

EUGENE PUBLIC SCHOOLS
School District No. 4J Lane County
May 7, 2008

MEMORANDUM

To: Budget Committee Members

From: George Russell
Superintendent

Re: May 12, 2008 Budget Committee Meeting

I. Roll Call

II. Items Raised by the Audience

Public testimony is welcome at budget committee meetings and time is set aside at each meeting to hear comments from the audience.

III. Items for Action at This Meeting

A. Consider Approval of the Budget

1. Proposed Amendments

General Fund

a. Educational Support Services High Cost Disability Grant

The legislature has recognized the issue of high cost students and earmarked several million annually to help districts offset per student costs which exceed \$30,000. The proposed budget included \$770,000 revenue for the High Cost Disability Grant which is \$261,000 above the amount forecasted in December. Since the grant revenue is intended to reimburse expenditures incurred, the additional funds recognized should also be appropriated to Educational Support Services' budget. This was inadvertently not included in the proposed budget, and I am recommending that the Direct Classroom Services general fund appropriation be increased by \$261,000.

b. Minority Student Achievement Network (MSAN) High School Team Leader

As I mentioned at the last budget committee meeting, additional targeted resources may be needed to close the achievement gap. MSAN students have spent significant time and effort developing an action plan aimed at narrowing the gap. The plan includes a

consistent means of monitoring and evaluating the results of specific strategies and interventions that are implemented to positively influence the academic performance of minority students. To ensure the plan's effectiveness, the group recommended that the project be supported at each high school through staff to grow the visibility and viability of the district's MSAN program and provide multicultural classes and academic support. I believe that this is a key strategy to increasing minority student success and am recommending the addition of \$90,000, .25 licensed FTE at each high school, to the Classroom Support Services general fund appropriation.

c. Executive Administration Reorganization

We have been successful in hiring Carl Hermanns as the district's Assistant Superintendent/Chief Operating Officer. Carl will have responsibility for coordination and oversight of the human resources, financial and support services, facilities and transportation, and computing and information services departments, as well as other non instructional services. In order to support Carl in his efforts to provide more effective and efficient central services to principals, staffs and schools, I am proposing that \$74,658, 1.0 FTE support staff, be added to the Central Support Services general fund appropriation. I am hopeful that with Carl's leadership and the Chalkboard/Oregon Association of School Business Officials review of the district's non-instruction operations, efficiencies will be gained in the future that mitigate this addition.

d. Internet Filter

The district currently uses a free internet filter that in the past was used by several districts. While the filter has provided reasonable security, students are increasingly finding ways to circumvent the filter and access websites that are not considered appropriate while at school. Most districts no longer use the free filter for this reason, and I am recommending that \$48,180 be added to the Building Support Services general fund appropriation for internet filter annual license costs.

The above amendments would result in a decrease of the budgeted unappropriated ending fund balance by \$473,838 to \$9,579,121 which is 6.4% of revenue. The projected unappropriated ending fund balance, which also anticipates underspending, would be \$12.7 million or 8.5% of revenue.

e. Talented and Gifted Program Staff

Programs for talented and gifted students are supported by 1.0 FTE licensed staff. This position is paid from both the general fund (.75 FTE) and the Title II grant (.25 FTE). In the proposed budget, the general fund portion of this FTE was incorrectly

budgeted in the Classroom Support Services program area instead of the Direct Classroom Services program area. I recommend that we amend the proposed budget to increase Direct Classroom Services and reduce Classroom Support Services by .75 FTE. There is no financial impact associated with this revision.

Federal, State, and Local Programs Fund

a. Track Construction

The district was successful in securing a \$70,000 NIKE grant to support the track installation at the Jefferson site. The proposed budget did not include any appropriations in the Facilities Acquisition and Construction category. Accordingly, I am proposing to increase local revenues and the facilities construction appropriation by \$70,000 in Federal, State, and Local Programs Fund.

2. Motions to Approve Budget and Declare Tax Rates and Debt Service Levy (If Review Is Complete)

According to Oregon Local Budget Law, the Budget Committee approves the budget, sets the tax rate and debt service levy and forwards this recommendation to the governing body for public hearing and action. The appropriate motions are described below:

a. Approve the Budget Total for All Funds, including

1) General Fund Total of \$168,681,634 including the following amendments:

- a. Increase direct classroom services by \$261,000 for additional special education costs; decrease unappropriated ending fund balance by the same amount.
- b. Increase classroom support services by \$90,000 for MSAN high school team leader; decrease unappropriated ending fund balance by the same amount.
- c. Increase central support services by \$74,658 for executive administration reorganization and decrease unappropriated ending fund balance by the same amount.
- d. Increase building support services by \$48,180 for internet filtering software and decrease unappropriated ending fund balance by the same amount.
- e. Increase direct classroom services by \$67,500 for talented and gifted support; decrease classroom support services by the same amount.

f. [Additional amendments proposed by the Budget Committee, if any.]

2) Other Funds Total of \$151,066,959, including the following amendments:

a. Increase the Federal, State and Local Programs Fund facilities acquisition and construction by \$70,000 for the NIKE grant and increase local revenues by a like amount.

b. [Additional amendments proposed by the Budget Committee, if any.]

b. Declare the Tax Rates and Debt Service Levy

1) General Fund tax rate of \$4.7485 per \$1,000 of assessed valuation of the district.

2) Local Option Levy tax rate of \$1.50 per \$1,000 of assessed valuation of the district.

3) Debt Service Fund tax levy of \$15,516,203

B. Set Date of Next Meeting or Set the Budget Hearing

If your review is not complete, I recommend that the committee set the next Budget Committee meeting for May 19, 2008. If your review is complete, I recommend that the committee set the official public hearing to be conducted by the board of directors for June 4, 2008.

IV. Items Raised by Budget Committee Members

VI. Adjournment