



ATLANTA
PUBLIC
SCHOOLS

FY2021 BUDGET PLANNING

FY2021 BUDGET PARAMETERS

Budget parameters are guidelines for budget development, including revenue assumptions, fund balance targets, and expenditure goals. They identify process and presentation recommendations to provide transparency in linking goals, outcomes and district spending plans. The budget parameters also develop monitoring procedures that hold the District accountable for executing the budget plan.

GUIDING PRINCIPLES FOR RESOURCE PARAMETERS

Guiding Principles under which the Board will consider using a millage rate increase in order to advance the organization's mission and vision:

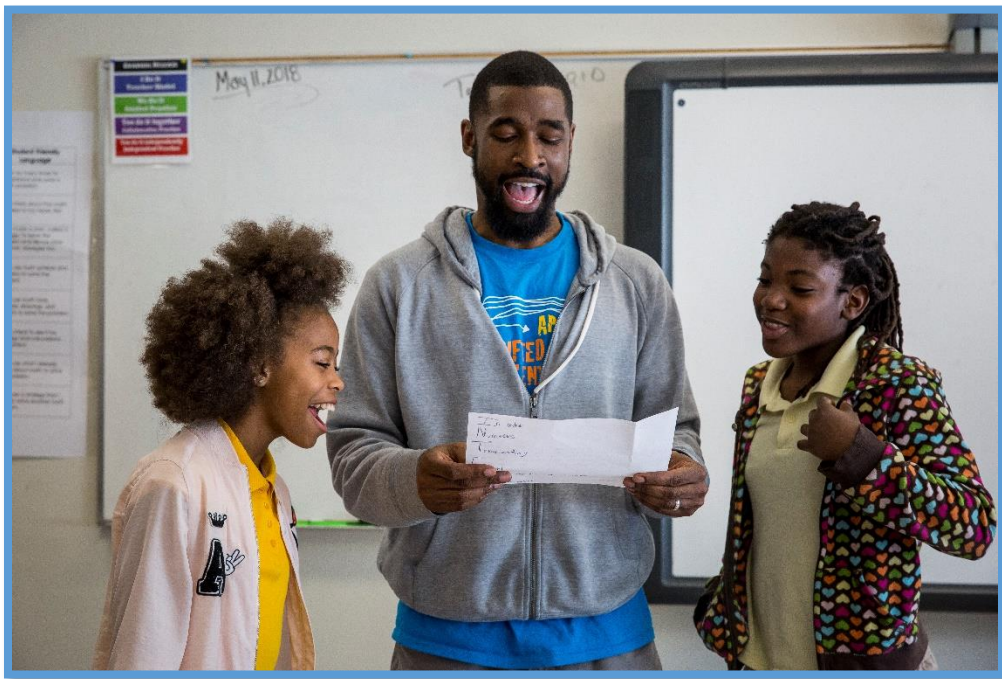
1. If the budget contemplates significant investments in strategic priorities above current operational costs.
2. If the Board can identify that the District is making continuous improvement toward using all available resources (including special revenue, partnerships, SPLOST, and general funds) in a more efficient and effective manner.
3. If the budget proposals support the District's transformational strategy.
4. If mandatory expenses (pension, MOE, healthcare, etc.) increased to a point where they were significantly impeding on the ability to accomplish the District's mission and vision.
5. If the Board believed that not raising the millage rate would impede the District's ability to deliver on promises to stakeholders (signature programs, Turnaround, whole-child development, to address equity).
6. If unfunded mandates emerge from the General Assembly.
7. If there is significant loss of long-standing revenue streams.
8. If the increase will not inhibit the economic stability of local neighborhoods.

The Board will consider utilizing the amount of fund balance above 7.5% of prior years' budgeted expenditures under the following conditions:

- To fund one-time expenditures that are nonrecurring in nature and which will not require additional future expense outlays for maintenance, additional staffing or other recurring expenditures
- To pilot new programs or to fund other short-term priorities of the Board
- To meet emergencies and unexpected expenses throughout the year

RESOURCE PARAMETERS

1. The District will alleviate pressure from the general fund and tax payers while supporting the ongoing transformation of APS by:
 - Maximizing all available funding streams included federal grants and other special revenue
 - Continuing to identify grant-generating opportunities
 - Protecting the tax base through maximized benefit to the District of all current TADs, continuing the scrutiny of tax abatements, and supporting the coterminous boundaries of the District with the city of Atlanta
 - Seeking additional business, philanthropic and community partnerships
 - And assessing the required millage rate
2. The District will maintain or grow the fund balance, preferably through the already negotiated Tax Allocation Districts Intergovernmental Agreement, to better prepare the district for a potential economic downturn.
3. The District will leverage the Facilities Master Planning process to identify potential revenue streams or one-time resources to restore fund balance

