

Evesham Township School District

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NJ Senate Budget and Appropriations Committee Written Testimony from Evesham Township School District Superintendent Dr. Justin Smith Regarding the District's Fiscal State Including the Impact of COVID-19

On behalf of our district, I would like to thank the NJ Senate Budget and Appropriations Committee for this opportunity to submit written testimony explaining our district's financial state including the impact of COVID-19. This pandemic, as we all know, has impacted every aspect of every district's operations.

Of all possible recommendations, the most important one that I would implore you to consider at this time is, due to the pandemic, to extend the timeline for the state funding reductions. That timeline was developed prior to the pandemic, a cataclysmic event incomparable to any other in our lifetimes, and whose effects--financial, physical, emotional--will continue to be felt for years to come.

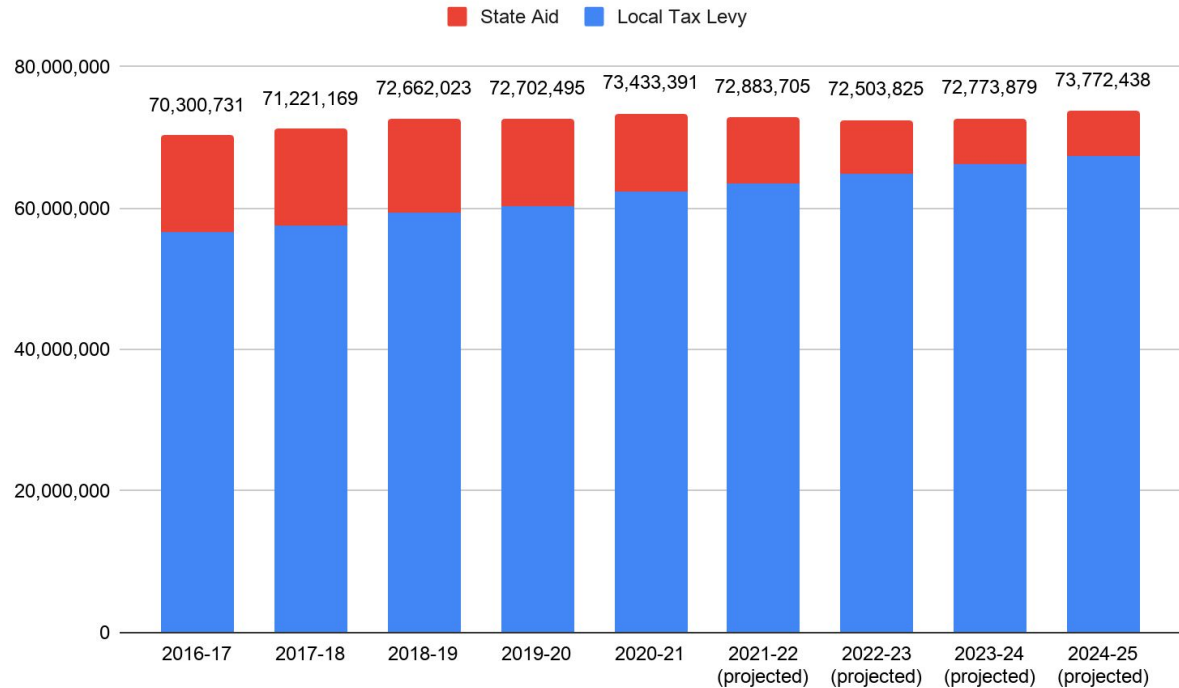
Our costs related to COVID-19 increase daily. These costs are necessary to protect the health of our students and staff. As of August 31, 2020, we have spent \$83,394 on materials solely for COVID-19: personal protective equipment, greater volume of disinfectant, and more. Given the importance of air quality in protecting against the virus, our district is entering a five-year lease purchase agreement for \$654,313 to purchase ionizers to provide MERV13 filter-equivalent protection for all workspaces in our schools. While these devices will improve air quality and health in many ways beyond COVID-19, we would not be purchasing them if not for the pandemic. We will submit to FEMA for reimbursement of \$737,707.90 (at this moment); the percentage reimbursed may range from 0% to 70%. This number is in addition to the \$200,535 in CARES funding we received and fully spent on COVID-related items.

COVID spending extends beyond material cost. In terms of Personnel, we are using 15 daily substitutes only needed because of the pandemic. Fifteen subs at \$125 per day is an added expense of \$1,875 per day. These subs are in place for teachers who work remotely but have students attending school in-person, as well as for teachers who are absent due to child care issues or required quarantines. A COVID-related leave of absence by a specialized staff member, such as a behaviorist, can result in substitute costs of up to \$100 an hour, which can quickly increase to thousands of dollars per week. COVID-19 has led to last-minute resignations and retirements, vacancies difficult to fill and across many roles, from teachers to custodians to bus drivers.

In addition to these costs in dollar amounts, many roles district-wide have been forced by the pandemic to devote extraordinary resources of time and energy to work that did not exist prior to the pandemic. Administrators district-wide, for example, estimate that up to 80% of their time this summer was spent on tasks specifically related to the pandemic. This necessary focus has resulted in more hours of work per week, as other tasks still have to get done, and in fewer hours spent on other tasks also vital to their roles, but less urgent and vital to health and safety (such as curricular and building-based committee work).

Additional costs include increased legal expenses due to the guidance needed to navigate many changes in rules and guidelines, e.g. in features of the Families First Coronavirus Response Act, and potentially, due to COVID-related lawsuits, as some organizations are seeing. Also, the pandemic has decreased enrollment in revenue-generating resources such as our Evesham Child Care (ECC) program, which we are maintaining in order to serve families as part of our mission and to preserve their value for after the pandemic. Instead of resulting in over \$2,900,000 of miscellaneous revenue generated, these programs are on track to lose \$1,250,000 from our miscellaneous revenue, due to lower enrollment numbers that do not cover the cost to staff the programs. We are working to increase enrollment in these programs.

Evesham Township School District Local and State Revenue (\$)



These costs are happening within a larger context of greater fiscal challenge, due to state funding reductions. The chart above shows that worsening trajectory. For the 2021-22 school year, we are facing a need to reduce our current year budget by at least \$5,000,000 to achieve a projected \$75,752,561 budget. The reduction amount grows daily due to COVID-related costs and the loss of miscellaneous revenue (e.g. ECC). Our district is exploring savings measures including staffing, as staffing accounts for 87% of our annual budget. We will be working to make our voice heard via means including this testimony and related opportunities, the Support Our Students organization, elected representatives, and more.