



**FINANCIAL POLICIES AND PROCEDURES COMMITTEE MINUTES**  
**June 23, 2017**

Members Present

Stephanie Corbo, Jefferson County R-1  
Anthony Whiteley, St. Vrain Valley Re-1J  
Deb County, Valley Re-1  
Jonathan Levesque, Littleton 6  
Kristine Githara, Cherry Creek 5  
Laura Hronik, Colorado Springs 11  
Terry Buswell, Centennial BOCES  
Theresa Larson, Aurora 28J

Amy Lyons, Bayfield 10JT-R  
Cara Golden, Mesa County Valley 51  
Janell Wood, Swink 33  
Justin Petrone, Boulder Valley RE-2J  
Lana Niehans, Pueblo City Schools 60  
Mike Thomas, Fowler R-4J  
Terry Kimber, Widefield 3  
Wendy Everett, Cortez RE-1

Ex-Officio Members Present

Leanne Emm, CDE  
Adam Williams, CDE  
Kirk Weber, CDE  
Crystal Dorsey, OSA

Aaron Oberg, CDE  
Jennifer Okes, CDE  
Yolanda Lucero, CDE

Members, Ex-Officio Members and Alternates Absent

Steven Clawson, Denver 1  
Kara Emmerling, Geona-Hugo C113  
Kera Badalamenti, Poudre R-1  
Matthew Scoggins, Rangely RE-4  
Richard Stettler, Ellicott 22  
Christopher Telli, Colo. Society of CPAs  
Kathy Shannon, CASB

Chloe Flam, Northwest Colorado BOCES  
Karin Slater, Montrose County Re-1J  
Lisa Clark, Weld RE-3J  
Michael Everest, Mapleton 1  
Jana Schleuser, Douglas County RE-1  
Eileen Johnston, James Irwin Charter  
Scott Szabo, Colo. Society of CPAs

Guests Present

Aaron Thompson, Pueblo City Schools 60  
Amber Valencia, Pueblo City Schools 60  
Ashley Thang, Mesa County Valley 51  
Brad Arnold, Cherry Creek 5  
Cassie Walgren, Charter School Institute  
Cindy Lacey, Ouray R-1  
David Horner, Pueblo City Schools 60  
Erich Dorn, Centennial BOCES  
Jane Frederick, St. Vrain Valley Re-1J  
Jeremy Burmeister, Platte Valley Re-7  
Jim Ventrello, Delta County 50(J)  
Kara Drake, Summit Re-1  
Kenneth Wieck, Colorado Springs 11  
Kristi Brown, Pueblo City Schools 60  
Linda Hawthorne, Frenchman RE-3

Alex Marino, Douglas County RE-1  
Angie Skalla, Widefield 3  
Beverly Martinez, Wall Smith Bateman  
Brook Williamson, Pikes Peak BOCES  
Cheryl Wallace, Rubin Brown LLP  
Colleen Love, Ridgeway  
Dawn Chavez, Crowley County School  
Gina Faulkner, OSA  
Jennifer Macho-Seekins, Durango 9R  
Jessica Ornales, Center 20JT  
Joanne Vergust, Fountain 8  
Kathleen Askelson, Jefferson County R-1  
Kristi Brown, Pueblo City Schools 60  
Leona Hollond, Monte Vista C-8  
Luke Gonzales, Thompson R2J

Guests Present (continued)

Mandi Birge, San Juan BOCES

Mark Rydberg, Steamboat Springs

Mimi Livermore, Adams 12

Nikki Schmidt, Windsor RE-4

Rena Sanchez, Lake County R-1

Scott Howard, Harrison 2

Sherry Dennis Murphy, Yuma 1

Staci Turner, San Luis Valley BOCES

Valerie Rodriguez, Pueblo City Schools 60

Marc Kahn, Weld Re-8

Mike Hodgson, Archuleta County 50JT

Nicole Stewart, Jefferson County R-1

Rachel Morse, Widefield 3

Samantha Gallagher, Denver 1

Shelley Becker, Harrison 2

Sherry Shay, Thompson R2J

Tiffany Kallerik, CO League of Charter Schools

## MINUTES

### FINANCIAL POLICIES AND PROCEDURES COMMITTEE

June 23, 2017

#### I. Call to Order and Introductions

Jennifer Okes called the meeting to order at 9:30 am.  
Those in attendance were asked to introduce themselves and their district.

