

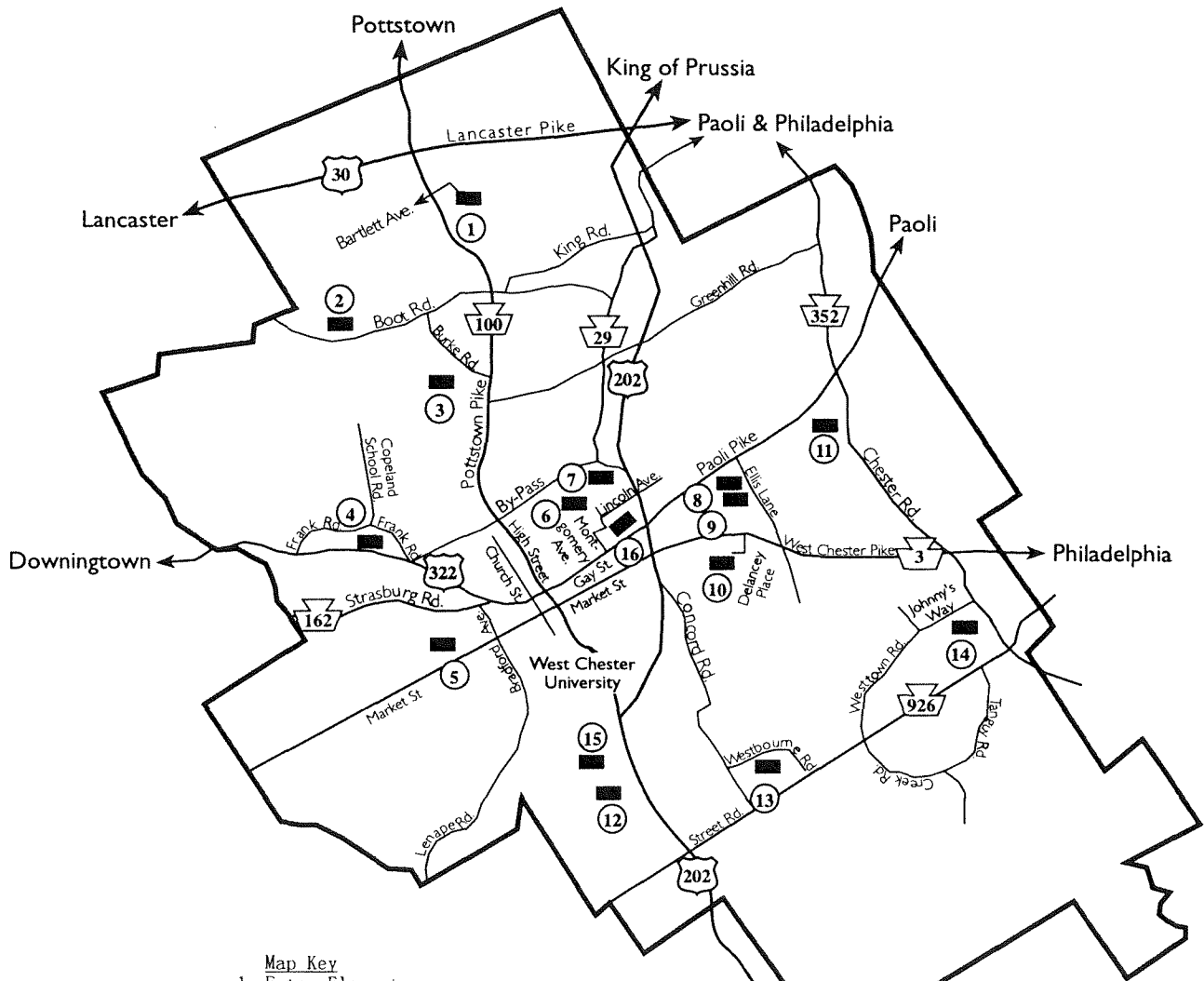
WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET

**ORGANIZATIONAL SECTION**

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**MAP OF SCHOOL DISTRICT**

The West Chester Area School District serves a 75-square-mile suburban, urban, and rural area in central Chester County. West Chester Borough (the County Seat) is the hub of the District. The surrounding townships of East Bradford, East Goshen, West Goshen, West Whiteland, Westtown, and Thornbury, all in Chester County, are part of the District, as is Thornbury Township in adjacent Delaware County.



- Map Key
- 1- Exton Elementary
  - 2- Mary C. Howse Elementary
  - 3- Peirce Middle
  - 4- East Bradford Elementary
  - 5- Hillsdale Elementary
  - 6- Henderson High
  - 7- Fern Hill Elementary
  - 8- Fugett Middle
  - 9- East High
  - 10- Glen Acres Elementary
  - 11- East Goshen Elementary
  - 12- Stetson Middle
  - 13- Westtown-Thornbury Elementary
  - 14- Penn Wood Elementary
  - 15- Sarah Starkweather Elementary
  - 16- Spellman Administration

WEST CHESTER AREA SCHOOL DISTRICT  
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**SCHOOLS & ENROLLMENT**

**Elementary Schools (Grades K-5)**

<b><u>School</u></b>	<b><u>Enrollment @ Sept. 2001</u></b>
East Bradford	522
East Goshen	533
Exton	698
Fern Hill	457
Glen Acres	502
Hillsdale	491
Mary C. Howse	505
Penn Wood	514
Sarah W. Starkweather	547
Westtown-Thornbury	<u>405</u>
<i>Elementary Total...</i>	5,174

**Middle Schools (Grades 6-8)**

<b><u>School</u></b>	<b><u>Enrollment @ Sept. 2001</u></b>
Fugett	946
Peirce	1,026
Stetson	<u>826</u>
<i>Middle School Total...</i>	2,798

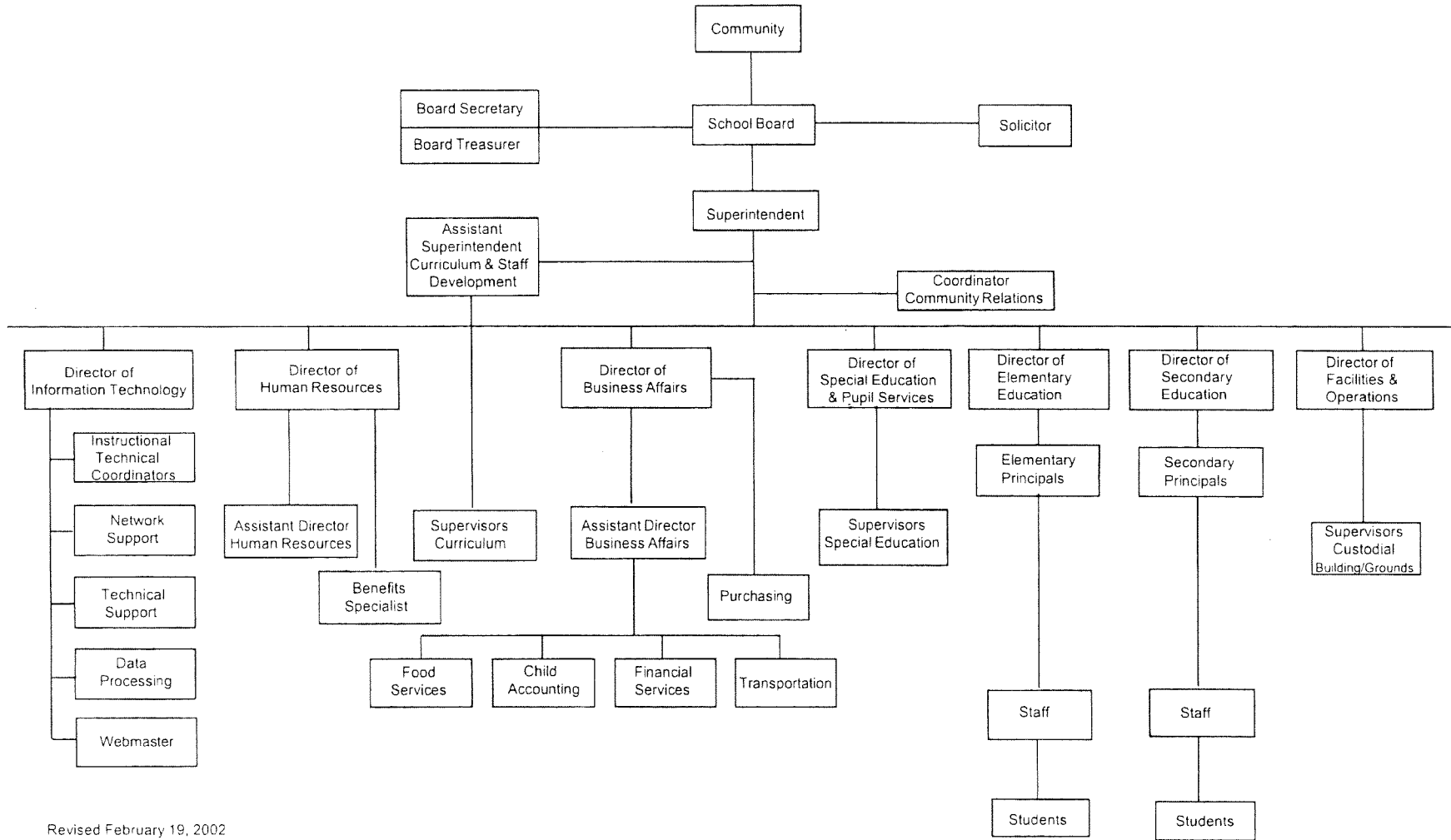
**High Schools (Grades 9-12)**

<b><u>School</u></b>	<b><u>Enrollment @ Sept. 2001</u></b>
East	1,594
Henderson	<u>1,866</u>
<i>High School Total...</i>	3,460

***Grand Total as of 9/30/01... 11,432***

# WEST CHESTER AREA SCHOOL DISTRICT

## Administrative Organizational Chart



**WEST CHESTER AREA SCHOOL DISTRICT  
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West Chester Area School District

**MISSION STATEMENT**

The mission of the West Chester Area School District, a diverse community rich in heritage, is to educate all students to achieve their personal best, be responsible, contributing citizens and become life-long learners by inspiring each student through challenging curriculum, varied opportunities, effective teaching, respect for diversity, nurturing and caring staff, and involved parents and community.

**WEST CHESTER AREA SCHOOL DISTRICT  
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**BELIEFS**

*We believe that:*

- Each person has intrinsic worth
- All people can learn and succeed, but in different ways and at different rates
- Education is the shared responsibility of parents, educators and community; learning is the responsibility of the individual
- Individuals are responsible for their own actions
- Learning is a life-long growth and change process
- A positive sense of self promotes a willingness to challenge oneself and to exert efforts toward success
- Achieving one's personal best is directly related to one's effort
- High quality education is an essential component in preserving the principles of American democracy
- Results are directly related to expectations
- Ethical behavior is essential for society to flourish
- Diversity of culture and beliefs can enrich and strengthen our community
- Family environment has a crucial impact on the growth and development of every child

**WEST CHESTER AREA SCHOOL DISTRICT  
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**OBJECTIVES**

1. Each student will demonstrate proficiency of state and District standards established by the West Chester school community.
2. In order to ensure that students achieve their personal best, each student will demonstrate proficiency in:
  - Critical thinking
  - Effective communication
  - Working cooperatively
3. All students will consistently demonstrate the character traits and behaviors necessary to be responsible, respectful, contributing citizens in a diverse world.

**PARAMETERS**

1. We will always maintain a safe environment conducive to learning in our schools.
2. We will not tolerate behaviors which interfere with learning.
3. We will not tolerate behavior which diminishes the dignity or self-worth of any individual or group.
4. We will practice effective fiscal stewardship in all District operations.
5. A program will be discontinued if it is determined that its cost exceeds its contribution to the mission.
6. No new program or service will be accepted unless it is consistent with the strategic plan, benefits clearly exceed costs, provisions are made for staff development and program evaluation, and an assessment is made of its impact on current practice.
7. Site-based decisions will always be consistent with the strategic plan.
8. District-wide student performance on standardized tests is expected to exceed state and national averages.

