

Superintendent's 2013-14 Budget Recommendation

**Presented to the Board of Education
April 25, 2013**

Overview

- Budget Philosophy
- Budget Process
- Student Demographics
- Historical Perspective
- Budget Proposal
- Timeline

Budget Philosophy

- Utilize the Board of Education's Theory of Action, Common Goals and the Strategic Plan to support budget development
- Review expenditures and determine effectiveness
- Continue implementation of previous year's budget reductions
- Support 2014 strategic plan initiatives through budget redirections and/or seek external financial support

Budget Philosophy

- Implement spending freeze at the central office level
- Protect the classroom from budgetary reductions as much as possible
- Identify and list critical funding request due to growth and operational increases
- Maintain current levels of staffing at all levels to support educational programming

Budget Process

- Budget Advisory Committee reviewed and advised administration FY 2013-14 budget
- Committee Composition – 25 diverse community members
- Worked with committees input on Governor's teacher assistants reduction
- Posted materials to website for community to obtain

Student Demographics

The background of the slide is a light blue gradient with a sunburst pattern of thin, white lines radiating from the center.

I am DPS

“Ashley”

- Identified as Academically Gifted as a third grader
- Working with an AIG teacher 3x/week in literacy making connections to standards and between disciplines
- Working with an AIG teacher 3x/week in math on extensions to the standards
- Participates in Odyssey of the Mind, Scripps Spelling Bee, Continental Math League, weekly club options at school
 - State AIG funding is capped at 4% of total enrollment
 - In DPS 20% of our students are identified as AIG
 - 3% of AIG students also receive EC services
 - Elementary, Middle and High schools all showing growth in AIG students

“José”

- Born in US; family’s country of origin is Guatemala
- Started kindergarten in US schools
- Enrolled in DPS as a second grader
- Identified as Limited English Proficiency
- Receives focused language services for 45 minutes 5x per week
- Receives comprehensive language services for 45 minutes 3x per week
- Translator services, connection with ESL Resource Center as a DPS family
- Tutoring services through after school clubs, local community organizations, faith-based organizations and El Centro

“Grace”

- Identified as a student with a hearing impairment and learning disability
- Receives specially designed instruction from a teacher of the deaf and support in a co-taught classroom
- Requires assistive technology for communication needs
- Special transportation provided in order to access services at base school
- Receives Occupational and Speech therapy as related services
- Preparation for post-secondary living (education, independent living, employment) addressed starting at age 14

“Cameron”

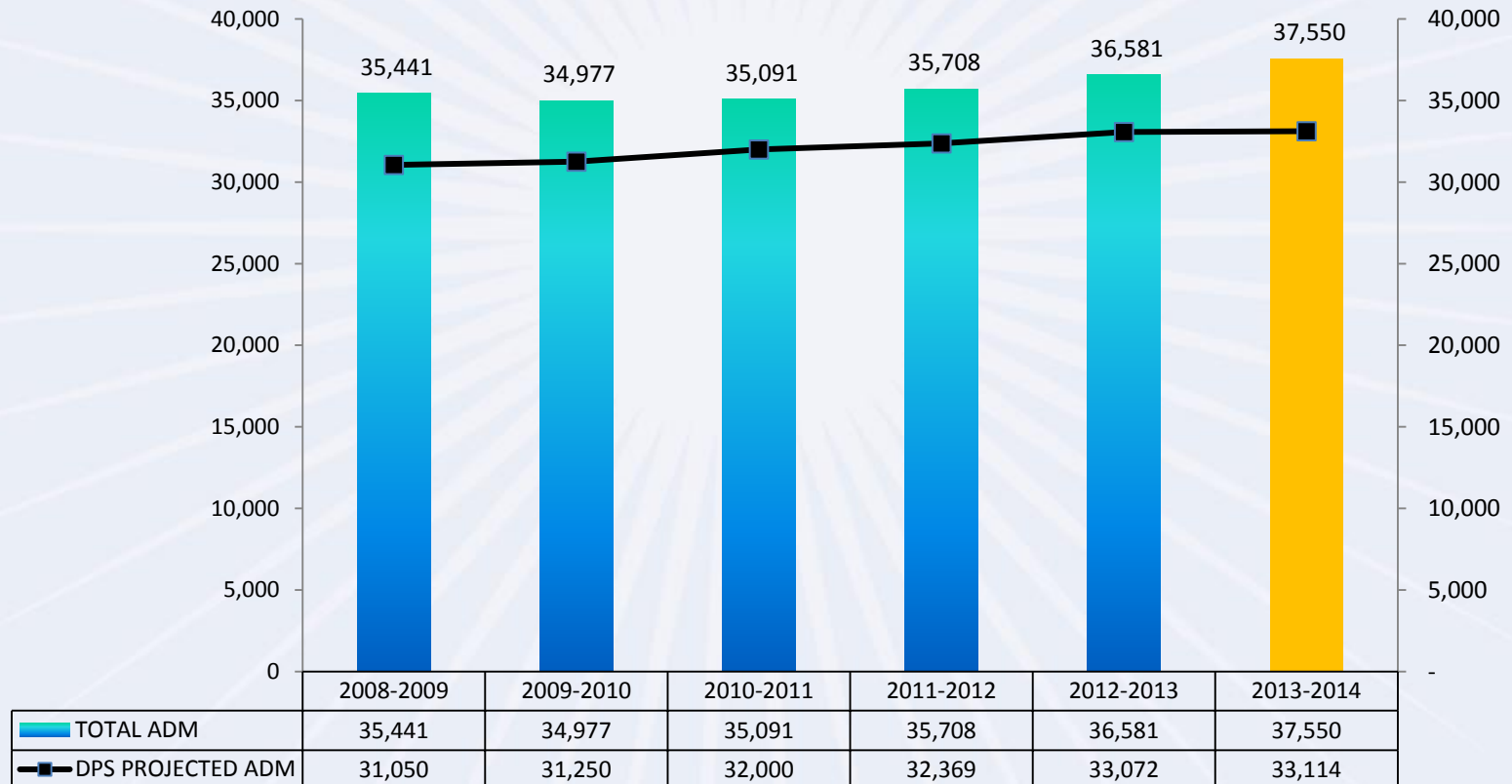
- Has been receiving free or reduced lunch since elementary school
- Identified as AIG in sixth grade during Advanced Academics sweep screening
- Did not speak English when he started with DPS and required ESL services for 3 years
- Required mental health support from a school psychologist both at home and in school
- Involved in Science Olympiad and Scientifica

“Makayla”

- Eleventh grader
- Enrolled in AP US History, AP English Language, AP Calculus AB
- Attends weekly tutoring sessions with AP authorized teacher
- Attended DPS District AP Review sessions in April
- Attended DPS Summer Scholars AP Camp in July
- Will take three 3-hour college-level exams in May
- On the Speech and Debate team

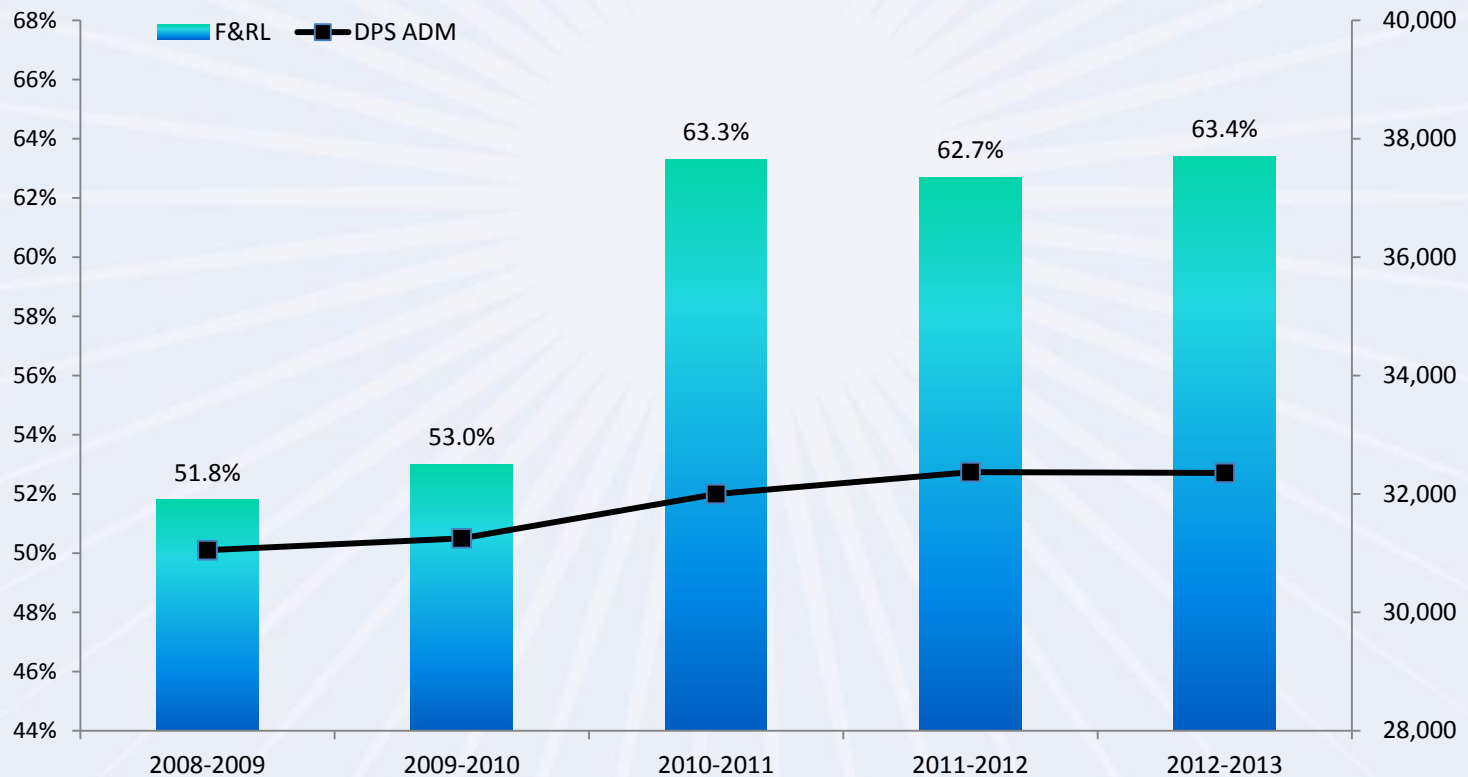
Student Demographics – DPS and Charters

Average Daily Membership (ADM)



