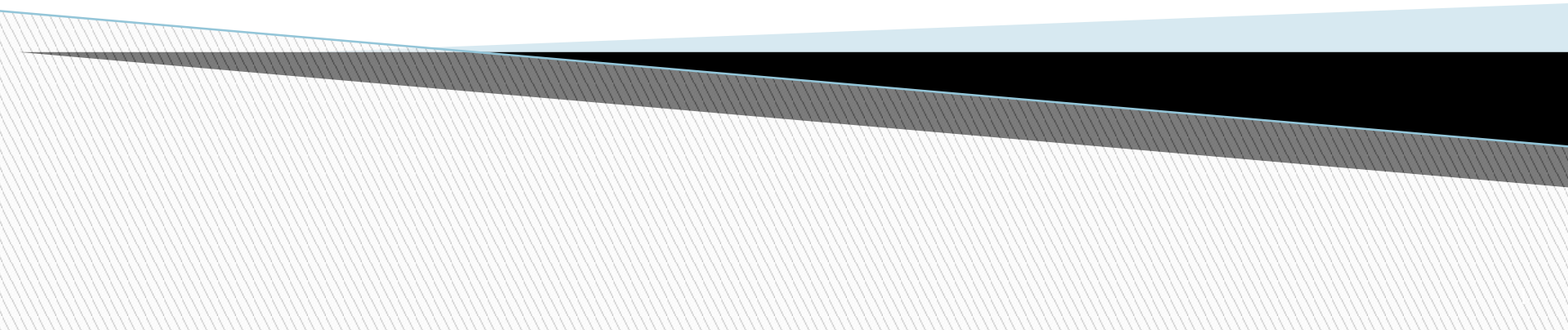


School Finance Overview

Presentation to MMCA
April 8, 2021

Mark D. Abrahams, CPA
President, The Abrahams Group



Agenda

School Finance/Budgeting

- Types of School Funds
- Bottom Line Autonomy
- School Budget Process
- School Budget Presentations
 - DESE Requirements
 - Examples
- Chapter 70 and Net School Spending

School Funds

- ▣ General Fund – operating, unrestricted
- ▣ Special Revenue Funds – operating, restricted
 - Revolving
 - Gifts and donations
 - Grants
- ▣ Capital Projects Fund – capital, restricted
- ▣ Fiduciary – non public money
 - Trust Funds - scholarships
 - Agency Funds – student activities

- ▣ Of these, the budget process relates to the general fund supported by special revenue funds

School Budget Line-Item Authority

Chapter 71, Section 34.

- Every city and town shall annually provide an amount of money sufficient for the support of the public schools as required by this chapter, provided however, that no city or town shall be required to provide more money for the support of the public schools than is appropriated by vote of the legislative body of the city or town.
- In acting on appropriations for educational costs, the city or town appropriating body shall vote on the total amount of the appropriations requested and shall not allocate appropriations among accounts or place any restriction on such appropriations.
- The city or town appropriating body may make nonbinding monetary recommendations to increase or decrease certain items allocating such appropriations.
- The vote of the legislative body of a city or town shall establish the total appropriation for the support of the public schools, but may not limit the authority of the school committee to determine expenditures within the total appropriation.

School Budget Line-Item Authority

- 71:34
- School committee may not delegate transfer authority
- School committee should set budgetary control line items after budget adopted
 - Location - school
 - Department – transportation, SPED
 - Typically salaries vs expense by school or department
- School committee may transfer between those or other items its sets

School Budget Process

- The school budget process is a major component of a community's budget process. Many of the steps involved are similar — both require planning, developing a budget, reviewing funding and expenditure requests and obtaining final budget approval.
- The school budget is a major policy making tool that clearly identifies the priorities of the school department. It explains not only how much money will be spent on education, but where the money will be used and how it will meet the goals and objectives of the Education Reform Act of 1993.
- After reviewing the net school spending requirements mandated by the Education Reform Act and taking into consideration the municipal budget guidelines, the superintendent drafts a budget for the school department. This draft of the budget is then submitted to the school committee for review.
- After the school committee approves the budget, it is sent to the accountant who submits it to the finance committee. The finance committee reviews it, taking into consideration a municipality's available revenues and current expenditures as allocated in the municipal budget. After the finance committee and school committee negotiate an acceptable level of appropriation, the school budget is incorporated into the municipal budget and presented to town meeting or city council for approval
- See City and Town, 1997, Accountability in School Budgeting

School Budget Process

- Once a budget is approved by a municipality's legislative body, the superintendent develops a spending plan for the department. The school committee is responsible for approving the spending plan, monitoring overall expenditure levels and approving all expenses as they are incurred.
- Once they are approved by the superintendent, or the superintendent and the principal, the bills are submitted to the school committee for approval and signature. Then the school committee authorizes the payments of bills and gives them to the accountant. The accountant verifies that the funds are available in the department's appropriation and submits a warrant. As is the case in all municipal departments, the school department cannot incur liabilities that exceed its appropriation.

Accounting Requirements

603 CMR 10.03: Accounting and Reporting: School Districts Financial Data.

Each school district shall adopt and maintain a financial accounting system, in accordance with generally accepted accounting principles and requirements prescribed by the Commissioner of Revenue, in which all revenue and expenditure data shall be recorded. This system shall be the basis for the district's periodic reporting of financial data to the Department of Education.

Massachusetts General Laws (G.L.) c. 44, § 38

Requires the Director of Accounts in the Department of Revenue to prescribe uniform accounting systems for local governmental entities.

UMAS is the preferred accounting system for municipalities; regional school districts and municipal school departments.

