



Education Funding Overview

Georgia Budget & Policy Institute

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Who We Are

- State policy think tank
- Nonprofit
- Non-partisan
- Founded in 2004



Our Policy Area Focus

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



Our work isn't about the numbers...



It's telling the story of people using numbers

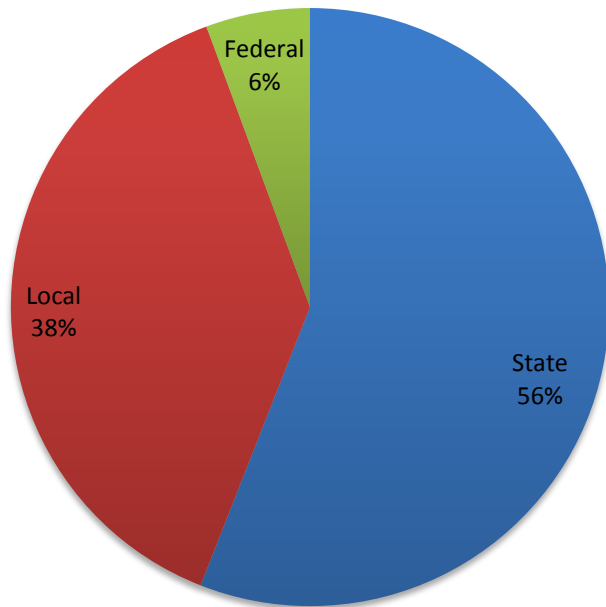
State Funding

Since 2002 in Cobb County:

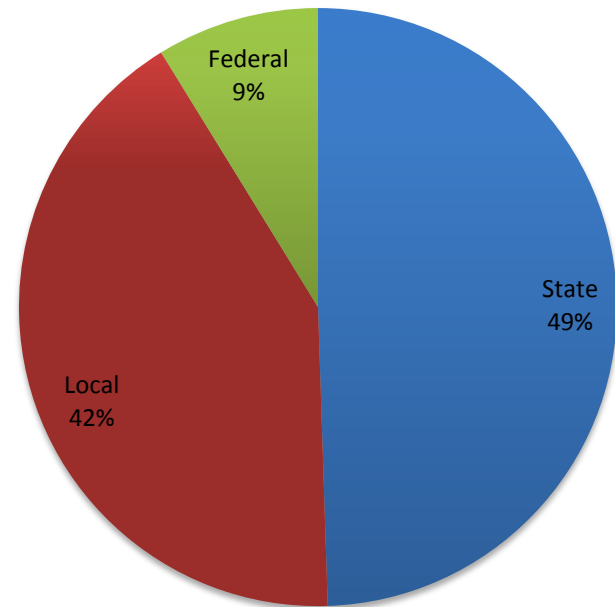
- State funding per student has declined 16.9 percent
- The number of students has grown 11 percent
- The percent of economically disadvantaged students has grown more than 21 percentage points

Shifting responsibility for K-12 funding: Georgia

**State of Georgia:
Funding sources for K-12
education, FY2002**



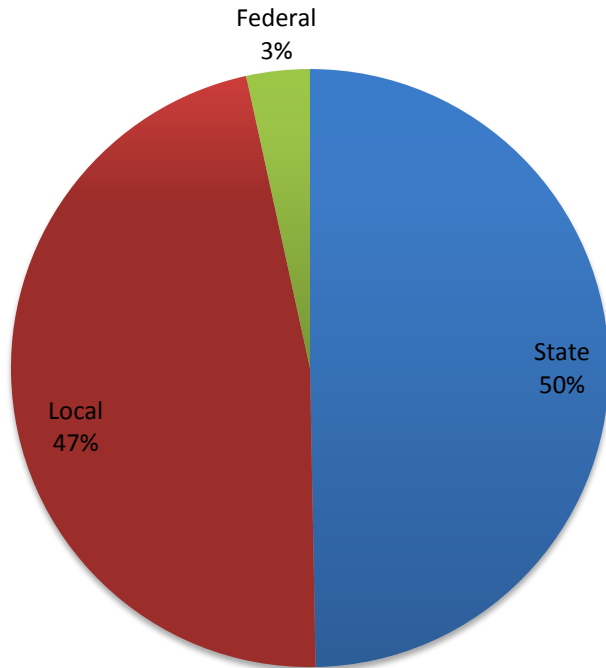
**State of Georgia:
Funding sources for K-12
education, FY2012**



