



## **Troup County School System FREQUENTLY ASKED QUESTIONS about Budget and School System Operations**

The following questions and answers are intended to help clarify the issues surrounding the expenditure reductions that are necessary to balance the General Fund budget for FY10 through FY12.

### **2.33 Teachers signed a contract for 190 days, but are only being paid for 184 due to leave without pay days. How does that work?**

All teacher contracts contain the following phrase that supports this action: "The salary is conditioned upon the continued availability of state funds under appropriations acts, as well as all amendments thereto, of the General Assembly, with all salaries subject to upward or downward adjustment according to increases or decreases of state funding from the level provided for at the time this contract is signed."

### **2.32 How will contracts be written for next year regarding the number of days?**

Teacher contracts would contain the same basic wording as currently provided or may be changed to reference the currently approved calendar. In any event, the option to reduce pay when appropriations are cut will be a part of the contract. In an organization where 87% of the total budget is salaries, it's inevitable that employee pay will be impacted in some way in order to accommodate the large cuts handed down from the state.

### **2.31 What adjustments can we expect for next year regarding furlough days?**

Current budget projections start with a minimum of 6 furlough days for FY11. We base these predictions on reports from official sources that sometimes don't agree. Even with these furlough days, we still have an additional \$3.4 million dollar deficit to overcome in FY11 and an additional projected deficit of \$3.2 million in FY12.

### **2.30 Since school districts are being asked to do more with less, will the standards change?**

No. The accountability standards remain intact. That is why we have made a priority to firmly establish certain core research based practices across the system. We must protect the systems and initiatives that are driving student achievement.

Additional budget cuts could be possible in the second half of FY11, but it is really too early to make a projection. We should get a better picture of revenue changes by the end of June.

**2.29 How will the state and local budget affect classroom teachers?**

We are currently reviewing a variety of options to generate the necessary savings. We are trying to protect direct instruction as much as possible. However, given that 87% of the TCSS budget is salaries and benefits and that roughly 64% of the budget is in direct instruction, some of the actions may affect instructional resources. Our total projected revenue reductions from the FY10 original budget of \$104 million to \$97 million in the FY12 budget equal \$7 million.

**2.28 Does KIA have to pay school taxes?**

Yes. We collected roughly \$1.9 million from KIA related businesses in FY10. This amount will increase to \$4.4 million per year by the end of FY12.

This money goes to the General Fund along with other local tax revenue to balance the budget. Without the KIA taxes, we would have had a shortfall of revenue totaling \$11.4 million by FY12. We are fortunate that the KIA plant opened in the middle of this fiscal crisis or our problems would have been much greater. KIA taxes have mitigated the State revenue cuts of \$5.1 million in FY10, and the projected State revenue cuts of \$2.6 million in FY11 and \$2.8 million in FY12.

**2.27 If combining schools and restructuring West Side Magnet School would have helped with the budget, why was this not done first?**

These actions are still on the table. However, they were delayed while we investigated new elementary proximity zone alignments. The delay was to avoid transferring students in these schools in FY11 and then transferring some again in FY12 if their proximity zones had changed. The proximity zone review is a major factor in some transportation savings projects. The cuts from the state that began July, 2009 were sudden and larger than expected. The timing of implementations is based upon making sure we understand the full impact on students, staff, parents and savings generated before we proceed.

**2.26 How does our system use stimulus funds?**

Federal stimulus funds have been used in a variety of ways based upon the Federal guidelines. Title I funds have been used to increase system staff development, focus on math academic achievement and improve data collection capabilities. Title I funds cannot be used to replace existing positions or activities. Thus these stimulus funds appear to generate new hires and activities. Unfortunately, we are not allowed to supplant (fund existing positions or programs) with these funds. IDEA stimulus funds had a little more flexibility in that we could use roughly 50% to fund existing activities and staff. We used roughly \$400,000 to fund various exceptional education staff and activities to balance the FY10 budget and we will use roughly the same amount in FY11. These funds will disappear in FY12. We also received federal fiscal stabilization stimulus funds distributed through the State. Unfortunately, these funds only partially offset cuts the State made in our QBE funding. These funds will disappear in FY12 also.

**2.25 Why does the system hire retired persons for 49% jobs?**

The 49% people are hired to fill part-time needs and in some cases to fill a full-time position to generate savings. Our typical benefits package costs us 36% of each salary dollar on regular full-time staff. We only pay 7.65% for FICA/Medicare on 49% positions thus saving us roughly 28% on benefits.

