

GETTING SCHOOL FUNDING BACKWARDS

IN CARES ACT DISTRIBUTION, PENNSYLVANIA SHORTS SCHOOL DISTRICTS WITH THE GREATEST NEED

**DR. STEPHEN HERZENBERG, EXECUTIVE DIRECTOR,
KEYSTONE RESEARCH CENTER
DECEMBER 7, 2020**

Federal CARES Act Dollars for Schools

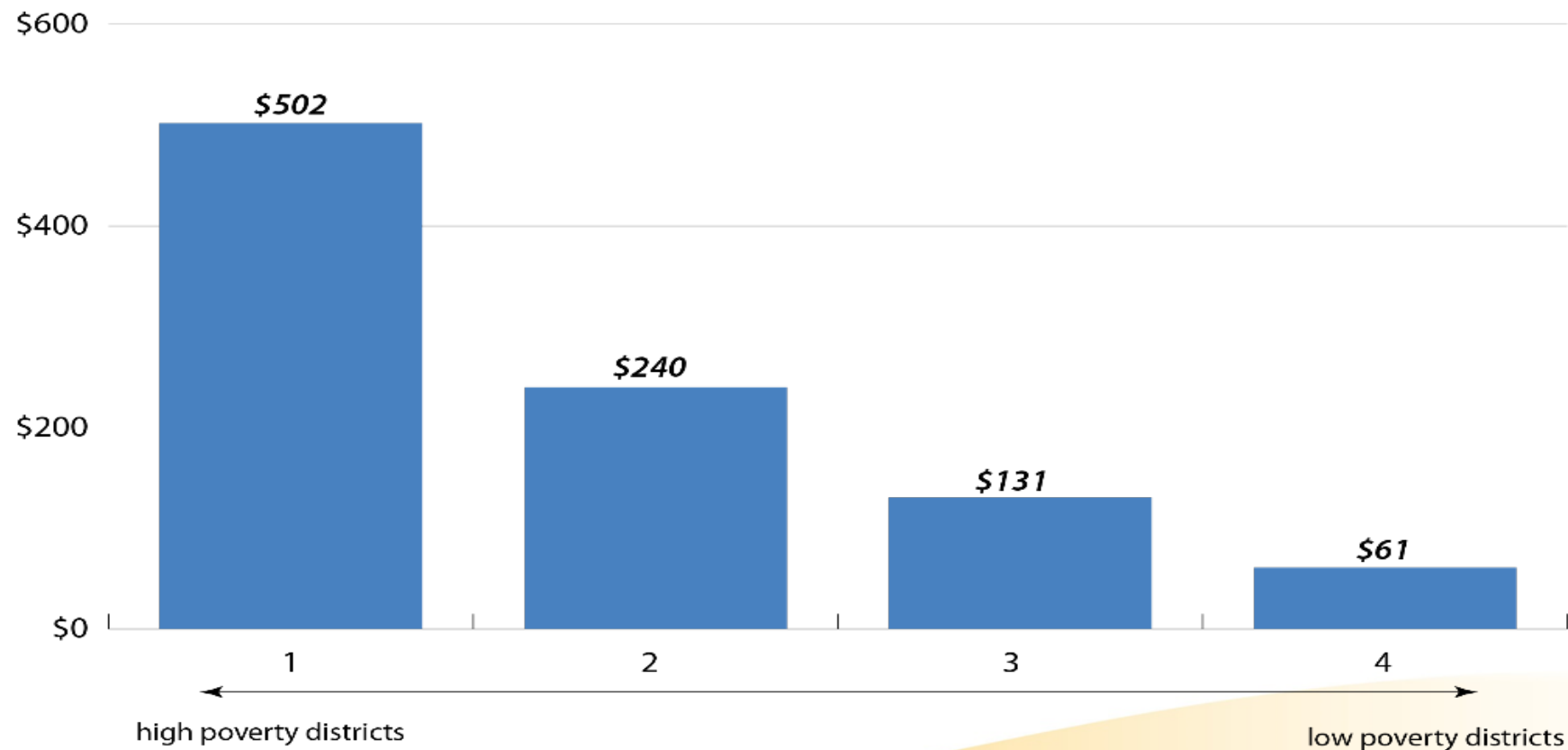
- Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for states: \$150 billion
- CARES Act funding for Pennsylvania: about \$5 billion
- CARES Act funding for the 500 K-12 public school districts
 - First round: \$400 million—allocated using the ESSA Title 1 formula
 - Second round: \$200 million with the allocation up to the state

The Good News—the Allocation of \$ by Title 1

1

CARES Act Dollars Allocated by Federal Formula Supported High Poverty School Districts

Per student ESSER funding distribution via Title 1, by poverty quartiles



Source: Data analysis from Pennsylvania Budget and Policy Center's School Funding Model.

