

Executive Summary

Radnor Township
School District

2023-2024

**Final General
Fund Budget**



Radnor Township School District
Wayne, Pennsylvania
www.rtsd.org

Dr. Kenneth Batchelor, Superintendent
Mr. Brian Pawling, Business Administrator

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May 30, 2023

Radnor Township School District
Board of Directors
135 S. Wayne Ave.
Wayne, PA 19087

Dear Board of Directors:

The 2023-2024 fiscal year budget beginning July 1, 2023 for the Radnor Township School District is presented herein. The Superintendent and Business Administrator assume responsibility for data accuracy and completeness. This budget presents the District's financial and operational plan along with corresponding information.

2023-2024 Budget Executive Summary

Budget Preparation

The Radnor Township School District strategically budgets an annual spending plan to provide the best possible educational program for all students while prudently managing and allocating the District's resources. The development and consideration of the 2023-2024 General Fund budget was completed with a detailed and thorough review of all revenue and expenditure line items while maintaining the integrity of the District's mission statement, goals, and fiscal policies.

Mission Statement

The mission of Radnor Township School District is to inspire in all students the love of learning and creating, and to empower them to discover and pursue their individual passions with knowledge, confidence, and caring to shape the future.

Vision

- Each student will demonstrate caring by enhancing community through ongoing choice and action.
- Each student will consistently demonstrate excitement and persistence by constructing knowledge and developing novel solutions.
- All students will demonstrate dedication to the pursuit of their passions.

Core Values

- Respecting and valuing diversity is essential for communities to thrive.
- Lifelong learning is essential to creating a better life and world.
- Nurturing is critical for individual and community growth.



- Faith in one's potential fosters confidence which motivates effort and ultimately leads to accomplishment.
- All people have worth and the capacity to grow and learn.
- The most powerful learning results from meaningful active engagement.
- There is a direct connection between the pursuit of one's passion and the joy of learning.

Budget Process and Timeline

The administration and Board of Directors are committed to providing each child in the District with the best possible educational opportunity while maximizing the use of available resources. This consideration goes into the budget process each year as both parties attempt to balance these needs with the available local, state, and federal resources. The annual budget process begins in September so that a Preliminary Budget can be presented and adopted in February if necessary.

The Base Act 1 Index is published by the Pennsylvania Department of Education and is the state mandated limit for real estate tax increases (4.1% for 2023-2024) unless exceptions are utilized, or voter approval is given to raise taxes above the index. The Act 1 Index can be adjusted annually if a school district has a market value/personal income aid ratio above 0.40. If the Board of Directors adopt a resolution that it will not need to raise taxes above the Act 1 limit, it can forgo the adoption of the preliminary budget. The Administration developed the following timeline with key budget dates:

<u>Date</u>	<u>Description</u>
Thursday, September 1, 2022	Deadline for the 2023-2024 Act 1 Base Index percentage to be released by the Pennsylvania Department of Education (PDE).
September 2022	PDE released the 2023-2024 Base Act 1 Index % – 4.1%
Tuesday, October 11, 2022	Finance Committee Meeting
Tuesday, October 25, 2022	2023-2024 Budget Calendar adopted by Board of School Directors.
Tuesday, November 15, 2022	Finance Committee Meeting
Tuesday, December 27, 2022	PDE deadline to notify District of school year Annual Financial Report (AFR) data to be used to calculate Act 1 referendum exceptions.
Tuesday, January 10, 2023	Finance Committee Meeting
Tuesday, January 24, 2023	Board of Directors approved opt-out of preliminary budget and to stay within the Act 1 index of 4.1%



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Thursday, January 26, 2023	Deadline to adopt a resolution indicating taxes will not be raised above the Act 1 index (Budget Opt-Out Resolution).
Tuesday, February 14, 2023	Finance Committee Meeting, Presentation of the Preliminary Budget.
Tuesday, March 21, 2023	Finance Committee Meeting
Tuesday, April 11, 2023	Finance Committee Meeting
Tuesday, April 25, 2023	Regular Board Meeting - Board adopts Proposed Final 2023-2024 Budget and authorizes advertisement and public review
Sunday, April 30, 2023	RTSD deadline to adopt 2023-2024 Proposed Final Budget if the Board plans to act on Tuesday, May 30, 2023 (required 30 days prior to adoption).
Tuesday, May 9, 2023	Finance Committee Meeting
Wednesday, May 10, 2023	Deadline to advertise and make 2023-2024 Final Budget available for public inspection (20 days before adoption).
Saturday, May 20, 2023	Deadline to publish notice of intent to adopt the 2023-2024 Final Budget if the Board plans to act on Tuesday, May 30, 2023 (notice required 10 days prior to adoption).
Tuesday, May 30, 2023	Regular Board Meeting - Final 2023-2024 Budget Adopted (actual deadline June 30, 2022).
Tuesday, June 13, 2023	Finance Committee Meeting
Tuesday, June 27, 2023	Regular Board Meeting
Friday, June 30, 2023	Actual deadline to approve the Final 2023-2024 Budget.

For the 2023-2024 budget, the District adopted an opt-out resolution on January 24, 2023 which waived requirement for the preparation of a preliminary budget and kept the potential Act 1 increase to the adjusted index rate (4.1%) or lower.



General Fund Historical Summary

The General Fund is the main operating fund of the District and uses proceeds from local, state, and federal sources to allocate resources towards funding the educational programs and support functions of the school district. The summary below shows the past three years of actual results and budgets for the prior year, current year, and upcoming year along with beginning and ending fund balance amounts. Other fund balances listed include total amounts for the technology and curriculum funds that are rolled into the total General Fund fund balance on the year-end financial statements.

