

Report on Supplemental Revenue Sources for the Belmont Public Schools

EXHIBIT C
5-13-14

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Report on Supplemental Revenue Sources for the Belmont Public Schools

I. Objective

As part of an eight-pronged approach to understanding the Belmont Public School's (BPS) long-term instructional and operational needs, the Supplemental Revenue Sources advisory group set out to analyze current revenue sources, explore new sources of revenue, identify trends for supplemental revenue, and report any recommendations for future action. With an eye towards sustainability, the group evaluated each funding source as to whether it was one-time or repeatable.

II. Review of Current Sources

Revenue sources that are currently supporting the educational and operational needs of the BPS can be separated into five broad categories: Fundraising, user fees, corporate sponsorships, private donations, and state and federal grants.

FUNDRAISING: Like many public school districts, a significant amount of fundraising by a wide variety of parent groups and organizations occurs in Belmont. They include:

- For the past 20 years, the **Foundation for Belmont Education (FBE)** has made significant contributions to the BPS through its annual fundraising activities (Spelling Bee, Dinner and Auction, year-end appeal), as well as targeted campaigns to support specific needs (updating science labs and materials as well as a new language lab at the high school, SMART board interactive technology throughout the district, and the current iPad initiative). In addition to these high ticket investments, the FBE annually funds more than \$100,000 in grants to BPS teachers and administrators that benefit the education of Belmont's students.
- Each of the six school buildings has an active **Parent Teacher Organization/Association (PTO/PTA)** that raises funds for in-school enrichment programming, after-school enrichment programming, community-building events, parent programming events, and supplies needed to support instruction (which can range from items that are amenities to those that fill a critical need). The elementary schools host annual book fairs which supplement both teacher classrooms and libraries with reading materials.
- The Fine and Performing Arts programs in the BPS are financially supported by two independent non-profit organizations: The **Parents of Music Students (POMS)** and the **Parents of Theatre Arts Students (PATRONS)**. Both groups raise money to support programming needs and also provide human resource support at performances.
- For over 40 years, the Athletic programs have received financial support from the **Belmont Boosters** organization. With revenue raised through an annual membership drive and occasional fundraising events, the Boosters provide the student athletes with varsity jackets and many sports teams with needed supplies. Past purchases include a golf cart used by the athletic trainer at practices and contests and an ice machine for the White field house. The organization is currently embarking on a grant program available to the Athletic Director and coaches of individual sports.

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- The **Brendan Grant Foundation** was formed in 2001 in response to the tragic death of a Belmont graduate. Since its inception the foundation has made significant contributions to the BPS and the Town's youth and athletic facilities – renovations and upkeep to the baseball and softball fields, wrestling equipment, entrance fees for summer programming, and scholarships.
- Many of the athletic teams have a "**Friends of**" group (football, field hockey, soccer, etc.) led by parents of the current team members. These groups often raise money to purchase team outerwear and host team dinners.

USER FEES: The BPS generates fee revenue from two primary sources: building rentals and student user fees/gate receipts.

- During the school week, the privately run after school child care programs at the Chenery and the elementary schools pay a building rental fee for their tuition-based programs. Additionally, the BPS has a rental agreement with an outside program to use a portion of the high school on Sundays. These fees are primarily used to pay for maintenance and utility expenses districtwide.
- For many years Belmont – like other districts – has had to increase student user fees to supplement general fund revenues to cover the cost of both elective in-school and after-school programming. This includes fees for busing students who live within 2 miles of their school, participation in full-day kindergarten, private placement in the pre-school program, after-school activities including clubs and athletics, and elective fine and performing arts programs.
- In 2008 when, due to the economic downturn, the BPS faced significant cuts in services (including athletics and other extra-curricular activities) a restructuring of the fee schedule enabled these programs to continue. Although the increased cost to families was significant the district was able to retain all of these important programs.
- See **Appendix A** for a schedule of current fees.
- See **Appendix B** for a brief history of extracurricular activity fees.

CORPORATE SPONSORSHIPS: Belmont is fortunate to receive significant support from local businesses, both in the form of donations to the many fundraising efforts previously mentioned and as lead sponsors of fine and performing arts productions and other community-wide fundraising events. In addition to monetary donations, corporate entities often make significant in-kind donations of services, materials and space.

PRIVATE DONATIONS: In addition to the people who make donations to the FBE, PTO/PTA's, POMS, PATRONS, and Belmont Boosters, there are others who donate directly to the schools for a specific purpose or contribute to the Education Fund established by the Town Treasurer (which

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recently helped to fund the cost of implementing a new elementary math program). These revenues can vary with the interests of the donor as well as the visibility of a particular need. Other recent examples include grants for innovation, for the construction of elementary playgrounds, a solar car club, and advanced economics instruction at the high school.

