



Education Funding Commission is a Distraction from Real Issues: Part I-Equity

What is the most pressing problem with public education in Pennsylvania? According to the teachers' unions, the Governor, the education establishment, and their allies in the Legislature, it is inadequate and unfair funding of schools. The same argument that has been made for decades. And recently arrived is yet another commission report offering more schemes to solve the purported funding issues.

This comes against the backdrop of National Association of Educational Progress (NAEP) 2013 statistics that show Pennsylvania's overall academic achievement record through 8th grade stacks up well nationally—beating the national averages handily and certainly far from the disaster some portray it to be in order to justify large increases in funding. The record is somewhat better for white students (ranked 7th highest among the 50 states in 8th grade reading and math) than black students (ranked 14th in 8th grade math and 15th in fourth grade reading). Unfortunately, the NAEP reports 12th grade results for only a handful of states so it is not possible to do a similar comparison of Pennsylvania with other states for high school seniors. This could be an area of concern given the tendency in many districts for achievement scores to drop in the higher grades relative to those in elementary schools.

But returning to the original question posed above, the correct answer to “what is the most pressing problem with public education,” is simple. To wit, it is the ongoing miserable failure of many school districts to educate children to anything approaching an acceptable level of competence despite expenditures per student far above the state average. And we know this because there are school districts in Pennsylvania that spend at or below the state average per pupil (\$15,019) and yet have high schools that rank among the top schools in the state on academic achievement (Peters, Hampton, and Pine-Richland are prime examples). Thus, spending levels alone cannot be the answer.

And what else do we know to be true? Top ranked academic performance districts compared to very poor performing districts with well above average per student outlays receive a relative pittance in state funding compared to the amounts received by those poorly performing districts. Data to illustrate this truth are shown below.

The question then arises: what educational metric, other than achievement test scores, is most different between high schools with excellent performance in the low spending districts and high schools with abject performance failure in high spending districts? The answer: absenteeism, especially in high schools. Not teacher qualifications, not the absence of free breakfasts or free lunches, not the absence of remedial programs, not the lack of access to resources, not lack of special programs. Absenteeism is a huge difference. There might be other corollary measures but absenteeism is a place to start because it serves as a proxy for a lack of interest in, and commitment to, becoming educated.

Part II of this *Brief*, to be released shortly, will provide an empirical demonstration of the correlation of high absenteeism and extremely poor academic achievement.

Back to the questions of funding adequacy and fairness. Consider the following data. The ten lowest ranked school systems based on academic achievement in the 2013-2014 school year include in order, Duquesne, Wilkinsburg, Sto-Rox, Chester-Upland, Steelton Highspire, Aliquippa, Clairton, Greater Johnstown, Farrell, and Reading.

Using PA Department of Education data we find that in the 2013-2014 these ten failing districts had average (non-weighted) revenue per student of \$16,684 of which ***\$10,562 came from state funding***, \$4,545 was raised locally and \$1,186 came from Federal sources. Other sources such as debt issues and private gifts make up the small remaining amount of funding. Bear in mind that average total spending per student in Pennsylvania was \$15,019.

Within this group of poorest performing districts, Duquesne led with \$25,603 in total revenue per student; \$20,310 came from the state and \$1,534 from Federal sources. And yet Duquesne, despite this enormous revenue, was the lowest ranked district academically. Chester-Upland, Farrell, and Clairton each received more than \$10,000 per pupil from the state. None of the ten received less than \$7,000 per student from the state with six of the remaining districts getting \$8,000 to \$9,400.

By contrast, the top ten ranked districts (Unionville–Chadds Ford, South Fayette, Rose Tree, Lower Merion, Radnor, Tredyffrin East Town, Garnet Valley, Lower Moreland, Mars, and Mt. Lebanon) had average revenue of \$17,767 per student—excluding Lower Merion where local funding is so high that it distorts the total revenue of the group. Interestingly, the nine districts received an average of ***only \$2,935*** per student from the state, raised \$14,603 from local taxpayers, and got \$169 from Federal sources and \$62 from other. Lower Merion raised \$24,019 per student from local taxpayers and stands as the premier example of funding inequity for those who push the inequitable school funding issue. They might want to ask the teachers in Lower Merion if they would like to see that \$24,000 number cut sharply and along with it teacher compensation.

In short, the weakest performing districts received 3.6 times ($\$10,562/\$2,935$) more per student funding from state aid than the highest ranked districts. Meanwhile, the lowest ranked districts received nine times more in Federal money per student than the top

ranked districts. Someone needs to explain how districts like Wilkinsburg, with its \$23,437 per pupil revenue, can have the second worst academic performance in the state—and more generally why so many districts with huge amounts of revenue, with much of it from the state, are unable to deliver something approximating even a bare minimum level of academic proficiency. The key question we ought to be asking is: how likely is it that even more state dollars will turn the situation around in the high spending districts in the bottom tier of performers in light of the countless programs that have been tried and found to be ineffective over the decades? Maybe something new and dramatic such as vouchers would be a better plan. But that is unlikely as long as funding can be kept in the forefront of needed policy changes by education lobbyists as being the critical issue.

Here is another problem for the funding reformers to deal with. The ability of well-off districts such as Lower Merion and others to raise easily vast amounts of money for education creates a distortion in the school funding picture compared to the funding levels in most districts. Does the Legislature plan to tell these rich districts that they will not be permitted to raise so much money for education? Unless that happens the argument that Pennsylvania is not providing enough state funding will never go away.

What we know from the facts as opposed to rhetoric is that the state's taxpayers are spending enormous sums of money on failing schools that are not getting better, while very good schools are raising the lion's share of their funds locally.

Tinkering with the funding formula will not solve what ails Pennsylvania education.

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