**WEST CHESTER AREA SCHOOL DISTRICT  
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**STRATEGIES**

1. We will develop and implement plans to accommodate change and provide an effective teaching and learning environment through careful facility planning.
2. We will develop a system to recruit, retain, evaluate and develop effective, high-quality staff.
3. We will complete the development of assessments to measure student proficiency of District, state and national standards and ensure instruction is aligned with those standards.
4. We will identify, teach and model the character traits and behaviors for everyone to become responsible, respectful, contributing citizens in our diverse school community.
5. We will effectively use technology throughout the district for communication, decision-making and the teaching/learning process.
6. We will develop a system to identify, communicate and report student needs among parents, caregivers and staff to ensure appropriate access to services and programs.
7. We will develop and implement teaching and learning strategies that address the reading needs of all students in reading across the curriculum.



**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**STRATEGIC PLAN INITIATIVES**

ACTION PLAN	COSTS FOR 2002-03
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**FACILITIES – STRATEGY 1: We will develop and implement plans to accommodate growth and provide an effective learning environment through careful facility planning.**

1-1	Create and implement the process that will be used to review the capacity and utilization of capacity at each building on an annual basis.	
1-2	Determine equitable facility requirements relative to educational offerings at each level. - Cost of publishing and distributing documents.	\$200.00 - \$500.00
1-3	Develop a comprehensive demographics process to project student population in each attendance area. - Cost of hiring a consultant for the purpose of gathering demographic information.	\$50,000.00
1-5	Establish a long-term collaborative process for identifying future school sites. - Cost of hiring a consultant/real estate agent to identify land for District to purchase.	\$20,000.00
1-6	Develop a long-term redistricting plan to facilitate enrollment balance at all levels. - Cost of publishing and distributing documents.	\$5,000.00

**RECRUITMENT/EVALUATION – STRATEGY 2: We will develop a system to recruit, retain, evaluate and develop high-quality staff.**

2-1	Revise the system for monitoring and evaluating the job performance of all staff. - Fees for outside consultants, substitutes	\$10,000.00
2-4	Increase efforts to employ a high quality and diverse staff. - Recruitment travel. - Advertisements and printing. - Compensation to experienced professionals: <ul style="list-style-type: none"> <li>• Additional cost per new hire <ul style="list-style-type: none"> <li>- Projected new hire salary: \$44,372.00</li> <li>- Teacher salary for step 1, level 1: \$37,000.00</li> </ul> </li> </ul>	\$4,000.00 \$2,000.00 \$7,372.00/new hire

**WEST CHESTER AREA SCHOOL DISTRICT  
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**STRATEGIC PLAN INITIATIVES**

ACTION PLAN	COSTS FOR 2002-03
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**ASSESSMENT – STRATEGY 3: We will complete the development of assessments to measure student mastery of local, state and national standards and ensure instruction is aligned with those standards.**

3-1 Develop and implement local assessments aligned with standards that will determine proficiency levels for students, K-2, 3-5, 6-8 and 9-12. - Staff Development. - Substitute costs and teacher meetings	\$10,000.00/annually \$5,000.00
3-2 Initiate an aggressive Staff Development Program to improve assessment and instruction. - Staff Development costs. - Printing and supplies.	Same as above \$1,000.00
3-3 Increase the use of authentic classroom assessments to inform instruction and to help measure student achievement, K-12. - Staff Development costs. - Consultant.	See 3-1 \$2,000.00
3-4 Use the records of student achievement and longitudinal data K-12, and monitor results to inform and improve instruction. - Technology software. - Data entry by technology staff.	\$175,000.00

**CHARACTER EDUCATION – STRATEGY 4: We will identify, teach and model the character traits and behaviors for everyone to become responsible, respectful, contributing citizens in our diverse school community.**

4-1 Identify through broad-based dialogue within the WCASD community, the character traits necessary for everyone to become responsible, respectful, contributing citizens. - Staff time for attending committee meetings (substitutes/overtime).	
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**TECHNOLOGY – STRATEGY 5: We will effectively use technology throughout the District for communications, decision-making and the teaching/learning process.**

5-1 Provide educators with the tools, resources, and methodologies to integrate technology into the curricula using documented best practices, to improve learning for all students.	
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**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**STRATEGIC PLAN INITIATIVES**

ACTION PLAN	COSTS FOR 2002-03
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5-2    Develop and implement technology staff development plans. - Cost of training: <ul style="list-style-type: none"> <li>• 900 teachers over a 5-year period</li> <li>• 250 support staff over a 5-year period</li> </ul> - .5 data entry position for staff development system	\$93,000.00/year  \$14,348.00
5-3    Improve communication by providing all teachers, staff and students with access to technology systems including Cable TV, electronic kiosks, the District website and video-conferencing equipment.	
5-4    Improve technical support throughout the District for instruction and staff productivity. - Renovated facility and corresponding environmental to provide more security for District servers.	\$15,000.00 approx.
5-8    Improve the efficiency of the administrative process by implementing an electronic system to improve the flow of information within the District and to external organizations.	

**STUDENT REPORTING – STRATEGY 6: We will develop a system to identify, communicate and report student needs among parents, caregivers and staff to ensure appropriate access to services and programs.**

6-1    Create a database of student information. - Data input equivalent to a .5 secretarial position. - Cost for development of database.	\$17,436.00  \$15,000.00
6-2    Standardize internal communication formats to identify student need and available programs so personnel can respond appropriately. - Increased need for pupil services personnel.	

**READING - STRATEGY 7: Develop and implement teaching and learning strategies that address the reading needs of all students in reading across the curriculum.**

7-1    Disaggregate the population of students not proficient in reading to identify and implement teaching strategies that meet their specific reading/learning issues.	
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**WEST CHESTER AREA SCHOOL DISTRICT  
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**STRATEGIC PLAN INITIATIVES**

<b>ACTION PLAN</b>	<b>COSTS FOR 2002-03</b>
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- 7-2 Define clearly the roles of all literacy programs used in the district to ensure that their use is integrated, appropriate and effective.
- 7-3 Develop or secure a student progress achievement tool K-12 that disaggregates and identifies the students with reading/learning issues to help inform instruction.
- 7-4 Develop or secure software that enables tracking individual student needs and performance from grade to grade and ensures that all staff uses this information to guide instruction and services.
- 7-5 Identify characteristics of students who would benefit most summer learning programs and develop and implement programs appropriate for them.
- 7-6 Develop and implement staff development for all teachers and administrators to enable them to effectively implement and support the emphasis on high quality reading instruction in the West Chester Area School District.

WEST CHESTER AREA SCHOOL DISTRICT  
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EDUCATION COMMITTEE

2002-03 Goals

- To monitor implementation of the Strategic Plan
- To monitor the implementation of new and/or revised curriculum areas and curriculum mapping with emphasis on meeting standard-based performance evaluations
- To begin the study year for 6-8 curriculum in all content areas (Phase I)
- To continue the revision of the K-2 curriculum (Phase III) and 3-5 (Phase II)
- To monitor the implementation of conflict resolution and violence prevention programs in the curriculum.
- To implement staff development programs in coordination with Act 48 and Strategic Plan initiatives
- Commence a systematic review of the Leep/Probe Program and provide a broad range of alternatives for Gifted education
- Monitor the effect of state-mandated testing on content of diplomas issued by the school district

WEST CHESTER AREA SCHOOL DISTRICT  
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PERSONNEL COMMITTEE

2002-03 Goals

- Negotiate responsible contract with the West Chester Area Education Association
- Develop a system to recruit, retain, evaluate and develop high-quality staff
- Revise the system for monitoring and evaluating the job performance of support staff
- Develop a program to recognize exemplary employees in all categories

WEST CHESTER AREA SCHOOL DISTRICT  
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PROPERTY & FINANCE COMMITTEE

2002-03 Goals

- To ensure timely and efficient implementation of the secondary school construction renovation and improvement program
- To ensure that final Capital Plans are within budget and original intent
- To establish a Board process for the review of equitable facility requirements relative to educational offerings at each level
- To establish a Board process for the review of the capacity and utilization of capacity at each building on an annual basis
- To approve a long-term collaborative process for identifying future schools sites
- To increase Committee members' participation in establishing the assumptions for the 3-Year Financial Forecast

WEST CHESTER AREA SCHOOL DISTRICT  
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**PUPIL SERVICES/COMMUNITY RELATIONS COMMITTEE**

2002-03 Goals

- To develop and recommend a secondary continuum of alternative educational options for disruptive students
- To review and update Board policies which fall under the Pupil Services/Community Relations Committee
- To redefine attendance boundaries so that in 2003-04 elementary schools will be close to 85% of their capacity, secondary schools will be close to 90% capacity and boundaries allow for future growth
- To redefine high school boundaries to accommodate a three-high-school configuration in 2005-06
- To create a system to identify and respond to student needs and ensure appropriate access to services and programs
- To monitor transportation costs and services
- To develop a communications plan to articulate the progress of our secondary facilities to the public
- To develop, administer and analyze a customer feedback survey which can guide the Board and staff in district planning



**WEST CHESTER AREA SCHOOL DISTRICT  
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**DISTRICT FINANCIAL STRUCTURE**

The West Chester Area School District was formed by state law and began operations on July 1, 1966. The District is located 25 miles west of Philadelphia in historic Chester County and encompasses an area of seventy-five (75) square miles with a population of 101,207. The District is comprised of the Borough of West Chester and the seven townships of East Bradford, East Goshen, West Goshen, West Whiteland, Westtown, Thornbury, Chester County, and Thornbury, Delaware County.

The District is a political subdivision of the Commonwealth created to assist in the administration of the General Assembly's duties under the Constitution of Pennsylvania to "provide for the maintenance and support of a thorough and efficient system of public education to serve the needs of the Commonwealth".

A board of nine (9) school directors who are residents of the School District and who are elected every two years, on a staggered basis, for a four (4) year term, governs the District. The Directors serve on the Board without compensation. The Board of School Directors has the power and duty to establish, equip, furnish, and maintain a sufficient number of elementary, secondary, and other schools necessary to educate every person between the ages of six and twenty-one years residing in the District.

**The Reporting Entity**

The District is a legally autonomous and fiscally independent entity under the laws of Pennsylvania. The laws of Pennsylvania give the District corporate powers that distinguish it as a legally separate entity from the Commonwealth of Pennsylvania and any of its political subdivisions. The District has the power to determine its budget; to approve and modify that budget; to levy taxes, set rates and establish charges; and to issue bonded debt. The powers may be exercised without substantive approval by another government.

The District is subject to the general oversight of the Pennsylvania Department of Education on matters that are relevant to the determination of fiscal independence. The oversight generally includes an approval process that is compliance oriented and is more ministerial than substantive in nature.

The District consists of ten elementary centers (grades K-5), three middle schools (grades 6-8), and two high schools (grades 9-12). In addition, West Chester sends students in grades 9-12 to a Center for Arts and Technology (CAT) operated by the Chester County Intermediate Unit. Elementary school attendance boundaries cross municipal lines to provide the best balance of classes per grade level and educational services in each building.

The program of studies for K-5 elementary students emphasizes teaching a child to read with understanding, to compute accurately, and to express ideas clearly. The District's goal is to attempt to fulfill each student's learning needs according to his or her particular learning pace and style. Throughout the elementary grades, students are grouped according to a heterogeneous range of abilities in each homeroom. Appropriate accommodations are made for children according to ability level for instruction in mathematics in grades 4 and 5.

The middle school instructional program, grades 6-8, is designed to meet the needs, interests, and abilities of students during early adolescence. A variety of courses and activities are available for each student to provide learning experiences required to bridge the continuum between the elementary and high school. Course offerings permit students to explore many general areas, rather than specialize in narrow fields of study and to provide a broad background that should be helpful to the student in high school and later in life.

## WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET

The high school course offerings are departmentalized and represent a flexible and comprehensive curriculum that provides major programs of instruction for both college preparatory and general education students.

Students are also encouraged to participate in the many school-sponsored activities for the purpose of developing special individual talents and interests as well as providing experiences in organized group activities. Interscholastic athletics, as well as a variety of clubs and organizations represent co-curricular opportunities available to high school students in grades 9-12.

Students may attend the Center for Arts and Technology (CAT) for occupational education. Flexible instructional schedules at both schools provide for either half-day or full day programs that can lead to employment or higher education at the time of high school graduation. The Center for Arts and Technology receives pupils from participating districts in Chester County and is open to students in grades 9-12.

The District provides early intervention programs and special education programs for students who face special mental or physical challenges that affect their ability to benefit from regular education programs. The majority of programs for exceptional students are located in and operated by the West Chester Area School District and the Chester County Intermediate Unit.

