

2011-2012 LINCOLN PUBLIC SCHOOLS BUDGET INFORMATION

EXECUTIVE SUMMARY

Teachers and students in Lincoln Public Schools will continue to excel in the classroom and school activities during the 2011-2012 school year. In addition to developing a solid academic foundation in mathematics, literacy, and other basic academic skills, students will continue solving physics problems and working with calculus formulas, exploring science and world history, learning about other cultures and the global society, and developing an appreciation for the fine arts. Increased student achievement for all students through excellence in teaching and learning continues to be a clear expectation of the Lincoln community, and is the number one priority for Lincoln Public Schools.

State aid was certified on May 17, 2011 for the 2011-12 budget. The Legislature in 2011 made a change to the state teacher retirement plan to increase contributions in 2011-12 by .6% and in 2012-13 by an additional .9%. With increasing expenditures and an uncertain source of future state funding, Lincoln Public Schools must carefully plan for the coming years. There are many questions about the future of financing public education in Nebraska that remain to be answered by the legislature. Figure 1 below demonstrates the interaction between state funding to public schools and reliance on local property taxes.

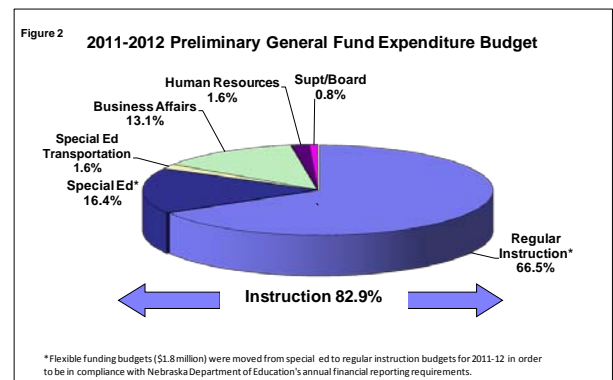
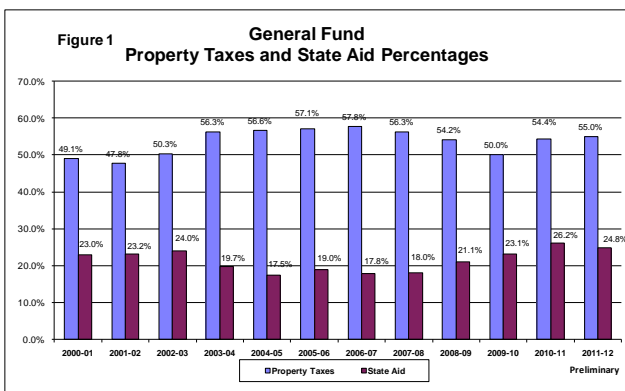
Lincoln Public Schools (LPS) faces both challenges and opportunities in the coming year, and does so with a pledge to continue providing quality education for all students. Educators will keep a clear focus on teaching, learning, and student achievement. The Board of Education and administration will continue to focus on providing a quality education for a growing population of students with increasingly diverse needs.

The 2006 voter approved \$250 million school bond issue funds coupled with additional available funding has enabled the Lincoln Public Schools to complete all 28 originally identified projects on time and on or below budget. Beginning in the fall of 2010, all of the school facilities are air conditioned. The favorable bidding climate and careful project management has allowed work to continue on additional projects. Approval of Phase II and Phase III of the ten-year facilities plan authorized the District to seek additional limited obligation bonds which were approved as part of the Federal Stimulus Plan (ARRA, 2009) and will provide for funding of the proposed projects while slightly reducing the levy in the Qualified Purpose Undertaking fund.

Continued growth in student population requires the addition of facilities. Lincoln Public Schools will have new additions, renovations, and air quality upgrades at a number of school facilities as well as beginning the design and construction of Kloefkorn Elementary School in southeast Lincoln and a fourth and fifth grade elementary center on the Roper Elementary site. The District will incur additional costs for ongoing operations.

More students arrived at LPS in the 2011-2012 school year. Textbooks and school supplies will cost more. The cost of utilities, fuel for buses and other operational costs will continue to rise. There will be an increase in the number of students who speak languages other than English, who have special needs, and who are living in poverty.