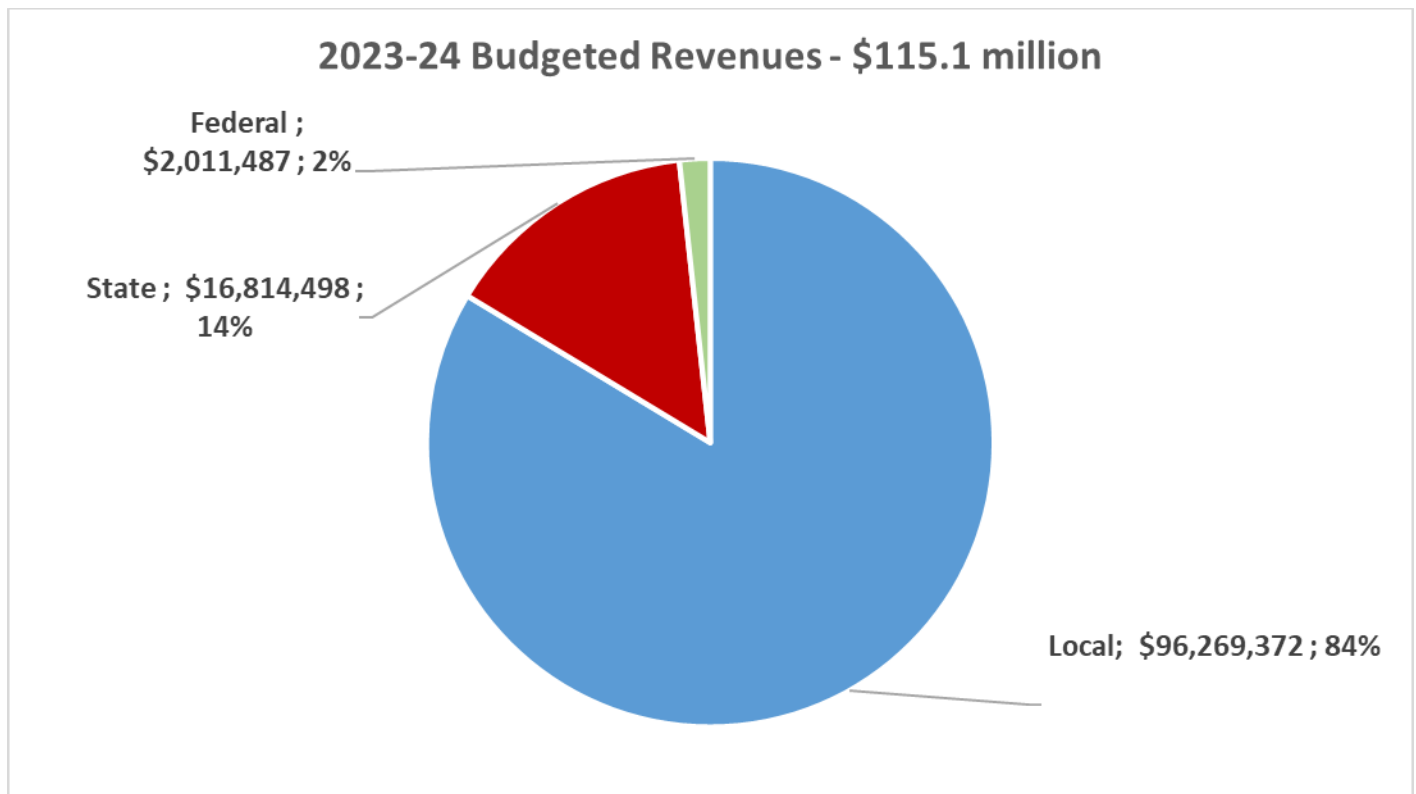
General Fund Summary

	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
Total Fund Balance July 1, 20XX	\$ 21,681,537	\$ 24,686,354	\$ 28,651,683	\$ 28,651,683	\$ 31,321,349	\$ 31,246,349
Revenue						
Local Sources	83,798,256	86,795,097	86,988,139	89,505,787	90,964,477	96,269,372
State Sources	15,158,245	16,489,156	16,241,674	15,790,164	17,281,539	16,814,498
Federal Sources	1,560,056	2,935,104	1,329,859	2,867,659	2,121,240	2,011,487
Other Sources	11,556	386,301	8,500	7,862	6,200	10,000
Total Revenue	\$ 100,528,114	\$ 106,605,658	\$ 104,568,172	\$ 108,171,473	\$ 110,373,456	\$ 115,105,357
Expenditures						
Salaries	43,868,422	44,977,757	46,857,481	47,206,964	48,179,722	50,642,877
Benefits	28,300,360	28,976,486	30,958,227	30,093,840	31,432,508	32,611,385
Purchased Prof. Services	4,674,138	4,881,323	3,866,781	6,207,867	4,344,157	6,016,618
Purchased Prop. Services	1,066,212	1,366,220	1,314,706	1,366,233	1,288,374	1,434,216
Other Purchased Services	7,071,940	6,455,157	6,496,071	5,854,232	6,432,705	6,083,393
Supplies and Books	2,625,947	3,640,923	2,985,523	3,132,050	3,261,141	3,236,437
Property and Equipment	586,971	103,630	154,279	201,392	344,799	244,093
Other Objects	2,723,393	2,788,897	4,591,244	3,462,696	5,954,068	5,368,356
Other Uses of Funds	7,929,043	10,631,983	8,380,176	8,380,175	9,210,982	9,467,982
Total Expenditures	\$ 98,846,426	\$ 103,822,376	\$ 105,604,488	\$ 105,905,449	\$ 110,448,456	\$ 115,105,357
Excess of Revenue Over (Under)						
Expenditures	1,681,688	2,783,282	\$ (1,036,316)	\$ 2,266,023	\$ (75,000)	\$ -
Change in Other Fund Balances	1,323,129	1,182,047	\$ -	\$ 403,643	\$ -	\$ -
Fund Balance June 30, 20XX	\$ 24,686,354	\$ 28,651,683	\$ 27,615,367	\$ 31,321,349	\$ 31,246,349	\$ 31,246,349



Revenues

The General Fund of the District is funded from local, state, and federal sources of revenue. Local revenue is the largest source of revenue which accounts for 84% of the \$115,105,357 in total budgeted revenue for the 2023-2024 fiscal year. The remaining 16% of revenue budgeted is comprised of state sources (14%) as well as federal sources (2%).



Local Sources

The largest portion of the \$96,269,372 in local revenue is made up of current taxes on real estate. Local current real estate tax revenue is budgeted to be \$89,101,971 which is 93% of local revenue sources budgeted and 78% of total revenue sources budgeted. Current real estate tax revenue budgeted is \$4,486,724 higher than budgeted in the previous year. The increase can be attributed to the following:

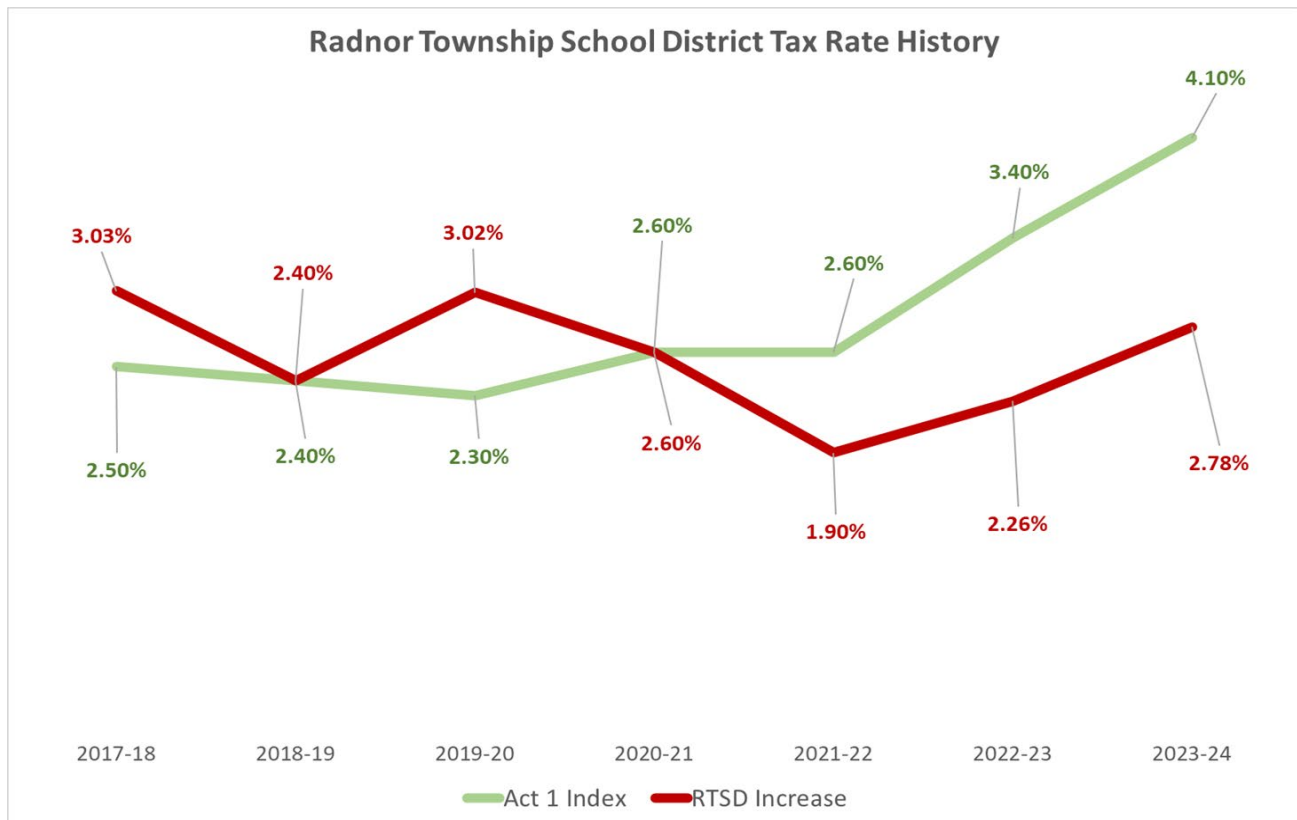
- Assessed property values for the District from Radnor Township is \$6,402,654,493 for the 2023-2024 school year. This represents a 1.8% growth in assessed values from the current 2022-2023 budget year.
- The anticipated collection percentage of taxes was increased from 96.5% to 97% to align with actual collections.
- 2.78% increase to the real estate millage rate to 14.6329 mills (current mills at 14.2371).



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	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
6000 - Revenue from Local Sources						
6111 - Current Real Estate Taxes	\$ 76,739,768	\$ 79,022,734	\$ 80,130,477	\$ 82,713,752	\$ 84,613,584	\$ 89,101,971
6112 - Interim Real Estate Taxes	355,269	130,932	294,828	507,201	300,000	375,000
6113 - Public Utility Realty Tax	69,484	77,088	77,000	79,753	77,000	80,000
6114 - Payments in Lieu of Taxes	280,090	328,587	223,260	172,340	225,000	225,000
6140 - Occupation Privilege Tax	82,014	122,395	100,000	103,252	120,000	105,000
6150 - Current Act 511 Taxes - R/E Tran	1,694,390	2,739,954	1,850,000	2,590,111	2,100,000	2,400,000
6400 - Delinquent Taxes Levied	1,057,231	1,173,302	800,000	1,228,305	950,000	1,090,000
6500 - Earnings on Investments	575,677	97,051	300,000	137,223	300,000	1,000,000
6700 - Revenue from Student Activ.	33,437	14,011	33,000	12,755	33,000	23,000
6830 - Federal Pass Through	410,125	472,934	495,142	643,186	419,461	541,064
6910 - Rentals	91,625	36,696	152,432	47,480	86,432	50,000
6920 - Donations	27,324	-	60,000	8,119	60,000	20,000
6940 - Tuitions	2,166,096	2,065,723	2,300,000	1,148,553	1,500,000	1,125,000
6999 - All Other Local Revenues	215,725	513,689	172,000	113,756	180,000	133,337
Total from Local Sources	83,798,256	86,795,097	86,988,139	89,505,787	90,964,477	96,269,372

The proposed tax increase of 2.78% is below the 4.1% Act 1 Index established for the 2023-2024 school year. The following chart shows the millage rate history since the 2017-2018 school year:





The following tables show the RTSD millage rate, millage increase, % millage increase, and Act 1 Index since the 1993-94 fiscal year.

