

Public School Staffing in New Hampshire

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The Josiah Bartlett Center for Public Policy

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Introduction

Whenever there are proposals to expand parental choice in education, advocates for public schools routinely suggest that funding for public schools has been reduced, or is too low, and that students who remain in public schools will be harmed when some students leave for educational settings their parents deem better for them.

This brief shows that public schools in New Hampshire have received large increases in taxpayer funds since 1992, and that these funds have largely been spent to increase staffing—well over and beyond what was necessary to accommodate student enrollment growth. These increased resources for public schools did not translate into meaningful increases in salaries for teachers. As shown an earlier report, *Back to the Staffing Surge*, this is a national pattern and these large increases in staffing have not resulted in improved outcomes for students.¹

While large and costly increases in staffing do not appear to have improved outcomes for public school students, a different course of action—one that actually saves taxpayers money—does have a large body of documented evidence that it improves outcomes for students. Specifically, the empirical research on programs that allow parents educational choice shows—overwhelmingly—that students who remain in public schools after the creation of a choice program experience modest gains in outcomes.²

The rest of this brief contains three parts—Section I describes the large increase in taxpayer resources devoted to New Hampshire public schools since 1992 and the uses of those increased resources. Section II shows how educational choice would increase resources for students who remain in public schools. Section III offers some concluding remarks.

¹ *Back to the Staffing Surge* may be accessed here, <https://www.edchoice.org/research/back-staffing-surge/>.

² For a survey of the economics literature on this topic, please see Epple, Romano, and Urquiola (2017), <https://pubs.aeaweb.org/doi/pdf/10.1257/jel.20150679>. Per the effects of choice of students who remain in public schools, they conclude: “Evidence on both small scale and large scale programs suggests that competition induced by vouchers leads public schools to improve.”

For a summary of the empirical research on this topic from the wider social science literature, please see Lueken and McShane (2017), <https://www.edchoice.org/blog/school-choice-research-not-rorschach-test/>. On the effects of choice on students who remain in public schools, Lueken and McShane conclude: “There is virtually no evidence that school choice harms neighboring public schools. In fact, students tend to experience small gains on test scores there. And school choice programs achieve these benefits with fewer public resources. Of the 33 studies that examine the competitive effects of school choice programs, 31 found positive effects, one saw no visible effect and one found negative effects. Moreover, 40 fiscal analyses have been conducted on school choice programs. All but three found these programs generated net fiscal savings overall for taxpayers, and three found the programs were revenue neutral for taxpayers.”

Data Notes

All data below were reported by the New Hampshire Department of Education to the National Center for Education Statistics at the U.S. Department of Education and are publicly available at <https://nces.ed.gov/programs/digest/>

Please see the source notes beginning on page 35 of *Back to the Staffing Surge*, EdChoice, for details: <https://www.edchoice.org/wp-content/uploads/2017/06/Back-to-the-Staffing-Surge-by-Ben-Scafidi.pdf>

