



Camden City School District

Public Budget Hearing

April 2, 2014

Agenda

- **Opening Statement by Board President Ms. Kathryn Blackshear**
- **Presentation by Superintendent Paymon Rouhanifard**
- **Presentation by Interim Business Administrator Chris Oberg**
- **Questions from Advisory Board Members**
- **Questions from Public**
- **Summary by Superintendent Rouhanifard**

Note: Superintendent Rouhanifard will not approve the budget this evening—feedback from tonight will be taken into account and the budget will be approved prior to the April 8 deadline.

Why We Are Here



Past inaction forced us to start the budget process from behind

- **During the last five years, enrollment in district schools has declined by nearly 1,000 students**
- **But spending has gone up more than 10 percent, leading to more expenses than revenue**
- **Despite being one of the highest-funded districts in the country, we are not seeing adequate results**
- **Inconsistent leadership hasn't helped—over the last two years, the District has had four superintendents**

The budget is focused on the priorities outlined in the Camden Commitment

PROMISE 1: Safe Students, Safe Schools. Your child will feel safe in school.

PROMISE 2: 21st Century School Buildings. Your child will attend school in a modern building with top-of-the-line technology.

PROMISE 3a: Excellent Schools—Student Support. Your child will be able to attend an excellent school that best meets his or her unique needs and supports his or her growth inside and outside of the classroom.

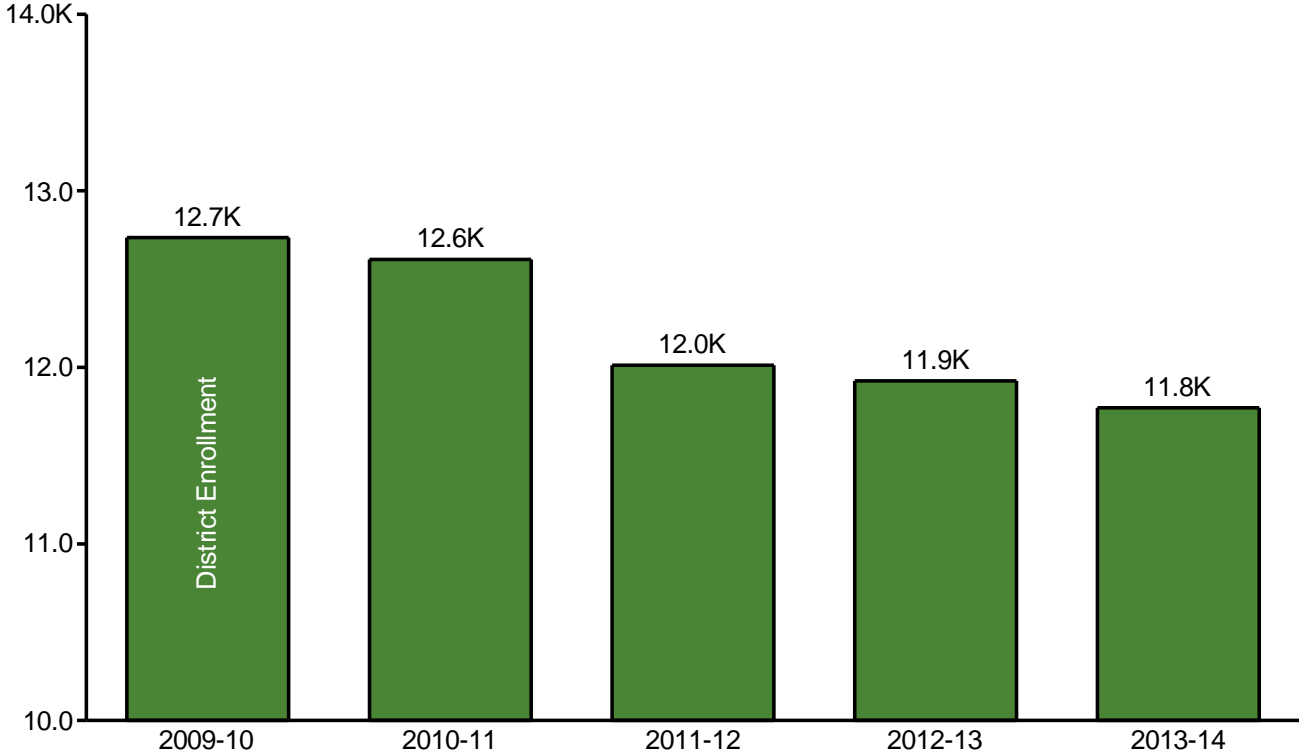
PROMISE 3b: Excellent Schools—Great Teaching and Learning. Beginning in pre-K, your child will have excellent teachers and quality learning environments.

PROMISE 4: Serving Parents. You will have the information, services, and support you need to help your child succeed.

PROMISE 5: Integrity in the Central Office. The Central Office will be smaller and operate at a new level of financial efficiency and transparency.

District enrollment has declined by nearly 1,000 students over the last five years

