



THE SCHOOL DISTRICT OF  
PHILADELPHIA

# Budget Hearing and Biannual Joint Meeting w/ City Council

May 11, 2021

The School District of Philadelphia's Presentation of the preliminary Five-Year Plan for FY22-26 represents forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. Such risks and uncertainties which could affect the revenues and obligations of the School District include, among others, reduced governmental allocations, changes in economic conditions, mandates from other governments, and various other events, conditions and circumstances, many of which are beyond the control of the School District. Such forward-looking statements speak only as of the date of this presentation, **May 11, 2021**. The School District disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the School District's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

**A CLEAR VISION:**  
  
**FOR ALL  
CHILDREN TO  
HAVE ACCESS  
TO A GREAT  
SCHOOL, CLOSE  
TO WHERE THEY  
LIVE**

## The Context

- **The Board's Goals & Guardrails are the guiding strategic framework for how the District will move toward its vision.**
- **Goals:** Reading, Math and College and Career Readiness
- **Guardrails:**
  1. Welcoming and Supportive Schools
  2. Enriching and Well-rounded School Experiences
  3. Partnering with Parents/Family Members
  4. Addressing Racist Practices

# A Challenging Year: Things to Address as We Move Forward

- **An Unprecedented Year of Social-Emotional Trauma**

- Physical separation from friends, teachers, and many family members.
- Loss of loved ones.
- Ongoing impacts of increasing gun and domestic violence, systemic racism and social injustices.

- **Learning Loss, Especially Among Youngest Learners**

- Overall aimswebPlus Reading scores for students in grades 1-5 declined six percentage points from 2019-20 Winter (in-person instruction) to 2020-21 Fall (virtual instruction).



# Learnings & Progress On Which We Can Build



- ✓ **Partnerships are crucial to successfully meet the increasing needs of students**
  - Examples: 1:1 Technology, PHLConnectEd, Healing Together, Philly Hopeline
  - ***Actions: Continue engaging partners & philanthropists with focused calls to action.***
  
- ✓ **1:1 technology makes anytime, anywhere learning possible for all students**
  - ***Actions: Broaden teaching and learning practices to further expand learning beyond the classroom; continue to invest to maintain 1:1 devices.***
  
- ✓ **Asynchronous learning is a valuable tool to enable instructional excellence**
  - ***Actions: Continue to leverage asynchronous time to support common planning time and professional learning.***
  
- ✓ **Virtual engagement sessions yield better outcomes**
  - Increased convenience for participants + ability to customize sessions by topic, language and community = broader parent & community participation, more ideas captured.
  - ***Actions: Include virtual sessions as a permanent part of our ongoing engagement efforts.***
  
- ✓ **\$250 million in facility improvements in 2020**
  - Progress: 28 more schools Certified Lead Safe; removed 413,820 sq. ft. (9.5 acres) of asbestos; modernized early literacy classrooms in 11 more schools
  - ***Actions: Continue to safely accelerate our efforts to improve learning spaces***



## **Where We're Headed: Our Approach to Emerge Stronger Over Time**

The FY22 Budget and 5-Year Plan will focus on post-pandemic assistance and support new priorities based on lessons learned, community feedback and the new Board Goals and Guardrails to support positive academic outcomes for students

# Our Plan is Fueled by ARPA Federal Funding

- The School District is eligible for \$1.114 billion in **one-time funding** through September 2024.
- Our investment approach reflects a series of key focus areas aligned with the directive to primarily use funding to:
  - help safely reopen and sustain the safe school operations with students in school 5 days a week,
  - address students' social, emotional, mental health and academic needs resulting from the pandemic utilizing evidence-based approaches, and
  - maintain normal operations and delivery of services
- **Other guiding principles for investment:**
  - Focus on one-time expenses that maximize short-term response and long-term impact.
  - Maintain District's approach to achieving long-term fiscal stability.
  - Approach *not* as a "one and done" but as an active, ongoing process.
    - Revisit at various points over the next four years, including the normal annual budget cycle.
    - Continually refine our approach, gain input, share information and respond to public feedback.
    - Evolve strategies based on what is working better than expected and what is not working.

