**Small Group Board Budget Meeting**  
June 15, 2022

Questions from Trustees

Attendance:

**Board Members:**
- Arati Singh, At-Large Position 9, Secretary
- LaTisha Anderson, District 1
- Ofelia Zapata, District 2
- Lynn Boswell, District 5

**Austin ISD Staff:**
- Eduardo Ramos, Chief Financial Officer
- Leslie Stephens, Chief Human Capital Officer
- Dr. Jacob Reach, Chief of Governmental Relations & Board Services
- Adriana Cedillo, Director of Budget & Planning
- Laura Orosco, Executive Assistant - AISD Board of Trustees

In agreement with the Board Members present, Austin ISD’s Chief Financial Officer, Eduardo Ramos, previewed the updated Board FY2023 Recommended Budget presentation to be presented on June 23rd.

**FY2022 & FY2023 General Fund: Expenditure Budgets**

**Q: Trustee Singh - We also increased revenues, correct?**
A: Eduardo Ramos - Yes. We did increase revenues due to the preliminary property values received by the Travis Central Appraisal District. However, due to the declining enrollment, the district is continuing to face an increase in our Recapture payment to the state.

**General Fund: Increases & Decreases**

**Q: Trustee Singh - When you look at the campus-by-campus budgets, I noticed that generally, campuses are getting less? Is this true?**
A: Eduardo Ramos - The campuses are getting less overall. However, we did increase our per-pupil allocation to account for the decline of enrollment and provide some stability to our campuses. The decrease campuses are seeing is related to the loss of enrollment.

**Q: Trustee Zapata - Increase of 2 million for certain campuses and at the same time there is a decrease?**
A: Eduardo Ramos - We invested $2 million in campus on the basis of their population of economic disadvantage to receive additional funds. But what is hurting our campuses is the large decrease in student enrollment.

**22-23 Proposed Compensation**

**Q: Trustee Singh - Do the Stipends cover all active AISD employees?**
A: Eduardo Ramos - If an employee is active as of September 1st of 2022, they will qualify for these retention stipends and receive two payments throughout the year. One in November and the second in March. This was strategically planned to align with Thanksgiving and Spring Break holiday.
Q: Trustee Singh - Is that going to our central office or campuses?
A: Eduardo Ramos - Every full-time employee. This is planned in order to retain employees not included in the proposed compensation plan.

FY2022-23 Proposed Teacher Salary Comparisons

Q: Trustee Boswell - Has anyone ever created a side by side that includes social security and benefits?
A: Leslie Stephens - We tried but there are a lot of caveats. There are so many options, we must be very careful. But we do currently use Social Security in our recruiting process.

Q: Trustee Anderson - How is AISD getting the word out on this? With the increased pay and highlighting what makes us attractive?
A: Leslie Stephens - I’m glad you asked that question! In most districts, in about October, compensation notices are sent out. Austin ISD used to do those. We are recreating that system so that every employee will receive it. It will include information on what their salary is, what the district contributes towards benefits, social security, TRS, and two additional components - PPFT and stipends. So that at the end, it will show the total compensation of the employee.

Q: Trustee Anderson - How are we going to have something doing the recruiting for someone who is new and wants to come in as a first-year teacher?
A: Leslie Stephens - Yes. We are putting those together. We are our own worst self-promoters. AISD: We are including our new teacher hire page in this week’s board update that the recruiting team will be using.

Recapture & Enrollment

Q: Trustee Anderson - In relation to recapture and enrollment, any conversations with the city? If there has been no conversation the district is basically spinning its wheels. The city seems to be marketing to singles. We need to work hand-in-hand to get families into the city.
A: Eduardo Ramos - We have had discussions with the city and county for workforce housing as well as presentations to the city and chamber on recapture. We are trying to get word out on how recapture is affecting the district.

Q: Trustee Anderson - What can I do to help? (In reference to meeting with a State Representative)
A: Eduardo Ramos - Talking to our legislative of the overall system. Yes, there has to be a reform, but with the cost increasing in the city, it's hurting our district.

