"When I use a word," Humpty Dumpty said, in rather a scornful tone, "it means just what I want it to mean—neither more nor less."
"The question is," said Alice, "whether you can make words mean so many different things."
"The question is," said Humpty Dumpty, "which is to be master—that's all."

Lewis Carroll’s conversation above from Through the Looking Glass holds meaning for American education today. For so it is in the Wonderland of competing cost claims about the No Child Left Behind Act. Federal officials and defenders of the law say it is fully funded, one recent example being an essay in these pages by Paul E. Peterson and Martin R. West, both of Harvard University and the journal Education Next. ("Money Has Not Been Left Behind," Commentary, March 17, 2004.) State officials, meanwhile, already strapped with state deficits and funding lawsuits, sharpen their pencils and compute apoplexy-inducing numbers. No Child Left Behind Act costs often mean just what the different speakers see them to mean. "Fully funded" is tossed around with markedly malleable meaning.

Whether the states or the federal government are to be masters of educational goals and costs is a question that cuts across partisan lines. Liberal and conservative state legislators are fomenting what the Associated Press has described as a "rebellion" against the No Child Left Behind legislation. States point out that federal aid to education is only 7.4 percent of total spending, and that the amount for the No Child Left Behind provisions is less than half this small figure.

At the time I write, at least 24 states have taken some form of action ranging from remonstrances for adequate funding to petitions seeking relief from the more onerous and unworkable provisions of the law.

How are we to disentangle the meaning of "fully funded"? In the debates, there are five intertangled definitions of the term. Partisans implicitly use the one that is most expedient for their cause. To find out if the law is adequately funded, we must shed light on these very different definitions.

(1) Relative Increases. This definition is best illustrated in U.S. Secretary of Education Rod Paige’s repeated claims of "historic" increases, and that funding for Title I has grown by 40 percent since the law was passed. While Title I did increase by 40 percent, the statement fails the simplest reality test: It is not connected to what it takes for children to reach the mandated standards. A 40 percent increase in a very small thing is still a small thing. When compared with total education spending, the much touted
"increases" represent less than an additional 1 percent. While total dollars are at a "historic" high, this masks the drop in the federal share from 9.8 percent to 7.4 percent.

(2) Authorization vs. Appropriation Levels. This powerful and popular political argument is based on the difference between the president’s proposed $13.3 billion appropriation and the $20.5 billion authorization level. This is important in Washington because political promises are considered broken when the two figures don’t mesh. Yet, the argument is not based on the needs of children or on the added administrative costs at the state and local levels. Even if funded at the higher authorization level, this figure has no relation to true costs.

(3) The Law’s Definition of "Fully Funded." Surprisingly, this definition is seldom used in the arguments. The law says that each child living in poverty is eligible to receive an extra 40 percent of the state’s average per-pupil spending. The Congressional Research Service calculates this would amount to $30.4 billion. Thus, the law is funded at only 41 percent of its own definition.

(4) The "Add-On" Costs of Administering the Law. This is where the cost estimates start going down the rabbit hole. The basic assumption is that the federal government’s only obligation is to pay for the added administrative costs of testing, adequate yearly progress, highly qualified teachers, and the like. The cost of teaching children scoring below standard, however, is not included.

And the foggy assumption in play is how many of these mandates the states and localities would have enacted if the No Child Left Behind Act had not passed. This is serious crystal-ball work. If we assume that the state would have done these things anyway, then the new costs are low. If not, the costs are high.

Then, there are big differences about how the legal mandates can be met. For example, the Education Leaders Council says that the "highly qualified teacher" provision can essentially be met by buying each teacher a test manual and study guide. Thus, the actual cost of professional development for low-scoring teachers is reduced to a small fraction of 1 percent of costs. This approach may be cheap, but holds little promise for improving the quality of the teaching force.

Another illustration is from a Hoover Institution essay by James Peyser and Robert Costrell. This work is quoted extensively in the Peterson and West Commentary, and by Secretary Paige. Mr. Peyser and Mr. Costrell assume that a $50,000 per deficient school would do the job, but the law provides only $25,000. They say that "other sources of federal funds could more than close the gap." The justification for the adequacy of either figure is not clear, nor is the location of the magic money tree.

Messrs. Peyser and Costrell then set the amount needed for the No Child Left Behind law as two standard deviations below the spending mean of "successful" schools. Unfortunately, this very low standard does not consider the real needs of low-performing children and schools.

Many states are working on realistic estimates of total administrative costs. The studies vary greatly, however, in assumptions and organization. Seven states (Connecticut, New Hampshire, Hawaii, Indiana, Minnesota, Ohio, and Vermont) show added new total educational expenditures ranging from less than 1 percent to 5 percent.

The most prominent (and lowest-cost) of these studies are those of Ohio and Minnesota. Ohio calculates that the state needs $104.5 million for administration, but the federal government provides only $44 million in new money. Minnesota steers away from a total number, but compares $42 million in new federal money to $39 million in identified new costs—excluding curriculum alignment, corrective actions, restructuring schools, qualified teachers and paraeducators, and the cost of "making all students proficient."
The seven state studies average out to about 3 percent total new money to implement the law. If this pattern holds true, federal spending would have to double to cover administrative costs alone.

(5) The Cost of Teaching Children to Meet Standards. The purpose of the law is for all children to reach standards. Unfortunately, that is precisely what is left out of the preceding four definitions.

To try to answer this cost question, a number of adequacy studies have been conducted. Each of the 28 current studies in 20 states is based on the instructional costs of bringing children up to the state learning standards (excluding facility costs). Four different research strategies were used. A variety of scholars, from all points of view and different disciplines, have conducted this work. Sponsoring agents have included state governments, state legislatures, vested-interest groups, and consortia of diverse groups.

Even with the differences in location, methods, and researchers, it is striking that the studies consistently show that massive new monies are needed. Thirteen of the 20 states indicate new-money increases in the 20 percent to 40 percent range. The median increase is 30.2 percent.

The primary reasons for these high cost estimates are (1) inadequate basic funding prior to the reforms, (2) historical underestimates of the cost of remediating poverty, (3) the costs of English-language and special education instruction, and (4) regional variations in cost.

Studies on state administration costs will continue to come forth. We are still at an early stage in this work. Based on the seven states with studies, a figure of 3 percent total new administrative money is emerging. For actually teaching children to reach standards, a substantial body of independent research estimates an average of 30 percent new money is needed, for a total of 33 percent.

Politically, we can expect the administration and defenders of the law to try to narrow the funding question to only what they say are new administrative costs. This is what we see in the Peyser and Costrell, Peterson and West, Education Next, Hoover Institution, and Education Leaders Council efforts. Each of these reports touts "flexibility" and says that schools can simply move other funds around to meet the needs.

Unfortunately, these monies are already being used to meet needs and cannot be so easily moved. Likewise, assuming that schools can simply buy an inexpensive and "proven" teaching program runs counter to the dismal record of "one size fits all" reforms.

Among those who say the No Child Left Behind Act is adequately funded, the most troubling shortcoming of their analyses is the lack of attention they give to children’s needs. A poor, hungry, and abused child does not learn arithmetic simply because we improve the teaching methods. These studies also ignore the huge and increasing inequities in wealth and educational spending between our poorer and richer schools.

If we embrace the moral principle that no child is to be left behind, haggling over the costs of program administration is the least important of questions. Similarly, appropriation and authorization arguments are arcane. Instead, our abiding question should be what it costs to teach the children.

Where we as a nation invest our resources is the telling statement of our values. As compared with other priorities, the best investment for our country’s future is our investment in children.

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