

Dollars & Sense



 **JEFFCO**
PUBLIC SCHOOLS
Building Bright Futures

2012/2013 Adopted Budget

July 2012

District Fund Summary

Thank you for your interest in the Jeffco Public School budget. This budget incorporates the thinking and values of more than 3,000 stakeholders. A record number of community, parent, and employee participants were involved in the budget development process to develop the District's multi-year budgetary plan. Jeffco, along with all other school districts in the state and across the nation, is working with fewer funds to meet appropriately higher expectations. The District remains financially sound, strategically well-managed, transparent, and ready to weather these unprecedented economic times.

Quick Facts

Student Membership 2011/2012: 85,793*

**Membership is the number of students actively enrolled and attending in grades preschool-12 during the October count window. Membership also includes charter school students.*

Ethnic Distribution:

American Indian/Alaska Native.....	1%
Asian & Pacific Islander	3%
Black.....	1%
Hispanic	24%
White	68%
Multiple Races.....	3%

**From 2011/2012 School Year*

State Total Program Per Pupil Funding
for 2012/2013.....\$6,309

Number of Schools:

Elementary	92**
Middle.....	19***
High Schools.....	17
Charter Schools	14
Option Schools.....	10
<i>(including the online school)</i>	
Outdoor Laboratory Schools.....	2

***Includes three schools with grades K-8*

**** Includes one school with grades 5-8*

Staffing Overview:

The District employs more than 14 thousand full and part-time (substitute and temporary) employees. Of the 14 thousand, 10 thousand are regularly scheduled employees that are converted to approximately 9,100 full time equivalents (FTEs). Below is a breakout of General Fund Compensation dollars by employee type.

75%	Licensed
16%	Support
6%	School Based Administration
3%	Central Administration

In addition, the District employs approximately 4 thousand part-time and temporary employees that are not converted to FTEs because they hold positions such as substitutes, athletic coaches and athletic game worker which have varying hours and no set schedules.

District Fund Summary

	Adopted 2012/2013	% of Total
General Fund	\$605,180,900	65.0%
Capital Projects Fund	\$30,951,500	3.3%
Debt Service Fund	\$72,702,400	7.8%
Special Revenue Funds	\$92,592,200	10.0%
Enterprise Funds	\$40,188,900	4.3%
Internal Service Funds	\$39,042,100	4.2%
Charter Schools	\$50,000,000	5.4%
Total Adopted Budget	\$930,658,000	100%

As a governmental entity, the District must utilize fund accounting to track revenues and expenditures. Basically, dollars are put in separate accounts, to ensure dollars are spent for their intended purpose. Following is a high-level summary of the District funds.

General Fund

This fund is used for the routine operations funded by property taxes and other general revenues. It is the most significant fund in relation to the district's overall operations. The General Fund is used to manage all resources that are not legally, or by sound financial management, required to be managed in another fund.

Capital Project Fund

This fund is authorized by Colorado School Law and is used to fund ongoing capital needs such as site acquisition, building construction, and equipment purchases.

Debt Service Fund

This fund manages the accumulation of resources for the payment of general long-term debt—principal, interest, and related costs.

Special Revenue Funds

Special Revenue Funds account for revenues that are legally and managerially restricted to expenditures for particular purposes. Grant dollars are accounted for here.

Enterprise Funds

Enterprise Funds are used to manage operations financed in a manner similar to a private business, i.e., where the costs of providing goods or services on a continuing basis are recovered primarily by user charges and fees.

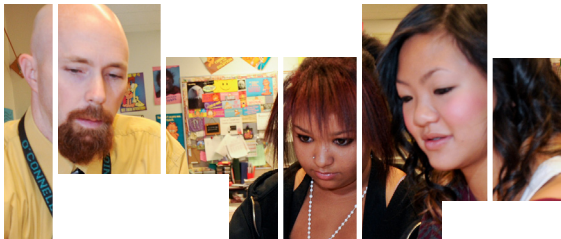
Internal Services Funds

These funds are used to manage the cost of goods or services provided by the Internal Service Fund departments to other departments and schools on a cost-reimbursement basis.