Two types of special programs are provided for identified pupils of the District. These include programs for pupils identified as mentally gifted, and those in need of learning support. At the elementary level, the mentally gifted program (LEEP) at the Spellman Administration Building provides enriching and challenging opportunities for students in grades 2-5. The middle school gifted program (PROBE) at the Spellman Administration Building provides enriching and challenging opportunities for students in grades 6-8. The probe project, a self-directed learning project in which students investigate an area of interest, is offered at the high school level.

The West Chester Area School District provides staff development through courses in many of the buildings of the District in partnership with West Chester University. Participants may earn graduate credits and are provided an opportunity for discussion of educational ideas and practices with the objective to improve the quality of learning and teaching in the schools. Other professional development opportunities include conferences, seminars, performance-based incentives, stipends, tuition reimbursement for course work, and visitations to other schools. These in-service activities are scheduled as integral components of comprehensive professional growth plans to meet individual, building and District needs.

Area residents and representatives from the business and professional community are encouraged to become involved in a variety of school activities to enhance the educational programs for students in the District. Consequently, many volunteers donate their time and talents for the enrichment of both the schools and the community. Examples of these educational partnerships include: The School/Community Partnership for a Drug-Free West Chester, Adult School Night of Chester County, the Chester County Bar Association, Business & Computer Education & Marketing Department Advisory Board, the Parent-Teacher Organizations, and the Site-Based Management Teams.

Residents also serve on ad hoc committees that are formed to address specific issues: demographics, the Strategic Plan Steering Committee, textbook selection committees, Technology Advisory Board, and the Multi-Cultural Task Force.

## WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET

Businesses also contribute by sponsoring career day programs and college fairs as well as by making donations to the schools. Companies offer access to their resource libraries, participate in mentorships, and provide employment for students. The melding of the diverse talents of the community with those of the professional staff is resulting in classrooms of the future that reach beyond the walls of buildings.

### Fund Structure and Accounting

The accounting system of the District is organized on the basis of funds. Each fund is considered a separate accounting entity, with a set of self-balancing accounts that comprise its assets, liabilities, and fund balance/retained earnings, revenues, and expenditures/expenses as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The fund classifications used by the District have been defined by generally accepted accounting standards that include three broad categories: governmental, proprietary, and fiduciary.

Resources segregated in the Governmental Fund category are those used for the usual school services financed by local taxes, state subsidy, and federal aid. The District uses three types of Governmental Funds: a General Fund, a Capital Projects Fund, and Special Revenue Funds (the Capital Reserve Fund and the Athletic Fund). The General Fund is the operating fund of the District. Special Revenue Funds are maintained to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specified purposes. The Capital Reserve Fund is restricted to expenditures for capital items and debt service. The Athletic Fund is restricted to expenditures for athletic activities. The Capital Projects Fund accounts for financial resources used to acquire or construct major capital facilities.

Resources segregated into the Proprietary Fund category are those used to finance activities similar to those often found in the private sector. The activities are usually financed, at least partially, from a user charge. The District uses only one Proprietary Fund: an Enterprise Fund (the Food Service Fund). The Food Service Fund is used to account for all revenues, food purchases, costs, and expenses pertaining to food service operations which are financed and operated in a manner similar to private business enterprises where the stated intent is that the cost of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Resources segregated into the Fiduciary Funds are those held by the District as a trustee or agent for some other entity or group. The District uses two Fiduciary Fund types: Trust Funds and Agency Fund. Trust Funds are used to account for scholarship funds held by the District in a custodial capacity and include both expendable and nonexpendable trusts. The Agency Fund is used to account for the receipts and disbursements of monies from student activity organizations. These organizations exist at the explicit approval of and are subject to revocation by the District's governing body. This accounting reflects the District's agency relationship with the student activity organizations.

The District is legally required to adopt budgets for the General Fund and all Special Revenue Funds. The District is not required and does not adopt budgets for Fiduciary Funds. The General Fund budget, including the sub-funds for Technology and Federal Programs, along with the Capital Projects Fund, the Special Revenue (Capital Reserve and Athletic) Fund budgets and the Enterprise (Food Service) Fund budget are presented in this document.

In order to maintain maximum control over expenditures and revenues for Federal Programs and Technology, the two are presented separately as sub-funds under the General Fund. The revenues and expenditures for Federal Programs are listed on the schedule of Federal Financial Assistance

**WEST CHESTER AREA SCHOOL DISTRICT  
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each year. The total amount of revenue recognized is equal to the amount of expenditures in a given year. Any revenue received over the amount of program expenditures is listed as deferred revenue. Thus, there is no impact to the fund balance or millage.

The Technology Fund was created for the 1995-96 fiscal year as a result of the Board's approval of the Strategic Plan for technology strategy. As the District anticipated large one-time expenditures for the District-wide Technology Program, there was a need to account for those expenditures and revenues separately from the other General Fund operations. The District manages the expenses for each technology project listed in the annually approved Specific Results for the Technology Strategy. At year-end, any unexpended funds are carried over in the next year's Technology Fund as a Reserved Fund Balance. The Technology Fund expenditures are financed by taxes, state subsidy, and revenue transfers from the Capital Reserve Fund.

**Basis for Measuring Available Revenue and Expenditures**

The modified accrual basis of accounting is used for all governmental fund types. Under this system, revenues are recognized when susceptible to accrual, both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related fund liability is incurred except for principal and interest on general long-term debt which is recognized when due.

Property taxes are recorded as assets when levied. Because the collection of those unpaid at the end of the fiscal year is not assured, they are recorded as deferred revenue rather than revenue. This deferred revenue becomes revenue in the fiscal year in which the taxes are collected. Property taxes collected within sixty (60) days subsequent to year-end are susceptible to accrual under the modified accrual basis of accounting and are recognized as revenue in the current year.

The accrual basis of accounting is utilized by the Proprietary Fund. Under the accrual basis of accounting, revenues are recognized in the accounting period earned and expenses are recognized in the period incurred.

**WEST CHESTER AREA SCHOOL DISTRICT  
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**CLASSIFICATION OF REVENUES AND EXPENDITURES**

The Pennsylvania Department of Education has adopted a system for the classification of revenue and expenditures based on generally accepted accounting standards for school entities. The system is used for budgeting, accounting, and financial reporting in compliance with Generally Accepted Accounting Principles (GAAP), as established by the Governmental Accounting Standards Board (GASB).

The classification and coding structure to record financial transactions under the accounting system provides for three basic types of activity: revenues and other financing sources; expenditures and other financial uses; and transactions affecting the balance sheet only. For each type of transaction, the specific account code is made up of a combination of dimensions. Each dimension describes one way of classifying financial activity.

As required by the Pennsylvania Department of Education, the District classifies revenues by fund and revenue source dimensions. Revenues are disaggregated into three sources: Local Sources, State Sources, and Federal Sources. Local sources include such receipts as property taxes and interest on investments. State sources consist of monies received by the District from the Commonwealth of Pennsylvania among which are funds to support the basic instructional program, special education services, and the transportation of students. Federal sources are those funds provided by the federal government, the largest of which includes the Title 1 program for disadvantaged students.

The department also requires the District to classify expenditures by a combination of dimensions. The required expenditure dimensions include: fund, function, object, funding source, and instructional organization. While not required, the District also classifies expenditures by operational unit, responsibility cost center, subject matter and job classification dimensions provided for in the accounting system.

The function dimension is used to classify expenditures according to the principal purpose for which expenditures are made (e.g. Instruction and Support Services). As used in the expenditure classification system, the object dimension applies to the article purchased or the service obtained (e.g. Salaries, Fringe Benefits, Supplies and Equipment). The responsibility cost center dimension (e.g. Staff Development and Transportation) is used to classify expenditures by operational units defined by the District.

The District is legally required to prepare budgets at the fund, function and object level of classification. Accordingly, revenue and expenditures are presented herein at the level required by the Department of Education. The district also codes expenditures by 75 responsibility cost centers since it is the classification system used to manage and control the resources provided for educational programs and services. The expenditures by cost centers are not included since this level of detail is too voluminous for this budget document.

**WEST CHESTER AREA SCHOOL DISTRICT  
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**REVENUE CLASSIFICATION**

**6000 LOCAL REVENUE SOURCES**

**6111 CURRENT REAL ESTATE TAX** - Real Estate Tax is the main source of revenue for funding the operation of the West Chester Area School District. It is based on the assessed valuation as determined by the Chester County Board of Assessment, of all taxable property within the School District and is collected through a bank-operated lock box.

**6112 INTERIM REAL ESTATE TAX** - Interim taxes are levied under Act 544 of 1952 (Section 677.1) on the increase in assessed valuations of local property as a result of construction or improvements to that property during the school year.

**6113 PUBLIC UTILITY REALTY TAX** - Lands and structures owned by public utilities and used in providing their services are subject to state taxation under Act 66 of 1970. The state collects and then distributes a prescribed sum among local taxing authorities including school districts and that payment of state tax is in lieu of local taxes upon public utility realty.

**6114 PAYMENTS IN LIEU OF CURRENT TAXES - STATE/LOCAL REIMBURSEMENT** - Revenue received in lieu of taxes for property withdrawn from the tax rolls of the School District for public housing, forest lands, game lands, water conservation or flood control. This revenue is classified as local although payments may be received from any one of several State agencies.

**6151 EARNED INCOME** - Earned income taxes are levied under Act 511 of 1965 (Local Tax Enabling Act) at the rate of one half of one percent (.5%) of wages, salaries, commissions, net profits or other compensation of those who earn income and reside within the School District.

**6153 REAL ESTATE TRANSFER TAX** - Transfer tax is levied under Act 511 at the rate of one half of one percent (.5%) of the value on the transferring of real estate or interest in real property situated within the boundaries of the School district.

**6157 MERCANTILE TAX** - Mercantile taxes are levied under Act 511 on gross receipts of wholesale and retail vendors or dealers in goods, wares, and merchandise and all persons engaged in conducting restaurants or other places where food, drink or refreshments are sold. The rates are one half (1/2) mill on each dollar of gross business conducted by wholesale vendors and three-fourths (3/4) mill on each dollar of gross business conducted by retail vendors.

**6400 DELINQUENT TAXES** - Delinquent taxes are taxes that were not collected during the original year of issue. Included here are the applicable interest and penalties on tax revenue classified as delinquent. (Revenues are not recorded to this account number but to the following sub-accounts.)

**6411 DELINQUENT REAL ESTATE TAXES** - Revenue received from taxes assessed and levied upon real property which have become delinquent.

**6451 DELINQUENT ACT 511 EARNED INCOME TAXES** - Revenue received under Act 511 for taxes levied upon earned income which have become delinquent.

**6510 INTEREST ON INVESTMENTS** - Interest on investments is revenue received from the investing of School District money as it becomes available in investment vehicles as permitted by Pennsylvania School District Liquid Asset Fund.

**6910 RENT OF FACILITIES** - Rent of Facilities is revenue received from various government bodies, organizations, and civic groups for the rental of the District's buildings and facilities.

**WEST CHESTER AREA SCHOOL DISTRICT  
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**REVENUE CLASSIFICATION (continued):**

**6920 CONTRIBUTIONS AND DONATIONS FROM PRIVATE SOURCES** - Revenue from philanthropic foundations, private individuals or private organizations for which no repayment or special service is expected.

**6940 TUITION FROM PATRONS/OTHER LEAS** - Tuition from patrons includes regular day school tuition for non-resident students temporarily living within the School District boundaries; revenue received from students, their parents or their guardians for summer school education provided by the School District; revenue received for adult education programs operated by the School District; and revenue received from other school entities for mainstreaming of special education students in district regular education programs. Monies received from other LEAS in Pennsylvania for education provided and transportation of pupils from the paying LEA (formerly 9610).

**6980 REVENUE FROM COMMUNITY SERVICES ACTIVITIES** - Revenue from community service activities operated by the School District.

**7000 REVENUE FROM STATE SOURCES**

**7100 BASIC INSTRUCTIONAL AND OPERATING SUBSIDIES** - Revenue received from Commonwealth appropriations as subsidy for basic instruction and operations. (Revenues are not recorded to this account but to the following 7100 sub-accounts.)

**7110 EQUALIZED SUBSIDY FOR BASIC EDUCATION** - The Equalized Subsidy for Basic Education (ESBE) is the major grant program through which funds are distributed from the State to school districts. The first five payments, each equivalent to 15% of the estimated net subsidy, are made on the fourth Thursday of August, October, December, February and April. the balance due is paid on June 1.

