

February 2011

Superintendent Submits FY12 Budget with 1% Increase

Test will be whether \$45M in savings and efficiencies can be fully achieved

At the February 2 School Committee meeting, Superintendent Carol Johnson submitted an overview of her FY12 recommended operating budget totaling \$829.5M, an increase of \$8.1M or 1% over the current year appropriation. For the first time in several years at this stage, this budget is presented as balanced. To maintain the same level of services next year as provided this year, the Boston School Department faced a \$63M budget gap, and much of the budget submission was devoted to explaining the reasons for the gap and the plans set to eliminate it. [Click here for a detailed budget analysis](#). Steps planned to reduce spending are estimated at this point to result in a reduction of approximately 250 positions.

The operating budget submitted by the Superintendent covers approximately 80% of the total all-funds budget based on the FY11 budget as summarized below.

FY11 BPS All-Funds Budget

000s in Millions

Source	Budget	%
General Fund	\$821.4	80.5%
State & Fed. Grants	156.3	15.3%
Capital	32.5	3.2%
Private	10.0	1.0%
Total	\$1,020.2	100.0%

Salaries and benefits represent 82% of the FY11 general fund operating budget with transportation at \$71.5M representing 9%.

Principals and Headmasters are developing their respective school budgets so the detailed information that will show changes by budget

accounts (salaries and positions, contractual services, supplies etc.) and programs (special education, transportation etc.) is not yet available. The detailed budget will need to be ready before the School Committee begins to hold a series of four budget hearings throughout the City starting on March 2. The School Committee must act on the budget at its meeting on March 23.

For the first time, this budget is designed with a new system for allocating resources that ties dollars to each student's needs through a [Weighted Student Funding](#) model which is considered more equitable and transparent. This system creates a very different set of incentives for Principals and Headmasters in planning their school budgets.

The prospect of continual fiscal challenges, the \$63M gap for FY12 and the need to better target resources to raise academic performance in the classrooms led to a series of operational initiatives intended to create greater efficiencies at an estimated savings of \$44.8M. School closings and mergers are tied to other efforts to increase class sizes within contract maximums. Academic services are being redesigned to better serve students with disabilities. Further action to generate savings in operations for food services, transportation and facilities are planned. Unidentified additional external funds are expected. Expenses of \$10.1M will be transferred to external federal jobs bill funds. The ability of the BPS to fully achieve the \$44.8M in savings and efficiencies built into this FY12 budget will be the test for the Superintendent and School Committee.