

# **Positioning the District For A New Direction**

Atlanta Public Schools Fiscal Year 2016  
General Fund Budget

Board of Education

Monday, April 13, 2015



## Agenda

- Guiding question
- Review of budget commission meetings and stakeholder feedback
- Guidance on revenue options for final general fund budget
- Appendix
  - Funding priorities
  - Budgeted appropriations and positions
  - IB, ILP and IGP
  - History of fund balance
  - Intergovernmental agreement
  - Comparison of property taxes
  - Funding status of remaining priorities and budget update

Which revenue option should the administration incorporate into the final general fund budget?

# Multi-Year Budget Strategy (Fiscal Years 2015-2018)

In preparation for the implementation of the Charter System model, APS is implementing a multi-year budget strategy that features the following:

- Evaluation of all funding requests for alignment to the District's mission and vision
- Identification of the resources required to support enrollment trends and to implement the strategic plan, priorities, initiatives, and budget parameters
- Reduction of general administration and central administration costs to redirect resources to support strategic priorities, including initial efforts to right-size the District at the school level
- Acceleration of a tax-neutral funding strategy for pension benefits
- Identification and leverage of new revenue options

# Strategic Plan - Strategy Map

## Strategic Goals

2015-2020

The strategic goals provide guidance for APS leadership in the development of policies and regulations, objectives, strategies and initiatives to achieve the vision.

The following pages communicate APS' five year strategy and translate the strategy map into action. Each page highlights the strategic goals, objectives and initiatives we will pursue to close the gap between current and desired performance. All components work together to achieve our strategic vision.



### ACADEMIC PROGRAM ...

Our students will be well-rounded individuals who possess the necessary academic skills and knowledge and are excited about learning.



### TALENT MANAGEMENT ...

We will retain an energized and inspired team of employees who are capable of advancing ever-increasing levels of achievement for students of all backgrounds.



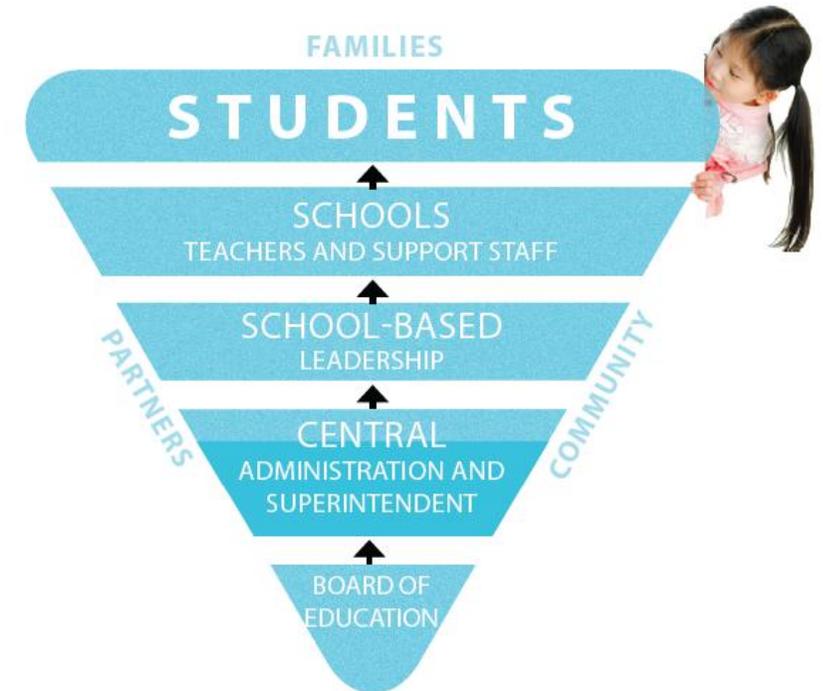
### SYSTEMS AND RESOURCES ...

We will improve efficiency (productivity, cost, etc.) while also making decisions (including resource allocations) that are grounded in a strategic academic direction and data.



### CULTURE ...

We will build trust with the community, and we will have engaged stakeholders (*employees, students, parents, community members, partners, etc.*) who are invested in the mission and vision and who support the creation of student-centered learning communities.



# Strategic Plan – Mission, Vision, and Equity

## Mission

With a caring culture of trust and collaboration, every student will graduate ready for college and career.

## Vision

A high-performing school district where students love to learn, educators inspire, families engage and the community trusts the system.



## Guiding Principles

### EXCELLENCE ...

#### IN EVERYTHING WE DO

By changing the focus from what's wrong to what's strong, APS will use a strengths-based staff development model and employee performance management to strive for excellence from every staff member for all of our students.

### EQUITY ...

#### IN OUR APPROACH TO DECISION-MAKING

Equity is strategic decision-making with the goal of remedying opportunity and learning gaps and creating a barrier-free environment which enables all students to graduate ready for college and career.

### ETHICS ...

#### TO REBUILD OUR INTEGRITY

APS will build on previously implemented testing security and ethics training and establish new supports to rebuild our organization's integrity by ensuring all staff apply ethical practices across the organization and live up to our core beliefs and norms.

### ENGAGEMENT ...

#### WITH OUR SCHOOL COMMUNITY

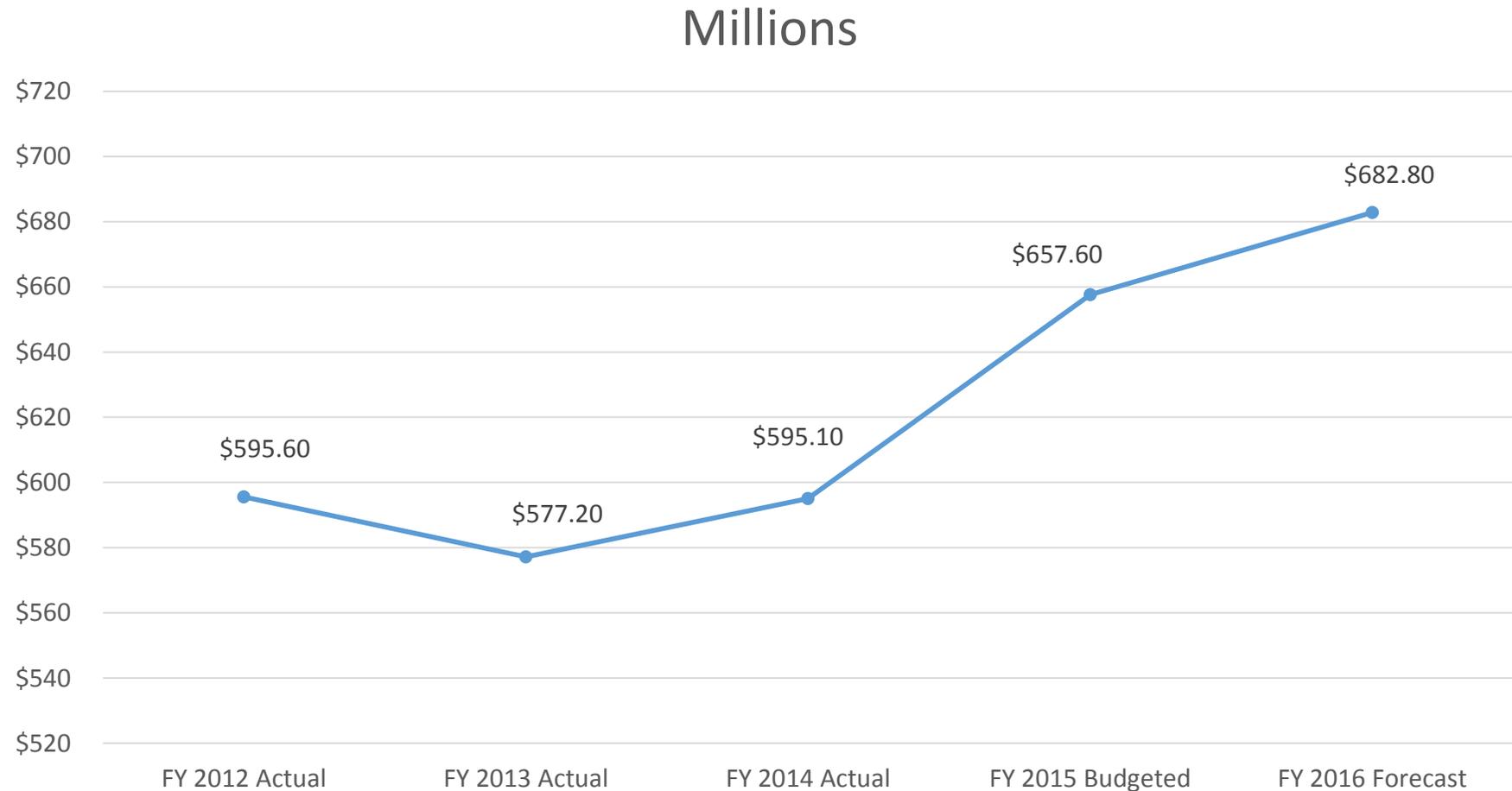
APS is redefining communications and engagement efforts to build trust, strengthen relationships and reshape the opinions of its stakeholders and overall public perception.



**Equity is strategic decision-making with the goal of remedying opportunity and learning gaps and creating a barrier-free environment which enables all students to graduate ready for college and career.**

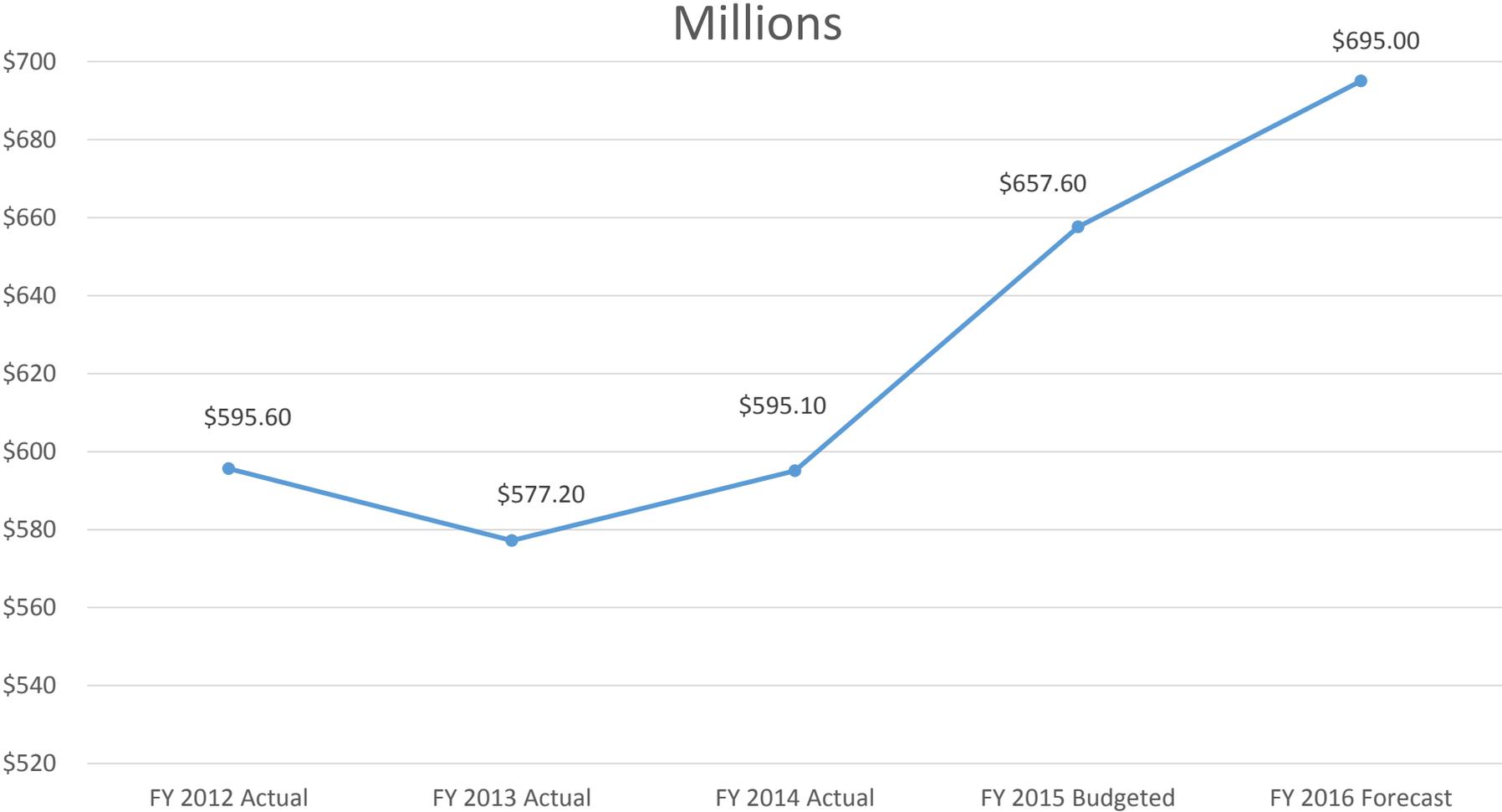
# Resource Assumptions (as of March 19, 2015)

The revenue forecast assumes a local tax increase of approximately 6.3%. State revenue has been updated for the Governor's fiscal year 2016 Budget. \$14.0 million is included in other local revenues expected from the intergovernmental agreement.