**7140 CHARTER SCHOOL FUNDS** - Revenue received from the Commonwealth as subsidy for expenses incurred for District students attending a charter school. Payments are made in accordance with Act 22 of 1997.

**7160 TUITION FOR ORPHANS AND CHILDREN PLACED IN PRIVATE HOMES** - Revenue received from the Commonwealth as tuition for children who are orphans and/or children who are placed in private homes by the court. Payments are made in accordance with Sections 1305 and 1306 of the School Code.

**7170 INSTRUCTIONAL SUPPORT TEAMS** - Revenue received from the Commonwealth to defer the costs of establishing instructional support teams for the comprehensive screening and evaluation needs of the School District students.

**7200 SUBSIDIES FOR SPECIFIC EDUCATIONAL PROGRAMS** - Revenue received from Commonwealth appropriations as subsidy for specific educational programs. (Revenues are not recorded to this account but to the following 7200 sub-accounts.)

**7210 HOMEBOUND INSTRUCTION** - Revenue received from the Commonwealth as subsidy for expenses incurred on account of instruction of homebound pupils. Payments are made in accordance with Section 2510.1 of the School Code.

**7220 VOCATIONAL EDUCATION** - Revenue received from the Commonwealth as subsidy on account of vocational education expenditures that are classified as current operating expenditures and also for preliminary expenses in establishing an area vocational education school. Payments are made in accordance with Sections 2504, 2506, and 2507 of the Public School Code.

**7240 DRIVER EDUCATION/STUDENT** - Revenue received from the Commonwealth as subsidy on account of conducting a standardized driver education program. Payments are made in accordance with Section 2504.1 of the Public School Code.

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**REVENUE CLASSIFICATION (continued):**

**7270 SPECIAL EDUCATION OF EXCEPTIONAL STUDENTS** - Revenue received from the Commonwealth as subsidy for the cost of instructing exceptional children. Payments are made in accordance with Section 2509 and/or 1373.1 of the Public School Code.

**7300 SUBSIDIES FOR NONEDUCATIONAL PROGRAMS** - Revenue received from Commonwealth appropriations as subsidy for non-educational programs. (Revenues are not recorded to this account but to the following 7300 sub-accounts.)

**7310 TRANSPORTATION (REGULAR AND ADDITIONAL)** - Revenue received from the Commonwealth as subsidy on account of pupil transportation expenditures and/or board and lodging in lieu of transportation. Payments for pupil transportation are made in accordance with Section 2541 of the Public School Code. Payments for board and lodging in lieu of transportation are made in accordance with Section 2542 of the Public School Code.

**7320 RENTAL AND SINKING FUND PAYMENTS** - Revenue received from the Commonwealth as a full or partial subsidy payment on account of approved lease rentals, sinking fund obligations, or any approved debt obligation for which the Department of Education has assigned a lease number. Amounts received from the State Public School Building authority should be included in this revenue category. (Revenues are not recorded to this account but to the appropriate sub-account.)

**7321 RENTAL AND SINKING FUND REIMBURSEMENTS** - Revenue received from the Commonwealth (PDE) as subsidy on approved lease rental and sinking fund charges. Payments are made pursuant to PA School Code Sections 2572 and 2574 through 2580, as amended.

**7330 HEALTH SERVICES** - Revenue received from the Commonwealth as subsidy on account of health services, including medical, dental and nurse services. Payments are made in accordance with Section 2505.1 of the Public School Code and Act 25.

**7350 SEWAGE TREATMENT OPERATION** - Revenue received from the Commonwealth via the Department of Environmental Resources as subsidy for annual operation costs of a sewage treatment plant. Payments are made in accordance with Act 339 of 1953.

**7500 EXTRA GRANTS** - Revenue received from the Commonwealth, as extra grants not specified elsewhere in the Revenue from State Sources section. (Sub-accounts may be established if more than one extra grant is received.)

**7810 REVENUE FOR SOCIAL SECURITY PAYMENTS** - Revenue received from the Commonwealth designated as the Commonwealth's matching share of the employer's contribution of the Social Security Taxes for covered employees which are not federally funded.

**7820 REVENUE FOR RETIREMENT CONTRIBUTIONS** - Revenue received from the Commonwealth designated as the Commonwealth's required share of contributions to the Public School Employees' Retirement System (PSERS).

**8000 REVENUE FROM FEDERAL SOURCES**

**8513 EDUCATION OF DISADVANTAGED CHILDREN - ECIA, TITLE 1** - Revenue received for the education of disadvantaged children under the Education Consolidation and Improvement Act Public Law 97.35, of 1981, Title 1 (formerly Chapter 1).

**8540 NUTRITION EDUCATION AND TRAINING** - Revenue received from the Federal Government through the Commonwealth under provisions of the Child Nutrition Act of 1966.



**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**REVENUE CLASSIFICATION (continued):**

**8560 FEDERAL BLOCK GRANTS, ECIA, TITLE VI** - Revenue received from the Federal Government through the Commonwealth under provisions of the Child Nutrition Act of 1966.

**8570 EDUCATION FOR ECONOMIC SECURITY ACT OF 1984 - TITLE II** - Revenue received to improve in-service training and retraining of teachers.

**8670 DRUG-FREE SCHOOLS** - Revenue received in support of programs conducted under the Drug-Free Schools and Communities Act of 1986 - P.L. 99-570.

**8680 EDUCATE AMERICA ACT (GOALS 2000)** - Revenue received in support of programs conducted under the provisions of the Educate America Act.

**9300 INTERFUND TRANSFERS** - Proceeds received from another fund, which will not be repaid, and for which goods or services were not provided by the receiving fund.

**9610 RECEIPTS FROM OTHER LEAS IN PENNSYLVANIA** - Monies received from other LEAS in Pennsylvania for education provided and transportation of pupils from the paying LEA. (These receipts are now classified in function 6944).

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**EXPENDITURE CLASSIFICATION  
BY  
FUNCTION**

The District uses five (5) major functional classifications to record and control financial transactions. However, expenditures are not charged directly to these major functional categories described below but to sub-accounts or sub-functions that provide a more detailed classification of expenditures.

**1000 INSTRUCTION** - Activities dealing directly with the teaching of pupils, or the interaction between teacher and pupils. Teaching may be provided for pupils in a school classroom, in another location and in other learning situations. It may also be provided through some other approved medium. Included in this function are the salaries for teachers and assistants of any type that provide support for the instructional process. Also included in this function are equipment and supplies directly related to instruction and the instructional process.

**2000 SUPPORT SERVICES** - Services which provide administrative, technical, personal and logistical support to facilitate and enhance instruction. Support services exist to sustain and enhance instruction, rather than entities within themselves. They include such services as: pupil personnel, guidance, psychology, library, health, attendance, and transportation.

**3000 OPERATION OF NON-INSTRUCTIONAL SERVICES** - Activities concerned with providing non-instructional services to students, staff or the community. Expenditures accounted for in this function include student activities and community services.

**4000 FACILITIES ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS** - Capital facilities acquisition, construction and improvements are capital expenditures (fixed assets) incurred to purchase land, buildings, service systems and built-in equipment. Expenditures include the initial purchase of land and buildings, construction remodeling and additions and improvements to buildings, initial installation, replacement or extension of service systems and other built-in equipment, as well as improvement to sites, and activities related to all of the above.

**5000 DEBT SERVICE AND OTHER FINANCING USES** - Other financing uses represent the disbursement of governmental funds not classified in other functional areas that require budgetary and accounting control. These include debt service payments (principal and interest) and transfers of monies from one fund to another such as fund transfers to the Special Revenue Funds to support the Athletic Fund and the Capital Reserve Fund; fund transfers to the Enterprise Fund to support the operation of the food service program; and fund transfers to the Debt Service Fund to provide for debt service payments

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**EXPENDITURE CLASSIFICATION  
BY  
OBJECT**

The District uses nine (9) major object classifications to record and control financial transactions. However, expenditures are not charged directly to these major object categories described below but to sub-accounts or sub-objects that provide a more detailed classification of expenditures.

**100 PERSONAL SERVICES/SALARIES** - Gross salaries paid to employees of the District who are considered to be in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions.

**200 PERSONAL SERVICES/BENEFITS** - Amounts paid on behalf of employees; these amounts are not included in gross salary, but are in addition to that amount. Such payments are fringe benefit payments; and, while not paid directly to employees, are part of the cost of personnel service.

**300 PROFESSIONAL SERVICES** - Services which by their nature require persons or firms with specialized skills and knowledge. Included in this classification are fees paid to the Chester County Intermediate Unit for special education services.

**400 PURCHASED PROPERTY SERVICES** - Services required to operate, repair, and maintain property used in the District. Such costs include housekeeping, lawn care, maintenance, and snow removal.

**500 OTHER PURCHASED SERVICES** - Amounts paid for services not provided by district personnel but rendered by organizations or personnel, other than Professional Services and Purchased Property Services. Such services include those for contractual agreements to transport students.

**600 SUPPLIES** - Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated in use. Such costs include textbooks, instructional supplies and materials and energy costs for electricity and heating.

**700 EQUIPMENT** - Expenditure for the purchase of fixed assets. Such expenditures include initial equipment, additional equipment and the replacement of equipment.

**800 OTHER OBJECTS** - Amounts paid for goods and services not otherwise classified in the foregoing objects. Expenditures recorded to this object include interest on outstanding bonds of the District.

**900 OTHER USES OF FUNDS** - This object and sub-accounts are used to classify transactions that are not recorded, as expenditures to the District but require budgetary or accounting control. These include redemption of principal on long-term debt and fund transfers to the Special Revenue Funds (Capital Reserve and Athletic), the Debt Service Fund and the Enterprise (Food Service) Fund.

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**SIGNIFICANT LAWS THAT AFFECT THE BUDGET AND FISCAL ADMINISTRATION**

The Pennsylvania Public School Code of 1949, as amended, gives local Boards the authority to conduct the financial affairs of the District. The School Code contains provisions that require the Board to perform certain acts (mandatory), provisions that provide discretion to the Board to either act or refrain from acting (permissive), and provisions where the Board is prohibited from acting either in total or until certain conditions have been satisfied (prohibited). The School District is also subject to statutes of the Commonwealth such as the Municipal Code, The Fiscal Code and other laws that apply to government entities.

**Budget Statutes**

The School Laws of Pennsylvania, as enacted by the Commonwealth legislature, mandate that public school districts approve an annual budget on the modified accrual basis of accounting for the operation of Governmental Funds (the General Fund and the Special Revenue Funds) prior to the start of the fiscal year. Section 687 of the School Code requires that a proposed budget be prepared at least thirty (30) days prior to the adoption of the budget for the following fiscal year in a format stipulated by the Department of Education. The format requires that revenues and expenditures be presented by function and object classification.

The School Code also mandates that the proposed budget be available for public inspection at least twenty (20) days prior to the date set for adoption. Districts are required to provide notice prior to any final action on the budget. The "Notice of Proposed Budget" must be published at least once in a newspaper of general circulation within the community at least ten (10) days before the adoption of a final budget. The notice must include the time and place of the meeting at which the final budget will be adopted and a statement that the proposed budget is available for public inspection.

The actions for final adoption of the budget and the necessary appropriations required to put it into effect must be voted on at a duly advertised public meeting. Section 508 of the School Code requires a majority vote of the Board of School Directors to adopt the annual budget and to levy and assess taxes. The vote must be by a duly recorded (roll call) vote that records how each member voted. Failure to have five affirmative votes renders action of the Board of Directors void and unenforceable. Failure to adopt a budget by July 1 causes the District to lose authority to expend funds.

Within fifteen (15) days after adoption of the budget, a certified copy of the adopted budget must be provided to the Department of Community Affairs in conformance with section 687 of the School Code. Section 687 of the School Code also prohibits deficit financing in public schools. Accordingly, the total amount of the adopted budget may not exceed the amount of funds, including the proposed annual tax levy and state appropriations, available to the District.

The Commonwealth has established a mandatory accounting system that must be used by every school entity that is based on Generally Accepted Accounting Principles (GAAP) for governmental units. GAAP is consistent with state and federal laws. The accounting system provides for the establishment of Governmental Funds including a General (Operating) Fund and Special Revenue Funds that include a Capital Reserve Fund and an Athletic Fund. The legal authority for the operation of the Capital Reserve Fund is specifically provided in Section 2932 of the Municipal Code. Monies in the Capital Reserve Fund must be kept in a special fund or account, separate and apart from any other fund. All interest earnings from the investment of Capital Reserve funds must be paid into the Capital Reserve Fund as set forth in Section 2932 of the Municipal Code.

