



EAST ALLEGHENY SCHOOL DISTRICT

Mr. Donald L. Mac Fann

Superintendent of Schools

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Dear East Allegheny Community:

As you are aware, Pennsylvania schools have been directly impacted by the decisions made in Harrisburg, and the East Allegheny School District is no exception. At this time, the Commonwealth still does not have a 2015/2016 budget and, ironically, talks have begun for a 2016/2017 budget. While officials in school districts have been talking about closing doors and borrowing money since November, we have been watching every dollar we have been spending since the end of September so that we can keep operating without impacting education and having to take out a loan.

Since July 1, 2015, the District has only received \$3,144,189 from the state, which only represents about 43% of the total amount due to the District. Furthermore, the state has taken the social security reimbursement payment and has diverted these funds to the charter schools. All of this has created severe cash flow problems in our District. To date, the District is still owed approximately \$4,144,832 for the 2015/2016 school year.

As I work with my Administrative Team to prepare the 2016/2017 budget, one thing is apparent – the consequences of the state budget stalemate will be devastating if this continues into next school year. Courses may be eliminated. Class sizes may increase, and activities may be discontinued. New textbooks and supplies may be cut back or not purchased as all. Facility improvements may be put on hold and jobs may be eliminated.

This is not the type of District that I want to provide to the students of East Allegheny. The students of this community deserve better; I would hope that you would agree that these are not the conditions under which we want our children to be educated. There is only so much we can do locally, and we certainly cannot raise taxes by over \$4,000,000 to balance a 2016/2017 budget.

I urge you to contact the Governor and your State legislators. The list of legislators appears on our website and will give you access to all of the contact information for these individuals. I cannot stress enough that they collectively need to be a part of the solution and work with their colleagues to do what is right and implement a state budget that invests in education.

It is uncertain as to when a completed state budget for 2015/2016 will be finalized. However, school districts were obligated to have their 2015/2016 budgets adopted by June 30, 2015, and are obligated to have their 2016/2017 budgets adopted by June 30, 2016. Because of a lack of a state budget, the certainty for the District to deliver a high quality education cannot be guaranteed.

The delay in a 2015/2016 state budget is negatively impacting our District and ultimately our students. This cannot continue. Below, you will find our current bank balances as of March 17, 2016:

General Fund	\$303,000
Cafeteria/Money Market Fund	\$233,000
Construction Fund	N/A
Risk Management Fund	<u>N/A</u>
Total	\$536,000

There are still many invoices that need to be paid from all of the above mentioned accounts as we continue until the end of this fiscal year, June 30, 2016. The Cafeteria Fund continues to remain steady and has allowed for upgrades in equipment and quality of food served to our students. We do not have a Construction Fund to repair the parking lots and sidewalks, which are needed at the Junior/Senior High School.

The Pennsylvania Constitution states, “The General Assembly shall provide for the maintenance and support of a thorough and efficient system of public education to serve the needs of the Commonwealth.” With the erosion of state funds and the political gridlock surrounding the 2015/2016 state budget, the General Assembly is not fulfilling their responsibility to education.

At this time, we have been approaching banks to borrow money to close the gap and to keep our doors open for the remainder of this school year. If the District is able to obtain a loan, the interest due to the bank will still have to be paid and will not be reimbursed by the state. This is despite our spending at this time being under budget for the 2015/2016 school year.

As we continue through the remainder of this school year, please look for updates on our website with regards to our fiscal status. And once again, I urge you to contact the Governor and your State Legislators.

Sincerely,

A handwritten signature in cursive script, appearing to read "Don Mac Fann".

Donald L. Mac Fann
Superintendent

DLM/lrs