Presidential Essay

THIRTY-SEVEN AND COUNTING: HOW HAS AEFP EVOLVED FROM ITS ORIGINS?

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It has been a busy time for the Association of Education Finance and Policy (AEFP). Over the past few years the association has acquired a new name, a new journal, and many new members. The 2012 annual conference, convened in Boston last March, proved to be the largest conference in the association's thirty-seven-year history, with 556 members in attendance. The theme, selected by incoming president Deborah Cunningham, was "Education Finance, Policy, and Practice: The Role of Evidence in a Dynamic World," which underscores the contemporary challenge to the association: how to apply an increasing abundance of information and sophisticated analytical tools to produce the evidence needed to guide decision making by educational policy makers and practitioners.

The Boston meeting was notable not only for the number in attendance. The unique qualities and strengths of the association were in clear display: papers of unusual methodological rigor; an interdisciplinary mix of academics from the social sciences, public policy schools, and colleges of education; educational finance professionals, policy analysts, and practitioners, a mix rarely found in the same place; and sessions addressing today's hot topics as well as issues that have endured over the years. Having said this, all indications are that AEFP is what it has always been: a small, diverse group of people tackling some really big problems.

Of particular note was a trend that has been growing for years but has clearly come into full flower: the large number of empirically oriented presenters—many veteran members, but many more current or recent graduate students, early-career scholars at universities, think tanks, and state education departments, many relatively new to the profession. They brought with them not only a healthy skepticism of received wisdom but also a heady optimism that research matters—a sense that the right analyses with the right data can yield insights into how to improve education and the lives of those affected by the system.

The world is different today than when AEFP was founded. The current generation of analysts and scholars has never known a world where the very questions they are researching are not under continual discussion everywhere. This includes the most influential policy circles and the media, including but by no means limited to the daily front pages of the *New York Times* or the *Wall Street Journal*.

Today's analysts, particularly those in North America, have at hand troves of data barely dreamed of by the handful of people who started the association thirty-seven years ago. In only a few years, as almost all fifty states bring their data systems to full realization, the promise of data riches and analytical prowess stretches far beyond the horizon. The same is happening in different ways and at a different pace around the globe. Best of all, there is a world of policy makers, administrators, teachers, and parents who are hungry to understand how education works, how it can work better, and how to best pay for it.

Though there was a particular analytical sparkle to the scholars and analysts who attended the conference in Boston armed with new empirical tools, it is no less true that education in general has been front and center in the consciousness of the United States and other nations for most of the past fifty years. This essay, adapted from my presidential address presented at the 2012 conference, looks back to the origins of the association, the issues that caused it to come into being, and how it has developed over the past four decades. In doing so I strive to identify what have been the enduring qualities of the association and what has been and remains unique in its contributions.

BEFORE AEFA: 1900–1975

The American Education Finance Association met for the first time in 1976 in Nashville, Tennessee. However, almost a century of attention by academics, school administrators, and policy analysts to the question of how to finance education had preceded that first meeting.

The need for analyses of education funding proved critical throughout the twentieth century. The enormous growth in the population attending high school in the first two decades of the twentieth century in the United States clearly set education as a central, and expensive, responsibility of governments. As a field of study, educational finance was pioneered by a very small number of university professors, all writing in the first three decades of the twentieth century. In an overview, Roe Johns at the University of Florida identified their works, all prior to 1933, as establishing the basic tenets of local and state responsibility for public education (Johns 1969). The Great Depression of the 1930s was a watershed for public financing of schools, devastating local and state budgets. The capacity of the local property tax as a base for funding schools was thrown into question. By the time the United States emerged from World War II, most states had to confront the need for a large-scale investment in education and additional tax sources to pay for it.

But it was developments in the 1950s and 1960s that, at least in the United States, most clearly marked the need for a professional association dedicated to better analyses and application of analysis to school finance issues. The enormous population growth of the Baby Boom required huge state and local investments in new teachers and facilities. The growth of the middle class during that time dramatically heightened expectations for the extent and quality of its children's' education.