DESE

UMAS

Chart of Accounts

Accounting Systems

603 CMR 10.03: Accounting and Reporting: School Districts

Each school district shall utilize a financial accounting system that permits the reporting of all school district expenditures by fund source, object, and function, and permits the reporting of certain costs by program, grade level and school. The fund source, object, function, program, grade level and school classifications for which reporting shall be required shall be those identified and described with specificity in guidelines for reporting student and financial data published by the Department

603 CMR 10.03: Accounting and Reporting: School Districts End of Year Pupil and Financial Report.

Each city, town and regional school district shall submit an End-of-Year Pupil & Financial Report to the Department on or before September 30 of each year.

EOYR

SCHEDULE 1 REVENUE AND EXPENDITURE SUMMARY

I. REVENUES

1	2	3	4	5	6
REGULAR DAY	SPECIAL EDUCATION	CH 74 VOC- ATIONAL/ TECHNICAL	OTHER PROGRAMS	UNDISTRIB- UTED	TOTAL

Row	Line	A. REVENUE FROM LOCAL SOURCES					
15	10	Assessments Received by Regional Schools					0
16	20	E & D Fund Appropriations FY19: Revenues to Regional District					0
17	30	Tuition From Individuals					0
18	40	Tuition From Other Districts in Comm.					0
19	50	Tuition From Districts in Other States					0
20	60	Previous Yr Unexpended Encumbrances (Carry Forward)					0
21	70	Transportation Fees					0
22	80	Earnings on Investments					0
23	90	Rental of School Facilities					0
24	100	Other Revenue					0
25	101	Medical Care and Assistance					0
26	105	Non Revenue Receipts					0
27	110	TOTAL REVENUE FROM LOCAL SOURCES	0	0	0	0	0
B. REVENUE FROM STATE AID			-----State aid is not reported by program-----				
29	125	School Aid (Chapter 70)				13,648,634	13,648,634
30	130	Mass. School Building Authority Construction Aid	Contract			Other	0
31	140	Pupil Transportation (Ch. 71, 71A, 71B, 74)				595,789	595,789
32	170	Charter Tuition Reimbursements and Facilities Aid	Charter Reim	1,242		Facilities	41,222
33	180	Circuit Breaker				766,586	766,586
34	190	Foundation Reserve, State Impact Aid, and Regional Bonus Aid				0	0
35	200	TOTAL REVENUE FROM STATE AID					15,052,231

EOYR

SCHEDULE 1 REVENUE AND EXPENDITURE SUMMARY

II. EXPENDITURES

A. BY SCHOOL COMMITTEE

1	2	3	4	5	6
REGULAR DAY	SPECIAL EDUCATION	CH 74 VOC- ATIONAL/ TECHNICAL	OTHER PROGRAMS	UNDISTRIB- UTED	TOTAL

School Committee (1110)

61	702	Clerical Salaries (02)					0
62	703	Other Salaries (03)					0
63	704	Contracted Services (04)					0
64	705	Supplies and Materials (05)					0
65	706	Other Expenses (06)					0
66	709	Sub-total				0	0

Superintendent (1210)

68	721	Professional Salaries (01)					0
69	722	Clerical Salaries (02)					0
70	723	Other Salaries (03)					0
71	724	Contracted Services (04)					0
72	725	Supplies and Materials (05)					0
73	726	Other Expenses (06)					0
74	729	Sub-total				0	0

EOYR Sch 3 Instructional Costs by School

2018-2019 End of Year Pupil and Financial Report
Schedule 3 Individual School Expenditures

LEA	District	School	Name	Grade Level	
767	Spencer-E Brookfield	000	Districtwide	K	12

1	2	3	4	5	6	7	8	9	10	11
REGULAR DAY	SPECIAL EDUCATION	CH 74 VOC- ATIONAL/ TECHNICAL	OTHER PROGRAMS	UNDISTRIB- UTED	TOTAL SCHOOL COMMITTEE	CITY TOWN APPROP- RIATION	FEDERAL GRANTS			
							Title I FC 305	IDEA FC 240	OTHER ESE ADMINISTERED FEDERAL GRANTS	OTHER FEDERAL GRANTS

Line Curriculum Directors and Department Heads (Supervisory) (2110)

3401	Professional Salaries (01)					0				
3402	Clerical Salaries (02)					0				
3403	Other Salaries (03)					0				
3404	Contracted Services (04)					0				
3405	Supplies and Materials (05)					0				
3406	Other Expenses (06)					0				
3409	Sub-total	0	0	0	0	0	0	0	0	0

Curriculum Directors and Department Heads (Non-Supervisory) (2120)

3411	Professional Salaries (01)					0				
3412	Clerical Salaries (02)					0				
3413	Other Salaries (03)					0				
3414	Contracted Services (04)					0				
3415	Supplies and Materials (05)					0				
3416	Other Expenses (06)					0				
3419	Sub-total	0	0	0	0	0	0	0	0	0

Chart of Accounts

DESE Classifications

UMAS Funds

- ▣ **General Fund**
- ▣ **Special Revenue Funds (Grants, Revolving – School Choice, Athletic, School lunch), Gifts/Donations)**
- ▣ **Other (Capital Projects, Trust (Scholarships), Agency (Student Activities)**

DESE Functions

- ▣ **1000 District Leadership & Administration**
- ▣ **2000 Instructional Services**
- ▣ **3000 Other School Services**
- ▣ **4000 Operation and Maintenance Of Plant**
- ▣ **5000 Fixed Charges**
- ▣ **6000 Community Services**
- ▣ **7000 Acquisition, Improvement and Replacement of Fixed Assets**
- ▣ **8000 Debt Retirement and Service**
- ▣ **9000 Programs with Other School Districts**

DESE State Object codes

- ▣ **01 Professional Salaries**
- ▣ **02 Clerical Salaries**
- ▣ **03 Other Salaries**
- ▣ **04 Contract Services**
- ▣ **05 Supplies and Materials**
- ▣ **06 Other Expenditures**
- ▣ **09 Transfers (optional)**

