

The logo for Ann Arbor Public Schools is centered at the top. It features a stylized orange bracket-like frame. Inside the frame, the text "ANN ARBOR PUBLIC SCHOOLS" is written in white, uppercase letters. Below this, the tagline "LEAD. CARE. INSPIRE." is written in a smaller, white, uppercase font. At the bottom of the frame are three colored squares: a blue square with a white star, a red square with a white heart, and an orange square with a white exclamation mark.

ANN ARBOR PUBLIC SCHOOLS  
LEAD. CARE. INSPIRE.

# ANN ARBOR PUBLIC SCHOOLS COMMUNITY INPUT ON THE BUDGET

---

Board of Education Study Session  
April 24, 2024

# AGENDA

- Budget Context
- Values
- Short and Long Term Focuses
- Community Budget Engagements
  - ◆ Overview
  - ◆ Purpose
  - ◆ Common Themes
  - ◆ Community Budget Survey
  - ◆ Virtual Town Hall
  - ◆ Student Perspectives
- Additional Information by Topic Area
- Next Steps

# Our Budget Context

**Some necessary shared understandings for our budget discussion:**

**→ The budget is dynamic**

Budget planning is based on the best information available at a given time and will always include assumptions

- ◆ We are taking the necessary actions to fix our budget shortfall
- ◆ Revenue and expenditures will change each reporting period
- ◆ Changes will be due to internal and external factors
- ◆ The only numbers that are static are audited actuals

# Maintaining our values...

- Student Achievement and Well-being
- Supporting Staff and Instructional Excellence
- Inclusive and Accessible Learning Experiences
- Operational Efficiency

# Immediate Focus: 2024-25 School Year

- Recommend reduction to central office and administrative staffing and services
- Efficiently staff schools and classrooms at or below contractually agreed upon class sizes
- Review and evaluate current programs and practices for impact on student achievement and for efficiencies
- Stabilize and increase enrollment

# Class Size Comparison

	Ann Arbor	Saline	Plymouth Canton	Dexter	Birmingham	Bloomfield Hills
Young 5/Kindergarten	20 - 28	25 - 28	25	22 - 26	28	26
1st Grade	22 - 28	27 - 30	25	23 - 27	28	26
2nd Grade	22 - 28	30 - 34	25	23 - 27	29	28
3rd Grade	24 - 30	30 - 34	25	25 - 29	30	28
4th Grade	27 - 30	30 - 34	28	25 - 29	31	29
5th Grade	27 - 30	30 - 34	28	27 - 31	31	29
6th Grade	27 - 30	30 - 34	28	27 - 31	35	29
English	29 - 30	31 - 35	30	30 - 32	35	30
Social Studies	30 - 33	31 - 35	30	30 - 32	35	30 - 32
Math	29 - 30	31 - 35	30	34	35	30 - 32
Science	29 - 30	30 - 34	30	30	35	30 - 32
Language	29 - 30	31 - 35	30	30 - 32	35	30 - 32
Business		31 - 35	30		35	30 - 32
Physical Education	35 - 40	40 - 45	30	35	40	45
Health	30	31 - 35	30	35	35	
Drafting		30 - 34	30			
Technology Education (HS 9-12)		25 - 28	20			
Technology Education (MS 9-12)		31 - 35	20			
Career and Tech Education		25 - 28	20			
Art	29 - 30	30 - 34	30			32
* In Ann Arbor Class sizes can change based on weighted numbers						

**Class sizes will remain within our established classroom limits.**

# Long Term Focus: 2024-25 and Beyond

- Reviewing school capacity and enrollment
- Continued review and evaluation of programs and practices
- Advocacy for increased school funding for impact on student achievement and for efficiencies
- Implementing increased measures for budgeting and personnel transparency
- Board of Education training and development opportunities on financial oversight, if desired

# Purpose of Community Budget Engagements

- Provide information about the budget.
- Gather input and ideas from students, parents, staff, and the community that will be used to inform the plan to resolve the budget crisis.
- Hear all voices in the community.



# Community Budget Engagement Overview

**March - April 2024**

## **Community/Staff Sessions**

- March 19 - April 19th- Student Leadership Engagement Sessions (Secondary)
- March 22nd - April 5th - Online Budget Survey
- April 15th - Virtual Town Hall
- Tuesday, April 16th - Community Session at Huron High School (Approx. 160 attendees)
- Wednesday, April 17th - Secondary Staff Session at Pioneer High School
- Wednesday, April 17th - Elementary Staff Session at Pioneer High School
- Thursday, April 18th - Community Session at Skyline High School (Approx. 65 attendees)
- Friday, April 19th - Westerman Staff Meeting (Approx. 35 attendees)

# Community Engagement: Common Themes

The AAPS community engagement events and the survey revealed a common set of themes through the questions and conversations.

These themes included:

- Maintaining contractually established class sizes
- Supporting student well-being
- Equitable distribution of resources
- Central office reductions need to happen first, before teaching staff
- Timing and process for staff layoffs
- Ideas to attract and retain students and to increase revenue

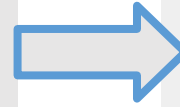
# Community Budget Survey - March 22 - April 5, 2024

*Which best describes you?*

Type of Respondent	Number	Percentage
Parent/Guardian/Caregiver	2402	59%
Staff (incl. Parent / Community member)	747	18%
Student (grades 9-12)	566	14%
Community Member	340	8%
TOTAL	4055	99%

# Community Budget Survey

*Please rank the services and programs that are most important to you with 1-being the most important and 8-being the least important.*



- Athletics
- Electives/Specials
- Extracurricular Activities
- Field Trips
- Small Classes
- Student Well-Being (social, emotional, mental health)
- Supports and Interventions for All Students
- Technology



