

School Committee Finance Subcommittee  
Tuesday, June 23, 2020  
12:00 PM-2:30 PM  
Remote by Webex Event

Finance Subcommittee members present: Susan Wolf Ditkoff (Chair), Suzanne Federspiel, and David Pearlman.

Finance Subcommittee members absent: Sharon Abramowitz.

Other School Committee members present: Andreas Liu.

Staff present: Ben Lummis, Mary Ellen Normen, Matt Gillis, and Robin Coyne.

Others present: Food Services Director Sasha Palmer, Senior Director of Programs Meg Maccini, Director of Brookline Adult and Community Education Michelle McGlone, and Advisory Committee member Janet Gelbart.

Ms. Ditkoff called the meeting to order at 12:00 PM.

**1) Review/Approval of June 16, 2020 Finance Subcommittee Meeting Minutes**

On a motion of Mr. Pearlman and seconded by Ms. Federspiel, the Finance Subcommittee voted unanimously (by roll call) to approve the June 16, 2020 Finance Subcommittee meeting minutes.

**2) FY 2020 Budget Close**

Ms. Normen provided an update on the FY 2020 Budget Close and possible sources of reimbursement for FY 2020 expenses related to COVID-19. Possible sources of funding include the Town CARES Act Application-\$630,000, the School CARES Act Application-\$70,000, a Reserve Fund Transfer Request-up to \$500,000, and a Department Transfer Request-\$43,159. It was noted that the Advisory Committee voted to reduce the district's Reserve Fund Transfer request to \$100,000.

**3) FY 2021 Budget Update**

Mr. Gillis provided further information related to the possibility of continuing the food service program throughout the summer. On June 18, 2020, Mr. Gillis asked that the School Committee consider whether to provide a program this summer given the significant reduction in participants and revenue. School Committee members encouraged the district to consider the feasibility of offering lunch throughout the summer to all students who qualify for free and reduced lunch. Members asked Mr. Gillis for additional information on the implications of doing so, including staffing requirements, projected expenditures and revenue (including federal reimbursements), the range of the potential deficit, and the status of partnerships with Brookline Thrives and the Brookline Food Pantry. The School Committee voted unanimously to pursue continuous operation of the student lunch program through the summer.

Mr. Gillis reported that with a subsidy of approximately \$21,000, the program could provide breakfast and lunch to students who qualify for free and reduced lunch from July 1, 2020 through August 31, 2020. This would cover approximately 574 breakfasts and 1,050 lunches per week. The projected subsidy could be reduced approximately \$9,000 if

the department's administrative assistant is furloughed until the third week of August. The administrative assistant is a 12-month employee and would presumably qualify for unemployment. Members discussed the implications of taking this action.

Mr. Gillis discussed the partnership between the district and non-profits such as the Food Pantry and Brookline Thrives. Director of Food Service Sasha Palmer explained a federal waiver that provides for greater reimbursement opportunities and that would enable the district to provide meals at non-schools sites (e.g., Brookline Housing Authority properties).

There was general agreement that the district should provide breakfast and lunch to students who qualify for free and reduced lunch from July 1, 2020 through August 31, 2020, and that in order to reduce the needed subsidy, the district should furlough the administrative assistant.

The School Committee reviewed proposed FY 2021 Student Fees (Attachment A). The School Committee already voted a 3 percent increase in Brookline Early Education Program (BEEP) tuition. A 3 percent increase is also recommended for the Materials Fee. Ms. Normen is not recommending any other changes. On June 18, 2020, the School Committee discussed the lack of clarity on whether or how some of the items (e.g., bus service, athletics, visual and performing arts, school meals, Adult and Community Education, and rentals) will be provided in the fall. The district is waiting for additional guidance from the State and others.

