

PTA and School Budgets

One of the most important tasks facing a school board is the preparation of the annual school budget. A school budget is a statement of the school board's financial policy – the fiscal plan for the operation of the school district for the year.

The proposed budget, as submitted to the residents for a vote, is the legal responsibility of the school board. Knowing this, it is still important for the PTA to have input as early as possible in the budget process. It is critical that the PTA take the time to become well informed and work constructively with the school board and superintendent to ensure that their opinions are known.

It is the PTA's responsibility to promote an understanding of the education needs of the community and to demonstrate how the proposed budget meets those needs.

The PTA Should:

- Be knowledgeable about school financial information year-round. Institute regular procedures for sharing this information with unit representatives. Participate in school budget advisory committees.
- Be continuously involved in decision-making related to the school district budget. Respond to items under consideration during the designated public comment times at regular school board meetings and special budget hearings or discussions (which are subject to open meeting laws).

- Encourage school board members and the superintendent to attend unit and council meetings to discuss the school district's financial status, proposed bond issues, etc.
- Provide opportunities for formal debate or forums for discussion. (Remember to structure these meetings with ground rules for conducting business in an orderly fashion.)
- Make certain that all sides and all opinions are discussed so that an informed community can make the best decision.
- Be wary of influences and arguments that are based on emotional appeals.
- Organize a community-wide coalition to produce a positive vote. Include representation from such community and school organizations as booster clubs, scouts, the Chamber of Commerce and community recreation or service organizations.
- Disseminate information to parents and community members so that all may be informed.
- Call all parents on the day of the vote as a reminder. Arrange for transportation and baby-sitting if possible.

The proposed budget need not contain all of PTA's priorities for it to be supported. A statement of PTA's concerns can inform the board of education of those aspects of the budget with which it does not concur.

PTA and School Budget Committees

In the pursuit of a good understanding of the budget process, PTA should have involvement on a budget committee. There are two kinds of committees which often come up: a PTA's own budget study committee and the school board's community budget committee.

PTA Budget Committee

The purpose of a PTA budget committee is to study the budget and present the committee's ideas and recommendations to the membership. The benefit of such a committee is the opportunity to include more people in the budget process.

A unit committee should include a broad representation of the PTA members living in the school community.

A council committee should include representation from all units in its membership.

School Board or Community Budget Advisory Committees

These committees are usually formed by the school board to garner input from the community during the budget

process. PTA should make sure to have representatives on this committee who will report back to the PTA regularly.

Resources for the budget committee:

- Board of Education's time schedule for finalizing proposed budget to assure input in adequate time
- Budgetary requests for capital equipment and buildings and ground maintenance/improvements
- Commissioner of Education's regulations
- School Law: A Handbook for School Board Members – New York State School Boards Association, 24 Century Hill Dr., Suite 200, Latham, NY 12110-2125; also available in Superintendent of School's office and in public library
- Previous, present, and proposed line-by-line budgets
- Pupil projections/class size
- Supplemental budget information used by school board in preparing budget
- Resource people: Superintendent, Business Manager, Principal
- Contingent Budget: Districts operating under contingent budgets are subject to special restrictions on expenditures

Analysis of the School Budget

PTAs should help advocate for parent training to understand the important factors in analyzing school budgets, such as:

1. Inflation results in increased costs just to maintain current level of operation
2. Utility and maintenance expenses – are they cost effective?
3. Curriculum relevancy
4. Current tax base
5. Building and equipment maintenance – repair vs. replacement
6. Declining/increasing enrollment effect on class size, utilization of classrooms/buildings, and redistricting
7. Class size ratio
8. Ratio of instructional to non-instructional staff
9. Investment policies
10. Impact of budget on programs and services
11. Encumbered and unencumbered fund balance
12. Impact of state aid
13. Impact of school contracts

When educating the public, it is important to provide as many opportunities as possible for them to hear the facts and ask questions. In addition, strategize ways to target

the audience, which will be the most sympathetic to the budget – the “yes” vote. This audience encompasses parents of pre-school age children, as well as those of older children. However, at times, despite a PTA’s best efforts, a budget is defeated.

Why Budgets Are Defeated: Awareness of these factors before you start the budget process may help you in your efforts to educate the public:

1. Increased taxes or tax increase out of line with surrounding communities
2. Inadequate state aid
3. Increased state mandates without financial support
4. Residents without children in public schools
5. People on fixed incomes
6. Voter apathy
7. Inflation and recession
8. Salary and benefit increases of all school employees
9. Lack of community understanding of budget
10. Influence of tax PACs and media on community
11. Non budget issues that have divided the community or Board

PTA Takes a Position on the School Budget

After careful review and consideration of the proposed budget, the PTA may take a position to:

1. Support
2. Educate about, or
3. Oppose

Be aware that opposing a budget for insufficient funds and/or educational programs may be misinterpreted and encourage the board of education to reduce the amount of the proposed budget. A defeated budget will usually lead to an even less adequate budget. Opposition can produce just the opposite of what the PTA was trying to do.

