Boston Public Schools
FY23-FY25 Finance Update

Nathan Kuder, Chief Financial Officer,
David Bloom, Deputy Chief Financial Officer,
Serena La Rocque, Budget Director,
Shira DeCovnick, Director State & Federal Program
Jamie Racanelli, Director Planning & Analysis
Every child, in every classroom, in every school of the Boston Public Schools system has the same opportunity to achieve the greatness within them as anybody else.

- BPS Opportunity and Achievement Gap Policy

All of our schools must recognize the abilities, languages, cultures, and life experiences of our students to teach them and help them reach their individual and diverse needs. Both student data and the lived experiences of our students, families, and staff prompt the urgent need to deliver on a promise and mandate of inclusive education and the right of every student’s preparedness for college, career, and life.

- BPS Inclusive Education Plan
FY 23-25 Overview

FY23
- Fiscal year ended on June 30, 2023
- BPS ended the year within budget for the 33rd consecutive year

FY24
- Current fiscal year, running through June 30, 2024
- We are confident we will close the year on budget
- Updates on FY24 Investments and ESSER Spending

FY25
- Fiscal year beginning July 1, 2024 and running through June 30, 2025 (SY24–25)
- ESSER spending continues into FY25: funds need to be encumbered 9/30/24 and expended by 1/30/25
BPS ended the year within budget for the 33rd consecutive year

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>$1,379,456,890</td>
</tr>
<tr>
<td>Actual Spending</td>
<td>$1,379,456,422</td>
</tr>
<tr>
<td>Net Surplus</td>
<td>$468</td>
</tr>
</tbody>
</table>
FY 2023 Budget Close

*FY23 spending compared to budget*

Every year, we strive to manage the approved budget as closely as possible. And every year, we see areas where we spend more or less than projected during the budget process.

- Areas of higher than originally expected costs:
  - Temporary Employees
  - Utilities
  - Food Services

- Areas where we identified operational savings and re-prioritized available funds:
  - Salary and health insurance savings from vacancies
  - Contracted Services
FY24 Financial Projection

We are confident we will end FY24 on budget

- Areas of higher than originally expected costs:
  - Transportation – TransDev is more aligned with budget, Out of District coming in high
  - Food Services – Higher costs from new meals contract than originally budgeted.
  - Special Education – Increased tuitions for out of district Special Education
  - Facilities – continue cost pressure from rising labor and materials costs.

- Areas with lower than expected costs:
  - Utilities – Lower than expected commodity prices
  - Salaries – Due to a higher vacancy rate than pre-pandemic. Vacancy rate is lower than last year
October vacancy rates have been higher than the last few years

- A 1% vacancy rate is equivalent to about $10M in salary spending.
- We expect vacancy rates to return to pre-pandemic levels with the end of ESSER

<table>
<thead>
<tr>
<th>FY</th>
<th>Actual FTE</th>
<th>Budgeted FTE</th>
<th>% Filled</th>
<th>Diff from 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>9,197.6</td>
<td>9,395.0</td>
<td>97.9%</td>
<td>--</td>
</tr>
<tr>
<td>2020</td>
<td>9,266.0</td>
<td>9,358.1</td>
<td>99.0%</td>
<td>1.1%</td>
</tr>
<tr>
<td>2021</td>
<td>9,555.3</td>
<td>9,669.6</td>
<td>98.8%</td>
<td>0.9%</td>
</tr>
<tr>
<td>2022</td>
<td>9,570.1</td>
<td>9,988.6</td>
<td>95.8%</td>
<td>-2.1%</td>
</tr>
<tr>
<td>2023</td>
<td>9,493.1</td>
<td>10,202.6</td>
<td>93.1%</td>
<td>-4.8%</td>
</tr>
<tr>
<td>2024</td>
<td>9,974.4</td>
<td>10,578.3</td>
<td>94.3%</td>
<td>-3.6%</td>
</tr>
</tbody>
</table>
## FY24 Budget: Student Centered Investments