The Subcommittee discussed approving the fees, but for some (e.g., rentals, athletics, performing arts, culinary arts) noting that there may be an additional COVID assessment depending on how the program is offered (to cover additional COVID related expenses such as cleaning, supplies, etc.) and in the case of rentals, that there may be an additional COVID assessment and additional required protocols. Members suggested that at some point there be consideration of the costs/benefits of the Materials Fee Program. Mr. Gillis provided an update on the South Brookline bus service. The district needs further guidance from the State to determine its feasibility for the fall. The School Committee will be asked to vote on this item during the July 27, 2020 School Committee meeting. Members requested that a communication go out to families regarding the timeline for making a decision on this matter. Mr. Gillis provided an overview of bus service in the district, noting that it might be possible to eliminate one bus.

Ms. Normen requested that the fees be approved as soon as possible. She noted that the School Committee has not yet voted the fee for summer school, which will be starting in early July. In future years, she will present the fees in February as part of the budget development process.

On a motion of Ms. Ditkoff and seconded by Mr. Pearlman, the Finance Subcommittee voted unanimously (by roll call) to recommend that the School Committee vote to approve the fees as reflected in Ms. Normen's June 15, 2020 memo as amended above.

Ms. Normen will update the memo to reflect today's discussion prior to the School Committee's July 7, 2020 meeting.

Ms. Ditkoff reported that the Advisory Committee voted to reduce the district's Reserve Fund Transfer request to \$100,000. It is her understanding that the School Committee could submit an additional request, if necessary. Ms. Ditkoff provided an update on the Davis Avenue footbridge.

Senior Director of Programs Meg Maccini reported that the Brookline Adult and Community Education Program is experiencing serious financial difficulties. The program has already furloughed one employee. She will provide a further update during the July 7, 2020 School Committee meeting.

#### **4) Possible Executive Session**

By unanimous roll call vote at 1:40 PM, the School Committee entered into Executive Session pursuant to Massachusetts General laws chapter 30A section 21(a) for Purpose 3, to discuss strategy with respect to collective bargaining with the Brookline Educators Union (BEU) (Unit A, Unit B, and Paraprofessionals) because the Chair declared that an open meeting may have a detrimental effect on the bargaining or litigating position of the public body and for Purpose 7, to review and approve executive session minutes from the following meeting: May 29, 2020. Ms. Ditkoff announced that the meeting will not reconvene in open session at the end of the Executive Session. By unanimous roll call vote at 2:30 PM, the School Committee reconvened in public session for the purpose of adjournment.

The meeting adjourned at 2:30 PM.



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BEN LUMMIS  
INTERIM SUPERINTENDENT

MARY ELLEN NORMEN  
DEPUTY SUPERINTENDENT OF SCHOOLS  
FOR ADMINISTRATION & FINANCE

To: Ben Lummis, Interim Superintendent  
From: Mary Ellen Normen, Deputy Superintendent for Administration and Finance  
Date: June 15, 2020  
RE: Fiscal Year 2021 Revolving Fund Budget and setting of FY 21 Fees

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**1. FY 21 Revolving Fund Program Budgets**

Revolving Fund accounts shall be under the direct control of the School Committee, which delegates the power to the Superintendent and/or School Business Administrator to authorize expenditures from them without further appropriation by the Town. All monies collected by the schools from fees, fines, admissions, and other non-tax sources shall be submitted to the Business Office, deposited with the Treasurer of the Town, and credited to the appropriate and authorized fund for expenditure.