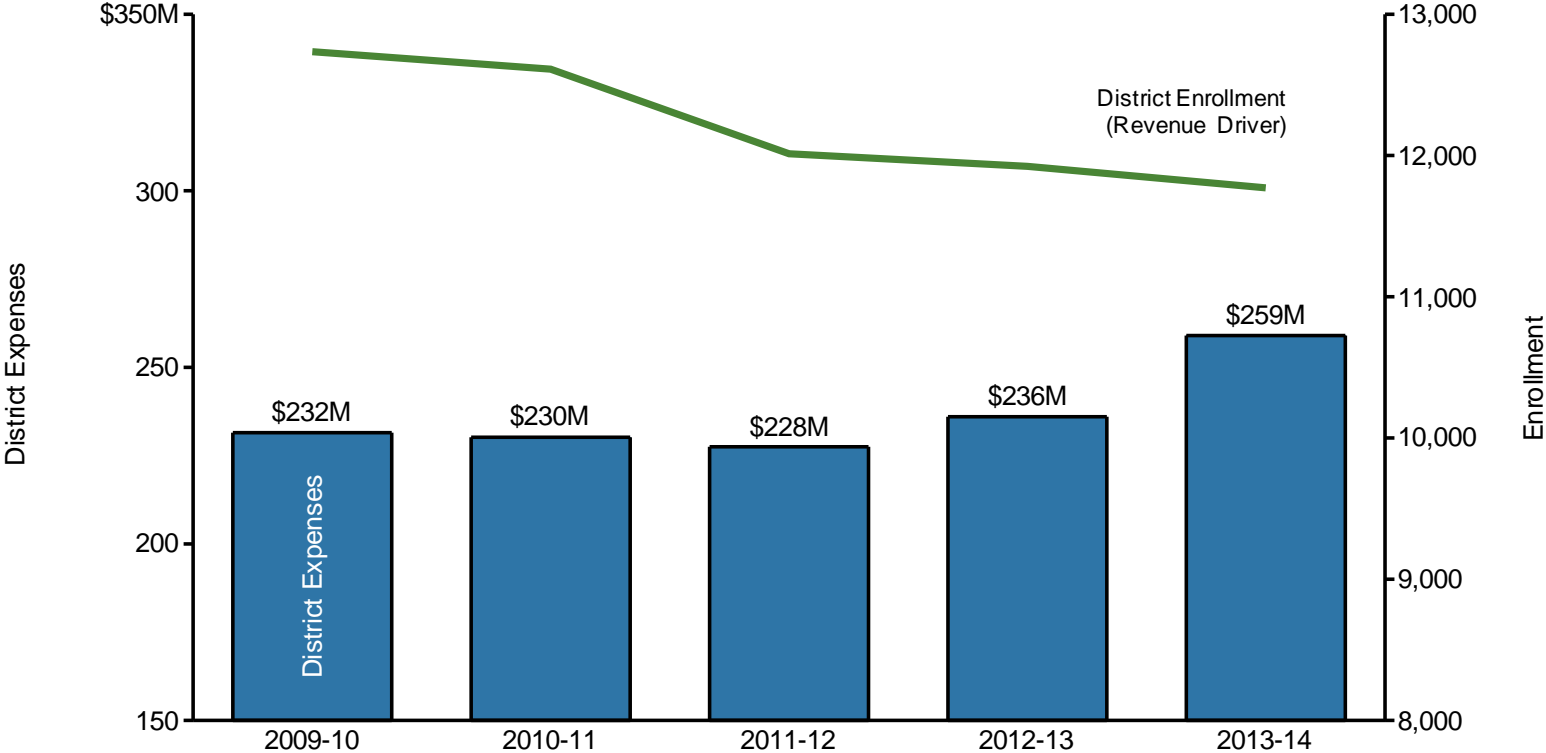
Camden District Enrollment 2009-10 to 2013-14



Source: Camden enrollment data

As District enrollment has declined, District expenditures have increased

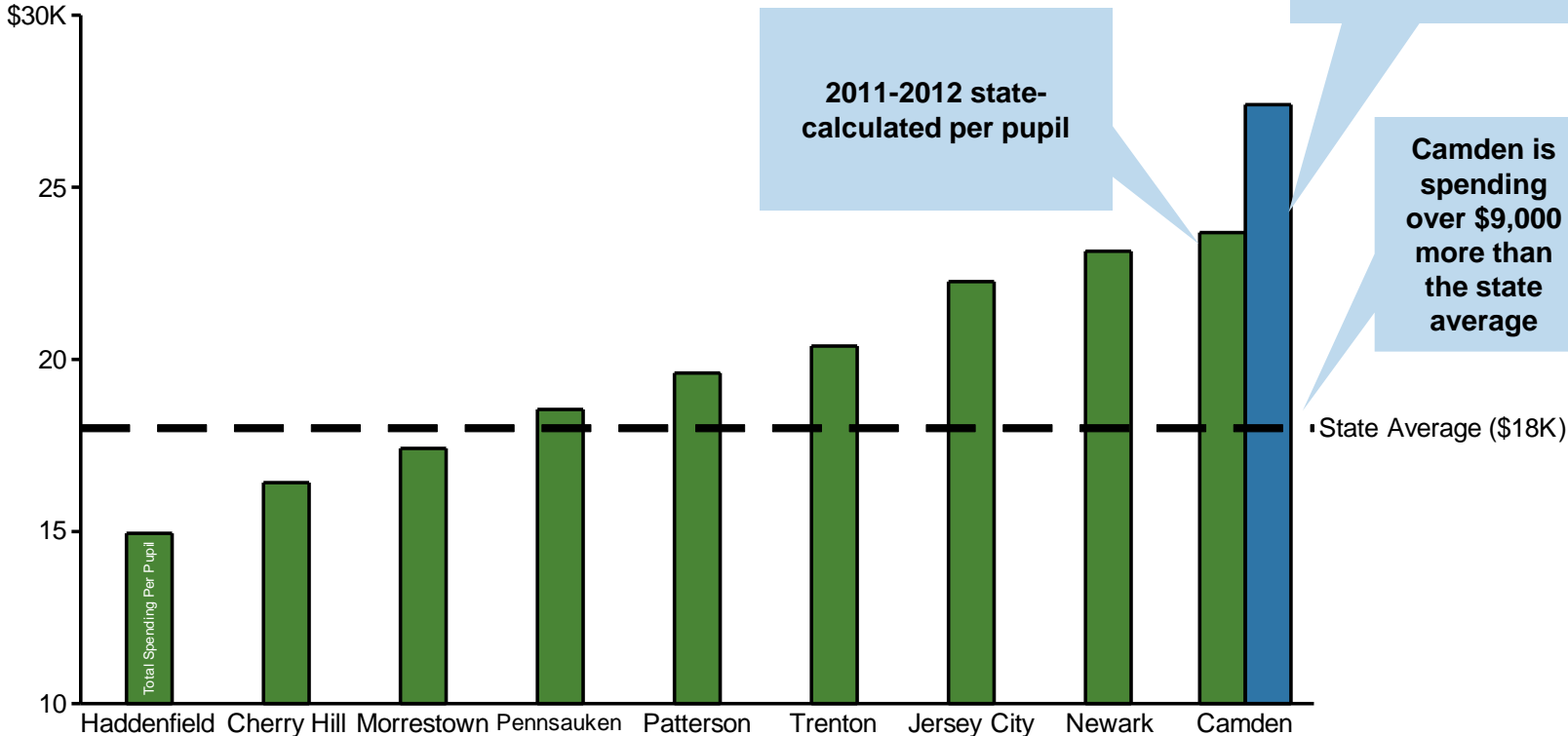
Camden District Enrollment 2009-10 to 2013-14



