

Budget Development for 2007-2008 School Year



Spokane Public Schools
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As of March 26, 2007

Purposes

- Describe funding challenge
- Review budget development context
- Present reduction options
- Seek input



Budget Development for 2007 - 2008

Budget Preparation Schedule

January 10	Budget Preparation Schedule and Preliminary Budget Forecast for 2007-2008 Presented to School Board
January 23	Administrator and Education Association Preview of Budget Forecast for 2007-2008
February 12	Review of 2007-2008 Budget Forecast and Issues with Citizens Advisory Committee (CAC)
February 22-23	Superintendent Council Budget and Program Review
February 28	School Board Update on 2007-08 Budget Preparation and School Closure Report
March 7	School Board Work Session on 2007-2008 Budget
March 21	Public Hearing on Proposed School Closure Pratt Elementary – 7:00 p.m.
March 26	Community Budget Forum – 7:00 p.m. Chase Middle School
March 29	Community Budget Forum – 7:00 p.m. Glover Middle School
April 16	Review of Possible Budget Solutions with CAC
April 18, 19, 20	Departmental Budget Review Hearings
April 22	End of Regular Legislative Session
April 25	School Board Decision on Proposed Closure of Pratt Elementary Public Hearing on Preliminary Plan for Student Achievement Fund (I-728)
May 2	School Board Work Session on 2007-2008 Budget Solutions
June 27	Superintendent's Recommended 2007-2008 Budget Presented to School Board
July 10	Recommended Budget Available to Public
August 8	School Board Adoption of 2007-2008 Budget



Funding for Education

- The state's paramount duty is to provide ample funding for a uniform public education system
- The state legislature is not meeting the constitutional obligation for funding public schools
- The state is not fully funding all legal mandates
- School districts and education organizations have filed lawsuits against the state to fully fund required and basic education programs
- The governor's proposed budget starts to fix the core basic education funding problem but falls short and even adds spending for specific new programs
- Despite shrinking resources and increasing costs, the district has been disciplined during the past few years by making difficult program reductions to maintain sound financial practices



Budget Development for 2007 - 2008

Estimated Funding Challenge based on Governor's Budget

Increased Revenues
Increased Expenditures
Net Impact
Current Budget Gap
Total Funding Challenge

