



Portland Public Schools

Fiscal Year 2021-22 Proposed Budget



PORTLAND
PUBLIC
SCHOOLS

April 27, 2021



FY21-22 Proposed Budget Tonight's Outline

Superintendent's Overview

*The Post-Pandemic Chapter and
Our Continued Commitment to
reImagined PPS*

Investment Plan

*Aligning Budget to Anticipated
Needs Ahead*





Overview & Approach





FY2021-22 Proposed Budget



***Aligning Budget to Anticipated
Needs Ahead...***



Proposed Investment Plan: FY2021-22 State Funding Levels

This year's budget coincides with the Oregon legislature's biennial budget cycle for 2021-23. Portland Public Schools is using the following state funding levels to design its budget:

- \$9.3 billion State School Fund
- \$778.8 million Student Investment Account (SIA)
- \$318.0 million for the High School Success Fund

This translates to PPS proposing a budget of \$2.03 billion for the 2021-22 fiscal year.





Proposed Investment Plan: FY2021-22 State Funding Levels

Key Budgets	FY2020-21	FY2021-22	Change	Why
General Fund	\$747.5M	\$761.7M	Increase of \$14.2M	The change is primarily due to an increase in property taxes (including local option levy)
Special Revenue Fund	\$183.8M	\$286.25M	Increase of \$102.4M	The change is primarily because of Student Investment Account (SIA) increase of \$18M and Federal Relief dollars (Elementary & Secondary Schools Emergency Relief funds, or ESSER)

Although, our state level SIA and High School Success funds aligned with our expectations, it should be noted that the Governor and Co-Chairs of Ways and Means Committee has called for an education appropriation at a biennium level of \$9.1 billion.





Proposed Investment Plan: FY2021-22 State Funding Levels

As the legislature convenes and discusses, we anticipate receiving more information over the next few weeks. To maintain current service levels, we'd need a state education budget set at \$9.7 billion.

However, if the state commits to a \$9.1B budget it would require us to reassess short term vs long term investments especially against pandemic recovery investments funded with stimulus funding.





Proposed Investment Plan: FY2021-22 State Funding Levels

The \$600 million difference from a \$9.7 billion to \$9.1 billion biennium state education budget would translate to approximately a \$22.5 million dollars less for PPS for the 2021-22 fiscal year

- To put it into context, \$22.5M less would equate to reducing the school year by six days or eliminating approximately 214 teaching positions.

Although we are not planning for these types of reductions, we are planning to use temporary Federal Funds to offset the lack of state funding, and are concerned about long term financial impact.





Proposed Investment Plan: FY2021-22 State Funding Levels

In order to balance the general fund with a projected state education budget of \$9.3B, required us to

- Identify approximately \$3 million dollars in savings from the general fund
- Pull 2% (approx. \$16M) from the fund balance
- Transfer approximately \$7M from the general fund to the Student Investment Account





Proposed Investment Plan: Federal Stimulus Dollars

Budgeting with moving variables. There are significant funding details that will be resolved in the next several months.

- If the current education budget proposal at the state remains, it would be insufficient to fund current service levels
- There is the potential for additional funding (via reimbursements) through the Federal Emergency Management Agency (FEMA)





Proposed Investment Plan: Federal Stimulus Dollars

Budgeting with moving variables. There are significant funding details that will be resolved in the next several months.

- The recent announcement by the state to invest \$250 million in summer programs is exciting and we are working to design while the state guidelines are being fleshed out. PPS is projected to receive \$14.7M to be spent by September 30, 2021

As a response to the pandemic, at the federal level there has been an investment to support K-12 public school education through three rounds of stimulus funding whose remaining investment mix can be impacted by the above mentioned items.