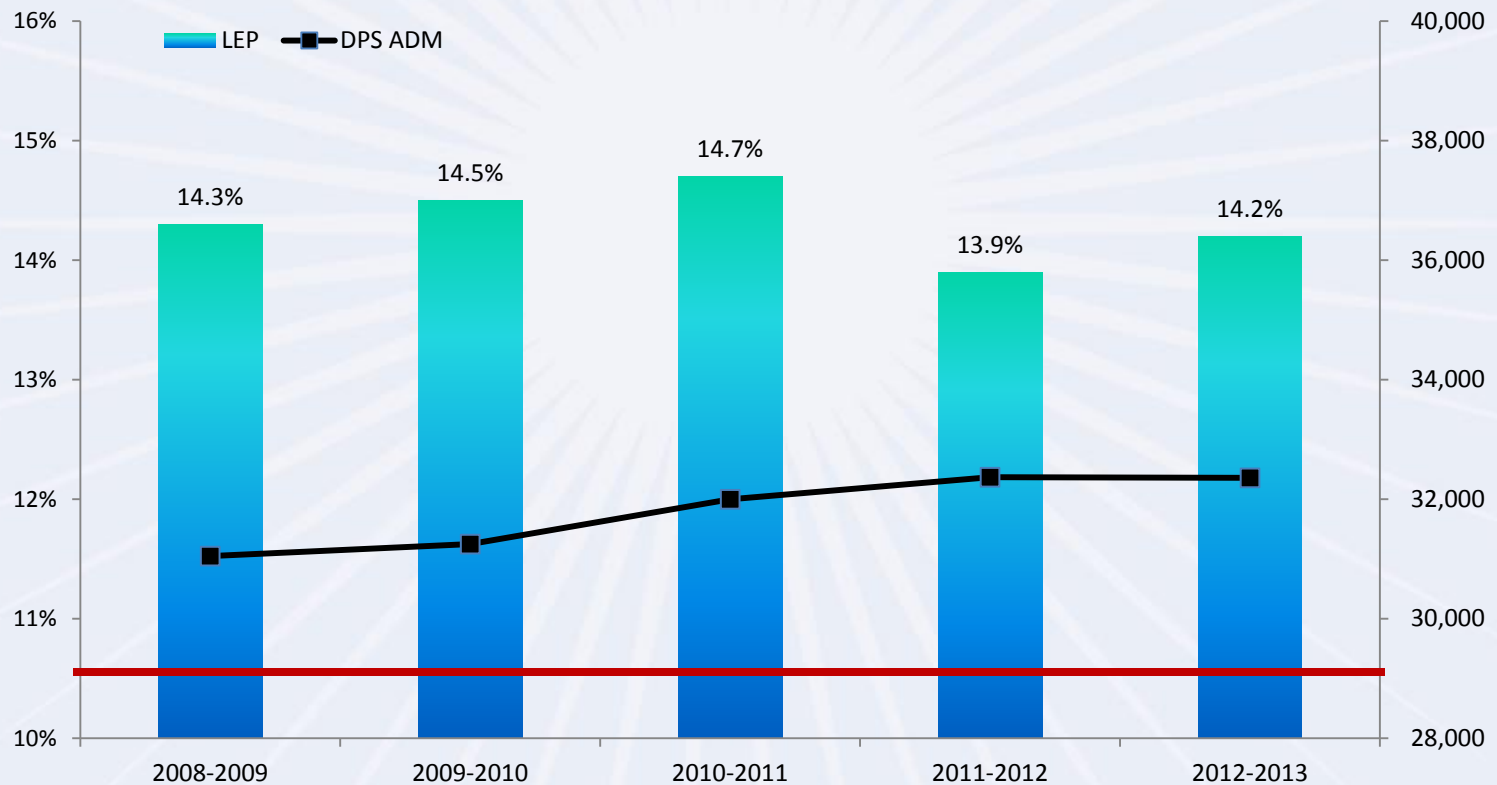
Student Demographics

Free & Reduced Price Lunch Eligibility



Student Demographics

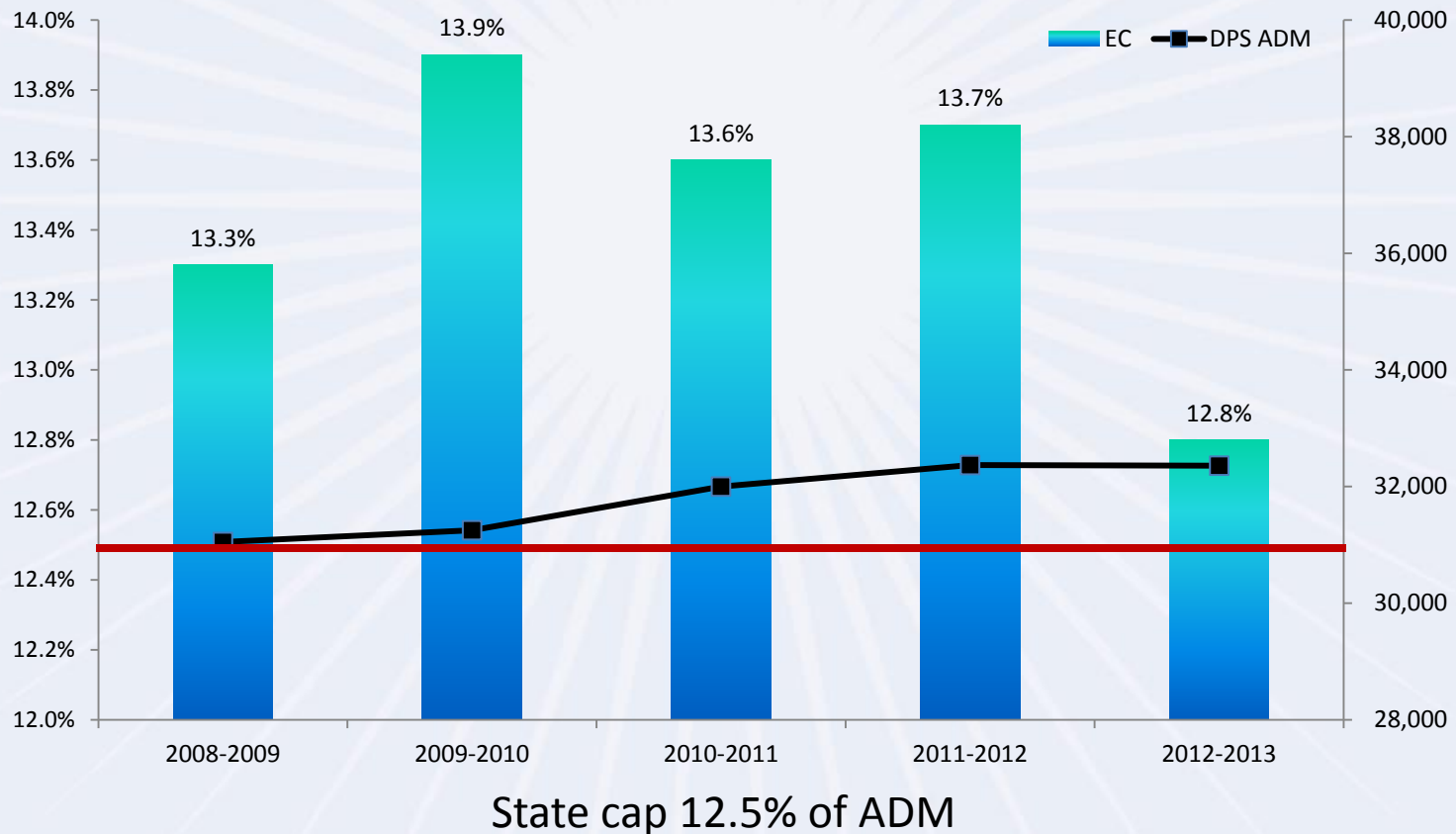
English as a Second Language Eligibility



