

**School District of Cheltenham Township
2014-2015 Final Budget
Adopted June 10, 2014**



**2000 Ashbourne Rd
Elkins Park, PA 19027
Montgomery County, Pennsylvania
www.cheltenham.org**

Association of School Business Officials International



This Meritorious Budget Award is presented to

SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP

*For excellence in the preparation and issuance of its school entity's budget
for the Fiscal Year 2013-2014.*

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, reading 'Ron McCulley', written over a horizontal line.

Ron McCulley, CPPB, RSBO
President

A handwritten signature in black ink, reading 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

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INTRODUCTORY SECTION

SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP
Elkins Park, PA 19027

Organization
Board of Directors

Mary L. Russell President
Julie E. Haywood Vice President
Paula Barvin Member
James F. Butt Member
Bill England Member
Stephanie H. Gray Member
Brian Malloy Member
Napoleon Nelson Member
David M. Rackow Member
Karen Washington (non voting) Treasurer
Eileen Wolf (non voting) Secretary

SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP
Elkins Park, PA 19027

District Administration

Dr. Natalie Thomas.....Superintendent

Dr. Michael Lowe..... Assistant Superintendent

Matthew Malinowski.....Director of Business Affairs

Dr. Ray Bavi..... Director of Support Services

Lynn David..... Director of Human Resources

Vacant..... Director of Special Education

Susan O’GradyDirector of Communications

Dwight Nolt..... Director of Education

Andrew Kuhn Principal, Cheltenham High School

Iris ParkerPrincipal, Cedarbrook Middle School

Carol Nejman.....Principal, Elkins Park School

Vacant.....Principal, Cheltenham Elementary School

Vacant.....Principal, Glenside Elementary School

Daniel Tahaney.....Principal, Myers Elementary School

Crystal Clark..... Principal, Wyncote Elementary School

**SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP
Elkins Park, PA 19027**

School District Buildings

Administration Building
2000 Ashbourne Road
Elkins Park, PA 19027

(215) 886-9500 (215) 884-6929 (Fax)

Cheltenham High School
500 Rices Mill Road
Wyncote, PA 19095

(215) 517-3700 (215) 517-3771 (Fax)

Cedarbrook Middle School

East Campus
7631 Waters Road
Cheltenham, PA 19012

Central Campus
333 Rices Mill Road
Wyncote, PA 19095

West Campus
1331 Ivy Hill Road
Glenside, PA 19038

(215) 881-6420 (215) 576-5610 (Fax)

Elkins Park School
8149 New Second Street
Elkins Park, PA 19027

(215) 881-4941 (215) 635-7492 (Fax)

Cheltenham Elementary School
7853 Front Street
Cheltenham, PA 19012

(215) 517-4400 (215) 635-7548 (Fax)

Glenside Elementary School
400 Harrison Avenue
Glenside, PA 19038

(215) 881-6440 (215) 886-6797 (Fax)

Myers Elementary School
7609 Montgomery Avenue
Elkins Park, PA 19027

(215) 517-4540 (215) 517-4543 (Fax)

Wyncote Elementary School (Modular)
8149 New Second Street
Elkins Park, PA 19027

(215) 517-4601 (215) 885-7613 (Fax)

**SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP
Elkins Park, PA 19027**

Consultants and Advisors

Independent Auditors

Maillie, Falconiero & Company, LLP
Certified Public Accountants & Business Counselors
P.O. Box 680
Oaks, PA 19456-0680

Legal Counsel

Wisler Pearlstine, LLP
Blue Bell Executive Campus
460 Norristown Road, Suite 110
Blue Bell, PA 19422-2323

Financial Advisors for Most Recent Bond Issue

Public Financial Management, Inc.
One Keystone Plaza, Suite 300
N. Front & Market Streets
Harrisburg, PA 17101-2044

SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP

ADMINISTRATION BUILDING

2000 Ashbourne Road • Elkins Park, PA 19027-1100 • 215-886-9500 • Fax: 215-884-6929

Natalie Thomas, Ph.D., Superintendent
Michael J. Lowe, Ed.D., Assistant Superintendent
Matthew J. Malinowski, Director of Business Affairs

June 10, 2014

Board of School Directors

School District of Cheltenham Township

2000 Ashbourne Road

Elkins Park, PA 19027

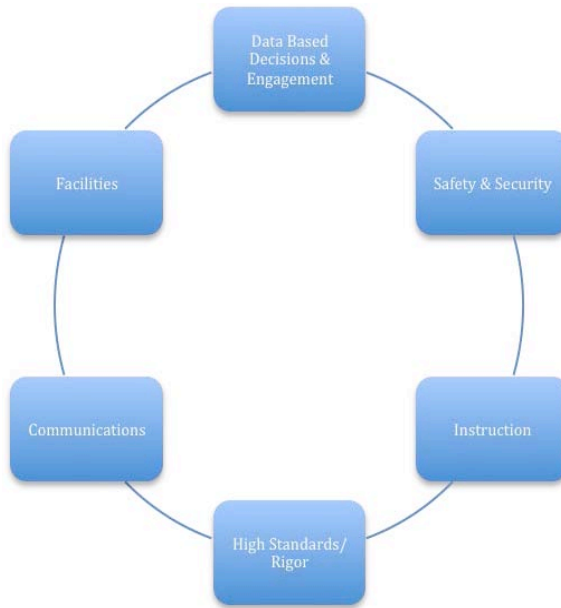
Dear School Directors:

Attached please find the final operating budget for the 2014-15 fiscal year for the School District of Cheltenham Township. The District Superintendent and the Director of Business Affairs, to the extent possible, assume responsibility for data accuracy and completeness. This budget presents both the District's financial and operations plans, concomitant with all necessary disclosures.

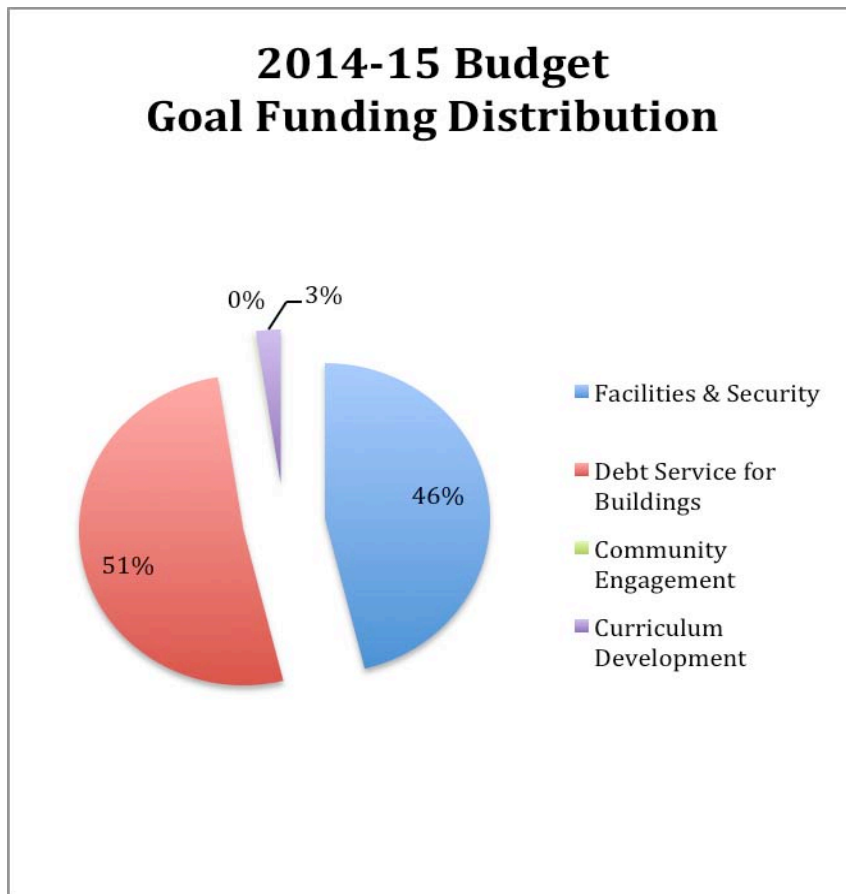
Budget Presentation

The School District of Cheltenham Township strategically budgets an annual spending plan, which provides quality instruction and educational programs for all students while managing the District's resources in a prudent manner. The development, review and consideration of the 2014-15 final general fund budget was completed with a detailed review of every revenue and expenditure item within the context of the District's mission statement, strategic plan, annual goals, and financial policies.

The district's goals which were a significant driving force in the development of the 2014-15 budget are below.



The budget includes \$517,815 towards the district goals which is distributed among the goal areas as follows:



A comparison of goal funding in 2014-15 to the 2013-14 budget year notes an increase in funding for debt service (construction of Wyncote Elementary) and curriculum and instruction which aligns to the districts implementation of common core and the state mandated teacher effectiveness initiative.

The following pages contain budget information as prepared for the Board of School Directors and our community. We welcome the opportunity to present and discuss operational plans and the related financial impact with all interested parties. Interaction among vested constituencies has focused on operational and programmatic improvements aimed at providing a quality education to the students of the School District of Cheltenham Township.

The primary purpose in the presentation of data related to the budget is to maximize the quality of information to our community relative to the District's educational programs and services for the 2014-2015 fiscal year, which is the basis for this financial support plan. The material in the budget document includes information that has been proposed by the Board Members of the School District, district administration, community members, and staff.

Mission Statement, Goals, and Strategic Plan

The *MISSION* of the School District of Cheltenham Township is as follows:

The mission of the School District of Cheltenham Township is to draw on its cultural richness, creativity, and tradition of scholastic excellence, the School District of Cheltenham Township strives to nurture each child through a wealth of academic endeavors and community partnerships that provide the skills and vision needed to lead a productive and meaningful life beyond our classroom walls.

Five Year Plan

During the fall of 2010, the school board and administration developed an extensive five year plan which charts a direction for the school district. The plan is bulleted below and is updated each year:

- Education Goals
 - Promote and support high achievement for each student.
 - Eliminate the Achievement Gap.
 - Eliminate systemic barriers to student achievement.

- Recruit, develop, retain, and promote highly effective teachers.
- Financial and Operations Goals
 - Ensure the future viability of the District by providing for the effective, efficient utilization of District facilities and resources through prudent creative investing, pursuit of alternate revenue sources, and striving to balance expenditures with revenues.
 - Use opportunities and resources to effectively support district and school priorities towards maintaining standards of excellence in all areas.
 - Continue supporting district values and learning goals to build and carry out a sustainable plan for financing, building, human, instructional, operational, and technical resources that enables our learning goals and is responsive to student and school needs.
- Technology Goals
 - Develop a five year computer replacement plan.
 - Design and implement 21st Century Classrooms which allow controlled access through a variety of technology mediums.
- Communication Goals
 - Increase community awareness of SDCT educational programming, extracurricular activities, awards, and accomplishments through small and large forms of visual advertisement.
 - Improve communication to internal and external constituents.
- Office of Human Resources
 - Position the District for optimal high performance in all operational areas by establishing a state-of-the-art Department of Human Resources, based on the principle that a highly effective workforce is one which maximizes learning opportunities for all students.
 - Use opportunities and resources to effectively support district and school personnel in promoting standards of excellence in all areas of staff performance.
 - Continue supporting district values and learning goals by refining and improving upon recruitment efforts in order to attract and retain a workforce which reflects the diversity of students and community which we serve.
 - Maintain a status of labor relations which optimizes high performance in all operational areas.
- Special Education and Pupil Services

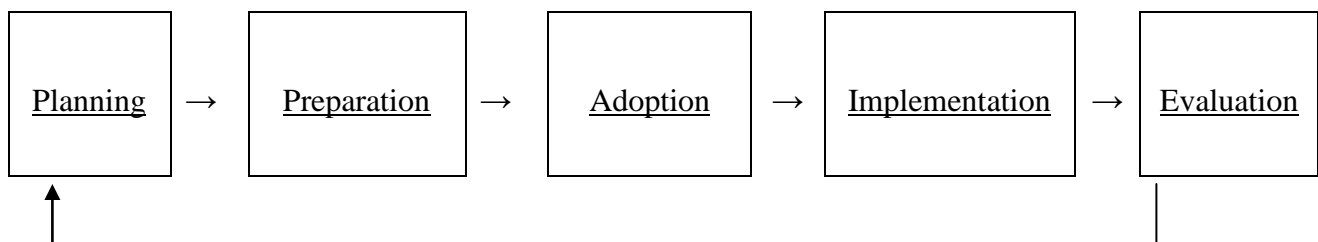
- Establish district-wide understanding of Special Education, including co-teaching and inclusion.
- Increase programs for students with IEPs that are offered and administered by the District.
- Enhance school culture and climate to support student success in all district schools.
- Improve student services to support the academic, social, emotional, behavioral, and physical needs of all students.
- Increase academic performance of students with IEPs.
- Facilities Operations
 - Address a sequence of projects each year which address significant flaws in electrical, mechanical, plumbing, and other general maintenance areas.

Strategic Goals

In the fall of 2007, the district conducted a summative assessment and developed a new strategic plan effective in 2008. The current district strategic plan was finalized in September of 2008. During the spring of 2011, the School District of Cheltenham Township underwent a midpoint review of the strategic plan. Recommendations and adjustments from this review are incorporated into the 2014-15 budget. The district is currently updating the comprehensive plan for 2015-16.

Budget Process and Allocation of Resources

The District engages in a comprehensive budget development process that is comprised of five phases: planning, preparation, adoption, implementation, and evaluation. The budget process is driven by two (2) primary objectives that include providing every child in the District with an appropriate educational program while maximizing the utilization of available resources.



The budget planning process is initiated in September prior to the beginning of the fiscal year when the Director of Business Affairs develops the budget calendar. The budget calendar includes all important activities in the budgeting process, the dates on which seminal financial decisions are scheduled to be made, and the person(s) responsible for providing input. These budget preparatory steps and related processes provide the Board of School Directors and targeted staff with input into the budget process (and thus a vested interest in budget preparation). The *preparation* of the budget is the process of defining service levels to include the course offerings, student enrollment projections concomitant with the allocation of District resources to address staffing needs while estimating expenditures to support programs and services in a fiscally sound fashion.

Effective with the 2011-2012 budget, buildings and departments began to develop their budgets from a point of need. There are no allocations or minimum increases. All expenditures must be based on quotes and/or anticipated needs justified during the development process. Budgets go through a variety of reviews, which include peer review and discussion, review with supervisors and directors, and finally review by the Superintendent's cabinet. The same process is followed relative to a review of any reductions in a particular year.

The preliminary budget for the District was submitted to the Board in January for their collective review and input. Following the January meeting, the Board considers public input and comment on the financial plan to fund the District's educational programs and related services. Preliminary adoption occurred in February. During February, March, and April, the school district held a committee meeting and budget workshops to inform the public about the budget and solicit input. In May a budget hearing was held prior to the final proposed budget adoption in May to solicit public input. The final *adoption* of the budget occurs in June. The *implementation* of the approved financial plan is accomplished through the established budgetary and management procedures. Budget administration and management is the process of regulating expenditures throughout the fiscal year to ensure that spending does not exceed authorized amounts and that designated funds are used for intended, proper, and legal purposes. The management of the budget is accomplished in a variety of ways: monitoring program implementation; controlling expenditures; tracking revenue receipts; making corrections in expenditure allocations to reflect cost fluctuations, service levels or plans; and reporting to the Board and public on fiscal operations.

The final step in the budget process is the *evaluation* of the financial plan. The administration of operational expenditures for the year are set forth annually in the District’s Year-End Audit, Award Winning Comprehensive Annual Financial Report and Annual Financial Report filed with the PA Department of Education.

This rigorous budgeting process ensures that taxpayers’ monies are expended in a fiscally responsible fashion, with the goal of achieving the District’s mission.

District Initiatives

The challenges facing district administration in developing the 2014-15 budget included addressing staffing needs, educational program mandates, and the facility requirements of the District with a projected enrollment of 4,481 students for the 2014-15 school term as per projections compiled by the Pennsylvania Department of Education.

In order to plan for the facility needs of the District, the School Board completed a district wide Facility Study culminating in May 2010 with an effort to study the capacity needed to accommodate the student population, the educational program requirements required for the delivery of services, and the infrastructure of existing facilities. The district is currently updating this plan.

2014-2015 Building Enrollment

Grade	2010-11	2011-12	2012-13	2013-14	2014-15
K-4	1,558	1,627	1,632	1,694	1,536
5-6	708	655	653	706	723
7-8	685	717	732	690	687
9-12	1,449	1,453	1,451	1,475	1,535
Total	4,400	4,452	4,468	4,565	4,481

The above chart represents enrollment comparisons for the past five years. Enrollment trends indicate enrollment is projected to remain relatively consistent.

The forecast of enrollments provide the assumption on which all allocations for building budgets are formulated and staff resources are determined. The District projects enrollments based upon available information from the Pennsylvania Department of Education, live birth records, and census information in consultation with an enrollment projection report prepared in January 2014.

Personnel Resource Changes

	2010-11	2011-12	2012-13	2013-14	2014-15
Professional	391	417	414	420	418
Classified Staff	285	288	275	274	270
Total	676	705	689	684	688

Changes in enrollment or program needs such as in special services may result in adjustments to the actual staffing levels for 2014-15; however, no significant reductions or increases are projected.

Summary of Budgets for All Funds

The following budgets are included in the District's finance and operations plan. All governmental funds, including the General Fund Budget, the Capital Projects Fund Budget, the Capital Reserve Fund, the Enterprise Fund, and the Food Service Fund.

The following schedules present a comparison of the proposed expenditures for all Governmental and Enterprise Fund budgets for the current and prior year.

Total Budgets for All Government Funds

Fund	Budget 2013-14	Budget 2014-15	% Change
General Fund	\$ 98,243,472	\$102,396,712	4.23%
Capital Projects Fund	\$ 15,000,000	\$ 27,010,795	80.07%
Total Governmental Fund Expenditures	\$113,243,472	\$129,407,507	14.27%

Enterprise Fund	Budget 2012-13	Budget 2014-15	% Change
Food Service Fund	\$ 1,788,430	\$ 1,862,126	4.12%

The District's Food Service Fund (enterprise fund type) is primarily funded through the sale of meals. The District also receives both state and federal financial support for the Food Service operations in the form of donated commodities and cash subsidies. Despite the uncertainty of this funding source given the discussions at the national level, the District has not changed assumptions about the operation of the School Lunch program. Accordingly, federal sources of revenue to support the operation of the School Lunch program are included in the proposed Enterprise Fund budget. The proposed 2014-2015 Food Service budget will not require an increase in lunch price; however, it will self-sustain operations and meet federal pricing guidelines.

It is important to note that Pennsylvania School Code does not require the adoption of a food service budget; however, the District adopts one to ensure program needs are met with no general operating contribution.

Analysis of Proposed Budget – General (Operating) Fund

The General (Operating) Fund is intended to finance instructional programs and daily operations which support those programs. The education of students is a labor-intensive enterprise that is reflected in the personnel costs. The workforce of the District is determined by the staffing policies and guidelines of the Board on the basis of projected student enrollment and curriculum requirements. Personnel costs are based on conditions of employment established by collective bargaining agreements. The current agreement between the District and the Business Employees' Council (BEC) is set to expire on June 30, 2015. The Cheltenham Educators' Association (CEA) agreement will expire on June 30, 2016. For the 2014-2015 fiscal year, salaries are budgeted to consume 47% of total expenditures in the General (Operating) Fund and, consistent with prior years, accounts for the largest part of the operating budget. Total salaries are projected to increase \$109,355 or .23%, which provides additional budgeted monies for professional staff. Support staff salaries will not increase and the budget for administrator salaries will not increase.

For 2014-2015, the total budget for benefits is projected to increase 14.6% or \$3,026,747. It is important to note that the Pennsylvania Public School Employees' Retirement System (PSERS) contributions (mandated by state law) will increase in 2014-15 from 16.93% to 21.31%. The District receives medical contributions from all staff to offset a portion of the overall medical costs. Medical insurance is projected to increase by 7.19% while prescription rates will remain the same since 2010. Other budgets in this category do not increase for 2014-15.

Purchased professional and technical services are those services such as legal, tax collection, curriculum improvement and instructional services and special education placement costs. This category is projected to decrease by (\$106,359) or (2.30%).

Purchased property services are projected to increase \$66,167 or 3.71%. These expenditures are predominantly for services to operate, repair and maintain property used by the district and are driven by needs identified by the Office of Support Services.

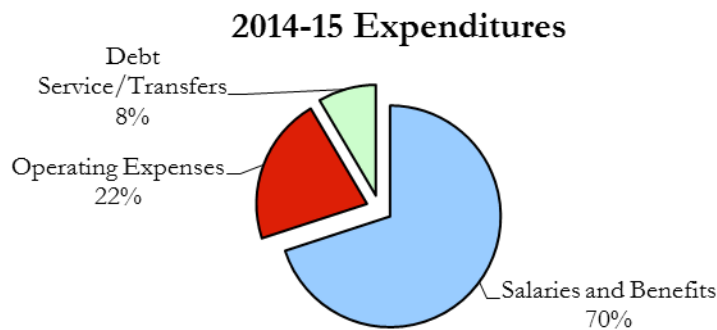
Other purchased services to include tuition at approved private schools, charter schools and vocational-technical education at Eastern Center for Arts and Technology are projected to increase by \$845,580 or 7.69%. This significant increase is the result of student placement costs, transportation, and charter school costs.

The District's total supply and equipment expenditures are projected to increase by \$452,244 or 18.12% for supplies and 17.66% for equipment. The driver of this reduction is a result of expenditures to include supplies and equipment to support district goals.

The District's total debt service is projected at this point to decrease by approximately (\$255,000). This decrease is a result of strategically timing refundings and new debt issues associated with the completion of construction of Wyncote Elementary School. Due to accounting requirements, funds are in both debt and other financing sources. Additionally, the district budgets a budget reserve.

A summary schedule of operating expenditures by object (expenditure category) is presented below:

Object	Budget 2013-14	Budget 2014-15	% Change
Salaries & Benefits	\$ 68,743,389	\$ 71,879,491	4.56 %
Operating Expenses	\$ 21,145,083	\$ 22,417,221	6.02%
Debt Service & Other Financing	\$ 8,355,000	\$ 8,100,000	(3.05%)
Total General Fund Expenditures	\$ 98,243,472	\$102,396,712	4.23%



2014-2015 Expenditure Reductions

At the time of the final budget there were no program reductions proposed in the final 2014-15 budget. Final staffing and expenditures are subject to enrollment and program needs.

Analysis of Proposed Budget – Enterprise Fund

Revenue to support the food service program is principally derived from the sale of food products to the students and faculty of the District during the school day. The food service program also currently receives state and federal support in the form of cash and commodities. Food service operations are projected to be self-supporting and will, therefore, not require a contribution from the General Fund in the 2014-15 fiscal year.

Capital Project Fund

The Capital Project Fund for 2014-15 includes funds for the completion of Wyncote Elementary School. Additionally, there are funds reserved for needs in existing buildings to include Cheltenham High School, Cedarbrook Middle School, and the Elkins Park School.

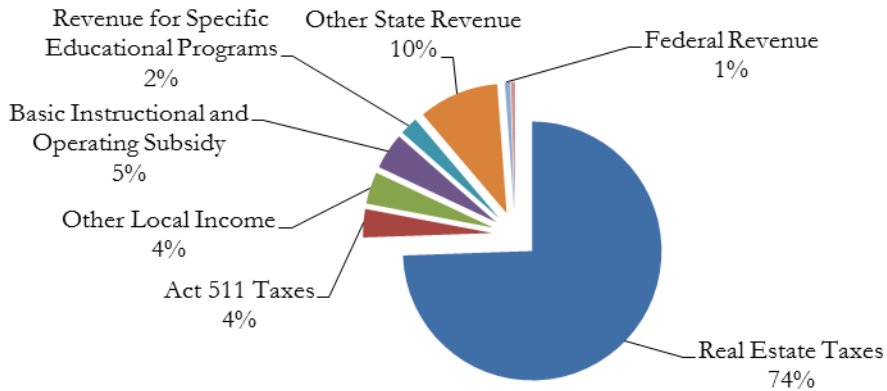
Resources to Support Operations

Programs and services included in the General Fund Budget are primarily supported by local and state sources of revenue. A comparison of revenue sources to support operations for the current and proposed General Fund Budgets are presented below:

<u>Revenue Sources</u>	<u>Budget 2013-14</u>	<u>Budget 2013-14</u>	<u>% Change</u>
Local Sources*	\$ 80,536,738	\$ 81,889,844	1.68%
State Sources	\$ 16,553,733	\$ 18,348,233	10.84%
Federal Sources	\$ 653,000	\$ 644,000	(1.32%)
Other	\$ 500,000	\$ 1,514,635	202.93%
Total General Fund Revenue	\$ 98,243,471	\$102,396,712	4.23%

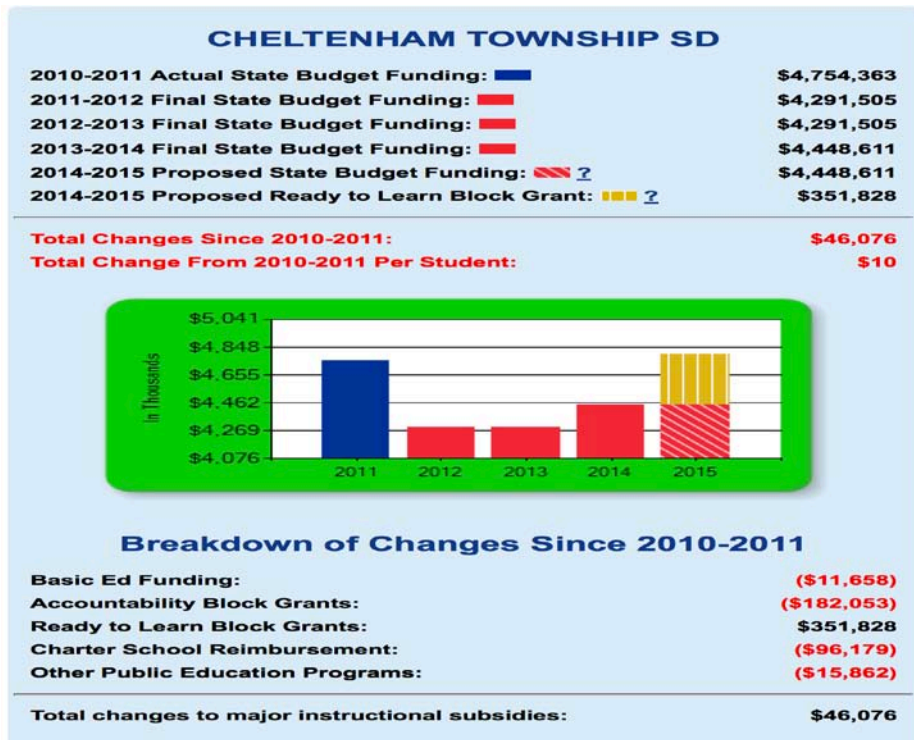
Financial support for District operated programs and services are increasingly derived from local sources of revenue, primarily the property tax. The following graph presents the sources of revenue to support the proposed operating budget.

2014-15 Revenues



The local sources of revenue to support the operations budget represent 82% of total available funds. Of this amount, the largest source of revenue available to the District is the property tax that is derived from current, interim, and delinquent real estate tax payments. Above is a graph that presents the various sources of local revenue included in the proposed budget to support General Fund operations for the 2014-15 fiscal year.

State Funding



Historically, there has been substantial shift in the burden of funding the District’s educational programs and services from the State to the local level. This shift in burden abrogates the historical partnership between the local community and State government for the education of students in public schools. The trend has also been accompanied by an increasing number of unfunded State mandates, particularly in the areas of special education and student assessment. The chart above demonstrates state funding since 2010-11 to the district. Total funding over the five year period is \$46,076 or an increase of \$10 per student.

Overall, State sources of revenue are projected to increase for next year predominantly for the state’s share of PSERS. There is no additional support for such mandated expenditures as special education or school construction.

Although federal sources of revenue do not represent a significant revenue source to the District for the general operating budget, funding is projected to decrease federal revenues from \$653,000 in 2013-2014 to \$644,000 in 2014-2015. This reduction is the result of reduced Medicaid funding.

Assessed Value

The estimated assessed value for the 2014-15 fiscal year is \$1,867,279,597

ANALYSIS OF REAL ESTATE MILLAGE OVER THE PAST TEN YEARS

	Actual 04-05 Fiscal Year	Actual 05-06 Fiscal Year	Actual 06-07 Fiscal Year	Actual 07-08 Fiscal Year	Actual 08-09 Fiscal Year	Actual 09-10 Fiscal Year	Actual 10-11 Fiscal Year	Actual 11-12 Fiscal Year	Actual 12-13 Fiscal Year	Actual 13-14 Fiscal Year	Proposed 14-15 Fiscal Year
Millage Rate	28.384	30.55	32.651	35.422	37.25	39.24	41.60	41.60	41.60	42.3072	43.6856
Millage Increase	1.414	2.166	2.101	2.771	1.828	1.99	2.36	-0-	-0-	.7072	1.3784

Act 1 of 2006

In a Special Legislative Session in 2006, the Pennsylvania State Legislature approved Act 1 which was intended to provide tax reform for school communities in a number of ways. First, it was intended to require local school boards to research and provide their communities with the option of shifting taxes from real estate to an income base. If a switch was to be made, part of that change was to gauge the preference of the community for an earned income tax base or a personal income tax base.

Additionally, Act 1 limited the ability of school districts to increase millage rates above an inflationary percentage called an ‘index’. This index is set annually each year by the State. If a school system requires millage rates above this index to balance their budget, one of two choices must be made. Either the school must submit a request to the State to have additional millage approved as an exception to the limit, or they must have the higher rate approved through a referendum vote in the community during the Primary Election. Finally, Act 1 enables schools to reduce their real estate taxes through ‘homestead exclusions’ to rebate gambling money back to residents who own and live in their homes. Our community voted against the tax shift from property taxes to income based taxes, but we are still bound by the index limitation on our annual millage increase.

Index Limit

For the 2014-15 Budget, our index limit is 2.1% over the 2013-14 real estate tax rate of 42.3072 mills plus approved exceptions. The maximum tax rate is 43.6856 mills. The School District of Cheltenham Township Board of School Directors developed a budget which requires the index plus exception for PSERS.

Number of Properties

During the past year, the number of taxable properties on the tax duplicate has remained relatively stable at approximately 10,858 properties.

Unemployment

Job growth in Montgomery County remains stable with an unemployment rate of 5.3% in March 2014 (down from 7.2% in February 2013), Pennsylvania unemployment rate is 6% for March 2014 (down from 8.4% for February 2013). Major employers in the region include public and private service, education, and government (information quoted from paworkstats.state.pa.us).

Budget Projection

A summary of the school district’s budget projection is presented below:

Revenues

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
Real Estate Taxes	72,765,899	72,582,338	71,974,139	73,142,438	74,196,844	76,455,541	79,187,055	82,178,101
Act 511 Taxes	3,437,651	3,530,464	4,022,356	3,470,300	3,918,000	4,004,196	4,092,288	4,182,319
Other Local Income	5,172,488	4,887,960	4,113,033	3,924,000	3,775,000	3,859,870	3,947,381	4,036,972
Basic Instructional and Operating Subsidy	3,709,455	4,504,524	4,372,303	4,447,000	4,450,540	4,535,751	4,622,666	4,711,319
Revenue for Specific Educational Programs	2,394,407	2,394,407	2,299,047	2,244,407	2,244,407	2,244,407	2,244,407	2,244,407
Other State Revenue	8,276,614	8,296,683	9,392,900	9,862,326	11,653,286	13,230,534	14,053,706	14,561,986
Federal Revenue	1,865,817	783,168	788,786	653,000	644,000	658,168	672,648	687,446
Other Financing Sources	-	-	-	500,001	1,514,635	1,514,635	1,514,635	1,514,635
TOTAL REVENUES	97,640,081	97,009,998	96,962,564	98,243,472	102,396,712	106,503,102	110,334,785	114,117,185

Expenditures

	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
100 - Salaries	47,377,519	45,309,173	45,020,098	48,007,642	48,116,997	47,011,491	47,485,876	48,473,756
200 - Benefits	15,591,720	15,784,151	18,795,138	20,735,747	23,762,494	26,429,195	28,620,911	30,479,809
300 - Purchased Professional & Technical Serv	5,871,230	4,860,015	4,994,644	4,621,265	4,514,906	4,614,234	4,715,747	4,819,494
400 - Purchased Property Services	1,878,519	1,756,009	1,690,719	1,785,803	1,851,970	1,892,713	1,934,353	1,976,909
500 - Other Purchased Services	11,383,484	10,420,214	9,796,584	10,996,340	11,841,920	12,101,488	12,366,767	12,637,881
600 - Supplies	2,395,744	2,314,913	1,818,811	2,187,558	2,583,982	2,600,350	2,617,078	2,634,174
700 - Property	865,756	764,834	1,123,687	316,136	371,956	371,956	371,956	371,956
800 - Other Objects	1,464,611	472,013	711,665	8,637,981	8,652,487	1,262,442	1,272,615	1,283,013
900 - Other Financing Uses	8,272,459	13,757,956	11,035,152	955,000	700,000	8,740,589	10,440,941	11,039,471
TOTAL EXPENDITURES	95,051,041	95,439,228	94,985,499	98,243,472	102,396,712	105,024,459	109,826,245	113,665,962

Net Operating Expenditures	-	-	1,976,066	-	-	1,478,643	508,540	451,223
Committed Fund Balance for PSERS	4,500,000	5,000,000	5,000,000	4,500,000	3,500,000	2,500,000	1,500,000	500,000
Assigned to Self Insurance		1,500,000	865,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Assigned to Building Projects			1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Assigned to Budget			900,000					
Unassigned Fund Balance								
Beginning of Year	3,072,190	2,225,631	3,304,028	3,304,028	3,304,028	3,304,028	4,782,671	5,291,212
End of Year	3,072,190	2,225,631	3,304,028	3,304,028	3,304,028	4,782,671	5,291,212	5,742,434

These projections and assumptions are included later in the budget document. To summarize these assumptions, the projections assume slight local tax revenue growth, but no other revenue increases beyond state reimbursement for retirement and social security costs, current staffing and expenditure levels, benefit growth at actuarial assumptions and debt service for Wyncote Elementary School and other projects to include Cedarbrook Middle School.

