

University of Pennsylvania  
**Fels Institute of Government**

*The Fight for Fair Funding in the State of  
Pennsylvania's High-Need School Districts*

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## **Abstract**

This policy memo aims to explore the public education system in the state of Pennsylvania, specifically focusing on the efficacy and adequacy of the education budget. The Pennsylvania Constitution guarantees that all children have access to a thorough and efficient system of public education that allows them to meet a comprehensive state academic standard as well as all graduation requirements. Despite the existence of this mandate, thousands of children find themselves denied school resources needed to succeed both in and outside of the academic environment. In 2016, Pennsylvania Governor Tom Wolf signed into law a new formula to distribute state education money to public schools. The main objective of the new funding formula was to equitably distribute state resources according to a variety of student and school district factors, reflecting on individual and community differences such as poverty, local effort, local capacity, rural and small district conditions. While advocates call this adoption a major step forward for the State, the effect of the change is in fact minimal. Lawmakers have used the funding formula to disperse only new increases in aid, which has locked in disparities created through years of non-formula-based distributions.<sup>1</sup>

The Education Law Center in Philadelphia has been a longstanding advocate for equitable and adequate state funding. They have played an integral role in the 2014 lawsuit representing parents, school districts, and statewide organizations alleging Pennsylvania's school funding system of violating the constitution. By examining the funding trends of the six school districts taking part in the lawsuit, we can seek to answer the following questions: has Pennsylvania's new funding formula, also known as Act 35, increased per-student expenditure

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<sup>1</sup> McCorry, Kevin. "Everything You Wanted to Know about Pennsylvania's New Education Formula." *WHYY*, WHYY, 9 June 2016, [why.org/articles/everything-you-wanted-to-know-about-pennsylvanias-new-education-formula/](http://why.org/articles/everything-you-wanted-to-know-about-pennsylvanias-new-education-formula/).

for the school districts of Greater Johnstown, Lancaster, Panther Valley, Shenandoah Valley, Wilkes-Barre Area, and William Penn? To what extent has Act 35 actually improved education funding for low-income, high-need school districts?

These six low-wealth school districts represent some of the many in Pennsylvania that experience significant underfunding and gross disparities in funding allocations that penalize their students. With large concentrations of students in poverty, students with disabilities, English language learners, and students of color, taxpayers of the above school districts dedicate particularly large shares of their incomes to school taxes where their schoolchildren are supported by lower levels of funding per pupil than the state average.<sup>2</sup> A close analysis of the budget trend between the years 2013 and 2018 will show that Act 35 has been ineffective in significantly improving education funding to low-income districts, and has also failed to effectively close the gap between low and high need districts in terms of providing schools with sufficient resources and funding to improve academic outcomes.

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<sup>2</sup> Money Matters in Education Justice: Addressing Racial and Class Inequities in Pennsylvania's School Funding System. (2017). *An Education Law Center Report*, 1–23.

## Introduction

Today, public schools provide education for more than 90 percent of all children in the United States and 85 percent of children in the state of Pennsylvania<sup>3</sup>. Public schools are vital institutions where children from a variety of ethnic, social, and cultural backgrounds come together to learn, communicate, and grow with each other. While alternative school programs (e.g. boarding schools, private schools) may offer additional options to a small fraction of children, the majority will attend public school throughout their primary education. There's no doubt that education is one of the biggest drivers of the economy in any state or nation. Ensuring *high-quality* education for kids across all public schools promotes a stable society, generates economic growth, and prepares the next generation of young individuals to solve increasingly complex world problems.<sup>4</sup> In general, there is a crisis in public education funding in the United States, and Pennsylvania is no exception. The state's share of local educational expenditure has been in decline for more than 30 years.<sup>5</sup> Since 1986, education appropriations for basic and special education have persistently decreased. While Pennsylvania's state budget for education has increased, it has not kept up with inflation rates.

Pennsylvania's approach to funding schools is primarily based on local property tax which has created significant gaps between the wealthy and poor districts. This, in turn, has created large discrepancies for what the state can provide to pupils of different regions, which will be further explored in the proceeding sections. Children in wealthy communities are seen to have greater access to high quality educational opportunities that are unavailable to children

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<sup>3</sup> A Look at Public Education in Pennsylvania. (2002). *Hourglass Foundation*. Retrieved from [http://hourglassfoundation.org/pdf\\_whitepapers/A\\_Look\\_at\\_Public\\_Education\\_in\\_Pennsylvania.pdf](http://hourglassfoundation.org/pdf_whitepapers/A_Look_at_Public_Education_in_Pennsylvania.pdf)

<sup>4</sup> Kober, Nancy. "Why We Still Need Public Schools: Public Education for the Common Good." *Center on Education Policy*, 2007.

<sup>5</sup> Money Matters in Education Justice: Addressing Racial and Class Inequities in Pennsylvania's School Funding System. (2017). *An Education Law Center Report*, 1–23.

from poorer urban and rural communities. Wealthy school districts have a much smaller student-to-instructor ratio, teachers are more experienced and well educated, and schools have comparably more up-to-date technological resources at their disposal.<sup>6</sup> In addition, low-income school districts must devote a greater portion of their resources to serving children with special needs and disabilities, who come from families that simply cannot provide the same learning opportunities as their wealthy counterparts.<sup>7</sup>

### **Problem Definition**

Overall, Pennsylvania's education funding has fallen far below the level of what other states contribute to their schools. Despite modest progress in state special education funding in prior years, in 2017, Pennsylvania was still \$3-4.5 billion short of providing what school districts needed to adequately support and educate their students.<sup>8</sup> The money that is currently appropriated to basic education funding perpetuates inequality because the state distributes more resources to wealthier, whiter neighborhoods.<sup>9</sup> In essence, low-income districts must rely heavily on local funding which strains local resources and increases tax pressures (i.e., primarily local property taxes). Pennsylvania currently has one of the widest gaps between poverty districts and wealthy districts in all of the United States. As such, the state faces two dimensions of problems in that there is inadequate funding as well as inequitable funding for Pennsylvania public schools.

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<sup>6</sup> Money Matters in Education Justice: Addressing Racial and Class Inequities in Pennsylvania's School Funding System. (2017). *An Education Law Center Report*, 1–23.

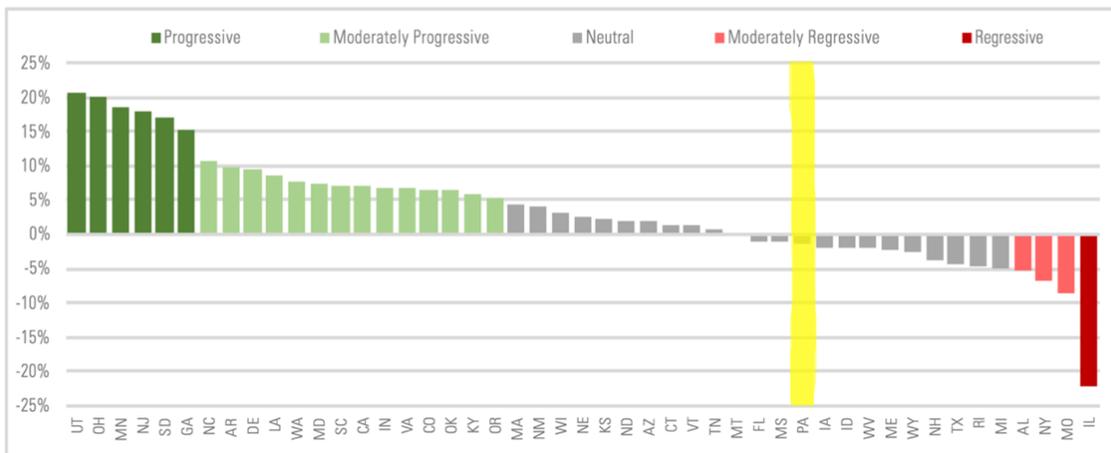
<sup>7</sup> Karoly, Lynn A., *The Economic Impact of Achievement Gaps in Pennsylvania's Public Schools*. Santa Monica, CA: RAND Corporation, 2015. [https://www.rand.org/pubs/research\\_reports/RR1159.html](https://www.rand.org/pubs/research_reports/RR1159.html).

