



FY 2018 Official Budget
Fiscal Year 2018 | School Year 2017 - 2018

Atlanta Independent School System
Atlanta, GA 30303

www.atlantapublicschools.us



Table of Contents

Introductory Section.....	8
Executive Summary Table of Contents	9
Executive Summary	11
Organizational Section.....	62
District Overview	63
2016-2017 Fast Facts.....	64
Organizational Structure	65
Level of Education	66
Organizational Chart	70
Map of the District	71
About the City of Atlanta.....	72
Quick Facts about Georgia Public Education	73
City of Atlanta Population General Information	75
Student Performance Results.....	77
District Vision, Mission, and Goals	79
Mission Statement	80
Charter System Philosophy	82
Strategic Goals.....	858
District Policies	88
Explanation of District Entity.....	89
Budget and Financial Policies and Procedures	90
Budget Development Process	131
Atlanta Public Schools Basis of Accounting	132
Regulations Which Govern the Budget Process	136
Budget Administration and Management Process	139
Atlanta Public Schools Fund Types	141
Classification of Revenues and Expenditures	142
Chart of Accounts	144
Financial Section.....	159
Budget and Financial Policies	160
Basis of Presentation FY2017 Approved Budget	162
Revenue Summary	166
Classification of Revenues	167
Overview of Approved Budget	168

Table of Contents

All Funds Resources Three Year Comparison	182
Expenditure Summary	171
Classification of Expenditures	172
All Funds by Program	173
Fund 100 – General Fund	179
General Fund Comparison FY2016 - 2017	180
General Fund Budget by Object	183
General Fund Budget by Function.....	184
Special Revenue	189
Special Revenue Funds Overview	190
Special Revenue by Function.....	194
Special Revenue by Object	195
Capital Projects	196
Capital Projects Overview	197
SPLOST Capital Revenue Sources	198
Capital Project Expenditures by Object.....	205
School Nutrition	206
Local School Wellness Plan.....	207
Student Activity.....	208
Types of Activity Funds and Proper Classification	209
Lines of Authority	210
Informational Section.....	211
Enrollment & Staffing Summary.....	212
Enrollment and Staffing Projections Methodology	213
Five Year Enrollment summary	214
School Allotment Plan	220
Statistics & Details.....	241
Five Year Budget Forecast Objectives	242
Value of Taxable Property	245
Property Tax Levies and Collections.....	245
Millage Rate Trends.....	246
Dropout Rates	247
Graduation Rates.....	247

Table of Contents

Salary Schedules	263
Compensation Philosophy	264
State of Georgia Department of Education QBE Allotment Sheets	271
QBE Earnings Sheet	272
Weights for FTE Funding	275
Weights for Salary and Operation Details	278
Direct Instructional Operational Costs	279
Salary and Operation Details	280
Glossary	284
Appendix	294



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Atlanta Public Schools
Georgia**

For the Fiscal Year Beginning

July 1, 2016

Executive Director



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

This Meritorious Budget Award is presented to

ATLANTA PUBLIC SCHOOLS

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2016-2017.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
Acting President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

Message from **Superintendent Dr. Meria J. Carstarphen**:

The FY2018 Budget for Atlanta Public Schools (APS) depicts our revenue and expenditure plan for the school year 2017-2018. As approved by the Atlanta Board of Education, this budget continues to position the District on a path that seeks to increase instructional quality, improve operational efficiency, and direct flexible spending closer to the classroom to ensure responsible and effective use of taxpayer dollars. In developing and approving this budget, the Board adhered to a consistent, transparent communications process that brought significant stakeholder input through public hearings and budget commission sessions.

This book also tells the story of how we have continued to align our operations, resources, time, people, and money with these goals in mind. It illustrates to our stakeholders how we generate revenue and spend funds for our schools, departments, and services to improve student outcomes.

Atlanta Public Schools moves into FY2018 with a balanced budget and strategic budget. This \$777 million general fund budget moves the District toward higher student outcomes by making a real commitment to aligning teachers and other instructional resources with the District's priorities. Additionally, the proposed budget provides more spending flexibility for school leaders, which is in alignment with our charter system status and allows more cluster-based planning to better meet the specific needs of our district's diverse school communities.

Throughout the budgeting process, APS worked with the goal of improving quality, while increasing efficiency and addressing equity. APS is one of a number of Georgia districts participating in the consolidation of funds. This allows additional flexibility and autonomy with federal title grants by merging these dollars with general funds in what is called Fund 150. Because of this, more than \$12.3 million is being transferred to a merged general fund. These funds are included in the \$15 million increase from FY2017 to FY2018. We are also continuing our efforts towards a more lean and efficient central office, and as such this budget includes real cuts to the central office budgets by more than \$8 million from FY2017 to FY2018. This is part of the districts on-going commitment to streamline services at the central office and redirect those dollars to schools.

This budget continues to invest in our long-term overarching strategy "to improve our lowest performing schools by providing supplemental and critical support" and by working with partners to help turnaround schemes totaling \$35.8 million. This budget targets \$21.8 million in Signature, and flexible funds for schools to invest in strategies that meet the unique needs of the students in their buildings. We also commit to increasing investment in our staff with a 1.5% cost of living adjustment totaling \$6 million. Plus, we continue to meet all of our increasing mandatory expenses including unfunded pension (\$1.4 million), TRS (\$8 million), health costs (\$1.5 million), all without a millage rate increase.

This success has enabled us to provide more educational opportunities for our students to give them the necessary tools to help them become successful contributors in the 21st Century.

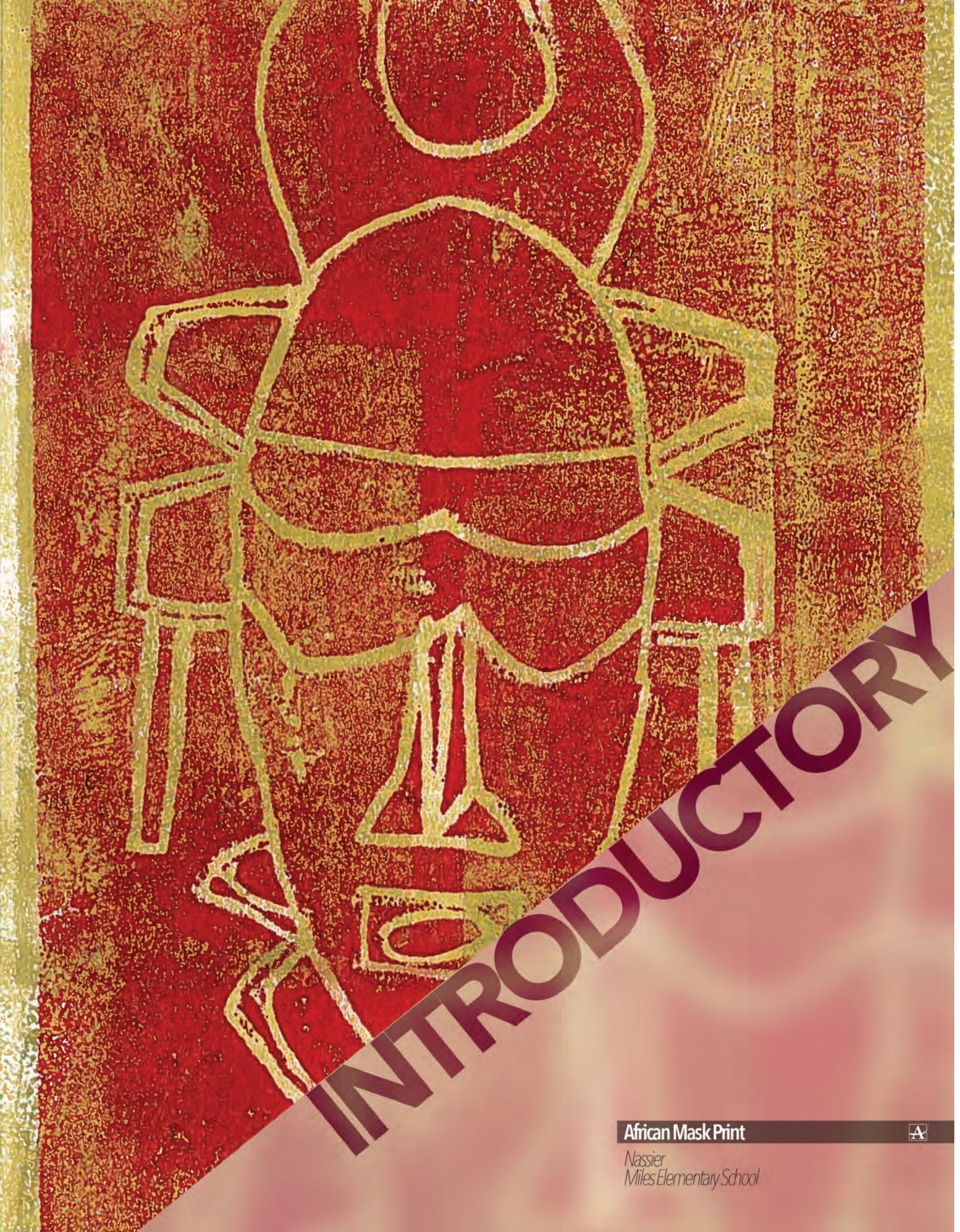
In the end, this is a budget that balances the needs of our students and provides them with a progressive educational program within a fiscally responsible budget. We will continue to work hard to ensure that all resources – private, local, state and federal dollars – are used to their fullest potential. As the superintendent of Atlanta Public Schools, I submit this budget with the confidence that it will continue to propel the district in further implementation of the new operating model with quality and fidelity.

I pledge to continue this strong, strategic direction focused on delivering a high quality education to the children of Atlanta that are supported by a responsible, transparent and efficient budget process.

Sincerely,



Meria Carstarphen



INTRODUCTORY

African Mask Print



*Nassier
Miles Elementary School*

Executive Summary Table of Contents

ABOUT ATLANTA PUBLIC SCHOOLS	11
INTRODUCTION TO THE BUDGET PROCESS	13
STRATEGIC PLAN	25
Strategic Planning	25
Cluster Planning	25
Operating Model.....	25
Next Steps	25
STRATEGIC PRIORITIES	28
Turnaround Strategy	28
Signature Programs.....	28
BUDGET PROCESS	29
FY2018 Budget Parameters.....	30
BFAC & BUDGET COMMISSION.....	32
FY2018 General Fund Budget Development Calendar	33
Mandatory Expenses.....	36
Charter School Scaling	36
Increased Healthcare Cost	36
Unfunded Pension.....	37
CHALLENGES	39
Austerity Strategy	41
Governor’s Proposed Fiscal Year 2018 Budget	42
State’s Projected Revenue without Enrollment Growth	42
ECONOMIC CONTEXT.....	44
National.....	44
State	44
Local	45
MAJOR FUND GROUPS.....	46
GENERAL FUNDS	47
FY2018 General Fund Revenues	48
FY2018 General Fund by Major Function	49
FY2018 General Fund by Object Group	50
FY2018 General Fund Balance	51

Position by Type.....	52
FY2018 Atlanta Public Schools Programs.....	53
CAPITAL/SPLOST FUNDS	54
Revenue	54
FEDERAL CATEGORICAL RESTRICTED USE FUNDS	55
Federal Title Programs.....	55
Direct Federal and State	55
Nutrition.....	56

ABOUT ATLANTA PUBLIC SCHOOLS

APS is transforming

Established in 1872, Atlanta Public Schools (APS) is one of the oldest and largest school districts in the state of Georgia. APS is home to

countless notable alumni, including civil-rights activists, entertainers, national elected officials, professional athletes, renowned scientists and engineers. The District is also home to Booker T. Washington High School, the oldest high school in Atlanta built to educate African-American students.

Established by ordinance of the Atlanta City Council, the Atlanta Public Schools (APS) opened three grammar schools and two high schools in 1872 to educate the youth of the city. These openings brought the total number of schools offering free education to the city's children to seven, as the Freedman's Bureau had established two schools for "Negro" children in 1866.

APS is one of the largest school districts in the state of Georgia, serving approximately 52,000. The district is organized into nine K-12 clusters with 68 schools, 16 charter schools and two citywide single-gender academies and two alternative programs, where students are offered rigorous instructional programs that foster success in school and life. There are 88 learning sites & programs.



MEASUREABLE OUTCOMES

- Graduation rates—the number of students in a 9th grade cohort who graduate within four years of their enrollment in 9th grade.
- College readiness—the number of graduates who meet or exceed a combination of exit level exams, SAT, and ACT criteria.
- Postsecondary enrollment—the number of seniors who enrolled in a four-year or two-year college or university or in a technical school within the first year after graduating.
- Enrollment in Advanced Placement (AP) courses—the number of students enrolled in AP courses and completing dual enrollment courses.
- Performance in AP courses—the number of students with AP test scores of 3, 4, or 5.
- District and campus accountability ratings—based on the district rating (i.e., Acceptable), the number of schools achieving Adequate Yearly Progress (AYP), and the number of Acceptable, Recognized, and Exemplary schools.

Mission

With a caring culture of trust and collaboration, every student will graduate ready for college and career.

Vision

A high-performing school district where students love to learn, educators inspire, families engage and the community trusts the system.



Guiding Principles

Excellence ...

IN EVERYTHING WE DO

By changing the focus from what's wrong to what's strong, APS will use a strengths-based staff development model and employee performance management to strive for excellence from every staff member for all of our students.

Equity ...

IN OUR APPROACH TO DECISION-MAKING

Equity is strategic decision-making with the goal of remedying opportunity and learning gaps and creating a barrier-free environment which enables all students to graduate ready for college and career.

Ethics ...

TO REBUILD OUR INTEGRITY

APS will build on previously implemented testing security and ethics training and establish new supports to rebuild our organization's integrity by ensuring all staff apply ethical practices across the organization and live up to our core beliefs and norms.

Engagement ...

WITH OUR SCHOOL COMMUNITY

APS is redefining communications and engagement efforts to build trust, strengthen relationships and reshape the opinions of its stakeholders and overall public perception.

INTRODUCTION

Resource stewardship is a key component of Atlanta Public Schools. The budget cannot be measured solely in terms of dollars and cents. It must also be evaluated based on how well budget driven resource allocation enables students, teachers and administrators to meet strategic goals and objectives. By this standard, the budget is not a separate process weighed in fiscal and operational terms. Instead, it is a part of the larger process to provide a world-class education to all students.

The FY2018 General Fund Budget will not only outline the APS revenue and expenditure plan for school year 2017-2018, but also, continues to position the District for a new direction. This new direction seeks to increase instructional quality and efficiency to assure successful achievement of the District's vision and mission statements.

As the District implements a charter system operating model, we have adopted a multi-year budget strategy that features the following:

- Evaluating all funding requests for alignment to the District's mission and vision
- Identifying the resources required to support enrollment trends and to implement strategic priorities, initiatives and budget parameters
- Reducing general administration and central administration costs to redirect resources to schools and to support strategic priorities.
- Leveraging all new revenue options
- Providing flexibility and autonomy at the school level for principals to develop staffing plans and invest resources in alignment with the

District's academic standards of service

Due to numerous budget parameters and an increase in mandatory costs, we anticipate the budget to continue to grow. We will continue to resource our strategic priorities, including the Turnaround Strategy, Signature Programs and School Flexibility while and a focusing on operational efficiency to assure successful achievement of the District's vision and mission.

With this budget, we continue to focus additional funds to our schools. We have identified methods to cut our costs, including about \$8 million in reductions from our Central Office budgets. Because of these cuts we are able to realize even more investments in our district strategic priorities and mission. This includes:

- \$35.8 million in our long-term, overarching Turnaround Strategy to improve our lowest-performing schools. This includes supplemental and critical support and partnerships with educational organizations with expertise in turnaround strategies.
- Approximately \$11.3 million in flex, base flex, and Cluster for school-based flexible spending dollars that allows our principals to address the unique needs of their specific population and strategy. Principals will have even more flexibility and autonomy as APS participates in a pilot program called Fund 150 that allows the combination of federal Title I dollars with their general fund school allotments.
- \$10.5 million (a \$3.5 million increase over this year's budget) for signature programming such as STEM,

International Baccalaureate, and College and Career Prep.

- \$6.2 million district funding for whole-child development programs and initiatives like athletics, arts and social emotional learning and school based investments.
- \$580,000 for our new Family Engagement Strategy

After this rigorous budget development process, we are also prepared to allocate \$6 million for a salary increase of 1.5% for nearly all employees in FY2018.

