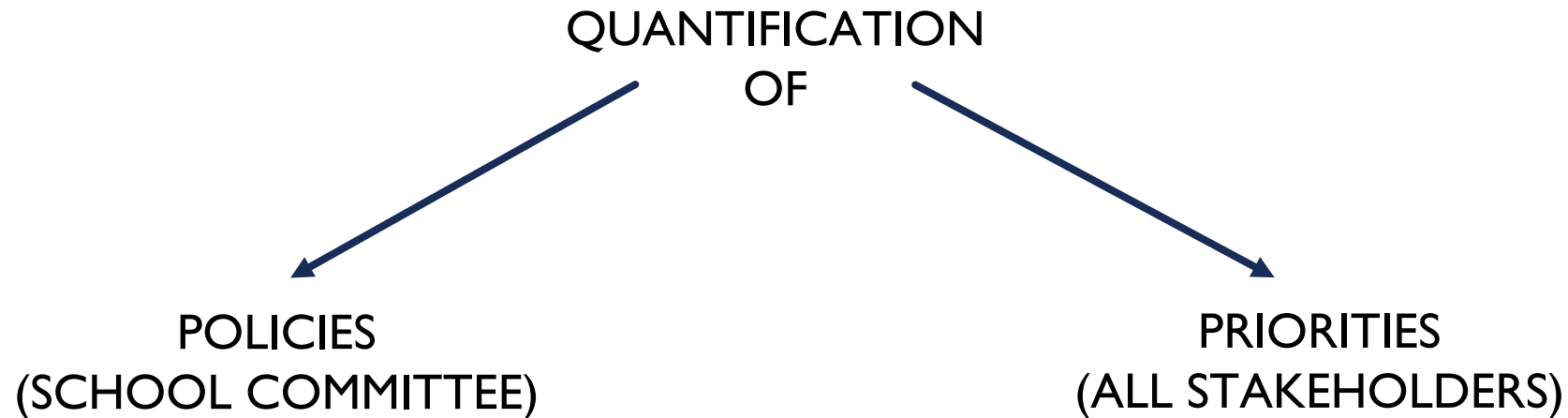


SCHOOL FINANCE 101



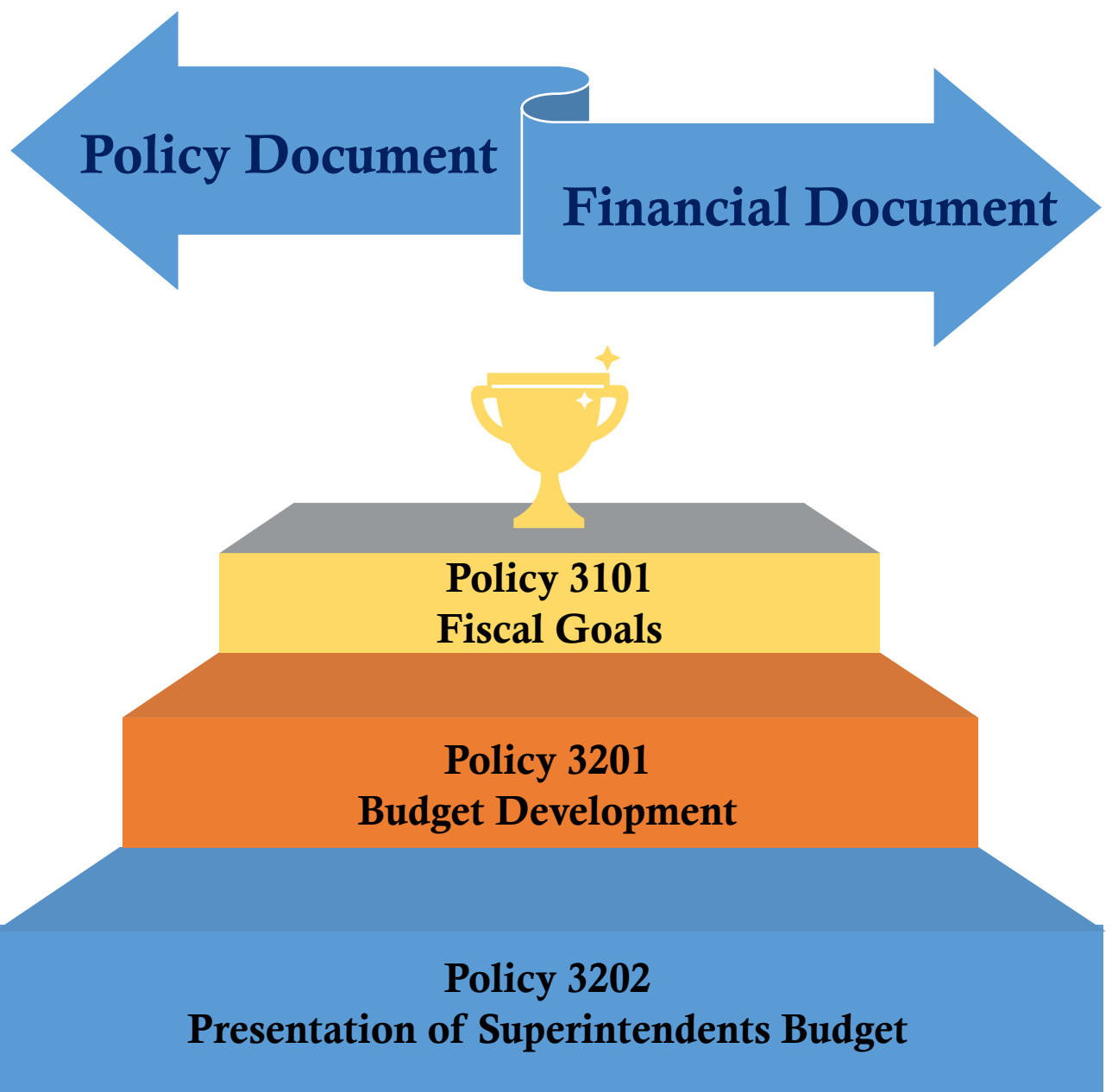
WHAT DOES OUR SCHOOL BUDGET REPRESENT?



“The quantification of developing the means and the capacity to facilitate human development, with respect for each student’s particular style and rate of learning, as well as an appreciation for the varied interests, aspirations, capacities, obstacles, temperaments, and backgrounds that serve as a framework within each child...”

Thomas Armstrong, 2006

**WESTFORD PUBLIC
SCHOOLS
BUDGET POLICY**



WESTFORD PUBLIC SCHOOLS BUDGET CYCLE



1. PRIORITY ASSESSMENT

Superintendent, Leadership Team and Staff Assess Student / Staff / Organizational Needs and Priorities

2. PRESENTATION

Superintendent Presents Budget to School Committee

3. SCHOOL COMMITTEE

School Committee Deliberates and Approves Budget

4. TOWN REVIEW

Town Manager, Select Board and Finance Committee Review School Budget

5. TOWN MEETING APPROVAL

School System Budget Approved by Appropriating Authority

6. IMPLEMENTATION

Budget Implemented and Monitored

FY 2022 STATE SPENDING REQUIREMENTS

FOUNDATION BUDGET

REPRESENTS THE MINIMUM SPENDING LEVEL NEEDED TO PROVIDE AN “ADEQUATE” EDUCATION

IT IS ADJUSTED EACH YEAR BY THE DEPARTMENT OF ELEMENTARY & SECONDARY EDUCATION (DESE) – THE MOST IMPORTANT FACTOR IN CALCULATING A DISTRICT’S CHAPTER 70 STATE AID

FOUNDATION BUDGET IS DERIVED BY MULTIPLYING THE NUMBER OF PUPILS IN 17 ENROLLMENT CATEGORIES BY COST RATES IN 11 FUNCTIONAL EXPENDITURE AREAS

