

How are schools funded
in Philadelphia?

PA's Struggling Education System is Bad for Business



93%

PA Chamber survey respondents who have difficulty finding applicants with requisite education, training, and/or skills



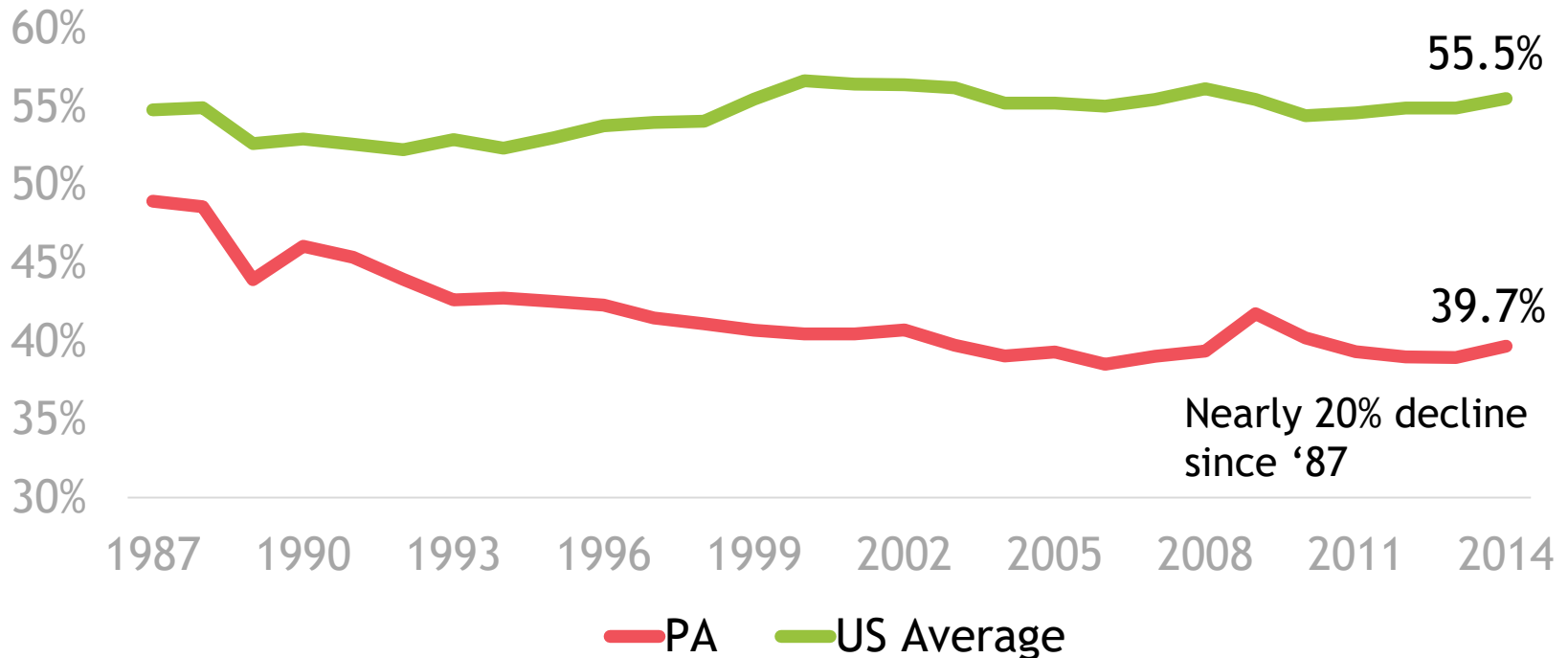
\$189 million

Cost to PA Chamber members for educational benefits for employees

