



Boston Public Schools

FY24, 25, 26 Finance Update

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Every child, in every classroom, in every school of the Boston Public Schools system has the same opportunity to achieve the greatness within them as anybody else.

- BPS Opportunity and Achievement Gap Policy

All of our schools must recognize the abilities, languages, cultures, and life experiences of our students to teach them and help them reach their individual and diverse needs. Both student data and the lived experiences of our students, families, and staff prompt the urgent need to deliver on a promise and mandate of inclusive education and the right of every student's preparedness for college, career, and life.

- BPS Inclusive Education Plan



FY 24-26 Overview



AGENDA

FY24

- Fiscal year ended on June 30, 2024
- BPS ended the year within budget

FY25

- Current fiscal year, running through June 30, 2025
- We are confident we will close the year on budget
- Updates on FY25 Investments and ESSER Close

FY26

- Fiscal year beginning July 1, 2025 and running through June 30, 2026 (SY25-26)
- Full budget proposal February 5, 2025



FY 2024 Budget Close

BPS ended the year within budget for the 34th consecutive year

Budget	\$1,445,874,991
Actual Spending	<u>\$1,445,848,692</u>
Net Surplus	\$26,299



FY 2024 Budget Close

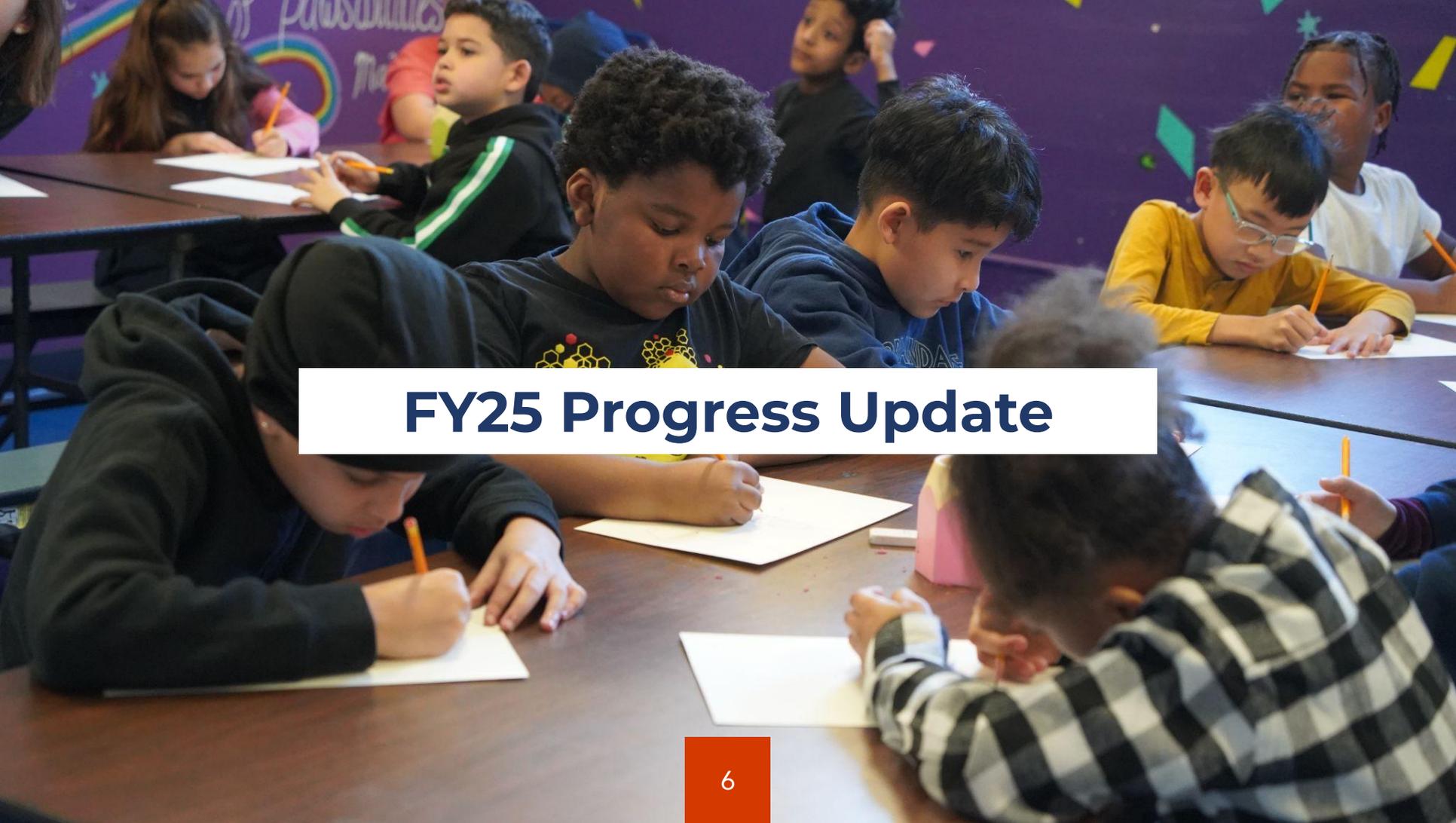


FY24 spending compared to budget

Every year, we strive to manage the approved budget as closely as possible. And every year, we see areas where we spend more or less than projected during the budget process.

