



Reduction in Force Plan

2012

More than \$26,000,000 in cuts to the District's funding made by the Arizona Legislature over the last few years, as well as a continuing decline in student enrollment necessitate a reduction in the district's work force for the 2012 fiscal year. The staffing level reductions required will be minimized by attrition factors and will be guided by programmatic considerations as well as Governing Board policies and District regulations.

**Amphitheater
Unified School
District**

A Perfect Financial Storm

In just four years, the Arizona Legislature has cut more than \$25,000,000 from the Amphitheater budget, and the economic downturn in the state has accelerated a decline in student enrollment. Federal funds, which staved off effects of state budget cuts, are terminating or reducing next year, creating a funding “cliff”. These factors combine to necessitate a reduction in force for FY 2012.

For several years now, the District has experienced substantial legislative cuts and funding shortages that have dramatically impacted the District’s programs and services. Just this current fiscal year alone, even after passage of Prop 100, the District experienced funding cuts of nearly \$11,000,000. This year’s cuts, shown in Table 1, were made in various fund categories within the District’s budget.

Budget Cut	Amphi Impact
80% cut to soft capital	\$2,827,568
All Day K funding loss	\$2,629,290
Building Renewal	\$2,180,897
Grant Reductions	\$ 942,000
Career Ladder Cut	\$ 325,408
Reduced 301	\$1,934,000
Total Reductions for 201	\$10,839,163

Table 1

But, as has repeatedly been the case in recent years, the cuts detailed in Table 1 were not the “end of the story”. Only just days ago, the Arizona Legislature passed an additional cut of \$101,000,000 to K-12 public education *for the current fiscal year* with less than three months remaining in the year. Amphitheater’s portion of that cut approximates \$1.5 million, and with more than 75% of the fiscal year already past, the District must now absorb that cut in a matter of days. And, this most recent cut now brings the current year’s total budget cut for Amphitheater to \$12,347,243.

Recent Budget Cut History for Amphitheater	
2008-2009	
Maintenance and Operations	\$1,769,748
Soft Capital (Textbooks, Computers)	\$ 364,276
Building Renewal	\$2,180,897
Total Cuts for 2008-2009	\$4,314,921
2009-2010	
Career Ladder (Teacher Pay)	\$ 340,416
Soft Capital	\$2,686,862
Building Renewal	\$2,180,897
Total Cuts for 2009-2010	\$5,208,175

Table 2

The extraordinary amount of funding lost this fiscal year follows reductions made in previous years – each of them also at astounding levels. Two years ago, for example, the legislature cut more than \$4 million dollars from the Amphitheater budget. And, just last year, it cut a total of \$7,846,333. (See Table 2) Thus, in the last three fiscal years (inclusive of the current fiscal year), the District has lost a total of \$21,870,339 in funding due to state budget cuts.

Last year, the impact of these tremendous accumulated state budget cuts – as well as the potential for increased cuts had Proposition 100 failed – compelled the first full scale reduction in force which the district has experienced in decades, reducing staffing for the current (2011) fiscal year. The FY2011 reduction in force eliminated approximately 60 FTE positions for the current fiscal year. The elimination of these positions combined with more than \$5,000,000 of other budget cuts and program modifications to help ensure the District could balance its budget this year on the funding received. Many additional reductions simply put off for yet another year many vital physical plant improvements that denial of building renewal funding again made impossible.

