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February 11, 2019

FRPS

FY20 Superintendent's Proposed Budget Presentation to School Committee

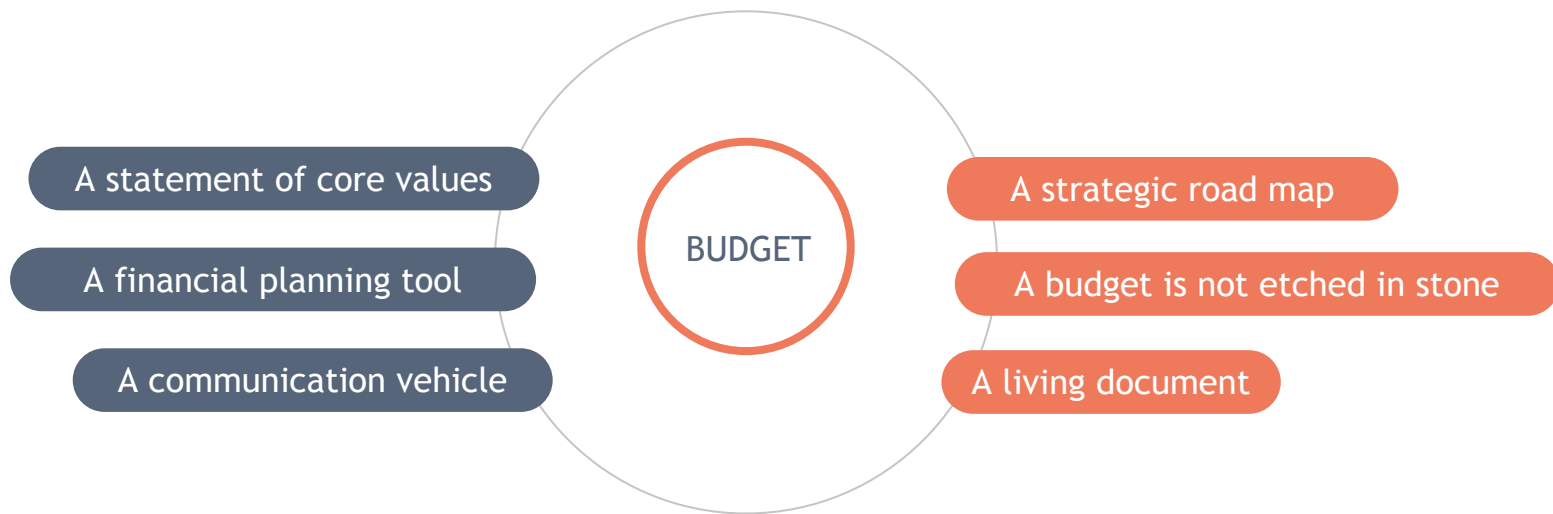
Budget

START



What is a Budget

“A Budget is an organizational plan stated in monetary terms”



“A budget is a moral document. What we fund is what we value.”

The Foundation Formula **Consists of**



Foundation Budget
Local Contribution
Chapter 70 Aid

Add the Three Together = Net School Spending

What is Net School Spending?

When a potential homebuyer is looking to purchase a home in a certain community and wants to know how much the community spends on its schools, the actual net school spending is the figure that is used...The total reported to the Commonwealth.



Cost directly related to the education of students



Required NET SCHOOL SPENDING (NSS) is set each year by the DESE known as the “foundation budget”



Included TOWN/CITY indirect spending for schools (known as “Actual Net School Spending”)

Goal of the Chapter 70 Formula

- To ensure that every district has sufficient resources to meet its foundation budget spending level, through an equitable combination of local property taxes and state aid.
- Section 1. It is the intention of the general court, subject to appropriation, to assure fair and adequate minimum per student funding for public schools in the commonwealth by defining a foundation budget and a standard of local funding effort applicable to every city and town in the commonwealth.



Chapter 70 Aid: How it is Determined?

A district's Chapter 70 aid is determined in three basic steps:

1. It defines and calculates a foundation budget, an adequate funding level for each district, given the specific grades, programs, and demographic characteristics of its students.
2. It then determines an equitable local contribution, how much of that “foundation budget” should be paid for by each city and town’s property tax, based upon the relative wealth of the community. The Dept of Revenue determines the Municipal Revenue Growth Factor for each city, town, or regional system.
3. The remainder is funded by Chapter 70 state aid.

