

School Budgets for FY2011-12: PASBO/PASA Budget Survey Results

EPLC Pennsylvania Education
Finance Symposium

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Immediate Past President



About the PA Association of School Business Officials

- PASBO members provide finance, accounting, operations, facilities, transportation, food service, technology, communications, human resources, purchasing and safety services to support classroom learning in schools. We are a state wide association of 3,000 members with a focus on education, training and professional development for our members.
- Our business associate members provide products and services in the school marketplace.
- For additional information go to: www.pasbo.org



First, Some Background

- Most significant loss of school revenue—federal, state and local combined—ever.
- This historical loss of revenue was combined ever increasing costs particularly for employees benefits e.g. retirement and health care.
- The result was extraordinary actions to control costs such as furloughs and wage freezes.



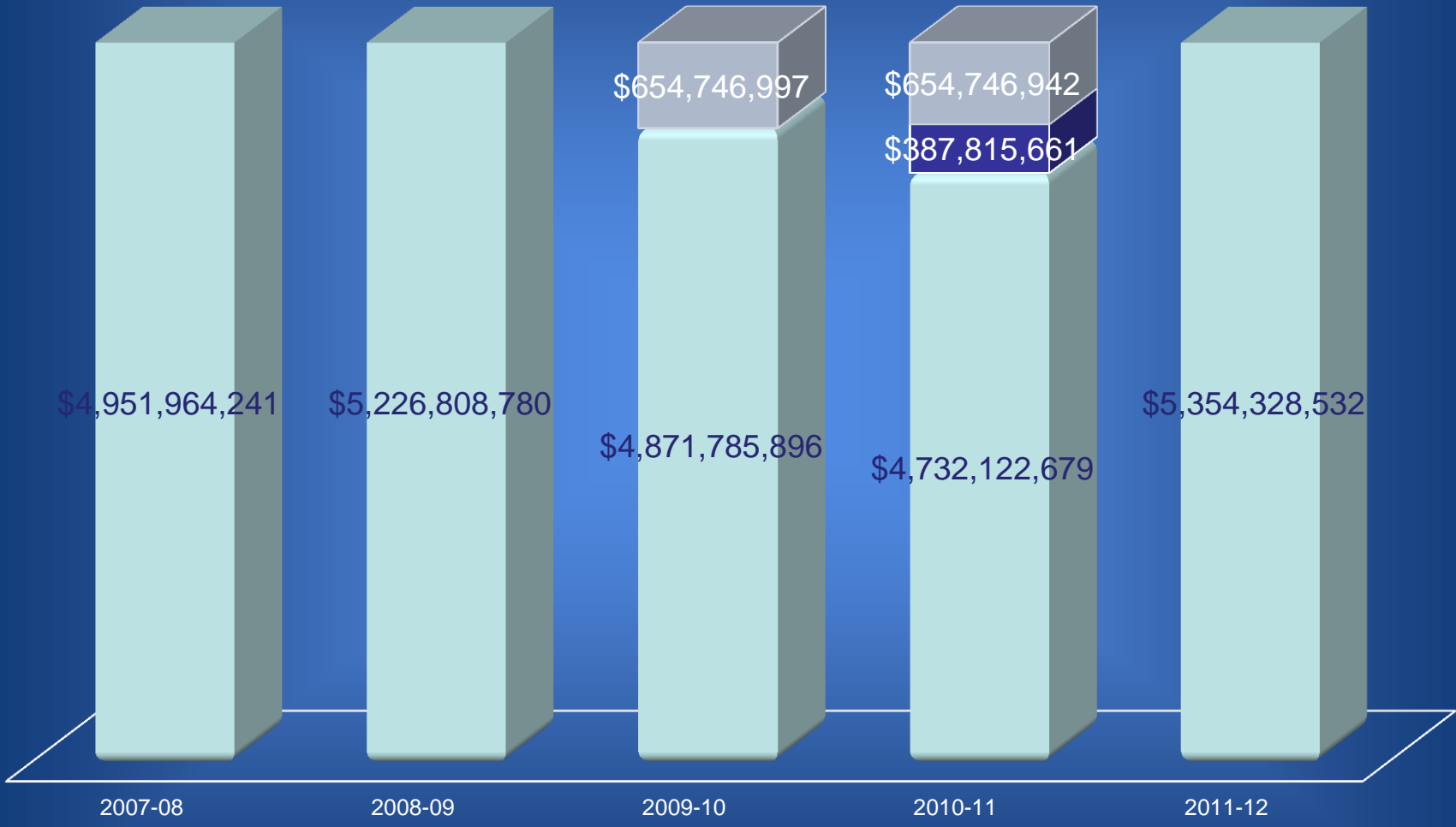
The Budget Cliff

