

The following questions were submitted by School Committee members to the Finance Team in regards to our revised BPS Budget submission.

*A note on the relationship between FTE and budget numbers on the tables posted online:*

Several questions that were submitted ask about both FTE and budget numbers in a way that infers that the increases in budget should be explained by or directly related to the increases in full-time equivalents (FTEs) or positions. This is not the case. On all three sets of tables provided (by Account, by Program, and by Department) the relationship between FTE and budget may or may not be related and can be explained separately. For this reason, we have split our responses for each of the questions into two parts: what is the answer for FTEs and what is the answer for the budget.

Below are the questions we have received:

**Why is Office of Human Capital reducing 1 FTE but gaining \$4,077,783.00?**

OHC is reducing their staff as part of identified efficiencies in their Human Capital Operations – the part of their department that processes the transactions for hiring, leave management, and terminating employees. Part of the decisions is based on the City’s decision to upgrade our Human Capital Management software system.

The budget is increasing by over \$4M to cover the full cost of teachers in a suitable professional capacity, part of our early hiring initiative. As we have reported in our FY16 monthly budget updates, the initiative is running over-budget in the current fiscal year. To remedy this in FY17 and ensure that we end the next fiscal year on budget, we are increasing the budget for this initiative \$4M while committing to other strategies to manage the cost of this initiative down.

**Why is facilities management losing an FTE but gaining 6,315,583.00 additional funding dollars?**

As part of the expansion and investment in the Safety Office, one FTE moved from Facilities to Safety. This position was responsible for work now under the management of Safety.

The \$6.3M increase is due mainly to an increase in custodial costs and utilities. As we presented during our FY16 Budget Update in December, the current operating budget is running an approximately \$2M deficit in custodial salaries. This was the result of an error in the projection methodology used to develop the FY16 budget. For FY17, we corrected the projection methodology and are accurately budgeting for custodial salaries, the result of which is a \$4.7M increase in both full and part-time custodial services. Additionally, \$1.5M of the increase is due to an increase in custodial costs. Each year, the BPS works with the City Office of Budget Management to project utility rates, usage, and overall anticipated costs.

**Why is business services losing an FTE but gaining \$7,553,013 addition expense?**

Business Services is the department that manages the benefits budget for the district – both schools and central offices. This is the department for all benefits except for those in individual responsibility centers for grant-funded positions. The \$7.5M increase is due to our increase in the costs of benefits, which includes the BTU Health And Welfare Fund, Health Insurance, Medicare, Pension & Annuity, Unemployment Compensation, and Workers Compensation. The increase is primarily due to a \$7.1M increase in health insurance.

**Why is the Budget Office adding 96.5 FTE and increasing the budget by \$5,335,973?**

The Budget Office is responsible for managing our reserves. BPS Reserves represent money or budget resources that leadership puts aside for parts of a project or anticipated spending when we cannot predict the appropriate account or department from which the money will be spent. In instances when we are not sure what type of goods



or services will be purchased, we use the reserve to hold the budget until more information is available and money can be transferred in the correct account. An example of this is the reserve for K1 expansion; we are not yet confident in the mix of facilities, curriculum, and teaching costs. We also hold reserves when we do not know who will be responsible for the spending; we use a reserve in the budget office to hold the money until we can transfer them to the correct school or department. An example of this is the WSF Students held in reserve. This reserve represents students who we expect to enroll, but we are not yet sure the school which they will attend.

None of the BPS reserves are considered "rainy day" funds or undesignated reserves to cover potential cost overruns. All reserves represent anticipate spending for a particular project or initiative.

Every year, FTEs are held in reserve in the initial budget and included in Central (specifically in the Budget Office). These FTEs are reserved for classroom staff and should be considered when reviewing year over year changes. The 94 FTE increase on general funds are FTEs reserved for additional teachers and paras when we add classrooms to schools throughout the year.

The other 2.5 FTE increase on general fund is the result of a shift of the funding of positions from the Earned Indirect grant to the general funds.

### **Why is the Office of Strategy of allocated \$7,163,942.00 with 117.5 FTE?**

The establishment of the Strategy Division, which includes 13 departments, was part of a broader reorganization under the new superintendent. This re-organization led to a variety of changes in the budgets for central departments. As a result, some departments may appear to have increases in FTEs and budgets that are, instead, transfers of responsibilities and resources to another department. The following departments were changed due to re-organizations: Opportunity & Achievement Gap, Strategy, High School, Operations (including Admin of Operations), Superintendent's Office, Teaching & Learning Teams (including the former Network Superintendents' Budgets), Social Emotional Learning & Wellness, Professional Learning and Instructional Research & Development.

In addition to budgets and positions re-allocated from other departments, the \$7M increase does represent two investments: one in OHC (as explained above) and the other in the newly established Turnaround Office. The newly established Turnaround Office includes \$1M in funding to transition existing and former Turnaround Schools whose School Improvement Grants (SIG) have ended.

### **Why is the Finance Department gaining 95 positions and increasing their budget \$5,365,610.00?**

The Finance Division includes 5 responsibility centers: Budget Office, Business Services, Contracted Education Services, Finance Office, and Partnership Funding. The increase in FTEs is the result of the reserve in the Budget Office, which is detailed above. The increase in budget is the result primarily of the increase in benefits in the Business Office, also detailed above.

### **What is the line item "Tech support" with 232.4 FTE at \$13,911,340?**

The Technical Support account is used for managerial (non-union) employees who are in either Tier A or Tier B of the managerial salary scale. Nearly 70% of the positions fit into 4 job codes: ABA Specialist (33%), Technician (14%), Staff Assistant (13%), and Coordinator-Manager (9%). ABA Specialists serve students with Autism or behavior needs and are budgeted in the Special Education Department. They have recently elected to join the BTU and will likely be transferred to a different account once the negotiations are finalized.

The Tier B job titles that make up the "Technician" and "Coordinator-Manager" job codes include:

Applied Behavior Analysis Therapist	Paralegal
Assistant	Staff Assistant
Confidential Secretary	Student Registration Specialist
Coordinator	Technician
Executive Secretary	Transportation Monitor
Family Resource Specialist	Grant Administrator



**What is included in the ELT line item for 2 FTE at a cost of 4,313,303.00 dollars?**

The Extended Learning Time program code was established in FY16 to track our investment in the Schedule A ELT Cohort of Schools. The 2 FTE are position in the Strategy Office, which oversees the implementation of ELT at Schedule A schools.

The \$4.3M includes \$3.4M in a reserve in the Budget Office to cover the \$4,464 per teacher stipend and the approximately \$3000 stipend to paraprofessionals. The remaining costs include supplies, contracts, and personnel to support the implementation of Schedule A.