- Areas of higher than originally expected costs:
 - Temporary Employees
 - Transportation
 - Food Services

- Areas where we identified operational savings and re-prioritized available funds:
 - Salary and health insurance savings from vacancies
 - Utilities



FY25 Progress Update



FY25 Financial Projection



We are confident we will end FY25 on budget

- Areas of higher than originally expected costs:
 - Food Services – Continued use of contracted meals as Central Kitchen construction continues.
 - Part Time Employees – Improved Bus Monitor hiring
 - Health Insurance – Actual costs coming in higher

- Areas with lower than expected costs:
 - Full Time Employees – Higher vacancy rate than pre-pandemic, but improving
 - Use of savings from the end of ESSER to offset increasing costs. (Ex. Summer costs moving from General Funds to ESSER)



FY25 Financial Projection

October vacancy rates are beginning to return to pre-pandemic levels

- A 1% vacancy rate is equivalent to about \$10M in salary spending.

FY	Actual FTE	Budgeted FTE	% Filled	Diff from 2019
2019	9,197.6	9,395.0	97.9%	--
2020	9,266.0	9,358.1	99.0%	1.1%
2021	9,555.3	9,669.6	98.8%	0.9%
2022	9,570.1	9,988.6	95.8%	-2.1%
2024	9,493.1	10,202.6	93.1%	-4.8%
2025	9,974.4	10,578.3	94.3%	-3.6%



Building the Foundation for the Future

More inclusive school communities will help close the opportunity gaps for our Black and Brown students and provide a continuum of services to meet the needs of all students, especially our Students with Disabilities and Multilingual Learners.

The work over the next 5 years require transformational shifts to the way we currently operate.

- ▶ **Reimagine school funding** and transition away from Weighted Student Funding
- ▶ Make **historic investments** to transform all BPS schools to support **inclusive education opportunities**
- ▶ **Shift the BPS physical footprint** to better support the High-Quality Student Experience



Academics Progress on Investments

Inclusion Investments:

- \$15M invested directly to schools for additional staff to expand inclusive opportunities
- Inclusive education coaches
- Inclusion Planning Team stipends for developing school based inclusive opportunities
- 98% of schools have MTSS Coordinators who create structures for MTSS and monitor services aligned to student needs

Planning for new Bilingual/Multilingual Programs:

- Four new Bilingual Education programs and three new programs designed for Newcomer students to launch in SY25-26, with two for SLIFE
- Investment in curriculum and native language resources for bilingual programs



Academics Progress on Investments

Equitable Literacy Coaches and Materials:

- \$1M in High Quality Instructional Materials
- \$2.3M for online language and literacy support platforms including those for multilingual learners
- \$2M in implementation support of materials (12 hour professional learning across the district.) and professional learning related to evidence-based reading instruction
- \$2M on direct literacy support to students via Reading Interventionists

Hub School Expansion:

- 6 new Hub Schools with full time Coordinators for a total of 20 Hub Schools
- Added City Wide Hub Coordinator



Operations Progress on Investments

Capital Planning and Operations

- Leads district priority of **expanding access to safe, healthy, energy efficient learning spaces** as part of our Long Term Facilities Plan.
- **Supported opening new buildings**, like the Carter, JQUS and Horace Mann buildings.

Transportation

- **Purchased and implemented Zum** to improve real-time bus tracking, real time notifications, and on-time percentage increases as implementation continues.
- **20 more electric buses in FY25**, doubling size of our fleet. Orders for 54 new and 3 retrofitted EV buses for this year. Electric charging stations at a second bus yard.

Athletics

- **Improved the aesthetic quality of our gyms and athletic spaces** with lighting, new scoreboards, weight rooms, and renovated athletic training space at Madison Park.
- **Built capacity** by using a Regional Athletic Coordinator model.

Student Support

- **Extended program offerings** including Restorative Justice and Safe and welcoming cohort of schools.
- **Saw over 2,700 kids go through programs** including social emotional, academic and college and career programs (e.g Opportunity Lab).

Human Resources

- **Invested in capacity building of the Payroll team**, growing the team from 6 to 11, to ensure on-time payroll, less payroll discrepancies and more efficiency in payroll processing.



Family and Community Advancement Progress on Investments

The BPS Helpline completed over 25,000 “touches” of connections with BPS Families, Staff, Students and Community Members – this includes calls, emails and walk-ins. Staff provided capacity in seven languages.

Over 7,000 students participate in summer programming with over 80% attendance.



FY26 Planning



FY26: Building on our Foundation

In FY25, we stopped using Weighted Student Funding to adjust school budgets. Instead we:

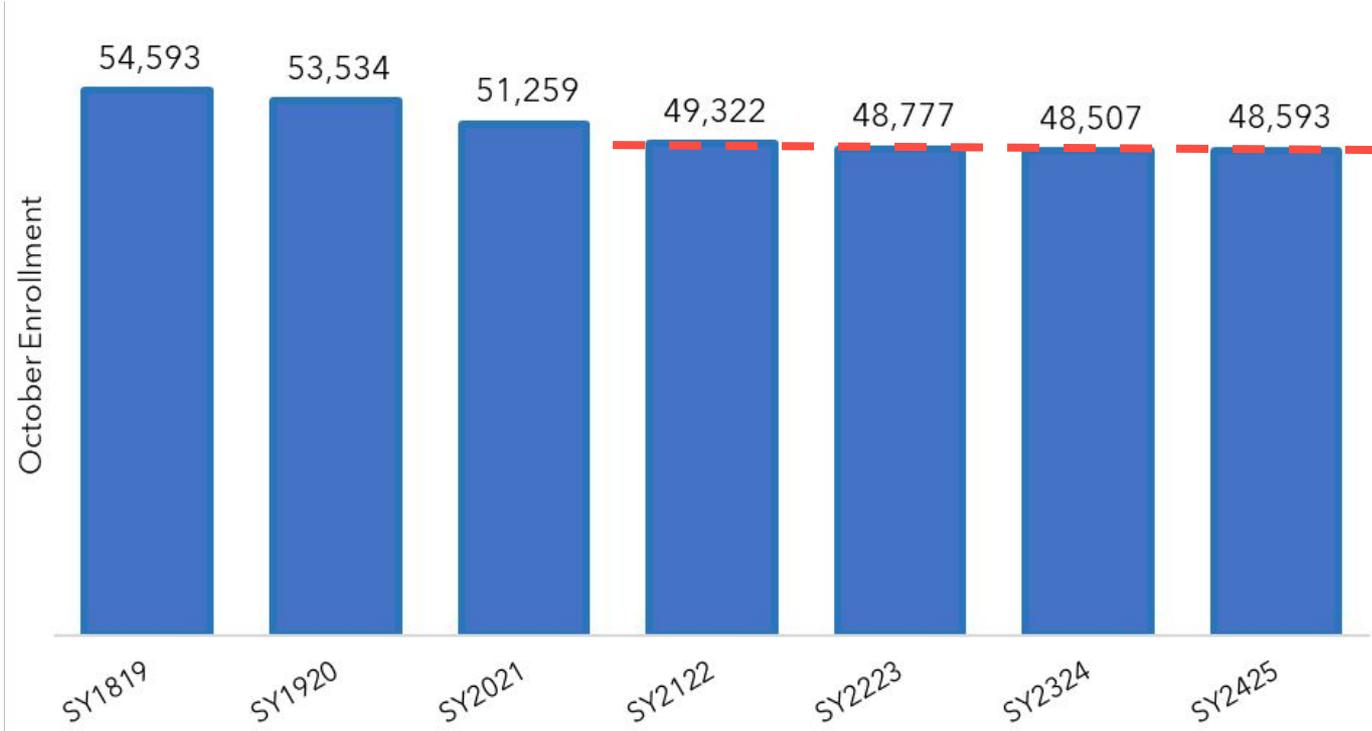
- Made adjustments to budgets starting from a school's existing funding level
- Increased or decrease based on the number of classrooms (elementary) or changes in capacity (secondary).
- Prioritized investments in instructional resources for our highest needs students through the inclusive practices and multilingual learners supports.

For FY26 our priority remains stabilizing school budgets and ensuring investments in our highest needs students. We are

- Continuing to make classroom/capacity adjustments using the same methodology
- Expanding investments in inclusive practices.
- Invest in bilingual education through the establishment of newcomer and dual language programs in schools and continued full funding of any adjustments needed for ESL services.