Specifically for teachers, it should be noted that the state has funded a 2% increase to the state teacher salary schedule effective for the 2017-2018 school year. The increased dollars on the state teacher salary schedule have been added to increase the APS teacher salary schedule for 2017-2018. Because the APS teacher salary schedule is significantly higher than the state salary schedule, the dollars generated from the state's 2% contribution – coupled with a local investment – will result in a minimum increase of 1.5% for APS teachers.

In the meantime, the district continues to face budget constraints that challenges the administration to balance several competing priorities. These constraints include mandatory costs related to unfunded pension, the employer share to the teacher retirement system (TRS), and healthcare, the continued investment in our charter schools that have been approved to add grades, an aggressive turnaround strategy, funding a new operating model with fidelity, and right sizing the central office for increased savings, efficiency, and redirection to programs and schools.

Therefore, as part of the ongoing effort to right size the district with the appropriate number of schools to serve 52,000 students, the budget reflects a series of downsizing

measures that further enable APS to consolidate six schools down to three, remove more layers from the central office to allow for more school-based solutions and approaches, and transition three schools to our turnaround partners.

Downsizing of Central Office

Over the past three years, the administration has been working diligently to push additional resources out to schools, which has been made possible largely through reductions to the central office budgets. The FY2018 budget calls for additional cuts to the central office budget, many of which fall within the Schools & Academics Division. These changes, however, are in alignment with the district strategy, and will ultimately position the schools for greater success.

For example, as part of the budget, we will:

- Reallocate resources from the Title I Family Academic Engagement Specialist position to push more resources out to schools to begin implementing their school-based vision for family engagement in alignment with our new Family & Alumni Engagement Strategy.
- Phase out the role of Core Content Specialists while extending support for content coordinators to ensure sufficient capacity to continue to refine the units of study and to build the capacity of the school leadership teams to own the implementation.
- More strongly align our Social Emotional Learning strategy with the rest of the teaching and learning work by phasing out the current SEL Coach position and creating three new SEL coordinator positions within teaching and learning.

- Push more responsibilities to the Title I office, including Title II, to ensure that we maximize these shrinking federal dollars and minimize the central office costs associated with administering federal programs.

These actions are intended to remove layers at the Central Office to allow for more school-based solutions and approaches, the goal being to further empower schools to make more decisions to meet the unique needs of their teachers and students.

Right Sizing Infrastructure and School-Based Staffing Allocations

Atlanta Public Schools was built for close to 100,000 students – an enrollment we have not seen since the 1970s. With about 52,000 students now, we cannot sustain such an infrastructure, which is why we have been forced to right size the school infrastructure and school-based allocations in order to become a more efficient, and therefore more effective, school system for our students.

the Board, approved school changes in alignment with the district’s Transformation Strategy that take continued strong steps toward improved quality and efficiency. The Board approved the following closures, consolidations and program changes:

- Jackson Cluster: At the start of the 2017-2018 school year, close Whitefoord Elementary School, redistricting students to Toomer Elementary and Burgess-Peterson Academy.
- Mays Cluster: At the start of the 2017-2018 school year, close Adamsville Primary, restructuring Miles Intermediate as a PreK-5 school and redistricting some Adamsville and

Miles students to West Manor Elementary.

- Douglass Cluster: At the start of the 2017-2018 school year, relocate the Business, Engineering, Science and Technology Academy at the Benjamin S. Carson Educational Complex (BEST) to the Coretta Scott King Young Women’s Leadership Academy (CSK) with two 6-12 single gender academies on the CSK campus. Phase out the closure of Harper-Archer Middle School by serving only 7th and 8th grade at Harper-Archer next school year. Phase in and create a new middle school at the BEST facility, serving 6th grade only in 2017-2018. At the start of the 2019-2020 school year, close Fain Elementary School and Towns Elementary School and open a new elementary school at the renovated Harper-Archer campus. For the 2019-2020 school year, launch a new PreK-8 neighborhood partnership school with KIPP Metro Atlanta Schools to serve all students at Woodson Park Academy. (This will not be a start-up charter school.) For the 2020-2021 school year, we would close the current Woodson Park building and open a new campus at the former Woodson Primary site to include a new school building, a YMCA, an early childhood center and a health clinic.
- Citywide: Relocate West End Academy to Crim Open Campus High School starting in the 2017-2018 school year.

Turnaround Partner Schools

The phase-in of our district turnaround strategy also impacted APS employees. Just as Thomasville Heights Elementary transitioned to Purpose Built Schools this school year, Slater Elementary and Price Middle will transition to Purpose Built and Gideons Elementary to Kindezi next school year. While many district employees will remain in their schools, they will do so as employees of the partner organization. Others, have chosen to transition to other schools within the district.

As a result of this strategic and balanced FY2018 budget, Atlanta Public Schools moves even closer to a more efficient, quality-driven school district.

As the district prepares for FY2018 and looks to FY2019 and beyond, we are positioning to take on obstacles we are likely to encounter—while fulfilling our mission—to prepare every student for college and career success. Student success is our top priority, and our students and programs are seeing initial movement and are making headlines for improvements:

- The Office of Prevention and Family Support, within the Georgia Division of Family and Children Services (DFCS) has awarded over \$345,000 in grant funds to support Atlanta Public Schools' Social Emotional Learning (SEL) initiatives that include the implementation of the Second Step and the Child Protection Unit (CPU) curriculums. APS received the largest award amount and has the most schools implementing Second Step curriculum in Georgia.
- Peach Bowl, Inc. – through the Chick-fil-A Peach Bowl's relationship with the College

Football Playoff – and the College Football Playoff (CFP) Foundation jointly announced a partnership with Atlanta Public Schools (APS). The partnership will result in the funding of a \$1 million initiative to improve early childhood literacy among kindergarten through fifth grade students.

- Tuskegee Airmen Global Academy celebrated the announcement of the school's new partnership with Morehouse School of Medicine. Thanks to the partnership and a \$150,000 grant from the Robert Wood Johnson Foundation, TAG Academy will now receive technology equipment to support its STEM-focused curriculum, as well as parenting resources, and mentoring support for students.
- Former U.S. Secretary of Education, John B. King, Jr., announced that Atlanta Public Schools' Morningside Elementary School has been named a 2016 National Blue Ribbon School. Morningside Elementary is among 279 public and 50 private schools receiving this honor.
- According to the recent Single Statewide Accountability System Award (SSAS) Schools recognition by the Governor's Office of Student Achievement (GOSA), Sarah Smith and five other elementary schools – Mary Lin, Morningside, Morris Brandon, Springdale Park, and Warren T. Jackson – are among the highest performing elementary schools in Georgia. GOSA used College and Career Ready Performance Index (CCRPI) data from the 2012-2013, 2013-2014, and 2014-2015 school years to determine Greatest Gains and Highest Performing SSAS awards
- The Walton Family Foundation announced it will invest \$2.1 million to support and evaluate the success of Atlanta Public Schools' Turnaround Strategy. The grants

will also help the district launch APS Insights, a first-of-its-kind data dashboard available this summer to share information about school options and quality with Atlanta parents.

- Additionally, five APS schools posted graduation rates above the state rate of 79.2 percentage. These include Carver Early College, 98.7 percent, KIPP Atlanta Collegiate, 92.9 percent, Coretta Scott King Young Women’s Leadership Academy, 89.7 percent, North Atlanta High, 88.3 percent, and Grady High, 86.4 percent. We are especially pleased that four schools achieved significant increases in their graduation rates: B.E.S.T. Academy showed a 12.2 percentage point gain to reach a 78.8 percent graduation rate; followed by Douglass with a 10.1 percentage point gain and a 68.8 percent graduation rate; North Atlanta, with a 6.8 percentage point gain

and an 88.3 percent rate; and Maynard H. Jackson with a 5.9 percentage point gain and a 76.9 percent rate.

The District continues to be committed to student performance. Operations has set critical goals to “Reinvest in APS Kids”. APS has activated 130+ investments that have made a real difference for students:

- 82 newly renovated and or expanded buildings
- 23 newly constructed buildings/stadiums
- 17 critical building HVAC Projects
- 10 newly constructed playgrounds to address district-wide equity:
 - Adamsville ES
 - Beecher Hills ES
 - Benteen ES
 - Cascade ES
 - Connally ES
 - Continental Colony ES
 - Finch ES
 - Gideons ES
 - Heritage Academy ES
 - Humphries ES



Snapshot of Atlanta Public Schools

After identifying and addressing numerous and considerable deficiencies, Atlanta Public Schools (APS) underwent a major overhaul from 2011-2014, which has resulted in a much more stable school district and continuous improvements on many fronts. The District continues to renew its commitment to APS stakeholders through academic excellence, educational equity, ethics and engagement. The District remains focused on becoming a high-performing school district where students love to learn, educators work to inspire, parents are engaged and the community has trust in the District.

APS is organized into nine high school clusters with distinct feeder patterns. The cluster model has allowed us to fully staff and provide more support, opportunity and equity to all schools in the District. All students have access to music, arts, foreign language and core academic programs from kindergarten through grade 12. The cluster model enables elementary, middle and high school teachers and administrators within a cluster to collaborate more when creating strategies that increase student performance.

APS began implementing the Common Core Georgia Performance Standards (CCGPS) at the start of 2013 school year and moved to full implementation of the Standards at the start of the 2014 school year. The CCGPS are more rigorous than Georgia's previous standards and are designed to ensure that students obtain the knowledge and skills required to meet 21st century challenges, such as strong verbal and written communications, perseverance in problem solving, technical reading and writing,

literacy across disciplines, and mathematical proficiency.

Students



In the 2016-17 school year, student enrollment stood at about 52,000 students and the District expects to serve a similar number of students at 88 learning sites throughout Atlanta in FY2018. In FY2017 APS hosted 14 graduation ceremonies for over 2,400 seniors. Ten seniors from APS have been awarded four-year, full-tuition leadership and merit scholarships worth approximately \$210,000 each from four of the foundation's partner colleges and universities, including Bard College, Brandeis University, The George Washington University and Texas A&M University. The Posse Foundation, Inc. is a college access and youth leadership development program that identifies, recruits and selects leaders from public high schools. These student leaders are placed in supportive multicultural teams called "Posses" to attend partnering colleges and universities. Since 2007, 144 APS students have been selected by Posse Atlanta and have earned more than \$23.4 million in full-tuition, leadership and merit scholarships provided by the foundation's partner colleges and universities. APS students go through a multi-step Posse Scholars nomination process, and they receive

coaching on meeting scholarship requirements that include maintaining a certain GPA, completing a rigorous application process and excelling in scholarship interviews.

Employees

Of the nearly 6,000 full time APS employees, more than 4,000 are teachers, bus drivers, paraprofessionals, school secretaries and school administrators who are on the frontlines every school day to ensure every student receives a quality education. More than 80% of the APS workforce are employees who see our children daily. The following are the top nine positions that directly support our students and schools:

- Teacher – 52%
- Paraprofessional – 9%
- School Bus Driver – 6%
- Custodian – 3%
- Assistant Principal – 3%
- School Secretary and Clerk – 4%
- School Administration – 3%

Research has consistently shown that teachers have more influence on student achievement than any other school-related factor, including school services, facilities and leadership. With this in mind, the District increased teacher professional development offerings during the school year – providing teachers with an unprecedented number of professional learning opportunities.

In FY2016, APS also made Social and Emotional Learning – SEL – a District priority.

During FY2016, the schools in the Carver Cluster, the South Atlanta Cluster and all middle schools in these clusters implemented the Second Step curriculum in all homerooms. During FY2017, SEL expanded to more schools to include the Douglass Cluster, The Grady Cluster, the Jackson Cluster, the Mays Cluster, the Therrell Cluster, The Washington Cluster, Crim, West End, Forrest Hills, North Atlanta High School and Jackson Elementary. The Second Step curriculum continues to be implemented in all SEL elementary and middle schools. All high Schools implemented School Connect, a SEL explicit curriculum, during advisory.



Consolidation of Funds

As a charter district Atlanta Public Schools has opted to participate in the GaDOE Consolidation of Funds Pilot. The purpose of consolidating funds is to help a Schoolwide program school effectively design and implement a comprehensive plan to upgrade the entire educational program in the school based on the school's needs identified through its comprehensive needs assessment. Consolidation of funds means that Title I, Title II, and general fund dollars are consolidated as a single "pool" and funds from the contributing programs lose their identity. The school uses funds from this consolidated schoolwide (SW) pool to support any activity of the SW Plan.

Federal, state, and local funds in specific Title I schools that operate school wide programs are fully consolidated. It is required that two or more federal funds must be combined to participate in the consolidation of funds.

Benefits of Consolidation

Flexibility

Once funds are consolidated, the federal funds lose their identity as federal funds, and expenditures of those funds are no longer limited to the federal requirements for the individual programs.

Allowability

A schoolwide program that consolidates federal program funds is not required to meet most statutory or regulatory requirements of the program applicable at the school level, but must meet the intent and purposes of that program to ensure that the needs of the intended beneficiaries are met.

Time and Effort

A schoolwide school that consolidates federal, state, and local funds is not required to keep any time and effort documentation on employees paid out of the consolidated pool of funds, unless otherwise required by the state and local district.





We can
CHANGE *the* **WORLD**
and make it a
BETTER PLACE.
It is in our **HANDS**
to make a
DIFFERENCE.

NELSON MANDELA

The Board of Education
Atlanta Public Schools



2014-2018

BOARD MEMBERS

Mr. Courtney D. English, Chair

At-Large, Seat 7

Districts 1 & 2

Ms. Nancy M. Meister, Vice Chair

District 4

Ms. Leslie Grant, District 1

Mr. Byron D. Amos, District 2

Mr. Matt Westmoreland, District 3

Mr. Byron D. Amos, District 2

Ms. Eshe' P. Collins, District 6

Ms. Cynthia Briscoe Brown At-Large, Seat 8, Districts 3 & 4

Mr. Jason Esteves, At-Large, Seat 9, Districts 5 & 6

SUPERINTENDENT

Dr. Meria Joel Carstarphen

BUDGET COMMISSION

Mr. Jason Esteves, Chair

Mr. Matt Westmoreland

Mr. Byron Amos

Ms. Nancy M. Meister

MERIA JOEL CARSTARPHEN



Meria Joel Carstarphen, Ed.D, is superintendent of Atlanta Public Schools. She brings to Atlanta an impressive record in transformative educational leadership that has led to significant student performance gains. Dr. Carstarphen has nearly 20 years of education and experience in diverse, major metropolitan public school districts, including Austin, Texas; Saint Paul, Minn.; and the District of Columbia. In Atlanta, she leads the district's 50,000 students, 6,300 employees and 98 learning sites and oversees the system's \$1 billion annual budget.

In Atlanta, Dr. Carstarphen's first graduation class - the cohort of 2015 - reached a high for the district's graduation rate with 71.5 percent, more than 12 percentage points higher than the previous graduating class. That reflects similar trends in Austin, where she was superintendent of the Austin Independent School District from 2009 to 2014. With a great team, she made extraordinary achievements in academic excellence that included improved graduation rates that reached an all-time high of 84 percent and reduced dropout rates by 25 percent.

She credits the successes to a deliberate move away from over-reliance on high-stakes testing to an educational culture with great principals and teachers who emphasize the whole child, every child; social and emotional learning; arts-rich environments; alternative pathways to graduation; and alternative education disciplinary program reform.

Dr. Carstarphen began her education career as a middle school teacher in her hometown of Selma, Ala. She also has worked with elementary-level children in Seville, Spain, and Caracas, Venezuela.

As part of her community involvement, she serves on the boards of the Education Testing Service, the Woodruff Arts Center and the Atlanta Ballet and on the advisory committee for the Harvard Graduate School of Education. She is a member of both the International Women's Forum and the Rotary Club of Atlanta.

Dr. Carstarphen earned a doctorate in administration, planning and social policy, with a concentration in urban superintendency from the Harvard Graduate School of Education. She earned a bachelor of arts in political science and Spanish from Tulane University and master of education degrees from Auburn University and Harvard University. She has also studied at the University of Seville, Spain, and University of Innsbruck, Austria.

The Atlanta Board of Education voted unanimously to hire Dr. Carstarphen in April 2014. She became superintendent July 2014. Dr. Carstarphen is passionate about leading Atlanta Public Schools and living its mission every day: With a caring culture of trust and collaboration, every student will be ready for college and career.

