

READING PUBLIC SCHOOLS

School Committee Budget

Fiscal Year 2013

Respectfully Submitted to the Town of Reading
By the

Reading School Committee

February, 2012

School Budget for the Fiscal Year July 1, 2012 to June 30, 2013

2011 - 2012

READING SCHOOL COMMITTEE

Charles R. Robinson, Chair
Karen Janowski, Vice Chair
Harold Croft

Lisa Gibbs
David Michaud
Chris Caruso

ADMINISTRATION

CENTRAL OFFICE

John F. Doherty, Ed.D.	Superintendent of Schools
Patricia deGaravilla	Assistant Superintendent
Mary C. DeLai	Director of Finance & Operations
Alison Elmer	Director of Student Services
Elizabeth Conway	Human Resources Administrator

SCHOOLS & DEPARTMENTS

Elinor Freedman	Principal, Reading Memorial High School
Craig Martin	Principal, Coolidge Middle School
Doug Lyons	Principal, Parker Middle School
Karen Callan	Principal, Barrows Elementary School
Eric Sprung	Principal, Birch Meadow Elementary School
Karen Feeney	Principal, Joshua Eaton Elementary School
Catherine Giles	Principal, J.W. Killam Elementary School
Richard Davidson	Principal, Wood End Elementary School
Philip Vaccaro	Director of Athletics & Extracurricular Activities
Joseph P. Huggins	Director of Facilities
Lynn Dunn	Director of Nursing
Kristin Morello	Director of Food Services
Jesenia Castro	METCO Director

FY13 Budget Calendar

Town Meeting Warrant Closes	September 27
School and district improvement plans submitted and presented to School Committee for review and approval	October 15
Budget Preparation information sent to all administrators and MUNIS budget training	Mid-October
Principals present improvement goals and corresponding budgetary needs	October 1-31
Financial Forum I to discuss revenue and initial accommodated cost assumptions	October 12
Fee schedules reviewed by School Committee	October 17
Building/department budget requests submitted to Central Office	November 10
Town Meeting	November 14
Superintendent Reviews building/department requests and performance goals	November
Finalize FY13 Salary Projections	Mid - November
Superintendent holds community forums to discuss budget priorities	Mid - Late November
Budget Parent meetings	Mid - Late November
Budget development deliberations undertaken by Administration	Late November
Superintendent's Budget Finalized	December 27
Budget document distributed	December 30
School Committee questions submitted in preparation for deliberations	January 3
Budget overview presented to School Committee	January 5
Budget (cost center) presentations and deliberations by School Committee	January 9, 19, 23
Financial Forum II	January 25
Open Public Hearing on Budget	January 23
School Committee vote on Superintendent's Budget	January 30
School Committee Budget forwarded to Finance Committee and Town Manager	February 6
School Committee meets with Finance Committee	March 21
School Budget voted at Annual Town Meeting	April 23 or 26

Table of Contents

<u>Section</u>	<u>Page</u>
1.0 District Mission, Vision, and Goals	1
1.1 Mission Statement	1
1.2 Vision Statement	1
1.3 District Goals and <i>Reading Public Schools Strategy for Improvement of Student Outcomes</i>	3
2.0 District Data and Performance Measures	7
2.1 District Enrollment and Staffing	7
2.2 District Demographic and Student Performance Data	10
2.3 School Enrollment and Staffing	12
2.4 School Demographic and Performance Data	14
3.0 Executive Summary	18
3.1 School Committee's Budget Message	18
3.2 Budget Process Overview	20
3.3 Fiscal Year 2013 Budget Summary	21
4.0 Cost Center Budgets	25
4.1 Administration	25
4.2 Regular Day	33
4.3 Special Education	41
4.4 Other Programs	46
4.5 School Building Maintenance	55
4.6 Town Building Maintenance	59
5.0 District Revenues	62
5.1 Federal and State Grants	62
5.2 Special Revenue Funds	64
Appendix A: Tuition and Fee Schedules	66
Appendix B: School Committee Finance & Budget Policies	68
Appendix C: Superintendent's Budget Message	73
Appendix D: Superintendent's Budget Questions & Responses	75

Index of Charts, Tables and Graphs

<u>Table</u>	<u>Description</u>	<u>Page</u>
1.1	Reading Public Schools Strategy for Improvement of Student Outcomes	4
2.1	Historical and Projected Enrollment by Grade Level	7
2.2	Enrollment Trends, 2000-2015	8
2.3	Historical and Projected District Staffing Levels	9
2.4	Student Population: Reading Compared to State	10
2.5	Student Performance: Reading Compared to State	10
2.6	Percent of Students Scoring Proficient or Advanced on 2011 Math MCAS	11
2.7	Percent of Students Scoring Proficient or Advanced on 2011 ELA MCAS	11
2.8	Percent of Students Graduating	12
2.9	Percent of Students Attending 4-Year Colleges	12
2.10	Reading's Elementary School Enrollment Trends	13
2.11	Reading's Middle School Enrollment Trends	13
2.12	Reading Memorial High School Enrollment Trend	14
2.13	Teacher, Specialist, and Instructional Support Staffing	14
2.14	Student Demographic Data	15
2.15	MCAS Performance Data by School	16
2.16	MCAS Student Growth Percentiles by School	17
3.1	Fiscal Year 2013 General Fund Summary-Recommended Budget	21
3.2	Historical Spending Levels, FY2003-FY2013	22
3.3	Proportional Spending by Cost Center (FY09-FY13)	22
3.4	FY13 Budget Allocations by Cost Center	23
4.1	FY13 District Administration Budget	28
4.2	District Administration Staffing	28
4.3	Per Pupil Expenditure on District Administration by Community	29
4.4	Per Pupil Expenditure-Business and Finance by Community	31
4.5	FY2013 Regular Day Budget	36
4.6	Professional Development Expenditure per Teacher-Comparison	41
4.7	Special Education Enrollment Data with Comparative Communities	42
4.8	Reading Special Education Enrollment Data	43
4.9	Number of Related Service Minutes/Month Required at Middle School	44
4.10	Number of Initial Evaluations and 3 Year Evaluations Conducted in District	44
4.11	FY13 Special Education Budget Summary	46
4.12	Staffing Levels for Other Program Areas	47
4.13	FY13 Health Services Budget	48
4.14	RMHS Participation Level by Sport	49
4.15	FY13 Athletics Budget	51
4.16	FY13 Extracurricular Activities Budget	53
4.17	FY13 Networking and Technology Maintenance Budget	54
4.18	Students per Modern Computer, Comparison with Communities	55
4.19	FY13 School Building Maintenance Budget	57
4.20	School Building Maintenance Staffing	58
4.21	Natural Gas Consumption per Square Foot-Schools	58
4.22	Electricity Consumption per Square Foot-Schools	59
4.23	Water Consumption per Square Foot-Schools	59
4.24	Town Building Maintenance Budget	60
4.25	Natural Gas Consumption per Square Foot-Town Buildings	61
4.26	Electricity Consumption per Square Foot-Town Buildings	62
4.27	Water Consumption per Square Foot-Town Buildings	62
5.1	Grant Fund: Historical Expenditures, Current Year Awards	63
5.2	Current and Projected Grant Funded Positions	64
5.3	Revolving Fund Status as of June 30, 2011	65
5.4	Use of Offsets and Revenue Projections for FY2013	66
A1	Program Tuitions and User Fees	67
A2	Facility Rentals Fee Schedule 2012-13	68

1.0 District Mission, Vision, and Goals

1.1 Mission Statement

The Reading Public Schools strives to ensure that all students will have common, challenging, meaningful, learning experiences in the academics, health and wellness, the arts, community service, co-curricular activities, and athletics. We will lead and manage our school community to reflect the values and culture of the Reading Community, and guide and support our students to develop the appropriate skills, strategies, creativity, and knowledge necessary to be productive, informed, independent citizens in a global society.

1.2 Vision Statement

It is the vision of the Reading Public Schools to continue fulfilling the promise of our mission and, in so doing, to be a model of educational excellence in preparing students for the 21st century. Thus, as we go on with our journey of continual improvement and look forward to the coming years, this is the school district that we envision for our children and that we shall faithfully endeavor to give to them . . .

Curriculum, Instruction, Technology, and Assessment...

Our district shall have a pre-K through 12 curriculum that is aligned, well-articulated, and based upon the essential standards and skills that our students need to be productive, informed, independent, contributing citizens in a democratic society. This research-based curriculum will be challenging for all students and focus on depth of learning, rather than breadth of coverage. Each grade level will have specific, age-appropriate, 21st century skills integrated into the curriculum, which will include: *creativity and innovation skills, critical thinking and problem solving skills, communication and collaboration skills, information literacy, media literacy, and technological literacy*. In addition, our curriculum will use real-world problems to afford students the opportunity to develop essential life and career skills, such as *flexibility and adaptability, initiative, self-direction, productivity and accountability, cross-cultural skills, social skills, life-long learning, leadership and responsibility, and personal wellness*. Students will have opportunities to engage in activities aimed at fostering a life-long love of reading and literature. Civics and global awareness will also be interwoven throughout our schools' curriculum, allowing students to develop an understanding of their own roles as members of local, state, national, and global societies.

Instruction in all classes will be tailored to the diverse needs of students and focus on high levels of student engagement in the learning process. Teachers will use a variety of research-based instructional methods such as flexible grouping, hands-on inquiry-based learning, and differentiated instruction to make each lesson both engaging and challenging. In addition, technology will be thoroughly integrated as a tool for teaching and learning, allowing students to access and assess an ever-expanding volume of knowledge and giving them the opportunities to expand their boundaries of learning beyond the walls of the classroom. In this way, students at every grade level will be acquiring the technology skills necessary for the 21st century, and they will be given opportunities to connect, collaborate, and network with others. For instance, students and teachers will use blogs, podcasts, wikis, video production, and future applications to create assignments that are connected to meaningful, real-world issues. All schools will be completely wireless, and all students (beginning in grade 6) will use personal technology devices, electronic portfolios, and district email addresses. Students will use technology as a tool for critical learning, communication, and collaboration—both inside and outside the classroom. Staff will use technology for instruction, communication, grading, and collaboration; and our school leaders and administrative staff will utilize technology to manage the financial, human resource, and facilities departments.

Data from both formal and informal assessments shall drive the instructional practices in our district. To gauge what students truly know, can do, and understand, a comprehensive system of student assessment will be used to afford students the opportunity to demonstrate what they have learned through such means as formative and summative assessments, online assessments, project-based assignments, and culminating exhibitions. Technology will also be used to track student progress and the district and schools will use standards-based evaluations, such as the New England Association of Schools and Colleges accreditation process and the Blue Ribbon Schools of Excellence Blueprint for Success to ensure continual reflection and improvement toward the highest standards of teaching, learning, and leadership.

Leadership, Personnel, and Learning Environment...

District and school leaders shall be student-centered, collaborative, and steadfastly committed to the mission and vision of the Reading Public Schools. The School Committee, together with district and school leaders, shall provide the necessary resources and support to accomplish our vision. District finances will be sufficient to properly fund school and district improvement efforts consistent with the vision. District and school leaders shall manage the district in a fiscally-responsible manner, keeping the community continually informed of financial needs. In addition, the district will continue to identify and secure alternative sources of funding to augment local financing. With this culture of teamwork to accomplish goals, we will demonstrate our commitment to shared leadership and collaboration with all members of our school community.

The faculty and staff will be diverse and team-oriented, and will work collaboratively to promote the mission, vision, and goals of the Reading Public Schools. All personnel will be highly-skilled, student-centered, motivated, lifelong learners. We shall have a comprehensive human resource management system which emphasizes thoughtful hiring practices and encourages diversity, support for new teachers, meaningful professional development, and an evaluation process which fosters continuous professional growth. As a result, a culture will exist where all school district personnel have the opportunity to feel supported, valued, and report high levels of job satisfaction.

In our district, it shall also be of paramount importance that all members of our learning community feel safe and free from bullying, harassment and discrimination. Diversity shall be embraced and mutual caring, respect, and empathy will be present throughout the community. Each student's educational experience will be personalized by members of the school who will know the student well, who will understand the student's abilities and challenges, and who will assist the student in achieving both personal growth and academic success. Before-school programs, after-school programs, community education, online courses, and summer enrichment academies will provide for our students engaging opportunities to expand their learning. It will be clearly understood and valued by all that learning occurs beyond the walls of the classroom.

The district's school buildings shall always be well maintained, clean, comfortable, and safe environments for learning. In addition, the buildings will be energy efficient. Each individual's commitment to energy and resource conservation will be strikingly evident. Our school buildings will be equipped to provide a 21st century learning environment for our students, and they will also be well-utilized centers of community activities.

Families and Community...

Education will truly be the shared responsibility of both the schools and the community, with families playing active roles in the schools and being full partners in ensuring the success of their children. Respectful communication between the home and school will be welcomed, encouraged, and expected. Together, we shall all share the importance of holding students to

high standards and expectations for both their academic achievement and their social and emotional development.

In the interest of the entire Reading community, the school district and town government shall work cooperatively and collaboratively. To stay current in financial and educational policy issues, the school district will also maintain open lines of communication with both elected officials and educational leaders at the local, state, and national levels. In addition, the school district will maintain active partnerships with businesses, universities, and civic organizations.

As educators and members of our community, we believe that implementing this vision is our ethical responsibility to the children of the Town of Reading. And in so doing, we shall truly be fulfilling the promise of our mission.

1.3 District Goals

Over the last 18 months, the Superintendent of Schools has collected feedback from over 1,000 community members, parents, teachers and students about the quality of the Reading Public Schools. As part of that feedback, questions were asked regarding what areas in the Reading Public Schools were effective and what areas needed to be strengthened. As a result of this feedback, the Superintendent, along with members of the administrative council, developed the *Reading Public Schools Strategy for Improvement of Student Outcomes*. This strategy, located below, is the blueprint for the district improvement plan for the next three years and focuses on four key strategic objectives on how to continue to improve our school district. These areas are as follows:

- I. **Learning and Teaching**
 - Deepen and refine our focus on the instructional core to meet the academic, social, and emotional needs of each child.
- II. **Performance Management**
 - Build a system that measures school performance and differentiates support based on need and growth.
- III. **Investment and Development**
 - Realign our resources to compete for, support, and retain top talent while creating leadership opportunities and building capacity within our staff.
- IV. **Resource Allocation**
 - Realign human and financial resources to address the strategic objectives.

These strategic objectives and the initiatives that connect to each objective have become the compass for our district and drive the decisions that you will see in the FY13 budget. These are also the areas that are used for the development of each individual school improvement plan. Each school improvement plan contains SMART goals which will help move that school forward in areas that align with the above strategic objectives. SMART goals are defined as either student learning or professional practice goals that are specific, measurable, attainable, realistic, and timely.

As part of the Department of Elementary and Secondary Education new Educator Evaluation System, each licensed educator in the district, including teacher, principal, and the Superintendent, developed at least two SMART goals for the 2011-12 school year. The success of the actions implemented to accomplish the various goals could be objectively measured using relevant data available to the district and the schools. These goals are aligned with the strategic objectives outlined above and each school's improvement plan.

Table 1.1-Reading Public Schools Strategy for Improvement of Student Outcomes

<i>Theory of Action</i>			
<p>If the Reading Public School District supports high quality teaching through the alignment of the academic, social, and emotional needs of our students, the hiring and support of effective staff, a measurement of school performance and differentiated support, and a realignment of human and financial resources, then students will make effective progress and be appropriately challenged, graduating from high school ready for college, career, and life as contributing citizens in a global society.</p>			
<i>Strategic Objectives</i>			
<p>Learning and Teaching <i>Deepen and refine our focus on the instructional core to meet the academic, social, and emotional needs of each child.</i></p>	<p>Performance Management <i>Build a system that measures school performance and differentiates support based on need and growth.</i></p>	<p>Investment and Development <i>Realign our resources to compete for, support, and retain top talent while creating leadership opportunities and building capacity within our staff.</i></p>	<p>Resource Allocation <i>Realign human and financial resources to address strategic objectives</i></p>
<i>Strategic Initiatives: 2011/12 and 2012/13 School Years</i>			
<p>Develop and implement a plan to address the social and emotional needs of all students</p>	<p>Update current mission and vision to reflect addressing the needs of the whole child and the behavioral health of our students</p>	<p>Provide opportunities and incentives for staff to improve their teaching and leadership skills (i.e. NISL, NBCT, ELL, Tech Prof)</p>	<p>Connect expenses with projected student outcomes outlined in the school and district improvement plans</p>
<p>Pilot the use of 1 on 1 learning devices and Bring Your Own Device (BYOD) in the classroom</p>	<p>Pilot, then implement Elementary Standards-Based Report Card</p>	<p>Develop and implement a recognition program for all staff</p>	<p>Examine all programs on a regular basis to determine how they align with goals and restructure, if necessary, with a goal of maintaining adequate class sizes in the school district</p>
<p>Implement high school best practices which include a redesigned freshman year, senior projects, project-based learning, a redefined schedule, and implementation of MASS Core graduation requirements</p>	<p>Develop and make use of a set of School Committee Norms for Self-Assessment for Leadership and School Improvement</p>	<p>Develop highly functioning leadership teams throughout the district</p>	<p>Work with the Reading Education Foundation to maximize resources so that they become the Research and Development arm of the Reading Public Schools</p>

Strategic Initiatives: 2011/12 and 2012/13 School Years (continued)

Learning and Teaching	Performance Management	Investment and Development	Resource Allocation
Update curriculum maps to include common core, technology, and skills	Develop and implement a long range plan to address the integration, maintenance, support, replenishment and progression of instructional technology	Review and update Teacher Assessment Process and Administrative Evaluation Process in relation to new state guidelines	Develop and implement a 3 to 5 year financial improvement plan
Differentiate instruction for all students which includes the implementation of Universal Design Strategies	Develop and implement a set of K-12 guidelines for Edline implementation	Provide professional development in Universal Design Strategies	Develop and implement a long range plan to address classroom and program space issues, including making Killam ADA accessible
Review current middle school district lines to minimize or avoid split school assignments and special education program transition issues	Review and implement school lunch nutrition guidelines	Implement new substitute teacher system	
Develop and implement a long range plan for expanding pre-school and full day kindergarten	Review and improve the METCO program including placement, transportation, academic support, and host family support	Review and revise employee personnel policies and handbook	
		Strengthen our entire human resource system including hiring, induction, evaluation, support, and professional development for all staff	

Strategic Initiatives: 2012/13 and 2013/14 School Years

Redesign the elementary school week	Implement a data-driven performance assessment process using SMART Goals, school and district data teams, and graduate data	Identify additional learning and planning time for teachers and students	
Enhance, implement and develop summer and after school programming			
Continue to redefine special education programs and student support services			

Revise grades 6-8 science curriculum			
Continue to grow and improve the K-12 Fine and Performing Arts Program			
Implement Common Core of Learning PreK-12			

2.0 District Data and Performance Measures

2.1 District Enrollment and Staffing

Total student enrollment in Reading Public Schools has increased by 1.2% since the 2009-10 school year, the first year of the economic downturn which has resulted in relatively stagnant school budgets. However, there has been significant growth in some grades, most notably at the middle school level. During the 2010-11 school year, the sixth grade class increased by 9.6% and is the largest class to enter middle school in forty years.

Enrollment overall is expected to grow moderately over the next several years due in part to the availability of additional housing in the community as well as demographic trends that are likely to increase the availability of housing for families with school age children. For the 2012-13 academic year, we anticipate an additional 53 students to be enrolled in Reading Public Schools with those increases coming from the middle school and high school populations.

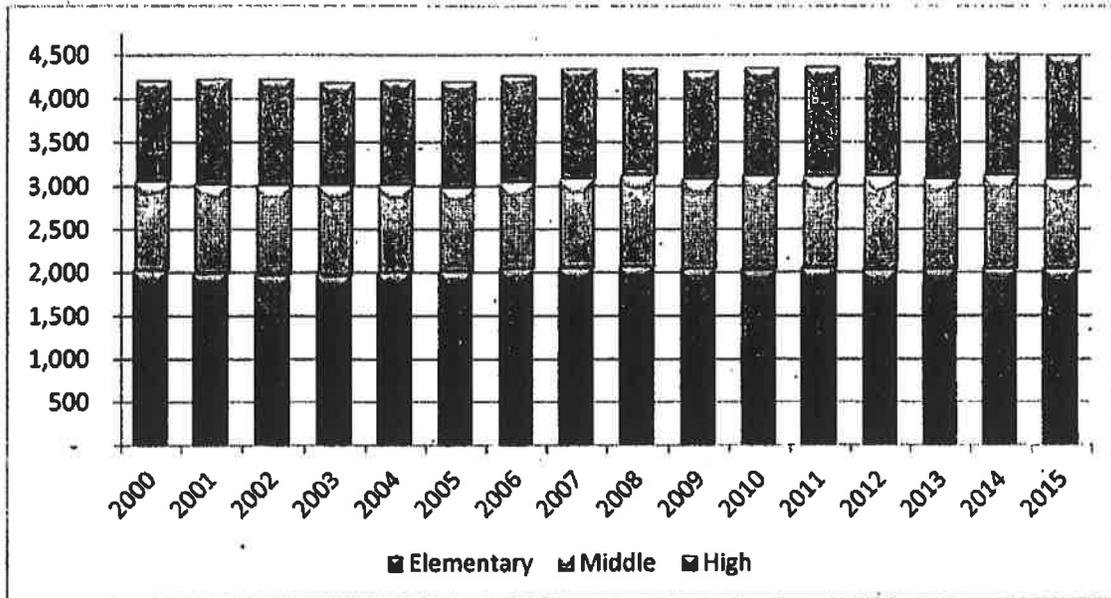
The most significant future challenge will be the growth in high school enrollment over the next two years as the incoming classes are much larger than the outgoing classes during that time. This is likely to result in an increased need for course sections and therefore staffing in order to maintain appropriate class sizes. Additionally, the higher enrollment is also likely to result in the need for additional instructional equipment (such as classroom furniture) and instructional materials.

Table 2.1-Historical and Projected Enrollment by Grade Level

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Kindergarten	342	308	321	300	337	282	325	324	324	280	348	319	330	322	333	325
Grade 1	304	368	336	362	331	369	316	345	343	345	308	362	339	351	342	354
Grade 2	307	307	354	344	341	328	375	318	358	349	351	315	362	339	351	342
Grade 3	356	306	310	350	345	343	328	388	318	363	349	356	315	362	339	351
Grade 4	359	353	308	312	349	346	353	335	393	318	369	347	356	315	362	339
Grade 5	369	353	357	309	307	351	353	349	342	390	316	366	347	356	315	362
Elementary Total	2,037	1,995	1,986	1,977	2,010	2,019	2,050	2,059	2,078	2,045	2,041	2,065	2,049	2,045	2,042	2,073
Percent Change		-2.1%	-0.5%	-0.5%	1.7%	0.4%	1.5%	0.4%	0.9%	-1.6%	-0.2%	1.2%	-0.8%	-0.2%	-0.1%	1.5%
Grade 6	331	368	344	348	315	312	355	348	343	353	387	311	366	347	356	315
Grade 7	339	328	362	336	350	313	320	364	347	341	353	390	311	366	347	356
Grade 8	357	337	320	360	340	344	317	321	362	344	343	349	390	311	366	347
Middle Total	1,027	1,033	1,026	1,044	1,005	969	992	1,033	1,052	1,038	1,083	1,050	1,067	1,024	1,069	1,018
Percent Change		0.6%	-0.7%	1.8%	-3.7%	-3.6%	2.4%	4.1%	1.8%	-1.3%	4.3%	-3.0%	1.6%	-4.0%	4.4%	-4.8%
Grade 9	309	328	303	277	327	315	315	305	292	334	324	312	349	390	311	366
Grade 10	321	305	325	298	272	327	314	319	304	298	327	327	312	349	390	311
Grade 11	272	303	292	328	308	281	331	323	319	298	301	326	327	312	349	390
Grade 12	246	273	302	273	304	299	263	312	307	312	294	297	326	327	312	349
High Total	1,148	1,209	1,222	1,176	1,211	1,222	1,223	1,259	1,222	1,242	1,246	1,262	1,314	1,378	1,362	1,416
Percent Change		5.3%	1.1%	-3.8%	3.0%	0.9%	0.1%	2.9%	-2.9%	1.6%	0.3%	1.3%	4.1%	4.9%	-1.2%	4.0%
District Total	4,212	4,237	4,234	4,197	4,226	4,210	4,265	4,351	4,352	4,325	4,370	4,377	4,430	4,447	4,473	4,507
Percent Change		0.6%	-0.1%	-0.9%	0.7%	-0.4%	1.3%	2.0%	0.0%	-0.6%	1.0%	0.2%	1.2%	0.4%	0.6%	0.8%

The chart below depicts the long term trends in enrollment growth and shows the anticipated shift from middle school to high school:

Table 2.2-Enrollment Trends, 2000 – 2015



While enrollment has increased over the last several years, staffing levels remain significantly below the level of staffing that the district employed during the 2008-09 school year prior to the reductions required by stagnant budgets. During the last school year, we employed the fewest number of staff in the district since 2003-04 school year. On a per pupil basis, staffing has been at a less favorable ratio than in over a decade for both last year and the current school year with 8.5 pupils per school staff member. Even with the proposed addition of 13.6 FTE staff to the Fiscal Year 2013 budget, the enrollment staffing on a per pupil basis will be just slightly less at 8.3 pupil per school staff member. This is due to the increase in student enrollment.

With staffing levels remaining stagnant while enrollment has grown, the result has been an increase in class size throughout the district. The average class size in the early elementary grades is 21 students while the upper elementary grades are averaging 22 students per class. The middle school has seen the most significant increases with class sizes at the seventh grade in both schools at 27 and 28 students per class. In addition, the high school has many course sections with 30 or more students in the classroom.

With the approval of the Reading School Committee, the school administration continues to take proactive steps to minimize increases and balance class sizes at the elementary school through new school assignment guidelines developed in 2010. These guidelines provide the Superintendent more flexibility to assign students who are new to Reading Public Schools to a school outside of their assigned district as long as the school is within two miles of the child's home. These measures have helped to balance class sizes at the elementary level across the district.

Table 2.3-Historical and Projected District Staffing Levels

Category	2008-09	2009-10	2010-11	2011-12	2012-13	+ / (-)
District Leadership						
Administrators	3.33	4.33	4.33	4.33	4.33	-
Administrative Support Staff	5.50	4.50	4.50	5.00	5.00	-
Districtwide Academic Leadership						
Pupil Services Administrators	2.00	3.00	3.00	4.20	4.20	-
Administrative Support Staff	4.00	3.00	3.00	2.00	2.00	-
School Building Leadership						
Principals & Assistant Principals	12.00	12.00	12.00	12.00	12.00	-
Academic Department Heads	2.70	2.70	2.70	2.70	2.70	-
Clerical Support Staff	11.50	11.50	10.00	10.00	10.00	-
Building Technology	1.70	1.70	1.70	2.20	2.20	-
Instruction						
Instructional Specialists	1.00	1.00	1.00	0.00	0.00	-
Teachers & Specialists, Regular Education	251.70	246.70	244.70	245.70	249.30	3.60
Classroom Teachers, Special Education	11.60	13.20	13.20	13.20	13.60	0.40
Specialists, Regular Education	7.50	7.50	7.50	8.00	8.00	-
Specialists, Special Education	25.20	25.20	25.20	26.70	26.70	-
Medical & Therapeutic Services	14.00	15.40	15.40	16.90	17.50	0.60
Library/Media Specialists	7.90	7.90	7.90	7.90	7.90	-
ELL Instructors	1.60	1.60	1.60	1.00	1.00	-
Paraeducators, Regular Education	34.90	26.20	24.50	24.50	27.50	3.00
Paraeducators, Special Education	80.00	73.00	72.30	74.00	76.00	2.00
Guidance, Counseling and Testing						
Guidance Department Head	0.40	0.40	0.40	0.40	0.40	-
Guidance Counselors	4.60	4.60	4.60	4.60	4.60	-
Clerical Support	1.00	1.00	1.00	1.00	1.00	-
Psychological Services	10.60	10.50	10.50	11.50	14.00	2.50
School Health Services						
Nursing Director	1.00	1.00	1.00	1.00	1.00	-
School Nurses	8.00	8.00	8.00	8.00	8.00	-
Clerical Support	0.50	0.50	0.50	0.50	0.50	-
Athletics						
Director	0.70	0.70	0.70	0.70	0.70	-
Clerical Support	0.50	0.50	0.50	0.50	0.50	-
Extracurricular Activities						
Coordinator	0.30	0.30	0.30	0.30	0.30	-
School Building Maintenance						
Directors & Managers	3.00	2.00	2.00	2.00	2.00	-
Maintenance Staff	3.00	3.00	3.00	3.00	3.00	-
Custodians	20.00	20.00	19.00	18.50	18.50	-
Clerical Support	1.00	1.00	1.00	1.00	1.00	-
Networking & Telecommunications	0.67	0.67	0.67	0.67	0.67	-
Technology Maintenance	3.5	3.5	3.5	3.5	5	1.50
District Total	536.90	518.10	511.20	517.50	531.10	13.60

2.2 District Demographic and Student Performance Data

Reading Public Schools prides itself on a long history of educational excellence not just in the core academic subjects but also in the performing arts, athletics, and extracurricular enrichment activities. Student achievement, as measured by several indicators, is high relative to the state and other comparable districts in the Commonwealth. The data below depicts our student population and achievement trends and shows how our students compare to the state as well as to similar districts in the Massachusetts.

Table 2.4-Student Population: Reading Compared to State

School Year	% of School-Aged Children Enrolled		% Receiving Special Education Services		% Low Income		% ELL		% Minority		% Kindergarten Students in Full-Day K	
	Reading	State	Reading	State	Reading	State	Reading	State	Reading	State	Reading	State
2005-06	93	90	16.0	16.4	2.5	28.2	2.3	19.6	7.8	27.6	33	61
2006-07	93	91	16.1	16.7	3.0	28.9	2.0	20.5	7.9	28.5	33	66
2007-08	94	90	16.8	16.9	3.6	29.5	2.3	20.9	7.9	29.2	38	70
2008-09	94	91	17.2	17.1	3.9	30.7	2.1	21.3	8.2	30.1	37	75
2009-10	94	91	17.0	17.0	4.6	32.9	2.3	21.8	8.3	30.9	44	78
2010-11	N/A	N/A	16.3	17.0	5.2	34.2	1.7	23.4	8.2	31.8	42	80

Reading currently enrolls 94% of its school-aged children in its public schools which is above the state average of 91%. Only 6% of children in Reading are enrolled in non-public schools. With respect to the number of children receiving special education services, our district percentage is slightly below the state average, a trend that began with the 2008-09 school year. Reading has a much lower percentage of low income, English language learners, and minority students than the state average. Our numbers for each of these demographics are among the lowest statewide. Reading enrolls far fewer of its kindergarten students in full day kindergarten than the state average. This is likely due to the fact that Reading's full day kindergarten is a fee-based program. It is a long term goal of the Reading Public Schools to provide free full day kindergarten as future financial resources and space permit.

