

School Committee Finance Subcommittee
Wednesday, May 15, 2024
5:00 PM – 6:32 PM
Remote via Zoom

Finance Subcommittee members present: Mariah Nobrega (Chair), Dr. Andreas Liu, and Sarah Moghtader.

Other School Committee members present: Dr. Steven Ehrenberg, Ms. Suzanne Federspiel, Ms. Valerie Frias, Dr. Jesse Hefter, and Ms. Carolyn Thall.

Staff present: Linus Guillory, Superintendent; Susan Givens, Deputy Superintendent for Administration and Finance; Diane Johnson, Finance Director; and Betsy Fitzpatrick.

Advisory Committee Schools Subcommittee Members present: Ben Birnbaum and Cliff Brown.

Ms. Nobrega called the meeting to order at 5:00pm.

1. Approval of Finance Subcommittee Meeting Minutes: March 20, 2024

On a motion of Ms. Moghtader, and seconded by Dr. Liu, the Finance Subcommittee voted unanimously, by roll call, with 3 in favor (Ms. Nobrega, Dr. Liu, and Ms. Moghtader), 0 opposed, and 0 abstentions, to approve the March 20, 2024 Finance Subcommittee meeting minutes.

2. Acceptance of Gifts

Ms. Nobrega referred to the attached Request for Gift Acceptance memo, dated May 15, 2024, that describes 28 gifts made to the Brookline High School Boys Volleyball program. Ms. Nobrega thanked the donors for their generous gifts.

On a motion of Ms. Moghtader, and seconded by Dr. Liu, the Finance Subcommittee voted unanimously, by roll call, with 3 in favor (Ms. Nobrega, Dr. Liu, and Ms. Moghtader), 0 opposed, and 0 abstentions, to recommend that the full School Committee accept the gifts as described on the attached Request for Gift Acceptance memo, dated May 15, 2024.

Ms. Nobrega noted that BHS sports teams routinely solicit donations for their program needs; they typically use third-party platforms that charge exorbitant administrative fees. The Boys Volleyball Program was added to the district's online gifts portal as a pilot, to eliminate the high processing/administrative fees tacked on to every donation (the district portal only passes on the credit card fee). Ms. Nobrega asked that, at a future Finance Subcommittee meeting, the subcommittee receive an update on the pilot, including whether this option can be rolled out to other sports programs and clubs at the high school.

3. Acceptance of Grants

Ms. Nobrega referred to the attached Acceptance of Grants memo dated May 15, 2024. There is one grant for review: \$2,000 from Project Bread to support the Brookline "Summer Eats" program.

On a motion of Ms. Moghtader, and seconded by Dr. Linos, the Finance Subcommittee voted unanimously, by roll call, with 3 in favor (Ms. Nobrega, Dr. Liu, and Ms. Moghtader), 0 opposed, and 0 abstentions, to recommend that the full School Committee accept the grant as described on the attached Request for Grant Acceptance memo, dated May 15, 2024.

4. Review and Possible Vote on School Bus Contract 1-Year Extensions

Dr. Givens referenced the attached memo from Karen King, Interim Director of Operations, regarding bus contract extensions for FY25. The bus contract for four (4) in-town buses (through Eastern Bus) and the contract for buses for METCO students (through Local Motion) were originally for a period of three years (FY21-FY23), with an option to extend each year through FY28. Staff are highly satisfied with the transportation services provided by both vendors, and recommend approval of a 1-year extension of both contracts for FY25. The FY25 anticipated cost for the Eastern Bus contract is \$600,040, and the FY25 anticipated cost for the Local Motion bus contract is \$365,000.

On a motion of Ms. Moghtader, and seconded by Dr. Liu, the Finance Subcommittee voted unanimously, by roll call, with 3 in favor (Ms. Nobrega, Dr. Liu, and Ms. Moghtader), 0 opposed, and 0 abstentions, to recommend that the full School Committee approve the 1-year contract extensions for FY25 for Eastern Bus and Local Motion.

5. Review and Possible Vote on Non-Aligned Hourly Rates and Stipends

Dr. Givens shared the attached “FY24-25 Non-Aligned Extra Compensation Hourly Rates and Stipends” document. She noted that these rates, not covered under any collective bargaining agreement, require School Committee approval. These rates typically cover work in a summer or after-school program, and the rates reflect current practice/compensation. Whenever possible, these rates are compared to other districts (for example, the daily substitute rate). However, some of our programs are unique, therefore compensation rates are not readily comparable. Ms. Nobrega asked that the document be edited to provide additional clarity (for example, clear designation of whether the rate is hourly/daily/full-year stipend, etc.).

On a motion of Ms. Nobrega, and seconded by Dr. Liu, the Finance Subcommittee voted unanimously, by roll call, with 3 in favor (Ms. Nobrega, Dr. Liu, and Ms. Moghtader), 0 opposed, and 0 abstentions, to recommend that the full School Committee approve the FY24-25 Non-Aligned Extra Compensation Hourly Rates and Stipends, as described on the attached memo, subject to the edits and clarifications as discussed.

