

School Budgets 101:

A pathway to
Public Schools of Brookline
Financial
Literacy

The Town's Education Obligation

All school-age children who live in Massachusetts
are entitled to attend a public school free of charge and
all children between the ages of 6 and 16 must attend school.

Parent/Guardian obligation and may choose from...

<http://www.doe.mass.edu/finance/schoolchoice/choice-guide.html>

Parent/Guardian Choice

1. Attending Home School District
 - a. Public Schools of Brookline
2. Attending Public School Outside Home District
 - a. The Inter-District School Choice Program
 - b. Charter Schools
 - c. Vocational Technical Education Programs (Out-of-District Vocational Technical Education Programs - Minuteman and Agricultural Schools - Norfolk Aggie)
 - d. METCO
 - e. Commonwealth Virtual Schools (CMVS)
 - f. Massachusetts Academy of Math & Science at WPI
3. Private Education and
4. Home Schooling

<http://www.doe.mass.edu/finance/schoolchoice/choice-guide.html>

3

Education Funding Sources

Base cost/Tuition
+ transportation
+ IEP/504/ELF
Town Obligation to Fund

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Attending Home School District* 2. Attending Public School Outside Your Home District <ol style="list-style-type: none"> a. The Inter-District School Choice Program b. Charter Schools c. Vocational Technical Education Programs (Out-of-District Vocational Technical Education Programs and Agricultural schools)* d. METCO* e. Commonwealth Virtual Schools (CMVS) f. Massachusetts Academy of Math & Science at WPI 3. Private Education and 4. Home Schooling | <ol style="list-style-type: none"> 1. Tax Levy/Chapter 70/Local Receipts* 2. <ol style="list-style-type: none"> a. Cherry Sheet Offset b. Cherry Sheet Offset c. Tax Levy/Chapter 70/Local Receipts* d. Tax Levy/Local Receipts/Grant* e. Cherry Sheet Offset f. Cherry Sheet Offset 3. Parent Funding* 4. Parent Funding* |
|---|---|

4

BUDGET 101: Financial Literacy

- To maximize financial and human capital resources to positively impact every student in a financial, legal and ethically responsible manner.
- Use the expertise of your educational leaders in developing a student focused instructional environment supporting the school district mission

“Ensure that every student develops the skills and knowledge to pursue a productive and fulfilling life, to participate thoughtfully in democracy, and success in a diverse and evolving society.”

Public Schools of Brookline

5

Financial Literacy Includes

- Understanding the basics of municipal finance law;
- Learning best practices in budget development and management;
- Understanding the basics of fund accounting; and
- Understanding the relationship between and among
 - School Committee policies,
 - Municipal Finance Law,
 - Personnel Laws,
 - Enrollment and Community Demographic Data/Trends, and
 - District based procedures.

6

Municipal Finance Law

7

BUDGET 101: Municipal Finance Laws

Develop a common understanding of the legal aspects:

- [Ch. 30B: Uniform Procurement](#)
- [Ch. 39: Municipal Government](#)
- [Ch. 44: Municipal Finance](#)
 - [School Revolving funds](#)
- [Ch. 66: Public Records](#)
- [Ch. 70: School Funds and State Aid for Public Schools](#)
- [Ch. 71: Public Schools](#)
 - [MGL CH. 71, § 34: Support of schools; appropriations; recommendations](#)
- [Ch. 71, § 47: Athletic programs; school organizations; student activity](#)
- [Ch. 70B: School Building Assistance Program](#)
- [Ch. 150E: Labor Relations: Public Employees](#)
- [Ch. 268A: Conduct of Public Officials and Employees](#)
- [Ch. 149, § 148B: Independent Contractor Rules](#)

8

Financial Literacy: Regulators

Develop a common understanding of who they are, what is their purpose, and how frequently you interact with them:

- School Committee
 - Superintendent
 - School Business Administrator
 - Director of Special Education
- Town Accountant/Comptroller
- Finance Committee/Advisory Committee
- Town Manager/Council/Administrator
- Department of Revenue
- Department of Elem. and Secondary Education
- Department of Early Education and Care
- Department of Public Health
- Attorney General
- Inspector General
- Independent Auditors