Our kids are graduating unprepared for the workforce

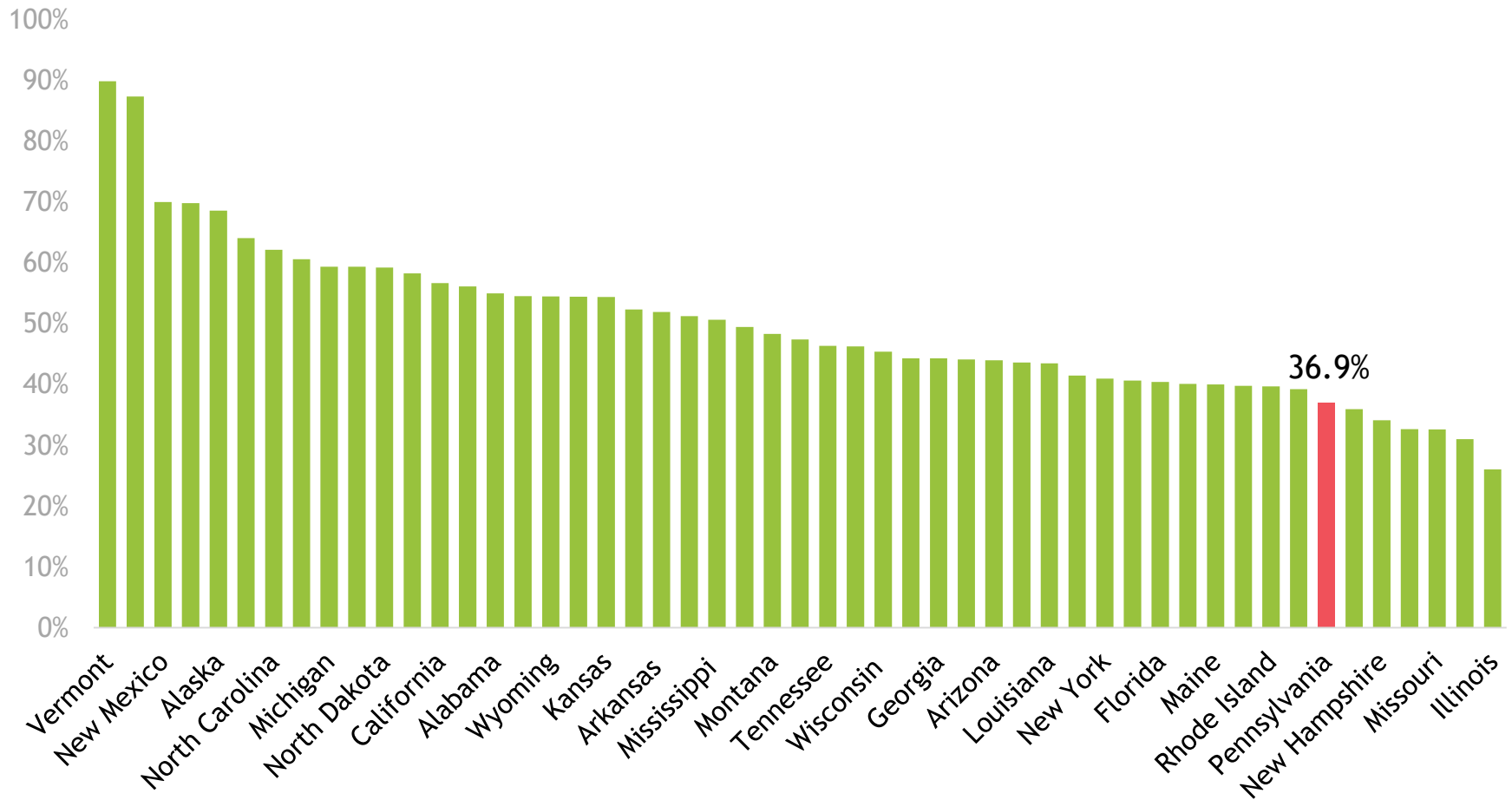
The Share of Education Funding from the State has Been Declining for Decades

State Share of State + Local Funding



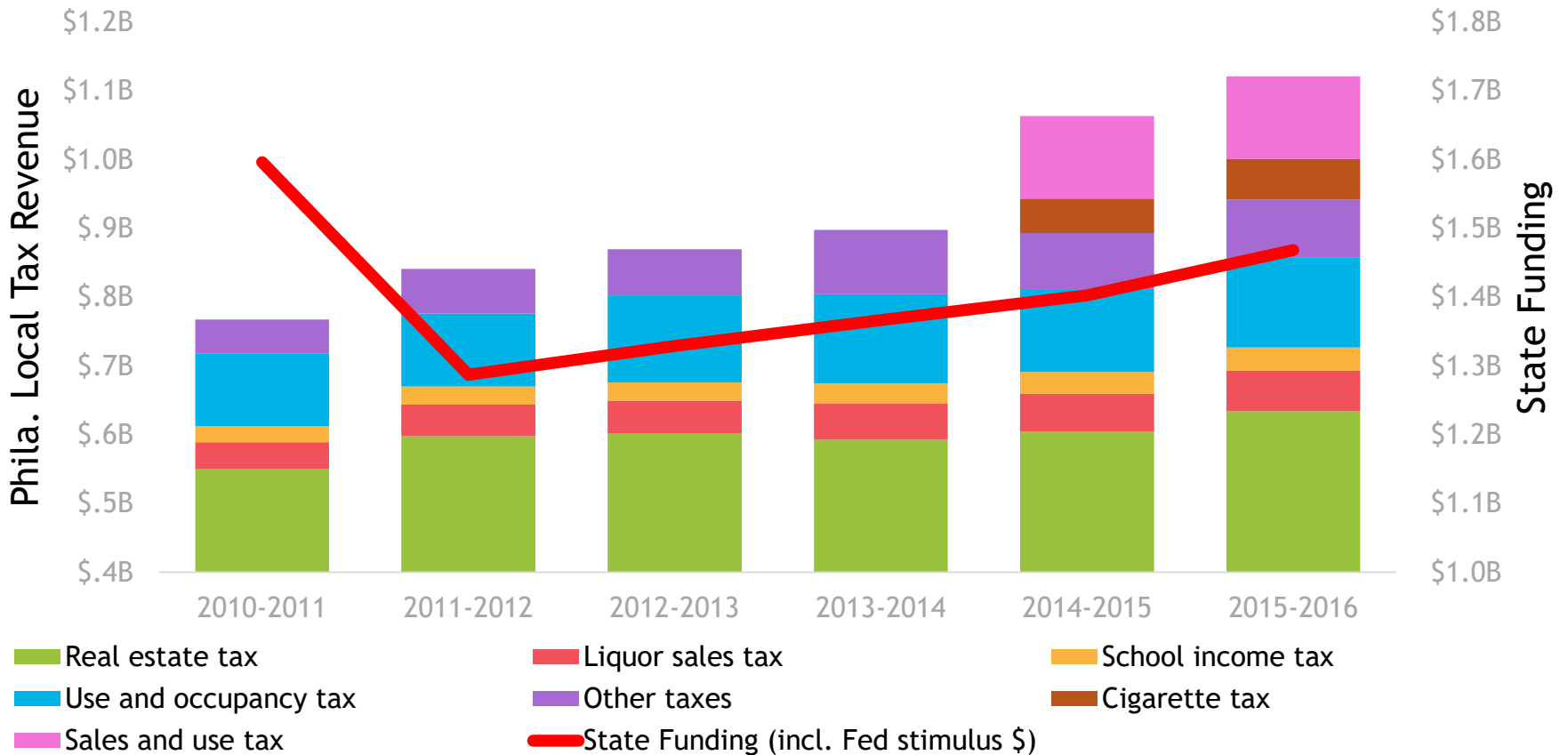
School districts are left to make up the difference locally

