

Andover Public Schools
FY 2021 Preliminary Budget Development Assumptions & Guidelines
School Committee Approved October 24, 2019

School Committee Priorities

The School Committee budget should reflect the priorities that address the needs of Andover students and schools. These priorities should provide direction to administrators and guide staff in developing budget recommendations. The priorities also should guide the School Committee in its deliberations and the budget planning process.

The budget should reflect the following priorities, in relative order. The School Committee may sometimes choose to fund items addressing the lower priorities over items that may claim a higher priority. While not done lightly, such choices must sometimes be made to ensure that no priority is neglected.

1. The District's mission, values and goals;
2. The need for highly qualified staff teaching within the established class size policy;
3. The ongoing refinement of curriculum, instruction, and assessment practices;
4. The need to develop and maintain educational resources, technology infrastructure, and school facilities that support student learning and meet District goals.

School Committee Budget Assumptions

The budget is developed with certain assumptions and priorities by the School Committee. For example, the budget reflects the assumption that the school district will meet all federal, state and local mandated programs and requirements. Thus, the budget should include sufficient resources and funding to meet contractual obligations, mandated programs, and high school accreditation standards, including:

- *Special Education: Federal - IDEA & MA General Law 71B & 603 CMR 28.00*
- *English Language Learners (ELL)*
- *Section 504 and Americans with Disabilities Act (ADA)*
- *MA Education Reform Act of 1993*
- *Next Gen MCAS*
- *Educator Evaluation System*
- *Every Student Succeeds Act (ESSA)*

Budget Operating Guidelines: FTE Changes

School Committee policy delineates the process for staffing adjustments and for how the Committee and Superintendent make FTE additions or changes after Town Meeting.

Adopted by the School Committee with a 5-0 vote on August 30, 2018.

- The needs of a school system change constantly throughout the school year for a variety of reasons, including personnel actions (e.g., unexpected retirements, long-term leaves), enrollment increases, or educational requirements (including special education needs). As a result, the Superintendent needs the discretion to adjust resources as needs change. The Superintendent can make these adjustments without School Committee approval as long as he/she is not creating an entirely new position, stays within budgetary limits, and does not need to transfer funds between the salary and expense accounts. (See Policies DB, DBJ and GCA.)

Andover Public Schools
FY 2021 Preliminary Budget Development Assumptions & Guidelines

- To ensure full disclosure on resource adjustments, the Superintendent should provide routine updates on these adjustments at School Committee meetings including, in an appropriate level of detail and with appropriate supporting documentation, a description of those resource adjustments made or to be made, the reasons for those adjustments, and, when resources are added, the source of funding. (See Policy DBJ.)
- When a particular resource adjustment may prove controversial, the Superintendent is encouraged to brief the School Committee on that adjustment prior to it taking effect.

Guidelines for Budget Requests

There are two levels of funding requests within the School Committee's budget: Base Budget requests and Strategic Plan Program Improvement Budget requests.

Level Service Budget

The **Level Service Budget** allows us to deliver the same level of services to the schools from the FY20 budget to the FY21 budget, including the current school programs, staffing, class sizes, and services as well as contractual increases, compliance requirements and enrollment that affect the level services that we are delivering today. The level service budget includes:

- A. All program components and staffing included in the FY2020 operating budget.
- B. Statutory or regulatory mandates and accreditation requirements.
- C. Personnel step, longevity, and collective bargaining increases (including cost of living).
- D. Increases under other existing contracts e.g. transportation. In 2019 we publicly bid transportation for regular education, mid-day K, SPED in-district, out-of-district, summer and extracurricular transportation. When calculating the FY21 transportation costs for these services we will be using year-two rates of a three-year contract for regular education, mid-day K, and extracurricular transportation and year two of a five-year contract for SPED in-district, out-of-district and SPED summer programs.
- E. Significant inflationary or enrollment increases (inflationary increase in the cost of students' supplies, additional teachers to maintain class sizes, etc.).
- F. Summer help to assist custodians in removing and returning classroom furniture.
- G. Other items considered necessary and recommended by the Superintendent including district wide security initiatives.