<sup>8</sup> Money Matters in Education Justice: Addressing Racial and Class Inequities in Pennsylvania's School Funding System. (2017). *An Education Law Center Report*, 1–23.

<sup>9</sup> *Ibid.*,

Figure 1 illustrates the funding gap between districts serving the most and fewest students in poverty across all fifty U.S. states. Pennsylvania ranks far below many other states in funding for high poverty districts. In fact, figure 1 shows that the highest poverty districts receive approximately 2% less state and local funds than the lowest poverty districts. Only 13 states perform worse than Pennsylvania. Despite Pennsylvania’s implementation of the new funding formula, its funding still leans closer to being regressive than progressive.

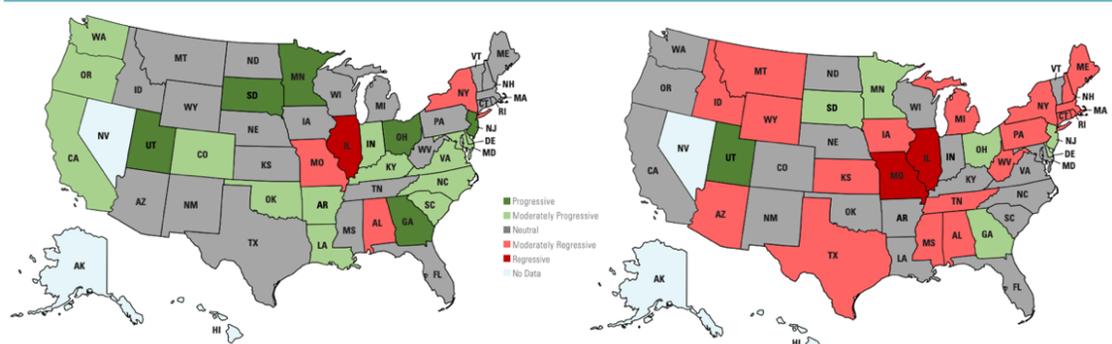
**FIGURE 1: Gaps in State and Local Revenues per Student Between Districts Serving the Most and the Fewest Students in Poverty**



**FIGURE 2: Gaps in State and Local Revenues per Student Between Districts Serving the Most and the Fewest Students in Poverty**

PANEL 1: *Not adjusted for the additional needs of low-income students*

PANEL 2: *Adjusted for the additional needs of low-income students*



Source: *The Education Trust, Funding Gaps 2018*

In Figure 2, student need is adjusted to demonstrate variation in funding across states. It turns out that Pennsylvania funds less for districts serving the most students in poverty. This is an issue prevalent across regions in Pennsylvania and is a constitutional violation being brought to light by 6 school districts, 5 parents, and 2 statewide organizations on behalf of all other schools. The 6 represented school districts include William Penn District, the School District of Lancaster, Panther Valley School District, Greater Johnstown School District, Shenandoah Valley School District, and the Wilkes-Barre Area School District. The suit, filed in 2014, claims that the Commonwealth is violating its constitutional duty to support a “thorough and efficient system of public education” in the respective school districts. The oral argument in *William Penn School District, et al. v. Pennsylvania Department of Education, et al.* began on September 13<sup>th</sup>. The case was filed in response to over ten years of underfunding by Harrisburg which deprived children of the programs and resources needed to succeed academically. The attorneys representing the plaintiffs argued that years of underfunding by the state legislature directly violated the Education Clause’s language to provide a “thorough and efficient system of public education”.<sup>10</sup>

*“Pennsylvania’s current education funding system is unconstitutional. Right now, a child’s ZIP code determines whether or not he or she will have access to basic school resources like textbooks and computers. The disparities between well funded and poorly funded districts are greater in Pennsylvania than any other state in the country. The courts need to tell the legislature to end this inequity.”* – Michigan Churchill (Counsel for the Public Interest Law Center)

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<sup>10</sup> “Pennsylvania Supreme Court Hears Oral Argument for Fair Education Funding Lawsuit: The Public Interest Law Center.” *Public Interest Law Center*, [www.pubintl.org/cases-and-projects/pennsylvania-supreme-court-hears-oral-argument-for-fair-education-funding-lawsuit/](http://www.pubintl.org/cases-and-projects/pennsylvania-supreme-court-hears-oral-argument-for-fair-education-funding-lawsuit/).

## **How the New Funding Formula Works**

In 2016, the General Assembly took an important step toward addressing and alleviating Pennsylvania’s school funding crisis by adopting a new, permanent funding formula to benefit all students. The formula was recommended by the bipartisan Basic Education Funding Commission (BEFC), in order to address the previous lack of a student-weighted component in the budget calculation and to also direct money to school districts more objectively. Factors taken into consideration in the formula include student enrollment, the needs of the student population, and school district wealth and capacity to raise local revenues.

While this formula takes into account the needs of low-wealth districts better than before, it is not providing adequate change because the formula only applies “new money” – the amount that exceeds the total basic education appropriation of the post-FY15 (fiscal year 2014-15) funding<sup>11</sup>. The legislature uses the amount from this FY as a baseline, guaranteed level of funding that districts will receive in addition to their formula-based distribution. Governor Tom Wolf proposed a basic education funding appropriation of \$6.54 billion into the 2019-20 budget, which includes \$704.8 million in new, formula-distributed dollars. In essence, a mere 11 percent of the appropriation budget will run through the fair funding formula. Figure 3 outlines the mechanisms of the funding formula.

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<sup>11</sup> Editorial: PA's fair funding formula for basic education doesn't live up to its name. (2019, March 6).

**Figure 3. Funding Formula Mechanism**

<b>Factors:</b>	<b>Explanation</b>	<b>Details</b>
<p><b>1. Student Count</b></p>	<p>The funding formula takes into account the number of students in the school district. This number is based on the average daily membership of students over the preceding three years.</p>	
<p><b>2. Student-Based Factors</b></p>	<p>The formula also includes extra funding weights based on certain student factors to account for the degree to which each factor increases the cost of educating particular student populations.</p>	<p>These extra-weighted factors account for a district’s proportion of poverty, English language learner, and charter schools.</p> <p><b>Poverty</b> is based on 3 measures:</p> <ul style="list-style-type: none"> <li>(1) Students living in poverty at 100-184% of the federal poverty rate</li> <li>(2) Students living in acute poverty at 0-99% of the federal poverty level</li> <li>(3) Students living in concentrated poverty (those in districts with 30% or more living in acute poverty)</li> </ul>

		<p><b>English language learners</b> are based on the number of limited English proficient students</p> <p><b>Charter schools</b> is a factor that takes into account students enrolled in charter schools because school districts have to pass on funding to charter schools for each child enrolled, but cannot reduce their costs by an equal amount (e.g. schools maintain certain fixed operational costs even after some students have transferred to charter schools)</p>
<p><b>3. School District-Based Factors</b></p>	<p>The funding formula also includes factors that reflect student and community differences throughout Pennsylvania’s school district</p>	<ul style="list-style-type: none"> <li>(1) Sparsity-size adjustment: accounts for the unique cost differences incurred by small, rural school districts based on their inability to achieve certain economies of scale</li> <li>(2) Median Household Income Index: based on a school district’s median household income compared to the statewide median household income</li> <li>(3) Local Effort Capacity Index: based on a school district’s capacity to</li> </ul>

generate a local tax-related revenue compared to the state’s median as well as the district’s local burden compared to the statewide median.

