



9000 PROGRAMS WITH OTHER SCHOOL DISTRICTS

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9000 PROGRAMS WITH OTHER SCHOOL DISTRICTS

9000 PROGRAMS WITH OTHER SCHOOL DISTRICTS: Transfers of payments to other school districts or to non-public schools for services provided to students residing in the sending city or town.

9100 Tuition to Mass. Schools Tuition or transfer payments to other public school districts in Massachusetts for resident students, Tuition to non member Collaboratives, Tuition to non member Regional School Districts.

9110 School Choice Tuition Transfers made by the state from the sending school district's State Aid to the receiving school district or municipality.

9120 Tuition to Commonwealth Charter Schools Transfers made by the state from the sending school district's State Aid to the Charter School.

9200 Tuition to Out-of-State Schools Tuition or transfer payments to school districts in other states for resident students

9300 Tuition to Non-Public Schools Tuition or transfer payments to non-public schools for resident students

9400 Tuition to Collaboratives Payments of assessments to member Collaboratives for administrative and instructional services in accordance with collaborative agreements.

Regular Education Out of District Tuitions

Currently there are several alternative public school programs available across the commonwealth for students who do not attend the local district. The educational options for students are School Choice program, Charter School Initiatives, Innovation Schools Initiative, and regional agricultural, vocational and technical schools Below is an overview of the programs in which Lexington resident students have taken advantage of in the past. Due to the small numbers of students who attend these programs, reporting is not provided on a regular basis and is only in this format. Below is a five-year history of the tuition assessments received by the Town of Lexington through the Cherry Sheet.

Innovation Schools¹

In January 2010, Governor Patrick signed education reform legislation forming “The Innovation School” model.² It is projected to be cost-neutral with regard to the longer-term operation of school department. However, the school district must create a new line item appropriation as the tuition is not charged against the Cherry Sheet as other state education initiatives are funded. The Town of Lexington after year one will receive \$6,800 in tuition dollars through Chapter 70 formula calculations. The first year there is not reimbursement. The school department will have to annually budget for these expenses. The Innovation Schools receive their tuition dollars directly from the school district in the form of tuition payments. The tuition payments are not treated as an expense offset like Charter Schools.³

In FY 2012, we only had one student register and attend one of the state’s programs. Since that time the programs have not added any Lexington students.

Cherry Sheet Tuition Assessments:

The Town receives three types of tuition assessment for educating Lexington resident students. These are School Choice, Charter Schools and Essex Agricultural and Technical High School. While these amounts are not shown or reported in the School Department’s appropriation, the Town is responsible for the education of these

¹ Chapter 12 of the Acts of 2010, An Act Relative to the Achievement Gap, was signed into law on January 18, 2010, and took effect immediately. Among other things, this legislation created a new statute, M.G.L. c. 71, § 92, establishing and governing innovation schools. At its July 21, 2010, meeting, the Board of Elementary and Secondary Education (Board) adopted new regulations, 603 CMR 48.00, to implement this statute.

² Innovation Schools Statute: <http://www.doe.mass.edu/redesign/innovation/>

³ Innovation Schools FAQ: <https://www.google.com/url?sa=t&rct=i&q=&esrc=s&source=web&cd=1&ved=0ahUKewik35WCpOHJAhUEND4KHVDNA-sQFggcMAA&url=http%3A%2F%2Fwww.doe.mass.edu%2Fredesign%2Finnovation%2Ffaq.docx&usg=AFQjCNGobSW81z4pwiST4nuFSwMRdb4e8g&cad=rja>



Lexington Public Schools
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students. The Schools are required to submit actual enrollment reports to Department of Elementary and Secondary Education in October and March of the current year. These figures are used to calculate tuition rates for the current year. Any changes to enrollment figures and tuition rates will alter a district's remaining assessments.

Special Education Assessment

The assessment is to partially reimburse the state for providing special needs education to children enrolled in state hospital schools.

Schools Choice

The school choice program allows parents to send their children to schools in communities other than the city or town in which they reside. Tuition is paid by the sending district to the receiving district. Districts may elect not to enroll school choice students if no space is available.