Overview of Federal Stimulus Funds: Elementary and Secondary Emergency Relief (ESSER I/II/III)

U.S. Congressional Action	K-12 Public School Funding Across the Nation	How much for Oregon Public Schools?	About How Much for Portland Public Schools?*	Must be Invested /Obligated By
CARES Act (Coronavirus Aid, Relief, and Economic Security Act, ESSER I Mar-2020)	\$13.2 billion	\$121 million	\$7 million	Sep-2022
CRRS Act (Coronavirus Response and Relief Supplemental Appropriations Act, ESSER II Dec-2020)	\$54.3 billion	\$499.1 million	\$30 million	Sept-2023
American Rescue Plan Act (ESSER III Mar-2021)	\$122.8 billion	\$1.1 billion	\$62 million**	Sept-2024

**Totals are projected balance after passed through and other allocation requirements per federal and state relief guidelines*

***Projected estimates as of March-2021*

Overview of Federal Stimulus Funds: Elementary and Secondary Emergency Relief (ESSER I/II/III)

U.S. Congressional Action	About How Much for Portland Public Schools?*	Must be Invested /Obligated By	Projected Spend in Current Year FY2020-21*	Projected Spend Between FY2021-22 and term date*	Key investments at Portland Public Schools
CARES Act (Coronavirus Aid, Relief, and Economic Security Act, ESSER I Mar-2020)	\$7 million	Sep-2022	\$7M	\$0 [†]	Primary focus on Reentry expenditures such as PPE, air filtration, signage, safety work
CRRS Act (Coronavirus Response and Relief Supplemental Appropriations Act, ESSER II Dec-2020)	\$30 million	Sept-2023	\$11.5M [†]	\$18.5M	Continued focus on safety and preparing for in-person schooling, inclusive of LIPI. Furthermore, supporting child nutrition and learning recovery & acceleration for next year.
American Rescue Plan Act (ESSER III Mar-2021)	\$62 million**	Sept-2024	\$0	\$62M	Investments to support the learning acceleration of our students as outlined in our strategic plan inclusive of our community's needs.

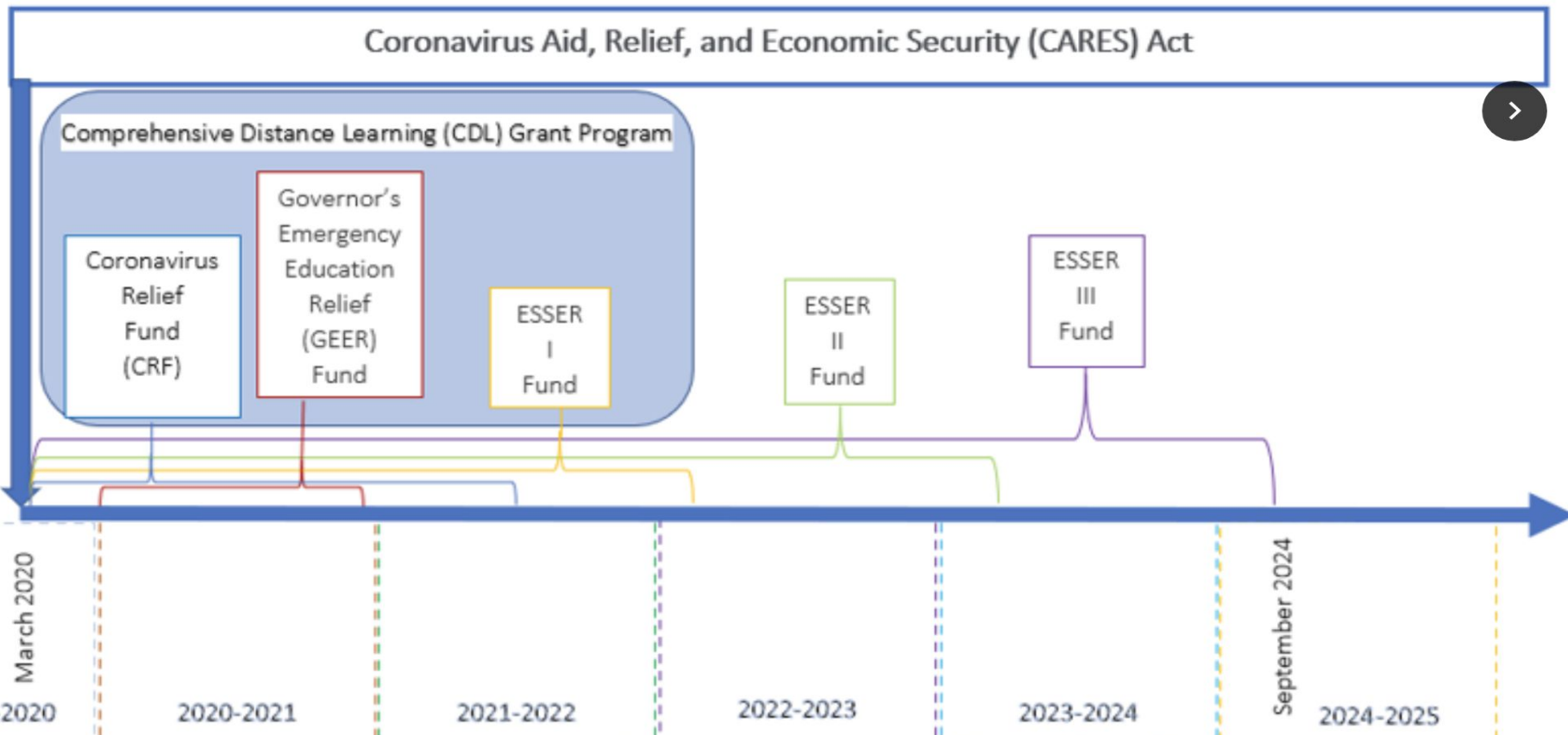
*Totals are projected balance after passed through and other allocation requirements per federal and state relief guidelines

