

# SETTING THE RECORD STRAIGHT ON WEST VIRGINIA'S K-12 ENROLLMENT AND FUNDING



## THE CLAIM

*“School choice is to blame for plummeting enrollment and funding shortfalls of public schools.”*

## THE TRUTH

### Over-Regulation and Inefficiency Drive Financial Stress

Thousands of pages of outdated mandates restrict staffing and operations. Districts employ more staff for fewer students than ever, a trend sustained by temporary federal relief and a funding formula that rewards inputs, not outcomes.

### The Problem Predates School Choice

Enrollment has fallen for 20+ years due to population decline, low birth rates, and outmigration, long before the Hope Scholarship.

Hope currently serves a small share of students, far too few to cause systemwide declines.

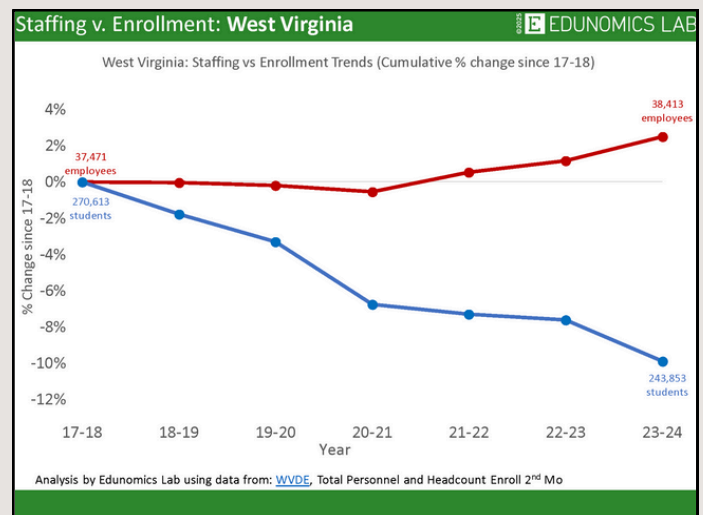
When families choose alternative options, they are responding to quality and trust, not causing collapse.

### Districts Are Still Funded for Students Who Left

Despite enrollment drops, many districts receive funds based on inflated counts.

COVID-era financial support—over \$1.2B statewide—masked these inefficiencies. As ESSER dollars expire, budget gaps emerge where staffing wasn't right-sized.

Despite losing students, many districts continue to receive local and federal dollars based on outdated enrollment counts.



### Families Aren't the Problem

Parents turn to Hope because the system isn't meeting their children's needs, especially in special education. Many report their kids finally thriving in smaller or alternative settings.

Blaming families avoids accountability for systemic failure.

### A CASE STUDY: Randolph County

Often used as an example of a district that has made a consolidation decision and now has “nowhere to turn,” enrollment fell by 552 students from 2018–2025. Meanwhile, only 43 students use Hope Scholarships.

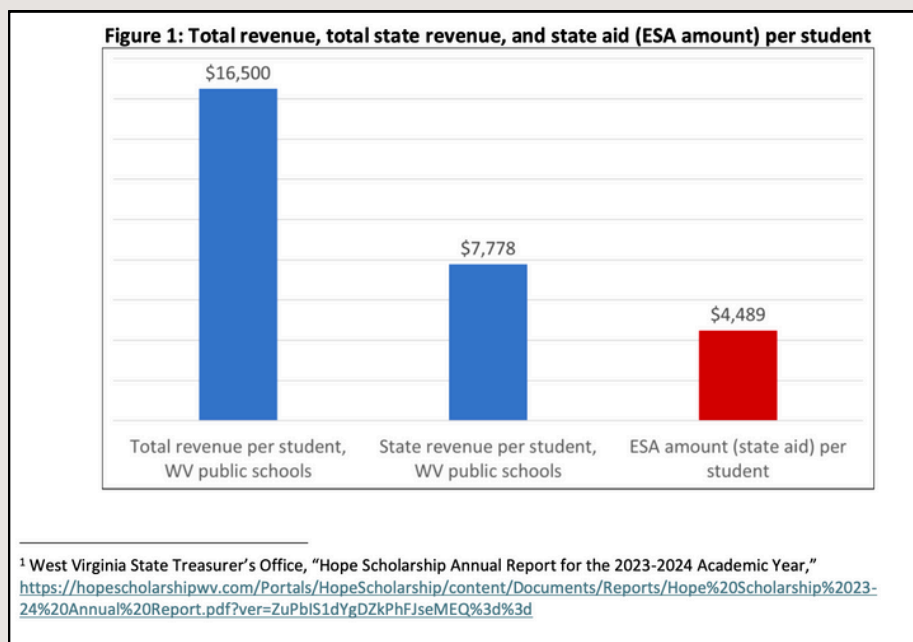
But district overspent on personnel beyond the formula, using \$2M in expiring ESSER funds, and reversed \$1.6M in planned cuts—choosing not to consolidate or reduce staff.

## THE REAL ISSUE

West Virginia's public education system is hemorrhaging money due to inefficiency, not choice. Instead of modernizing the formula to follow the student, leaders are blaming the very families who are adapting faster than the bureaucracy.

### Key Takeaways

- Population decline, not Hope, is the main driver of enrollment loss.
- ESSER and hold-harmless provisions gave districts more funding even as student numbers dropped.
- Over-regulation and a resource-based formula handcuff districts.
- The Hope Scholarship represents less than 2% of total K-12 spending yet offers 100% accountability to parents.



## THE PATH FORWARD

- ➔ Reform the formula to **fund students, not systems**.
- ➔ Empower families through **transparent, student-based funding** that rewards efficiency and quality, not bureaucratic inertia.

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### About the Cardinal Institute:

#### Mission

Founded in 2014, the Cardinal Institute for West Virginia Policy, Inc. is a 501(c)(3) non-profit dedicated to researching, developing, and communicating effective free-market public policies for West Virginia.

#### Vision - The West Virginia Miracle

The Cardinal Institute envisions an economic turnaround that will transform West Virginia into a beacon of prosperity and hope. For this miracle to occur, it must be built on four pillars: economic freedom, education freedom, worker freedom, and a culture of freedom encapsulated in the state's motto and founding ethos, *Montani Semper Liberi* — Mountaineers Are Always Free.

For more information, please visit our website: [cardinalinstitute.com](http://cardinalinstitute.com)

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