

SCHOOL SPENDING EQUITY & TRANSPARENCY

Debt and Obligations, Formula Review, Attribution Review 12/5/18

Agenda

1. Introduction to Debt and Obligations (5 minutes)
2. Data Presentation & Discussion
3. Formula Presentation
4. Review of Attribution Rules and Categories
5. Closing questions/comments (5 minutes)

Facilitators:

- Jess Gartner, CEO & Founder, Allovue
- Jason Becker, Chief Product Officer, Allovue

Panelists

- Angela Alvarez, executive director, New Initiatives Department, City Schools
- Ericka Brockman, executive director, Southwest Baltimore Charter School
- Cheryl Casciani, chair, Board of School Commissioners
- Courtenay Desabaye, special assistant to the Chief Financial Officer, City Schools
- Ben Dalbey, parent, Hamilton Elementary/Middle School
- Andy Frank, commissioner, Board of School Commissioners
- Corey Gaber, teacher, Southwest Baltimore Charter School
- Amanda Henck, director of finance, Monarch Academy
- Danielle Henson, principal, Hilton Elementary School
- Tina Hike-Hubbard, parent, Tunbridge Public Charter School
- Jamal Jones, Parent and Community Advisory Board
- Joe Manko, principal, Liberty Elementary School
- Toby Pitts, director, Baltimore Curriculum Project
- Marsha Reeves, executive director, KIPP Harmony Academy
- Johnette Richardson, commissioner, Board of School Commissioners
- Craig Rivers, principal, Frederick Douglass High School
- Kim Wiggins, member, Charter and Operator-led Schools Advisory Board
- Jennie Wu, special assistant to the CEO, City Schools

Today's Data: Debt and Obligations

Consider:

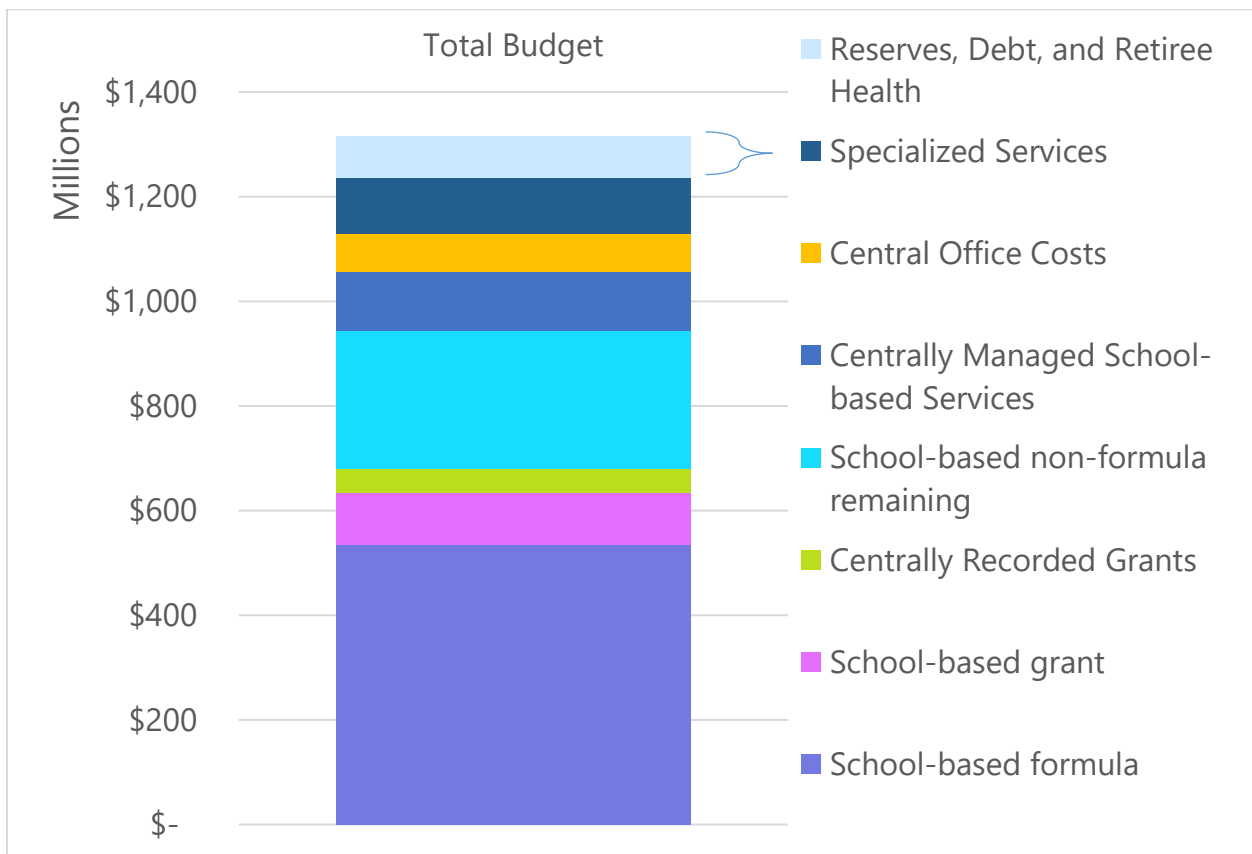
- Are there other areas we've discussed that should be treated similarly to this category of spending?
-

