

My name is Patrick O'Toole. I have been superintendent at Upper St. Clair School District in Upper St. Clair Township PA since 2007. Previously, I was superintendent at South Butler County School District in Butler County and Shenango Area School District in Lawrence County. I have been a superintendent for 14 years and a school administrator in Pennsylvania for 25 years.

I've been asked to testify today about the question of whether school enrollment should be considered in a state funding formula for basic education, K-12. Such a formula has traditionally been the mechanism for distributing state funds to local school district through what has been called "basic education subsidies."

From my experience, and as common sense would suggest, school enrollment should be an essential variable in any fair and equitable school funding formula.

The lack of a cogent school funding formula in Pennsylvania creates inequalities and unfairness, and I am hopeful that the statewide commission will help to bring about much needed change.

Any new school funding formula must give credence and strong consideration to school district enrollment. Currently district enrollment is considered an "indirect variable" in state basic education subsidies school district receive because the current basic education funding mechanism is based on an outdated school enrollment data from many years ago through a variable called, Weighted Average Daily Membership (WADM).

Since that time, the series of yearly increases has been tied back "de facto" to this time when enrollment was based on a "direct variable" through WADMs. This is one reason why schools such as Upper St. Clair with an enrollment of approximately 4,100 students receives more basic education funding than a smaller school district such as Quaker Valley with 1940 students.

Each year that the basic funding formula for state basic education subsidies are not directly tied to enrollment – and thus not a "direct variable" - the more inequitable the state funding mechanism becomes for many school districts because of fluctuating enrollments.

At Upper St. Clair, we have historically had a relatively stable year-to-year total enrollment, increasing slightly over a 20-year period. However, our community has several housing developments in progress that will impact our enrollment. Thus, given the lack of any real meaningful consideration of increases in funding based on enrollment increases, the local Upper St. Clair taxpayers will continue to absorb the additional costs associated with the anticipated increases in enrollment.

When enrollment is not directly considered in a funding formula, a school district that experiences an enrollment decrease, maintains the same level of funding. I hesitate to say this district gains an advantage, given the woefully inadequate level

of state funding, but by basis of comparison to schools with growing or stable enrollment, they do. On the other hand, districts that are experiencing an enrollment increase, with no corresponding increase to basic education subsidies, are disadvantaged by comparison.

Allow me to provide a personal example of the present broken system. My first superintendency was at Shenango Area School District in Lawrence County. Over a 20-year period, Shenango's enrollment has dropped 235 students. However, its relative share of the total state funding remained flat at (.110% to .109%). At my present district, Upper St. Clair, the enrollment during the same 20-year period has increased by 252 students. However, the district's relative share of the state funding declined slightly going from .135% to .129%.

Logic would inform you that it takes additional resources to educate additional students and fewer resources to educate fewer students. Additional costs associated with higher enrollments include, but are not limited to:

- Increases in employee compensation and benefits (e.g. PSERS, health care) for additional staff such as teachers and aides

- Facility needs to provide additional space for classrooms, etc.

- Increased transportation costs for busing

- Increased incidents of students requiring special services (e.g. special education; ELL; etc.)

- Additional supplies and equipment needs such as technology for students

- Additional security and legal expenses

- Additional tuition payments for special schools such a Career and Technical Centers (Vocational Schools), charter schools, and other outside-of-district placements

- Additional costs for remediation for students who are not proficient on Keystone exams and PSSA's

- Additional costs for PIMs and other NCLB-related mandates

In summary, the lack of a state funding formula that considers district enrollment, which is what we have today, further shifts the responsibility for school funding, especially in districts experiencing enrollment growth, to the local taxpayers – who already are paying an increasing share of the costs of education.

Thank you for allowing me to share my perspective on the broken system school funding in Pennsylvania and the need to consider district enrollment. My hope is that through the work of the Basic Education Funding Commission, the students and families in our local school districts will get what they deserve: **a school funding system in our Commonwealth that is fair, equitable, adequate, predictable, and sustainable.**