

# **AAPS**

## **Budget Forums & On-Line Survey Results**

Conducted  
December 2009/January 2010



## **On-Line Survey**

“Live” December 21, 2009 - January 27, 2010

338 participants

## **Budget Forums**

4 Forums in January 2010

Over 700 attendees combined

519 Individual Surveys\*

(\*Individuals may have filled out multiple surveys)

## On-Line Survey

338 responses

Parents	214
Staff	65
Students	14
Other	45

## Budget Forum Surveys

519 individual surveys

Parents	192
Staff	55
Students	18
Other	254

### **Budget Forum Survey - *Rate the Possible Options Presented***

133 Support Options

368 Somewhat Support Options

18 Did Not Support Options

*96% of forum participants supported or somewhat supported the cost saving and new revenue options presented.*

## ***How did the responses break down?***

	<u>On-Line</u>	<u>Forums</u>
Instructional/ Academic Programs	232 - 68%	300 - 57%
Administration	197 - 58%	219 - 43%
Facilities	214 - 63%	151 - 29%
Extracurricular	204 - 60%	81 - 16%
Transportation	223 - 66%	121 - 23%
New Revenue	174 - 51%	78 - 15%
Other	171 - 50%	

# Instruction & Academic Programming

## *Responses...*

- Majority of responses were positive
- 50% of the responses revolve around curriculum/programming including...
  - ✓ Maintain focus on core academics
  - ✓ Add more on-line courses
  - ✓ Maintain art and music
  - ✓ Reduce lowest enrolled classes
  - ✓ Do not increase class size
  - ✓ Eliminate 5th grade instrumental music, non-essential classes, middle school advisory
- 35% note the need for contract concessions, teacher accountability/productivity. Other areas include...
  - ✓ Offer merit pay
  - ✓ Offer retirement incentive
  - ✓ Offer PD outside of school day and more opportunities for PD
- 30% responses focus on school organization
  - ✓ Closing or combining schools
  - ✓ Restructure school week - 4 day week, year around school, start elementary earlier
  - ✓ Restructure schools by grades (K-6, K-8, 7-9, 10-12)
  - ✓ Increase number of alternative programs such as Community and AA Open
  - ✓ Support was equal to both maintain and cut 7th hour classes

# Administration *Responses...*

- 20% state there were too many high school principals and asked why?
  - ✓ Smaller number asked the same for middle school assistant principals
- 10% suggest reducing number of employees at Balas
- 10% reduce general administration costs
- 10% ask for reductions in salaries and benefits for all administrators at 3% - 15%
- Additional comments include...
  - ✓ Review departments for efficiency and savings. SISS was mentioned most often
  - ✓ Consolidation of administration positions with other districts and WISD

# Facilities

## ***Responses...***

- Over 50% have concerns with the number of buildings in the district and suggest closing some schools.
  - ✓Consolidation of high schools, including Clemente, Stone and Community
  - ✓Fill Skyline faster
  - ✓Close the Preschool
  - ✓A small number suggest closing either Skyline, Pioneer or Huron
  - ✓Close some of the under-enrolled elementary schools
  - ✓Restructure grades at the schools similar to the suggestion under Instruction and Academic Programming
- 100 responses want to ensure schools are energy efficient and well maintained
  - ✓Change the school calendar to keep schools open for fewer days
  - ✓Closely monitor heating systems
- On-line survey had 223 responses; 5 in favor of privatization, 14 not in favor
  - ✓Comments - “Keep all union custodians”, “Outsource anything possible”
- Forum survey had 140 responses on privatization; 31 support, 19 concerns w/ high turnover rate w/ privatization, 15 concerns with impact on families, 14 said cuts not equitable

