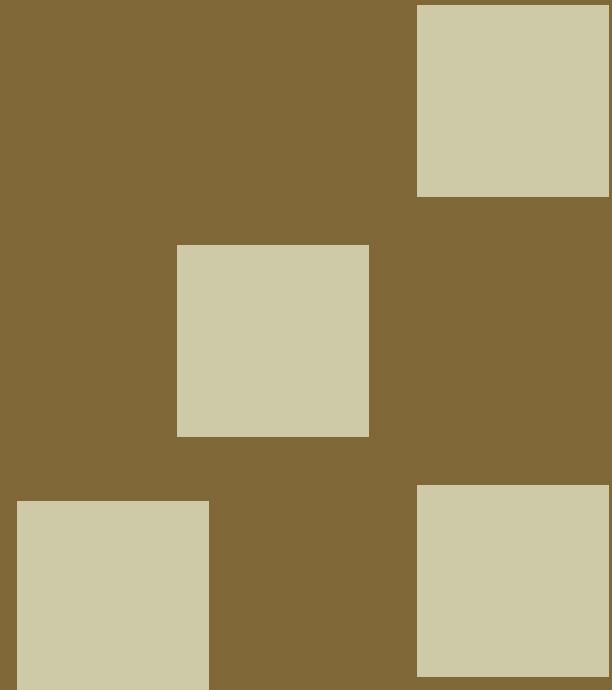


Austin Independent School District Recommended FY 2010-11 Budget, Tax Rate and Potential Tax Ratification Election (TRE)

Presentation to the AISD Board of Trustees

Meria Carstarphen, Superintendent
Nicole Conley-Abram, CFO

August 9, 2010: Work Session



FY 2010-11 Recommended Budget Changes Since June Revised Presentation

- Received certified 2010 taxable values on July 22nd indicating a 3.66% decline in appraised values.
- Conducted presentations to ratings agencies which reconfirmed our "Triple A" rating.
- Obtained results from election poll regarding a possible TRE.
- Received final count of homestead exemptions.
- Developed budget book with local school information (General Fund) for greater public access to financial info.
- Received Comptroller Gold Leadership Award for excellence in financial transparency.
- Education Jobs Bill passed Senate and is scheduled to be approved by the House on Aug 10. Funding requirements may greatly affect the final adopted budget to maximize the \$18.7M in funding allotted for AISD.

FY2010-11 Recommended Budget: Options A & B

FY2010-11 Recommended Budget: Option A & Option B

	No Change to		5 Cent Increase to			
	M&O		M&O			
Estimated Revenue	\$	837,974,727	\$	866,433,660	\$	28,458,933
Proposed Expenditures	\$	844,230,727	\$	872,689,660	\$	28,458,933
Other Resources/Revenue	\$	(44,000)	\$	(44,000)	\$	-
Fund Balance Use	\$	(6,300,000)	\$	(6,300,000)	\$	-
Chapter 41 Payments	\$	127,815,376	\$	140,723,479	\$	12,908,103
Proposed M&O Tax Rate		1.079		1.129		0.050
Proposed I&S Tax Rate		0.148		0.148		0.000
Total Tax Rate		1.227		1.277		0.050
Increase in Homeowner Taxes	\$	43	\$	167	\$	124

Both options require an increase of 2.5 cents to the I&S rate to cover debt service costs.

**Option A: No Change to
M&O Tax Rate (1.079),
I&S Tax Rate Increase of 2.5
Cents (.148)**

FY2010-11 Recommended Budget Option A: General Fund Revenue

Revenue Source	FY 2010		Recommended FY2011 Budget	\$ Change	% Change
	Amended Budget				
Local	661,283,648		628,727,327	(32,556,321)	-4.9%
State	127,885,892		172,890,382	45,004,490	35.2%
Federal	38,520,882		36,357,018	(2,163,864)	-5.6%
Total	827,690,422		837,974,727	10,284,305	1.2%
Less:					
Recapture	113,790,743		127,815,376	14,024,633	12.3%
Operating Revenue	713,899,679		710,159,351	(3,740,328)	-0.5%

