

Rudolph F. Crew, Ed.D. , Superintendent of Schools

SUBJECT: REQUEST FOR APPROVAL OF CHANGES TO THE SCHOOL ALLOCATION PLAN, AN INCREASE IN TRANSPORTATION RATES CHARGED FOR FIELD TRIPS AND ELIMINATION OF SELECTED CENTRAL ADMINISTRATION BUDGET ALLOCATIONS

1. DETERMINE THAT THE FUNDING BY THE FLORIDA EDUCATION FINANCE PROGRAM (FEFP) IS INADEQUATE TO SUPPORT DISTRICT OPERATIONS FOR THE 2008-09 FISCAL YEAR } ADD
2. APPROVE CHANGES TO THE SCHOOL ALLOCATION PLAN
3. APPROVE AN INCREASE IN TRANSPORTATION RATES CHARGED FOR FIELD TRIPS
4. APPROVE A REDUCTION IN THE PROPOSED BUDGET FOR HEALTH INSURANCE

LINK TO DISTRICT

STRATEGIC PLAN: IMPROVE FINANCIAL HEALTH OF THE DISTRICT

As stated at the Board Budget Workshop of April 28, 2008, the District must reduce the 2008-09 budgets by approximately \$284 million in order to balance the budget within funding levels provided by the 2008 Appropriations Act and comply with School Board policy. One major contributor to this budget gap is the decline in the District's total State and Local funding by \$68.0 million compared to 2007-08 and \$21.8 million compared to 2006-07. Base student allocation declined to \$3,971.74 from \$4,079.74 in 2007-08 and funding per weighted FTE student declined to \$6,577.23 from \$6,636.46 in 2007-08. This reduction in the Florida Education Finance Program (FEFP) makes funding for the 2008-09 fiscal year inadequate. } REVIS
} ADD

The first reduction, a downsizing and reorganization of District and Regional offices (Agenda Item A-2, April 16, 2008) eliminated 154 district positions with a budget reduction of \$13.7 million. The second reduction, included changes to the School Allocation Plan, changes to staff not governed by the School Allocation Plan, elimination of the Marketing Office, a Reduction-in-Force/Layoff, and a reduction of school board members and office manager's budgets (Agenda Item A-3, June 18, 2008) eliminated 317 positions with a reduction of \$44.6 million. The third reduction included in this item, consists of additional changes to the School Allocation Plan and a recommendation to increase transportation rates charged for field trips. The expected cost reduction/ revenue generated if the Board approves this item is \$18.4 million dollars and the elimination of 48 positions.

K-12 School Allocation Plan Changes (based on Board consensus at the April 28 and May 13 workshops)

The May 13, 2008, School Board Budget Workshop detailed revisions to the K-12 School Allocation Plan with respect to the allocation of Gifted Teachers.

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The Florida Department of Education (FLDOE) guidelines for program delivery for students classified as gifted, provides flexibility to school districts to define delivery of programs for gifted students as long as they encompass instructional and related services that provide significant adaptations in curriculum, methodology, materials equipment, or the learning environment as defined in State Board of Education Rule 6A-6.0311, FAC. The guidelines and requirements contained in the Policies and Procedures for the Provision of Specially Designed Instruction and Related Services for Exceptional Students (SP & P), submitted to the FLDOE for approval by each District, require that all students in a gifted class are identified as being gifted, receiving gifted services through an approved delivery model, and are taught by a gifted endorsed teacher. Currently, the District uses three approved models. The models are Full-time, content and resource model.

As a result of the Revamping Education for Gifted and ALL Learners (REGAL) Plan, the District will amend its guidelines for program delivery in the SP&P for students classified as gifted for the 2008-2009 school year. To comply with the requirements of Constitutional Amendment 9 (Class Size Reduction) and the REGAL Plan, the School Allocation Plan Committee voted unanimously to eliminate the resource model of delivery to gifted students. The impact of the vote is the elimination of 48 teacher positions at an estimated savings of \$3.2 million dollars. Additionally the administration is recommending a change in the ratio for the full-time elementary gifted model from 12.41 to 1 (teacher/pupil ratio) to 15.41 to 1. This change results in the elimination of 57 positions for a savings for \$4.1 million dollars. The total recommended reduction to the gifted program is \$7.3 million dollars.

Increase in the transportation rate charged for field trips (based on Board consensus at the April 28 and May 13 workshops)

The District provides transportation services for field and activity trips at the rate of \$32 per hour. Due to the tremendous increase in fuel and the increase in labor costs related to health insurance, the administration recommended a rate increase to \$48 per hour. This rate increase will decrease the net transportation cost by \$1.1 million annually.

Reduction in the Health Insurance Budget for FY 2008-09 (based on Board consensus at the April 28 and May 13 workshops)

It is anticipated that through strategic benefit negotiations, \$10 million can be reduced from the budgeted health insurance increase for the period of January 1, 2009 to June 30, 2009. The administration is seeking authorization to enter into the necessary negotiations with the health care provider and the collective bargaining units to save the \$10 million.

Total Savings

The total savings resulting from this Agenda Item is \$18.4 million to the general fund for 2008-09.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, effective June 30, 2008, or as soon thereafter as can be facilitated, do the following:

1. determine that the funding by the Florida Education Finance Program (FEFP) is inadequate to support District operations for the 2008-09 fiscal year;
2. approve changes to the School Allocation Plan;
3. approve an increase in the transportation rate charged for field trips from \$32 per hour to \$48 per hour; and
4. approve a reduction of \$10 million in the proposed budget for health insurance.

ADDED