Table 2.5-Student Performance: Reading Compared to State

Year	% Proficient or above in Math MCAS (all grades)		% Proficient or above in ELA MCAS (all grades)		% Graduating		Dropout Rate		Attendance (% of students absent fewer than 10 days)		% of Students Enrolled in 1 or more AP courses	
	Reading	State	Reading	State	Reading	State	Reading	State	Reading	State	Reading	State
2005-06	69	47	82	63			0.7	3.8	81	66	10	17
2006-07	74	53	84	66	95.5	79.9	0.4	3.3	80	67	7	18
2007-08	72	55	80	65	89.6	80.9	3.0	3.8	79	67	16	19
2008-09	76	56	81	67	94.2	81.2	0.4	3.4	79	68	17	20
2009-10	75	58	83	68	93.7	81.5	0.9	2.9	78	67	21	23
2010-11	76	58	83	69	94.5	82.1	0.5	2.9	77	66	23	23

As the data above indicate, performance by Reading students exceeds statewide averages for all of the major indicators of student achievement. The percentage of students scoring proficient or above on the MCAS assessment is higher than the state average. Graduation rates and attendance rates are 20% and 17% above the state average, and the dropout rate is less than a quarter of what it is statewide. While our

attendance rates are better than the state average, the downward trend is of concern and appears to be a further indicator of the need for the additional counseling and behavioral supports that are being requested in the FY2013 budget.

More of our juniors and seniors are enrolled in AP courses than the state average – a position that just changed for the first time last year. Reading students also outperform many of the districts who are comparable to Reading as measured by student demographic profiles and community wealth. As the charts below indicate, Reading is among the top three or four districts in most indicators of student success as compared to similar districts in Massachusetts.

Table 2.6-Percent of Students Scoring Proficient or Advanced on 2011 Mathematics MCAS (all grades)

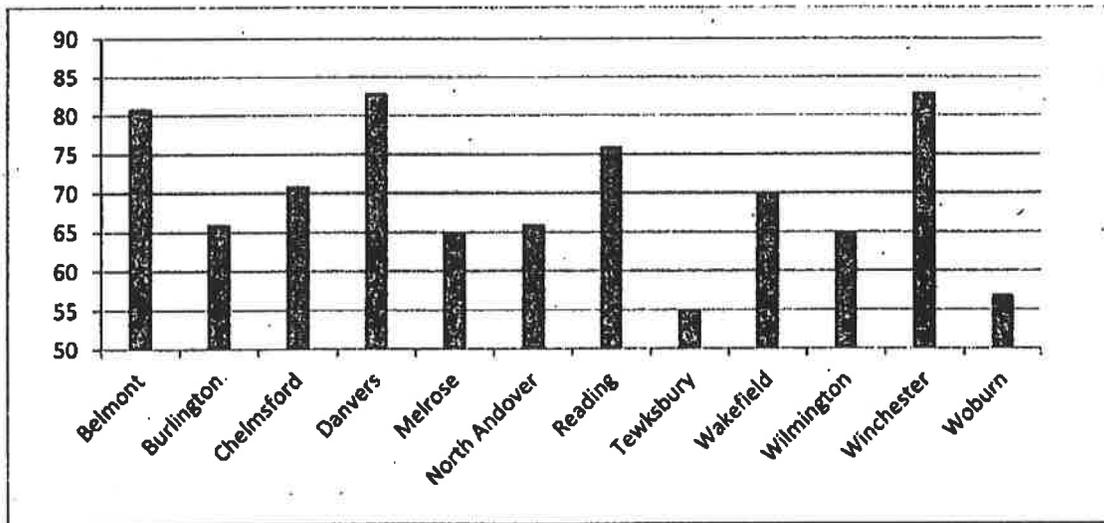


Table 2.7-Percent of Students Scoring Proficient or Advanced in 2011 ELA MCAS (all grades)

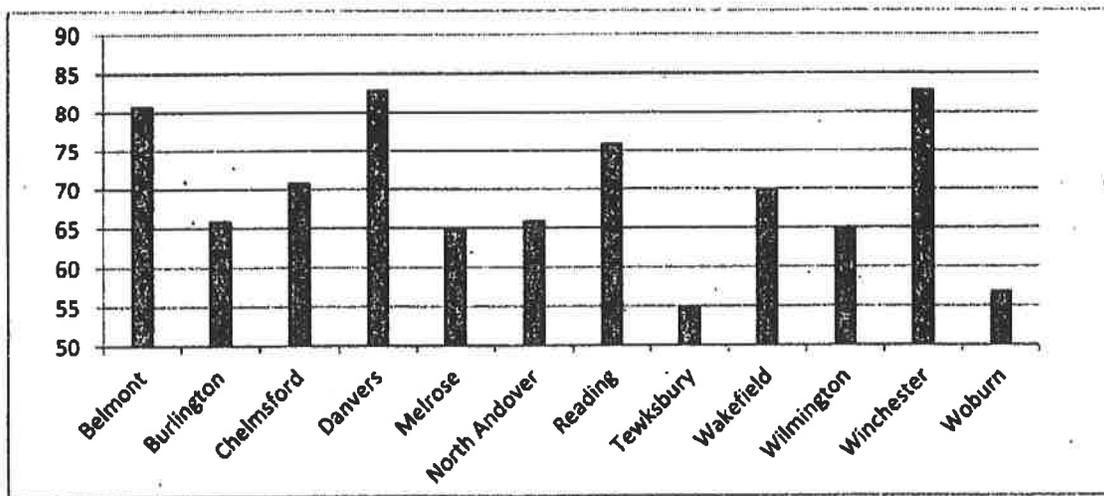


Table 2.8-Percent of Students Graduating

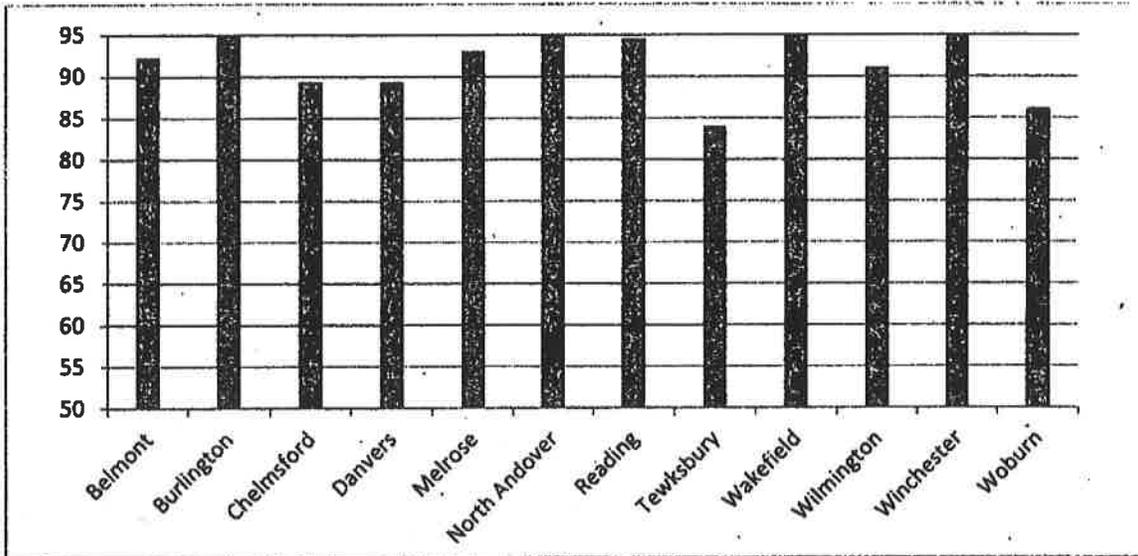
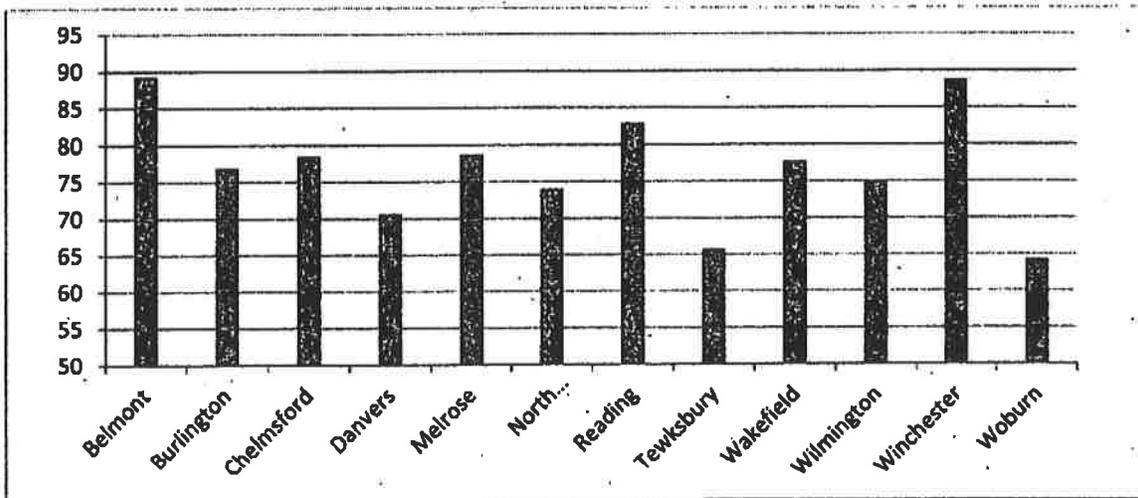


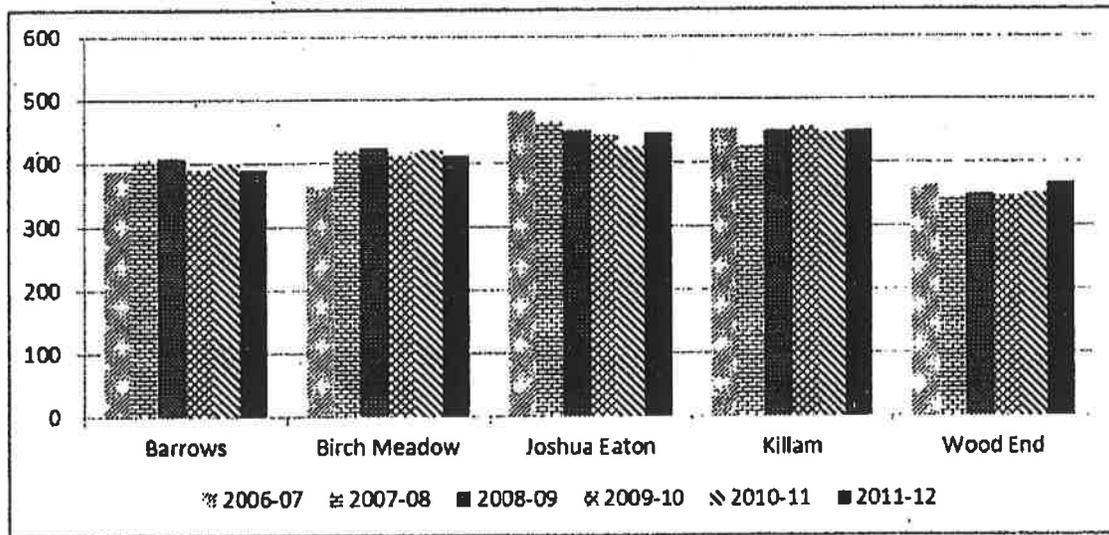
Table 2.9-Percent of Students Attending 4-Year Colleges



2.3 School Enrollment and Staffing

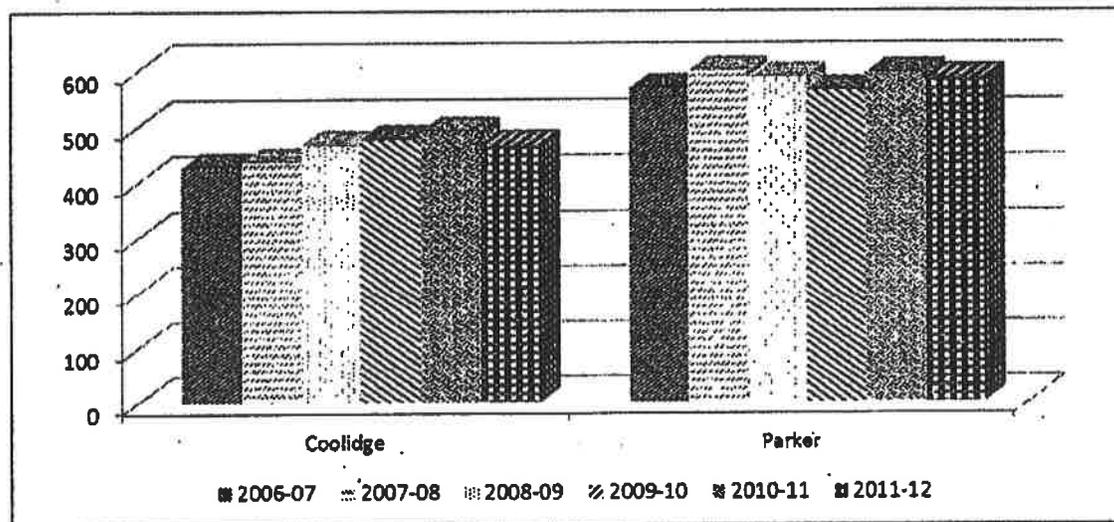
At the elementary level, the redistricting plan of six years ago has resulted in more balanced enrollment across all five elementary schools. There is a minimal variation in grade level enrollment across the five elementary schools and that variation is generally between 5-10 students. Any exceptions are due to isolated pockets of high enrollment at a particular school. With the School Committee's support of spot redistricting for students entering elementary schools, grade level enrollments should continue to be more balanced across the schools.

Table 2.10-Reading's Elementary School Enrollment Trends



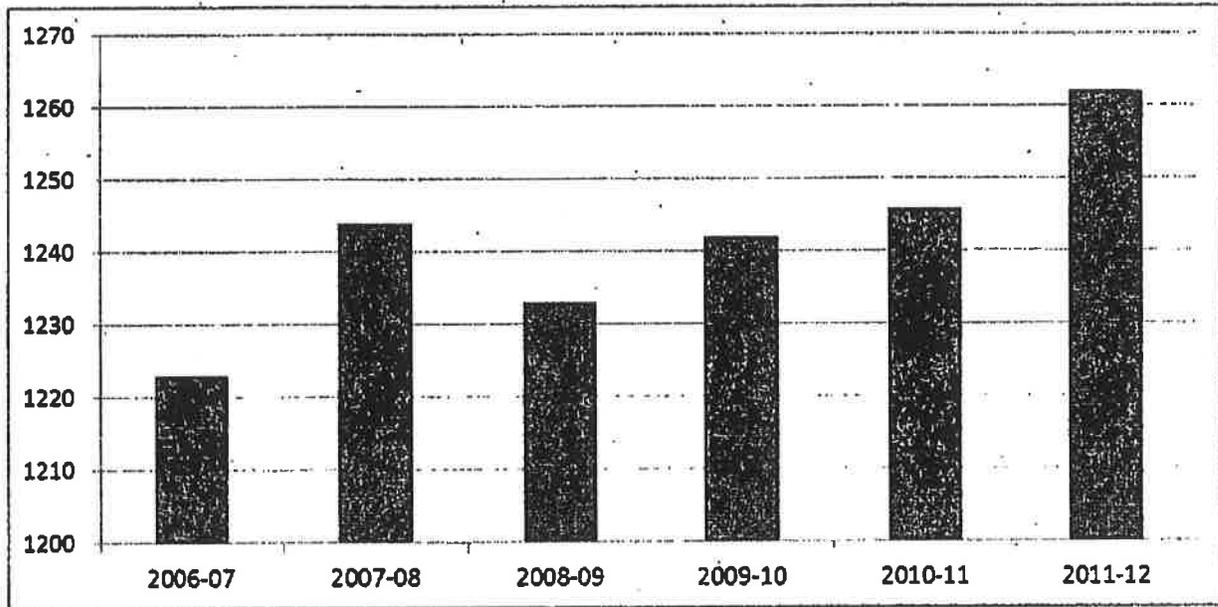
Middle school enrollment continues to fluctuate with an overall trend toward higher numbers. There is a continued effort to balance class sizes between the middle schools. Parker Middle School enrollment is over 118 students higher than the Coolidge Middle School enrollment. One area that will be reviewed in the future is the current middle school district alignment where two elementary schools (Birch Meadow and Killam) are split schools for enrollment.

Table 2.11-Reading's Middle School Enrollment Trends



The enrollment at Reading Memorial High School has also been increasing steadily over the last several years. Given the increased enrollments at the middle schools, this trend is expected to continue over the next few years. Currently, over 87% of grade 8 students continue on to attend Reading Memorial High School.

Table 2.12-Reading Memorial High School Enrollment Trend



The enrollment of the RISE preschool program is 100 students and continues to grow. This current school year, a RISE classroom was added to Wood End to accommodate growing enrollment needs.

The table below shows instructional, therapeutic, and support staffing in each of our schools. As the data indicate, the ratio of students to instructional and support staff in our schools ranges from a low of 5.9 to a high of 12.3. Those schools with a lower student to staff ratio are those that have a higher number of special education students and programs in the school. As you can see, in those schools, the number of special education teachers and paraeducators is higher as a percentage of total staffing. The average across the district is 9.8 students per instructional and support staff.

Table 2.13-Teacher, Specialist and Instructional Support Staffing

Staffing Category	Barrows	Birch Meadow	Joshua Eaton	Killam	Wood End	Coolidge	Parker	RMHS	RISE
Regular Ed Teachers & Specialists	20.3	22.5	24	25.7	23.3	31.7	40.5	74	0
Special Ed Teachers & Specialists	9.1	4	3	5	4	9	8.5	11	6.1
Therapeutic Service Providers	2.1	1.4	1.2	1.5	1.7	1	1	1	3.8
Psychologists & Guidance Counselors	1	1	1	1	1	3	2	6.1	0
Classroom Tutors	1.4	2.1	2	1.9	2.1	1	0	0	0
Regular Ed Paraprofessionals	2.8	3.1	3.5	3.3	2.7	1	1	1	0
Special Ed Paraprofessionals	11.4	3.9	3	4.6	8	9	8.1	9.8	7.1
Total Professional & Support Staff	48.1	37.95	37.7	43	42.8	55.7	61.1	102.9	17
School Enrollment	389	412	446	451	367	466	584	1262	100
Student to Staff Ratio	8.1	10.9	11.8	10.5	8.6	8.4	9.6	12.3	5.9

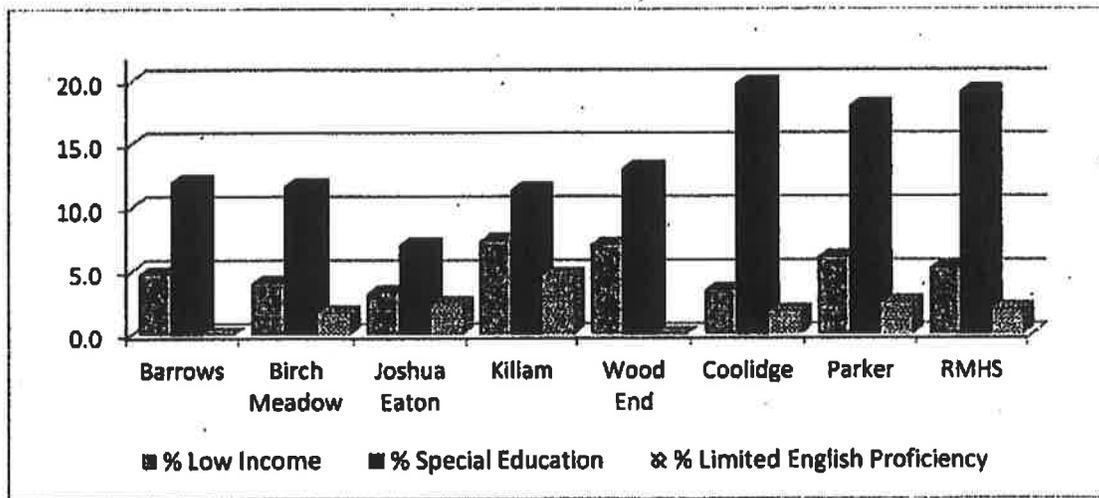
2.4 School Demographic and Performance Data

The chart below compares the distribution of three categories of student demographic data, namely, the percentage of children designated as low income, limited English proficiency, and receiving special education services. As the data indicates, the percentage of children who have limited English

proficiency is very low across all schools. The Killam Elementary School has the highest percentage at 4.7%. The data also indicates that the percentage of low income students is well below 5% at most of our schools. Currently, the Killam Elementary School is the only school in the district that receives Title I funding that is specifically designated for schools with higher poverty rates.

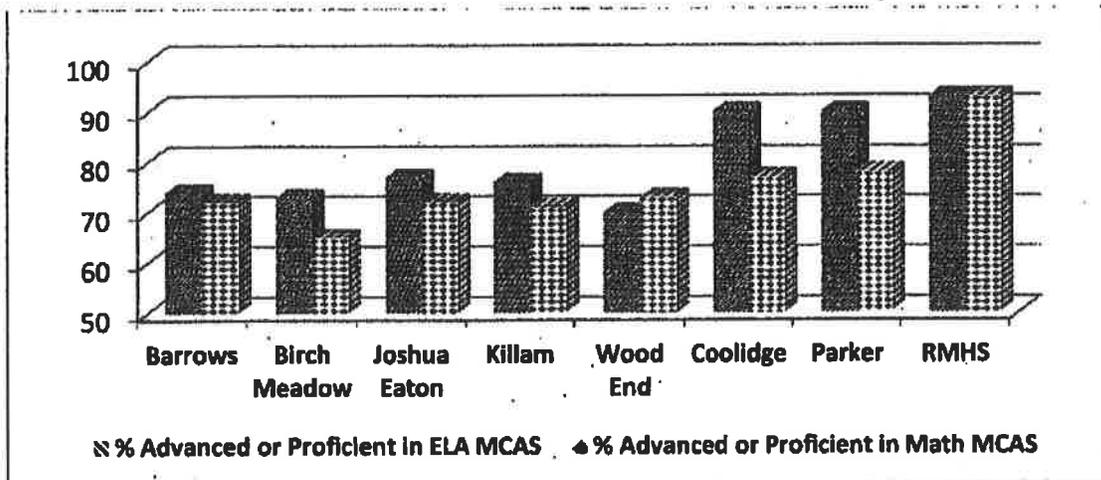
Special education percentages are higher at the middle and high schools as a result of the combined populations that are entering from earlier grade levels. With respect to the elementary schools, one can see that the Wood End Elementary School and the Barrows Elementary School have the highest percentage of students receiving special education services with Joshua Eaton having the lowest percentage.

Table 2.14-Student Demographic Data



As was discussed above, Reading Public Schools have always compared favorably to the state and comparable districts with respect to the performance on the state MCAS assessment. As expected, there is variation among the schools in our district. The high school has consistently maintained very high rates of achievement as measured by MCAS performance. Last year, 93% of students at RMHS scored Advanced or Proficient on the Mathematics and 94% for ELA MCAS. In addition, 96% at the middle schools scored Advanced or Proficient on the ELA MCAS. With respect to the Mathematics MCAS, 89% of students scored at the Advanced or Proficient level. The elementary school results show that on the ELA MCAS, 90% of students scored Advanced or Proficient. With respect to the Mathematics MCAS, 89% of students scored Advanced or Proficient.

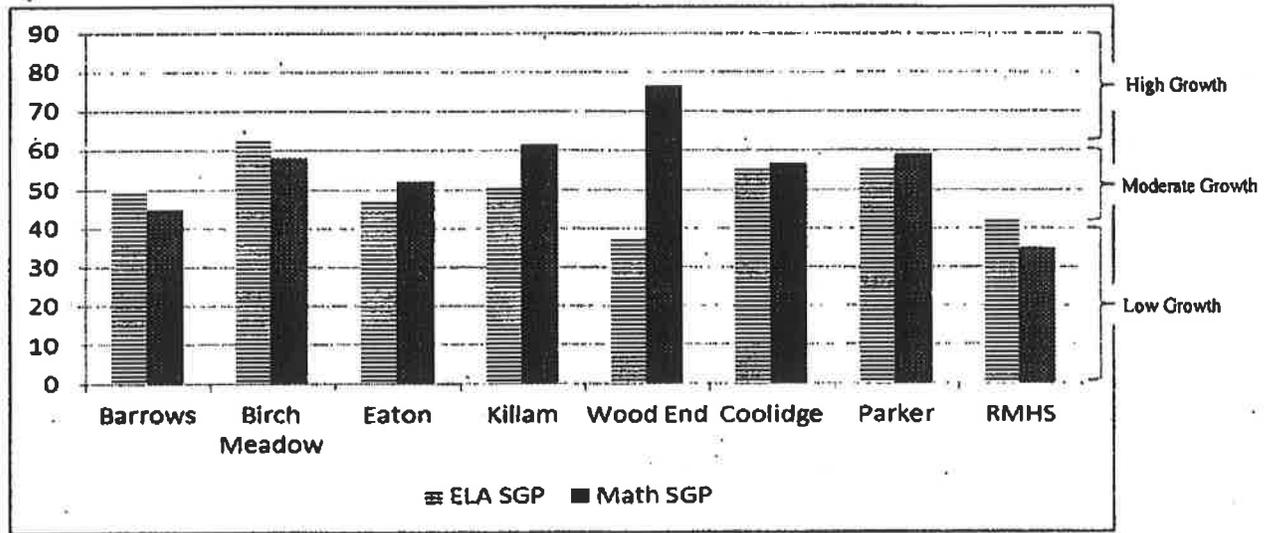
Table 2.15-MCAS Performance Data: Percent of Students in Advanced or Proficient



Reading Public Schools has several schools that did not achieve AYP (Adequate Yearly Progress) in Mathematics, English Language Arts, or both in a specific subgroup of students as well as in the aggregate of all students in the school. These schools will review the data on specific students as well as complete an item analysis to support students with areas of lower achievement. It should be noted that in 2011 over 81% of schools and 90% of districts in the state did not achieve AYP due to the increase in student proficiency level targets as defined by the No Child Left Behind legislation. The Massachusetts Department of Elementary and Secondary Education (DESE) has submitted a request for a waiver for flexibility from the NCLB regulations that will allow the state and the DESE the ability to take a more comprehensive approach to monitoring student learning and supporting all schools and districts with improvement strategies, instructional practices, and professional development.

The DESE also releases another measurement of student progress known as the Student Growth Percentile (SGP). This indicator tracks individual student growth from year to year MCAS results through a comparison of all other students in Massachusetts with the same score. These scores are reported by individual students, classes, grade level, and schools. Our district uses this information as another measure of student progress as well as a way to share best practices between teachers and schools. The charts below show the Student Growth Profile for each school in both ELA and Mathematics. Growth scores in the 1-39 range indicate low growth, scores in the 40-60 range indicate moderate growth, and scores in the 61-99 range indicate higher growth. These scores have provided more information on areas where we need to focus for both curriculum and professional development. Particular areas of concern are math at the middle and high school levels and ELA at the elementary level which includes writing. Students scored low on open response questions in both ELA and Math with some grades scoring below the state average.

Table 2.16-ELA and Math Student Growth Percentiles, 2010-11



3.0 Executive Summary

3.1 School Committee's Budget Message

The Reading Public Schools, with the support of the Reading School Committee, has continued its tradition and mission of preparing all students to be successful and productive members of a global society. We are committed to providing quality, meaningful educational experiences for all students. We are grateful for the working relationship the Committee and Administration shares with the other town boards including the Board of Selectman and the Finance Committee.

The previous few fiscal years had us in the midst of a global economic crisis which had a direct effect on revenues that help fund town governments and school departments across this country and the Commonwealth of Massachusetts. Although we have not seen the end of the economic crisis, the Town of Reading, due to prudent financial planning, is in the fortunate position to utilize reserves in order to balance our fiscal year 2013 budget as the School Department could no longer sustain reductions in personnel or supplies and expect to maintain a high quality school district that focuses on continuous improvement and innovation.

Additionally, as noted in the Superintendent's Recommended Budget, we are at a point where our budget needs to address several areas that have been adversely impacting our students with behavioral health being the most critical. This budget also addresses the transition of all of our curriculum areas to the Common Core of Learning which is the newly approved Massachusetts Curriculum Frameworks. And, common assessments need to be developed in all subject areas and grade levels as part of the new Massachusetts Educator Evaluation system.

The Reading School Committee remains committed to its Budget Planning Policy which states, "The first priority in the development of an annual budget will be the educational welfare of the children in our schools." In keeping with the School Committee Policies, the best interest of the students guided our deliberations.

The guidance given at the October 2011 Financial Forum was an increase of 2% over Fiscal Year 2012 Town Meeting adopted budgets. The School Committee voted budget for Fiscal Year 2013 represents a 2.9% increase over Fiscal Year 2012 or nine tenths of a percent higher than the guidance. It should be noted that this budget addresses the same priorities and amounts recommended by the Superintendent in his budget released in late December. In terms of dollars this is an additional \$1,047,980. Although this increase is above the 2%, we feel it would have been disingenuous to approve anything less due to the previously mentioned critical needs and mandates. This increase is not taken lightly and a significant amount of dialogue took place over several evenings with members of the public and Finance Committee present before our final vote on January 30, 2012.

The Reading School Committee is grateful to the School Administration for all of its efforts in what is always a challenging budget process. We appreciate the thoughtful dialogue and engaged participation of administrators, school department employees, parents, and community members. We are also grateful for the collaborative efforts and strong relationships between school and town elected and appointed officials, and management staff.

3.2 Budget Process Overview

The budget process begins in the late summer and early fall as administrators and department heads review and update their goals and priorities for their schools. These goals are translated into action plans which outline the resources necessary to accomplish those goals and objectives with the major categories of resources being time, money, and staff.

