

City Council Budget Hearing

May 4, 2022



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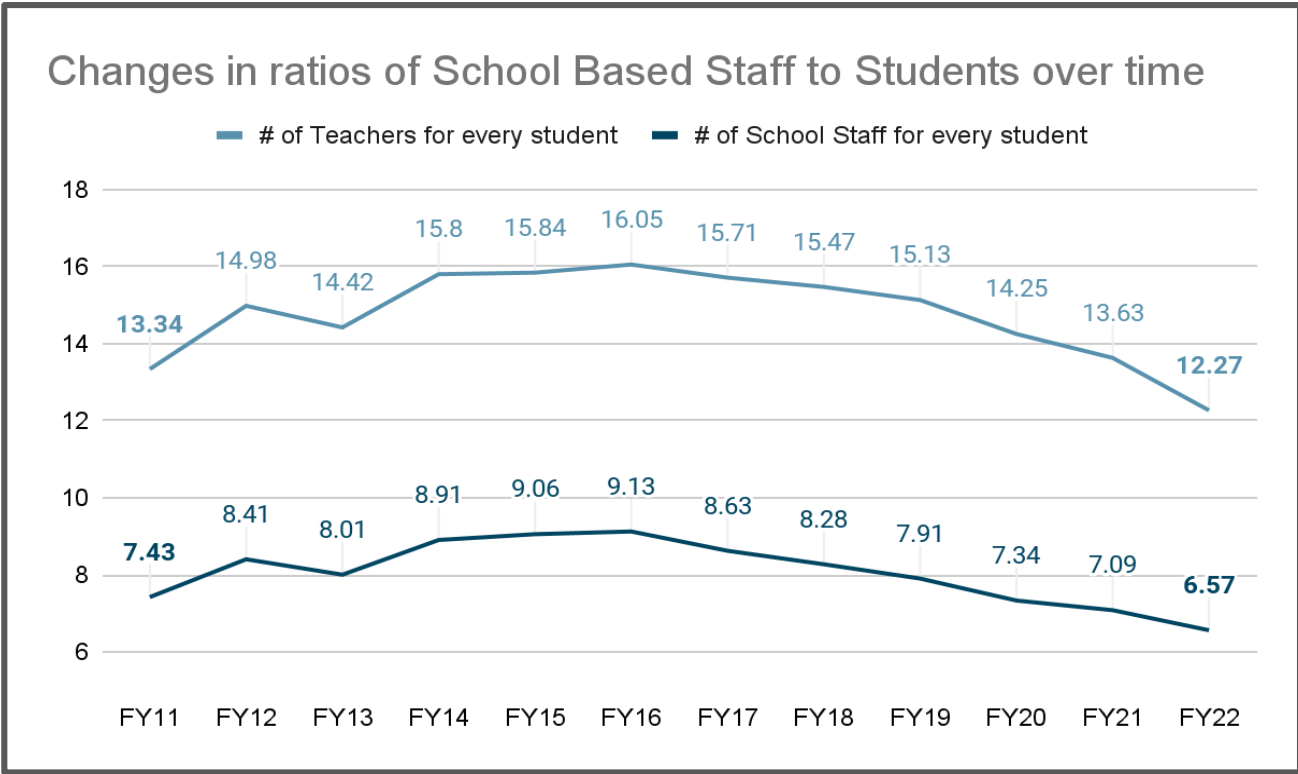
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Focus Areas and Planned Spending Amounts

