

Chair Shapiro and Members:

My name is Tracy Hoke and I am the CFO from Fort Bend ISD. I am here to testify in support of SB 8. My testimony will focus on three new flexibilities that SB 8 would provide: salary reductions, furloughs and moving the 45-day nonrenewal notification deadline.

Allowing districts to reduce employee salaries and furlough employees would mean that we have new strategies for meaningfully reducing payroll expenses in order to balance our budget. Payroll and benefits comprise more than 87% of our current operating budget – even though we reduced staff last year by more than 450 employees.

But, our district will likely lose \$27 million during 2011-12 and \$15 during 2012-13. Because our public demands a balanced budget, we have moved forward with reducing staff for this year. Staffing for the current year was reduced by approximately 450 individuals and a similar number have been reduced this year. Next year when we open our doors, there will be 10% fewer staff members in FBISD than in 2009/10. There will be a noticeable change in instruction – our secondary classrooms have increased in size by approximately 5-7 students per period. Up until this year we have been able to maintain our elective offerings at the secondary level. This year we were not able to and have reduced many low enrollment vocational courses, foreign language offerings (we offered instruction in 9 languages in our district) and fine arts instruction has been limited.

FBISD has declared financial exigency for two consecutive years. We support moving the 45 day notice of nonrenewal until 10 days before the end of the school year as we can speak first hand to the difficulty of administering the Reduction in Force 45-days prior to the end of instruction.

- The 45-day deadline is disruptive to the instruction of students. It falls just as we're administering the state tests and those who been RIF'd lose their desire to actively engage students.
- The 45-day deadline falls prior to our ability to effectively evaluate teachers. We have completed a RIF on evaluations which were only complete through the 4<sup>th</sup> domain – there was no ability for our principals to have a summative evaluation which included all domains.
- The 45-day deadline occurs before we receive the tax rolls and can determine how much local revenue we will have for the next school year.
- The 45-day deadline occurs prior to kindergarten round-up and discussions with parents regarding their intentions for the upcoming school year. Enrollment projections, particularly in rejuvenating neighborhoods, are not as accurate at the elementary level.

Moving the deadline for notifying teachers whether they will be offered a contract for the next school year just makes sense – for teachers and for students. And, it puts school districts more in line with other employers who notify their employees when their contracts expire whether they will get another contract or not.

Finally, while we do not want to reduce salaries, we feel that we must have it as an alternative in the future. Our district cannot survive the turmoil of another RIF in the next few years. The ability to furlough employees one day would afford the district the opportunity to generate \$1.4 million or approximately one-half the operating cost of an elementary campus. In the same manner an across the board salary reduction would generate approximately \$3.0 million.