School Funding Equity in Puerto Rico

Risk and resource analysis of Puerto Rico Department of Education public schools

Bruce D. Baker · University of Miami · November 2026

Funding barely follows need

1.02

High-need ÷ low-need total spending per pupil, same municipio and size

1.11

Same ratio for school-site spending, primary schools

0.97

Commonwealth (state) funds, secondary schools: regressive

1.6 SD

Secondary proficiency gap, 90th vs. 10th percentile of need

854 schools (573 primary, 281 secondary); spending 2019-20 to 2024-25; META-PR 2021-22 to 2025-26. England's comparable ratio is about 1.2.

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Two questions from the equal-opportunity framework

1a Risk analysis

Which student characteristics most strongly predict lower outcomes?

Outcomes = f(Needs, Context)

1b Resource analysis

Are spending and staff higher where risks are concentrated, net of size and rurality?

Resources = f(Needs, Context)

2 Cost modeling (next)

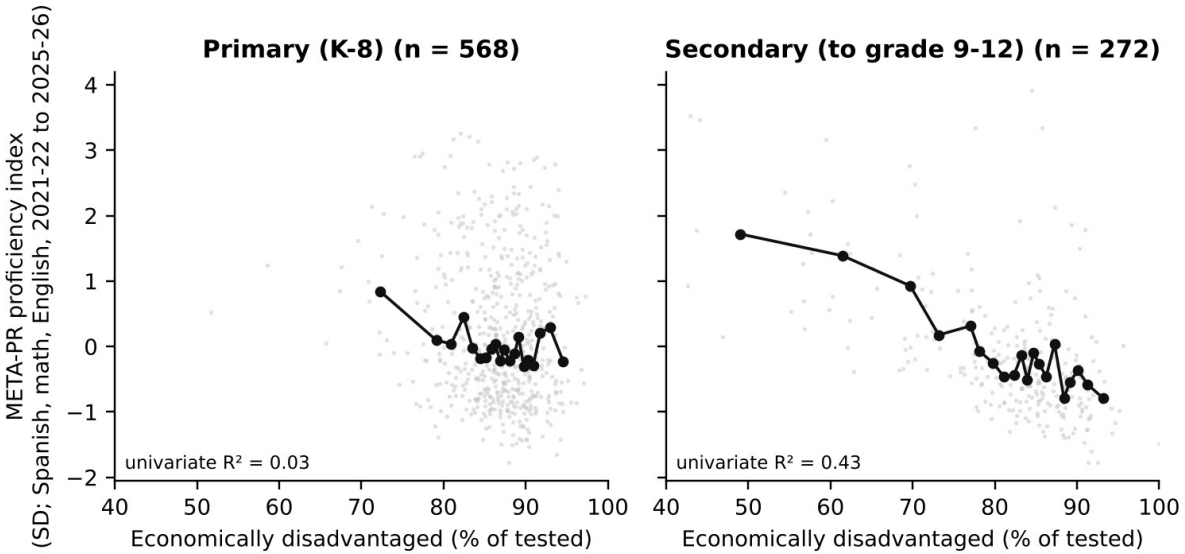
How much more would give high-need schools an equal opportunity to reach common goals?

Sizing the differential

Const. art. II §5 guarantees a right to education; Ley 85-2018 requires per-student, per-school equity standards; budgets certified by the PROMESA oversight board.

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Poverty predicts secondary results, not primary



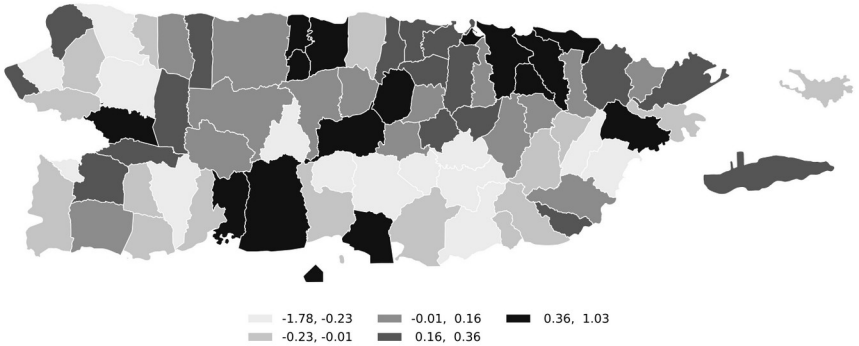
Secondary: disadvantaged share explains **43%** of variation

