



# Pennsylvania

## Basic Education Funding Commission

*Perkiomen Valley High School*

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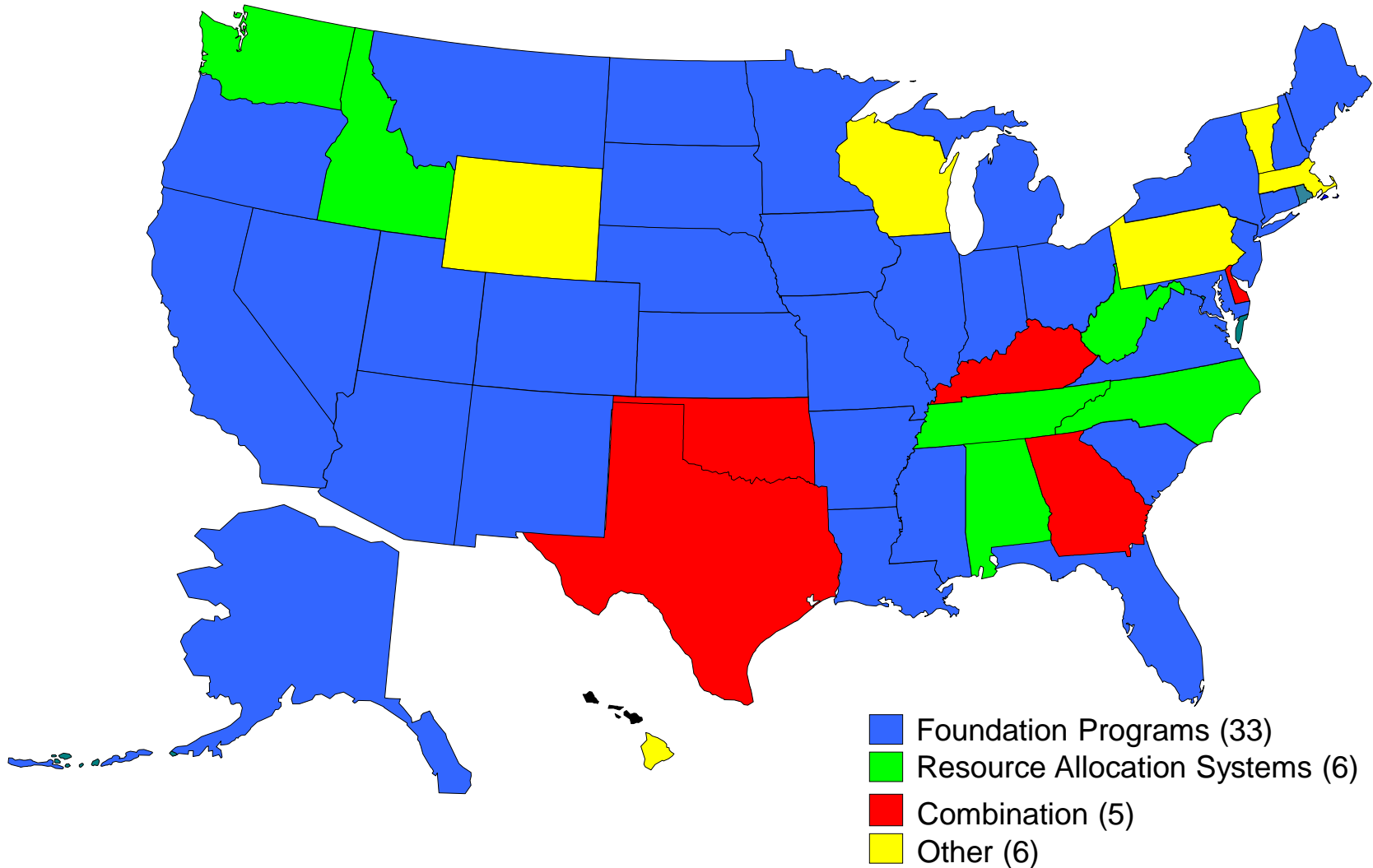
# Education Commission of the States

- ▶ Founded in 1965 to enlighten, equip and engage education policy makers
- ▶ Provides nonpartisan unbiased advice to policymakers throughout the country
- ▶ 53 member states, territories and the District of Columbia
- ▶ Web Site: [www.ecs.org](http://www.ecs.org)

# School Funding Presentation

- Overview of State Funding Formulas
- How States Fund High-Need Students
- Questions & Answers

