

## **Fairbanks North Star Borough School District Reduction in Force Plan**

### **Rationale**

The Fairbanks North Star Borough School District is anticipating a decline in enrollment for the 2017-18 school year. Current projections indicate a student enrollment of 13,700, compared to the October 2016 official count of 13,771, which represents a decrease of 71 ADM. This decrease in projected enrollment translates to a loss of \$980,170 in funding from the State for the 2017-18 school year, based on Governor Walker's December 2016 Proposed Budget.

Additionally, the 2016 Full Value Determination of \$11,155,957,810 has resulted in a reduction of \$1,113,440 funds to the district from the State. In past years the Fairbanks North Star Borough Assembly has allocated additional funding to compensate for the loss in State revenue. This year, however, the magnitude of that revenue impact is as much as ten times the impact of previous years. Given the difficult fiscal situation faced by Alaska and the multitude of unknown factors that may negatively impact revenues to the Borough, it is possible the Borough will be unable to make the district whole with regard to this specific funding gap.

Finally, due to insufficient revenue allocation from the State for student transportation, the District is in the position of subsidizing student transportation costs from operating dollars. The allocation of operating funds, which translates to money removed from instructional support for students, is projected to nearly double in magnitude this year from an original budgeted amount in 2016-17 of \$1,500,000 to \$2,898,967 in 2017-18.

Estimated Foundation Reduction due to ADM	- \$ 980,170
Estimated Foundation Reduction due to Valuation	- 1,113,440
Increased Transportation Subsidy due to State Reduction	<u>- 1,498,967</u>
Operating Fund Impact	<u>-\$3,592,577</u>

State Statute AS 14.20.177 permits a school board to adopt a reduction in force plan if school attendance in the district has decreased and a reduction in force is necessary to responsibly manage the district's finances.

Staffing and program decisions will be made based on final funding determinations made by the Alaska State Legislature. It is possible that due to the elimination of certain programs at the secondary level some currently employed tenured teachers will be laid off. For example, if certain elective courses are eliminated such as art, music or career technical education, it is

possible that some currently tenured teachers who teach those elective courses will not be qualified for any other open positions. It is also possible that class size targets at elementary will be increased, which may result in layoff of both non-tenured and tenured teachers.

It is critical to keep in mind that in recent years the Alaska State Legislature has extended past the regular session. Such extensions make it very difficult for school districts to engage in advanced planning regarding funding and staffing. Statewide funding allocations may change based on adjustments to the Base Student Allocation or adjustments to other funding sources such as the transportation subsidy from DEED or cost-shift measures that negatively impact the borough's capacity for local contribution.

Given the wide range of potential factors that could impact education funding, the administration and Board of Education will consider a variety of districtwide and school program options to best meet the needs of district students. The board will also hear public testimony, and opportunity for discussion will continue throughout the budget process. A reduction in tenured teaching positions may be necessary as one means to implement the Board's 2017-18 Approved Budget.

**Procedures for Layoff and Recall**

If the Board finds that a reduction in force is necessary based upon the considerations detailed above and adopts this reduction in force plan which shall eliminate certificated positions including tenured positions, the reductions in force and recall shall be conducted in accordance with state statute and the terms of the collective bargaining agreement.

The following procedures will be followed:

1. The District shall provide notice of non-retention to non-tenured teachers, as per the Negotiated Agreement with the Fairbanks Education Association (FEA). The District will layoff tenured teachers that because of the elimination of certain programs are not qualified to teach any positions. The District will then provide layoff notice to tenured teachers in reverse order of seniority. The district may retain non-tenured teachers and place on layoff status a tenured teacher if there is no tenured teacher in the district who is qualified to replace the non-tenured teacher. The district will provide to FEA a list that ranks all teachers by seniority with their certification and endorsements and another list that indicates those teachers that are identified for lay-off.