Student Performance Measurements

The District determines success of its educational mission through the measurement of student achievement. Competency in basic skills such as reading, writing, and mathematics, along with performance on standardized achievement tests are some of the tools used to measure the quality of education provided in the School District of Cheltenham Township.

The No Child Left Behind Act and the State of Pennsylvania's accountability system have placed unfunded mandates in the area of school performance in relationship to every student's achievement. Every student is to meet the same achievement objectives by 2014, regardless of the individual student's

ability level. Every school is expected to show continuous academic growth in all subgroups of students. Improvement is driven and measured in several instructional areas, such as special education, limited English proficiency, remediation, enrichment, and instructional strategies for poverty students. A school that does not meet or achieve adequate yearly progress (AYP) toward its growth target or subgroup performance will enter into school improvement.

A summary of the School District of Cheltenham Township’s Performance Profile for fall of 2013 is below.

District Overall Results

Areas of Highest Strengths	Science		Math		Reading		Writing	
	Achieve	Growth	Achieve	Growth	Achieve	Growth	Achieve	Growth
*CHS					▲			
CBK		▲	▲	▲	▲			
EP						▲		
WE	▲		▲	▲	**▲	▲		
ME	▲		▲	▲	**▲	▲		
GE		▲	▲	▲	**▲			
CE	▲		▲	▲	▲	▲		

*Growth data not available
**Grade 3 Reading

26

Areas of Highest Need of Growth	Science		Math		Reading		Writing	
	Achieve	Growth	Achieve	Growth	Achieve	Growth	Achieve	Growth
*CHS	▼							
CBK	▼						▼	▼
EP				▼			▼	▼
WE								
ME		▼						
GE						▼		
CE								

*Growth data not available
**Grade 3 Reading

27

★ > 100
▲ 90-100
▲ 80-89.9
■ 70-79.9
▼ 60-89.9
▼ < 60
■ Not Applicable (NA)
■ Insufficient Sample (IS)

County-Comparison

The following chart provides comparison data for the school districts that comprise Montgomery County. It is important to take note that the information presented are significant factors that impact a particular school district's operational costs. The factors presented below include the districts WADM (weighted average daily membership) which is a state calculation of enrollment, the market value of real estate in the district, the market value per child, the personal income for the district and personal income per child.

DISTRICT	2011-12 DIST. WADM	2011 MARKET VALUE	DIST. M/V PER WADM	M/V AID RATIO	2011 PERSONAL INCOME	DIST. PI WADM	PI AID RATIO	MV/PI AID RATIO
ABINGTON	8,815,349	5,169,835,178	536,458	0.2299	\$2,008,601,899	\$227,832	0.2400	0.2339
BRYN ATHYN	21,119	168,644,308	7,985,430	0.1000	68,534,578	3,245,182	0.1000	0.1500
CHELTENHAM	5,368,917	2,801,144,929	521,733	0.3149	1,092,322,093	203,452	0.3214	0.3174
COLONIAL	5,585,603	6,240,951,036	1,117,328	0.1000	1,888,948,271	338,181	0.1000	0.1500
HATBORO-HORSHAM	5,805,498	3,822,263,762	658,386	0.1354	1,187,203,050	204,496	0.3179	0.2083
JENKINTOWN	739,671	428,027,699	578,673	0.2401	248,859,510	336,446	0.1000	0.1840
LOWER MERION	8,484,227	12,162,531,059	1,433,546	0.1000	6,369,182,425	750,708	0.1000	0.1500
LOWER MORELAND	2,543,470	1,602,209,400	629,930	0.1728	623,195,407	245,017	0.1827	0.1766
METHACTON	6,052,740	3,773,238,699	623,393	0.1814	1,392,645,615	230,085	0.3325	0.2018
NORRISTOWN	8,670,136	3,971,715,160	458,091	0.3985	1,516,704,696	174,934	0.4165	0.4057
NORTH PENN	14,577,788	10,003,288,153	686,200	0.1000	3,169,633,627	217,428	0.2748	0.1699
PERKIOMEN VALLEY	6,865,162	3,000,004,280	436,989	0.4262	1,184,392,457	172,522	0.4246	0.4255
POTTSGROVE	3,930,902	1,452,035,239	369,389	0.5149	534,090,235	135,869	0.5468	0.5276
POTTSTOWN	3,665,543	1,010,306,755	275,622	0.6381	372,044,566	101,497	0.6615	0.6474
SOUDERTON	7,862,474	4,032,546,831	512,885	0.3265	1,446,188,081	183,935	0.3865	0.3505
SPRINGFIELD	2,555,075	1,926,658,628	754,051	0.1000	858,262,485	335,905	0.1000	0.1500
SPRING-FORD	9,014,249	5,371,715,075	595,913	0.2175	1,672,321,914	185,519	0.3812	0.2829
UPPER DUBLIN	5,043,531	3,416,968,596	677,495	0.1103	1,282,261,924	254,238	0.1520	0.1500
UPPER MERION	4,481,642	4,905,513,013	1,094,579	0.1000	1,331,896,540	297,202	0.1000	0.1500
UPPER MORELAND	3,580,969	2,164,147,280	604,346	0.2064	672,010,453	187,661	0.3741	0.2734
UPPER PERKIOMEN	3,829,262	1,674,385,386	437,260	0.4258	553,770,493	144,615	0.5176	0.4624
WISSAHICKON	5,261,620	5,425,081,813	1,031,066	0.1000	2,155,345,461	409,635	0.1000	0.1500
I. U. TOTALS	122,754,847	\$84,523,212,279	\$22,068,763		\$31,628,465,780	\$8,582,359		

The market value/personal income ratio or MV/PI is utilized in the calculation of not only the basic education subsidy received from the Pennsylvania Department of Education but also in the calculation of the Act 1 index which limits the annual real estate tax index without applying for either exceptions from PDE or voter referendum. The lower the MV/PI, the wealthier a district. A factor of .15 is the lowest factor which indicates a wealthy district and .99 would be the highest factor indicating a poorer school district.

Acknowledgements

We appreciate the fiscal support provided by the School District School of Cheltenham Township Board of School Directors and the Community for development, implementation, and maintenance of an appropriate educational program for the children of the District.

ORGANIZATIONAL SECTION

MISSION

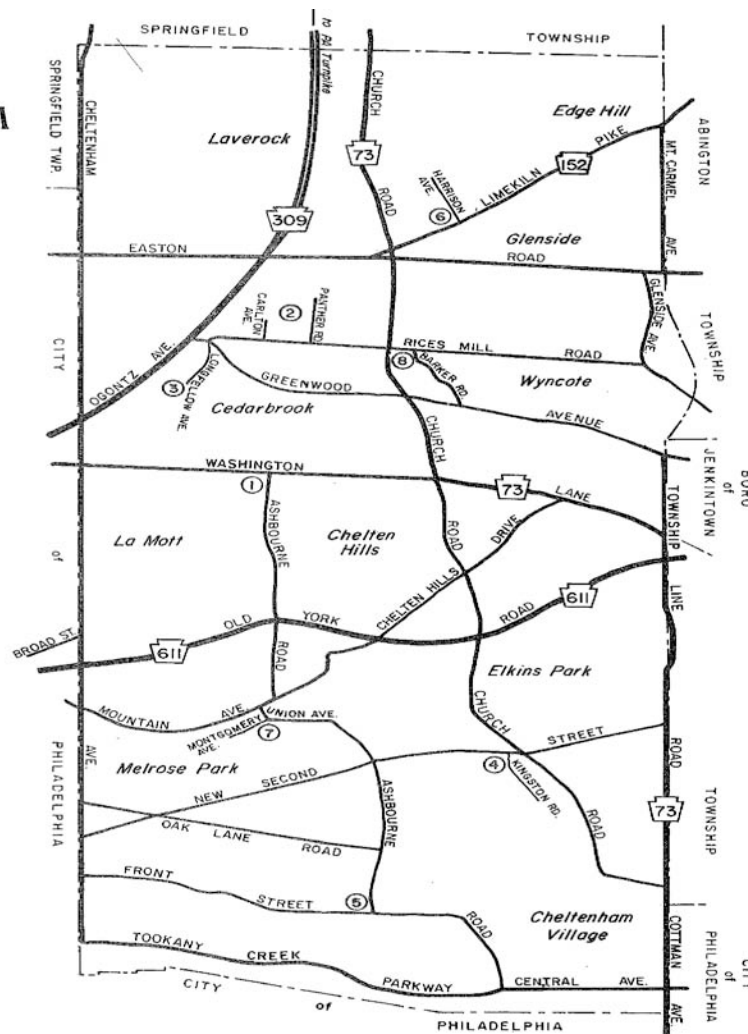
The **MISSION** of the School District of Cheltenham Township is as follows: drawing on its cultural richness, creativity, and tradition of scholastic excellence, the School District of Cheltenham Township strives to nurture each child through a wealth of academic endeavors and community partnerships that provide the skills and vision needed to lead a productive and meaningful life beyond our classroom walls.

LOCATION

The School District is located in the residential suburbs bordering the City of Philadelphia, Pennsylvania. Its boundaries are coterminous with those of the Township of Cheltenham, Pennsylvania, which is located in the County of Montgomery, Pennsylvania directly north of Philadelphia and covers an area of 8.8 square miles. The School District is bound on the west by the Township of Springfield and on the north by the Township of Abington and the Borough of Jenkintown. Included in the School District are the following unincorporated communities: Cedarbrook, Edge Hills, LaMott, Ogontz, Elkins Park, Cheltenham, Laverock, Rowland Park, Glenside, Cheltenham Hills, Melrose Park, and Wyncote. The 2000 Census indicates that the population served by the School District was approximately 36,875.

SCHOOL DISTRICT of CHELTENHAM TOWNSHIP

- ① Administration Building
- ② Cheltenham High School
- ③ Cedarbrook Middle School
- ④ Elkins Park School
- ⑤ Cheltenham Elementary School
- ⑥ Glenside Elementary School
- ⑦ Myers Elementary School
- ⑧ Wyncote Elementary School



COMMUNITY

The School District is primarily residential in character with approximately 85% of the community consisting of private homes. There is a representative number of commercial establishments for a residential area and a few manufacturing concerns. The School District is home to many professionals who are employed in Center City Philadelphia which is easily accessible by the Southeastern Pennsylvania Transportation Authority’s mass transportation system.

EXPLANATION OF THE SCHOOL ENTITY

The School District operates a high school, middle school, a grade 5-6 building, and four k-4 elementary schools. The grades housed, pupil capacity, and the date of construction is as follows:

Building	Original Construction Date	Addition/Renovation Date	Grades	Rated Pupil Capacity	2013-14 Enrollment
Elementary:					
Cheltenham	2013	---	K-4	600	434
Glenside	2011	---	K-4	550	493
Myers	1922	1967/2009	K-4	500	350
Wyncote	1948	1996/1997	K-4	450	417
Elkins Park	1953	1990/2000	5-6	878	706
Secondary:					
Cedarbrook Middle	1970	---	7-8	943	690
Cheltenham High	1959	1967/1999	9-12	1,530	1,475

The District is a political subdivision of the Commonwealth created to assist in the administration of the General Assembly’s duties under the Constitution of Pennsylvania to “provide for the maintenance and support of a thorough and efficient system of public education to serve the needs of the Commonwealth”. The District is governed by a board of nine School Directors who are residents of the School District and who are elected every two years, on a staggered basis, for a four-year term. The Directors serve on the Board without compensation. The Board of School Directors has the power and duty to establish, equip, furnish, and maintain a sufficient number of elementary, secondary, and other schools necessary to educate every person residing in the District between the ages of six and twenty-one years.

The Superintendent is the chief administrative officer and chief instructional officer of the District and is responsible for the administration and operation of the public school system. He/she oversees all matters pertaining to instruction. The Superintendent manages the District with the assistance of members of Cabinet which includes the Assistant Superintendent, Director of Business Affairs, Director of Support Services, Director of Human Resources, Director of Special Education, Director of Education, Director of Communications and Development and the Building Principals. The District is a legally autonomous and fiscally independent entity under the laws of Pennsylvania. The laws of Pennsylvania give the District corporate powers that distinguish it as a legally separate entity from the Commonwealth of Pennsylvania and any of its political subdivisions. The District has the power to determine its budget; to approve and modify that budget; to levy taxes, set rates and establish charges, and issue bonded debt. The powers may be exercised without substantive approval by another government.

The District is subject to the general oversight of the Pennsylvania Department of Education on matters that are relevant to the determination of fiscal independence. The oversight generally includes an approval process that is compliance oriented and is more ministerial than substantive in nature.

STRATEGIC PLANNING

The Public School Code of 1949 (24 P. S. § 26-2603-B) dictates the strategic planning process for each school district in Pennsylvania. This process is detailed below.

Every school district shall develop and file with the Department a strategic plan once every 6 years and review that plan for revision at the mid-point according to an implementation schedule developed by the Department. The Department will notify each school district, by letter, of the due date for submission of the school district's plan to the Department at least 1 calendar year prior to its due date. A school district plan must incorporate appropriate components of the plan submitted under subsection by the area vocational-technical school in which the district participates. In the development of a strategic plan, a school district will, upon request, receive technical assistance from the Department

The strategic plan must be based upon an analysis of internal and external needs, leading to the specifications of priorities for action and action plans. The plan must include the following components in addition to others the school district determines to include:

- (1) A mission statement.
- (2) A listing of the school district's educational and organizational goals as they relate to student achievement and high school graduation requirements.
- (3) A description of academic standards for student achievement.
- (4) The planned instruction to be offered and the instructional and assessment practices to be used to strive for the academic goals and attain academic standards.
- (5) An assessment plan to determine the degree to which students are achieving academic standards including descriptions of methods and measures used to determine achievement, how information from the assessments shall be used to assist students who have not demonstrated attainment of the academic standards at a proficient level or higher and how information from the assessments shall be made available to the public.
- (6) A plan for improving students' achievement, including specific, measurable goals for student growth and plans that are designed to attain students' achievement goals. Achievement goals must demonstrate a connection to the academic standards.
- (7) The professional development plan and the induction plan.
- (8) A description of the school district's organization and organizational goals and their relationship to differing student needs within the school district's goals and the attainment of academic standards.

- (9) A description of the professional personnel, school library, classroom and other resources the school district plans to devote to the attainment of academic standards.
- (10) A brief description of the process used to develop the strategic plan, including a list of persons involved in its development.
- (11) A plan for additional instructional opportunities for students not achieving at the proficient level including identification procedures, alternate instructional strategies, monitoring of assessment procedures and opportunities for extended learning time.

Strategic plans, the 6-year plan, mid-term review report, annual updates and other revisions to the plan, shall be developed through active participation by parents, students, school directors, teachers, school administrators, other school personnel and business and community representatives. Teacher representatives shall be chosen by teachers and administrative representatives shall be chosen by the administrative personnel; and school director representatives shall be chosen by the board of the school district.

Prior to its approval by the Board of School Directors, the strategic plan and revisions of it shall be made available for public inspection in the school district's offices, on the school district's web site and nearest public library until the next regularly scheduled board meeting or a minimum of 28 days whichever comes first. The plan shall be filed with the Department after it is recommended by the school superintendent of record or chief executive officer and is approved by the school district's board of directors or. If the board of directors or trustees alters the proposed strategic plan developed it shall consult with the committee which developed it to reach the greatest possible consensus prior to its submission and include any minority report which is developed.

A locally approved strategic plan shall remain in effect until it is superseded by a locally approved revision or a new strategic plan is developed.

FIVE YEAR PLAN

The Board of School Directors approved the following five year plan for all departmental areas of the school district in the fall of 2010. The plan is constantly under review and was considered in the development of the budgets which will be presented in the financial section.

Mission:

Drawing on its cultural richness, creativity, and tradition of scholastic excellence, the School District of Cheltenham Township strives to nurture the whole child through academic and community partnerships that provide the skills and vision he or she requires to lead a productive and meaningful life in the world beyond the classroom walls.

Vision:

We have articulated a clear connection between the classroom and the world that will:

- inspire our students to develop principled and knowledgeable responses to the local, national, and global challenges of the 21st century;
- actively engage parents in their children's intellectual, social, and moral education;

- encourage faculty and staff to continually broaden the web of connections between their academic disciplines and the world on which they depend;
- stimulate dynamic leadership of building and district administrators; and
- create partnerships with community individuals, institutions, organizations, and businesses that model real-world connections for all students.

Shared Values:

1. We treat others the way we want to be treated.
2. We do what is legally, ethically and morally right.
3. We support people who make honest mistakes so they are will to take risks.
4. We listen to what others say to enlarge our understanding and engage open communication.
5. We understand all children have assets and can learn.
6. We recognize education is a partnership between the parent, child, school, and community.
7. We speak with care and without fear.
8. We are honest and respectful to self and others.
9. We understand the correlation between the clarity of our expectations and the success of others in meeting them.
10. We work for the common good.

School District of Cheltenham Township
Five Year Plan
2012 through 2017

Office of Education

Education Goals:

1. Promote and support high achievement for each student
 - 1.1 Continue to develop and refine CCSS (standards-based) planned course outlines for all subject areas with learning goals that go beyond the standards required by the state (ongoing)
 - 1.1 Use Pennsylvania’s Standards Aligned System (SAS) when appropriate to further develop standards-based curriculums (2013)
 - 1.2 Develop and implement culturally responsive instructional strategies (ongoing):
Courageous Conversations
 - 1.3 Improve communications to students and parents of student progress through adoption of proficiency-based reporting system (2013-2014)
 - 1.4 Use data to base curricular and instructional decisions (ongoing)
 - 1.4.1 Use DIBELS in K-2 grades for early response to reading problems (2012)
 - 1.4.2 Create data management system for gifted student records (ongoing)
 - 1.5 Meet the individual instructional needs of each student (ongoing)
 - 1.5.1 Use Response to Instruction and Intervention (RtII) model for instruction (ongoing)
 - 1.5.1.1 Create and facilitate a district-wide implementation team to formulate appropriate criteria, interventions and timelines for RtII implementation (2013)

- 1.5.1.2 Create RtII implementation team at each school to ensure proper facilitation of RtII Program (2013)
 - 1.5.2 Create Virtual School within CHS (2014)
 - 1.5.3 Restructure World Language Program to allow credit-worthy instruction at Elkins Park and Cedarbrook Schools allowing students to enter high school at higher levels of languages (2013)
 - 1.5.4 Develop system for assessing and tracking student skill levels and fluency in basic math facts (pilot 2012; implement fall 2013)
 - 1.5.5 Increase use of differentiated instruction as an instructional strategy (ongoing)
Pretesting and compacting: In-room resources for project-based learning
 - 1.5.6 Encourage and listen to student voice (ongoing)
 - 1.6 Use technology to enrich and support student learning
 - 1.6.1 Expand use of online instructional tools whenever appropriate (ongoing)
 - 1.6.2 Expand professional abilities to use available data to assist with instructional decisions (ongoing)
 - 1.6.2.1 Improve K-12 articulation for instruction in the areas of Writing, Research and Grammar (2012)
 - 1.6.3 Upgrade each classroom to a smart room (SmartBoard, Computer Carts, Instant Response System, appropriate hand held technologies) (goal to complete by 2014)
 - 1.6.4 Develop online portfolio system for students with GIEPs to demonstrate learning & monitor growth (pilot 2013-14; pilot for all students 2015-16)
 - 1.7 Expand opportunities for mentorships and internships within and beyond district (2013)
 - 1.7.1 Publish a list of these opportunities to help student accessibility to these opportunities (2013)
 - 1.8 Continue to expand the arts responding to student interest within budgetary constraints (ongoing)
 - 1.9 Expand partnerships with institutes of higher learning (ongoing)
 - 1.9.1 Continue to develop partnerships for dual enrollment (ongoing)
 - 1.9.2 Create mutually beneficial programs with teacher training institutions (i.e., student teacher/tutoring agreements) (ongoing)
 - 1.9.2.1 Develop partnerships with Arcadia University to host pre-service student teachers and student teachers who will have year-long assignment in district schools
 - 1.9.3 Through ongoing dialogue update curriculum and teaching practices to reflect changing prerequisites for success at institutes of higher learning (ongoing)
 - 1.10 Continue to facilitate 5 year cycle of new instructional materials (ongoing)
 - 1.11 Create a bridge between SDCT and local pre-K programs to share curricular goals and best teaching practices (2014)
 - 1.11.1 Survey parents of current students for pre-school aged siblings to create an on-going database of incoming students (2013)
 - 1.12 Continue to create opportunities for Project-Based Learning to promote student-centered learning and enhance critical thinking and use of technology skills to be measured by continued increase in PSSA scores, SAT scores, and increased enrollment in AP courses (ongoing)
2. Eliminate the Achievement Gap
- 2.1 Increase number and quality of communications to parents to include notification of student benchmark scores whenever below proficient (2012)

- 2.1.1 The SDCT in conjunction with UPG will present an annual report on the present status of this goal. The report will include academic and nonacademic benchmarks to help gauge the progress of eliminating achievement gaps (ongoing)
 - 2.2 Provide effective assistance for struggling students (ongoing)
 - 2.2.1 Ensure early identification of students through use of benchmark and state testing, teacher and parent referral, and other available data and online supports (ongoing)
 - 2.2.2 Expanded opportunities for extending the school day and school year
 - 2.2.2.1 Implement after school/Saturday programs for students at all schools (ongoing)
 - 2.2.2.2 Broaden educational opportunities during summer months for secondary students (2017)
 - 2.2.2.2.1 Support will be provided to students who may have financial difficulty paying for summer school using grants and waivers (2017)
 - 2.2.3 Create yearly *Student Success Plan* for every student not scoring proficiently on state testing (2013)
 - 2.3 Encourage and nurture conversations between successful and struggling students, older and younger students and graduates and current students to help students stay focused on what is important in their educational process (2013)
3. Eliminate systemic barriers to student achievement
- 3.1 Enhance school culture and climate to support student success in all district schools (ongoing)
 - 3.2 Ensure equity in student access to gifted services and in implementation of the gifted program (ongoing)
 - 3.2.1 Revise and implement improved Gifted Screening Process (2013)
 - 3.3 Increase opportunities to accelerate math (ongoing)
 - 3.3.1 Adopt District acceleration policy (2014)
 - 3.4 Expand universal acceleration in K-12 while maintaining a strong honors and advanced placement programs (ongoing)
 - 3.5 Continue to develop and expand an effective ESL program as needed (ongoing)
4. Recruit, develop, retain, and promote highly effective teachers
- 4.1 Provide quality, targeted professional development aligned with *Strategic Plan* and *Five Year Plan* goals, while also encouraging the development of Professional Learning Communities (PLC's) (ongoing) – funding from Title 2
 - 4.2 Provide opportunities for professional growth through sharing of best practices found within the District (2013)
 - 4.2.1 Implement internal Team Meetings (grade level, content and cross-school) to promote a collaborative working environment, improve learning at all levels and coordinate vertical planning (ongoing)
 - 4.2.2 Provide opportunities for teachers to observe teachers in their school and other schools in the District (ongoing)
 - 4.3 Provide training for classroom and core-content teachers to develop skills necessary to be an effective teacher of reading (2011-2013)
 - 4.4 Recruit and retain a highly effective and diverse instructional staff (ongoing)
 - 4.5 Target parents and residents to become involved in a sustainable, mutually beneficial volunteer program (ongoing)

Associated Costs with Goals – Costs listed are approximations and may vary from year to year

2012-2013

- Facilitators \$20,000
- Young Playwrights - \$16,000
- DIBELS – \$2,000
- Differentiated Instruction - \$5,000

2013-2014

- Young Playwrights - \$17,500
- DIBELS – \$2,500
- Restructure World Language Program - \$50,000
- K and Pre-K – Maintaining database \$500/year; materials for parents \$3,000
- AP books - \$20,000/year
- Benchmark Testing - \$128,000
- Portfolios - \$7,500 gifted only

2014-2015

- Young Playwrights - \$17,500
- DIBELS – \$2,500
- World Language - \$25,000/year
- K-4 Social Studies Program - \$175,000
- Portfolios - \$7,500 gifted only

2015-2016

- Young Playwrights - \$17,500
- DIBELS – \$2,500
- Portfolios - \$10,000

2016-2017

- Young Playwrights - \$17,500
- DIBELS – \$3,000
- Bridging K programs with pre-K - \$700
- K and Pre-K – Maintaining database \$500/year; materials for parents \$3,000
- Portfolios - \$10,000

Office of Special Education

Special Education Goals

1. Establish district-wide understanding of Special Education, including co-teaching and inclusion
 - 1.1 Develop a culture of inclusion within the district as evidenced by an increase in the number of general education classrooms that include students with IEPs (yearly)
 - 1.2 Percentage of students with disabilities educated outside of the general education classroom for more than 60% of the school day will be at or below 8% (or lower based on State Performance Plan target) (yearly)
 - 1.3 Percentage of students with disabilities educated inside the general education classroom for more than 80% of the school day will be at or above 70% (or higher based on State Performance Plan target) (yearly)
2. Increase programs for students with IEPs that are offered and administered by the District

- 2.1 Assess effectiveness of District life skills program and plan for any changes (yearly)
- 2.2. Develop District-run K-12 program to support students with autism
 - 2.2.1 Evaluate costs, cost-effectiveness and sustainability of district-run programs for students with autism (June, 2013)
 - 2.2.2 Identify structure of program and need for classroom space to support programs (June, 2013)
 - 2.2.3 Plan for supports including staff, plan for supervision and training needed for programs at each level (June, 2013)
 - 2.2.4 Open District-run classes for students with autism (Sept., 2013 and 2014)
 - 2.2.5 Assess program effectiveness and plan for any changes (yearly)
- 2.3. Develop District-run life skills program focusing on vocational training and transition to adult life for 18-21 year old students (June, 2014)
 - 2.3.1 Evaluate costs, cost-effectiveness and sustainability of district-run 18-21 year old transition program (June, 2014)
 - 2.3.2 Identify structure of transition program and site for program (June, 2014)
 - 2.3.3 Develop class “businesses” to support the goals of the program (June, 2014)
 - 2.3.4 Develop community partnerships with local businesses to support the program (June, 2014)
 - 2.3.5 Develop community work sites (June, 2014)
 - 2.3.6 Open district-run life skills transition program for 18-21 year old students with IEPs (September, 2014)
 - 2.3.7 Assess program effectiveness and plan for any changes (yearly)
3. Enhance school culture and climate to support student success in all district schools
 - 3.1 Provide training and implementation of Restorative Practices in grades K through 12 (yearly)
 - 3.2 Develop system to evaluate effectiveness of program through indicators including number of discipline referrals, stakeholders’ surveys and increased academic performance (2012-2016)
 - 3.3 Implement Olweus Bully Prevention Program in Grades K through 12
 - 3.3.1 Provide training for administrators, guidance counselors and school psychologists (2011-2013)
 - 3.3.2 Develop Plan for training of staff in grades K-12 (2011-2013)
 - 3.3.3 Complete training of staff in grades K-12 (2011-2014)
 - 3.3.4 Provide overview of Olweus program for parents / community (2011-2014)
 - 3.3.5 Development of building-specific plans for implementation (2011-2015)
 - 3.3.6 Provide training for any new staff (yearly)
 - 3.3.7 Implementation of program in all schools (2011-2015)
 - 3.3.8 Collection of data regarding reported incidences of bullying with review and revision of program based on data (yearly)
4. Improve student services to support the academic, social, emotional, behavioral and physical needs of all students
 - 4.1 Implementation of a comprehensive K-12 guidance program
 - 4.1.1 Analysis of current research and best practices in the delivery of guidance services (yearly)
 - 4.1.2 Creation of Guidance/Career Center at CHS to assist students with post-secondary planning (2012-2013)
 - 4.2 Facilitate the return of students from placement outside of public school to district schools and programs as evidenced by no more than 4% of students with disabilities receiving their

education in settings outside of public school (or lower based on the yearly State Performance Plan Target) (yearly)

4.3 The graduation rate for students with disabilities will be 100%. (yearly)

4.4 Fewer than 8% of students with disabilities will be suspended out of school on a yearly basis.

5. Increase academic performance of students with IEPs

5.1 Students with disabilities will demonstrate increased educational results in Reading, Mathematics and Science as outlined in the PA academic standards as evidenced by a 10% increase in the percentage of students with disabilities performing at proficient or advanced levels each year (at each grade level tested) until 100% of students are scoring proficient or advanced. (baseline 2010 PSSA scores) (yearly)

5.2 100% of students with disabilities will participate in the appropriate state assessments (PSSA, PSSA-M, PASA). (yearly)

Associated Costs with Goals – Costs listed are approximations

1. Establish district-wide understanding of Special Education, including co-teaching and inclusion. No costs associated with this goal. Ongoing professional development within the district will occur to support this goal (no need for a paid facilitator for professional development in this area).
2. Increase programs for students with IEPs that are offered and administered by the District
2013 - Costs for district-run autistic support programs include staff (3 teachers, 6 program paraeducators, 5 one-to-one paraeducators, supplies, community-based instruction costs - \$550,000. Savings include current costs of services for 26 students - \$1,260,000
2014- Costs for the formation of the Transition Program for 18-21 year old students receiving life skills support include rental of classroom space, staff including one teacher and 2 paraeducators (the teacher and one paraeducator will be transferred from the high school program and one new paraeducator position), purchase of a van for community-based instruction and work experience, furniture, supplies, and start-up-costs - \$230,000 less the positions that already are budgeted for to \$130,000. Plan includes funding \$100,000 through ACCESS
3. Enhance school culture and climate. Cost of Olweus training - \$10,000 per school for a total of \$60,000 (Elkins Park School and Cheltenham Elementary School are receiving training during the current school year through a grant)
4. Improve student services to support needs of all students Cost of Guidance/Career Center - \$25,000 (room improvements, furniture, supplies)
5. Increase academic performance of students with IEPs. There are no additional costs associated with this goal. Materials and technology were purchased using AARA funds.

Office of Technology

Technology Goals

1. Develop a five year computer replacement plan
 - 1.1 Analyze budget and annual needs to facilitate a replacement scheme.
 - 1.1.1 A realistic plan should include a 20% annual replacement cycle. (2012-2017)
 - 1.1.2 Variables to consider when developing the budget include average replacement costs, anticipated upgrade costs, funds for unanticipated new equipment, and funds for new faculty and staff.
 - 1.1.3 Investigate refurbished computers versus new computers. COMPLETED
 - 1.1.4 Variables to consider when purchasing refurbished equipment are warranty, physical condition and customer support.