9

Funding Sources

[Town School Partnership](#) (Tax Levy & Local Receipts)

[Chapter 70 Legislation & Regulations/Cherry Sheet](#)

[Grants](#) - Federal, State, and Local

[Revolving Funds](#)

[Circuit Breaker](#)

[Gifts & Donations](#)

[Student Activities](#) (fiduciary agent for Student Clubs and Organizations)

Scholarships (fiduciary agent for donors and trust funds supporting students attending post-secondary learning institutions)

10

Best Practices for Budget Development & Management

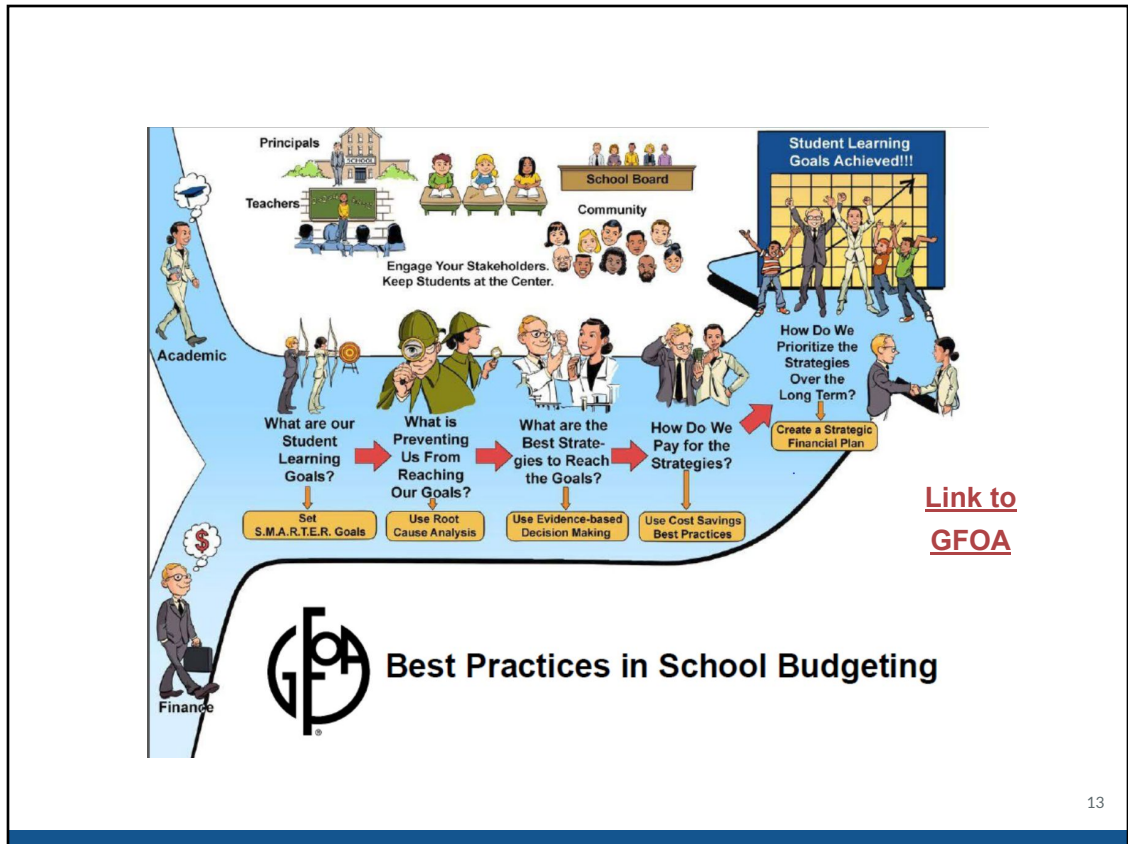
Budgeting Best Practice

GFOA Alliance for Excellence in School Budgeting

1. Plan and Prepare
2. Set Instructional Priorities
3. Pay for Priorities
4. Implement Plan
5. Ensure Sustainability

Student Achievement and Financial Stability





13

Steps to Implementing

- Build Understanding and Beliefs
- Identify and Overcome Barriers
- Prioritize Equity - Challenge
 - Silos = Inequity
- Set Goals & Plan Strategically
- Think Non-Linear