Millions

\$	9.9
	-13.6
	<hr/>
	-3.7
	-6.8
	<hr/>
\$	-10.5



Budget Development for 2007 - 2008

Budget Development Context

District Funds

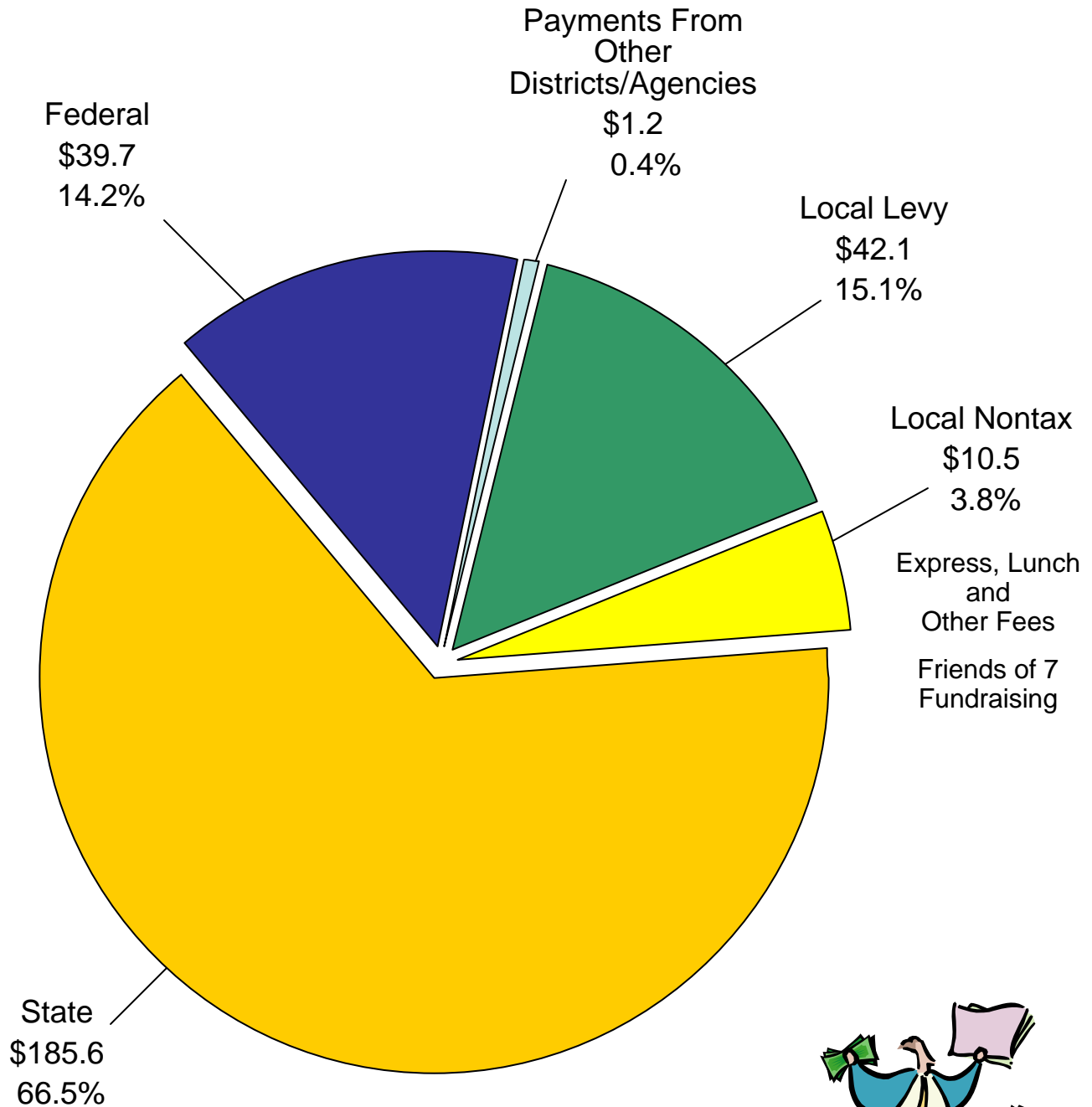
- **General Fund** – to operate schools each year
- **Capital Projects Fund** – to improve facilities and technology (restricted to projects included in the 2003 bond election)
- **Associated Student Body Fund** – for student government activities