- 1.2 Any successful technology replacement scheme must take into account the need for individuals to have the necessary computing power.
 - 1.2.1 An evaluation of local power available for computer and laptop deployment needs to be determined before distributing computers and laptops. (2012-17) ONGOING
 - 1.2.2 Work with the facilities department to determine power requirements for computer equipment. (2012-2017) ONGOING
- 1.3 Evaluate staffing and procedure to deploy computer equipment in an efficient time frame.
 - 1.3.1 Develop procedure for image cloning on Mac and Windows based computer systems. COMPLETED (Utilized Open Source Software)
 - 1.3.2 Provide training to in-house staff on image cloning procedure. (2012-2017) ONGOING
 - 1.3.3 Work with computer manufacturer or reseller to handle part or all of the computer image preparation.
2. Design and implement 21st Century Classrooms
 - 2.1 Ensure all classrooms are technologically ready to meet the demands of 21st Century Learners.
 - 2.1.1 Deploy interactive whiteboards as replacements for traditional whiteboards or flipcharts. They provide ways to show students anything that can be presented on a computer's desktop. (2012-2017) (All classrooms will be completed by 2017)
 - 2.1.2 Provide interconnectivity between LCD projectors and the district's closed circuit cable television system to eliminate the need for televisions in the classroom. LCD projectors also work in conjunction with interactive whiteboards to display educational content from classroom computers. (2012-2017)
 - 2.1.3 Use laptops, netbooks, instant response systems, smart phones and iPads to drive classroom instruction. These devices allow students to upload assignments to teachers, collaborate with students and answer questions in real time. (2012-2017)
 - 2.1.4 Use digital technology and communication tools to access, manage, integrate and evaluate information; Construct new knowledge; Communicate with others effectively. (2012-2017)
3. Deploy Digital Student Portfolios
 - 3.1 Digital Portfolio software organizes student files, videos and projects the student is currently working on or has recently completed. (2012-2013) (Use My Big Campus Free Solution)
 - 3.1.1 This software can showcase samples of the student's best work during their academic career. (2012-2017) (Edmodo & Google Apps)
 - 3.1.2 Students will be able to access important documents on the local school district network or at home. (2012-2017)
 - 3.2 A Storage Area Network SAN provides a cost-effective, easy-to manage, highly scalable, and highly available storage environment for use with home directories. COMPLETED
 - 3.2.1 The storage area network is the home location for all content saved by students and staff.
 - 3.2.2 Digital portfolio software interfaces with the storage area network.
 - 3.2.3 Hardware and software faults can automatically be detected and provide immediate failover with little to no downtime.
4. Provide controlled network access to staff and student personal devices
 - 4.1 Provide controlled network access to staff and student personal devices (2012-2017)

- 4.1.1 Devices include laptops, cell phones, iPods, iPads, and other portable technology.
- 4.1.2 Trend in technology is towards portable/mobile devices over fixed/desktop devices. (2012-2017)
- 4.1.3 Some districts are allowing students to utilize their personal devices in the classroom as a tool for learning.
- 4.1.4 This will require the board policies and administrative regulations pertaining to staff and student acceptable use of technology to be updated.
- 4.1.5 Teachers will also need to adapt to this new way of utilizing technology in the classroom.

- 4.2 Allowing personal devices on the district's network has the potential for disrupting network services. (2013-2017)
 - 4.2.1 Personal devices may not have necessary anti-virus software or the latest security updates installed and could potentially contain viruses or other types of malware.
 - 4.2.2 An infected device may spread the malware to other devices on the network to which it is connected.
 - 4.2.3 A personal device may have software installed that may flood the network with non-critical traffic, slowing down or preventing the use of the network for legitimate purposes.
 - 4.2.4 While connecting personal devices, staff might not connect network cabling properly, creating network issues.
- 4.3 Ensure the security and stability of the district's network, a network access control (NAC) system needs to be implemented. (2013-2014)
 - 4.3.1 Network access control allows the technology department to control what devices are allowed access to the network.
 - 4.3.2 When a new device is connected, it will be required to go through a series of tests to ensure that it is safe to use on the network. The user will also be required to register the device with their name, which allows each device to be associated with a specific person.
 - 4.3.3 Once a device is registered, it will be allowed onto a specific portion of the network, determined by what user registered the device.
 - 4.3.4 If a personal device creates an issue on the network, it can be identified and completely cutoff from the network.

- 5. Automate data communications from the district student information system to instruction and benchmarking applications.
 - 5.1 Determine if current instructional and benchmarking applications support SIF framework. (2012-2017) ONGOING
 - 5.1.1 SIF stands for student information friendly
 - 5.1.2 Standards-based SIF architecture facilitates easy integration between SIF-enabled applications within a customer site, such as between the PowerSchool and library or transportation management systems.
 - 5.1.3 At the foundation of any SIF deployment is a Zone Integration Server (ZIS)
 - 5.1.4 A zone integration server is an invisible courier that reliably delivers information from one source to one or more destinations.

Associated Costs with Goals – Costs listed are approximations

- 1. Computer replacement plan – estimated cost \$250,000... after completion savings of \$125,000

2. Design and implement 21st Century classrooms – estimated cost \$125,000
3. Digital student portfolios with Edmodo & Google Apps – Free
4. Security/Stability/Access to personal devices – estimated My Big Campus - \$50,000
5. Automated data communications – \$25,000

Office of Human Resources

Human Resources Goals

1. Position the District for optimal high performance in all operational areas by establishing a state-of-the-art Department of Human Resources, based on the principle that a highly effective workforce is one which maximizes learning opportunities for all students.
 - 1.1. Working within the realities of the July 2010 through June 2015 budgets as well as collective bargaining agreements and Act 93 agreement for administrators, create, modify and/or improve procedures and practices which support the outcome of a highly effective workforce (July 2010-August 2011).
 - 1.1.1 Evaluate and initiate process and procedures which improve efficiency and communications.
This includes but is not limited to:
 - Paperless application process
 - Pre-employment intake
 - Change in employment status
 - Leaves of absence
 - Course pre-approval; course reimbursement (electronic processing)
 - Exiting employees (electronic exit survey)
 - Flow of HR based information
 - 1.1.2 As position vacancies occur and no job descriptions exist, create same.
 - 1.2 Continue to optimize HR Database to align with Payroll and Benefits platform, which is Pentamation

2. Use opportunities and resources to effectively support district and school personnel in promoting standards of excellence in all areas of staff performance.
 - 2.1. Provide Professional Development to front line supervisors and other administrators on public school district personnel topics and other performance areas. Use external expertise to support PD (July 2010-June 2015).
 - 2.2. Audit regularly daily attendance of staff in order to support administrators who are handling chronic absenteeism, tardiness or possible misuse of paid time-off. (July 2010 – June 2015)
 - 2.2.1 Successful conversion to using Kelly Services for attendance tracking
 - 2.2.2 Successful migration of substitute custodians to Kelly Services
 - 2.3. Take active role in PASBO PASPA and EPASPA organizations; attend professional development workshops which support positioning the district as a leader in human resources management. (July 2011 – June 2015)

3. Continue supporting district values and learning goals by refining and improving upon recruitment efforts in order to attract and retain a workforce, which reflects the diversity of students and community which we serve.
 - 3.1.1. Participate in DVMSAC Recruitment and Retention Task Force (July 2011 – forward)
 - 3.1.2. Participate in other Job Fairs, with a focus on early identification and follow-up with qualified candidates of color. (July 2011 – forward)

- 3.1.3. Develop rubric for salary placement of new professional hires as of 7/1/2013. Obtain CEA support.
- 3.1.4. Facilitate the hiring process related to vacancies in key areas with a goal to attract and retain new leadership of the highest caliber, including but not limited to:
 - Superintendent
 - Myers Principal (handled)
 - Director of Education
 - Anticipated - Director of Special Education, Supervisor of Special Education
- 4. Continue supporting district values and learning goals by promoting a relationship of respect, equity and high accountability for all staff.
 - 4.1.1. Initiate issuance of “how to” and friendly reminder communications from HR to district staff. (July 2010 – forward)
 - 4.1.2. Join staff meetings in school and individual departments, when appropriate. (September 2010 – forward)
- 5. Maintain a status of labor relations which optimizes high performance in all operational areas.
 - 5.1. Implement the new BEC July 2012 – June 2015 BEC contract with a goal to negotiate, in conjunction with the board, a fiscally responsible renewal for July 2015 forward.
 - 5.2. Implement the current July 2011 – June 2014 CEA contract with a goal to negotiate, in conjunction with the board, a fiscally responsible renewal for July 2014 forward.
 - 5.3. Implement the current July 2013 – June 2016 CASSA Agreement.

Associated Costs with Goals – Costs listed are approximations

- 1. High performance in all operational areas – estimated cost \$7,500 - \$12,500 included in technology budget
- 2. Staff Performance – estimated cost \$1,500
- 3. Recruitment – estimated costs \$20,000
- 4. Support District – No Cost
- 5. Labor relations – estimated costs \$5,000

Office of Communications and Development

Communication Goals

- 1. Develop Social Marketing Campaign
 - 1.1. Hold Social Marketing Task Force Meetings
 - 1.1.1 Develop social marketing team
 - 1.1.2 Recreate District motto
 - 1.1.3 Develop guiding principles to support new motto
 - 1.1.4 Empower social marketing team members with “sound bite” messaging
- 2. Increase community awareness of SDCT educational programming, extracurricular activities, awards, and accomplishments through small and large forms of visual advertisement
 - 2.1 Continually utilize high-visibility signage, Township billboard, site-base marquees, Channel 42, SDCT Web Spotlight / News features, media coverage (print and television) (2012-2017)
- 3. Support Superintendent in developing and maintaining highly effective systems for stakeholder communications
 - 3.1 Promote face to face superintendent- stakeholder meetings (Initiate Oct 2012)

- 3.2 Facilitate district-wide recognitions and celebrations (2012-2017)
- 3.3 Develop and promote monthly video blog on topical issues
- 4. Improve quality of parent communications_
 - 4.1 Systemize and support building-level newsletters to parents (2012-2017)
 - 4.2 Systemize, streamline, and support mass mailings to parents (2012-2017)
 - 4.3 Utilize School Messenger as site-based parent communication tool (November 2012 – 2017)
 - 4.4 Utilize List Serve as highly-effective site-based and district-wide parent communication tool with 100% participation goal by 2017 (2012-2017)
- 5. Expand and Support Usage of Channel 42 to include regular programming that showcases educational Initiatives and benefits community
 - 5.1 Initiate broadcast of “In the Classroom” educational show (November 2012-2017)
 - 5.2 Establish a “State of the Schools” news report delivered twice a year on Channel 42 (2013-2017)
 - 5.3 Present ongoing public service announcements (2012-2017)
 - 5.4 Support health and wellness programming (2012-2017)
- 6. Improve Quality of External Communication Systems
 - 6.1 Strengthen communication with local senior citizen, civic, religious, business, realtor, Township, and legislative groups (2012-2017)
 - 6.1.1 Attend stakeholder meetings to distribute and collect information (2012-2017)
 - 6.1.2 Develop formal, ongoing program for facility tours (Sept 2014 – 2017)...pending completion of Wyncote project
 - 6.1.3 Utilize stakeholder communication system (i.e.; bulletins, list serves) to get District news out to public (2012-2017)
 - 6.1.4 Include outside stakeholder groups in pertinent site-based and district-wide mailings (2012 -2017)
 - 6.1.5 Provide pertinent communication to key leaders (2012-2017)
 - 6.2 Provide regular informative print pieces for stakeholder benefit (2012-2017)
 - 6.2.1 Publish electronic quarterly District newsletter for staff and Community\ (September 2012 -2017)
 - 6.3 Develop ongoing, educational communication campaigns for critical /complex issues (2012-2017)
 - 6.3.1 Budget Communication (2012-2017)
 - 6.3.2 Contract Negotiation Communication (2012-2017)
 - 6.4 Utilize institutional-friendly social media tools as interactive communication system (2012-2017)
 - 6.5 Expand School Messenger as robust external messaging tool (2012-2017)
 - 6.5.1 district-level messages from superintendent (ongoing)
 - 6.5.2 site-level messages from principals (ongoing)
- 7. Improve Quality of Internal Communication Systems
 - 7.1 Provide ongoing training and support for staff on effective communication
 - 7.2 Develop and utilize annual communications surveys and host focus group sessions as assessment tools for communication objectives and customer satisfaction (2012– 2017)
 - 7.3 Assess current List Serve membership and strengthen system as robust

- 7.4 Utilize School Messenger as primary crisis communication with staff members (2012-2017)
- 8. Improve Usage of Crisis Communication Systems
 - 8.1 Co-Chair Development of Comprehensive District-Wide Crisis Manual (2012-2017)
 - 8.2 Co-Chair Development of Site-Based Crisis Manuals (2012 -2017)
 - 8.3 Utilize social networking tools to quickly/effectively alert/inform public (2012-2017)
 - 8.1.1 Facebook (2012-2017)
 - 8.1.2 Twitter (2012-2017)
- 9. Spearhead ongoing branding campaign to create unified “voice” for District
 - 9.1 Maximize visibility of images and statements that represent organizational values (2012-2017)
 - 9.1.1 District motto, logos, mascots, colors (2012-20167)
- 10. Support fundraising efforts with internal stakeholder groups that benefits educational programming and organizational goals
 - 10.1 Redesign Cheltenham Foundation as Fiscal Support System and Community Building Enterprise (2012 -2017)

Associated Costs with Goals – Costs listed are approximations

- 1. Develop Social Marketing Campaign – No Cost
- 2. Increase Community Awareness - \$3,500 annually
- 3. Support Superintendent developing and maintaining highly effective systems - \$1,500 annually
- 4. Improve quality of parent communications – No Cost
- 5. Expand and Support Usage of Channel 42 - \$1,000 annually
- 6. Improve Quality of External Communication Systems - \$1,000 annually
- 7. Improve Quality of Internal Communication Systems - No Cost
- 8. Improve Usage of Crisis Communication Systems - \$2,000 as needed
- 9. Spearhead ongoing branding campaign - \$2,500 annually
- 10. Support Fundraising efforts – \$500 annually

Office of Business Affairs

Business Affairs Goals

- 1. Ensure the future viability of the District by providing for the effective, efficient utilization of District facilities and resources through prudent creative investing, pursuit of alternate revenue sources, and striving to balance expenditures with revenues.
 - 1.2. Review operational expenditure areas through internal and external reviews to improve and evaluate performance (July 2012-June 2017)
 - 1.3. Evaluate and initiate process and procedures which improve efficiency and reduce costs
 - 1.3.1. Cross-train staff positions for improved service and coverage with absences (July 2013-August 2014)
 - 1.3.2. Increased participation in Joint Purchasing (July 2012-June 2017)
 - 1.3.3. Benchmarking Financial and Operational Areas to state and national standards (July 2012- June 2017)
 - 1.3.3.1. Review state data through PASA/PASBO initiative with the great city schools

- 1.3.3.2. Other Review of Operational Functions through benchmarking (July 2012 – June 2017)
 - 1.3.3.2.1. Implement results of Expenditure Reduction Analysts for supplies and insurance (July 1, 2012-June 30, 2013)
 - 1.3.3.2.2. Implement migration of banking from Fulton to PSDLAF which includes scanned deposits (July 1, 2012-June 30, 2013)
- 1.3.4. Competitive bidding (July 2012-June 2017)
 - 1.3.4.1. Develop and award RFP for transportation services (July 1, 2012-June 30, 2013)
 - 1.3.4.2. Develop and award RFP for food services (July 1, 2012-June 30, 2013)
- 2. Use opportunities and resources to effectively support district and school priorities towards maintaining standards of excellence in all areas.
 - 2.1. Obtain feedback from budget end users on process and update to reflect feedback (July 2012-June 2013)
 - 2.2. Provide professional development on staff processes related to budget (July 2012-June 2013)
 - 2.3. Implement data dashboard to improve communication on overall budget performance (June 2012-July 2013)
 - 2.4. Work with labor unions on implementation of SePast benefits committee
- 3. Continue supporting district values and learning goals to build and carry out a sustainable plan for financing, building, human, instructional, operational and technical resources that enables our learning goals and is responsive to student and school needs.
 - 3.1. Production of a Comprehensive Annual Financial Report (July 2012-August 2017)
 - 3.2. Production of an Annual Budget which exceeds National Standards (July 2012-August 2017)
 - 3.3. Provide funding mechanisms to provide resources for instructional goals (July 2012-June 2017)
 - 3.4. Support district reconfiguration discussions through providing financial information (July 1, 2012-June 30, 2013)
 - 3.5. Review feasibility of implementing “authority” for debt service (July 1, 2012-June 30, 2014)

Associated Costs with Goals

2012-13

- Reduction in Purchasing costs (\$25,0000 through joint purchasing)
- Reduction in operational costs due to improved bidding (\$18,500)
- Reduction in Transportation (\$300,000) through improved efficiencies

2013-2014

- Reduction in Transportation through improved efficiencies (\$200,000)

2014-2015

- No costs at this point in time
- Reduction in energy resulting from improvements (\$100,000)

2015-2016

- No costs at this point in time

2016-2017

- No costs at this point in time

Office of Support Services

Facilities Operations- Construction Projects in Progress 2011-2012	Construction Cost
<u>Cheltenham High School Electrical System</u> Repair and replace all electrical deficiencies such as wiring, electrical panel boards and junction boxes; survey of switchboards comparing feeder sizes with contract documents, and load analysis of all existing transformers 15k VA and larger.	\$350,000.00
<u>Little Theater Asbestos Removal</u> Remove Asbestos material from Cheltenham High School Little Theater	\$87,590.00
<u>Cheltenham Elementary School Project</u>	\$24,411,262.00
<i>Total Construction Cost</i>	<i>\$25,663,711.75</i>
Facilities Operation – Construction Project 2012-2013	
<u>Myers Elementary School Water Infiltration</u>	\$800,000.00
<u>Cheltenham High School High Voltage Electrical Project (New Project)</u> The ground around the man hole high voltage electrical area is extremely soft and unstable creating a safety hazard. The hole measured approximately 10 ft. by 6ft. in diameter and 8ft. deep	\$55,074.00 <i>(Completed)</i>
<u>Cheltenham High School Library Air Handler and Storm Water Inlet Repair (New Project)</u> Installed controllers, fan controls, VFD, outside air and return air dampers, actuators, chilled water valves and bypass VAV controls, pipe insulation, heating and cooling coils, sheet metal housing, interior duct work, air filters, insulation and chilled water insulation	\$183,900.00
<u>Myers Elementary School Sidewalk Replacement Project</u> Replace existing damage sidewalk and curbing and install new sidewalk and curbing	\$52,100.00
<u>Cheltenham High School Driveway and Subsidence</u> Remove the existing two inlets and manhole and install new inlets, sidewalk, curb and asphalt	\$58,000.00
<u>Cheltenham High School Jewelry Room HVAC Improvement</u> Install new ventilation hood system	\$50,000.00
<u>Cedarbrook Middle School Roof Project</u> Remove existing roof membrane. Install new copper façade and new roof membrane	\$217,000.00
<u>Cheltenham High School Little Theater Roof Replacement</u> Remove existing roof system and install new SBS modify asphalt roof system	\$500,000.00
<u>Cheltenham High School Cheltenham Elementary Modular Mold Remediation</u>	\$76,000.00 <i>(Completed)</i>
<i>Total Construction Cost</i>	<i>\$1,992,074.00</i>

Facilities Operations - Construction Projects 2013-2014	
<u>Wyncote Elementary School Project</u> Wyncote Elementary School construction project will start in June 2013. The existing 56,938 sq. ft. two story will be demolished and replaced with a newly constructed two story building on the same site.	\$25,000,000.00
<u>Cheltenham High School Auditorium Lighting</u> Install a new dimmer rack in the Auditorium	\$280,000.00
<u>Cheltenham High School HVAC Control System</u> Replace outdated ARC Network control technology with a new building automation control system.	\$200,000.00
<u>Cheltenham High School Door Replacement</u> The existing doors are damaged, and several doors need to be replaced	\$150,000.00
<u>Cheltenham High School Security Camera Installation</u>	\$120,000.00
<i>Total Construction Cost</i>	<i>\$25,750,000.00</i>
 <i>Facilities Operations - Construction Projects 2014-2015 Elkins Park School Projects</i>	
Remove asbestos mastic from ceiling tile in 44 classroom, storage rooms, hallways, offices, stage and multi-purpose room	\$330,000.00
Remove asbestos tiles throughout 44 classrooms ,offices, hallways	\$184,800.00
Abate all asbestos piping insulation and install new vinyl tile throughout the building	\$375,000.00
Remove all T-12 magnetic ballast and install new energy efficient light fixtures throughout the building.	\$480,000.00
Install new receptacle wiring panel	\$300,933.00
Install new Air Conditioning system for the entire building	\$5,000,000.00
Demolish existing built-up roof system (BUR) and replace with LEED multi-ply SBS Asphalt Roofing System	\$1,875,000.00
Install new boiler and piping	\$400,000.00
Install new control system	\$250,000.00
Remove existing generator and install new emergency generator	\$150,000.00
Replace existing clock System	\$150,311.00
Demolish / Replace classroom casework/classrooms original building, abate flex connectors and light reflectors	\$250,000.00
Install new Bleachers	\$55,000.00
Stage Lighting	\$126,500.00
Fire protection (Sprinkler system)	\$795,045.00
Remove oil tank	\$109,000.00
Install new drop ceiling	\$140,000.00
Replace 22 roof exhaust fans	\$66,000.00
Renovate 22 lavatories	\$2,250,000.00
Replace 108 existing windows	\$1,128,200.00
Install new generator	\$160,000.00

Replace ceiling tiles in cafeteria and Auditorium	\$120,000.00
Replace 3 transformers	\$500,000.00
<u>Elkins Park Middle School Fire Alarm System</u> Install new fire alarm system for the entire building	\$250,000.00
Contingency Cost	\$1,519,578.90
Professional Services (<i>Architectural, Engineer, Commissioning, Inspector</i>)	\$3,039,157.80
Construction Cost	\$15,195,789.00
Total Renovation Cost	\$35,200,314.70
Facilities Operations - Construction Projects 2015-2016 Cedarbrook Middle School Projects	
<u>Mechanical</u> All existing unit ventilators in classrooms will be replaced with water source heat pumps providing heating and cooling for each room. New RTUs will supply corridors and VAVs will supply administration areas. All supply and return piping and ductwork will be replaced as part of the project. Ductwork in the Auditorium and locker rooms will be cleaned and reused with new units to supply air to these spaces.	\$5,565,315.00
<u>Plumbing</u> All existing domestic water piping will be replaced with new copper piping. Low flow fixtures and faucets are intended to be eliminated from the scope depending on the cost	\$1,192,567.50
<u>Fire Protection</u> A full sprinkler system is intended to be installed	\$795,045.00
<u>Electrical</u> Existing lights will be replaced with high efficiency lighting and controls due to the ceiling being removed for HVAC work. Power will also be modified to supply new HVAC units	\$2,544,144
<u>Architectural</u> The existing ceiling will be replaced with new acoustical ceiling tiles due to access being needed for HVAC work. Closets will be constructed in each classroom to contain and isolate the water source heat pumps. These will be constructed of metal studs and gypsum wall board. Flooring will be patched where heat pump closets are constructed and where unit ventilators are removed. Minor casework will be removed to allow for the closets to be constructed. The base bid will include the replacement of the remaining metal ventilator shelving with plastic laminate casework and an alternate will reuse the existing metal shelving by adding the necessary end panels. Existing built-up and TPO roofs will be removed down to the existing gypsum and tectum decks and a new modified bitumen roof will be installed with new flashing and coping around perimeter. Exterior rusting door lintels will be replaced, unit ventilator louver openings in-filled with brick and control joint sealants replaced. The upper 2' of brick veneer around the gymnasium will be removed and replaced to prevent moisture from infiltrating the wall. Minor repairs will be made to portions of the brick wall on the 3 story wing of the building	\$3,608,856.63

<u>Cedarbrook Middle School Classroom Asbestos</u>	
Remove Asbestos tile from classrooms 102, 104A, 104B, 106, 108, 110A, 110B, 112, 114, 116A, 116B, 118, Administration offices and hallways	\$150,000.00
<u>Cedarbrook Middle School Auditorium</u>	
Remove friable asbestos insulation from the ceiling tiles and replace with sound proof ceiling tile material	\$250,000.00
Install new acoustically ceiling, carpet	\$290,000.00
New window walls	\$250,000.00
Site renovation work (ADA)	\$250,000.00
Painting	\$270,000.00
Contingency Cost	\$1,516,592.81
Professional Services (<i>Architectural, Engineer, Commissioning, Inspector</i>)	\$3,033,185.63
Construction Cost	\$15,165,928.13
Total Project Cost	\$34,881,634.70
Facilities Operations - Construction Projects 2016-2017 Cheltenham High School Projects	
Remove asbestos tile from mechanical rooms, electrical rooms, library, theaters, classrooms and storage area	\$220,000.00
The existing HVAC valves throughout the building are undersized and not holding properly. Replace all leaking valves	\$175,000.00
Replace 45 units ventilators throughout the building	\$1,350,000.00
Install new air conditioning system in gym area	\$350,000.00
Install chill water pipe system throughout the building	\$800,000.00
Install new HVAC pumps system	\$250,000.00
Install new A/C system in the Auditorium	\$310,000.00
Install new exhaust system in the lavatory area	\$75,000.00
Repair the structural interior and exterior cracks	\$160,000.00
Install new domestic water line to accommodate water pressure throughout the building	\$135,000.00
Repair, reline and refinish running track area	\$200,000.00
Repair 90 exterior doors	\$270,000.00
Repair 10 cafeteria doors	\$30,000.00
Repair existing windows and frames in gym area	\$50,000.00
Repairs are required at drainage catch basins	\$60,000.00
The asphalt walkways and parking lot are in poor condition. Replace all damage sidewalk and apply 2" asphalt coating to driveway and several area in the parking lot	\$150,000.00
Demolish existing built-up roof system (BUR) and replace with LEED multi-ply SBS Asphalt Roofing System	\$4,500,000.00
Repair/Replace Interior door	\$75,000.00
Install new sound proofing for the Little Theater	\$95,000.00
Install all new automatic flush valve throughout the building	\$50,000.00
Install 4 new sections new bleachers in the football area	\$200,000.00
Repair, sand, refinish and line the gym area	\$70,000.00

Repair elevator and install new pump system	\$20,000.00
Install new concrete curbing	\$150,000.00
Install new synthetic turf in the football field area	\$750,000.00
Repair and replace lavatory partitions, and fixtures	\$75,000.00
Install new security system	\$100,000.00
Install new air handler	\$900,000.00
Contingency Cost	\$1,157,000.00
Professional Services (<i>Architectural, Engineer, Commissioning, Inspector</i>)	\$2,314,000.00
Construction Cost	\$11,570,000.00
Total Project Cost	\$26,611,000

2013 -14 CHELTENHAM ACHIEVEMENTS

29 High School AP Courses: Most in Montgomery County...Recognized by Philadelphia Magazine, October 2012 for number of AP courses offered!

<i>AP Biology</i>	<i>AP Government & Politics: Comp.</i>	<i>AP Studio Art: 2-D Design (GP)</i>	<i>AP World History</i>
<i>AP Calculus (AB) and AP Calculus (BC)</i>	<i>AP Government & Politics: US</i>	<i>AP Studio Art: 3-D Design (GP)</i>	<i>AP European History</i>
<i>AP Chemistry and AP Comp. Science A</i>	<i>AP Macroeconomics</i>	<i>AP Studio Art: Drawing (GP)</i>	<i>AP French Language</i>
<i>AP English Language & Composition</i>	<i>AP Microeconomics</i>	<i>AP United States History</i>	<i>AP German Language</i>
	<i>AP Physics B</i>		<i>AP Human Geography</i>
<i>AP English Literature & Composition</i>	<i>AP Physics C: Electricity & Magnetism</i>	<i>AP Physics C: Mechanics</i>	<i>AP Music Theory</i>
<i>AP Environmental Science</i>	<i>AP Statistics (GP)</i>	<i>AP Psychology</i>	<i>AP Spanish Language</i>
		<i>AP Latin: Vergil</i>	

National Awards

- Cheltenham High School: 2012 Washington Post High School Challenge
- Cheltenham High School: 2011 Washington Post High School Challenge
- Cheltenham High School: 2010 *Newsweek* Magazine's "One of America's Best High Schools"
- Cedarbrook Middle School: 2010 PA Don Eichorn: Schools to Watch Award, first middle school in Montgomery County to achieve such status
- Cedarbrook Middle School: 2010 National Middle School Association's Grand Prize for Teams That Make A Difference

Special Recognition

- Cheltenham High School Recognized by Philadelphia Magazine for Number of AP Courses, October 2012

Pennsylvania's Assistant Principal of the Year (2010)

- Cheltenham High School's Dr. Jill Clark named PA Assistant Principal of the Year

PSSA Performance

- 2011-2012: Cheltenham Elementary School Named "Distinguished Title I School"
- 2010-2011: ALL Seven Schools Made AYP for Math and Reading
- 2009-2010: Wyncote Elementary School Named "Distinguished Title I School"

Technology: Devise to Student Ratio, 2 to 3

- 1500 desktops
- 1500 laptops
- 300 iPads

Community Partners (Ongoing)

- Rich collaboration with Arcadia University, Einstein Hospital/Elkins Park, The Princeton Review, and The Delaware Valley Minority Student Achievement Consortium, offering a diverse sampling of enrichment opportunities to students and staff members

FUND STRUCTURE AND ACCOUNTING

The accounting system of the School District is organized on the basis of funds. Each fund is considered a separate accounting entity, with a set of self-balancing accounts that comprise its assets, liabilities and fund equity, revenues and expenditures or expenses, as appropriate. School District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The fund classifications used by the School District have been defined by generally accepted accounting standards that include three broad fund types: governmental, proprietary, and fiduciary. Resources segregated into the Governmental Fund types are those used for the usual school services financed by local taxes, state subsidy and federal aid. The District uses three types of Governmental Funds: a General Fund, a Capital Projects Fund, and a Special Revenue Fund (Capital Reserve Fund and the Athletic Fund). The General Fund is the operating fund of the School District. Capital Project Funds are used to account for financial resources to pay for the renovation, acquisition or construction of major capital equipment and facilities. Special Revenue Funds are maintained to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specified purposes. The Capital Reserve Fund, a Special Revenue Fund, is restricted to expenditures for capital items and debt service. The Athletic Fund, another Special Revenue Fund, is restricted to expenditures for athletic activities.

Resources segregated into the Proprietary Fund category are those used to finance activities similar to those often found in the private sector. The activities are usually financed, at least partially, from a user charge. The District uses only one Proprietary Fund: an Enterprise Fund (the Food Service Fund). The Food Service Fund is used to account for all revenues, food purchases, costs and expenses pertaining to food service operations which are financed and operated in a manner similar to private business enterprises where the stated intent is that the cost, including depreciation and indirect costs, of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Resources segregated into the Fiduciary Fund are those held by the School District as a trustee for some other entity or group. The District uses two Fiduciary Fund types - Trust Funds and Agency Funds. Trust Funds are used to account for scholarship funds held by the District in a custodial capacity and include both expendable and nonexpendable trusts. The Agency Fund is used to account for the receipts and disbursements of monies from student activity organizations. These organizations exist at the explicit approval of and are subject to revocation by the District's governing body. This accounting reflects the District's agency relationship with the student activity organizations. The District is not required to adopt a budget for any fund other than the general fund. Information on the Capital Project Fund Budgets, and the Enterprise (Food Service) Fund budget are presented in this document in narrative form, but since their development is not a requirement they are not presented in the full form and extent as the general fund budget. The school district does not prepare a budget for its fiduciary funds.

CLASSIFICATION AND PRESENTATION OF REVENUE AND EXPENDITURES

The Pennsylvania Department of Education has adopted a system for the classification of revenue and expenditures based on generally accepted accounting standards for school entities. The system is used for budgeting, accounting, and financial reporting in compliance with Generally Accepted Accounting Principles (GAAP), as established by the Governmental Accounting Standards Board (GASB). The classification and coding structure to record financial transactions under the accounting system provides for three basic types of activity: revenues and other financing sources; expenditures and other financing uses; and transactions affecting the balance sheet/statement of net assets only. For each type of transaction, the specific account code is made up of a combination of dimensions. Each dimension describes one way of classifying financial activity.

As required by the Pennsylvania Department of Education, the District classifies revenues by fund and revenue source dimensions. Revenues are segregated into three sources: Local Sources, State Sources, and Federal Sources. Local sources include such receipts as property taxes and interest on investments. State sources consist of monies received by the District from the Commonwealth of Pennsylvania among which are funds to support the basic instructional program, special education services, and the transportation of students. Federal sources are those funds provided by the federal government, of which the largest is the Title I program for disadvantaged students. The Department also requires the District to classify expenditures by a combination of dimensions. The required expenditure dimensions include: fund, function, object, funding source, and instructional organization. The function dimension is used to classify expenditures according to the principal purpose for which expenditures are made (e.g. Instruction and Support Services). As used in the expenditure classification system, the object dimension applies to the article purchased or the service obtained (e.g. Salaries, Fringe Benefits, Supplies and Equipment). While not required, the District also classifies expenditures by operational unit, responsibility cost center, subject matter and job classification dimensions. The responsibility cost center dimension (e.g. instructional services and transportation) is used to classify expenditures by operational units defined by

the District.

