

BASED ON PRELIMINARY ANALYSIS

BALTIMORE CITY

PUBLIC SCHOOLS



Investing in Student Success

Presentation to Baltimoreans for Educational Equity (BEE)

February 22, 2017

Marnell A. Cooper
Chair, Baltimore City Board of School Commissioners

Dr. Sonja Brookins Santelises
CEO, Baltimore City Public Schools

Overview of Presentation

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- I. What Guides Us
- II. How We Got Here
- III. Where We Are
- IV. Next Steps

Our Budget Shortfall

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What Guides Us

Our annual budget process is most importantly a tool to align resources to our focus areas and the needs of our students

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1.

Student Wholeness

- Every student able to access programming and supports that meet the wholeness of their intellectual, social, emotional, and physical needs and interests

2.

Opportunity through Literacy

- Every student strengthening literacy to think deeply and communicate powerfully

3.

School & District Leadership

- Every staff member empowered to grow and lead from his/her space

We are also building on the strategic choices we've made in the past

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**Teacher Career
Pathways**



**21st Century Building
Plan**



**Pre-K Quality &
Expansion**



**Middle & High School
Choice**



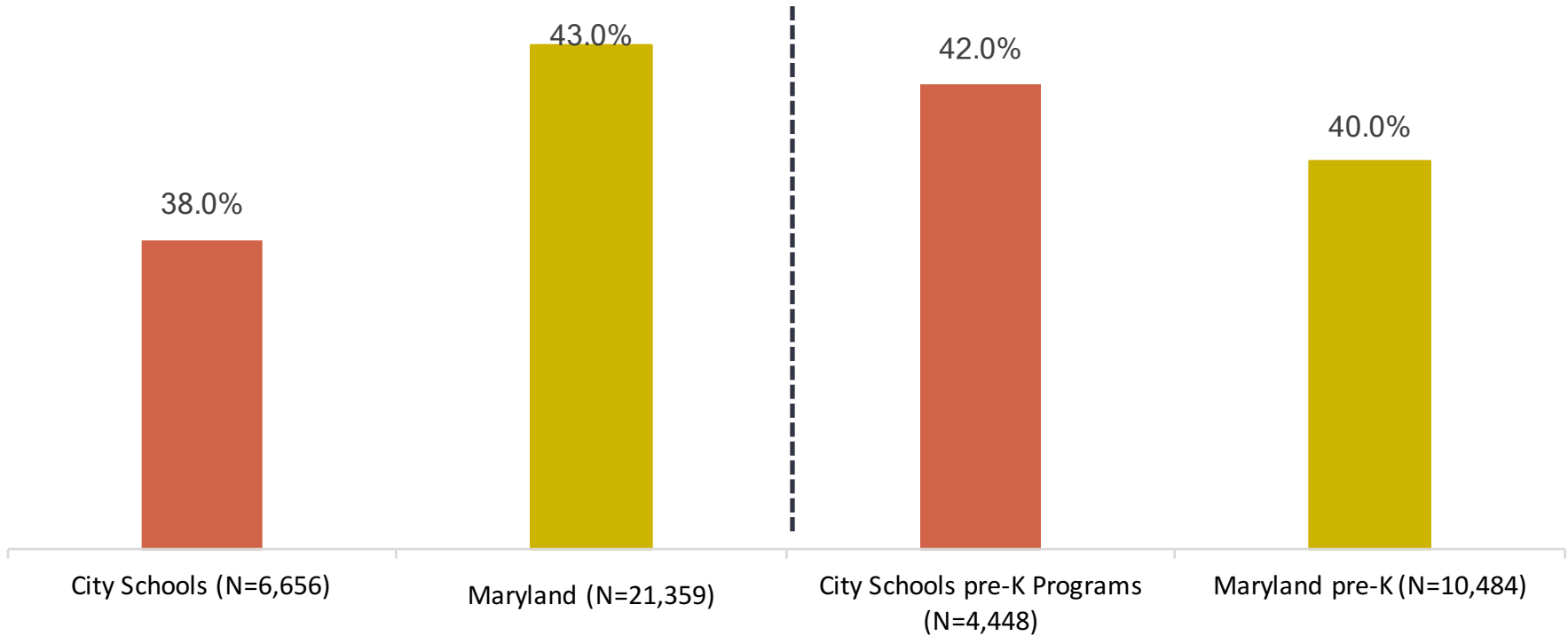
Our Investment in Pre-K is Paying Off

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City Schools' students who attended pre-K demonstrated kindergarten readiness at greater rates than the statewide pre-K population