# Resource Assumptions (as of April 2, 2015)

The revenue forecast assumes a local tax increase of approximately 6.3%. State revenue has been updated for the Governor's fiscal year 2016 Budget. \$14.0 million is included in other local revenues expected from the intergovernmental agreement. Fund balance use of \$12.2 million to fund priorities.

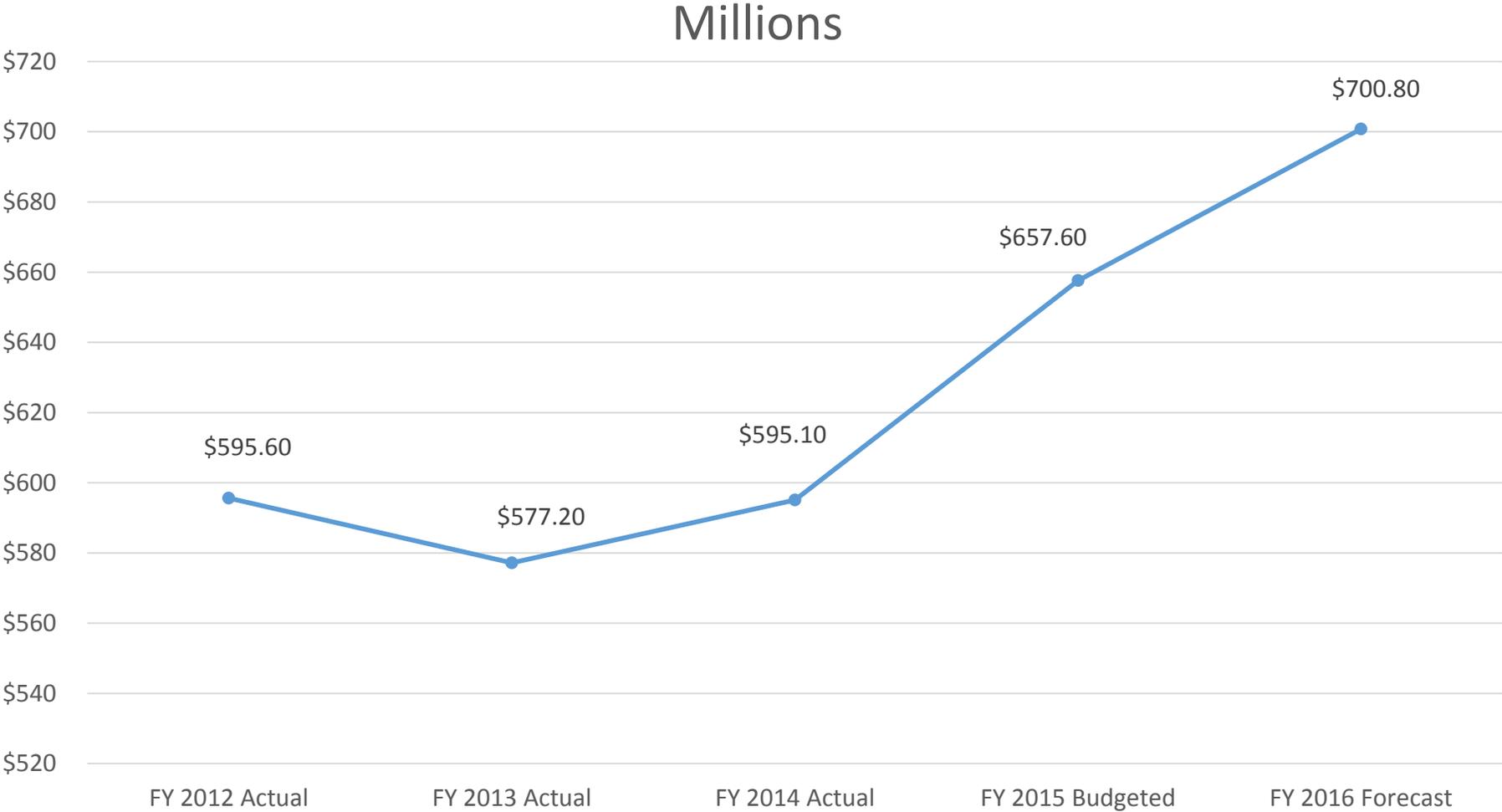


# Resource Assumptions – Assumes a Millage Rate Increase and no use of Fund Balance (as of April 13, 2015)

The revenue forecast assumes a local tax increase of approximately 6.3%. Assumes a 1 mill increase.

State revenue has been updated for the Governor's fiscal year 2016 Budget.

\$14.0 million is included in other local revenues expected from the intergovernmental agreement.



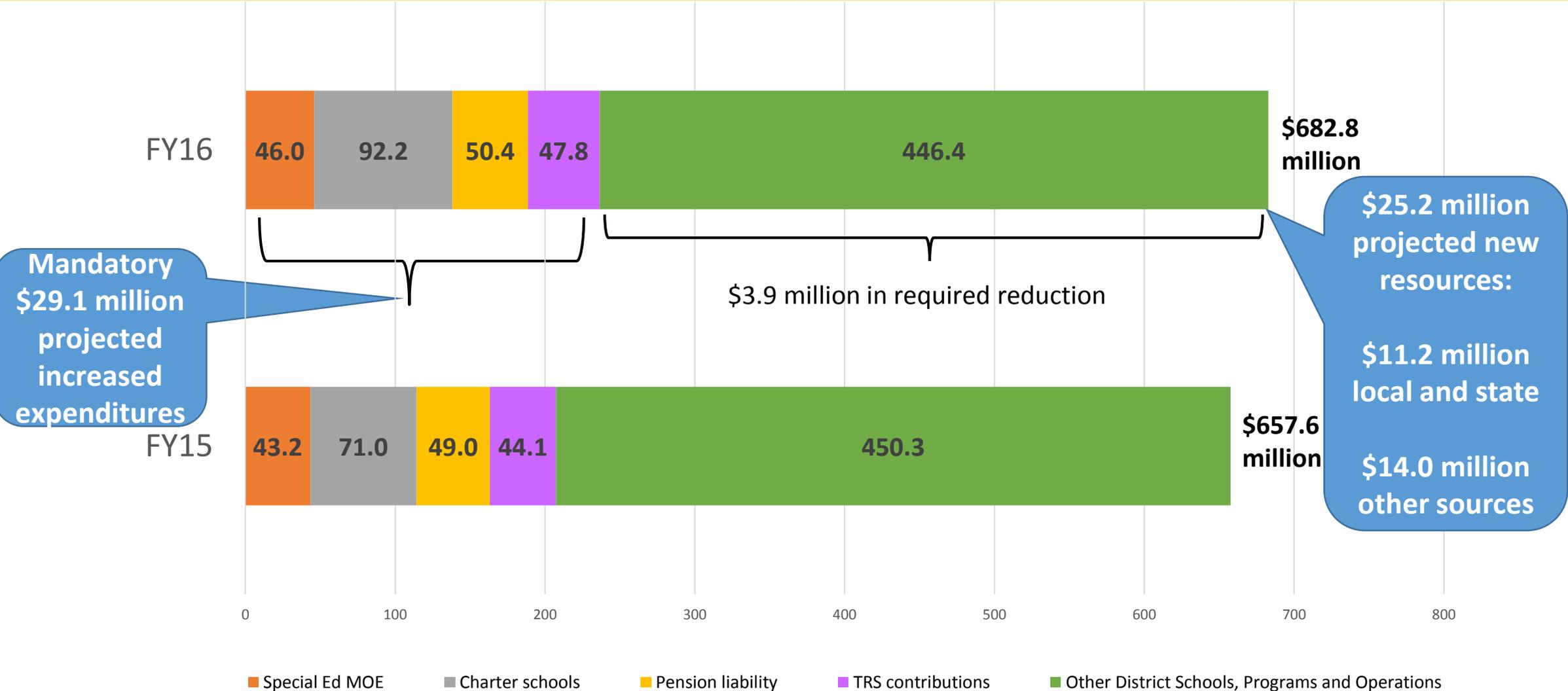
# Budget Overview Fiscal Year 2016 (as of April 2, 2015)

|                                | <b>FY2015<br/>Amended</b> | <b>FY2016<br/>Proposed</b> | <b>Change</b>  |
|--------------------------------|---------------------------|----------------------------|----------------|
| <b>Beginning Fund Balance:</b> | \$ 86.3                   | \$ 61.3                    | \$ (25.0)      |
| <b>Revenue:</b>                |                           |                            |                |
| Local                          | \$ 467.1                  | \$ 478.2                   | \$ 11.1        |
| State                          | 151.2                     | 177.9                      | 26.7           |
| Other                          | 14.3                      | 26.7                       | 12.4           |
| Total                          | <u>\$ 632.6</u>           | <u>\$ 682.8</u>            | <u>\$ 50.2</u> |
| <b>Expenditures:</b>           |                           |                            |                |
| Instruction                    | \$ 412.2                  | \$ 452.8                   | \$ 40.6        |
| School Administration          | 43.0                      | 46.7                       | 3.7            |
| Pupil Services                 | 27.3                      | 31.6                       | 4.3            |
| Staff Services                 | 34.0                      | 26.8                       | (7.2)          |
| General Administration         | 44.3                      | 22.4                       | (21.9)         |
| Transportation                 | 26.7                      | 29.1                       | 2.4            |
| Maintenance and Operations     | 70.1                      | 85.6                       | 15.5           |
| Total                          | <u>\$ 657.6</u>           | <u>\$ 695.0</u>            | <u>\$ 37.4</u> |
| <b>Ending Fund Balance:</b>    | <u>\$ 61.3</u>            | <u>\$ 49.1</u>             | <u>\$ 12.2</u> |