Adopted Operating Budget

Revenue	
Property Tax	\$261,651,300
State Revenue	\$282,924,700
Specific Ownership Tax.....	\$23,200,700
Investment Earnings	\$200,000
Tuition, Fees, Other	\$14,717,000
Total Revenue.....	\$582,693,700
Expenditures	
General Administration.....	\$25,699,300
School Administration	\$45,708,100
General Instruction.....	\$318,737,200
Special Ed Instruction	\$49,385,200
Instructional Support.....	\$53,868,400
Operations and Maintenance.....	\$63,843,300
Total General Fund Operating	\$557,241,500
Transfers to Other Funds.....	\$47,939,400*
Total Expenditures & Transfers...	\$605,180,900

**Includes transfers to Capital, Preschool, Transportation and Insurance/Risk Management*



Budget Highlights

“ The Board of Education worked hard to protect our classrooms and schools despite the reductions in state funding. We collaborated with our community, our employees, and our district leadership to sustain our conservative financial path and preserve our traditions of excellence.”

~ Lesley Dahlkemper,
President, Jeffco Board of Education

Money Spent in the Right Places for Academic Excellence



For every dollar spent

\$.57	General Instruction
\$.10	Instructional Support
\$.09	Special Education Instruction
\$.08	School Administration
\$.11	Operations and Maintenance
\$.05	General Administration

Budget Recommendations: 2012/2013

Total: \$20 million in Budget Balancing Efforts

\$5 million – Continued 3% Reduction in Employee Compensation, \$5 million of which is attributed to 2 furlough days in 2012/2013

\$5 million – Additional funds from Jeffco's Rainy Day Fund

\$3 million – Transfer to Capital Funds Reduced

\$7 million – Reductions from Central Administration & Support Services

Pending Budget Reductions: 2013/2014

\$43 million - \$45 million

Includes reductions in classroom teachers, instrumental music teachers, counselors, teacher librarians, instructional coaches, technology and other support positions.

Jeffco's budget challenges are not over.

Jeffco History – Efficient

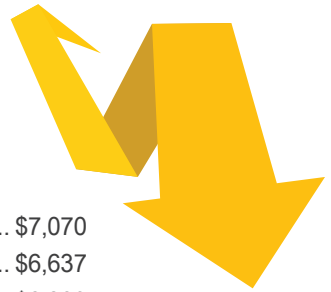
- ✓ Since 2009/2010 through 2012/2013, the district has cut more than \$78 million from the budget. These expenditure cuts helped mitigate cost increases and reduce bottom line expenditures.
- ✓ If Jeffco had not had a “rainy day fund” (savings account), reductions between 2009/2010 and 2012/2013 would have been more than \$167 million

Jeffco is continuously seeking efficient and lean operations.

Why the reductions?

Per child state funding has declined by \$761 since 2009/2010

• 2009/2010	\$7,070
• 2010/2011	\$6,637
• 2011/2012	\$6,309
• 2012/2013	\$6,309



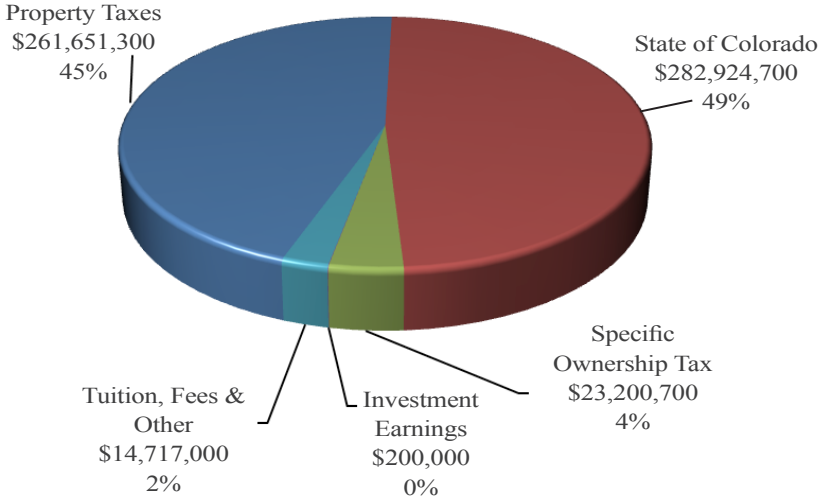
State economic impacts have resulted in reductions in revenues from the State.