While the goals and objectives of the schools and the district drive the decisions regarding the allocation of resources, the town and the school department must first work together to project the total amount of available revenue to support the budget requests. That process begins with a series of Financial Forums where the Finance Committee, the Board of Selectman, and the School Committee meet to review revenue for the upcoming fiscal year as well as the "accommodated" costs which are those costs that are, in essence, fixed and, by agreement, are shared by all town and school departments. These include expenses such as health insurance, trash removal, and energy and utilities. At the September and October Financial Forums, community brainstorming sessions on revenue generation ideas and expense reduction ideas also occurred.

Once the available revenue has been established, the projected accommodated costs are subtracted and the remaining available revenue is allocated to the school department and town departments based on the historical proportion, approximately 66% to the school department and 34% to the town departments. This projected available funding amount provides a guideline to the departments as they develop their individual budgets.

The school department's budget process begins with the development of the Superintendent's recommended budget. In accordance with Massachusetts law and school committee policy, this budget reflects what is necessary to provide an adequate education to the students of Reading Public Schools given available resources. There is also a minimum district funding requirement established by the state known as the required net school spending. Historically, Reading has always spent above its minimum requirement, although, the gap between actual spending and minimum spending is beginning to erode.

The Superintendent's budget is presented to the School Committee in January. At that time, the School Committee discusses the Superintendent's funding recommendations. It is the School Committee's responsibility to put forth the budget it feels is necessary to provide an adequate education to the students of Reading.

Once any requested changes are made to the budget, the School Committee votes on the funding request to the town. That funding request, known as the School Committee Budget, is then submitted to the Town Manager. The Town Manager incorporates the School Department budget into the larger Town Budget, making any changes necessary to ensure the total budget is balanced. This budget is submitted to the Finance Committee which serves as the advisory board to Town Meeting; it is their job to provide guidance on financial matters to Town Meeting members. The budget is presented to Town Meeting at the Annual Town Meeting in April at which time Town Meeting votes on the total amount to be appropriated for the school department.

3.3 Fiscal Year 2013 Budget Summary

The table below summarizes Superintendent's Requested Budget for Fiscal Year 2013. The budget request represents a 2.9% increase, an additional \$1,047,980 over the Fiscal Year 2012 approved budget. The major drivers of this requested increase include:

- additional staffing to address the priorities outlined above in the Superintendent's budget message;
- the shifting of a little over \$400,000 in salaries from the Federal Education Jobs grant back to the operating budget;
- additional funding to address curriculum and professional development needs related to several federal and state mandates such as common core implementation, teacher evaluation, and bullying prevention as well as areas where student outcomes are lagging;

- the restoration of prior year deep cuts to instructional material and supply budgets at the building level; and,
- partial restoration of cuts made to elementary paraeducators necessary to ensure adequate instructional and behavioral supports for children.

The requested increases are offset by the increased use of revolving fund revenues and additional energy savings due in large part to the negotiation of a very favorable three year contract for natural gas with significantly lower pricing than the prior three year contract.

Table 3.1-Fiscal Year 2013 General Fund Summary: Superintendent's Recommended Budget

	Actual Expended FY2009	Actual Expended FY2010	Actual Expended FY2011	Current Budget FY2012	School Committee Budget FY2013	% Change
Administration	868,632	805,116	834,689	852,039	905,868	6.3%
Regular Day	20,112,472	19,627,660	21,047,381	21,587,524	22,188,163	2.8%
Special Education	8,837,120	9,053,779	9,370,875	9,186,325	9,458,989	3.0%
Other Programs	1,413,196	1,223,149	1,290,899	1,180,308	1,304,270	10.5%
Subtotal	31,231,420	30,709,705	32,543,844	32,806,197	33,857,289	3.2%
School Bldg Maintenance	3,676,030	3,297,590	3,110,588	3,199,110	3,195,998	-0.1%
Total	34,907,450	34,007,294	35,654,432	36,005,307	37,053,287	2.9%
Accommodated Costs:						
Tuition	2,450,980	2,879,309	3,048,520	3,832,067	3,680,235	-4.0%
Circuit Breaker	-	-	-	(1,102,000)	(1,290,000)	17.1%
Transportation	908,750	861,046	921,095	893,000	954,000	6.8%
Utilities	739,805	635,187	616,958	761,730	708,760	-7.0%
Natural Gas	534,842	487,224	478,367	467,115	456,358	-2.3%
Total Accommodated	4,634,375	4,862,765	5,064,941	4,851,912	4,509,353	-7.1%
Total Non-Accommodated	30,273,075	29,144,529	30,589,491	31,153,395	32,543,934	4.5%

The charts below illustrate historical spending levels for the district as well as spending for each cost center historically and for the current proposed budget.

Table 3.2-Historical Spending Levels, FY2003 – FY2013

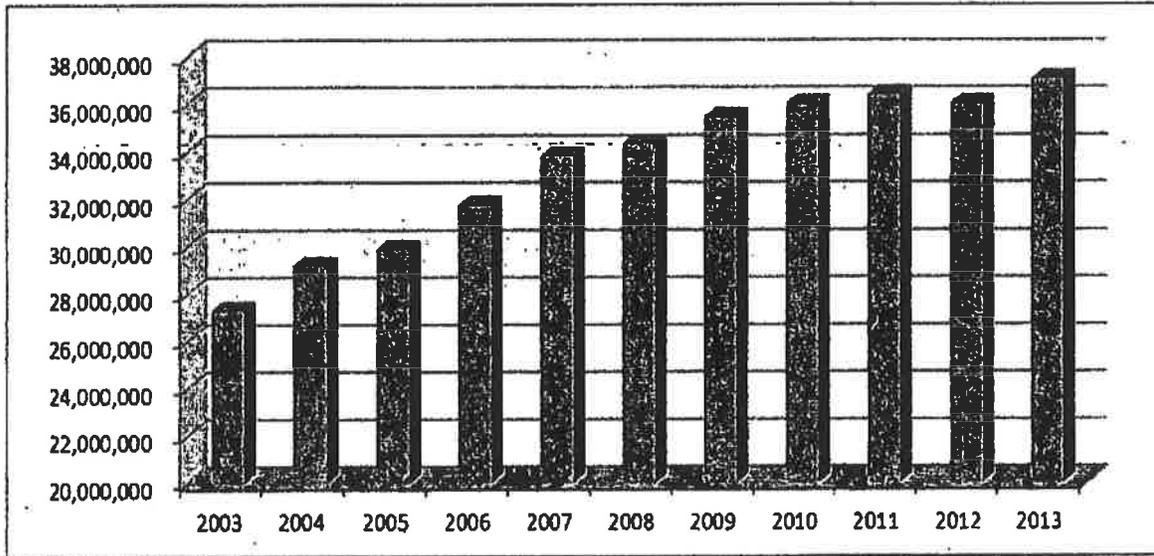


Table 3.3-Proportional Spending by Cost Center, FY09 – FY13

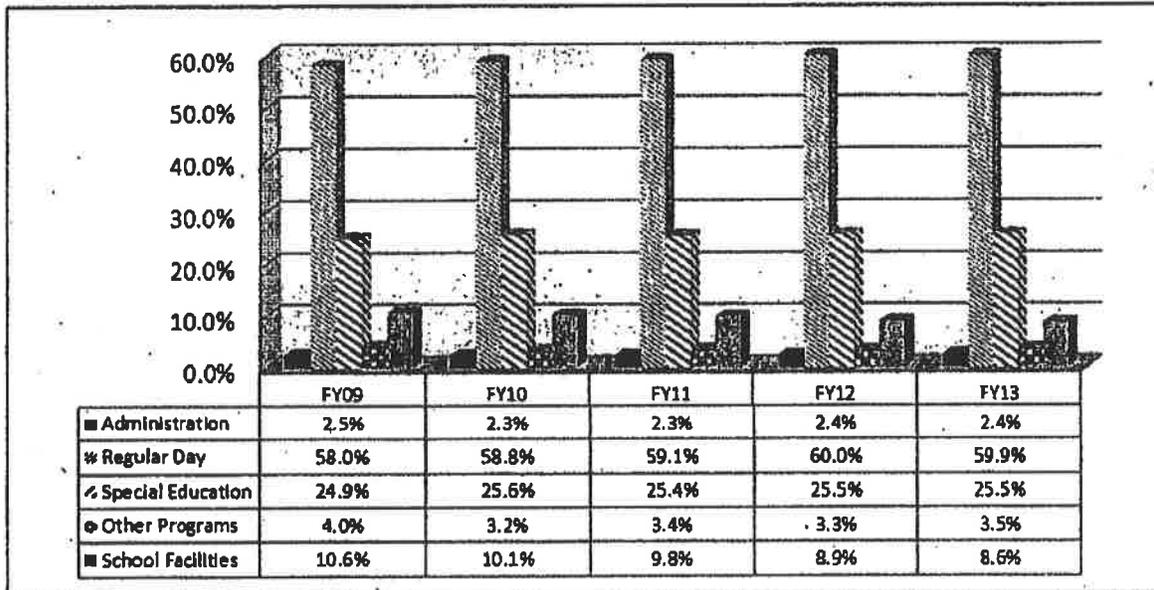
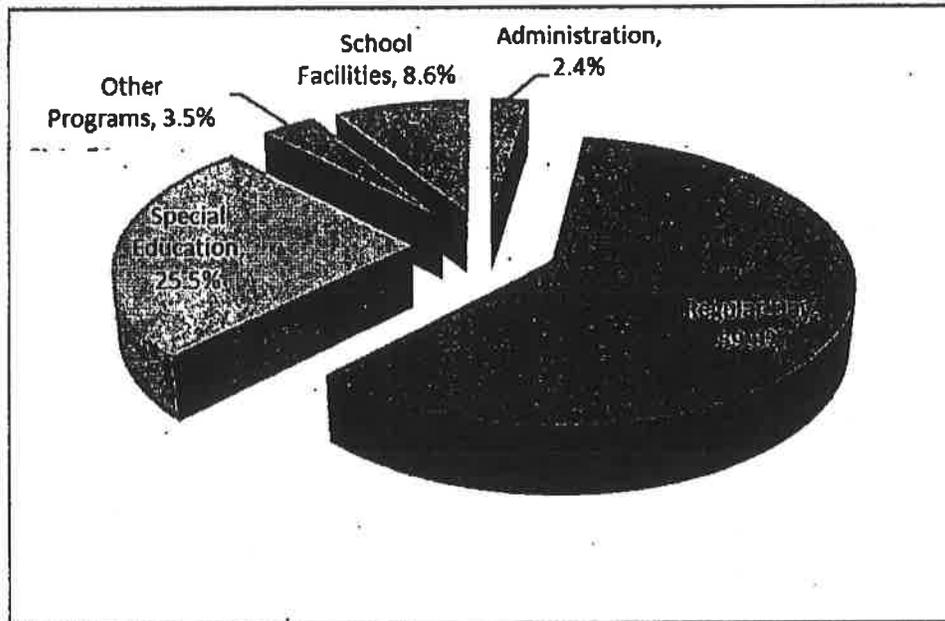


Table 3.4-FY13 Budget Allocation by Cost Center



The following sections highlight the major changes to each of the five cost centers that comprise the School Department budget. Section 4.0 of this budget document provides detailed discussions of each of the various cost center budgets.

Administration

The proposed increase to the Administration budget is 6.3% which represents an increase of \$53,829. Of this increased amount, \$17,000 relates to a change that was made this year but was not reflected in the original FY12 budget. In the summer of 2011, the school department implemented a change from contracted substitute teacher services to in-house substitute teachers. The change required an additional \$17,000 in staffing expense in the human resources and payroll departments and \$10,000 for the licensing fees for the web-based substitute management software system. The funds will be transferred from the Regular Day budget and these expenses are more than offset by the savings from the change. In fact, the net savings from this change is projected to be over \$25,000.

The remainder of the increase is attributable to salary increases and contractual benefits for Central Office administrators and administrative support staff; replenishment of supply inventories due to very little spending in this area over the past three years, increased expense related to color copier and printer supplies, and increased postage expenses due to the postal rate increase and the use of shipping vendors in place of the district's courier since that position has been reduced to part-time.

Regular Day

The requested Regular Day budget increases by 2.8% over the FY2012 School Committee budget which represents an increase of \$600,639. Nearly 80% of this increase is attributable to salary expenses for existing or new staff. The new staffing is to address the priorities discussed above in the Superintendent's Budget Message. This includes 1.0 FTE middle school teacher for a new health education class and 1.6 FTE high school teachers for health education classes. There is also an additional 1.0 FTE teacher that will be used to offer academic content instruction to students in a new special education program at the high school. With respect to increases for existing staff, \$98,000 of this additional expense is due to the expiration of the federal Education Jobs grant as salaries charged to the grant in FY2012 must now be absorbed within the regular day budget. Teacher salary increases (column

movement and the payment of additional competency stipends negotiated as part of the current collective bargaining agreement) account for another approximately \$97,000. The restoration of cuts to regular education paraeducators as well as their contractual salary increases results in an increase of just over \$50,000. In addition, average salary increases for building administrators are budgeted at 2.25% adds \$28,000 to the FY13 budget.

There are also increases budgeted for instructional expenses as well, most notably, the restoration of \$100,000 for building level expense budgets. Curriculum and professional development expenses have been increased by \$120,000 in order to provide adequate funding for work that needs to be done to align our curriculum to the common core, develop common assessments to be used as part of the new teacher evaluation system, and provide bullying prevention training to staff. This additional amount also includes funding for curriculum materials for new health education classes at the middle and high school level. The FY2013 regular day requested budget also includes an increase of \$80,000 to fund the replacement of our aging teacher computers, many of which are now six to seven years old. There is also an additional \$42,000 of spending requests for content filtering software, Administrators Plus enhancements for the new elementary report cards, and for a data analysis tool that will replace Test Wiz and supplement our current data analysis and reporting tools.

It is important to note that a portion of the increase is also offset by an increased reliance on the Kindergarten tuition revenue fund offset. The proposed level of support exceeds the anticipated revenue from FY2013 and, therefore, will result in a decrease in the fund balance by year's end.

Special Education

The FY2013 Special Education budget request is 3.0% higher than the FY2012 budget representing an increase of \$272,664. The majority of this increase represents salary expenses for new or existing employees. The new staffing is to address priorities that were discussed above in the Superintendent's Budget Message. This includes 1.5 FTE increase for counseling staff to support students at the High School and Middle Schools, 1.0 FTE district wide psychologist to perform testing and evaluation for students thereby allowing our school psychologists to spend more time counseling students, an additional 0.4 FTE teacher for the Barrows DLC program, an additional 0.4 FTE speech pathologist to provide additional support at the High School, and an additional 0.2 FTE occupational therapist to provide services at the middle schools. We have also included an additional 2.0 FTE special education paraeducators for students who we anticipate will require additional services or supports during the course of the next school year. Currently, we are also funding \$200,000 in special education paraeducator salaries from the federal Education Jobs grant and those salaries will need to be paid for from the special education budget next year. These salaries are partially offset by an increase in the revenue offsets from the special education and the RISE tuition revolving accounts.

With respect to non-salary increases, there are currently a number of special education cases that are in various stages of discussion, mediation, or litigation that we anticipate may result in out of district placements. While these potential placements result in additional tuitions, those additional tuitions are offset for the most part by tuition reductions due to students who are no longer in need of services because they have graduated or turned twenty-two years of age. While there is an increase overall to the out of district transportation budget, there is, in the net, a decrease in special education tuition. We are anticipating that the Special Education Reimbursement Grant will be funded at a level equating to a 65% reimbursement rate in FY2013. For the most part, while there are some fluctuations in individual expense lines, expenses as a whole remain relatively unchanged from FY2012.

Other Districtwide Programs

This cost center includes the Health Services budget, the Athletics budget, the Extracurricular Activities budget, and the districtwide Networking and Technology Maintenance budget. Overall, the Other Districtwide Programs budget is projected to increase 10.5% representing an increase of \$123,962. Thirty percent of this increase comes from the projected increase in the Athletics budget. This is partly

due to the fact that the FY12 budget assumed \$50,000 in coaching salaries to be paid from the Education Jobs grant. These salaries must now be shifted back to the operating budget. There are also fairly significant increases projected for equipment maintenance, facility rental expense, transportation, and officials due to contractual rate increases from service and facility providers. The increased expenses are partially offset by an increase in the use of revenues from the Athletics revolving fund. The amount used exceeds the anticipated receipts for the year and will, therefore, cause the fund balance to decline by years end.

The largest increase to this cost center comes from the Networking and Technology Maintenance budget which increases 27.1% or \$66,558. This increase comes from the requested addition of 1.5 FTE computer technicians due to the continued increase in the amount of technology across all of our schools. There are currently over 1,800 computers alone across our eight schools. With the implementation of a technology work order ticket, we now have data demonstrating that the inadequacy of current staffing levels. This is discussed in more detail below in the individual cost center budget overviews below.

School Building Maintenance

The School Building Maintenance budget for FY2013 is projected to decrease slightly by 0.1% which equates to \$3,100. We continue to experience and anticipate savings in natural gas, electricity, and water and sewer expenses. This is due to a modest decrease in consumption as we begin to realize the full benefit of performance contracting and with the installation of new windows at Birch Meadow and a new roof at Killam. In addition, with natural gas prices at historical lows, we are seeing price savings as well in these areas. Overall, we anticipate gas and utility expenses to decrease by just over \$63,000 next year. Those decreases, however, are offset by several key anticipated increases. Several of our repair contracts are scheduled to expire next year and we are factoring a price escalator of 5% for most of those contracts due to increases in prevailing wage rates. In addition, we are budgeting additional funds in some building maintenance and repair lines to address maintenance that has been deferred for the last year or two. These changes are discussed in greater detail in Section 4.5 below.

Town Building Maintenance

The Town Building Maintenance Budget for FY2013 is projected to increase slightly by 0.6% reflecting an increase of just over \$4,000. Overall, energy and utility expenses are anticipated to be \$9,000 lower than FY2012 due to energy conservation measures and lower energy prices. This decrease, however, is more than offset by an anticipated increase in contract cleaning services. Our current cleaning services contract will expire this year. We have found that the current cleaning contract is significantly below market value and is posing a hardship for the current vendor. We believe that with the next procurement, we will see pricing more reflective of our prior contract and current market values.

4.0 Cost Center Budgets

The budget of the Reading Public Schools is divided into five cost centers including: Administration, Regular Day, Special Education, Other Programs, and School Building Maintenance. In addition, there is a sixth cost center, Town Building Maintenance, since the School Department is responsible for the maintenance of both school and town buildings. Per the vote of the Reading School Committee, the budget is established by cost center and transfers between cost centers can only be made per the vote of the School Committee. Approval for transfers within cost centers is delegated to the administration.

Each of the various cost centers is described in more detail in the sections that follow. Each section also includes information on staffing, performance indicators and benchmarks for the programs and activities funded in that cost center, current goals and priorities, funding needs and challenges for the 2013 fiscal year, and detailed budget history and projections for fiscal year 2013.

4.1 Administration

The Administration cost center comprises the salaries and expenses of the Central Office administration which includes the following major functional areas: School Committee, Superintendent, Assistant Superintendent, Business and Finance, Human Resources, and District-wide Data and Information Management.

The Administration cost center currently accounts for 2.4% of the total district budget. The largest expenditure in this cost center is for the salaries of the four district administrators (Superintendent, Assistant Superintendent, Director of Finance & Operations, Human Resources Administrator), a portion of the Network Administrator's salary representing his contribution to district data and information management, and the 5.0 FTE administrative support staff that are critical to the operations of the central office.

The FY2013 Administration budget is projected to increase by 6.3% or \$53,829. This increase is driven predominantly by the increase in staffing necessary to make the change this year from outsourced to in-sourced substitute management. Increases to salary and hours were necessary for the additional human resource and payroll administration effort that resulted from this change, which totaled a little over \$17,000. In addition, the cost of the web-based software that is used for substitute management is a little over \$10,000. While this change occurred in the current fiscal year, these expenses are not reflected in the current year's original budget. These expenses will be offset this year from savings in the regular day budget where the costs for substitute management had previously been charged. It is important to note that even though this change has increased the Administration budget, the overall impact to the budget was a net savings of over \$25,000. The other increases in the salary line reflect budgeted salary increases of 2% to 2.25% for Administrators and Central Office support staff. In addition, the actual obligations for FY2012 are higher than what is budgeted as a result of final salary increases and adjustments for the current year.

Other expenses attributed to this cost center include:

- Telephone and wireless service
- Central office equipment leases (photocopiers, postage meter, etc.)
- Legal, auditing, and grant-writing services
- Printing, postage, and mailing expenses
- Employee recruiting expenses (advertising, pre-employment physicals, etc.)
- Dues, memberships, and attendance at professional association workshops
- Miscellaneous office equipment and supplies

As the figures below indicate, the largest expense line after salaries is for telecommunication services. This line includes the cost of all telephone and wireless services for the district (not including equipment repairs which are in the district-wide technology budget). This line shows a decrease for FY2013 with the amount being reflective of our actual experience over the past several years. Similarly, all other contract services lines are projected to be below FY2012 budget levels. The grant writing services projection is based on utilizing these services for two major grant applications during the course of the year. The auditing expense is for the actual cost of the End of Year Report compliance audit. No additional auditing services are planned for FY2013. We anticipate a reduced need for labor counsel services this year since collective bargaining has been completed. In addition, the increased experience of our Administrators should reduce the reliance on these outside services.

Supplies and materials are projected to increase significantly in percentage terms although the actual increase is just over \$4,200. This increase results from the increased cost of copier and printer toner as well as paper. While we have been using less paper than prior years, we have seen and are anticipating an increase in paper costs next year. In addition, as can be seen in the table below, expenses over the last few years have been kept relatively low as we have relied on existing supply inventories. Those inventories are now being depleted and will need to be replenished.

The increase in the FY2013 budget for other expenses is 8.3% or a little over \$5,500. This is attributable to two areas primarily – professional development and software licenses. Professional development is increased to reflect additional training to central office administration and support staff that are new to their roles or have expanded into new areas and require additional training; this includes Superintendent's Induction program, training in procurement law, payroll administration, and MUNIS reporting. In addition, the budget fully funds contractual liabilities for tuition reimbursement expenses. The increase in the software licensing expense line reflects the new Aesop substitute management and placement platform. This is a web-based software system that allows teachers to report absences and for substitutes to select and be assigned to cover those absences. The cost of this software is a little over \$10,000 per year.

Table 4.1-FY13 District Administration Budget

	Actual Expended <u>FY2009</u>	Actual Expended <u>FY2010</u>	Actual Expended <u>FY2011</u>	Current Budget <u>FY2012</u>	School Committee Budget <u>FY2013</u>	% Change
Salaries						
Professional Salaries	422,895	439,876	488,288	492,836	509,966	3.5%
Clerical Salaries	246,448	205,720	196,608	189,736	220,187	16.0%
Other Salaries	1,324	1,400	5,600	5,600	-	-100.0%
Subtotal - Salaries	670,667	646,996	690,496	688,172	730,153	6.1%
Contract Services						
Telecommunications	59,007	52,407	49,293	62,079	56,172	-9.5%
Consulting	5,092	750	-	-	-	0.0%
Auditing	8,000	15,000	8,000	8,500	8,000	-5.9%
Grant Writing	10,550	17,150	-	8,050	8,500	5.6%
Labor Counsel	2,494	4,296	15,006	6,000	5,250	-12.5%
Subtotal - Services	85,142	89,603	72,299	84,629	77,922	-7.9%
Supplies & Materials	28,923	7,290	3,262	7,749	11,957	54.3%
Other Expenses						
Employee Benefits	8,943	8,166	8,100	10,800	9,000	-16.7%
Professional Development	6,207	1,340	1,692	3,405	10,345	203.8%
Equipment	17,978	16,613	18,010	10,880	9,123	-16.1%
Recruiting & Hiring	30,229	24,969	22,029	29,475	27,893	-5.4%
Software Licensing	-	-	4,875	2,500	13,264	430.6%
Postage	14,167	3,686	11,076	3,945	4,806	21.8%
Awards	69	395	740	100	925	825.0%
Dues & Memberships	10,938	9,487	9,910	10,385	10,480	0.9%
Subtotal - Other Expenses	88,531	64,655	76,430	71,490	85,836	20.1%
TOTAL ADMINISTRATION	873,262	808,544	842,487	852,039	905,868	6.3%

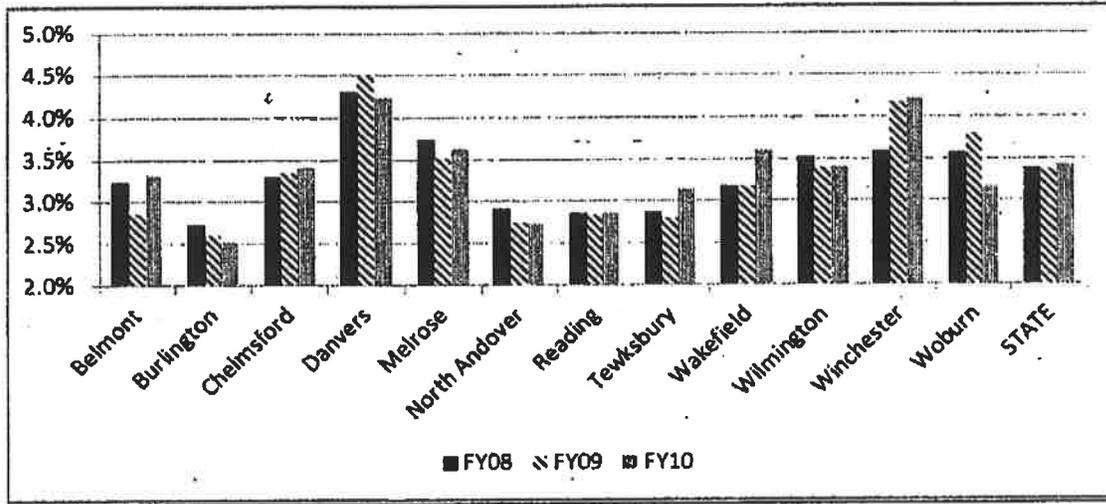
The table below shows historic and project staffing for the District Administration cost center.

Table 4.2-District Administration Staffing

District Leadership	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	+ / (-)
Administrators	3.33	3.33	4.33	4.33	4.33	4.33	-
Administrative Support Staff	5.60	5.50	4.50	4.50	5.00	5.00	-
Total	8.93	8.83	8.83	8.83	9.33	9.33	-

The chart below is a comparison of per pupil expenditures on Administration for communities that are similar to Reading as well as to the state average. As the chart indicates, Reading is among the lowest of these communities with respect to expenditures for the District Administration.

Table 4.3-Per Pupil Expenditures on District Administration as a Percentage of Total Expenses



Superintendent

The role of the Superintendent is to be the chief educational leader for the school district. He works closely with building principals and central office administrators in using available resources to make decisions and provide a direction which is in the best interest of all students.

Reading Public Schools is an early adopter for the new educator evaluation system. This system, which will be fully implemented during the 2014-15 school year, will tie educator evaluation to student performance measures and the quality of professional practice. As an early adopter, the Reading Public Schools is piloting the DESE Educator Plan, which focuses on developing SMART (Specific, Measurable, Attainable, Results-Oriented, Timely) goals which focus on student performance and professional practice. All licensed educators in the district, including teachers and administrators are developing SMART goals this year. For the 2011-12 school year, the Superintendent will be focusing on the following SMART goals:

- During the 2011-12 School Year, the Superintendent will successfully lead the implementation of 100% of all of the district strategic initiatives for the 2011-12 School Year as outlined by the *Reading Public Schools Strategy for Improvement of Student Outcomes*. These initiatives will be measured by the measurable objectives that have been identified by the administrative council.
- During the 2011-12 School Year, the Superintendent will participate in 100% of the sessions of the DESE/M.A.S.S. Superintendent's Induction program and the M.A.S.S. G21 Global Skills Study Group in order to refine his leadership skills as a Superintendent.

Over the last 18 months, the Superintendent met with over 1000 staff, students, and community members to gauge their impressions of the Reading Public Schools. The data that was collected from those meetings and other available data helped develop a three year district improvement plan, the *Reading Public Schools Strategy for Improvement of Student Outcomes*. This plan which is included in the Superintendent's introduction message of this budget has become the compass for the Reading Public Schools over the next three years. As stated in that plan, the Superintendent will be coordinating the implementation of the following initiatives during the 2011-12 school year:

- Develop and implement a plan to address the social and emotional needs of all students.
- Pilot the use of 1 on 1 learning devices and “Bring Your Own Technology Device” in the classroom.
- Implement high school best practices which include a redesigned freshmen year, senior projects, project-based learning, a redefined schedule, and implementation of the MASS Core graduation requirements.
- Review and update Teacher Assessment Process and Administrative Evaluation Process in relation to new state guidelines.
- Develop and implement a long range plan to address classroom and program space issues, including making Killam ADA accessible.
- Work with the Reading Education Foundation to maximize resources so that they become the Research and Development arm of the Reading Public Schools.

The Superintendent also works collaboratively with Town officials and the community to identify common issues and develop ways to address those issues. It is this collaborative effort that has allowed both the Town of Reading and the Reading Public Schools the ability to creatively address common concerns that may derail other communities. In addition to working collaboratively with the community, the Superintendent advocates for the town and school district with state, regional and national legislators and educational leaders.

Assistant Superintendent

The role of the Assistant Superintendent is to provide leadership to district administrators, teacher leaders, teachers, and staff in the area of curriculum, instruction, and assessment. There will be a continued focus on the national Common Core State Standards as well as the new MA Curriculum Frameworks for both English Language Arts/Literacy and Mathematics that were introduced in 2011. It is expected that these standards will be fully implemented no later than the 2012-2013 school year. The work to be done will be coordinated by the Assistant Superintendent with teacher committees continuing to analyze the district curriculum and make recommendation for changes and professional development to promote full alignment of the standards. There will be a specific focus on writing at the elementary level, interdisciplinary reading and writing at all levels, and mathematics at the middle and high school levels. Another important focus moving forward will be the proposed implementation of a new health curriculum at a selected grade at both the middle school and high school levels.

The Assistant Superintendent continues to investigate and pursue any new grant opportunities and to oversee the annual entitlement funds that the district receives each year. These entitlement funds include METCO, Academic Support, Title I, Title IIA, and Race to the Top.