GRANTS: Belmont currently receives the following state and federal grants:

1. IDEA/Special Education
2. Title I (low income; supports elementary literacy in Title I schools)
3. Title IIA (supports professional development)
4. Title III (English Language Learners)
5. METCO
6. SPED Program Improvement
7. SPED Early Childhood
8. Full-day Kindergarten
9. Race to the Top (will end on 6/30/14)
10. Circuit Breaker
11. Academic Support (supports tutoring for students in grades 8-12 for MCAS)

III. Exploration of New Sources

This group explored several revenue-generating vehicles that have not been embraced by the BPS and the Town of Belmont. We gathered information both nationally and locally regarding naming rights, corporate advertising, and corporate partnerships. Additionally, we are investigating whether development professionals could generate grants and/or donations for the BPS on a free-lance basis.

NAMING RIGHTS: While our research was not limited to New England, the most useful information we reviewed belongs to Wellesley, MA. Its Naming Rights Bylaw is particularly relevant to Belmont because of the similar geographic and governmental structure of the two towns. Like Belmont (and prior to the passage of its bylaw) all previous naming in Wellesley had been honorary in nature or in acknowledgement of a major gift. Since implementing its Naming Rights Bylaw, Wellesley has not received any donations for this purpose (as of January 2014).

Consideration of any formal naming rights policy/bylaw should include the following:

- Is it appropriate to the mission of the Belmont Public Schools?
- Is the gift unrestricted or does it have broad restrictions?
- Is it irrevocable?
- Might there be undue cost for on-going maintenance?
- Is there flexibility if the designated purpose is no longer practical or necessary in the future?
- Should there be a distinction between private individual naming rights and corporate naming rights?
- Should corporate naming be for a term, effectively making it a lease?
- Board policy should outline a process for vetting companies who have a naming interest.

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- Should the naming a room/facility in a school building for a family or family-owned business be allowed if that family has, or could have, school-aged children in the system?
- See **Appendix C** for a list of potential naming opportunities within the BPS.

CORPORATE ADVERTISING: While the Town has limited experience with corporate advertising, the BPS does not. There are currently advertisements and messages of encouragement from local businesses in the ice hockey arena. Several school districts within our athletic conference utilize both indoor and outdoor corporate advertising, depending on their location and need.

National research indicates that as public funding no longer fully funds education more corporate advertising and marketing is in play. Large-scale advertisements include outdoor vinyl signage and indoor banner programs. Some game day rosters/programs include “brought to you by” ads. Many district websites are imbedded with stationary and static ads with links to the sponsor’s website.

With advertising, corporate entities are appropriately looking for a return on their investment. In Belmont, where there has not been a strong advertising presence, it is important to gauge whether the community will respond negatively to an increase in commercialization in the schools and outdoor facilities, thereby generating an unintended consequence for the advertiser.

CORPORATE PARTNERSHIPS: Corporate partnerships can be short or long-termed. Examples of a short-term partnership are a “Back to School” shopping list “brought to you by...,” or a Scholastic book fair. Longer term partnerships might involve the renewable naming of an athletic field. These partnerships are intended to create a marketing opportunity for the business.

FREE-LANCE DEVELOPMENT PROFESSIONALS: Our research indicates that there are many corporate foundations that provide grant funding for education, particularly in the areas of literacy and science, technology, engineering and math (STEM). An exploration of these grants for their applicability to Belmont (both from a curriculum and a qualification point of view) would require additional staffing.

The committee has tapped into a database of self-described freelancers with development expertise and is exploring the potential benefit of hiring, on a temporary basis, such a person to further investigate this avenue of funding. (See **Appendix D** for a description of funding to be explored.)

IV. Trends

There are several observable trends regarding how Boston-area districts similar to Belmont are funding the gap between available revenue and what is needed to sustain the quality of their educational system. Most districts supplement their “general funds” (Chapter 70 education funds from the state and the local allocation of property tax funds) with a private non-profit educational foundation, as well as a myriad of traditional fundraising groups. Even districts that (unlike Belmont) have a significant commercial tax base also have student user fees.

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Belmont's high school athletic fees are not the highest in the region. In the past 10 years the percentage of the total budget represented by grants and fees has risen from 8.6% to 11.6%.

Nationally, there are for-profit corporations that match Fortune 500 companies with large public school districts (30,000+ students) that agree to accept financial compensation in return for allowing marketing programs through school websites and on campus. They work directly with the business and are paid by the business. They can also help a district with naming rights and branded items.

On a smaller scale we are likely to see more marketing penetrate the captive public education audience via ads/links on websites, advertising on district-owned buses, messaging on computer devices, among other things.