PRE ACT 1 OF 2006

YEAR	MILLAGE	MILLAGE INCREASE	% MILLAGE INCREASE
1993-94	337.2	27.3	8.80%
1994-95	364.3	27.1	8.00%
1995-96	391	26.7	7.30%
1996-97	412.1	21.1	5.40%
1997-98	430.9	18.8	4.60%
1998-99	455.5	25.4	5.70%
1999-00	477.9	22.4	4.90%
2000-01*	12.91	Reassessment	
2001-02	13.5	0.59	4.57%
2002-03	14.17	0.67	4.96%
2003-04	14.92	0.75	5.29%
2004-05	15.64	0.72	4.83%
2005-06	16.41	0.77	4.92%

AFTER ACT 1 OF 2006

YEAR	MILLAGE	MILLAGE INCREASE	% MILLAGE INCREASE	ACT 1 Index
2006-07	17.367	0.957	5.83%	3.90%
2007-08	18.2359	0.8689	5.00%	3.40%
2008-09	19.5118	1.2759	7.00%	4.40%
2009-10	20.2731	0.7613	3.90%	4.10%
2010-11	20.8611	0.588	2.90%	2.90%
2011-12	21.1439	0.2828	1.36%	1.40%
2012-13	21.8227	0.6788	3.21%	1.40%
2013-14	21.7122	(0.1105)	-0.51%	1.70%
2014-15	21.7122	0	0.00%	2.10%
2015-16	22.1247	0.4125	1.90%	1.90%
2016-17	22.9262	0.8015	3.62%	2.40%
2017-18	23.6199	0.6937	3.03%	2.50%
2018-19	24.1867	0.5668	2.40%	2.40%
2019-20	24.9181	0.7314	3.02%	2.30%
2020-21	25.5659	0.6478	2.60%	2.60%
2021-22*	13.9224	(11.6435)	1.90%	2.60%
2022-23	14.2371	0.3147	2.26%	3.40%

* - countywide reassessment

The second largest source of local revenue is from proportional tax assessments including real estate transfer taxes. The District anticipates collecting \$2,400,000 in real estate transfer taxes. This is an increase of \$300,000 from the current year and reflects a conservative estimate of high collections due to an active real-estate market.

Earnings on investments are anticipated to increase from \$300,000 in the current year to \$1,000,000 in 2023-2024 due to the increases in the fed funds interest rates to help curb inflation. The District analyzes its cash flow and reserves and invests funds in a prudent manner to maximize interest earnings while protecting the principal funds of the investment.



Other local sources of revenue include:

- Interim and delinquent payments on real estate taxes.
- Revenues from district activities.
- Federal pass-through funds – IDEA via the DCIU.
- Tuitions collected from other schools for students attending institutions in Radnor Township.

State Sources

State sources comprise 14% of the total budget at \$16,814,498 which is a 2.7% decrease from the 2022-2023 fiscal year. State sources include subsidies from basic education, special education, transportation, and rental (or building reimbursement) payments. Decreases can be attributed to a reduction in special education subsidy from prior year catch-up payments and transportation subsidy reductions based on accounting for student ridership in the calculation formula. The chart below shows the budgeted subsidy payments for 2023-2024.

	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
7000 - Revenue from State Sources						
7110 - Basic Education Funding	\$ 2,274,908	\$ 2,274,903	\$ 2,274,908	\$ 2,390,515	\$ 2,390,660	\$ 2,564,445
7160 - Tuition Reimbursement	92,915	79,069	200,000	4,229	80,000	10,000
7271 - Special Education Funding	1,295,135	2,053,309	1,795,135	1,334,929	1,821,324	1,441,003
7310 - Transportation	738,846	746,348	700,000	378,175	700,000	385,000
7320 - Rental Payments	111,532	159,300	107,886	182,937	112,320	99,520
7330 - Health Services	119,407	131,507	140,000	125,153	130,000	125,000
7340 - State Property Tax Red. Alloc.	1,453,102	1,453,276	1,453,190	1,453,190	1,831,701	1,831,701
7501 - PA Accountability Grant	113,925	113,925	113,925	113,925	113,925	113,925
7810 - Social Security Payment Rev.	1,497,798	1,757,081	1,607,470	1,723,815	1,795,790	1,910,185
7820 - Retirement Payment Rev.	7,432,332	7,648,536	7,842,160	8,072,304	8,295,819	8,323,719
Other State Revenue	28,346	71,902	7,000	10,993	10,000	10,000
Total from State Sources	\$ 15,158,245	\$ 16,489,156	\$ 16,241,674	\$ 15,790,164	\$ 17,281,539	\$ 16,814,498

The largest line item in state sources comes from the state's share of retirement contributions. The state reimburses the District for half of their Pennsylvania School Employee's Retirement System (PSERS) retirement costs. For 2023-2024, the rate that districts pay into PSERS is 34% and in return the state reimburses about half of this expense. This amount is \$8,323,719 which is a \$114,395 (6.4%) increase from the previous year. This increase is contributed to an increase in salaries which was offset by a decrease in the contribution rate from 35.26% to 34%. The state also reimburses districts for one half of their Social Security and Medicare taxes which in 2023-2024 equates to \$1,910,185.

The District receives proceeds from the state to offset property taxes from Act 1 of 2006. These funds are collected by the state through gaming revenues and other tax programs which are then distributed to school districts to pass on as a tax credit to approved homestead and farmstead



properties to reduce property taxes. This allocation for the 2023-2024 school year is \$1,831,701 and is estimated to be distributed equally among eligible properties at a rate of \$366 per parcel. This amount is a \$5 reduction per household due to an increase in the number of eligible properties and a flat funding amount.

The budget includes estimated increases for basic education and special education subsidies for the 2023-2024 school year. These amounts are determined during the state budget appropriation process and are finalized when the state budget is approved. The Governor presented his budget address on March 7 with increases to both line items. The amount of the estimated increases is 50% of what Governor Shapiro included in both subsidy allocations in his budget proposal.

Federal Sources

Revenue from federal sources is comprised primarily of grant money for specific programs. The District receives money for the following programs:

- Title I - Improving the Academic Achievement of the Disadvantaged
- Title II - Prepare, Train, and Recruit Highly Qualified Teachers and Principals
- Title III - Language Instruction for Limited English Proficient and Immigrant Students
- Title IV - Student Support and Academic Enrichment
- Medical Access Reimbursement

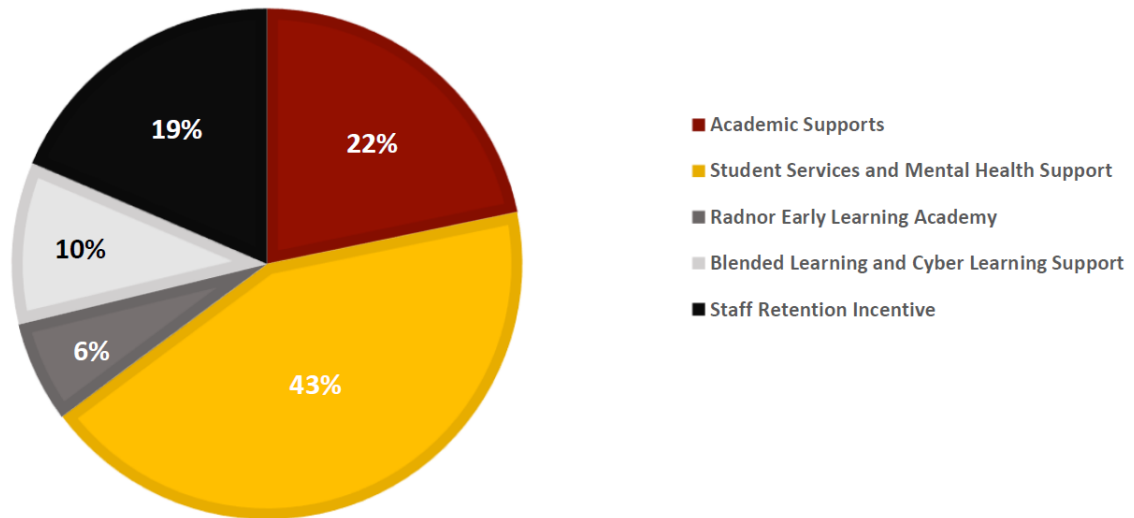
In addition to these annual sources, the federal government has allocated resources for school districts through the American Rescue Plan (ARP) for Elementary and Secondary Schools Act of 2021. The District was awarded \$3,989,845 in ARP funds that can be used through September 2024. The anticipated use of those funds in the 2023-2024 school year is \$935,297.

	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
8000 - Revenue from Federal Sources						
8514 - Title I	\$ 377,646	\$ 423,571	\$ 330,184	\$ 525,797	\$ 462,402	\$ 462,402
8515 - Title II	106,830	104,936	81,886	95,031	95,031	95,031
8516 - Title III	22,882	6,615	26,138	28,726	25,505	25,505
8517 - Title IV	7,865	42,417	8,000	54,224	37,252	37,252
8730 - Bond Reimbursement	249,331	249,995	250,000	250,260	250,000	250,000
8740 - ESSER Funds	795,501	2,103,693	479,651	1,907,833	1,247,050	935,297
8810 - Medical Access Reimb.	-	3,877	154,000	5,788	4,000	206,000
Total from Federal Sources	\$ 1,560,056	\$ 2,935,104	\$ 1,329,859	\$ 2,867,659	\$ 2,121,240	\$ 2,011,487



The chart below shows the anticipated use of ESSER III funding by focus areas.