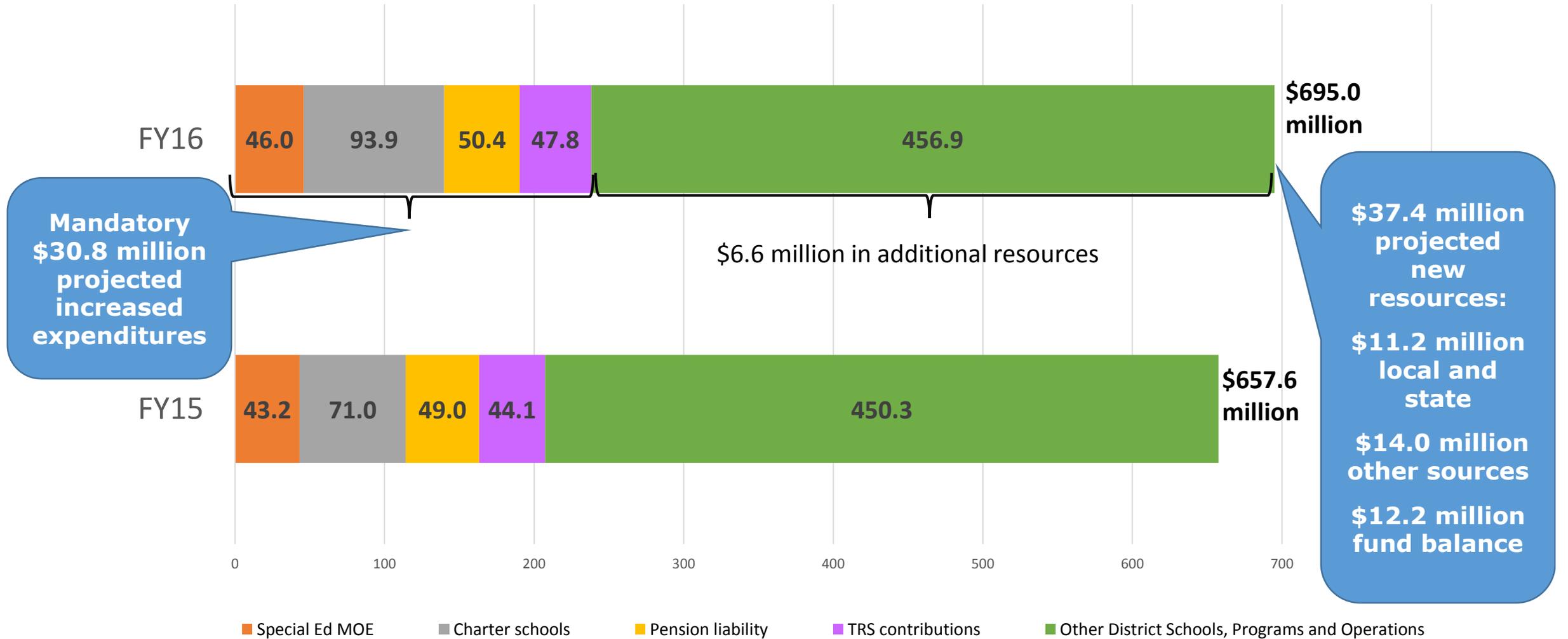
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|                                | <b>FY 2015<br/>Amended</b> | <b>FY 2016<br/>Proposed</b> | <b>Change</b>    |
|--------------------------------|----------------------------|-----------------------------|------------------|
| <b>Beginning Fund Balance:</b> | \$ 86.30                   | \$ 61.30                    | \$ (25.00)       |
| <b>Revenue:</b>                |                            |                             |                  |
| Local                          | \$ 467.10                  | \$ 496.20                   | \$ 29.10         |
| State                          | 151.2                      | 177.9                       | 26.7             |
| Other                          | 14.3                       | 26.7                        | 12.4             |
| Total                          | <u>\$ 632.60</u>           | <u>\$ 700.80</u>            | <u>\$ 68.20</u>  |
| <b>Expenditures:</b>           |                            |                             |                  |
| Instruction                    | \$ 412.20                  | \$ 458.60                   | \$ 46.40         |
| School Administration          | 43.0                       | 46.7                        | 3.7              |
| Pupil Services                 | 27.3                       | 31.6                        | 4.3              |
| Staff Services                 | 34.0                       | 26.8                        | (7.2)            |
| General Administration         | 44.3                       | 22.4                        | (21.9)           |
| Transportation                 | 26.7                       | 29.1                        | 2.4              |
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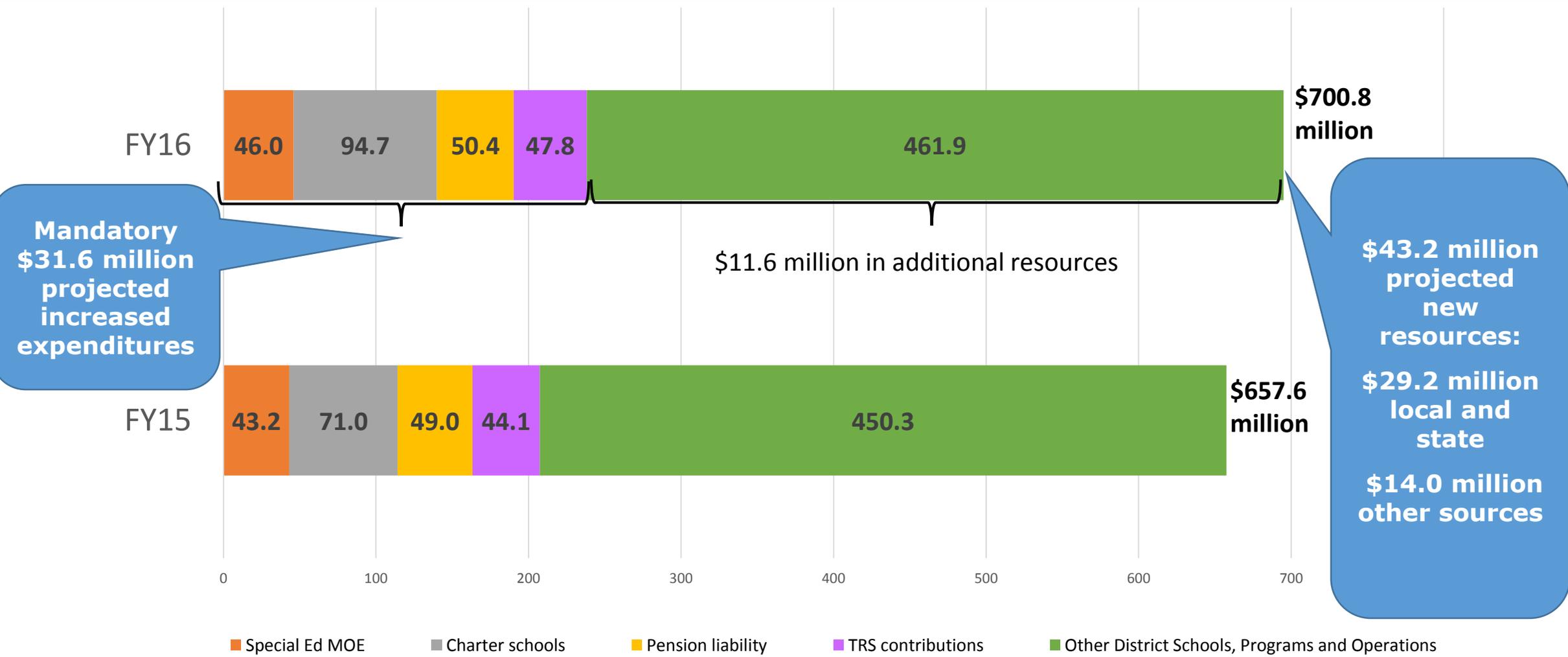
# Budget Overview Fiscal Year 2016(as of March 19, 2015)



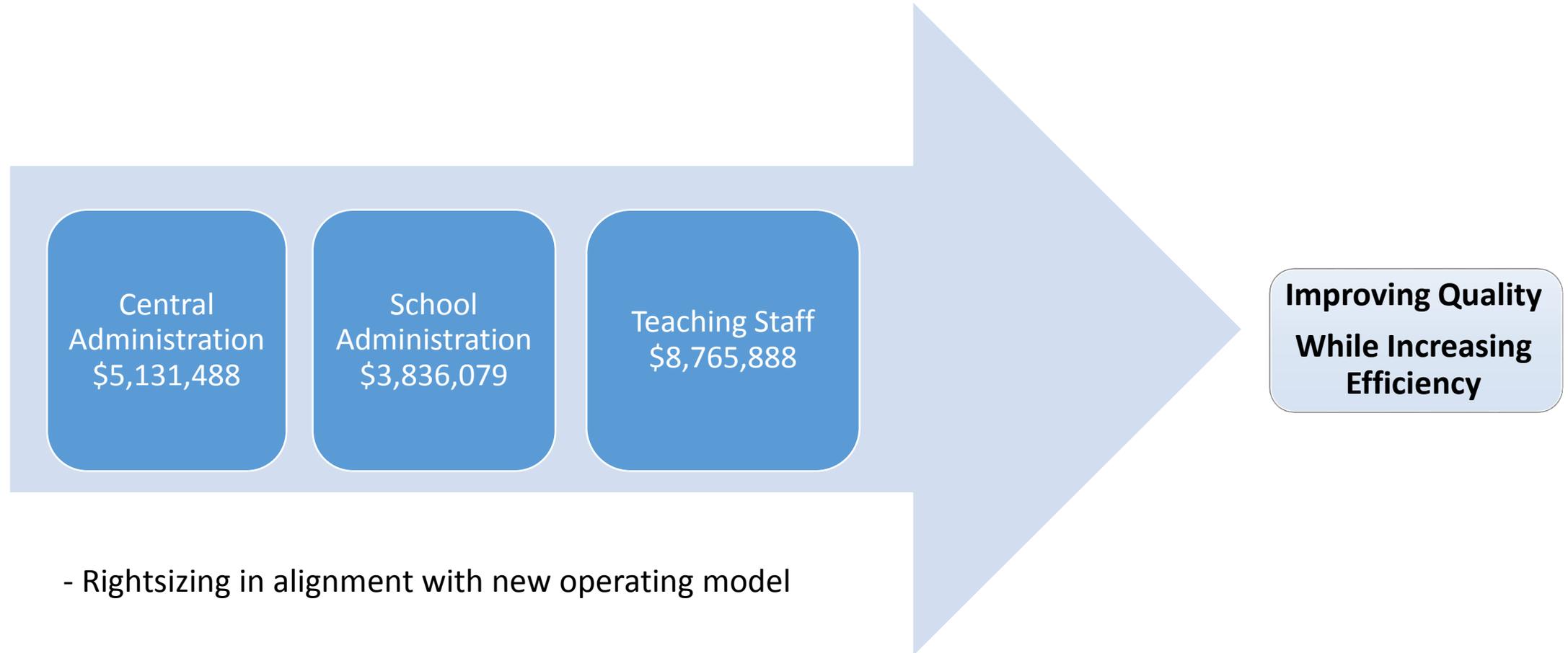
# Budget Overview Fiscal Year 2016 (as of April 2, 2015)