# Extra Curricular Activities

## *Responses*

- The majority of responses support “Pay for Play”
- Over 50% support “Pay to Play” for extra curricular activities as well
- 1/3 responses want to ensure proper scholarship is available so no student is turned away from participating in athletics/extra curricular
- An equal number (20/22) of the responses share concerns with the number of offerings while an equal amount want to maintain offerings
- Additional comments in smaller numbers include...
  - ✓Reduce athletic busing
  - ✓Reduce number of athletic directors
  - ✓Eliminate late busing at middle and high schools
  - ✓Develop process to obtain funding from boosters, partnerships, fundraising or increasing event fees as well as corporate sponsorships to fund athletics and extra curricular

# Transportation *Responses...*

- 40% encourage use of AATA to transport students
- 25% ask the district to focus on more efficient bus service using the bus study already completed
- 15% support increasing the walk zones
- 10% suggest charging fees to transport students from private schools, athletic events and after school busing
- Additional suggestions include...
  - ✓A small amount of responses suggest keeping bus service at current level
  - ✓5% suggest eliminating Community shuttle, while an equal amount suggest eliminating all bus service for high schools.
- On-line survey had 214 responses; 21 in favor of privatization, 17 not in favor.
  - ✓“Do not privatize bus service or drivers”, “Look into privatizing bus service or eliminate service”
- Forum survey -concerns with liability issues, loss of role models and ability to demonstrate cost savings.

# New Revenue *Responses...*

- 50% suggest charging or increase fee for participation in extra curricular/athletics, events and supplies
  - ✓Text book rental, classroom supplies, on-line classes, parking for staff and students, recordings of concerts
- 40% suggest increase rental fee and number of school rentals after school hours
  - ✓Expanding cell phone towers, leasing Skyline extra space, pursuing endowments/grants, donations, sponsorships and allow advertising in schools
- 30% suggest the district allow “School of Choice”
- A variety of other suggestion include...
  - ✓Concentrate efforts on tax reform and school financing at the state level
  - ✓Market the district to gain back students who have left
  - ✓Enhance Kindergarten Roundups
  - ✓Encourage more staff to enroll their students who live outside the district
  - ✓Replicate Community High, add other “magnet” schools

# Other *Responses...*

- Reiterate need to reduce salaries and benefits
- Review high school programming
- Review number of schools in district
- “Get back to basics”
- Evaluate all staff and their need to the operation of the district
- Coordinate busing with AATA

**The results and all the collected comments from the on-line survey and budget forums will be available on the AAPS website starting tomorrow, Friday, February 19th, located in the budget box on the main page.**

# **Update on State Budget and Retirement Reform**

# Budget Update - Governor's Proposal

- Projection that School Aid Fund (SAF) will be \$410 million in deficit for 2010-2011 = \$255 per pupil
- Budget Plan would not reduce per pupil funding beyond current level
- Plan would extend sales tax to services and reduce rate by 5.5%
- Michigan Business Tax (MBT) will be phased out over 3 years
- Michigan Promise Grant reintroduced as a tax credit; \$4,000 for students who graduate and work in Michigan for at least 1 year
- State budget set July 1 and is a two-year budget

# Retirement Reform Proposal

- Employees retiring after 10/1/10 will lose subsidized dental and vision insurance
- Employees will be required to contribute an additional 3% toward retirement costs (MIP Plus will be 0.9%)
- Highest average pay will be averaged over 9 years instead of 3
- The multiplier for employees who file for retirement between 4/15 and 5/15 effective June -Oct. 1 will increase from 1.5 - 1.6% (6.66%) increase in employee retirement over lifetime

# Retirement Reform cont'd

- Employees would be eligible to return to work for 20 hours per week for up to 3 years
- New employees will be in a hybrid defined benefit/defined contribution plan
- New employees will not be eligible for retirement until age 65

