



BUDGET REVISION– FY2013 & BUDGET PRIORITIES – FY2014

December 11th , 2012

Mr. Yousef Awwad

Chief Financial Officer

Delivering Excellence in Education Every Day"

Grow - Reach - Succeed



TUSD

AGENDA

Budget Revision

Cost and Potential Savings - School Closure

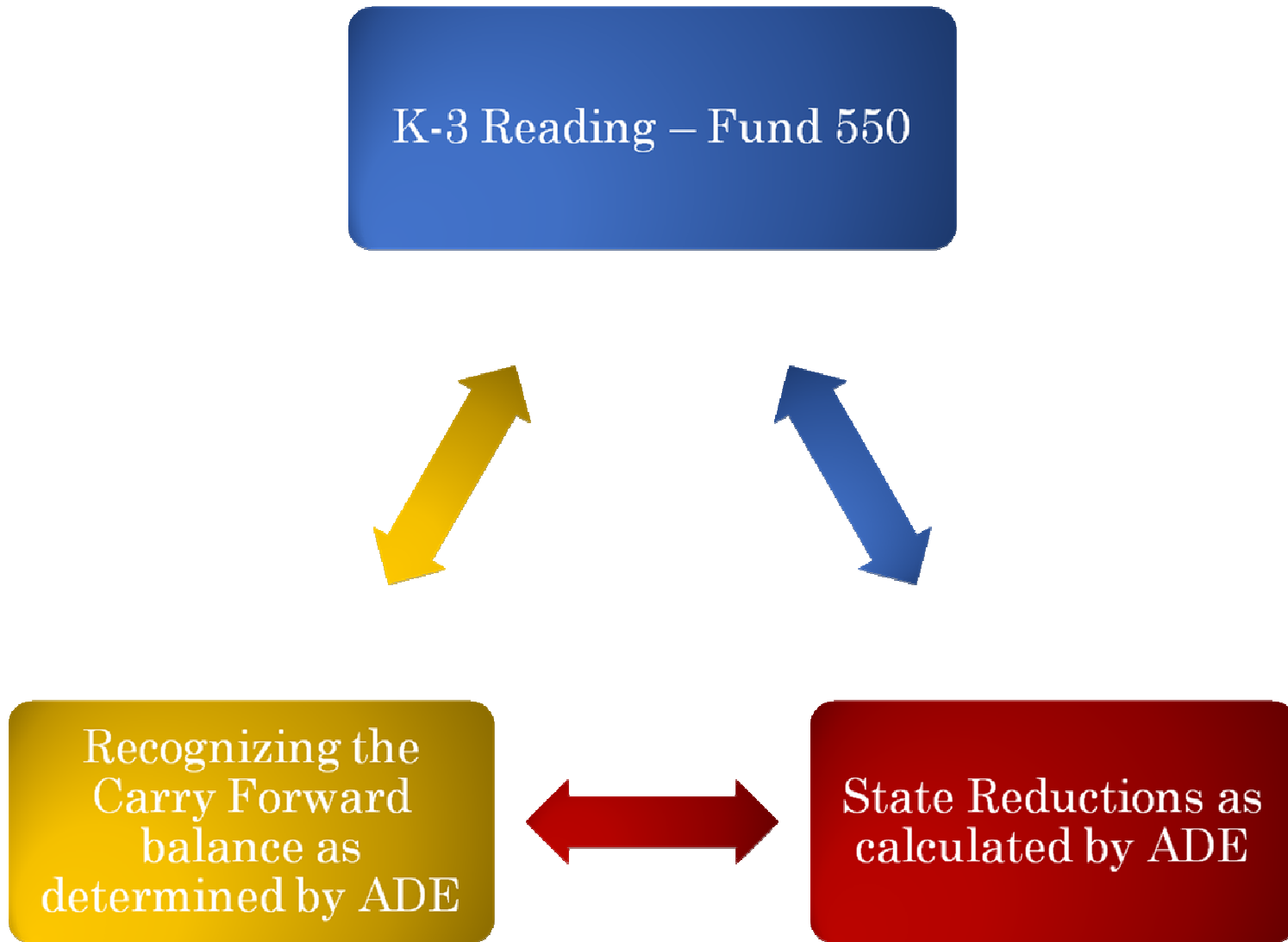
Budget Analysis

- By Fund

- By Site

FY2014 & Beyond

I. BUDGET REVISION SUMMARY



SUMMARY OF BUDGET REVISIONS

| K-3 Reading | Adopted Budget | December Revision | |
|-----------------------|-----------------------|--------------------------|----|
| Unrestricted Capital | 0 | 1,567,387 | \$ |
| M&O | 0 | 368,299 | \$ |
| Total | 0 | 1,935,686 | \$ |
| Carry Forward Balance | 0 | 5,963,311 | \$ |

| State Reductions: ADE Recalculations | Adopted Budget | December Revision | Variance |
|---|-----------------------|--------------------------|-----------------|
| Soft Capital | \$ 8,818,078 | \$ 8,785,898 | \$ 32,180 |
| Unrestricted Capital | \$ 4,528,202 | \$ 4,560,985 | \$ (32,783) |
| State Reduction | \$ 13,346,280 | \$ 13,346,883 | \$ 603 |

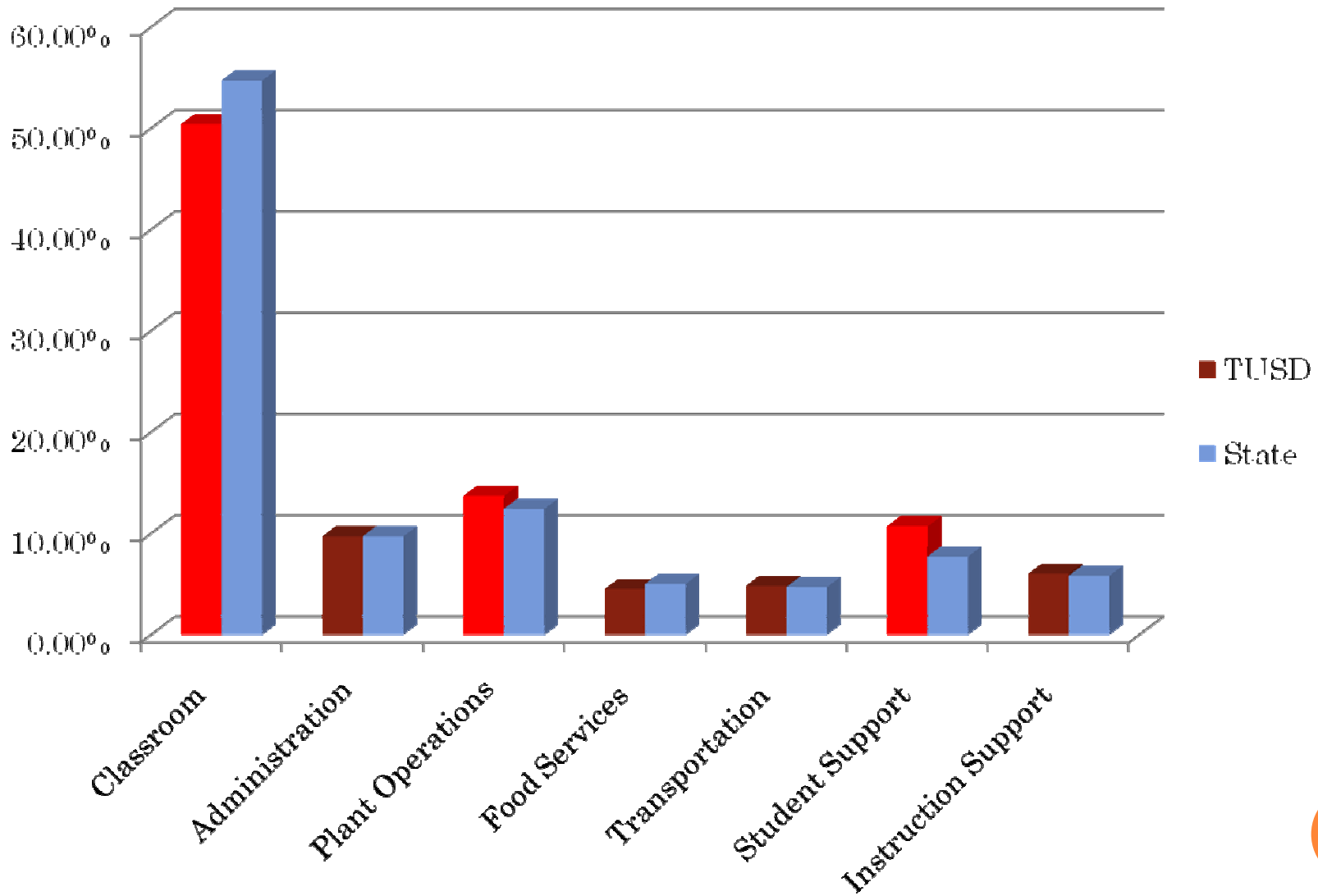
II: SUMMARY - COST AND POTENTIAL SAVINGS FROM SCHOOLS CLOSURE

| School Name | Cost of School (excluding Instructional) | 1st-Year Savings |
|---------------------|--|--------------------|
| Hohokam | \$603,919 | \$515,000 |
| Carson | \$747,849 | \$545,000 |
| Schumaker | \$344,050 | \$215,000 |
| Ft. Lowell-Townsend | \$817,677 | \$665,000 |
| Corbett | \$444,708 | \$345,000 |
| Lyons | \$337,280 | \$215,000 |
| Sewell | \$328,240 | \$225,000 |
| Howenstine | \$216,500 | \$145,000 |
| Wakefield | \$711,590 | \$595,000 |
| Cragin | \$420,823 | \$355,000 |
| Maxwell | \$551,834 | \$475,000 |
| Brichta | \$385,831 | \$335,000 |
| Menlo Park | \$336,979 | \$215,000 |
| Manzo | \$336,080 | \$215,000 |
| Total | \$6,583,360 | \$5,060,000 |

