

# Supporting Information

## AYP Failure and Student SES

Table A.1 illustrates how poorly AYP correlates with true district performance by comparing AYP performance designations to “value-added” measures of district quality that Ohio introduced into its own, separate state accountability system in 2007. The first column of Table A.1 describes the 530 of Ohio’s 613 school districts whose students overall never fell short of AYP proficiency rate requirements.<sup>25</sup> As noted above, this is only one factor that determines the final AYP designation. Indeed, as Table A.1 indicates, 50 percent of these districts nevertheless failed overall AYP at some time between 2007 and 2011, often because individual subgroups lagged behind the average district-wide performance and fell short of the proficiency requirements. But this column is important for comparison purposes.

The second column indicates that, predictably, districts whose students fell short of annual AYP proficiency targets at least once were far more likely to fail AYP overall (88 percent failed AYP). More importantly, however, the districts that fell short of the required proficiency targets at least once were disproportionately “high poverty” districts (89 percent), as defined by the Ohio Department of Education. In other words, these districts’ students were far more likely to have low proficiency rates for reasons outside of district control. Indeed, the third column indicates that 65 of these 83 districts at least once failed to meet AYP’s proficiency requirements *in a year in which they met or exceeded Ohio’s value-added standard for judging district performance*. That is, in years in which these districts were found to be effective compared to others in terms of educating students on tested subjects, they nonetheless failed to meet the AYP proficiency target. Thus, these districts, which educate 21 percent of Ohio’s children, were essentially penalized in some years for educating economically disadvantaged students.

---

<sup>25</sup>In a given year Ohio typically has about 610 school districts, but over the course of the panel there were 613 different school districts.

Table A.1: Overall District Performance on Math and Reading Tests: AYP vs. Value-Added (2007-2011)

	Districts whose “all students” group <i>never</i> <i>failed</i> to meet AYP proficiency targets in math and reading	Districts whose “all students” group <i>failed at</i> <i>least once</i> to meet AYP profi- ciency targets in math and reading	Districts whose “all students” group <i>failed at</i> <i>least once</i> to meet AYP profi- ciency targets in math and reading <i>during a year in</i> <i>which they met</i> <i>Ohio’s “value</i> <i>added” standard</i>
Number of districts	530	83	65
Number of students enrolled in these dis- tricts	1,233,877	375,074	331,945
Percent of Ohio’s students enrolled in these districts	77%	23%	21%
Percent of these dis- tricts that Ohio la- bels “high poverty”	37%	89%	89%
Percent of years that these districts <i>failed</i> <i>AYP overall</i>	50%	88%	90%

**Note:** Districts in the last column actually met “value-added” 33 percent of the time that they were found to have missed the AYP proficiency target in math and reading. This does not necessarily translate to overall AYP failure, as there were multiple ways to meet AYP if districts fell short of proficiency targets.

