



Operations and Systems Planning
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MEMORANDUM

DATE: April 9, 2013
TO: Albemarle County School Board
FROM: Josh Davis
Chief Operating Officer
RE: Balancing the FY 2013-14 Budget

- The Board of Supervisors has adopted a tax rate of \$0.766, providing an additional \$607K of local revenue to the School Division. Balancing the School Division budget now requires reductions of about \$589K from the School Board's adopted budget.
- Staff will present alternative considerations for Board dialogue at the April 11 business meeting.
- The budget can be balanced without any current employees losing their position.
- Staff has re-examined Tier 1 and Tier 2 initiatives, which are summarized on pages A-21-22 and described in more detail on pages F-29-34 of the Board's budget book. Staff offers the following observations:
 - Compensation levels (salaries and benefits) are Joint Board decisions. Deviating from the Joint Board decisions would break commonality and is not recommended by staff.
 - There is an opportunity to move slightly off our staffing formulas and save several teaching FTEs associated with differential staffing. As our number of students eligible for free and reduced (F/R) lunch continues to grow, following our differential staffing formula would continue to reduce class size, especially at some of our larger elementary schools. Staff assessment indicates that we may be reaching a point of diminishing returns by adding FTEs strictly according to the formula. Staff will present scenarios at several schools where the F/R formula could be "capped" and still result in the low class sizes we desire for optimal learning.
 - Savings of up to \$100K in the "Virtual Courses" initiative appear to be possible by leveraging ongoing staff development of curriculum instead of purchasing it.
 - Other initiatives that add expenses for 2013-14 and are most relevant to this discussion include:
 - Technical support (\$197K)
 - Community Public Charter School \$124K
 - Elementary and Middle School Assistant Principals (\$141K)
 - Large Elementary Schools – clerical, guidance, media TA, and PE (\$163K)
 - RTI (\$188K)
 - SRO (\$40K)
 - Professional Development for Transportation (\$38K)
 - Initiatives described above are those where the Board has the most discretion to fund in the final budget. Staff remains prepared to answer questions regarding these initiatives or any other portion of the budget.
- The final budget will be approved at the **April 25 work session**.