

Teacher Spending Accounts: Supporting All Teachers

By Patrick Graff

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Key Points

- Teachers are the most important in-school factor for student success, yet we give teachers almost no say in education funding decisions.
- Teacher spending accounts (TSAs) are state-funded accounts for K–12 teachers that are designed to be used for classroom supplies and educational expenses such as instructional materials, technology, teacher coaching, and professional development.
- TSAs prioritize individual teacher autonomy and expertise by recognizing that teachers are best positioned to tailor this “last mile” of education spending for the greatest impact.
- TSAs are one step toward envisioning a school funding paradigm that supports all teachers, regardless of school type.

Browsing social media during back-to-school time, one frequently encounters pleas from teachers to help purchase classroom supplies through #clearthelist¹ campaigns or to support their class’ DonorsChoose² projects. At a time of historically high levels of education spending, why do teachers require additional assistance to meet basic classroom needs? How is it that a fifth-grade teacher with 20 students—representing about \$13,500 each in per-pupil funding³—has so little control over how the more than a quarter million dollars those students represent enters the classroom?

Education funding policies should put students’ and teachers’ needs first. An increasing number of students now have access to education savings accounts (ESAs), an increasingly popular policy reform that puts education funds directly in families’ hands to use at the school or education provider of their choice. I argue that teachers deserve similar support and flexibility through teacher spending accounts (TSAs).

Funded with a base amount of \$1,000, these accounts could be additionally weighted based on classroom or teacher need (e.g., students in poverty, special education, or first-year teachers). These accounts would be created at the state level as a general benefit available to every qualifying teacher in the state—regardless of whether they teach in a traditional public, charter, or private school.⁴ Through TSAs, policymakers can directly support teachers’ material needs and create a new education funding mechanism that affirms their central importance in schools.

TSAs and Educational Freedom

Over the past several years, the school choice movement has experienced striking legislative success in many states. These victories have tracked with public opinion: People from all backgrounds increasingly favor the more flexible use of

education dollars. As families encountered challenges during the pandemic, RealClear Opinion Research and others found growing support for school choice.⁵ A recent EdChoice survey of a nationally representative group of parents found that 81.3 percent favored creating ESAs.⁶ School choice is clearly popular among parents, but what does the educational freedom movement have to offer teachers?

Though polling has shown that teachers are somewhat less likely than parents to support school choice policies, their support has also trended upward in recent years. The most recent EdChoice poll of teachers, from November 2022, found that a majority (54 percent) of teachers supported ESAs. Support increased to 77 percent when accompanied with a basic description.⁷ Despite this, the media narrative continues to pit school choice against teachers. It is clear, however, that teachers are looking for change in a system where they often feel unsupported, overburdened, and frustrated by bureaucratic inefficiencies. Advocates of greater educational freedom should embrace this challenge and place a greater emphasis on the importance of teachers' needs.

The Hidden Costs of Teaching

Every year, teachers are asked to spend money out of pocket for classroom materials and professional development activities. This past summer, an EdChoice survey found that the average teacher had spent \$841 of their own money on classroom supplies and professional development in the past year. Some teachers spent thousands. For teachers in urban areas, the average amount was \$1,056 per year.⁸

This may substantially underestimate the costs teachers incur. Teachers may be expected to spend out of pocket to provide for their classroom technology needs. Teachers confronting social problems, including student homelessness and extreme poverty, may spend on items such as shoes or food for hungry students. Particularly for new teachers, who often teach in high-need contexts and are equipping a classroom for the first time, the costs are significant.

Unsurprisingly, TSAs are overwhelmingly popular with teachers. In that same survey, 90 percent of teachers supported them.⁹ TSAs are particularly

popular among teachers in their first four years of teaching, and there is good reason to direct additional resources to teachers at the beginning of their careers. Teachers tend to improve in quality the most over the first five years in the classroom, with inexperienced teachers most likely to impede student achievement growth.¹⁰ Additional resources available through TSAs could improve achievement for students assigned to first-year teachers.¹¹ TSAs could also help address the high rates of teacher turnover in hard-to-staff school settings by providing additional resources and support.

The Challenges of Professional Development

When it comes to their students, teachers place a premium on differentiating instruction to enable personalized learning. But the one-size-fits-all professional development they receive falls short of this ideal. Too often, professional development leaves teachers feeling unengaged and resentful of the time and money wasted on trainings they don't want or need.

TSAs give teachers a greater say in using professional development funds. While faculty meetings and district trainings will be with us always, TSAs also allow teachers to purchase services such as coaching, books, specialized coursework, and subscriptions to online education platforms—whatever is most useful to that individual teacher. TSAs increase teacher agency and flexibility to spend for their own needs, whether those be material, pedagogical, or technological.