#### II. Presentation of Agenda

*Kristine Githara, Cherry Creek 5 made a motion to approve the agenda.  
Anthony Whiteley, St. Vrain Valley 2<sup>nd</sup> the motion. Motion carried.*

#### III. Approval of Prior Meeting Minutes

*Anthony Whiteley, St. Vrain Valley made a motion to approve the May 6, 2016 meeting minutes.  
Jonathan Levesque, Littleton 2<sup>nd</sup> the motion. Motion carried.*

#### IV. Legislative Update

Updates related to Senate Bill 17-296 are; The School Finance Act will be funded with a 2.8 % increase, the Contingency Reserve is available to districts that are found in need if they have unusual financial burden caused by a significant reduction of assessed value of real property, there is also a change that the "Negative Factor" is now the "Budget Stabilization Factor" (this has been updated in state statutes), a new grant program is established for select teachers that are interested in post-secondary education and teachers must sign a written pledge instead of a verbal oath.

House Bill 17-1375 involves the Distributing Mill Levy Override Revenue to Schools. Additional communication will be provided to Districts as CDE implements the roll-out of these requirements. One of the immediate requirements is that July 1, 2017, each school district and each charter school must post a list of the waivers. The department of education, the state charter school institute, and the league of charter schools will be working together to outline the requirements for the waivers. There are also requirements for July 1, 2018 which require the posting of federal tax forms and schedules. Additionally, each school district that chooses to adopt a plan must post the plan on the school district's website.

House Bill 17-1082 BEST Building Excellent Schools Today Act Technology Grant Funding. There was some revised rulemaking to clarify that the technology can be used for the classroom.

Senate Bill 17-267 Sustainability Of Rural Colorado. The bill requires \$30 million to be distributed to school districts, with 55% allocated to large rural school districts and 45% to small rural school districts. This will be distributed on a per pupil basis.

House Bill 17-1301 No Withholding Student Transcripts For Library Fines. This bill prohibits school districts from withholding transcripts if a student has unpaid library fines.

House Bill 17-1211 Educators Professional Development Discipline Strategies. This bill is a pilot grant program which is funded with gifts, grants and donations.

The Legislature sent a Request For Proposal for facilitation of a study of public school finance for Colorado's K-12 districts. The proposals are required to be submitted no later than Monday July 17th.

The Governor's Office signed an Executive Order to re-constitute the Education Leadership Council, which was first established in 2011. The Governor's Education Leadership Council will be housed in the Office of the Lieutenant Governor, the Council will develop a vision, strategic plan and recommendations for education.

#### Resource Documentation

[House Bill 17-1082](#)

[House Bill 17-1211](#)

[House Bill 17-1301](#)

[House Bill 17-1375](#)

[Senate Bill 17-267](#)

[Senate Bill 17-296](#)

[Governor's Education Leadership Council](#)

## V. Financial Transparency

The Financial Transparency for Colorado Schools will be launched on June 30<sup>th</sup>. This is one day early. There were several rounds of public user testing in May and June. The user testing were positive and resulted in minor updates to the website based on the feedback received. Additionally, the State Board also had access to the website throughout the soft opening. We are in the process of creating a Frequently Asked Questions document. Please provide us with your feedback to know what the big questions you are getting regarding the website. It is anticipated that the document will be available over the next couple months. CDE and BrightBytes will also be reviewing the frequently requested items to see if these can be added in future versions of the website.

