

Budget Development FY 2012

Staff Budget Reduction Recommendation (Preliminary)

**Board of Trustees Workshop
February 10, 2011**

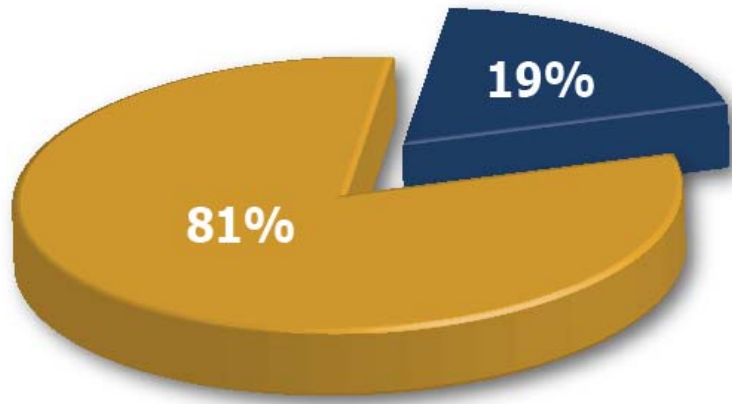
Primary Mission

Academic Achievement:

Even in the midst of difficult economic times requiring strategic budget reductions CCSD has continued to increase academic achievement.

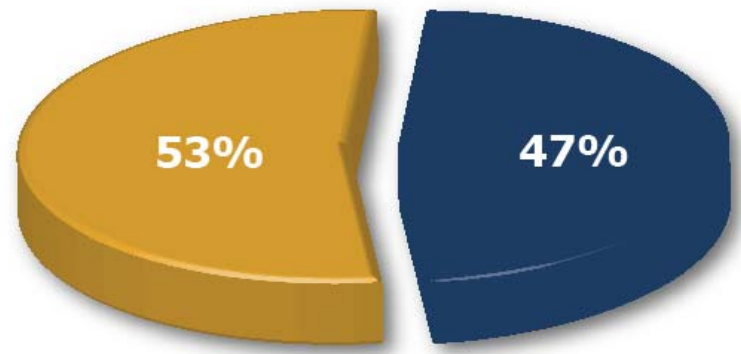
Students Attending Excellent Rated Schools

2009 South Carolina



■ Excellent
■ Other

2009 CCSD

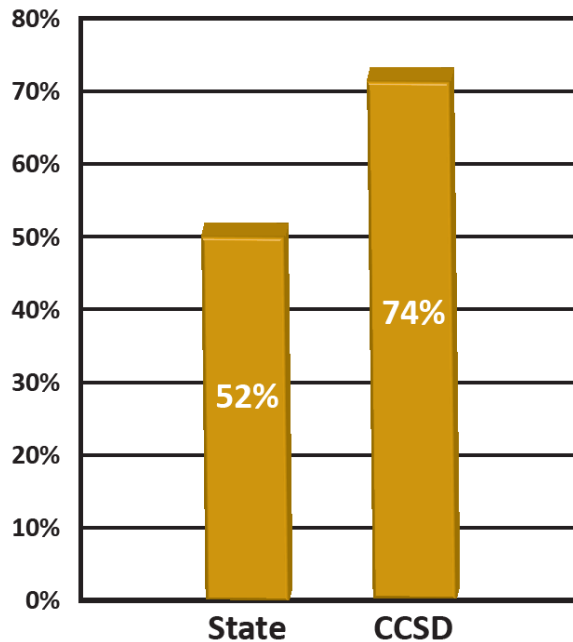


■ Excellent
■ Other

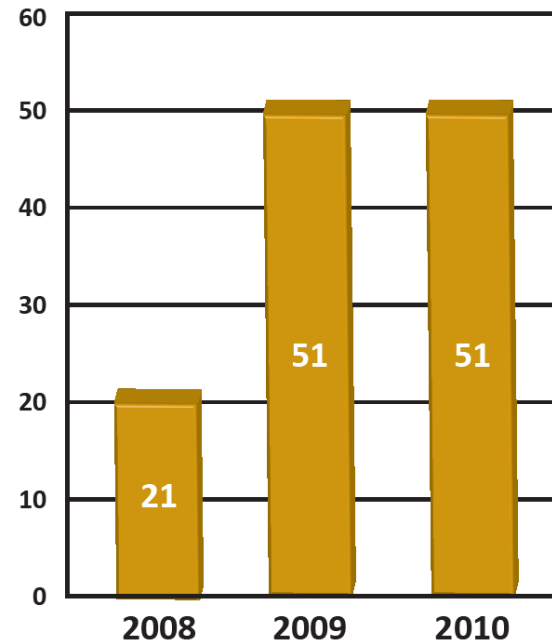
Charleston >excellence is our standard
County SCHOOL DISTRICT

