

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

A handwritten signature in black ink, reading "James P. McIntyre Jr.", followed by a horizontal line.

Date: April 4, 2016

Subject: FY17 Budget Adjustments

As we continue to work through the budget development process and refine assumptions and strategies that support the FY17 budget recommendation, I wanted to provide you with an update on three specific adjustments that I will be offering to my FY17 budget proposal.

First, as part of the agenda for your April voting meeting, I am recommending that we partner with Knox County Government and enter into an agreement for the County to administer and manage our Workers' Compensation program, both for classified employees who had previously been managed through the state trust, as well as certified employees, who are just now beginning this benefit. This arrangement will have several benefits, including potential cost savings, local administration of benefits, and enhanced customer service. As part of this agreement, our upfront budgeted premium will be \$1,590,000, which is about \$210,000 less than the amount we included in the original FY17 budget recommendation. I am recommending that this savings be reallocated to pay raises for classified employees, bringing their total increase in compensation to 2.5%.

Second, we included in the FY17 budget a placeholder of approximately \$100,000 to account for potentially decreased reimbursements from the federal e-rate program. However, we believe a new e-rate contract being entered into by Metro Nashville Public Schools, from which the Knox County Schools will benefit, will eliminate the need for this budgetary increase associated with technology infrastructure. Therefore, I will be recommending to the School Board that this \$100,000 be reallocated to our transportation program for two items: 1) a new position that will assist with contract supervision and coordinate training for school bus drivers, and 2) monetary resources to be able to develop a comprehensive school bus driver training program. This action is in accordance with the recommendations of the transportation analysis we received last week, and will essentially allow the school system to begin to take over school bus driver training from the bus contractors.

Finally, as Ms. Rountree has suggested, we do not yet need to be purchasing Chromebook computers for high school teachers in our Personalized Learning Environment (PLE) high schools, as they will continue utilizing the MacBook Pro computers on hand for another year or two. Therefore we will have about \$50,000 to reallocate within the FY17 budget, and I would like to suggest that we consider providing these funds to support and bolster our Positive Behavior Intervention and Support (PBIS) program, particularly at the elementary school level.

I look forward to discussing these adjustments, and the entire FY17 budget proposal with you in the coming days.

cc: KCS Executive Team