

# School Committee



## Fiscal Year 2012 Annual Town Meeting Budget Request

As voted: February 15, 2011

<http://lps.lexingtonma.org/businessandfinance.html>

# ***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

In FY11, the Lexington Public Schools are facing a new regular education tuition budget line item to be established due to Governor Patrick signing education reform legislation that formed the Innovation Schools Initiative. This legislation added to the already available School Choice program, Charter School Initiatives, 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 (less than 4 per year), reporting is not provided on a regular basis other than at Town Meeting and only in this format. Below is a five year history of the tuition assessments received by the Town of Lexington through the Cherry Sheet.

**TUITION ASSESSMENTS:**

	FY07	FY08	FY09	FY10	FY11	FY12 est
1. School Choice Sending Tuition <i>Ch. 76, s. 12B, 1993, Ch. 71</i>	\$ 9,912	\$ 10,000	\$ 5,000		\$ 7,600	\$ 10,000
2. Charter School Sending Tuition <i>Ch. 71, s. 89</i>	\$ 14,579		\$ 14,975	\$ 14,743	\$ 28,047	
3. Essex County Technical Institute Sending Tuition <i>1998, Ch. 300, s. 21</i>					\$ 12,290	
	\$ 24,491	\$ 10,000	\$ 19,975	\$ 14,743	\$ 47,937	\$ 10,000

### Innovation Schools<sup>1</sup>

In January 2010, Governor Patrick signed education reform legislation forming “The Innovation School” model.<sup>2</sup> 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.<sup>3</sup>

<sup>1</sup> 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.

<sup>2</sup> Innovation Schools Statute: [http://www.mass.gov/Eoedu/docs/innovation\\_schools/20101020\\_faq.pdf](http://www.mass.gov/Eoedu/docs/innovation_schools/20101020_faq.pdf)

<sup>3</sup> Innovation Schools FAQ: [http://www.mass.gov/Eoedu/docs/innovation\\_schools/20101020\\_faq.pdf](http://www.mass.gov/Eoedu/docs/innovation_schools/20101020_faq.pdf)



**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 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.

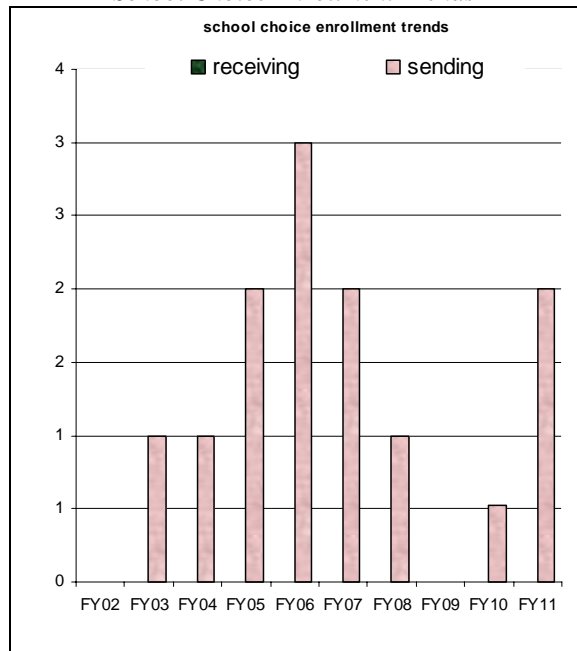
**Schools Choice**<sup>4</sup>

“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.”

Students have attended the following school districts, whereby we have received assessments from:

- Hudson Public Schools
- Triton Regional High School
- Chelmsford Public Schools

*Lexington Public Schools  
School Choice Enrollment Trends*<sup>5</sup>



**Charter Schools**<sup>6</sup>

“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.”

We have had students attending the following school districts whereby we have received assessments:<sup>7</sup>

<sup>4</sup> Ch. 76, §12B, 1993, Ch. 71 and <http://finance1.doe.mass.edu/schoice/>

<sup>5</sup> Source: [http://finance1.doe.mass.edu/schoice/choice11\\_dec.html](http://finance1.doe.mass.edu/schoice/choice11_dec.html)

<sup>6</sup> Ch. 71, §89, 2004, Ch. 352, §31 and <http://www.doe.mass.edu/charter/finance/>



**Lexington Public Schools**

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**Massachusetts Department of Elementary and Secondary Education  
Charter School Office**

2010-2011 Commonwealth Charter School Pre-Enrollment by Sending District (April 1, 2010)

Sending District	Sending LEA Code	Commonwealth Charter School Name	Charter LEA Code	Students Pre-Enrolled from Sending District by Grade												Pre-Enrolled Total	Wait Listed Total			
				PK	K	1	2	3	4	5	6	7	8	9	10			11	12	
Lexington	155	Advanced Math and Science Academy Charter	430											1						
Lexington	155	Benjamin Banneker Charter Public	420			1													1	
Lexington	155	Innovation Academy Charter	435																1	
<b>DISTRICT SUBTOTAL</b>				<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>

The following are Charter School Placements:

FY10	Advanced Math and Science Academy Charter	Pre-enrolled	8 <sup>th</sup> Grade
FY09	Codman Academy Charter	Pre-enrolled	11 <sup>th</sup> Grade
FY08	Atlantis Charter	waitlisted	
FY07	Atlantis Charter	waitlisted	
FY06	Advanced Math and Science Academy Charter	Pre-enrolled	6 <sup>th</sup> Grade
	Francis W. Parker Charter Essential	waitlisted	

**Essex Agricultural and Technical High School<sup>8</sup>**

“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 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.

