Join us as we try something new!

Please share your questions or suggestions about information that is presented this evening by tweeting @PHLschoolboard and using the hashtag “#boardcomments
OR you can email us at schoolboard@philasd.org using the subject line “board comments.”
To Staff and School Communities

Thank You!
Supporting Students and School Communities

Principals and teachers are supporting students in a variety of ways:

- Communicating by email, phone or other platforms to answer questions and support learning
- Enabling access to District-purchased online learning programs
- Scheduling virtual office hours or times for individuals and students to meet with teachers
- Suggesting resources for students to support remote learning
SDP Coronavirus Response

Grab & go meal sites

- 80 meal sites operating at SDP managed schools, charter schools and Philadelphia Housing Authority locations

- Day/Time: Monday & Thursday from 9am - 12pm providing 6 meals per student

Total meals to date: 207,000

Coronavirus Information Hub: www.philasd.org/coronavirus
SDP Coronavirus Response

Learning guides

- Electronic copies of all guides -- English Language Arts, math, science and social studies -- can be accessed online at philasd.org

- Paper copies of English Language Arts and Mathematics Learning Guides are available at all School District grab-and-go meal distribution sites
SDP Coronavirus Response

Communications

- **Hotlines** in 10 languages operate Monday - Thursday, 9:30 - 11:30 a.m.
  - Families are encouraged to call with general questions about the closure and the Learning Guides.

- **Email** your questions to covid19info@philasd.org for reply

- **FAQ webpages** for general questions and for staff-specific questions are also available by visiting www.philasd.org/faqs.

- **Facebook Live events** with Superintendent Hite, Wednesdays @ 3 p.m.
  - Recordings will be shared on PSTV, website and across social media
Communications Updates

Keeping families and staff informed

- Regular and accurate information via letters, robocalls and text messages in numerous languages
- Daily website updates featuring critical information on the District’s homepage and the homepages of every school
- Staff receive *A Message from the Superintendent* emails regularly
- Regular press briefings and updates across social media platforms

Follow us on Facebook, Twitter and Instagram and visit Philasd.org regularly
## Supporting Remote Enrichment & Learning

| Mar 30-Apr 10                      | Chromebooks readied for distribution, digital content developed, teachers receive virtual training  
|                                  | Families notified of pick-up date and time |
| Apr 13-24                        | Chromebooks distributed using social distancing and health safety protocols  
|                                  | Teachers begin using digital learning tools  
|                                  | Students and families have access to optional online tutorials for Google Classroom and other Google tools |
School Facilities Updates

- Capital projects suspended on March 18 per the Governor’s Executive Order
- A small group of asbestos abatement and lead safe projects will restart based on guidance from the City
- Facility Area Coordinators are regularly monitoring building conditions and grab-and-go meal sites are staffed daily
- Developing a new cleaning scope and schedule to be ready for potential opening dates
Finance Updates

- Ensuring that payroll functions accurately and timely
- Redesigning purchasing and vendor payment guidelines to ensure the ability to meet emergent needs while also maintaining sound internal fiscal controls
- Monitoring changes in revenue projections with the City and State
- Ensuring that all debt service payments of the District are made as required
- Completed the School Budget planning process for FY21 with each individual school
Labor and Staffing Updates

Ensuring effective operations

- Holding conference calls with labor leaders on Mondays, Wednesdays and Fridays to share information and get input and feedback on issues

- Developing guidance on remote working to ensure continued operations
Building on Our Progress

Preliminary Five-year Plan (FY2021-2025)
Lump Sum Statement (FY2020-2021)
The School District of Philadelphia’s Presentation of the Preliminary Five-Year Plan for FY21-25 and Fiscal Year 2021 Lump Sum Statement of Anticipated Receipts and Expenditures represents forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. Such risks and uncertainties which could affect the revenues and obligations of the School District include, among others, reduced governmental allocations, changes in economic conditions, mandates from other governments, and various other events, conditions and circumstances, many of which are beyond the control of the School District. Such forward-looking statements speak only as of the date of this presentation, March 26, 2020. The School District disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the School District’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.
The Lump Sum Budget was built based on City and State budget proposals which predated the Coronavirus issues which are impacting all aspects of District operations and finances.

This presentation has been shortened to focus on the Lump Sum Budget which was designed to build on the District’s continued progress, in the context of a fiscal outlook much different from the unknowns being faced across the globe at this time.