Q: Trustee Anderson - Can you send me a couple of highlights before the 30th?
A: Eduardo Ramos - Yes (Under Development)
**Fund Balance Trend**

Q: Trustee Singh - What are our options? Do we find ways to increase revenue? Where would we be making cuts? Very concerned, I have never seen this large of a decline.
A: Eduardo Ramos - Our biggest fight will be during the legislative session to advocate for an increase of the per student funding and discount the recapture payment. Collaboration with PTA and other community members to help impact the change of the state funding system.

Q: Trustee Anderson - Is there a way to set up another pot of money – for just in case? Without affecting Fund Balance?
A: Eduardo Ramos - We have started conversations. Leasing to potential real estate. Aligning rental facilities rates comparable against other districts and surrounding areas. As well as looking at after school care programs, to centralize and supplement the operating budget. We are looking to assist the district in future years.

Q: Trustee Singh - Is there an alternative budget to bring to trustees that saves even more money and brings 2024 to 20%?
A: Eduardo Ramos - Just being realistic, it would require more communication with our community. The board can amend the budget after adoption.

Q: Trustee Boswell - Have we maxed out golden pennies elections?
A: Eduardo Ramos - We have maxed out our golden pennies. We have our copper pennies but those would be difficult to pass in an election.

**Additional Questions and Answers**

Q: Trustee Boswell - Can you elaborate more on the decrease in dual language, Career & Technology Education (CTE), and Special Education funding.
A: Eduardo Ramos - Digging further into the information, we identified that bilingual stipends were miscoded to Special Education, and vice versa. The adjustment to the budget brings the FY2023 Bilingual Education budget a little over $6 million.

Q: Trustee Boswell - What about the CTE?
A: Eduardo Ramos - When we do our preliminary staffing, all teachers are coded to basic education (PIC 11). Once schedules and staffing are finalized, we adjust the budget.

Q: Trustee Anderson - Essential area redesign. Do we have something laid out to the community to know the impacts or an alternative based on need?
A: Leslie Stephens - Departments did inventory and placed orders for materials and supplies, so additional equipment would be delivered and be placed on their campus. As far as staffing, based on their projection, we have a process in place this year- we will watch their enrollment number and we will compare that to their projection.
A: Leslie Stephens - A principal will call HC, if there is a safety issue, get a sub ASAP, create FTE and allow them to hire.
Q: Trustee Anderson - Can you, in plain language share, where the staff knows that. Where they can see in this design, if it's overwhelming steps that can be taken, that help is there.
A: Leslie Stephens - Yes.

Q: Trustee Zapata - Parent Support Specialists (PSS) are assigned to two campuses- that is so difficult to be able to do quality work. I asked if they were full time, but I really meant if they are full time at one campus. They have to do outreach for the unenroll campuses. It is not affected in engaging parents on a part-time basis. How many are full time versus full time on two campuses?
A: Leslie Stephens - Every campus has a .5 position in their Title I plan and the City of Austin comes in and fills the other .5 position, but not every campus allocated Title funds. Next year, we are using ESSER funds to help assist by making these 1.0 positions.

Q: Trustee Zapata - So does that mean that Title I funds DO not require PSS positions?
A: Leslie Stephens - Campus Title I budgets are required to expend a certain percentage of parent engagement (function 61). The CAC determines how they plan Title I funding. This does not necessarily mean a PSS position, but other community-parent engagement activities.

Q: Trustee Zapata - I have heard several concerts around TAs doing work while the shortage of teachers and not being compensated. How are they able to be compensated?
A: Leslie Stephens - We do have a consultation agreement. Example: SCORES classroom with a TA- if TA teachers they can pay the TA additional up to the pay of a substitute teacher. However, the 1:1 SPED TAs do not qualify.