PA is 7th from the Bottom for State Share of Education Funding



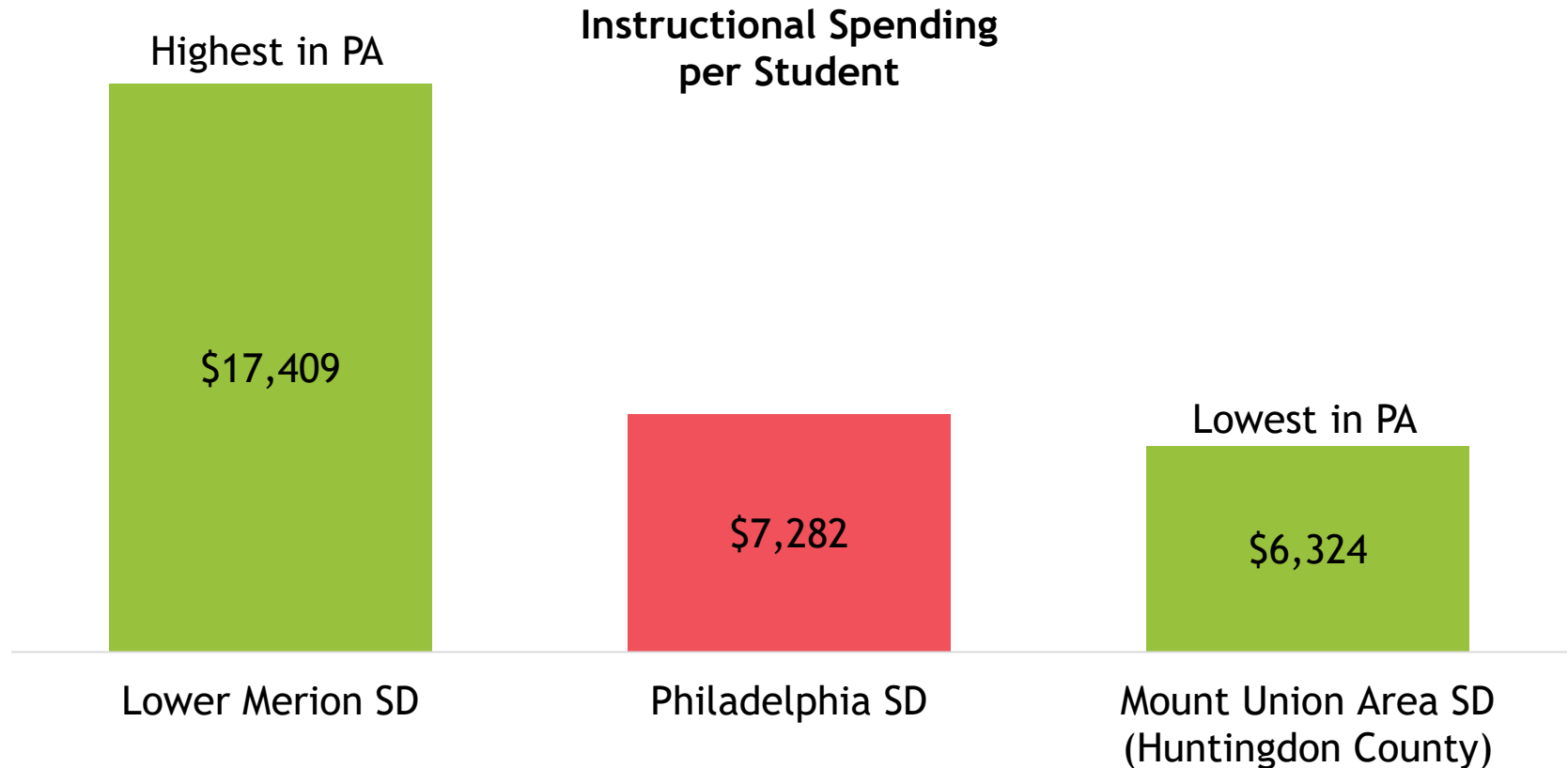
We are falling behind the country on education