# Budget Overview Fiscal Year 2016 - Assumes a Millage Rate Increase and no use of Fund Balance (as of April 13, 2015)

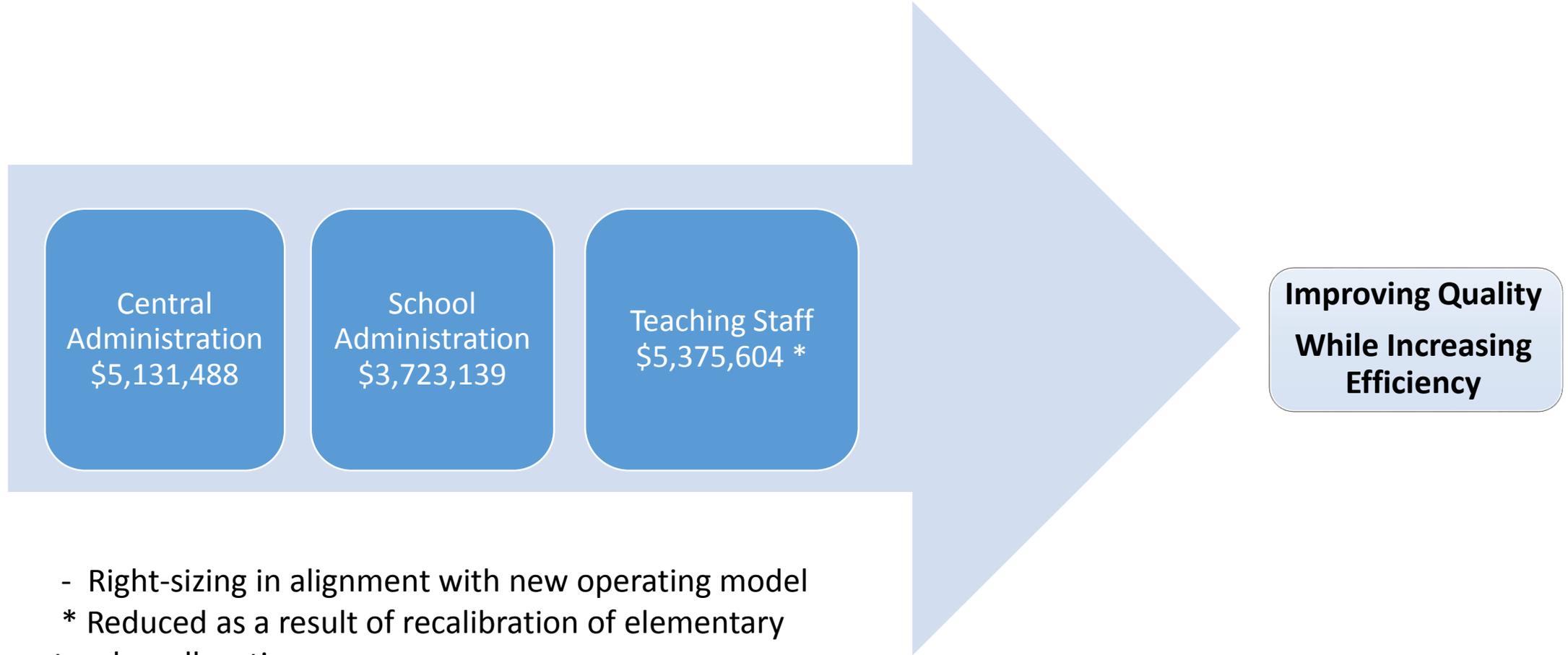


# Positioning The District For A New Direction (as of March 19, 2015)



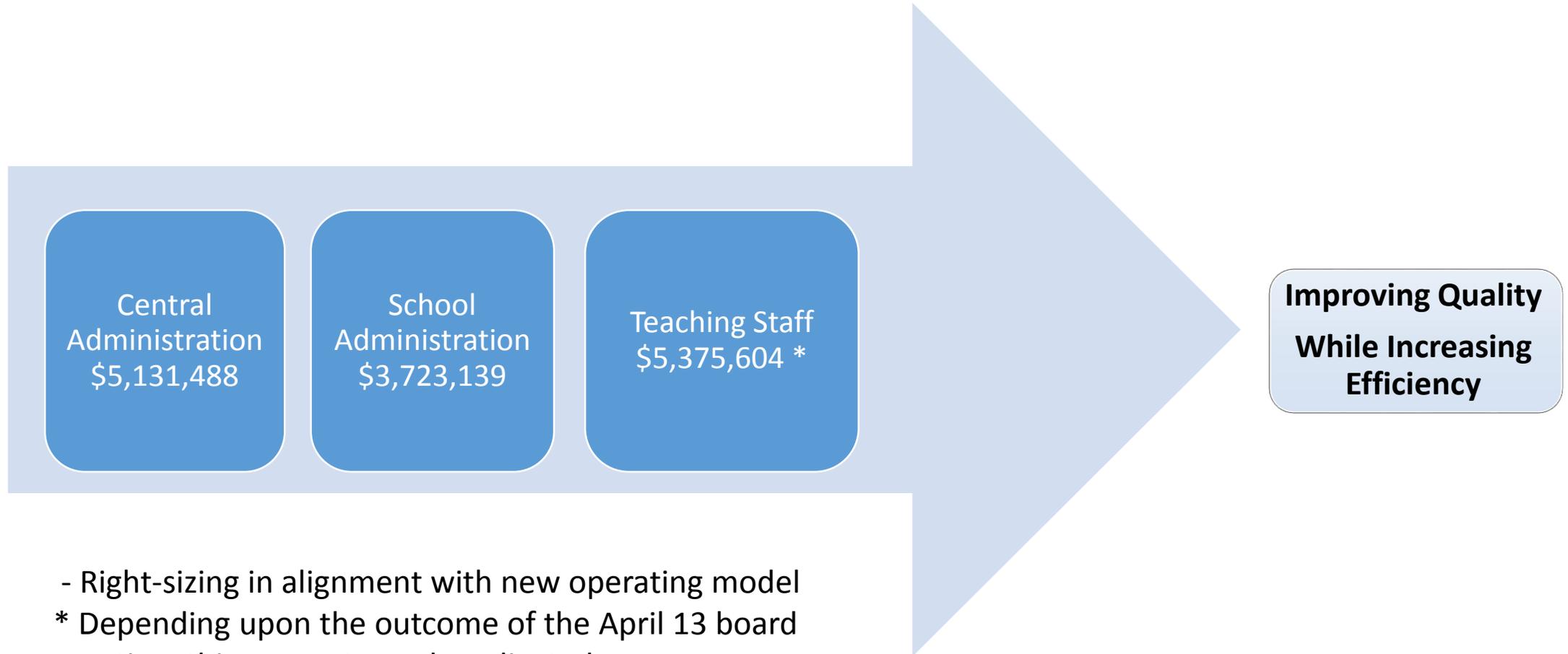
- Rightsizing in alignment with new operating model

# Positioning The District For A New Direction (as of April 2, 2015)



- Right-sizing in alignment with new operating model
- \* Reduced as a result of recalibration of elementary teacher allocation

# Positioning The District For A New Direction (as of April 13, 2015)



- Right-sizing in alignment with new operating model  
\* Depending upon the outcome of the April 13 board meeting, this amount may be adjusted

# School and Cluster Flexibility Allocation

## **Total resources: \$15.0 million**

- These funds represent dollars designed to allow flexibility in the management of school and cluster resources

## **Allocation Strategy**

### **• School Flexibility (\$9.1 million)**

- Funds are allocated to schools based on 50.0% straight line average and 50.0% Free and Reduced Lunch status
- The floor of \$82,697 has been set to ensure every school has the option to fund at the equivalent of one teacher
  - Impacted 19 schools, which were originally below the floor amount
- A ceiling of \$217,023 is established
  - Impacted 6 schools

### **• Cluster Flexibility (\$0.9 million)**

- Each cluster will receive \$12,500 per school within the cluster
- Funds will be distributed at the cluster level, not at the school level

### **• Additional Cluster Flexibility (\$5.0 million)**

- Each cluster could receive an allocation based on projected enrollment

# Fund Balance Implications

- The fund balance floor is set at 7.5% of the appropriation authority by board policy
- State law sets the ceiling for fund balance at 15.0% of the appropriation authority
- Monthly cash required to fund operations ranges between \$50.0 million to \$70.0 million
- Historically, tax receipts from property taxes would be deposited during the September to October timeframe, leaving the District in the most vulnerable cash position during the summer months at the beginning of the school year
- Fund balance at minimum levels will not be sufficient to cover cash needs for operations and would require the issuance of a Tax Anticipation Note (TAN) due to the timing of tax receipts
- Cash projections will continue to be monitored to identify the need for a TAN
- Having a strong rating for the potential pension obligation bond requires, in part, a healthy fund balance (See slide number 19)

# Resource Options

## ***Currently included in the Budget***

- Intergovernmental Agreement (IGA) for \$14.0 million
- Use of fund balance – up to \$12.2 million

## ***Option 1- Stay the course***

- \$50.4 million currently required in fiscal year 2016 appropriation

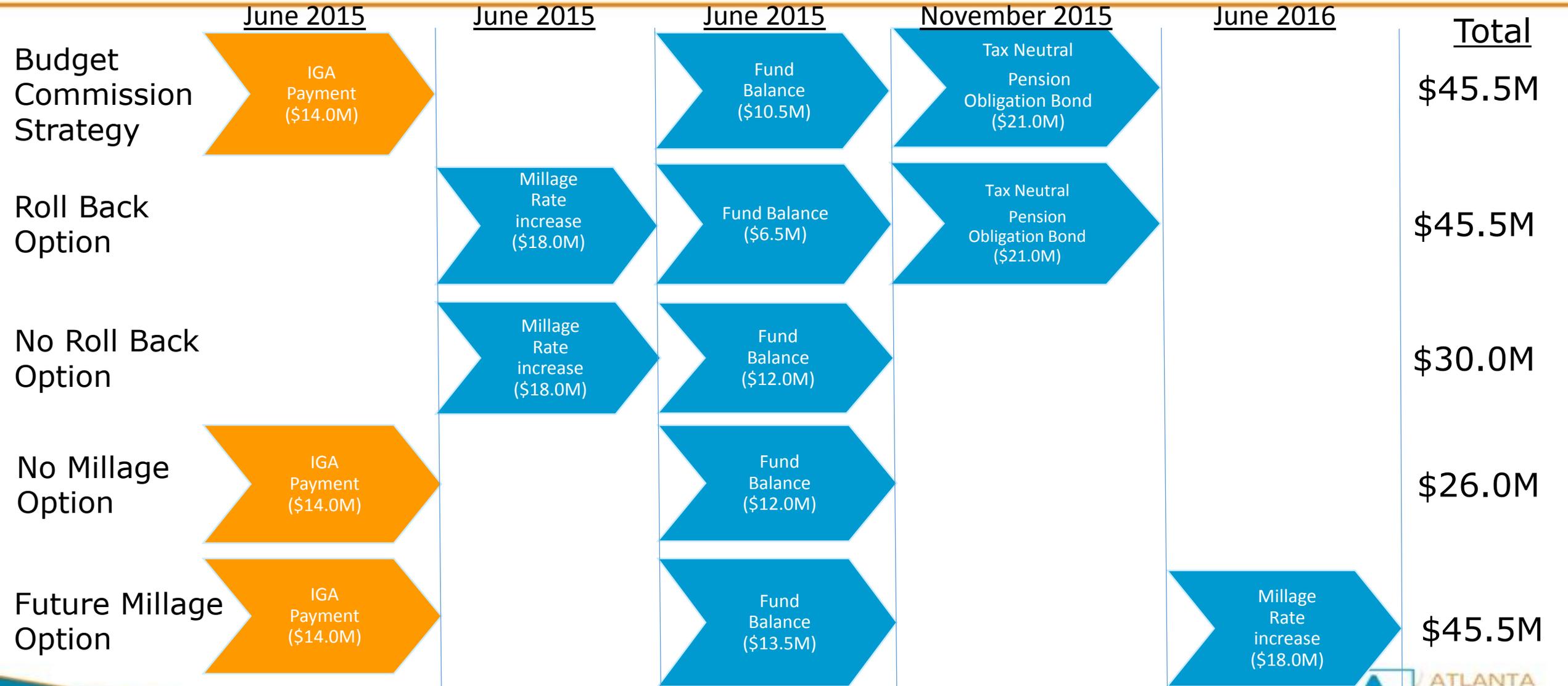
## ***Option 2 - Millage increase***

- 1 mill would generate approximately \$18.0 million
- Remaining balance is available for Board priorities

