

# AAPSN News

News, features, profiles and activities in The Ann Arbor Public Schools

## PTO invites residents to advocate for schools

The Ann Arbor Public Schools PTO Council has formed an Advocacy Committee to educate legislators and the public about the severity of the current school funding situation. Interested parents, community members and staff can become part of the effort. Contact Donna Lasinski at lasinski@mac.com or call her at 734-997-7265. Visit the PTO online: [www.aaps.k12.mi.us/ptoc.home](http://www.aaps.k12.mi.us/ptoc.home).

### Inside:

- Frequently asked questions about the AAPS 2010-11 budget proposal, **Page 2**
- By the numbers: Budget proposal details, **Page 3**



Carpenter Elementary School students learn about health during a Washtenaw Community College nursing clinic.

Issue No. 11, March 25, 2010

# Superintendent lays out plan for 2010-11 year

Dear Ann Arbor Public Schools Staff and Families:

On Wednesday evening, March 24, our administrative team brought the first briefing of a proposed budget plan for the 2010-11 fiscal year that begins July 1 to the Board of Education. We are publishing details about this proposal here for our parents and community to review as well.

This proposed budget will be reviewed and considered by board members who must approve a balanced budget for our school district by the end of June.

As you know, these are difficult and uncertain financial times for The Ann Arbor Public Schools as well as other districts throughout Michigan. Of 300 school districts responding in a recent "Survey of Pain" by the Michigan School Business Officials:

- 86 percent of districts expect teacher and staff layoffs in 2010-11.
- 85 percent expect class sizes will continue to grow.
- 21 percent expect to close at least one school building in the coming year.

In our proposed document, we have taken into account not only changes in state funding that have already occurred in the current fiscal year (a loss of \$398 per pupil), but the projected loss in per pupil funding (\$265 per pupil) along with increased salary, retirement and health care costs for the 2010-11 fiscal year.

Based on projections for 2010-11, we face an almost \$20 million budget deficit. Projections for next year are dependent upon action taken at the state level, which could include changes in the state sales tax structure and rate, reforms to the state-run retirement system for school employees



A World Language initiative between The Ann Arbor Public Schools and the University of Michigan teaches third-graders Spanish and trains future language teachers.

and the level of per-pupil funding which is the primary source of operational money for our school district.

We have also considered feedback and comments from people who attended the budget forums in the district in early 2010. I thank you for your participation and for being part of this

process to help guide our district forward.

In developing our budget plan for 2010-11, we have focused on the following guiding principles and considerations:

- Aligning with the goals in the district's strategic plan.
- Maintaining a focus on academic excellence and improving student achievement.
- Maintaining a variety of educational options and learning opportunities for students.
- Considering how to provide services and programs differently while reducing costs.
- Identifying new revenue options as well as cost savings.

To adhere to the principles and considerations identified above, our budget planning first targets cost savings in the non-instructional and administrative functions of the school district which account for approximately \$35 million, or 17 percent of the school district's total operating budget.

To reduce costs in these areas, we have looked at options to provide services differently, lower salary and benefit costs and to consolidate and

*See Letter to Community, page 4*

## Community budget meetings

- **What:** Discussions about The Ann Arbor Public Schools 2010-11 budget proposals.
- **Meetings will be at 6:30 p.m. at these locations:**
  - Monday, April 12 at Pioneer High School's Little Theater, 601 W. Stadium Blvd.
  - Tuesday, April 13 at Huron High School's Little Theater, 2727 Fuller.



Kindergarteners in Ann Arbor's schools learn in a variety of ways, including hands-on classroom activities.

# FAQs: Frequently asked questions about the AAPS budget

### **Q. Will AAPS close any schools next year?**

**A.** The reductions proposed for 2010-11 do not contain recommendations to close any AAPS schools. Time is needed to do a thorough and thoughtful assessment of programs and facility usage, which will start in May via the Strategic Planning Process. Closing an elementary school would save approximately \$500,000. There are many considerations to assess as part of analyzing whether to close a school such as:

- Impact on students and families.
- Redistricting implications.
- Additional transportation costs.
- Potential loss of enrollment due to the closing.