# Budget Scenarios

Budget Scenarios	2009/2010 Projected (2 <sup>nd</sup> Qtr)	2010/2011 No Add'l Cuts	2010/2011 Add'l \$200 Cut	2010/2011 Add'l \$300 Cut
Student Count	16,440	16,440	16,440	16,440
<b>TOTAL Revenue</b>	<b>\$185.6</b>	<b>\$185.6</b>	<b>\$182.31</b>	<b>\$180.7</b>
Base Educational Expense	\$194.5	\$194.5	\$194.5	\$194.5
Step, FICA, Retirement Adj.		\$4.0	\$4.03	\$4.03
Fringe Increase - Inflation		\$1.74	\$1.74	\$1.74
Early Retirement Inc Pay- out/Contract Settlements		\$.10	\$0.10	\$0.10
Budget Reduction Plan	<b>(2.6)</b>			
<b>TOTAL Operating Expenses</b>	<b>\$191.9</b>	<b>\$200.37</b>	<b>\$200.37</b>	<b>\$200.37</b>
<b>Deficit</b>	<b>(\$6.3)</b>	<b>(\$14.77)</b>	<b>(\$18.06)</b>	<b>(\$19.67)</b>
Fund Equity - Beginning Balance	\$27.0	\$20.7	\$20.7	\$20.7
<b>Fund Equity – Ending Balance</b>	<b>\$20.7</b>	<b>\$5.93</b>	<b>\$ 2.64</b>	<b>\$1.03</b>

**BASE BID** – Includes field trips, drivers, aides, fleet maintenance, summer school, supervision, & office support

<b>ENTITY</b>	<b>COST PER ROUTE PER</b>	<b>TOTAL ROUTE COST</b>	<b>GAP vs. AAPS</b>
DURHAM	\$204.00	\$ 5,212,865	\$840.433
FIRST	\$210.34	\$ 5,326,614	\$726,683
AAPS	\$248.47	\$ 6,053,298	

**ADDITIONAL SAVINGS**

Possible \$202,000 in savings from Indirect Costs in Finance, Legal and HR due to elimination of labor and contract activity as well as driver and bus aide payroll. Staff reductions in central office are required.

# 2010/2011 Budget Planning

## Possible Cost Savings Options Presented at Community Budget Meetings

Item	Area	Est. FTE	Est. Reduction	Impact
<b>INSTRUCTIONAL</b>				
Reduce Textbook Budget	K-12		\$200,000	Reduce textbook purchases
Reduce Summer School Costs	K-12		\$100,000	Reduce transportation costs, reduce some services
Reduce Substitute Teacher Costs	K-12		\$200,000	Reduce some professional development that requires substitutes
Restructure Elem. Specials	Elem.	8	\$640,000	Staffing efficiencies; reduction and restructuring of media and technology program
Restructure ESL	K-12	4	\$320,000	Alignment of staff to caseloads and restructuring of the delivery model
Redesign Alternative Programs	HS		\$400,000	Redesign alternative programs at Clemente and Stone based on current student needs, graduation requirements and post-secondary goals
Restructure MS Planning Center	MS	5	\$360,000	Need to have alternative options for addressing in-school discipline issues
Offer more classes on-line	HS	5	\$400,000	More on-line courses offered for students at the high school level which provides greater flexibility for students and greater efficiency in staffing
K-12 Staffing Efficiency	K-12	12	\$960,000	Reduce need for teachers to travel, staff some targeted classes at a higher student to teacher ratio
<b>Subtotal</b>			<b>\$3,580,000</b>	

