



STATE COLLEGE AREA SCHOOL DISTRICT

Office of Finance and Operations

240 VILLA CREST DRIVE • STATE COLLEGE PENNSYLVANIA • 16801

TELEPHONE: 814-231-1021 • FAX: 814-272-8790

To: Robert J. O'Donnell

From: Randy Brown and Donna Watson

Subject: 2020-2021 Budget Development Timeline

Date: January 10, 2020

At this point in the budget development process for fiscal year 2020-2021 we reflect on the analysis of budget components to be completed. As in previous cycles, the portions of the budget including salaries/benefits, charter school tuition payments, and debt/capital are analyzed annually. Other budget components are evaluated on a multi-year rotational basis

Attachment A provides the historical budget dollars and percentage of total budget for components areas of the budget which were selected for evaluation for the 2018-19 and 2019-20 budget years and the current 2020-21 budget cycle.

Budget development for 2020-2021 will include review of student support services, community education, student activities/athletics, printing services, and food service. In this exercise, student support services includes: student services administration, school counseling, student records and attendance, psychological services, pupil health and nursing services.

The selection of budget components for analysis in this cycle has been reviewed with finance and audit committee. This cycle considers the areas reviewed in our most recent budget processes as well as emphasizes the district's primary work for the year ahead.

A schedule provided in attachment B has been developed to identify the meetings when the budget components will be discussed for 2020-2021 cycle. Additional discussions will occur in finance committee as well.

In order to meet the Act 1 budget timeline, a board meeting on April 27 will be required to approve the proposed final budget for 2020-2021, which will be presented on April 20. The schedule for board discussion and action related to budget development is presented in attachment C.

Attachment A

**State College Area School District
Budget Development
Areas for Review**

	A	B	C	D	E	F
	Dollars			% of Total Budget		

1 **Budget prep year (1)** **2018-19 Budget** **2019-20 Budget** **2020-21 Budget** **2018-19 Budget** **2019-20 Budget** **2020-21 Budget**

Annual Review

2	Salaries/benefits	\$ 107,444,674	\$ 112,468,992	\$ 117,984,688	70.6%	70.8%	72.0%
3	Charter School Tuition	6,457,500	7,130,000	6,921,425	4.2%	4.5%	4.2%
4	Debt/Capital	19,295,874	18,624,595	17,977,759	12.7%	11.7%	11.0%
5	Total Annual Review	\$ 133,198,048	\$ 138,223,587	\$ 142,883,872	87.6%	87.0%	87.2%

Rotational: (2)

6	Delta		4,277,015			2.7%	
7	Special Education		19,330,604			12.2%	
8	Student Support Services			7,308,204			4.5%
9	Vocational Ed		3,718,510			2.3%	
10	Community Education/CEEL	1,280,367	1,706,413	1,851,748	0.8%	1.1%	1.1%
11	Student Activities/Athletics		2,768,379	3,138,785		1.7%	1.9%
12	Technology		4,701,152			3.0%	0.0%
13	Transportation	6,226,139			4.1%		
14	Plant Services		10,350,321			6.5%	
15	Printing Services			568,549			0.3%
16	Food Service Transfer from Fund 10 *	332,109	224,000	90,000	0.2%	0.1%	0.1%
17	Total Rotational Review	\$ 7,838,615	\$ 47,076,394	\$ 12,957,286	5.2%	29.6%	7.9%

18 **Total (2)** **\$ 137,526,689** **\$ 149,186,204** **\$ 145,280,448** **90.4%** **93.9%** **88.6%**

19 * Total Food Service Budget \$ 4,292,290 \$ 4,253,190 \$ 4,426,547

(1) The expense in each column reflects that budget for the prior fiscal year. We use the prior year budget numbers when calculating the percentage of the budget to be reviewed each year.

(2) Rotational items include salaries, benefits and charter school tuition expense which is also included in the annual review. This duplication is excluded from the total expense line.

Attachment B

**State College Area School District
Budget Development
Budget Area/Department Review Schedule**

March 2, 2020	Food Services
	Charter School Tuition
	PSERS
March 16, 2020	Revenue
	Proposed Budget Additions
	Print Shop
April 6, 2020	Compensation - Salaries/benefits
	FTEs
	Debt /Capital
	Community Education/CEEL
	Student Support Services
	Student Activities/Athletics

Attachment C

State College Area School District

2020-21 Budget Development – Updated November 14, 2019

Key dates in the budget process based on PDE published filing requirements.

November 18

- *Administration Recommends adopt opt out resolution - preliminary budget process eliminated - deadline January 9.*

December 2 – Board Action Required

- Adopt Resolution Authorizing Proposed Preliminary Budget Display and Advertising or adopt opt out resolution state district will not raise the rate of any tax by more than index)
- *Adopt resolution authorizing proposed preliminary budget or opt out resolution.*

December 31

- District deadline to notify residential property owners not currently approved or whose approval is due to expire that the owner must submit a completed application to county assessment office to qualify for homestead exclusion. Deadline for submitting application is March 1.

January 6

- District deadline to make 2020-2021 Proposed Preliminary Budget on form PDE-2028 available for public inspection or adopt opt out resolution.

January 9 – Board Action Required

- Presentation of referendum exceptions for board approval (PDE deadline March 4)

January 19

- Publish notice of intent to adopt 2019-2020 Preliminary Budget.
- Publish and post on district website notice of intent to apply to PDE for referendum exceptions.

January 27 – Board Action Required

- Approve Preliminary Budget (N/A if opt out)
- Presentation of referendum exception calculation for board discussion.
- Deadline to submit to PDE copy of opt out resolution and related proposed tax rate increases January 14.

February 3

- Submit to PDE Preliminary Budget and related proposed tax rate increases (PDE-2028, including Real Estate Tax Rate Report. (85 days prior to primary election) (N/A if opt out)

February 6

- Publish and post on district website notice of intent to apply to PDE for

referendum exceptions.

February 13

- PDE deadline to file referendum exception request (75 days prior to primary election)

March 1

- Deadline for residential property owners to submit homestead application to county assessment office.

March 4

- PDE to rule on school district request for referendum exception (55 days prior to primary election)

April 20

- Presentation of district proposed final budget for 2019-2020

April 27 – Board Action Required

- Approval of district Proposed Final Budget for 2020-2021 for board. (Resolution and advertising - 30 days prior to final budget adoption; PDE Deadline May 31)
- School Board President to sign and send to PDE Certification of Use of PDE-2028

April 28

- Primary Election Day- Presidential Election

May 4

- 20 days prior to final budget adoption - Proposed Final Budget on Form PDE-2028 available for public inspection

May 18

- Publish notice of intent to adopt Final Budget (10 days prior to final budget adoption)

May 26

- Public hearing for district final budget for 2020-2021

June 1 – Board Action Required

- Adopt Final Budget on Form PDE-2028 (resolution)
- Homestead and Farmstead Exclusion Resolution
- Annual Tax Levy Resolution
- Installment Payment Plan Resolution