State cap 10.6% ADM

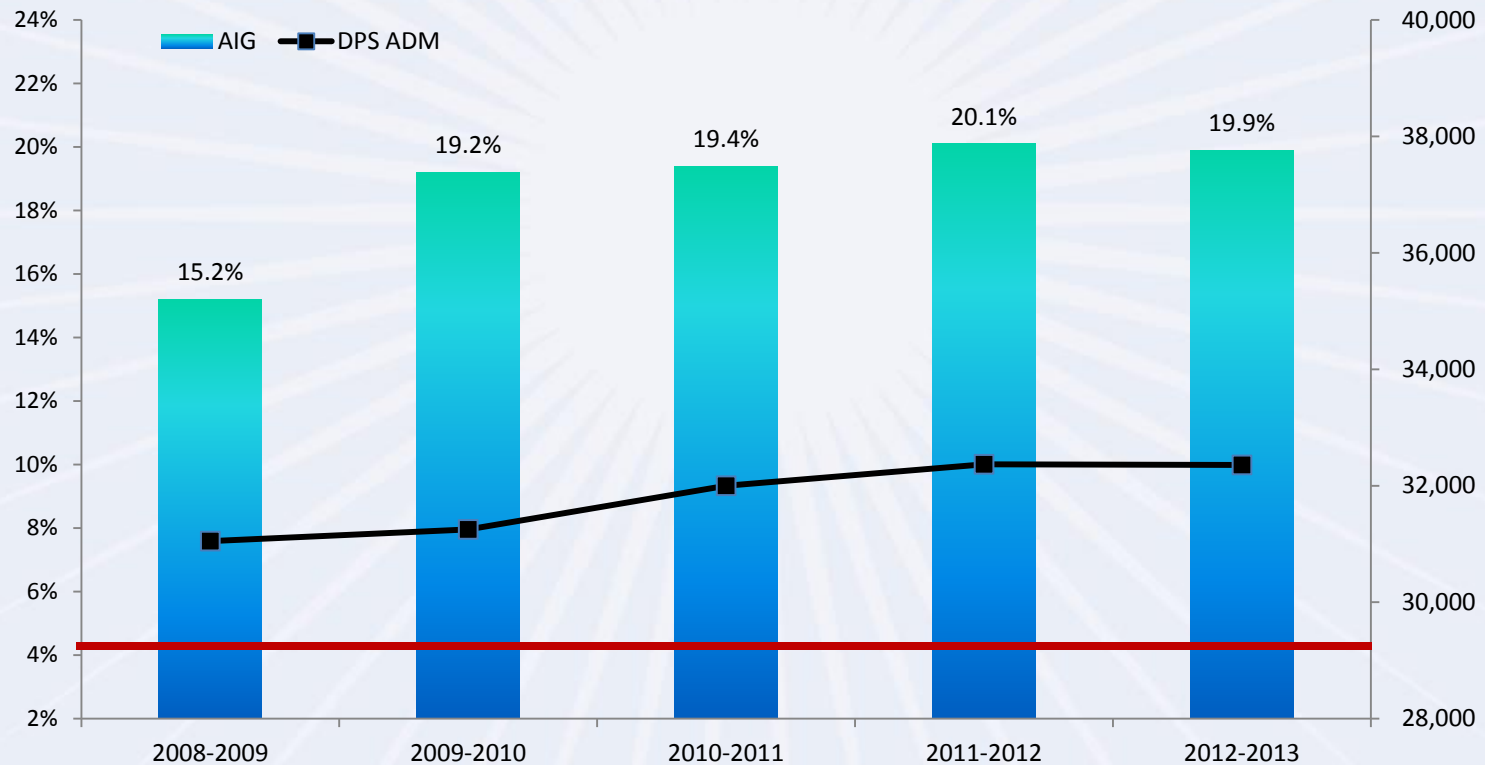
Student Demographics

Exceptional Children Services Eligibility



Student Demographics

Academically/Intellectually Gifted Services Eligibility

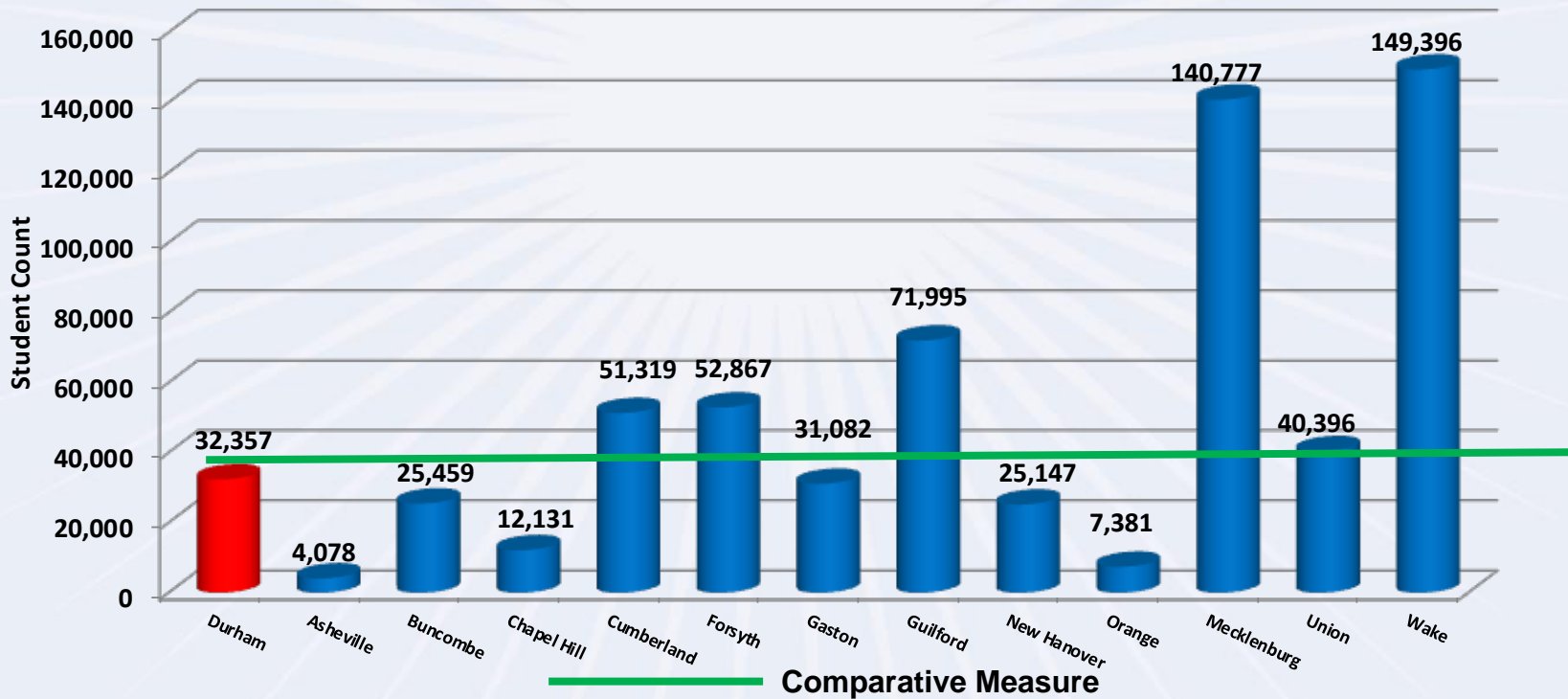


State cap 4% of ADM

Student Demographics

DPS compared to Other Counties

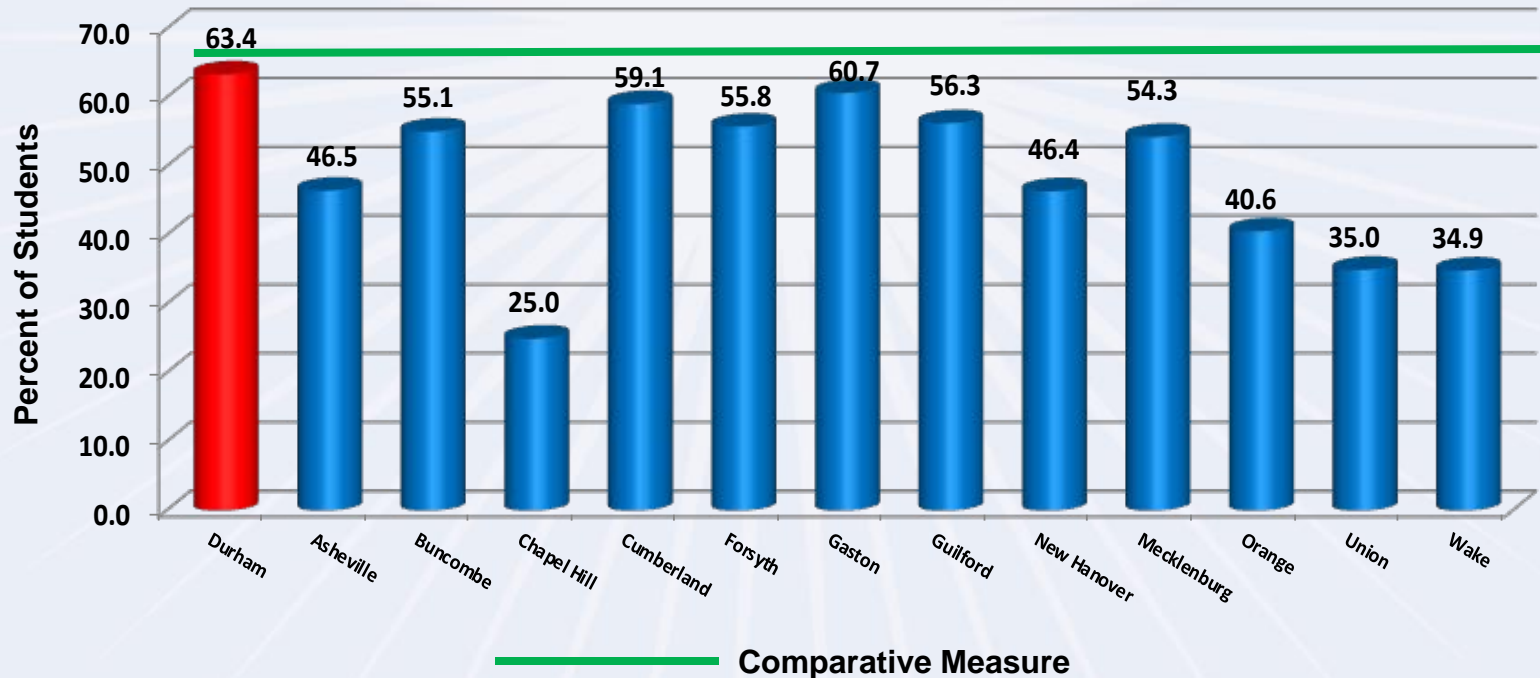
Average Daily Membership (ADM)