FY 2011: TUSD VS. STATE AVERAGE

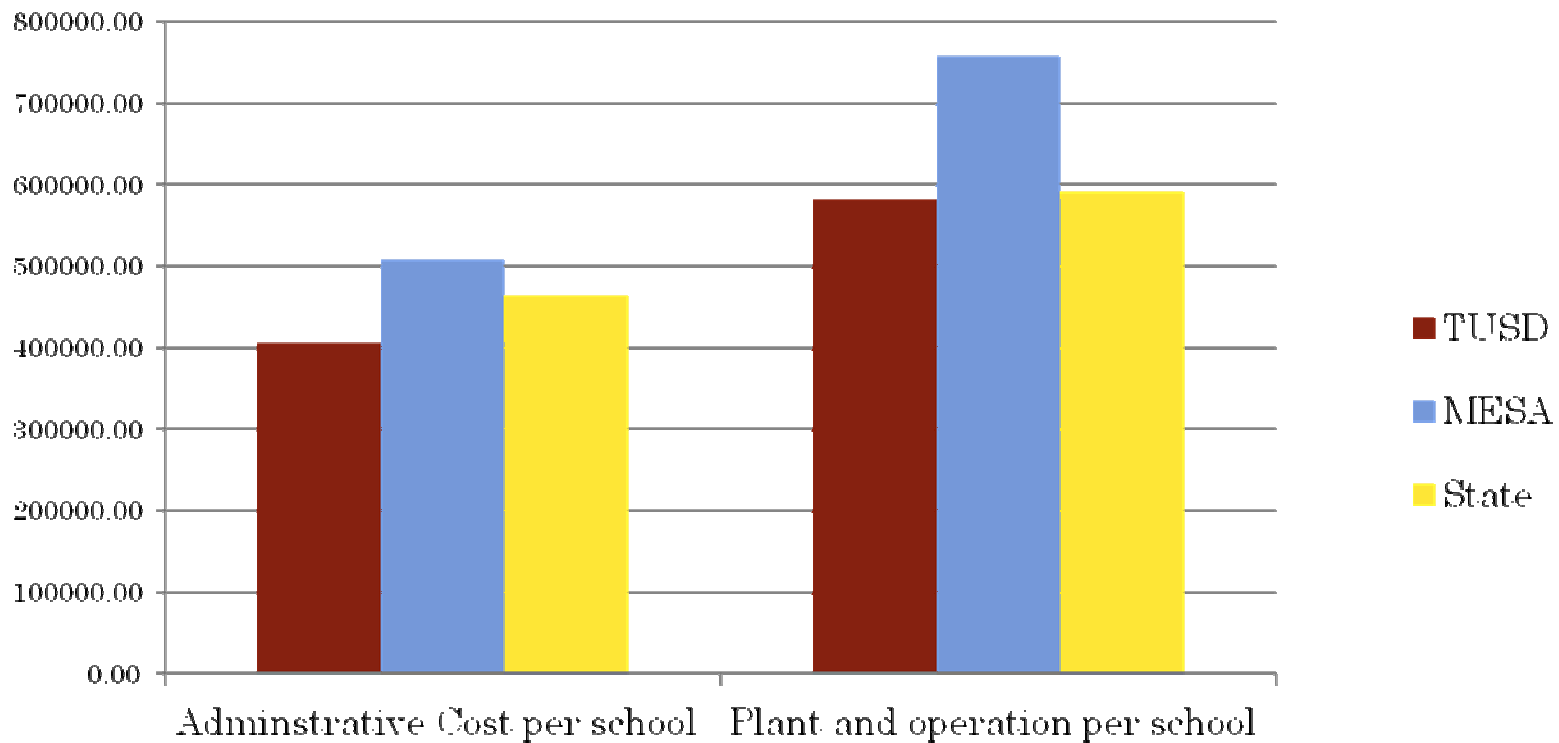
| Category | TUSD | Arizona State |
|---------------------|--------|---------------|
| Classroom | 50.40% | 54.70% |
| Administration | 9.70% | 9.70% |
| Plant Operations | 13.70% | 12.40% |
| Food Services | 4.50% | 5.00% |
| Transportation | 4.80% | 4.70% |
| Student Support | 10.70% | 7.70% |
| Instruction Support | 6.00% | 5.80% |
| Total | 100% | 100% |

FY 2011: TUSD VS. STATE AVERAGE



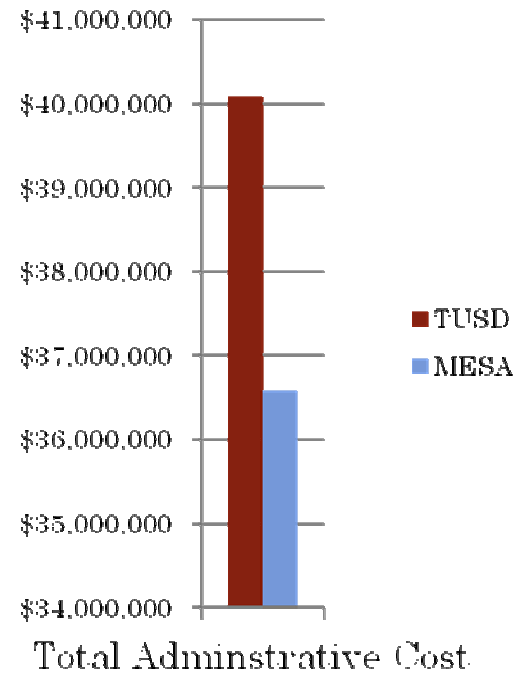
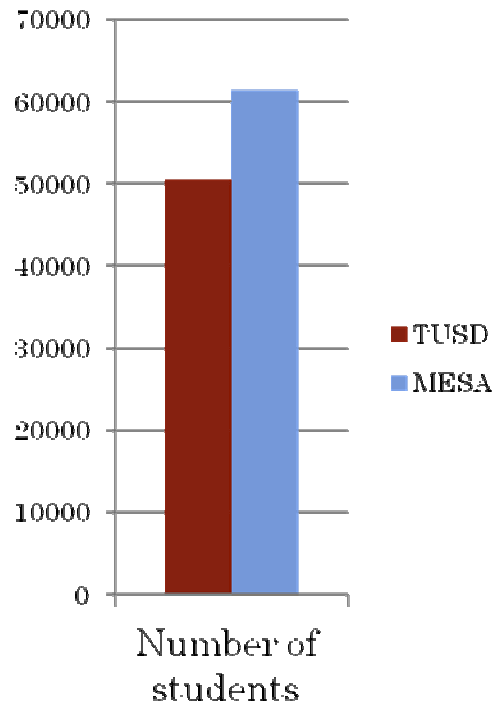
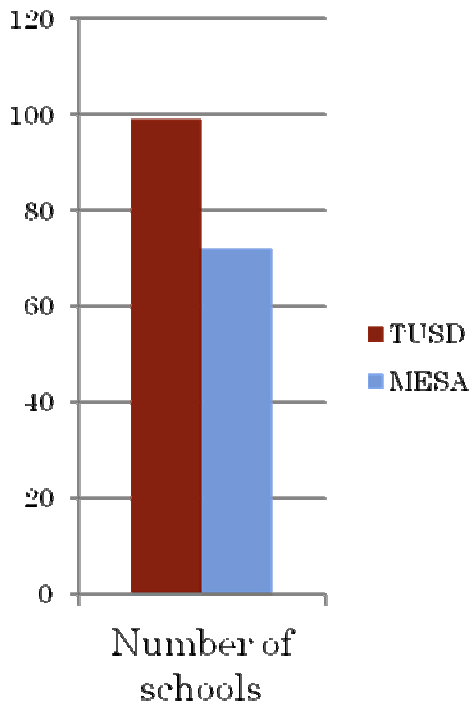
FY 2011: PLANT OPERATION & ADMINISTRATIVE COST PER SITE

| Category | TUSD | MESA | AZ State |
|--------------------------------|--------------|--------------|--------------|
| Administrative Cost per School | \$404,910.61 | \$508,039.10 | \$464,283.79 |
| Plant and Operation per School | \$581,069.70 | \$757,362.49 | \$591,196.53 |



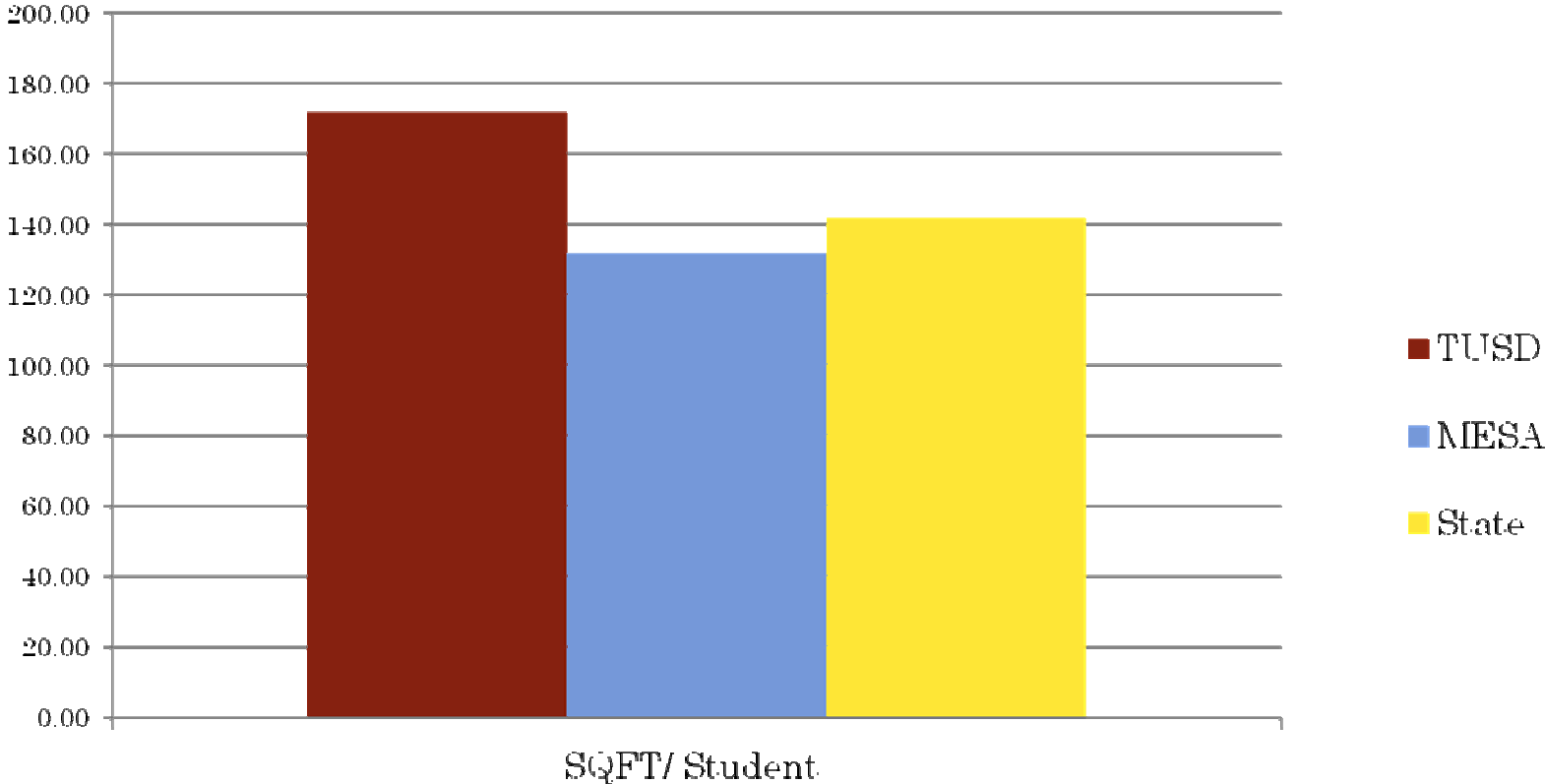
FY2011: NUMBER OF SCHOOLS, STUDENTS AND TOTAL ADMINISTRATIVE COST

| Category | TUSD | MESA | AZ State |
|---------------------------|---------------|---------------|----------------|
| Number of Schools | 99 | 72 | 1422 |
| Number of Students | 50,550 | 61,477 | 906,884 |
| Total Administrative Cost | \$ 40,086,150 | \$ 36,578,815 | \$ 660,211,552 |



