FINANCIAL POLICIES AND PROCEDURES COMMITTEE MINUTES
April 7, 2017

Members Present

Terry Buswell, Centennial BOCES

Wendy Everett, Cortez RE-1

Deb County, Valley Re-1

Kara Emmerling, Geona-Hugo C113

Kristine Githara, Cherry Creek 5

Mike Thomas, Fowler R-4J

Cara Golden, Mesa County Valley 51

Janell Wood, Swink 33

Laura Hronik, Colorado Springs 11

Kera Badalamenti, Poudre R-1

Lisa Clark, Weld RE-3J

Jonathan Levesque, Littleton 6

Michael Everest, Mapleton 1

Terry Kimber, Widefield 3

Matthew Scoggins, Rangely RE-4

Stephanie Corbo, Jefferson County R-1

Steven Clawson, Denver 1

Alternates Present

Justin Petrone, Boulder Valley RE-2J

Ex-Officio Members Present

Adam Williams, CDE

Jennifer Okes, CDE

Kirk Weber, CDE

Yolanda Lucero, CDE

Crystal Dorsey, OSA

Eileen Johnston, James Irwin Charter

Members, Ex-Officio Members and Alternates Absent

Aaron Oberg, CDE

Kathy Shannon, CASB

Christopher Telli, Colo. Society of CPAs

Scott Szabo, Colo. Society of CPAs

Lisa Clark, Weld RE-3J

Theresa Larson, Aurora 28J

Karin Slater, Montrose County Re-1J

Anthony Whiteley, St. Vrain Valley Re-1J

Chloe Flam, Northwest Colorado BOCES

Amy Lyons, Bayfield 10JT-R

Richard Stettler, Ellicott 22

Lana Niehans, Pueblo City Schools 60

Jana Schleuser, Douglas County RE-1

Guests Present

Denise Pearson, Kiowa C-2

Georgia Steele, Strasburg 31J

Jona Layton, East Central BOCES

Kathey Lewis, Stratton R-4

Teresa Hopson, Bethune R-5

Alex Marino, Douglas County RE-1

Brad Arnold, Cherry Creek 5

Brisa Villalobos, Adams 50

Eddie Storz, Adams 14

Gina Lanier, Adams 12

Ginger Lusty, Charter School Institute

Jane Frederick, St. Vrain Valley Re-1J

Kelly Varney, Platte Canyon R-1

Mimi Livermore, Adams 12

Ron Whitling, Aurora 28J

Scott Lee, CDE

Shelly Murphy, St. Vrain Valley Re-1J

Tammy Hohn, Englewood 1

Terry Scharg, Gilpin County RE-1

Tracy John, Academy #20

Aaron Thompson, Pueblo City Schools 60

Alicia Hancock, Delta County 50(J)

Amanda Ward, Garfield Re-2

Angela Slaven, Mesa County Valley 51

Angie Skalla, Widefield 3

Ashley Thang, Mesa County Valley 51

Diane Raine, Mesa County Valley 51

Jim Ventrello, Delta County 50(J)

Kenneth Wieck, Colorado Springs 11

Leona Hollond, Monte Vista C-8

<u>Guests (continued)</u>

Marita Vogrin, Academy #20
Mark Rydberg, Steamboat Springs
Melanie Heath, Mesa County Valley 51
Melissa Kirchner, Peyton 23JT
Missy Corn, Springfield R-4
Rose Belden, Garfield 16
Staci Turner, San Luis Valley BOCES
Brian Lund, Estes Park R-3
Jan Brummond, Platte Valley Re-7
Mandy Hydock, Greeley RE-6
Mike Lee, Ft Morgan RE-3
Nikki Schmidt, Windsor RE-4
Sherry Shay, Thompson R2J
John Angelo, MCDS
Becky Samborski, Weld RE-1
Brett Parsons, Poudre R-1
Brian Gustafson, Woodland Park RE-2
Brook Quint, Centennial BOCES
Carol Meininger, Pinnacle Charter
Cary Allen, Wiggins RE-50(J)
Caryn Braddy, Vision Charter Academy
Cheryl Wallace, Rubin Brown LLP
Colleen Love, Ridgeway
Dottie Burnett, Santa Fe Trail BOCES