## Small Class Sizes

Most important to **parents/guardians, staff, and community members.**

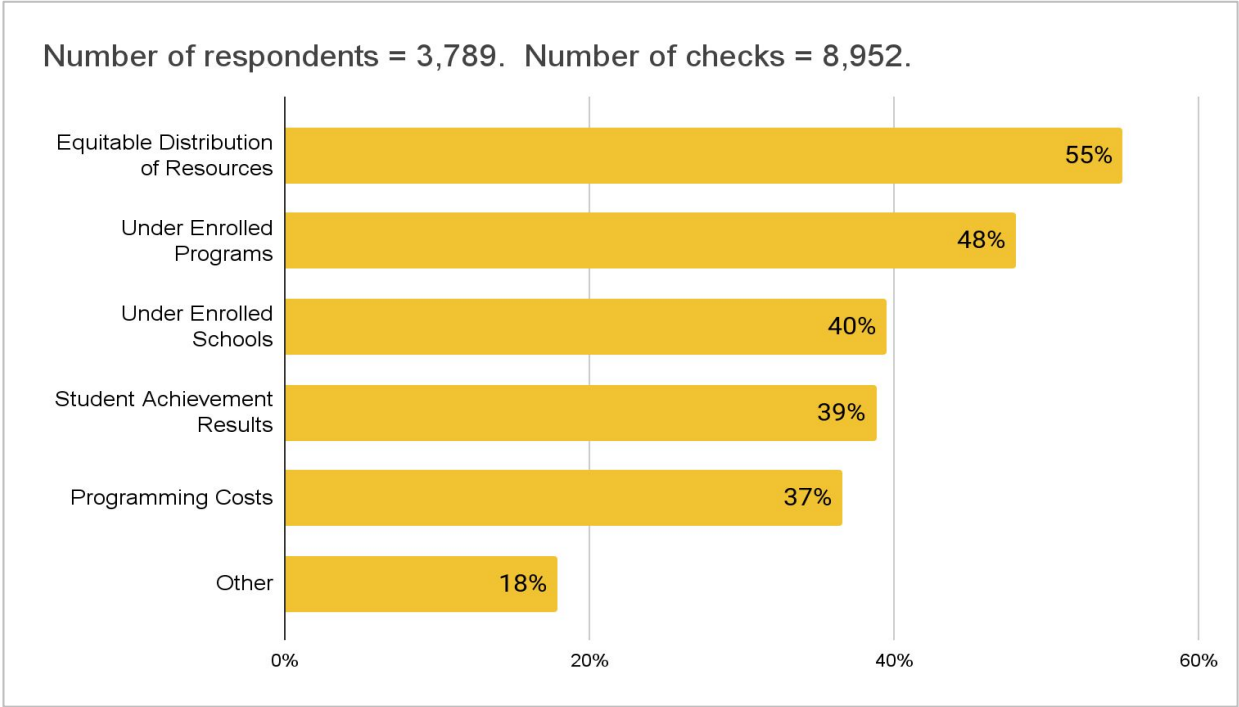


## Student Well-Being Supports (social, emotional, & mental health)

Most important to **students** (grades 9-12)

# Community Budget Survey

*What factors should we consider when making cost-saving decisions?*



Percentages do not add up to 100 because respondents could check multiple factors.

# Community Budget Survey

*What are your ideas for reducing expenditures without significantly impacting the quality of education? (3,099 answers)*

## Top themes

Reduce administrative staff, salaries, and overhead costs	Renegotiate contracts with third-party vendors and service providers
Cut back on technology expenses - hardware and software	Decrease expenses for utilities, supplies, and other operational costs
Reduce spending on athletics, extra curricular activities, and field trips	Evaluate specific programs for reductions (many programs mentioned)

# Student Perspective: Secondary

The following questions were asked:

1. **What brings you joy?**

A: Friends, Family, Teachers, Sports, Extracurricular Activities, Band, Clubs, Cultural Events, Visual Arts, World Languages, Humanities

2. **What is the best part of your school day or year?**

A: Friends, connecting with peers, Culture Day, Athletics, Field Trips, Whole School Assemblies, Teachers, AP Exams, African American Humanities, Band, Jazz Band

3. **What do you like most about your school experiences?**

A: Supportive and positive relationships with teachers, Clubs, Assemblies, Variety of Experiences, Diversity, Flexibility, Academic Choices

4. **What changes or improvements would you like to see in your school?**

A: More mental health services, Trimesters, Transitioning from 8th grade to high school, More student voice, More activities to unify the school, More diversity and representation of different cultures

5. **Anything else you would like us to know?**

A: More connections between faculty staff, students and community

# ENROLLMENT

Below are highlights of the Q & As, by category, from the community meetings. All Q & As will be posted the website.

**1. Why was decision made to accept 100 fewer SOC students in 2022 and 2023?**

**A:** As the District returned to in person learning post COVID, the District anticipated an increased need for focused attention and support for currently enrolled students and made the decision to reduce the enrollment for Schools of Choice.

**2. What specific steps are being taken to ensure that any teacher layoffs don't have a negative impact on enrollment in our schools?**

**A:** We will remain within our established classroom limits. The goal is to build efficiencies for classrooms that are significantly below established limits.

**3. How are you going to cut the budget in a way that doesn't further drive students into private schools?**

**A:** Through budget analysis and carefully considered efficiencies, the AAPS will remain an exceptional school district. Our climbing graduation rates, now over 90%, exceptional teaching staff, fine arts, athletics, extracurriculars, community supports, and so much more, will continue to be hallmarks of what makes the AAPS an extraordinary place to grow and learn.

**4. Where did the students go who left the district in the past 4 years?**

**A:** While improvements must be made to the exit survey process, an annual analysis of enrollment data includes the capture of all students entering and leaving the district coming from or exiting to parochial schools, charters, out of county, and out of state movement. Those data can found in our annual enrollment report [HERE](#).

**5. What % of our student population comes from outside Ann Arbor?**

**A:** About 10% of AAPS enrollment comes from school of choice students and non-resident students of district employees.



# ENROLLMENT

Below are highlights of the Q & As, by category, from the community meetings. All Q & As will be posted the website.

## 1. How are projections determined?

- In-district transfer applications
- Schools of Choice applications
- Student matriculation
- New developments throughout the district

