

Budget Challenges
Frequently Asked Questions

Q. Did Dr. Anthony receive a bonus last year?

A. No, Dr. Anthony did not receive a bonus last year nor in any previous year as superintendent in CFISD. There is no provision in his contract for a performance bonus, nor has there been during his five year tenure in CFISD. He is philosophically opposed to performance bonuses for superintendents.

Q. Can PTOs fund out-of-district field trips?

A. Elementary students are allowed one out-of-district field trip per year as requested by the school. Field trips are funded by third party funds and PTOs frequently pay for them.

Q. Do schools pay for cheer or drill team or do parents pay for that?

A. The district purchases uniforms and some props for drill team members. The uniforms are replaced every 10 years. Most of the personal clothing and equipment are purchased by the drill team members.

For cheerleading teams, the first year a high school opens the district provides one set of uniforms for each squad member and they become the property of the school. Accessories are purchased by the participant (shoes, ribbons, megaphone, poms). Camp gear and any other uniform they decide to purchase is the responsibility of the parent. In many cases, fund raisers (homecoming game, cheer camps, etc) are used to off set these costs. The Athletic Department contributes \$1860 yearly to each school for camp or travel fees. Some schools choose to use it for competition travel and others use it to off set camp fees.

At the end of their term, cheerleaders may sell their items to incoming new squad members at a reduced cost thus reducing the cost for new members.

Q. Doesn't PTO pay for D.A.R.E.?

A. The DARE program is funded through a federal grant, Safe and Drug Free Schools. Participation in the program, however, is a campus-based decision and many PTOs provide funds for additional activities related to the DARE program, such as DARE Graduation.

Q. What is JJAEP?

A. Juvenile Justice Alternative Education Program (JJAEP) is the alternative educational placement for students who commit discipline infractions that warrant expulsion as outlined in the Student Code of Conduct. State law requires that counties with 100,000 or greater population establish a placement for students who commit expellable offenses so that these students are not expelled to the streets.

Q. Have the cuts to our transportation program had a negative impact on Average Daily Attendance?

A. The district's attendance rate was slightly lower during the first six weeks of school as compared to the first six weeks of last year; however, we believe this decrease is more reflective of current health concerns related to H1N1.

1st six weeks 2008-2009 – 97.4

1st six weeks 2009-2010 – 95.7

- Q. When CFISD principals are asked “what can be cut from the budget” what is their answer?**
- A.** Since the schools have already lost teachers and other campus-based personnel in previous budget cuts, their general recommendations include services, programs and personnel that do not directly effect classroom instruction. Reductions may include non-academic services such as field trips, DARE, ROPES, curriculum coaches, more streamlined transportation, combined responsibilities of various ISC curriculum and administrative positions, limited extracurricular offerings, reduced number of extracurricular competitions, reduced summer school offerings and the elimination of low-enrollment courses.
- Q. Can LCF members receive Dr. Anthony’s Monday Morning Notes? It might help us better understand the day-to-day reality of the district.**
- A.** LCF can receive any MMNs that are focused on the budget/finance issue in the district. However, those MMNs that are inspirational or motivational would provide little benefit to the LCF members.
- Q. Can the Cy-Fair Education Foundation’s mission be changed to more proactively raise money that be used for programs?**
- A.** We have no control over the mission of the CFEF. The board of directors for the CFEF is committed to providing scholarships to our students for which they spend approximately \$300,000 per year and teacher grants for which they spend about \$88,000 per year.
- Q. When our teacher unions are asked for ideas on how to cut the budget, what are their answers?**
- A.** Their main concern is that we do whatever is necessary to retain employee jobs and provide raises. The only budget reductions that they support are in the administrative and service areas, since most administrators are not members of TSTA/NEA, CFFT, or ATPE.
- Q. How, and in what ways, can we increase revenue? Weighted Average Daily Attendance (WADA) is set by the state – how can we raise funds beyond the WADA? We cannot cut much more!**
- A.** We continue to investigate and implement ways to increase miscellaneous revenue such as advertising on buses. Although revenue is generated, it represents a very small percentage compared to the revenue needed to provide relief for the district for the next few years. The district only has two options for significant revenue relief.

One way was to eliminate the optional homestead exemption prior to HB3646 becoming law. However, HB 3646 is now law and includes a provision that limits per WADA revenue increases from one year to the next. In our district, the tax collections resulting from the elimination of the homestead exemption would exceed the revenue limitation preventing CFISD from retaining all of the revenue, locally.

The second option is to increase the M&O Tax rate through a successful Tax Rate Rollback Election. Any increase in the tax rate beyond the current rate must be approved by the voters of the community.

Updated October 29, 2009

Q. What programs and services are mandated by the state?

A. Programs and services such as pre-kindergarten (Pre-K), special education, dyslexia services, bilingual education, gifted and talented programs and career and technical education (CATE) are state and/or federally required programs. These programs have specific requirements; however, the design of the program and specific course offering are determined by the district.

In addition to these programs, districts must offer comprehensive course offerings to satisfy state graduation requirements. For example, fine arts and foreign language courses are required as well as the core courses (mathematics, science, language arts and social studies).

Q. What is elementary at-risk support staff in 2008-2009 budget cuts?

A. The district staffing guidelines provide for additional staff based on the campus percentage of economically disadvantaged students (students who meet free/reduced lunch guidelines). For the 2008-09 school year, the formula was changed to increase the percentage of economically disadvantaged students to receive additional staff.

Q. What are "curriculum helping teachers" who were reduced in 2008-09?

A. Curriculum coaches (formerly known as helping teachers) are district-wide instructional support positions. Coaches work with teams of teachers or individual teachers to plan effective instruction based on the needs identified through data analysis. Coaches work with teachers in lesson planning, lesson design, modeling lessons, and classroom management.

