



Education Funding Overview

School Funding and Poverty in Georgia

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Our Policy Area Focus

- Taxes
- Budget
- Education
- Health Care
- Economic Security
- Economic Development



State Funding

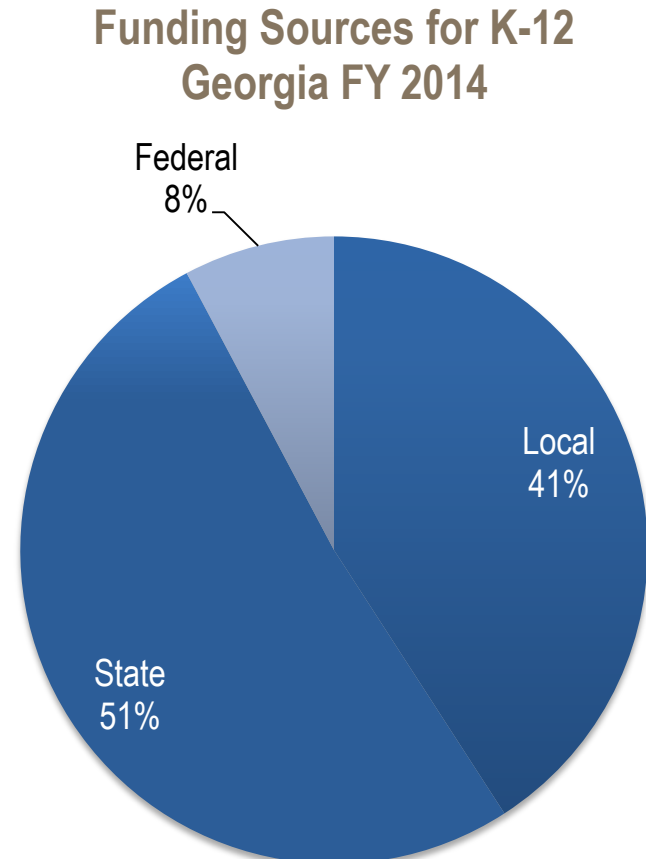
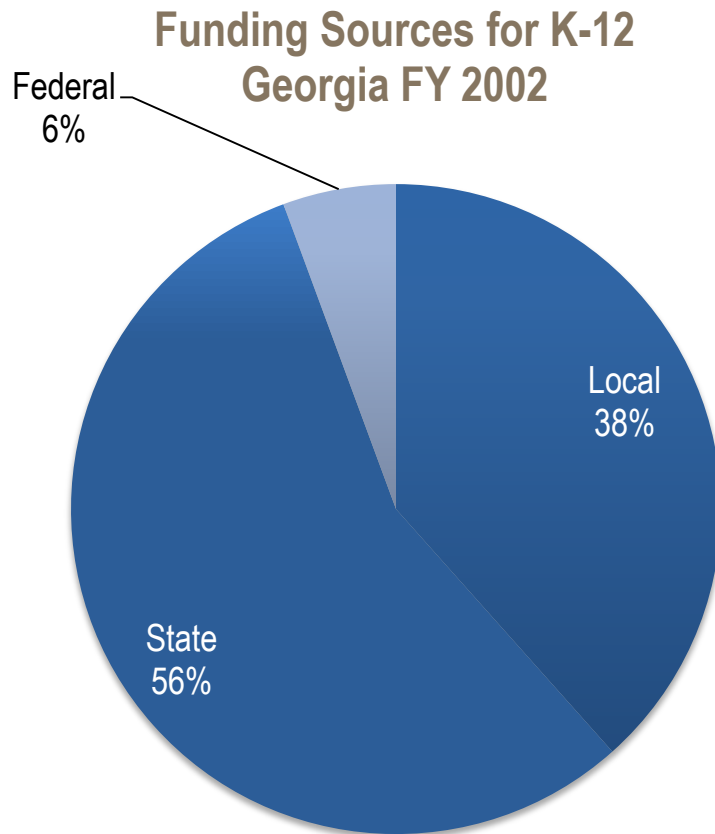
Between FY 2002 and FY 2015 in Georgia:

