



Good Schools Pennsylvania

October 9, 2009

For more information: Janis Risch, 215-681-6213

Governor, General Assembly keep school funding and accountability reform on track

A bad economy, coupled with the availability of \$2.6 billion in federal stimulus funds to support public education in Pennsylvania, presented unique challenges to advancing Pennsylvania's school funding and accountability goals.

But in the end, support for a rational system of education finance prevailed as the Governor and General Assembly today agreed to a 2009-10 state budget that maintains the adequacy formula adopted in 2008, provides new resources for local improvements to basic education programs, and keeps the state on track toward the long-term objective of an equitable system of education finance.

In the final agreement, \$654 million in federal stimulus dollars earmarked for education were used to both replace some state education dollars (\$354 million), and to provide a net increase of \$300 million in basic education funding to school districts above levels appropriated in the 2008-09 state budget. Schools are also slated to receive about \$715 million in additional Title I, Title IID and IDEA funds from the federal government.

Importantly, the 2009-10 education budget continues to use the funding formula and accountability system that was established in law in 2008. This formula establishes an adequacy target for each school district that is based on the number of students enrolled and the costs of preparing them to meet the state's academic standards. The formula then strives to close the "adequacy gap" by distributing basic education funding based on community wealth, tax effort, and other variables.

Other important areas of the education budget - including special education, early childhood education, and accountability block grants - were held to the same funding level as last year, while a few programs that especially serve struggling students - such as the Education Assistance tutoring program - received cuts. (For more detailed information in the budget, please read our [press release](#).)

The prolonged budget delay made it difficult for school districts to make efficient and effective decisions on behalf of students and taxpayers. Still, Pennsylvania is one of the few states in the nation to use education stimulus resources for new investments in educational improvements. Many other states have used significant portions of stimulus funding to "back fill" for cuts in state appropriations and thus maintained only flat funding levels.

Additionally, consensus was developed throughout the past year in how Pennsylvania funds and

supports special education, and the General Assembly will have the opportunity to adopt badly needed special education reform legislation - House Bill 704 and Senate Bill 940 - later this year.

Good Schools Pennsylvania looks forward to better economic times, when the state will be able to resume using state dollars to meet the adequacy targets that were established by the 2008 funding formula.

Until then, public education remains inadequately funded by the state for hundreds of thousands of Pennsylvania's most disadvantaged children. As a result, many of our older communities are over-taxed to support public education, which perpetuates a cycle of disinvestment by homeowners and businesses. These ongoing challenges weaken our economy and the long-term sustainability of our communities and must remain a priority for Governor Rendell, the General Assembly and those who seek to become Pennsylvania's next governor.

For more information about the 2009-10 state budget, [contact Good Schools Pennsylvania](#).