

**FY20
 BUDGET STATUS
 First Quarter Report**

The status of all Salary and Ordinary Maintenance accounts as of September 30, 2019 are shown in Annex B. Presented for each account is the amount budgeted for the current fiscal year, the amount expended or committed as of September 30th, and the projected balance at the closing on June 30, 2020. Salary and Ordinary Maintenance Account totals are:

| <u>Budget Title</u> | <u>Budget Amount</u> | <u>Additional Appropriation</u> | <u>Expended or Encumbered 09/30/19</u> | <u>Projected Balance 06/30/20</u> |
|---------------------------|----------------------|---------------------------------|--|-----------------------------------|
| Salaries | \$240,607,987 | \$243,561,519 | \$25,700,826 | \$1,436,932 |
| Ordinary Maintenance | <u>\$124,320,037</u> | <u>\$125,974,362</u> | <u>\$73,520,288</u> | <u>-\$702,769</u> |
| Total General Fund | \$364,928,024 | \$369,535,881 | \$99,221,114 | \$734,163 |

At this point in the fiscal year, a total of \$99,221,114 (27%) has been expended or committed. A description of the projected balances is as follows:

Budget Impacts:

Instructional Assistants (-\$336,155): This account includes the addition of 10 Kindergarten Instructional Assistants and the reallocation of several preschool kindergarten positions back to the general fund from the Title I reduction. Positions continue to remain vacant through the end of October and the projection includes the cost of replacement positions through the end of the school year.

Facilities Ordinary Maintenance (-\$242,637): This account reflects an increase in contracted services resulting from vacant maintenance salaries in order to accomplish necessary building repairs and maintenance. The projection assumes the replacement of the vacant positions through the end of the school year, but will be adjusted accordingly based on actual usage.

Personal Services (-\$204,859): This account represents the staff development department (-\$184,150) to contract with outside vendors for targeted assistance and additional professional development for identified schools. The security contract increased from the FY20 budget amount (-\$13,900) and the human resources automated services line item increased for various vendors (-\$6,809) including the educator evaluator software and the employee assistance program.

Transportation (-\$212,944): The projected deficit in this account includes the recent agreement on prior year credits, as well as the addition of two mid-size contracted routes due to increased special needs programming.

Transportation Salaries (-\$111,919): This account includes the addition of two large bus drivers due to increased secondary routes for city-wide programming.

Transportation Overtime (-\$157,598): The projected deficit in this account represents the transportation for the additional middle school and freshman athletic teams that have been added in the final state budget, as well as the necessary overtime during the startup of school through September to address vacant positions.

Unemployment Compensation (-\$81,862): This account represents approximately 44 claims processed through the month of September, approximately 10 claims were carried over from the prior fiscal year. The projected deficit also includes additional potential claims through the end of the fiscal year.

Accounts with Projected Balances to Offset Deficit Accounts:

Teachers (\$1,373,314): The projected balance represents vacancy savings of payrolls through the end of October. This is approximately less than 1% of the total budgeted amount. The projection includes the cost of replacement positions through the end of the school year.

Administration Salaries (\$369,439): The projected balance in this account represents several vacant positions, including Manager of Instruction & School Leadership and Turnaround Manager, as well as the differential salaries of newly appointed staff for the school year.

Maintenance Salaries (\$242,637): The projected balance in this account represents approximately several vacant positions through the end of October. The projection includes the cost of replacement positions through the end of the school year, however some district maintenance will be provided by vendor services.

Health Insurance (\$111,292): The projected balance in this account reflects the vacancy of positions in the salary accounts as described within this report.

Administrative Clerical Salaries (\$103,912): The projected balance in this account represents vacant administrative clerical staffing through the end of October. Several positions have been recently appointed and the projection includes the cost of replacement positions through the end of the school year.

Based on the projected balance, the Administration recommends the following actions:

- Provide an additional 5 School Adjustment Counselors (two to be assigned to elementary schools and three to be assigned to secondary schools) to work specifically on mental health counseling for students. These positions would be added this year and would continue and be fully funded in the FY21 budget. The cost of these positions is estimated at \$187,500 for the remainder of the year.
- Provide a Guidance Counselor position to support the Early College Program within the district. This position would be the district coordinator for the programs with Worcester State University and Quinsigamond Community College and assist all seven high schools with course enrollment, attendance monitoring, transportation coordination with the Transportation Department, meal coordination with the School Nutrition Department, as well as serving as the liaison with both colleges for all scheduling, reporting, enrollment, and grading. This position would be added this year and would continue and be fully funded in the FY21 budget. The cost of this positions is estimated at \$37,500 for the remainder of the year.
- Provide for the continued expansion and purchase of elementary literacy textbook materials and related professional development (\$500,000).

In order to provide funds necessary to reflect recent actions, the Administration recommends the following transfer of funds:

| <u>Amount</u> | <u>From Account</u> | <u>Account Title</u> | <u>To Account</u> | <u>Account Title</u> |
|---------------|---------------------|-------------------------|-------------------|-------------------------|
| \$500,000 | 500-91111 | Teacher Salaries | 500-92204 | Instructional Materials |
| \$184,150 | 500-91110 | Administration Salaries | 500130-92000 | Personal Services |

In addition, there have been changes to the FY20 Federal Grant Accounts from the amounts adopted in the FY20 budget. These changes and adjustments are as follows:

| Grants | FY20 Adopted Budget | FY20 Award | Difference |
|------------------------------|--------------------------------|-----------------------|-------------------|
| Title I | \$11,729,063 | \$11,570,634 | -\$158,429 |
| Title II Teacher Quality | \$1,198,516 | \$1,228,563 | \$30,047 |
| Title III | \$1,150,035 | \$1,120,151 | -\$29,884 |
| Title IV | \$863,371 | \$789,078 | -\$74,293 |
| IDEA | \$7,722,558 | \$7,827,865 | \$105,307 |
| Perkins Secondary Allocation | \$445,536 | \$474,016 | \$28,480 |

As a result of the Title I reduction, the district has reallocated several preschool teaching and instructional assistant positions to the general fund. Title I will maintain the Manager of Grant Resources position, fifty-two elementary and secondary Focus Instructional Coaches, as well as the primary funding source for all additional support positions and stipend pay of the previously designated Level 4 locations. Title II will maintain seven Focus Instructional Coaches at the high schools and previously designated Non-Title I schools, as well as the Manager of Curriculum & Learning, support staff and Non-Public school allocation requirements.

With the reduction of Title III funding, the district will maintain five Focus Instructional Coach positions and corresponding health insurance expenses, however has reduced the amount of stipends, contractual services, travel and student transportation in order to balance to the grant award.

The Every Student Succeeds Act (ESSA) authorizes funds to help increase the capacity of states, schools, and local communities to provide all students with access to a well-rounded education and to improve school conditions for student learning. The district was awarded Title IV funding and the FY20 reduction will reduce the amount of stipends, contractual services, supplies, travel, and student transportation for those related activities in order to balance to the grant award.

The IDEA award will continue to provide the necessary funds for Non-Public special education services known as Proportionate Share, this has become a new requirement for districts. This enables Non-Public schools located within the district to access these funds for students that require additional services. The additional funds have been allocated to primarily address contractual salaries increases for the 188 Special Education Instructional Assistant positions and corresponding health insurance expenses funded through this grant.

The Perkins Secondary Allocation provides administrative leadership, teaching staff, equipment, tutoring, after-school programs, student transportation and professional development of our high schools and alternative programs in career and vocational-technical education. The FY20 increase will directly impact contractual services, supplies, and travel for those related activities.