## Probit Results

Table A.2: Probit Models for Levy Passage

	(1)	(2)	(3)	(4)	(5)
	Pass	Pass	Pass	Pass	Pass
AYP Failure	-0.228*** (0.0440)	-0.166*** (0.0467)	-0.164*** (0.0468)	-0.139** (0.0482)	-0.158* (0.0637)
Current Millage		0.0406*** (0.00495)	0.0464*** (0.00526)	0.0469*** (0.00527)	0.117*** (0.0147)
Property Values (per pupil)		0.00730 (0.00645)	0.0118 (0.00670)	0.0119 (0.00665)	0.0829* (0.0377)
Tot. Expenditures (per pupil)		-0.180*** (0.0449)	-0.167*** (0.0456)	-0.170*** (0.0458)	-0.212* (0.101)
Instructional Expenditures (per pupil)		0.256** (0.0806)	0.209* (0.0815)	0.199* (0.0810)	-0.0387 (0.173)
Black (%)		0.00208 (0.00258)	0.00169 (0.00276)	0.00117 (0.00295)	-0.0111 (0.0154)
Hispanic(%)		0.0215** (0.00720)	0.0189** (0.00658)	0.0178** (0.00670)	0.0349 (0.0509)
English-Learners (%)		-0.00174 (0.00553)	0.00116 (0.00674)	0.00143 (0.00654)	-0.0405 (0.0618)
Poor (%)		-0.00140 (0.00227)	-0.00174 (0.00245)	-0.000654 (0.00251)	0.00643 (0.00484)
Disabled (%)		0.000664 (0.00915)	-0.00289 (0.00918)	0.000176 (0.00916)	-0.0113 (0.0231)
District Enrollment (natural log)		-0.158*** (0.0390)	-0.159*** (0.0400)	-0.177*** (0.0400)	-1.057 (0.642)
Mills			-0.0661*** (0.00884)	-0.0667*** (0.00885)	-0.0660*** (0.0130)
Private School Enrollment (%)			-0.0214 (0.0138)	-0.0222 (0.0136)	
Owner-Occupied Residence (%)			-0.00948* (0.00384)	-0.00990** (0.00382)	
Constant	0.0263 (0.0952)	-0.772** (0.240)	0.263 (0.435)	0.782 (0.549)	-0.179 (1.633)
Observations	3990	3988	3955	3955	3609
$R^2$					
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes
District Fixed Effects	No	No	No	No	Yes
Academic Designations	No	No	No	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses

\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

Table A.3: Informational Decay Models

	(1)	(2)	(3)	(4)
	Pass	Pass	Pass	Pass
AYP Failure	-0.0758* (0.0319)	-0.0722* (0.0324)	-0.0730** (0.0247)	-0.0698** (0.0253)
Months Since AYP Release	-0.00985** (0.00373)	-0.00912* (0.00374)		
Months Since AYP Release*AYP Failure	0.00454 (0.00522)	0.00463 (0.00524)		
Current Millage	0.0170*** (0.00181)	0.0360*** (0.00431)	0.0178*** (0.00173)	0.0355*** (0.00426)
Property Values (per pupil)	0.00496* (0.00246)	0.0249* (0.0114)	0.00408 (0.00229)	0.0250* (0.0113)
Tot. Expenditures (per pupil)	-0.0609*** (0.0167)	-0.0652* (0.0306)	-0.0632*** (0.0165)	-0.0657* (0.0302)
Instructional Expenditures (per pupil)	0.0647* (0.0293)	-0.0243 (0.0523)	0.0730* (0.0288)	-0.0216 (0.0515)
Black (%)	0.000265 (0.00110)	-0.00435 (0.00515)	0.000455 (0.00102)	-0.00426 (0.00504)
Hispanic(%)	0.00660* (0.00261)	0.00988 (0.0154)	0.00771** (0.00247)	0.0103 (0.0150)
English-Learners (%)	0.000631 (0.00243)	-0.0114 (0.0199)	-0.000595 (0.00174)	-0.0111 (0.0193)
Poor (%)	-0.000171 (0.000915)	0.00197 (0.00142)	0.000659 (0.000849)	0.00179 (0.00139)
Disabled (%)	0.000132 (0.00342)	-0.00339 (0.00697)	0.00113 (0.00335)	-0.00406 (0.00688)
District Enrollment (natural log)	-0.0635*** (0.0148)	-0.355 (0.221)	-0.0575*** (0.0142)	-0.355 (0.215)
Mills	-0.0239*** (0.00315)	-0.0198*** (0.00375)	-0.0228*** (0.00308)	-0.0195*** (0.00370)
Private School Enrollment (%)	-0.00801 (0.00516)			
Owner-Occupied Residence (%)	-0.00385** (0.00140)			
AYP Not Met*Winter Election			0.0797 (0.0440)	0.0790 (0.0462)
AYP Not Met*Spring Election			0.0485 (0.0381)	0.0456 (0.0388)
AYP Not Met*Summer Election			0.00511 (0.0564)	0.00741 (0.0581)
Constant	0.860*** (0.202)	0.651 (0.494)	0.422** (0.150)	0.618 (0.486)
Observations	3955	3986	3986	3986
R <sup>2</sup>	0.084	0.068	0.094	0.076
Year Fixed Effects	Yes	Yes	Yes	Yes
District Fixed Effects	No	Yes	No	Yes
Academic Designations	Yes	Yes	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses  
\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$  A.5