Budget Development for 2007 - 2008

Budget Development Context

Revenues for 2006-2007 Budget



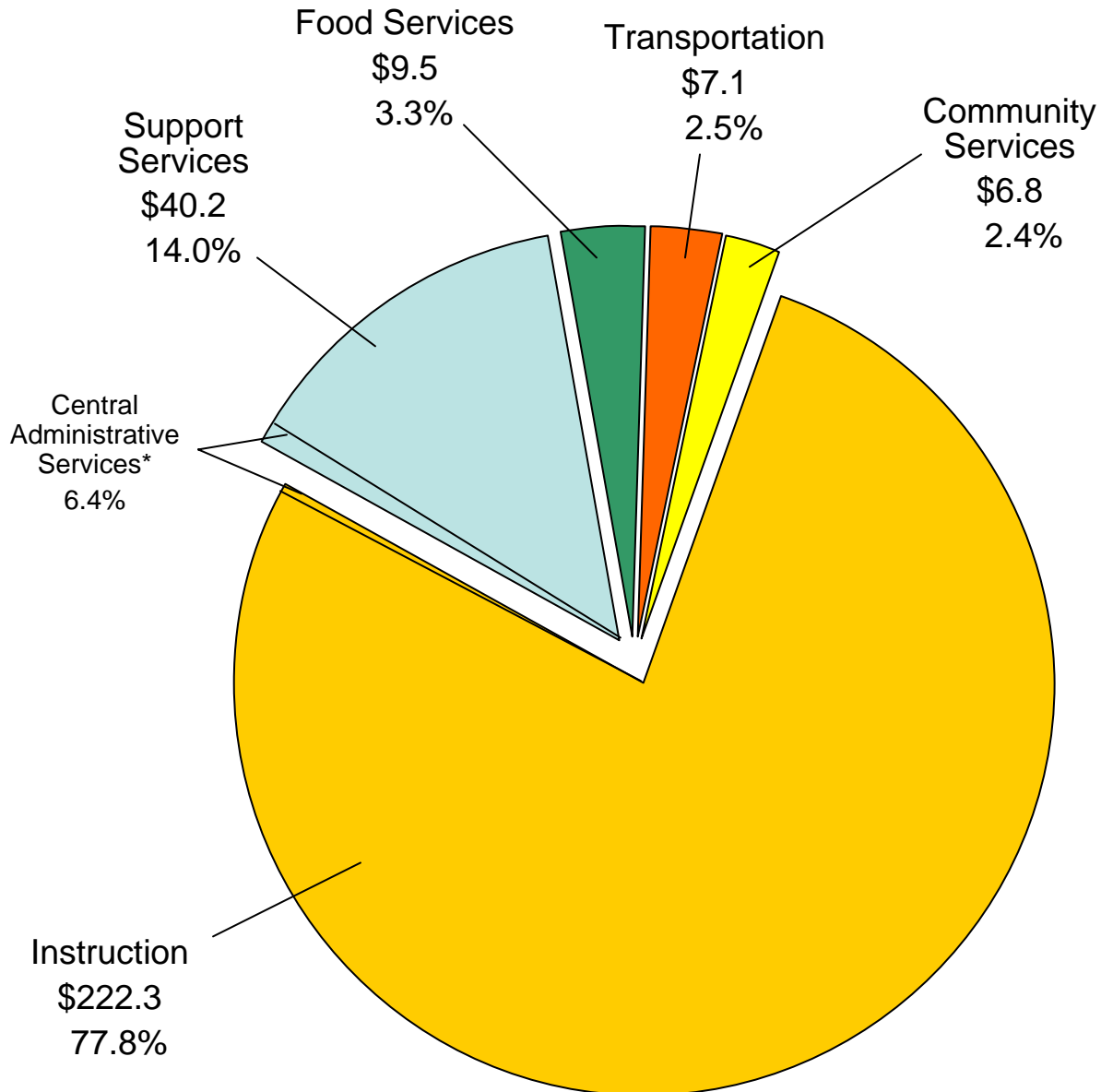
Total Revenues of \$279.1



Budget Development for 2007 - 2008

Budget Development Context

Expenditures by Program — 2006-2007 Budget



***Note:** Spokane's Central Administrative Services are 1% below state average of other school districts.

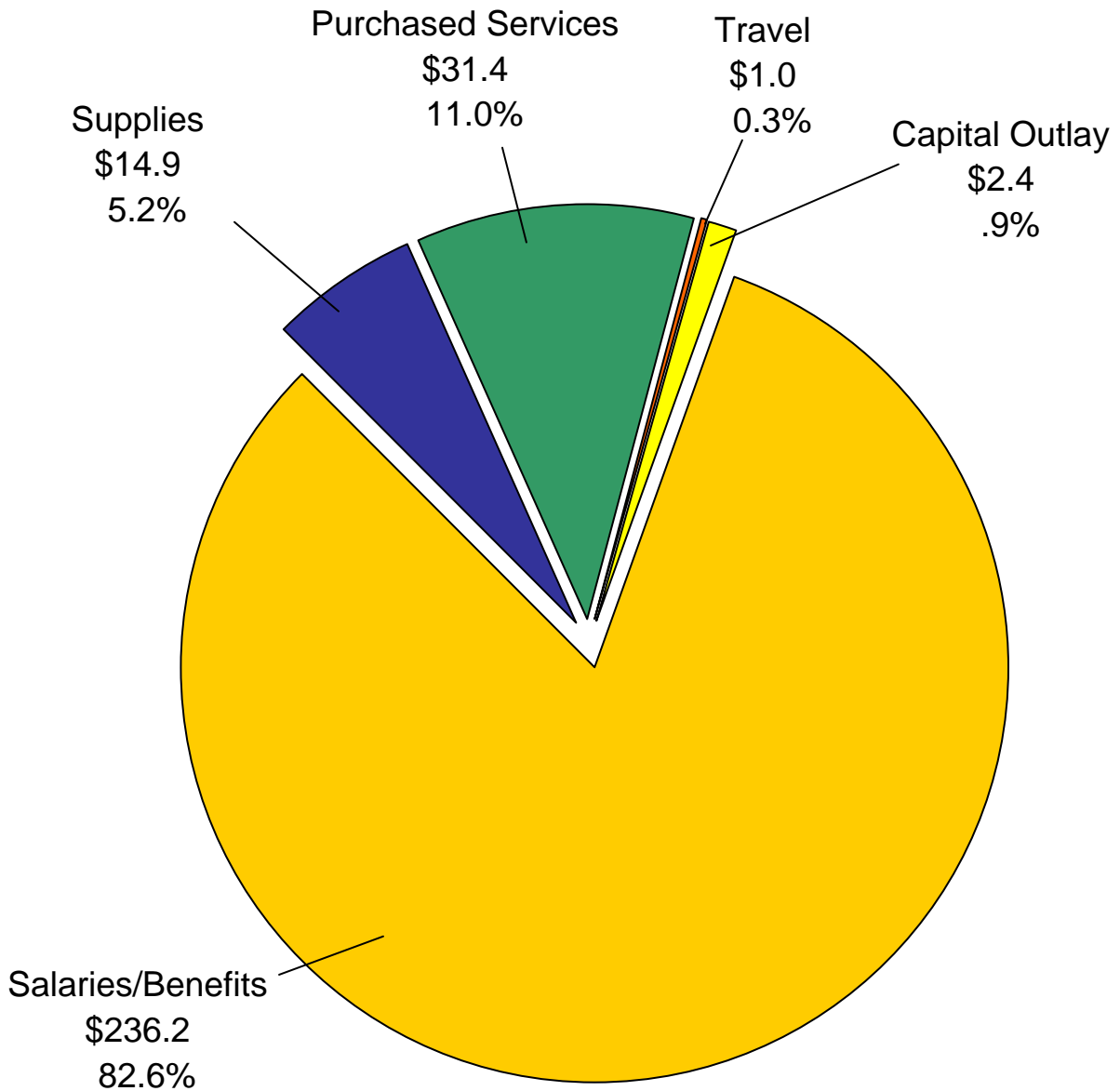
Total Expenditures of \$285.9



Budget Development for 2007 - 2008

Budget Development Context

Expenditures by Object — 2006-2007 Budget



Total Expenditures of \$285.9



Budget Development Context

Prior General Fund Budget Challenges

	Millions
2002 – 2003	\$ - 6.0
2003 – 2004	- 9.1
2004 – 2005	- 5.7
2005 – 2006	- 2.9
2006 – 2007	- 6.8
Five Year Total	\$ -30.5

