



Where Has All the Money Gone?

Study reveals that most Michigan schools spent more money during much of last decade

By TOM GANTERT | Oct. 12, 2010

Public schools in Michigan have continued to get more money per pupil over the past seven years, according to research done by the Cato Institute.

Tracking every dime of the estimated \$20 billion public schools spend in Michigan each year, per pupil spending increased from \$12,032 in 2000-01 to \$12,438 in 2007-08, according to the state's Department of Education. That's a 3.4 percent increase.

"If schools want to make the argument they don't have money, it is because their costs have been increasing," said Michael Van Beek, the director of education policy at the Mackinac Center for Public Policy. "What is commonly heard from the public school establishment is that they are always having their funding cut."

Van Beek said schools consider it a "cut" when the spending increase is not as large as anticipated.

"The problem is they have rising costs that they need to control," Van Beek said. "They need to work to get those costs in line before they cry poor."

Andrew Coulson of the Cato Institute's Center for Educational Freedom compiled the spending data from 14,000 school districts in the U.S.

Cato's finding showed only five of the 551 school districts in Michigan cut per-pupil spending every year from 2000 to 2008. They were Breckenridge, Godwin Heights, Lamphere, Lincoln Consolidated and Wayne-Westland districts.

Grand Rapids' per-pupil spending has increased from \$12,451 in 2000-01 to \$14,150 in 2007-08, according to the Cato research. That's a 13.6 percent increase over seven years.

Grand Rapids Superintendent Bernard Taylor recently told his school board that he wanted to look at increasing compensation for employees "after so many years of rightsizing, downsizing, eliminating and consolidating, and all

those types of things"

John Helmholtz, a spokesman for the Grand Rapids Public Schools, said if spending per pupil has gone up it is because of the federal stimulus money as well as a \$165 million the school has spent on school construction.

The Cato Institute's analysis included all revenue to schools, including school construction.

Grand Rapids' \$165 million bond was passed in 2004 and the revenue comes from 2005-2010.

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