

School Programs Task Force Executive Summary of Fact Base and Considerations

I. OVERALL FACT BASE

- The Public Schools of Brookline (PSB) has continued to experience budget pressure since the 2008 Override. The foremost driver of this budget pressure is a substantial increase in student enrollment. Overall K-8 enrollment has increased by 35% since FY2004 with new kindergarten classes rising by 50% from 406 in FY2004 to 630 in FY2014.
- Another significant driver of the cost pressure is increases in personnel costs (including the “steps and lanes” pay structure). Special Education costs also continue to rise, but cost growth has slowed since 2010.
- Active cost management (including implementing several efficiencies and cost cuts), one-time infusions of funding, such as ARRA funding in 2009-2010, and savings from entering the GIC in 2011 have enabled PSB to balance the budget in recent years. Average per pupil inflation-adjusted spending (including CIP) has in fact declined since the 2008 override. Spending was \$18.1k per student in FY06, \$19.1k per student in FY09 (increased following the override), and \$18.1k per student in FY14.

PSB is forecasting a growing budget deficit in fiscal year 2016 (FY16) and beyond¹.

	FY15	FY16	FY17	FY18	FY19	FY20
GENERAL FUND						
TOWN APPROPRIATION INCREASE	\$3,970,217	\$2,517,390	\$2,676,839	\$2,618,510	\$2,649,517	\$2,421,051
CIRCUIT BREAKER GROWTH	\$120,000					
MATERIALS FEE	\$52,000					
ONE-TIME FUNDING	\$650,000					
NET REVENUE GROWTH	\$4,792,217					
BPS TOTAL APPROPRIATION	\$90,630,150	\$93,147,540	\$95,824,379	\$98,442,889	\$101,092,408	\$103,513,457
GROWTH	5.56%	2.78%	2.87%	2.73%	2.69%	2.39%
EXPENDITURE CHANGE						
SPECIAL EDUCATION	\$521,501	\$750,000	\$775,000	\$800,000	\$825,000	\$850,000
STEP INCREASES/NET RETIREMENT	\$650,000	\$875,000	\$700,000	\$750,000	\$775,000	\$775,000
PROGRAM CATCH-UP	\$472,000	\$2,289,067	\$0	\$0	\$0	\$0
GRANT CONTINGENCY	\$70,000	\$160,000	\$170,000	\$190,000	\$190,000	\$190,000
COLLECTIVE BARGAINING* @ 1% (Plus Tail in FY15)	\$1,467,469	\$724,200	\$738,684	\$768,527	\$783,898	\$799,575
TECHNOLOGY	\$575,000	\$803,608	\$566,661	\$600,000	\$161,294	\$99,242
ENROLLMENT	\$870,000	\$ 682,263	\$ 1,362,330	\$ 1,424,785	\$ 1,330,347	\$ 473,631
ENHANCEMENT	\$358,750	\$1,345,172	\$895,919	\$385,486	\$125,495	\$181,501
CONTINGENCY/OTHER	\$0	\$250,000	\$275,000	\$300,000	\$300,000	\$300,000
PLAN/OPEN OLS	\$115,000	\$879,637			(\$794,637)	
EXPENDITURE CHANGE:	\$5,099,720	\$8,358,947	\$5,483,594	\$5,218,798	\$3,696,397	\$3,668,949
TOTAL REDUCTIONS	\$307,503					
NET SURPLUS/SHORTFALL:	\$0	(\$5,841,557)	(\$2,806,755)	(\$2,600,288)	(\$1,046,880)	(\$1,247,898)

¹ This forecast was published in the PSB FY15 Preliminary Budget. The Educational Technology plan and budget have been updated since this forecast was prepared, and the new technology estimates are reflected in Section 6 of this report.