- State funding per student declined 12 percent in inflation-adjusted dollars

Districts with Largest Decline in State Funding

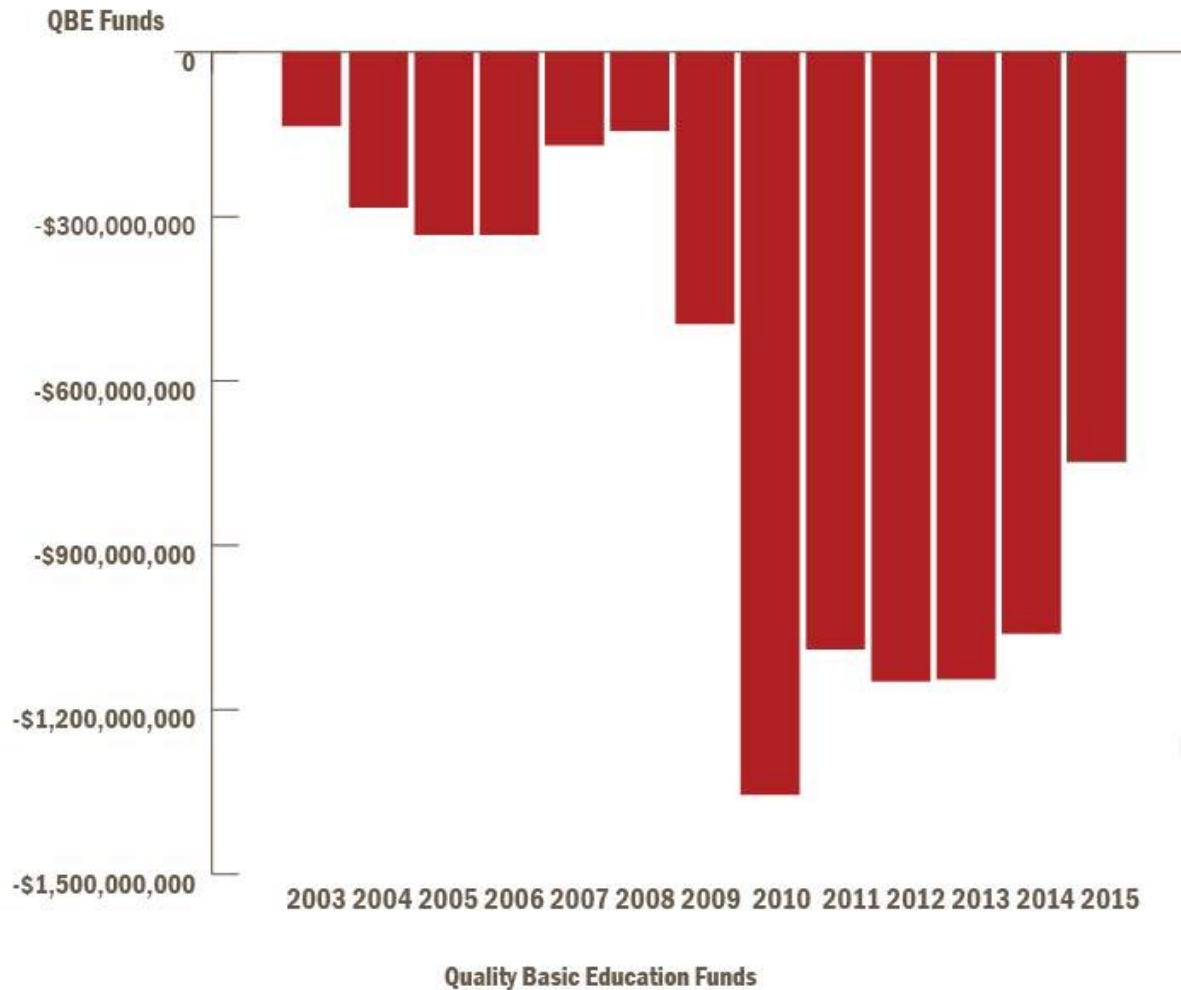
	District	% Change in State Funding per FTE FY 2002-2015	% Free & Reduced Lunch Students
1.	Greene County	-57.6%	98.6%
2.	Montgomery County	-33.4%	53.3%
3.	Putnam County	-32.7%	78.3%
4.	Randolph County	-32.5%	91.4%
5.	Baldwin County	-31.9%	79.1%
6.	Dublin City	-31.9%	85.1%
7.	Rabun County	-31.1%	68.1%
8.	Fannin County	-30.4%	64.1%
9.	Towns County	-29.4%	57.6%
10.	McIntosh County	-29.4%	84.0%

