



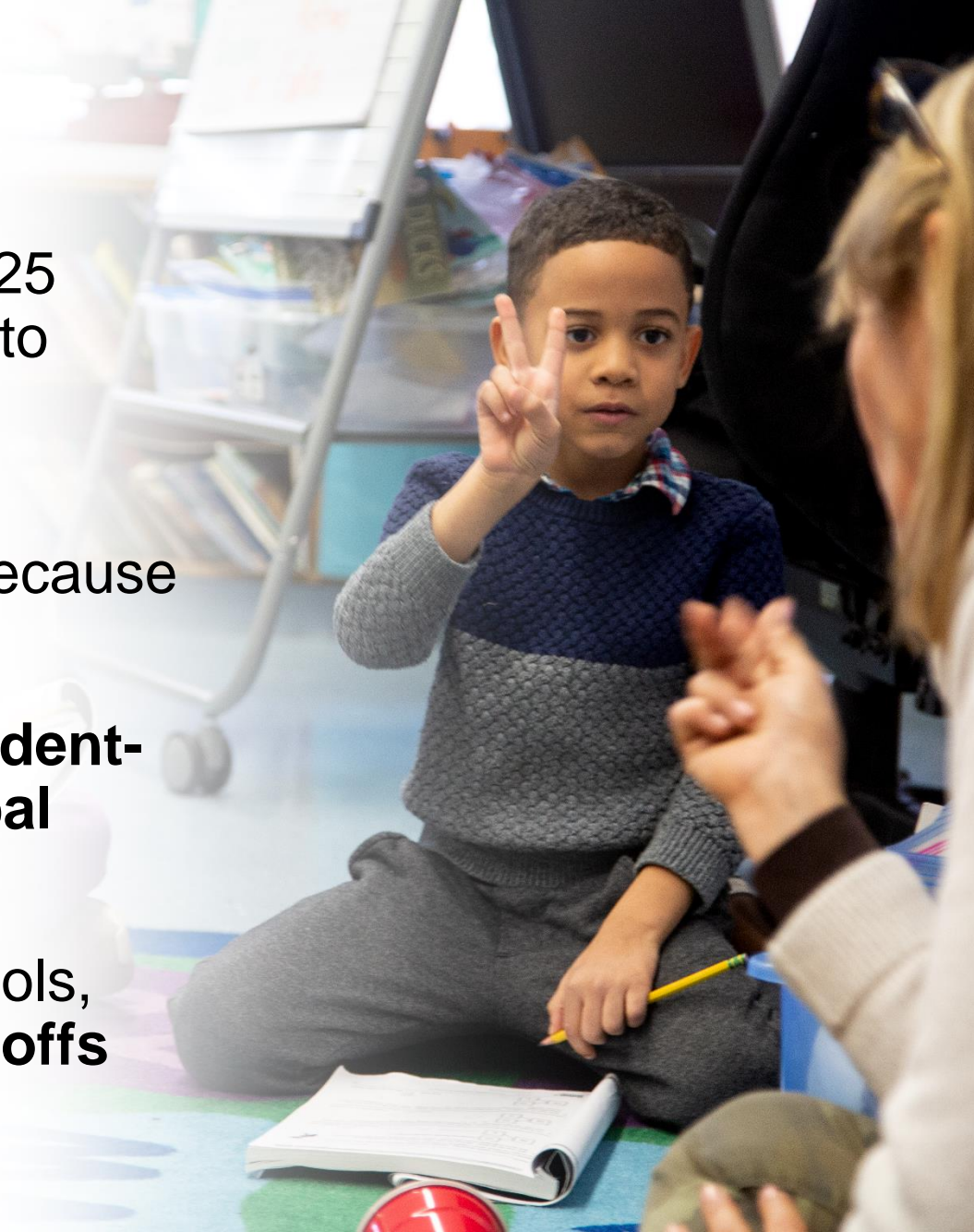
# Providence Schools

## **FY25 Budget Initial Planning & Discussion**

December 2023

# Key Takeaways

1. Like in districts across the country, the 2024-25 budget year will be uniquely challenging due to **increasing student need** and **decreasing revenue**
2. We are **starting to plan earlier** than usual because of this challenge
3. The school budgeting process includes a **student-based funding formula** and **greater principal autonomy** for equity and transparency
4. We are focused on mitigating impact on schools, but this budget will have **very difficult trade-offs** which require proactive planning



# Initial budget outlook: Key factors

Uncertainty for key revenue source and cost drivers for expense increases

## Starting Revenue Projections

*Ongoing, annual factors:*

- ➔ **State aid** expected to remain flat
- ? **City aid** uncertainty is extremely challenging and may decrease from previous projections

