

Spending Impact on Student Performance

A Rural Perspective

Every child should have an equal opportunity to attend a local public school that has adequate resources to ensure that he or she can learn and meet state academic standards. Unfortunately, that is not the case for many children living in Pennsylvania and is far too often not the case for children living in rural communities. More than half of the rural school districts in Pennsylvania are spending less educating their children than their estimated *adequacy target* or the amount expected to ensure that children can reach the state's rigorous academic standards.

When schools have adequate resources, it enables them to provide classroom fundamentals to better prepare students for post-secondary success, such as qualified teachers using up-to-date textbooks and lab equipment necessary for instruction. Adequate funding also helps keep class sizes down so that teachers can spend more one-on-one time with students to help meet individual learning needs, especially when students are struggling. In the best of circumstances, classrooms are equipped with tools that can enhance learning to help them compete in the technology-driven society we live in.

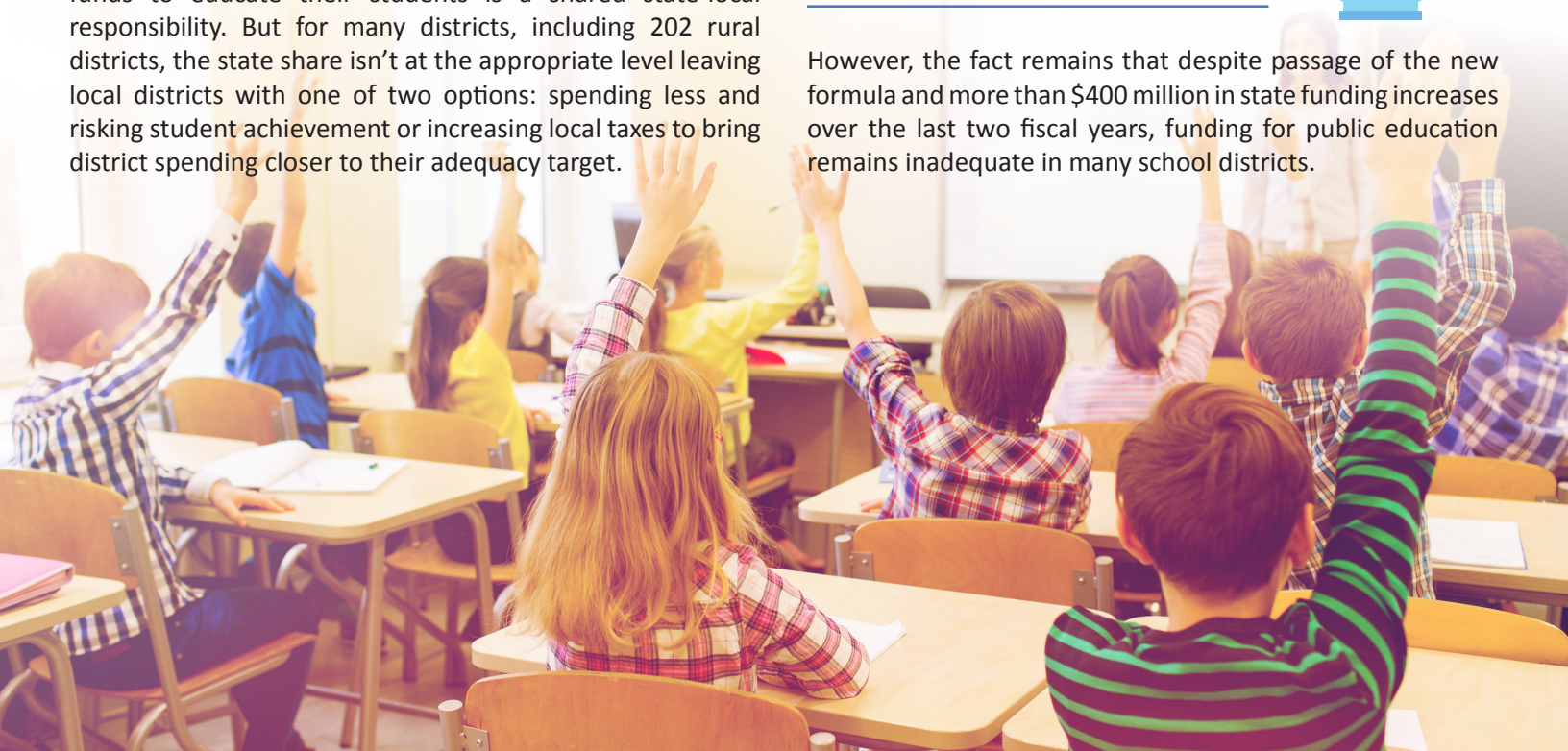
The research is clear – education funding positively impacts student achievement.¹ Ensuring that districts have adequate funds to educate their students is a shared state-local responsibility. But for many districts, including 202 rural districts, the state share isn't at the appropriate level leaving local districts with one of two options: spending less and risking student achievement or increasing local taxes to bring district spending closer to their adequacy target.