FY 2022 STATE SPENDING REQUIREMENTS

NET SCHOOL SPENDING

EACH SCHOOL DISTRICT MUST SPEND THE SUM OF ITS REQUIRED DISTRICT CONTRIBUTION TO THE FOUNDATION BUDGET AND ITS CHAPTER 70 AID

CALCULATED EACH YEAR FROM WESTFORD'S END-OF-YEAR FINANCIAL REPORT – INCLUDES:

- EXPENDITURES FROM THE SCHOOL SYSTEM'S OPERATING BUDGET
- MUNICIPAL INDIRECT COSTS EXPENDED ON BEHALF OF SCHOOL OPERATIONS
- EXCLUDES CAPITAL AND TRANSPORTATION

FY 2022 STATE SPENDING REQUIREMENTS

WESTFORD'S NET SCHOOL SPENDING CALCULATION (FY22)

FOUNDATION ENROLLMENT	4,586
FOUNDATION BUDGET	\$49,338,011
REQUIRED DISTRICT CONTRIBUTION	\$38,279,511
CHAPTER 70 AID	\$17,281,815
REQUIRED NET SCHOOL SPENDING	\$55,561,326

EXPENSE BASED VS. REVENUE BASED BUDGETING

Pre 1981, municipal budgets in Massachusetts were driven by expenditures. Local communities could raise taxes to the extent that the local authority appropriated. Then in 1982, Proposition 2 ½ (M.G.L. Ch. 59 ~ 21C) was enacted limiting the increase to the tax levy to 2.5%. Since that time, municipal budgets have been shaped by revenue limitations. New Growth provides additional revenue to the levy limit, but is variable.

Does this mean my property tax bill can only go up by 2.5%?

No, the levy increases by 2.5%. Individual property bills fluctuate based on a variety of factors.

STATE AID – CHAPTER 70



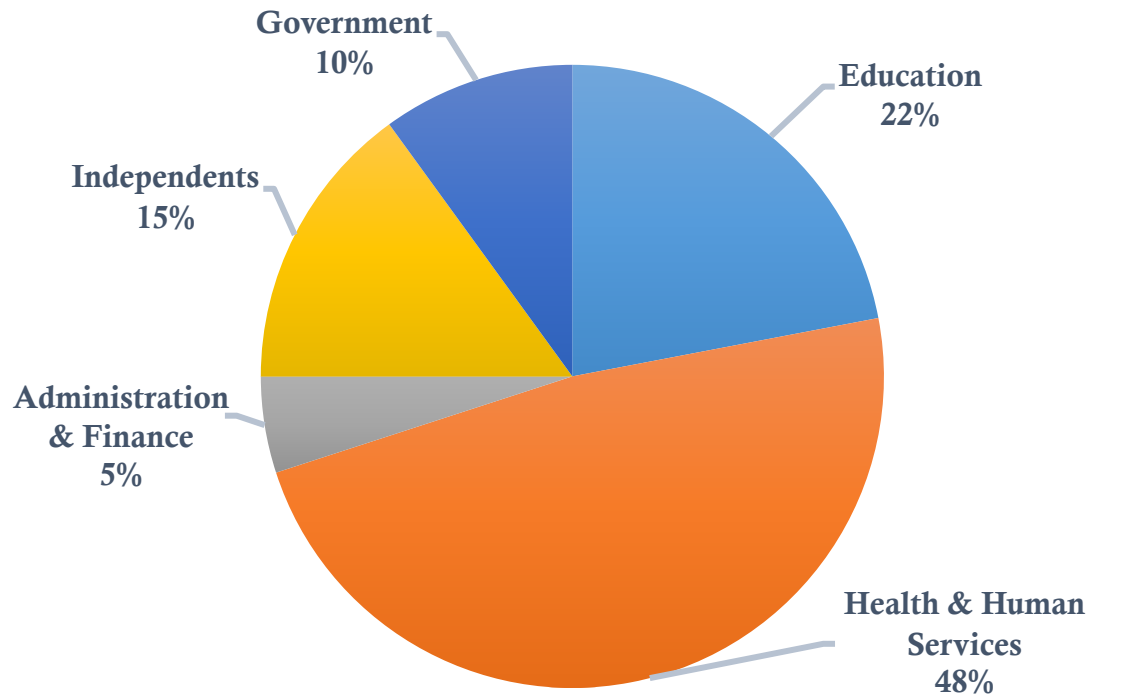
\$17,281,815



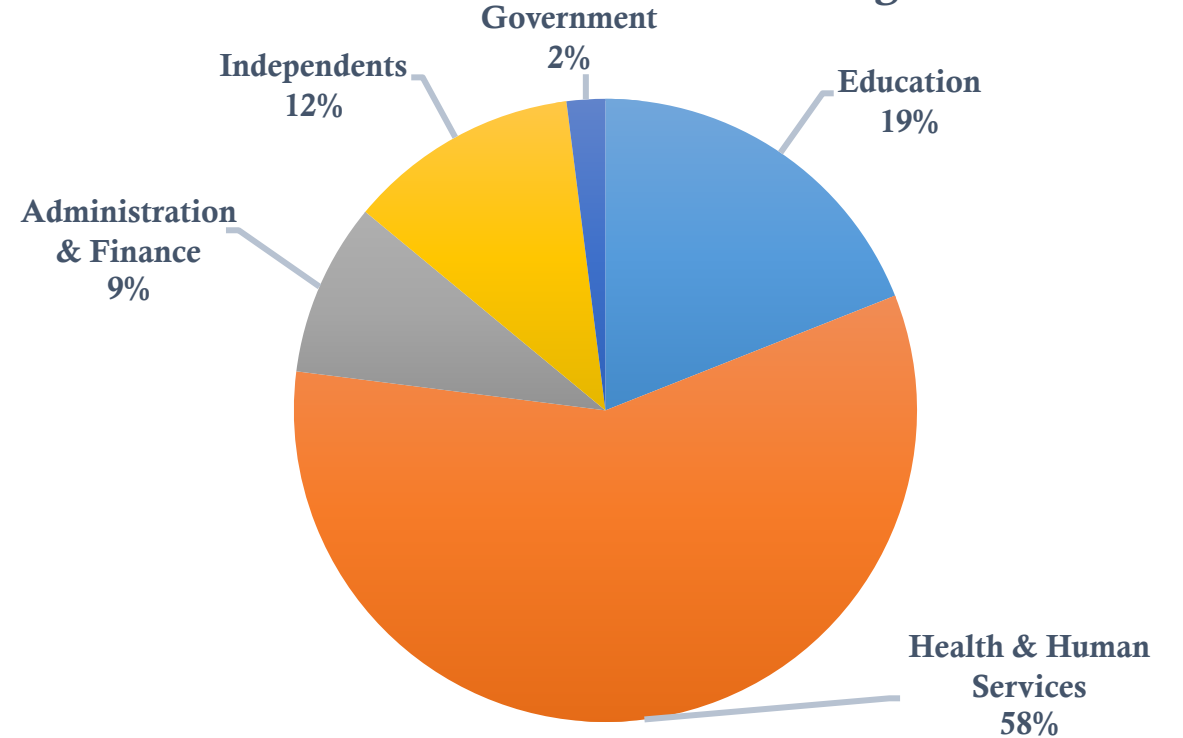
THE CHAPTER 70 PROGRAM IS THE MAJOR PROGRAM OF STATE AID TO PUBLIC ELEMENTARY AND SECONDARY SCHOOLS. THE PROGRAM ALSO ESTABLISHES MINIMUM SPENDING REQUIREMENTS FOR EACH MUNICIPALITY'S SHARE OF SCHOOL COSTS (BASED ON PROPERTY & INCOME LEVELS).