Examples of budget balancing solutions

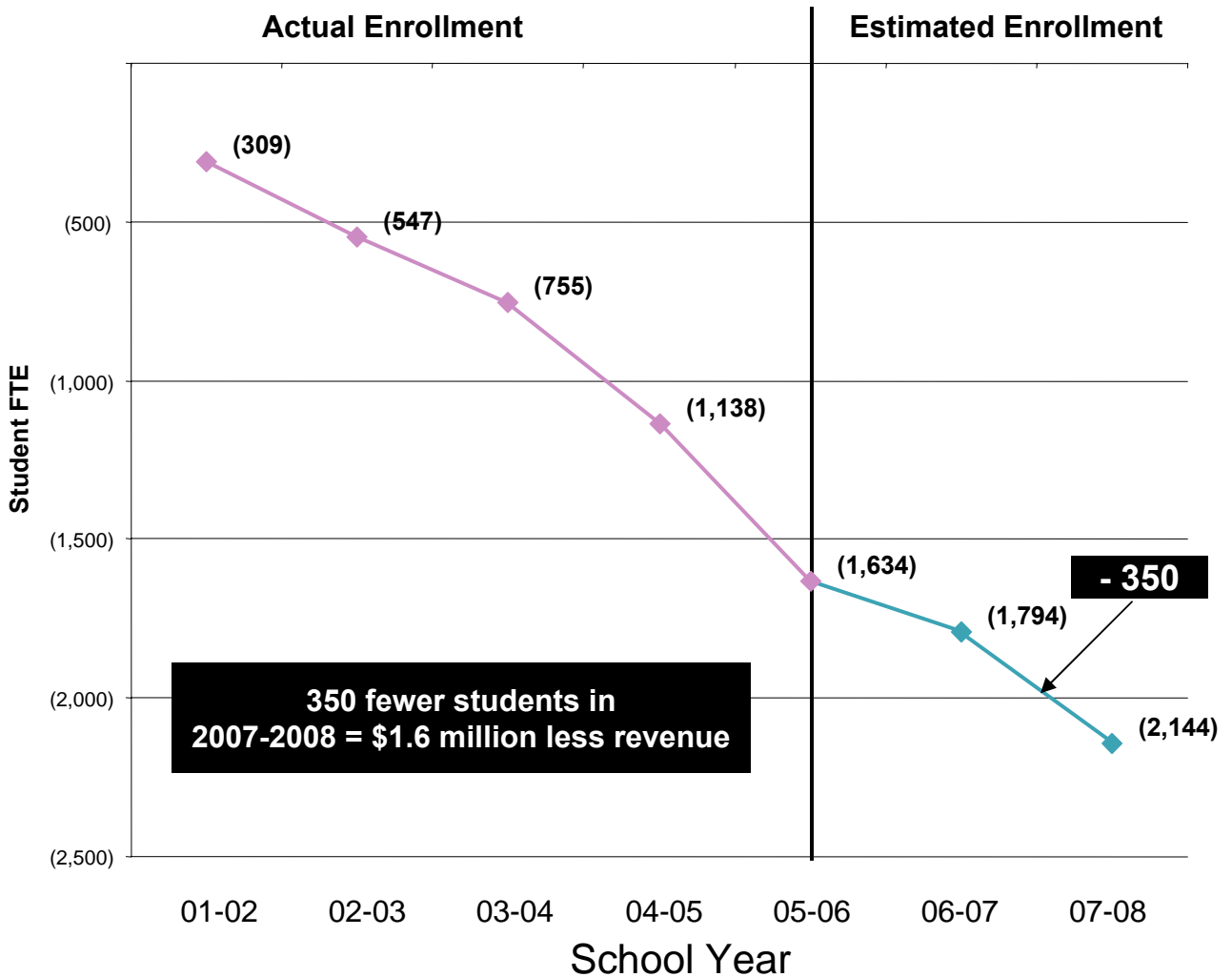
	Millions
Central Administration Reduced	\$ 2.9
Reduce Teachers to Match Lower Enrollment	8.6
Reduce Support Positions to Match Lower Enrollment	5.0
Other District-Wide Reductions	3.9
Utilization of Fund Balance (Savings Account)	10.1
Total	\$ 30.5



Budget Development for 2007 - 2008

Budget Development Context

Student Enrollment Cumulative Decline 2000-2008



Note: \$10.5 estimated funding gap includes less revenue due to fewer students and reduction of staff commensurate with estimated decline.



