



# ATLANTA PUBLIC SCHOOLS BOARD OF EDUCATION BUDGET COMMISSION

March 18, 2021

# Agenda

- ☐ Compensation Strategy Discussion
- ☐ Signature Program Review
- ☐ FY2022 Revenue Update
- ☐ FY2022 Expenditure Update



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# **FY21 Updates & FY22 Preliminary Compensation Strategy Discussion**

Office of Human Resources

# Agenda

1. FY21 End-of-year Pay Adjustments
2. FY22 Teacher Compensation Updates
3. FY22 NonTeacher Compensation Proposals
4. Discussion
5. Next Steps

# 1. FY21 End-of-year Pay Adjustments (Proposed)

Recent news from Georgia DOE about \$1,000 “retention bonuses”:

- Program is being handled much like existing math/science supplement grant and is not at all like past “stipends” or pay raises from the state.
- State will populate a list of eligible employees in our grant portal (con app) based on our October CPI personnel report to GA DOE.
- Eligibility was expanded significantly from original media statements to include all schoollevel faculty and staff, including but not limited to teachers, paraprofessionals, school counselors, school psychologists, school nurses, custodians, bus drivers, school nutrition staff, media specialists, clerical staff and administrative assistants, school principals, assistant principals, instructional coaches, and therapists.
- We are expected to pay all eligible employees who still work for us and submit a file in the portal showing whom we paid.
- We do not yet know when we will receive the funds, or if the funding will include the cost of FICA taxes or not.

# 1. FY21 End-of-year Pay Adjustments (Proposed)

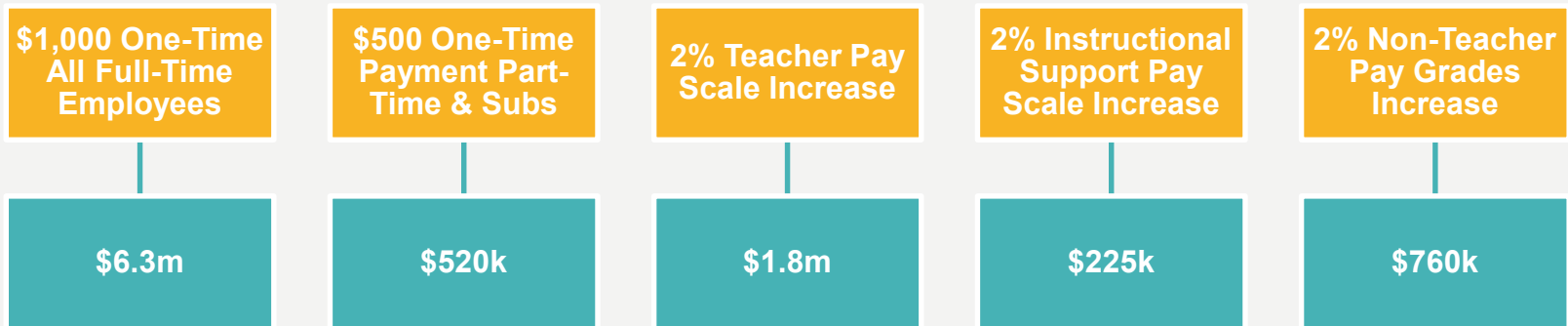
APS would go above and beyond the state by providing:

- \$1,000 one-time payment to all full-time employees (on 4/30 paycheck)
- \$500 now to all part-time/hourly and permanent subs (on 4/30 paycheck)
- Increase salary schedules for base pay on step and grade by 2% as of 4/16 (equivalent of \$1,300 per year for average teacher, or \$53 per check)
- Full-time employees receive 1/24th of their new pay until end of contract/pay schedule:
  - Through 7/15 check for annual duty staff (252, 261)
  - Through 8/15 check for less-than-annual staff (201, 202, 211, 231)
- HR/payroll do not “blend” salaries or do retro payments
- Keeps employees on step & grade program in GHR system and reduces chance of errors
- HR must hand-calculate ~1000 less-than-annual employees’ salaries due to mid-year certification upgrades, started after first day of contract, mid-year transfers to new positions, or employee was on unpaid leave for more than 20 days
- Any FY22 pay raises approved at June Board meeting would start on the first pay period for the 21-22 school year (July 31 for year-round and August 31 for everyone else) and add to what we did this year.

revised 11/6/20

# 1. FY21 End-of-year Pay Adjustments (Proposed)

The total cost of FY21 end-of-year pay adjustments would be \$9.6m, minus funding TBD amount from state for \$1,000 “retention bonuses.”



# 2. Teacher Compensation

The presented scenarios for FY22 teacher compensation are based upon the themes that emerged as the greatest needs from focus groups, surveys, and data analysis:

**Increase base pay for all teachers**

**Address teacher retention issues at years 3-6**

**Address gap with the metro area districts at years 5-15**

**Address retention issues at high needs schools and certification areas (Math, Science, Special Ed.)**



# 2. Teacher Compensation

To address the identified needs while keeping budget constraints in mind, the following are potential teacher compensation investments for FY22:

<b>Teacher Compensation Scenarios (Updated 3/10/21)</b> (Each scenario is outlined on the following slides by number)		<b>FY22 Cost</b> (with TRS)
1	Give all eligible employees on teacher pay scale a step increase (when added to FY21 2% raise, increases average raise to 3.6%, \$2,200 per teacher)	\$3.7m
2	Increase teacher pay scale in years (steps) 5-15 (increases average raise to 5.8%, \$3,500 per teacher)	\$5m
3	Invest in teacher retention for high needs subject areas, starting with special education	\$1.3m
4	Invest in teacher retention for high needs schools, as defined by poverty, and attract experienced teachers to high needs schools	\$1.3m
5	Stipends for new teacher leadership roles	TBD
<b>Total cost of potential investments for FY22</b> <b>(Without TRS &amp; benefits, would be \$9.8m)</b>		<b>\$11.3m</b>

revised 3/16/2021

\*Teacher pay scale includes: Teachers, Media Specialists, IB Specialists, Signature Program Specialists



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# 2. Teacher Compensation

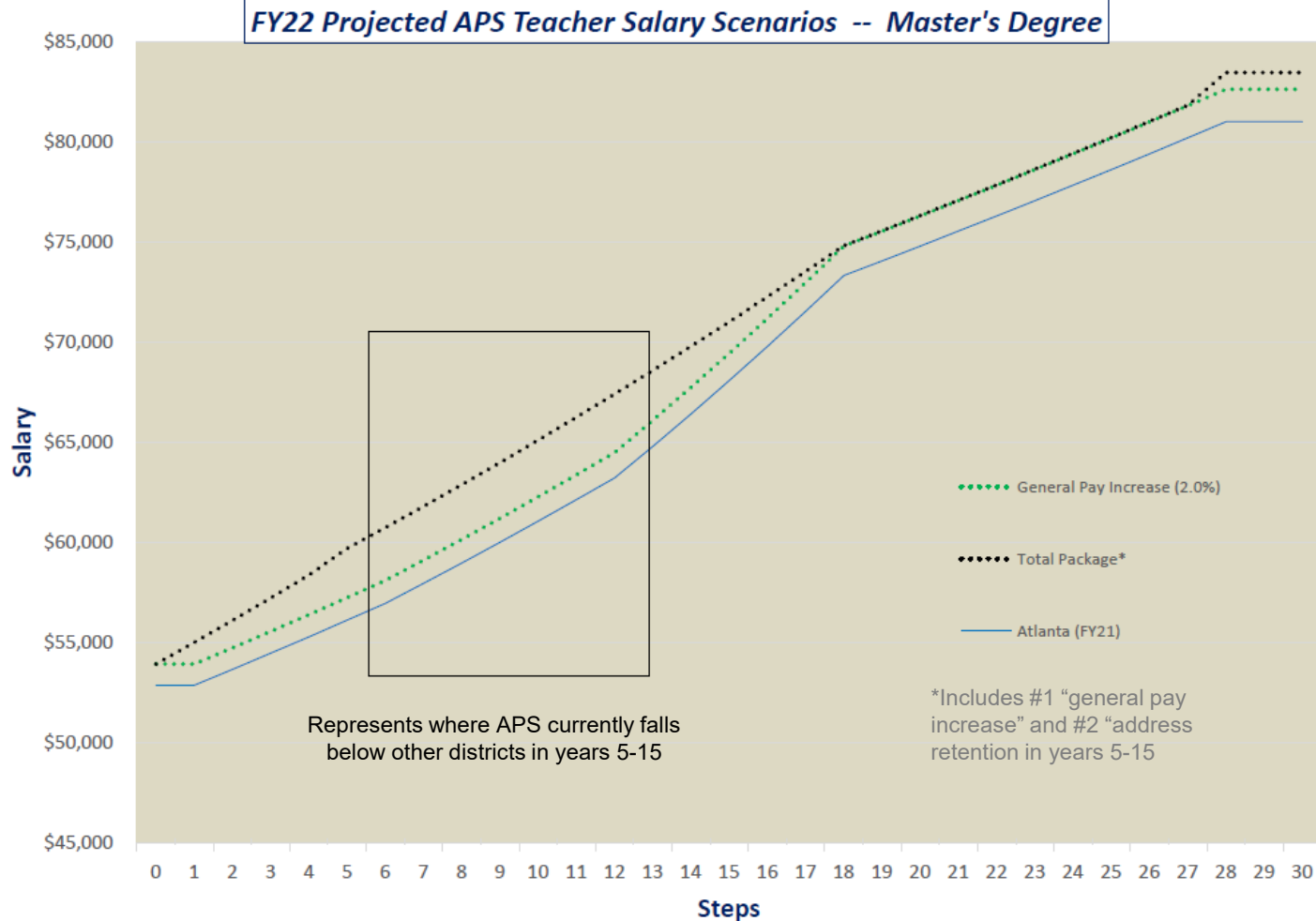
## 1.) Give all eligible employees on teacher pay scale\* a step increase

- A step increase is the equivalent to about 1.6% pay raise
- The combined effect of the 2% pay scale raise and a step increase is an overall average pay raise of about 3.6%
- Providing steps avoids the process of having to “freeze” teachers on their current step, which requires “rolling” all the steps back a year
- APS provides a step for each year of service, which is more than the state pay scale and some surrounding districts, which keep teachers on a step for more than one year in a row
- The number of APS teachers who are off-step has been reduced from 881 in 2015 to 44 currently
- Total cost of a step increase for all currently eligible employees on teacher pay scale is \$3.69m

\*Teacher pay scale includes: Teachers, Media Specialists, IB Specialists, Signature Program Specialists  
revised 3/16/2021

# 2. Teacher Compensation

## 2.) Increase teacher pay scales in years 5 -15



revised 3/16/2021

A percentage increase across the scale (instead of flat rate) proportionately rewards more experienced teachers with a higher dollar amount

Additional adjustments at the top end of the scale would also get **ALL teachers on a step for the first time in 11 years**

Not increasing steps 5-15 of the teacher pay scale will leave the gap between APS and metro districts

Not providing the increase will bury APS further into the metro area market

# 2. Teacher Compensation

This plan keeps the structure of our pay scales intact and allows us to move forward with planning, despite continually changing and uncertain pay raise plans from the state.

If each teacher received exactly \$1,000:

- Average raise = 1.6%
- Minimum raise = 1.1%
- Maximum raise = 2.4%

By customizing the increases to the needs of our unique pay structure:

- Average raise = 5.8%
- Minimum raise = 1.8%
- Maximum raise = 9.6%
- Minimum amount = \$962
- Maximum amount = \$6,133
- Average amount = \$3,550
- # below \$1,000 = 11
- # at \$1,000 = none
- # above \$1,000 = 3,063

# 2. Teacher Compensation

## 3.) Invest in retention for high needs subject areas, starting with special education

- APS currently defines high needs subjects as the following, in rank order based on teacher and principal feedback:
  1. Special Education PK-12
  2. Math 6-12
  3. Science 6-12
  4. ESOL K-12
  5. CTAE 6-12
  6. Dual Language Immersion K-12
  7. World Language K-12
- The recommendation is to begin this strategy with special education because it benefits the most schools/teachers and is the hardest to staff from an HR standpoint due to increased certification requirements
- Additional subjects could be phased in and stipend amounts increased in future years - could also consider increasing base salary if/when amount reaches ~10%

Level	Stipend Amount	FY22 Cost
Elementary Teachers n = 209	\$3,000	\$627,000
Secondary Teachers n = 220	\$3,000	\$660,000
<b>Total (with tax added)</b>		<b>\$1,305,661</b>

revised 3/16/2021

# 2. Teacher Compensation

## 4.) Invest in teacher retention for high needs schools, as defined by poverty, and attract experienced teachers to move to high needs schools

- Increased pay for high needs schools was recommended by ERS and Teacher Advisory Committee (TAC) as part of a retention strategy for improving equitable access to effective teachers.
- Since that time, TAC worked to define a high needs school for APS. They prioritized using high poverty (as defined by direct certification) over other options, like free/reduced lunch, teacher turnover, state turnaround eligible list or 3-year performance (CCRPI) average.
- The option for stipends in high poverty schools was rated 2<sup>nd</sup> priority out of potential compensation strategies in a survey of all teachers in February 2020.
- The recommendation is to start small and work up to the ideal strategy, but the long-term goal is for effective teachers in high poverty schools to ultimately earn 15-20% more than their base pay and for it to be based on experience/effectiveness.
- It will be necessary to also consider additional pay for non-teaching positions in these schools.