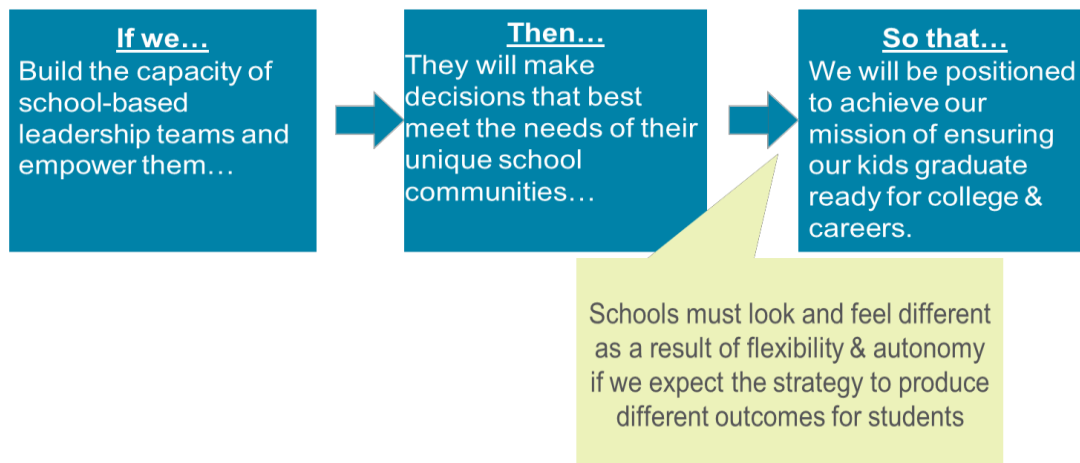


GUIDING PRINCIPLES FOR EXPENDITURE PARAMETERS

- Depth vs. Breadth: with unfavorable revenue projections and increasing mandatory costs, a focus should be on making deeper investments in specific parameters instead of distributing funds over too many disparate priorities
- Budget parameters should be in alignment with the District mission, vision, strategic plan, and with the charter system operating model

Our Theory of Change

Flexibility & autonomy are means to an end, not ends themselves...



EXPENDITURE PARAMETERS

1. The District will continue investing in previous initiatives to include:
 - the Turnaround strategy,
 - the charter system operating model and core components of signature programming, cluster and flexibility funds (through SSF) ,
 - The Atlanta College and Career Academy,
 - Continue and increase investment in early learning (including PAACT)
 - the talent strategy to include recruiting, developing, retaining, and promoting high-quality staff through pipeline development work, professional development, and coaching and career pathways including leadership development,
 - a multi-year compensation strategy that positions APS competitively in the market and supports the retention of high quality employees,
 - The General Employee pension

2. The District will allocate resources pursuant to the District's definition of equity and in support of the charter system model through the Student Success Formula (SSF) to increase transparency, and to drive innovation and autonomy with accountability so that Principals and local Go Teams can make decisions aligned with their specific needs
3. The District will develop a multi-year resource plan to accompany the five year strategic plan to ensure overall sustainability of the initiatives
4. The District will establish an evaluation strategy including the structures and mechanisms by which programs or processes will be measured for effectiveness to inform resource investment decisions
5. The District will evaluate and address inefficiencies within central office through an ongoing process improvement initiative (will be shown as a reduction of expenditures)
6. The District will develop a detailed line item budget for the central office departments to support the long-term goal of creating a more effective and efficient central office and in alignment with the Government Finance Officers Association best practices in school-based budgeting
7. The District will work through the budget development process to identify, where possible, current spend tied to those priorities that surface through the strategic planning processes to establish a base-line so that informed decisions can be made in the multi-year resource plan and adjust funding as appropriate
8. The District will invest in the first year initiatives as identified in the 2020-2025 Strategic Plan
9. In support of the Facilities Master Planning process, the District will realize the impact of facility upgrades, expansions, and improvements on the General Fund and will support the necessary allocation of funds that adequately maintain the ongoing operational costs (i.e. custodial services and preventative maintenance

BOARD MULTI-YEAR STRATEGIC PRIORITIES

During the September strategic planning retreat, the Board identified areas to consider multiyear investments.

September Strategic Planning Retreat	October Budget Commission Meeting*
1. The District will make investments to close the Achievement Gap and address Equity	1. The District will make investments to eliminate the racial achievement gap.
2. The District will make investments to focus on Early Childhood and Literacy	3. The District will make investments in alignment with the overall district strategic plan to support Reading / Literacy initiatives
3. The District will make investments to empower effective school leaders and staff	
4. The District will make investments to identify, prioritize, and meet the needs of students and schools	
5. The District will make investments to continue to strengthen the District and school culture	2. The District will make investments in teacher/staff well-being initiatives to support staff recruitment and retention*
	4. The District will make investments in alignment with the overall district strategic plan to support Math initiatives

*These themes surfaced as Board priorities in the parameter ranking exercise; however, specific budget commitments will be prioritized with the adoption of the strategic plan and supporting initiatives.