



# LINCOLN

## PUBLIC SCHOOLS

### OFFICE OF THE SUPERINTENDENT

# FY 2022 PRELIMINARY BUDGET

## UPDATE DECEMBER 17, 2020

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REBECCA MCFALL, SUPERINTENDENT

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# BOTTOM LINE UP FRONT...

- **LINCOLN APPROPRIATION BUDGET REQUEST FOR TRADITIONAL MODEL WITHIN FINCOM GUIDANCE OF 2.5% INCREASE ABOVE FY21 BUDGET APPROVED AT JUNE 2020 TOWN MEETING**
- **LINCOLN COVID MODEL BUDGET IS NOT WITHIN FINCOM GUIDANCE**
- **HANSCOM ALLOCATION BUDGET REQUEST CALCULATED AT CONTRACT PRICE FOR FY22**

# FY22 BUDGET REQUEST: LINCOLN TRADITIONAL MODEL

BASE BUDGET	\$12,241,624
IMPROVEMENT INITIATIVES	\$0
UNCOMMITTED FUNDS	\$105,615
TOTAL PROPOSAL	\$12,347,239
FY22 FINCOM GUIDANCE (+2.5%)	\$12,347,239
BUDGET GAP	\$0

# BUT...

- **WE ARE IN THE MIDST OF A PANDEMIC, REQUIRING SPECIAL PROTOCOLS FOR A DIFFERENT, COVID OPERATIONAL MODEL**



# FY22 BUDGET REQUEST: LINCOLN COVID MODEL

## ●● PANDEMIC-RELATED ●●

BASE BUDGET	\$12,791,696
IMPROVEMENT INITIATIVES	\$0
UNCOMMITTED FUNDS	\$0
TOTAL PROPOSAL	\$12,791,696
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FY22 FINCOM GUIDANCE (+2.5%)	\$12,347,239
BUDGET GAP	<b>(\$444,457)</b>