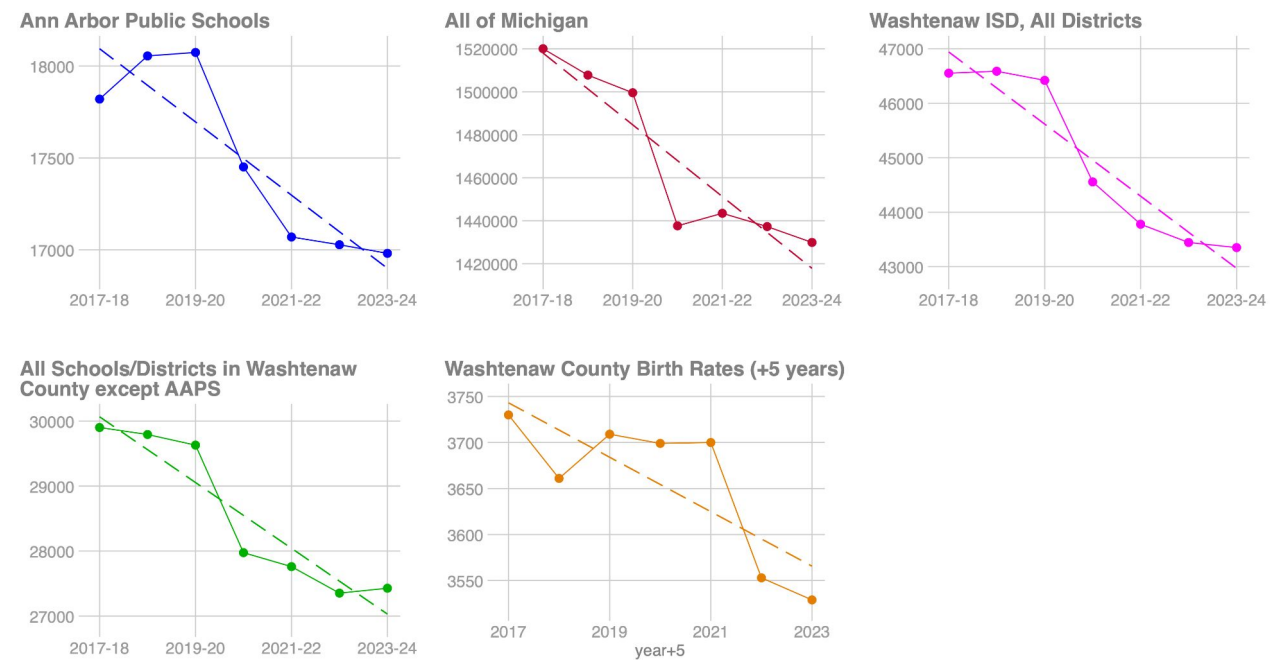
## 2. Are there ways we get more precise projections?

- Confirmation of enrollment through Powerschool and individual family phone calls
- Pre-enrollment via Infosnap
- Steadfast deadlines for capturing full enrollment for In-District Transfer and Schools of Choice
- Student records requests to ensure enrollment confirmation
- Property development research
- Improve process for exit survey

# Countywide and Statewide Enrollment Trends

We have seen enrollment/numbers drop in the state, county, district, and county birthrates over the last several years across AAPS and the larger entities containing it.

Enrollment Trends, 2017-18 through 2023-24



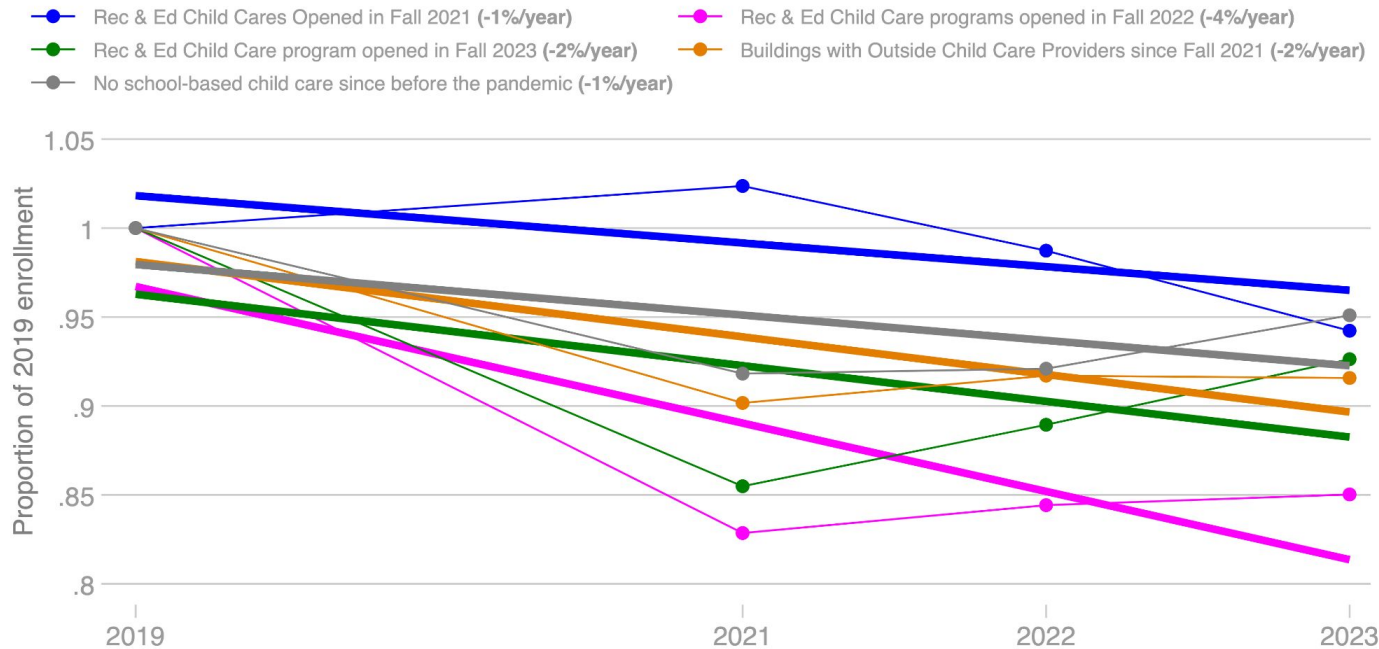
Source: mischooldata.org and MDHHS. All enrollment values are from Fall count data.



## There is no clear correlation over time between enrollment and childcare availability. Schools who offered childcare again in 2021 and those that have not since prior to COVID showed the same enrollment trend from 2019-2023

### Elementary Enrollment Trends by Child Care Availability

Adjusted for scale to proportion of 2019 Totals - Thick lines are trends over time



Source: AAPS Office of Student Accounting and Enrollment. 2020 enrollment has been excluded because no child care was offered in the remote year

# CHILD CARE

Below are highlights of the Q & As, by category, from the community meetings. All Q & As will be posted the website.

1.

**Will the district continue to add child care programs at schools that don't currently have them?**

**A:** Yes. We understand that child care is important for working families, and are committed to opening child care at all elementary and K8 buildings. Currently Rec & Ed provides care for 9 school communities. They will open after care programs at four more buildings in the fall, and may be able to serve the remaining buildings during the 24-25 school year.
2.

**Can reinstating more child care programs be a source of income for the school district?**

**A:** Rec & Ed's Before/After Care program is self-funded through fees; it has operated independently from the General Fund for decades. Rental fees for 3rd party providers are not a significant source of revenue for the General Fund.
3.

