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Testimony to the Senate Education Committee on Senate Bill 1230

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Thank you for the opportunity to testify this morning. My name is Hannah Barrick, and I am the assistant executive director for the PA Association of School Business Officials (PASBO). PASBO comprises school business officials who are responsible for everything from budgeting and financing to school facilities, transportation, food service, technology, human resources, safety and security, procurement and everything in between.

COVID-19 has certainly been a challenge for all LEAs across the commonwealth. The stability, predictability and sustainability of revenues, expenses and overall operations that LEAs strive for is out the window, and beginning in March 2020, we entered a new chapter in education—one that is unpredictable, unprecedented and continually challenging.

While LEAs have learned, adapted and evolved as the pandemic entered each new phase, it remains a constant challenge as the situation changes in each LEA on a daily basis. The result is a need for constant evolution, frequent innovation and additional resources to cover growing costs to ensure both the safety of students, staff and the community and that students are receiving a quality instruction regardless of the instructional model.

The co-sponsorship memo for Senate Bill 1230 focuses on the COVID-19 impact on students, and the need to get students back on track academically in the 2020-21 school year. The Back on Track Education Scholarship Program proposed in the bill is targeted at providing parents with funding, via an account, to get their children the specific help they need following the school closures last school year.

While PASBO certainly agrees that everything must be done to ensure that the nearly two million k-12 students across the commonwealth have the academic resources and other supports they need to be successful this school year, we are opposed to the underlying policy behind the scholarship program.

There are more effective ways to ensure that students are academically back on track than targeting valuable public resources to private schools with minimal academic or financial accountability.

Providing additional federal resources to the public schools that educate the vast majority of Pennsylvania's k-12 students—and that are required to provide the supports, counseling and services

articulated in the bill—would be a much more effective and transparent mechanism through which to address the academic implications of COVID-19.

In fact, despite the co-sponsorship memo's focus on the academic impact of the pandemic, there is nothing in Senate Bill 1230 that limits or prioritizes eligibility to students that have a demonstrated learning deficit or any impact at all due to the pandemic. As a result, up to \$500 million in federal funds could be directed—via the scholarship accounts—to nonpublic schools without any articulated educational benchmarks, academic measurements or required academic outcomes to ensure that the program effectively gets students back on track this year.

Additionally, there is nothing in the proposal that comes close to requiring financial accountability for the federal funds that could flow to nonpublic schools. The extent of the rules and regulations that extend to public schools in receipt of federal funding is staggering and includes limited eligible uses, complex procurement rules, accounting rules and audit requirements. Additionally, there have been extensive applications for each dollar of federal funding received—either through ESSER, GEER or the COVID safety and security dollars provided via PCCD. None of that is required under Senate Bill 1230.

Again, if the concern underlying Senate Bill 1230 is truly the educational security of students impacted by COVID-19, targeting additional federal funds—such as the \$500 million contemplated by the bill—at public schools and the 1.7 million children they educate—would be the most effective, transparent and accountable mechanism through which to ensure that students are getting back on track.

While public k-12 education has been provided with 12 months of state funding in addition to federal CARES Act funding, the financial challenges facing public schools have not been extinguished.

In addition to ongoing uncertainty about the extent of the local revenue losses school districts are expecting to experience over the current and next fiscal years—which could reach \$1 billion once impacts of property tax and EIT collection, delinquent tax collection, realty transfer tax and investment income declines are realized—public schools are still facing growing costs above and beyond what has already been covered by federal funding.

Many school districts are bracing for increases in cyber charter tuition costs in 2020-21—above and beyond the normal growth—which could have a significant impact on school district finances. In addition to the normal increases in the charter school tuition rate as a result of the tuition calculation (which for 2020-21 is based on 2019-20 pre-COVID school district budgets), many cyber charter schools have reported increases in enrollment and many school districts are experiencing the financial implications. At this point, the scope of the increase is unknown—but if the number of cyber charter school students doubles in 2020-21, the resulting financial impact on school districts could be more than \$500 million all by itself.

Many PASBO members have reported increases in their anticipated cyber charter tuition costs for this fiscal year above and beyond what they budgeted, and we are working hard to identify the cyber charter enrollment increase and the resulting financial implications by school district.

The local revenue losses and the potential cyber charter tuition increases are in addition to many other costs public schools are experiencing in response to the pandemic—costs that far exceed the federal funding already provided and that demonstrate a significant need for additional funding, such as the \$500 million contemplated in Senate Bill 1230.

LEAs have spent and continue to spend resources on PPE of all sorts, including masks, gloves and face shields and have expended funds on thermometers and thermal scanners. LEAs have purchased hand sanitizer, wipes, portable air cleaners, cleaning supplies and have contracted for services or hired additional custodial staff. They have spent money on ventilation system changes and sanitizers, have modified facilities with plexiglass, desk shields and other barriers, have rented facilities to accommodate social distancing and have seen increases in utility costs as a result of the need to ensure increased ventilation.

LEAs have purchased additional supplies to ensure that students and staff do not have to share, have purchased iPads, tablets, Chromebooks and laptops for students and staff, have provided essential professional development opportunities to staff to help them prepare for and maximize online learning, have hired new teaching and support staff to accommodate social distancing and to provide robust programming to fragile learners, have contracted to provide additional counseling services to students, have contracted with full-time building substitutes and have increased transportation costs to ensure social distancing and accommodate A/B schedules.

Many LEAs have also spent significant resources building or improving their own online programs, paying tuition for students to attend online IU programs, hiring additional staff to accommodate hybrid or online programs, purchasing hardware, including microphones, cameras, power strips, USB extenders, hot spots and wifi for students, increasing bandwidth and purchasing software to allow for and improve online programming and curriculum.

Additionally, many LEAs are reporting significant losses in food service revenue due to the online or hybrid models, which must be covered by their general funds. They are also bracing for increased healthcare costs and increased workers' compensation costs.

For many school districts, these costs exceed the both amount of federal CARES Act funding they have received and any savings they may have experienced during the end of 2019-20. The longer the pandemic goes on, the longer PPE supplies are needed, the longer utility costs increase, the longer hybrid and online programming exists in conjunction with in-person instruction and the longer cyber charter tuition costs grow.

If there is \$500 million in CARES Act or other federal funds available as referenced in Senate Bill 1230, public education and its 1.7 million students need it, and PASBO would urge consideration of additional COVID-focused relief to be focused on ensuring that all public schools—where there is significant financial and academic transparency and accountability—have the resources they need to educate all students effectively and safely, getting them all back on track in 2020-21.

Thank you for the opportunity to testify today. PASBO looks forward to working with the committee to continue to overcome the challenges of the pandemic and to ensure that public education is even better on the other side.