<u>Revolving Fund Name</u>	<u>FY21 Projected Revenue Budget</u>
Early Education Program	\$ 2,685,000
Adult & Community Education	\$ 1,195,283
Use of School Buildings	\$ 592,847
School Lunch	\$ 2,505,576
Athletics	\$ 453,000
Restaurant 108	\$ Closed in FY21
Summer School	\$ 20,000
Based on collection of Lost Books & Materials	\$ 4,475
Materials Fee/Tuition	\$ 510,000
Performing Arts	\$ 26,500
Visual Arts	\$ 10,000

*The Operating Budget does not assume any ongoing or future subsidy for Athletics, Food Service, or any Revolving Fund. Revolving Funds will have to reduce expenditures and not assume the operating budget will have funding available to cover the over expenditure due to reductions in revenue collection. It is understood and expected by the School Committee that the*

*Superintendent in his fiduciary role will manage the budget to the best of his abilities and address financial needs and supports as practical and reasonable.*

LEGAL REF.: M.G.L, Ch. 40 §3; Ch. 44, § 53, 53A, 53E 1/2.; Ch. 71, §17A, 26C, 37A, 47, 71, 71E, 71F; Ch. 548 of the Acts if 1948.

## 2. FY 21 Student Fees, Fines, and Charges

Educational Equity is a core value of the PSB:

*The Public Schools of Brookline are committed to identifying and eliminating barriers to educational achievement in our schools. To this end, we create policies and practices that are fair and just and provide educational opportunities to ensure that every student, regardless of race, color, religion, gender, sexual orientation, marital status, age, national origin, disability, or economic status, meets our standards for achievement, participation, and growth.*

In fulfillment of this value, this policy on student fees, fines, and charges commits the PSB to the following:

- Regardless of financial means, all PSB students shall have access to all educational books, materials, and other education-related opportunities;
- The PSB will engage in responsible financial management and practices to ensure the above can be made possible; and
- The financial operations of the district will be transparent in order to ensure accountability to these commitments.
- All students and families are treated with dignity in all discussion or disclosure of confidential information.

### I. Establishing Fees

The School Committee reserves the right to establish fees for participation in certain activities and programs. Examples include, but are not limited to, field trips and community education, Brookline Early Education Program (BEEP), Summer School, student parking, and athletics.

Unless otherwise specified through School Committee action, each fee shall be established on a yearly basis for the next school year and communicated in a timely manner to students, parents, and/or guardians. Due dates and payment schedules for all fees will be established by the relevant program.

### II. Collection of Fees, Fines, and Charges

#### A. Central Collection

This policy authorizes a centralized revenue collection and recording system for administration (charging and collecting) of Fees, Fines, and Charges. Such a system should provide efficiencies and transparency for parents and the community. Faculty and staff (e.g. departments, clubs, student organizations, etc.) shall use this system for administration of all fees, fines, and charges.

#### B. Non-Payment

For fee-based activities, the School Committee expects that all fees will be paid in advance of participation unless the payor has been qualified for financial assistance by the Office of Administration and Finance pursuant to the policy on financial assistance.

If payment of any fee, fine, or charge is not received and the payor has been noticed in writing of the amount(s) due, the Superintendent or his/her designee may take one or more of the following actions, unless or until prohibited by state law or regulation:

1. Prohibit participation of the student in the relevant program.
2. Prohibit participation of the student or other students in the student's household from participating in any future fee-based program until or unless outstanding balances are resolved.

3. Prohibit student participation in senior activities or graduation exercises.
4. Referral to small claims court.

Legal Reference:

**M.G.L. Chapter 71: Section 47.** Athletic programs; school organizations; student activity accounts

**M.G.L. Chapter 44: Section 69.** Municipal or district services, fees or charges; insufficient funds checks; penalty

**M.G.L. Chapter 60: Section 57A.** Payment by check not duly paid; penalty

**M.G.L. Chapter 93: Section 40A.** Dishonored checks; demand for payment

**M.G.L. Chapter 71, Section 49** Purchase of textbooks by pupils

Financial reporting for all fees occur in three areas, General Fund, Special Revenue Funds (known as Revolving Funds), and Agency Funds (commonly referred to as Student Activities).

