education in all cases, such as if:
  - Younger teachers are better suited to handle challenges of a high-poverty school.
  - Experienced teachers are highly effective in their current schools, but may not succeed elsewhere.

- Officials from one North Carolina district noted that all of its Title I schools made adequate yearly progress last year and questioned the purpose of requiring it to reallocate resources.
Finding 3: Benefits and Drawbacks

Some Districts May Need to Reallocate Resources Among Title I Schools

- Reallocating resources within districts could follow two patterns:
  - Non-Title I school $\rightarrow$ Title I school
  - Title I school $\rightarrow$ Title I school$^{10}$

- Officials in one district where all elementary schools received Title I funds said some of the district’s Title I schools would not be comparable with others if comparability requirements were changed.

- Officials from this district believed they would need to transfer teachers among their Title I schools to achieve comparability.

$^{10}$In districts where all schools receive Title I funds, the district must show that the services in each school are comparable.
Finding 3: Benefits and Drawbacks

State and Local Class-Size Goals May Make Reallocationing Resources More Challenging

• All selected districts allocate teachers to achieve consistent class sizes for reasons including:
  • State guidance
  • Union contract requirements
  • Local priorities
• Ensuring that all schools have both equal class sizes and comparable per-pupil expenditures may be challenging.
Selected Districts Generally Have Capacity to Report Per-Pupil Expenditure Data

- Officials from most of the nine districts we spoke with said they have the technical capacity to report per-pupil expenditures. However:
  - Some district officials said it would be time consuming.
  - California officials said districts frequently do not code expenditures to specific schools.
  - Ohio officials said the state would need to develop new mechanisms to collect school-level salary and other expenditure data.
Nationally, Some Districts Could Face Challenges Reporting Per-Pupil Expenditure Data

- Education officials said all states reported school-level expenditure data in response to Recovery Act requirements.\footnote{Pub. L. No. 111-5, § 1512, 123 Stat. 115, 287 (2009).} However, they noted that:
  - Most districts’ data systems currently do not track expenditures at the school level.
  - Districts may have difficulty tracking expenditures of state and local funds separately from expenditures of federal funds.
  - Districts had difficulty reporting school-level expenditures for nonpersonnel resources, such as professional development, which may be accounted for in a centralized manner.
Appendix I: Briefing Slides

Finding 3: Benefits and Drawbacks

Case Study: Oakland Implemented a Per-Pupil Funding Model as a Part of Wider Reforms

- In the 2004-2005 school year, Oakland Unified School District began distributing state and local funds to schools using a per-pupil formula as a part of a wider reform effort aimed at instituting:
  - Smaller schools
  - Site-based decision making
- School principals were given control over their budgets.
- Oakland officials said this funding formula was implemented in response to perceived inequity, with high-poverty schools receiving less state and local funds than low-poverty schools due to lower teacher salaries.¹²

¹²This funding formula does not include weights for student need.
Appendix I: Briefing Slides

Case Study: Oakland Schools with Low Per-Pupil Expenses Have Received Extra Funding

- Under Oakland's new funding formula, schools with below average per-pupil costs have received additional funding.

- High-poverty schools have benefited in particular. According to an American Institutes for Research study, between the 2002-2003 and 2006-2007 school years, total per-pupil expenditures (including federal funds) increased by:\textsuperscript{13}
  - 24 percent (from $5,200 to $6,400) at high-poverty elementary schools, vs.
  - 4 percent (from $5,600 to $5,800) at low-poverty elementary schools.

- Officials said some of these schools have used funds to:
  - Reduce class sizes
  - Add intervention services
  - Extend instructional hours
  - Introduce parent supports

\textsuperscript{13} See Jay Chambers, Jesse Levin, Mari Muraki, Lindsay Poland, and Larisa Shambaugh, \textit{A Tale of Two Districts: A Comparative Study of Student-Based Funding and School-Based Decision Making in San Francisco and Oakland Unified School Districts} (Washington, D.C., October 2008).
Case Study: Oakland Schools with High Per-Pupil Expenses Have Faced Budget Cuts

- Under Oakland’s new funding formula, schools with high per-pupil expenses have faced budget cuts. These schools include:
  - Schools with high-salaried teachers (both low- and high-poverty)
  - Small schools with high fixed administrative costs
- According to district officials and principals:
  - Some schools with high-salaried teachers do not have funds for administrative staff and nonclassroom teachers.
  - Small schools with high fixed costs have had serious difficulty balancing their budgets.
  - Low-poverty schools with high-salaried teachers have avoided cutting costs by raising funds through parent-teacher associations.
Case Study: Oakland Redistributes Funds to Help Some Schools Balance Their Budgets

- Oakland provided subsidies to small schools and schools with relatively high teacher salaries.
  - The district planned to phase out subsidies after 3 years, but officials said some schools were still unable to balance budgets.\(^\text{14}\)

- District officials said they currently work with schools facing budget shortfalls to cut expenses by taking steps including:
  - Consolidating classrooms
  - Cutting administrative positions

- Officials said the district still had to redistribute $1.8 million in 2010-2011 to fund necessary educational services at schools with budget shortfalls.

\(^\text{14}\)According to the American Institutes for Research study, in 2004-2005 Oakland distributed $9.9 million in subsidies, or $500-$600 per student, to 44 schools. By 2006-2007, total subsidies had declined to under $1 million. Small-school subsidies of $5.3 million were distributed to 83 schools in 2006-2007. See Chambers et al., *A Tale of Two Districts*. 
Potential Changes in Comparability Requirements May Have Unintended Consequences

While one goal of potential changes to comparability requirements may be to improve educational quality in Title I schools, new comparability requirements could have other consequences.

School districts may
- Face challenges in reallocating resources
- Lack technical capacity to track school-level expenditures

States and Education may face
- Increased district noncompliance
- Enforcement challenges due to difficulty verifying complex financial data
Appendix II: GAO Contact and Staff Acknowledgments

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<tr>
<th>GAO Contact</th>
<th>George A. Scott, (202) 512-7215 or <a href="mailto:scottg@gao.gov">scottg@gao.gov</a></th>
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<td>Staff</td>
<td>The following staff members made key contributions to this report, Cornelia Ashby, Director; Bryon Gordon, Assistant Director; Ellen Phelps Ranen, Analyst-in-Charge; James Bennett; Sue Bernstein; Robert Campbell; Jean McSween; Jim Rebbe; and Jill Yost.</td>
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