V. Recommendations

The committee recommends that the Town of Belmont establish a naming rights by-law, given the likelihood that the Massachusetts School Building Authority will approve and support the renovation and expansion of the high school in the foreseeable future. Such construction would also create other fundraising opportunities, such as commemorative walkway bricks, name plates on auditorium seats, sponsorship of in-school messaging boards, etc.

Prior to the renovation of the high school, the committee recommends exploring whether an individual and/or group might sponsor the construction of the Harris Field press box and elevator, as well as the of installation of a large LCD display monitor in the Wenner field house for advertising.

The committee recommends pursuing the engagement of free-lance development professionals to pursue private and corporate grant funding for public education. This would enable the district to explore, both locally and nationally, these potential source of revenue without incurring a significant financial outlay. The committee believes that a local entity might be willing to finance this experimental endeavor.

The committee acknowledges that the user fees for in-school and after school extra-curricular activities place a significant financial burden on the families of Belmont students. While it is understandable how and why these fees have continued to increase over the years, the committee sees little, if any, room for future increases. If new supplemental revenues become available the committee recommends that an equitable family cap for the various user fees be implemented.

VI. Committee Membership

Anne Lougée, Chair	Belmont School Committee
Carolyn Boyle	Co-Chair of Fundraising, Foundation for Belmont Education
Marcia Haines	Co-Chair, PATRONS
David Kale	Town Administrator, Belmont
Robert Mahoney	President, Belmont Savings Bank

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APPENDIX A

CURRENT SOURCES	ONE TIME	REPEATABLE	ANNUAL \$	NOTES
Foundation for Belmont Ed		√	200,000 +	
PTOs/PTAs		√	20,000+	<i>Average/School</i>
POMS & PATRONS		√	10-20,000+	<i>Average/each</i>
Belmont Boosters		√	10-15,000+	
Building Rentals		√	180,000+	
Corporate donations	√	√	Variable	
Private donations	√		Variable	
Tax V-off donation	√		Variable	
Current Student User Fees			(2013 \$) ¹	Fee Schedule
Athletics – BHS		√	448,975	\$ 450 1 st sport \$ 300 2 nd sport \$ 150 3 rd sport
Fine/Performing Arts				
• High School		√	119,045	\$ 275
• Elem Instrumental		√	110,500	\$ 250
• Saturday School		√	43,165	\$ 185
Clubs – High School		√	11,600	\$ 100
Full-Day Kindergarten		√	723,995	\$ 2,900
Private Preschool		√	168,360	\$ 3,200 – 5,100
Busing		√	202,160	\$ 575 per rider
Middle School – One fee for all activities/sports/clubs		√	62,484	\$ 150
Grants			(2013 \$) ²	
IDEA/Special Education			929,512	
Title I, IIA, and III			217,381	
Title III Immigrant Support			13,600	
Full-day Kindergarten			166,154	
METCO			509,256	
SPED Program Improvement			29,692	
SPED Early Childhood			26,072	
Academic Support			6,454	
Race to the Top			23,247	Ends in 2014
Circuit Breaker			1,192,754	

¹ \$1,890,284

² \$3,114,122

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APPENDIX B

School Year	Extracurricular Activity Fees
2007-2008	\$250 for all High School activities \$75 Middle School activities
2008-2009	\$330 for HS athletics AND other activities \$250 other activities only \$75 Middle School activities
2009-2012	\$450 first season of athletics, \$300 second season, \$150 third season \$275 High School performing arts \$100 High School clubs \$150 Middle School activities (no fee for cross-country) \$280 Middle School Grade 7 & 8 Basketball \$250 Elementary School Instrumental Music \$185 All town chorus/Saturday morning music (fee rises for multiple ensembles)
2013-2014	\$450 first season of athletics, \$300 second season, \$150 third season \$275 High School performing arts \$100 High School clubs \$150 Middle School activities (one fee for all activities, including sports) \$250 Elementary School Instrumental Music \$185 All town chorus/Saturday morning music (fee rises for multiple ensembles)

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APPENDIX C

	ONE TIME	REPEATABLE
Naming Rights (can have term limits)		
BHS Science Wing	√	
Auditoriums – new and existing	√	
Auditorium seating	√	
Community rooms	√	
Libraries	√	
Music & Art rooms	√	
Cafeterias	√	
Language/Computer labs	√	
Gymnasiums	√	
Athletic fields	√	
Sponsorship for major projects		
Harris Field press box	√	√
Gymnasium floors	√	
Advertising		
Outdoor ads/Indoor banners	√	√
Indoor LCD-displayed ads/promos		√
Corporate Partnerships		
Staples/Target	√	√

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APPENDIX D

1) **STEM - Math Support**: Elementary/Middle

There is currently a successful Response to Intervention (RTI) program for literacy in the Belmont Public Schools, supported by at least one literacy specialist in each of the four elementary schools. Such an RTI program is critical to the development of the foundational learning of students. The RTI requires frequent assessments whereby the data collected helps to inform educators when students need additional instruction and in what areas. In addition, the students in need of the most intensive support receive additional instruction from the specialist.