Urbanization and greater industrialization drove a number of changes. Both led to increased inequities of resources derived primarily from local property taxes. Disparities between property-poor and property-endowed districts grew as the country became more urbanized. Urbanization also changed the nature of public demand for education; in urban areas it was seen as more critical to success in later life than it was in more rural areas, where education had not been as critical. Clashes between urban and rural education systems were further fueled by the changing politics of state governments. The *Reynolds v. Sims* (1964) U.S. Supreme Court ruling ("one man, one vote") shifted power in state legislatures from rural to urban populations.

The Civil Rights Movement of the 1960s and 1970s required the dismantling of entire systems, de jure state systems in the southern United States and many urban areas across the country. Furthermore, it proved the basis for a much wider expectation of equality of funding and of educational achievement for all children from all backgrounds.

There were three immediate precedents for what became the AEFA: (1) an annual conference hosted by the National Education Association (NEA) starting in the 1950s; (2) an aggressive push by a national foundation to pursue funding equity across the United States; and (3) a large federal project funded by Title V of the U.S. Elementary and Secondary Education Act (ESEA) in the late 1960s.

NEA Committee on Educational Finance

There were major discussions of the challenges in educational financing as a result of more than fifteen years of finance seminars established by the

NEA under the auspices of its Committee on Educational Finance.[1] The first was held in 1958. According to George Babigian, the first Executive Director of AEFA, its purpose was to "provide a forum for the exchange of ideas, discussion, and debate of issues for anyone and everyone interested in school finance, kindergarten through grade school, public or private, internationally." The first conference was held in Chicago on 22–23 May 1958. Two persons from each state, one from the state department and the other from the state NEA affiliate, were invited to attend. According to Babigian, "The conference was a who's who of school finance." Over the next fifteen years, these annual conferences created a network of educational finance experts and a convening of interested parties, such as legislators and legislative staff, state education department heads and fiscal analysts, superintendents and district fiscal staff. They were discontinued in the early 1970s, with the last conference held in 1972 (Babigian, personal communication, 2012).

Ford Foundation: 1970s

The work of the Ford Foundation was crucial to the development of a network of scholars and an activist agenda across state finance analysts, state courts, and education leadership during the late 1960s and 1970s, conceptualized and activated by James Kelly at the Ford Foundation. Starting in the early 1970s and continuing for almost a decade, the foundation adopted a two-prong strategy to develop the capacity to analyze and pursue changes in how states fund education, with the clear goal of equalizing resources for all children. The first strategy was to train a generation of analysts with the knowledge and skills to help states set up new school finance plans. Fellowship programs were funded at key universities, including Berkeley, Chicago, Columbia, Stanford, and Syracuse, resulting in a relatively tight network of advocates and scholars. The foundation clearly stated that its intention was to produce a capacity for change through attracting "first-rate minds from law, political science and economics" (Kelly 1980) but not to advocate any particular path for reform. The second strategy was to support national and state groups through a series of grants, which were given to groups such as the Lawyers' Committee for Civil Rights under Law, the National League of Women Voters, the American Association of School Administrators, the National Conference of State

1. The leadership of the NEA in school finance issues dates back to the early decades of the 20th century. In 1933, it convened a national conference and issued its first comprehensive statement of public school fiscal policy. The conference report recommended that a greater portion of the costs of schooling shift from local to state governments, that each state develop a comprehensive plan for state support, and that the federal government increase its support for education. The NEA established a standing Committee on Tax Education and School Finance in 1938. Its name was changed to the Committee on Educational Finance in 1960.

Legislatures, the Education Commission of the State, and the National Urban Coalition. Grants were also given to state-level minority groups, public interest law firms, broad-based school and citizens' groups, and state governments themselves. The focus of the second strategy was specifically on reforming discriminatory aspects of state school financing (Kelly 1980).