**How has availability or lack of availability of child care impacted enrollment?**

**A:** The Office of Student Accounting and Enrollment analyzed enrollment trends at all elementary and K8 buildings since 2019. Enrollment trends did not align with the absence or presence of a child care program (either Rec & Ed or an outside provider).

## Schools with Rec & Ed Child Care Programs

Abbot	Lakewood
Allen	Pittsfield (combined w Allen)
Angell	Mitchell
Carpenter	Wines
Dicken	

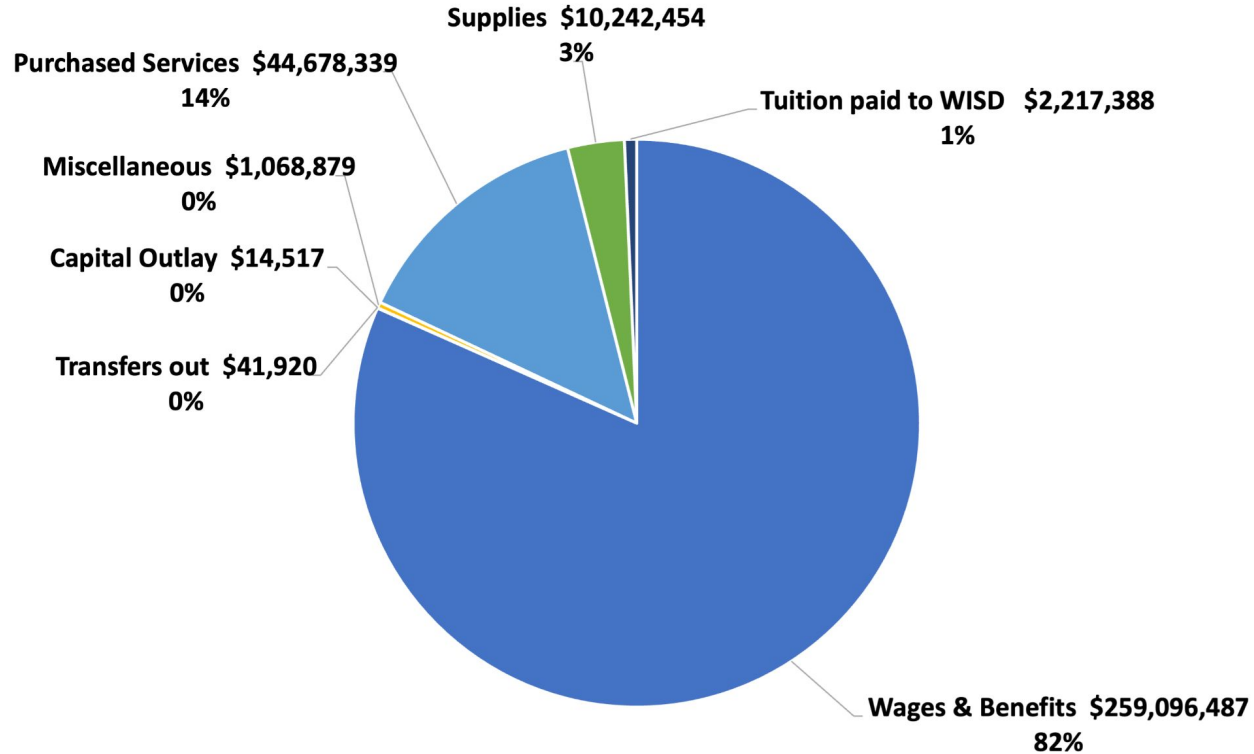
→ Rec & Ed plans to add four more programs in Fall 2024 and continue adding throughout the year.

## Schools with Outside Provider

Burns Park  
Lawton  
King

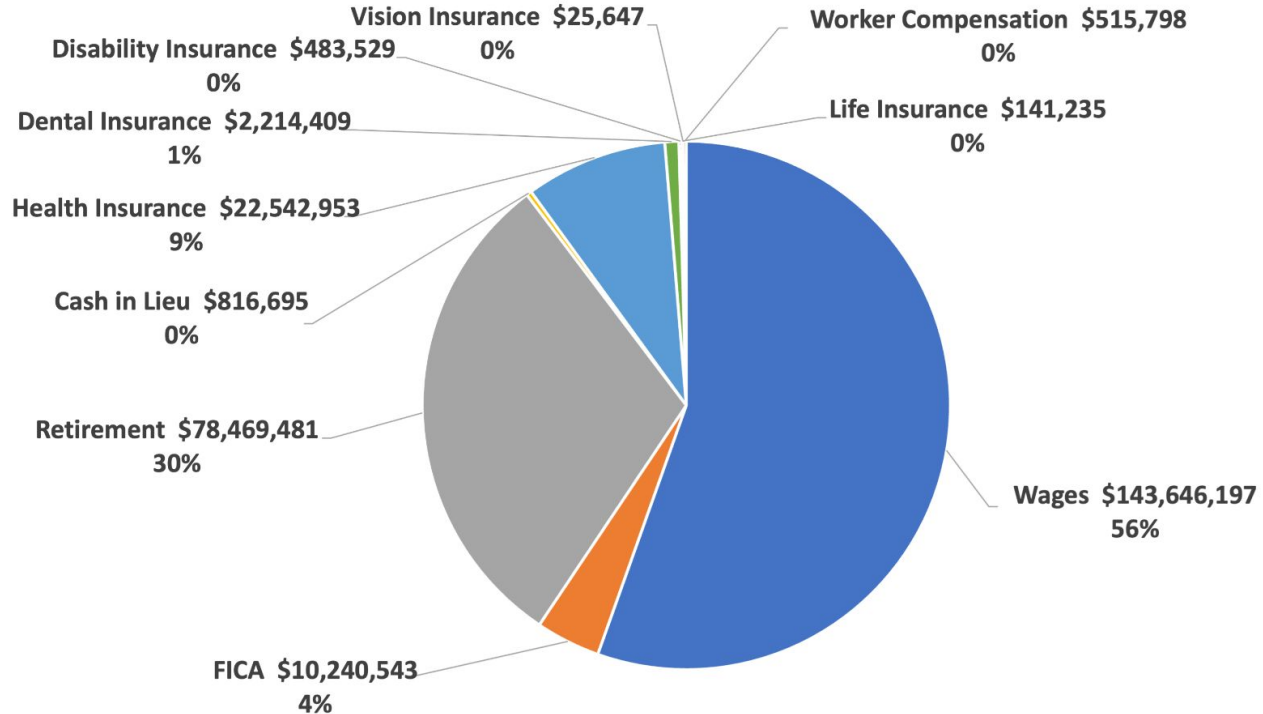
# BUDGET: Total Expenditures

Category	6/30/23	Percentage
Wages & Benefits	\$259,096,487	81.64%
Transfers out	\$41,920	0.01%
Capital Outlay	\$14,517	0.00%
Miscellaneous	\$1,068,879	0.34%
Purchased Services	\$44,678,339	14.08%
Supplies	\$10,242,454	3.23%
Tuition paid to WISD	\$2,217,388	0.70%
	<b>\$317,359,984</b>	<b>100.00%</b>