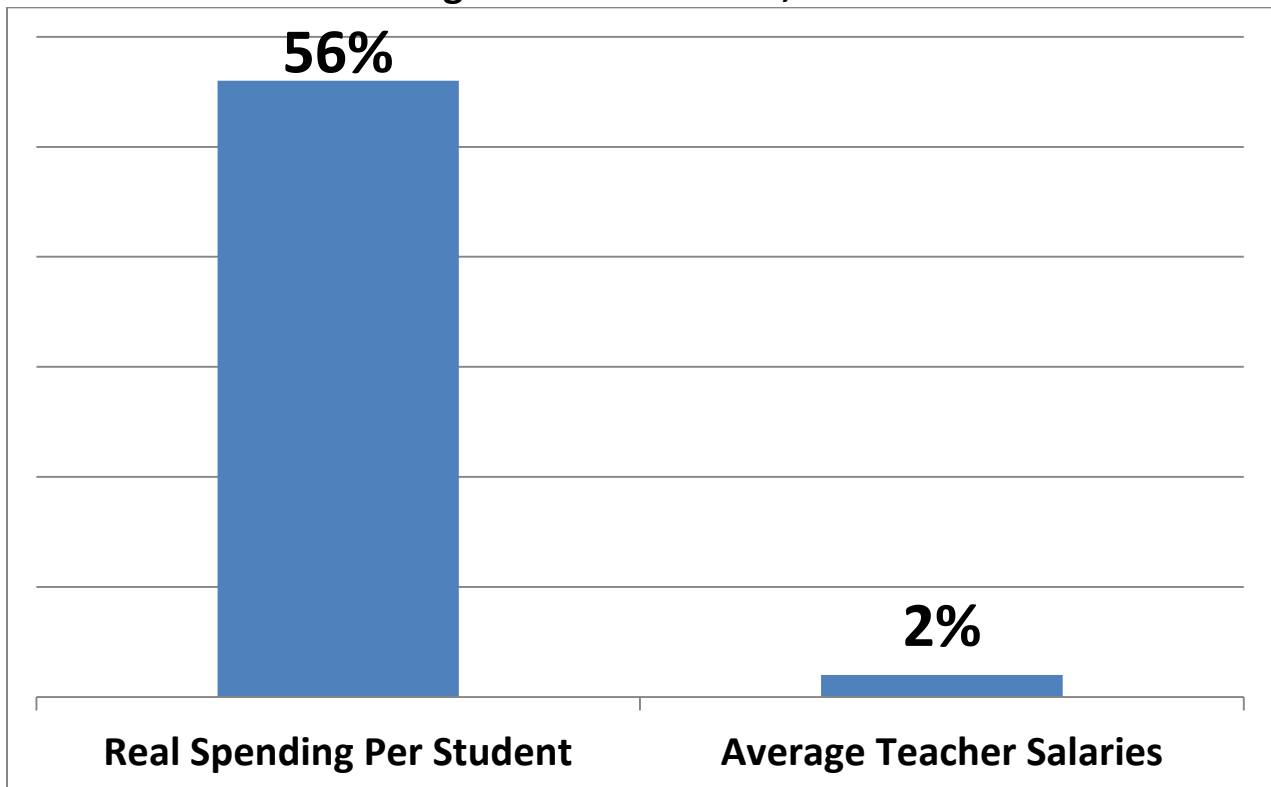
Nominal dollars for spending and teacher salaries were converted to real (inflation-adjusted) dollars using the CPI-U, which is the headline consumer price index published by the US Bureau of Labor Statistics.

I. Taxpayer Resources in New Hampshire Public Schools Since 1992

Between the 1991-92 school year (Fiscal Year 1992) and the 2013-14 school year (Fiscal Year 2014), “real” spending per student in New Hampshire public schools increased by 56 percent. “Real” spending per student is adjusted for inflation using the CPI-U, the headline consumer price index reported widely in the media each month and produced by the U.S. Bureau of Labor Statistics.

Put differently, in FY 2014, public school students in New Hampshire had 56 percent more in real resources devoted to their education—relative to public school students in New Hampshire in 1992.