14

Budget Structure and Reporting

- [Uniform Massachusetts Accounting System](#)
- [DESE Chart of Accounts](#)
- [Compliance Supplement for Massachusetts School Districts
Agreed Upon Procedures Engagements \(Updated
December 2018\)](#)
- [Public Schools of Brookline - Budget Central](#)
- [Town of Brookline - Budget Central](#)

15

Municipal Fund Accounting

16

Financial Literacy: Fund Accounting

Develop a common understanding of the various funds and their purpose and regulations that govern them:

- General Fund
 - Taxes
 - Local Aid
 - Town in Support of Schools
- Grant Funds
 - Federal
 - State
 - Private/Gifts/Donations
- Revolving Funds
 - Fee based programs
- Capital Funds
 - Bond Authorizations
 - Cash
- Trust Funds
 - Scholarships (@graduation)
 - Student Agency Accounts

17

Division of Local Services: A Resource

- [Accounting Guidance, Oversight and Financial Management Publications](#)
- [Accounting Policy and Procedures](#)
- [Guidelines, Opinions and Advisories](#)
 - Division of Local Services and Dept of Revenue issues guidelines and other legal guidance and information periodically.

18

Departmental Manuals & Special Accounting Reference Documents

- [Uniform Massachusetts Accounting System \(UMAS\)](#)
- [Treasurer's Manual](#)
- [GASB 34 Guide for Massachusetts Local Governments](#)
- [Revenue Deficits: An Overview](#)
- [Revolving Funds for School Departments](#)
- [Statutory Treatment of Municipal Revenue Overview](#)
- [Departmental Revolving Funds Model bylaw-ordinance and Annual Spending Cap Vote](#)
- [Capital Planning Manual: Forms and Instructions](#)
- [Capital Improvement Planning Guide - Developing a Comprehensive Community Program](#)
- [Costing Municipal Services: Workbook and Case Study](#)
- [A Guide to Financial Management for Town Officials](#)
- [Municipal Finance Glossary](#)
- [Collection Fees, Charges and Penalties](#)

19

School Committee Budget as a Policy Statement

20

The Budget and the Constitution

- Under the United States and Massachusetts Constitutions, only elected public officials may create revenue sources, assess taxes and fees, approve budgets, and proscribe the terms and conditions under which funds are disbursed.
 - With specific designation, by act, elected officials may assign to authorities and commissions the right to levy assessments or assess fees.
 - Under certain circumstances, elected public officials may designate, under carefully described arrangements, others to execute payments from funds legally appropriated

Source: MASC: Roles and Responsibilities of School Committees in their Communities: Budget Development, Implementation, and Monitoring
https://www.masc.org/images/events/2015/itc-15/handouts/11-6_230_School-Finance_SC-Budget-Development.pdf

21

Budgetary Roles and Responsibilities & Education Reform

- The Massachusetts Education Reform Law differentiates role players for administration and policy.
 - Administration = Superintendent
 - Policy = School Committee
 - Budget = Policy

Source: MASC: Roles and Responsibilities of School Committees in their Communities: Budget Development, Implementation, and Monitoring
https://www.masc.org/images/events/2015/itc-15/handouts/11-6_230_School-Finance_SC-Budget-Development.pdf

22

The Budget is a Policy Instrument

- It sets priorities by funding them (or not).
 - Starting or Expanding New Programs
 - Cutting or Curtailing Programs
- It supports personnel policy including:
 - Collective Bargaining
 - Equal Opportunity and Anti Discrimination
 - Employment Process
- Supports Student Related Policies/Services:
 - Transportation
 - Fees
- Affirms Policies In Grants
 - Federal Programs*
 - Special Grants Awards

Source: MASC: Roles and Responsibilities of School Committees in their Communities: Budget Development, Implementation, and Monitoring
https://www.masc.org/images/events/2015/itc-15/handouts/11-6_230_School-Finance_SC-Budget-Development.pdf

*Any (federal grant) amounts so received by a school committee ...shall be expended by said school committee without further appropriation .. (MGL, c. 71, Sec. 37A), meaning the grant can be considered a "line item."

