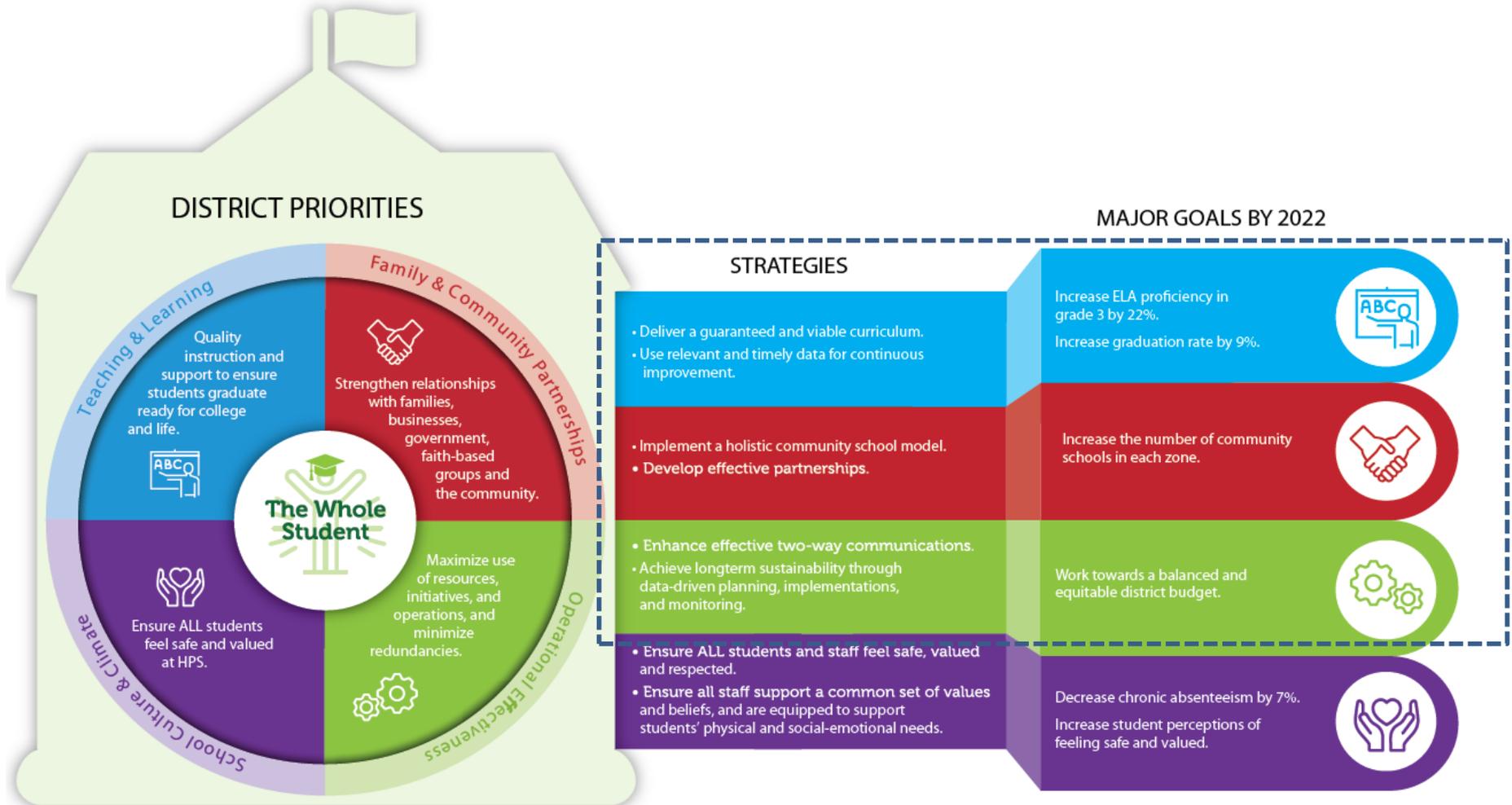




SGC & Community Budget Forum
March 14, 2019



The school funding and budgeting work is guided by the District Model for Excellence



Our work is guided by HPS' commitment to Operational Effectiveness

DISTRICT MODEL FOR EXCELLENCE
Strategic Plan 2018-2022



Actions Supporting Operational Effectiveness

Action – Establish transparency in budgeting and staffing processes by documenting and communicating timelines, staffing ratios, formulas, and other factors that affect resource distribution to schools.