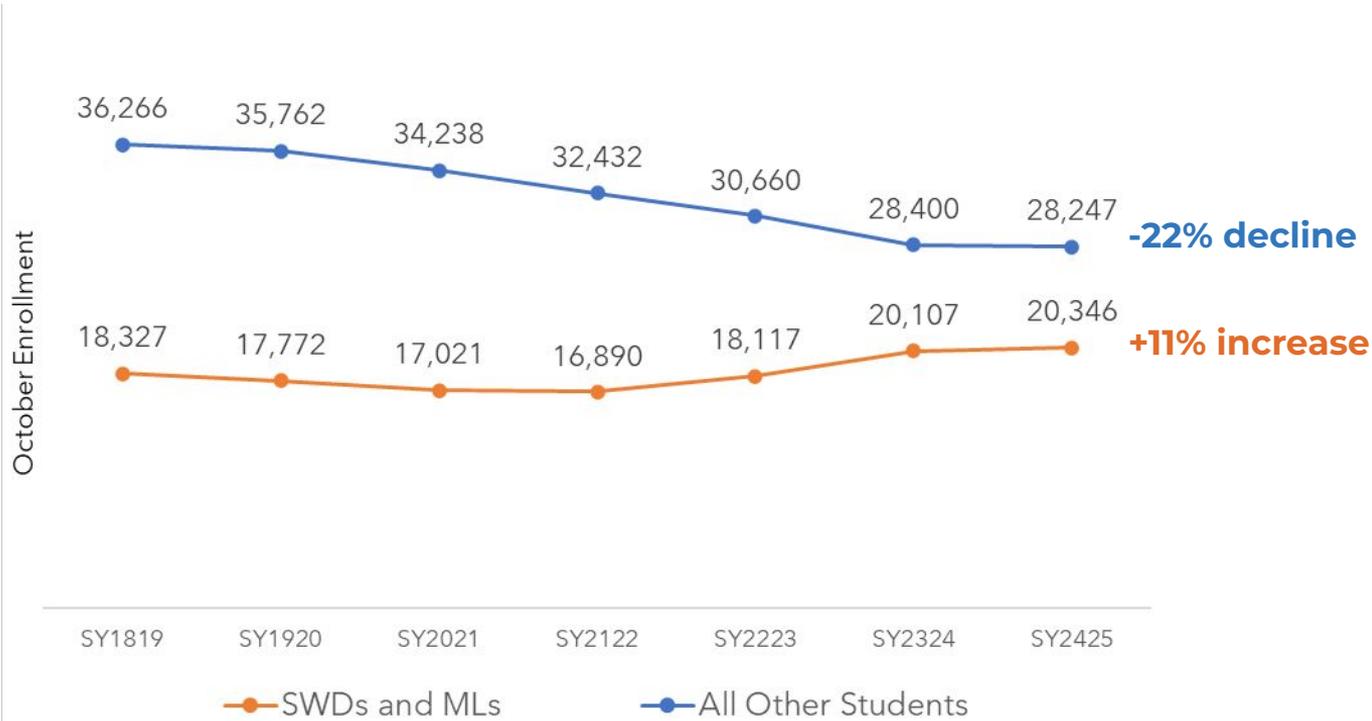


BPS enrollment declined in the past decade, but more recently has stabilized





In the same timeframe, the concentrations of needs of students we serve changed

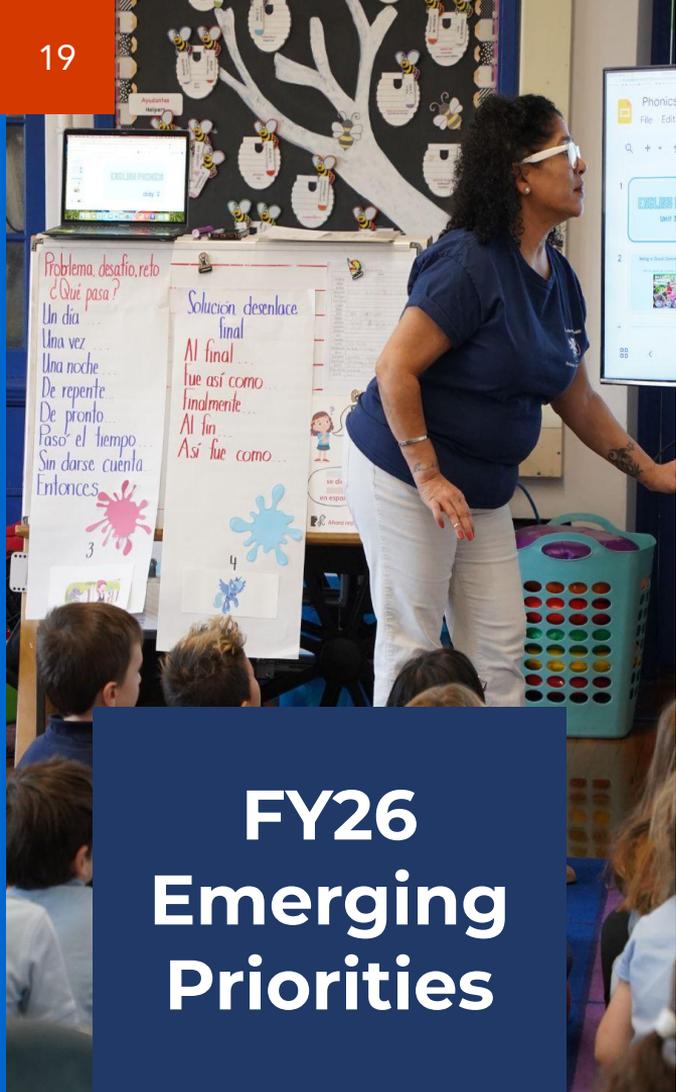


*Includes all Students with Disabilities and MLs with an ELD level of 1,2 or 3. Includes all MLSWDs.



Breakdown of concentrations of needs





Our FY26 proposal will reflect a stable budget for the 2025-26 School Year

- Following last year's historic budget, funding for BPS will be more in line with traditional levels
- Expanded Investments in continuing our main priorities of:
 - Inclusive education
 - Expanded bilingual programs
 - MTSS and academic supports
 - High school pathway expansion
- Long-Term Facilities Plan: Implementing changes and preparing for future recommendations on school closures, mergers, and reconfigurations.



Strategies to Identify Efficiencies

At schools, we are limiting reductions to changes related to the long-term facilities plan and classroom closures due to under-enrollment.

Central Office teams worked through a zero-based budget approach to identify efficiencies.

Each department was asked to work inside their current budget level, identifying cost savings to pay for any cost increases.

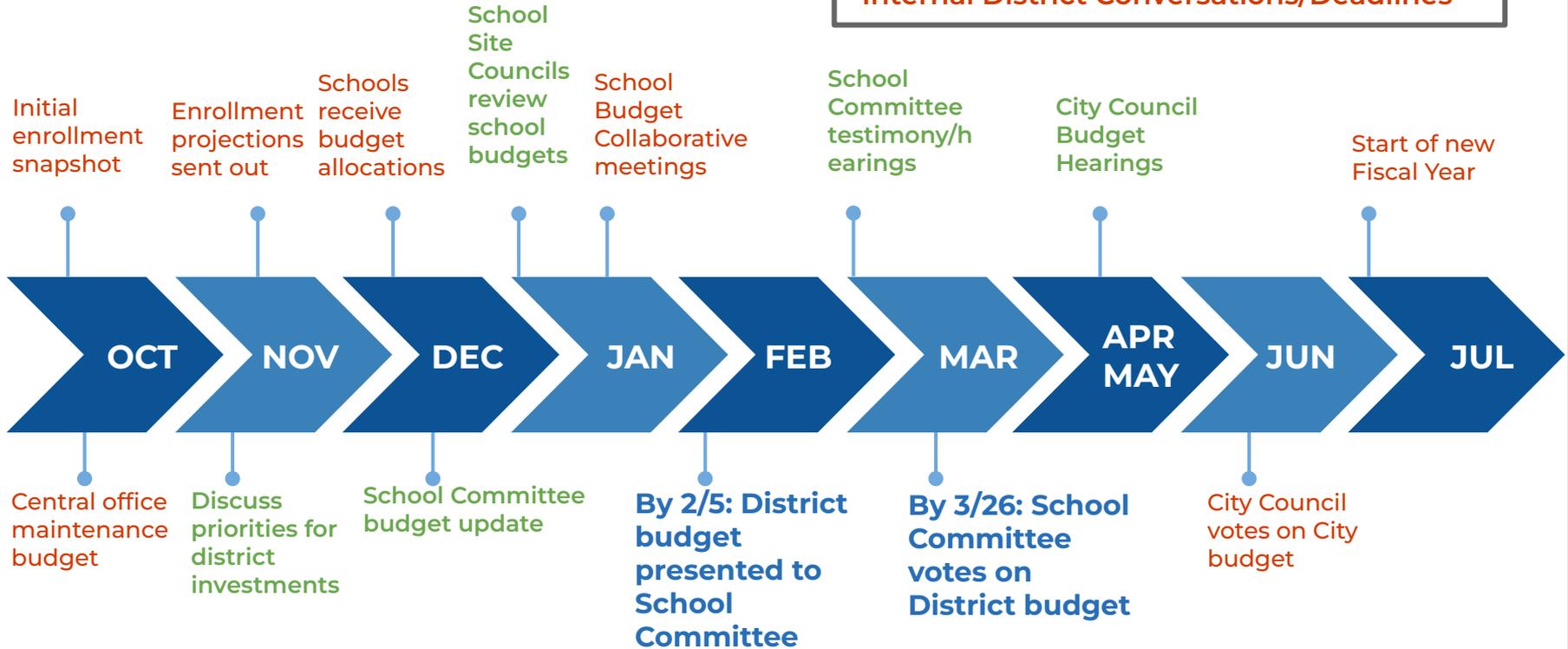
Limited areas of cost increase on central budgets are in School Services Budgeted Centrally. Some examples of these increases:

- Health Insurance costs for the full district
- Utilities costs for the full district
- Out of district special education tuition and transportation cost increases

Budget Season Timeline:

Opportunities for Community Engagement

Internal District Conversations/Deadlines



The Boston Public Schools Fiscal Year runs from July 1- June 30; the bulk of budget development for the upcoming fiscal year happens between November and March.

Questions



Appendix



Planning for the End of ESSER

Using multi year grants and ESSER flexibility for a district soft landing

FY25 Funding Source	Fiscal End	Opportunity
General Funds	6/30/25	No Carry Forward Option
Title 1	8/31/26	Title 1 is a 2 year grant with a 15% carry forward maximum and an exception every 3 years.
Other Entitlement Grants	8/31/26	Title IIA, III, IV and IDEA are two year grants with no carry-forward maximum.
ESSER	9/30/24	ESSER III funds can be spent after the end of the grant as long as they are encumbered by 9/30/24
Circuit Breaker	N/A	Carry forward maximum equals the last year's circuit breaker claims. In FY25, this will be 24.9M

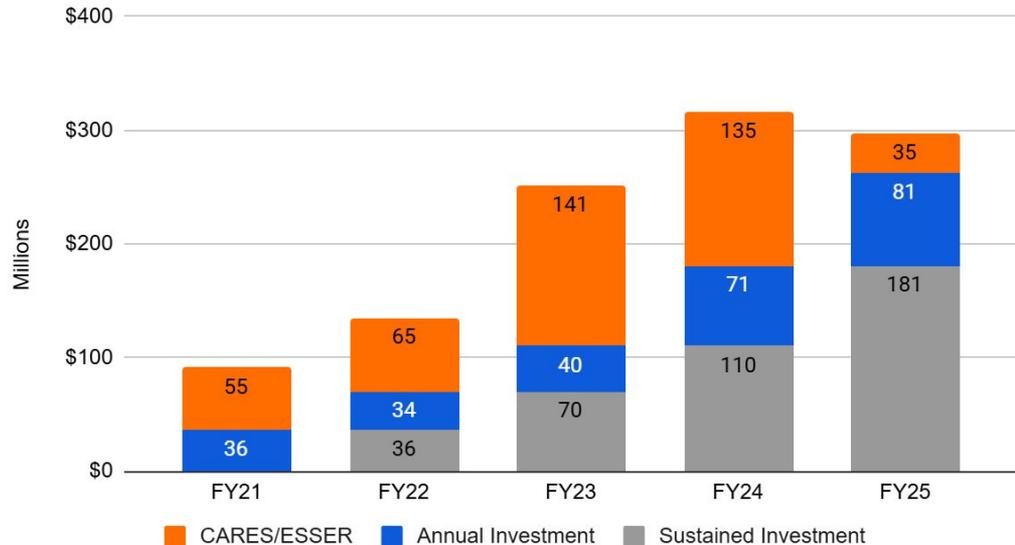


General Fund and ESSER

General Fund and ESSER (FY21-FY25)

ESSER III funds are being strategically spent to offset the impact of the ESSER fiscal cliff.