Locations / Sites / Departments

DESE Program codes

- ▣ **01 Regular Education**
- ▣ **02 Special Education**
- ▣ **03 Chapter 74 Occupational Day**
- ▣ **04 Other Programs**
- ▣ **05 Undistributed**

Operating Budgets

- Fund
 - General,
- Department
 - Police, Fire, Public Works
- UMAS Object
 - Salaries, Expense

- Fund
- Department
- UMAS Object

- DESE Function
 - Instruction, Plant
- Location / Department
- DESE Program
 - SPED, Regular Day
- DESE State Object
 - Professional, Clerical, Other Salaries, Contract Services, Supplies

Municipalities

Schools

School Operating Budgets

School Budgets May be Presented by

- School
- DESE Function
- DESE State Object
- DESE Program
- Department
- Salary
- Expense

Regardless how the budget is presented, it is still bottom line.

Budget Timetable

Proposed Dates	Agenda Items
November 28, 2018	School Committee / School Administration Budget Guidelines & Priorities Workshop
December 2018	Administrators/Central Office Budget Meetings
December 2018 – January 2019	Input / requests from internal stakeholders (principals, directors, school administration)
December 2018 – February 2019	Superintendent's Leadership Team Meetings & S/C Budget Workshops
February 27, 2019	School Committee input / feedback workshop on draft Budget
March 20, 2019	Superintendent's Proposed Budget presented to School Committee
April 3, 2019	Public Hearing on Superintendent's Proposed Budget
April 3 and 24, 2019	School Committee Discussion of Superintendent's Proposed Budget
April 24, 2019	School Committee votes a Recommended Budget & Budget Submission to Mayor
TBD – May 2019	Mayor's Proposed Budget submitted to City Council
TBD - June 2019	City Council Finance Committee Budget Hearing
TBD - June 2019	City Council votes Final Budget
TBD - June 2019	School Committee approves cost center allocation of Final Budget

Lexington

Appropriation Summary	FY 17 Actual	FY18 Actual	FY 2019 Actual	FY 2020 Budget (adj)	FY 2021 Recommended	Dollar Increase	Percent Increase
Salary and Wages	\$81,061,911	\$85,948,669	\$90,271,520	\$95,442,183	\$98,932,332	\$3,490,149	3.66%
Expenses	\$14,290,702	\$15,706,513	\$16,832,878	\$18,111,574	\$19,425,324	\$1,313,750	7.25%
Total 1100 Lexington Public Schools	\$95,352,613	\$101,655,182	\$107,104,398	\$113,553,757	\$118,357,656	\$4,803,899	4.23%

Framingham Expense

EXPENSE REQUEST BY LOCATION	FY21 PROJECTED	FY22 PROPOSED	\$ INCREASE	% INCREASE
FRAMINGHAM HIGH SCHOOL	344,241	315,337	-28,904	-8.40%
THAYER HIGH SCHOOL	8,000	5,000	-3,000	-37.50%
CAMERON MIDDLE SCHOOL	31,360	23,932	-7,428	-23.69%
FULLER MIDDLE SCHOOL	25,582	21,840	-3,742	-14.63%
WALSH MIDDLE SCHOOL	31,698	19,137	-12,561	-39.63%
BARBIERI ELEMENTARY SCHOOL	34,650	33,200	-1,450	-4.18%
BROPHY ELEMENTARY SCHOOL	26,350	28,950	2,600	9.87%
DUNNING ELEMENTARY SCHOOL	32,400	26,050	-6,350	-19.60%
HEMENWAY ELEMENTARY SCHOOL	27,600	28,950	1,350	4.89%
KING ELEMENTARY SCHOOL	24,800	23,056	-1,744	-7.03%
MCCARTHY ELEMENTARY SCHOOL	31,700	31,628	-72	-0.23%
POTTER ROAD ELEMENTARY SCHOOL	29,950	28,000	-1,950	-6.51%
STAPLETON ELEMENTARY SCHOOL	24,100	24,350	250	1.04%
WILSON ELEMENTARY SCHOOL	83,800	65,270	-18,530	-22.11%
EARLY EDUCATION	16,015	16,015	0	0.00%
BLOCKS PRE SCHOOL	0	0	0	0.00%
SUPERINTENDENT'S OFFICE	53,100	42,345	-10,755	-20.25%
EQUITY, DIVERSITY & COMMUNITY DEVELOPMENT	130,361	623,150	492,789	378.02%
MULTILINGUAL	162,571	191,076	28,505	17.53%
TEACHING AND LEARNING	1,221,712	1,245,328	23,616	1.93%
HEALTH AND WELLNESS	347,572	354,872	7,300	2.10%
HUMAN RESOURCES	496,863	516,027	19,164	3.86%
SCHOOL COMMITTEE	25,500	20,413	-5,087	-19.95%
GRANTS	5,500	5,500	0	0.00%
BUSINESS OPERATIONS	1,321,855	1,183,028	-138,827	-10.50%

