

Q & A after Board's Special Called Meeting on Sept. 5, 2025

Question / Info Request	Answer
How will we have a balanced budget for years to come? There is no urgency.	There is urgency, and we are addressing it directly. 1. Evidence of Urgency: ○ Our contingency has dropped below the recommended 6% school board procedure requirement, which signals risk in the event of unexpected costs. ○ Inflationary pressures in transportation, benefits, and salaries are outpacing revenue growth. ○ One-time revenues are no longer available, leaving us with structural gaps. These factors create urgency for disciplined action now. 2. Multi-Year Financial Strategy: We are developing stronger analytic/predictive approaches focused on three- to five-year financial scenarios that model enrollment, state revenue trends, and cost drivers. This ensures that our decisions today directly contribute to restoring stability tomorrow. 3. Rebuilding to 6%: Restoring our contingency back to 6% is a top priority. We are slowing central expenditures, carefully managing vacancies, and identifying operational efficiencies to steadily rebuild reserves while protecting classroom instruction.

	4. Expenditure Discipline: We are examining every dollar spent, prioritizing student outcomes, and reducing reliance on one-time funds. This requires tough decisions, but it is the responsible path to balance. 5. Transparent Progress: We will provide regular updates to the board and community to demonstrate how revenues, expenditures, and reserve levels are moving back in line with the procedure. This transparency builds confidence that the urgency is understood and being addressed.
What happened to the \$16 million from the contingency?	The \$16 million draw from contingency funds was necessitated by unforeseen and urgent financial obligations that, if left unaddressed, would have placed Fayette County Public Schools in violation of statutory requirements and jeopardized the continuity of essential student services. Specifically, mandated increases in retirement and benefits costs, coupled with higher-than-projected expenditures in transportation, were required to ensure equitable access to school for all students. Additionally, interfund balances within Child Nutrition required immediate resolution to maintain compliance with federal and state regulations. Most critically, funding was required to cover special education teachers and related services, as mandated by the Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act, and corresponding Kentucky laws. These services are not discretionary; they are legally required to ensure a Free Appropriate Public Education for students with disabilities. These expenditures were not elective; they were unavoidable, time-sensitive, and directly tied to statutory and constitutional compliance. Failure to act would have

	resulted in service disruptions, noncompliance with KRS requirements, violation of federal special education mandates, and potential harm to students. Accordingly, the deployment of contingency funds constituted an emergency action, consistent with the school board's fiduciary and legal duty to maintain safe, equitable, and compliant operations.
Students are feeling the burden of "district overspending."	FCPS has not reduced or eliminated any programs at the school level.
Overspent The working budget - budget document (working, tentative, actual) 2023: 847M - 849M - over by \$1.7M 2024: 836M - 856M - over by \$20M 2025: 809M - 868M - over by \$58M	In Kentucky school districts, it's important to distinguish the tentative budget, the working budget, and the actuals. Each serves a different purpose, operates on a different timeline, and can naturally produce variances – even large ones. 1. Tentative Budget ● Timing: By law, a tentative budget is adopted in May (KRS 160.470). ● Function: It's a projection built on assumptions—anticipated revenues, enrollment, SEEK allocations, staffing levels, and program commitments. ● Nature: It reflects planning estimates, not final numbers. It's directional and helps the board set tax rates, hiring plans, and spending priorities. 2. Working Budget ● Timing: Approved in September, after updated information is available. ● Function: It incorporates refined revenue data (property tax rolls, state SEEK allocations, federal grant notices), updated staffing rosters, and school board decisions. ● Nature: It is the operating budget for the fiscal year. While more precise than the tentative budget, it still

includes assumptions (grant reimbursements, end-of-year balances, expenditures that may not occur).

3. Actuals

- Timing: Year-end financial statements close in late summer after audits.
- Function: Actuals capture what was truly spent and received, down to the cent. They reflect carry-forward balances, unspent funds, unexpected revenues, or cost overruns.
- Nature: They differ from both tentative and working budgets because reality rarely matches projections.

4. Why High Variances Can Still Occur

Even when budgets are prepared responsibly, variances happen because of:

- Revenue volatility: SEEK recalculations, property tax appeals, and timing of federal reimbursements
- Expenditure shifts: mid-year staffing changes, special education costs, transportation, or inflationary adjustments
- One-time items: deferred maintenance, grants, or legal/retirement penalties that can't be anticipated precisely
- Carryover & fund balance rules: Districts may end with more/less contingency than expected because of the timing of expenditures.