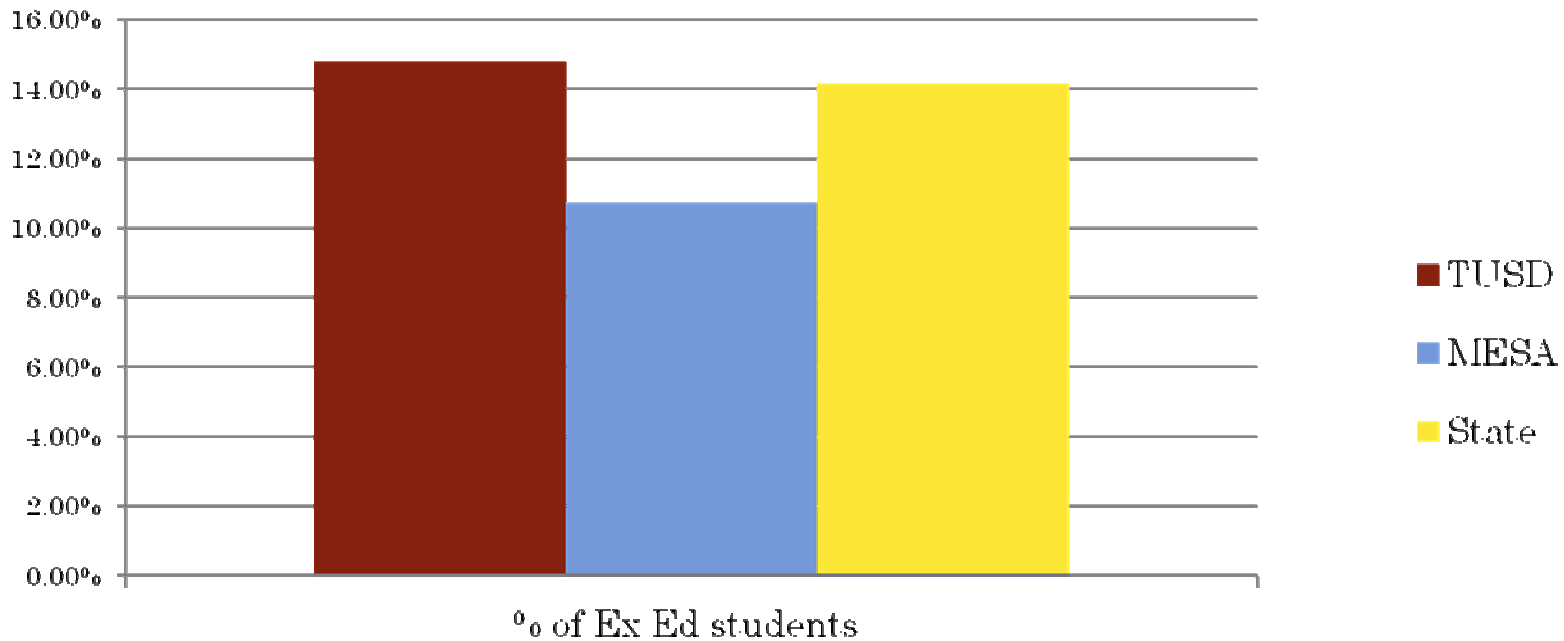
FY2011: SQUARE FOOT PER STUDENT

| Category | TUSD | MESA | State |
|---------------|------|------|-------|
| SQFT/ Student | 172 | 132 | 142 |



FY 2011: STUDENT SUPPORT

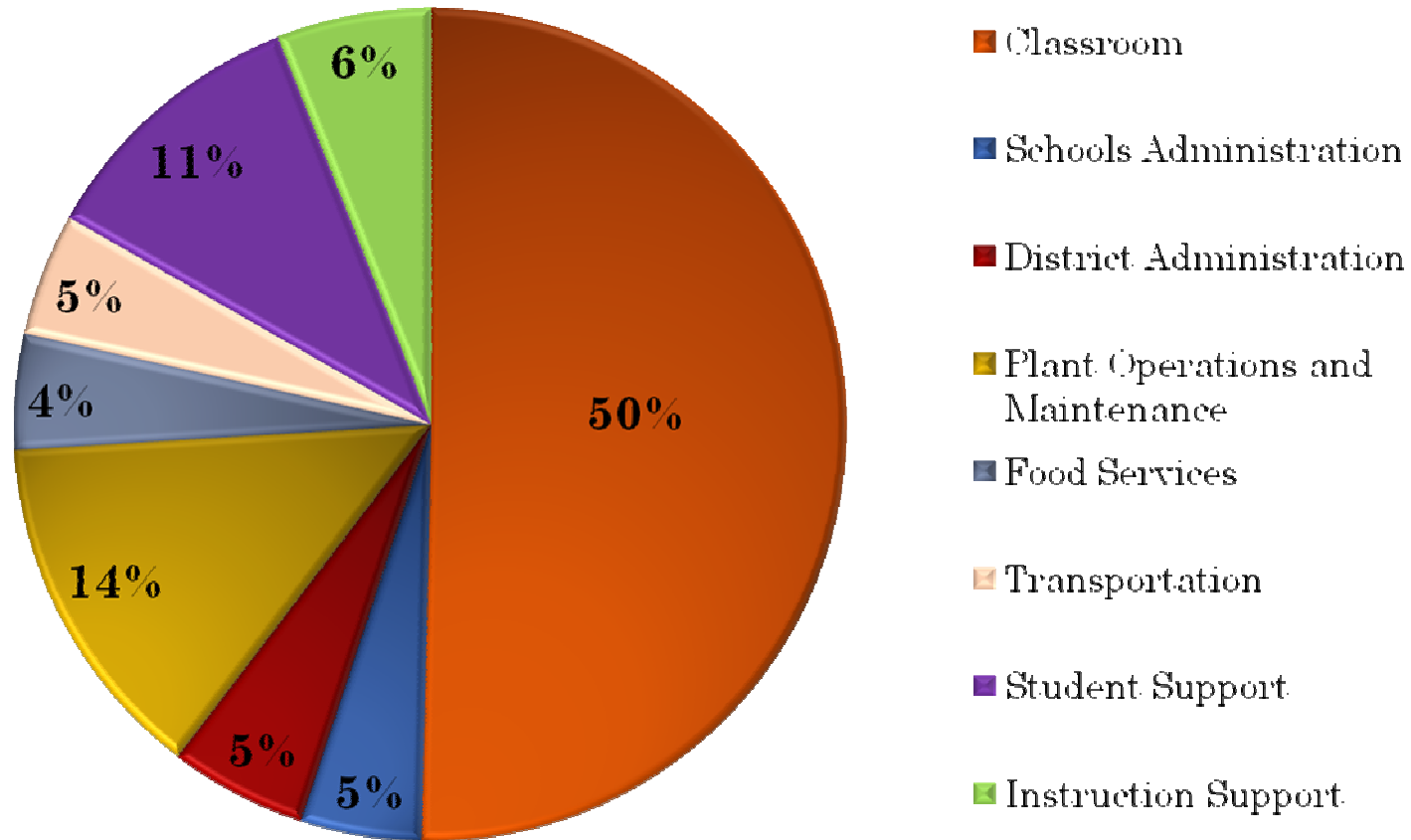
| Category | TUSD | MESA | State Average |
|------------------------------|----------|----------|---------------|
| Exceptional Ed Students | 7,469.54 | 6,600.95 | 128,516.00 |
| % of Exceptional Ed Students | 14.78% | 10.74% | 14.17% |



