



**BUDGET AND EDUCATIONAL INITIATIVES:
NASD - GOOD TO GREAT**

NOVEMBER 9, 2011
REPORT TO THE BOARD OF SCHOOL DIRECTORS

INTRODUCTION

PURPOSE: The information in this presentation is designed by the Administration to be a public brainstorming session to engage feedback from the Board of School Directors.

- None of the concepts presented are initiatives to which the District is committed. A number of these ideas are being investigated by the Administration for the purpose of providing the Board with information that will help them provide direction for future action.
- Nothing in this presentation is etched in stone.
- The presentation is meant to be a vehicle to provide input and garner feedback on the ideas being presented. The concepts and the details presented will continue to be modified.
- This presentation is also in keeping with the District's commitment to transparency in communications relative to the budget and related issues.

DISCLAIMER: It is premature to realistically estimate potential cost savings or new revenue that could result from these concepts.

- A number of these ideas are inter-related and the impact of one – for example, the number of employees who retire and how long each has been with the District – will be a driver for the implementation of others.

THE CHALLENGE BEFORE US

- Estimated budget shortfall for 2012-2013 - \$5M to \$6M
- Commitment to on-going excellence in academics, the arts, and athletics
- Accountability to community
 - High-quality school district = high property values
 - Millage rates are an important issue in difficult economic times
- Preliminary Budget Presentation – Board Meeting December 14, 2011

SHORT TERM CONSIDERATIONS:

Alternative Revenue Plans and

Cost Efficiency Models

2012-2013

RETIREMENTS 2012 SCHOOL YEAR

- Potential early retirement incentive program
- Reorganization of departments based upon openings/transfers created by retirements and the analysis of possible efficiencies
- Potential cost savings are directly related to the number of retirees, anticipated staffing needs, required mandates and programmatic decisions

SECONDARY COURSE AND ELECTIVE OFFERINGS

- The North Allegheny School District has a comprehensive and robust *Program of Studies* for students in grades 9 – 12.
- The depth and breadth of opportunities – both required and elective – and the student course requests have historically driven the staffing process.
- Given the financial constraints in Pennsylvania, a variety of considerations are being reviewed by the Administration and Curriculum Senate. Examples include:
 - Increasing class size to ensure a higher “average” class size
 - Reducing the number of electives
 - Alternating the years when certain elective courses are available
 - Seminar (i.e., large group) courses in certain Departments
 - Reduced the number of pathways for certain courses
 - Canceling courses that do not meet a minimum enrollment of 15 students

NA CYBER ACADEMY

- Education has seen a significant increase in the role of distance and/or cyber learning in recent years – within and outside of the brick-and-mortar classroom.
- For 2012-2013, the District has budgeted \$1.5 million dollars for District students who have elected to enroll in a cyber charter school (i.e., \$655,000 at Elementary; \$804,000 at Secondary; and \$84,000 for Special Education).
- The District is currently investigating next steps to begin offering some form of cyber program for 2012-2013. Areas of planning include:
 - Researching potential solutions with respect to curriculum and delivery
 - Considering a pilot program for grades 4 – 8 next year
 - Conducting a cost/benefit analysis
 - Surveying District parents whose children are currently in a cyber charter setting
 - Reviewing any needed policy changes to implement this program
- Minimal cost savings are anticipated for 2012-2013, given necessary expenditures and the uncertainty of student enrollment. Future savings could increase.

CLASS SIZE ANALYSIS

- Continue to analyze the average class size within required and elective courses throughout the K-12 program.
- Maximize secondary and elementary class sizes where appropriate.
 - Movement towards the existing guidelines as a “target” vs. a “maximum” size
 - Make a dedicated effort to adjust decisions at the “tipping point” (i.e., when in doubt, move to the larger class size unless clear evidence stands to the contrary)
- An increase in class size in all grade levels and curricular areas is inevitable. Even small increases in average class size can have a significant and positive budgetary impact.

SPECIAL EDUCATION AND GIFTED EDUCATION

- The District is further exploring the impact of an increase in class size on the delivery of Special Education Services, ESL Services and Gifted Services.
- A **Response To Intervention Model** will be studied for purposes of reducing reliance on individual referrals by advocating universal screenings for academic problems, providing early intervening services and introducing response to instructional models based on evidence-based interventions.
- **Continued caseload analysis** for special education and gifted programs. **Apply for waivers** to expand the caseload requirements on gifted rosters based on the delivery of services .
- Review **Least Restrict Environment (LRE) options**.
- Implement **GOAL Program Review** recommendations to restructure program delivery.
- **Balance opportunities for enrichment activities with differentiation** within the curriculum to provide extensions and alternate assignments.

EXPAND THE SCOPE OF THE NA FOUNDATION

- Wish lists are no longer the focus – “Survival Mode” is the new perspective.
- Adjust priorities: Shift from “encouraging the development of innovative programs” to “supplementing and preserving essential programs.”
- Rebrand the NA Foundation and increase community awareness of its mission.
- **Initiatives for 2011-12**
 - Development of new marketing materials and website
 - Identify and foster donor relationships
 - Retiree Holiday Party – December 1st
 - Fashion Show – April 22nd
 - Golf Outing reinstated – June 18th
 - United Way Drive Beneficiary with Donation Code #3567
 - Re-shaping and marketing the “Honor Someone Special” Program
 - Potential development of “membership” drive

LONG-TERM CONSIDERATIONS:

Alternative Revenue Plans and

Cost Efficiency Models

2013 and beyond

CREATE PRIMARY AND INTERMEDIATE ELEMENTARY BUILDINGS

- The District is exploring the possibility of keeping all seven Elementary buildings open, but reconfiguring the grade span in each building.
 - In this scenario, three buildings would potentially span Kindergarten through Second Grade and three buildings would potentially span Third Grade through Fifth Grade. McKnight Elementary would remain a K-5 building.
- The concept of Primary and Intermediate Elementary buildings will allow for better equity of class sizes across buildings. However, the average class size will still increase.
- The District is also exploring other areas that may be impacted with this reconfiguration (e.g., Transportation).