*Unique to this year:*

- ⬇ **Federal stimulus funding** (ESSER) ending September 2024



## Expense Estimates

*Ongoing, annual factors:*

- ➔ **Standard, required expenses grow** even without adding any new positions or services (2-3%)
- ? **Increases or decreases in staffing** for enrollment

*Unique to this year:*

- ⬆ **Very large increase** in students needing specialized services out of district
- ➔ Continuing **high-impact initiatives** from stimulus funds

## FY25 Budget Outlook: An Initial Gap



Planning early and sharing for **transparency** our process for making **student-centered decisions** about **hard trade-offs**

# Revenue Sources

State Aid primarily driven by student enrollment, City funding in negotiation

Note: Numbers below are FY24 budgeted amounts. Similar ratios are expected for FY25



Relatively predictable based on current year enrollment, but **lags a year behind any added enrollment** like Pre-K expansion

Actual funded amount has been **unpredictable**

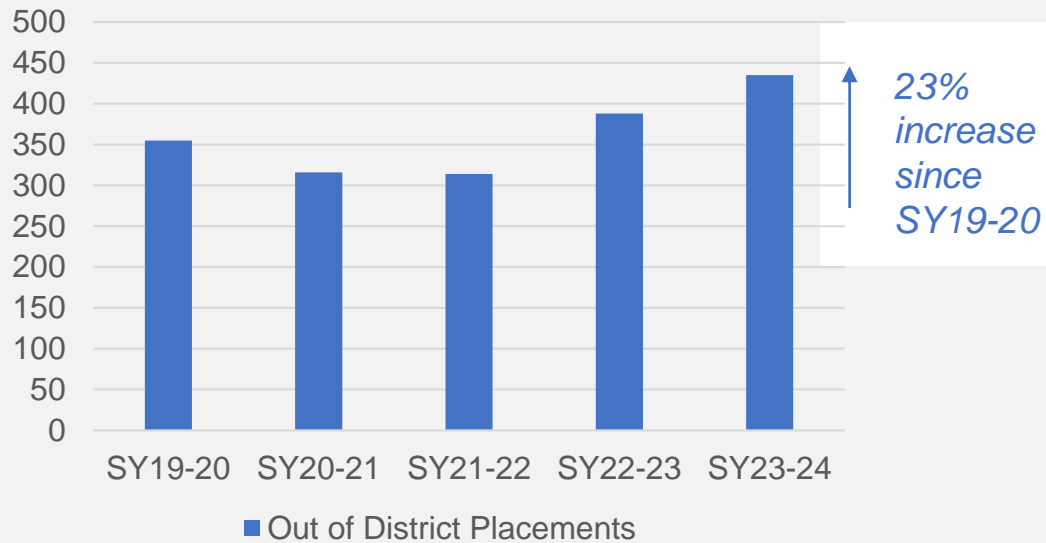
# Expenses: Unique Growth from Increased Student Need

*Pandemic-related student need continues even as stimulus funding ends*

## SPECIAL EDUCATION

*We have seen a significant growth in the number of students identified as differently abled, particularly in early childhood, compounded by challenges with finding staff for high need roles*

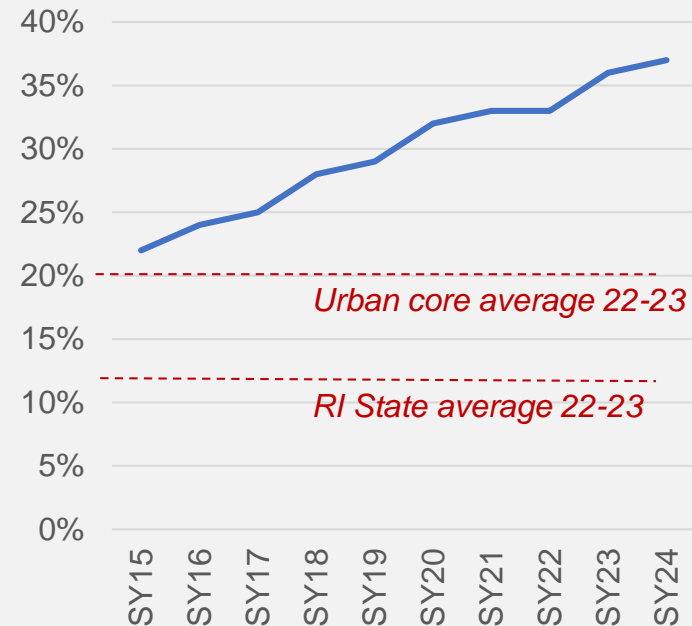
### Out of District Placements



## MULTILINGUAL LEARNER STUDENTS

*Over the past 9 years, the percentage of PPSD students who are multilingual learners has nearly doubled*