Two weeks ago, the Arizona legislature passed another set of sweeping and significant budget cuts for public schools for next fiscal year (2011-2012). Their bottom-line meaning for the District is detailed in Table 3. These reductions include:

1. Phase out of the Career Ladder Program over the next 5 years, reducing the formula percentage used by 1% per year (going to 4% for FY 2012, 3% for FY 2013, etc.);
2. Reduction of the Capital Outlay Revenue Limit by approximately \$62 per student;
3. Additional reduction in soft capital of \$23 million (added to the current \$165 reduction, this results in a total soft capital cut of \$188 million or roughly 85%);
4. No inflationary increase to the base level as provided for by Prop 301;
5. Continuation of suspended building renewal funding;
6. A FY 2012 reduction of \$35 million in state funding and budget reduction for districts using EduJobs Bill funds to cover the reduction;
7. Elimination of the 50/50 split in retirement contribution between districts and employees, with 3% of the total burden shifting from the District to employees, and the District’s “savings” from the shift being deducted from its budget and going to the state.
8. Prohibition of 9th Grade students from participation in JTED programs, resulting in a decrease in JTED funding.

Budget Cut	Amphi Impact
Soft capital	\$2,601,170
Career Ladder	\$ 804,329
Capital Outlay	\$ 954,125
Shift of ASRS Expense	\$ 507,000
Exclusion of 9 th Grade JTED	\$ 500,000
Total Reductions for FY 2012	\$5,366,624

Table 3

Many times, numbers involved in state budget matters are thrown about with little context or perspective, and their meaning and real impact can consequently be lost. To provide some perspective on the scale of cuts the District has been experiencing and continues to experience, one

might consider what just \$1,000,000 in District funding pays for. As Table 4 demonstrates, a budget cut on the order of \$1,000,000, let alone \$26,000,000, is no small matter.

\$1,000,000 in District Funding is Equivalent to...
25 employees with compensation of \$40,000 per year.
The district's electric bill for 1/6 th of the entire year.
An increase of class size of 1.5 students per classroom.
The basic costs for all athletic programs for an entire year.

Table 4

The ongoing impact of these dramatic and enormous budget reductions will again combine with decreasing enrollment for the coming school year. A decline in enrollment holds significant implications for District funding because the District receives the bulk of its funding based upon the number of students which attend the District's schools, as determined by the Arizona Department of Education using strict and uniform rules applied across the state in all districts.

Each year, the District projects the number of students which will be attending each of the District's schools in the next school year. The projection is based upon the District's average daily membership from the current school year, current student cohort information, and other demographic information, such as expected property development in neighborhoods served by individual schools. Each site principal also reviews their school's enrollment projection and provides feedback before enrollment projections are finalized. These projections are then used to establish site staffing allocations for the next fiscal year.

For the past few years, enrollment has fallen short of expectations. While the District's most recent growth study (2007) predicted an overall decline in enrollment over the next decade, the economic downturn in the state and local economy has led to enrollment decreases which have eclipsed those predicted. Table 5 lists the average daily membership ("ADM") – a student count used by the state for funding which takes student attendance into account – for the last several years, including the current year.

Fiscal Year	Student Membership (100 day ADM)
2005-2006	16,680
2006-2007	15,870
2007-2008	15,644
2008-2009	15,301
2009-2010	14,564
2010-2011	13,847

Table 5

Increases in ADM lead to greater demand for programs and services and therefore typically require increased staffing to meet those needs. Similarly, declines in ADM result in less demand for programs and services and, consequently, result in a decreasing need for staffing required for support of those programs and services.

During last fiscal year and the current fiscal year, the additional federal funding received by the District greatly assisted the District in maintaining programs and services despite the growing impact of budgetary cuts and declining enrollment.

The federal “Stimulus Package allowed the District to support special education and Title I programs in ways that substantially augmented the District’s budgetary capacity. The Stimulus Package, for example, was able to pay for substantial special education program expenses, freeing some District maintenance and operations funding that could be committed to defraying other expenses. That same Stimulus Package permitted the District to create or maintain many teaching positions through intervention programs allowable under Title I, which operated to stave off many position reductions that would have otherwise been required by state budget cuts.

The Education Jobs Bill made it possible for the District to restore wage cuts and furlough days, and the budget capacity the EduJobs Bill and the Stimulus Package created despite state budget cuts will make it possible for the District to maintain the wage restoration for the coming year. These federal sources of budget support, however, are terminating, creating sharp and sudden drops in funding – often referred to as “funding cliffs”. The result is that the district will lose the ability to soften the programmatic effects of state budget cuts.