The District is legally required to prepare budgets at the fund, function and object level of classification. Accordingly, revenue and expenditures are presented herein at the level required by the Department of Education. The District also presents expenditures by responsibility cost center in this document since it is the classification system used to manage and control the resources provided for educational programs and services. A cross-classification of responsibility cost center expenditures by function and by object is also presented. This presentation provides management with meaningful perspectives on spending.

Revenue classifications and related descriptions are presented on the pages to follow. Expenditure classifications and related descriptions are presented on the upcoming pages after revenue classifications. These classifications are referred to throughout this document and represent a consistent budget and financial reporting process for the School District and for readers of this document.

REVENUE CLASSIFICATION

6000 LOCAL REVENUE SOURCES

Revenue produced within the boundaries of the District and available to the District for its use.

6111 Current Real Estate Tax

Real Estate Tax is the main source of revenue for funding the operation of the School District of Cheltenham Township. It is based on the assessed valuation as determined by the Montgomery County Board of Assessment, of all taxable property within the School District and is collected through a bank-operated lock box.

6112 Interim Real Estate Tax

Interim taxes are levied under Act 544 of 1952 (Section 677.1) on the increase in assessed valuations of local property as a result of construction or improvements to that property during the school year.

6113 Public Utility Realty Tax

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 collects and then distributes a prescribed sum among local taxing authorities including school districts and that payment of state tax is in lieu of local taxes upon public utility realty.

6143 Local Services Tax

Revenue received under Act 511 for flat rate assessment of occupational privilege taxes. The occupational privilege tax is levied on resident and non-resident individuals employed within the taxing district for the privilege of engaging in an occupation.

6151 Earned Income Tax

Earned income taxes are levied under Act 511 of 1965 (Local Tax Enabling Act) at the rate of one half of one percent (.5%) of wages, salaries, commissions, net profits or other compensation of those who earn income and reside within the School District.

6153 Real Estate Transfer Tax

Transfer tax is levied under Act 511 at the rate of one half of one percent (.5%) of the value on the

transferring of real estate or interest in real property situated within the boundaries of the School District.

6157 Mercantile Tax

Mercantile taxes are levied under Act 511 on gross receipts of wholesale and retail vendors or dealers in goods, wares, and merchandise and all persons engaged in conducting restaurants or other places where food, drink or refreshments are sold. The rates are one half (1/2) mill on each dollar of gross business conducted by wholesale vendors and three-fourths (3/4) mill on each dollar of gross business conducted by retail vendors.

6400 Delinquent Taxes

Delinquent taxes are taxes that were not collected during the original year of issue. Included here are the applicable interest and penalties on tax revenue classified as delinquent.

6500 Interest on Investments

Interest on investments is revenue received from the investing of School District money as it becomes available in investment vehicles as permitted by Pennsylvania law. Investments are made through programs provided by the Pennsylvania School Districts Liquid Asset Fund (PSDLAF) and are consistent with provisions of the School Code.

6700 Revenues from Student 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.

6820 Revenue from Intermediate Sources – Commonwealth Funds

Revenue received through an intermediate source as agent of the Commonwealth.

6830 Revenue from Intermediate Sources – Federal Funds

Revenue received through an intermediate source as agent of the Federal Government.

6900 Other Local Revenue

Revenue from local sources not classified above.

6910 Rent of Facilities

Rent of Facilities is revenue received from various government bodies, organizations, and civic groups for the rental of the District's buildings and facilities.

6940 Tuition from Patrons

Tuition from patrons includes regular day school tuition for non-resident students temporarily living within the School District boundaries; revenue received from students, their parents or their guardians for summer school education provided by the School District; revenue received for adult education programs operated by the School District; and revenue received from other school entities for mainstreaming of special education students in district regular education programs.

6990 Miscellaneous Revenue

Revenue from local sources not classified elsewhere. The district cannot, by law, collect sales tax revenue. The district has declined other alternative revenue such as advertising and cell towers.

7000 REVENUE FROM STATE SOURCES

Revenue from funds produced within the boundaries of and collected by the state and distributed to school districts in amounts different proportionately from the amounts collected within such school districts.

7100 Basic Instructional and Operating Subsidies

Revenue received from Commonwealth appropriations as subsidy for basic instruction and operations. (Revenues are not recorded to this account but to the following 7100 subaccounts.)

7110 Equalized Subsidy for Basic Education

The Equalized Subsidy for Basic Education (ESBE) is the major grant program through which funds are distributed from the State to school districts. The first five payments, each equivalent to 15% of the estimated net subsidy, are made on the fourth Thursday of August, October, December, February and April. The balance due is paid on June 1.

7140 Charter Schools

Revenue received from the Commonwealth of PA to fund the Charter Schools initiative. The revenue includes money for Nonpublic Transfers and Transitional Grants. Record the State revenue received for Charter Schools to the following detailed accounts, where applicable. Eliminated in 2010-11.

7160 Tuition for Orphans and Children Placed in Private Homes

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

7200 Subsidies for Specific Educational Programs

Revenue received from Commonwealth appropriations as subsidy for specific educational programs. (Revenues are not recorded to this account but to the following 7200 subaccounts.)

7210 Homebound Instruction

Revenue received from the Commonwealth as subsidy for expenses incurred on account of instruction of homebound pupils. Payments are made in accordance with Section 2510.1 of the School Code. Payments in this category have currently been suspended.

7270 Special Education of Exceptional Pupils

Revenue received from the Commonwealth as subsidy for the cost of instructing exceptional children. Payments are made in accordance with Section 2509 and/or 1373.1 of the Public School Code.

7300 Subsidies for Non-educational Programs

Revenue received from Commonwealth appropriations as subsidy for non-educational programs. (Revenues are not recorded to this account but to the following 7300 subaccounts.)

7310 Transportation (Regular and Additional)

Revenue received from the Commonwealth as subsidy on account of 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.

7320 Rental and Sinking Fund Payments/Building Reimbursement Subsidy

Revenue received from the Commonwealth as a full or partial subsidy payment on account of approved lease rentals, sinking fund obligations, or any approved lease rentals, sinking fund obligations, or any approved LEA debt obligations for which the Department of Education has assigned a lease number. The state funding for this line item is currently frozen.

7330 Health Services

Revenue received from the Commonwealth as subsidy on account of health services, including, medical, dental and nurse services. Payments are made in accordance with Section 2505.1 of the Public School Code and Act 25.

7340 State Property Tax 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 Section of Act 1 of 2006.

7500 Extra Grants

Revenue received from the Commonwealth as extra grants not specified elsewhere in the Revenue from State Sources section. (Subaccounts may be established if more than one extra grant is received.)

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 Additional Grants

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 Revenue for Social Security Payments

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

7820 Revenue for Retirement Contributions

Revenue received from the Commonwealth designated as the Commonwealth's required share of contributions to the Public School Employers' Retirement System (PSERS).

7900 Revenue for Technology

Revenue received for technology initiatives that allow the school to develop new information technology projects, such as additional or improved computer hardware, software and network infrastructure. (Revenues are not recorded to this account but to the following subaccounts)

8000 REVENUE FROM FEDERAL SOURCES

Revenue from funds collected by the Federal Government and distributed to school districts in amounts that differ in proportion from those which were collected within such school districts.

8300 Restricted Grants Directly from the Federal Government

Revenue received directly from the Federal Government as grants to the school district which must be

used for a categorical or specific purpose. (Revenues are not recorded to this account but to the following subaccounts.)

8500 Restricted Grants-in-Aid from the Federal Government

Revenue received from the Federal Government through the Commonwealth of PA as grants to the LEA, which must be used for a categorical or specific purpose.

8513 Education of Disadvantaged Children - ECIA, Title I

Revenue received for the education of disadvantaged children under the Education Consolidation and Improvement Act Public Law 97.35, of 1981, Title 1 (formerly Chapter I).

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

Revenue received for the education of disadvantaged children under NCLB.

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

Revenue received for the education of children under NCLB Title II.

8517 NCLB, Title IV – 21st Century Schools

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

8518 NCLB, Title V – Promoting Informed Parental Choice and Innovative Programs

Revenue received for the education of children under NCLB, Title V. Includes Innovative Programs, and Smaller Learning Communities (list not all inclusive).

8600 Restricted Grants-in-Aid from the Federal Government through the Commonwealth of PA for Driver Education, Adult Education, CETA, Headstart, Energy Conservation, Workforce Investment Act and Other Programs

Revenue received as grants to the LEA from the Federal Government through the Commonwealth of PA, which must be used for a categorical or specific purpose, and is not identified in the 8500 series of accounts.

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 Leader Services. 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.

9000 OTHER FINANCING SOURCES

Includes funds received from proceeds of long-term debt issues, receipt of interfund transfers, or the sale of fixed assets.

9400 Sale or Compensation for Loss of Fixed Assets

Monies received from the sale of or compensation for the loss of fixed assets.

EXPENDITURE CLASSIFICATION BY FUNCTION

The District uses five (5) major functional classifications to record and control financial transactions. However, expenditures are not charged directly to these major functional categories described below but to subaccounts or subfunctions that provide a more detailed classification of expenditures.

1000 INSTRUCTION

Activities dealing directly with the teaching of pupils, or the interaction between teacher and pupils. Teaching may be provided for pupils in a school classroom, in another location and in other learning situations. It may also be provided through some other approved medium. Included in this function are the salaries for teachers and assistants of any type that provide support for the instructional process. Also included in this function are equipment and supplies directly related to instruction and the instructional process.

1100 Regular Programs

Elementary and Secondary programs include activities designed to provide students (grades K through 12) with the 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. Federal Programs are included in this account under "1190."

1200 Special Education Programs

Activities designed primarily for students having special needs. These special programs include services for the gifted, learning disabled and physically handicapped students.

1300 Vocational Education Programs

Pennsylvania Department of Education approved programs designed to prepare students to pursue occupational fields including agriculture, business, distribution, health, home economics and trade and industry.

1400 Other Instructional Programs

Elementary and Secondary programs that provide students (grades K through 12) with learning experiences not included in the regular, special education or vocational education programs. This includes the Summer School Program, Homebound Instruction, Driver Education Classroom Instruction.

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 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.

1700 Higher Education Programs

Instructional programs for secondary education students attending an institution of higher education that offers college instruction.

1800 Pre-Kindergarten

Activities designed to provide Pre-K 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.

2000 SUPPORT SERVICES

Services which provide administrative, technical, personal and logistical support to facilitate and enhance instruction. Support services exist to sustain and enhance instruction, rather than entities within themselves. They include such services as: pupil personnel, guidance, psychology, library, health, attendance, and transportation.

2100 Pupil Services

Activities designed to assess and improve the well-being of students, to supplement the teaching process, and meet the provisions of Article XIII of the Public School Code of 1949, as amended. This includes the Director of Pupil Services, guidance counselors and psychological services.

2200 Instructional Staff Services

Those activities associated with assisting, supporting, advising and directing the instructional staff in improving the content and process of providing learning experiences for students. These activities include audio-visual/multi-media services, library operations, curriculum development and staff development.

2300 Administration

Those activities concerned with recommending new policies, administering existing policies and the developing and implementing of procedures in connection with the operation of the School District. It also includes the services of those professional, independent, and separate agencies or individuals that are elected, appointed, or retained to assist in the administration including the Board Treasurer, attorneys, accounting services and tax collection services.

2400 Pupil Health Services Programs

Activities that provide physical and mental health services which are not part of curriculum and instruction. Included are activities that provide students and staff with appropriate medical, dental, and nursing services as required by the state.

2500 Business Services

Those activities concerned with the administering of the District's business functions, the accounting of the District's receipts and expenditures, and the purchasing, storage and maintenance of goods and services.

2600 Plant Operation and Maintenance

Those activities concerned with keeping the physical plant open, comfortable, and safe. This includes keeping the grounds, buildings and equipment in effective working condition and maintaining safety on all school property.

2700 Transportation

Those activities concerned with the conveyance of students to and from school, as provided by state law, including trips between home and school and trips to school activities.

2800 Central Support Services

Activities, other than general administration, which support each of the other instruction and supporting services programs. These activities include planning, research, development, evaluation, information, staff and technical services.

2900 Other Support Services

All other support services not classified elsewhere in the 2000 series. This includes amounts paid for services from the Montgomery County Intermediate Unit. It also includes salaries and benefits and other expenses of the census enumeration function.

3000 OPERATION OF NONINSTRUCTIONAL SERVICES

Activities concerned with providing non-instructional services to students, staff or the community. Expenditures accounted for in this function include student activities and community services.

3200 Student Activities

School sponsored activities, under the guidance and supervision of the School District's staff, designed to provide students such experiences as motivation, enjoyment, and improvement of skills. Co-curricular activities normally supplement the regular instructional program and include such activities as band, chorus, speech and debate. Also, student activities involve the athletic program, which provides competition between schools.

3300 Community Services

Activities concerned with providing recreation for the community as a whole.

4000 FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT SERVICES

Represent capital outlay for the purchase of land, buildings, service systems and built-in equipment. Expenditures include the initial purchase of land and buildings, construction remodeling and additions and improvement to buildings, initial installation, replacement or extension of service systems and other building equipment, as well as improvement to sites, and activities related to all of the above. The School District of Cheltenham Township provides funding for the majority of these services through bond proceeds which are recorded in the Capital Project Fund.

4100 Site Acquisition Services

Costs incurred to purchase land and make initial improvements to new land acquisitions. Expenditures recorded here include the purchase price of the land, settlement costs, transfer fees, demolition, grading, survey, paving, sealing, lighting and all other professional fees associated with the purchase.

4200 Existing Site Improvement Services

Costs incurred to improve existing land and land improvements, which are non-routine and extraordinary costs incurred to improve or maintain existing sites.

4300 Architecture and Engineering Services/Educational Specification Development-Original and Additional

Cost incurred for the activities and engineers related to acquiring and improving sites and improving buildings. Also, those activities concerned with preparing and interpreting to architects and engineers descriptions of space requirements for the various learning experiences of students to be accommodated in a building. These specifications are interpreted to the architects and engineers in the early stages of blueprint development. Charges are made to this account only for those preliminary activities, which may or may not result in additions to the LEA's property.

4400 Architecture and Engineering Services/Educational Specifications - Improvements

Costs incurred for the activities and engineers related to existing site improvement and existing building improvement services. Also, those activities concerned with preparing and interpreting to architects and

engineers descriptions of the improvements services. These specifications are interpreted to the architects and engineers in the early stages of blueprint development. Charges are made to this account only for those preliminary activities, which may or may not result in improvements to the LEA's property.

4500 Building Acquisition and Construction Services

Costs incurred to purchase or construct buildings, additions to buildings, and original or additional installation or extension of service systems and built-in equipment.

4600 Existing Building Improvement Services

Capital expenditures incurred to renovate or improve existing buildings, service systems and other built-in equipment. Capital expenditures include non-routine and substantial costs incurred to maintain or improve buildings, service systems and other built-in equipment.

5000 OTHER EXPENDITURES AND FINANCING USES

Other financing uses represent the disbursement of governmental funds not classified in other functional areas that require budgetary and accounting control. These include transfers of monies from one fund to another and budgetary reserve.

5100 Other Expenditures and Financing Uses

This function is used to record and accumulate costs representing payments on general long-term debt principal and interest. It also includes the recognition of all refunds of prior year revenues and receipts including deductions taken from the basic education subsidy to adjust for prior year audits and subsidy calculation changes.

5200 Fund Transfers

This function provides for funds to be transferred from one fund to another fund without expectation of repayment. The district transfers primarily for debt service and to build capital reserves.

5900 Budgetary Reserve

Expenditures may not be made through the budgetary reserve, but only against the line items which appear throughout the appropriations, An amount equal to the expenditure shall be transferred from the budgetary reserve into the appropriate line item. The Board of School Directors shall approve each transfer.

EXPENDITURE CLASSIFICATION BY OBJECT

The District uses nine (9) major object classifications to record and control financial transactions. However, expenditures are not charged directly to these major object categories described below but to subaccounts or sub-objects that provide a more detailed classification of expenditures.

100 Personnel Services - Salaries

Gross salaries paid to employees of the District. Salary costs are related to personnel positions, overtime, temporary employees and supplemental pay.

200 Personnel Services - Benefits

Amounts paid 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. Fringe benefits include health insurance, retirement plans, social

security, life insurance, unemployment compensation and workers' compensation.

300 Professional Services

Services that by their nature require persons or firms with specialized skills and knowledge. Included in this classification are contracted services such as; legal and accounting services, tax collection and administrative services, curriculum improvement and instructional services, counseling and guidance services, computer services and medical and dental services. This classification also includes fees paid to the Montgomery County Intermediate Unit for special education services and alternative regular education services.

400 Purchased Property Services

Services required to operate, repair, and maintain property used by the District. Such costs include housekeeping, lawn care, maintenance, and snow removal.

500 Other Purchased Services

Amounts paid for services not provided by District personnel but rendered by organizations or personnel, other than Professional Services and Purchased Property Services. Such services include those for contractual agreements to transport students, the cost of student field trips, postage, printing and binding, travel, the cost of tuition at approved private schools for special education programs, costs incurred to educate adjudicated or court placed children, liability insurance and telephone costs. This category also includes the District's share of operational costs of the Eastern Center for Arts & Technology School Program and the cost of general and administrative services received from the Montgomery County Intermediate Unit.

600 Supplies

Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated in use. Such costs include textbooks and periodicals, instructional supplies and materials, general and office supplies, custodial supplies, medical supplies, maintenance and transportation materials and energy costs for electricity and heating.

700 Equipment

Expenditure for the purchase of fixed assets. Such expenditures include initial equipment, additional equipment, and the replacement of equipment.

800 Other Objects

Amounts paid for goods and services not otherwise classified in the foregoing objects. Such expenditures include dues and fees and contingency (budgetary reserve).

900 Other Uses of Funds

This object and subaccounts are used to classify Governmental Fund transactions which are not recorded as expenditures to the District but require budgetary or accounting control.

SIGNIFICANT LAWS THAT AFFECT THE BUDGET AND FISCAL ADMINISTRATION

The Pennsylvania Public School Code of 1949, as amended, gives local Boards the authority to conduct the financial affairs of the District. The School Code contains provisions that require the Board to perform certain acts (mandatory), provisions that provide discretion to the Board to either act or refrain from acting (permissive), and provisions where the Board is prohibited from acting either in total or until certain conditions have been satisfied (prohibited). The School District is also subject to statutes of the

Commonwealth such as the Municipal Code, the Fiscal Code, and other laws that apply to governmental entities.

BUDGET STATUTES

The School Laws of Pennsylvania, as enacted by the Commonwealth legislature, mandate that public school districts approve an annual budget on the modified accrual basis of accounting for the operation of Governmental Funds (the General Fund and the Special Revenue Funds) prior to the start of the fiscal year. Section 687 of the School Code requires that a proposed budget be prepared at least thirty (30) days prior to adoption of the budget for the following fiscal year in a format stipulated by the Department of Education. The format requires that revenues and expenditures be presented by function and object classification. The School Code also mandates that the proposed budget be available for public inspection at least twenty (20) days prior to the date set for adoption. Districts are also required to provide notice prior to any final action on the budget. The “Notice of Proposed Budget” must be published at least once in a newspaper of general circulation within the community at least ten (10) days before the adoption of a final budget. The notice must include the time and place of the meeting at which the final budget will be adopted and a statement that the proposed budget is available for public inspection. The actions for final adoption of the budget and the necessary appropriations required to put it into effect must be voted on at a duly advertised public meeting. Section 508 of the School Code requires a majority vote of the Board of School Directors to adopt the annual budget and to levy and assess taxes. The vote must be by a duly recorded (roll call) vote that records how each member voted. Failure to have five affirmative votes renders action of the Board of Directors void and unenforceable. Failure to adopt a budget by July 1 causes the District to lose authority to expend funds. Within fifteen (15) days after adoption of the budget, a certified copy of the adopted budget must be provided to the Department of Community Affairs in conformance with section 687 of the School Code. Section 687 of the School Code also prohibits deficit financing in public schools. Accordingly, the total amount of the adopted budget may not exceed the amount of funds, including the proposed annual tax levy and state appropriations, available to the District. The Commonwealth has established a mandatory accounting system that must be used by every school entity that is based on Generally Accepted Accounting Principles (GAAP) for governmental units. GAAP is consistent with state and federal laws. The accounting system provides for the establishment of Governmental Funds including a General (Operating) Fund, a Debt Service Fund and a Capital Projects Fund and Special Revenue Funds that include a Capital Reserve Fund and Athletic Fund. The legal authority for the operation of the Capital Reserve Fund is specifically provided in Section 2932 of the Municipal Code. Monies in the Capital Reserve Fund must be kept in a special fund or account, separate and apart from any other fund. All interest earnings from the investment of Capital Reserve funds must be paid into the Capital Reserve Fund as set forth in Section 2932 of the Municipal Code. The monies in the Capital Reserve Fund may be expended only for capital improvements and for replacement of and or additions to public works and improvements, and for deferred maintenance thereof, as approved by the School Board. Specific projects must be identified, together with the year of proposed completion.

Under Section 2932 of the Municipal Code, the Board of School Directors may authorize transfers from the General Fund into the Capital Reserve Fund from a one (1) mill levy of general taxes designated for the purpose of this fund. Additional monies in the Capital Reserve Fund may consist (a) of monies transferred into the Capital Reserve Fund during any fiscal year from appropriations made for any particular purposes which may not be needed; and (b) of surplus monies in the General Fund of the treasury of the District at the end of any fiscal year. The authority for the establishment of the Athletic Fund is located in the Public School Code. The purpose of the Fund is to account for revenues generated through gate receipts incurred by the interscholastic athletic program. The Public School code permits that

the Board of School Directors prescribe, adopt, and enforce reasonable rules and regulations, as it may deem proper, regarding the management, supervision, control or prohibition of exercises, athletics, or games of any kind.

BIDDING AND PURCHASING STATUTES

School Boards are required under Section 801 of the Public School Code to purchase and provide all furniture, equipment, textbooks, school supplies and other items for the use of the District to maintain the educational environment. Section 807.1 (as amended by Act 30 of 1990) sets forth the requirement for competitive bidding at \$18,899 or more. However, any purchase of \$10,200 but less than \$19,000 requires three price quotations under Section 807.1. These thresholds are annually adjusted by the state to account for inflation. District purchases of \$18,899 or more require public notice by advertisement once a week for three weeks in not less than two newspapers of general circulation. The Board must accept the lowest responsible bid (where kind, quality, and material are equal). Boards may reject any and all bids or select a single item from any bid. Section 521 of the School Code permits purchases to be made through intergovernmental cooperative agreements (joint purchase agreements). School entities may also “piggy-back” on state or other government contracts following the appropriate legal requirements. Even though purchasing may require competitive bidding, Boards may establish reasonable criteria such as color, unit/size, or any other reasonable criteria specific to the District’s needs. The School Code also provides for the exemption of several items from competitive bids. The exceptions include but are not limited to: globes, maps, textbooks, educational films, and teacher demonstration devices. Services are also excluded from the competitive bidding requirement but school districts may choose to bid service agreements and contracts.

CASH MANAGEMENT AND INVESTMENT STATUTES

Section 440.1 of the Public School Code permits the investment of funds in (a) United States Treasury bills; (b) short-term obligations of the United States Government or its agencies or instrumentalities; (c) obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America; (d) obligations of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth; (e) obligations of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision; or (f) deposits in savings accounts, time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.

PAYMENT OF FINANCIAL OBLIGATIONS

Section 439 and 607 of the Public School Code provide direction on the payment of financial obligations. Section 439 requires that all payments be approved by the Board of School Directors. An order to pay must be signed directly or through facsimile signature by the Board President. Bills may be paid prior to Board approval for certain conditions that include the receipt of a discount or the avoidance of a late charge or due to other advantages that may accrue to the District such as increased interest income through proper cash management. Section 607 requires that proper school orders be drawn prior to payment, that there be sufficient funds in the treasury, and that a separate order be drawn for each account or payment. Boards are also permitted to establish policy regarding process and procedures for

the disbursements of school funds including such matters as payments prior to Board approval. The Fiscal Code of the Commonwealth (as amended by Act 138 of 1994) also requires political subdivisions, including school entities, to pay interest penalties to certain qualified small businesses for regular, every day, normal goods and services when payments are more than fifteen (15) days past due. Past due is defined as the terms for payment as specified in the contract or thirty (30) days after receipt of a proper invoice. The Public Works Contract Regulation Law (as amended by Act 142 of 1994) regulates the payment to contractors and subcontractors working on public construction projects. Under the law, school districts are required to make payment or incur interest penalties to contractors and subcontractors within twenty (20) days after delivery of the invoice unless other terms are set forth in contract documents to which school districts must adhere or incur interest penalties.

CONSTRUCTION OF FACILITIES

Boards are charged with the requirement to provide the necessary grounds and suitable buildings to accommodate all school-age children in the district. This authority also includes the renovation and expansion of existing facilities. In most cases, school districts seeking state reimbursement are required to participate in PlanCon, an acronym for the Pennsylvania Department of Education's Planning Construction Workbook. The process involves a number of phases, beginning with a definition of the project and justification of its need. Succeeding steps include: site approval; estimated project cost data; architectural reviews; cost data based on actual bids; and finally, approval of the bond issue or other funding mechanism. Specific requirements are detailed in regulations adopted by the State Board of Education and in standards promulgated by the Pennsylvania Department of Education. School Boards are required by Act 34 of 1973 to conduct public hearings. A second hearing is required if the bids received for a construction project exceed the initial Department of Education approved estimates by eight (8) percent. Act 34 is also referred to as the "Taj Mahal Law," because it requires voter approval of any building project that exceeds per-pupil cost figures that are revised annually to reflect changes in the cost of living. Alterations to existing buildings are excluded from this requirement. School buildings may be financed in a variety of ways that include: local authority, state authority, general obligation bonds or local funds.

AUDITS OF FINANCIAL RECORDS

All school districts are required to have an annual audit of financial records. The audit must be completed by an independent certified public accountant. Such audit must be prepared in accordance with Generally Accepted Accounting Principles (GAAP) to insure consistency. Completion of the audit and issuance of the audit report marks the end of the budget cycle for a single year. In addition to the requirement of an annual audit, Section 2553 of the Public School Code requires the comptroller of the Department of Education to perform regular audits and field audits and may, at his or her discretion, perform special audits to verify receipts and expenditures. Such audits are usually limited to specific use of program funds given for state and federal projects.

The state Fiscal Code requires the auditor general's office to audit the accounts and records of all school districts. Examination is made by the Auditor General of receipts and expenditures related to state payments for public education. The purpose is to verify that the monies received from the Commonwealth were properly paid and that the District properly complied with all laws and regulations. The Bureau of School Audits of the Auditor General's office has also published specific guidelines for the audit of student activity funds (Agency Funds). The objectives are to insure that basic internal controls are established for effective management of the organization; that all cash intended for the organization is

received, promptly recorded, reconciled and kept under adequate security; that cash is disbursed only upon proper authorization, for valid purposes, and is properly recorded; that purchases and accounts payable are supported by appropriate documentation, promptly paid and properly recorded; and that inventory is appropriately safeguarded and properly recorded. The school district prepares a comprehensive annual financial report.

SIGNIFICANT BOARD POLICY AND PROCEDURES THAT AFFECT THE BUDGET

The Board of Directors is an extension of the State Legislature with the responsibility to provide for a thorough and efficient education for the students of the Commonwealth based on local control of community schools. To accomplish this responsibility, the Board of Directors is granted authority through the Public School Code and the Pennsylvania constitution to establish policy for the operation of the school system. Policies are plans and procedures that are developed to provide guidelines for desired actions. The Board of School Directors is only required by law to prepare a general operating budget. However, in addition to this budget, the district prepares a food service and capital project fund budget.

Summarized below is the significant policies of the School District of Cheltenham Township which impact the budget development and implementation.

Policy #601 Objectives and Procedures

This policy states that the board requires the Superintendent and Business Manager to establish sound accounting principals based upon State and Federal recommended accounting procedures.

Policy #609 Investment of District Funds

This policy of the board defines the primary objectives of investment activities in priority order to be legality, safety, liquidity and yield.

Policy #610 Bidding

This policy states that all supplies and contracts for construction or repair of school property over \$10,000 must be bid. All purchases under \$4,000 must receive three phone quotes except where the district has applied and been approved for a mandate waiver through the Pennsylvania Department of Education. (The Department of Education granted an exception to the policy that temporarily allowed the District to raise both the quotation threshold and the bidding threshold.)

Policy #612 Purchases Not Budgeted

This policy states that when an expenditure needs to be made for which funds are not budgeted, a transfer of surplus funds can be made in the final nine months of the fiscal year. In the event of an emergency the board secretary can authorize a purchase.

Policy #613 Cooperative Purchasing

This policy authorizes the business manager to negotiate cooperative purchase agreements for services, supplies and equipment with other political subdivisions in accordance with the Pennsylvania School code and, with approval by the Board of School Directors and the participating contracting body on the final terms.

Policy #614 Payroll Authorization

This policy authorizes payment of employees only after personnel actions are approved by the Board of School Directors.

Policy #620 Designation of Fund Balance

This policy requires maintenance of a fund balance in accordance with the Pennsylvania School Code provisions. Designations are to be made on a yearly basis at the conclusion of the independent audit. The district strives to maintain a fund balance between 6 and 8 %.

Policy #622 Financial Reporting Policy

This policy delegates the implementation of GASB 34 to the Director of Business Affairs with a dollar threshold for capitalization established by the Director of Business Affairs.

It is also important to note that the school district has set aside funds in a trust for a significant portion of its OPEB liability. Of the school district’s annual \$745,401 liability as of 2013, the school district has \$610,687 as of June 30, 2014.

BUDGET CALENDAR

DATE <i>Act 1 or School Code deadlines in italics</i>	TYPE OF EVENT	DESCRIPTION
October 8, 2013		Budget Process Outlined for 2014-15 with Administrators and Principals
October 9, 2013		Budget notebooks and electronic forms for supporting documentation distributed
October 10, 2013		<i>Recommended: Inform your building and/or department to begin to gather supporting data for the 2014-15 budget</i>
Week of October 21, 2013		Director of Technology and Director of Support Services will meet with each principal and budget administrator to discuss needs for 2013-2014 budget
November 4, 2013		<i>Recommended: All budget requests and orders from department chairs and teachers due to principal and/or administrator</i> <ul style="list-style-type: none"> • <i>Include bids</i> • <i>Facilities & Technology</i> • <i>Curriculum Needs</i>
November 5, 2013 @ 8:30 am		Workshop on entering data into Pentamation Software-Refresher
November 22, 2013		Completed Building & Department Budgets due to Business Affairs Office & Data Entered into Pentamation by 4pm
December 6, 2013		Buildings /Departments Sign off on Budget Printout Submitted
December 12, 2013		Budget Meetings with administrators to review budget with Director of Business Affairs and Assistant Superintendent

December 13, 2013	Certification	Deadline for school boards to certify to PDE the amount of tax credits due for residents who pay taxes on salaries, wages, commissions or other compensation to Philadelphia.
December 31, 2013 <i>Act 1 deadline – 60 days before deadline for Homestead/Farmstead Applications</i>	Notice	Deadline for school districts to send notice by first class mail to the owners of each parcel of residential property regarding homestead and farmstead applications – can be limited to owners of properties who are not currently receiving the exclusion or whose exclusion is set to expire.
January-June 2014		If necessary, Director of Business Affairs informally meets with Principals and budget administrators to confirm final purchases
January 7, 2013	Committee Meeting	Preliminary Budget Reviewed at Business Affairs
January 14, 2014 <i>Act 1 deadline – at least 110 days prior to primary election</i>	BOARD ACTION - IF NECESSARY	Last regularly scheduled legislative meeting before the deadline to adopt a resolution indicating that the school board will not raise taxes by more than the index. Last regularly scheduled legislative meeting before the deadline to make the proposed preliminary budget proposal available for inspection.
January 15, 2014 <i>Act 1 deadline – Within 5 days of adoption</i>	Submission – if necessary	If a resolution indicating that the taxes will not be raised by more than the index was adopted, then this is the deadline for submission of information regarding the proposed tax rate increase to PDE along with a copy of the resolution.
January 22, 2014 <i>Act 1 deadline – at least 20 days prior to adoption of preliminary budget</i>	Allow Inspection	Deadline to make the preliminary budget proposal available for inspection, unless the school board has adopted a resolution certifying that the school board will not increase taxes in excess of the index.
January 31, 2014 <i>Act 1 deadline – at least 10 days prior to adoption of preliminary budget</i>	Public Notice	Deadline for school boards to give public notice of intent to adopt the preliminary budget proposal, unless the school board has adopted a resolution certifying that the school board will not increase taxes in excess of the index.
February 11, 2014 <i>Act 1 deadline – 90 days prior to primary election</i>	Adopt Preliminary Budget BOARD ACTION	School board will adopt Preliminary Budget Proposal and authorize the filing for exceptions, if necessary.
February 27, 2014 <i>Act 1 deadline – at least one week prior to seeking exceptions</i>	Public Notice	Deadline for school districts to advertise their intent to seek exception(s) to referendum – in one newspaper of general circulation and on website.