Adequate Yearly Progress

Percentage of Schools Making AYP in 2010: CCSD vs State

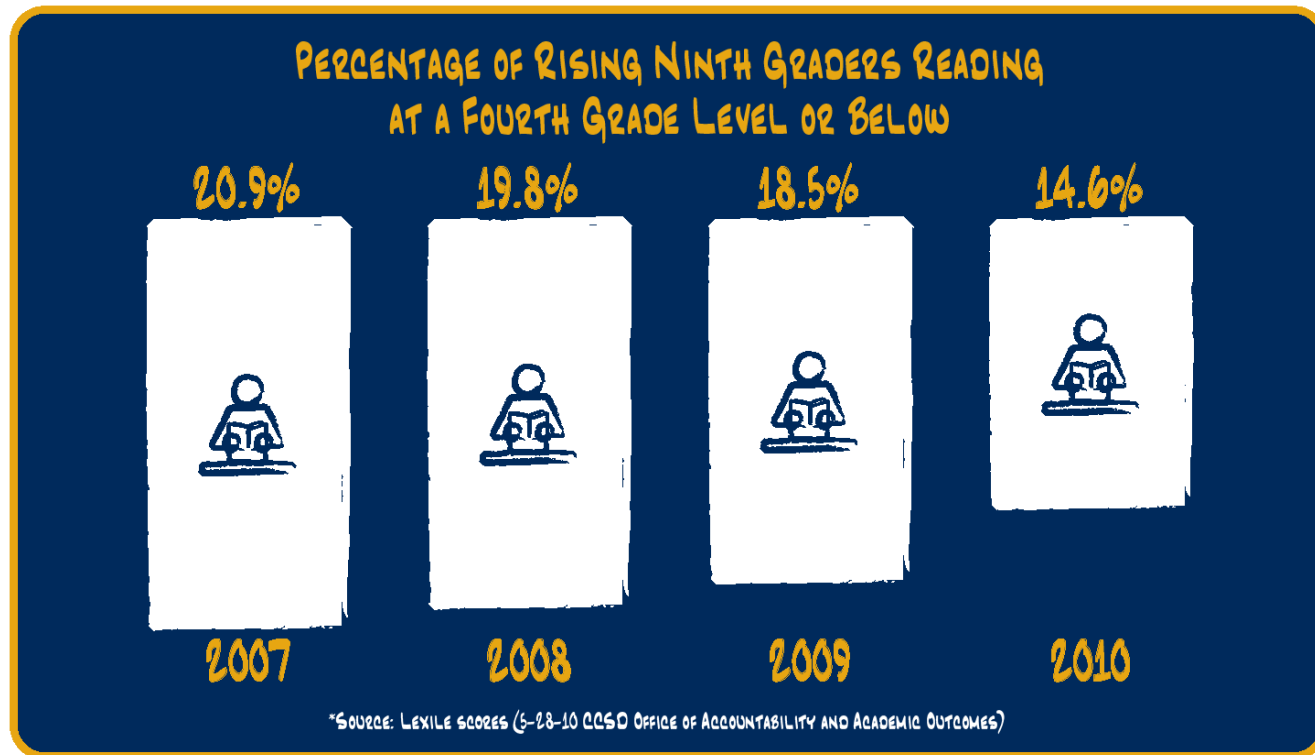


Number of CCSD Schools Making AYP



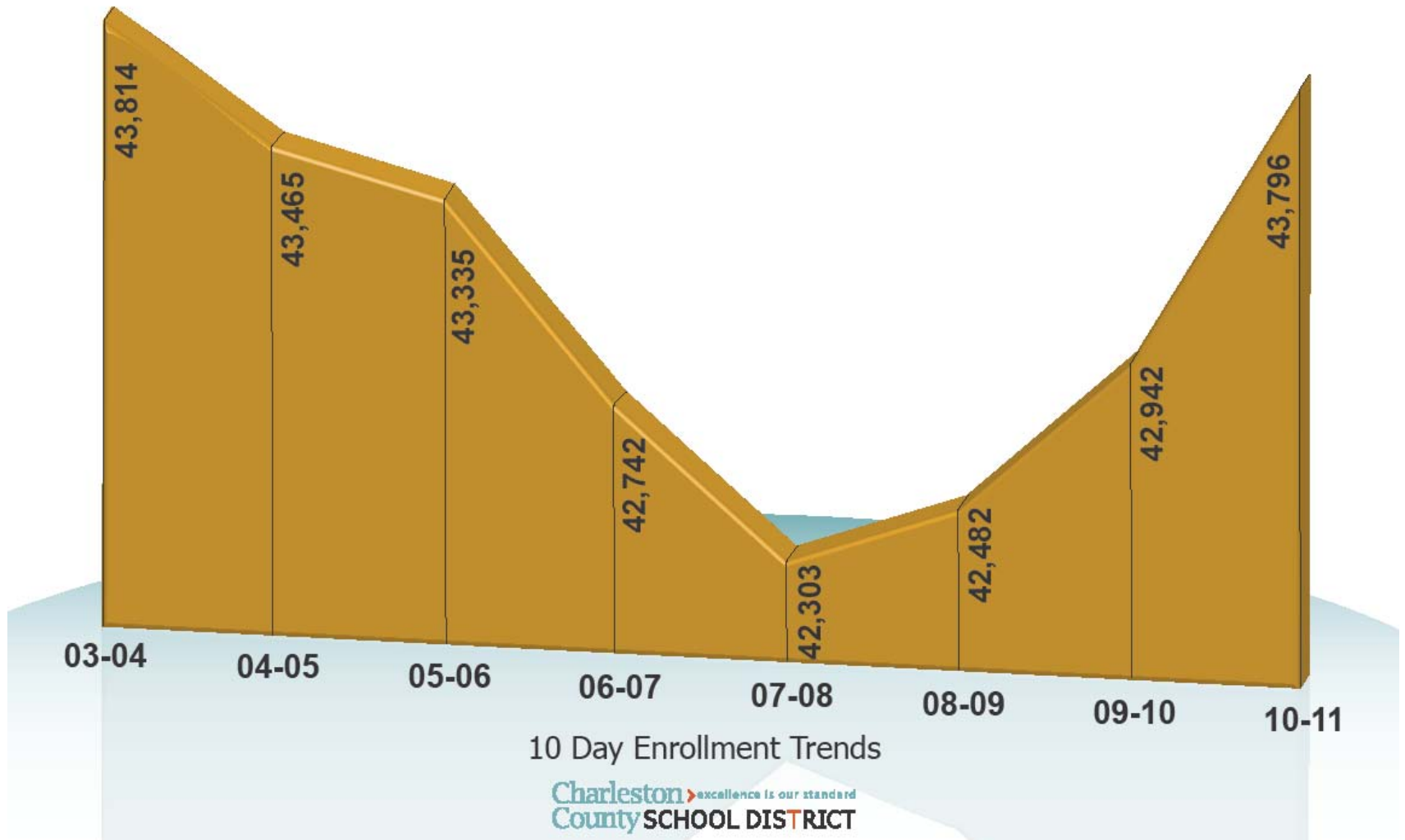
*Note--in 2010, including charters, 55 schools made AYP.

Literacy Improvement



Charleston > excellence is our standard
County SCHOOL DISTRICT

More Families "GO PUBLIC!"



Recommendation

- Staff's budget reduction recommendation is based on the most current data available.
- Factors such as the state's revenue projections, state budget reductions, legislative decisions (Proviso's), and Board decisions could affect this recommendation.
- As the situation changes, adjustments to this recommendation may be required. So while this may not be the final recommendation, it is our best thinking as of today, February 10, 2011.

CHARLESTON COUNTY SCHOOL DISTRICT
EARLY BUDGET REDUCTION RECOMMENDATIONS
February 10, 2011

1. All Top Level Non-School Administrators (Directors and Above) will take **6%** **Salary Reductions**
2. **District Job Cuts:**
 - Recommend Elimination of 60-70 Non-School Based Positions
 - Reduction in Non-Personnel Budgets
3. **Structural and Program Changes:**
 - A. Restructuring of Field Based Offices
Operational Cost Reductions
 - B. Closure and Program Reduction Costs
 - 1) Close McNair
 - 2) Close and Relocate Science Resource Center
 - 3) Reduce Program Costs at Daniel Jenkins Academy
4. **Outsourcing:**
Day Porters