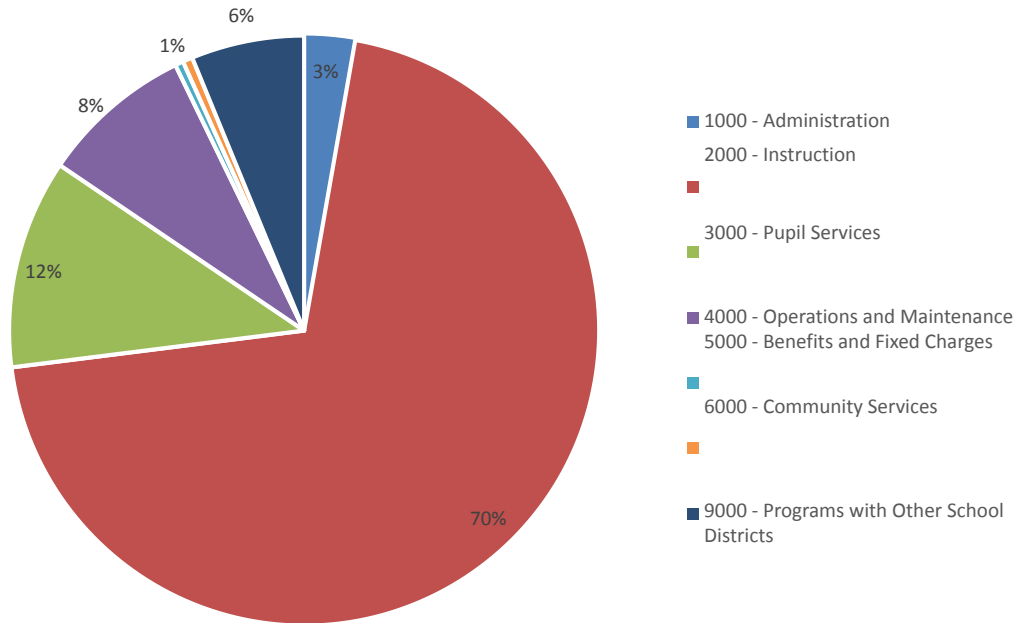
Framingham Departmental

MULTILINGUAL	FY21 PROJECTED	FY22 PROPOSED	FY21 to FY22 \$ INCREASE	% INCREASE TO TOTAL
Salaries	937,747	925,695	-12,052	-0.01%
Additional Salaries	165,277	146,786	-18,491	-0.01%
Expenses	162,571	191,076	28,505	0.02%
Total Budget	1,265,595	1,263,557	-2,038	-0.16%

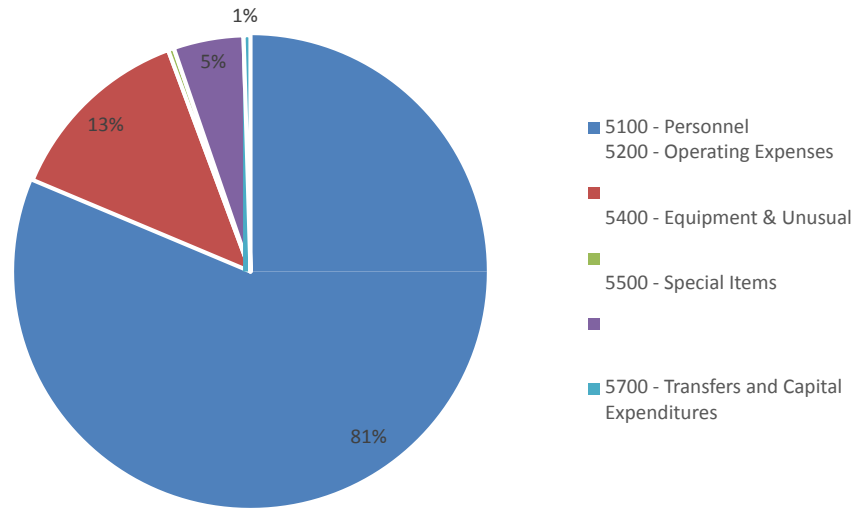
Total Budget - Waltham

Expenditures by Fund	FY 2019 Budget FY 2020 Budget		Incr / Decr	% Incr/Decr
School Committee	\$ 87,593,305	\$ 91,420,620	\$ 3,827,315	4.37%
001 - General Fund (School Committee Appropriation)	\$ 87,593,305	\$ 91,420,620	\$ 3,827,315	4.37%
Estimated Expenditures by City	\$ 35,720,981	\$ 35,720,981	\$ -	0.00%
Federal Grants, State Grants and Special Funds	\$ 8,821,400	\$ 8,622,811	\$ (198,589)	-2.25%
218 - Athletic Receipts	\$ 89,000	\$ 81,600	\$ (7,400)	-8.31%
220 - School Lunch	\$ 2,702,377	\$ 2,856,951	\$ 154,574	5.72%
221 - School Building Rental	\$ 150,000	\$ 150,000	\$ -	0.00%
254 - State Grants	\$ 96,228	\$ 141,816	\$ 45,588	47.38%
260 - School Revolving (Circuit Breaker & Other Tuition Offsets)	\$ 2,884,414	\$ 2,420,291	\$ (464,123)	-16.09%
280 - Federal Grants	\$ 2,899,381	\$ 2,972,153	\$ 72,772	2.51%
Grand Total	\$ 132,135,686	\$ 135,764,412	\$ 3,628,726	2.75%