SUPERINTENDENT'S BLOG: atlsuper.com

DISTRICT WEBSITE: atlantapublicschools.us



2014 - 2018

ATLANTA BOARD OF EDUCATION

bold leadership | student focused, community driven

District Representative Schools



Leslie Grant
District 1

Elementary Schools: *Atlanta Neighborhood Charter (K-5)*, Benteen, D. H. Stanton, Dobbs, Hope-Hill, *The Kindezi School-Old Fourth Ward (K-5)*, *KIPP Vision Primary (K-2)*, Mary Lin, Parkside, Slater, Thomasville Heights, *Wesley International Academy (K-5)*

Middle Schools: *Atlanta Neighborhood Charter (6-8)*, *KIPP Vision Academy (5-8)*, Martin Luther King, Jr., Price, *Wesley International Academy (6-8)*

High Schools: The New Schools at Carver, Henry W. Grady*, Maynard Holbrook Jackson (*Shared by District's 1 & 3)



Byron D. Amos
District 2

Elementary Schools: Bethune, *Centennial Academy (K-5)*, Dunbar, F.L. Stanton, Finch, M.A. Jones, *The Kindezi School-Westlake (K-5)*, *KIPP Strive Primary (K-3)*, *KIPP West Atlanta Young Scholars (WAYS) Primary (K-1)*

Middle Schools: Brown, *Centennial Academy (6-7)*, *KIPP Strive Charter (5-8)*, *KIPP West Atlanta Young Scholars (WAYS) Academy (5-8)*, *The Kindezi School-Westlake (6-8)*

High Schools: Booker T. Washington, Frederick Douglass, *KIPP Atlanta Collegiate (9-12)*, North Metro



Matt Westmoreland
District 3

Elementary Schools: Burgess-Peterson Academy, *Drew Charter (K-5)*, Morningside, Springdale Park, Toomer, Whitefoord

Middle Schools: *Drew Charter (6-8)*, Inman

High Schools: *Adult Literacy Program*, *Alonzo Crim Open Campus*, *Drew Charter (9-11)*, Henry W. Grady* (*Shared by District's 1 & 3)

Residential Flexible Learning Program: *Hillside Conant (Grades 2-12)*



Nancy M. Meister
Vice Chair | District 4

Elementary Schools: *Atlanta Classical Academy (K-5)*, Brandon, Brandon Primary, E. Rivers, Garden Hills, Jackson, Jackson Primary, Smith, Smith Primary

Middle Schools: *Atlanta Classical Academy (6-8)*, Sutton

High Schools: *Atlanta Classical Academy (9th)*, North Atlanta



Steven D. Lee
District 5

Elementary Schools: Adamsville Primary, Beecher Hills, Bolton Academy, Boyd, Connally, Fain, Grove Park Intermediate, Miles Intermediate, Peyton Forest, Scott, Towns, Usher-Collier Heights, *Westside Atlanta (K-4)*, West Manor, Woodson Primary

Middle Schools: Harper-Archer, Young

High Schools: Benjamin E. Mays, *The West End Academy*

Single Gender Schools: B.E.S.T. Academy (6-12), Coretta Scott King Academy (6-12)



Eshe' P. Collins
District 6

Elementary Schools: Cascade, Cleveland Avenue, Continental Colony, Deerwood Academy, Fickett, Gideons, Heritage Academy, Humphries, Hutchinson, Kimberly, Perkerson, Venetian Hills

Middle Schools: Bunche, Crawford W. Long, *Latin Academy Charter School (6-8)*, Sylvan Hills

High Schools: D.M. Therrell, *The Forrest Hills Academy*, South Atlanta

At-Large Members:



Courtney D. English, Chair
At-Large, Seat 7
Districts 1 & 2



Cynthia Briscoe Brown
At-Large, Seat 8
Districts 3 & 4



Jason F. Esteves
At-Large, Seat 9
Districts 5 & 6

Note: Italics indicate charter schools or non-traditional programs

STRATEGIC PLAN

The district planning process includes strategic planning and detailed cluster planning to drive the implementation of an operating model to support the future direction of our school system.

Strategic Planning

The strategic planning process began as a part of the transition process when Dr. Carstarphen joined the district. Throughout the transition, the superintendent, Board and administration worked to identify short-term and long-term priorities and key issues in each cluster across our system. One of the initial steps in developing the updated strategic plan was to gather feedback and input from stakeholders across the system. Channels for feedback included town halls, neighborhood meetings, parent advocacy groups, small group discussions, school site visits, survey and principal and administrative meetings.

Cluster Planning

Cluster planning is a new tool that the school system is using to build alignment and collaboration across schools that feed into a neighborhood high school. The goal of the cluster planning process was to develop a roadmap for instructional programming across schools within a cluster. Teams worked together throughout 2014-2015 to complete each of the cluster plans.

Operating Model

The district complied with State of Georgia law that requires a school system to select an operating model by June 2015. After completing vision, mission, and strategic planning while also exploring the merits of the available state operating models, the Atlanta Board of Education determined that the Charter System model was the best fit for APS. The Charter System model provides opportunities for flexibility as well as shared governance and best aligns with the needs of all students across our diverse school system. Our plans for innovation, accountability and distributed leadership are a strong match with the Charter System model. The school system will use the strategic and cluster plans along with community input to tailor our operating model design and application.

Next Steps

All of these plans will be considered in our budget process, by outlining key budget priorities and financial needs to ensure that the implementation of these plans are possible in the upcoming fiscal years. We will communicate and share the high-level plan across the organization with our stakeholders with the intent of ensuring alignment to the district's strategy.





Strategic Goals

2015-2020

The strategic goals provide guidance for APS leadership in the development of policies and regulations, objectives, strategies and initiatives to achieve the vision.

The following pages communicate APS' five year strategy and translate the strategy map into action. Each page highlights the strategic goals, objectives and initiatives we will pursue to close the gap between current and desired performance. All components work together to achieve our strategic vision.



ACADEMIC PROGRAM ...

Our students will be well-rounded individuals who possess the necessary academic skills and knowledge and are excited about learning.



TALENT MANAGEMENT ...

We will retain an energized and inspired team of employees who are capable of advancing ever-increasing levels of achievement for students of all backgrounds.



SYSTEMS AND RESOURCES ...

We will improve efficiency (productivity, cost, etc.) while also making decisions (including resource allocations) that are grounded in a strategic academic direction and data.



CULTURE ...

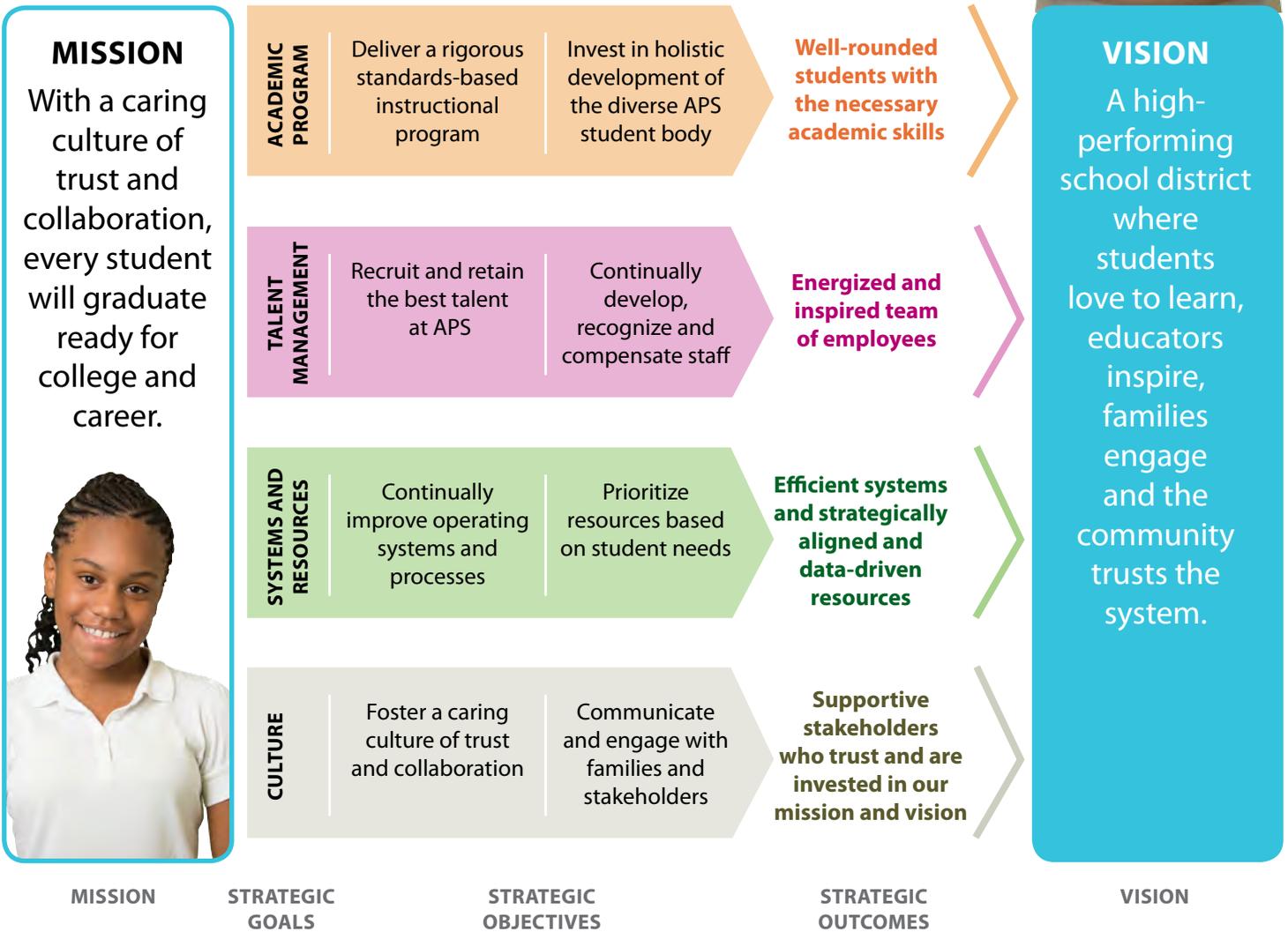
We will build trust with the community, and we will have engaged stakeholders (*employees, students, parents, community members, partners, etc.*) who are invested in the mission and vision and who support the creation of student-centered learning communities.

Strategy Map



APS uses the strategy map below to illustrate relationships between strategic goals, objectives and outcomes. The map visualizes how various components of the strategy align with the mission (what we do everyday) and our vision (what we strive to become).

Every Student: College and Career Ready



STRATEGIC PRIORITIES

Turnaround Strategy

APS must demonstrate its commitment and capability to turnaround our lowest performing schools over the next 12-18 months, not only to maintain local control of our schools but most importantly to provide the high quality education all kids in Atlanta deserve. APS, with the support of the Boston Consulting Group, used community and educator input and external research to develop an aggressive, targeted, research-based strategy for turning around APS's lowest performing schools. The Turnaround Strategy is made up of multiple initiatives targeting high-quality instruction, additional time for student learning, building teacher and leader capacity, additional wrap-around support and potential school structure and operating changes. Support will be provided in tiers (Targeted, Intervention and Foundational) with the targeted group of schools receiving the most supports. The targeted group of schools are the Carver and Douglass elementary schools and additional elementary schools as needed.

Turnaround Strategy for FY2017 was approximately \$24 million. FY2018 will decrease as we roll off one time expenditures and allow more choice between initiatives. We will also be transitioning three additional schools to partners which will be represented in the turnaround budget. APS will continue to support the turnaround and positive results in the districts lowest performing schools.

Signature Programs

Signature programming derived from a branch of Cluster planning and funds that are [Strong Students | Strong Schools | Strong Staff | Strong System](#)

allocated based on grade level and phase of implementation. Cluster planning was set in place to provide flexibility and autonomy at the cluster level for principals to invest resources in alignment with the District's academic standards of service. It specifically addresses each clusters academic programming needs and support for signature programming. There are three Signature Programs options at APS; College Readiness, STEM, and IB. College Readiness works to ensure college and workplace readiness for all students by providing professional learning and technical assistance to teachers, counselors, and administrators. STEM Education is defined as an integrated curriculum (as opposed to science, technology, engineering, and mathematics taught in isolation) that is driven by problem solving, discovery, exploratory project/problem-based learning, and student-centered development of ideas and solutions. The IB Program offers a K-12 continuum of international education that emphasizes second language learning beginning at age 7. The programs encourage both personal and academic achievement, challenging students to become critical and engaged thinkers who are well prepared for the workplaces of the 21st century global economy. IB offers four programs including the Primary Years Program (K-5), Middle Years Program (6-10), Diploma Program (11-12) and Career-Related Program (11-12). There are currently 13 authorized IB programs in APS, more than any other school district in Georgia. Signature Programs and Cluster Funds for FY2018 are anticipated to be approximately \$13.5 million.

BUDGET PROCESS

Despite several years of financial adversity as a result of the national recession, the District has been able to maintain core programs while adding new programs that focus more on the classroom and less on administrative functions. The upward trend in students' academic achievement is at the forefront of every new program we develop and every increase we make to the budget. Charter school expansion in the district has increased our budget, but it allows us to work in partnership with our charter schools, and extends our offerings for superior educational opportunities and options to the citizens of Atlanta.

The District is committed to increasing the level of transparency that surrounds a complex budget process. As discussed, the Strategic Plan, which is the product of genuine consensus-building, embodies the vision of the community and drives the annual budget process. At every step of the process the focus remains on the mission, vision and strategic plan with the goal of addressing equity and enabling all students to graduate ready for college and career.

Developing the annual budget is an iterative process. During a collaborative session, the Board and superintendent adopts the budget parameters in the fall and then approves the budget calendar. In November, the Board approves the budget assumptions and staffing formulas, which predict the school-based expenditure needs for the upcoming year. The Board also sets the District's Budget Parameters during this time. These actions take place early in the process so expenditure requirements can be included in the district's long-range financial plan. In January, the Board also takes into account the out-year financial impacts of policy decisions, long range expenditure needs and projected fund balance levels. The Board has established a practice that requires the District to maintain a minimum of 7.5% of operating expenditures in its general fund balance, (the maximum allowable fund balance is 15%) which is a driving factor in the budgeting process.



FY2018 Budget Parameters

Budget parameters guide budget development, including revenue assumptions, fund balance targets, and expenditure goals; identifies process and presentation recommendations that provide transparency in linking goals, outcomes and district spending plans; and develops monitoring procedures that hold the district accountable for executing the budget plan.

A. Resource Parameters

1. The district will implement the expenditure parameters using the current millage rate to support the mission and vision.
2. The district will continue to identify grant generating opportunities, assess the required millage rate, and/or seek additional business, philanthropic and community partnerships in an effort to support the following transformational parameters:
 - Make investments in Pre-K through 3rd grade to ensure all students are reading by the end of 3rd grade.
 - Focus on whole-child development, including positive behavior supports, arts, and athletics.
 - Create a comprehensive leadership development program.
 - Significantly expand access to quality Early Childhood Education.
3. The district will maintain a fund balance between 7.5% and the statutory limit of 15% of projected expenditures.
4. The district will increase federal and state special revenue and redirect from general fund expenditures where possible.
5. The district will conduct a review of contracts and eliminate or renegotiate where appropriate.
6. The district, with support and collaboration from other stakeholders, will continue to identify and encourage grant generating opportunities, especially through our Partnerships Office.
7. The district will identify and sunset ineffective programs to redirect human resources and funding where possible.

B. Expenditure Parameters

1. The district will allocate resources pursuant to the district's definition of equity.
2. The district will continue investing in the Turnaround Strategy, providing additional support and interventions for schools that have been chronically struggling on the state accountability metric.
3. The district will recruit, develop, retain, and promote high-quality staff by developing and implementing a multi-year compensation model.
4. The district will continue implementing its charter system operating model and core components of signature programming, cluster funds, school flexibility dollars, and community engagement strategy.
5. The district will fund pension obligations in accordance with State statute and actuarial standards.
6. Per resource parameter #2, with additional public funding and/or partnership resources, the district will make investments in Pre-K through 3rd grade to ensure all students are reading by the end of 3rd grade.
7. Per resource parameter #2, with additional public funding and/or partnership resources, the district will focus on whole-child development, including positive behavior supports, arts and athletics.
8. Per resource parameter #2, with additional public funding and/or partnership resources, the district will create a comprehensive leadership development program.
9. Per resource parameter #2, with additional public funding and/or partnership resources, the district and its partners will significantly expand access to quality Early Childhood Education.