As the District continues its current year responses to the unprecedented challenges of the global pandemic, and continues ongoing dialogue with the City and State about next year’s funding, we will continue to update the public through our budget hearings and future budget revisions throughout the remainder of the budget process.
Since 2016, we’ve been making strategic investments to strengthen our schools

**Supporting Academic Achievement & Progress**
- new core materials + 150 early literacy coaches
- grade-level libraries in every K-5 classroom
- significant classroom modernization investments

**Improving School Climate & Culture**
- improved attendance strategies
- new alternatives to suspensions
- stronger engagement with City partners
- Positive Behavior Interventions and Supports

**College and Career Readiness**
- more AP & dual enrollment courses
- +19 college & career readiness coordinators
- new offices of post-secondary readiness and high school supports
Together, we have made progress
For four years in a row, public schools across our city have improved

Overall School Progress Report Score
District-led + Charter

Goal = 100%

+ 11 points

<table>
<thead>
<tr>
<th>Year</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-2015</td>
<td>33%</td>
</tr>
<tr>
<td>2015-2016</td>
<td>35%</td>
</tr>
<tr>
<td>2016-2017</td>
<td>37%</td>
</tr>
<tr>
<td>2017-2018</td>
<td>42%</td>
</tr>
<tr>
<td>2018-2019</td>
<td>44%</td>
</tr>
</tbody>
</table>
We’ve also made significant investments to support cleaner, healthier schools

Since 2014, we’ve:

● spent over $20 million to complete environmental and asbestos-related projects in schools -- 1,924 projects in last 18 months alone

● fully stabilized lead paint in 32 elementaries, certified another 13 as Lead Safe and will certify another 26 by end of year

● added multiple state-of-the-art hydration stations in every school

● added 112 new cleaning positions

● installed 150 new A/C units at nine schools

● installed humidity sensors to monitor and proactively prevent mold in 31 targeted schools
We are making progress while maintaining a strong fiscal foundation

- An Investment Grade credit rating for the first time since 1977
- Positive year-end fund balance for the sixth year in a row
- No negative audit findings for the sixth consecutive year
BUILDING ON OUR PROGRESS

The SY2020-2021 Investment Plan will build on prior investments and support new priorities to further improve academic outcomes for students.
Adding more services and supports in schools to help all learners succeed

Instructional Supports

- 30 additional English Language teachers
- Rewriting our curriculum to:
  - reflect the latest insights on how students learn
  - be more culturally inclusive and relevant
- Increased professional development
  - Summer Institute
  - August professional development

Supports for School Leaders and Educators

- In-house program for aspiring school leaders
- Additional supports for student-teacher placement
Adding more services and supports in schools to help all learners succeed

Student and Climate Supports
- Positive Behavior Interventions and Supports (PBIS) coaches
- Additional attendance coaches supporting targeted schools
- Professional development for school climate professionals
- Increased social-emotional learning programs
- Additional nurses for Alternative Education and Educational Options Program (EOP)
- Case managers to support students transitioning back to schools

Facilities Supports
- Additional funding for cleaning and maintenance to make all schools healthy spaces for students and staff
FINANCIAL OUTLOOK

- FY 2020-2021 Lump Sum Statement
- Preliminary Five-Year Plan for FY2021-2025
- Budget Timeline
### The Proposed FY2020-2021 Lump Sum Budget

#### (in thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES &amp; OTHER FINANCING SOURCES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Tax Revenues</td>
<td>$1,345,485</td>
<td>$1,374,751</td>
</tr>
<tr>
<td>Local Non-Tax Revenues</td>
<td>$267,804</td>
<td>$308,634</td>
</tr>
<tr>
<td>State Revenues</td>
<td>$1,696,602</td>
<td>$1,729,330</td>
</tr>
<tr>
<td>Federal Revenues</td>
<td>$16,833</td>
<td>$16,722</td>
</tr>
<tr>
<td>Other Financing Sources</td>
<td>$7,567</td>
<td>$289</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES &amp; OTHER SOURCES</strong></td>
<td><strong>$3,334,311</strong></td>
<td><strong>$3,424,726</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EXPENDITURES</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>District Operated Schools</td>
<td>$1,774,024</td>
<td>$1,836,178</td>
</tr>
<tr>
<td>Charter Schools (Incl. Transportation)</td>
<td>$1,098,215</td>
<td>$1,044,473</td>
</tr>
<tr>
<td>Other Non-District Operated Schools (Incl. Transportation)</td>
<td>$99,629</td>
<td>$106,581</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$288,218</td>
<td>$311,515</td>
</tr>
<tr>
<td>Administrative Support Operations (Central Offices)</td>
<td>$124,451</td>
<td>$130,858</td>
</tr>
<tr>
<td>Undistributed Budgetary Adjustments</td>
<td>($23,433)</td>
<td>($19,174)</td>
</tr>
<tr>
<td>Other Financing Uses</td>
<td>$1,883</td>
<td>$1,683</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES &amp; OTHER USES</strong></td>
<td><strong>$3,362,988</strong></td>
<td><strong>$3,412,114</strong></td>
</tr>
</tbody>
</table>

