

# KNOX COUNTY SCHOOLS

ANDREW JOHNSON BUILDING

*Dr. James P. McIntyre Jr., Superintendent*



## MEMORANDUM

To: Chair and Members  
Knox County Board of Education

From: Dr. James P. McIntyre, Jr.  
Superintendent

Date: April 10, 2014

Subject: Final FY15 Budget Recommendation

A handwritten signature in black ink, reading "James P. McIntyre, Jr.", with a long horizontal line extending to the right.

Attached please find my final Knox County Schools FY15 General Fund Budget recommendation, totaling \$431.1 million. This proposed budget represents an increase of approximately \$11.2 million or about 2.7% over our current year budget. Based on a variety of factors, including feedback from School Board Members, I have made a few adjustments to this proposal from my preliminary recommendation. These changes include:

### **Total FY15 Budget**

The total amount of the budget recommendation has been reduced based on the Governor's announcement that he was eliminating raises for teachers from his state budget proposal. Late last week we received our first notification of projected Basic Education Program (BEP) funding from the Tennessee Department of Education, and it was approximately \$2.6 million less than our preliminary estimate. While we had initially assumed a BEP increase of roughly \$6 million, after the Governor's announcement it looks as if only an additional \$3.4 million will likely be forthcoming.

## **Teacher Salaries**

The Governor's announcement and subsequent notification of BEP has prompted me to adjust my recommendation on teacher salary increases. While a 3% raise no longer seems realistic without any additional financial commitment from the state, I still believe strongly that making progress in enhancing teacher compensation must remain a key priority in this budget. Therefore, even in this challenging fiscal environment, I am now recommending a 2% salary increase for teachers.

If the School Board approves the budget, this effort would still require the Knox County Commission to identify and appropriate \$3.3 million over expected revenues. Without a doubt, this would be a stretch for our community at a time when budgets are tight, but I believe a more competitive and professional level of compensation for our teachers will have a profoundly positive impact on our ability to retain and continue to attract outstanding educators to teach our children.

## **Project GRAD**

There has been a good deal of discussion about the Project GRAD program, and the value that it provides to some of our high needs schools. As a Project GRAD Board Member myself, I am very aware of the benefit that this important partnership brings to our school system. Therefore, I am adjusting my recommendation from a reduction of \$200,000 to a cut of just \$100,000. This represents about an 8% reduction to our investment in Project GRAD. The difference would come from a smaller increase to the transportation budget based on the recent approval by the School Board of a 2014-15 school year calendar with 177 instructional days, as opposed to our original plan of 178 school days.

I believe mitigating this reduction to Project GRAD will allow this initiative to continue the great work they do around student support, college access, and community schools, without significant impact. It also appears that the Great Schools Partnership may be in a position to provide some additional financial support to Project GRAD to help offset this reduction.

## **Other Priorities**

Our other key instructional priorities will remain unchanged in the FY15 Budget. Supporting the extraordinary work our teachers and students are doing in the classroom is the primary focus of this budget recommendation. This proposal will allow us to continue our efforts around instructional improvement, early literacy, the TAP System for teacher and student advancement, classroom technology, and teacher leadership, collaboration, and professional development. While there are no significant new instructional initiatives contemplated in this “no frills” budget proposal, from a district-wide perspective we have largely realized our critical goal of preserving teacher positions in our schools.

This recommendation also still supports the opening of our Career Magnet Academy on the Strawberry Plains campus of Pellissippi State Community College. This unique educational opportunity, organized around four exciting Career and Technical Education (CTE) fields, will provide many students with a pathway to a compelling career and a bright future.

## **Conclusion**

My goal in proposing any budget is to ensure alignment between our limited resources and our educational priorities and mission, so that we can provide the outstanding public education that our community expects. While this is undoubtedly a challenging fiscal landscape and a somewhat austere budget proposal, I am confident that this educationally-focused and student-centered budget will enable the Knox County Schools to sustain the strong academic progress our students have been making and move us forward toward our ambitious goal of *Excellence for All Children*.

Please let me know if you have any questions.

cc: KCS Executive Team