Shifting responsibility for K-12 funding



SOURCE: Georgia Department of Education

K-12 Formula Underfunded by \$746 Million in 2015

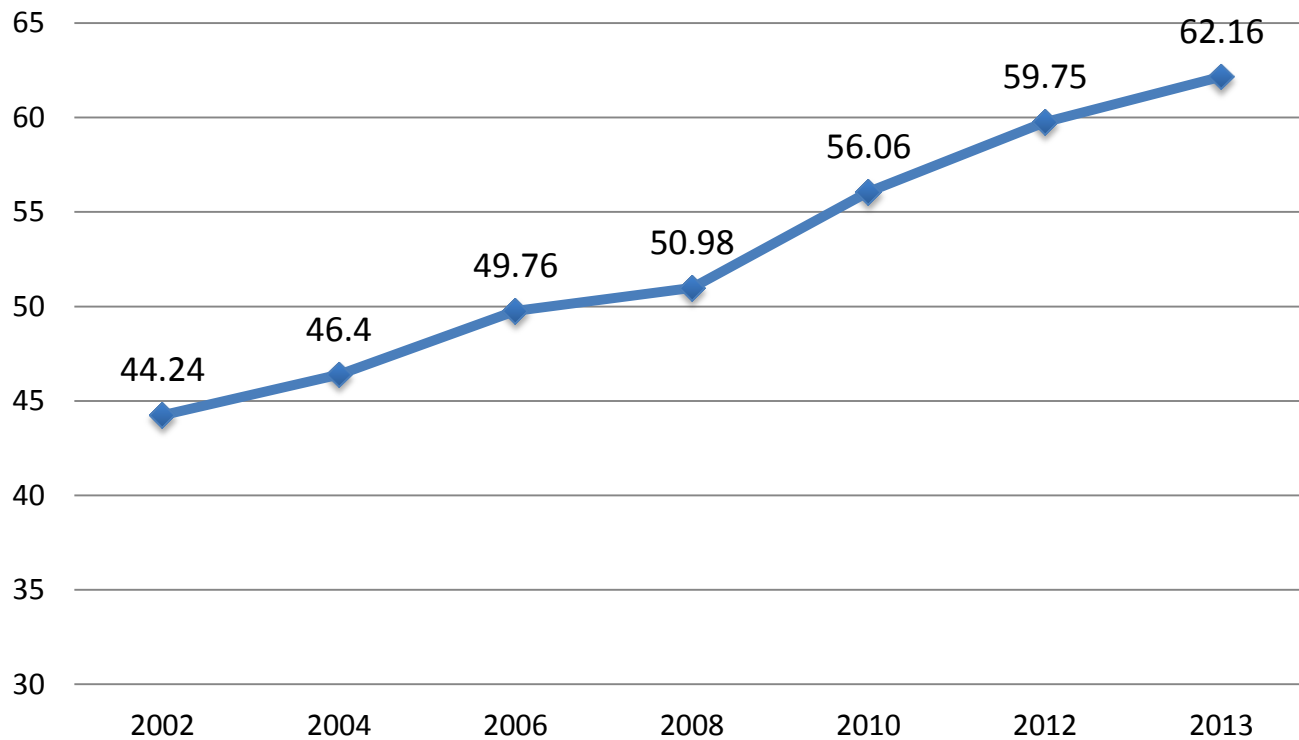


Districts with Largest Austerity Cut per FTE

	District	% Change in State Funding per FTE FY 2002-2015	% Free & Reduced Lunch Students
1.	Taliaferro County	-\$621	93.6%
2.	Trion City	-\$594	43.9%
3.	Quitman County	-\$577	99.1%
4.	Atkinson County	-\$572	85.0%
5.	Pelham City	-\$571	92.1%
6.	Clay County	-\$558	98.0%
7.	Madison County	-\$556	62.3%
8.	Bacon County	-\$549	68.0%
9.	Floyd County	-\$546	59.3%
10.	Webster County	-\$544	81.0%

Rising Number of Students in Poverty

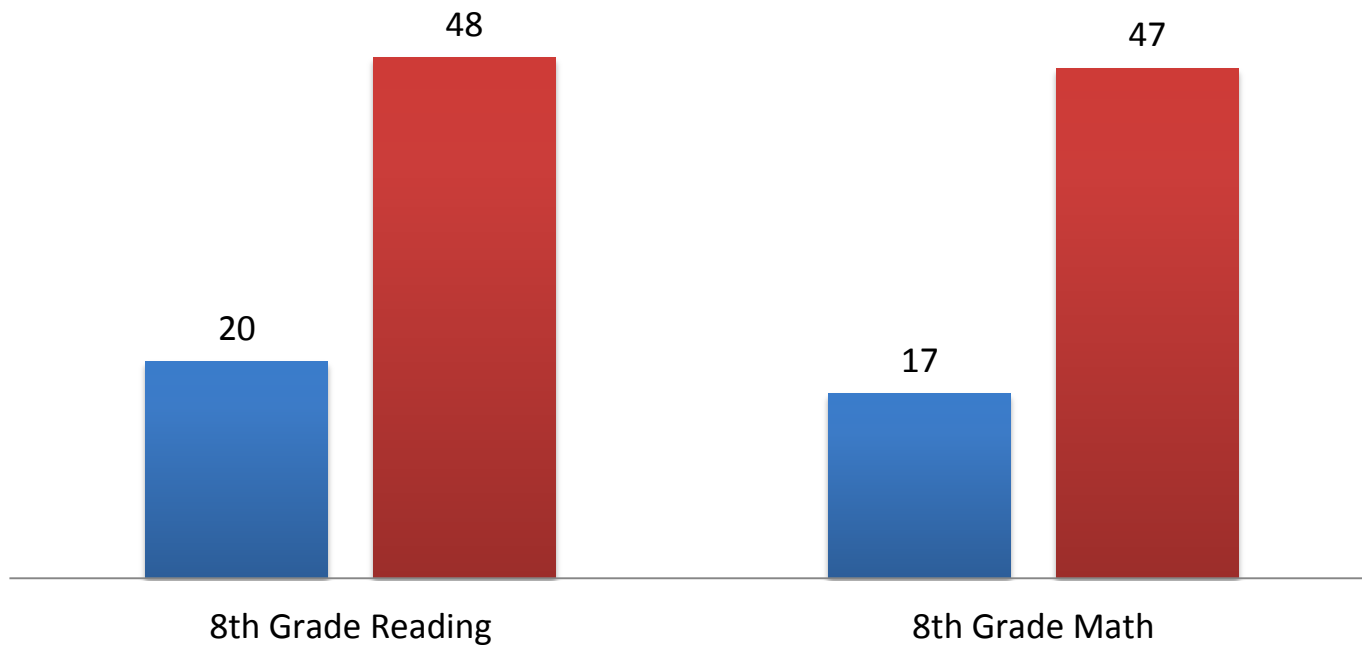
Percent of Students Participating in Free & Reduced Lunch Program