When State Funding Declined, Philadelphia Picked Up the Tab



Over \$350 million in increased annual local revenue since 2011

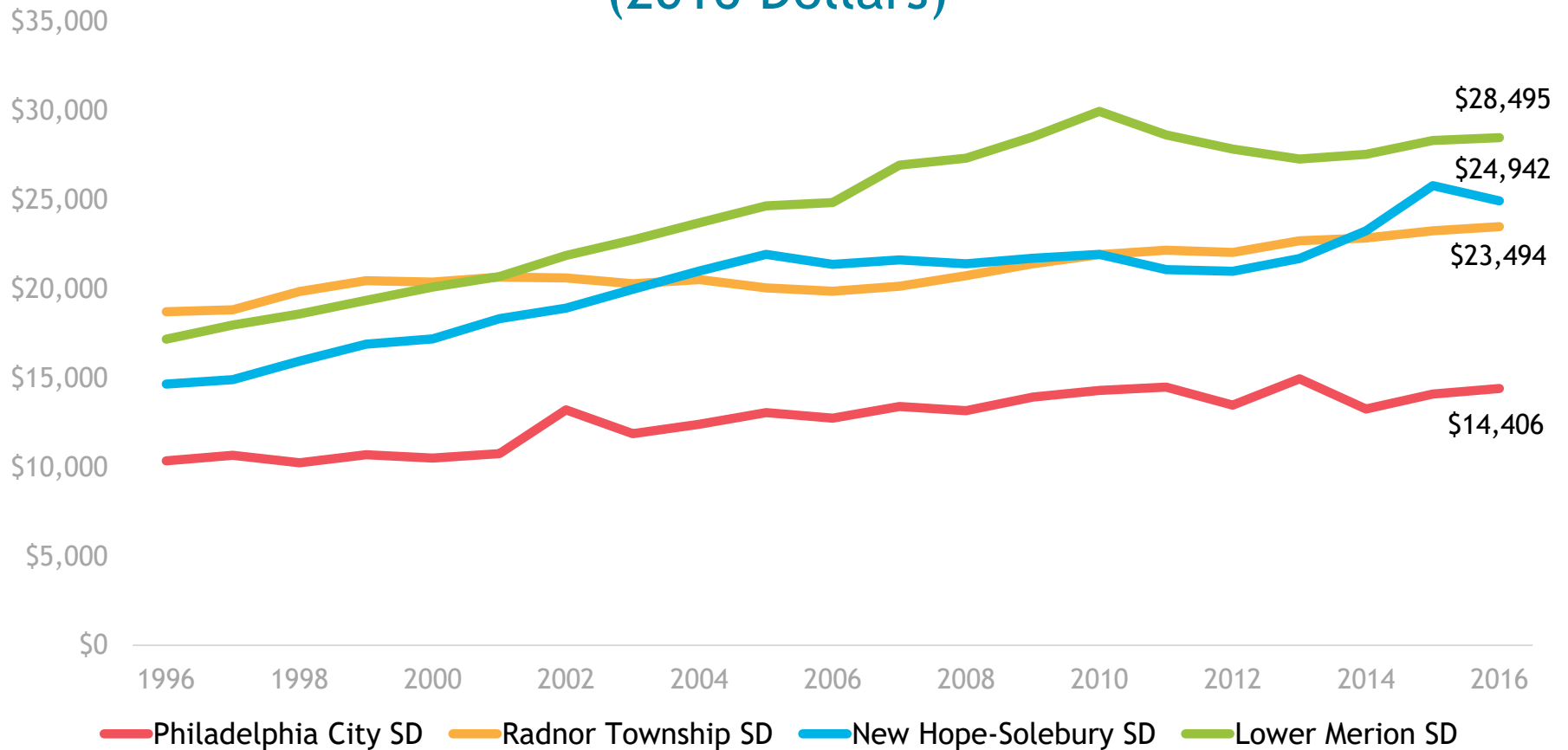
But Local Revenues Still Can't Make Up the Funds for Quality Education