The LPS Preliminary General Fund expenditure budget of \$320,831,160 for the 2011-2012 school year represents a 2.0% increase from the previous year's budget. This budget allocates 82.9% to instruction (See Figure 2). This is consistent with the school district's emphasis on teaching, learning, and



increasing student achievement for all students. The assessed valuation is estimated to increase 0.71%. The total estimated 2011-12 LPS property tax levy is projected to remain flat when compared to the 2010-11 levy.

WHAT THE 2011-2012 LPS BUDGET DOES

Historically, the Lincoln Board of Education has provided funding for up-to-date materials and equipment, staff training, and the professional educators and support staff needed to help all students achieve to their fullest potential. In keeping with that tradition, and the district's focus on teaching and learning, here is what the 2011-2012 budget does:

1. Maintains a quality instructional program with a focus on teaching, student learning, and increased student achievement.

Continued emphasis will be placed on improving student achievement in fundamental skills and concepts while developing the whole student to become a contributing member of this community and beyond. The school district will continue an emphasis on increasing the percentage of students who graduate. Consistent with the high community expectations for LPS, the school district will continue to raise the expectations for students and help them attain those expectations. Academic focus for LPS can be summarized as continuing to build excellence in each of three major areas:

- **Curriculum:** Very specific and rigorous learning objectives, instructional materials, and instructional methodologies have been prescribed for major curricular areas. These objectives, instructional methods, and materials are reviewed and updated regularly.
- **Instruction:** Staff development has been centered on enhancing instructional skills and providing ongoing support for teachers to increase their skills and effectiveness in the classroom. Schools, with the support of district-level staff, continue an emphasis on school improvement. Professional Learning Communities (PLCs) were implemented during the 2006-07 school year. PLCs provide teachers the opportunity to focus, in small professional

groups, on research, best practices, and instructional strategies. The work of teachers in PLCs translates directly to increased focus on student needs and achievement in the classroom. Recent services initiated to respond to specific student needs and increase student achievement and graduation rates for all students will continue for 2011-2012. These include high school focus programs, as well as specialized reading programs and other literacy support at the elementary and middle school levels. Staff will continue their efforts to connect all students to school and to learning.

- **Assessment:** Practices continue to be refined to reflect a constant and accurate measure of what students know and can do. Assessments provide teachers, students, and parents with accurate data related to student progress. Yearly assessment information is the foundation for the School Improvement Plans each school develops and implements. The student achievement reflected by these test scores do not occur by chance. They require time, effort, materials, and funding. That focus begins with the Lincoln Board of Education, a board devoted to the improvement of instruction and growth in student achievement. Starting with the 2008-09 school year, Lincoln Public Schools used the Iowa Test of Basic Skills (ITBS). In previous years, the Metropolitan Achievement Test was used. For the 2010-11 school year, the median Total Reading National Percentile Rank for Grade 3 students was 70. The median Total Reading National Percentile Rank for Grade 5 students was 65, and the median Total Reading National Percentile Rank for Grade 8 students was 65. The median total Math National Percentile Rank for Grade 3 students was 65, and the Total Math National Percentile Rank for Grade 5 students was 70 and the Total Math national percentile Rank for Grade 8 was 59. Lincoln students perform well above the national average, which is the 50th percentile rank.

	Total Reading	Total Math
Grade 3	70	65
Grade 5	65	70
Grade 8	65	59

2. Provides increased compensation for teachers and other staff members. Retention of our current, excellent staff is an important factor in maintaining a quality instructional program. In addition, in order to attract an excellent candidate pool, LPS must maintain competitive salaries.

3. Recognizes additional costs related to expanded facilities. On February 14, 2006, the voters of Lincoln Public Schools passed the largest school bond measure in its history. The \$250 million bond issue, together with more than \$60 million from other sources, will fund a ten-year facilities improvement plan that will include two new elementary schools, one new middle school, the demolition and reconstruction of one existing elementary school, and major renovation and/or expansion projects at school facilities throughout the district. The 2011-2012 fiscal year marks the beginning of 'start up' costs for Kloefkorn Elementary School and the Roper 4-5 Center. There are 'operating' costs for re-opening Dawes Middle School, the Hawthorne building, and several additions to buildings ready to open in the fall of 2011. The current state aid formula provides an offset for additional square footage necessary due to student growth.