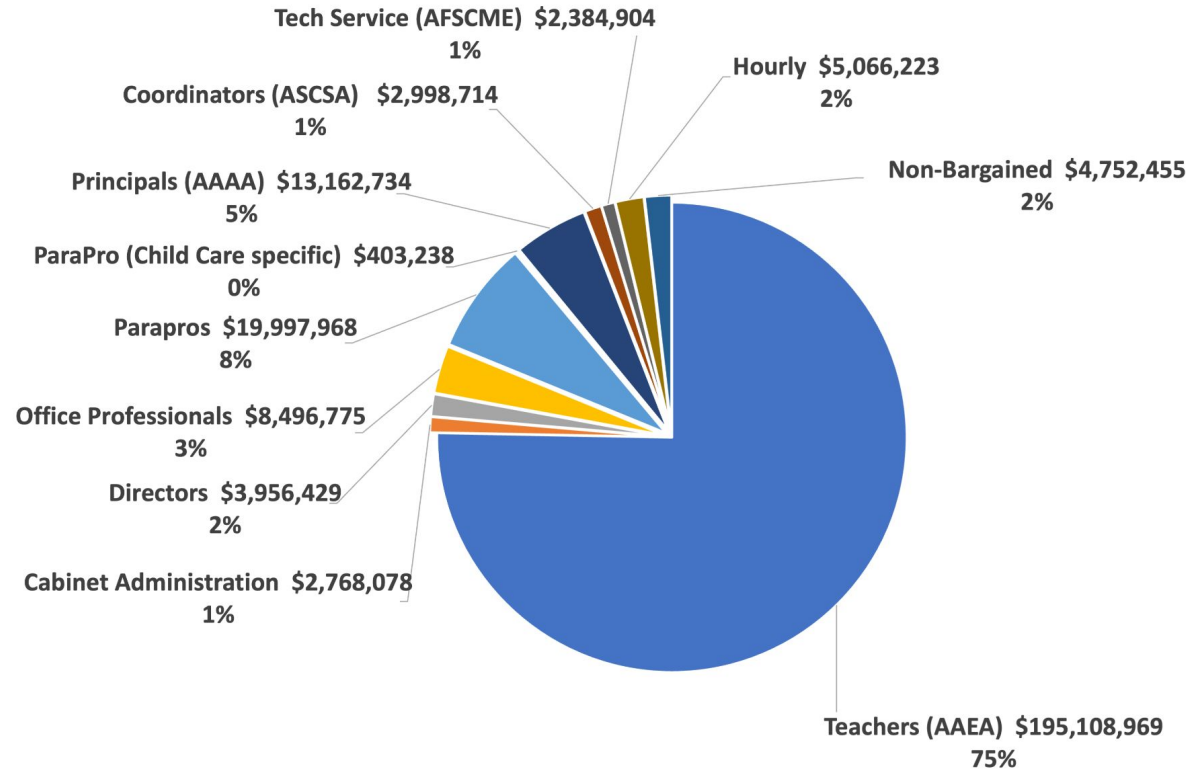
# BUDGET: Wages & Benefits Detail

Category	6/30/2023	Percentage
Wages	\$143,646,197	55.4%
FICA	\$10,240,543	4.0%
Retirement	\$78,469,481	30.3%
Cash in Lieu	\$816,695	0.3%
Health Insurance	\$22,542,953	8.7%
Dental Insurance	\$2,214,409	0.9%
Disability Insurance	\$483,529	0.2%
Life Insurance	\$141,235	0.1%
Vision Insurance	\$25,647	0.0%
Worker Compensation	\$515,798	0.2%
	<b>\$259,096,487</b>	<b>100.0%</b>