23

Policy vs. Administration

- The School Committee:
 - Establishes the Goals/(Strategic) Plan for the District.
 - Provides the Resources (Budget) to Achieve the Goals.
 - Sets the Guidelines/Parameters (Policy Manual, Budget Instructions) under Which Administrators will Pursue those Goals.
 - Monitors Progress (e.g., Data) Toward Meeting Goals.
- The Superintendent:
 - Administers the School District within the Policies of the School Committee (above).

Source: MASC: Roles and Responsibilities of School Committees in their Communities: Budget Development, Implementation, and Monitoring
https://www.masc.org/images/events/2015/itc-15/handouts/11-6_230_School-Finance_SC-Budget-Development.pdf

24

Financial Literacy: Budget Questions

- Understanding the sources used to fund the operational aspects of the district is important to fully understand the vulnerabilities.
- Is the budget based on solid assumptions?
- Is the district over reliant on vulnerable sources of funds? Is the district prepared to cover a mid-year, unanticipated 9C cut or a budget freeze?
- Do you have a multi-year budget projection (capital and operating) to prepare for potential challenges in future years?
- How reliable are your enrollment projections? What assumptions are you making about sections and class sizes?
- What are the budget guidelines for budget managers to develop their annual requests for teaching and learning supports in the classroom?

25

Personnel Law

26

Personnel

Role of School Committee in Hiring and Contracting:

- Hiring and contracting with the superintendent for up to six years (Ch. 71, Sec. 37).
- Confirming and setting compensation for Associate/Assistant Superintendents (Ch. 71, Sec. 59)
- Confirming and contracting for up to six years with School Business Officials (Ch. 71, Sec. 41)
- Confirm the appointment of a Special Education Administrator (Ch. 71, Sec. 53)
- Negotiating collective bargaining agreements with unionized staff (Ch. 150E, Section 1).
- Establishing compensation parameters for administrators and other employees not subject to collective bargaining, including principals and non-aligned employees (Ch. 71, Sec. 59B).

Source: Massachusetts Association of School Committees - District Governance Support Project, Roles and Responsibilities: Evolving Issues and Concerns - 7th Edition, January 2017

27

Personnel: School Committee

Setting Compensation:

Compensation refers to anything of value and is not limited to salary. For example, compensation may include vacation, paid and unpaid leave (i.e., sick time, vacations, bereavement leave, and professional days), fringe benefits, “buy-out” provisions, “severance” clauses, and other items. In addition, the school committee, through its policy making role, may establish district rules governing items like school closing, accumulation of unused leave, retirement or severance “buy back” provisions, leave for professional development, and other provisions.

Establishing District Policy

Many district policies impact personnel contracting and employment and range from recruitment and retention policies, collective bargaining, fringe benefit applications, due process requirements, and other areas.

Source: Massachusetts Association of School Committees - District Governance Support Project, Roles and Responsibilities: Evolving Issues and Concerns - 7th Edition, January 2017

28

Personnel: School Committee

Executing Contracts

The school committee retains the exclusive authority to hire, contract with, evaluate, and terminate a superintendent.

The school committee confirms and approves contracts with the School Business Official. Subsequent contracts would require school committee approval.

Contracts for other administrators would be developed by the superintendent based on the policy and budget parameters set by the school committee. However, the authority to evaluate and terminate a contract remains with the superintendent for all employees except the school business officer. The school committee may, through its policy or budget deliberations, eliminate a position. **Every contract in the district is a public document, but names of people entitled to confidentiality may be withheld.**

Source: Massachusetts Association of School Committees - District Governance Support Project, Roles and Responsibilities: Evolving Issues and Concerns - 7th Edition, January 2017

Superintendent's Rubric: Standard II

Indicator II-E. Fiscal Systems

Develops a budget that supports the district's vision, mission, and goals; allocates and manages expenditures consistent with district- and school-level goals and available resources.

Unsatisfactory	Needs Improvement	Proficient	Exemplary
Builds a budget that does not align with the district's goals or mismanages available resources.	Develops a budget that loosely aligns with the district's vision, mission, and goals, or inconsistently manages expenditures and available resources.	Uses data to develop a schoolwide budget that aligns with the district's vision, mission, and goals. Allocates, manages, and justifies expenditures consistent with district/school-level goals and available resources.	Leads the administrator team to develop a district budget that aligns with the district's vision, mission, and goals with supporting rationale; uses budget limitations to create new opportunities for improvement, when possible; allocates and manages expenditures consistent with district/school-level goals; and seeks alternate funding sources as needed. Is able to model this element.