6. FY2024 3rd Quarter Financial Report

Dr. Givens and Diane Johnson discussed the 3rd Quarter budget update (attached), noting that we are currently running over budget (we do not have sufficient funds to cover the volume of requisitions being entered in the system). When finance staff first noticed the spending pattern in March, they worked with budget managers to close unnecessary purchase orders, modify (reduce) open purchase orders to reflect actual spending, summarize pending extra compensation payments, and develop a list of essential needs that each budget manager requires to close the year. Based on that review, the finance office forecasts a deficit of \$1,709,286 to close out FY24. The areas driving this overage include: OSS transportation (\$1.6 million over budget), paraprofessionals (\$1.2 million over budget), professional services (\$509,000 over budget), claims/settlements (\$488,000 over budget), tuition (\$359,000 over budget), legal services (\$225,000 over budget), and ESY/high school summer programs (\$158,000 over budget). These cost overruns total approximately \$4.6 million, but are offset by reduced activity in other budget areas. The unspent funds in other areas mitigate the overall impact, leading to a projected deficit of \$1.7 million. Dr. Givens noted that these are not final numbers; staff are still working diligently to identify savings wherever possible, remove any possible

double-counting, etc. Staff became aware of the increased special education transportation costs earlier in the year; the vendor for these services was unable to fulfill their commitment to the district. The district was, then, forced to seek alternative transportation options, which were more expensive. Ms. Johnson reported that for FY25, the district has contracted with a new vendor who has the capacity to meet our needs, so this expense will be known and manageable.

Dr. Givens shared some of the challenges that she and her staff have been working through to manage the FY24 budget. Being new, she and the finance director could not readily determine what costs were accounted for in the “extra comp” line. Without a clear roadmap of what that bucket of funds was designed to cover, managing it has been a challenge. The finance team will be working with budget managers to ensure that time sheets for any “extra comp” items are submitted in a timely fashion, which will enable staff to track expenses more efficiently. With no clear staffing roster for FY24, monitoring personnel expenses has been a challenge (they have created a clear staffing roster for FY25). When one-time grant funds were used to offset operational expenses last year, there was no clear accounting of what costs would return to the operating budget this year. The accounting codes in the Town finance system don’t align with DESE requirements, so that has proven to be a challenge. Staff have been working closely with our Town partners to address this issue, and are very appreciative of the support that our Town colleagues have shown to make modifications. The building-based budgeting in FY25 will give principals discretion on how to utilize their financial resources, and make choices to meet the needs of their school. Staff will also work with them on how to manage these resources to avoid overspending. Finally, staff turnover in finance, payroll and human resources has resulted in the loss of much organizational knowledge. Dr. Givens reiterated that despite the FY24 challenges, the finance team is much better positioned for FY25. In her report, she noted that as cost overruns became apparent this year, staff were able to increase the budget in some key areas for FY25, including: + \$863,174 in OSS transportation; + \$697,311 in tuition; and + \$236,080 in claims/settlements. There are some areas of overspending in FY24 that were not identified early enough to be corrected in the FY25 budget: the paraprofessional line is likely to have an overage in FY25 of approximately \$400,000; summer programming may be overspent by about \$158,711; and the additional compensation may be overspent (amount to be determined). Staff are continuing to analyze FY24 data and its impact on FY25 budget planning, and will share information with the School Committee as soon as it’s available.

Members expressed their appreciation for the work that staff have done to manage the FY24 budget, and the close attention being paid to personnel and non-personnel expenses to try and close the year on budget. They also appreciate the work that is planned to happen in FY25 so that budget managers are aware of the important role they play in helping to maintain a balanced budget.

Ms. Johnson shared an update on the special revenue funds (as of April 30, 2024) including grants (federal, state, and private) and revolving funds. Staff are looking closely at any opportunities to utilize grant funds to cover operating cost overruns, as allowed.

In response to a question from Cliff Brown, Chair of the Schools Subcommittee of the Advisory Committee, Dr. Givens shared some of the steps to be taken in the short-term (to address the projected deficit) and in the long-term (to ensure this is not repeated in the future). To close out FY24, staff recommend a \$1.2 million transfer from the salary account to the non-salary account. This will enable staff to enter purchase orders required for goods and services essential to close the fiscal year. Staff will also: continue to work with budget managers to close and/or modify existing

purchase orders; identify other sources of funding that can be used to mitigate the FY24 cost overrun; provide an update on these steps in June; and at the end of June, if necessary, request that the School Committee request a reserve fund transfer to cover cost overruns. In the future, Dr. Givens discussed several internal controls that will be implemented including: a position control system (a system to manage staffing that directly ties each position to approved funding; hiring only permissible with a position control number); more oversight of the budgeting for additional/extra compensation (the payments to staff who perform work beyond their primary role for things such as homework clubs, affinity groups, school play); close monitoring of contract approvals for any services from outside vendors, and related work with budget managers to ensure they understand that no services can begin before a contract is approved; and management of purchase orders, including strengthening the skills of budget manager in this area. Mr. Brown noted that if a reserve fund transfer is necessary, that request is made to the Advisory Committee. If the school department eventually makes this request, the Advisory Committee will expect and appreciate a detailed, coherent summary of the situation: what went wrong, and how will it be fixed going forward.