<p>FOCUS AREA ONE:</p> <p>Support Educational Recovery and Accelerate Learning.</p>	<p>FOCUS AREA TWO:</p> <p>Dramatically Expand Facilities Improvements to Provide Safe, Healthy, and Modernized Schools.</p>	<p>FOCUS AREA THREE:</p> <p>Support the Significant Social and Emotional Needs of Our Students.</p>	<p>FOCUS AREA FOUR:</p> <p>More Supports in Schools to Help All Learners and Educators Succeed Going Forward.</p>
<p>\$350M</p>	<p>\$325M</p>	<p>\$150M</p>	<p>Additional funding</p>
<p>Focused on programs to support learning recovery, such as:</p> <ul style="list-style-type: none">• Enhanced summer learning programs• After-school programs• Before-school programs	<p>To support:</p> <ul style="list-style-type: none">• Improving facilities across the District• Enhancing the safety of school and district buildings	<p>To support:</p> <ul style="list-style-type: none">• Increased social services at schools• Trauma response initiatives• Increased counselor support	<p>To support student success, including:</p> <ul style="list-style-type: none">• Curriculum development• Information technology equipment and services• Investments to address Goals and Guardrails

FY22 Impact: Most Favorable Staff-to-Student ratios in a Decade

FY11 represented a peak year for School District investments, as it was the last year prior to the severe State budget cuts and the last year of American Recovery and Reinvestment Act (ARRA) funding.



- In FY11, the District had one teacher for every 13.3 students; in FY22, the ratio is one teacher for every 12.3 students
- In FY11, total school based staff (teachers, counselors, student supports, climate, etc) was one staff member for every 7.4 students; in FY22, it is one for every 6.6 students.

The 2022-2023 Budget Engagement Survey was released to families, staff, and stakeholders and was made available on the District's website on March 25th. The final date for submission was April 18th.

- The survey was available in nine languages in addition to English: Albanian, Arabic, Chinese, French, Khmer, Portuguese, Russian, Spanish, and Vietnamese.
 - Over 480 responses received (over 11,700 last year)
 - As self-reported, about $\frac{2}{3}$ from parents/guardians (similar to last year)
- Complete survey results, including demographic data of respondents and details of all responses, are accessible on the District. A summary of results is below:

Student Learning Supports/Learning Recovery:

- Discretionary Funding for Schools (24%)
- Additional Math & Literacy Teacher in every school (18%)
- Additional Special Education Supports (17%)

Facilities Investments:

- Environmental Hazards (47%)
- Air Conditioning (19%)

Student Social and Emotional Needs:

- School Based Behavioral/Mental Health Supports (25%)
- Before/After School Enrichment (16%)
- More School Counselors (14%)



Review Allocation Formulas and American Rescue Plan Act Investments

- Input from school-based staff, particularly principals
- Focus on Equity Lens, including meeting with “Macro Disruptions” group of principals to get feedback and respond to questions on school budgets and the school budget process
- Review of current year ARPA investments to identify efficacy and adjust programs based on actual usage, impacts, and feedback from schools and central offices



- **In response to the positive feedback from schools, permanently double hours allocated for Student Climate Staff**
 - Change funding allocation from 3 hour to 6 hour positions
 - This doubles the hours for school support and supports retention of staff who were moved to 6 hours mid-year as part of school operational needs
 - Positions fully funded for salary and benefits
- **Further reduce the Counselor ratio**
 - Reduce ratio for 2nd counselor at 800 students to 2nd counselor at 650 students and continue lower ratio for all enrollment ranges (ratio for 2nd counselor was 950 in FY21)
- **Reduced Secretary ratio based on review of data of how schools spend discretionary funding**
 - Most schools between 850 – 1,150 students are using their funding to buy an additional secretary. This change should result in available funding for school programming rather than administrative needs.



- **ARPA Discretionary Program**

- We received significant feedback on the Discretionary Positions initiative. In particular, principals raised concerns regarding a desire for more flexibility with how funding could be used and a recognition that simply providing positions was inequitable for larger schools
- In response, the Discretionary Program was modified so that each off-track school will receive one discretionary position, and additional discretionary funds will be allocated to each school based on a combination of the size of the school enrollment as well as school poverty demographics

- **ARPA extra-curricular (EC) funding**

- School budgets will include ARPA funding for extra-curricular activities, similar to the funds that were added in September 2021
- Funding levels will be revised based on system wide usage in 2021-22