### MLLs as % of Student Body



City	% MLL
Providence	38.1%
Worcester	30.4%
Boston	31.9%
Bridgeport	26.3%
Hartford	23.8%
New York City	13.3%

# Initial Budget Outlook

*Estimated initial budget shortfall prior to cuts*

## Starting Revenue Projections

Changes in state aid and uncertainty in City contribution leads to a wide range in revenue changes (from a reduction of \$20M to an increase of \$5M)

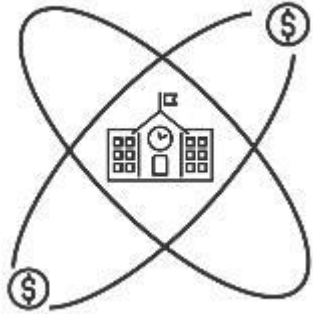
## Starting Expense Estimates

Regular cost growth of 2-3% and continuation of services for increased need could mean an increase of ~\$8-10M  
Cost growth in unique student needs, particularly differently abled students, could lead to an additional increase of ~\$5-\$10M

**FY25 Budget Outlook: an anticipated, initial shortfall of \$15 to \$30 million**

# Difficult decisions: PPSD approach to budget planning

*Potential examples for limiting impact on schools*



1

**Identify investments to sustain and support school-based decision-making**



2

**Identify potential areas for cost savings**



3

**Increase revenue**

- **Continue to build on momentum of investment in school-based staff (e.g., behavior interventionists)**
- **Use student-based weighted allocations for equity across schools and to empower leaders to make school staffing and budget decisions**