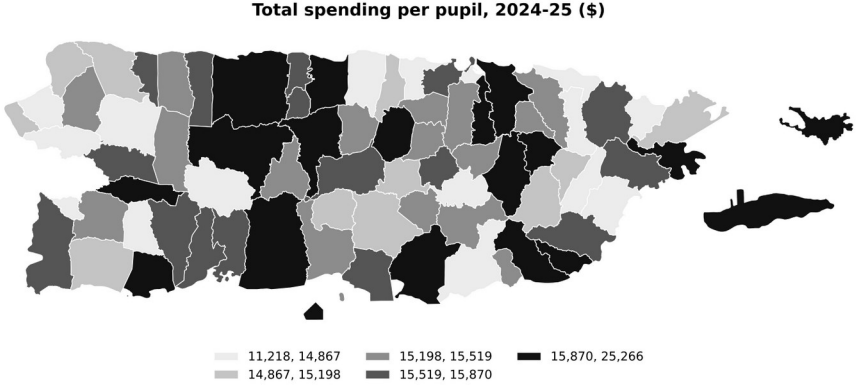
Spanish proficiency **73%** vs. **35%**, lowest vs. highest need tenth

Primary: no measure explains more than **4%**; results need an audit

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Where need is concentrated, and where money goes





Top: mean school need index by municipio, 2024-25

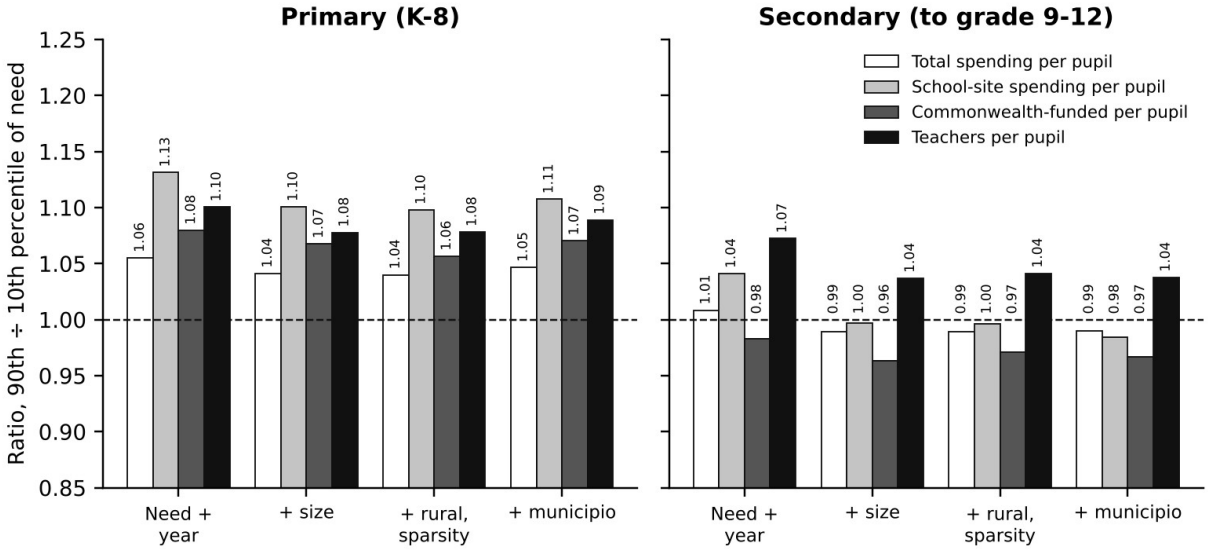
Bottom: total spending per pupil, 2024-25

Need index: predicted proficiency shortfall from economically disadvantaged and FRL shares, in SD units

The two maps line up only loosely

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Small gains in primary, none in secondary