4. Provides for increases in diesel and gasoline fuel budgets. This will help offset the market increases for fuel costs.

KEY FACTS IN PREPARING A BUDGET FOR LINCOLN PUBLIC SCHOOLS

- Figure 4 is a look at sources of income for the 2011-2012 Lincoln Public Schools general fund preliminary budget, compared to the previous school year.

Figure 4 **General Fund Sources of Funds**

Revenue	2010-11 Budget	2010-11 Projected with Education Jobs Funds State Aid	2011-12 Preliminary
Revenue Used from Education Jobs Funds			\$6,864,725
Property Taxes	\$168,325,416	\$168,325,416	\$170,757,094
State Aid	\$81,059,532	\$81,059,532	\$70,053,560
State Aid-Education Jobs Funds (2010)	\$0	\$6,864,725	
Special Ed Receipts	\$29,713,630	\$29,713,630	\$30,408,640
Other Receipts	\$30,512,478	\$30,512,478	\$32,247,000
Total Revenue	\$309,611,056	\$316,475,781	\$303,466,294
Revenues Used from Cash Flow	\$4,806,534	\$4,806,534	\$10,500,141
Carry Over Due to Education Jobs Funds		\$6,864,725	
One Time Expenditures Placed on Hold			-\$6,370,970
Net Utilization of Cash Flow			\$4,129,171
Total Available	\$314,417,590	\$314,417,590	\$320,831,160
Estimated Levy	\$1.042397	\$1.042397	\$1.050000

*\$6,864,725 State Aid – Education Jobs Funds received in 2010-11 mid-year after budget adopted. The guidance from NDE suggested that the funds be expended and received in the 2010-11 fiscal year on approved expenditures and carry-over the fund balance into 2011-12 to reduce the effect of the loss of State Fiscal Stabilization Funds (SFSF).

- An estimated 623 additional students (See Figure 5) are expected to enroll in the LPS district in 2011-2012. If trends of the past ten years continue, this net increase in students also will represent increased percentages in the student population of both English Language Learners (ELL) and Special Education students.

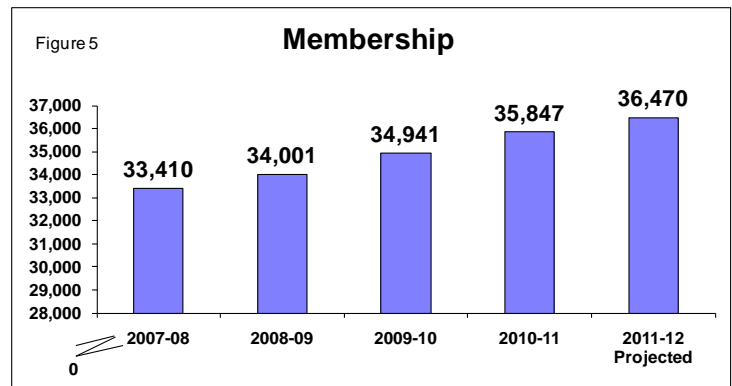


Figure 6 shows the effect of major legislative initiatives taking effect in 1998 and 2001 which have served to decrease the property tax reliance of Lincoln Public Schools.

HOW DOES LPS COMPARE?*

LPS is ranked 232nd out of 253 school districts in Nebraska in per pupil spending.

LPS currently spends \$9,159 per pupil compared to the State of Nebraska average of \$10,099.

LPS annually spends less than the state average by \$32.5 million.

The current levy limitations do not allow LPS to generate enough revenue to spend at the State average.

*2009-10 data is the latest available from the Nebraska Department of Education.

SUMMARY

This executive summary is intended to succinctly and clearly convey the school district's continued emphasis on teaching and learning and the resulting student achievement. The Lincoln Public Schools Board of Education and administrative staff are committed to providing the best possible educational experience for every student as is rightfully expected by our community. At the same time, we maintain our focus on efficiency in the use of funding and on providing the citizens of Lincoln the best value for their tax dollars.

Questions regarding this summary can be directed to:

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