ALL STUDENTS

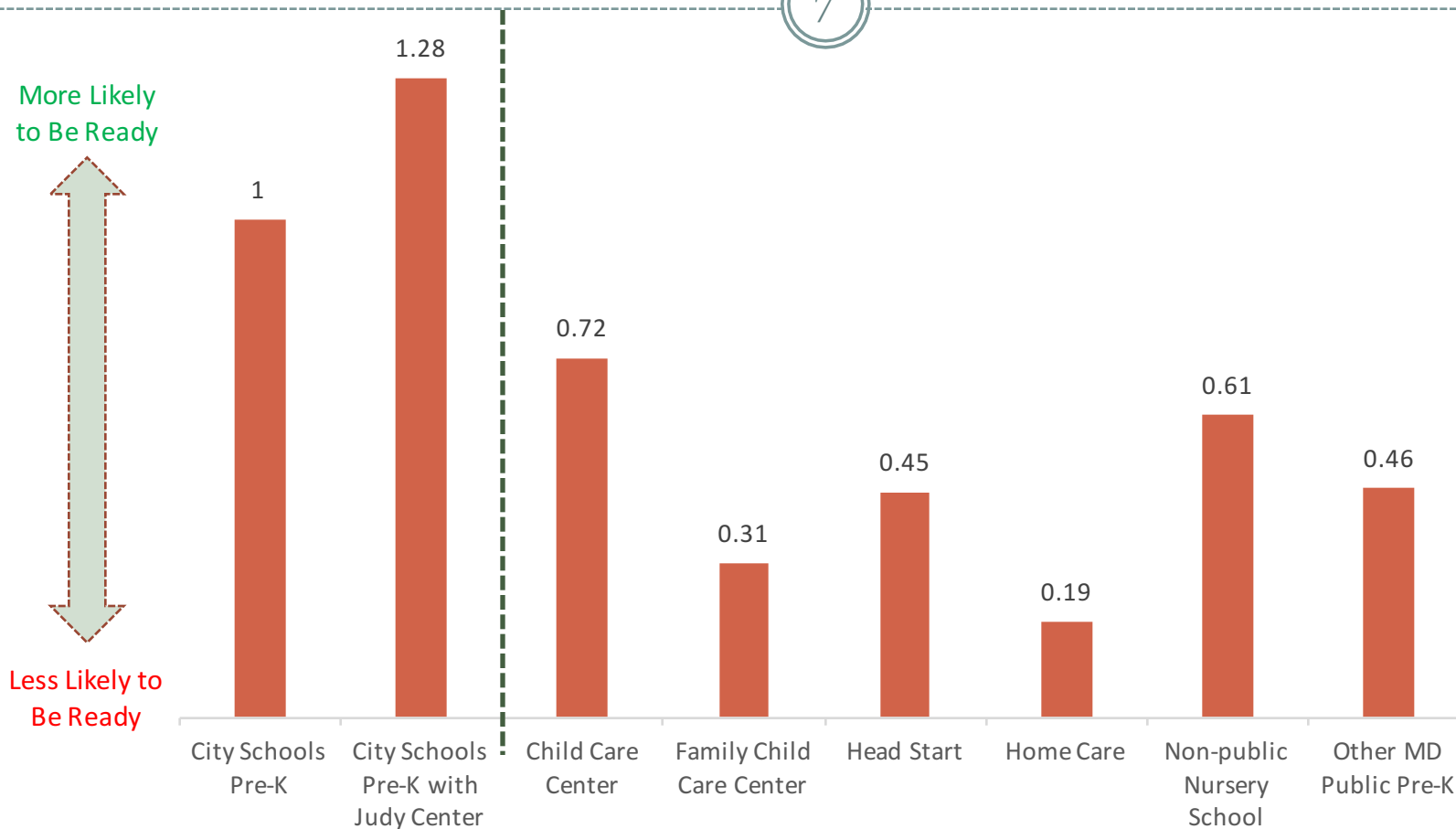
PRE-K PROGRAMS



Ns represents the number of test takers. Students who were not scored in all four domains did not receive a composite score. A student may not have been scored in a domain if limitations related to the student's special education or English language learner status or medical conditions prevented the student from participating. City Schools' pre-K programs include the Judith Hoyer Centers. Maryland results were provided by the Maryland State Department of Education (MSDE) and are rounded to the nearest whole number.