**2.24 Why don't you cut out travel to offset budget shortfalls?**

The total amount of travel expenses in the original FY10 General Fund budget was \$260,202. This amount was reduced by 10% to cover July cuts and will be reduced another 10% to help cover the most recent proposed cuts by the Governor. This will leave roughly \$200,000 in potential travel expenditures. While we are using more webinar type meetings to reduce travel, there are still some basic in-system and out-of-system travel costs that are needed.

**2.23 What percentage of the total budget comes from the State? Don't local citizens fund education through property taxes?**

The State portion of our revenue was 57% in FY09 as compared to 62% in FY02. FY10 State revenue levels will be less than 57% based upon the current reduction levels. Local revenues like property taxes have been required to offset the reductions in State funding.

**2.22 What percentage of the budget goes to the Central Office?**

The Central Administration (Superintendent, Office of Curriculum, Board of Education) accounts for 1.9%, Business Services (Payroll, Accounts Payable, and Finance) is 1.0% and All Other Administrative Services (Personnel, Central Registration, RESA, etc.) is 1.1%. 96% of all expenditures are student related.

**2.21 How does Troup County compare to the state averages in how we spend per-pupil and how we spend on administrative cost?**

The Troup County School System continually ranks in the middle of the pack regarding expenditures per full-time equivalent (FTE) student, while scoring above the state average in many assessed areas. For FY09, TCSS was 88<sup>th</sup> out of 180 school districts. TCSS spent \$8,817 per FTE versus the State average of \$8,895.

TCSS general administrative costs of \$349 per FTE (3.96%) were only 81% of the State average of \$432 per FTE (4.9%).

**2.20 Where does funding for professional development such as Georgia Leadership Institute for School Improvement (GLISI), Quantum, and Ron Clark come from? Why can't this be cut instead of furloughing employees?**

The bulk of these staff development activities are funded by Federal grants. The Federal grants are restricted from paying for existing staff or items that should be funded by State Quality Basic Education funding. These Federal grants must supplement existing activities and cannot supplant the normal funding sources. The District's focus has been to use the Federal grants to fund as much of the professional development programs as possible or to add system support in key

areas like math achievement that can assist all schools and divisions. Staff visits to the Ron Clark Academy are funded by the Callaway Foundation.

**2.19 Why are we building new facilities like the LaGrange High School expansion during this financial crisis?**

The funds for this expansion and other capital projects come from SPLOST dollars. These projects are done in accordance with the priorities approved by the voters when SPLOST was passed. We cannot use these funds to pay for normal maintenance and operations.

New construction at LHS was done as a part of our long term growth strategy. Currently, our high schools are equipped to hold about 1,300 students maximum. The best information that we have suggests that we would be well served to expand high school capacity at each campus to 1,500 students. If growth trends continue, the next phase of our plan would be the expansion of Troup High School

**2.18 If we adopt the 165 day calendar, what will that mean for employees and the school day?**

- a. Fifteen less days of school for students and a longer school day. Exact times for each division are being worked out at this time. It would mean a 20-45 minute longer day for students (maximum) and 30 minute longer day for staff.
- b. In addition to furloughs, pay would only be affected for employees who work only when students are in school. A plan for every employee category is being developed in the event we adopt a 165 day calendar.
- c. The 165 day calendar would save the system approximately \$588,000 in one year.

**2.17 With the 165 calendar, how many days will teachers work? Presently, teachers work 10 days outside of instruction. What will that look like next year?**

Teachers will work a total of 180 days or 1523 hours. The 165 teacher school days will be extended 30 minutes (8.5 hours) and the 15 PLU days will be a regular 8 hour day. This compares to the 190 day schedule which was 1520 hours with all days at 8 hours.

**2.16 This year, the furlough days have been taken from the teacher's 190 day instructional calendar. Each day taken is equal to one instructional day's pay. As we look to next year and the potential for 165 days, will the impact of a furlough day be the same? With fewer days of work, will the furlough days take more money from teacher's pay? Will teachers lose the same amount of money next year due to furloughs as they did this year or will they lose more since they are working fewer days?**

The furlough days will be taken from the PLU days at 8 hours per day. Thus the impact of a furlough day will be the same in FY11. 8 hours divided by 1520 hours.