**Projected estimates as of April-2021 [†]There is the possibility of some ESSER adjustments pending approval of FEMA reimbursements & State Summer Program.



Overview of Federal Stimulus Funds: Elementary and Secondary Emergency Relief (ESSER)

Assessing the lifespan of the ESSER funds to build a strategic & sustainable plan





Proposed Investment Plan

As previously stated, we are budgeting with moving variables. There are significant funding details that will be resolved in the next several months and as we learn more, we anticipate continuing to invest in key areas:

- Safety; continue to prepare and plan for modes of in-person and distant learning
- Stabilizing staff ratios at schools; due to unknown enrollment fluctuations
- Learning acceleration inclusive of summer
- Supporting the evolution of the strategic plan
- Meeting the Board established goals





Proposed Investment Plan

Leveraging all funding streams for a robust plan. ~\$16M in supporting Learning

Acceleration by investing in areas such as:

Working with community partners to expand summer enrichment programming

Credit Recovery: Credit recovery teachers to support students as they navigate the online recovery work process (6 FTE); including extending Summer Scholars from current 6 weeks to 8 weeks of offerings for student summer credit recovery

Investing in Saturday School

SPED Assessment Center: Continue one center for next year (1SLP, 1 Psych and 1 Teacher) 3 FTE, 2 SPED Teachers for Summer/Evening Scholars (2 FTE)

Social Workers for Title middle schools and K-8's 6 FTE

Educator professional development to analyze fall assessment data and pivot toward launch of academic priority standards. Fall "Ramp-Up"--Connection, Re-Engagement, Routine-Building, Assessment. Including districtwide PD includes: Differentiation, spiraling skills, ongoing culturally relevant instructional strategies - (based in text study), assessment, growth mindset, pedagogy, proficiency grading plus Tech integrated into other learning. Teach co-use strategies. Schedule continued MTSS/Tiered Systems work for all sites.