**General Fund Fees**

Program	FY20 Fee	FY21 Fee	Reason for Change	Estimated Revenue
Transcripts	<ul style="list-style-type: none"> <li>• \$3.00 Processing fee for each transcript sent. Official copies are only sent directly to the school and/or program to which you are applying.</li> <li>• \$3.00 Unofficial Transcripts may be requested for your own use.</li> <li>• \$5.00 Processing fee for transcripts being mailed out of the country.</li> <li>• \$2.00 Processing fee for correspondence confirming graduation.</li> <li>• Replacement diplomas are not available</li> </ul>	No Change	This is a general fund receipt as the cost to produce this document is embedded in the base program staffing of Brookline High School	

Program	FY20 Fee	FY21 Fee	Reason for Change	Estimated Revenue
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Public Records Requests	\$0.05 per copy, plus lowest hourly rate over 2 hours	No Change	No Change	Statutory Requirement
Other fees	TBD		As we move to compliance with student activities we will locate items being charged that are general fund receipts	Positively Impacts Town/School Partnership

### Special Revenue Funds: Revolving Funds

The School Department receives fees and donations for various programs. A complete description of each revolving funds and a five year financial summary is available in the Revolving Funds section of the budget book. Below is a highlight of specific revolving funds that impact the calculation of the operating budget and required vote to assess a fee for services.

### Revolving Fund Fee Summaries

Program	FY20 Fee	FY21 Fee	Reason for Change	Estimated Revenue
<b>Athletics</b>	<ul style="list-style-type: none"> <li>▪ High School Sport: \$300</li> <li>▪ 7/8 Grade Basketball: \$100</li> <li>▪ 7/8 Grade Volleyball: \$85</li> <li>▪ 7/8 Grade Indoor Soccer: \$85</li> </ul>	<ul style="list-style-type: none"> <li>▪ High School Sport: \$300</li> <li>▪ 7/8 Grade Basketball: \$100</li> <li>▪ 7/8 Grade Volleyball: \$85</li> <li>▪ 7/8 Grade Indoor Soccer: \$85</li> </ul>	No Change	<b>\$453,000</b>
<b>Materials fee</b>	Materials Fee: \$2,974.64 Discount Per Add. Child: \$297.46	Materials Fee: \$3064 Discount Per Add. Child: \$306	3% increase	<b>\$510,000</b>
<b>BACE</b>	Adult Programs \$6-\$324 Children's Programs \$50-\$350 <ul style="list-style-type: none"> <li>▪ Music Lessons \$459-\$718</li> </ul>	Adult Programs \$6-\$324 Children's Programs \$50-\$350 <ul style="list-style-type: none"> <li>▪ Music Lessons \$459-\$718</li> </ul>	No Change	<b>\$1,195,283</b>
<b>International Tuition (SEVIS) 1 year Exchange</b>	\$21,230 per student plus Lunch, Breakfast, other student fees, fines, and charges.	\$21,846 per student plus Lunch, Breakfast, other student fees, fines, and charges.	2.9% increase	Unknown Number of students for FY 21.
<b>Lost Books</b>	Replacement cost if in print. Last known cost if not, funds then used to buy updated version	Replacement cost if in print. Last known cost if not, funds then used to buy updated version	No Change	<b>\$4,475</b>
<b>S. Brookline Bus Transportation</b>	<b>User Fee</b> <ul style="list-style-type: none"> <li>▪ Cost per Day/Fee: \$400</li> </ul> Days/payers: 120	<b>User Fee</b> <ul style="list-style-type: none"> <li>▪ Cost per Day/Fee: \$400</li> </ul> Days/payers: 120	No Change	<b>\$48,000</b>