### **Q. Why is it important for a school district to have a fund equity account?**

**A.** Fund equity (cash reserves) is the district's savings account. There are three types of fund equity: reserved, designated and undesignated. Reserved and designated fund equity cover expenses that are identified or will occur shortly after the fiscal year ends, but have not yet been paid. Undesignated fund equity is cash on hand not earmarked for specific expenses. The state does not pay the district on a monthly basis but we need funds for those months (July and August) to meet payroll. Fund equity allows the district not to have to borrow for two months of expenses. Fund equity also covers unforeseen emergencies. The district can also earn revenue on the fund equity account. The Board of Education has required the district to maintain fund equity at 15 percent of the annual operating budget (approximately two months average expenses). The anticipated amount the district will have in fund equity at the end of the 2009-10 fiscal year is approximately \$19 million. Approximately \$7 million was used this year to offset the mid-year loss of state funding. Without it, drastic mid-year reductions would have been necessary.

### **Q. Has AAPS considered any consolidation of services with other districts in the county?**

**A.** Yes, AAPS has consolidated a number of services. We participate in the countywide substitute program, provide maintenance services for the WISD, support and are working on the countywide transportation services consolidation plan, work with other districts regarding alternative education programs, work to provide administrative services for other districts including human resources and maintenance and are exploring the use of Ann Arbor Transportation Authority buses for some high school busing.

### **Q. Is AAPS still investigating privatizing bus drivers, custodians and maintenance services?**

**A.** Yes, AAPS has completed a review of the RFPs for these services. AAPS is also working closely with employee groups representing these units to look for savings to equal what privatization could save the district. In addition, AAPS is working

with the Washtenaw Intermediate School District on the proposed transportation consolidation efforts. We expect a final decision to be made sometime late April. The district is also working with the WISD to create a consolidated transportation model for all 10 local school districts. It is estimated that districts could save 20-25 percent in costs.

### **Q. What is the new Humanities program at the elementary schools and will there be reductions to elementary music?**

**A.** Elementary students will continue to receive the high quality "threshold" fine arts and physical education experience the district has been committed to over the years. All elementary students will continue to participate in 60 minutes of art and two periods a week of physical education, vocal music, media/information literacy and technology and instrumental music in the fifth grade. In addition to this experience, students will have a humanities class taught by special area teachers twice a week. Humanities will connect core curricular outcomes primarily in science and social studies with applications in art, music, PE and technology. Grade-level technology skills will be embedded with information literacy and content learning. Students will continue to have access to media centers, check out books and have instruction from the media specialist during ILT. Fifth-grade vocal music may focus more on composition.

### **Q. What is the impact of proposed teaching job reduction at the high school level?**

**A.** Changes are expected for some elective class offerings and classes may increase in size to an average of 30 students.

### **Q. Will high school 7th hour be eliminated?**

**A.** No. There is no plan to eliminate seventh hour at the high schools for the 2010-11 school year. It offers a period for students who need credit recovery or support services. Administration also recognizes the importance of seventh hour to many students especially those who take yearlong language and music performance as their electives. Seventh hour offers another class period to explore the rich elective curriculum AAPS offers.

### **Q. What is the impact of proposed teaching job reduction at the middle school level?**

**A.** Fewer sections of some elective classes are expected. Along with the changes proposed at the Student Planning Centers (see below) some increases in class size are expected with an average class size of 28 students.

### **Q. Will the middle school student planning centers be eliminated?**

**A.** No. The middle school administrators worked very hard at preserving the student planning centers. The schools were able to develop their own plan to continue to offer this support. Many will no

longer use a certified teacher to staff the planning center but instead have a trained para-educator in place to work with students.

