

A YEAR FOR TRANSFORMATION: A WORLD-CLASS EDUCATION FOR EVERY CHILD IN PHILADELPHIA

Pennsylvania's current school funding system is unconstitutional, and this is the year to fix it. On February 7, 2023, after a trial that spanned 8 years, Pennsylvania's Commonwealth Court ruled that our current school funding system has failed to educate all students and has disproportionately harmed students in low-wealth school districts. Now, it's now up to the General Assembly, the Governor, and education officials to fix the system. Lawmakers must finish the job and fund our schools.

State underfunding has created a patchwork of missed opportunity for Philadelphia's students. Spending per student is under \$9,000 in Philadelphia, which is the lowest of all school districts in Southeastern PA by far, and in the bottom 11% statewide.¹ The budgetary shortfall affects students in both traditional public schools and charter schools. It's time to right-size this outdated, insufficient funding system so that every neighborhood in Philadelphia has thriving public schools.

THIS IS THE YEAR TO TRANSFORM SCHOOL FUNDING IN PHILADELPHIA



Pennsylvania's lawmakers are meeting the moment with an ambitious budget proposal that would fix the way schools are funded over the course of seven years. If lawmakers pass the current education proposal, Philadelphia schools would receive an increase of over **\$246 million** this year, with additional increases required over the next seven years to ensure constitutional funding. See page 2 of this report for a detailed breakdown.

The proposal would also reform the way cyber charters are funded to curb waste and redirect funds to school districts. By standardizing the statewide cyber charter tuition rate at \$8,000 per student, Philadelphia schools would save a combined **\$38 million** in the 2024–25 school year alone.

The combined countywide budget increases and savings of almost **\$284 million** this year would be enough to bring Philadelphia 648 new teachers, or 593 new school support staff like counselors, psychologists, and classroom aides. With a \$14 billion surplus in Harrisburg, there are plenty of state funds to bring home to Philadelphia. Let's make this year the first of a seven-year plan to build a world class education system in Pennsylvania.

¹ For data sources and methodology on all data included in this report, see the other side.


ADVOCATES



STUDENTS



PHILADELPHIA SCHOOLS **BENEFIT UNDER THE PROPOSED EDUCATION BUDGET IN SY 24-25** ...Year One of a Seven Year Plan!

Total Increases (Adequacy, Tax Equity, BEF, SEF)	Additional Savings from setting a standard cyber charter tuition rate	Combined Increases and Savings per Student	Receives constitutional adequacy supplement?
\$246,000,537	\$37,965,560	\$1,436	

APPENDIX:

All budget data is from the PA Department of Education. Total and per-student increases are a sum of the adequacy supplement, tax equity supplement, BEF increase, and SEF increase. Cyber charter savings reflect the Governor’s proposal to set a statewide tuition rate of \$8,000 per student. Per-student increases were calculated using the most recently available Adjusted ADM data, which is from SY 21-2022. The exact dollar distributions are subject to change slightly as routine annual data updates (e.g. ADM, AFR) will impact funding formulas.

Data on per-student spending is from the 2021-22 AFR report from the PA Department of Education: actual instructional expense per weighted ADM.

Data on the number of teachers and school support staff that each county could hire based on new funding is derived from countywide average salaries calculated from the 2023 Research for Action Report, “Pennsylvania School Funding and School Staffing Disparities. The report and salary data can be found here: <https://www.researchforaction.org/research-resources/k-12/pennsylvania-school-funding-and-school-staffing-disparities/>. After calculating the countywide average salary for each staff type, we added 40% to reflect the average cost of benefits, including but not limited to healthcare and pension costs.

GLOSSARY OF TERMS:

ADEQUACY SUPPLEMENT – Funding so that each student has enough to succeed in school. It’s based on what the PA’s 63 most successful school districts (excluding very high-spending districts) spent per weighted student in the 2021-22 school year, which was \$13,704.

TAX EQUITY SUPPLEMENT – Funding directed to the school districts that have been contributing a lot of local funding relative to their local tax capacity.

RESETTING THE BASE – The “base” is the stable funding that each school district relies on each year. By maintaining the base as part of the school funding system and updating it to reflect 2023-24 enrollment, school districts with declining enrollment are protected from losing funding. This gives districts that are losing enrollment a head start on reaching adequacy.

BEF – Basic Education Funding. This money is distributed to all 500 school districts each year based on a weighted funding formula.

SEF – Special Education Funding. This money is distributed to all 500 school districts each year based on a weighted funding formula.