	FY09-10	FY10-11	FY11-12	HB 1485 PN 2228	\$ Change
	Actual	Available	Gov. Proposal	Final State Budget	Final Less Available
Education Total	12,833,708	12,567,436	11,361,256	11,600,544	(966,892)
Federal Subtotal	3,646,261	3,590,524	2,157,774	2,267,595	(1,322,929)
State Subtotal	9,187,447	8,976,912	9,204,582	9,332,949	356,037



State Basic Education Funding Averages 2% Annual Increase Since 2007-08

■ State ■ + EdJobs ■ + ARRA

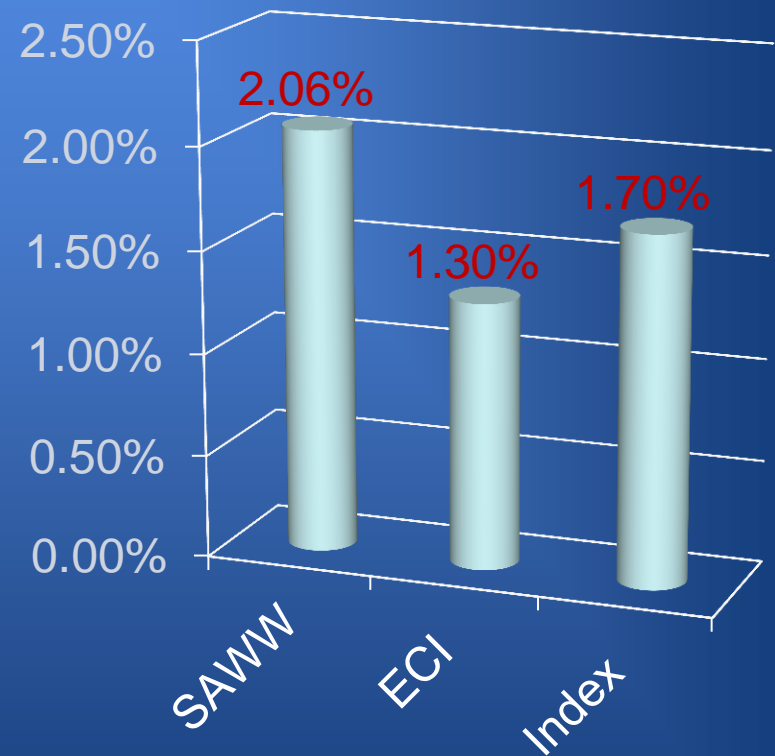


Line Item	\$000 Reduction
ARRA - Fiscal Stabilization Basic Education	(654,747)
Education Jobs Fund	(387,816)
PA Accountability Grants	(259,456)
Reimbursement of Charter Schools	(224,083)
ARRA - Individuals with Disabilities Education - Local	(175,882)
ARRA - ESEA - Title I - Local	(60,874)
Educational Assistance Program	(47,606)
ARRA - ESEA - Title I - School Improvement	(35,000)
Improving Teacher Quality - Title II - Local	(22,000)
ARRA - School Improvement Programs - Education Technology	(20,640)
Authority Rentals and Sinking Fund Requirements	(18,739)
Title I - Childhood Grants	(18,000)
Teacher Professional Development	(14,386)
School Improvement Grants	(10,797)