## ***Option 3 - Pension Obligation Bonds (Selected Option from Previous Budget Commission Meeting)***

- POBs ranging from \$200.0 million to \$400.0 million to be issued in fiscal year 2016 to reduce the pension liability
- Fiscal year 2016 savings of approximately \$21.0 million
- Annual savings range between \$6.0 million and \$28.0 million
- Savings to be used to fund District priorities with two exceptions:
  - Minimum of 5.0% of each year's annual savings deposited in a reserve account for protection against changes in financial conditions
  - An estimated \$0.6 million will be required to pay for the cost of the referendum
- Proposed POBs will be tax neutral
- Timeline for issuance and bond yields are critical to achieve savings

# Potential Incremental Revenue Options with Recalibrated Elementary Teacher Allotments (as of March 19, 2015)

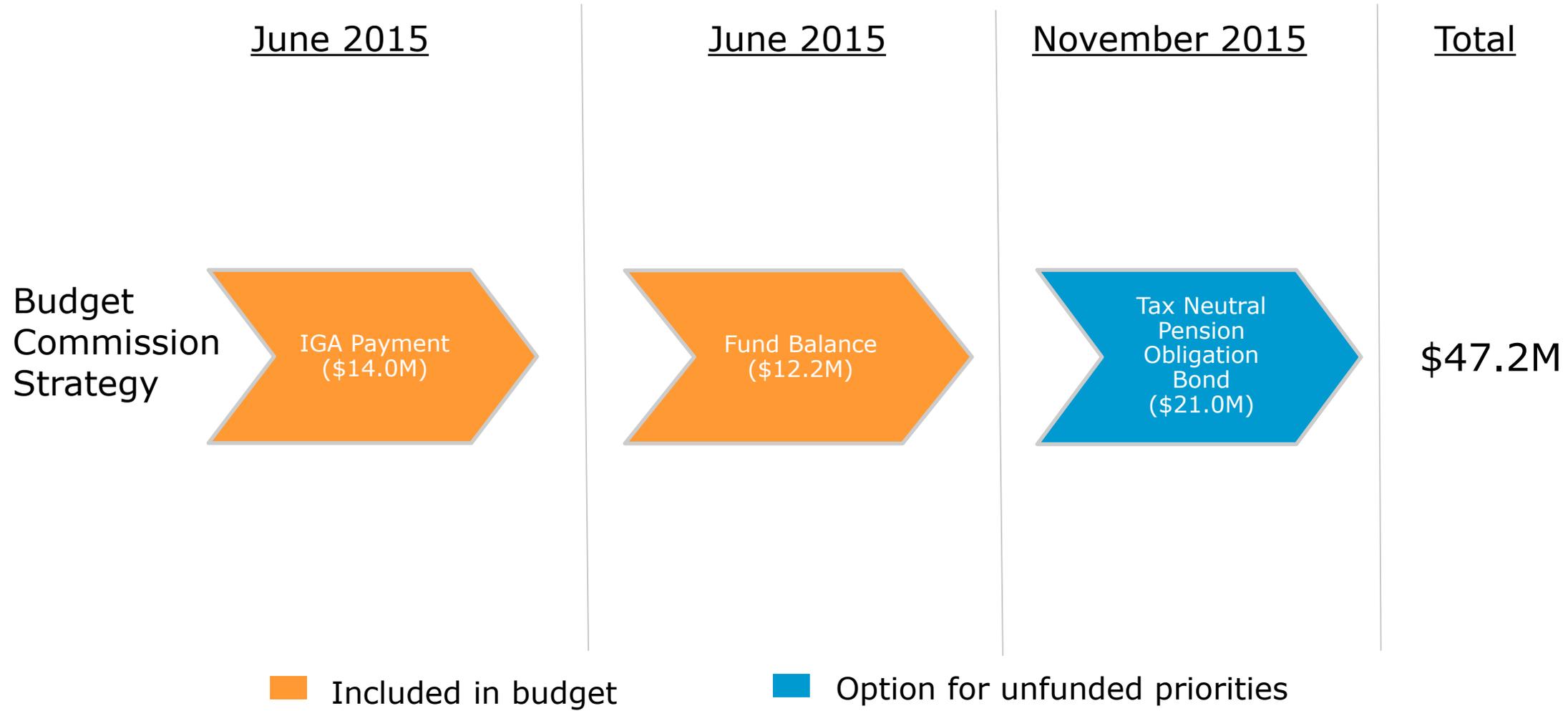


Included in budget

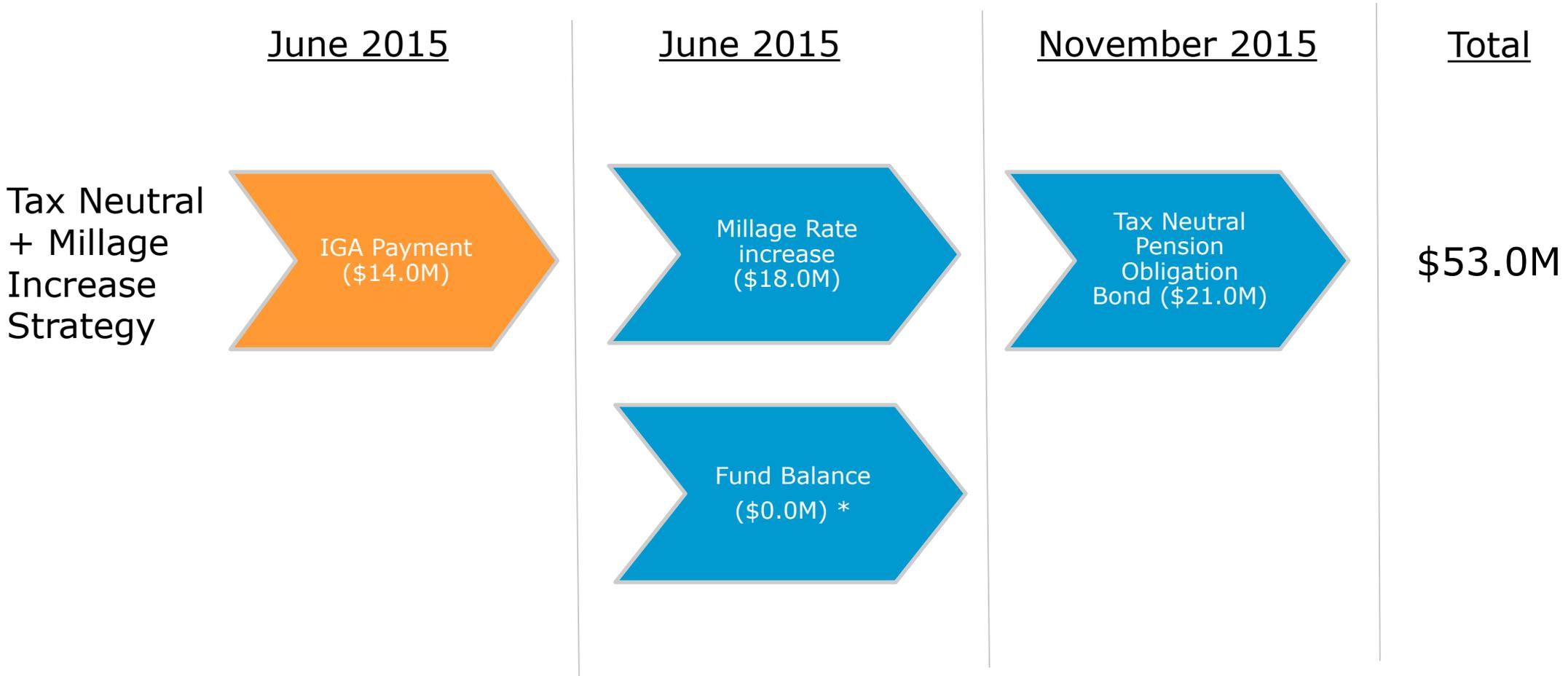


Option for unfunded priority

# Status of Funding Priorities (as of April 2, 2015)



# Alternative Revenue Option (as of April 13, 2015)



■ Included in budget      ■ Option for unfunded priorities

\* To support and maintain fund balance for pension obligation bond in this option

# Millage Rate Increase Expenditure Proposal

| Expenditure Priority (Funded Millage Rate Increase)                 | Amounts (millions)   |
|---|----------------------|
| Flexibility for Cluster   | \$0.9                |
| Enhancing Educational Environment (Custodians, Safety and Security) | 4.0                  |
| Recalibrating Teachers at Elementary Schools                        | 1.0                  |
| Bus Maintenance   | 1.5                  |
| Pre-K Enhancements  | 1.0                  |
| College Readiness   | 1.0                  |
| Career Readiness  | 1.0                  |
| Charter System Transition   | <u>0.3</u>           |
| <i>Total (funded priorities as of March 19, 2015)</i>               | <b>\$10.7</b>        |
| Charter Schools Proportional Share of Resources                     | 2.3                  |
| Additional Cluster Flexibility Allocation                           | <u>5.0</u>           |
| <i>Total</i>  | <b><u>\$18.0</u></b> |

Original district priorities if fund balance was used

# Sample Cluster Planning

| Cluster                         | Enrollment * | Draft Programming to date (still vetting)  |
|---------------------------------|--------------|--|
| Carver<br><b>\$546,385.89</b>   | <b>4,608</b> | <ul style="list-style-type: none"> <li>• Early college preparation to support the expansion of the early college program</li> <li>• S.T.E.A.M. Coordinator for the cluster</li> <li>• K – 12 World language teachers</li> <li>• Summer/Fall Professional Development</li> </ul>  |
| Douglass<br><b>\$519,944.03</b> | <b>4,385</b> | <ul style="list-style-type: none"> <li>• Project-based Learning (Expeditionary Learning – training and implementation K-12)</li> <li>• Reading Instruction – Consistent K-2 reading framework, tools and resources with reading interventions and supports for grades K-8</li> <li>• Mathematics- Consistent mathematics framework, tools and resources to include mathematics interventions and supports for grades K-12</li> </ul> |
| Grady<br><b>\$564,646.18</b>    | <b>4,762</b> | <ul style="list-style-type: none"> <li>• Build on existing strengths of College Prep and support for Fine Arts</li> <li>• Provide allocation for two fine arts teachers (One Band and One Orchestra) to support elementary schools for vertical program alignment K-12</li> <li>• Wrap-around services</li> </ul>  |
| Jackson<br><b>\$466,467.46</b>  | <b>3,934</b> | <ul style="list-style-type: none"> <li>• IB Authorization and coordinator for each elementary &amp; middle school</li> <li>• Increase students' performance in math, reading, and science and provide remediation for students in the areas of math &amp; reading</li> <li>• Enhance the quality of instruction for teachers through intentional and purposeful professional development</li> </ul>                                  |
| Mays<br><b>\$581,839.31</b>     | <b>4,907</b> | <ul style="list-style-type: none"> <li>• IB Training- 60 Elem teacher (10 per school) 20 middle and 20 high</li> <li>• Targeted extended day and Saturday school Instruction for lowest performing 25% in reading and math 3rd-12th grade- (teachers, transportation, materials)</li> <li>• 2 additional planning days in summer for IB 101 and begin writing 1 unit (K-10th grade)</li> </ul>                                       |