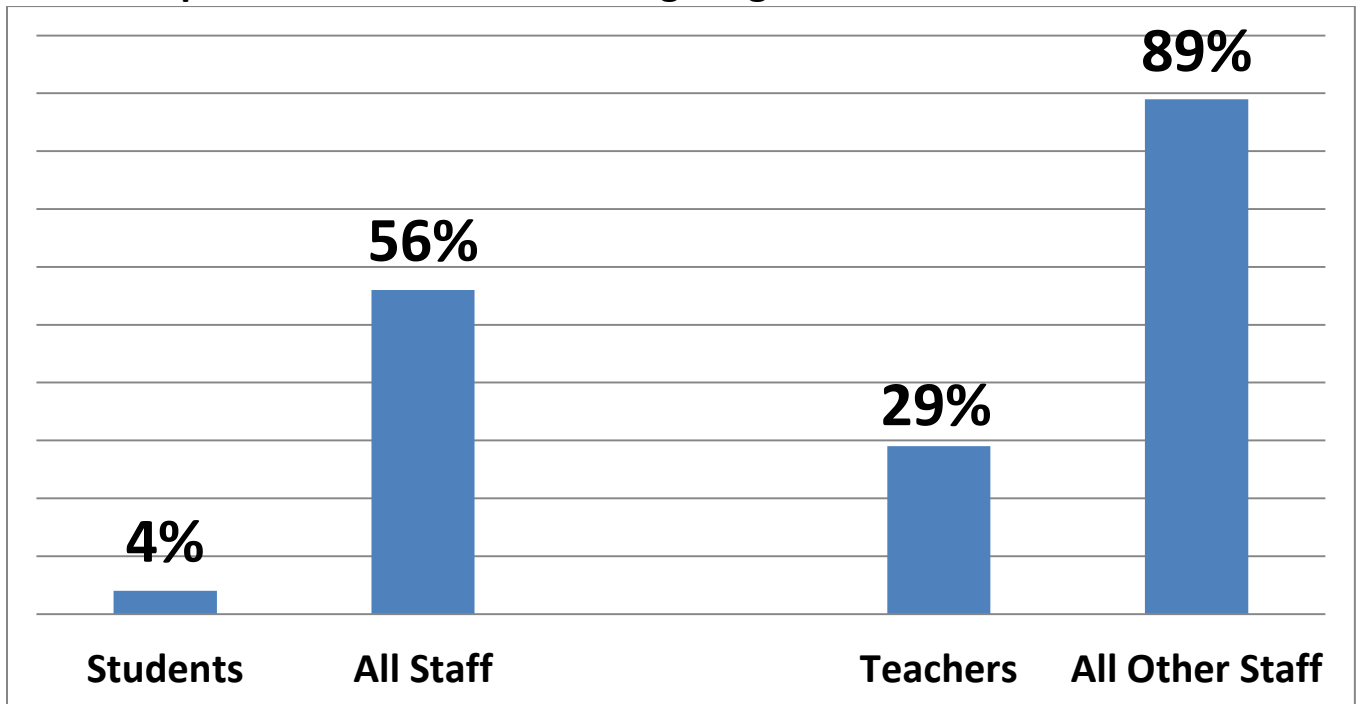
New Hampshire Real (inflation-adjusted) Spending Per Student and Real Average Teacher Salaries, FY 1992 to 2014



Despite this large increase in taxpayer support for public schools, average salaries for public school teachers—adjusted for inflation—increased only 2 percent during this time period. The large increase in taxpayer support for public schools somehow did not translate into a meaningful salary increase for New Hampshire teachers.

At the time of writing, FY 2014 was the most recent data available for average teacher salaries.

New Hampshire Public School Staffing Surge, 1992 to 2015



So, where did the large increase in taxpayer support for New Hampshire public schools go? One place it went was to the modern—post-1992—staffing surge.³ Between FY 1992 and FY 2015, New Hampshire public schools experienced a 4 percent increase in the number of students they serve. But the number of full-time equivalent (FTE) personnel employed by New Hampshire public schools increased by 56 percent—*14 times* what was needed to accommodate student enrollment growth.

All New Hampshire school personnel can be divided into two categories:

- Teachers
- Everybody else, hereafter termed “non-teachers” or “All Other Staff”.

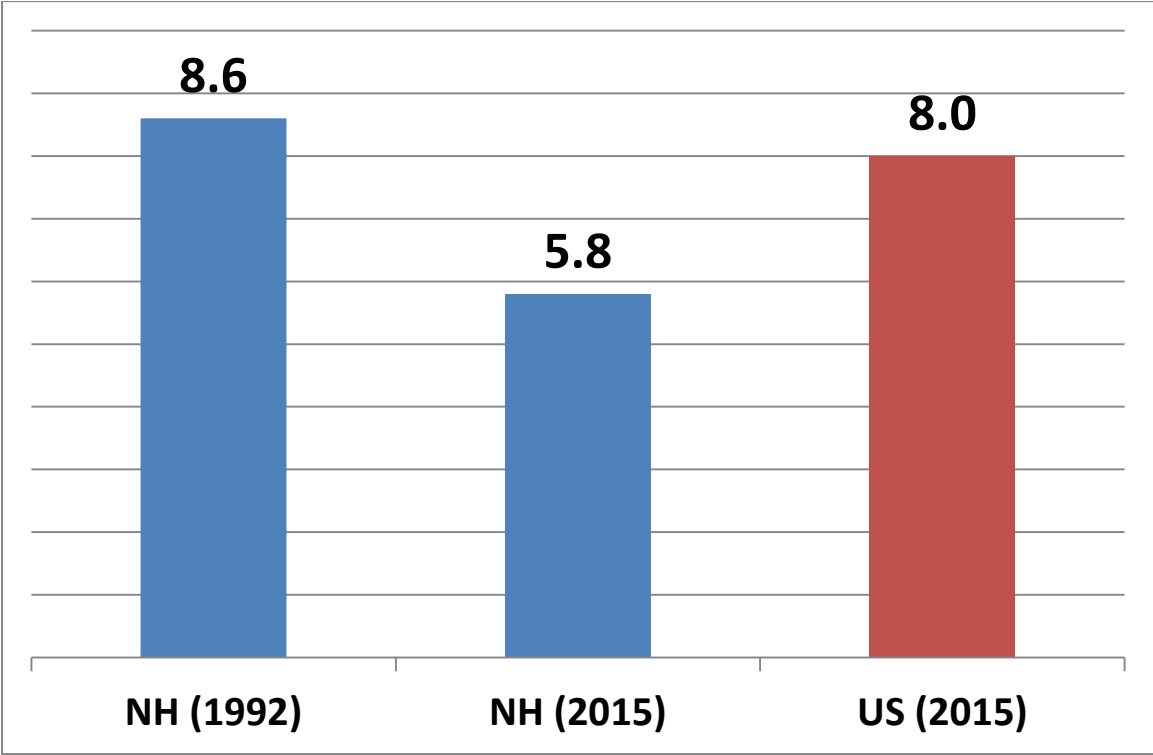
Thus, “all other staff” includes assistant principals, curriculum specialists, teacher aides, janitors, bus drivers, etc.