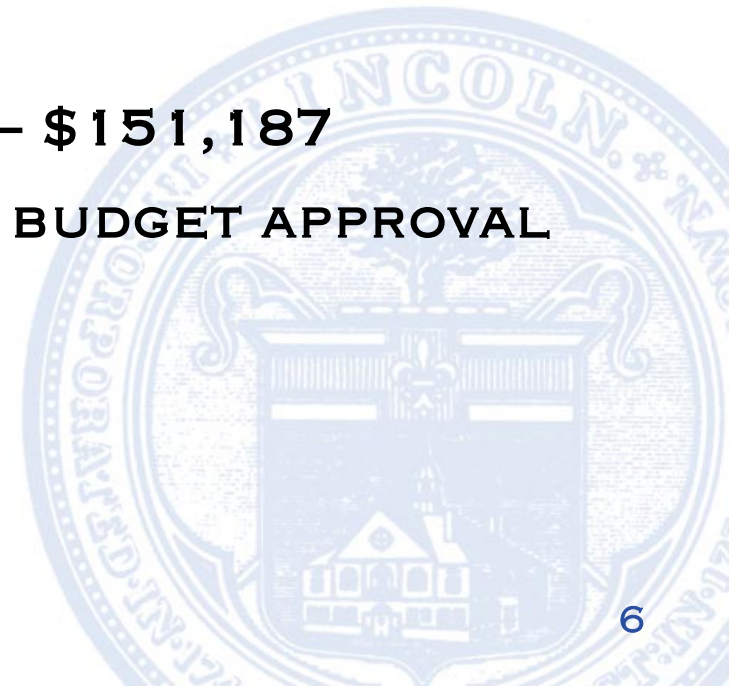
# COVID-19 AND FY21 BUDGETS

## LINCOLN -- \$450,001

- **FY20 PURCHASE OF PPE, ETC. – \$91,126**
- **TOWN COVID GRANT -- ~\$225,000**
- **SCHOOLS COVID GRANT -- \$133,875**

## HANSCOM --

- **FY20 PURCHASE OF PPE, ETC. – \$151,187**
- **MAY 2020 DODEA PROPOSAL & BUDGET APPROVAL**



# SECTIONS – COVID VS TRADITIONAL



LINCOLN EXPENSE CATEGORY	FY22 COVID BUDGET	FY22 TRADITIONAL BUDGET	DIFFERENCE
LINCOLN SCHOOL	47	28	19
HANSCOM PRIMARY	21	16	5
HANSCOM MIDDLE	20	14	6
PRESCHOOL @ H	5	5	0
PRESCHOOL @ L	3	2	1
<b>TOTAL</b>	<b>96</b>	<b>65</b>	<b>31</b>

# COMPARISON – COVID VS TRADITIONAL

LINCOLN EXPENSE CATEGORY	FY22 COVID BUDGET	FY22 TRADITIONAL BUDGET	DIFFERENCE
PROF. SALARIES & STIPENDS	\$7,234,605	\$6,812,004	\$422,601
PARAPROFESSIONAL WAGES	\$512,415	\$494,245	\$18,170
IN-DISTRICT TRANSPORTATION	\$605,400	\$494,160	\$130,140
FACILITIES CONTRACTED SERVICES	\$66,700	\$41,700	\$25,000
TOTAL			\$595,911

- NET INCREASE UTILITIES FY21 TO FY22 = \$113,000
- INCREASE IN CUSTODIAL SUPPLIES = \$20,000





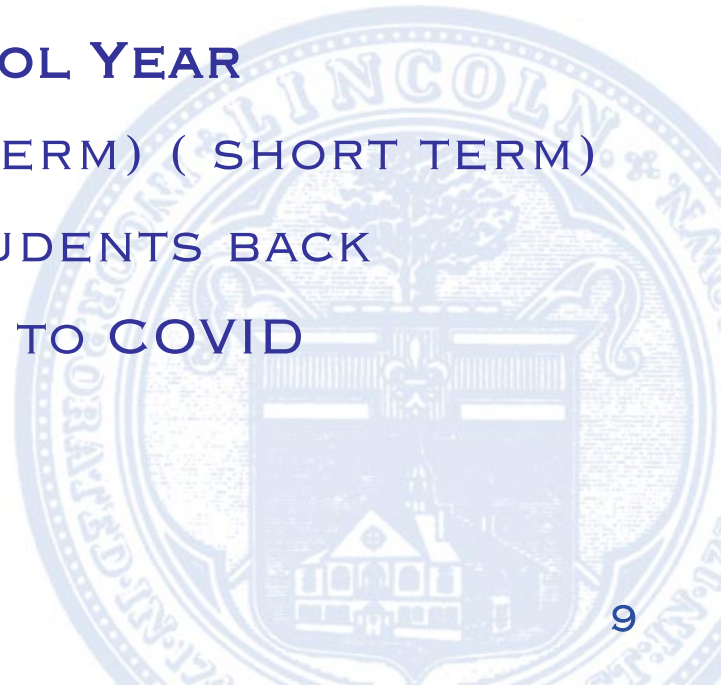
## POSSIBLE DECISION POINTS

- LATE JANUARY, BEFORE SC APPROVES FY22 BUDGET
- PRE-TOWN MEETING, IF WARRANT WRITTEN W/O \$\$\$.  
MAYBE RIGHT BEFORE A TM MAILING IS CREATED
- LATE JUNE, END OF SCHOOL YEAR
- LATE JULY-EARLY AUGUST

## MODEL-SWITCHING DURING THE SCHOOL YEAR

- GOING TOTALLY REMOTE (LONG TERM) ( SHORT TERM)
- COVID GETS BETTER – MORE STUDENTS BACK
- START TRADITIONAL , THEN BACK TO COVID