Total spending: **1.05×** primary, **0.99×** secondary

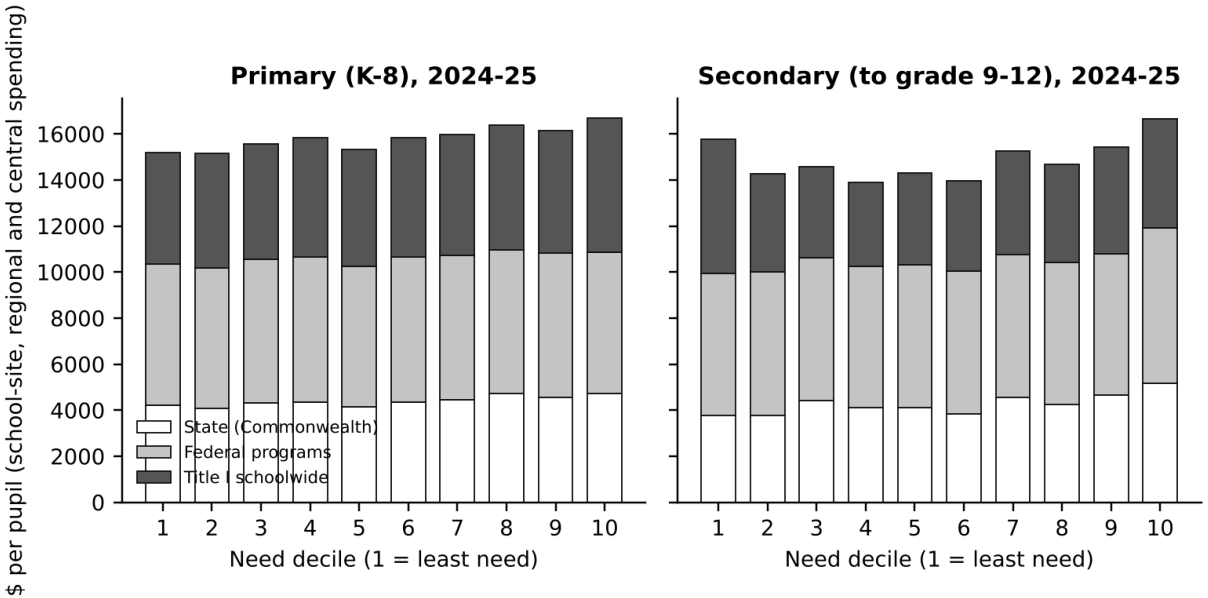
School-site spending: **1.11×** and **0.98×**

Teachers: **1.09×** and **1.04×**

State funds, secondary: **0.97×**

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Every funding source is nearly flat



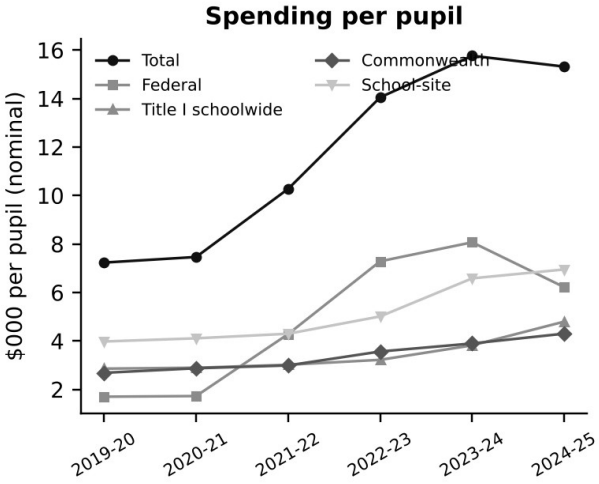
Federal programs: **$6,219** per pupil, ratio **1.01×**

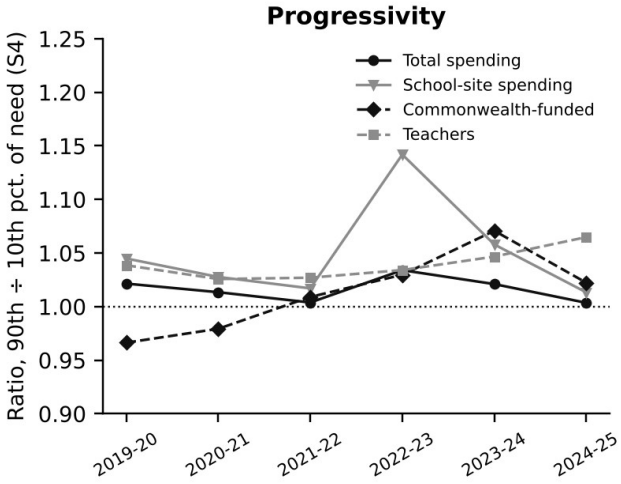
Title I schoolwide: **$4,797**, **1.04×**