City Schools Pre-K greatly increases kindergarten readiness

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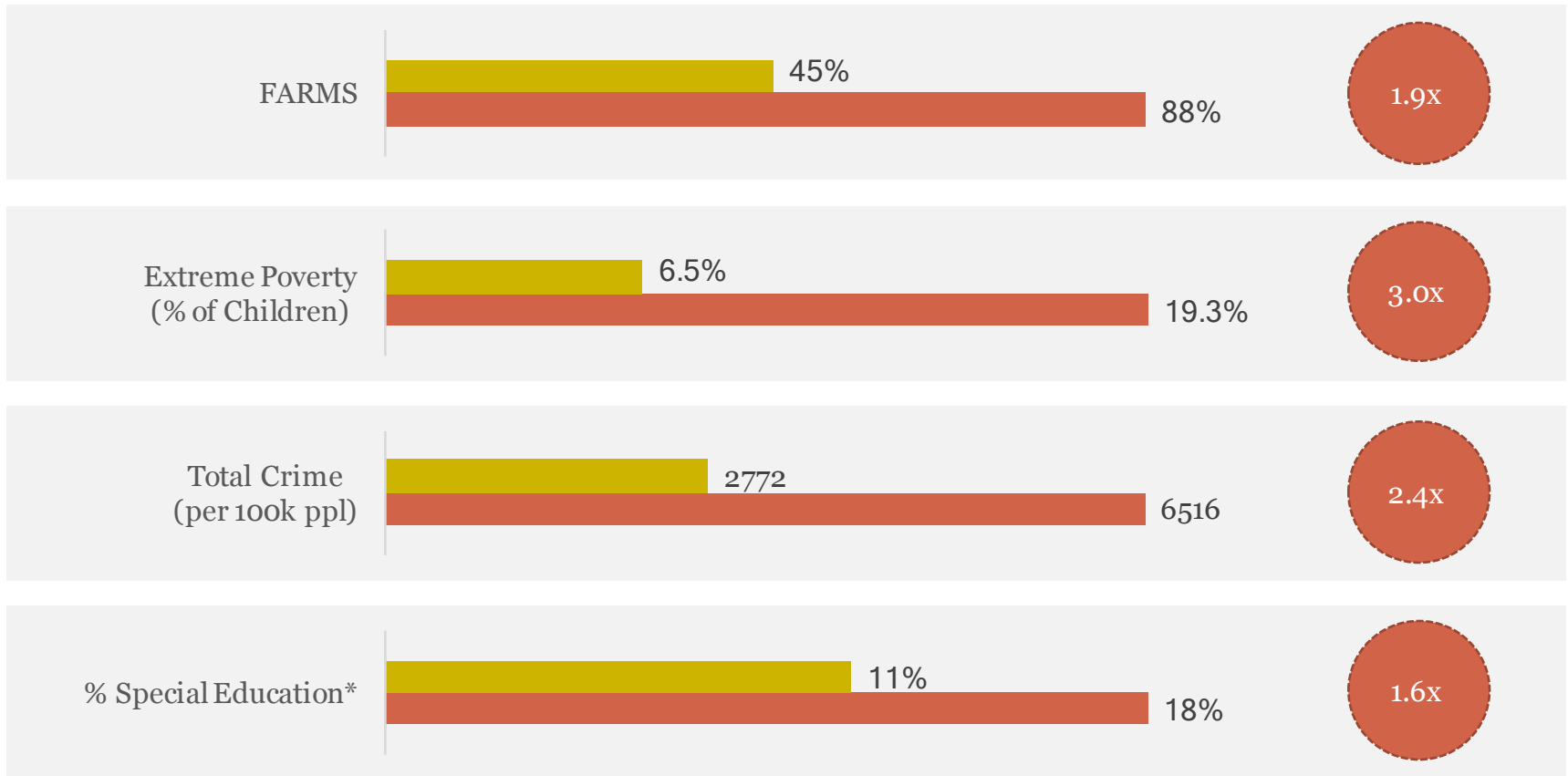


Predominant prior care data are based on the predominant care setting in 12 months prior to entering kindergarten. Glossary available upon request. Results were not provided by prior care setting for students repeating kindergarten. Adjusted odds ratios are calculated from the coefficients of a generalized linear model (logistic regression) that includes (controls for) FARMS, SWD, ELL, gender, and race/ethnicity as covariates. All odds ratios are significantly different from the baseline City Schools Pre-K group.

