

Testimony Regarding S.B. 298: An Act Concerning The Minimum Budget Requirement

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Education Committee

March 5, 2012

Senator Stillman, Representative Fleischmann, and distinguished Members of the Education Committee:

I am a Senior Policy Fellow with Connecticut Voices for Children (Connecticut Voices), a research-based public education and advocacy organization that works statewide to promote the well-being of Connecticut's children, youth, and families. I am here today on behalf of Connecticut Voices to testify regarding *S.B. 298: An Act Concerning The Minimum Budget Requirement*. We support a thorough analysis of the Minimum Budget Requirement (MBR) in light of proposed hold harmless education funding and declining K-12 enrollments in Connecticut's public schools.

Enrollment in Connecticut's public schools (K-12) peaked in 2004-2005 and has been declining, on average, by about 2,500 yearly.¹ Eighty-five percent of towns (143 out of 169) had a net decline in K-12 residents between 2006-07 and 2010-11. Population projections from the Connecticut State Data Center indicate declining K-12 enrollments will continue throughout this decade.²

Consequently, we believe it is appropriate to allow towns to reduce local spending on education. However, decreases in education spending should be informed by detailed financial data and state education funds must not supplant local education funds.

Our recommendations include:

First, reductions in local education spending should not be tied to an **arbitrary** dollar amount. Instead, towns should be allowed reduce local education spending only when it does not negatively affect the quality of instruction that is dependent upon factors such as student-teacher ratios, instruction time, or essential services such as special education.

Second, Section 10 of S.B. 24 calls for a *uniform system of accounting for school expenditures* and this must be part of a **comprehensive solution** involving the MBR. This reporting system must include all funds budgeted/collected from all sources, as well as expenditures. Furthermore, uniform reporting should distinguish between facilities costs, administrative costs, and direct-student costs. Such detailed accounting will provide the ability to determine the true impact of reductions in education spending (see, as an example of such detailed accounting, the attached accounting format for the Northridge school district in Massachusetts).

Third, towns must be required to **spend all local tax dollars budgeted/collected** for education on education-related expenses. Funds remaining unspent at the end of a fiscal year should be used to offset spending in the following fiscal year. Local monies budgeted for education should not be reallocated to non-education use. Currently, statutes dictate the minimum monies towns must "budget" from local revenue; however, there is no requirement on how much local revenue towns actually "spend" on education.³ Towns can use local monies budgeted (and collected) for education towards non-education expenses by shifting dollars at the end of the fiscal year. This practice may become more commonplace as education costs decline due to declining enrollments.

Thank you for this opportunity to testify regarding S.B. 298 and we support the legislation and call for a comprehensive solution involving uniform fiscal reporting, an end to supplanting of local education funds, and a requirement that local property taxes collected for education must be spent on education.

Endnotes

¹ CT State Department of Education, *CEDaR*, http://sdeportal.ct.gov/Cedar/WEB/ct_report/CedarHome.aspx

² CT State Data Center, *Statewide Population Projections 2000-2030*, http://ctcdc.uconn.edu/projections/state_wide.html

³ Rodriguez, Orlando, and Jacob Siegel, *Problems with Connecticut's Education Cost Sharing Grant*, Connecticut Voices for Children, February 2011, <http://www.ctkidslink.org/publications/Bud11CTEduCostSharingGrantProblems.pdf>

Massachusetts Department of Elementary and Secondary Education

Total Expenditure Per Pupil, All Funds, By Function, FY11

NORTHBRIDGE

312 of 328 districts reporting

In-District FTE Average Membership = 2,539.4

Out-of-District FTE Average Membership = 136.2

Total FTE Average Membership = 2,675.6

	general fund appropriations	grants, revolving and other funds	total expenditures all funds	function as percentage of total	expend- iture per pupil	state average per pupil
Administration	979,184	9,171	988,355	3.33	389.21	447.52
8300 School Committee (1110)	278,248	0	278,248	0.94	109.57	21.96
8305 Superintendent (1210)	208,559	0	208,559	0.70	82.13	79.25
8310 Assistant Superintendents (1220)	101,871	0	101,871	0.34	40.12	27.31
8315 Other District-Wide Administration (1230)	18,964	9,171	28,135	0.09	11.08	28.25
8320 Business and Finance (1410)	176,308	0	176,308	0.59	69.43	158.87
8325 Human Resources and Benefits (1420)	47,946	0	47,946	0.16	18.88	34.56
8330 Legal Service For School Committee (1430)	50,855	0	50,855	0.17	20.03	18.95
8335 Legal Settlements (1435)	0	0	0	0.00	0.00	2.81
8340 District-wide Information Mgmt and Tech (1450)	96,433	0	96,433	0.33	37.97	75.56
Instructional Leadership	1,448,794	228,991	1,677,785	5.66	660.70	828.06
8345 Curriculum Directors (Supervisory) (2110)	163,955	4,367	168,322	0.57	66.28	163.53
8350 Department Heads (Non-Supervisory) (2120)	0	0	0	0.00	0.00	22.60
8355 School Leadership-Building (2210)	1,009,862	0	1,009,862	3.41	397.68	481.67
8360 Curriculum Leaders/Dept Heads-Building Level (2220)	0	0	0	0.00	0.00	70.87
8365 Building Technology (2250)	110,268	0	110,268	0.37	43.42	38.93
8380 Instructional Coordinators and Team Leaders (2315)	164,709	224,624	389,333	1.31	153.32	50.45
Classroom and Specialist Teachers	9,385,664	1,333,741	10,719,405	36.16	4,221.24	5,022.81
8370 Teachers, Classroom (2305)	7,969,521	299,502	8,269,023	27.89	3,256.29	4,469.40
8375 Teachers, Specialists (2310)	1,416,143	1,034,239	2,450,382	8.27	964.95	553.41
Other Teaching Services	1,393,621	793,134	2,186,755	7.38	861.13	992.74
8385 Medical/ Therapeutic Services (2320)	476,861	212,456	689,317	2.33	271.45	220.51
8390 Substitute Teachers (2325)	226,027	2,843	228,870	0.77	90.13	113.84
8395 Non-Clerical Paraprofs./Instructional Assistants (2330)	543,938	577,835	1,121,773	3.78	441.75	582.49
8400 Librarians and Media Center Directors (2340)	146,795	0	146,795	0.50	57.81	75.90
Professional Development	288,072	81,536	369,608	1.25	145.55	240.67
8405 Professional Development Leadership (2351)	3,279	0	3,279	0.01	1.29	15.58
8410 Teacher/Instructional Staff-Professional Days (2353)	194,529	0	194,529	0.66	76.60	65.89
8415 Substitutes for Instructional Staff at Prof. Dev. (2355)	4,793	5,600	10,393	0.04	4.09	5.85
8420 Prof. Dev. Stipends, Providers and Expenses (2357)	85,471	75,936	161,407	0.54	63.56	153.34

