



2018 ASBO INTERNATIONAL LEGISLATIVE BELIEFS STATEMENT

AS ADOPTED BY THE ASBO INTERNATIONAL BOARD OF DIRECTORS

May 17, 2018

ASBO International

Founded in 1910, the Association of School Business Officials International (ASBO) is a nonprofit organization that, through its members and affiliates, represents approximately 30,000 school business professionals worldwide. ASBO International is committed to providing programs, services, and a global network that promote the highest standards in school business. Its members support student achievement through effective resource management in various areas ranging from finance and operations to food services and transportation.

School business officials are trustworthy education leaders who work tirelessly to ensure that the myriad financial and administrative operations necessary to keep schools running and provide safe learning environments do not negatively impact student learning. ASBO International members are committed to enhancing student achievement by effectively and efficiently managing educational resources, creating innovative school business management practices, and leading the profession by promoting the cost-effective use of taxpayer resources. As school business officials strive to ensure that taxpayer resources are utilized wisely in their communities, ASBO International is here to support them.

School Funding (Still) Has Yet to Recover from the Great Recession

With a wide and deep knowledge of school finance and operations, ASBO International is uniquely qualified and well positioned to help federal policymakers understand the enormous challenge of ensuring student success in a rapidly changing educational landscape where dwindling resources—federal, state, and local—are a continuous reality.

ASBO International is concerned about the lack of stability in school finance today. In the past, ASBO International members have relied on and sustained student learning with a necessary, welcomed infusion of federal resources. However, this has helped fill only part of the void created by the loss of state and local education funding as states are still recovering from the Great Recession. The 2008 financial crisis, coupled with federal fiscal austerity measures imposed by the 2011 Budget Control Act and federal sequestration, have had detrimental effects on federal education funding, which has adversely affected state and local funding.

While the 2018 Bipartisan Budget Act and Consolidated Appropriations Act of 2018 have both allowed for extra investment in federal education, after adjusting for inflation, funding levels are still below where they were in 2011. Although this reinvestment is appreciated, our nation still has a long way to go before states and schools will have fully recovered, and as a result, they require additional federal assistance. This assistance may take the form of additional funding, but other forms of aid are vital, too.

ASBO INTERNATIONAL LEGISLATIVE BELIEFS

I. *We believe targeted, robust federal funding with minimal administrative burden is an important part of a school system's revenue.*

We support a permanent, bipartisan, and fiscally responsible solution for the federal government to resolve sequestration and remove harmful budget caps that limit investment in education.

We support having Congress play a primary role in ensuring all students have an equal opportunity to a quality education. We support increasing federal funding for education programs authorized by the Every Student Succeeds Act (ESSA) and Individuals with Disabilities Education Act (IDEA). Congress should fully fund formula grants that reflect its commitment to supporting historically disadvantaged students, including low-income, minority, English Learner, and special education students.

- We believe Congress should prioritize funding formula grant programs over competitive grants in its education agenda. Formula grants represent a more stable, predictable source of funding for school districts, which require fiscal and financial stability to undertake the ambitious reforms often proposed by competitive grant programs.
- We believe Congress should fully fund IDEA at 40% of the national average per-pupil expenditure (NAPPE) to address extra costs incurred when educating students with special needs and to fulfill Congress' original promise to support students with disabilities. We support relaxing IDEA, Part B maintenance of effort (MOE) requirements so that districts have more flexibility in addressing this underfunded mandate by reducing investment in special education on the condition that more efficient ways of serving students with disabilities can be achieved. IDEA MOE requirements should conform to the MOE requirements under ESSA statute.
- We believe Congress should increase funding for ESSA Titles I, II, and Title IV formula grants. ESSA provides state and local leaders flexibility and autonomy over their classrooms, but their success will ultimately rely on how well ESSA is funded. While formula grants should take priority, we also support adequate funding for Titles II and IV competitive grants for quality professional development, after-school and extracurricular activities, and other vital programs.

We support a reauthorization of the Carl D. Perkins Career & Technical Education Act (Perkins Act) that reinforces the importance of quality school career and technical education (CTE) programs aligned with college- and career-ready standards. While there are provisions in the law worth sustaining, we believe several changes are necessary to modernize the law and ensure our nation has a highly qualified and prepared workforce.

- We believe the next Perkins Act should: 1) increase CTE funding and reduce administrative burdens to receive funding; 2) require separate funding streams for secondary/post-secondary programs; 3) encourage businesses to get involved in CTE programs; 4) increase funding for student career counseling; and 5) limit the federal government's authority to prescribe CTE mandates (as done with ESSA).

II. *We believe that schools need adequate federal support, flexibility, and funding to implement federal healthcare regulations.*

We support federal efforts to increase the amount of funding and quality of training, technical support, and other guidance/resources to assist school systems with implementing healthcare regulations. We welcome any opportunity to work with the Internal Revenue Service (IRS), other federal agencies, and K-12 stakeholders to improve the regulatory environment for school systems.