7. Discussion of Budget Summary to be Provided to Town Meeting

Ms. Nobrega reported that staff will be working over the next several days to complete an FY25 Budget Summary that will be part of the supplemental mailing sent to Town Meeting Members.

Ms. Nobrega adjourned the meeting at 6:32pm.



The Public Schools of Brookline
The Office of Administration and Finance
333 Washington St | Town Hall
Brookline, MA 02445

TO: School Finance Subcommittee: Mariah Nobrega (Chair), Andreas Liu, Sarah Moghtader
FROM: Susan Givens, Ed.D., Deputy Superintendent, Office of Administration and Finance
DATE: May 15, 2024
RE: **Finance Subcommittee Updates**

Gifts and Grants Update

Since our last meeting, we have received \$8,050 in donations for the High School Boys Volleyball Team. The donations will enhance the student experience by replacing an iPad they use for filming and analyzing games and practices and purchasing apparel (jackets, pants, etc.) that goes beyond what the school would provide. We also received \$2,000 from Project Bread's 2024 Summer Eats Grant, a program that provides free meals to all kids and teens ages 18 and under at locations all across Massachusetts during the summer months. The grant will provide stipends to staff members who organize enrichment activities for students during their lunch session, which is a federal requirement.

Motion: Accept \$8,050 in donations for the High Schools Volleyball team and the \$2,000 Project Bread grant.

School Bus Contract 1-Year Extension Update

The Operations team has assessed our transportation services and market rates for the upcoming school year (memo attached). Based on our current pricing and satisfaction with the vendors, we recommended extending the contracts for the FY25 school year.

Motion: Approve the contract extension with Eastern Bus and Local Motion for FY25.

Non-Aligned Hourly Rates and Stipends for Extra Compensation

Several years ago, the School Committee approved rates for a variety of part-time, temporary positions that are filled annually but are not part of work covered under any of our Collective Bargaining

Agreements. I have revised the rates to match the current payment standards and am requesting approval for these rates for FY25.

Motion: Approve the proposed Non-Aligned Extra Compensation hourly rates and stipends for FY25.

FY2024 3rd Quarter Financial Report

Attached is the FY24 3rd quarter report for the period ending April 30, 2024. Our School Finance Director, Diane Johnson, will review this information with you tonight.

**This will be submitted under a separate cover letter at the time of the meeting.*



THE PUBLIC SCHOOLS OF BROOKLINE
BROOKLINE, MASSACHUSETTS 02445

LINUS J. GUILLORY JR., PhD
SUPERINTENDENT OF SCHOOLS

SUSAN K. GIVENS, Ed.D.
DEPUTY SUPERINTENDENT FOR ADMINISTRATION & FINANCE

Request for Gift Acceptance

May 15, 2024

The School Department requires specific authorization for acceptance of gifts.

Motion: School Committee Accepts the donations listed below for school department use:

Donor	Amount	Recipient/Purpose	Account Number/Name
Jedidiah B. Miller	\$100.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Jedidiah B. Miller	\$150.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Thor Stein	\$250.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Rym Baouendi	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Jennifer Spencer	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Alejandro Gutierrez	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Sofia Boyer	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Khaled Alfakhuri	\$750.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Anete Pajuste	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Sarah Hwang	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account

German Gallucci	\$100.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Jeffrey A. Smagua	\$500.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Alexa Martin	\$150.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Daniela Tomer	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Chi K. Lam	\$600.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Rachel Perdue	\$400.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Shuzhen Guo	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Andrew P. White	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Ju Hong Park	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Ai Hashimoto	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
William O'Donnell	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Anamika Majumder	\$100.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Toby Raybould	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Kim Castro	\$200.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Tamar Sobol	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Amy Bacon	\$300.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Anonymous	\$100.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account
Anonymous	\$150.00	Brookline High School/Boys Volleyball	3300SEG1/Brookline High School Athletic Gift Account



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LINUS J. GUILLORY JR., PhD
SUPERINTENDENT OF SCHOOLS

SUSAN K. GIVENS, Ed.D.
DEPUTY SUPERINTENDENT FOR ADMINISTRATION AND FINANCE

Request for Grant Acceptance

May 15, 2024

Motion: School Committee Accepts the grant award as determined by the awarding authority
for the grant listed below:

Source	Grant/Point Person/Purpose	Award	Account#/Name
Project Bread	Project Bread's 2024 Summer Eats Grant/To help provide stipends to staff who provide enrichment activities for students while they eat their meals in the park Point Person: Sasha Palmer	\$2,000.00	3105SEL6/Project Bread