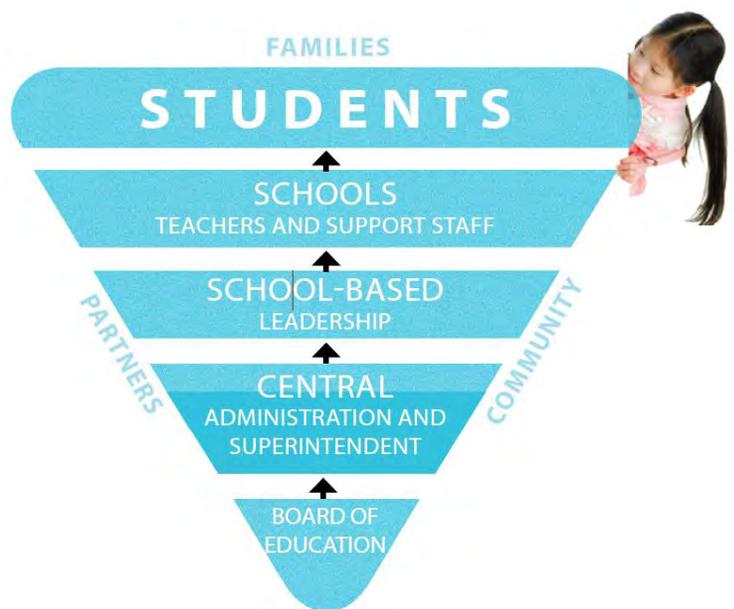
Guiding Principles for Revenue Consideration

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

- If the budget contemplates significant investments in strategic priorities above current operational costs
- 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
- If the budget proposals support the district's transformational strategy
- 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
- If the Board believed that not raising the millage rate would impede the district's ability to deliver on promises to stakeholders (signature programs, turn-around, whole-child development, to address equity)
- If unfunded mandates emerge from the General Assembly
- If there is significant loss of long-standing revenue streams
- 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



BFAC & BUDGET COMMISSION

The Superintendent established the Budget and Finance Advisory Committee (BFAC) to provide guidance and counsel on matters of budget and finance and to increase communication with the public, staff, and School Board to provide for greater citizen involvement. The BFAC meets monthly from September to April with the Chief Financial Officer, working alongside staff and others to develop tools and methodologies on how to best improve the district's budgeting process. The administration has been responsive to BFAC's recommendations for greater cohesion and clarity. The district's budget development has become an integrated process that aligns resource allocation with goals and priorities established through the development of a well-defined curriculum, and a well-conceived and executed strategic planning process.

APS also has a Budget Commission comprised of the chairperson of the Board, a member of the Board appointed by the Chairperson of the Board to serve as the Chairperson of the Commission and two other members of the Board. Each year, the Chairperson and other members of the Board are nominated by the Board Chairperson and confirmed by the members of the Board. Along with the Board, the Superintendent and the Chief Financial Officer serves as ex-officio members of the Budget Commission.

In the event the District receives more money, income or revenue from any extraordinary source, either by sale of real property, gift, grant, or otherwise, which has not been considered in the preparation of the anticipated revenues or other normal revenue in excess of appropriations, the Board may immediately allocate such increased revenue for lawful purposes.

However, during the preparation of the budget for the next year, no such extraordinary revenue shall be considered as part of the normal revenue of the Board.

Prior to the final adoption, Budget Commission meetings are held to gain consensus on revenue assumptions, budget parameters and appropriation levels.

In May, the Superintendent presents the tentative budget to the Board, the public and the media. The tentative budget provides a first glance of the investment plan for the upcoming school year. It evolves as the budget process advances and presents opportunities for input from key stakeholders including parents, students, citizens and staff. Also in May, the district holds interactive meetings with the community and staff regarding the tentative budget to receive additional input to be incorporated before the numbers are finalized. Traditionally, the Board conducts multiple public hearings on the proposed budget and millage rate and then adopts the budget and tax rate in the month of June.



FISCAL YEAR 2018 GENERAL FUND BUDGET DEVELOPMENT CALENDAR

BOARD COMMISSION	DATE	BFAC MEETING	DATE
Board/Superintendent workshop - Initial Academic and Operating Goals and Priorities for Budget Parameters	9.12.2016	Budget and Finance Advisory Committee	9.15.2016
Board Budget Commission Meeting	10.13.2016	Budget and Finance Advisory Committee, second meeting	10.20.2016
Board Budget Commission Meeting	11.17.2016	Budget and Finance Advisory Committee, third meeting	11.17.2016
Superintendent presents the Fiscal Year 2017 Budget Primer to the Board Budget Commission meeting (at call of Committee chair)	1.26.2017	Budget and Finance Advisory Committee, fourth meeting	12.15.2016
Board Budget Commission meeting (at call of Committee chair)	2.16.2017	Budget and Finance Advisory Committee, fifth meeting	1.26.2017
Board Budget Commission meeting (at call of Committee chair)	3.16.2017	Budget and Finance Advisory Committee, sixth meeting	2.16.2017
Board Budget Commission meeting (at call of Committee chair)	4.20.2017	Budget and Finance Advisory Committee, seventh meeting	3.16.2017
Board Budget Commission meeting (at call of Committee chair)	5.22.2017	Budget and Finance Advisory Committee, eighth meeting	4.20.2017
Board Budget Commission meeting (at call of Committee chair) confirmed	6.8.2017		



ATLANTA PUBLIC SCHOOLS

FISCAL YEAR 2018 GENERAL FUND BUDGET DEVELOPMENT CALENDAR

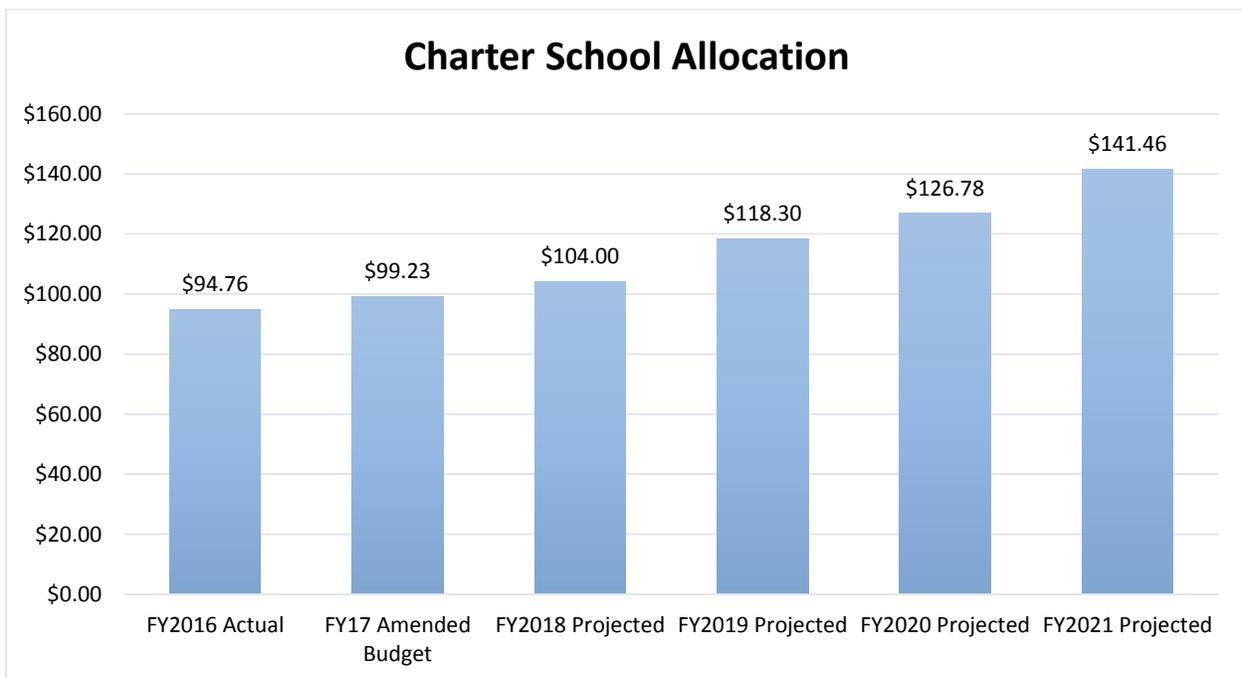
Item #	Item Description	Dates
1	Board Retreat / Budget Commission Meeting - Initial Academic and Operating goals and priorities for Budget Parameters	September 12, 2016
2	Expanded Cabinet discusses budget framework, parameters and timeline	September 15, 2016
3	Budget and Finance Advisory Committee (BFAC)	September 15, 2016
4	Draft Fiscal Year 2018 Budget Parameters and Timeline presented in Finance update at work session	October 10, 2016
5	Board Budget Commission Meeting	October 13, 2016
6	Budget and Finance Advisory Committee (BFAC)	October 20, 2016
7	Board approves Budget Timeline	November 7, 2016
8	Board Budget Retreat	November 8, 2016
9	Board Budget Commission Meeting	November 17, 2016
10	Budget and Finance Advisory Committee (BFAC)	November 17, 2016
11	Expanded Cabinet discusses budget approach, options and provides feedback	November 17, 2016
12	Board approves parameters and reviews/discusses Fiscal Year 2018 budget assumptions, staffing formulas and strategic priorities	December 5, 2016
13	Budget and Finance Advisory Committee (BFAC)	December 15, 2016
14	Board approves Fiscal Year 2018 budget assumptions, staffing formulas and strategic priorities	January 9, 2016
15	Governor's State of the State Address and Education Budget (OMB)	January 11, 2017
16	Board Budget Commission Meeting	January 26, 2017
17	Budget and Finance Advisory Committee (BFAC)	January 26, 2017
18	Fiscal Year 2017 Mid-Year adjustment	February 6, 2017
19	Budget and Finance Advisory Committee (BFAC)	February 16, 2017
20	Superintendent presents the Fiscal Year 2018 Budget Primer to the Board Budget Commission meeting (at call of Committee chair)	February 16, 2017
21	Superintendent presents the Fiscal Year 2018 Budget Primer to the Board	March 6, 2017
22	Board Budget Commission meeting (at call of Committee chair)	March 16, 2017
23	Budget and Finance Advisory Committee (BFAC)	March 16, 2017
24	FC Tax Commissioner and FC Chief Assessor Board Presentation	March 16, 2017
25	Board Budget Commission meeting (at call of Committee chair)	March 16, 2017
26	Board Budget Commission meeting (at call of Committee chair)	April 20, 2017
27	Budget and Finance Advisory Committee (BFAC)	April 20, 2017
28	Conduct regional public meeting for Fiscal Year 2018 General Fund Budget	April 27, 2017
29	Superintendent presents the Fiscal Year 2018 Budget to the Board (Tentative adoption)	May 1, 2017
30	First read of the tax millage rates for Fiscal Year 2018	May 1, 2017

31	Conduct regional public meeting for Fiscal Year 2018 General Fund Budget	May 2, 2017
32	Salary Hearing #1 (If necessary)	May 4, 2017
33	Conduct regional public meeting for Fiscal Year 2018 General Fund Budget	May 11, 2017
34	Salary Hearing #2 (If necessary)	May 11, 2017
35	Conduct regional public meeting for Fiscal Year 2018 General Fund Budget	May 18, 2017
36	Tax assessor provides final appraisal values to District (Fulton)	May 19, 2017
37	First public budget hearing for Fiscal Year 2018 General Fund Budget	May 22, 2017
38	Board Budget Commission meeting (at call of Committee chair)	May 22, 2017
39	Tax assessor provides final appraisal values to District (DeKalb)	May 29, 2017
40	Second public budget hearing for Fiscal Year 2018 General Fund Budget	June 5, 2017
41	Superintendent presents the Fiscal Year 2018 Budget to the Board (Final Adoption)	June 5, 2017
42	Tax assessor provides final appraisal values to the District	TBD June
43	Advertise the tax digest for the five year history Fiscal Years 2013-2018	June 6, 2017
44	Advertise the public notice and advertise the first and second public hearings for the tax Millage rates	June 6, 2017
45	Board Budget Commission meeting (at call of Committee chair)	June 8, 2017
46	Advertise the third public hearings for the tax Millage rates	June 13, 2017
47	Hold the first and second public hearing on the tax Millage rate	June 13, 2017
48	Hold the third public hearings for the tax Millage rates	June 20, 2017
49	Final adoption of the tax Millage rates for Fiscal Year 2018	June 20, 2017
50	Deadline for millage rates to be delivered to Fulton County Tax Commissioner	TBD June

MANDATORY EXPENSES

Charter School Scaling

As the local tax digest grows and as existing charter schools complete their grade-level build out, expenditures related to charter school scaling will continue to grow. Charters also receive a portion of local revenue and fund balance which is not reflected in this chart.



Increased Healthcare Cost

The Appropriations Act for FY2018 establishes maintenance of the employer contributions for the Teachers Plan. The FY2018 annualized teachers plan employer contribution rate is a monthly amount of \$945.00 for each certified employee enrolled in the plan and continuing until changed by Board resolution.

The Governor has recommended in his FY2018 proposed budget an increase to the non-certified rate of more than \$98.88 per month per employee effective January 2018. This was done in order to support the ongoing financial stability of SHBP and brings the non-certified rate up to equal the certified rate.

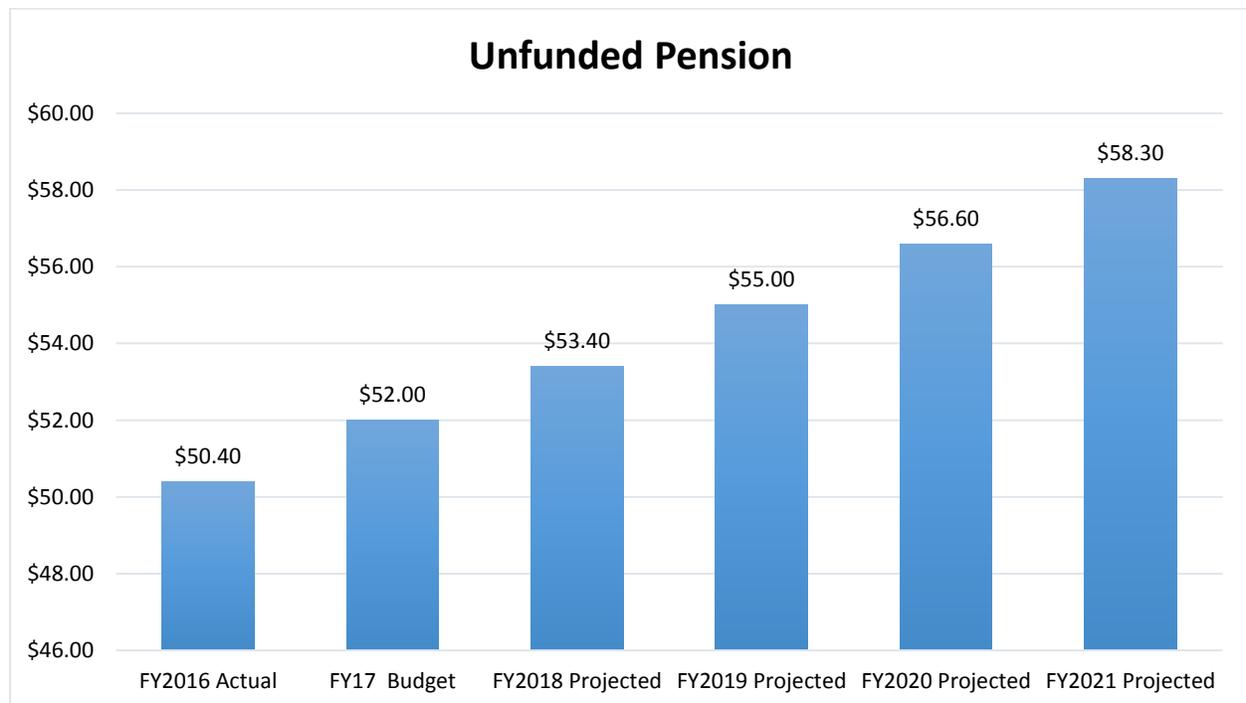
We anticipate the additional cost to APS to be roughly \$1.3 million.