PTA’s position on the proposed budget and any statements of concern should be publicized in newsletters, local newspapers, fliers to parents and other community members. It is important to include an explanation when publicizing PTA’s position.

Remember: In accordance with state education law, fliers or newsletters announcing the date of the school budget and encouraging people to vote may be sent home with the children. However, the School Board and staff are not permitted by laws to use public funds to urge a “Yes” vote on the Budget. If a PTA wishes to encourage a “yes” vote, the PTA:

- May not reproduce any fliers or newsletters publicizing their position using school copy machines or paper. (The PTA must pay to do the copying privately.)
- May not have the school send home any of those fliers with the children. (The information must be mailed home, and the PTA is responsible for the postage.)
- May not use school phones to communicate their position to people via a phone chain.

Units and Councils Take a Position

In order for a unit to take a position on a proposed budget in the name of the unit, a vote of its general membership must be taken. A special meeting may be called if necessary.

In order for a council to take a position on the budget in the name of the council, an instructed vote is required. Each unit’s general membership takes a vote and each unit then has one vote on council. Dissenting units may request that their vote be listed as such.

If only the voting body of council takes a position, it must be clearly stated that the position is that of the voting body of council and not the council as a whole.

If only the executive board of a council or unit votes to take a position, it must be clearly noted in any letters, publicity, etc., which body has taken this position.

The Budget

1. The **universal date** required by state law, for the board of education's annual meeting, the school board election, and the budget vote is the third Tuesday in May.
2. A **budget hearing** is required not less than 7 days, or more than 14 days, prior to the annual meeting and budget vote.
3. A **budget statement** must be completed at least 7 days before the budget hearing.
4. All school districts are required to present the budget in three parts:
 - Administrative
 - Program
 - Capital

Upon defeat of the original budget, a district may:

- Resubmit the original budget for a revote
 - Submit a revised budget, or
 - Adopt a contingent budget
- √ Only one revote is allowed. The universal date for that revote is the third Tuesday in June. If the budget is defeated again, a contingent budget must be adopted.

Education expenses are divided into three major categories:

- **Mandated expenses** – appropriations legally required, essential to the educational process and/or contractual.

- **Discretionary expenses** – permitted by statute or State Education Department regulations but not required. Such expenses become part of the contingent budget if the school board deems them necessary to maintain the educational program, to preserve property, and/or to assure the health and safety of students and staff.

- **Restricted expenses** – defined by State Education Department as non-contingent items. In a voter approved budget, the district cannot spend more than the initial appropriation on these items, even with a Board approved budget transfer. In a contingent budget, a district can't spend money on these items at all.

Contingent Budget: Following two budget defeats, a Board must adopt a contingent budget. That budget may not include restricted expense items. Except for debt service, court ordered judgements and expenses related to total enrollment growth, a contingent budget cannot increase by more than 120% of the cost of living (CPI) increase or 4% whichever is less. Finally the percent of the combined Program and Administrative budget represented by Administration cannot increase over the previous year.

The 2007 State budget modifies this requirement by permitting the amount of state aid increase due to the new foundation approach to be added to the calculated contingent budget amount.

Legally mandated expenses

Adequate certified personnel, including teachers, administrators and certain pupil personnel services
 Adequate support personnel
 Social Security
 Retirement costs
 Contractual obligations of the district
 Bond principal and interest
 Legal advertising
 Fuel, electric power, water and telephone
 Washroom supplies
 Essential maintenance
 Copies of budget for voters
 Fire insurance coverage
 Annual audit
 BOCES administrative costs (if a component district of BOCES)
 Bonds-tax collector and treasurer
 Textbooks
 Extended transportation services

Discretionary expenses

Summer school
 Continuing education
 Pupil accident insurance
 Commencement speaker
 In-service training
 State school boards association membership
 Conference travel
 Certain pupil personnel services-dental hygiene, social services
 Certain instructional areas-kindergarten, nursery school, driver education, foreign language in elementary school
 Curricular program: town youth projects, lease of space, BOCES shared services
 Library books
 Sports
 Co-curricular activities, including field trips

Restricted expenses

Planned balances
 School supplies for student use
 Public use of buildings unless no budgetary cost
 Equipment & Furniture

Capital improvements except for Commissioner approved emergencies
 Salary improvements for non-certified staff who have no contract

NOTE: Budget support for school food service is now OK on a contingent budget