

## Where the money comes from

- Adams 12 Five Star Schools' \$400 million projected total revenues for the 2015-2016 fiscal year come from a combination of tax sources, including federal, state and local.
- For Fiscal Year 2015-2016 state sources make up the largest portion of our revenue and account for 51.7 percent. Local taxes are expected to contribute 34.7 percent of our total funding.

## Local mill levy overrides provide additional funding for operating expenses

- Voter-approved mill levy override dollars are used for operating expenses, such as instructional programs, equipment, class size management, in-classroom technology and other high-priority operating expenses.
- Compared to other school districts, Adams 12 Five Star Schools has fewer commercial properties located within its boundaries and lower residential home values so the Five Star District's local funding is lower and its ability to raise money through mill levy overrides isn't as substantial as other districts.
- Mill levy overrides do not adjust each year for inflation and enrollment growth, so their purchasing power diminishes over time.

## Bonds provide funding for repairs, renovations, new buildings and technology

- The State of Colorado does not provide funding for repairs, renovations and new buildings, so school districts must ask voters to approve bond issues to pay for capital improvements.

## Formula determines per-pupil funding for school districts

- The Colorado School Finance Act outlines Total Program Funding, which is a formula used to determine per-pupil funding based on what each school district needs to provide an "equitable" education compared to districts across the state.
- The Total Program Funding formula is comprised of three funding sources: base property taxes, local share of specific ownership (vehicle registration) taxes and state equalization (the state's portion of Total Program Funding).

## Fiscal downturn results in school funding reduction

- This school year alone, the Five Star District will receive \$41 million less in funding (or about \$982.85 less per student) as a result of the state legislature reducing funding for Colorado school districts.
- For 2015-2016, the Five Star District's funding levels are similar to per-pupil funding levels in Fiscal Year 2010-2011.
- The impact of the reduction in funding has been substantial and has resulted in more than \$250 million in decreased funding for the Five Star District over the past few years.

**\$41 million**

In the 2015-2016 year alone Adams 12 Five Star Schools will receive \$41 million less in funding.



## 83¢ of every \$1

Is spent on student instruction

## 91%

Percentage of the general fund budget spent on salaries and benefits

## 6.64%

Percentage of salaries and benefits assigned to administrative positions. The Five Star District ranks among the lowest of districts along the Front Range.

### Funded pupil count determines dollars school districts receive

- Funding is distributed to school districts on a per-pupil basis and the number of students enrolled as of Oct. 1 determines the amount of annual funding.
- The funded pupil count refers to the number of full-time students enrolled in the district and can be different from the total student headcount. For example, regardless of whether a kindergartner attends half-day or all-day kindergarten, they are counted as 0.58 full-time equivalent (FTE) and allocated funding is 42 percent less than full-time students.
- District charter pupil enrollment makes up more than 18 percent of enrollment; however, the funding for those students is “passed through” the district to the individual charter schools.

### Separate funds ensure dollars are tracked and used for intended purposes

- The General Fund is the district’s main operating fund and accounts for about 67 percent of expenditures.
- Governmental entities, such as school districts, use fund accounting to track revenues and expenditures. This is particularly important because some funds have very specific restrictions on how the dollars can be spent.

### Reserves increase financial stability

- Fund balance is the difference between assets and liabilities. Fund balance ensures fiscal stability to guard against unforeseen circumstances, reduce susceptibility to emergency expenditures, meet state and federal requirements and protect the district’s credit rating.

### The money spent supports our students’ academic success

- The largest share of the General Fund, approximately 83 cents of every dollar, is spent on student instruction.

### Educating students requires many people

- Salaries and benefits make up 91 percent of the general fund budget.
- 91.4 percent of Five Star District employees who are paid through the General Fund serve students in the district’s 49 schools.
- Just 6.64 percent of salaries and benefits in the Five Star District are assigned to administration positions. When compared to other districts along the Front Range, the Five Star District’s administration costs rank among the lowest.

### Schools direct dollars to areas of need, priorities and desired results

- Two basic factors determine how much money each school receives: the number of students at the school and the unique needs of the students, such as poverty, disability and limited English proficiency.
- The Five Star District uses student-based budgeting, which gives school leadership input and flexibility in how allocated resources are used.

### Get involved in the budget process

- Five Star District parents are encouraged to participate in their School Improvement Team (SIT) to learn about budget decisions at your local schools.
- Visit [www.adams12.org/financial\\_accountability](http://www.adams12.org/financial_accountability) to learn more about the Five Star District budget process.