### **A Quality Approach to School Funding**

School Funding does not just affect Pennsylvania – it is a national problem. Since the 1970s, advocates across the United States have filed dozens of school finance lawsuits but the issue remains egregious as affluent districts still receive more funding from state and local governments from their schools and students than poorer districts.<sup>12</sup> A 2016 study conducted by the Washington Center for Equitable Growth found that between the years 1990 and 2011, states that made school finance policy reforms to allocate more funding to high-need school districts successfully narrowed the achievement gap by one-fifth on average.<sup>13</sup> The researchers in the study argued that funding reform must focus on two specific components: first, there needs to be additional (not the same) resources in order to meet the needs of at-risk students, and second, there needs to be an accountability framework to ensure that the key ingredients to students regardless of their economic status, race, or zip code. For the ladder component, key resources would include access to early childhood programs, effective teachers, and a rigorous curriculum.<sup>14</sup>

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<sup>12</sup> The Education Trust, “Funding Gaps: An Analysis of School Funding Equity Across the U.S. and Within Each State” (2018), available at [https://1k9gl1yevnfp2lpq1dhrqe17-wpengine.netdna-ssl.com/wp-content/uploads/2014/09/FundingGapReport\\_2018\\_FINAL.pdf](https://1k9gl1yevnfp2lpq1dhrqe17-wpengine.netdna-ssl.com/wp-content/uploads/2014/09/FundingGapReport_2018_FINAL.pdf).

<sup>13</sup> Julien Lafortune, Jesse Rothstein, and Diane Whitmore Schanzenbach, “Can school finance reforms improve student achievement?” (Washington: Washington Center for Equitable Growth, 2016), available at <http://equitablegrowth.org/research-analysis/can-school-finance-reforms-improve-student-achievement/>.

<sup>14</sup> Ibid.,

Literature and research across the board shows that school funding should provide significant additional resources for low-income students because it costs more to give them the same robust education as their economically wealthy counterpart.<sup>15</sup> They have to overcome issues of poverty which go hand-in-hand with other challenges such as poor nutrition, sleep deprivation, lack of medical care, high mobility, and dysfunctional families.<sup>16</sup> Increases in school spending result in greater educational outcomes for all students but are more pronounced for children from low-income families.<sup>17</sup> Additional funding should aid in attracting highly qualified teachers, childhood supplemental programs, and improved curricula. Weighted student funding is found to have the greatest impact on student population.<sup>18</sup> The Center for American Progress outlined several characteristics that should be used to measure equity, or lack thereof, in U.S. school funding<sup>19</sup>:

- Relative size: The measure should illustrate the relative size of intrastate funding inequities so that comparisons can be made among states and improvements or worsening conditions over time can be documented.
- Local cost adjustments and weights: The measure should adjust finance data to properly account for the local cost differentials in providing education, and it should employ weights for students with extra needs.
- Progressivity: Preferably, the measure should capture the direction or inequity – progressivity or regressivity – because low-income children have extra needs. Since it

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<sup>15</sup> Ibid.,

<sup>16</sup> “8 Challenges Poor Children Face in School.” *FriarWorks*, 27 Aug. 2017, friarworks.org/8-challenges-poor-children-face-school/.

<sup>17</sup> Ibid.,

<sup>18</sup> Julien Lafortune, Jesse Rothstein, and Diane Whitmore Schanzenbach, “Can school finance reforms improve student achievement?” (Washington: Washington Center for Equitable Growth, 2016), available at <http://equitablegrowth.org/research-analysis/can-school-finance-reforms-improve-student-achievement/>.

<sup>19</sup> Epstein, Diana. “Measuring Inequity in School Funding.” *Center for American Progress*, Aug. 2011, pp. 1–19.

costs more to provide a high-quality education in a district serving a higher percentage of low-income children, such districts should receive more local and state aid. (A state's school finance system should be progressive in economic terms).

- Simplicity: There is a merit to having a simple measure that is easy to use and explain. Measures that require regressions and simulations may have technical advantages, but their complexity makes them poor choices for widespread use by legislatures, advocates and policymakers.

## **Methodology**

The following analysis provides consolidated education budget of the six school district plaintiffs as well as the city of Philadelphia, outlining student expenditure and revenue between the academic years 2013 to 2018. This analysis uses budget spreadsheets to identify longitudinal funding trends at the local, state, and federal level. Funding trends were disaggregated by proportion of disadvantaged students. (Refer to appendix for full budget sheet)

## **Findings**

The budget sheets provide insight into some visible trends regarding the allocation of funding before and after the new bill.

1. All 6 school districts have a large proportion of economically disadvantaged students and yet funding has not increased significantly in the last two years despite Act 35 being implemented in the year 2016. In the 2017-18 school year, state and local funds together accounted for more than 90% of school district revenues while federal funding accounted for less than 5% for the remaining district revenues. This is similar to the funding

allocations in prior years as can be seen through expenditure and revenue datasheets provided by the Pennsylvania Department of Education.

2. All 6 school districts have lower annual expenditures per weighted student than the Pennsylvania average yet serve average daily memberships with a much higher percentage of special-needs (special education, economically disadvantaged, English language learner) students than the Pennsylvania average by at least 40%.
3. All 6 school districts have annual graduation rates lower than the Pennsylvania average with a difference of anywhere between 1 and 43 percent.
  - a. In FY15, Panther Valley school district saw its lowest graduation of 42 percent when the state average was 85 percent.
4. The 6 school districts clearly demonstrate that they have taken on an increasing amount of financial responsibility to cover increased costs of education resources as federal and state level funding has either remained stagnant or decreased
  - a. Between 2008-09 and 2017-18, local districts' share of special education costs grew from 62 to 72 percent for special education services. Simultaneously, the share of costs covered by state special education funding fell from 32 to 22 percent.<sup>20</sup>

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<sup>20</sup> “Still Shortchanging Children with Disabilities: State Underfunding of Special Education Continues.” *Education Law Center & PA Schools Work*, Oct. 2019, pp. 1–2., [www.elc-pa.org/wp-content/uploads/2019/10/Special-Education-Report-10-1-19.pdf](http://www.elc-pa.org/wp-content/uploads/2019/10/Special-Education-Report-10-1-19.pdf).

## **Course of Action**

In the year 2014, a lawsuit was filed by the Education Law Center (ELC), the Public Interest Law Center, and O'Melveny & Myers LLP representing various parents, school districts of Pennsylvania, and statewide organizations alleging the state of violating Pennsylvania's constitution in how it funds public education. Specifically, the lawsuit argued significant underfunding and huge disparities in allocations that work against students of low-income districts. In April of 2015, the Commonwealth Court dismissed the case, stating that the courts could not get involved in school funding issues. The legal advocacy centers appealed the case in September 2017 to the Pennsylvania Supreme Court, which ruled in September 2017 that the claims in the case were subject to judicial review.

Following the Supreme Court ruling, state respondents and the GOP legislature continued to press a multitude of objectives seeking to dismiss this case. On May 7, 2018, the Pennsylvania Commonwealth Court overruled nearly all of these objections and moved the case closer to trial.

## **Potential Drawbacks and Opposition**

The arbitrary definition of "equitable education funding" provided by Pennsylvania's constitution makes it difficult to understand whether the state is truly providing equitable and adequate education to its schoolchildren. The expression "thorough and efficient system of public education" provides great room for controversy and debate about what this means and whether the state is, in fact, meeting such expectations. It is near impossible to come to a consensus for what "thorough" and "efficient" means in this context as these adjectives may have different connotations for different constituents and individuals. There is a definitive need for constitutional amendment, specifically the revision of Article III Section 14 of the Pennsylvania Constitution.