THE PUBLIC SCHOOLS OF BROOKLINE
BROOKLINE, MASSACHUSETTS 02445

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LINUS J. GUILLORY
SUPERINTENDENT OF SCHOOLS

SUSAN K. GIVENS, Ed.D.
DEPUTY SUPERINTENDENT, ADMINISTRATION AND
FINANCE

TO: Susan K. Givens, Ed.D. Deputy Superintendent, Administration and Finance

FROM: Karen King, Interim Director of Operations

RE: Bus Contract Extension for FY2025-FY2028

DATE: May 10, 2024

CC: Evan Schwartz, Transportation Coordinator

The transportation contract for our in-town and METCO bus service is a three-year contract with five one-year renewal options. As we complete our fourth year, we are highly satisfied with the level of service we are receiving. The FY25 budget is built on the bid price from each vendor. The anticipated cost for FY25 for in-town bus service is \$600,040, and for METCO bus service is \$365,000. Other districts that have bid on their transportation contracts for the coming year have seen rate increases ranging from 9% to 20%.

For these reasons, I recommend extending the contract with Eastern Bus and Local Motion for FY25.



THE PUBLIC SCHOOLS OF BROOKLINE
BROOKLINE, MASSACHUSETTS 02445

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May 14, 2024

FY24-25 Non-Aligned Extra Compensation Hourly Rates and Stipends

Substitutes

Type	Daily Rate 24/25
Daily Substitutes	\$135
Long term sub (up to 40 working days)	\$179.74
Long term sub (41 or more working days if licensed)	UNIT A pay scale (B-1 or M-1)
Nurse substitute	\$200
Secretary substitute	Principal Clerk 1 Step 1
Cafeteria Food Service Substitute	FS worker step 1
Food Service Manager Substitute	FS Manager Step 1

Music Extension Rates

Min	Max
\$39.54	\$43.70

Adult Education Rates

Min	Max
\$16.00/hr (Brookline living wage seasonal)	\$52.02/hr.

Parent Child Home Program (Unit C - Paraprofessionals)

External	Internal
\$20.00	Para Salary Schedule/Current rate

Homework Club

Paraprofessional Rate	Unit A member rate
Other Employees Hourly Rate	\$28/hour

FY24-25 Non-Aligned Extra Compensation Hourly Rates and Stipends

Direct Service Provider (Unit C - Paraprofessional)

Min.	Max.
External	\$35/hr
Internal	Para Salary Schedule/Current rate

Summer Programs

BHS Summer School	FY24/25
Director	\$12,500 (paid from revolving)
Teachers	\$47/hr
Student Aides	\$16.00/hr Brookline living wage seasonal
Security	\$23.35 Para Salary Schedule/Current rate

Summer BHS Calculus Project	FY24/25
Teachers	\$47/hr
Peer Leaders	\$16.00/hr Brookline living wage seasonal

Star Academy (Grant Funded)_	FY24/25
Director	\$18,000
Assistant Director	TBD
Team Leader	TBD
Teachers	\$47/hr
Teacher Assistant	\$16/hr Brookline living wage seasonal
Para	Para Salary Schedule or Current rate

ESY (Grant Funded)	FY24/25
PSB Special Ed Teachers & Specialists (LC, PT, Speech, OT, Psych, Teacher of Deaf)	\$56/hr
Nurses	\$56/hr external, Per diem for PSB nursing staff
PSB system wide program aides	Para Salary Schedule/Current rate
PSB aides (ALC, RISE, TLC, LAHB)	Para Salary Schedule/Current rate with Diff +1
ESY Coordinator (3)	\$7,500 stipend
Specialized Program Teacher (TLC/RISE/ALC/LAHB) <i>Teachers who teach in a program during the SY and then teach in the same program during the summer and are licensed in area specific to program</i>	Per diem rate

FY24-25 Non-Aligned Extra Compensation Hourly Rates and Stipends

Project Discovery (general fund)	FY24/25
PSB Teachers	\$47/hr
PSB Aides	Para Salary Schedule/Current rate
Discovery Director	\$8,800
Assistant Director/Interventionist	\$7,050

BEEP Enrichment (revolving fund)	FY24/25
PSB Teachers	\$56/hr
PSB Aides	Para Salary Schedule or Current rate
Director	\$12098.25

Student Intern Rates

School	Rate/Stipend (FY24/25)
*Simmons College, *BU/Wheelock College Interns (Grade 1)	\$10,000 per intern
Northeastern University	\$16/hr Brookline living wage seasonal

*=Dual Certified

Non Aligned Stipends:

Title	Rate/Stipend (FY24/25)
Child Study Members/ Student Intervention Team (SIT)	\$800
Child Study Leader/SIT	\$1000
Child Study co-leader/SIT	\$900
Mentored Professional Learning Coach (MPL)	\$1,274
Coordinator of Online Learning @ BHS	\$2,500
Elementary Yearbook design advisor	\$1,000
Theatrical Costume Design@ BHS	\$1,200
Costume Design	\$50/hr
Sound Technician	\$16/hr if hiring a student or up to \$2,500 stipend for non student
Elementary Choreographer	\$50/hr
Music Festival Assistant	\$150 per day
Music Adjudicator	\$100-\$1,000 depending on scope of work

