FY15 Budget Recommendation

City Council Budget Hearing
May 5, 2014
“As the birthplace of public education in this nation, the Boston Public Schools is committed to transforming the lives of all children through exemplary teaching in a world-class system of innovative, welcoming schools. We partner with the community, families and students to develop within every learner the knowledge, skill, and character to excel in college, career, and life.”

- BPS mission statement
Our work is achieving historical results

4 Year Graduation Rate by Racial / Ethnic Group
(Cohort 2007 vs. 2012)

- Black: 54.2 (2007) vs. 64.5 (2012)
- BPS Avg.: 57.9 (2007) vs. 65.9 (2012)
- White: 68.8 (2007) vs. 73.2 (2012)
Our work is achieving historical results

• In 1996, fewer than one in four high school students earned passing grades on state mathematics exams. Today, 86 percent pass on their first attempt.

• We are closing the Achievement Gap, but we still have work to do
  – Turnaround Schools are beating district growth averages, and 44 percent more families are selecting these schools as their first choice. Now, we must sustain this work and use these strategies to improve quality in more schools
  – A Harvard study finds that BPS early childhood education programs close achievement gaps better than any other program in the nation, but by 3rd grade, literacy trends show challenges
  – English Language Learners have increased their MCAS proficiency rates by 10 points in 3rd grade and 17 points in 10th grade since 2008
Students in the City of Boston can choose from a diverse portfolio of schools

- **Traditional District**: 72 Schools
- **Special District***: 10 Schools
- **Exam**: 3 Schools
- **Pilot***: 20 Schools
- **Turnaround***: 8 Schools
- **Innovation**: 9 Schools
- **In-District Charter**: 6 Schools
- **Alt. Ed (BPS-Affiliated)**: 6 Schools

- **Boston Private, Parochial***: 48 Schools
- **Commonwealth Charter**: 21 Schools

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- “Special” District includes schools for students with disabilities, English Language Learners, and alternative/over-age.
- Note that two turnaround schools are Level 5 schools. BPS will have a total of 128 schools this year.
- 2 district schools also have some curricular autonomy as “Discovery Schools” (Hernandez K-8 and Rogers MS)
- Students also attend 38 different Metco schools
School Year 2013-2014 Student Demographics

- Black: 35%
- Hispanic: 40%
- White: 13%
- Asian: 9%
- Other/Multiracial: 3%
BPS FY15 Budget Overview

• The BPS general fund budget for FY15 rose $37 million to $974.9 million, a 3.9% increase from FY14

• Unfortunately, external funds are shrinking, and we expect a decline of $30M compared to FY14

• This budget serves to enable our strategic work, and in FY15, that work is focused on:
  
  ▪ Eliminating the achievement gap
  
  – Implementing the Common Core Standards
  
  – Providing more fully inclusive programs for our students with disabilities
Agenda

- What this budget accomplishes
- Where the funds come from and where they go
- Funding schools equitably and transparently
- The work ahead
We are expanding K1 seats across the city…

- We are investing $1.0 million to add 106 new K1 seats at programs across the city.
- As we expand our K1 programming, we are focused on maintaining the high quality that has made these programs a national model.
- We use 3 key criteria to guide K1 expansion:
  - Programs are sustainable
  - Classes are spread across the city
  - Additional classes offer a positive increase in seats (not a repurposing of existing classrooms)
...extending hiring autonomy to all schools to hire qualified, diverse candidates early...

- **$400,000** to support Teacher Diversity Action Plan

- **$6.1 million** to make our early hiring initiative a success

  - $1.2 million budgeted centrally to help schools offer stipends for close to 1,000 open posted positions
  - $4.9 million to support professional development and transition support for excessed educators

- We are also seeking external funding to support this initiative
…introducing a new school choice process…

- We are moving forward deliberately to implement the new process of student assignment, including the recommendations from the External Advisory Committee:
  - More K-8 pathways (Blackstone, Hennigan, Trotter, UP Dorchester)
  - More inclusive and dual language program options
  - Overlays for English Language Learners (ELLs) and Special Education to provide services closer to home

- The associated costs of these changes are built into the school funding process through enrollment projections and start-up costs for new classrooms

- We are also working toward improving our school facilities
  - General fund costs for the facilities changes approved in November and December 2013 add up to approximately $1.6 million in FY15
BOSTON PUBLIC SCHOOLS

...preparing to implement the Common Core standards and PARCC assessments...

- $1 million in equipment and another $1 million in upgrades to technology infrastructure in preparation for the online PARCC assessments*

...renewing our investments in technology to support teachers, families, and students...

- $1.2 million to support Laptops for Learning
- $675,000 for continued use of the Student Information System

...investing in upgrades to our facilities...

- an increase of $1 million to meet deferred maintenance needs

* PARCC: Partnership for Assessment of Readiness for College and Careers
…supporting Extended Learning Time (ELT) in schools across the district…

- **$2.75 million** for ELT at current and former turnaround schools and **$2.5 million** for ELT at other BPS schools
- **$1.4 million** for Acceleration Academies during school vacations

…and making additional investments in services for some of our highest-need students.

- **$3.2 million** for students with Emotional Impairment
- **$5 million** for English Language Learners in grades 6-12
- **$1.5 million** for inclusion specialists in 26 schools
Where do our funds come from?

Boston Public Schools FY2015 All Funds Budget

BPS’s general fund budget increased by $144 million in three years, while losing $49 million in state and federal grants.
State requirements on funding for charters have led to decreases in net Chapter 70 for BPS...

*FY15 figures are estimates based on the Governor’s budget proposal
...and the portion of BPS’s General Fund budget covered by net Chapter 70 has declined

With the reduction in state funding, the City has been responsible for funding an increasing percentage of the BPS budget.