Expenditures - Staff and Programs

- A. **Staff and Programs** – Budget for level services with the understanding that we will consider equal-cost substitutions in the recommended budget with all assumptions clearly defined.
 - 1. Classroom Teacher - Budget new full-time teachers at M-7 on the FY 2021 Salary Scale.
 - 2. Instructional Assistant – Budget new full-time teaching assistants at S-4 on the assistant's FY21 salary schedule.
 - 3. Budget contract settlements for a new, to be negotiated, three year contract.
 - 4. Student Services Summer Programs-For FY21 we anticipate increased costs for summer programming because the teacher salaries, contracted services, and consultation fees

Andover Public Schools
FY 2021 Preliminary Budget Development Assumptions & Guidelines

continue to increase, even as we reduce the number of programs we offer and the number of students who qualify for EYP.

- B. **Ensure all legal mandates and high school accreditation requirements are met.** – Special education, Section 504 and ADA, English Language Learners, MA Ed Reform Act, Next Gen MCAS, NEASC and Educator Evaluation.
- C. **Ensure professional staffing guidelines are met to address** class size policy, enrollment shifts, and legal needs.
- D. **Identify alternatives that will provide services in more cost-effective ways** (e.g. build more in-house capacity to avoid some special education out-of-district costs, reorganize current organizational structure; reduce energy consumption; explore less expensive means of purchasing some products, etc.).
- E. **Technology** – Budget for SPED adaptive technology not included in the technology CIP.
- F. **Professional Development** – District wide as recommended by the Assistant Superintendent for Teaching and Learning.
- G. **Textbooks** – Fund any *replacement textbooks* (and those needed for enrollment shifts) through the school instruction accounts and/or lost book accounts. Funds for *new textbook adoptions* and the *conversion to digital text* subscriptions are included in district textbook account. As of FY20 the school department’s operating budget absorbed all related textbook expenditures and as such will be included in the FY21 operating budget.
- H. **General and Instructional Supplies** – General and Instructional Supply line items will be calculated to reflect the most current enrollment numbers and current costs.
- I. **Projected PK – 5 Consumables** – Using the most current enrollment numbers, administration will analyze projected consumable costs for Reading “Foundations”, FOSS Science, and Math-In-Focus programs. Line item adjustments will be made as necessary for FY21 projected costs e.g. change in student performance.

User Fees-A student who is a member of a household that meets income eligibility guidelines may be eligible for a user free reduction. For more information go to:

<http://www.aps1.net/DocumentCenter/View/1323/Fee-Reduction-Form>

- A. **HS Athletics** –During preliminary budget development of the FY21 operating budget, the Athletics budget will be offset by an estimated \$343,500 in user fees, \$60,000 in rentals and \$60,000 in gate receipts. User fees are currently set at \$450 per student. The family maximum for user fees is currently set at \$900; unless otherwise determined by the School Committee.
- B. **HS Parking Fees** –At the High School, estimated parking fee revenue will be budgeted at \$65,000. The parking fee will remain at \$200; unless otherwise determined by the School Committee.
- C. **MS Extra-curricular Activities** –Since FY13 the **middle school** after school extracurricular activities fee has been set at \$100 per student with a current family maximum of \$200. The total

Andover Public Schools
FY 2021 Preliminary Budget Development Assumptions & Guidelines

amount of fees received is not sufficient to cover the programs offered, therefore, for FY21 the administration will be asking the School Committee to consider raising the middle school after school extracurricular activity fee from \$100 per student with a maximum per family of \$200 to \$125 per student with a family maximum of \$250, unless otherwise determined by the School Committee.

- D. **Bus Transportation Fees** -Budget bus transportation fee at \$300 with a family maximum of \$600; unless otherwise determined by the School Committee.