Student Demographics

DPS compared to Other Counties

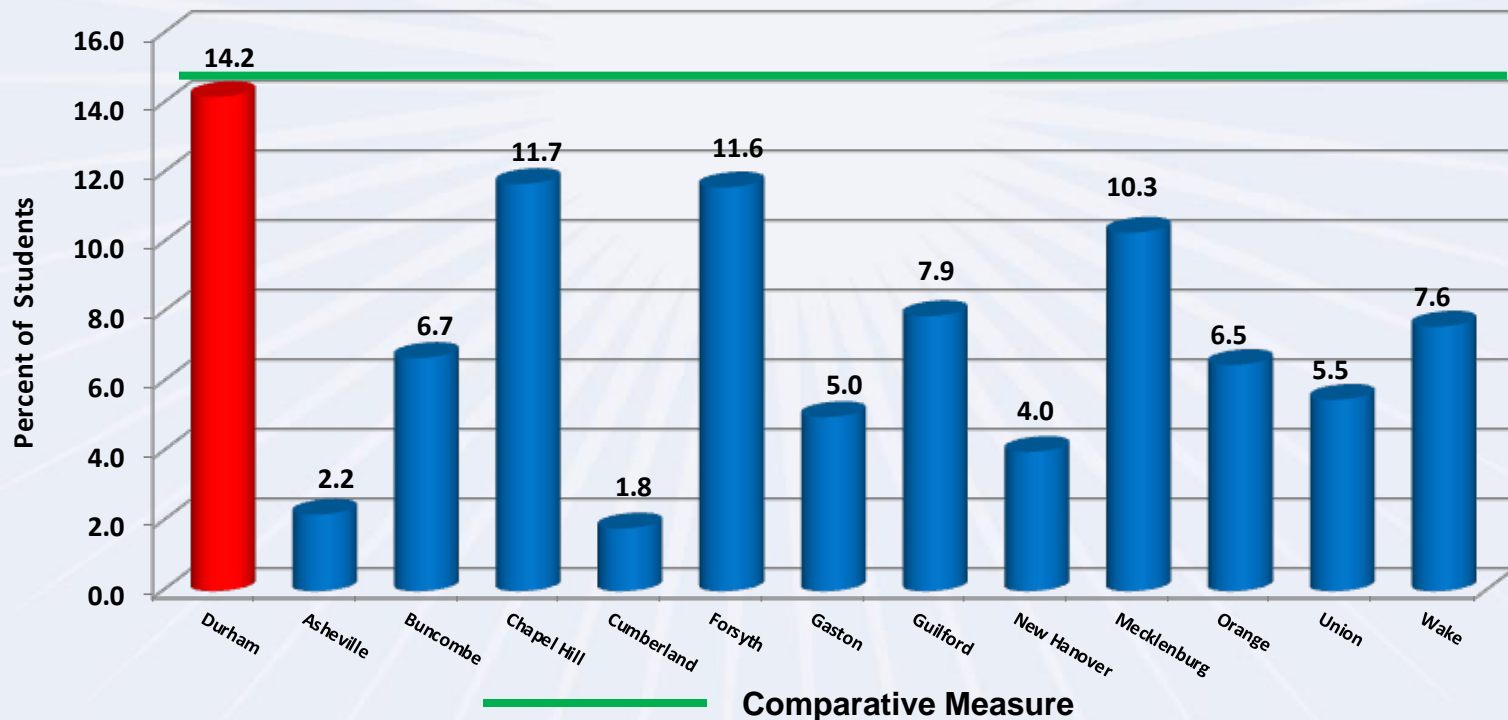
Free and Reduced Price Lunch Eligibility



Student Demographics

DPS compared to Other Counties

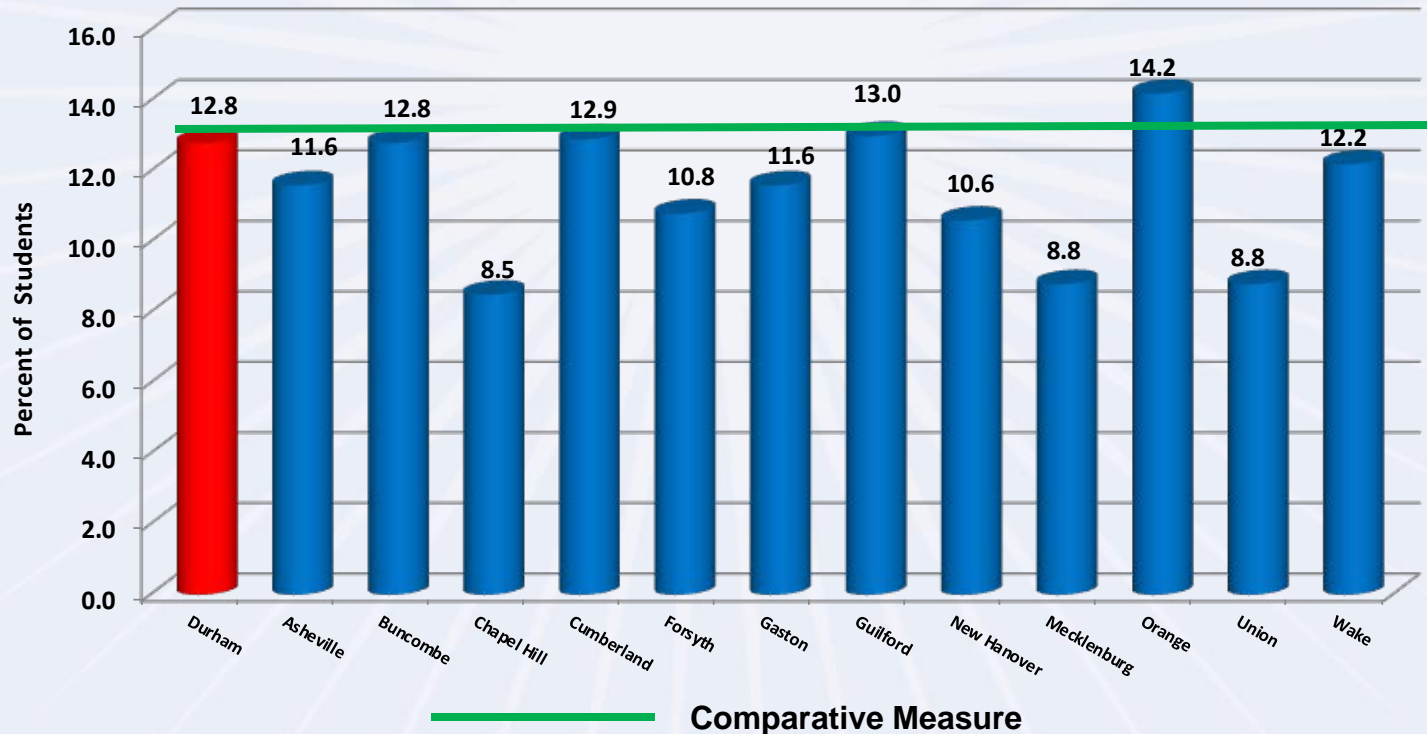
English as a Second Language Eligibility



Student Demographics

DPS compared to Other Counties

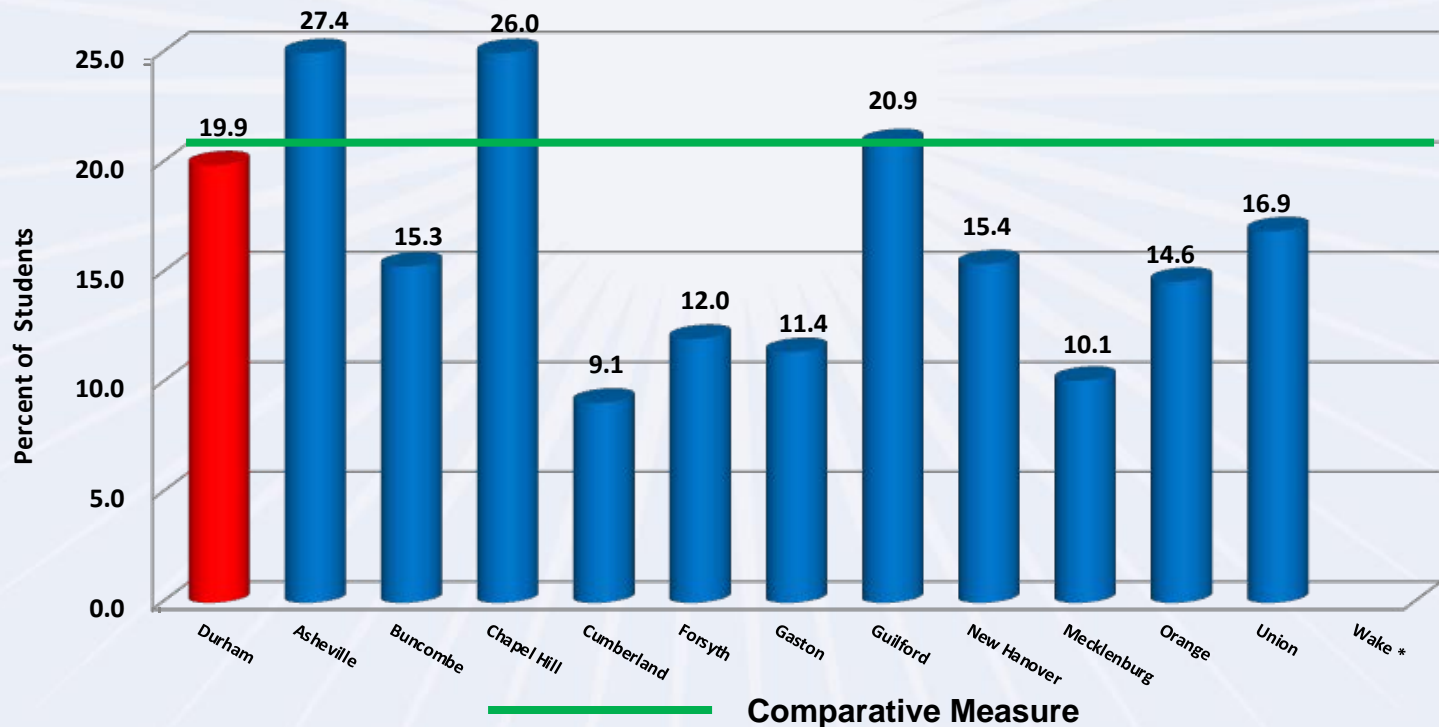
Exceptional Children Services Eligibility