*Investments to close opportunity gaps and support inclusive education*

<table>
<thead>
<tr>
<th>Strategic Investments</th>
<th>Increased Costs</th>
<th>Long-term Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>$9.6M Inclusive Education</td>
<td>$28.7M Salaries</td>
<td>$15.0M Moving services funded by ESSER to the General Fund</td>
</tr>
<tr>
<td>$6.3M Multilingual Education</td>
<td>($16.8M) Salary costs on ESSER</td>
<td>($31.0M) Shifting hold-harmless support from the general fund to ESSER</td>
</tr>
<tr>
<td>$3.5M Equitable Literacy</td>
<td>$18.9M High Quality Facilities</td>
<td></td>
</tr>
<tr>
<td>$1.2M Social Work, Restorative Justice, &amp; Mental Health</td>
<td>$12.3M Transportation</td>
<td></td>
</tr>
<tr>
<td>$1.1M High School &amp; Alternative Ed</td>
<td>$4.8M Special Education</td>
<td></td>
</tr>
<tr>
<td>$1.9M Community Engagement</td>
<td>$0.7M District Office Capacity for Teacher Recruitment, Diversity, PD and Support</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$6.7M New CBA Increases</td>
<td></td>
</tr>
</tbody>
</table>
$3.5M Additional Investment to increase access to high quality texts by expanding physical library space in their school or in the community

- 18 FTE School based Librarians
- 14 FTE Equitable Literacy Coaches *(moved from ESSER to the General Fund)*
- High quality instructional materials in K-12
$9.6M Additional Investment to meet the individual needs of students and build a team of professionals who can create a coordinated and comprehensive student plans.

- Stipend school staff to be Multi-tiered System of Support (MTSS) Coordinators
- 12 Full-time equivalent (FTE) Reading Interventionists
- 9 FTE Central Inclusion Support
- School Inclusion Investments: Curley, Ellison Parks
We invested an additional $6.3M for native language supports and bilingual programming:

- Dual Language program support
- Social-emotional supports for multilingual learners with SLIFE Social Workers
- Office of Multilingual and Multicultural Education (OMME) Family Specialists moved from ESSER to the general fund
- Newcomer support for Brighton High School & Charlestown High School
- Additional school based ESL teachers to support student need
FY22-24 ESSER Update
## (Grants) Combined ESSER II & ESSER III

<table>
<thead>
<tr>
<th>ESSER II and ESSER III</th>
<th>Anticipated 3 Year Total (2021-2024)</th>
</tr>
</thead>
<tbody>
<tr>
<td>School Plan Investments &amp; Hold Harmless</td>
<td>$149,700,000</td>
</tr>
<tr>
<td>District-Wide Investments</td>
<td>$211,091,752</td>
</tr>
<tr>
<td>Cross School Innovation Investments</td>
<td>$6,700,000</td>
</tr>
<tr>
<td>Community Investments</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>CBA Agreements</td>
<td>$16,500,000</td>
</tr>
<tr>
<td>**Indirect</td>
<td>$9,315,156</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$399,306,908</strong></td>
</tr>
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Projected $8-12 million in cost savings, vacancies, and underspending.
In FY22, unspent School Plan Investments rolled over into FY23 for schools, and unspent District-wide Investments were reallocated.
How are Schools using ESSER allocations in FY24?

- **Operations and Administration**
  - 36 FTEs
  - Additional Lunch Monitors, Operational Staff
  - Supplies

- **Direct Services for Students and Families**
  - 195 FTEs
  - Curricula and materials
  - Student enrichment
  - Family events
  - Social emotions support services

- **Educator Support and Capacity Building**
  - 30 FTEs
  - Professional Development Partners
  - Instructional Coaching
  - Teacher Leadership responsibilities
How is Central Office using ESSER funds in FY24?

**Operations and Administration**
- 51 FTEs
- Central administration of school programs, such as dual enrollment and summer school
- Data and assessment infrastructure
- Operations and facilities improvements

**Direct Services for Students and Families**
- 49 FTEs
- Summer, Acceleration Academies, After School
- Reading Interventionists, nurses, psychologists
- High quality instructional materials

**Educator Support and Capacity Building**
- 70 FTEs
- Instructional and SEL Coaching
- Professional Learning
- Retention and career services like MTEL Prep
## ESSER Results Highlights

### Academic Investments

- 78 schools reported specific improvements in academic outcome data (MAP, Course passing rates) driven by school-specific ESSER investments
- Create over 60 new outdoor teaching & learning spaces and site-specific science learning
- Increase percentages of students accessing AP courses, Early College, and Dual enrollment opportunities
- 93% of teachers attending teacher-led professional learning reported that they met their learning objectives
- Provide digital interventions across to 20,000+ students, programs with home language