Contractual Obligations – Transportation

- A. **Regular Education Transportation**—In June of 2019 the district awarded a new three year transportation contract with a two year option to extend. The FY2021 regular education transportation budget will be based upon year two of the new three-year rates. For FY21 the committee will consider increasing the transportation user fee offset from \$365,000 to \$375,000.
- B. **Mid-Day Kindergarten Transportation**- In June of 2019 the district awarded a new three year transportation contract with a two-year option to extend. For FY2021 the Mid-Day Kindergarten transportation budget will be based upon year two of the new three-year rates. However, if the school committee approves a recommendation to eliminate tuition for full day kindergarten, then mid-day kindergarten transportation will not be necessary.
- C. **McKinney-Vento Homeless Act**—Over the past few years the cost to transport homeless students has been in excess of \$40,000. For FY18 the approved budget was \$18,000; Actual was \$41,460; for FY19 the approved budget was \$40,000; Actual was \$62,799. We budgeted \$40,000 for FY20 and as of October 1, 2019 we have encumbered \$30,000. After analyzing current trends it is recommended that for FY21 the account for homeless transportation be increased to \$65,000. The decision to increase the recommended budget to \$65,000 is based upon the following 2018-2019 history. During FY19 we transported a total of 21 homeless students temporarily placed in the following communities: Amesbury, Boxborough, Danvers, Lawrence, Lowell, Lynn, Methuen, Salem and Woburn. However, prior to finalizing the recommended FY21 budget, a year-to-date review will be made in December. After an assessment of activity to date and projected trends related to homeless transportation, appropriate adjustments will be made at that time.
- D. **Special Education Out-of-District & Summer Transportation**- In 2019 we publicly bid transportation for SPED Out-of-District and summer transportation. When determining the FY21 transportation costs for these services, year two rates of a five-year contract for SPED Out-of-District and SPED summer programs will be used. In addition, due to the dynamic nature of projecting future related expenses and prior to finalizing the recommended FY21 budget, a year-to-date review will be made in December. After an assessment of activity to date and projected trends related to SPED Out-of-District and summer transportation, appropriate adjustments will be made at that time.
- E. **Special Education In-District & Summer Transportation**- In 2019 we publicly bid transportation for SPED In-District and summer transportation. When determining the FY21 transportation costs for these services, year-two rates of a five-year contract for SPED In-District and SPED summer programs will be used. In addition, due to the dynamic nature of projecting future

Andover Public Schools
FY 2021 Preliminary Budget Development Assumptions & Guidelines

related expenses and prior to finalizing the recommended FY21 budget, a year-to-date review will be made in December. After an assessment of activity to date and projected trends related to SPED In-District and summer transportation, appropriate adjustments will be made at that time.

- F. **Extracurricular, Field Trips and Athletic Transportation-** In June of 2019 the district awarded a new three-year transportation contract with a two-year option to extend. The FY2021 budget for Extracurricular, Field Trips and Athletic transportation will be based upon year two of the new three year rates.

Contractual Obligations – FY21 Salary Projections

- A. **Collective bargaining contracts-** All collective bargaining agreements will expire at the end of the FY20 fiscal year. Therefore, until new agreements are in place all FY20 salaries will be carried forward into the FY21 budget. The school committee will determine and advise how administration will account for potential salary adjustments.
- B. **Individual contracts** –Until all collective bargaining agreements have been negotiated all individual contracts currently within the FY20 operating budget will be carried forward into the FY21 budget.
- C. **Substitute Teacher Pay** –As approved by the School Committee for the 2018-2019 school year the rates budgeted shall be:
Substitute Teachers who are retired Andover Teachers, the rate is \$105 per day.
Substitute Teachers who have a minimum of a Bachelor’s Degree, the rate is \$85 per day.
Substitute teachers who have not completed a Bachelor’s Degree, the rate is \$75 per day.
- D. **Substitute Nurse Pay-** In an attempt to be more in line with local industry pay scales, the nursing department has increased the substitute nurse pay for RN’s to \$200.00/day effective August 2019. The school day would be described as any portion beyond a 4 hour day.
a. Substitute RN’s working less than 4 hours would be paid \$100.00 for the shift.
b. The Director of Nursing proposes that a substitute health assistant be paid \$115.00 per day.
In both positions, the substitute is required to work in the full capacity of the role.

Fixed Costs: Utilities

- A. **Gas-** Budget based upon Plant & Facilities projections.
B. **Oil-** Budget based upon Plant & Facilities projections.
C. **Electricity-** Budget based upon Plant & Facilities projections.

Custodial Supplies & Materials - Budget using historical data and current trends for costs increases.

Unfunded Mandates – MA

- A. **English Language Learners** - Budgeted based on known students at the time of the budget submittal. The regulations call for all teachers to utilize the World Class Instructional Design and Assessment standards. Each student has unique needs that must be addressed according to these standards.

