

Presentation on Adequacy to Delegate Assembly

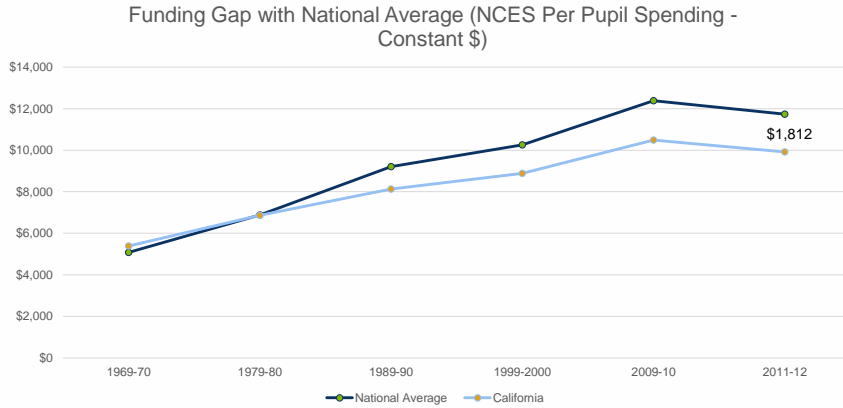
Prepared by
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May 2015



Competing Measures of Per Pupil Funding

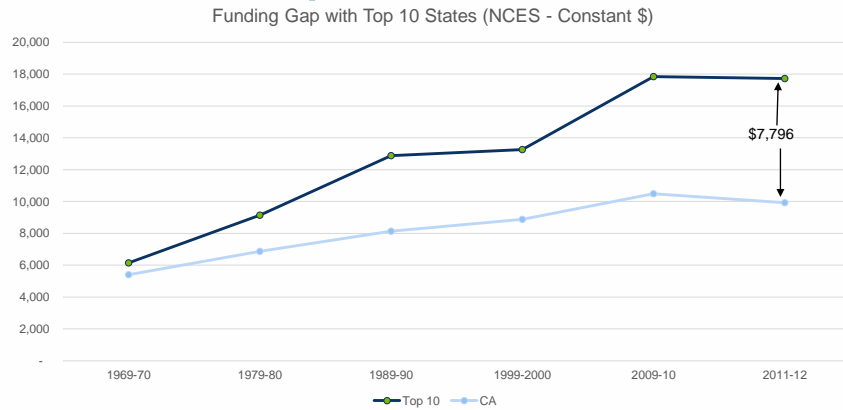
- **National Center for Education Statistics (NCES) (2011-12).** An official government source, provides historic data.
- **Ed Week (2011-12).** Uses NCES data, but adjusts for regional costs – an important factor for California.
- **National Education Association (NEA) (2013-14).** Most timely source of estimates (Early estimates for 2014-15 available, but historically inaccurate).

Funding Gaps Arise Post Prop 13



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California Has Fallen Far Behind Top 10 States



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Ed Week – California Faces Higher Costs

State	Regional Cost Relative to National Average
New York	1.13
California	1.11
Texas	1.03
Illinois	1.02
National Average	1.00
Georgia	0.98
Florida	0.91



Dr. Taylor Update of her NCES Methodology (2013)

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California Ranking Low

	NEA	Ed Week (Cost Adj.)	NCES
National Average	\$11,722	\$11,735	\$11,732
California	<u>\$10,370</u>	<u>\$8,308</u>	<u>\$9,920</u>
Funding Gap	\$1,352	\$3,427	\$1,812
State Ranking	33 rd	45 th	35 th




Source: NEA, NCES, Ed Week 2011-12 through 2013-14

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CA Funding Gaps and Costs to Close Gaps

Amount needed to get to national average according to:			Amount needed to get to average of 5 largest states according to:			Amount needed to get to average of 10 top (education) spending states according to:		
NCES	EdWeek	NEA	NCES	EdWeek	NEA	NCES	EdWeek	NEA
\$1,812 per pupil	\$ 3,427 per pupil	\$1,352 per pupil	\$2,784 per pupil	\$2,829 per pupil	\$1,319 per pupil	\$7,796 per pupil	\$7,648 per pupil	\$9,038 per pupil
\$12.6 billion	\$23.5 billion	\$9.6 billion	\$16.8 billion	\$19.4 billion	\$8.2 billion	\$47.0 billion	\$52.5 billion	\$56.1 billion

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How Will Recent Prop 98 Money's Impact Funding Gaps?