Performance Indicator – Increased alignment of district budget to district priorities.

Implementation Measure – Increase in the Principal satisfaction as measured by survey.



The new budget process supports implementation of the DME and a more positive experience for school leaders and their communities



We aspire to...	Defined as...	Achieved by...
Transparency	Schools understand exactly how resources are allocated to their schools	A clearly defined and publicly available formula for allocating resources
Equity	Schools receive funding consistent with their students' needs	Allocation of certain resources based on specific, identifiable student needs
Stability <i>*new*</i>	Schools are protected from the most extreme year-to-year resource shifts, even if student needs and current funding are misaligned	A cap on year-over-year gains or losses in per-pupil funding based on student needs
Flexibility	Schools receive clearly outlined flexibilities for addressing student needs	A budget guidebook outlining how school and district leaders can collaboratively make strategic resource decisions
Timeliness	Schools participate in budget development earlier, enabling earlier hiring and teacher assignment	Budget release to principals in mid-January, three months earlier than in prior years
Strategic Alignment	Schools create budgets that are best aligned to district and school priorities	Need-based formula budget guidebook encourages strategic resource decisions

The new budget process intentionally aligns to the DME Non-Negotiables

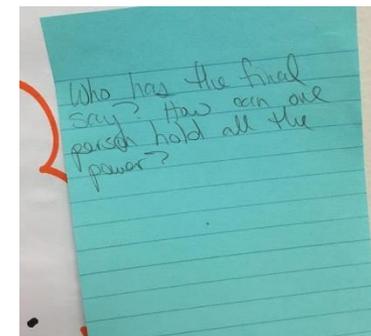
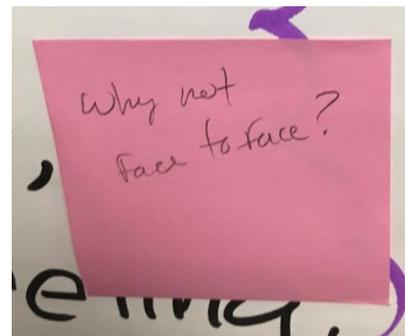
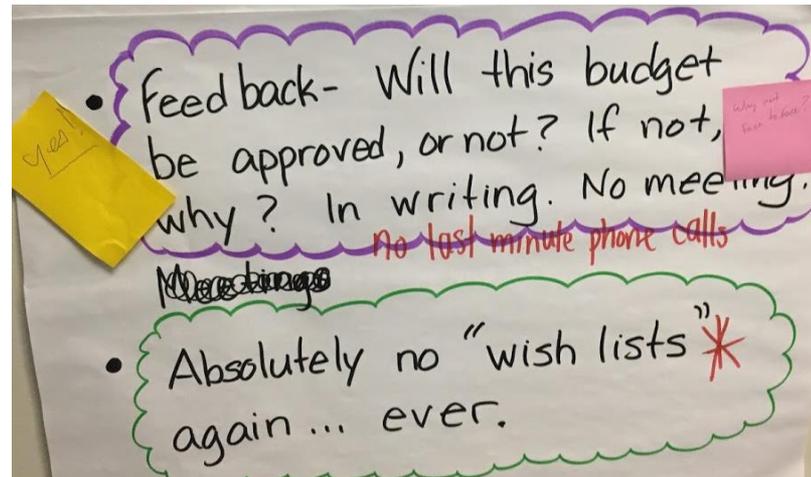
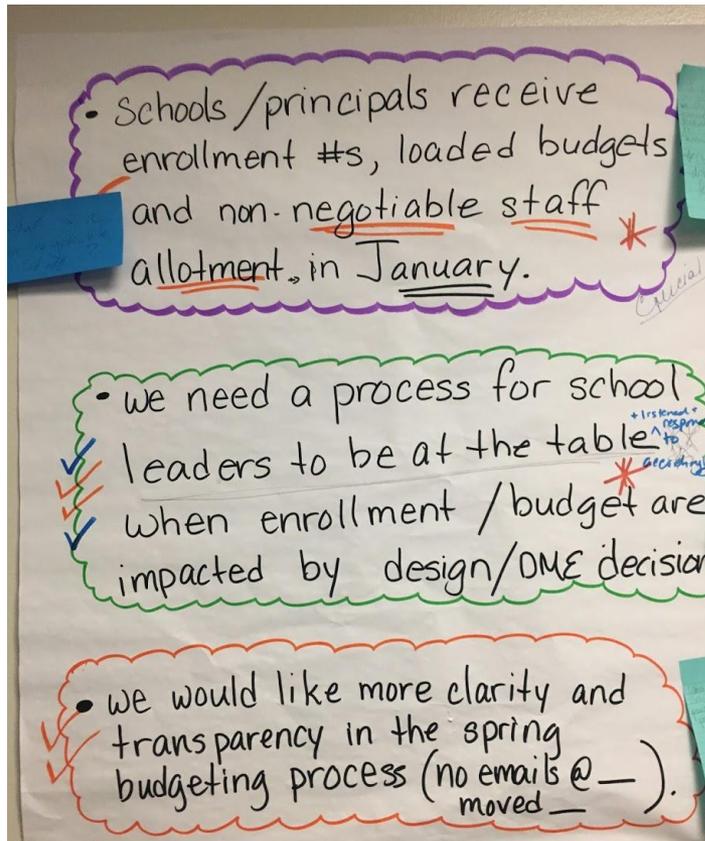
DME Non-Negotiables	Budget Process Alignment
Intense Literacy & Numeracy Instruction	Additional teacher staffing for High-EL schools
Middle School Programming	Additional funding for enrichment in MS & HS
College Prep & Career Development	School counselors in MS & HS
Every school is a Community School	A School & Family Resource Provider at every school
Operate schools at a financially healthy and strategic capacity	Equity and Stability across all schools

We've already designed and begun to implement a more timely, cross functional budget development process