General Fund Revenue Changes FY2010-11 Revised vs. Recommended

Revenue Source	FY2011			
	FY 2011 Revised Budget	Recommended Budget	\$ Change	% Change
Local	615,079,835	628,727,327	13,647,492	2.2%
State	183,018,870	172,890,382	(10,128,488)	-5.5%
Federal	36,257,018	36,357,018	100,000	0.3%
Total	834,355,723	837,974,727	3,619,004	0.4%
Recapture	124,336,602	127,815,376	3,478,774	2.8%
Operating Revenue	710,019,121	710,159,351	140,230	0.0%

FY2010-11 Recommended Budget

Option A: Highlights

- Proposes \$13.1M in budget efficiencies, reductions and reallocations to cover the following:
 - **Cure the projected structural deficit of \$7.1M.**
 - **State authorized step increase of \$2.8M for teachers, counselors, librarians, speech pathologists and other professionals on the professional salary scale only.**
 - **Baseline budget increases of \$2.1M to maintain continuity of services.**
 - **Funding towards Strategic Plan initiatives-\$10.3M (*includes \$1.7M ARRA*).**
 - AU/turnaround-\$3.5M
 - Elem. School Counselors-\$1.2M
 - Dual Language program (ARRA)-\$750K
 - Signature Vertical Team-\$1.0M
 - Full-day Pre-K continuation-\$1.0M (ARRA)
 - Strategic Comp. Restored- \$751K

FY2010-11 Recommended Budget Option A: Highlights Cont'd.

Funding towards Strategic Plan initiatives cont

- Expansion of Translation services- 2 FTEs-\$124K
- Special Ed. Staffing reserve-\$415K

- No cuts to local campus BTOs. In fact, approx. \$5M is being decentralized from central to local high schools.
- Assumes no increase in the tax rate for M&O.
- Estimated 2.5 cent increase in the tax rate for I&S to cover debt for bond program.
- Use of \$6.3M in fund balance to cover Mission Critical Strategic Plan initiatives.
- Assumes no State reductions.

FY2010-11 Recommended Budget Option A: Taxable Values

Austin ISD
Taxable Values, Collections, and Rates
Using Preliminary Value Provided By TCAD on July 22, 2010

	Certified Value						
	2006/07	2007/08	2008/09	2009-10	2010/11	2011/12	2012/13
Taxable Values							
Net Taxable Value (before freeze)	\$ 48,468,417,724	\$ 54,190,323,921	\$ 60,656,039,762	\$ 63,907,000,426	\$ 61,570,945,154	\$ 59,877,744,162	\$ 60,177,132,883
Growth in Taxable Value over Prior Year	15.2%	11.8%	11.9%	5.36%	-3.66%	-2.75%	0.5%
Taxable Value Increase over Prior Year	\$ 6,402,978,116	\$ 5,721,906,197	\$ 6,465,715,841	\$ 3,250,960,664	\$ (2,336,055,272)	\$ (1,693,200,992)	\$ 299,388,721
Freeze Taxable Value	\$ 3,490,455,321	\$ 3,620,055,743	\$ 4,389,455,805	\$ 5,157,590,887	\$ 5,290,263,882	\$ 5,144,781,625	\$ 5,170,505,533
Net Taxable Value	\$ 44,977,962,403	\$ 50,570,268,178	\$ 56,266,583,957	\$ 58,749,409,539	\$ 56,280,681,272	\$ 54,732,962,537	\$ 55,006,627,350
Net Taxable Levy	\$ 671,520,979	\$ 588,132,219	\$ 676,324,339	\$ 706,167,903	\$ 690,563,959	\$ 682,520,043	\$ 685,932,643
Freeze Ceiling Taxes	\$ 27,050,025	\$ 22,293,443	\$ 25,889,691	\$ 30,106,823	\$ 28,405,788	\$ 26,000,000	\$ 26,000,000
Total Levy	\$ 698,571,004	\$ 610,425,662	\$ 702,214,030	\$ 736,274,726	\$ 718,969,747	\$ 708,520,043	\$ 711,932,643
Percentage of Actual Collections to Levy	98.58%	98.63%	97.80%	97.80%	97.80%	97.80%	97.80%
Tax Rates							
Local Maintenance	1.3700	1.0400	1.0790	1.0790	1.0790	1.0790	1.0790
Debt Service	0.1230	0.1230	0.1230	0.1230	0.1480	0.1680	0.1680
Total	1.4930	1.1630	1.2020	1.2020	1.2270	1.2470	1.2470
Budget - Current							
Local Maintenance	\$ 631,917,130	\$ 538,388,086	\$ 616,489,003	\$ 646,391,630	\$ 618,338,593	\$ 599,578,410	\$ 602,466,291
Debt Service	\$ 56,734,166	\$ 63,674,745	\$ 70,276,318	\$ 73,685,051	\$ 84,813,820	\$ 93,354,192	\$ 93,803,834
Total	\$ 688,651,295	\$ 602,062,830	\$ 686,765,321	\$ 720,076,682	\$ 703,152,413	\$ 692,932,602	\$ 696,270,125