Philly is in the bottom 10%

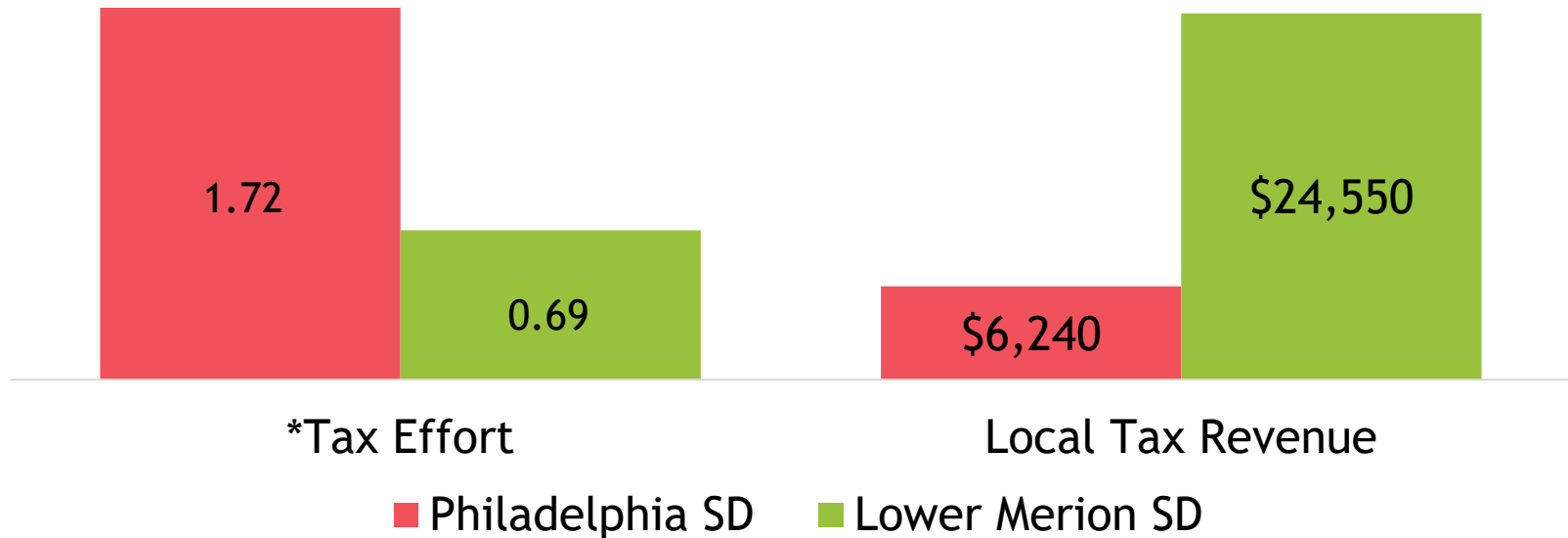
Philly Has Just 50-60% of the Funds of Top Performers in the Region

(2016 Dollars)



The gap has only grown

Drilling Down: Philly v Lower Merion - More than Twice the Tax Effort but 4x Less Local Revenue

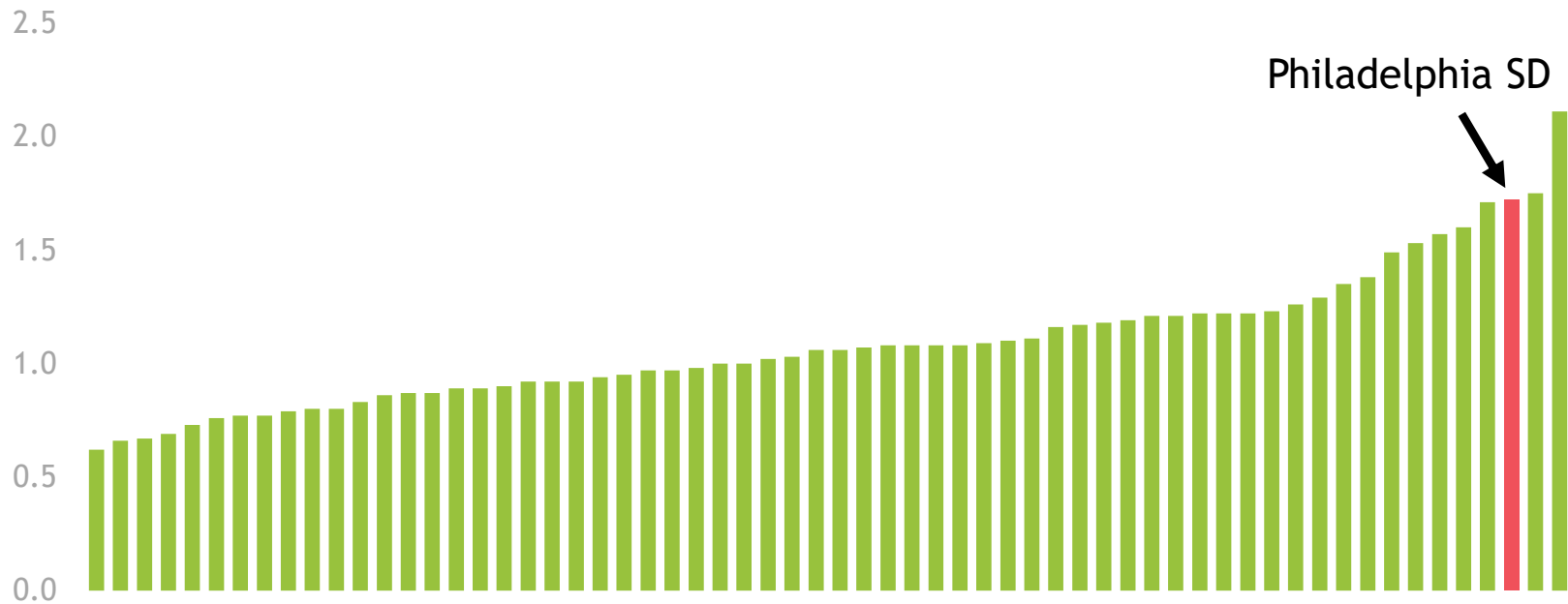


Increasing dependence on local taxes won't get Philadelphia the resources it needs