# Strategic Timing of Levy Elections

Table A.4: Linear Probability Models for Levy Proposal

	(1)	(2)	(3)	(4)
	Pr(Levy)	Pr(Levy)	Pr(Levy)	Pr(Levy)
AYP Failure	0.0178 (0.0163)	0.0201 (0.0163)	0.00894 (0.0164)	-0.0199 (0.0155)
Current Millage	0.0102*** (0.00187)	0.0102*** (0.00187)	0.0103*** (0.00189)	-0.0193*** (0.00425)
Property Values (per pupil)	0.0349 (0.0183)	0.0312 (0.0175)	0.0327 (0.0175)	-0.189** (0.0639)
Tot. Expenditures (per pupil)	-0.0382* (0.0163)	-0.0463** (0.0162)	-0.0479** (0.0163)	0.0194 (0.0234)
Instructional Expenditures (per pupil)	-0.00365 (0.0279)	0.00979 (0.0279)	0.0150 (0.0281)	0.102* (0.0417)
Black (%)	0.000121 (0.000997)	0.000137 (0.00101)	0.000349 (0.000998)	0.00718+ (0.00407)
Hispanic(%)	0.00621* (0.00306)	0.00749* (0.00323)	0.00759* (0.00319)	0.00574 (0.0113)
English-Learners (%)	-0.00199 (0.00372)	-0.00654 (0.00337)	-0.00630 (0.00345)	-0.00653 (0.00958)
Poor (%)	-0.00285*** (0.000719)	-0.00240** (0.000764)	-0.00277*** (0.000767)	-0.000387 (0.00104)
Disabled (%)	0.00345 (0.00326)	0.00483 (0.00327)	0.00384 (0.00330)	-0.000393 (0.00526)
District Enrollment (natural log)	0.0396** (0.0139)	0.0362** (0.0140)	0.0429** (0.0142)	0.204 (0.215)
Private School Enrollment (%)		0.0191*** (0.00534)	0.0194*** (0.00527)	
Owner-Occupied Residence (%)		0.000992 (0.00127)	0.00119 (0.00128)	
Constant	0.506*** (0.0845)	0.357* (0.150)	0.212 (0.187)	0.290 (0.317)
Observations	6783	6733	6733	6783
R <sup>2</sup>	0.054	0.060	0.062	0.039
Year Fixed Effects	Yes	Yes	Yes	Yes
District Fixed Effects	No	No	No	Yes
State Designations	No	No	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses  
\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

Table A.5: Mills as Dependent Variable

	(1)	(2)	(3)	(4)
	Mills	Mills	Mills	Mills
AYP Failure	0.0577 (0.131)	0.0582 (0.131)	0.0488 (0.134)	-0.00443 (0.124)
Current Millage	0.105*** (0.0139)	0.105*** (0.0139)	0.106*** (0.0138)	0.0336 (0.0270)
Property Values (per pupil)	0.0230 (0.0177)	0.0215 (0.0183)	0.0230 (0.0185)	-0.0875 (0.0519)
Tot. Expenditures (per pupil)	0.118 (0.137)	0.124 (0.137)	0.115 (0.138)	0.285 (0.217)
Instructional Expenditures (per pupil)	-0.353 (0.244)	-0.346 (0.245)	-0.339 (0.246)	-0.217 (0.347)
Black (%)	0.000879 (0.00700)	0.000651 (0.00715)	-0.000585 (0.00752)	0.0383 (0.0345)
Hispanic(%)	-0.00727 (0.0313)	-0.00869 (0.0319)	-0.0109 (0.0302)	-0.0875 (0.0804)
English-Learners (%)	-0.0113 (0.0187)	-0.0118 (0.0225)	-0.0104 (0.0223)	0.0564 (0.0637)
Poor (%)	0.0299*** (0.00593)	0.0305*** (0.00647)	0.0302*** (0.00667)	-0.00750 (0.00820)
Disabled (%)	-0.00619 (0.0249)	-0.00888 (0.0250)	-0.00864 (0.0248)	-0.0119 (0.0401)
District Enrollment (natural log)	0.331** (0.122)	0.328** (0.127)	0.334** (0.129)	-0.0783 (0.824)
Private School Enrollment (%)		-0.000374 (0.0452)	-0.00209 (0.0448)	
Owner-Occupied Residence (%)		0.00125 (0.0109)	0.00138 (0.0110)	
Constant	1.199* (0.598)	1.049 (1.171)	2.055 (1.411)	2.781 (2.370)
Observations	3986	3955	3955	3986
$R^2$	0.088	0.088	0.089	0.010
Year Fixed Effects	Yes	Yes	Yes	Yes
District Fixed Effects	No	No	No	Yes
Academic Designations	No	No	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses  
\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$