CHARLESTON COUNTY SCHOOL DISTRICT
EARLY BUDGET REDUCTION RECOMMENDATIONS
February 10, 2011

5. School-Based (Non-Classroom) Reductions:

Local Decision Making (Principal & School Improvement Council Decide)
Lump Sum Budgeting
Eight Positions: Media Clerk, Media Specialist I, Teaching Assistants, Student Concern Specialists, Secretary (all types), Bookkeeper, Data Clerk, General Clerk

6. Small School Pairings:

(Total Enrollment between 400-500)
Shared administration, classified staff and teachers

Pairs

- *Frierson and Mt. Zion = 389*
 - *Stono Park and Murray LaSaine = 503*
 - *St. James-Santee and Lincoln = 356*
 - **Charleston Progressive Academy and North Charleston Creative Arts = 363*
 - *Jane Edwards, Minnie Hughes, and CC Blaney = 481*
 - *Morningside Excel and Arms = 439*
- *North Charleston Creative Arts ES may revert to single school when enrollment grows.*

7. Alternatives to Substitutes:

Schools receive lump sum budget for substitute service and Principal and School Improvement Council decides how to handle substitute service

CHARLESTON COUNTY SCHOOL DISTRICT
EARLY BUDGET REDUCTION RECOMMENDATIONS
February 10, 2011

8. Other Early Decisions:

- A. No contracts for induction teachers, letter of agreement, retirees, and VIF teachers
- B. Eliminate or modify magnet school bussing or move to Fee-Based Bussing
- C. School Program Reductions (or outsourcing)
 - 1) Driver's Education
 - 2) Itinerant Music (Elementary)
 - 3) Other – T.B.D.

9. Other Reductions to Consider:

- A. Early Retirement Incentives
Potential Savings
- B. Reduce Retiree Costs
(Salary versus Health Benefits)
- C. State Provide Flexibility
(To Be Determined by Proviso)
- D. Revision of Bus Schedules to Maximize Ridership
(Simons and Memminger)

Early Budget Cut Recommendations

1. Director level and above - 38 positions

10 Furlough days mandatory

5 Furlough days voluntary (must take leave)

6% Salary reduction

Savings all funds = \$176,267

GOF only = \$140,341

Early Budget Cut Recommendations

2. District job cuts

a) Positions

Non school based positions = 60-70

Savings in personnel

= \$4,000,00 - \$4,500,000 (all funds)

= \$1,500,000 - \$2,000,000

(GOF)

b) Non-personnel = \$1,200,000 - \$1,500,000 (GOF)

c) Total savings est. @ \$5,200,000 - \$6,000,000 (all funds)

Early Budget Cut Recommendations

2. con't.

District level staff represents 9.2% of all staff

This cut is 16.5% of all district level staff

District level budgets represents 13.8% of the district's entire budget

This cut is 8.1% of all district level budgets

Early Budget Cut Recommendations

3.A. Structural and Program Changes

Close or re-purpose district offices

Staff reductions (part of district job cuts – item #2)

Savings (part of district job cuts – item #2)

If closed operations savings = \$30,000 est.

Early Budget Cut Recommendations

3.B.1.McNair

Relocate 6th Grade Academy to existing school sites

Staff reductions in positions:

Administrative - TBF

Certificated - TBF

Classified - TBF

Operation savings: \$200,000 - \$300,000

(Includes transportation, custodial, grounds, waste disposal and utilities)

Early Budget Cut Recommendations

3.B.2. Science Resource Center – close and relocate

Staff reduction:

Administration - TBF

Classified - TBF

Operational savings - TBF

Early Budget Cut Recommendations

3.B.3. Daniel Jenkins

Program reduction

Staff reduction:

Administrative - TBF

Certificated - TBF

Classified - TBF

Operational savings

Transportation - TBF

Early Budget Cut Recommendations

4. Outsourcing

Day Porters

Number of Positions: 86

Savings: \$850,000 - \$900,000

Complete outsourcing of custodial support

- » Will negotiate with service provider to hire staff as a part of the contract terms

Early Budget Cut Recommendations

5. School-Based (non-classroom) Reductions

Savings on staffing = \$6,000,000 – \$6,800,000

Early Budget Cut Recommendations

6. Small school pairings

(total enrollment between 400 – 500)

- Create greater cost efficiency among small schools
- Pairs (to be finalized)
- Cost savings:
 - Staffing - TBF
 - Operational - TBF

Early Budget Cut Recommendations

7. Alternatives to Substitutes

Savings: \$400,000 - \$450,000

Early Budget Cut Recommendations

8. Other early decisions

a) Contracts – Do not issue unless hard to fill content area
– over 400 teaching positions

b) Transportation services –

Magnet cost \$1,700,000 (est.)