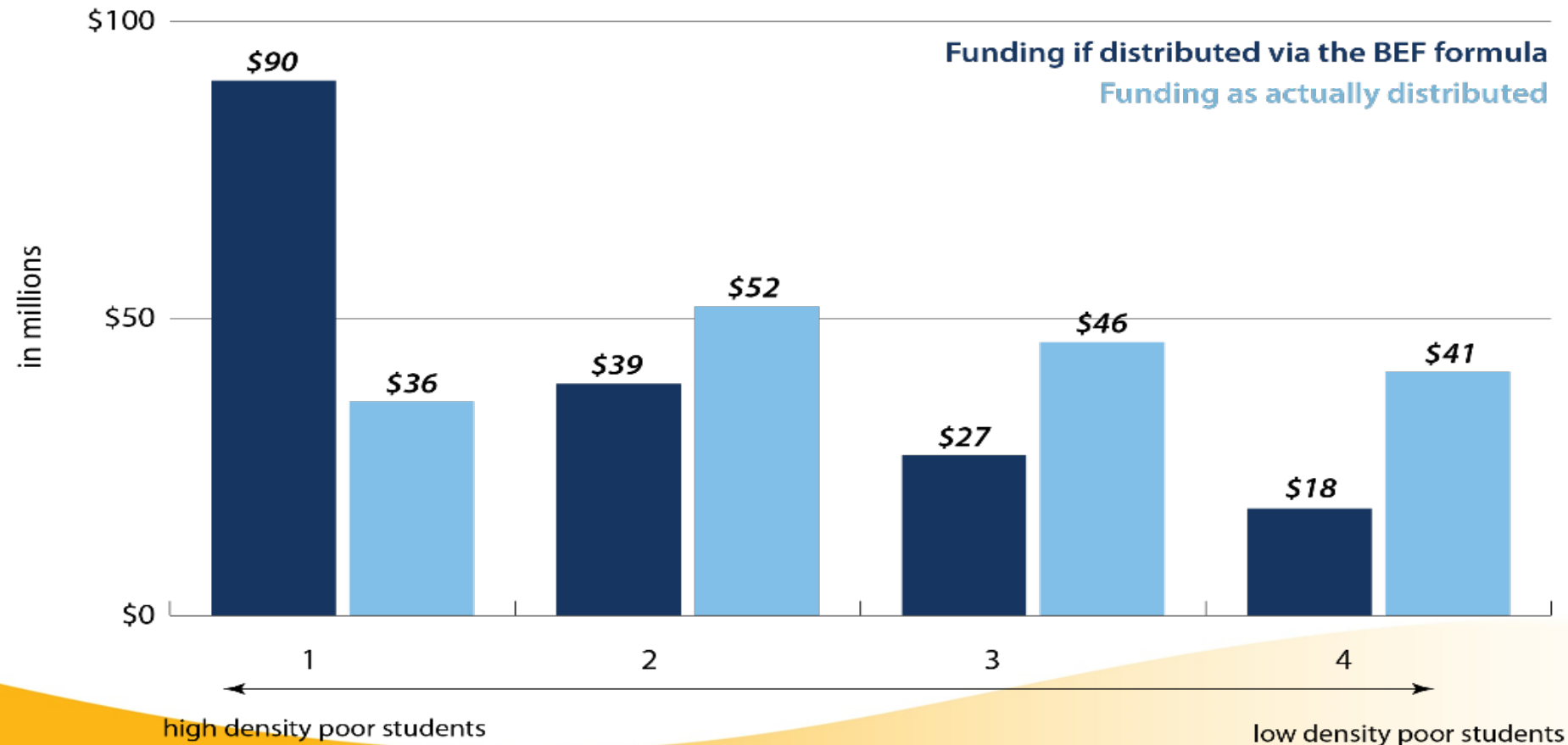
The Less Good News: Allocation of \$200 Million by the State