<table>
<thead>
<tr>
<th></th>
<th>Increase in student library access</th>
<th>Teachers received Professional Development</th>
<th>Elementary Schools received curriculum materials</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>65%</strong></td>
<td></td>
<td><strong>2000+</strong></td>
<td><strong>76</strong></td>
</tr>
</tbody>
</table>
## ESSER Results Highlights

### Social Emotional and Operational Investments

- 54 schools reported specific improvements in climate and SEL data (Climate Survey Data, BIMAS) driven by school-specific ESSER investments in this area
- Provided access to summer learning seats to any student that wanted one
- 89% of students participating in Academic Mentoring programs reported feeling better able to achieve academic and personal goals
- 100% of receiving intensive supports from Succeed Boston decreased suspension and bullying rates
- 100% of BPS schools have regularly maintained indoor air quality systems

<table>
<thead>
<tr>
<th>1000+</th>
<th>1500+</th>
<th>58</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extended hours of clinical support from social work staff</td>
<td>Aspiring educators received MTEL prep</td>
<td>Schools received SEL Coaching and Curriculum</td>
<td>Fully funded Community Hub Schools</td>
</tr>
</tbody>
</table>
ESSER Sustainability

Our strategy for impact and sustainability

- Identify one-time costs that could make an impact on students’ experience far beyond the life of ESSER.

- Ensure that approved positions are posted as temporary grant funded.

- Place immediate costs on ESSER with a plan to transition those costs onto the annual BPS Operational budget.

- Create a progress monitoring strategy to help us understand which district initiatives have been implemented most successfully.

New:
Carry-over unspent funds to cover district summer costs in July / August 2024
Reimagine School Funding
What is the ReImagine Project?

The ReImagine School Funding Project is a BPS initiative that seeks to engage community in equitably reimagining school funding.

This 18+ month process is designed to bring student, family, community, and school leader voice to the center of the funding redesign recommendations so we can rethink together how our funding policy can better serve BPS students and support BPS schools.

A successful reimagined funding policy will:

1. Provide more equitable support for each child to achieve and thrive with a focus on BPS students and families that have been historically marginalized;
2. Be clearly articulated and well-understood across our constituents;
3. Make explicit connections to other aspects of resource equity beyond the funding allocation that merit further review.
Steering Committee delivered their recommendation to the Superintendent

Their main recommendations included:

A. Fully fund resources needed for students with disabilities and Multilingual Learners first, at every school.
B. Ensure a baseline of funded resources that students and families can expect within all BPS schools.
C. Better equip schools with resources to support academic and behavioral interventions.
D. Allocate resources based on need rather than purely building or student count.
FY25 Planning
Total enrollment in BPS has declined by 7,937 students (14%) over the last 7 years but declines have slowed in recent years.

- Total enrollment has declined in each of the last seven years, with the largest single year declines occurring during the pandemic.
- Enrollment dropped by 270 students this school year and by 545 students the prior year, as compared to a prior 4 year average of 1,635 students per year.
FY25: Building the Foundation for the Future of BPS

Building inclusive school communities that close the opportunity gaps for our Black and Brown students and provide a continuum of services to meet the needs of all students, especially our students with disabilities and multilingual learners.

The work over the next 3-5 years requires transformational shifts to the way we currently operate. The FY25 budget will begin the important steps required:

- Use general funds to **continue what is working from ESSER Investments**
- Make **historic investments** to transform all BPS school to support inclusive education opportunities
- **Consolidate classrooms** that are under enrolled to **reinvest those dollars**
  - Using the rubric tool begin to identify what schools should receive investments and what schools should consolidate
- **Analysis of our current work**—what should we continue? What should we stop?
Planning for the End of ESSER
Personnel and Ongoing Costs funded on ESSER