Unfunded Pension

In the 1970's, significant underfunding occurred when the teachers in City Plan moved to the Teacher Retirement System (TRS). TRS required that the transfer of the teachers to their system be "fully funded". As a result, a substantial amount of the pension assets were transferred to TRS and, at that point, APS's share of the City Pension Plan was woefully underfunded. Since at least 2002, APS has made payments ranging from \$39-46 million on an annual basis and the annual required payments will escalate significantly over the next several years.

The pension liability payments for FY2017 are currently coming out of the General Fund and the annual payment represents 7.2% of total General Fund spending. The current annual payments are approximately \$1,000 per student and the payment amounts could go as high as approximately \$1,400 per student in future years. As such, these amounts cannot be spent for educational purposes.

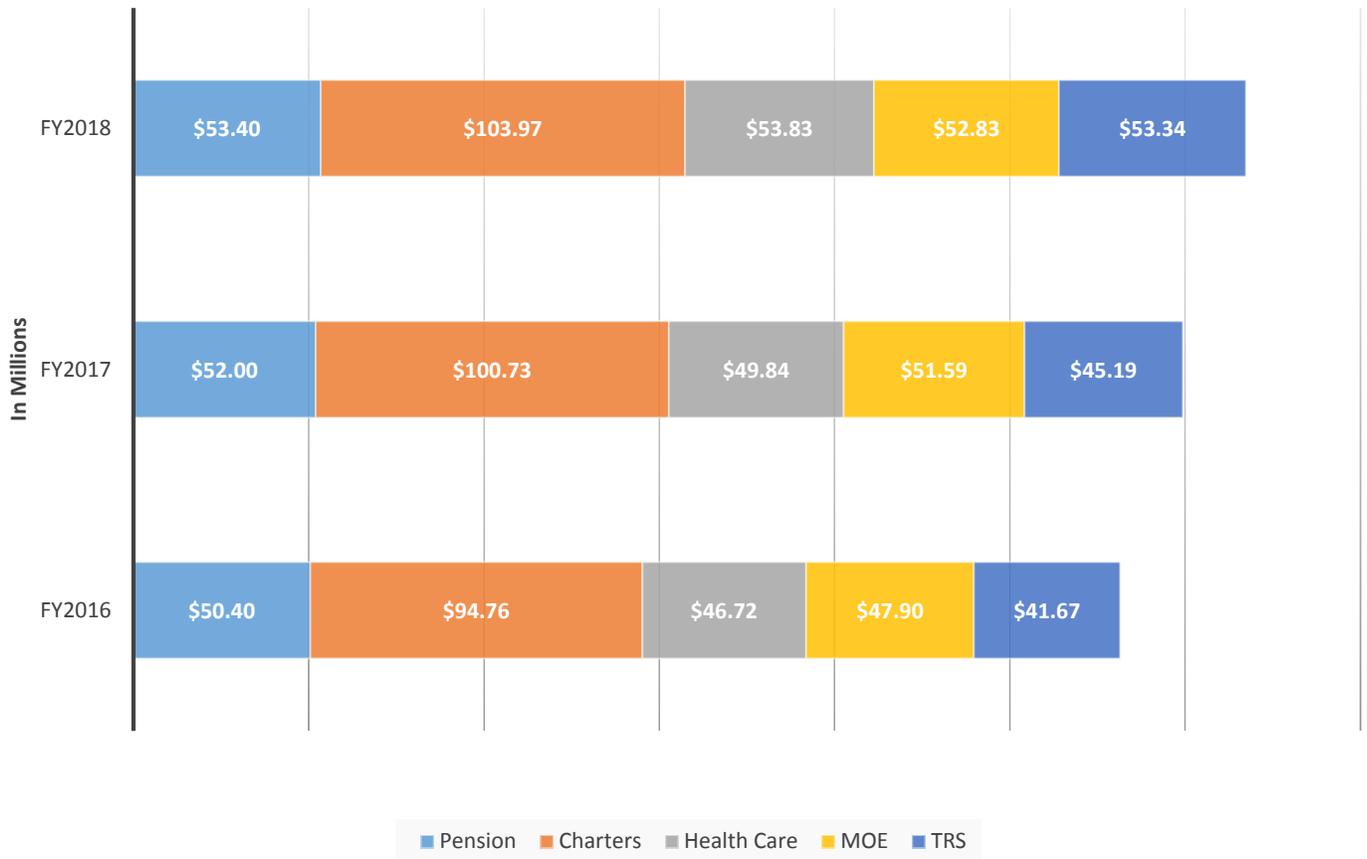
This is a tough issue and impacts the core mission of APS as it reduces the amount of funds available to educate students. And unfortunately, prior Boards (going all the way back for decades) the funding problem has never been resolved. Further, the problem APS is facing now is the same pension liability underfunding that many local and state governments are facing across the country – and that has resulted in several local governmental units going into bankruptcy.



APS is anticipating an increase to TRS employer contribution rate from 14.25% to 16.8% costing the district approximately \$8 million.

Expenditure Summary

As identified in the chart below, the District projects significant growth in mandatory expenditures for charter schools, pension funding, teacher retirement contributions, and strategic priorities.



CHALLENGES

FY2015 Financial Efficiency Star Rating

APS is committed

to providing its students with a quality education that will prepare them for college and career opportunities. At the same time, the district is mindful of its fiduciary responsibility to the tax payers of Atlanta and the state of Georgia.

The Georgia Department of Education is releasing Financial Efficiency Star Ratings, ranging from one-half star to five stars, for each school in Georgia. These ratings are based on data from the 2012-13, 2013-14, and 2014-15 academic years. The Financial Efficiency Star Rating measures an individual school district's per-pupil spending in relation to the academic achievements of its students.

While APS respects the attempt to measure the district's proficiency in educating students in as cost-effective a manner as possible, a number of unique factors and challenges must be taken into consideration:

- The distinctive needs of APS students require additional resources. For example, a large proportion of our students are in high-need and high-cost categories, including special education, ESOL and high poverty. APS is committed to providing additional services to meet the needs of these students.
- APS maintains low-population neighborhood schools, due to urban traffic constraints and community needs. Low-population schools may yield greater per pupil expenditures as they are unable to take advantage of economies of scale.
- APS has generous partners who invest in our schools. While we are extremely grateful, these special revenue sources increase our per pupil expenditure, but do not reflect the use of tax payer dollars.
- APS has a large unfunded pension liability representing 6.5% of our total general fund budget, with an annually increasing obligation until 2027. The severity of this financial strain is unique to APS.
- Atlanta has one of the highest costs of living in the state of Georgia, which impacts salary requirements needed to attract and retain quality employees.

Per pupil expenditures in APS have been and will continue to be driven by efforts to increase student achievement, and the results of the most recent College and Career Ready Performance Index (CCRPI) – which show gains in 46 of our schools, including seven which improved enough to be removed from the proposed Opportunity School District (OSD) takeover list – indicate that while we still have a long way to go, we are moving in the right direction.

As such, the district expects to continue making significant investments to improve student achievement. In FY2017, the district invested \$24M in its turnaround strategy for low-performing schools. APS will remain committed to providing our students with a high-quality educational experience, while implementing a fiscally responsible approach that minimizes the impact on tax payers and makes efficient use of public dollars.



Austerity Strategy

Since FY2015, APS has made a concerted effort to cut redundancies within the budget, especially within centralized supports. We have done this by identifying reductions in department budgets and position FTE's and consolidating programs. For FY2017 alone we were able to push an additional \$6.2 million in flex, cluster and signature funds to schools through found efficiencies.

Over the past three years APS has been able to reallocate over \$20 million to schools and district priorities. This represents a decrease of approximately \$9 million in positions alone. For FY2018, an additional \$8 million in central office supports has already been identified through program realignments, cuts to non-personnel (supplies, travel, contracted services, etc.), and in some additional staffing. A significant reorganization of the schools and academics division resulted nearly \$2 million of salary and personnel general fund dollars to be realigned to district priorities.

The below chart outlines some of the position cuts made within the central office support budgets since FY2015.

Division	FY2015	FY2016	FY2017
Accountability and Info Systems	131.00	114.00	113.00
Chief Schools and Academics	162.00	146.00	129.70
Finance	87.00	77.00	63.00
Human Resources	63.00	54.00	49.00
Operations	255.60	268.80	245.60
Turnaround	-	3.00	8.60
General Administration	62.00	58.00	49.00
Grand Total	760.60	720.80	657.90
Year over Year Cuts		(39.80)	(62.90)

Governor's Proposed Fiscal Year 2018 Budget

Governor Nathan Deal asked lawmakers to approve a \$25 billion state budget that includes a pay raise for state employees and a 2% raise for public school teachers built into their pay scale. While the state's 100,000 teachers would receive raises, the governor did not eliminate the \$166 million in "austerity cutbacks" to schools districts that have been built into state budgets since the early 2000s.

The projected State revenue growth is 3.6% over the amended FY2017 budget. Despite the growth, the proposed 2018 budget is less than the last budget passed before the recession when adjusted for economic changes and the rising needs of a growing state.

APS faces the following budget challenges for FY2018:

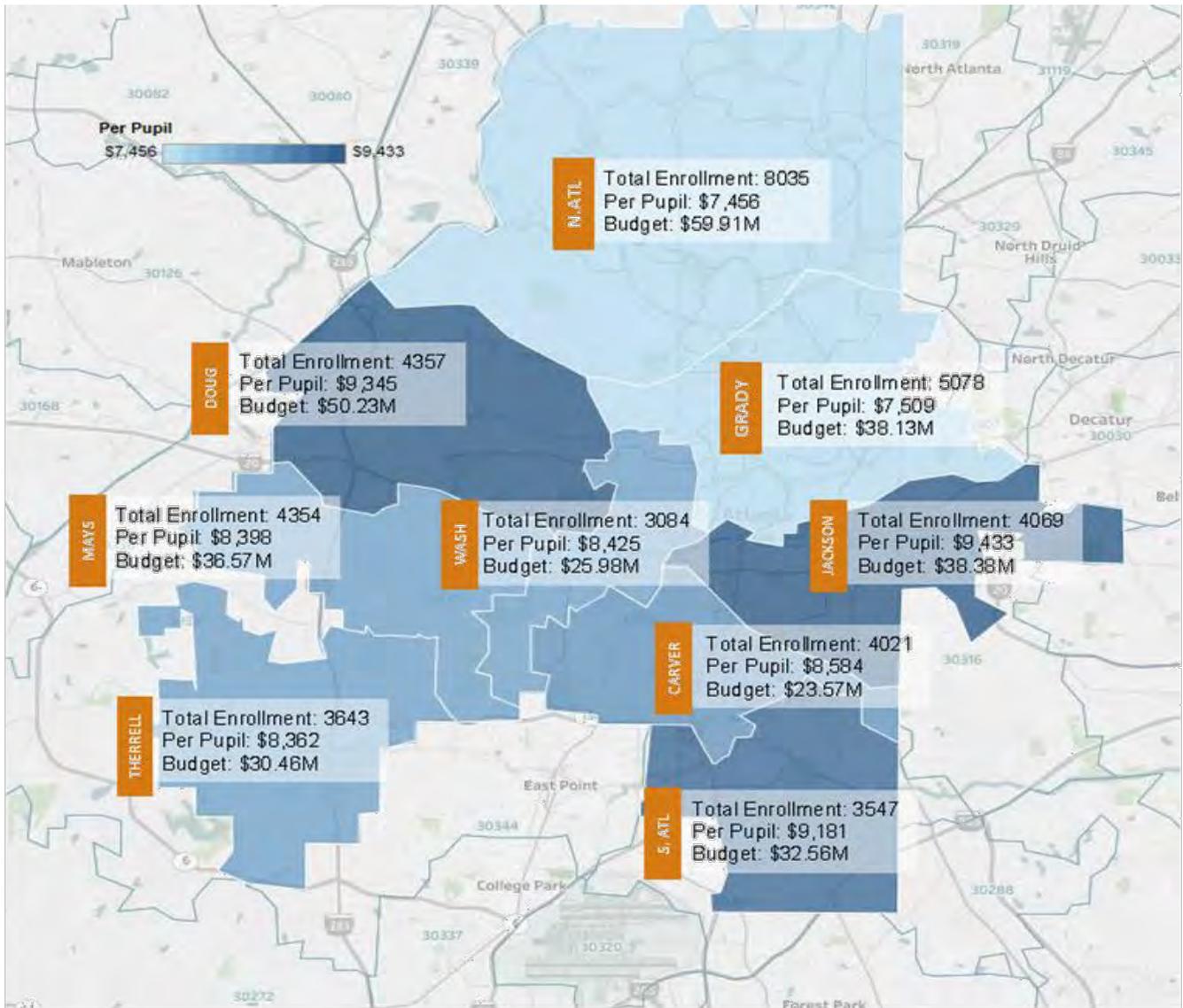
- Austerity cuts remain
- TRS rate increase from 14.3% to 16.8% is included in QBE calculation
 - Does not fully cover the increased APS expense
 - Equivalent to giving all employees a 2.5% raise
- 2% raise for public school teachers, built into their pay scale
- 5-mill share budget increased 9.2%
 - Driven by large increase in digest for FY2016 that was then appealed for FY2017
- Transportation grant may shift to per-student allotment
- Increased cost for health insurance for non-certified workers
 - Classified employees now on same rate as certified

State's Projected Revenue without enrollment growth

This below chart illustrates the projected QBE allotments received from the state, which without growth in student FTE, would actually yield a decrease in state revenue by \$1 million. APS anticipates enrollment growth and we are capturing that assumption in our state forecasts.

QBE	FY2017 Mid-year	FY2018	Change
FTE	51,063	51,063	-
QBE Earnings	\$262,340,749	\$272,289,158	\$9,948,409
Health	\$45,904,320	\$45,688,860	(\$215,460)
PD	\$26,773	\$27,308	\$535
Total QBE Earnings	\$308,271,842	318,005,326	9,733,484
LFS	(\$120,254,761)	(\$131,334,180)	(\$11,079,419)
Austerity	(\$3,899,974)	(\$3,709,489)	\$190,485
Charter Systems	\$4,406,400	\$4,406,400	\$0
Nursing	\$1,053,403	\$1,101,807	\$48,404
Transportation	\$2,903,843	\$2,943,289	\$39,446
Total	\$192,480,753	191,413,153	(1,067,600)

FY2017 BUDGETING BY CLUSTER



In support of the Budget Department's commitment to transparency and at the request of the Board, an interactive resource map by cluster has been created and made available on the Budget Department website.

This map represents ONLY FY2017 general fund original budget by school location. Expenditures coded to the central office, charter schools, special revenue, or SPLOST are not included. Per pupil calculations are based on approved total funds selected divided by approved projected enrollment. All numbers and calculations are based on approved/adopted budget.

Below is a public link to an interactive map with drill-down capability to view per pupil investments in FY2017 by fund, program, school, and cluster.

<https://goo.gl/r7sSv5>

ECONOMIC CONTEXT

National

Many in the education community are deeply concerned about how changes at the Federal level will effect local schools. Few specifics were offered prior to the election, but the President is expected to reduce the size and scope of the Department of Education. The new administration is expected to enact and abide by a plan to reduce federal oversight by eliminating two regulations when a new one is introduced.

Betsy DeVos, President Donald Trump's pick for Secretary of Education, has stated that she will stop the Common Core standards. DeVos is known as a charter-school advocate and a booster of school choice and education vouchers. The education philosophy of President Trump and his nominee for Secretary of Education, Betsy DeVos is squarely situated in the school choice movement. The cornerstone of Trump's education plan is a \$20 billion investment in school choice programs. For educators who work in charter, parochial and other non-traditional settings, this could indicate additional resources, but for established educators and administrators in traditional schools, expect increasing competition for students and resources. As the impact of the Department of Education is minimized in coming years, expect less guidance regarding complicated issues such as standardized testing and transgender students.

