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## Oklahoma Policy Institute

### OKLAHOMA'S PUBLIC SCHOOLS HAVE RELATIVELY LOW ADMINISTRATIVE COSTS

Cutting administration would not provide enough savings to significantly improve funding for instruction.

Over the last five years, Oklahoma has made some of the deepest cuts to funding for local schools of any state in the country.<sup>1</sup> Some critics claim that Oklahoma can adequately fund schools by reducing administrative costs without increasing the total amount spent on our public education system. However, an analysis of school spending shows that Oklahoma spends relatively little on school administration, and there are not enough savings to be found in cutting administration to significantly improve funding for instruction.

### Most spending goes toward instruction and support services.

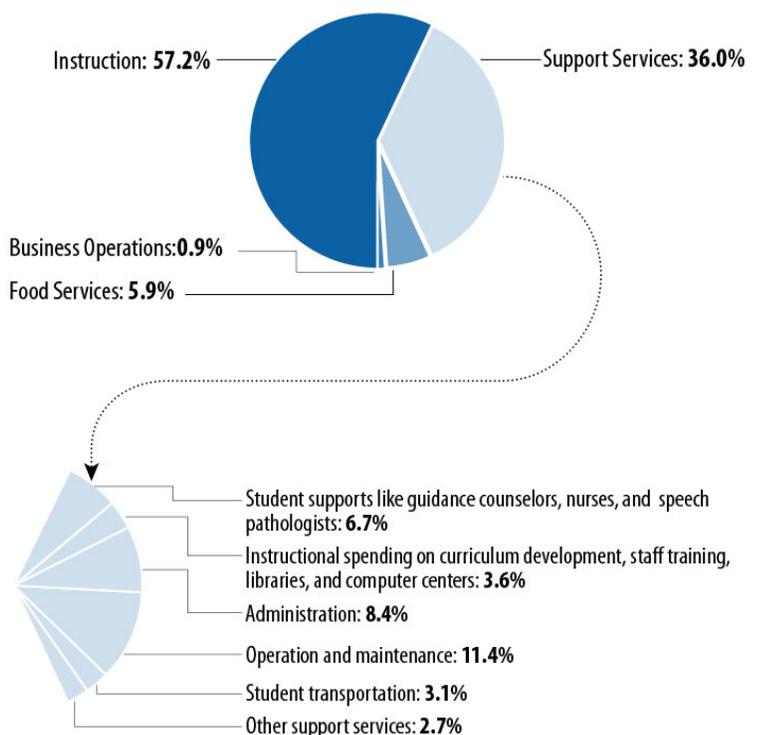
According to the latest data from the National Center for Education Statistics, 57.2 percent of expenditures by Oklahoma's K-12 education system goes to direct instruction.

Another 33.4 percent of expenditures goes to functions that directly support students and teachers (including food and transportation, guidance counselors, nurses, libraries, computer centers, and maintenance of school facilities).

That leaves 8.4 percent for both school and district-level administration and 0.9 percent for business operations.

On the next page, you can see the spending broken down into dollar amounts per-pupil to show how much savings would be available from cuts to administration.

Spending as a portion of K-12 current expenditures



Source: National Center for Education Statistics

<sup>1</sup> See the Oklahoma Policy Institute fact sheet, "Severe Education Funding Cuts Threaten Oklahoma's Economic Future", <http://okpolicy.org/severe-education-funding-cuts-threaten-oklahomas-economic-future>

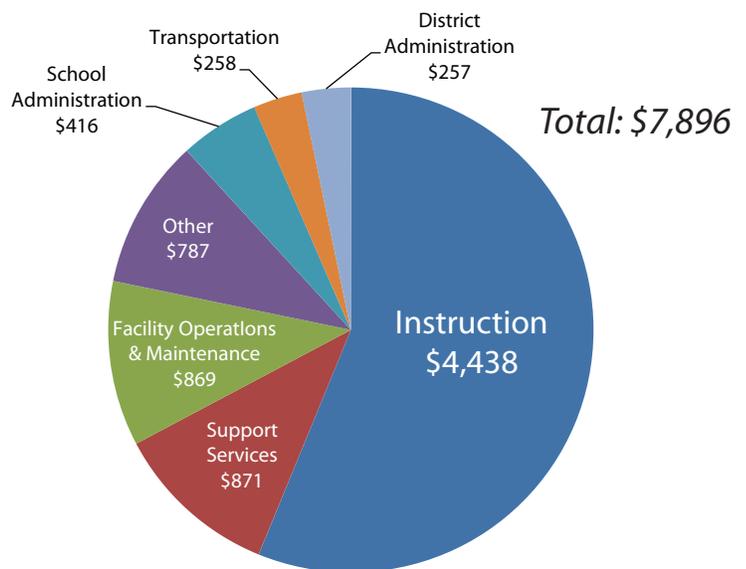
## Cutting administration would not create enough savings to significantly improve spending on instruction.

Oklahoma K-12 schools currently rank 48th out of all 50 states and the District of Columbia for per pupil spending. In most categories of expenditure, the picture is the same. We rank 48th for spending on instruction and school-level administration. We rank slightly higher (40th) for spending on support services.

The data shows that Oklahoma does spend comparatively more on superintendents' offices. The \$257 per student spent on district-level administration was 20th highest in the nation.

However, even under a highly optimistic estimate, we could not find enough savings out of district administration to significantly improve funding for instruction. Hawaii, which has only one statewide school district, spends the least on district administration (\$31 per student). If we somehow reduced our spending to match that and put all of the savings into the classroom, we would increase spending on instruction by less than 3 percent (\$226 per student). The next highest state in the spending rankings (Mississippi) spends \$4,754 per pupil on instruction. The addition of \$226 would bring Oklahoma to \$4,664. That's not enough to change Oklahoma's ranking by even one spot, and we would have restored less than a third of the \$706 per pupil that schools have lost since 2008.

**Oklahoma Public Elementary-Secondary School Expenditures Per Pupil, 2009-2010**



Data Source: US Census Bureau. June 2012. "Public Education Finances: 2010."

## New mandates have increased administrative burdens.

Even while spending on administration remains low, the administrative burdens on schools have increased due to new mandates approved by lawmakers. These include requirements for schools to collect and submit large amounts of data for A-F grade calculations, end-of-instruction tests, and 3rd grade reading tests. Next year, schools will be required to conduct more testing as part of the implementation of Common Core curriculum standards.

The school spending data shows clearly that shuffling dollars around won't fix the funding shortfall. To give our children the resources they need, Oklahoma needs to step up investment in its education system.