

New Foundation Spending Areas

As the information that we presented indicated, the Worcester Public Schools is underfunded in the current foundation budget formula in the areas of health insurance, special education, and the skipped inflation adjustment in 2010 by \$67.9 million and the Commission's recommendations on funding English Language Learners and Low Income students could potentially provide an additional \$25 million in funding, totaling \$92.9 million, as follows.

Category	Impact
Health Insurance:	\$29.1
Special Education:	\$29.8
English Language Learners:	\$ 5.0
Low Income Students:	\$20.0
Inflation Factor Adjustment:	\$ 9.0
Shortfall and Impact:	\$92.9

The members of the Delegation asked about how new resources would be spent within the district if adjustments to the foundation budget formula were to be enacted. The Administration has developed and School Committee has adopted a Seven Point Financial Plan for Advancing Student Achievement and Program Sustainability (copy attached). This is a Plan is a financial compass for our 1) continued long term budget planning, 2) continued annual budget review, 3) continued transparent budget process, 4) continued quarterly financial reporting, 5) the development of supplemental and sustainable programs, 6) the creation of a cap on administrative spending, and 7) identifying targets for new revenue.

With regards to the systemic underfunding of health insurance, special education, and the inflation factor, new revenues received for these purposes would fit within the seventh item in our financial Plan:

All new revenues from the School Committee's general fund appropriation will be earmarked for instructional, student or school support, school safety, building maintenance, or student transportation cost areas except to address increases in health insurance, retirement assessments, unemployment, or workers compensation, or other areas for statutory compliance. All other new spending within the other areas of the budget will only be achieved through the reallocation of existing funds or cost savings identified through operational or programmatic efficiencies.

As part of our presentation to you, we identified gaps in non-special education instructional positions, operations & maintenance of school buildings, professional development, and instructional supplies and materials. These four areas would be were new funds received in the foundation budget from these currently underfunded areas. Specifically, we would recommend to the School Committee spending increases in these following areas:

- Align elementary class sizes to the foundation budget ratios in any areas that class size exceeds the current formula and provide targeted interventions as intended in the formula (\$9 million)
- Provide additional secondary teachers for additional course offerings, particularly in new or enrichment classes for students thereby providing greater opportunities and fewer study halls for students. (\$9.3 million)

- Implement full-day Pre-K opportunities for students (space availability), provide Kindergarten instructional assistant positions in all classrooms, and expanded K-3 instructional support services. (\$10.0 million)
- Increase school instructional supply and material allocations to current foundation allocation, nearly doubling the current per pupil allocation, as well as providing all opportunities for adequate and current levels of textbooks at all schools. We envision creating an annual textbook replacement cycle that would be funded from this new revenue. (\$9.3 million)
- Increase teacher specialist and other support positions, such as school adjustment counselors, guidance counselors, psychologists, wrap around services, instructional coaches, literacy and numeracy specialists, school librarians and school nurses. (\$15.8 million)
- Provide current foundation budget formula spending levels in area of operations and maintenance through implementing lower-cost preventative maintenance procedures, addressing deferred maintenance needs, and investing in school safety and security equipment (\$11.4 million)
- Provide current foundation budget formula spending levels in area of staff development through additional and on-going training opportunities and common planning time for instructional staff. (\$3.1 million)

With regards to the recommendations around ELL and low income students (total potential funding of \$25 million, we recommended to the Foundation Budget Review Commission that we would replicate successful turnaround practices that were used in each of our three Level 4 schools at our lowest performing schools as measured by their state's accountability status. These strategies have included expanded school time for students (90 minutes per day), common planning time for teachers (30 minutes daily), expanded staff development (90 additional hours per year), wraparound services, and other additional instructional support staff positions. We have estimated that the sustainability of these services to be approximately \$2,000 per student.

I appreciate the opportunity to explain how additional foundation budget funds would be used in the Worcester Public Schools. We certainly recognize the enormous task of the Legislature to take the recommendations from the Foundation Budget Review Commission and incorporate them into a new Chapter 70 funding formula.

The Administration of the Worcester Public Schools is willing to provide any additional specific information as well as any technical assistance around changes to the foundation budget formula as needed.