Poor Students Struggle in School

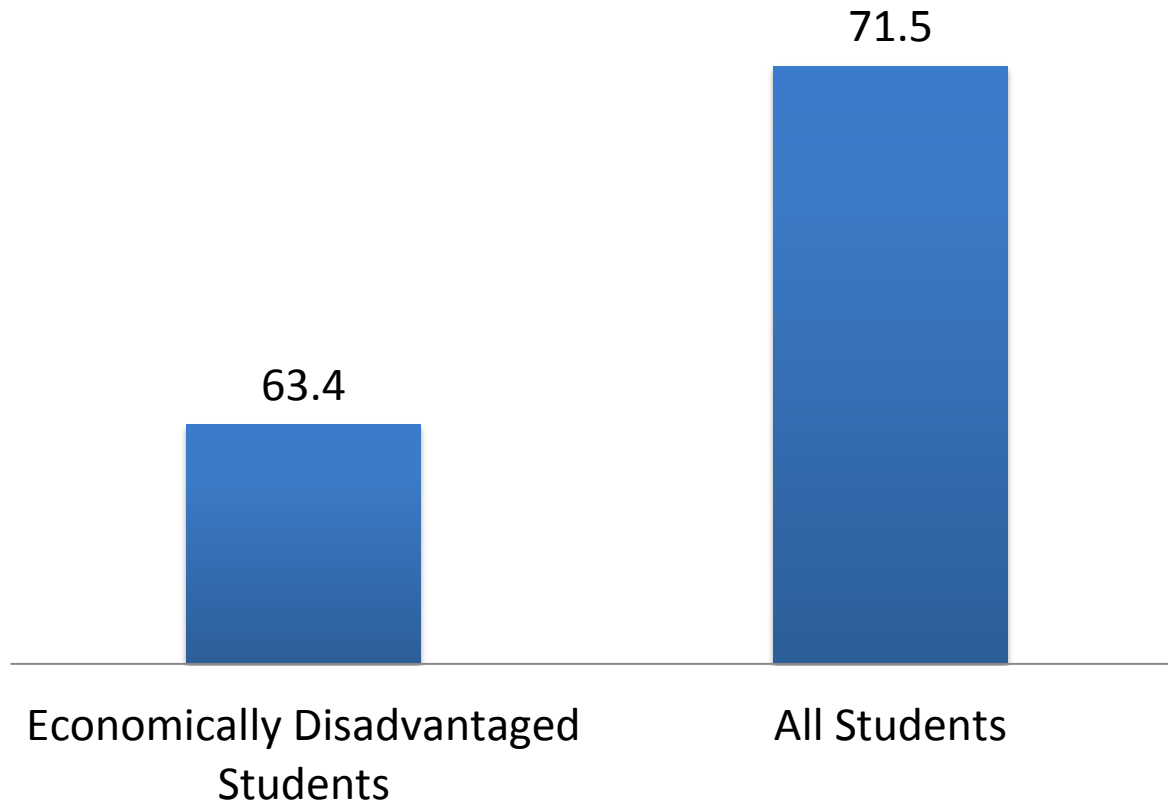
Fewer Low-Income Students Reach Proficiency 2013 NAEP Exam