### Option A Total \$690k

- 17 schools in top quartile of high poverty (76.7% or higher)
- ~680 teachers @ \$1,000 per teacher
- Pay half in December and half in May
- Shared or part-time teachers receive % based on assignment

### Option B Total \$1.36m

- 33 schools with 65.8% or higher poverty (2<sup>nd</sup> Quartile)
- ~1,340 teachers @ 1,000 per teacher

### Option C Total \$2m

- 17 schools in top quartile \$2,000/\$1.32m
- Plus 16 schools in 2<sup>nd</sup> quartile \$1,000/\$670k



# 3. Non-teacher Compensation

To address the identified needs while keeping budget constraints in mind, the following are potential non-teacher compensation investments for FY22:

<b>Non-Teacher Scenarios (Updated 3/10/21)</b> (Each scenario is outlined on the following slides by number)	<b>FY22 Cost (with TRS)</b>
1 Step increase for all eligible full-time employees on non-teacher pay grades (about 1.3%)	\$2.5m
2 Step increase for all eligible full-time employees on Instructional Support pay scale* (about 1.6%) and increase # of steps to 28	\$1.9m
3 Implement Year 2 of three-year plan to convert hourly special education paraprofessionals to full time	\$1.9m
4 Annual position reclassification requests	\$340k
5 Market adjustments for specific employee groups (Metro RESA) and athletic stipends (GHSA)	\$1.1m
6 Hourly employee pay increases to minimum \$15/hour	\$2.3m
7 Substitute employee pay increases	\$257k
<b>Total cost of potential investments for FY22 (Without TRS &amp; benefits, would be \$9.2m)</b>	<b>\$10.3m</b>

\*Instructional support pay scale includes: Instructional Coaches, Psychologists, Behavior Specialists  
revised 3/16/2021

# 3. Non-teacher Compensation

## 1.) Non-Teacher Pay Grades: Step increase for all eligible full-time employees

There are about 2,500+ employees on a non-teacher pay grade

Providing a step increase is the equivalent of about 1.3% average increase and costs \$1.7m

Reducing the top step from 29 to 28 increases the amount between each step and matches teacher pay scale at a cost of \$785k



# 3. Non-teacher Compensation

## 2.) Instructional support pay scale: Step increase and increase # steps to 28

There are about 500 employees on Instructional Support (IS) pay scale, and they work a 202, 211, or 231-day schedule

Provide a step increase to all eligible employees, equivalent to about 1.7% average increase, at a cost of \$758k

Increase level 7 (doctorate) certificate supplement from \$2k to \$4K to maintain % above teacher pay scale costs \$48k

Extend top step of schedule from step 24 to step 28 to get more employees on step costs \$190k

Adjust IS schedule to 3% above new teacher pay scale costs \$925k

**Total = \$1.9m**

# 3. Non-teacher Compensation

## 3.) Implement year 2 of three year plan to convert hourly special education paraprofessionals to full time

FY20

- Year 1 of implementation – **\$1m**
- Convert hourly elementary one-to-one paraprofessionals (about 38) to full time status

FY22

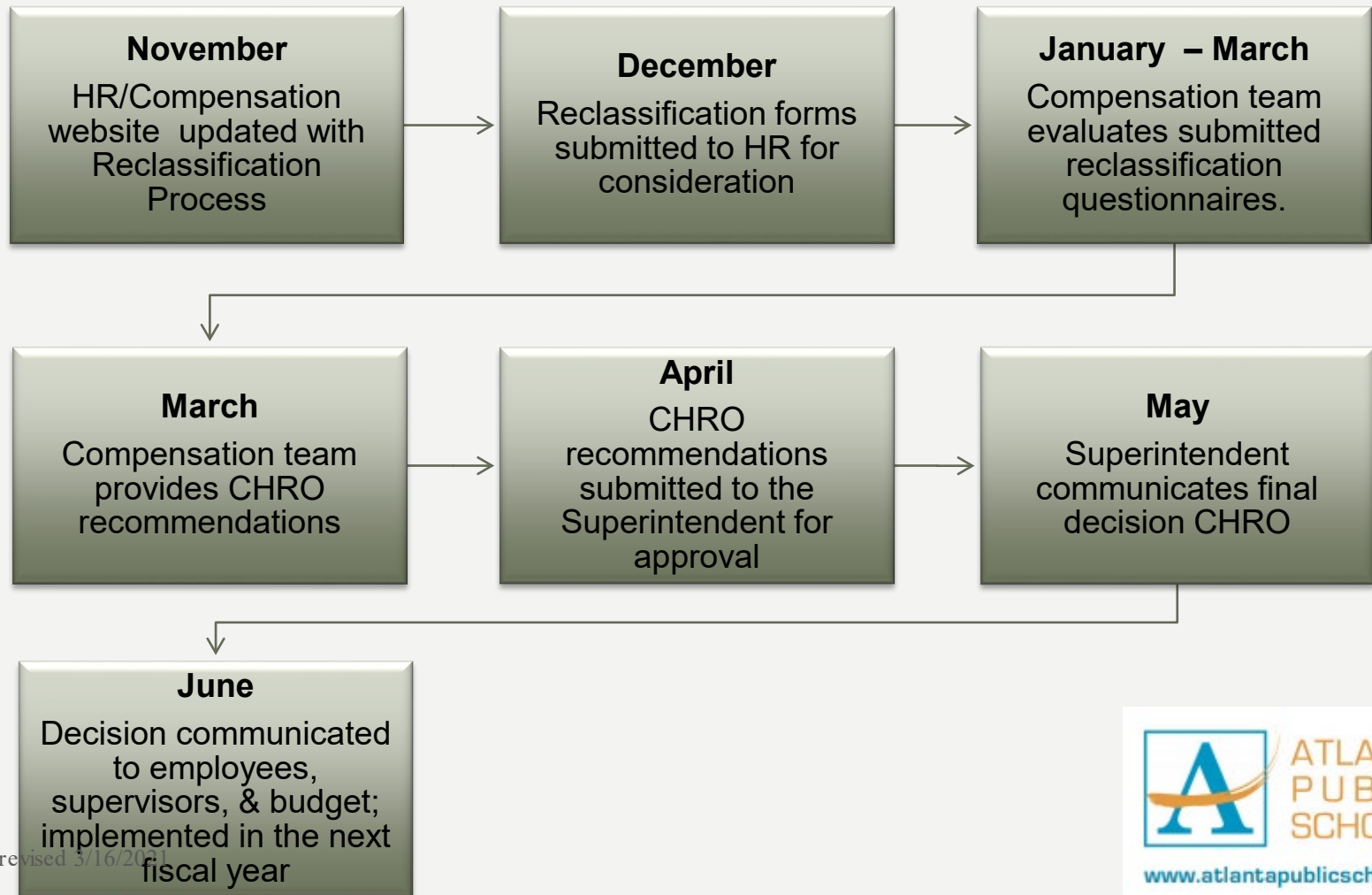
- Year 2 of implementation - **\$1.9m**
- Convert hourly middle school & high school one-to-one paraprofessionals (about 60) to full time status

FY23

- Year 3 of implementation – **\$2m**
- Convert all remaining special education paraprofessionals (about 62) to full time (interrelated)

# 3. Non-teacher Compensation

## 4.) Annual position reclassification requests



# 3. Non-teacher Compensation

## 5.) Market adjustments for specific employee groups (Metro RESA, Council of Great City Schools)

- Safety department – estimated cost \$647k
  - Address pay parity for hourly rates on 261-day schedule compared to 252-day schedule
  - Increase starting salary from \$21.98 to \$23.88
  - Will also make us more competitive with Atlanta Police Department and provide a pay differential for SRO lead position
- Graduation Coaches – estimated cost \$169k
  - Change pay grade from 122 to 126
- Staffing Directors – estimated cost \$62k
  - Change pay grade from 135 to 137
  - Currently ranked 6th in Metro Area, behind Gwinnett, Fulton, Clayton, Cobb and DeKalb
- HVAC Technicians – estimated cost \$48k
  - Researched all skilled trades; however, HVAC Technicians require post-secondary education when other trades don't
  - Change pay grade from 122 to 123
  - Currently ranked 6th in Metro Area, behind Cobb, Fulton, Cherokee, Gwinnett, and DeKalb
- Additional stipends for new GHSA sports – estimated cost \$110k
  - E-sports, game-day cheer, girl's football, and dance

# 3. Non-teacher Compensation

**Athletic stipend** increases are needed for the 2021-2022 school year to support the implementation of new Georgia High School Association (GHSA) sanctioned sports.

Some schools initiated these sports in 2020-2021, but coaches were not paid a stipend.

Supplemental Duty	Stipend Amount per Person	Total FY21 Cost
E-sports	\$2,000	\$22,000
Game Day Cheer	\$2,000	\$20,000
Girls Flag Football	\$2,705	\$28,000
Assistant Flag Football	\$1,796	\$18,000
Dance	\$2,000	\$20,000
<b>Total</b> (plus employment tax)		<b>\$110,000</b>

# 3. Non-teacher Compensation

## 6.) Hourly employee pay increases

- Full time employees received minimum wage increase to \$15/hour in August 2020; hourly employees were not approved in the budget package
- 247 hourly employees make less than \$15.00 per hour
- Estimated cost to increase hourly pay rates is now \$2.3m
  - Implement \$15.00 minimum wage hourly employees - \$882k
    - Current rates: Hourly paraprofessional (\$13.50), hourly school clerk (\$14.00), hourly crossing guards (\$12.40), hourly bus/cafeteria monitor (\$10.75)
  - Adjust hourly rate to equal entry level (step 0) rate where there is an equivalent full-time position - \$1.4m
    - For example: Adjust hourly teacher rate from \$29.75 to \$32.37

# 3. Non-teacher Compensation

## 7.) Substitute employee pay increases

Substitute rate increase – estimated cost \$257k

- Have not received an increase in over 4 years
- Increase all daily rates by \$5 per day, including but not limited to:
  - Long-term sub from \$140 to \$145
  - Certified from \$115 to \$120
  - Non-certified from \$90 to \$95
  - Paraprofessionals from \$82 to \$87

# 4. Discussion

For discussion of priorities:

All Scenarios	FY22 Cost (with TRS)
	FY22
Teacher compensation package	\$11.3m
Step increase for employees on non-teacher pay grades	\$2.5m
Step increase (1%) and increase # of steps to 28 on IS pay scale*	\$1.9m
Implement year 2 of three-year plan to convert hourly special education paraprofessionals to full time	\$1.9m
Annual position reclassification requests	\$340k
Market adjustments for specific employee groups (Metro RESA)	\$1.1m
Hourly employee pay increases	\$2.3m
Substitute employee pay increases	\$257k
<b>Total cost of potential investments for FY22 (Without TRS &amp; benefits, would be \$19m)</b>	<b>\$21.6m</b>

revised 3/16/2021

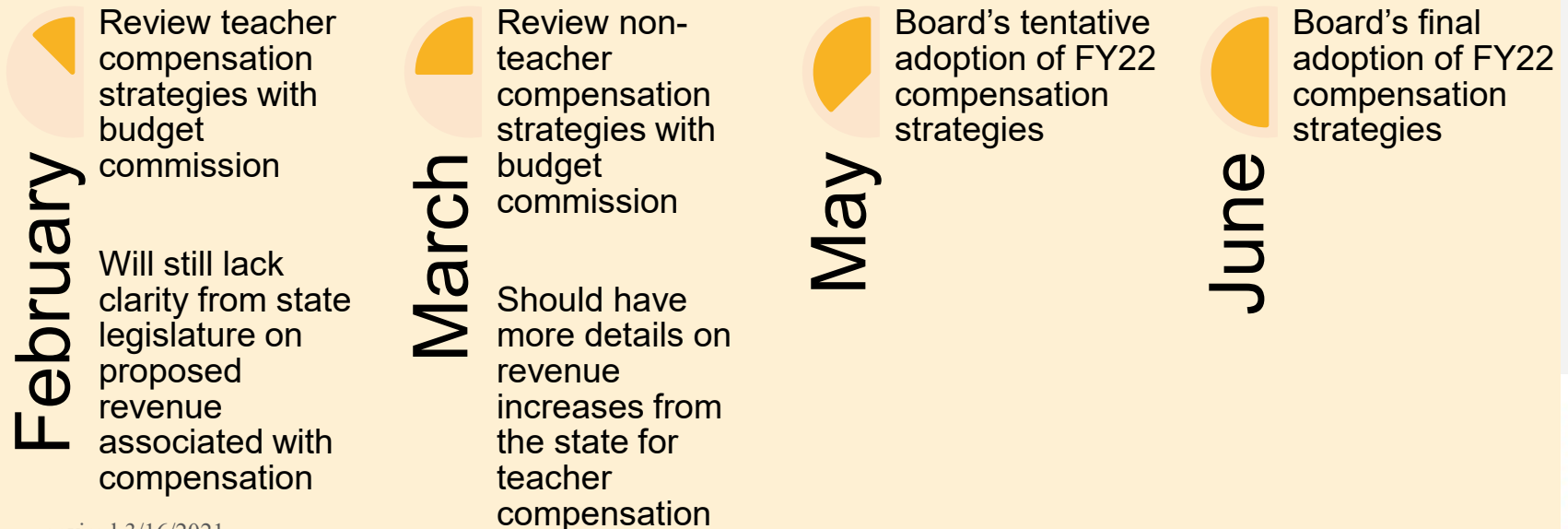
\*Instructional support pay scale includes: Instructional Coaches, Psychologists, Behavior Specialists