March 1, 2014	Submission	Deadline for property owners to submit homestead/farmstead applications.
March 6, 2013	Committee Meeting	Preliminary Budget Reviewed at Business Affairs Focus: State Revenues
March 11, 2014 <i>Act 1 deadline – 60 days prior to primary election</i>	BOARD ACTION, IF NECESSARY	Last regularly scheduled legislative meeting before the deadline to adopt a referendum question seeking to raise the tax rate by more than the index. This meeting pre-dates the deadline for PDE to rule on exceptions.
March 21, 2014 <i>Act 1 deadline – 60 days prior to primary election</i>	Submission	If no exceptions are requested from PDE, or if the exceptions requested, even if granted, would require raising the tax rate by more than the index, then this is the deadline for the school district to: (1) adopt a referendum question seeking voter approval to increase the rate of taxes by more than the index and (2) submit the question to the board of elections in each county in which the school district is located.
March 26, 2014 <i>Act 1 deadline – 55 days prior to primary election</i>	Notice	Deadline for PDE to rule on exceptions.
March 31, 2014 <i>Act 1 deadline – 50 days prior to primary election</i>	Submission	If exceptions are denied, then this is the deadline for the school district to: (1) adopt a referendum question seeking voter approval to increase the rate of taxes by more than the index and (2) submit the question to the board of elections in each county in which the school district is located.
Week of April 7, 2014		Bid pricing for schools for athletics, science, medical, musical instruments, home economics food is compared to budget and adjusted to match
Week of April 7, 2014		Director of Technology and Director of Support Services will meet with principals and other budget administrators relative to final budget amounts in their respective buildings/areas
April-May 2014		Budget requests reviewed and prices confirmed and updated as necessary
May 1, 2014	Notice	Deadline for PDE to notify school districts of the amount of Property Tax Reduction Allocation. Deadline for county assessors to submit report to school districts.
May 6, 2014	Hearing	Budget hearing
May 6, 2014 <i>School Code deadline – at least 30 days prior to budget adoption</i>	Adoption BOARD ACTION	School board will adopt the proposed final budget. This is a special meeting and must be advertised.
May 20, 2014	Election	Primary Election

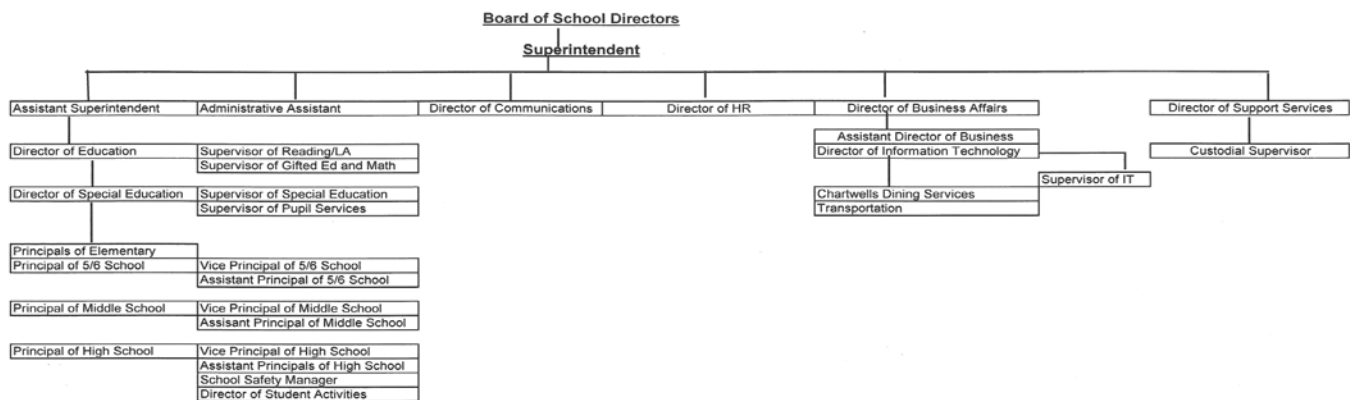
May 20, 2014 <i>School Code deadline – at least 20 days prior to budget adoption</i>	Allow Inspection	Deadline to allow inspection of the proposed final budget.
May 30, 2014 <i>School Code deadline – at least 10 days prior to budget adoption</i>	Public Notice	Deadline to give notice of intent to adopt the final budget.
June 3, 2014	Committee Meeting	Final Budget Reviewed at Business Affairs
June 10, 2014 <i>School Code and Act 1 deadlines- June 30, 2014</i>	Adopt Budget BOARD ACTION	School board will the adopt final budget for the 2014-15 fiscal year, the tax levy for 2014-15 fiscal year and the Homestead/Farmstead Exclusions for 2014-15 fiscal year.
June 25, 2014 <i>School Code deadline – within 15 days after final budget adoption</i>	Submission	Deadline for school boards to file copy of the 2014-15 budget with PDE.

BUDGET DEVELOPMENT AND ITEMS OF IMPACT

The development of the 2014-15 budget aimed at meeting needs identified in the strategic and five year plan as well as maintaining fiscal prudence. In light of the recently extended contract with professional staff, which drives the salary and benefits for nearly 30% of the budget, the development sought to maintain programs while allocating resources where they were needed.

The goal of the budget is to maintain programs and improve operational efficiency in light of limited state support and increasing state mandates. To provide support for the budget, the Cheltenham School District Foundation provides funds for teacher grants. The School District of Cheltenham Township does not permit tuition students nor have cell towers as a revenue source.

ORGANIZATIONAL CHART



2014-15 SCHOOL CALENDAR

July 2014						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August 2014						
Su	M	Tu	W	Th	F	Sa
					1	2
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September 2014						
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14	15	16	17	18	19	20
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28	29	30				



2014-2015 CALENDAR SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP

- 4 July Independence Day – Offices Closed
- 18-21 Aug New Teacher Induction (Tentative)
- 26 Aug All Staff Meeting & Professional Development Day 1
- 27 Aug Teacher Professional Development Day 2
- 28 Aug Teacher In-Service Day 3
- 29 Aug Schools Closed/Offices Open
- 1 Sep Labor Day – Schools/Offices Closed
- 2 Sep First Day of School
- 25 Sep Rosh Hashanah – Schools/Offices Closed
- 26 Sep Rosh Hashanah – Schools Closed/Offices Open
- 13 Oct Professional Development Day 4
- 4 Nov Professional Development Day 5
- 25-26 Nov Eltern Teacher Conferences – No Classes K-8
- 27-28 Nov Thanksgiving Holiday – Schools/Offices Closed
- 24-26 Dec Winter Holiday – Schools/Offices Closed
- 29-30 Dec Winter Holiday – Schools Closed/Offices Open
- 31 Dec Winter Holiday – Schools/Offices Closed
- 1-2 Jan New Year's Day – Schools/Offices Closed
- 19 Jan MLK Day of Service – Schools/Offices Closed
- 13 Feb Professional Development Day 6
- 16 Feb Presidents' Day – Schools/Offices Closed
- 30-31 Mar Spring Holiday – Schools Closed/Offices Open
- 1 Apr Spring Holiday – Schools Closed/Offices Open
- 2-3 Apr Spring Holiday – Schools/Offices Closed
- 19 May Primary Bection – Professional Development Day 7
- 25 May Memorial Day – Schools/Offices Closed
- 11 Jun CHS Graduation
- 15 Jun Last Student Day
- 16 & 17 Jun In-Service Day 8 & 9
- 17 Jun Last Teacher Day
- 18-23 Jun *Teacher Make-Up In-Service (In the event of school closure)

October 2014						
Su	M	Tu	W	Th	F	Sa
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7	6	7	8	9	10	11
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November 2014						
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23	24	25	26	27	28	29
30						

December 2014						
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

January 2015						
Su	M	Tu	W	Th	F	Sa
				1	2	3
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18	19	20	21	22	23	24
25	26	27	28	29	30	31

February 2015						
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22	23	24	25	26	27	28

March 2015						
Su	M	Tu	W	Th	F	Sa
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29	30	31				

April 2015						
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26	27	28	29	30		

May 2015						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

June 2015						
Su	M	Tu	W	Th	F	Sa
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14	★	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

- School Closing Number 306
- Schools and Offices Closed
- Teacher/Staff Professional Development
- In-Service to District Day
- Schools Closed/Offices Open
- No Classes K to 8
- Teacher Make-Up In-Service (School Closure)
- First and Last Day of School for Students
- CHS Graduation Thursday, June 11, 2015

*In the event of school closure, the following days will be used as make-up days: 5/19, 6/16, 6/17 and 6/18.

Updated 2-11-14

FINANCIAL SECTION

SUMMARY OF ALL FUNDS

Revenue and Expenditures -Significant Trends and Assumptions

The General (Operating) Fund budget of the School District is funded from local, state, and federal sources of revenue. The primary funding source for District operated programs and services is local revenue, which accounts for approximately eighty percent of total budgeted General Fund revenue for the 2014-15 fiscal year. The balance of revenue to fund operating expenditures is primarily derived from state subsidies.

The largest portion of local revenue is derived from taxes on real estate property. The estimated assessed value for the 2014-15 fiscal year is \$1,867,279,597 compared to the estimated assessed value in 2013-14 of \$1,879,692,747. Taxes to fund programs and services for the 2014-15 fiscal year will increase by \$56.99 for the average taxpayer who has been approved for the Homestead Exclusion in 2014-15. This reflects a tax rate increase of 1.3784 mills from 42.3072 mills in 2013-14 based on an average median value of \$144,530 coupled with a \$429.19 tax credit provided by the State gaming funds for approved homestead/farmstead properties. The tax base is expected to remain consistent with the prior year. As in the past, the District's land use is mainly residential for 2013-14 and 2014-15. In addition, the District has benefited from favorable economic conditions relative to other areas of the state.

Job growth in Montgomery County has slowed significantly over the past year, but stronger than other areas in the United States, with an unemployment rate of 5.3% in March 2014. Montgomery County's unemployment rate is .7% less than Pennsylvania's unemployment rate of 6.0% and 1.4% less than the Nation's unemployment rate of 6.7%.

The estimated receipts from other local sources of revenue are budgeted based on historical trends and the projected level of economic activity. Earnings from investments, a significant source of local revenue, are projected to decrease significantly due to the projected yields on investment options available to the District.

Overall, State sources of revenue are projected to remain consistent for the next three years.

Pennsylvania school districts have experienced a substantial shift in the burden of funding local educational programs and services from the State to the Local level. Special education funding remains flat funded for the past five years. Additionally, there is no significant increase to basic education funding anticipated for 2014-15.

Despite the lack of additional state resources combined with the need to fund contracted employee salary and benefit costs, debt for the construction of facilities, the tax rate on property is budgeted to increase by 1.3784 mills for the 2014-15 fiscal year. The District has also been faced with funding increased capacity needs, special education costs, and exponentially increased charter school and state mandated pension system in an economy where State funding for education continues to decline.

Overview of General Fund Expenditures

The General (Operating) Fund is intended to finance instructional programs and daily operations which support those programs. The education of students is a labor-intensive enterprise that is reflected in the personnel costs. The workforce of the District is determined by the staffing policies and guidelines

of the Board on the basis of projected student enrollment and curriculum requirements. Personnel costs are based on conditions of employment established by collective bargaining agreements. The current agreement between the District and the Business Employees' Council (BEC) is set to expire on June 30, 2015. For the 2014-2015 fiscal year, salaries are budgeted to consume 47% of total expenditures in the General (Operating) Fund and, consistent with prior years, accounts for the largest part of the operating budget. Total salaries are projected to increase .23%, which provides no additional budgeted monies for support staff or administrators. The total increase in salary accounts for 2014-2015 is \$109,355, which is for professional staff salaries.

For 2014-2015, the total budget for benefits is projected to increase 14.6% or \$3,026,747. It is important to note that the Pennsylvania Public School Employees' Retirement System (PSERS) contributions (mandated by state law) will increase in 2014-15 from 16.93% to 21.31%. The District receives medical contributions from all staff to offset a portion of the overall medical costs. Medical insurance is projected to increase by 7.19% while prescription rates will remain the same since 2010. Other budgets in this category do not increase for 2014-15.

Purchased professional and technical services are those services such as legal, tax collection, curriculum improvement and instructional services and special education placement costs. This category is projected to decrease by (\$106,359) or (2.30%).

Purchased property services are projected to increase \$66,167 or 3.71%. These expenditures are predominantly for services to operate, repair and maintain property used by the district and are driven by needs identified by the Office of Support Services.

Other purchased services to include tuition at approved private schools, charter schools and vocational-technical education at Eastern Center for Arts and Technology are projected to increase by \$845,580 or 7.69%. This significant increase is the result of student placement costs, transportation, and charter school costs.

The District's total supply and equipment expenditures are projected to increase by \$452,244 or 18.12% for supplies and 17.66% for equipment. The driver of this reduction is a result of expenditures to include supplies and equipment to support district goals.

The District's total debt service is projected at this point to decrease by approximately (\$255,000). This decrease is a result of strategically timing refundings and new debt issues associated with the completion of construction of Wyncote Elementary School. Due to accounting requirements, funds are in both debt and other financing sources. Additionally, the district budgets a budget reserve.

Detailed Analysis of General Operating Budget Expenditures by Function and Object

The budget is reviewed in the following pages on a summary and then more detailed information. A summary of all budgets is presented followed by information on the budget based upon objects, which include aggregate information on salaries, benefits, purchased services, supplies, equipment and debt service. Following this section, information is presented to detail the objects within the functional areas of the school district which include regular programs, special programs, vocational programs, other instructional programs, non-public programs, pre-kindergarten, pupil services, instructional support services, administrative services, pupil health, business services, operation of plant and maintenance services, transportation, other central services, student activities, community services, debt service and

budgetary reserve.

Regular Programs are projected to increase by 4.83% or \$1,899,631. The predominant driver of this increase is a result of salary and benefit costs as a result of negotiated agreements. Based upon needs identified by the Director of Education, other purchased services are projected to increase for 2014-15.

Special Programs are projected to decrease by (.83%) or a reduction of (\$124,461) in 2014-15.

Vocational Expenditures are projected to increase by 3.71% or \$88,716 which is the result of salary and benefit costs for 2014-15.

Other Instructional Programs are projected to decrease by (5.07%) or (\$26,105) as a result of decreased salary.

Non-public and Pre-kindergarten Expenditures are aligned to prior year expenditures.

Pupil Services Costs are projected to increase by 7.10% or \$210,514. This increase is a result of increased PSERS costs and other purchased services costs.

Instructional Staff Services are projected to increase by 21.45% or \$653,012. The increase is a result of salary and benefit costs driven predominantly by the salary structure and placement for staff in the 2014-15 year.

Administration Services are projected to increase by 2.86% or \$163,937. This increase is driven by the mandated PSERS contributions, healthcare, and increased building budgets for site based needs.

Pupil Health Expenditures are projected to increase 11.30% or \$39,322 from salary and benefits.

Business Services are projected to decrease by (3.81%) or (\$52,594). Salary and benefits will decrease due to the elimination of a position in 2013-14. Finally, this budget supports warehouse and purchasing costs associated with building activities.

Operation of Maintenance and Plant Services are projected to increase by 31.6% or \$235,302. The drivers of cost increases in this category include benefit costs for unionized support staff as per the current BEC contract. Additionally, an increase for purchases services, supplies, and equipment is budgeted to be \$134,868.

Pupil Transportation Costs are projected to increase by 18.29% or \$1,139,949. The increase is a result of supporting additional transportation for three Cedarbrook Middle School sites.

Central and Other Support Services accosts are projected to increase by 10.08% or \$199,683. This increase is driven by benefits for technology support staff under the BEC contract. Additionally, the needs of the district-wide technology plan are incorporated into this category with the implementation of new technology, per the technology plan.

Other Support Services is projected to remain constant. This function is utilized to fund services through the Montgomery County Intermediate Unit which are driven by student enrollment.

Student Activities Expenditures are projected to decrease by (3.24%) or (\$57,754) resulting from decreased salary and benefit costs.

Community Service Costs account for predominantly the district's after school program which are projected to increase by 11.57% or \$96,028 over 2013-14 levels as a result of increased PSERS and health care costs.

Debt Service Expenditure increases will be offset by a refunding resulting in a \$255,000 savings. The district will take out additional debt service in 2014-2015 to fund the completion of Wyncote Elementary. Debt proceeds will be transferred to the capital projects fund to pay associated costs.

The Budgetary Reserve will remain at \$800,000. Funds in this category will be transferred to fund the debt service and capital reserve if not used. The \$800,000 budgetary reserve, upon board approval, can be utilized to offset expenditures which exceed projections or revenues which fall short of budget targets.

The administration and board are proud of the ongoing initiatives to reduce costs which are highlighted in the monthly Cheltenham Cuts Costs initiative. These operating reductions in cost include the following:

Efforts to Reduce Healthcare Trend - May 2014

In addition to changes in plan design, Cheltenham is an active participant with its healthcare provider, Independence Blue Cross, in managing to reduce medical cost trends (not just those associated with chronic conditions) an average of 1-2% annually. The impact to the medical cost trend is attributable to decreases in utilization each year. The reductions offset trend increases and increased utilization of benefits in new cases. Additionally, there was a reduction to trend costs for the school district which participates in a benefit consortium where, when case-by-case costs are benchmarked to national costs over a period of time, a total of \$210,403 in savings was realized

Procurement Diversity - April 2014

One of the key ways that bids for supplies and proposals for services yield reduced costs from year to year is through increased diversity and competition in the purchasing process. Cheltenham continues to increase its diversity and competition twofold in both county-wide purchases such as paper and supplies and locally in annual supply bids aligned to budget allocations.

For 2014-15, consortium bid results for paper purchases, which are in fact the largest line item bid, yielded a reduction of \$1.18/carton resulting in county-wide savings of over \$45,000 and marks the third consecutive year of achieved price decreases for an accumulated savings of over \$127,000 since 2011. At the district level, the district recently implemented a vendor registration program to alert any vendors of opportunities and increase diversity and competition in bids received. If you were not aware of the school district's e-mail list serve for bids, go to <http://www.cheltenham.org/emailsignup.cfm> to sign up.

Governor's Funding Proposal for 2014-15 - March 2014

The potential \$130 million in pension savings for school districts as a result of "tapering" the pension collars provides schools desperately needed relief from rapidly rising employer contribution rates.

Unfortunately this proposal kicks the can further down the pension reform road, effectively underfunding an already underfunded pension system, adding to the already massive debt.

Governor Corbett has increased the special education line item after six years of flat-funding. The \$20 million proposed increase—the first increase in six years—will not cover the rapidly increasing costs in one of the most heavily mandated services schools provide. The new money would be distributed through a weighted funding formula that is based on three categories of support for students with disabilities.

With a fourth year of flat-funding for PlanCon, the state program that reimburses eligible school districts for a portion of their school construction costs, the \$1.2 billion backlog in the program that has delayed reimbursement for districts across for years will only continue to grow. As you know, Cheltenham is impacted by this line item not being increased on recent building projects to include Glenside, Cheltenham, and Wyncote Elementary Schools.

A data analysis of funding to Cheltenham since 2010-11 concludes the district will in 2014-15 receive an additional \$10 per student over funding in 2010-11. Cheltenham school board members and officials continue to advocate for a funding stream which will provide sustainable revenue while addressing the adverse economic impact to schools in future years.

To compare Cheltenham and other district's revenue history please go to: www.psea.org/schoolcuts

PlanCon Background and School District Impact - February 2014

In January, the School District of Cheltenham Township specifically participated in a concerted and coordinated state-wide advocacy effort to obtain the district's current state reimbursement for construction completed at Glenside and Cheltenham Elementary Schools. Due to no increased expenditures in this budget line item at the state Department of Education, our funding cannot be released until the funding to other districts ends and the availability is based upon a non-transparent order of submittal to the Department of Education. The advocacy included press events and additional legislator and department follow-up.

[Click here](#) for information on the ongoing PlanCon issues. You will note the impact to Cheltenham is a loss of \$7.9 million in state reimbursement owed through 2030, which equates to \$108,000 annually, and a current balance due to Cheltenham through 2014 of \$432,000.

Inventory & Electronic Catalogue of Assets - January 2014

During the summer of 2014, an outside firm will perform a comprehensive inventory of district assets. This process will confirm district records for assets as well as update those assets disposed of during construction and renovation periods. Additionally, there will be a migration to electronic management of assets. This will not only improve record keeping but also improve the allocation of resources based upon need. Especially in the age of mobile technology in classrooms and the increased use of all resources, the inventory update will not only provide a timely update of asset locations but reduce costs with paperless electronic recordkeeping in future years. Furthermore, as the district adds to its assets, a regular update can be made in-house to continue tracking and avoid this process as an annual expense.

Bidding Process Improved - December 2013

The district regularly performs a review of processes and procedures at various intervals. This year, the bidding and purchasing functions were reviewed. Internally and externally changes were made to reduce costs, expand participation and to improve efficiencies. Many of these efficiencies will be implemented as bids are prepared for the 2014-15 school year. Total cost savings are projected to be \$51,235.

Additionally, of importance to all constituents, a list serve has been developed for any interested party to sign up and receive notification of bid opportunities. This will continue to expand participation and awareness of the proposals and bids sought to meet the needs of the School District of Cheltenham Township. To sign up for notifications, please visit <http://goo.gl/xWDs9I>

Electricity Purchasing Consortium Results - November 2013

In 2012, the district migrated to an electricity purchasing consortium with other school districts in Montgomery County. The contract executed provided lower basis numbers and also protects the School District of Cheltenham Township more substantially from cash out and imbalance risks. This unique language has proved very beneficial over the last 18 months or so given the fact that weather has fluctuated.

Despite the weather fluctuations and their corresponding movements in the NYMEX markets, the rates locked into by the School District of Cheltenham Township through the consortium with nominations and unique contract language combined have helped save **\$50,798** for the period July 2012 to October 2013.

Managing Interest Rate Environment - October 2013

With the Federal Reserve's move to maintain bond buying at the current level, but with the potential for a reduction later in 2013, there are potential impacts to both the district's interest earnings on general operating interest rates and on bond fund interest rates. While the district cannot control interest rates, the district works with its financial advisor and aligns management of interest rates to national best practices. For instance, the district examines trends for long-term interest rates, consistently adjusts cash flow and forecasts, and strategic issues debt service. By recognizing the items and controls that influence the district's cash position and long-term debt costs, the district can plan ahead and strategize for revenue and expenditure implications.

For example, the district's recent bond refunding pulled out higher interest rate bonds and replaced them with a lower rate, then held savings from the refunding in the debt service fund to offset payment for future debt, which is correlated to federal interest rates. Another example is the district optimizing its investments in July, a month with relatively low funds on hand, to enable prepayment of bills at discount and respond to higher yield investments which became available and yielded 25% additional earnings. Throughout the year the district maintains a regular review of its investment portfolio to maximize interest earning revenue.

Request for Proposal for a Pharmacy Benefit Program - September 2013

The Southeastern Pennsylvania School Trust recently completed a competitive Request for Proposal for a Pharmacy Benefit Program. The program maintains benefit levels and complies with contractual obligations, yet is competitively priced for providing prescription services. This was the second

competitive process for pricing since 2009. The pricing considers comprehensive costs including rebate, ingredient, and claims.

Since the time of the latest pricing award, the reduced price resulted in a savings of 9.96% or a total of \$3,405,554 to the Montgomery County school districts participating in the benefit trust.

Increasing Federal Reimbursements - August 2013

Although Federal Revenue is a small portion of the district's revenue sources, the district regularly reviews the ability to generate more revenues in all categories and areas. In late spring, the district's Special Education Office reviewed what services were being billed to Access. Access funding is federal reimbursement for Medicaid eligible students. As part of this review, it was determined that due to Pennsylvania Access program changes there are additional expenditures which can be submitted to Access. The additional billing is projected to increase revenue anywhere from 5-10%. As the district's number of Medicaid eligible children drives revenue, an exact number is not available at this time but will be reported out at a later date.

Homestead Farmstead Exclusion - July 2013

With the mailing of annual property tax bill, effective with tax year 2008-09, qualified homesteads who have filed with and been approved by Montgomery County receive a portion of their property assessment excluded from taxation with the loss of revenue to SDCT funded by gaming funds paid to the district by the State. While this is a benefit to tax payers for the reduction in taxes, it is not a revenue gain to the school district since funds replace lost property tax revenue. Since the inception of this program, Cheltenham residents eligible for the rebate have had tax bills reduced by \$18.7 million over the six year period. Because of the reliance on local revenues, in part, Cheltenham property owners receive a larger exclusion than many other districts in Montgomery County and the State of Pennsylvania.

Those properties eligible for the exclusion minimally must be owner-occupied primary residences. The exclusion applies to the owner and when a property changes hands an application must be filed by the new owner. Should you believe your property meets the criteria for this exclusion but has not been previously applied for, the application is available through Montgomery County at <http://www.montcopa.org/DocumentCenter/View/1162>

Transportation Operations - June 2013

The month of June brings significant cost reductions to the district's transportation operations. The district's transportation supervisor position, which is funded by the transportation contractor, has eliminated a \$131,796 annual expenditure that the district was making to First Student for managed services. Not only was the payment for managed services eliminated, but the supervisor who was selected and hired by the school district provides an independent oversight of the transportation function to review the transportation contractor and initiate cost reductions. It is important to note that these efficiencies are without any direct reduction to service levels and, in fact, provide an enhancement in the safety, training and age of vehicles to be put in operation for 2013-14. Many of these reductions include improved routing and efficient use of vehicles which in 2013-14 are expected to yield \$300,000 in savings.

Purchasing - May 2013

The school district regularly purchases projector bulbs and printer toner. In addition to competitive pricing, the district migrated toner and projector bulbs in 2013-14 to a vendor that maintains an inventory of printers and projectors and provides complimentary repair and servicing free of charge. If a repair is not feasible, the vendor will replace the projector or printer free of charge. With the average projector cost at \$650 and printer in the same range, the district projects considerable savings and relief from replacement expenditures in the future. Of further note is that projectors or printers which cannot be repaired are recycled as part of the program at no additional cost.

Strategic Issuance of Debt – April 2013

One of the areas in which the district's long-range budget will increase is debt service to fund construction projects. The district has engaged in strategic management, the scope of which expands beyond last month's highlight on debt refunding. These management strategies include the following:

- Maintenance of a Strong Rating with Standard & Poor's of AA- to eliminate the need for insurance and reduce interest rates and borrowing costs over the life of the debt
- Plans for issuance of debt to maintain the district borrowing in a "bank qualified" issuance which reduces interest rates and saves millions of dollars in payments over the life of the debt service
- Utilizes current funding to eliminate the need for debt issuance spikes due to cash flow needs. Debt is then issued and paid back to current funds. In the current interest rate environment, this eliminates interest payments on debt and takes advantage that historically low interest rates will not earn significant returns.

Bond Refunding – March 2013

During February 2013, the School District of Cheltenham Township refunded debt service saving \$1.9 million over the life of the district's debt service. This represents a savings of 20.32% over the life of the \$9.7 million debt service payments from 2013 – 2035. Savings will reduce the district's future debt payments and allow future debt borrowings to be phased in and reduce debt service increases.

Legislative Advocacy – State Budget – February 2013

In February 2013, Governor Corbett will release a proposed state budget for 2013-14. Of significant importance to the School District of Cheltenham Township is the fact that allocations for state funding will be made. Over the years, the state's support for public education has reduced and not kept pace with mandatory special education program costs and charter school payments.

In addition to the Governor's budget, legislators propose changes that may become part of legislative action which impacts the 2013-14 school year and fiscal outlook. Of substantial importance this year, are the proposals for charter school and pension reform.

If enacted, these legislative changes can bring relief to costs which are substantially rising for

schools across the Commonwealth of Pennsylvania; thereby, reducing the cost per pupil at Cheltenham without reducing programs. Additionally, the relief on charter school payments would bring more money back to benefit the students enrolled in our school district.

Energy Savings Through Consortium – January 2013

The School District of Cheltenham Township, like other institutions, constantly looks at improving the purchases of commodities which are subject to market volatility. A consortium is one way to mitigate budget impact. While purchasing energy through a consortium is not new for the School District of Cheltenham Township, the acquisition through a consortium that is utilizing strong resources and the latest technology continues to reduce rate impact on the annual budget. The benefit of the consortium is the ability to buy electricity from the wholesale, not retail markets. This product provides a diversified and managed approach to electric purchases. Upon consultation with a dedicated portfolio strategist, fixed blocks are purchased from the forward market at many different points in time to mitigate the risk of buying in one. The savings of 5% to 20% provided by access to the wholesale market for 2012/13 will yield \$40,000 to \$160,000 annually to redirect towards classroom instruction.

Transportation RFP – December 2012

During the month of December the district will be Requesting Proposals for Contracted Transportation Services reaching a variety of vendors across the United States. The district is hopeful that based upon recent national and state awards, this Request for Proposal will yield an improved pricing structure to meet the district's ever changing needs for safe, reliable transportation services to public and non-public schools within a ten mile radius. Additionally, over the month of November, the district reexamined the way in which transportation is structured and operated to improve safety while reducing overhead which adds to its cost per route.

With the forthcoming proposal, savings will be noted in a later C3; however, developing a Request for Proposal reflective of national and state trends to improve safety and timeliness will reduce the existing cost components for each current route to enable transportation costs for 2012/13 to fall below those for 2011/12 by over two hundred thousand dollars or three percent.

Online Applicant Portal – November 2012

In an effort to reduce processing costs for applications while concurrently increasing the visibility of employment opportunities with the school district, effective July 1, 2012, the school district moved all employment opportunities and applications to a web-based portal. Savings on labor, paper, and other administrative tasks are \$6,750 to date.

The portal provides a searchable platform for all employment opportunities. Additionally, prospective employees can apply online and include requisite information electronically. Processing and review at the district is decentralized with administrators reviewing applicant information from the portal. While the portal does not replace advertisements in newspapers and over venues, it has attracted significant interest. To date, over 4,723 prospective employees have utilized the portal to apply for openings.

Anniversary – October 2012

The C3 initiative began in October 2010. To date, this monthly initiative to update our community has highlighted over \$5.7 million in opportunities which the district has utilized to provide further reductions to its expenditure budget, augment the revenue budget, and provide information to the PA state legislature on the need to continue to work to align school code and other legislative actions in a way which does not impact the district by removing revenues or increasing expenditures.

At the October 2, 2012 Business Affairs Committee, a presentation highlighting the C3 initiative was reviewed. Included in the presentation was the recognition that Cheltenham like all other school districts across the state of Pennsylvania continues to need to combat cost drivers beyond the district's immediate control which include the following:

- Mandated contributions determined by the state to the school employees pension fund,
- Mandated payments to charter schools which reflect rising costs beyond the district's control such as PSERS and ignores the fact that the district cannot have a cost reduction for each student who attends a Charter School,
- Impacts to the tax assessment base driven by appeals on real estate assessments to the county office of property assessment,
- Little interest generation in the current economic environment.

Despite the mandated challenges, Cheltenham continues to work to maintain programs and opportunities for all students. The Cheltenham Cuts Cost initiative will continue to highlight cost reductions and revenue enhancements over the next year.

Legislative Advocacy for Expenditure Relief – September 2012

The School District of Cheltenham Township has and continues to examine cost reductions in areas where it is able to resulting in improved efficiency and support resources for instructional initiatives. One area in which all Pennsylvania school districts are handcuffed with cost reduction is charter and cyber charter school payments. The school district is mandated to make a payment to each charter school that a resident child chooses to attend.

Core areas which need to be changed for the state calculation of payment to charters and cyber charters are as follows:

- SDCT pays based upon our instructional costs and in no relation to the charter's operating costs.
- SDCT pays the same to a cyber charter as to a brick and mortar charter school which has no costs for facilities.
- SDCT pays more to charter schools as a result of increased pension costs and the charter then receives reimbursement from the state for its pension costs.

The School District of Cheltenham Township has prepared some meaningful factual data on the expenditure impact of charter schools which is available at: <http://finance.cheltenham.org/charter-school-funding/>

The school district encourages its residents to become familiar with the factual data and to share its thoughts with state legislators. Through changing these terms, the school district could reduce its 278% increase in charter costs over the past three years and obtain a six figure savings to provide for Cheltenham's own programs.