# Specification with Value-Added Measures

Table A.6: Linear Probability Models for Levy Passage

	(1)	(2)	(3)	(4)	(5)
	Pass	Pass	Pass	Pass	Pass
AYP Failure	-0.103*** (0.0230)	-0.0809*** (0.0239)	-0.0805*** (0.0232)	-0.0692** (0.0241)	-0.101** (0.0314)
Gain Score	0.00483 (0.00805)	0.00329 (0.00811)	0.00622 (0.00814)	0.00449 (0.00854)	-0.00205 (0.0103)
Current Millage		0.0149*** (0.00209)	0.0159*** (0.00216)	0.0166*** (0.00216)	0.0458*** (0.00613)
Property Values (per pupil)		0.000820 (0.00318)	0.00209 (0.00326)	0.00317 (0.00319)	0.0514** (0.0194)
Tot. Expenditures (per pupil)		-0.0367 (0.0200)	-0.0260 (0.0201)	-0.0318 (0.0198)	0.00159 (0.0519)
Instructional Expenditures (per pupil)		0.0524 (0.0360)	0.0210 (0.0359)	0.0194 (0.0354)	-0.130 (0.0869)
Black (%)		-0.000637 (0.00122)	-0.000907 (0.00131)	-0.00169 (0.00135)	0.0141 (0.0202)
Hispanic(%)		0.00694* (0.00309)	0.00469 (0.00261)	0.00239 (0.00335)	0.00780 (0.0188)
English-Learners (%)		-0.00272 (0.00193)	-0.000992 (0.00271)	-0.00123 (0.00267)	0.0105 (0.0156)
Poor (%)		0.000845 (0.00105)	-0.000170 (0.00109)	0.0000788 (0.00111)	-0.000370 (0.00223)
Disabled (%)		-0.00384 (0.00465)	-0.00482 (0.00442)	-0.00394 (0.00444)	-0.0108 (0.0142)
District Enrollment (natural log)		-0.0776*** (0.0180)	-0.0838*** (0.0178)	-0.0951*** (0.0173)	-0.232 (0.261)
Mills			-0.0213*** (0.00402)	-0.0216*** (0.00399)	-0.0145** (0.00483)
Private School Enrollment (%)			-0.0101 (0.00593)	-0.0100 (0.00594)	
Owner-Occupied Residence (%)			-0.00612*** (0.00177)	-0.00629*** (0.00175)	
Observations	2254	2252	2232	2232	2250
R <sup>2</sup>	0.016	0.053	0.077	0.083	0.062
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes
District Fixed Effects	No	No	No	No	Yes
Academic Designations	No	No	No	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses

\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

## Conditional Logit Results

Table A.7: Conditional Logit Models for Levy Passage

	(1)	(2)	(3)	(4)
	Pass	Pass	Pass	Pass
AYP Failure	-0.229*	-0.449**		-0.331**
	(0.0924)	(0.155)		(0.119)
Lagged AYP Failure			0.0340	0.210
			(0.101)	(0.128)
Current Millage	0.171***	0.222***	0.172***	0.172***
	(0.0231)	(0.0324)	(0.0231)	(0.0231)
Property Values (per pupil)	0.119	0.260**	0.119	0.119
	(0.0623)	(0.0909)	(0.0625)	(0.0616)
Tot. Expenditures (per pupil)	-0.310*	0.000118	-0.313*	-0.323*
	(0.150)	(0.252)	(0.151)	(0.150)
Instructional Expenditures (per pupil)	-0.0612	-0.541	-0.0389	-0.0369
	(0.249)	(0.426)	(0.248)	(0.248)
Black (%)	-0.0146	0.0796	-0.0176	-0.0154
	(0.0227)	(0.0954)	(0.0222)	(0.0225)
Hispanic(%)	0.0488	0.0565	0.0418	0.0435
	(0.0753)	(0.0906)	(0.0752)	(0.0755)
English-Learners (%)	-0.0566	0.0416	-0.0526	-0.0544
	(0.0956)	(0.0643)	(0.0920)	(0.0952)
Poor (%)	0.00911	-0.00356	0.00851	0.00856
	(0.00717)	(0.0113)	(0.00713)	(0.00712)
Disabled (%)	-0.0210	-0.0504	-0.0223	-0.0219
	(0.0335)	(0.0646)	(0.0338)	(0.0336)
District Enrollment (natural log)	-1.658	-0.932	-1.622	-1.646
	(1.508)	(1.125)	(1.515)	(1.435)
Mills	-0.0979***	-0.0686**	-0.0972***	-0.0979***
	(0.0194)	(0.0249)	(0.0194)	(0.0194)
Gain Score		-0.0135		
		(0.0486)		
Observations	3609	1856	3609	3609
Pseudo $R^2$	0.067	0.065	0.065	0.068
Year Fixed Effects	Yes	Yes	Yes	Yes
District Fixed Effects	Yes	Yes	Yes	Yes
Academic Designations	Yes	No	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses  
\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

Table A.8: Conditional Logit Models for Levy Passage

	(1)	(2)	(3)	(4)
	Pass	Pass	Pass	Pass
AYP Failure			-0.344** (0.121)	-0.330** (0.121)
First AYP Failure	-0.332 (0.173)	-0.402 (0.231)		
Subsequent AYP Failure		-0.230* (0.114)		
Current Millage	0.173*** (0.0232)	0.227*** (0.0233)	0.173*** (0.0232)	0.173*** (0.0231)
Property Values (per pupil)	0.120 (0.0620)	0.245*** (0.0575)	0.118 (0.0625)	0.126* (0.0622)
Tot. Expenditures (per pupil)	-0.330* (0.151)	-0.227 (0.185)	-0.313* (0.151)	-0.296* (0.149)
Instructional Expenditures (per pupil)	-0.0174 (0.248)	-0.243 (0.329)	-0.0523 (0.249)	-0.0781 (0.248)
Black (%)	-0.0199 (0.0229)	-0.0480 (0.0303)	-0.0161 (0.0227)	-0.0170 (0.0230)
Hispanic(%)	0.0369 (0.0748)	0.0679 (0.0918)	0.0431 (0.0755)	0.0465 (0.0751)
English-Learners (%)	-0.0555 (0.0934)	-0.0938 (0.146)	-0.0557 (0.0955)	-0.0553 (0.0910)
Poor (%)	0.00869 (0.00718)	0.00569 (0.00883)	0.00914 (0.00718)	0.00800 (0.00696)
Disabled (%)	-0.0206 (0.0339)	-0.0374 (0.0414)	-0.0220 (0.0337)	-0.0243 (0.0335)
District Enrollment (natural log)	-1.683 (1.488)	-0.938 (0.819)	-1.657 (1.514)	-1.580 (1.424)
Mills	-0.0973*** (0.0193)	-0.0864*** (0.0227)	-0.0968*** (0.0193)	-0.0942*** (0.0191)
AYP Failure*Pre-November Election			0.227 (0.155)	
Pre-November Election			-0.212 (0.113)	
AYP Failure*Winter Election				0.374 (0.213)
AYP Failure*Spring Election				0.191 (0.183)
AYP Failure*Summer Election				0.0137 (0.290)
Observations	3609	2900	3609	3609
Pseudo $R^2$	0.066	0.078	0.068	0.078
Year Fixed Effects	Yes	Yes	Yes	Yes
District Fixed Effects	Yes	Yes	Yes	Yes
Academic Designations	Yes	Yes	Yes	Yes
Month Fixed Effects	No	No	No	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses  
\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