Program	FY20 Fee	FY21 Fee	Reason for Change	Estimated Revenue
<b>School Lunch</b>	<b>K-8</b> Breakfast \$2.00 Lunch \$3.55 Premium Lunch \$4.50-\$10.00  <b>High School</b> Breakfast \$2.00 Lunch \$3.80 Premium Lunch \$4.50-\$10.00 Dairy/Lactaid Milk \$0.75 Soy Milk \$1.50 100% Juice \$0.50  <b>Reduced Price</b> Breakfast \$0.30 Lunch \$0.40  <b>Adult meals</b> \$4.50 -\$10.00  <b>Summer Lunch</b> \$4.00	<b>K-8</b> Breakfast \$2.00 Lunch \$3.55 Premium Lunch \$4.50- \$10.00  <b>High School</b> Breakfast \$2.00 Lunch \$3.80 Premium Lunch \$4.50-\$10.00 Dairy/Lactaid Milk \$0.75 Soy Milk \$1.50 100% Juice \$0.50  <b>Reduced Price</b> Breakfast \$0.30 Lunch \$0.40  <b>Adult meals</b> \$4.50 -\$10.00  <b>Summer Lunch</b> \$4.00	No Change Differential pricing  No Change Differential pricing  Set by State  No Change Differential pricing  Breakeven	<b>\$2,505,576</b>
<b>Summer school Programs (BHS)</b>	\$50 Registration Fee for Summer School  <b>2.5 Hour Class:</b> Brookline Resident \$310 Non-resident \$350 Financial Aid \$60  <b>5 Hour Class:</b> Brookline Resident \$575 Non-resident \$625 Financial Aid \$120	<b>2.5 Hour Class: Virtual</b> Brookline Resident \$400	Proposal to add registration fee to each course fee.	<b>\$20,000</b>
<b>Performing Arts (non-club based extracurricular)</b>	Costs are calculated for total cost of providing experience divided by the number of students	Costs are calculated for total cost of providing experience divided by the number of students	No Change	<b>\$26,500</b>
<b>Visual Arts</b>	<b>Photography</b> \$45 per course <b>Ceramics</b> \$40 per course <b>Metals</b> \$40 per course <b>Sculpture</b> \$20 per course	<b>Photography</b> \$45 per course <b>Ceramics</b> \$40 per course <b>Metals</b> \$40 per course <b>Sculpture</b> \$20 per course	No Change	<b>\$10,000</b>
<b>Career and Technology Education</b>	<b>Culinary Program</b> \$50 per course	<b>Culinary Program</b> \$50 per course	Culinary Program uses the largest part of CTE's supply budget. Fee covers roughly 2/3 of cost per student.	<b>\$24,000</b>

	FY20 Fee	FY21 Fee	Reason for Change	Estimated Revenue
<b>Beep Tuition</b>	<b>Preschool</b> \$10,900  <b>Pre-K</b> \$10,900  <b>Pre-K Extended Days</b> <b>2 Days</b> Until 3:00PM \$2,775 Until 5:45PM \$4,639 <b>3 Days</b> Until 3:00PM \$4,161 Until 5:45PM \$6,960 <b>5 Days</b> Until 3:00PM \$6,936 Until 5:45PM \$11,600  <b>Launch Summer Program</b> \$550 /week	<b>Preschool</b> \$11,227  <b>Pre-K</b> \$11,227  <b>Pre-K Extended Days</b> <b>5 Days</b> Until 3:00PM \$7,144 Until 5:45PM \$11,948  <b>Launch Summer Program</b> \$550 /week	3% increase Voted 4/06/20	<b>\$2,685,000</b>
<b>Extracurricular Activities</b> (non-club based)	Costs are calculated for total cost of providing experience divided by the number of students	Costs are calculated for total cost of providing experience divided by the number of students	No Change	At Cost

### Agency Funds: Student Activities

Student Activities Fund Summaries: In 1996, due to the enactment of a state law on student activity accounts as codified in Section 47 of Chapter 71 of the General Laws of Massachusetts (MGL), the Public Schools of Brookline prepared guidelines to assist Principals in properly safeguarding student funds. These guidelines and procedures which are currently undergoing extensive review and updates are necessary to achieve good accounting practices, and comply with the law.