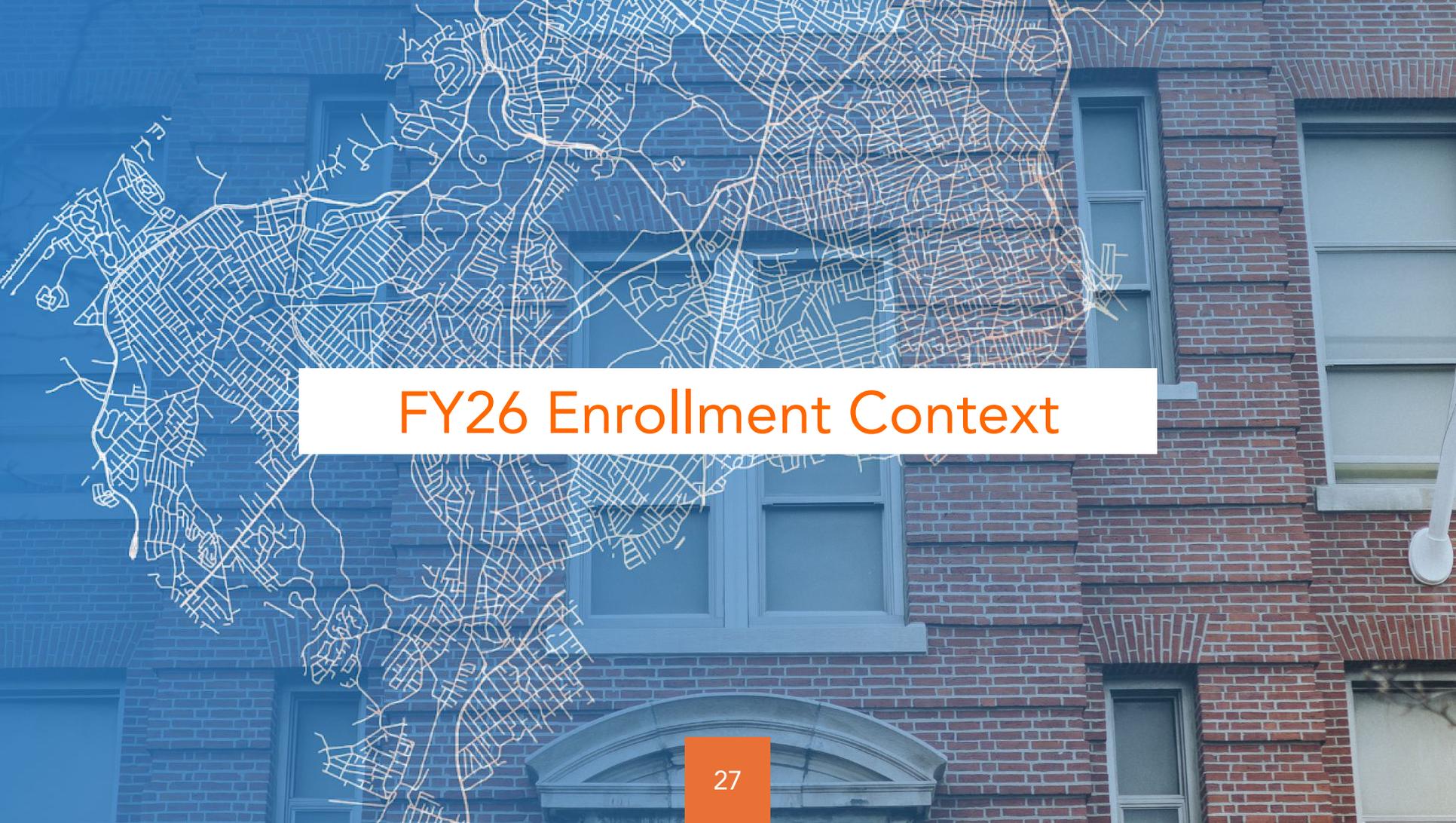
General Fund and ESSER (FY21-FY25)





ESSER Close Out

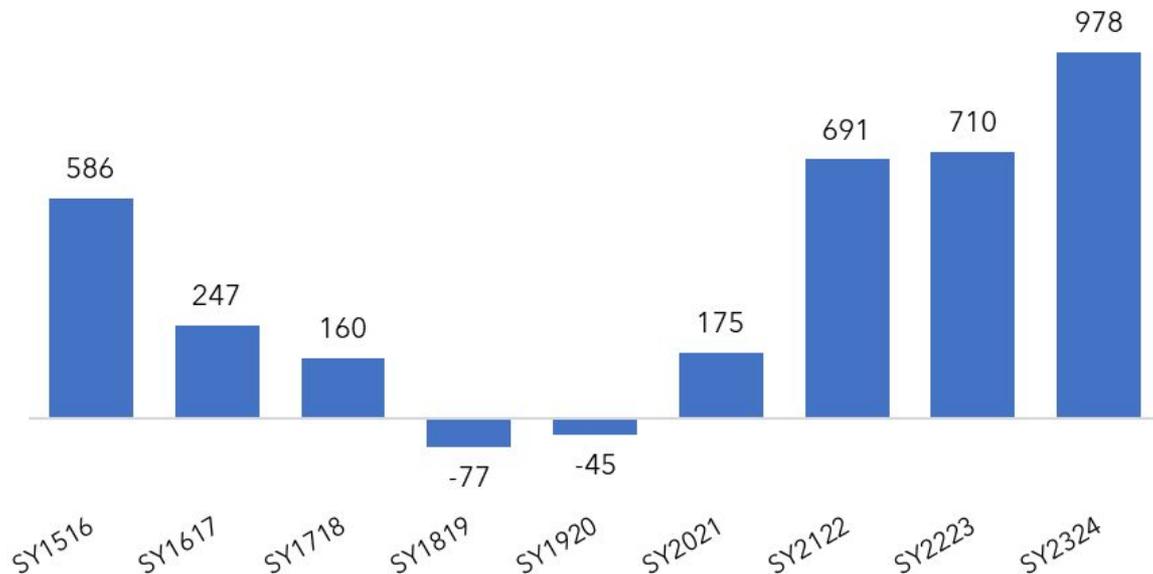
Topic	Deadline	Notes	Status	Amount
Grant Period	9/30/24	Includes both personnel and non-personnel spending	Complete	\$241M (87%)
Obligation Deadline	9/30/24	Create contracts and issue Purchase Orders (PO's)	Complete	
Traditional Liquidation	12/31/24	All spending from before 9/30 Spend against PO's Obligated by 9/30	On Track	\$9.5M (3%) Spent \$26M (9%) In Progress
Late Liquidation	11/30/25	All liquidation extensions have been approved by DOE & DESE. We aim to spend all by 6/30/25	On Track	\$3.5M (1%)
Grand Total ESSER III			On Track	\$276M

The background of the slide is a photograph of a multi-story brick building with several windows. Overlaid on the left side of the image is a white, stylized street map of a city grid, showing various streets and blocks. The map is semi-transparent, allowing the brick building to be seen through it.

