

**BROOKLINE SCHOOL COMMITTEE
BUDGET GUIDELINES AND PRIORITIES
FY 2013**

INTRODUCTION

The Brookline School Committee (BSC) provides guidance to the Superintendent and his staff as they create the annual operating budget for the Public Schools of Brookline (PSB). Ultimately, the Brookline School Committee is responsible for this budget. Our priorities each year are informed by the long term goals and objectives of “The Strategic Plan of the Public Schools of Brookline: 2009-2014,” but they also incorporate changing elements in the public schools landscape locally and nationally that affect anticipated revenue or may require increases in spending. Our objective each year is to continue progress toward a sustainable budgetary platform for the PSB that enables our traditions of innovation and improvement to move us toward our vision of educational excellence with equity for all students in Brookline.

Current Conditions

Enrollment growth in Brookline continues unabated for the seventh consecutive year, increasing our K-8 population by 24 percent, a net increase of 941 students. In the last three years alone, our number of classroom sections has increased by 19 or 9 percent. Even though we have added classrooms to meet this growth, larger class sizes are also now more frequent in the lower grades, a trend contrary to the School Committee’s standing priority of maintaining smaller class sizes, especially in the early elementary years.

Because of this growth in enrollment, the PSB is experiencing extraordinary pressures both on its physical plant, where we have each year repurposed new space within existing facilities to accommodate programmatic uses, such as classrooms and offices, as well as on its operating budgets due to growth in staffing, with associated increases in outlays for staff benefits. In addition to capital budget outlays required for new, renovated, and repaired classrooms to keep up with enrollment, financing of buildings affects the operating budget in two ways. First, additional space requires money to maintain. Secondly, the cost of debt service is part of our operating budget.

In addition to growth in numbers, the increase in staff accommodates the growing diversity of our student population, including diversity in our special education and English Language Learner populations, creating different pressures in different schools for additional services to meet the various demands presented by that growing diversity. Although the Superintendent and his administration will direct the programming to accommodate this growing student body, the School Committee acknowledges the role that it will have in responding to concerns in the community about the impact that this larger school body has on the Town’s resources.

The FY2012 budget has already been challenged by this growth, especially from ancillary special education costs, in spite of out-of-district special education placement numbers remaining stable and special education students proportionally remaining steady. At the beginning of the year, we reallocated school funds to cover a \$200,000 shortfall from FY2011 driven primarily by staffing requirements to meet increased enrollment, transportation and related special education

services. As we have successfully implemented strategies to decrease the number of 1:1 and 1:2 paraprofessionals in the district, enrollment pressures have simultaneously forced increases in other areas of special education support, making overall special education budget dollars higher than anticipated. In addition to these challenges, a younger faculty overall has raised rates of maternity/paternity leaves, consequently raising our substitute costs. As a result, contingency funding built into the FY2012 budget has been fully utilized for enrollment growth and 50% utilized for special education, leaving us more vulnerable to having to reach into one-time funds if unexpected special education and other costs exceed what remains in our contingency funds over the remainder of the year.

On the plus side, we commend the administration and staff for balancing several revolving fund accounts, especially Food Services and Brookline Community and Adult Education. In addition, we acknowledge with gratitude the engagement of our many Town and non-profit partners in education who contribute so much, especially to our teachers' professional development and to our ability to continue innovating even in hard times.

Finally, the BSC recognizes that while the schools are Brookline's greatest asset in keeping property values strong, the need for more space and the pressure on the operating budget from enrollment growth are also some of the Town's most challenging problems. Coming as it has concurrent with a prolonged economic downturn, PSB growth has required selected spending cuts in the schools in each of the previous several years. The Committee commends the Superintendent and his staff on successful leadership and management of changes during these years balancing program reductions and modifications, more effective ways of delivering the same and better value, improved utilization of resources, and the introduction of new and expanded curriculum. We also recognize that reductions, in particular, have been difficult to absorb and not without pain. We continue to be grateful to the residents of the Town for their good will and a sense of common purpose during tough times. We are also committed to working within the Town/School Partnership and with the community as a whole to forge solutions to these ongoing challenges that will keep the schools strong.

Looking Forward

The FY 2013 budget will be challenging. Cost pressures will mirror the above-noted challenges and considerations, but also reflect negotiated collective bargaining increases and rising health insurance costs borne by the Town and Schools. Although the recently negotiated three-year contract with the Brookline Teachers' Union (BTU) provides stability and more predictability through FY2014, it also creates the financial risk that revenue growth may not be sufficient alone to support the already negotiated increases in wage, step and lane and health insurance commitments. In spite of this risk, it is an accomplishment in this economic environment for the School Committee and the BEU to agree on a contract which increases teacher collaboration time, commits to moving forward on teacher evaluation, and sets wage, step and lane increases for FY2012 -- FY2014.