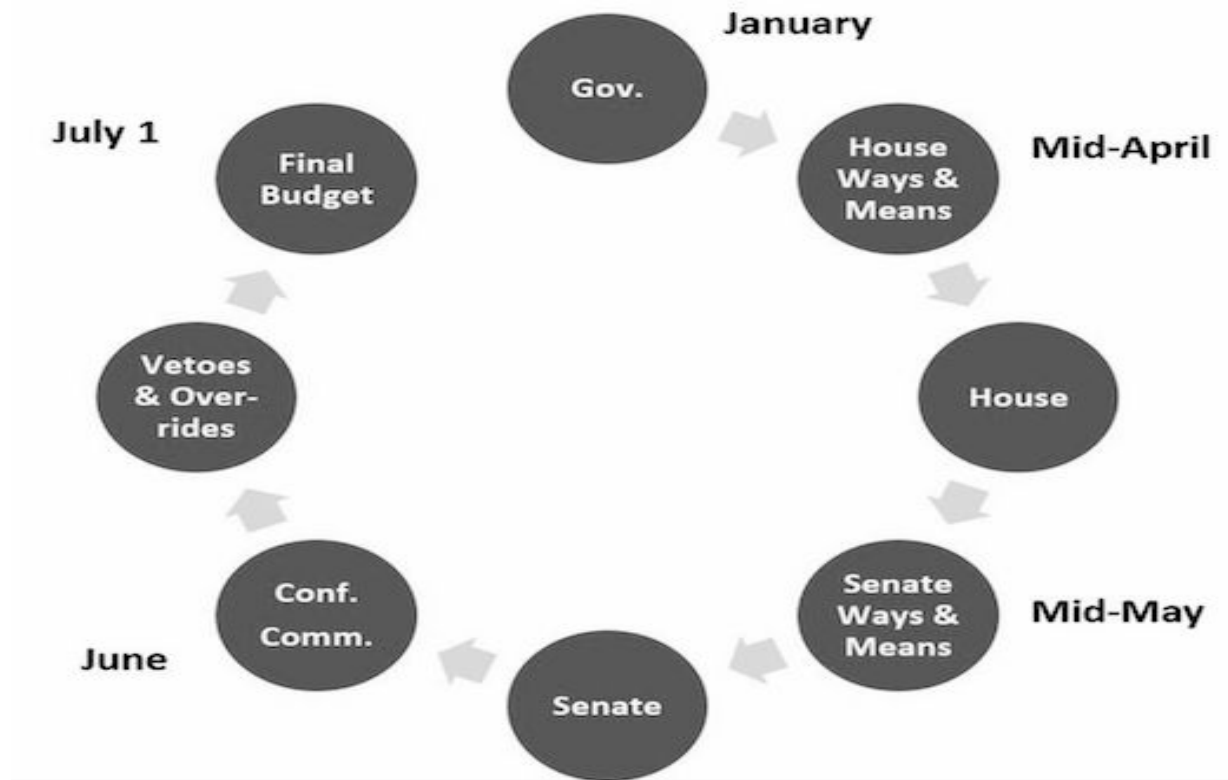
Local Contribution + State Aid = a district's Net School Spending (NSS) requirement. This is the minimum amount that a district must spend to comply with state law.

