



# 2023-24 Governor's Proposed Budget

# Agenda

Review Governor Shapiro's Budget Proposal  
for 2023-24

Review the Potential Impact of the Budget  
Proposal on PPS

# 2023-24 Budget Proposal

- On March 7, 2023, Governor Josh Shapiro released his proposed budget for 2023-24.
- The total proposed budget is \$44.4 billion.
- The total proposed education budget is \$21.9 billion.
  - \$20 billion in this budget is dedicated to the support of public schools.

# Providing Investments in K-12 Education

- An increase of \$567.4 million (7.8%) in Basic Education Funding
  - This increase will be distributed through the Basic Education Funding Formula.
- An increase of \$103.8 million (7.8%) in Special Education Funding
- These increases are on par with recent inflationary and cost-of-living growth.
- Future increases in Basic Education and Special Education Funding are proposed to increase with projected inflation rates.

# Support Pennsylvania's Youngest Learners

- An increase of \$30 million in Pre-K Counts Funding.
  - This represents an increase to the rate for full-time seats of \$1,000 and an increase to the rate for part-time seats of \$500.
- An increase of \$10.4 million in Early Intervention (EI) Funding
  - This increase will be distributed through the existing EI funding model.
- An increase of \$2.7 (3%) million for the Head Start Supplemental Assistance Program

# Supporting the Mental Health of Every Pennsylvanian

- The proposed budget establishes the School-Based Mental Health Supports Block Grant
- \$100 million in funding to connect students and staff to mental health services and to develop a pipeline of trained school-based mental health professionals for future generations.

# Ensuring Supportive and Safe Learning Environments

- \$100 million in matching grants for schools to make environment repairs and improvements
- \$100 million in school safety and security grants to address physical safety enhancements and provide security coordinator training

# Proposed PPS Allocations

	2022-23	2023-24	VARIATION	% CHANGE
BASIC EDUCATION FUNDING BASE	\$153,804,126	\$153,804,126	\$0	0.00%
STUDENT WEIGHTED DISTRIBUTION	\$14,865,716	\$23,901,292	\$9,035,576	60.78%
LEVEL UP SUPPLEMENT	\$0	\$0	\$0	N/A
<b>TOTAL BASIC EDUCATION FUNDING</b>	<b>\$168,669,842</b>	<b>\$177,705,418</b>	<b>\$9,035,576</b>	<b>5.36%</b>
<b>READY TO LEARN BLOCK GRANT</b>	<b>\$8,955,423</b>	<b>\$4,955,423</b>	<b>-\$4,000,000</b>	<b>-44.67%</b>
<b>CAREER AND TECHNICAL EDUCATION SUBSIDY</b>	<b>\$401,510</b>	<b>\$401,510</b>	<b>\$0</b>	<b>0.00%</b>
<b>SCHOOL-BASED MENTAL HEALTH BLOCK GRANT</b>	<b>\$0</b>	<b>\$352,881</b>	<b>\$352,881</b>	<b>N/A</b>
SPECIAL EDUCATION FUNDING BASE	\$27,426,465	\$27,426,465	\$0	0.00%
STUDENT-BASED ALLOCATION	\$2,304,303	\$3,230,390	\$926,086	40.19%
<b>TOTAL SPECIAL EDUCATION FUNDING</b>	<b>\$29,730,769</b>	<b>\$30,656,855</b>	<b>\$926,086</b>	<b>3.11%</b>
<b>TOTAL</b>	<b>\$207,757,543</b>	<b>\$214,072,087</b>	<b>\$6,314,543</b>	<b>3.04%</b>



# Current Forecast

	<b>Actual Year Ended 2021</b>	<b>Adopted Year Ended 2022</b>	<b>Projected Year Ended 2022</b>	<b>Adopted Year Ended 2023</b>	<b>Projected Year Ended 2024</b>
Total Revenues	\$633,263,128	\$638,751,328	\$651,819,831	\$668,529,106	\$676,268,765
Total Expenditures	\$638,337,948	\$665,753,162	\$655,165,169	\$684,977,338	\$700,205,238
Beginning Balance	\$91,701,905	\$86,627,084	\$86,627,084	\$83,281,746	\$66,833,514
Operating Surplus/(Deficit)	(\$5,074,821)	(\$27,001,834)	(\$3,345,338)	(\$16,448,232)	(\$23,936,473)
Ending Fund Balance	\$86,627,084	\$59,625,250	\$83,281,746	\$66,833,514	\$42,897,041
Less Projected Reservations	(\$4,131,698)	(\$2,500,000)	(\$2,500,000)	(\$2,500,000)	(\$2,500,000)
Less Committed Fund Balance	\$0	\$0	\$0	\$0	\$0
Less Assigned Fund Balance	(27,001,834)	(16,448,232)	(16,448,232)	(23,936,473)	(\$33,255,560)
<b>Unassigned Fund Balance</b>	<b>\$55,493,552</b>	<b>\$40,677,018</b>	<b>\$64,333,514</b>	<b>\$40,397,041</b>	<b>\$7,141,481</b>
% Budgeted Expenditures	8.69%	6.11%	9.82%	5.90%	1.02%
Minimum Fund Balance per Board Policy #721	\$31,916,897	\$33,287,658	\$32,758,258	\$34,248,867	\$35,010,262
Compliance with Fund Balance Policy	Yes	Yes	Yes	Yes	No
Funds needed to comply with Fund Balance Policy	(\$23,576,654)	(\$7,389,360)	(\$31,575,256)	(\$6,148,174)	\$27,868,781

# Impact of Governor's Budget

	<b>Actual Year Ended 2021</b>	<b>Adopted Year Ended 2022</b>	<b>Projected Year Ended 2022</b>	<b>Adopted Year Ended 2023</b>	<b>Projected Year Ended 2024</b>
Total Revenues	\$633,263,128	\$638,751,328	\$651,819,831	\$673,508,657	\$690,633,059
Total Expenditures	\$638,337,948	\$665,753,162	\$655,165,169	\$684,977,338	\$697,258,914
Beginning Balance	\$91,701,905	\$86,627,084	\$86,627,084	\$83,281,746	\$71,813,065
Operating Surplus/(Deficit)	(\$5,074,821)	(\$27,001,834)	(\$3,345,338)	(\$11,468,681)	(\$6,625,856)
Ending Fund Balance	\$86,627,084	\$59,625,250	\$83,281,746	\$71,813,065	\$65,187,209
Less Projected Reservations	(\$4,131,698)	(\$2,500,000)	(\$2,500,000)	(\$2,500,000)	(\$2,500,000)
Less Committed Fund Balance	\$0	\$0	\$0	\$0	\$0
Less Assigned Fund Balance	(27,001,834)	(11,468,681)	(11,468,681)	(6,625,856)	(\$14,345,445)
<b>Unassigned Fund Balance</b>	<b>\$55,493,552</b>	<b>\$45,656,569</b>	<b>\$69,313,065</b>	<b>\$62,687,209</b>	<b>\$48,341,764</b>
% Budgeted Expenditures	8.69%	6.86%	10.58%	9.15%	6.93%
Minimum Fund Balance per Board Policy #721	\$31,916,897	\$33,287,658	\$32,758,258	\$34,248,867	\$34,862,946
Compliance with Fund Balance Policy	Yes	Yes	Yes	Yes	Yes
Funds needed to comply with Fund Balance Policy	(\$23,576,654)	(\$12,368,911)	(\$36,554,807)	(\$28,438,342)	(\$13,478,819)

Questions?