SUN Providers & CSO's:

Continue partnerships with SUN providers and more guidance and innovation around how to maximize SUN and childcare partners as resources

Instructional Specialists Bring all CSI, TSI, Title Schools serving K-8 up to 1.0 (+16.5 FTE) Actual 17.5FTE Add 4 FTE for CSI Schools





Proposed Investment Plan

Leveraging all funding streams for a robust plan. ~\$16M in supporting Learning Acceleration by investing in areas such as *(continued)*:

RESJ Partner Summer Contracts & Support:

Extend contracts with RESJ partners to support students over the summer. For example, IRCO, NAYA, SEI, SUN, Latino Network, Indian Ed Summer Bridge Program.

Racial Affinity Groups:

Support the specific developmental needs of BIPOC students within an institutionally racist country. Affinity groups are necessary in addition to anti-racist work in advisory to ensure BIPOC students are supported at school.

Plan/contract for 2021-22 access to racial affinity groups across all sites or by HS cluster for students and staff.

Indian Ed Summer Outreach: Support for summer outreach to native students and families by PPS Indian Education Department.





Proposed Investment Plan

Leveraging all funding streams for a robust plan. ~\$11M in supporting key investments to support our Strategic and Operational Planning such as:

Support school staffing levels and mitigate impact due to enrollment fluctuations

Support assessment agenda components - full implementation of MAP assessments and the development of a portfolio assessment model for our middle school redesign.

Support the full implementation of the Successful Schools Survey - to inform our school climate and safety work (MTSS).

Prepare for Hybrid reversal. Moving furniture that was moved off site back into the buildings and removing COVID related signage and improvements

Continuation of COVID hotspot services to extend device coverage through the end of the required contracts

Continuation of COVID safety protocols associated with utilities due to COVID ventilation measures to achieve CDC/ASHRAE recommended ventilation

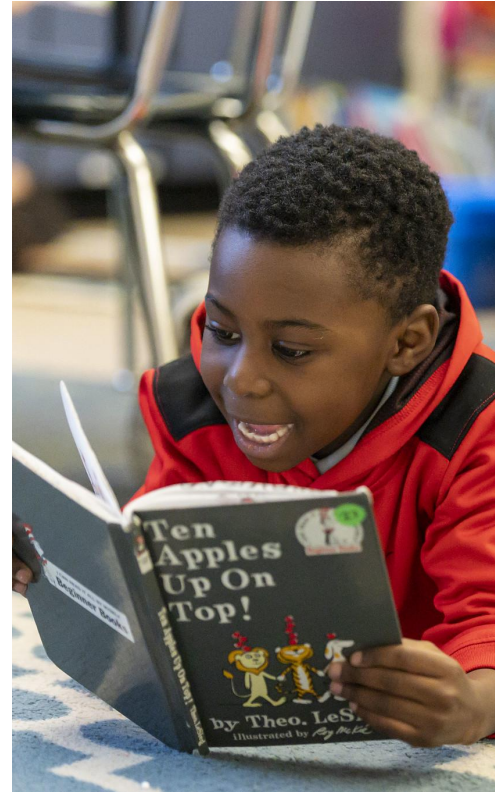
Prepare Kellogg both academically with appropriate PD and staff supports and operationally with appropriate equipment and supplies





RESJ in Action - PPS RESJ Lens

- Update to RESJ Lens - increasing shared data literacy
- Staff RESJ Lens application for budget proposal
- Opportunities to continue to apply the lens:
 - CBRC
 - Community Engagement
 - Board Work Sessions