The Last Piece of the Budget Puzzle

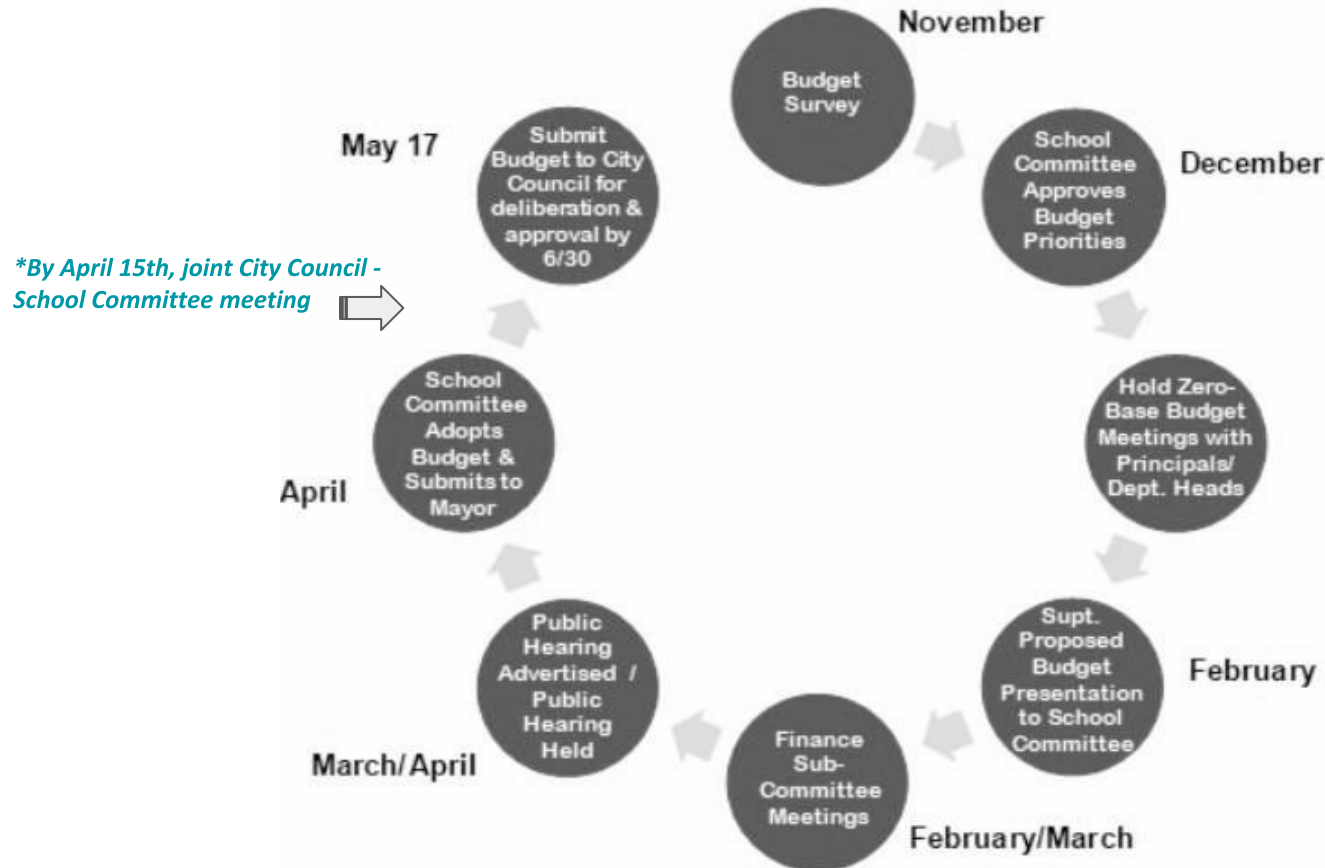
Schedule 19

- The City is allowed to “charge back” or “write off” certain charges and expenses for services they provide for the Fall River School Department against the Local Contribution. At the state level, these municipal “fees” are also referred to as Schedule 19 charges.
- In Fall River we call these “indirect costs” which are outlined in our shared cost agreement - a statement of partnership between the Fall River Public Schools and the City of Fall River.

The State Budget Process



The FRPS Budget Process



Fall River: Strategic investments for future success and long term sustainability

- Developing a strategically focused, publically transparent, and forward thinking budget that is inclusive of all learners to ensure access and equity is the heart of our work to improve student achievement outcomes



MISSION: A CONVICTION SHARED BY ALL MEMBERS OF OUR SCHOOL SYSTEM THAT DRIVES OUR INDIVIDUAL AND COLLECTIVE WORK. The mission of the Fall River Public Schools is to provide a value-added, high quality, all-encompassing educational experience, ensuring preparation for successful transition to college and/or career, so that all students will attain their fullest potential and become responsible members of society. We are committed to educating in a respectful, safe, healthy, and supportive environment that links students, parents, and staff as a community of lifelong learners and capable problem-solvers. As we endeavor to accomplish our educational mission, we also strive for inclusiveness. Not only do we prohibit discrimination of any kind - based upon race, color, gender identity, religion, national origin, sexual orientation, homelessness or disability - we proactively reach out to all students to ensure that active participation in all curricular and extracurricular programs is representative of our diverse student population. Equal educational opportunity is not only a legal requirement, but something we earnestly pursue.

VISION: FOCUSED ON IMPROVEMENT, AN ASPIRATIONAL DESCRIPTION OF WHAT OUR LEARNING ORGANIZATION WILL ACCOMPLISH IN THE NEAR AND LONG-TERM FUTURE. The Fall River Public Schools shall be one where we strive for individualization and personalization of learning and teaching, where excellence for all is expected, and where collaboration and communication among all stakeholders are the norm. As such, our graduates will be reliable, personally and socially responsible, culturally proficient, physically fit, emotionally mature, technologically skilled, and civically engaged - locally, nationally, and globally. Our graduates will be appreciative of the fine and performing arts, athletics, and the value of lifelong learning; they will demonstrate personal integrity and compassion for others by being neighborly without distinction.

CORE VALUES: THE PRINCIPAL BELIEFS THAT DRIVE OUR ORGANIZATIONAL AND PROFESSIONAL BEHAVIORS.

- Grit and Hard Work
- Tradition and Family
- Learning and Growth
- Diversity and Acceptance
- Honesty and Kindness
- Collaboration and Teamwork

STRATEGIC PRIORITIES: THE AREAS OF FOCUS THAT WILL DRIVE OUR ORGANIZATION'S IMPROVEMENT.

- People
- Place
- Practice

Fall River **At a Glance** 2018-2019

Student Enrollment: 10,120		
Race	% of District	* % of State
African American	9.3	9.0
Asian	3.9	6.9
Hispanic	23.1	20.0
Native American	0.1	0.2
White	51.2	60.1
Native Hawaiian, Pacific Islander	0.5	0.1
Multi-Race, Non-Hispanic	11.4	3.6

**State information used is FY18 information FY19 not yet public*

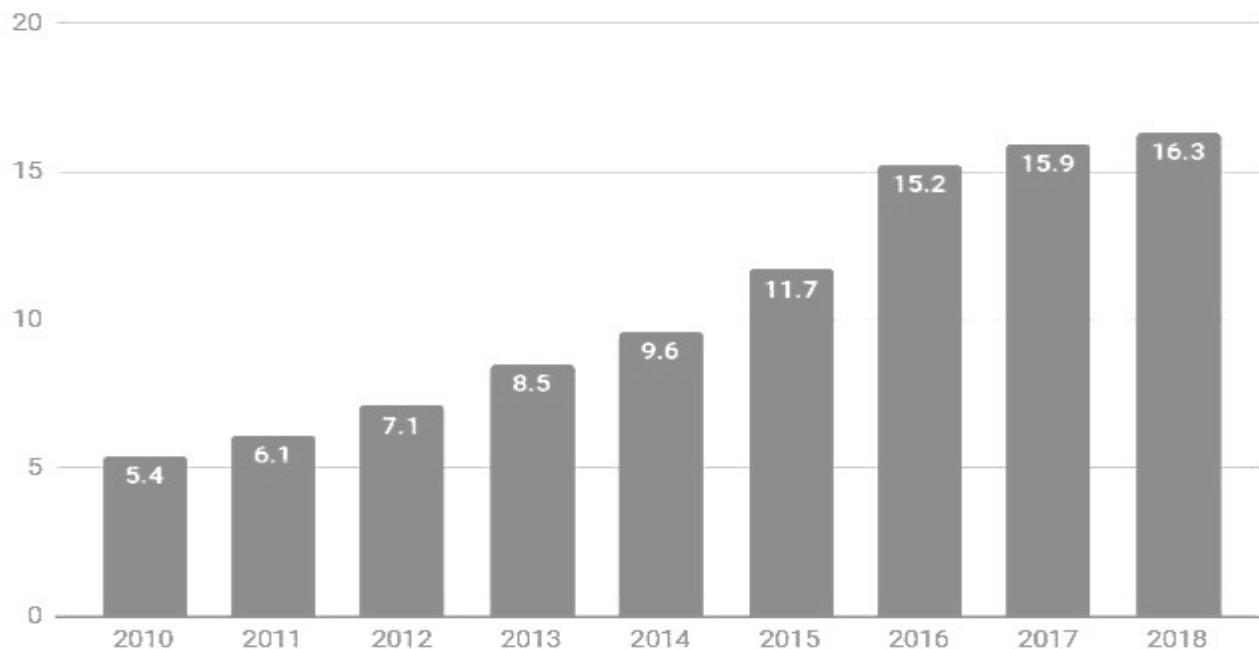
Fall River **At a Glance** 2018-2019

Select Populations:	% of District	* % of State
First Language not English	25.7	20.9
English Language Learner	16.3	10.2
Students With Disabilities	20.2	17.7
High Needs	77.0	46.6
Economically Disadvantaged	68.9	32.0

**State information used is FY18 information FY19 not yet public*

Fall River at a Glance 2018-2019

ENGLISH LANGUAGE LEARNERS POPULATION GROWTH



Our Team: FY19 Human Capital

868 Teachers/Nurses/Behaviorist

253 Paraprofessionals

136 Administrators and Counselors

33 Government Programs

115 Facilities, Maintenance, and Operations

172 Nutrition

37 Clerical

15 Security

64 Individual Service Contract/Non-Union

Total FTE 1693



FY20 Budget Process

September - October 2019: Central Office Senior Staff reviews FY20 zero-base budget process.

November 2018: Develop budget calendar and administer budget survey to Principals and Department Heads.

December 2018: School Committee approves budget priorities.

December 2018 - January 2019: Principals and site level teams work on zero-base budget templates and submission.

January 2019: Principals/Department Heads hold zero-base budget meeting with Superintendent and Central Office Senior Staff with a focus on student, program, and human capital needs.

February 8, 2019: Volunteer meeting with Principals/ Department Heads to discuss proposed budget for feedback.

February 11, 2019: Presentation to the School Committee.

Parameters:

- Used zero-base practices for each school and cost center
- Student needs drive decisions
- Allowed principals to make site based decisions for conversions
- Conservative austerity balanced with transparent granularity

FY20 Superintendent Recommended Budget Priorities

1. **Maintain current levels of human capital at each school site**
2. **Invest in Instructional Technology**
 - a. Hardware, Software, Human Capital (Integration Specialists)
3. **Invest In Academic Direct Support**
 - a. Curriculum/Instruction alignment and program coherence
 - b. Instructional Paraprofessionals and school-based funds for Instructional Interventionists (Retirees/Tutors)
 - c. SEL programs, supports and professional development for Tier 2 intervention
 - d. Targeted supports for ELL and SPED
 - e. District-wide phonics program
4. **Invest in Designated District-Wide Curriculum Leadership**
 - a. ELA, Math, Science
5. **Invest in NextGen Summative Assessment Platform**
(Standards-Based with interventions to replace Test Wiz)
6. **Invest in District-Wide Operations**
 - a. Safety & Security
 - b. Maintenance/Preventative Maintenance
 - c. Transportation
 - d. Capital Expenses

Chapter 70 Overview

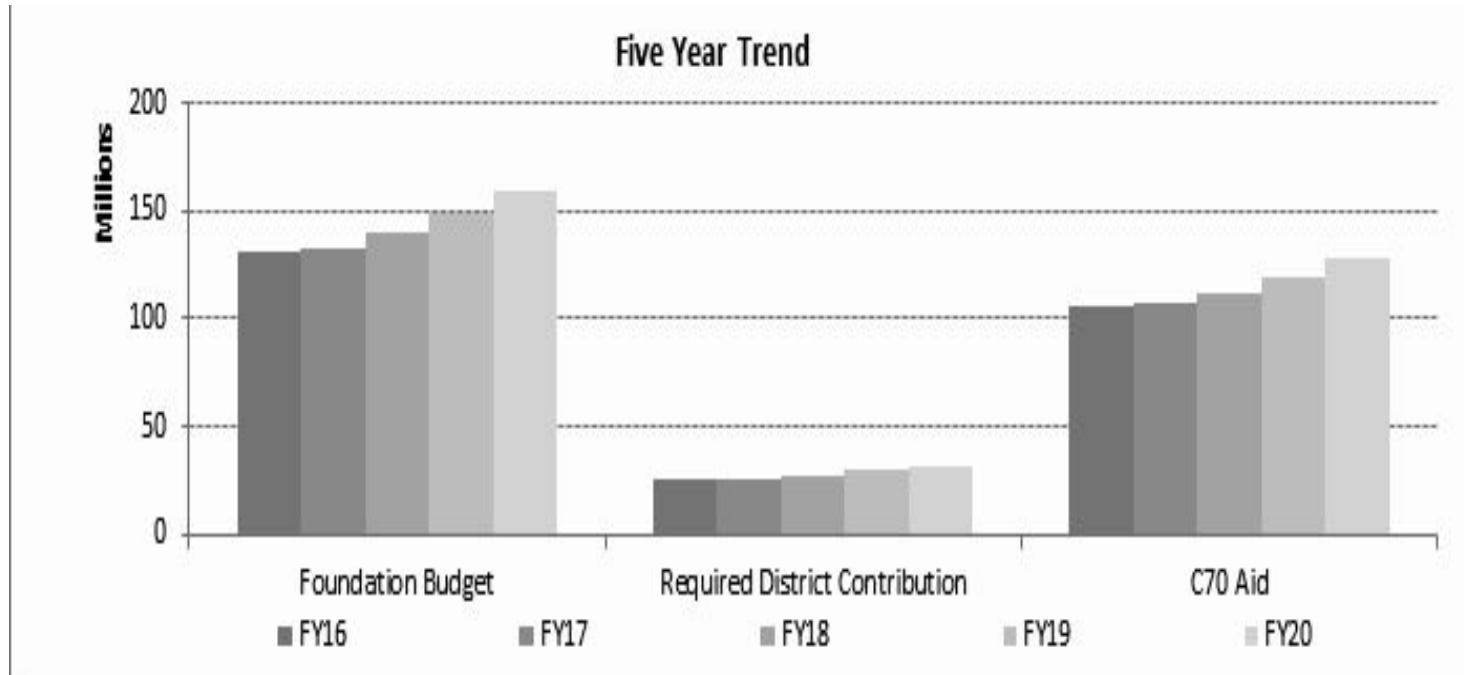
	FY19	FY20	Change
Enrollment	11,821	11,987	166
Foundation Budget	149,318,108	159,071,986	9,753,878
Required District Contribution	29,668,942	31,141,326	1,472,384
Chapter 70 aid	119,649,166	127,930,660	8,281,494
Required net school spending (100% NSS)	149,318,108	159,071,986	9,753,878
Target aid share	75.52%	76.66%	1.14%
C70% of foundation	80.13%	80.42%	0.29%

FY20 Revenue (House One)

- **Chapter 70 – State Aid – \$127,930,660**
 - \$8,281,494 increase over final FY19 Chapter 70 aid
 - Minimum required increase is \$20 per student
- **City Contribution – \$31,141,326**
 - Increase of \$1,472,384 over June 2019 Required City Contribution
- **Appropriation (Chapter 70 + City Contribution) – \$159,071,986**
 - Increase of \$9,753,878 over FY19 Required Net School Spending

\$159,071,986 is our 100% Net School Spending Number

Foundation Budget



FY20 Proposed Budget

FY19 Operational Budget	149,364,066
FY20 Net School Spending/House One	159,071,986
FY20 Proposed Budget	160,662,706
FY20 Delta	1,590,720
% above net school spending	1.00%

Budget Design Strategy

- Zero-base site level and department cost centers
- Student needs driven program improvements
- Cost containments and repurposed allocations
- Human capital conversion
- Strategic reductions to reduce costs

101%
Net School Spending

FY 2020 Operating Budget

Category	FY 2019	FY 2020	Increase/ (Decrease)	% Change	% of Budget
Salary and Benefits	79,876,997	86,590,456	6,713,459	8.40%	74.78%
Contractual Services	23,793,418	25,804,140	2,010,722	8.45%	22.28%
Materials & Supplies	1,280,493	1,664,251	383,758	29.97%	1.44%
Insurance/Other	1,564,724	1,734,000	169,276	10.82%	1.50%
Totals	106,515,632	115,792,847	9,277,215	8.71%	100%