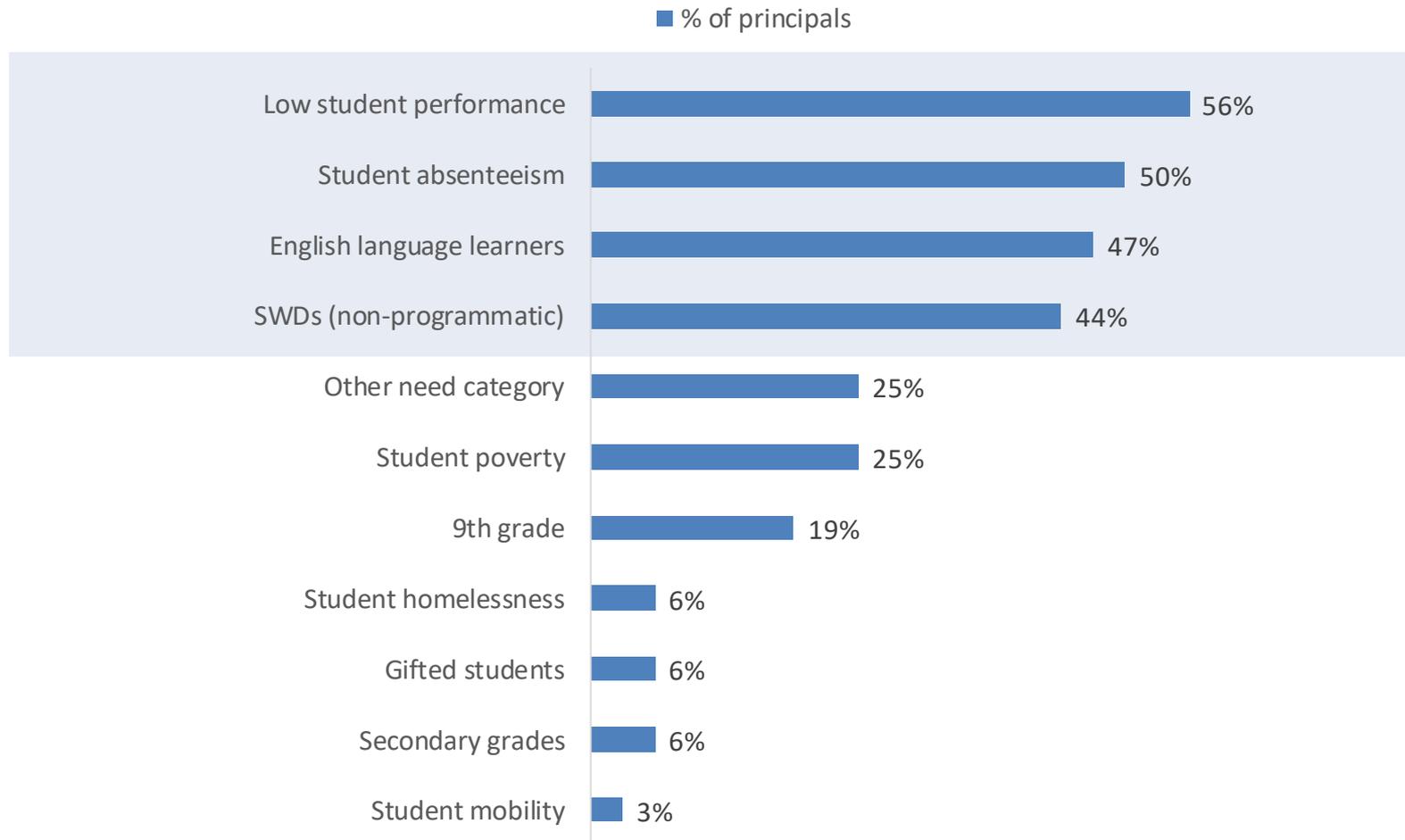
Phase	Milestone	Dates	Success looks like...
Budget Release & Planning	Allocations released to schools	1/15	<ul style="list-style-type: none"> Budget guidebook and budget tool clearly explain allocation rules and flexibilities
	Budget planning period	1/15-2/15	<ul style="list-style-type: none"> Finance, HR, and ED teams ensure school leaders understand their allocations and the flexibilities they can exercise EDs support school leaders in navigating resource tradeoffs as they build their budgets
	Initial budget submission	2/15	<ul style="list-style-type: none"> All schools submit a complete budget on time
Strategic Review Cycles	Departmental Budget Review	2/15 – 3/1	<ul style="list-style-type: none"> District teams look for trends across schools to identify ways to evolve their support District teams feedback for individual schools to help better align resource decisions with school improvement needs and district priorities
	Cross-functional Budget Review	3/4 – 3/15	<ul style="list-style-type: none"> District teams align on policy decisions to ensure consistency of communication to school leaders
Finalize Budgets	Feedback Meetings	3/15 – 3/29	<ul style="list-style-type: none"> Schools receive integrated strategic feedback on how to better align resources with student needs and DME priorities
	Schools submit final budget	3/29	<ul style="list-style-type: none"> All schools submit a complete budget on time

To help operationalize our remaining priorities, we solicited input from school leaders and a cross-functional design team



