



# **Moscow Charter School**

*A New Direction In Learning*

## **MEMORANUM**

TO: Moscow Charter School Stakeholders

FR: Christian Wuthrich, Ph.D.  
Board Member

RE: Budget Reductions and Revenue Enhancements

DATE: May 1, 2010

The information to follow is listed in chronological order beginning with the recommendations from the Futures Committee, followed by survey responses and qualitative feedback from recent meetings. Since there is a volume of data and apparent uncertainty of the budget process, a synopsis of activities to date is provided.

### **Budget Review History**

#### January/February

Futures Committee met at a public meeting to discuss pending budget reductions, state funding mechanisms, cash reserves, revenue enhancements, and funding goals for the 2010-11 AY. Three budget scenarios were developed reflecting a 5, 10 and 15 percent reduction. Scenarios were presented at the regularly scheduled board meeting in February for public comment. These meetings included teachers and interested parents.

#### April

In early April MCS learned the state was reducing our allocation by 7.5 percent with a strong chance of an additional 5.5 percent holdback midyear. In response to this information the Futures Committee worked with the school administrator to identify areas to propose for reduction.

On April 25 the Futures Committee met with instructional staff to outline the reductions posed by the 7.5 percent reduction and to seek input. The possible reductions and their impact on positions were described in detail. On April 27 the MCS Board hosted a budget workshop to discuss the possible reductions and receive feedback and ideas from stakeholders. Simultaneous to the staff and stakeholder meetings a survey was released to solicit feedback from those who could not attend other meetings.

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May

At the regularly scheduled board meeting on May 11 a final budget will be proposed. State law requires we also hold a public meeting to receive comment on the final budget. The date of the public comment meeting has yet to be determined. On May 5 at 7 p.m. the Futures Committee will meet to discuss feedback received and attempt to incorporate a wide variety of views into the budget.

## **FUTURES COMMITTEE PROPOSED REDUCTIONS**

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### MEMORANDUM FROM CURT BRAUN AS CHAIRPERSON OF COMMITTEE

I reviewed the budget simulations performed by the Future Committee earlier this year. As you recall, this sub-committee created three different scenarios reflecting budget cuts ranging from 6 to 15 percent. I used these as a starting point for drafting a budget to address the 7.5% and 13% reductions.

There are at least two different approaches to crafting a reduced budget, top down and bottom up. For the former method, we would reduce the AY09-10 by 7.5% and 13% and then distribute the remainder among the different budget categories. The bottom up process starts with state reimbursement estimates. Using the support unit calculation and salary benefit apportionment spreadsheets provided by the DOE, I can estimate with some certainty how much the school will receive from the state given a fixed attendance. I chose the latter method in creating the budget.

It is my conclusion that the 7.5% reduction is within reach of the school. This budget:

- Preserves all of the ancillary instructors – albeit at reduced rates and times.
- Preserves all of the existing faculty and administrator salary lines at their AY09-10 rates minus any health cost increases
- Provides required funds for OT, PT and speech therapies
- Preserves half of the counseling and school psychologist services from AY09-10
- Adds two special education assistant positions at \$10/hr
- Reduces expenses to bare minimums
- Increases student fees to \$100 annually
- Reduces lunch staff
- Ignores any designated funds for building maintenance
- Eliminates other funding sources that have been lost (e.g., textbooks, technology, GT, etc.)

- Does not include other sources of income the school might receive

I recognize that the State Superintendent directed schools to plan for a 13% reduction. The additional 5.5% reduction “might” occur. I attempted to craft a budget reflecting this reduction. To achieve it, however, all ancillary faculties would be eliminated and an additional \$22,000 would have to be cut from existing salaries or drawn from savings. This would have a tremendous impact on the overall quality of the school and may be unnecessary.

It is my recommendation, should the 5.5% reduction be implemented, that the board further reduce costs and draw from savings to balance the budget. If all services remain through the 5.5% cut, the school would have to draw \$37,000 from savings. This would preserve the ancillary faculty, at the AY10-11 rates, and hold faculty and staff salaries at the AY09-10 rate. Given the probabilistic nature of the 5.5% reduction next year and the deleterious impact of a 13% reduction now, I believe this approach hedges our bets against both. This option can be discussed by the board at large and the school’s stakeholders as needed.


**STAKEHOLDER SURVEY - FEEDBACK SOLICITED BY THE MCS BOARD**

The Stakeholder Survey below reflects the quantitative results only. Qualitative responses were incorporated into the feedback received from staff and stakeholder meetings last week.


<a href="#">Download</a> <a href="#">Create Chart</a> 1. I am a(n):			
		<i>answered question</i>	<b>49</b>
		<i>skipped question</i>	<b>0</b>
		<b>Response Percent</b>	<b>Response Count</b>
MCS Faculty and Staff		12.2%	6
<b>MCS Parent</b>		<b>83.7%</b>	<b>41</b>
MCS Board Member		0.0%	0

<a href="#">Download</a> <a href="#">Create Chart</a> 1. I am a(n):			
Concerned Community Member		4.1%	2
<a href="#">Download</a> <a href="#">Create Chart</a> 2. Which of the following do you feel MCS can cut to meet the 13% reduction in funding next year?			
		<i>answered question</i>	<b>46</b>
		<i>skipped question</i>	<b>3</b>
		Response Percent	Response Count
Bus Service		43.5%	20
School Hot Lunch		47.8%	22
Field Trips		50.0%	23
<b>Year-End School Performance</b>		<b>60.9%</b>	<b>28</b>
Drama Instruction		30.4%	14
Arts Instruction		4.3%	2
Move to a 4 day school week (Mon-Thurs) with the option of paid care available on Friday.		28.3%	13
Technology Instruction		13.0%	6

[Download](#)[Create Chart](#) 2. Which of the following do you feel MCS can cut to meet the 13% reduction in funding next year?

