



Budget Study Session

September 19, 2017

RENEE WEATHERLESS

EXECUTIVE DIRECTOR, FINANCE

Agenda

- ▶ Budget Timeline
- ▶ Terminology
- ▶ Budget Process at School Level
- ▶ Staffing Formulas
- ▶ Budget Scenarios
- ▶ Potential Reductions
- ▶ Next Steps

Budget Timeline

Month	
September	<ul style="list-style-type: none"> Budget Study Session #1
October	<ul style="list-style-type: none"> Proposed Budget Session #2
November	<ul style="list-style-type: none"> Final Staffing Formulas due to Special Master USP Conference
January	<ul style="list-style-type: none"> Deseg Narrative #1 Projected Enrollments Staffing Allocations to Schools
February	<ul style="list-style-type: none"> Proposed Budget Study Session #3

Month	
March	<ul style="list-style-type: none"> Synergy Scheduling /Finalize Staffing School Plans – Title I, Magnet, Transition Deseg Budget #2 USP Conference
April	<ul style="list-style-type: none"> Issue Certified Contracts
May	<ul style="list-style-type: none"> Proposed Budget Study Session #4
June	<ul style="list-style-type: none"> Proposed Budget
July	<ul style="list-style-type: none"> Adopted Budget

Budget Terminology

- ▶ **Allocations** – Money budgeted for a specific site/dept/purpose
- ▶ **Classroom Dollar** – Annual report produced by the Auditor General's Office that reports amount of eligible funds spent in the classroom (Instructional) versus in other categories such as Student Support, Instructional Support, Admin, Transportation, Food Service, Operations, etc.
- ▶ **Compression** – Result of salary schedules not being evenly spread between steps and/or grade levels
- ▶ **Consensus Ratios** – Student to Teacher ratios included in the Consensus agreement for certified employees
- ▶ **FTE** – Full-Time Equivalent. Used for staffing
- ▶ **Funding Sources** – Different funds that can potentially be used for specific purposes
- ▶ **Staffing Formulas** – Ratios used to allocate positions/supplies for M&O, Deseg, Title I and Ex. Ed.

Budget Process

Schools are able to view Positions they have in the current fiscal year to use as a guide

Employee Positions and Pay

File Actions Help

Employee: Status: Control Code:
 Group: Pay Type: DAC:
 Show Funding

Export To

	Description	Name	Position Status	Vacancy Status	FTE	Budget	Amount	R
1	Coord-Program		Open	Vacant	1.0000	\$68,213.95	\$68,213.95	
2	Teacher		Open	Vacant	0.2000	\$8,000.00	\$8,000.00	
3	Teacher GATE Itinerant		Open	Vacant	1.0000	\$43,600.00	\$43,600.00	
4	Student Success Specialist		Open	Vacant	1.0000	\$22,746.16	\$30,569.68	

Budget Process

Schools are also provided Current Year Expenditures as a guide to build their Budgets

FY2016-2017 ACCOUNT DETAIL
FISCAL YTD ACTUALS AND ENCUMBRANCES THROUGH JANUARY 31,2017

Resp Name	Fund Name	Description	Adjusted Budget	Paid YTD	Encumb, Pre-enc, Pending Invs	Uncommitted Balance
5004	Comm & Media Outreach					
1	Maintenance & Operation					
	001.100.2230.6432.5004.00000.5004	Technology Related Repairs and	4,000	0	719	3,281
	001.100.2560.6150.5004.00000.5004	Classified Salary--M&O	302,683	158,732	142,980	971
	001.100.2560.6172.5004.00000.5004	Overtime--M&O	0	396	0	(396)
	001.100.2560.6340.5004.00000.5004	Technical Services-General	4,000	0	0	4,000
	001.100.2560.6611.5004.00000.5004	Supplies--M&O	4,000	1,536	158	2,305
	001.511.2560.6150.5004.80202.5004	Classified Salary--M&O	22,511	11,993	10,517	1
	001.511.2560.6150.5004.80204.5004	Classified Salary--M&O	340,172	169,347	151,807	19,018
	001.511.2560.6172.5004.80202.5004	Overtime	0	99	0	(99)
	001.511.2560.6172.5004.80204.5004	Overtime	0	412	0	(412)
	001.511.2560.6311.5004.80202.5004	Official/Administrative Contra--M&O	35,000	21,597	13,403	0
		Official/Administrative Contra--				

Budget Process

Schools are able to compare Budgets to Prior Year

Budget Input

File Actions Help

Account Filter: Editable:
Account Type: Reference:
Control Group: Reference:
 Include Inactive Accounts
 Show Current Transactions

