



**LITTLE ROCK SCHOOL DISTRICT  
810 W. MARKHAM STREET  
LITTLE ROCK, AR 72201**

**MINUTES**

**FEBRUARY 13, 2018**

The agenda for a special meeting on February 13, 2018 was submitted by Superintendent Mike Poore to the Arkansas Commissioner of Education, Johnny Key, appointed by the State Board to assume all authority of the board of directors.

**I. DECLARATIONS OF EXCESS PROPERTY – WOODRUFF ECC**

Administration submitted a resolution that would authorize the Woodruff ECC building to be sold as a declared excess property. This item was **tabled** by Commissioner Key with the following comments: “Pending waiver request to Division of Public School Facilities.”

**II. 2017-2018 FINANCIAL NEGOTIATIONS**

Administration recommended that the District approve a gross bonus of \$1,000 to be paid to all eligible employees. The recommendation was tabled by Commissioner Key with the following comments:

*Item No. II*

*I am requesting additional financial information necessary to make a fully-informed decision. Please submit the following:*

- 1. Updated budget for 2017-18 from e-Finance*
- 2. Projected budget for 2018-2019, including any proposed reductions.*
- 3. Any updates to funding plan for Southwest H.S. and other identified capital projects.*

**APPROVED 03/29/18**

**Originals Signed by:  
Michael A. Poore, Superintendent**

**Approved by:  
Johnny Key, ADE Commissioner**



# LITTLE ROCK SCHOOL DISTRICT

## OFFICE OF THE SUPERINTENDENT

### Memorandum

**To:** Mr. Johnny Key, AR Commissioner of Education

**From:** Mike Poore, Superintendent Little Rock Schools

**cc:** Mike Hernandez, Ivy Pfeffer, Kelsey Bailey

**Date:** March 1, 2018

**Re:** Staff Bonus

*Mr. Poore*  
*03/01/18*

I appreciate your review of Little Rock's financial status as you consider my recommendation for a bonus for all staff members. As you know, this bonus will reduce our budget by \$4.4 million. Each employee will receive \$1,000, and our hope is to have this out to our employees before Spring Break.

Thank you for always bringing up budget status in our meetings. I also appreciate that we often have Kelsey Bailey, our Chief Financial Officer, attend these meetings so that we can take deeper dives into budget questions. I think the meeting you requested between Mr. Bailey, Mike Hernandez and other ADE staff was productive and positive.

Attached you will find several documents that we hope provide greater clarity to questions that you have asked. I know we have difficult decisions to make this spring to realize a \$5.0 million budget reduction but believe we can accomplish the targets you will see on the attachment. I will point out that we have a history over the past four years of meeting these budget reduction targets. It should also be noted that this district completed a \$47 million dollar capital improvement project to open Pinnacle View Middle School. This work was challenging in its time frame and in its budget limitation, yet we came in on time and under budget and did not impact our fund balance. This was all done during a time in which we reduced our operating budget as the desegregation funds were eliminated.

We are excited about our work to move forward on Little Rock Southwest High and our Second Lien projects. Work is underway, and we will manage all projects to ensure quality as well as on-time and on-budget completions for improvement.

I also want to point out that our early registration process is very promising. Although these numbers are very preliminary, I am encouraged. We know we now need to continue to boost marketing efforts and support to all families who are in the district or who are considering joining LRSD. My hope is that these numbers will allow us to stop the decline in district enrollment that has been a multiple year trend.

<b>School Level</b>	<b>Oct. 1 2017</b>	<b>Registration Proj.</b>	<b>Total (+/-)</b>
High School	6,102	6,173	+71
Middle School	4,616	5,066	+450
Elementary	11,620	11,230	-390
<b>Total</b>	<b>22,338</b>	<b>22,469</b>	<b>+131</b>

I am proud of how my staff and I have managed our resources. I take pride in our work with the Little Rock Education Association and their president, Teresa Gordon. Please let me know if you seek any additional information.