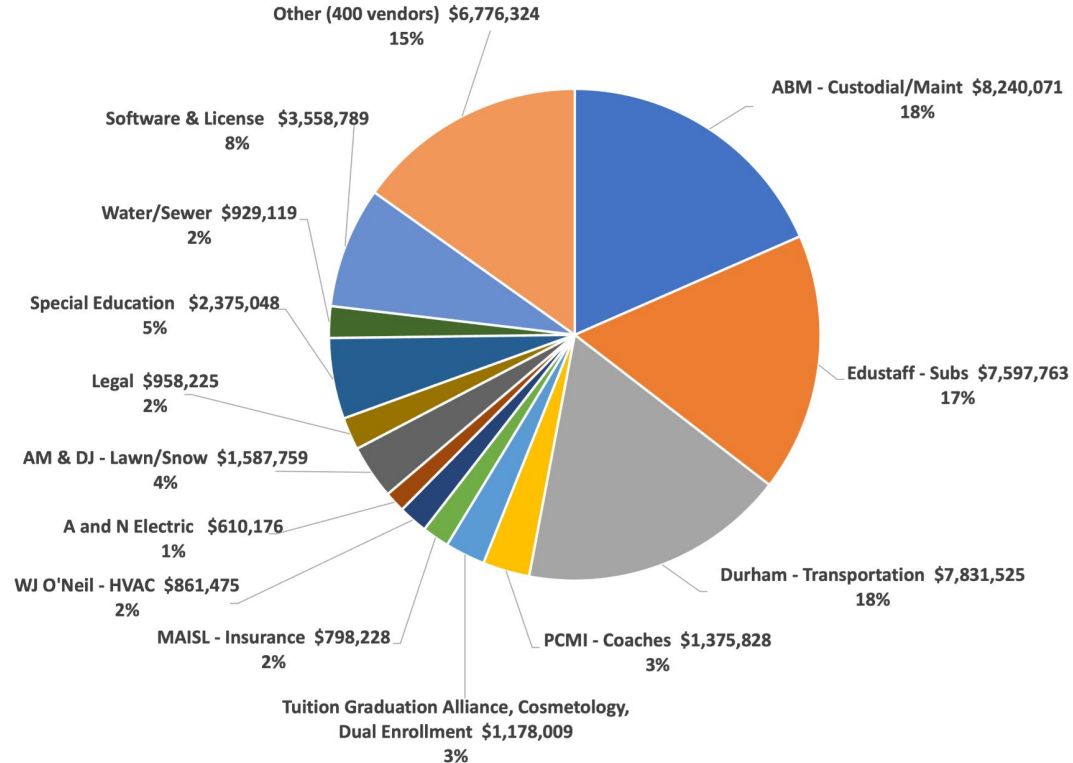
# BUDGET: FTE by Group

Category	FTE	Percentage
Teachers (AAEA)	1,474	67.7%
Cabinet Administration	9	0.4%
Directors	21	1.0%
Office Professionals	111	5.1%
Parapro	384	17.6%
ParaPro (Child Care specific)	22	1.0%
Principals (AAAA)	70	3.2%
Coordinators (ASCSA)	24	1.1%
Tech Service (AFSCME)	21	1.0%
Non-Bargained	40	1.8%
<b>Total</b>	<b>2,176</b>	<b>100.0%</b>



# BUDGET: Purchased Services

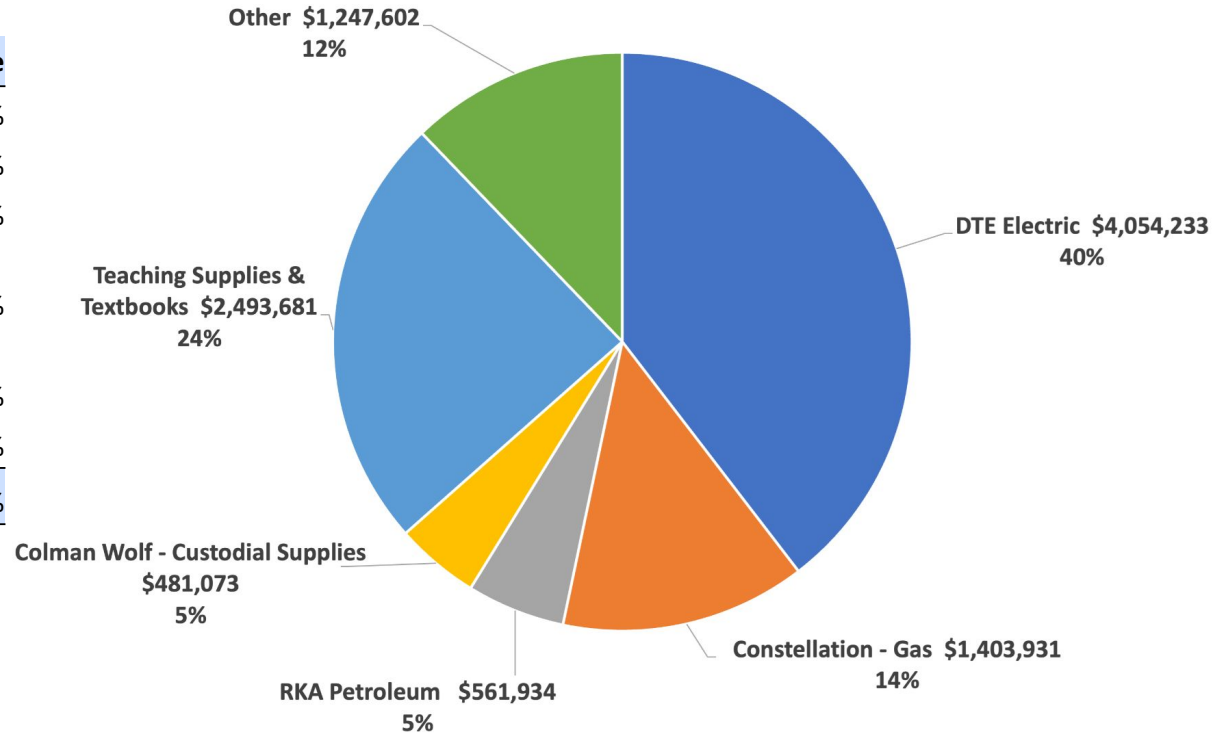
Category	Amount	Percentage
ABM - Custodial/Maint	\$8,240,071	18.4%
Edustaff - Subs	\$7,597,763	17.0%
Durham - Transportation	\$7,831,525	17.5%
PCMI - Coaches	\$1,375,828	3.1%
Tuition Graduation Alliance, Cosmetology, Dual Enrollment	\$1,178,009	2.6%
MAISL - Insurance	\$798,228	1.8%
WJ O'Neil - HVAC	\$861,475	1.9%
A and N Electric	\$610,176	1.4%
AM & DJ - Lawn/Snow	\$1,587,759	3.6%
Legal	\$958,225	2.1%
Special Education	\$2,375,048	5.3%
Water/Sewer	\$929,119	2.1%
Software & License	\$3,558,789	8.0%
Other (400 vendors)	\$6,776,324	15.2%
<b>Total</b>	<b>\$44,678,339</b>	<b>100.0%</b>





# BUDGET: Supplies

Category	Amount	Percentage
DTE Electric	\$4,054,233	39.6%
Constellation - Gas	\$1,403,931	13.7%
RKA Petroleum	\$561,934	5.5%
Colman Wolf - Custodial Supplies	\$481,073	4.7%
Teaching Supplies & Textbooks	\$2,493,681	24.3%
Other	\$1,247,602	12.2%
	<b>\$10,242,454</b>	<b>100.0%</b>



# RETIREMENTS, RESIGNATIONS, TERMINATIONS

Month	Deceased	Resigned	Retired	Terminated	Total	# Filled	Eliminations	Open
Jul-23		2			2	2		0
Aug-23		68	10		78	66	11	1
Sep-23		2			2	2		0
Oct-23		4			4	3		1
Nov-23		4			4	2		2
Dec-23		8			8	2		6
Jan-24	1	4	2		7	2		5
Feb-24		3			3	2		1
Mar-24		5		1	6	1		5
Apr-24		3			3			3
May-24		0			0			0
Jun-24		5	5		10			10
	1	108	17	1	127	82	11	34

# Hard-to-Fill Positions

Subject	Count	Hard To Fill
Art	1	
Band HS	1	
Counselor	6	
Elementary	33	
<b>ELL</b>	<b>5</b>	<b>5</b>
English/Lang Arts	4	
Envir Ed	1	
<b>Grant</b>	<b>2</b>	<b>2</b>
Health Sci	1	
Literacy	1	
<b>Math</b>	<b>8</b>	<b>8</b>
<b>Math/Econ</b>	<b>1</b>	<b>1</b>
<b>Math/Sci</b>	<b>1</b>	<b>1</b>
Music	4	
Non-teach	1	
<b>Science</b>	<b>6</b>	<b>6</b>
Social Studies	4	
<b>Spec Education</b>	<b>43</b>	<b>43</b>
<b>World Language</b>	<b>4</b>	<b>4</b>
<b>Total</b>	<b>127</b>	<b>70</b>

# DISTRICT PROPERTIES

## **Vacant buildings owned by the district:**

- There are currently no vacant buildings

## **Property owned by the district:**

- Ellsworth property adjacent to Bryant Elementary School (purchased with Sinking Fund monies)
- Eberwhite Woods, Lakewood Woods, Pioneer Woods, Scarlett Woods
- Small, land-locked property near M14 and Newport Rd.

