

Wareham Public Schools

FY2015 End Of Year Report

Aug 20115

This report summarizes the key financial statistics from FY2015. The Town’s FY15 accounts have not yet been audited at the time of this report and so some of the figures may be subject to change. Following the overview below, this report reviews our revenue in FY15 and then our expenditure.

A. Overview

The table below shows expenditure from all sources in the last six years. The biggest change in recent years has been driven by health care costs which are included in the in-kind total.

Wareham Expenditure, Chapter 70 State Aid and Net School Spending (Fiscal Years 2010 to 2015)

	FY10	FY11	FY12	FY13	FY14	FY15
Expenditure						
From local appropriations for schools						
• By School Committee	\$25,586,287	\$26,120,149	\$26,747,564	\$27,065,367	\$26,916,993	\$26,879,655
• By Town (In-kind)*	\$6,506,613	\$5,549,330	\$4,303,957	\$8,470,855	\$8,072,531	\$8,211,232
Total from local appropriations	\$32,092,900	\$31,669,479	\$31,051,521	\$35,536,222	\$34,989,524	\$35,090,887
From Revolving funds and grants	\$5,732,043	\$6,297,397	\$5,726,690	\$5,410,174	\$5,170,944	\$5,267,230
Total Expenditure	\$37,824,943	\$37,966,876	\$36,778,211	\$40,946,396	\$40,160,468	\$40,358,117
Chapter 70 aid to education program						
• Chapter 70 state aid**	\$12,242,029	\$12,159,874	\$12,225,154	\$12,345,207	\$12,416,757	\$12,488,232
• Required local contribution	\$17,409,106	\$17,518,457	\$17,900,064	\$18,383,155	\$18,523,807	\$18,563,068
Required Net School Spending***	\$29,651,135	\$29,678,331	\$30,125,218	\$30,728,362	\$30,940,564	\$31,051,300
Actual net school spending	\$30,635,289	\$30,486,184	\$30,126,705	\$33,328,357	\$33,043,345	\$33,055,809
• Over / Under required (\$)	\$984,154	\$807,853	\$1,487	\$2,599,995	\$2,102,780	\$2,004,509
• Over / Under required (%)	3.3	2.7	0	8.5	6.8	6%

*Does not include debt payments or school choice / Upper cape tuition payments. FY15 figure has not been finalized – this figure is the estimated amount only and has not been agreed with the Town Administrator.

**Chapter 70 state aid funds are deposited in the local general fund and spent as local appropriations.

***Required net school spending is the total of Chapter 70 aid and required local contribution. Net school spending includes only expenditure from local appropriations, not revolving funds and grants. It includes expenditures for most administration, instruction, operations and out of district tuitions. It does not include transportation, school lunches, debt or capital.

Our FY12015 School Committee appropriation was the same as in FY2014. The expenditure figure for FY14 provided above includes reimbursement for storm damage at the high school which is why it is greater than the FY15 budget.

The significant increase in health care costs in FY13 pushed our expenditure over the required net school spending. This was in part due to the impact of the ‘health care holiday’ in FY12 and ongoing trend in health care costs. The Town of Wareham is no longer ‘self-insured’ for health care and has joined the Mayflower Municipal Health Group. Although there is an initial cost to this to ‘buy in’ to the group, in the long term, this may help to reduce the overall cost of health insurance.

Our non-net expenditure increased more than our net-expenditure due to an increase in pupil transportation costs, this reduced the percentage we are over required net school spending. However, we still well below the state expenditure above required net school spending which 19% in FY14.

In-Kind Expenditure

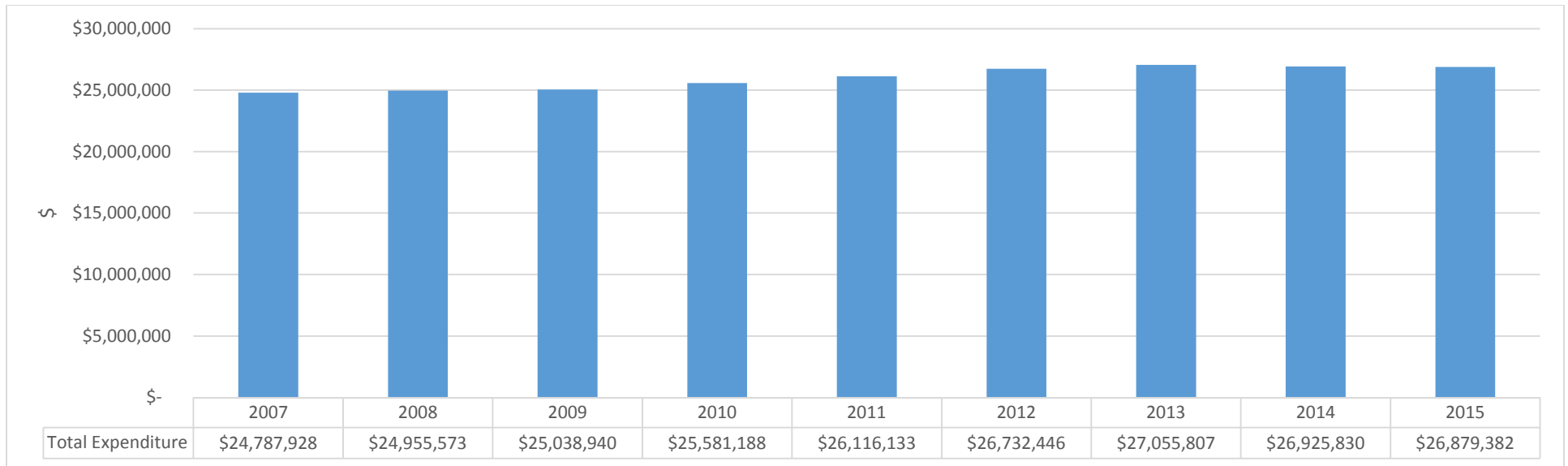
‘In-kind’ expenditure is the funding which the Schools receives from the Town in the form of services rather than in direct funding. For example in-kind expenditure includes proportions of the salaries of some town personnel – including the town administrator, accountant and treasurer. In kind costs also include a proportional share of the payroll and accounting software. The largest proportion of the in-kind costs are the health care and pension costs which the Town pays on the school’s behalf. As the in-kind costs for FY15 have not been finalized, the table below shows the estimated in-kind costs.

CODE	DESCRIPTION	TOTAL
7400	General Administrative Services (1000)	\$304,177
7450	Operations and Maintenance (4000)	\$5,000
7470	Employer Retirement Contributions (5100)	\$1,298,013
7480	Insurance for Active Employees (5200)	\$4,236,116
7490	Insurance Retired School Employees (5250)	\$2,367,926
7690	TOTAL EXPENDITURES BY CITY/TOWN	\$8,211,232

B. REVENUE

General Operation Budget

The general operating budget is that part of our budget which comes directly from the Town in the School Committee appropriation. The chart below shows expenditure from the general operating budget. As can be seen there were modest increases in from 2007 to 2012, with the rate of growth slowing since then.