Act 1 Index for 2011-12

- Statewide Average Weekly Wage makes gain in second half of 2010 to 2.06%
- SAWW up slightly from 2010-11
- Employment Cost Index for Elementary and Secondary Education continues slide to 1.3%
- ECI is down from 2010-11



Post-Budget Survey

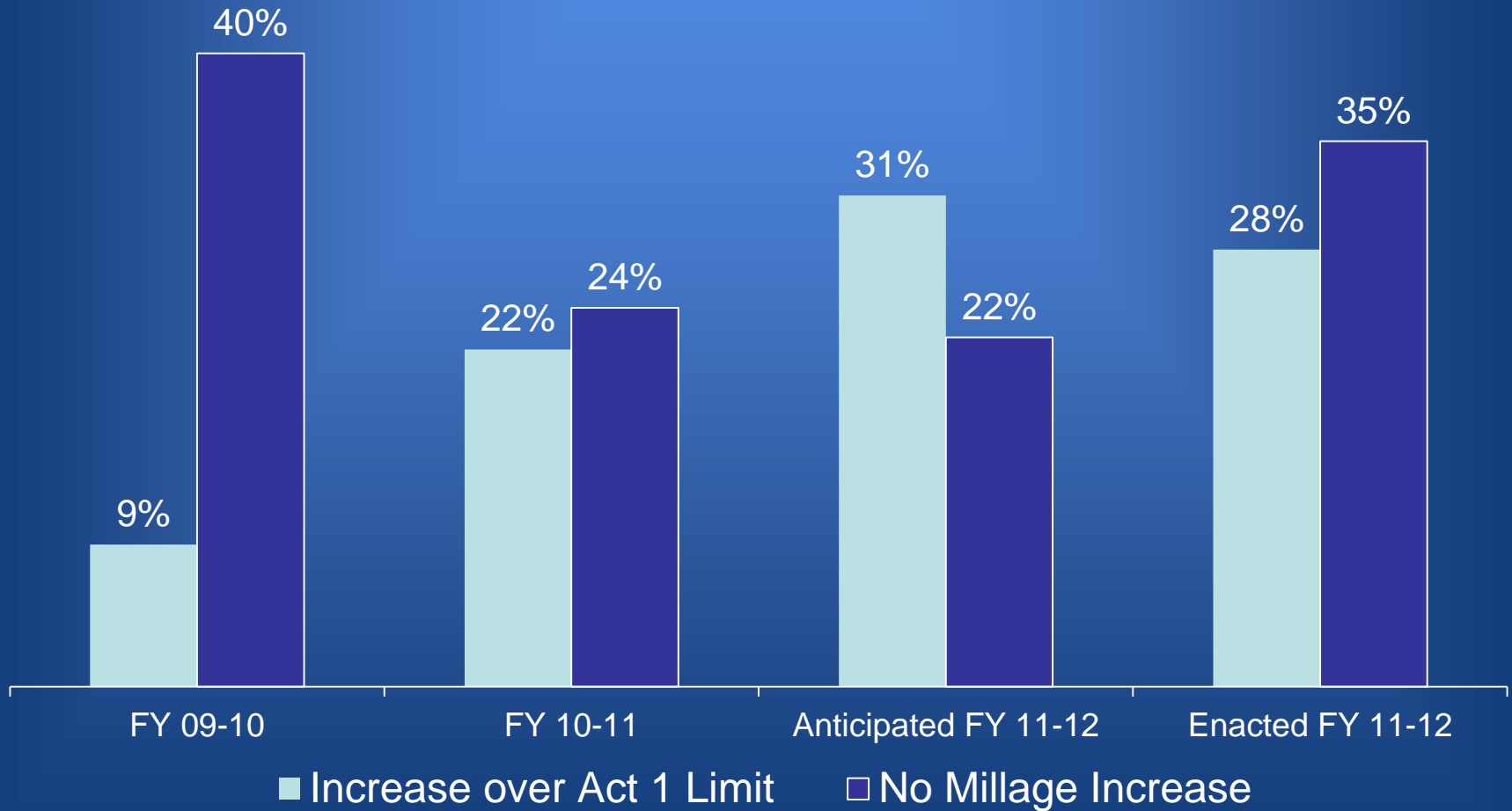
Methodology

- All 500 school districts were surveyed in July 2011
- The survey instrument asked districts to report actual implementation of education program cuts and school personnel actions as well as actual use of fund balance utilized for FY 2011-12.
- Survey responses in some cases were compared to a pre-budget adoption survey conducted by PASBO and PASA this spring to gauge the impact of the proposed FY 2011-12 enacted budget on school district personnel and programs.
- Responses for the July survey were received from 294 school districts across the state (59% of all districts), including the School District of Philadelphia.