- About \$25 million went to charter schools and intermediate units—we do not analyze that allocation
- We focus on the remaining \$174 million
 - The state could have used the Basic Education Formula (BEF)
 - Instead, it gave \$120 thousand to each district (that's \$60 million used up)
 - ...and distributed the rest based on “ADM” (average daily membership)—number of (unweighted students)

District with High Shares of Poor Students Shorted

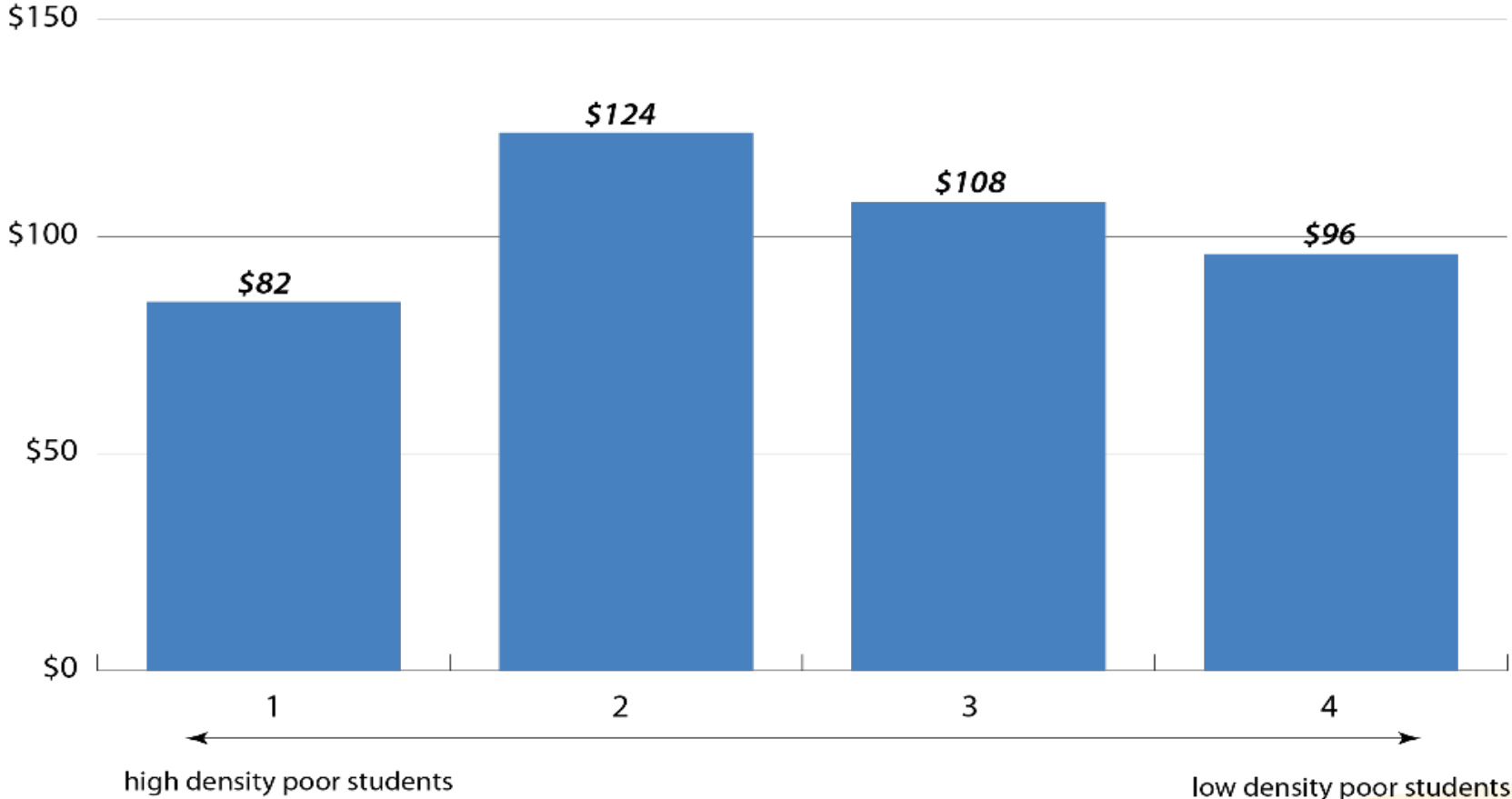
Few CARES Act Dollars Allocated by the State Supported Districts With the Most Poor Students

Total CARES funding per quartile



Source: Data analysis from Pennsylvania Budget and Policy Center's School Funding Model.