Portland Public Schools

Fiscal Year 2021-22 Proposed Budget



APPENDIX SLIDES



The Funds Behind the Budget

Type of Fund	What's it for?	Sources of Revenue?	How much for SY2021-22? <i>(in thousands)</i>
General Fund	The General Fund is the primary day-to-day operating fund of the District. The General Fund's resources are available to the District as needed, provided they are expended or transferred according to resolution or policy.	<p>Primary funding source include:</p> <ul style="list-style-type: none"> -State School Fund -Local property taxes -Local Option Levy -City of Portland Arts Tax -Multnomah Education Service District -Beginning Fund Balance 	\$761,700
Special Revenue Fund	The Special Revenue Fund is dedicated revenues such as: Federal, State, Local Grants and Private Donations where the majority of these funds are restricted for specific uses.	<p>Primary funding source include:</p> <ul style="list-style-type: none"> -Federal grants such as Title, IDEA & ESSER -Child Nutrition -Student Investment Account -High School Success (M98) -PERS Rate Stabilization Fund 	\$286,245
Debt Service Funds	Accounts for the payment of principal and interest on long-term debt.	<p>Primary funding sources include:</p> <ul style="list-style-type: none"> -Ad-valorem taxes -Other applicable levies 	\$210,963
Capital Project Funds	Resources and expenditures used to finance acquisition of technology or construction or renovation of capital facilities	<p>Primary funding sources include:</p> <ul style="list-style-type: none"> -Proceeds from the sale of general obligation bonds -Construction excise tax -Transfers from other funds -Other revenues authorized for financing capital projects 	\$762,605
Internal Service Fund	Accounts for services furnished by one department or agency to another on a cost-reimbursement basis.	Primarily other existing funds via a cost-reimbursement basis	\$8,552
TOTAL BUDGET =			\$2,030,065



The Funds Behind the Budget: Closer Look at the General Fund

Out of the several funds that create the General Fund for PPS budget, here are 3 important funding streams (in thousands)

Funding Source	Actual FY2017-18	Change FY18 to FY19	Actual FY2018-19	Change FY19 to FY20	Actual FY2019-20	~Change FY20 to FY21	Budget FY2020-21	~Change FY20 to FY21	Proposed FY2021-22	Explained Use for FY21-22
Property Taxes	\$248,707	\$8,369	\$257,076	\$11,765	\$268,841	\$8,865	\$277,706	\$16,117	\$293,823	Continue to fund and support on going investments in the school staffing formula, student support services, operations & maintenance, HR, IT and finance services (pages 91 to 96 of Budget Book volume 1 provide additional detail)
State School Fund (SSF)	\$239,804	-\$14,669	\$225,135	\$41,472	\$266,607	\$1,128	\$267,735	-\$11,318	\$256,417	
Local Option Levy	\$88,405	\$5,867	\$94,272	\$3,101	\$97,373	\$2,993	\$100,366	\$3,913	\$104,279	In 2019 voters approved to renew levy to fund close to 900 teaching positions across district schools





The Funds Behind the Budget: Closer Look at the Special Revenue Fund

Out of the several funds within the Special Revenue Fund here are two originating at the State level (in thousands)

Funding Source	Actual FY2017-18	Change FY18 to FY19	Actual FY2018-19	Change FY19 to FY20	Actual FY2019-20	~Change FY20 to FY21	Budget FY2020-21	~Change FY20 to FY21	Proposed FY2021-22	Explained Use for FY21-22
Student Investment Account	N/A	N/A	N/A	N/A	N/A	N/A	\$12,393	\$19,133	\$31,526	<p>Focus is to meet students' mental or behavioral health needs, and increase academic achievement for students, including reducing academic disparities for students who have historically experience academic disparities; includes 25 FTEs to support and expand the Jefferson, Roosevelt, Franklin, Cleveland, and Madison</p> <p>Cluster Arts pathways; 7 period day pilot at 5 middle schools; expand 6th to 8th grade electives; Additional supports for CSI and TSI schools</p>
High School Success (M98)	\$9,596	-\$1,708	\$7,888	-\$1,635	\$6,253	\$5,050	\$11,303	\$1,741	\$13,044	<p>Establish or expand programs in three specific areas: Dropout Prevention, Career & Technical Education, and College Level Education Opportunities. High Schools receive additional FTE for high school success teams. The allocation includes FTE for the following types of positions which may vary by school: instructional coaches, release time for 9th grade teachers to collaborate, student engagement coaches, CTE teachers, Pathways Pilot, and College Coordinators.</p>