## CARES ACT REIMBURSABILITY



# CARES ACT ELIGIBLE EXPENSES – CVRF

EXPENSE CATEGORY	TOWN	SCHOOLS
PPE, PROTECTIVE SHIELDS & BARRIERS, ETC.	✓	✓
CLEANING/DISINFECTION/SANITIZING BLDGS	✓	✓
SCHOOL DISTANCE LEARNING & IT COSTS	✓	✓
TEMPORARY SUBS FOR SICK/QUARANTINED STAFF	✓	✓
FOOD SERVICE FOR VULNERABLE POPULATION	✓	✓
FIRST RESPONDER COSTS: OT, SUBS, ETC.	✓	
EXTRA STAFF RELATED TO COVID & PD		✓
EXPANDING TRANSPORTATION CAPACITY		✓
MODIFYING BLDNGS - ALLOW SOCIAL DISTANCING		✓
MENTAL HEALTH SERVICES, ASSESSMENT OF LEARNING GAPS, ETC.		✓
<b>“OTHER INNOVATIVE EFFORTS TO SUPPORT THE SAFE REOPENING OF SCHOOLS”</b>		✓

# CARES ACT ELIGIBLE EXPENSES – CVRF



EXPENSE CATEGORY	FY22 \$\$
PPE, PROTECTIVE SHIELDS & BARRIERS, ETC.	10,000
CLEANING/DISINFECTION/SANITIZING BLDGS	10,000
SCHOOL DISTANCE LEARNING & IT COSTS	16,803
TEMPORARY SUBS FOR SICK/QUARANTINED STAFF	??
FOOD SERVICE FOR VULNERABLE POPULATION	
FIRST RESPONDER COSTS: OT, SUBS, ETC.	
EXTRA STAFF RELATED TO COVID & PD	440,771
EXPANDING TRANSPORTATION CAPACITY	130,140
MODIFYING BLDNGS - ALLOW SOCIAL DISTANCING	25,000
MENTAL HEALTH SERVICES, ASSESSMENT, ETC.	
“OTHER INNOVATIVE EFFORTS ... SCHOOLS”	
<b>TOTAL</b>	<b>632,714</b>



# HANSCOM



# FY22 BUDGET REQUEST: HANSCOM TRADITIONAL MODEL

BASE BUDGET	\$ 16,371,336
IMPROVEMENT INITIATIVES	\$ 0
UNCOMMITTED FUNDS	\$ 216,052
TOTAL PROPOSAL	\$ 16,587,336
FY22 PROPOSAL – CONTRACT PRICE	\$ 16,587,336 \$ 0 GASB 45
ADDITIONAL REQUIRED FOR FY22	\$ 0

# FY22 BUDGET REQUEST: HANSCOM COVID MODEL

BASE BUDGET	\$ 16,279,336
IMPROVEMENT INITIATIVES	\$ 0
UNCOMMITTED FUNDS	\$307,767
TOTAL PROPOSAL	\$ 16,587,336
FY22 PROPOSAL – CONTRACT PRICE	\$ 16,587,336 \$ 0 GASB 45
ADDITIONAL REQUIRED FOR FY22	\$ 0