It is also important to note that the District’s override funding has also declined in recent years. The override funds, of course, are derived from a local property tax levy specifically approved by the voters of the District to be used for express purposes (class size reduction, enhanced/advanced programs, physical and technical plant support, and staff retention and recruitment. The override levy is tied to the District’s maintenance and operations budget and, generally, represents a 10% increase over the funding provided by state formulas. Thus, also generally, as the maintenance and operations funding provided by the state decreases, so too does the override funding. As a consequence, programs supported by the override – some of which are also dependent to some extent upon enrollment as well – should be expected to decline as well.

Efforts to Reduce the Impact of Budget Losses and Reduction in Force

Over the last few years, the District has implemented a variety of strategies to minimize the financial impact of state budget cuts and enrollment changes.

The District's funding, as clearly established in the preceding section, has seen recurring and significant reductions over the last few years. As these funding cuts occurred over time, the Governing Board and District administration implemented multiple strategies to minimize the impact upon school level programs and services.

During the 2009-2010 fiscal year, more than \$1.5 million in cost savings were implemented at the central office level – consisting of job reductions of 35.5 full time employees, reduction of contracted services, cessation of centralized programs, and a voluntary five-day furlough for the District's senior staff.

For the current fiscal year, more than \$7.8 million in program modifications were made. Some of these modifications directly absorbed the funding cuts imposed by the state. Others shifted expenses or savings to funds less impacted by state budget cuts. And some, frankly, were made to simply reflect the austere times. The program reductions and other budget actions for the current fiscal year are detailed in Table 6.

Program Reductions Made in FY 2011	
Elimination of Positions: Executive Director of Human Resources, Print Media Specialist, Lead Computer Repair Technician; Central Administration - Reorganization	\$183,200
Reorganize Facilities – Eliminate 3 FTE/Out-Source Some Services; Replace 1 FTE With Energy/Efficiencies Coordinator	\$ 45,000
Prince/AMS – K-8 Administrative Support (Reduce 1 FTE)	\$ 50,000
Closure of San Joaquin Alternative High School	\$ 435,380
Transportation Efficiencies	\$ 100,000
Convert To Electronic Paystubs W/Direct Deposit	\$ 7,000
Convert Full Day Kindergarten (Reduce 20 FTE)	\$ 900,000
Increase Class Size Formula Allocation By 2 Students (Reduce 51.5 FTE)	\$2,317,500
Interscholastics Fee Increases/Event Ticket Cost Increases	\$50,000
Eliminate Field Trip Allocation In Non-Staffing Allocations	\$70,707
Suspend Literacy Conference, Amphi Get Together, Effective Teaching Conference, etc.	(Grant Funded)
Reorganize Instructional Coaches, Instructional Support Leaders (17 FTE)	(Grant Funded)
4 Day/10 Hour Workweek in Summer – Utilities Savings	\$90,000
Special Education/ELD Program Budget Reductions	\$152,734
Reduce Maintenance & Operations Budget Travel	\$30,000
Reduce Professional Development -- Eliminate Sub Days In Non-Staffing Allocations For Professional Development	\$ 60,000
Reduce Governing Board Supplies/Travel Expenses	\$ 1,100

Pay Reductions (2% salary reduction for all staff and 3 furlough days for impacted employees)	\$ 2,246,399
Eliminate Early Retirement Phase Out Program (ERPOP) – Effective June, 2010	\$1,200,000

Table 6

All of the foregoing reductions in programs and services were made in an attempt to delay the ultimate impact of continuing state budget cuts and funding losses on the academic programs in the schools. As cuts have deepened, however, impact upon school programs has been unavoidable, as the reductions in Table 6 themselves indicate.

Since this fiscal year (FY 2011) began, additional efforts to absorb state budget cuts without impacting job positions have continued whenever possible. These “passive” savings have included such items as energy efficiency efforts and not filling the Food Service Director position after it was vacated following retirement.

