DeKalb County School District

FY2021 Superintendent's Final Budget Recommendations

Division of Finance

July 24, 2020

DEKALB COUNTY SCHOOL BOARD
FY21 BUDGET CONSIDERATIONS – July 24, 2020

AGENDA

- Recap Highlights and Strategy– (page 3)
- Recap Budget Constraints – (page 4)
- District's actions since the July 20 Board Meeting (page 5)
- Steps to Reduce Calendar Reduction Days – (page 6)
- Update T-Sheet Option – (page 7)
- Reminder of the CARES Act Funds Divisions' Estimates to Respond to COVID-19 (page 8)
- Ramp Up Professional Development (page 9)
- Focus on Staff in the Front Lines (page 10)
- Recap Growing Fund Balance – (page 11)
- Summary – (page 12)
- Board Member Input – (page 13)

Recap Highlights and Strategy

Focus on Student Learning

- Invest $10 million in additional District support for instruction for schools with greatest need though Resource Allocation Methodology Program (RAMP)
- Provide for COVID-19 Health and Safety for students (CARES Act Funds)

Preserve Workforce

- Focus on saving/retaining jobs while facing staggering revenue losses
- Ensure level of effort to support and respond the district-wide needs during this school year during the pandemic
- Reduce calendar – (use CARES Act funds to buy back days)
- Provide for COVID-19 Health and Safety for staff (CARES Act Funds)

Promote Efficiencies

- Reduce discretionary spending
- Implement a Hiring, Delay, Freeze – freeze vacant central office personnel

Recap Budget Constraints

- State budget passed June 26 - 10% budget cuts – Reduction of $54.2 million in revenues for DeKalb County School District
- Contingent liability – settlement reached
- Fiscal 2022 projects significant economic downturn
- Declining tax revenues likely
- Student enrollment uncertainty
- Property tax collections likely to be a challenge
- Continuing to carry salary and benefits at the current rate (budget is approximately 80-85% personnel)
- Legal fees

District's Actions Since the July 20 Board Meeting

- Provided detailed budgets for CARES Act funds in support of the COVID-19 needs for all students and staff
- Provided detailed budgets for all divisions and schools (posted to the district's website)
- Providing plans for Instructional Support Specialist role
- Provided information requested at July 20 Board Meeting related RAMP, programs support for Fine Arts, Facilities Plans, Family Engagement, Grants such as GEMA and Education of Homeless, Health and PE, Star Substitutes, Student Support

Steps Taken to Reduce Calendar Reduction Days

- Division teams worked to make additional budget cuts identifying additional savings (such as reducing cost for travel for conferences and contracted services)
- Used $9 million from the previous Option 1 T-Sheet fund balance and the additional cost savings to reduce four more calendar reduction days for school-based and central office staff
- CARES Act federal funds to buy back one calendar reduction day
- Targeting $100 million fund balance to prepare for economic hardship anticipated through the recession and the pandemic

10% QBE Austerity Reduction(-54.2 MIL), 15% Reduction of Original FY20 Discretionary Levels, 75% Central Office Hiring Delay Freeze, 6 & 6 Calendar Reduction Days. Includes Additional District Support for RAMP $10M, and Full Step in January

DEKALB COUNTY SCHOOL DISTRICT

FY 2021 GENERAL FUND SUPERINTENDENT'S PROPOSED TENTATIVE BUDGET

GENERAL FUND BALANCE	
FY 2021 Beginning Estimated Available Fund Balance	120,000,000

ANTICIPATIONS	
FY 2020 LOCAL REVENUE	**628,810,512**
5.5% Tax Digest FY21 Estimated Growth	30,978,246
TAVT increase	(6,000,000)
Transfer from other Funds	
Millage Adjustment	
Other Net Local Revenue Increases	3,267,265
SUBTOTAL	657,056,023
FY 2020 STATE REVENUE	**540,850,543**
FY 2021 Projected QBE Growth	(1,132,600)
Increase in Local 5-mill Reduction	(9,590,998)
10% Austerity Reduction	(54,257,756)
SUBTOTAL	475,869,189
FY2021 REVENUE TOTAL	1,132,925,212
Anticipated Fund Balance Drawdown	19,978,176
	1,152,903,388

