

# Financial Transparency Working Group “Fitwig” January 17, 2017

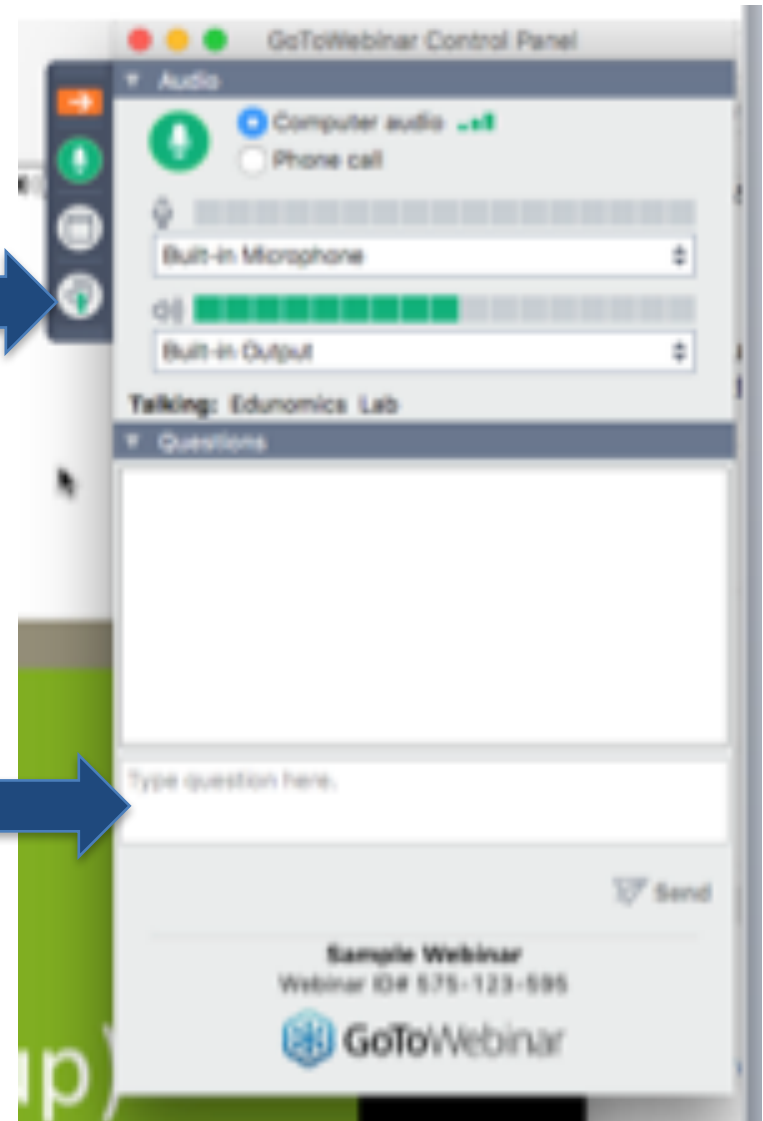
Hosted by:  
Edunomics Lab at Georgetown University

# Communicating During the Call

To request to be unmuted, please use the hand raise tool



Use the comment box to ask questions or message the group



# Agenda

1. More examples from SEAs
2. Allocation Options
3. In-Person Meeting
4. Next Steps

**NO...THE ALLOCATION WILL SHOW**

**80%**

**AND THAT'S FINAL**



# Wyoming School District

		Elementary School #1	Elementary School #2	District Average
School-Level	Federal	\$1,047	\$1,204	\$476
	S/L	\$11,969	\$9,910	\$14,876
	Total	\$13,016	\$11,114	\$15,352
LEA-Level	Federal	\$526	\$526	\$526
	S/L	\$2,751	\$2,751	\$2,751
	Total	\$3,227 (19%)	\$3,227 (23%)	\$3,227 (17%)
Grand Total		\$16,293	\$14,391	\$18,579

Central expenditure allocation method: sum all central expenditures, divide by total district enrollment, and assign LEA PPE uniformly across all schools.