<table>
<thead>
<tr>
<th></th>
<th>FTE</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Schools</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Plan (funded on a per pupil basis)</td>
<td>231.7</td>
<td>$38.9M</td>
</tr>
<tr>
<td>Hold Harmless moved to ESSER</td>
<td>258.4</td>
<td>$31.7M</td>
</tr>
<tr>
<td><strong>Central</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centrally Funded School Programs</td>
<td>34.8</td>
<td>$11.9M</td>
</tr>
<tr>
<td>Centrally Funded Student Programs</td>
<td>14.4</td>
<td>$13.3M</td>
</tr>
<tr>
<td>Educator or School Supports</td>
<td>70</td>
<td>$19.0M</td>
</tr>
<tr>
<td>Central Program Management</td>
<td>36.5</td>
<td>$6.0M</td>
</tr>
<tr>
<td>District Operations and Infrastructure</td>
<td>15</td>
<td>$5.0M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>660.8</td>
<td>$125.8M</td>
</tr>
</tbody>
</table>

Will be perceived as school budget cuts

Changes to Direct Student Programs, including summer school
# Planning for the End of ESSER

Using multi year grants and ESSER flexibility for a district soft landing

<table>
<thead>
<tr>
<th>FY24 Funding Source</th>
<th>Fiscal End</th>
<th>Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Funds</td>
<td>6/30/24</td>
<td>No Carry Forward Option</td>
</tr>
<tr>
<td>Title 1</td>
<td>8/31/25</td>
<td>Title 1 is a 2 year grant with a 15% carry forward maximum and an exception every 3 years.</td>
</tr>
<tr>
<td>Other Entitlement Grants</td>
<td>8/31/25</td>
<td>Title IIA, III, IV and IDEA are two year grants with no carry-forward maximum.</td>
</tr>
<tr>
<td>ESSER</td>
<td>9/30/24</td>
<td>ESSER III funds can be spent after the end of the grant as long as they are encumbered by 9/30/24</td>
</tr>
<tr>
<td>Circuit Breaker</td>
<td>N/A</td>
<td>Carry forward maximum equals the last year’s circuit breaker claims. In FY24, this will be 23.9M</td>
</tr>
</tbody>
</table>
Our FY25 proposal will include school-directed investments

- Year 2 investment in Inclusive Education
- Transitioning to new model for multilingual learners, and
- Supporting multilingual learners with disabilities
- Social emotional and health supports
- Secondary School investments in early college and career supports.
- Additional allocations will be aligned to the Reimagine School Funding recommendations.

We will continue to identify ways to support schools transition from ESSER funding.
The Boston Public Schools Fiscal Year runs from July 1 to June 30; the bulk of budget development for the upcoming fiscal year happens between November and March.
BPS Budget Milestones

- December 7: FY24 School Projections Released
- December 14: School Budget Release
- December 13 – January 4: Targeted Support meetings with Schools
- December 13 – January 9: School Site Councils meet to review school budgets.
- January 8 – January 26: Budget Collabs/Probable Org
- January 19: Finalize Central Office Investments
- February 7: Budget presentation to School Committee
- February through March: School Committee Budget Hearings
- March 27: School Committee Vote on the Budget
Questions
Enrollment grew by 710 students between October and June of last school year and by 691 students during the prior school year.

This growth was driven almost exclusively by an influx of new Multilingual Learners, similar to SY.

The mid-year growth led to smaller year-over-year enrollment declines.

Net change in enrollment between October and June

- Enrollment grew by 710 students between October and June of last school year and by 691 students during the prior school year.
- This growth was driven almost exclusively by an influx of new Multilingual Learners, similar to SY.
- The mid-year growth led to smaller year-over-year enrollment declines.
Enrollment in grades K2 to 5 declined by 4,949 students (20%) in the last 7 years, driven primarily by smaller cohorts entering the system.

Enrollment in grades 6 to 8 decreased by 1,507 students (14%) in the last 3 years as smaller elementary cohorts have aged up.

Enrollment in grades 9-12 has been stable over the last 3 years.
There is a consistent relationship between the number of Boston resident births and the number of BPS K2 students 5 years later.

Boston Resident Births declined by 13% between 2012 and 2020.

The decline in resident births in 2019 and 2020 could lead to smaller K2 cohorts over the next 2 school years.
K2 enrollment among Boston residents across all school types declined by 1,278 students, or 22%, between SY1314 and SY2223, with the largest declines occurring during the pandemic.

The fact that K2 enrollment has not yet rebounded suggests this may not be just a pandemic effect.

Boston resident enrollment across all grades also declined by 12% over 6 years, from 79,016 in SY1617 to 69,522 in SY2223.