Export To

Account	Description	FY17-18 Draft 2 Budget Amount	FY17-18 Draft 2 Budget FTE	FY16-17 Adopted Amount	FY16-17 Adopted FTE	Control Group	Account Type
1	001.100.2320.6611.5004.00000.5004	\$0.00	0.0000	\$0.00	0.0000		EXPENDITURE
2	001.100.2560.6611.5004.00000.5004	\$4,000.00	0.0000	\$4,000.00	0.0000		EXPENDITURE
3	001.511.2560.6611.5004.80204.5004	\$4,500.00	0.0000	\$4,500.00	0.0000		EXPENDITURE
4	001.511.2560.6611.5004.80202.5004	\$0.00	0.0000	\$0.00	0.0000		EXPENDITURE

Budget Process

School Administrators have discretion over the following:

- ▶ Magnet Plans
- ▶ Transition Plans
- ▶ Title I Plans
- ▶ M&O Supplies Allocations
- ▶ Other Site Funds such as Civic, Gifts & Donations, Tax Credits, etc.
- ▶ **Principals are able to transfer money between accounts for these funds**

School Spending
Plans are due in
March

Schools Administrators work with Directors and Departments on the following:

- ▶ Ex Ed Teacher and Teaching Assistant staffing allocations
- ▶ Deseg Funded Positions (MTSS, RPPFs, ELD, Dual Lang, GATE, AVID)
- ▶ Additional positions above formula or other than discretionary funding

Staffing Formula – Current FY17-18

M&O	Elementary	K-8	Middle School	High School	Total Cost	Total FTE
Principal	1	1	1	1	\$9M	85
Assistant Principal	1:600	1:600	1:600	1:600	\$3M	35
Teachers K	1:26	1:26	-	-		164
Teacher 1st	1:29	1:29				409
Teachers 2nd-3rd	1:29	1:29	-	-		289
Teachers 4th-5th	1:30	1:30	-	-		399
Teachers 6th-8th	-	1:32	1:32	-		538
Teachers 9th-12th	-	-	-	1:33	\$100M	164
Counselors	0.5 <500	1:500	1:500	1:500	\$4.3M	77.5
	1.0 >500	-	-	-		
Library Media Specialist	-	-	-	1	\$440k	10
Library Assistant	0.5 <500	1	1	-	\$1M	52.75
	1.0 >500	-	-	-		

Staffing Formula – Current FY17-18

M&O	Elementary	K-8	Middle School	High School	Total Cost	Total FTE
Office Manager	1	1	1	1	\$3.5M	84
Attendance Clerk	1	1	1	1:750	\$2.6M	88
Office Assistant	-	1>750	1>750	1	\$440k	17
Registrar				1	\$550k	12
Finance Manager				1	\$440k	9
Finance Clerk				1 >2500	\$60k	2
Admin. Secretary				1: 2 Asst. Principals	\$425k	12
Athletic Coordinator				1 per comprehensive HS	\$600k	9
Engineer				1	\$490k	10
				+1>2500		
Grounds Maintenance	-	0.5	0.5	2	\$730k	30.5
Custodians	As per operations staffing formula				\$6.9M	227.5
Campus Monitors	0.25 / 150 Student				\$3.4M	164.95

Staffing Formula – Current FY17-18

M&O	Elementary	K-8	Middle School	High School	Total Cost
Substitute Teachers					\$7M
Teaching Supplies	\$25 / Student				\$1.2M
Office Supplies	\$2 / Student				\$94k
Health Supplies	\$2 / Student				\$94k
Custodial Supplies	\$10 / Student				\$470k
Extra Duty Clubs	-	6	6	16	\$318k
Extra Duty Sports	-	9	9	38	\$1.2M
Rentals	-	-	-	\$5,200	\$65k
Graduation Supplies	-	-	-	\$6/12th Grade Student	\$20k
Newspaper	-	-	-	\$2000	-
				TOTAL STAFFING	\$238M
				TOTAL SUPPLIES/MISC	\$2M
				TOTAL STIPENDS	\$1.5M

Budget Scenarios - Additions

- ▶ Staffing Formula
 - Reduction of Teacher Consensus Ratios
 - Reduction of Counselor Ratios
- ▶ Increased Staffing
 - Counselors
 - Librarians
 - Performing Arts Teacher
 - Social Workers
 - Teaching Assistants
- ▶ Work Calendar Extension
 - Counselors
 - Office Managers
- ▶ Teacher Raises
- ▶ Substitute In-House Estimate
- ▶ Minimum Wage Compression
- ▶ Hard to Fill Stipends
- ▶ Instructional Dollars +1%
- ▶ Bus Driver Wages
- ▶ Capital Leases