# BUDGET REDUCTIONS: Currently Identified

- Central office and administrative position reductions = approximately \$3.5M
- Renegotiating Vendor Contracts = approximately \$1.2M
  - ◆ Custodial
  - ◆ Transportation
- Additional grant allotment (allows moving existing staff that qualify into the grant to offset general fund expenses) = \$1M
- District Department Reductions = \$1.3M
  - ◆ Instructional Technology
  - ◆ Facilities and Operations-some services that are not directly related to health & safety
  - ◆ Human Resources – substitute teacher costs
  - ◆ Teaching and Learning
- **Totalling Approximately \$7M**

## Per Pupil Expenditures

District	Per Pupil Expenditure 2023-2024	Per Pupil Expenditure After \$25M Reduction 2024-2025
Plymouth-Canton	\$13,146	
Novi	\$15,000	
Rochester	\$15,317	
Saline	\$15,833	
Birmingham	\$18,817	
Ann Arbor	\$19,085	\$18,176
Bloomfield Hills	\$21,557	

# HUMAN RESOURCES: Substitutes

Below are highlights of the Q & As, by category, from the community meetings. All Q & As will be posted the website.

## 1. What is the total cost for substitutes?

**Edustaff Sub Expenses**

**FY23 - \$7,595,578**

**FY24 as of 4/6/24 – \$5,432,579**

## 2. What reductions have been made in building subs?

**A: As of 4/1/24, Building Subs (Long-term) were reduced by 1 at each building**

## 3. Can the subs that have been eliminated get other sub jobs in the district?

**A: Yes, they can select other daily jobs at regular daily rate in AAPS, or they can choose a job offered in another District.**

# HUMAN RESOURCES: Retirement/Resignations

Below are highlights of the Q & As, by category, from the community meetings. All Q & As will be posted the website.

## 1. How many retirements do we have?

**A: Number of AAEA retirements/resignations/exits over last 4 years\***

- 20/21 - 64 exits (25 retired)
- 21/22 - 175 exits (46 retired)
- 22/23 - 137 exits (26 retired)
- 23/24 - 127 exits (17 retired) as of April 24, 2024
- 24/25 (anticipated after July 1) - 7 exits (2 retirements)

*\* based on fiscal year of exit date*

## 2. What does it mean to reduce staff through attrition?

**A: Staff reduction through attrition means that if a position is vacated by a retirement/resignation and deemed unnecessary to fill, that position could be eliminated.**



# Process and Criteria for Layoffs

- ➔ **Administrative Regulation 4830.R. 01 will be used to determine certified teaching staff and administrator reductions. The first criteria will be evaluation effectiveness rating, followed by discipline, needed certification and seniority.**
- ➔ **All other unionized staff have seniority as the process for reductions as outlined in their collective bargaining agreements.**
- ➔ **Event to occur in May 2024 that will offer a variety of vendors (MWorks, other school districts, Kapnick insurance, UofM and others) to offer potential job opportunities, unemployment information, Cobra, etc.**

# HUMAN RESOURCES: FAQ's

1. If teachers are laid off, when will their health insurance expire?

**A:** Health insurance for teachers who are laid off will end on August 31, 2024.

2. How many teachers will you need to layoff?

**A:** We have not yet determined the number of potential layoffs as we are gathering input from staff, students and the community to determine other areas of the budget that may be reduced or eliminated prior to making staffing reductions.

3. When will we know if we are being laid off?

**A:** Our goal is to make staff aware of layoffs as soon as possible. We have not yet determined a specific date as we are reviewing input and feedback from all stakeholders as we develop our district plan.

4. For paraprofessionals that are currently in a cohort at EMU through the WISD program, will they lose their funding if they are laid off? In other words, if laid off, will they be kicked out of the program because they are no longer AAPS employees?

**A:** We have confirmed with the WISD that if a para who is laid off finds a position in another district within Washtenaw county, they would be able to continue the program.

5. How will evaluations be utilized when making decisions?

**A:** We have not yet determined the number of potential layoffs as we are gathering input from staff, students and the community to determine other areas of the budget that may be reduced or eliminated prior to making reductions. We will use the Administrative Regulation 4830.R. 01 to determine what teachers will be laid off: first, by effectiveness rating, then discipline, certification, previous experience, and other factors listed in the administrative regulations.

# INSTRUCTION: Programs and Technology

Below are highlights of the Q & As, by category, from the community meetings. All Q & As will be posted the website.

**1. Is it sustainable to continue to provide the A2Virtual+ Academy?**

**A:** [MCL 388.1621F](#) requires that students in grades 6-12, enrolled in a public school, be allowed to enroll in up to two online courses during an academic term. By providing these courses within the AAPS, we ensure that the funding remains here in the AAPS to the greatest extent possible.

**2. What are the costs of NWEA?**

**A:** NWEA is fully funded by a State grant and fulfills the State requirement to benchmark students in grades K-8 regularly.

**3. Will the District make cuts to Schoology, Dreambox, Lexia and other software?**

**A:** The District is analyzing the usage statistics and impact of all instructional software seeking ways to significantly reduce costs.

**4. Will the district analyze software and similar subscriptions and make sure we need them/they are useful/being used?**

**A:** The district technology team is currently reviewing usage and negotiating with vendors to determine software needs for the future and will make adjustments to maximize cost savings and services for students as we move forward.

# SPECIAL EDUCATION: Funding

How is special education funded? Will we reduce special education staff?

## Michigan Department of Education

**28.6138% of all allowable costs** not funded by other sources is reimbursed in future years. In addition, the district is reimbursed for **70.4165% of special education transportation** costs. The district must first pay the costs and receive the reimbursement in the following school year.