Lexington Public Schools⁴

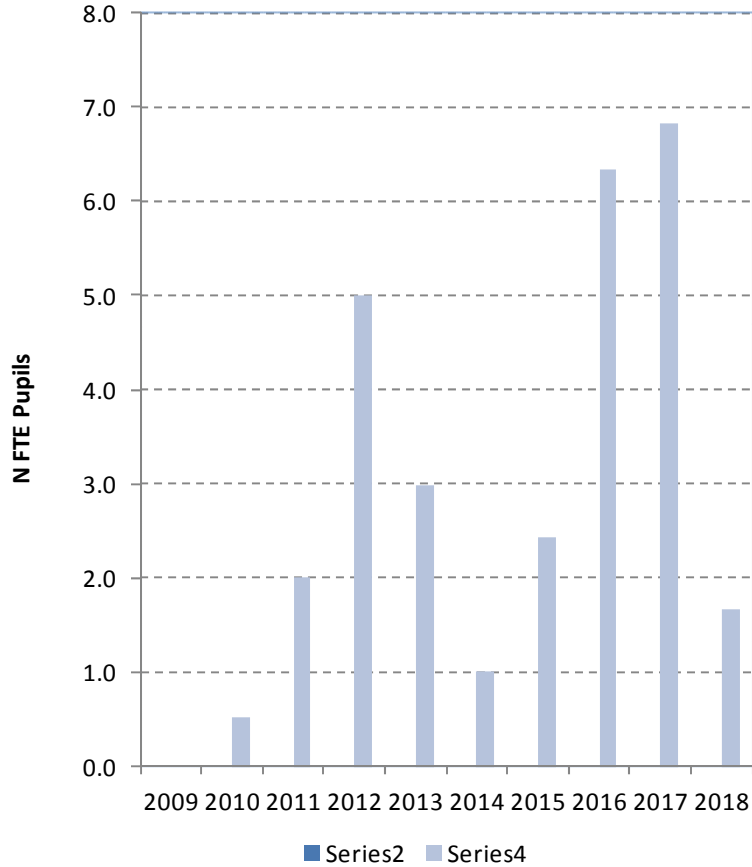
School Choice Trends in Enrollment and Tuition

0155 LEXINGTON				
	Receiving		Sending	
FY	FTE Pupils	Tuition	FTE Pupils	Tuition
1996	0.0	0	3.1	11,255
1997	0.0	0	2.0	8,378
1998	0.0	0	2.5	9,837
1999	0.0	0	1.0	4,559
2000	0.0	0	1.2	5,104
2001	0.0	0	1.0	5,872
2002	0.0	0	0.0	0
2003	0.0	0	1.0	4,684
2004	0.0	0	1.0	4,861
2005	0.0	0	2.0	9,727
2006	0.0	0	3.0	14,536
2007	0.0	0	2.0	9,986
2008	0.0	0	1.0	4,955
2009	0.0	0	0.0	0
2010	0.0	0	0.5	2,600
2011	0.0	0	2.0	10,000
2012	0.0	0	5.0	25,000
2013	0.0	0	3.0	14,950
2014	0.0	0	1.0	5,000
2015	0.0	0	2.4	15,525
2016	0.0	0	6.3	40,828
2017	0.0	0	6.8	44,666
2018	0.0	0	1.7	11,318

⁴ Source: <http://www.doe.mass.edu/finance/schoolchoice/>



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Charter Schools⁵

Charter schools are independent public schools designed to encourage innovative educational practices. Charter schools are funded by tuition charges assessed against the school districts where the students reside. The state provides partial reimbursement to the sending districts for the tuition costs incurred.

**Massachusetts Department of Elementary and Secondary Education
 Office of District and School Finance**

Projected FY19 Charter School Tuition Payments and Reimbursements for Sending Districts (Q1)(e)(rev2)

DISTRICT PAYMENT						STATE AID TO DISTRICT			NET DISTRICT COST	STATE AID SUMMARY			STATE AID AT FULL FUNDING	
LEA	DISTRICT	FTE	LOCAL FOUNDATION TUITION	LOCAL TRANSPORTATION TUITION	LOCAL FACILITIES TUITION	LOCAL PAYMENT	100/25/25/25/25/25 INCREASE TUITION AID	FACILITIES AID		TOTAL CHARTER AID	STATE PAYMENT FOR PRIVATE/SIBLING/HOMESCHOOLED	100/25/25/25/25/25 INCREASED TUITION AID		TOTAL FACILITIES AID
155	LEXINGTON	1.0	17,915	0	893	18,808	0	893	893	17,915	0	893	893	3,054

Essex Agricultural and Technical High School⁶

The primary purpose of an agricultural high school is to prepare students for occupations or additional education related to agriculture, agriscience, agribusiness, the care and management of animals, horticulture, forestry, and environmental science. While agricultural high schools may offer other forms of vocational-technical education, as defined in M.G.L. c. 74, § 1, they shall avoid duplication of programs offered in vocational schools located within a 20-mile radius of the school. Periodically, students who are

⁵ Ch. 71, §89, 2004, Ch. 352, §31 and <http://www.doe.mass.edu/charter/finance/>

⁶ 1998, Ch. 300, §21 and <http://www.doe.mass.edu/lawsregs/603cmr45.html>



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interested in programs that are not available at Minuteman Regional Vocational Technical School enroll. The district is responsible for tuition and transportation expenses. The Regular Education Transportation Budget is impacted by any student who attends, as transportation is not reimbursed under the Chapter 70 aid on the Cherry Sheet, only tuition.



