

Study Finds Georgia Underreports Public School Spending

ATLANTA, GEORGIA, UNITED STATES, January 26, 2017 /EINPresswire.com/ -- For decades, Georgia's Department of Education has underreported by billions of dollars what the state spends on public schools, according to an Issue Analysis released today at the Georgia Public Policy Foundation's annual National School Choice Week event.

The report, "Balancing the Books in Education," by Foundation Senior Fellow and Kennesaw State University economist Dr. Benjamin Scafidi, notes that official state websites give the impression that taxpayers spend billions of dollars less on K-12 public education than is actually spent.

For example, while the Georgia Department of Education website reports spending figures of \$15.665 billion in fiscal year (FY) 2016, Georgia reported a total amount of \$19.158 billion in public education spending to other government agencies, Scafidi found.

With an estimated \$3.5 billion in FY 2016 public school spending omitted from the state website, it seems spending per public school student was \$9,020 when,

in fact, the state spent \$11,031 – more than 22 percent more – per student.

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Dr. Benjamin Scafidi

He found that between 1988 and 2014, Georgia students saw their funds increase by 56 percent on a per-student, inflation-adjusted basis. That increase did not lead to an increase in teacher salaries (which actually declined slightly) but to a "staffing surge," according to the Issue Analysis.

The staff increase in teachers and other school personnel surged ahead of what was needed to accommodate the student enrollment growth, and this had a large opportunity

cost, according to the Issue Analysis.

"Had Georgia public schools increased the number of non-teachers at the same rate as the increase in students, Georgia public schools would have seen \$1.08 billion in annual, recurring savings,"



Scafidi writes.

"These funds could have been used, among other things, to give teachers a permanent raise of almost \$10,000 per year or to give \$8,000 education savings accounts (ESAs) to the families of more than 135,000 students."

Scafidi points out that the underreporting has occurred for "at least the past 20 years." He urges the Georgia Department of Education to immediately begin reporting total revenue and expenditure data for current and past years, and to provide the data "in an easily accessible, prominent and user-friendly way."

"Government agencies already have the data, given that the information is reported in full to the federal government," Scafidi said of his findings. "It makes no sense to withhold information or keep two sets of books. That's inefficient and results in incomplete numbers cited in the media, in litigation and by policymakers."

Worse, he notes, when traditional public school spending is underreported, the funds to school choice programs such as charter schools are further reduced because their allocations are tied to (and less than) that of traditional public schools.

"Without an accurate accounting of how much is already spent, too many Georgians believe the answer to the state's education challenges lies in more funding," said Foundation President Kelly McCutchen. "Yet several states are spending less per pupil with better results. Dr. Scafidi's eye-opening study reinforces that transparency, wiser spending and competition through choice will improve education for Georgia's children."

Access the study <u>here</u>; to arrange an interview with Dr. Scafidi, email info@georgiapolicy.org or call Benita Dodd at 404-256-4050.

About the Georgia Public Policy Foundation: Established in 1991, the Foundation is an independent, state-focused think tank that proposes market-oriented approaches to public policy to improve the lives of Georgians. www.georgiapolicy.org

About the researcher: Dr. Benjamin Scafidi is a professor of economics and director of the Education Economics Center at Kennesaw State University. He is also a Senior Fellow with the Georgia Public Policy Foundation and a Friedman Fellow with EdChoice. Previously, he served as the Education Policy Advisor to Georgia Governor Sonny Perdue; on the staff of both of Governor Roy Barnes' Education Reform Study Commissions; as an expert witness for the state of Georgia in school funding litigation; as the first chair of Georgia's Charter School Commission, and as a member of Georgia's Charter Advisory Committee. He received his Ph.D. in Economics from the University of Virginia and his bachelor's degree in Economics from the University of Notre Dame.

About National School Choice Week: National School Choice Week is celebrated annually in January. Georgia Governor Nathan Deal has joined more than 600 elected officials – governors, mayors and county leaders – in issuing a <u>proclamation</u> to declare January 22-28 School Choice Week. A recordbreaking 21,392 events are taking place across all 50 states this week to champion choice in education. https://schoolchoiceweek.com

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