# Florida School District

		Elementary School	High School	District Average
School-Level	Federal	\$617	\$476	\$622
	S/L	\$6,966	\$6,729	\$6,771
	Total	\$7,583	\$7,205	\$7,393
LEA-Level	Federal	\$10	\$15	\$14
	S/L	\$162	\$128	\$152
	Total	\$170 (2%)	\$147 (2%)	\$166 (2%)
Grand Total		\$7,756	\$7,349	\$7,559

# Maine: Two Districts

School District #1		Elementary School	Secondary (Tuition)	School District #2		Elementary School	Secondary School
School-Level	Federal	\$412	\$6	School-Level	Federal	\$1,256	\$237
	S/L	\$11,133	\$11,648		S/L	\$8,771	\$15,051
	Total	\$11,546	\$11,654		Total	\$10,028	\$15,288
LEA-Level	Federal	\$102	\$102	LEA-Level	Federal	\$10	\$10
	S/L	\$557	\$557		S/L	\$1,005	\$1,005
	Total	\$659 (5%)	\$659 (6%)		Total	\$1,015 (10%)	\$1,015 (6%)
TOTAL		\$12,205	\$12,314	TOTAL		\$11,043	\$16,303

District 1 does not operate a school – all students are transferred outside of the district to attend other district public or private schools.

# Rhode Island

	District 1	District 2	District 3	Averages
ADM	488	3,957	2,350	2,296
% School Level	65%	85%	89%	82%
% Central	35%	15%	11%	18%
PPE	\$25,036	\$16,105	\$13,933	\$15,219

Costs for students attending schools outside the district (charters, special education placements, career and tech etc.) are captured at the LEA level.



# Basic approach to site-level accounting

## Examples

## Considerations, Concerns

1. Specify objects and/or functions (or programs) to be coded to schools

SLFS categories  
RI COA

- What to do if functions/objects/programs aren't consistently delivered/managed? Could be onerous for some LEAs to separate central from school level (charters, WSF districts, one-school districts, online, non-traditionals) (e.g. exclude benefits for a contractor teaching music?)
- May need apportioning methodology for LEAs that share (or centralize) those objects/functions (e.g. reading coaches, online classes). (RI has one)

2. Specify a set of conditions for when costs are to be reported to school-level

E.g.:

- When staff are assigned solely to school.
- When school has "control" over dollars

- LEAs may report substantially different portions of their funds at the school level, making data incomparable across districts.
- Existing accounting structure may not map to control.

3. Neutral/LEA choice (about what coded directly to schools), but also apportion all central costs

- CO example from last webinar
- OH existing COA

- Will need methodology to apportion central (or will allow each LEA to do own approach). (OH has one)
- Data will be comparable across all types of schooling
- Less visibility in variation due to school staffing

# Basis for Apportioning Central/Shared Services

- ADM or weighted students
- Student subgroup (i.e. special education, grade-level)
- Student utilization or participation (i.e. transportation, online classes)
- Square footage
- Salaries

# Rhode Island -- #1

- Serves students = school-level
- Business-related = central
- Allocation methodology assigned to every object code
  - Example: Contacted Nurses (professional nursing service that support the operation of the district), use weighted students method

# Mississippi -- hybrid

- Specifies some functions that must be coded to school-level
- All other expenditure (beyond specified functions) are at discretion of the LEA

# Ohio – Could be #3

- LEA discretion to assign expenditures to schools, but school-level code is built into the common COA
- Methodologies for parsing central expenditures defined in district manual

# Developing your SEA's methods

- Start by looking at the data in your state
- Examine range across all LEAs, school types
- Ask what you want to do with the data

# In-Person Meeting

- Feb. 9, 2017 from 8:30AM-4:30PM at 1 Mass. Ave. NW in Washington, D.C. (CCSSO office)
- Programming:
  - Financial transparency large-group AM session
  - CIO and FTWG split for PM sessions
  - PM small-group sessions:
    - 3-6 programmed sessions

# Next Steps & Reminders

- Next call: Feb. 1, 2017 – **OFFICE HOURS ONLY**
  - Good for SEAs/LEAs not joining 2/9 in-person
- Slides & recorded call available on FTWG website within a few hours

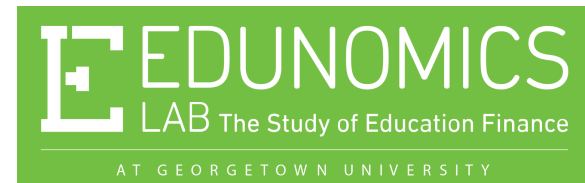
<http://edunomicslab.org/financial-transparency-working-group/>

- Post results of school level analysis, questions, comments at [www.fitwig.blog](http://www.fitwig.blog)

# Links

- Ohio allocation rules defined:  
[http://education.ohio.gov/getattachment/Topics/Data/EMIS/EMIS-Documentation/FY14-EMIS-Validation-and-Report-Explanation-Do-1/Expnd\\_Amt\\_by\\_Cat\\_Report\\_Explanation-v2.pdf.aspx](http://education.ohio.gov/getattachment/Topics/Data/EMIS/EMIS-Documentation/FY14-EMIS-Validation-and-Report-Explanation-Do-1/Expnd_Amt_by_Cat_Report_Explanation-v2.pdf.aspx)
- RI COA & Manual:  
<http://www.ride.ri.gov/FundingFinance/SchoolDistrictFinancialData/UniformChartofAccounts.aspx>





# Exploring early data

Pick an LEA and select two schools within the LEA. Does the state have the data needed to complete this chart?