FY2010-11 Recommended Budget

Option A: Budget Assumptions

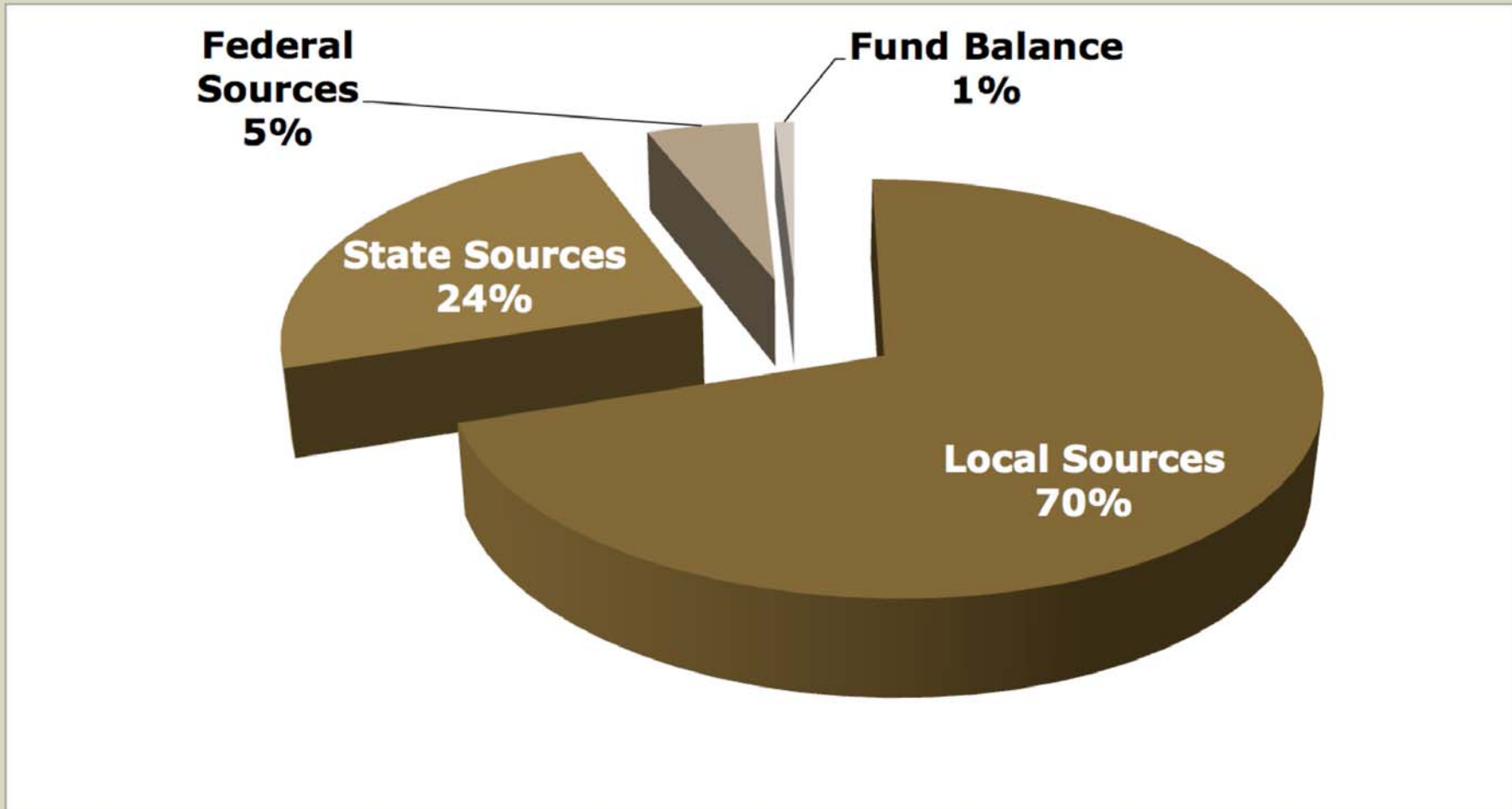
- Reduction in tax base of 3.66% based on preliminary certified appraisal.
- M & O tax rate remains at \$1.079/\$100 taxable value.
- I & S tax rate increase of 2.5 cents: \$0.148/\$100 taxable value.
- No change to State Target revenue.
- Enrollment increase of 685 students.
- Collectability rate remains at 97.8%.
- No salary increases beyond the step increases included in the budget.
- Proposing various savings/reductions that total \$13.1M to close the gap and implement a small portion of the strategic plan.