We support the reduction, simplification, and streamlining of current Affordable Care Act (ACA) regulations to reduce the administrative burden and costs to school systems to comply with the law. We believe the definition for a full-time employee (FTE) who qualifies for health insurance should be changed from an individual who works an average of 30 hours/week to 35 hours/week.

We oppose healthcare reforms that would adversely affect the financial structure or funding streams of the federal-state Medicaid and Children's Health Insurance Program (CHIP). This includes limiting federal payments to states via per-capita caps based on enrollment or block grants, both of which do not provide states relief in the event of a recession, public health crisis, or other emergency.

- We believe that capping or reducing Medicaid/CHIP funding to states hinders states' ability to reimburse Medicaid-eligible service providers, including hospitals, clinics, and schools. Schools rely on \$4 billion annually in Medicaid dollars to provide vital student health services to children, especially those with disabilities and from low-income families that cannot afford access to these services elsewhere.

III. *We believe that federal funding and support are critical for helping schools construct, maintain, and repair facilities to provide students with a safe and healthy place to learn.*

We support a fiscally responsible federal infrastructure plan that incorporates K-12 schools into its broader agenda. Federal investment in K-12 infrastructure should include, but not be limited to, direct state and local funding; competitive grants; investing in partnerships to support projects (e.g., PPPs, state/local, etc.); restoring tax-credit QZABS/QSCBs and tax-exempt advance refunding bonds; and other innovative options to help schools construct, maintain, and repair their facilities.

- We believe that school safety and infrastructure issues are inextricably linked; it is impossible to address one issue without the other. As schools are being asked to do more to protect student health and safety, they are asked while being provided little if any additional resources. Whether schools must improve security systems and infrastructure, hire/train new staff, identify and test for lead, radon, and other toxic chemicals, or repair facilities in disarray, these initiatives cost time and resources, which school systems are short on and need additional federal support to undertake.

We support the reduction, simplification, and streamlining of grant application and reporting requirements for schools and districts to receive federal funding for K-12 infrastructure projects. Excessive administrative, paperwork, and compliance burdens relative to voluntary grant applications often deter school districts from applying for financial assistance. We welcome any opportunity to work with federal agencies and other K-12 stakeholders to ensure infrastructure grants and requirements are accessible and easily navigable for applicants.

- We believe that the burdensome application process for FEMA's Public Assistance Program must be streamlined to provide districts with quicker, easier access to desperately needed funds so that students may safely return to school after a disaster has occurred. FEMA's strict procurement requirements inhibit district recovery efforts when they are challenged to find available contractors and must delay facility repairs to endure the time required to comply with competitive-bidding procurement requirements. We also advise FEMA to accept whatever procurement method the state has adopted as a default.

IV. *We believe that schools require a sustainable nutrition program business model with minimal administrative burden that provides affordable, nutritious meals that students will want to eat.*

We support efforts by the federal government to reduce, simplify, and streamline regulations for child nutrition programs to reduce the administrative burdens and costs for managing school meal programs. We believe the federal government should play a supportive, flexible role in helping states and school districts comply with nutrition standards and offer quality guidance, technical support, and professional development for administering meal programs.

We support having the federal government play a supportive rather than regulatory role in helping states and districts solve unpaid meal debt and "lunch shaming" issues rather than increasing regulations and restricting local autonomy. It is not the school district's goal to shame students or their families if they incur a negative meal account balance, but rather to work with them to resolve unpaid debts.

- We believe the USDA and other federal agencies can provide guidance and resources to help states, districts, and schools develop fiscally sound and fair policies to recover costs, collect debt, eliminate stigmas from serving and eating free/reduced-price meals, and still ensure students have access to affordable and nutritious food.

We oppose nutrition reforms that would adversely affect the financial structure of, federal funding streams for, or student access to, child nutrition and school meal programs. This includes capping federal payments to states for school meal programs via block grants; increasing the eligibility threshold for schools and districts to enroll in the Community Eligibility Provision (CEP) program; and other reforms that would have adverse effects for students and districts regarding direct certification for school meal programs.

- We believe that capping funding streams via state block grants will reduce funding for schools to administer meal programs (block grants would provide states fixed funding in lieu of federal reimbursements per each eligible meal served). Block grants do not provide states relief in the event of a recession, rising child poverty, increases in enrollment/participation in meal programs, and rising food prices and school meal costs.
- We believe that the CEP is an effective federal program that enables high-poverty schools and districts to provide meals to all students at no charge; improves meal program participation and efficiency; and reduces paperwork burdens for K-12 districts. A school or district is CEP-eligible to serve all students school meals at no charge if 40% or more of its students are eligible for free or reduced-price meals. We oppose any increase to the 40% threshold, which would make it harder for schools/districts to qualify for CEP and provide low-income students access to affordable, nutritious meals.

ASBO International and Its Members Are Willing Partners

ASBO International and its members want to offer our experience, expertise, and interest in creating a world-class education system for all students. We welcome the opportunity to work with federal policymakers in meeting the significant financial and operational challenges that schools face. Please feel free to contact Elleka Yost, ASBO International Government Affairs & Communications Manager, at 866.682.2729 x7065 or eyost@asbointl.org.

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