As the case moves closer to trial, one primary opposition to the lawsuit is advanced by Conservative think tank Allegheny Institute for Public Policy. They argue that increasing funding to under-funded resources does not improve student performance and increasing state funding has little effect on yielding academic gains among students benefitting from the investment.<sup>21</sup> For years, policymakers and conservative education advocates have used the argument that spending more money on education doesn't necessarily improve results as an excuse to cut funding. However, research has provided evidence time and time again that cast serious doubt on this position. Money matters a great deal particularly for students that come from low-income backgrounds.<sup>22</sup> In a recent study that compared states that made more spending cuts in the wake of Great Recession found that students performed worse on NAEP (National Assessment of Educational Progress) as a result.<sup>23</sup> This complements a larger body of research and recent national studies conducted by California, Ohio, Massachusetts, and New York that link more education spending to better NAEP scores, higher graduation rates, better economic outcomes, and greater opportunities for social mobility.<sup>24</sup>

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<sup>21</sup> Funding Matters: Pennsylvania Districts with More Resources are Higher Achieving: The Public Interest Law Center. (n.d.).

<sup>22</sup> Barnum, M. (2018, April 13). Why the school spending graph Betsy DeVos is sharing doesn't mean what she says it does. Retrieved from <https://www.chalkbeat.org/2018/4/13/21104738/why-the-school-spending-graph-betsy-devos-is-sharing-doesn-t-mean-what-she-says-it-does>

<sup>23</sup> C. Kirabo Jackson, Cora Wigger and Heyu Xiong. "Do School Spending Cuts Matter? Evidence from the Great Recession" (2018)

Available at: [http://works.bepress.com/c\\_kirabo\\_jackson/35/](http://works.bepress.com/c_kirabo_jackson/35/)

<sup>24</sup> West, E. T. (2019, March 19). The Steep Road to Resource Equity in California Education - The Education Trust. Retrieved from <https://west.edtrust.org/resource/the-steep-road-to-resource-equity-in-california-education/>

## Model States with Parity Funding

In 1981, the Education Law Center filed a complaint in Superior Court representing 20 children attending public schools in Camden, East Orange, Irvington, and Jersey City. The lawsuit challenged the state of New Jersey in its system of financing public education under the Public School Education Act (1975, Chapter 212).<sup>25</sup> The case made its way to the New Jersey Supreme Court in 1985, issuing the first Abbott decision and transferring the case to an administrative law judge for its first ever hearing. The *Abbott v. Burke* case is now widely acknowledged as the most important education litigation for marginalized school children since *Brown v. Board of Education*. The NJ Supreme Court ruled in favor of the plaintiffs in 1990, finding the State’s school funding law unconstitutional as applied to students living in the poorer, urban school districts of Abbott. As a result, the Legislature amended the law to ensure funding for urban districts by providing supplemental programs necessary to address the extreme disadvantages urban schoolchildren were facing. The Legislature also approved the Quality Education Act (QEA) which increased foundation aid levels for the Abbott districts, but failed to meet parity funding. The Abbott plaintiffs returned to the NJ Supreme Court in 1992 requesting the new funding law to ensure “substantial equivalence” in per pupil foundation funding with suburban districts and provide the necessary supplemental programs.<sup>26</sup> In 1996, the Legislature created the second funding law called the Comprehensive Education Improvement and Financing Act (CEIFA). In January of 1997, the school district plaintiffs asked the Court to rule CEIFA unconstitutional as it failed to achieve compliance with the Court’s prior orders. Additionally, the Court ordered parity in foundation funding, which resulted in a state aid increase of \$246

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<sup>25</sup> “Education Law Center.” *The History of Abbott v. Burke* | Education Law Center, [edlawcenter.org/litigation/abbott-v-burke/abbott-history.html](http://edlawcenter.org/litigation/abbott-v-burke/abbott-history.html).

<sup>26</sup> “Education Law Center.” *The History of Abbott v. Burke* | Education Law Center, [edlawcenter.org/litigation/abbott-v-burke/abbott-history.html](http://edlawcenter.org/litigation/abbott-v-burke/abbott-history.html).

million for the school year 1997-98. Lastly, on review of the trial court's decision, the Supreme Court accepted many of the program reforms proposed in Abbott V (the fifth version of the school financing case) and expanded the budget to fund capital facilities improvements. The Court modified several recommendations and established a process allowing urban districts to seek additional funding for supplemental programs so long as they could demonstrate the need. The 1998 Abbott V rulings implemented a set of remedial measures including high quality early education, supplemental program reform, and facilities improvements to guarantee adequate and equal education for low-income schoolchildren.

A more recent case demonstrates States' continuing fight for fair funding. Earlier in 2020, Detroit school students won a nearly four-year legal battle with the state of Michigan, suing for abysmal learning conditions. Students argued that they were deprived access to literacy due to a lack of teachers, books, and extremely rundown infrastructure. The settlement was announced in early May after a federal appeals court's groundbreaking ruling recognizing the "fundamental right to a basic minimum education" and the absence of such in five Detroit public and charter schools. The agreement between Detroit students and the state called for a \$94.5 million in future literacy funding, an additional \$2.7 million in aid to fund supplemental literacy-related support, as well as a \$280,000 payout among the seven plaintiffs. Two Detroit task forces were also created to ensure quality education for students in the district. Lastly, the proposed settlement called for the Governor of Michigan Gretchen Whitmer to ask the State Department of Education to advise school districts on how to use evidence-based literacy strategies, initiatives, and programs to improve literacy proficiency especially for those negatively impacted by class, racial, and ethnic disparities.

## **Moving Forward**

Despite opposition by the GOP legislature and pressure from conservative think tanks, on August 20<sup>th</sup> of 2018, Pennsylvania's Commonwealth Court ruled that the lawsuit will move forward. The claim that the lawsuit was rendered moot by state legislative leaders was denied, as the adoption of the 2016 funding formula still has not provided adequate and equitable funding for students of all PA school districts. Specifically, Judge Robert Simpson concluded that the General Assembly's adoption of funding formula also known as Act 35, did not negate the need for further evidence that the current system violates the state constitution's guarantee for "thorough and efficient" education. Act 35 has failed to increase statewide funding upon implementation and in reality, only applies to a small fraction of education funding. If anything, there has been an increasingly widened gap between low and high-wealth school districts since 2016. The school funding trial is tentatively set to begin in the summer of 2020, where Judge Renée Cohn Jubelirer issued the order and will be overseeing the pre-trial proceedings. The petitioners in the case are five families, the Pennsylvania Association of Rural and Small Schools, the NAACP of Pennsylvania, and 6 school districts including Greater Johnstown, Lancaster, Panther Valley, Shenandoah Valley, Wilkes-Barre Area, and William Penn.

## **Conclusion**

The analysis of the budget trend suggests a need for Pennsylvania to revisit their funding formula, as many low-income school districts rely too much on local tax dollars and receive insufficient funding from state and federal government. It has become clear that the funding formula, even after the implementation of Act 35, work in favor of wealthier suburban districts because of the significant dependence on local taxes. This disparity is rooted in the property tax

structure that Pennsylvania uses to fund education. The funding formula must take into account a variety of factors that are causing districts sitting at the bottom of the revenue distribution to serve some of the highest need student populations, and advocate formula reformation that will *actually* address the root of the problem. The inadequacy and gap between low and high-need districts have become even more apparent in the wake of Covid-19 with declining state revenue and budgetary stressors. Pennsylvania will face additional scrutiny in the extent to which education is equitable and efficient, making the upcoming trial at the PA Commonwealth Court all the more important.