PERCENT OF ESSER III ALLOCATIONS BY FOCUS CATEGORY



Expenditures

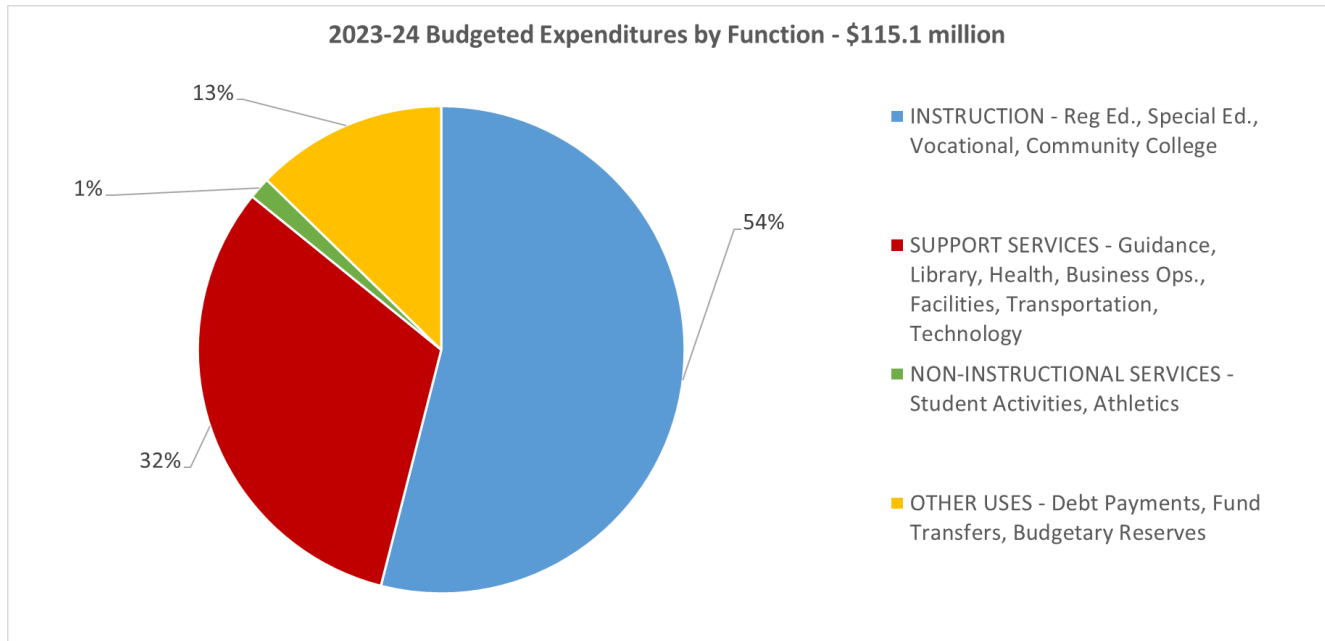
For the 2023-2024 school year, budgeted expenditures in the General Fund are \$115,105,357 which is an increase of \$4,656,901 (4.22%) from 2022-2023. Expenditures are grouped into major spending categories called objects and these categories are used to summarize expenditures into major program categories called functions.

Function categories are broken into the following related areas within the budget:

- Instruction (Functions 1000-1999)
 - Regular, Special, and Vocational Education, Community College = \$62,150,227
- Support Services (Functions 2000-2999)
 - Guidance, Library, Health, Business Operations, Facilities, Transportation, Technology services = \$36,645,399
- Non-Instructional Services (Functions 3000-4999)
 - Student Activities, Athletics = \$1,665,480
- Other Uses (Functions 5000-5999)
 - Debt Payments, Fund Transfers, Budgetary Reserves = \$14,664,251

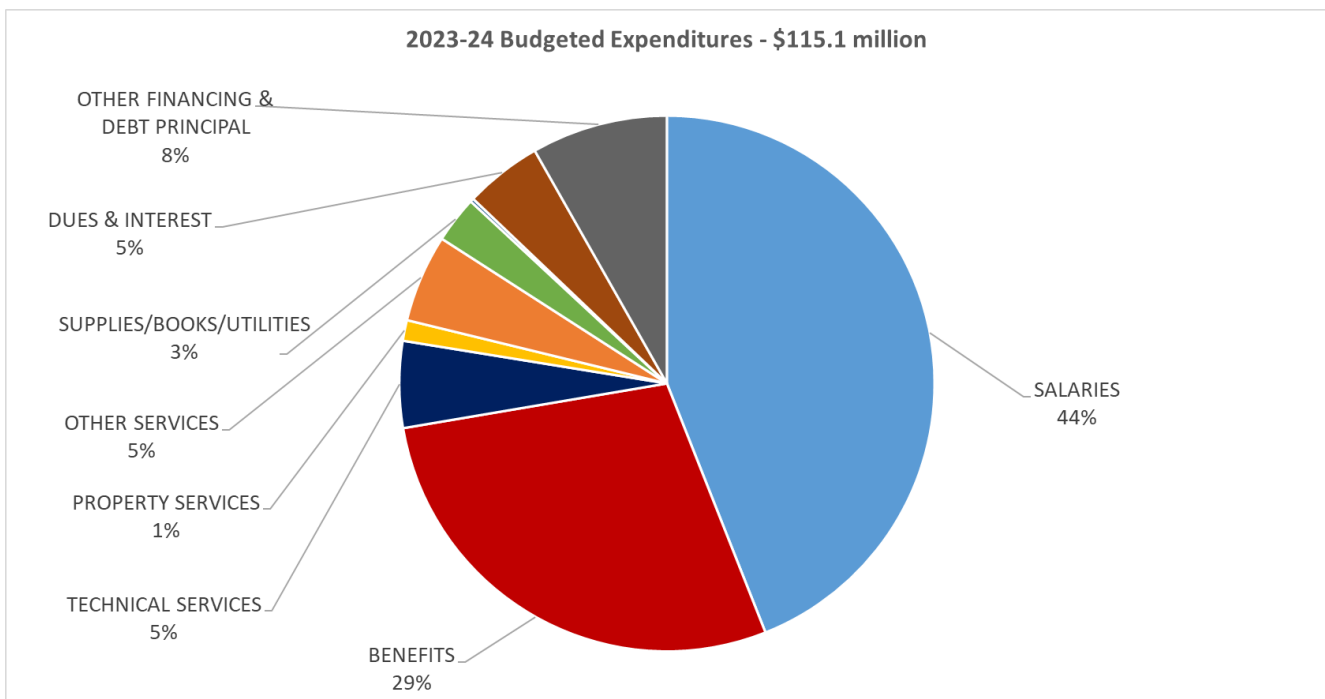


The following chart shows these expenditures by function category:



With the school district being a service-based entity with the primary purpose of educating students, the largest spending category is in salaries and benefits (72% of expenditures). Other large expenditure categories include professional services that are contracted with outside vendors, transportation, debt service (long-term debt), and transfers to other funds.

The following chart shows these expenditures by object category:





Major highlights of the expenditure budget include:

- Salaries – salaries were budgeted with existing positions intact and with contractual increases incorporated for an increase of \$2,463,155 (4.37%). Staffing additions included in the 2022-23 contingency budget include an English Language Development teacher at Wayne Elementary School, a Transition Coordinator for Special Education, additional Radnor High School Counseling Supports, and continued mental health supports and social worker position. These positions were moved to the salary line items from the contingency budget for 2023-2024. The chart below shows the historical salary expenditures since 2019-2020.

Salary Expenditure Summary

	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
Administrative Salaries	\$ 3,839,431	\$ 4,535,058	\$ 4,794,171	\$ 4,811,100	\$ 5,071,313	\$ 5,107,993
Professional Salaries	28,914,363	29,399,849	30,484,210	30,378,131	30,851,535	32,735,349
Co-Curricular/Athletic/Nursing Salaries	1,107,319	1,048,259	1,254,133	1,232,277	1,232,548	1,211,545
Technical/Office/Clerical Salaries	3,156,243	3,123,238	3,247,375	3,251,540	3,261,431	3,264,695
Instructional Assistant/Other	1,965,569	1,740,537	2,193,908	2,104,958	2,536,799	2,665,587
Grand Total Salaries	\$ 44,021,940	\$ 45,068,390	\$ 47,127,282	\$ 47,206,964	\$ 48,428,240	\$ 50,642,877

- Benefits
 - Medical benefits – based on second look rates with an adjustment to 2021-2022 actual costs.
 - Prescription benefits – based on estimates, anticipated prescription benefits were increased by 39% (\$798,808) from 2022-2023 budgeted numbers. This increase is due to increased utilization as well as increased cost of specialty drugs.
 - Other benefits – adjusted based on prior costs and estimates.
 - PSERS (pension) costs – employer rate decreased from 35.26% to 34% and applied to applicable salaries.