Special Education Out-of-District Budget

Coordinator: Barbara Bennett-Fortier

Students with disabilities ages 2 years 9 months to 22 who are unable to be educated within the public schools are entitled to a free and appropriate public education. When a student cannot receive appropriate services within LPS, services are provided in other settings including collaborative and private schools. There are associated transportation costs and specialized care for some of our most needy students. The Department of Elementary and Secondary Education has developed a form of reimbursement, Circuit-breaker, which provides some fiscal support for high cost students.

Tuition is monitored by the Out-of-District Coordinator who reports to the Director of Special Education. As a student's intensive needs become identified and services within the district cannot provide for that student, the Out-of-District Coordinator is contacted to plan for the student's placement in the least restrictive placement/environment.

The Out-of-District Coordinator is the liaison for the student's IEP and provides case management for all aspects of the student's program. Costs are monitored through the Director of Special Education.

The appropriation to the School Department Budget for Tuitions is \$7,319,617 as seen in the expense line table below. This is an increase of \$282,437 over the adjusted FY 2019 budget.

Line	Program	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Budget (adj)	FY20 Request	Change	% Change
41	Tuition	\$ 5,286,658	\$ 5,027,778	\$ 5,471,769	\$ 7,037,180	\$ 7,319,617	\$ 282,437	4.0%

Several factors are considered when developing the Tuition budget each year. Some of these important factors are described below:

- Tuition rates for approved special education private day and residential schools are set by the Operational Services Division (OSD) of the Commonwealth of Massachusetts Executive Office of Administration and Finance.
- Each year the OSD provides an estimated rate of inflation which is used to project tuition for approved special education private day and residential placements. For FY 2020 the new rate is 2.63%.
- With the exception of extraordinary relief or other unusual circumstances, private schools may request additional increases in the form of special circumstances or program reconstruction. Private schools must provide the required notice to public schools by the October 1st for the following fiscal year. The State can approve increases anytime during that following fiscal year. In such instances the requested increase is budgeted in the event such should occur.
- Collaborative tuition increases are recommended to the Collaborative Board of Directors based on program costs and budget presentations. The Collaborative Board of Directors is made up of member district Superintendents. For the last several years a 4% increase has been assumed for Collaborative tuitions. Additionally, a 4% increase has been assumed for OSD approved out-of state private schools as the rate increases are not set by OSD but rather the respective state agency where the school is located.



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The Tuition budget is set annually by projecting total tuition expenses and settlements then offsetting them by projected Circuit Breaker Reimbursement, Federal IDEA Entitlement Grant (#94-142), and LABBB credits/pre-paid tuitions (when exercised) as outlined in the detailed table below:

Row Labels	FY19 DESE Function Code	Sum of FY19 projected		Sum of FY19 current		Sum of FY20 projected	
		ATM Headcount	Sum of Projected ATM FY19 tuition	projected Headcount	Sum of Current Projected FY19 tuition	ATM Headcount	Sum of Projected ATM FY20 tuition
High Risk	9100	3	\$ 333,246	2	\$ 107,103	1	\$ 109,469
	9200	1	\$ 101,088				
	9300	29	\$ 2,747,761	24	\$ 2,023,427	24	\$ 2,840,760
	9400	8	\$ 517,983	10	\$ 470,914	9	\$ 655,209
High Risk Total		41	\$ 3,700,078	36	\$ 2,601,444	34	\$ 3,605,438
Short Term	9100	2	\$ 28,471	2	\$ 29,520	2	\$ 29,520
	9300	7	\$ 110,152	8	\$ 145,587	7	\$ 124,892
	9400	1	\$ 17,680	1	\$ 19,297	1	\$ 12,585
Short Term Total		10	\$ 156,303	11	\$ 194,404	10	\$ 166,997
Tuition & Settlements	9100	6	\$ 347,808	13	\$ 840,879	11	\$ 727,806
	9200			1	\$ 55,000		
	9300	55	\$ 5,777,629	68	\$ 6,534,005	52	\$ 5,564,691
	9400	37	\$ 2,186,377	44	\$ 2,344,398	39	\$ 2,423,875
Tuition & Settlements Total		98	\$ 8,311,813	126	\$ 9,774,281	102	\$ 8,716,372
Grand Total		149	\$ 12,168,194	173	\$ 12,570,129	146	\$ 12,488,807

