

Investing in Pennsylvania's Public Schools So Every Student Can Achieve

Pennsylvania must fully and fairly fund our education system so schools have the resources needed for all children to meet academic standards and be prepared for college or a career. But Pennsylvania's school funding system is broken.

The State of Education Funding in Pennsylvania: Unfair and Inadequate

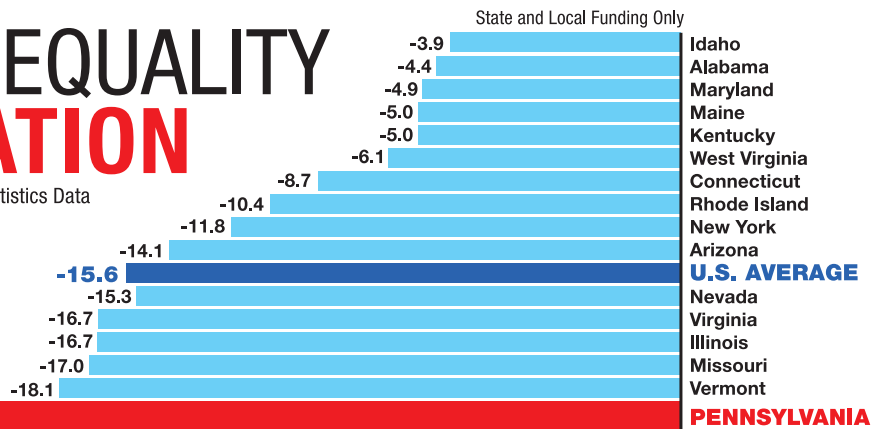
Pennsylvania has the widest funding gap between wealthy and poor school districts of any state in the country. The state's wealthiest school districts spend 33% more on each student than its poorest school districts.

PA FUNDING INEQUALITY WORST IN NATION

Washington Post, based on National Center for Education Statistics Data

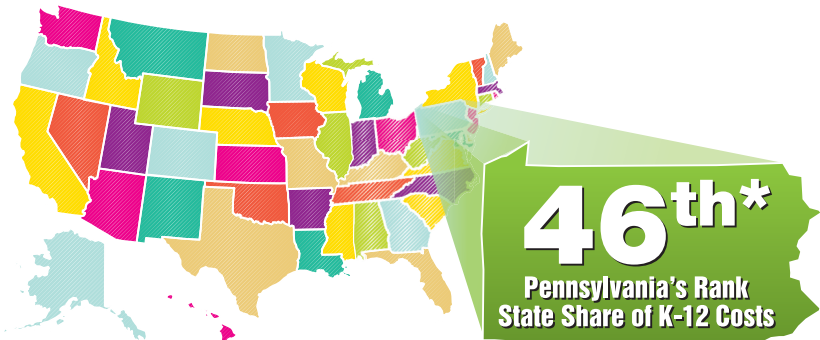


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Most Pennsylvania's public schools are inadequately funded. **Four of every five Pennsylvania school districts do not spend an amount adequate to provide all students the resources needed to have a fair chance to succeed.**¹

The funding adequacy gap arises largely because Pennsylvania is not paying its fair share of education costs. **On average, states across the country cover 45% of school funding costs, but Pennsylvania's contribution to education funding is only 37%, among the lowest in the nation.**² As a result, Pennsylvania schools are overly dependent on local school districts, which account for 56% of school funding.



That means lost opportunities for students to participate in valuable science, technology, and math programs; receive enough personal attention from their teachers due to growing class sizes; get extra help when they need it; have access to up-to-date books and technology; or participate in vocational training and extracurricular activities. For example, this year:³

37%
of school districts
increased class size

33%
of school districts
reduced staff

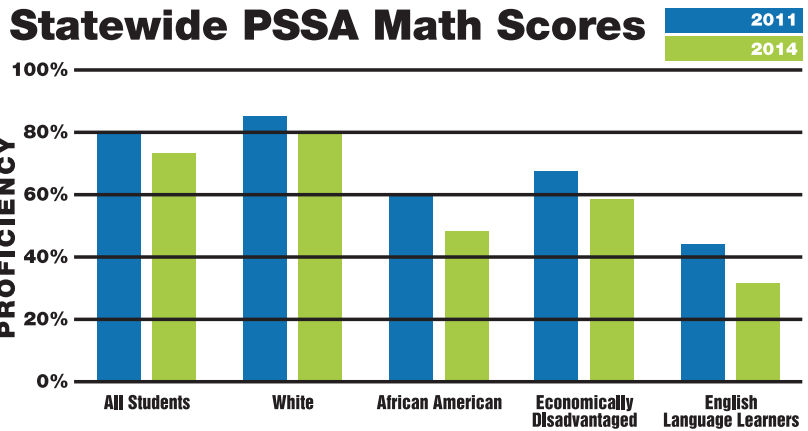
37%
of school districts
cut academic programs