Student Demographics

DPS compared to Other Counties

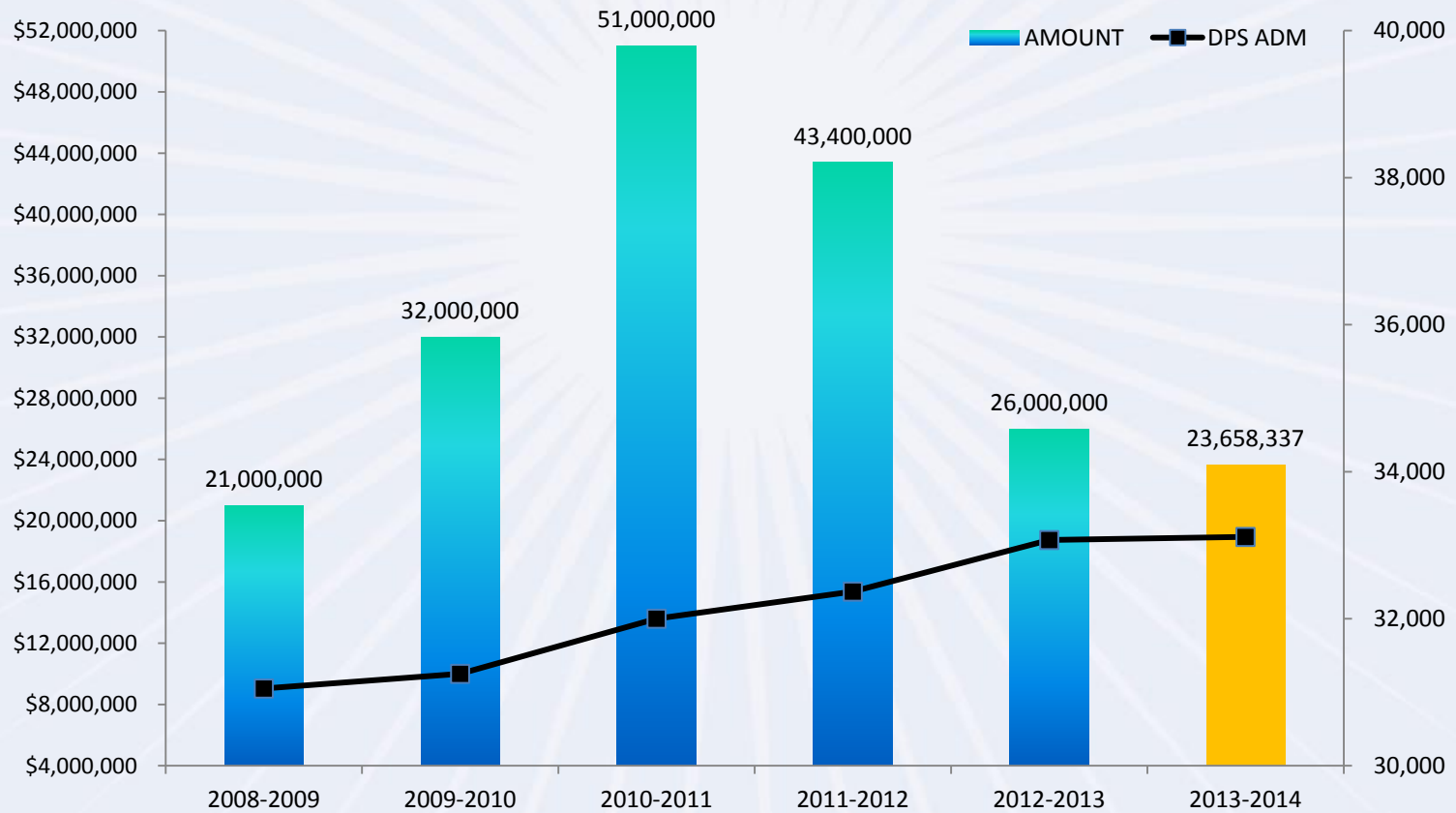
Academically/Intellectually Gifted Services Eligibility