# School Budgeting Process: Student-Based Budgeting (SBB)

Allocations to schools determined by enrollment and student need

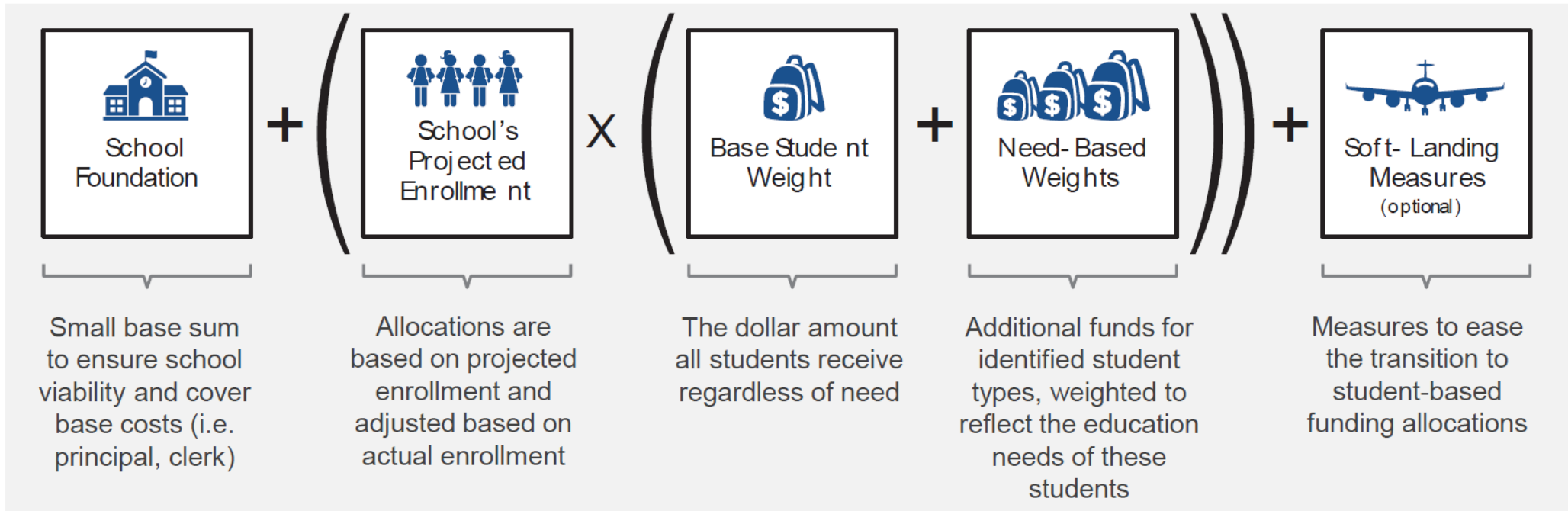
## Goals & Benefits of the SBB Process

**Equity:** Funding according to need and enrollment

**Autonomy:** School leaders make decisions to match resources to school's unique needs

**Transparency:** Funding allocated through formula

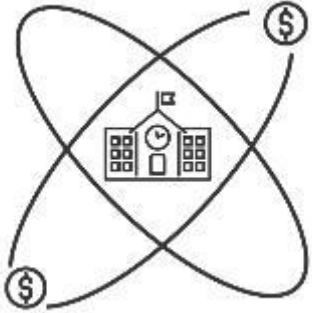
## The Student-Based Budgeting Formula





# Difficult decisions: PPSD approach to budget planning

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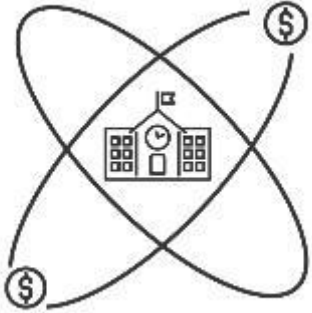
Increase revenue

Evaluate all opportunities for:

- Reduction in central office and school support positions, **minimizing impacts to direct student services**
- **Shared resources** across smaller schools and for electives
- **Efficiencies** in transportation
- **Identifying redundancies** in staffing or systems/platforms

# Difficult decisions: PPSD approach to budget planning

*Potential examples for limiting impact on schools*



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Identify potential areas for cost savings



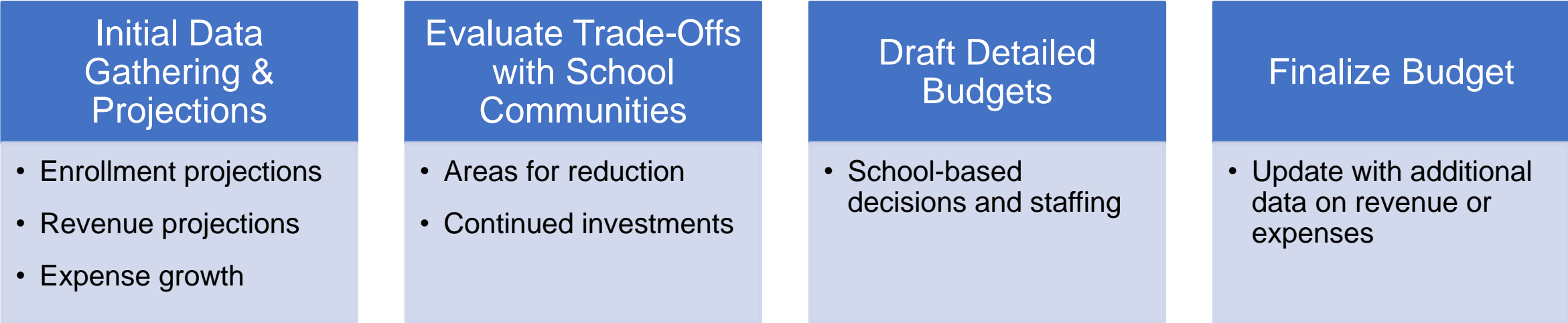
3

Increase revenue

- Advocate for **adequate funding** from local funding sources (City and State Aid)
  - Adequate funding for **students with special needs**
  - Adequate funding for **MLL supports**
  - Adequate funding for **Pre-K classroom expansion**

# Looking ahead: Phases of budget planning

*Limiting impact on schools while finding areas for both investment and efficiency*



FALL & EARLY WINTER

SPRING 2024

EARLY 2024

# Appendix



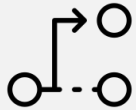
# Budget Management

We have made tradeoffs in order to invest in key areas outlined in our Turnaround Action Plan

## EFFICIENCY



Reduced (60) secondary teaching positions based on analysis of long-standing scheduling practices



Reallocated existing coaching positions to all schools versus concentration at elementary schools

## INVESTMENT



Added **MLL certified math and literacy coaches across all schools** through Local/Title funds



Provided one-time reimbursement to **teachers seeking their ESL certification** using Title/ESSER funds



Invested in **high quality curriculum** in multiple languages through Local/Title/ESSER

## OUTCOMES

**Student outcomes:** of students who recently exited MLL status, 27.5% were proficient in RICAS ELA and 19.7% in RICAS Math, outperforming the general student body

Percentage of teachers holding and using the ESL/BDL certification