As we are entering into a new fiscal year and with the new requirements, a proposed website template has been drafted. The first requested update is the fourth bullet item of "Individual School Site Financial Information" and updating to be "Financial Data File". Below this "List of Waivers Received by the School District/Charter Schools" has been added, this is a new requirement as of July 1, 2017. The waivers could also be housed in a different location on your website, since they are non-financial related documents. The department of education, the state charter school institute, the league of charter schools and the school of choice office will be working together to outline the requirements for the waivers and providing a potential list of waivers. It is also noted that some districts may choose to keep the Quarterly Financial Statements, Accounts Payable Check Registers, Purchase Card and Investment Performance Reports or Statements posted on the websites. These items can be located within the "Other District-Specific Financial Information. Samantha Gallagher from Denver Public Schools volunteered for the Sub-Committee that will be formed to work with CSI and the League.

*Stephanie Corbo, Jefferson County R-1 made a motion to approve the listing of the Financial Data File in the required Financial Transparency Template.*

*Jonathan Levesque, Littleton 2<sup>nd</sup> the motion. Motion carried.*

*Stephanie Corbo, Jefferson County R-1 made a motion to approve the listing of the List of Waivers in the required Financial Transparency Template.*

*Anthony Whiteley, St. Vrain Valley 2<sup>nd</sup> the motion. Motion carried.*

### Resource Documentation

[Financial Transparency: Current Website Template](#)

[Financial Transparency: Proposed Website Template](#)

[Financial Transparency: HB 17-1375](#)

## VI. ESSA Per-Pupil Expenditure Reporting Requirement

Following the last FPP meeting, a survey monkey was sent to the sub-committee members to determine if there are additional private sources that should be part of the exclusions for the private sources. With this feedback the department drafted a data pipeline report to calculate the ESSA per Pupil Expenditures. This report is currently in development and will be available in Data Pipeline.

Column 1 is the Federal per Pupil Expenditures. These are expenditures within federal grant codes between 4000 - 9999, less adjustments for impact aid, less community, capital outlay, debt services and flow-through activity divided by the per pupil membership for the school, plus the district-wide expenditures allocated by membership. Column 2 is the State and Local per Pupil Expenditures. These are expenditures within state and local grant codes between 0000 - 3999, plus adjustments for impact aid, less community, capital outlay, debt services and flow-through activity, less revenues received from private sources divided by the per pupil membership for the school, plus the district-wide expenditures allocated by membership. Column 3 is the calculation of the Federal per Pupil Expenditures plus the State and Local per Pupil Expenditures. Column 4 is the private sources per pupil revenues, which are received from private sources such as tuition, transportation, food service, pupil activities and other private sources.

In addition to the example report, we also have a report available listing all districts and schools to give you an idea of what would be populated on the report.

### Resource Documentation

[ESSA COGNOS report example](#)

[ESSA per pupil expenditures by school](#)

## VII. ASCENT Slots

### a. Outline Process for ASCENT Carry Over Per SB15-138

Each year the legislature provides funding for a finite number of ASCENT slots for the upcoming school year. In the event there are fewer available slots than requested, then an allocation model is applied. In the past few years this has not been an issue and districts have received slots that were requested. Once ASCENT slots are allocated, districts are guaranteed funding for those slots which can be used in the upcoming budget year if the district does not use all slots in the current year. Any unused slots must be used in the following budget year. Failure to do so will result in the district having to repay funds received for the unused ASCENT slots. With the current requirements, if a district is allocated 2.0 ASCENT slots, but only uses 1.0 slot. The district will be funded for 2.0 ASCENT slots in year 1 and will have 1.0 carry forward ASCENT slot. If the district does not use the carry forward slot in year 2 they will have to repay the funds received for that slot by the end of the year.