			School district # _____		
			Elem #1	High School #2	LEA average
A	School level	Federal			
B		S/L			
C		Sch total			
D	LEA level	Federal			
E		S/L			
F	Grand Total				

Post results, questions, comments at  
[www.fitwig.blog](http://www.fitwig.blog)

# Department of Education Regulation on Uniform Procedures:

“A State must develop a single statewide procedure to calculate LEA current expenditures per pupil and a single statewide procedure to calculate school-level current expenditures per pupil”

- (i) Including, but not limited to, expenditures for administration, instruction, instructional support, student support services, pupil transportation services, operation and maintenance of plant, fixed charges, preschool, and net expenditures to cover deficits for food services and student body activities; but
  
- (ii) Not including expenditures for community services, capital outlay, and debt service;

# Where to start on developing a uniform state-wide procedure?

## WHAT TO EXCLUDE ENTIRELY FROM LEA?

- Programs (JROTC?); functions; object codes? (pensions)
- What changes are needed to ensure uniform LEA accounting of any exclusions?

Changes to COA?

New training for district CFOs?

New processes for financial data collection from LEAs

## Smart steps:

- Go with what's already in place: Could choose categories as defined on existing state-wide COA or F-33 federal survey.
- Get input: Pilot LEA reporting with exclusions to test a draft procedure.

# Where to start on developing a uniform state-wide procedure?

## **PARSING LEA LEVEL VS SCHOOL LEVEL**

- Trickier since LEA and school level \$ is all from one pool. Districts currently make different choices about what to “centralize.”
- Are there functions, objects, programs that are reliably “central” across all LEAs and thus can be excluded?
- What about WSF districts? Charters?
- How to ensure that School-level PPE can be compared across schools in different districts?

Best place to start is to look at existing data.

1. To what extent is there consistency/variation in your state's LEAs/charters on the type and level of expenditures accounted for by school (or centrally)?

2. How to create a uniform procedure that works for different types of districts (small, decentralized, charter, etc.)?

- Assign costs to central by object type?
- Assign costs to central by function or program?
- Sum everything to school (even shared costs)?

# SEAs will be grouped by current access to school-level financial data

1. SEA has a common chart of accounts (COA) including a field for location

SEA collects G/L data with COA & location

1.a. COA uses real salaries:

RI, DE  
OH MA  
MS WY  
HI\* FL  
ME MD

1.b. COA uses average salaries:

1.c. SEA hasn't yet collected G/L data from districts with COA & location (or is in pilot phase):  
OR, NE

2. SEA has SLFS (or similar) data by school (SLFS is a subset of school-level fin. data points):  
CO, DC

3. SEA has real salaries/benefits of personnel with location

3.a. All school personnel  
CT

3.b. Only cert/inst. personnel  
IL

4. SEA does not yet have access to financial information by school:

ND VA AZ  
SD MO

# ESSA Regulation Update

Regs are FINAL

Additional “guidance” to come (likely in January)

Relevant changes:

- Updated deadline: June 30, 2019
- Break out expenditures by:
  - Federal
  - State/Local
- Actual personnel costs (including salaries)
  - Assuming this means benefits too, but we have a question submitted for clarification



# ESSA Regulation Update, cont.

- Excluded:
  - community services
  - capital outlay
  - debt services
  - privately generated
- Included (but not limited to) expenditures for:
  - administration
  - instruction, instructional support, student support services
  - pupil transportation services
  - operation and maintenance of plant, fixed charges
  - preschool (publicly funded portions)
  - net expenditures to cover deficits for food services and student body activities
- Denominator: student count *on or around* Oct 1
  - not weighted
  - Includes pre-K students receiving free services

# ESSA Regulation Update, cont.

- Uniform procedures. A State must develop a single statewide procedure to calculate LEA current expenditures per pupil and a single statewide procedure to calculate school-level current expenditures per pupil.
  - Some questions remain as to the nature of the “procedure”.

<http://www2.ed.gov/policy/elsec/leg/essa/essaaccountstplans1129.pdf> page 360