State

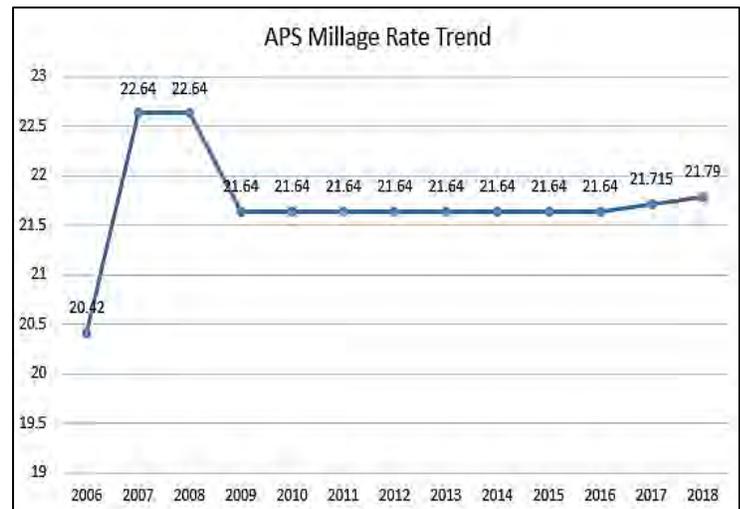
A proper education can set students on the path to opportunity and success from which circumstances could otherwise deter them. A strong educational foundation is essential for providing economic opportunities for Georgia's children later in life. Instilling a culture of a lifetime of learning ensures that the children will continue to build and develop important skills for the workplace throughout their careers. Therefore, we must ensure that every child receives the quality education to which he or she is entitled. The state budget funds growth in K-12 schools by providing \$496 million in additional funds to the Quality Basic Education program. This reflects a 2% increase to the state base salary schedule and an adjustment in the employer share of the Teacher Retirement System from 14.27% to 16.81%. Also included is a \$7 million increase to the Department of Early Care and Learning budget for pre-kindergarten teachers to be used for employee recruitment and retention initiatives and account for the increase in employer share of the Teacher Retirement System. However, much of these increases are offset by a significant increase in the amount the state withholds from APS (Local Fair Share). This deduction went from \$120.2 million in FY2017 to \$131.3 million.



Local

Fulton County's chief appraiser was replaced following months of frustration from county leaders about delayed tax bills. An error in calculating property tax exemptions came to light in June 2016. Tax bills went out two months later than normal. The delay in sending tax bills meant the county would be late collecting taxes. The delay forced APS to borrow to cover the gap. The District's Tax Anticipation Note for \$60 million was paid timely prior to the due date.

For APS the millage rate for FY2017 is 21.715. A mil of tax is equal to \$1.00 per every \$1,000 of assessed valuation of real estate property. Debt service millage of .10 mills was reduced by 0.075 mills and moved to the general operating millage for FY2017. For FY2018, the remaining .075 millage for debt is proposed to be eliminated and moved to the M&O millage for a total M&O rate of 21.79.



Atlanta market trends indicate an increase of \$20,000 (8%) in median home sales over the past year. The average price per square foot for this same period rose to \$193, up from \$175. Atlanta home prices are the highest in recent memory. According to the Atlanta REALTORS Association, Atlanta's median home price jumped from \$105,000 in 2012 to \$250,000 today. The reason is pretty simple: Low supply and high demand.



<https://www.educationviews.org/president-trump-education-2/>

https://www.washingtonpost.com/local/education/senators-to-scrutinize-betsy-devos-trumps-pick-for-education-secretary/2017/01/17/3a0e6168-da8f-11e6-9a36-1d296534b31e_story.html?utm_term=.c0508af94f62

<http://nypost.com/2016/12/11/trumps-education-secretary-pick-plans-to-get-rid-of-common-core-standards/>

<http://www.cbs46.com/story/32834360/bubble-about-to-burst-a-look-at-atlantas-real-estate-market#ixzz4XCqgb0Ts>

MAJOR FUND GROUPS

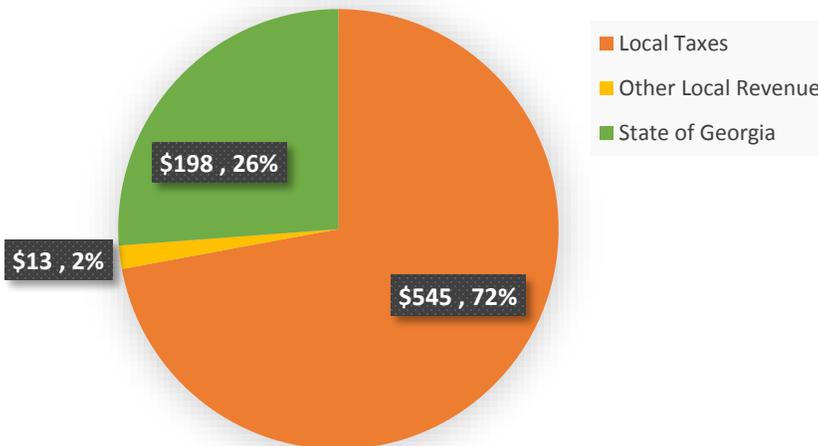
APS's budget is organized in the following fund categories:

- **General Fund** - The fund used to finance the ordinary operations of the local education agency. It is available for a legally authorized purpose and consists of money not specifically designated for some other particular purpose.
- **Special Revenue Fund** - A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes.
- **Capital Projects/SPLOST** – Capital Projects is used to account for all resources used for acquiring capital sites, buildings, and equipment as specified by the related bond issue. Capital project funds are designated to account for acquisition or construction of capital outlay assets that are not acquired directly by the general fund, special revenue funds, or enterprise funds. Capital project funds have been developed to account for the proceeds of a specific bond issue and revenue from other possible sources which is designated for capital outlay, i.e., for land, buildings, and equipment. SPLOST is used to finance capital outlay projects. It is an optional 1% sales tax levied by any county for the purpose of funding the building of parks, schools, roads, and other public facilities. The revenue generated cannot be used towards operating expenses or most maintenance projects.
- **School Nutrition** – Federal funds used to assist meal programs operating in public and nonprofit private schools and residential child care institutions. It provides nutritionally balanced, low-cost or free lunches to children each school day.
- **Debt Services** - Used to finance and account for payment of principal and interest on all long-term general obligation debts. Debt service funds are used to accumulate resources over the outstanding life of the bond issue in an amount equal to the maturity value. Cash of the debt service may be invested in income producing securities that are converted back into cash at the maturity date for use in retiring bonds.
- **School Activity Funds** - account for monies used to support co-curricular and extra-curricular student activities. As a general rule, co-curricular activities are any kinds of school-related activities outside the regular classroom that directly add value to the formal or stated curriculum. Co-curricular activities involve a wide range of student clubs and organizations. Extra-curricular activities encompass a wide variety of other district-directed activities, typified by organized sports and other non-academic interscholastic competitions.

GENERAL FUNDS

Atlanta Public Schools largest resource is the general fund. The state specifies that general funds may only be spent on educational purposes. These are broadly considered to be anything that is used to benefit the education of our students. There are specific prohibitions on the use of general revenue, such as; they cannot be used to buy food for staff meetings or to pay for certain memberships. The General Fund is the largest fund and reports accounting information related to the general operation of the district. It has four major sources of revenue, including: local taxes, state grants, federal reimbursements, and miscellaneous sources. The pie chart below shows the amount collected from each source.

FY2018 General Funds Revenues
(in millions)



GENERAL FUND REVENUES

- ❖ Local tax revenue is primarily determined by the assessed value of property in the district as reported by the Fulton County Assessor and the tax rate that is adopted by the school board. The current tax rate for the general fund is 21.715 mills.
- ❖ State Revenue consists primarily of the Quality Basic Education (QBE) grant established by the state. The amount of the grant is based on the number of students in the districts, weighted by type of student, the per student amount approved by the state and the tenure and experience of the teachers in the district.
- ❖ Federal Sources consist primarily of contributions toward the cost of JROTC instructors, e-rate eligible technology purchases, and indirect costs incurred when administering federal grants.
- ❖ Other local revenue includes items such as: interest earnings, lease payments, and out of district tuition buy back from charters and partners, and funds from intergovernmental agreement (IGA's)
- ❖ The district keeps track of its spending by the following:
 - Function** is a group of activities that are related in purpose and that cuts across funds, object and sites. The major functions defined by the state are Instruction, Pupil Services, Staff Support and General Administration.
 - Location** is a group of activities that are related by physical site and cuts across fund, function, and object. Major sites include, the Center for Leadership and Learning, the Instructional Service Center, and each school.
 - Object** is a group of activities that are related by type and cuts across fund, function, and site.
 - APS Program** is a group activities that identify specific activities and procedures designed to accomplish a predetermined objective.
 - State Program** are specific activities and procedures designed to accomplish a predetermined objective. This field is used to accumulate the data for the functions used in Quality Basic Education (QBE) program accounting, and for required reporting of the QBE programs and other programs as specified by the GDOE. Specific program codes are to be assigned by the GDOE with a range of codes in the field to be used at the LUA's discretion. The first three digits of the code denote the specific program. The fourth digit identifies the type of expenditure (Basic, Enrichment, or Unclassified).

FY2018 General Fund Balance Usage

Resources	2016-2017 Actuals	2017-2018 Budget
Local	\$514.8	\$545.5
State	\$193.8	\$197.5
Other	\$24.8	\$13.5
Fund 150	-	\$12.3
Revenue Total	733.4	768.1
Use of Fund Balance	\$27.9	\$8.5
Total Resources	<u>\$761.3</u>	<u>\$777.3</u>

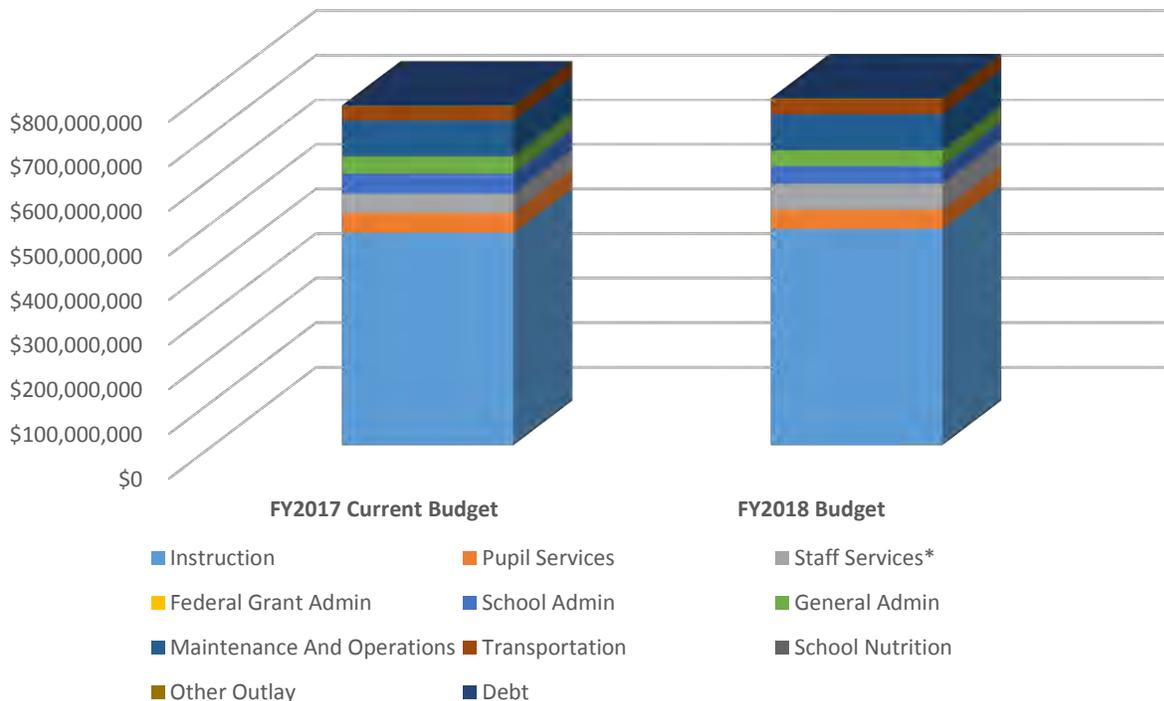


FY2018 General Fund by Major Function

Increased investments in the Turnaround Strategy support and professional development have driven more funds toward pupil and staff services driving cost down from central departments and general administration.

	FY2017 Current Budget	% of Exp	Per Pupil	FY2018 Budget	% of Exp	Per Pupil
Instruction	\$475,758,051	62.49%	\$9,254	\$484,284,880	62.30%	\$9,313
Pupil Services	\$43,946,783	5.77%	\$855	\$42,354,111	5.45%	\$815
Staff Services*	\$43,400,793	5.70%	\$844	\$59,047,347	7.60%	\$1,136
Federal Grant Admin	\$2,888	0.00%	\$0	\$2,870	0.00%	\$0
School Admin	\$45,267,371	5.95%	\$880	\$39,810,758	5.12%	\$766
General Admin	\$38,800,899	5.10%	\$755	\$35,631,362	4.58%	\$685
Maintenance And Operations	\$80,480,776	10.57%	\$1,565	\$80,394,798	10.34%	\$1,546
Transportation	\$29,992,884	3.94%	\$583	\$31,906,574	4.10%	\$614
School Nutrition	\$376,521	0.05%	\$7	\$376,521	0.05%	\$7
Other Outlay	\$2,451,123	0.32%	\$48	\$2,758,273	0.35%	\$53
Debt	\$800,000	0.11%	\$16	\$800,000	0.10%	\$15
Total	\$761,278,089	100.00%	\$14,807	\$777,367,495	100.00%	\$14,949

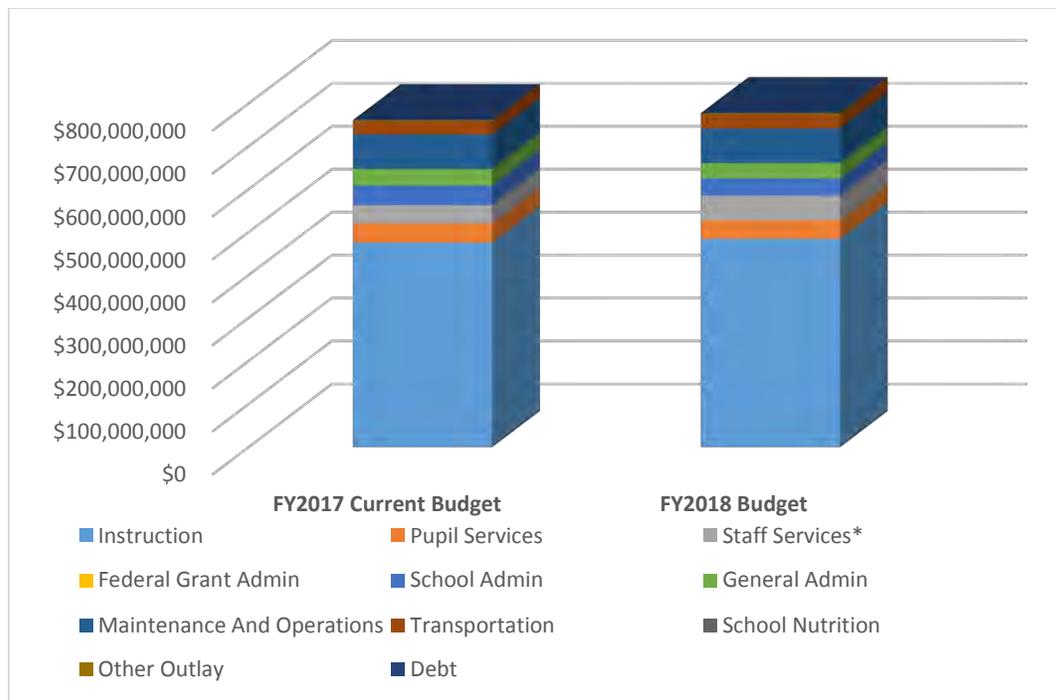
FY2018 Budget by Function



FY2018 General Fund by Object Group

	FY2017 Current Budget	% of Exp	Per Pupil	FY2018 Final Budget	% of Exp	Per Pupil
Salaries1	\$345,181,139	45.34%	\$6,714	\$340,380,341	43.79%	\$6,546
Other Salaries1	\$19,394,869	2.55%	\$377	\$18,423,666	2.37%	\$354
Employee Benefits2	\$157,440,637	20.68%	\$3,062	\$170,232,761	21.90%	\$3,274
Operating Transfer to Non-General Fund	\$2,451,123	0.32%	\$48	\$2,710,948	0.35%	\$52
Other Purchased Services	\$118,554,775	15.57%	\$2,306	\$119,132,702	15.33%	\$2,291
Supplies1	\$51,725,766	6.79%	\$1,006	\$51,063,314	6.57%	\$982
Purchased Pro and Tech Services1	\$40,414,867	5.31%	\$786	\$52,222,244	6.72%	\$1,004
Purchased Property Services3	\$21,317,641	2.80%	\$415	\$19,475,254	2.51%	\$375
Other Objects1	\$4,016,447	0.53%	\$78	\$3,111,093	0.40%	\$60
Property	\$780,824	0.10%	\$15	\$615,173	0.08%	\$12
Total	\$761,278,088	100%	\$14,807	\$777,367,495	100%	\$14,949

FY2018 Budget by Object



1. The large shift from Salaries, Other Salaries, Other Objects, and Supplies to Purchased Professional and Technical Services is due to the Partnerships for Gideons, Price, and Slater. Instead of allotting personnel and materials for these three sites, the full cost of these sites will reflect as the contracted amount. The remaining decreases can be explained by the merger of six school sites down to three.
2. The large increase in Employee Benefits is due to the increased cost of TRS from 14.27% to 16.80% of employee salary, an increase of the classified employee health care cost (\$98.80 PMPM), and the continued increase in our unfunded pension liability.
3. Decreases in Purchased Property Services represent austerity cuts made by the Operations Division during the FY2018 planning process

FY2018 General Fund Balance

Fund balance is a measurement of available financial resources defined as the difference between total assets and total liabilities in each fund.