FY24-25 Non-Aligned Extra Compensation Hourly Rates and Stipends

Accompanist-Play	\$1,000
BHS Event Staff	\$50/hr
Set Design (One at each school)	\$50/hr
Young Scholars Club	\$1,540
Young Scholars Literacy Project Teacher	\$1,540
Young Scholars Calculus Project Teacher	\$1540
MCAS Test Assistants	\$510
Advanced Placement (AP) Proctors	\$25/hr
School culture & climate committee members	\$500
ExCel Program Lead Teacher	\$3,000
Translating Documents	\$45 per hour
In-person (verbal) translation	\$20 per hour
Home Hospital Tutor	\$25 per hour
Library Inventory Aide	Paraprofessional Schedule #5 No Degree Step 1 Hourly Rate
PSAT, SAT, and Pre ACT Exam Proctors	Rate based on College Board rates
Game Officials for extramurals	\$30 per game
Morning Movement (at multiple Elementary Schools)	\$35.51 per hour

PSB FY24 Q3 BUDGET UPDATE - May 15, 2024

In March, the Finance Team became concerned because there were insufficient funds in the non-salary accounts to process the volume of requisitions that were being entered in the system. At that time, Budget Managers were asked to review all open PO's and, where possible, adjust them to reflect anticipated needs for the remainder of the year. They were also asked to provide a list of essential needs that were not yet encumbered on a PO and send in any timecards for extra compensation that had not yet been processed, as well as project any additional extra compensation that would be needed before the end of June. Based on the information provided, the Finance Department is forecasting that PSB will be \$1,709,286 over budget by the end of the year. Here are the FY24 hotspots driving this overage:

	Budget	Proj. Expense	Variance
Contracted Services			
Legal	225,000	450,000	225,000
Professional Services	2,490,747	3,000,533	509,786
Transportation (OSS)	2,920,291	4,560,544	1,640,253
Tuition	4,606,248	4,965,689	359,441
Claims/Settlements	250,000	738,811	488,811
Paraprofessional	10,899,089	12,160,358	1,261,269
ESY & HS Summer Programs	18,500	140,211	158,711
Additional Compensation	TBD		

Due to cost overruns in these areas totaling \$4,643,271, spending in other areas has been suspended for the remainder of the year. Unspent funds from all other accounts mitigate the overall impact of the overages noted above, leading to the projected \$1,709,286 deficit.

To complete the year, there are several actions that will need to be taken.

1. As of May 15th, the amount of money accessible in the non-salary accounts is \$69,628. To complete the year, an estimated \$1,252,798 must be encumbered to cover expenses that must be paid. To enter these PO's into the system we will need to transfer \$1,200,000 from the salary to the non-salary account.
2. We will continue to encourage Budget Managers to review, modify, and close out PO's so the Finance Team has a clear picture of actual spending needs for the remainder of the year.
3. We will identify other funding sources that can be used to mitigate the cost overrun in FY24 and provide an updated report of our progress in June.
4. If we are unable to close the deficit, we will seek a reserve fund transfer at the end of the year to cover the final cost overrun in FY24.

Going forward, the following internal controls, if implemented and followed by Budget Managers and staff, will increase the visibility of potential problem areas earlier in the year. This will allow the administration to manage resources proactively within the appropriation provided by the Town.

1. Position Control
2. Budgeting for Additional/Extra Compensation
3. Contract Approval and Oversight
4. Purchase Order Management
5. Accounting Access Privileges

Position Control

A common internal control used to manage staffing is a position control system. This system connects positions approved in the budget to an account number, funding source, location, position title, and position type. Each position that is approved in the budget is assigned a position control number. To hire a person, there must be an unoccupied position control number.

In FY24, the staffing plan that aligned to the approved budget was not finalized, and therefore, a position control system was not able to be implemented. The information shared during the transition from one administrative team to the other was scarce, making it difficult to identify what positions were approved in the budget and how the positions related to staff on payroll. To complicate matters further, the account codes were changed and a map from the old system to the new system was not provided when the new team took over last summer. Last, documentation was lacking for staff separating from service. In some cases, HR was not notified that staff had resigned; therefore, termination paperwork was not processed. In other cases, personnel action forms were not processed by HR for staff separating from the District, which triggers the termination process in Munis. Without having an accurate roster of positions, a viable position control system mapped to FY24 account codes and staff, and clear and comprehensive documentation related to separations and hiring, there was no clear baseline from which to monitor the FY24 budget.