FY 2020 Operating Budget by DESE Category



FY 2020 Operating Budget by Expenditure Object



Bates Elementary School Budget

Org	Obj	Description	FY 2020 FTE	FY 2020 Budget*	FY 2021 FTE	FY 2021 Budget	2020 to 2021 Budget Change	% Chg	2020 to 2021 FTE Var.	Notes
Bates Personnel										
13570220	5102	ELEMENTARY TEACHING	21.00	1,502,221	21.00	1,482,854	(19,367)	-1.3%	-	
13570220	5117	ADMINISTRATIVE	2.00	215,656	2.00	214,371	(1,285)	-0.6%	-	
13570220	5150	STIPENDS	-	12,050	-	10,452	(1,598)	-13.3%	-	One time FY20 budget transfer
13570220	5163	PARAPROFESSIONALS	1.50	35,254	1.50	34,708	(546)	-1.5%	-	
13570240	5160	CLERICAL	1.00	37,809	1.00	38,628	819	2.2%	-	
13570220	5119	FAMILY ENGAGEMENT FAC.	1.00	37,477	1.00	37,657	180	0.5%	-	
13460210	5163	PARAPROFESSIONALS-Library	1.00	23,674	1.00	22,207	(1,467)	-6.2%	-	
13490240	5124	NURSING	1.00	66,561	1.00	66,561	-	0.0%	-	
13570240	5125	DIST WIDE TEACHING	1.50	111,115	1.50	113,701	2,586	2.3%	-	
13640220	5102	ELEMENTARY TEACHING-PPS	4.90	352,038	4.50	329,285	(22,753)	-6.5%	(0.40)	Portion of position moved to a grant
13640220	5163	PARAPROFESSIONALS-PPS	9.00	220,378	8.00	195,973	(24,405)	-11.1%	(1.00)	FY21 position reduction
13640220	5121	BEHAVIOR SPECIALIST-PPS	2.00	79,871	1.00	40,626	(39,245)	-49.1%	(1.00)	FY21 Do not fill
13640220	5125	DIST WIDE TEACHING-PPS	1.00	77,753	1.00	76,495	(1,258)	-1.6%	-	
13640220	5126	PSYCHOLOGICAL SERVICES	3.00	229,405	3.00	209,624	(19,781)	-8.6%	-	
13700220	5102	ELEMENTARY TEACHING-ELL	3.00	191,791	3.00	220,273	28,482	14.9%	-	
13700220	5125	DIST WIDE TEACHING-ELL	0.50	31,747	0.50	33,230	1,483	4.7%	-	
		Total Personnel	53.40	3,224,800	51.00	3,126,646	(98,154)	-3.0%	(2.40)	
Bates Non-Personnel										
13570221	5320	CONTRACTED SERVICES	-	22,402	-	24,000	1,598	7.1%	-	One time FY20 budget transfer
13570221	5421	OFFICE SUPPLIES	-	2,329	-	2,329	-	0.0%	-	
13570221	5511	TEXTBOOKS	-	2,050	-	-	(2,050)	-100.0%	-	FY21 budget reduction
13570221	5514	INSTRUCTIONAL SUPPLIES	-	12,656	-	12,656	-	0.0%	-	
		Total Non-Personnel	-	39,437	-	38,985	(452)	-1.1%	-	
		Total Bates	53.40	3,264,237	51.00	3,165,631	(98,606)	-3.0%	(2.40)	

Collins Middle School Budget

Org	Obj	Description	FY 2020	FY 2020	FY 2021	FY 2021	2020 to 2021	% Chg	2020 to 2021	Notes
			FTE	Budget*	FTE	Budget	Budget Change		FTE Var:	
Collins Personnel										
13570920	5117	ADMINISTRATIVE	3.00	319,462	3.00	330,144	10,682	3.3%	-	Position reduction in FY21
13570920	5130	MIDDLE SCHOOL TEACHING	46.50	3,486,377	45.50	3,217,959	(268,418)	-7.7%	(1.00)	
13460920	5130	MIDDLE SCHOOL TEACHING-Library	1.00	89,701	1.00	61,702	(27,999)	-31.2%	-	
13460920	5163	PARAPROFESSIONALS-Library	0.50	13,495	0.50	12,790	(705)	-5.2%	-	
13570920	5150	STIPENDS	-	28,250	-	28,250	-	0.0%	-	
13570920	5163	PARAPROFESSIONALS	1.50	35,132	1.50	34,695	(437)	-1.2%	-	
13570940	5160	CLERICAL	1.00	47,100	1.00	46,919	(181)	-0.4%	-	
13450920	5116	CO-CURRIC/ATHLETIC-Athletics	-	6,000	-	6,000	-	0.0%	-	
13570920	5119	FAMILY ENGAGEMENT FAC.	1.00	55,539	1.00	48,500	(7,039)	-12.7%	-	
13490940	5124	NURSING	2.00	155,737	2.00	159,917	4,180	2.7%	-	
13570920	5125	DIST WIDE TEACHING	1.00	55,634	2.00	141,089	85,455	153.6%	1.00	Science Coach moved from grant to operating budget in FY20
13640920	5117	ADMINISTRATIVE-PPS	2.00	192,918	2.00	194,592	1,674	0.9%	-	
13640920	5130	MIDDLE SCHOOL TEACHING-PPS	14.00	1,008,907	14.00	985,588	(23,319)	-2.3%	-	
13640920	5163	PARAPROFESSIONALS-PPS	19.00	465,865	19.00	461,478	(4,387)	-0.9%	-	
13640920	5121	BEHAVIOR SPECIALIST-PPS	1.00	38,939	1.00	46,534	7,595	19.5%	-	
13640920	5125	DIST WIDE TEACHING-PPS	1.00	77,653	1.00	76,395	(1,258)	-1.6%	-	
13640920	5126	PSYCHOLOGICAL SERVICES	6.00	425,118	6.00	425,144	26	0.0%	-	
13700920	5130	MIDDLE SCHOOL TEACHING-ELL	4.00	268,947	4.00	266,500	(2,447)	-0.9%	-	
		Total Personnel	104.50	6,770,774	104.50	6,544,194	(226,580)	-3.3%	-	
		*FY20 Budget includes budget transfers approved by the School Board.								
		ELL, PPS and District-wide teaching supports are driven by student change.								
Collins Non-Personnel										
13450921	5860	EQUIPMENT-Athletics	-	10,030	-	10,030	-	0.0%	-	Based on best estimates. These resources may shift throughout the year as students' needs change.
13570921	5320	CONTRACTED SERVICES	-	8,427	-	8,427	-	0.0%	-	
13570921	5381	PRINTING AND BINDING	-	3,400	-	3,400	-	0.0%	-	
13570921	5421	OFFICE SUPPLIES	-	22,040	-	22,040	-	0.0%	-	
13570921	5512	BOOKS-LIBRARY	-	8,300	-	8,300	-	0.0%	-	
13570921	5514	INSTRUCTIONAL SUPPLIES	-	37,649	-	37,649	-	0.0%	-	
13570921	5730	DUES AND SUB	-	1,907	-	1,907	-	0.0%	-	
		Total Non-Personnel	-	91,753	-	91,753	-	0.0%	-	
									-	
		Total Collins	104.50	6,862,527	104.50	6,635,947	(226,580)	-3.3%	-	

