

# **The School of Education**

## **Syllabus Fall 2012**

**Department of Administration and Instructional Leadership**

**Dr. Anthony Annunziato**

**EDU 5741 - Finance in Education**

### **Rationale and Purpose of the Course**

Recent changes in administrative certification at the Professional Diploma level for District Leaders requires an alternate program be offered for those leaders who have already met the advanced degree requirements, but who have not met new certification standards. This course examines the establishment and management of district budget and finances to support achievement of educational goals and facility development.

This course syllabus has been reviewed and approved by the faculty of the School of Education and the Department of Administrative and Instructional Leadership and is being submitted to the Curriculum Committee.

Signature of Chairperson \_\_\_\_\_

Date \_\_\_\_\_

**St. John's University**  
Department of Administrative and Instructional Leadership  
EDU 5741 – Finance in Education

**COURSE INFORMATION**

Type: In-Class  
Professor: Anthony J. Annunziato, Ed.D.  
Contact:  
Phone: 631-561-8619  
E-Mail: annunzia@stjohns.edu  
Credits: 3  
Dates: September 7, 8, 9  
October 5, 6, 7

**COURSE TIME REQUIREMENT**

The State Department of Education regulations for New York State require that each graduate course meet for at least 28 hours of instruction to earn three (3) graduate credits.

**COURSE DESCRIPTION**

This course examines the establishment and management of district budget and finances to support achievement of educational goals and facility development.

In order to support these educational goals, this course examines how public education is financed in New York State. Major topics include principles of school finances, revenues and taxes, fiscal problems, school purchasing, insurance, operations and maintenance of school facilities, transportation and food services.

**COURSE TEXTS AND MATERIALS**

**Required Readings**

Brimley, Vern, Jr. and Garfield, Rulon. (2012). Financing Education in a Climate of Change. Allyn and Bacon.

Hughes, J.(2011). School District Almanac, Smithtown, NY: SCOPE

**Recommended Readings**

Kowalski, Theodore.(2003). Contemporary School Administration. Allyn and Bacon.

Castaldi, Basil.(1994). Educational Facilities: Planning, Modernization, and Management. Allyn and Bacon.

King, Richard; Swanson, Austin; Sweetland, Scott. (2002). School Finance: Achieving High Standards with Equity and Efficiency. Allyn and Bacon.

**Reading assignments and additional handouts will be emailed or distributed in class..**

**Chapter 16 – The Road Ahead in School Finance**

**Chapters 4 – Patters for School Finance Systems**

**Chapter 5 – Sources of Revenue**

**Chapter 12 – Administering the District and School Budget**

**(These chapters will provide additional background to our class discussions and also help you with your analysis of the school budgets.)**

**COURSE OBJECTIVE(S)**

This course will examines several major topics include principles of school finances, revenues and taxes, fiscal problems, school purchasing, insurance, operations and maintenance of school facilities, transportation and food services. Through coursework, readings, discussions, and case studies, the objectives are to:

1. Students will demonstrate and articulate a knowledge of the fundamental issues regarding public school finance.

2. Students will demonstrate a working knowledge of the budget process
3. Students will understand the basic principles of purchasing, insurance, cash flow, tax rates, fund balance, state aid, and other related functions of the school business administrator.
4. Students will gain an understanding of the typical role of the school business official as it relates to the Superintendent and Board of Education.

## **COURSE OUTLINE**

The following topics will be covered throughout the sessions.

- Introduction and Housekeeping
- Overview of the School Business Official - role and responsibilities
- The Staff/ Organizational Chart - Superintendent and Board of Education
- District Treasurer
- Auditors - Internal and Outside
- The Budget Process
- Types of School Budgets
- Budget Calendar
- Educational Plan - What are the Major Budget Drivers?
- Expenditure Side of the Budget - How much are we going to spend?
- Revenue Side of the Budget - Where does the \$\$\$\$ come from? State Aid!
- The Tax Rate
- Presentation of the Budget - THE VOTE
- Contingency
- The District Audit
- Fund Balance
- Balance Sheet
- Appropriated Fund Balance
- Un-appropriated Fund Balance
- Fund Balance Management
- Capital Projects – Planning
- Capital Fund - annual expenditure and bonding
- Facilities Management - Operations and Maintenance
- Transportation - the law, the policy, the reality
- School Lunch Program
- Public Procurement Process
- Bidding Process
- Budgeting for Employee Benefits (Retirement, Health, Dental, Liability and Workers Compensation)
- Property/Liability
- The Policy Options Brief
- The Influence of the Courts on the financing of education
- Class Projects and Presentations

Additional Topics to be covered:

### **Major Issues in School Finance**

Property Tax Caps  
 Merit Pay  
 Charter Schools  
 Privatization  
 Impact of the Roslyn Public School Scandal

### **Money and Schools**

Introduction and Overview of Issues in Budgeting and Finance  
 School Budget Responsibility and Accountability  
 Understanding the Balance of Revenues and Expenditures  
 Types of School Budgets

### **The Language of Budgeting**

Classifying and categorizing budget expenditures and revenues  
 Budget Coding: Fund, Function, Objects of Expenditure  
 Understanding the budget Framework

### **The Major Components of the Budget**

Educational Plan - What are the Major Budget Drivers?  
Expenditure Side of the Budget - How much are we going to spend?  
Revenue Side of the Budget - Where do the \$\$\$\$ come from? State Aid!  
Fixed Expenses, Transportation, and Medical Insurance  
Developing Budget Analysis and Synthesis Techniques  
Presentation of the Budget

### **Assignments**

Field Work /Class Work – Budget Analysis

#### Class Project:

Additional guidelines will be discussed in class and emailed to you regarding the project.