In short, to manage human and financial resources, there must be a staffing plan connected to the financial plan using a position control system. If an unanticipated situation arises that requires the addition of a position, the Deputy Superintendent of Administration and Finance should be contacted immediately to identify a funding source for the position and, if necessary, seek approval from the School Committee to add a position prior to advertising and hiring staff. When positions are eliminated, the position control number should be eliminated and a log of retired numbers should be maintained. In addition, Budget/Hiring Managers and the HR Team must follow proper protocols for hiring and exiting staff. New staff should not start employment without completing the hiring process through the HR department, and position control numbers should be included on all personnel action and requisition forms moving forward.

The FY25 budget was created with a staffing plan tied to the budget. Every position approved in the FY25 budget has been assigned a position control number (PCN), and positions are not being posted unless the PCN is associated with an open position. A new personnel action form (PAF) has been created and is being used to track changes, and the staffing plan with PCN numbers have been shared with district and building leaders. The Deputy Superintendent of

Administration and Finance has met with the District Leadership Team several times over the year to review these protocols to ensure there is a common understanding of expectations, roles, and responsibilities.

Budgeting for Additional/Extra Compensation

A significant amount of time was spent this year creating the staffing plan and position control system to ground funding to programs and staff. During this data gathering process, forms of extra compensation (longevity, vacation buyback, uniform and travel allowances, etc.) noted in employment contracts were captured in the FY25 spending plan. What was not fully captured in FY25 were costs related to after school and extended school year programs, and other payments made to staff for additional duties and responsibilities beyond their primary role. Programs that fall within this category include the calculus project, summer school programs, co-curricular programs (homework clubs, affinity groups, before school supervision, school play, etc.) as well as stipends for mentoring, child study groups, A/P and MCAS proctors, curriculum and professional development, training programs, etc.

In order to anticipate and monitor spending, a budget must be created for all programs offered to students and staff. Without a baseline of defined program expenses, it is not possible to anticipate spending and monitor costs. The HR and Finance Teams are in the process of identifying all forms of extra pay by program and location so that spending from FY24 can be compared to the funding available in FY25. Budget Managers will be provided with this information this summer so that they can make informed decisions about what programs/activities to offer within their funding allotment.

Consistent and timely submission of timecards for extra compensation has been problematic and prevents the Finance Team from being able to forecast costs as well as exposes the District to paying penalties for treble damages. For these reasons, Program Managers and staff must take responsibility for submitting weekly timesheets for services rendered.

To date, it is unclear whether the Finance Team has captured all of the actual or potential additional compensation in the FY24 projections. Based on what is known at this time, it does not appear that there is adequate funding in the FY25 budget to pay for all the programming offered this year (see additional discussion below in “Impact of FY24 Projected Deficit on FY25 Budget Planning”).

Contract Approvals and Oversight

Contracted services are used to engage the services of outside vendors to perform work that our professional staff are unable to provide, either due to vacancies or a need for particular expertise. When these situations arise, Budget Managers need to work with the Deputy Superintendent of Administration and Finance to develop a contract that clearly defines the scope of the work to be performed, the deliverables to be provided, the timeline for the work, the total amount of money to be expended under the contract, the source of funding for the project and the frequency of invoicing, among other things. This contract must be signed by both the vendor and the Deputy Superintendent before it is considered valid by the Town’s

procurement department. Once the contract is signed, a purchase order must be entered before work can begin. When this process is followed, there is no difficulty with payments, since the funds are identified and secured in advance of the work. The Budget Manager can monitor spending against the contract by watching their PO balances. On a quarterly basis, Budget Managers should close out POs for work completed, and if additional money beyond the contract amount is required, the Deputy Superintendent should be contacted so an addendum can be authorized and the PO can be adjusted.

In FY24, many vendors began work well in advance of having a valid contract signed by the Deputy Superintendent of Administration and Finance and a PO issued by the Town's Procurement Office. Without a PO, invoices submitted by vendors cannot be paid. During the winter and early spring, a significant volume of POs were entered into the system to back pay invoices. As previously mentioned, when this occurred in March, there was insufficient capacity available in the budget to execute POs. Related, there were multiple instances where vendors submitted invoices in excess of the contract. If additional services are needed, a contract addendum should be issued and the PO should be modified to reflect the revised scope of services and related costs.

Purchase Order Management

There has been a long standing practice of keeping purchase orders open across fiscal years. This creates confusion when managing resources and spending. Purchase orders should be closed by the end of the fiscal year except in very limited circumstances (i.e., June invoice for transportation arrives in July). Budget Managers should right size PO balances as the end of the year approaches to reflect expenses through the end of June, and no more. Beginning in FY25, the Comptroller's Office has stated that all FY24 purchase orders will be closed by September 30. This will simplify budget management by not having two fiscal years open simultaneously once the school year is underway, and spending for the prior fiscal year will be properly captured in the correct fiscal year.

As mentioned previously, it is essential that no orders are placed for goods or services without an approved purchase order in hand. If the purchase order precedes all orders and requests for services, there will never be a problem with prompt payment because the purchase order sets aside funding and approval of the activity ahead of time. Delayed payments and aggravated vendors are a result of not having purchase orders in place before orders and requests for services happen. During FY25, we will work with the Budget Managers to strengthen their skills in the area of purchase order management.