Administrator’s Rubric: Standard II

Indicator II-E. Fiscal Systems

Develops a budget that supports the district’s vision, mission, and goals; allocates and manages expenditures consistent with district/school-level goals and available resources.

Unsatisfactory	Needs Improvement	Proficient	Exemplary
Builds a budget that does not align with the district’s goals or mismanages available resources.	Develops a budget that loosely aligns with the district’s vision, mission, and goals, or inconsistently manages expenditures and available resources.	Uses data to develop a schoolwide budget that aligns with the district’s vision, mission, and goals. Allocates, manages, and justifies expenditures consistent with district/school-level goals and available resources.	Consistently leads a team to evaluate multiple years of available data and develop a comprehensive and schoolwide budget that aligns with the district/school’s vision, mission, and goals with supporting rationale. Allocates, manages, and justifies expenditures consistent with district/school-level goals; and seeks alternate funding sources as needed. Models this practice for others.

31

Personnel

School Committee Sets and Negotiates Pay and Employment Contracts:

1. Collective Bargaining Agreement (CBA)
 - a. Brookline Educators Union
 - i. Unit A - Teachers,
 - ii. Unit B - Directors and Coordinators
 - iii. Paraprofessionals
 - b. AFSME
 - i. Custodians
 - ii. Administrative Assistants/Clerks (Brookline Educational Secretaries Association - BESA)
 - iii. Food Service Workers

32

Personnel

School Committee Sets and Negotiates Pay and Employment Contracts:

2. Establishes Non-Aligned Pay Rates and Employee Contracts
 - a. Appoints Superintendent, Deputy Superintendents
 - b. Establishes pay ranges for Principals, Special Asst to the Superintendent, Non-aligned Contract Employees, non-aligned hourly pay rates (eg substitutes, and all rates not already cited for specific work in a CBA)

33

Personnel

3. Wage and Hour Laws
 - a. MGL c. 149 s.100 requires a 30 minute lunch period, but does not require breaks. ... This one half-hour meal break is unpaid.
 - b. Massachusetts' law does not require employers to provide any rest breaks." Hours Worked Under the Fair Labor Standards Act (FLSA), US Dept. of Labor Fact Sheet #22
 - c. Field Trips: [454 CMR 27.04 \(3\)](#) Sleeping time and working shifts, Explains requirements for sleeping time for employees required to work shifts of more than 24 hours.
4. [Massachusetts law about child labor](#)
5. [Massachusetts law about employee privacy](#)
6. [Brookline Living Wage Requirements](#)

34

Enrollment and Community Demographic Data/Trends

35

Financial Literacy: Data Integrity

- Is your data aligned:
 - EPIMS: Education Personnel Info. Mgt. System
 - SIMS: Student Information Mgt. System
 - EOYR: End of Year Report
 - Enrollment

- When data systems are not aligned, the data extracts through DESE can be misleading to the public and create a public relations issue for the district i.e. average teacher salaries, high absenteeism, incorrect number of students.

36

Enrollment - Planning & Impact

1. [Enrollment Update from Superintendent Bott - Nov 2018](#)
2. [Overcrowding and Substandard Spaces in K-8 Schools Memo - Nov 2018](#)
3. [2017 Enrollment Projection](#)
4. [2016 Preliminary Enrollment Projection](#)
5. [DESE State Enrollment Data - Reported Enrollment 2007 to date](#)
6. [2007 - 2014 Action History due to enrollment](#)
7. [BROOKLINE SCHOOL POPULATION AND CAPACITY EXPLORATION \(B-SPACE\) COMMITTEE - Final Report September, 2013](#)
8. [Enrollment, Capacity, and Utilization Study Draft Final Report April 2, 2012](#)

37

Comparable Districts

Acton-Boxborough	Natick
Arlington	Needham
Belmont	Newton
Brookline	Wellesley
Cambridge	Winchester
Lexington	

