



Why Do School Districts Need More Money?

A Presentation to the TTARA School Finance Symposium
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Summary

- ▶ Enrollment Growth and Diversity
- ▶ Inflation
- ▶ Increasing Aspirations
- ▶ Process Mandates
- ▶ Competition with Unequal Resources
- ▶ Community Expectations

Incremental Costs for the Education Dollar

- ▶ Direct Classroom Support \$.58
- ▶ Curriculum, Guidance & Library Support \$.09
- ▶ Building Costs \$.14
- ▶ District and Campus Administration \$.08
- ▶ Food Services \$.05
- ▶ Extra-curricular Activity \$.03
- ▶ Transportation \$.03

Enrollment Growth and Diversity

- ▶ Student growth of 2 percent plus (90,000+ thousand students per year)
- ▶ Additional costs per student of \$8,000
- ▶ Biennial costs of \$2 billion
- ▶ Additional cost pressures from growth in low-income, English-language learners, and “at-risk” students

Inflation

- ▶ Protection of current state and local investments requires \$2 billion per biennium at 2 % inflation rate.
- ▶ Property value changes impact state aid not total revenue
- ▶ Costs beyond school district control include energy and utility costs, many contract services, supply costs, service costs and professional fees.
- ▶ Salary adjustments required to recruit and retain teachers and other qualified staff

Increasing Aspirations

- ▶ State Policy Objectives
 - Exemplary Student Performance
 - Top Ten States in College and Workforce Readiness
 - Elimination of Performance Gaps
 - Reduction of Dropout Rates
 - Well-balanced and Appropriate Curriculum
 - Qualified and Effective Personnel
 - Financial Adequacy and Equity

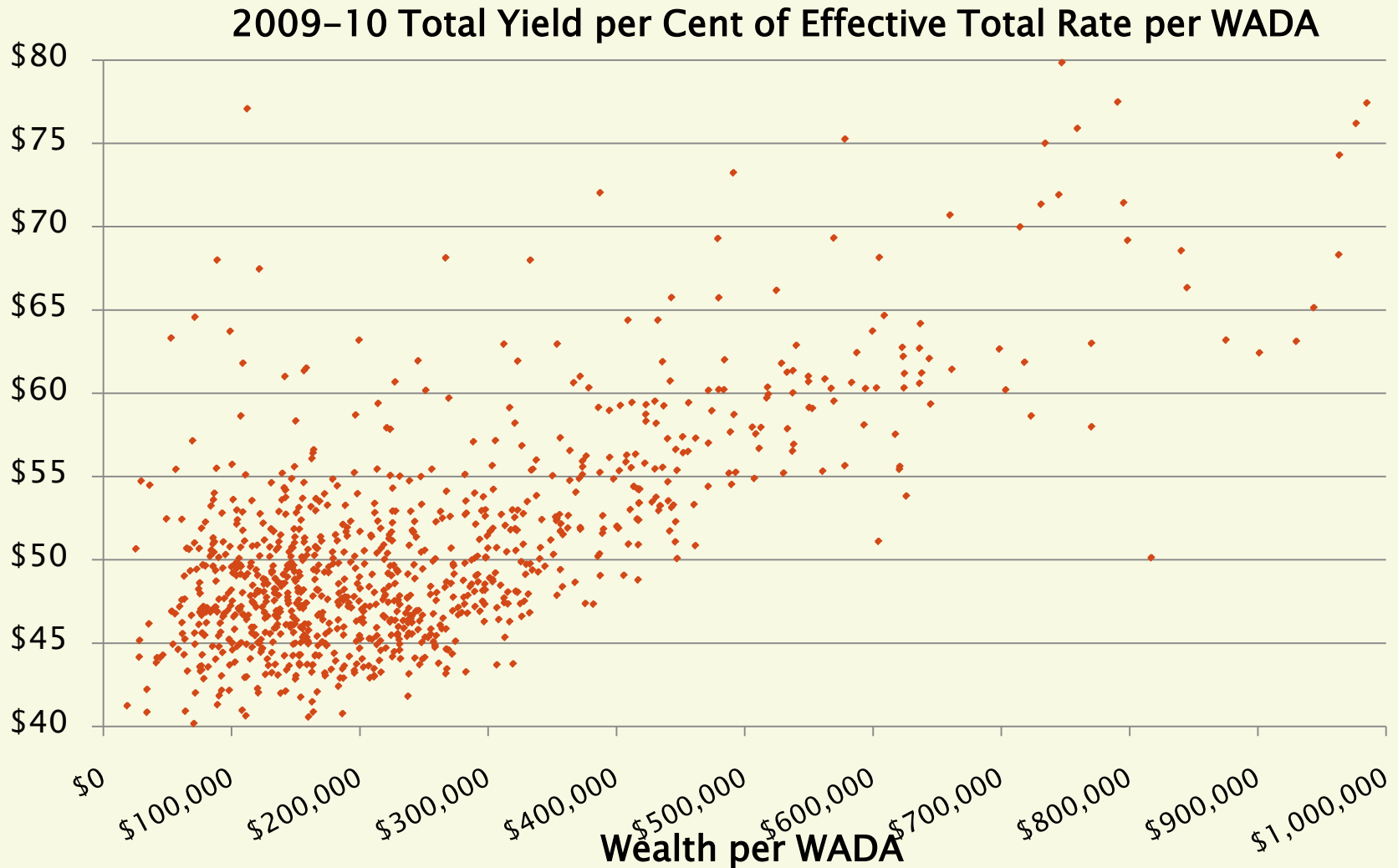
Process Mandates

- ▶ Multiple Accountability Systems
- ▶ Elementary Classroom Size Maximum (22:1)
- ▶ 4x4 Curriculum
- ▶ Teacher Contract Law
- ▶ Recommended Program for College Admission
- ▶ TRS Funding Requirements
- ▶ Special Program Spending and Administrative Requirements
- ▶ Salary Requirements
- ▶ Insurance Requirements

Competition with Unequal Resources

- ▶ Target/Formula “system” has created vast disparities in district resources
- ▶ Districts with common educational problems are guaranteed differing amounts of funding
- ▶ Competition for qualified staff and related resources creates significant competitive budget demands
- ▶ Increased Pressure on Tax Rates

Unequal Resources



Community Expectations

- ▶ Many costs may be considered legally optional, but community-required
 - Transportation
 - Extra-curricular Activities
 - School Size
 - Curriculum Enrichment
 - Community Involvement



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