- **Out of School Time Contracts**

- Funded through ARPA, approximately 15 schools will have started implementing after school enrichment programs by the end of the current school year through a pilot program
- We plan to expand the program to additional schools next year, as vendor capacity allows

- **Additional teachers for English Language Learners (ELL)**

- Additional centrally allocated ELL teaching positions will be added to meet the needs of our growing ELL student population

- **Additional Bilingual Counseling Assistant (BCA) positions**

- Additional centrally allocated BCA positions will be added to meet the evolving needs of families with a home language other than English

Budget Books and the District's Budget 101 Guide were released online on April 18, 2022

- [School Budget Book](#): includes historic and projected budgets for each District-operated school
- [Consolidated Budget Book](#): presents District-wide budgeted revenues and expenditures
- [Budget 101 Guide](#): overview of the District's budget and how to read budget documents

The Budget Books and the Budget 101 Guide can be viewed at:
<https://www.philasd.org/budget/services/public-information/>





Impact of Investments Utilizing Federal Funds

Expenditures: Final school budget decisions, based on school budgets completed on March 25th

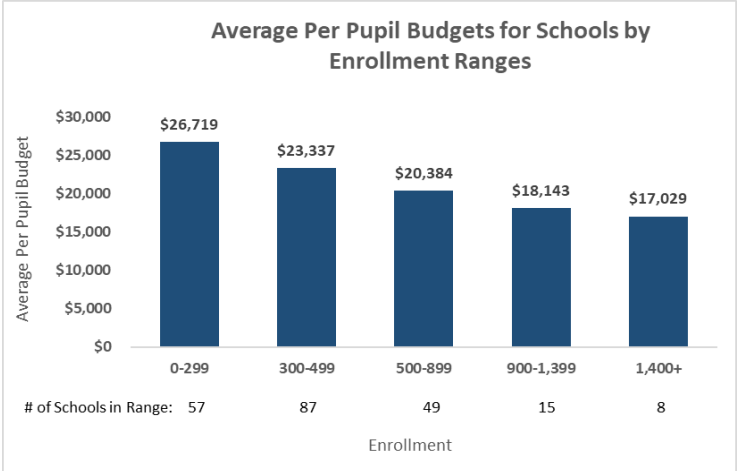
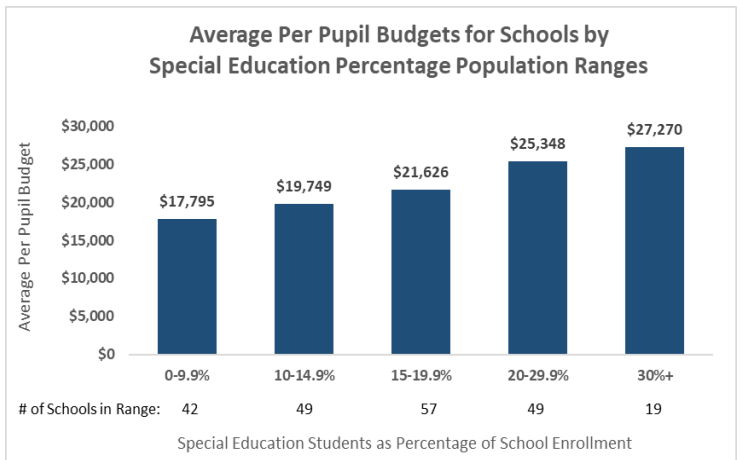
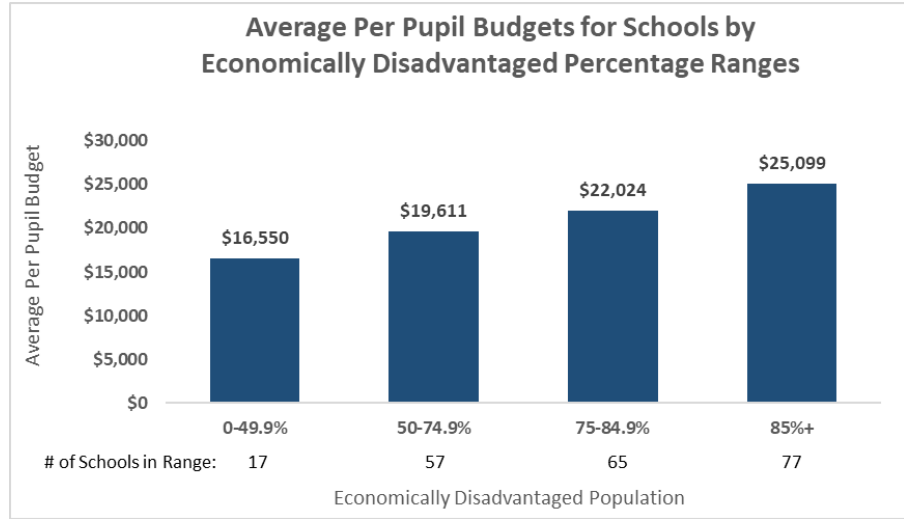
SUMMARY - DISTRICT SCHOOLS	FY21	FY22	FY23 Projected
October Enrollment	119,943	115,387	111,436
Economically Disadvantaged Percentage	72.3%	74.2%	76.4%
Position/Expenditure	FY21 Budget	FY22 Budget	FY23 Budget
Principals/Assistant Principals	382.0	468.0	471.0
Teachers - General Education	6,816.4	7,041.4	6,698.1
Teachers - Special Education	1,579.0	1,662.0	1,676.0
Classroom Assistants/Teacher Assistants	2,335.0	2,268.0	2,264.0
Climate & Behavioral Specialists	340.0	374.0	391.9
Counselors/Student & Community Supports	530.8	610.0	681.2
Nurses/Health Services	230.4	231.6	233.0
Secretaries	251.0	254.0	263.0
Student Climate Staff	990.0	1,016.0	1,086.0
Supportive Services Assistants	402.0	409.0	345.0
Other	76.0	81.0	80.0
Total Positions	13,932.6	14,415.0	14,189.1
Total Positions (\$)	\$1,416,594,387	\$1,513,932,422	\$1,581,185,590
Contracts/Supplies/Equipment/Part-Time Salaries (\$)	\$45,207,148	\$54,914,692	\$50,888,493
Total School Instruction & Support	\$1,461,801,535	\$1,568,847,114	\$1,632,074,083
Non-School Managed Supports	\$435,019,484	\$602,538,397	\$736,767,331
Total School Budget	\$1,896,821,019	\$2,171,385,511	\$2,368,841,414
Per Pupil Budget	\$15,814	\$18,818	\$21,257