Revenues & Expenditures

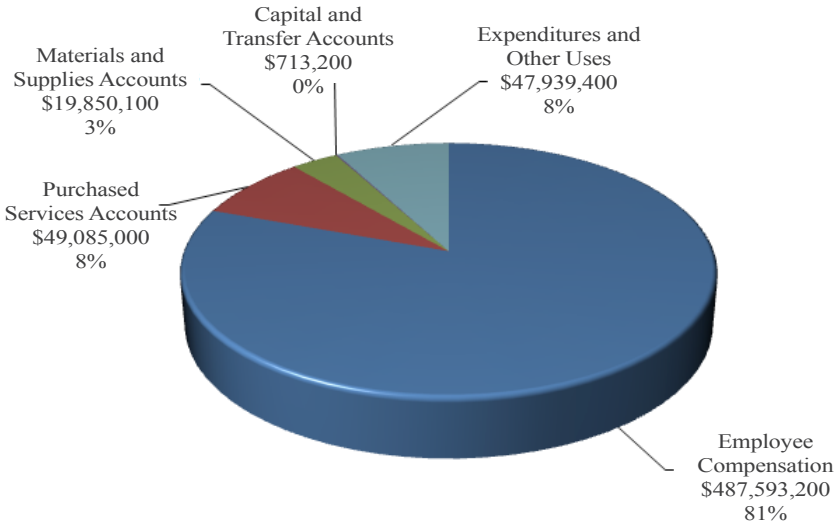
The General Fund reflects general operations of the District. The majority of expenditures are spent on compensation for teachers in the classroom.

Where the \$'s come from...



Total Revenues: \$582,693,700

Where the \$'s go...



Total Expenditures: \$605,180,900

Budget Driver - Enrollment

Jeffco student enrollment has been declining for more than a decade. The graph below illustrates the total student membership which is the total number of students actively enrolled and attending Jeffco in preschool through twelfth grade. The funded student count is the final number of students that Jeffco receives funding for through the School Finance Act.

Projected Student Enrollment One Day Count *



* Includes Charter Schools

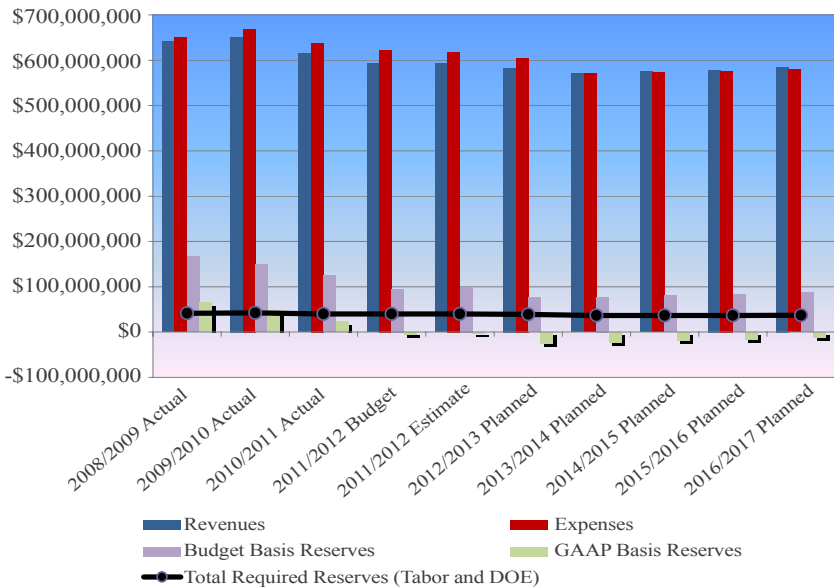
Jeffco has been challenged with declining enrollment for the past decade which has negatively impacted funding each year.

Revenue, Expenditures & Reserves

Rainy Day Funds

Jeffco Public Schools has intentionally built up its “rainy day funds”. Since 2009/2010, the district has cut more than \$78 million from the budget. Jeffco has spent down reserves by \$89 million. If Jeffco had not had a “rainy day fund” (savings account), reductions would have been more than \$167 million.