Benefit Expenditure Summary

	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2022-2023
211 - Medical Insurance	\$6,911,855	\$6,982,468	\$7,390,136	\$7,654,087	\$7,323,302	\$7,623,354
212 - Dental Insurance	366,500	369,498	449,833	341,352	443,004	444,098
213 - Life Insurance	166,814	79,626	79,660	69,995	85,450	76,761
214 - Long Term Disability	57,992	65,137	57,674	31,508	67,025	37,551
220 - Social Security	3,258,269	3,312,898	3,591,689	3,490,441	3,627,862	3,858,960
230 - PSERS	14,860,248	15,353,357	16,458,064	16,064,368	16,759,230	16,804,131
240 - Tuition Reimbursement	153,903	174,174	216,672	169,695	177,000	172,000
250 - Unemployment Comp.	20,220	62,194	69,798	32,821	68,550	40,000
260 - Worker's Comp.	396,478	405,518	258,322	260,473	422,526	342,780
275 - Vision Insurance	23,418	27,100	36,080	19,116	36,000	26,050
276 - RX Insurance	1,879,185	1,879,173	2,102,345	1,584,860	2,024,692	2,823,500
29X - Other Benefits	277,111	305,060	247,954	375,125	304,850	362,200
Grand Total Benefits	\$ 28,371,993	\$ 29,016,203	\$ 30,958,227	\$ 30,093,840	\$ 31,339,491	\$ 32,611,385

- Departmental budgets – all budgets submitted from departments including technology, curriculum, special education, and individual building budgets were funded as requested for services, supplies, and equipment. Departmental budget highlights include:
 - Technology
 - Continue 1:1 device program K-12.
 - Classrooms for Tomorrow (Upgrades to classroom A/V and SmartBoards).
 - Radnor Middle School Teacher Device Upgrades.
 - Upgrade to Finance and HR Software.
 - Upgrade to digital archiving software.
 - Teaching and Learning
 - Continued implementation of Multi-Tiered System of Supports (MTSS) and expansion of curriculum programming, instructional design and delivery, and assessments. Program elements include:
 - LinkIt! Data Warehouse and Intervention Manager Tool.
 - STAR and Acadience Diagnostic Assessment Tools.
 - MCIU Professional Development and Consultation in professional development for K-8 mathematics instruction.
 - The Science of Learning (Brain Science) with a cohort of teachers for action research and our entire induction team through leadership from Professional Learning Partnerships.
 - Consult and advisement with Dignity Consulting to support the implementation of the book study.



- Student Services
 - Radnor Early Learning Academy – incoming pre-school students are still in need of the district’s program; this program continues to identify student needs at an early age to provide content rich curriculum.
 - Transition Program – Year 2 of providing transition services to our students/families through -district and community-based work, continues to strengthen work study and agency involvement with IEP (Individualized Education Plan) transition programming.
 - Services for an increase of 44 students identified in need of services through an IEP.
 - Increased Emotional Support services at elementary and high school due to current student needs, increase in enrollment, and local APS (Approved Private School) programs not accepting new students.
 - Intensive Language Class at Wayne Elementary School - A third Intensive Language Class is needed at WES due to enrollment and an anticipated increase of EI (early intervention) enrollment.
- Debt Service – debt service payments were budgeted as scheduled and include payments for the 2021 borrowing for the High School Accessibility and Wellness Project and refunding of the 2014 and 2015 bond series. In January 2023, Moody’s Investor Services upgraded the Radnor Township School District’s credit rating from Aa1 to Aaa, which is the highest rating issued.

Radnor Township School District, PA

Update following upgrade to Aaa



Summary

Radnor Township School District, PA's (Aaa stable) excellent financial position will continue to improve in the near term due to an ongoing willingness to increase its property tax levy, alongside tax base expansion. The township is a mature suburb that benefits from robust resident income and property tax levels. While its leverage may grow in the next five years due to routine capital needs, it will remain relatively manageable.

On January 27, 2023, Moody's upgraded the district's issuer, general obligation unlimited tax, and general obligation limited tax ratings to Aaa. The outlook is stable.

The following table shows the District’s gross debt outstanding by bond issue and by year beginning with the 2022-2023 fiscal year.



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SCHOOL DISTRICT OF THE TOWNSHIP OF RADNOR SUMMARY OF OUTSTANDING INDEBTEDNESS						
Debt Service Requirements						
1 Fiscal Year Ended	2 QSCB Series B of 2010	3 QSCB Series B of 2011	4 G.O. Bonds Series B of 2014	5 G.O. Bonds Series A of 2015	6 G.O. Bonds Series B of 2015	7 G.O. Note Series A of 2017
6/30/2023	78,425	158,444	104,838	987,700	459,238	714,826
6/30/2024	76,758	154,483	103,138		431,638	1,505,289
6/30/2025	75,092	150,522	101,338		413,031	1,547,016
6/30/2026	73,425	146,561	99,438		394,144	1,597,271
6/30/2027	71,758	142,600	227,338			1,648,923
6/30/2028	70,092	138,639	226,825			1,697,954
6/30/2029	61,713	134,678	220,913			1,754,283
6/30/2030		130,717				
6/30/2031						
6/30/2032						
6/30/2033						
6/30/2034						
6/30/2035						
6/30/2036						
6/30/2037						
6/30/2038						
6/30/2039						
6/30/2040						
6/30/2041						
6/30/2042						
6/30/2043						
6/30/2044						
6/30/2045						
TOTAL	507,263	1,156,644	1,083,825	987,700	1,698,050	10,465,563

8 G.O. Note Series B of 2017	9 G.O. Bonds Series of 2019	10 G.O. Bonds Series A of 2019	11 G.O. Bonds Series B of 2019	12 G.O. Bonds Series of 2021	13 G.O. Note Series of 2022	14 G.O. Bonds Series of 2023	15 Total Debt Service
746,475	323,375	281,933	763,100	983,263	1,611,484		7,213,099
	321,875	281,808	753,700	983,213	1,828,516	1,108,219	7,548,636
	320,375	281,708	749,300	983,163	1,822,147	1,104,875	7,548,566
	304,025	410,308	609,700	983,113	1,827,486	1,108,000	7,553,469
	292,800	510,958	1,860,300	983,063	181,119	1,625,625	7,544,483
	281,675	509,895	1,830,700	982,994	179,784	1,631,875	7,550,432
	290,425	508,083	1,799,000	982,906	179,435	1,619,500	7,550,935
	668,150	510,433	4,512,000	982,819	858,274		7,662,392
	5,374,738	512,483	237,350	982,731	866,889		7,974,190
	2,981,425	361,714	2,467,200	982,644	863,808		7,656,790
		5,797,445	170,150	982,525	815,826		7,765,946
		212,938	5,665,000	982,375	794,214		7,654,526
		2,657,990		1,307,275	800,204		4,765,469
				4,705,325			4,705,325
				4,704,800			4,704,800
				4,709,300			4,709,300
				4,707,200			4,707,200
				4,708,300			4,708,300
				4,707,300			4,707,300
746,475	11,158,863	12,837,691	21,417,500	41,344,306	12,629,187	8,198,094	124,231,160



- Fund Transfers – fund transfers were budgeted as follows:
 - Curriculum fund transfer - \$1,458,857
 - Technology fund transfer - \$1,250,807
 - Swim fund transfer - \$45,000
 - Capital reserve fund transfer
 - School buses (low emission propane fuel) – \$575,000
 - Future capital projects - \$1,000,000
- Budgetary Reserve
 - 11 FTE contingency positions for class size, potential new positions under review, and continued positions currently using one-time ESSER funding - \$1,171,800
 - 1 FTE = cost of a teacher at Masters, Step 6 of \$66,500 plus benefits
 - Anticipated contingency position uses as of May 30, 2023
 - 1 floating elementary school counselor
 - 1 autistic support teacher at WES
 - 1 emotional support teacher at RES
 - 1 alternative program teacher at RHS
 - 3 paraprofessionals to support above positions (equates to 1 teacher FTE in cost)
 - ESSER III expenditures anticipated for 2023-2024 (matches anticipated revenue) - \$935,297

Detail on the expenditure budget sorted by major function and object is included as follows:



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General Fund Expenditure Detail

	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
1100 - Regular Programs						
100 - Salaries	\$ 23,224,031	\$ 23,659,575	\$ 24,028,232	\$ 24,449,515	\$ 24,610,445	\$ 25,595,578
200 - Benefits	14,564,082	14,687,483	15,427,361	15,362,181	15,778,534	16,470,625
300 - Purchased Prof. Services	591,848	865,697	724,300	1,526,812	844,343	1,308,697
400 - Purchased Property Services	93,049	68,041	110,148	69,185	95,115	62,594
500 - Other Purchased Services	203,539	335,399	319,292	229,707	348,097	229,163
600 - Supplies and Books	814,133	1,154,658	614,555	721,892	597,226	597,096
700 - Property and Equipment	509,576	2,527	11,618	2,800	7,814	5,799
800 - Other Objects	5,548	5,536	8,838	4,197	8,200	2,920
Total Regular Programs	40,005,806	40,778,916	41,244,344	42,366,289	42,289,774	44,272,472
1200 - Special and Gifted Education						
100 - Salaries	5,038,839	4,840,494	5,379,670	5,068,652	5,516,127	6,051,100
200 - Benefits	2,919,397	2,883,290	3,268,019	2,967,834	3,329,801	3,485,852
300 - Purchased Prof. Services	1,949,265	2,310,963	1,735,402	2,767,649	1,749,746	2,893,591
400 - Purchased Property Services	45,524	11,057	15,000	25,271	15,000	15,000
500 - Other Purchased Services	4,774,888	3,858,128	3,768,301	3,226,304	3,665,838	3,255,847
600 - Supplies and Books	46,797	51,329	230,571	88,801	207,439	261,330
700 - Property and Equipment	1,698	7,094	26,160	131,103	26,160	19,620
800 - Other Objects	-	-	420	140	420	350
Total Special Education	14,776,408	13,962,355	14,423,543	14,275,753	14,510,531	15,982,690
1300 - Vocational Education						
500 - Other Purchased Services	262,709	412,726	388,310	375,220	390,807	387,133
Total Vocational Education	262,709	412,726	388,310	375,220	390,807	387,133
1400 - Other Instructional Programs						
100 - Salaries	979	91,104	12,500	225,011	10,000	165,000
200 - Benefits	418	-	5,450	84,069	2,500	-
300 - Purchased Prof. Services	32,241	31,877	28,000	47,500	28,000	37,400
400 - Purchased Property Services	-	-	-	-	-	-
500 - Other Purchased Services	85	-	11,000	-	-	-
600 - Supplies and Books	-	238	-	9,826	500	-
Total Other Instructional Programs	33,723	123,219	56,950	366,407	41,000	202,400
1500 - Nonpublic School Programs						
300 - Purchased Prof. Services	-	63,624	-	-	64,312	-
500 - Other Purchased Services	-	-	-	39,882	-	62,286
600 - Supplies and Books	-	-	-	1,030	500	-
Total Nonpublic School Programs	-	63,624	-	40,913	64,812	62,286
1600/1700 - Higher Education Programs						
500 - Other Purchased Services	1,159,845	1,166,227	1,194,381	1,194,382	1,228,185	1,243,246
Total Adult Education Programs	1,159,845	1,166,227	1,194,381	1,194,382	1,228,185	1,243,246