Districts With the Most Poor Students Received LESS Per Student Funding Allocated by the State Formula Than Any Other Group of School Districts

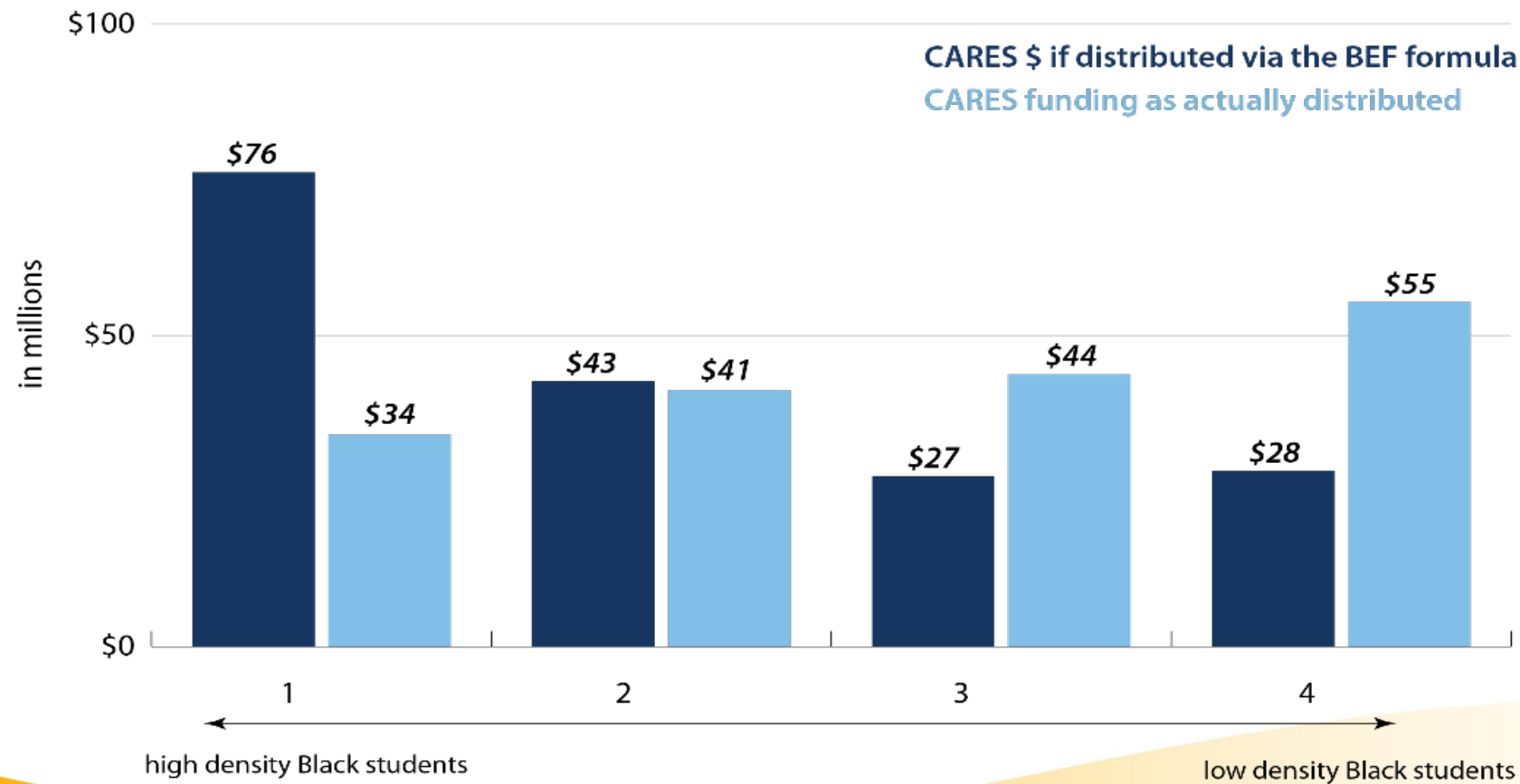


Source: Data analysis from Pennsylvania Budget and Policy Center's School Funding Model.