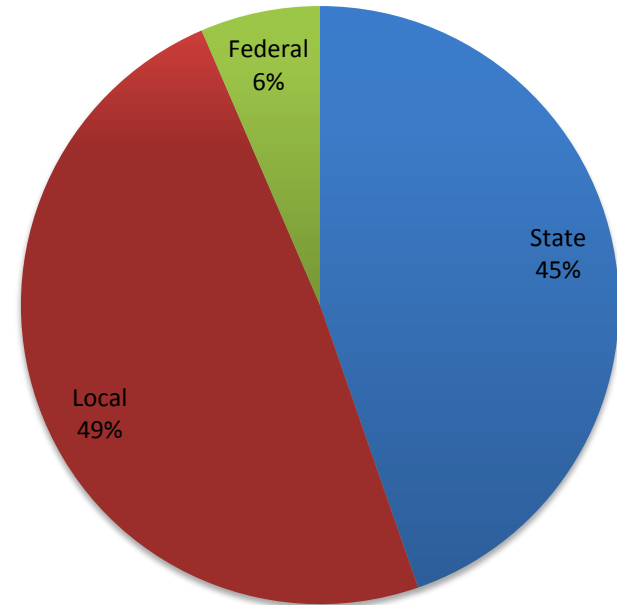
SOURCE: Georgia Department of Education and GBPI research

