PA SCHOOLS WORK
INVEST IN STUDENTS, SECURE OUR FUTURE
What is Basic Education Funding (BEF)?

- The largest k-12 education line item in the state budget
- About $6 billion for 500 school districts
- Represents about 50% of all state funding to school districts
- Provides school districts with flexible funding
How is BEF distributed?

There are two components of BEF for school districts:

1. “Base” funding (what the district got in 2014-15)
2. “Formula” funding (the district’s share of funding added after 2014-15; based on dynamic metrics)
How is BEF distributed?

$698 Million

$5.55 Billion
How does the formula work?

• Every district gets its share of the pie based on its student population and district demographics

• The formula is dynamic, so a district’s share changes from year to year as data changes

• A district can get less from one year to the next
Part 1: Student Demographics

Total District ADMs

Weighted Student Count

- District’s Charter School Daily Membership
- Students with Limited English Proficiency
- Students in Poverty
- Students in Concentrated Acute Poverty
- Students in Acute Poverty
Part 2: District Demographics

- Weighted Student Count
- Sparsity/Size Adjustment

- Median Household Income Index
- Local Effort/Capacity Index

= Total District ADMs to Prorate
Changing Shares of the Pie

$698 million
How is BEF measuring up?

$4.67$ Billion

$2.24$ Billion

Change in Mandated Expenditures
Change in State Revenue

$\text{Source: PDE AFR data 2016-17 and 2017-18.}$

$\text{$\text{Change from 2010-11 to 2017-18 in Mandated Costs and State Funding}$}$

- Rev: Basic Education
- Rev: Pension
- Rev: Special Education
- Rev: Charter Schools

Exp: Pension Costs
Exp: Charter Schools
Exp: Special Education
How is BEF measuring up?

- **10.18%**  
  $1.82\text{ Billion (2017-18)}$  
  Percent increase in charter school tuition costs for school districts from 2017-18 over 2016-17.

- **4.26%**  
  $4.56\text{ Billion (2017-18)}$  
  Percent increase in special education costs for school districts from 2017-18 over 2016-17.

- **10.76%**  
  $3.74\text{ Billion (2017-18)}$  
  Percent increase in pension costs for school districts from 2017-18 over 2016-17.

Source: PDE AFR data 2016-17 and 2017-18.

$704\text{ million in school district expenditure growth in 1 year from these 3 items alone...}$
What’s the solution?

Greater state funding for BEF means a greater pie for all 500 school districts, less fiscal stress, reduced reliance on property taxes and, most importantly, more opportunity for PA students.
What can you do?

• GET SOCIAL: Invite your friends to “Like” PA Schools Work on Facebook & Follow on Twitter

• SIGN UP for PA Schools Work email updates

• CALL/WRITE your legislator to discuss the importance of greater state investment in BEF