MASSACHUSETTS STATE BUDGET COMPARISON

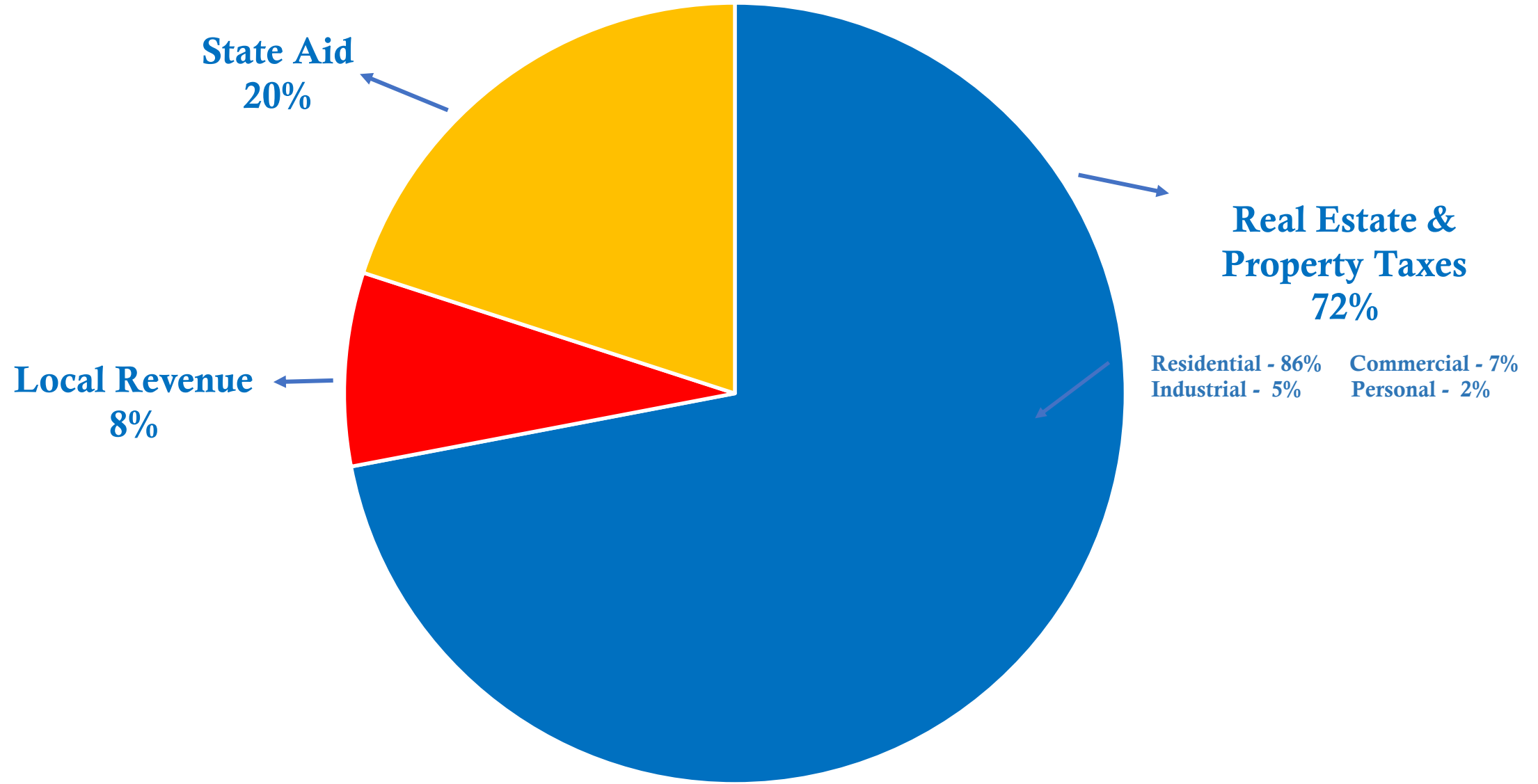
2008 Massachusetts State Budget



2018 Massachusetts State Budget

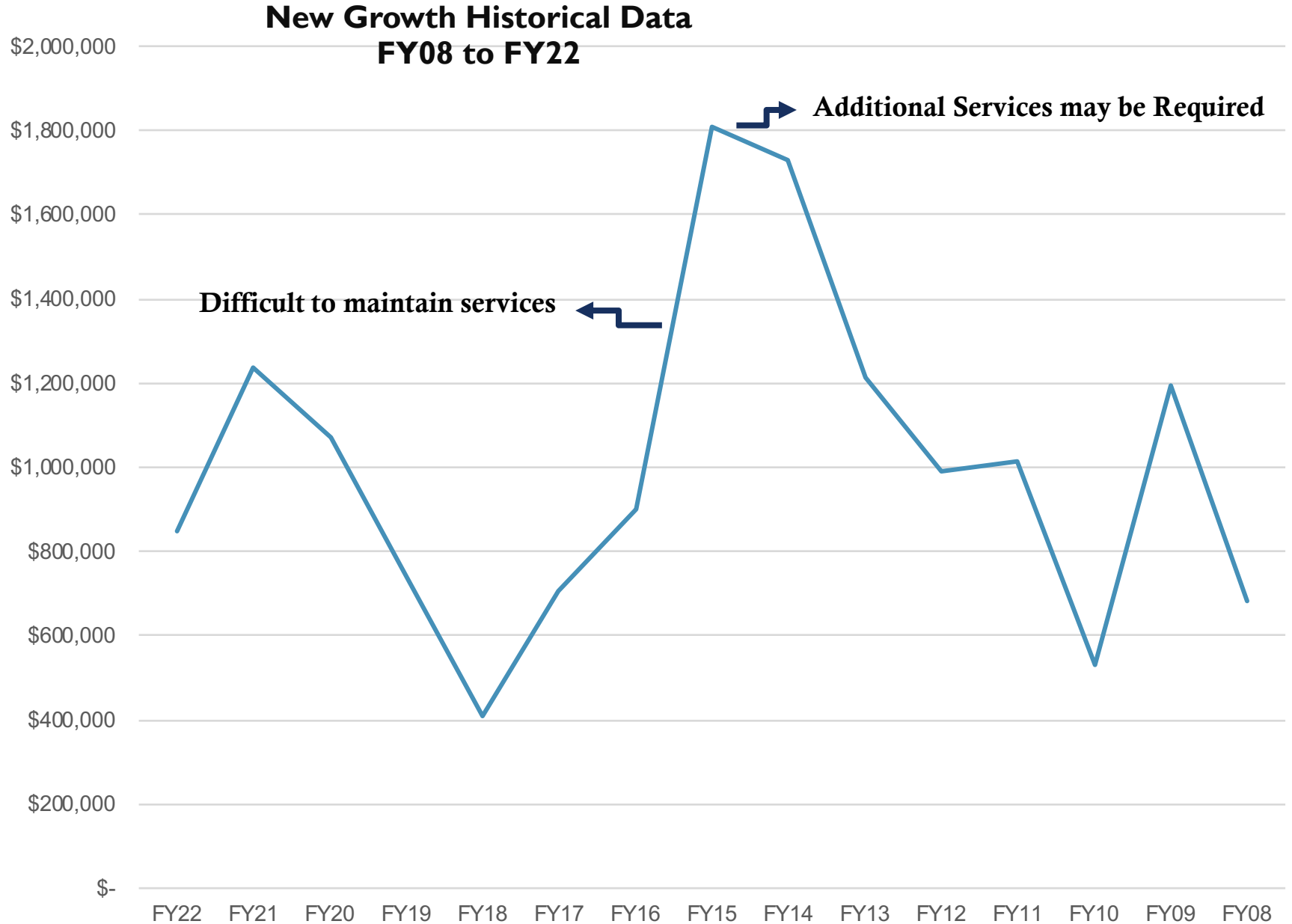


SOURCES OF TOWN REVENUE

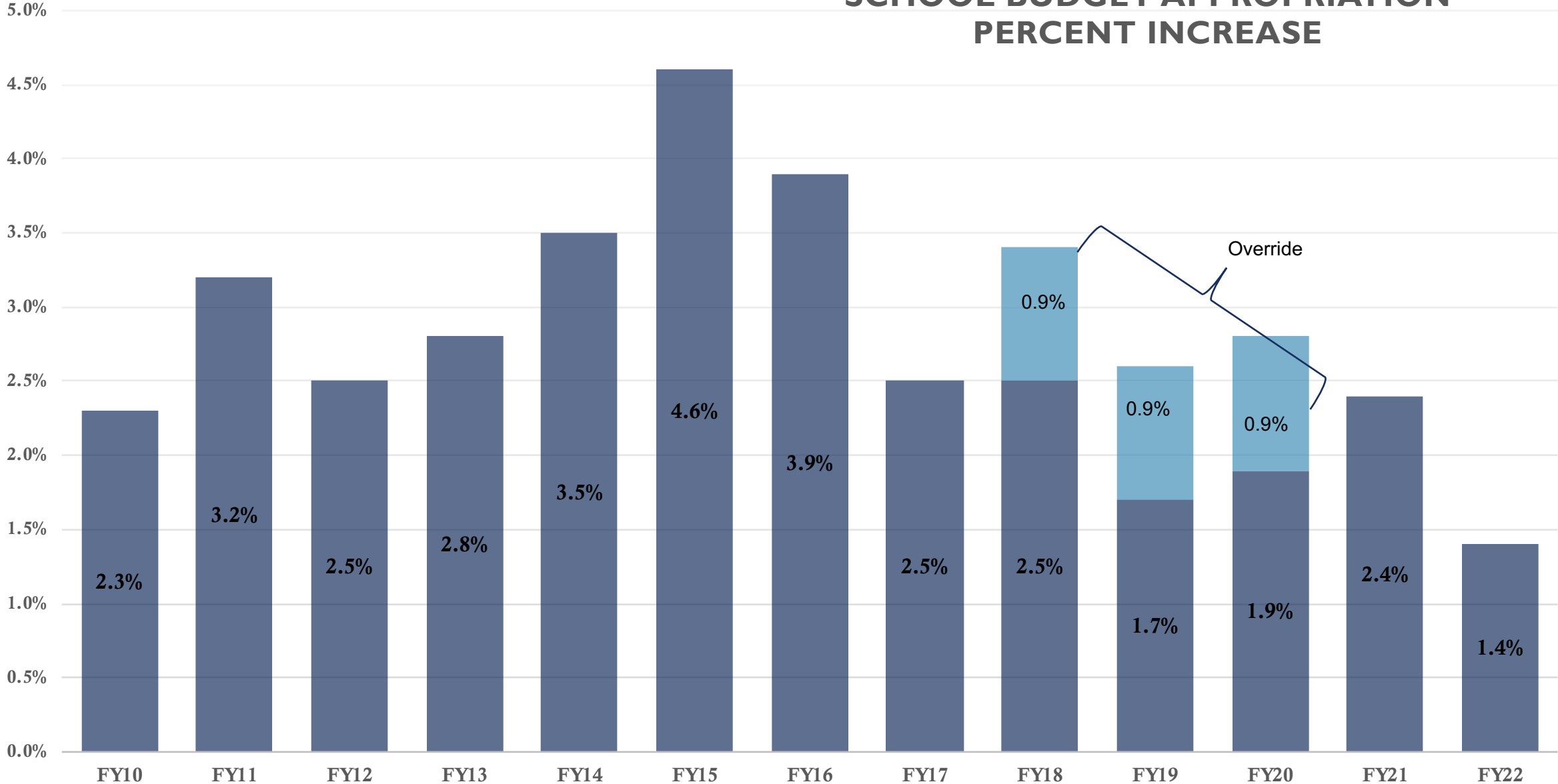


■ Real Estate & Property Taxes ■ Local Revenue ■ State Aid

Town New Growth	
FY22	\$ 850,000
FY21	\$ 1,234,704
FY20	\$ 1,069,837
FY19	\$ 740,243
FY18	\$ 408,857
FY17	\$ 707,422
FY16	\$ 901,454
FY15	\$ 1,808,449
FY14	\$ 1,728,677
FY13	\$ 1,210,815
FY12	\$ 992,490
FY11	\$ 1,016,138
FY10	\$ 531,068
FY09	\$ 1,192,267