It is the goal of the School District to achieve and maintain an Unassigned Fund Balance in the General Fund at fiscal year-end of not less than 7.5% of budgeted expenditures, not to exceed 15% of the total budget of the subsequent fiscal year, net of any committed reserve fund balance for capital expenditures, in compliance with O.C.G.A. 20-02-0167(a)(5).

Funds may be assigned for other purposes as determined by the Board.

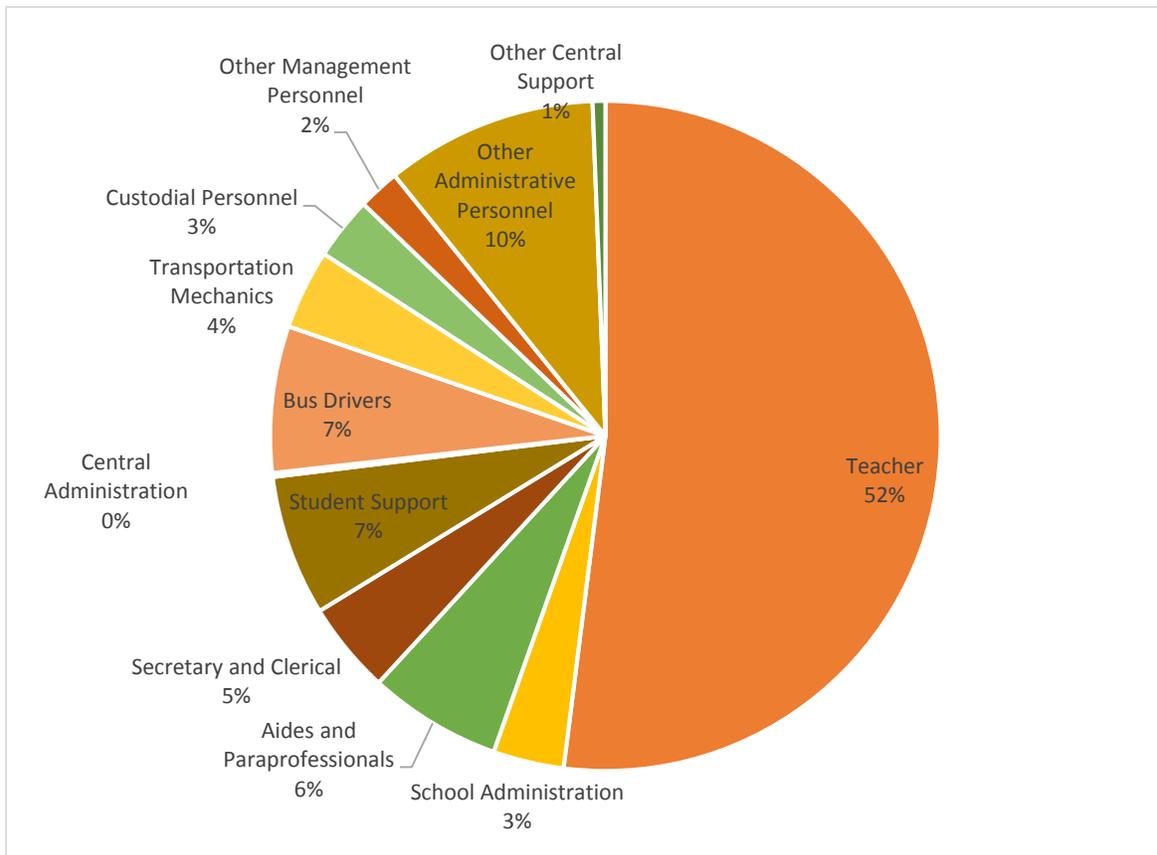
Fund Balance History



Position by Type

The APS Budget reflects a decrease in FTE’s from the previous FY17 budget. The chart below displays the district total FTE’s by position type sub-categories.

Position Description	FY2018 FTE (est)	Percentage of Total Employees
Teacher	3,044.36	52%
School Administration	200.00	3%
Aides and Paraprofessionals	375.50	6%
Secretary and Clerical	259.20	4%
Student Support	397.70	7%
Central Administration	11.00	0%
Bus Drivers	414.00	7%
Transportation Mechanics	225.00	4%
Custodial Personnel	177.00	3%
Other Management Personnel	117.52	2%
Other Administrative Personnel	597.90	10%
Other Central Support	36.00	1%
Total	5,855.18	100%



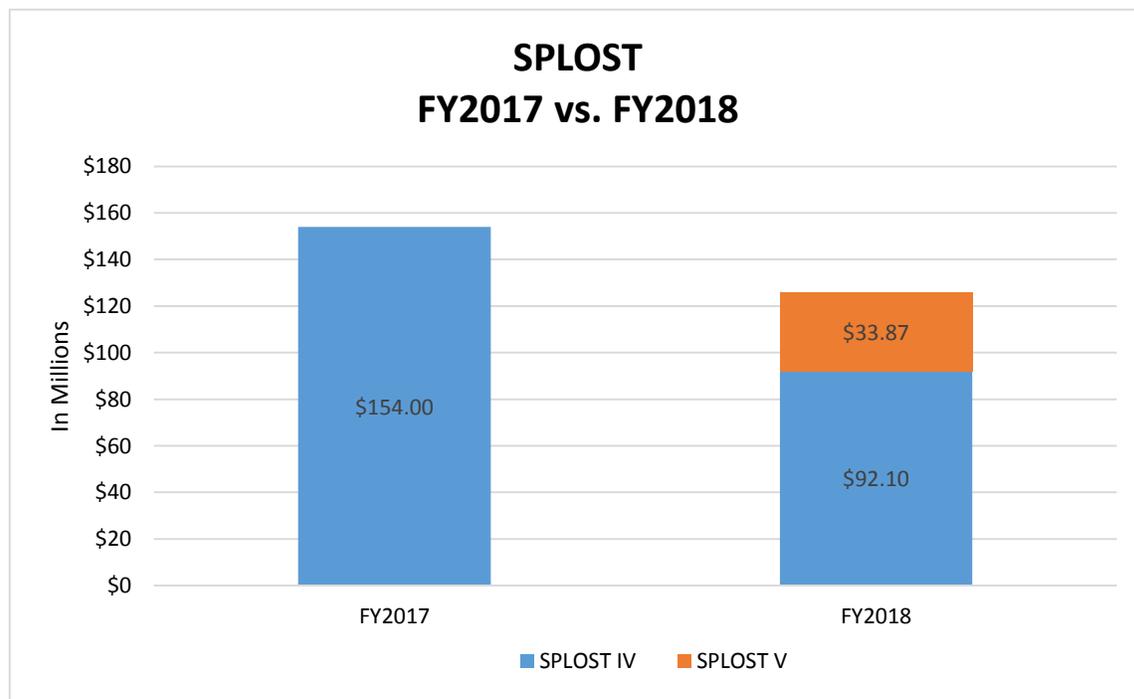
FY2018 ATLANTA PUBLIC SCHOOLS PROGRAMS

Department	FY2015 Actuals	FY2016 Actuals*	FY2017 Current Budget*	FY2018 Proposed Budget	FY2018 vs. FY2017	% Change from FY17
Board / Internal Audit					239,906	21.82%
	1,556,068	1,802,164	1,099,387	1,339,293		
Superintendent						-46.14%
	1,720,773	2,340,576	2,173,078	1,170,376	(1,002,703)	
Legal						-4.31%
	3,965,171	4,060,311	3,762,547	3,600,287	(162,260)	
Engagement						72.00%
	1,649,897	2,112,395	2,298,935	3,954,187	1,655,251	
Schools and Academics						-44.03%
	38,802,251	45,880,749	53,663,865	30,034,045	(23,629,819)	
Accountability and Info Systems						-6.80%
	26,677,976	27,570,476	34,510,273	32,165,082	(2,345,191)	
Finance						-8.34%
	10,265,805	8,991,962	9,850,173	9,028,746	(821,427)	
Human Resources						-5.71%
	6,599,114	6,276,693	6,299,388	5,939,756	(359,632)	
Operations						-45.48%
	86,114,375	71,613,900	88,451,036	48,223,287	(40,227,749)	
District Wide						-5.93%
	54,530,168	57,291,297	63,190,095	59,444,800	(3,745,295)	
Partner Schools						287.51%
	-	-	6,429,843	24,916,391	18,486,548	
Charters						3.60%
	73,571,355	94,762,198	100,727,704	104,357,300	3,629,596	
Turnaround						-50.89%
	-	2,686,753	14,422,506	7,083,364	(7,339,142)	
State Grants						-5.19%
	2,446,038	2,002,902	2,384,967	2,261,087	(123,880)	
School Flow-through						875.74%
	5,859,074	5,839,362	4,058,000	39,595,390	35,537,390	
School Allotments						9.86%
	338,718,045	358,527,929	367,956,291	404,254,104	36,297,813	
Grand Total					16,089,407	2.11%
	652,476,109	691,759,668	761,278,088	777,367,495		
*Encumbrances and budget rolled-over from FY2016 to FY2017.						

CAPITAL/SPLOST FUNDS

The FY2017 SPLOST budget supports the district's ongoing efforts to enhance educational opportunities for our students. SPLOST provides the resources to upgrade school campuses through addition and renovation construction projects, complete major building systems and component replacements, including critical HVAC replacements, provides for safety and security enhancements, upgrades to athletic fields and playgrounds, upgrades to technology infrastructure and equipment, the replacement of school buses, and to retire COPS debt service. FY2017 will be the final year of SPLOST IV and we will be monitoring incoming revenues carefully to make sure we finish the SPLOST IV program in accordance with completed and planned projects. **\$125.9 million**

- SPLOST IV remaining dollars (\$33.87 million) will be used to continue payment of contracted services and building improvements at King MS, Boyd ES, Kimberly ES, Rivers ES, and Brandon, Lin
- "SPLOST 2017" breakdown (\$92.10million):
 - \$10.2 million in HVAC renovation at Morningside, Archer HS, Cleveland, Parks MS, and Finch ES
 - \$2.6 million for SPLOST Admin personnel
 - \$25 million for repair and maintenance
 - \$ 45.9 million for building improvements and renovations at Woodson Park, Howard Building, TAG, Gideons, M.R. Hollis, Beecher Hills ES, Grady, and Harper Archer
 - \$7.2 million for COPS debt service
 - \$1.2 million for security enhancements



FEDERAL CATEGORICAL RESTRICTED USE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenues that are legally restricted or committed for specific purposes. The School System's Special Revenue Funds have been established primarily on the basis of program purpose and are broken out into three major categories: Federal Title, Direct Federal and State and Other Special Revenue programs. Some of the major and primary projected funding sources for FY2018 are:

Federal Title Programs

Title I-A Fund was to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging State academic achievement standards and state academic assessments. Title I provides federal funds through the Georgia Department of Education to local educational agencies (LEAs) and public schools with high numbers or percentages of poor children to help ensure that all children meet challenging State academic content and student academic achievement standards. **\$28.5 million**

Title II Fund was established to account for federal grant funds passed through the Georgia Department of Education, for the purpose of improving teacher quality and increasing the number of highly quality teachers, Para-professionals, and principals. **\$2.5 million**

Title IV- Part A is a newly established block grant for student support and academic enrichment. Its intent is to provide all students with access to a well-rounded education, improve school conditions for student learning, and improve the use of technology in order to improve the academic achievement and digital literacy of all students. **\$947,672**

Title VI-B Fund was established to account for federal grant funds passed through the Georgia Department of Education, for the purpose of providing special education programs for children in pre-kindergarten through the twelfth grade. **\$10.4 million**

Direct Federal and State

The Fresh Fruit and Vegetable Program (FFVP) is a federally assisted program providing free fresh fruits and vegetables to students in participating elementary schools during the school day. The goal of the FFVP is to improve children's overall diet and create healthier eating habits to impact their present and future health. **\$911,648**

Head Start Collaborative YMCA of Metropolitan Atlanta/Early Childhood Development Co. LLC (ECDC) The purpose of the collaboration is to create a full-day, full-year early care and education services, for low income families, who need services for eligible children enrolled in Pre-K funded programs and Special Education Pre-School sites. **\$785,144**

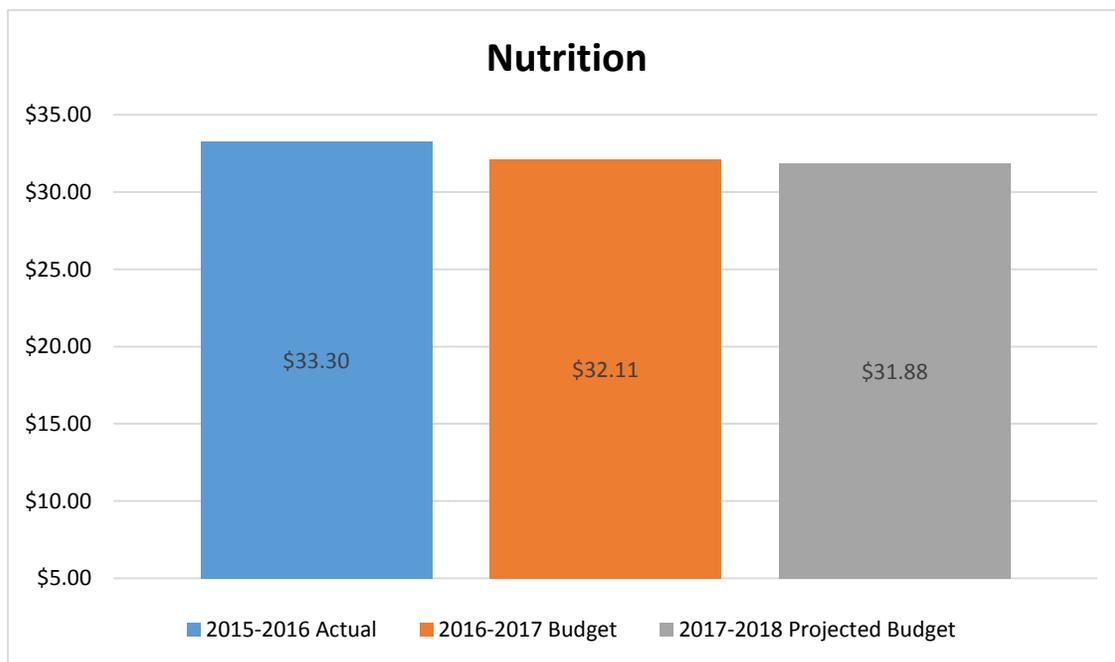
Georgia Pre-K (Lottery Grants) established to account for State of Georgia lottery funds passing through the Georgia Department of Education for the purpose of coordinating and providing services to four-year old children and their families served by Georgia's Pre-K program. **\$5.9 million**

Nutrition



The National School Lunch Program is a federally assisted meal program operating in over 100,000 public and non-profit private schools and residential child care institutions. It provided nutritionally balanced, low-cost or free lunches to more than 31 million children each school day in 2012. In 1998, Congress expanded the National School Lunch Program to include reimbursement for snacks served to children in afterschool educational and enrichment programs to include children through 18 years of age.