Revenue, Expenses, and Reserves
Including Future Planned Budget Reductions



Reserve levels are mandated by Board of Education policies and State statute (TABOR), but the reality is, we all need to maintain some level of reserves. It is the financially responsible thing to do.

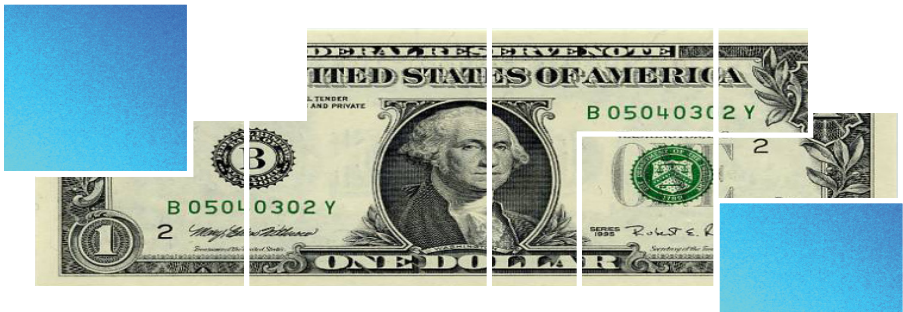
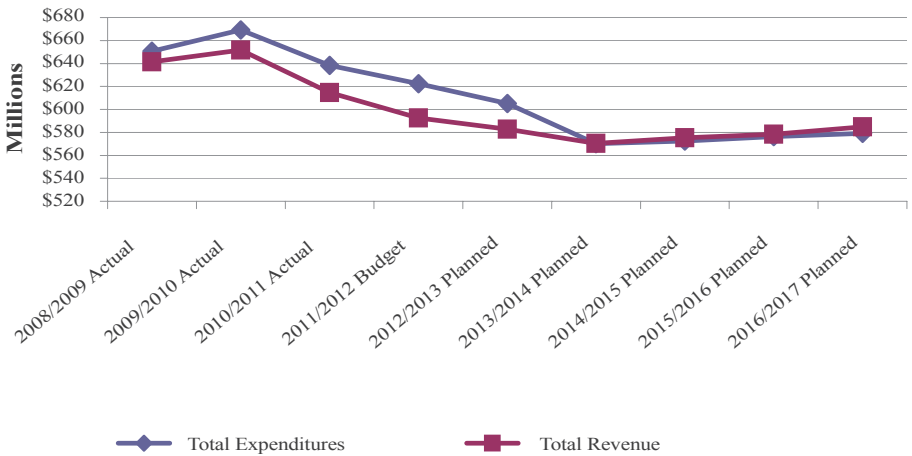


Budget Reductions

Budget Cuts for 2012/2013

The approved budgetary reductions and solutions totaled to approximately \$20 million for the 2012/2013 school year and approximately \$43.5 million for the 2013/2014 school year. The \$20 million for 2012/2013 will come from \$7 million in reductions from central administration and support services, \$5 million from additional funds from Jeffco's "rainy day fund", \$5 million from the continuation of 2 furlough days that are a part of a 3 percent reduction in employee compensation, and \$3 million from a reduction in the transfer to the Capital Reserve Fund. Although Jeffco was able to reduce the planned reductions for 2012/2013, the cuts for 2013/2014 will be painful.

Total Expenditures and Revenues Without Future Budget Reductions



What Does the Budget Buy?