<b>NON-INSTRUCTIONAL</b>				
Reduce Overtime, Supplemental and Hourly Costs			\$700,000	Overtime costs for activities on the weekend and other non-school times must be funded by the activity (10%)
Eliminate HS Noon Hour Supervisors	HS		\$50,000	Cafeteria supervision assumed by administrative staff and community assistants
Reduce Transportation Costs	Dist-wide		\$1,500,000	Consolidation county-wide; Potential reduction in services:eliminate shuttle buses from Pioneer and Huron to Community; eliminate noon hour kindergarten transportation; expand walkzones at high school level and consolidate bus stops; eliminate 1 tier of bussing with middle and high school students riding on same buses
Reduce Custodial & Maintenance Costs	Dist-wide		\$2,500,000	Potential modification of service delivery, salary and health care cost reductions and/or privatization of these services (23%)
Energy Cost Savings	Dist-wide		\$400,000	Implement an energy education and monitoring program (6.2%)
Reduce Athletic Costs	HS; MS		\$500,000	Pay for participation at HS (\$150) per year, MS (\$50) per year, need based scholarships; eliminate weekend transportation for events in Washtenaw County; Reduce MS Administrative Costs; Reduce the number of Freshman games by 2; rental and facility savings
<b>Subtotal</b>			<b>\$5,650,000</b>	

<b>INSTRUCTIONAL &amp; NON-INSTRUCTIONAL</b>				
Limit District Funded Conference Attendance	Dist-wide		\$150,000	Less opportunity to attend conferences that require overnight stay or travel expenses unless funded by grants. Requires getting information from different sources. (70%)
Reduce Discretionary Budgets			\$900,000	Reduced funds for supplies and materials.... (10%)
Salary & Benefit Costs Savings	Dist-wide		\$5,000,000	Reduces health care and salary costs by approximately 4%
Reduce Administrative Staffing	Cent Admin; HS	7	\$600,000	Reduction of 5 positions in central administration and 2 HS class principal positions (9%)
Reduce Clerical Staffing	Cent Admin; HS	8	\$320,000	Reduce 6 clerical staff in central administration and two building clerical staff at the HS level. (7%)
	<b>Subtotal</b>		<b>\$6,970,000</b>	
	<b>Total</b>		<b>\$16,200,000</b>	

<b><i>New Revenue</i></b>				
Targeted Schools of Choice	Elem;MS	150	\$1,050,000	Open 100 spaces for students from outside the district at schools where there is space available at K-1 and 6th grade. Open 50 spaces for Stone and Clemente
Options Magnet Enrollment Increase	HS	20	\$180,000	Increase enrollment in this program of in-district students currently not attending AAPS.
	<b>Total</b>		<b>\$1,230,000</b>	
<b>Total Cost Savings &amp; New Revenue</b>			<b>\$17,430,000</b>	

**Update on  
Maintenance/Custodial and  
Transportation Bids**

**BASE BID** – Includes field trips, drivers, aides, fleet maintenance, summer school, supervision, & office support

<b>ENTITY</b>	<b>COST PER ROUTE PER DAY</b>	<b>TOTAL ROUTE COST</b>	<b>GAP vs. AAPS</b>
DURHAM	\$204.00	\$ 5,212,865	\$840.433
FIRST STUDENT	\$210.34	\$ 5,326,614	\$726,683
AAPS	\$248.47	\$ 6,053,298	

**ADDITIONAL SAVINGS**

Possible \$202,000 in savings from Indirect Costs in Finance, Legal and HR due to elimination of labor and contract activity as well as driver and bus aide payroll. Staff reductions in central office are required.

## Custodial Professional Services RFP Base Bid Results

District Cost = \$6,955,697

<i>Contractor</i>	<i>Business Headquarters</i>	<i>Custodial Lump Sum</i>	<i>Exception Cost</i>	<i>Adjusted Lump Sum</i>	<i>Benefit Cost</i>	<i>Lump Sum Less Benefits</i>	<i>Exception to RFP</i>	<i>Bid Bond</i>	<i>MBE</i>	<i>WBE</i>	<i>DBE</i>
Midwest	Chicago, IL	\$5,893,071.30	\$0.00	\$5,893,071.30	(\$425,880.00)	<b>\$5,467,191.30</b>	N	Y	Y		
GCA	Downers Grove, IL	\$5,993,198.00	\$0.00	\$5,993,198.00	(\$487,504.00)	<b>\$5,505,694.00</b>	N	Y			
Fastemps	Ypsilanti, MI	\$5,701,725.47	\$430,000.00	\$6,131,725.47	(\$130,894.00)	<b>\$6,000,831.47</b>	Y**	N			
Aramark	Downers Grove, IL	\$5,610,577.00	\$544,595.00	\$6,155,172.00	(\$210,420.00)	<b>\$5,944,752.00</b>	Y***	Y			
GLES*	Whitmore Lk, MI	\$6,800,000.00	\$0.00	\$6,800,000.00	(\$1,470,560.00)	<b>\$5,329,440.00</b>	N	Y			
Omni	Southfield, MI	\$8,170,560.00	\$0.00	\$8,170,560.00	(\$2,298,618.00)	<b>\$5,871,942.00</b>	N	Y			

