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School Board Budget Workshop
February 24, 2009

Budget Update

The Superintendent informed the Board that the Federal Stimulus Package would be discussed at the March 6th, 2009, workshop so everyone would have a better understanding and a broader base of information of this plan. The Superintendent and the School Board wanted to make absolutely sure that the monies from the Federal Stimulus Package, which would go through the State Appropriations Committee, will go to the school districts instead of State pet projects. The School Board will take extra effort and attend the Appropriations Committee meetings to make sure all goes as the Federal Government intended. One rumor the Board will follow-up on is that the State would spread the stimulus dollars over three years. Staff will study what the Federal rules are and what the state can do. The School Board is apprehensive because this school district has been under-funded for the past several years, before there was a downturn on Wall Street. The School Board's budget cuts have impacted local businesses. Construction has been reduced, products and materials have not been purchased, which has resulted in people becoming unemployed and losing their homes. During these hard times alliances have been built and strengthened with local businesses. Everyone is on the same page and understands what is happening. Many of these business people have children in private schools and are moving them to public schools, because everyone is feeling the burden of this financial crisis.

Desperate times require desperate measures. The Superintendent created the Budget Forecast Committee to determine what must be funded for the 2009-10 school year, what dollars can be realigned or reduced, and determine what can be stopped or done more efficiently. The School District's budget was cut this past year by \$130 million. There is an anticipated further cut this year of \$35.6 million, totaling for one year \$165.6 million dollars. On top of that, the District has learned from Tallahassee that there may be cuts next year of an additional \$160 million.

The Superintendent has scheduled several budget update workshops through May, 2009, to keep the Board updated, to discuss recommendations from the Budget Forecast Committee, to eliminate rumors and, finally, make some very hard decisions.

The committee is made up of Executive Leaders, area superintendents, area staff, directors, budget personnel, and principals who are going through all schools' and departments' budgets for cost savings.

Board Members requested input from teachers, transportation personnel, and others who are immediately affected by day-to-day business. The Superintendent will look at increasing the committee's membership to have more inclusion of the School District's personnel.

Board Members suggested using "Harness the Power" to receive cost saving suggestions and ideas from all School District employees. Not all employees know about "Harness the Power" and requested that all employees receive an email or pop up to inform everyone about this.

All schools and departments were surveyed to identify their needs and reductions. This data was compiled and reviewed to determine if funds could be realigned and added as possible cost savings. These cost savings were grouped to be recommended for the 2009-10 school year and possible recommendation for the 2010 school year.

Many cost savings recommendations were looked at such as:

- Middle school scheduling - looking at schedules that would be cost saving.
- High School Scheduling -looking at schedules that would be cost saving.
- Title I/Title II/ HRD - recommendation to combine these departments to stop duplication.
- Safe Schools, Healthy Kids/Safe and Drug Free Schools/Student Services -recommendation to combine these departments to stop duplication.
- Senate Bill 1908- an unfunded mandate regarding high school grading.
- Differentiated Accountability – Part of NCLB, an unfunded mandate.
- Area Realignment – will be talked about at a future workshop.
- Budget/BRITE Committee- cost reductions are being reviewed.

It was suggested that the Maintenance Department be looked at for duplication of jobs. There should be greater accountability at each site and how they are maintained. It was suggested that the District invest in deep cleaning rug cleaners. This would save money in the long run, rather than renting the equipment, and could be moved from school to school.

Another cost savings recommendation for schools is using a material that is put on cement floors or patios that can be washed down easily.

Board Members requested, for clarification, a small blurb to describe each item.

Board Members requested a list of all unfunded mandates and their total costs. It was suggested to do an invoice to the State listing all the unfunded mandates and request payment in full from Governor Crist. Mandates, such as Class Size Reduction, which declares that the State will fund in the amendment but do not, is a constitution violation. Additionally, unfunded mandates, such as Differentiated Accountability and Response to Intervention are requiring huge amounts to fund.

Board Members requested staff to place a question and answer site on the browardschools.com to answer all the questions that the public may have to ward off rumors and educate the community. This can also be done on BECON and parent newsletters. Board Members would like to schedule several town meetings to inform the Public about the budget. The following are topics requested by the Board to discuss at the town meetings.