Revolving Funds and Grants

Revenue from revolving funds and grants are an important part of our funding and make possible many activities which otherwise would not be funded. However, by their nature, revolving funds and grants usually target particular programs/ populations and often involve many restrictions and reporting requirements. We have seen an increase in our revenue from these areas.

In Revolving Funds expenditure should be covered by revenue and so money ‘revolves’ in and out of the account. For example, we receive fees for providing transportation and those fees pay the driver’s time and related costs. Therefore, generally, an increase in revenue should roughly follow expenditure.

We have seen an increase in our grants. This has in part come from an increase in private grants. However, we have also seen an increase in state and federal grants. Many of the grant ‘years’ do not map neatly on to the financial year – for example Title 1 is September 1 to August 31. As a result some fluctuation between years can reflect the timing of payments year to year. Nevertheless, we are seeing a positive trend in our grants. This is particularly driven by grants secured through the Office of Beyond School Time which increased by over \$200,000 from FY14 to FY15.

School lunch is included in the graph below. This shows a decrease in revenue, however, the FY15 does not include the final state reimbursement, which was also higher this year as there were more school days in June. Over the course of FY15, the food service program made just under \$18,000.

Historic comparison of Grant and Revolving Funds Income FY2010 to FY2015



To give a sense of what is included in grants and revolving funds, the two tables below show the grants and revolving funds of FY2015 with revenue greater than \$10,000 (see Annex B and C for the full list of all revolving funds and grants).

Grants

Funding Source Code	Source	2013 Revenue	2013 Expenditure	2014 Revenue	2014 Expenditure	2015 Revenue	2015 Expenditure	Revenue Increase
5	School Lunch	\$1,068,730	-\$1,470,226	\$1,267,888	-\$1,276,054	\$1,180,721	-\$1,165,835	-\$87,167
1905	Individual with Disabilities 94-142	\$665,890	-\$715,140	\$708,879	-\$560,229	\$705,718	-\$609,708	-\$3,161
1800	Circuit Breaker	\$659,024	-\$442,102	\$552,296	-\$528,316	\$700,935	-\$680,860	\$148,639
1909	Title one	\$502,342	-\$534,331	\$550,875	-\$480,019	\$594,325	-\$523,345	\$43,450
1968	Care School Year	\$0	\$0	\$0	\$0	\$237,724	-\$231,836	\$237,724
1902	Improving Educator Quality	\$178,311	-\$139,750	\$138,148	-\$152,827	\$120,664	-\$154,315	-\$17,484
1829	Coord. Fam. & Community	\$75,164	-\$92,709	\$108,102	-\$87,755	\$96,100	-\$103,092	-\$12,002
1804	K Enhanced Program	\$114,020	-\$114,020	\$114,020	-\$108,235	\$86,530	-\$108,689	-\$27,490
1834	Innovation Schools Planning Gra	\$0	\$0	\$10,000	-\$7,913	\$75,000	-\$73,731	\$65,000
1960	Supplementary Support to Schools-C	\$35,534	-\$14,755	\$40,181	-\$52,896	\$64,285	-\$68,879	\$24,104
1966	Care Minot/High School	\$0	\$0	\$99,763	-\$89,290	\$61,160	-\$53,143	-\$38,603
1944	Elem. Educ. Grant	\$63,581	-\$64,568	\$98,247	-\$113,256	\$56,656	-\$59,142	-\$41,591
1949	Race To the Top	\$113,443	-\$116,457	\$59,127	-\$72,503	\$56,113	-\$64,553	-\$3,014
1954	Title I School Support	\$17,548	-\$16,747	\$33,002	-\$34,650	\$50,073	-\$62,086	\$17,071
1967	Care-Carry Over	\$0	\$0	\$56,970	-\$46,612	\$49,000	-\$50,782	-\$7,970
1956	Students With Disabilities PI	\$40,047	-\$36,691	\$21,167	-\$29,658	\$29,773	-\$29,947	\$8,606
1907	Sped Support Access Curriculum	\$36,319	-\$39,672	\$15,552	-\$4,274	\$24,616	-\$8,769	\$9,064
1945	Middle Educ. Grant	\$40,960	-\$35,879	\$34,986	-\$39,999	\$24,054	-\$24,121	-\$10,932
1811	Altern. Ed. Prog.	\$0	\$0	\$0	\$0	\$22,040	-\$9,325	\$22,040
1969	Breakfast Grant	\$0	\$0	\$0	\$0	\$20,000	\$0	\$20,000
1919	Mass. 21 Century Comm. Learning	\$117,564	-\$107,052	\$97,875	-\$134,593	\$20,000	-\$30,432	-\$77,875
1836	School Nutrition Equipment Grant	\$0	\$0	\$0	\$0	\$20,000	-\$20,000	\$20,000
1831	Literacy Prof. Development	\$24,408	-\$24,497	\$20,553	-\$20,554	\$16,313	-\$13,721	-\$4,240
1906	Early Childhood Sped	\$13,560	-\$18,097	\$19,532	-\$20,115	\$15,079	-\$17,042	-\$4,453
1809	Coll. Success Plan-summer	\$26,600	-\$26,600	\$0	\$0	\$14,900	-\$15,034	\$14,900
1827	Nutrition Summer Expansion	\$10,000	-\$3,314	\$7,000	-\$10,072	\$14,800	-\$17,392	\$7,800
1952	Support Underperform. Dist.	\$2,323	-\$1,500	\$5,455	-\$3,193	\$10,609	-\$4,066	\$5,154

Revolving Funds

Source	2013 Revenue	2013 Expenditure	2014 Revenue	2014 Expenditure	2015 Revenue	2015 Expenditure
School Choice	\$243,865	-\$331,505	\$203,176	-\$119,328	\$226,728	-\$326,890
West Academy Tuition	\$11,848	-\$101,737	\$93,970	-\$79,164	\$102,714	-\$68,998
Middle School - Gift - Tennis Courts	\$0	\$0	\$0	\$0	\$98,157	
Athletic Receipts	\$72,960	-\$70,734	\$66,583	-\$70,204	\$82,599	-\$79,538
After School Programs	\$4,390	-\$4,390	\$2,374	-\$1,232	\$76,930	-\$79,713
State Wards	\$46,153	-\$40,395	\$48,565	-\$56,672	\$51,272	-\$56,586
Transportation	\$193,356	-\$126,627	\$339,723	-\$155,583	\$38,683	-\$261,853
School Property	\$39,113	-\$65,015	\$29,849	-\$31,629	\$30,322	-\$23,994
Gift-Makepeace	\$34,367	-\$12,737	\$41,214	-\$82,375	\$29,950	-\$14,310
Income Eligible Preschl-C	\$0	-\$1,288	\$67,599	-\$1,665	\$25,779	-\$200
Gift-High	\$21,881	-\$19,317	\$23,495	-\$28,066	\$24,298	-\$16,289

Revolving accounts gives us some flexibility to spread payments across years. Following historic practice, and good fiscal practice, we have sought to maintain a balance in these accounts to help fund the following year’s activities. Below I have provided a short overview of the three biggest funds: circuit breaker, transportation and school choice.

Circuit Breaker

The state special education reimbursement program, commonly known as the circuit breaker program, provides additional state funding to districts for high-cost special education students (see the attached note on circuit breaker).