# 5. Next Steps

1. Adjust compensation scenarios based upon today's feedback and changing revenue estimates
2. Prepare final compensation scenarios for May tentative adoption

**The timeline for approval of the FY22 compensation strategy is as follows:**





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# **Signature Programs**

# Signature Program Current Practices (SY15-present)

## Phasing Structure

- Aligned to 20152020 APS strategic plan
- Aligned to authorization/certification requirements from agencies
- Three phases of progression based on level of implementation (1Beginning, 2Intermediate and 3Advanced)
- Phase 3 is for schools that are progressing toward and/or achieved certification/authorization

## Funding

- District sets total Signature Program allocation
- School funding is then based on grade band and phase

# Lessons Learned (Problems of Practice)

## Phasing Structure

- New APS strategic plan (2020-2025)
- Updated requirements for authorization/certification from certifying agencies
- Current structure lacks a phase that encourages and ~~post~~ authorization/certification growth and continuous improvement
- Greater accountability is needed to ensure schools certify/authorize and implement with fidelity districtwide

## Funding

- Funding based on grade band & phase *without* consideration of the number of students served
- Current structure allows schools to eventually receive highest funding without obtaining authorization/certification
- Funding does not adjust to accommodate regression in implementation

# Initial Recommendations for FY21 (proposed March 2019)

## Phasing Structure

- Add fourth phase and reassign schools based on level of implementation-(1 Beginning, 2Intermediate, 3Advanced and 4—Post Authorization/Certification)
- Assess implementation every year using the new phasing rubric (in development)
- Adjust the school phase designation based on progression and observation

## Funding

- Implement funding formula in FY22 that includes base allocation plus per pupil enrollment (each based on phase)
- For FY22, schools will remain on FY21 phase for first year of new funding calculation, unless a school progresses to the next phase

# Funding Formula Comparison

## Current



## Proposed



Phase + Grade Band (FY21 example)			
	Phase 1	Phase 2	Phase 3
Elementary	\$ 100,000	\$ 137,000	\$ 232,000
Middle	\$ 100,000	\$ 137,000	\$ 160,500
High	\$ 100,000	\$ 230,000	\$ 325,000

Base Allocation by Phase	
Phase 1	\$50,000
Phase 2	\$100,000
Phase 3	\$150,000
Phase 4	\$200,000

Per Student Allocation	
Phase 1	\$25
Phase 2	\$50
Phase 3	\$75
Phase 4	\$100

## Change Rationale

- Students served and number of teachers has a greater impact on Signature Program budgets than grade band
- Per pupil allocation will address the resource gap that schools serving more students have experienced

# Rationale for Delayed Action on New Funding Proposal

After presenting problems of practice and recommendations it was decided that we should pause to allow opportunities for

- New District leaders to learn more about programming before making a final decision
- Input from the new Equity and Social Justice Office
- Finance department to review budgetary impacts (considerate of SSF)

## Next Steps

1. Finalize an Accountability Rubric designed to
  - help guide expectations for Principals and Associates
  - identify specific implementation steps for schools
  - associate progress toward authorization/certification with phasing that will be used as the baseline of the new formula
2. Revisit phasing and funding recommendations (Summer 2021) in collaboration with Finance division, Equity and Social Justice Office and Cross-Functional Work Group
3. Implement recommendations in time for FY23 budget development



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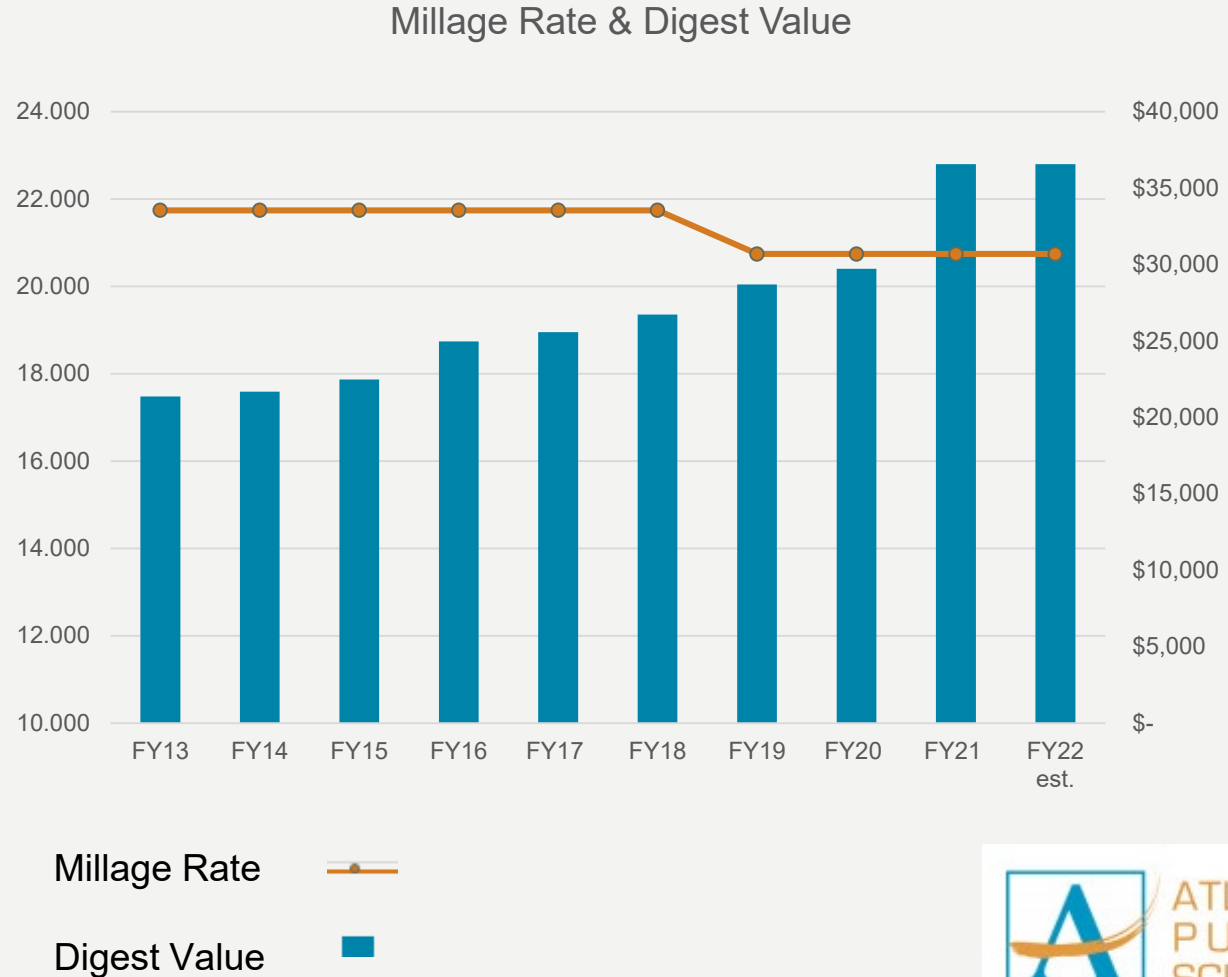
# **FY2022 Budget Update**



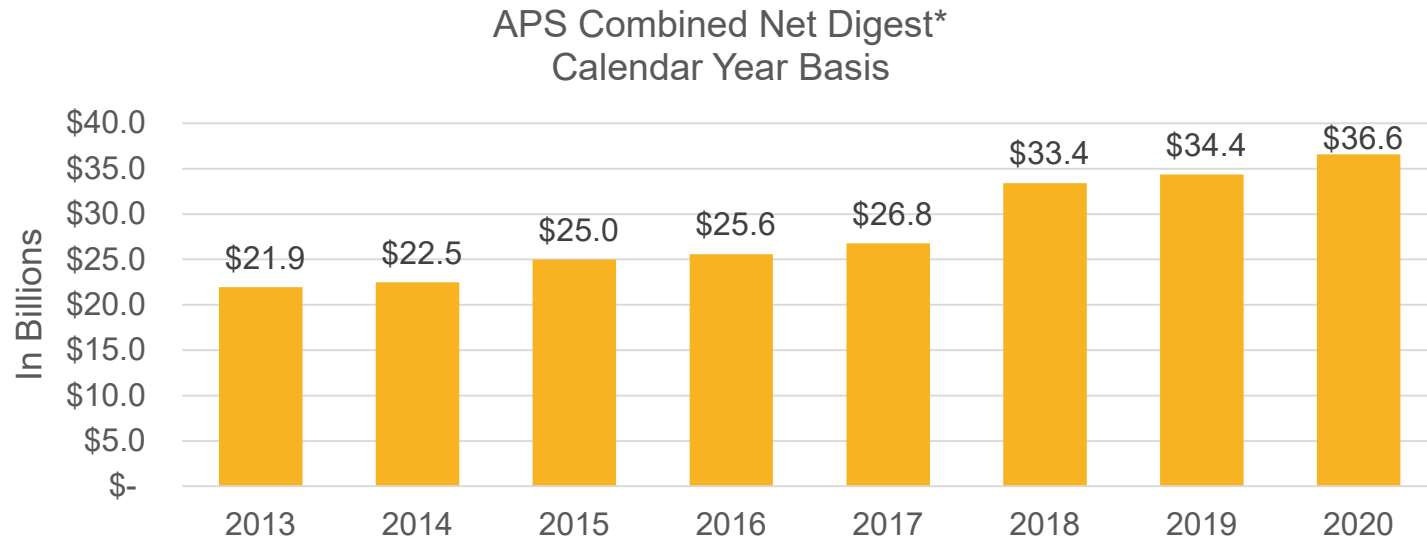
# Considerations for Discussion / Millage Rate

## Local

- ▶ A mill of tax is equal to \$1 per \$1,000 of assessed valuation
- ▶ Total millage decreased by one mill to 20.740 in FY2019
- ▶ It is at the lowest rate since the Great Recession
- ▶ The current rate of 20.740 mill has remained the same since FY2019 while the Digest value increases.



# History of Local Revenue



Minimal growth in overall digest even as Atlanta recovers from recession and new development, growth, and values, should be increasing.

Sales Ratio study indicates that residential values are under-assessed. Fulton County Assessor replaced. New assessor works to bring residential values up to equalized values

Residential values frozen at 2016 values. APS furloughs employees, defers charter and pension payments, cuts raises, takes out \$100 million TAN

APS rolled back the millage by 1.0 from 21.740 to 20.740 in 2018 to return 80% of the new growth to taxpayers (about \$30 million)

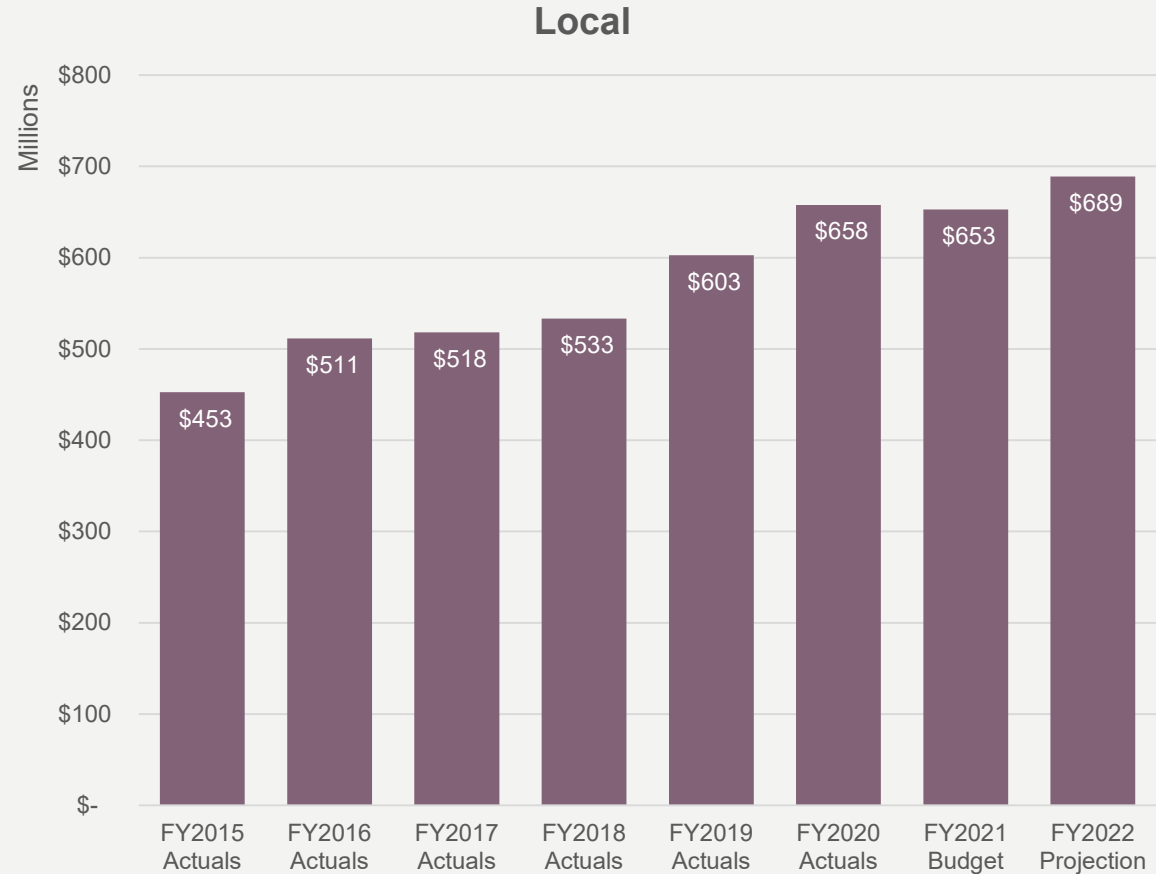
SB485 offset growth in 2019 and returned more than \$25 million taxpayers

\*Figures represent the total combined DeKalb and Fulton available net digest before applying the APS millage rate.