Reduce Teacher Consensus Ratio - \$6.3M

▶ Decrease M&O staffing ratio for Teachers at all levels by 2

Increases +113 FTE

Kinder 1:26 to 1:24

Gr 6-8 1:32 to 1:30

Gr 1-3 1:29 to 1:27

Gr 9-12 1:33 to 1:31

Gr 4-5 1:30 to 1:28

❖ **Impact on Classroom Dollar** = Increases Instructional by +1.3% and would decrease other categories by -1.3%

❖ **Impact to funding sources:**

▶ M&O – Significant reductions would need to be made in other areas in M&O and the Title I 27:1 District initiative would need to be adjusted

Reduce Counselor ratios - \$890,000

▶ Decrease M&O staffing ratio for Counselors

Increases +16 FTE From 1:500 to 1:400

❖ **Impact on Classroom Dollar** = Could potentially reduce Instructional by -0.2% and increase Student Support by +0.2%

❖ **Impact to funding sources:**

▶ M&O – Reductions would need to be made in other areas

Staffing Counselors - \$4,555,000

▶ Increase +1 Counselor at every school - 82

Elementary Schools - 47	+\$2,600,000
K-8 Schools - 15	+\$835,000
Middle Schools - 10	+\$560,000
High Schools - 10	+\$560,000

❖ **Impact on Classroom Dollar** = Could potentially reduce Instructional by -1% and increase Student Support by +1%

❖ **Impact to funding sources:**

- ▶ Primarily M&O with lesser impact on Deseg and Title I – Reductions would need to be made in other areas

Staffing Librarians - \$3,640,000

► Increase +1 Librarian at every school - 82

Elementary Schools - 47	+\$2,100,000
K-8 Schools - 15	+\$660,000
Middle Schools - 10	+\$440,000
High Schools - 10	+\$440,000

- ❖ **Impact on Classroom Dollar** = Could potentially reduce Instructional by -0.8% and increase Instructional Support by +0.8%
- ❖ **Impact to funding sources:**
 - Primarily M&O with lesser impact on Deseg and Title I – Reductions would need to be made in other areas

Staffing Performing Arts - \$3,995,000

► Increase +1 Performing Arts Teacher at every ES/K8/MS

Elementary Schools - 47	+\$2,600,000
K-8 Schools – 15	+\$835,000
Middle Schools - 10	+\$560,000

❖ **Impact on Classroom Dollar** = Increase Instructional by +0.8% and decrease other categories -0.8%

❖ **Impact to funding sources:**

- M&O, Deseg, Classroom Site Fund (301) – Reductions would need to be made in other areas

Staffing Social Workers - \$1,120,000

► **Increase +1 Social Worker at every MS/HS**

Middle Schools - 10 +\$560,000

High Schools - 10 +\$560,000

❖ **Impact on Classroom Dollar =** Could potentially reduce Instructional by -0.3% and increase Student Support by +0.3%

❖ **Impact to funding sources:**

► Primarily M&O with lesser impact on Deseg and Grants – Reductions would need to be made in other areas

Staffing Teaching Assistants - \$1,600,000

▶ Increase +1 Teaching Assistant at every school - 82

Elementary Schools - 47	+\$920,000
K-8 Schools - 15	+\$290,000
Middle Schools - 10	+\$195,000
High Schools - 10	+\$195,000

- ❖ **Impact on Classroom Dollar** = Could potentially increase Instructional by +0.3% and decrease other categories by -0.3%
- ❖ **Impact to funding sources:**
 - ▶ M&O, Deseg, Title I – Reductions would need to be made in other areas

Counselors + 10 days - \$250,000

▶ **Extend Counselor work calendar 5 days before & 5 days after school year with pay**

Increase from 207 days to 217 days for 93 FTE

❖ **Impact on Classroom Dollar** = +0.1% increase to Student Support category provided we transfer out of non-instructional budgets

❖ **Impact to funding sources:**

▶ Primarily M&O with minimal impact to Deseg, SIG, and Title I

Office Managers + 5 days - \$150,000

▶ **Extend Office Manager work calendar 3 days before & 2 days after school year**

Impacts 73 FTE at Elementary, K-8 & Middle schools

- ❖ **Impact on Classroom Dollar** = +0.1% increase to Admin category provided we transfer out of non-instructional budgets
- ❖ **Impact to funding sources:**
 - ▶ Primarily M&O

Teacher Raises - \$1,000,000

- ▶ **For every \$315 increase** to Teacher pay (2650 FTE)
- ❖ **Impact on Classroom Dollar** = +0.2% increase to Instructional costs
- ❖ **Impact to funding sources:**
 - ▶ M&O, Deseg, Grants, Classroom Site Fund (301) – Reductions would need to be made in other areas

Bring all Substitutes in-house - \$1,275,000

► Incremental costs & savings:

Sub Office (4)/Payroll (1) Staff needed 5 FTE	+\$300,000
ASRS Benefits (421 eligible; >60 days worked)	+\$425,000
Additional cost for Prop 206 (10% absenteeism)	+\$700,000
ACA medical insurance cost* (133 eligible; >140 days)	+\$800,000
Unemployment/Workers Comp Savings	-\$250,000
Substitute 10% ESI Fee Savings	-\$700,000

❖ **Impact on Classroom Dollar** = +0.2% increase to Instructional. However admin costs will increase +0.1% from 10.1% to 10.2%

❖ **Impact to funding sources:**

► Primarily M&O – Reductions would need to be made in other areas

* If Substitutes are all hired back as full-time, then the cost of benefits would be higher

Minimum Wage Compression - \$766k-1.2M

- ▶ \$766,000 increase to decompress **steps** by 1%

(Based on min. wage of \$10.50)

- ▶ \$1,168,000 increase to decompress **grades** from 1% to 2%

- ❖ **Impact on Classroom Dollar** = potentially no change if reductions are made in non-instructional areas

- ❖ **Impact to funding sources:**

- ▶ M&O, Deseg, Grants, – Reductions would need to be made in other areas

Hard to Fill Stipends - \$1,456,000

▶ Increase teacher recruitment stipends to \$10,000

Magnet \$3k to \$10k Deseg funded	+\$420,000
Dual Language \$5k to \$10k Deseg funded	+\$300,000
Teacher Diversity \$5k to \$10k Deseg funded	+\$300,000
Science/Math/Ex Ed \$3k to \$10k Medicaid funded	+\$436,000

❖ **Impact on Classroom Dollar** = +0.3% increase to Instruction provided we transfer out of non-instructional budgets

❖ **Impact to funding sources:**

- ▶ Deseg – Reductions would need to be made in other areas of the USP budget
- ▶ Medicaid – Would likely need to find alternate funding

Increase Classroom Dollar - \$4,800,000

▶ To increase Instructional Costs +1%

❖ **Impact on Classroom Dollar = +1%** increase to 51.1%.

A decrease of -1% would need to come from other non-instructional categories

❖ **Impact to funding sources:**

▶ M&O, Deseg, Grants, Classroom Site Fund (301) – Expenses would be shifted within function codes

Bus Driver Wages - \$500k-\$2.4M

▶ To increase the starting pay for Bus Driver w/ CDL

Current starting pay \$12.03

Amphi starting pay \$13.07 +\$525,000

Tucson average starting pay \$16.80 +\$2,400,000

❖ **Impact on Classroom Dollar** = Potential decrease to Instructional and increase to Transportation of 0.1% to 0.5%

❖ **Impact to funding sources:**

▶ M&O, Deseg – Reductions in other areas would be necessary

Capital Leases - \$4M

▶ The following leases will be maturing in FY17-18

Tech Equipment (\$16M) Annual Payment \$3.4M

Buses (\$1.2M) Annual Payment \$250k

Tech Equipment (\$2.2M) Annual Payment \$425k

❖ **Impact on Classroom Dollar** = No impact if maintained in capital leases.

❖ **Impact to funding sources:**

▶ Capital

Budget Scenarios Recap - \$32M-\$35M

- ▶ Staffing Formula
 - Reduction of Teacher Consensus Ratios \$6.3M
 - Reduction of Counselor Ratios \$890k
- ▶ Increased Staffing
 - Counselors \$4.6M
 - Librarians \$3.6M
 - Performing Arts Teacher \$4M
 - Social Workers \$1.1M
 - Teaching Assistants \$1.6M
- ▶ Work Calendar Extension
 - Counselors \$250k
 - Office Managers \$150k
- ▶ Teacher Raises \$1M
- ▶ Substitute In-House Estimate \$1.3M
- ▶ Minimum Wage Compression \$800k - \$1.2M
- ▶ Hard to Fill Stipends \$1.5M
- ▶ Instructional Dollars +1% \$1M
- ▶ Bus Driver Wages \$500k-\$2.4M
- ▶ Capital leases \$4M

Budget Scenarios – Potential Reductions

- ▶ Reduce Administrative Costs
- ▶ Increase M&O Consensus Staffing Ratio for Teachers +2 at every level would save \$6M or 107 FTE

Kinder	1:26 to 1:28	Gr 6-8	1:32 to 1:34
Gr 1-3	1:29 to 1:31	Gr 9-12	1:33 to 1:35
Gr 4-5	1:30 to 1:32		
- ▶ Reduce reinvestment of expiring leases
- ▶ Reduce future capital purchases
 - Bring Your Own Device
- ▶ Consolidate support roles

Next Steps

- ▶ Schedule future Budget Study Sessions
- ▶ Establish Timeline
- ▶ Develop Reporting Template, if needed
- ▶ Establish M&O Staffing Formulas
- ▶ Prioritize Initiatives