bid

add  
exceptions

subtract  
benefits

final wages and  
overhead costs

\* Labors' Local 499

\*\* Substitute Custodial Costs

\*\*\* Cost of Living Increases averaged over 3 years (US Census 2008 (3.5%) + Substitute Custodial Costs - \$100,000/year transition grant

**Custodial Professional Services RFP Alternate Bid Results**

**District Cost = \$6,955,697**

<i>Contractor</i>	<i>Business Headquarters</i>	<i>Custodial Lump Sum</i>	<i>Exception Cost</i>	<i>Adjusted Lump Sum</i>	<i>Exception to RFP</i>	<i>Savings Strategies</i>
Grubb & Ellis	Southfield, MI	\$0.00		\$0.00	?	20% savings on current budget, No details
GLES*	Whitmore Lk, MI	\$3,350,000.00	\$0.00	\$3,350,000.00	N	Wage reductions, no Benefits
Enviro Clean	Grand Rapids, MI	\$3,832,705.00	\$0.00	\$3,832,705.00	N	Wage reductions, every other day clean in elementaries
Enviro Clean	Grand Rapids, MI	\$3,901,890.00	\$0.00	\$3,901,890.00	N	Wage reductions, every day clean in all classrooms
GLES*	Whitmore Lk, MI	\$4,100,000.00	\$0.00	\$4,100,000.00	N	Wage reductions, 50% paid Benefits
RNA	Ann Arbor, MI	\$3,000,000.00	\$0.00	\$4,618,893.72	N	No Details
GLES*	Whitmore Lk, MI	\$4,820,000.00	\$0.00	\$4,820,000.00	N	Wage reductions, 100% paid Benefits
Aramark	Downers Grove, IL	\$4,437,350.00	\$490,000.00	\$4,927,350.00	Y***	Wage reductions
Omni	Southfield, MI	\$5,039,747.00	\$0.00	\$5,039,747.00	N	Wage reductions
Aramark	Downers Grove, IL	\$4,494,130.00	\$500,000.00	\$4,994,130.00	Y***	Wage reductions, MBE patnership
Midwest	Chicago, IL	\$5,301,998.62	\$0.00	\$5,301,998.62	N	Reduced work week
GRBS	Grand Rapids, MI	\$5,371,946.00	\$0.00	\$5,371,946.00	N	Wage reductions, Benefits?, No overtime
GCA	Downers Grove, IL	\$5,433,198.00	\$0.00	\$5,993,198.00	N	Wage reductions, reduce paid work days
Fastemps	Ypsilanti, MI	\$5,589,926.93	\$430,000.00	\$6,019,926.93	Y**	Pre payment discount
Fastemps	Ypsilanti, MI	\$6,506,358.03	\$430,000.00	\$6,936,358.03	Y**	Increased health benefits

\* Labors' Local 499

\*\* Substitute Custodial Costs

\*\*\* Cost of Living Increases averaged over 3 years (US Cenus 2008 (3.5%) + Substitute Custodial Costs - \$100,000/year transition grant