# Considerations for Discussion

## Local

- ▶ Conservative revenue collections assumed for FY2021; trued up for FY2022 forecast
- ▶ Some growth assumed on both Fulton and DeKalb digest



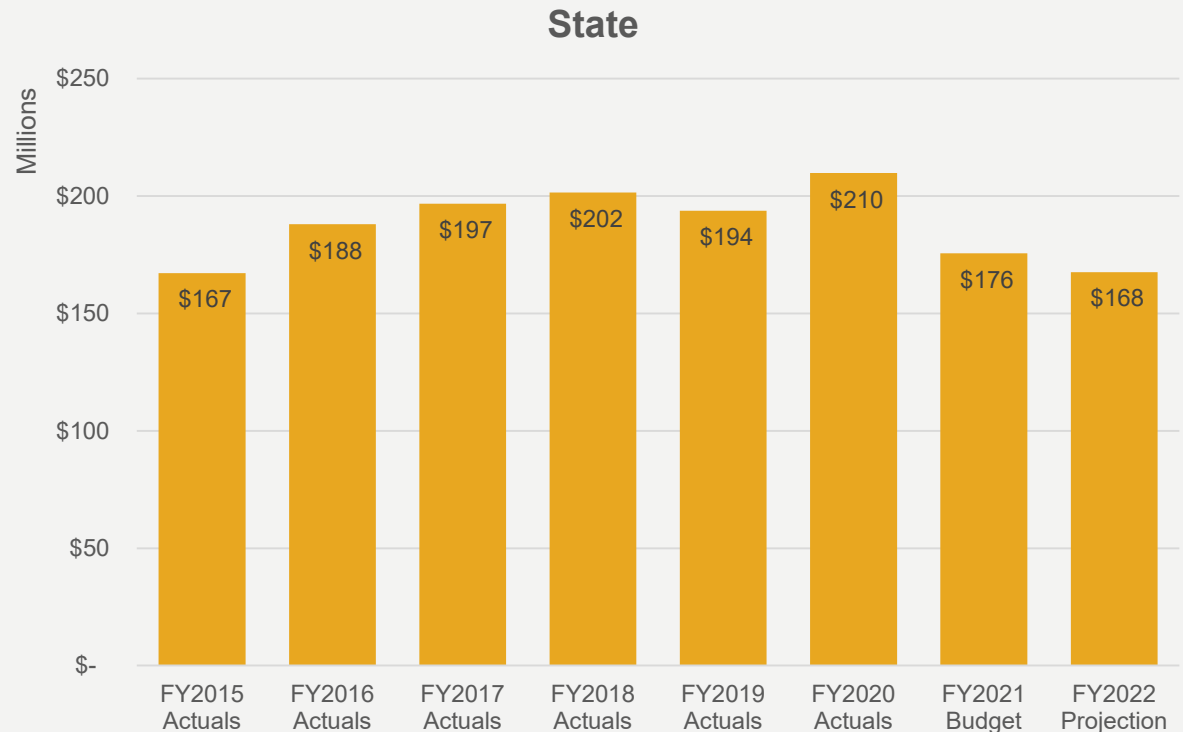
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# Considerations for Discussion

## State

- ▶ Increase for those employees eligible for TRS reimbursement from the State-rate from 19.06% to 19.81%
- ▶ Assumes state grants will remain the same from FY2021 to FY2022
- ▶ Assumes partial restoration of austerity cuts
- ▶ Assumes increase to Local Fair Share
- ▶ Assumes decline in enrollment



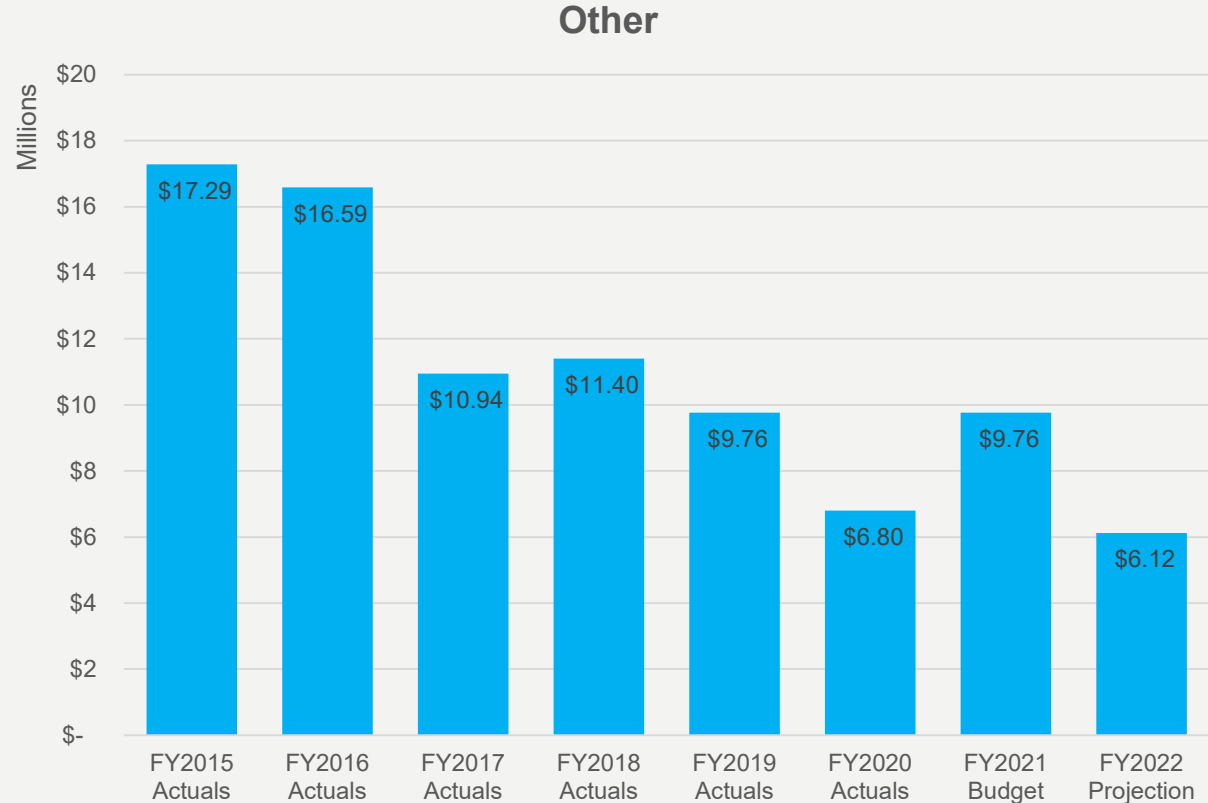
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# Considerations for Discussion

## Other

- ▶ Includes tuition, investment interest, rental of facilities, sale of assets, damages for reimbursements, charter buy-back, field trips, and other sources
- ▶ Currently holding on assumptions for buy-back, field trips, etc.



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# Other Revenue Impacts

- SPLOST We would anticipate steep declines in sales tax collections for as long as the economy is frozen
  - TBD how quickly sales will rebound but recouping lost sales is unlikely
- Special Revenue:
  - Federal Programs including Nutrition, remaining stable from FY2020 to FY2021
  - The *Coronavirus Aid, Relief, and Economic Security (CARES) Act* was passed by Congress and signed into law by President Trump on March 27, 2020
    - Allocation for APS is approximately \$22.95 million
    - After indirect costs, administrative overhead and share to private schools approximately \$16m will be available to APS
    - COVID-19-related expenses are retroactive to Mar 13, 2020 and after
    - Can be used through September 2022
    - Should NOT be used for recurring expenditures
  - ESSER-CARES Act
    - Allocation for APS is approximately \$89.99 million

# Impactto Fund Balance

## Fund Balance Analysis Assuming 100% Collections and 100% Spend\*

	Maximum Use
FY2021 Beginning Fund Balance	\$ 136,322,737
FY2021 Anticipated Use of Fund Balance	\$ 31,239,488
FY2021 Ending Fund Balance	\$ 105,083,249
FY2021 Expenditures	\$ 890,004,107
% of Expenditures	11.81%

<b>FY2022 Beginning Fund Balance</b>	<b>\$ 105,083,249</b>
<b>FY2022 Anticipated Use of Fund Balance</b>	<b>\$ -</b>
<b>Potential Add Back to Fund Balance</b>	<b>\$ -</b>
FY2022 Ending Fund Balance	\$ 105,083,249
FY2022 Expenditures**	\$ 916,704,230
% of Expenditures	11.46%

\*We are currently ahead in revenue collections and lagging expenditure projections; will continue to monitor.

\*\* Expenditure budgets are not compiled, assumes 3% growth for planning purposes only.



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# **FY2022 Expenditure Update**



# Expenditure Walk-through

SUPER preliminary analysis. Known issues within the department request that must still be addressed include; duplication of CARES request and general fund and large placeholder in districtwide for compensation scenarios. State grants are not fully allocated in either revenue or expenditures yet.

Revenue	FY2021 Budget	FY2022 Projection	Change	% Change
Local	\$652,732,576	\$688,878,713	\$36,146,136	6%
State	\$175,624,499	\$171,433,833	-\$4,190,667	-2%
Other	\$9,763,887	\$6,122,560	-\$3,641,328	-37%
Transfer	\$20,739,201	\$16,290,587	-\$4,448,614	-21%
Fund Balance	\$31,239,488	\$0	-\$31,239,488	-100%
<b>Total</b>	<b>\$890,099,652</b>	<b>\$882,725,692</b>	<b>-\$7,373,959</b>	<b>-1%</b>
Expenditures	FY2021 Budget	FY2022 Projection	Change	% Change
School Allotments	\$435,787,965	\$429,874,462	-\$5,913,502	-1%
Charter Schools	\$143,583,925	\$148,038,425	\$4,454,500	3%
Partner Schools	\$43,021,592	\$43,336,315	\$314,723	1%
Departments	\$237,146,210	\$311,360,103	\$74,213,894	31%
Utilities	\$17,995,900	\$16,969,200	-\$1,026,700	-6%
State Grants	\$12,564,059	\$2,652,330	-\$9,911,729	-79%
<b>Total</b>	<b>\$890,099,650</b>	<b>\$952,230,835</b>	<b>\$62,131,185</b>	<b>7%</b>
Difference	\$1	-\$69,505,143		

# Preliminary FY22 Budget by Object

These figures are extremely preliminary. We are still combing through the budget requests. There will likely be many changes made to align dollars to their appropriate object codes within the next month.

	FY2021 Approved			FY2022 Preliminary			
*Budget in millions	Budget*	% of Exp	Per Pupil	Budget*	% of Exp	Per Pupil	Change*
Salaries <sup>1</sup>	\$354.04	42.00%	\$6,789	\$385.92	40.53%	\$7,579	\$31.87
Other Compensation <sup>2</sup>	\$16.20	1.92%	\$311	\$32.99	3.46%	\$648	\$16.79
Employee Benefits <sup>3</sup>	\$186.44	22.12%	\$3,575	\$195.36	20.52%	\$3,837	\$8.93
Professional Services <sup>4</sup>	\$67.53	8.01%	\$1,295	\$85.16	8.94%	\$1,672	\$17.63
Purchased Property Services <sup>5</sup>	\$22.06	2.62%	\$423	\$26.07	2.74%	\$512	\$4.01
Other Purchased Services <sup>6</sup>	\$153.11	18.16%	\$2,936	\$169.58	17.81%	\$3,330	\$16.46
Supplies <sup>7</sup>	\$35.61	4.23%	\$683	\$42.29	4.44%	\$830	\$6.67
Property <sup>8</sup>	\$0.70	0.08%	\$13	\$1.25	0.13%	\$25	\$0.55
Operating Transfer <sup>9</sup>	\$4.44	0.53%	\$85	\$10.58	1.11%	\$208	\$6.15
Other Objects <sup>10</sup>	\$2.78	0.33%	\$53	\$3.04	0.32%	\$60	\$0.26
<b>Total</b>	<b>\$842.92</b>	<b>100.00%</b>	<b>\$16,163</b>	<b>\$952.23</b>	<b>100.00%</b>	<b>\$18,701</b>	<b>\$109.31</b>

# Preliminary FY22 Budget by Function

These figures are extremely preliminary. We are still combing through the budget requests. There will likely be many changes made to align dollars to their appropriate function codes within the next month.