### **Implications of COVID-19**

The economic shock of COVID-19 is likely to have a more significant impact than any other event since the financial crisis of 2008. The coronavirus has demonstrated the severe, high human cost, and with public health systems struggling to cope, the costs will only continue to grow. Specifically, the policies implemented by state governments to slow the transmission of the virus has resulted in a massive demand and supply shock.<sup>27</sup> As the pandemic is forecasted to continue creating fiscal policy challenges, it will hurt education financing for years to come as well. According to the World Bank, education spending is expected to stagnate in most countries and fall in others even though economic growth is expected to return in 2021. Cuts in government education spending will have detrimental impact on education outcomes. There is already evidence that some countries are cutting their education budgets for the next academic year in order to make space for required spending on health and social protection. Remittances are expected to drop significantly as a result of the pandemic and will slow progress on poverty

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<sup>27</sup> “The Impact of the COVID-19 Pandemic on Education Financing.” *World Bank Group Education*, May 2020, pp. 1–12.

reduction and even reverse previous gains in some cases.<sup>28</sup> Reductions in income and the need for greater health spending will make it difficult for low-income families to cover education costs. Declining incomes may also lead to shifts in enrollment from private schools to public schools, which will add greater pressure on public education budgets. The situation is dire because development assistance for education has only recently recovered from the financial crisis of 2008/09. This means aid volume may be negatively affected by the sharp drop in economic growth and contribute to a learning crisis that has already existed in the U.S. and around the world. From a policy standpoint, it's important for governments to ensure that adequate resources are made available for remote learning and expand student support programs. As schools slowly begin to reopen, it will be of utmost important to allocate additional funding to public schools as a means to facilitating effective, remedial teaching and minimize learning losses.<sup>29</sup>

On April 6<sup>th</sup> of 2020, U.S. Secretary of Education Betsy DeVos streamed a new process to provide states funding flexibilities to meet the needs of students and educators amidst the pandemic. As authorized under the Coronavirus Aid, Relief, and Economic Securities (CARES) Act, schools are allowed to repurpose existing K-12 education funds for technology infrastructure and teaching training on distance learning, among other flexibilities to move resources to areas of highest need.

While many states are bracing for what could be the largest cut in their respective state histories, some states are seeing glimmers of hope. The Detroit school board approved a \$763 million budget for the upcoming fiscal year avoiding layoffs, salary reductions, and program cuts

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<sup>28</sup> “The Impact of the COVID-19 Pandemic on Education Financing.” *World Bank Group Education*, May 2020, pp. 1–12.

<sup>29</sup> *Ibid.*,

despite a projected \$43 million loss in state funding. Detroit Public Schools Community District has succeeded in balancing its 2021-21 budget using \$43 million in CARES Act money provided by the federal government. As a result, the school district was able to keep budget cuts away from the classroom and from teacher salaries. In addition, the district estimated a projected 5% reduction in 2021 property tax collections due to Covid-19 but is still expecting to pay \$64 million in debt obligations it has for the academic year.

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# Appendix.

FY 2023-24		
PA Ranking/Comparison		
1. GREATER JOHNSTOWN		
Revenue & Taxes		
Total Revenue	\$42 million	\$26.2 million
% Federal	\$4.9 mil (12%)	\$4.6 mil (17%)
% State	\$25.7 mil (61%)	\$19.2 mil (41%)
% Local	\$11.7 mil (28%)	\$10.7 mil (24%)
Revenue per student District Avg.	\$12,949.74	\$15,071
Local Taxes	\$9.6 million	\$29.3 million
Property Tax %	\$6.5 mil (68%)	\$23.9 mil (82%)
Other Taxes %	\$3.1 mil (32%)	\$5.4 mil (18%)
Property Values	\$56.4 million	\$5.6 billion
Tax Effort (mills)	16.9	18.6
Expenditures		
Current Expenditure per Weighted Student	\$8,507	\$11,401
Total Expenditures	\$4.4 million	\$5.3 million
Regular Education	\$21.6 mil (49%)	\$12.2 mil (41%)
Special Education	\$5.8 mil (13%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	3,244	3,479
Charter School	3%	3%
Special Education	17%	15%
Economically Disadvantaged	82%	47%
English Language Learners	1%	1%
Graduation Rate	84%	85%

FY 2023-24		
PA Ranking/Comparison		
1. GREATER JOHNSTOWN		
Revenue & Taxes		
Total Revenue	\$48 million	\$48 million
% Federal	\$4.4 mil (9%)	\$4.4 mil (9%)
% State	\$26.5 mil (55%)	\$26.5 mil (55%)
% Local	\$17.1 mil (36%)	\$17.1 mil (36%)
Revenue per student District Avg.	\$15,045.37	\$15,045.37
Local Taxes	\$10.2 million	\$10.2 million
Property Tax %	\$6.4 mil (64%)	\$6.4 mil (64%)
Other Taxes %	\$3.8 mil (24%)	\$3.8 mil (24%)
Property Values	\$56.2 million	\$56.2 million
Tax Effort (mills)	17.7	18.4
Expenditures		
Current Expenditure per Weighted Student	\$8,640.00	\$8,640.00
Total Expenditures	\$55.5 million	\$55.5 million
Regular Education	\$18.2 mil (33%)	\$18.2 mil (33%)
Special Education	\$6.5 mil (13%)	\$6.5 mil (13%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	3,193	3,193
Charter School	3%	3%
Special Education	17%	17%
Economically Disadvantaged	71%	30%
English Language Learners	1%	1%
Graduation Rate	69%	85%

FY 2023-24		
PA Ranking/Comparison		
1. GREATER JOHNSTOWN		
Revenue & Taxes		
Total Revenue	\$47.6 million	\$47.6 million
% Federal	\$3.9 mil (8%)	\$3.9 mil (8%)
% State	\$27.8 mil (58%)	\$27.8 mil (58%)
% Local	\$15.7 mil (34%)	\$15.7 mil (34%)
Revenue per student District Avg.	\$15,111.02	\$15,111.02
Local Taxes	\$10.2 million	\$10.2 million
Property Tax %	\$7.2 mil (71%)	\$7.2 mil (71%)
Other Taxes %	\$3.0 mil (29%)	\$3.0 mil (29%)
Property Values	\$69.2 million	\$69.2 million
Tax Effort (mills)	14.7	18.6
Expenditures		
Current Expenditure per Weighted Student	\$9,045.52	\$9,045.52
Total Expenditures	\$49.9 million	\$49.9 million
Regular Education	\$18.2 mil (37%)	\$18.2 mil (37%)
Special Education	\$6.9 mil (14%)	\$6.9 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	3,108	3,108
Charter School	5%	5%
Special Education	17%	17%
Economically Disadvantaged	64%	30%
English Language Learners	1%	1%
Graduation Rate	84%	86%

FY 2016-17		
District Ranking		
1. GREATER JOHNSTOWN		
Revenue & Taxes		
Total Revenue	\$49.3 million	\$49.3 million
% Federal	\$4.2 mil (8%)	\$4.2 mil (8%)
% State	\$30.6 mil (62%)	\$30.6 mil (62%)
% Local	\$14.2 mil (29%)	\$14.2 mil (29%)
Revenue per student District Avg.	\$16,375.87	\$16,375.87
Local Taxes	\$13 million	\$13 million
Property Tax %	\$7.3 mil (56%)	\$7.3 mil (56%)
Other Taxes %	\$5.7 mil (44%)	\$5.7 mil (44%)
Property Values	\$65.8 million	\$65.8 million
Tax Effort (mills)	19.6	18.8
Expenditures		
Current Expenditure per Weighted Student	\$9,611.26	\$9,611.26
Total Expenditures	\$50.4 million	\$50.4 million
Regular Education	\$20.2 mil (40%)	\$20.2 mil (40%)
Special Education	\$6.9 mil (14%)	\$6.9 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	3,008	3,008
Charter School	5%	5%
Special Education	17%	17%
Economically Disadvantaged	86%	30%
English Language Learners	1%	1%
Graduation Rate	83%	87%

