State trims aid to school systems

By JOHN LaPLANTE
Capitol news bureau

State officials Thursday trimmed aid to local school systems by $6 million for the rest of the school year, further straining education budgets already hit by rising operating costs and sagging tax revenues.

The cuts will cost the East Baton Rouge Parish School Board more than $465,000.

"We are already $2.5 million short of being able to balance our budget for this fiscal year. This will bring us to $3 million," said Richard Raether, director of finance for the School Board.

He said the latest bad news will only force the school system to increase its ongoing efforts to reduce non-essential expenses.

The cuts were ordered Thursday by the Board of Elementary and Secondary Education because the minimum foundation formula — the state's billion-dollar basic aid program for public schools — is $7.2 million short, including $6 million in direct aid to local school systems.

The state board had no choice. The Louisiana Constitution prohibits public officials from spending more money than they have available. Several school superintendents attended the board meeting, but no one objected to the cuts.

(Continued from Page One)

their own problems without bailing out local school systems.

The state is facing a budget deficit estimated to be at least $50 million for the fiscal year ending June 30, despite budget cuts ordered by Gov. Treen and stop-gap revenue measures approved by the Legislature during a special session earlier this month.

Treen has warned that further cuts might be necessary to balance the budget before the state's fiscal year ends June 30.

The minimum foundation formula was exempted from an across-the-board 4.4 percent budget cut ordered by Treen for most state agencies last fall. Without that exemption, local school aid would have been reduced by about $44 million.

To meet the $6 million shortfall, the board voted to reduce allocations to each of the 66 public school systems in Louisiana by about two-thirds of 1 percent. That amounts to the following reductions for school systems in the following parishes in the Baton Rouge area:

- Ascension Parish, $8,8220.
- East Baton Rouge, $451,428.
- East Feliciana, $29,077.
- Iberville, $50,973.
- Lafayette, $199,511.

- Pointe Coupee, $35,476.
- St. Helena, $21,333.
- Tangipahoa, $129,457.
- West Baton Rouge, $31,568.
- West Feliciana, $15,137.

Art Greene, spokesman for the Louisiana School Boards Association, said all school systems are feeling some financial pinch.

"I don't know of many that have excesses (of money)," he said.

Greene said school systems face dramatic increases in utility costs and insurance, among other things.

Raether said lower-than-expected sales tax revenues — a direct result of the national economic recession — are the biggest reason for the shortfall in the East Baton Rouge Parish school system. Declining interest rates also affect board investments, he said.

Raether said the school system has been cutting costs by not filling vacancies (except teaching positions), moving employees from one position to another to save money, reducing purchases of equipment and materials (including some instructional materials), cutting expense accounts and eliminating as much overtime and part-time help as possible.

Raether said that even if the minimum foundation cuts are restored retroactively by the Legislature, it will take several months for the money to actually make its way to the school system.

"It may be too late to help us," he said.