The amount that we receive each year reflects our qualifying expenditure in the prior year and the state’s reimbursement percentage – which is determined each year by DESE and has hovered around 75% for the last three years.

In FY2015 we received a special relief payment of \$107,269 following our successful ‘ Extraordinary Relief Claim’. The Extraordinary Relief payment was based on the percentage increase in costs from FY14 to FY15. As FY15 now presents a higher base we do not expect to qualify for this payment again in FY16.

Transportation

Income to the transportation revolving account comes from fees for transportation services from clubs, athletics and third party use, it also includes the 'Mckinney-Vento' funding we receive from the state for transporting students in and out of the district. (The McKinney-Vento Homeless Education Assistance Act provides for ensuring equal access to public education for homeless children).

The funds received in to the Transportation Revolving account are used to pay the costs of providing those services and also to purchase replacement buses where required. In FY2015 we purchased 5 used buses to replace existing buses.

School Choice

Receiving

The school choice program allows parents to send their children to schools in communities other than the city or town in which they reside. Tuition is paid by the sending district to the receiving district. Districts may elect not to enroll school choice students if no space is available.

School choice revenue is the funds we receive for those students coming into Wareham from other districts. These funds are for educational related expenditure. It is the practice to budget the previous year's revenue as the amount available for the current operation expenses. This practice ensures funding

BY TOWN	2012	2013	2014	2015
Barnstable	2			
Bourne	17	21	18	16
Brockton	1	1		
Carver	4	2		
Dartmouth			1	1
E.Falmouth			2	
Fairhaven			3	1
Fall River		1	1	1
Falmouth	4	5	1	2
Hyannis			1	
Marion		2	4	3
Mashpee	1			1
Mattapoisett		5	3	2
Middleboro		2		
New Bedford	4	6	4	8
ORR	3			
Plymouth	10	16	9	6
Rochester		1		3
Sandwich	5	4	6	3
W.Bridgewater	2		1	
Weymouth	2			
Wrentham				1
Grand Total	55	66	54	48

for the following year and spending against received vs anticipated revenue. As can be seen from the tables above School Choice revenue in 2013 was up from 2012 but then fell to 2015. Below I've provided a breakdown of where the students coming into Wareham have come from over the last three years:

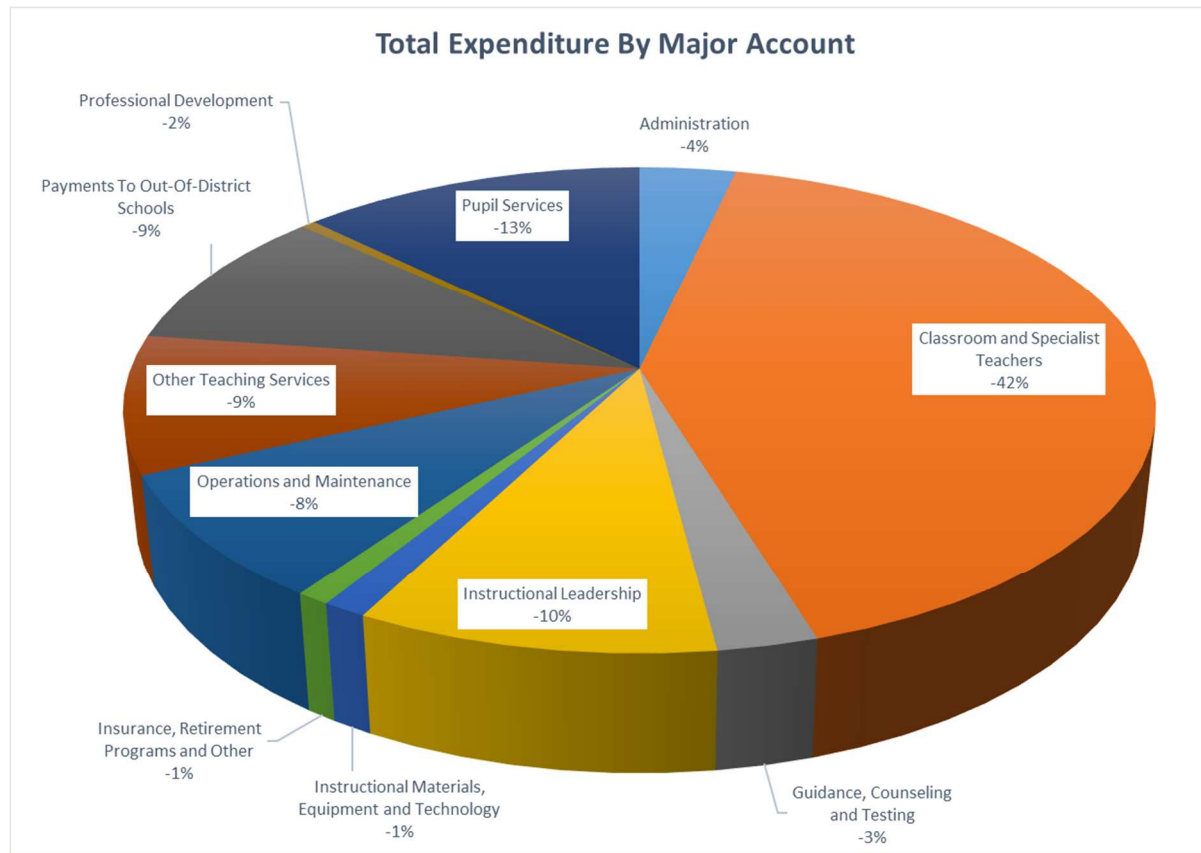
Sending

The Town is also liable for the costs of Wareham students that chose to go to other districts. The table over the page shows which schools they attend by level of schooling.

	2010	2011	2012	2013	2014	2015
High School						
Old Rochester Regional High	1	8	15	23	30	30
Bourne High School	7	5	6	9	8	11
TEC Connections Academy Commonwealth Virtual School						2
Taunton High	1	1	2	2	1	2
Mashpee High						2
Falmouth High	2		2	2	2	2
Barnstable High					1	1
Sandwich High			1	1	1	1
Middleborough High				1	1	
Bridgewater-Raynham Regional					1	
Middle / Junior High School						
Bourne Middle School	6	12	9	8	31	47
Old Rochester Regional Junior High	3	3	6	12	15	9
Mashpee Middle School						2
Lawrence	1	1			1	1
Morse Pond School						1
Benjamin Friedman Middle				1	1	1
Quashnet School						1
Freetown-Lakeville Middle School				2	2	
Joseph H Martin	1	1				
Elementary						
Bournedale Elementary School					4	15
Peebles Elementary School					5	8
Carver Elementary School			1	1	5	7
Forestdale					4	3
Center					1	2
East Falmouth Elementary						2
Henry T Wing						2
Oak Ridge						1
Kenneth Coombs School						1
Mullen-Hall				1	1	1
West Villages Elementary School			1			
Other / Mixed						
Massachusetts Virtual Academy at Greenfield Commonwealth Virtual School						3
Grand Total	22	31	43	63	115	158

C. EXPENDITURE

The chart below shows how expenditure from **all** funding sources was spent in FY15. In the chart, expenditure is categorized by major account – as our monthly budget reports are also grouped. Classroom teachers as a proportion of total expenditure was down to 42% from 45% in FY2014. Instructional materials and equipment and operations and maintenance also saw small reductions in the proportion of the total expenditure, although the fall in operations and maintenance was largely due to the expenditure in FY2014 on the high school roof feasibility project.