FY 2022-23		
District Ranking		
1. GREATER JOHNSTOWN		
Revenue & Taxes		
Total Revenue	\$47.9 million	\$47.9 million
% Federal	\$3.8 mil (8%)	\$3.8 mil (8%)
% State	\$33.8 mil (66%)	\$33.8 mil (66%)
% Local	\$14.2 mil (29%)	\$14.2 mil (29%)
Revenue per student District Avg.	\$15,592.41	\$15,592.41
Local Taxes	\$12.2 million	\$12.2 million
Property Tax %	\$10.2 mil (84%)	\$10.2 mil (84%)
Other Taxes %	\$2.0 mil (14%)	\$2.0 mil (14%)
Property Values	\$63.6 million	\$63.6 million
Tax Effort (mills)	17	19.2
Expenditures & Employment		
Current Expenditure per Weighted Student	\$9,060.23	\$9,060.23
Total Expenditures	\$48.4 million	\$48.4 million
Regular Education	\$19.2 mil (40%)	\$19.2 mil (40%)
Special Education	\$7.4 mil (15%)	\$7.4 mil (15%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	3,086	3,086
Charter School	5%	5%
Special Education	17%	17%
Economically Disadvantaged	81%	31%
English Language Learners	1%	1%
Graduation Rate	86%	86%

FY 2023-24		
PA Ranking/Comparison		
2. LANCASTER		
Revenue & Taxes		
Total Revenue	\$189 million	\$26.2 million
% Federal	\$14.9 mil (8%)	\$16.1 mil (3%)
% State	\$85.4 mil (45%)	\$19.2 mil (43%)
% Local	\$77.1 mil (41%)	\$10.7 mil (24%)
Revenue per student District Avg.	\$16,583.89	\$15,071
Local Taxes	\$75.3 million	\$23.9 million
Property Tax %	\$59.4 mil (83%)	\$23.9 mil (82%)
Other Taxes %	\$12.9 mil (17%)	\$5.4 mil (18%)
Property Values	\$1.3 billion	\$1.6 billion
Tax Effort (mills)	24.2	18.6
Expenditures		
Current Expenditure per Weighted Student	\$9,802	\$11,401
Total Expenditures	\$182.3 million	\$182.3 million
Regular Education	\$72.7 mil (38%)	\$21.2 mil (41%)
Special Education	\$25.5 mil (14%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	11,399	3,479
Charter School	3%	3%
Special Education	17%	15%
Economically Disadvantaged	84%	47%
English Language Learners	17%	1%
Graduation Rate	82%	85%

FY 2023-24		
PA Ranking/Comparison		
2. LANCASTER		
Revenue & Taxes		
Total Revenue	\$202 million	\$202 million
% Federal	\$14.4 mil (7%)	\$14.4 mil (7%)
% State	\$92.9 mil (46%)	\$92.9 mil (46%)
% Local	\$86.7 mil (43%)	\$86.7 mil (43%)
Revenue per student District Avg.	\$17,630.90	\$17,630.90
Local Taxes	\$76.2 million	\$63.6 million
Property Tax %	\$63.6 mil (83%)	\$63.6 mil (83%)
Other Taxes %	\$12.7 mil (17%)	\$12.7 mil (17%)
Property Values	\$3.1 billion	\$3.1 billion
Tax Effort (mills)	24.8	18.4
Expenditures		
Current Expenditure per Weighted Student	\$9,746.00	\$9,746.00
Total Expenditures	\$195.3 million	\$195.3 million
Regular Education	\$75.9 mil (38%)	\$75.9 mil (38%)
Special Education	\$25.5 mil (13%)	\$25.5 mil (13%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	11,467	11,467
Charter School	3%	3%
Special Education	17%	17%
Economically Disadvantaged	81%	30%
English Language Learners	16%	1%
Graduation Rate	82%	85%

FY 2023-24		
PA Ranking/Comparison		
2. LANCASTER		
Revenue & Taxes		
Total Revenue	\$195.2 million	\$195.2 million
% Federal	\$14.4 mil (7%)	\$14.4 mil (7%)
% State	\$93.9 mil (48%)	\$93.9 mil (48%)
% Local	\$86.9 mil (44%)	\$86.9 mil (44%)
Revenue per student District Avg.	\$17,115.87	\$17,115.87
Local Taxes	\$76.2 million	\$63.6 million
Property Tax %	\$63.6 mil (83%)	\$63.6 mil (83%)
Other Taxes %	\$12.7 mil (17%)	\$12.7 mil (17%)
Property Values	\$3.1 billion	\$3.1 billion
Tax Effort (mills)	24.8	18.6
Expenditures		
Current Expenditure per Weighted Student	\$9,879.16	\$9,879.16
Total Expenditures	\$192.4 million	\$192.4 million
Regular Education	\$77.4 mil (40%)	\$77.4 mil (40%)
Special Education	\$26.4 mil (14%)	\$26.4 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	11,404	11,404
Charter School	3%	3%
Special Education	16%	16%
Economically Disadvantaged	91%	30%
English Language Learners	16%	1%
Graduation Rate	79%	86%

FY 2016-17		
District Ranking		
2. LANCASTER		
Revenue & Taxes		
Total Revenue	\$213.2 million	\$213.2 million
% Federal	\$15.4 mil (7%)	\$15.4 mil (7%)
% State	\$107.7 mil (50%)	\$107.7 mil (50%)
% Local	\$87.7 mil (41%)	\$87.7 mil (41%)
Revenue per student District Avg.	\$18,992.04	\$18,992.04
Local Taxes	\$76.2 million	\$63.6 million
Property Tax %	\$65.3 (83%)	\$65.3 (83%)
Other Taxes %	\$13.7 mil (17%)	\$13.7 mil (17%)
Property Values	\$3.2 billion	\$3.2 billion
Tax Effort (mills)	24.5	18.8
Expenditures		
Current Expenditure per Weighted Student	\$10,453.35	\$10,453.35
Total Expenditures	\$212.2 million	\$212.2 million
Regular Education	\$81.2 mil (38%)	\$81.2 mil (38%)
Special Education	\$28.7 mil (14%)	\$28.7 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	11,467	11,467
Charter School	3%	3%
Special Education	16%	16%
Economically Disadvantaged	91%	30%
English Language Learners	17%	1%
Graduation Rate	84%	87%

FY 2022-23		
District Ranking		
2. LANCASTER		
Revenue & Taxes		
Total Revenue	\$215.7 million	\$215.7 million
% Federal	\$21 mil (10%)	\$21 mil (10%)
% State	\$109.9 mil (51%)	\$109.9 mil (51%)
% Local	\$85.5 mil (40%)	\$85.5 mil (40%)
Revenue per student District Avg.	\$19,425.73	\$19,425.73
Local Taxes	\$76.2 million	\$63.6 million
Property Tax %	\$66.5 (82%)	\$66.5 (82%)
Other Taxes %	\$14.2 mil (18%)	\$14.2 mil (18%)
Property Values	\$3.3 billion	\$3.3 billion
Tax Effort (mills)	25	19.2
Expenditures & Employment		
Current Expenditure per Weighted Student	\$12,069.43	\$12,069.43
Total Expenditures	\$221.5 million	\$221.5 million
Regular Education	\$84.1 mil (38%)	\$84.1 mil (38%)
Special Education	\$30.5 mil (14%)	\$30.5 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	11,385	11,385
Charter School	3%	3%
Special Education	17%	17%
Economically Disadvantaged	91%	31%
English Language Learners	17%	1%
Graduation Rate	79%	86%

FY 2023-24		
PA Ranking/Comparison		
3. PANTER VALLEY		
Revenue & Taxes		
Total Revenue	\$23.8 million	\$26.2 million
% Federal	\$0.994 million (4%)	\$1.6 mil (3%)
% State	\$12.1 mil (51%)	\$10.2 mil (43%)
% Local	\$10.8 mil (45%)	\$10.7 mil (53%)
Revenue per student District Avg.	\$13,467.07	\$15,071
Local Taxes	\$21.9 million	\$23.9 million
Property Tax %	\$7.2 mil (72%)	\$23.9 mil (82%)
Other Taxes %	\$2.4 mil (24%)	\$5.4 mil (18%)
Property Values	\$351.2 million	\$1.6 billion
Tax Effort (mills)	28.5	18.6
Expenditures		
Current Expenditure per Weighted Student	\$8,479	\$11,401
Total Expenditures	\$23.8 million	\$23.8 million
Regular Education	\$8 mil (34%)	\$21.2 mil (41%)
Special Education	\$4.9 mil (21%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	1,766	3,479
Charter School	4%	3%
Special Education	19%	15%
Economically Disadvantaged	64%	47%
English Language Learners	1%	1%
Graduation Rate	72%	86%

