

School District of the City of Royal Oak
MEMORANDUM

TO: Thomas L. Moline
FROM: John R. Schwartz
DATE: April 6, 2011
SUBJECT: 2011-12 Budget Recommendations
General Fund

A significant budget recommendation for fiscal 2011-12 will be placed on the April 14 Board of Education Meeting agenda. The recommendations are necessary to address the projected budget shortfall that exceeds \$4.0 million. As we have discussed continually since February, this budget shortfall is primarily the result of proposed cuts in per pupil funding, declining enrollment, escalating retirement costs, and increasing health insurance premiums. The following is a summary of the proposed recommendations:

➤ **Use of Fund Equity**

To prevent further program reductions and to acknowledge the uncertainty of proposed State funding cuts for 2011-12, a recommendation to use \$1.0 million of fund equity will be made. This represents a prudent use of fund equity for the reasons mentioned above.

➤ **Reduction of Teaching Positions**

The most significant budget recommendation is the proposed reduction of teaching positions. With the overwhelming share of the budget comprised of staff related costs, this recommendation should come as no surprise. The following summarizes the proposed reduction in teaching positions:

Elementary	<u>- 4.5 fte</u>
Middle School:	
Classroom	- 6.3 fte
Foreign Language	<u>+ 0.8 fte</u>
	<u>- 5.5 fte</u>
High School:	
Classroom	- 11.6 fte*
Department Chair	<u>- 1.2 fte</u>
	<u>- 12.8 fte</u>

*Note: This is in addition to the reduction of - 1.2 fte recommended on March 10 (- 0.4 fte teachers and - 0.8 fte Attendance Office)

Most of the reduction in teaching positions results from using a 30:1 student-to-teacher ratio to determine staff allocations for each building. In previous years, a 26:1 ratio was used. Increasing class size is an important budget strategy utilized to help preserve instructional programs. As a reminder, a 30:1 ratio to determine staff allocations does not mean that each classroom will have 30 students.

➤ **Change in Secretarial, Clerical and Paraprofessional Positions**

A reduction of one (1.0) secretarial position at Churchill Community Education Center and one (1.0) career technical paraprofessional position is recommended. The current duties of the Churchill secretary will be evaluated. The essential duties will be distributed to other staff in the building. The grant that supports the career technical paraprofessional position is ending at the end of this year. As a result, the paraprofessional position will be eliminated. It should be noted that both of these staff reductions can be achieved through attrition.

A total of six (6.0) class size relief paraprofessional positions will be recommended. This is an increase of five (+5.0) positions over the current year and is the direct result of the increase in class size across all levels. We are contractually obligated to provide class size relief when class sizes exceed the recommended levels included in the ROEA contract.

➤ **Athletics – Royal Oak High School**

After much discussion and deliberation regarding the elimination of the golf teams at ROHS, it was decided to maintain the program but reduce the District's financial support. A recommendation will be made to provide funding for only the golf coaches in 2011-12. All other expenditures for the golf teams (green fees, shirts, tournament entry fees, and supplies) will be the responsibility of the participants. It should be emphasized that golf will not be considered a self-supporting sport and golf participants will be assessed the pay-to-participate fee.

➤ **Athletics – Royal Oak Middle School**

A recommendation to combine the two ROMS football teams into one and to eliminate a wrestling coach will be presented on April 14. The low participation numbers on this past year's football teams (22 and 21) is the rationale for combining the football teams. Similarly, the number of wrestlers at ROMS can be handled by one coach. Opportunities for students to participate in football and wrestling will be maintained.

➤ **Pay-to-Participate – ROMS**

In past years, pay-to-participate at ROMS has been a one-time, annual fee that allowed students to participate in as many sports as they chose. Pay-to-participate has been handled differently at ROHS by using a per sport fee. A recommendation to align ROMS and ROHS will be made by changing the current ROMS pay-to-participate structure to a per sport fee as follows:

First Sport	\$100
Second Sport	\$ 50
Third Sport	No fee

Reduced fee for students eligible for reduced meals
(\$25 first sport and \$12 second sport)

No fee for students eligible for free meals

A resolution to adopt the above mentioned recommendations will be presented to the Board of Education for approval. As always, if there are any questions or if additional information is needed, Board Members should feel free to contact me directly.

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