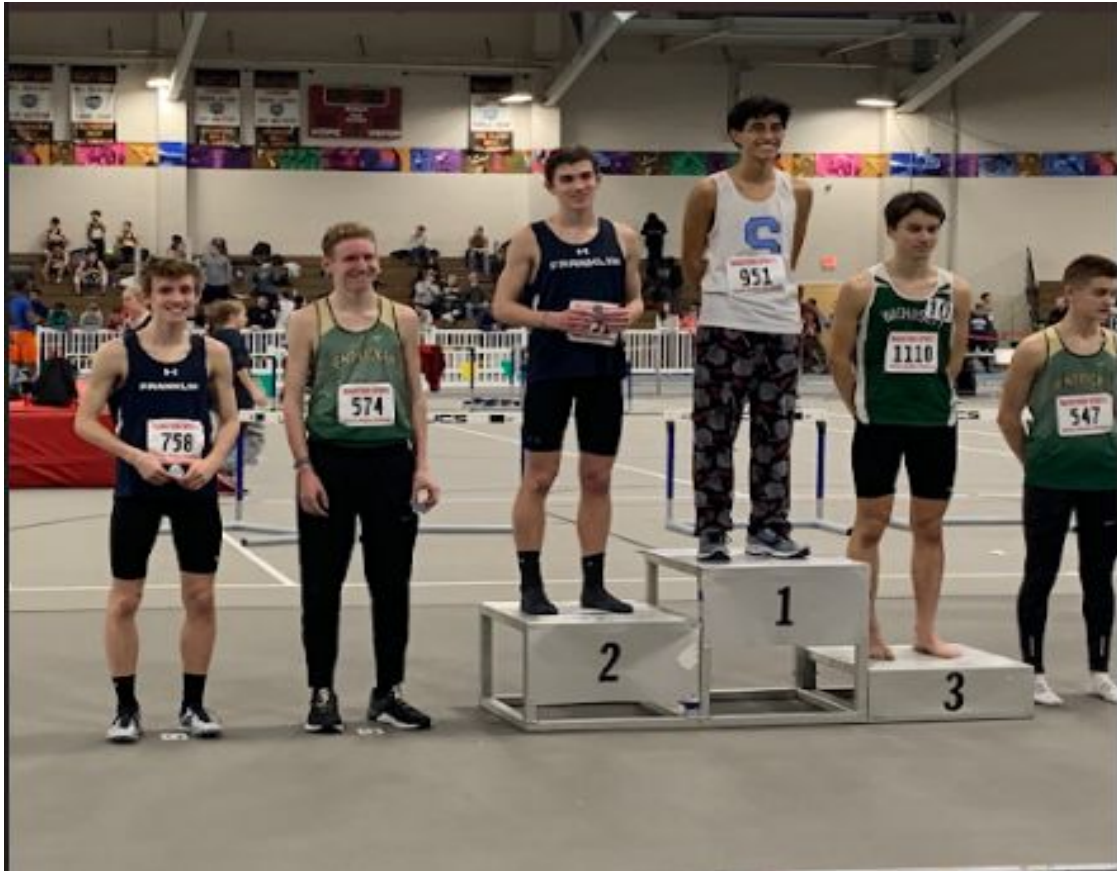


# Frequently Asked Questions (FAQs)

## FY 2020 Franklin School District Proposed Budget



### **Q. Why should the community support the budget?**

The commitment to educate our children is a commitment that the residents of Franklin have long supported. Horace Mann, the father of public education and integral to Franklin's historical legacy stated, "Education then, beyond all devices of human origin, is the equalizer of conditions of men, the great balance wheel of the social machinery".

The School Committee, administration and staff developed a fiscally responsible budget that promotes student achievement, protects core programs and is respectful of the current economic climate. The FY 2020 proposed budget requests a 5.68% increase. Shifts in local, state and federal funding continue to require the use of revolving funds to maintain the programs we currently have in place for our students. In FY2020, one-time funds are no longer

available to offset the budget, however, recurring revolving funds continue to be used to offset costs. Unfortunately costs have risen more quickly than fees charged, and there will likely be a need for increased community support or reductions to obtain a balanced budget.