FY2013 BUDGET BOOK

<http://www.tusd1.org/contents/distinfo/budget/pdfs/complete1213.pdf>

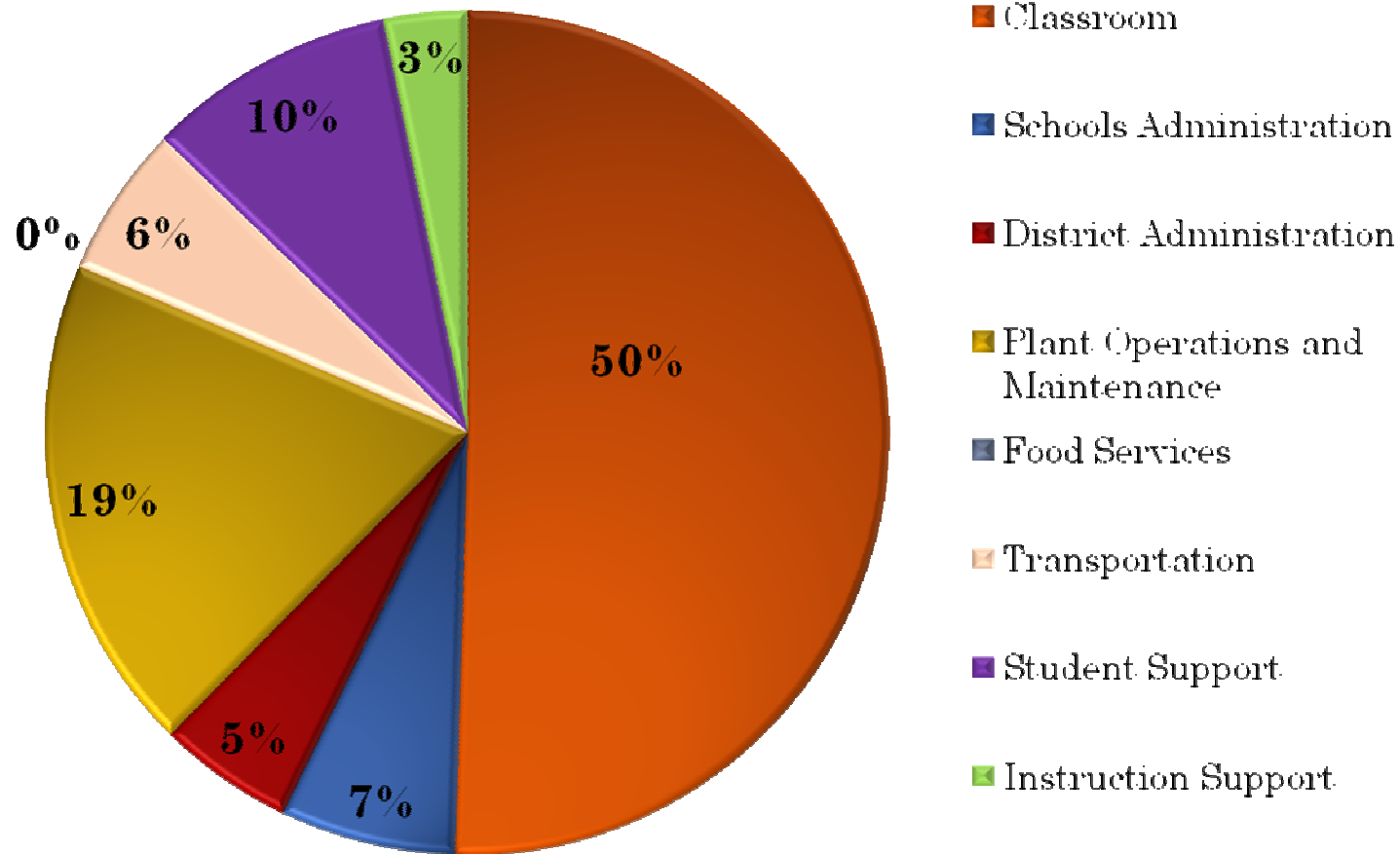
FY 2013: CLASSROOM DOLLAR PERCENTAGE



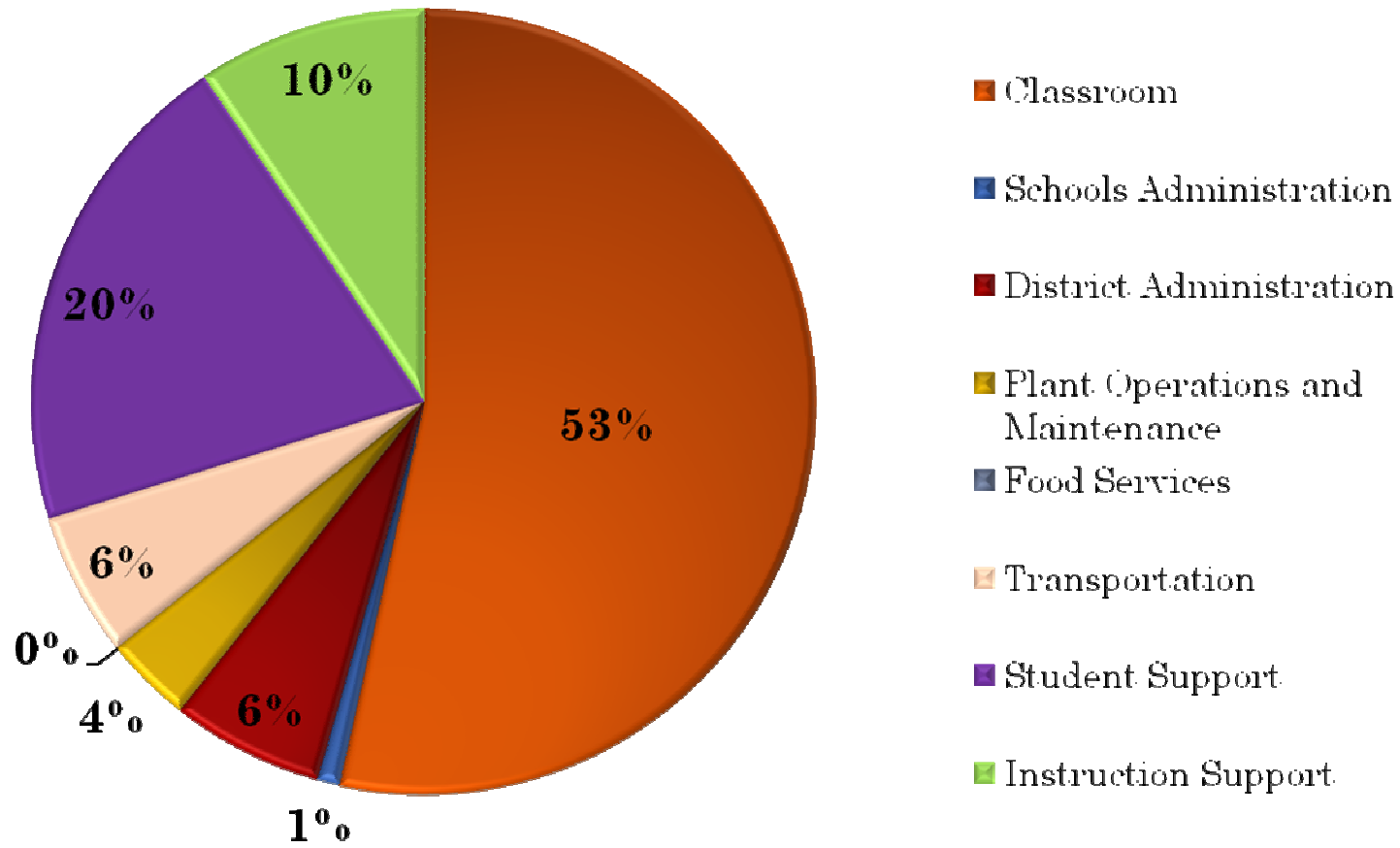
III: FY2013 BUDGET ANALYSIS - BY FUND

| Category | M&O | Deseg | Title I | Other | Total | Percentage |
|-------------------------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|---------------|
| Classroom | \$ 140,014,139 | \$ 32,377,185 | \$ 22,168,757 | \$ 15,054,406 | \$ 209,614,487 | 50.4% |
| Schools Administration | \$ 18,586,051 | \$ 570,201 | \$ 242,596 | \$ 33,000 | \$ 19,431,848 | 4.7% |
| District Administration | \$ 14,419,557 | \$ 3,788,867 | \$ 1,409,539 | \$ 2,457,835 | \$ 22,075,798 | 5.3% |
| Plant Operations and Maintenance | \$ 53,016,091 | \$ 2,193,332 | \$ 1,538,384 | \$ 264,601 | \$ 57,012,408 | 13.7% |
| Food Services | \$ - | \$ - | \$ - | \$ 18,600,000 | \$ 18,600,000 | 4.5% |
| Transportation | \$ 16,146,545 | \$ 3,605,505 | \$ 150,525 | \$ 11,913 | \$ 19,914,488 | 4.8% |
| Student Support | \$ 26,490,292 | \$ 12,327,368 | \$ 3,525,571 | \$ 2,360,021 | \$ 44,703,252 | 10.7% |
| Instruction Support | \$ 8,772,151 | \$ 5,740,140 | \$ 5,236,171 | \$ 5,058,519 | \$ 24,806,981 | 6.0% |
| Total | \$ 277,444,826 | \$ 60,602,598 | \$ 34,271,543 | \$ 43,840,295 | \$ 416,159,262 | 100.0% |