**It is important that you collect the following information for the budget analysis.**

- **Adopted Budget that was made public by the district. It is the budget book required to be placed in each building as we had discussed.**
- **Copies of any budget brochures, flyers and notices from the May budget vote**
- **Meet with your School Business Official and ask for the following information (remember estimates are fine)**
  - **Expenditures –**
    - **Salary increases broken down by bargaining unit / employee (this should include step, contract, column and any other increases (no names, only position titles)**
    - **Projected costs for ERS and TRS**
    - **Projected costs for Social Security**
    - **Projected costs for Health Insurance**
    - **Any other large anticipated increases and or decreases in expenditures**
  - **Revenues**
    - **State Aid (we will use 4% of the Foundation Formula)**
    - **Any revenue sources that will disappear in 2012-13 (i.e. Jobs Stimulus, etc.)**
    - **Any new revenue sources anticipated in 2012 – 13 (excluding State Aid)**
- **Copies of State Aid runs for your district from the SED website or from your SBO**
- **You should also ask your SBO the following questions**
  - **How much must the budget be reduced for every one percent reduction on the tax levy?**
  - **What was the established tax rate for 2012 – 13 (be sure to get both numbers if your district resides in two towns?)**
  - **If possible, copies of any budget presentations that were done during last year's budget process.**

Please do not hesitate to call or email with any questions you may have.

Obtain a copy of the current budget and budget information that was sent to all residents, including the post card with tax rate information, budget brochure, etc. This information would have been sent last spring, spring of 2012.

The next sessions of the course will be devoted to the school budget. We will look at the process from the beginning to the time of the community vote. We will use the budgets that were developed and voted upon in local school districts. We will also follow the process as it unfolds in local districts. Obviously, this is one of the most important functions that occurs in a district and is the key responsibility for the business official. There are technical aspects to this process, but perhaps more important are the factors related to the educational program and the realities of the political context in which the process occurs.

Most importantly will we look in depth at the implications of the new legislation establishing a property tax cap for school districts and municipalities. As part of the budget analysis you will research the tenets of the property tax law and determine how it will impact the district you choose to study. You will also prepare a presentation outlining the options the district can take to meet the cap.

During the budget sessions, there will be group work and individual analysis. Students will complete a budget worksheet for their home district. Assessment will include tax rate calculations, identification of budget priorities and allocation of resources.

#### Case Study Analysis

**Please answer Problem Framing, Questions 1 and 2 on page 165 of Case Study.**

**Research Article - Critique**

JOURNAL ARTICLE REVIEW

Critique the journal article, How Unwavering is support for the Local Property Tax? Voting on School District Budgets in New York, 2003 – 2010. Write a one (1) page reflection piece describing implications, reactions, commentary, or critical comments concerning the articles topic.

You may choose among other articles and with a variety of related topics I will provide upon request.

**COURSE EVALUATION OF STUDENT PERFORMANCE**

**A. REQUIREMENTS**

1. Students are expected to attend class regularly and to prepare themselves for participation by reading the assigned chapters and any additional material assigned by the instructor. Students are also responsible for all assignments, including group work and class presentations.
2. Students will be evaluated according to individual contributions on reading critiques, written case analyses, and synthesis papers for change strategies all contained in individual portfolios. Further assessment will be made of individual and team performance on simulations and presentations.

**C. EVALUATION**

Through coursework, readings, discussions, and assignments, students will be evaluated on their work with the following weighted final grade allocation:

Attendance/Class Participation.	20%
Case Study	10%
Research Article	10%
Budget Analysis	40%
Presentation	20%

**COURSE JOURNALS AND RELATED MATERIALS**

**Journal of Educational Finance**  
**School Business Journal**

**COURSE WEBSITES**

[www.iasbo.org](http://www.iasbo.org)

[www.aera.net](http://www.aera.net)

[www.NCES.org](http://www.NCES.org)

**STUDENTS WITH DISABILITIES**

Under the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, colleges are required to provide reasonable accommodations for documented disabilities. Such documentation should be on file at the Student Life Office. If students require such services, please see your instructor by the **second class** of the semester.

**COURSE REFERENCES**

New York State Association of School Business Officials  
Opinions of the Comptroller  
New York State School Board Association  
New York State Education Department websites