2. Seniority shall be defined as length of continuous service with the District in a certificated position, part-time or full-time, or a combination of both, measured from initial date of contract employment. Periods of paid or unpaid leave or lay-off shall not be considered as interruption of service and shall be counted toward seniority. In the event a tie still exists, seniority shall be determined by the drawing of lots for the affected teachers.
3. For purposes of this plan, state law provides that a tenured teacher is considered qualified for a position if the position is in
  - (a) grades K-8 and the teacher has an elementary endorsement;
  - (b) an established middle school and the teacher has
    - (i) an elementary endorsement;
    - (ii) a middle school endorsement; or
    - (iii) a secondary certificate with a subject area endorsement in the area of assignment in which the teacher filling the position will spend at least 40 percent of the teacher's time or the teacher has, within the five years immediately preceding the last date on which the teacher performed teaching services in the district before being laid off, received an evaluation stating that the teacher's performance in the subject or subjects meets the district performance standards; or
  - (c) grades 9-12 and the teacher has an endorsement for each subject area in which the teacher filling the position will spend at least 40 percent of the teacher's time or the teacher has, within the five years immediately preceding the last date on which the teacher performed teaching services in the district before being laid off, received an evaluation stating that the teacher's performance in the subject or subjects meets the district performance standards.
4. The District shall recall any tenured staff affected by this reduction in force by recalling them under the statutory hiring preference if and when, in the course of the next three years, the Board determines that changed financial circumstances make it economically and educationally responsible to reinstate one or more positions. The Board shall offer the position to qualified tenured teachers on layoff status in order of their seniority. Initial contact shall be by certified mail to the current address provided by the teacher and by email to the email address provided by the teacher. The President of the Association or the designated Association representative shall receive

a copy of the email. Failure to respond within 30 days of receipt of the certified mail sent by the District will result in removal from the recall list. The District may, in its discretion, offer part-time positions if the District's financial status improves, but not to the extent necessary to reinstate the entire program or position, provided, however, that the refusal of a teacher to accept a part-time offer or less than a full year contract as defined in statute and regulation shall not terminate a laid-off teacher's hiring preference.

5. A tenured teacher who has received notification of lay-off may elect to take unpaid leave for up to one year. Teachers who elect to take unpaid leave in lieu of lay-off shall be considered for recall following the expiration of such leave in accord with these procedures, provided written notice is provided to the District. This leave of absence shall not be subject to any provision of Articles 200 or 300 of the Negotiated Agreement. A teacher taking a leave of absence shall be placed on a recall list at the end of the leave.
6. Continuing access to benefits shall be available to any laid-off teachers to the extent provided by COBRA.
7. Layoff status does not constitute a break in service for retaining tenure rights and accrued sick leave.
8. The District shall maintain all other academic programs not affected by the plan.
9. Notice of layoff shall be provided to tenured staff affected by the reduction in force prior to the deadline set forth in AS 14.20.140.

**Academic Program**

The FNSBSD intends to provide an educational program that offers students a comprehensive educational experience. As a district, we believe it is important for students to have a broad experience that encompasses academics, activities, and a variety of electives.

Class size targets (pupil teacher ratio—PTR) will be determined by the Board of Education. Some classes may not be offered based on school and/or district enrollment. Changes in staffing levels may impact the diverse array of courses and core academic and elective experiences that have previously been offered.

The reduction in force plan, which may eliminate certain certificated positions including tenured positions, will allow the District to maintain its academic programs.

**School Board Budget Process**

The Board of Education identifies the academic and other programs the district intends to provide. Administration presents a proposed budget to the Board in early February. A variety of stakeholder groups including support staff, certified staff, program managers, school principals and the Board's Citizen's Budget Review Committee provide input prior to administration's development of the Proposed Budget and throughout the School Board's consideration of that Proposed Budget. The Board also holds public hearings at work sessions and regular board meetings and solicits input via email and the district budget page on the district website throughout the budget process.

A Recommended Budget that is submitted to the Borough Assembly by April 1. Following budgetary action from both the State and the Borough Assembly, the Board will approve a final budget by the end of June. The final approved budget of the Board will determine overall staffing and provide direction to administration with regard to program priorities and initiative implementation as well as staff cuts and a potential reduction in force.