*In discussion: 10/15/2017
SC Finance Sub Committee*

38

SC Finance Sub Committee Comparable Districts

SELECTED DISTRICTS FOR COMPARISONS

Select up to ten districts by clicking in the blue cells.	Region	MA Level	Capacity to Fund Foundation Budget*	2016 Per Pupil Spending In-district	2017 Enrollment & Subgroup Percentages				2016 Percentage Proficient or Higher			2016 Median Student Growth Percentile (SGP)	
					Total Enrolled #	Econ Disadv %	SWD %	ELL %	ELA	Math	Science	ELA	Math
Brookline	GB	2	177%	\$18,376	7,695	9.6	15.3	10.7	84%	81%	72%	61.0	64.0
Acton-Boxborough	GB	2	81%	\$13,396	5,588	6.1	16.4	4.3	87%	84%	81%	57.0	64.0
Arlington	GB	2	116%	\$13,022	5,524	8.7	14.6	4.6	85%	78%	79%	46.0	46.0
Belmont	GB	1	131%	\$11,951	4,466	7.3	10.0	6.2	92%	87%	82%	60.0	58.0
Cambridge	GB	2	252%	\$26,584	6,794	28.4	21.6	7.9	74%	64%	54%	55.0	51.0
Lexington	GB	2	127%	\$16,941	7,072	5.5	13.4	7.0	89%	88%	84%	58.0	63.0
Natick	GB	2	99%	\$13,150	5,472	9.8	14.7	2.0	82%	76%	73%	52.0	56.0
Needham	GB	2	140%	\$15,620	5,588	5.4	16.3	2.5	87%	83%	77%	57.0	64.0
Newton	GB	2	180%	\$17,872	12,827	9.0	19.7	6.7	87%	83%	72%	59.0	61.0
Wellesley	GB	1	227%	\$17,407	5,018	5.7	15.1	2.1	89%	82%	77%	58.0	57.0
Winchester	GB	2	130%	\$12,636	4,623	4.7	16.9	3.6	90%	86%	83%	53.0	55.0

39

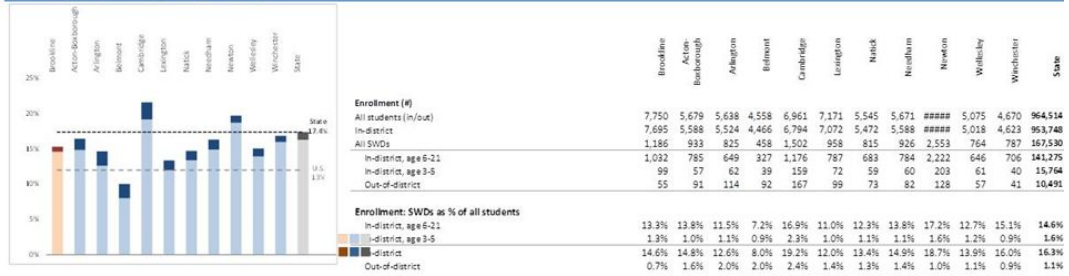
Comparable Districts - Per Pupil

What are the per pupil expenditures?											
	Total In-district Expenditures	Admin	Instr'l Leaders	Teachers	Other Teaching Services	Professional Development	Instr'l Materials	Guidance & Psychology	Pupil Services	Operation & Maintenance	Benefits and Fixed Costs
Brookline	\$18,376	\$850	\$1,433	\$7,340	\$1,651	\$310	\$554	\$657	\$958	\$1,409	\$3,215
Acton-Boxborough	\$13,396	\$475	\$906	\$5,238	\$1,334	\$98	\$278	\$510	\$1,403	\$895	\$2,257
Arlington	\$13,022	\$607	\$867	\$4,849	\$982	\$241	\$196	\$657	\$1,165	\$1,163	\$2,296
Belmont	\$11,951	\$373	\$870	\$5,119	\$865	\$130	\$470	\$336	\$822	\$1,010	\$1,955
Cambridge	\$26,584	\$1,244	\$1,940	\$8,234	\$2,376	\$971	\$897	\$912	\$2,338	\$1,780	\$5,891
Lexington	\$16,941	\$678	\$1,454	\$6,489	\$1,884	\$287	\$399	\$737	\$1,364	\$1,025	\$2,622
Natick	\$13,150	\$662	\$860	\$4,985	\$1,189	\$155	\$385	\$447	\$1,568	\$882	\$2,017
Needham	\$15,620	\$664	\$1,291	\$6,230	\$1,113	\$180	\$666	\$549	\$1,139	\$1,237	\$2,552
Newton	\$17,872	\$599	\$1,193	\$6,718	\$2,280	\$413	\$423	\$709	\$1,231	\$1,226	\$3,081
Wellesley	\$17,407	\$582	\$1,313	\$6,932	\$2,040	\$326	\$636	\$671	\$1,318	\$1,259	\$2,329
Winchester	\$12,636	\$625	\$860	\$5,574	\$995	\$151	\$385	\$487	\$965	\$848	\$1,747