As can be seen in the table below the largest increase were in pupil services, which includes transportation, and Payments to 'Out of district' tuition services. The increase in pupil transportation is largely due to an increase in 'out of district runs' and unfortunately as in some instances we were not able to hire drivers to do these runs we had to use outside contractors. We also increased the number of monitors used on all of our buses.

Major Account	2011	2012	2013	2014	2015
Administration	\$ (1,069,202)	\$ (1,059,842)	\$ (1,164,420)	\$ (1,244,296)	\$ (1,148,392)
Classroom and Specialist Teachers	\$ (13,803,592)	\$ (13,905,125)	\$ (13,485,677)	\$ (14,094,864)	\$ (13,489,050)
Guidance, Counseling and Testing	\$ (1,230,848)	\$ (1,235,398)	\$ (1,118,533)	\$ (1,022,326)	\$ (869,496)
Instructional Leadership	\$ (3,237,101)	\$ (3,506,104)	\$ (3,269,903)	\$ (3,028,720)	\$ (3,122,259)
Instructional Materials, Equipment and Technology	\$ (997,305)	\$ (507,935)	\$ (556,979)	\$ (504,583)	\$ (385,414)
Insurance, Retirement Programs and Other	\$ (257,032)	\$ (437,027)	\$ (426,800)	\$ (603,474)	\$ (292,105)
Operations and Maintenance	\$ (2,865,282)	\$ (2,685,504)	\$ (2,945,781)	\$ (2,866,429)	\$ (2,714,383)
Other Teaching Services	\$ (2,997,597)	\$ (2,813,658)	\$ (3,084,562)	\$ (2,818,119)	\$ (2,957,461)
Payments To Out-Of-District Schools	\$ (2,069,624)	\$ (2,322,723)	\$ (2,378,953)	\$ (2,164,882)	\$ (3,069,210)
Professional Development	\$ (260,309)	\$ (341,484)	\$ (331,768)	\$ (217,063)	\$ (172,483)
Pupil Services	\$ (3,625,638)	\$ (3,638,791)	\$ (3,681,036)	\$ (3,530,209)	\$ (4,106,512)
Grand Total	\$ (32,413,530)	\$ (32,453,593)	\$ (32,444,413)	\$ (32,094,967)	\$ (32,326,766)

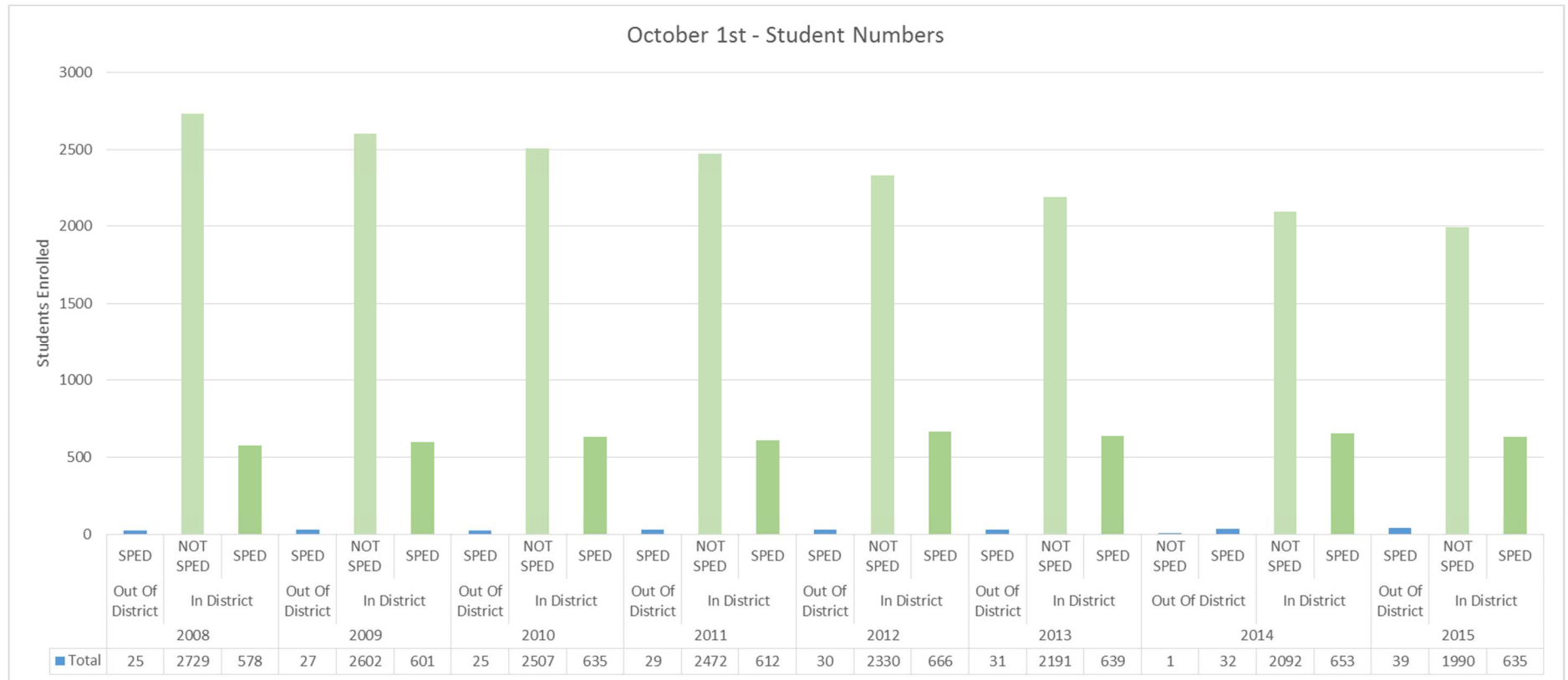
Students and Staffing

Information on student and staffing levels is included here as they are our primary cost drivers. As can be seen in the table and graph that follow, while we have a lower than average diversity of race/ ethnicity, our special education and low income numbers are high both as compared to the state and historically for the district.

Selected Populations	Number	Percent of total	Percent of state	Enrollment by Race / Ethnicity	Number	Percent of total	Percent of state
Total Enrollment	2,623	100.0%		African American	205	7.8%	8.7%
First Language not English	26	1.0%	25.0%	Asian	24	0.9%	6.3%
English Language Learner	13	0.5%	8.5%	Hispanic	160	6.1%	17.9%
Students with Disabilities	616	23.5%	17.1%	Native American	29	1.1%	0.2%
High Needs	1353	51.6%	42.2%	White	1932	73.7%	63.7%
Economically Disadvantaged	1036	39.5%	26.3%	Native Hawaiian / Pacific Islander	0	0.0%	0.1%
Reduced Price Lunch	223	8.5%	4.7%	Multi Race, non-Hispanic	273	10.4%	3.1%

Student Enrollment by Race/Ethnicity and Selected Populations (based on October 1st data)

The chart below shows that although our overall enrollment continues to decline our special education numbers, both in and out of district.