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	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
2100 - Pupil Personnel						
100 - Salaries	2,398,280	2,715,911	2,865,539	2,909,746	3,001,558	3,419,768
200 - Benefits	1,462,795	1,618,505	1,794,497	1,693,446	1,720,596	1,905,893
300 - Purchased Prof. Services	403,731	382,973	199,600	417,426	199,600	227,520
400 - Purchased Property Services	364	69	-	-	-	-
500 - Other Purchased Services	6,802	1,946	22,390	1,573	22,390	12,295
600 - Supplies and Books	37,250	22,799	31,932	24,439	34,638	37,559
700 - Property and Equipment	1,248	7,028	14,170	5,005	14,170	8,938
800 - Other Objects	3,021	4,491	9,150	6,479	9,150	9,165
Total Pupil Personnel	4,313,491	4,753,722	4,937,278	5,058,115	5,002,102	5,621,138
2200 - Instructional Support						
100 - Salaries	2,128,054	1,967,707	2,635,216	2,281,193	2,588,052	2,776,132
200 - Benefits	1,467,131	1,464,474	1,907,520	1,601,261	1,807,349	1,878,077
300 - Purchased Prof. Services	240,570	59,721	2,400	93,143	2,400	42,400
400 - Purchased Property Services	63,513	79,580	91,500	82,290	103,161	98,640
500 - Other Purchased Services	26,568	604	82,845	6,267	75,338	74,223
600 - Supplies and Books	94,616	103,879	137,432	118,094	129,049	126,881
800 - Other Objects	2,028	1,437	4,201	1,883	4,326	6,811
Total Instructional Support	4,022,480	3,677,402	4,861,114	4,184,131	4,709,675	5,003,164
2300 - Administration Services						
100 - Salaries	3,001,148	3,206,275	3,301,789	3,398,148	3,458,370	3,450,265
200 - Benefits	2,067,919	2,053,831	2,179,826	2,101,760	2,281,605	2,215,683
300 - Purchased Prof. Services	366,643	606,932	309,653	416,697	416,063	442,593
400 - Purchased Property Services	213,214	144,449	168,648	154,690	174,248	201,092
500 - Other Purchased Services	81,299	107,691	106,550	65,414	94,750	64,800
600 - Supplies and Books	69,414	58,079	63,108	113,421	61,035	72,223
700 - Property and Equipment	416	-	6,100	100	17,800	17,623
800 - Other Objects	52,637	62,350	63,662	55,469	67,713	63,594
Total Administration Services	5,852,690	6,239,607	6,199,336	6,305,699	6,571,584	6,527,873
2400 - Pupil Health Services						
100 - Salaries	516,160	591,726	632,210	606,183	678,121	685,058
200 - Benefits	388,019	424,170	451,275	422,790	451,870	460,696
300 - Purchased Prof. Services	231,306	221,414	409,869	378,271	412,000	360,500
400 - Purchased Property Services	927	1,136	1,000	1,050	500	500
500 - Other Purchased Services	1,544	355	1,600	404	1,100	1,100
600 - Supplies and Books	28,863	17,310	15,000	14,016	10,000	15,500
700 - Property and Equipment	22,303	20,649	14,298	13,975	8,000	21,000
Total Pupil Health Services	1,189,122	1,276,760	1,525,252	1,436,690	1,561,591	1,544,354



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	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
2500 - Business Services						
100 - Salaries	540,528	610,491	588,451	606,583	601,029	605,974
200 - Benefits	350,159	380,313	400,460	427,736	429,663	441,144
300 - Purchased Prof. Services	1,630	4,127	16,400	6,802	8,000	9,000
400 - Purchased Property Services	3,972	4,050	4,007	3,841	4,300	3,840
500 - Other Purchased Services	89,595	103,909	126,775	94,904	122,950	107,550
600 - Supplies and Books	5,022	6,737	8,300	7,961	216,300	60,875
700 - Property and Equipment	5,125	-	1,000	-	-	-
800 - Other Objects	713	2,996	2,475	1,659	3,000	1,800
Total Business Services	996,744	1,112,623	1,147,868	1,149,485	1,385,242	1,230,183
2600 - Operation and Maintenance						
100 - Salaries	3,249,771	3,429,777	3,520,290	3,510,155	3,841,901	3,952,600
200 - Benefits	2,390,354	2,360,903	2,527,437	2,494,337	2,754,942	2,672,629
300 - Purchased Prof. Services	656,178	183,953	166,000	405,616	320,000	403,000
400 - Purchased Property Services	626,584	696,318	902,878	995,523	872,000	1,030,500
500 - Other Purchased Services	254,316	263,890	258,110	361,836	265,200	379,900
600 - Supplies and Books	1,128,333	1,300,902	1,374,130	1,410,391	1,403,000	1,449,024
700 - Property and Equipment	38,929	66,069	73,800	40,720	265,000	151,700
800 - Other Objects	38,520	43,121	42,000	42,972	45,500	7,400
Total Operation and Maintenance	8,382,985	8,344,933	8,864,645	9,261,549	9,767,543	10,046,753
2700 - Transportation Services						
100 - Salaries	2,381,290	2,440,185	2,290,509	2,527,325	2,296,702	2,383,534
200 - Benefits	1,960,402	2,279,731	2,062,154	2,011,998	1,940,264	2,144,942
300 - Purchased Prof. Services	73,730	65,103	69,520	73,692	87,920	75,500
400 - Purchased Property Services	10,526	28,143	13,300	10,494	13,800	11,300
500 - Other Purchased Services	109,745	112,993	114,000	155,876	119,550	165,000
600 - Supplies and Books	332,199	325,684	414,000	453,475	407,000	484,000
700 - Property and Equipment	2,305	110	2,500	5,593	-	6,000
800 - Other Objects	2,732	280	1,550	151	1,500	-
Total Transportation	4,872,929	5,252,229	4,967,533	5,238,605	4,866,736	5,270,276
2800 - Support Services - Central						
100 - Salaries	673,480	784,683	839,313	808,851	818,848	749,624
200 - Benefits	421,775	546,634	586,163	564,923	602,472	555,159
300 - Purchased Prof. Services	-	-	-	-	-	-
400 - Purchased Property Services	-	326,772	-	-	-	-
500 - Other Purchased Services	4,053	872	10,850	1,983	6,550	6,850
600 - Supplies and Books	2,011	546,638	2,090	15,795	2,090	2,090
700 - Property and Equipment	-	-	4,360	471	4,360	4,360
800 - Other Objects	50	1,778	2,225	1,380	1,800	1,575
Total Support Services	1,101,369	2,207,377	1,445,001	1,393,404	1,436,120	1,319,658
2900 - Other Support Services						
500 - Other Purchased Services	79,197	79,666	79,667	81,576	79,950	82,000
Total Other Support Services	79,197	79,666	79,667	81,576	79,950	82,000



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	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Actual 2021-2022	Budget 2022-2023	Budget 2023-2024
3200 - Student Activities						
100 - Salaries	715,862	639,829	763,762	815,602	753,627	808,244
200 - Benefits	307,909	277,152	348,065	361,506	331,854	380,685
300 - Purchased Prof. Services	126,996	84,939	205,637	74,258	211,773	216,417
400 - Purchased Property Services	8,539	6,605	8,225	23,890	10,250	10,750
500 - Other Purchased Services	17,755	10,751	12,000	18,904	12,000	12,000
600 - Supplies and Books	67,309	52,670	94,405	152,909	192,864	129,859
700 - Property and Equipment	5,371	153	273	1,625	1,495	9,053
800 - Other Objects	81,487	79,655	95,079	73,029	97,294	98,472
Total Student Activities	1,331,228	1,151,754	1,527,446	1,521,722	1,611,157	1,665,480
3300 - Community Services						
100 - Salaries	-	-	-	-	4,942	-
200 - Benefits	-	-	-	-	1,058	-
Total Community Services	-	-	-	-	6,000	-
5100 - Debt Service						
800 - Other Objects	2,536,657	2,587,253	3,273,335	3,275,336	3,296,315	3,046,189
900 - Other Uses of Funds	4,413,820	4,593,153	4,731,420	4,731,419	4,881,318	5,138,318
Total Debt Service	6,950,477	7,180,406	8,004,755	8,006,755	8,177,633	8,184,507
5200 - Fund Transfers						
900 - Other Uses of Funds	3,515,223	6,038,830	3,648,756	3,648,756	4,329,664	4,329,664
Total Fund Transfers	3,515,223	6,038,830	3,648,756	3,648,756	4,329,664	4,329,664
5900 - Budgetary Reserve						
800 - Other Objects	-	-	1,088,309	-	2,418,850	2,130,080
Total Budgetary Reserve	-	-	1,088,309	-	2,418,850	2,130,080
Grand Total Expenditures	\$ 98,846,426	\$ 103,822,376	\$ 105,604,488	\$ 105,905,449	\$ 110,448,956	\$ 115,105,357

Fund Balance Designations

The District has previously implemented GASB Statement No. 54 which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the District's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Non-spendable – Amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints. Fund balance types of this category are inventories and prepaid expenditures.
- Restricted – Amounts that can be spent only for specific purposes stipulated by external resource providers or through enabling legislation. Fund balance types in this category include amounts for capital projects.