From this input, we learned that student need groups represent more significant resource priorities for school leaders & communities

Principal reported greatest areas of need

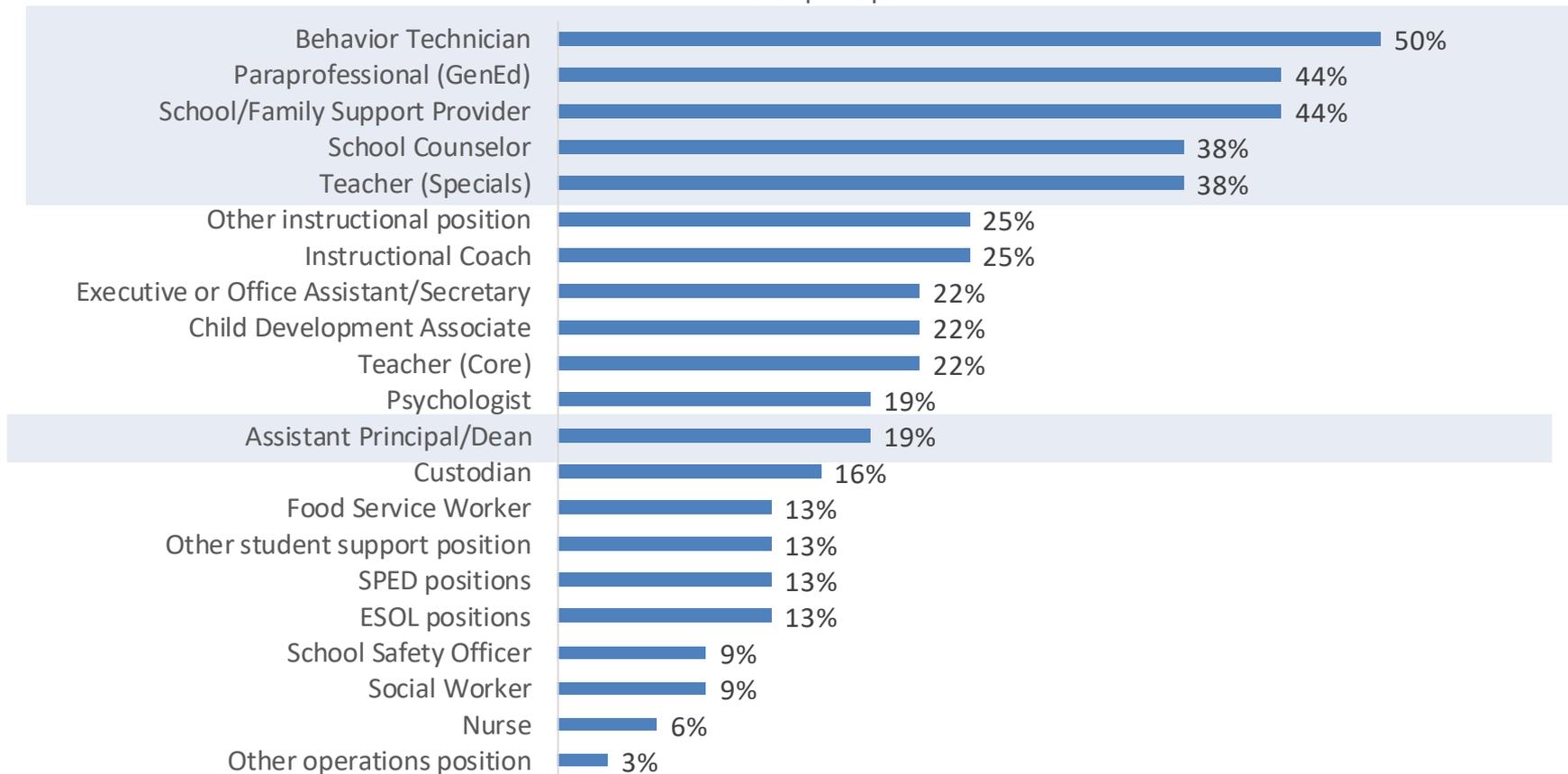


Principals want the ability to swap student support and enrichment positions for different positions or dollars