# We will focus our resources on **Four Key Areas**.

- **Focus Area 1: Support Educational Recovery and Accelerate Learning**
- **Focus Area 2: Dramatically Expand Facilities Improvements to Provide Safe, Healthy and Modernized Schools**
- **Focus Area 3: Support the Significant Social and Emotional Needs of Our Students**
- **Focus Area 4: More Supports in Schools to Help All Learners and Educators Succeed Going Forward**





# Focus Area 1

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## Support Educational Recovery and Accelerate Learning

- Enhanced summer learning programs, after-school and before-care/school programs, tutoring, and other interventions.
- Rewrite and deliver a more culturally and linguistically relevant curriculum and selection of aligned resources.
- Expand Career Immersion opportunities for students.

# Focus Area 2

## Dramatically Expand Facilities Improvements to Provide Safe, Healthy & Modernized Schools

- Accelerate asbestos removal, Lead Safe Certifications, classroom modernizations and other improvements.
- New funds will supplement -- *not supplant* -- previously dedicated capital and operating funds.
- **Total planned Capital investment over the next 6 years:**

**\$2 billion**



# Focus Area 3

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## Support the Significant Social and Emotional Needs of Our Students

- **More social services** to provide case management, resource coordination, home visits, family involvement to students at 50 additional schools.
- **More counselors**, reducing the projected student-counselor ratio from 371:1 in FY21 to 357:1 in FY22.
- **More discretionary funds for schools**, weighted by need.
- **Professional development** for climate support staff.





## Focus Area 4

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### More Supports in Schools to Help All Learners and Educators Succeed Going Forward

- **Additional supports for English Language Learners & Families**
  - 13 new bilingual counselor assistants (BCAs) to strengthen family engagement
  - Increased investment in 3-way translation services
- **No “leveling down”**
  - FY22: all schools
  - FY23 & FY24: off-track schools
- **2X reimbursement** for teacher-purchased classroom materials for FY22
- **Centralized Technology investments** to maintain 1:1 student-to-device ratio, and provide additional tech support and repair services

# Staff and community engagement helped to further inform and refine our investment strategy.

- **Engagement:**
  - **The 2021-2022 Budget Engagement Survey** - over 11,700 responses
  - **Focus Group Sessions** in multiple languages
- **Key Findings:**
  - **Student Learning Supports/Learning Recovery:**
    - Discretionary Funding for Schools (21%)
    - Additional Special Education Supports (20%)
  - **Facilities Investments:**
    - Environmental Hazards (44%)
    - Air Conditioning (20%)
  - **Student Social and Emotional Needs:**
    - School Based Behavioral/Mental Health Supports (30%)
    - Before/After School Enrichment (17%)

# Post Feedback Additions and Enhancements

- **Two additional discretionary positions at each off-track school and one additional discretionary position at each on-track/near-track school for FY22**  
(335 new positions; \$40 million)
- **Additional Special Education positions and supports**
  - **Short-term intensive effort:** + 50 Psychologists, 10 Occupational Therapists and 20 Speech Therapists to accelerate evaluation efforts
  - **Long-term:** system-wide redesign
- **Additional supports for schools in communities most impacted by gun violence.**
  - Preventive Programming/Conflict Resolution Skills
  - Mental Health/Trauma Services
  - Behavioral Health Counselors at 20 schools
  - Support Coordinator for student victims of gun violence
  - Coaches focused on restorative practices