**Tax effort is measured using the State's Local Effort Capacity Index, which considers the local tax revenue and median household income of the district compared to the statewide median as well as the real estate value and personal income in the district compared to the statewide median.*

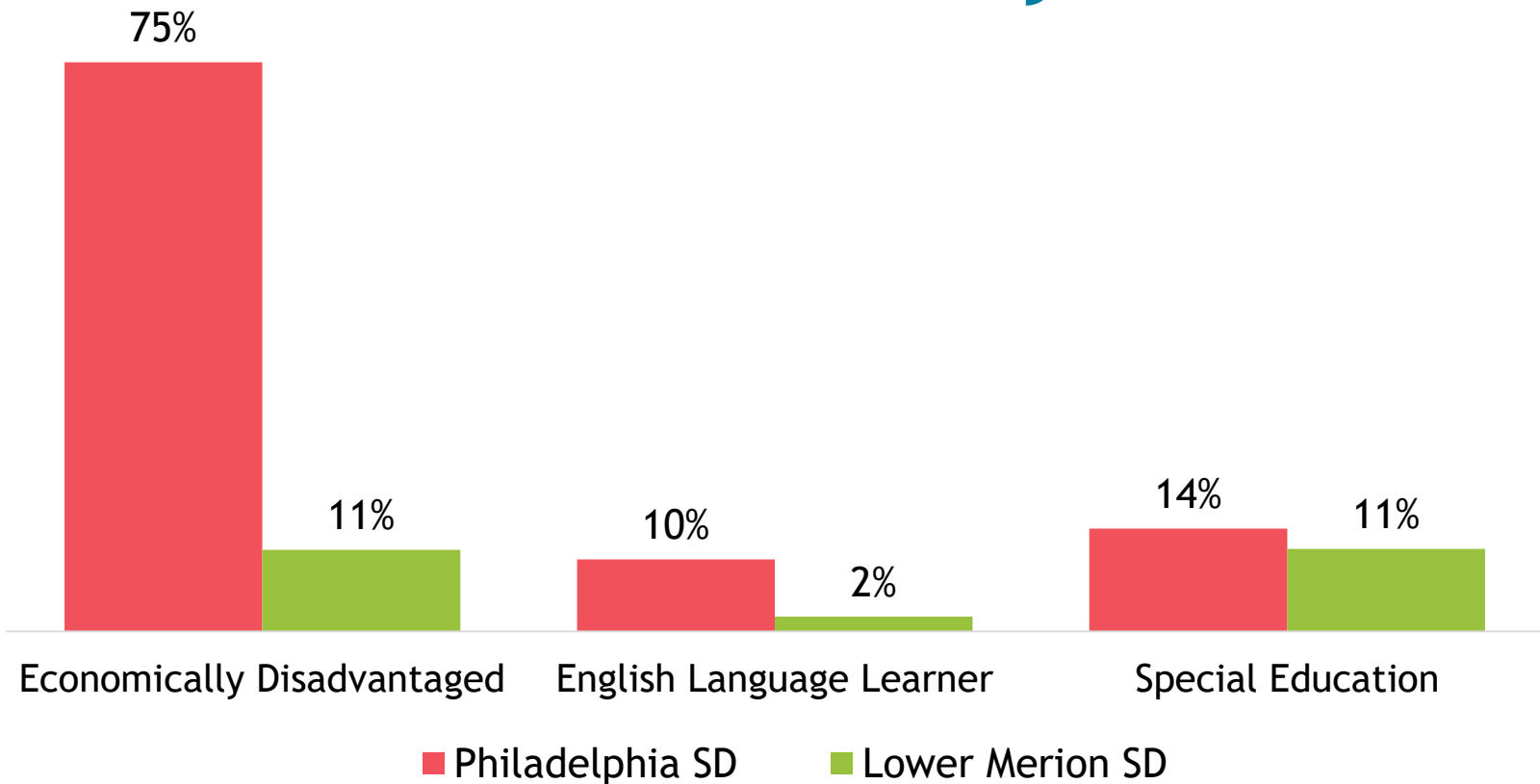
Philly is Near the Top in the Region for Local Tax Effort

Local Tax Effort for Southeast PA School Districts



3rd highest in the region and 12th highest in the state

Educating Poor Students Takes More Money



Philadelphia's student body is in far greater need of support

Private Schools Know - High Quality Education Requires Significant Revenue

School	Average Tuition
Haverford School	\$33,277
ShIPLEY School	\$32,668
Malvern Prep	\$31,204
Friends Central	\$30,373
Barack Hebrew Academy	\$30,250
Germantown Academy	\$30,081
Episcopal Academy	\$29,879
Perelman	\$21,383
Merion Mercy	\$18,500
Philadelphia SD	\$14,406

Tuition is more than twice Philadelphia's per student revenue at most area private schools

State Dollars Don't Follow Need



361

School districts in PA receiving more State funding than the funding formula dictates