National Education Finance Project

Around the same time that the Ford Foundation was creating a network of analysts across the United States, the federal government was funding a large multiyear study of education finance out of Title V of ESEA. According to its directors, the project "represents the first systematic effort to study comprehensively all state systems of school finance and to critique them in the light of current educational needs and trends" (Johns, Alexander, and Rossmiller 1969, p. 162). Its three objectives were to identify, measure, and interpret divisions in educational needs among children, school districts, and states; to relate variations in educational needs to the ability of the school district and state to finance appropriate educational programs; and to conceptualize various models of school finance and subject them to consequential analysis in order to identify the strengths and weaknesses of each mode (Johns, Alexander, and Rossmiller 1969, p. 162). The principal investigator was Roe L. Johns, who became AEFA's first president. The project director was Kern Alexander, also at the University of Florida, who subsequently served as president of AEFA in 1989 and who started and still owns the first journal affiliated with the association, the *Journal of Education Finance*.

By far the most immediate impetus for forming a professional association in educational finance was two now landmark court decisions, both handed down in the early 1970s, that dramatically changed the range of considerations required for state financing and created a demand for analytical work and well-trained fiscal and legal analysts. Those decisions ushered in a still active stream of litigation, continuously applying pressure to states in educational finance and fueling a demand for finance studies and reports. The first, *San Antonio Independent School District v. Rodriguez* (1973), held that equity in school financing was not implicitly or explicitly protected by the U.S. Constitution, effectively foreclosing further federal court action. This ruling resulted in the states being the locus of legal challenges to school funding. The second, *Serrano v. Priest* (1971, 1976), held that disparities in school financing were in violation of the California Constitution. Both these suits (and other related ones) led to a series of equity-based challenges in state courts based on state constitutions. In the period between 1971 and 1983, challenges to the school finance system were heard by supreme courts in seventeen states (U.S. Advisory Committee on Intergovernmental Relations 1990).

FROM NEA CONFERENCES TO THE ESTABLISHMENT OF AEFA

The NEA held its last conference in 1972. The National Education Finance Project (NEFP) was well positioned to help with forming a national organization. Already in its network were many of the most influential people in education finance. After the NEA annual conferences were discontinued, the NEFP stepped in and helped organize and, with support from some other sources, finance the continuation of conferences in 1973, 1974, and 1975. These activities kept some of the momentum of the NEA finance seminars and helped maintain a network of education finance experts in what turned out to be a transition period.

At the 1975 conference, the participants decided to formally organize an independent association. According to Babigian, leaders in the field of school finance were invited to attend a summer organizational meeting held in St. Louis to put together the constitution and bylaws of this new association and create the certificate of incorporation, which was filed in the state of Florida (charter number 7–34,218) on 31 October 1975, under the official association name American Education Finance Association, Tennessee. AEFA met for the first time in 1976. Roe L. Johns was named president.

The founding fathers and the first Officers and Board of Directors were:

Officers:

Roe L. Johns, President, University of Florida

William P. McLure, Vice President, University of Illinois

Dewey H. Stollar, Secretary-Treasurer, University of Tennessee

Directors:

S. Kern Alexander, University of Florida

George R. Babigian, New Trier High School

Charles S. Benson, University of California

Robert O. Bothwell, School Finance Reform Project

Fred G. Burke, New Jersey State Department of Education

Jose Cardinas, Intercultural Research Association

Jean M. Flanigan, National Education Association

G. Alan Hickrod, Illinois State University

Jerome M. Hughes, State Senator from Minnesota

James Kirkpatrick, American Association of School Administrators

Betsy Levin, Duke University Law School

Wendell H. Pierce, Education Commission of the States
(Babigian personal communication, 2012)

In many ways, AEFA reflected its roots in the NEA Finance conferences. The specific focus of the new AEFA was to provide a forum for the discussion of key educational finance issues and give guidance to state legislatures, state departments of K–12 and higher education, and local school districts as they managed their publics, their taxation policies, and their educational institutions.