The New ASCENT Slot Allocation Timeline is:

- Feb. 1: Districts submit estimated ASCENT slot needs for upcoming school year
- May 1: District deadline for submitting official request for ASCENT slots for the upcoming school year
- June: CDE notifies districts of ASCENT slot allocation for upcoming school year
- Oct. 30: Deadline for districts to notify CDE for reduction in ASCENT slot allocation for current school year
- Nov.10: Deadline for districts to accept Student October Count SNAPSHOT

The Carry Forward ASCENT Slot Timeline is:

- January: CDE determines whether all current year ASCENT slots were used during previous Student October Count (any unused slots become carry forward ASCENT slots for upcoming year)
- April: CDE notifies district with carry forward slots for the upcoming budget year
- May: Districts should take into consideration the number of carry forward ASCENT slots when requesting new ASCENT slots for upcoming school year
- January: CDE determines the number of ASCENT carry forward slots from the prior budget year that must be repaid
- April: CDE notifies district the amount they must repay for unused carry forward ASCENT slots from the prior budget year (due June 30)

The reporting of students will affect the Student October Count and the Student End of Year. In the Student October Count there are three codes that help us to identify who the ASCENT students are; 01 ASCENT Current Year, 09 ASCENT carry forward full-time and 10 ASCENT carry forward part-time. If 01 ASCENT Current Year code is used, then the public school finance status should be coded as a current year student with 80 or 82 (full-time or part time). With the 09 and 10 you would want to code with 87 (not eligible for funding). For the Student End of Year in the Students Association file the Entry Grade Level should be assigned as 120 for 12<sup>th</sup> grade students and the retention code should be assigned as a 2, this identifies them as being retained for the ASCENT program.

In the event a district has any unused ASCENT slots that are carryforward into the next school year, the district will need to ensure that funds received during the allocated budget year are set aside to cover expenditures attributed to the use of those slots in the following school year. It is recommended that districts Finance, Postsecondary Program, and Data Reporting staff work together to ensure accurate reporting and use of all allocated ASCENT slots.

#### Contact Information

Rebecca McRee, FAST Operations Lead, School Finance and Operations Division  
303-866-6805, [mcree\\_r@cde.state.co.us](mailto:mcree_r@cde.state.co.us)

**b. Proposed Language Changes to Source 3210**

Since there is a potential repayment for the Carry Forward ASCENT Slot we are proposing changing in the verbiage in source code 3210 to account for these, rather than creating a new course code in the chart of accounts. The recommended updates “3210 Equalization Adjustment. Positive or negative adjustments to state equalization funding due to Colorado Department of Education (CDE) audit findings or repayment of unused ASCENT Slots.”

*Kristine Githara, Cherry Creek 5 made a motion to approve the updates to Source Code 3210.  
Anthony Whiteley, St. Vrain Valley 2<sup>nd</sup> the motion. Motion carried.*

Resource Documentation  
[ASCENT Slots](#)

**VIII. READ Act Process Changes**

In accordance with the READ Act, the Department will review the manner in which the per-pupil intervention moneys will be used and only provide the moneys for other targeted, scientifically based or evidence-based interventions which are approved by the department:

- The instructional programs from the Advisory Lists of Instructional Programming on our website are considered allowable use of READ Funds since they have been vetted through an approved process.
- Through the READ survey process when “other is selected” we reach out for clarification and determine next steps. For programs in the “other” category that districts would like the Office of Literacy to review, districts will submit a program review form for each program they have submitted.

The timeline for this process is:

June 19	Send Survey proposal forms
July 14	Survey proposals due
July 17-31	CDE reviews
July 31	All CDE reviews of “other” completed
August 7-11	Distribution of funds (checks mailed)

- Budget planning surveys must be “approved” before READ funds will be distributed to your district

Contact Information  
Whitney Westgaard, Data Analyst, Office of Literacy  
303-866-6421, [westgaard\\_w@cde.state.co.us](mailto:westgaard_w@cde.state.co.us)

**IX. Facility Insight Process and Website**

The Department has in-house staff to get an assessment for all school site buildings statewide. This data will be used when evaluating BEST grant applications. Division assessors will contact schools at least 2 weeks in advance to schedule visits. They will spend 2 to 3 days per school conducting surveys. The assessment includes adequacy survey completed by school/district. After surveys are complete a report will be sent to the school/district and the data will be published on Facility Insight website.

