

# EDUCATIONAL EFFICIENCY IN PENNSYLVANIA

## *Executive Summary*



Pennsylvania has over 3,000 public schools organized into 500 school districts, and those schools educate about 1.7 million students every year. Many people, including political leaders, editorial writers, think tank “experts,” taxpayers, and bloggers, believe the system is inefficient, bureaucratic, top-heavy, and staffed with too many administrators. Critics frequently point to states with county-wide school districts as being paragons of efficiency and urge that we follow a similar model here.

To determine the facts about efficiencies and inefficiencies of Pennsylvania’s public education system, the Pennsylvania Association of School Administrators (PASA) commissioned a study in winter 2010-11.

Despite the common belief that public education is an inefficient and top-heavy enterprise, the facts simply do not support this popular view. The PASA study examined data on Pennsylvania school district staffing and spending and on the comparative test scores and graduation rates of our students. It looked at the span of control of Pennsylvania school and district administrators compared with management personnel in other sectors of the economy. And it compared Pennsylvania with the six states that have county-wide school districts or primarily (at least 85 percent) county-wide districts (Florida, Georgia, Louisiana, Maryland, North Carolina, and West Virginia), since this is supposed to be the most efficient way to organize public schools.

Pennsylvania school and district administrators are required to supervise far more personnel than managers in other sectors of the economy – at least three times as many for school-based administrators and more than eight times as many for central office administrators. In addition, the average Pennsylvania school superintendent is responsible for larger budgets and more staff and students than his or her peers across the country but is paid almost 25 percent less. Most Pennsylvania school districts engage in vigorous efforts to economize (and never more so than in the past two or three years of the nation’s severe economic recession), but more attention to cooperative efforts among districts and intermediate units, increased use of technology solutions, functional consolidation of some services, and perhaps some limited voluntary mergers of districts are still possible.

Nonetheless, by numerous measures of efficiency and effectiveness, Pennsylvania’s school districts are at least as efficient as, and more effective than, those in states with county-wide school systems.

The PASA study began by raising several questions. Here are the questions and the study’s findings.

### **(1) Are we paying too much for “redundant” administrative costs? No:**

- ◆ Districts in three of the six county-wide district states employ a larger percentage of staff in their central administrative offices than Pennsylvania districts.
- ◆ During the decade ending in 2008-09, five of the six states (and the U.S. as a whole) experienced growth in central office administrative personnel, compared with Pennsylvania’s decrease of nearly eight percent.
- ◆ Between 1998-99 and 2007-08 (the latest year of uniform fiscal data), districts in three of the six states increased administrative spending per pupil more than Pennsylvania districts, and districts in four of the six increased per pupil spending on administrative salaries more than Pennsylvania districts.

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## **(2) Could we invest more in instruction if we spent less on administration? We do already:**

- ◆ Districts in only two of the six county-wide district states spent a larger portion of their budgets on instruction in 2007-08 than Pennsylvania districts did (no more than 2.8 percent more).
- ◆ Pennsylvania districts spent more per pupil on instruction in 2007-08 than districts in all of the other six states except Maryland.

## **(3) Are property taxes higher because we have 500 local taxing bodies?**

### **This is an issue of state funding:**

- ◆ The real culprit here is Pennsylvania's low level of state support (35.8 percent in 2007-08 compared to an average of 45.2 percent in the six states with county-wide districts). As a result, Pennsylvania districts rely more on local property taxes than districts in any of the other six states except Maryland.
- ◆ If Pennsylvania contributed 45.2 percent of the costs of operating the schools, rather than 35.8 percent, Pennsylvania districts could maintain current service levels and could cut property taxes \$2.4 billion.

## **(4) Would our students get better results if we had fewer districts? They do already.**

- ◆ Pennsylvania students outscored those in all six states with county-wide districts on the fourth and eighth grade National Assessment of Educational Progress reading and math tests in 2009 (except for ties with Maryland in fourth grade reading and eighth grade math). A higher percentage of Pennsylvania students also scored proficient or above on both tests at both grade levels than students across the United States.
- ◆ On a uniform measure of high school graduation four years after entering high school, Pennsylvania students had a higher 2008 graduation rate than all of the six county-wide district states or the nation as a whole.

To conclude, Pennsylvania has more districts than those states with county-wide school systems, but only one state in the nation with more students has fewer school districts than Pennsylvania. Half the states with county-wide systems employ a larger percentage of district administrative staff than Pennsylvania, and the majority of them have been increasing administrative spending and salaries more rapidly than Pennsylvania. Supporters of school district consolidation argue that it allows greater investments to be made in classroom instruction. But Pennsylvania districts already spend more per pupil on instruction than those in five of the six county-wide district states, and spend a larger percentage of district budgets on instruction than districts in four of the six. Some cite an ability to reduce property taxes as a reason to consolidate districts. The only way to significantly cut property taxes in Pennsylvania is for the state to contribute at the rate of the six states with county-wide systems. That would allow for a \$2.4 billion annual reduction in property taxes. The final argument in favor of consolidation is that it will boost student achievement. But a higher percentage of Pennsylvania students already score proficient or above on national reading and math tests than students in the six states with county-wide systems, and more of them graduate from high school on time than students in any of those states.

The full report is available on PASA's website at: [www.pasa-net.org](http://www.pasa-net.org). It was commissioned by the Pennsylvania Association of School Administrators (PASA), which represents school superintendents and other school leaders from across the Commonwealth. PASA's mission is to promote high quality public education for all learners through its support and development of professional leadership.