

How does Minnesota rank in education spending? It depends

When it comes to analyzing education funding there is a plethora of information to sift through. There are comparisons to other countries, other states and district comparisons within the state. Comparisons are shown on a per pupil basis, per capita, and by \$1,000 in personal income, just to name a few.

For school administrators and school board members, it is a constant challenge to try to project the level of resources they will receive from federal, state and local sources to support the programming their students need to meet state and federal performance expectations. Is the State providing the resources necessary to meet mandates and student and community expectations?

The US Census bureau (<http://www.census.gov/govs/www/school.html>) recently released statistics on school spending for 2005-06. The numbers show Minnesota has declined in state rankings over the past decade. The chart below shows where Minnesota has ranked in total elementary – secondary expenditures since the 1996-97 school year. (For additional details see http://www.amsd.org/research_stats.html.)

Year	Per Pupil	Per \$1,000 in Personal Income
1996-97	15	21
1997-98	17	29
1998-99	18	30
1999-00	18	32
2000-01	20	33
2001-02	20	39
2002-03	21	41
2003-04	21	40
2004-05	23	42
2005-06	22	41

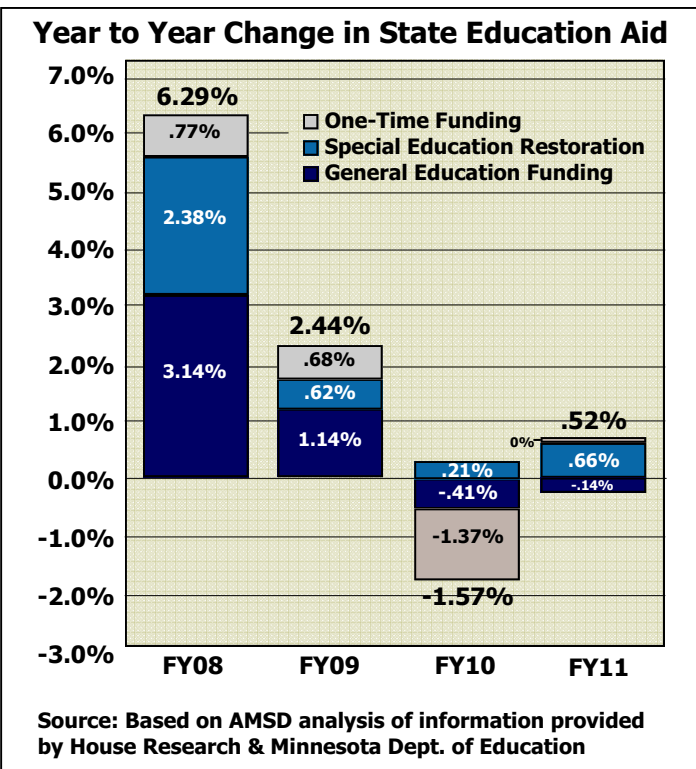
Source: U.S. Census Bureau

In 1996-97 Minnesota ranked 15th in total spending per pupil, but by 2005-06 the ranking had dropped to 22nd. In 1996-97 Minnesota ranked 21st in total spending per \$1,000 in personal income, but by 2005-06 the ranking had dropped to 41st.

Groups as diverse as MN2020 (http://www.mn2020.org/index.asp?Type=B_BASIC&SEC=%7B2379290F-06EC-4A44-87FC-BA2DC659E02C%7D&DE=) and the Minnesota Taxpayers Association <http://mntax.org/cpfr/documents/>

HDMC08.pdf have further analyzed census data figures incorporating tax data and inflation values. Both groups lend support to the claim that Minnesota’s commitment to funding education has declined over the past 10 years.

While the Governor and Legislators develop the state budget on a biennial basis, school district budgets are driven by the change in revenue and expenses on a year-to-year basis. Three of the major components impacting the total revenue a school district receives are state aids for general education, special education, and one-time funding. The projected year-to-year changes on a per pupil basis (under current law) in these funding streams is shown in the graph below.



The above numbers represent the overall changes on a per-pupil basis for the entire state. As the old saying goes “individual results may vary.” Given the rates of inflation, rapidly escalating energy costs, and the above outlook for FY 2010-11, it is no surprise that a number of school districts will again be seeking voter approval for operating levies this fall. It is also not a surprise that there is a growing call from parents, students and educators to overhaul Minnesota’s education funding system.

A proposal for a “New Minnesota Miracle” was developed by a bi-partisan legislative task force last session and is generating a great deal of discussion. AMSD board members and staff are eager to assist the Governor and Legislators in moving this proposal forward.