

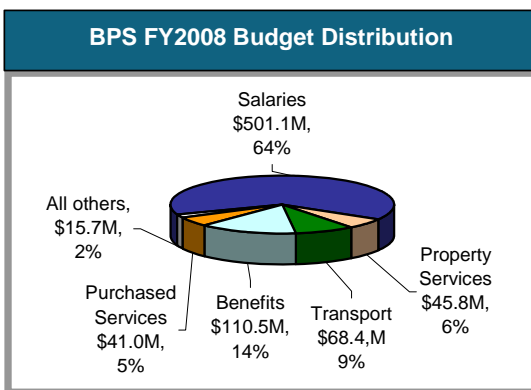
June 2007

FY08 BPS Budget Aims at Achievement Gap

School Department budget totals \$782.5 M in FY2008

The FY08 School Department budget of \$782.5M was approved by the Boston City Council at its final meeting in FY07. A last minute addition of \$500,000 for a reserve for programs to target student attendance and drop-out rates raised the budget over the amount approved by the School Committee in March. This final budget represents an increase of \$35.0M or 4.7% over the FY07 appropriation.

Following recent trends, salaries and benefits were the main drivers of this year's budget increase. Salaries accounted for 56% of the increase, due, in large part, to the Boston Teachers Union contract settled in March. Salaries totaled \$501.1M, an increase of 4%. Health insurance, which totaled \$73.5M, absorbed 17% of the budget increase, increasing by \$6.0M or 9%.



Other budget drivers included transportation costs which totaled \$68.4M and absorbed 17% of the total budget increase. The annual

increase in the transportation budget was \$6M or 9.7%, primarily due to cost increases for MBTA passes and salary increases for bus drivers.

A primary focus of the FY08 BPS budget is a strategy to eliminate the achievement gap. Elements of this strategy include:

- Fourteen new Family and Community Outreach Coordinators
- Twenty-three new K1 classes, representing 450 new kindergarten seats for four-year olds
- Additional development opportunities for teachers, including a new Teacher Developer program and a Peer Assistance program

Improving student achievement is also behind the designation of ten Superintendent Schools, which will have longer school days and more professional development opportunities for teachers. The additional cost for each school is expected to be an average of \$1.2M.

The late addition to the school budget was prompted by the City Councilors' concerns about youth violence. As a response, the Administration allocated \$500,000 into a reserve as seed funding for a long-term strategy on truancy, drop-outs, and alternative education. The strategy will be based on an "off-track" youth study by the Parthenon Group which is due to be released this summer.