While the number of students increased by 4 percent, the number of teachers increased by 29 percent, which resulted in a significant decrease in class sizes. However, the category of non-teachers in New Hampshire public schools increased by 89 percent between 1992 and 2015—*over 22 times* the rate needed to accommodate the 4 percent growth in student enrollment.

³ As shown in *Back to the Staffing Surge*, the significant increases in public school staffing—over and beyond what was needed to accommodate student enrollment growth—dates back to at least 1950.

<http://www.edchoice.org/wp-content/uploads/2017/05/Back-to-the-Staffing-Surge-by-Ben-Scafidi.pdf>

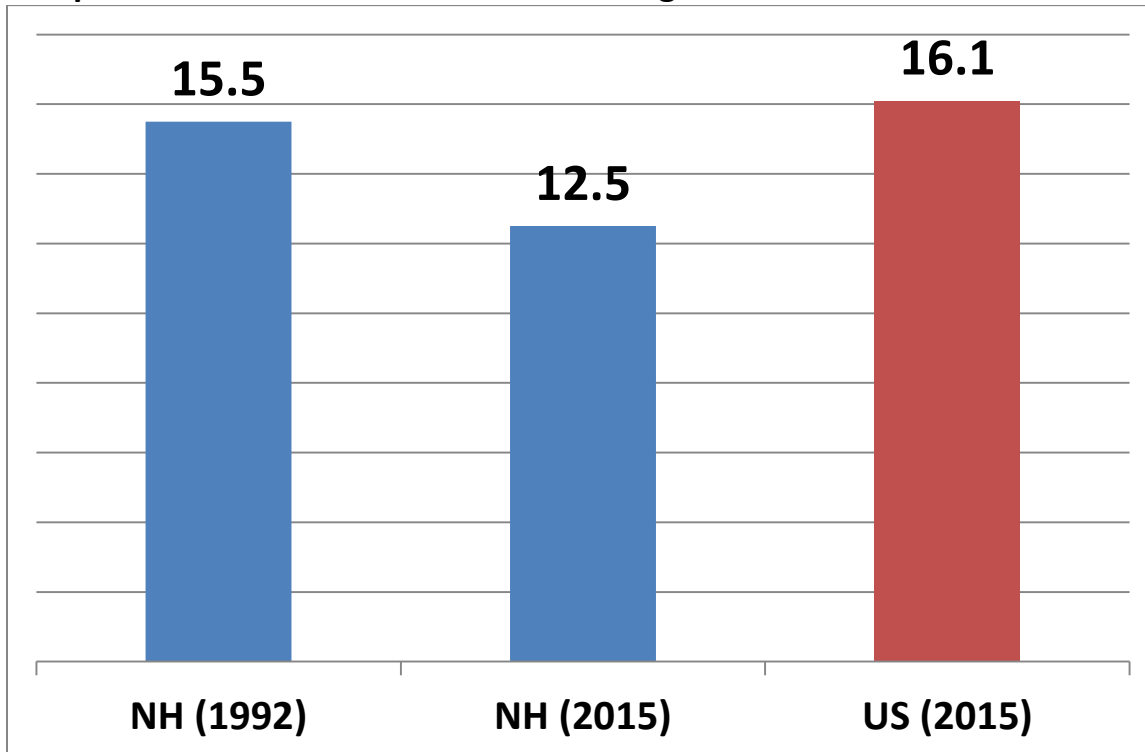
Student-Staff Ratio, New Hampshire Public Schools 1992 and 2015—compared to Public School National Average in 2015