# School Funding Formulas



# Resource Allocation System *(6 states)*

1. Identify education components
2. Cost-out each component
3. Calculate the amount of resources that each district should receive
4. Determine state vs. local split
5. Add on outside funding (*capital, transportation, other*)

# Why Have States Adopted Resource Allocation Systems?

- Clarity in the amount of resources that a district/school receives from the state
- States can use this system to dictate the number of teachers (and other resources) that should be in a school

# Why Haven't More States Adopted This System?

- It is seen by some as a “*top-down*” system
- No matter how many components you put into the system you may miss some
- Calculating the cost of each “education component” is time consuming both for the state and districts

# Foundation Formula *(33 States)*

1. Determine foundation/base amount
2. Count students with weights
3. Multiply student count by the foundation amount
4. Determine state vs. local split
5. Add on outside funding (*capital, transportation, other*)



# What Are Weighted Counts?

- In a foundation formula general education students are given a weight of 1.0
- Students with special needs are given additional weights

For Example: If it is determined that an At-risk student requires 50% additional funding then they would be given an additional weight of 0.5

# Why do so Many States Use a Foundation Formula

- Easy to establish
- Easily adjusted to meet a state's/district's educational needs and economic circumstances
- Provides districts with greater autonomy in decision making

# Programs Funded Outside of the Primary Formula

- Some programs are funded outside of the states primary formula – these are often called “categorical” programs
- The programs most commonly funded outside of the formula are:
  - Capital funding
  - Food services
  - Teacher retirement
  - Transportation

# Promising Practices Maryland

**Year Adopted:** 2002

**How is it calculated** - The new system uses a two-tiered foundation approach

**Straightforward** - 27 categorical programs were eliminated

**Educational Results** - Districts must now enter into agreements with the state about standards for student performance

# Promising Practices

## Massachusetts - *Chapter 70*

**Year Adopted:** 1993

**How is it calculated** – The formula uses a system of costs per student

**Complexity** – Chapter 70 funding is more complicated than foundation formulas but produces similar results

**Educational Results** – The funding system was adopted in the same year as the state's new accountability/assessment system

# Massachusetts – Chapter 70

## Calculation for a General Ed. Elementary Student – *FY 2015*

	Elementary Student
Administration	\$359
Instructional Leadership	\$649
Teachers	\$2,976
Other Teach Services	\$763
Pro Development	\$118
Instructional Equip & Tech	\$431
Guidance & Phycology	\$217
Pupil Services	\$129
Operation & Maintenance	\$827
Employee Benefits	\$745
<b>Total</b>	<b>\$7,214</b>

# ECS At-Risk Funding Study

- Findings:
  - 35 states provide some form of at-risk funding
  - 25 provide funding inside of the state funding formula
  - 10 provide funding outside of the state funding formula

# State At-Risk Funding

## *Inside the State Formula*

- Of the 25 states that provide funding inside of the state formula 24 provided at-risk students with an additional weight
- Weights varied from 1.8 (*Georgia*) to .0915 (*New Mexico*)
- The only state that did not provide a weight was Massachusetts - at-risk funds are provided on a per student basis (*\$2,702/elementary and \$3,341/secondary*)



# How are Students Identified?

- Of the 35 states that provide at-risk funding – 23 use some form of free/reduced price lunch to identify at-risk students
  - 15 states use free or reduced price (F/R L) lunch as their sole identifier for at-risk funding
  - 3 states use only free lunch as an identifier
  - 5 states use F/R L as one of the measures for identifying at-risk students

# What are States Doing

- 42 states provide some form of additional funding for ELL students
- The amount of additional funding ranges from 10% (Texas) to 99% (Maryland) (*AIR, 2012*)
- The average additional funding that states provide equates to 38.7% (*AIR, 2012*)

# Time Limits for ELL Students

- Arizona (Proposition 203)

*“...require that all classes be taught in English except that pupils who are classified as "English Learners" will be educated through sheltered English immersion programs during a temporary transition period”*

- Some states have looked at limiting the number of years that a school district could receive ELL funding for a student

# Additional Funding for Moving Students off of ELL Designation

- In the past California and Texas provided additional funding to districts based on how many students they were able to move off ELL designation

# Other School Funding Issues

- How do states decide what share of education funding to provide?
- What measures are used to determine a district's "ability to pay"?
- How can a state implement a new funding formula without new funds?

# For More Information

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