Shifting responsibility for K-12 funding: Cobb

**Cobb County:
Funding sources for K-12
education, FY2002**

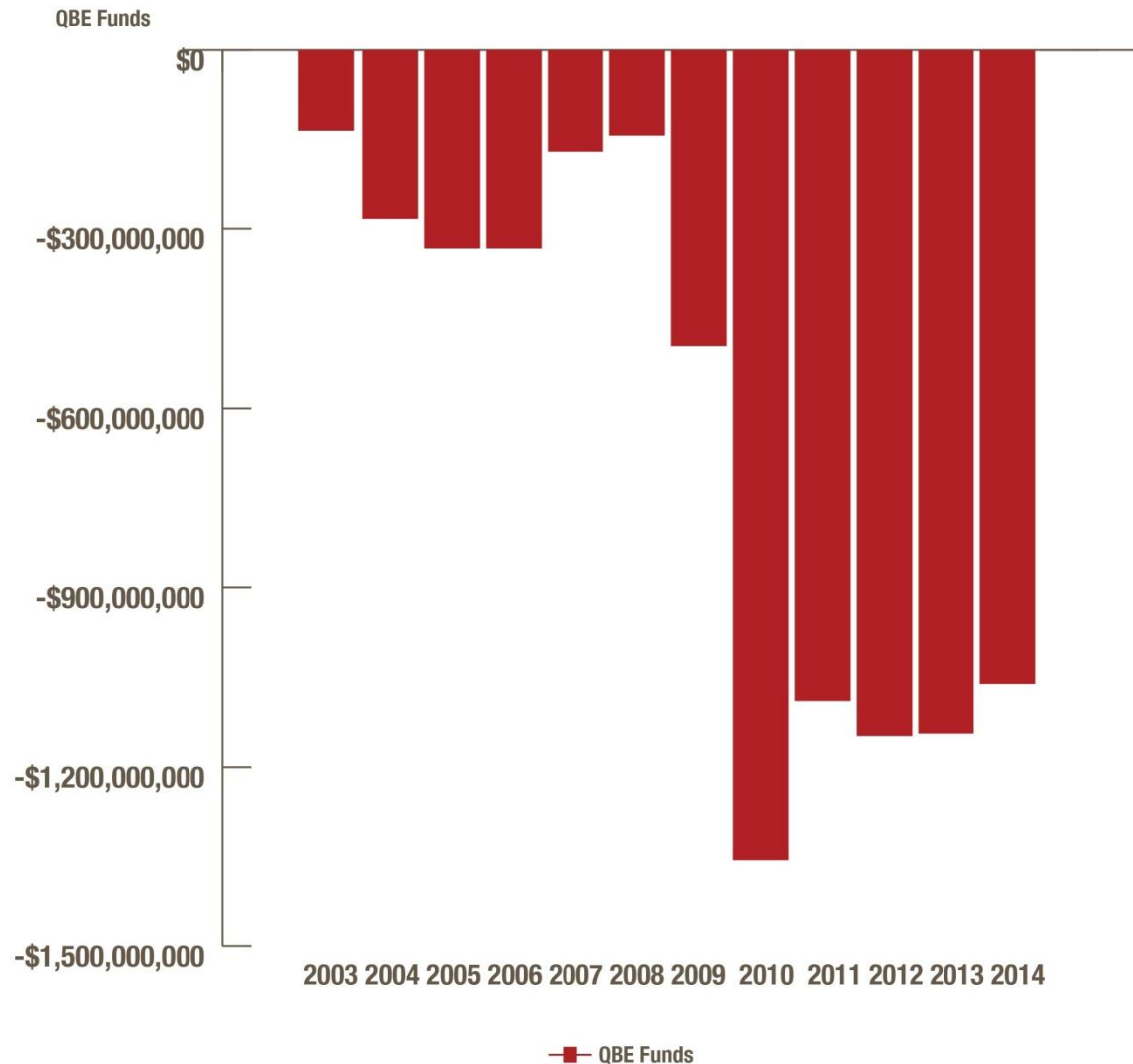


**Cobb County:
Funding sources for K-12
education, FY2012**



SOURCE: Georgia Department of Education and GBPI research

K-12 Formula Underfunded by \$1 Billion



Austerity Cuts in Cobb County