Note: District expenses include local and state expenses only, net of charter and tuition payments
 Source: Camden enrollment data

The District spends nearly \$27,500 per student, which is significantly more than it can afford and more than almost every other district in the state

Average Per Pupil, 2011-2012 Figures



Enrollment (12-13)	2,482	11,516	3,998	5,237	24,572	12,127	27,028	36,427	12,608
% FRL	1%	17%	9%	68%	85%	89%	75%	89%	90%



Source: NJ DOE Website, 2011-2012 figures

Where did all of the money go?

- There are many answers, including non-personnel spending and staffing.
- Currently in the District:

<p>There is</p> <p>1 employee</p> <p>for every</p> <p>4 students</p>	<p>More than 50%</p> <p>of our</p> <p>2,700 positions</p> <p>are</p> <p>not instructional</p>
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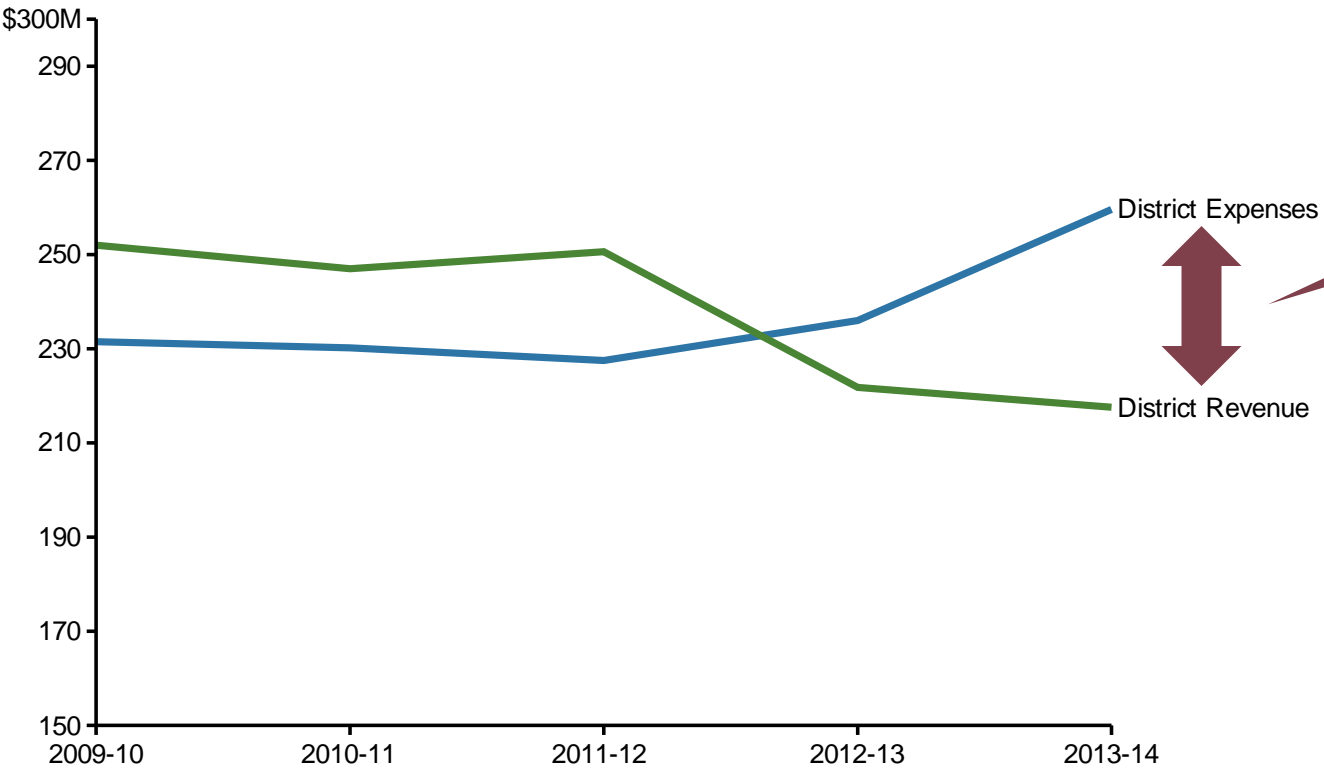
- This extremely low student to staff ratio is unsustainable from a financial perspective and not necessary from a student learning perspective

We had a responsibility to create a more sustainable budget for future students while also investing in a better education for current students

- **We took a careful, targeted approach:**
 1. **Our first step in this process was to understand by how much we had overspent**
 2. **Then we had to figure out a way to “right size” our budget and address where we had overspent**
 3. **Finally, we had to determine how our own priorities—through the Camden Commitment—would fit into our budget**
- **We firmly believe there is a path forward**