- Budget 101 - discussion about the two sides of the budget, capital and operational and their restrictions.
- Inform the public that many programs, which come from the State, are unfunded and the school district must fund them.
- Information about the Federal Stimulus Package.
- Inform the public the School District is not top heavy and disclose the percentage of dollars paid to administrators.
- The percentage of dollars school districts receives from the lottery and where that money is used.

At this time, Broward Schools wish to declare a moratorium on all unfunded mandates for a couple of years until the economy is better. The School District, because of the drastic cuts to the budget, does not have the money to fund these mandates.

The Board Chair stated that we are in a catch 22 position. The unfunded mandates are wonderful ideas, but they are not funded. We want to do them, but have to say no. They should be called School District's requirements not School District's needs. At this time unused grant money is being used to fund the Differentiated Accountability. Now that President Obama is in office, the NCLB Federal program may be changed. The Differentiated Accountability program should be stopped until there is a final determination from the Federal government.

A concern of the Board is the safety of schools and the SRO program. The municipalities of Broward County originally funded this program with the help of the Sheriff's department and, over the years, the financial burden has been pushed onto the schools. It is interesting to note that the State will be building 17 new prisons in the next coming years. The Board suggested that instead of doing that, fund the SRO program, be proactive, and help stop crime. Board Members would like a further discussion at a Budget Update workshop about the SRO program funding and what the School District has contributed. It has been suggested in the past that we have our own police to do this job.

More budget forecast savings recommendations were discussed. Board Members are looking at changing the scheduling at middle and high schools. Changing the high schools to a straight 7 periods would save the district \$35 million. Unfortunately, this cannot be done for next year because high schools have already started their scheduling and talks with the Broward Teacher Union must be done. This will possibly be done in 2010-2011 school year. Board Members asked if schools could go ahead and implement the 7 period schedule if they wished. Doing it as a school decision is possible and wanted further direction from the Superintendent.

It was also requested that staff research the cost saving on a 4 x 4 plus one schedule. Staff will provide the Board with a clear picture of the two schedules pros and cons, the cost savings, and what would be expected from teachers.

The Board discussed the recommendation of elimination of the DROP teachers' extension (3 years beyond 5.) The Board thought that teachers and administrators should be treated the same on this item. Board Members requested that in the future this item should have data from the whole pool of DROP teachers and wanted further discussion on this item at a future Budget Update workshop. Some of the points brought out of the discussion were:

- Start with this year teachers going into the extension, not those who are already in it.
- The decision of a teacher getting the extension would come from the Principal.
- Title I school teachers would be able to get the three years extension.
- Teachers who did get the extension would transfer to needy schools.
- Have a blanket rule on the extension and final approval would come from the Superintendent.
- The cost for rehiring administrators.
- The payroll step teachers and administrators have when they return?
- Staff is requested to bring back for discussion for both administrators and teachers.

Other cost saving recommendations discussed were:

- TSA calendar change.
- Alternative funding for the SEAS program.
- Eliminate summer programs.
- Reduce middle school sports – have intramural sports.
- Auditorium rental for music concerts – use existing school facilities.
- Facilities service contracts – use in house staff.
- Sending Character Ed flyers to schools. Staff has alerted schools that the materials will no longer be provided in print but electronically for the 2009-10 school year.

A complete list of all recommendations can be found in the material for this workshop on the eAgenda.

The Elementary 4% budget reduction plan was presented to the Board. 30% of the reduction would come from the non-salary side of the budget and 70% of the reduction would come from the salary side of the budget.

Elementary, unlike middle and high school, have little room to cut their budgets. Each school has to go through main line items, such as:

- General classroom purchased services
- General classroom materials and supplies
- Supplements
- Substitutes
- Supplemental Academic Instruction

Optional line items that were looked at were:

- Custodial Supplies
- State Reading Teacher Training
- Department Head Release

Savings from the above items is minimal. From the salary side of the budget, each elementary school may have saving situations, such as: extended calendars can be reduced or instructional or non-instructional staff positions that have become vacant not being replaced.

An example of one school's reductions can be found on the eAgenda February 24, 2009 workshop Elementary Reduction Plan (last page.)

The last thing that the Board would do to reduce costs is to lay off staff. It is the human capital that makes this a great school district. It's all about kids and what is best for them and being equitable across the county.

Material for the entire budget presentation can be found on the eAgenda, February 24, 2009 workshop.

JFN:jd