*FY15 figures are estimates based on the Governor’s budget proposal.
What do we buy with our funds

FY15 Budget by Account Code Summary
General Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$635,021,049</td>
<td>65.1%</td>
</tr>
<tr>
<td>Benefits</td>
<td>$125,082,035</td>
<td>12.8%</td>
</tr>
<tr>
<td>Transportation</td>
<td>$95,134,240</td>
<td>9.7%</td>
</tr>
<tr>
<td>Property Services</td>
<td>$39,552,533</td>
<td>4.1%</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>$61,124,734</td>
<td>6.3%</td>
</tr>
<tr>
<td>Supplies</td>
<td>$5,455,388</td>
<td>0.6%</td>
</tr>
<tr>
<td>Equipment</td>
<td>$4,023,254</td>
<td>0.4%</td>
</tr>
<tr>
<td>Reserve</td>
<td>$7,318,388</td>
<td>0.8%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$2,215,079</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$974,928,600</strong></td>
<td><strong>100%</strong></td>
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Central office services represent approximately ~6% of the BPS budget

- More than 90% of funding goes to schools
  - This includes direct funding to schools, centrally allocated services to schools, and the vast majority of employee benefits
  - School Services Budgeted Centrally include utility costs, custodians, and occupational/physical therapists
Sources of school funding

1. Weighted Student Funding $452M
2. Special programs (non-WSF) $28M
3. Title I funding $14M
4. Standard allocations built into school budgets (nurses, special education coordinators, and food services staff) $22M
5. Rules-based soft landings $6M
6. Buybacks for Autonomous Schools $2M
7. Additional adjustments\(^1\) $4M

**Total:** $528M

\(^1\)Additional adjustments include EEC/ELC supplements and other non-rules-based allocations

**Notes:** These figures do not include the school services that are budgeted centrally. All figures are current as of January 31\(^{st}\) and may change as the budgeting process continues.
Weighted Student Funding (WSF) reflects our principles as a district

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student focus</td>
<td>Provides resources based on students, not on buildings, adults, or programs</td>
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<tr>
<td>Equity</td>
<td>Allocate similar funding levels to students with similar characteristics, regardless of which school they attend</td>
</tr>
<tr>
<td>Transparency</td>
<td>Easily understood by all stakeholders</td>
</tr>
<tr>
<td>Differentiation based on need</td>
<td>Allocate resources through a comprehensive framework that is based on student needs</td>
</tr>
<tr>
<td>Predictability</td>
<td>School allocation process is predictable and is structured to minimize school-level disruption</td>
</tr>
<tr>
<td>School empowerment</td>
<td>Empowers school-based decision-making to effectively use resources</td>
</tr>
<tr>
<td>Alignment with district strategy</td>
<td>Supports the Acceleration Agenda, our five-year strategic plan</td>
</tr>
</tbody>
</table>
Our starting point is to fund the needs of students through Weighted Student Funding (WSF)

- Students receive a per-pupil allocation that is weighted based on certain characteristics:
  - Grade level
  - Program (e.g., English Language Learners, Special Education, Vocational Education)
  - Student characteristics (e.g., poverty)
  - Academic performance (e.g., high risk)

- Schools receive a minimal foundation budget plus the sum of the allocation for each student

<table>
<thead>
<tr>
<th>Type</th>
<th>Weight</th>
<th>FY15 Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base weight</td>
<td>1.0</td>
<td>$3,923</td>
</tr>
<tr>
<td>High Risk (Grade 9)</td>
<td>0.2</td>
<td>$785</td>
</tr>
<tr>
<td>ELL (Grade K0-5, ELD Level 1-3)</td>
<td>0.09</td>
<td>$353</td>
</tr>
<tr>
<td>Student with Disabilities: Low Severity</td>
<td>1.0</td>
<td>$3,923</td>
</tr>
<tr>
<td>(Resource Room)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student with Disabilities: Autism</td>
<td>4.3</td>
<td>$16,868</td>
</tr>
</tbody>
</table>
What is a soft landing?

- In general, we expect schools to meet their needs using their WSF allocations.
- In some cases, however, schools may require additional allocations because of extraordinary circumstances.
- In these cases, the district may provide a “soft landing” (one-time funding).

Guiding principles on soft landings:

- This funding is a temporary measure to address particular challenges, not a permanent allocation.
- The situations that may require soft landings change from year to year as the context changes.
- All soft landings are rules-based, and rules are applied uniformly across all schools.
Soft landings in FY15

For FY15, $8 million in rules-based soft landings have been issued to schools in 6 categories:

1. Supports for under-enrolled classrooms due to district priorities (SPED and ELL Overlays, inclusion rollout, programs being phased out)
2. Clinical/administrative supports for substantially separate classes for emotional impairment
3. Supports for Primary Transition Classes (PTC classes) being phased out
4. Supports for under-enrolled classes for Students with Interrupted Formal Education (SIFE students)
5. Supports for inclusion start-up for schools implementing formal K2 inclusion for the first time
6. English as a Second Language (ESL) supports for English Language Learners in general education seats
We will focus on a significant amount of work in the coming year

- How to rethink the funding support for high needs students at the Mary Lyons
- Analysis of the adequacy of WSF foundation funding
- How best to fund and deliver alternative education
- Sustainable funding for dual language education
- How the Early Education Centers / Early Learning Centers can be better incorporated into the WSF model
For more information:

Website: bostonpublicschools.org/budget
Email: budget@bostonpublicschools.org
Twitter: #bpsbudget

A number of documents are available on our website:

- Budget Presentation
- FY15 Budget Memo
- FY15 Allocations
- FY15 WSF School-by-School comparison
- WSF Templates for all schools
- Preliminary budget by Account Code summary
- Preliminary budget by Program Code summary
- Preliminary budget by Department Code summary