FY23 Per-Pupil Expenditures – By Sectors

The District budgets significantly more resources per pupil for schools serving higher economically disadvantaged populations and for schools serving large populations of special education students.

Additionally, schools with smaller enrollments have a higher per pupil cost as resources are distributed over fewer students.



Preliminary Five-Year Plan Projections: Lump Sum Budget

Operating & Federal Relief Funds (as of 3/24/22)

(numbers in thousands)	FY22 Projected	FY23 Projected	FY24 Projected	FY25 Projected	FY26 Projected	FY27 Projected	CAGR FY23 to FY27
REVENUES & OTHER FINANCING SOURCES							
Local Tax Revenues	\$1,368,106	\$1,412,949	\$1,462,796	\$1,518,337	\$1,561,391	\$1,570,469	2.7%
Local Non-Tax Revenues	\$282,101	\$289,459	\$301,532	\$307,670	\$306,920	\$306,920	1.5%
State Revenues	\$1,669,418	\$2,199,910	\$2,244,164	\$2,305,059	\$2,335,263	\$2,358,839	1.8%
Federal Revenues	\$16,608	\$16,479	\$16,342	\$16,196	\$16,040	\$15,868	-0.9%
Federal Grant Recovery Funds	\$691,451	\$558,866	\$498,671	\$43,695	\$0	\$0	-100.0%
Other Financing Sources	\$2,156	\$289	\$2,049	\$289	\$2,049	\$289	0.0%
TOTAL REVENUES & OTHER FINANCING SOURCES	\$4,029,839	\$4,477,952	\$4,525,555	\$4,191,247	\$4,221,662	\$4,252,384	-1.3%
EXPENDITURES							
District Operated Schools	\$2,059,993	\$2,260,022	\$2,278,728	\$2,138,833	\$2,112,766	\$2,102,447	-1.8%
Debt Service	\$315,746	\$372,101	\$341,784	\$343,767	\$354,889	\$362,759	-0.6%
Charter Schools, including Transportation	\$1,263,855	\$1,040,783	\$1,204,882	\$1,438,404	\$1,595,018	\$1,667,765	12.5%
Other Non-District Operated Schools, including Transportation	\$108,543	\$117,401	\$120,146	\$122,912	\$125,701	\$128,512	2.3%
Administrative Support Operations	\$150,180	\$153,990	\$154,193	\$151,355	\$152,597	\$153,496	-0.1%
Undistributed Budgetary Adjustments	(\$20,265)	(\$15,265)	(\$15,120)	(\$14,971)	(\$14,817)	(\$14,659)	-1.0%
Other Financing Uses	\$1,835	\$1,835	\$1,835	\$1,835	\$1,835	\$1,835	0.0%
TBD Expenditures (Governor's Budget Proposal)	\$0	\$342,119	\$342,506	\$149,335	\$103,435	\$103,630	-25.8%
TOTAL EXPENDITURES & OTHER USES	\$3,879,887	\$4,272,985	\$4,428,955	\$4,331,471	\$4,431,423	\$4,505,785	1.3%
OPERATING/FUND BALANCE							
Transfers from Reserves	(\$13,321)	\$28,259	(\$9,395)	(\$9,395)	(\$9,395)	(\$9,395)	
Facilities Reserve	\$12,500	\$0	\$0	\$0	\$0	\$0	
Operating Surplus/(Deficit) incl. Change in Reserves	\$149,131	\$233,226	\$87,205	(\$149,619)	(\$219,155)	(\$262,795)	
Fund Balance at Beginning of Year - July 1	\$202,513	\$351,645	\$584,871	\$672,076	\$522,457	\$303,302	
ENDING FUND BALANCE							
Fund Balance at End of Year - June 30	\$351,645	\$584,871	\$672,076	\$522,457	\$303,302	\$40,507	

Expenditures (in addition to school based changes noted previously)

- \$6.7 million for environmental operations, including expansion of asbestos identification and remediation team, lead paint identification and remediation team, and AHERA compliance
 - Goal of having all buildings certified as “lead safe” by 2024; currently 57 remaining to be assessed and repaired. Once all buildings have been certified “lead safe”, the goal is to maintain that status through normal, cyclical assessment and repair approach.
 - Continue and expand current asbestos efforts; within the past 18 months abatement actions have been completed in more than 3,200 locations within 228 District buildings.
- \$6.2 million for a hydration stations project which will provide for the installation of 800 additional hydration stations in 269 buildings by 2025 (if not sooner)
 - A minimum of 145 of these stations will be installed by the end of September 2022.
 - By the completion of this project, the District will have over 2,100 hydration stations installed.
- \$4.0 million for maintenance positions and contracts for HVAC and other projects