FY2010-11 Recommended Budget Option A: Combined Summary

	General Fund	Food Service	Debt Service	Memo Total Only
Revenues				
Local Sources	\$ 628,727,327	\$ 8,274,821	\$ 85,618,820	\$ 722,620,968
State Sources	172,890,382	1,146,327	-	\$ 174,036,709
Federal Sources	36,357,018	28,770,826	-	\$ 65,127,844
Total Revenues	<u>837,974,727</u>	<u>38,191,974</u>	<u>85,618,820</u>	<u>961,785,521</u>
Expenditures				
Total Expenditures	<u>844,230,727</u>	<u>38,708,409</u>	<u>91,058,764</u>	<u>\$ 973,997,900</u>
Excess (deficiency) of revenues over expenditures	(6,256,000)	(516,435)	(5,439,944)	(12,212,379)
Other Financing Sources (Uses)				
Other Resources	51,000	-	-	51,000
Other Uses	(95,000)	-	-	(95,000)
Total Other Financing Sources (Uses)	<u>(44,000)</u>	<u>-</u>	<u>-</u>	<u>(44,000)</u>
Net Change in Fund Balances	(6,300,000)	(516,435)	(5,439,944)	(12,256,379)
Fund Balances- September 1 (Beginning)	* 145,386,842	* 8,662,778	* 14,800,833	* 168,850,453
Fund Balances - August 31 (Prior to Adjustment)	* <u>\$ 139,086,842</u>	* <u>\$ 8,146,343</u>	* <u>\$ 9,360,889</u>	* <u>\$ 156,594,074</u>

* *Estimated Balance*

FY2010-11 Recommended Budget Option A: Sources of Funding



Hypothetical Impact of Other Taxing Jurisdictions: Option A

Taxation Jurisdictions Tax Rates No M&O Increase						2009 Avg. Taxable Value	2010 Avg Taxable value	
<u>Jurisdiction</u>	<u>2008</u>	<u>2009</u>	<u>2010</u> <u>(Proposed)</u>	<u>Change 09-10</u> <u>(Rate)</u>	<u>Change 09-10</u> <u>(%)</u>	248,405	246,888	Diff (Rounded)
AISD (I&S only)	1.2020	1.2020	1.2270	0.0250	2.08%	2,986	3,029	43
City	0.4012	0.4209	0.4613	0.0404	9.60%	1,046	1,139	93
County	0.4122	0.4215	0.4658	0.0443	10.51%	1,047	1,150	103
ACC	0.0954	0.0946	0.0951	0.0005	0.53%	235	235	(0)
Travis County Healthcare	0.0679	0.0674	0.0719	0.0045	6.68%	167	178	10
Total	2.1787	2.2064	2.3211	0.1147	5.20%	5,481	5,731	250

Option B:
5 Cent increase to M&O Tax Rate
(1.129),
I&S Tax Rate Increase of 2.5 Cents
(.148)
and Calling a Tax Ratification
Election (TRE)

Revenue Comparison of Options

Revenue Source	Recommended FY2011 Budget	Recommended FY2011 Budget w/ TRE of 5	\$ Change	% Change
	No TRE	Cents		
Local	628,727,327	656,379,782	27,652,455	4.4%
State	172,890,382	173,696,860	806,478	0.5%
Federal	36,357,018	36,357,018	-	0.0%
Total	837,974,727	866,433,660	28,458,933	3.4%
Less:				
Recapture	127,815,376	140,723,479	12,908,103	10.1%
Operating Revenue	710,159,351	725,710,181	15,550,830	2.2%