Reconditioned Sports Equipment – August 2012

As part of the preparation for the new school year, sports equipment is reconditioned. Ordinarily, the quantity of reconditioning does not warrant any interest from vendors. In preparation for the 2012-13 school year, a group of school districts within Montgomery County went out for bid on reconditioning sports equipment. The results for Cheltenham were a savings of \$5,311 for fall sports equipment. Based upon this success, when needs aggregate enough to be attractive to a variety of vendors, the same process will be utilized.

Centralized Printing & Scanning – July 2012

In order to continue to reduce printing costs for the district, there has been an ongoing migration to centralized printing. Faculty and staff have been able to print to the copiers throughout the district for the past year. The result of this initiative is a savings of \$100,000 in ink and maintenance costs. By removing local printers, the district will save a significant amount on the cost of individual printer supplies, maintenance, and support. End users receive increased printing and networked scanning capabilities in a secured environment to reduce waste. Lastly, in light of the increased use of technology district-wide, this initiative releases technology staff from printer issues which currently account for nearly 10% of all helpdesk requests and allows them to redirect support to new classroom initiatives such as smart boards, laptops, and other initiatives.

Property Tax Relief – June 2012

Beginning in 2006, legislation in Pennsylvania was passed which established a basis for property tax relief to school districts. Effective in 2008, funds became available from state gaming proceeds and have been provided to those qualified homesteads and farmsteads which are owner occupied and approved by Montgomery County. Additionally, this legislation established the ability to make installment payments for qualified homesteads and farmsteads. Effective with 2012-2013 tax bills, installment payments will be extended to all properties.

The school district receives annual allocations of the state gaming funds which for 2012 will increase per eligible homestead over 2011. The reduction is noted on the annual tax bill the property owner receives. If a property's assessment for 2012 remains constant with 2011, the overall tax burden will decrease over 2011 due to the receipt of an increase in a homestead exclusion from \$367 in 2011 to \$422 in 2012.

Electronic Initiatives - May 2012

In order to benchmark operational costs to industry standards, the school district began to roll out electronic initiatives to improve paper processes in 2010 with the following goals:

1. Improve processing efficiency
2. Respond to the increasing use and desire to utilize technology for processes
3. To reduce printing and paper needs

Utilizing a process evaluation of current procedures and workflow to reduce repetition and improve efficiency, the school district has implemented several electronic processes which have saved over \$44,700 since implementation. These processes include the following:

- Electronic direct deposit stubs (2010)
- Employee portal integrated with financial software for leave information (2011)
- Upload of various employee information to eliminate hand keying (2011)
- Paperless requisition process (2011)
- Strategic links of information between student, financial, and other databases (2012)
- Paperless annual open enrollment for benefits (2012)
- Paperless employment application process (2012)

Demand and Response - April 2012

In an effort to address rising utility costs, the school district, as part of a county-wide consortium, will begin to participate in a demand and response program on July 1, 2012. Demand Response is a consumer's ability to reduce electricity consumption at their location when wholesale prices are high or the reliability of the electric grid is threatened. This program bid through the Montgomery County Intermediate Unit (MCIU) and awarded to EnerNOC provides participating schools who offer up to the electrical grid the unused energy load in buildings during the summer months the ability to receive an annual payment from an electricity provider. As part of this county-wide consortium, the school district will received \$147,000 over the next three years for participating in reducing its load in summer months. Additionally, the school district will receive software to monitor live energy usage in buildings year round. This win-win not only provides valuable alternative revenue to the school district but improves functionality for monitoring electricity usage.

Legislative Advocacy - March 2012

One of the means by which the Board of School Directors of Cheltenham Township and the administration work to maintain revenues and advocate for mandate relief is through continued involvement in the state legislative process. Over the past year, the school board and administration have supported advocacy efforts through meetings and attendance at hearings and meetings with legislators. These efforts improve awareness of how legislation impacts the school district.

One example is the advocacy by the school district for House Bill 1877 in which testimony by a school district representative was presented. This bill seeks to correct a current legislative loop hole whereby the school district is required to pay a commission on delinquent property tax collections to the county even though, delinquent tax collection is contracted through Portnoff Law Associates. HB 1877 would eliminate a projected \$100,000 annual payment to Montgomery County for a delinquent tax commission without working in the delinquent collection process.

Free Advertising of Bidding - February 2012

Under a new initiative, the Pennsylvania Association of School Business Officials (PASBO) has unveiled an innovative website, www.paschoolbids.com. This site provides a web presence in assisting its members in their bid advertising function. This website is dedicated to the advertising of Pennsylvania school bids which provides a good target niche marketing strategy. This will assist in making sure the vendor community is aware of what Pennsylvania school bids are being put out on the street.

This initiative, which Cheltenham will participate in at no cost, will further inform interested parties in bidding opportunities and improve the competition on bids for goods and services. Increased competition, in turn, historically drives down costs and is projected to reduce the actual cost of items bid.

Transportation Efficiencies - January 2012

As part of the 2011-12 budget, the administration worked on reductions to transportation costs through improved efficiency in routing, exploration of options relative to non-public transportation, coordination with neighborhood school districts, and utilizing other vendors such as specific schools or the IU for transportation services when those costs are less than First Student costs. To date, total spending is roughly \$149,000 below 2010-2011 expenditures. Projecting forward, based upon current services, the school district is on target to meet a reduction in transportation expenditures of \$750,000 over the previous year. Additionally, there is the potential that the final calculation of state subsidy for transportation (assuming the level remains constant) will increase due to improved efficiency in routing by maximizing the miles the bus has students onboard which is a primary driver of the reimbursement calculation.

While numerous schools across the state and nation have taken on opportunities to reduce transportation costs, it is important to note that those taken by the School District of Cheltenham Township were done with no reduction in services such as extra busses, late runs, or extended walking distances which are common reductions made by many other schools.

Utility reductions through Pricing - December 2011

Coupling with the school district's efforts to reduce energy consumption, the School District of Cheltenham Township has strategically purchased its electricity and natural gas along with other school districts in southeastern Pennsylvania to reduce variable market conditions. Through this effort, the district is projected to reduce total electric prices by 9.25% in 2011-12 and reduce natural gas prices by 15.38% for 2012-13. Savings in dollars total \$139,636.

The school district actively monitors utility markets to continue to leverage fixed pricing with market conditions to reduce variability and costs per unit. Continued efforts to maintain the best pricing include the following efforts: aggregating energy accounts; gathering necessary usage data; negotiating and continually monitoring a low priced, retail natural gas supply cost; reviewing cost reduction reports; and developing and supporting a strategy for continuing energy cost reductions.

Summary of Reductions with no Programmatic Impact - November 2011

This month's publication marks the one year anniversary of the C3 (Cheltenham Cuts Costs) initiative. This initiative seeks to highlight monthly cost reductions which are made in the course of normal business operations as the board and administration constantly seek to reduce costs, enhance revenues, and implement improvements in technology and other areas which will improve instruction and performance.

In the course of the past year, the achievements noted in this initiative have saved nearly four million dollars. These initiatives include refunding debt, improving purchasing efficiencies, following a bid/request for proposal process when feasible, collaborative functions with other school districts, improving printing and copying efficiencies, reducing utility costs, and improving the functionality of certain operational processes such as the collection of funds.

Through the day-to-day reductions, costs are reduced which offset the reduced funding in many areas of the school district's revenue sources. Additionally, improvements with updated copiers and technology have been infused into the district's instructional program with no additional budgetary burden. The district will continue to highlight these initiatives during the remainder the 2011 and 2012 year.

Technology Funding from E-rate - October 2011 Edition

The School District of Cheltenham Township has reported in previous installments of C3 about the reduction in technology costs, which have enabled the district to increase the availability of technology district-wide. In this month's C3 we would like to highlight revenue we have received for technology costs from sources outside of state and local funding totaling approximately \$60,000 annually. This money is based upon the school district's pending on qualifying purchases through the e-rate program.

Though the program is a federal initiative, funding is not guaranteed. The Director of Technology, who oversees the E-rate program must follow the program's guidelines which require the school district to bid all eligible services and after a minimum of 28 days, select the most cost effective proposal. This extra step not only garners the school district reimbursement but an additional reduction in the expenditure cost through bid. Therefore, the implementation of valuable instructional technology can not only continue, but be maximized and subsidized in part by grant funds from outside Pennsylvania.

Online Payment Collection - September 2011 Edition

The school district collects over \$300,000 a year in miscellaneous funds from each building for various purposes. These funds include donations, field trips, and other school based collections. The processing of these funds has been migrated to an electronic portal. Payment methods include credit cards and e-checks. Through the implementation of this electronic portal, the district will be able to direct building resources away from this function towards further supporting instruction while central administration support will be able to monitor and review funds more efficiently and effectively by eliminating collection lag, manual transactions, and other parts of this process. Migration to this electronic portal eliminated nearly \$11,250 which was annually expended in time, labor, and materials to complete this function.

Electronic Processes - July & August 2011 Edition

As we closed out the 2011 school year, we continued implementing processes that actively reduce our paper usage and improve our efficiency. For example, in late spring we migrated to an electronic distribution system for employee pay stubs. Additionally, this summer has seen us migrating to paperless purchase orders and warehousing procedures. Upcoming cost cutting initiatives include the migration of “paper heavy” processes such as employee attendance records to electronic systems that both improve efficiency and reduce paper usage. In all, we estimate an immediate savings of \$3,500 as a result of this Summer 2011 cost cutting measure which proves to be both beneficial for our bottom line and our world.

FUND BALANCE CLASSIFICATION

The district maintains a fund balance in compliance with state limits and the specifications outlined in the board of director’s policy # 620. Categories are as follows:

Nonspendable - denotes amounts of the fund balance that cannot be spent because they are either:

1. in a nonspendable form, such as inventory or
2. legally restricted to a specific use, such as principal of a permanent fund.

Restricted - denotes amounts of the fund balance that are limited by external parties or legislation. Examples include federal grant monies or donations.

Committed - denotes amounts of the fund that are limited by Board policy, such as reserve for future liabilities for accumulated sick days.

Assigned - denotes amounts of the fund that are intended for a particular purpose, such as segregation of an amount intended to be used at some time in the future

Unassigned - denotes amounts of the fund that are available for use as they are not restricted in any manner.

The District will strive to maintain an unassigned general fund balance of not less than six percent (6%) and not more than eight percent (8%) of the budgeted expenditures for that fiscal year. The total fund balance, consisting of several portions including committed, assigned and unassigned, may exceed six percent (6 %). If the unassigned portion of the fund balance falls below the threshold of six percent (6%), the Board may, at its discretion, pursue variations of increasing revenues and decreasing expenditures, or a combination of both to maintain the fund balance at six percent (6 %) of budgeted expenditures. Additionally, the Board may, at its discretion, utilize a portion of the fund balance by appropriating excess funds for nonrecurring expenditures only.

The responsibility for designating funds to specific classifications shall be as follows:

1. Nonspendable – may be assigned by the Director of Business Affairs.
2. Restricted – may be assigned by the Director of Business Affairs.
3. Committed – shall be assigned by the Board of School Directors.
4. Assigned – may be assigned by the Director of Business Affairs as approved by the Board of School Directors.

SUMMARY ALL FUNDS

Summary of Budgets

	<u>2014-15 General Fund</u>	<u>2014-15 Capital Projects Funds</u>	<u>2014-15 Food Service</u>	<u>2015-15 Total</u>
Revenues				
Local Sources	\$ 81,889,844	\$ 145,000	\$ 1,477,402	\$ 83,512,246
State Sources	\$ 18,348,233	\$ -	\$ 23,047	\$ 18,371,280
Federal Sources	\$ 644,000	\$ -	\$ 355,549	\$ 999,549
Other Financing	\$ 1,514,635	\$ -	\$ 37,000	\$ -
Total Revenues	\$ 102,396,712	\$ 145,000	\$ 1,892,998	\$ 102,883,075
Expenditures				
Salaries and Benefits	\$ 71,879,491	\$ -	\$ 947,677	\$ 72,827,168
Operating Expenses	\$ 22,417,221	\$ 27,010,795	\$ 881,144	\$ 50,309,160
Debt Service/Transfers	\$ 8,100,000	\$ -	\$ -	\$ 8,100,000
Total Expenditures	\$ 102,396,712	\$ 27,010,795	\$ 1,828,821	\$ 131,236,328
Net Operating Expenditures	\$ -	\$ (26,865,795)	\$ 64,177	\$ (28,353,253)
Bond Proceeds		\$ 20,000,000		
Committed Fund Balance for PSERS	\$ 4,500,000	\$ -	\$ -	\$ 4,500,000
Assigned to Self Insurance	\$ 1,500,000			
Assigned to Building Projects	\$ 1,000,000		\$ -	\$ 1,000,000
Assigned to Budget	\$ 900,000			
Unassigned Fund Balance			\$ -	\$ -

GENERAL FUND SUMMARY

Revenues

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
Real Estate Taxes	72,765,899	72,582,338	71,974,139	73,142,438	74,196,844	76,455,541	79,187,055	82,178,101
Act 511 Taxes	3,437,651	3,530,464	4,022,356	3,470,300	3,918,000	4,004,196	4,092,288	4,182,319
Other Local Income	5,172,488	4,887,960	4,113,033	3,924,000	3,775,000	3,859,870	3,947,381	4,036,972
Basic Instructional and Operating Subsidy	3,709,455	4,504,524	4,372,303	4,447,000	4,450,540	4,535,751	4,622,666	4,711,319
Revenue for Specific Educational Programs	2,394,407	2,394,407	2,299,047	2,244,407	2,244,407	2,244,407	2,244,407	2,244,407
Other State Revenue	8,276,614	8,296,683	9,392,900	9,862,326	11,653,286	13,230,534	14,053,706	14,561,986
Federal Revenue	1,865,817	783,168	788,786	653,000	644,000	658,168	672,648	687,446
Other Financing Sources	-	-	-	500,001	1,514,635	1,514,635	1,514,635	1,514,635
TOTAL REVENUES	97,640,081	97,009,998	96,962,564	98,243,472	102,396,712	106,503,102	110,334,785	114,117,185

Expenditures

	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
100 - Salaries	47,327,519	45,309,123	45,020,098	48,007,642	48,116,997	47,011,491	47,485,876	48,423,256
200 - Benefits	15,591,720	15,784,151	18,795,138	20,735,747	23,762,494	26,429,195	28,620,911	30,479,809
300 - Purchased Professional & Technical Servi	5,871,230	4,860,015	4,994,644	4,621,265	4,514,906	4,614,234	4,715,747	4,819,494
400 - Purchased Property Services	1,878,519	1,756,009	1,690,719	1,785,803	1,851,970	1,892,713	1,934,353	1,976,909
500 - Other Purchased Services	11,383,484	10,420,214	9,796,584	10,996,340	11,841,920	12,101,488	12,366,767	12,637,881
600 - Supplies	2,395,744	2,314,913	1,818,811	2,187,558	2,583,982	2,600,350	2,617,078	2,634,174
700 - Property	865,756	764,834	1,123,687	316,136	371,956	371,956	371,956	371,956
800 - Other Objects	1,464,611	472,013	711,665	8,637,981	8,652,487	1,262,442	1,272,615	1,283,013
900 - Other Financing Uses	8,272,459	13,757,956	11,035,152	955,000	700,000	8,740,589	10,440,941	11,039,471
TOTAL EXPENDITURES	95,051,041	95,439,228	94,986,499	98,243,472	102,396,712	105,024,459	109,826,245	113,665,962

Net Operating Expenditures	-	-	1,976,066	-	-	1,478,643	508,540	451,223
Committed Fund Balance for PSERS	4,500,000	5,000,000	5,000,000	4,500,000	3,500,000	2,500,000	1,500,000	500,000
Assigned to Self Insurance		1,500,000	865,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Assigned to Building Projects			1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Assigned to Budget			900,000					
Unassigned Fund Balance								
Beginning of Year	3,072,190	2,225,631	3,304,028	3,304,028	3,304,028	3,304,028	4,782,671	5,291,212
End of Year	3,072,190	2,225,631	3,304,028	3,304,028	3,304,028	4,782,671	5,291,212	5,742,434

EXPENDITURE DETAIL BY FUNCTION AND OBJECT

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2015 Budget	2016 Projected	2017 Projected	2018 Projected	2019 Projected
Miscellaneous Purchased Services	\$ 41,078	\$ 47,492	\$ 44,107	\$ 48,996	\$ 47,450	\$ 48,494	\$ 49,561	\$ 50,651	\$ 51,765
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Supplies	\$ 112,007	\$ 112,350	\$ 83,999	\$ 83,497	\$ 81,600	\$ 81,600	\$ 81,600	\$ 81,600	\$ 81,600
Energy	\$ 131	\$ 118	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Books & Periodicals	\$ -	\$ 1,121	\$ 195	\$ 440	\$ 301	\$ 301	\$ 301	\$ 301	\$ 301
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment - Original & Additional	\$ -	\$ 896	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment - Replacement	\$ 19,019	\$ 12,324	\$ 4,206	\$ 13,685	\$ 13,150	\$ 13,150	\$ 13,150	\$ 13,150	\$ 13,150
Other Objects	\$ 31,745	\$ 36,660	\$ (39,859)	\$ 36,900	\$ 44,140	\$ 45,111	\$ 46,104	\$ 47,118	\$ 48,154
Total Student Activities	\$ 1,413,068	\$ 1,490,999	\$ 1,404,870	\$ 1,781,613	\$ 1,718,859	\$ 1,758,003	\$ 1,795,880	\$ 1,832,846	\$ 1,870,896

Community Services

Personnel Services - Salaries	\$ 531,162	\$ 526,009	\$ 548,996	\$ 614,225	\$ 616,873	\$ 616,873	\$ 616,873	\$ 616,873	\$ 616,873
Group Insurance	\$ 67,066	\$ 8,273	\$ 91,339	\$ 55,499	\$ 63,514	\$ 69,865	\$ 76,852	\$ 84,537	\$ 92,991
Social Security Contributions	\$ 40,276	\$ 40,470	\$ 41,749	\$ 46,988	\$ 44,423	\$ 45,311	\$ 46,218	\$ 47,142	\$ 48,085
Retirement Contributions	\$ 29,519	\$ 45,935	\$ 68,061	\$ 34,821	\$ 124,520	\$ 150,046	\$ 166,246	\$ 174,620	\$ 184,115
Tuition Reimbursements	\$ 2,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unemployment Compensation	\$ 3,789	\$ 1,151	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Workmen's Compensation	\$ 2,008	\$ 4,085	\$ -	\$ 222	\$ 153	\$ 159	\$ 165	\$ 172	\$ 179
Health Benefits	\$ 13,867	\$ 56,309	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Professional & Technical Services	\$ 14,160	\$ 11,350	\$ 15,974	\$ 15,700	\$ 16,320	\$ 16,679	\$ 17,046	\$ 17,421	\$ 17,804
Purchased Property Services	\$ 368	\$ 700	\$ 204	\$ 440	\$ -	\$ -	\$ -	\$ -	\$ -
Other Purchased Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Communications	\$ -	\$ -	\$ -	\$ 900	\$ 1,000	\$ 1,022	\$ 1,044	\$ 1,067	\$ 1,091
Travel	\$ 501	\$ 270	\$ 813	\$ 700	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Supplies	\$ 62,605	\$ 88,765	\$ 73,269	\$ 52,800	\$ 49,420	\$ 49,420	\$ 49,420	\$ 49,420	\$ 49,420
Books & Periodicals	\$ 1,563	\$ 2,148	\$ 1,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment - Original & Additional	\$ -	\$ 3,782	\$ 2,691	\$ 2,800	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment - Replacement	\$ 11,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Objects	\$ 1,704	\$ 3,682	\$ 4,759	\$ 1,700	\$ 1,700	\$ 1,737	\$ 1,776	\$ 1,815	\$ 1,855
Total Community Services	\$ 783,045	\$ 792,929	\$ 848,940	\$ 826,795	\$ 918,823	\$ 952,013	\$ 976,540	\$ 993,967	\$ 1,013,313

Arch. & Eng. Services/Ed. Specs. - Improvements

Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Arch. & Eng. Services/Ed. Specs. - Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Existing Building Improvement Services

Repairs and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Existing Building Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Debt Service

Other Objects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ 62,478	\$ -	\$ -	\$ 7,400,000	\$ 7,400,000	\$ -	\$ -	\$ -	\$ -
Refund of Prior Year's Receipts	\$ -	\$ -	\$ 212,272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Uses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Redemption of Principal	\$ -	\$ -	\$ -	\$ 955,000	\$ 700,000	\$ 8,740,589	\$ 10,440,941	\$ 11,039,471	\$ 14,153,450
Total Debt Service	\$ 62,478	\$ -	\$ 212,272	\$ 8,355,000	\$ 8,100,000	\$ 8,740,589	\$ 10,440,941	\$ 11,039,471	\$ 14,153,450

Fund Transfers

Fund Transfers	\$ 8,272,459	\$ 13,757,956	\$ 11,035,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Fund Transfers	\$ 8,272,459	\$ 13,757,956	\$ 11,035,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Budgetary Reserve

Other Objects	\$ -	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Total Budgetary Reserve	\$ -	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000

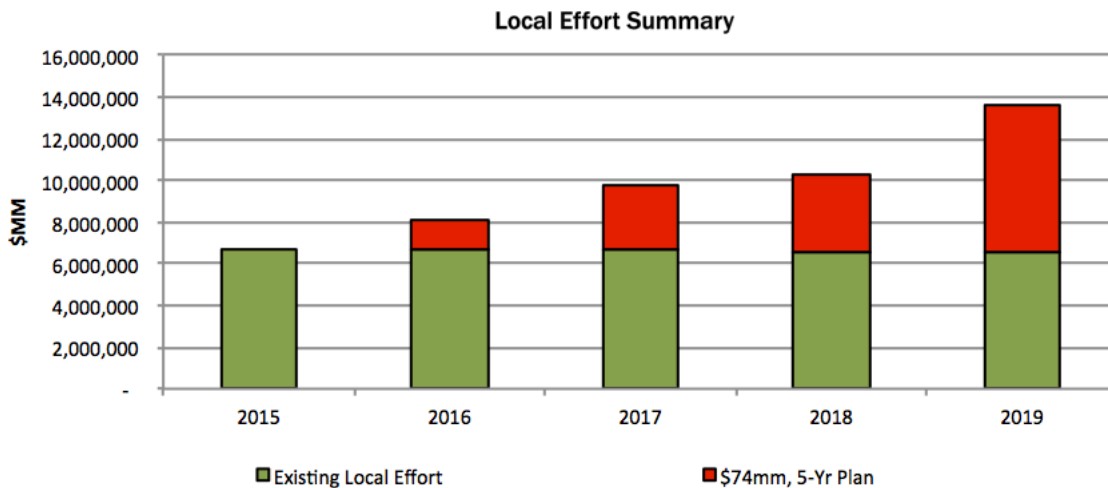
TOTAL EXPENDITURES	\$ 95,051,041	\$ 95,439,228	\$ 94,986,499	\$ 98,243,472	\$ 102,396,712	\$ 105,024,459	\$ 109,826,245	\$ 113,665,962	\$ 120,251,927
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CAPITAL PROJECTS FUND

The capital projects fund is predominantly bond funds, which the school district has been utilizing to improve facilities. According to the Pennsylvania Department of Education Chart of Accounts, all capital improvements for facilities are classified as one function with appropriate costs charged to appropriate objects. Past projects include a renovation of Myers Elementary, the construction of new Glenside and Cheltenham Elementary Schools, and other capital projects throughout the district predominantly at the Cheltenham High School, Cedarbrook Middle School, and Elkins Park School.

For 2014-15 the capital project funds will be utilized to construct a new Wyncote Elementary School. Wyncote, like all district construction projects are funded by bond proceeds issues in compliance with the PA Local Government Unit Debt Act.

In future years, the district anticipates taking on additional debt service to its existing debt structure as outlined below for future years. The chart shows the impact of additional debt service to the district's overall debt burden in red.



Since 2005, the district began a complete renovation or construction of new elementary schools improving all former facilities. Planning is currently underway for a new 5-8 facility. The only remaining building which has projected improvements in the near future is the high school. Due to the new nature of the buildings, the district does not currently have replacement plans, though ongoing maintenance is included in the operating budget (general fund). It is projected that facility construction will be completed by 2020.

CAPITAL PROJECT FUND REVENUES, EXPENDITURES & FUND BALANCE

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2015 Budget	2016 Projected	2017 Projected	2018 Projected
Revenues								
Local Sources	\$ 103,966	\$ 69,869	\$ 72,694	\$ 134,000	\$ 145,000	\$ 155,000	\$ 175,000	\$ 175,000
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 103,966	\$ 69,869	\$ 72,694	\$ 134,000	\$ 145,000	\$ 155,000	\$ 175,000	\$ 175,000
Expenditures								
Salaries and Benefits	\$ 13,536,272	\$ 5,835,500	\$ 19,769,892	\$ 9,500,000	\$ 27,010,795	\$ 20,000,000	\$ 25,000,000	\$ 25,000,000
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service/Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 13,536,272	\$ 5,835,500	\$ 19,769,892	\$ 9,500,000	\$ 27,010,795	\$ 20,000,000	\$ 25,000,000	\$ 25,000,000
Other Financing Sources								
Transfers		\$ 2,543,678	\$ 12,262,354					
Bond Proceeds Added	\$ 22,812,633	\$ -	\$ -	\$ 10,000,000	\$ 20,000,000	\$ 20,000,000	\$ 25,000,000	\$ 20,000,000
Net Operating Expenditures	\$ 9,380,327	\$ (3,221,953)	\$ (7,434,844)	\$ 634,000	\$ (6,865,795)	\$ 155,000	\$ 175,000	\$ (4,825,000)
Fund Balance June 30	\$ 7,923,969	\$ 17,304,296	\$ 14,082,343	\$ 6,647,499	\$ 7,281,499	\$ 415,704	\$ 570,704	\$ 745,704
Ending Fund Balance	\$ 17,304,296	\$ 14,082,343	\$ 6,647,499	\$ 7,281,499	\$ 415,704	\$ 570,704	\$ 745,704	\$ (4,079,296)

ENTERPRISE FUND - Food Service Fund Description

The School District of Cheltenham Township operates its own Food Service Program, which produces lunch for all students and staff who wish to participate. The Federal National School Lunch Program approves the Food Service Program and meals are served which are nutritionally balanced.

The Food Service operation at present is self-sustaining and primarily funded through the sale of meals. Other revenues received are donated commodities and cash subsidies from the State and Federal governments. The District receives federal subsidy for each lunch served which includes free and reduced price payments for low-income households.

FEDERAL AND STATE REIMBURSEMENT RECEIVED FOR COMPLETE MEALS SERVED

	<u>LUNCH</u>
PAID	.040
REDUCED	2.46
FREE	2.86
COMMODITIES	0.16

The incentive listed above is a supplemental State reimbursement for each lunch served as part of the National School Lunch Program. To receive the reimbursement, the District must implement the National guidelines for food and beverages or Pennsylvania’s guidelines for each school.

The proposed 2014-15 Food Service budget does not increase meal prices from the 2013-14 fiscal year. Therefore, school lunch prices for the school year are \$2.75 at the elementary level, \$2.95/3.25 in the middle school, and \$3.25 at the high school.

**SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP
CAFETERIA FUND REVENUES, EXPENDITURES BALANCE**

	Audited 2010-2011	Audited 2011-2012	Audited 2012-2013	Budget 2013-2014	Budget 2014-2015	Projection 2015-2016	Projection 2016-2017	Projection 2017-2018
Revenues								
Earnings on Investment	482	128	40	500	500	500	500	500
Cash Sales	1,181,002	1,181,638	1,141,005	1,260,837	1,280,893	1,293,702	1,306,639	1,319,705
Special Functions	65,817	71,905	65,288	118,394	146,009	105,400	105,400	105,400
Vending Sales	34,053	27,430	30,046	55,000	50,000	48,500	48,500	48,500
Lunch and Milk Programs Sub - Federal	260,988	332,786	365,815	332,477	355,549	294,133	294,133	294,133
Lunch and Milk Programs Sub - State	78,793	24,117	21,802	21,222	23,047	72,924	72,924	72,924
Total Revenues	1,621,135	1,638,004	1,623,996	1,788,430	1,855,998	1,815,159	1,828,096	1,841,162
Expenses:								
Repairs and Maint	10,684	-	-	5,000	-	5,000	5,000	5,000
Food Costs (Commodity Value - \$0.2075)	618,847	658,965	641,788	769,119	758,948	794,094	794,094	794,094
Direct Labor Costs (inc. Supervisory, Clerical and Fringe Benefits)	935,271	959,985	974,620	942,811	947,677	966,631	985,963	1,005,682
Admin and Management Fee*								
Other Costs	57,767	42,472	2,738	65,000	80,696	34,963	34,963	34,963
Licenses	-	-	-	-	-	-	-	-
Office Supplies	6,340	6,878	4,836	6,500	4,500	4,500	4,500	4,500
Disposal Service	-	-	-	-	-	-	-	-
Depreciation	41,135	39,890	38,408	31,198	37,000	31,198	31,198	31,198
Total Expenses	1,670,044	1,708,190	1,662,390	1,819,628	1,828,821	1,836,386	1,855,718	1,875,438
Subtotal - Net Income (loss)	(48,909)	(70,186)	(38,394)	(31,198)	27,177	(21,227)	(27,623)	(34,275)
<i>Add: Non-cash expenses</i>	<i>41,135</i>	<i>39,890</i>	<i>38,408</i>	<i>31,198</i>	<i>37,000</i>	<i>31,198</i>	<i>31,198</i>	<i>31,198</i>
Net Income (loss)	(7,774)	(30,296)	14	-	64,177	9,971	3,575	(3,077)
<i>Due to the General Fund</i>	<i>305,763.00</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>

Food Service Funds are designed to operate on a break-even basis.

INFORMATIONAL SECTION

DEBT SERVICE

The School District Issues general obligation bonds to provide funds for acquisition and construction of major capital facilities. General Obligation bonds are direct obligations and pledge the full faith and credit of the School District. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year.

The debt service information below reflects the district's debt service as of the last issue, however, it is important to note that the school district anticipates issuing debt in the 2014-15 budget year. This debt will be to fund the completion of Cheltenham Elementary and to begin Wyncote Elementary. Additionally, there may be an opportunity to lump in with the issuance of new debt a refunding to again capture the favorable interest rate market and provide a reduction in aggregate debt service.

DEBT SERVICE SCHEDULE

Year	Other General Obligation	Series A of 2013			Total
	Debt	Principal	Interest	Subtotal	Requirements
2013-14	\$6,903,463	\$5,000	\$64,405	\$69,405	\$6,972,867
2014-15	6,878,083	5,000	399,738	404,738	7,282,820
2015-16	6,868,173	5,000	399,710	404,710	7,272,883
2016-17	6,877,491	5,000	399,673	404,673	7,282,164
2017-18	6,910,729	5,000	399,623	404,623	7,315,351
2018-19	6,618,831	5,000	399,548	404,548	7,023,379
2019-20	5,160,401	260,000	399,460	659,460	5,819,861
2020-21	5,176,656	245,000	394,260	639,260	5,815,916
2021-22	5,190,205	235,000	388,441	623,441	5,813,646
2022-23	5,203,131	230,000	382,331	612,331	5,815,463
2023-24	5,214,403	230,000	375,891	605,891	5,820,294
2024-05	5,232,961	220,000	368,646	588,646	5,821,608
2025-26	5,238,129	230,000	361,716	591,716	5,829,845
2026-27	5,085,330	335,000	353,666	688,666	5,773,996
2027-28	5,013,943	350,000	341,941	691,941	5,705,884
2028-29	5,022,943	355,000	328,641	683,641	5,706,584
2029-30	5,029,658	360,000	315,151	675,151	5,704,809
2030-31	5,031,436	370,000	300,751	670,751	5,702,188
2031-32	5,029,363	395,000	285,951	680,951	5,710,314
2032-33	5,023,638	415,000	269,361	684,361	5,707,999
2033-34	5,017,475	440,000	251,931	691,931	5,709,406
2034-35	5,018,550	455,000	232,681	687,681	5,706,231
2035-36	1,373,600	925,000	212,775	1,137,775	2,511,375
2036-37	1,327,800	925,000	172,075	1,097,075	2,424,875
2037-38	1,282,000	925,000	130,913	1,055,913	2,337,913
2038-39	1,231,200	925,000	89,750	1,014,750	2,245,950
2039-40	1,185,600	930,000	45,000	975,000	2,160,600
Total	\$129,145,189	\$9,785,000	\$8,064,030	\$17,849,030	\$146,994,219

⁽¹⁾Does not include the incurred, but not yet issued Bonds.

*Totals may not add due to rounding.