Budget Development Context

Budget Planning Standards

- Focus financial resources on programs that directly support the District's Strategic Plan and student achievement
- Maintain a safe learning and working environment for students and staff
- Sustain staff, parent and community support
- Maintain the District's:
 - financial integrity
 - investment in facilities, technology, and other physical assets
- Retain an essential level of support services for District operations
- Assure revenue generating programs break even
- Budget decisions should be:
 - practical
 - sustainable
 - timely
 - cost effective
 - legal
 - commensurate with adjustments in student enrollment
 - evaluated on an ongoing basis, based on the standards



Budget Development Context

Non-Mandatory Expenditures

Examples:

- Extracurricular Activities (sports, clubs, intramurals, etc.)
- Number of Schools
- Alternative Programs (Virtual Learning, Home School, Contract Based Education, etc.)
- Gifted and Talented Program
- Elementary Art Program
- Library Positions
- Elementary Band and Strings Program
- Elementary Principal Assistants Positions
- Support Specialists Positions (counselors, career, etc.)
- Number of Secondary Administrative Positions
- Class Size
- Secondary Elective Classes
- Support Staff (custodial, maintenance, clerical, etc.)
- Number of Central Administrative Positions
- Student Transportation (support from local funds)
- General Program Travel
- Day Care Programs
- Social Services
- Security Staff



Budget Development for 2007 - 2008

Reduction Options

Summary of Options

	Millions
Budget Management	\$ 2.00
Central Office	0.85
Operational Efficiencies	1.95
Building Support Programs	2.90
School-based Programs	3.60
Special Education	1.00
Total Reductions	<hr/> \$ 12.30



Budget Development for 2007 - 2008

Reduction Options

Budget Management

Under spend 2006-2007 Budget

Millions

\$ 2.00



Budget Development for 2007 - 2008

Reduction Options

Central Office

	Millions
Reduce Positions	\$.58
Freeze and Reconfigure Positions	.13
Reduce Contracted Services and Publications	.14
Total Reductions	<hr/> \$.85



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Reduction Options

Operational Efficiencies

	Millions
Reduce Energy Costs	\$.30
Freeze NERC's at '06-07 Level	1.00
Transportation Route Changes	.10
School Closure	.45
Travel Restrictions	.10
Total Reductions	<hr/> \$ 1.95



Budget Development for 2007 - 2008

Reduction Options

Building Support Programs

	Millions
Reduce Custodians	\$ 1.50
Reduce High School Administrative Support	.35
Reduce Librarian Positions	.70
Eliminate Career Specialists	.30
Eliminate Havermale Childcare	.05
Total Reductions	<hr/> \$ 2.90



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Reduction Options

School-Based Programs

	Millions
Strategic Use of I-728 for Staffing	\$ 1.60
Increase Class Size by 1 Student	.75
Reconfigure High School Department Heads	.25
Reduce Online Class Offerings	.20
Reduce Extracurricular:	
Elementary	.35
Middle School	.15
High School	.30
Total Reductions	<hr/> \$ 3.60



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Reduction Options

Special Education

Reduce Certificated Support
Staff Positions

Millions

\$.50

Reduce Classified Support
Staff Positions

.20

Eliminate STRIVE positions
serve students through CTE

.30

Total Reductions

\$ 1.00



Budget Development for 2007 - 2008

Reduction Options - Summary

	Millions
Budget Management	\$ 2.00
Central Office	0.85
Operational Efficiencies	1.95
Building Support Programs	2.90
School-based Programs	3.60
Special Education	1.00
Total Reductions	<hr/> \$ 12.30



Percentage of Reductions by Program

Major Reductions

District-wide Support

- Central Office
- Custodians
- Transportation
- Energy Conservation
- Modified Hiring Freeze

Instructional Program

- School Closure
- Class Size Increase
- Librarians
- Extracurricular
- High School Administrative Support
- Special Education

Percentage of Reduction

19.41%

3.11%



Possible future reductions - need further study

- Facility Consolidations – 2008 and beyond
 - Additional Elementary School Closure(s)
 - Examine Uses of High Schools including Havermale
 - Libby Center
 - The Enrichment Center at Bryant
 - Relocate MAP – Eliminate Lease
 - Relocate Science Warehouse – Eliminate Lease
- Reconfigure Elementary Bands/Strings
- Ownership of KSPS-TV