Table A.9: Conditional Logit Placebo Tests for Levy Passage

	(1)	(2)
	Pass	Pass
Future Failure	-0.0865 (0.107)	-0.0729 (0.107)
AYP Failure		-0.184 (0.0956)
Current Millage	0.189*** (0.0212)	0.188*** (0.0212)
Property Values (per pupil)	0.157** (0.0570)	0.157** (0.0569)
Tot. Expenditures (per pupil)	-0.307 (0.157)	-0.305 (0.156)
Instructional Expenditures (per pupil)	-0.0396 (0.267)	-0.0545 (0.266)
Black (%)	-0.0295 (0.0257)	-0.0276 (0.0263)
Hispanic(%)	0.0335 (0.0851)	0.0407 (0.0857)
English-Learners (%)	-0.0574 (0.101)	-0.0605 (0.104)
Poor (%)	0.0142 (0.00737)	0.0146* (0.00740)
Disabled (%)	-0.0368 (0.0344)	-0.0355 (0.0342)
District Enrollment (natural log)	-1.481 (1.334)	-1.494 (1.301)
Mills	-0.106*** (0.0209)	-0.107*** (0.0209)
Observations	3436	3436
Pseudo $R^2$	0.075	0.076
Year Fixed Effects	Yes	Yes
District Fixed Effects	Yes	Yes
Academic Designations	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses  
\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

Percent Voting “Yes” as Dependent Variable

Table A.10: OLS Models for Percent of Yes Votes

	(1)	(2)	(3)	(4)	(5)
	Yes (%)	Yes (%)	Yes (%)	Yes (%)	Yes (%)
AYP Failure	-2.416*** (0.593)	-1.540* (0.610)	-1.589** (0.593)	-1.099 (0.595)	-1.645* (0.771)
Gain Score	0.405* (0.198)	0.329 (0.197)	0.390 (0.199)	0.343 (0.195)	0.00112 (0.254)
Current Millage		0.247*** (0.0532)	0.259*** (0.0550)	0.267*** (0.0551)	0.373** (0.117)
Property Values (per pupil)		0.0570 (0.0834)	0.0893 (0.0845)	0.103 (0.0828)	0.634 (0.348)
Tot. Expenditures (per pupil)		-0.975 (0.521)	-0.787 (0.517)	-0.861 (0.498)	0.0280 (1.088)
Instructional Expenditures (per pupil)		1.733 (0.951)	1.095 (0.940)	0.952 (0.914)	-2.180 (1.875)
Black (%)		-0.0143 (0.0324)	-0.0235 (0.0320)	-0.0388 (0.0318)	-0.412 (0.389)
Hispanic(%)		0.117 (0.0678)	0.0789 (0.0692)	0.0571 (0.0694)	0.147 (0.534)
English-Learners (%)		0.0776 (0.0849)	0.105 (0.0937)	0.0900 (0.0861)	0.321 (0.350)
Poor (%)		0.0117 (0.0255)	-0.0143 (0.0266)	0.000181 (0.0262)	0.0160 (0.0444)
Disabled (%)		-0.229* (0.107)	-0.250* (0.103)	-0.209* (0.103)	-0.243 (0.275)
District Enrollment (natural log)		-1.609*** (0.441)	-1.800*** (0.451)	-2.116*** (0.433)	-6.455 (5.752)
Mills			-0.409*** (0.0884)	-0.417*** (0.0867)	-0.298** (0.104)
Private School Enrollment (%)			-0.176 (0.160)	-0.164 (0.154)	
Owner-Occupied Residence (%)			-0.147*** (0.0395)	-0.152*** (0.0385)	
Observations	2144	2143	2123	2123	2141
$R^2$	0.022	0.056	0.078	0.088	0.035
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes
District Fixed Effects	No	No	No	No	Yes
Academic Designations	No	No	No	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses  
\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$