Not Philly

Philadelphia SD gets far less State funding than the formula dictates

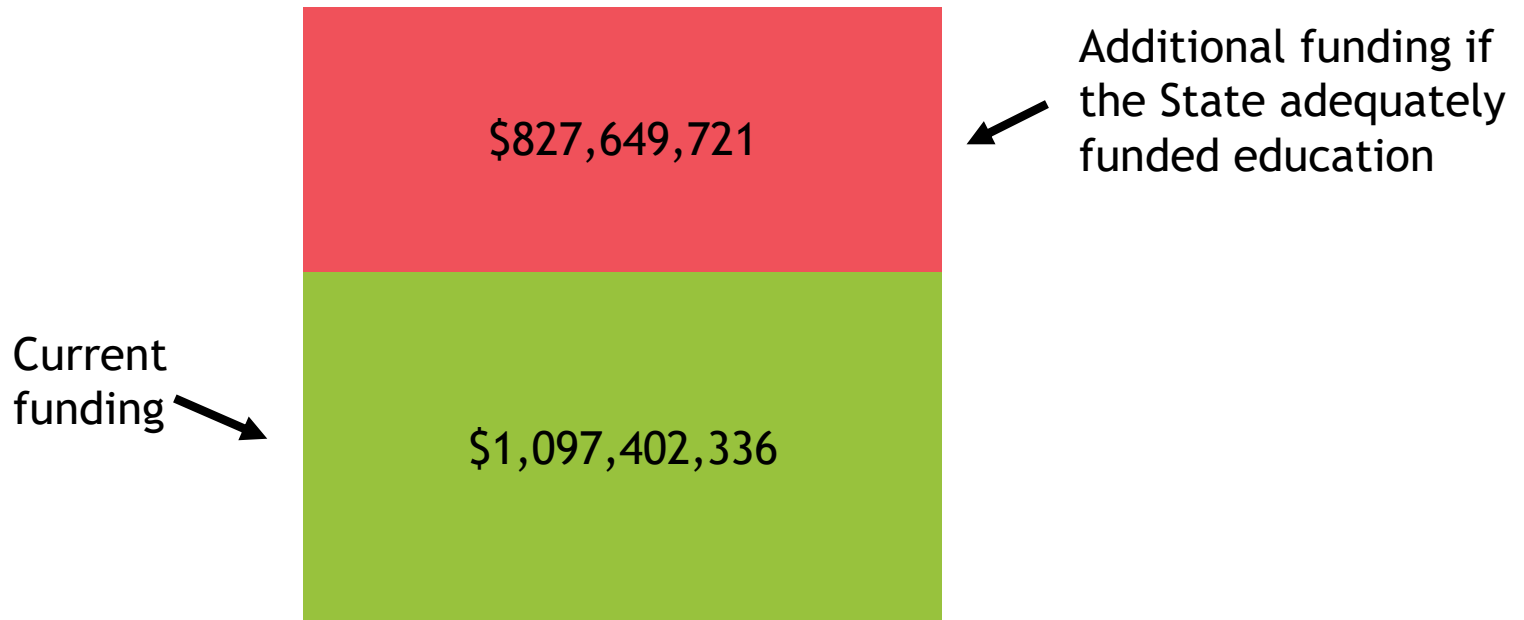


\$700 million

Additional State funding that Philadelphia would receive if all money was distributed through the formula

Philly is subsidizing districts across the state

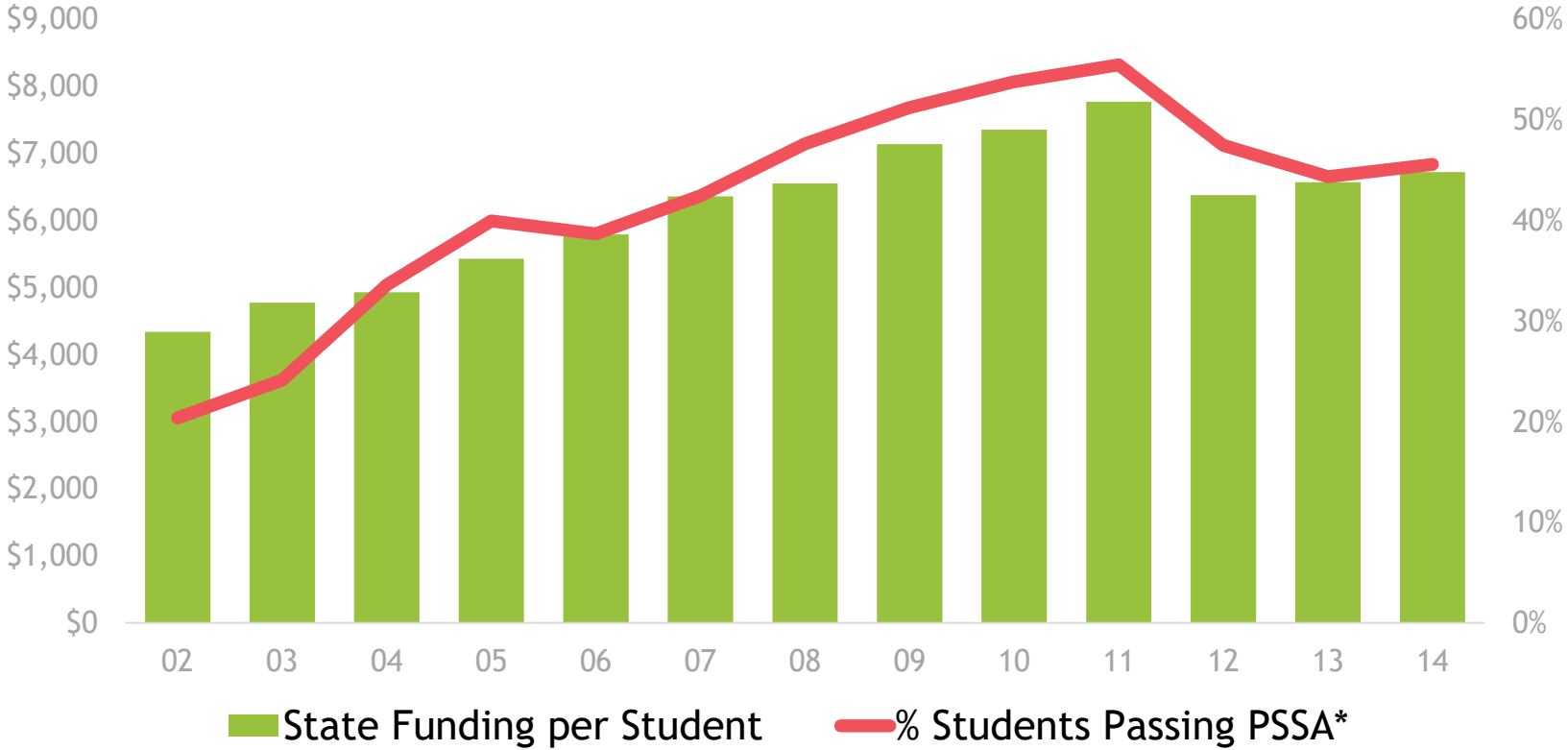
What's Really Needed from the State to Get Philly to a Reasonable Level