District with High Shares of Black Students Shorted

School Districts With the Most Black Students Would Have Received Much More Funding Using the BEF Formula

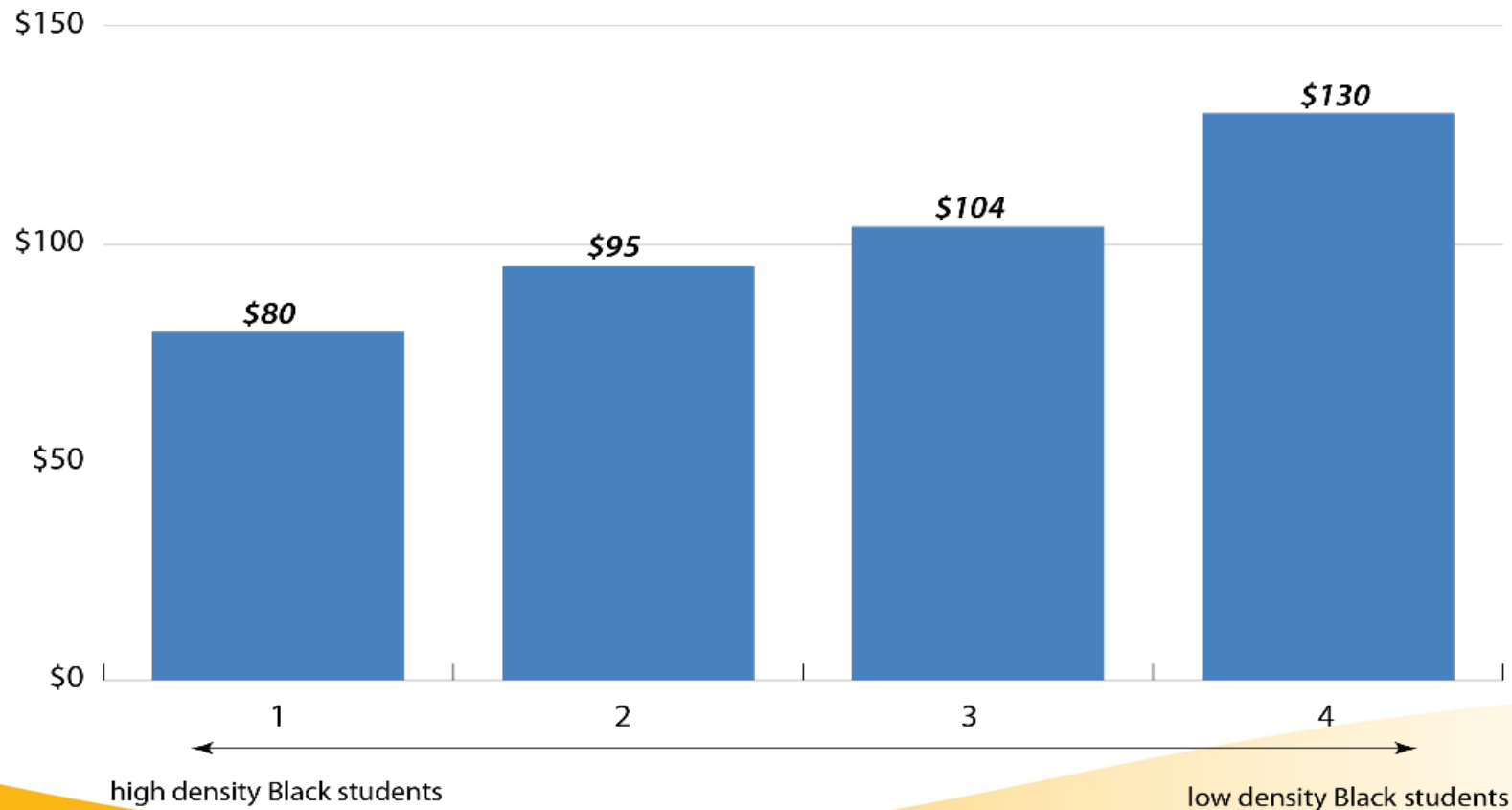
Total CARES funding per quartile



Source: Data analysis from Pennsylvania Budget and Policy Center's School Funding Model.