FY2010-11 Recommended Budget Option B: General Fund Revenue Change From FY2010

Revenue Source	FY 2010 Amended Budget	Recommended FY2011 Budget w/ TRE of 5 Cents	\$ Change	% Change
Local	661,283,648	656,379,782	(4,903,866)	-0.7%
State	127,885,892	173,696,860	45,810,968	35.8%
Federal	38,520,882	36,357,018	(2,163,864)	-5.6%
Total	827,690,422	866,433,660	38,743,238	4.7%
Less:				
Recapture	113,790,743	140,723,479	26,932,736	23.7%
Operating Revenue	713,899,679	725,710,181	11,810,502	1.7%

FY2010-11 Recommended Budget

Option B: Uses of TRE Revenue

- Approval of a TRE increases total revenue by \$28.5M.
- Increases recapture by \$12.9M leaving \$15.5M to be redirected towards:
 - **Teacher salary increase of 3% to narrow teacher pay disparities-\$10M**
 - **Rebuild East Austin schools and support students with needs across the district (Year 1)-One-time-\$5.5M, (Year 2)-On-going-\$.5M**
 - **Pre-k Restoration (Year 2)-Ongoing - 5.0M**

FY2010-11 Recommended Budget Option B: Base Budget Adjustments and Cuts

- Existing baseline operating funds (non-TRE generated) of \$2.8M would be redirected and additional cuts would be necessary to support a 3% increase for classified staff (\$3.4M).
- No salary increases in FY2011 for Administrative staff.
- School level staffing efficiencies and re-alignments would be identified for effectuation in FY 2012 to cover the projected deficit and a potential 3% salary increase for administrators.
- Fund balance reserves of \$6.3M would still be utilized to support Mission Critical Strategic Plan initiatives.

Timing TRE: Pros and Cons (from June Discussion)

	<u>Pros</u>	<u>Cons</u>
1 TRE: Nov 2010 (FY10) Bond: May/Nov 2012	<ul style="list-style-type: none"> •Ed Austin election poll results indicate potential success rate of 57%. •This year's fiscal climate may be better than next year due to looming State cuts •If TRE fails, contingency budget already in place •Opportunity to address pay parity and other budgetary pressures •Timing works with potential calendar for bond election •Unclear how level of turnout affects success rate 	<ul style="list-style-type: none"> •May bond elections indicate historically low approval rates •Challenging fiscal climate •Limited implementation of efficiency study options /right sizing •Program evaluation system not in place •Must account for other tax rate increases from other jurisdictions and I&S rate. •Unclear how level of turnout affects success rate
2 TRE: May/Nov 2011 (FY2012) Bond: May/Nov 2013	<ul style="list-style-type: none"> •Perception of better timing due to fiscal changes •More "Efficiency Study" reductions could be implemented •Program evaluation system likely to be in place 	<ul style="list-style-type: none"> •Fiscal climate may worsen, revenue declines/layoffs still expected •Unclear how level of turnout affects success rate (Teacher influence) •Significant state reductions could negatively affect voter attitudes •If TRE fails, no contingency budget
3 TRE: May/Nov 2012 (FY2013) Bond: May/Nov2014	<ul style="list-style-type: none"> •Fiscal climate improves (anticipated recovery) •Voters would have felt impact of significant program reductions and may be compelled to avert future reductions 	<ul style="list-style-type: none"> •Significant cuts will need to be implement to satisfy deficit in FY12 •Program cuts in pre-k, dual language and special-ed would be necessary •If TRE fails, no contingency budget

Hypothetical Impact of Other Taxing Jurisdictions: Option B

<u>Taxation Jurisdictions Tax Rates w/ 5Cents M&O Increase</u>						<u>2009 Avg.</u>	<u>2010 Avg</u>	
<u>Jurisdiction</u>	<u>2008</u>	<u>2009</u>	<u>2010</u> <u>(Proposed)</u>	<u>Change 09-10</u>	<u>Change 09-10</u> <u>(%)</u>	<u>Taxable</u> <u>Value</u>	<u>Taxable</u> <u>value</u>	<u>Diff</u> <u>(Rounded)</u>
AISSD (I&S plus 5cent M&O)	1.2020	1.2020	1.2770	0.0750	6.24%	2,986	3,153	167
City	0.4012	0.4209	0.4613	0.0404	9.60%	1,046	1,139	93
County	0.4122	0.4215	0.4658	0.0443	10.51%	1,047	1,150	103
ACC	0.0954	0.0946	0.0951	0.0005	0.53%	235	235	(0)
Travis County Healthcare	0.0679	0.0674	0.0719	0.0045	6.68%	167	178	10
Total	2.1787	2.2064	2.3711	0.1647	7.46%	5,481	5,854	373