## Maintenance Professional Services RFP Base Bid Results

District Cost = \$1,902,619

<i>Contractor</i>	<i>Business Headquarters</i>	<i>Maintenance Lump Sum</i>	<i>Exception Cost</i>	<i>Adjusted Lump Sum</i>	<i>Benefit Cost</i>	<i>Lump Sum Less Benefits</i>	<i>Exception to RFP</i>	<i>Bid Bond</i>	<i>MBE</i>
Aramark	Downers Grove, IL	\$1,350,772.00	\$47,828.00	\$1,398,600.00	(\$37,575.00)	\$1,361,025.00	Y***	Y	
Fastemps	Ypsilanti, MI	\$1,417,795.64	\$50,201.00	\$1,467,996.64	(\$23,375.00)	\$1,444,621.64	Y***	N	
Midwest	Chicago, IL	\$1,473,267.83	\$0.00	\$1,473,267.83	(\$76,050.00)	\$1,397,217.83	N	Y	Y
GCA	Downers Grove, IL	\$1,475,849.00	\$0.00	\$1,475,849.00	(\$88,840.00)	\$1,387,009.00	N	Y	
GLES*	Whitmore Lk, MI	\$1,490,000.00	\$0.00	\$1,490,000.00	(\$262,600.00)	\$1,227,400.00	N	Y	
Omni	Southfield, MI	\$2,042,640.00	\$0.00	\$2,042,640.00	(\$410,468.00)	\$1,632,172.00	N	Y	
Barton Malow**	Southfield, MI	\$2,144,430.00	\$4,745.00	\$2,149,175.00	(\$290,000.00)	\$1,859,175.00	Y	Y	
		bid	add exceptions		subtract benefits	final wages and overhead costs			

\* Labors Local 499

\*\*Millwrights Local 1102

\*\*\* Cost of Living Increases averaged over 3 years (US Census 2008 (3.5%))

**Maintenance Professional Services RFP Alternate Bid Results**

District Cost = \$1,902,619

<i>Contractor</i>	<i>Business Headquarters</i>	<i>Maintenance Lump Sum</i>	<i>Exception Cost</i>	<i>Adjusted Lump Sum</i>	<i>Exception to RFP</i>	<i>Savings strategies</i>
GLES*	Whitmore Lk, MI	\$730,000.00	\$0.00	\$730,000.00	N	Wage reductions, staff reduction, no benefits
GLES*	Whitmore Lk, MI	\$825,000.00	\$0.00	\$825,000.00	N	Wage reductions, staff reduction, 50% paid benefits
GLES*	Whitmore Lk, MI	\$920,000.00	\$0.00	\$920,000.00	N	Wage reductions, staff reduction, 100% paid benefits
Enviro Clean	Grand Rapids, MI	\$1,126,925.00	\$0.00	\$1,126,925.00	N	Wage reductions
Aramark	Downers Grove, IL	\$1,114,946.00	\$47,828.00	\$1,162,774.00	Y***	Wage reductions
Aramark	Downers Grove, IL	\$1,116,215.00	\$47,828.00	\$1,164,043.00	Y***	Wage reductions, MBE partnership
GCA	Downers Grove, IL	\$1,216,875.00	\$0.00	\$1,216,875.00	N	Less days worked, wage reductions
Midwest	Chicago, IL	\$1,325,499.06	\$0.00	\$1,325,499.06	N	Reduced work week
Fastemps	Ypsilanti, MI	\$1,389,995.72	\$50,201.00	\$1,440,196.72	Y***	Upfront payment discount
Omni	Southfield, MI	\$1,463,773.00	\$0.00	\$1,463,773.00	N	Wage reductions
RNA	Ann Arbor, MI	\$1,500,000.00	\$0.00	\$1,500,000.00	N	No details
Fastemps	Ypsilanti, MI	\$1,501,062.44	\$50,201.00	\$1,551,263.44	Y***	Increased health benefits

\* Labors Local 499

\*\*\* Cost of Living Increases averaged over 3 years (US Census 2008 (3.5%))