



CENTRAL FLORIDA PUBLIC SCHOOL BOARDS COALITION

2009 PreK-12 Education Appropriations and Budget Information

The 2009-10 public schools budget maintains the current level of spending --- a level established in January 2009 when the Legislature assessed a mid-year budget cut. It is a budget for next year that, when compared to two years ago, will be 7.2 per cent lower (\$17.9 billion compared to \$19.3 billion in FY 2007-08).

The budget allows Florida school districts only to hold the line on current services, but is probably the best school boards could have hoped for given present economic conditions.

The 2009 Legislature used \$907 million in federal stimulus dollars to fund 5% of the public school operating budget, and for the second straight year also directed school districts to transfer more of the funds previously designated for school construction costs to balance their operating budgets. School boards are given the flexibility to move the construction funds back to capital expenditures and levy additional millage to fill the hole in their operating budget that the transfer back to capital outlay could create.

The budget is based on per student funding of \$6,873 down by 6 per cent from the \$7,305 amount provided two years ago (2007-08).

School Boards still will have to make cuts in their operating budgets to accommodate these shortfalls; however, they are not facing the projected 15 to 17% reductions that seemed to be on the table at the start of the 2009 Legislative Session. Due to variations of the district cost differential (DCD) and declining enrollment, some districts will realize a substantial decrease in funding from the previous school year even with the federal stimulus dollars. The pending addition of the federal stimulus funds and potential transfer of funds from school construction uses to classroom instruction will prevent the projected "funding cliff", presumably for the next two school years.

Districts could dwell on the fact that over the past 10 years, education funding in the state of Florida has lagged behind education's needs. Per pupil funding increases over that period have lagged inflation, and the full impacts of the class size reduction amendment have not been matched by legislative appropriations. The per pupil funding level ten years ago (1999) was \$4,832, and in those 10 years, inflation has grown costs 29% (\$1,393) and class size reductions 15% (\$1,035), increasing the per pupil requirement for next year to \$7,260 (\$387 more than the 2009-10 per pupil funding of \$6,873). This of course does not take into account additional expenditures mandated during that time, such as School Recognition, Reading Initiatives, Supplemental Academic Instruction, Merit Awards, etc, which, while all worthwhile, have added to the per-pupil costs and are not reflected in the per pupil increases.

Dwelling on these facts, however, would obscure the more urgent issue facing Florida school districts, which have passed through one side of the storm and now find themselves in the eye of the funding hurricane. This period of relative budget stability – courtesy of the federal government and its stimulus funding – will last two years. When that period ends, school systems will face the other side of that storm, and nobody can predict with certainty how bad it could be. Today, it represents about 5% of the typical district operating budget. Inflation will increase that number, and should economic conditions deteriorate further, it could easily be much worse.

Next year, school boards will have flexibility in the use of many categorical (designated) funds provided they can demonstrate the funds are urgently needed to maintain other specific academic instruction. That flexibility is certainly appreciated, even though funding for these programs (including Safe Schools, Transportation, Instructional Materials, Supplemental Academic Instruction (remediation) and Research-Based Reading) will be reduced by six to eight per cent. However, the larger discussion that needs to begin right away is how the state plans to weather the 2011-12 funding hurricane, as optimistic predictions about economic recovery cannot be allowed by inaction or procrastination to become the strategy.