- **Committed** – Amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the Board and do not lapse at year-end. Fund balance of this type is for the retirement rate increase. Since the District is required to contribute to the retirement plan, the retirement rate increase has been set up by the Board to provide any fluctuations to the rate increases.
- **Assigned** – Amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Director of Business Administration. Fund balance of this type include amounts for debt service along with funds to be set aside for self-insurance funding.
- **Unassigned** – Amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. School Board Policy 620 states that the District will strive to maintain an unassigned general fund balance of not less than 5% but not more than the state required maximum of 8% of the subsequent year operating budget in this category in both the general fund and internal service fund.

**Radnor Township School District
Summary of General Fund Balances (Fund 10)
as of June 30, 2022**

General Fund Balances for 6/30/2022

General Fund	7/1/2021	6/30/2022	Net Change
Non-spendable	\$ -	\$ -	\$ -
Committed			
Capital Projects	\$ 9,296,821	\$ 10,751,499	\$ 1,454,678
Curriculum and technology initiatives	\$ 6,475,479	\$ 7,260,238	\$ 784,759
PSERS pension rate stabilization	\$ 3,576,076	\$ 3,587,387	\$ 11,311
Long-term early retirement incentive and compensated absences	\$ 854,948	\$ 886,349	\$ 31,401
Unassigned - 8% cap	\$ 8,448,359	\$ 8,835,876	\$ 387,517
Total Fund Balance:	\$ 28,651,683	\$ 31,321,349	\$ 2,669,666



Chart of Accounts for PA Local Educational Agencies

The PA Office of the Budget and Office of Comptroller Operations maintains a chart of accounts for PA local educational agencies. This chart of accounts is used to standardize the recording of revenue, expenditure, and fund balance transactions during the fiscal year. A summary of these categories is summarized below to help with descriptions of the budgeted accounts above.

Revenue Sources

This dimension permits segregation of revenues by source. The primary classification differentiates Local, State and Federal revenue sources. Other Financing Sources are included in the dimension breakdown, although in a strict accounting sense, these are not revenues.

Local Sources

6111 Current Real Estate Taxes

Revenue received from taxes assessed and levied upon real property.

6112 Interim Real Estate Taxes

Taxes levied under Act 544 of 1952 (Section 677.1) on new construction not appearing on the tax duplicate.

6113 Public Utility Realty Tax

Revenue received under terms of the Public Utility Realty Tax Act (Act 66 of 1970). Lands and structures owned by public utilities and used in providing their services are subject to state taxation under Act 66 of 1970. The state then collects and distributes a prescribed sum among local taxing authorities, and that payment of state tax shall be in lieu of local taxes upon utility realty.

6114 Payments In Lieu Of Current Taxes – State / Local Reimbursement

Revenue received in lieu of taxes for property withdrawn from the tax rolls of the LEA for public housing, forest lands, game lands, water conservation or flood control.

6140 Current Act 511 Taxes – Flat Rate Assessments

Compulsory charges levied on a flat rate basis by the LEA in accordance with Act 511 of 1965 (Local Tax Enabling Act).

6153 Current Act 511 Real Estate Transfer Taxes

Revenue received under Act 511 for percentage assessment on the transfer price of real property within the jurisdiction of the LEA.



6411 Delinquent Real Estate Taxes

Revenue received from taxes assessed and levied upon real property, which have become delinquent.

6510 Interest on Investments and Interest-Bearing Checking Accounts

Interest revenue received on temporary or permanent interest-bearing investments and interest-bearing checking accounts. (Investments would include U.S. treasury bills, notes, savings accounts, certificates of deposit, mortgages, or other interest-bearing investments.)

6700 Revenues from District Activities

Revenues resulting from co-curricular and extra-curricular activities controlled and administered by the LEA. These revenues are not to be commingled with the proceeds from student activities which should be accounted for in agency funds.

6832 Federal IDEA Revenue Received as Pass Through

Federal IDEA revenue received by a school entity passed through from a Pennsylvania LEA or another primary recipient.

6910 Rentals

Revenues from the rental of school property which is being used for school purposes, and the net earnings from rents and leases of school property that is not being used for school purposes but is being held for future use or disposal. The credit to this account should include only receipts from flat rate rental charges not identifiable as an offset against expenditures. Include here gas lease or royalty revenues.

6920 Contributions/Donations/Grants from Private Sources

Contributions, donations, and grants from private sources are revenues from philanthropic foundations, private individuals or organizations for which no repayment or service is expected.

6942 Summer School Tuition

Revenue received from students, their parents or their guardians for summer school education provided by the LEA.

6944 Receipts from Other LEAs in Pennsylvania – Education

Monies received from other LEAs in Pennsylvania for education provided to pupils from the paying LEA.

Note: Charter Schools should record payments from the sending districts to this account, whether by direct payment or deduction.



6960 Services Provided Other Local Governmental Units/LEAs

Revenues from services provided other local governmental units. These services could include transportation, data processing, purchasing, maintenance, cleaning, cash management, consulting and a variety of other educational related services.

6990 Refunds and Other Miscellaneous Revenue

Revenue from local sources not classified elsewhere.

State Sources

7110 Basic Education

Revenue received from the Commonwealth of PA designated for Basic Education.

7160 Tuition for Orphans and Children Placed in Private Homes

Revenue received from the Commonwealth of PA as tuition for children who are orphans and/or children placed in private homes by the court. Payments are made in accordance with Section 1305 and 1306 of the Public School Code.

7271 Special Education Funding for School Aged Pupils

Revenue received from the Commonwealth of PA for expenditures incurred in instructing school age special education students.

7310 Transportation (Regular and Additional)

Revenue received from the Commonwealth of PA for pupil transportation expenditures and / or board and lodging in lieu of transportation. Payments for pupil transportation are made in accordance with section 2541 of the Public School Code. Payments for board and lodging in lieu of transportation are made in accordance with Section 2542 of the Public School Code. This account includes transportation subsidies for nonpublic and charter school students, also.

7320 Rental and Sinking Fund Payments/Building Reimbursement Subsidy

Revenue received from the Commonwealth of PA as a payment for approved lease rentals, sinking fund obligations, or any approved LEA debt obligations for which the Department of Education has assigned a lease number.



7330 Health Services (Medical, Dental, Nurse, Act 25)

Revenue received from the Commonwealth of PA for health service expenditures. Payments are made in accordance with Section 2505.1 of the Public School Code and include revenue for medical, dental, nurse and Act 25 health services.

7340 State Property Tax Reduction Allocation

Revenue received from the Commonwealth of PA designated for school district property tax reduction. Payments are made in accordance with section 505 of Special Session Act 1 of 2006.

7501 PA Accountability Grants

Revenue received from the Commonwealth of PA authorized by Act 48 of 2003 for school districts to implement research-based programs to boost student achievement.

7599 Other State revenue not listed elsewhere in the 7000 series

Revenue received not specifically accounted for elsewhere in the 7000 series of accounts. Include in this revenue code payments received for ELECT, school demonstration grants and from other State agencies such as the Department of Environmental Resources and DCED.

7810 State Share of Social Security and Medicare Taxes

Revenue received from the Commonwealth of PA designated as the Commonwealth's matching share of the employer's contribution of the Social Security and Medicare Taxes for covered employees who are not federally funded.

7820 State Share of Retirement Contributions

Revenue received from the Commonwealth of PA designated as the Commonwealth's matching share of the employer's contribution of Retirement Contributions for active members of the Public School Employees Retirement System.

Federal Sources

8514 NCLB, Title I – Improving the Academic Achievement of the Disadvantaged

Revenue received for the education of disadvantaged children under NCLB, Title I. Funding for programs such as Keystones to Opportunities, School Improvement Grants, Comprehensive School Reform Program, Reading First, Even Start, and Improving Literacy Through Libraries (list not all inclusive) should be recorded in this account.



8515 NCLB, Title II – Preparing, Training and Recruiting High Quality Teachers and Principals

Revenue received for the education of children under NCLB Title II. Improving Teacher Quality, and Eisenhower Professional Development (list not all inclusive) are samples of funding.

8516 NCLB, Title III – Language Instruction for Limited English Proficient and Immigrant Students

Revenue received for the education of children under NCLB, Title III. Includes Grants for English Language Acquisition, and Technology Literacy Challenge (list not all inclusive).

8517 Title IV

Revenue received for the education of children under ESEA, Title IV. Includes funding for Safe and Drug-Free Schools and Communities, 21st Century Learning Communities, and Student Support and Academic Enrichment (list not all inclusive).