### **Q. Will the middle and high schools implement "pay-to-participate" for athletics and extra-curricular activities?**

**A.** Yes, the plan is to institute "pay-to-participate" for athletics. The current estimate will be around \$150 for participation in after school athletic programs for the first sport and \$50 for each additional sport. This would be in addition to any fees charged through the sport booster club to support the team. The fee would be collected by the school and deposited into the district budget to support AAPS athletics. No student would be denied participation in athletics because of an inability to pay. The middle schools will also institute a pay-to-participate fee for the athletic programs at \$50 per school year, no matter how many sports a student wishes to play. A need-based assessment will be instituted at secondary schools ensuring access for all students. There will also be a fee to participate in non-athletic extra-curricular activities and a \$50 maintenance fee for musical instrument rentals through the district.

### **Q. Will the district offer Schools of Choice?**

**A.** Yes, the district is offering limited Schools of Choice in kindergarten (60 spaces), First grade (60 spaces) and sixth grade (50 spaces). Applications will be accepted April 1-30. Applications will be available at [a2schools.org](http://a2schools.org) or by calling Student Accounting 734-994-2223. Elementary schools with openings include: Abbot, Bryant, Carpenter, Dicken, Eberwhite, Lakewood, Logan, Northside, Pittsfield and Wines. Each middle school will have 10 open spaces. Students may continue their education in the AAPS for the duration of their K-12 education. If the number of applicants exceeds openings, a random drawing system will be used to make a selection. A wait list will be maintained. Washtenaw County residents are eligible to apply.

### **Q. Will the district reduce Contract Services?**

**A.** AAPS is always looking at ways to reduce contract services. The plan includes \$300,000 in reductions in these services. However, many of these services are required especially pertaining to students with special needs. Approximately \$172,000 in contract services from the general fund is used to fulfill mandatory Special Education needs and to maintain compliance with State and Federal law. This represents 20 percent of the total cost for these services, which are reimbursable from the state. Other contract services that have and are being examined for savings include maintenance agreements for work beyond the scope of staff such as heating and cooling units, pest control and technology services.

## 2010-11 Ann Arbor Public Schools Budget Plan

	<i>No. of Positions</i>	<i>Budget Impact</i>		<i>No. of Positions</i>	<i>Budget Impact</i>
<b>Non-Instructional Support</b>			<b>Secondary Instruction</b>		
Administration	2	\$220,000	Administration High School	2	\$260,000
Clerical	2	\$120,000	Teaching Staff Middle School	8.2	\$738,000
Transportation		\$1,500,000	Restructure Middle School Planning Centers	3.4	\$190,000
Maintenance/Custodial		\$2,000,000	Teaching Staff Alt. High School (Stone, Clemente, Community)	5	\$450,000
Contracted Services		\$100,000	Teaching Staff Comprehensive High School	11	\$990,000
Energy Savings		\$400,000	Counselors	2	\$180,000
Reduce Operating Costs at Middle School Pools		\$100,000	Clerical High School	6	\$270,000
<b>TOTAL NON-INSTRUCTIONAL SUPPORT</b>	<b>4</b>	<b>\$4,440,000</b>	Community Assistants	2	\$80,000
<b>Instructional Support</b>			Lunchroom Supervisors		\$50,000
Administration	5.5	\$505,000	Reduce Security Costs		\$45,000
Teaching Staff, Student Intervention and Support Services	8	\$160,000	<b>TOTAL SECONDARY INSTRUCTION</b>	<b>39.6</b>	<b>\$3,253,000</b>
Teaching Staff, English as a Second Language	3.5	\$315,000			
Paraprofessionals, Student Intervention and Support Services	10	\$240,000	<b>New Revenues</b>	<i>No. of Students</i>	<i>Budget Impact</i>
Clerical	1	\$60,000	Targeted Schools of Choice	150	\$780,000
Contracted Services		\$200,000	Options Magnet	20	\$135,000
Reduce Substitute Costs		\$300,000	Increase enrollment at Clemente and Stone	30	\$248,000
Summer School		\$100,000	Additional Support, AAPS Educational Foundation		\$200,000
Discretionary Budgets		\$400,000	Services Provided to Other Districts		\$90,000
Textbook Budget		\$200,000	Increase Rental Revenue		\$75,000
District-funded Conference Attendance		\$150,000	Increase Parking Project Revenue		\$75,000
Extracurricular and Athletics		\$1,070,000	Increase Cell Tower Revenue		\$45,000
<b>TOTAL INSTRUCTIONAL SUPPORT</b>	<b>28</b>	<b>\$3,700,000</b>	<b>TOTAL NEW REVENUE</b>	<b>200</b>	<b>\$1,648,000</b>
<b>Elementary Instruction</b>				<i>No. of Positions</i>	<i>Budget Impact</i>
Teaching Staff Specials	9	\$810,000	<b>SUMMARY:</b>		
Hourly Clerical Support		\$100,000	Non-Instructional Support	4	\$4,440,000
<b>TOTAL ELEMENTARY INSTRUCTION</b>	<b>9</b>	<b>\$910,000</b>	Instructional Support	28	\$3,700,000
<b>Additional Districtwide Savings</b>			Elementary Instruction	9	\$910,000
Salary and Benefit Reductions		\$1,200,000	Secondary Instruction	39.6	\$3,253,000
Overtime		\$800,000	Districtwide Savings		\$2,230,000
Printing and Mailing		\$140,000	New Revenue (200 students)		\$1,648,000
Election Costs		\$90,000	<b>NET COST SAVINGS AND REVENUE</b>	<b>80.6</b>	<b>\$16,181,000</b>
<b>TOTAL ADDITIONAL DISTRICTWIDE SAVINGS</b>		<b>\$2,230,000</b>			