FY08	\$ 682,195

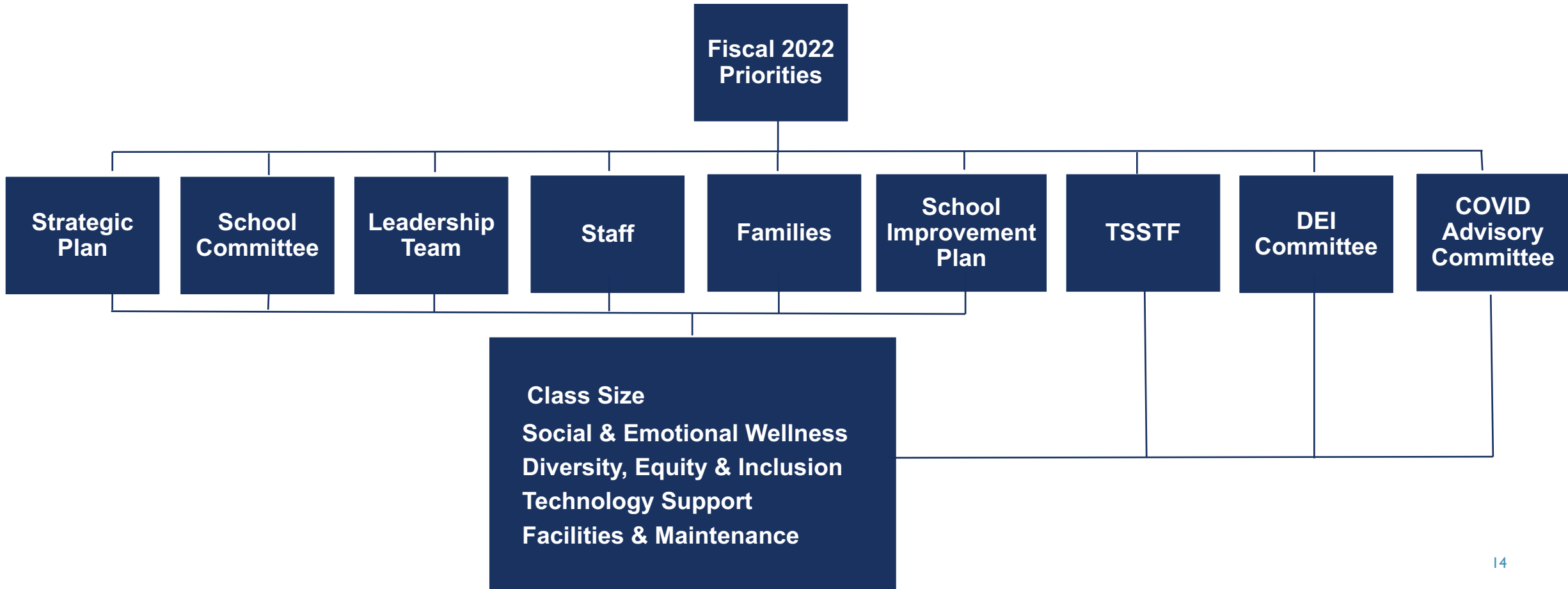


SCHOOL BUDGET APPROPRIATION PERCENT INCREASE



STAKEHOLDER INPUT IN ASSESSING PRIORITIES

STAKEHOLDER ENGAGEMENT & OUTCOMES



SCHOOL BUDGET EXPENSE DRIVERS

Student Academic & Social Emotional Needs

Provide all students with rigorous and culturally relevant curriculum, resources and programs that support individual goals

Student
Academic &
Social
Emotional
Needs

Collective
Bargaining

Collective Bargaining

Primary driver which encompasses 82% of the budget . It includes Cola raises, step increases, column changes.