Given the dramatic increases in public school staffing in New Hampshire public schools since 1992, public school students in recent years have much more access to school personnel. For example, the pupil-staff ratio in New Hampshire public schools in FY 1992 was 8.6 students per public school employee (FTE). By FY 2015, there were 5.8 students for each New Hampshire public school employee (FTE)—a decrease of about 33 percent. That is, public school students in 2015 in New Hampshire had 33 percent more access to staff than their counterparts in 1992.

For context, the national public school average in 2015 was 8 students per public school employee (FTE). Thus, in 2015 New Hampshire public school students had about 28 percent more access to public school employees relative to public school students nationally.

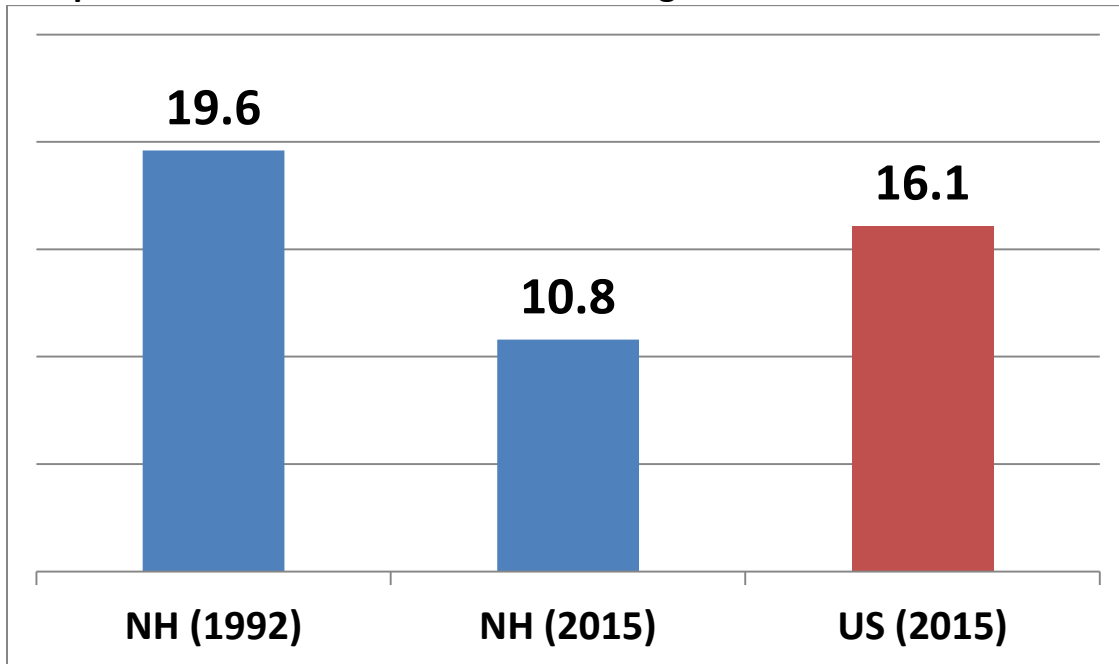
**Student-Teacher Ratio, New Hampshire Public Schools 1992 and 2015—
compared to Public School National Average in 2015**



Given the dramatic increases in public school staffing in New Hampshire public schools since 1992, public school students have much more access to teachers. For example, the pupil-teacher ratio in New Hampshire public schools in FY 1992 was 15.5 students per public school teacher (FTE). By FY 2015, there were 12.5 students for each New Hampshire public school teacher (FTE)—a decrease of about 19 percent. That is, public school students in 2015 in New Hampshire had 19 percent more access to teachers than their counterparts in 1992.

For context, the national public school average in 2015 was 16.1 students per public school teacher (FTE). Thus, in 2015 New Hampshire public school students had about 22 percent more access to public school teachers relative to public school students nationally.