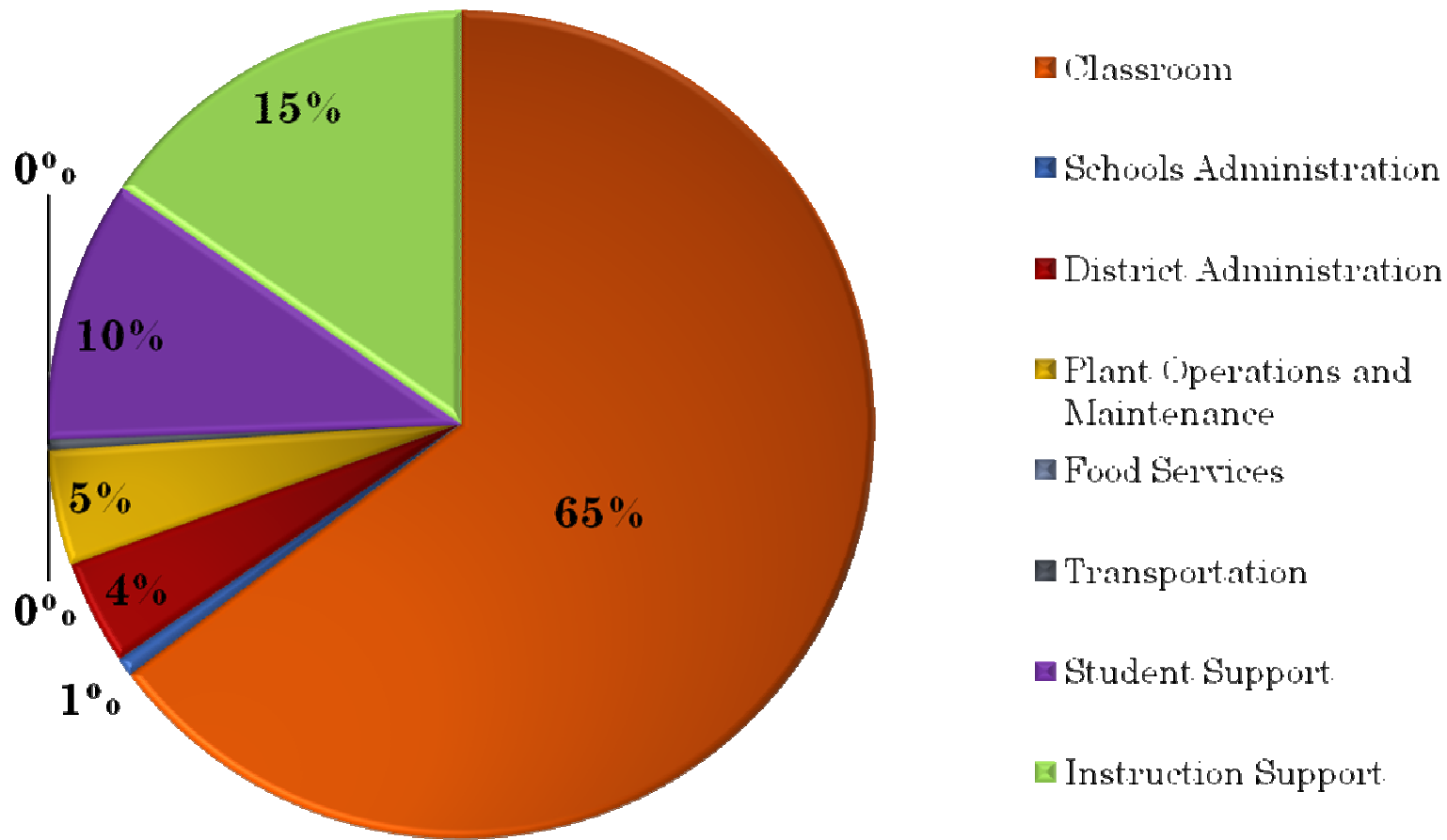
MAINTENANCE & OPERATION



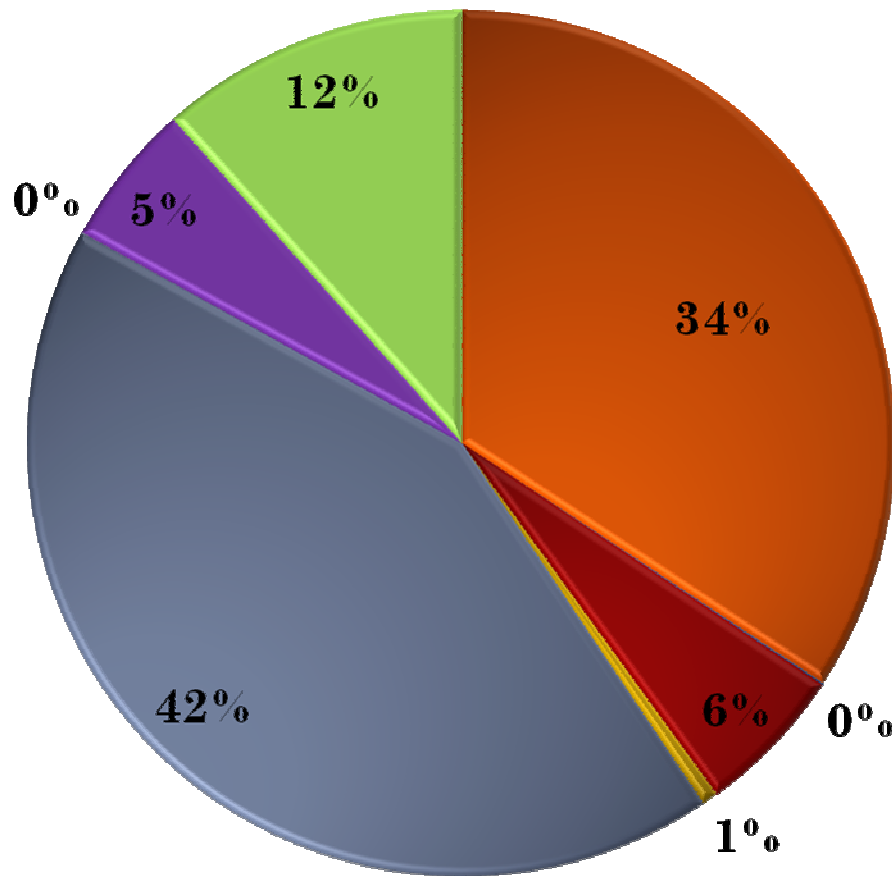
DESEGREGATION



TITLE I



OTHER

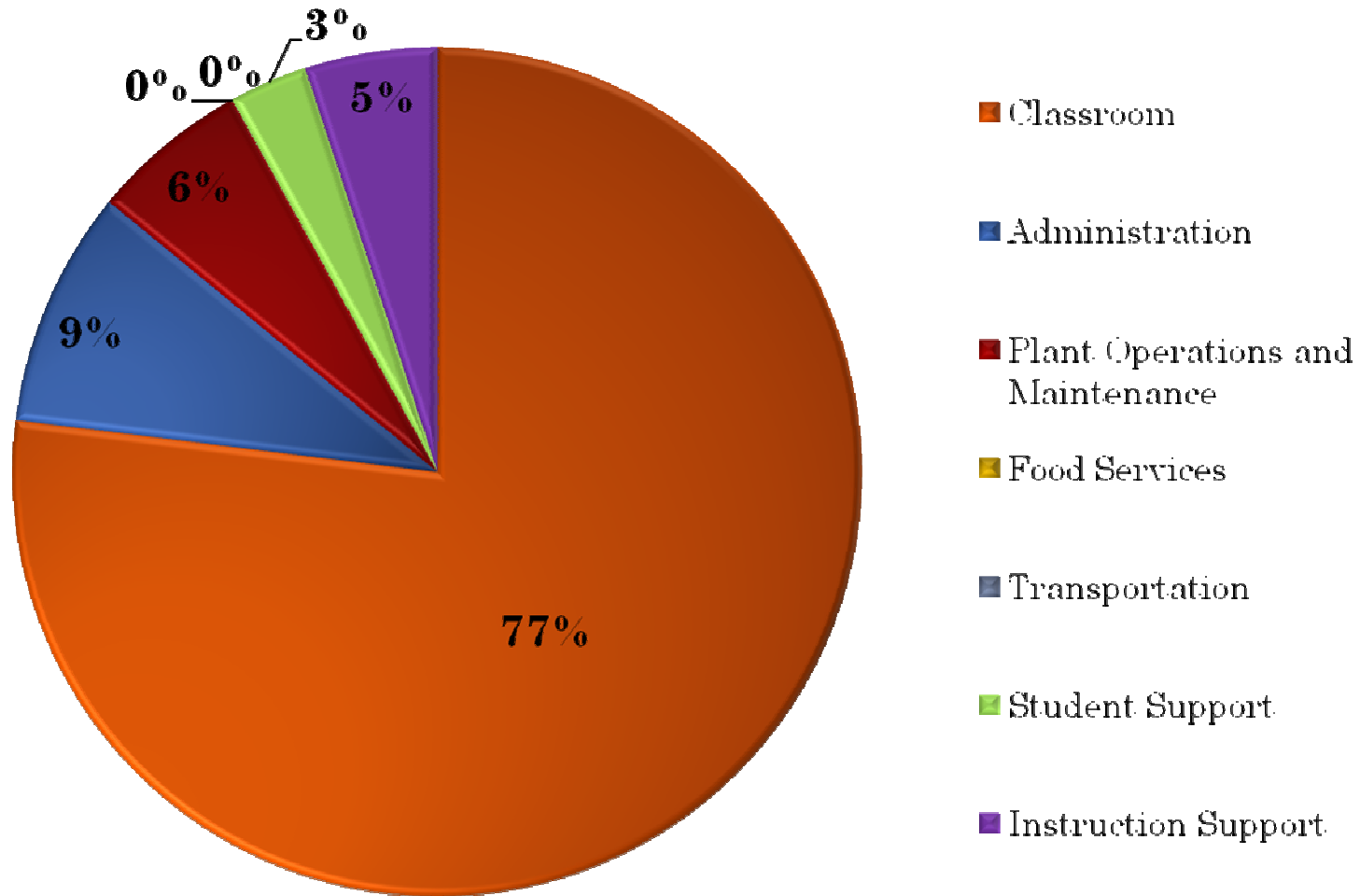


- Classroom
- Schools Administration
- District Administration
- Plant Operations and Maintenance
- Food Services
- Transportation
- Student Support
- Instruction Support

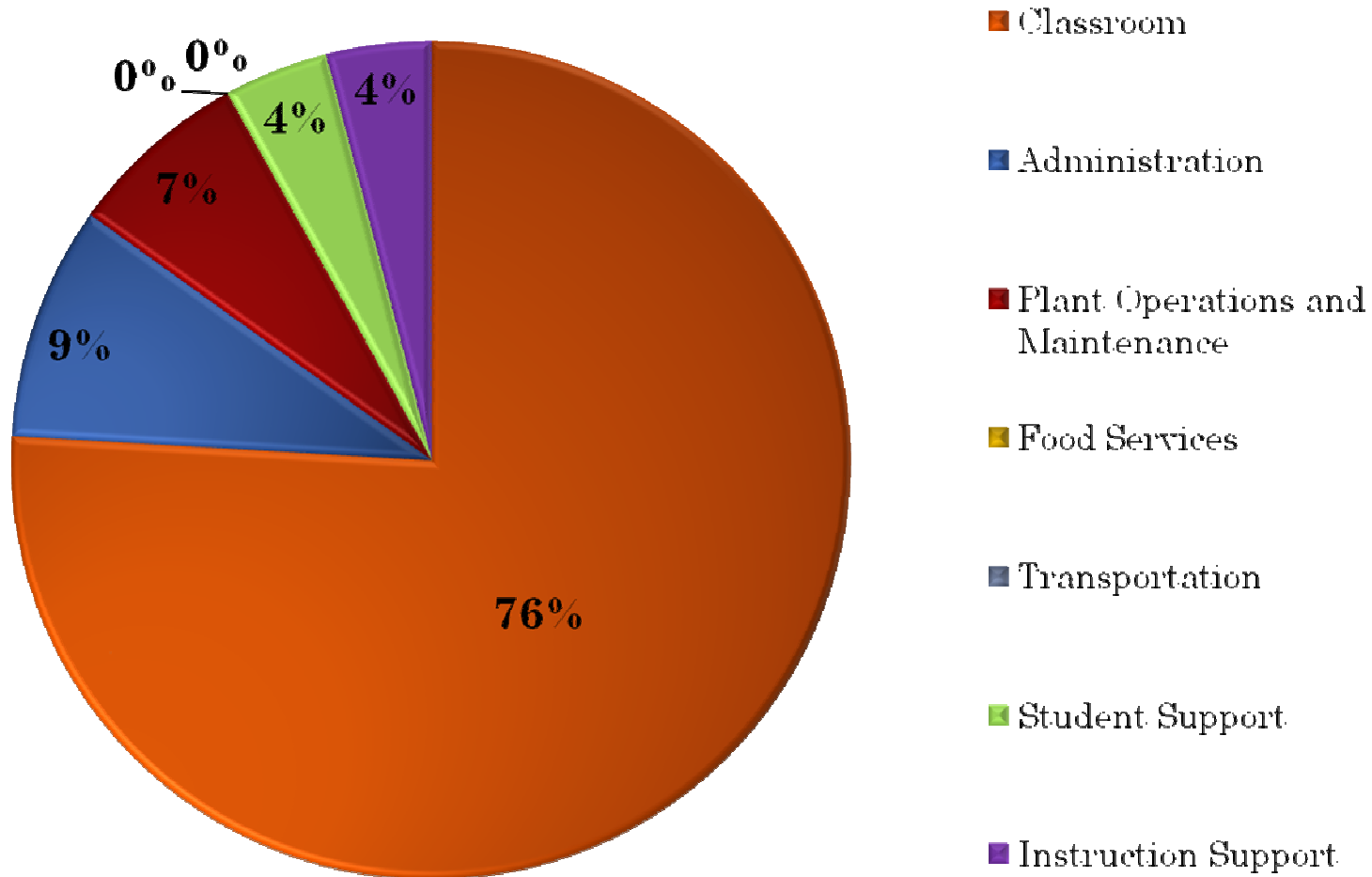
III: FY2013 BUDGET ANALYSIS - DEPARTMENTS & SCHOOLS

| Category | Elementary | K-8 | Middle | High | Alternative | Departments | Total |
|---|---------------|---------------|---------------|---------------|--------------|----------------|----------------|
| Classroom | \$ 67,848,773 | \$ 22,567,641 | \$ 26,343,180 | \$ 46,383,940 | \$ 2,681,479 | \$ 43,789,473 | \$ 209,614,487 |
| Administration | \$ 7,953,753 | \$ 2,684,326 | \$ 3,216,062 | \$ 5,105,089 | \$ 485,660 | \$ 22,062,756 | \$ 41,507,646 |
| Plant Operations and Maintenance | \$ 5,302,502 | \$ 2,087,809 | \$ 2,858,722 | \$ 5,743,226 | \$ 264,905 | \$ 40,755,244 | \$ 57,012,408 |
| Food Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 18,600,000 | \$ 18,600,000 |
| Transportation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 19,914,488 | \$ 19,914,488 |
| Student Support | \$ 2,651,251 | \$ 1,193,034 | \$ 2,144,042 | \$ 5,105,089 | \$ 838,867 | \$ 32,770,970 | \$ 44,703,252 |
| Instruction Support | \$ 4,418,752 | \$ 1,193,034 | \$ 1,072,021 | \$ 1,276,272 | \$ 132,453 | \$ 16,714,450 | \$ 24,806,981 |
| Total | \$ 88,375,030 | \$ 29,825,844 | \$ 35,734,027 | \$ 63,813,617 | \$ 4,415,089 | \$ 194,607,380 | \$ 416,159,262 |