DEBT LIMIT AND TOTAL AVAILABLE DEBT

	Gross Outstanding	Local Effort or Net of Available Funds and Estimated State Aid⁽¹⁾
DIRECT DEBT		
Nonelectoral Debt	\$149,150,000	\$140,463,423
Lease Rental Debt	0	0
TOTAL DIRECT DEBT	\$149,150,000	\$140,463,423
OVERLAPPING DEBT		
Montgomery County, General Obligation ⁽²⁾	\$14,708,203	\$14,708,203
Cheltenham Township	45,835,000	45,835,000
TOTAL OVERLAPPING DEBT	\$60,543,203	\$60,543,203
TOTAL DIRECT AND OVERLAPPING DEBT	\$209,693,203	\$201,006,626
DEBT RATIOS		
Per Capita 2010	\$5,699.27	\$5,463.18
Percent 2011-12 Assessed Value	11.07%	10.61%
Percent 2011-12 Market Value	7.49%	7.18%

*Includes the principal amount of the Bonds.

⁽¹⁾Gives effect to current appropriations for payment of debt service, and expected future State reimbursement of School District sinking fund payments based on current Aid Ratio. See "State Aid to School Districts."

⁽²⁾Pro rata 3.23 percent share of \$455,538,301 principal outstanding.

The statutory borrowing limit of the School District under the Act is computed as a percentage of the School District's "Borrowing Base". The "Borrowing Base" is defined as the annual arithmetic average of "Total Revenues" (as defined by the Act), for the three full fiscal years ended next preceding the date of incurring debt. The School District calculates its present borrowing base and borrowing capacity as follows:

Total Revenues for 2010-11	\$ 97,454,167
Total Revenues for 2011-12	\$ 96,619,449
Total Revenues for 2012-13 (unaudited)	<u>\$ 96,613,799</u>
 Total Revenues, Past Three Years	 <u>\$290,687,415</u>
 Annual Arithmetic Average (Borrowing Base)	 <u>\$ 96,895,805</u>

Under the Debt Act as presently in effect, no school district shall incur any nonelectoral debt or lease rental debt, if the aggregate net principal amount of such new debt together with any other net nonelectoral debt and lease rental debt then outstanding, would cause the net nonelectoral debt plus net lease rental debt to exceed 225% of the Borrowing Base. The application of the aforesaid percentage to the School District's Borrowing Base produces the following product:

	Legal Limit	Gross Debt Outstanding*	Remaining Borrowing Capacity
Net Nonelectoral Debt and Lease Rental Debt Limit: 225% of Borrowing Base	\$218,015,561	\$149,150,000	\$68,865,561

*Includes the Bonds described herein, as well as the remaining incurred, but not yet issued Bonds in the amount of \$55,350,000; does not reflect credits against gross indebtedness that may be claimed for a portion of principal of debt estimated to be reimbursed by State Aid.

SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP TAX RATES

Year	Real Estate Millage (mills)	Mercantile Taxes (mills)	Real Estate Transfer⁽¹⁾ (%)	Wage and Income⁽¹⁾ (%)
2008-09	37.250	0.0015	1.00	1.00
2009-10	39.240	0.0015	1.00	1.00
2010-11	41.600	0.0015	1.00	1.00
2011-12	41.600	0.0015	1.00	1.00
2012-13	41.600	0.0015	1.00	1.00
2013-14	42.3072	0.0015	1.00	1.00

⁽¹⁾ Subject to sharing with the Township at the rate of 50% providing it levies the tax.
Source: School District Officials.

**SCHOOL DISTRICT OF CHELTENHAM TOWNSHIP
COMPARATIVE REAL PROPERTY TAX RATES**

(Mills on Assessed Value)

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<i>School District</i>	37.2500	39.2400	41.6000	41.6000	41.6000	42.3072
Cheltenham Township.....	7.0071	7.1413	7.1413	7.1413	7.1413	7.4801
Montgomery County.....	2.6950	2.6950	2.6950	3.1520	3.1520	3.1520

Source: Local Government Officials.

REAL PROPERTY TAX

The real property tax (excluding delinquent collections) is \$71,695,899 in 2012-13 (unaudited), approximately 73.9% of total revenue. The tax is levied on July 1 of each year. Taxes paid prior to September 3 receive a 2 percent discount, and those who remit after November 1 are assessed a 10 percent penalty. Beginning with the 2007-08 fiscal year, eligible taxpayers could opt into the installment method of payment for their school taxes. Installment payments are based upon three (3) one-third payments of the base tax amount.

The following tables summarize trends of assessed and market valuations of real property and real property tax collection data.

Year	Market Value	Assessed Value	Common Level Ratio
2008-09	\$2,632,134,524	\$1,909,148,547	72.53%
2009-10	2,575,234,181	1,902,747,367	73.89%
2010-11	2,833,088,208	1,911,464,087	67.47%
2011-12	2,801,144,929	1,893,859,317	67.61%
2012-13	2,782,221,743	1,879,161,617	67.54%
Compound Average Annual % Change....	1.12%	-0.32%	

Source: Pennsylvania State Tax Equalization Board.

	2011-12 Market Value	2011-12 Assessed Value	2012-13 Market Value	2012-13 Assessed Value
<i>School District</i>	\$ 2,801,144,929	\$ 1,893,859,317	\$ 2,782,221,743	\$ 1,879,161,617
Montgomery County	84,523,212,279	57,296,285,352	86,170,182,377	57,151,038,079

Source: Pennsylvania State Tax Equalization Board.

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Residential.....	\$1,353,360,452	\$1,487,557,932	\$1,481,820,782	\$1,471,391,932	\$1,458,057,627
Lots	3,580,330	3,661,220	3,525,410	3,499,930	3,791,500
Industrial	13,600,180	13,475,900	13,475,900	13,475,900	13,475,900
Commercial.....	528,427,375	390,548,545	404,980,945	397,830,505	396,850,060
Agriculture	6,531,580	6,531,580	6,688,860	6,688,860	6,688,860
Land	3,648,630	972,190	972,190	972,190	297,670
Total.....	\$1,909,148,547	\$1,902,747,367	\$1,911,464,087	\$1,893,859,317	\$1,879,161,617

Source: Pennsylvania State Tax Equalization Board.

Year	Assessed Value	Tax Rate (Mills)	Amount of Levy	Amount Collected	Percent of Current Collections	Delinquent Taxes⁽¹⁾	Overall Collections	Percent of Overall Collections
2008-09 ⁽²⁾	\$1,907,626,447	37.250	\$71,797,123	\$68,632,067	95.59%	\$1,882,562	\$70,514,629	97.86%
2009-10 ⁽²⁾	1,906,969,727	39.240	71,801,911	68,473,691	95.36%	2,296,526	70,770,218	98.21%
2010-11 ⁽²⁾	1,912,087,767	41.600	76,126,581	72,606,717	95.37%	1,863,326	74,470,043	97.82%
2011-12 ⁽²⁾	1,893,802,897	41.600	75,537,821	72,360,551	95.82%	2,410,331	74,770,882	98.98%
2012-13 ⁽²⁾	1,878,872,157	41.600	73,757,658	71,695,899	97.20%	2,156,945	73,852,844	103.00%
2013-14 ⁽³⁾	1,879,692,747	42.3072	72,918,438	72,816,282	---	1,381,093	74,197,375	
2014-15 ⁽⁴⁾	1,867,279,597	43.6856	73,796,844	TBD	---	2,000,000	75,796,844	
2015-16	1,876,615,995	44.7341	83,948,642	TBD		2,044,000		
2016-17	1,895,382,155	45.8076	86,823,044	TBD		2,088,968		
2017-18	1,914,335,976	46.9986	89,971,247	TBD		2,134,925		

⁽¹⁾Delinquent realty taxes collected only.

⁽²⁾Beginning in 2008-09 the amount of the Levy is reduced by the amount of the Homestead/Farmstead Exemptions. The Adjusted levy shown excludes the amount payable from the Property Tax and Rent Rebate Program funded pursuant to Act 1 of the Commonwealth (\$3,220,579 for 2008-09, \$3,029,081 for 2009-10, \$3,416,271 for 2010-11, \$2,975,731 for 2011-12, \$3,444,750 for 2012-13, and \$3,026,311 for 2013-14).

⁽³⁾Year to date as of April 30, 2014.

⁽⁴⁾Estimates of delinquent taxes are provided for comparative purposes only from 2014-15 and forward

Source: School District officials.

OTHER LOCAL TAX COLLECTIONS

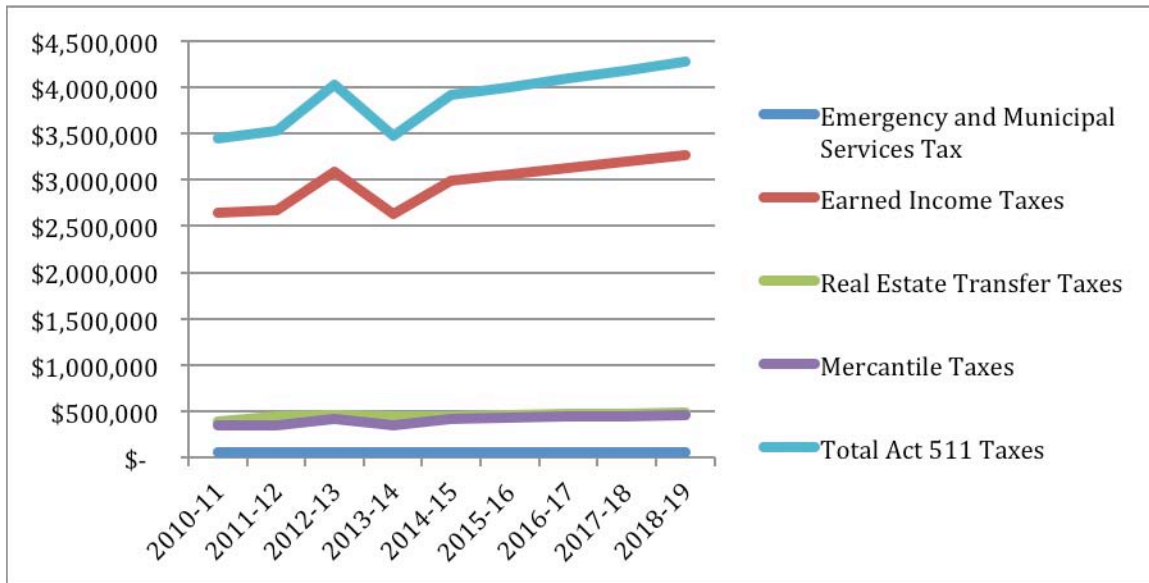
Aside from real estate taxes the PA Local Tax enabling act limits local taxes to the following taxes:

- a. A Real Estate Transfer Tax of one percent (1%) to be shared equally between the Township of Cheltenham and the School District of Cheltenham Township where each receives one-half (½) of the Real Estate Transfer Tax;
- b. A Mercantile License Tax on (i) wholesale vendor or dealers in goods, wares at the rate of one (1) mill on each dollar of gross volume of business and (ii) retail vendors or dealers in goods, wares, and merchandise at the rate of one and one-half (1½) mills on each dollar of the gross volume of retail business transacted within the School District during the license year to be shared equally between the Township of Cheltenham and the School District of Cheltenham Township where each receives one-half (½) of the Mercantile License Tax;
- c. A tax on net profits earned on businesses, professions, and other activities conducted by residents of the School District of Cheltenham Township and on salaries, wages, commissions,

and other compensation earned by residents of School District of Cheltenham Township is imposed by the School District at the flat rate of one percent (1%) to be shared equally between the Township of Cheltenham and the School District of Cheltenham Township where each receives one-half (½) of the Earned Income Tax.

- d. A Local Services Tax (LST) in the amount of Five Dollars (\$5.00), by virtue of the fact that the Commissioners of the Township of Cheltenham have enacted a LST in the amount of \$52.00 similar to the Resolution imposing a like tax by the School District of Cheltenham Township. The School District receives Five Dollars (\$5.00) of this tax.

A historical, current and future collection of the tax collections in these areas is provided below. As can be anticipated these local taxes respond to positive and negative economic impacts.



LARGEST TAXPAYERS IN THE DISTRICT

The largest real estate taxpayers in the School District for 2013-14 and their assessed valuation of real estate are as follows:

Owner	Property	Assessed Value
Lindy-Wyncote LP (Towers at Wyncote) ⁽¹⁾	Housing	\$ 58,901,700
Lynnewood Real Estate LP (Lynnewood Gardens)	Housing	47,890,000
Thor Cheltenham Mall LP ⁽²⁾	Retail	45,420,890
Cedarbrook Plaza, Inc. (Cedarbrook Shopping Center)	Retail	25,782,160
Fund Thompson Brookview LLC (Brookview Apts.)	Housing	13,340,000
Mid-Island Properties Inc. (Wyncote House)	Housing	12,470,000
Arcadia University (Old Oak Summit)	Housing	8,200,000
165 Township Line LP	Office Building	7,076,000
Highland Yorktown Associates LP (Yorktown Plaza)	Retail	6,578,050
East Cedarbrook Plaza, LLC ⁽³⁾	Retail	5,932,140
Total		\$231,590,940

IMPACT OF TAXES ON A TAXPAYER

The median assessed value of a home in Cheltenham Township for 2014 is \$144,530. The following table shows the impact over the past five years of the total school real estate tax bill at face value on the property. A home assessed at the median value would see an increase of \$144.49 over 2013-14 net receipt of \$429 as a homestead rebate. Assessments reflect an assessed value and not current market value.

Year	Millage (mills)	Tax Bill	Increase (dollars)
2007-08	35.422	\$ 5,185	405.58
2008-09	37.25	\$ 5,452	267.56
2009-10	39.24	\$ 5,743	291.27
2010-11	41.60	\$ 6,089	346.00
2011-12	41.60	\$ 6,039	(\$50.00)*
2012-13	41.60	\$ 6,014	(\$25.00)*
2013-14	42.31	\$ 6,105	(\$103.00)*
2014-15	43.69	\$ 5,896	144.49

* The increase is calculated on the current median which increased for 2014-15 to \$144,530 from the 2013-14 median of \$144,290.

PUPIL ENROLLMENT – HISTORY AND PROJECTIONS

Grade	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
K-4	1,564	1,553	1,558	1,528	1,632	1,694
5-6	619	684	708	633	653	706
7-8	627	709	685	682	732	690
9-12	1,454	1,472	1,449	1,489	1,451	1,475
Total	4,264	4,418	4,400	4,332	4,468	4,565

Grade	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
K-4	1,536	1,494	1,450	1,412	1,374	1,329
5-6	723	708	702	684	667	659
7-8	687	744	762	746	740	721
9-12	1,535	1,501	1,530	1,532	1,551	1,594
Total	4,481	4,447	4,444	4,374	4,332	4,303

Enrollment projections were developed by the Pennsylvania Department of Education. The number presented assumes moderately likely trends as projected at a state level. The Department of Education takes into account birth rates and other factors in developing their projections for all 500 schools in Pennsylvania.

BUDGET FORECAST

The School District of Cheltenham Township presents forecasted data in the financial sections. This data is based upon trends and other economic assumptions relative to tax base, the economy of Pennsylvania and expenditure assumptions such as negotiated agreements.

Revenue is projected based on the following assumptions:

- Real estate assessment values will remain constant. Current economic conditions of the housing market coupled with assessment reductions/appeals would offset increases to the total assessed value; therefore, a static total will be used for forecasting.
- Increases to real estate tax rates will be 0% per year.
- State support will remain constant. Reimbursement for social security and PSERS will keep pace with wages and rates at the current reimbursement rate of 50%.
- Federal revenues will remain constant.

Expenditure assumptions assume the following:

- Salaries will increase with current negotiated agreements for BEC through 2015, CEA through 2016, and CASSA (administrators) through 2016. Other salary assumptions benchmark salary increase to the state-wide average weekly wage increases.
- Annual retirement savings through attrition of professional staff.
- Benefits will increase per trend which mirrors Independence Blue Cross trends and established rates for retirement contributions set by the school employees' pension board.
- Debt service will increase to support construction of Wyncote Elementary and improvements in other buildings to meet needs.
- A reduction in operational costs of buildings over time due to improved efficiencies.
- Other discretionary spending is expected to remain constant with current trends.

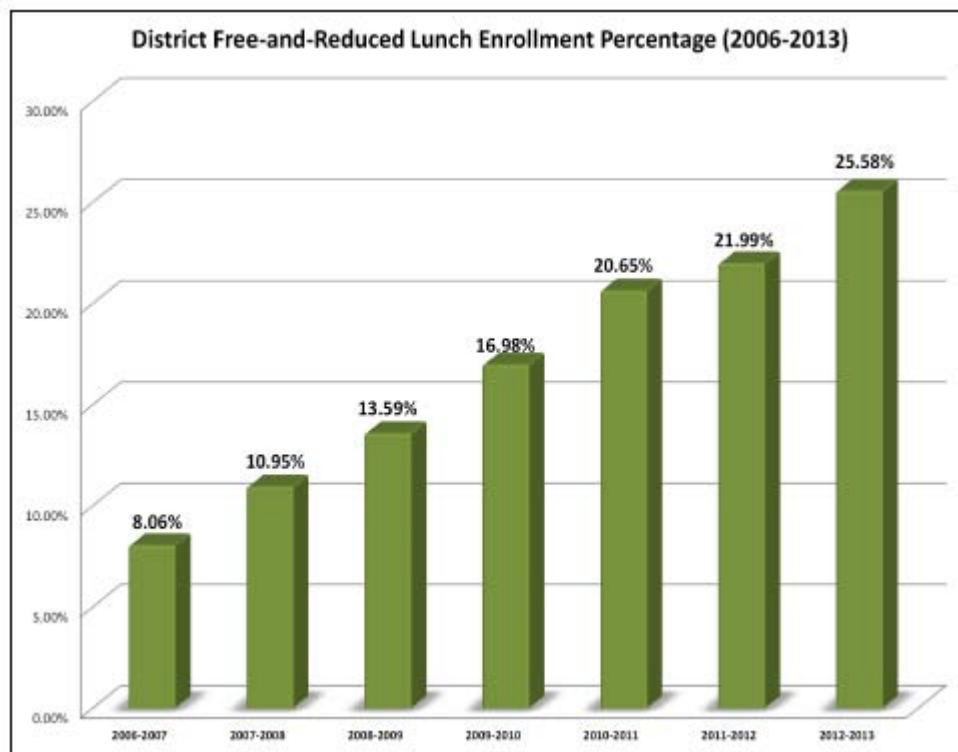
BUDGETED POSITIONS

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Projected Staff 2014-15
Professional (Teachers & Certified Administrators)	409	420	391	417	414	420	418
Classified Staff (Support Staff & Non Certified Administrators)	219	260	285	288	275	274	270
Total*	628	680	676	705	689	694	688

*Of the total positions approximately 10% are part-time.

Throughout the 2010-11 fiscal year, the school district reviewed each staffing vacancy that occurred to determine whether or not it should be filled. Additionally, as part of the development of the 2011-12 and 2012-13 budget all departments and buildings examined their staffing needs and re-alignments took place as necessary. In certain areas we were able to reduce staff and still maintain services through various means. Entering into the 2014-15 school year, the school district anticipates continued examination of staff vacancies as they are available to further review the need to refill.

FREE & REDUCED DATA



TEST SCORES

Performance Data

The state of Pennsylvania requires school districts to administer a test known as the PSSA. The test is administered at the district level on an annual basis. Performance results are included in the next section.

At this time the district does not perform any additional surveys on a global level. It is, however, important to note that regular feedback from constituents. In the past year, in addition to the budget, feedback was solicited on the strategic plan and other educational services. The results of these surveys do not provide any statistical trends to present.

Understanding the PA School Performance Profile and Our Next Steps

PA School
Performance Profile



Purpose

The PA School Performance Profile is designed to:

- Provide a building level score for teachers as part of the Educator Effectiveness System
- Inform the public of the academic performance of each public school, comprehensive career and technical center, cyber charter and charter school in Pennsylvania
- Provide parents with comparative measures for the school/district of residence, neighboring schools/districts and schools/districts across the state

Purpose

The School Performance Profile will serve as a resources to Local Education Agency (LEA) to:

- Communicate and compare performance to various constituencies
- Inform and guide goal setting, resource allocation, and targets for improved student achievement
- Encourage implementation of best practices

Data

- No new data will be collected in 2013
- Baseline year is reported as 2012-2013 data
- Preliminary data were released on October 4, 2013
- All data are public
- All data now in a single repository

District and School Fast Facts

- Demographics
- Career and Technical Center
- Supporting Intermediate Unit
- Percent Enrollment by Ethnicity and Gender
- Percent Enrollment by *Historically Underperforming Students
- Link to Supplemental Reports

*PA Definition

Building Score

- Draws upon multiple measures which define high performing schools.
- Scores are calculated based upon defined weighted data elements
- These elements are categorized into five areas.

Building Level Score

Data Components and Weightings*

- Indicators of Academic Achievement (40%)
- Indicators of Closing the Achievement Gap – All Students (5%)
Indicators of Closing the Achievement Gap – **Historically Underperforming Students (5%)
- Indicators of Academic Growth – Pennsylvania Value-Added Assessment System (PVAAS) (40%)
- Other Academic Indicators (10%)
- Extra Credit for Advanced Achievement (up to 7 points)

*Weighting varies based upon building configurations

** PA Definition

Building Level Score

Indicators of Academic Achievement

Indicators of
Academic
Achievement
40%

- Percent Proficient or Advanced on PSSA in **Math, Reading, Science, and Writing**
- Percent Competent or Advanced on **National Occupational Competency Testing Institute Exam(NOCTI) and/or National Institute of Metalworking Skills (NIMS)**
- Percent Proficient or Advanced on PSSA in **Grade 3 Reading**
- College Ready Benchmarks- **SAT/ACT**

Closing the Achievement Gap

Closing the Achievement Gap

All Students
(5%)

- Percent of achievement gap closure met on PSSA in **Math, Reading, Science, and Writing**

*Historically
Underperforming
Performing Students
(5%)

- Percent of achievement gap closure met on PSSA in **Math, Reading, Science, and Writing**
- This is a non-duplicated count
Students with Disabilities
English Language Learners
Economically Disadvantaged

Closing the Achievement Gap

Sample Calculation:

- Proficient/Advanced = 40%
- Gap between 40% and 100% is **60%**
- Must close **one-half of gap** over a **6-year period**
- Gap closure = 30% over 6-years
- Annual goal = 5% per year
- Performance is cumulative (6% first year and 4% second year = meeting goal)

2012-13 is baseline year

Building Level Score

Indicators of Academic Achievement

Indicators of
Academic
Growth / PVAAS
40%

Pennsylvania Value-Added
Assessment System(PVAAS)
Average Growth Index

- A measure of student progress across the tested grade levels in a school on PSSA in
Math, Reading, Science, and Writing

Indicators of Academic Growth - PVAAS

Growth Index	Score
3 or higher	100
2	90
1	80
0	75
-1	70
-2	60
-3 or lower	50

Building Level Score

Indicators of Academic Achievement

Other Academic
Indicators
10%

- Cohort Graduation Rate
- Attendance Rate
- Advanced Placement or International Baccalaureate Diploma or College Credit
- PSAT/PLAN Participation

Building Level Score

Other Indicators of Academic Achievement

Extra Credit
for Advanced
Achievement
(up to 7%)

- Percent Advanced on PSSA in **Math, Reading, Science, and Writing or Algebra 1, Literature, and Biology**
- Percent Advanced on **National Occupational Competency Testing Institute Exam(NOCTI) and/or National Institute of Metalworking Skills (NIMS)**
- Percent of grade 12 cohort scoring 3 or higher on **AP Exams**

Scoring Protocols

- A quantitative academic score based upon a 100 point scale
- Maximum Overall Score = 100
 - Maximum possible points may be reduced based upon *Insufficient Sample* or *Not Applicable*
 - Credit for Advanced Achievement (up to 7 points in addition to earned score)



Welcome

Welcome to the PA School Performance Profile website. This site is intended to serve as part of Pennsylvania's Educator Effectiveness system. This PA School Performance Profile serves several purposes:

- Provide a building level academic score for teachers as part of the Educator Effectiveness System
- Inform the public of the academic performance of each school, comprehensive career and technical center, cyber charter and charter school in Pennsylvania
- Provide parents and taxpayers performance measures for the school/district of residence, neighboring schools/districts and schools/districts across the state

For Pennsylvania's educators, the PA School Performance Profile offers a web-based resource for districts/schools to communicate performance results to various constituencies and assist districts and schools in aligning performance and focusing resources for continuous improvement.

Choosing your primary role will assist us in identifying user needs and making future upgrades. Your selection does not change the displays that are available for your viewing.

-- Role --

Get Started



Navigation Hints

- Click on any underlined element name to view more detail about that element.
- To return to the Landing Page, click on the blue logo bar at the top of any page.
- [Click here to view School Performance Profile en Español.](#)

For More Information

- www.PASCHOOLPERFORMANCE.ORG

Our Next Step

Using the School Performance Profile data of each of our schools to inform our work

Cheltenham HS

*SSP not available

Strengths:

- Industry Standards-based Competency Assessments
- Attendance
- SAT/ACT College Ready Benchmark
- Cohort Graduation rate
- Advanced Placement / College Credit
- PSAT/Plan Participation
- Percentage Advanced in Industry Standards-based Competency Assessments
- Percentage 3 or higher on AP Exam

Areas for Growth:

- Science Achievement

1. Cells and Cell Processes

Identify and describe the cell structures involved in processing energy.
Identify and describe how organisms obtain and transform energy for their life processes.

- Math Achievement

1. Linear inequalities

Write, solve, and/or graph linear inequalities using various methods
Write, solve, and/or graph systems of linear inequalities using various methods

2. Linear equations

Write, solve, and/or graph linear equations using various methods
Write, solve, and/or graph systems of linear equations using various methods

- Percentage Advanced in Reading, Math and Science

Action Steps:

- Evaluate / Align Science curriculum (K-12)
- Embed related professional development

Cedarbrook MS

Data Element	Maximum Measure	Performance Measure	x	Factor Value	=	Earned Points	Possible Points	
Indicators of Academic Achievement								
Mathematics - Percent Proficient or Advanced on PSSA	100.00	▲ 84.65	x	10.00%	=	8.46	10.00	
Reading - Percent Proficient or Advanced on PSSA	100.00	▲ 83.07	x	10.00%	=	8.30	10.00	
Science - Percent Proficient or Advanced on PSSA	100.00	▼ 67.95	x	10.00%	=	6.79	10.00	
Writing - Percent Proficient or Advanced on PSSA	100.00	▼ 69.27	x	10.00%	=	6.92	10.00	
Industry Standards-Based Competency Assessments - Percent Competent or Advanced	100.00	■ NA	x	0.00%	=	NA	NA	
Grade 3 Reading - Percent Proficient or Advanced on PSSA	100.00	■ NA	x	0.00%	=	NA	NA	
SAT/ACT College Ready Benchmark	100.00	■ NA	x	0.00%	=	NA	NA	
Indicators of Closing the Achievement Gap - All Students *								
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Indicators of Closing the Achievement Gap - Historically Underperforming Students *								
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Indicators of Academic Growth/PVAAS								
Mathematics - Meeting Annual Academic Growth Expectations	100.00	▲ 100.00	x	10.00%	=	10.00	10.00	
Reading - Meeting Annual Academic Growth Expectations	100.00	■ 77.00	x	10.00%	=	7.70	10.00	
Science - Meeting Annual Academic Growth Expectations	100.00	▲ 100.00	x	10.00%	=	10.00	10.00	
Writing - Meeting Annual Academic Growth Expectations	100.00	▼ 50.00	x	10.00%	=	5.00	10.00	
Other Academic Indicators								
Cohort Graduation Rate	100.00	■ NA	x	0.00%	=	NA	NA	
Promotion Rate	100.00	■ NA	x	5.00%	=	NA	0.00	
Attendance Rate	100.00	▲ 96.41	x	5.00%	=	4.82	5.00	
Advanced Placement, International Baccalaureate Diploma, or College Credit	100.00	■ NA	x	0.00%	=	NA	NA	
PSAT/Plan Participation	100.00	■ NA	x	0.00%	=	NA	NA	
* Indicators of closing the achievement gap will be included in 2013 - 2014						Total Points	67.99	85.00
Calculated Score = Total Earned Points/Possible Points =							79.99	
Extra Credit for Advanced Achievement								
Percent PSSA Advanced - Mathematics	100.00	62.98	x	1.00%	=	0.62	NA	
Percent PSSA Advanced - Reading	100.00	58.11	x	1.00%	=	0.58	NA	
Percent PSSA Advanced - Science	100.00	34.81	x	1.00%	=	0.34	NA	
Percent PSSA Advanced - Writing	100.00	4.47	x	1.00%	=	0.04	NA	
Percent Advanced - Industry Standards-Based Competency Assessments	100.00	NA	x	1.00%	=	NA	NA	
Percent 3 or Higher on an Advanced Placement Exam	100.00	NA	x	2.00%	=	NA	NA	
Final Score = Calculated Score + Extra Credit for Advanced Achievement =						▲	81.5	

Strengths:

- Reading and Math Achievement
- Growth in Math and Science
- Attendance
- Percent Advanced in Reading and Math

Areas for Growth:

- Science and Writing Achievement
- Writing growth

Action Steps:

- Evaluate / Align Science curriculum (K-12)
- Evaluate / Align Writing/Reading curriculum (K-12)
- Embed related professional development

Elkins Park

Strengths:

- Growth in Reading
- Attendance
- Percent Advanced in Math

Areas for Growth:

- Writing Achievement
- Writing and Math growth

Action Steps:

- Evaluate / Align Writing/Reading curriculum (K-12)
- Strengthen Math Instructional practices
- Embed related professional development

Data Element	Maximum Measure	Performance Measure	x	Factor Value	=	Earned Points	Possible Points
Indicators of Academic Achievement							
Mathematics - Percent Proficient or Advanced on PSSA	100.00	78.20	x	10.00%	=	7.81	10.00
Reading - Percent Proficient or Advanced on PSSA	100.00	70.62	x	10.00%	=	7.06	10.00
Science - Percent Proficient or Advanced on PSSA	100.00	NA	x	10.00%	=	NA	NA
Writing - Percent Proficient or Advanced on PSSA	100.00	60.69	x	10.00%	=	6.06	10.00
Industry Standards-Based Competency Assessments - Percent Competent or Advanced	100.00	NA	x	0.00%	=	NA	NA
Grade 3 Reading - Percent Proficient or Advanced on PSSA	100.00	NA	x	0.00%	=	NA	NA
SAT/ACT College Ready Benchmark	100.00	NA	x	0.00%	=	NA	NA
Indicators of Closing the Achievement Gap - All Students *							
Mathematics - Percent of Required Gap Closure Met	100.00	NA	x	1.25%	=	NA	0.00
Reading - Percent of Required Gap Closure Met	100.00	NA	x	1.25%	=	NA	0.00
Science - Percent of Required Gap Closure Met	100.00	NA	x	1.25%	=	NA	0.00
Writing - Percent of Required Gap Closure Met	100.00	NA	x	1.25%	=	NA	0.00
Indicators of Closing the Achievement Gap - Historically Underperforming Students *							
Mathematics - Percent of Required Gap Closure Met	100.00	NA	x	1.25%	=	NA	0.00
Reading - Percent of Required Gap Closure Met	100.00	NA	x	1.25%	=	NA	0.00
Science - Percent of Required Gap Closure Met	100.00	NA	x	1.25%	=	NA	0.00
Writing - Percent of Required Gap Closure Met	100.00	NA	x	1.25%	=	NA	0.00
Indicators of Academic Growth/PVAAS							
Mathematics - Meeting Annual Academic Growth Expectations	100.00	50.00	x	10.00%	=	5.00	10.00
Reading - Meeting Annual Academic Growth Expectations	100.00	90.00	x	10.00%	=	9.00	10.00
Science - Meeting Annual Academic Growth Expectations	100.00	NA	x	10.00%	=	NA	0.00
Writing - Meeting Annual Academic Growth Expectations	100.00	50.00	x	10.00%	=	5.00	10.00
Other Academic Indicators							
Cohort Graduation Rate	100.00	NA	x	0.00%	=	NA	NA
Promotion Rate	100.00	NA	x	5.00%	=	NA	0.00
Attendance Rate	100.00	96.53	x	5.00%	=	4.83	5.00
Advanced Placement, International Baccalaureate Diploma, or College Credit	100.00	NA	x	0.00%	=	NA	NA
PSAT/Plan Participation	100.00	NA	x	0.00%	=	NA	NA
* Indicators of closing the achievement gap will be included in 2013 - 2014					Total Points	44.76	65.00
					Calculated Score = Total Earned Points/Possible Points =	68.86	
Extra Credit for Advanced Achievement							
Percent PSSA Advanced - Mathematics	100.00	54.50	x	1.00%	=	0.54	NA
Percent PSSA Advanced - Reading	100.00	37.91	x	1.00%	=	0.37	NA
Percent PSSA Advanced - Science	100.00	NA	x	1.00%	=	NA	NA
Percent PSSA Advanced - Writing	100.00	1.26	x	1.00%	=	0.01	NA
Percent Advanced - Industry Standards-Based Competency Assessments	100.00	NA	x	1.00%	=	NA	NA
Percent 3 or Higher on an Advanced Placement Exam	100.00	NA	x	2.00%	=	NA	NA
						124	
					Final Score = Calculated Score + Extra Credit for Advanced Achievement =	69.7	