	Prop 98 (On-going)	Prop 98 (One-time)	Combined
2013-14	\$48.6	\$2.8	\$51.4
2015-16	\$59.6	\$4.8	\$64.5
Increases	\$11.0	\$2.1	\$13.1
Increase per Pupil			\$2,104

- Recent investments could move CA near national average (unadjusted) for first time since Proposition 13 passed.
- CA will still significantly lag behind other states if spending is adjusted for regional costs

Source: May Revision and LAO

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Beyond 2015-16

- Continued Fiscal Progress will depend on:
 - ✓ Continued economic recovery
 - ✓ Replacement revenues for Proposition 30
 - Proposition 30 reauthorization
 - (SB 8) Broaden sales tax to services
 - Commercial property tax initiative
 - ✓ Proposition 98 maintenance factor almost retired: \$772 million left

California Income and Effort

Californians Have Higher Incomes, But
State Spends Less on K-12

California Is High Income State

	Per Capita Income
California	\$50,109
National Average	<u>\$46,129</u>
Difference	\$3,980
CA Ranking	10 th

Source: BEA (2014)



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CA High Spending on Government, Low on Schools

	State and Local Government Expenditures per \$1,000 personal income	
	All Government	K-12 Education
National Average	186	38
California	<u>193</u>	<u>32</u>
Difference	7	-6
Percent difference	3.8%	-15.8%
CA Ranking	24 th	44 nd

Source: NEA (2012)



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Low effort - CA Spends Less of Income on Schools

	Percent of total taxable income spent on education
National Average	3.4%
California	<u>2.7%</u>
Difference	0.7%
Rank	tied for 44 th

- Average Effort (3.4%) would close the funding gap to the National Average, providing an additional \$15 billion



Source: Ed Week (2012)

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California Staffing Data

Less Funding and Higher Salaries Lead to Fewer Staff



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CA One of Worst Pupil-Teacher Ratio in Country

	Pupils per Teacher
California	21.2
National Average	<u>15.4</u>
Difference	5.8
Additional teachers to close gap	110,898
CA Ranking	49 th

Source: NEA (2013-14)



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CA – Texas Comparison: More students less teachers

	Teachers	Students
California	292,505	6,212,410
Texas	<u>334,612</u>	<u>4,780,772</u>
Difference	(42,107)	1,431,638



Source: NEA (2013-14)

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CA Less Staff in All Categories (students per staff member)

	All staff	Officials and Admin.	Principals and Asst. Principals	Instructional aides	Guidance counselors	Librarians
California	11.5	2,263	384	99.9	824	8,173
National Average	<u>8.0</u>	<u>759</u>	<u>293</u>	<u>68.0</u>	<u>481</u>	<u>1,064</u>
Difference	3.5	1,504	91	31.9	343	7,110
Add'l staff to close gap	237,205	5,501	5,070	29,442	5,436	5,138
Ranking	49 th	47 th	45 th	47 th	49 th	50 th



Source: NCES (Fall 2012)

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Salary Costs Higher than other States

	Average Teacher Salaries (unadjusted)	Average Teacher Salaries adjusted for Regional Cost
California	\$ 71,396	\$ 64,572
National Average	<u>\$ 56,610</u>	<u>\$ 56,610</u>
Difference	\$ 14,786	\$ 7,962
CA Ranking	4 th	9 th



Sources: NEA (2013-14), NCES (2013)

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Student Demographics

California Has Higher Percentage of Students with Higher Needs



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CA Has Highest Concentration of ELs

State	English Learners (Percent of Enrollment)
California	22.8
New Mexico	15.8
Nevada	15.7
Texas	15.1
Colorado	12.0
Alaska	11.3
National Average	9.2



Source: NCES (2012-13)

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CA Has Above Average Rate of Low Income Students

	Free/Reduced Lunch Eligible
California	56.3%
National Average	<u>51.3%</u>
Difference	5.0%
Ranking	13 th



Source: NCES (2012-13)

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California Families Face Highest Supplemental Poverty Measure

	All Children	Black	Hispanic / Latino
California	26.6%	35.2%	37.8%
National Average	<u>18.1%</u>	<u>29.7%</u>	<u>30.6%</u>
Difference	8.5%	5.5%	7.2%

Census Bureau's *Supplemental Poverty Measure* adjusts for regional housing costs, medical expenses and governmental programs (tax credits, taxes, food stamps, free/reduced lunch and other programs that help meet basic needs)



Source: Packard Foundation (2011-13)

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