



AUSTIN ISD

# BUDGET



**Staffing and Compensation Subcommittee  
Recommendations - Revised Draft Nov. 7, 2018**



- **Conflict is inherent in the structure and direction of the Budget Stabilization Task Force**
  - There is a VISIONARY CHARGE to make strategic improvements to the budget over the long term to improve equity.
  - There is a FIDUCIARY CHARGE mostly focused on addressing the deficit right now.
  - For the district, we encourage a PARADIGM SHIFT in mindset toward managing resources effectively and proactively, i.e. generating a surplus (and away from managing a deficit).



- **The BSTF timeline is too short**
  - It is difficult to focus on what's best for the future with the immediate pressure to address the budget deficit.
  - AISD's structural budget challenges have developed over multiple years and will take time to address meaningfully.
  - It's nearly impossible to think clearly and deliberately about the future facing a November 14 deadline to make recommendations. This deadline limits the ability to have a strategic discussion.

# BSTF Barriers to Success: Possible Solution



- **AISD should consider using the BSTF as the foundation to create a strategic budget committee with a 2-3 year timeframe**
  - It could be modeled on FABPAC, which tackled a similarly challenging issue while engaging stakeholders and the community
  - Extending the BSTF through June 2020 would allow rigorous and thoughtful examination of the issues and long-term impact of decisions
  - There would be more opportunities to share the work with the community and gather meaningful feedback
  - 3 Year Example: Budgeting for 2019/2020 began in June 2018, when the 2017/2018 actuals had yet to be finalized, but 2016/2017 was known





- **The question we must ask is two-fold:**

## **What's best for students? What's best for employees?**

- The answers are inseparable and must be aligned.
- There are many interests at stake. We shouldn't pit interest against interest.
- We talked at length. We are different individuals with different viewpoints.
- We agreed that we have to focus on students and equity (and not the budget alone) to successfully answer the questions above.



# Staffing Overview: Important Concepts



- **Because 86% of AISD expenditures are staff salaries and benefits, AISD must continually:**
  - Review best utilization of staff toward student outcomes
  - Ensure that benefits are targeted at staff attraction, retention & well-being
- **This should be done while showing respect for the real people educating our students, leading us to these guiding principles:**
  - Staff decisions should be part of a multi-year planning process
  - Where possible, staff adjustments should be handled with normal attrition
  - Performance management should be part of the process at all levels



# Staffing Overview: Important Concepts Contd.



- **AISD needs to determine compensation from within, not via community engagement**
- **Other subcommittees mentioned Master Teacher programs, but we have the underpinnings already**
- **PPfT was designed to develop, retain and compensate teachers**

*What is  
PPfT?*



## Short-Term, Cost-Cutting Options (From District-Provided List)



- **AISD should further study the following options by updating savings estimates and providing a cost-benefit analysis to clearly understand impacts before implementing**
  - 361: Reduce dept.-level staff development and substitute costs
  - 379: Cell phone stipend
  - 382: Surcharges to employ retired applicants
  - 390: Weight adjustment in campus admin staffing formula
  - 392: Staffing models and formulas at very small schools
  - 442: Reduce central support specialists





# Short-Term Considerations (Hitting Pause)



- **Hit pause on any changes to staffing ratios or planning periods for 2019-20**
  - The following complex and high-impact decisions require additional time for informed decision making:
    - Increasing class sizes (staffing ratio)
    - Decrease planning periods
  - **Let's be clear: We are NOT making recommendations to change 6 of 8 or increase campus staff ratios**
    - Potential impacts on equity & staff morale must be studied/piloted



# Short-Term Considerations



- **Recognize that responsibility for an employee pay raise decision belongs to Austin ISD leadership (rather than a short-term volunteer task force)**
- **Explore benefit savings while keeping the package competitive, including potentially offering a high-deductible health plan option**



# Long-Term Strategic Recommendations



- **The next set of recommendations merits discussion and should be looked at in more detail over the next 12-24 months.**
- **These are “big picture” issues that require in-depth analysis and sustained engagement with stakeholders and the community.**

