

Questions from 1925 Committee - Meeting #2

1. How can we retain teachers longer so that we need less (paraprofessional?) support for new teachers?

Instructional Aides (Paraprofessionals) are provided to support classroom teachers, but they are not hired in the place of or instead of teachers. The instructional aides are in place to provide instructional support to teachers in Pre-K and classrooms supporting students with special education services. At times, an instructional aide is placed in a classroom with higher/growing student enrollment rather than splitting the classroom of students and hiring an additional teacher. This decision takes into account several factors. When a classroom's enrollment increases, it may be necessary to add an instructional aide or split a large class into two smaller classrooms, which would require hiring an additional teacher.

Providing competitive salaries and benefits is essential for attracting and retaining talented teachers. Supporting, developing, and encouraging teachers in Denton ISD is a significant priority. Our Teaching and Learning Dept has a First Year Teacher Academy that provides ongoing support and development. Our Mentor Liaison program also ensures every campus has a support system for our 1st-year teachers from day one. The mentorship cycle is designed for their first three years. One of the most critical factors in retaining high-quality teachers is providing support, thoughtful training, and encouragement for them from the beginning of their professional lives throughout their careers.

2. How do we get more “golden pennies?”

School districts in Texas receive the bulk of their revenues designated for Maintenance and Operations (M&O) primarily via a two-tiered funding system. Tier 1 funding is calculated utilizing several somewhat complex formulas that adjust for student attendance rates and include a variety of funding weights to account for the diverse needs of the various student populations in each district. This Tier 1 entitlement is funded first through local property tax collections, with state funds funding the balance (if applicable). The Tier 1 M&O tax rate is calculated for every district each year (usually in August) by the Texas Education Agency. It is limited to a “maximum compressed tax rate” (MCR) - a rate each district cannot exceed without seeking additional voter approval. While local Trustees must annually adopt a tax rate, the Texas Education Agency (TEA) requires the Board to adopt a rate no higher than the TEA's recommendation.

Each district can seek formal authorization from its respective taxpayers to access up to \$0.17 of additional tax rate (per \$100 of taxable property value) above its annually designated Tier 1 M&O MCR. If authorized, this revenue is referred to as Tier 2 M&O funding and is considered supplemental “enrichment” revenue. Tier 2 funding is further divided into two different levels.

Tier 2, Level 1 enrichment funding allows each district to levy up to 8 additional “golden” pennies (per \$100 of taxable property value), which generate a guaranteed yield (equalized by the state) of \$129.52 per penny per weighted student in the district (for 2024-25). Additionally, the enrichment funds generated by these golden pennies are not subject to recapture from the state. Finally, the state has granted access to the first 5 golden pennies without voter approval, at the discretion of the local school board. An election, known as a “Voter Approval Tax Ratification Election” (VATRE) must be conducted to gain voter authorization to access the remaining 3 golden pennies.*

Tier 2, Level 2 enrichment funding allows a district to levy up to an additional nine “copper” pennies (per \$100 of taxable property value), so named due to their lower guaranteed yield of \$49.28 per penny per weighted student. A VATRE is required to access these copper pennies, and unlike their golden counterparts, revenues generated by authorized copper pennies are subject to recapture if they exceed the district’s calculated Tier 2 entitlement.*

** For comparison sake, the yield per penny per weighted student in Denton ISD for the 2023-24 school year was \$42.59.*

3. How soon can Denton ISD engage in a TRE (ie. VATRE)?

Texas statute requires that a “Voter Approval Tax Ratification Election” (VATRE) must be held on a uniform election date, and the November election is the only date that will work with all of the other election requirements. As such, the earliest that Denton ISD could engage in a VATRE would be Nov. 4, 2025, should our Board of Trustees vote to approve the call of an election.

A great deal of preliminary work would be required before such an election could be called (in August 2025), including a required efficiency audit, which is an external investigation of district operations to provide information to voters about the district’s fiscal management, efficiency, and utilization of resources before a VATRE.