■ Free & Reduced Lunch Students ■ Non-FRL Students



Poor Students Struggle in School

2013 High School Graduation Rate

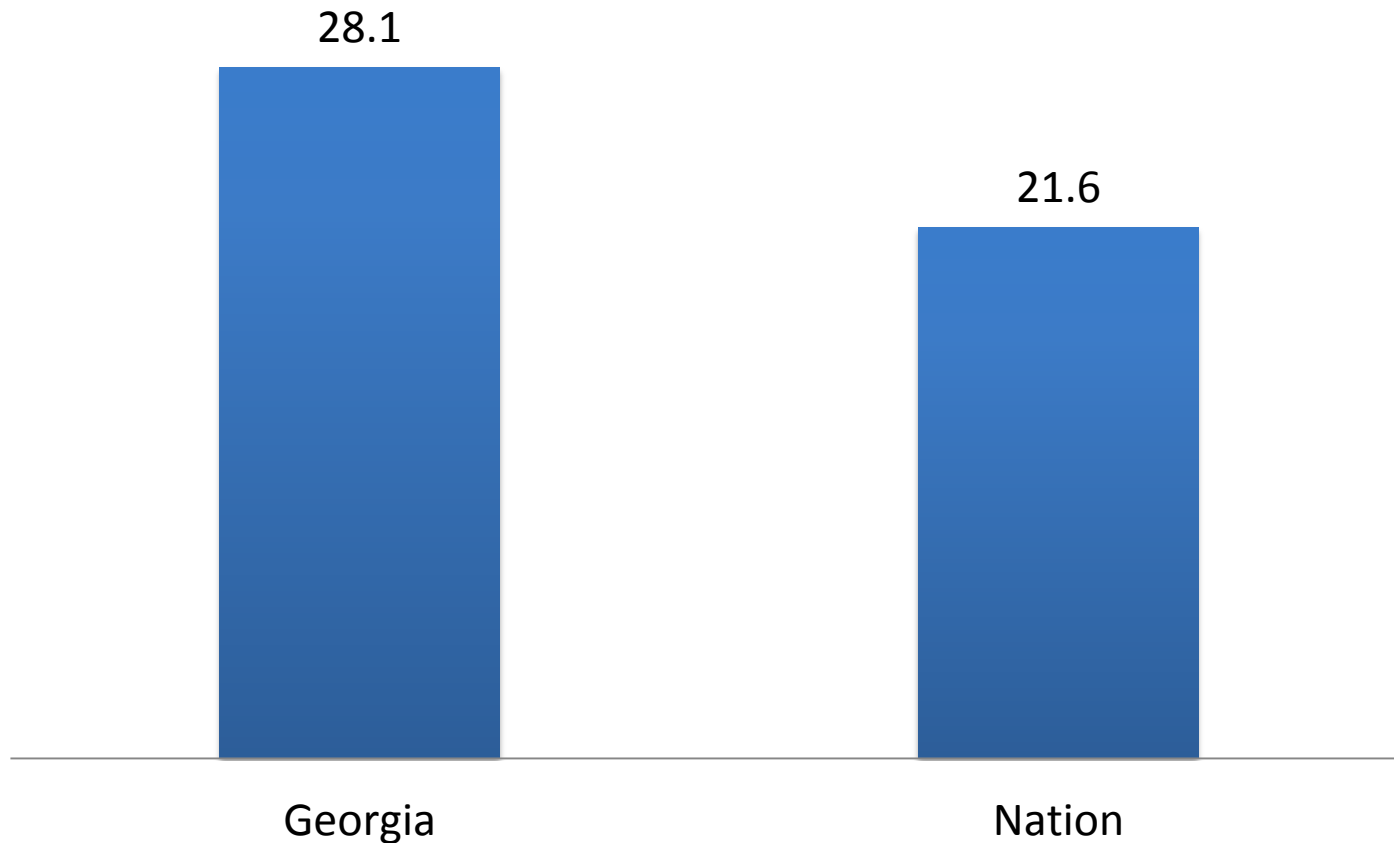


How Poverty Limits Learning

- Hunger
- Health
- School Readiness
- Parenting
- Toxic Stress

How Poverty Limits Learning: Hunger

Percent of Children Who are Food Insecure



How Poverty Limits Learning: Health

Children in poverty have

- Poorer vision
- Higher rates of iron-deficiency anemia
- Greater incidence of asthma due to increased exposure to environmental toxins and smoke
- More likely to be exposed to lead
- Less access to routine pediatric care and more likely to be hospitalized

How Poverty Limits Learning: School Readiness

Children in poverty

- Know fewer words
- Are read to less frequently
- Are more likely to attend low-quality daycare
- Less likely to play outside and spend more time watching TV

How Poverty Limits Learning: Parenting

Parents in poverty

- More likely to work longer hours and odd hours
- Are more likely to be depressed
- Less likely to know how to best support children's academic success

How Poverty Limits Learning: Toxic Stress

Children who have experienced toxic stress show deficits in

- Language
- Long-term memory
- Working memory
- Executive control

Local Funding

Between 2008 and 2013:

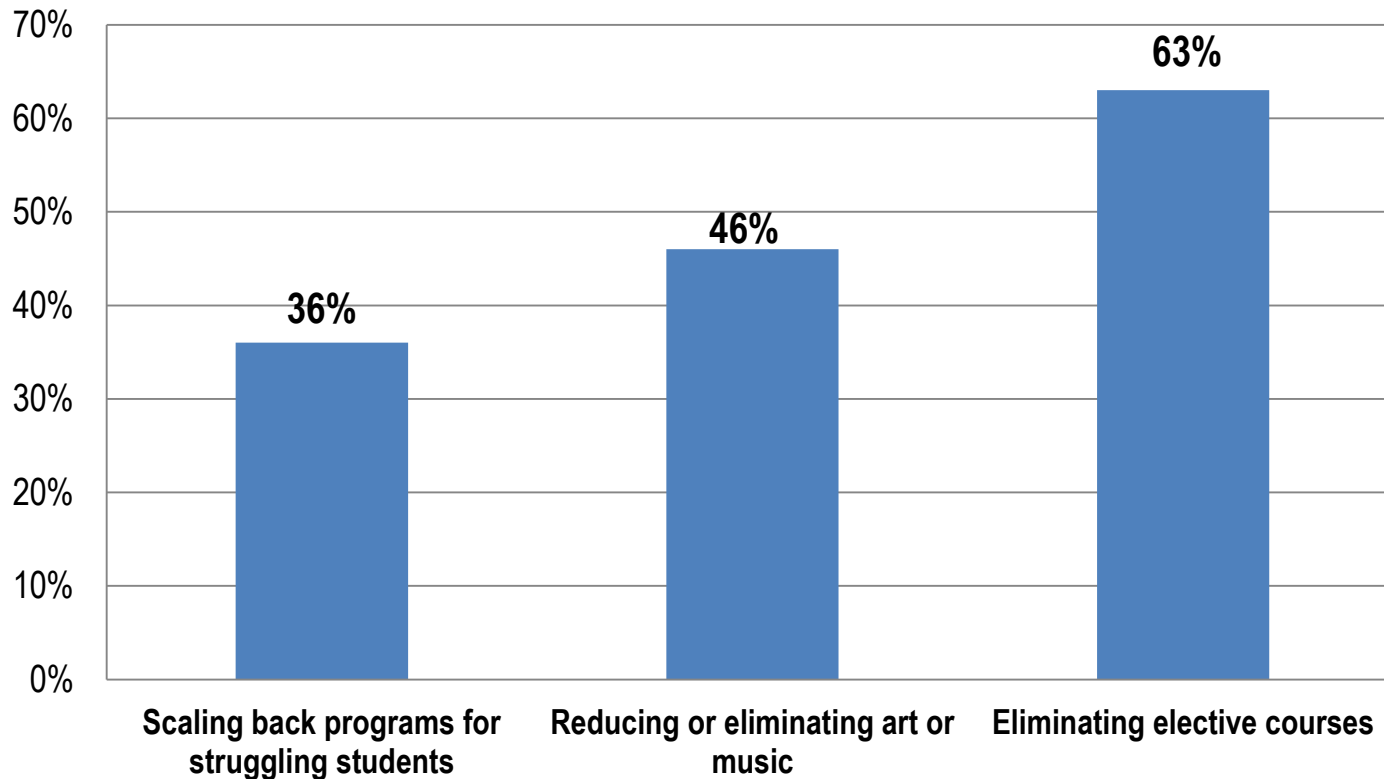
- Tax digests fell in nearly 90% of districts by an average of 21.7% in inflation-adjusted dollars.
- 135 districts raised millage rates
- Local revenues fell in 89 districts by an average of 20%; these districts enroll nearly 80% of all students

Impact of Funding Losses in FY 2015

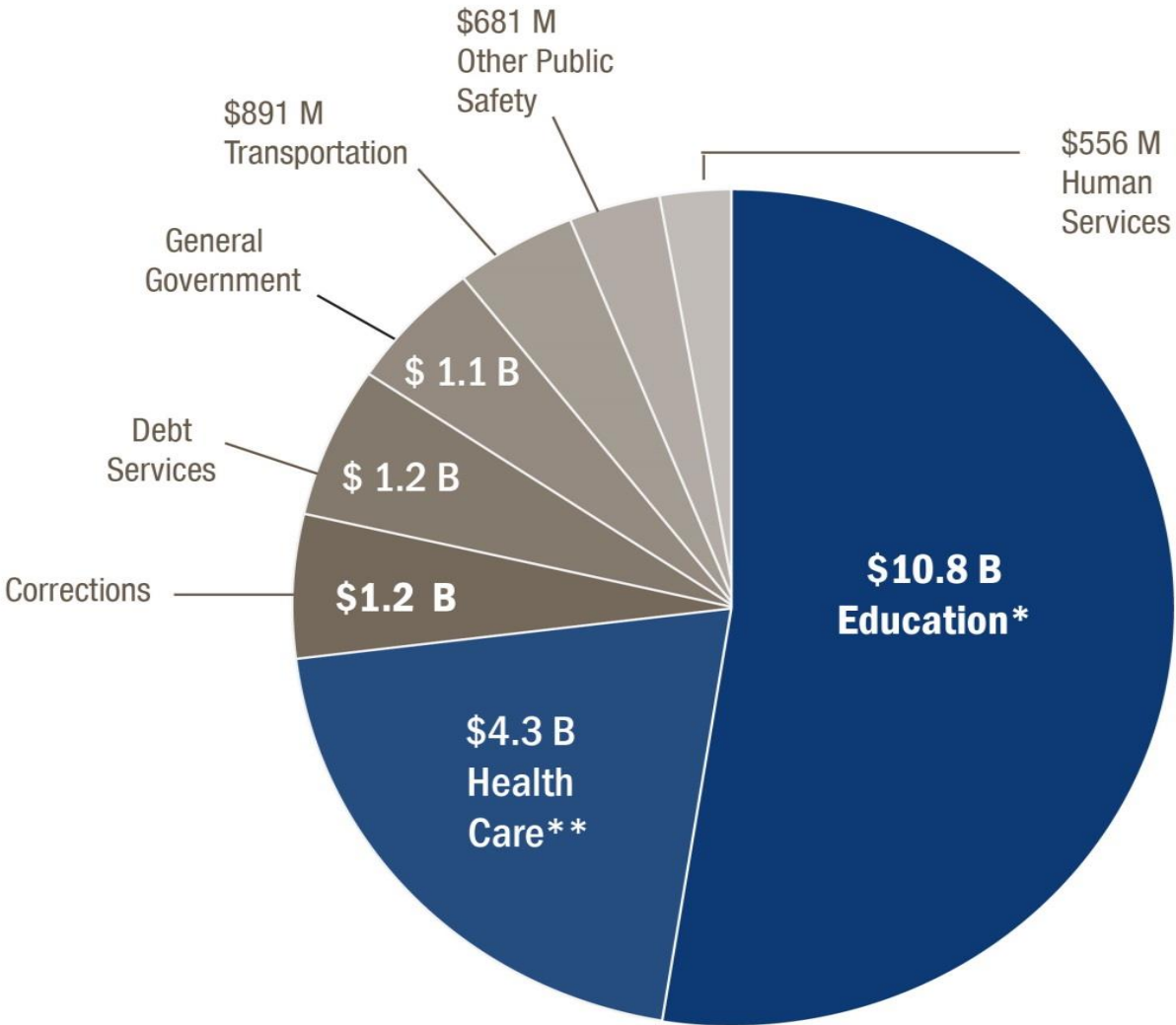
- 33 percent of responding districts cut the school year
- 85 percent increased class size
- About 84 percent have fewer teachers
- About 68 percent have eliminated instructional support positions
- About 77 percent have cut central office staff
- Nearly 73 percent are using reserve funds this year