Funding: A Historical Perspective

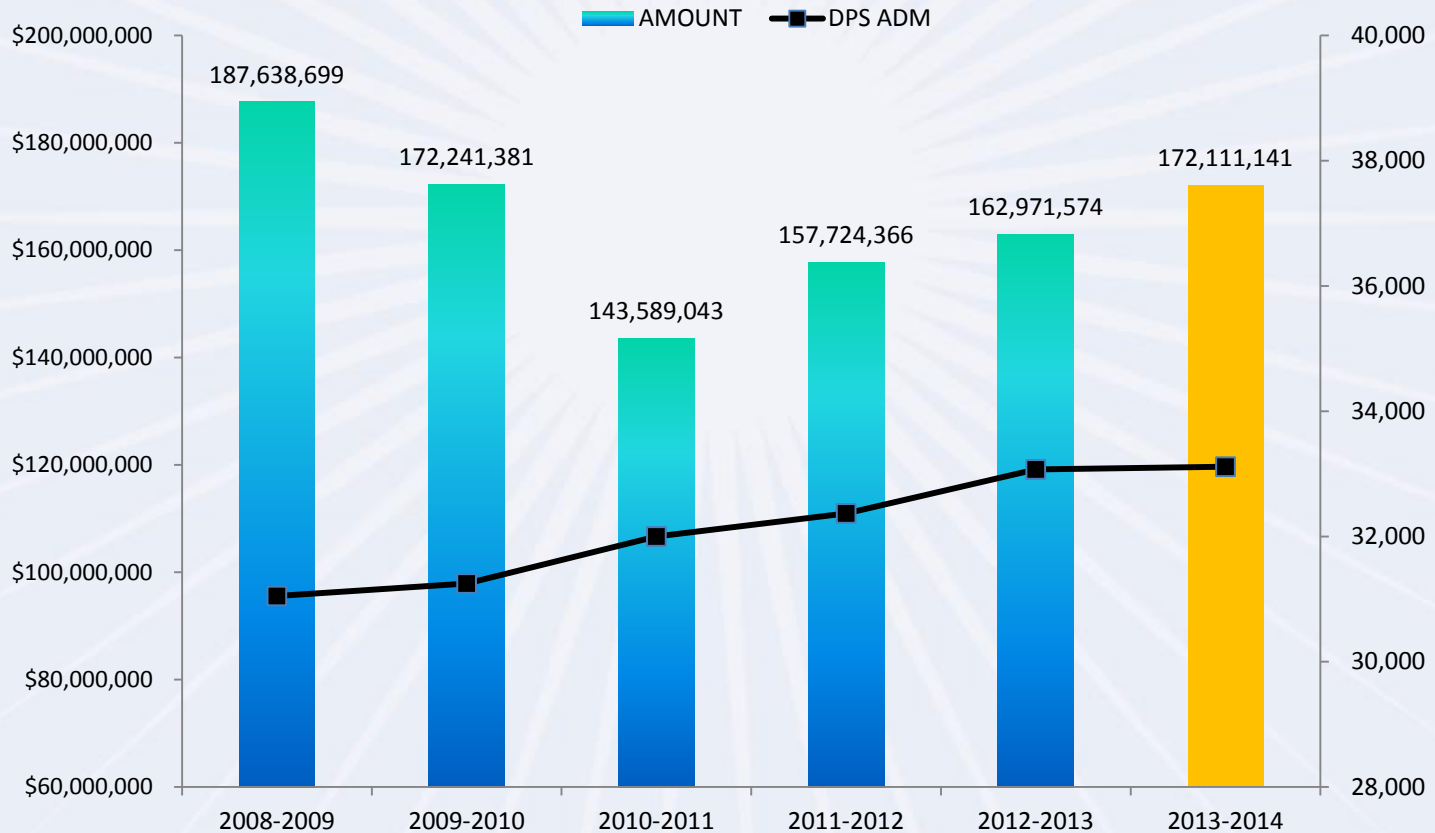
Historical Perspective

Federal Funds Over 6 Years



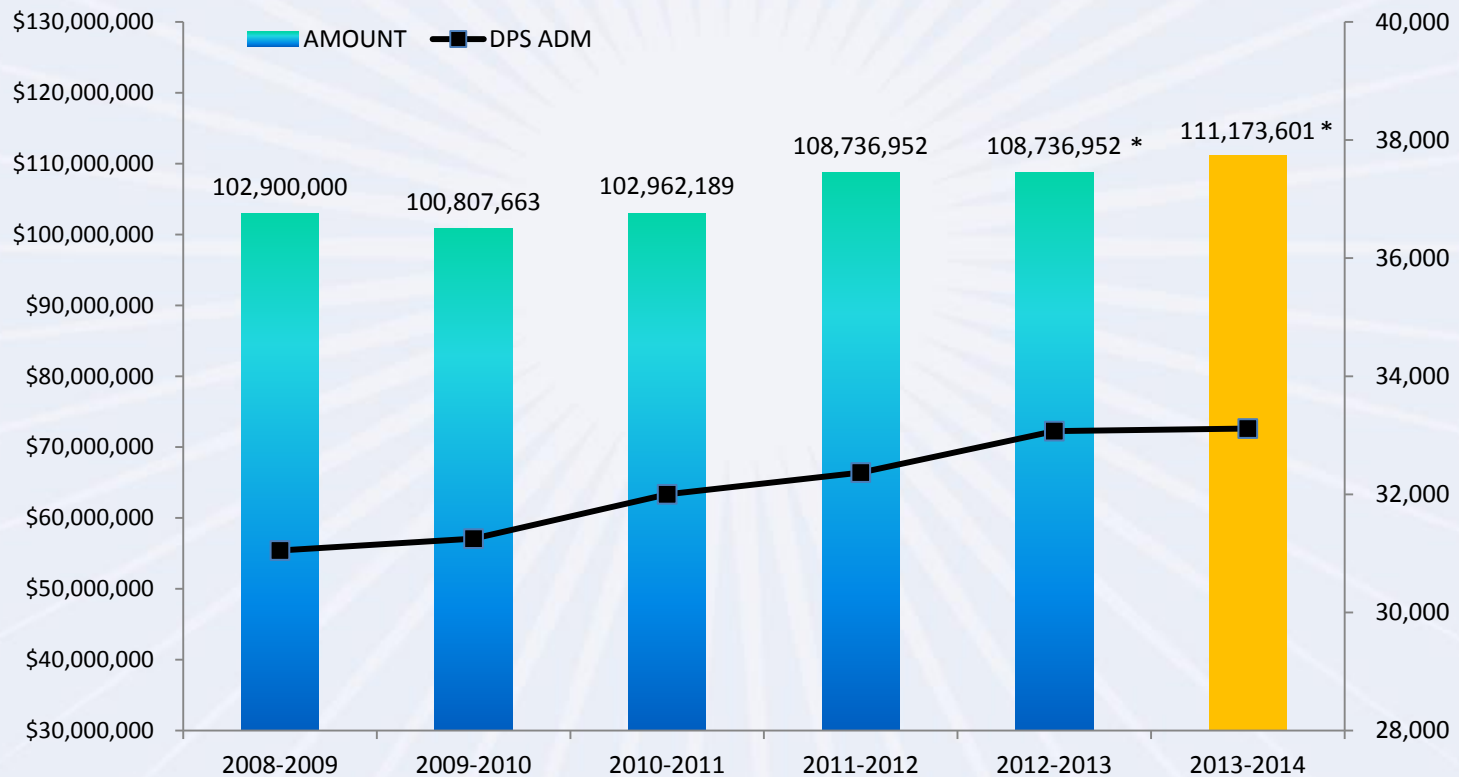
Historical Perspective

State Funds Over 6 Years



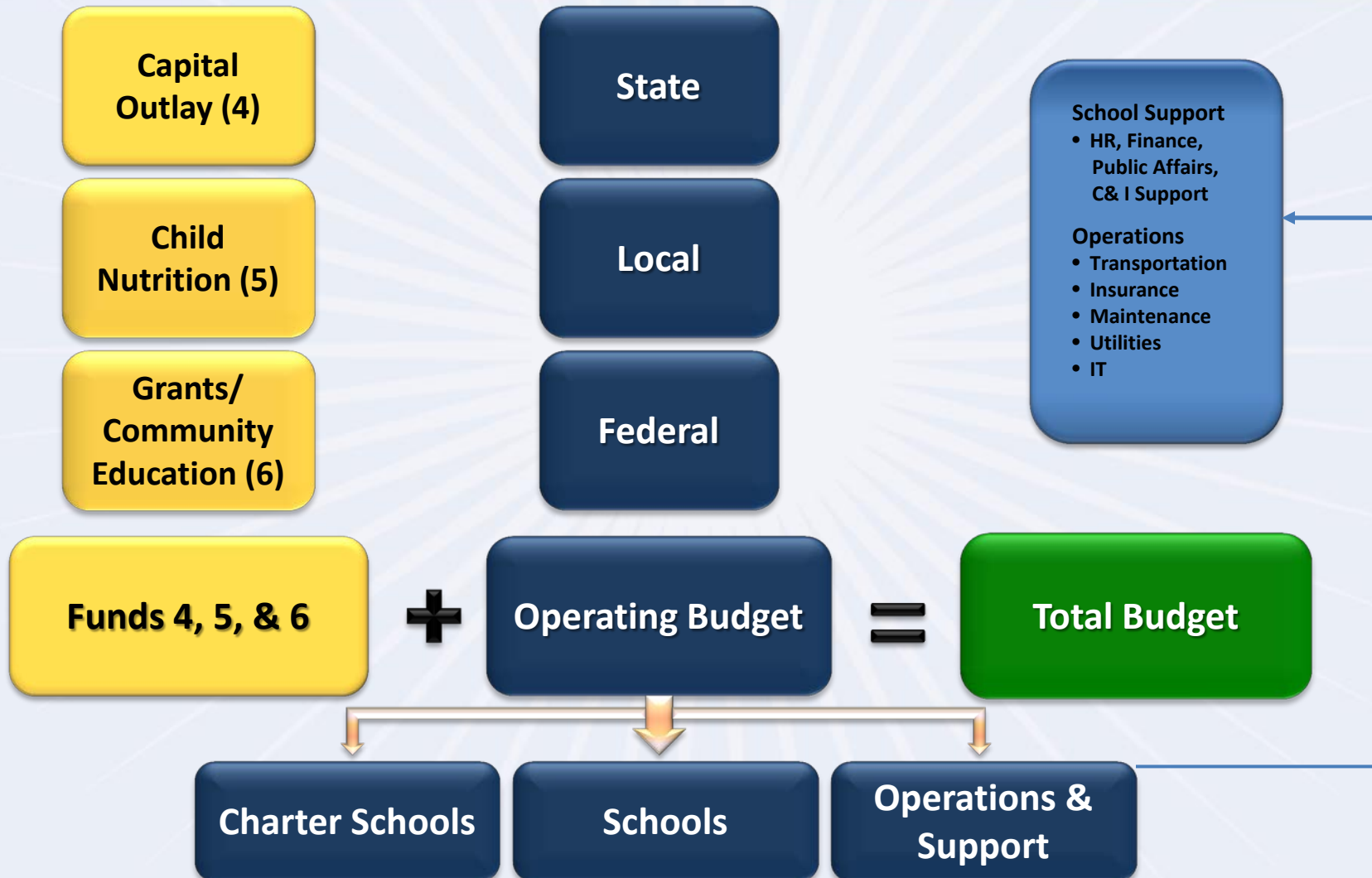
Historical Perspective

County Appropriation Funding Over 6 Years



* In addition to this amount DPS will receive \$6,900,000 from the ¼ cent sales tax approved by the voters in Nov. 2011, \$1,200,000 from fines and forfeitures and \$300,000 in late property filing fees also provided.