Low income and Economically Disadvantaged

As we were part of the Community Eligibility Program in FY2015 our 'low income' rate was calculated at 100% and was not comparable with previous percentages, in FY2014 low income rates were free lunch: 53.2%.

This year the Department of Elementary and Secondary Education replaced the low income measure with 'economically disadvantaged' – see the annex with further information from DESE.

Staffing

This table shows the proportion of expenditure spent on salaries. The overall proportion of our budget which we spent on salaries increased slightly from FY14.

Row Labels	2007	2008	2009	2010	2011	2012	2013	2014	2015
Classified (custodians / paras)	13.91%	14.18%	13.28%	13.24%	12.54%	13.06%	14.30%	14.54%	14.33%
Clerical Salaries	3.38%	3.62%	3.79%	3.80%	3.86%	3.91%	3.95%	4.06%	3.56%
Professional / Certified Salary	60.21%	60.85%	58.89%	61.01%	60.46%	61.15%	59.48%	59.70%	58.65%
Other - Non Staffing	22.50%	21.36%	24.04%	21.95%	23.13%	21.88%	22.27%	21.71%	23.46%

The table below shows how the composition of our staff has changed since 2010. This table below only includes positions that are reported to the state – this does not include positions such as custodians, bus drivers and food service workers.

ANNEX A: Budget vs Payments by Major Account and Function

Major Account / Function	2011	2012	2013	2014	2015	Trend
Administration	\$ 938,250.12	\$ 932,730.99	\$ 991,464.03	\$ 960,784.31	\$ 927,340.68	
Business & Finance	\$ 123,294.70	\$ 127,585.73	\$ 135,315.06	\$ 98,298.68	\$ 115,846.89	
District Wide Leadership	\$ 253,217.79	\$ 235,216.62	\$ 234,056.63	\$ 204,486.28	\$ 271,664.55	
Legal Services for School Committee	\$ 24,446.69	\$ 22,902.94	\$ 38,705.05	\$ 35,062.87	\$ 49,786.20	
Legal Services for Settlements	\$ -	\$ -	\$ -	\$ 30,000.00	\$ -	
Personnel	\$ -	\$ -	\$ -	\$ 2,500.37	\$ 1,156.10	
School Committee	\$ 23,914.61	\$ 21,066.41	\$ 38,242.84	\$ 19,516.93	\$ 19,905.45	
Superintendent	\$ 394,939.62	\$ 398,439.98	\$ 418,335.29	\$ 440,028.58	\$ 424,282.51	
Technology Office	\$ 118,436.71	\$ 127,519.31	\$ 126,809.16	\$ 130,890.60	\$ 44,698.98	
Classroom and Specialist Teachers	\$ 12,544,271.65	\$ 12,789,459.03	\$ 12,463,631.64	\$ 13,052,713.27	\$ 12,459,089.53	
Teachers Classroom	\$ 12,544,271.65	\$ 12,751,963.91	\$ 12,453,176.37	\$ 13,040,576.31	\$ 12,446,342.76	
Teachers, Specialists	\$ -	\$ 37,495.12	\$ 10,455.27	\$ 12,136.96	\$ 12,746.77	
Guidance, Counseling and Testing	\$ 961,042.02	\$ 1,133,026.91	\$ 1,025,634.11	\$ 930,326.26	\$ 783,968.16	
Guidance & Adjustment/Social Work	\$ 151,607.83	\$ 128,664.78	\$ 135,972.07	\$ 173,478.05	\$ 191,530.25	
Guidance & Testing	\$ 319,616.96	\$ 452,552.50	\$ 351,036.71	\$ 269,035.34	\$ 263,518.31	
Psychological Services	\$ 482,866.75	\$ 544,693.21	\$ 471,619.99	\$ 477,286.08	\$ 323,556.58	
Testing & Assessment	\$ 6,950.48	\$ 7,116.42	\$ 67,005.34	\$ 10,526.79	\$ 5,363.02	
Instructional Leadership	\$ 2,892,712.99	\$ 3,146,869.67	\$ 3,027,644.73	\$ 2,713,346.61	\$ 2,745,627.64	
Building Technology	\$ 87,618.76	\$ 80,296.34	\$ 79,837.61	\$ 54,327.84	\$ 35,027.91	
CSL/Middle Curr. Leaders Salaries & Reimbursements	\$ 237,524.44	\$ 154,466.93	\$ 140,657.58	\$ 92,740.18	\$ 144,922.02	
Curriculum Director	\$ 181,568.53	\$ 241,379.16	\$ 279,567.91	\$ 170,661.22	\$ 261,057.90	
Department Heads	\$ 648,085.30	\$ 704,090.15	\$ 584,357.45	\$ 392,775.14	\$ 432,789.92	
K-12 Dept. Head Salaries	\$ 200.00	\$ 198,447.82	\$ 219,842.62	\$ 210,443.58	\$ 216,447.68	
Principal's & Assistant Principal's	\$ 1,186,644.81	\$ 1,221,123.96	\$ 1,171,225.53	\$ 1,210,916.43	\$ 1,160,501.51	
Principal's Office	\$ 551,071.15	\$ 547,065.31	\$ 552,156.03	\$ 581,482.22	\$ 494,880.70	