## **WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET**

The monies in the Capital Reserve Fund may be expended for these purposes only: capital improvements; replacement of and/or additions to public works and improvements, or deferred maintenance thereof; the purchase or the replacement of school buses; and debt service.

Under Section 2932 of the Municipal Code, the Board of Directors may authorize transfers from the General Fund into the Capital Reserve Fund of one (1) mill levy of general taxes designated for the purpose of this fund. Additional monies in the Capital Reserve Fund may consist of (a) monies transferred into the Capital Reserve Fund during any fiscal year from appropriations made for any particular purpose that may not be needed; and (b) surplus monies in the General Fund of the treasury of the District at the end of any fiscal year.

The Authority for the establishment of the Athletic Fund is located in Section 511 of the Public School Code. The purpose of the Fund is to account for revenues generated through gate receipts incurred by the interscholastic athletic program. Section 511 mandates that the Board of Directors prescribe, adopt and enforce reasonable rules and regulations, as it may deem proper, regarding the management, supervision, control or prohibition of exercises, athletics, or games of any kind.

### **Bidding and Purchasing Statutes**

School Boards are required under Section 801 of the Public School Code to purchase and provide all furniture, equipment, textbooks, school supplies and other items for the use of the District to maintain the educational environment. Section 807.1 (as amended by Act 30 of 1990) sets forth the requirement for competitive bidding at \$10,000 or more. However, any purchase of at least \$4,000 but less than \$10,000 requires three price quotations.

Purchases of \$10,000 or more require public notice by advertisement once a week for three weeks in no less than two newspapers of general circulation. The Board must accept the lowest responsible bid (where kind, quality and material are equal). Boards may reject any and all bids or select a single item from any bid.

Section 521 of the School Code permits purchases to be made through intergovernmental cooperative agreements (joint purchase agreements). School entities may also "piggy-back" on state or other governmental contracts following the appropriate legal requirements. Even though purchasing may require competitive bidding, Boards may establish reasonable criteria such as color, unit/size, or any other reasonable criteria specific to the District's needs. The School Code also provides for the exemption of several items from competitive bids. The exceptions include but are not limited to: globes, maps, textbooks, educational films, and teacher demonstration devices. Services are also excluded from the competitive bidding requirement but school districts may choose to bid service agreements and contracts.

### **Cash Management and Investment Statutes**

Section 440.1 of the Public School Code permits the investment of funds in (a) United States Treasury bills; (b) short-term obligations of the United States Government or its agencies or instrumentalities; (c) obligations of the United States of America or any of its instrumentalities backed by the full faith and credit of the United States of America; (d) obligations of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth; (e) obligations of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision; (f) in savings accounts, time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund to the extent that such

## **WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET**

accounts are so insured, and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.

### **Payment of Financial Obligations**

Section 439 and 607 of the Public School Code provide direction on the payment of financial obligations. Section 439 requires that all payments be approved by the Board of School Directors. An order to pay must be signed directly or through facsimile signature by the Board President. Bills may be paid prior to Board approval under certain conditions that include receipt of a discount, the avoidance of a late charge, or other advantages that may accrue to the District such as increased interest income through proper cash management. Section 607 requires that proper school orders be drawn prior to payment, that there be sufficient funds in the treasury and that a separate order be drawn for each account or payment. Boards are also permitted to establish policy regarding process and procedures for the disbursements of school funds including such matters as payments prior to Board approval.

The Fiscal Code of the Commonwealth (as amended by Act 138 of 1994) also requires political subdivisions, including school entities, to pay interest penalties to certain qualified small businesses for regular, every day, normal goods and services when payments are more than fifteen (15) days past due. Past due is defined as the terms for payment as specified in the contract or thirty (30) days after receipt of a proper invoice.

The Public Works Contract Regulation Law (as amended by Act 142 of 1994) regulates the payment to contractors and subcontractors working on public construction projects. Under the law, School Districts are required to make payment or incur interest penalties to contractors and subcontractors within twenty (20) days after delivery of the invoice unless other terms are set forth in contract documents to which School Districts must adhere or incur interest penalties.

### **Construction of Facilities**

Boards are charged with the requirement to provide the necessary grounds and suitable buildings to accommodate all school-age children in the District. This authority also includes the renovation and expansion of existing facilities. In most cases, School Districts seeking state reimbursement are required to participate in PlanCon, an acronym for the Pennsylvania Department of Education's Planning Construction Workbook. The process involves a number of phases, beginning with a definition of the project and justification of its need. Succeeding steps include: site approval; estimated project cost data; architectural reviews; cost data based on actual bids; and finally, approval of the bond issue or other funding mechanism. Specific requirements are detailed in regulations adopted by the State Board of Education and in standards promulgated by the Pennsylvania Department of Education.

School Boards are required by Act 34 of 1973 to conduct public hearings. A second hearing is required if the bids received for a construction project exceed the initial Department of Education approved estimates by eight (8) percent. Act 34 is also referred to as the "Taj Mahal Law," because it requires voter approval of any building project that exceeds per-pupil cost figures that are revised annually to reflect changes in the cost of living. Alterations to existing buildings are excluded from this requirement. School buildings may be financed in a variety of ways that include: local authority, state authority, general obligation bonds or local funds.

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**Audits of Financial Records**

All School Districts are required to have an annual audit of financial records. The audit must be completed by an independent certified public accountant. Such audit must be prepared in accordance with Generally Accepted Accounting Principles (GAAP) to ensure consistency. Completion of the audit and issuance of the audit report marks the end of the budget cycle for a single year.

In addition to the requirement of an annual audit, Section 2553 of the Public School Code requires the comptroller of the Department of Education to perform regular audits and field audits. The comptroller may, at his or her discretion, perform special audits to verify receipts and expenditures. Such audits are usually limited to specific use of program funds given for state and federal projects.

The state Fiscal Code requires the auditor general's office to audit the accounts and records of all School Districts. Examination is made by the Auditor General of receipts and expenditures related to state payments for public education. The purpose is to verify that the monies received from the Commonwealth were properly paid and that the District properly complied with all laws and regulations.

The Bureau of School Audits of the Auditor General's office has also published specific guidelines for the audit of student activity funds (Agency Funds). The objectives are to ensure that basic internal controls are established for effective management of the organization; that all cash intended for the organization is received, promptly recorded, reconciled and kept under adequate security; that cash is disbursed only upon proper authorization, for valid purposes, and is properly recorded; that purchases and accounts payable are supported by appropriate documentation, promptly paid and properly recorded; and that inventory is appropriately safeguarded and properly recorded.

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**SIGNIFICANT BOARD POLICIES, PROCEDURES AND PRACTICES  
THAT AFFECT THE BUDGET**

The Board of Directors is an extension of the State Legislature with the responsibility to provide for a thorough and efficient education for the students of the Commonwealth based on local control of community schools. To accomplish this responsibility, the Board of Directors is granted authority through the Public School Code and the Pennsylvania Constitution to establish policy for the operation of the school system. Policies are plans and procedures that are developed to provide guidelines for desired actions. The School District has a number of policies that direct the budget development and budget management process, the most important of which are discussed below.

**Operating Budget Policy**

The operating budgets will be prepared within the context of the overall financial objective of the District to provide for high quality programs and services that meet the educational needs of students within the ability of the taxpayers of the community to provide the financial resources.

The operating budget of the District will be formulated such that current revenues and current expenditures are balanced on an annual basis. The District will avoid budgetary procedures such as postponing or deferring current expenditures and advancing or accruing future revenues in order to balance the operating budget. The District recognizes that such procedures do nothing more than help meet immediate needs at the expense of increased future obligations and reduced future financial resources. The District does not refund short-term debt unless there is a significant present value financial advantage to the transaction.

The District will continue to maintain an interactive on-line budgetary accounting information system that is employed as a management control device to administer the spending plan. The data in the budgetary accounting information system will be utilized to prepare management reports for fiscal control and to prepare reports for the Board of Directors that compare actual revenues and expenditures to budget amounts.

The budget will be administered within applicable local, state and federal laws. Accordingly, the District will not obligate funds in excess of the approved financial plan unless the Board amends the budget by making additional appropriations or increasing existing appropriations to meet emergencies. All expenditures will be made in accordance with approved disbursement practices and legal purchasing requirements. Whenever possible, the District will integrate performance measurement and productivity indicators within the budget to ensure the most effective and efficient utilization of available financial resources.

The delegation of budget management will be based on philosophy that is consistent with the site-based approach to decision-making through responsibility cost centers. Decision making authority is delegated to budget managers of responsibility cost centers who are accountable for the effective and efficient utilization of resources appropriated by the Board. Budget managers of responsibility cost centers will be provided financial resources over which they are able to exercise discretionary decision-making authority.



## **WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET**

### **Capital Improvement Budget Policies**

The District maintains a five-year capital improvement plan that is updated annually. The purpose of the five-year plan is to provide for the maintenance of existing facilities so that the District's capital investment is protected and future maintenance and replacement costs are minimized, and to recommend major additions or building renovation projects as a result of enrollment growth or educational needs. The monies in the Capital Projects Fund may be expended for replacement of and additions to public works and improvements, and for deferred maintenance thereof, and for future capital needs designated by the Board. As recommended by the Property and Finance Committee, the administration includes only projects that cost more than \$25,000 and have a useful life of ten (10) years in the capital improvement plan.

Proposed maintenance projects will be specifically identified together with the proposed year of construction. Proposed projects will be prioritized based on: (1) life safety, (2) asbestos removal, (3) enrollment/growth needs, (4) educational programs/expanded curriculum, (5) athletic issues, (6) structure maintenance projects, (7) mechanical projects, (8) cosmetic changes.

The resources to provide for the capital needs of the District shall be derived from the imposition of a one (1) mill tax levy of general taxes to be designated for the purpose of the Capital Reserve Fund. Any interest earned on cash balances from bond issues or other capital related debt is transferred to the Capital Reserve Fund to be used for capital projects. In addition, the District will place proceeds resulting from any transaction, i.e. sale, condemnations, etc. involving District-owned land or buildings in the District's Capital Reserve Fund to be designated for the purpose of the funding of future capital projects. Transfers from the Capital Reserve Fund are made to the Capital Projects Fund for the financing of capital improvements/maintenance. In addition, the District uses long-term borrowing to finance the capital program.

The District plans any new or replacement construction based on state guidelines (PLANCON) for school building utilization. The decision to undertake any new or replacement construction shall be based on the needs of the educational program, the condition of existing facilities, and the projected capacity needs of the District. The District will identify the estimated costs and potential funding sources for each new or replacement capital project before it is submitted to the Board for approval. The District will determine the least costly financing method for any new or replacement construction. Future operating costs associated with new capital improvement will be projected and included in the operating budget and budget forecasts.

### **Debt Policies**

The District will confine long-term borrowing for: maintenance projects over \$25,000 and a useful life of ten (10) years; capital improvements to existing facilities; or, the construction of new facilities. Long-term borrowing may therefore be used for the renovation or expansion of current buildings based on the needs of the educational program, the condition of the buildings, and the capacity needs of the District. When the District finances capital projects through the issuance of bonds, the payback period (term of the bond issue) does not exceed the expected useful life of the asset renovated or acquired. In no case will the District use long-term debt to fund current operations. However, the District will issue debt for the purpose of refunding certain bonds provided that there is a significant present value savings in the transaction.

The District will maintain communication with bond rating agencies about its financial condition. The District will follow a policy of full disclosure in every financial report and official statement provided to bond rating agencies, to legal and professional service providers for bond issues, and to investors. The District will meet all debt service obligations when due and payable.

## **WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET**

### **Revenue Estimation Procedures**

The Director of Business Affairs of the District will estimate annual revenues by an objective, analytical process. The District does not include revenue estimates in the budget that cannot be verified with documentation of the source and amount. Revenue estimates are based on objective data such as historical trend analysis and validated state estimates of sources and amounts of subsidy.

### **Budgetary Reserve**

The District maintains a budgetary reserve in the range of 2%-3% of budgeted expenses in order to provide for operating contingencies and provide for the next year's fund balance. The maintenance of a budgetary reserve is recognized by the Department of Education to be a sound management practice given that there are certain variables over which control is not possible regardless of the care with which the budget is prepared. These variables include unpredictable changes in the cost of goods and services as well as the occurrence of events which are vaguely perceptible during the time of budget preparation, but which, nevertheless, may require expenditures by the District during the year for which the budget is prepared.

