

BOARD AGENDA ITEM

July 17, 2012

SUBJECT:

Consideration of Conditionally Approved 2012 – 2013 Budget Items

BACKGROUND INFORMATION:

The District's 2012 – 2013 budget was approved at the June 26, 2012 meeting. Certain additions to the budget received conditional approval. The Administration was authorized to implement conditional budget items upon passage of the State budget if there were no unexpected changes in the State allocations that would negatively impact the District.

ADMINISTRATIVE CONSIDERATION:

The budget compromise agreed to by the Senate and House conference committee unexpectedly included elimination of the Education Foundation Supplement. This allocation held Aiken and similar districts harmless from changes in the calculation of the index for taxpayer ability. The 2012 – 2013 General Fund budget reflected \$670,000 in Education Foundation Supplement dollars.

Furthermore, the Governor vetoed approximately \$10,000,000 in non-recurring dollars that were to be part of the new "Teacher Salary Support – State Share" allocation. This veto will result in a \$329,192 decrease in Aiken's Teacher Salary Support – State Share allocation for 2012 – 2013 if it is not overridden by legislators.

Options to deal with the losses of funding may include (1) elimination of certain items receiving "conditional approval", (2) use of fund balance, (3) flexing additional State dollars, if available, or (4) a combination of these.

Items receiving conditional approval include: pay raises for employees, three new curriculum coach positions, additional CATE positions, one new technology position, an additional teacher allocation at East Aiken, an additional teacher allocation for strings, upgrading a vacant accounting position, and funding full-time attendance clerks at RSMHS, WSHS, and SBHS.

RECOMMENDATION:

Approve use of flexible State dollars to the extent possible to offset the loss of funding noted above. Should flexible State dollars be insufficient to offset the entire \$999,192, assuming the Governor's veto is not overridden, approve use to fund balance to offset the remaining shortfall.

PREPARED BY:

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