Jennifer Macho-Seekins, Durango 9R
Jnl Linsacum, Hayden Re-1
Joanne Vergust, Fountain 8
Laurie Darnell, Sheridan #2
Luke Gonzales, Thompson R2J
Marcy Studtmann, Lewis-Palmer 38
Michelle Andreano, Pinnacle Charter
Mike Hodgson, Archuleta County 50JT
Nanci Sweet, Deer Trail 26J
Rena Sanchez, Lake County R-1
Robyn Klunder, Miami Yoder JT
Ron Patera, Elizabeth C-1
Shanae Larson, Sanford 6J
Shanna Yochum, Karval Re-23
Eric Davies, Pikes Peak BOCES
Floy Jeffares, Jefferson County R-1
Lyza Shaw, CDE
Janet Maupin, Strasburg 31J
Lori Hawkins, Harrison 2
Karen Agner, Harrison 2
John Wall, Moffat County Re:No 1
Beverly Martinez, Wall Smith Bateman
Betty Salazar, Center 26JT
Mona Larsen, Woodland Park RE-2

MINUTES

FINANCIAL POLICIES AND PROCEDURES COMMITTEE
April 7, 2017

I.   Call to Order and Introductions
> Jennifer Okes, CDE called the meeting to order at 9:30 am.
> Those in attendance were asked to introduce themselves and their district.

II.   Presentation of Agenda
> *Jonathan Levesque, Littleton 6, Member District made a motion to approve the agenda.*
> *Michael Everest, Mapleton 1, Member District 2nd the motion. Motion carried.*

III.   Approval of Prior Meeting Minutes
> *Stephanie Corbo, Jefferson County R-1*, made a motion to approve the prior meeting minutes.
> Kristine Githara, Cherry Creek 5, 2nd the motion. Motion carried.

IV.   Legislative Updates
Currently we are waiting for the introduction to the School Finance Act, hopefully that will be seen within the next week. There should be a vote on the Long Bill today and again hopefully finalized by next week.

HB17-1042 Increasing Funding for Full-day Kindergarten
Status: Unamended to Appropriations, Assigned to Education
This has not moved since January 23rd, therefore, there are no new updates.
Under existing law, the 'Public School Finance Act of 1994' funds kindergarten students as half-day pupils plus the supplemental kindergarten enrollment, this is an additional .08 of a full-day pupil. The bill increases the supplemental kindergarten enrollment for the 2017-18 budget year and each budget year thereafter to .16 of a full-day pupil.

HB17-1082 BEST Building Excellent Schools Today Act Technology Grant Funding
Status: Amended to Appropriations, currently it is in the 3rd reading with the House.
This bill updates the definition for Technology to include technology in the classroom / learning environment.
Sections 3 and 4 define the term 'technology' for purposes of both the existing statute that gives high priority to BEST applications for projects that are designed to incorporate technology into the educational environment and the new technology grant program to include hardware, devices, or equipment necessary for individual student learning and classroom instruction, including access to electronic instructional materials, or necessary for professional use by a classroom teacher.

HB17-1194 Technical Changes for P-tech Schools
Status: Currently it is in the 3rd reading with the Senate.
The bill amends the definition of pathways in technology early college (p-tech) high school to include a p-tech program that operates within a host school. In addition, in applying school accreditation requirements and reporting graduation rates, a p-tech student is counted as a high school graduate in the year in which the student completes the local education provider's or host school's minimum high school graduation requirements. A p-tech school or the host school shall notify the department of education prior to a p-tech student's twelfth-grade year if the student will be enrolled in the p-tech school for grades 13 or 14.