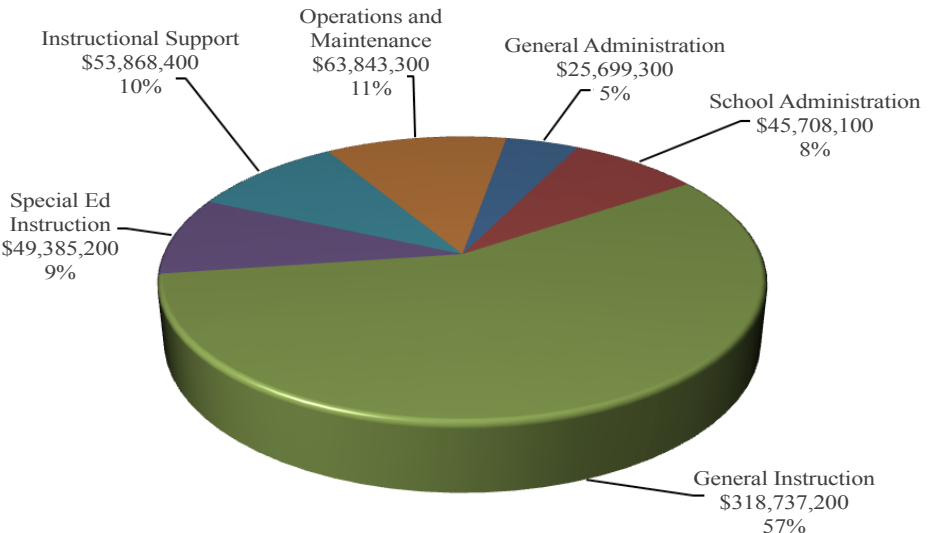
Over the 173-day school year, it cost Jeffco Public Schools about \$40 per day to educate each of the 85,793 students and operate the District with the \$605.2 million General Fund budget – less than taking a family to the movies.

For approximately \$40 a day, Jeffco Public Schools provides each student:

- ✓ Highly skilled and trained teachers that make a difference in students' lives
- ✓ Specialized learning services for students with special needs
- ✓ Access to library resources and technology
- ✓ Guidance, counseling and other support services
- ✓ Materials such as textbooks and equipment
- ✓ Transportation to and from school (subsidized by fees)
- ✓ Extracurricular activities (subsidized by fees)
- ✓ Choices for learning environments
- ✓ Clean and well-maintained facilities

Operating Funds – 2012/2013 Budget

General Fund Expenditures by Category



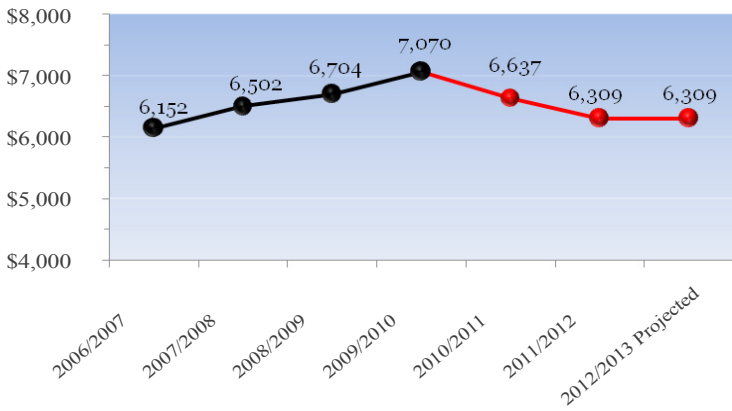
What Does the Budget Buy?

Kids, Schools & Classrooms, & Central Support

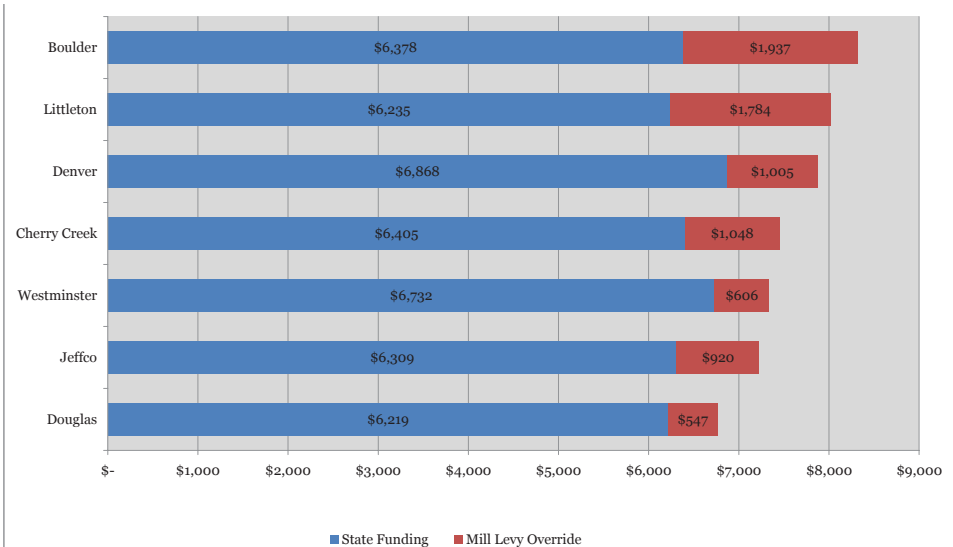
	Kids, Schools & Classrooms	Central Support
General Instruction	Teachers Class Size Relief Athletics ESL, Dual Language Summer School Paraprofessionals Materials & Supplies	
Special Ed Instruction	Special Ed Teachers Intervention Services Special Ed Preschool Challenge Program Transition Services	
Instructional Support	Psychologists, Therapists, Social Workers Clinic Aides Gifted/Talented Program Guidance/Counseling Health Services Grants Management Career & TechEd	Chief Academic Office Department for Learning & Educational Achievement Assessment & Research Educational Technology
Operations & Maintenance	Custodial Services Utilities	Chief Operating Officer Field Services Property Management
General Administration		Board of Education Superintendent Community Superintendents Business Services Human Resources Communications Employee Relations
School Administration	Principals Assistant Principals School Secretaries	

