

THE SCHOOL DISTRICT OF PHILADELPHIA
SCHOOL REFORM COMMISSION
440 N. BROAD STREET, SUITE 101
PHILADELPHIA, PENNSYLVANIA 19130

JAMES E. NEVELS
CHAIR

TELEPHONE (215) 400-4010
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Ms. Patricia Rafferty
Chief Clerk
City Council of Philadelphia
Room 402 City Hall
Philadelphia, PA 19107

June 19, 2007

Dear Ms. Rafferty:

Pursuant to City Council Ordinance 070015, please find enclosed a copy of the School District of Philadelphia's impact analysis report for the additional School District funding that will result from this ordinance.

I want to express my sincere gratitude to the City Council on behalf of the School Reform Commission, the students of Philadelphia's public schools, and parents and stakeholders of the School District of Philadelphia. The Council's continued financial support is deeply appreciated.

As always, we remain committed to continuing the educational reforms implemented over the past five years and look forward to sharing with you our students' increased academic progress. We assure you that we will continue to maintain fiscal prudence and work diligently to minimize the impact of any expenditure changes on classroom instruction and classroom support services.

In closing, I want to reiterate how valuable the leadership of the City Council has been in assisting the School District both now and in future years by passing Bill 070015. In addition, please accept my personal thanks for your demonstrated actions as a true partner with the District in continuing academic reforms that will raise the level of educational excellence that the schoolchildren and the citizens of Philadelphia so richly deserve.

Thank you again for everything you have done and will continue to do for the children of Philadelphia

Sincerely,



James E. Nevels

Cc: All members of City Council
Members of the School Reform Commission

Encls: Impact Analysis Report

June 19, 2007

Report of The School District of Philadelphia on Impact of Additional School District Funding Pursuant to Section 3 of Ordinance (Bill No. 070015)

This Report is furnished pursuant to Ordinance (Bill No. 070015) which states:

“Section 3. Effective Date. This ordinance shall take effect upon the filing by the School Reform Commission, no later than June 30, 2007, of a written explanation of how the additional School District funding that will result from this ordinance will be used, including the impact of such additional funding on each of the following: (a) early childhood education; (b) class size; (c) after-school programs; (d) drop-out prevention; and (e) school safety. Such written explanation shall be filed with the Chief Clerk of Council, with copies to the President and to all members of Council, and the Chief Clerk of Council shall publish notice of such filing in a newspaper of general circulation in the City. If no such written explanation is filed with the Chief Clerk of Council by June 30, 2007, then this ordinance shall be of no effect.”

The effect of the additional School District local tax revenue resulting from this ordinance will be to minimize the impact of potential Fiscal Year 2007-2008 changes to classroom instruction, direct classroom support services and ongoing educational reform initiatives.

The revenues provided by this ordinance were included in the Fiscal Year 2007-2008 Operating Budget adopted by the School Reform Commission on May 31, 2007. Without this additional revenue the School District would have been required to make deeper and more onerous expenditure reductions to assure that the Fiscal Year 2007-2008 Operating Budget is balanced as required by law. The Fiscal Year 2007-2008 Operating Budget adopted by the School Reform Commission already includes more than \$80.0 million dollars of identified expenditure reductions. Receipt of the additional revenue will enable the District to avoid the need to reduce classroom and classroom support services, and educational services not required by statute.

The impact of the additional Local Tax Revenue provided by the Ordinance on specific service areas outlined in Section 3 of the ordinance is as follows:

Early Childhood Education: Continued operation of our Community Early Learning Centers/ Bright Futures programs (\$6.0 million net District cost/ year) providing full-day childcare for over 1,400 three and four-year old children.

Report of The School District of Philadelphia on Impact of Additional School District Funding Pursuant to Section 3 of Ordinance (Bill No. 070015)

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Class Size: The additional revenue will not affect average District class sizes or current student/ teacher ratios. It will mitigate the need for further reductions in direct classroom support services such as School Nurses, Librarians, and School Counselors to the minimum level required by state law (\$16.4 million net District cost/ year above minimum levels).

Drop-Out Prevention: The additional revenue reduces the likelihood of the District reducing services on alternative school programs which provide a different educational setting for students who have either left school or materially fallen behind their age cohort (\$10.3 million net District cost/ year).

The \$18.4 million of additional Local Tax Revenue, together with receipt of the other revenues appropriated in the Fiscal Year 2008 Operating Budget, will allow the School District to avoid further reductions in teacher positions which would have the effect of increasing class size, and to maintain at budgeted levels programs for school safety and after-school programs.