Other areas of focus include data analysis of state and other assessments, the tiered instruction model, and professional development for teachers. The Assistant Superintendent works closely with the Director of the Extended Day Program as well as the METCO director to promote smooth implementation of both programs. Each summer the Assistant Superintendent leads the annual weeklong induction program for all new teachers. The annual Blue Ribbon National Institute held in Reading in April is overseen by the Assistant Superintendent as well as teacher in-services within the district. The Assistant Superintendent also works closely with the Human Resources Administrator to oversee the district-run substitute teacher program for training for all substitutes.

Another area that is coordinated by the Assistant Superintendent is the student exchange programs. The district has participated with two programs where students from Korea and China stay with host families and attend Reading schools.

The Assistant Superintendent oversees the district's Bullying Prevention Plan and organizes staff training and components that are required by MA state law.

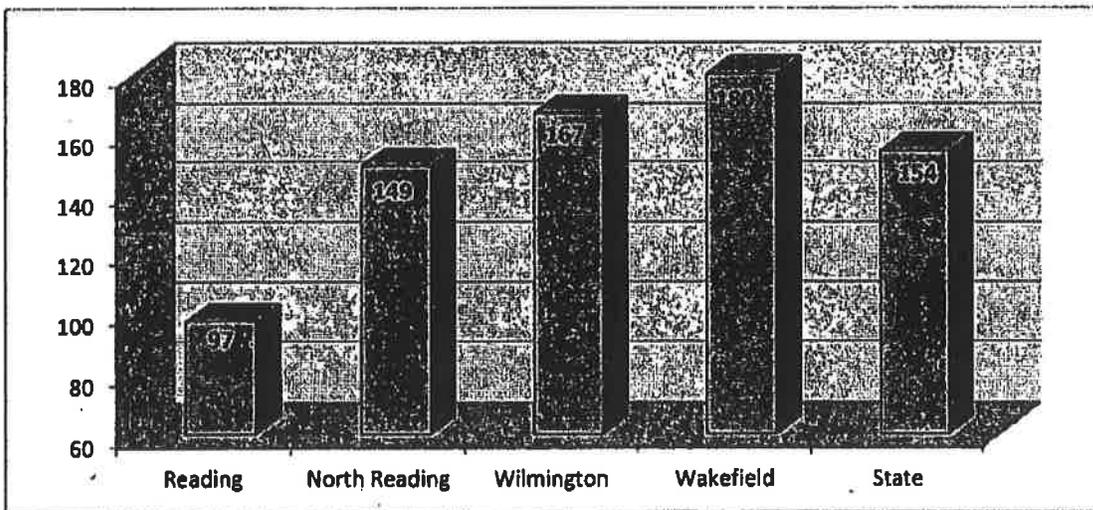
Finance & Operations

The Finance and Operations office manages budget, payroll, accounts payable, accounts receivable, purchasing, transportation, facilities, and food services. The preparation of the budget document continues to be one of the most important functions and we continue to work to enhance the transparency of the budget, to provide a clear understanding of how funds are expended, and to link those expenditures to student performance. We continue to work toward the development of a true performance management approach that is based on measurable performance goals, indicators and benchmarks and connects expenditures to those performance measures. This includes regular financial and performance reporting to enhance transparency and accountability.

With respect to the core business functions of the finance department, namely payroll, accounts payable and accounts receivable, we always seek to enhance efficiency of operations, improve customer service, and promote ease of operation. In FY2011, the business office processed 3,522 requisitions, 3,497 purchase orders, 8,129 invoices, 4,771 cash receipts, and 234 payroll batches to pay 756 employees representing \$26 million in payroll expenses. The processing of these transactions was supported in FY11 by just 1.7 FTE administrative assistants, down from 2.0 FTEs in the prior year. This year, that number is back at 2.0 FTE due to additional support needed with the in-sourcing of absence management and substitute placement services.

In the introduction to this section, we showed that Reading's expenditures on district administration on a per pupil basis is one of the lowest in the area. With respect to the per pupil expenditure on Business and Finance, Reading is significantly below most of the communities in the area. The chart below compares Reading to just a few of our neighboring communities as well as the state average. This data comes from the End of Year Reports filed by each district and compiled by the Massachusetts DESE. In a follow-up survey with area communities, we learned that the number of clerical staff supporting the School Business office in other districts ranges from 3.0 to 5.0 FTEs, making our support staff among the lowest in the region.

Table 4.4-Per Pupil Expenditures – Business and Finance



In an effort to minimize errors, improve the timeliness of accounts payable and accounts receivable processing and increase efficiency, we have implemented a number of proactive measures over the last two years. This includes training for administrative support staff, implementing additional MUNIS features to automate workflow wherever possible, and implementing an on-line payment system. The on-line payment system has made it more convenient for parents to pay tuitions and fees via ACH or credit card and has significantly decreased the number of cash receipt entries that secretaries have had to process.

With respect to purchasing, we continue to competitively bid and aggressively negotiate vendor and trades contracts, pursue collaborative purchasing opportunities, utilize state contracts to further reduce the cost of goods and services and the cost of operations, and ensure compliance with state procurement laws. This past year, we procured a new transportation contract which, for the first time has an optional fourth and fifth year which may help to provide future financial stability. In addition, we secured a new natural gas contract which is extremely favorable to the town with pricing at historic lows. The passage of the Municipal Relief Act last year allowed cities and towns to purchase from national collaboratives and since that time, we have joined three different national purchasing groups. Through those purchasing contracts, we have realized significant savings, particularly in the area technology. This year, it is our goal to implement a procurement card program as a means of improving the efficiency of small dollar purchases and provide a revenue source to the town from the p-card rebate program.

The Finance office has also continued its important role in meeting all application, monitoring, and reporting requirements associated with the American Recovery and Reinvestment Act grant funds. During the first quarter of this year, the district expended the last of its ARRA grant funds. However, these reporting activities continue this year as the requirements for the Education Jobs grant funds are similar to those of the ARRA program. We will expend about two-thirds of our EdJobs funding this year with the remainder to be spent in the first quarter of FY2013 to meet a one-time contractual obligation negotiated as part of last year's collective bargaining process.

In the area of operations, we successfully closed out the \$5.5 million energy conservation program in January of 2011. Not long after this project was closed out, we learned about a new energy conservation funding source namely, the Massachusetts School Building Authority's Green Repair Program. We were successful in securing funding to replace the windows at the Birch Meadow School and the roof at the J.W. Killam School. That work commenced in the summer of this year and is nearly complete at this time. We continue in our mission to make our facilities the best they can be and this year, we have submitted a Statement of Interest to the MSBA for funding to make the Killam School handicap accessible and to make other much needed repairs and improvements to the building. If we are successful in obtaining those funds, this project would be a major initiative during FY2013 and FY2014. In addition, we will also be hiring a consultant to do a facilities planning study so that we are able to proactively address anticipated enrollment increases in the future.

Human Resources

The Human Resources office is responsible for a number of functions including overseeing the recruitment and hiring of staff; monitoring compliance with all personnel laws, regulations, policies, and procedures; ensuring compliance with collective bargaining terms and conditions; and complying with federal and state reporting requirements.

During the 2011-12 school year, the Human Resources Administrator performed an audit of all personnel practices and procedures to identify gaps in the HR functions of the district. For the current year, the HR Administrator's goal is to reduce these gaps by 25% in order to increase or improve the overall effectiveness of the Human Resources Office. Some planned activities to assist in accomplishing this goal are: customer service/satisfaction surveys out to staff, creating a personnel handbook for staff,

implementing staff recognition programs, increasing visibility in schools, and updating current evaluation tools to more rubrics-based tools.

One of the areas of improvement has been in ensuring that all of our teachers have achieved highly qualified status as defined under the No Child Left Behind Act (NCLB). Our progress in this area has steadily improved over the last several years. In 2010-11, the district achieved the goal of having 100% of its teachers achieving HQ status.

With respect to staff turnover and recruiting, Reading Public Schools hired 49 new staff members for the 2011-2012 school year. This pool of new employees represents teachers, administrators, paraprofessionals, extended day staff, food services staff, athletic coaches and long term substitutes. For a variety of reasons, we had 45 employees leave the district. Twenty two percent left the district due to retirement, 20% were due to personal reasons, 18% left due to relocation and 25% found other employment in education.

The start of the 2011-2012 school year marked a change in the way Reading procures and manages substitute teacher services. For over a decade, Reading has used outside staffing agencies to meet our professional substitute needs. For paraeducator substitutes and nurse substitutes, a substitute caller coordinated the substitutes and daily absences. This changed for the current school year and Reading now employs its own substitute teachers. To date we have hired 172 teacher, paraeducator, and nurse substitutes to meet our needs for the current school year. On August 30th, Reading Public Schools officially went "live" with Aesop, a web-based substitute placement and absence management solution used by more than 2,500 school districts worldwide. Staff can enter absences at any time and substitutes can search for and accept assignments through the phone or internet, plus receive automatic notification of open positions.

Data & Information Management

The primary responsibility for this function is to comply with the data management and reporting requirements of the Massachusetts Department of Elementary and Secondary Education (DESE). The DESE requires reporting of student data through its Student Information Management System (SIMS) three times per year. In addition, districts must also report on educational staffing through the Educator Personnel Information System (EPIMS) three times per year as well. The EPIMS reporting had previously been required just once per year but was increased to three times this year. In the upcoming year, additional requirements resulting from Race to The Top initiatives will require enhancements to the reporting which will eventually enable linkages between student performance data and teacher data.

An additional requirement in this area is maintaining the Administrator's Plus database used by schools for scheduling, grading, and tracking of student information, and the maintenance of personnel information in the MUNIS Human Resources module. There are also responsibilities related to maintenance and upkeep of other district databases and systems including Connect-Ed and, more recently, the eSchool on-line payment system.

Other Areas

In addition to the above areas, the administrative assistants provide clerical support in other departments, including METCO, Health Services, Technology, Athletics and the high school. In addition, some functions that used to be completed at the building level are now being done at Central Office. These supports have evolved over the years due to increased program demands, the increase in the amount of user fees throughout the district, the implementation of MUNIS as well as, budget reductions in some of the above areas.

4.2 Regular Day

The regular day budget funds all of the salaries and expenses for providing the core instructional programs to our students. This includes the salaries for building administrators, teachers, specialists (e.g. reading, library media, and technology integration), guidance counselors, school psychologists, paraprofessionals, and building secretaries. It also includes stipends for teacher mentors, curriculum committee chairs, team leaders, and department heads. Other compensation includes longevity and sick leave buyback. These salaries are offset by revenues from kindergarten tuitions and the METCO grant.

Contract services funded from this cost center include the cost of transportation for our regular education population. Prior to the 2011-12 school year, we also had a contract for substitute teachers through Kelly Educational Staffing. During the 2011-12 School Year, we decided to bring substitute services in house and not renew our contract with Kelly Educational Staffing. This change resulted in a savings of \$25,000 per year. To accommodate an increase of an additional 172 employees to the school department, additional secretarial time and an increase in the Human Resource Administrator's salary was included in the administration cost center of the FY13 budget. There is also an annual fee for ABSOP substitute management software. Teacher substitutes are paid at a rate of either \$65 or \$75 per day depending upon whether or not they hold a Massachusetts Educator license.

In accordance with Massachusetts law, the school department is required to provide transportation to any regular day students grades K-6 who live more than 2 miles away from the school they attend. In Reading, the number of children who we are mandated to transport has historically been between 40 and 50 per year. An additional 185 to 200 children who either live within the 2-mile radius or are in grades 7-12 are transported as well for a fee. Currently, the fee is \$365 per year. The actual cost to transport a child is \$450 per year so currently the school district is subsidizing non-mandatory transportation at the rate of \$85 per student.

The largest expense portion of the regular day budget is to fund the instructional supplies, materials, and other expenses for the district. In Fiscal Year 12, this budget was reduced by 17% or \$100,000 to avoid teacher layoffs. In the Fiscal Year 13 budget, the funding has been restored to Fiscal Year 11 levels. This funding is allocated to each building based on enrollment and an established per pupil level of funding. This per pupil amount is \$152 per student at the elementary and middle school levels and \$175 per pupil at the high school level. Each building principal then allocates his or her building amount based on their school's needs, goals, and priorities for the ensuing fiscal year.

Some of the expenses allocated at the district level include curriculum materials, which is funding for the purchase of curriculum materials for new or expanded initiatives such as a Grade 5 health unit on growth and development, a middle school health curriculum (Grade 7 or 8), and a Grade 11/12 High School health curriculum. The administrative software line funds such items as spam filtering software, anti-virus software, Edline, Administrators Plus, Discovery Education, Library Management Software (Follett) and Survey Monkey. The increase reflects the addition of new AP Web Elementary Report Card software program. The increase in the instructional technology line item is to continue to replace student and teacher computers on a 6 to 7 year cycle. Several computers that were purchased during the Reading Memorial High School, Wood End, and Barrows building projects are reaching the end of their life cycle. It is our intent to maintain a consistent amount of funding in this line item for this current budget and future budgets so that we can begin to implement a 6 year computer replacement cycle.

In the FY13 budget, there is a significant increase in professional development and curriculum development to address several new initiatives that are being implemented by the district or required by the Department of Elementary and Secondary Education. These include the transition to the new Massachusetts Curriculum Frameworks, otherwise known as the Common Core of Learning, the initiatives identified by the behavioral health task force, the adoption of a middle school and high school health curriculum, the implementation of a bring your own device technology initiative at the middle and high school level, and the implementation of the new teacher evaluation system. These initiatives are

described in further detail below. In addition, this year, \$111,000 has been allocated for tuition reimbursement, reflecting recent changes in collective bargaining agreements with teachers and paraeducators.

The table below shows the Fiscal Year 2013 Superintendent's Recommended budget for Regular Day. As the data shows, the teachers and specialists line item is increasing by 2.1% due to a request for staffing in middle school and high school health education and column changes for some staff. In addition, the English Language Learner (ELL) tutor positions were converted in this current school year to a full time English Language Learner teacher with minimal impact to the budget. This transition is in compliance with state regulations and to better address the needs of the ELL population in our district. There is not a cost of living increase for teachers in the FY13 budget due to the recent collective bargaining agreement. It should be noted that all Reading Public School employees over the last two years, including administrators, teachers, paraeducators, secretaries, custodian/maintenance, and food service have had at least one year where they have not had a cost of living increase. Because of this collaborative approach to the current fiscal situation, we have not had to eliminate any current teaching staff over the last three years.

The following teaching positions are being requested in the FY13 regular day budget:

- 1.0 FTE Middle School Health Education
- 1.6 FTE High School Health Education
- 1.0 FTE High School Academic Teacher

Currently, the only formal health class that exists in the Reading Public Schools is the Grade 9 Decisions class. In Grades 3-8, students receive about 10 hours of health education per year in their physical education classes. Students in grades 10, 11, and 12 do not receive any formal health education.

During the fall a comprehensive analysis was completed by the Behavioral Health Task Force and the Reading Public School Health and Wellness Department as to the gaps in our health education curriculum. The groups used the 2011 Youth Risk Behavior Survey data, as well as, the Center of Disease Control School Health Index analysis tool. The analysis showed that our PreK-12 Health Education program has significant gaps. At the elementary level, one of the gaps is growth and development in Grade 5, an area that used to be addressed several years ago in collaboration with the Town Health Department. At the middle school level, there are gaps in several areas including substance abuse prevention, growth and development, HIV/AIDS, nutrition, and mental health. At the high school level, similar gaps occur in substance abuse prevention, medication safety, mental health, HIV/AIDS, and growth and development.

The funding allocated in the FY13 Superintendent's Recommended budget would provide a semester long middle school health education class in either Grade 7 or 8 for all students and a semester long high school health education class in grade 11 or 12 for all students. The 1.0 FTE Academic teacher is for the High School Behavioral Health program described below in the Special Education budget section.

The decrease in the line item, state funding support, is due to an anticipated decrease in the state METCO grant, the increase in the line item, revolving fund support, is primarily from the full day kindergarten revolving fund account.

The increase in the paraeducator line item is due to a restoration of some of the paraeducator hours that were reduced in FY12, a cost of living increase and the request for an in school suspension coordinator at the high school. Currently, all students who receive a suspension are required to serve an out of school suspension. In most cases, it would benefit a student more to serve a suspension in school where the student could be provided with academic support and engage in community service under adult supervision. The funding requested would provide supervision and academic support for students who are serving in school suspensions. When there are no students in the in school suspension program, this position would provide coverage for teachers to attend special education Team meetings.

Table 4.5-FY2013 Regular Day Budget

	Actual Expended <u>FY2009</u>	Actual Expended <u>FY2010</u>	Actual Expended <u>FY2011</u>	Current Budget <u>FY2012</u>	School Committee Budget <u>FY2013</u>	% Change
Professional Salaries						
Administrators	1,185,342	1,277,557	1,265,560	1,272,134	1,301,891	2.3%
Teachers & Specialists	15,712,221	15,442,798	16,582,247	17,119,068	17,476,691	2.1%
Guidance & Psychology	934,840	950,108	973,135	999,737	996,525	-0.3%
Additional Compensation	100,059	69,326	93,276	122,450	121,400	-0.9%
Stipends	431,678	431,615	427,046	447,659	449,526	0.4%
State Grant Support	(125,000)	(151,000)	(125,000)	(125,000)	(100,000)	-20.0%
Revolving Fund Support	(400,000)	(475,000)	(527,000)	(620,000)	(820,000)	32.3%
Subtotal - Professional Salaries	17,839,139	17,545,404	18,689,264	19,216,048	19,426,032	1.1%
Clerical Salaries	405,236	426,533	410,703	399,901	415,549	3.9%
Other Salaries						
ELL Tutors	36,241	39,406	40,248	-	-	0.0%
Paraprofessionals	593,159	551,333	529,553	589,993	681,667	15.5%
Teacher Substitutes	297,193	281,934	390,042	368,752	336,075	-8.9%
Subtotal - Other Salaries	926,594	872,673	959,843	958,745	1,017,742	6.2%
Contract Services						
Transportation	74,272	74,864	67,640	78,607	61,000	-22.4%
Other Services	20,000	4,506	-	-	-	0.0%
Subtotal - Contract Services	94,272	79,370	67,640	78,607	61,000	-22.4%
Supplies & Materials						
Office Supplies	21,443	19,578	23,709	20,702	24,575	18.7%
Prof'l Development Materials	8,143	4,765	6,470	7,282	10,082	38.5%
Instructional Supplies	183,887	215,025	223,674	155,834	207,425	33.1%
Curriculum Materials	73,072	59,417	136,144	90,935	85,835	-5.6%
Textbooks & Consumables	149,081	164,598	218,018	156,617	196,075	25.2%
Technology Supplies	44,146	71,351	141,806	77,932	96,960	24.4%
Equipment & Furnishings	73,773	177,080	58,360	50,481	40,025	-20.7%
Subtotal - Supplies & Materials	553,545	711,815	808,181	559,783	660,977	18.1%
Other Expenses						
Professional Development	213,216	148,313	178,866	142,645	247,061	73.2%
Equipment Leasing	85,248	74,219	92,491	101,066	88,620	-12.3%
Other Instructional Services	7,437	6,891	11,898	6,894	16,700	142.2%
Software Licensing	77,695	71,873	73,630	76,610	145,182	89.5%
Other Equipment	4,725	857	777	830	1,000	20.5%
Instructional Technology	362,268	253,605	207,083	46,395	108,300	133.4%
Subtotal - Other Expenses	750,590	555,757	564,745	374,440	606,863	62.1%
TOTAL REGULAR DAY	20,569,376	20,191,553	21,500,377	21,587,524	22,188,163	2.8%

Curriculum and Professional Development

There are several major areas in curriculum and professional development that will need to be addressed in FY2013. The funding for these areas is recommended in this budget.

1. The Massachusetts Department of Elementary and Secondary Education (MA DESE) has released new state curriculum frameworks for English Language Arts and Mathematics in 2011. These frameworks include the Common Core Standards that have been adopted by Massachusetts. In order to ensure full alignment with the new standards, teacher committees will review the current district curriculum and make recommendations for changes. This will be done for both English Language Arts/Literacy and Mathematics. By the 2012-2013 school year, it is expected that all standards will be implemented. This review by our teacher committees is necessary so that all instruction will be aligned with the new defined curriculum that will become the tested curriculum as well. These standards will be tested on both future MCAS tests as well as the new assessments currently in the design phase by PARCC (Partnership for Assessment of Readiness for College and Career).

The new ELA framework (English Language Arts and Literacy in Social Studies/History, Science, and Technical Subjects) will require professional development for all teachers. It is necessary for additional teacher resource materials at the elementary level to support instruction in the three areas of writing as defined by the Common Core. Literacy standards will need to be taught not only by English teachers, but by all content area teachers at the middle and high school level. Professional development on the integration of informational reading and expository and technical writing standards will be necessary to assist all teachers in gaining knowledge in expertise in teaching literacy as well as content. ELA and Mathematics Committees will also need to update all curriculum maps to reflect the new state standards as well integrate technology into each one.

The new math framework and standards must also be reviewed and compared to our current curriculum. This may require some changes to be made in the sequence and/or math courses offered at both the middle and high school levels. The middle and high school teachers will continue to develop lessons that integrate the use of the new calculator, the TI Nspire, which has now been introduced at both middle and high school.

2. A second major area for both curriculum and professional development will be the area of behavioral health. The district Behavioral Health Task Force has met since the summer of 2011 and has made a series of recommendations to be implemented over the next three years. These recommendations include professional development for teachers in order to recognize areas of concerns such as anxiety, depression, and others as well as to learn strategies to support all students.
3. As mentioned above, the district is also recommending the adoption of a formal health curriculum at middle and high school levels in specific grades to continue to move forward with the Task Force recommendations. There has been detailed analysis of the 2011 Youth Risk Behavior Survey which has also given the Task Force and RCASA (Reading Coalition Against Substance Abuse) great insight into the behavioral health needs of our students. According to the statistics reported from the survey, 17% of our middle school students have used tobacco products and 30% reported trying alcohol. Students at both middle schools indicated a number of eating disorders, incidents of violence, as well as sexual activities. At the high school level, students report similar issues but have also indicated the inappropriate decisions being made that include driving while under the influence of alcohol or drug or driving with an impaired driver. Student use many illegal drugs ranging from marijuana to heroin and also abuse prescription drugs. They report binge drinking as well as the use of smokeless tobacco. The school district

strongly believes that we must place our students' behavioral health as a priority and not solely focus on the academics. The proposal to begin formal health instruction is the first step of what we see as a multi-year effort to bring this into all grades.

4. A new teacher evaluation system will be implemented statewide for 2012-2013. As a Race to the Top grant recipient, Reading is required to participate next year. During the 2011-2012 school year, the district has served as an Early Adopter District and has worked closely with the MA DESE to refine the proposed system. As part of the full implementation next year, there are several components that must be completed. The first one will be to develop common assessments across all grades and subjects. Teachers will work together on committees to develop these and then share them with colleagues through in-services next year. There is also a requirement to identify specific data measures for the evaluation system so this will necessitate teachers and administrators working together to develop these.
5. Other areas for professional development will include technology, especially the "Bring Your Own Device" initiative at the middle and high school levels, instructional practices that support all learners, data analysis and application of these results to improve student learning. The annual new teacher induction week and mentoring program will continue to acclimate new personnel for an effective transition into Reading classrooms and schools.
6. There is a need for teacher resource materials at grades 3-5 to address the new writing standards. The district scores with open response answers on the ELA MCAS assessment indicate this as an area of weakness for our elementary students.
7. There will be a need to continue to train new elementary teachers with the Open Circle social awareness curriculum as part of the district's Bullying Prevention Plan. This plan also mandates training for all staff annually that must be included in the budget as well. The middle and high school teachers will continue to implement the Second Step program in grades 6-8 and cyber bullying prevention and Internet safety at both levels.
8. There will be continued technology training for all teachers to support learning initiatives across the grades.
9. There are several committees comprised of teachers and administrators that will meet to address needs in the area of Teacher Assessment Process, Safety, Technology, and the Elementary Report Card.

Curriculum Update

The areas described below are current initiatives that will continue on next year and are reflected in the FY13 budget.

Elementary

- During the 2011-2012 school year, teachers in grades 4 and 5 are implementing a new spelling program that was developed by local educators. These lessons build upon earlier skills that are taught through the *Foundations* phonics program.
- All elementary teachers are focusing on the new math standards that require mastery and fluency at each grade level. This has necessitated some revisions to the Everyday Mathematics program. Teachers are also aligning the unit assessments with the grade level standards.

- A standards-based report card was introduced in grades K-5 which aligns with both the Common Core and MA Curriculum Frameworks. This change away from letter grades will provide more detailed information on student learning as well as personal and social development. These report cards will continue to be refined through the 2012-2013 school year.
- Approximately 40 teachers are completing the Open Circle social awareness curriculum training this year. As this program is part of the district's Bullying Prevention Plan, there will be an ongoing need to continue this next year for new teachers. This training allows for school-wide common language and consistency in approach to developing relationships in all elementary schools.

Middle Schools

- There remains a critical need for review of the middle school science curriculum. It is outdated and as evidenced by the MCAS scores in Science, there are gaps and topics not currently addressed. During the 2012-2013 school year there will be a committee of middle school science teachers that will begin to investigate a more effective program for students and make a recommendation for a change for the following year.
- All middle school math teachers received training with the TI Nspire calculator and are integrating this new tool into math lessons. They have also begun the process of reviewing math standards and collaborating with each other through the use of Moodle, an online program that facilitates sharing of lessons and resources.
- Middle school teachers continue to address critical thinking, collaboration, and creativity through their lessons in all disciplines. During in-services, teachers share best practices to best support student learning.

High School

- High school teachers continue to focus on the project-based learning initiative. As part of this, school-wide rubrics have been developed to allow for consistency in assessing projects. In-service time has been devoted to this initiative.
- In math, teachers continue to integrate various technologies into lessons. These include Autograph which supports graphing, geometry, probability, and statistics as well as the TI Nspire calculator.
- This year the junior class will participate in a special project in lieu of taking mid-term exams. Students will work in small groups to solve a real world problem. This activity is seen as an exciting approach to preparing students for both college and careers.

District

- The district focus for professional development at the elementary level has been on teaching and assessing using standards. All levels will continue their work on the implementation of the Common Core standards.
- All K-12 health and wellness teachers are completing the School Health Index to finalize recommendations for health education. This information will help identify pertinent topics for instruction. Teachers have also completed training for the Life Skills curriculum.

Technology

In the FY13 budget, funding has been allocated to support the replacement of technology in all schools. This will allow for upgrades as necessary for our current hardware, infrastructure, and software. During the past few years, our schools have acquired new technology through the school budget, PTO support, Reading Education Foundation grants, and Federal Stimulus funding. Listed below are some of the upgrades and perceived needs for technology.

Hardware and Infrastructure

- SMART Boards in over 90% of the classrooms in the district
- 5 wireless computer carts at the middle school level
- 5 wireless computer carts at the elementary level
- Wide Area Network
- Replacement of computers at elementary and middle schools
- Apple iPad carts for special education programs
- CAD computers and graphic arts lab at high school
- MIDI lab at middle and high school
- Student to computer ratio of 3:1
- At least 60% wireless connectivity in every school with 100% at the middle schools, high school, and Killam School
- 3 Senteo Interactive Response Systems
- Laptops and netbooks for special education programs
- Document cameras
- Need for extended warranties of critical network

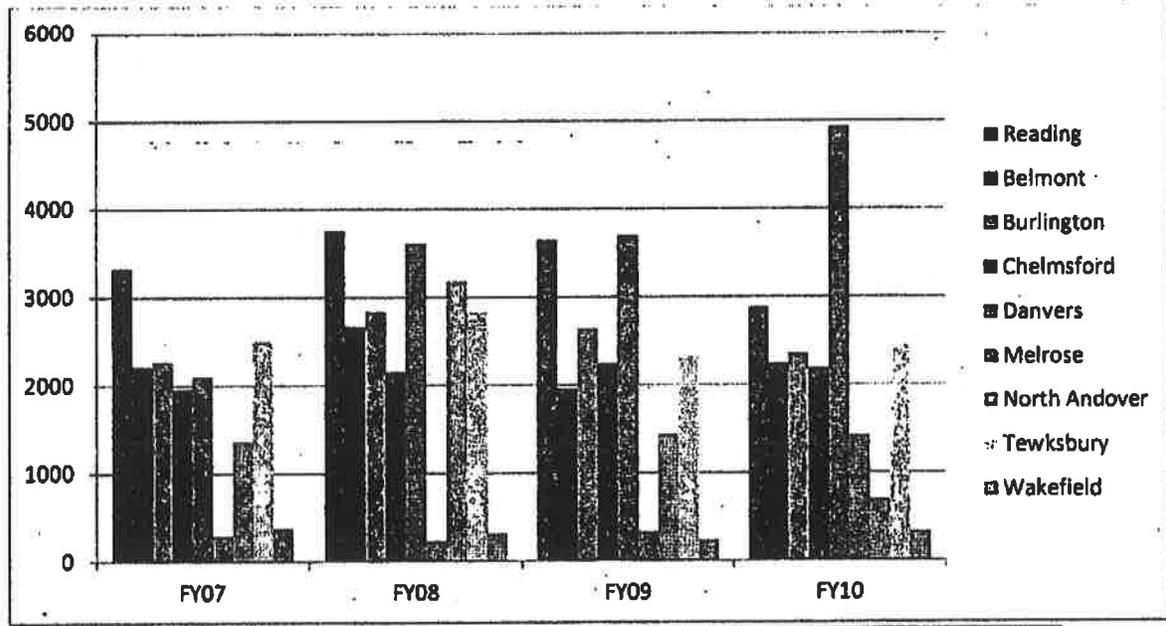
Management and Curriculum Software

- Lexia Reading Program (K-8)
- Destiny Library Automation System (K-12)
- Open Office (K-12 Open Source Software – no cost)
- Connect Ed Community Notification System (PreK-12)
- Edline (PreK-12)
- Administrators Plus and SNAP Student Management (PreK-12)
- Internet filtering (PreK-12)
- MUNIS Financial/HR Management (PreK-12)
- Virtual High School (9-12)
- School Spring Recruiting and Applicant Tracking (PreK-12)
- Test Wiz (3-12)
- Discovery Education United Streaming (PreK-12)
- Scantron Online Testing (6-8 Mathematics)
- Survey Monkey
- School Dude Facility Scheduling, Work Order, and Preventative Maintenance System (PreK-12)
- eSchool On-Line Fee Payment System
- AP Web Teacher

We will continue to fund the management and curriculum software out of the FY13 budget. There will be a set amount designated for technology maintenance and replacement.