With decreasing revenue and increasing expenses, our operating shortfall this year is \$42M – it is being covered with one-time funds

Local Taxes and State Revenue vs. Expenses



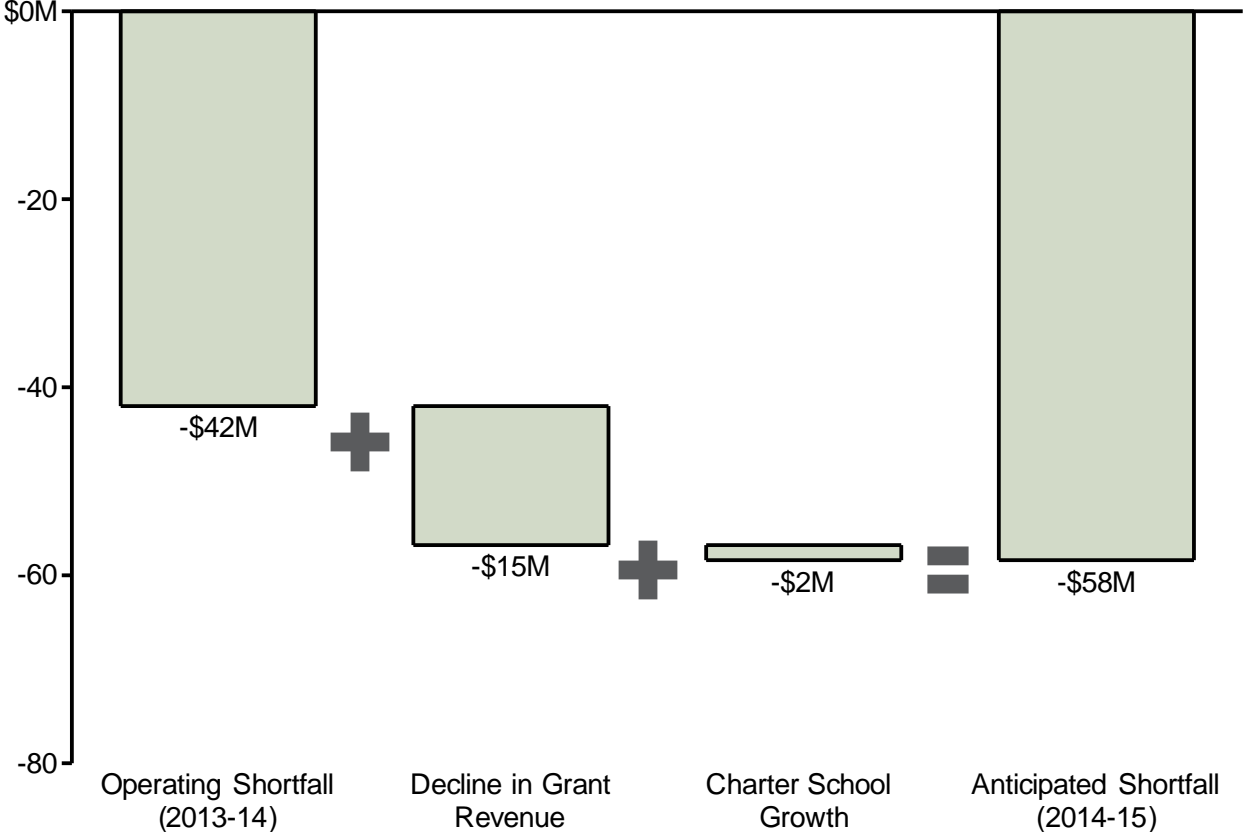
One-time funds are being used to close this gap



Note: District revenue expenses include local and state only, net of charter and tuition payments

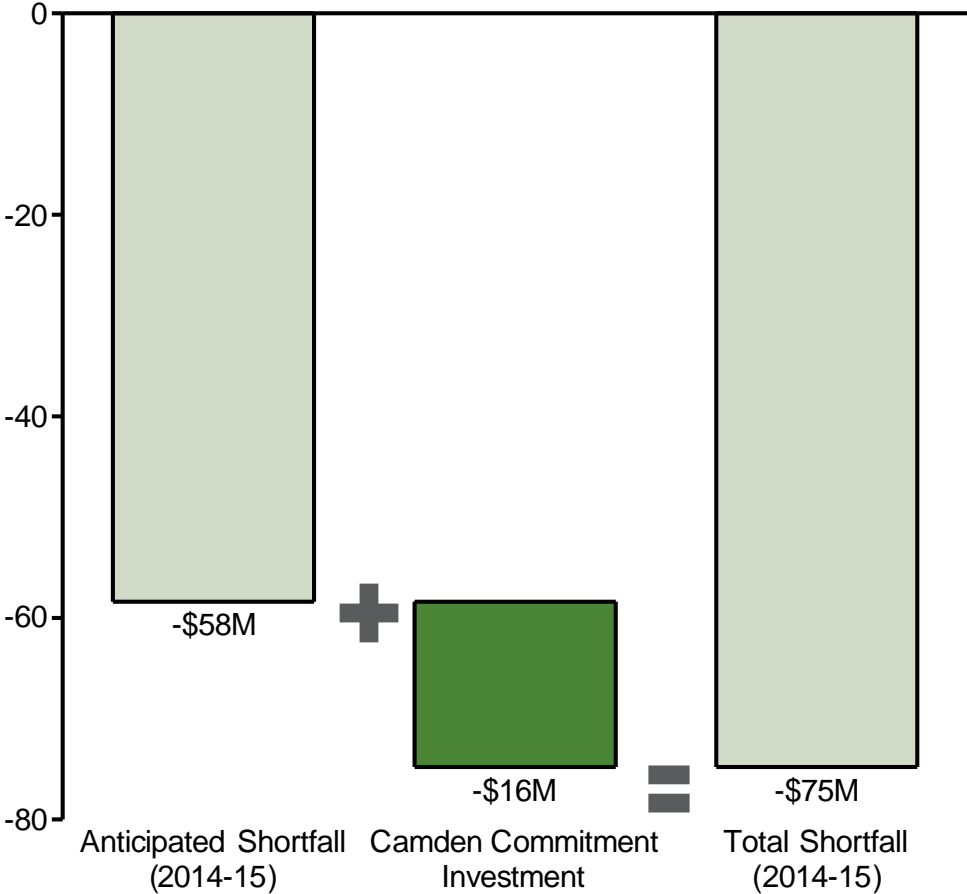
As we look toward 2014-15, factors outside of our control accounted for an increased shortfall

