

15002 N. 32nd Street  
Phoenix, AZ 85032

602.449.2001  
[pvschools.net](http://pvschools.net)

#### **Governing Board**

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# Paradise Valley Unified School District

*"Where individual excellence is our goal"*

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## **Unprecedented times call for unprecedented and difficult deductions in education**

*John A. Kriekard, Ed.D., superintendent*

One can't pick up a newspaper or turn on a television or radio without hearing someone talking about the economy, whether it be global, national, state or local. School districts are not immune to market forces and the Cabinet, comprised of the superintendent and five assistant superintendents, is charged with the difficult task of cutting the budget while doing as much as possible to protect the education of students.

The process that Cabinet chose to follow to get the district to a balanced budget by June 2009 is different from past efforts. Cabinet members identified a wide range of areas to investigate and defined their costs. A December Governing Board Study Session gave members an opportunity to provide their input and advice. The superintendent and assistant superintendent for Business Services met with the leaders of the employee organizations and United Parent Council for their input. Cabinet continued to build on the items and to further investigate individual line items. The input process was repeated as Cabinet members refined their ideas for program reductions.

The reason that this process was developed was that I believe in the importance of the education of students and to minimize distractions during this budget process. If employees are assigned tasks as part of a committee, their minds get diverted from the instruction that is so important to the education of our students.

With continuous input from leaders and communication through principals and employee group leaders, the flow of information will be consistent. PVUSD's state-imposed total budget reduction for the current year is \$4.3 million and the current estimate of the budget reduction for 2009-10 is approximately \$50 million or one quarter of the total M & O budget. The information listed below shows how those numbers were determined.

### State Budget — 2008-09

The state reduced the PVUSD budget by \$4,354,365:

- ▶ \$763,436 from Soft Capital allocation
- ▶ \$3,590,929 from Base Support Level (Maintenance & Operation [M&O] fund)

There is a provision in the legislation that allows districts to charge M&O expenditures to soft capital. This provision, in effect, allows a district to take the entire reduction in its soft capital fund. PVUSD froze its budgets earlier in the year and, based on this action, there is sufficient capital budget remaining to allow the entire reduction to be taken from soft capital.

### State Budget — 2009-10

Legislative leadership released a budget reduction proposal in mid-January that provides \$892 million in cuts to education. PVUSD's estimated share of this is \$27 million. In addition, there is no inflation funding, which is \$3.4 million for PVUSD, and no fix for excess utilities costs, which is \$2.8 million for PVUSD. The Cabinet believes this is the worst-case scenario, and hopes the reality is less than what is being discussed.

### District Budget

PVUSD has divided its efforts into two tiers. Tier I deals with budget reduction necessary prior to those imposed by the state. Tier II deals with budget reductions that may be imposed by the state. With the loss of the M&O override, declining enrollments and projected costs increases, the district estimated it would have to reduce its budget by approximately \$17 million. This was the estimate before the January announcement of possible reductions to education, of which an additional \$33 million would be for PVUSD.

### Recommended Reductions

Because 90 percent of the budget provides salaries and benefits to employees, the Cabinet knows the district can't continue to deliver services with the same class size to which parents and students have become accustomed. Therefore, the first recommendation, which was discussed in bargaining with PVEA, is to increase class size ratios at all grade levels. Class size maximums for 2009-10 will be:

- ▶ **Kindergarten** – 27:1, an increase of 2 students
- ▶ **First grade** – 29:1, an increase of 2 students
- ▶ **Second and Third grade** – 31:1, an increase of 2 students
- ▶ **Fourth, Fifth and Sixth grade** – 36:1, an increase of 4 students
- ▶ **Middle school** – 28:1, an increase of 3.5 students\*
- ▶ **High school** – 30:1, an increase of 3.4 students\*

\* The middle- and high-school numbers are staffing ratios. This is not a direct reflection of class size because of employees at secondary schools who are not assigned students. The district's highest class sizes are anticipated at the secondary level.

It is important to note that the majority of schools will not reach these maximums at any one grade level, and many schools will be lower than this year's maximum class size. Some schools will explore ways to flexibly group classrooms to keep class size lower for core-content areas of reading and math. Others may look at multiage options for some grade levels. Principals will be the best source of information about what a particular school will do.

The new maximum class sizes will result in 184 fewer teaching positions, but the district is doing all it can to avoid a RIF, or reduction in force. Each year some teachers choose to retire, resign, take a leave or move to another city or district, so Cabinet is hopeful that attrition will prevent a RIF.

### **Tier I Recommendations**

Additional measures to be recommended to the Governing Board include:

- ▶ Deny all requests for new staff
- ▶ Delay lengthening the elementary-school day
- ▶ Reduce reading specialists to .5 at each school
- ▶ Cut all operational (non-payroll) budgets by 20 percent
- ▶ Shift discretionary kindergarten-weight allocation to schools back to district
- ▶ Reduce addenda for Site Technology Representatives (STRs)
- ▶ Cut the number of extra-duty days for certain employees
- ▶ Shorten the school day at Palomino by 30 minutes (it currently is one hour longer than other elementary schools)
- ▶ Reduce clerical staff in most departments at the District Administrative Center (DAC)
- ▶ Assign TOAs only at elementary schools with 900 or more students
- ▶ Spend less on intramural sports at middle- and high-schools
- ▶ Return some Teachers On Assignment (TOA) at DAC and some mentors to classrooms
- ▶ Implement the print audit recommendations to save money
- ▶ Eliminate funding for middle- and high-school testing coordinators
- ▶ Reduce the M&O costs for elementary summer school
- ▶ Hire fewer warehouse staff in the summer
- ▶ Raise parking, athletic and festival sports fees
- ▶ Cut district funding for the PSAT test for sophomores
- ▶ Reorganize the technology department
- ▶ Reduce the number of extra days for school counselors
- ▶ Reduce the number of Cooperative Office Education (COE) students at DAC
- ▶ Increase building rental fees (civic center) and shift more costs to that fund
- ▶ Reduce the number of social workers paid from M & O funds

- ▶ Discontinue Advanced Placement training for teachers
- ▶ End one program at Prospect Middle School, resulting in fewer staff
- ▶ Reorganize the special education department
- ▶ Hire fewer transportation staff

### **Tier II Proposed Reductions**

While the items listed above result in significant reductions to the budget, they do not total \$50 million, so more discussion will take place on the items listed below.

- ▶ Require all employees to take a one-day furlough during the year
- ▶ Reduce all salaries by a certain percentage
- ▶ Shorten the school day at Palomino an additional 30 minutes
- ▶ Close College & Career Centers at five high schools
- ▶ Reduce more staff at DAC
- ▶ Reduce all addenda where possible
- ▶ Assign more TOAs to classroom positions
- ▶ Discontinue all extra-duty day addenda
- ▶ Implement the remainder of the gifted model changes
- ▶ Eliminate remaining administrative out-of-state travel
- ▶ Eliminate all STR positions
- ▶ Reduce the number of school counselors
- ▶ Reduce the size of Cabinet; do not fill vacant position
- ▶ Reduce building-level administration through attrition
- ▶ Pay the entire salary of the director of elementary education from funds other than M&O
- ▶ Decrease the use of school buildings in summer to save energy

Inclusion of the items in Tiers I and II was not done lightly; much thought and discussion preceded each recommendation. Communication about any further decisions will be communicated to employees and parents and, in June, the Governing Board will be presented with a balanced budget on which to vote.