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Instructional Materials, Equipment and Technology	392,882	157,261	550,143	1.86	216.64	430.34
8425 Textbooks & Related Software/Media/Materials (2410)	36,827	0	36,827	0.12	14.50	76.00
8430 Other Instructional Materials (2415)	126,447	23,050	149,497	0.50	58.87	63.08
8435 Instructional Equipment (2420)	26,516	2,217	28,733	0.10	11.31	28.51
8440 General Supplies (2430)	63,423	26,508	89,931	0.30	35.41	85.02
8445 Other Instructional Services (2440)	88,688	31,216	119,904	0.40	47.22	100.34
8450 Classroom Instructional Technology (2451)	6,125	74,270	80,395	0.27	31.66	55.82
8455 Other Instructional Hardware (2453)	44,856	0	44,856	0.15	17.66	10.28
8460 Instructional Software (2455)	0	0	0	0.00	0.00	11.28
Guidance, Counseling and Testing	405,523	124,831	530,354	1.79	208.85	371.48
8465 Guidance and Adjustment Counselors (2710)	352,302	46,790	399,092	1.35	157.16	250.79
8470 Testing and Assessment (2720)	0	0	0	0.00	0.00	14.32
8475 Psychological Services (2800)	53,221	78,041	131,262	0.44	51.69	106.36
Pupil Services	694,897	1,656,111	2,351,008	7.93	925.81	1,216.72
8485 Attendance and Parent Liaison Services (3100)	0	0	0	0.00	0.00	16.55
8490 Medical/Health Services (3200)	265,034	113,463	378,497	1.28	149.05	141.13
8495 In-District Transportation (3300)	368,358	168,376	536,734	1.81	211.36	478.90
8500 Food Salaries and Other Expenses (3400)	37,226	864,579	901,805	3.04	355.13	352.10
8505 Athletics (3510)	0	381,243	381,243	1.29	150.13	132.99
8510 Other Student Body Activities (3520)	24,279	128,450	152,729	0.52	60.14	64.17
8515 School Security (3600)	0	0	0	0.00	0.00	30.86
Operations and Maintenance	2,744,368	16,739	2,761,107	9.31	1,087.31	1,061.48
8520 Custodial Services (4110)	702,500	0	702,500	2.37	276.64	362.40
8525 Heating of Buildings (4120)	462,163	0	462,163	1.56	182.00	127.40
8530 Utility Services (4130)	581,131	0	581,131	1.96	228.85	237.22
8535 Maintenance of Grounds (4210)	165,488	1,714	167,202	0.56	65.84	51.10
8540 Maintenance of Buildings (4220)	543,240	85	543,325	1.83	213.96	204.61
8545 Building Security System (4225)	0	0	0	0.00	0.00	2.26
8550 Maintenance of Equipment (4230)	109,588	0	109,588	0.37	43.16	23.45
8555 Extraordinary Maintenance (4300)	0	0	0	0.00	0.00	24.70

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8560 Networking and Telecommunications (4400)	180,258	14,940	195,198	0.66	76.87	16.00
8565 Technology Maintenance (4450)	0	0	0	0.00	0.00	12.34
Insurance, Retirement Programs and Other	4,824,069	132,347	4,956,416	16.72	1,951.81	2,294.92
8570 Employer Retirement Contributions (5100)	464,193	132,347	596,540	2.01	234.91	374.58
8575 Insurance for Active Employees (5200)	2,646,817	0	2,646,817	8.93	1,042.30	1,407.46
8580 Insurance for Retired School Employees (5250)	1,176,199	0	1,176,199	3.97	463.18	409.26
8585 Other Non-Employee Insurance (5260)	476,570	0	476,570	1.61	187.67	50.01
8590 Rental Lease of Equipment (5300)	48,929	0	48,929	0.17	19.27	7.10
8595 Rental Lease of Buildings (5350)	0	0	0	0.00	0.00	5.30
8600 Short Term Interest RAN's (5400)	0	0	0	0.00	0.00	0.39
8610 Crossing Guards, Inspections, Bank Charges (5500)	11,361	0	11,361	0.04	4.47	40.82
Payments To Out-Of-District Schools	2,201,541	354,973	2,556,514	8.62	18,770.29	20,459.08
Tuition To Other Schools (9000)	1,749,338	354,973	2,104,311	7.10	15,450.15	18,729.34
Out-of-District Transportation (3300)	452,203	0	452,203	1.53	3,320.14	1,729.74
TOTAL EXPENDITURES	24,758,614	4,888,835	29,647,449	100.00	11,080.67	13,369.19

percentage of overall spending from the general fund 83.5%