Questions answered after meeting:

Q: Trustee Boswell - Custodial scheduling at odd hours and are being rotated to campuses. They are expected to do far more work than what they have been doing before. Long time custodian at Oasis left the District due to the changes. Can we have more information to understand on the custodial scheduling and their management?
A: In addition to district wide custodial centralization, the square footage allocation was also updated. The Standard Operating Procedure (SOP) and square footages updates are in the May 31 PW. At the "all hands" custodial meetings, the central office custodial team shared with all custodians the update to square footage and that we were able to use ESSER II funds to purchase almost $1 million dollars in custodial automated equipment for each of their campuses to help with job efficiency and ease. This was a big win. Instead of mopping long hallways with mops, we have auto-scrubbers where they can do this type of work faster and with greater physical ease. That equipment is already on order. With district budget cuts, custodial FTEs district wide were also cut for FY 22-23, resulting in a new labor model which when compared with other school districts aligns with the industry.

The custodial hours did not change. There are 3 shifts which vary in hours for each campus type (EL, MS & HS). If the campus principal was not managing the custodians shift hours as they were assigned and now they are having to work the shift assigned on that campus, that could have signaled a change to custodian. Any change or update with any custodial move or time change was addressed with each individual person being affected.
Q: Trustee Boswell - The $5.5m from FEMA, how is that impacting our budget? And what were we going to use that for?
A: The $5.5 million pending to be received from FEMA is not considered new money for the district, but instead a reimbursement to cover the unanticipated costs impacted by COVID. We expended $5.5 million between January and September 2021, which added to our budget deficit at the time. These funds reimburse us for those expenditures and will be used to offset the budget deficit in 2021–22, which helps since we will receive less than anticipated state aid due to less than projected enrollment.

Pending Data Requests:

Trustee Boswell – Request a better sense of the fund balance trend. The slide represents the worst case scenario. Deep nuts and bolts on recapture when property values go up and enrollment goes down, tax compression and where the decline of enrollment is decreasing the district share. AISD: Additional Fund Balance slide prepared for the June 23rd Board meeting.

Trustee Boswell - Almost $98m in ESSER supplanting. I would love a breakdown on what this plan is for. Adding a little more explanation on this is reimbursing for covid costs. AISD: Included in supplemental data on district’s website.

Trustee Singh - Plan language. Itemized table of what we are spending allocation for bilingual allocation, as well as dual language. AISD: Included in supplemental data on district’s website.

Trustee Singh - Can these questions and notes taken by staff be made available? And a full data table for the implementation of these essential areas. Alternative/reduce costs of this redesign for a pilot program. Difference in bilingual allocation – and dual language as well. The same with special education to see an itemized budget - staffing, training, etc. AISD: Included in supplemental data on district’s website.

Trustee Singh - Along with more info with the fiscal cliff. AISD: Additional Fund Balance slide prepared for the June 23rd Board meeting.

Trustee Singh - Contracts for professional service contracts over $100,000 or more. Which one of those are reflected in this budget? Specifically, Literacy First, Austin Voices. AISD: Included in supplemental data on district’s website.

Trustee Boswell - Listing our biggest community partners and if there are any changes.

Trustee Boswell - Calculating with all the stipends transparent about recurring and one-time. As a clarification piece. AISD: We are adding all the stipends into the compensation manual for the 22-23 school year.
Trustee Singh - For transparency we should list the additional costs incurred by the essential areas plan (beyond the PE assistants) and the savings made by increasing class size at the secondary level. Those details will delineate the full cost and savings of the proposed plan. In other words, what will the total cost be for the essential areas plan? AISD: Total cost was about $7.6 million, which includes 58 teachers and 102 teacher assistants. This was offset by savings based on reduced student enrollment and slight changes of secondary staffing (28:1 to 29:1 and weighting from a .2 to a .1), so the additional district cost was $1.9 million.

Other Notes/Remarks:

Trustee Zapata - at Cinemark, they are promoting charter schools. Austin ISD needs to jump on board.