To help level the playing field and address the funding disparities that exist between school districts, state policymakers took an important step last year by permanently adopting a fair funding formula based on the recommendations of the bipartisan Basic Education Funding Commission (BEFC). The student-driven formula directs new state funds to local school districts based on objective factors including enrollment, poverty, number of English Language Learners and charter school attendance. It also addresses district size, sparsity, wealth and local tax effort – factors that reflect student and community needs unique to rural school districts.

Qualified teachers using up-to-date textbooks and lab equipment enable schools to provide classroom fundamentals to better prepare students for post-secondary success.



However, the fact remains that despite passage of the new formula and more than \$400 million in state funding increases over the last two fiscal years, funding for public education remains inadequate in many school districts.



Spending Impact on Students

While state assessment scores are not the only measure of student achievement, students in rural school districts are underperforming, which should be cause for concern for parents, community members and their policymakers. More than one-third of 3rd grade students attending rural school districts scored below proficient on the English Language Arts (ELA) PSSA. While this is slightly better than the statewide average, early grade reading proficiency is a building block for later academic achievement. This pattern continues as two-thirds of students attending rural districts scored below proficient in the 8th grade Mathematics PSSA.

In rural school districts spending between 10 percent and 25 percent below the adequacy target, nearly 40 percent of students were not proficient on the 3rd grade English Language Arts and nearly 70 percent of students were not proficient in 8th grade Math.

Some local examples are even worse:

- More than 45 percent of students in the Redbank Valley School District in Clarion and Armstrong counties, and 49 percent of students in the Wyalusing Area School District located in Wyoming and Bradford counties.
- Approximately 82 percent of 8th grade students in the Mifflin County School District and 91.3 percent of students in Otto-Eldred School District did not meet proficiency in Math.

In school districts spending between 25 percent to 50 percent below their adequacy target, 45 percent of 3rd grade students were not proficient as measured by the ELA PSSA, and 80 percent were not proficient in 8th grade math.

The results are particularly distressing in these districts:

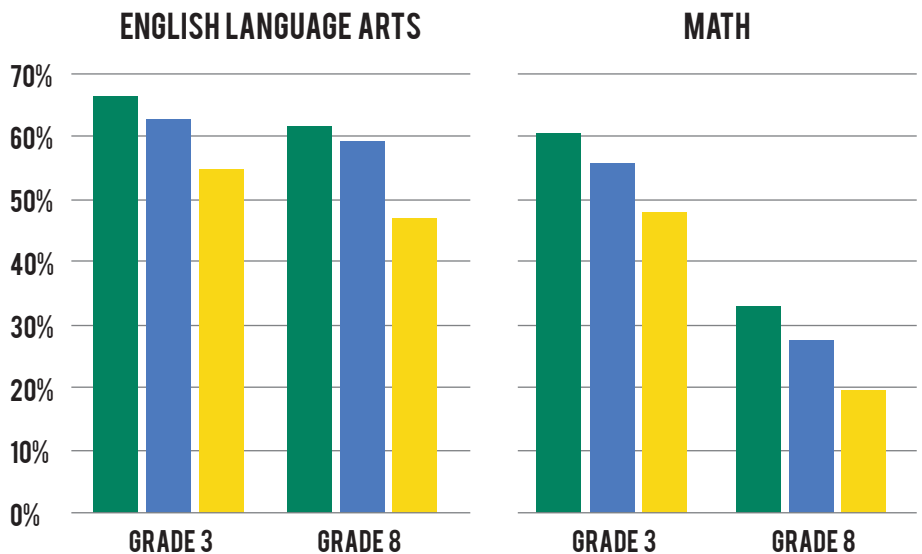
- Approximately 61.2 percent of 3rd grade students in Mount Union School District in Huntingdon and Mifflin counties did not meet proficiency in English Language Arts, and only 14.7 percent of 8th graders met proficiency in Mathematics.
- Only 19.5 percent of students in the Shamokin School District in Northumberland County and 14.5 percent of students in the Claysburg-Kimmel School District in Bedford and Blair counties were proficient on the 8th grade Math PSSA.