Positions principals desire flexibility over

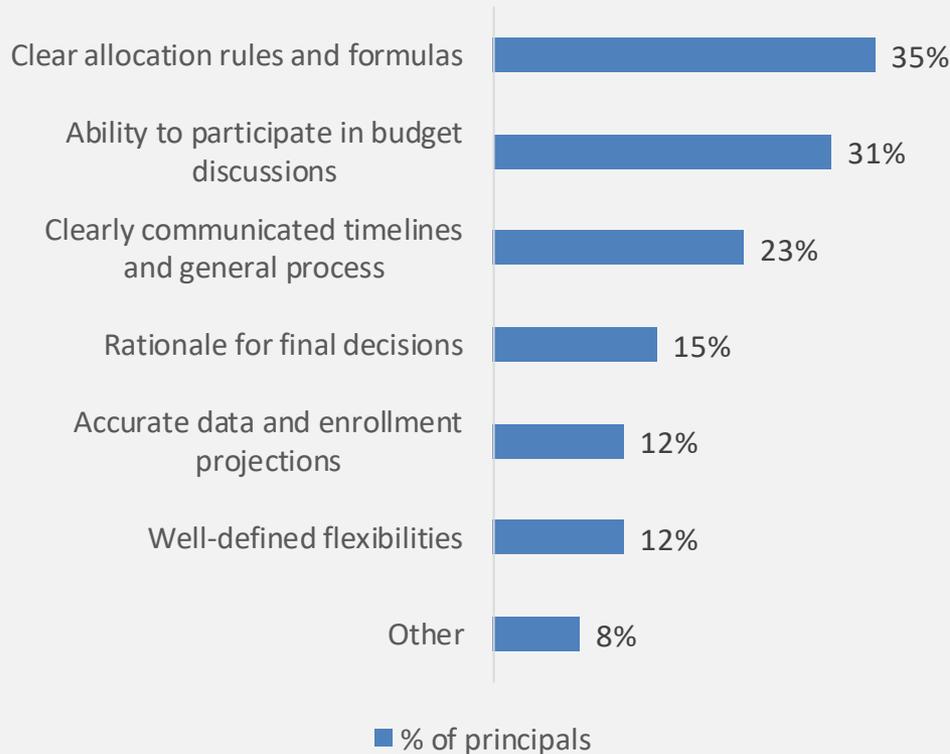
■ % of principals



Clarity of communication about school funding and budgeting is essential



Information principals need to understand the budget process



“How are funds allocated to my school? There has not been a clear distinction on what this is and funds appear to be arbitrarily allocated. We cannot ensure all students get what they need if all schools are still at a lack of resources.”

“Face to face **meeting with central office** so I understand the budgetary constraints.”

“**Teamwork with budget advisor** for strategic decision-making.”

“The **role equity plays** in developing the ratios.”

To ensure strategic alignment of people, time and money, schools need funding to support HPS' stated priorities



	Key to Success	Funding Priority
Teaching & Learning	Enabling conditions for rigorous instruction, including professional learning and teacher collaboration	Sufficient teacher staff to allow for common planning time
	Integrated instructional models for students who are English Language Learners	Additional teacher staffing for high-ELL schools
	Students who are engaged and eager to attend schools, especially in MS & HS	Additional funding for enrichment in MS and HS
Family & Community	Families receive proactive outreach from the school to help engage them in their students' learning experience and school community	A School Family Resource Provider at every school
Climate & Culture	Support for the social emotional learning needs of students entering transition grades	Additional funding for grades 6-8 to help provide SEL support, such as Behavior Techs
	Support for schools facing outsized Chronic Absenteeism challenges	Attendance Support for all schools, differentiated by rate of Chronic Absenteeism

Funding alone is not sufficient. Supporting the DME requires us to also to ensure school designs support our district's strategic priorities.