**Q. How can the community learn more about the School District Budget?**

It is critical for parents and community members to be educated about the school budget. All information pertaining to the budget, including explanations, presentations, and financial data, can be found at <https://www.franklinps.net/district/school-district-budget>. In addition, community members can contact local School Committee Members or the Superintendent's office.

**Q. How will the FY 2020 budget impact educational services?**

- Class sizes will remain within School Committee guidelines
- Services provided in FY2019 will continue to be provided in FY2020
- Special Education mandates will be funded
- Programs for English Language Learners and added professional development for teachers supporting them will continue to be funded
- Transportation, athletic and extracurricular fees will remain consistent with FY2017 rates
- Current educational programs will remain in place
- Art, music, athletic and extracurricular programs remain intact
- Teachers will continue to receive added professional development to implement the MA Science Standards K-8, technology, educator evaluation, and Social Emotional Learning (SEL)



**Q. Will user fees be increased?**

The FY 2020 proposed budget does not currently account for any increases to fees, nor does it account for any new fees to be implemented. However, once there is increased level of certainty as to what the Town of Franklin will be allocating to the schools, there may be a need to identify alternate funding sources to maintain a level service budget. This may include an increase in fees and/or a reduction in staff and/or programs.

**Q. Why is the school district continually facing budget gaps?**

The Town of Franklin, as many municipalities in the Commonwealth of Massachusetts, is faced with

structural deficits as costs and service needs rise faster than the available tax revenue. Health insurance, retiree health insurance, contractual obligations and unfunded federal and state mandates result in cost increases that continue to outpace available tax revenues. To improve municipal finances we will need innovative ideas to generate new sources of revenue and we continue to look to collaborate with the town to build efficiencies into our budget and operations.

**Q. What has the School Committee and administration done to budget in a fiscally conservative manner?**

Through partnerships we have co-written grants to help offset a variety of costs. We continue to engage with our local YMCA, Dean College, and William James College. We have been awarded a grant to increase educator engagement in Social Emotional Learning initiatives. The Town and School Department still have consolidated facilities and technology services to reduce costs. The Town and School Department continue to explore additional areas for consolidation. Over the last ten years we have significantly reduced and eliminated programs and positions while continuing to meet higher educational standards and accountability requirements as established by federal and state regulations.

**Q. What other federal and state funds support the operating budget?**

Franklin actively seeks federal and state grants to supplement the operational budget. During FY2019, Franklin received \$1,499,277 in grant and earmark funds to provide additional staffing and supplemental services to meet the needs of students.

**Q. What are some other sources of financial support for the Franklin Public Schools?**

The district receives significant financial support from the community. Grants from the Franklin Education Foundation support teachers directly. Other parent and community sponsored groups help support our programs. The Music Boosters, all the Athletic booster clubs, and the Parent Communication Councils (PCC) support the mission and vision of the school district. Without their financial support many of our needs would go unmet. Fee based programs and



state reimbursements for special education costs also support programming. To date Franklin has received \$2,259,234 in special revenue revolving funds.

**Q. How will class size be impacted by this budget?**

As enrollment increases at Franklin High School, some class sizes may increase and exceed School Committee guidelines. However, the proposed budget includes 4 additional classroom teachers at the High School to address the larger class sizes. Enrollment at the elementary and middle level is declining and class sizes remain within School Committee guidelines.

**Q. When I look at the 2020 budget overview by school, I see that some schools (ECDC, Parmenter) and departments (Transportation ) have significant percentage increases compared to the rest. Why is this so?**

In FY20, the district plans to use \$4,265,900 of revolving funds to offset the proposed budget. Fewer funds from preschool tuition were allocated to the ECDC in FY20 causing the appropriation budget to increase. Additionally, at the Parmenter Elementary School, a State earmark of funds was used to seed our Partner Program with the New England Center for Children (NECC) to support some of our neediest students. The continuance of the program increases the FY20 budget for Parmenter school. A reduction in the use of Transportation revolving funds accounts for that department's increase. Since some of the one-time revolving funds are no longer available for use in FY2020, the appearance of a larger percentage increase exists. The appropriation budget would have to make up for the reduction in revolving funds to account for the full costs of transportation.