- These projections are subject to much uncertainty, including Kindergarten enrollment in FY15 and beyond, the Collective Bargaining contract up for negotiation in FY15, Healthcare cost increases, Special Education costs and State Aid funding amounts.
- The personnel costs embedded in the collectively bargained teachers' contract represent the most significant portion of PSB's budget, and must be renegotiated in FY15. Each 1% increase is equivalent to approximately \$740-900k per year. The latest FY15 projections from PSB assume a salary increase of 1% plus a tail from the prior contract for an annual increase of \$1.45M. The "Steps and lanes" pay structure also represents, on average, a 3% cost increase per year for new hires. Net of retirements, the "Steps and lanes" increase is 0.9% and is projected at \$650k in FY15.
- The 2008 OSC recommended that annual compensation and benefits increase at a rate considered sustainable over time (projected at 3.75% at that time), not exceeding revenue limitations imposed by proposition 2 ½ and State Aid. Since 2008, the PSB has largely lived within this 3.75% growth benchmark as it relates to compensation and health care costs.
- There are also several areas beyond compensation that impact the budget: e.g., length of school day and year, sick leave bank, and contractual elements that restrict PSB's flexibility in staffing (e.g., planning time).
- In the most recent FY15 budget estimates, PSB proposed additional expenditures of \$831k in FY15 non-classroom program supports. This is a substantial reduction from earlier proposals of \$3.24M in FY15. Of that initial amount, \$1.47M investments were intended to "catch up" on support and administrative staff positions that have been relatively underfunded as enrollment has increased (reduced to \$472k). It also proposed \$1.77M in programmatic improvements (reduced to \$359k). PSB invested \$575k in technology in FY15, reduced from its previous FY15 spending proposal of \$1.15M. It projects an additional increase of \$2.1M ramped up over the next 5 years to fund further investments in technology.

II. Areas of Subcommittee Exploration

The School Programs Task Force identified areas for detailed review based on size relative to the School budget or on potential options for generating budget savings that could be implemented within the existing constraints of the collective bargaining agreement. Each option ought to be considered not just in isolation but as part of a package, in terms of the potential combined effect on financial sustainability, educational impact, and impact on teacher recruitment/retention.

1. Health Insurance Premiums

- *See Pensions and Benefits Subcommittee for **Fact Base** and **Considerations**. This task force plans to include excerpts from that subcommittee report once it is approved by the OSC.*

2. Increase in Class Size

Fact Base:

- Current average K-8 class size is 21.14 students/section, up from an average of 19.87 students/section 10 years ago. The recent increase is driven by enrollment increases, as well as proactive efforts by PSB to improve its own flexibility and thereby efficiency of student assignment to schools. PSB expanded buffer zones in 2012 to better optimize school assignments while generally preserving neighborhood assignments.

- The “Brookline School Committee’s Budget Directives” as stated in the Superintendent’s Preliminary FY 2011 Budget Message, at p. 321, are: “...historical class size limits of 22-24 in grades K-3 and no more than 25 in grades 4-12.”
- PSB staffs a teacher and a paraprofessional in all Kindergarten and 1st grade classrooms. It also proposes an enhancement to include paraprofessionals in 2nd grade classrooms (see Section 3 below).
- While there is a wide body of research on class size, the evidence base on effects of class size is mixed and highly debated. It is thereby difficult to draw direct conclusions from research for the specific question PSB currently faces.

Considerations

- Class size and efficiencies related to school assignment are two of the most significant cost drivers. The Task force analyzed further K-8 increases to class size and change to assignments, thereby reducing demand for required classroom sections and corresponding operating and capital costs.
- In FY15 dollars, the incremental operating savings per classroom is estimated at \$98K-136K (higher cost in lower grades). Increasing class size to an average of 22 (beginning in Kindergarten classes only) would save approx. \$430k per year by FY18. If implemented across all grade levels, annual operating savings would be \$1.08M by FY18.
- Beyond the flexibility for efficient placement that currently exists within PSB’s buffer zones, there are two potential ways to implement further increases in average class sizes: 1) Increase class size across the board (potentially going above PSB’s stated limits for some classes); 2) Change the school assignment process (potentially making buffer zone school assignments later and/or sending new children to a school other than their neighborhood school), or some combination of both.
- Difficulty of implementation is medium due to the importance PSB places on low class size in its overall educational approach, the potential resistance among school stakeholders to changes in the assignment process, and difficulty in predicting/controlling distribution of students across the district and late enrollments.
- PSB suggests potential negative impacts of higher class size on student outcomes, in particular for higher needs students.