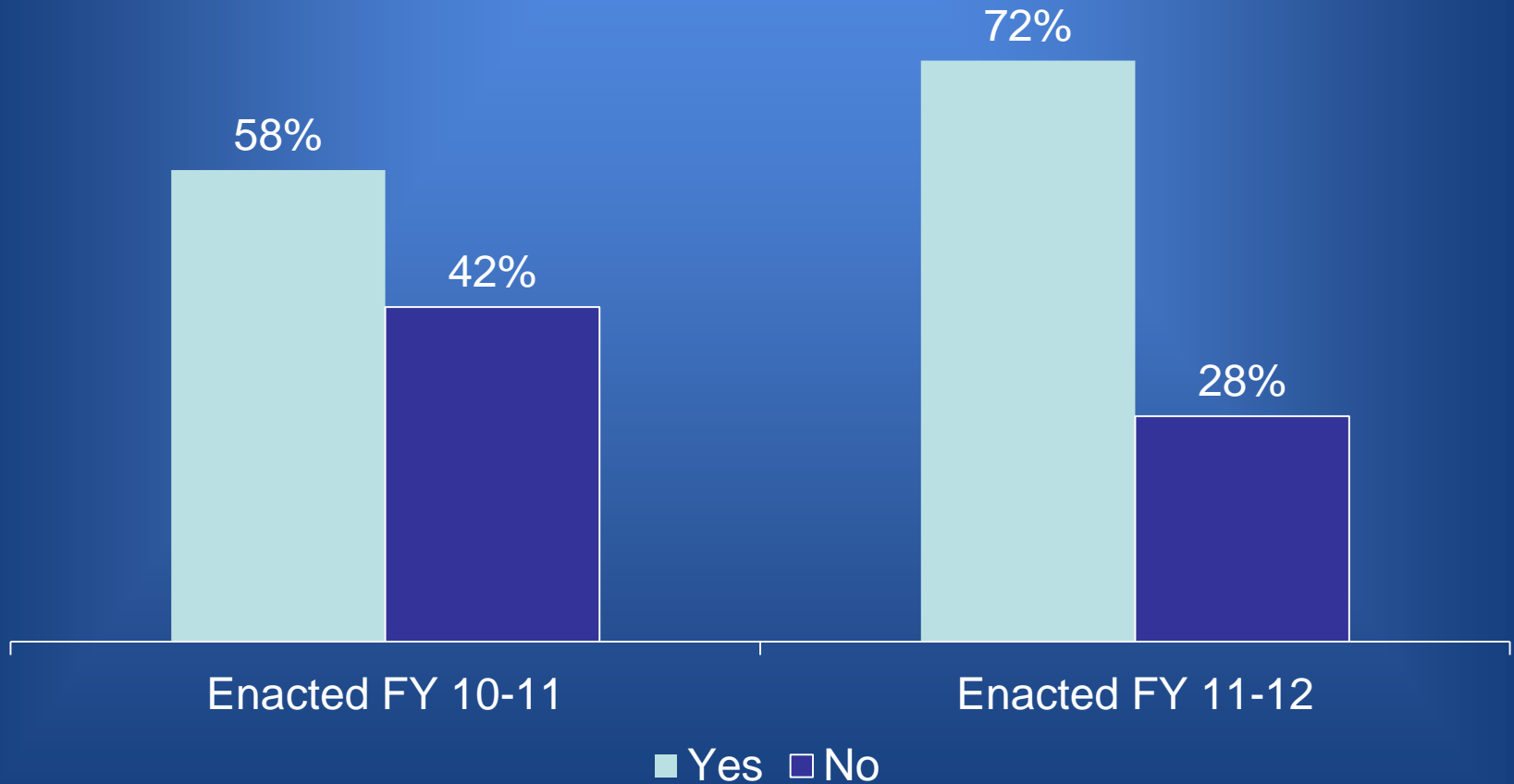


Property Tax Increases

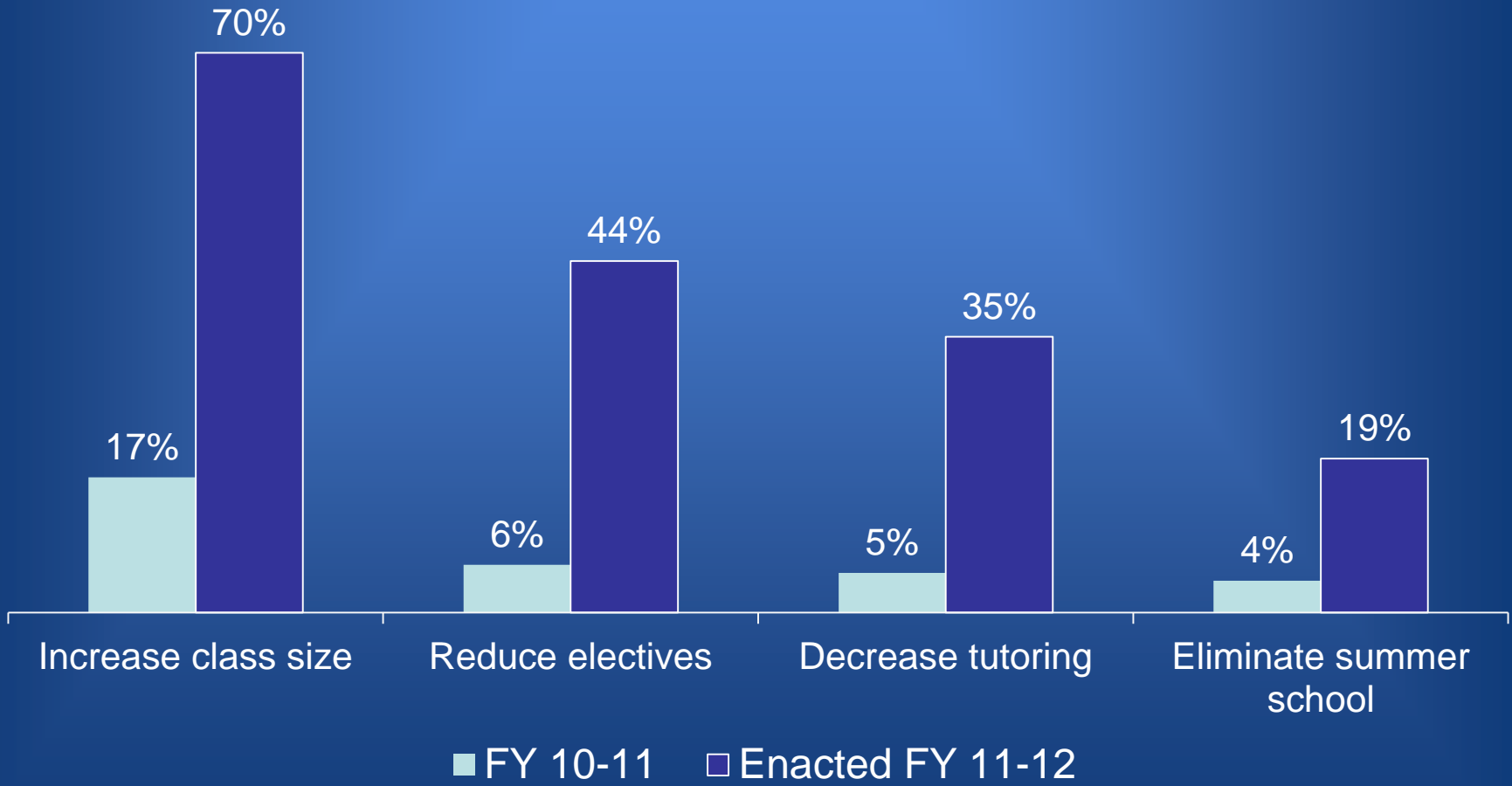
Anticipated 2011-12 and Enacted FY 2011-12 (Percent of Respondents)