Commonwealth: **$4,301**, **1.01×**

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Federal relief doubled spending, not targeting





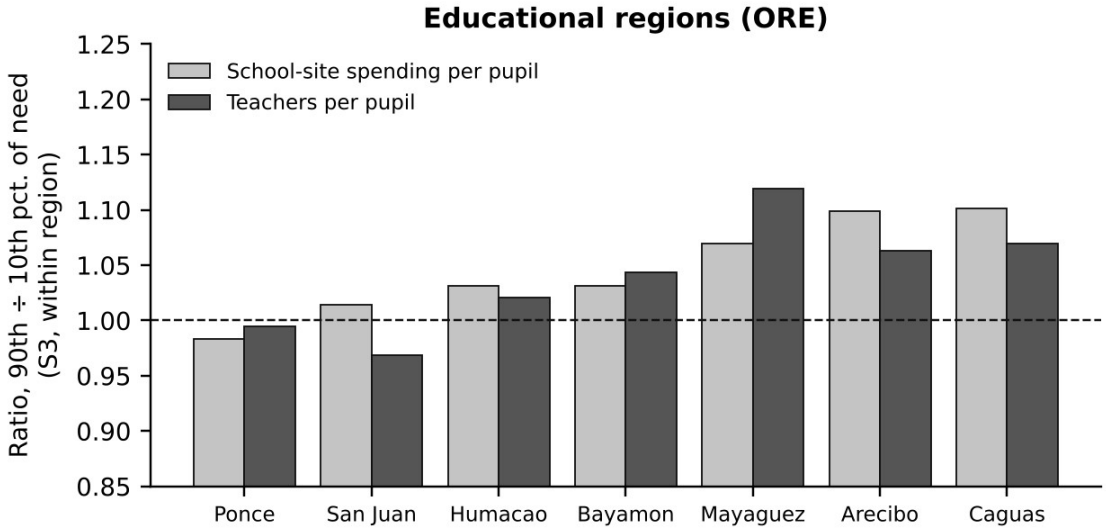
Total spending per pupil
$7,233 → $15,317

Enrolment **293k → 236k**

S4 ratio **1.02 → 1.00**

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Little differentiation in any region



School-site ratio **0.98** (Ponce) to **1.10** (Caguas)

Alianza (charter) schools report **22%** lower total spending; some operator spending may be outside PRDE data

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Spending data are strong; outcomes are the constraint

Outcomes	META-PR proficiency rates by school, 2021-22 to 2025-26; primary results barely track need	**Weak to moderate**
Spending	PRDE audited spending per pupil, ~850 schools, by spending level and funding source	**Strong**
Need	Tested-student disadvantaged, disability, Spanish-learner shares; FRL near ceiling	**Moderate**
Input prices	Single island-wide salary scale; no school-level pay	**Little variation**
Structural	Enrolment, grades, rural zone, sparsity, island municipios	**Strong**
Variation	~20% residual school-site spending variation within municipio, net of need and size	**Sufficient**
Instruments	2018 consolidation, federal relief rules, Ley 85 budgeting, 2017 and 2020 disasters	**Promising**

A secondary-school cost function is feasible now; a full-system model needs scale scores and an audit of primary results.

Source: B. D. Baker analysis of PRDE Perfil Escolar school spending and META-PR results, NCES CCD and ACS 2019-23. PRDE public schools, 2019-20 to 2024-25.

Implications

- A flat system against a 1.6 SD secondary gap falls short of equal opportunity
- Give Ley 85-2018 per-student budgeting explicit need weights, sized by cost modeling
- Federal funds cannot stand in for a progressive Commonwealth formula as relief ends
- Audit primary META-PR results before using them for closures, ratings or cost models