Eliminate or fee based service

c) Program reductions

1) Drivers Education - Eliminate and outsource

Savings: Staff = 14 positions; \$850,000

Savings: Other = \$30,000 - \$40,000

Early Budget Cut Recommendations

8. Other early decisions

c) Program reductions

2) Itinerant Music - reduce or outsource

Potential savings

Staff = 9.8 positions = \$400,000

Other - \$25,000

Early Budget Cut Recommendations

9. Other Reductions to Consider
 - A. Early Retirement Incentives
 - (Potential Savings)
 - B. Reduce Retiree Costs
 - Salary versus Health Benefits
 - C. Set Minimum Class Size Limits Use Long Distance Instruction
 - D. State Provide Flexibility
 - (To be determined by Proviso)

Framework for Budget Development

1. Make reductions with least impact on the classroom (first).
2. Align to *Strategic Plan*.
3. Academic focus and data-driven decision making.
4. Plan for the impact of the economic environment.
5. Plan for sound fiscal management.

Framework for Budget Development

(continued)

6. Respond to signals from state and local sources that funding has been and likely will be limited.
7. Acknowledge uncertainty for worst case planning.
8. Pay for *Strategic Plan* initiatives through budget reductions or redirections.
9. Establish flexibility; allow for various reduction levels.

Budget Development Process & Timeline

Process and Timeline

January 2011

- Executive Staff Senior Advisory Reviews Budget Reduction – Complete
- Recommendations as a Team to Verify Interdependencies, Alignment to Key Strategies
- Executive Staff Members Review Budget Reduction Recommendations with CAO/CFOO/Budget Staff (on-going).
 - Validate Reductions are Sustainable
 - Validate Reduction Target is Met or Justify Why Not
 - Validate Reductions are Least Detrimental to Achieving *Strategic Plan* Goals
- CAO/CFOO/Budget Staff Review Budget Reduction Recommendations with Superintendent to Discuss Why Cuts are Proposed, Plan of Action and Impact of the Cuts (on-going)

Result: Cuts are Not Equal Across All Areas, but Best Proposal is Created with the Goal of Causing Least Detriment to Achieving Strategic Plan Goals

Process and Timeline

January 2011 cont'd

- Enrollment Projections Entered by School - Complete
- Enrollment Projection Reviewed and Finalized (complete)
- Staffing Allocations Received by Program Managers (due 2/14/11)
- Superintendent Presents Executive Staff's Budget Reduction Recommendations to Board of Trustees – (Much Earlier this Year Due to Critical Decisions Needed for Staff and Families) (1st pass done 1/21/11)
- Budget Staff Computes Estimated Cost for Salary/Benefit Increases, Sustaining Operations, Growth and New Initiatives (on-going)

Process and Timeline

February-April 2011

- Board of Education Makes Early Budget Decisions
- Operationalize Early Budget Decisions
- Budget Staff Verifies State Budget Estimates (Still Estimates)
- Allocations are Completed
- Budget Staff Confirms Sustaining Operations, Growth, and New Initiatives Cost Estimates Based on Updated Information from State
- Building Budgets are Completed
- Review of School and Department Budgets by Superintendent and Executive Staff
- Issue Teacher Contracts (04/15/11)

Note: Budget Work Sessions are Held with the Board throughout the Process as Needed

Process and Timeline

May 2011

- Board Workshop
- Re-assessment data to be Updated into Budget Forecast
- Superintendent and Executive Staff Finalize Budget Recommendation, Making Adjustments as Needed Based on Updated Information from State, etc.
- First Reading of Budget

Process and Timeline

June 2011

- Public Hearing on Budget
- Second Reading of Budget

CCSD's 2011 Budget—Considerations

STRATEGIC INVESTMENTS:

- Effective Teaching
 - Literacy Improvement
- School Choice

WE MUST...

Think LONG-term,
and **act** SHORT-term.

CHARLESTON ACHIEVING EXCELLENCE VISION 2016:

What must we keep doing—
and what must we stop doing—
in order to cut the achievement gap
IN HALF within five years?



OUR CHALLENGE:

Absorb a projected \$28 million budget cut while fortifying the classroom and accelerating the progress of every student.

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