Salem High School Personnel Budget

Org	Obj	Description	FY 2020 FTE	FY 2020 Budget*	FY 2021 FTE	FY 2021 Budget	2020 to 2021 Budget Change	% Chg	2020 to 2021 FTE Var.	Notes
SHS Personnel										
13421020	5140	HIGH SCHOOL TEACHING-CTE	6.00	439,045	6.00	432,131	(6,914)	-1.6%	-	
13421020	5117	ADMINISTRATIVE-CTE	1.00	107,908	1.00	111,541	3,633	3.4%	-	
13441020	5117	ADMINISTRATIVE-Guidance	1.00	108,987	1.00	111,541	2,554	2.3%	-	
13441020	5131	OVERTIME-Guidance	-	5,000	-	5,000	-	0.0%	-	
13441020	5140	HIGH SCHOOL TEACHING-Guidance	5.00	380,723	5.00	369,728	(10,995)	-2.9%	-	
13441020	5160	CLERICAL-Guidance	1.00	44,706	1.00	43,859	(847)	-1.9%	-	
13451080	5112	TRANSPORTATION-Athletics	-	25,600	-	25,600	-	0.0%	-	
13451020	5116	CO-CURRIC/ATHLETIC-Athletics	-	162,000	-	162,000	-	0.0%	-	
13451020	5117	ADMINISTRATIVE-Athletics	1.00	75,691	1.00	75,400	(291)	-0.4%	-	
13451020	5131	OVERTIME-Athletics	-	2,500	-	2,500	-	0.0%	-	
13451020	5160	CLERICAL-Athletics	1.00	52,993	1.00	49,964	(3,029)	-5.7%	-	
13451030	5116	CO-CURRIC/ATHLETIC-Athletics	-	40,000	-	40,000	-	0.0%	-	
13461020	5140	HIGH SCHOOL TEACHING-Library	1.00	84,646	1.00	83,980	(666)	-0.8%	-	
13461020	5163	PARAPROFESSIONALS-Library	0.50	11,284	0.50	11,103	(181)	-1.6%	-	
13491040	5124	NURSING	2.00	122,899	2.00	125,518	2,619	2.1%	-	
13571020	5114	TUTORS	3.50	126,171	3.50	103,974	(22,197)	-17.6%	-	
13571020	5140	HIGH SCHOOL TEACHING-ELL, PPS and District-wide teaching supports are driven by student change.	57.25	4,403,884	57.25	4,403,884	-	0.0%	-	on best estimates. These resources may shift throughout the year as students' needs change.
13571020	5150	STIPENDS	-	73,856	-	73,856	-	0.0%	-	
13571020	5160	CLERICAL	4.00	196,245	4.00	190,265	(5,980)	-3.0%	-	
13571020	5163	PARAPROFESSIONALS	4.00	103,034	5.00	123,530	20,496	19.9%	1.00	Added in FY20 for school security
13571060	5117	ADMINISTRATIVE	5.00	559,773	5.00	581,076	21,303	3.8%	-	
13571040	5125	DIST WIDE TEACHING	3.00	219,167	3.80	273,873	54,706	25.0%	0.80	Position was allocated District Wide in FY20; Grant adjustments
13641020	5117	ADMINISTRATIVE-PPS	2.00	189,960	2.00	192,664	2,704	1.4%	-	
13641020	5140	HIGH SCHOOL TEACHING-PPS	16.00	1,125,904	16.00	1,113,058	(12,846)	-1.1%	-	
13641020	5163	PARAPROFESSIONALS-PPS	21.00	471,534	21.00	507,209	35,675	7.6%	-	
13641020	5121	BEHAVIOR SPECIALIST-PPS	1.00	44,167	1.00	38,291	(5,876)	-13.3%	-	
13641020	5125	DIST WIDE TEACHING-PPS	1.00	46,237	2.00	106,313	60,076	129.9%	1.00	Added position in FY21
13641020	5126	PSYCHOLOGICAL SERVICES	5.00	393,318	5.00	400,309	6,991	1.8%	-	
13701020	5140	HIGH SCHOOL TEACHING-ELL	10.00	598,588	10.00	683,277	84,689	14.1%	-	
Total Personnel			157.25	10,652,808	155.05	10,441,443	(211,365)	-2.0%	(2.20)	