Total Amount Budgeted: \$78,779,148

FTE: 0

Total Percent Allocated to Schools: 0%

Metrics of Attribution: NA



Debt and Other Obligations

Non-Position Subobjects	Budget
BUILDINGS AND ADDITIONS (0652)	\$25,400,000
INTEREST, OTHER LOANS (0899)	\$4,762,435
LONG TERM LEASE AGREEMENT (0397)	\$1,874,000
PRINCIPAL, OTHER LOANS (0799)	\$16,937,356
RETIREMENT HEALTH BENEFITS - CITY (0222)	\$29,805,357

Charter and FSF Details and Relationship FY 2018

*Includes \$30M 21st Century MSA Debt expense in district wide exclusions beginning in FY18	
1. Start with all projected General Fund Revenue	1,151,691,798
2. Subtract districtwide exclusions *	1,151,691,798 – 159,929,918 <u>= 991,761,880</u>
3. Subtract needs-based exclusions	991,761,880 – 263,951,506 <u>= 727,810,374</u>
4. Subtract 2 percent to contribute to district administrative costs	727,810,374 * 0.02 <u>= 14,556,207</u>
	727,747,550 – 14,556,207 <u>= 713,254,167</u>
5. Divide the remaining amount by projected total enrollment	713,254,167 / 76,789 <u>= 9,288 projected per pupil</u>

What is the same between the two sectors?

- BCPSS grants administration costs and school-based allocations of those grants are the same regardless of charter or traditional public school.
 - Criteria specific to each grant determine the allocation to school sites. Specific grants have some differences, like Title II dollars being allocated to the charter school sites and not allocated to traditional schools, instead they receive professional development services.
- Students with disabilities central administration/management costs (small!) are the same.
 - There are some differences in the direct allocation method of SWD to school sites as we discussed.
- ESOL is treated the same.

- Retiree Health, Debt, Pre-K, Non-Public Education, and Specialized Transportation services are the same (excluded from both as non-K12-school-based expenses)

What's different between the two sectors?

- Charter schools have an overall indirect administrative fee of 2%.
- Traditional public schools have cost of the administration excluded from their base.
- The funding formula for charters is different than traditional schools because certain services are school-site responsibilities only for charter schools.
- Charters all receive the same base dollar per pupil allocation. FSF takes student needs into account and provides different base per pupil dollars to different schools.

Connecting the Formula to Our Work: Exclude, Central, Attributable, and Allocated

- Dollars *allocated* to school sites includes general education formula dollars (charter allocation + FSF) plus the direct allocations from Grants, Students with Disabilities, and ESOL students which have their own formulas.
- Attributable dollars exist for all school sites that are related to the management of the above dollars.
- For traditional public schools, attributable dollars that are not a part of grant and student need-based formula exclusions represents a large area of additional supports to schools.
- For charter schools, attributable dollars that are not a part of grant and student need-based formula exclusions may be subject to fee for service charges, such as building fees for utilities.