Jeffco has experienced an actual reduction in State school finance funding of nearly \$70 million over the past four years. If the comparison is made between current funding levels and what the fully funded amount should be without the negative factor, then the amount of potential funding that Jeffco has lost is \$98 million. The following chart illustrates the loss of funding on a per pupil basis. This tends to be a fair representation of funding since fluctuations in pupil enrollment ultimately affect total funding amounts.

Jeffco's Total Per Pupil Funding



2012/2013 State Per Pupil Funding by District Comparison

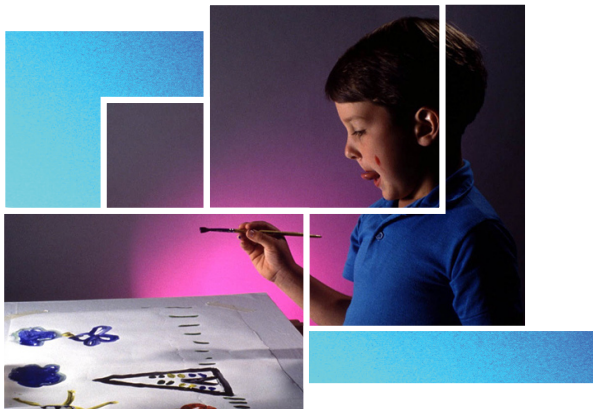


American Recovery &

Reinvestment Act (ARRA):

The American Recovery & Reinvestment Act (ARRA) is an economic stimulus package enacted by the Federal Government. These grant funds are one-time money earmarked for specific uses. Most of the grants-dictated money was to be spent between school years 2010/11 and 2011/2012. The following chart shows a recap of the 2012/2013 grants, the total funding, and number of jobs saved or created in the year 2012/2013. The largest grant award is the Teacher Incentive Fund for the development and implementation of a performance-based compensation system which is to be spent over a five year period starting in year 2010/2011. The district was also awarded a Race to the Top grant to work on developing educator effectiveness standards and implementing a new evaluation system including student growth.

ARRA Stimulus Grant Name	Grant Period	Total Grant Award	2012/2013 Grant Budget	Jobs (FTEs) Saved/ Created
Teacher Incentive Fund: Performance Based Compensation System	Oct 2010 – Sept. 2015	\$38,683,600	\$10,960,400	70.00
Race to the Top	July 2012 – Dec. 2015	\$653,200	\$201,900	1.00



“The [ARRA] grant funds were one-time money that was earmarked for specific uses.”



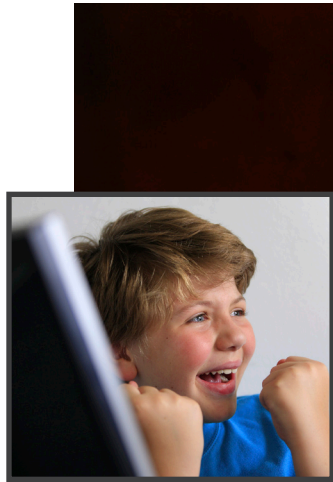
Keeping A Watchful Eye . . .

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More detailed budget information is available by calling
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