	FY19 Headcount (Budget Book)	FY19 Budgeted Tuition (Budget Book)	FY19 Headcount (Adjusted)	FY19 Budgeted Tuition (Adjusted)	FY19 Current Headcount	FY19 Current Tuition Projection	FY20 Headcount	FY20 Projected Tuition
Estimated Tuition	149	\$ 12,168,193	149	\$ 12,168,194	137	\$ 9,968,685	146	\$ 12,488,807
High Risk Adjustment (current year only)					36	\$ 2,601,444		
Less LABBB Credit/Pre-paid Tuitions		\$ (832,096)		\$ (255,750)		\$ (256,069)		\$ (250,000)
Less Circuit Breaker Reimbursement		\$ (3,123,013)		\$ (3,420,537)		\$ (3,420,537)		\$ (3,406,199)
Less SPED 94-142 Grant offset		\$ (1,454,726)		\$ (1,454,726)		\$ (1,512,991)		\$ (1,512,991)
Pre-paid tuitions for coming budget		\$ 278,822						
Operating Budget		\$ 7,037,180		\$ 7,037,181		\$ 7,380,532		\$ 7,319,617

Beginning in FY 2017, the School Department began carrying forward a balance in Circuit Breaker funding. At the close of the FY 2017 budget, \$1,745,554 was carried forward in Circuit Breaker funding. This change in budget practices was intended to address spikes in out of district tuition costs that could be experienced during the annual budget year and to improve budget certainty in this area of the total out of district tuition budget. Currently, the FY 2019 Budget projects a balance of \$3,097,814 in circuit breaker funding. This balance will be carried forward into FY 2020. Based on this projection, this puts the School Department's circuit breaker funding approximately 90% in arrears. A summary table of circuit breaker funding balances can be found below:

Circuit Breaker Funding	FY2017 Actual	FY2018 Actual	FY2019 Budget	FY2019 Projected	FY2020 Projected
Circuit Breaker Balance - Prior Year	\$0	\$1,745,554	\$2,720,028	\$3,013,894	\$3,097,814
Circuit Breaker Source - Current Year	\$3,473,980	\$3,013,797	\$3,123,013	\$3,504,457	\$3,228,199
Circuit Breaker Use - Prior Year	\$0	(\$1,745,457)	(\$2,720,028)	(\$3,013,894)	(\$3,097,814)
Circuit Breaker Use - Current Year	(\$1,728,426)	\$0	(\$700,509)	(\$406,643)	(\$308,385)
Circuit Breaker Ending Balance	\$1,745,554	\$3,013,894	\$2,422,504	\$3,097,814	\$2,919,814
Circuit Breaker Receipts	\$3,473,980	\$2,110,294	\$3,531,845	\$3,504,457	\$3,228,199
Percent in arrears	50%	143%	69%	88%	90%



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Historically, LABBB provided member districts with credits based on annual financial performance of the collaborative. Beginning in FY 2018 and FY 2019, LABBB is no longer able to carry a credit for Lexington Public Schools per the Department of Elementary and Secondary Education. These credits were treated as a financial liability of LABBB's financial statements and Lexington could exercise their use in any year by reducing the amount paid for invoices in a given fiscal year in which they were realized. In FY 2018, Lexington had \$891,116 in member credits which it had to exercise and did.

Each January LABBB will determine whether any additional credits will be awarded for the prior fiscal year. Since credit information is not available at this time, an assumption has been made about the amount of the LABBB credit. This assumption is based on the last credit that was awarded. If and when a credit is actually awarded, the budget will be adjusted accordingly.

Since maintaining a LABBB credit is no longer a viable option, Lexington began the practice of pre-paying for LABBB tuitions in FY 2018. This will allow the School Department to address the variability in funding needs for the high risk tuition portion of the total out of district tuition budget. In FY 2018 Lexington used \$256,069 to pre-pay FY 2019 LABBB tuitions.

A summary table of pre-paid tuitions can be found below:

Pre-Paid Tuitions	FY18 Budget	FY18 Actual	FY19 Budget	FY20 Budget
Pre-paid balance - Prior Year	\$0	\$635,366	\$832,096	\$0
Pre-paid use - Prior Year	\$0	\$0	(\$832,096)	\$0
Pre-paid source - Current Year	\$0	\$196,730	\$278,822	\$250,000
Pre-Paid Ending Balance	\$0	\$832,096	\$278,822	\$0