The urgent needs of our students amplify the importance and challenge of our work

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 *Baltimore City*  *Maryland State*



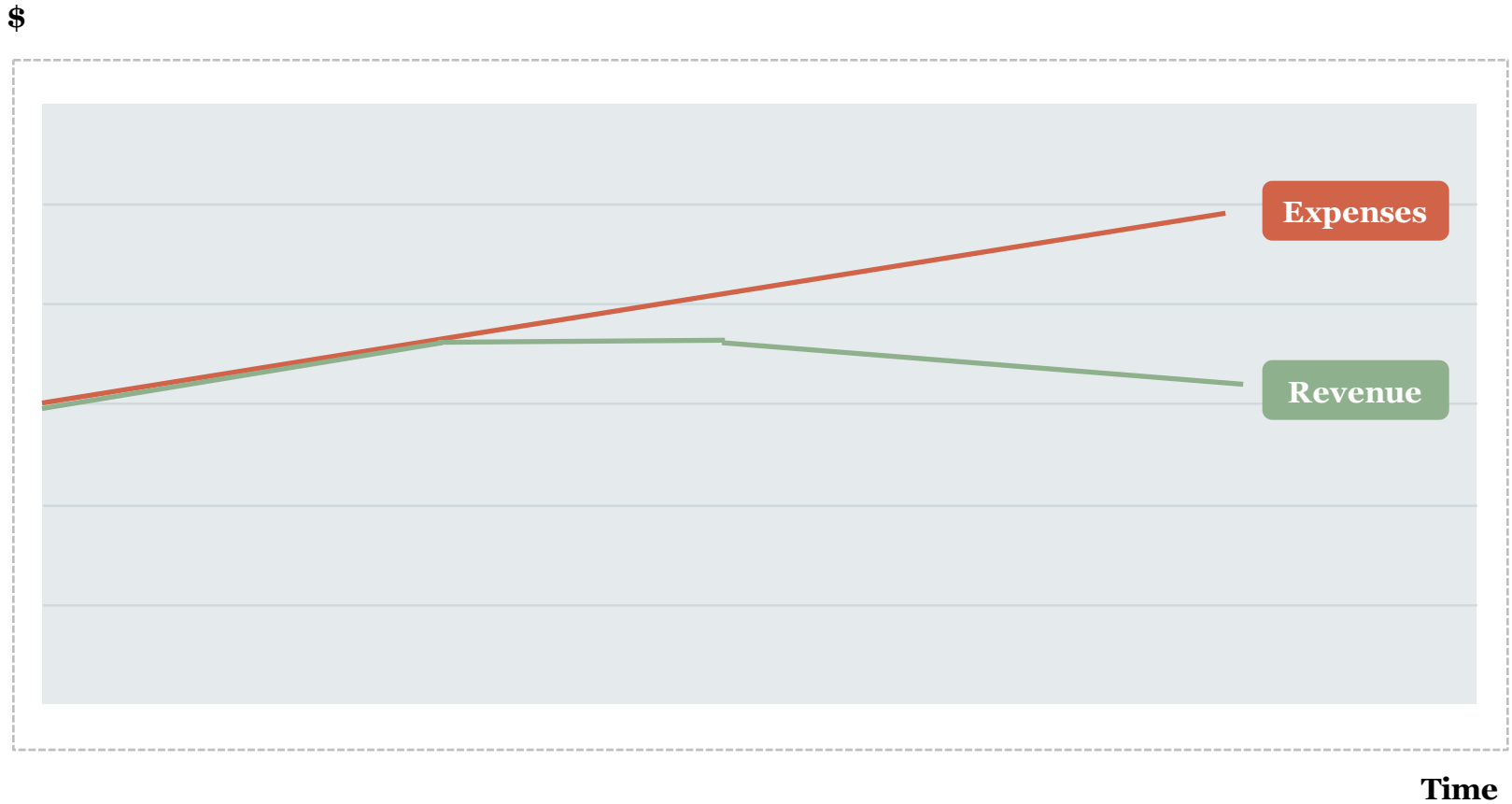
Source: The Baltimore, MD crime data is derived from the FBI's uniform crime reports for the year of 2015. Poverty data is from the United States Census Bureau; Demographics data is from the Maryland State Department of Education 2016.