Inflation

Expenses that the district incur continue to rise annually even though inflation has been relatively low in recent years. The trend still is that the increases in expenses outpace increases in revenue.

Inflation

Special
Education

Special Education

Two factors that drive the increase in Special Education
1)Number of Students who are identified as needing services
2)Number of Out of District Placement

Technology and Information

The rapid increase in technology and information has accelerated the need to replace educational materials and equipment.

Technology
And
Information

Facility
Operations

Facility Operations

The focus has been on Corrective Maintenance and Not on Preventative Maintenance

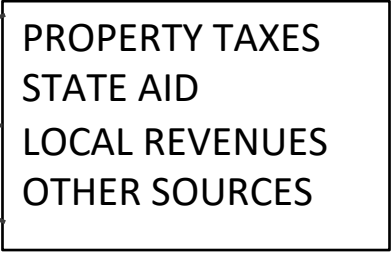
Transportation



FINANCING WESTFORD PUBLIC SCHOOLS

SOURCES OF SCHOOL SYSTEM FINANCIAL SUPPORT

GENERAL FUND APPROPRIATION

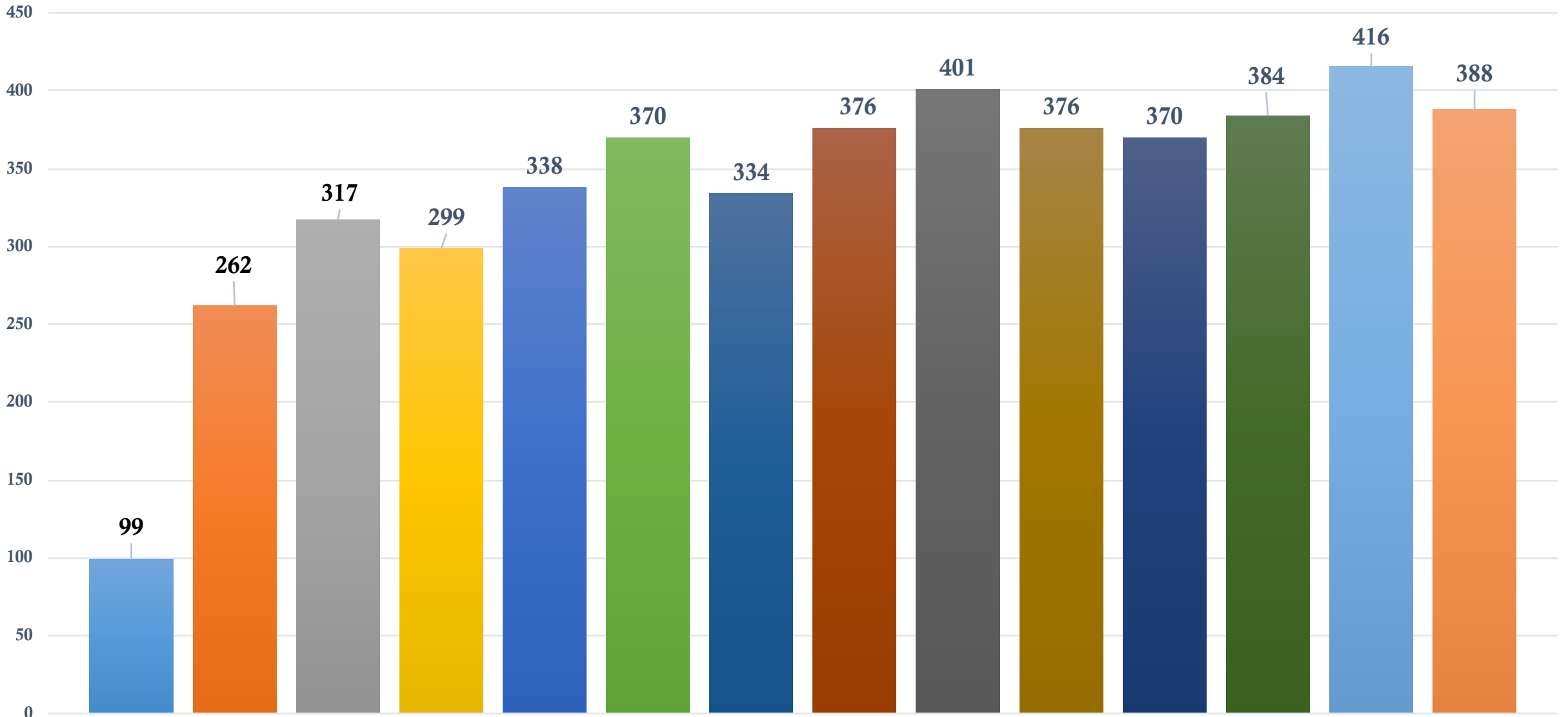


REVOLVING FUNDS — TO BE USED ONLY FOR THE RESPECTIVE PROGRAM/SERVICE



SCHOOL CHOICE & CIRCUIT BREAKER
FEDERAL & STATE GRANTS (IDEA, etc.)

FY22 ENROLLMENT PROJECTIONS



■ Pre-K ■ K ■ 1 ■ 2 ■ 3 ■ 4 ■ 5 ■ 6 ■ 7 ■ 8 ■ 9 ■ 10 ■ 11 ■ 12

ENROLLMENT & STAFFING

ENROLLMENT CHANGES MAY RESULT IN A DECLINE OR INCREASE IN STAFF.

IS THERE A DIRECT RELATIONSHIP BETWEEN ENROLLMENT CHANGES & STAFFING?

THE NEEDS OF STUDENTS ALSO IMPACT STAFFING LEVELS EVEN IF ENROLLMENT IS DECLINING.

EXAMPLE: SPECIAL EDUCATION SUPPORT STAFF
 ENGLISH LANGUAGE LEARNERS STAFF
 SOCIAL EMOTIONAL STAFF

STAFFING CHANGES AND COST AVOIDANCE

- HIRING A TEACHER ASSISTANT TO ADDRESS THE INDIVIDUAL EDUCATION PLAN NEEDS OF A CHILD CAN RESULT IN SIGNIFICANT COST SAVINGS!