Further complicating student performance is the reality that 52 percent of students enrolled in rural school districts are attending schools that are not spending at the adequacy target. To be sure, failing to spend at the adequacy target has had a negative impact on rural students.

More than half, or 81, of the 158 rural school districts spending below their adequacy target do so by at least 10 percent. It should come as no surprise that test scores in these districts are worse than the rural average.

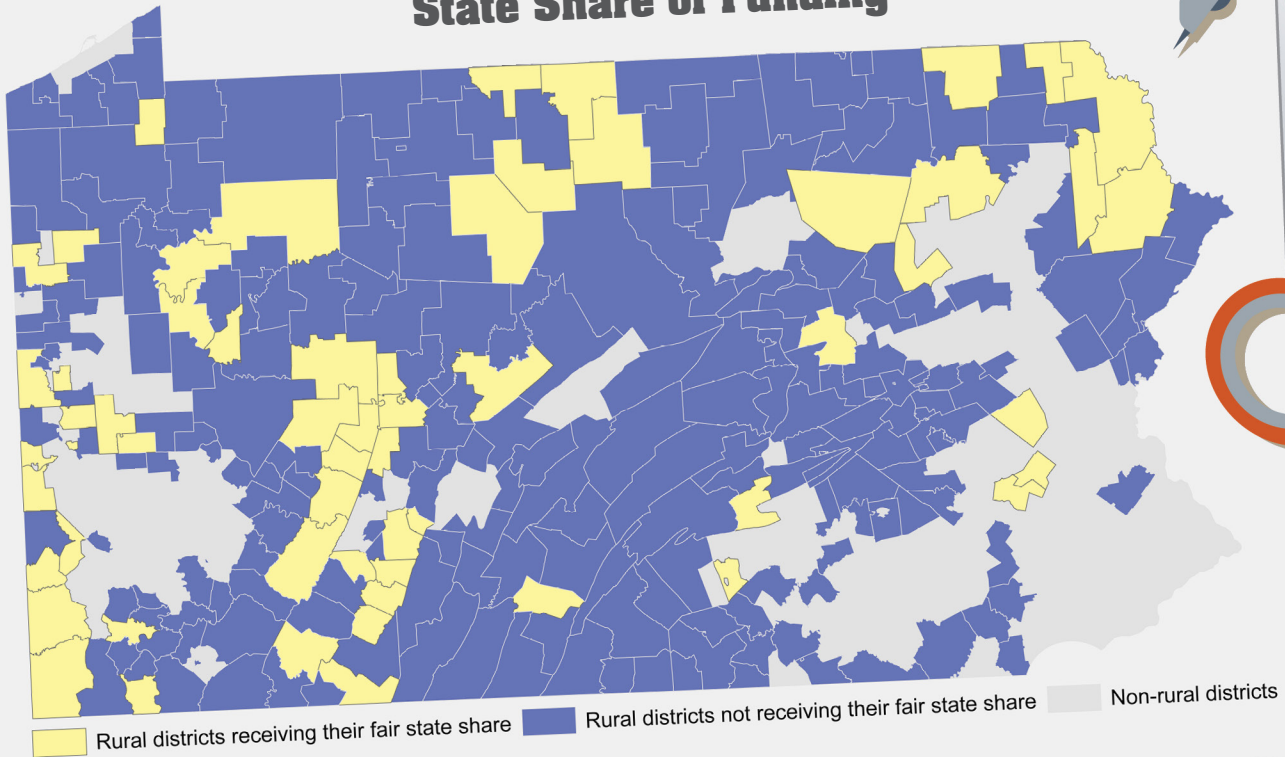
Spending and Student Proficiency 2015-16 PSSA

- All rural districts
- Rural districts underspending by 10-25% as compared to adequacy target
- Rural districts underspending by 25-35% as compared to adequacy target