From its inception, AEFA was a place where organizations could send their representatives to discuss and share research on educational finance issues. The newly formed board and the association had formal linkages with key constituency groups such as the Association of School Business Officers, the American Association of School Administrators (the administrator association), and the teacher associations. The first board had an elected member of a state legislature, an appointed member of a state department, and representatives of national associations that encompassed all the players, such as the Education Commission of the States. Membership, as can be seen in the first board, included administrators as well as academics, state agency personnel, state legislators, lawyers, and representation from organizations that worked with states and state budgeting, such as the Education Commission of the States.

It was a time of intense interest in education finance, an appetite by policy makers for analyses, and a change in education policy. Collective bargaining was beginning to spread in the teaching profession and across the states. Education groups such as NEA that had a broad-based membership began to splinter, with teachers and administrators developing their own associations.

AMERICAN EDUCATION FINANCE ASSOCIATION

The association has met annually since 1975. It continues to be a relatively small association, with meeting attendance breaking four hundred only once before the Boston meeting in 2012. However, the issues it deals with are no less foundational to the well-being of society as they were when the association first met. The analytical work of its members affects the allocation of billions of dollars annually to education. The research is used daily by policy makers, and it is cited daily in the most influential political and policy circles.

Borrowing from NEA and NEFP

Issues have remained the same to a surprising degree, even as methodological advances occur and educational systems evolve. Core issues are still equity, adequacy, performance, access, and quality and the relations among them, particularly between cost and performance, across control costs and performance, and between the source and the use of funds. Questions that were asked forty years ago have not changed. We continue to ask "How do we fund education? For whom? At what level and to what end?" even as new questions are added.

The organizational framework has changed little over the past thirty-seven years. Members remain a mix of academics, policy makers, and practitioners. The first president was a university professor but had served in two different state departments.

Conference

The main activity of the organization was and remains the annual conference. In that way it is very similar to the NEA annual finance seminars. Though over the decades the AEFA saw a growing role for sophisticated quantitative work, the conference also had room in the program for papers primarily descriptive in nature and those focusing on practical operational problems. Similar to academic conferences, a review process was in place but was less formal than conferences for members of academic disciplines' organizations. Time and place are allotted for more open-ended discussions or debates. The program includes a mix of program formats in addition to the normal paper sessions typical of academic conferences. Other activities include workshops to introduce new techniques or information to members, and there is a long-standing annual workshop on recent activities about school finance litigation.

Membership

A hallmark of the conference is a continuing mix of academics, elected and appointed policy makers, and practitioners. However, while academics today do not make up the majority of attendees, they are the single largest category of members. For example, at the NEA annual conference in 1968, about one-third of the participants were from universities; at the 2011 AEFP conference, 49 percent were professors.

Journal

The journal is in many ways the public and permanent face of the association. The first volume of *Journal of Education Finance* displayed the intentions of the association's founders in its content and in the various categories of articles. The bulk of the issue was devoted to feature articles reporting new research findings on educational finance. The focus was predominantly on U.S. K–12 public schooling and drew largely from the field of public finance. But there was more, too: articles on higher education, for example, and case studies drawn from international education.

The first issue included five feature articles. These topics would not be too different from what one might find today: a discussion of the use of cost indices, analyses of efficiency and effectiveness in the face of declining college enrollments, a proposal for school size incentives in state aid formulas, and challenges in financing education for handicapped children.

There were other categories beyond research. A comment section included two essays, one on foundation programs and one on school finance in Canada. There was a section dedicated to finance law. The issue also included four book reviews, one on higher education financing. Another example of the mix of interests found in the Journal can be seen from a 1978 issue, which contained an article on tax equity, an analysis of New Jersey school finance challenges, a description and analysis of the process of political coalition building for school finance reform, and an article on the fiscal implications of higher education governance models. These issues and the scope of interests have not changed substantively today.