4. Where can we find funds to increase teacher salaries?

Denton ISD uses a market-driven compensation system. We have prioritized pay increases for the past decade to remain competitive in the job market. 2024-25 was the

first year we could not provide pay increases due to the current deficit budget. The following is the amount budgeted for the past two years, specifically for teacher general pay increases.

- *2022-2023 - 3% of the midpoint raise for Teachers and Librarians was \$5,293,057*
- *2023-2024 - 3% of actual salary raise for Teachers and Librarians was \$4,716,718*

These salary increases (2022-2023 & 2023-2024) are recurring annual expenses since they are permanent salary increases, totaling \$10,009,775. Because the costs are recurring, they are contributing to our current budget deficit, and additional pay increases would further widen the deficit. Providing pay increases to support our employees with the cost of living increases and inflation is critical. Additionally, the compensation increases support our recruitment and retention efforts to attract and keep the best talent for our classrooms and students. With the current state funding, reducing 70 full-time teaching positions, each costing \$71,000, could free up \$5 million for teacher salary increases.

As has been previously mentioned, the only way the district can receive additional ongoing funding for operations (including teacher/staff salaries) is through an increase in student enrollment (moderated by student attendance rates and funding weights for various student populations), or by adding pennies to the district's Maintenance and Operations (M&O) tax rate following a successful Voter Approval Tax Ratification Election (VATRE).

5. I am not a fan, but would a four-day workweek save the district funds?

A four-day workweek would decrease the operational funds (transportation, electricity, etc.). However, all professional employees have a contract, so a four-day workweek would not decrease the large proportion of our budget: salaries. For example, a teacher is on a 187-day contract. Even if the district went to a four-day workweek, the district would still pay the teacher for 187 days of work at their daily rate. Based on what research says about student learning, the decrease in instruction during the traditional workweek could cause more students to need summer learning opportunities, which would then cost the district funds to provide those learning opportunities.

6. Does state law permit the district to raise outside funds to support M&O, such as corporate sponsorships?

Yes, a district is permitted, within certain guidelines, to raise funds outside of the state funding system. School districts, as public entities, are not-for-profit, tax-exempt organizations, and as such, are required to adhere to laws related to such.

7. Is there a list of fine arts classes offered at Denton ISD

Elementary School: Art K-5; Music K-5

In the Middle School Course Planning Guide: Art 1-3; Band 1-3; Jazz Ensemble 2-3; Choir 1-3; Dance 1-3; Orchestra 1-3; Theatre Arts 1-3

In the High School Course Planning Guide: Art 1, Art 1 Honors, Art 1 Appreciation; Drawing 2-4; Painting 2-4; Sculpture 2-4; Ceramics 2-4; AP Studio Art; AP 2D Art; AP 3D Art; AP Art History; Band 1-4; Jazz Ensemble 1-4; Color Guard 1-4; AP Music Theory; Choir 1-4; Orchestra 1-4; Mariachi 1-4; Dance 1-4; Drill Team 1-4; World Dance 1-4; Dance Wellness; Theatre Arts 1-4; Technical Theatre 1-4; Theatre Production 1-4; Musical Theatre 1-2

8. What is being done at the legislative level to help with rising costs?

Excellent question. It would be easy to suggest that the legislature's inactivity in addressing school funding is the primary cause of this crisis.

However, a more careful analysis would suggest that many of our legislators thought they were taking action to help public schools but may need more nuanced understanding of school finance and school operations to appreciate the implications of their actions fully.