Camden City School District Anticipated Shortfall, 2014-15



Yet even in this time of fiscal challenge, it is critical that we make new investments to drive improvements for students

Camden City School District Total Shortfall, 2014-15



Camden Commitment Investments & Reallocations

- Great school options for families and students
- New technology and bandwidth to support 21st century learning
- Improved security and supports for school climate and culture
- Increased instructional support and coaching for teachers and leaders in schools
- Growth of our successful early childhood programs



Closing a shortfall this large required multiple solutions—there were no easy answers here

- **As we looked for reductions, we were guided by what was in the best interest of students and families**
- **In addition, we wanted to protect schools as much as possible**
 - **Toward that end, at this point we do not anticipate closing any schools for 2014-15**
 - **As part of the Camden Commitment, we will take targeted action to better serve our students with the greatest needs**
 - **Whenever possible, reductions should come from the Central Office before schools**

Students and schools needed to be protected to the fullest extent possible


Protect School Non-Personnel Costs

- We determined that we would not reduce schools' non-personnel budgets
 - We have heard from families and principals that historically schools have not had access to the resources they require, or that resource allocation has been inequitable
 - We aim to ensure that schools have the resources they need for their students to be successful

So we looked to reduce central non-personnel costs as much as possible

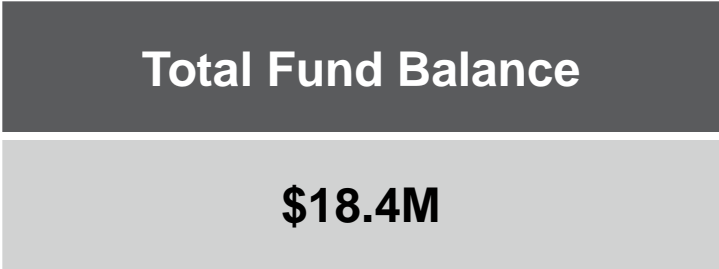
Reduce Central Non-Personnel Costs

- Every office and department in the central office went through a rigorous cost-cutting exercise, including:
 - Reducing contracts and contracted services
 - Right-sizing travel and supplies budgets
 - Eliminating one-time costs



We were able to achieve **more than \$28M** in non-personnel savings through our cost-cutting exercise

Second, we applied our remaining fund balance to minimize the impact of the reductions next year



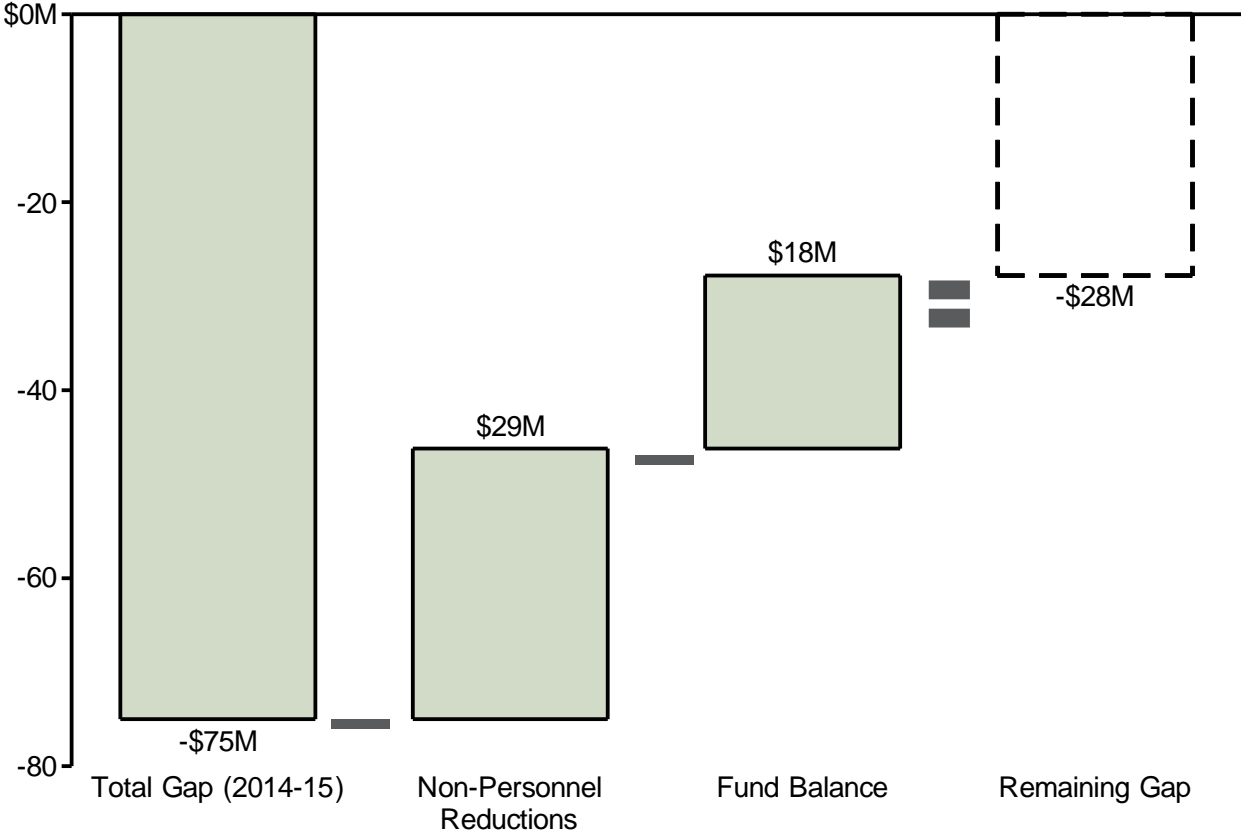
- **It is critical to note:**
 - **Though fund balance may be used in this way, it must be recognized as one-time revenue for recurring costs, as it will not exist in future years**
 - **There remains a need to further address the structural challenges of the budget moving forward**