FY26 Enrollment Context

Total enrollment has stabilized due to an influx of new Multilingual Learners

Net change in enrollment between October and June

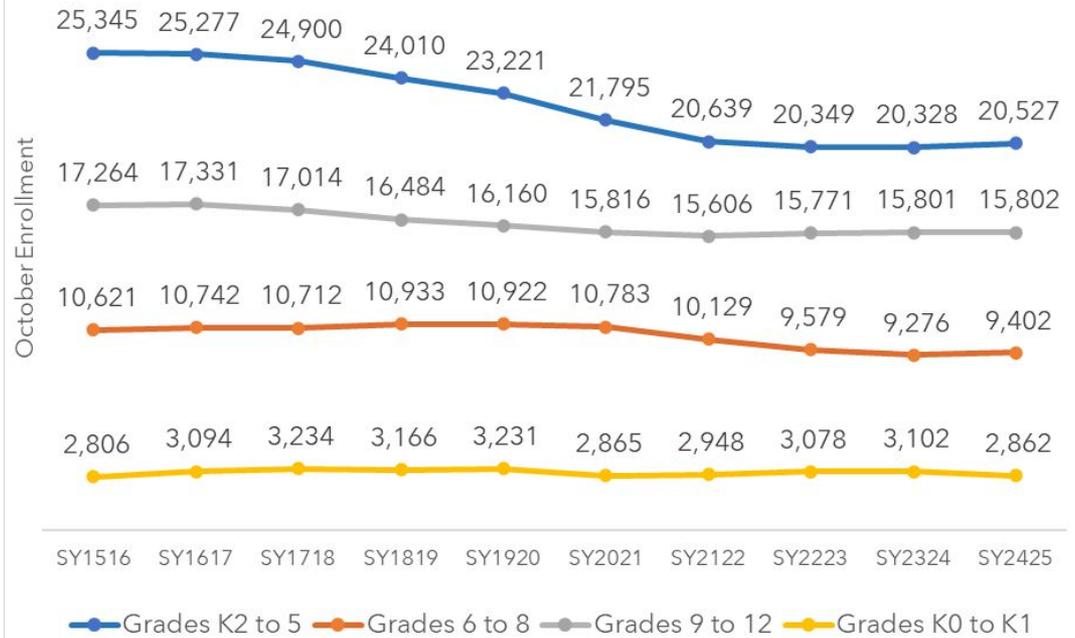


- Enrollment grew by 978 students between October and June of last year and by an average of 700 students the prior two school years.
- This growth was driven almost exclusively by an influx of new Multilingual Learners.
- The mid-year growth stabilized total enrollment over the last few years.



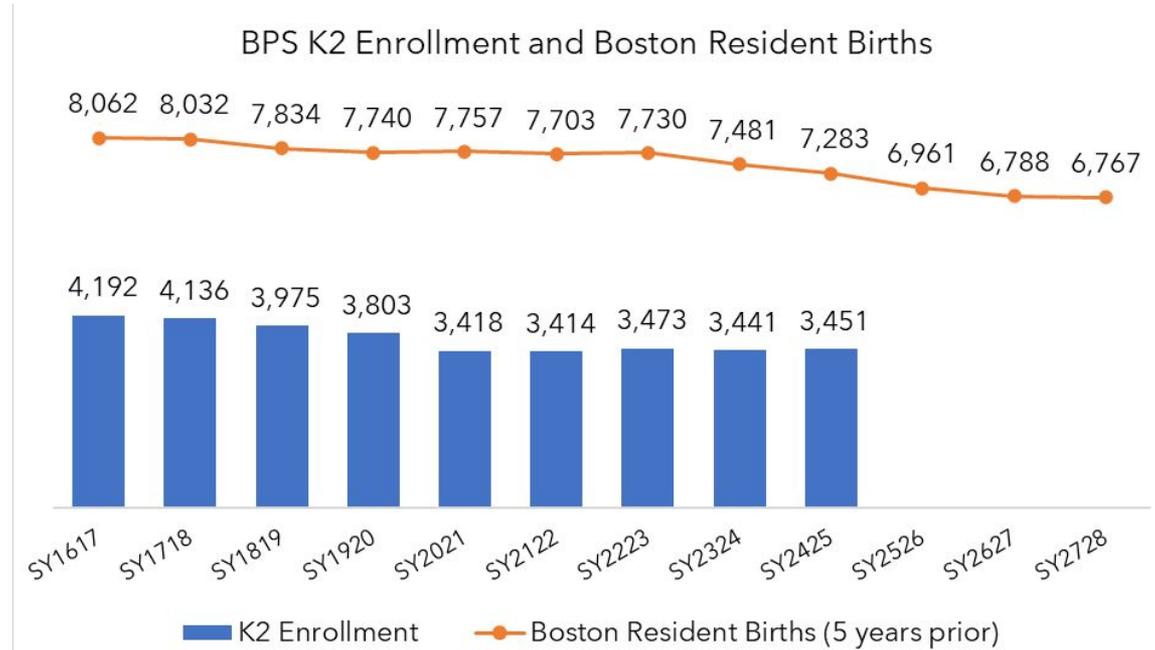
BPS Enrollment Trends

Elementary enrollment has stabilized, but prior year declines will impact secondary enrollment in the coming years



- Enrollment in grades K2 to 5 rebounded slightly this year, but is 4,818 students (19%) lower than in SY1516.
- Enrollment in grades 6 to 8 also rebounded slightly this year, but is 1,520 students (14%) lower than 5 years ago.
- Grade 9 to 12 enrollment may decline in future years as smaller cohorts age up through the system.