Investing in Teachers

Creating a TSA program is a significant investment that would affirm the central importance of teachers to schools. I propose that approximately 1 percent of state education funding be allocated to teachers, with new dollars appropriated to include charter and private school teachers. TSAs reasonably ask legislators to give teachers a 1 percent control of education funding.

Because TSAs could be funded by a mix of existing and new dollars, they effectively function as a substantial teacher pay raise (by offsetting high levels of teacher out-of-pocket spending) without the

same spending increase a straight teacher pay raise would require. Most decisions about classroom supplies and professional development should be shifted to teacher control. In this sense, TSAs are not just a teacher pay raise; they are also a fundamental reform to a system that is not serving teachers' needs.

As an example, take my home state of Indiana. The fiscal year 2022–23 budget includes \$8.5 billion for elementary and secondary education, which funds Indiana's schools with approximately 70,000 full-time teachers and just over one million K–12 students.¹² In the general fund, 1 percent is an \$850 million TSA program, which would sufficiently seed \$1,000 TSA accounts. Not every teacher will spend their full \$1,000 every year, preserving funding in the program to roll over. New spending could be appropriated to fund the additional need-based weights and qualifying teachers in charter and private schools.

Supplement School Choice with Teacher Freedom

For parents choosing where to send their child for school, teacher and overall academic quality play a central role in their decision-making process.¹³

About the Author

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Notes

1. Twitter, "#clearthelist," https://twitter.com/hashtag/clearthelist?src=hashtag_click.
2. DonorsChoose, website, <https://www.donorschoose.org>.
3. US Census Bureau, "Per Pupil Spending Continues to Increase in 2020," May 18, 2022, press release, <https://www.census.gov/newsroom/press-releases/2022/per-pupil-spending.html>.
4. For states with private school choice programs, states could limit eligibility only to teachers in participating schools.
5. American Federation for Children, "New Poll: Overwhelming Support for School Choice," press release, June 28, 2022, <https://www.federationforchildren.org/new-poll-72-support-for-school-choice>.
6. EdChoice, "2022 Schooling in America Survey Questionnaire and Topline Results," September 2022, <https://www.edchoice.org/wp-content/uploads/2022/09/2022-Schooling-in-America-Questionnaire-and-Topline-Results.pdf>.
7. Morning Consult, "Teachers and K-12 Education: A National Polling Report," EdChoice, November 2022, <https://edchoice.morningconsultintelligence.com/assets/201561.pdf>.

School choice advocates should focus on not only making more choices available but strengthening the quality of those choices. TSAs present an opportunity for education freedom advocates to support teacher quality in all schools while empowering educators and prioritizing their needs. Particularly considering the compensation disadvantages most private schools face when recruiting teachers, TSAs can help level the playing field.

Teachers are well aware of the many ways in which the current system is failing our students; educational freedom advocates must do more to fix the many ways the current system is failing our teachers. TSAs provide an alternative means to effectively increase teacher pay, direct more resources to the classroom level, increase funding for all classrooms serving lower-income students, promote teacher autonomy and choice in spending education dollars, and advocate for a new education funding paradigm. Young and early career teachers, who most often are those interested in innovative education practices and school types, will likely benefit the most from TSAs. As the school choice movement looks to the future, inviting the next generation of educators into the fold will help ensure a future where all children have access to a school of their choice untethered to ZIP code.

8. John Kristof, “Public Opinion Tracker: Teacher Survey Top Takeaways—June 2022,” EdChoice, July 21, 2022, <https://www.edchoice.org/engage/public-opinion-tracker-teacher-survey-top-takeaways-june-2022>.
9. Kristof, “Public Opinion Tracker.”
10. Allison Atteberry, Susanna Loeb, and James Wyckoff, “Do First Impressions Matter? Predicting Early Career Teacher Effectiveness,” *AERA Open* 1, no. 4 (October–December 2015): 1–23, <https://journals.sagepub.com/doi/full/10.1177/2332858415607834>; and Jonah E. Rockoff, “The Impact of Individual Teachers on Student Achievement: Evidence from Panel Data,” *American Economic Review* 94, no. 2 (May 2004): 247–52, https://www.jstor.org/stable/3592891?seq=1#metadata_info_tab_contents.
11. Jason A. Grissom and Katharine O. Strunk, “How Should School Districts Shape Teacher Salary Schedules? Linking School Performance to Pay Structure in Traditional Compensation Schemes,” *Educational Policy* 26, no. 5 (September 2012), <https://journals.sagepub.com/doi/full/10.1177/0895904811417583>.
12. Indiana Department of Education, “Data Center & Reports,” <https://www.in.gov/doe/it/data-center-and-reports>.
13. Marc Stein, Ellen Goldring, and Xiu Cravens, “Choosing Indianapolis Charter Schools: Espoused Versus Revealed Academic Preferences. Research Brief,” Vanderbilt University, National Center on School Choice, August 2010, <https://eric.ed.gov/?id=ED543585>.

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