Student-“All Other Staff” Ratio, New Hampshire Public Schools 1992 and 2015— compared to Public School National Average in 2015



Given the dramatic increases in public school staffing in New Hampshire public schools since 1992, public school students have more access to non-teachers as well. In fact, the largest staffing increases were in non-teachers, where non-teachers include all public school employees who are not teachers—teacher aides, assistant principals, counselors, social workers, janitors, etc. These “non-teachers” are also termed “all other staff”—all staff who are not teachers. Again, these data were reported by the New Hampshire Department of Education to the National Center for Education Statistics at the U.S. Department of Education—and are publicly available at <https://nces.ed.gov/programs/digest/>.

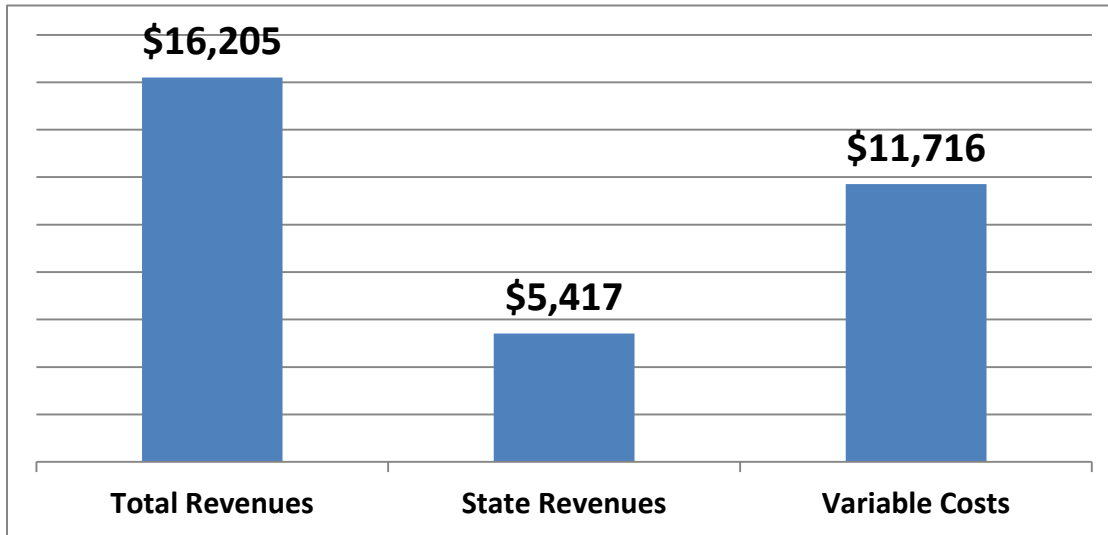
The pupil/(all other staff) ratio in New Hampshire public schools in FY 1992 was 19.6 students per non-teacher (FTE). By FY 2015, there were 10.8 students for each New Hampshire public school non-teacher (FTE)—a decrease of about 45 percent. That is, public school students in 2015 in New Hampshire had 45 percent more access to non-teachers than their counterparts in 1992.

For context, the national public school average in 2015 was 16.1 students per public school non-teacher (FTE). Thus, in 2015 New Hampshire public school students had about 33 percent more access to non-teachers relative to public school students nationally.

By 2015, New Hampshire public schools employed significantly more non-teachers than teachers. Specifically, in 2015, New Hampshire public schools employed 17,078 non-teachers and 14,773 teachers, where these numbers are in full-time equivalents (FTEs).

II. How Choice Would Increase Resources for Students in Public Schools

New Hampshire Public School Revenues Per Student, 2015



New Hampshire's Legislature is considering a program that allows families to use state taxpayer funds devoted to their children's education at schools and educational settings outside of the conventional public school system. However, there is a concern that such programs would lead to fewer resources for students who remain in public schools. Is it plausible that such a choice program would lead to fewer resources for New Hampshire public school students?