POTENTIAL GRANT OPPORTUNITIES

- When possible, the District will pursue grants that can supplant general fund expenditures by providing sustainable programs and/or long-lived assets.
- Seek additional grants to offset the cost of program delivery at North Allegheny (e.g., STEAM Grant, PEP Grant, and Highmark Healthy High Five).
- For example, the Pennsylvania Department of Education just received the *Striving Readers Comprehensive Literacy Program Grant* from the Federal Government. The total amount received by Pennsylvania is \$38 million.
 - The Allegheny Intermediate Unit will be playing a role in the administration of this grant for the region and will provide more details in the near future.
- The District should consider grants carefully due to the uncertain future and unknown costs to sustain the program in future years (e.g., matching funds).

MAGNET SCHOOLS AND/OR PROGRAMS

- If a magnet school concept would develop, the possibility may exist to permit non-resident students to complete an application and pay tuition for this program. The availability of “spaces” may be based on the remaining seats not already taken by District resident students.
- For example, a focus on STEM has emerged in recent years (i.e., Science, Technology, Engineering, and Mathematics). Due to the strength of the North Allegheny School District curriculum in these and other areas, this concept requires further study.

SCHOOL FOR THE PERFORMING AND/OR FINE ARTS

- Based on current law, Pennsylvania Public School Districts are not permitted to open a charter or cyber-charter school. By definition, charter schools and/or cyber-charter schools are stand-alone entities recognized by the local school district or PDE respectively.
- However, the possibility of developing some form of performing arts school is being explored. A dance component is being considered to provide a competitive opportunity for District students.
- While other performing arts schools (e.g., CAPA or Lincoln Park) exist, the North Allegheny School District also has an academic program that is superior.
- Again, the possibility of some form of magnet – or charter school if the laws change – could allow the District to accept non-resident tuition students who have auditioned for the program.

DEMOGRAPHICS AND FEASIBILITY STUDY

- The Demographic and Feasibility Study indicated that there is excess capacity within the Elementary Schools and that the District should consider closing one or more Elementary School(s) to allow for better utilization of capacity in all Elementary Schools.
- The Administration is further reviewing not only those options, also other options such as the Primary and Intermediate elementary grade level reconfiguration.
- The Demographic and Feasibility Study is currently in the second phase of the Study, during which the following work will be completed:
 - Investigation of the costs to add four classrooms at McKnight and increase the capacity at Franklin to 850
 - Investigation of the costs to upgrade the Technology infrastructure at the nine schools not included as part of Phase I of the study
 - Update the Demographic Study information to reflect the potential impacts of new housing construction over the next 10 years
 - Tabulation of the potential operating savings for Options 2 and 3
 - Review of the potential options for redistricting at elementary and middle schools
 - Identification of ways to potentially re-purpose a closed building:
 - Magnet school
 - All-district pre-K program
 - Over 21 Special Needs adult day program

ADVERTISING/NAMING RIGHTS

- **School Buses** – While it is not currently legal to advertise on school buses in Pennsylvania, this may become a possibility in the future.
- **Web Page advertising** – A national search is being conducted to locate School Board policy samples relative to school district website advertising to begin the process of investigating this possibility. The approach used at the college/university level is also being researched.
- **Specific Rooms or Fields** – There are several school districts in eastern Pennsylvania that have recently contracted with agencies to negotiate for them with advertisers whose messages will be placed on physical space in schools or on fields.
 - We are currently in contact with those districts to find out how those new initiatives are progressing.
 - We are on the waiting list for contact from the vendor about this program.
- **The School Newsletter Co.** – The vendor that generates support from local merchants for electronic newsletters with advertising hot-linked to each advertiser's website is being investigated.

ACTIVELY MARKET NORTH ALLEGHENY

Construct a Plan to become Competitive in the Education Marketplace

- Become the community 'School District Of Choice'
- Schedule NASH and NAI information nights in the Spring to present our high schools as a better academic - and more affordable - option than local private school programs
- Recruit non-resident families from local private schools to pay tuition to attend NASD on the basis of both value (private school tuition \$22,000 and NASD secondary tuition \$10,799) and the excellence of the NASD academic, athletic and arts program
- Study and implement additional 'customer-friendly' initiatives and marketing tools to ensure that every school is the best choice available to parents and students
- Existing Board Policies, related laws, and administrative procedures must be studied

ADDITIONAL CONSIDERATIONS

- **Partner with smaller neighboring school districts** to add their students to our AP classes via interactive technology
- **Expand the SAT Preparation Classes** to market the vacant seats in the five sessions of SAT Prep offered to NA students during a school year to nonresidents, private, cyber and parochial school students
- **Implement an evening adult education program**
- **Develop a summer "Governor School" program** for teachers and students in the arts
- **Seek grant funding for a monthly or bi-monthly Saturday evening professional performance package** as a fund-raiser for our fine arts programs
- **Add ACT Prep classes for NA students** and market both the SAT and ACT vacant seats to nonresidents, private, cyber and parochial school students

NEW FISCAL REALITY:

The District will ultimately face the eventuality of this challenge when the **core values** and **mission** of the District are at stake and there are no alternative solutions at hand.

REFERENDUM