*The State of Maryland calculates Special Education differently than ERS, resulting in 18% for the number comparable to the state compared to the 15% in the analyses from ERS.

How We Got Here

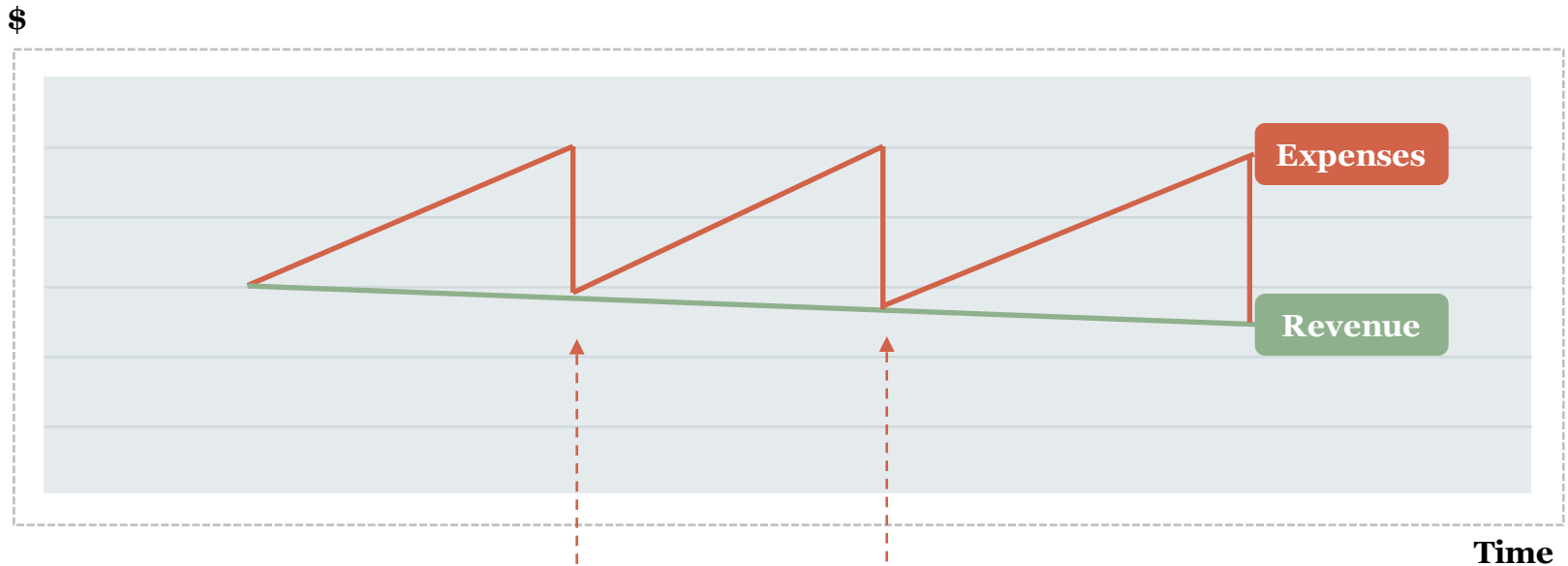
For several years, City Schools has faced a structural gap, with costs rising faster than revenue

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This results in the need for new reductions each year until the underlying cost or revenue structure can be changed

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One time reductions that do not address structural issues