Districts with High Share of Black Students on a Per-Student Basis

Few CARES Act Dollars Allocated by the State Formula Per Student Supported Districts With the Most Black Students

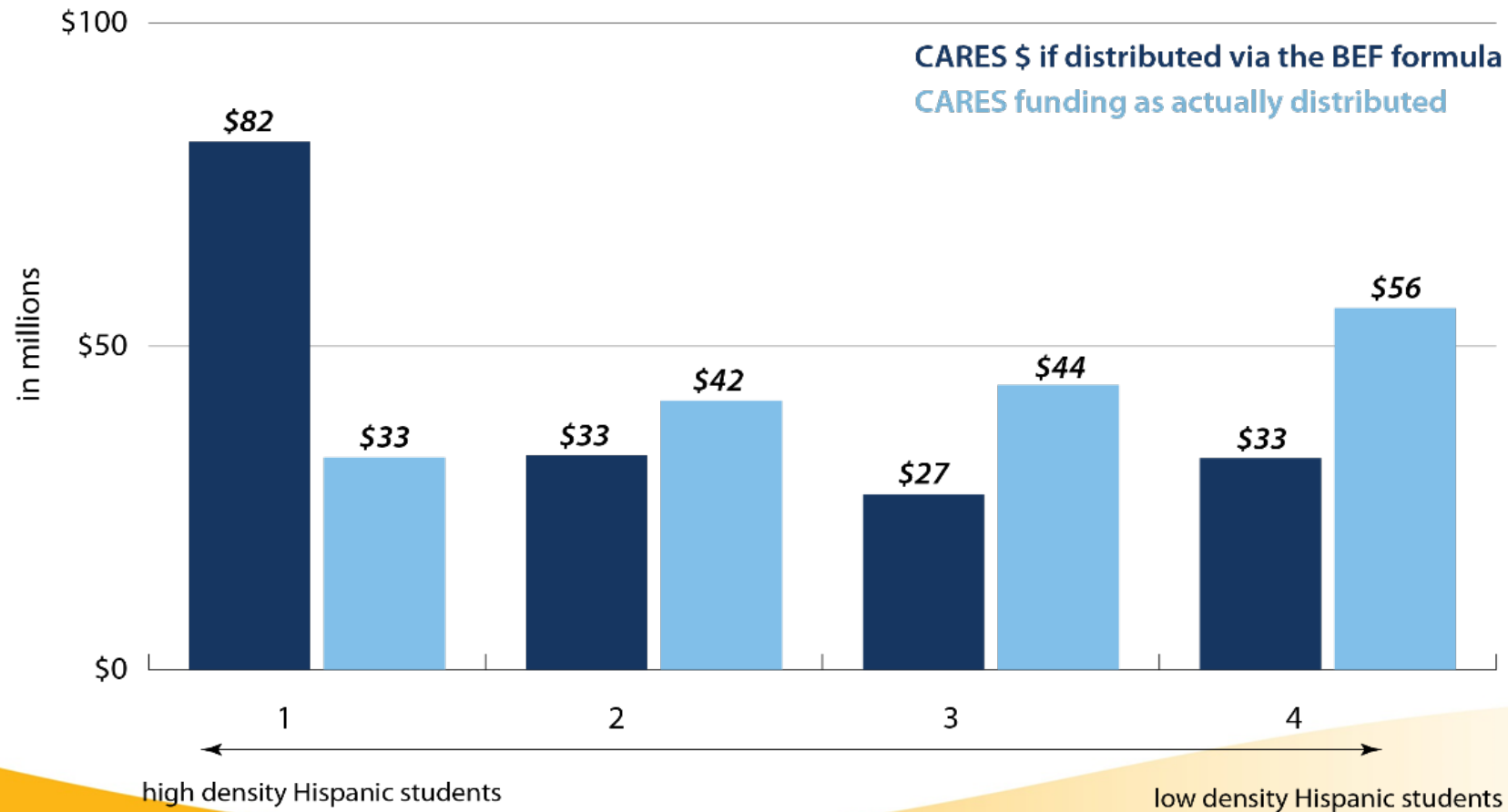


Source: Data analysis from Pennsylvania Budget and Policy Center's School Funding Model.

