



# WEST CHESTER AREA SCHOOL DISTRICT

*Inspiring students to achieve their personal best*

Dr. James R. Scanlon, Superintendent of Schools

March 16, 2011

Dear West Chester Area School District Community,

The governor announced his proposed budget on March 8, 2011 with severe cuts to public education. In this initial proposal, reductions were made in many categories resulting in a loss of nearly \$3.4 million to the West Chester Area School District.

In planning for a difficult budget, we anticipated a reduction in state funding and we had already considered that as part of our budget process for the 2011-12 budget. We expected our state allocation to be reduced by \$1.1 million, or back to 2006-07 funding levels. Additionally, we must now look for budget reductions as outlined below:

Funding Source	WCASD Reduction	Allocation Paid for:	Impact on the Reduction for 2011-12 Year
<b>Accountability Block Grants:</b>	<b>\$344,000</b>	Extended Day Kindergarten classes for 75 children	Extended Day Kindergarten will not be offered in Fall 2011
<b>Charter School Funding:</b>	<b>\$1,581,000</b>	Paid for 25% of charter school tuition. WCASD has paid 75% of tuitions for 590 children attending one of 17 charter schools.	WCASD will have to pay 100% of charter school tuition. <b><u>Reductions will have to come from other programs in order to pay tuitions.</u></b> Pennsylvania law mandates that school districts must pay full tuition of any student who chooses to attend a charter school.
<b>Special Education Subsidy:</b>	<b>\$260,000</b>	Paid for 20% of our special education program costs. WCASD pays 75%. Federal government pays 5%	<b><u>Reductions will have to come from other programs in order to pay for special education program expenses.</u></b> Special Ed programs are mandated by federal law to be implemented and paid in full by the district.

Funding Source	WCASD Reduction	Allocation Paid for:	Impact on the Reduction for 2011-12 Year
School Employees Social Security:	\$1,200,000	Paid for 3.82% of school district costs toward social security payments. WCASD paid 3.82% and employees paid 7.65%	<b><u>Reductions will have to come from other programs to pay for social security payments.</u></b> Employee contributions are mandated by federal law. School district will now have to pay 5.35% and the state will pay 2.3%
<b>TOTAL</b>	<b>\$3,385,000</b>		

These numbers represent revenue reductions we'll need to make from our budget model for the 2011-12 school year. Our budget process had been progressing as planned and we had been working very hard to close the budget gap without having an impact on the classroom and programs. **With the governor's proposed budget, it will be very difficult to balance a budget without having an impact on our programs.** The Act 1 tax increase is limited to 1.4% or lower and we are unable to raise taxes any higher. The only way to balance the budget will be to find other revenues or reduce expenses.

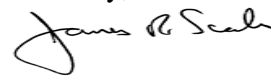
I will be discussing a strategy to address this new challenge with the school board at the Property and Finance Committee meeting on March 21<sup>st</sup> at 6 pm. If the governor's proposed budget passes, we will be faced with making some very significant budget decisions before we pass a final budget in May.

There will be a special community meeting to be held on Monday, April 4, 2011, 7 p.m. at Henderson High School, 400 Montgomery Ave, West Chester, PA, to discuss potential reductions and their impact on our programs for next year. We will be reviewing findings from our Community Budget Task Force, as well as other possible ways to reduce our budget at this meeting.

Information about our proposed budget reductions will also be posted on our web site at [www.wcasd.net](http://www.wcasd.net).

We will continue to keep our students' best interest as a top priority. Thanks for your understanding as we work through this difficult time and thanks for supporting our schools!

Sincerely,



James R. Scanlon, Ed.D.  
Superintendent of Schools