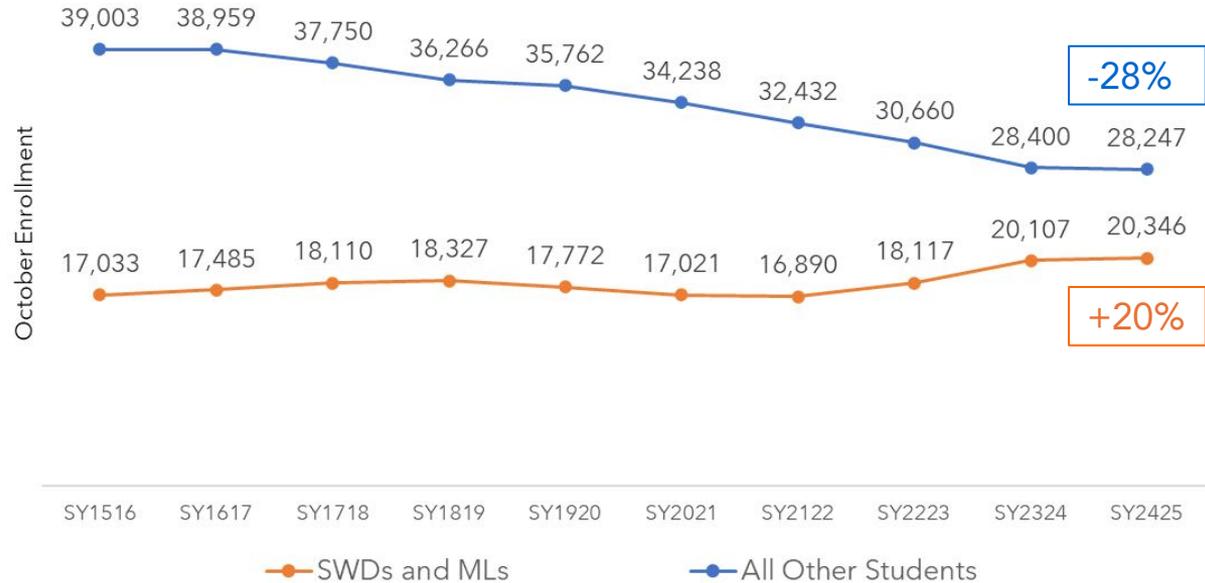
Elementary declines were driven by fewer resident births and smaller K2 classes entering and moving through the system



- There is a consistent relationship between the number of Boston resident births and the number of BPS K2 students 5 years later.
- Boston Resident Births have consistently declined over the last decade, leading to smaller K2 cohorts.
- The recent influx of ML students is keeping K2 enrollment stable despite a lower number of resident births.



The number of MLs and SWDs has grown as total enrollment has declined, leading to a higher concentration of need

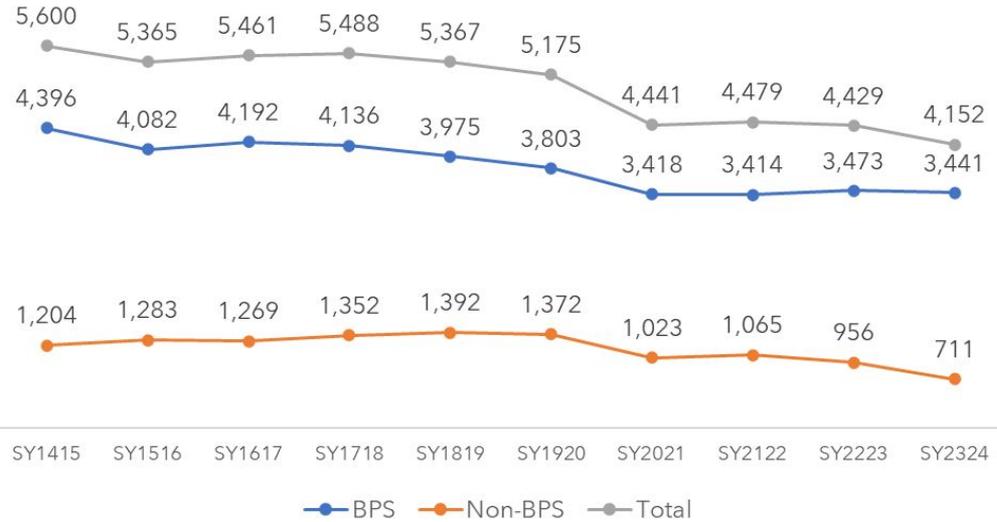


**Includes all Students with Disabilities and MLs with an ELD level of 1,2 or 3. Includes all MLSWDs.*

- Since SY1516, the number of MLs and SWDs has grown by 3,313 students (20%), while enrollment among all other students has declined by 10,756 students (28%).
- The majority of the growth amongst higher needs students has occurred in the last 3 years, driven primarily by an increase in the number of MLs with lower levels of English proficiency.

This is not just a BPS phenomenon - K2 Boston resident enrollment declined by 22% over 9 years

K2 Boston Resident Enrollment by School Type



- K2 enrollment among Boston residents across all school types declined by 1,278 students, or 22%, between SY1314 and SY2223, with the largest declines occurring during the pandemic.
- The fact that K2 enrollment has not yet rebounded suggests this may not be just a pandemic effect.
- Boston resident enrollment across all grades also declined by 12% over 6 years, from 79,016 in SY1617 to 69,522 in SY2223.