No expenditures will be made from the budgetary reserve unless authorized and approved by the Board of Directors. The expenditures will not be made through the budgetary reserve, but only against the line items that appear throughout the functional appropriations. The transfer from budgetary reserve to the functional line item will be approved by the Board and may only be made during the last nine months of the fiscal year.

### **Fund Balance Reserve**

The District does budget to maintain an undesignated, unreserved fund balance. Along with the Budget Reserve, the District's conservative revenue budget allows for a sufficient unreserved fund balance each year.

The Board recognizes that the maintenance of a fund balance is essential to preserve the sound financial condition of the District and to protect the bond rating of the District. In addition, interest income generated by the maintenance of a fund balance is used to balance the General (Operating) Fund budget and offset fluctuations in tax revenues needed to maintain ongoing programs and services.

### **Accounting, Auditing, Budgeting, and Financial Reporting Policies**

The accounting system will report financial information on a basis consistent with Generally Accepted Accounting Principals (GAAP) as established by the Governmental Accounting Standards Board. Management control and Board oversight will be maintained through the use of regular reports that present financial activity by fund and function.

An independent public accounting firm, selected by the Board of Directors, will perform an annual audit of the financial records of the District. The report will provide an opinion on the financial controls and records of the District.

# WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET

## BUDGET DEVELOPMENT PROCESS

The budget process can be disaggregated conceptually into a five-step process that includes: planning, preparation, adoption, implementation, and evaluation. The process is driven by two objectives - to provide every child in the District with the best possible educational opportunities and to maximize the use of available resources. Within this framework, the Board attempts to balance the educational needs of students and the resources available to the District from local, state and federal sources. The product, the School District's budget that details the revenues and expenditures to support educational programs and services, is a delicate balance of policy choices.

### Budget Planning

For the fiscal year that begins July 1, the planning process for budgeting starts the prior September when the Board adopts a budget calendar. The calendar includes all of the important activities in the budgeting process and the dates on which important decisions are to be made. Once approved, the calendar represents the guidelines for the preparation and adoption of the financial plan of the School District. In November, the administration prepares a detailed 3-year General Fund Budget Forecast. This forecast, based on historical assumptions, encourages the Board and administration to consider issues facing the District in the ensuing budget year.

### Preparation of the Operating Budget

The process of preparing the budget includes: defining service levels such as the course offerings in the educational program; projecting student enrollment; developing staffing allocations; estimating expenditure needs to support programs and services; and projecting available revenues. The process begins when the Director of Business Affairs provides a five-year forecast of enrollment to the Board at the October Property and Finance Committee meeting. The Board agrees to a forecast of enrollments which establishes an important assumption on which per pupil expenditure appropriations, instructional staffing allocations, and service levels such as the number of transportation vehicles are based.

At the Property and Finance Committee meeting in December, the Board approves building budgets that are based on per pupil allocations for the projected student enrollment. The per pupil appropriations are established early in the budget cycle to permit staff involvement in the determination of resource allocations within the buildings. This also permits the acquisition of supplies, materials, and equipment at the lowest price through the public bidding process and timely delivery of purchases prior to the opening of the school term. The budget process is continued at committee meetings January through May at which the Board discusses curriculum proposals and Strategic Plan current year initiatives that will impact the educational programs for the next year. In addition, the administration and the Board review the status of the Technology Fund expenses at the January Property and Finance Committee meeting. The budget process for the Technology Fund coincides with the proposed Strategic Plan initiatives that are approved by the Board.

Since salaries and fringe benefits constitute approximately three-quarters of budget expenditures, the administration gives careful consideration to staffing allocations for both instructional and non-instructional positions to provide for defined service levels. The professional staffing needed to support the educational program is a function of both the projected student enrollment approved by the Board in October and the District's course offerings. The staffing needs of the District are constructed on a zero base approach at all levels. The administration considers staffing allocations during the months of February and March. The administration's recommendation for additional staffing positions is highlighted in the April preliminary budget proposal. Any Board member's questions on staffing, as well as any other issues, are addressed at the Board budget work sessions in May and June.

## WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET

### Preparation of the Capital and Other Budgets

The budget development process for the Special Revenue Funds (Athletic Fund and the Capital Reserve Fund), the Capital Projects Fund, and the Enterprise Fund (the food service fund) proceeds concurrently with the foregoing process for the development of the operating budget.

Each year in October the District updates its five-year Capital Projects Fund plan that provides for the maintenance of facilities and the establishment of a projection for new construction and major renovations. In the update of the plan, the Directors consider recommendations from the District's Director of Facilities and Operations, other central office administrators, and the building principals, along with the community input received at special public meetings for the capital plan.

Funds for new construction or major renovations are provided through the issuance of debt. The impact of capital projects is considered in the development of the proposed and projected operating budgets. On occasion in previous years, funds in the amount equal to one (1) mill of real estate taxes were transferred from the operating budget to help fund expenditures in the five-year capital projects plan.

The critical elements in the development of the athletic budget are the estimation of program needs and gate receipts for ticketed events. The difference between the two is the amount budgeted in the operating budget to support the extra-curricular and athletic programs.

The District's food service provider prepares the food service budget for the District's program. The food service budget is formulated from an estimate of the participation levels in each school based on projected enrollments. Expenses for labor are predicated on the projected levels of participation in the breakfast and lunch programs converted into meals prepared per day to determine staff. Costs for food are estimated based on the number of meals to be provided. Revenue is based on projected sales to students and staff as well as estimated state and federal support for the school breakfast and lunch programs. The preliminary budget is included in this budget document. The District's Board approves the final budget along with the food service provider's contract in August.

### Budget Adoption, Implementation, and Evaluation

The preliminary budget of the District for the next fiscal year is proposed at a Board meeting in April. In May and June, the Board considers the budget and provides for public input and comment on the financial plan to fund the District's educational programs and services. Final passage of the budget occurs in June.

The implementation of the approved financial plan is discussed in the following section, *Budget Administration and Management Process*. Then, the final step in the budget process is the evaluation of the financial plan. The results of operations for the fiscal year are set forth annually in the District's Annual Financial Report (AFR).

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**2002-03 BUDGET CALENDAR**

<ul style="list-style-type: none"> <li>▪ 2002-03 Enrollment Projections</li> <li>▪ Capital Plan Update</li> </ul>	<p>10/15/01 Property &amp; Finance Committee</p>
<ul style="list-style-type: none"> <li>▪ 3-Year General Fund Forecast</li> </ul>	<p>11/19/01 Property &amp; Finance Committee</p>
<ul style="list-style-type: none"> <li>▪ 2002-03 Per Pupil Allocation Recommendation</li> <li>▪ Board members begin discussions on 2002-03 Board Budget Goals</li> </ul>	<p>12/10/01 Property &amp; Finance Committee</p>
<ul style="list-style-type: none"> <li>▪ Finalize 2002-03 Board Budget Goals</li> </ul>	<p>1/22/02 (Tuesday) Property &amp; Finance Committee</p>
<ul style="list-style-type: none"> <li>▪ 2002-03 Curriculum Cycle Recommendations</li> </ul>	<p>2/19/02 - 4/15/02 Joint Education Committee/ Property &amp; Finance Committee</p>
<ul style="list-style-type: none"> <li>▪ Update of the Technology Plan</li> </ul>	<p>4/8/02 Education Committee</p>
<ul style="list-style-type: none"> <li>▪ Develop 2002-03 Board Committee Goals</li> </ul>	<p>March - June</p>
<ul style="list-style-type: none"> <li>▪ Presentation of Preliminary Budget Proposal</li> </ul>	<p>4/15/02 Property &amp; Finance Committee</p>
<ul style="list-style-type: none"> <li>▪ Preliminary Adoption</li> </ul>	<p>4/22/02 Board Meeting</p>
<ul style="list-style-type: none"> <li>▪ Public Hearing</li> </ul>	<p>5/6/02 Special Board meeting required</p>
<ul style="list-style-type: none"> <li>▪ Board Budget Work Session</li> </ul>	<p>5/20/02</p>
<ul style="list-style-type: none"> <li>▪ Final Adoption</li> </ul>	<p>6/3/02 Special Board meeting required</p>
<ul style="list-style-type: none"> <li>▪ Re-opened Budget &amp; Re-adopted</li> </ul>	<p>7/29/02 Special Board meeting required</p>

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**BUDGET ADMINISTRATION AND MANAGEMENT PROCESS**

Budget administration and management is the process of regulating expenditures during the fiscal year to ensure that they do not exceed authorized amounts and that they are used for intended, proper, and legal purposes. Management of the budget is accomplished in a variety of ways: by monitoring program implementation; controlling expenditures; tracking revenue receipts; making corrections in expenditure allocations to reflect changes in costs, service levels or plans; and reporting to the Board and public on fiscal operations.

During the presentation of the budget, the document itself serves as the vehicle for planning and resource allocation decisions in the District. After the Board adopts the budget in June and the appropriations made to various accounts, the budget becomes the major fiscal management tool for administering and controlling expenditures. There are, however, other budget administration and management issues important to the budget process that are discussed below.

**EXPENDITURE CONTROL AND APPROVALS**

For management control purposes, the operating budget (General Fund) of the District is disaggregated into responsibility cost centers. A budget manager (an administrator or coordinator such as a Building Principal or Transportation Coordinator) is accountable for management of the financial resources approved by the Board for each cost center in the operating budget. The Athletic Directors are assigned budget management for the Athletic Fund, and the Technology Coordinator is the budget manager of the Technology Fund. The Director of Business Affairs is the budget manager for the Capital Projects Fund, the Capital Reserve Fund, and the Food Service (Proprietary) Fund.

Thus, every expenditure appropriation in the District's budget is assigned to a responsibility cost center manager who is accountable for the proper expenditure of funds.

The budget managers are authorized to approve the expenditure of funds within their respective responsibility cost center appropriations, provided that funds are expended in accord with District purchasing procedures and legal requirements. Administrative regulations require that all purchase orders be forwarded to the business office to verify availability of funds, proper account coding, and compliance with legal purchasing procedures. All bid awards and contracts must be approved by the Board of Directors. The Business Administrator also carefully monitors comparisons between budget and actual expenditures to maintain cost control and to ensure against overspending.

**Encumbrance Control**

Another important component in the District's financial control and reporting system is the encumbrance of funds. Encumbrances are obligations in the form of purchase orders, contracts, or salary commitments chargeable to an appropriation and for which part of the appropriation is reserved. The purpose for the encumbrance of funds is to ensure that obligations are recognized as soon as financial commitments are made. Otherwise, the accounting system would record only actual amounts entered into the expenditure accounts, not those that are planned or anticipated. In short, the encumbrance of funds is an important control measure to prevent the inadvertent over-expenditure of budget appropriations due to the lack of information about future commitments. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances at year-end are canceled.

## **WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET**

### **Transfers between Budget Accounts**

The budget is a spending plan based on a series of assumptions and estimates. Rarely, if ever, will all of the actual expenditures be equal to the detailed budget estimates. As actual expenditures are incurred, adjustments are required between accounts in the budget to cover higher than expected costs or to provide for an unanticipated expense. However, District controls on the transfer of funds ensure that expenditures do not exceed available financial resources.

Responsibility cost center managers have the authority to transfer funds between accounts that increase or decrease appropriated amounts with certain constraints. Such constraints include that transfers between responsibility cost centers, whether between funds or within a fund, or revisions that alter the total revenues and expenditures of any fund, must be approved by the School Board. In addition, transfers between functions within a responsibility cost center must also have the prior approval of the Board of School Directors. For example, appropriations for instruction cannot be transferred to support services or vice versa without Board approval.

### **Management Information and Reporting for Control**

The District maintains an interactive, on-line budgetary accounting and control system that provides reports to assist Board Members, the Business Administrator, and responsibility cost center managers in administering, monitoring, and controlling the implementation of the budget. The information from the automated accounting information system is important and relevant in evaluating the financial condition of the District and the fiscal performance of responsibility cost center managers.

The reports produced from the information system are designed for specific District needs and to meet state and federal reporting requirements. Among the most important of the documents for management control purposes are expenditure reports that are prepared by function and by responsibility cost center. Revenue reports that track receipts against budget are also prepared.

While revenue and expenditure reports are primarily for internal use for management control, the District also prepares an Annual Financial Report (AFR) to report the results of operations. The AFR includes information such as a combined balance sheet for all fund types and a combined statement of revenue, expenditures and changes in fund balances for all governmental funds.