As we roll out this new formula, we must consider the balance between two opposing forces

EQUITY
across schools



vs.

STABILITY
for schools



Proposed Funding Model

Future State

Within our new model, school funding is driven by four school characteristics

Characteristics	New Funding Formula (SY19-20)
Grade Level	Class size requirements vary by grade, with PK-5 requiring the highest levels of Teacher staff
Student Need	Schools with higher rates of Chronic Absenteeism and EL receive additional staffing to support their needs
School Size	Small schools gain a modest amount more per pupil because 1-per-school staff are spread over fewer students
Magnet Status	Magnet schools receive a modest supplement of \$500 per pupil

Starter Budget: All Schools Received Funding for the Following

Total District Funding: Estimate \$167M

Category	Allocation Rule
Principal	1 per school
AP	1 per 500 students, with minimum of 1 per school and maximum of 2 per school
Executive Assistant	1 per school
Teachers	Up to class size mandates, rounded at grade level in K-5
Counselors	1 per 500 students in 6-8 1 per 350 students in 9-12
Social Workers	1 per 250 students
School Family Resource Provider	1 per school
Clerical Assistant	1 per 350 students, for schools with over 350 students
Supplies	\$108 pp
Stipends	PK-5: \$134 pp 6-8: \$200 pp 9-12: \$334 pp
Discretionary Dollars	\$100 pp

Student Need & Supplemental Budget: Schools Receive based on Student Need or School Type

Total District Funding: Estimate \$7M



Category	Allocation Rule
Supplemental Teachers for ELL	1 for every 35 ELL students, for schools over 15% ELL
Attendance Support for Chronic Absenteeism	1 Attendance Specialist for every 125 Chronically Absent students, for schools with over 25% chronic absenteeism
Supplemental Funding for MS	~\$370 per MS student
Magnet Supplement	\$500 pp for grades K-12

Principal Resource Flexibility

Category	Flexibility
Administration: Principal, Executive Assistant, Clerical Assistant, Assistant Principal	Required for all Schools
Student Support:	
Social Worker	Funding swappable for other positions or discretionary spending, with limitations
Pre-K Para or Child Development Associate	Funding swappable for other positions or discretionary spending, with limitations
Attendance Specialist, Counselor, School & Family Resource Provider	Required for all Schools
Instructional Support:	
General Ed Teachers, inc. Unified Arts	Funding swappable for other positions or discretionary spending, with limitations
English Language Teachers	Funding swappable for other positions or discretionary spending, with limitations
Stipends:	Certified Subs, Nurse Subs, Athletics, Leadership Stipends, Staff Overtime

Schools Receive additional support based on Student Need or School Size

Category	Est. # of Resources
Special Education Teachers	177 FTE's
Custodians	175
School Police Officers	99
Teaching English as a Second Language Teachers	56 FTE's
Speech & Language Pathologists	53 FTE's
Nurses	52 FTE's
eLeads (Instructional Support)	32 FTE's
School Psychologists	17 FTE's
Building Utilities	N/A