Key Actions for TRE

- Aug 24 Last day to order an election to be held in Nov; Board adoption of budget, tax rate and election order required
- Aug 27 Deadline to turn in ballot (content)
- August 30 Last day to cancel an election
- Sept 7 Last day to make ballot changes
- Oct 8 Early voting begins
- Oct 29 Early voting ends
- Nov 2 Election day
- Nov 10 First day for canvass results
- Tax bills that normally go out early Oct would be delayed until after election at cost to district

Out-year Projections & FY2012 Budget Pressures

Out-year Deficits Still Remain

	2008-09 Actual	2009-10 Amended	2010-11 Revised (June)	2010-11 Recommended (August)	2011 - 12 Est	2012-13 Est	2013-14 Est
Beginning Fund Balance	\$ 151,739,483	\$ 146,235,297	\$ 145,386,842	\$ 145,386,842	\$ 139,055,496	\$ 117,089,613	\$ 89,359,541
Student Projection	83,730	84,996	85,674	85,674	86,358	87,046	87,741
REVENUE							
Local:							
Property Taxes-Current	\$ 625,859,498	\$ 646,391,630	\$ 604,802,167	\$ 618,338,593	\$ 599,578,410	\$ 602,466,291	\$ 633,944,800
Property Taxes -Prior	\$ 3,109,392	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000
Penalty and Interest	\$ 3,108,693	\$ 4,050,000	\$ 3,100,000	\$ 3,100,000	\$ 3,100,000	\$ 3,100,000	\$ 3,100,000
Interest Income	\$ 3,039,348	\$ 1,000,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Other Local Revenue	\$ 5,863,135	\$ 3,600,236	\$ 3,377,668	\$ 3,488,734	\$ 3,377,668	\$ 3,377,668	\$ 3,377,668
Total Local Revenue	\$ 640,980,066	\$ 658,241,866	\$ 615,079,835	\$ 628,727,327	\$ 609,856,078	\$ 612,743,959	\$ 644,222,468
State:							
State Aid	\$ 186,915,338	\$ 98,176,175	\$ 152,887,278	\$ 142,758,790	\$ 183,680,266	\$ 155,569,865	\$ 130,940,022
TRS On-Behalf	\$ 28,913,862	\$ 30,031,592	\$ 30,031,592	\$ 30,031,592	\$ 30,031,592	\$ 30,031,592	\$ 30,031,592
Other State Aid	\$ 278,202	\$ 263,350	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Total State Revenue	\$ 216,107,402	\$ 128,471,117	\$ 183,018,870	\$ 172,890,382	\$ 213,811,858	\$ 185,701,457	\$ 161,071,614
Federal:							
Indirect Earnings	\$ 1,746,955	\$ 1,542,388	\$ 1,600,000	\$ 1,700,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000
ARRA Fundings	\$ -	\$ 23,787,879	\$ 22,670,018	\$ 22,670,018	\$ -	\$ -	\$ -
Medicaid Programs (Special Reimbursements)	\$ 1,300,610	\$ 13,003,615	\$ 11,800,000	\$ 11,800,000	\$ 11,800,000	\$ 11,800,000	\$ 11,800,000
Other	\$ 242,235	\$ 187,000	\$ 187,000	\$ 187,000	\$ 187,000	\$ 187,000	\$ 187,000
Total Federal Revenue	\$ 3,289,800	\$ 38,520,882	\$ 36,257,018	\$ 36,357,018	\$ 13,587,000	\$ 13,587,000	\$ 13,587,000
Total Revenues	\$ 860,377,268	\$ 825,233,865	\$ 834,355,723	\$ 837,974,727	\$ 837,254,936	\$ 812,032,416	\$ 818,881,082
EXPENDITURES							
Recapture	\$ 177,664,513	\$ 113,641,752	\$ 124,336,602	\$ 127,815,376	\$ 123,610,910	\$ 89,604,242	\$ 94,370,657
Operating Expenditures	\$ 684,404,233	\$ 727,787,129	\$ 716,306,467	\$ 716,415,351	\$ 735,565,909	\$ 750,114,246	\$ 763,601,398
Total Expenditures	\$ 862,068,746	\$ 841,428,881	\$ 840,643,069	\$ 844,230,727	\$ 859,176,819	\$ 839,718,488	\$ 857,972,055
Other Sources	\$ 64,129	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000
Other Uses	\$ (3,876,837)	\$ (165,000)	\$ (95,000)	\$ (95,000)	\$ (95,000)	\$ (95,000)	\$ (95,000)
Net Other Sources (Uses)	\$ (3,812,708)	\$ (114,000)	\$ (44,000)	\$ (44,000)	\$ (44,000)	\$ (44,000)	\$ (44,000)
Est'd P.O's Outstanding at Year End	\$ -	\$ 15,460,561					
Est'd Budget Gap	\$ (5,504,186)	\$ (848,455)	\$ (6,331,346)	\$ (6,300,000)	\$ (21,965,883)	\$ (27,730,072)	\$ (39,134,973)
Ending Fund Balance:	\$ 146,235,297	\$ 145,386,842	\$ 139,055,496	\$ 139,086,842	\$ 117,089,613	\$ 89,359,541	\$ 50,224,568
Unobligated Fund Balance	\$ 120,955,478	\$ 120,107,023	\$ 113,775,677	\$ 113,807,023	\$ 91,809,794	\$ 64,079,722	\$ 24,944,749
% of Expenditures	14.03%	14.27%	13.53%	13.48%	10.69%	7.63%	2.91%