\* Per student amount is \$118.57

# Sample Cluster Planning

| Cluster                              | Enrollment*  | Draft Programming to date (still vetting)  |
|--------------------------------------|--------------|--|
| North Atlanta<br><b>\$936,373.55</b> | <b>7,897</b> | <ul style="list-style-type: none"> <li>• Address K-12 World Language programming to support long-standing IB emphasis</li> <li>• Ensure a highly qualified, dedicated IB Coordinator is in place at each school</li> <li>• Provide ongoing IB training for teachers and leaders</li> <li>• Increase horizontal and vertical planning and teaming opportunities for teachers and leaders in order to facilitate a higher percentage of students entering the IB DP program</li> </ul> |
| South Atlanta<br><b>\$429,472.59</b> | <b>3,622</b> | <ul style="list-style-type: none"> <li>• Fund three Science Lab or Technology/Robotics Teachers (Elementary)</li> <li>• Science, Technology, and Robotics equipment to support hands-on learning. For example, LEGO Robotics Kits. (All Levels)</li> <li>• STEAM &amp; Project Based Learning Professional Development and Site Visits (All Levels)</li> </ul>   |
| Therrell<br><b>\$434,808.39</b>      | <b>3,667</b> | <ul style="list-style-type: none"> <li>• IB Coordinator</li> <li>• STEM Facilitator</li> <li>• Reading Plus Program</li> </ul>   |
| Washington<br><b>\$390,343.39</b>    | <b>3,292</b> | <ul style="list-style-type: none"> <li>• STEAM coordinators - full time- (need two: one for elementary and one for secondary)</li> <li>• Money for cluster faculty meeting (presenters, food, stipends) - to be held in June 2015 - need STEAM expert to come and provide full day workshop/activities for all cluster teachers.</li> <li>• Monies to take site based coordinators and admin to visit schools with successful STEAM implementation</li> </ul>                        |
| BEST/CSK<br><b>\$129,719.22</b>      | <b>1,094</b> | <ul style="list-style-type: none"> <li>• Mandatory planning time Summer (4) days – For Curriculum and assessment development single gender, de-escalation training, crisis prevention (work sessions and breakouts)</li> <li>• Trainers (to lead summer workshops) on single-gender education</li> <li>• Consultant to assist with the development and implementation of school traditions, positive and engaging school culture (brand)</li> </ul>                                  |
| <b>Total \$5.0 million</b>           |              |  |

\* Per student amount is \$118.57

# Stakeholders' Feedback Summary

- Feedback from principals around process for allocating flexible dollars
- Concerns around elementary staffing allocations
- Concerns about possible programmatic reductions in world language and fine arts
- Questions about resources and quality control for cluster plan implementation
- Questions about central office reduction strategy
- Community feedback around school consolidation
- Community members analyzed APS cost per student for smaller schools vs. larger schools
- Questions about the plan for pursuing IGA revenue

Which revenue option should the administration incorporate into the final general fund budget?

# Next Steps

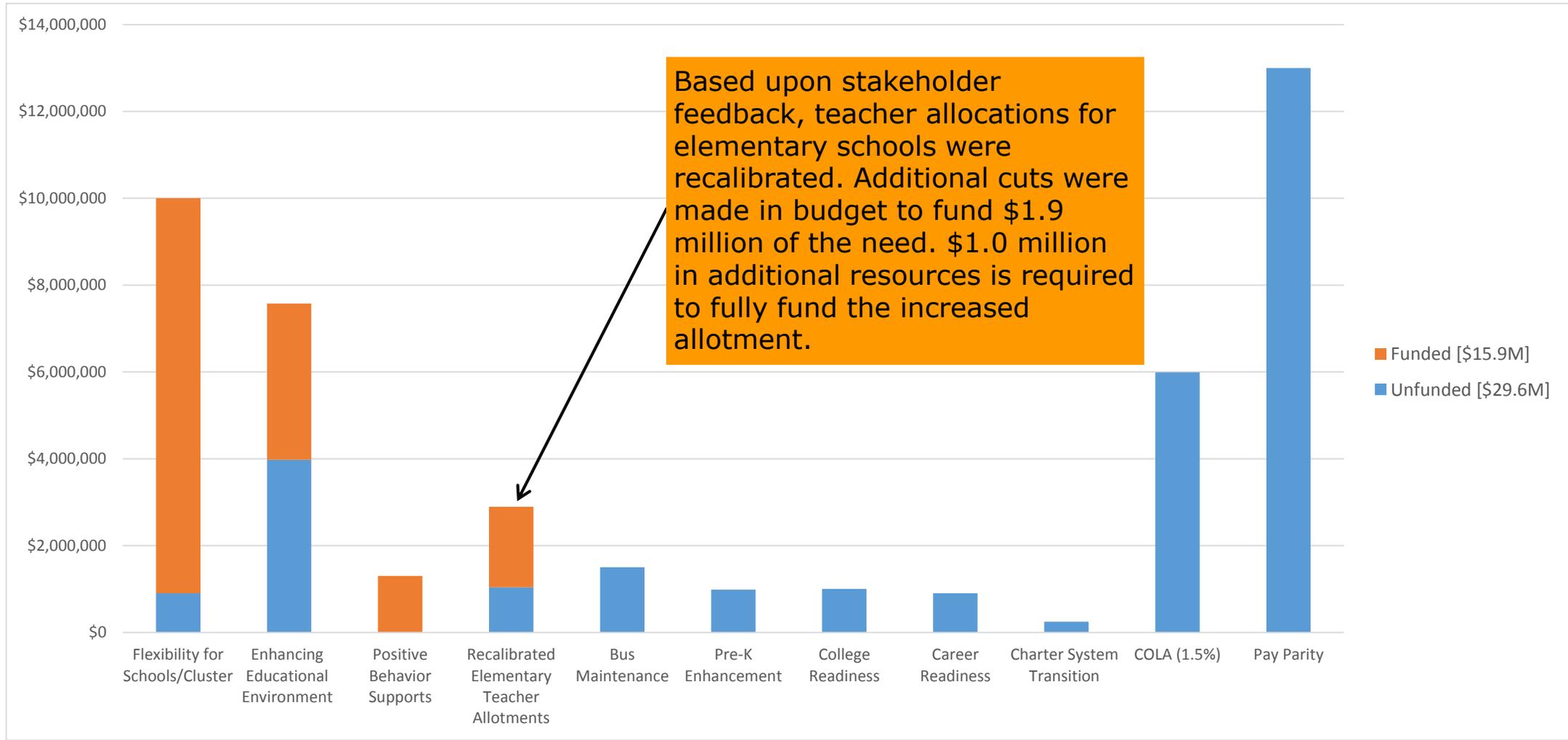
- **Adoption of Final General Fund Budget**  
4-20-15 Final Adoption
- **Special Revenue Budget Adoption**  
5-04-15 Tentative Adoption  
6-01-15 Final Adoption
- **Millage Rate Adoption**  
5-04-15 Tentative Adoption  
6-01-15 Final Adoption



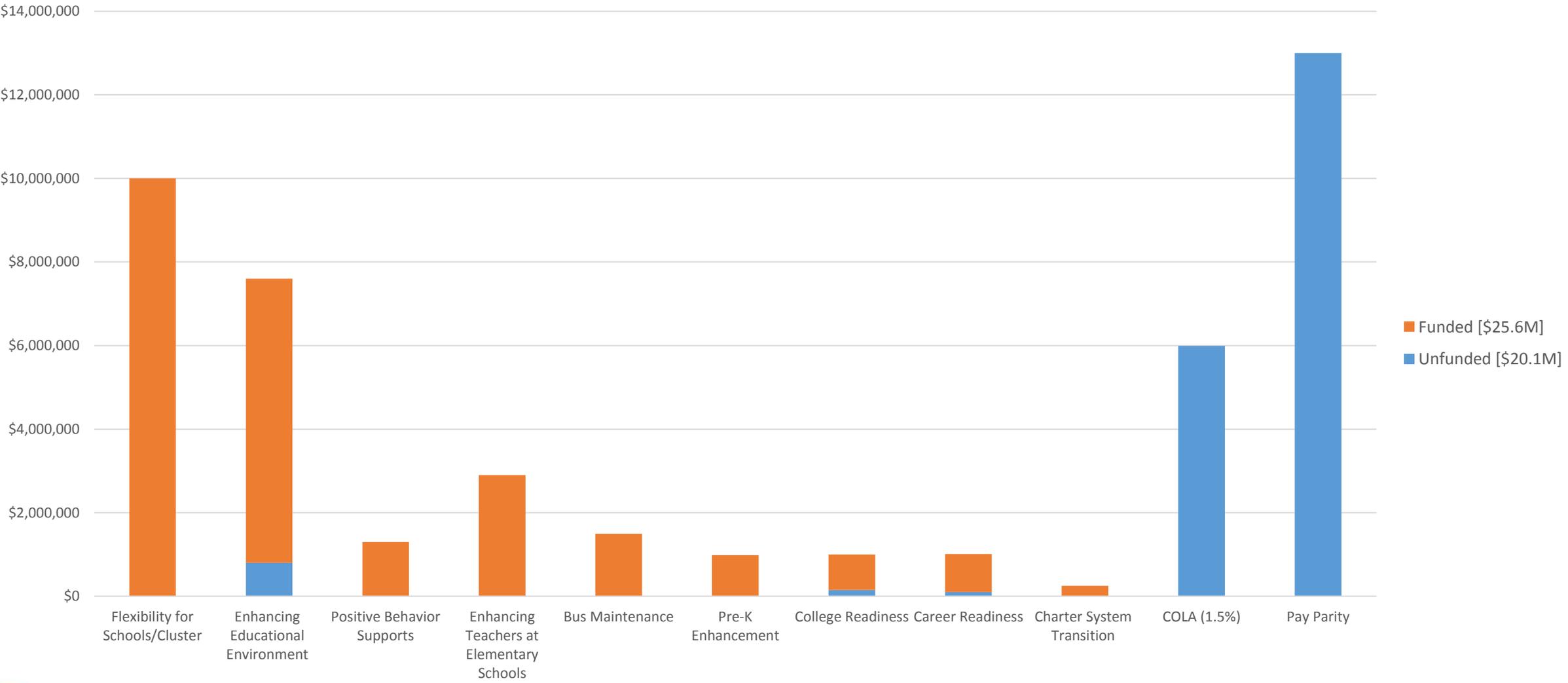
# Appendix

- Funding priorities (see slides 31 and 32)
- Budgeted appropriations by state function
- Budgeted positions by state function
- Expenditure by state function
- Positions by state function
- International baccalaureate (IB)
- Individual learning plans
- Individual graduation plans
- science, Technology, Engineering, and Mathematics (STEM)
- History of fund balance
- Intergovernmental agreement (IGA)
- Comparison of property tax rates
- History of APS property tax rates
- Funding status of remaining priorities and budget updates