# 5-YEAR FINANCIAL OUTLOOK

- Preliminary Five-Year Plan for FY22-FY26
- Timeline

# Revised Five-Year Plan Projections: Operating and Federal Relief Funds

	FY21 Projected	FY22 Projected	FY23 Projected	FY24 Projected	FY25 Projected	FY26 Projected	CAGR FY22 to FY26
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>							
Local Tax Operating Revenues	\$1,247,223	\$1,309,483	\$1,369,741	\$1,426,529	\$1,486,807	\$1,529,015	4.0%
Local Non-Tax Operating Revenues	\$271,612	\$279,902	\$302,530	\$314,629	\$320,553	\$320,127	3.4%
State Operating Revenues	\$1,649,246	\$1,565,562	\$1,644,848	\$1,719,124	\$1,760,492	\$1,782,764	3.3%
Federal Operating Revenues	\$16,793	\$16,636	\$16,508	\$16,370	\$16,224	\$16,069	-0.9%
Federal Grant Relief Funds	\$200,374	\$847,168	\$609,811	\$307,665	\$30,870	\$0	-100.0%
Other Financing Sources	\$18,131	\$2,049	\$289	\$2,049	\$289	\$2,049	0.0%
<b>TOTAL REVENUES &amp; OTHER FINANCING SOURCES</b>	<b>\$3,403,378</b>	<b>\$4,020,800</b>	<b>\$3,943,727</b>	<b>\$3,786,365</b>	<b>\$3,615,234</b>	<b>\$3,650,024</b>	<b>-2.4%</b>
<b>EXPENDITURES</b>							
District Operated Schools	\$1,774,534	\$2,082,480	\$2,112,495	\$2,074,670	\$1,929,872	\$1,916,542	-2.1%
Debt Service	\$333,393	\$338,304	\$375,339	\$344,980	\$347,003	\$355,459	1.2%
Charter Schools, including Trans	\$1,195,902	\$1,246,178	\$1,103,803	\$1,182,755	\$1,344,689	\$1,486,513	4.5%
Other Non-District Operated Schools, including Trans	\$96,330	\$114,892	\$116,085	\$119,250	\$122,430	\$125,624	2.3%
Administrative Support Operations (Central Offices)	\$131,853	\$144,039	\$139,571	\$139,693	\$140,693	\$141,584	-0.4%
Undistributed Budgetary Adjustments	(\$19,585)	(\$16,585)	(\$16,519)	(\$16,451)	(\$16,383)	(\$16,312)	-0.4%
Other Financing Uses	\$1,888	\$1,835	\$1,835	\$1,835	\$1,835	\$1,835	0.0%
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$3,514,315</b>	<b>\$3,911,143</b>	<b>\$3,832,610</b>	<b>\$3,846,732</b>	<b>\$3,870,140</b>	<b>\$4,011,246</b>	<b>0.6%</b>
<b>OPERATING/FUND BALANCE</b>							
Transfers from Reserves	(\$13,321)	(\$13,321)	\$28,259	(\$9,395)	(\$9,395)	(\$9,395)	
Facilities Reserve	\$12,500	\$12,500	\$0	\$0	\$0	\$0	
<b>Operating Surplus/(Deficit) incl. Change in Reserves</b>	<b>(\$111,757)</b>	<b>\$108,836</b>	<b>\$139,375</b>	<b>(\$69,762)</b>	<b>(\$264,301)</b>	<b>(\$370,617)</b>	
<b>Fund Balance at Beginning of Year - July 1</b>	<b>\$172,828</b>	<b>\$61,071</b>	<b>\$169,907</b>	<b>\$309,282</b>	<b>\$239,520</b>	<b>(\$24,781)</b>	
<b>ENDING FUND BALANCE</b>							
<b>Fund Balance at End of Year - June 30</b>	<b>\$61,071</b>	<b>\$169,907</b>	<b>\$309,282</b>	<b>\$239,520</b>	<b>(\$24,781)</b>	<b>(\$395,397)</b>	
<i>Fund Balance as a % of Total Expenditures</i>	<i>1.7%</i>	<i>4.3%</i>	<i>8.1%</i>	<i>6.2%</i>	<i>-0.6%</i>	<i>-9.9%</i>	

## Other District Improvements: New ERP MWBE Module

- The Board approved a new policy on MWBE.
- The Finance portion of our new ERP went live July 1, 2020 with a specially designed MWBE tracking module that went live in January 2021.
- Allows system to capture and report on data broken down into smaller sub categories (Minority owned, Women owned, etc).
- Not only tracks contract awards, but actual work and payments, to ensure that vendors follow through with agreed upon work by MWBE contractors.
- Tracking of actual payments is based on reporting of actual receipt of payments by the MWBE vendor, ensuring reliability of payment data.

# TIMELINE



**May**  
City Council  
Budget Hearing

**May**  
Board of Education  
Budget Vote

**May**  
City Adoption of Tax  
Measures for School District

**June**  
State Budget  
Adoption

# Our Vision for Fall 2021

- **The Goal:** To safely welcome all students back to in-person learning five days a week, beginning the first day of school, Tuesday, August 31<sup>st</sup>.
- **The Why:**
  - Our students and families rely on our schools, not just for academic growth but for a sense of familiarity, community and connectedness.
  - Resuming full in-person learning is a crucial step to best provide the critical supports students need to begin to heal, re-engage in high-quality learning and move toward a better tomorrow.
- **Safety:** We will continue to maintain all school health & safety protocols as recommended by the Centers for Disease Control and Prevention, and the Philadelphia Department of Public Health.



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

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**VOLUNTEER IN A SCHOOL**

**ADOPT A SCHOOL**

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