THE PHILLY SCHOOLS CRISIS August 9, 2013

With 31 days to go, every major stakeholder with a hand in raising money to close the oft-cited \$304 million shortfall in the city's public schools spoke up yesterday. As of today, only \$33 million of this gap has been plugged: \$28 million in delinquent tax collections from the city, \$2 million in basic education subsidies from the state, and \$3 million from School District cost savings.

The cascade of public statements was initiated by School District Superintendent Dr. William Hite's frightening afternoon announcement that the scheduled opening of Philadelphia's 218 schools on September 9 could be delayed without an additional \$50 million. Responses quickly followed from Mayor Nutter, Council President Clarke and the Philadelphia Federation of Teachers. There was a deafening silence from Harrisburg. No word from the School Reform Commission either.

You read our first stab at sorting out the rapidly-changing developments in the school funding crisis in our July 25 **HOW PHILLY WORKS**. Because time is running out and the situation is dire, here are five things you should know about where the city schools crisis stands now:

Common ground. There are three things Dr. Hite, Mayor Nutter, Councilman Clarke and the PFT agree on: (1) it's dangerous to open schools unless the safety of 200,000 plus children can be assured, (2) the \$2.4 billion budget — which leaves no room for counselors, assistant principals and support staff, not to mention virtually no music or sports or other enrichment — is unacceptable to support a quality education, and (3) Philadelphia's families and their children deserve better.

What Hite Said: If the public schools can't count on an additional \$50 million by Friday, August 16, the opening of all or some of the 218 public schools on September 9 will be delayed or the schools will operate on a half-day schedule. He says he isn't crying wolf.

What Nutter Said: The mayor put the burden on City Council to immediately approve extending the city's current 8% sales tax beyond June 2014 so that the city can borrow \$50 million against future sales tax revenue to give to the schools right now.

What Clarke Said. The Council President said the sales tax extension is a lousy deal. He wants to use future sales tax revenues to confront another enormous city problem: public sector pensions. Clarke unveiled an idea for the city to buy vacant school buildings and borrow \$50 million against the future sales to give to the schools.

What the PFT Said: Jerry Jordan, PFT president, offered no plans for \$50 million. He repeated that no one should expect the \$133 million in sacrifices from his 15,000 members. The PFT will

continue to negotiate terms of its contract, which ends on August 31, but Jordan says it's unfair to make teachers pay for the budget shortfall.

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So with the major players very far apart on what to do, and the clock still ticking, the crisis in the city's public schools is only getting worse.

If you thought this **FIVE THINGS YOU SHOULD KNOW** was useful, please help us continue this series by <u>donating</u> today! (We are a non-partisan non-profit that does not accept government money – your support is truly appreciated!)

As always, if you have any questions or ideas for future **HOW PHILLY WORKS**, please send your ideas to futureofthecity@seventy.org.