Other FY2012 Pressures Not Factored

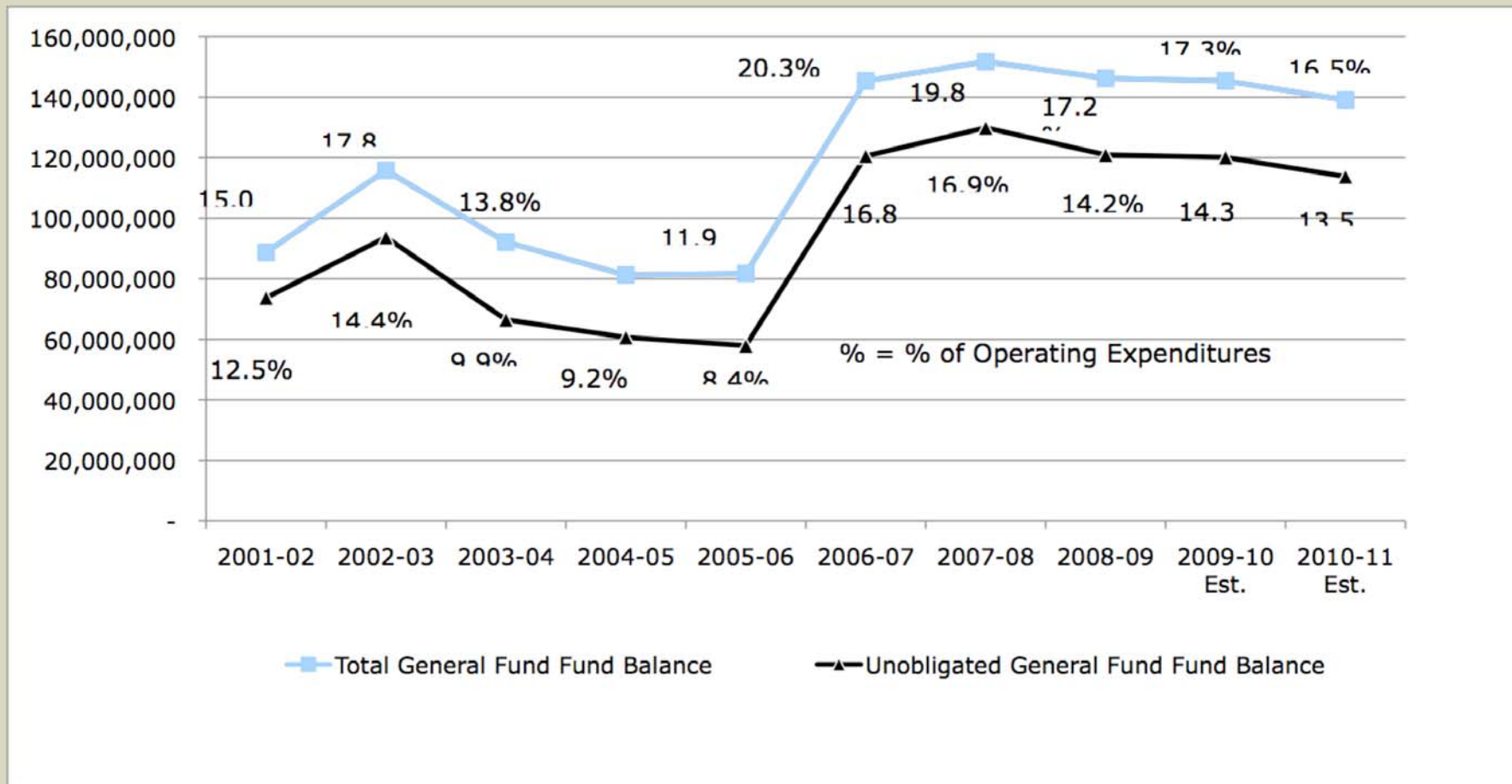
2012 Pressure	Estimate
Potential State Reductions	TBD
Early College HS & Early College Start @ LBJ and Reagan	TBD
Expiring Title I ARRA Programming (credit recovery, evening schools, dual language)	\$1.5M
Expiring IDEA ARRA programming to meet compliance requirements	\$2.6M
Special Education operating deficit	\$1.0M
Expiring State extended year/tutoring grants	\$0.7M
Access Grant continuation	\$2.0M

