

Colorado Springs School District 11
Superintendent Michael J. Thomas
Division of Business Services
Deputy Superintendent/CFO Glenn E. Gustafson, CPA
Director of Financial Services Laura Hronik, MBA

DAC Budget Subcommittee

Web page: [District Accountability Committee \(DAC\)](#)
Chairman Jan Rennie

Meeting Notes

October 9, 2018

6:00 p.m.

Members present: Sally Sue Coddington, Donna Ecks, Clara Hoellerbauer, Tom Hunt, Trish Nixon, Jan Rennie, and Michael Reyes,

Members absent: Lara Crowell, Bruce Cole, AJ LaFrancis, Pete Lee, Bob Null, Sandra Park, Kim Polomka, Carl Schueler, Toni Seberger, and Elisa Villarruel

Ex-officio members present: Glenn Gustafson, Laura Hronik, and Becky Moore

Guests: DAC Membership Subcommittee Chairman Dr. Wendy Chiado and Board of Education Director Ms. Nora Brown

Chairman Rennie brought the meeting to order at 6:00 p.m. Ms. Rennie asked for approval of the agenda. Mr. Reyes made the motion to approve, seconded by Ms. Nixon and all in favor. Since the DAC has not yet met in October, there was no update for this topic.

Ms. Hronik's budget update included noting that the fund balance has come in close to projection, the other funds are also close to projections, and enrollment numbers are down significantly after the official count day, October 3 this year.

Mr. Gustafson wanted to add a few points to the budget update. He reviewed the five-year cohort model used by the District to soften the declining enrollment. The decline in enrollment has left some schools overstaffed according to the staffing formula.

There is a charter school application under board of education review and it could be approved. The board has three options:

- Deny the application altogether
- Approve the application as a new D11 chartered school with a financial impact of a loss of about \$3 million
- Refer the charter to the state Charter School Institute with a financial impact of a loss of about \$250,000

All in all, the total potential reduction with declining enrollment combined with the potential charter school approval would result in a loss of \$7 million. Mr. Gustafson also told the subcommittee that there will be no new budget modification requests at mid-year due to the grim financial picture. The mid-year budget will take care of cleaning up projections to actual and rebalancing the budget.

Mr. Gustafson went to the podium to discuss Amendment 73 with the group. He announced that his presentation was strictly factual and that both pros and cons would be presented as he would be unable to advocate for or against the amendment according to the Fair Campaign Practices Act. A fact sheet was presented discussing the impact on Coloradans as private citizens, business owners, and corporations. He also had a calculator that he used to demonstrate various scenarios for citizens with different incomes or businesses as to how the amendment would affect the average Coloradan. Mr. Gustafson pointed out that the amendment is for K-12 funding only. A number of pros and cons were discussed.

Ms. Rennie moved the subcommittee forward to discuss how to approach asking for information regarding to analyze the proposed charges. The group worked to keep all topics focused on budget relationships.

For charge three, Review and report to the Board regarding certain academic programs such as Advancement Via Individual Determination (AVID), International Baccalaureate (IB), Advanced Placement (AP), CU Gold and CU Succeed discussion surrounded the following:

- Define the program, history of program
- Training and professional development requirements and costs
- Number of staff FTE required
- Number of tutors required
- Number of students in program
- Number of students testing
- Number of students who pass the testing
- Number of students who complete the program and pass (and on-time)
- Number of students who enroll in college and stay for a second year
- Number of students who need college remediation
- Additional costs such as licensing and curriculum
- What other D11 courses or programs offered could give a similar program but at a lower cost
 - Overlap with other programs in both the courses and testing
 - More students served with alternative, similar programs
- Impact on testing results due to District 11 covering test costs
 - Marketing test costs are paid for by the District
- How the program might attract and retain students in District 11

Ms. Hollerbauer suggested that a form be developed that would be simple for District staff to complete and that it be uniform for all the program reviews. The form would have a common thread throughout with “check boxes” or short replies for costs of such things as licensing, professional development, exam costs, curriculum, number of FTE required, etc. After some discussion, it was decided to make this a full subcommittee effort rather than appoint a small ad hoc committee

There was discussion regarding where the asked-for information would come from and how it would be presented. Also discussed was adding the summer enrichment series and the Student-centered Academic Interdisciplinary Learning or SAIL program to charge three. The group decided to include only the summer enrichment series to the charge.

The members then discussed proposed charge four, staffing formulas. There was debate as to how to include budgetary thinking. Ideas put forward were:

- Over- or under-staffing at schools
- Declining enrollment impact on staffing costs
- How reassigning teachers affects overall staffing, i.e., teacher on special assignment (TOSA)
- Influence of the mill levy override to reduce class sizes and TOSAs
- Missing positions in the staffing formulas

The subcommittee’s agenda topics for October 23, 2018 will include identifying the questions to ask and information required and the method of delivery to appropriate staff and Educational Data and Support Services Department.

Because there was no quorum, approval of the meeting notes was postponed to the October 23, 2018 meeting.

The meeting adjourned at 7:20 p.m.

Next Meeting: October 23 at 6:00 p.m. in the administration building boardroom.