# WHAT ARE WE WORKING ON NOW



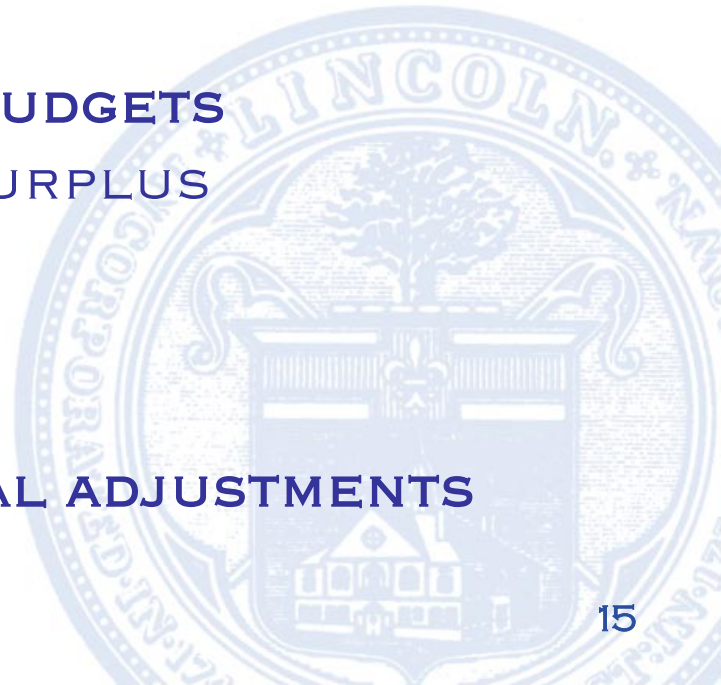
## ❖ POSSIBLE FY21 BUDGET BALANCES

- AMOUNT ELIGIBLE FOR FY22 PRE-PURCHASE
- ADDITIONAL FY21 REVENUE FROM STATE BUDGET
  - FY21 CIRCUIT BREAKER RECEIPTS
  - FY21 METCO GRANT
  - FY21 NOVEL CORONAVIRUS GRANT
  - FY21 MILITARY MITIGATION GRANT


## ❖ POSSIBLE ADJUSTMENTS TO FY22 BUDGETS

- FY22 CASE TRANSPORTATION SURPLUS
- FY22 CASE TUITION SURPLUS
- FY22 NEW VEHICLE LEASE

## ❖ CONTINUE TO EXPLORE OPERATIONAL ADJUSTMENTS



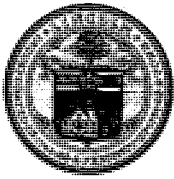
# FY22 BUDGET DEVELOPMENT PROCESS

DECEMBER 3	<ul style="list-style-type: none"><li>• PRESENTATION OF PRELIMINARY BUDGET – CENTRAL OFFICE &amp; ADMINISTRATIVE TEAM</li></ul>
DECEMBER 9	<ul style="list-style-type: none"><li>• FINANCE COMMITTEE: 1ST JOINT BUDGET MEETING</li></ul>
 DECEMBER 17	<ul style="list-style-type: none"><li>• BUDGET DISCUSSION</li></ul>
<b>JANUARY 14</b>	<ul style="list-style-type: none"><li>• BUDGET HEARING AND 1<sup>ST</sup> READING</li></ul>
<b>JANUARY 14</b>	<ul style="list-style-type: none"><li>• FINANCE COMMITTEE: 2ND JOINT BUDGET MEETING</li></ul>
JANUARY 28	<ul style="list-style-type: none"><li>• BUDGET DISCUSSION AND VOTE</li></ul>
MARCH 27 [T]	<ul style="list-style-type: none"><li>• LINCOLN TOWN MEETING</li></ul>



# QUESTIONS?





# LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL  
ADMINISTRATOR FOR BUSINESS AND FINANCE

September 16, 2020  
revised September 24, 2020

To: Lincoln School Committee  
Becky McFall, Superintendent  
From: Buck Creel, Administrator for Business and Finance  
Subject: FY22 Budget Guidelines

**Introduction** The preparation of the annual school budget remains one of the most important tasks undertaken by the School Committee and Administration. It is through the budget process that the District seeks community support for its priorities, educational programs and operational needs. It remains our goal to deliver high quality educational programs with the intent of every student achieving their fullest potential in academic, physical, social and emotional development.

The budget development process begins with a presentation of the Superintendent's Preliminary Budget to the School Committee, which, through a series of public discussions will become the School Committee's Proposed Budget for review by the Town's Finance Committee, and ultimately be presented to the Annual Town Meeting for approval. At the same time, a parallel process occurs on the same schedule for the development of a budget for approval by the School Committee for the operation of the schools at Hanscom Air Force Base, within the cost parameters of the contract with the federal government. Because the most significant cost to operate the District is the cost for personnel, and since both faculties are employed under the same collective bargaining agreements, it is critical that both budgets are developed in concert. Further, the organizational structure of the schools requires an alignment of both the Lincoln appropriation and the federal contract.

