



PUBLIC INTEREST LAW CENTER OF PHILADELPHIA

AFFILIATED WITH THE LAWYERS COMMITTEE FOR CIVIL RIGHTS UNDER LAW

Large State Education Funding Gaps Continue

Pennsylvania's gaps between well funded and underfunded school districts continued to grow last year. State data for 2006-07 reveals that the gaps between the highest and lowest spending districts were larger than in 2005-06. For Philadelphia the gap in funds available to it compared with neighboring school districts also increased, from \$2,378 per student to nearly \$2,928 per student because of the cost cutting by Philadelphia to prevent a deficit. These increases are important because the Costing Out Study commissioned by the General Assembly based its report on the 2005-06 figures. These numbers show that the large shortfalls shown by that report have not abated.

Low State Funding

The state data showed that in 2006-07 the state share of the cost of educating students from K-12 grades crept up from its low of 35.4 percent to 36.08. According to the census, only six states contributed a smaller percentage.

Large Gaps Between Districts in Funding Students

As a result, the gaps between the school districts in wealthy areas and school districts with little ability to raise revenues stayed substantial. The Public Interest Law Center of Philadelphia has calculated the gaps between the average amount spent by the top 20% of the school districts (100 districts) and the rest of the districts, which is the standard adopted by the New Jersey Supreme Court. In 2007, ten districts had gaps greater than \$6,000 per student, 331 districts (66 percent) had gaps of \$3,000 per student and there are 210 districts (42 percent) with gaps in excess of \$4,000 per student. A \$4,000 gap in a class of 25 children is \$100,000. The gap with the median spending school district is down slightly from \$3,843 to \$3,746.

Cities with wide gaps, all greater than Philadelphia's, are: Reading \$6,154; Allentown \$5,998; Altoona \$5,176; Scranton \$4,704; Erie \$4,034; York \$4,033; and Wilkes Barre \$3,987. Philadelphia's gap is \$3,475, an increase of \$232 from last year.

The range of spending by districts on a per student basis in Pennsylvania is also one of the highest in the country. The amount spent on a student's education, depending on where they happened to live in the state, ranged from \$8,174 to \$23,009, and that spread is \$1,125 greater than last year.

A district by district list of the Expenditure Gaps for 2006-07 can be found on the Law Center's web site at <http://www.pilcop.org/efq.mpl>.

Philadelphia's Gap

In the Philadelphia region the gap between rich and poorer districts grew substantially. Philadelphia's spending per student, for example, was \$2,928 less than its 61 neighboring districts in the four surrounding counties, compared to \$2,378 last year. Twelve of those school

districts spent in excess of \$5,000 per student more than Philadelphia and another 13 spent in excess of \$3,000 more per student. Only four districts in the region spend less. If Philadelphia spent the \$2,928 more per student that its neighbors on average spend, it would need \$597 million in additional revenue. The students in these 61 districts all compete for jobs in the same labor market, but some students have double the investment of public funds behind them, for 12 years.

New State-Wide Funding Formula Proposal

Although conducted on a different basis, the Law Center Gap Analysis produces results broadly similar to those of the state's Costing Out Study released last November which can be found via the PDE home page: http://www.pde.state.pa.us/pde_internet/site/default.asp?g=0 The Governor has responded to that study with a proposal to increase state funding by \$2.6 billion over 6 years, bringing the state share to approximately 44 percent. That proposal, with a few recommended changes, is being supported by a wide coalition of education advocates and organizations, including the Public Interest Law Center of Philadelphia because it will help reduce the disparities and gaps shown by this report. The Coalition is called the Pennsylvania School Funding Campaign and further information can be found on its website at www.paschoolfunding.org or from Michael Churchill at 215-627-7100, ext. 228.

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