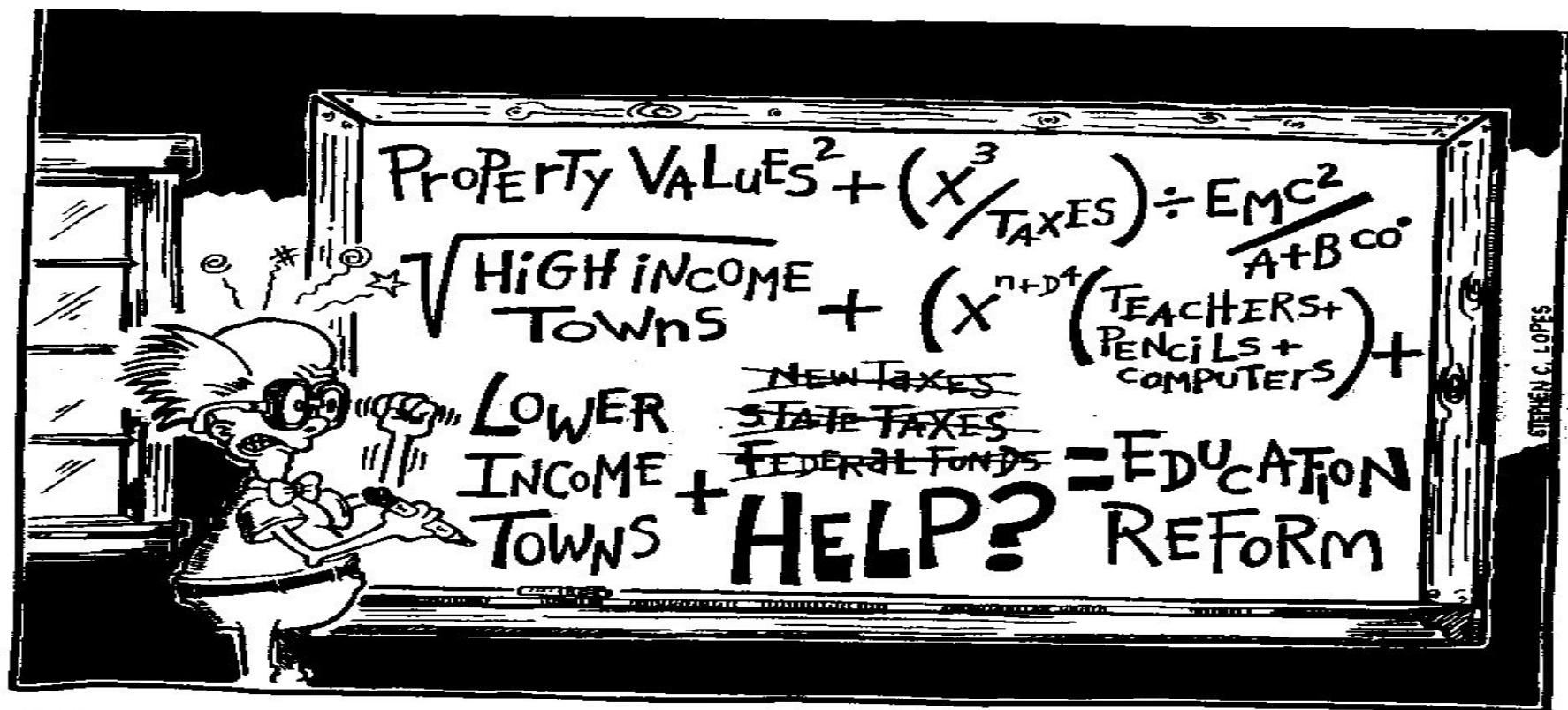
Salem Public Schools

FY21 Budget – Approved 6/15/2020

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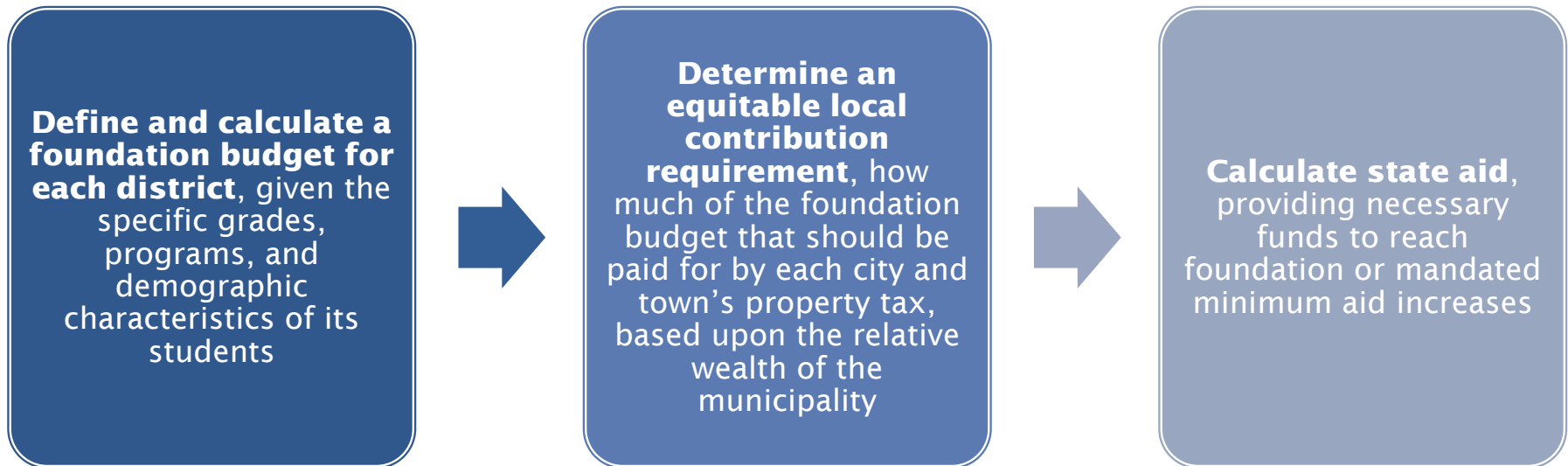
School Operating Budgets

- Total available must meet Ch 70 and net school spending requirements



EDUCATION REFORM'S FINANCING FORMULA

There are three primary steps in determining each district's Chapter 70 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

Chapter 70 Foundation Formula

The goal of **Chapter 70 Formula Aid** is to ensure that every district has sufficient resources to meet its foundation budget spending level through an equitable contribution of local property taxes and state aid.

There are cost rates associated with **11** different spending categories (e.g., teacher compensation, professional development, building maintenance, etc.)