Key Budget Points

- The state's funding system for basic education programs is broken
- Levy dollars intended for local enrichment programs are instead being used to fund state mandates
- The result: Major cuts to local programs must be made unless the legislature improves core basic education funding



Budget Development for 2007 - 2008

Input



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Budget Worksheet 2007-2008

In Millions
\$10.5

Estimated Funding Challenge	
Reduction Ideas the District May Implement	2.00
Current year modified hiring freeze, reduce supply spending, etc. to save for 2007-2008	.85
Reduce central office positions, contracted services and publications	.30
Reduce energy costs	1.00
Freeze non-employee related costs (supplies, etc.) at 2006-2007 level	.05
Eliminate Havermale childcare (new licensing requirements make this program unsustainable)	1.60
Strategic use of I-728 funding for staffing	.20
Reduce online class offerings (commensurate with enrollment)	.25
Reconfigure high school department head positions to meet current job requirements (approx. 5 FTE)	.10
Travel restrictions (restricting non-grant related travel)	.10
Subtotal of reductions the district may implement	6.35
ESTIMATED REMAINING TO REDUCE	
	4.15

Reduction Ideas to Retain if State Funding Improves	Priority to Retain (#1 - #14) Number
Please rank, from #1 to #14, the priority of programs and services that you would advise the district to retain if state basic education funding is improved by the 2007 legislature - #1 is your first priority to retain and #14 is your last priority to retain.	
Transportation - reconfigure attendance areas to obtain bus route efficiency	.10
Closure of Pratt Elementary	.45
Increase class size by 1 student	.75
Reduce custodial services to every 3rd day cleaning (approx. 40 FTE)	1.50
Reduce high school administrative support (approx. 6 FTE)	.35
Reduce librarians - most elementary to half-time, eliminate middle school librarians and add clerk time to maintain library hours (approx. 12 FTE)	.70
Eliminate high school career specialists (approx. 6 FTE)	.30
Reduce elementary extracurricular (maintain only academic support activities)	.35
Reduce middle school extra curricular (maintain interschool sports, eliminate intramurals)	.15
Reduce high school extracurricular (eliminate freshman teams and extra coaches)	.30
Reduce special education certificated support staff positions (approx. 7-8 FTE)	.50
Reduce special education classified support staff positions (approx. 4-5 FTE)	.20
Eliminate special education STRIVE specialists and serve students through CTE (approx. 6 FTE)	.30
Total other potential reductions	\$ 5.95

Return completed worksheet by April 20 to:
Business Office, Spokane Public Schools, 200 N. Bernard, Spokane, WA 99201 • www.spokaneschools.org



Budget Development for 2007 - 2008

Input

Budget Reduction Ideas Studied and Not Practical

The following are several budget reduction ideas previously proposed by staff and community that have been studied and determined to be not practical:

Proposed Solutions that compromise the success of the District's Strategic Plan

- Centralize Summer School and Make Self Supporting
- Cut or Reduce Technology Facilitators
- Eliminate Mentoring Program
- Freeze Curriculum Changes
- Reduce Gifted Programs

Proposed Solutions that compromise a safe learning and working environment

- Eliminate Equity Department
- Eliminate Principals/Principal Assistants
- Reduce Nurses

Proposed Solutions that are Bond Funded and do not help the General Fund budget problem

- Put Building Renovation/Improvement Plans on Hold
- Sell Surplus Property/Buildings
- Technology Freeze - No New Computers

Proposed Solutions that are not cost effective

- Close Buildings during Weekends and Holidays
- Increase the 1-mile radius for busing/Use STA
- Use District Facilities Instead of Renting Albi, Arena, INB Performing Arts Center, etc.

Proposed Solutions that are not legal due to Legislative Restraints or Labor Contracts

- Across the Board Pay Cuts
- Eliminate WASL and Other Exams
- Offer Early Retirement
- Reduce Vacation Days/Eliminate Buyback Option
- Shorten the School Year

Proposed Solutions that relate to already self-supporting programs - no cost savings

- Reduction of Food Services
- Reductions to Express

List any questions or other budget ideas below:

