

# BOSTON PUBLIC SCHOOLS



## OFFICE OF THE SUPERINTENDENT

### MEMORANDUM

TO: Chairperson and Members  
Boston School Committee

FROM: John P. McDonough  
Interim Superintendent

DATE: March 9, 2015

SUBJECT: FY16 Budget Recommendation

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Tonight we submit the district's FY16 budget recommendation for your review. It reflects our commitment to allocate resources equitably to meet the needs of students, along with our commitment to expand quality educational opportunities as articulated by the district's new strategic vision.

The FY16 general fund budget totals \$1,013.5 million, a 4.0% percent increase over FY15. We thank Mayor Walsh and the City of Boston for their continued commitment to education during this period of rapidly rising costs and reduced external resources.

As a district we face approximately \$58 million in rising costs and \$14 million in declining state and federal revenue. We must also make strategic new investments (\$8 million) in the areas we know are critical to improving the quality of education while also preserving current investments, such as continuing our investment in early and diverse hiring, supporting our network structure, expanding inclusive settings, expanding access to our nationally acclaimed early education programs, preparing students for 21<sup>st</sup> century success, and beginning the expansion of extended learning time opportunities to all elementary, middle, and K-8 schools through our first cohort of 16 schools. Our key investments are highlighted below:

- **Weighted Student Funding:** We have increased by \$21.1 million the resources allocated to schools through Weighted Student Funding (WSF).

- **21<sup>st</sup> Century Learning:** \$1.3M for Expeditionary Learning curriculum, \$500K for continued support of 10,000 student learning devices, \$1M for continued investment in technology infrastructure, and \$500K for the Digital Academy initiative.
- **K1 Expansion:** Expanding by approximately 300 seats (100 in BPS through a \$1M General Fund investment, plus 200 in community-based programs via State pre-k expansion grant of \$4.6M)
- **Extended Learning Time (ELT):** We will invest \$3.9M in an additional minutes of learning time per day for 16 schools as a result of the recent extended learning time agreement with the Boston Teacher's Union (BTU). We are also continuing to invest \$4.0M for our current and former turnaround schools and other schools as well as \$1.4M for Acceleration Academies.
- **High-Need Students:** We are increasing resources for some of our highest-need students by increasing the weights for K0-5 ELD 1-3 by \$4.3M and for high needs SPED students by \$4.9M, as well as adding 5.3 FTE of inclusion specialists for a total of 18.1 covering 98 classrooms.

This budget allocates \$21.1 million more to schools through WSF compared to last year. With this increase, only 26 schools are experiencing reductions in allocations. Key factors contributing to decreased WSF allocations could include:

- A change in number of students or needs of students
- A change to school programs
- Changes in weights that reflect updates to staffing model assumptions (e.g. Emotional Impairment staffing in middle school and high schools)
- Changes in methodology for measuring poverty (Community Eligibility Option)
- Reductions in external funds (Title I, School Improvement grants, I3)
- For autonomous schools, the impact of increasing actual salaries or changes to central purchased service offerings

Simply balancing the budget is not our objective. This is an opportunity to make the Boston Public Schools much stronger by beginning the work to reduce our structural imbalance.

With this goal in mind, our team has identified strategic realignments and cost savings that have solved our budget challenge, primarily by making adjustments in the following areas:

- **Reducing Central Office Costs (\$10.6 million):** We will reduce cost in many areas of central office departments through reductions in FTE's, stipends, vacancies, contracted services, and the reduction of one K-8 School Network. While we are concerned of the impact of these reductions on our capacity to support schools, we believe we must take these actions to manage overall costs.
- **Transportation (\$9.5 million):** We propose to continue the expansion of the MBTA pass program to the 7<sup>th</sup> grade students who do not currently receive door-to-door service as part of an IEP. We recognize that a final decision on this proposal will be informed by the Mayor's Middle School Transportation Task Force. We estimate that nearly half of all 7<sup>th</sup> grade students are already riding the MBTA. Yellow bus door-to-door service would continue for all students who receive this as part of an IEP. In addition, we propose bus

stop consolidations and parent opt-out of yellow bus service to increase routing efficiencies. Finally, we have begun to implement a straight-line calculation that provides greater accuracy of transportation eligibility. This will impact approximately 2,400 students who reside within 1 mile of their school but had been receiving transportation under an old method of determining eligibility.

- **Food Services (\$4.0M):** In order to reduce the general fund subsidy to the externally funded Food Services program, we propose cost reductions that will allow the program to be self-funded by Federal reimbursements. Cost savings are proposed to occur through several means, including: realignment of staff at both school sites and the central site, use of more commodities than prepared products, and reducing meal options at schools to control waste.
- **School Budgets (\$3.4M):** We propose the closure of 4 four schools and one program and the reorganization of Alternative Education programs. The closure of these schools, while not generating large operational savings in the near term, will allow the reinvestment of approximately \$11M into schools receiving students from them. Closing struggling schools will begin to position the BPS to invest in success. The number of schools and the funding needed to support them contribute to our structural imbalance. We estimate that over 50% of all K2-5 classrooms are not enrolled at a level to afford the staff needed to support them. This proposal addresses transition grades only. Closely associated with the number of schools in the district, this issue also contributes to our structural imbalance. We also propose the reorganization of alternative education programs in a way that will enable us to maintain the quality of service while establishing a more sustainable approach to funding.
- **School Services Budgeted Centrally (\$2.8M):** Proposals in this area include a reduction in the use of substitute teachers, changes in summer Special Education programming and positions, among other programmatic changes.
- **Central Office FTE's (\$6.0M):** We propose the reduction of 67 Central Office FTE's (in addition to 57.7 FTE's included in the areas above) plus 54.3 vacant positions. We will also implement new measures to provide for tighter accountability with respect to position creation and vacancy.

These recommendations for balancing the budget will be presented to the School Committee this evening. We look forward to answering your questions as you consider the FY16 budget proposal. Thank you.