3. Program Supports

Fact Base

- The total request for both catch up and enhancement investments represents approximately 1/3rd of the operating override request.
- The request for catch up is \$2.3M in FY16. PSB describes the catch up category as providing funding for areas that have fallen behind in staffing since the start of the enrollment growth. It includes increases to the following staff positions: nurses, psychologists, guidance counselors, H.S. social workers, Elementary World Language teachers, evaluation team facilitators (ETF), occupational therapists, speech therapists, board certified behavior analysts (BCBA), and central and school-based administration.
- The request for enhancements is \$1.3M in FY16, \$896k in FY17, and \$385k in FY18. PSB describes the enhancement category as including investments in: Steps to Success staff, ECS staff, literacy

specialists and contract, math specialists, 2nd grade paraprofessionals, professional learning/innovation, custodial contract, and student supplies.

- Based on analysis of historical PSB data and our understanding of which areas of the budget are driven by enrollment growth, the OSC does not necessarily agree with the characterization of certain items as catch up or enhancement. Some of these requests re-establish staffing and programs consistent with pre-enrollment surge levels: guidance counselors, EWL teachers, and school-based administration to some extent. In other cases the increase represents targeted program growth from the PSB.
- For instance, the catch up category includes BCBA's for the regular education population (currently BCBA's only serve special education students), a new investment of \$800k, which PSB suggests may help to prevent additional special education referrals and is also part of PSB's strategy to comply with recent Response to Intervention legislation. Catch up also includes a H.S. social worker which is a new position. On the other hand, the enhancement category includes increases to the custodial contract, which is growing to serve increasing numbers of classrooms. Growing the contract is in lieu of increasing custodial FTE (which have declined in the last 10 years). The enhancement category also includes literacy specialists, which are staffed 20% lower than might be suggested by a historical analysis looking at 2006, and is also part of PSB's strategy to comply with Response to Intervention legislation.
- PSB provided target ratios and benchmarks that are the School Department's rationale behind these investments.
- Although we can look at Brookline history, professional association recommendations and peer communities, there is no hard and fast rule as to where Brookline should be on a student/support staff ratio.

Considerations

- The task force analyzed reducing or continuing to phase in these investments more slowly to make a smaller impact on the annual budget increase.
- Each 10% reduction in the overall catch up and enhancement budget would reduce the operating override request by approximately \$640-650k² by FY18.
- Maintaining the current level of service on all catch up and enhancement items would reduce the operating override request by approximately \$5.2M² by FY18.
- This task force acknowledges that some level of increased staffing is needed to address the effective service decreases occurring through enrollment growth.
- Due to the interrelationships between disciplines and specialized staff, there are causes and effects of various staffing decisions. Therefore, this task force – much like the School Committee – does not provide specific recommendations around staffing. PSB refers us to the FY15 Superintendent's Budget Message and the areas PSB chose to invest in FY15 for further indication of its highest priorities among the catch up and enhancement categories. It is our understanding that these priorities will guide PSB's staffing decisions at various levels of funding.
- Time to implementation is short: savings in this category are reductions of proposed increases to the current base, so they can be achieved without time delay.

² These figures are slightly higher than PSB's budget projections because the task force figures include additional adjustments for future enrollment increases, COLA, and step and lane increases in new hire positions.

4. High School Tutorial Program

Fact Base

- The tutorial program allows BHS teachers in most traditional academic subjects to teach their 5th slot in small tutorial environments with 5:1 student to teacher ratio. The Tutorial program is a non-mandated, non-negotiated program utilizing 14.6 FTEs at BHS.

