

Pennsylvania School Funding Campaign

Successful Schools... Successful Children... Successful Communities

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Budget Stalemate Holds Up State Funding for Schools ***School Districts Miss First Payment Due Today***

Harrisburg (July 30, 2009) – The Pennsylvania School Funding Campaign (PSFC) is dismayed that the state missed its first scheduled monthly payment to school districts for the next school year, due today, because of the ongoing budget stalemate. While most property taxpayers have either already or will shortly reach into their pockets to uphold their responsibility for local school funding, it is unfortunate that the Commonwealth was unable to uphold its Constitutional responsibility to pay its bills, even as property taxpayers are expected to keep up with theirs.

“The consequences of failing to see that school districts have the funds they need and depend on to operate during these weeks of preparation for the next school year is an enormous failure on the part of the General Assembly to meet its responsibility to Pennsylvania's children,” said Joe Bard, Executive Director of the Pennsylvania Association of Rural and Small Schools.

School districts receive monthly subsidy payments from the state, known as unipay, on the last Thursday of every month. The subsidy payment includes (among other things) state funding for special education, transportation, vocational education, debt service for construction and the single largest allocation of state support – basic education.

Today marked the first missed payment for the 2009-10 fiscal year. If the budget impasse is not resolved before August 27, school districts face losing \$1.292 billion in financial support from the state through the first two scheduled subsidy payments. Federal stimulus funds intended for schools also are being held up because they must be appropriated by the General Assembly.

“The failure to adopt a timely state budget threatens to disrupt the ability of school districts to pay their own bills. Many will soon be required to borrow or delay payment of their obligations. Low wealth districts are particularly hurt,” said Stinson Stroup, Executive Director of the Pennsylvania Association of School Administrators.

The Campaign calls on the General Assembly to uphold its constitutional responsibility to public education in the 2009-10 state budget and to keep school funding reform on track by maintaining the state's investment in basic education at the current level and providing a \$418 million increase using federal stimulus funds that are distributed via the new school funding formula. For more information about the Campaign, visit www.paschoolfunding.org.