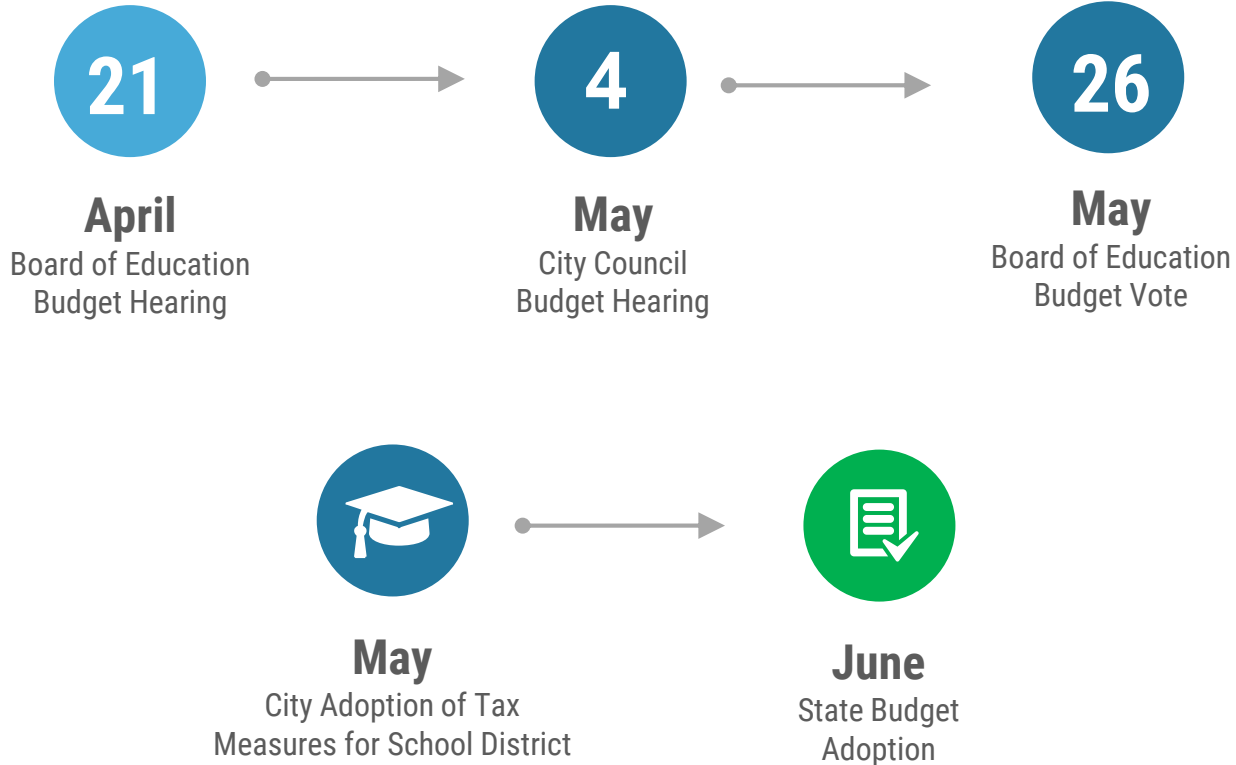
Expenditures (continued)

- \$3.3 million for investment in education certification support for recruitment and retention goals
- \$2.3 million for expansion of alternative education Multiple Pathways opportunities for students
- \$2.1 million to ensure more schools have a full-time school safety officer and restorative justice programs
- \$2.0 million for climate, prevention and intervention, and attendance supports
- \$1.8 million to replace end of life Internet Firewall VPN
- \$750,000 for planning and development of three “21st Century Schools”
 - Per contract with PFT, 21st Century Learning Schools model consists of instructional and experiential designs aligned to prepare students for postsecondary readiness
- Continued updates for expenditures based on real-time data

Revenues

- Federal government reduced Title funds for Pennsylvania – estimated \$11 million impact
- Federal government did not renew Food Services program waivers or increase reimbursement to cover increased food costs – estimated \$6.5 million impact
- Tracking for potential impact of City masking mandate reinstatement on Liquor and U&O tax revenues
- Reduced Transportation reimbursements from the Commonwealth
- Continued updates for revenues based on real-time data

TIMELINE



A CITYWIDE CALL TO ACTION: BE A PART OF OUR CONTINUED PROGRESS



VOLUNTEER IN A SCHOOL

ADOPT A SCHOOL

MAKE A DONATION THROUGH THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA