

FAQ during budget challenge

1. Does this budget meet at least the minimum reserve requirements in each of the three years of the multiyear projection?

Yes, the ROP budget meets the minimum reserve requirements during the next 3 years.

2009-10 12.92% **2010-11** 12.91% **2011-12** 11.71%

2. What is Tier III categorical flexibility? Do the participating schools have the authority to transfer all allowable categorical balances to their unrestricted General Fund/and do they need to notify us to sweep our ending balances?

ROC/P's were put into the Tier III categorical flexibility which authorizes school districts to use ROP funds for any educational purpose. LPVROP operates under a Joint Powers Agreement with three districts. The authority to use ROP funds would require approval from the LPVROP Board of Trustees.

3. To what degree are we counting on the federal funds we expect to receive this year? For what purposes are we spending these one-time funds?

LPVROP did not budget for the federal funds as it is not guaranteed we will receive them. However, we have had discussions with the district CBOs regarding our interest in these funds. LPVROP has a draft plan for the utilization of these funds in compliance with the intended use. The main use will be to reform the delivery of ROP programs to the districts we serve.

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4. *What has been cut from this budget?*

Reduction in transportation	\$ 260,000	Reduction in contracted svcs.	\$ 152,000
Reduction in staffing	\$ 182,143	Self-sustained adult programs	\$ 817,820
Cosmetology	\$ 100,000		

5. *What is our backup plan if there is another negative surprise from the state? What would we do if we need to make further cuts?*

Level – 2 Savings

Staff furlough days (6)	\$ 36,240
Freeze longevity stipend	\$ 37,000

Level – 3 Savings

Instructional Contracts	\$565,000
Additional furlough days (6)	\$ 36,240
Freeze step/column	\$ 36,842

6. *How will this budget affect student programs and achievement this year and next; exactly what programs and services are we cutting, and what are we doing to help students compensate for those cuts?*

We have eliminated one Program Manager, therefore, teacher support will be distributed between two other individuals rather than three. (Quality of support vs. quantity of support.)

Programs that were cut, cosmetology and transportation - directly affecting student offerings.

To ensure that students are not affected by budget cuts, the ROP has allocated the same amount as previous year for instructional supplies & materials.

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7. Has the staff/Board been presented with all available options prior to settling on this planned budget?

Yes, the ROP staff participated in a cost-savings process to identify possible savings. The Board was consulted regarding the budget cuts and the impact of those cuts.

8. In the short term, most schools are cutting. How do our cuts compare with our ROP neighbors'?

Two other neighbors have cut significantly more staffing and hours than LPVROP. LPVROP has incurred much less staffing cuts than other ROPs.

9. Why can't we use reserves for economic uncertainty?

The state budget is uncertain and the reserves will assist us in absorbing any other cuts that may be imposed. Also, the reserves assist us with cash flow issues.

10. Will the ROP have enough cash flow throughout the year? And if not, do ROPs have the ability to borrow as schools?

At this time, LPVROP is projecting to have enough cash to pay its obligations.

Unfortunately, ROPs do not have the ability to borrow as schools do. We would need to consider alternatives.