

**THE GROSSE POINTE PUBLIC SCHOOL SYSTEM**  
Grosse Pointe, Michigan

**AGENDA NUMBER AND TITLE:**                    **IV. I. Resolution to Commence 2012-13 Budget Development and Related Parameters**

**BACKGROUND INFORMATION:**

Several reports have been previously published to detail the financial condition of the district, deliver a historical view of the district's investment patterns benchmarked against itself over time and against other districts, detail our actual spending by function (footing to the annual financial audit) and make multi-year projections using reasonable projections. The details of those reports will not be re-stated in this Resolution, but are referenced herein as "Exhibits" and will be referenced as follows:

1. The current Budget Modeling Utility report of record, dated November 1, 2011.
2. The Financial Transparency Series report titled "2011-12 Financial State of the District and Projected Effects of Employee Contracts" dated November 28, 2011.
3. The Financial Benchmarking Report, the most current of which contains State of Michigan Department of Education data from the 2009-10 school year and trends dating back seven years.
4. The Elementary Class Size Report reflecting trends from 2009-10 up to and including our current levels for the 2011-12 school year.
5. The current Staff Utilization Utility report.

These Exhibits reflect best efforts to make financial projections and are subject to change – as they are expected to change. As these changes occur, these materials will be refreshed and distributed to the Board of Education and the public.

**General Development Provisions**

The Board recognizes and affirms that the primary function of the Grosse Pointe Public School System is to ensure the educational development of each and every student. The administration is encouraged to bring forth a budget recommendation that places us in the best position to achieve our goals and make progress on our Mission and Vision while remaining cognizant of practical and financial realities.

**Specific Areas of Focus**

*Official Request for Solutions from Recognized District Bargaining Units*

The Board of Education recognizes that current financial projections and bargaining unit contract design is likely to trigger contract language that may result in reduced compensation for district employees. The Board therefore, via this Resolution, is calling for each of the district's officially recognized bargaining units to submit for the Board's consideration solutions that could be acted upon relative to staffing, program design, service options, or any other matter similarly comprehended in budget, staffing, and service delivery options.

This request does not obligate bargaining units to comply, but merely presents an opportunity for their ideas to be shared because the Board does indeed value those opinions. However,

receipt and recognition of any recommendations from the bargaining units will not in any way obligate the Board of Education to act on them. They will be received, reviewed and discussed in good faith.

Recommendations received from the bargaining units are assumed to be duly authorized by their membership. Only recommendations received by recognized bargaining unit leadership shall be officially received by the Board of Education. Recommendations should be submitted on paper to the Office of the Superintendent on or before **March 30, 2012**. The recommendations will be considered public documents and be subject to all provisions, laws and practices governing public documents.

The recommendations should be thorough in their rationale for adoption and include, to the extent possible, financial and programmatic impact on the district's operations, both educational and otherwise. Recommendations received will be presumed to be endorsed by the bargaining unit submitting it. Recommendations need not be limited to matters affecting only the bargaining unit's membership.

This provision contained in this Resolution shall not be construed as formal bargaining in any way. Any matter contemplated by the bargaining unit that may be governed by current contracts should follow those contracts' prescribed procedures.

*Administrative Budget Recommendations*

The Administration remains responsible for the development of the budget whereas the Board of Education provides input as representatives of the taxpaying public and ultimately approves a budget proposed by the Administration. The Board should receive the Administration's first budget proposal before the end of **April, 2012**. Should it be our desire, the Board of Education would be free to act upon that budget recommendation at any point after receipt of the Administration's recommendation, or any time preceding the end of June, 2012. Following specific feedback from the Board of Education, ensuing iterations of Administration's budget recommendations may be required.

*Materials and Reports Accompanying the Administration's Budget Recommendations*

Aside from the legally prescribed manner by which the district's budget is to be approved, the administration shall continue to deliver at the same time refreshed versions of the Staff Utilization Utility, Budget Modeling Utility, class size projections, and details of any programmatic enhancements, reductions, movements and/or eliminations.

**REQUEST:** That the Board of Education approve the 2012-13 Budget Development Parameters presented herein.

**Submitted by:**

B. Walsh

February 9, 2012

For Board Approval February 27, 2012