In an effort to strengthen the math literacy of its students, Belmont has invested in a new math curriculum (Envision). To achieve benefits for students in math similar to those achieved in literacy, it will be necessary to purchase commercial assessments to collect data, and to have a math specialist for each elementary school to assist in the process of assessing students, analyzing data, and providing intensive additional instruction in math.

We seek funding for five math specialists: one for each elementary school and one for the middle school (especially grades 5 and 6).

(2) **Guidance** - Elementary/Middle/High

School counselors develop and deliver counseling programs and services to students and staff in the areas of academic achievement and personal-social development – which includes anti-bullying and career planning/work readiness. In addition, responsibilities for services provided by counselors at all levels include coordinating complex and numerous community supports, and are trending upwards as the needs and numbers of children in the Belmont community continues to increase.

Using funds received from a federal stimulus Education Jobs grant in FY11 and FY12, Belmont was able to fund a district-wide counselor for a year and a half. That person was able to help coordinate the state's mandate to integrate anti-bullying curricula at all grade levels, as well as identify guidance needs across the district. It was found that the children of Belmont are experiencing an increased level of stress, anxiety, depression, and mental health issues, K-12.

If there were an endowment for a district-wide guidance counselor, that person could help facilitate holistic and consistent curricular approaches to address a myriad of social and emotional issues. In addition, s/he could be part of the team of educators and medical staff who handle a substantial number of students experiencing crisis level situations. As it is now, guidance counselors at each school are spending 50% to 100% of their time dealing with the complex issues these students in crisis face, preventing them from providing vital social and emotional support to other students not in crisis, preventatively.

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We seek funding for one guidance counselor with leadership experience to oversee, support, and develop guidance service delivery and curriculum for the district.

Current staffing levels for guidance counselors are below that which is recommended for ideal counselor-student ratios and adequate support. We request three additional guidance counselors (one for the elementary school, one for middle school, and one for high school).

(3) Fine & Performing Arts: – High School

At the present time the curricular portion of the theatre program consists of an 8th grade elective in theatre arts. All other theater arts programming is extra-curricular and fee-based. A parent-based organization (PATRONS) provides considerable financial support to the program through fundraising, in addition to providing “front of house” support during productions.

Belmont has been fortunate the past several years in hiring qualified and dynamic theatre instructors to work on the extra-curricular productions. The stipend position is funded by the student fees and ticket sales and has no corresponding employee benefits, which makes the retention of talented people a challenge.

Several in-school theatre arts courses have been designed for high school students but the funding for them is currently not available. If there was an endowment for a theatre arts director, these courses could be offered and Belmont’s theatre program could continue to produce high quality productions that engage and challenge hundreds of students.

We seek funding for one full time high school theater arts teacher.

(4) STEM - Elementary Library Science

Media and Digital Literacy are critically important in the 21st century, but unfortunately Belmont’s budget is only able to offer minimal support for elementary library science. Each school is staffed with a part-time aide and parent volunteers support the program by providing help during the book borrowing time for grades 2-4. Each library houses a resource collection that supports the curriculum for students’ research, appreciation of literature, class assignments, and personal development. Resources include print, non-print, and digital resources.

Currently the budget only supports part time library aides who provide a weekly story time for kindergarten and 1st grade students for 30 minutes. Students in grades 2-4 visit the library weekly for approximately 15 minutes for book borrowing.

We seek funding for four media literacy specialists/librarians, one for each elementary school.

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(5) STEM - Robotics Course Curriculum: Elem/Middle/High

Currently robotics is offered as an occasional after school enrichment activity, and is not integrated with the curriculum. Robotics integrates the fields of math, science, and engineering, and develops the critical 21st century skills of problem-solving and creativity.

We seek funding for three robotics teachers, as well as funding for equipment, teaching materials, and supplies to implement a robotics curriculum K-12.

(6) STEM - Computer Coding Curriculum: Middle/High

A new computer coding course will be implemented at Belmont High School for the 2014-2015 school year. It will be taught by an existing staff member, and will replace a course that was undersubscribed. We anticipate that the course will be very popular. (Course registration is currently underway; exact data is not yet available.) Additional funding would allow us to expand the program both at the high school and middle school level.

We seek funding for two computer teachers to provide a range of coding and other computer-related courses to students at the middle and high school. Additional funding is needed to upgrade computer hardware and software to accommodate the new courses.