Cost of Teacher Assistant

\$25,000

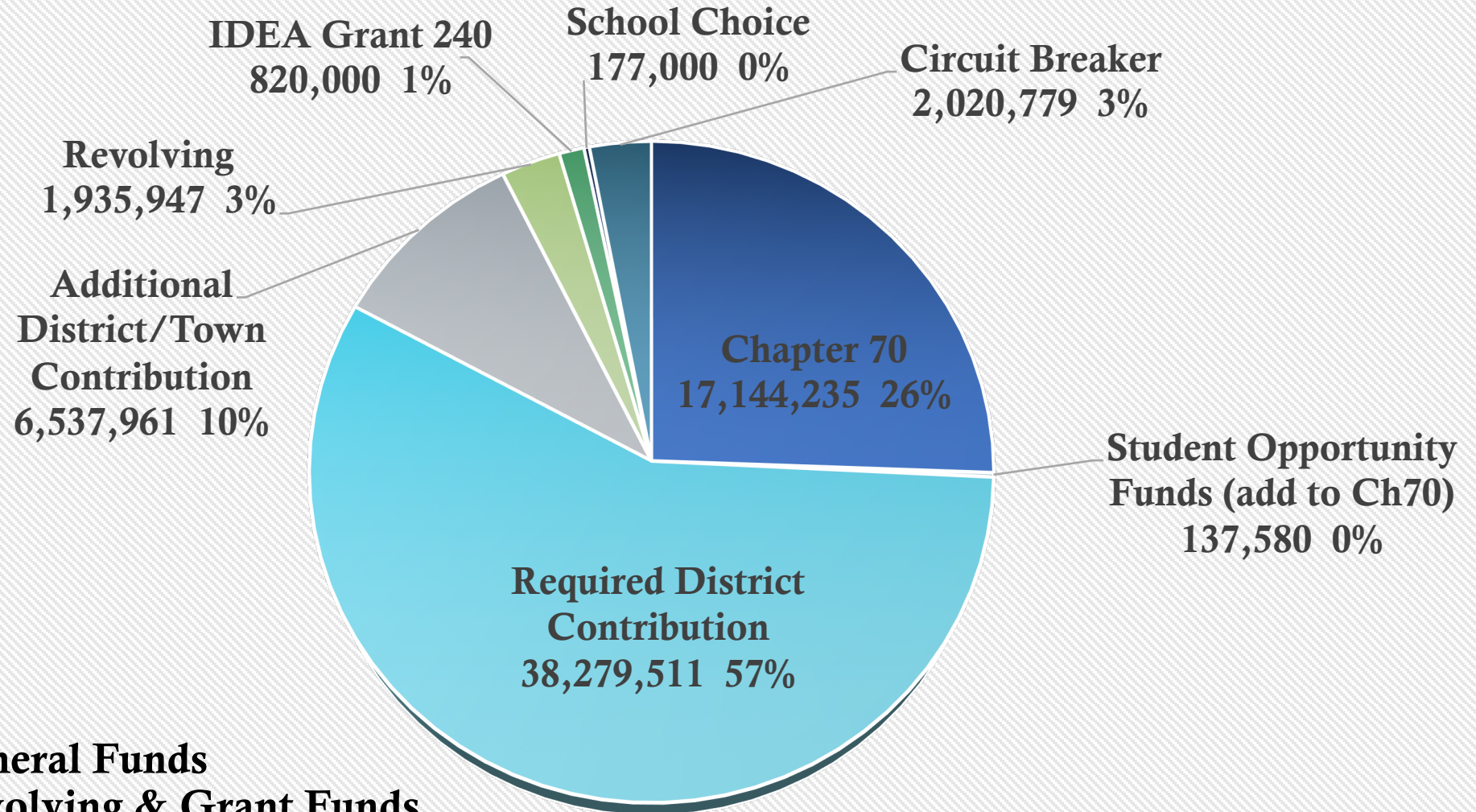
Cost of Outside Placement

\$40,000 -
\$100,000



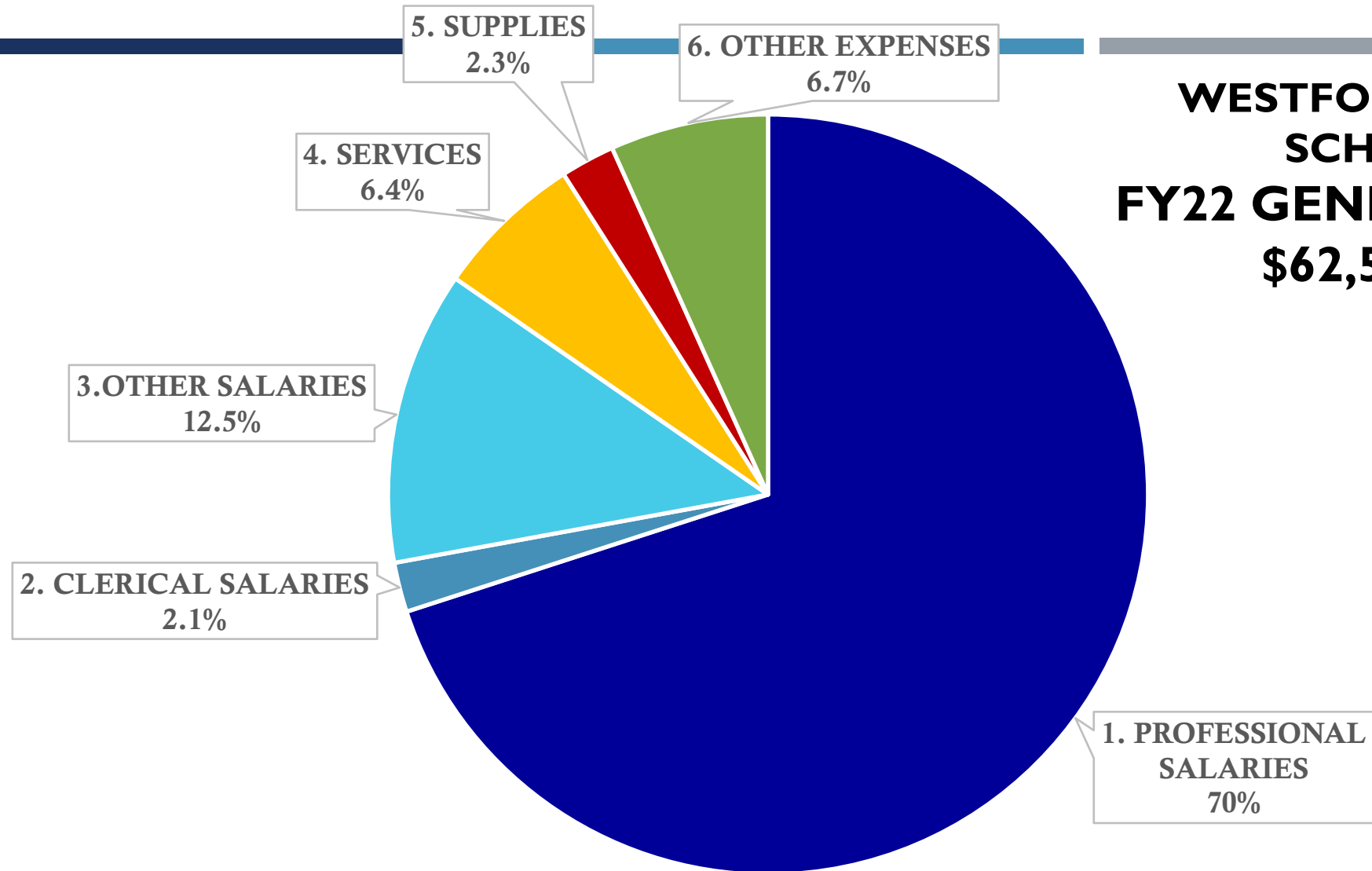
**\$15,000 - \$75,000
SAVINGS**

FY22 PRELIMINARY BUDGET (ALL FUNDS) \$67,494,925 *



* \$62,541,198 General Funds
\$4,953,727 Revolving & Grant Funds

**WESTFORD PUBLIC
SCHOOLS
FY22 GENERAL FUND
\$62,541,198**



FY22 WPS Preliminary Budget by Object

■ PROFESSIONAL SALARIES ■ CLERICAL SALARIES ■ OTHER SALARIES ■ SERVICES ■ SUPPLIES ■ OTHER EXPENSES

SCHOOL CHOICE – M.G.L. CHAPTER 76, SECTION 12B

ENACTED IN 1991

ALL DISTRICTS ARE TO PARTICIPATE UNLESS A SCHOOL COMMITTEE VOTES NOT TO ACCEPT STUDENTS

SIBLINGS RECEIVE PREFERENCE

IF THE NUMBER OF APPLICANTS EXCEEDS THE NUMBER OF AVAILABLE SEATS, A PUBLIC LOTTERY IS CONDUCTED

STUDENTS MAY REMAIN IN DISTRICT UNTIL GRADUATION

TUITION RECEIVED FOR INCOMING STUDENTS IS CALCULATED ON AN FTE BASIS AND IS CAPPED FOR GENERAL EDUCATION SERVICES AT \$5,000