Two areas that were consistently well covered in the first few decades and that were in many respects core to the association and its founding were a focus on state litigation and its impacts, and how states implemented court-ordered remedies. Another topic that may be less common today is analysis designed to better understand the business of running the fiscal side of educational systems. The fall 1984 issue of the Journal included a special section on the business of running and budgeting educational systems, with articles on student housing, auditing, and dealing with reductions in force.

There are four features that made AEFP unique then and now. Perhaps the central one is the development and application of social sciences' analytical tools to better understand (and operationalize) the allocation of critical resources to the education of children, educational institutions, and society at large. The second is the exploration of education issues from a breadth of disciplines such as philosophy and history, economics and political science, sociology and their applied branches, organizational theory, public financing, public administration, and educational administration. Third is the extension of the analytic reach beyond funding educational institutions in order to explore the connections across other policy areas such as child development, social welfare, and family and community welfare. Finally, the activities of the association, the conferences, the journal, and the composition of the board all have a strong ameliorative impulse. The members have an interest in not just understanding but improving educational delivery, educational policy, and the societies that the institutions serve.

Recent Changes: A New Journal and a New Name

By the year 2000 there was clearly a more mature analytical frame driving educational finance research. A look at the program today shows a dizzying array of issues under analysis and under discussion. These include analyses of state funding formulas, updates on current school finance litigation, incentive structures built into teacher compensation and development, curricular issues, costs of competition, instructional delivery models, and teacher preparation, among many others. New analytical tools have allowed analysts to probe deeper into the financial implications of how children learn, how instruction is delivered, and how performance is measured. In 2006 the association began publishing a new journal, and in 2010 it changed its name.

New Journal

Interest was growing in a journal not limited to school finance but one that developed the linkages between finance and policy. According to the request for proposals sent out by AEFA, the intent was to publish a "high-quality research journal with a focus on educational finance that ties together educational policy, practice and research in the field."[2] There was an interest in associating with a ranked academic press. (The former journal had been privately owned.) The association entered into an agreement with MIT Press to publish *Education Finance and Policy*, and the first issue appeared in 2006.

New Name

In 2010 the board changed the name of the association from the American Education Finance Association to the Association of Education Finance and Policy. The preferences of the membership were measured in a survey in which 83 percent supported the change. Then president Susanna Loeb noted this intention to link policy and finance in the name change. "Education finance issues . . . are not solely about funding mechanisms and alternative approaches to taxation. Teacher's decisions about where to teach and how to teach strongly affect the cost of education. Moreover, both federal and state policies now link governance and instructional practices directly to finance. Key education finance policymakers also are key policymakers for personnel policies, governance policies, and curricular and instructional policies" (Loeb 2010, p. 2). The name change also reflects the continuing interest in understanding educational finance across the globe, recognition of the increasing analytical work being done by international professionals, and the improved data that allow for comparative work in finance and policy.

2. See http://mitpress.mit.edu/journals/efp/cfp.pdf.

A New Empiricism

As AEFP prepares to celebrate its fortieth birthday in Washington, DC, in 2015, its recent accomplishments in the application of robust data sets with increasingly fined-tuned data and rigorous analytical techniques are on bright display. To some degree these accomplishments are part of a broader trend that accelerated markedly over the past decade but that also dates back before that. During the 1970s and 1980s, researchers had at their disposal a fair degree of educational data, but it was primarily aggregated only at the district level. The data described educational inputs, student demographics, and basic school characteristics. Some aggregated outcome data were available from states that had statewide testing programs. Much of the research focused on the equity of state finance systems. Data continued to be primarily limited to district-level aggregated data even as the research questions expanded to include issues of efficiency as well as equity and other areas, such as district consolidation. In the 1990s school-level data emerged, allowing much deeper analysis of costs, efficiency, and effectiveness, though often still limited to cross-sectional analyses rather than longitudinal perspectives.