Fiscal year 2013 also represents the second year of "stepping down" off of the American Recovery and Reinvestment Act (ARRA) funding of \$1.1 million. To smooth the transition to post-ARRA financing, the FY2012 budget tapped \$750,000 of one-time reserve funding,

anticipating “stepping down” further in FY2013 by using less one-time funding, aiming for the elimination of use of one-time funds for operating expenses by FY2014.

The Committee expects that in FY2013, and for the foreseeable future, the extent of the available financial resources from federal, state, and municipal government will challenge the PSB’s ability to meet our vision. The anticipated growth in Town revenues falls short of the rise in the cost of current programming and services. A guiding principle of budgeting and identifying PSB priorities, therefore, is to sustain progress on our major goals without exposing the PSB to abrupt changes.

The certainty of financial constraint mixed with the equal certainty that the Town has limited avenues for local revenue enhancement in the current fiscal climate make us cautious about the near term. We continue to rely on the energy and caliber of our teachers and staff and the commitment to our public schools by Town staff and officials to achieve what Brookline has come to expect of its schools. We greatly value constructive input from staff and community members to the budget process to assist us in meeting the fiscal challenges ahead, and we are confident that everyone in the PSB community will continue to think creatively and collaboratively about ways to innovate, to find efficiencies, and to sustain our commitment to our core values.

STRATEGIC PRIORITIES FOR COMMITTED BUDGET RESOURCES

The Committee asks the Superintendent to develop the FY2013 budget with emphasis on the following strategic priorities (in no particular order) that are critical to our mission of educational excellence during this upcoming year.

- **Program Review, Innovation & Improvement.** Brookline’s now well-established process of program review has allowed us to continue to identify opportunities and direct resources to innovation, programmatic enhancements, and systemic improvements in educational quality, equity and efficiency. Innovative approaches have yielded progress in 21st century global skills as well as advanced our approach to educational equity through, for example, the K-6 World Language Program, the partnership with the Landmark School for specialized literacy instruction, and the Calculus Project, which has raised the academic aspirations and achievements of students of color. Data collection and analysis, critical to assessing the value of these investments, have also steadily improved. Frequent systemic improvements both conserve resources and improve the overall quality of our schools. While we recognize that responsible innovation will sometimes yield disappointments, we strongly encourage the Superintendent and his staff to continue to innovate and to measure the effectiveness of programs and initiatives.

The Committee believes this focus on innovation, professional development, and careful assessment are critical to maintaining the vibrancy of the schools during these years of fiscal constraint, and we look forward to hearing from the Superintendent about specific proposals that support Strategic Plan goals and/or create efficiencies that free up sustainable resources for educational programs. The Committee also acknowledges the

enormous benefit of Brookline having serious partners in funding innovation and professional development through the Brookline Community Foundation, the Brookline Education Foundation, and the 21st Century Fund.

- **Technology to Support Education.** The Committee urges the Superintendent to continue to invest in new technologies and opportunities that may help advance our strategic academic priorities (e.g. differentiated instruction), that yield more effective student understanding, improvements in school administration, and enhanced communication between school and home, or that create efficiencies and eventual cost savings. While we are mindful that balancing technology with face-to-face time between students and high quality teachers is optimal, the Committee also believes the PSB should be more aggressive in our pursuit and incorporation of technology (and technology infrastructure) to support education at all levels.
- **Resources for Early Education.** Abundant research confirms that investments in early education have long-term payoffs for students and school systems in terms of overall academic progress and limiting remedial education costs. Enrollment in pre-K is by itself a step in mitigating future costs, and the Committee supports expansion of early education to the extent possible. In particular:
 - ❖ Educational Equity: Targeted interventions for our youngest students yield the greatest payoff in closing the academic achievement gap and lowering future special education costs. Ensuring that high-risk children are enrolled in quality pre-kindergarten optimizes achievement across the early years, consistent with children in pre-K with complex needs requiring more classroom resources.
 - ❖ Class Size: Enrollment increases over the past seven years have created significant operational budget pressures and have resulted in larger than optimal class sizes in the lower grades. To offset the potential effects of increased class size, and consistent with our strategic priorities, the Committee supports adding staff in classrooms in order to maintain a student/teacher ratio that is optimal for learning. Because the effects of large class numbers are more significant at the lower grades, staff resources should be prioritized for hires in preK-3 to keep the teacher/student ratios as low as possible.
- **Teacher Effectiveness.** The PSB's greatest asset is the quality of its teaching staff. Of all the elements that affect the quality of education, research shows teacher effectiveness to be the most influential. The School Committee is committed to our core value of excellence in teaching, as demonstrated by our recently ratified contract with the Brookline Educators' Union (BEU) that increases time for teacher collaboration. Also in the contract, and central to sustaining excellence in teaching, is a collaborative process between the PSB and the BEU to improve teacher supervision and evaluation consistent with recent changes in laws and regulations. The Committee urges the Superintendent to budget appropriately to support this process and its potential to improve teaching and learning for all of our students. We note that this domain is particularly amenable to multi-year budgeting given the timeline of implementation for these new regulations and procedures over the next two fiscal years.