|                      |                |                |
| Refunding Revenues and Sources | $350,938  | $0             |
| Refunding Expenditures and Uses  | $352,802    | $0             |

<table>
<thead>
<tr>
<th><strong>OPERATING/FUND BALANCE</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Impact of Refunding</td>
<td>($1,864)</td>
<td>$0</td>
</tr>
<tr>
<td>Transfers from Reserves</td>
<td>($13,321)</td>
<td>($13,321)</td>
</tr>
<tr>
<td>Reserve for Facilities</td>
<td>($25,000)</td>
<td>$12,500</td>
</tr>
<tr>
<td>Operating Surplus/(Deficit) incl. Change in Reserves and Net Impact of Refunding</td>
<td>($68,861)</td>
<td>$11,791</td>
</tr>
</tbody>
</table>

| Fund Balance at Beginning of Year - July 1 | $222,607 | $153,745 |

<table>
<thead>
<tr>
<th><strong>ENDING FUND BALANCE</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance at End of Year - June 30</td>
<td>$153,745</td>
<td>$165,537</td>
</tr>
<tr>
<td>Fund Balance as % of Total Expenditures</td>
<td>4.57%</td>
<td>4.85%</td>
</tr>
</tbody>
</table>
Key Assumptions

- Use reasonable projections and assumptions for revenues and expenditures, based on:
  - Actual revenues and expenditures
  - Current law
  - Historical spending and enrollment trends (SDP and charter)
  - Most recent City, State and Federal budget proposals

- Primary objectives:
  - Identify sufficient revenues to meet the anticipated obligations of the first 24 months
  - Establish baseline financial projections to enable dialogue among all School District funders (City, State, Private), identifying pathways to achieving long-term structural balance
### Preliminary Five-Year Plan Projections:

With proposed charter funding change, SDP achieves a structurally balanced budget

**FY21-FY25 FINANCIAL PLAN Operating Funds (in thousands)**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>CAGR FY21-25</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES &amp; OTHER FINANCING SOURCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Tax Revenues</td>
<td>$1,345,485</td>
<td>$1,374,751</td>
<td>$1,421,886</td>
<td>$1,459,530</td>
<td>$1,502,167</td>
<td>$1,545,799</td>
<td>3.0%</td>
</tr>
<tr>
<td>Local Non-Tax Revenues</td>
<td>$267,804</td>
<td>$305,594</td>
<td>$320,439</td>
<td>$317,184</td>
<td>$325,269</td>
<td>$323,269</td>
<td>1.6%</td>
</tr>
<tr>
<td>State Revenues</td>
<td>$1,696,602</td>
<td>$1,729,330</td>
<td>$1,749,655</td>
<td>$1,773,019</td>
<td>$1,796,541</td>
<td>$1,828,492</td>
<td>1.3%</td>
</tr>
<tr>
<td>Federal Revenues</td>
<td>$16,833</td>
<td>$16,722</td>
<td>$16,659</td>
<td>$16,549</td>
<td>$16,421</td>
<td>$16,284</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Other Financing Sources</td>
<td>$7,587</td>
<td>$289</td>
<td>$2,049</td>
<td>$289</td>
<td>$2,049</td>
<td>$289</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES &amp; OTHER SOURCES</strong></td>
<td>$3,384,311</td>
<td>$3,422,726</td>
<td>$3,510,698</td>
<td>$3,568,551</td>
<td>$3,642,448</td>
<td>$3,709,134</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