This memo outlines issues that the School Committee may wish to consider in forming its recommendation and guidelines for the Administration to follow in the development of the FY22 school budget.

**Process** Several years ago, the Administration introduced a refined process to address two issues. First, the relatively short window in which the budget is presented, reviewed, adjusted and approved prior to submission in January for consideration by the Annual Town Meeting creates a challenge which requires a thoughtful but streamlined process. Second, the early timing of our Town Meeting presents a challenge by requiring us to prepare a budget proposal at the start of the school year, at a time when the attentions of teachers, principals, and program directors are focused on beginning academics, and before the planned activities for the current year are underway, much less significantly completed.

To address these issues the Administration undertook a process to align the District's objectives and priorities and the School Improvement Plans through strategic goal planning. This creates a structure in which improvement initiatives, program development and program improvement efforts are planned in advance so that budgeting can be somewhat more predictable and helps focus available resources on agreed-upon initiatives. The other

adjustment to the District budget process (which allows principals and teachers to focus more on the classroom) is the adoption of a method in which site-based management funds are budgeted on a per-pupil basis and provided to each school as a lump-sum for further allocation in the Spring, at a time when teachers and principals can make more informed decisions about proper allocations.

These site-based management (SBM) funds are used to support, sustain and enhance the regular academic operations of the schools. Uses of SBM funds include consumables, art supplies, small durable items such as calculators and pencil sharpeners, replacement/upgrade books for classroom resource areas, program supplements such as outside storytellers and performers, etc. SBM funds are not used for personnel salaries; facilities expenses such as equipment repairs or electric bills; operational support expenses such as copier maintenance contracts. While this strategy affects a very small portion of the overall budget (~1.5%), it allows for more informed use of resources and more efficient budgeting. It is the Superintendent's recommendation that we continue with these adjustments with appropriate operational modifications to ensure that the process remains transparent and effective.

The administrative team, in collaboration with the School Committee, works to establish the District Strategic Plan. Several strategic objectives are identified, with strategic priorities further outlining how each goal will be achieved and measured. It is our recommendation that we continue to rely on these strategic objectives and priorities to guide decisions about resource allocation and budget requests.

Over the course of the last several budget cycles, we have achieved greater efficiency in the budget. Few, if any, opportunities for further large reductions without changing school programs remain.

Since FY03 the Administration has managed the school budget carefully and ended each year "in the black." This careful management, along with the generous support of the community, the contract with the federal government, collaboration with the Finance Committee on funding strategies for reimbursements (Special Education Circuit Breaker, Medicaid and E-rate), and the Administration's consistent attention to grant opportunities has allowed the District to offer a high-quality educational experience for all of our students. We have reduced fees to allow more children to participate in special programs (athletics), created new programs funded through the budget (instrumental music, engineering technology, expanded foreign language), advanced efforts in curriculum development, provided a meaningful mentor program for new teachers and administrators and offered a broader-based professional development program for teachers. Finally, participating in the Capital Planning process supports the operational budget by funding large-scale technology improvements and large facilities projects through direct warrants on a periodic basis.

In spite of these efforts, the budget is affected by the current state of the economy in general and by the health of the Commonwealth and Town finances in particular. The School Committee and the Administration need to review the impact of these factors on available funds, to be sensitive to changing conditions and to look to the Finance Committee for guidance as appropriate.

**Budget Considerations** The Administration is in the process of preparing its FY22 Preliminary Budget for School Committee review. During the budget development process, we will view our decisions through the lens of our Core Values to ensure that the Preliminary Budget we present is internally consistent with the values we hold:

- Excellence and Innovation in Teaching and Learning
- Respect for Every Individual
- Collaboration and Community

We will propose programs for the FY22 budget which support our Strategic Objectives:

- Educator Growth and Innovation
- Curriculum
- Instruction
- Equity and Culture

We request that the School Committee discuss the budget process and consider the ideas listed in this memo in order to develop and approve guidelines for the development of the school budget.