The financial monitoring of these funds is undergoing a full overhaul and audit to comply with the latest regulations. New policies and procedures are being finalized during school year 2019-2020 to ensure compliance and improve reporting, reconciliations, and routine audits of these accounts. These funds are student funds and are restricted to the following formula:

$$\text{Formula for determining costs: } \frac{\text{Total costs of all expenses (tickets, transportation, meals, etc)}}{\text{\# of Students Attending}}$$

The Number of Student attending is not reduced by any financial assistance students. These students are funded from other sources determined by the Principal. Additional funding has been added to elementary school principal budgets for the purpose of funding financial assistance eligible students. Funds can only be used to directly benefit students. Use of funds for curriculum supplies, materials, or personnel are prohibited by statute.

Program	FY19 Fee	FY20 Fee	Reason for Change	Estimated Revenue
Field Trips and Extracurricular Activities	Costs are calculated for total cost of providing experience	Costs are calculated for total cost of providing experience divided by the number of students	No Change	At Cost

	divided by the number of students			
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**Appendix**  
**Chapter 44: Section 53E 1/2. Revolving funds**

*[Text of section as amended by 2016, 218, Sec. 86 effective November 7, 2016.]*

Section 53E 1/2. Notwithstanding section 53, a city or town may authorize by by-law or ordinance the use of 1 or more revolving funds by 1 or more municipal agencies, boards, departments or offices, which shall be accounted for separately from all other monies in the city or town and to which shall be credited any fees, charges or other receipts from the departmental programs or activities supported by the revolving fund. Expenditures may be made from such revolving fund without further appropriation, subject to the provisions of this section; provided, however, that expenditures shall not be made or liabilities incurred from any such revolving fund in excess of the balance of the fund or in excess of the total authorized expenditures from such fund, and no expenditures shall be made unless approved in accordance with sections 41, 42, 52 and 56 of chapter 41.

Interest earned on any revolving fund balance shall be treated as general fund revenue of the city or town. No revolving fund may be established under this section for receipts of a municipal water or sewer department, a municipal hospital, a cable television access service or facility or for receipts reserved by law or as authorized by law for expenditure for a particular purpose. Revolving fund expenditures shall not be made to pay wages or salaries for full-time employees unless the revolving fund is also charged for the costs of fringe benefits associated with the wages or salaries so paid; provided, however, that such prohibition shall not apply to wages or salaries paid to full-time or part-time employees who are employed as drivers providing transportation for public school students; provided further, that only that portion of a revolving fund which is attributable to transportation fees may be used to pay the wages or salaries of those employees who are employed as drivers providing transportation for public school students; and provided further, that any such wages or salaries so paid shall be reported in the budget submitted for the next fiscal year.

A revolving fund shall be established pursuant to this section by by-law or ordinance. The by-law or ordinance shall specify for each fund: (1) the programs or activities for which the revolving fund may be expended; (2) the departmental receipts in connection with those programs or activities that shall be credited to the revolving fund; (3) the board, department or officer authorized to expend from such fund; and (4) any reporting or other requirements the city or town may impose. The establishment of any fund shall be made not later than the beginning of the fiscal year in which the fund shall begin. Notwithstanding this section, whenever, during the course of any fiscal year, any new revenue source becomes available for the establishment of a revolving fund under this section, such a fund may be established in accordance with this section upon certification by the city auditor, town accountant, or other officer having similar duties that the revenue source was not used in computing the most recent tax levy.

The city or town shall, on or before July 1 of each year, vote on the limit on the total amount that may be expended from each revolving fund established under this section. In any fiscal year, the limit on the amount that may be spent from a revolving fund may be increased with the approval of the city council and mayor in a city or with the approval of the board of selectmen and finance committee in a town.

Upon termination of a revolving fund, the balance in the fund at the end of that fiscal year shall revert to surplus revenue at the close of the fiscal year.

The director of accounts may issue guidelines further regulating revolving funds established pursuant to this section.