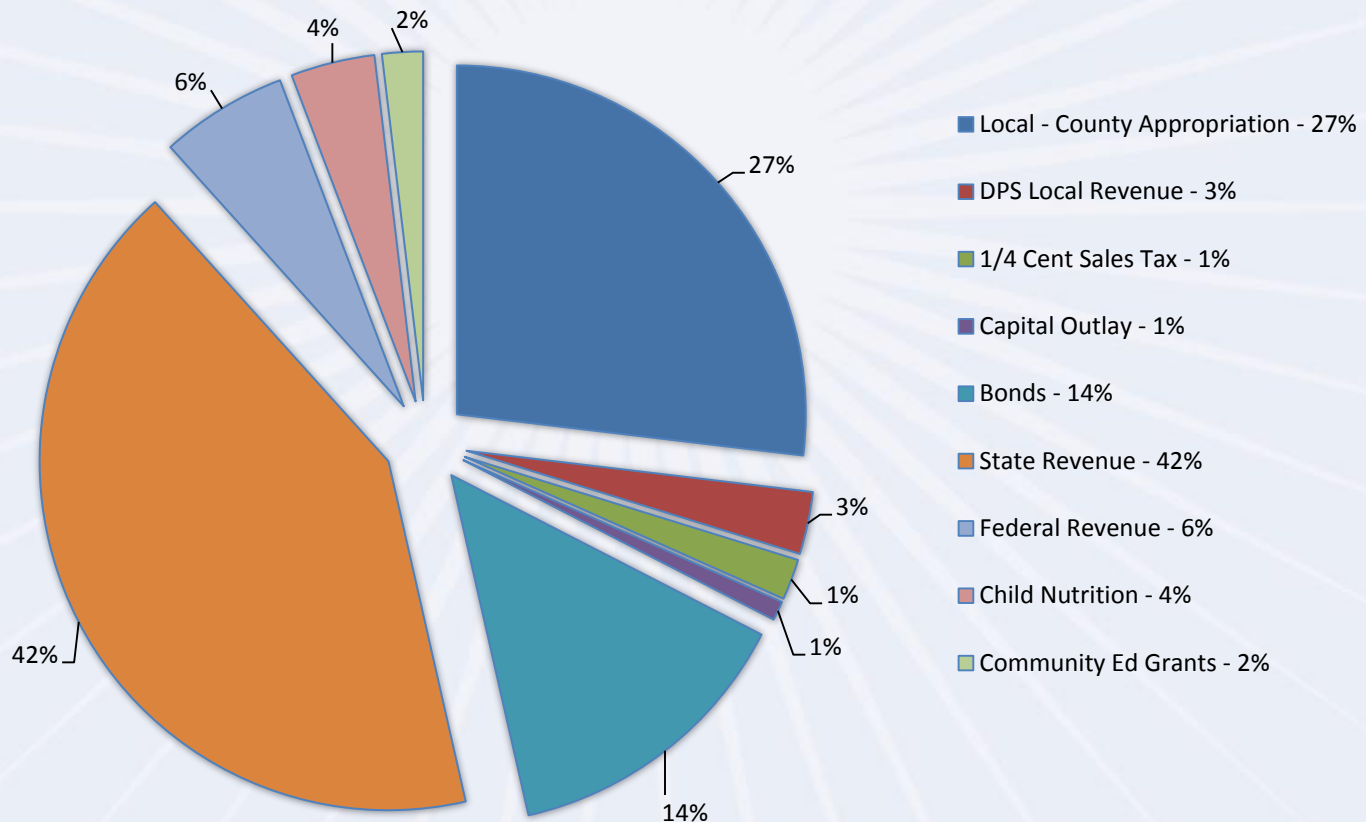
Budget Proposal

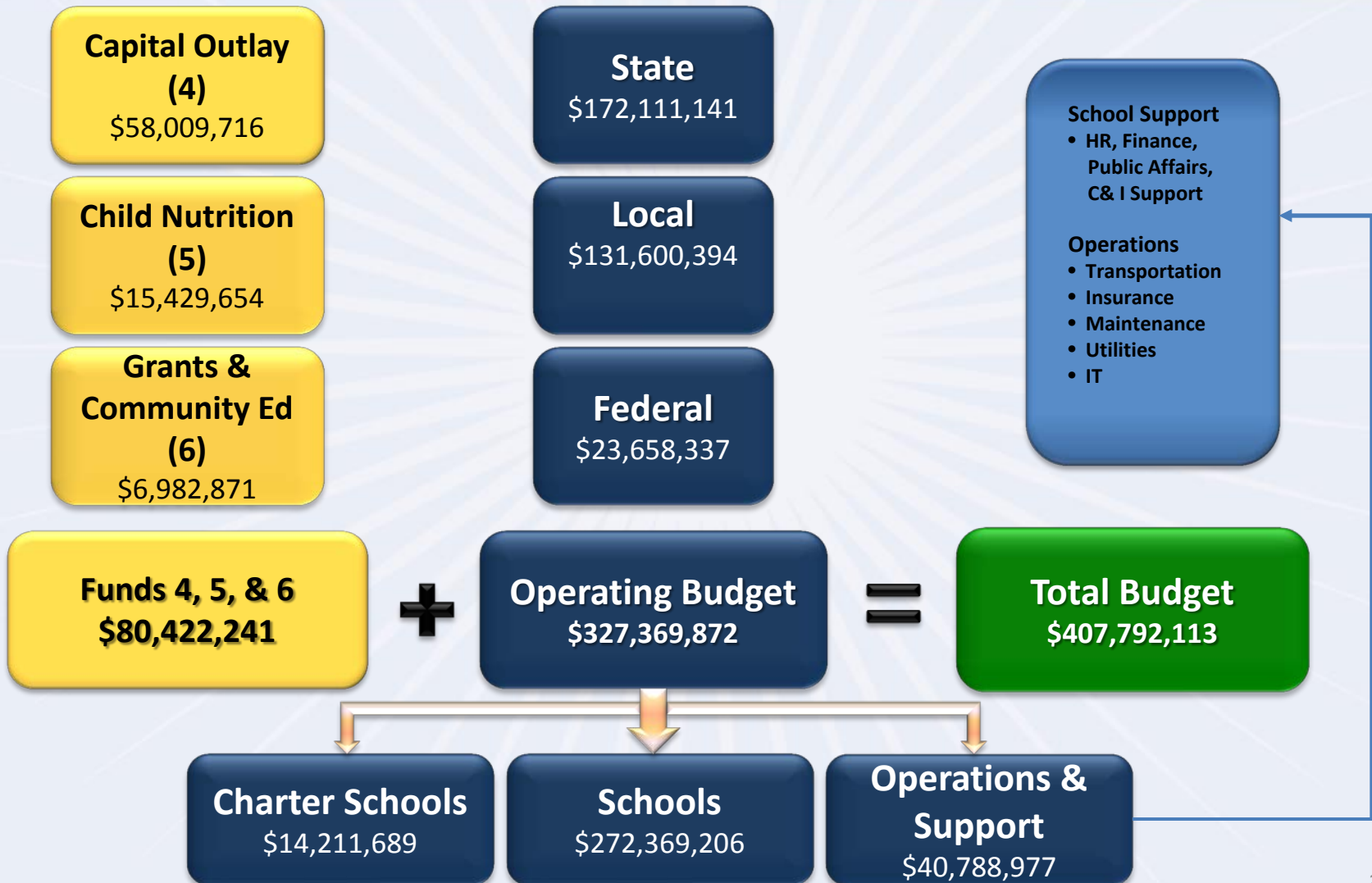


Funding Sources (Estimated)	Amount	% of Total
Local - County	\$111,173,601	27%
¼ Cent Sales Tax Revenue for operations	6,685,170	1%
DPS Local Revenues - \$6.3M (E-Rate, Medicaid, Fines and Forfeitures)	6,325,938	1%
DPS Local Revenues - Fund Balance	7,415,685	2%
Capital Outlay (Includes \$1M State Lottery)	2,496,932	1%
School Construction Bonds	55,512,784	14%
State Revenue	172,111,141	42%
Federal Revenue	23,658,337	6%
Child Nutrition	15,429,654	4%
Community Ed/ Grants (includes \$214,830 of ¼ cent sales tax)	6,982,871	2%
Total- All Funding Sources	\$407,792,113	100%

Superintendent's Proposed Budget 2013-14

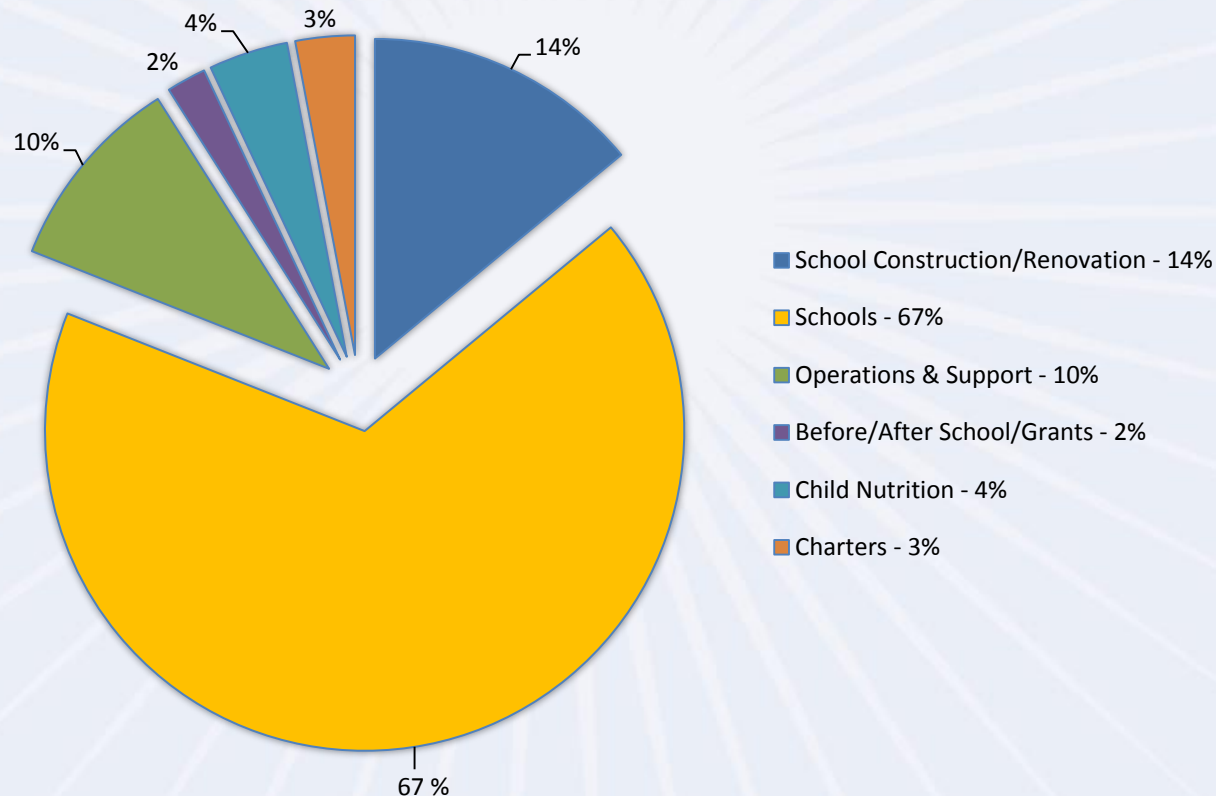
Total Budget \$408M – What Are the Sources of Funds?