One area where Reading has invested significant funding is professional development for teachers. As seen below, Reading ranks as one of the highest for professional development expenditures as a percent of total per pupil expenditures in the region.

Table 4.6-Professional Development Expenditure per Teacher



4.3 Special Education

The special education budget funds all of the salaries and expenses necessary to provide special education and related services to the children in our community. The goal of the Student Services department is to provide high quality programs and services within the district and to identify and place children in out-of-district programs only when the programs or services that are offered within the district are not adequate or appropriate to address a child's particular needs. As mandated by the Individuals with Disabilities Education Act (IDEA) and Section 504 of the Americans with Disabilities Act, we strive to provide programs and services to allow our students with disabilities to be educated in the least restrictive environment that enables them to make effective progress.

The figures below show the enrollment data for special education students in Reading, as well as a comparison to other similar communities.

Table 4.7-Special Education Enrollment Data with Comparative Communities

SY 10 -11	Reading	Melrose	North Andover	Wakefield	Wilmington	Winchester	Woburn	State
Total Enrollment	4509	3819	4716	3398	3785	4325	4855	
# of Students w/ Disabilities	734	574	637	536	608	709	811	
% of Students w/ Disabilities	16.3%	15%	13.5%	15.8%	16.1%	16.4%	16.7%	17%
# of Students in Out of District Placements	51	41	63	25	52	37	43	5.9%

Salaries funded from the special education budget include the Director of Student Services and the Director of RISE, our early childhood program. Due to a reduction in the IDEA entitlement grant, the salaries for two Team Chairpersons have been switched from the IDEA entitlement grant to the regular operational budget, resulting in a 72% increase in the administration salary line item. In addition, the special education budget funds the salaries of the special education program teachers, learning center teachers, speech pathologists, occupational therapists, physical therapists, and other related service providers. Other personnel expenses include staffing for our extended year program, special education paraeducators, and 2.0 FTE clerical staff who currently support the department, a reduction of one FTE from last year. These salaries are partially offset by revenues from pre-school tuitions and tuitions from special education students from other districts enrolled in Reading Public Schools.

Table 4.8-Reading Special Education Enrollment Data

Academic Year	Total Enrollment	# of Students w/ Disabilities	% of Students w/ Disabilities	% of Students w/ Disabilities Statewide	# of Students in out of district placements
2005-06	4282	694	16.0	16.4	73
2006-07	4332	707	16.1	16.7	67
2007-08	4416	753	16.8	16.9	73
2008-09	4428	727	17.2	17.1	63
2009-10	4392	780	17.0	17.0	59
2010-2011	4509	734	16.3	17.0	51
2011-2012	4535	801	17.6		58

The majority of the special education expense budget continues to fund tuition and transportation to out of district schools. As the table above indicates, the number of students in out of district placements had been steadily declining over the past several years with the creation of appropriate in- district programs for Reading students. However this current year, we have seen the addition of seven new out of district placements. One student moved into the district after April last year and we will pick up the cost of funding this student in the FY12-13 budget. This figure remains an overall decrease from the reported high, however it does mark close to a 14% increase from the previous year's figures and it was an unanticipated cost that was not fully budgeted.

One of the more significant challenges to the special education budget has been the decline in special education reimbursement grant funding, otherwise known as "Circuit Breaker." The circuit breaker grant is intended to reimburse districts for high special education costs defined as those in excess of three times the state average per pupil expense for special education or approximately \$38,000. For every dollar above the threshold, the state has historically reimbursed districts at the rate of 75%. In FY13, it is anticipated that the reimbursement rate will be 65%, up from the low 40% rate in the prior year. This revenue decrease has resulted in the need to utilize other non-recurring revenues and reduce spending. This cut has been felt across the state and the Massachusetts Association of School Superintendents (MASS) cited two reports, the Massachusetts Business Educations Alliance/Boston Foundation Study and the most recent Mass Budget Study that points out that the foundation budget underfunds special education's actual cost by one billion dollars, in their request to bring special education corrections to the foundation budget and to fully fund "Circuit Breaker."

In order to maintain and, in some cases, improve the in-district programs 0.4 FTE teaching positions and 2.0 FTE paraeducator positions were added to the operating budget for FY13. At the Barrows Elementary School, a 0.4 teaching position was added to the Developmental Learning Center (DLC) to accommodate the growing student population in this successful in-district program for students with autism spectrum disorders. To adjust for the growth in other district programs we had to add 2.0 FTE paraeducators to Barrows Elementary, Birch Meadow Elementary, Coolidge Middle School and Parker Middle School.

Table 4.9-Number of Related Service Minutes/Month Required at Middle School

	SY10-11	SY11-12	SY12-13
Coolidge M.S.	135 minutes/month	270 minutes/month	440 minutes/month
Parker M.S.	105 minutes/month	75 minutes/month	90 minutes/month
Total	240 minutes/month	345 minutes/month	550 minutes/month

As we continue to build stronger in-district programs and maintain more students in these programs there is an increase in related staffing costs. While many of these programs were created in the last five to six years, we are now seeing these students who entered the programs in pre-school and kindergarten transition to the next level and our staffing for related services has not kept up with this growth in population. The chart above shows the number of hours of related services at the middle school since the 2010-11 school year and the projected amount of services anticipated in the 2012-13 school year. As part of this transition from elementary to middle school consultation with school staff also increases from typical one or two staff up to six different teachers depending on the student's academic program

and time spent in integrated classrooms. Therefore we need to increase our occupational therapy specialists by .2 FTE to accommodate our now larger middle school special education population. We have seen a similar trend with our speech and language pathologists and have had to add .4 FTE to cover the increasing caseload at the High School.

Table 4.10-Number of Initial Evaluations and 3 Year Evaluations Conducted in District

	SY08-09	SY09-10	SY10-11
Initial Evaluations	127	148	167
3 Year Re-evaluations	100	133	155

Another area in which we have experienced an increasing expense is request for independent evaluations funded by the district. We have tried to address these demands through two different avenues. We have sought rulings from the Bureau of Special Education Appeals (BSEA) to determine whether our testing is comprehensive and thorough, and therefore are not required to fund the request, however this results in an increase in our legal fees. We are simultaneously working with our related service providers and special education teachers to ensure that we do in fact conduct thorough and comprehensive evaluations. The table above indicates the increase in initial and three year re-evaluations since the 2008-09 school year. To this end we have had to increase our budget to cover the costs of additional evaluation instruments and testing protocols and training of our staff. In the FY13 budget, we are recommending the addition of a 1.0 FTE district-wide evaluator who would conduct the majority of our initial evaluations, thus ensuring consistency across the district and reducing the testing demands on our building-based school psychologists. Initial evaluations and 3 year re-evaluations are mandatory testing that the district must administer in accordance with IDEA. In order to conduct a thorough and comprehensive assessment, the school psychologist must spend approximately 11-13 hours per student, including conducting the assessment, scoring it, writing the evaluation, reviewing the student record, conducting parent and teacher interviews, as well as travel time if the student is out of district or in another school. This new staffing model allows school psychologists to devote more time to the counseling and intervention needs of *all* students in their buildings and allows the district to provide more of the behavioral health support the community has requested and our students have required.

As mentioned above, the largest non-salary expense for the special education budget is out-of-district tuition and transportation. We are continually reviewing our current programs and whenever possible looking at ways to keep even more students in-district. We have looked at our Student Support Program (SSP) in the high school and have found that it is not currently structured to support the needs of some of our most socially and emotionally fragile students. Currently there are eight students in the high school who will need an out-of-district program if we are unable to create a therapeutic program in-district. In order to provide a higher staff to student ratio in a substantially separate setting we are recommending the addition of a 1.0 FTE academic teaching position (budgeted in the regular day budget) and 1.5 FTE Licensed Clinical Social Workers (LICSW). These LICSWs will work across the district to support the increasing behavioral health needs of our students and provide a professional resource to our staff and teachers. One of these social workers will be based in the newly formed therapeutic program at the high school and offer additional support to the guidance and other counseling staff in the building. The other .5 FTE will support students and staff across the district and work as part of our tiered system of interventions targeting both Level 2 and Level 3 students.

While we focus our efforts on keeping students in-district and providing the highest quality programs there still remains the nearly 60 students in out of district placement. Two of these programs, Landmark and Learning Prep, are petitioning for rate increases and it is necessary to account for these amounts in our tuition projections. By creating new programs in-district and enhancing our already existing programs, we hope to bring a number of these students back from their out-of-district placements. However, we are also aware of some families who have already indicated a desire to seek out-of-district placements and we are in litigation on a number of others. This potential increase in out-of-district placements highlights the importance of funding our program requests, but also marks a potential increase of nearly \$200,000 in tuition costs. As these tuitions increase there is also a corresponding rise in our transportation costs. This is offset only by the "aging out" of one of our students who has been in a residential program costing roughly \$300,000 a year. The cost of challenging many of these out-of-district placements has also meant an increase in our legal fees.

As the social and emotional demands have increased on our students across the district, we are also seeing an increasing number of students who are being hospitalized. While they are receiving in-patient treatment we are still required to educate these students and typically have to rely on tutoring services to do this. The increase in the tutoring budget reflects the actual spending this year and assumes the same high level of need if we are not able to provide the therapeutic supports through the new in-district programming.

Table 4.11-FY13 Special Education Budget Summary

	Actual Expended FY2009	Actual Expended FY2010	Actual Expended FY2011	Current Budget FY2012	School Committee Budget FY2013	% Change
Professional Salaries						
Administrators	288,925	302,292	235,615	200,773	347,801	73.2%
Therapists & Other Services	935,921	1,027,689	1,039,939	1,090,263	1,130,177	3.7%
Behavioral Health Services	-	-	25,434	55,000	248,559	351.9%
Teachers & Specialists	2,071,413	2,120,203	2,362,855	2,435,337	2,806,189	15.2%
Extended Year Services	82,696	75,954	92,060	94,000	95,500	1.6%
Additional Compensation	27,625	15,136	22,623	2,650	3,250	22.6%
Revolving Fund Support	-	(75,000)	(325,000)	(376,470)	(540,000)	43.4%
Subtotal - Professional Salaries	3,406,580	3,466,274	3,453,526	3,501,553	4,091,476	16.8%
Clerical Salaries	124,132	104,952	104,811	75,464	75,998	0.7%
Other Salaries						
Paraprofessionals	1,503,349	1,380,498	1,545,292	1,606,521	1,589,988	-1.0%
Extended Year Services	29,039	40,206	43,098	45,000	41,500	-7.8%
Additional Compensation	2,209	1,459	2,001	2,001	2,084	4.1%
Teacher Substitutes	4,634	10,398	2,731	21,400	20,600	-3.7%
Subtotal - Other Salaries	1,539,230	1,432,560	1,593,121	1,674,922	1,654,172	-1.2%
Contract Services						
Consultations	83,195	81,033	25,861	30,000	30,000	0.0%
Therapeutic Services	114,924	34,481	30,044	50,300	51,000	1.4%
Testing & Evaluation	12,568	9,464	34,428	22,000	8,000	-63.6%
Legal Services	34,309	9,561	18,095	36,000	40,000	11.1%
Tutoring Services	19,723	18,741	30,084	25,000	36,000	44.0%
Transportation	868,643	826,370	896,589	850,000	920,000	8.2%
Subtotal - Contract Services	1,133,362	979,649	1,035,100	1,013,300	1,085,000	7.1%
Supplies & Materials						
Office Supplies	5,225	5,051	2,187	5,460	2,500	-54.2%
Therapeutic Supplies	21,671	34,321	5,225	8,000	9,000	12.5%
Instructional Supplies & Materials	14,206	14,138	19,142	21,500	15,000	-30.2%
Subtotal - Supplies & Materials	41,102	53,510	26,553	34,960	26,500	-24.2%
Other Expenses						
Administrative Expenses	48,509	33,890	30,675	39,200	35,508	-9.4%
Professional Development	12,554	8,333	10,699	25,000	25,000	0.0%
Parent Transportation	40,107	34,676	24,507	43,000	34,000	-20.9%
Software Licensing	13,500	12,782	14,535	15,360	20,100	30.9%
Tuition, Other Districts	27,000	134,042	225,558	390,837	273,237	-30.1%
Tuition, Collaboratives	828,127	746,413	516,665	650,777	819,243	25.9%
Tuition, Private	1,600,472	1,998,854	2,301,436	2,790,452	2,577,755	-7.6%
Adaptive Equipment	16,904	47,516	39,537	20,500	18,000	-12.2%
Adaptive Technology	10,161	678	24,522	13,000	13,000	0.0%
Circuit Breaker Offset	-	-	-	(1,102,000)	(1,290,000)	17.1%
Subtotal - Other Expenses	2,597,333	3,017,183	3,188,133	2,886,127	2,525,843	-12.5%
TOTAL - SPECIAL EDUCATION	8,841,740	9,054,129	9,401,244	9,186,325	9,458,989	3.0%

4.4 Other Programs

This cost center consists of the following functional areas:

- Health Services
- Athletics
- Extracurricular Activities
- Networking and Technology Maintenance

The staffing levels for these functional areas are shown in the table below, followed by a discussion of the accomplishments and challenges for each department and the FY13 Superintendent's Requested Budget for each department.

Table 4.12-Staffing Levels for Other Program Areas

Category	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	+ / (-)
School Health Services							
Nursing Director	1.00	1.00	1.00	1.00	1.00	1.00	-
School Nurses	8.00	8.00	8.00	8.00	8.00	8.00	-
Clerical Support	0.50	0.50	0.50	0.50	0.50	0.50	-
Athletics							
Director	0.70	0.70	0.70	0.70	0.70	0.70	-
Clerical Support	0.50	0.50	0.50	0.50	0.50	0.50	-
Extracurricular Activities							
Coordinator	0.30	0.30	0.30	0.30	0.30	0.30	-
School Building Maintenance							
Directors & Managers	3.00	3.00	2.00	2.00	2.00	2.00	-
Maintenance Staff	3.00	3.00	3.00	3.00	3.00	3.00	-
Custodians	20.00	20.00	20.00	19.00	18.50	18.50	-
Clerical Support	1.00	1.00	1.00	1.00	1.00	1.00	-
Networking & Telecommunications	0.67	0.67	0.67	0.67	0.67	0.67	-
Technology Maintenance	2.5	3.5	3.5	3.5	3.5	5	1.50
Total	41.17	42.17	41.17	40.17	39.67	41.17	1.50

4.4.1 Health Services

The Health Services budget funds the salaries and expense for servicing the medical needs of the district's student population. Ninety-six percent of the budget funds the salaries of the eight nurses and the Director of Nurses. Currently, each building has at least one full-time nurse. The Director of Nursing is housed at the high school and provides additional support to its larger student population. The department shares a secretary with the athletics department with 50% of her time spent supporting health services. The district also contracts with a physician (for compliance with MGL, Ch. 71, Sections 53, 54, 55, and 57) who provides medical examination as needed or required to students. The remaining 2% of the budget funds office and medical supplies and equipment for the department.

Overall, the Health Services budget is projected to increase 2.9% or \$14,581. Most of that increase is attributable to the increase in professional salaries. The budgeted amount for FY2012 is actually \$2,200 below actual. Additionally, a step increase for some employees was negotiated but not anticipated for FY12 and will be an addition to base salaries for FY13. The other salaries line item represents the cost

for nurse substitutes and the FY2013 budget was increased to be more reflective of our actual experience in FY2011.

Under professional development, \$1,000 has been added to pay for training expenses for school nurses. This represents an expenditure of just over \$100 per nurse. In the past, we participated in a regional grant that covered these expenses but we anticipating that this grant will not be funded for next year. The increase in medical supplies is due for the most part to the growing need to have EpiPens on hand in various parts of the building. Each year, the nursing department receives increasing requests from school administrators and staff to place EpiPens in other areas of the building due to safety and emergency concerns. The Health Services department has been very responsive to these requests.

Table 4.13-FY13 Health Services Budget

	<u>Actual Expended FY2009</u>	<u>Actual Expended FY2010</u>	<u>Actual Expended FY2011</u>	<u>Current Budget FY2012</u>	<u>School Committee Budget FY2013</u>	<u>% Change</u>
Salaries						
Professional Salaries	368,533	423,986	492,030	471,305	481,121	2.1%
Clerical Salaries	14,220	15,297	14,861	14,722	15,252	3.6%
Other Salaries	10,583	7,050	9,550	7,000	9,750	39.3%
Subtotal - Salaries	393,336	446,333	516,442	493,027	506,123	2.7%
Contract Services						
Professional Development	1,054	-	1,000	-	1,000	-
School Physician	7,859	7,859	7,859	7,859	7,859	0.0%
Subtotal - Contract Services	8,913	7,859	8,859	7,859	8,859	12.7%
Supplies						
Office Supplies	508	1,111	241	600	600	0.0%
Medical Supplies	8,759	6,360	5,053	6,500	7,000	7.7%
Subtotal - Supplies	9,267	7,471	5,294	7,100	7,600	7.0%
Other Expenses						
Postage	88	417	88	315	300	-4.8%
Travel	271	-	-	-	-	-
Equipment	1,760	1,299	973	2,000	2,000	0.0%
Subtotal - Other Expenses	2,119	1,716	1,061	2,315	2,300	-0.6%
TOTAL - HEALTH SERVICES	413,635	463,379	531,655	510,301	524,882	2.9%

4.4.2 Athletics

The Athletics budget funds the salaries and expenses necessary to operate the High School athletics program. The Reading athletics program has enjoyed a long history of success both on and off the field with numerous state championship titles in multiple sports and equally high number of awards and other recognition for character and sportsmanship. The Athletics program also has a very high participation rate with approximately 60% of our high school students participating in at least one athletic sport during the course of an academic year. The table below shows the participation rates in our High School athletics programs.

Table 4.14-RMHS Participation Level by Sport

SPORT	06-07	07-08	08-09	09-10	10-11
Baseball	47	43	50	52	52
Basketball (B)	39	32	31	39	48
Basketball (G)	33	41	38	33	32
Cheerleading	34	31	42	35	42
Cross Country (B)	41	41	50	37	44
Cross Country (G)	32	26	20	20	21
Field Hockey	54	58	55	51	52
Football	89	88	87	101	94
Golf	14	12	12	15	12
Gymnastics	17	14	13	24	21
Ice Hockey (B)	47	49	47	53	54
Ice Hockey (G)	16	21	20	18	24
Indoor Track (B)	95	84	94	86	84
Indoor Track (G)	71	82	79	87	89
Lacrosse (B)	75	78	85	81	76
Lacrosse (G)	59	62	55	59	72
Outdoor Track (B)	108	91	88	74	69
Outdoor Track (G)	94	83	74	70	74
Soccer (B)	53	62	60	58	64
Soccer (G)	36	40	41	55	60
Softball	47	43	46	42	43
Swimming (B)	30	20	17	20	20
Swimming (G)	27	27	26	24	25
Tennis (B)	15	19	19	12	21
Tennis (G)	11	14	10	13	16
Volleyball	32	33	38	34	37
Wrestling	44	43	46	45	52
Total	1260	1237	1243	1238	1298

As this data indicate, participation rates increased 4.9% between FY2010 and 2011. Participation levels for FY2012 appear to be tracking FY2011 levels despite the \$40 increase in user fees. During the 2011 fall sports season, participation was up 1.6%, an increase of seven students from the previous year.

Sixty-three percent of the athletics budget is used to fund the salaries of coaches, the director and support staff. These salaries are partially offset by the user fees collected as well as gate receipts from games. In FY2013, the reliance on user fee revenue has been increased by close to 14%. This will not come from an increase in user fees but from drawing down the revolving fund balance by more than what we anticipate receiving. While not a long term sustainable solution, it will assist in balancing the FY2013 budget. With an offset amount of \$330,000, revolving fund support will cover about 70% of the athletics salary expense or about 44% of the total athletics budget.

In FY2013, other salaries, comprised predominantly of coaches' salaries, increases by nearly \$50,000. This is because the FY2012 budget assumed that \$50,000 in coaching salaries would be charged to the EdJobs grant. When compared to the FY2011 actual expenditures, the FY2013 figure reflects just a 1.0% increase.

The contract services area increases by 6.9% in the requested budget for FY13. The equipment maintenance line funds the refurbishment of football equipment (including helmets, girdles, pads, pants and shirts) as well as hockey shirts. Assumed increases in participation will result in additional equipment refurbishment needs. Facility rental expenses include the rental of the Burbank Ice Arena for hockey and the Burbank YMCA for the swim teams. There are also several hours of indoor tennis practice time included as well. These rates have been increasing each year. Last year we spent \$28,000 for ice time and \$22,250 for swim time. For the current year, we are anticipating the ice time to increase to \$36,000 due to the additional time needed for the new JV Girl's Hockey team. For FY2013, we are projecting ice rental expense of \$38,000 and pool rental fees of \$24,000. With respect to transportation, the rates are set based on the transportation contract with the bus company. These rates do increase next year by 2.1%. The total reflected in the FY2013 budget is based on an assumed 325 regular season games and 15 tournament games which is reflective of actual past experience. Officiating fees are based on rates set by the MIAA and the number of athletic events in which each team competes each year.

The supply budget includes office supplies, field supplies, trainer supplies, team supplies, and uniforms. The budget for trainer supplies is increased over FY2012 to be more reflective of average expenditures in the prior years. Team supplies include such things as balls and pucks, mouth guards, swim caps, chalk, and scorebooks for all of the various teams. The amounts are based on the average and projected number of participants in each sport and the number of games. Funding for uniforms has been inconsistent over the past several years. However, the athletics department would like to implement an annual replacement cycle beginning in FY2013 that would permit the replacement of uniforms for one varsity sport team each year. Only those varsity sport uniforms that remain the property of Reading Public Schools would be included in this replacement cycle (e.g. football, hockey, baseball). Those uniforms that are purchased and retained by the student athlete would not be included. With this type of replacement cycle, the varsity uniforms would be refurbished and passed down to the sub-varsity teams thereby allowing replenishment at that level as well.

Other expenses include conferences for the athletic director or coaches, event entry fees, awards that are given out during sports banquets each year, equipment replacement, and dues and memberships. The increase in equipment expenses will be used to fund specialized equipment that we have had to purchase for athletes who have sustained concussions. We have had to purchase 2-4 special helmets for athletes over the past several years to ensure proper protection following injury.

With respect to event entry fees versus dues and memberships, expenses have been charged randomly to these two categories in the past. We have provided clearer definitions for these expense categories such that these two lines are more appropriately budgeted in FY2013. In FY2011, the combined total of event entry fees plus dues and memberships was \$10,042. In FY13, that amount is consistent, although slightly lower at \$9,637. Event entry fees are the amounts that are paid for teams to enter non-league competitions. Historically, these fees have paid for track, cross country, cheerleading, and wrestling events. Dues and memberships include our MIAA membership, the Middlesex League track assessment,

and the Director's memberships to the Massachusetts Athletic Directors Association, the Middlesex League Athletic Directors Association, the National Interscholastic Athletic Administrators Association, and the American Alliance for Health, Physical Education, Recreation and Dance.

Table 4.15-FY13 Athletics Budget

	Actual Expended FY2009	Actual Expended FY2010	Actual Expended FY2011	Current Budget FY2012	School Committee Budget FY2013	% Change
Salaries						
Professional Salaries	62,228	81,990	75,305	75,998	77,488	2.0%
Clerical Salaries	16,796	17,483	22,111	18,169	18,309	0.8%
Other Salaries	347,024	356,953	376,015	331,148	379,011	14.5%
Revolving Fund Support	-	(220,000)	(230,000)	(290,000)	(330,000)	13.8%
Subtotal - Salaries	426,048	236,426	243,431	135,315	144,808	7.0%
Contract Services						
Equipment Maintenance	7,184	8,925	8,329	10,000	13,044	30.4%
Field Maintenance	4,833	2,450	5,793	4,000	4,358	9.0%
Facility Rentals	45,334	49,362	51,409	58,286	62,400	7.1%
Transportation	79,350	70,027	74,060	79,440	83,300	4.9%
Officials	55,638	59,382	56,409	58,000	61,307	5.7%
Police Detail	7,935	5,581	6,399	7,000	7,306	4.4%
Subtotal - Contract Services	200,274	195,727	202,399	216,726	231,715	6.9%
Supplies						
Office Supplies	847	806	1,019	1,000	990	-1.0%
Field Supplies	363	-	69	1,000	500	-50.0%
Trainer Supplies	5,075	3,962	3,885	3,500	4,800	37.1%
Team Supplies	6,656	3,398	5,062	5,000	8,325	66.5%
Uniforms	4,944	220	1,260	3,500	5,000	42.9%
Subtotal - Supplies	17,886	8,386	11,296	14,000	19,615	40.1%
Other Expenses						
Professional Development	945	165	-	200	250	25.0%
Event Entry Fees	-	-	6,212	1,000	2,997	199.7%
Awards	3,511	4,384	2,028	2,500	3,000	20.0%
Equipment	9,446	10,129	5,488	10,000	12,060	20.6%
Travel	1,652	68	-	1,500	-	-100.0%
Dues & Memberships	6,931	6,527	3,830	3,600	6,640	84.4%
Subtotal - Other Expenses	22,486	21,274	17,558	18,800	24,947	32.7%
TOTAL - SCHOOL ATHLETICS	666,693	461,812	474,683	384,841	421,084	9.4%

4.4.3 Extracurricular Activities

The Extracurricular Activities budget funds the salaries, stipends, and a small portion of the expenses necessary to offer extracurricular activities at the high school and the two middle schools. These activities include the high school drama and band programs, the middle school drama and band programs, and several other school committee approved activities. As with athletics, these programs are critical to the education of the whole child and provide opportunities for students to grow, learn, and excel in activities that generate enthusiasm and passion outside of the classroom. They also offer students the chance to develop confidence, character, relationships, and leadership abilities.

The drama and band programs at our schools are very well accomplished winning regional, state, and even national honors each year. In addition, many of our competitive academic teams have excelled in regional, state, and national competitions.

The extracurricular activities budget shows an increase of 16.8% for FY2013 which is an increase of \$6,579. The primary reason for this is an addition of \$8,000 to fund the partial restoration of the stipend costs necessary to keep the fitness center open to students after school. The modified plan would allow for the fitness center to be opened for ninety minutes after school for 150 of the 185 school days.

The majority of the extracurricular budget is used to fund the salary of the extracurricular activities coordinator as well as the stipends for the various advisors. The majority of the stipends included here are for the High School Drama and Band programs.

Contract services includes the cost of renting equipment for drama productions (such as light, set or sound equipment) or for band competitions. The band program rents vehicles during the course of the year to transport band equipment to and from competitions. Training funds are used to provide leadership training to student leaders. Travel represents the cost to transport the band to various competitions as well as academic teams.

Other expenses include event entry fees (for band, drama, as well as math and science teams), dues and memberships (including New England School Bands Association and National Honor Society), royalties paid for the rights to drama productions, and equipment expenses to replace or refurbish band equipment or for drama productions.

One will notice that expenses for such items as production sets or costumes for drama productions, uniforms and instruments for band members, printing and publication of yearbooks or student publications and many other such costs are not reflected in this budget as those are paid either by parent booster organizations or individual parents, or through the revenue received from user fees, ticket, advertisement, refreshment, or merchandise sales. While an exact figure is not known, it is estimated that the extracurricular budget likely funds less than 30% of the actual costs attributable to these programs and activities. Parent organizations such as Parents Supporting Student Theater or the Reading Band Parents Organization raise tens of thousands of dollars each year which are used to offset a significant portion of the expenses need to fund these outstanding programs.

Table 4.16-FY13 Extracurricular Activities Budget

	Actual Expended FY2009	Actual Expended FY2010	Actual Expended FY2011	Current Budget FY2012	School Committee Budget FY2013	% Change
Salaries						
Professional Salaries	29,727	32,147	31,577	31,928	32,566	2.0%
Stipends	37,199	40,529	41,104	29,218	35,869	22.8%
Revolving Fund Support	-	(24,000)	(48,770)	(40,000)	(42,000)	5.0%
Subtotal - Salaries	66,925	48,676	23,911	21,146	26,435	25.0%
Contract Services						
Equipment Rental	-	941	-	1,000	1,000	0.0%
Vehicle Rental	-	-	389	1,000	600	-40.0%
Training	1,125	1,303	588	1,500	450	-70.0%
Transportation	8,690	8,024	10,055	8,500	9,490	11.6%
Subtotal - Contract Services	9,815	10,269	11,041	12,000	11,540	-3.8%
Supplies & Materials	1,089	-	-	1,500	700	-53.3%
Other Expenses						
Event Entry Fees	1,562	173	150	500	1,000	100.0%
Dues & Memberships	951	315	660	1,000	550	-45.0%
Royalties	1,065	585	-	2,000	2,500	25.0%
Equipment	4,254	2,290	2,729	1,000	3,000	200.0%
Subtotal - Other Expenses	7,832	3,363	3,539	4,500	7,050	56.7%
TOTAL - EXTRACURRICULAR	85,661	62,308	38,491	39,146	45,725	16.8%

4.4.4 Networking and Technology Maintenance

The networking and technology maintenance budget funds the salaries and expenses required to operate, service, repair, and maintain our technology infrastructure including our wide area network, wireless networks, servers, computer hardware and peripheral devices, and telecommunications equipment. Eighty-five percent of this budget is used to fund the salaries of the district staff that perform these services including a network administrator, a 0.2 FTE districtwide technology specialist and 3.5 FTE computer technicians. The remainder of this budget funds our Connect-Ed emergency notification system license, telephone equipment repairs, internet service, and miscellaneous supplies and equipment needed to maintain the district's technology infrastructure.