**Q. How does per pupil spending in Franklin compare with spending in other Massachusetts communities?**

A Franklin Public School education is a tremendous value when you compare achievement results with the local cost to taxpayers. Based on data released by the Massachusetts Department of Elementary and Secondary Education Office of Finance, as of FY2017 Franklin's in-district per pupil expenditure of \$12,939 is 15.71% below the state average of \$15,350.





## Glossary of Terms

This glossary includes definitions of terms that may be found in the budget document and other terms necessary for an understanding of the budget and budgeting process.<sup>1</sup>

**Account Code** – A system of numbering or otherwise designating accounts, entries, invoices or vouchers, etc. in such a manner that the symbol/code used quickly reveals certain required information.

**Accounting System** – The total structure of records and procedures that identify, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

**Appropriation** – An authorization granted by a town meeting, city council or other legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount as to the time period within which it may be expended.

**Available Funds** – Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures, or other onetime costs. Examples of available funds include free cash, stabilization funds, overlay surplus, water surplus, and enterprise net assets unrestricted (formerly retained earnings).

**Budget** – A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Level Funded Budget, Performance Budget, Program Budget, Zero Based Budget)

**Budget Message** – A statement that, among other things, offers context by summarizing the main points of a budget, explains priorities, describes underlying policies that drive funding decisions, and otherwise justifies the expenditure plan and provides a vision for the future.

**Chapter 70 School Aid** – Chapter 70 refers to the school funding formula created under the Education Reform Act of 1993 by which state aid is distributed through the Cherry Sheet to help establish educational equity among municipal and regional school districts.

**Cherry Sheet** – Named for the cherry colored paper on which they were originally printed, the Cherry Sheet is the official notification to cities, towns and regional school districts of the next fiscal year's state aid and assessments. The aid is in the form of distributions, which provide funds based on formulas and reimbursements that provide funds for costs incurred during a prior period for certain programs or services.

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<sup>1</sup> Most definitions verbatim from the Massachusetts Department of Revenue, Municipal Finance Glossary. Online resource: <http://www.mass.gov/dor/docs/dls/publ/misc/dlsmfgl.pdf>

**Collective Bargaining Agreement (CBA)** – An agreement between employers and employees which regulates the terms and conditions of employees in their workplace, their duties and the duties of the employer. It is usually the result of a process of collective bargaining between an employer and a union representing workers.

**Common Core Standards** – Learning standards developed nationally to reflect what students should know and be able to do in English/Language Arts (ELA) and Math in all grades. Also contains guidance for teachers regarding effective instructional strategies for student learning. The Common Core Standards will be the basis for future testing that will replace current MCAS testing.

**Consumer Price Index (CPI)** – The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

**Cost of Living Adjustment (COLA)** – It is often used in **municipal** contracts that provide for annual or periodic increases in salaries and wages for employees over the course of the contract. The amount of an increase is most often negotiated based on a community's ability to pay, but is sometimes tied to the annual change in a specified index, i.e., consumer price index (CPI).

**Curriculum Frameworks** – Learning standards developed by the state, derived from the common core standards, to reflect what students should know and be able to do in ELA and Math in all grades. Also contains guidance for teacher regarding effective instructional strategies for student learning. The Massachusetts Curriculum Frameworks will be the basis for future testing that will replace current MCAS testing.

**Curriculum Maps** - Developed by the district and aligned with the Massachusetts Curriculum Frameworks to reflect what Franklin students should know and be able to do in all subjects and in all grades. These are a work in progress in all subjects across the district.

**DESE** – Department of Elementary & Secondary Education (formerly Department of Education, DOE.)

**Encumbrance** – A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that is chargeable to, but not yet paid from, a specific appropriation account.