State aid per pupil has also been flat or declining in recent years

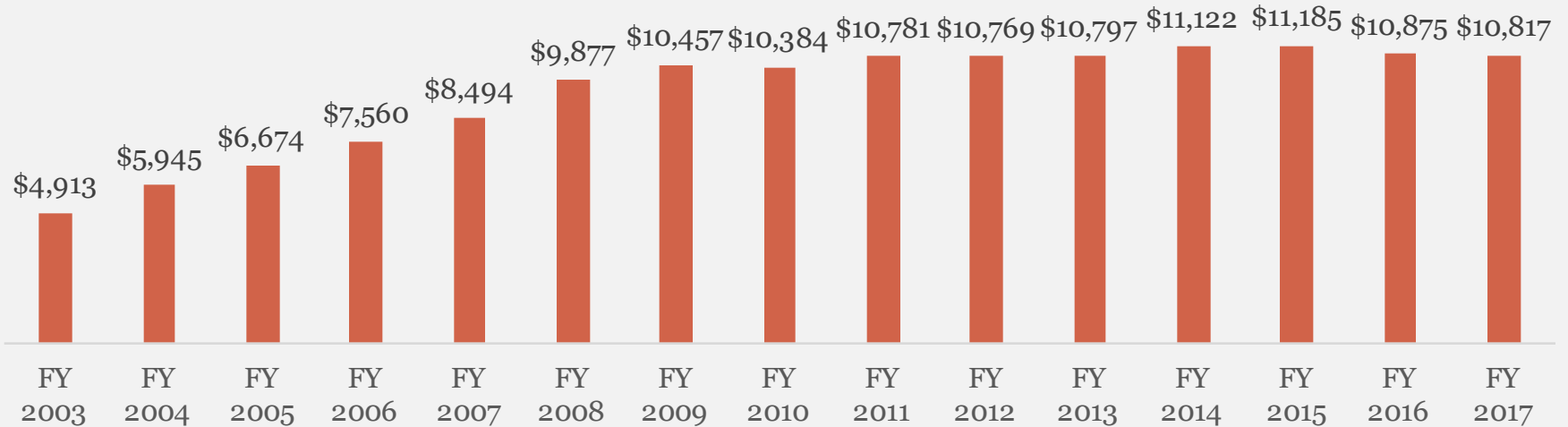


Revenue



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Total State Aid in Nominal Dollars Per Pupil (not adjusted for inflation)



% Change	21%	12%	13%	12%	16%	6%	-1%	4%	0%	0%	3%	1%	-3%	-1%
Consumer Price Index	3.3%	3.4%	2.5%	4.1%	0.1%	2.7%	1.5%	3%	1.7%	1.5%	0.8%	0.7%	1.7%	

If State Aid had kept pace with inflation between FY12 and FY16, City Schools would have received an additional \$180M in revenue

Note: sharp increases from 2003-2008 were due to funding of the Thorton Plan; to calculate cost from not keeping pace with inflation, all dollars were adjusted to 2015-16 using the Bureau of Labor Statistics CPI calculator, and the difference from nominal dollars per pupil was multiplied by enrollment for that year. Inflation data for FY17 not yet available.

Source: City Schools Final Calculations for Major State Aid Programs

Baltimore City Public Schools – State and City General Fund Revenue FY13 to FY18

Fiscal Year	FY13	FY14	FY15	FY16	FY17	FY18E
State Revenue	\$873M	\$903M	\$907M	\$878M	\$869M*	\$828M*
City Revenue	\$244M	\$265M	\$255M	\$258M	\$265M**	\$268M**

Data taken from Baltimore City Public Schools Comprehensive Annual Financial Reports Fiscal Years 13 -16 Actuals

*Data taken from MSDE State Aid Calculations

**Data taken from City Schools Revenue Allocation Model

Where We Are

Closing \$130M Budget Gap

Reduction	Contingent Upon	Amount (\$M)
Decided		
Reduce fund balance to 2.47%, spending freeze in FY17, encumbrance liquidation, etc	Board approval for reducing fund balance below 3%	~\$20
Further reduction in central office (15%)		~\$12
Reduction in school allocations		~\$80-90
Potential		
2 Furlough days in FY17 (\$2.7M per day)	Union negotiations	\$5.4
5 Furlough days in FY18 (\$2.7M per day)	Union negotiations	\$13.5
Salary freeze	Union negotiations	TBD