# Long-Term Strategic Recommendation #1



- **Reassign some Central Administration resources and positions to campuses**
  - Reassign those roles related to campuses/classrooms to the campus
  - Strategic direction should focus on resource utilization
  - Let campuses control areas where they are doing well (close to core)
  - Central Administration should truly be for non-campus functions
  - Idea: Specialists could teach one section on campus (connection to instructional core)
  - Potential Additional Benefits: Reduces Southfield Building costs for renovation & occupancy by shifting many positions to campuses





- **Establish and conform to peer-based staffing ratios and expenditures at Central Administration by function**
  - Base Central Administration staff ratios on peer district comparisons and total student population
  - Establish a 3-year attrition-based plan to meet stated ratios
  - Utilize targeted functional limits and reassignment of roles to get there
  - Future hiring would be based on staff ratios rather than freezes
  - Managing operational expenditures to match peer averages would significantly address current budget concerns

# Long-Term Strategic Recommendation #2 Contd.



- **Manage operational expenditures toward peer averages**
  - AISD maintains focus on Community, Equity & Classroom
  - \$35 Million remains for analysis

Function	AISD	Peer Average	AISD versus Peer Average	Decreased Spend if AISD Conformed to Peer Averages	Campus Spend	Central Spend
<b># Students</b>	<b>82,766</b>	<b>94,404</b>				
Instruction & Instr. Res. Media	\$5,279.00	\$5,023.00	105.10%	\$21,188,096.00	???	???
Plant Maintenance & Ops.	\$1,104.00	\$923.00	119.61%	\$14,980,646.00	???	???
Transportation	\$404.00	\$262.00	154.20%	\$11,752,772.00	???	???
Instructional Leadership	\$207.00	\$133.00	155.64%	\$6,124,684.00	???	???
Data Processing	\$244.00	\$175.00	139.43%	\$5,710,854.00	???	???
School Leadership	\$637.00	\$582.00	109.45%	\$4,552,130.00	???	???
Community Services	\$74.00	\$34.00	217.65%	\$3,310,640.00	???	???
Curriculum & Staff Dev	\$156.00	\$125.00	124.80%	\$2,565,746.00	???	???
General Administration	\$252.00	\$221.00	114.03%	\$2,565,746.00	???	???
Security/Monitoring ( <i>Investment</i> )	\$132.00	\$111.00	118.92%	\$1,738,086.00	???	???
Guid. Couns. & Soc. Work Svcs.	\$350.00	\$352.00	99.43%			
Food	\$0.00	\$2.00	0.00%			
Extracurricular	\$167.00	\$193.00	86.53%			
Health Svcs	\$66.00	\$104.00	63.46%			
<b>Total</b>	<b>\$9,072.00</b>	<b>\$8,240.00</b>	<b>110.10%</b>	<b>\$74,489,400.00</b>	<b>???</b>	<b>???</b>



# Long-Term Strategic Recommendation #3



- **Devise a strategy to reduce costly staff turnover**

- Unwanted turnover is expensive for AISD (Up to \$32 million annually)
  - AISD's 14% annual turnover rate across 11,500 employees deserves attention
  - Turnover is estimated to cost urban districts \$20,000 per position  
<https://learningpolicyinstitute.org/product/the-cost-of-teacher-turnover>
  - Reducing turnover by 25% could save up to \$8 million annually
- Culture, climate and compensation are key aspects to address as part of this conversation

# Long-Term Strategic Recommendation #4



- **Establish a rigorous process to factually and fairly evaluate all aspects of big decisions (like staffing changes)**
  - Identify and implement best practices for effective decision-making
    - Multi-faceted analysis for any proposal should include: potential outcomes, pros, cons, who is affected, who opposes, who supports
    - Multi-year fiscal analysis across all funds for any proposal, including implementation cost
    - Create methodology to consistently measure (and review) outcomes
  - Policymakers can use the above to inform their decisions and bring clarity to the dialogue