## Subsample With Proficiency Rate Within Interquartile Range

Table A.11: Linear Probability Models for Levy Passage for Districts in Proficiency IQR

	(1)	(2)	(3)	(4)	(5)
	Pass	Pass	Pass	Pass	Pass
AYP Failure	-0.0541*	-0.0515	-0.0496	-0.0505	-0.0658*
	(0.0273)	(0.0264)	(0.0261)	(0.0265)	(0.0324)
Current Millage		0.0198***	0.0211***	0.0213***	0.0504***
		(0.00280)	(0.00283)	(0.00284)	(0.00702)
Property Values (per pupil)		-0.00894*	-0.00821*	-0.00827*	0.0357
		(0.00391)	(0.00415)	(0.00415)	(0.0223)
Tot. Expenditures (per pupil)		-0.0403	-0.0478	-0.0484	-0.0157
		(0.0321)	(0.0325)	(0.0325)	(0.0628)
Instructional Expenditures (per pupil)		0.0133	0.0178	0.0195	-0.0763
		(0.0559)	(0.0560)	(0.0556)	(0.115)
Black (%)		-0.0000319	0.000604	0.000606	-0.00117
		(0.00268)	(0.00269)	(0.00271)	(0.0253)
Hispanic(%)		0.00996	0.00859	0.00887	0.00575
		(0.00535)	(0.00533)	(0.00531)	(0.0299)
English-Learners (%)		-0.0133*	-0.0118	-0.0117	-0.0195
		(0.00664)	(0.00645)	(0.00632)	(0.0209)
Poor (%)		-0.000216	-0.000599	-0.000698	-0.00105
		(0.00155)	(0.00170)	(0.00172)	(0.00332)
Disabled (%)		0.0000671	-0.000194	-0.000259	0.000872
		(0.00588)	(0.00574)	(0.00575)	(0.0151)
District Enrollment (natural log)		-0.00444	-0.0156	-0.0141	-0.678
		(0.0250)	(0.0246)	(0.0249)	(0.394)
Mills			-0.0237***	-0.0237***	-0.0184**
			(0.00460)	(0.00461)	(0.00561)
Private School Enrollment (%)			-0.00259	-0.00271	
			(0.00725)	(0.00727)	
Owner-Occupied Residence (%)			-0.00410	-0.00408	
			(0.00224)	(0.00225)	
Constant	0.490***	0.540**	0.793**	0.729**	-0.306
	(0.0574)	(0.163)	(0.266)	(0.272)	(0.674)
Observations	1511	1510	1483	1483	1508
$R^2$	0.011	0.058	0.081	0.082	0.079
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes
District Fixed Effects	No	No	No	No	Yes
Academic Designations	No	No	No	Yes	Yes

Heteroskedasticity robust standard errors clustered at the district level in parentheses

\*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

## Substantive Significance of Effects

The substantive significance of voters using AYP information when casting their ballots in local levy elections is significant. For the purposes of illustration, consider the implications of failing AYP on the revenues of public school districts using data from 2010 elections. In our sample, the magnitude of the average levy request was 4.8 mills and the average per-pupil value of taxable property was \$145,200, so passage of a typical levy resulted in an additional \$696.96 of financing per pupil. This amount is equal to approximately 13 percent of the \$5,279 average instructional spending per pupil or about 6 percent of total district funds. Using the coefficient estimate from our preferred fixed-effects specifications, one finds that almost 7 percent of districts that failed AYP saw voters reject a levy request, resulting in a substantial loss of resources for these districts.

Additionally, the probability of AYP failure was more than 50 percent greater in high-poverty districts than in low-poverty districts. Because high-poverty districts also began with lower levels of local funding (\$3,994 in 2010, compared to \$4,997 in wealthier districts), the federal designation only exacerbated the disparity in local tax resources between advantaged and disadvantaged districts. While this outcome is not necessarily a general feature of performance federalism, it does highlight the potential distributive consequences of poorly designed performance measures.