Philadelphia's State Basic Education Funding

Philadelphia would receive 75% more money from the State if education was adequately funded

Funding Boosts Performance

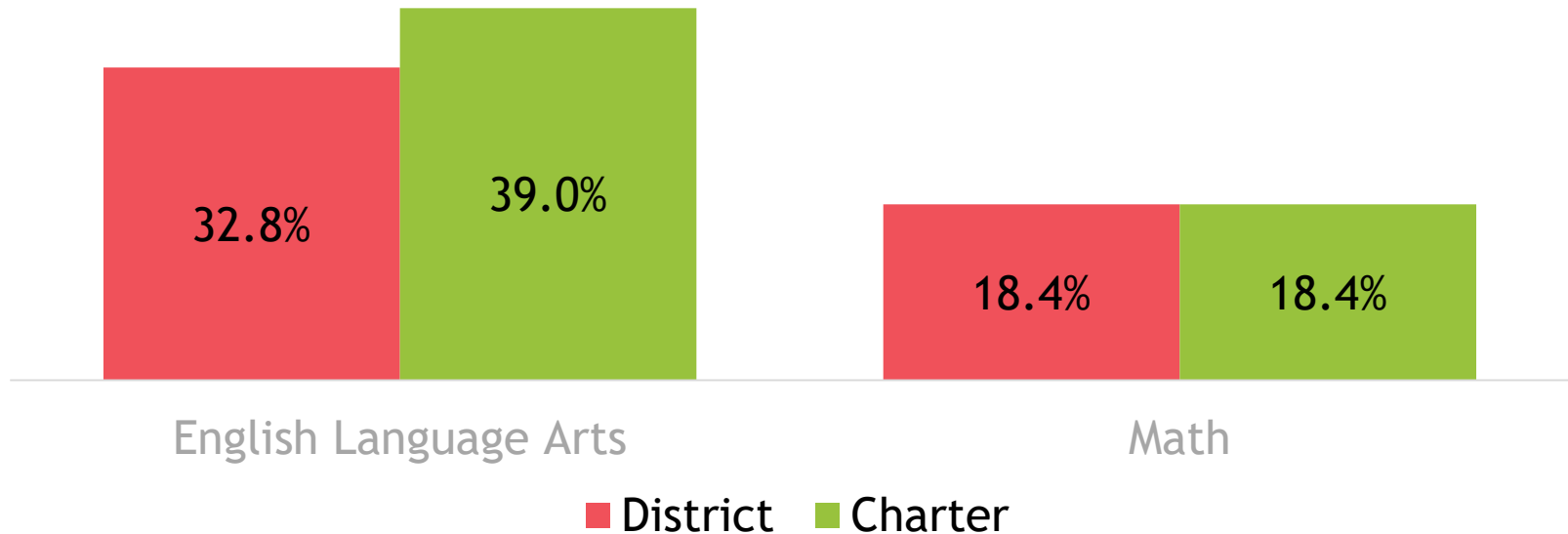


**Average share of students passing the reading and math PSSA in 5th and 8th grades, the only grades that took the test every year*

Performance growth - and decline - went hand-in-hand with funding

Underfunding Hurts Traditional Public and Charter Schools Alike

Share of Philadelphia Students Passing the PSSAs



Both sectors lack the resources to get their kids on par

Whether it's a charter or traditional public school in Philadelphia, it's underfunded

Consider Lower Merion: Twice the revenue, twice the share of students passing the high school graduation exam