- **Closing the Achievement Gap.** The Committee is fully committed to the strategic goal of eliminating gaps in student achievement, a goal that we recognize will continue to require resources. Meeting individual student needs requires financial support for special programming, including special education, enrichment and challenge, and English language learners.
- **Transition Years.** Both risk and opportunity for student achievement are most pronounced during developmental transitions, and the Committee urges the Superintendent to direct resources to these critical periods for sustaining student interest and success in school. Critical transition periods in education happen 1) at preschool/Kindergarten, 2) between elementary and middle school grades, 3) between 8th grade and high school, and 4) between high school completion and post-secondary education. Examples of investments consistent with this priority include the implementation of Olweus (our new bullying prevention program), the Literacy Project, the Calculus Project, and town-wide, middle school programs in performing arts, athletics, and academic achievement.
- **Minimize Reliance on One-Time Funds.** One-time funds are those funds derived not directly from the property tax but from government transfers of various kinds. Their essential characteristic is the lack of predictable and recurring availability. Use of one-time funds for ongoing operational costs is never a good budgeting strategy. We recognize that it has been essential in the past to prevent reductions. Softening our “landing” after losing the short-term ARRA funds has required using other one-time funding. Our remaining reserve fund balance, or “Rainy Day Fund,” is consequently lower than we would like as we face unprecedented enrollment growth and experience volatility in special education expenses. Given the likelihood that reserve funds will continue to be called upon, it is critical to both protect and replenish reserve fund balances, but difficult to do without increases in revenue. The Committee recommends, therefore, balancing budget reductions with use of one-time funds so that the PSB is no longer dependent on one-time funds for ongoing operations by FY2014, and protecting reserve funds equal to an adequate one-year contingency for special education and enrollment growth. Circuit Breaker funds, if they exceed anticipated rates, should continue to be used to build reserve funds as one means to mitigate financial uncertainty.

The Committee notes that similar caution should be applied in our reliance on possible grant-funded programming or staffing, given the likelihood that sustained district funding for new programming introduced with grant funds will be limited in the next several years.

- **Budget Adequate Contingency Funds for Volatility.** Given that reserve funds have been drawn down and cannot adequately cover unexpected large expenditures, it is critical to plan adequately for possible spikes in expenditures in historically volatile areas, specifically special education and enrollment-driven programming. The Committee, therefore, requests that the Superintendent budget annual contingency funds in FY2013 for these two volatile areas.

ADDITIONAL CONSIDERATIONS

1.) These priorities aim to protect the quality of existing educational programs. Unfortunately, to provide educational services at this level with the resources available will require the entire system to bear some budget reductions. In determining program reduction alternatives, the Superintendent should identify budget areas and/or programs where the PSB could provide services more effectively or more efficiently, areas where additional effort may yield long-term desired results and efficiencies, and areas that should not be maintained, if any, in order to meet this charge. Maintaining our existing quality does not mean maintain the status quo. It requires dynamism to manage a complex system that strives to deliver the best education possible with our existing resources.

2) Given the uncertainty of the global and national economic outlook, the Committee would like to see expanded presentations of multi-year budgeting, as well as full accounting of costs in the revolving accounts and the operating budget, such as OPEB's, to make transparent the true cost of operations and priorities, including where our general fund subsidizes revolving fund activities. This will strengthen the Committee's decision-making in a fiscal environment with tight budgets.

3) We look forward to working with the Superintendent to realize this goal. The Committee recognizes that the FY2013 PSB budget will demand difficult choices. We encourage the Superintendent to discuss these difficult choices with the Committee as he prepares the budget, especially in areas where reductions in program or staffing may result.

Submitted by the Brookline School Committee as voted on December 15, 2011.

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