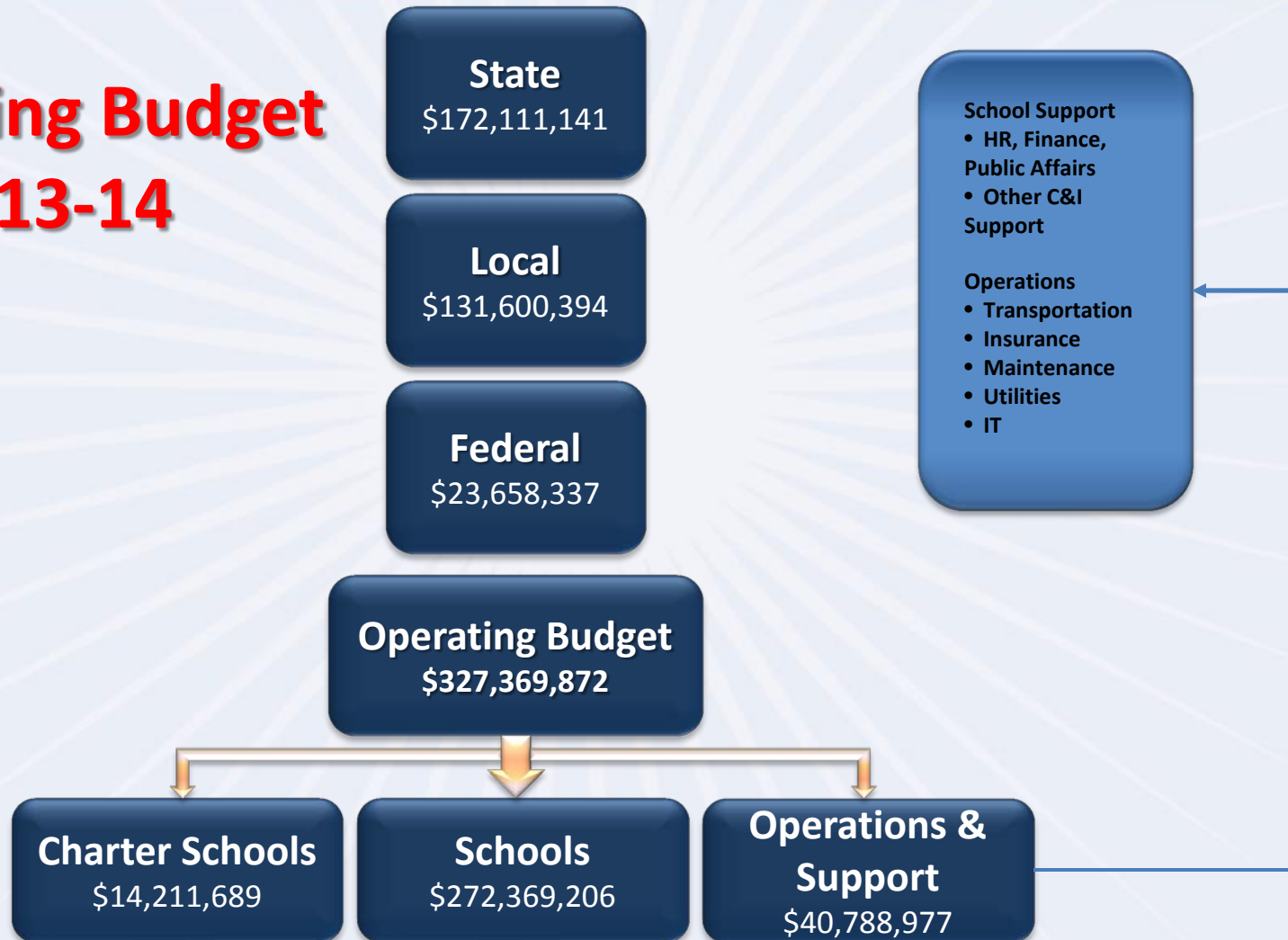


Superintendent's Proposed Budget 2013-14

Total Budget \$408M – Where Do the \$ Go?



Operating Budget 2013-14



Operating Budget: \$327,369,872

Where Do Our Dollars Go?

Schools 83%

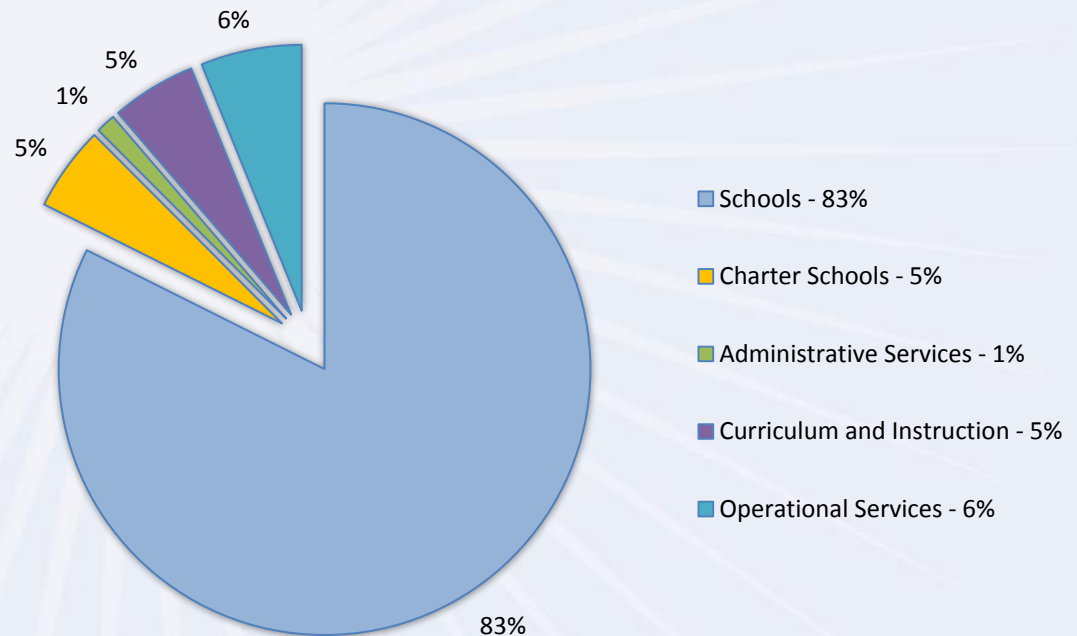
Charter Schools 5%

Administrative Services 1%
*Board of Education, Superintendent,
Human Resources, Finance, Public
Information (PICE)*

Curriculum and Instruction – 5%
*includes
Student Support Services*

Operational Services 6%
*Transportation, Maintenance, Risk
Management, Information
Technology...*

Total 100%



Operating Budget: \$327,369,872

Where Do Our Dollars Go?

State Funds \$172,111,141 Million

State Public School Fund Uses

- Position/Months of Employment Allotments
 - Teachers, School Based Administrators, Guidance, Psychologist, Nurses, and Interpreters
- Dollar and Categorical Allotments
 - Teachers, Teacher Assistants, Resource Officers, Administrators, Supplies and Materials, Contracted Services, and Transportation
- Unbudgeted Categories (State covers actual costs for state funded personnel)
 - Longevity, Vacation Payouts for personnel leaving state service, Disability over six months and Workers Compensation

Operating Budget: \$327,369,872

Where Do Our Dollars Go?

Local Funds \$131,600,394 Million

Local Funds Uses

- Teachers, Teacher Assistants, School Based Administrators, Instructional Support, Clerical, Custodians Supplements, Longevity, Resource Officers, Administrators, Supplies and Materials, Purchased Services, Contracted Services, Utilities and Maintenance, Insurance, and Transportation

Federal Funds \$24 Million

Federal Funds & Grants – Program Specific and cannot be used to supplant.

- Teachers, Teacher Assistants, Administrators, Supplies and Materials, Contracted Services, and Transportation

Summary - Projected Budget Deficit FY 2013-14

(\$1,700,000)	Federal Reductions - Sequestration (<i>Title I, IDEA, CTE, ESL, Improving Teacher Quality</i>)
(5,408,660)	Fund balance 2012-13 - 29 Teachers \$1,596,392, 8 Assistant Principals \$439,829, 20 EC Instructional Facilitators \$1,100,000, and \$2,272,439 for DPS and Charter School student growth
(500,000)	State Transportation Funding - Projected loss of state efficiency and fuel funding
(278,606)	Increase in State Discretionary Reduction
(2,486,035)	Teacher Assistants Reduction - Governor 's Budget Reduction – 80 TAs projected
(651,785)	1% Salary Increase - Governor 's Budget Increase (<i>Local impact</i>)
(3,067,488)	DPS student growth including charter schools (42 DPS / 927 Charters)
(384,666)	Inflationary Increases – Hospital Insurance \$5,472 and Retirement rate 14.59%
(148,960)	New Federal Health Insurance Program (<i>4,655 Employees *\$32 for Jan. 2014 to June 2014</i>)
(620,400)	Square footage (<i>Lucas Middle - not received in 2012-13</i>)
(\$15,246,600)	Total Projected Funding Shortfall 2013-14

Summary - Proposed Solution FY 2013-14

\$255,120	Additional Durham ¼ cent sales tax – to maintain Teacher salary and benefit cost at \$55,000
2,070,000	Additional state funding for student growth
1,100,000	Central Office budget reductions – Taken from non-salary budget items
4,000,000	From spending freeze in FY 2012-13 - Central Office Only
1,300,000	State Textbooks – increase in funding level (<i>will be used to save 80 TA positions</i>)
175,000	State Supplies and materials – increase in funding level (<i>will be used to save 80 TA positions</i>)
32,000	Savings from closing of Morris Street Building (<i>will be used to save 80 TA positions</i>)
3,415,685	Fund Balance
54,000	Transportation efficiencies savings from GPS bus tracking system
359,646	Lapsed salary savings (<i>other lapsed salary savings fund the strategic plan</i>)
<u>48,500</u>	Four day summer work week utilities savings
\$12,809,951	84% Total DPS Contribution
<u>2,436,649</u>	16% Requested County Funding (<i>Continuation Items Only</i>)
\$15,246,600	Total Proposed Solution
\$0	Balance

Superintendent's Proposed Budget 2013-14

Timeline

Date	Time	Event
April 25, 2013	6:30pm	Presentation of Superintendent's Budget Proposal 2013-14 to Board of Education (BOE)
May 1, 2013	6:30pm	Budget Public Hearing with BOE/BOE Work Session
May 8, 2013	4:30pm	Budget Work-session with BOE
May 13, 2013	6:30pm	Special Called Board Meeting to adopt 2013-14 Budget
May 15, 2013		Adopted BOE Budget Request for 2013-14 is delivered to the County

Additional Information

- DPS Budget Website:
<http://www.dpsnc.net/about-dps/budget/fy-2013-14-budget-page>
- N.C. Department of Public Instruction
www.ncpublicschools.org/fbs
- Governor's 2013-15 Budget Proposal
http://www.osbm.state.nc.us/files/pdf_files/2013-15_BudgetBook_web.pdf

Looking Forward, 2014-15

- Exhausted use of fund balance
- Minimum projected shortfall = \$19.2M
 - \$15.2 + inflationary increases \$4M
- Potential elimination of instructional programs
- Potential elimination of staff: 29 Teachers, 80 Teacher Assistants, 20 EC Facilitators, and 8 Assistant Principals

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