Impact of Funding Losses in FY 2015

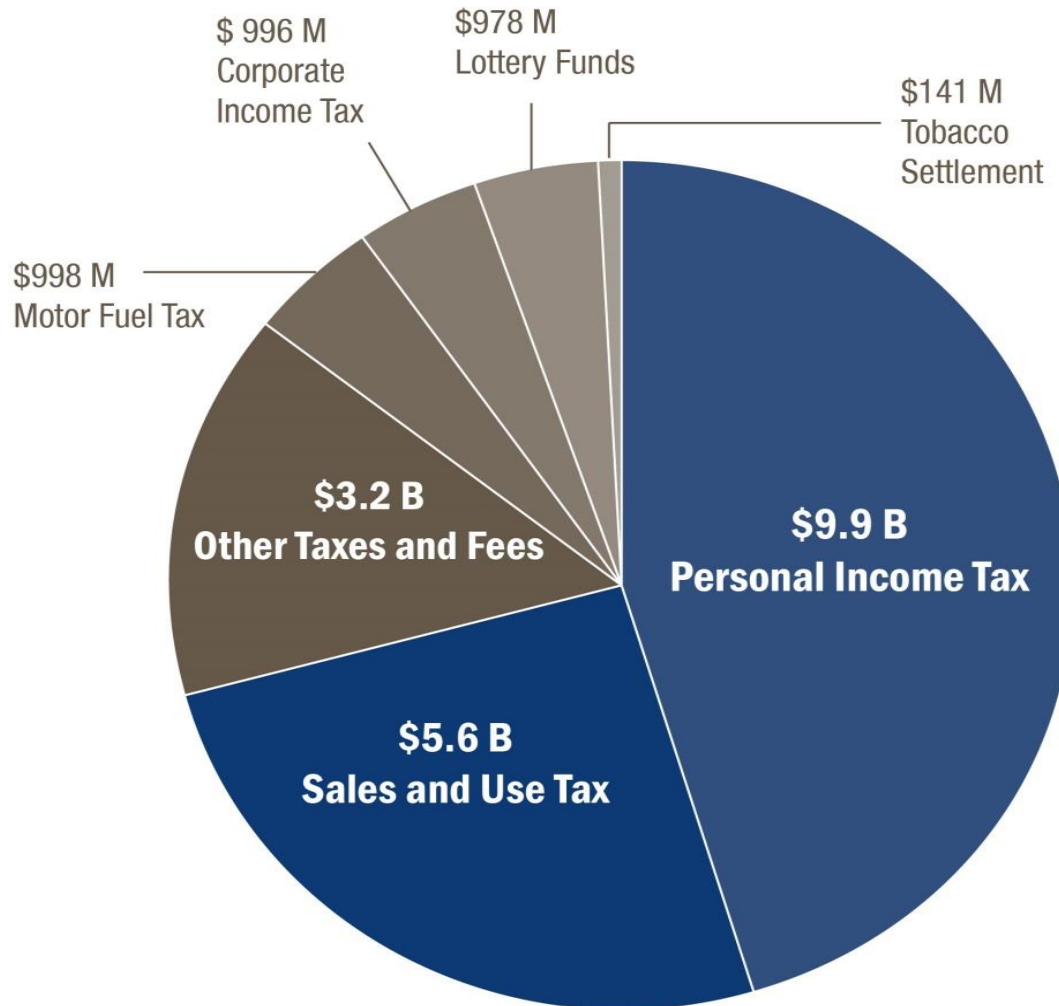
Percent of Districts Reducing Programs



FY 2016 Budget (\$20.8 Billion)