<b>Capital Improvement Funds</b>		
<b>Fiscal Year</b>	<b>Funding Source</b>	<b>Amount</b>
2018	Desegregation Settlement	\$ 37,347,429
2018	2nd Lien Bonds	\$ 93,291,592
2018	Dedicated M&O (1 mill)	\$ 3,454,710
2018	Bond Refund Savings	\$ 205,405
2019	Dedicated M&O (1 mill)	\$ 3,489,257
2019	Bond Refund Savings	\$ 220,350
2020	Dedicated M&O (1 mill)	\$ 3,524,150
2020	Bond Refund Savings	\$ 223,787
2020	Estimated General Fund Transfer	\$ 7,000,000
	<b>Total Capital Funds</b>	<b>\$ 148,756,680</b>

<b>Projected Capital Improvement Projects</b>		
	New High School	\$ 100,358,890
	New High School Contingency	\$ 3,000,000
	2nd Lien Bond Projects	\$ 45,000,000
	<b>Total Projected Costs</b>	<b>\$ 148,358,890</b>

<b>Fiscal Year 2019 Proposed Budget Reductions</b>	
Assistant Principals	\$ 1,250,000.00
Classroom Teachers (15) due to enrollment	\$ 1,050,000.00
Paraprofessionals (35)	\$ 936,705.00
Central Office Staff	\$ 600,000.00
Computer Lab Aides	\$ 365,818.58
Secondary Duty Stipends (AM, Lunch, PM)	\$ 350,000.00
School Improvement Specialists	\$ 250,000.00
Novanet Lab Aides	\$ 124,890.76
Security Officers (3)	\$ 91,237.50
<b>Estimated Budget Reductions</b>	<b>\$ 5,018,651.84</b>





# Arkansas Department of Education

*Transforming Arkansas to lead the nation in student-focused education*

**Johnny Key**  
*Commissioner*

March 2, 2018

**State Board  
of Education**

Mr. Mike Poore, Superintendent  
Little Rock School District  
810 West Markham  
Little Rock, Arkansas 72201

**Dr. Jay Barth**  
*Little Rock  
Chair*

Mr. Poore,

**Joe Black**  
*Newport  
Vice Chair*

My sincere thanks to you and to Kelsey Bailey for providing the financial information I requested. Upon review of the information, I approve the bonus proposal.

**Susan Chambers**  
*Bella Vista*

There is no question teachers deserve credit and compensation for their dedicated service to our students. The loss of over \$40 million dollars of revenue from the desegregation settlement has required tough choices. This was especially tough since the \$40 million reduction had to occur within a three-year span beginning in 2015. I cannot overstate the importance of the shared sacrifice by educators and support staff of LRSD to meeting this timeline.

**Charisse Dean**  
*Little Rock*

**Dr. Fitz Hill**  
*Little Rock*

I am glad the current financial condition of the district is sufficient to support the bonus. In the long term, however, providing bonuses is not the best way to remain competitive in recruiting and retaining effective talent. I strongly encourage LRSD and LREA leaders to take a hard look at the structure of the district's pay plan. As you and I have discussed, while Little Rock is among the top districts in the state for average teacher salary (ranked 4<sup>th</sup> in the 2016 BLR Salary Report), it is way behind other districts in starting pay (ranked 60<sup>th</sup> in the 2016 BLR Salary Report). In addition, during the first three years teaching in LRSD, a new teacher receives a step increase that is only half of the increase built in after year three. Low starting pay, coupled with low step increases for newer teachers, puts the district at a competitive disadvantage.

**Ouida Newton**  
*Poyen*

**Mireya Reith**  
*Fayetteville*

**R. Brett Williamson**  
*El Dorado*

**Diane Zook**  
*Melbourne*

We at ADE are eager to work with the district to improve the structure of the pay plan for the long-term benefit of the district. Please keep me apprised of the discussions regarding this topic, and let me know what support we can provide.

Four Capitol Mall  
Little Rock, AR  
72201-1019  
(501) 682-4475  
ArkansasEd.gov

Sincerely,

Johnny Key, Commissioner

*An Equal  
Opportunity  
Employer*