For example, in their General Appropriations Act For The 2024-25 Biennium, the Legislative Budget Board reports that the Texas Legislature provided over \$8 billion in additional appropriations for public schools in 2023. This “new money” can be broken down as follows:

- *\$500 Million for curriculum. This money can only be accessed if a school district chooses to use TEA’s scripted curriculum.*
- *\$300 Million for school safety. This comes from House Bill 3 (88R). As we discussed, HB 3 did infuse additional funding for public schools. However, fulfilling the mandates required by HB 3 has cost public schools many times the amount of funding provided.*
- *\$4 Billion for increases in funding and teacher compensation. This money was budgeted for public schools during the 88th Legislative session. However, once the budget is passed, additional legislation must be passed to act as a funding*

vehicle. No such funding vehicle legislation was ever passed by the Texas Legislature, despite the legislature having 5 total sessions. Accordingly, a portion of the state's surplus in Austin is the \$4 billion budgeted for Texas public education that was never sent to public schools and teachers.

- *\$500 Million for school choice. This money was budgeted but the accompanying funding vehicle legislation did not pass. Even if it had, this would not have benefited Texas public schools. Nonetheless, TEA considers this “new money for schools.”*
- *\$50 Million for virtual education. Another budgeted item that was contingent on legislation that was never passed.*
- *\$600 Million for TRS ActiveCare. The Teacher Retirement System of Texas has a health care provision that school districts have the option to provide for teachers. This money only benefited public schools that use TRS ActiveCare, which Denton ISD does not. As a side note, TRS ActiveCare receives approximately 1/3rd of the funding per participant that the Employees Retirement System of Texas (ERS) receives. ERS is the health insurance available to state employees and state elected officials, such as the Texas Senate and Texas House.*
- *\$2.4 Billion for an Increase to the Golden Penny Yield. This money was simply provided to offset any losses to public schools for the increase of the homestead exemption from \$40,000 to \$100,000. Accordingly, while this is new money budgeted by the state, it did not provide any additional funding to public schools.*
- *\$60 Million increase in the New Instructional Facilities Allotment. This provides funding for instructional materials when a new school is open. While TEA considers this “new money”, in actuality it is simply a restoration of funds that had been cut the prior biennium.*
- *\$307 Million for Instructional Materials. Similar to the above, this “new money” was simply the restoration of previously cut funding.*

**This information can be found on page IX-137 of the LBB's General Appropriations Act found here:*

[https://www.lbb.texas.gov/Documents/GAA/General Appropriations Act 2024 2025.pdf](https://www.lbb.texas.gov/Documents/GAA/General_Appropriations_Act_2024_2025.pdf)

Accordingly, of the \$8 Billion in appropriations made during the 88th legislature, only the \$300 million for safe and secure schools equates to new money for schools, but it was attached to legislation that created significant underfunded mandates. The state, either through the Texas Legislature or through the Texas Education Agency, continues burdening districts with increasing unfunded or underfunded mandates.

While Texas still funds students at \$4,400 below the national average, we remain optimistic that the Texas Legislature will budget the \$10-\$12 Billion dollars necessary for public schools to at least offset inflation and provide teacher pay raises. Denton ISD administration continues to meet with our elected officials in an effort to share the specific needs of our organization.

9. With the BOND money, why are we building new indoor practice fields? With the state of the economy, why are we not just absolving that bond and not even doing it?

The facility additions and renovations recommended in district bond proposals are proposed through an extensive and collaborative process that includes input from a diverse cross-section of Denton ISD stakeholders from the various communities included within district boundaries. An initial comprehensive needs assessment is ultimately refined to arrive at a list of facilities improvements and additions that are deemed necessary to address the ongoing and future facility needs of the students and staff in the district. This package is then ultimately presented to the voters in the district for consideration and potential approval of the sale of bonds to finance the included projects.

Once authorized, Interest and Sinking (I&S) funds must be utilized specifically for the projects that were included in the bond proposition as they were presented to the voters at election time. In the 2023 Proposition, the multipurpose facilities at each of our high school campuses were included as a result of the processes described above and are all already progressing according to schedule.

Additionally, even if the district did opt for some reason not to complete a particular bond-approved facilities project, savings from bond funds could not be used to address the funding issues in the Maintenance and Operations (M&O) budget. By law, money from the school bond cannot and will not be used to fund daily operating expenses such as salaries, classroom supplies, or district operating expenses.