<sup>7</sup> [http://www.doe.mass.edu/charter/enrollment/FY11\\_dist.xls](http://www.doe.mass.edu/charter/enrollment/FY11_dist.xls)

<sup>8</sup> 1998, Ch. 300, §21 and <http://www.doe.mass.edu/lawsregs/603cmr45.html>



**Special Education Out of District Tuitions**

Students with disabilities ages 2 years and 9 months to 22 who are unable to be educated within the public schools are entitled to an education at public expense. When a student cannot receive appropriate services within LPS, services are provided in other settings including Collaboratives and private schools. There are associated transportation costs and specialized care for some of our most needy students. The Department of 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 Student Services. As a student’s intensive needs become identified and services within the district can not provide for that student then the Out-of-district Coordinator is called to meet with the team and parents 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 of all aspects of the student’s program. Costs are monitored through the Director of Student Services.

The appropriation to the School Department Budget for Tuitions is \$6,350,303. The tuition obligation is projected to increase by approximately 7.41%. However, due to the reduction in ARRA funds for FY 12, the district will experience an 11.69% increase, net of all state and federal offsets (\$664,686). The tuition line item includes a 1.69% increase for private special education schools, an increase for private schools that have requested program reconstruction or extraordinary relief, and a 4% increase for collaborative tuitions. This amount is derived by the following:

Total Estimated Tuition	\$ 7,890,452
Less LABBB Credit Offset	(138,000)
Less Projected Circuit Breaker Reimbursement:	<u>(\$1,402,149)</u>
Total Tuition Request from the Operating Budget	\$6,350,303

The out-of-district budget is based on the placement information contained in the table below and the following variables:

- Tuition rates for private day and residential schools are set by the Operational Services Division (OSD) of the Commonwealth of Massachusetts Executive Office of Administration and Finance. These rates can increase anytime along with an across the board increase annually.
- Many private schools request additional increase after the school year begins. Last year, the State approved a 0.75% rate increase, except for schools that reconstructed their programs. In such cases, a single school in any given year, at any time, can receive an increase of as much as 25%-40%.
- 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.
- Collaborative programs also tuition-in students from non-member districts. Non-member districts pay a higher tuition than member districts. Lexington has tuitioned-in students to three area collaboratives as a non-member community.
- Our historic practice was to build in a 5% increase into all tuitions however, for FY12 the following increased were built into the budget:
  - 1.69% for private day and residential schools as recommended by OSD
  - 4% increase for collaborative placements
  - Filed, but yet to be approved, reconstruction or special circumstances request to OSD



**Lexington Public Schools**

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- The circuit breaker decrease in number of students is due to some students graduating and turning 22 prior to the end of the school year. Their tuition rates reflect only the time actually spent in the program and thus do not always meet the circuit breaker threshold resulting in ineligibility for reimbursement.

*Special Education Out-of-District Tuitions*

DOE Function Code	DOE Function Title	Status	Sum of FY11 ATM Budget Head Count	Sum of FY 11 ATM Budget	Sum of FY12 ATM Budget Head Count	Sum of FY 12 ATM Budget	
9100	Tuition to Mass. Schools	Tuition	4	\$ 258,096	4	\$ 231,258	
<b>9100 Total</b>			<b>4</b>	<b>\$ 258,096</b>	<b>4</b>	<b>\$ 231,258</b>	
9200	Tuition to Non-Public Schools	Unilateral Placement - High Risk			1	\$ 15,254	
	Tuition to Out-of-State Schools	Personnel		\$ 37,289		\$ 37,926	
		Settlement Agreements	1	\$ 15,000			
	Tuition	1	\$ 244,578		2	\$ 274,460	
<b>9200 Total</b>			<b>2</b>	<b>\$ 296,867</b>	<b>3</b>	<b>\$ 327,640</b>	
9300	Tuition to Non-Public Schools	45 day assessment		\$ 50,985		\$ 68,937	
		High Risk Placement	11	\$ 630,907	13	\$ 635,513	
		Personnel			1	\$ 31,886	
		Settlement Agreements	6	\$ 208,096			
		Summer Program	1	\$ 14,946	2	\$ 18,093	
		Tuition	42	\$ 4,257,588	49	\$ 5,050,282	
		Unilateral Placement	1	\$ 47,445			
	Unilateral Placement - High Risk				8	\$ 290,316	
<b>9300 Total</b>			<b>61</b>	<b>\$ 5,209,967</b>	<b>73</b>	<b>\$ 6,095,027</b>	
9400	Tuition to Collaboratives	45 day assessment				\$ 9,428	
		Extended services					
		High Risk Placement	1	\$ 36,871			
		Tuition	30	\$ 1,541,000	16	\$ 818,866	
		Personnel				\$ 69,153	
Tuition to Non-Public Schools	High Risk Placement				\$ 82,331		
	Tuition				5	\$ 256,750	
<b>9400 Total</b>			<b>31</b>	<b>\$ 1,577,871</b>	<b>21</b>	<b>\$ 1,236,527</b>	
Services Undesignated	Additional Contract Services			\$ 3,451			
<b>Services Total</b>				<b>\$ 3,451</b>			
<b>Grand Total</b>			<b>98</b>	<b>\$ 7,346,252</b>	<b>101</b>	<b>\$ 7,890,452</b>	7.41%

	<b>Total of all funds available</b>	<b>Total of all funds available</b>	<b>Variance</b>
FY11 Operating Budget	\$ 5,685,617	\$ 5,685,617	
ARRA	\$ 409,045		
LABBB Credit		\$ 138,000	
FY11 estimated Circuit Breaker (40%)	\$ 1,251,591	\$ 1,402,149	
Projected FY12 Level Fund	\$ 7,346,253	\$ 7,225,766	\$ 664,686

11.69%