**End of Year Report (EOYR)** – Also called the End of Year Financial Report. It is a report required by M.G.L. c.72, s.3 to be submitted annually to the DESE containing the total revenues and expenditures, classified, for the public schools during the previous school year. It includes revenues and expenditures from all sources including town spending, appropriation budget to school department, revolving funds, and state and federal grant funds.

**Expenditure** – An outlay of money made by municipalities to provide the programs and services within their approved budget.

**Fiscal Year (FY)** – An accounting year, i.e., when the books for the year are opened and closed. Since 1974, the Commonwealth and municipalities have operated on a budget cycle that begins July 1 and ends June 30. The designation of the fiscal year is that of the calendar year in which the fiscal year ends. Since 1976, the federal government fiscal year has begun on October 1 and ended September 30.

**Foundation Aid** – A component of Chapter 70 state aid provided to a municipality for public education. Foundation aid is based on a municipality's foundation gap that is defined as the difference between what a community can contribute (based on ability to pay) and the total amount of the foundation budget.

**Foundation Budget** – The spending target imposed by the Education Reform Act of 1993 for each school district as the level necessary to provide an adequate education for all students.

**Fringe Benefits** – Expenditures for job-related costs provided to employees as part of their compensation. Fringe benefit costs include the employer's portion of Medicare, retirement, group insurance (health, dental, life, etc.) unemployment, workers' compensation.

**Full-Time Equivalent (FTE)** – This represents the number of full-time positions in a given area. A 1.0 FTE position is a full-time position, and a 0.5 FTE position is a half-time position. Typically 1.0 position equates to 35 hours per week or more.

**Function** – A group of related activities aimed at accomplishing a major service or program.

**Fund** – An accounting entity with a self balancing set of accounts that is segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

**Fund Accounting** – Organizing the financial records of a municipality into multiple, segregated locations for money. A fund is a distinct entity within the **municipal** government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform **Municipal** Accounting System (UMAS) use multiple funds.

**General Fund** – The fund used to account for most financial resources and activities governed by the normal town meeting/city council appropriation process.

**General Ledger** – The accountant's record of original entry, which is instrumental in forming a paper trail of all government financial activity.

**Generally Accepted Accounting Principles (GAAP)** – Uniform minimum standards and guidelines for financial accounting and reporting that serve to achieve some level of standardization.

**House 1 or 1A** – Designation given to the Governor's annual budget request, which is submitted to the House of Representatives by the fourth Wednesday of January. Except that a newly elected governor has eight weeks from the day he/she takes office to submit a budget. The budget is designated House 1 in the first year of the two- year legislative session and House 1A in the second year.

**Interest Based Bargaining (IBB)** – A negotiating strategy in which both sides start with declarations of their interests instead of putting forward proposals, and work to develop agreements that satisfy common interests and balance opposing interests. Interest-based bargaining is also called integrative or win-win bargaining.

**Line-Item Budget** – A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget

**Line-Item Transfer** – The reallocation of a budget appropriation between two line-items within an expenditure category (e.g., salaries, expenses). Employed as a management tool, line-item transfer authority allows department heads to move money to where a need arises for a similar purpose and without altering the bottom line. Whether or not line- item transfers are permitted depends on how the budget is presented (i.e., format) and what level of budget detail town meeting approves.

**Local Aid** – Revenue allocated by the Commonwealth to cities, towns, and regional school districts. estimates of local aid are transmitted to cities, towns, and districts annually by the "Cherry Sheets." Most Cherry Sheet aid programs are considered general fund revenues and may be spent for any purpose, subject to appropriation.

**Massachusetts Comprehensive Assessment System (MCAS)** – The assessment system designed to meet the requirements of the Education Reform Law of 1993. This law specifies that the testing program must (1) test all public school students in Massachusetts, including students with disabilities and English Language Learner students, (2) measure performance based on the Massachusetts Curriculum Framework learning standards and (3) report on the performance of individual students, schools, and districts.

**Minimum Required Local Contribution** – The minimum that a city or town must appropriate from property taxes and other local revenues for the support of schools (Education Reform Act of 1993).