Foreign Language Instruction	26.1%	12
PE or Movement Instruction	10.9%	5
Faculty and Staff Salary	2.2%	1
 <a href="#">Hide replies</a> Other (please specify)	28.3%	13

[Download](#)[Create Chart](#) 3. Which of the following ideas would you support to generate additional revenue at MCS?

<i>answered question</i>		<b>46</b>
<i>skipped question</i>		<b>3</b>
	<b>Response Percent</b>	<b>Response Count</b>
Require a donation of time or money up to \$200 per year or \$20 per month from every MCS family.	54.3%	25
<b>Rent the school facility out to after-school programs, community organizations, and other service providers during after school hours and over the summer.</b>	<b>69.6%</b>	<b>32</b>
 <a href="#">Hide replies</a> Other (please specify)	32.6%	15



**QUALITATIVE FEEDBACK**

INFORMATION OBTAINED AT STAFF AND PUBLIC MEETINGS

Goals	Comment	Methods
<p>Preserve fulltime faculty salary lines</p>	<p>This has been a recurring theme in many board discussions.</p> <p>“teachers are what make the school - all the teachers! It is in the best long-term interest of the school to preserve teacher salaries and prep and planning times.”</p> <p>Improve the compensation package for faculty, particularly those close to retirement.</p>	<ul style="list-style-type: none"> <li>• Reduce other operating expenses before changing faculty salaries</li> <li>• Reduce funds dedicated to the specialty programs</li> </ul>
<p>Preserve the arts &amp; technology components of the school</p>	<p>This is a recurring theme in both meetings.</p> <p>Don’t draw distinctions between the regular and ancillary faculty</p> <p>Arts and technology distinguish the school from other schools in the community</p>	<ul style="list-style-type: none"> <li>• Draw from reserves to preserve ancillary instruction</li> <li>• Get sponsors for the specialty programs</li> <li>• See other fund raising ideas below.</li> </ul>
<p>Reduce costs</p>		<ul style="list-style-type: none"> <li>• Reduce copies</li> <li>• Review administrator salary</li> <li>• Eliminate the administrator position</li> <li>• Reduce electrical use with occupancy switches – other energy saving initiatives</li> <li>• Task students with basic janitorial tasks</li> <li>• Use university students to provide prep time for teachers</li> <li>• Use an “art parent” to work with students</li> <li>• Increase school supplies purchased by parents</li> <li>• Have sponsored field trips or reduced cost field trips</li> <li>• Negotiate for reduced or no HIRC fee</li> </ul>

		<ul style="list-style-type: none"> <li>• Go to a 4 day week</li> <li>• Share teaching resources with other schools</li> <li>• Eliminate the lunch program and bussing</li> <li>• Cut or renegotiate the janitorial service</li> <li>• Review the lunchroom process to identify sources of savings</li> <li>• Furlough the faculty for a day</li> <li>• Organize a carpool system to reduce bussing</li> </ul>
<p>Increase fundraising and alternate revenue sources</p>	<ul style="list-style-type: none"> <li>• Exercise caution when increasing class size</li> </ul>	<ul style="list-style-type: none"> <li>• Grant writing by administrator, board.</li> <li>• Fundraisers via the Moscow Recycling Center, Safeway, Hastings, Moscow Giving Circle.</li> <li>• Tutoring Services after school</li> <li>• Attract more families to the school by raising the school's profile</li> <li>• Ask parents to make donations (pledge) to the school</li> <li>• Provide gifts for donations</li> <li>• Provide summer daycare</li> <li>• Expand the MCS Fun Run to be a fund raiser</li> <li>• Internet referenced fundraising ideas</li> <li>• Silent auctions, bake sale, yard sale</li> <li>• Prominently post school needs – a teacher's wish book</li> <li>• Sell the kindergarten building – move all classes into the main building</li> <li>• Raise the student fee (up to \$225 per student per year)</li> <li>• Increase enrollment</li> <li>• Use the multipurpose building in the summer and</li> </ul>

		<p>after school to generate funds</p> <ul style="list-style-type: none"> <li>• Offer paid afterschool clubs</li> <li>• Get sponsors for children who cannot afford fees</li> <li>• Offer specialty courses on in service days at a fee</li> <li>• Designate fundraising for specialty instruction</li> <li>• Inform parents about bus costs with the aim of managing its use</li> <li>• Become an ArtWalk venue and hold fun events on the school property to increase awareness of the school</li> </ul>
Increase opportunities for the board and faculty to interact		
Be more deliberate about sharing information with the faculty, parents, and stakeholders.		