Maintaining Fund Balance Reserves

AISD Must Maintain Fund Balance Levels

- **FY2009 Financial Audit indicates that the AISD is short \$17.8M in maintaining sufficient cash reserves to cover operating costs during low cash periods.**
 - Property tax collections lag until due date, making it tougher to float payroll through December.
 - Decline in market may change collectability.
 - Avert costs of issuing Tax Anticipation Notes (TANs).
 - **The District taking on more financial risk as it transitions to becoming self insured which will require higher cash reserves.**
 - **The estimated unreserved General Fund balance for FY2010 is \$120.1M or 14.3% of the expenditure budget. This will decrease to \$113.7M or 13.5% in FY2011 assuming a \$6.3M draw down.**
 - **The highest levels the district maintained were in 2008 when reserve levels were \$129.9M or 17%.**
 - **The district has drawn down on reserves in each subsequent year after 2008.**
-

Fund Balance is Declining



CONFIDENTIAL—For discussion purposes only.

Rating Agencies Denote Concern with Continued Draw on Reserves

- Only seven school districts in Texas are rated “Triple A” with the following 2009 fund balance reserves: Austin (14.3%), Garland (15.7%), Highland Park (14.4%), Houston (13%), Plano (23.7%), Richardson (20.6%) and Round Rock (36.1%).
 - Quote from preliminary 2010 rating:
 - “Assuming no legislative changes in the state funding formula, management is currently assessing strategies to balance the fiscal 2012 budget; potential solutions include returning to voters to access the remaining \$0.91 in M&O taxing capacity, efficiency study recommendations like consolidation of schools, and declaring financial exigency to allow termination of multi-year employment contracts. Future rating actions will reflect the district’s ability to maintain structural balance; further deterioration of reserves may result in negative pressure on the rating.”
 - As a result of our AAA status, we estimate that we will save \$10.5M in borrowing costs over the remaining life of our bond program.
 - If the district experiences a “Ratings Downgrade” it would erode investor confidence and the district would incur higher interest costs.
-

Historic Exemptions and Sunset Provisions

2010 Historic Exemptions

	<u>2009</u>	<u>2010</u>	<u>CHANGE</u>
No. Exempted Properties	505	553	48
Taxable Value Exempted	\$133,582,224	\$147,309,190	\$133,582,224
Cost of Exemption	\$1,605,658	\$1,770,656	\$ 164,998

The City has asked AISD to continue participation in the program while they review possible amendments to the program. AISD has the option to phase out participation in program for FY12.

Sunset Provisions

- The CBRC recommends adopting sunset provisions for newly funded programs which would include:
 - **AU/School Turnaround**
 - **Dual Language**
 - **Signature Programs**
 - **Multiple Pathways**
 - **Full day Pre-k**
 - Funding would be evaluated on a two or three-year cycle with an annual review of progress. The Board would need to reauthorize funding for these programs in FY13 or FY14.
 - Strategic compensation is scheduled for review in FY 12.
-

QUESTIONS