# QUESTIONS?



# Resources



Long Term Strategic Recommendation #1

Southfield Renovation Cost Uncertainties

<https://austinaffordability.com/2017/11/30/the-big-aisd-question-that-nobody-is-asking/>



# Resources Contd.



From BSTF Presentation of 7/31/18

Relates to Long Term Strategic Recommendation #2

Austin Peer Comparison  
FY2016-17 Actuals

Function	Austin	Corpus Christi	Cypress Fairbanks	Dallas	El Paso	Forth Worth	Houston	San Antonio	Ysleta	Peer Average
<b>Student Membership</b>	<b>82,766</b>	<b>38,214</b>	<b>114,633</b>	<b>157,787</b>	<b>59,246</b>	<b>87,233</b>	<b>215,408</b>	<b>52,486</b>	<b>41,508</b>	
Instruction (11,95)	\$ 5,150	\$ 4,595	\$ 4,927	\$ 5,027	\$ 4,907	\$ 4,940	\$ 4,527	\$ 4,920	\$ 5,190	\$ 4,909
Instructional Res Media (12)	\$ 129	\$ 131	\$ 61	\$ 137	\$ 171	\$ 126	\$ 35	\$ 121	\$ 119	\$ 114
Curriculum/Staff Develop (13)	\$ 156	\$ 36	\$ 88	\$ 69	\$ 304	\$ 73	\$ 98	\$ 177	\$ 125	\$ 125
Instructional Leadership (21)	\$ 207	\$ 142	\$ 65	\$ 192	\$ 69	\$ 142	\$ 103	\$ 145	\$ 127	\$ 133
School Leadership (23)	\$ 637	\$ 539	\$ 401	\$ 595	\$ 636	\$ 541	\$ 605	\$ 649	\$ 633	\$ 582
Guidance Counseling Svcs (31)	\$ 283	\$ 295	\$ 283	\$ 352	\$ 327	\$ 448	\$ 188	\$ 304	\$ 334	\$ 313
Social Work Services (32)	\$ 67	\$ 32	\$ 9	\$ 15	\$ 65	\$ 54	\$ 9	\$ 73	\$ 27	\$ 39
Health Services (33)	\$ 66	\$ 94	\$ 88	\$ 122	\$ 112	\$ 109	\$ 80	\$ 162	\$ 106	\$ 104
Transportation (34)	\$ 404	\$ 134	\$ 339	\$ 353	\$ 214	\$ 220	\$ 262	\$ 205	\$ 226	\$ 262
Food (35)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ -	\$ 3	\$ 13	\$ 2
Extracurricular (36)	\$ 167	\$ 284	\$ 162	\$ 214	\$ 211	\$ 168	\$ 73	\$ 219	\$ 238	\$ 193
General Administration (41,92)	\$ 252	\$ 197	\$ 136	\$ 307	\$ 202	\$ 176	\$ 188	\$ 302	\$ 229	\$ 221
Plant Maint/Operation (51)	\$ 1,104	\$ 1,126	\$ 638	\$ 918	\$ 850	\$ 898	\$ 812	\$ 985	\$ 978	\$ 923
Security/Monitoring (52)	\$ 132	\$ 94	\$ 86	\$ 128	\$ 100	\$ 128	\$ 110	\$ 111	\$ 111	\$ 111
Data Processing Services (53)	\$ 244	\$ 187	\$ 81	\$ 204	\$ 85	\$ 140	\$ 295	\$ 204	\$ 136	\$ 175
Community Services (61)	\$ 74	\$ 25	\$ 77	\$ 25	\$ 1	\$ 53	\$ 10	\$ 32	\$ 6	\$ 34
<b>Total</b>	<b>\$ 9,072</b>	<b>\$ 7,911</b>	<b>\$ 7,441</b>	<b>\$ 8,657</b>	<b>\$ 8,255</b>	<b>\$ 8,219</b>	<b>\$ 7,395</b>	<b>\$ 8,611</b>	<b>\$ 8,596</b>	<b>\$ 8,240</b>