- The Central Office and other exclusions like retiree health, pre-K funding, and debt services are considered fixed system costs not impacted by changes to traditional public school or charter school enrollment or services.

Review

Note: these are incomplete, and we are still doing QA to make sure all dollars are accounted for. However, these are ready for review with the panel. Any additions or updates will be presented for review and consideration at the concluding meeting.

Description	Decision	Rule
Retiree Health Benefits	Exclusion	
Debt Service	Exclusion	
Pre-K/Early Learning	Exclusion	
Non-Public Schools	Exclusion	
Home and Hospital		
ESOL Centralized	Attributed	ESOL enrollment
ESOL School-based	Allocated	Review staffing formula
SWD Centralized	Attributed	SWD Allocated Dollar %
SWD School-based	Allocated	SWD Formula
Specialized Transportation	Attributable	Specialized Transit Ride %
Long Term Substitutes	Attributable	Days filled by long term subs
Utilities	Attributable	Building square footage for schools in BCPSS buildings
Central Services to HS	Attributable	HS enrollment traditional public schools
Central Services to ES	Attributable	ES enrollment traditional public schools
Central Services to All	Attributable	Enrollment all traditional public schools
Gifted and Talented	Attributable	G&T enrollment traditional public schools
Ingenuity	Attributable	Ingenuity schools
Athletics	Attributable	Traditional public schools with athletics programs
School Police	Attributable	All school sites by enrollment
Title II	Attributable	Traditional public schools by FTE – note charter schools see these dollars at the school site as allocated
All other grants centralized cost (but food services)	Attributable	% of all school-based grant dollars at school site
Food Services Centralized	Attributable	Meals served
Fresh Fruit and Vegetable	Attributable	State formula for schools

Title I school-based	Allocated	BCPSS Title I formula to schools
Central Office IT		
Central Office Not IT	Central	
Regular Transportation	Attributable	Transportation rides
21 st Century Building Plan		
Home and Hospital		
Building Maintenance and Upkeep	Attributable	Square footage for schools in BCPSS buildings
Lease costs and state-mandated costs	Excluded	
Third-Party Billing/Medicaid	Attributable	

Definitions

Description	Filter/Rule
Retiree Health Benefits	Subobject 0222 – Retiree Health
Debt Service	Category 0215 Capital Outlay OR Category 0216 Debt Service
Pre-K/Early Learning	Pos Job Title contains Pre OR Judy (for Pre-K or Judy Centers) AND fund 3001 General Fund OR Cost Center 0662 Early Learning
Non-Public Schools	Cost Center 0495 Non-Public Schools or Cost Center 0552 Non-Public Placement Services
Home and Hospital	Cost Center 0303 Home and Hospital
ESOL Centralized	Cost Center 0664 ESOL
ESOL School-based	Pos Job Title contains ESOL and in schools
SWD Centralized	(Department 2005 Special Education Officer and not non-public schools) OR (Category 0206 Special Education but not non-public schools or department) OR (Not Category 0206 and not non-public and not department 2005, and Award 03 or 06 or 16) AND not Cost Center in Schools AND NOT Cost Center 662 Early Learning
SWD School-based	Same as Centralized, but in school
Specialized Transportation	Cost center 0712 Specialized Transportation

