



# Pennsylvania Association of School Business

## Officials

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### *Testimony of Shawn Sampson*

### *Business Manager, Titusville Area School District*

### *House Education Committee*

### *Public Hearing on House Bill 2124*

*March 31, 2014*

Hello, my name is Shawn Sampson, and I am the business manager for the Titusville Area School District. I would like to take this opportunity to discuss the impact the moratorium placed on state funding for school building projects has had on our District and why we believe House Bill 2124 provides a path forward for both the state and the school districts.

The Board of Directors of The Titusville Area School District began having a discussion with our community about renovating Pleasantville Elementary School in 2009. Pleasantville Elementary desperately needed renovations and improvements. The building was last updated 35 years ago and much of the infrastructure was worn and outdated. The renovation allowed the district to provide a safe and healthy 21<sup>st</sup> century learning environment that was equitable to our other elementary buildings in the district.

The district entered into the PlanCon process with the understanding the state was a partner in this renovation project. We also understood by completing and getting approval of this eleven step PlanCon process the state would share in the cost of the project. On September 29, 2010 the district received approval of Part G which deemed the project eligible for reimbursement. On November 15, 2010 the district submitted Part H which establishes a temporary reimbursement rate. This is the last approval needed before reimbursements from the state starts. To date, the district has waited over three years for this approval.

This means the district has not received any reimbursement from the state for this renovation project even though the district has complied with the PlanCon process. The district has issued debt, paid its bills, and completed all of its obligations. We are simply asking the state to do the same. To date the state owes the district approximately \$670,000 in reimbursement for this project and will owe over \$2,500,000 over the life of the financing for this project.

The future effect of this moratorium on funding will likely mean higher taxes and fewer programs for our students. It will also mean deferral of future improvements and renovations which will only drive up the long term cost of our facility infrastructure. A moratorium may be a legitimate discussion to have during tough economic times, however a moratorium should be considered only on projects without approval for reimbursements. Under no circumstances should the state be able to promise reimbursement (which comes with many strings and mandates) and then be allowed to forego their promise and responsibility. Like many funding issues, this disproportionately impacts the poorer school districts in the state and has a serious impact on the learning environment of our students.

For these reasons we ask the House Education Committee to support House Bill 2124 with suggested modifications from PASBO. Our District believes that House Bill 2124 provides a solution that resolves the funding issue and recognizes the hardship that this issue has placed on districts. We also strongly support streamlining the process and the implementation of a website that will provide transparency on the status of a district's construction project. We believe that many of the improvements made by House Bill 2124 will provide a more efficient, transparent, and cost effective way to approve reimbursement for school construction projects.

Thank you for your time and consideration on this very important matter. I would be happy to try and answer any questions you may have.