- QBE austerity cut is \$65,900,761 for fiscal year 2014.
- QBE austerity cut per student is \$599.
- Cumulative austerity cut is \$491,296,767 since 2002.

Local Funding

Between 2008 and 2012 in Cobb County:

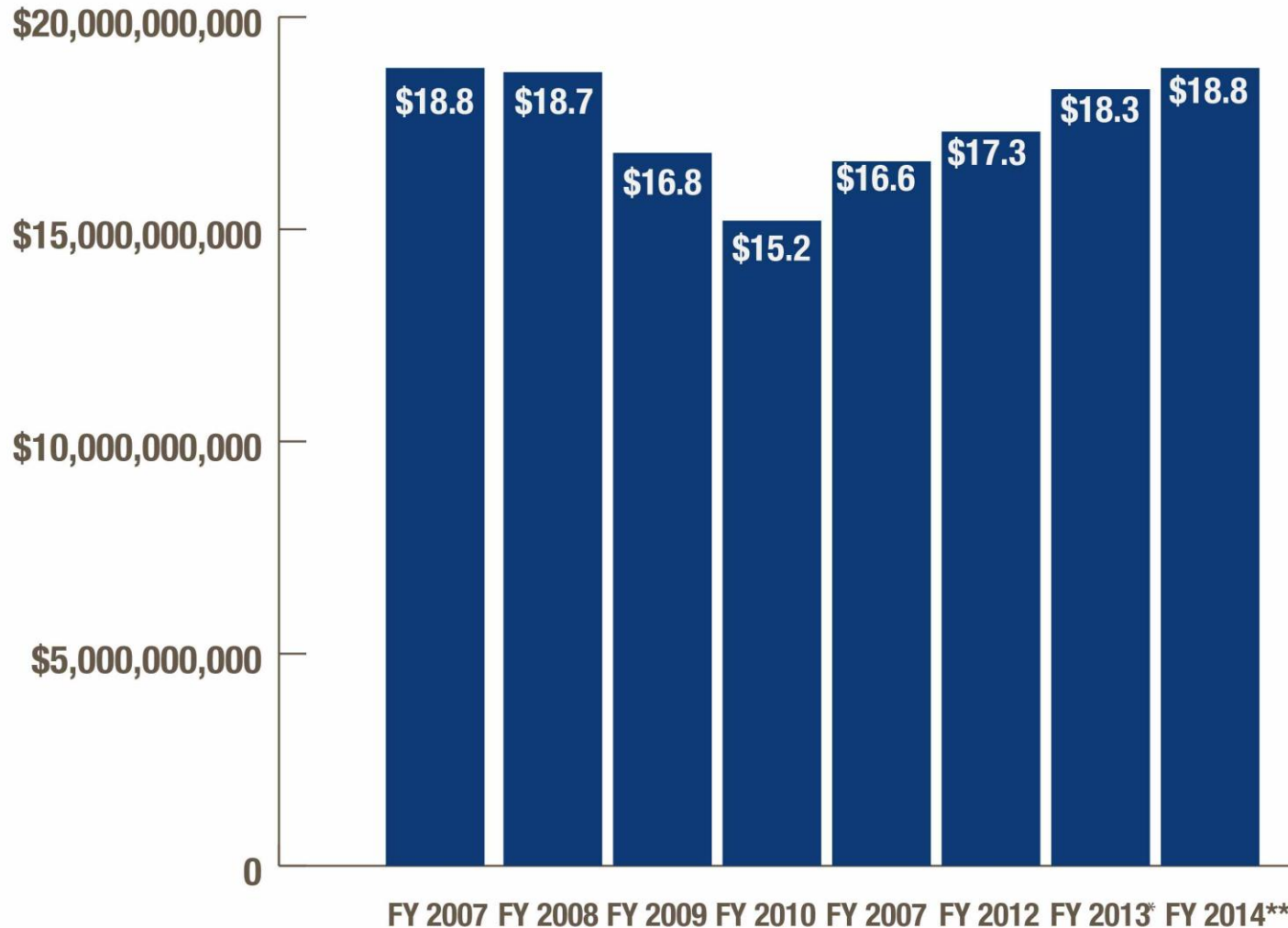
- Tax digest fell 17.8 percent between 2008 and 2012.
- Local revenue per student fell by 12.3 percent

