



## Wisconsin Taxpayers Alliance

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# COLUMN

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### State's Per Pupil Spending Falls Below National Average as Benefit Costs Decline

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As the school year begins, lawmakers have yet to agree on a new state budget for the next two years. Part of the reason for the delay is school funding, which is no surprise. School finance here is painfully complex, making it easy for politicians to manipulate school spending figures to score partisan points.

New federal data for 2015 provide a fresh look at K-12 expenditures here and elsewhere—without the “spin” in which Wisconsin politicians engage.

But even Census figures can be used selectively to tell contrasting stories about Badger State schools: Did per student spending on our schools (\$11,375) dip slightly below the U.S. average (\$11,392) for the first time in modern memory? Or has Wisconsin school spending—other than for fringe benefits—long been about average?

The answer to both questions is a qualified yes. Here's the whole story.

Overall, Wisconsin schools have for many years spent more than the national norm. From 1992 to 2011, they collectively spent from 4.1% to 15.8% more per student than average. Reasons for the differences vary, but one factor dwarfs all others: fringe benefit costs.

Salaries and benefits typically account for more than 80% of K-12 budgets. As recently as 2011, Wisconsin spent 52% more per student on staff benefits than the nation. That difference accounted for the entire gap in total K-12 expenditures between Wisconsin and the U.S.

Per student spending here was \$11,774 in 2011 vs. \$10,560 nationally, a difference of \$1,214. Wisconsin schools spent \$3,437 per child on benefits, \$1,174 more than the nationwide average. When benefits are excluded from expenditure totals, per student spending here (\$8,337) and nationally (\$8,297) were nearly identical.

Following enactment of 2011 Act 10, requiring most public employees to pay a larger share of benefit expenses, fringe benefit costs in Wisconsin began to decline toward the national average. By 2015, benefit spending here had dropped from 52% to 5% higher than the U.S. average.

August 7, 2017

For the first time it was clear that, benefits aside, Wisconsin and the U.S. had long been devoting similar amounts per student to K-12 education.

The trend in per student spending could have had some adverse effects if staff-student contact had somehow suffered. However, staffing numbers for 2011 and 2015 show that not to be the case.

During this five-year period, both student numbers (-0.3%) and school staff (-0.7%) in the state changed little. Indeed, despite an overall staff decline, K-12 districts in Wisconsin actually added teachers (+1.3%) and teachers' aides (+3.5%). As a result, student-teacher ratios improved from 15.1 to 14.9 to one, while rising nationally.

That is not to say that this commitment to preserving staff has not come without taxpayer effort. In many school districts, maintaining staff levels required voters to approve more spending—and higher property taxes—by referendum. Since 2011, more than 40% of districts have held referenda to increase operating spending. Voters have approved about 70% of those requests.

So, there it is—the complete story about school funding here and elsewhere. Ideologues will continue to squabble over K-12 expenditures. But might it be concluded that, other than fringe benefits, the Badger State's financial commitment to schools has for some time been about average?

*(An electronic version of this column is available online at [www.wistax.org](http://www.wistax.org).)*