	FY2021 Approved			FY2022 Preliminary			
*Budget in millions	Budget*	% of Exp	Per Pupil	Budget*	% of Exp	Per Pupil	Change*
Instruction <sup>1</sup>	\$555.40	65.89%	\$10,650	\$611.95	64.27%	\$12,018	\$56.55
Pupil Services <sup>2</sup>	\$49.31	5.85%	\$946	\$42.95	4.51%	\$844	(\$6.36)
Staff Services <sup>3</sup>	\$42.16	5.00%	\$809	\$78.82	8.28%	\$1,548	\$36.65
Federal Grant Admin <sup>4</sup>	\$0.00	0.00%	\$0	\$0.00	0.00%	\$0	(\$0.00)
School Admin <sup>5</sup>	\$41.70	4.95%	\$800	\$41.81	4.39%	\$821	\$0.11
General Admin <sup>6</sup>	\$36.98	4.39%	\$709	\$62.22	6.53%	\$1,222	\$25.24
Maintenance & Ops <sup>7</sup>	\$79.71	9.46%	\$1,528	\$79.02	8.30%	\$1,552	(\$0.69)
Transportation <sup>8</sup>	\$31.90	3.78%	\$612	\$30.93	3.25%	\$607	(\$0.97)
School Nutrition <sup>9</sup>	\$0.38	0.04%	\$7	\$0.00	0.00%	\$0	(\$0.38)
Other Outlay <sup>10</sup>	\$4.44	0.53%	\$85	\$3.09	0.32%	\$61	(\$1.35)
Debt <sup>11</sup>	\$0.93	0.11%	\$18	\$1.44	0.15%	\$28	\$0.51
<b>Total</b>	<b>\$842.92</b>	<b>100.00%</b>	<b>\$16,163</b>	<b>\$952.23</b>	<b>100.00%</b>	<b>\$18,701</b>	<b>\$109.31</b>

# Next Steps

<u>Item Description</u>	<u>Date</u>
Cabinet review of department budget requests	Monday, March 22, 2021
Cabinet decision day for FY22 department budget requests	Monday, March 29, 2021
BFAC & Budget Commission Meeting	Thursday, April 15, 2021
Board Meeting (Tentative Adoption)	Monday, May 3, 2021
Regional Meetings	Throughout May (TBD)
Budget Commission: Changes between Tentative and Final Budget	Thursday, May 20, 2021
Board Meeting (Final Adoption)	Monday, June 7, 2021
Millage Process	TBD June – July



# WRAP UP

Next Commission Meeting:  
April 15, 2021

Agenda:

- FY2022 Special Revenue (including CARES), SPLOS & School Nutrition Review
- Discussion of Decision Packages

# Appendix

# Teacher Compensation

## Considerations:

- Impacts to grant budgets due to pay increases for teachers paid through special revenue
- Messaging from Governor versus APS context: we pay much higher than state base, so statements made about raises made at the state level do not equate to the same amount of raise in APS
- Investments made in pay scales in one year perpetuate into future years' expenses
- Increases to base salaries have proportional increases to percentage based benefits, like TRS and FICA. Those have been factored into cost projections
- Atlanta's cost of living continues to be a barrier to teachers being able to live in the communities they serve and increasing base compensation is one way to help, but does not completely address the issue

# Teacher Compensation

## Additional Considerations:

### Student per Adult/Teacher Ratios

- APS has the lowest students per adult ratio (11.8 students per adult as compared to a range of 12.8 to 17.4 students per adult) and the lowest students per teacher ratio (14.98 students per teacher as compared to a range of 15.71 to 20.73 students per teacher) of compared neighboring metro districts.
- We staff all positions between 9% and 48% higher than neighboring compared districts. Specifically, we staff teachers between 5% to 38% higher than neighboring compared districts.
- These staffing ratios cost the district between \$95 million and \$146 million for teachers only (includes percentage based benefits and per employee state health costs.)

### Teacher Work Days

- Our average annual salary is higher than all metro districts when holidays are included (\$61,558). It is the second lowest (out of 8 districts) when holidays are not included (\$58,205).
- APS is the only district that pays 11 holidays to teachers in addition to 191 work days, for total contracted days of 202. The cost of this strategy is about \$13 million per year.

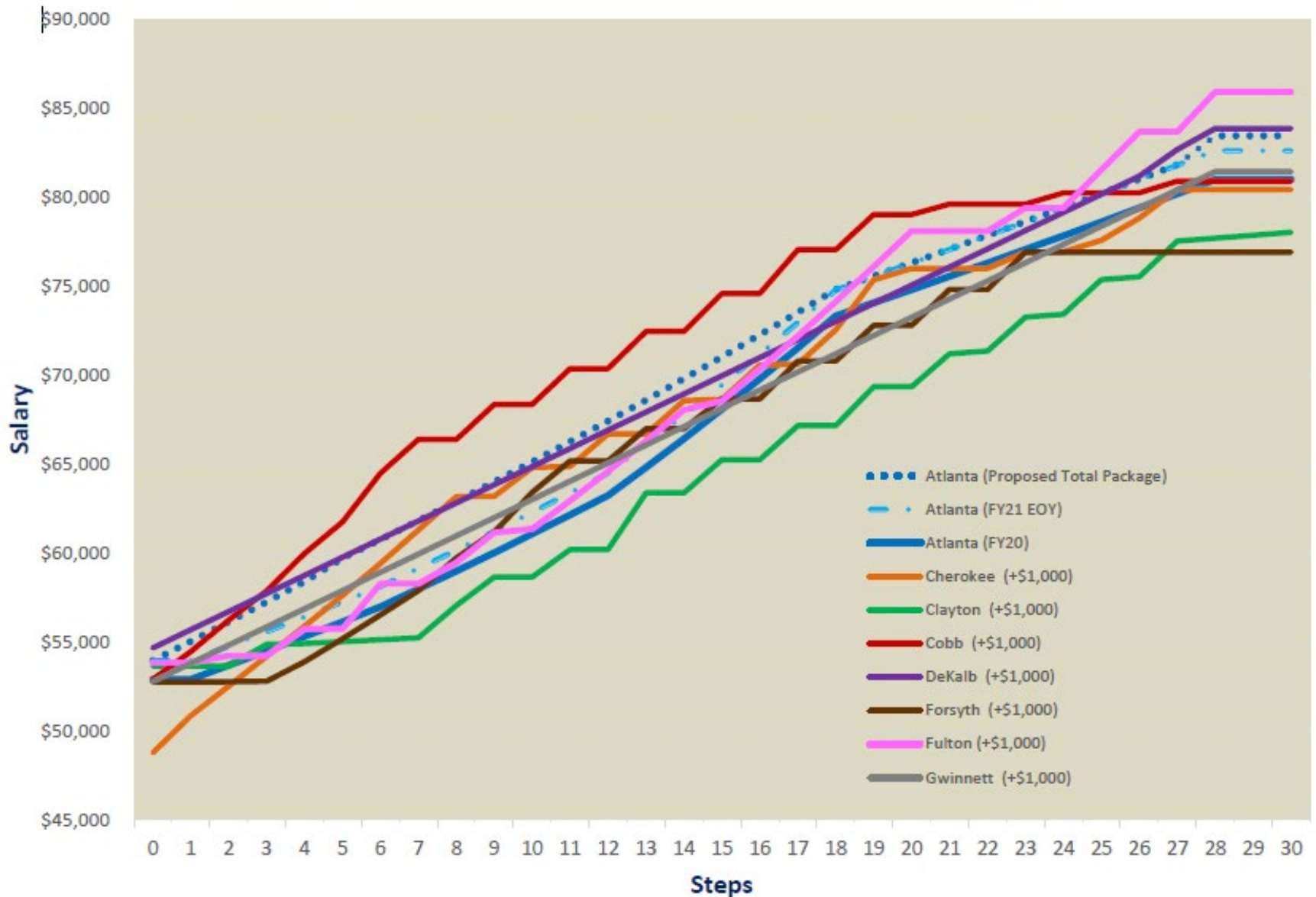
Comparison data from the DOE CPI reports and average salary costs may vary based on how work days are calculated at different districts. APS has many part-time staff who are not included.