Impact of Funding Losses

- Cut the school calendar to 175 days
- Increase class size
- Eliminate 1,380 teaching positions since 2009
- Eliminate 113 instructional support positions since 2009
- Cut central office staff
- Rely on reserve funds

Revenues Return to 2007 Levels

General and Motor Fuel Funds 2007-2014 Fiscal Years



Drivers of Budget Growth



K-12 and University System Formula Growth

➤ **\$210 Million**

Medicaid and PeachCare Growth

➤ **\$109 Million**

Teacher and Employees Retirement

➤ **\$127 Million**

Systems Contributions Debt Services

➤ **\$42 Million**

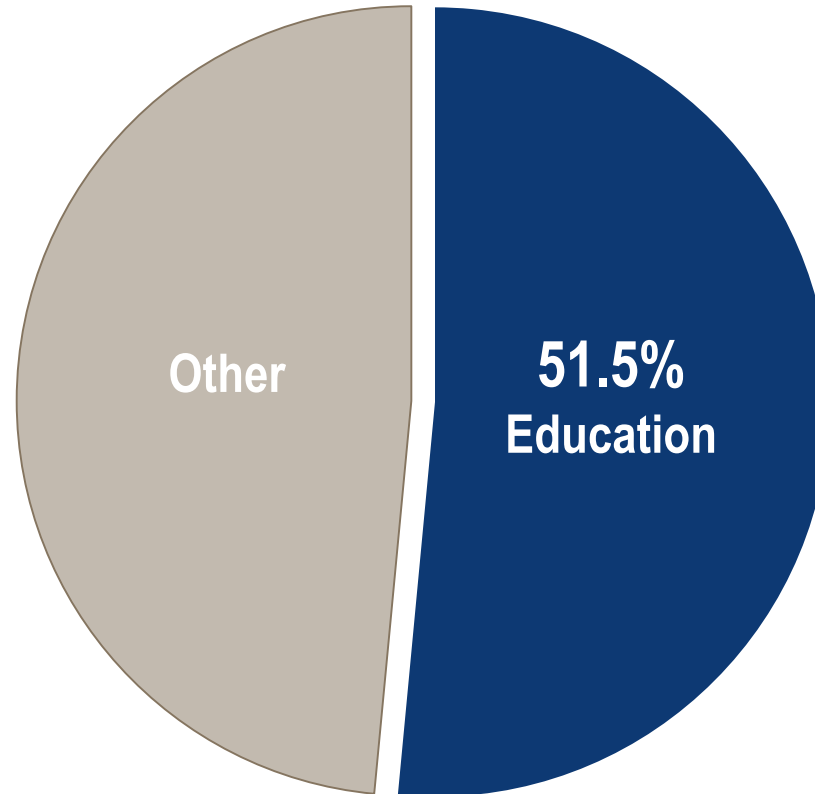
K-12 Education Equalization

➤ **\$38 Million**

Department of Justice Settlement Agreement

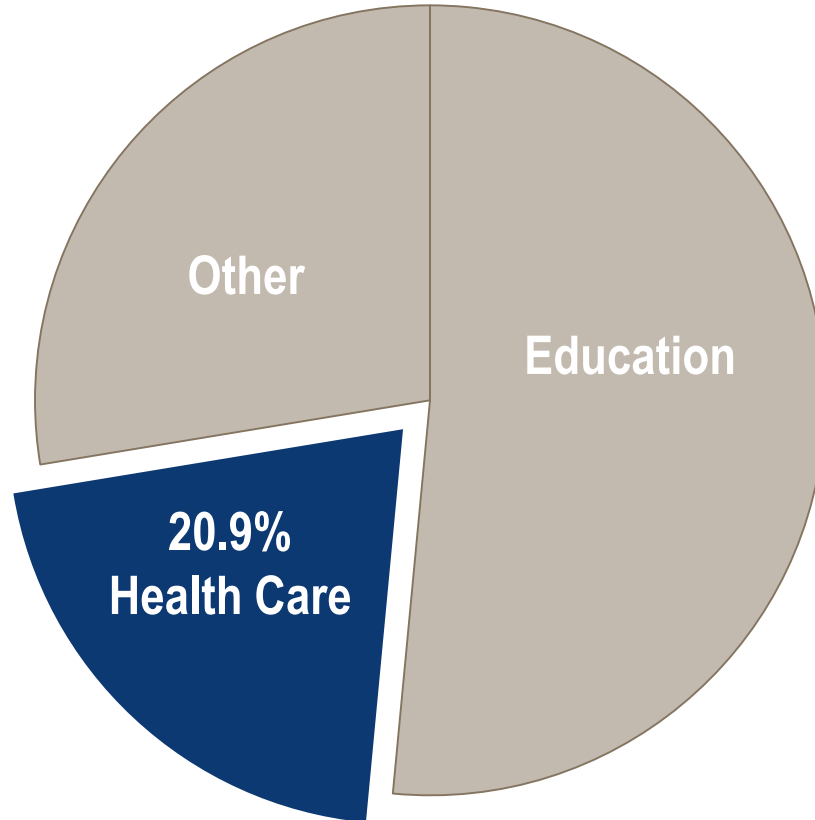
➤ **\$35 Million**

Most Georgia Spending is for Education



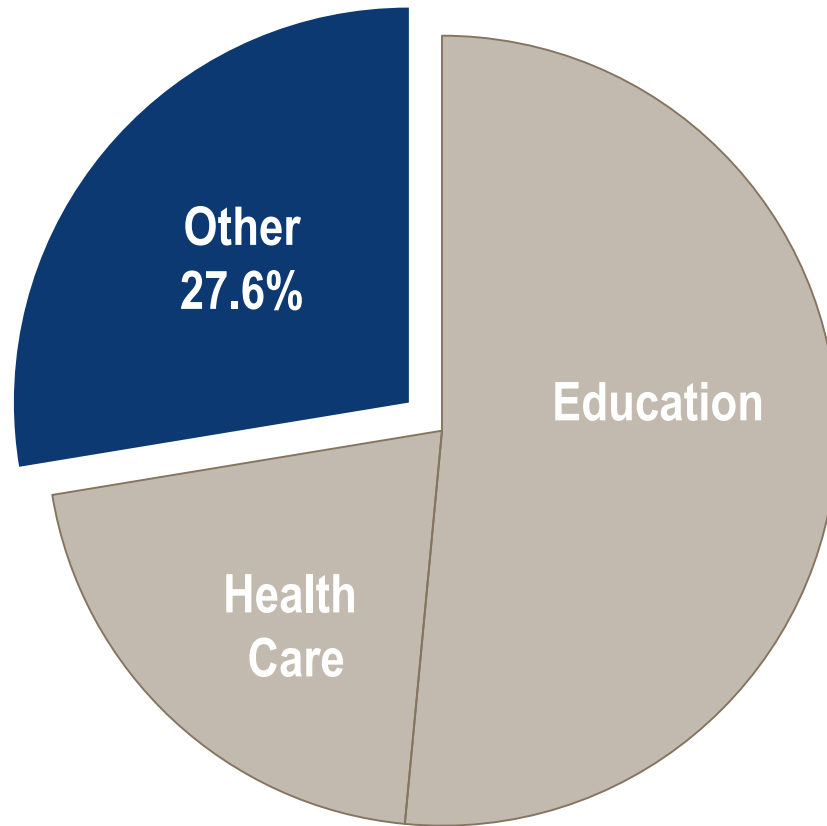
Georgia's Fiscal Year 2014 Budget: \$18.8 Billion

Health Care is 2nd Largest Budget Expense



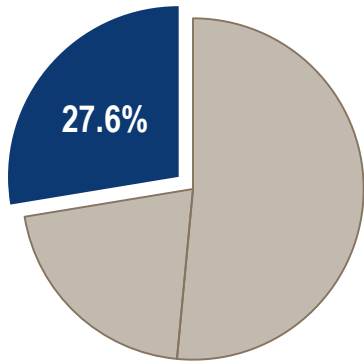
Georgia's Fiscal Year 2014 Budget: \$18.8 Billion

