

# APS FY22 Budget Discussion

CCPTA-facilitated informal forum for local PTAs

January 7, 2021

# APS FY22 Budget Outlook

- Economic downturn caused by the pandemic has resulted in significantly decreased revenues for APS while at the same time the school system is experiencing additional costs due to the pandemic
- Last spring, the School Board needed to make deep cuts in the FY 2021 budget – eliminating staff compensation increases, significantly reducing Minor Construction/Major Maintenance funding, and increasing class size by one at grades K-12 among others – and needed to use \$17 million in reserve funds to balance the budget.
- Estimating a \$60+M deficit for FY22 (per BAC Nov meeting minutes)
  - Can be reduced to \$37 to \$44 million deficit if all Reserves are used

# National Context

- In the recession that started around 2008, K-12 schools received \$64 billion in federal aid. Even with that aid, the nation saw losses of about 120,000 K-12 teaching jobs. More than a decade later, the U.S. still doesn't have the number of public school teachers today that it had in 2008.
- In 2020, federal aid for K-12 has totaled \$68M (including the \$54M approved last month)
- Revenue, which dropped about 8.6% during the Great Recession, is predicted to plummet as much as 15% to 30% this time.
- Districts will need \$230 billion – and up to \$305 billion – to stabilize their budgets and avoid massive layoffs ([Learning Policy Institute](#), 2020).
- A [cost analysis](#) from the American Association of School Administrators and the Association of School Business Officials International projects that school districts can expect to spend an additional \$490 per student in order to cover costs associated with re-opening schools safely, like purchasing hand sanitizer, disinfectant wipes and other cleaning supplies, gloves, masks and other personal protective equipment, hiring additional custodial staff and nurses, and more. If the cost analysis is correct, for APS those costs could total more than \$10 million.

# School Board's Budget Direction Highlights

Emphasizes the School Board's three overarching goals:

- Focus on an excellent education regardless of the delivery model
- Support staff to be innovative and deliver high-quality virtual and in-person instruction
- Continue the focus on equity

In addition:

- Continue to implement requirements in the English Learners (DOJ) Settlement Agreement to meet deadlines
- Requests that the Superintendent work to find some sort of compensation increase for employees in FY 2022 if at all possible
- Proceed with the compensation study with the goal of having recommendations to inform future compensation increases

# School Board's Budget Direction Highlights

If possible:

- Consider steps to continue to implement recommendations from the evaluations of Services for Students with Special Needs and English Learners, including but not limited to phasing in over three to five years those recommendations with budget implications
- Continue the implementation of the initiative to provide additional Technical Support Center technicians to meet the Standards of Quality begun in the FY 2020 budget
- Present a needs-based budget with options for reductions and repurposing of funds as needed that are focused on equitable strategic changes in service delivery across the school division

# School Board's Budget Direction Highlights

Superintendent further directed to:

- Present a transparent budget that provides details for significant changes in a major expenditure category
- Explore increases in revenue, including a review of all APS fees
- Consider reserve funds as needed in FY22

# Ideas from other districts: Reducing expenses

1. [Rethinking Class Size: Achieving Existing Class Size Guidelines \(\*Target\*, not Cap\)](#)  
(est savings for district of 50K students = \$45M)
2. [Rethinking Class Size: Class Size Average, not Cap](#)  
(est savings = reduce staffing costs by 5-10%)
3. [Blended Learning](#)
4. [Rethinking Class Size with Nontraditional Staffing and an “Adult-to-Student Ratio” Reorientation](#)
5. [Eliminating Non-Teaching Professional Learning Days and Replacing with Instructional Coaching](#)  
(est savings for a district of 50K students = \$11M)
6. [Cutting Ineffective Programs and Interventions: Calculating Academic Return on Investment \(A-ROI\) and Having a Process for “Formal Abandonment”](#)  
(est savings for a district of 50K students = “tens of millions” of dollars)

# Ideas from other districts: Reducing expenses

7. [Using OER \(Open Source\) Texts and Curriculum](#)  
(est savings of ~50% over traditional textbook adoptions in one study)
8. [Improving Purchasing](#)  
(est savings for a district of 50K students = \$3-9M)
9. [Renegotiating Existing Contracts and Voluntary Vendor Pay Cuts](#)
10. [Capital Improvements: Public-Private Partnerships for School Construction](#)  
(est savings = significantly higher likelihood of meeting cost and schedule objectives under P3 models; lower total cost of ownership)



# Ideas from other districts: Increasing revenues

1. [Local Property Tax Increase](#)
  - The last property tax increase was in CY2019, when the County Board adopted an increase of two cents per \$100 of assessed valuation in the property tax rate with 1.5 cents devoted to Arlington Public Schools.
2. [Federal Aid](#)
  - Unclear (yet) to what extent the \$54B federal aid package approved in December for K-12 education will help close the gap
3. [District Education Foundation](#)
  - 501(c)(3) non-profit, tax-exempt organizations designed to raise money to support programs that public school districts themselves are unable to fund
  - There are over 6,500 district education foundations in the United States in 14,500 school districts
  - Amazon?
4. [Assessing Student Fees](#)
  - General “activities fee,” materials fees, transportation, child care, camps, driver education, adult education, textbook rental, and access to various capital goods