

EXCERPTED FROM:

***RESEARCH AND ANALYSIS OF
LOWER MERION SCHOOL DISTRICT
AND COMPARABLE SCHOOL DISTRICT EXPENDITURES***

*GRANT R. GULIBON
DECEMBER 2, 2005*

**PENNSYLVANIA’S “OUTPERFORMING” SCHOOL DISTRICTS:
EXPENDITURE COMPARISONS**

One additional method of measuring recent academic achievement in Pennsylvania school districts was produced in the spring of 2005 by Standard and Poor’s. In a paper titled “Outperforming School Districts in Pennsylvania, 2002-03,” Standard and Poor’s identified 47 Pennsylvania school districts that “outperformed” demographically similar school districts in reading and math proficiency (RaMP) for two consecutive years (2001-02 and 2002-03).¹ RaMP is defined as “an overall measure of the percentage of all reading and math tests that have received a score of ‘proficient’ or higher.”² The districts designated as “outperforming” had student populations that ranged, as of 2002-03, from 1.1 to 67.5 percent economically disadvantaged, and had RaMPs between 48.9 and 86.4 percent.³

To classify school districts as “outperformers,” Standard and Poor’s used a statistical method based on three main criteria: 1) Districts must have higher student reading and math proficiency levels, relative to state standards, than other demographically similar school districts; 2) Districts must attain proficiency levels that are above the statistically expected “performance zone;” and 3) Districts must “outperform” for at least two consecutive years.

Among the seven selected Southeastern Pennsylvania school districts, five of them—Lower Merion, Council Rock, Radnor, Tredyffrin-Easttown and Upper Dublin—were among those identified by Standard and Poor’s as “outperformers.” This finding is not surprising, given the findings of the preceding section of this study examining PSSA proficiency rates between 2001 and 2005. At the same time, the expenditure analysis section of the study found that Lower Merion has consistently ranked first in terms of expenditure growth and expenditure levels in virtually every major category, both overall and per average daily membership.

Using data available from Standard and Poor’s SchoolMatters.com website, it is possible to compare Lower Merion’s expenditure levels to demographically similar school districts with similar RaMP levels throughout Pennsylvania. To do so, the

¹ Standard and Poor’s, “Outperforming School Districts in Pennsylvania, 2002-03,” Spring 2005.

² *Ibid.*

³ *Ibid.*

Standard and Poor’s list of “outperforming” school districts was sorted according to the following criteria:

- 1) The district must have between 2 and 6 percent economically disadvantaged students in 2002-03 (4.3 percent of Lower Merion students were economically disadvantaged in 2002-03); and
- 2) The district must have a 2002-03 RaMP of greater than 80 percent (Lower Merion had a RaMP of 81.3 percent in 2002-03).

Along with Lower Merion, seven additional “outperforming” districts met both of those criteria, including Radnor (2.3 percent economically disadvantaged students, 86.1 percent RaMP) and Tredyffrin-Easttown (2.7 percent economically disadvantaged students, 86.4 percent RaMP). The other five districts are:

- Central Bucks School District, Bucks County (2.5 percent economically disadvantaged students, 82.8 percent RaMP);
- Mt. Lebanon School District, Allegheny County (2.2 percent economically disadvantaged students, 84.1 percent RaMP);
- North Allegheny School District, Allegheny County (2.7 percent economically disadvantaged students, 81.4 percent RaMP);
- Peters Township School District, Washington County (2.2 percent economically disadvantaged students, 83.8 percent RaMP).
- Unionville-Chadds Ford School District, Chester County (2.2 percent economically disadvantaged students, 85.2 percent RaMP).

As the following table demonstrates, while these “outperforming” districts are similar in terms of student demographics and reading and math proficiency rates, they did not spend similar amounts of tax dollars to produce those results. In terms of both operating expenditures and instructional expenditures per student, Lower Merion ranked first among the eight districts in 2002—and with the exception of Radnor, each of the other districts had per student expenditures levels more than 20 percent below those of Lower Merion.

TABLE 108.

2002 Spending Per Student for Demographically and Similarly Performing "Outperforming" Pennsylvania School Districts				
District	Operating Expenditures	OE % Below Lower Merion	Instructional Expenditures	IE % Below Lower Merion
Lower Merion School District	\$15,058	-----	\$8,824	-----
Radnor Township School District	\$13,683	-9.1%	\$8,384	-5.0%
Tredyffrin-Easttown School District	\$11,197	-25.6%	\$6,777	-23.2%
North Allegheny School District	\$9,514	-36.8%	\$5,914	-33.0%
Unionville-Chadds Ford School District	\$9,504	-36.9%	\$5,720	-35.2%
Mt Lebanon School District	\$8,985	-40.3%	\$5,601	-36.5%
Central Bucks School District	\$8,000	-46.9%	\$5,208	-41.0%
Peters Township School District	\$7,246	-51.9%	\$4,362	-50.6%

Source: Standard & Poor’s (www.schoolmatters.com); Author’s calculations

CONCLUSION

Lower Merion School District has amassed an impressive overall record of academic accomplishment. However, the results achieved have come at a cost to taxpayers that, by comparison to the concurrent rate of inflation, to changes in statewide expenditures, and to the costs of other districts in the same geographic area with generally similar demographic characteristics, has been growing at a more rapid rate during the past decade. Even among similar districts in other parts of Pennsylvania that have been identified as exceptional performers, Lower Merion spends more than the others in its peer group.

Lower Merion students' performance on the SAT, as well as on AP exams, also indicates the ability of many of those students to succeed at higher levels of education. At the same time, an analysis of other available data tracking student performance, particularly on the PSSA reading and math exams, reveals that Lower Merion's results do not uniformly exceed those of the other districts examined, and that some subgroups of the student population are not fully sharing in the benefits of the district's highly touted educational program.

Pennsylvania's—indeed, America's—experience with public education demonstrates that the amount of money spent does not always translate into the level of achievement that might be expected. It is hoped that this analysis will provide parents, taxpayers and others interested in the cost and quality of public education with some basic information that will lead to meaningful improvements accruing to all children in Pennsylvania in general and those in Lower Merion (and the other districts examined) in particular.

A Note About This Study: This study was prepared before the 2006-2007 LMSD budget increase was announced. The reference to the other “outperforming” districts having per student expenditures levels more than 20 percent below those of Lower Merion will no longer be relevant, as the disparity will now be far greater. In 2006-2007, Lower Merion will incur per student expenditures 36.7% greater than Radnor and 62.6% greater than Tredyffrin/Easttown.