FY 2016 Revenue Sources



FY 2015 Education Funding Increase: \$535 Million



Partial Restoration K-12 Formula Cut

➤ **\$314 Million**

Formula Growth

➤ **\$134 Million**

Teacher Retirement System

➤ **\$57 Million**

Other

➤ **\$29 Million**

FY 2016 Education Funding Increase: \$557 Million



Partial Restoration K-12 Formula Cut

➤ **\$280 Million**

Formula Growth

➤ **\$180 Million**

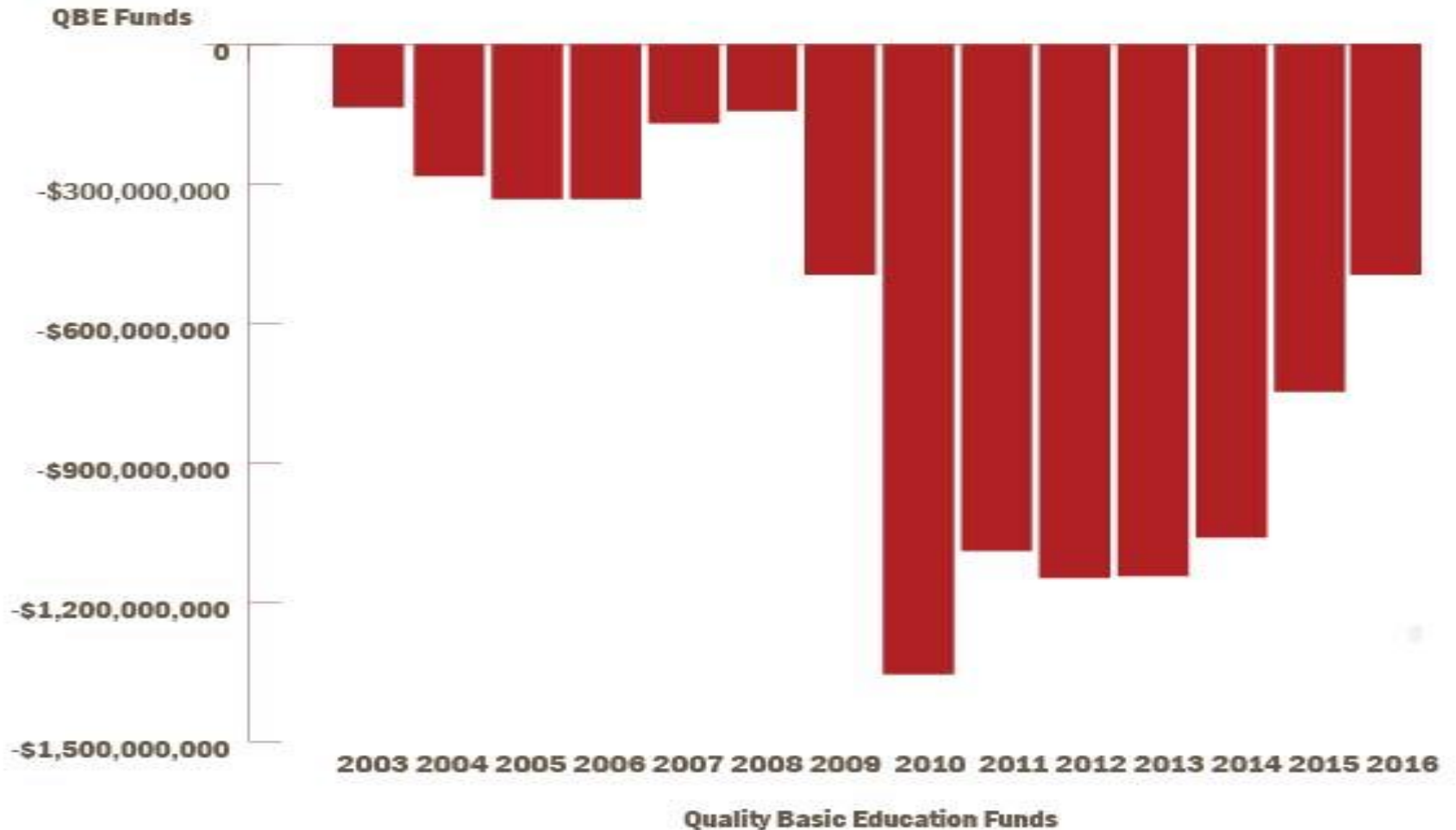
Teacher Retirement System

➤ **\$74 Million**

Other

➤ **\$23 Million**

K-12 Formula Underfunded by \$466 Million in 2016



Education Reform Commission

The proposed new formula:

- Is not based on an assessment of cost.
- Builds the austerity cut into the new formula.
- Does not currently include an inflation factor.
- Lacks a comprehensive implementation plan.

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