

Education Funding SUMMARY

An Update From

STATE SENATOR MIKE WAUGH



2008-2009 STATE BUDGET & BASIC EDUCATION FUNDING FORMULA

2008-2009 BUDGET RECAP

On July 4, 2008, the legislature approved and Governor Rendell signed the 2008-2009 General Appropriations bill, SB 1389, as well as the omnibus Public School Code bill, HB 1067. While this was a difficult budget year financially, we were able to make great strides with respect to education funding, from increasing line items to modernizing the funding formula.

Many line items received an increase over the 2007-2008 funding levels, including Basic Education, which rose by an additional \$274.7 million, bringing this year's appropriation to \$5.226 billion. The appropriation for Special Education has been increased by \$16.777 million, and the subsidy paid to school districts was raised by \$15.4 million, a 1.7% increase over last year. With the increase

in funds for Charter School Reimbursements, all school districts will receive the full 30% reimbursement.

Table 1 below outlines a number of key line items, including the increase in Science and Math Education Programs, which so many York County teachers requested due to the success of Science in Motion and Advancing Science programs in their classrooms.

Table 1: Education Line Items

| LINE ITEM | 2007-2008 | 2008-2009 | DIFFERENCE |
|---------------------------|-------------------|-------------------|-------------------|
| Basic Education | \$4.951 Billion | \$5.226 Billion | \$274.713 Million |
| Special Education | \$1.010 Billion | \$1.027 Billion | \$16.777 Million |
| Pre-K Counts | \$75 Million | \$86.412 Million | \$11.412 Million |
| Science: It's Elementary | \$13.5 Million | \$14.5 Million | \$1 Million |
| Science and Math Ed* | \$2.545 Million | \$2.707 Million | \$162,000 |
| Classrooms for the Future | \$90 Million | \$45 Million | - \$45 Million |
| Charter School Reimburse | \$161.261 Million | \$226.936 Million | \$65.675 Million |

*Science and Math Education funds programs such as Science in Motion/Advancing Science

SCHOOL DISTRICTS AUTHORIZED TO REOPEN BUDGETS

The board of school directors of each district is authorized to reopen its 2008-2009 budget in order to make necessary adjustments in response to state allocations for the fiscal year.

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GRADUATION COMPETENCY ASSESSMENTS (GCAS)

In light of concerns over the proposed GCAs, HB 1067 prohibits any further action to be taken to change high school graduation requirements during the 2008-2009 year.

EDUCATION FUNDING FORMULA

Included in the many elements of the omnibus Public School Code bill, HB 1067, was a measure that has been a topic of debate for many years in the legislature, and therefore, I am pleased to finally be able to report that a new education funding formula has been established.

Generally speaking, the formula

has been developed to ensure every school district in Pennsylvania receives a minimum increase of 3%, and it is estimated that of the 12 school districts within the 28th Senatorial District, three will receive the minimum increase with the rest of the districts receiving increases ranging from 3.4% to 15.8%. Table 2 below provides a

breakdown of the dollar and percent increases each school district will receive for Basic and Special Education.

School districts that receive an increase above the index (4.4%) are required to submit a plan on how they intend to spend the additional funds.

Table 2: Basic Education Funding (BEF) and Special Education Funding (SEF) Per School District

| SCHOOL DISTRICT | 2008-09 BEF | \$ INC. | % INC. | 2008-09 SEF | \$ INC. | % INC. |
|-------------------------|--------------|-------------|--------|-------------|-----------|--------|
| Central York SD | \$5,828,631 | \$49,145 | 8.3% | \$1,896,580 | \$38,952 | 2.1% |
| Dallastown Area SD | \$7,885,250 | \$229,667 | 3.0% | \$2,415,071 | \$40,355 | 1.7% |
| Hanover Public SD | \$2,266,647 | \$162,912 | 7.7% | \$ 826,579 | \$10,260 | 1.3% |
| Northeastern York SD | \$9,979,823 | \$924,752 | 10.2% | \$1,698,173 | \$35,342 | 2.1% |
| Red Lion Area SD | \$13,673,717 | \$643,059 | 4.9% | \$2,733,261 | \$58,569 | 2.2% |
| South Eastern SD | \$7,568,097 | \$559,030 | 8.0% | \$1,681,313 | \$30,720 | 1.9% |
| South Western SD | \$9,432,902 | \$307,551 | 3.4% | \$1,956,857 | \$33,920 | 1.8% |
| Southern York County SD | \$7,272,067 | \$211,808 | 3.0% | \$1,589,961 | \$24,727 | 1.6% |
| Spring Grove Area SD | \$10,035,744 | \$429,990 | 4.5% | \$2,024,739 | \$34,463 | 1.7% |
| West York Area SD | \$4,776,959 | \$401,576 | 9.2% | \$1,399,853 | \$25,901 | 1.9% |
| York City SD | \$41,834,923 | \$5,695,303 | 15.8% | \$5,222,494 | \$103,220 | 2.0% |
| York Suburban SD | \$1,659,548 | \$48,336 | 3.0% | \$1,096,358 | \$13,873 | 1.3% |

FORMULA BASICS

A spending target for each school district is determined using the following factors:

- Number of students
- Students living in poverty
- School district size
- Number of English language learners
- Cost of Living in the school district

The spending target is then compared to the district's actual spending.

Funding will be provided to close the gap between the difference in the spending target and the actual spending.

Districts with high local tax effort will receive 16% of the difference.

Districts with low to average local tax effort will receive 10% of the difference.