In addition to these specific efforts to minimize the impact of budget cuts, factors of attrition will lessen the need for job losses. The retirements, resignations, transfers and short term contract conclusions all combine to lessen the need to affirmatively reduce positions.

Site Level Reductions

The state budget reductions, no longer softened by federal stimulus and Education Jobs Bill funding and combined with decreasing enrollment will impact school sites by reducing multiple job classifications.

In the preceding sections of this plan, causes for a necessary reduction in force were described. In this section, the specific impact of the factors described above, individually on each school, are detailed. The charts contained on the following pages include detailed information for each site that describe the “net” personnel reductions that must be made. Where presently known, the specific programmatic areas which must experience the reductions are indicated. In the coming weeks, however, sites will be refining their programmatic adaptations to losses in funding. Thus, it is anticipated that more specifics will emerge and specifics may change.

The charts that follow also list the number of short term contracts, retirements, and resignations presently known. More resignations or retirements may be forthcoming.

It is important to note, however, that attrition factors may not perfectly “balance out” the staff reductions that must be made by each site. A great deal depends, of course, on the programmatic nature of the necessary reduction and the programmatic area where the attrition is or will be occurring. For example, many short term positions are currently held by special education teachers who have intern certificates. Their current positions may have to be refilled, and there may be a lack of qualified candidates among current district staff. As a result, many short term will be rehired to again fill their current positions; in this way, their short term contract status does not “cancel out” the reduction of positions required at their school site.

In some situations, funding for next year remains unknown. For example, elementary schools do not yet know what the state’s K-3 funding allocation will be next year. Given that circumstance, a reduction in the position has not been indicated. Again, the impact of currently unknown circumstances may modify the numbers presented in this plan through revisions.

It is also important to note that this plan, pursuant to policy, only addresses certificated/professional staff positions. Support staff positions affected by reduction in force will be addressed through a separate process.

This plan will be updated as circumstances and information warrant.

Amphitheater High School

Anticipated Personnel Reductions

Teachers	(1.2000)
Stimulus Teachers	(8.2000)

Attrition Factors

Current Short Term Staff	9.9900
Known Retirements/Resignations	1.0000

Estimated Actual RIF FTE: (1.6000)

Canyon Del Oro High School

Anticipated Personnel Reductions

Teachers	(6.2000)
Stimulus Teachers	N/A

Attrition Factors

Current Short Term Staff	6.4000
Known Retirements/Resignations	2.0000

Estimated Actual RIF FTE: (1.0000)

Ironwood Ridge High School

Anticipated Personnel Reductions

Teachers	(6.0000)
Stimulus Teachers	N/A

Attrition Factors

Current Short Term Staff	6.5000
Known Retirements/Resignations	2.0000

Estimated Actual RIF FTE: (1.0000)

Amphitheater Middle School

Anticipated Personnel Reductions

Teachers	(2.0500)
Counselors	(0.5000)
Stimulus Teachers	(5.6000)

Attrition Factors

Current Short Term Staff	9.9500
Known Retirements/Resignations	0.0000

Estimated Actual RIF FTE: (0.4000)

Cross Middle School

Anticipated Personnel Reductions

Teachers	(1.6150)
Stimulus Teachers	N/A

Attrition Factors

Current Short Term Staff	4.0000
Known Retirements/Resignations	1.0000

Estimated Actual RIF FTE: (0.0000)

La Cima Middle School

Anticipated Personnel Reductions

Teachers	(0.9000)
Stimulus Teachers	(4.0000)

Attrition Factors

Current Short Term Staff	5.6000
Known Retirements/Resignations	4.0000

Estimated Actual RIF FTE:
(2.5000) Regular FTE
(1.0000) SpEd FTE

Coronado K-8 School

Anticipated Personnel Reductions

Teachers K-5	(2.6000)
Stimulus Teachers K-5	(1.5000)
Teachers 6-8	(3.8000)
Stimulus Teachers 6-8	(2.1000)