40

Comparable Districts - Special Education

2017 - Students with Disabilities (SWDs) Enrollment and Placement
 % of students with disabilities (in and out of district)



Shared and Open Data

Department of Elementary and Secondary Education (DESE)

[DESE Resource Allocation and District Action Reports \(RADAR\)](#)

[Brookline RADAR Data](#)

[DESE School and District Profiles](#)

Cleargov.com

[Public Schools of Brookline](#)

[Town of Brookline](#)

Division of Local Services

[Municipal Finance Trend Dashboard](#)

District Based Procedures

43

Planning Your FY Budget

Budget Narrative writing - (page 3 budget document)

- First Paragraph- The “marketing pitch,” the summary of school/department culture and community.
- 2nd Paragraph - School/Department School Improvement Plan Goals
- 3rd Paragraph - What is on the horizon for your School/Department? We will not cost it out, but it will provide context for future budget requests

Staffing Lists - Position Title, FTE, \$ for all permanent positions, stipends, overtime,

Budget Statement - three year history

Is there money? Do I put in a request?

Planning for next year’s expenditures

44

Managing Your FY Budget

Finding your Budget Folder in PSB Budget Owners

Transfer process - timeline? what has to be done? what are the parameters?

Requisition/PO process - timeline? what has to be done? what are the parameters?

Unplanned Expenditures -

- Why is it unplanned? Do you have the money? If yes, make a transfer. If no, say no.
- All Unplanned expenditures need to be submitted as part of the budget process. It can't be unplanned more than once.

Review your staffing.

- Encumber your summer workshops and other PD.
- Pay attention to who is receiving pay in your building and why
- Make sure funds are identified before offering programs.

45

Deadlines/Dates

Weekly:

- Invoices, A/P batches due for payment: Fridays 4 pm:
- Wire Transfers: Fridays 4 PM for payment the following Friday.

May 1: Budget Closes

September 1: Mini CIP/Capital Plan Submissions due to Dir Operations

Nov 1: Budget Narratives Due

Dec 1: Superintendent Receives Budget Recommendations from Deputies of Teaching and Learning and Student Services

February 15: School Committee votes budget request to Town Meeting

May 26: Town Meeting Votes budget

July 1: Fiscal Year Begins

46

Financial Literacy: Town/School Collaboration

- For municipal school districts, the Town/City carries expenses related to schools:
 - Health insurance (active and retiree);
 - Facilities Maintenance and Repair;
 - Sidewalk, Roadway, Snow Plowing
 - Insurance (property, vehicle, liability, Workers' Comp., etc.);
 - Debt; and
 - Local or county retirement. (MTRS covered by state)
- The full cost of the school department is an important discussion point with administrators.

47

Financial Literacy: Terminology

Develop a common understanding of key terms and acronyms:

- Budget
- Fiscal Year (FY)
- Modified Accrual Basis of Accounting
- Warrant
- End of Year (EOY)
- Free Cash
- Fund Accounting
- Journal Entry (JE)
- Budget Transfer
- Allocation/Reallocation

48

Financial Literacy: Terminology

Develop a common understanding of key terms and acronyms:

Compensation:

- Position Control
- Collective Bargaining Agreement (CBA)
- Non- Aligned Pay Rates
- Add Comp
- Transaction Form

Expense

- Encumbrance (ENC)
- Accounts/Line Items/Org/Obj
- Contracted Services
- Requisitions/Purchase Orders/Blanket Purchase Orders

49

Financial Literacy: Terminology

Develop a common understanding of key terms and acronyms:

- Accounts/Line Items
 - Contracted Services:
 - Conferences/Workshop: Speakers for Internal PD, Consultants, External Professional Development
 - Consulting Services: non-professional development
 - Supplies: Consumable Supplies, Materials, Manipulatives, Food, etc
 - Textbooks/Copyright Materials: Traditional textbooks, workbooks, worksheet production
 - Software: Licenses and subscriptions for educational software
 - Equipment: chairs, tables, PE equipment, etc
 - Other:
- Budget Closing Deadline (May 1)
- Budget Opening (July 1, really mid July)

50

Financial Literacy: Terminology

Develop a common understanding of key phrases and concepts:

- Supplanting vs. Supplementing
- When is someone an employee?
- When is someone a contractor? Independent Contractor Rules
- School Committee Budget Document is Policy
- Who gets to decide?

51

Payroll

School Committee Sets and Negotiates Pay and Employment Contracts:

1. Collective Bargaining Agreement (CBA)
 - a. Brookline Educators Union
 - i. Unit A - Teachers,
 - ii. Unit B - Directors and Coordinators
 - iii. Paraprofessionals
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 - i. Custodians
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52

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53

Stipends/Additional Comp

What is bargained?

- Stipends
- Changes to Contract language
- Changes in pay rates

Can flat rates be paid?

- All District pay rates are governed by the School Committee or negotiated agreements.
- Newly created positions must be reviewed by HR to determine the appropriate pay rate and placement, then proceed to School Committee for approval by recommendation of the Superintendent.

54

Payroll: What you Really Need to Know...

1. Stipends -
 - a. Mainly for Bargaining Unit members,
 - b. School Committee approval required for all new stipends regardless of whether it is CBA or non-aligned.
 - c. All stipends must be entered in Recruit and Hire
2. Additional Hours (temporary):
 - a. Employees working additional hours must have prior approval and a funding source (e.g. Overtime account)
 - b. If the employee is an hourly employee you must consider overtime when thinking about funding sources. Additional hours should be listed on timesheets
3. Additional FTE/Hours (permanent):
 - a. Additional FTEs may be assigned after
 - i. You have verified credentials for the position
 - ii. confirmation of funding source
 - iii. acceptance of the additional FTE by the employee
 - iv. Permanent FTE changes should be documented on the Transaction form

55

Payroll: What you Really Need to Know...

4. Direct Dealing:
 - a. Occurs when an employer and represented employee discuss and take action without the union's knowledge or presence, in matters that fall within the scope of mandatory subjects of bargaining.
 - b. Adding Hours or compensation without following established procedures with HR and Finance is direct dealing

56

Payroll: What you Really Need to Know...

5. Wage and Hour Laws
 - a. MGL c. 149 s.100 requires a 30 minute lunch period, but does not require breaks. ... This one half-hour meal break is unpaid.
 - b. Massachusetts' law does not require employers to provide any rest breaks." Hours Worked Under the Fair Labor Standards Act (FLSA), US Dept. of Labor Fact Sheet #22
 - c. Field Trips: [454 CMR 27.04 \(3\)](#) Sleeping time and working shifts, Explains requirements for sleeping time for employees required to work **shifts of more than 24 hours.**
6. [Massachusetts law about child labor](#)
7. [Massachusetts law about employee privacy](#)
8. [Brookline Living Wage Requirements](#)

57

Recruit & Hire

When do I use Recruit and Hire?

- All positions that will be paid using district funds must be entered into Recruit and Hire including:
 - coaching positions
 - after school positions
 - stipend positions
 - part time positions
 - full time positions
 - substitute positions

For stipend and coaching positions, when selecting your candidate for hire, please enter the pay rate and hours if applicable.

58

I am obligated to tell you

From Finance

- “You don’t have authority to financially obligate the district”
- Purchase Orders are required BEFORE the order is placed
- Where’s the money?
 - It’s OPM = Other People’s Money, ie.; taxpayer money
- Where’s the form?
 - Using standard/best practice process and procedures saves time, money,
- Where’s the contract?
 - There are requirements for the receiving and delivery of services. There are standard terms and established terms.
- Authority to hire is not what you think...

59

I probably shouldn’t tell you but....

from the Budget Managers

60

