



Worcester Public Schools

Worcester, Massachusetts

Dr. John E. Durkin Administration Building
20 Irving Street
Worcester, Massachusetts 01609-2493

Office of the Superintendent



1945 • 1960
1965 • 1981
2009
Tel: (508) 799-3115
Fax: (508) 799-3119

Melinda J. Boone, Ed.D.
Superintendent

Seven Point Financial Plan for Advancing Student Achievement and Program Sustainability

When I became Superintendent in 2009, I immediately implemented new practices, structures, and a budget development process to ensure a highly transparent, student-focused budget for the Worcester Public Schools. I created a Finance and Operations Division that was charged to oversee all district funds. I created a fifteen member budget review committee from both educational and operational divisions in order to provide greater oversight and scrutiny of resource allocations. I developed a new way for building principals to become more actively engaged in the resource allocation process for their schools through data-driven decision making.

Now, five years after I introduced these new practices, the annual budget process has reallocated millions of dollars into the classroom for instructional purposes, the budget document has received national award and recognition, and the programs and services are built upon long term planning and sustainability.

During this same period of time, we have developed the “WPS Compass” that defines the district’s instructional focus. The WPS Compass is our instructional guiding document around our promise to the community on delivery on high expectations and outstanding results for all students, our student achievement improvement strategy, and a framework of high quality teaching and learning. Using this instructional compass as the model, I have developed the following **Seven Point Financial Plan for Advancing Student Achievement and Program Sustainability** for the Worcester Public Schools. This document becomes our financial compass and guiding document 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.

On May 9, 2014, my FY15 recommended budget will be submitted to the School Committee and will be available for review, analysis, and consideration. As we have done each year, there has been ample public discussion on our upcoming budget during the past several months, a reflection of a community that is deeply concerned and interested in public education in this city. While the FY15 budget will include many very difficult decisions in order to be balanced at the level of funding available through local, state, and federal funds, I can assure you that the district’s administration used a very thorough data-driven decision making process to develop the budget recommendations.

This Seven Point Plan shapes the way the Administration approaches the allocation of resources, maintains an open and transparent process, and targets spending in some areas and caps spending in other areas.

I would welcome the School Committee to consider adopting this plan so there is unified agreement on the financial direction and operation of the Worcester Public Schools.



**WORCESTER PUBLIC SCHOOLS
SEVEN POINT FINANCIAL PLAN FOR
ADVANCING STUDENT ACHIEVEMENT AND PROGRAM SUSTAINABILITY**

- 1. Long Term Budget Planning:** The annual budget document will continue to conform to the Meritorious Budget Award criteria of the Association of School Business Officials, International. Included in the budget document will be three years of actual student enrollment and five years of projected student enrollment (in total and by school) as well as a five year history and projection on revenues and expenditures. This will allow the general public an opportunity to look at enrollment and spending trends as well as provide the community with budget trends that eliminates any budget status surprises when done only on an annual basis. The long term budget planning also allows for the strategic allocation of resources over a multi-year period.
- 2. Annual Budget Review:** The district will continue to utilize a “Zero-Based” budget development process. This budget building technique starts with each department, school, and division budget at zero and adds the cost of essential programs up to an established funding limit. Each year the process begins at zero again prompting close scrutiny and prioritization of costs. This process allows the district to meet the existing and emerging needs of students and allows the district to reallocate resources accordingly in a very timely manner.
- 3. Transparent Budget Process:** The budget process and method of instructional funding allocation will continue to be included in the annual budget document. This allows all readers to understand how staff is assigned to schools based on enrollment and student needs. The transparency ensures fairness in funding across the city while recognizing differentiated funding for schools based on their particular needs. The budget will continue to show budgeted expenses in detail by school or location. The Administration will make frequent budget presentations and updates to the School Committee and community throughout the budget planning and development phase in order to solicit input and priorities from as many stakeholders as possible.
- 4. Quarterly Financial Reporting:** Continue on-going public review of current year spending and expenditure trends are an important component of the transparent budget process. On a quarterly basis, the Administration will present to the School Committee’s Subcommittee on Finance and Operations, a detailed review of the current year budget and recommended adjustments in order to end each fiscal year balanced within the appropriation set by the Worcester City Council. The quarterly budget review occurs at televised meetings and the financial reports are available to the public through the district’s website.

5. Supplemental & Sustainable Programs:

The district will predominantly utilize state and federal grant funds to provide supplemental academic support to students, as well as high quality staff development opportunities. Any new programs or initiatives developed, supported, or otherwise funded by the district will include a multiyear budget as well as a stated source of funding to ensure program sustainability in future years.

6. Cap Administrative Spending:

The state's education funding formula calculates a "foundation budget" (a minimum spending level) for school districts using a differentiated per pupil amount based upon student grade or program and provides additional funds for low income and English language learners. The per pupil formula is comprised of allocations for an adequate level of teachers, professional development, instructional equipment, guidance and student support, operations and maintenance, employee benefits, special education tuition, instructional leadership, and administration. This funding formula indicates that 4% of the district's operating budget is allocated to District Administration. The district will continue to demonstrate a commitment of placing as many dollars of the budget for direct instructional services but the budget must also realistically recognize that important administrative functions are needed to lead, manage, and operate one of the largest school districts in the Commonwealth and one of the largest employers in the city. As a result, a spending cap of no more than 1.5% of the district's foundation budget will be allocated on Administration (in accordance with DESE chart of account format) from the School Committee's general fund budget. The district will spend 63% less on district administration than the funding received for administration by the state's funding formula.

7. Target on New Revenues:

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.

The Worcester Public Schools is committed to delivering on high expectations and outstanding results for all students. With 83% of Worcester resident school-aged students already attending the Worcester Public Schools, the district is also committed to increasing the number of families that choose the city's preferred educational opportunity. Using strong fiscal discipline, collaborative budget planning, and the alignment of resources result in a student-centered financial plan in order to support student achievement and prepare students for college and career readiness. I look forward to the School Committee and community supporting this plan.