5. Key Point for Clarity

Large variances between tentative, working, and actual reflect the legal sequence of budgeting in Kentucky, the evolving accuracy of revenue/expenditure data throughout the year, and the complexity of operating a district with hundreds of millions of dollars in moving parts.

Why was the superintendent's contract renewed in January?	It is standard practice for superintendent contract extensions to be acted upon in January of the renewal year. This ensures clarity and stability well in advance of the upcoming school year. Most, if not all, superintendents across the state who receive renewals have their contracts approved in January.
Instruction expenses vs. administrative expenses Instruction up by 5.6% Admin up by 20.7%	The key takeaway is that percentage increases reflect <i>relative</i> growth, while dollar increases represent <i>absolute</i> growth. Both perspectives are essential when evaluating budget changes. For example, the Instruction budget is much larger and shows only a modest percentage increase. Yet because of its large base, that small percentage translates into a substantial increase in actual dollars. By contrast, the administrative budget is significantly smaller and posted a much higher percentage increase, but the absolute dollar gain was far smaller. This underscores the importance of looking beyond percentages alone and interpreting them in the context of the original budget size.
What expenses are being cut in the JDP building?	Starting in the 2024-25 school year, several positions were lost to attrition. Now there is a hiring freeze at JDP. These two measures resulted in a reduction or freeze of 55 positions totaling \$3,789,197. District departments were asked to trim their budgets totaling \$1,257,811.
There is a lack of paraeducators in classrooms.	We are currently overstaffed with paraeducators in FCPS based on enrollment counts.
What is the average salary for superintendents of 30K students or more?	For the state of Kentucky, only two districts have over 30,000 students: Jefferson County Public Schools and FCPS. The average is \$366,679.
Why aren't SBDM councils receiving more money to meet the needs of communities?	School-Based Decision Making Councils are allocated Section 6 funding at a rate greater

	than the state minimum.
Students' special needs are not being met.	There has been no change to school allocations for students with exceptional needs.
Is there a lack of teachers, MTSS, etc. on campuses?	Staffing for schools is based on student enrollment, and schools' staffing needs are currently being reviewed as a result of Day 10. Every school has a Multi-Tiered System of Support (MTSS) Team. The team leaders guide the process at each school, using MAP testing data and other diagnostic tools to determine and implement services for their students.
No one has seen a position control document.	A position control document was presented at the regular school board meeting on June 23, 2025, and to the Budget Solutions Work Group on July 15, 2025.
The hiring freeze has left classrooms empty with teachers.	The hiring freeze does not pertain to classroom teachers.
Is the investigation led by an outside entity?	We do not comment on ongoing investigations.
Buying property without a survey.	A survey is required by regulation for all district property purchases and was done for the Webb Property at 2160 Versailles Road, site of the new Rise STEM Academy for Girls. The shared property lines along roadways were identified before the purchase. Upon closing, contact with property owners was initiated to engage in negotiations for the cleaning up of the property lines and roadway access. Numerous communications were sent, and a public meeting was held in concert with city representatives. Contact with two of the 17 property owners could not be established. Dialogue continued until several owners retained legal counsel. After legal discussions, the prospect of eminent domain was outlined as an option to protect this as a legitimate defense should the need arise. The school board does not want to use eminent domain and has only done so one time in 40 years. Negotiations are continuing, and we

	hope to resolve this boundary issue to the satisfaction of all parties without using eminent domain.
Why is the district not paying its bills?	We vehemently disagree with the suggestion that FCPS is not paying its bills, as portrayed in media coverage regarding a current lawsuit. Since the matter is in litigation, we cannot comment further.
Is there a hiring freeze for campuses?	Certified teachers, bus drivers, and paraeducators can be hired at this time.
Why has Dr. Liggins not been involved in the budget?	Dr. Liggins has been fully engaged in the budget process. As superintendent, he depends on a team of finance professionals to provide him with accurate calculations, updates, and projections while he focuses on ensuring the budget aligns with district priorities and supports students and staff. Although he does not personally perform the day-to-day calculations, he reviews the information provided, asks questions, and provides direction to ensure the proposed budget reflects both fiscal responsibility and the needs of our schools. Looking ahead, Dr. Liggins has committed to being even more directly involved in the process to strengthen oversight and build confidence in the district's financial stewardship.
Have schools been told to cut positions?	As of Day 15, there are only four total teachers in the entire district who are impacted by schools not being held harmless this year. Of those four teachers, only three schools are affected by not being held harmless. This means that only four total teachers are being reallocated from current schools to vacant (or needed) positions within the district.
How many JDP/non-campus positions were not filled in FY25 or have been cut in the FY26 budget, including freezes?	55 positions totalling \$3,789,197
FCPS lacks transparency in its financials.	See Financial Transparency Dashboard