| **EXPENDITURES** |       |       |       |       |       |       |              |
| District Operated Schools | $1,774,024 | $1,836,176 | $1,891,665 | $1,967,055 | $2,036,135 | $2,104,495 | 1.0%         |
| Charter Schools (incl. Transportation) | $1,086,715 | $1,044,473 | $1,120,518 | $1,196,092 | $1,268,365 | $1,331,644 | 3.6%         |
| Other Non-District Operated Schools (incl. Transportation) | $99,629  | $106,381  | $109,998  | $113,091  | $115,855  | $118,635  | 2.7%         |
| Debt Service         | $288,218  | $311,315  | $341,864  | $352,889  | $352,561  | $324,561  | 1.0%         |
| Administrative Support Operations (Central Offices) | $124,451 | $130,858  | $129,974  | $130,774  | $131,658  | $132,415  | 0.3%         |
| Undistributed Budgetary Adjustments | ($23,433) | ($15,174) | ($19,018) | ($19,440) | ($18,971) | ($18,901) | -0.4%        |
| Other Financing Uses  | $1,883    | $1,683    | $1,683    | $1,683    | $1,683    | $1,683    | 0.3%         |
| **TOTAL EXPENDITURES & OTHER USES** | $3,362,988 | $3,412,114 | $3,489,692 | $3,570,641 | $3,604,296 | $3,670,533 | 1.8%         |

**Refunding Revenues and Sources**
- FY20: $350,938
- FY21: $0
- FY22: $0
- FY23: $0
- FY24: $0
- FY25: $0

**Refunding Expenditures and Uses**
- FY20: $352,802
- FY21: $0
- FY22: $0
- FY23: $0
- FY24: $0
- FY25: $0

### Operating Fund Balance

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Impact of Refunding</td>
<td>($1,864)</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Transfers from Reserves</td>
<td>($13,321)</td>
<td>($13,321)</td>
<td>($13,321)</td>
<td>($28,759)</td>
<td>($9,395)</td>
<td>($9,395)</td>
</tr>
<tr>
<td>Reserve for Federal Cuts</td>
<td>$0</td>
<td>$0</td>
<td>($25,600)</td>
<td>($25,600)</td>
<td>($25,600)</td>
<td>($25,600)</td>
</tr>
<tr>
<td>Reserve for Facilities</td>
<td>($25,000)</td>
<td>$12,500</td>
<td>$12,500</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Operating Surplus/(Deficit) incl. Change in Reserves and Net Impact of Refunding</td>
<td>($56,861)</td>
<td>$11,791</td>
<td>($5,415)</td>
<td>$566</td>
<td>$3,158</td>
<td>$3,905</td>
</tr>
<tr>
<td>Fund Balance at Beginning of Year - July 1</td>
<td>$222,607</td>
<td>$153,745</td>
<td>$165,537</td>
<td>$160,121</td>
<td>$160,687</td>
<td>$163,845</td>
</tr>
</tbody>
</table>

### Ending Fund Balance

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance at End of Year - June 30</td>
<td>$153,745</td>
<td>$165,537</td>
<td>$160,121</td>
<td>$160,687</td>
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<td>Fund Balance as % of Total Expenditures</td>
<td>4.57%</td>
<td>4.85%</td>
<td>4.59%</td>
<td>4.50%</td>
<td>4.55%</td>
</tr>
</tbody>
</table>
Preliminary Five-Year Plan Risks

- Economic downturn affecting funding assumptions
  - Current economic uncertainty resulting from the Covid-19 pandemic threatens District revenue assumptions
- Governor’s proposed revenues not included in final State budget
- Governor’s proposed charter formula changes not included in final State budget
  - If the Governor’s proposal is not approved, the District projects a negative fund balance beginning in FY22 and escalating to over ($400 million) by FY25
- Mayor’s proposed revenues not included in final City budget
- Additional facilities needs in the absence of new State grant funding
- Delays in the State budget process for FY21
- Additional increases in the Public School Employees’ Retirement System (PSERS) contribution schedule, particularly in light of Stock market turmoil
- New Labor Contracts with significant costs
TIMELINE

March
Board of Education
Lump Sum Vote

April
Finance and Facilities Committee Meeting

April
Board of Education Budget Hearing

May
City Council Budget Hearing

May
Finance and Facilities Committee Meeting

May
Board of Education Budget Vote

May
City Adoption of Tax Measures for School District

June
State Budget Adoption
Public written testimony being read