FOR SCHOOL CHOICE STUDENTS ON AN IEP, A SPECIAL EDUCATION INCREMENT AUGMENTS THE \$5,000 REVENUE

FOR WESTFORD STUDENTS ATTENDING ANOTHER SCHOOL DISTRICT VIA SCHOOL CHOICE, THE TUITION IS DEDUCTED FROM THE CHAPTER 70 APPROPRIATION

SCHOOL CHOICE

\$5,000 RECEIVED ANNUALLY FOR EACH SCHOOL CHOICE STUDENT
 TO BE EXPENDED WITHOUT FURTHER APPROPRIATION
 SUPPLEMENT RECEIVED FOR SCHOOL CHOICE STUDENTS WHO REQUIRE SPECIAL EDUCATION SERVICES

Must select a placement type.

Data must be entered in highlighted yellow cells!					Days in cycle:	0						
Program Type:	In District	Start	End	Total Days	FY20 RATE	36 Week Program			Extended School Year			Total
Placement Type:				0		Service Delivery Group Type	Hours Per Cycle	Cost	Service Delivery Group Type	Hours Per Cycle	Cost	
Specialty Consultation Services (Doctorate level)					118.94			0.00			0.00	
General Education Services					0.00			0.00				
Special Education Teaching Services (Certified teachers only)					62.76			0.00			0.00	
Additional Special Education Teaching Services and/or Consultation					62.76			0.00			0.00	
Related Services (Certified or licensed providers only):												
Consultation (by service providers listed in this category)					71.65			0.00			0.00	
Occupational Therapy					71.65			0.00			0.00	
Speech and Language Therapy/Audiology					71.65			0.00			0.00	
Orientation & Mobility					71.65			0.00			0.00	
Physical Therapy					71.65			0.00			0.00	
Counseling					71.65			0.00			0.00	
Specialized Health Care Services (RN or LPN):												
Nursing Services					47.74			0.00			0.00	

COVERS THE “MARGINAL COST” OF EACH ADDITIONAL SCHOOL CHOICE STUDENT
 IMPORTANT SOURCE OF REVENUE TO LEVERAGE OUR STABILITY OF PROGRAMS & STAFFING

REVOLVING FUND REVENUES

REVOLVING FUND REVENUES ARE NOT A SOURCE OF “GENERAL REVENUE”. FUNDS FROM A SPECIFIC REVOLVING ACCOUNT MUST BE EXPENDED ONLY FOR THE ACTIVITY/SERVICE FOR WHICH THE REVENUE WAS COLLECTED. THEY ARE USED TO SUPPORT SCHOOL OPERATIONS.

SCHOOL TRANSPORTATION

SCHOOL CHOICE

SCHOOL LUNCH

STUDENT ATHLETICS & ACTIVITIES

FEES ASSOCIATED WITH SCHOOL OPERATIONS

USE OF SCHOOL PROPERTY

SPECIAL EDUCATION CIRCUIT BREAKER REIMBURSEMENT

M.G.L. CHAPTER 71B, SECTION 5A

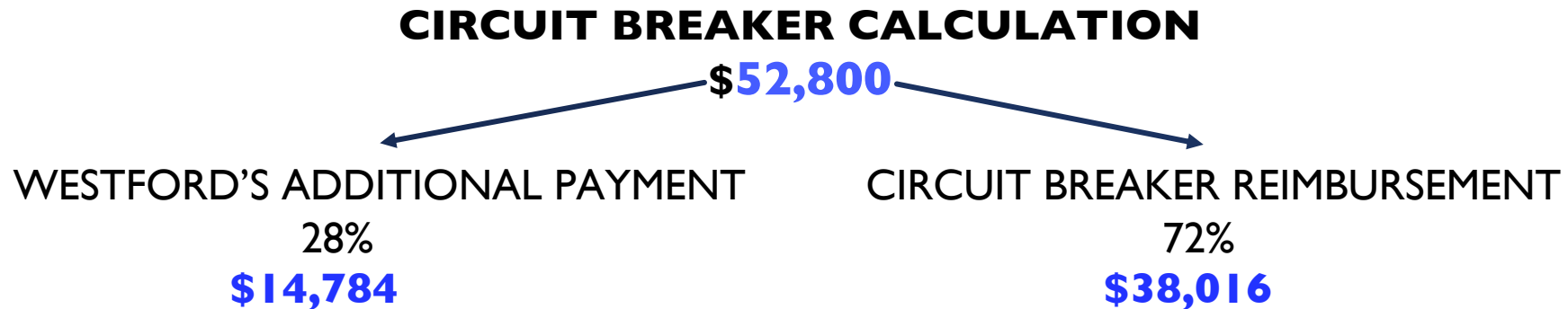
- REIMBURSES A MAXIMUM OF 75% OF COSTS EXCEEDING 4 TIMES THE STATE AVERAGE PER PUPIL FOUNDATION BUDGET
- REIMBURSEMENT IS FOR PRIOR YEAR EXPENSES FOR BOTH IN-DISTRICT AND OUT-OF-DISTRICT STUDENTS
- FUNDS ARE DEPOSITED INTO A CIRCUIT BREAKER REVENUE ACCOUNT AND ARE INTENDED TO BE USED IN THE FOLLOWING FISCAL YEAR
- STATE PROVIDES “EXTRAORDINARY RELIEF” IF SPECIAL EDUCATION COSTS EXCEED 125% OF PREVIOUS YEAR’S CLAIMED COSTS
- ELIGIBLE COSTS INCLUDE INSTRUCTIONAL SERVICES, THERAPY SERVICES AND SPECIALIZED EQUIPMENT – IF DOCUMENTED IN I.E.P.
- CIRCUIT BREAKER EXCLUDES TRANSPORTATION AND BUILDING INFRASTRUCTURE COSTS