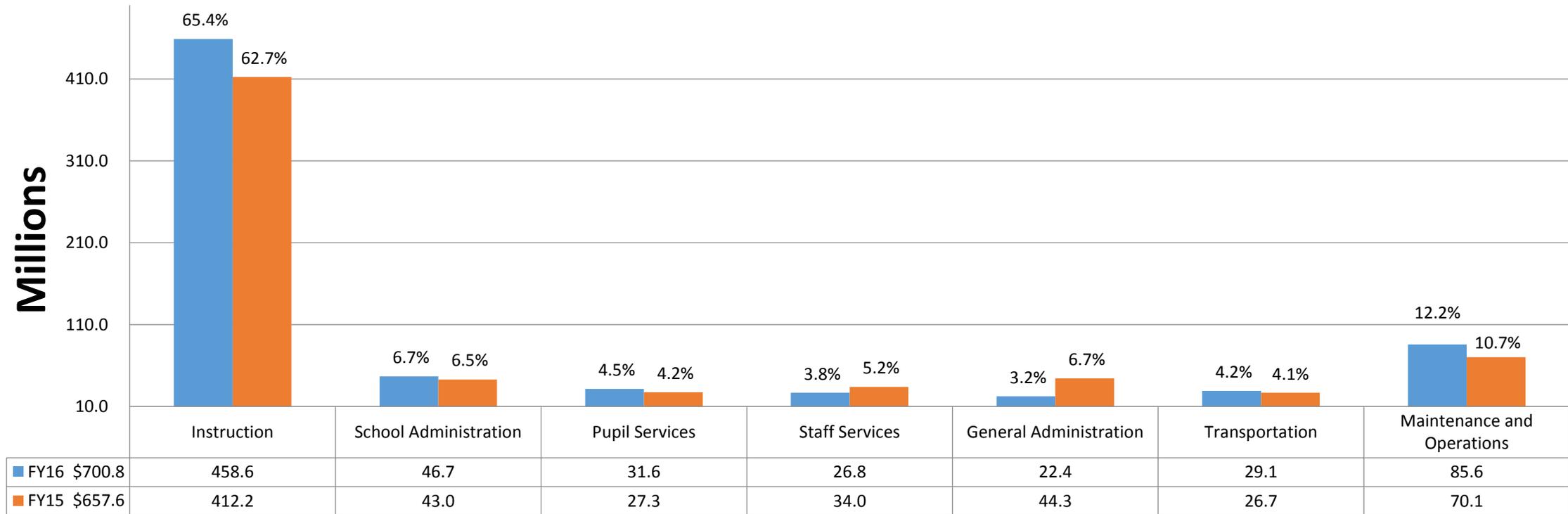
# Funding Status of Remaining Funding Priorities with Recalibrated Elementary Teacher Allotments (as of March 19, 2015)



# Funding Status of Remaining Priorities (as of April 2, 2015)

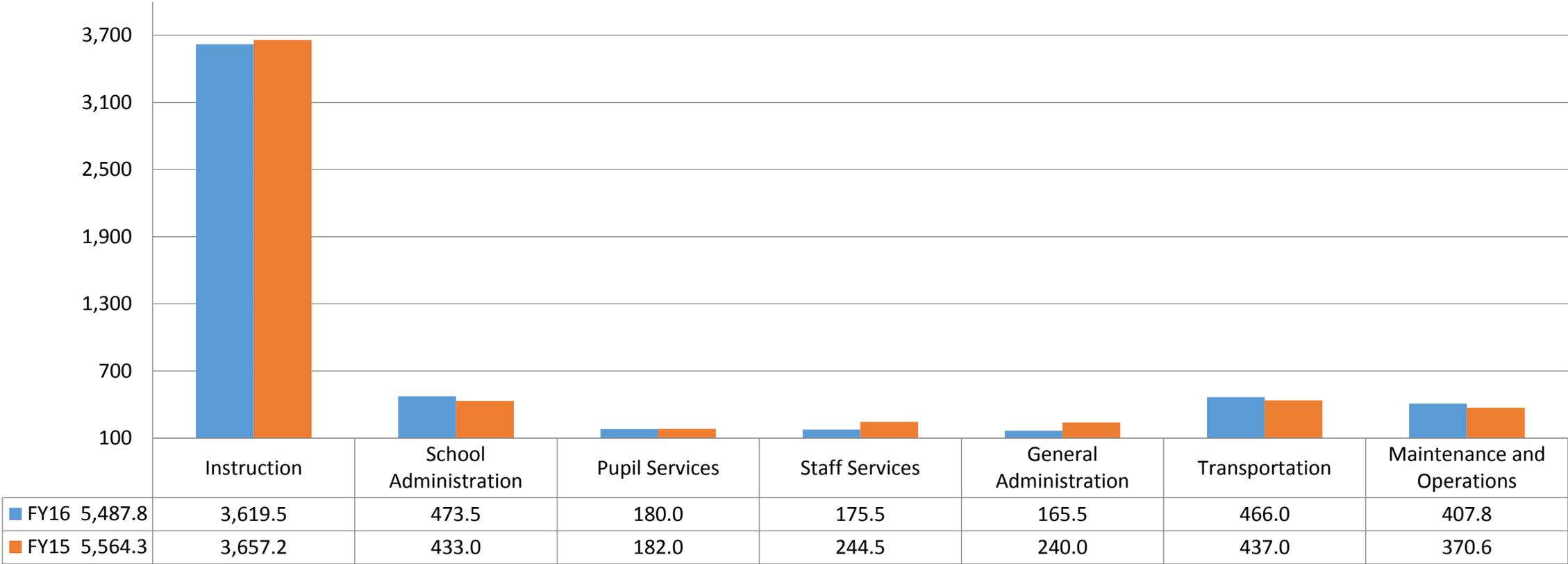


# Budgeted Appropriations by State Function



Increase in Instruction function related to charter school enrollment increase

# Budgeted Positions by State Function



# IB FY16 Budget Considerations

## Current IB Programs

11 traditional school authorized programs

|                   |                    |
|-------------------|--------------------|
| Annual Fees*      | \$132,000          |
| Staff Training*   | \$132,000          |
| Student Exam Fees | \$186,000          |
| IB Coordinators   | \$909,667          |
| Resources         | \$300,000          |
| <b>Total</b>      | <b>\$1,659,667</b> |

\*Funded in FY15

## District-Wide IB (Years 1-2)

11 traditional school authorized + 56 candidate programs

|                   |                    |
|-------------------|--------------------|
| Annual Fees       | \$400,800          |
| Staff Training    | \$484,800          |
| Student Exam Fees | \$186,000          |
| IB Coordinators   | \$5,540,699        |
| Resources         | \$300,000          |
| <b>Total</b>      | <b>\$6,912,299</b> |

Not included:

- Extra World Language Teachers
- Theory of Knowledge Teachers
- Substitute Teachers
- Teacher Stipends

# IB FY16 Budget Considerations

- In order to maintain authorization, District must fund as a minimum:
  - IB Annual Fees
  - IB Staff Training
  - IB Coordinators
  - World Language Instruction (Starting in 2<sup>nd</sup> Grade)
- District-Wide IB implementation cost reduction options:
  - Phased authorization:
    - ▶ Add IB clusters over time (simultaneous K-12 implementation)
    - ▶ Authorize Primary Years Programs (K-5) first
    - ▶ Authorize Diploma Programs (11-12) first
  - Opt not to fund IB Diploma student exam fees
  - Redirect district professional development funds for local IB school use
  - Combine smaller schools:
    - ▶ Annual fee and staffing savings

# Individual Learning Plans

## Elementary Schools

### Grades K-5

- One page form focused on core and extended subjects: student strengths, challenges, and interests
- Two approaches:
  - Hard copy form would be included in each student's Permanent Record documentation
  - Soft copy form would be integrated into current Infinite Campus capabilities (TBD)
- Developed and refined each year at an **ELEMENTARY DISTRICT FALL PARENT CONFERENCE DAY** (a day pre-determined on the APS yearly master calendar)
- FALL PARENT CONFERENCE ILP** meetings would include the Homeroom Teacher, the Parent(s)/Guardian, and student – jointly making and updating the plans each year as appropriate based on student current progress
- Considerations of this implementation *could* include:
  - Minimal Cost of Paper/Potential Infinite Campus Upgrades if the form was integrated into current Infinite Campus capabilities – Counselor Coordinator working with IT on this now
  - Possible Impacted Teacher Professional Development Day/Student Holiday (unless another is added)
  - Communication needs through campus based parent liaisons and Family Engagement Specialists (costs up to \$10,000 for entire EL schools)
  - Minimal Cost of Possible Teacher Training on Best Practices for Parent Conferences/Using the ILP form (Could be handled at pre-service or a faculty meeting on each campus)

# Individual Graduation Plans

## Middle and High Schools

Current state law mandates that every grade 8-12 student must have an IGP

- The IGP is developed with the MS and HS counselor, the student, and the parent
- The IGP must be reviewed and refined on a yearly basis
- The IGP is uploaded into the current GA 411 System
- Plan:
  - Add Grades 6 and 7 to the current IGP scope of work at each middle school – capability for adding grades 6 & 7 are already available in GA 411
  - Expand the counselor role to include Grades 6 and 7
  - Considerations of this implementation for grades 6 and 7 *could* include:
    - Possible additional clerical support to ensure plans are uploaded into GA 411 (costs estimated for .5 clerical support at each MS would be approximately \$210,000)
    - Communication needs through campus based parent liaisons and Family Engagement Specialists (costs up to \$5,000 for entire MS schools)
    - Potential postage costs if the final IGP's were mailed home each year to parents

# Application for Georgia Department of Education STEM Program Designation



## **Timeline for Application (Estimate Time for Certification Approval 2-3 years by the GADOE)**

- **Step 1: Complete pre-application visit**
- **Step 2: Make adjustments to anything recommended by the STEM coordinator prior to applying.**
- **Step 3: Complete the application.**
- **Step 4: Site visit to the school from team consisting of representatives from math, science, CTAE (several), technology, business**
- **Step 5: The visiting team re-convenes & looks at your application and compares it with the evidence observed during the visit.**
- **Step 6: If recommended for certification, a school will be participate in a award ceremony where the DOE will present you a banner from the State School Superintendent.**

## **School**

### **Budget Costs May Include:**

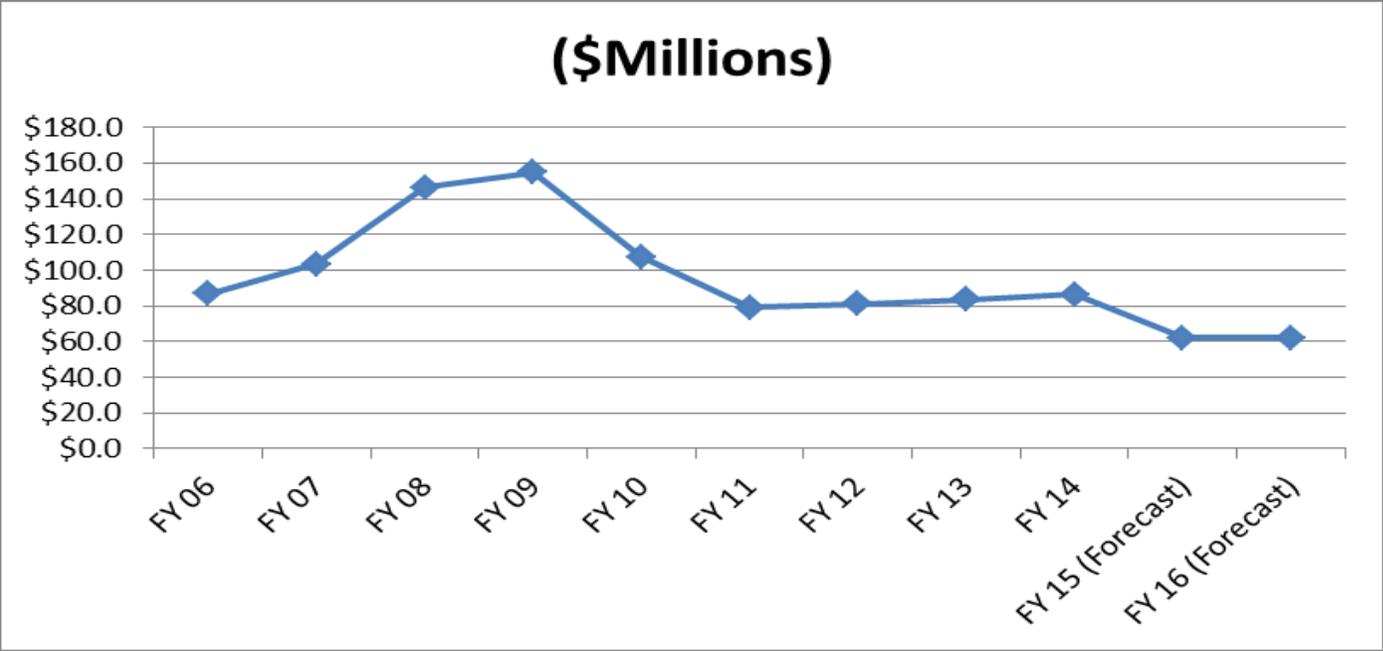
- Staffing
- Lab and Equipment
- Teacher Certification
- Professional Learning
- Textbooks and Supplies