Local Income Effort is based on residents' income. The 2018 Income percentage is 1.4248%.

$$= 1.4248\% \times \text{Residential Income}$$



There are **13** enrollment categories and demographic groups that make up a district's enrollment numbers. The state totals the different categories (e.g., economically disadvantaged or students from low income families, special education, and limited English proficiency students).

Local Property Effort is based on property values. The 2018 Property Percentage is .3550% of the equalized property valuation of the community.

$$= .3550\% \times \text{Equalized Property Values}$$

Required Local Contribution is a measurement of how much local tax revenue a city or town can reasonably raise and dedicate to the operation of its K-12 Schools.

Foundation aid provides additional funding for districts to spend at their foundation budgets

Foundation budget – Required local contribution = Foundation aid

- Start with prior year's aid
- Add together the prior year's aid and the required local contribution
- If this year's foundation aid exceeds last year's total Chapter 70 aid, the district receives the amount needed to ensure it meets its foundation budget
- If not, the district receives \$30 minimum aid per pupil

(1)
Foundation
budget

(3)
Foundation
aid increase

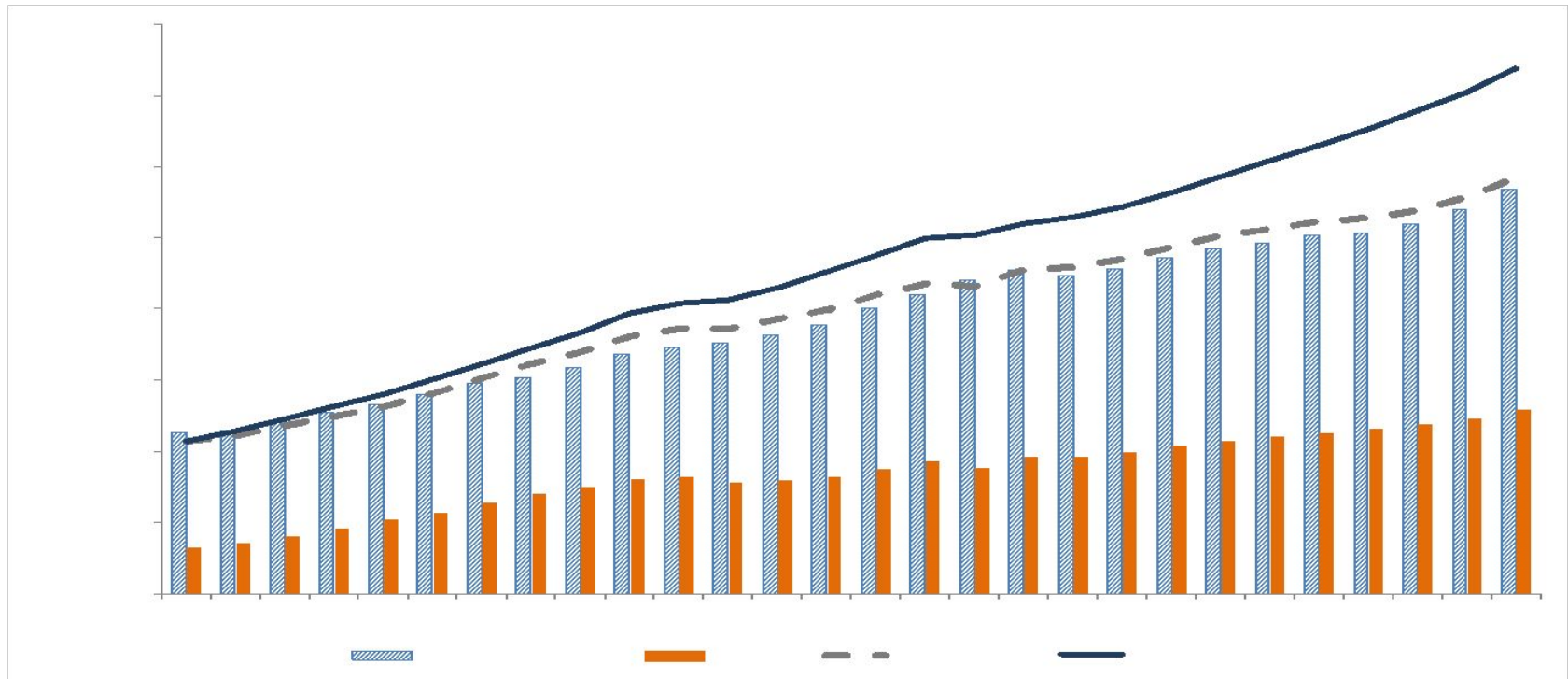
Prior year's
aid

(2) This
year's
required
local
contribution

In Summary

0000 State Total

#N/A



Statutory References

- ❑ School Committee: MGL Ch.71 Sec. 34,37 & 41, Ch.150E Sec.1, and Ch.41 Sec.41 & 56
- ❑ School Superintendent: MGL Ch.71 Sec.34, 37, 42 & 59B
- ❑ School Business Manger: MGL Ch.71 Sec.38G & 41
- ❑ School Principal: MGL Ch.71 Sec.48 and 59B
- ❑ Legislative Body: MGL Ch.40 Sec.5 and Ch.71 Sec.34
- ❑ Chief Executive Officer: MGL Ch.44 Sec.32, Ch.41 Sec.52, Ch.150E Sec.1 and Ch.43 Sec.29
- ❑ Accounting Officer: MGL CH.41 Sec.3, 17, 50, 52,55, 56, 57, 58, 59 and 60; Ch.44 Sec.31, 31A & 53A; and Ch.39. Sec.1
- ❑ Treasurer: MGL Ch.41 Sec.35, 41, 52, & 56 and Ch.44 Sec.53 & 53A
- ❑ Criminal Liabilities: MGL Ch.44 Sec.62

For More Information, Contact

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