### **ORGANIZATION FOR BUDGET MANAGEMENT**

The decision-making philosophy and organizational structure of the District for budgeting combines elements of the management team and school site management concepts. It is an approach between centralization and decentralization in philosophy and structure. Many of the decisions in the District are formulated by management teams with the responsibility for budget control at the building or department level (such as transportation or pupil services).

### **Site-Based Management**

Site-based management is a philosophy of decentralized educational management. It is a process designed to improve the quality of education for all students by providing a balance between school-level and district-level decision making authority, responsibility and accountability. The balance is maintained by the process of collaborative planning, which permits the staff members at both the school and District levels to have input. This means that policies, content and what will be included in instruction is established at the District level; strategies, processes, and how the instructional program will be delivered are determined at the school level. Site-based management also places accountability with the principal to produce desirable educational outcomes.

## WEST CHESTER AREA SCHOOL DISTRICT 2002-03 BUDGET

The responsibilities assigned to the schools include, but are not limited to, use of instructional and support staff, supplies and equipment, school level staff development, daily substitutes, textbook replacement, identifying areas needing improvement, participation in the annual budget process, recommended revision to District policies, improvement of test scores, pupil and staff absentee rates, discipline referrals, library usage, parent conferences, home/school communications and field trips.

### **Site-Based Planning**

At the building level each school has an Instructional Team composed of a minimum of seven members: 3 parents/residents of the school attendance area, 3 building staff members and the school principal. An annual school plan is formulated by the Instructional Team based on the needs of the individual school and District goals and objectives.

Each school develops an annual plan containing goals, objectives and specific strategies for accomplishing these goals and objectives. Appropriate input from teachers, parents, and students is used in the development of the school plan.

### **Site-Based Budget Preparation**

An important element in the implementation of site-based management is the methodology for allocating resources to the schools. Staff and non-staff resources are allocated using an appropriated and equitable method based on the instructional and support resources needed for the educational programs available in the schools.

Fixed costs for staffing, utilities, custodial and maintenance services, facility improvements, technology initiatives and transportation are provided by Central Office. These costs are not listed in the school budgets. They are budgeted at the Central Office level.

Funding to the schools known as the per pupil allocation provides for the instructional, support, staff, and principals' supplies, equipment and services and is managed at the building level. Building principals have the responsibility for developing their budgets and allocating funds for implementation of the school program in the most effective manner. In order to develop a school budget, each school is provided with projected numbers and types of students to be accommodated.

The West Chester Area School District process for providing financial resources to the schools is based on the per pupil allocation factor. The School Board approves the factor every December for the upcoming budget year. Increases in the factor are based on the annual increase in the CPI and other budgetary considerations. To calculate the per pupil allocation funding the factor is multiplied by the projected weighted student enrollment.

Students are weighted by grade level and curriculum code. Kindergartners are weighted .5 because they are in school only a half-day. Regular education students in grades 1-5 are weighted 1.0. Middle school students, grades 6-8, are weighted 1.10, while senior high school students, grades 9-12, are weighted 1.27. Special education students in grades 1-12 are weighted the same as regular education students.

In addition to the per pupil allocation funding, the middle and high schools are allocated a fixed budget amount to fund their athletic programs. At the high schools, gate receipts are returned to the schools' budgets to offset expenses for athletic team competitions and games.



**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

The allocations to schools are based on the official student enrollments on September 30th as reported to the state. Since the budget allocations are based on projected enrollments, school budgets will be adjusted based on the number and types of students enrolled on September 30th of each year. Any school which does not receive the projected number of students returns the per pupil allocation times the number of students not enrolled to Central Office. Likewise Central Office provides other schools additional financial resources, based on the per pupil allocation formula, if actual enrollment is over the projected amount.

**Site-Based Budget Management**

Although the allocation to each school represents a composite of the amount received for the different categories of students, schools are free to re-distribute their funds. While schools are in control of resources, they simultaneously need to operate within established parameters. Schools remain accountable to the Superintendent for the manner in which their resources are used.

All expenditures must be made by use of pre-approved purchase orders. Each school receives monthly budget and expenditure information to eliminate potential deficit situations. Each school is expected to close a fiscal year without incurring an over-all deficit balance. Transfers, however, from one line item account to another are permitted after October 1st, if an account is in a deficit.

Although school funds are generally not carried over to the next fiscal year, beginning with the 1998-99 budget, a building principal can designate current-year funds to be carried forward into the next year's budget. This allows the principal to "save" for large expenditure purchases as well as regulate funding for fluctuating curriculum proposal budgets each year.

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**PER PUPIL ALLOCATION FACTOR AND FUNDING  
HISTORICAL DATA**

<u>YEAR</u>		<u>FACTOR AMOUNT</u>	<u>% INCREASE</u>	<u>TOTAL PER PUPIL ALLOCATION FUNDING*</u>	<u>FUNDING FOR ATHLETICS INCLUDED IN ALLOCATION **</u>	
					<u>MIDDLE</u>	<u>HIGH</u>
1991-92		\$128.50		\$1,622,878		\$180,944
1992-93		\$131.00	1.9%	\$1,698,740		\$194,944
1993-94		\$131.00	0.0%	\$1,743,147		\$194,944
1994-95		\$131.00	0.0%	\$1,767,814		\$194,944
1995-96		\$134.54 \$139.89	2.7%	\$1,864,021		\$194,944
1996-97	(1)	\$143.12	2.3%	\$2,037,471	\$90,000	\$194,944
1997-98		\$146.70	2.5%	\$2,123,353	\$90,000	\$194,944
1998-99	(2)	\$150.00 <i>Carry-over Funds</i>	2.2%	\$2,221,270 \$52,068	\$92,100	\$215,944
1999-00	(2)	\$150.00 <i>Carry-over Funds</i>	0.0%	\$2,236,606 \$78,507	\$94,500	\$215,944
2000-01	(2)	\$150.00 <i>Carry-over Funds</i>	0.0%	\$2,224,243 \$130,296	\$96,000	\$220,000
2001-02	(2)	\$141.00 <i>Carry-over Funds</i>	-6.0%	\$2,174,857 \$142,417	\$96,000	\$220,000
2002-03	(2)	\$149.00 <i>Carry-over Funds</i>	1.3%	\$2,166,048 \$127,939	\$103,500	\$224,000

\* Includes Funding for Athletics at the Middle and High Schools

\*\* Funding for Athletics was separated from Per Pupil Allocation for High Schools in 1991-92 and for Middle Schools in 1996-97.

(1) The 1996-97 factor was increased by \$5.35 for the transfer of the cost of audiovisual repairs from Central Office to the school budgets. The 1995-96 factor, adjusted to include the audiovisual repairs, is \$139.89.

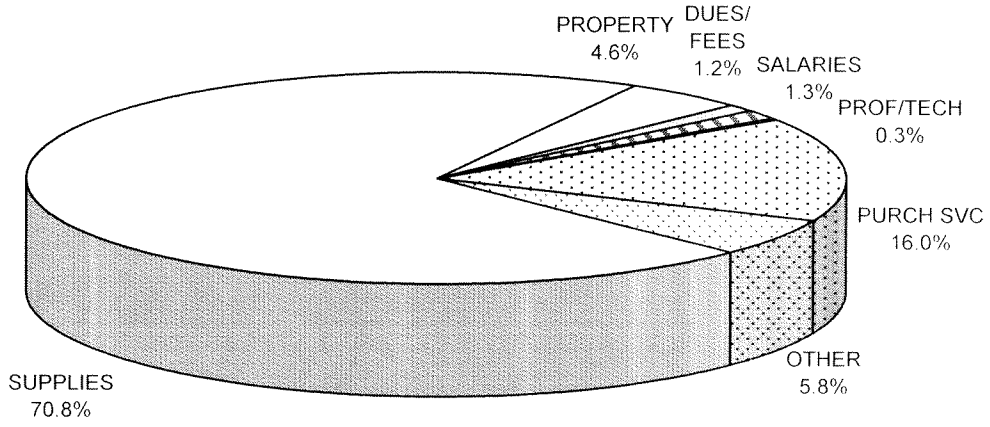
(2) Beginning in 1998-99, schools are permitted to carry over funds from the previous year's budget into the current year's budget.

WEST CHESTER AREA SCHOOL DISTRICT

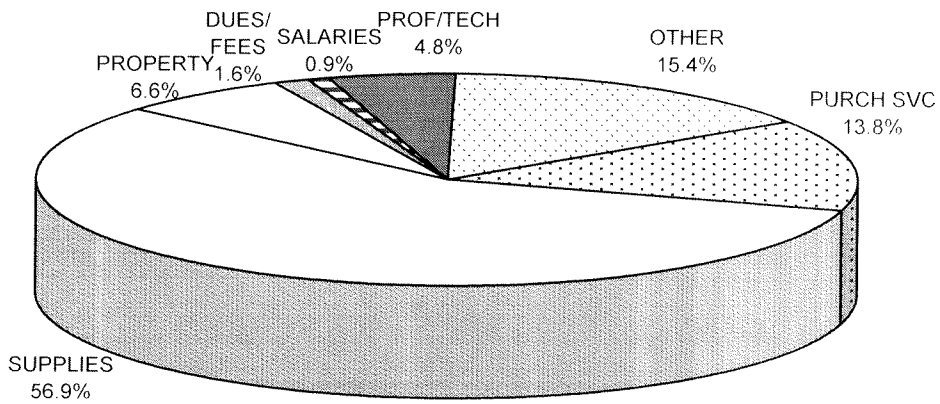
2002-03 BUDGET

PER-PUPIL ALLOCATION EXPENSE CATEGORY BY PERCENTAGES

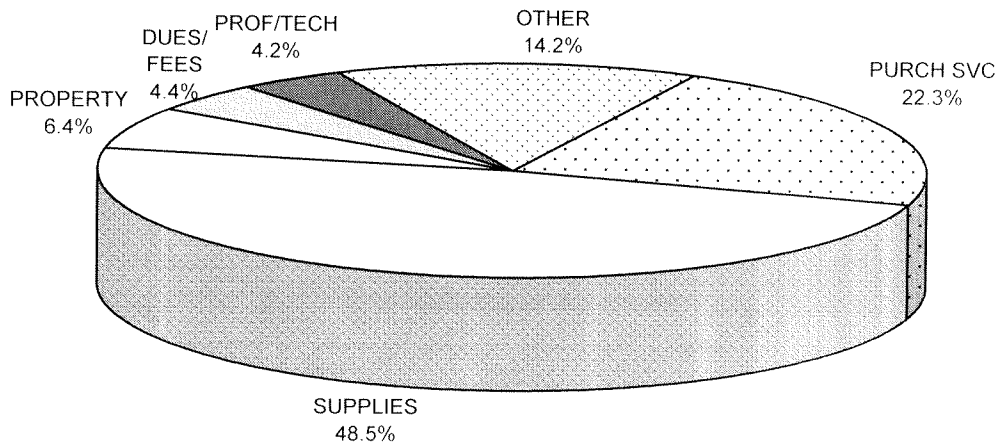
**ELEMENTARY SCHOOL**



**MIDDLE SCHOOL**



**HIGH SCHOOL**



**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

<b>SCHOOL BUDGETS BASED ON 2002-03 PPA &amp; PROJECTED ENROLLMENTS</b>
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	<u>PPA</u> <u>BUDGET</u>	<u>Carry-Over</u> <u>Funds</u>	<u>ATHLETIC</u> <u>BUDGETS</u>	<u>TOTAL</u>
<b><u>ELEMENTARY SCHOOLS</u></b>				
EAST BRADFORD	\$74,798	\$13,082		\$87,880
EAST GOSHEN	\$72,712			\$72,712
EXTON	\$100,128	\$16,068		\$116,196
FERN HILL	\$60,420	\$1,142		\$61,562
GLEN ACRES	\$69,658	\$5,870		\$75,528
HILLSDALE	\$65,486	\$9,011		\$74,497
MARY C. HOWSE	\$69,136	\$12,900		\$82,036
PENNWOOD	\$68,019	\$3,333		\$71,352
WESTTOWN THORNBURY	\$55,056	\$993		\$56,049
SARAH W. STARKWEATHER	\$75,096			\$75,096
<b>AVERAGE</b>	<b>\$71,051</b>			<b>\$772,908</b>
<b><u>MIDDLE SCHOOLS</u></b>				
FUGETT	\$154,394	\$4,000	\$34,500	\$192,894
PEIRCE	\$165,539	\$32,649	\$34,500	\$232,688
STETSON	\$136,529	\$1,751	\$34,500	\$172,780
<b>AVERAGE</b>	<b>\$152,154</b>			<b>\$598,362</b>
<b><u>HIGH SCHOOLS</u></b>				
EAST	\$303,903	\$9,200	\$112,000	\$425,103
HENDERSON	\$367,674	\$17,940	\$112,000	\$497,614
<b>AVERAGE</b>	<b>\$335,789</b>			<b>\$922,717</b>
<b>TOTAL PER PUPIL ALLOCATION</b>				<b><u>\$2,293,987</u></b>