Major Account / Function	2011	2012	2013	2014	2015	Trend
Instructional Materials, Equipment and Technology	\$ 633,362.87	\$ 332,752.56	\$ 310,337.65	\$ 227,225.79	\$ 200,064.08	
Instructional Other	\$ 128,820.00	\$ 74,135.44	\$ 147,695.20	\$ 83,745.42	\$ 106,281.43	
Instructional Software	\$ 15,209.62	\$ 8,065.50	\$ 5,733.90	\$ -	\$ 184.72	
Instructional Technology	\$ 277,965.36	\$ 70,474.57	\$ 69,244.05	\$ 110,062.57	\$ 60,369.70	
Paper/Pencils/Periodicals	\$ 53,157.45	\$ 72,466.01	\$ 77,528.27	\$ 24,985.32	\$ 20,502.10	
System Mileage/Conferences	\$ 7,407.58	\$ 10,070.24	\$ 10,051.00	\$ 8,396.58	\$ 8,670.93	
Textbooks & related software/media/materials	\$ 150,802.86	\$ 97,540.80	\$ 85.23	\$ 35.90	\$ 4,055.20	
Insurance, Retirement Programs and Other	\$ 125,032.56	\$ 133,584.77	\$ 116,142.64	\$ 291,697.70	\$ 264,947.02	
Employee Retirement: MTRB	\$ 21,057.32	\$ 24,461.19	\$ 4,838.71	\$ 5,000.00	\$ -	
Employee Retirement: Town	\$ -	\$ -	\$ -	\$ 158,900.00	\$ -	
Insurance for Active Employees	\$ -	\$ -	\$ -	\$ -	\$ 118,521.00	
Lease of Equipment-Copiers & Risographs	\$ 89,653.24	\$ 94,801.58	\$ 96,981.93	\$ 113,275.70	\$ 127,575.02	
Student Insurance	\$ 14,322.00	\$ 14,322.00	\$ 14,322.00	\$ 14,522.00	\$ 18,851.00	
Operations and Maintenance	\$ 2,335,414.70	\$ 2,573,998.01	\$ 2,856,315.96	\$ 2,842,382.76	\$ 2,683,534.08	
Custodial Services	\$ 655,609.23	\$ 996,714.15	\$ 988,555.65	\$ 1,036,953.72	\$ 922,963.11	
Extraordinary Maintenance	\$ -	\$ -	\$ -	\$ 59,051.06	\$ -	
Heating	\$ 328,361.94	\$ 269,707.28	\$ 397,028.34	\$ 301,875.86	\$ 314,428.94	
Maintenance of Buildings	\$ 273,227.00	\$ 216,227.70	\$ 254,778.37	\$ 218,580.33	\$ 210,801.78	
Maintenance of Equipment	\$ 153,231.75	\$ 111,321.82	\$ 139,066.58	\$ 106,569.26	\$ 141,041.26	
Maintenance of Grounds	\$ 163,424.51	\$ 189,010.21	\$ 214,842.05	\$ 190,989.29	\$ 248,551.01	
Networking & Telecommunications	\$ 146,141.70	\$ 234,838.67	\$ 340,837.96	\$ 246,857.91	\$ 293,466.59	
Replacement of Motor Vehicles	\$ 94,068.00	\$ -	\$ -	\$ -	\$ -	
Technology Maintenance	\$ 4,409.95	\$ 10,423.60	\$ 19,019.33	\$ -	\$ -	
Utility	\$ 516,940.62	\$ 545,754.58	\$ 502,187.68	\$ 681,505.33	\$ 552,281.39	
Other Teaching Services	\$ 1,974,292.91	\$ 2,009,293.15	\$ 2,339,987.54	\$ 2,178,852.89	\$ 2,342,927.91	
Home instruction/Sped summer school	\$ 120,989.43	\$ 125,268.34	\$ 115,478.76	\$ 119,481.71	\$ 131,340.72	
Librarians & Media Center	\$ 51,490.92	\$ 54,637.18	\$ 55,456.96	\$ 59,545.92	\$ 65,428.39	
Paraprofessionals	\$ 798,670.63	\$ 820,144.01	\$ 823,606.29	\$ 950,159.82	\$ 1,034,893.10	
PT & Speech Salaries	\$ 530,243.61	\$ 578,658.74	\$ 836,529.65	\$ 608,775.31	\$ 608,405.02	
Substitutes	\$ 472,898.32	\$ 430,584.88	\$ 508,915.88	\$ 440,890.13	\$ 502,860.68	

Major Account / Function	2011	2012	2013	2014	2015	Trend
Payments To Out-Of-District Schools	\$ 1,523,306.03	\$ 1,477,512.91	\$ 1,648,555.11	\$ 1,525,614.04	\$ 2,132,057.41	
Payments to Member Collaborative	\$ 460,413.43	\$ 519,070.71	\$ 549,181.92	\$ 690,634.17	\$ 854,040.32	
Program with School districts in other States	\$ -	\$ -	\$ -	\$ -	\$ -	
Program with Schools Other than Public Schools	\$ 925,735.40	\$ 828,434.49	\$ 956,493.19	\$ 684,099.87	\$ 1,141,569.09	
Programs with other Systems in Massachusetts	\$ 137,157.20	\$ 130,007.71	\$ 142,880.00	\$ 150,880.00	\$ 136,448.00	
Professional Development	\$ 187,507.04	\$ 162,875.14	\$ 123,069.59	\$ 103,094.58	\$ 82,629.77	
Prof. Development: System Course Reimbursements	\$ 92,706.08	\$ 86,193.81	\$ 63,215.67	\$ 44,208.98	\$ 35,698.74	
Professional Development – Leadership	\$ -	\$ -	\$ -	\$ -	\$ -	
Professional Development – Substitutes	\$ 11,051.26	\$ 34,691.08	\$ 17,320.62	\$ 24,902.37	\$ 13,540.08	
Professional Development – Teachers	\$ 83,749.70	\$ 41,990.25	\$ 42,533.30	\$ 33,983.23	\$ 33,390.95	
Pupil Services	\$ 2,000,939.81	\$ 2,040,282.86	\$ 2,153,023.62	\$ 2,099,791.76	\$ 2,257,695.82	
Athletic Services	\$ 307,007.82	\$ 277,117.01	\$ 260,994.42	\$ 231,375.83	\$ 209,426.69	
Attendance	\$ 34,506.18	\$ 35,384.29	\$ 86,493.32	\$ 36,136.36	\$ 72,668.78	
Medical & Nurses Expenses	\$ 284,103.56	\$ 377,411.58	\$ 326,850.91	\$ 353,254.38	\$ 312,587.56	
Other Student Body Activities	\$ 1,475.25	\$ 8,717.98	\$ 2,658.37	\$ 1,807.35	\$ 1,332.44	
Pupil Transportation	\$ 1,373,847.00	\$ 1,341,652.00	\$ 1,476,026.60	\$ 1,477,217.84	\$ 1,661,635.35	
School Security Personnel & Expenses	\$ -	\$ -	\$ -	\$ -	\$ 45.00	