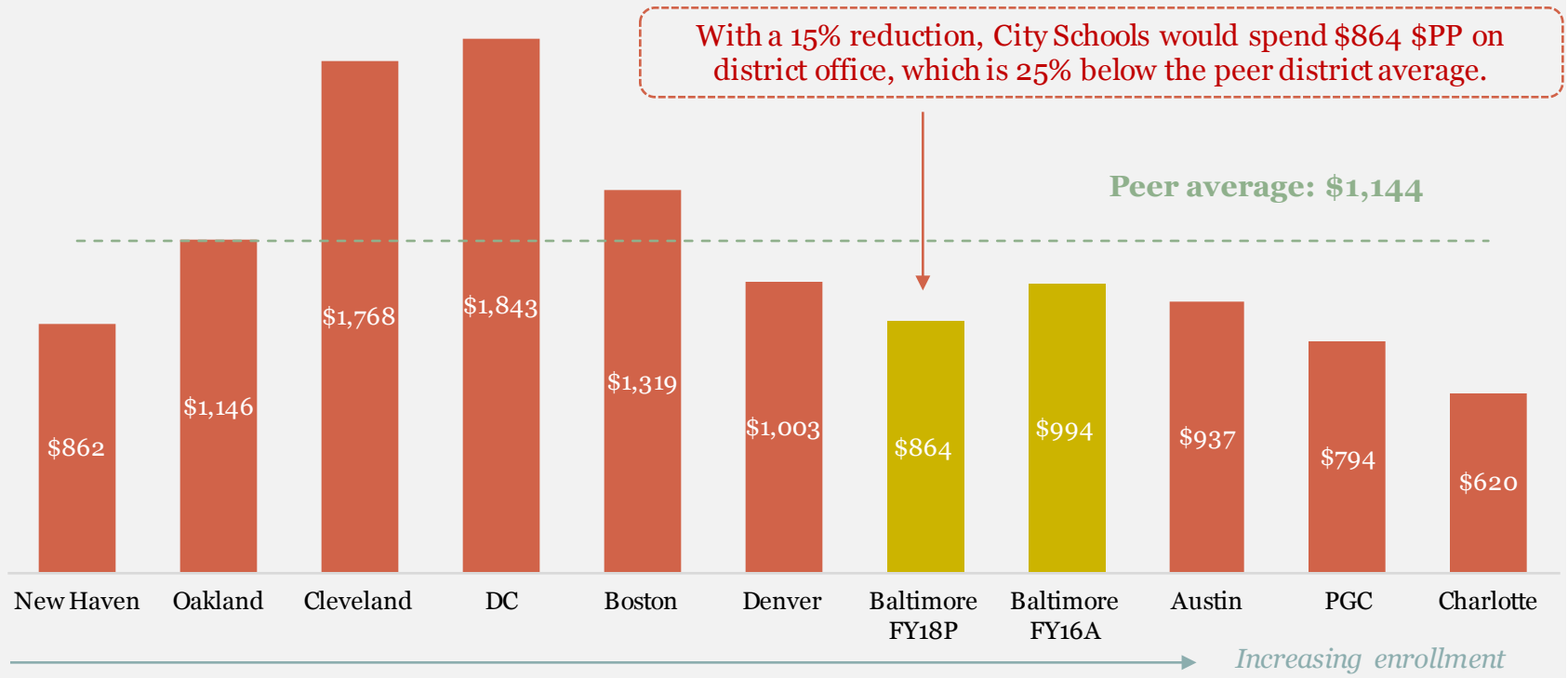
Layoffs could be in excess of 1,000 personnel and the majority of them will be at schools

Source: City Schools Finance and Human Capital Departments

After four years of reductions, City Schools' district office is among the smallest of peer districts

Spend on Leadership and Management as \$PP

With a 15% reduction, City Schools would spend \$864 \$PP on district office, which is 25% below the peer district average.



District Office FTE/1000	8	9	9	15	10	9	5	6	8	4	5

Source: FY16 Merged GL and detailed costing reports – ALL FUNDS, ERS Analysis

City Schools Accountability

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- City Schools is audited annually
- For our FY16 audited financial statements, our auditors, CliftonLarsenAllen, found no material weaknesses in the management of our budget
- At our November 15, 2016 board meeting, our auditors praised our fiscal management:

“We can’t make the observation of no material weaknesses/no significant deficiencies very often when we do our audits. So that is a testament to the financial staff here at Baltimore City Schools.”

- Keith Novak, Principal at CliftonLarsonAllen

Next Steps

Town Hall Meetings and Community Budget Forums



Monday, March 13 6-8pm	Frederick Douglass High School (2301 Gwynns Falls Parkway)
Wednesday, March 15 6-8pm	Baltimore City College (3220 The Alameda)
Monday, April 3 6-8pm	Paul Laurence Dunbar High School (1400 Orleans Street)
Wednesday, April 5 6:30-8:30pm	Edmondson-Westside High School (501 N. Athol Avenue)
Thursday, April 6 6-8pm	New Era Academy (2700 Seamon Avenue)

Dates and times for individual school community budget forums are available at:
engage.baltimorecityschools.org

Our Next Steps

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- Work with state and local officials to secure short-term support for City Schools
- Inform the work of the Kirwan Commission as they seek to ensure adequacy of the state's education funding formula over the long-term
- Conduct an enrollment campaign

Next Steps

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- 1) To learn more or to share your feedback, please visit:
engage.baltimorecityschools.org.
- 2) Engage with advocacy groups to help us secure additional funding.