8700 Federal Stimulus Funding

Revenue received from Federal stimulus or recovery funds such as ARRA, ESSER, and ARP funds.

8810 School Based Access Medicaid Reimbursement Program (SBAP) Reimbursements (ACCESS)

SBAP is an MA program that reimburses school entities for direct, eligible health-related services including transportation. These services are provided to MA enrolled, special needs students, and reimbursement claims are processed through Public Consulting Group. Reimbursable services include, but are not limited to, occupational therapy, physical therapy, and psychological counseling. Payments for SBAP costs come from the Department of Education (PDE) through the completion of the PDE-352 ACCESS Funds Request Form.

8820 Medical Assistance Reimbursement for Administrative Claiming (Quarterly) Program

The Administrative Claiming Program reimburses LEAs for the costs associated with administrative Medicaid-related activities. These funds also include the partial reimbursement that schools receive on behalf of the service fees paid to Public Consulting Group for the processing of their SBAP claims. Payments for SBAP Administrative Claiming are received from the Department of Public Welfare. Expenditures utilizing this source of funding should be reported as federal expenditures on the Annual Financial Report.

Other Sources

9000 Other Financing Sources

Other financing sources include governmental fund general long-term debt proceeds, interfund transfers-in, proceeds of fixed asset dispositions and other transfer-in and receipts. Such amounts are classified separately from revenues. (Other Financing Sources represent revenues in the Debt Service Fund.)



Expenditure Codes

Expenditure Functions

The Function describes the activities for which a service or material is acquired. The functions of an LEA are classified into five broad areas:

- 1) Instruction
- 2) Support Services
- 3) Operation of Non-instructional Services
- 4) Facilities Acquisition, Construction and Improvement Services
- 5) Other Financing Uses

Functions consist of activities, which have somewhat the same general operational objectives.

1100 Regular Programs – Elementary/Secondary

Activities designed to provide grades K–12 students with learning experiences to prepare them for activities as citizens, family members, and non-vocational workers as contrasted with programs designed to improve or overcome physical, mental, social and/or emotional handicaps.

1200 Special Programs – Elementary/Secondary

Activities designed primarily for students having special needs. The Special Programs include support classes for pre-kindergarten, kindergarten, elementary and secondary students identified as exceptional.

1300 Vocational Education

PDE approved programs under public supervision and control that provide organized learning experiences designed to develop skills, knowledge, attitudes, and work habits in order to prepare individuals for entrance into and progress through various levels of employment in occupational fields including agriculture, business, distribution, health, gainful and useful home economics, and trade and industry. PDE approved programs are those programs approved by the Pennsylvania Department of Education as reflected in the approved program listing of the Career and Technical Education Information System (CATS).

1400 Other Instructional Programs – Elementary/Secondary

Activities that provide grades K-12 students with learning experiences not included in the function codes 1100-1300, 1500, 1600 and 1800.

1500 – Non-Public-School Programs

Activities for students attending a school established by an agency other than the State, a subdivision of the State, or the Federal government, which usually is supported primarily by other than public funds. The services consist of such activities as those involved in providing instructional services.



1600 – Adult Education Programs

Activities designed to develop knowledge and skills to meet immediate and long-range educational objectives of adults. Programs include activities to foster the development of fundamental tools of learning; to prepare for a postsecondary career; or for postsecondary educational programs; to upgrade occupational competence, prepare for a new or different career; to develop skills and appreciations for special interests; or to enrich the aesthetic qualities of life.

2100 Support Services - Students

Activities designed to assess and improve the well-being of students to supplement the teaching process and to meet the applicable provisions of Article XIII of the Public School Code of 1949, as amended, and Chapter 7 of the State Board of Education Regulations. Included in this sub-function are program coordination, consultation, and services to the pupil personnel staff of an LEA.

2200 Support Services – Instructional Staff

Activities associated with assisting, supporting, advising, and directing the instructional staff with or on the content and process of providing learning experiences for students.

2300 Support Services - Administration

Activities concerned with establishing and administering policy in connection with operating the LEA.

2400 Support Services – Pupil Health

Physical and mental health services, which are not direct instruction. Included are activities that provide students with appropriate medical, dental and nurse services

2500 Support Services – Business

Activities concerned with paying, transporting, exchanging, and maintaining goods and services for the LEA. Included are the fiscal and internal services necessary for operating the LEA.

2600 Operation and Maintenance of Plant Services

The activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings and equipment in effective working condition and state of repair.

2700 Student Transportation Services

Expenditures include those activities concerned with the conveyance of students to and from school, as provided by State and Federal law. It includes transportation costs only for trips between home and school and from school to school.



2800 Support Services - Central

Activities, other than general administration, which support each of the other instructional and supporting services program. These activities include planning, research, development, evaluation, information, staff, and data processing services.

2900 Other Support Services

All other support services not classified elsewhere in the 2000 series.

3200 Student Activities

School sponsored activities under the guidance and supervision of the LEA staff.

4600 Existing Building Improvement Services

Record to this sub-function the capital expenditures incurred to renovate or improve existing buildings, service systems and other built-in equipment. Capital expenditures include non-routine and extraordinary (or substantial) costs incurred to maintain or improve buildings, service systems and other built-in equipment.

5110 Debt Service

This account is used to record and accumulate expenditures incurred to retire current year principal and interest payments on long-term debt other than refunded bond issues.

5130 Refund of Prior Year Revenues/Receipts

Record to this account the recognition of all refunds of prior year revenues and receipts. This account is also used to record refunds and deductions taken from your State subsidies to adjust for prior year audits and subsidy calculation changes. This account should be reported as an expenditure on your financial statements consistent with GASB #33.

5200 Interfund Transfers - Out

Included are transactions that withdraw money from one fund and place it in another without recourse.

5900 Budgetary Reserve

Budgetary Reserve is not an expenditure function or account. It is strictly a budgetary account that will not be displayed on the Annual Financial Report.

In addition to the appropriations, it is a sound management practice to provide for operating contingencies through a Budgetary Reserve. Experience indicates that there are certain variables over which control is impossible regardless of the care with which the budget is prepared. These variables include unpredictable changes in the costs of goods and services, and the occurrences of events which



are vaguely perceptible during the time of budget preparations, but which, nevertheless, may require expenditures by the LEA during the year for which the budget is being prepared.

Even though the operating contingencies for which provision is being made may contain certain unknowns, the Budgetary Reserve should be composed of components for which estimates are made. For example, there may be Federal, State, or local programs, which may or may not, require expenditures by the school system in the fiscal year for which the budget is being prepared.

Rather than provide for such contingencies by “padding” the functional appropriations, it is preferable to limit the functional appropriations to amounts that are supportable by estimates based upon financial, enrollment and other statistics as related to the more definite educational plans and programs for the budget year and earmark a reserve for the less predictable requirements. The Budgetary Reserve should be reasonable in amount and in proper proportion to the known operating requirements of the LEA.

Expenditures may not be made against the Budgetary Reserve, but only against the line items, which appear throughout the functional appropriations. Whatever may be needed from the Budgetary Reserve may not be used until after transfer from the Reserve to the line items against which the expenditures are to be charged. Each such transfer requires the prior authorization of the Board of School Directors and may be made only during the last nine (9) months of the fiscal year.

To the extent that the contingencies for which the Budgetary Reserve has been provided fail to materialize in the budget year, there will be a balance remaining in the Budgetary Reserve at the close of the budget year. If covered by revenues realized during the budget year, as it should be in all school systems operating on a pay-as-you-go basis, such a balance becomes a part of the total resources available for application against the requirements of the next fiscal year.

Expenditure Objects

The Object Dimension is the service or commodity bought. This manual identifies nine (9) major object categories:

- Personnel Services – Salaries
- Personnel Services – Employee Benefits
- Purchased Professional and Technical Services
- Purchased Property Services
- Other Purchased Services
- Supplies
- Property
- Other Objects
- Other Financing Uses



100 Personnel Services - Salaries

Gross salaries paid to employees of the LEA who are in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions. This includes gross salary for personnel services rendered while on the payroll of the LEA.

200 Personnel Services – Employee Benefits

Amounts paid by the LEA on behalf of employees; these amounts are not included in gross salary but are in addition to that amount. Such payments are fringe benefit payments; and, while not paid directly to employees, are part of the cost of personnel services.

300 Purchased Professional and Technical Services

Services that by their nature require persons or firms with specialized skills and knowledge. Included are the services of architects, engineers, auditors, dentists, medical doctors, lawyers, consultants, teachers, accountants, tax collectors etc. Payments for services provided by Intermediate Units to LEAs should be recorded to this object.

400 Purchased Property Services

Services purchased to operate, repair, maintain and rent property owned and / or used by the LEA. These services are performed by persons other than LEA employees

500 Other Purchased Services

Amounts paid for services not provided by LEA personnel but rendered by organizations or personnel, other than Professional and Technical Services and Purchased Property Services.

600 Supplies

Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorate in use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances.

700 Property

Expenditures for the acquisition of fixed / capital assets, including expenditures for land or existing buildings and improvements of grounds; initial equipment; additional equipment and replacement of equipment.

800 Other Objects

Amounts paid for expenditures not otherwise classified in objects 100 through 700.



900 Other Uses of Funds

This series of codes is used to classify transactions which record redemption of principal on long-term debt, authority obligations, fund transfers, and transfers to component units (as defined by GASB Statement #14).