ANNEX B: Grant FY14 Expenditure

Funding Source Code	Source	2013 Revenue	2013 Expenditure	2014 Revenue	2014 Expenditure	2015 Revenue	2015 Expenditure	Revenue increase
1905	Individual with Disabilities 94-142	\$665,890	-\$715,140	\$708,879	-\$560,229	\$705,718	-\$609,708	-\$3,161
1909	Title one	\$311,640	-\$534,331	\$550,875	-\$480,019	\$594,325	-\$523,345	\$43,450
1968	Care School Year	-\$190,702	\$0	\$0	\$0	\$237,724	-\$231,836	\$237,724
1902	Improving Educator Quality	-\$12,391	-\$139,750	\$138,148	-\$152,827	\$120,664	-\$154,315	-\$17,484
1960	Supplementary Support to Schools-C	-\$155,168	-\$14,755	\$40,181	-\$52,896	\$64,285	-\$68,879	\$24,104
1966	Care Minot/High School	-\$190,702	\$0	\$99,763	-\$89,290	\$61,160	-\$53,143	-\$38,603
1944	Elem. Educ. Grant	-\$127,121	-\$64,568	\$98,247	-\$113,256	\$56,656	-\$59,142	-\$41,591
1949	Race To the Top	-\$77,259	-\$116,457	\$59,127	-\$72,503	\$56,113	-\$64,553	-\$3,014
1954	Title I School Support	-\$173,154	-\$16,747	\$33,002	-\$34,650	\$50,073	-\$62,086	\$17,071
1967	Care-Carry Over	-\$190,702	\$0	\$56,970	-\$46,612	\$49,000	-\$50,782	-\$7,970
1956	Students With Disabilities PI	-\$150,655	-\$36,691	\$21,167	-\$29,658	\$29,773	-\$29,947	\$8,606
1907	Sped Support Access Curriculum	-\$154,383	-\$39,672	\$15,552	-\$4,274	\$24,616	-\$8,769	\$9,064
1945	Middle Educ. Grant	-\$149,742	-\$35,879	\$34,986	-\$39,999	\$24,054	-\$24,121	-\$10,932
1969	Breakfast Grant	-\$190,702	\$0	\$0	\$0	\$20,000	\$0	\$20,000
1919	Mass. 21 Century Comm. Learning	-\$73,138	-\$107,052	\$97,875	-\$134,593	\$20,000	-\$30,432	-\$77,875
1906	Early Childhood Sped	-\$177,142	-\$18,097	\$19,532	-\$20,115	\$15,079	-\$17,042	-\$4,453
1952	Support Underperform. Dist.	-\$188,379	-\$1,500	\$5,455	-\$3,193	\$10,609	-\$4,066	\$5,154
1964	Early Childhood Program-C	-\$186,452	-\$4,250	\$4,000	-\$3,208	\$8,000	-\$8,000	\$4,000
1971	Care Summer School School Year	-\$190,702	\$0	\$0	\$0	\$7,500	-\$7,500	\$7,500
1950	Income Eligible Contract	-\$128,962	-\$58,086	\$66,667	-\$87,719	\$6,853	\$0	-\$59,814
1970	SPED High School Grant	-\$190,702	\$0	\$0	\$0	\$5,000	-\$5,000	\$5,000
1608	After School Programs-SouthCoast	-\$190,702	\$0	\$5,650	-\$5,037	\$8,966	-\$4,132	\$3,316
1605	Cape Cod Five Cents	-\$190,702	\$0	\$6,372	-\$784	\$8,823	-\$7,408	\$2,451
1603	Fuel up to play 60	-\$190,702	\$0	\$1,700	-\$1,118	\$4,582	-\$3,655	\$2,882
1607	New England Dairy and Food Council	-\$190,702	\$0	\$3,600	-\$3,600	\$3,991	-\$3,991	\$391
1602	Target	-\$190,702	\$0	\$2,004	-\$142	\$3,608	-\$805	\$1,604
1611	Foundation for Wareham	-\$190,702	\$0	\$0	\$0	\$3,000	-\$3,000	\$3,000
1610	Cranberry Educational Foundation	-\$190,702	\$0	\$0	\$0	\$2,500	-\$1,138	\$2,500
1606	Middle and High School PTA	-\$190,702	\$0	\$1,449	-\$944	\$1,755	-\$1,173	\$306

Funding Source Code	Source	2013 Revenue	2013 Expenditure	2014 Revenue	2014 Expenditure	2015 Revenue	2015 Expenditure	Revenue Increase
1600	MIT Zero Robotics	-\$190,702	\$0	\$1,000	\$0	\$1,000	-\$1,000	\$0
1609	Curr. Leadership Electronic Ctr Planning Gr	-\$190,702	\$0	\$0	\$0	\$850	-\$495	\$850
1612	Commonwealth of Massachusetts Agricultural Grant	-\$190,702	\$0	\$0	\$0	\$600	\$0	\$600
1604	Boks (Reebok) Grant	-\$190,702	\$0	\$750	-\$750	\$500	-\$500	-\$250
1800	Circuit Breaker	\$284,811	-\$442,102	\$552,296	-\$528,316	\$700,935	-\$680,860	\$148,639
1829	Coord. Fam. & Community	-\$115,538	-\$92,709	\$108,102	-\$87,755	\$96,100	-\$103,092	-\$12,002
1804	K Enhanced Program	-\$76,682	-\$114,020	\$114,020	-\$108,235	\$86,530	-\$108,689	-\$27,490
1834	Innovation Schools Planning Gra	-\$190,702	\$0	\$10,000	-\$7,913	\$75,000	-\$73,731	\$65,000
1811	Altern. Ed. Prog.	-\$190,702	\$0	\$0	\$0	\$22,040	-\$9,325	\$22,040
1836	School Nutrition Equipment Grant	-\$190,702	\$0	\$0	\$0	\$20,000	-\$20,000	\$20,000
1831	Literacy Prof. Development	-\$166,294	-\$24,497	\$20,553	-\$20,554	\$16,313	-\$13,721	-\$4,240
1809	Coll. Success Plan-summer	-\$164,102	-\$26,600	\$0	\$0	\$14,900	-\$15,034	\$14,900
1827	Nutrition Summer Expansion	-\$180,702	-\$3,314	\$7,000	-\$10,072	\$14,800	-\$17,392	\$7,800
1803	Academic Support – School Year	-\$178,335	-\$13,856	\$18,300	-\$18,229	\$8,000	-\$9,088	-\$10,300
1813	Success Plan-sch yr.	-\$190,702	\$0	\$17,100	-\$16,705	\$3,198	-\$3,530	-\$13,902
1826	Nutrition Summer Startup	-\$190,702	\$0	\$0	\$0	\$2,400	-\$1,677	\$2,400
1835	Big Yellow School Bus	-\$190,702	\$0	\$1,040	-\$724	\$916	-\$297	-\$124

ANNEX C: REVOLVING FUNDS

Code	Revolving Account	Starting Balance	Total Revenue	Final Expenditure	Ending Balance
2001	Summer School	6,051.96	15,124.00	(13,825.04)	7,350.92
2002	School Property	549.99	30,321.90	(23,993.95)	6,877.94
2003	I.A./ Lost Books	8,581.49	4,012.46	(7,235.14)	5,358.81
2004	Transportation	250,869.83	38,683.43	(261,852.88)	27,700.38
2005	Athletic Receipts	8,782.15	82,598.73	(79,537.65)	11,843.23
2006	Gift-System	10,389.14	3,787.26	(1,751.71)	12,424.69
2007	Gift-Decas	583.59	15,131.73	-	15,715.32
2008	Gift-High	11,524.19	24,298.00	(16,289.24)	19,532.95
2009	Gift-Decas/West	2,460.57	-	-	2,460.57
2010	Gift-Minot	13,976.74	3,691.80	(3,577.05)	14,091.49
2011	Gift-East/Hammond	2,544.62	5,685.00	(127.33)	8,102.29
2012	Gift-Makepeace	10,531.50	29,950.00	(14,310.43)	26,171.07
2014	Gift- H.S. Historical Tours	3,223.56	-	-	3,223.56
2015	Gift-GED	345.77	-	-	345.77
2016	Adult Ed.	50.00	2,694.00	-	2,744.00
2017	Drivers Ed.	17,586.37	20,300.00	(23,827.48)	14,058.89
2019	Asbestos	20,227.38	-	(16,769.33)	3,458.05

Code	Revolving Account	Starting Balance	Total Revenue	Final Expenditure	Ending Balance
2020	Insurance	13,182.04	-	(4,300.00)	8,882.04
2021	State Wards	7,655.05	51,271.65	(56,585.76)	2,340.94
2022	School Choice	189,364.84	226,728.00	(326,890.36)	89,202.48
2023	Keyspan	7,060.56	-	(5,210.61)	1,849.95
2027	West Academy Tuition	56,345.39	102,714.30	(68,998.37)	90,061.32
2028	Income Eligible Preschl-C	69,263.90	25,779.25	(200.00)	94,843.15
2029	After School Programs	1,142.08	76,930.46	(79,712.57)	(1,640.03)
2033	Middle School - Gift - Tennis Courts	-	98,157.22	-	98,157.22
2030	After School Programs-SouthCoast	-	7,571.00	-	7,571.00
2032	Middle School - Gift	-	950.00	-	950.00

ANNEX D: Circuit Breaker Summary (Extract from DESE state A Primer on Financial Aspects of Special Education)

Circuit Breaker Program

The state special education reimbursement program, commonly known as the circuit breaker program, was started in FY04 to provide additional state funding to districts for high-cost special education students. In FY08 approximately \$200 million was paid to districts under this program.