Due to an increase in the number of economically disadvantaged students, the district received additional Title (federal) funding. The additional money was used to fund the curriculum coaches, therefore reducing the general operating budget.

Q: What is the largest expenditure in the CFISD budget?

A: The district's total operating budget for 2009-10 is over \$678 million. Of that amount, \$598 million (88%) is for payroll and benefits. Over \$462 million (68%) is spent directly in the classroom on teacher salaries and benefits.

Q: How is the District's funding determined?

A: HB1 passed by the 79th Texas Legislature in 2005 created the basis for the funding system for Texas public schools. HB 3646 recently passed by the 81st Texas Legislature in 2009 revised the provisions of HB1 and became the most current school finance system for Texas school districts. Under HB 3646, school districts receive a certain amount for each weighted student in attendance. This amount, called target revenue, represents the combination of local tax revenue and revenue received from the state.

Q: What is a Tax Rollback Election (TRE)?

A: The current tax rollback laws were enacted under HB 1 in 2005 by the 79th Texas Legislature and by HB 3646 by the 81st Legislature. The law requires school districts to conduct an election of the district's voters to approve a Maintenance and Operations tax rate that is greater than \$1.04 per \$100 of assessed property value. The TRE is held in October or November to support a budget that was adopted prior to July 1. If the voters approve the tax rate, the District continues to operate under the adopted budget and approved tax rate. If the TRE fails, the district will be forced to

“rollback” the tax rate to its previous year’s rate. Since the district will have operated for approximately six months under the new budget prior to the TRE, it may be necessary to eliminate positions and programs at mid-year. If a TRE is approved by the voters, the district will receive the full benefit of the additional tax dollars.

Q: In order for the District to receive more funding, can the optional homestead exemption be eliminated?

A: Cy-Fair ISD provides a 20% optional homestead exemption (OHE) to its homeowners to reduce their school tax bill. Elimination of the OHE would have, prior to September 1, 2009, provided an additional \$35 million to the general operating budget and \$10 million to the Debt Service budget. However, under HB 3646 passed by the 81st Texas Legislature in 2009, a cap on additional revenue goes into affect in 2010. Under the cap, if the OHE were eliminated next year, the District would only receive the benefit of about \$9 million for the general operating budget.

Q: Did any CFISD employees receive a raise this year?

A: The state school funding bill (HB 3646) provided teachers, librarians, counselors, nurses and speech pathologists with a raise that averages \$1,450 per year. No other employees received a raise, for the second consecutive year.

Q: Is the district considering alternative ways to generate funds to supplement the budget?

A: The district’s Partners in Education department solicits donations from business partners and the Cy-Fair Educational Foundation has for many years made contributions that provide teachers with quality professional development training. Recently, the district initiated advertisements on school buses and for several years has sold advertising on the scoreboards at Pridgeon and Berry Center stadiums.

Currently, the district is identifying additional opportunities for generating revenue through advertising in locations and formats other than on school buses.

Q: Is the Berry Center making enough money to cover operating costs? If not, is there a way to increase revenues from outside users of the Berry Center?

A: The Berry Center was approved by the voters in the 2001 Bond Election as an educational support center for the district’s students, staff, parents and community members. Although the Berry Center generates significant revenue, because 70% of the events at the Berry Center are district events for which there is no revenue, the outside rentals do not generate enough money to cover all the operating costs for the district events. The district plans to have an operational review of the Berry Center in order to identify potential efficiencies and to identify potential ways to generate more revenue. It is important to note that in order to generate more revenue and to decrease expenses, it would be necessary to not allow access to some of the district student and staff groups that want to use the Berry Center.

Q: Although the district will try to minimize the impact of budget cuts on students, how will program areas be prioritized for reductions?

A: Between now and October 30, the district will be obtaining suggestions and ideas for potential budget reductions from staff, parents, high school students and community

Updated October 29, 2009

members. (Survey is located on www.cfisd.net.) These data will be reviewed using the following criteria: source of current funding, required or optional program, impact of program, cost of program and potential savings to district.

Leadership Cy-Fair (LCF), a group of 58 community members, will review input from the community and district personnel. LCF will provide recommendations and considerations for potential reductions.

Q: I am aware that the school districts receive money from residential and business taxes. Does the State allow money to be transferred from the business school taxes to subsidize our school deficit?

A: The school district levies a tax on all property within the boundaries of the district at the same tax rate adopted by the Board of Trustees. Business property is taxed the same as residential property, which is based on the value of the property as appraised by the Harris County Appraisal District. The exception is that for residential homeowners, the value of the home is reduced for tax purposes by 20% for the local optional homestead exemption, plus \$15,000 state-provided homestead exemption.

There are no separate accounts to transfer to or from. The District's total revenue is the sum of the tax collections from the taxes levied for all property plus the money received from the state. The District's budget deficit is the result of total tax and state revenue is less than the budgeted expenditures.

In order to avoid a deficit budget, expenditure reductions were implemented so that the total expenditures equaled total revenue.

Q: How can community members continue advocating for equitable funding for CFISD?

A: The district's elected officials have recognized the inequity of the state funding allocated to CFISD. Senator Patrick was instrumental in helping the district receive additional one-time funding. Community members should contact members of the Senate Education Committee and House Public Education Committee and send a copy of the correspondence to the local representative and senator. Contact information for both local officials and committee members is located on www.cfisd.net at About District.

Q: Does the \$6 million subsidy from the state for transportation change as new schools are opened?

A: As campuses are added, particularly elementary campuses, the state subsidy remains approximately the same or decreases because more students live within the two-mile limit. Additionally, the state subsidy on a per-mile basis has not changed since 1984.