Fund balance serves as a one-time source of more than \$18M in revenue

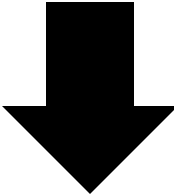
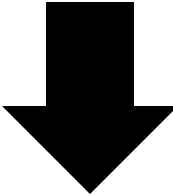
After deep non-personnel reductions and the use of fund balance, the remaining gap to be closed is \$28M

Closing the Budget Gap, 2014-15



Ultimately, closing this shortfall will require central and school-based layoffs

- In keeping with our guiding principles, the Central Office should take a larger share of the reductions.
- Therefore, we project the following:

Staffing Changes from 2013-14 to 2014-15	
Central Office	Schools
 ~30%	 ~20%

We will continue to work to ensure appropriate staffing levels

- **These projected reductions amount to up to 575 positions total at the central office and schools**
- **It is important to note:**
 - **Due to anticipated vacancies—retirements, resignations, and other turnover—these projected reductions will likely impact up to 400 people**
 - **Numbers will not be final until mid-May**
 - **We will ensure that students and staff will be appropriately supported in 2014-15**

We will continue working to safeguard student learning

- **We stand by our Camden Commitment promises to provide more support for staff and to provide better service to families**
- **To be clear, under the new staffing structure:**
 - **All staffing allocations will meet state special education requirements**
 - **Paraprofessionals will still be aligned to students needing 1:1 services, special education classes as needed, and pre-school and kindergarten classrooms**
 - **We will maintain or increase training and development support that schools need and deserve**
- **We will continue to find efficiencies in centrally-based administrative position reductions in order to protect classrooms**

Despite our significant financial challenges, we *are* making progress on the promises outlined in the Camden Commitment

PROMISE 1: Safe Students, Safe Schools.

- 5-Point Safety Plan Released and In Progress

PROMISE 2: 21st Century School Buildings.

- Working with SDA on Camden High Investment; Upcoming Announcement on Renaissance Schools
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PROMISE 3a: Excellent Schools—Student Support.

- Special Education Audit Completed; Reforms in Planning Stage

PROMISE 3b: Excellent Schools—Great Teaching and Learning.

- Upcoming Announcement on New High-Quality Schools; Pre-School Registration Underway; Unprecedented Feedback for Teachers

PROMISE 4: Serving Parents.

- Significant Investment at Central Office in Family and Community Engagement

PROMISE 5: Integrity in the Central Office.

- Greater Transparency and Responsiveness: Q & A from Tonight’s Meeting Will Be Posted Online by Next Wednesday



CAMDEN CITY SCHOOL DISTRICT

**2014-2015
PROPOSED BUDGET**

THE ADVISORY BOARD



Student Representatives

Dejon Sullivan, Representative
Dajanira Young, Alternate
Tyasia Lawson, Representative
Khadijah Jones-Shurbrick, Alternate
Alesha Figueroa-Falcon, Representative
Phillip Whyles, Alternate
Tyree Lewis, Representative
Nala Johnson, Alternate
Roney Lu, Representative
Tymier Branch, Alternate

Mrs. . Kathryn Blackshear, *President*
Mrs. Martha F. Wilson, *Vice President*
Mr. Jose M. Brito Bueno
Ms. Dorothy A. Burley
Ms. Barbara A. Coscarello
Ms. Sara T. Davis
Ms. Taisha E. Minier
Mrs. Felisha Reyes-Morton



Central Administration

Mr. Paymon Rouhanifard
Superintendent

John C. Oberg
*Interim School Business Administrator/
Board Secretary*



OPERATING BUDGET

GENERAL FUND EXPENSES	ACTUAL EXPENSES 2012-2013	ADJUSTED BUDGET 2013-2014	PROPOSED BUDGET 2014-2015	VARIANCE BETWEEN ADJUSTED BUDGET 2013-14 & PROPOSED BUDGET 2014-15
Regular Programs - Instruction	6,948,666	14,047,464	10,453,242	(3,594,222)
Bilingual Education - Instruction	86,466	318,000	215,000	(103,000)
School-Spon. Co/Extra Curr. Actvts. - Inst	15,313	132,500	105,000	(27,500)
School-Sponsored Athletics - Instruction	7,756	122,500	122,500	0
Before/After School Programs	2,028	148,591	0	(148,591)
Summer School	1,303,080	1,733,615	1,204,198	(529,417)
Instructional Alternative Ed Program	0	4,737,422	1,601,214	(3,136,208)
Other Alternative Education Program	3,840,732	0	0	0
Other Instructional Programs - Instruction	70,045	0	0	0
Community Services Programs/Operations	551,709	327,059	1,705,184	1,378,125