The threshold for eligibility is tied to four times the state average foundation budget per pupil as calculated under the chapter 70 program, with the state paying 75 percent of the costs above that threshold. In FY08, the state average foundation budget per pupil was \$8852, so if a special education student cost a district \$50,000, the district's eligible reimbursement for that student would be $(\$50,000 - (4 * \$8852)) * .75 = \$10,944$.

For children placed in a school district outside their home town by the Department of Transitional Assistance or the Department of Children and Families, and for children who have no parents or guardians in the commonwealth, the reimbursement is 100 percent above the threshold rather than 75 percent. (The Department of Children and Families is the new name for the Department of Social Services.)

Circuit breaker reimbursements are for the district's prior year's expenses. Each summer, districts submit claim forms to ESE listing the types and amounts of special education instructional services provided to each student during the previous fiscal year. Administrative and overhead costs are not reimbursable. Standard rates for each type of service are established annually by ESE based on statewide surveys and are used to calculate the reimbursable cost for each student; this simplifies the claim process and minimizes the documentation which needs to be submitted. For students attending private 766 schools, the eligible cost for reimbursement is based on the approved tuition rate set by the state's Operational Services Division.

Payments are made to districts on a quarterly basis. Because the program is subject to appropriation, the first quarter's payments are usually calculated using an interim reimbursement rate of less than 75 percent. After all the claim forms have been received and reviewed, and ESE verifies that there are sufficient appropriations to pay all claims, the reimbursements are recalculated using the full 75 percent rate. The program has been fully funded every year since FY05, its second year of operation.

In addition to the regular circuit breaker reimbursements, the "extraordinary relief" program provides up to \$5 million to help districts experiencing a significant increase in their special education costs. Under this program, districts may file an additional claim form in February for the current year's estimated expenses. If the expenses have increased by 25 percent or more over the prior fiscal year, then the district will be eligible for an additional extraordinary relief payment to help fund the increase.

Circuit breaker claims are audited by ESE, and adjustments are made to future payments in the event of disallowed costs. The single biggest reason for costs being disallowed is that the services have not been clearly documented on the student's IEP. Only services that are required by the IEP are eligible for reimbursement.

Circuit breaker reimbursements should be deposited into a special education reimbursement account. These funds may be expended by the school committee in the year received or in the following fiscal year for any special education-related purposes, without further appropriation. As with all special revenues, the appropriating authority can and should consider the projected reimbursements for the following fiscal year when deliberating on the school district's general fund budget.

ANNEX E: Redefining Low Income - A New Metric for K-12 Education Data

For many years, the Department of Elementary and Secondary Education (DESE) has collected data on the number of low income students attending each of our public elementary and secondary schools. Research clearly shows that students from lower income households typically face more learning challenges than students from more affluent households. Collecting data on students' family income helps us to direct more resources to their schools and helps us to monitor how well those schools are doing with those students.

The most commonly used metric for measuring income status has been eligibility for free or reduced price meals under the U.S. Department of Agriculture's school nutrition program. Families submit application forms documenting their household income. If the income falls below certain levels set by USDA, students in that family can then receive free or reduced price school breakfasts and lunches. Under long-standing U.S. Department of Education guidance, these students are then recorded as "low income" for purposes of educational statistics.

Two years ago, USDA introduced the [Community Eligibility Program](#) (CEP) as an option for schools and districts with high concentrations of low income students. Under CEP, all students in the participating schools are entitled to receive free meals under the school nutrition program. This eliminates the cost and administrative burden of collecting and processing family applications, as well as the costs associated with collecting lunch fees. More importantly, CEP increases student participation in school nutrition programs, and we know that students learn better when they are not hungry. For all these reasons, DESE is encouraging eligible schools and districts to participate in CEP.

But without the availability of free and reduced price data in many of our largest districts, we faced the need to develop a new income status metric that could be used consistently across the state. This new metric, which we are calling **economically disadvantaged** to differentiate it from the old "low income" measure, will be used to report data from all schools and districts, not just those participating in CEP. The new measure will be based on a student's participation in one or more of the following state-administered programs: the Supplemental Nutrition Assistance Program (SNAP); the Transitional Assistance for Families with Dependent Children (TAFDC); the Department of Children and Families' (DCF) foster care program; and MassHealth (Medicaid).

Individual school districts have used the so-called "direct certification" process to access enrollment data from these programs for many years, in order to validate their free and reduced price school lunch participation. DESE will now use the same direct certification process on a statewide basis. Strict data security protocols are in place at the Executive Office of Health and Human Services to ensure that all confidential data is protected in accordance with federal and state data privacy statutes and MassIT security policies.

Because of this change in methodology, the number of "economically disadvantaged" students reported as enrolled on October 1, 2014, in most schools will be lower than the number of "low income" students reported in 2013-14 and prior years. Obviously this has nothing to do with any real changes in family income; it is simply a shift from one valid measure to another valid measure. Neither measure is "right" or "wrong" (in fact, neither measure lines up exactly with the Census Bureau's "poverty" definition), but either can be a useful surrogate in identifying how well we are serving children at the lower end of the socioeconomic scale. **It is important for users of this data to understand that enrollment percentages and achievement data for "economically disadvantaged" students cannot be directly compared to "low income" data in prior years.**

How will this change affect particular district programs and activities?

- The **foundation budget**, which is used to calculate both Chapter 70 school aid and charter school tuition rates, currently relies on free and reduced price data. FY16 will be a transition year, using FY15 free and reduced price data from non-CEP districts and a combination of FY14 free and reduced price data plus direct certification for new students in CEP districts. For FY17 and beyond, we have recommended to the Foundation Budget Review Commission that the low-income increments in the formula be increased sufficiently to offset the lower number of students in the economically disadvantaged category.

- For **grant programs** that require poverty data for eligibility or entitlement calculations, the appropriate DESE program office will provide guidance directly to districts and schools.
- **School building authority reimbursement rates** are also based in part on low income percentages. We are providing information to the MSBA Board and will assist them in evaluating alternatives.
- Performance metrics in DESE's **school and district accountability system** will be updated to reflect the new measurement. DESE will provide additional guidance to districts regarding this transition.
- Schools and districts that use free and reduced price eligibility for **sliding scale fees** or other local purposes may continue to do so. For schools participating in CEP, this may involve a combination of direct certification data and some supplemental data collection from families.
- Districts will receive updated **SIMS reporting instructions**.

For all of us who have used free and reduced price eligibility data for a multitude of purposes over the years, the shift to a new metric will not be easy. Nevertheless, it is a necessary change so that our less affluent cities and towns can take advantage of the many benefits of USDA's Community Eligibility Program. We appreciate your patience and understanding as we work through all the details of this change.