**2.15 Have step increases been frozen officially? Will teachers still receive steps or is that part of the impact from the state dollars?**

The decision on freezing step increases is under review. The final decision will depend on the FY11 budget approved by the State Legislature.

**2.14 Could state level base pay be reduced? Could that number be reduced?**

Yes, the State salary schedule can be reduced. This reduction would require the District to hold public hearings and request a waiver from the State. This action is not currently being reviewed for FY11.

**2.13 Is the local supplement something that can/will be reduced?**

Yes, this local supplement can also be reduced. This action is not currently being reviewed for FY11.

**2.12 If a person gets an additional degree (masters, specialist, Ph.D.) will they receive the additional pay based on the salary schedule?**

Yes, these pay increases will continue to be granted at this time.

As a general note, we have data on the cost of all these items and will continue to prioritize our actions based upon the level of funding by the State and the availability of local funding sources like property taxes. The current economic conditions require that we keep all options in mind due to the \$8-10 million potential funding shortfall that we face over the next 3-4 years.

**2.11 What is the reason buses are parked all over the system? For example, Home Depot, Wal-Mart parking lots?**

We have "Park Out" buses parked at various locations to reduce dead head or non essential mileage. They should be stationed close to their start and or finish of a route to reduce the cost of the route(s) being driven. The closest place to a driver's [route] start or finish may be their home or the location of a second job between morning and afternoon routes. This saves money.

**2.10 If we have proximity zone transportation, how long will the "grandfather clause" remain in place? For example: If a 4<sup>th</sup> grader and K student both attend a school that is not within their school proximity, but provide their own transportation...and the 4<sup>th</sup> grader goes to middle school, how long will the K student be allowed to attend that school?)**

Until all aspects of moving to proximity based assignment have been fully explored, guidelines cannot be finalized. Several school proximity scenarios are being developed at this time.

**2.9 How will proximity lines be drawn to keep diversity in schools as equal as possible?**

By examining community demographics and drawing lines that would yield the best balance of diversity across the community.

**2.8 In the future, could some teacher assistants be bus drivers to save on benefits?**

We currently have teacher assistants that do both. The normal process and criteria for hiring would apply.

**2.7 Can we save money in the budget by not giving the CRCT to 1<sup>st</sup> & 2<sup>nd</sup> graders?**

The State requires all public school systems in Georgia to administer the CRCT to grades 1<sup>st</sup> through 8<sup>th</sup> each year.

**2.6 Can we administer the ITBS to only 1 or 2 grades instead of 3?**

Yes we could. However, in so doing, we must consider the impact of losing longitudinal data for these grades on curriculum and instruction. I believe we should maintain consistency in the assessment program as long as we can.

**2.5 Could the daily time for instruction in elementary be adjusted from 45 minutes longer to 30 minutes longer so as to be more equal with the secondary division?**

The length of each day was determined by a number of factors. Fortunately and like most school systems, the existing length of our day is set to maximize the impact of an instructional day for students and not simply minimum standard. The elementary school day was already the shortest day (typical). But it should also be noted that many of our K-5 leaders have asked each year for a longer day. Transportation is also a factor. Our middle school colleagues have had a longest day for years simply due to transportation logistics.

**2.4 Is it possible to adjust the calendar (start earlier in Aug.) so that we are not in school the 2 days before Thanksgiving & Christmas?**

It is possible and we will consider the idea.

**2.3 Could the March 11<sup>th</sup> day be moved to February 18<sup>th</sup>?**

It is possible and we will consider the idea.

**2.2 Is there a specific amount of the reserve that will be used each year?**

It takes approximately \$8 million to run one month payroll for our organization; about 72% of our anticipated reserve at the end of this year. If we go below that amount, the system must borrow money to make payroll (usually in August or September due to low tax collections in that time of year). We have, therefore, recommended that our board not consider spending more than 20% of that reserve and that they be very conservative in using these funds, in light of the year-by-year uncertainty of the economy. Twenty percent of our current fund balance would be approximately \$2.3 million. By using a conservative approach with the reserve funds, if we are “hit” with unexpected cuts (which can happen suddenly as we’ve seen this year) we aren’t forced to lay-off employees or eliminate valuable programs before we can consider other options.

**2.1 What are the additional cost saving initiatives that are being planned for this up-coming year besides the shortened calendar and 6 furlough days to make up the rest of our budget short fall?**

At the November Board meeting, the Board approved investigating six strategies for reducing the FY11 budget. See [“Update of FY11 Budget.”](#)