The Food and Nutrition Service administers the program at the Federal level. At the State level, the National School Lunch Program is usually administered by State education agencies, which operate the program through agreements with school food authorities. **\$31.9 million**

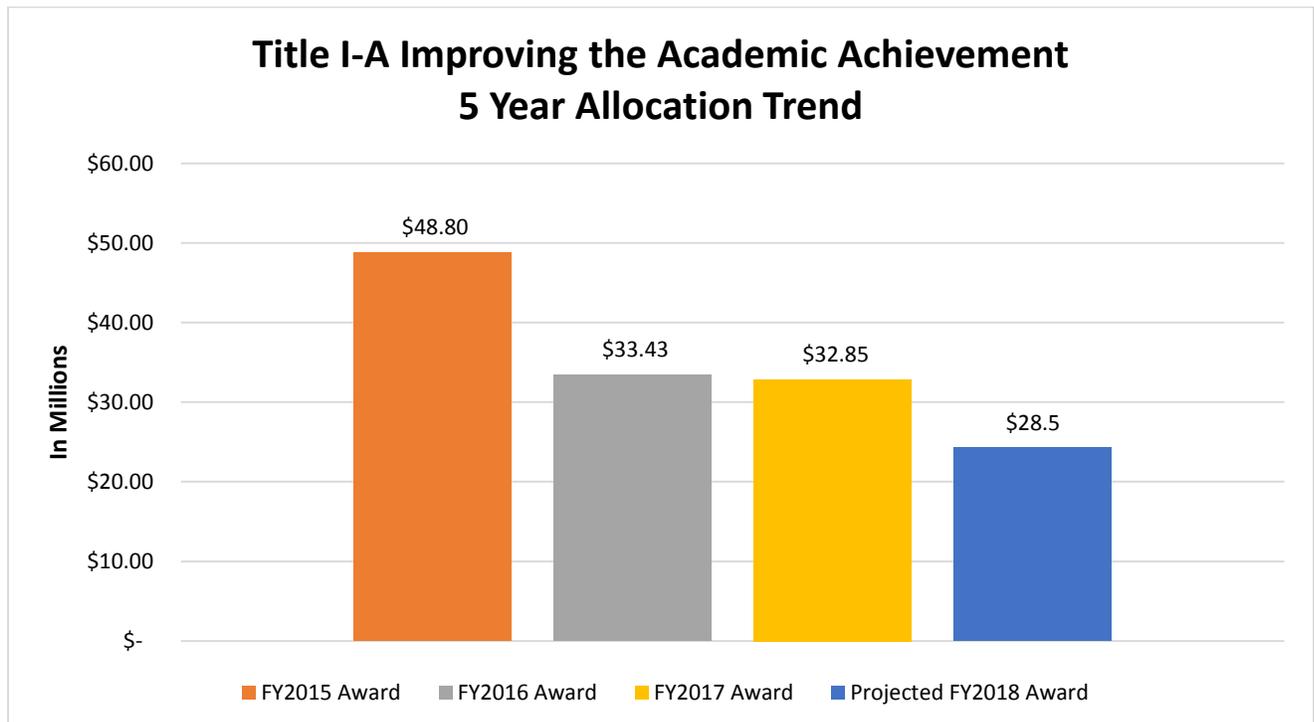


Title I-A Improving the Academic Achievement

Title I, Part A (Title I) of the Every Student Succeeds Act (ESSA), provides financial assistance to local educational agencies (LEAs) and schools with high percentages of children from low-income families to help ensure that all children meet challenging state academic standards. APS currently has 73 schools operating under Title I programming.

Looking ahead:

- For FY2018, APS is participating in the Consolidated Funds Pilot with the state of Georgia. This allows for certain federal and state funds to be consolidated with local funds in a school wide program. Once these funds are consolidated, the federal funds lose their identity as federal funds, and expenditures of these funds are no longer limited to the federal requirements for the individual programs.
- While the projection for Title I FY2018 award is \$24.3 million, only \$11.9 million will remain in fund 402 and the remainder will be consolidated and distributed to all Title I schools as a part of their school allocation.

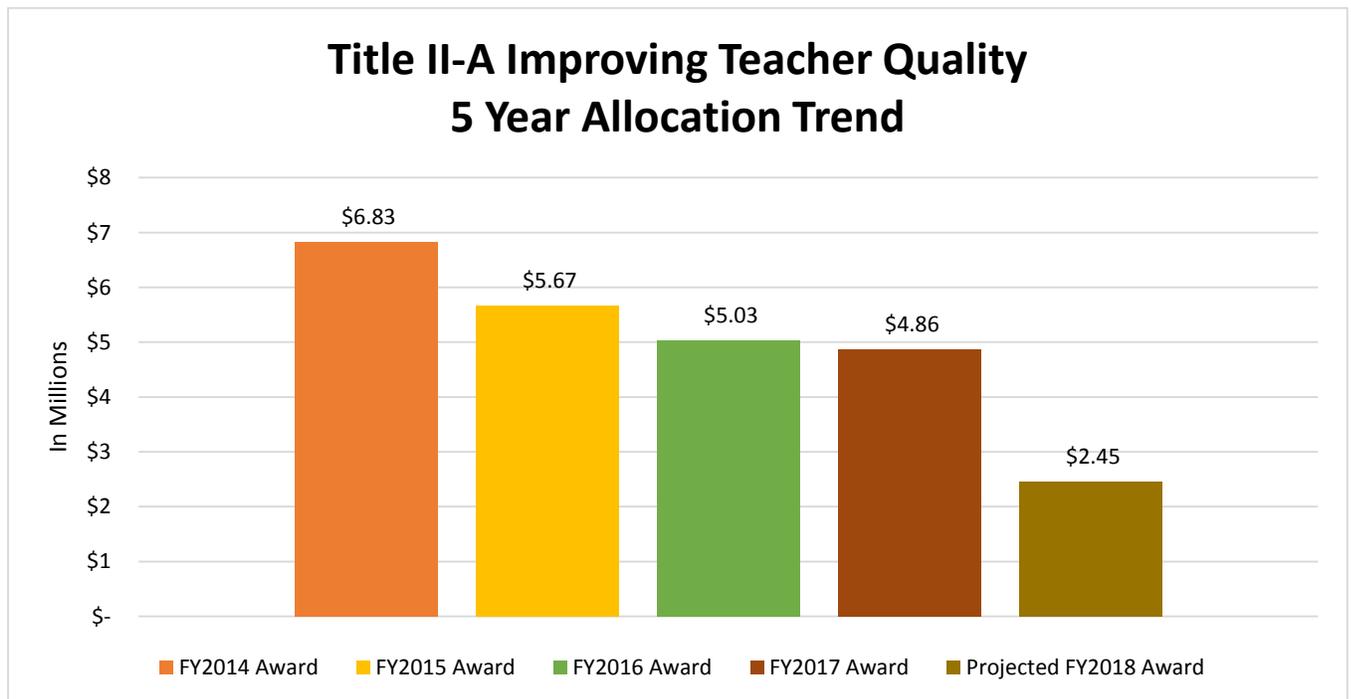


Title II-A Improving Teacher Quality

Title II is a federal grant that provides technical assistance, resources and program monitoring of school districts to ensure all teachers and paraprofessionals improve equity for low-income and minority students, in addition to improving teacher and leader effectiveness and retention. All school districts must have equitable distribution of highly experienced, highly qualified, and highly effective teachers and leaders.

Looking Ahead:

- While the Title II FY2018 award is estimated to be \$2.4 million, only \$2.3 million will remain in fund 414 and the remainder will be consolidated as \$1,000 will be distributed to all schools as a part of their school allocation.
- FY2018 projections have also been drastically reduced from FY2017 due to new ESSA rules and the removal of Hold Harmless.

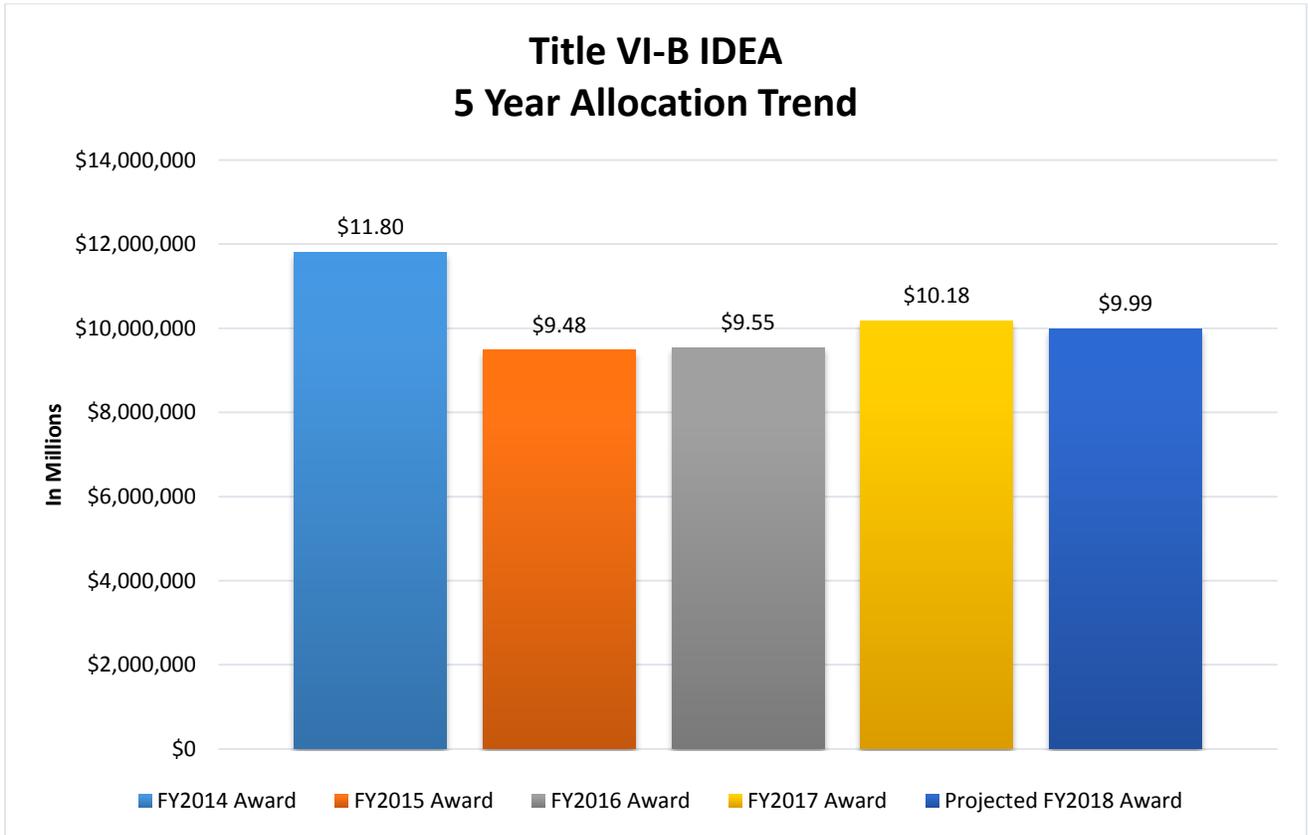
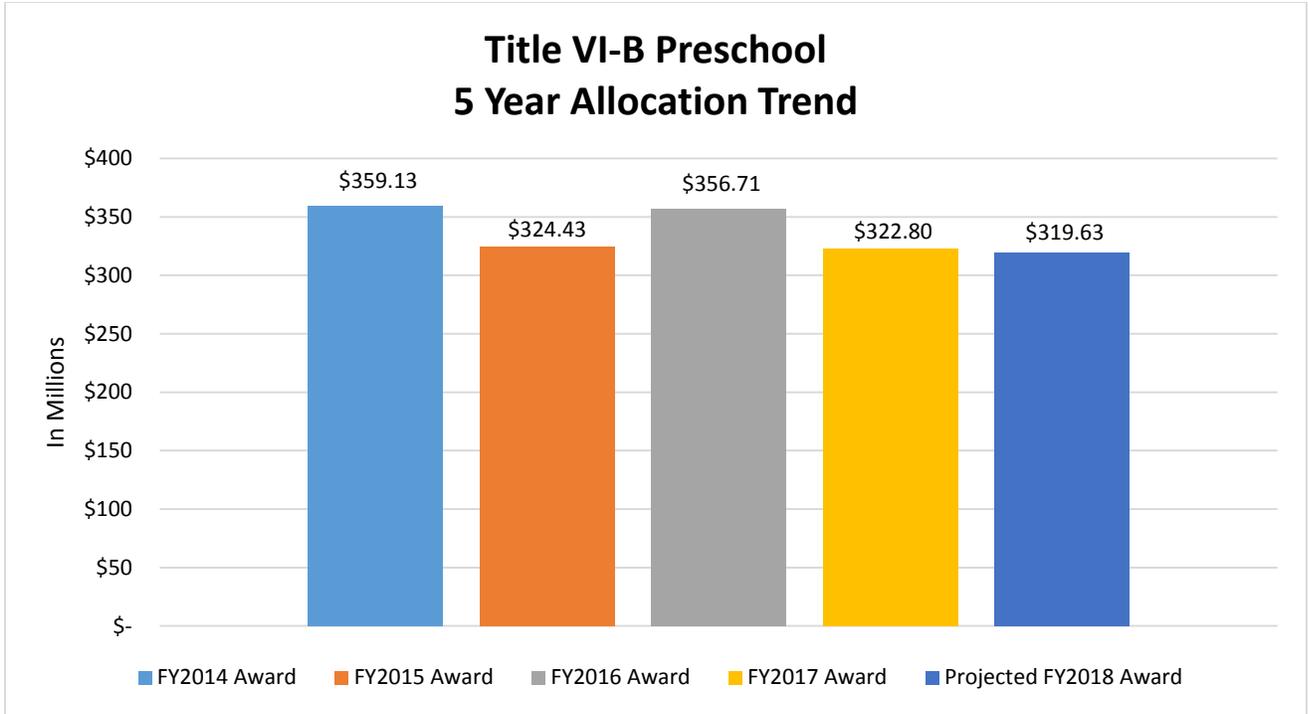


Title VI-B IDEA Special Ed

Title VI-B of the Individuals with Disabilities Education Act is a federal program that provides funding for districts to supplement the level of special education and relation services to students with disabilities. It covers ages 3-21. The Federal Preschool budget supports the Special Education Preschool department in the following areas: daily operations, preschool staff, and maintenance repairs for audio logical equipment and instructional materials for preschool students. The Federal Preschool Disproportionality funds support: Salaries for Engagement Specialists, office materials/supplies and social emotional learning assessments for identified students.

Looking ahead:

- **Personnel:** The majority of the Title VI-B funds are used for personnel cost and there will not be any substantial changes to the current positions based at the Central Office. For school-based personnel, the district is continuing to expand regional programming options available in each School Cluster. Plans include new staff person for MOID, SID/PID and Autism classrooms in the Douglass and North Atlanta Clusters.
- **Instructional Programming:** APS opened our first Grady Health Transition class in January 2016. This program prepares students with disabilities for work. Students have teacher and paraprofessional support for jobs on site at Grady. The supportive employment agency (Briggs and Associates) follows these students throughout their adult careers. In FY2018, the Department of Special Education will be expanding Transition Programming throughout the district through school based enterprises such as coffee shops and print shops in high schools. Instructional supplies have been included to address these initiatives in the Title VI-B budget as well.
- **Coordinated Early Intervention Services:** For FY2017, APS has been given a designation of disproportionality in the over-suspension of SWD based on discipline records from 2015-16. While we remain disproportionate in the areas of duration and type; as well as, events per student ratio for African American SWD -- we are trending in the right direction from 3.51 to 3.02 and 3.138 to 3.08, respectively. As a part of our required CEIS plan, 15% of Title VI-B funds are budgeted for Coordinated Early Intervention Services for FY2018. These funds are utilized to provide staff and professional development in the areas of school discipline, climate, disproportionality and targeted behavior interventions.



Student Activity Funds

School Activity Funds are bank accounts at individual schools under the control of school principals or club advisors. These funds are a combination of sums of money, that flow through in the form of school board funds, student-generated funds, receipts and disbursements related to athletics, and the myriad co-curricular and extracurricular events sponsored by school districts. **\$5.5 million**

- School Activity Accounts are required to be reported within the District's financial statements
- FY2018 projected appropriations are provided for Board approval