Sustained Spending Increases Can Lead to Improved Student Performance

Increased per-pupil spending can bolster student performance. Research shows that more per-pupil spending leads to significant growth in math, reading, science and social studies test scores for 4th and 8th grade students.⁴

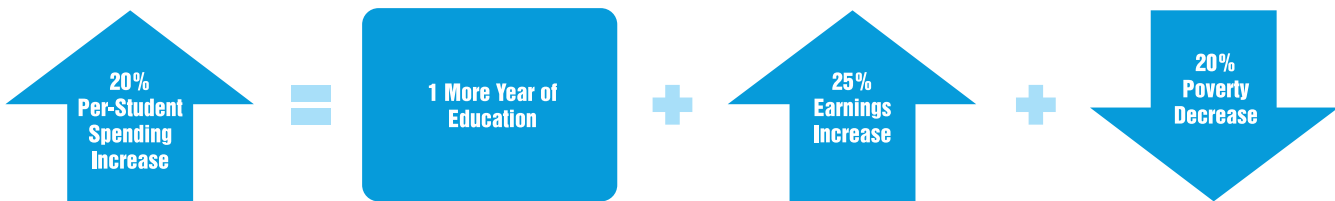
In contrast, during a period when state funding lagged here in Pennsylvania, student performance suffered, particularly among low income and minority students.

This affects not only students themselves, but also costs Pennsylvania's economy a projected \$1 - 3 billion in lost earnings or \$1 - 2 billion in diminished GDP annually.⁵



[Pittsburgh Post-Gazette, 2015]

Research on school finance reform in other states found that sustained, long-term increases in per-pupil spending led to increases in educational attainment and the likelihood that poor children graduate from high school, which in turn increased future family income.⁶



Estimated annual gains to Pennsylvania's economy if the performance gaps among race-ethnicity or economic status were closed total between \$3 and \$5 billion dollars for each group.⁷

A Good First Step: New Education Funding Formula and More Dollars

Governor Wolf and the state legislature have worked together already, in a bipartisan way, to begin tackling this problem. In 2016, they enacted a fair funding formula to direct how new education dollars are distributed among school districts, based on factors like students' needs and the ability of school districts to pay their share. They also increased funding by \$400 million over two years.

Many school districts reported being able to avoid expanding class sizes, cutting programs, and reducing staff because of the new formula and higher state funding last year, so more funding does have an impact, but that must be consistent and sustained.

The Solution

State lawmakers must make greater, sustainable investments in students through the new fair funding formula and to find the revenues to support them. To fund our schools fairly and adequately, the Campaign for Fair Education Funding urges the state to increase its investment through the fair funding formula by about \$3 billion over the next several years. This should include a significant increase in state funding for schools in the 2017-18 budget year.

1. "The Cost of Adequate Education Funding," Public Interest Law Center (December 2016) <http://www.pilcop.org/the-cost-of-adequate-education-funding-an-updated-report/>
 2. "Public Elementary-Secondary Education Finance, US Census Bureau." 2014, www.census.gov/govs/school/.
 3. PASA-PASBO Report on School District Budgets, February 2017.
 4. Baker, Bruce and Levin, Jesse, "Educational Equity, Adequacy, and Equal Opportunity in the Commonwealth: An Evaluation of Pennsylvania's School Finance System," (American Institutes for Research, 2014).
 5. Karoly, Lynn A, "The Economic Impact of Achievement Gaps in Pennsylvania's Public Schools," (RAND Corporation, 2015) http://www.rand.org/pubs/research_reports/RR1159.html
 6. Jackson, C. K., Johnson, R., & Persico, C, "The Effect of School Finance Reforms on the Distribution of Spending, Academic Achievement, and Adult Outcomes" (National Bureau of Economic Research, 2014).
 7. Karoly, Lynn A, "The Economic Impact of Achievement Gaps in Pennsylvania's Public Schools," (RAND Corporation, 2015) http://www.rand.org/pubs/research_reports/RR1159.html