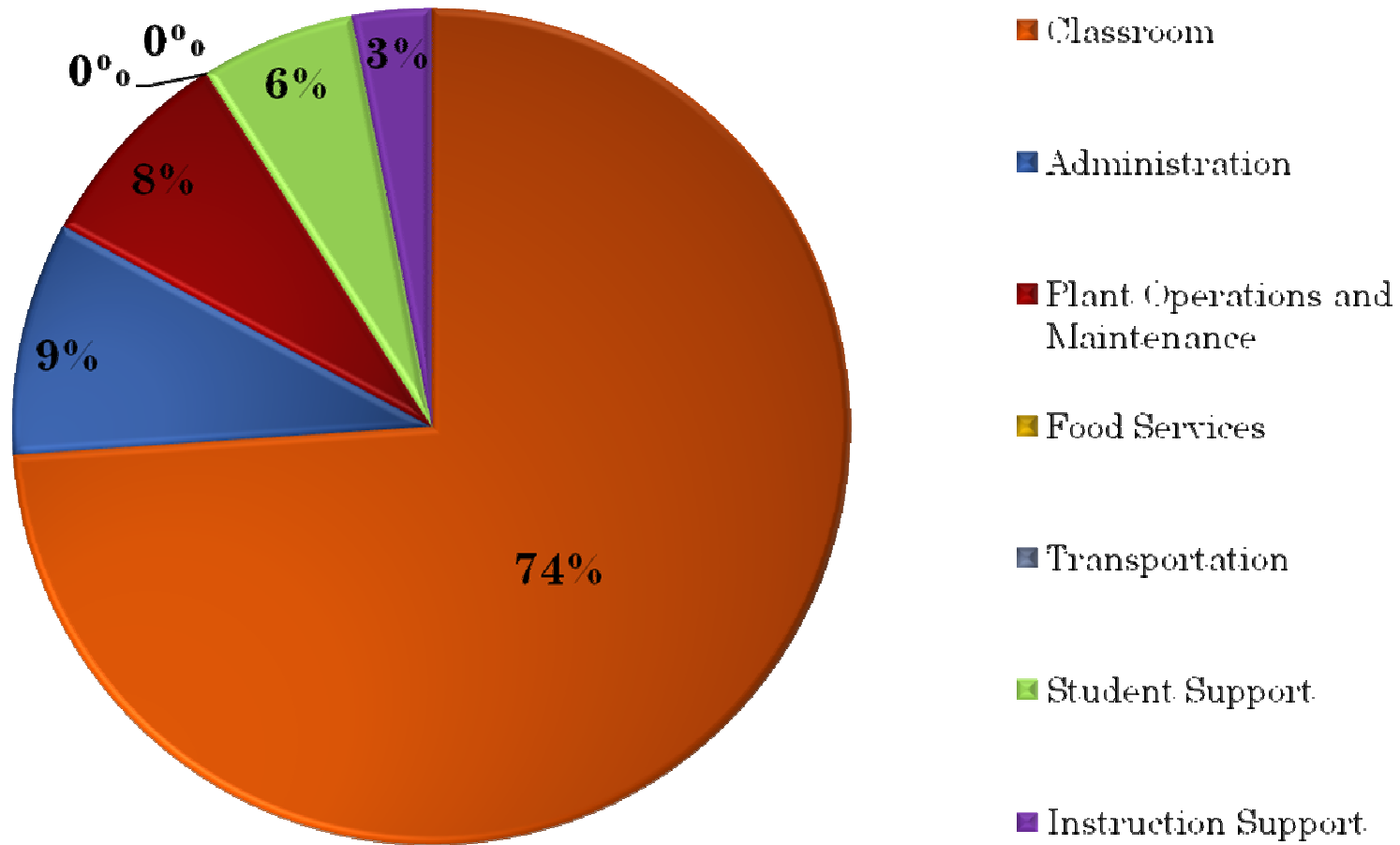
ELEMENTARY SCHOOLS



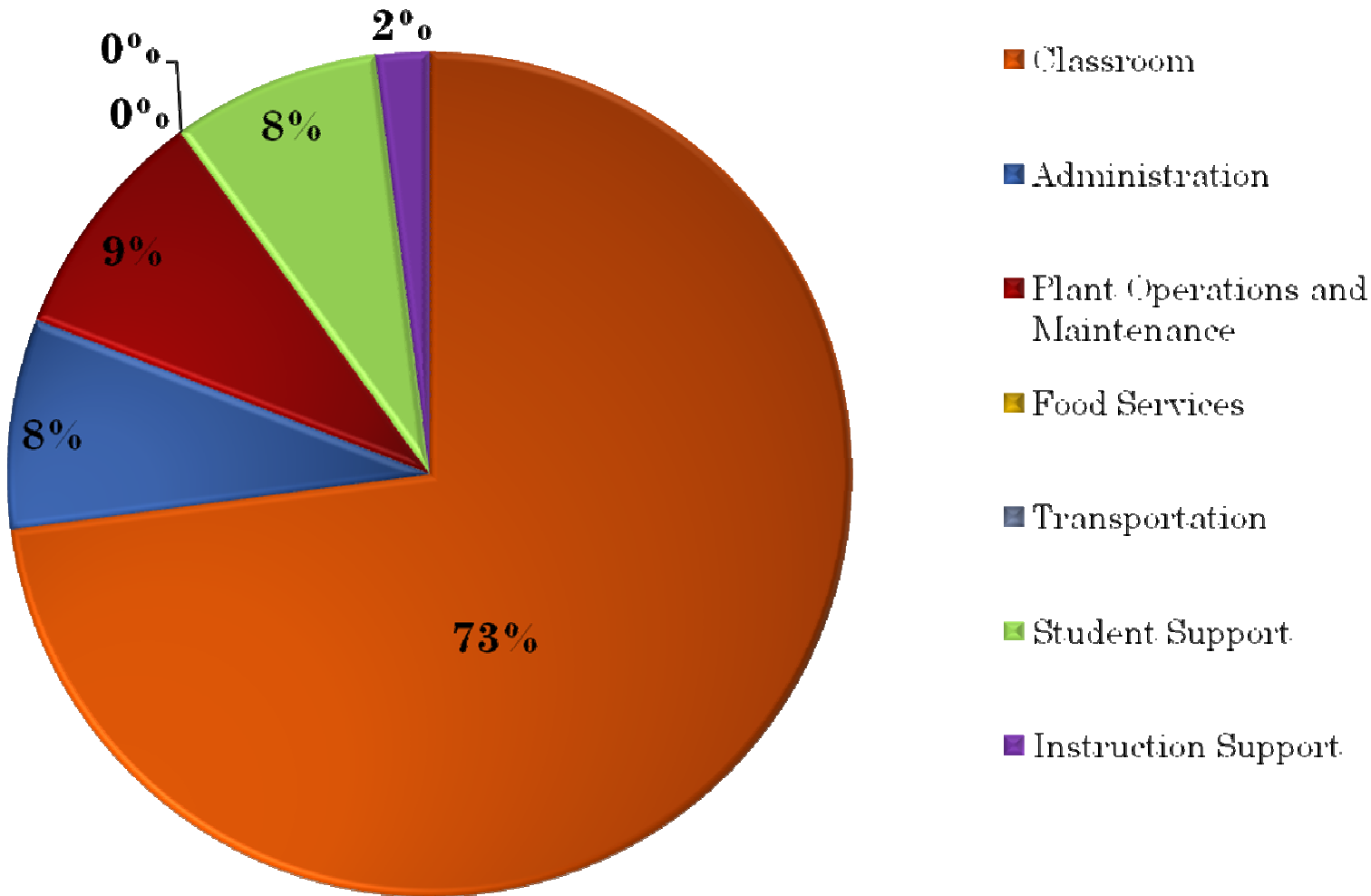
K-8 SCHOOLS



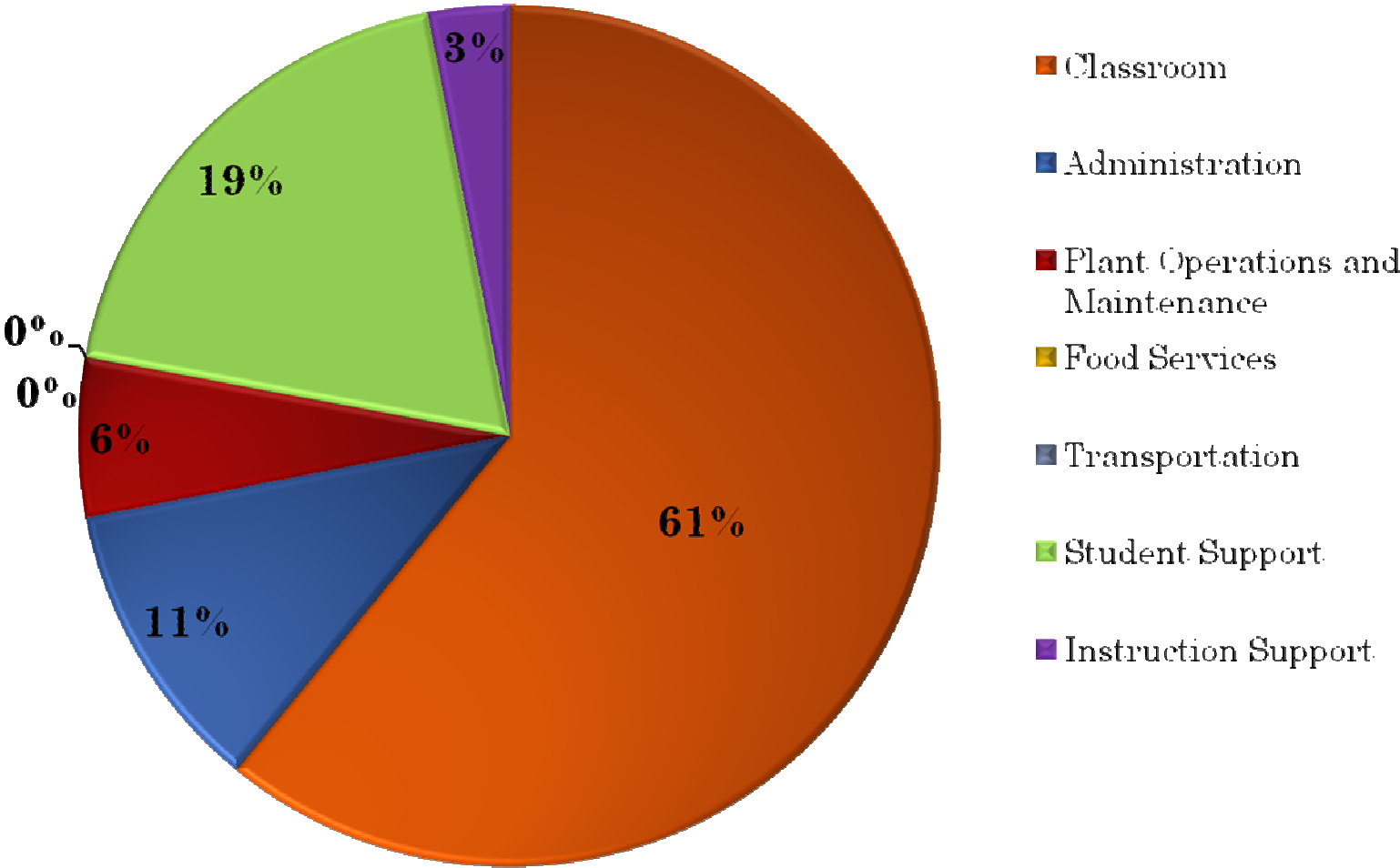
MIDDLE SCHOOLS



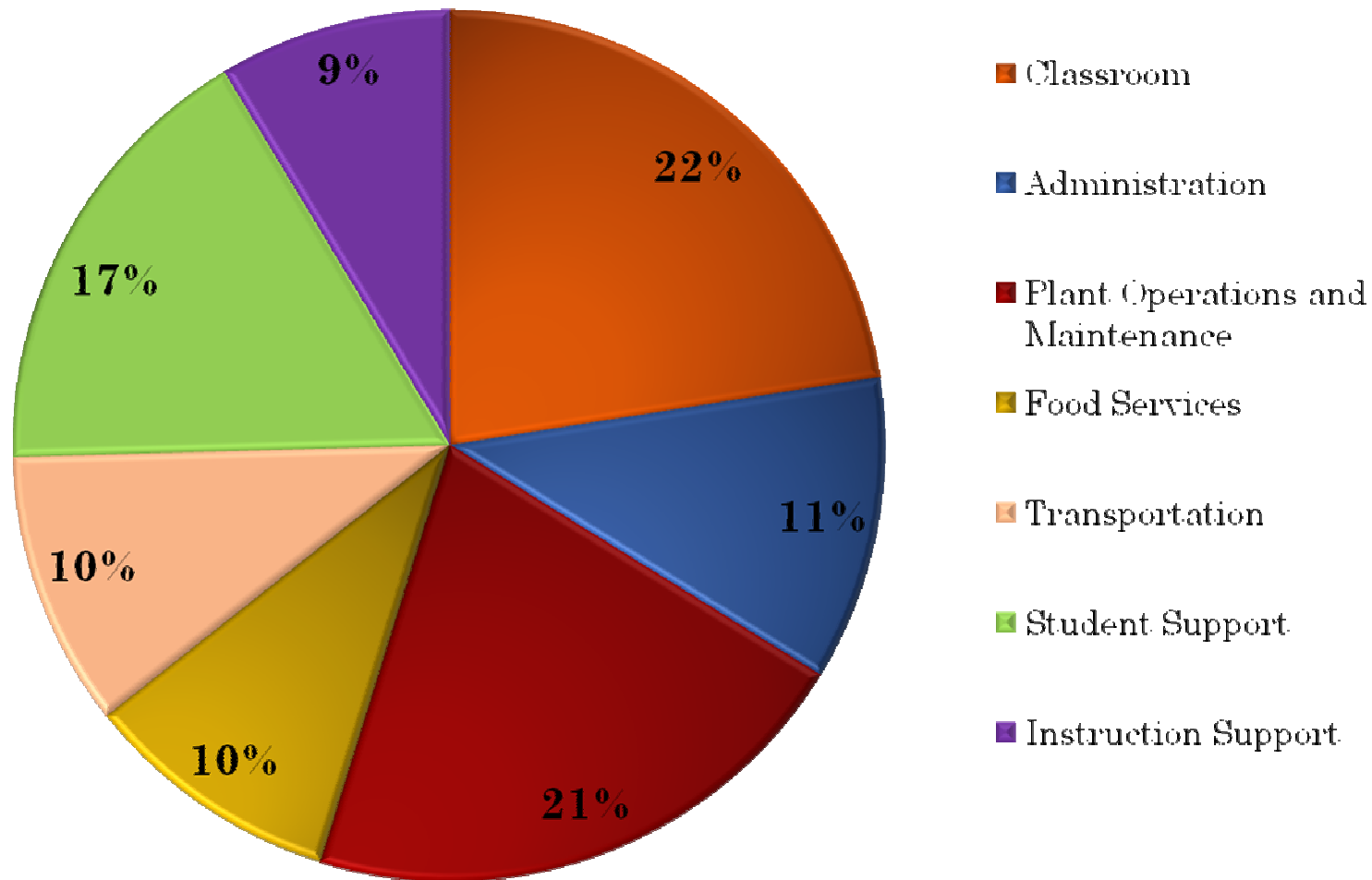
HIGH SCHOOLS



ALTERNATIVE SCHOOLS



DEPARTMENTS



CLASSROOM SPENDING

| Category | |
|---|----------------|
| Teachers | |
| Tutors | |
| Substitutes | |
| Teachers' Aides & Assistants | |
| Athletic Trainers | |
| OMA, Art Specialists & other related cost | |
| Instructional Aides, Contractors & others | |
| Ex-ED and ELL Instructional Staff | |
| Total M&O Budget | \$ 140,014,139 |
| Total Budget | \$ 209,614,487 |

STUDENT SUPPORT

| Category | |
|---|---------------|
| Attendance Clerks, Registrars, Typists, Analysts, Attendance Accounting | |
| Social Workers, Behavior Specialists , Academic Specialists | |
| Counselors, Learning Support Coordinators , Family Reps, Community Reps, College Coordinators | |
| Nurses and Health Assistants | |
| Audiologists, Psychologist, Therapists | |
| Speech Pathologists | |
| Dropout Prevention | |
| Student Support Supplies and other Misc | |
| Total M&O Budget | \$26,490,292 |
| Total Budget | \$ 44,703,252 |

INSTRUCTIONAL SUPPORT

| Category | |
|--|---------------|
| Curriculum Directors | |
| Special Education Directors, Assistant Directors and Administrative Staffs | |
| Teacher Trainers, Coaches & PD and Supplies | |
| Librarians & Media Specialists | |
| Instruction Related IT such as Field Techs & Compliance Techs | |
| Academic Equity Staff | |
