



**FPP: Chart of Accounts Discussion Item:
Financial Turmoil for Public Education. 30-Minute Webinars**

1. Question or Issue:

Educonomics, out of Georgetown University, has hosted two Financial Turmoil for Public Education. 30-Minute Webinars

<https://edunomicslab.org/our-research/economic-downturn/>

2. Any Prior FPP Action:

NA

3. Discussion Points/Department Recommendation or Observations (if any)::

As the economy tumbles, and shortfalls are projected for state budgets, the financial outlook for public education is changing rapidly. In response to numerous inquiries on how school systems will be affected, Georgetown's Educonomics Lab is hosting short interactive webinars on what the financial turmoil will mean for public education, what we are learning about the financial outlook, and what states and districts might consider as they make financial plans for the coming weeks and year.

Financial projections indicate coming shortfalls in state funding which will impact K-12 budgets for 2020-21.

Districts should look to reducing expenditures immediately and the presentations cover typical and suggested actions.

The sudden nature of this financial impact makes this different from previous recessionary impacts.

Key Webinar Discussion Points:

- 2019-2020 District Finances Stable
- 2020-2021 Major Financial Upheaval
- State revenue gaps are hard to predict
- The virus is vaporizing tax revenues
- When Will the Impact of Coronavirus Hit State Budgets and LEA Budgets?
 - May into June will provide more information
- As the economy tumbles
 - Sales/income tax revenues drop



- States tap reserves
- Widespread job loss (outside education)
- Teacher retention increases
- Budget considerations
 - Commitments for multi-year pay raises
 - Step/column pay structure
 - One-sized fits all school staffing
 - Seniority-based layoff policies
 - Inflexible pension/retirement commitments
- What the CARES Act means for K-12: Education Stabilization Fund: \$30.75B

4. FPP Action, Decision Made:

NA

5. Further Action/Research Needed/Table for Future Meeting:

NA

6. Effective Date:

Webinars posted at:

<https://edunomicslab.org/our-research/economic-downturn/>