

Arlington Public Schools
Staff Response to the Budget Advisory Council End of Year Report
June 16, 2016

As is evident from the Budget Advisory Council's end of year report, the BAC had a very full year. From staff's perspective, this past year was another successful year of collaboration and partnership. The BAC continued its practice of inviting ELT members and staff to help the Council understand various initiatives or activities. Over the year, the BAC expanded its outreach to other School Board advisory committees and devoted a portion of each meeting to hearing from the advisory groups.

The BAC has always been a good sounding board for staff; the Council is always willing to give their thoughts on how we could be more effective in communicating in the community and pointing out the types of information that would make budget material easier to understand. Importantly, the BAC is an effective carrier of APS' budget messages. This advisory council is respected in the community and often their explanations or interpretations of budget information are well-received.

The BAC report included recommendations in two areas; progress on prior recommendations and recommendations for the future. In the area of progress on prior recommendations,

- Staff understands the BAC's concerns about the delays on the completion of the compensation study and it is our goal to provide the salary information the BAC outlines in its report prior to next year's budget deliberations. Staff concurs that the future budget studies identified in last year's budget should be reviewed.
- The BAC recommends that when the School Board makes changes to the Superintendent's Proposed budget that the changes be accompanied with an explanatory narrative so the recommendations can be evaluated by the BAC. This can readily be incorporated in next year's budget activities.
- The BAC suggested that the School Board's charge to the council be expanded to look at long-term approaches to contain the rate of cost growth in the school system. Additionally, the Council has indicated its willingness to participate in both the cost containment studies as well as future budget studies. Staff welcomes the assistance of the BAC although has concerns about the amount and type of information that the Council could request for the studies, particularly during the time when a small budget staff is charged with budget development.
- In the area of using reserves, staff agrees that it is not a good long-term strategy to balance the budget but also feels that given the minimal amount of reserves used to balance the FY 2017 budget, the strategy was appropriate.
- Regarding the FOIA issues and BAC's efforts to be compliant, over the summer we will explore the feasibility of providing them either with the email access they requested or some other method that would provide the same coverage.

Turning to the BAC's recommendations for the future, staff agrees with the majority of their findings.

- We agree that continued close collaboration with the County in joint use and resource sharing could produce savings.
- In the area of budget documentation, staff understands the budget does not always include a comprehensive or division-wide perspective of various activities. The example used by the BAC – professional development – is a good example. The Budget office can only provide a listing of account codes and the funding budgeted in each; we do not collect information regarding the individual activities that may be funded in each line item. It may be useful to understand all staff development activities in the school system but to do so would require an extensive and very time-consuming effort to collect the information from individual departments and schools.. Because collection of the information would represent considerable time and effort, it should be weighed against the utility of the information that would be gained.
- As mentioned earlier, APS is planning on continuing with the compensation study and providing the information that it was intended to garner.
- The BAC recommends that funding increases should be paired with proposed offsets. This is a good goal but one that in reality is not easily implemented. Staff believes that just as increases should be judged on their merits, the same should occur for cuts to the budget. We believe that we should continually look for efficiencies and reduce costs wherever possible. Aiming for a one-to-one relationship is laudable but it would not be successful in all cases.
- Staff agrees with the BAC recommendation to use one-time funds for one-time purposes although recognizes that in a limited number of circumstances, using one-time funds for ongoing purposes can be done without being harmful in the long-term.
- A focus on reducing the cost of school construction in light of the number of projects needed is, of course, a goal Finance staff would support. As always, the extent to which costs are scaled back will be driven by both the community and the School Board.

This has been a productive, successful year and one where the BAC has provided genuine support to staff in the budget development process. Michael Shea's leadership and willingness to work through issues was a major contributor to the success of the past year. Also appreciated was Nancy Van Doren's regular attendance at meetings and availability when needed. Her support to the BAC provided the Council with insights that staff couldn't. Lastly, I'd like to thank Leslie Peterson for her continued support and to thank the entire BAC for the lovely send-off they gave me at their last meeting.