| Total M&O Budget | \$8,772,151 |
| Total Budget | \$ 24,806,981 |

SCHOOL ADMINISTRATION

| Category | |
|--|--------------|
| Principals | |
| Assistant Principals | |
| Office Managers and School Finance Managers | |
| Clerical | |
| Total M&O Budget | \$18,586,051 |
| Total Budget | \$19,431,848 |

DISTRICT & CENTRAL ADMINISTRATION

| Category | |
|---|---------------|
| Governing Board | |
| Superintendents, Deputy and Assistant Superintendents | |
| Media & Communications | |
| Finance, Payroll and Purchasing | |
| HR and Benefits | |
| Technology and Accountability & Research | |
| Printing, Warehouse | |
| Legal, Program Directors, Labor Relations | |
| Total M&O Budget | \$14,419,557 |
| Total Budget | \$ 22,075,798 |

PLANT OPERATION & MAINTENANCE

| Category | |
|---|---------------|
| Risk Management | |
| Building Maintenance & Fire Safety | |
| Custodial Services & Grounds Maintenance | |
| Engineers , Plant Operators | |
| Plumbing, Carpentering, Electrical | |
| Security Staff, Monitors, Crossing Guards | |
| Heating, Cooling and Property Insurance | |
| Utilities | |
| Total M&O Budget | \$53,016,091 |
| Total Budget | \$ 57,012,408 |

TRANSPORTATION

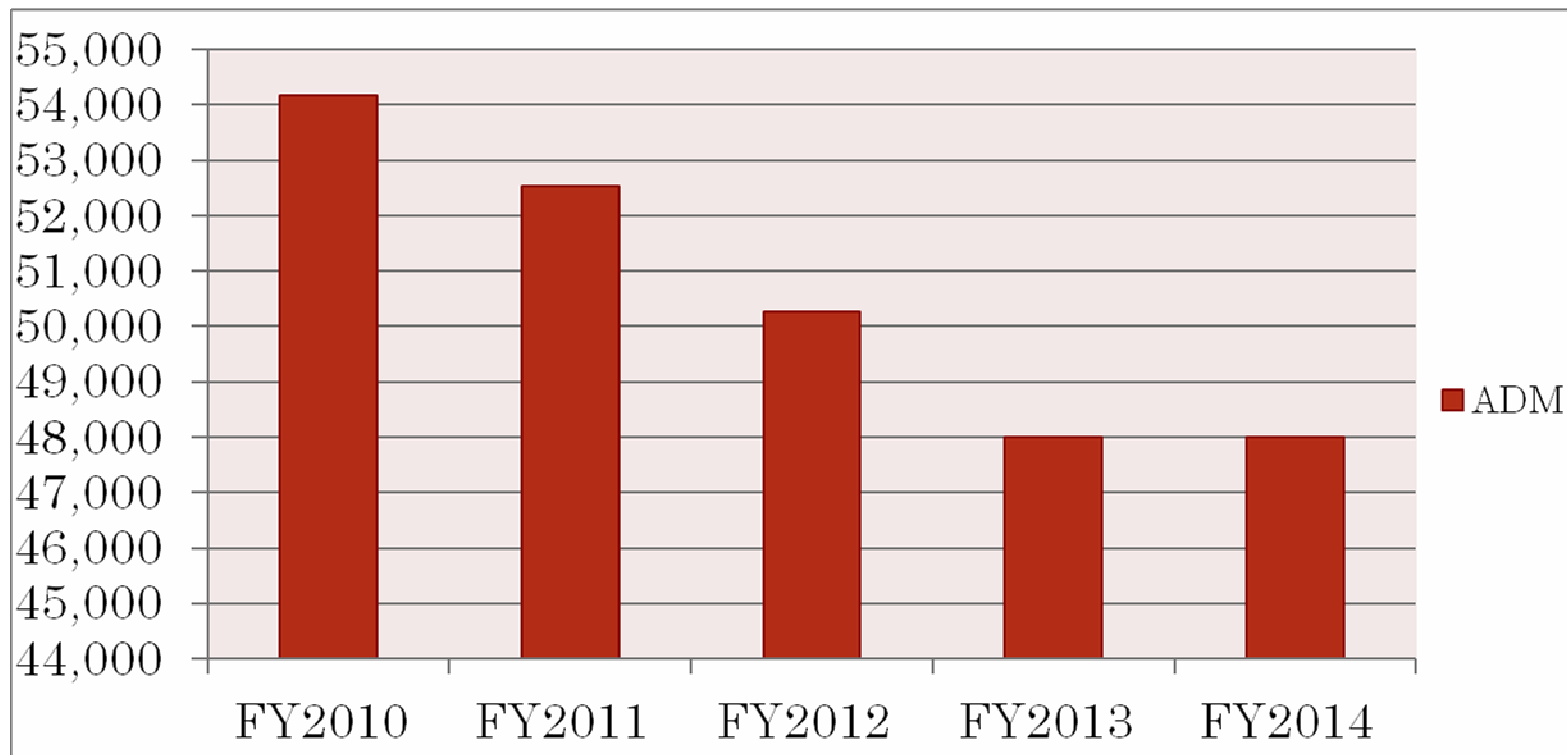
| Category | |
|--|---------------|
| Mechanics | |
| Bus Drivers | |
| Dispatchers | |
| Transport Monitors | |
| Transport Management & Clerical Staff | |
| Gasoline | |
| Contracted Services & Other Misc items | |
| Total M&O Budget | \$ 16,146,545 |
| Total Budget | \$19,914,488 |