APPROPRIATIONS

DIVISIONS	CURRENT FY 2020 BUDGET	SALARY	BENEFITS	ADJUSTED DISCRETIONARY (REDUCTION OF 15% FROM FY20 LEVELS)	FY 2021 PROPOSED BUDGET	VARIANCE FROM FY2020
Superintendent's Office	2,498,569	1,393,915	449,472	281,576	2,124,963	(373,606)
School Board	1,042,684	418,243	154,428	260,666	833,337	(209,347)
Regional Superintendents	3,909,537	2,914,238	923,327	87,206	3,924,771	15,234
Communications & Community Relations	1,738,563	849,208	308,536	819,827	1,977,571	239,008
Accountability	13,658,986	2,054,899	608,550	3,165,745	5,829,194	(7,829,792)
Charter Schools	56,225,306	887,514	296,666	43,266,342	44,450,522	(11,774,783)
Curriculum and Instruction	75,827,338	39,708,063	13,928,753	25,397,086	79,033,901	3,206,564
Facilities and Operations	130,548,535	40,922,140	16,114,895	63,800,698	120,837,733	(9,710,802)
Finance (Risk Management from Legal Affairs)	4,969,161	4,642,931	1,491,093	11,623,526	17,757,549	12,788,388
Human Resources	6,752,899	7,835,892	2,285,989	926,887	11,048,768	4,295,869
Information Technology	31,363,617	11,707,092	4,230,440	12,219,098	28,156,630	(3,206,987)
Legal Affairs (*Risk Management moved to Finance*)	19,678,885			3,858,857	3,858,857	(15,820,028)
Student Support & Intervention	42,734,447	27,888,299	10,261,872	3,282,226	41,432,397	(1,302,050)
Systemwide (Hiring Delay Freeze - Central Office 12.2 MIL)	8,336,417			(6,310,016)	(6,310,016)	(14,646,433)
Schools / Resource Equity Allocation Adjustments / Horizon + *142 current ISS Positions included in School Division*	800,529,659	558,017,089	211,868,513	12,431,608	782,317,210	(18,212,449)
(Contingent Liability)				33,500,000	33,500,000	33,500,000
*6 School Based "Calendar Reduction Days" (($3.5 MIL per day) (**Buy Back 1 Day with CARES Act federal funds)***		(16,440,906.00)	(4,559,094.00)		(21,000,000)	(21,000,000)
*6 Central Office "Calendar Reduction Days" $500,000 per Day) **(Buy Back 1 Day with CARES Act federal funds)***		(2,348,705.00)	(651,295.00)		(3,000,000)	(3,000,000)
Full Step in January		5,040,933	1,089,067		6,130,000	6,130,000
SUBTOTAL	1,199,814,602	685,490,844	258,801,212	208,611,331	1,152,903,388	(46,911,215)
APPROPRIATION TOTAL					1,152,903,388	
ENDING FY 2021 FUND BALANCE (projected)					100,021,824	

Reminder of the CARES Act Funds Divisions' Estimates to Respond to COVID-19

DCSD CARES Act ESSER Final Allocation				$ 33,585,162.00	
Fiscal Year	Is Required (Y/N)	Select Options:	(DRAFT PROPOSED) FUNDING MENU OPTIONS:	ANTICIPATED COST	DESCRIPTION OF OPTIONS
20-21	Y	1	Private School Equitable Services Set	$2,062,129.00	To provide for services to eligible private schools' teachers and students
20-21	Y	2	Proportionate Share for Charter Schools	$1,457,535.00	To provide funds to DCSD Charter Schools based on their proportionate share
20-21		4	Cost of 1 Calendar Days Restored for school-based personnel	$3,500,000.00	Continuity of Core Staff and Services – restoring potential budget reductions; offsetting need to furlough school staff (includes bus drivers, custodians and food service)
20-21		7	Cost of 1 Calendar Days Restored for central office personnel	$500,000.00	Continuity of Core Staff and Services – restoring potential budget reductions; offsetting need to furlough central office staff
20-21		25	Facilities and Operations	$13,422,498.00	Estimate needed to cover cost of PPE, Infrastructure and Sanitation needed district-wide (all schools and district offices and facilities) for the school year in response to COVID-19
20-21		26	Information Technology	$8,000,000.00	PK-12 Chromebooks and connectivity to integrate technology into daily instruction for students digital/virtual learning, work samples, assessments, and responses during the day, afterschool, Saturday, and summer tutorial to continue learning and gain academic success. This will cover the remaining devices not currently covered by other funding sources.
20-21		27	Student Support and Intervention	$643,000.00	Mental Health Counselors/Social Workers provided to support students and staff adjusting to the return to work and school after COVID-19 school closure, Professional Learning in the areas of resiliency, trauma informed care and mental health, stress management and wellness for youth, counseling to support social emotional development for students
20-21		28	Curriculum and Instruction	$3,500,000.00	Supplemental materials, supplies and equipment and software to support core instruction and mental health needs for students, as well as needs for staff including Professional Development
20-21		29	Supplemental support for the School Nutrition Program	$500,000.00	Preparing delivering meals, cost for meals not covered by USDA (will be supplemented with GEMA/FEMA funding)
			Grand Total	$33,585,162.00	

We Did Not Stop There!

Need to Ramp Up Professional Development

- With the use of Title I and CARES Act funds we are able to offer a Professional Learning Institute (four days) for Instructional Planning and Hybrid Learning Environments.
- The Professional Learning Institute days will be incorporated into the calendar.
- The Professional Learning Institute involves four full days scheduled with training, modeling, planning, shadowing, and creating instructional and procedural tools, while incorporating parent engagement strategies.
- The technology-rich symposium will also afford staff the opportunity to analyze data and target appropriate "supports/interventions" for students.
- The instructional modules will focus on how to effectively teach in a virtual remote learning environment, how to keep students engaged in the learning, how to monitor student progress, and how to support students and staff dealing with trauma and the impacts of COVID-19.

Focus on Frontline Staff

- We considered our support personnel including Bus Drivers, Nutrition Workers, Maintenance, Fleet Services, Warehouse, and other staff.
- These are groups of frontline staff that have worked since our March closure feeding students, maintaining facilities, delivering supplies, and other work. They are truly essential to the functioning of the district and should always be considered in this conversation.

Recap Growing Fund Balance

Growing our fund balance remains a priority in these uncertain times. It is more important than ever that the District takes the steps discussed in our previous Board meetings to grow our fund balance to be able to provide for continuous support, improvement, and strong fiscal outcomes for the District.

Summary

- Addressed the Board's questions
- Made additional cuts to discretionary spending
- Reduced calendar reduction days
- Included a salary STEP increase
- Made provisions for additional professional development with Title and CARES Act funds
- Made plans to address the Instructional Support Specialist role
- Included district support for schools with the greatest needs using the additional RAMP allocation
- Made provisions with CARES Act funds to address COVID-19 response
- Maintained the fund balance target of $100 million

Board Member Input