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# PASA POINTS

The Pennsylvania Association of School Administrators

## About PASA

The Pennsylvania Association of School Administrators (PASA) is an organization that is instrumental in developing successful school leadership through advocacy, support, sustainment of high-quality school administrators and a statewide collegial network.

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The 2022 PASBO, PASA, PARSS Budget Survey reveals significant financial concerns for public education.

## In this issue

**Annual Budget Survey**

**Mandated Costs at a Historic High**

### Budget Survey Findings

Public education in Pennsylvania is at a critical juncture according to the most recent [Budget Survey](#) conducted by PASBO, PASA and PARSS. School districts find themselves navigating a new normal as they work through the lasting effects of the pandemic to address student needs, all the while battling increases in mandated costs, massive statewide educational labor shortages, significant supply chain issues, and stringent requirements associated with ESSER funding.

This year's budget survey, released in January 2022, examines a number of issues facing school districts today. Labor issues across the spectrum for operational and instructional student services and support functions were reported as the top concern and challenge for all three survey respondent groups (superintendents, school business officials, and operational specialists).

Based on the results of the budget surveys and on analysis of districts' budget and financial data, this budget report offers the following recommendations for state and federal policymakers:

1. Strengthen and expand funding support and/or relief in a predictable and sustainable way to schools experiencing accelerated growth in mandated costs for special education, charter school tuition, and pensions. These costs are putting tremendous burdens on local taxpayers and are impacting local student educational opportunities.
2. Ensure that schools that are investing in successful federal ESSER programs and can sustain these programs well beyond the current statutory deadline.
3. Assist schools in overcoming the severe supply chain, labor, and fiscal challenges so they can more effectively provide pupil transportation, food service, technology requirements, infrastructure updates, and student support.
4. Ensure that school funding is predictable, consistent and sustainable as districts unwind ESSER funding and begin to plan budgetary needs over the next three years.

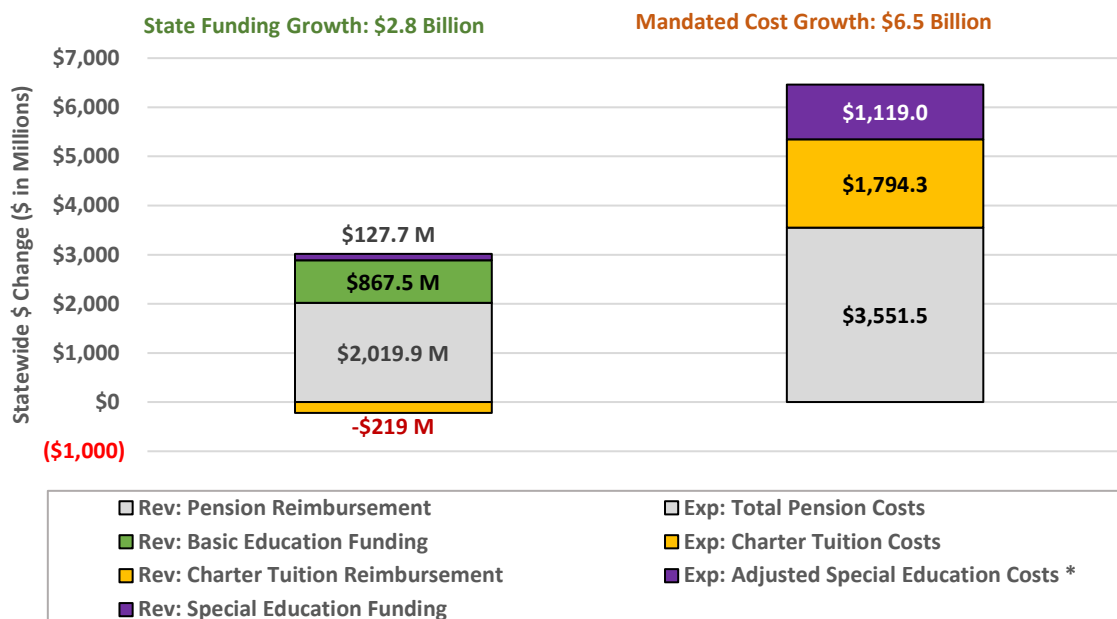
## Mandated Costs are at a Historic High

The \$1.75 billion public education funding proposal in the Governor's budget is a lot of money. In fact, from 2010-2011 to 2020-2021, school districts have received an additional \$2.8 billion in increased subsidies. Many policymakers will point to this figure to argue against the Governor's budget proposal, as state revenues to school districts are at a historic high. The simple answer is that, during the same time period, mandated cost for pensions, charter schools, and special education alone have increased by \$6.5 billion. **These three mandated expenses are also at a historic high, leaving a gaping hole of \$3.7 billion that Pennsylvania school districts must fill with local revenues.**

Many districts simply have not been able to keep up with these mandated expense increases through local taxes. Consequently, the children do without and are deprived of the education they deserve.

Below is a graph that clearly shows the discrepancy in state funding growth and mandated cost growth over the last decade. This graph can be found in the recent 2022 PASBO-PASA-PARSS Budget Report. While we can acknowledge that the amount of subsidy to our public schools is at a historic high, we must also make clear that the mandated costs required by the state are at an even greater historic high! We will not be able to stabilize public school funding until mandated costs are reduced or grow at a lesser rate than state revenues.

**Cumulative Change in Mandated Cost and State Funding 2010-11 to 2020-21**



As we head into the state budget process, state revenues are expected to be about \$2 billion higher this year than expected after realizing a healthy surplus last year. The state also has a \$2.9 billion budget reserve. Clearly, there are ample resources available to provide a significant increase to public education in an effort to begin to offset mandated expenses that strain local school district budgets.