Resource Documentation  
[BEST Facility Insight Process](#)  
[Facility Insight Website](#)

**X. School District Fiscal Health Update**

The Office of the State Auditor is in the process of finalizing this years “School District Fiscal Health Analysis”. The report is scheduled to be released by the Legislative Audit Committee on Tuesday July 25<sup>th</sup>. This meeting is open to the public online, feel free to listen in. After the committee votes to release the report will be published on the website.

Contact Information  
Crystal L. Dorsey, CPA, Colorado Office of the State Auditor  
303-869-3002, [crystal.dorsey@cde.state.co.us](mailto:crystal.dorsey@cde.state.co.us)  
<https://leg.colorado.gov/agencies/office-of-the-state-auditor>

**XI. FPP Membership and Recognitions**

Recognition of Retiring Members, this year we had 8 members that are retiring from the committee, as their terms have ended. Each of these members will receive a certificate of appreciation for the time that they have served on the FPP Committee.

The retiring members are:

- Christine Hamrick, Garfield RE-2 (4 Year Term)
- Donna Villamor, Littleton 6 (4 Year Term)
- Shae Martinez, Mapleton 1 (4 Year Term)
- Fran Christensen, Falcon 49 (4 Year Term)
- Kurt Shugars, Telluride R-1 (4 Year Term)
- Amy Lyons, Bayfield 10JTR (3 Year Term), replacement will serve a 1 year term.
- Terry Buswell, Centennial BOCES (2 Year Term)
- Eileen Johnston, James Irwin Charter School (1 Year Term)

We are currently in the process of finalizing the replacements of the retiring members. At this time we have received the nominations of those interested in serving on the FPP Committee. Once the new members are finalized we will send out notification.

Additionally, we would like to thank the sub-committee members and pilot district members that served for the Financial Transparency Website. The State Board also wanted these members to be recognized to their work for the duration of the project. Each of these members will also receive certifications of appreciation.

**XII. Other Topics of Interest**

- a. **CASBO**, <http://www.coloradoasbo.org/i4a/pages/index.cfm?pageid=1>  
ASBO conference will be held September 22-25 here in Denver, registration is now open.
- b. **CASE-DBO**, <http://www.co-case.org/?815>  
The summer conference will be held July 26-28 at Beaver Run in Breckenridge.
- c. **CGFOA**, <http://www.cgfoa.org/>  
Through CGFOA the Office of State Auditors has partnered with the Department of Local Affairs to host budget and audit 101 courses. These courses are scheduled on July 18<sup>th</sup> in Grand Junction, July 27<sup>th</sup> in Loveland, an August 16<sup>th</sup> webinar and an August 21<sup>st</sup> webinar.
- d. **COCPA**, <https://www.cocpa.org/>  
There is a meeting scheduled on August 18 that will discuss school district subjects; such as TIFs, Fiduciary Activity, a new lease statement and other topics. On behalf of the COCPA Kirk Weber, CDE and Cheryl Wallace, Co-Chair Colorado Society of CPAs testified to the GASB Board on the Invitation to Comment for the Fiscal Reporting Model Improvements and proposed changes. The changes will be effective for 2019-2020 implementations with possible early implementation. The Leases will be impacted by the second quarter of 2017.

Resource Documentation: [GASB Comment Letters](#) (see letters # 60 and # 65)

**XIII. Reminder:**

Future Meeting Dates	
September 1, 2017	March 9, 2018
May 11, 2018	June 8, 2018

**XIV. Adjourn**

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