As shown in the chart above, Total Revenues and State Revenues Per Student were reported by the New Hampshire Department of Education to the National Center for Education Statistics at the U.S. Department of Education. This estimate of Variable Costs Per Student for 2015 in the chart above, \$11,716, is the median estimate from the literature and indicates that any educational choice program where school districts lose less than \$11,716 per student as some students leave via choice would improve the finances of public school districts and leave more resources for students who remain in public schools.⁴

⁴ The median estimate of variable costs per student for public school districts comes from the analysis in Scafidi (2012), <https://www.edchoice.org/research/the-fiscal-effects-of-school-choice-programs-on-public-school-districts/>. Scafidi uses the experience of public school districts that lost students for reasons other than educational choice programs to create estimates of fixed and variable costs for public school districts for each state. Based on actual cost reductions from one year to the next when public school districts experienced a decrease in enrollment, the following cost categories were reduced commensurate or more than commensurate than their decrease in students: instruction, student support, instructional staff support, enterprise operations, and food service. For example, if public school districts lose 1 percent of their students, they appear to be able to reduce these cost categories

For those who believe that almost all public school costs are fixed costs, there would be no need for New Hampshire taxpayers to provide additional funding to school districts when they experience an increasing student population, as most of their costs are fixed costs and therefore are invariant to changes in the student population.

Under a choice program, New Hampshire public schools would retain most federal funds and all locally generated funds for students they no longer serve—together these federal and local taxpayer funds are over two-thirds of public school funding per student.

by 1 percent or more from one year to the next—based on actual decreases in students and actual cost reductions. This analysis in Scafidi (2012) is cautious for two reasons. First, in the long run, all costs are variable as public school districts can make new strategic decisions. Second, many of the costs that Scafidi (2012) treats as “fixed” costs have actually increased at a rate far greater than necessary to keep up with student enrollment growth—as shown in the prior section of this brief. These cost categories were generated by the U.S. Department of Education using data submitted by each state department of education. For details, please see Scafidi (2012)-- <https://www.edchoice.org/research/the-fiscal-effects-of-school-choice-programs-on-public-school-districts/> . In his analyses Martin Lueken at EdChoice excludes enterprise operations and food service from his estimates of variable costs. Bifulco and Reback (2014) have created a method for estimating variable costs in public schools that is a bit higher than Scafidi (2012). Since Lueken’s estimates of variable costs are slightly lower than Scafidi’s and Bifulco and Reback’s are slightly higher, Scafidi (2012) offers the median estimate of variable costs for public school districts. These are the only three methodologies that endeavor to estimate variable costs for public school districts. The citation for Bifulco and Reback is: Bifulco, R. and Reback, R., 2014. Fiscal impacts of charter schools: lessons from New York. *Education Finance and Policy*, 9(1), pp.86-107.

III. Concluding Remarks

- 1) New Hampshire public school students have access to 28 percent more overall staffing than the average public school student nationally—8.0 students per employee is the national average for public schools, relative to 5.8 students per employee in New Hampshire public schools.
- 2) The increased public school staffing in New Hampshire public schools between 1992 and 2015 has presented a tremendous opportunity cost for taxpayers and teachers:
 - a. The 1992 to 2015 staffing surge among non-teachers (“all other staff”) costs New Hampshire taxpayers about \$460 million annually—this estimate is cautious and is most certainly an underestimate, as it assumes the total employment cost (salary plus all benefits) of these non-teachers is \$60,000 per year moving forward. (\$60,000 is significantly below the national average for these employment costs, as of 2015.)
 - b. This \$460 million could have been spent elsewhere—for example, to increase New Hampshire teacher compensation by \$31,100 per year.
 - c. Alternatively, this \$460 million could have provided more than 76,500 New Hampshire students with \$6,000 Education Savings Accounts (ESAs).
 - d. Further, this \$460 million could have been used to reduce state taxes or local property taxes, or for some combination of the above.
 - e. There is no evidence nationally that these tremendous and costly increases in staffing have led to better outcomes for students. For example, as reported in *Back to the Staffing Surge*, national test scores were stagnant during the expensive and large post 1992 staffing surge.
 - f. There also is no evidence that students of today are, on balance, “harder to teach” than students of decades ago. Students in recent years have some characteristics that public school advocates suggest would improve student outcomes and others they suggest should lower student outcomes. The only four empirical studies on the topic find that students in recent years have, on balance, characteristics that suggest slightly higher levels of achievement.
- 3) For further information on everything presented here and for further context, please see *Back to the Staffing Surge* at <https://www.edchoice.org/wp-content/uploads/2017/06/Back-to-the-Staffing-Surge-by-Ben-Scafidi.pdf>

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