

Good Schools Pennsylvania

For Immediate Release

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School funding principles should guide education budget

Harrisburg, Pa. (June 8, 2009) -- As the House Appropriations Committee considers the state education budget this week, Good Schools Pennsylvania calls on legislators to maintain Pennsylvania's commitment to an effective system of education finance.

"Pennsylvania cannot afford to lose ground on sound school funding principles," said Janis Risch, executive director. "The strength of the new school funding formula enacted last July is that it began to recognize the impact of the state's education finance policies on students, schools and communities. The key principles of adequacy, equity, accountability, efficiency and predictability should continue to guide this year's education budget."

Good Schools Pennsylvania expressed concern that the Senate's proposed education budget undermines the intent of the formula to address the adequacy of overall funding levels, as well as the equitable distribution of limited financial resources in ways that ensure all children - regardless of community wealth - have access to a high quality education.

By proposing to roll back state funding for all school districts to 2006 levels, students in the most financially distressed communities take the hardest hit. Reading School District, for instance (see graphs below), with nearly 80 percent of its students qualifying for the free and reduced lunch program, would see a \$2,200 cut per student in state funding, which constitutes a 38 percent cut in its state education subsidy. In contrast, Wissahickon School District, with no more than 7 percent of its students in poverty, would experience only a \$40 cut per student in state funding, or the equivalent of an 8 percent cut in its basic education subsidy. At the same time, the key indicators of school district aid ratio and local tax effort identify Reading School District as financially distressed.

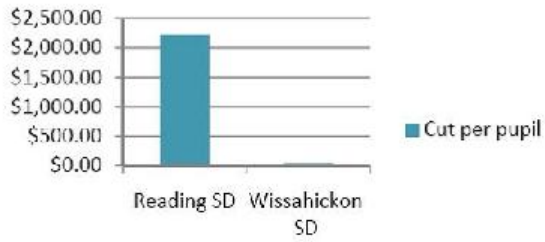
"This disproportionate cut in state funding will put many of the poorest school districts in a precarious position," said Risch. "They will face great difficulties in the short term in trying to use restricted Title I and IDEA funds to replace the state's basic education subsidy. Furthermore, they will be furthest behind the starting line when federal funding expires and must be replaced with state funding."

Holding state funding at 2008-09 levels and using the new formula to distribute federal stimulus dollars will help school districts to maintain existing programs impacted from declining local revenue collection. Additionally, school districts can benefit by using these one-time resources in ways most likely to lead to long-term gains in school system capacity and improved results for students. This might include, for instance, implementation of a new curriculum aligned with current rigorous educational standards or training for teachers and other staff in strategies for addressing the learning needs of students at risk of academic failure or needing remediation.

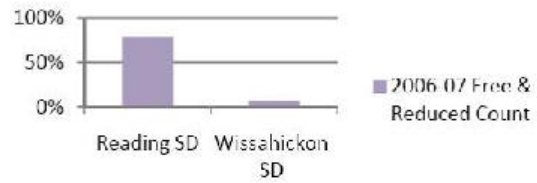
"Despite the challenging economy, we have a great opportunity to maintain our commitment to a sound system of education finance," said Risch. "If the federal stimulus funds are used wisely and accountably, school districts can improve student outcomes over the next two years and advance reforms that will have an even longer-term impact."

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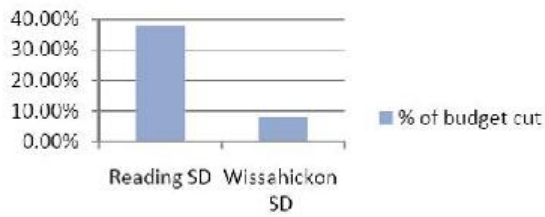
Cut Per Pupil



2006-07 Free & Reduced Lunch Count



% of Budget Cut



2008-09 Aid Ratio



Local Tax Effort