Considerations

- Some scaling back of the Tutorial program could be implemented in lieu of some expected new hires. The PSB project the need for about 30 new teachers at BHS over the next six years. Scaling back the Tutorial program and requiring teachers to carry a fifth full class, instead of a Tutorial class, would essentially operate as a “new” 0.2 FTE, offsetting some need for a new hire.
- Each 10% reduction in the Tutorial program would save approximately \$120k per year
- Implementation is medium-term, as PSB would seek to retain staff and implement as BHS enrollments grow. Barriers to implementation are relatively low, as it is outside of collective bargaining. It is important to note that the program has generated significant support as evidenced by parental support letters and may help reduce Special Education referrals. It may also lead to a less competitive package for teacher recruitment.

5. Elementary World Language

Fact Base

- In the last override, voters decided to fund the Elementary World Language (EWL) Program. For grades K-6 in FY15 Budget, PSB has 15.2 direct FTE instructional EWL staff at a cost of approximately \$1.1 – 1.2 million.

Considerations

- As it is at its five year mark, the consensus of this task force was to recommend that PSB review the effectiveness of the program.
- The program model was built on the classroom teacher remaining with students during language instruction for grades k-6. EWL is not administered to provide classroom teachers with a break for prep time (as other “specials” such as art, P.E. and music do). Considering program adjustments to replace one special with World Language for grades 4-5 might provide some small cost savings of \$100K. The implication is that students would lose one day of either music, art, P.E or some other special.
- Barriers to implementation are low as it is outside of collective bargaining. However, the PSB has previously considered reductions to specials and met substantial community resistance. And, PSB expressed that it would want to conduct a program review prior to considering changes such as the above.

6. Technology Plan

Fact Base

- The rationale for greater technology investment is based on the need for greater equity in the distribution of devices, given uneven access within the district and a sense that there is less access to mobile devices in Brookline than in comparable districts.
- The revised five-year technology plan has been modified to \$9.068M in total operating expenditures and \$799K from the CIP; during the FY16-18 override period, \$5.776M and \$320K, respectively. In FY19, the year after the period covered by the override, PSB is seeking a technology plan budget \$2.642M above the FY14 numbers.
- Over 5 years, the revised plan's major components are \$4.021M for additional devices and reducing the replacement cycle for existing devices, \$1.647M for applications (teaching & learning, digital content and administrative tools), and \$675k for mounted projection. It also includes \$2.35M (innovation, professional development and staffing), however that staffing plan is not yet finalized.

Considerations

- While the revised technology plan is slightly more phased than earlier proposals, it results in the same cumulative increase by FY19. The task force also explored further targeting, slowing and phasing of the technology plan as options.
- Implementation of the mobile device and cart elements of the technology plan could potentially free up 4-6 computer labs, which could be repurposed.
- Given that the OSC's charge is to set the Town and Schools on a long-term path to fiscal sustainability, the task force believes that clarity around the governance of the Town-School partnership on technology is critical. Already greater coordination across the Town and School technology professionals has led to the achievement of greater internet connection for the schools without additional cost to the PSB.
- The PSB staffing plan for educational technology is not finalized; further review of staffing need, including an audit of current staff qualifications and capacity, should be conducted when the plan is available to ensure organizational efficiency and no duplication of roles.

7. Benchmarking

Fact Base

- The schools make up the largest single category of expenditure in Brookline's governmental expenditures. Sustaining thoughtful investments in the public schools will require informed residents.
- There are opportunities to build a set of usable benchmarking tools to use as helpful reference points for Town and School professionals and for the public.
- The district does not currently have the resources to do this work more broadly. The School's resources have been used for certain issues benchmarking and analysis where it is an immediate and obvious need (for instance, it is currently conducting an analysis of administration costs).

Considerations

- The PSB should focus in the immediate term on the two issues of greatest interest to the override: a ratio analysis for those positions included in the “catch-up” and “enhancement” funding request and technology.
- The Town may also consider creating a School Benchmarking Committee (possibly in conjunction with a Town-wide benchmarking effort), seeking the assistance of an independent consultant or an area university, to create an ongoing benchmarking tool that can be posted online and used by the Town, Schools and the resident population. The categories of benchmarking that might be useful include: School spending (per pupil), School enrollment, Staffing over time and per pupil, Performance, Workload, Miscellaneous cost, Collective bargaining, Efficiency, and Technology.