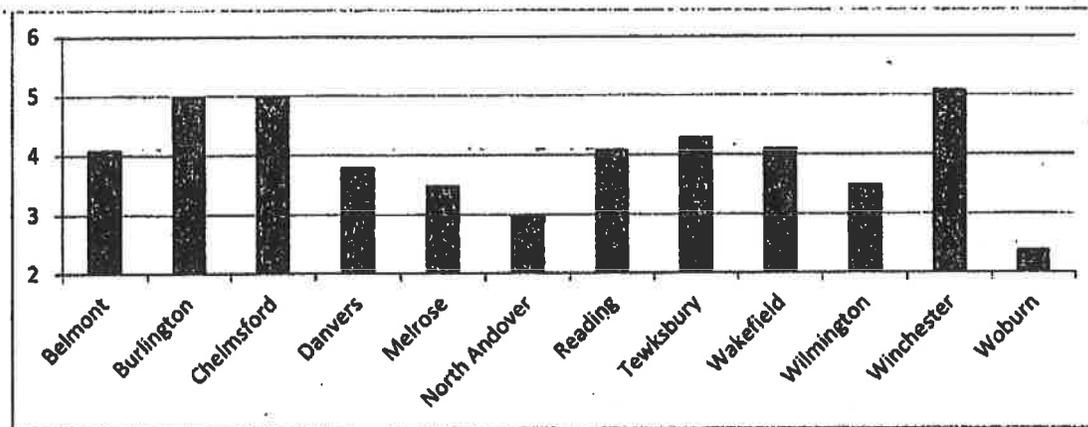
The networking and technology maintenance budget for FY2013 increases by 27.1% or \$66,558. Of this increase \$54,000 is attributed to the request for an additional 1.5 FTE computer technicians. Throughout the district, we now have 1,800 computers that are being maintained by just 3.5 computer technicians. That is a ratio of 514 computers per technician. According to the 2011 Department of Elementary and Secondary Education report on *Technology in Massachusetts Schools*, the recommended ratio of technicians to computers should be one technician for every 200 computers. During the current school year, the technology department implemented a work order system to track the number of requests for

technology support or assistance. Within the first five months of this school year, they had logged over 2,000 work orders. Due to the lack of staffing, the median time to complete a technology work order has been 5 days with the average being 10 days. What our data is showing is that we do not have enough technology staff to address routine issues and special projects such as upgrading software and hardware. Given the heavy reliance of our staff on technology and its extensive integration into the classroom, it is highly problematic to ask a teacher to be without a computer or other technology hardware for that length of time. It causes significant disruption to their lesson planning and instructional delivery and has an adverse impact on teacher morale as well.

Table 4.17-FY13 Networking and Technology Maintenance Budget

	Actual Expended FY2009	Actual Expended FY2010	Actual Expended FY2011	Current Budget FY2012	School Committee Budget FY2013	% Change
Salaries						
Professional Salaries	79,552	70,905	71,986	72,590	76,234	5.0%
Other Salaries	128,922	133,709	137,876	135,390	195,252	44.2%
Subtotal - Salaries	208,475	204,614	209,862	207,980	271,485	30.5%
Contract Services						
Internet	1,320	1,440	1,515	1,440	1,644	14.2%
Emergency Notification	15,556	15,480	16,232	15,600	16,232	4.1%
Consulting	-	-	595	-	-	-
Subtotal - Contract Services	16,875	16,920	18,342	17,040	17,876	4.9%
Supplies	2,399	-	-	-	-	-
Other Expenses						
Software	8,752	2,860	2,500	2,000	600	-70.0%
Telephone Repair	11,245	11,766	15,883	15,000	17,617	17.4%
Equipment	352	30,000	-	4,000	5,000	25.0%
Subtotal - Other Expenses	20,348	44,626	18,383	21,000	23,217	10.6%
TOTAL - TECHNOLOGY	248,097	266,160	246,587	246,020	312,578	27.1%

Table 4.18-Students per Modern Computer, Reading versus Comparable Communities



4.5 School Building Maintenance

The School Building Maintenance budget funds the salaries and expenses necessary to operate and maintain our school buildings. This includes the salaries of the custodial and maintenance staff, the Director of Facilities, the Energy and Facilities Services Manager and one full-time secretary that supports the department. Salaries account for the majority of the School Building Maintenance operating budget at 40%. The revenue offset represents the revenue generated from the rental of our school facilities for use by town and other area non-profit and for-profit organizations.

The next largest share of the School Building Maintenance budget funds energy and utility expenses including natural gas, electricity, and water and sewer. In FY11, these items represented 35% of the total expenditures within this cost center, down from 44% just two years prior. Building repairs represent another 13% of the budget while contracted services (including inspections, testing, repair, and cleaning services) make up another 12%. Custodial supplies, and other miscellaneous expenses make up the remainder of the budget.

The Facilities Department maintains and cleans 771,050 square feet of school building space. Our 18 full-time school building custodians are responsible for cleaning over 40,000 square feet per shift or 5,000 square feet per main hour. This figure is high when compared to both other districts as well as to national benchmarks for the amount of square footage per person and per hour. The Facilities Department also employs three full time maintenance staff including one licensed master plumber and two maintenance technicians. Given the square footage of our facilities, this translates to roughly 250,000 square feet of space maintained per maintenance staff.

During fiscal year 2011, the Facilities Department received a total of 2,288 work orders including preventative maintenance work orders that are automatically generated through the School Dude Preventative Maintenance module. The total number of work orders completed was 2,185 and the average time to complete a work order was seven days.

With respect to facility use, we have one of the highest utilization rates in the region as measured by the total hours of non-school use of facilities. There were over 5,000 scheduled events in our schools last year, with approximately 60% being Reading Public School events. Of the remaining, 998 were billable rentals that generated a total of \$190,136 in revenue for an average of \$190.52 per billable event. Reading Recreation also scheduled 718 events for which we received \$25,000 in revenue for an average of \$34.82 per event or \$155.70 below average market value. If recreation events were charged at the average market rate, an additional \$111,792.60 in revenue would have been generated.

In January of 2011, the energy conservation performance contracting project was completed after 18 months of construction activity. During fiscal year 2010, with the project just 60% complete, we achieved savings of just over \$300,000 which was used to offset the debt used to fund the project. Additional savings of over \$50,000 were realized last year, bringing the total annual savings to over \$350,000 per year. In Fiscal Year 2012, we were invited to participate in the Massachusetts School Building Authority's Green Repair Project receiving 47% reimbursement grants to replace windows at the Birch Meadow Elementary School and the roof at the Killam Elementary School. That work is nearly complete and will bring additional energy savings in the future.

During the upcoming year, the Facilities Department will be working with the Director of Finance and Operations to compete for MSBA funding under the Accelerated Repairs Program to allow us to make the Killam school handicap accessible, replace the remaining windows in the building, provide enhanced fire protection, and renovate the main office of the school. If successful, we are hopeful that the work would commence in the late spring to early summer of 2013.

Table 4.19-FY13 School Building Maintenance Budget

	Actual Expended <u>FY2009</u>	Actual Expended <u>FY2010</u>	Actual Expended <u>FY2011</u>	Current Budget <u>FY2012</u>	School Committee Budget <u>FY2013</u>	% Change
Salaries						
Professional Salaries	212,103	149,781	155,294	156,062	162,051	3.8%
Clerical Salaries	35,910	36,678	37,446	38,374	38,718	0.9%
Custodial Salaries	754,599	699,915	741,817	744,859	759,104	1.9%
Maintenance Salaries	142,324	138,666	148,835	152,683	157,653	3.3%
Substitutes	54,686	92,475	69,733	70,000	72,297	3.3%
Overtime	66,043	72,377	94,916	103,000	92,758	-9.9%
Revolving Fund Support	(505)	-	(75,000)	(145,000)	(165,000)	13.8%
Subtotal - Salaries	1,265,160	1,189,892	1,173,041	1,119,977	1,117,581	-0.2%
Contract Services						
Elevator	15,350	16,011	16,307	21,607	22,038	2.0%
Alarms	4,839	6,126	4,023	4,884	5,005	2.5%
Fire Equipment	16,477	16,871	12,533	25,785	21,295	-17.4%
Heating, Ventilation, A/C	42,793	25,001	26,320	34,925	37,330	6.9%
Cleaning Services	238,597	237,742	237,876	228,557	231,562	1.3%
Other Services	45,790	31,400	68,188	31,684	41,747	31.8%
Software Licensing	-	4,234	4,234	4,234	4,234	0.0%
A/E Services	-	-	35,950	-	12,000	-
Subtotal - Contract Services	363,846	337,385	405,431	351,676	375,212	6.7%
Supplies						
Office Supplies	1,274	2,172	2,985	1,000	1,000	0.0%
Maintenance Supplies	3,551	2,180	4,443	5,000	5,893	17.9%
Custodial Supplies	85,891	85,595	87,511	80,210	85,468	6.6%
Subtotal - Supplies	90,716	89,948	94,938	86,210	92,361	7.1%
Other Expenses						
Electricity	659,699	562,686	529,261	667,780	618,375	-7.4%
Natural Gas	534,842	487,224	478,367	467,115	456,358	-2.3%
Water & Sewer	80,106	72,500	87,697	93,950	90,385	-3.8%
Energy Management	330,030	43,507	-	-	-	-
Building Repairs	362,749	598,210	532,508	379,709	412,963	8.8%
Equipment	45,977	13,058	14,297	6,988	6,987	0.0%
Professional Development	581	-	-	320	1,500	368.8%
Uniforms	9,079	9,071	8,209	10,430	8,850	-15.1%
Gasoline	9,207	7,892	9,676	10,000	10,470	4.7%
Travel Reimbursement	3,993	-	-	4,000	4,000	0.0%
Software	-	-	955	955	955	0.0%
Subtotal - Other Expenses	2,036,263	1,794,149	1,660,971	1,641,247	1,610,844	-1.9%
TOTAL - SCH BLDG MAINTENANCE	3,755,985	3,411,374	3,334,380	3,199,110	3,195,998	-0.1%

The FY2013 Superintendent's Requested Budget shows a decrease of 0.1% driven primarily by continued decreases in natural gas and utility expenditures. Much of this additional savings is due to the very competitive pricing available in the natural gas market which enabled us to secure a long term natural gas contract at historical low pricing levels. In addition the Facilities Department continues to aggressively manage the use of overtime, which is also heavily weather dependent and can fluctuate dramatically when we have difficult winters. Finally, we have also increased the use of the revenue from school building rentals.

Table 4.20-School Building Maintenance Staffing

Category	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	+ / (-)
School Building Maintenance							
Directors & Managers	3.00	3.00	2.00	2.00	2.00	2.00	-
Maintenance Staff	3.00	3.00	3.00	3.00	3.00	3.00	-
Custodians	20.00	20.00	20.00	19.00	18.50	18.50	-
Clerical Support	1.00	1.00	1.00	1.00	1.00	1.00	-
Total	27.00	27.00	26.00	25.00	24.50	24.50	-

The charts below illustrate the consumption per square foot for natural gas, electricity, and water for each of our school buildings. Consumption per square foot is a common metric of energy efficiency and, as the charts below show, the efficiency of our buildings has improved dramatically over the past four years. There are a couple of anomalies below, primarily at the Coolidge Middle School. These apparent efficiency reversals were caused by a couple of incidents of system or equipment malfunctions that resulted in excessive natural gas and water consumption prior to equipment being repaired. On a positive note, it is the energy and utility management and monitoring systems that now allow us to identify and address problems in a more timely fashion.

Table 4.21-Natural Gas Consumption per Square Foot

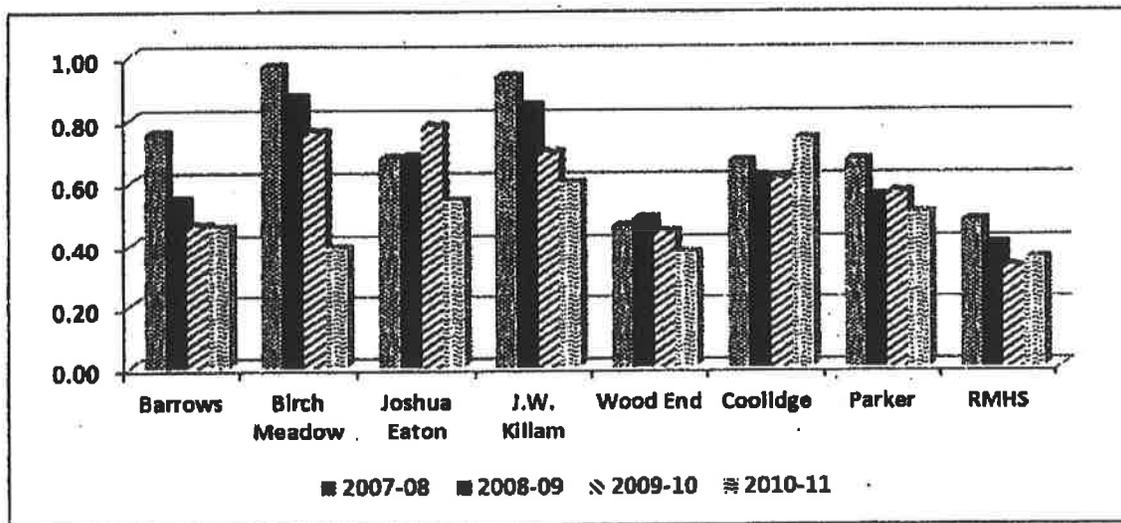


Table 4.22-Electricity Consumption per Square Foot

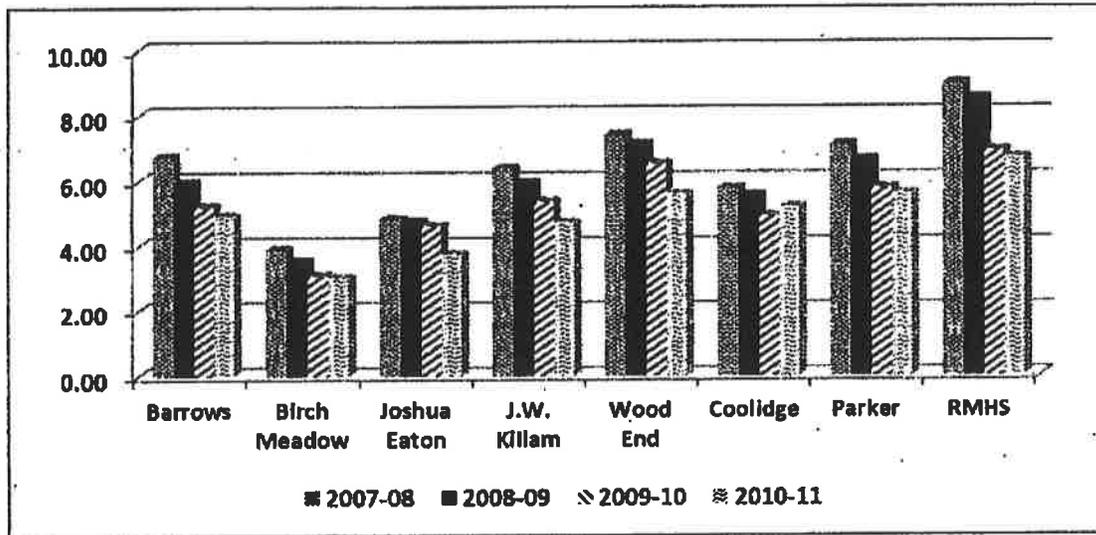
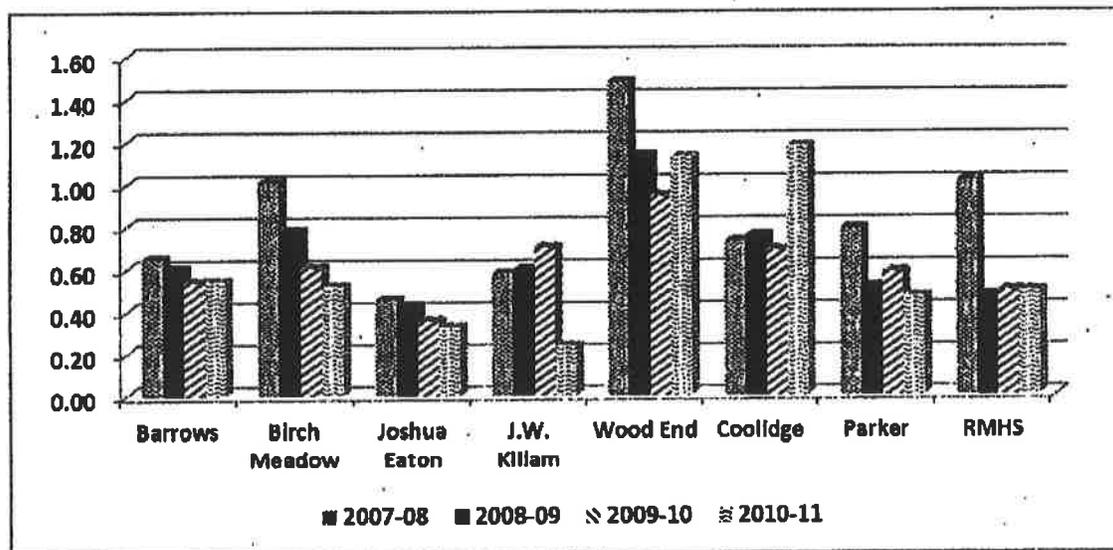


Table 4.23-Water Consumption per Square Foot



4.6 Town Building Maintenance

The Town Building Maintenance budget funds the salaries and expenses necessary to operate and maintain our seven municipal buildings which include Town Hall, Reading Public Library, Reading Senior Center, the Department of Public Works Garage, the Police Station, and the Main Street and Woburn Street Fire Stations. The total square footage for these seven buildings is 137,062. The department includes 3.0 FTE custodians, two who service the buildings during the day shift and one during the evening shift. The building is also serviced by the three maintenance staff that are funded entirely from the School Building Maintenance budget, as are the Director of Facilities, the Energy and Facilities Services Manager and the one full time secretary that supports the department.

Salaries account for one-quarter of the expenditures of this department. Thirty-eight-percent of the budget funds energy and utility expenses while 28% funds building repairs and maintenance services. Eight percent of the budget funds the cleaning services contractor that is used to clean the Town Hall, Reading Public Library, the Police Station, and the Senior Center.

Table 4.24=FY13 Town Building Maintenance Budget

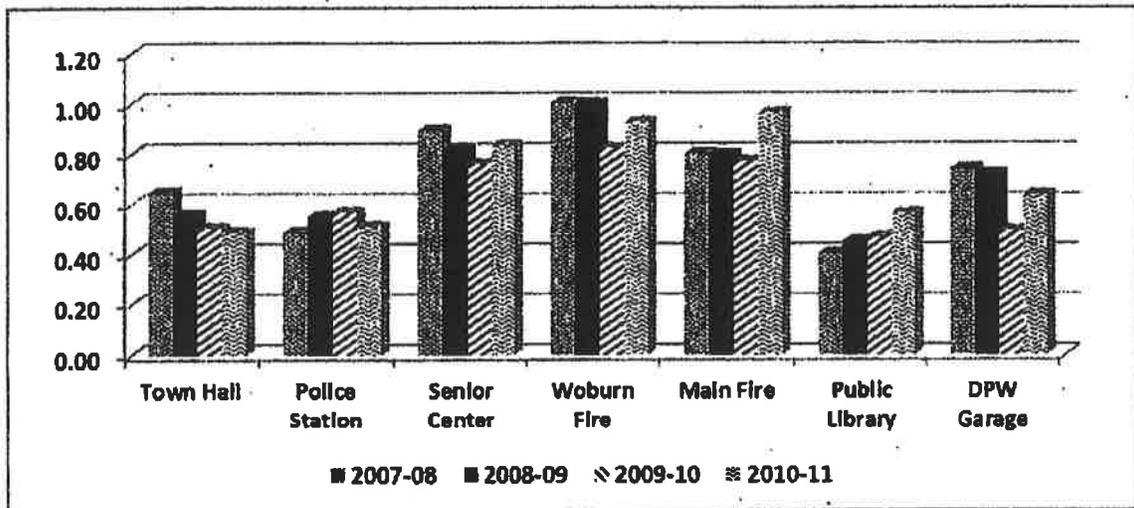
	Actual Expended FY2009	Actual Expended FY2010	Actual Expended FY2011	Current Budget FY2012	School Committee Budget FY2013	% Change
Salaries						
Custodial Salaries	120,701	120,033	116,066	125,856	126,046	0.2%
Substitutes	-	-	-	610	700	14.7%
Overtime	28,498	38,784	32,197	40,000	40,000	0.0%
Additional Compensation	1,589	1,743	1,743	1,743	1,743	0.0%
Subtotal - Salaries	150,788	160,559	150,006	168,209	168,489	0.2%
Contract Services						
Cleaning	61,240	41,922	44,340	44,344	56,500	27.4%
Elevator	16,687	14,957	13,060	13,320	13,452	1.0%
Alarm	1,720	2,474	6,099	10,715	10,821	1.0%
Fire Equipment	10,032	7,765	4,885	2,535	2,562	1.0%
Heating, Ventilation, A/C	31,181	20,652	34,812	9,400	9,494	1.0%
Other Services	10,436	4,115	1,771	14,476	13,561	-6.3%
Subtotal - Contract Services	131,295	91,886	104,967	94,790	106,389	12.2%
Supplies	12,911	12,731	12,591	13,620	13,707	0.6%
Other Expenses						
Electricity	186,133	159,959	160,945	171,650	155,600	-9.4%
Natural Gas	131,635	117,446	138,506	87,700	93,000	6.0%
Water & Sewer	15,893	16,054	16,230	16,300	17,450	7.1%
Building Repairs	113,579	106,076	193,318	196,273	148,182	-24.5%
Uniforms	905	725	1,029	1,335	1,350	1.1%
Subtotal - Other Expenses	448,145	400,260	510,028	473,258	415,582	-12.2%
TOTAL - TOWN BLDG MAINTENANCE	743,140	665,436	777,591	749,877	704,166	-6.1%

In FY2013 the Town Building Maintenance Budget is projected to increase slightly by 0.6%, an increase of \$4,289. This increase is driven primarily by a projected increase in cleaning services. The current cleaning services contract for town buildings is due to expire at the end of the current year. The contract rates for the current contract are significantly below market value and, in fact, the contractor has struggled to fulfill the contract terms and conditions. We are anticipating that the bids we receive subsequent to the next procurement process will be closer to the rates we were experiencing back in FY2008 and FY2009 and so the budget has been increased in anticipation of this.

We do expect to see continued savings in electricity and feel that our FY2012 figure may be slightly high based on the actual experience from 2010 and 2011. With respect to natural gas, we are not seeing the level of savings anticipated and, while our FY2013 projected amounts are above FY2012 budget amounts, they are still substantially below historical levels due to the implementation of energy conservation measures.

The charts below illustrate the consumption per square foot for natural gas, electricity, and water for each of our town buildings. Consumption per square foot is a common metric of energy efficiency and, the charts below show general improvement in this area for all buildings. The consumption figures used in the charts below are not weather adjusted. As a result, in many cases 2010-11 figures appear to indicate that the buildings were less efficient than the prior year. However, 2010-11 was a much colder year than 2009-10.

Table 4.25-Natural Gas Consumption per Square Foot



The chart below shows that electricity consumption per square foot, which is not driven by weather but more by building use, has trended downward overall across most town buildings.

Table 4.26-Electricity Consumption per Square Foot

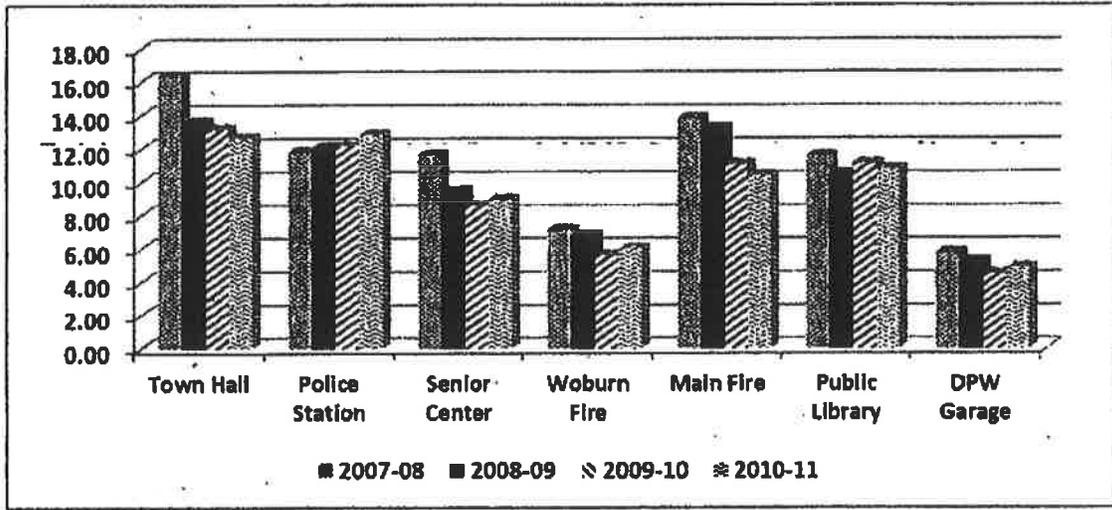
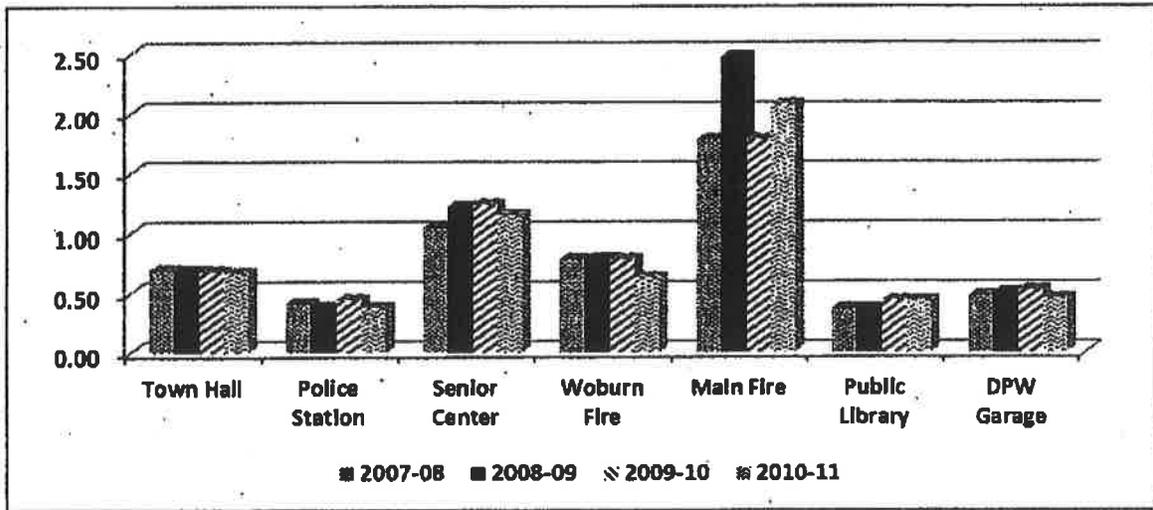


Table 4.27-Water Consumption per Square Foot



5.0 District Revenues

5.1 Federal and State Grants

In the current fiscal year, our district is supported by nearly \$4.3 million in federal and state grant funding. This includes \$414,707 in federal Education Jobs grant funding. As the table below indicates, other than the \$24,466 that was carried forward from FY2011, no further ARRA funds are available to the district and have all been expended at this time. Federal and state grant funding represents 10% of our district's expenditures on education.

Table 5.1-Grant Fund: Historical Expenditures, Current Year Awards, and Projected Awards

	Expended <u>2009</u>	Expended <u>2010</u>	Expended <u>2011</u>	Award <u>2012</u>	Projected <u>2013</u>
Federal Grants:					
Title I	98,564	72,203	87,886	118,809 ¹	93,521
Title IIA	69,562	68,071	68,961	57,569	56,418
Title IID	2,004	1,657	-	-	-
Safe & Drug Free Schools	11,893	9,976	4,174	-	-
SPED P.L. 94-142	865,937	911,974	914,820	914,219	895,935
SPED Early Childhood	16,906	16,854	16,864	18,062	17,701
SPED Prof. Dev.	13,877	-	-	52,124	-
Teaching of American History	551,084	41,034	-	-	-
Teaching of American History II	-	327,844	193,330	478,644	-
Emergency Preparedness	41,228	31,421	-	-	-
Subtotal - Non-ARRA Federal Grants	1,671,055	1,481,034	1,286,035	1,639,427	1,063,574
ARRA IDEA	-	544,002	601,268	-	-
ARRA Early Childhood	-	21,590	21,235	-	-
ARRA SFSF	974,264	654,119	316,011 ²	24,466 ³	-
ARRA EECBG	-	150,000	-	-	-
EduJobs	-	-	-	414,707	236,253
Race to the Top (RTTT)	-	-	-	5,000	4,625
RTTT Vertical SIF Implementation	-	-	6,970	-	-
Subtotal - ARRA Federal Grants	974,264	1,369,711	945,484	444,173	240,878
Total - Federal Grants	2,645,319	2,850,745	2,231,519	2,083,600	1,304,452
State Grants:					
Racial Imbalance (METCO)	345,611	326,675	327,244	339,772	332,977
Academic Support	12,000	11,300	11,400	11,400	11,172
Circuit Breaker	1,409,865	868,372	121,996	1,846,593 ⁴	1,290,000 ⁵
Safe Schools Program	1,500	-	-	-	-
School Nurse Prof. Development	4,212	-	-	-	-
Total - State Grants	1,773,188	1,206,347	460,640	2,197,765	1,634,149
TOTAL - ALL GRANTS	4,418,507	4,057,092	2,692,159	4,281,365	2,938,601
(1) Includes \$24,076 carryforward from FY10					
(2) Includes \$290,013 rollover from FY10					
(3) Carryforward from FY11					
(4) Includes 630,572 carryforward from FY11					
(5) Assumes reimbursement rate of 65%					

Our school district receives a number of federal entitlement grants each year under the No Child Left Behind Act including Title I (allocated based on district's poverty rate), Title IIA (the Teacher Quality Improvement grant), IDEA (otherwise known as P.L. 94-142 based on the special education population of a district) and Early Childhood Education funding. Historically, Reading Public Schools received a number of additional entitlement or competitive grants but these programs have been eliminated or are no longer funded in the federal or state budget.

In addition to the federal entitlement grants, we have also been successful in past years in obtaining federal competitive grants such as the Emergency Preparedness grant and the Teaching of American History grant. Currently, we are in the final year of the three-year Teaching of American History grant that has funded a significant proportion of professional development for social studies and history teachers over the past three years.