Long-Term Substitutes	Subobject 130 Long-Term Substitutes
Utilities	Subobject 0521 Gas and Electric, 0526 Sewer/Water, 0522 Heating Fuels
Central Services to HS	General Fund dollars in Cost Center 0689 Office of Learning to Work, 0569 Guidance, 0679 Secondary Services, 0829 School Counseling, 0694 Secondary Instructional Leadership
Central Services to ES	Cost Center 0692 Elementary Instructional Leadership
Central Services to All	0806 Libraries Support Systems, 0825 Instructional Technology, 0532 Office of Health and Science, 0672 Mathematics Education, 0561 Drug Abuse and Violence Prevention, 0520 Chief Academic Officer, 0661 Office of Teaching and Learning, 0675 Office of Extended Learning, 0533 Office of Humanities, 0696 Visual and Performing Arts, 0699 Literacy Administration, 0534 Student and School Operations Support, 0541 Academic School Support, 0559 Suspension Services, 0561 Drug Abuse and Alcohol Prevention, 0698 Multi-tiered Systems of Support, 0491 Whole Child, 0489 SEL Climate and Wellness, 0697 School Transformation and Turnaround
Gifted and Talented	Cost Center 0680 Gifted and Talented Education
Ingenuity	Cost Center 0388 Ingenuity
Athletics	Cost Center 0685 Interscholastic Athletics
School Police	Cost Center 0740 School Police Administration
Title II	Fund 4663 Title II
All other grants centralized cost (but food services)	Fund code starts with 4, 5, or 6, but not Title II, not 4602 (Medicaid reimbursement), or fund 4519/4520 (IDEA) and not Office of Early Learning or ESOL.
Food Services Centralized	Fund 2001 Food Services, 2002 Great Kids Cafe
Fresh Fruit and Vegetable	Fund 2005 Fresh Fruit and Vegetable Program
Title I school-based	Fund 4501 in schools
Central Office IT	General Fund dollars in Cost Centers 0801 Office of the CITO, 0802 Call Center Services,

	<p>0803 Decision Support Services, 0805 Libraries Support Systems, 0810 Human Resource Management Systems, 0811 Financial Resource Management Systems, , 0812 Business Support Systems, 0813 Security and Data Center Services, 0814 Phone Support, 0815 Technical Support Systems, 0817 ERate Managed Projects, 0818 Teacher Support Systems, 0546 Chief Operating Officer, 0520 Mail Distribution</p>
<p>Central Office Not IT</p>	<p>0501 - Board Of School Commissioners, 0502 - External Audit, 0504 - School Support, 0506 - Knowledge Management Department, 0508 - Teacher Effectiveness, 0510 - Chief Executive Officer, 0511 - Office Of The Internal Auditor, 0513 - Chief Of Staff, 0514 - Parent & Community Advisory Board, 0515 - District Office Effectiveness, 0516 - Hc Knowledge Management & Strategy, 0518 - Employee And Labor Relations, 0519 - Contract Implementation & Compensation, 0527 - School Community Family Involvement, 0529 - Office Of New Initiatives, 0530 - Organizational Development Office, 0542 - Legal Affairs, 0543 - Office Of Communications, 0587 - Certification, 0588 - Payroll, 0589 - Accounts Payable, 0590 - Chief Financial Officer, 0594 - Finance And Accounting, 0596 - Budget Office, 0607 - Director-Procurement, 0620 - Chief Accountability Officer, 0622 - Department Of Assessments, 0623 - Data Monitoring And Compliance, 0627 - Department Of Research Services, 0650 - Office Of Human Capital, 0719 - Employee Services Admin, 0654 External Assignments, 0517 Evaluation and Training, 0524 Grants Administration, 0853 Student Records but not object 0525 Telephones</p>
<p>Regular Transportation</p>	<p>0710 Director of Student Transportation, 0711 Regular Transportation, 0713 Vehicle Maintenance - Transportation OR Subobject 0531 Auto Insurance, 0532 Liability</p>

21 st Century Building Plan	Cost Center 755, 0526 21 st Century Building Office
Home and Hospital	Cost Center 0303
Building Maintenance and Upkeep	Cost Center 0730 Director of Facilities, 0731 Health and Safety, 0736 Energy Management, 0749 Grounds Shop, 0752 Repair Shop, 0753 Contract Maintenance, 0754 Mechanical Services, 0776 Manager Maintenance of Operations, 0772 Director Facilities Design and Planning, 0784 Facilities – SE Cluster 4, 0787 Architecture, 0788 Engineering, 0723 Solid Waste Removal, 0611 Planning, 0789 Construction
Lease costs and state-mandated costs	Cost Center 0487, 1614, 1616
Third-Party Billing/Medicaid	Fund 4602, not Early Learning or Non-public

Name: _____ Date: _____

Week Topic: _____

Flag for Later Slip

The purpose of this slip is for you to capture questions or concerns. We recognize that you are seeing important information each week that may spark critical ideas and thoughts that should be revisited. We will keep a running list of the insights on your flag slips every week and provide them to the board and district in the final report.

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