FY 2023-24		
PA Ranking/Comparison		
3. PANTER VALLEY		
Revenue & Taxes		
Total Revenue	\$24 million	\$24 million
% Federal	\$0.82 mil (3%)	\$0.82 mil (3%)
% State	\$12.4 mil (52%)	\$12.4 mil (52%)
% Local	\$10.8 mil (45%)	\$10.8 mil (45%)
Revenue per student District Avg.	\$12,996.58	\$12,996.58
Local Taxes	\$21.9 million	\$23.9 million
Property Tax %	\$7.2 mil (76%)	\$23.9 mil (82%)
Other Taxes %	\$2.4 mil (24%)	\$5.4 mil (18%)
Property Values	\$351.1 million	\$1.6 billion
Tax Effort (mills)	28	18.4
Expenditures		
Current Expenditure per Weighted Student	\$8,874.00	\$8,874.00
Total Expenditures	\$24 million	\$24 million
Regular Education	\$8.7 mil (36%)	\$21.2 mil (41%)
Special Education	\$5.3 mil (22%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
Enrollment Statistics		
Average Daily Membership	1,845	1,845
Charter School	3%	3%
Special Education	19%	19%
Economically Disadvantaged	59%	30%
English Language Learners	2%	1%
Graduation Rate	42%	85%

FY 2023-24		
PA Ranking/Comparison		
3. PANTER VALLEY		
Revenue & Taxes		
Total Revenue	\$28 million	\$28 million
% Federal	\$0.94 million (3%)	\$0.94 million (3%)
% State	\$13.9 mil (49%)	\$13.9 mil (49%)
% Local	\$10.4 mil (37%)	\$10.4 mil (37%)
Revenue per student District Avg.	\$15,628.74	\$15,628.74
Local Taxes	\$26.6 million	

Local Taxes	\$4.2 million	\$29.3 million
Property Tax %	\$3.8 mil (74%)	\$23.9 mil (82%)
Other Taxes %	\$1.1 mil (26%)	\$5.4 mil (18%)
Property Values	\$15.6 million	\$155 million
Tax Effort (mills)	27.3	18.6
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$8,394	\$11,401
Total Expenditures	\$20.3 million	\$52.3 million
Regular Education	\$6.3 mil (31%)	\$21.2 mil (41%)
Special Education	\$2.7 mil (13%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	1,151	3,479
Charter School	3%	3%
Special Education	17%	15%
Economically Disadvantaged	78%	47%
English Language Learners	8%	1%
Graduation Rate	89%	86%

Local Taxes	\$4.3 million	\$29.3 million
Property Tax %	\$3.9 mil (72%)	\$23.9 mil (82%)
Other Taxes %	\$1.2 mil (28%)	\$5.4 mil (18%)
Property Values	\$15.0 million	\$155 million
Tax Effort (mills)	28.4	18.4
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$8,669	\$11,401
Total Expenditures	\$20.3 million	\$52.3 million
Regular Education	\$6.9 mil (34%)	\$21.2 mil (41%)
Special Education	\$3.3 mil (16%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	1,133	3,479
Charter School	6%	3%
Special Education	19%	15%
Economically Disadvantaged	64%	30%
English Language Learners	77%	85%
Graduation Rate	77%	85%

Local Taxes	\$4.4 million	\$29.3 million
Property Tax %	\$3.2 mil (73%)	\$23.9 mil (82%)
Other Taxes %	\$1.2 mil (27%)	\$5.4 mil (18%)
Property Values	\$15.2 million	\$155 million
Tax Effort (mills)	28.5	18.6
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$9,018.71	\$11,401
Total Expenditures	\$16.4 million	\$52.3 million
Regular Education	\$6.9 mil (42%)	\$21.2 mil (41%)
Special Education	\$3.3 mil (20%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	1,115	3,479
Charter School	6%	3%
Special Education	18%	15%
Economically Disadvantaged	63%	30%
English Language Learners	9%	86%
Graduation Rate	86%	86%

Local Taxes	\$4.5 million	\$29.3 million
Property Tax %	\$3.4 mil (76%)	\$23.9 mil (82%)
Other Taxes %	\$1.1 mil (24%)	\$5.4 mil (18%)
Property Values	\$15.3 million	\$155 million
Tax Effort (mills)	29.7	18.8
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$8,171.82	\$11,401
Total Expenditures	\$16.8 million	\$52.3 million
Regular Education	\$6.5 mil (39%)	\$21.2 mil (41%)
Special Education	\$3.6 mil (21%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	1,175	3,479
Charter School	6%	3%
Special Education	18%	15%
Economically Disadvantaged	65%	30%
English Language Learners	8%	87%
Graduation Rate	85%	87%

Local Taxes	\$4.6 million	\$29.3 million
Property Tax %	\$3.4 mil (74%)	\$23.9 mil (82%)
Other Taxes %	\$1.1 mil (24%)	\$5.4 mil (18%)
Property Values	\$15.3 million	\$155 million
Tax Effort (mills)	29.6	19.2
<b>(Expenditures &amp; Employment)</b>		
Current Expenditure per Weighted Student	\$9,148.61	\$11,401
Total Expenditures	\$17.4 million	\$52.3 million
Regular Education	\$6.9 mil (40%)	\$21.2 mil (41%)
Special Education	\$3.6 mil (21%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	1,199	3,479
Charter School	6%	3%
Special Education	17%	15%
Economically Disadvantaged	69%	31%
English Language Learners	11%	88%
Graduation Rate	88%	88%

<b>6. WILKES-BARRE AREA</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$100.4 million	\$26.2 million
% Federal	\$4.2 mil (4%)	\$4.6 mil (17%)
% State	\$60.2 (60%)	\$19.2 (73%)
% Local	\$55.9 mil (56%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$13,448.83	\$15,071
Local Taxes	\$58.3 million	\$29.3 million
Property Tax %	\$40.3 mil (74%)	\$23.9 mil (82%)
Other Taxes %	\$14.8 mil (26%)	\$5.4 mil (18%)
Property Values	\$2.5 billion	\$1.6 billion
Tax Effort (mills)	21.2	18.6
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$9,238	\$11,401
Total Expenditures	\$103.4 million	\$52.3 million
Regular Education	\$49.6 mil (48%)	\$21.2 mil (41%)
Special Education	\$14.3 mil (14%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	7,465	3,479
Charter School	7%	3%
Special Education	16%	15%
Economically Disadvantaged	70%	47%
English Language Learners	6%	1%
Graduation Rate	74%	86%

<b>6. WILKES-BARRE AREA</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$109.9 million	\$26.2 million
% Federal	\$4.6 mil (4%)	\$4.6 mil (17%)
% State	\$45.5 (41%)	\$19.2 (73%)
% Local	\$59.7 mil (54%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$14,640.04	\$15,071
Local Taxes	\$58.6 million	\$29.3 million
Property Tax %	\$41.8 mil (74%)	\$23.9 mil (82%)
Other Taxes %	\$16.7 mil (26%)	\$5.4 mil (18%)
Property Values	\$2.6 billion	\$1.6 billion
Tax Effort (mills)	21.7	18.6
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$10,007.53	\$11,401
Total Expenditures	\$114.7 million	\$52.3 million
Regular Education	\$54.2 mil (47%)	\$21.2 mil (41%)
Special Education	\$18.8 mil (16%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	7,503	3,479
Charter School	8%	3%
Special Education	18%	15%
Economically Disadvantaged	69%	30%
English Language Learners	6%	86%
Graduation Rate	88%	86%