See Appendix "A" for breakdown of line items

OPERATING BUDGET

Continued

GENERAL FUND EXPENSES	ACTUAL EXPENSES 2012-2013	ADJUSTED BUDGET 2013-2014	PROPOSED BUDGET 2014-2015	VARIANCE BETWEEN ADJUSTED BUDGET 2013-14 & PROPOSED BUDGET 2014-15
Support Services:				
Undistributed Expenditures - Instruction (Tuition)	16,788,231	16,225,463	18,736,517	2,511,054
Undist. Expend.-Attendance And Social Work	1,120,805	1,175,398	1,088,470	(86,928)
Undist. Expenditures - Health Services	483,603	473,429	317,857	(155,572)
Undist. Expend.-Speech, OT, PT And Related Svcs	1,771,612	2,245,170	2,423,259	178,089
Undist Expend-Oth Supp Serv Std-Extra Serv	673,861	1,177,084	1,279,794	102,710
Undist. Expenditures - Guidance	766,726	1,080,478	987,092	(93,386)
Undist. Expenditures - Child Study Teams	4,981,195	5,163,958	4,747,196	(416,762)
Undist. Expend.-Improv. Of Inst. Serv.	3,046,986	1,623,699	180,679	(1,443,020)
Undist. Expend.-Edu. Media Serv./Library	2,437,776	2,429,841	2,952,243	522,402

See Appendix "A" for breakdown of line items

OPERATING BUDGET

Continued

GENERAL FUND EXPENSES	ACTUAL EXPENSES 2012-2013	ADJUSTED BUDGET 2013-2014	PROPOSED BUDGET 2014-2015	VARIANCE BETWEEN ADJUSTED BUDGET 2013-14 & PROPOSED BUDGET 2014-15
Undist. Expend.-Instr. Staff Training Serv.	586,902	520,952	3,242,706	2,721,754
Undist. Expend.-Support Serv.-Gen. Admin.	4,669,265	6,371,215	4,711,913	(1,659,302)
Undist. Expend.-Support Serv.-School Admin.	0	789,735	139,101	(650,634)
Undist. Expend. - Central Services	4,229,725	4,791,985	2,474,809	(2,317,176)
Undist. Expend. - Admin. Info Technology	1,954,509	1,990,259	1,109,268	(880,991)
Undist. Expend.-Oper. And Maint. Of Plant Serv.	24,818,116	29,880,216	25,087,471	(4,792,745)
Undist. Expend.-Student Transportation Serv.	7,955,327	9,696,473	10,672,206	975,733
Personal Services - Employee Benefits	43,102,760	47,676,562	46,202,025	(1,474,537)
Total Undistributed Expenditures	119,387,399	133,311,917	126,352,606	(6,959,311)
Total General Current Expense	132,213,194	154,879,068	141,758,944	(13,120,124)

See Appendix "A" for breakdown of line items

OPERATING BUDGET

Continued

GENERAL FUND EXPENSES	ACTUAL EXPENSES 2012-2013	ADJUSTED BUDGET 2013-2014	PROPOSED BUDGET 2014-2015	VARIANCE BETWEEN ADJUSTED BUDGET 2013-14 & PROPOSED BUDGET 2014-15
Capital Expenditures:				
Equipment	1,591,677	1,753,786	788,000	(965,786)
Facilities Acquisition And Const. Serv.	4,431,966	6,196,002	5,264,043	(931,959)
Total Capital Outlay	6,023,643	7,949,788	6,052,043	(1,897,745)
Special Schools:				
Adult Education:				
Adult Education-Local-Instruction	0	16,000	0	(16,000)
Adult Education-Local-Support Serv.	38,836	41,162	0	(41,162)
Total Adult Education-Local	38,836	57,162	0	(57,162)
Total Special Schools	38,836	57,162	0	(57,162)
Transfer Of Funds To Charter Schools	48,934,036	55,482,997	71,962,461	16,479,464
General Fund Contribution To SBB	110,895,900	113,026,291	89,407,021	(23,619,270)

See Appendix "A" for breakdown of line items

OPERATING BUDGET

Continued

GENERAL FUND EXPENSES	ACTUAL EXPENSES 2012-2013	ADJUSTED BUDGET 2013-2014	PROPOSED BUDGET 2014-2015	VARIANCE BETWEEN ADJUSTED BUDGET 2013-14 & PROPOSED BUDGET 2014-15
General Fund Grand Total	298,105,609	331,395,306	309,180,469	(22,214,837)
Special Grants and Entitlements:				
Local Projects	34,721	46,918	0	(46,918)
Preschool Education Aid:				0
PEA Instruction	7,037,384	7,709,488	8,223,036	513,548
Support Services	20,883,573	22,026,658	25,128,010	3,101,352
Fac Acquisition And Constr. Services	744,630	0	0	0
Total Preschool Education Aid	28,665,587	29,736,146	33,351,046	3,614,900
Other State Projects:				0
Nonpublic Textbooks	54,245	53,095	53,095	0
Nonpublic Auxiliary Services	858,918	1,310,542	1,295,477	(15,065)

See Appendix "A" for breakdown of line items

OPERATING BUDGET

Continued

GENERAL FUND EXPENSES	ACTUAL EXPENSES 2012-2013	ADJUSTED BUDGET 2013-2014	PROPOSED BUDGET 2014-2015	VARIANCE BETWEEN ADJUSTED BUDGET 2013-14 & PROPOSED BUDGET 2014-15
Nonpublic Handicapped Services	300,352	380,163	371,837	(8,326)
Nonpublic Nursing Services	76,640	75,038	75,038	0
Nonpublic Technology Initiative	19,449	19,360	19,360	0
Adult Education	47,816	55,405	55,405	0
Other	0	1,167	0	(1,167)
Total Other State Projects	1,357,420	1,894,770	1,870,212	(24,558)
Total State Projects	30,023,007	31,630,916	35,221,258	3,590,342
Federal Projects:				
Title I	9,570,837	7,576,430	3,567,551	(4,008,879)
Title II	1,450,824	1,861,754	220,150	(1,641,604)
Title III	354,261	566,164	22,103	(544,061)