It was in the 1990s and increasingly in the 2000s that longitudinal data systems became more widely available. The level of data also became more refined: school-level data were becoming available and large student-level data systems were under development. There was also development of statewide student achievement data as state and federal accountability systems defined specific standards for achievement and established normative measures through standardized assessments. All this was further facilitated by the development of more sophisticated technology to analyze large-scale databases and a concurrent lowering of costs, making the research open to a greater number of researchers.

The expansion of data that allows probing key questions in educational finance has been met by some additional recent capacity-building efforts. Just as much of the development of school finance in the 1960s and 1970s was abetted by substantial project funding from the U.S. government and private philanthropy, a number of efforts in the 1990s and 2000s were intended to provide an enhanced technical capacity and better-trained researchers. Two of these were initiatives of the federal government. The first was an effort from the U.S. Department of Education (USDOE) in the 1990s and early 2000s, under the leadership of William Fowler, to encourage more research on school finance issues through organizing and making available federal data sources on school finance and to commission periodic reports on current issues in school finance. A second was the Predoctoral Interdisciplinary Research Training Programs in the Education Sciences, from the USDOE Institute of Education Sciences, which offered generous fellowships for predoctoral and postdoctoral training at select universities across the country. The programs focused on quantitative skills central to the social sciences and on issues important to school finance and policy. The program at Michigan State University provides a doctoral specialization in the economics of education; the one at Stanford draws from economics, sociology, political science, and psychology, as well as education. To these capacity-building initiatives were added the efforts of many states over the years not only to expand and refine their administrative data sets on education but also to increase the capacity to draw on them as a resource for policy planning. New York State stands out for the latter with the establishment of a research consortium that has met over the last two decades, convening researchers and commissioning reports. These efforts are being further amplified through state grants to develop large-scale educational data systems as part of the U.S. Race to the Top program. Many of these researchers, trained in new programs or applying data from new and expanded state and federal databases, attended and presented at AEFP conferences and published papers in the new journal.

Finally, two other developments merit mention because their presence at AEFP is remarkable. One is the expansion of the concept of resources beyond its more traditional focus on money to fund education in the early years of AEFP to the application of resources as more direct inputs. Teachers and the effectiveness of their instruction, quantified in value-added measurements, have become a particularly lively area of research among AEFP members. The direct application to policy through innovations such as performance-based teacher evaluation and compensation has been one of the most active recent strands in the annual conferences of AEFP.

I would be remiss not to mention the continuous expansion of interest at AEFP beyond just K–12 education and beyond the U.S. and Canadian educational systems. In addition to the frequent participation of members from Canada, recent organizational efforts are deliberately trying to broaden the membership and the questions researched internationally. From its beginnings AEFA always spread its arc of interest more broadly than just K–12 education. However, that trend is even stronger today. Higher education is a particularly well-covered area, and there is a growing group of members looking at early childhood education policy.

Not So New Questions and Ever Elusive Answers

While the research that can be pursued using new data and methods, perhaps more than anything else, marks the distinctiveness of the association's conferences and journal today, it is also true that the goals for the association have not changed, nor have they gotten any easier.

The recent contributions of members across the disciplinary and professional landscape—such as public finance scholars, labor economists, and policy students—will need to be supported by perspectives from other areas in order to reap greater benefits. For example, political science and sociology are two areas that might help explain observed behavior. We also need the perspectives of students of organizational behavior. There is a striking need to better study both the flow of resources deep within institutions and the behavior of those who administer them. We still need to better understand the institutions whose finances we are studying.

There is no lack of interest in educational finance and policy. In fact, it is noisy out there and getting noisier. The din of advocates, partisans, and litigants is often amplified by a media that thrives on controversy and disagreement. We need to be very purposeful at AEFP as we design conference programs and organize sessions to make sure we are pulling in the perspectives and insights of policy makers, practitioners, and educators, as well as researchers.

AEFP still aspires to provide perhaps the rarest of commodities—good, empirical analyses, thoughtful commentary, and measured policy recommendations, all in one place. The initial convening intention articulated in 1975 by the founders remains as valuable as ever.

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