HB17-1182 Charter School and District Student Revenue True Up
Status: Postpone Indefinitely with the House

Legislative Updates (continued)

SB17-061 Additional Funding Charter School Operating Costs

Status: Currently it is in the 3rd reading with the Senate.

The bill directs the department of education to calculate a mill levy equalization payment for each institute charter school in the amount of the per pupil share of the mill levy overrides of an institute charter school's accounting district. The state will pay the mill levy equalization amounts, subject to annual appropriations.

SB17-200 Reward Excellence with Annual Redirected Dollars

Status: Assigned to Education, there are no new updates.

The bill creates the 'Rewarding Excellence With Annual Redirected Dollars Act' or 'REWARD Act' (program) to award excellence funding to school districts that achieve a level of success in student performance above that of their peer districts. The department shall annually award excellence funding to the top 10 highest-performing non-rural school districts and to the top 10 highest-performing rural school districts, for a total of 20 districts. The program is funded by redirecting 1% of statewide total program funding, after application of the negative factor, for the applicable budget year.

SB17-1287 Achieving a Vision for Education in Colorado

Status: Assigned to Education

Looking at what the vision should be for the State of Colorado.

SB17-1294 Counting ASCENT Program Students in Graduation Rate

Status: Currently it is in the 2nd reading with the House.

The bill clarifies that a student who participates in the accelerating students through concurrent enrollment program, which allows the student to remain enrolled as a high school student while concurrently enrolling in postsecondary courses during the school year immediately following the student's twelfth-grade year, is counted in the enrolling school district's or institute charter school's graduation rate in the year in which the student completes the high school graduation requirements.

V. **Financial Transparency Update**

There has been discussion of a statewide context page by the subcommittee, BrightBytes and CDE. The current thought is to wait until the fall, after the website has been active for a few months to see the questions from the general public. These questions would be addressed in a statewide context page.

Slight changes are expected to the public website view between now and the go live date of July 1. In June, we a scheduled for a soft launch for districts to explore the website; this will give districts a four week window before the launch in July.

When a public user is on the home page of the website they have an opportunity to learn more about the Financial Transparency website. In the search field they can type in the school that they are looking for and select the school. Since we are viewing information at a school level we only see the spending information. Once the school is selected you will see per student spending and then it is broken out into the learning environment and operations. You will also see the construction, debt and other spending; this is isolated since it is outside of the school operations. As you continue to scroll on the page you will see the spending categorized by salary, benefits, services, supplies, property and other for each learning environment, operations, construction, debt and other. Then scrolling further down on the page the spending is categorized by the funds. Once all the districts are loaded the state average will also be displayed.

Financial Transparency Update (continued)

Returning to the search field the public user can type in the district to access district level information. Once the district is selected you will see the number of schools in the district, the number of students and the type (elementary, middle, high and charter school) of schools that they are serving. There is a section at the top of the page where a district can add a narrative through the approval tool. Since we are now at the district there is information that is not available at the school level, such as the funding data. The layout for the spending is similar to the school level data. We can see the funding data with categorized breakdowns; local, state, federal or other and by the funds. There is also an option at the district level to download the data.

On the compare page you can select multiple schools or districts to be able to compare. There is an ability to compare up to four locations; however, you cannot compare a district to a school. When you see the data side by side the number of students each location is serving and the spending figures on a per pupil basis along with a state average are both displayed. Again, the spending is for each learning environment, operations, construction, debt and other with the ability to view the categorized spending categorized by salary, benefits, services, supplies, property and other in addition to the funds. You will only have the ability to compare funding at the district level.

Another option to search for a location is by using the map view. Within the map view it assigns clusters when there are multiple locations in the same region on the map. When you start to zoom in the clusters will breakout as they become more distinct. The clusters contain a number to indicate the number of locations within that cluster. If there are two locations that share a physical building you can click on the cluster to break apart the cluster to the individual locations.