See Appendix "A" for breakdown of line items

OPERATING BUDGET

Continued

GENERAL FUND EXPENSES	ACTUAL EXPENSES 2012-2013	ADJUSTED BUDGET 2013-2014	PROPOSED BUDGET 2014-2015	VARIANCE BETWEEN ADJUSTED BUDGET 2013-14 & PROPOSED BUDGET 2014-15
I.D.E.A. Part B (Handicapped)	4,740,873	5,086,064	3,407,160	(1,678,904)
Vocational Education	155,929	155,370	124,296	(31,074)
Other	3,050,488	7,316,288	2,804,961	(4,511,327)
Contribution To SBB - Other Federal Projects	5,517,806	8,273,785	5,893,380	(2,380,405)
Total Federal Projects	24,841,018	30,835,855	16,039,601	(14,796,254)

See Appendix "A" for breakdown of line items

OPERATING BUDGET

Continued

DESCRIPTION	ACTUAL EXPENSES 2012-2013	ADJUSTED BUDGET 2013-2014	PROPOSED BUDGET 2014-2015	Variance Between adjusted Budget 2013-14 & Proposed Budget 2014-15
Total Special Revenue Funds	54,898,746	62,513,689	51,260,859	(11,252,830)
Total Expenditures/Appropriations	353,004,355	393,908,995	360,441,228	(33,467,667)
Deduct Transfer-Local Contrib. - Trans To Special Rev- Regular	967,884	0	0	0
Deduct Transfer-Local Contrib. - Trans To Special Rev- Inclusion	0	1,303,553	1,310,956	7,403
Total Expenditures Net of Transfers	352,036,471	392,605,442	360,441,228	(33,475,070)

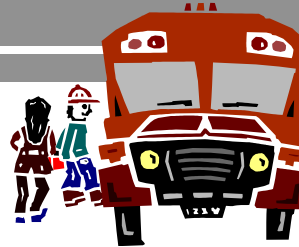
See Appendix "A" for breakdown of line items

Special Education Out-of-District Placement

2014-2015 APPROPRIATIONS

Other LEA's within the State	\$1,937,125
Other	900,000
Private Schools for the Disabled Outside the State	\$322,441
Private Schools for the Handicapped	\$8,588,528
Regional Day Schools	\$1,279,257
State Facilities	\$2,807,774
Vocational School	\$2,901,392
TOTAL	\$18,736,517

Student Transportation 2014-2015



Aid-in-Lieu	\$ 199,000
Contracted Services	\$ 10,419,204
Other Purchased and Technical Services	2,100
Salaries (Pupil Transportation)	\$ 43,902
Supplies/Misc. Expense	\$ 8,000
GRAND TOTAL TRANSPORTATION	\$10,672.206

Total Capital Outlay



1.	VOIP Hardware/Software Upgrades	\$200,000
2.	Met-East Roof Replacement	\$600,000
3.	Asphalt and Concrete Site-Work District Wide	\$373,962
4.	Camden Vocation Building Roof	\$1,651,416
5.	Medical Arts Building Roof	\$850,000
6.	Sumner School Trailer Removal	\$79,500
7.	WAN and Security Updates	\$589,165
8.	Replacement of Intercom and Clocks Districtwide	920,000

\$ 5,264,043.00

(Amount Reflects Non School Development Authority Projects)

FUNDING – State Aid

● Adjustment Aid	\$ 46,068,696.00
● Equalization Aid	\$ 214,776,464.00
● Security Aid	\$ 5,949,022.00
● Special Education Aid	\$ 8,244,198.00
● Transportation Aid	\$ 4,511,837.00
TOTAL	\$279,550,217.00

FUNDING – Federal Grants

● I.D.E.A.-Part B (Handicapped)	\$ 3,407,160
● School Base Youth Services	\$ 2,247,722
● Title I	\$ 7,519,666
● Title II-Part A	\$ 1,949,152
● Title III	\$ 234,366
● Title III-Imigrant	\$ 58,973
● Vocational	\$ 124,296
● Other	\$ 498,266
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TOTAL	\$ 16,039,601

FUNDING – State Grants

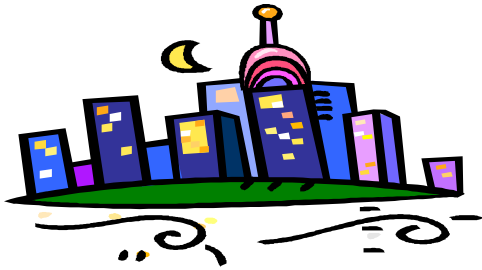
● 192/193- Nonpublic Aid	\$ 1,814,887
● Adult Education Aid	\$ 55,405
● Preschool Aid	\$ 32,040,090
TOTAL	\$ 33,910,382

FUNDING – OTHER SOURCES

- **Tuition From Other LEAs Within State** \$ 700,000
 - **Total Tuition** \$ 700,000
 - **Rentals –District Buildings Renters** \$ 25,000
 - **Unrestricted Miscellaneous Revenues** \$ 2,122,188
-

TOTAL \$ 3,547,188

Impact On Local Taxes



FISCAL YEAR 2013-2014

FISCAL YEAR 2014-2015

TAX LEVY 7,449,009

7,449,009

Local Taxes used to Balance School Budget

PROPOSED BUDGET 2014-2015

TOTAL APPROPRIATIONS = TOTAL REVENUE

=

\$360,441,328.00