Districts' Use of Reserves FY 2010-11 and FY 2011-12 (Percent of Respondents)



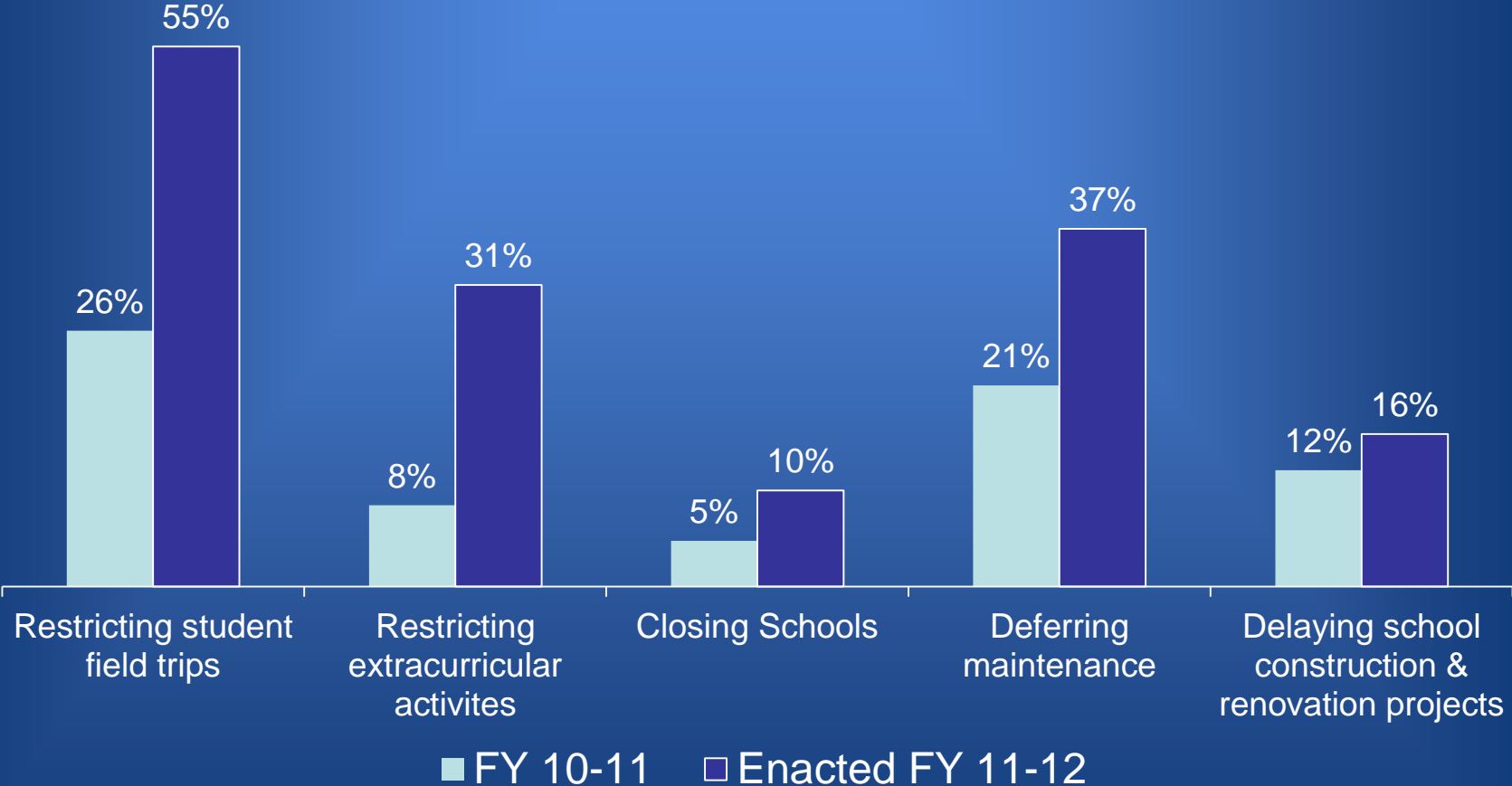
Education Program Cuts Enacted FY 2011-12 (Percent of Respondents)