FY22-specific considerations The current COVID-19 pandemic has created school operating requirements not seen in former budget years. Further, the uncertainty over how our schools will operate twenty-two months from now, in June 2022, requires a novel approach to forming the Superintendent's Preliminary Budget.

As a consequence, in the next three months the Administration will present the Superintendent's Preliminary Budgets: four budgets, one for each of the following scenarios:

- In-person under COVID protocols (continue this year's operational models)
- In-person under non-COVID conditions (revert to prior years' operational models)
- Completely remote (projection of a remote operational model)
- Hybrid (projection of a hybrid scheduled in-person/remote operational model)

Due to the uncertainty of the operational model for the 2021-2022 school year, the Superintendent requests the following considerations:

- In lieu the submittal of Improvement Initiatives in the Preliminary Budgets, allow for the allocation of funds for district improvement/operational model necessities with the determination of the specific use of these funds in Spring 2021, when conditions may be better known.
- Allow for a streamlined budget book that provided essential information for the four potential operational models. This would result in the elimination of updated school program narratives.

## Goal-focused guidelines

1. The budget is the primary way that the School Committee and the Town supports the District's educational vision, and our Strategic Objectives and Strategic Priorities are the primary consideration when building the proposed annual budget.
2. Maintain class sizes which:
  - a. benefit student learning;
  - b. adhere to the School Committee's Policy on Class Size, the requirements of the contract to operate the schools at Hanscom AFB, and potential needs due to COVID-19; and
  - c. meet the health and safety protocols of the budget's operational pattern.

A review of projected enrollments using the District's cohort survival model will be presented with the Preliminary Budgets, along with recommendations for changes in numbers of classrooms as required.

3. Ensure that improvement initiatives, if presented, are aligned with the District's strategic objectives and priorities. Potential improvement initiatives may be presented, along with a discussion of funding required.
4. Maintain sufficient resources to sustain curriculum development initiatives.
5. Maintain the School Committee's commitment to provide high quality professional development and mentoring for new teachers and administrators. The orientation and integration of new faculty into effective teaching teams remains an important consideration and has been aided by the School Committee's support of the mentor teacher program.
6. Carefully consider our role as stewards of Town and federal facilities, plan for sensible restorative and preventative maintenance, and consider historical spending patterns and current facilities assessments to develop maintenance budgets. This issue must be considered in light of the facilities project under construction at the Lincoln School.
7. Comply with the criteria set forth in the contract to operate Hanscom schools and maintain comparability to the Lincoln program. Several factors will affect development of the Hanscom portion of the budget:
  - a. The Department of Defense (DoDEA) awarded a five-year contract to the District in June 2020, eliminating the prior pricing for various enrollment bands. As a consequence, the price for FY22, the budget year, is known.
  - b. Planning for FY22 will assume that the Hanscom Primary and Hanscom Middle Schools will operate in the new school facility completely out of the construction warranty period, which began in April 2016, with only one incomplete year of significant actual experience for the Primary School.
  - c. Planning will continue for the ongoing Lincoln School Revitalization project. Occupation of the temporary modular classrooms by the Lincoln K-4 program will continue through FY22, the budget year. The Lincoln 5-8 program will move

into the renovated Brooks Building during the summer of 2021. These costs will be split between the FY21 and the FY22 budgets.

- d. The costs of operating the Lincoln School in the FY22 configuration are only partially known. The Brooks building will function as an energy-efficient all-electric school, but without the benefits of the planned photovoltaic arrays, which will not come online until the Fall of 2023. The costs of operating the all-electric temporary modular facility are largely unknown at this point. Closely defining these costs will be a difficult task for the FY22 budget process.
- e. The population of students with special needs on both campuses will likely continue to increase.

