

# Demystifying the DOE Budget

May 30, 2017

# How is funding determined?

- Most money is generated by the number of students enrolled. This allocation is Tax Levy Fair Student Funding (TL FSF).
- In the winter, principals work with the budget office to project enrollment for the following year.
- Initial allocations are based on projections. Final allocations are determined by number of students on register 10/31 (or 10/30).
- If we have more kids than projected, we get more funds. If we fall short of projections, we give money back.
- Special education students mean additional allocations. This is reconciled at the end of December.
- Initial budgets also include PreK money, NYSTL money (for ordering classroom & library books, equipment, software), money for a parent coordinator, and money linked to initiatives (Vision for School Improvement, Strong School Strong Communities).

# Average Teacher Salary

- Teacher salary is based on experience and education.
- Each school is “charged” an average of their teacher’s salaries from the prior year.
- The more experienced your staff, the higher your teacher salary.
- Our average teacher salary for 13-14 was \$64,900. Our average teacher salary for 17-18 is \$74,652.

# Tax Levy vs. Reimbursable

- There are two funding streams, Tax Levy and Reimbursable.
- Tax Levy covers fringe benefits. When TL funds are allocated to pay a teacher, it is dollar for dollar – for FY18, \$74,652.
- Reimbursable funds do not cover fringe. Extra money must be allocated. When reimbursable funds are allocated to pay a teacher, for FY18 it will cost \$104,692.
- OTPS items do not require fringe. When we use reimbursable funds for OTPS it is dollar for dollar.
- PTA grants are reimbursable funds.

# What's the bottom line?

- The preponderance of DOE funds go to personnel. **Wherever possible, we want to use TL funds, which are dollar for dollar.**
- Some of the remaining allocations are earmarked for specific services (such as a speech teacher, paraprofessionals, PreK).
- Remaining funds are allocated for Other Than Personal Service (OTPS). This is stuff (books, instructional materials, art supplies, office supplies...) and recess teachers.
- Some TL funds must be allocated for OTPS, such as School Leadership Team stipends.
- **Wherever possible, we want to use reimbursable funds for OTPS, which has no fringe charge.**

# What can the PTA pay for?

- The PTA can write checks for supplies, books, consultants, workshops, trip fees, instructional materials, instruments... **Often times this requires that someone lays money out and submits for reimbursement.**
- The PTA can also grant funds that are then part of the DOE budget. **This is a requirement to pay for personnel or our recess teachers.**
- PTA's cannot pay for classroom teachers. **However, they can free up TL funds used to pay for out of classroom teachers or OTPS.**
- Because PTA grants are reimbursable, it is cost effective to use them to pay for OTPS wherever possible. Contracted vendors often do have significantly lower prices (for real).

# What does this have to do with class size?

- Maximum class size is determined by the UFT contract. For kindergarten the class max is 25. For grades 1 – 5, it is 32.
- Classes get big for two reasons:
  - You run out of space. Zoned schools must enroll children in the zone until they max out classes.
  - You run out of money. Schools are required to budget for a number of things. Small class size is not one of them.
    - Teachers for 4 first grades with a class size of 22 or 23 is \$378,604.
    - Teachers for 3 first grades with a class size of 29 or 30 is \$302,616.

# What's the time line?

- DOE Budgets are released late May – early June. Initial budget do not have all allocations.
- Principals meet with budget directors before June 30 to complete initial budgeting.
- In order to hire teachers money must be in the budget. If the PTA is going to help with personnel, we need to send in a check well before September.