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**PER PUPIL ALLOCATION**

		<u>SCHOOL BUILDING BUDGETS</u>			
		<u>ELEMENTARY</u>	<u>MIDDLE</u>	<u>HIGH</u>	<u>TOTAL</u>
<b>1100 INSTRUCTION</b>					
100	SALARIES	10,021	5,500	-	15,521
300	PROFESSIONAL/TECHNICAL SERVICES	-	300	-	300
400	PURCHASED PROPERTY SERVICES				
	REPAIR/MAINTENANCE	26,336	11,705	10,150	48,191
	EQUIPMENT RENTAL	83,537	66,639	96,000	246,176
	TOTAL 400	109,873	78,344	106,150	294,367
500	OTHER PURCHASED SERVICES				
	CONTRACTED CARRIERS	-	750	4,050	4,800
	COMMUNICATIONS	9,640	300	-	9,940
	PRINTING	10,950	6,450	30,170	47,570
	TRAVEL	5,700	6,354	2,565	14,619
	TOTAL 500	26,290	13,854	36,785	76,929
600	SUPPLIES				
	GENERAL SUPPLIES	332,067	88,725	129,165	549,957
	BOOKS/PERIODICALS	133,610	54,085	72,634	260,329
	TOTAL 600	465,677	142,810	201,799	810,286
700	PROPERTY				
	EQUIP ORIGINAL	11,008	13,015	22,750	46,773
	EQUIP REPLACEMENT	1,855	4,130	7,500	13,485
	TOTAL 700	12,863	17,145	30,250	60,258
800	DUES/FEES	3,100	2,145	3,250	8,495
	<b>TOTAL 1100</b>	<b>627,824</b>	<b>260,098</b>	<b>378,234</b>	<b>1,266,156</b>
<b>1200 SPECIAL PROGRAMS</b>					
300	PROFESSIONAL/TECHNICAL SERVICES	-	-	-	-
400	REPAIR/MAINTENANCE	-	-	500	500
500	OTHER PURCHASED SERVICES				
	CONTRACTED CARRIERS	-	500	-	500
	COMMUNICATIONS	-	-	-	-
	TRAVEL	-	-	500	500
	TOTAL 500	-	500	500	1,000
600	SUPPLIES				
	GENERAL SUPPLIES	450	3,945	9,000	13,395
	BOOKS/PERIODICALS	700	3,345	10,000	14,045
	TOTAL 600	1,150	7,290	19,000	27,440

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**PER PUPIL ALLOCATION**

		<u>SCHOOL BUILDING BUDGETS</u>			
		<u>ELEMENTARY</u>	<u>MIDDLE</u>	<u>HIGH</u>	<u>TOTAL</u>
700	PROPERTY				
	EQUIPMENT ORIGINAL	240	500	-	740
	EQUIPMENT REPLACEMENT	-	-	-	-
	TOTAL 700	240	500	-	740
800	DUES/FEES	-	-	100	100
	<b>TOTAL 1200</b>	<b>1,390</b>	<b>8,290</b>	<b>20,100</b>	<b>29,780</b>
<b>1300 VOCATIONAL EDUCATION</b>					
300	PROFESSIONAL/TECHNICAL SERVICES	-	-	1,000	1,000
400	REPAIR/MAINTENANCE	-	5,500	3,050	8,550
500	OTHER PURCHASED SERVICES				
	CONTRACTED CARRIERS	-	-	2,000	2,000
	COMMUNICATIONS	-	200	-	200
	TRAVEL	-	2,900	7,500	10,400
	TOTAL 500	-	3,100	9,500	12,600
600	SUPPLIES				
	GENERAL SUPPLIES	-	29,591	45,940	75,531
	BOOKS/PERIODICALS	-	435	11,900	12,335
	TOTAL 600	-	30,026	57,840	87,866
700	PROPERTY				
	EQUIP ORIGINAL	-	4,100	5,000	9,100
	EQUIP REPLACEMENT	-	2,900	3,200	6,100
	TOTAL 700	-	7,000	8,200	15,200
800	DUES/FEES	-	560	2,370	2,930
	<b>TOTAL 1300</b>	<b>-</b>	<b>46,186</b>	<b>81,960</b>	<b>128,146</b>
<b>2100 PUPIL PERSONNEL</b>					
300	PROF/TECH	-	100	1,800	1,900
400	PURCHASED PROPERTY SERVICES				
	REPAIR/MAINTENANCE	-	-	800	800
	RENTAL	-	-	4,680	4,680
	TOTAL 400	-	-	5,480	5,480
500	OTHER PURCHASED SERVICES				
	CONTRACTED CARRIERS	-	-	-	-
	INSURANCE	-	-	-	-
	COMMUNICATIONS	-	-	-	-
	PRINTING	-	-	3,900	3,900
	TRAVEL	-	1,600	4,050	5,650
	TOTAL 500	-	1,600	7,950	9,550

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**PER PUPIL ALLOCATION**

		<u>SCHOOL BUILDING BUDGETS</u>			
		<u>ELEMENTARY</u>	<u>MIDDLE</u>	<u>HIGH</u>	<u>TOTAL</u>
600	SUPPLIES				
	GENERAL SUPPLIES	2,850	1,344	7,300	11,494
	BOOKS/PERIODICALS	750	2,670	3,580	7,000
	TOTAL 600	<u>3,600</u>	<u>4,014</u>	<u>10,880</u>	<u>18,494</u>
700	PROPERTY				
	EQUIPMENT ORIGINAL	-	-	-	-
	EQUIPMENT REPLACEMENT	-	-	-	-
	TOTAL 700	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
800	DUES/FEES	200	185	440	825
	<b>TOTAL 2100</b>	<b>3,800</b>	<b>5,899</b>	<b>26,550</b>	<b>36,249</b>
<b>2200 SUPPORT INSTRUCTIONAL</b>					
100	SALARIES	-	-	-	-
300	PROFESSIONAL/TECHNICAL SERVICES	-	-	4,000	4,000
400	PURCHASED PROPERTY SERVICES				
	REPAIR/MAINTENANCE	5,759	3,696	2,250	11,705
	TOTAL 400	<u>5,759</u>	<u>3,696</u>	<u>2,250</u>	<u>11,705</u>
500	OTHER PURCHASED SERVICES				
	CONTRACTED CARRIERS	-	-	-	-
	COMMUNICATIONS	-	200	1,000	1,200
	PRINTING AND BINDING	-	100	-	100
	TRAVEL	-	415	2,000	2,415
	TOTAL 500	<u>-</u>	<u>715</u>	<u>3,000</u>	<u>3,715</u>
600	SUPPLIES				
	GENERAL SUPPLIES	10,030	6,896	15,700	32,626
	BOOKS/PERIODICALS	46,015	27,270	27,100	100,385
	TOTAL 600	<u>56,045</u>	<u>34,166</u>	<u>42,800</u>	<u>133,011</u>
700	PROPERTY				
	EQUIP ORIGINAL	7,500	6,400	4,700	18,600
	EQUIP REPLACEMENT	1,320	2,000	3,500	6,820
	TOTAL 700	<u>8,820</u>	<u>8,400</u>	<u>8,200</u>	<u>25,420</u>
800	DUES/FEES	-	-	-	-
	<b>TOTAL 2200</b>	<b>70,624</b>	<b>46,977</b>	<b>60,250</b>	<b>177,851</b>
<b>2300 SUPPORT ADMINISTRATION</b>					
100	SALARIES	-	-	-	-
300	PROFESSIONAL/TECHNICAL SERVICES	2,350	1,000	1,000	4,350

**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**PER PUPIL ALLOCATION**

		<u>SCHOOL BUILDING BUDGETS</u>			
		<u>ELEMENTARY</u>	<u>MIDDLE</u>	<u>HIGH</u>	<u>TOTAL</u>
400	REPAIR/MAINTENANCE	6,000	600	1,403	8,003
	RENTAL	2,000	-	-	2,000
	TOTAL 400	8,000	600	1,403	10,003
500	OTHER PURCHASED SERVICES				
	COMMUNICATIONS	3,100	11,500	27,000	41,600
	PRINTING	4,400	2,000	-	6,400
	TRAVEL	10,900	11,500	14,500	36,900
	TOTAL 500	18,400	25,000	41,500	84,900
600	SUPPLIES				
	GENERAL SUPPLIES	8,250	85,015	39,500	132,765
	BOOKS/PERIODICALS	2,350	1,300	2,400	6,050
	TOTAL 600	10,600	86,315	41,900	138,815
700	PROPERTY				
	EQUIPMENT ORIGINAL	9,700	3,000	3,500	16,200
	EQUIPMENT REPLACEMENT	2,625	3,000	2,000	7,625
	TOTAL 700	12,325	6,000	5,500	23,825
800	DUES/FEES	6,025	4,450	3,800	14,275
	<b>TOTAL 2300</b>	<b>57,700</b>	<b>123,365</b>	<b>95,103</b>	<b>276,168</b>
<b>2400 SUPPORT PUPIL HEALTH</b>					
400	REPAIR/MAINTENANCE	320	300	700	1,320
500	OTHER PURCHASED SERVICES				
	PRINTING	150	250	1,000	1,400
	TRAVEL	-	-	1,200	1,200
	TOTAL 500	150	250	2,200	2,600
600	SUPPLIES				
	GENERAL SUPPLIES	9,590	3,172	7,600	20,362
	BOOKS/PERIODICALS	210	50	300	560
	TOTAL 600	9,800	3,222	7,900	20,922
700	EQUIPMENT ORIGINAL	300	275	500	1,075
	EQUIPMENT REPLACEMENT	1,000	-	3,000	4,000
	TOTAL 700	1,300	275	3,500	5,075
800	DUES/FEES	-	-	120	120
	<b>TOTAL 2400</b>	<b>11,570</b>	<b>4,047</b>	<b>14,420</b>	<b>30,037</b>
<b>2900 OTHER SUPPORT SERVICE</b>					
100	SALARIES	-	-	-	-
	<b>TOTAL 2900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**WEST CHESTER AREA SCHOOL DISTRICT  
2002-03 BUDGET**

**PER PUPIL ALLOCATION**

		<u>SCHOOL BUILDING BUDGETS</u>			
		<u>ELEMENTARY</u>	<u>MIDDLE</u>	<u>HIGH</u>	<u>TOTAL</u>
<b>3200 STUDENT ACTIVITIES</b>					
300	PROFESSIONAL/TECHNICAL SERVICES	-	27,437	30,800	58,237
400	PURCHASED PROPERTY SERVICES				
	REPAIR/MAINTENANCE	-	3,800	11,500	15,300
	RENTAL	-	-	200	200
	TOTAL 400	-	3,800	11,700	15,500
500	OTHER PURCHASED SERVICES				
	CONTRACTED CARRIERS	-	37,640	91,520	129,160
	COMMUNICATIONS	-	-	-	-
	PRINTING	-	-	5,500	5,500
	TRAVEL	-	-	7,600	7,600
	TOTAL 500	-	37,640	104,620	142,260
600	SUPPLIES				
	GENERAL SUPPLIES	-	32,903	63,715	96,618
	BOOKS/PERIODICALS	-	-	1,600	1,600
	TOTAL 600	-	32,903	65,315	98,218
700	EQUIPMENT ORIGINAL	-	-	-	-
	EQUIPMENT REPLACEMENT	-	-	3,000	3,000
	TOTAL 700	-	-	3,000	3,000
800	DUES/FEES	-	1,720	30,665	32,385
	<b>TOTAL 3200</b>	-	<b>103,500</b>	<b>246,100</b>	<b>349,600</b>
<b>GRAND TOTAL</b>		<b>772,908</b>	<b>598,362</b>	<b>922,717</b>	<b>2,293,987</b>