#### Budget process-focused guidelines

1. Include core program costs in the base budget.
2. As appropriate, maintain level services, i.e., this year's program, or last year's program depending on the operational model, projected at FY22 costs.
3. Develop analysis of FTE allocations for special subject areas and staffing needs for existing programs and deploy resources, as necessary, in line with projected enrollments.
4. Review programs which include positions initiated or partially funded by expiring gifts, grants, fees and tuitions or recently adjusted programs and examine the financial implications for future costs.
5. Include considerations related to:
  - a. cost of living adjustments for non-bargaining group employees.
  - b. contract negotiations with the teacher union, completed during the 2019-2020 school year.
  - c. contract negotiations with the custodial union, anticipated to begin during the 2020-2021 school year.
  - d. contract negotiations with the Education Support Professionals (ESPs) union, anticipated to begin during the 2020-2021 school year.
  - e. impact of the DoDEA contract process for FY21 and later years.
  - f. impact of projected increases in the cost of health benefits directly on the Hanscom budget and indirectly on Town finances.
6. Carefully monitor usage of fuel and energy, review historical data and build projections in collaborations with the District's energy vendors and collaborative partners. Incorporate the long-term energy prices locked in during FY18.
8. Apply special revenue funds as agreed to with the Finance Committee.
9. Maintain METCO enrollment at 91 students if possible but budget for the anticipated enrollment.
10. Generally project level funding from state and federal grants, state aid and revolving accounts, e.g., tuition and fees, but analyze on a fund-by-fund basis to reflect specific

situations. Recent experience continues to validate this guideline for the state grants as these fund amounts have remained relatively static. For the federal grants, the amounts for some have decreased in each of the last three budget years, and this trend is likely to continue.

11. Identify opportunities for savings through both bottom-up and top-down reviews of budget proposals.

**Timeline** Attached is a suggested budget timeline for the School Committee's consideration. Historically, the budget preparation process begins in early September, in advance of the Finance Committee's (FinCom) guidance, with preparation of the Superintendent's Preliminary Budget. The Administrative Council will begin its process in September and will meet prior to the next scheduled School Committee meeting. The presentation of the Superintendent's Preliminary Budgets, currently scheduled for December 3rd, kicks off the School Committee's active review of the proposed program.

The Administration hopes to receive the FinCom's guidance by October 15<sup>th</sup>. In past years, the cost to maintain level services (this year's program projected at next year's costs) has exceeded the budget amount provided by the FinCom guidance, and is anticipated to do so again for this budget year.

**Next Steps** The Administration asks the School Committee to review these proposed considerations and the suggested budget timeline and provide us with your guidance for the FY22 budgets preparation process.

# Lincoln Public Schools

## FY22 Budget Development Timeline

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### September

24 – Present budget guidelines memo and proposed timeline to School Committee

25 and later – Budget discussions: Central Office administrators with the Campus administrative teams, discuss improvement initiatives and special considerations, and review projected enrollment and classroom staffing.

### October

16 – Administrative Council deadline to submit budget information and contracted services amounts.

17 and later – Continued budget discussions: Central Office administrators with the Campus administrative teams, discuss improvement initiatives and special considerations, and review projected enrollment and classroom staffing.

### November

13 – Finalized budget recommendations to Superintendent

### December

3 – Present preliminary budget overview to School Committee

9 [T] – First budget discussion with Finance Committee

17 – Budget discussions with School Committee

### January 2021

14 – Budget discussions & first reading with School Committee (formal Budget Hearing)

22 [T] – Second budget discussion with Finance Committee

28 – Scheduled School Committee vote on budget proposal

### February

8 to 22 – Develop Town Meeting presentation (if necessary)

### March

12 – Review Town Meeting presentation draft (if necessary)

28 – Town Meeting

### April

12 – Budget templates and site-based management funds amounts distributed for allocation