The other federal funding that we have received over the past three years is the ARRA stimulus funds. The total amount that we received over the past three years has been \$3,306,955. Without this funding, the district would likely have faced personnel cuts equivalent to close to 40 teachers which would have had a devastating impact on teaching and learning in our district. While these ARRA funds have now been expended, we did also receive over \$640,000 in funding as part of the Education Jobs bill which was signed in to law by President Obama in August of 2010. We are currently paying the salaries 19 instructional and support staff positions totaling \$414,700 and the funding for these positions will need to shift back to the operating budget for FY2013. The remaining \$236,000 in EdJobs funding will be used to pay a one-time \$600 payment to teachers in September of 2012 as negotiated during as part of their collective bargaining agreement.

The table above also shows a significantly larger figure for Circuit Breaker in FY2012 than FY2011. This is due to the fact that we were able to carry \$630,572 forward from FY11 due to tuition savings from children who came back to our district or unanticipated out of district placements that either remained in Reading Public Schools or were placed in less costly schools. Due to a number of unanticipated expenses in FY2012, that funding is expected to be needed in the current year. Those unanticipated expenses include the shifting of two team chairs from the IDEA grant back to the operating budget, several unanticipated out of district placements, and increased legal expenses related to some of these placements.

Unfortunately, with the expiration of the ARRA grants as well as our Teaching of American History grant, and the lack of any significant Circuit Breaker funds to carry forward into FY2013, we are anticipating a decrease in grant funding of an astonishing 31.4% which is a significant driver in the increase requested to the FY2013 school department budget. As the table below shows, these reductions equate to the loss of \$573,261 in funding for salaries for the district which funded 21.6 positions in FY2012.

Table 5.2-Current and Projected Grant Funded Positions

Grant	Position	FY12	FY12	FY12	FY12	FY13	FY13	FY13	FY13
		FTE	FTE Reduction	Salary	Salary Difference	FTE	FTE Reduction	Salary	Salary Difference
Title I IDEA (P.L. 94-142)	Regular Education Teachers	1.5	-	86,333	7,924	1.0	(0.50)	58,268	(28,065)
	Special Education Team Chairs	2.0	(2.0)	145,067	(150,980)	2.0	-	148,331	3,264
Early Childhood Education Jobs	Special Education Teachers	12.0	(1.0)	717,163	(46,039)	11.0	(1.00)	672,335	(44,828)
	Pre-School Teacher	0.3	-	18,233	181	0.2	(0.10)	12,500	(5,633)
METCO	Instructional and Support Staff	19.0	-	414,707	414,707	0.0	(19.00)	-	(414,707)
Teaching American History	Director	1.0	-	60,375	400	1.0	-	61,583	1,208
	Director	1.0	-	84,500	2,100	0.0	(1.00)	-	(84,500)
	Total	36.8	(3.0)	1,526,378	228,292	15.2	(21.60)	953,116	(573,261)

5.2 Special Revenue Funds

The district maintains thirty-three separate special revenue funds that were created and are maintained in accordance with the state's municipal finance laws as well as the Department of Revenue and Department of Elementary and Secondary Education regulations. The monies that are deposited into these funds include school lunch receipts, user fee receipts, ticket sale revenues from athletic events and drama performances, tuitions for full-day kindergarten, pre-school, summer school, before and after school programs, in-district special education programs offered to non-Reading residents, and gifts and donations. Revenues from these revolving funds are used to support approximately 7% of the district's total expenditures on education. The table below shows the revenues, expenses, and changes in fund balances between July 1, 2010 and June 30, 2011.

Table 5.3-Revolving Fund Status as of June 30, 2011

	Balance 1-Jul-10	FY11 Revenues	FY11 Expenditures	Balance 30-Jun-11	Net Gain/(Loss)
Revolving Fund:					
School Lunch Program	164,842	1,213,467	1,132,757	245,552	80,710
Athletic Activities	175,986	264,178	249,787	190,377	14,391
Guidance Revolving Fund	4,330	47,432	47,412	4,350	20
School Transportation	578	55,923	56,501	-	(578)
Coolidge Extracurricular	-	8,350	640	7,710	7,710
Parker Extracurricular	-	3,905	200	3,705	3,705
RMHS Extracurricular	-	11,170	11,170	-	-
RMHS Band	-	21,773	18,316	3,457	3,457
Drama - High School	58,756	101,739	122,920	37,575	(21,181)
Drama - Parker	14,253	18,356	10,549	22,060	7,807
After School - Parker	2,749	24,424	18,917	8,256	5,507
Extended Day	45,018	474,548	289,390	230,176	185,158
Drama - Coolidge	24,903	33,804	29,180	29,526	4,623
Adult Education	29,025	27,983	27,675	29,332	307
Summer School	47,830	16,868	18,844	45,853	(1,977)
RISE Pre-School	312,803	127,786	180,005	260,585	(52,218)
Use of School Property	187,044	148,143	194,500	140,709	(46,335)
Special Education Tuition	432,130	138,141	158,417	411,855	(20,275)
Full-Day Kindergarten Tuition	450,742	572,306	544,014	479,033	28,291
Lost Books	9,595	4,935	1,182	13,348	3,753
Elementary Science Materials	3,228	2,175	-	5,403	2,175
Burns Foundation (Coolidge)	5,480	-	1,181	4,299	(1,181)
Jump & Go BC/BS (Parker)	3,259	-	509	2,750	(509)
District Donation Fund	942	20,160	15,049	6,054	5,112
Barrows Donation Fund	1,565	23,517	1,415	23,667	22,102
Birch Meadow Donation Fund	7,521	4,906	10,245	2,182	(5,339)
Joshua Eaton Donation Fund	8,973	1,612	7,142	3,443	(5,530)
J.W. Killam Donation Fund	5,484	1,955	6,841	597	(4,887)
Wood End Donation Fund	2,101	16,073	13,577	4,598	2,497
Coolidge Donation Fund	11,733	28,358	22,450	17,642	5,909
Parker Donation Fund	7,902	22,888	16,484	14,305	6,403
High School Donation Fund	14,167	27,899	17,488	25,675	11,508
Special Education Donation Fund	3,335	3,792	792	6,335	3,000
Total - All Funds	2,036,274	3,468,563	3,225,548	2,280,408	244,134

Overall, there was a net gain of \$244,134 in our district's special revenue funds at the close of the last fiscal year. The majority of the net increase came from the school lunch program and our before and after school program.

Below is a summary of the use of offsets and the revenue projections for Fiscal Year 2013. As these figures indicate, based on current revenue projections and the proposed revenue offsets included in the FY2013 Superintendent's Requested budget, all of these funds would have a positive balance at years end. However, all of these funds, with the exception of Extended Day, would end the year with a net loss, in some cases a significant loss, in fund balance as compared to FY2012. As was mentioned during last year's budget process, we anticipate that revenue fund balances will be nearly depleted by the end of Fiscal Year 2014. At that time, revenues received during the fiscal year would be the sole source of revenue support for that year's budget. In the past, our revenue offsets have been based on the fund balance at the close of the prior fiscal year. With this depletion of the fund balance, the revenue offsets available to support the FY2015 budget would likely need to be reduced by \$300,000 - \$450,000 unless additional revenues are generated through increased participation or increased tuitions and fees.

Table 5.4-Use of Offsets and Revenue Projections for FY2013

<u>Revenue Fund</u>	<u>Projected Balance 30-Jun-11</u>	<u>FY13 Budgeted Offsets</u>	<u>FY13 Projected Revenue</u>	<u>FY13 Other Expense</u>	<u>Projected Balance 30-Jun-13</u>	<u>Net Gain/(Loss)</u>
Extracurricular Activities	85,602	42,000	100,000	80,000	63,602	(22,000)
Athletics	140,377	330,000	260,000	20,000	50,377	(90,000)
Use of School Property	97,709	165,000	180,000	112,500	209	(97,500)
RISE Tuition	179,585	240,000	120,000	6,500	53,085	(126,500)
Special Education Tuition	350,385	300,000	130,000	38,500	141,885	(208,500)
Kindergarten Tuition	421,533	820,000	580,000	11,500	170,033	(251,500)
Summer School Tuition	36,853	5,000	15,000	19,000	27,853	(9,000)
Extended Day	390,176	15,000	475,000	360,000	490,176	100,000

Appendix A: Tuition and Fee Schedules

Table A1-Program Tuitions and User Fees, 2012-13

Tuition or Fee	2008-09	2009-10	2010-11	2012-13
Transportation Fee (annual)	\$280	\$280	\$365	\$365
<i>Family cap</i>	\$450	\$450	\$600	\$650
Kindergarten Tuition (annual)	\$4,000	\$4,000	\$4,200	\$4,200
RISE Tuition (annual)				
2 Day (1/2 Day)	\$1,500	\$1,500	\$1,500	\$1,500
4 Day (1/2 Day)	\$3,000	\$3,000	\$3,000	\$3,000
3 Day (Full Day)			\$4,320	\$4,320
5 Day (Full Day)			\$6,360	\$6,360
Athletics User Fee (per season)	\$85	\$175	\$175	\$215
<i>Individual cap</i>	\$220	\$450	\$450	\$500
<i>Family cap</i>	\$440	\$750	\$750	\$800
HS Drama Fee (per season)	\$85	\$100	\$100	\$100
<i>Family cap</i>	\$440	\$450	\$450	\$450
HS Band Fee (per band activity)			\$175	\$175
<i>Individual cap</i>			\$450	\$450
<i>Family cap</i>			\$750	\$750
MS Drama and Band Fee	No fees charged		\$50	\$50

Table A2-Facility Rental Fees Schedule, 2012-13

Location	Reading N-Profit	Reading F-Profit Non-Reading N-Profit	Non-Reading F- Profit
	No Minimum	2-Hr. Minimum	4-Hr. Minimum
Auditoriums			
RMHS			
Performance	\$75.0	\$110.0	\$150.0
Rehearsal	\$25.0	\$45.0	\$55.0
Dressing Room	\$15.0	\$20.0	\$25.0
Access Lighting/Sound Systems	\$25.0	\$45.0	\$55.0
Parker			
Performance	\$30.0	\$70.0	\$100.0
Rehearsal	\$15.0	\$25.0	\$35.0
Dressing Room (Band Rm)	\$10.0	\$15.0	\$20.0
Gymnasiums			
RMHS Field House (Main Floor)	\$50.0	\$110.0	\$130.0
Middle Schools	\$20.0	\$30.0	\$40.0
Elementary (Wood Floor)	\$15.0	\$25.0	\$35.0
Elementary (Alternate Surface)	\$10.0	\$20.0	\$30.0
Cafeterias			
RMHS	\$30.0	\$80.0	\$90.0
Middle Schools	\$15.0	\$40.0	\$50.0
Barrows & Wood End	\$12.0	\$30.0	\$40.0
Birch Meadow, Eaton, Killam	\$10.0	\$30.0	\$40.0
Multi Purpose Rooms			
RMHS Distance Learning Room	\$30.0	\$50.0	\$60.0
Coolidge Middle School	\$20.0	\$40.0	\$50.0
Parker Middle School	\$15.0	\$35.0	\$45.0
Computer Labs			
RMHS	\$40.0	\$55.0	\$75.0
Middle Schools	\$25.0	\$40.0	\$60.0
Classrooms			
RMHS	\$20.0	\$30.0	\$40.0
Middle	\$10.0	\$20.0	\$30.0
Elementary	\$5.0	\$15.0	\$25.0
RMHS Fields			
Stadium	\$75.0	\$150.0	\$200.0
Track, Press Box, or Score Board	\$25.0	\$50.0	\$75.0
Stadium Lights	\$30.0	\$40.0	\$50.0
Game Administrator	\$35.0	\$50.0	\$65.0
Exterior Bathroom	\$20.0	\$35.0	\$50.0
Practice Field	\$40.0	\$80.0	\$120.0
Practice Field Lights	\$25.0	\$30.0	\$40.0
Custodial and Kitchen Staff Fees			
Weekday Custodial (2hr min.)	\$32.0	\$32.0	\$32.0
Weekend Custodial (3hr min.)	\$36.0	\$36.0	\$36.0
Holiday Custodial (3hr min.)	\$50.0	\$50.0	\$50.0
Weekday Kitchen (2hr min.)	\$27.0	\$27.0	\$27.0
Weekend Kitchen (2hr min.)	\$30.0	\$30.0	\$30.0
Holiday Kitchen (2hr min.)	\$35.0	\$35.0	\$35.0
Projection Device / Computer Rental			
HS Auditorium (includes req'd technician)	\$50.0	\$75.0	\$125.0
HS or MS Classroom (installed technology)	\$15.0	\$20.0	\$30.0
MS/ES Auditorium/Cafe/MPR (portable)	\$10.0	\$15.0	\$25.0
Technology Staff (as determined by IT Director)	\$20.0	\$20.0	\$20.0

Appendix B: School Committee Policies on Budget and Finance

File: DA

FISCAL MANAGEMENT GOALS

The quantity and quality of learning programs are directly dependent on the effective, efficient management of allocated funds. It follows that achievement of the school system's purposes can best be achieved through excellent fiscal management.

As trustee of local, state, and federal funds allocated for use in public education, the Committee will fulfill its responsibility to see that these funds are used wisely for achievement of the purposes to which they are allocated.

Because of resource limitations, there is sometimes a temptation to operate so that fiscal concerns overshadow the educational program. Recognizing this, it is essential that the school system take specific action to make sure education remains central and that fiscal matters are ancillary and contribute to the educational program. This concept will be incorporated into Committee operations and into all aspects of school system management and operation.

In the school system's fiscal management, it is the Committee's intent:

1. To engage in thorough advance planning, with staff and community involvement, in order to develop budgets and to guide expenditures so as to achieve the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.
2. To establish levels of funding that will provide high quality education for the students.
3. To use the best available techniques and technology for budget development and management as well as for financial processes, procedures and analysis
4. To provide timely and appropriate information to all staff with fiscal management responsibilities.
5. To establish maximum efficiency procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.

Adopted by the Reading School Committee on September 28, 2006

ANNUAL BUDGET

The annual budget is the financial expression of the educational mission and program of the school department.

The budget then is more than just a financial instrument and requires on the part of the Committee, the staff, and the community orderly and cooperative effort to ensure sound fiscal practices for achieving the educational mission, goals, and objectives of the school system.

Public school budgeting is regulated and controlled by legislation, state regulations, and local School Committee requirements. The operating budget for the school system will be prepared and presented in line with state policy and will be developed and refined in accordance with these same requirements.

The Superintendent will serve as budget officer but he/she may delegate portions of this responsibility to members of his/her staff as he/she deems appropriate. The three general areas of responsibility for the Superintendent as budget officer will be budget preparation, budget presentation, and budget administration.

Adopted by the Reading School Committee on September 28, 2006

LEGAL REFS: M.G.L. 15:1G; 71:38N; 71:59

BUDGET DEADLINES AND SCHEDULES

Preparation of the annual budget will be scheduled in stages throughout the school year with attention to certain deadlines established by law and charter.

In accordance with Massachusetts General Law, the School Committee will hold a public hearing on a proposed budget before it takes a final vote on a proposed budget.

Adopted by the Reading School Committee on September 28, 2006

LEGAL REFS: M.G.L. 71:38N
Town Charter

BUDGET PLANNING

The major portion of income for the operation of the public schools is derived from local property taxes, and the School Committee will attempt to protect the valid interest of the taxpayers. However, the first priority in the development of an annual budget will be the educational welfare of the children in our schools.

Budget decisions reflect the attitude and philosophy of those charged with the responsibility for educational decision making. Therefore, a sound budget development process must be established to ensure that the annual operating budget accurately reflects this school system's goals and objectives.

In the budget planning process for the school system, the School Committee will strive to:

1. Engage in thorough advance planning, with staff and community involvement, in order to develop budgets and guide expenditures in a manner that will achieve the greatest educational returns and contributions to the educational program in relation to dollars expended.
2. Establish levels of funding that will provide high quality education for all our students.
3. Use the best available techniques and technology for budget development and management.

The Superintendent will have overall responsibility for budget preparation, including the construction of, and adherence to, a budget calendar.

Adopted by the Reading School Committee on September 28, 2006

BUDGET ADOPTION PROCEDURES

Authority for adoption of the final school budget lies with the Town Meeting.

The fiscal year shall begin on the first day of July and shall end on the thirtieth day of June, unless another provision is made by general law.

The General Laws of the Commonwealth of Massachusetts also establish the following procedures pertaining to the School Committee budget:

Public Hearing by School Committee - As per Chapter 71 Section 38N of the General Laws. "The School Committee of each city, town or regional school district shall hold a public hearing on its proposed annual budget not less than seven days after publication of a notice thereof in a newspaper having general circulation in such city, town or district. Prior to such public hearing said Committee shall make available to the public at least one copy of said proposed budget for a time period of not less than forty-eight hours either at the office of the Superintendent of Schools or at a place so designated by said Committee. At the time and place so advertised or at any time or place to which such hearing may from time to time be adjourned all interested persons shall be given an opportunity to be heard for or against the whole or any part of the proposed budget. Such hearing shall be conducted by a quorum of the School Committee. For the purposes of this section a quorum shall consist of a majority of the members of said School Committee."

Adopted by the Reading School Committee on September 28, 2006

LEGAL REFS: M.G.L. 71:34

Appendix C: Superintendent's Budget Message

The last three fiscal years have been extremely challenging for the Reading Public Schools. A reduction in state aid, coupled with rising in health insurance costs have led to stagnant school funding during FY10, FY11, and FY12. During this time, the change to the school budget has been a net of 0% (0% in FY10, 1.1% increase in FY11 and a 1.1% decrease in FY12). This overall lack of increased funding has resulted in the elimination of 34.8 FTE positions, primarily in the areas of secretary, paraeducator, and custodian support. In addition to the staffing reductions, allocations for instructional supplies, curriculum, professional development and technology replacement have been significantly reduced with the school having to survive on a fraction of the funding that they have had years prior to FY10. These reductions have created a strain on our support and instructional staff and a void in instructional supplies and technology replacement in our classrooms. The reductions in instructional supplies and technology replacement in FY12 were meant as a one year budget reduction only to avoid reducing classroom teachers. These reductions, while challenging, were strategically selected to avoid reductions to our teaching staff over the last three years.

We are at a point as a school district where we can no longer sustain reductions in personnel or supplies and expect to maintain a high quality school district that focuses on continuous improvement and innovation. This FY13 budget is critical in that we must restore some of the reductions that were intended to be one year reductions. We must also address some critical areas that have clearly been adversely impacting our students. Other needs have surfaced as well. Over the next few years, we will need to transition all of our curriculum areas to the Common Core of Learning, which is the newly approved Massachusetts Curriculum Frameworks. As part of this transition, curriculum work and materials adoption will need to occur in mathematics, writing, and science. In addition, common assessments will need to be developed in all subject areas and grade levels as part of the new Massachusetts Educator Evaluation system.

However, the most critical need in our school district is to address the overall behavioral health of our students. Behavioral health refers to the social, emotional, and behavioral well-being of *all* students, including but not limited to students with mental health needs. Behavioral health initiatives seek to both reduce problem behaviors, and to optimize positive and productive functioning. The research clearly shows that when programs and policies to improve behavioral health are in place, academic achievement improves, students are more engaged in school, and negative behaviors decrease.

Last year, to begin a dialogue about these concerns, the Reading Public Schools hosted three showings of the documentary, *Race to Nowhere*, which focuses on the increasing stress and anxiety that our youth are facing in today's society. As a result of the community discussions from *Race to Nowhere*, a group of dedicated teachers, administrators, parents and the Reading Coalition Against Substance Abuse formed a Behavioral Health Task Force. This group met throughout the summer and identified the behavioral health needs of the school district using a DESE Behavioral Health Assessment Tool. From these results, the task force developed a set of recommendations as to what our schools and our community can do to support students, reduce their anxiety, and help them become more emotionally ready to learn and thrive in this community. Several of these recommendations have begun to be implemented while others will require additional resources. In addition to the Behavioral Health Task Force Recommendations, our latest Youth Risk Behavior Survey (2011) showed some areas of concern, most notably in the number of students who are at emotional risk, and have been diagnosed with depression, anxiety disorder, or other mental illnesses. These students often show symptoms of chronic absenteeism, excessive tardiness and may have engaged in cutting, seriously considered suicide, made a plan about committing suicide, or attempted suicide. These students require a level of clinical counseling, therapeutic, and programmatic support that we currently cannot provide. Another area of concern exposed by the YRBS is the lack of a PreK-12 Health Education program. These two areas will be a key focus of the FY13 budget.

The challenge for our community and our school district will be to find ways to maintain the high quality services that our residents expect from Reading Public Schools while providing additional programs and services to address the needs expressed above. One of the primary responsibilities of the Superintendent is to develop a recommended budget request each year that represents what is necessary to provide a high quality educational experience for our children. In prosperous times, that budget would reflect the resources necessary to accomplish all of the district and school improvement goals aimed at maximizing student success for all students. In difficult times such as now, the challenge is balancing what is necessary for achieving success with what resources are available. We are hoping that this is a transition year where we can restore some of the resources lost in the previous three years, while addressing some current and future needs.

In the prior sections of this document, we outlined for you where we have been as a district and where we want to go. Student performance has remained strong despite three years of little to no growth in funding for our schools. However, we are beginning to see the impact of the loss of curriculum, professional development, technology, and support staff over the last three years. The school district has lost almost 35 positions over the last three years and, for the most part, we have been able to keep the impact away from the classroom as much as possible. But the real reason for our continued success in light of limited funding is the commitment of our staff to our students and our mission and the strong support of our parents and community organizations.

Most agree that surviving fiscal year 2012 has been a challenge but many are also optimistic about the future. This Fiscal Year 2013 Superintendent's Recommended Budget was developed in consideration of the challenge but also of the optimism for the future. The Superintendent's Recommended Budget shows an increase of 2.9%, which allows our district to restore some of the support staff and instructional supplies while addressing some of the critical needs in behavioral health, health education, technology replacement, and professional development, and curriculum work. Although this increase is above the 2% amount recommended at the Financial Forum, we feel that it would be disingenuous to not recommend a budget that addresses the critical needs in our school district. This is not an increase that we take lightly, as a significant amount of deliberation occurred with administrators and staff on what we felt was *needed* to address the critical issues that face our students today while investing in their future.

As we developed our budget, the priorities listed below were used to guide our decisions. It is our overarching goal to preserve the integrity, stability, quality, and culture of our school district. This priority list, which is in no particular order, was developed with input from our administrators and is consistent with the strategic objectives and initiatives described in the *Reading Public Schools Strategy for Improvement of Student Outcomes*. The Superintendent's FY13 Recommended Budget ensures sufficient resources to adequately support the following priority areas:

- Behavioral Health of all of our students
- Growth and development of our staff
- Low class sizes (18-22) in grades K-2 where possible
- Middle school interdisciplinary model
- 21st Century learning initiatives
- Technology infrastructure
- Maintenance of our school facilities while controlling the long term cost of operating those facilities
- Regular day programs (e.g. art, music, physical education, health education, foreign language)

Appendix D: Superintendent's Budget Questions & Responses

FY2013 Budget Questions/Comments

1. Refresh my memory. When was the last time we increased the RISE Tuition and how does it compare to other preschools? I noticed that enrollment continues to grow and we are now using space at Wood End. What is the reason for this increase?

RISE Tuition was increased 25% in 2007-08 and then another 20% in 2008-09. There has not been a tuition increase since FY09. With respect to how we compare to other preschools, as the table below shows, we are at the higher end when compared to other area public pre-schools but in the middle to lower-middle when compared to the local private pre-schools.

2011 Pre-School Tuition Rates	
Public	RATE
Woburn Preschool	\$5.64
Stoneham Preschool	\$5.64
North Reading Preschool	\$6.41
Reading Preschool	\$6.75
Lynnfield Preschool	\$8.55
Private	
Little Treasures	\$5.37
Goddard	\$6.94
Reading Preschool	\$6.75
Christian Cooperative	\$7.99
Humpty Dumpty	\$8.13
Sawyer Preschool	\$9.11

We cannot know for certain why enrollment is growing but we can speculate that it is a combination of demographic trends (more pre-school age children born or parents of pre-school children moving into town), the number of options that our pre-school offers to parents, price, and, most importantly, the quality of the program.

2. What is the status of the waiver applied for by the MA DESE for flexibility from NCLB regulations?

The Massachusetts DESE is awaiting word on whether or not the waiver has been approved. Several states have applied for a waiver for certain parts of the current law. If the state receives the waiver, it will not have a budgetary impact, because the waiver is not related to our work with the Common Core or New Teacher Evaluation System.

3. Can we get the data outlined in Table 2.16 for 2009-10 and 2008-09?

The data is below. The SGP data was not collected by the state in 2008-09.

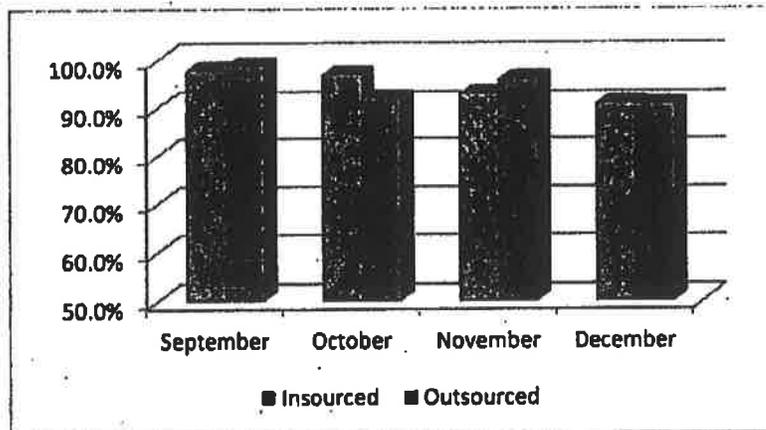
SGP by Schools	2009 ELA	2009 Math	2010 ELA	2010 Math
Barrows	34	45	36	51
Birch Meadow	61	61	67	54
Joshua Eaton	50	74	58	54
Killam	42.5	69	52	58
Wood End	44	70	50	61
Coolidge	61	69	72	57
Parker	52	60	63	58
RMHS	47	24	40	34

4. How many years of transition are we allowed for Common Core?

The state has allowed for a 3 year transition period. This time frame began in January of 2011 when the new MA Curriculum Frameworks that incorporate the Common Core State Standards were formally adopted. The MA DESE has stated that there is an expectation for near full implementation for both ELA and Math in the 2012-2013 school year with full implementation of the new standards in the 2013-2014 school year. The MCAS testing for 2013 will be based on the new MA Curriculum Frameworks/Common Core standards (2011) in the area of ELA. There will still be some overlap with the 2000/2004 Mathematics Frameworks in the area of Math for 2013 MCAS. In 2014, all state assessments will be based on the 2011 Frameworks and Common Core.

5. Can we get an update on how the new substitute program is working?

Currently, we have 173 substitutes working for Reading Public Schools including 113 teacher substitutes and 55 paraeducator substitutes. Sixty-one percent of our teacher substitutes hold Massachusetts teacher certifications. Fifty out of our 113 teacher substitutes formerly worked for us through Kelly Educational Services.



As the chart indicates, our fill rates have been very close to the fill rates achieved when we utilized Kelly Services. This chart shows the fill rates for the first four months of the current year as compared to the same four months in the prior year when we were utilizing Kelly. It should also be noted that the rates for Reading Public Schools include the filling of paraeducator and nurse absences. Those figures are not included in Kelly's fill rates.

Summary and Administration

1. Table 3.1 General Fund Summary on page 21 notes a 6.3% or \$53,829 increase in Administration yet the narratives on pages 23 and 26 note an increase of 5.1% or \$43,065. Please explain the discrepancy.

Table 3.1 is correct. However, Table 4.1 is incorrect. We discovered this last week and, as a result, provided the School Committee with a revised Table 4.1 last Thursday. The text has not been updated to reflect the accurate figure which is 6.3% or \$53,829.

2. Under Accommodated Costs Why a 6.8% increase in transportation?

Our actual spending in FY11 was \$896,589, not including the additional \$24,000 in parent reimbursement. This year we budgeted \$850,000 which does not reflect the additional students that went out of district this year (three students to date). We are projecting another 8 to 10 out of districts placements next year each with a projected cost of approximately \$5,000 for an overall increase of \$70,000 for this year's budget of \$920,000 which is still below previous years' spending.

3. Has there been any consideration to decreasing the amount of the district's subsidy for non-mandatory transportation?

The only way to decrease the amount that we are subsidizing for transportation would be to increase the transportation fee. We increased the user fee in FY2011 by 30% (from \$280 to \$365). We did see a drop in participation as a result of the fee increase. Another increase would likely result in an additional drop in participation which, if significant enough, might offset the fee increase for the remaining riders.

4. What would be the cost to include the 7th grade class and the 2012-13 8th grade class with the understanding that we would revert back to 7th grade only in 2013-14 for the new Health Education Curriculum.

At this point we do not know whether health education will be in Grade 6, 7 or 8 for next year. It will depend on several factors, including where it developmentally should be taught and availability of time in the middle school schedule. To teach health education in more than one grade next year will require double the staffing (up to 2.0 FTE Health Education Teachers) and an additional amount of funding for materials and training. Potentially, it could cost an additional \$100,000-\$110,000 to teach it in more than one grade.

5. How much was the METCO grant reduced?

At this point, we do not know if the METCO grant will be reduced because the funding for the grant will be in the State FY13 budget. Each year, for the last three years, there has been an attempt to reduce the METCO grant at the state level, although at the end it has been level funded. We are anticipating a decrease in grant funding and will adjust accordingly if the grant is increased or level funded.

6. How do future Full Day K costs look by increasing the use of the revolving for 2013 budget balancing?

For the last three years, we have ended the year with a balance of between \$450,000 and \$475,000 in the FDK revolving fund, despite the fact that our budget offsets have been increasing each year. Those budget offset amounts, however, have been keeping pace with actual revenues. In fact, this year we anticipate revenue to be very close to the projected budget offset of \$620,000. Based on current enrollment projections, we anticipate FDK tuition receipts next year to be around \$575,000. Therefore, with the budget offset at \$820,000, we will be drawing the fund balance down to around \$230,000. If we have the need to keep the offset at \$820,000 for the following year (FY14), we would project the fund balance would be completely eliminated. Therefore, in FY15, we would have to either (a) reduce the offset to a level consistent with the revenue we would project to receive in FY15 (around \$600,000), which would result in a \$220,000 decrease in our budget or (b) increase the FDK tuition. The increase necessary to generate an additional \$200,000 in FDK revenue based on current FDK enrollments would have to be approximately \$1,200 per student per year.

7. How many hours are estimated that the proposed Suspension Coordinator be in actual suspensions versus other duties? Who is currently providing coverage when teachers are in team meetings?