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Data Element	Maximum Measure	Performance Measure	x	Factor Value	=	Earned Points	Possible Points	
Indicators of Academic Achievement								
Mathematics - Percent Proficient or Advanced on PSSA	100.00	▲ 88.70	x	7.50%	=	6.65	7.50	
Reading - Percent Proficient or Advanced on PSSA	100.00	▲ 80.22	x	7.50%	=	6.01	7.50	
Science - Percent Proficient or Advanced on PSSA	100.00	▲ 87.75	x	7.50%	=	6.58	7.50	
Writing - Percent Proficient or Advanced on PSSA	100.00	■ NA	x	7.50%	=	NA	NA	
Industry Standards-Based Competency Assessments - Percent Competent or Advanced	100.00	■ NA	x	0.00%	=	NA	NA	
Grade 3 Reading - Percent Proficient or Advanced on PSSA	100.00	■ 79.75	x	10.00%	=	7.97	10.00	
SAT/ACT College Ready Benchmark	100.00	■ NA	x	0.00%	=	NA	NA	
Indicators of Closing the Achievement Gap - All Students *								
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Indicators of Closing the Achievement Gap - Historically Underperforming Students *								
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Indicators of Academic Growth/PVAAS								
Mathematics - Meeting Annual Academic Growth Expectations	100.00	▲ 100.00	x	10.00%	=	10.00	10.00	
Reading - Meeting Annual Academic Growth Expectations	100.00	▲ 86.00	x	10.00%	=	8.60	10.00	
Science - Meeting Annual Academic Growth Expectations	100.00	■ 73.00	x	10.00%	=	7.30	10.00	
Writing - Meeting Annual Academic Growth Expectations	100.00	■ NA	x	10.00%	=	NA	0.00	
Other Academic Indicators								
Cohort Graduation Rate	100.00	■ NA	x	0.00%	=	NA	NA	
Promotion Rate	100.00	■ NA	x	5.00%	=	NA	0.00	
Attendance Rate	100.00	▲ 96.23	x	5.00%	=	4.81	5.00	
Advanced Placement, International Baccalaureate Diploma, or College Credit	100.00	■ NA	x	0.00%	=	NA	NA	
PSAT/Plan Participation	100.00	■ NA	x	0.00%	=	NA	NA	
* Indicators of closing the achievement gap will be included in 2013 - 2014						Total Points	57.92	67.50
Calculated Score = Total Earned Points/Possible Points =							85.81	
Extra Credit for Advanced Achievement								
Percent PSSA Advanced - Mathematics	100.00	59.89	x	1.00%	=	0.59	NA	
Percent PSSA Advanced - Reading	100.00	41.81	x	1.00%	=	0.41	NA	
Percent PSSA Advanced - Science	100.00	55.10	x	1.00%	=	0.55	NA	
Percent PSSA Advanced - Writing	100.00	NA	x	1.00%	=	NA	NA	
Percent Advanced - Industry Standards-Based Competency Assessments	100.00	NA	x	1.00%	=	NA	NA	
Percent 3 or Higher on an Advanced Placement Exam	100.00	NA	x	2.00%	=	NA	NA	
Final Score = Calculated Score + Extra Credit for Advanced Achievement =						▲	87.3	

Strengths:

- Reading, Science and Math Achievement
- Growth in Math and Science
- Attendance
- Percent Advanced in Science and Math

Areas for Growth:

- Reading Achievement
- Science growth

Action Steps:

- Writing/Reading curriculum (K-12)
- Science curriculum (K-12)
- Related teacher PD

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Data Element	Maximum Measure	Performance Measure	x	Factor Value	=	Earned Points	Possible Points	
Indicators of Academic Achievement								
Mathematics - Percent Proficient or Advanced on PSSA	100.00	▲ 81.71	x	7.50%	=	6.12	7.50	
Reading - Percent Proficient or Advanced on PSSA	100.00	■ 76.83	x	7.50%	=	5.76	7.50	
Science - Percent Proficient or Advanced on PSSA	100.00	■ 77.11	x	7.50%	=	5.78	7.50	
Writing - Percent Proficient or Advanced on PSSA	100.00	■ NA	x	7.50%	=	NA	NA	
Industry Standards-Based Competency Assessments - Percent Competent or Advanced	100.00	■ NA	x	0.00%	=	NA	NA	
Grade 3 Reading - Percent Proficient or Advanced on PSSA	100.00	▲ 86.42	x	10.00%	=	8.64	10.00	
SAT/ACT College Ready Benchmark	100.00	■ NA	x	0.00%	=	NA	NA	
Indicators of Closing the Achievement Gap - All Students *								
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Indicators of Closing the Achievement Gap - Historically Underperforming Students *								
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Indicators of Academic Growth/PVAAS								
Mathematics - Meeting Annual Academic Growth Expectations	100.00	▲ 84.00	x	10.00%	=	8.40	10.00	
Reading - Meeting Annual Academic Growth Expectations	100.00	▼ 69.00	x	10.00%	=	6.90	10.00	
Science - Meeting Annual Academic Growth Expectations	100.00	▲ 81.00	x	10.00%	=	8.10	10.00	
Writing - Meeting Annual Academic Growth Expectations	100.00	■ NA	x	10.00%	=	NA	0.00	
Other Academic Indicators								
Cohort Graduation Rate	100.00	■ NA	x	0.00%	=	NA	NA	
Promotion Rate	100.00	■ NA	x	5.00%	=	NA	0.00	
Attendance Rate	100.00	▲ 96.22	x	5.00%	=	4.81	5.00	
Advanced Placement, International Baccalaureate Diploma, or College Credit	100.00	■ NA	x	0.00%	=	NA	NA	
PSAT/Plan Participation	100.00	■ NA	x	0.00%	=	NA	NA	
* Indicators of closing the achievement gap will be included in 2013 - 2014						Total Points	54.51	67.50
Calculated Score = Total Earned Points/Possible Points =							80.76	
Extra Credit for Advanced Achievement								
Percent PSSA Advanced - Mathematics	100.00	47.56	x	1.00%	=	0.47	NA	
Percent PSSA Advanced - Reading	100.00	35.98	x	1.00%	=	0.35	NA	
Percent PSSA Advanced - Science	100.00	54.22	x	1.00%	=	0.54	NA	
Percent PSSA Advanced - Writing	100.00	NA	x	1.00%	=	NA	NA	
Percent Advanced - Industry Standards-Based Competency Assessments	100.00	NA	x	1.00%	=	NA	NA	
Percent 3 or Higher on an Advanced Placement Exam	100.00	NA	x	2.00%	=	NA	NA	
Final Score = Calculated Score + Extra Credit for Advanced Achievement =						▲	82.1	

Strengths:

- Math Achievement
- Growth in Math and Science
- Attendance
- Percent Advanced in Science

Areas for Growth:

- Science and Reading Achievement
- Reading growth

Action Steps:

- Evaluate / Align Science curriculum (K-12)
- Strengthen Reading Instructional practices
- Embed related professional development

Data Element	Maximum Measure	Performance Measure	x	Factor Value	=	Earned Points	Possible Points
Indicators of Academic Achievement							
Mathematics - Percent Proficient or Advanced on PSSA	100.00	▲ 86.90	x	7.50%	=	6.51	7.50
Reading - Percent Proficient or Advanced on PSSA	100.00	▲ 80.00	x	7.50%	=	6.00	7.50
Science - Percent Proficient or Advanced on PSSA	100.00	▲ 84.93	x	7.50%	=	6.36	7.50
Writing - Percent Proficient or Advanced on PSSA	100.00	■ NA	x	7.50%	=	NA	NA
Industry Standards-Based Competency Assessments - Percent Competent or Advanced	100.00	■ NA	x	0.00%	=	NA	NA
Grade 3 Reading - Percent Proficient or Advanced on PSSA	100.00	▲ 81.94	x	10.00%	=	8.19	10.00
SAT/ACT College Ready Benchmark	100.00	■ NA	x	0.00%	=	NA	NA
Indicators of Closing the Achievement Gap - All Students *							
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00
Indicators of Closing the Achievement Gap - Historically Underperforming Students *							
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00
Indicators of Academic Growth/PVAAS							
Mathematics - Meeting Annual Academic Growth Expectations	100.00	▲ 85.00	x	10.00%	=	8.50	10.00
Reading - Meeting Annual Academic Growth Expectations	100.00	■ 73.00	x	10.00%	=	7.30	10.00
Science - Meeting Annual Academic Growth Expectations	100.00	▼ 57.00	x	10.00%	=	5.70	10.00
Writing - Meeting Annual Academic Growth Expectations	100.00	■ NA	x	10.00%	=	NA	0.00
Other Academic Indicators							
Cohort Graduation Rate	100.00	■ NA	x	0.00%	=	NA	NA
Promotion Rate	100.00	■ NA	x	5.00%	=	NA	0.00
Attendance Rate	100.00	▲ 96.67	x	5.00%	=	4.83	5.00
Advanced Placement, International Baccalaureate Diploma, or College Credit	100.00	■ NA	x	0.00%	=	NA	NA
PSAT/Plan Participation	100.00	■ NA	x	0.00%	=	NA	NA
* Indicators of closing the achievement gap will be included in 2013 - 2014					Total Points	53.39	67.50
Calculated Score = Total Earned Points/Possible Points =						79.10	
Extra Credit for Advanced Achievement							
Percent PSSA Advanced - Mathematics	100.00	51.03	x	1.00%	=	0.51	NA
Percent PSSA Advanced - Reading	100.00	33.79	x	1.00%	=	0.33	NA
Percent PSSA Advanced - Science	100.00	42.47	x	1.00%	=	0.42	NA
Percent PSSA Advanced - Writing	100.00	NA	x	1.00%	=	NA	NA
Percent Advanced - Industry Standards-Based Competency Assessments	100.00	NA	x	1.00%	=	NA	NA
Percent 3 or Higher on an Advanced Placement Exam	100.00	NA	x	2.00%	=	NA	NA
Final Score = Calculated Score + Extra Credit for Advanced Achievement =						▲ 80.3	

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Strengths:

- Reading, Math and Science Achievement
- Growth in Math
- Attendance
- Grade 3 Reading
- Percent Advanced in Math

Areas for Growth:

- Science growth

Action Steps:

- Evaluate / Align Science curriculum (K-12)
- Embed related professional development

Data Element	Maximum Measure	Performance Measure	x	Factor Value	=	Earned Points	Possible Points	
Indicators of Academic Achievement								
Mathematics - Percent Proficient or Advanced on PSSA	100.00	▲ 86.67	x	7.50%	=	6.50	7.50	
Reading - Percent Proficient or Advanced on PSSA	100.00	▲ 87.88	x	7.50%	=	6.59	7.50	
Science - Percent Proficient or Advanced on PSSA	100.00	▲ 88.09	x	7.50%	=	6.60	7.50	
Writing - Percent Proficient or Advanced on PSSA	100.00	■ NA	x	7.50%	=	NA	NA	
Industry Standards-Based Competency Assessments - Percent Competent or Advanced	100.00	■ NA	x	0.00%	=	NA	NA	
Grade 3 Reading - Percent Proficient or Advanced on PSSA	100.00	▲ 90.12	x	10.00%	=	9.01	10.00	
SAT/ACT College Ready Benchmark	100.00	■ NA	x	0.00%	=	NA	NA	
Indicators of Closing the Achievement Gap - All Students *								
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Indicators of Closing the Achievement Gap - Historically Underperforming Students *								
Mathematics - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Reading - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Science - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Writing - Percent of Required Gap Closure Met	100.00	■ NA	x	1.25%	=	NA	0.00	
Indicators of Academic Growth/PVAAS								
Mathematics - Meeting Annual Academic Growth Expectations	100.00	▲ 100.00	x	10.00%	=	10.00	10.00	
Reading - Meeting Annual Academic Growth Expectations	100.00	■ 77.00	x	10.00%	=	7.70	10.00	
Science - Meeting Annual Academic Growth Expectations	100.00	■ 76.00	x	10.00%	=	7.60	10.00	
Writing - Meeting Annual Academic Growth Expectations	100.00	■ NA	x	10.00%	=	NA	0.00	
Other Academic Indicators								
Cohort Graduation Rate	100.00	■ NA	x	0.00%	=	NA	NA	
Promotion Rate	100.00	■ NA	x	5.00%	=	NA	0.00	
Attendance Rate	100.00	▲ 95.90	x	5.00%	=	4.79	5.00	
Advanced Placement, International Baccalaureate Diploma, or College Credit	100.00	■ NA	x	0.00%	=	NA	NA	
PSAT/Plan Participation	100.00	■ NA	x	0.00%	=	NA	NA	
* Indicators of closing the achievement gap will be included in 2013 - 2014						Total Points	58.79	67.50
Calculated Score = Total Earned Points/Possible Points =							87.10	
Extra Credit for Advanced Achievement								
Percent PSSA Advanced - Mathematics	100.00	62.42	x	1.00%	=	0.62	NA	
Percent PSSA Advanced - Reading	100.00	47.88	x	1.00%	=	0.47	NA	
Percent PSSA Advanced - Science	100.00	61.90	x	1.00%	=	0.61	NA	
Percent PSSA Advanced - Writing	100.00	NA	x	1.00%	=	NA	NA	
Percent Advanced - Industry Standards-Based Competency Assessments	100.00	NA	x	1.00%	=	NA	NA	
Percent 3 or Higher on an Advanced Placement Exam	100.00	NA	x	2.00%	=	NA	NA	
Final Score = Calculated Score + Extra Credit for Advanced Achievement =						▲	88.8	128

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Strengths:

- Reading, Math and Science Achievement
- Growth in Math
- Attendance
- Grade 3 Reading
- Percent Advanced in Science and Math

Areas for Growth:

- Science growth










Action Steps:

- Evaluate / Align Science curriculum (K-12)
- Embed related professional development

Areas of Highest Strengths	Science		Math		Reading		Writing	
	Achieve	Growth	Achieve	Growth	Achieve	Growth	Achieve	Growth
*CHS					▲			
CBK		▲	▲	▲	▲			
EP						▲		
WE	▲		▲	▲	** ▲ ▲			
ME	▲		▲	▲	** ▲ ▲			
GE		▲	▲	▲	** ▲			
CE	▲		▲	▲	▲	▲		

*Growth data not available

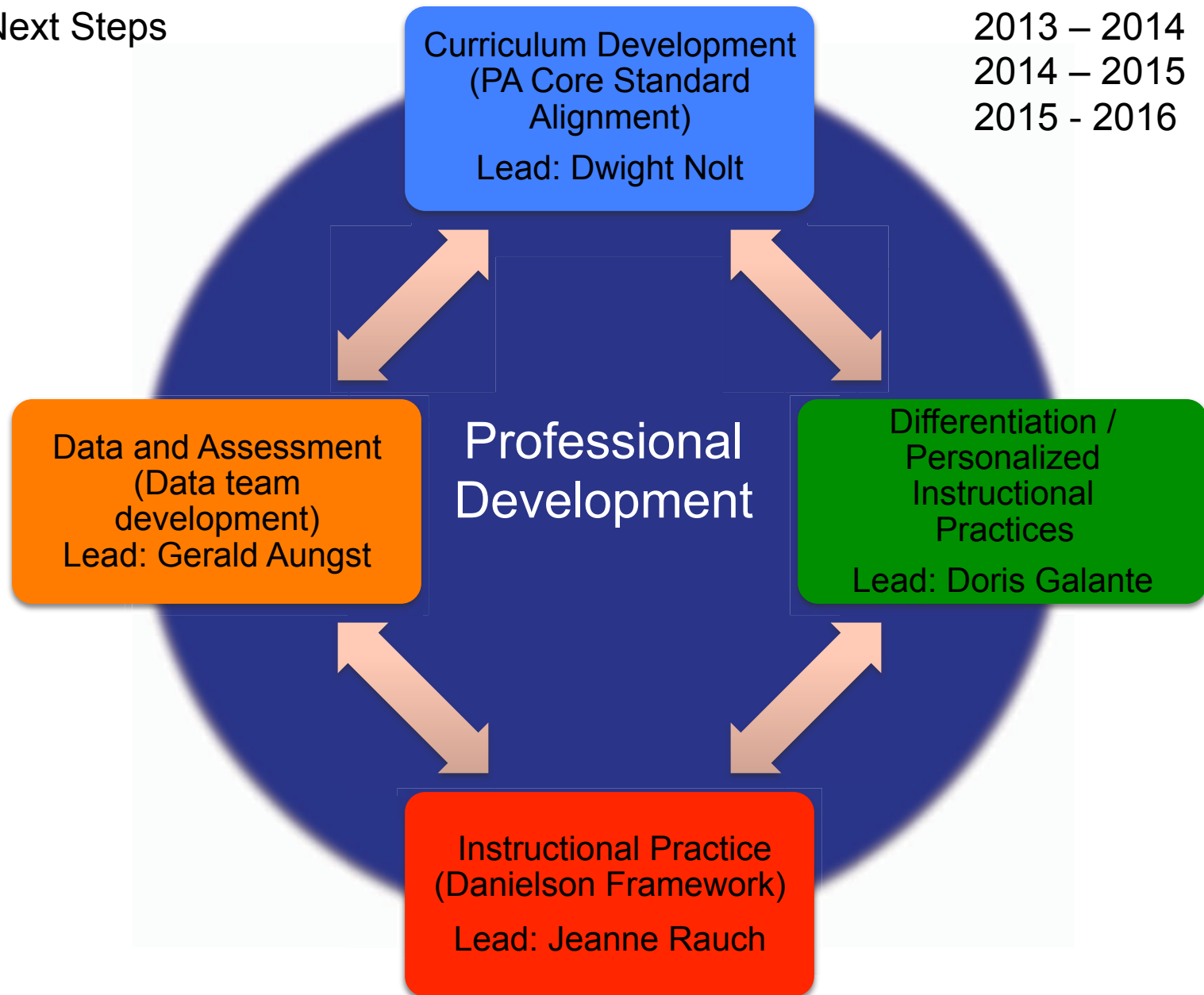
**Grade 3 Reading

Areas of Highest Need of Growth	Science		Math		Reading		Writing	
	Achieve	Growth	Achieve	Growth	Achieve	Growth	Achieve	Growth
*CHS								
CBK								
EP								
WE								
ME								
GE								
CE								

*Growth data not available

**Grade 3 Reading

Our Next Steps



Curriculum Development (PA Core Standard Alignment)

Lead: Dwight Nolt

Review and align the Science curriculum to the PA Core Standards (K-12)

Review existing materials for appropriateness to goals

Ensure writing competencies are embedded in all curricular areas and aligned to the PA Core Standards for grades (K-12)

Review and align the English Language Arts (ELA) curriculum to the PA Core Standards

Emphasize instructional focus on areas identified for growth

Data and Assessment (Data team development)

Lead: Gerald Aungst

Systematic development of district data teams

Provide data in a form conducive to the efficient and effective use by teachers and administrators

Analyze building-level PVAAS - tracking down to the student level

Analyze building-level anchor data – tracking down to the student level

Analyze building-level benchmark assessment data – tracking down to the student level

Instructional Practice (Danielson Framework)

Lead: Jeanne Rauch

Knowledge building of the Danielson Framework to:

- Promote reflective practices
- Set a standard for engaging and highly effective instruction
- Align our teaching to best classroom practices
- Strengthen instruction through the strategic use of technology
- Personalize and differentiate instruction

Differentiation / Personalized Instructional Practices

Lead: Doris Galante

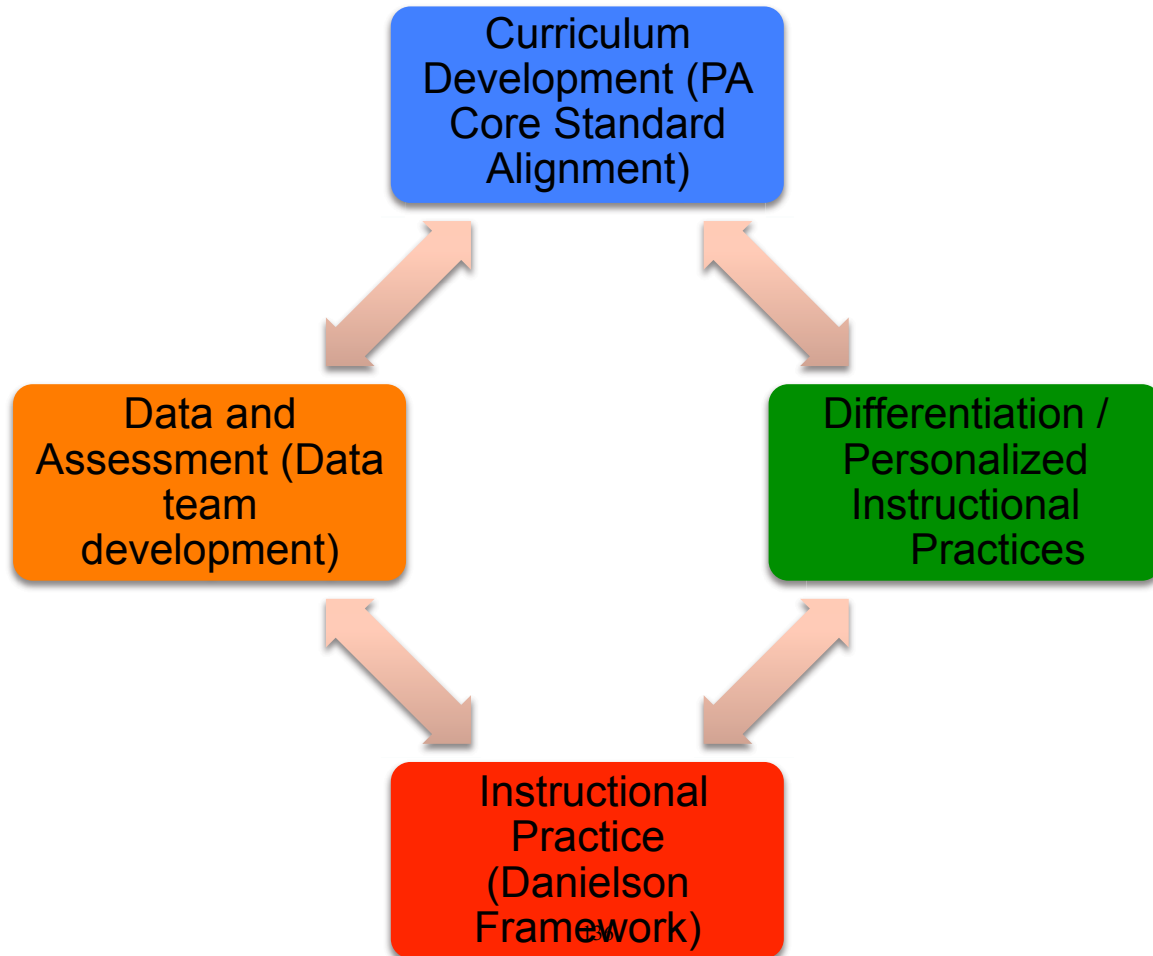
Ensure that instructional strategies and practices are differentiated and personalized resulting in academic success of all students

Build learning environments that meet the diverse and changing learning needs of all students

Emphasize engagement and personalization strategies in Science, Writing, Math and Reading.

Professional Development

Includes Professional Development days (Nov. 5, Feb. 14, May 20, June 16,17), building team and department meetings, and special release times.



The Work	2013-14	2014-15	2015-16
Curriculum Development	Focus on areas of needed growth (Science and Writing)		
Data and Assessment	Provide data in ways that efficiently and effectively inform practice		
Instructional Practices	Embed specific components of the Danielson Framework into teacher reflective practices		
Differentiation / Personalization	Engagement of all students in learning		

Advanced Placement Program

The district is proud to have a high number of AP courses offered. For 2012, Cheltenham had 114 AP scholars with an average score of 4.6 (on a scale of 1 to 5). Over the past six years the number of students who took AP test has increased. This data is presented below.

	2009	2010	2011	2012	2013	2014
Number of Students Who Took AP Tests	214	297	308	333	310	364
Number of Exams Taken	425	546	582	654	684	788

STANDARDIZED TEST SCORES

The data available for SAT scores is 2012-13, scores are as follows:

Math - 511.10
Reading - 518.76
Writing - 510.74

DROPOUT RATES

The data available for dropouts is a dropout rate of 0.01 for 2012-13.

GLOSSARY

This glossary contains definitions of terms used in the budget, and not specifically defined elsewhere, and such additional terms as seem necessary to provide a common understanding concerning financial accounting procedures for schools. Several terms, which are not primarily financial accounting terms, have been included due to their significance to school financial accounting. The glossary is arranged alphabetically.

AYP: A school district's adequate yearly progress towards its growth target or subgroup performance in relation to student performance as defined in the No Child Left Behind Act.

Accounting System: The total structure of records and procedures which discover, record, classify, and report information on the financial position and operations of a school district or any of its funds, account groups, or organizational components.

Accrual Basis: The basis of accounting under which revenues are recorded when they are levied and expenditures are generally recorded when a related liability is incurred, regardless of when the revenue is actually received or the payment is actually made.

Act 511- The Local Enabling Act of 1965: Act 511 allows public school districts of the second, third and fourth class to levy certain taxes in order to obtain funding from local sources.

Act 544 of 1952: Act 544 allows public school districts to levy interim real estate taxes on the increase in assessed valuations of local property as a result of construction or improvements to that property during the year.

Aid to Families with Dependent Children (AFDC): This is a federal (60%) and state (40%) program which provides direct cash payments to families with dependent children. Both the Title I programs and the free and reduced meal programs are available to children from families receiving this aid.

Americans with Disabilities Act (ADA): This is federal legislation which mandates non-discrimination on the basis of handicap or disability and prescribes that services, activities, programs and facilities be accessible to and usable by handicapped or disabled persons.

Appropriation: An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

Approved Private Schools (APS): These are state approved private institutions which provide special education programs on a day and residential basis for students whose educational needs cannot be met by either the District or the I.U. given the severity of their handicapping condition.

Asbestos Hazard Emergency Response Act (AHERA): This is a regulation that requires schools to conduct inspections, develop comprehensive asbestos management plans, and select asbestos response action to deal with asbestos hazards.

Assessed Value: This is the value placed on property, both land and building, by the Montgomery County Board of Assessment Appeals. All counties in the Commonwealth are subject to state statutes governing assessments but each county may establish its own procedures for calculating assessments.

Association of School Business Officials (ASBO): ASBO is a professional association which provides programs and services to promote the highest standards of school business management practices, professional growth, and the effective use of educational resources.

Balance Sheet: A summarized statement, as of a given date, of the financial position of a school district per fund and/or funds combined showing assets, liabilities and fund equity.

Board of School Directors: The elected or appointed body which has been created according to state law and vested with responsibilities for educational activities in a given geographical area.

Bonded Debt: An obligation resulting from the borrowing of money through issuance of bonds by the school district.

Bond, General Obligation: A written promise to pay specified amounts of money at certain times in the future and carrying interest at fixed rates. The obligation to pay is backed by the taxing authority of the district. The proceeds of bond issues are to pay for capital projects and improvements.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.

Budget Control: The control or management of the business affairs of the District in accordance with an approved budget with a responsibility to keep expenditures within the authorized amounts.

Budgetary Reserve: This account is not an expenditure function or account. It is strictly a budgetary account to provide for contingencies.

Capital Outlay: Expenditures which result in the acquisition of or addition to fixed assets.

Charter School: An independent public school designed by local citizens, established and operated under a charter from the local board of school directors. A charter school must be organized as a public nonprofit corporation. Charter schools are exempt from most state mandates, except those ensuring the health, safety and civil rights of students.

Comprehensive Annual Financial Report (CAFR): This is the primary vehicle by which the School District reports the results of operations and financial condition of all funds at year end.

Contracted Services: Labor, materials and other costs for services rendered by personnel who are not on the payroll of the school district.

Current and Interim Real Estate: Revenue received from taxes assessed and levied upon real property, including taxes levied under Act 544 of 1952 on new construction not appearing on the current real estate tax rolls.

Debt Limit: The maximum amount of gross and net debt that is legally permitted.

Debt Service: Includes payments of both principal and interest on all debt of the school district.

Delinquent Taxes: Revenue received from all levies that have become delinquent. Delinquent, for accounting purposes only, means taxes recognized as revenue in a fiscal year subsequent to the fiscal year of levy.

Earned Income Tax: A proportional tax levied on the wages, salaries, commissions, net profits or other compensation of residents within the taxing district.

Elementary: As defined by state practice, expenditures of a school organization composed of the grades pre-kindergarten through grade six (6).

Encumbrances: Purchase orders, contracts, and/or other commitments, which are chargeable to an appropriation. Encumbrances are not liabilities and therefore are not recorded as expenditures until receipt of material or service. Encumbrances are used in the accounting records for budgetary control.

Equipment: Money budgeted for the purchase of moveable items that are of a nonexpendable and mechanical nature to be used in the operation of the school district.

Expenditures: These are charges incurred, whether paid or not paid, which benefit the current period.

Fiscal Year: A twelve-month period of time to which the annual budget applies and at the end of which a local education agency determines its financial position and the results of its operations.

Food Services: This service area includes the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities and the delivery of food.

Function: This term refers to an expenditure activity or service area aimed at accomplishing a certain purpose or end; for example, Regular Instruction Programs, Special Instruction Programs, Vocational Education Programs, Instructional Staff Services, and Plant Operation and Maintenance.

Fund: A fund is a fiscal and accounting entity, with a self-balancing set of accounts which are comprised of each fund's assets, liabilities, fund equity, revenues, and expenditures or expenses.

Fund Balance: The excess of assets of a fund over its liabilities and reserves.

Fund Balance Appropriations: Monies appropriated from the district's fund balance to offset the shortfall in expected revenues.

Fund, Capital Projects: This is the fund used to account for financial resources that are used for the acquisition or construction of major capital equipment and facilities.

Fund, General: This is the general operating fund of the District. All activities of the District are accounted for through this fund except for those required to be accounted for in another fund.

Fund, Proprietary: This fund type accounts for District activities that are similar to business operations in the private sector or where the reporting focus is on determining net income, financial position, and cash flow. The Food Service Fund is a proprietary fund which accounts for all revenues, food purchases, and costs and expenses for the Food Service Program.

Fund Transfers: The transfer of funds from one fund to another.

Government Finance Officers Association (GFOA): GFOA is a professional association of government finance managers. GFOA develops and administers programs and provides services in the areas of research, technical assistance, publications, and career development and training.

Levy: To impose taxes or special assessments.

Mercantile Tax: A proportional tax levied on the gross receipts from wholesale and retail businesses including wholesale dealers or dealers in goods, wares and merchandise, and all persons engaged in conducting restaurants or other places where food, drink or refreshments are sold.

Mill: Property tax rate per thousand dollars of assessed value. One mill is equal to \$1.00 per \$1,000 of assessed value. To calculate the tax rate, the total property tax amount levied by the district is divided by the assessed valuation of the taxable property, divided by 1,000.

Object: This term refers to the service or commodity obtained as the result of a specific expenditure; for example, Salaries, Fringe Benefits, Professional Services, Supplies, and Property.

PDE: Pennsylvania Department of Education

Pennsylvania System of School Assessment (PSSA) Testing: - State mandated annual achievement testing for grades 5, 8, and 11.

Per Capita Personal Income (PCPI): Personal income is the income that is received by persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance. This measure of income is calculated as the personal income of the residents of a given area divided by the resident population of the area. In computing per capita personal income, BEA uses the Census Bureau's annual midyear population estimates. All state and local area dollar estimates are in current dollars (not adjusted for inflation).

Per Capita Tax: A flat rate tax levied on each adult resident within the taxing district.

RBC: Royal Bank of Canada

Real Estate Transfer Tax: A proportional tax levied on the transfer price of real property within the taxing district.

Revenue: Monies received from taxes, fees, federal and state grants, bond issues and other sources deposited into the District's bank accounts and available as a source of funds for the District.

SAWW: Statewide Average Weekly Wage per the Pennsylvania Department of Labor.

Secondary: As defined by state practice, expenditures of a school organization composed of the grades seven (7) through twelve (12).

Supplies: All items of an expendable nature which are purchased for use in the schools including supplies and books used in the operation of the schools, and fuel used to operate the buildings.

Taxes: Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

Tax Duplicate: This is the official list of all properties and persons taxable for the current year.