



# Budget Facts 2011

from the COMMONWEALTH FOUNDATION

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## Pennsylvania Education Spending

Gov. Tom Corbett's FY 2011-12 budget proposal includes \$63.6 billion in total operating spending—\$27.3 billion in General Fund spending—a reduction of \$3.3 billion from FY 2010-11. This budget restores overall spending to pre-stimulus levels and proposes no new taxes. This is the sixth in a series of fact sheets on the state budget.

### PENNSYLVANIA PUBLIC SCHOOL SPENDING CONTINUES TO GROW

- K-12 public education spending has dramatically increased in Pennsylvania.
  - Pennsylvania's education spending increased from \$4 billion in 1980 to more than \$25 billion in 2009—a 133% increase in per-student spending, after adjusting for inflation.
  - Pennsylvania school districts spent more than \$13,000 per student in 2008-09.
- School construction and debt spending has *doubled* in a decade.
  - Prevailing wage laws increase the cost of construction by 20% or more; repealing this mandate would save \$400 million annually in taxpayer-funded construction costs.

### PUBLIC SCHOOL STAFFING HAS INCREASED WHILE ENROLLMENT HAS DECLINED

- Since 2000, enrollment has *decreased* by 26,960 while schools **have** hired **32,937 more staff** members.
  - Most of these new employees pay dues to the PSEA labor union, which runs one of the largest political action committees in Pennsylvania.
  - The PSEA, Pennsylvania School Board Association, and other groups receive tens of millions of dollars from school districts while lobbying for more education spending and against substantive education reforms, including school choice and taxpayer control of tax increases.

Pennsylvania Public School Enrollment and Staff

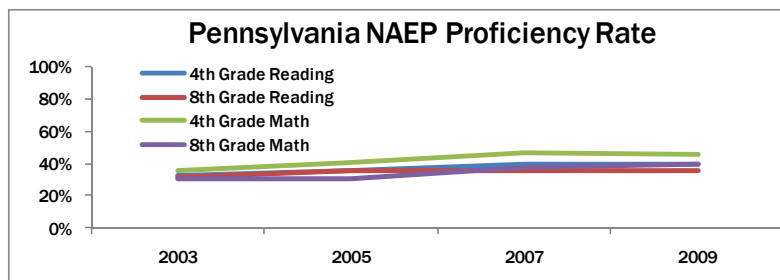
	2000	2009	Change
Enrollment	1,814,311	1,787,351	-26,960
Total Staff	231,770	264,697	32,927

(includes public charter schools)

Source: PA Department of Education

### K-12 PUBLIC EDUCATION PERFORMANCE HAS STAGNATED

- Despite these spending and staff increases, performance on the National Assessment of Educational Progress, the national exam used to compare state performance, has changed little.
  - Academic studies have found **little or no correlation** between student achievement and class size, teacher salaries, or per-pupil expenditures.
    - A 2010 study by 21<sup>st</sup> Century Partnership for Science, Technology, Engineering, and Mathematics Education (21PSTEM) comparing 11<sup>th</sup> grade math, reading, and science scores on state tests with district



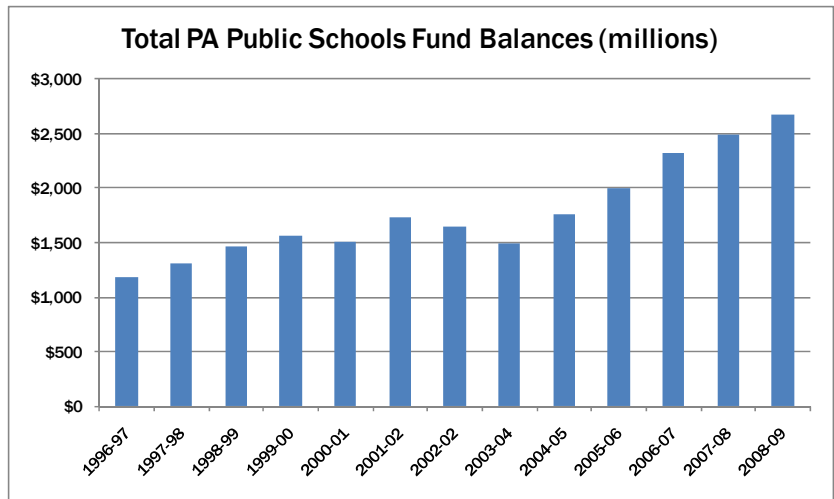
per-pupil spending found low-spending districts often outperform high-spending ones.

- Another 21PSTEM study looked at the 30 Pennsylvania school districts that improved the most on 11<sup>th</sup> grade reading and math performance and the 30 districts that declined the most from 2004 to 2010. Schools that declined actually had **higher** increases in total per-pupil spending.

- Pennsylvania ranks 43<sup>rd</sup> in the nation in combined SAT score, and scores have not improved over time.

**PUBLIC SCHOOLS HAVE \$2.7 BILLION IN RESERVES**

- At the end of the 2008-09 school year, public schools had \$2.68 billion in General Fund reserves.
  - This includes \$1.77 billion in undesignated funds, and \$907 million in funds designated for specific future use.
  - School reserve funds have grown by 127% (from \$1.1 billion to \$2.7 billion) since 1996-97.



**SCHOOL CHOICE COSTS TAXPAYER LESS**

Private schools, charter schools, and homeschools educate more than 395,000 at far less a cost to taxpayers than the \$13,000 per student spent by school districts.

- More than 300,000 students attend private and nonpublic schools, with state support (including transportation costs going to school districts) of less than \$1,000 per pupil.
  - Educational Improvement Tax Credit scholarships—**which averaged about \$1,100 in 2008-09**—served approximately 45,000 of these students, with an average family income of less than \$30,000.
- Charter schools, including cyber charter schools, served 73,000 students in 2008-09 at about \$1,500 less per student than school districts spent.
- Approximately 22,000 students are homeschooled in Pennsylvania. Homeschool parents receive no direct taxpayer support.
- In total, school choice saved taxpayers **more than \$4 billion**, based on school district spending per student.

**Total Taxpayer Savings from Students Attending Alternative Schools**

2008-09 School Year

	Savings Per Student*	Number of Students	Total Savings
Private and Nonpublic	\$12,179	300,008	\$3,653,843,158
EITC Scholarship Students	\$11,077	44,893	\$497,286,603
Home School	\$13,145	22,316	\$293,343,820
Public Charter (Total)	\$1,495	73,054	\$109,197,291
Cyber Charter	\$2,935	20,406	\$59,895,459
<b>Total</b>		<b>395,378</b>	<b>\$4,056,384,269</b>

\* Includes Tax Credits for EITC Scholarships as Cost

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For more information on the Pennsylvania State Budget, visit [CommonwealthFoundation.org/Budget](http://CommonwealthFoundation.org/Budget)