District with High Shares of Hispanic Students Shorted

School Districts With the Most Hispanic Students Would Have Received Much More Funding Using the BEF Formula

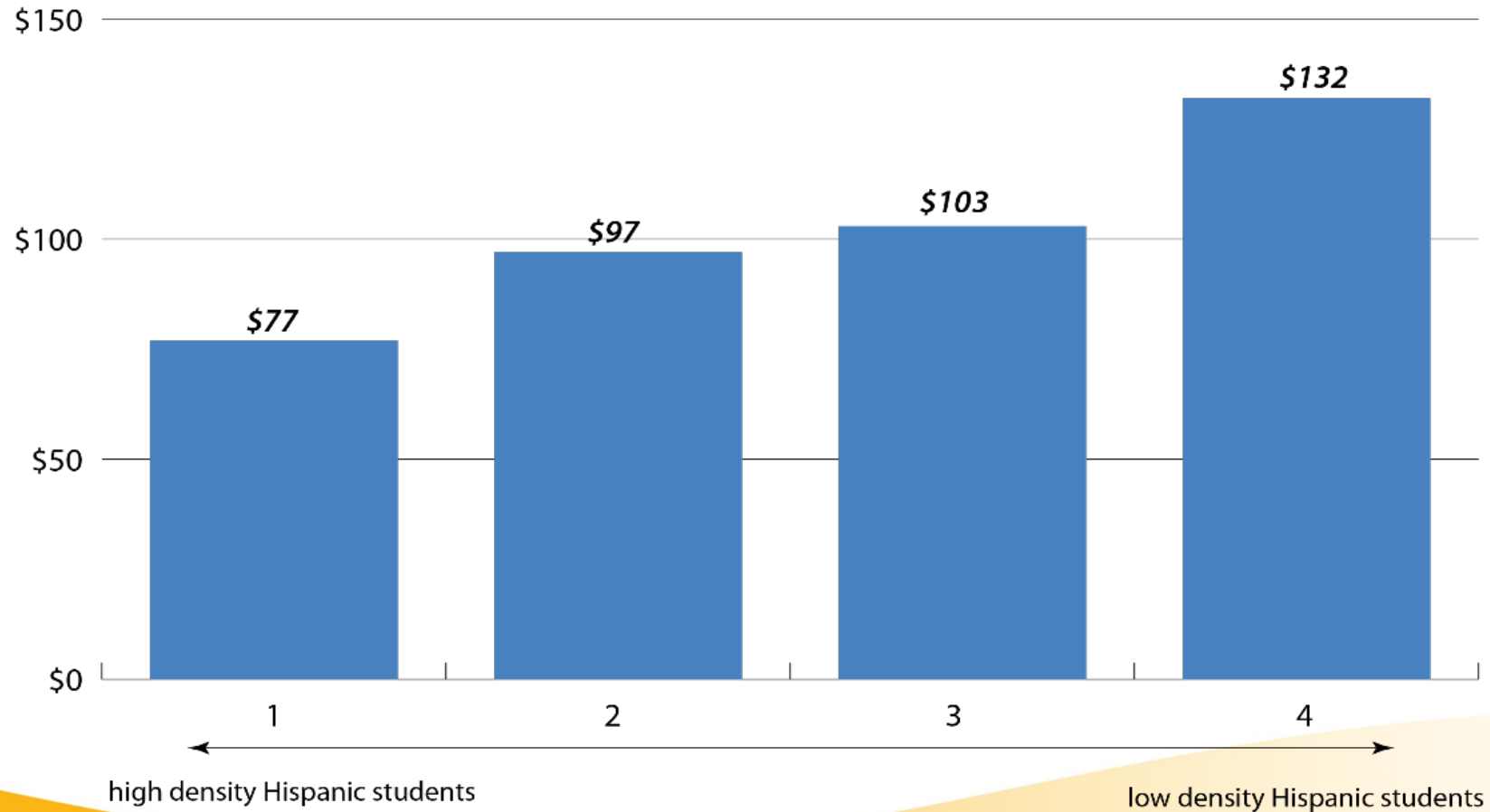
Total CARES funding per quartile



Source: Data analysis from Pennsylvania Budget and Policy Center's School Funding Model.

Districts with High Share of Hispanic Students on a Per-Student Basis

Few CARES Act Dollars Allocated through the State Formula Per Student Supported Districts With the Most Hispanic Students



Source: Data analysis from Pennsylvania Budget and Policy Center's School Funding Model.

Conclusion

- Hard to believe that, in 2020, these funds would be distributed backwards
- If the state gets more funding for K-12 that it allocates, it should not make the same mistake
- An Appendix table has information on school districts for each county—actual \$ received vs. if BEF had been used