### Additional options to meet reductions of \$4.4 to \$4.5 million:

Beyond what is listed above, an additional \$4.4 to 4.5 million in cost savings may be needed to fully address the projected \$20 million deficit. We have identified additional reductions that address the remaining deficit and they are listed below. We are also working collaboratively with our employee groups to identify cost savings in salaries, benefits or other areas that may limit the need for many of the staff reductions listed below.

	<i>No. of Positions</i>	<i>Budget Impact</i>		<i>No. of Positions</i>	<i>Budget Impact</i>
<b>Non-Instructional Support</b>			<b>Secondary Instruction</b>		
Administration	2	\$160,000	Teaching Staff, Middle School	8	\$720,000
<b>TOTAL NON-INSTRUCTIONAL SUPPORT</b>	<b>2</b>	<b>\$160,000</b>	Counselors, Middle School	3	\$270,000
<b>Instructional Support</b>			Teaching Staff High School	14	\$1,260,000
Administration	2	\$200,000	Supplemental Pay		\$180,000
Reduced Substitute Costs		\$100,000	<b>TOTAL SECONDARY INSTRUCTION</b>	<b>25</b>	<b>\$2,430,000</b>
<b>TOTAL INSTRUCTIONAL SUPPORT</b>	<b>2</b>	<b>\$300,000</b>			
<b>Elementary Instruction</b>				<i>No. of Positions</i>	<i>Budget Impact</i>
Teaching Staff	14	\$1,260,000	<b>SUMMARY OF POTENTIAL COST SAVINGS:</b>		
<b>TOTAL ELEMENTARY INSTRUCTION</b>	<b>14</b>	<b>\$1,260,000</b>	Non-Instructional Support	2	\$160,000
<b>Additional Districtwide Savings</b>			Instructional Support	2	\$300,000
Salary/Benefit Reductions		\$4,500,000	Elementary Instruction	14	\$1,260,000
<b>TOTAL ADDITIONAL DISTRICTWIDE SAVINGS</b>		<b>\$4,500,000</b>	Secondary Instruction	25	\$2,430,000
			Districtwide Savings (Salary/Benefit Reductions)		\$4,500,000

## Letter to Community, from page 1

share services with other school districts and the Washtenaw Intermediate School District. Our proposed plan represents an 18 percent reduction of costs in these functions.

The second area our budget planning targets is opportunities to increase revenue. The proposed budget plan identifies additional revenues of approximately \$1.6 million.