Attrition Factors

Current Short Term Staff	6.8900
Known Retirements/Resignations	4.0000

Estimated Actual RIF FTE: (2.2000)

Wilson K-8 School

Anticipated Personnel Reductions

Teachers K-5	(3.2500)
Stimulus Teachers K-5	N/A
Teachers 6-8	(2.0000)
Stimulus Teachers 6-8	N/A

Attrition Factors

Current Short Term Staff	5.7500
Known Retirements/Resignations	4.0000

Estimated Actual RIF FTE:

(4.1500) Regular FTE

(1.0000 SpEd FTE)

Copper Creek Elementary School

Anticipated Personnel Reductions

Teachers	(5.5500)
Stimulus Teachers	N/A

Attrition Factors

Current Short Term Staff	2.5000
Known Retirements/Resignations	3.0000

Estimated Actual RIF FTE: (0.0000)

Donaldson Elementary School

Anticipated Personnel Reductions

Teachers	(4.1000)
Stimulus Teachers	N/A

Attrition Factors

Current Short Term Staff	2.0000
Known Retirements/Resignations	0.0000

Estimated Actual RIF FTE: (2.1000)

Harelson Elementary School

Anticipated Personnel Reductions

Teachers	(3.4000)
Stimulus Teachers	N/A

Attrition Factors

Current Short Term Staff	4.5000
Known Retirements/Resignations	0.0000

Estimated Actual RIF FTE: (0.0000)

Holoway Elementary School

Anticipated Personnel Reductions

Teachers	(2.5000)
Stimulus Teachers	(3.4000)

Attrition Factors

Current Short Term Staff	5.2500
Known Retirements/Resignations	0.0000

Estimated Actual RIF FTE: (0.0000)

Keeling Elementary School

Anticipated Personnel Reductions

Teachers	(1.8000)
Stimulus Teachers	(3.4000)

Attrition Factors

Current Short Term Staff	3.6000
Known Retirements/Resignations	0.0000

Estimated Actual RIF FTE: (1.5000)

Mesa Verde Elementary School

Anticipated Personnel Reductions

Teachers	(2.6500)
Stimulus Teachers	N/A

Attrition Factors

Current Short Term Staff	3.7900
Known Retirements/Resignations	0.0000

Estimated Actual RIF FTE: (0.3000)

Nash Elementary School

Anticipated Personnel Reductions

Teachers	(3.3000)
Stimulus Teachers	(5.7500)

Attrition Factors

Current Short Term Staff	2.9000
Known Retirements/Resignations	0.0000

Estimated Actual RIF FTE: (2.5000)

Painted Sky Elementary School

Anticipated Personnel Reductions

Teachers	(4.9000)
Stimulus Teachers	N/A

Attrition Factors

Current Short Term Staff	8.0000
Known Retirements/Resignations	0.0000

Estimated Actual RIF FTE: (0.4000)

Prince Elementary School

Anticipated Personnel Reductions

Teachers	(2.3000)
Stimulus Teachers	(6.0000)

Attrition Factors

Current Short Term Staff	3.0900
Known Retirements/Resignations	2.0000

Estimated Actual RIF FTE: (0.9000)

Rio Vista Elementary School

Anticipated Personnel Reductions

Teachers	(2.4000)
Stimulus Teachers	(4.2500)

Attrition Factors

Current Short Term Staff	1.0000
Known Retirements/Resignations	2.0000

Estimated Actual RIF FTE: (3.6500)

Walker Elementary School

Anticipated Personnel Reductions

Teachers	(3.4000)
Stimulus Teachers	(3.0000)

Attrition Factors

Current Short Term Staff	3.6000
Known Retirements/Resignations	2.0000

Estimated Actual RIF FTE: (3.0000)

Time Table

A detailed timetable will be added to the plan following Governing Board review of this plan on April 12, 2011.