CIRCUIT BREAKER” Special Education Reimbursement

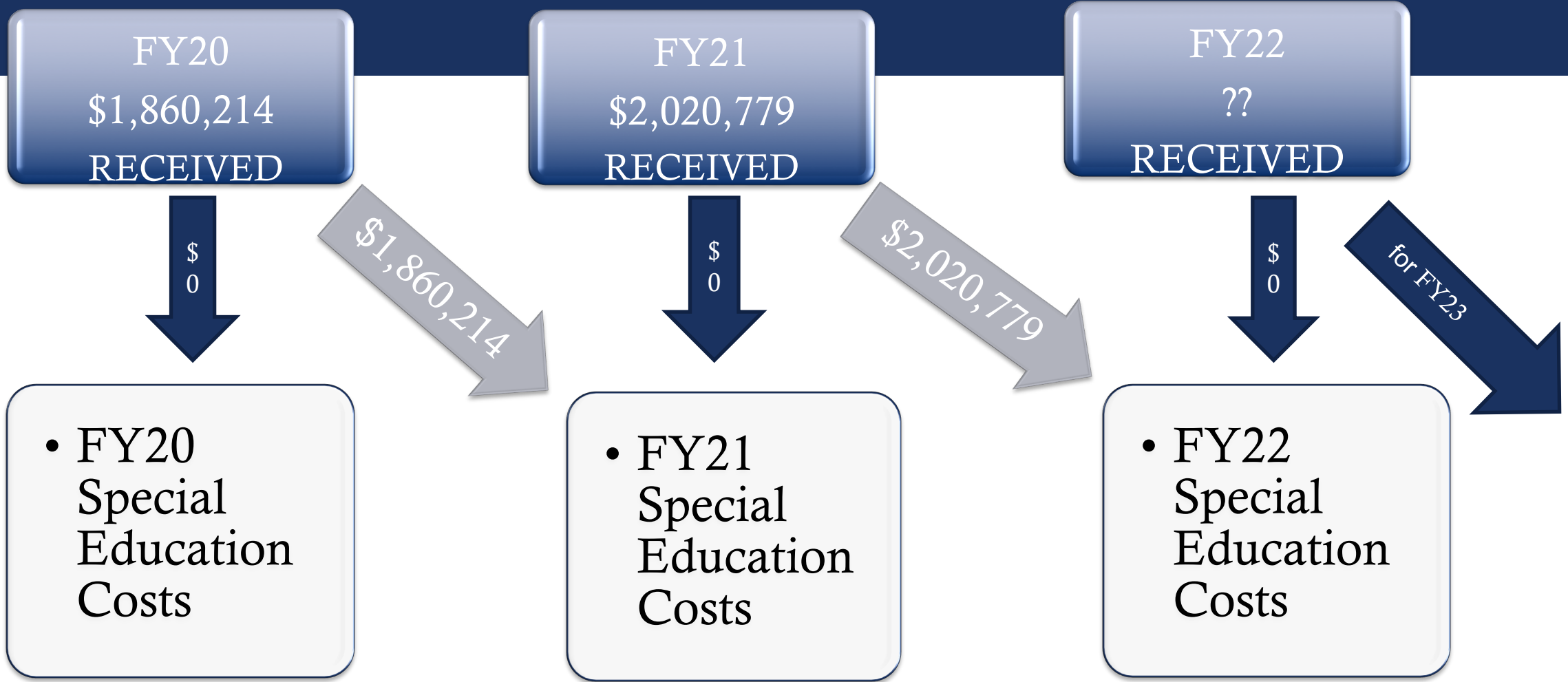
The “Circuit Breaker” currently (FY21) reimburses communities 72% of tuition cost in excess of four times the DESE determined per pupil foundation level budget.

Foundation Budget	\$ 11,800 / pupil
4 X Foundation Budget	\$ 47,200

Tuition	\$100,000	
Westford’s Initial Payment:	<u>\$47,200</u>	4 X Foundation Budget
Balance after 4X Foundation Budget	\$52,800	

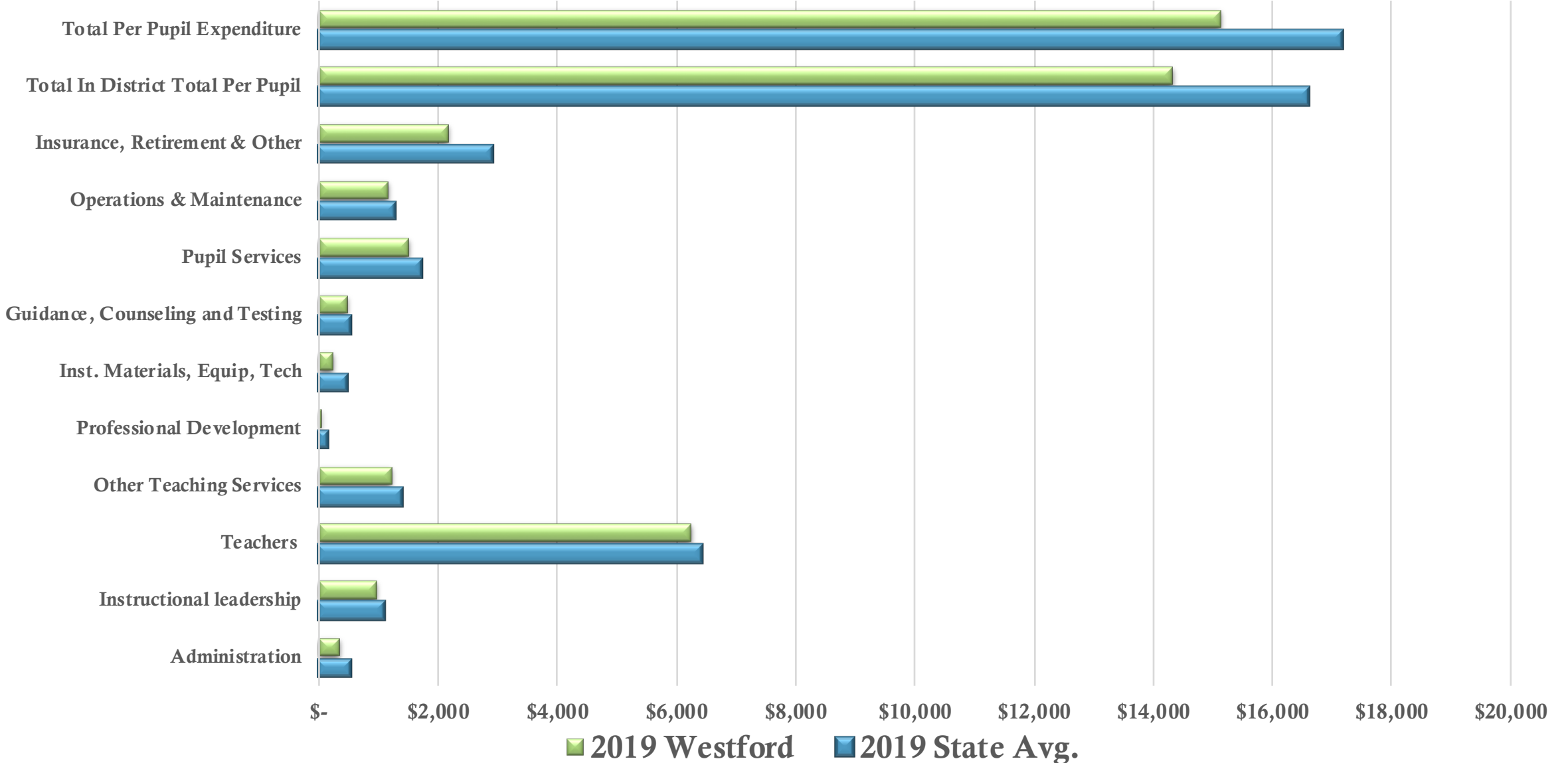


USING CIRCUIT BREAKER FUNDS



Per Pupil Expenditure Summary FY2019

Excludes Out of District Expenditures



FUNDING SOURCES INCLUDED IN PER PUPIL EXPENDITURE CALCULATIONS

SCHOOL COMMITTEE APPROPRIATIONS

MUNICIPAL APPROPRIATIONS OUTSIDE THE SCHOOL COMMITTEE BUDGET THAT AFFECTS SCHOOLS

FEDERAL GRANTS

STATE GROWTH

CIRCUIT BREAKER FUNDS

PRIVATE GRANTS & GIFTS

SCHOOL CHOICE & OTHER TUITION REVOLVING FUNDS

ATHLETIC FUNDS

SCHOOL LUNCH FUNDS

OTHER LOCAL RECEIPTS

EXPENDITURES INCLUDED IN PER PUPIL CALCULATIONS

ADMINISTRATION

INSTRUCTIONAL LEADERSHIP

TEACHERS

OTHER TEACHING SERVICES

PROFESSIONAL DEVELOPMENT

INSTRUCTIONAL MATERIALS, EQUIPMENT AND TECHNOLOGY

GUIDANCE, COUNSELING AND TESTING

PUPIL SERVICES

OPERATIONS & MAINTENANCE

INSURANCE, RETIREMENT PROGRAMS AND OTHERS

* NOT INCLUDED: CAPITAL EXPENDITURES