# Application for Georgia Department of Education STEM Program Designation

| Criteria  | To Meet   |
|---|---|
| Number of STEM students   | STEM students are identified and their program of study is clearly defined.   |
| The number of non-traditional students  | Non-traditional student participation reflects the diversity of the school district.  |
| Characteristics of the STEM Curriculum  | There are definitive differences in the coursework and instruction that occur in STEM schools as opposed to a non-STEM school population.   |
| Teacher certification   | 100% of STEM teachers are certified in his/her subject area. For elementary schools 75% of STEM teachers are seeking math or science endorsement.   |
| Teacher Professional Learning   | All teachers participate in ongoing professional learning specific to their STEM focus.   |
| Teacher Collaboration   | Time is allocated by the school for teachers to collaborate and plan together.  |
| STEM Pathways (Does not apply to elementary and middle schools)                       | Students can become pathway completers via STEM pathways  |
| Math and science Instruction  | STEM students are required to take advanced math and science courses that are co-requisites of the CTAE pathways (Math and science courses for elementary and middle school would need to prepare students for the next grade band) |
| Business/Industry/Community Partnership   | Evidence of industry/partnership involvement with the instructional program.  |
| STEM competitions (CTAE does not apply to elementary)                                 | Students are involved with math, science, and CTAE competitions on a regular basis.   |
| Performance assessments   | Students are assessed in a variety of ways including project/problem-based assessments, authentic assessments, or other student-centered approaches.  |
| CTAE, Math, Science, Technology, and Engineering Integration (no CTAE for elementary) | The curriculum is multidisciplinary and lessons that are integrated are the norm.   |
| STEM Labs   | There is a dedicated STEM lab(s) in the school.   |
| Student Rigor & Relevance and Instructional Quality                                   | Students are regularly challenged by complex problems that are related to real world scenarios. Focus is on competence rather than coverage of curriculum.  |
| Student Internships and/or Capstone Project (High School only)                        | Every student in the STEM program must complete an internship with a business partner or a capstone project before they graduate.   |
| Technology Integration  | There is a pervasive use of technology throughout the STEM program as tools to facilitate research, investigation, and design.  |
| Accountability  | There is evidence that STEM students are making progress on standardized assessments.   |

# Ten Year History of APS Fund Balance

- Statutory maximum is 15% of revenue (\$100M for FY16)
- APS Board Policy minimum is 7.5% of revenue (\$50M for FY16)



During fiscal years 2009 to 2011 General Fund transferred nearly \$87.7 million to Capital Projects Fund for equipping and renovating facilities.

Note: Fund balance available for use in FY16 is approximately \$12M.

# Intergovernmental Agreement (IGA)

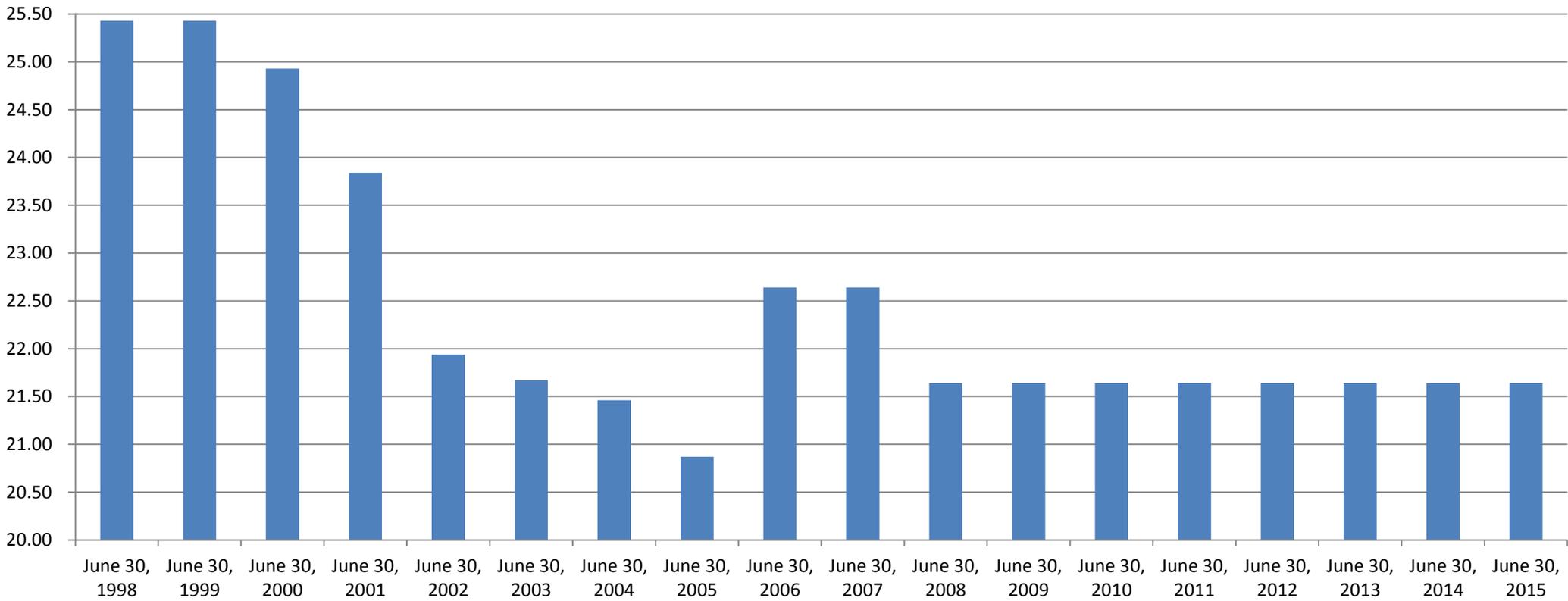
- Beltline receivable totals \$13.5M plus interest from past due PILOT payments for January 2014 and January 2015
- Interest currently totals \$0.5 million and grows at rate of \$39,000 per month
- Additional beltline PILOT payment of \$7.5M will be due January 2016

# Comparison of Property Tax Millage Rates Ranked by Total Rate (As of June 30, 2014)

| School District         | Total Tax Millage Rate | 2014 Local Revenue | Local Revenues Divided by Mills | Student FTE | Revenue Per Mill Per Student | Local Revenue Per Student | State Revenue Per Student |
|-------------------------|------------------------|--------------------|---------------------------------|-------------|------------------------------|---------------------------|---------------------------|
| Rockdale County Schools | 26.00                  | \$ 51,209,562      | \$ 1,969,599                    | \$ 15,812   | \$ 125                       | \$ 3,239                  | \$ 4,506                  |
| DeKalb County Schools   | 23.98                  | \$ 424,904,509     | \$ 17,719,120                   | \$ 98,773   | \$ 179                       | \$ 4,302                  | \$ 3,877                  |
| Gwinnett County Schools | 21.85                  | \$ 509,884,569     | \$ 23,335,678                   | \$ 172,693  | \$ 135                       | \$ 2,953                  | \$ 4,381                  |
| Atlanta Public Schools  | 21.74                  | \$ 442,840,999     | \$ 20,369,871                   | \$ 49,384   | \$ 412                       | \$ 8,967                  | \$ 3,324                  |
| Douglas County Schools  | 21.65                  | \$ 66,039,804      | \$ 3,050,337                    | \$ 25,779   | \$ 118                       | \$ 2,562                  | \$ 4,834                  |
| Clayton County Schools  | 20.00                  | \$ 116,945,449     | \$ 5,847,272                    | \$ 52,273   | \$ 112                       | \$ 2,237                  | \$ 4,591                  |
| Cobb County Schools     | 18.90                  | \$ 422,983,172     | \$ 22,380,062                   | \$ 111,412  | \$ 201                       | \$ 3,797                  | \$ 3,800                  |
| Fulton County Schools   | 18.50                  | \$ 540,496,766     | \$ 29,216,041                   | \$ 94,711   | \$ 308                       | \$ 5,707                  | \$ 3,381                  |

- Total tax Millage rate includes Maintenance & Operations and Debt Service.
- Atlanta Public Schools (APS) ranks 4<sup>th</sup> out of 8 metro Atlanta School Districts.
- APS ranks 1<sup>st</sup> on local revenues collected per Mill per student.
- APS ranks last on state revenues collected per student.
- Approximately 3 Mills from APS collections will be used to fund the Fiscal Year 2016 unfunded pension liability of \$50.4 million.
- Data reported on Georgia Department of Education website and Comprehensive Annual Financial Statements.

# History of APS Property Tax Millage Rates (As of June 30, 2014)



Note: The SPLOST referendum for Fiscal Year 1998 provided for a significant decline in M&O tax rates.

# Funding Status of Remaining Priorities and Budget Updates

Millions

| District Priorities                          | Funded as of<br>3/18/15 | Additional<br>Funding Since<br>Last Budget<br>Commission<br>Meeting | Total          | Adjustments as<br>of 3/27/15 | Total Priorities<br>Funded |
|--|-------------------------|---|----------------|------------------------------|----------------------------|
| Flexibility for Schools/Clusters             | \$ 9.1                  | \$ 0.9  | \$ 10.0        | \$ -                         | \$ 10.0                    |
| Enhancing Educational Environment            | 3.6                     | 4.0   | 7.6            | (0.8)                        | 6.8                        |
| Positive Behavior Supports                   | 1.3                     |   | 1.3            |                              | 1.3                        |
| Recalibrating teachers at Elementary Schools | 1.9                     | 1.0   | 2.9            |                              | 2.9                        |
| Bus Maintenance                              |                         | 1.5   | 1.5            |                              | 1.5                        |
| Pre-K Enhancement                            |                         | 1.0   | 1.0            |                              | 1.0                        |
| College Readiness                            |                         | 1.0   | 1.0            | (0.2)                        | 0.9                        |
| Career Readiness                             |                         | 1.0   | 1.0            | (0.1)                        | 0.9                        |
| Charter System Transition                    |                         | 0.3   | 0.3            |                              | 0.3                        |
| <b>Total</b>                                 | <b>\$ 15.9</b>          | <b>\$ 10.7</b>  | <b>\$ 26.6</b> | <b>\$ (1.1)</b>              | <b>\$ 25.6</b>             |

**Unfunded Priorities:**

|                                   |                |
|-----------------------------------|----------------|
| Enhancing Educational Environment | \$ 0.8         |
| College Readiness                 | 0.2            |
| Career Readiness                  | 0.1            |
| COLA (1.5%)                       | 6.0            |
| Pay Parity                        | 13.0           |
| <b>Total</b>                      | <b>\$ 20.1</b> |