revised 3/16/2021



# FY22 Proposed Teacher Pay Raises Compared to Metro Area

*FY22 Projected Metro Atlanta Teacher Salaries -- Master's Degree*

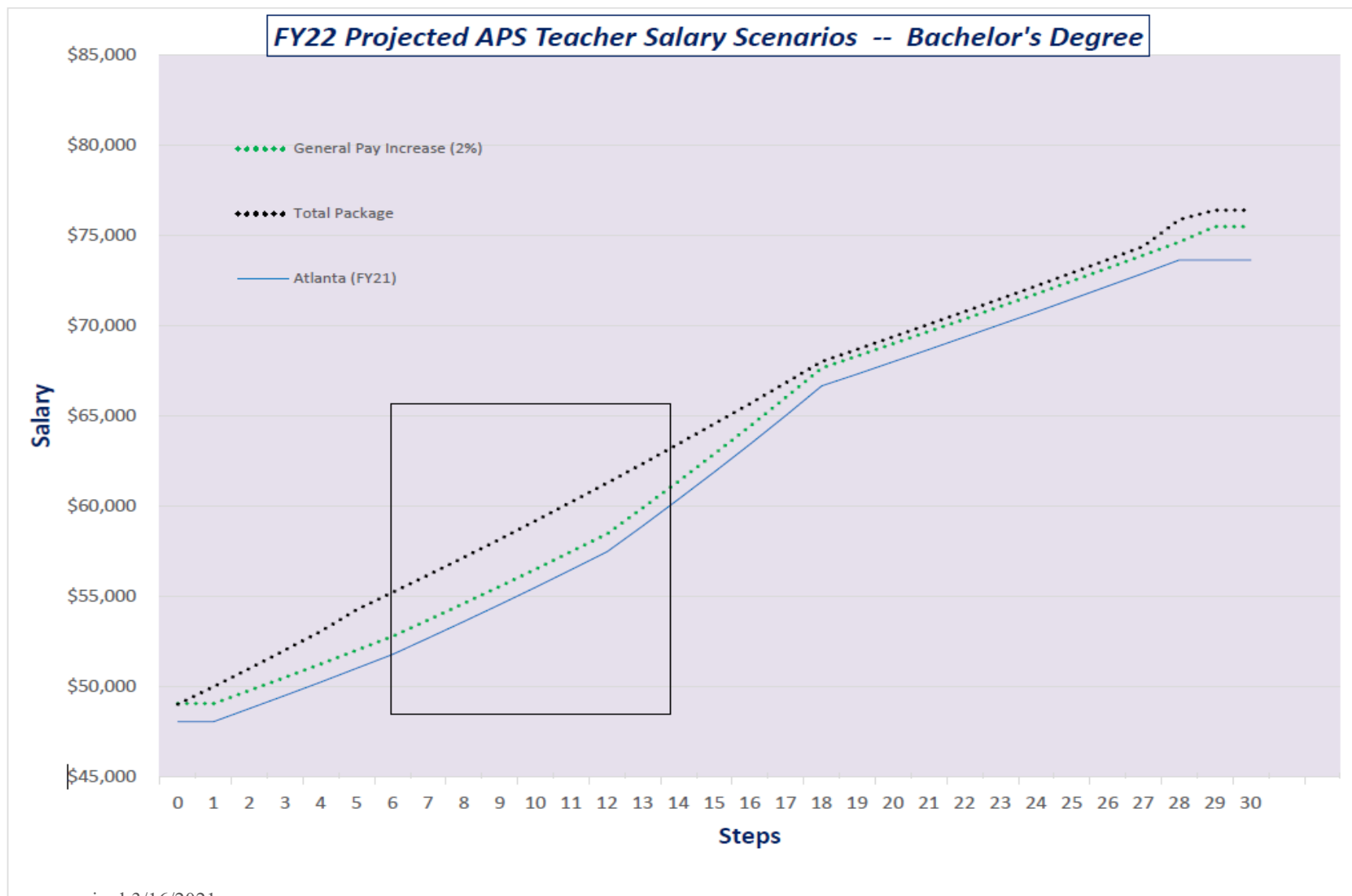


revised 3/16/2021

Metro area comparisons are estimated using a \$1,000 increase per step

# FY22 Proposed Teacher Pay Scenarios for Bachelor's Degree

50

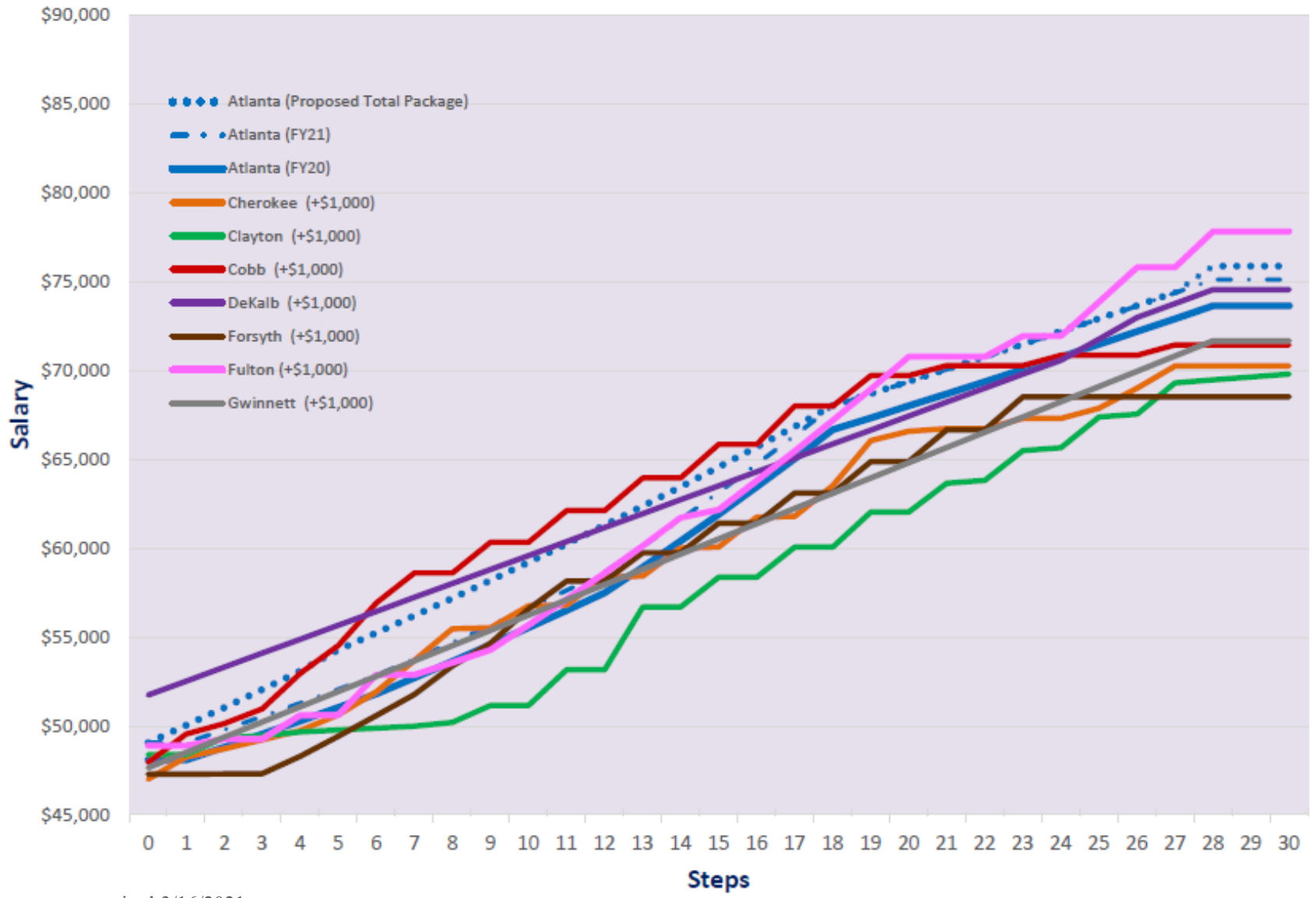


revised 3/16/2021

Step equals a year of experience

# FY22 Proposed Teacher Pay Raises Compared to Metro Area

*FY22 Projected Metro Atlanta Teacher Salaries -- Bachelor's Degree*



revised 3/16/2021

Metro area comparisons are estimated using a \$1,000 increase per step

# High Needs Subject Areas Strategy Details

- In December 2019 and March 2021, Teacher Advisory Council (TAC) expressed the most alignment for providing extra pay for special education teachers.
- 56% rated special education (SPED) as their top priority #1.
- Feedback regarding other subject areas was mixed.

Raw Data	Options for Definition of "High Needs Subject"						
Rank Order (1 Being Highest Preference)	SPED Specializ ed	SPED Interrelat ed	Math	Science	ESOL	CTAE	World Language
1	31%	25%	17%	0%	0%	11%	3%
2	28%	19%	6%	17%	11%	3%	0%
3	6%	17%	22%	11%	8%	8%	6%
4	6%	9%	11%	20%	17%	9%	6%
5	6%	3%	6%	15%	32%	6%	12%
6	3%	6%	9%	12%	9%	21%	15%
7	0%	3%	6%	6%	9%	22%	31%

revised 3/16/2021

# High Needs Subject Areas Strategy Details

However, Teacher Advisory Council (TAC) pointed out several pros and cons to the strategy (listed below).

Options in Rank Order (1 Being Highest Preference)	PROS	CONS
<b>Special Ed. Specialized (EBD, MOID, Autism, etc.) PK-12</b>	<ul style="list-style-type: none"> <li>• We need to keep great teachers when we have them.</li> <li>• Attract passionate talent</li> <li>• Keeps teachers in place</li> <li>• Increased student support</li> <li>• Must provide consistency</li> <li>• Physically/emotionally demanding. Extremely hard work to attract quality workers.</li> </ul>	<ul style="list-style-type: none"> <li>• Resentment between teachers</li> <li>• Teachers vs teachers</li> <li>• Not always right people in the position</li> <li>• Teacher burnout</li> <li>• Student testing and standards not as rigorous, so teachers may not be as motivated.</li> </ul>
<b>Special Ed. Interrelated K-12</b>	<ul style="list-style-type: none"> <li>• Keeps teachers in place</li> <li>• SPED self-contained only</li> <li>• Support in high needs area</li> <li>• More specialists</li> <li>• Need consistent support</li> <li>• Improve teacher morale</li> </ul>	<ul style="list-style-type: none"> <li>• Just like we have master teachers, we need master special ed teachers</li> <li>• Special ed. Teachers need more money, but they need higher accountability</li> <li>• Resentment between teachers</li> <li>• Not always right people in the position</li> <li>• Teacher burnout</li> <li>• Accountability how to measure effectiveness</li> <li>• How do we hold teachers to the teacher standards and not a push-in para?</li> </ul>

revised 3/16/2021

# High Needs Schools Strategy Details

The top quartile of high poverty schools in APS falls at 76.7%. Using that measure, these 17 schools are included:

School Name	Percent Poverty*
Dunbar Elementary School	86.50
Boyd Elementary School	85.20
F. L. Stanton Elementary School	84.20
Harper-Archer Elementary School	82.30
Humphries Elementary School	82.00
Michael R. Hollis Innovation Academy	81.60
Barack and Michelle Obama Academy	81.60
Cascade Elementary School	81.10
Woodson Park Academy	80.80
Scott Elementary School	80.50
Dobbs Elementary School	80.40
Finch Elementary	79.60
John Lewis Invictus Academy	79.40
Kimberly Elementary School	78.00
APS-Forrest Hills Academy	77.70
Heritage Academy Elementary	76.70
The John Hope-Charles Walter Hill Elementary Schools	76.70

The second quartile of high poverty schools in APS begin at 65.8% and would add 16 more schools:

School Name	Percent Poverty*
Miles Elementary School	74.90
Tuskegee Airman Global Academy	74.90
M. A. Jones Elementary School	74.90
Sylvan Hills Middle School	74.00
Long Middle School	73.40
Bazoline E. Usher/Collier Heights Elementary School	73.40
Fickett Elementary School	73.30
Hutchinson Elementary School	72.70
Peyton Forest Elementary School	72.40
Cleveland Elementary School	72.40
Continental Colony Elementary School	72.30
Perkerson Elementary School	71.10
Douglass High School	70.90
Brown Middle School	69.40
Young Middle School	65.80
West Manor Elementary School	65.80

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\*Direct Certification is a school poverty measure, which includes students in households receiving state anti-poverty aid, migrants, and homeless. This measure is updated annually by GA DOE.

# High Needs Schools Strategy Details

In December 2019 and March 2021, Teacher Advisory Council (TAC) expressed the most alignment for defining a “high needs school” by poverty.

## Raw Data

## Options for Definition of "High Needs School"

Rank Order (1 Being Highest Preference)	High Poverty (By Direct Certification)	GOSA Turnaround Eligible	High Effective Teacher Turnover	Low 3 Years CCRPI Average	Other: Mobility Rate	Other: ELL Pop.
1	83%	6%	6%	0%	0%	0%
2	6%	3%	56%	28%	0%	3%
3	6%	44%	11%	19%	8%	0%
4	0%	25%	19%	36%	0%	0%
5	0%	3%	0%	0%	3%	0%

# High Needs Schools Strategy Details

However, Teacher Advisory Council (TAC) pointed out several pros and cons to the strategy (listed below).

PROS	CONS
<ul style="list-style-type: none"> <li>• Attract additional educators</li> <li>• Retain educators</li> <li>• Stability of teacher community</li> <li>• Attract quality teachers</li> <li>• Significant overlap with the other options</li> <li>• Stabilized teacher community</li> <li>• Efficacy does not affect pay</li> <li>• Retention</li> <li>• Pay is based on outside stats</li> <li>• Teacher retention builds a community</li> <li>• Effective teachers will be rewarded for their hard work</li> <li>• Will get highly effective teachers</li> <li>• Retention of teachers with expertise to move students may increase</li> </ul>	<ul style="list-style-type: none"> <li>• Must have specific guidelines/definition</li> <li>• Attract but not "better"</li> <li>• Increase pay may not offset challenges</li> <li>• May not offset challenges sufficiently</li> <li>• Potentially pits schools against each other</li> <li>• Accountability</li> <li>• Define poverty by FRL</li> <li>• Disparity in pay may increase the likelihood of a poor culture.</li> <li>• Schools that need extra assistance won't receive it</li> <li>• Accountability</li> <li>• Retention of teacher for pay only</li> <li>• Measurable growth indicators</li> <li>• Would teachers come to these schools simply for monetary rewards?</li> </ul>



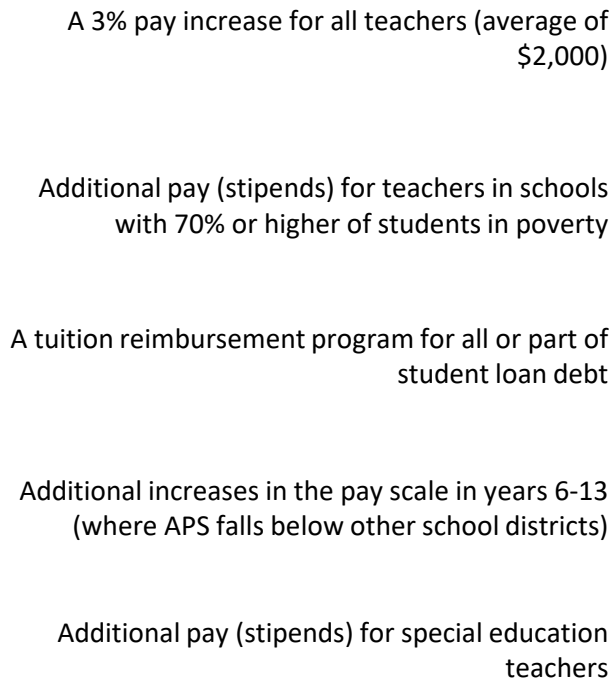
# High Needs Schools Strategy Details

- In addition, the following factors should be considered:
  - Direct certification is currently the most reliable measure of poverty, but it potentially excludes many students in poverty (such as immigrant families)
  - “Hard” cut points in which schools are included or excluded may not feel fair to schools that are very similar to each other, but one is included and one is not.
  - Paying stipends to teachers in these schools would create the need to pay stipends to non-teacher and increase cost.
  - The high mobility of students in Atlanta and the potential that schools may rotate in or out of “high poverty” category could create fluctuations in teacher pay as a result.
  - Additional pay should be in the form of stipends instead of base pay until it becomes a high enough amount to move into salary (1015%). Otherwise, small amounts get “watered down” when divided over 24 pay checks.

