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House of Representatives  
COMMONWEALTH OF PENNSYLVANIA  
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May 8, 2012

**To:** All House Members

**From:** Rep. Tony DeLuca *TD*

**Subject:** Unreserved fund balances for charter and cyber charter schools

Our public schools are facing severe and in some cases dire budget decisions brought on by a myriad of causes. While the reasons are many, the real and practical solutions available to them to resolve these problems are few. Many districts are looking deep into their budgets, being forced to cut necessary programs and in some cases laying off staff.

No one wants to raise taxes on our property owners yet in some cases school boards have no choice. I believe we must offer any and all avenues to minimize property tax increases. We must help our school districts find, recover or recoup every single dollar they can, to avoid our homeowners and businesses facing even higher tax bills.

In an effort to level the playing field, my bill would prohibit payments from being made to charter or cyber charter schools unless those schools have adopted a budget that includes an estimated unreserved, undesignated fund balance that is less than 5% of their total budgeted expenditures.

At a time when our districts are being forced to dig deeply into their own fund balances, and I believe as a matter of equity, charter and cyber charter schools should be required to use their available funds for programs and instruction of children, instead of stockpiling large fund balances.

These unreserved balances are taxpayer funds and should remain with the taxpayers if they are not being used to educate our children.

If you would like to add your name as a co-sponsor of this proposal, please contact my office at [chaldi@pahouse.net](mailto:chaldi@pahouse.net). Thank you.

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