Budget Highlights

- We used zero-base budgeting strategies for the third consecutive year in a row.
- Budget development was based on student need and site level decision-making.
- Met the FY20 SC approved budget priorities.
- Includes 14 FTE conversions operating and 2 FTE conversions in grants, reduction of 5.5 FTEs in grants and addition of 70 new program improvement FTEs to operating budget and .5 FTE to grants. This is a net gain of 65 new positions.
- Sustains progress for reduced class size K-3 capping student enrollment at 26 or under per class by building an additional 2 class size reduction positions into the budget.
- Expanded programming for EL/SEI students to service an increasingly expanding population.
- Created new line item for Operations Contingency, Professional Development, Alternative Education-TBD, Retiree Intervention, and Adaptive Technology, while continuing to support line items in Technology, Contingency and Preventative Maintenance.
- Funds our new and badly needed K-12 assessment platform district wide.
- Continued new budget development protocols increasing face-to-face facilitative meetings between site-level and central office leaders.
- Budget was built to protect human capital assets - no “pink slips”!
- Proposing a transparent budget where every dollar is accounted for and granularity of detail is accessible for all.
- Built trust, transparency, and teamwork between school sites and central office.

FY20 Concerns AKA “Budget Busters”

Category	Increase/Decrease	Notes
Charter School/School Choice Expense	\$2,359,821	<ul style="list-style-type: none"> Fall River cap is 18.0% of Net School Spending As of 12/18, Fall River is at 12.47%. This means that over the next few years, we can anticipate an additional 5.53% of expense.
Utilities	\$375,161	<ul style="list-style-type: none"> Line item increased to FY18 spending level. SC approved solar expansion in FY19 creating potential for 10% electricity savings
Step and Lane Increase	\$3,593,164	<ul style="list-style-type: none"> Built in fixed costs that include yearly salary increases for employees covered under collective bargaining agreements.
Transportation	\$539,722	<ul style="list-style-type: none"> Level funding to proposed FY19 Budget. Please note \$300,000 normally funded from McKinney Vento reimbursement Finalizing bus bid process for FY20 shortly
Out of district SPED tuition	\$500,000	<ul style="list-style-type: none"> Building more internal programming to meet the needs of students. Continuing to increase enrollment at the Stone K-12 school
Stipends/ELT	\$213,592	<ul style="list-style-type: none"> Built in ELT amounts to cover additional funds needed to fully fund Morton and Letourneau extended learning time.
Grant Reductions	unknown	<ul style="list-style-type: none"> Reduction of \$220,000 from grants in anticipation of funding loss
Capital Infrastructure	unknown	<ul style="list-style-type: none"> Boilers, windows, chillers, roofs, etc

Capital Budget Requests

- **Safety and Security** - All District Buildings; replace obsolete cameras and related equipment, replace door access systems. Cost-\$558,000
- **Henry Lord** - Provide second means of egress from parking lots and dead end street to enhance pick-up, drop-off procedure and improve traffic flow. Cost-\$167,000
- **Silvia** - Provide second means of egress from west parking lot to enhance the pick-up, drop off procedure and improve traffic flow. Cost-\$194,000
- **Talbot** - Parking lots, sidewalks, curbs, outdoor PE courts and drainage improvements. Cost-\$410,000
- **Henry Lord** - Replace two hydronic boilers, unit ventilators, roof top and chiller. Cost-\$2,700,000
- **Total Cost-\$4,029,000**

Important Budget Planning Dates

- Presentation to School Committee: February 11, 2019
- Schedule School Committee Finance Sub-committee Meetings: February - March 2019
- School Committee Budget Deliberations: March - April 2019
- School Committee Budget Hearing: May 2019
- Joint City Council - School Committee meeting April 2019
- Submit School Committee Adopted Budget to Mayor: April 17, 2019
- Submit Final Budget to City Council: May 17, 2019

FY20 Zero-base Budget Recognition

- Kevin Almeida, Chief Financial Officer
- Julia Carlson, Assistant Superintendent
- Ann Dargon, Assistant Superintendent of Student Services and Special Education
- Tom Coogan, Executive Director of Human Resources
- Ken Pacheco, Chief Operating Officer
- Fernanda Vera-Cruz, Director of ELL
- Brian Mikolazyk, Director of Student Information System
- Frank Farias, Director of Technology Integration
- Rebecca Caron, Executive Assistant to the Superintendent
- All Principals and their site level leadership teams
- All Senior Department Directors
- Mary Sahady; Chief Financial Officer City of Fall River
- Cathy Ann Viveiros; City Administrator City of Fall River
- School Committee, Fall River Public Schools