# Teacher Compensation Survey Results

- Teacher Compensation and Affordable Housing Survey
- February 2020
- 1800 completed out of 2960 (61% response rate)
- Teachers have a significant preference for an across board pay raise

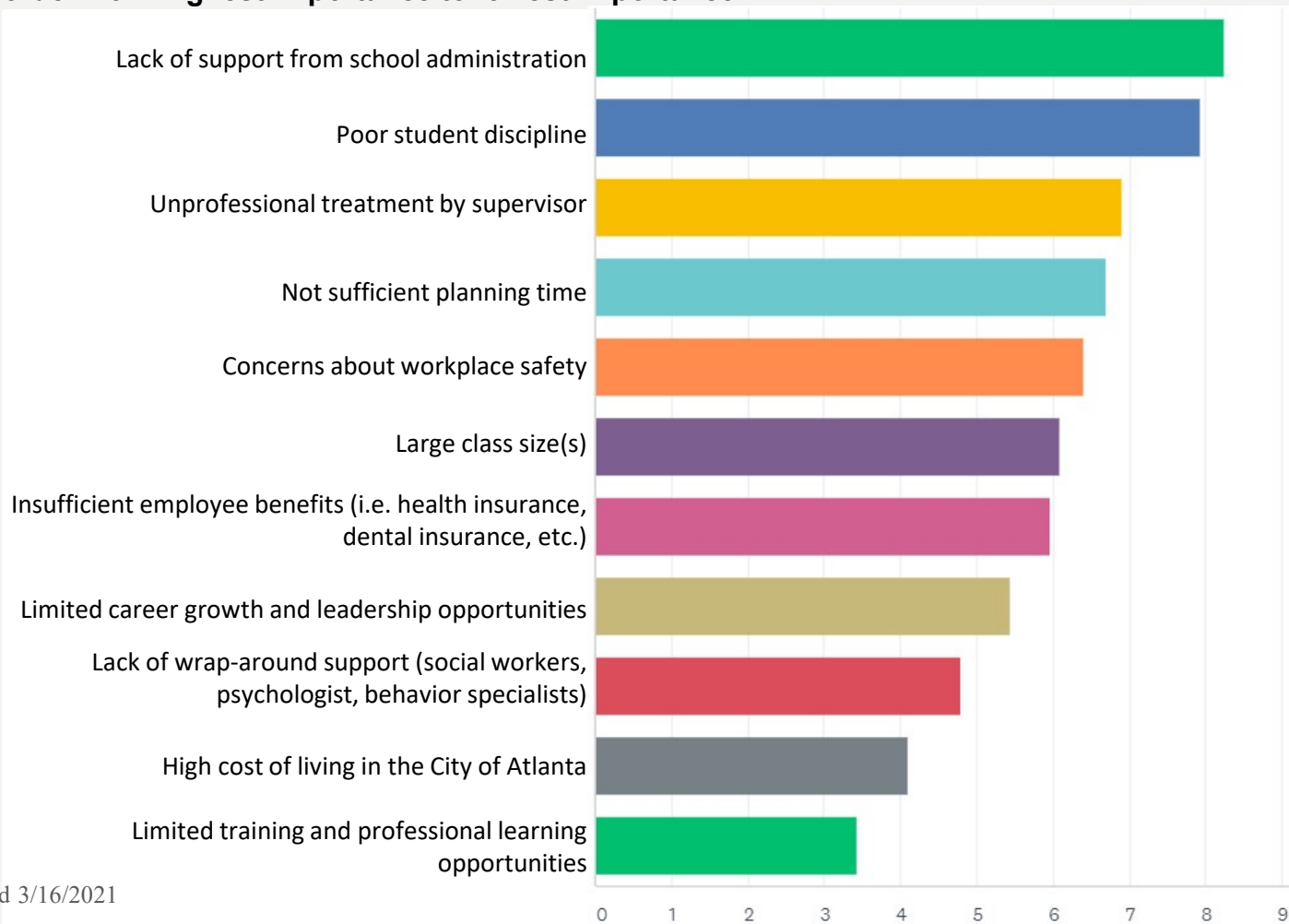
**“Please rate the following potential strategies for increasing teacher compensation from highest priority to lowest priority.”**



# Teacher Compensation Survey Results

- Workplace concerns other than compensation continue to be a factor in teacher retention and should also be addressed.

**“In addition to pay, what factors would cause you to consider leaving your job? Rank in order from highest importance to lowest importance.”**



# Teacher Compensation Survey Results

- In the survey comments, these themes emerged as the most common from open-ended responses related to other suggestions for teacher compensation.

Other Suggestions for Teacher Compensation	Frequency
Housing incentive	8
Improve school calendar	6
Leadership opportunities	3
Benefits	2
Teachers' kids able to attend the same cluster	2
Administration support	1
Affordable housing	1
Class size	1
Home-buying assistance	1
Merit pay	1
Paraprofessional support	1
Property tax relief	1
Retirement incentives	1

# Teacher Compensation Survey Results

- In the survey comments, these themes emerged as the most common from open-ended responses related to factors that would cause teachers to lose their job.

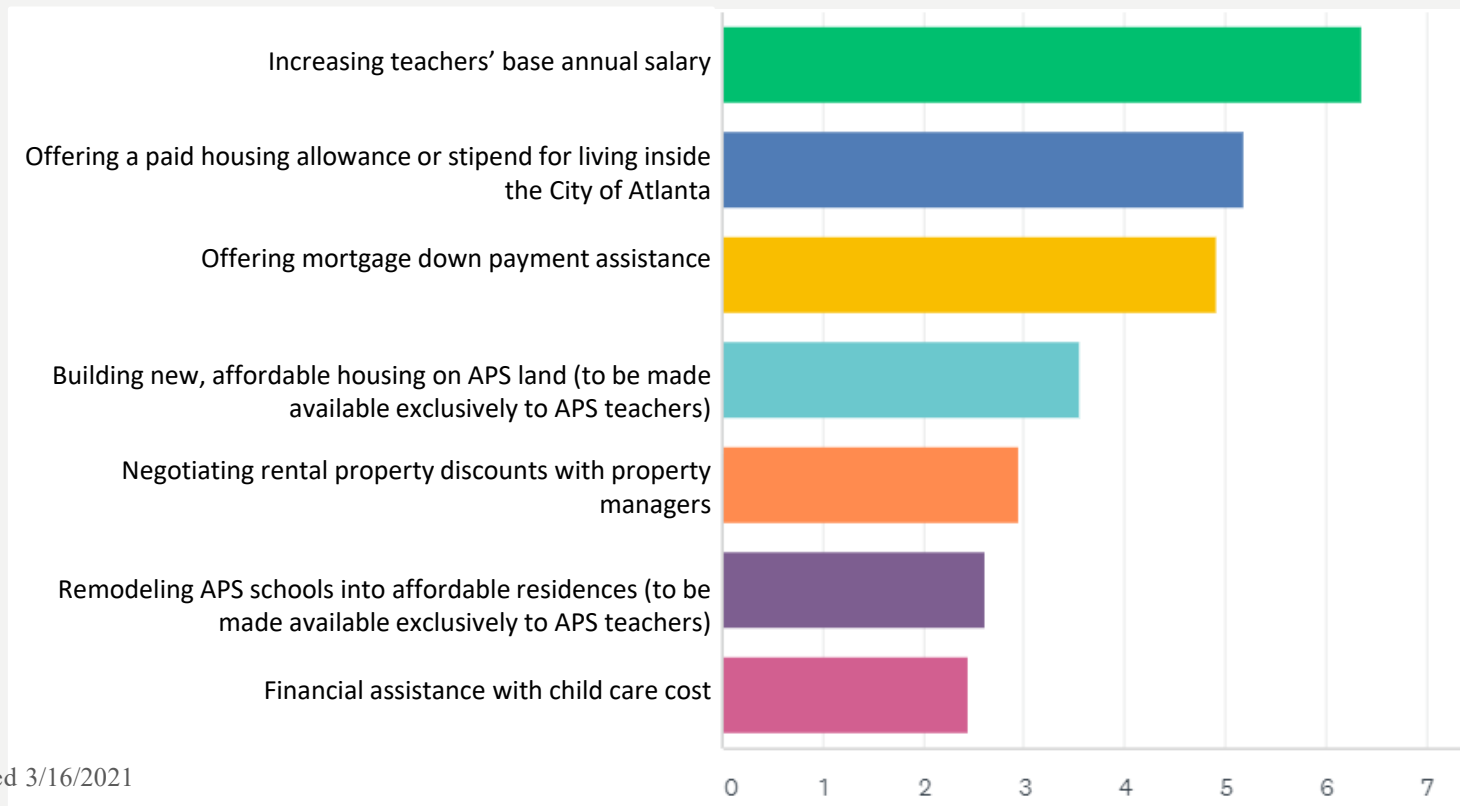
## Other Factors That Would Cause Teachers to Leave

	Frequency		
Poor administration support	35	Burnout	2
School calendar	28	Communication	2
Commute	18	Culture	2
Poor administration, support	15	Discrimination	2
School culture	15	Family	2
Lack of parental support and accountability	13	Lack of support	2
Cost of living vs. salary	11	Pay vs. workload	2
Workload	10	Safety	2
Opportunities elsewhere	7	Affordable housing	1
Pay compared to other districts	7	Benefits	1
Lack of leadership opportunities	6	commute	1
Stress, poor administration support	5	Ethics	1
Lack of stipend opportunities	4	Evaluation system	1
Work-life balance	4	Growth opportunities	1
Bullying	3	Job stability	1
Childcare	3	Teacher morale	1
Family	3	Turnover rate	1
Lack of resources	3	Work environment	1
Not valued	3	Cost of childcare	1
		Student discipline	1

# Teacher Affordable Housing Survey Results

- Of 1,596 Teacher respondents, 57% do not live in the city of Atlanta.
- The most preferred factor was increasing base pay in order to help make living in the city of Atlanta affordable.
- APS has existing partnerships for down payment assistance and rental property discounts that should be advertised better.
- The Facilities Master Planning (FMP) process should yield a greater understanding of the viability of APS properties for housing programs.

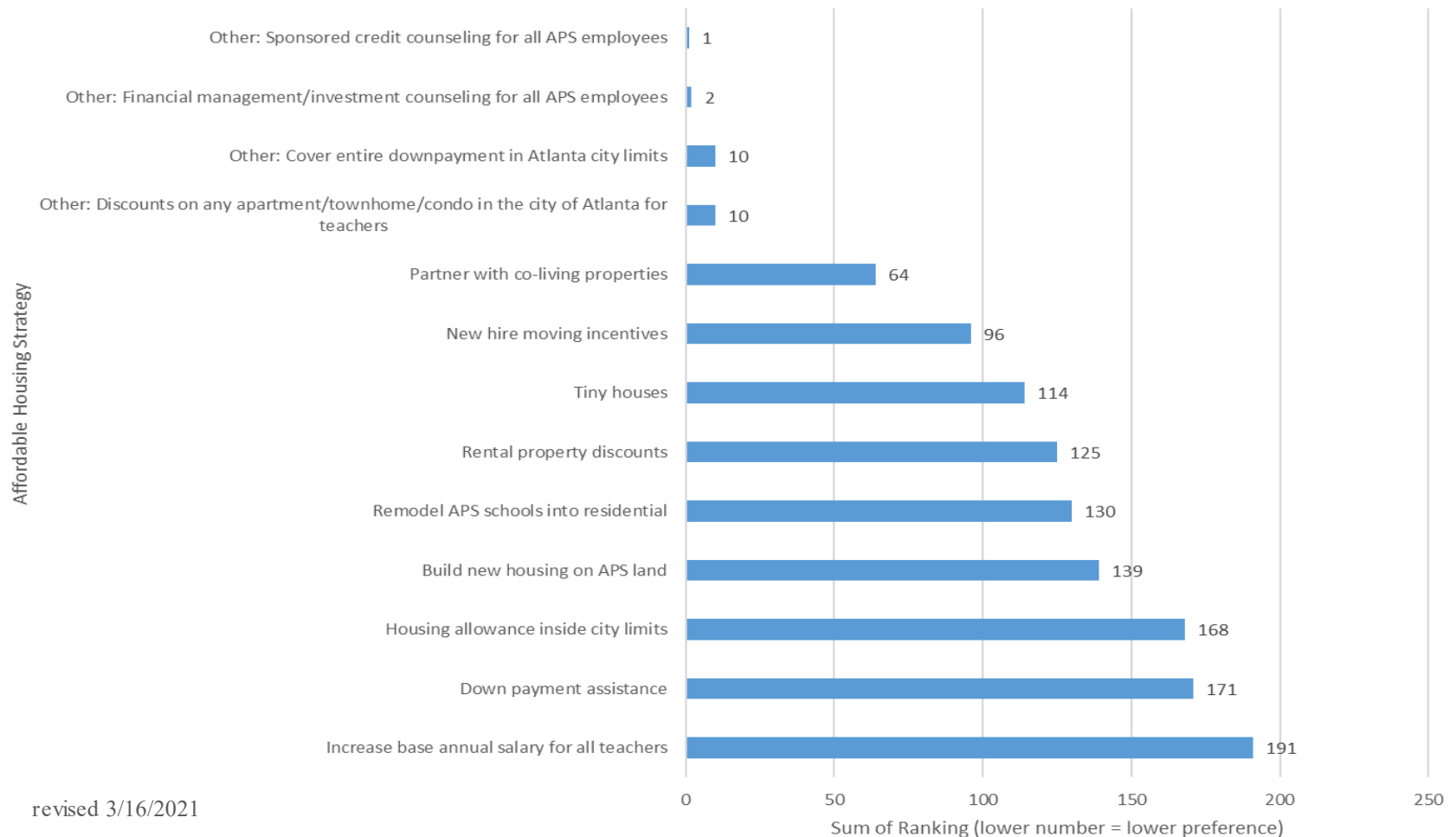
**“Please rank the following factors in regard to how helpful they would be to you in making living in the city of Atlanta more affordable. Prioritize in order from most helpful to least helpful.”**



# Teacher Affordable Housing Survey Results

- In the November 2019 meeting of the APS Teacher Advisory Committee (TAC), members indicated a preference for affordable housing strategies that help the most teachers, like across-the-board pay raises.