Is there a policy that the board must approve any spending of the contingency fund?	There is no policy that addresses board approval of any spending of the contingency fund. There is a procedure that addresses board approval if the contingency falls below 6%.
There has been a cancellation of Fine Arts.	Fine Arts programming has continued to be funded and exemplified in FCPS, as evidenced in part by regular Board of Education showcases, school events, and districtwide and community events.
Was the nickel tax for facilities?	School districts in Kentucky are required to levy a dedicated 5-cent "nickel tax" on local property for capital projects. This money is kept in a separate building fund and used for construction, major renovations, site purchases for projects, energy conservation measures, and payments owed on the bonds sold to pay for those projects, which is called debt service. In Fayette County, we are fortunate that our community has supported property tax investments not only for the required facility nickel, but also two additional facility nickels – one approved in 2007 and a second approved in 2022.
We are here to discuss the budget tonight with no budget.	At the Aug. 28 special called board meeting, consensus was reached to hold the Sept. 5 public hearing even without the release of a budget.
Could the board share how many positions or programs were funded through ESSER and were carried to the general fund?	AVID Dual Credit Grow Your Own 27 Current Positions • 24 administrative (Employee Wellness, Human Resources, and Technology are the majority) • 3 instructional (Early Start and Preschool)
Spending more than \$78 million on non-instructional and non-transportation staff	\$78,000,000 represents total expenditures in three categories: \$28,098,425 in operations and support \$27,107,571 in school administration \$23,518,465 in district administration

	This is as of May 30, 2025, and is unaudited.
What are the programs that FCPS is looking to protect?	FCPS aims to provide families with school choice and a variety of opportunities for students to access programs that align with their needs, interests, and aptitudes.
Does FCPS own property not used by students or staff that can be sold for additional revenue?	Superintendent Liggins has publicly stated that he will recommend placing Southside Technical Center on the market in order to generate revenue for the 2025-26 fiscal year. See list of facilities and properties owned by FCPS . The district will assemble a broad-based group of stakeholders to review facilities usage to identify potential efficiencies.
FCPS says that our students are "more than a number"; we are disregarding data about student performance.	Student achievement is the primary focus of Fayette County Public Schools. Throughout the school year, student progress is consistently monitored, and adjustments are made to instruction to drive student growth and acceleration. Results from the 2023-24 state accountability ratings, which are listed at the top of the district website per state law, show increased performance. Between the 2021-22 and 2023-24 school years, the percentage of students earning proficient or distinguished ratings in reading has grown from 48% to 52% at the elementary level, 47% to 50% at the middle school level, and 46% to 50% at the high school level. In math, the percentage of students earning proficient or distinguished ratings has grown from 43% to 47% at the elementary level and 40% to 43% at the middle school level. We still have not reached pre-pandemic levels, but students in FCPS are recovering two times faster in reading and four times faster in math. In 2024, for the first time under Kentucky's current school accountability system, FCPS has no schools requiring overall state intervention. Previously, seven low-performing schools were identified (10% of campuses); today, all campuses meet state requirements for student achievement. And no FCPS schools were flagged for low achievement among Black, Hispanic, or Economically Disadvantaged students.

	Additionally, four-year graduation rates are up 3.5% – from 89.6% in 2021 to 93.1% in 2024, which includes a 19% rate increase for English Learner students.
Since FY 2022, how many new Central Office positions have been added, and what functions do they support?	New Positions Since FY22
According to KDE’s School Report Card, the district’s overall rating in FY 2019 was Level 3 for Elementary, Middle, and High Schools and in FY 2024 it was still Level 3 for Elementary, Middle, and High Schools. Given the additional federal funding and staffing growth, how does the board evaluate whether these investments have translated into measurable improvements for students?	2023-24 Kentucky Summative Assessment Presentation