Finally, our proposed budget plan includes cost savings in instruction. The basic instruction, pupil support and instructional support functions of our budget represent approximately \$157 million, or 86 percent of the school district's operating budget. To reduce costs in these areas, our goal has been not to eliminate programs for students, but to look at how to restructure some programs. We have also looked to lower salary and benefit costs for employees in these areas. Reductions in these areas include eliminating staff positions, however, it has been our goal to try and limit these reductions so that core academic programs and academic support programs for students are impacted as little as possible.

Our proposed plan represents 5.5 percent reduction of costs in these functions. (An overview of the proposed budget plan with details can be seen on Page 3 of this newsletter.)

Two public meetings have been scheduled where we will discuss these plans with members of the community. We encourage you to come to one of these meetings to further participate in the process. Both will begin at 6:30 p.m.:

- Monday, April 12 at Pioneer High School Little Theater, 601 W. Stadium Blvd.
- Tuesday, April 13 at Huron High School Little Theater, 2727 Fuller.

Based on budget planning for the 2010-11 school year, the Board of Education will adopt a balanced budget for the next fiscal year. However, without increased revenues for school districts and cost containment reforms, our school district and districts throughout the state will continue to face difficult budget challenges for 2011-12 and beyond.

Anticipating continued challenges ahead, we will be engaging the Strategic Planning Team as well as the Action Teams this spring. Staff, students, parents and community members are invited to participate.

We will examine educational programming and facility use at the elementary, middle and high school levels as well as student intervention and support services programming.



*Ann Arbor students study using a variety of methods, including individual lessons, group reading and discussion.*

The goal of these teams will be to provide recommendations regarding both short- and long-term educational programming needs. This will allow our school district to continue providing outstanding educational opportunities for students based on the district's funding and enrollment projections for the next five years.

The Strategic Planning Team will meet at the end of April to review and update the Action Teams which will start meeting in May.

The goal is to bring a recommendation to the Board of Education in November 2010.

If you are interested in the Strategic Planning Process please contact Liz Margolis by e-mail at [margolis@aaps.k12.mi.us](mailto:margolis@aaps.k12.mi.us) or call her at 734-994-2236. More information on the Strategic Plan can be found online at: [http://www.aaps.k12.mi.us/aaps.about/aaps\\_strategic\\_plan](http://www.aaps.k12.mi.us/aaps.about/aaps_strategic_plan).

These are challenging times for our school district, community and state. It is my goal to continue working collaboratively with district staff, parents and our community to address the challenges we face in a thoughtful and considerate manner.

Thank you for the work you do and the support you provide for the students in our school district.

Sincerely,

Todd Roberts, Superintendent  
The Ann Arbor Public Schools  
2555 S. State St., Ann Arbor  
Phone: 734-994-2230  
E-mail: [robertst@aaps.k12.mi.us](mailto:robertst@aaps.k12.mi.us)

## Governor's 2011 Budget Proposal

- Projection that School Aid Fund will be \$410 million in deficit for 2010-2011 which translates to \$255 per pupil.
- Budget Plan would not reduce per-pupil funding beyond current level.
- Plan would extend sales tax to services and reduce tax rate to 5.5 percent.
- Michigan Business Tax would be phased out over 3 years.
- Michigan Promise Grant would be reintroduced as a \$4,000 tax credit for students who graduate and work in Michigan for at least 1 year.
- State budget is set on July 1 and is a two-year budget.

## Ann Arbor Public Schools Budget Scenarios

Following are possible effects to The Ann Arbor Public Schools budget, depending on action taken by the state legislature when adopting the School Aid Budget for 2010-11. These projections do not include planned or possible reductions as outlined on Page 3:

### No additional cuts by the state:

Projected revenue:	\$185.6 million
Projected expenditure:	200.37 million
Projected deficit:	(14.77 million)

### Additional \$200 per pupil cut:

Projected revenue:	\$182.31 million
Projected expenditure:	200.37 million
Projected deficit:	(18.06 million)

### Additional \$300 per pupil cut:

Projected revenue:	\$180.7 million
Projected expenditure:	200.37 million
Projected deficit:	(19.67 million)

*Sources: Ann Arbor Public Schools board presentation, Feb 10, 2010 and updated budget projections and information from district administration*