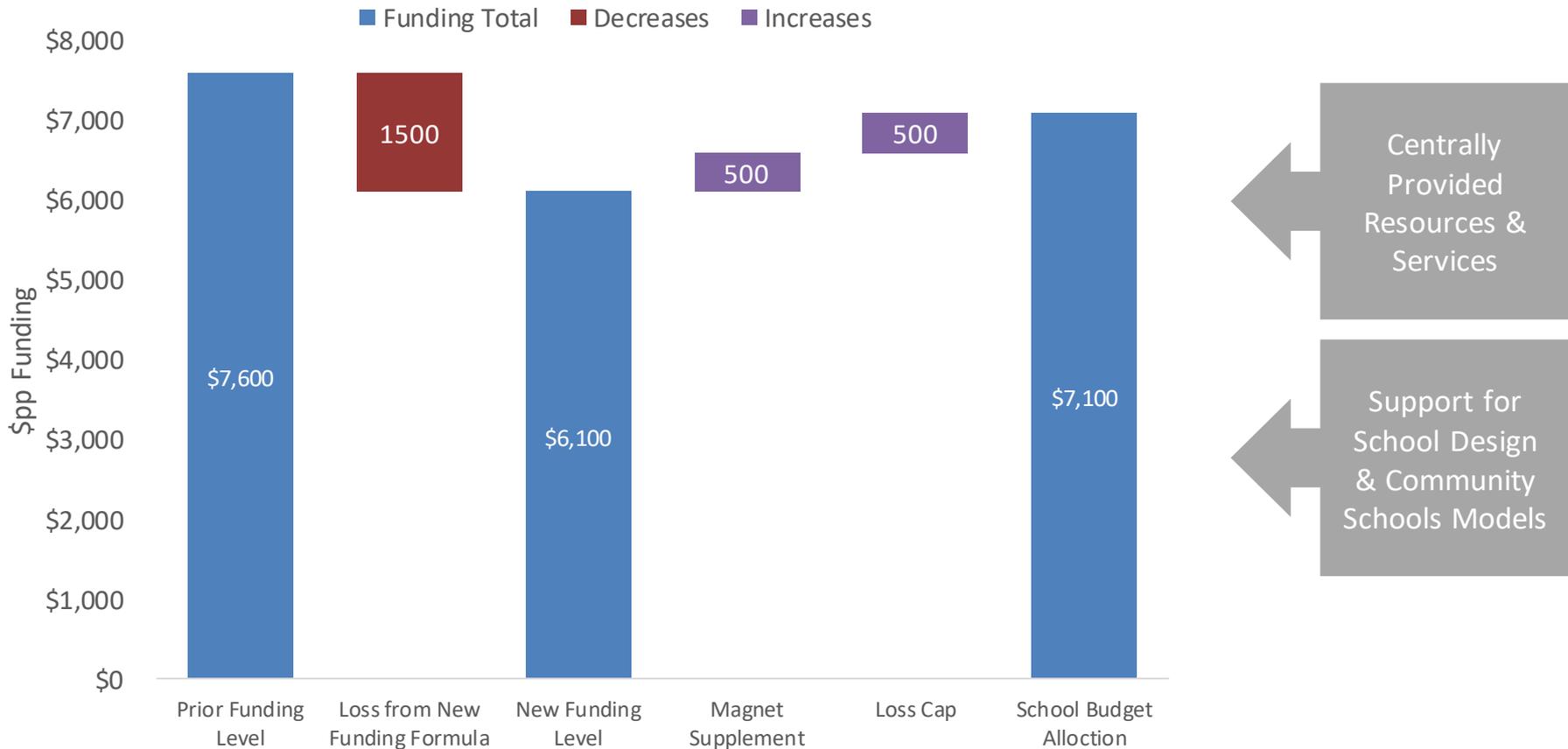
Note: The above does not include transportation, central registration, building and ground maintenance, professional learning, special education programs at schools, school clinics and health services, etc.

We will take the following measures as we roll out the new formula

- Starter budgets ensure all schools have the basic tenets of Great Teaching & Learning
- Providing Principals with Resource Flexibility
- Development of sustainable resource models that support vision for Community Schools
- Cap on school gains or losses of \$500pp, ~8% of a typical school's budget

What might these measures to maintain stability look like in practice?

ILLUSTRATIVE: Impact of Transition Protocol & Supplement on Example Magnet School



Next Steps

- Cross-Collaborative School Budget Reviews conclude on March 15th
- Follow-up Budget Questions and Feedback to Principals occur between March 15th – 29th
- Board Budget Workshop on April 2nd
- Board Budget Adoption Meeting on April 16th