## Washtenaw ISD

### Act 18 Special Education Millage

**A portion of allowable costs not reimbursed by MDE** are reimbursed in future years.



## School-Based Medicaid Services

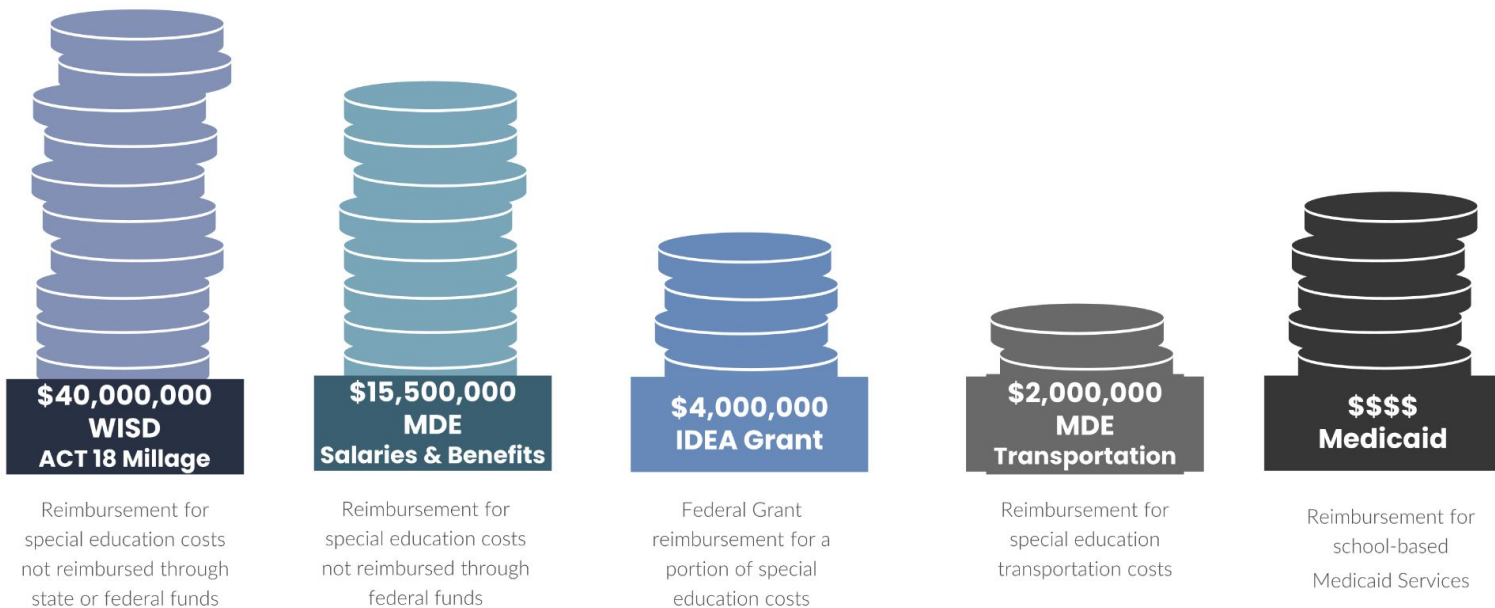
Michigan school districts can claim reimbursement for Medicaid covered services that are provided in schools. This amount is determined by the number of eligible students and the services they receive and can vary by month and year.

## IDEA Federal Grant

This grant covers a fraction of special education costs. Although Congress has continuously promised “full” funding (40% of costs) they have historically only provided states with around 14% of the costs to provide mandated special education programs and services.

# SPECIAL EDUCATION: Funding

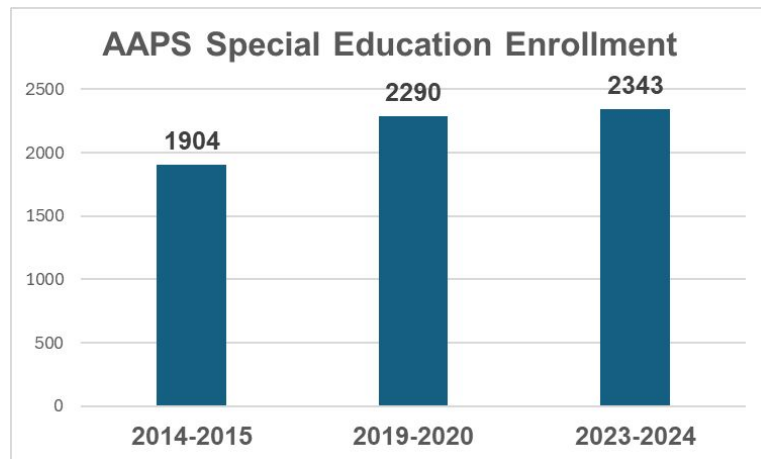
**AAPS is reimbursed for approximately 96% of Special Education costs from the following sources.**



# SPECIAL EDUCATION: Staffing

## 1. Will the district reduce special education staff?

The district is required to provide programs and services as documented in students' Individualized Education Plans (IEPs) and is required to follow the caseload guidelines outlined in the Michigan Administrative Rules for Special Education (MARSE). We will review caseloads for efficiency and ensure that supports are equitably and appropriately distributed across the district. If there is a reduction in students needing a particular program or service there may be a reduction in staff in that particular area.



# Revenue Ideas

- Establish a virtual program designed to serve the needs of homeschool families
- Building rentals and sale
- Fundraisers
- Incremental increases for some fees
- Legislative advocacy

# NEXT STEPS

- Continue to update FAQ's
- Continue to carefully review the feedback we have received and use it to inform decision-making
- Continue to listen to and engage with stakeholders regarding their input and suggestions
- Begin to develop recommendations for the comprehensive district plan and present that plan to the Board of Education and community
- Establish an advisory group that will work together with the district and community to develop and support a campaign to help retain and attracts students to the district



The logo for Ann Arbor Public Schools is centered at the top. It features a stylized orange bracket shape that frames the text and icons. Inside the bracket, the words "ANN ARBOR PUBLIC SCHOOLS" are written in a white, sans-serif font. Below this, the words "LEAD. CARE. INSPIRE." are written in a smaller, white, sans-serif font. At the bottom of the bracket, there are three colored squares: a blue square with a white star, a red square with a white heart, and an orange square with a white exclamation mark.

ANN ARBOR PUBLIC SCHOOLS  
LEAD. CARE. INSPIRE.

# ANN ARBOR PUBLIC SCHOOLS COMMUNITY INPUT ON THE BUDGET

---

Board of Education Study Session  
April 24, 2024