<b>6. WILKES-BARRE AREA</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$114.7 million	\$26.2 million
% Federal	\$4.3 mil (4%)	\$4.6 mil (17%)
% State	\$48.5 (42%)	\$19.2 (73%)
% Local	\$62 mil (54%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$15,073.31	\$15,071
Local Taxes	\$60.2 million	\$29.3 million
Property Tax %	\$48.9 mil (78%)	\$23.9 mil (82%)
Other Taxes %	\$11.3 mil (22%)	\$5.4 mil (18%)
Property Values	\$2.7 billion	\$1.6 billion
Tax Effort (mills)	22	18.8
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$9,626.16	\$11,401
Total Expenditures	\$118.6 million	\$52.3 million
Regular Education	\$53.4 mil (47%)	\$21.2 mil (41%)
Special Education	\$20.1 mil (18%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	7,611	3,479
Charter School	7%	3%
Special Education	19%	15%
Economically Disadvantaged	77%	30%
English Language Learners	8%	86%
Graduation Rate	84%	87%

<b>6. WILKES-BARRE AREA</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$114.7 million	\$26.2 million
% Federal	\$4.3 mil (4%)	\$4.6 mil (17%)
% State	\$48.5 (42%)	\$19.2 (73%)
% Local	\$62 mil (54%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$15,073.31	\$15,071
Local Taxes	\$60.2 million	\$29.3 million
Property Tax %	\$48.9 mil (78%)	\$23.9 mil (82%)
Other Taxes %	\$11.3 mil (22%)	\$5.4 mil (18%)
Property Values	\$2.7 billion	\$1.6 billion
Tax Effort (mills)	22	18.8
<b>(Expenditures &amp; Employment)</b>		
Current Expenditure per Weighted Student	\$9,626.16	\$11,401
Total Expenditures	\$118.6 million	\$52.3 million
Regular Education	\$53.4 mil (47%)	\$21.2 mil (41%)
Special Education	\$20.1 mil (18%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	7,611	3,479
Charter School	7%	3%
Special Education	19%	15%
Economically Disadvantaged	77%	30%
English Language Learners	8%	86%
Graduation Rate	84%	87%

<b>6. WILKES-BARRE AREA</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$114.7 million	\$26.2 million
% Federal	\$4.3 mil (4%)	\$4.6 mil (17%)
% State	\$48.5 (42%)	\$19.2 (73%)
% Local	\$62 mil (54%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$15,073.31	\$15,071
Local Taxes	\$60.2 million	\$29.3 million
Property Tax %	\$48.9 mil (78%)	\$23.9 mil (82%)
Other Taxes %	\$11.3 mil (22%)	\$5.4 mil (18%)
Property Values	\$2.7 billion	\$1.6 billion
Tax Effort (mills)	22	19.2
<b>(Expenditures &amp; Employment)</b>		
Current Expenditure per Weighted Student	\$10,408.01	\$11,401
Total Expenditures	\$121.9 million	\$52.3 million
Regular Education	\$55.4 mil (47%)	\$21.2 mil (41%)
Special Education	\$20.5 mil (17%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	7,824	3,479
Charter School	6%	3%
Special Education	19%	15%
Economically Disadvantaged	78%	31%
English Language Learners	8%	86%
Graduation Rate	85%	86%

<b>7. WILLIAM PENN</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$86.3 million	\$26.2 million
% Federal	\$4.3 mil (5%)	\$4.6 mil (17%)
% State	\$36.7 mil (43%)	\$19.2 (73%)
% Local	\$45.4 mil (53%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$15,573.87	\$15,071
Local Taxes	\$44.4 million	\$29.3 million
Property Tax %	\$39.2 mil (88%)	\$23.9 mil (82%)
Other Taxes %	\$5.2 mil (12%)	\$5.4 mil (18%)
Property Values	\$1.4 billion	\$1.6 billion
Tax Effort (mills)	31.8	18.6
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$10,061	\$11,401
Total Expenditures	\$87.3 million	\$52.3 million
Regular Education	\$37.3 mil (43%)	\$21.2 mil (41%)
Special Education	\$16.2 (19%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	5,552	3,479
Charter School	7%	3%
Special Education	16%	15%
Economically Disadvantaged	80%	47%
English Language Learners	3%	1%
Graduation Rate	70%	86%

<b>7. WILLIAM PENN</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$87.5 million	\$26.2 million
% Federal	\$3.3 mil (4%)	\$4.6 mil (17%)
% State	\$38.1 mil (44%)	\$19.2 (73%)
% Local	\$46.1 mil (53%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$16,633.13	\$15,071
Local Taxes	\$44.90	\$29.3 million
Property Tax %	\$40.9 mil (91%)	\$23.9 mil (82%)
Other Taxes %	\$4.9 (11%)	\$5.4 mil (18%)
Property Values	\$1.4 billion	\$1.6 billion
Tax Effort (mills)	31.8	18.6
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$12,153	\$11,401
Total Expenditures	\$88.6 million	\$52.3 million
Regular Education	\$38.5 mil (43%)	\$21.2 mil (41%)
Special Education	\$16.7 mil (19%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	5,598	3,479
Charter School	10%	3%
Special Education	16%	15%
Economically Disadvantaged	77%	30%
English Language Learners	4%	86%
Graduation Rate	76%	85%

<b>7. WILLIAM PENN</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$91.2 million	\$26.2 million
% Federal	\$4.4 mil (5%)	\$4.6 mil (17%)
% State	\$40.8 mil (45%)	\$19.2 (73%)
% Local	\$46.4 mil (51%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$16,837.59	\$15,071
Local Taxes	\$45.3 million	\$29.3 million
Property Tax %	\$41.1 mil (91%)	\$23.9 mil (82%)
Other Taxes %	\$4.3 mil (9%)	\$5.4 mil (18%)
Property Values	\$1.4 billion	\$1.6 billion
Tax Effort (mills)	31.1	18.6
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$12,944.99	\$11,401
Total Expenditures	\$94.9 million	\$52.3 million
Regular Education	\$42.3 mil (45%)	\$21.2 mil (41%)
Special Education	\$19.1 mil (20%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	5,636	3,479
Charter School	10%	3%
Special Education	17%	15%
Economically Disadvantaged	78%	30%
English Language Learners	4%	86%
Graduation Rate	76%	86%

<b>7. WILLIAM PENN</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$97 million	\$26.2 million
% Federal	\$4.6 (5%)	\$4.6 mil (17%)
% State	\$44.5 mil (46%)	\$19.2 (73%)
% Local	\$47.9 mil (49%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$17,200.52	\$15,071
Local Taxes	\$46.5 million	\$29.3 million
Property Tax %	\$41.6 mil (89%)	\$23.9 mil (82%)
Other Taxes %	\$4.9 mil (11%)	\$5.4 mil (18%)
Property Values	\$1.4 billion	\$1.6 billion
Tax Effort (mills)	33.9	18.8
<b>(Expenditures)</b>		
Current Expenditure per Weighted Student	\$13,403.33	\$11,401
Total Expenditures	\$95.8 million	\$52.3 million
Regular Education	\$43.9 mil (46%)	\$21.2 mil (41%)
Special Education	\$21.3 mil (22%)	\$14.3 mil (14%)
Unassigned Fund Balance as % of Operating Expenses		
<b>(Enrollment Statistics)</b>		
Average Daily Membership	5,489	3,479
Charter School	10%	3%
Special Education	16%	15%
Economically Disadvantaged	72%	30%
English Language Learners	7%	87%
Graduation Rate	77%	87%

<b>7. WILLIAM PENN</b>		
<b>(Revenue &amp; Taxes)</b>		
Total Revenue	\$97 million	\$26.2 million
% Federal	\$4.6 (5%)	\$4.6 mil (17%)
% State	\$43.9 mil (45%)	\$19.2 (73%)
% Local	\$49.5 mil (51%)	\$30.7 mil (53%)
Revenue per student District Avg.	\$16,796.36	\$15,071
Local Taxes	\$48 million	\$29.3 million
Property Tax %	\$42.6 mil (89%)	