Many Services in Smaller Category “Other”



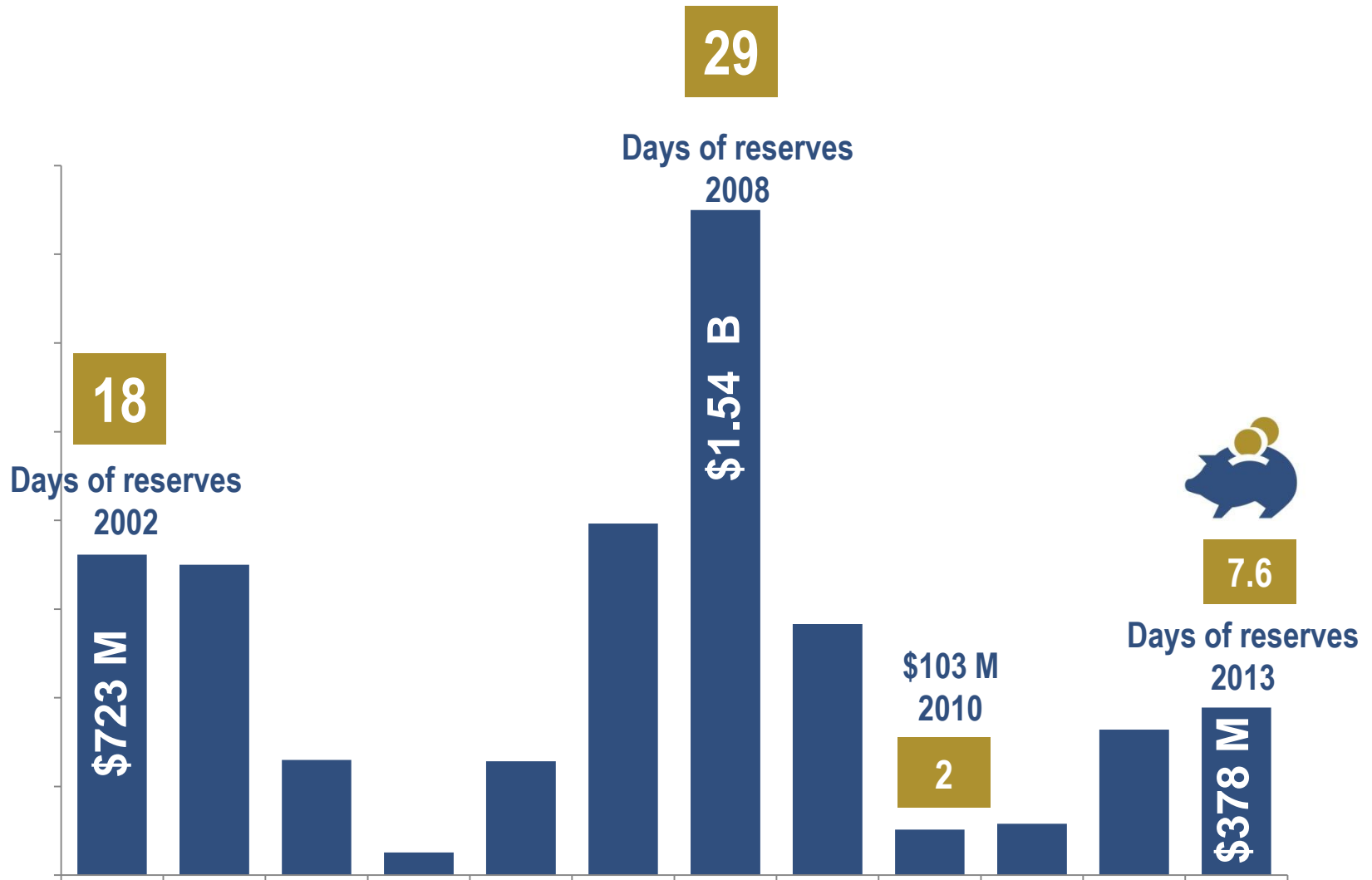
Georgia's Fiscal Year 2014 Budget: \$18.8 Billion

State Spending for “Other” Services



Public Safety	9.2%
Debt Services	6.4%
Transportation	4.3%
General Gov	3.9%
Human Services	2.6%
Judicial Branch	0.9%
Legislative Branch	0.4%

State Savings Depleted During Recession



Q & A



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