Based on historical suspension numbers over the last three years, we anticipate that the Suspension Coordinator will be needed for approximately 40-50% of the total school day to supervise students who are suspended. The remainder of the time will be used to provide coverage for teachers to attend IEP meetings, which we are currently not addressing adequately. We currently provide coverage in a variety of ways for teachers to attend special education meetings. Unfortunately, with reductions in paraeducator hours over the last few years, it is difficult to provide that coverage and there are times that we are not able to provide coverage for a teacher to attend an IEP meeting. In our most recent Coordinated Program Review, we were cited and corrective action was required for our failure to have General Education staff attend each IEP meeting.

8. Explain the decrease in transportation on page 36.

Providing transportation to mandatory students at Killam, Parker, and Coolidge as well as non-mandatory students at Wood End required three buses. With the elimination of transportation to Wood End, we only require two buses each day which has resulted in a decrease in transportation costs.

9. Don't we already have the Ed Jobs funding? Why are we increasing by \$97,000 if we already have this funding (page 24)?

In the current year's budget (FY2012), we are funding \$414,707 in positions. The salaries for all of those positions have been shifted back to the operating budget in FY2013. We have \$236,253 remaining in EdJobs for 2013 that will be used to pay teachers a one-time payment of \$600 per FTE as negotiated in the collective bargaining process. This one-time payment is different than the additional competency stipend that was also negotiated. The additional competency stipend is a \$500 amount that is paid to teachers who have achieved certain additional competencies such as dual certification in the subject area they teach and special education. The column movements and additional competency stipends were intended to be paid from the operating budget, not EdJobs.

10. The significant increase in Professional Development is outlined on pages 34 and 35. Please provide a dollar breakdown by initiative.

Elementary	
Open Circle Training	10,000
Writing Curriculum Development	6,660
Report Card Committee	1,332
Common Assessment Development	8,880
Middle	
Math Curriculum Work (Common Core)	8,880
Common Assessment Development	6,660
Science Curriculum Investigation	2,664
High School	
Math Curriculum Work (Common Core)	8,880
Common Assessment Development	8,325
Districtwide	
Consortium and Collaborative Dues	8,860
Expanding the Boundaries Materials	2,500
National Institute for School Leadership	1,500
Bullying Prevention Training	3,500
ArtsFest	4,500
District Safety Committee	4,440
Behavioral Health Committee	3,330
Technology Committee (BYOD)	8,325
Teacher Technology Training	3,500

11. Can we expect to see funding requests for middle school science in FY 2014 (page 39)?

The funding in the Recommended FY13 budget is for teachers and the Assistant Superintendent to research and investigate a scope and sequence and new curriculum material for the 2013-14 school year. Based upon those recommendations, an amount of funding will be recommended in the FY14 budget.

12. How will the student and teacher performance be measured in the junior class special project (page39)? I would like to see more detail (when available) on this initiative.

At the February 13 School Committee meeting, the high school administration and staff will be doing a presentation on the Junior Class Real World Project Initiative. At that time, the student performance piece will be presented.

13. The Instructional Technology line is up significantly. I have read the narrative, but I would like a discussion on how we got here all of a sudden with all of the funding, grants etc... that have been toward technology in recent years.

Over the last three years, we have used Federal Stimulus funding and PTO funding in some schools to purchase additional student computers, SMART Boards and to upgrade our infrastructure of servers and network across the district. What we have not done is replace computers, particularly those computers that were purchased with building project funds in the Wood End, Barrows, and RMHS building projects. We currently do not have a line item in the budget each year for replenishment of technology. We need to begin to have a replenishment cycle of six years so that our technology does not break down. We are beginning to see the building project computers breaking down and becoming obsolete.

14. Given our focus on behavioral health, have we investigated the team teaching approaching in Grade 9 at the high school? If we implement that model, I feel that it could reduce the other staffing requests that are in the FY13 budget.

You will notice on page 4 in the budget book that "Implement high school best practices which include a redesigned freshman year, senior projects, project-based learning, a redefined schedule, and implementation of MASS Core graduation requirements" is in the plans as described in the Reading Public Schools Strategy for Improvement of Student Outcomes. At this point, a committee has not yet been established to discuss how this would work, because there are different models that exist out there for a Freshman Academy type model. The minimum that we would need to implement this model would be an additional 5.0 FTE teachers, or approximately \$250,000, which essentially is one teacher for each of the five core subject areas.

The goal is to research the different models that exist, visit schools that have implemented the model, and develop a proposal for the FY14 budget. This proposal would coincide with the large freshmen class that would be entering the high school for the 2013-14 school year.

15. As transportation costs rise, have we considered purchasing our own mid-size busses, which could be used by both the district and the town? It would seem that a small number of such vehicles would decrease the cost over the long run.

We have looked at this alternative a number of times and each time our analysis shows that the cost to "in-source" transportation would be prohibitive. More and more districts across the state are outsourcing transportation. In order for transportation to be provided by the district, we would have to procure two mid-size buses, pay drivers at a rate comparable to prevailing wage (since that is what private vendors must pay), fuel costs, insurance, and vehicle maintenance. We would also need to hire a part-time

transportation coordinator to handle all of the internal logistics (routing, scheduling, reporting, substitute drivers, etc.). In addition, the buses would need to be replaced every seven years. Smaller buses would also limit our ability to generate revenue by providing transportation to non-mandatory riders. We are not aware of the town having a need for regular bus transportation. The van that is operated by Elder Services could not be replaced with a standard school bus given the special needs of the elderly population served by that van.

16. What is the rationale for keeping the grade 8 to grade 9 enrollment figures unchanged? (Page 7) Historically, as the narrative explains, 87.3% of our eighth graders transition to the high school. This is not reflected in the projected ninth grade enrollment figures for 2012 - 2015.

It has been our practice to present enrollment projections based on rolling forward our current enrollment to the next year. We have no way of knowing or projecting how many students we will lose between the two grades and the number has varied widely historically.

17. Is it time to reevaluate the locations of our elementary special education program locations due to the discrepancy across the district? (Page 15).

Because of costs and space limitations, we have only had one of each type of special education program at each level. Currently, we have programs at all five of our elementary schools and we have one RISE preschool session at Wood End. Next year, the LLD program that is currently at Birch Meadow will be shifted to Joshua Eaton. That should serve to balance the numbers somewhat.

18. A comment only as **unfunded mandates** continue to impact our budget – “Curriculum and professional development expenses have been increased by \$120,000 in order to provide adequate funding for work that needs to be done to align our curriculum to the common core develop common assessments to be used as part of the new teacher evaluation system and provide bullying prevention training to staff.” (page 24)

19. Where is the \$25,000 savings from in house management of substitute teachers reflected?

In the regular day budget, Table 4.5, under Teacher Substitutes, you will see that amount budgeted for FY2013 is \$32,677 lower than the FY2012 budget.

20. The technology work order ticket system has identified the “inadequacy of current staffing levels.” (Page 25). What additional creative ways are we considering to address this need? How can we use students to handle technical issues? Our goals include preparing our students for their futures. This appears to be one way to address this goal – provide students with skills training, and provide opportunities to apply these skills, complete community service, and fill leadership roles.

We agree that we would like to get students more involved in providing a student help desk for technology support and we have done it on a more informal scale, however, we do not have the staffing at this time to plan, implement, and supervise such a project.

There are also some logistical issues involved with students providing technology support including maintaining security of the network and access of support at elementary and middle schools.

21. What has caused the District Administration Telecomm line to decrease by 9.5%?

As stated in the budget narrative, the figure used for FY2013 is more reflective of our three prior years of actual history. Most of the savings that we have seen is from upgrading our phone systems and migrating away from multiple individual lines to trunk lines with direct inward dialing.

22. Why are we increasing the cost of Textbooks and Consumables by 25%? How is this line category different from Instructional Supplies and Curriculum Materials?

The increases that you are seeing in most of the Supply and Material lines of the regular day budget are reflecting the restoration of the \$100,000 to the building expense budgets (also known as the "per pupil"). This funding is provided to the building principals to allocate for instructional supplies, instructional materials (textbooks, consumables, etc.), instructional equipment, and instructional technology. You will see that instructional supplies also increase by 22.9% and technology supplies by 37.2%.

The textbook and consumables line represents the costs of annual replacement of instructional materials such as Wordly Wise and Foundations consumables, Everyday math journals and home links, guided reading materials, History alive materials, and assessment materials. For FY2013, there are some additional expenses for a variety of initiatives such as writing at the elementary school or new AP courses at the High School. In addition, replacement texts are also funded from this line.

Instructional supplies consist of items such as paper, pens and pencils, staples, toner, art supplies, rulers, science supplies, batteries, etc.

Curriculum materials are materials that are purchased at the district level for new curriculum initiatives or to supplement or expand existing initiatives.

23. What specifically are we added under Technology Supplies, Software Licenses and Instructional Technology categories? (Page 36). On page 40, it lists "some of the upgrades and perceived needs for technology." Aren't these tools we already have in the district? What specific hardware and software titles will we be adding?

The increase in technology supplies, as mentioned above, reflects the allocation by the building administrators of the restored \$100,000 in building per pupil budgets. One of the expenses that has been increasing over time in this area is the cost of replacement bulbs for smart board projectors. Expenses for memory and other components necessary to replace or upgrade computers have also been on the rise.

The most significant expense attributable to software licenses is the cost of the filtering software license. This is a three year license which expires at the end of the year. The cost for the license for the next three years is projected to be \$28,000. In addition, we

are incurring additional costs as a result of the new elementary report cards and the use of the AP Web teacher interface offered through Rediker, our student information management system. We also have an additional cost for a data analysis tool that replaces TestWiz but offers far greater data analysis, benchmarking (not just between buildings, but between other districts in Massachusetts and nationally), action planning, and research tools.

The increase in Instructional Technology reflects the technology replacement initiative discussed within the budget narrative. We have a significant number of computers that are 6 years old or older and will be in need of replacement. Many of these computers were purchased as part of the RMHS, Wood End, and Barrows building projects.

Special Education

1. What is the percentage of students with disabilities statewide 2011-12 (Table 4.8)?

That information is not available and would not be available until next year when the student information data is submitted by all districts and collected by DESE.

2. Is there anything in particular that we can attribute the increase from 16.3% to 17.6% (10-11 / 11-12) for percentage of students with disabilities (Table 4.8)?

The figures in Table 4.8 for 2010-11 are incorrect. The actual number of students is 796 representing a total percentage of 17.6%, which is unchanged in the current year. In general, we believe we are and will be seeing an increased demand from families that results from our district's reputation for high quality special education programs which can result in more families tending to move in. Also, as we further develop and expand our programs we attract more families to the community. To date we have received at least 10 inquiries from families looking to move to Reading and wanting to know about our special education services.

3. How much has the DLC program grown?

The numbers have varied over the years. The program has existed for over 15 years though started as more of a self-contained program of only a few kids, not necessarily all students with autism. It then became an inclusive program of three kids in first grade and each year grew from that point. For quite a few years, there was only one DLC teacher at Barrows overseeing the program, but when the program went to six grades the age range was too great and we had to hire 2 teachers with paraeducator support in all grades. We had between 8-10 kids per year historically until around 2005 when the numbers increased in all grades. In 2009 we created the DLC2, the sub-separate classroom, which began with two students and there are now five students. Last year, there were 27 students in DLC1 and three in DLC2. This year we moved to a model of co-teaching with a DLC teacher at each grade level, there are five DLC 2 students and 24 – 27 in DLC1. In addition, as the numbers increased and students transitioned to middle school and then to high school, we have added DLC programs at both Coolidge and the High School as well. The increase in the number of students in this program is not surprising considering that there has been a 400% increase in the number of children diagnosed with autism over the last decade.

4. The narrative notes that the "Circuit Breaker" was 40% in the prior year. Refresh my memory. Didn't it end up back at 60-65% when all was said and done?

In FY2011, Circuit Breaker was funded at 40%. In FY12, we began the budget process assuming 40% but late in the budget process, the legislature's budget included additional funding to bring that up an amount that is closer to 65% for the current year.

5. How many in-district programs do we currently have and what is the plan to add more programs in the future?

We currently have the:

DLC - Developmental Learning Center (students identified with autism spectrum disorders)

ILP - Integrated Learning Program (students identified with developmental delays, health impairments, intellectual impairments, and physical impairments)

LLD - Language Learning Differences (students identified with language-based learning disabilities and other specific learning disabilities)

SSP - Social Support Program (students identified with social and emotional disabilities)

TSP - Therapeutic Support Program (sub-separate program for high school students identified with emotional impairment)

We have added the TSP for this year, but you will see this program described in the budget booklet as a new program for next year. At this point, our focus will be on enhancing our current in-district programming through research-based best practices.

6. Is the therapeutic program mentioned in the narrative (page 45 and 46) the program we funded for the remainder of the FY2012 budget?

Yes.

7. Do we know the level of the increases that Landmark and Learning Prep have petitioned for?

Boston Higashi (365 day residential) - increased by \$25,344.67 (effective 1/12)

Landmark (day program) - 10.7% (\$4,584.18/year)

Learning Prep (day program) - 22.5% (\$7,310.88/year)

8. Why is Contract Services Category - Testing & Evaluation down 69.2%?

We moved 45 day placement costs to our tuition line. We are also making efforts to ensure that our evaluations completed by in-district staff are comprehensive and thorough in order to reduce requests for independent evaluations. We have sought rulings from the Bureau of Special Education Appeals (BSEA) to prevent us from having to pay for independent evaluations at the parent/guardian's request.

9. Why is Contract Services Category – Tutoring Services up 44%?

This projection is based on current year spending. Each time one of our students is hospitalized we need to provide access to the general curriculum and provide tutoring services, which is usually provided through a contract with a provider at the hospital, typically at a rate of \$30/hr. Our cost center covers ALL students, whether they receive special education services or not. So a student who has had major surgery and is out for several weeks, we will provide tutoring services to the student either in their home or the hospital. We also have at least two students this year, who were removed from their current out of district program for failure to comply with the program and/or attend. While we looked for another program that would suit their needs AND accept them, we are required to provide educational services and we've done so through tutoring.

10. I realize it is a small amount, but I am curious as to what the additional compensation line is in the Other Salaries Category? There is also a line for the in the Professional Salaries Category.

Additional compensation includes both longevity and sick leave buyback.

11. I understand the increase in legal counsel. Are these services we are able to bid every few years or does the counsel vary on a case by case basis?

I do not believe that this is something that we have competitively solicited in the past. Legal services are exempt from Chapter 30B, the Massachusetts Uniform Procurement Act (public bidding laws). That does not mean that we cannot solicit competitive quotes in the future if we choose. As an aside, we currently pay \$215 per hour for these services which is far below the average rate of \$300 per hour that districts are paying for special education legal services.

12. As the number of students in out of district placements increases, what learning profiles do we additionally need to target to support our students within the district? We are developing a Student Support Program at the High School. Are there additional programs we need to create to meet the needs of our students within the district?

See response to Question 5

13. When our Special Education department last presented, it was noted that our out-of-district per pupil expenses were near the top of the state, well above the state average. What is our current per pupil expense for out of district placements?

The Department of Elementary and Secondary Education does not track out-of-district special education per pupil expenses; rather, they only track out-of-district tuitions per pupil expenses for all students. This out-of-district tuition figure that the state tracks includes tuitions that districts pay for students who participate in school choice (which is capped at \$5,000 per year) as well as charter schools. These tuitions are low compared to special education out-of-district tuitions. All but two of our out-of-district tuitions are special education tuitions at a cost anywhere between \$20,000 and \$300,000 per year. We only have

two regular education students out of district at the Greenfield virtual school at a cost of \$5,000 per year. Many other communities have far more students in these lower cost regular day placements which keeps their cost per pupil down when compared to ours which is 97% special education.

14. What is included under "Therapeutic Services?" Why is this number increasing slightly if we are adding additional therapeutic staff (OT, SLP)?

This \$700 increase represents a 1.4% increase in spending. We've added a slide to explain who are contract providers are and what services they offer. These cover services we do not provide through in-district personnel – hearing, vision, & mobility. Many times we also have to pay for services that are not provided at the out of district placement, as well as related therapies that we have to cover over the summer months.

15. Why are two Team Chairperson positions being added to the administration salary line item and not to teachers and specialists?

We employ the same number of team chairs that we always have. It's not that we are adding Team Chair positions. Rather, the federal IDEA grant had previously covered the cost of four team chairs and due to the fact that grant funding has remained relatively flat while salaries have increased over the past two years, the grant funds are no longer sufficient to cover these positions and they had to be shifted back to the operating budget.

16. Please detail the additional increase in the Behavioral Health Services line item. This seems more than the positions described in the narrative.

Included in this line are the salaries for the 1.0 Behavioral Health Coordinator, the 1.5 FTE Social Worker positions requested to be added in FY13 and the 1.0 Districtwide evaluator position requested to be added. It also includes the reclassification of a school psychologist position from regular day to special education. In FY12, the Coolidge Middle school restructured a special education teaching position to an adjustment counsel/social worker position to address behavioral health needs of students in their special education programs. This salary is currently reflected in the regular day budget but should really be reflected in the special education budget given the nature of the position.

17. Have we explored ways to reduce transportation costs such as regionalization? Please describe.

We do currently participate in a regional network for special education transportation that is managed by the SEEM collaborative. The collaborative coordinates transportation such that students from member communities who are attending the same schools are transported together on the same bus. This has helped us maintain relatively stable costs for transportation with total expenditure fluctuations driven more by the number of students than the cost per bus.

18. What software licenses are included under this line item? Why has this line item increased by 30.9%

We pay for our Semstracker license under this line. The ~\$4600 price increase is due to adding modules to our software package. We will now be able to create uniform documents, as well as track and store in one place all 504s, ELL, Gifted/Talented, Hospital/Homebound, Response to Intervention (all tiers), BullyTracker, as well as district-specific programs.

19. In the past, we have had students from other districts enrolled in our special education programs. It appears there aren't any students from other districts in our schools. What is the status of this?

We currently have five students from other districts attending special education programs in our schools and paying us tuition.

20. Please expand on "the least restrictive environment" (p. 42) that we provide for our special education students so that our stakeholders understand the challenge. I.e. time, monies, and collective energy expended upon projects like Killam School – 2011.

The Least Restrictive Environment (LRE) is a legal standard outlined in the federal regulations set forth in IDEA. The LRE demands to the maximum extent appropriate we educate students with disabilities with students who do not have disabilities. This is generally understood to mean mainstreaming or inclusion opportunities by most laypeople, however the placement must still allow the student to effectively progress in the general education curriculum (with special education and related services to meet the students individual needs). So to that extent, student may be "pulled out" for services or a specialist may "push in" to the classroom to deliver services. For a student whose individual needs exceed this type of service delivery they may receive services in a "substantially separate" placement, meaning they are still in our schools, but the majority of their day is spent outside the general education classroom. These programs tend to have higher teacher:student ratios and students receive multiple related services.

21. Clarify the "72% administration salary line" (p.42) and its impact on this and other aspects of the budget.

See response to Question 15.

22. "Personnel expenses for staffing ...are partially offset by revenues such as tuition" (p. 42) reflects that the District absorbs the remainder of expenses. What is the amount and how has it impacted the Spec. Ed. budget?

Revenues from pre-school tuitions and special education tuitions that other districts pay to us for placing their students in our programs will provide an offset next year of \$540,000. This represents approximately 11% of the professional salary expenses related to special education.

23. Explain in layman's terms the hardship that 7 "out of district placements" (p.43) have had upon the District's Special Ed budget. "Tuition and transportation" are necessary in each case as is staffing so this is not only a challenge but a sacrifice made by the community at large. Do the resultant pressures extend beyond Special Education and how?

The figures we used to present the Therapeutic Support Program highlight this hardship. Using a conservative tuition projection (publicly funded day programs – SEEM, NEC) 7 students at a rate of \$37,500 for each student highlights this cost already (\$262,500). Transportation to SEEM Collaborative is relatively low at \$600/mos. for each student (depending on the number of students on that run) and assuming they don't require summer services is another \$6000/ea. student (\$42,000 total transportation for 7 students). We should also consider the legal fees we would extend to try to reach a legal agreement with the families so the district did not absorb the entire cost of the program.

24. Evolving from # 4; show that the addition of 2.5 LICSWs impacts the total budget elsewhere; perhaps regular day. Could the targeted “interventions” be more effective?

The .5 LICSW is intended to be a district-wide position. While it is funded through the special education cost center, the expectation is that this individual would be deployed to district-wide to provide crisis intervention and manage the most complex and time consuming cases. Have two LICSW on staff will also be a benefit to the larger school community as they will be available to consult on other student cases through TST, Child Study, and CASE conferences.

Health Services

1. What is the Other Salaries Category?

Other Salaries represents the cost of nurse substitutes who provide coverage for nurses who are absent.

Athletics

1. When we say an increase in revolving fund support is not a sustainable solution, when do we mean? Can we do it again next year or is it a one year solution?

We envision this would be a two year solution. Based on our projections, we could do this in FY13 and in FY14 but in FY15, we would need to reduce the offset back to a level that represents what we actually receive in a given year. This would result in a funding gap that would need to be made up by either increasing the amount of funding to the Athletics budget, or increasing revenue (i.e., user fees) or some combination of the two.

2. Why were coaching salaries charged to the EdJobs grant?

This was a planned and eligible expense under the EdJobs grant and was discussed during last year's budget process.

3. Increases in participation are actually flat due to a decrease in football offsetting increase in hockey. Why then a need to increase the equipment maintenance line?

The data in Table 4.14 shows historical participation and does not reflect this year's participation. We are projecting an increase in participation in FY2013.

- Are the participation levels for Girls Ice Hockey correct (Table 4.14)? There doesn't seem to be an increase for the addition of the JV program.

The figures that you see are for FY2011. The increase in the number of students participating in Girl's Hockey overall has increased from 24 last year to 27 this year.

- Why are we letting student athletes participate when they need a special helmet due to a concussion? It would seem to me that when it gets to a point where we need to purchase a special helmet it may make better sense to have the student athlete stay out of competition.

These helmets are purchased for student athletes who are returning post-concussion with full clearance by the doctor. This special equipment provides an extra measure of protection for those athletes.

- How many home football games will we have in the fall of 2012? We lost out on revenue in 2011 due to the small number of home games.

The budget was developed with the assumption that there will be 7 home games next year.

- How do our coaches' salaries compare to surrounding districts?

We are above the average for communities in the Middlesex league and above the median for most districts in the Middlesex League. The table below shows the comparison to just a few of the Middlesex League districts.

Position	Belmont	Wakefield	Stoneham	Wilmington	Woburn	Average	Median	Reading	RPS v. Avg	RPS v. Med
Football (Head)	10,200	9,142	11,829	7,731	11,903	10,161	10,200	12,248	2,087	2,048
Field Hockey	5,308	4,768	6,033	4,346	5,745	5,240	5,308	6,560	1,320	1,252
Soccer	5,308	5,074	6,033	4,346	5,745	5,301	5,308	6,560	1,259	1,252
Volleyball	5,308		6,033	4,346		5,229	5,308	6,560	1,331	1,252
Cross-Country	5,467	3,765	5,160	4,346	4,541	4,656	4,541	6,560	1,904	2,019
Basketball	6,826	6,875	7,367	4,346	6,989	6,481	6,875	6,560	79	(315)
Hockey	6,826	6,196	7,367	4,346	6,989	6,345	6,826	6,560	215	(266)
Swimming	4,585	3,377	6,033		5,745	4,935	5,165	6,560	1,625	1,395
Indoor Track	4,585	4,663	6,033	4,346	6,002	5,126	4,663	6,560	1,434	1,897
Wrestling	4,585	4,663		4,346	6,002	4,899	4,624	6,560	1,661	1,936
Baseball	5,467	5,353	6,033	4,346	6,989	5,638	5,467	6,560	922	1,093
Softball	5,467	5,353	6,033	4,346	6,989	5,638	5,467	6,560	922	1,093
Lacrosse	5,467	5,353		4,346	5,745	5,228	5,410	6,560	1,332	1,150
Tennis	5,467	3,640	4,706	4,346	4,541	4,540	4,541	6,560	2,020	2,019
Outdoor Track	4,585	5,183	6,033	4,346	6,002	5,230	5,183	6,560	1,330	1,377

Extracurricular Activities

- Since 2009 this budgeted item has decreased over \$50,000. Is this the area where, given recent initiatives on Behavioral Health, invigorated planning for post school-day activities should be placed?

The overall level of spending on extracurricular activities has actually not decreased appreciably over the last several years; rather, an increasing amount of the expense has been offset by revolving fee revenues. In FY09, there were no offsets from revolving fund

revenues and in FY13 there is an offset of \$42,000. That difference accounts for the majority of the apparent \$50,000 decrease to this budget.

Networking and Technology Maintenance

1. Why is the telephone repairs budget up 17.4%

We have two school's phone systems that have come off or are coming off of warranties. We have now had to add them to our maintenance contract which has increased the cost of that contract.

2. How can we address the district wide need for timely completion of technology work order more creatively and in a cost effective manner? The narrative supports the use of student technology support teams for routine issues that interfere with instructional time, such as upgrading (iOS device) software. The use of students to handle routine technology issues which do not require highly specialized skills offers our students community service, leadership positions and the opportunity to explore vocational interests for their futures.

As we mentioned at the January 9th meeting, we are proposing adding 1.5 FTE technicians to the technology staffing for next year. This will bring us up to respectable, but not optimal level for the maintenance of technology and will allow us to continue to move forward in some of our technology driven initiatives. To use student technology teams is an excellent idea and one that we advocate for, but it requires supervision, planning, and training. We do not currently have the staffing level to provide that supervision, planning, and training. We have had experiences in the past where students who were not supervised were able to access our network and maliciously corrupt our network.

Your reference to the iOS device, which transpired at the last meeting needs to be clarified. The iOS software was not updated because of lack of staffing, rather because our older wireless access points at our elementary schools do not support the iOS 5 software. Therefore, if we upgraded the software on the administrator's iPad, they would not have been able to use them because of lack of wireless connectivity. In the Capital budget, there is \$75,000 allocated to upgrade our wireless and to provide 100% wireless coverage in every school in the district.

In conversations that I have had with Janet Dee, the Instructional Technology Specialist at the high school, we will be using students for our BYOD pilot in helping teachers and students with the applications associated with coordinating a BYOD class. We feel that students can provide greater benefit to students and teachers in this manner than in providing service to computers.

School Building Maintenance

1. Last year I was told that there was going to be a discussion about increasing the \$25,000 in revenue we receive from Reading Recreation. Nothing has been done and data shows that we are \$155.70 (per event) below market value. This is a significant amount of lost revenue. Please provide some thoughts on this.

The agreement for rental of facilities is an agreement between the School Committee and the Recreation Department. The amount of \$25,000 was agreed upon several years ago.

We can certainly have a discussion with the Town Manager and the Recreation Department about increasing the amount. However, it should be noted that we currently do not pay the Town of Reading for any use of outdoor fields that are under the direction of the Recreation Department.

2. Are we seeing any extra wear and tear from all of this extra use of our facilities? How are we accounting for the potential capital expense associated with extra wear and tear?

As various pieces of equipment requires repair or replacement (e.g. basketball nets, gym floors, scoreboards, auditorium a/v components, etc.) or areas of the building require extra work (e.g. painting, carpet cleaning, floor refinishing, etc.), if those expenses are attributable in part to facility rental use, we will often charge some or all of those expenses to the revolving fund. With respect to the capital plan, we are always balancing projected life expectancy with actual use and planning our capital replacements with both in mind.

3. What are Other Services in the Contract Services Category?

Included in this category are pest management, environmental testing, sewer/drain clearing, boiler water treatment services, and paging services.

4. Why is Wood End's water and electricity consumption always higher than the other elementary schools (Tables 4.22 and 4.23)?

The charts are actually showing consumption per square foot as opposed to consumption. Wood End's electricity consumption is actually just slightly higher than the elementary schools and their consumption per square foot is higher. This has to do with the fact that, as a new school, they have more fans, pumps, and motors operating to meeting code for air exchanges and other environmental measures. With more equipment per square foot, we would expect to see more consumption per square foot.

With respect to water consumption, the field in front of Wood End has a water sprinkler system and the water comes from the building and is metered at the building. This is the only field adjacent to a school that is has sprinklers and is watered regularly.

Town Building Maintenance

1. Why is overtime projected at flat when actual for 2011 was \$32,197 (Table 4.24)? Where is it running halfway through the current year?

As of the end of December, the budget was a little over 25% expended. This is low when compared to other years as this has been a very mild winter with virtually no snowfall. As with school building maintenance, we tend to budget overtime based on the highest amount expended over the past three years of actual data. You will see in FY10, we spent almost \$39,000.

Other Questions

1. I believe last week it was stated that the METCO grant was budgeted down \$25,000, but page 63 on has it down \$6,795. Please explain.

The budget offset was decreased by \$25,000. The reason for the offset decrease was twofold. First, we assumed a 2% decrease in METCO grant funding. Second, next year, we will no longer be sharing our elementary METCO bus with Wakefield (they are entering into a contract with Lynnfield). As a result, our transportation costs will likely increase by approximately \$17,000 per year. These two factors together led us to decrease the revenue offset by \$25,000.

2. How many unanticipated out of district placements did we have in 2012? What are the legal expenses associated with these placements (Page 64 narrative)?

We have had five unanticipated placements, two pending placement settlements, and one additional student who moved to Reading this year who is in an out of district placement. With respect to legal expenses, we have paid a little over \$35,000 in legal expenses related to these cases year to date compared to total expenses in FY11 of \$18,000 and \$9,000 in FY10.

3. Why are the RISE Pre-School and Use of School Property revolving funds down (page 65)?

In the case of RISE, we drew down more in offset than we took received in revenue. This was anticipated. As for the Use of School Property, the table is reporting revenue as of June 30, 2011. In actuality, a number of the rental invoices for rentals that occurred in FY11 were not received and posted until July or August. Actual revenues attributable to FY11, were closer to \$190,000.

4. How do our rental fees compare to surrounding communities (Table A2)?

Our rental fees are very comparable to those surrounding communities who rent out their facilities and charge rent. Many of our surrounding communities, however, either do not rent out their facilities or do not charge rent for groups to use their buildings.

5. What is the breakdown of facility rentals "For Profit" vs. "Not for Profit"?

Data is, unfortunately, not tracked this way in our facility rental system.