Andover Public Schools
FY 2021 Preliminary Budget Development Assumptions & Guidelines

Providing sufficient dollars for staffing, professional development, resources, and programmatic needs ensures that the department is equipped to offer the best in an English Language Learning Program. The Department of Elementary and Secondary Education expects that the district will adhere to guidelines outlined in the August, 2016, *Guidance on Identification, Assessment, Placement and Reclassification of English Learners*.

- B. MA Ed Reform Act** – Budgeted using known students needing MCAS support and remediation or Educational Proficiency Plans (EPP-high school only) at the time of budget submittal. (MGL C 71).

- C. DESE Proportionate Share Services for Students with Disabilities**-Effective in 2019 DESE has advised that annually, all districts with private schools or home schooled students within their geographic boundaries must calculate proportionate share, demonstrate upon request that they have spent this amount of IDEA grant funds on eligible students who are privately enrolled and educated in the district, and submit the Proportionate Share Forms for both the 240 and 262 grants to DESE. Districts are required to conduct a variety of activities related to provision of proportionate share special education services for students who are privately enrolled by their parents. These activities, discussed in depth below, include consultation, child find, evaluation and determination of eligibility, determination of the proportionate share amount, expenditure of the proportionate share, development of services plans, and provision of services either directly or through contracts. Massachusetts defines this population more broadly than the Federal IDEA regulations require. As a result, our obligations for IDEA set-asides are double what they should be under Federal regulations. Student Services is currently working through each individual case. This year (2019-2020), the set aside could be as much as \$50,000, therefore, the school committee needs to discuss budget implications due to the fact that that the higher the set aside, the more district funding will be required for contracts and related services.

Revenue Items

- A. **State Aid: Chapter 70** – Cherry Sheet Receipts for Andover for FY 2020 is \$11,668,291. In January 2020, it is anticipated that the DOR will release projected FY21 Cherry Sheet Receipts for Andover.

- B. **State Aid: SPED Circuit Breaker** – The final Circuit Breaker (CB) reimbursement for FY2019 totaled \$2,129,647 or 74.4% of our net eligible claim. As of June 18, 2019 the estimated FY2020 reimbursement is \$1,959,523 75% of our net eligible claim. As for FY2021 we will monitor and adjust our CB allocation based upon legislative action and anticipate that, based upon the Student Opportunity Act, Circuit Breaker could be fully funded. In addition, the Act includes language expanding the SPED CB to include transportation costs in addition to instructional costs, phased in over four years.

Tuition Based Programs

- A. **Special Needs Tuition** – We offer a SPED vocational program for identified students ages 18-22. We refer to the program as Transitional Opportunities Program or TOPs. Andover and North Andover currently have students enrolled. A Memorandum of Agreement allows the parties to share the annual staffing and operating costs. We cost share 50/50 the TOPs program expenses with North Andover.

Andover Public Schools
FY 2021 Preliminary Budget Development Assumptions & Guidelines

- B. **Early Childhood Tuition: Preschool Peer Partner** - The per student tuition for 5 days will be \$5,265 FD/\$4,265 HD; for 4 days, will be \$4,538 FD/\$3,538 HD; for 3 days will be \$4,115 FD/\$3,115 HD; for 2 days will be \$2,350 HD/ FD not an option unless otherwise determined by the School Committee. A detailed schedule for Preschool Tuition Rates for Peer Partners can be found on the District's Website for the Shawsheen School. Go to: <http://www.aps1.net/DocumentCenter/View/47>
- C. **All-Day Kindergarten Tuition** –During the development of the FY2021 operating budget the school committee will assess the financial impact of eliminating tuition for Full-Day Kindergarten. However, as the preliminary FY21 budget is being developed, it will be assumed that the current fee-based program will remain until a decision is made. Therefore, the Full-Day Kindergarten tuition rate for FY 2021 will be \$3,575 per student as approved by the School Committee and ATM on April 29, 2019. Discounts are available for multiple births and tuition is waived for a student who is a member of a household that meets income eligibility guidelines. For more information go to:
<http://www.aps1.net/DocumentCenter/View/1323/Fee-Reduction-Form>