Other Program, Activity and Service Cuts

Enacted FY 2011-12

(Percent of Respondents)



School Personnel Actions: Vacancies and Furloughs Enacted FY 2011-12

Category	No. of Vacancies Unfilled	No. of Positions Furloughed	Total
Teachers	1,870	1,686	3,556
Central Office Administrators	195	444	639
Building-Level Administrators	76	94	170
Other Certified Professional Employees	81	278	359
Other Employees	1,037	2,604	3,641

8,365
Positions eliminated by survey respondents

28.45
Average per school district responding





Survey: State lost more than 14,000 school jobs

More than half of cuts were from layoffs while others were vacancies left open in 2011-12 school year.



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Students arrive at Central Elementary School in Allentown for the first day of school in September, 2010. (Donna Fisher/Morning Call file photo)





State budget had big impact in classrooms

Survey asked how schools coped

Friday, September 16, 2011

By Mary Niederberger, Pittsburgh Post-Gazette

Seventy percent of Pennsylvania school districts that responded to a recent survey on the effects of state education budget cuts reported they increased class size, 44 percent reduced electives and 35 percent decreased tutoring programs.

In addition, the survey, conducted in August by the Pennsylvania Association of School Business Officials and Pennsylvania Association of School Administrators, found that the average school district used more than a half-million dollars from its reserve fund to balance the 2011-12 budget and that many districts now have no reserve fund.

Of the state's 500 school districts, 59 percent, or 294 districts, responded to the survey given to determine the effects of the state reduction of \$930 million in education funds and the loss of federal stimulus money.

Article Tools



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Already financially hurting school districts brace for more cuts ahead

KIMBERLY HEFLING

AP Education Writer

6:20 AM CDT, October 24, 2011

LANCASTER, Pa. (AP) — Teenage girls in ponytails and boys in long athletic shorts dash across the gym at Abraham Lincoln Middle School, pausing their game of indoor tennis to motion "Y-M-C-A" with their arms as the Village People's song blares from the loudspeaker.

It's a scene happening less frequently these days. Budget cuts and teacher layoffs have forced the school to cut some PE classes, reduce library hours and eliminate small literacy classes for problem readers and Spanish for sixth- and seventh-graders.

"I'm scared to death. As we continue to look at fewer and fewer non-classroom positions that are there, at some point it's going to impact core classroom positions and that's a very, very scary thing," said principal Josh Keene.

Educators across America, like Keene, are bracing for a tough reality. Even in a best-case scenario that assumes strong economic growth next year, it won't be until 2013 or later when districts see budget levels return to pre-recession levels, said Daniel Domenech, executive director of the American Association of School Administrators in Arlington, Va. That means more cuts and layoffs are likely ahead.

