

Budget increases state aid to schools

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By Eleanor Chute, Pittsburgh Post-Gazette

For the first time since the early 1990s, the state Legislature has passed a budget ensuring that state basic education money for school districts is based on a stable funding formula.

The vote not only affects this year's budget but also sets a goal of spending an additional \$2.6 billion over six years to help ensure that all students have adequate resources.

The state took the first step toward that goal by increasing basic education money to school districts by 5.5 percent, or \$274 million, for 2008-09, bringing the total to \$5.2 billion.

Twenty-eight education, religious and other groups had lobbied heavily for the new formula, which grew out of recommendations from a costing-out study released last fall.

The study, commissioned by the Legislature, said Pennsylvania was spending too little on education, computed how much money needed to be spent to ensure each student had adequate resources, and called on the state to fill the gap within six years.

The study set the figure at \$4.8 billion, but it included a wider range of education programs than just the basic education subsidy.

After Friday's budget vote, members of the Pennsylvania School Funding Campaign, the group fighting for the formula's passage and the long-range commitment, praised the action.

"This is an important first step toward giving the children and schools of the Commonwealth an adequate, equitable and predictable school funding system," said Ron Cowell, president of the Education Policy and Leadership Center.

James Testerman, president of the Pennsylvania State Education Association, a teachers union, called the action a "historic piece of legislation ensuring that public education funding will remain a priority of state government for years to come."

Tim Allwein, assistant executive director of governmental and member relations for the Pennsylvania School Boards Association, said, "The key to containing increased property taxes is for the state to increase its share of school costs and to continue to do so. This year's budget is a great step in that direction."

While the average increase in basic subsidy is 5.5 percent, districts are guaranteed a minimum of 3 percent.

How much above that they receive depends on where their needs fall in the new formula.

The formula starts with a base cost of \$8,355 per student. It then adjusts for various factors, including poverty, district size, geographic price difference and the number of English language learners.

In Allegheny County, nearly half of the 43 districts will receive the minimum increase of 3 percent, but the others will receive higher percentages based on the formula.

The top percentage increase in the county is Chartiers Valley at 11.06 percent, followed by South Allegheny, 9.95 percent; East Allegheny, 9.78 percent; West Mifflin Area, 8.83 percent; and Baldwin-Whitehall, 8.71 percent.

Pittsburgh's basic education funding is going up 5.77 percent for two reasons: It will receive \$4.3 million to provide the minimum 3 percent increase and another \$4 million called Commonwealth Partnership Funding.

In other Western Pennsylvania counties, the highest percentages for each county are Armstrong County, Apollo-Ridge School District, 4.25 percent; Beaver County, Big Beaver Falls Area, 5.22 percent; Butler County, Moniteau, 4.59 percent; Fayette County, Uniontown Area, 5.15 percent; Greene County, Central Greene, 5.06 percent; Washington County, Washington, 6.84 percent; and Westmoreland County, New Kensington-Arnold, 8.97 percent.

Of the 501 school districts in Pennsylvania, 21 received higher percentage increases than Chartiers Valley, none of them in Western Pennsylvania.

The highest increase statewide is Upper Darby School District in Delaware County at 22.42 percent.

The percentage increases for special education are more modest, with an average of 1.66 percent. That amounts to a \$16.77 million increase, bringing the total to \$1 billion.

The Legislature did not overhaul the special education funding formula, which has long been a point of contention, particularly in school districts with large numbers of special education students.

The lawmakers boosted charter school reimbursements to school districts by 40.7 percent, an increase of \$65.67 million, bringing the total to \$226.93 million.

Under state law, school districts must pay a fee set by the state for each resident enrolled in a charter school. The state later reimburses the district for a portion of it.

The allocated money will provide a reimbursement of up to 30 percent, subject to availability of money, to most districts. In certain circumstances, a school district may receive a reimbursement of up to 41.96 percent.

School districts may be eligible for the higher rate if the number of students enrolled in a charter school exceeds 12 percent of the district's enrollment; charter school payments exceed \$1 million; and a high portion of students are low-income.

The Legislature cut funding in two areas, accountability block grants and educational assistance programs.

Accountability block grants were reduced by 1.3 percent for all districts, resulting in an allocation of \$271.4 million and total reduction of \$3.57 million.

The accountability grants, which began in 2004-05, help school districts pay for full-day kindergarten, tutoring, teacher training and other programs aimed at increasing achievement.

The allocation for educational assistance programs, which provide tutoring in certain schools where students fail to meet academic performance targets, was reduced by 1.3 percent. That's a cut of \$858,000, bringing the amount available to \$65.14 million.

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