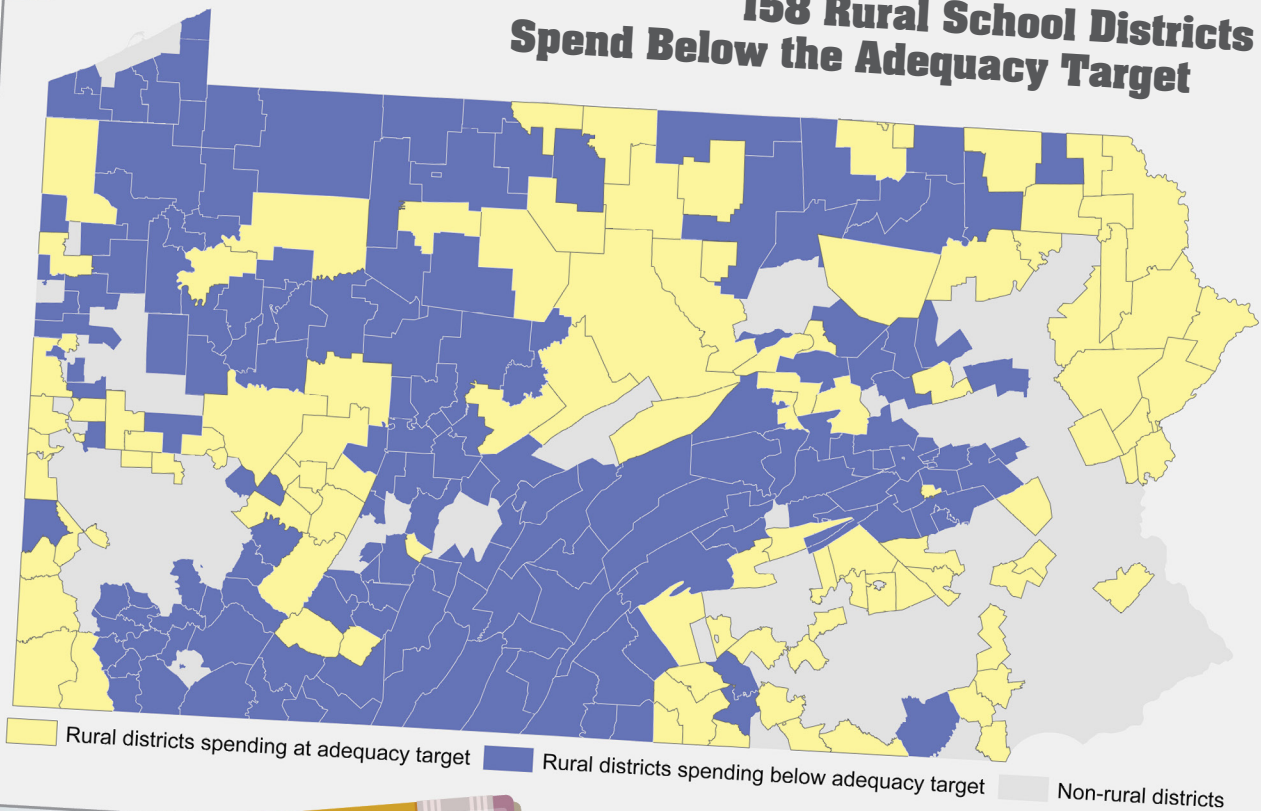


School Funding: 260 Rural Districts

202 Rural Districts Don't Get Their Fair State Share of Funding



158 Rural School Districts Spend Below the Adequacy Target



Research Supports Investments

Pennsylvania's state share of public school funding remains one of the lowest in the country.²

Research studies in school finance align with the Pennsylvania performance results and the question is no longer whether money makes a difference for students, but rather the extent to which educational resources are adequate for schools to educate their students.

Another study tracking the impact of education funding reforms across many states found that increases in K-12 education funding led to improvements in high school graduation rates and adult wages and long-term declines in poverty. The study estimated a benefits cost ratio of \$3 for every \$1 invested.³

Not only is there a clear correlation between adequate spending on public education and student outcomes but a recent national study highlights the important role quality public schools have on the upward mobility of communities, including rural communities. In other words, adequate school funding is an important factor to ensure today's students realize the American Dream and enjoy a quality of life similar to or better than their parents and grandparents. The study found that upward mobility was influenced by four factors: the size and dispersion of the middle class; the quality of K-12 schools; strong families, measured by the share of two-parent households; and civic engagement.⁴

Student performance in rural districts and others will continue to decline without adequate state funding to support qualified teachers, up-to-date textbooks, small class sizes, and other supports that help students achieve.

Investing in Kids

Student performance in rural districts and others will continue to decline without adequate state funding to support qualified teachers, up-to-date textbooks, small class sizes, and other supports that help students achieve.

Policymakers have taken a strong step toward full and fair school funding by enacting a new formula to distribute education dollars more fairly based on student and community needs. But that is just one part of the equation.

The increase of \$100 million for public schools in Governor Wolf's proposed 2017-18 budget is a strong investment in a difficult budget year. However, it is important to recognize that ensuring all students have the resources needed to succeed requires significant and sustained funding increases over several years, run through the fair funding formula.

The new state funding necessary to close the adequacy gap so that all Pennsylvania students have a fair chance to meet state standards is \$3 billion. State policymakers should strive to close that funding gap over the next five to seven years.



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