**Net School Spending (NSS)** – School budget and **municipal** budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education (DOE). (See Education Reform Act of 1993).

**Net School Spending Requirement (NSS)** – Sum of a school district's minimum required local contribution and the Chapter 70 aid received in a given fiscal year (FY) Municipalities and



regional school districts must appropriate funds sufficient to the NSS requirement. In addition to the NSS requirement, funds need to be appropriated to support costs of student transportation, fixed assets, long term debt service, and other costs not part of the NSS.

**Non-Recurring Revenue Source** – A one-time source of money available to a city or town. By its nature, a non-recurring revenue source cannot be relied upon in future years. Therefore, such funds should not be used for operating or other expenses that continue from year-to-year. (See Recurring Revenue Source).

**Objects of Expenditures** – A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay".

**Operating Budget** – A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

**Partnership for Assessment of Readiness for College and Careers (PARCC)** – A consortium of 22 states collaboratively developing curriculum and assessments for K-12. This testing will likely replace MCAS as of 2015. Testing will include a performance based component as well as a summative component and will be administered electronically to all students in tested grades, beginning in grade 3.

**Personnel Costs** – The cost of salaries, wages and related employment benefits.

**Purchase Order** – An official document or form authorizing the purchase of products and services.

**Purchased Services** – The cost of services that are provided by a vendor.

**Recurring Revenue Source** – A source of money used to support **municipal** expenditures, which by its nature can be relied upon, at some level, in future years. (See Non-recurring Revenue Source)

**Rethinking Equity and Teaching for English Language Learners (RETELL)** – This is a new initiative by Massachusetts to improve academic achievement for English Language Learners. RETELL is a systematic approach that combines mandated professional development for teachers with new curriculum and assessment requirements. According to the MA Department of Elementary and Secondary Education, this initiative will impact "tens of thousands of educators" and by extension, students.

**Requisition** – Form used by the requesting department when ordering products and services from external vendors. This document generates a Purchase Order.

**Revenues** – All monies received by a governmental unit from any source.

**Revolving Fund** – Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service. For departmental revolving funds, MGL Ch. 44 §53E½ stipulates that each fund must be re-authorized each year at annual town meeting or by city council action, and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed ten percent of the amount raised by taxation by the city or town in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single fund. Wages or salaries for full-time employees may be paid from the revolving fund only if the fund is also charged for all associated fringe benefits.

**Sequestration** – U.S. legal procedure in which automatic spending cuts are triggered, notably implemented in the Budget Control Act of 2011. More specifically, it is the term used to describe the automatic spending reduction that must be made due to the failure of the Joint Select Committee on Deficit Reduction (aka “Super Committee”) to produce a bill identifying budgetary savings of at least \$1.2 trillion in the federal budget.

**Special Revenue Fund** – Funds, established by statute only, containing revenues that are earmarked for and restricted to expenditures for specific purposes. Special revenue funds include receipts reserved for appropriation, revolving funds, grants from governmental entities, and gifts from private individuals or organizations.

**Unfunded Mandate** – A requirement imposed by law, regulation or order without underlying financial support, thereby resulting in direct or indirect costs to the body made responsible for its implementation.

**Uniform Municipal Accounting System (UMAS)** – UMAS succeeds the so-called Statutory System (STAT) and is regarded as the professional standard for **municipal** accounting in Massachusetts. As a uniform system for local governments, it conforms to Generally Accepted Accounting Principles (GAAP), offers increased consistency in reporting and record keeping, as well as enhanced comparability of data among cities and towns.

**Uniform Procurement Act** – Enacted in 1990, MGL Ch. 30B establishes uniform procedures for local government to use when contracting for supplies, equipment, services and real estate. The act is implemented through the Office of the Inspector General. (See Massachusetts Certified Public Purchasing Official).

**Warrant** – An authorization for an action. A treasury warrant authorizes the treasurer to pay specific bills. The assessors’ warrant authorizes the tax collector to collect taxes in the amount and from the persons listed, respectively.