Accounting Access Privileges

Last, account management functions in Munis and access privileges to sensitive personal data and higher level financial management features should be limited to the proper personnel in the Finance Department. There is some data that the HR team must have rights to perform in Munis as well, but on a more targeted basis. Staff outside of these two departments should not have the ability to view or change information in the system.

In FY25, access to data in Munis and the ability for staff outside of the Finance Team to reclassify expenses, make budget adjustments, change staff pay, view or access personal information, create accounts, etc., within the Munis system will be prohibited. There are operating procedures in place for Budget Managers to make requests for transfers, and these actions should not be allowed without the review and approval of the Finance Director. This will ensure that sensitive employee data is not accessible to others and will stop staff outside of the Finance Department from transferring money between funds and accounts.

IMPACT OF FY24 PROJECTED DEFICIT ON FY25 BUDGET PLANNING

During the FY25 budget development process, it became apparent that the FY24 budget for transportation, tuition, and settlements in the special education department was insufficient to cover the costs and commitments for the year. With this in mind, the FY25 budget already includes significant funding increases in these areas based on the projections provided by the Office of Student Services.

	FY24 Overage 5.14.24	FY25 Increase
Transportation	\$1,640,253	\$863,174
Tuition	359,441	697,311
Claims/Settlements	<u>488,811</u>	<u>236,080</u>
	\$2,488,505	\$1,796,485

In addition to the non-salary cost overruns in FY24, funding for paraprofessionals and compensation for additional responsibilities (coaching, co-curricular program advisors, extra duties, stipends, summer school, etc.) are underfunded in FY25 based on data available at this time.

	FY25 Overage
Paraprofessional	\$400,000*
Additional Compensation	TBD
FY24 Summer Programming	\$158,711 + TBD

*12 Positions

We are continuing to analyze the data from FY24 and its impacts on FY25 budget planning and will have more information to the School Committee as soon as it is available.

PUBLIC SCHOOLS OF BROOKLINE
FY24 BUDGET STATUS REPORT as of April 30, 2024

SCHOOL OPERATING BUDGET	AMENDED BUDGET	EXPENDED	ENCUMBERED / PROJECTED	SURPLUS/ (DEFICIT)
Personnel Expense	113,843,865	92,211,499	22,138,026	(505,660)
Non-Salary Expense				
<i>Outside Services/Contract</i>	12,943,792	10,957,249	4,203,006	(2,216,463)
<i>Supplies and Materials</i>	2,286,832	1,297,773	278,407	710,652
<i>Other Expenses</i>	354,839	245,300	64,336	45,203
<i>Utilities (Gasoline)</i>	10,250	6,105	3,895	250
<i>Equipment & Leases</i>	1,262,798	1,004,845	1,220	256,733
Total Non-Salary Expense	16,858,511	13,511,272	4,550,865	(1,203,626)
TOTAL School Operating Budget	130,702,376	105,722,771	26,688,891	(1,709,286)

**Special Revenue Funds
as of April 30, 2024**

FEDERAL GRANTS	FY23 Year End FUND BALANCE	FY24 Budget Estimate	FY24 Approved Budget	FY24 Revenue to Date	Expended to Date	Encumbered to Date	Balance to Date
ESSER							
ESSER II	325,060	-	325,060	-	295,681	-	29,379
ESSER III	60,562	-	60,562	-	60,562	-	-
TOTAL ESSER	385,622	-	385,622	-	356,243	-	29,379
Title 1 FY24	(32,054)	256,431	674,545	165,334	225,423	66,101	383,021
Title 1 FY23			144,144	107,734	19,001	1,752	123,391
Title 1 FY22			21,920	-	4,702	-	17,218
Title IIA FY24	77,892	93,524	129,527	-	97,134	32,393	-
Title IIA FY23			74,306		65,566	8,741	-
Title IIA FY22			11,082	-	699	-	10,383
Title III FY24	71,469	112,344	134,884	9,049	8,650	3,681	122,552
Title III FY23			85,334	62,155	73,902	1,865	9,568
Title III FY22			23,058	-	20,286	-	2,772
Title IV-A Student Support FY24	11,268	20,958	18,818	-	18,818	-	-
Title IV-A Student Support FY23			20,499	-	20,499	-	-
IDEA FY24	188,504	2,277,428	2,446,210	155,340	1,053,172	277,420	1,115,618
IDEA FY23			865,337	865,337	918,756	47,526	(100,945)
IDEA FY22			144,430	-	138,854	-	5,576
ARP-IDEA	109,101	-	109,101	-	57,725	-	51,376
Early Childhood FY24	328	38,643	40,365	-	-	-	40,365
Early Childhood FY23			1,085	3,858	44,175	-	(43,090)
ARP - Early Childhood	1,186	-	1,186	-	943	-	243
Perkins FY24	29,699	50,176	71,147	-	27,014	3,432	40,700
SEL and Mental Health FY24	4,907	-	80,013	9,438	12,541	5,626	61,846
SEL and Mental Health FY23			20,800	35,415	20,800	-	-
Chronic Absenteeism Initiative			10,000	10,000	-	-	10,000