IV: FY2014 AND BEYOND

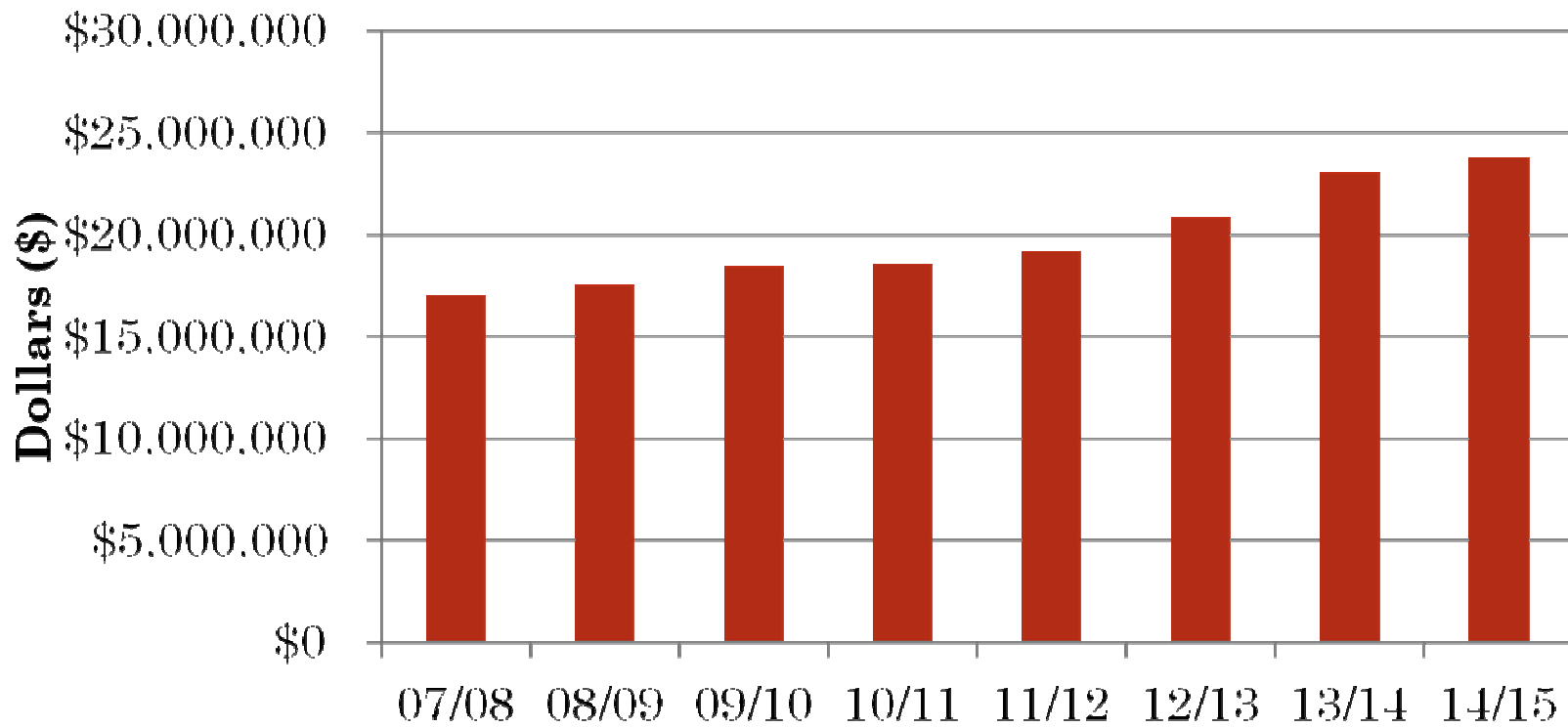
- School Master Plan
- Enrollment
- Utilities Cost
- ASRS Rate Increase
- Health Care Cost Increase
- Federal Budget Impact
- School Sites Funding Standards
- Unitary Status Plan
- Legislatures Impact
- Considerations to Reduce Cost

PROJECTED ADM (AVERAGE DAILY MEMBERSHIP)

| | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 |
|-----|--------|--------|--------|--------|--------|
| ADM | 54,165 | 52,531 | 50,261 | 48,000 | 48,000 |

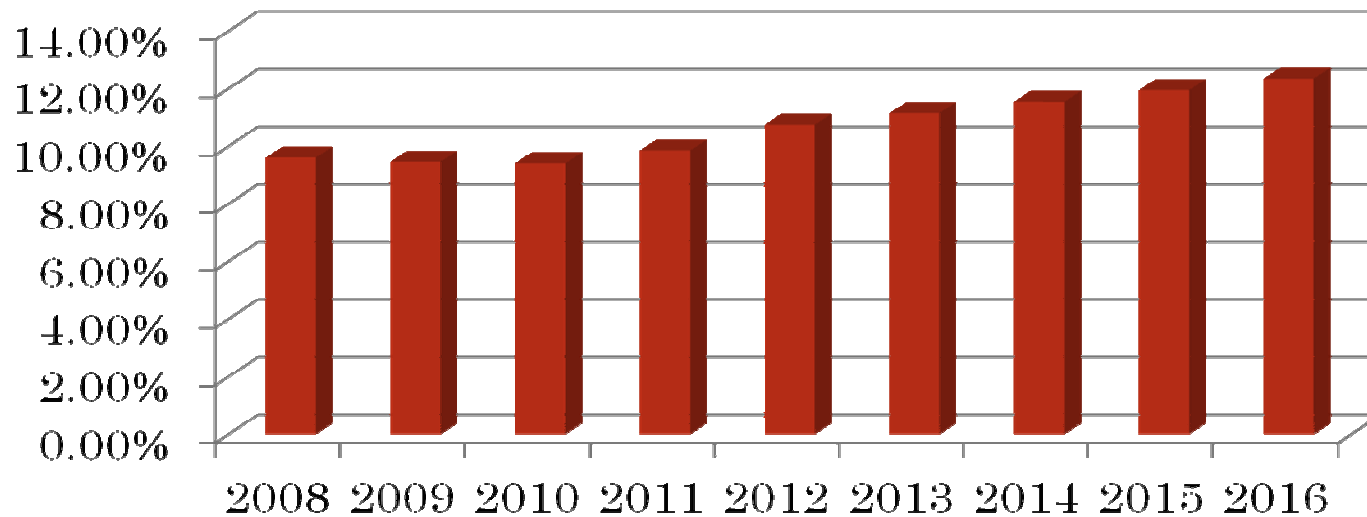


UTILITIES COST



ASRS CONTRIBUTION RATE

| Fiscal Year | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015* | 2016* |
|------------------------|-------|-------|-------|-------|--------|--------|--------|--------|--------|
| ASRS Contribution Rate | 9.85% | 9.45% | 9.40% | 9.85% | 10.74% | 11.14% | 11.54% | 11.94% | 12.50% |




FEDERAL BUDGET IMPACT



• 8.2 % reduction in Federal Grants



• Negative impact on State Budgets



• 2% increase in payroll tax due to expiration of the Social Security tax reduction

CONSIDERATIONS TO REDUCE COST

Reduction in Central and District Administration

Reduction in Transportation and Operations

Assess district functions for potential outsourcing
(Cost and Effectiveness)

Assess district organizational structures for potential
mergers of functions

Restructure medical insurance rate to a split of 85%
employer and 15% employee. For each \$100 reduction
in the employer portion, the district cost will be
reduced by about \$350,000.

CONSIDERATIONS TO REDUCE COST

Reduce substitute cost. Total substitute cost is about \$5 million annually




Professional development



Reduce Interscholastic – coaches, athletic equipments ...etc



Examine personal, sick ,vacation and medical insurance cost



Eliminate Full-Day Kindergarten

CONSIDERATIONS TO REDUCE COST

Modify staffing standards for school health services to reduce cost in schools

Modify staffing standards to reduce cost of custodians in schools or outsourcing

Modify schools funding standards for assistant principals, counselors and librarian

Increase class sizes by at least 1 student

Exceptional Ed students cost

INVESTMENT ANALYSIS – CLASSROOM DOLLAR

| | | | | | | |
|------------------|--------|--------|--------|--------|--------|--------|
| Percentage | 50.4% | 51.4% | 52.4% | 53.4% | 54.4% | 55.4% |
| Classroom Dollar | \$ 209 | \$ 214 | \$ 218 | \$ 222 | \$ 226 | \$ 230 |
| Amount to Invest | \$ 0 | \$ 4 | \$ 8 | \$ 12 | \$ 16 | \$ 20 |

** Figures are in Millions*

REFERENCES

- Auditor General Report: Arizona School District Spending FY2011 :
http://www.azauditor.gov/Reports/School_Districts/Statewide/2011_February/2011_Classroom_Dollars_Spent_in_the_Classroom_Prop301.htm
- Managing for Results in America's Great City Schools – October 2012
http://cgcs.schoolwires.net/cms/lib/DC00001581/Centricity/Domain/87/Managing%20for%20Results_2012.pdf
- ASRS:
https://www.azasrs.gov/content/pdf/agendas/Board_of_Trustees_Packet.pdf
- OMB:
http://www.whitehouse.gov/sites/default/files/omb/assets/legislative_reports/stareport.pdf