The data approval tool is will be available to all districts through June. In June when we do the soft launch there is still an opportunity to make updated to data that has been uploaded. The data approval tool is the best way to alert BrightBytes if there is a new file that has been posted to your financial transparency website. Once the notification is received the public site will be updated within 24 hours. If you click on the download data you can see the data lines that are reflected in a particular category through the appended fields. As you are exploring the data you can add follow-up flags for information that may not look right in the approval tool. At any time you can also contact BrightBytes supports with any questions.

BrightBytes Contacts
Glen Zollman, glen@brightbytes.net, (208) 440-4536
Evan Samek, evan@brightbytes.net, (646) 573-6173
Ken Goldstein, ken@brightbytes.net, (303) 548-2136

VI. **ESSA Per-Pupil Expenditure Reporting Requirement Update**

At the last meeting we discussed the ESSA legislation which states that the per pupil expenditures must be reported at both the LEA and the School Level. Prior to that meeting there were regulations in place which defined how per pupil information should be calculated and reported, in which these regulations were then rescinded in March. Currently there are no federal regulations on per pupil expenditure reporting. At the last meeting we requested a subcommittee to determine how we in Colorado would like to proceed in the reporting of the per pupil expenditures. The subcommittee members included; Jennifer Okes (CDE), Yolanda Lucero (CDE), Karen Agner (Harrison), Kristine Githara (Cherry Creek),Tracy John (Academy 20), Jonathan Levesque (Littleton), Meghan Powell (Adams 12), Ron Whitling (APS), Jennifer Macho-Seekins (Durango), Sean Connor (Jeffco) and Stephanie Corbo (Jeffco). The subcommittee met on March 24th to make recommendations on the source of data, timing, general approach, source of funds, types of expenditures uniform procedures and school level expenditures. The recommendations are outlined in the "ESSA Reporting Per Pupil Expenditures" document.

Resource Documentation:
ESSA Law and Regulations Per Pupil Expenditures
ESSA Reporting Per Pupil Expenditures

VII. **GASB Invitation to Comment on Financial Reporting Model Improvements – Governmental Funds Project No. 3-251**

GASB was looking for comments on the Financial Reporting Model Improvements. On March 31st we submitted a letter to GASB with our comments. Within the General Comments we indicate that regardless of size, any changes to the current financial reporting model will impact all Colorado school districts. Additionally, due to the statuary requirements that Colorado school districts and other reporting entities provide for an adopted budget and that a statement/schedule of comparison of budget to actual is needed to demonstrate legal compliance for each fund, any changes to the Financial Reporting Model should be closely aligned with the budgetary process and budgetary basis of accounting presentation. The letter submitted by CDE is in the "GASB ITC Response Letter_033117". All comment letters received by GASB are available in the link provided under the resource documentation.

Resource Documentation:
GASB ITC Response Letter_033117
GASB Comment Letters

I. **Other Topics of Interest**
   a. **CASBO ,** http://www.coloradoasbo.org/i4a/pages/index.cfm?pageid=1
      - The 64th annual spring conference will be held April 19-21 at the Westin Hotel in Westminster.
      - There will be board election for one Secretary/Treasurer and for three Board of Directors.
      - Bill Sutter, Boulder Valley, is currently a candidate for the Board of Directors at the ASBO level.
      - ASBO conference will be held September 22-25 here in Denver, registration will be open on May 1st.
   b. **CASE-DBO,** http://www.co-case.org/?815
      - The summer conference will be held July 26-28 at Beaver Run in Breckenridge.
      - There was a call for nominations for two open Board seats, open until May 6th.
   c. **CGFOA,** http://www.cgfoa.org/
      - No updates at this time

II. **Reminder:**
   Future Meeting Dates
      May 5, 2017   June 23, 2017

III. **Adjourn**
   There being no further business to come before the Committee, meeting adjourned.