Teacher Advisory Council Survey of Affordable Housing Strategies  
November 20, 2019



# Teacher Affordable Housing Survey Results

- In the November 2019 meeting of the APS Teacher Advisory Committee (TAC), members provided additional context regarding their housing preferences.
- There was a clear message that not all teachers want to live in the city of Atlanta.

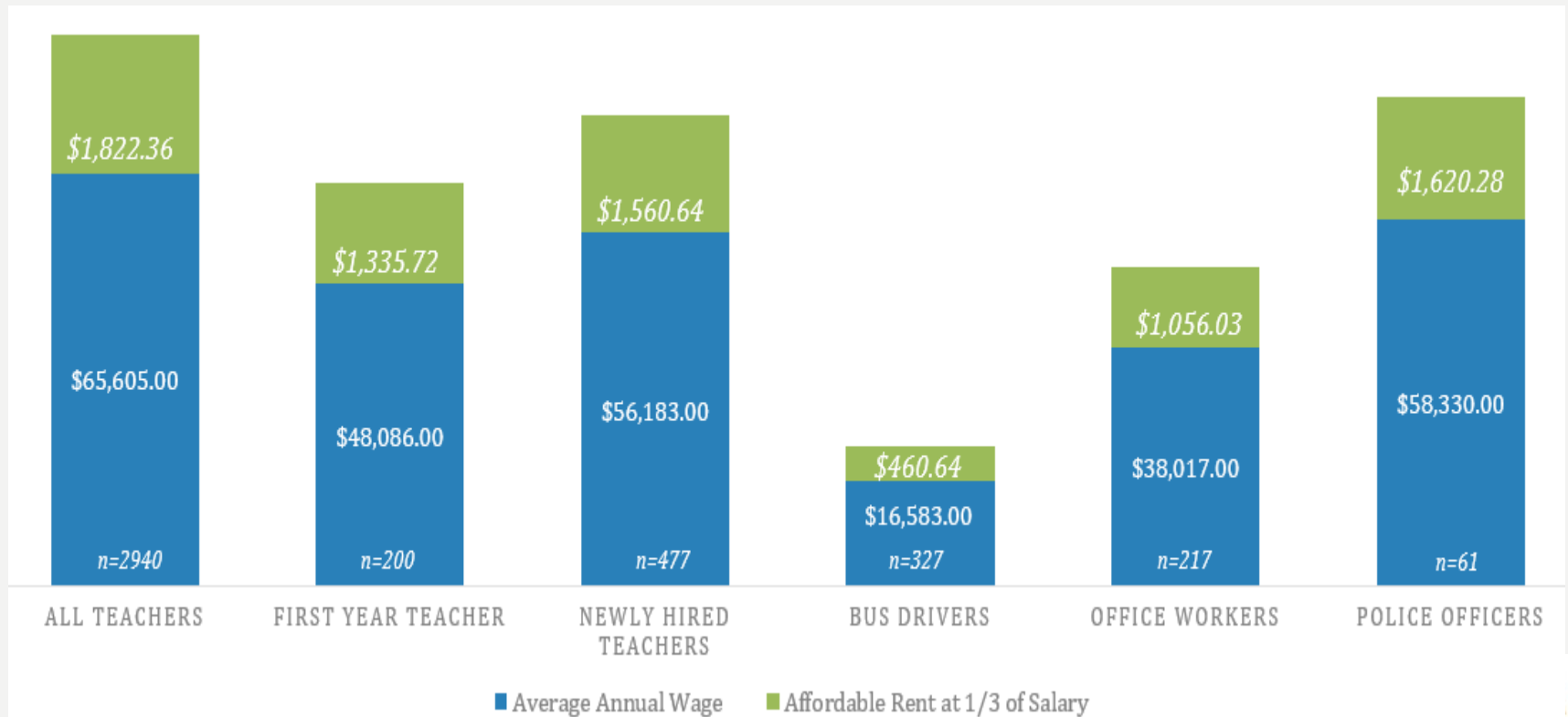
What barriers are currently preventing teachers from living near where they work if they want to?	Frequency
Crime/feeling safe	3
Cost of living/affordability	
Lack of amenities to serve your needs	
Lack of public transportation	
Need for personal privacy	
Not a "big city" type of person	
Already have roots down where you are	
High car insurance	
Very little opportunities for work/play/live	
Lack of respect for the community	
Different values	
Ownership vs. renting	
Taxes	
Luxury - shopping, food	
Academic programs of feeder schools	
Debt-to-income ratio with student loans	

Why might some teachers not want to live in the area where they teach?	Frequency
Crime/don't feel safe	2
Don't want to move my kids' schools	2
Live near family	2
Affordability - wages vs. cost of living	2
Taxes	2
Food desert	2
Want work/life separation	2
Some don't want to see students/families outside of school	
Some don't like city life	
Traffic within city	
City houses have very limited parking	
High HOA fees	
Old, outdated homes and floor plans	
High renovation costs	
Cramped neighborhoods	
Not developed enough in my school's area	
Test scores - children	



# Affordable Housing Data

- Rent/mortgage in Atlanta is considered “affordable” for an average teacher at \$1,822 per month and \$1,335 for a first year teacher.

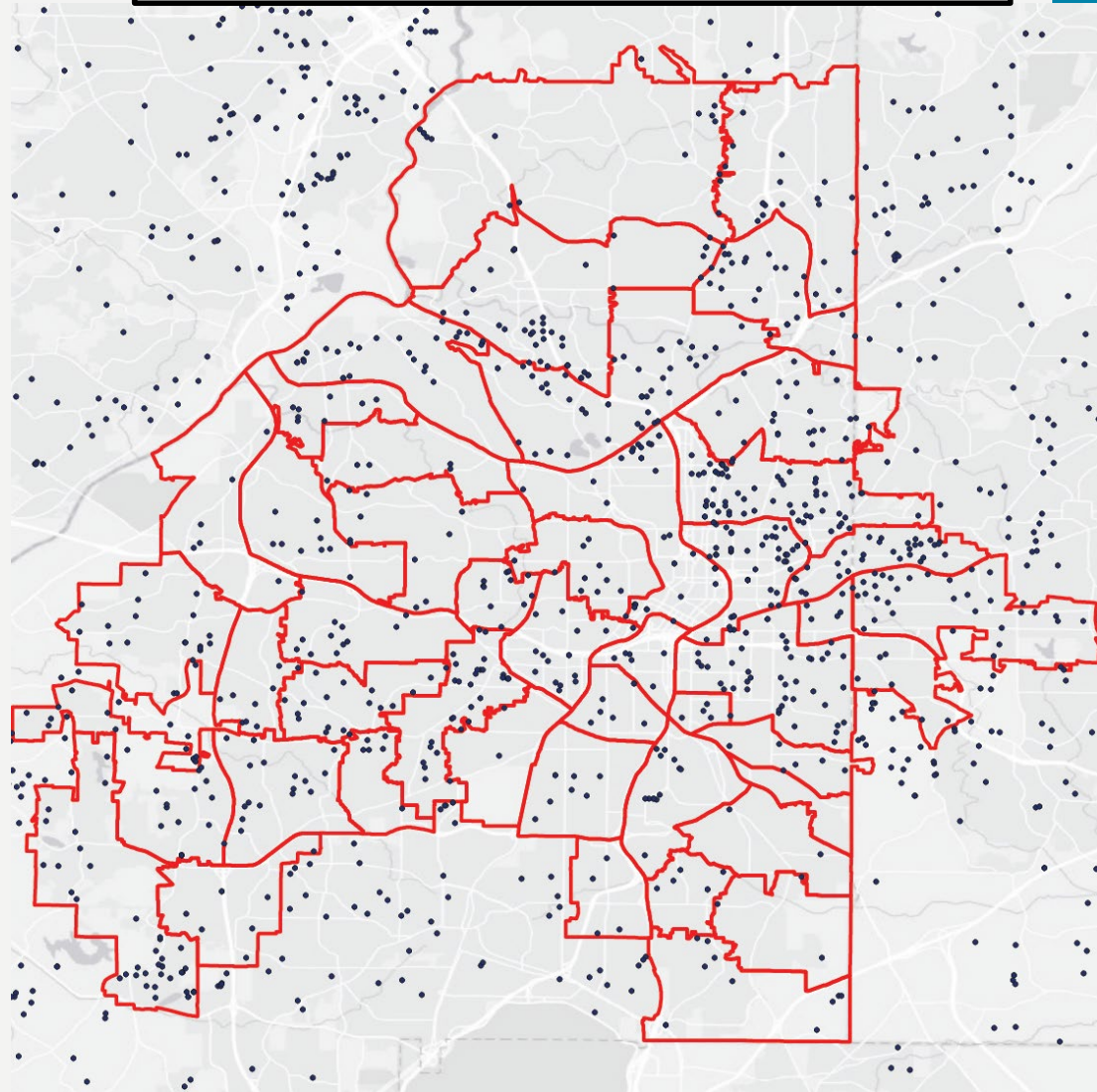


# Affordable Housing Data

66

Teacher residences in and around metro Atlanta

- About 3,000 teachers total in APS
- 27% live in city of Atlanta
- 71% live elsewhere within Georgia
- 2% live outside of Georgia



— City of Atlanta APS attendance zones  
● Teacher residence

# Affordable Housing Data

67

**Only 18% of all employees and 13% of all teachers earn above the 2019 AMI of \$79,700.**

The tables below show the percentage of employees at or below various AMI levels for household sizes between 1 and 4 persons. Teachers do not generally qualify for housing with income restrictions at or below 60% AMI.

All Employee Types	1 Person	2 Person	3 Person	4 Person
30% AMI	5%	6%	7%	16%
50% AMI	18%	20%	23%	24%
60% AMI	22%	24%	25%	31%
80% AMI	26%	37%	48%	58%
100% AMI	45%	58%	70%	82%
115% AMI	58%	71%	86%	94%
120% AMI	62%	76%	90%	95%
<b>Total Employee Count</b>	<b>6061</b>			

Teachers Only	1 Person	2 Person	3 Person	4 Person
30% AMI	0%	0%	0%	0%
50% AMI	0%	0%	0%	0%
60% AMI	0%	0%	0%	0%
80% AMI	0%	18%	36%	51%
100% AMI	32%	51%	69%	87%
115% AMI	51%	72%	92%	98%
120% AMI	57%	79%	96%	100%
<b>Total Teacher Count</b>	<b>2967</b>			

Source of AMI Information: [https://www.investatlanta.com/assets/2019\\_all\\_limits-rents\\_chart\\_wjbJYx1.pdf](https://www.investatlanta.com/assets/2019_all_limits-rents_chart_wjbJYx1.pdf)

FROM WORKFORCE PRESENTATION TO INVEST ATLANTA HOUSING COMMITTEE,  
OCTOBER 2019

<b>HVAC Specialist (HVAC Mechanic from MRESA survey)</b>	
	Highest Potential Salary
Cobb	\$ 78,060
Fayette	\$ 77,598
Fulton	\$ 75,939
Columbia	\$ 69,984
Cherokee	\$ 67,974
Sav-Chatham	\$ 65,936
Gwinnett	\$ 65,275
DeKalb	\$ 64,904
Forsyth	\$ 64,877
Atlanta	\$ 61,469
Clayton	\$ 55,550
LG System Avg	\$ 61,984
MRESA Avg	\$ 64,835

Data obtained from the  
FY2021 Metro RESA  
Non-teaching Personnel salary survey.

<b>Staffing Director (Personnel Administrator from MRESA survey)</b>	
	Highest Potential Salary
Gwinnett	\$ 142,943
Fulton	\$ 141,561
Clayton	\$ 139,004
Cobb	\$ 126,558
DeKalb	\$ 122,387
Houston	\$ 121,039
Sav-Chatham	\$ 120,058
Atlanta	\$ 115,978
Richmond	\$ 115,083
Paulding	\$ 113,267
Douglas	\$ 108,693
LG System Avg	\$ 112,447
MRESA Avg	\$ 125,636

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<b>Associate Superintendents (Area Superintendent from MRESA survey)</b>	
	Highest Potential Salary
Gwinnett	\$ 181,658
DeKalb	\$ 178,450
Fulton	\$ 169,100
Atlanta	\$ 163,194
Cobb	\$ 159,286
Houston	\$ 149,289
Richmond	\$ 148,105
Henry	\$ 147,356
Paulding	\$ 141,941
LG System Avg	\$ 152,807
MRESA Avg	\$ 163,511

# Links

- [Atlanta Public Schools Compensation Web Site](#)
- [APS Workforce Presentation to Invest Atlanta Housing Committee, October 2019](#)
- [Talent Strategy Update to APS Board of Education, May 2020](#)
- [Teacher Compensation Presentation to APS Board of Education Budget Commission, February 2019](#)
- [Employee Compensation Presentation to APS Board of Education Budget Commission, March 2019](#)
- [Employee Compensation Presentation to APS Board of Education Budget Commission, March 2018](#)
- [Compensation Study and Pay Parity Recommendations to APS Board of Education, August 2015](#)
- [February 2020 Budget Commission Presentation](#)