	FY23 Year End FUND BALANCE	FY24 Budget Estimate	FY24 Approved Budget	FY24 Revenue to Date	Expended to Date	Encumbered to Date	Balance to Date
STATE GRANTS							
Circuit Breaker	3,156,936	3,475,572	3,156,936	1,796,857	2,281,104	864,010	11,822
METCO	18,425	2,291,283	2,354,849	1,362,044	1,655,476	171,878	527,495
METCO Targeted PAC	-	-	400,520	400,520	400,520	-	-
SEL and Mental Health FY23	(12,150)	-	27,200	19,828	27,200	-	-
Investigating History Pilot FY24	(3,497)	-	16,900	14,388	14,388	-	2,512
Investigating History Pilot FY23			-	3,497		-	-
Enhanced School Health Services F	35,747	100,000	100,000	50,000	76,505	737	22,758
Coord. Family & Com. Engagement	10,381	139,874	139,874	114,102	103,465	4,496	31,913
MCC Stars Residency Program	475	-	475	-	-	-	475
Civics Teaching/Learning FY24	(6,869)	-	60,000	29,830	9,161	10,532	40,307
Civics Teaching/Learning FY23			36,950	25,266	18,397	7,225	11,328
Hate Crime Prevention	(34,957)	-	-	34,957	-	-	-

	FY23 Year End FUND BALANCE	FY24 Budget	FY24 Available Funds	FY24 Revenue to Date	Expended to Date	Encumbered to Date	Balance to Date
PRIVATE GRANTS							
Steps to Success	14,040	10,400	10,400	-	-	-	10,400
BU Consortium	4,373	-	4,373	-	-	-	4,373
BU Saudi Teachers	22,508	-	22,508	-	-	-	22,508
Kraft Opportunity fund	78,256	-	78,256	-	6,584	4,307	67,365
Whipple Writing Fellowship	51,450	26,150	51,450	24,000	20,517	76	30,857
Brookline Education Foundation	23,447	123,568	123,568	-	73,147	6,700	43,721
HS Innov. Fund (Teacher Mentorin	173,017	307,853	307,853	154,630	229,870	-	77,983
BCF Racial Equity	-	50,000	50,000	-	-	-	50,000
Project Bread	1,687	-	1,500	-	1,200		300
	4,440,497	9,374,204	12,523,856	5,453,578	8,169,634	1,518,497	2,835,726

REVOLVING/GIFT/FEES	FY23 Year End FUND BALANCE	FY24 Budget	FY24 Available Funds	FY24 Revenue to Date	Expended to Date	Encumbered to Date	Balance to Date
Food Services	1,106,715	3,444,619	1,106,715	2,868,551	3,167,395	347,491	460,380
BEEP	2,023,510	2,960,113	2,023,510	2,254,635	1,630,419	16,080	2,631,646
BACE	371,111	747,639	371,111	516,089	645,505	43,695	198,001
Summer School	27,390	-	27,390	13,960	6,550	-	34,800
Tuition & Materials Fee	691,159	600,000	691,159	507,534	140,648	402,349	655,696
Athletics - High School	258,813	510,000	258,813	372,783	395,847	82,831	152,918
Athletics - K-8	29,715	25,000	29,715	36,478	30,317	1,260	34,616
Use of Facilities	36,905	383,316	36,905	275,222	220,213	-	91,914
HS Restaurant	98,949	127,413	98,949	105,306	114,644	8,925	80,686
Bus Transportation	29,682	48,000	29,682	-	180		29,502
Academic Testing	18,571	105,000	18,571	12,913	12,944	3,138	15,401
Lost Book Recovery	13,622	-	13,622	350	2,325		11,646
Culinary Arts Material Fees	5,033	25,000	22,973	17,940	15,238	3,675	21,999
Industrial Arts Materials Fee	5,038	14,000	5,038	370		-	5,408
Performing Arts Materials Fees	2,114	14,000	2,114	13,063	6,312	7,331	1,534
Visual Arts Material Fees	8,220	11,000	8,220	14,035	10,420	580	11,255
BEEP Gift Account	51,482	-	51,482	2,500	-	-	53,982
K-8 Gift Accounts	32,536	-	32,536	5,095	4,094	-	33,537
High School Gift Accounts	36,896	-	36,896	11,560	8,463	591	39,402
High School Social Work Gift Account	6,588	-	6,588	-	-	-	6,588
District Gift Account	4,075	-	4,075	500	-	-	4,575
Food Services Zero Waste	74,025	-	74,025	-	42,000	-	32,025
ELE Summer Fee Program	2,090	-	2,090	-	1,550	-	540
	4,934,240	9,015,100	4,952,179	7,028,882	6,455,064	917,946	4,608,051

Note: All balances based on 4.30.24 balance sheet reports from MUNIS.