



New Business Mgr/CFO Training

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July 29, 2025

Governmental Accounting Basics

Agenda

Goal of Training

Increase district business officials knowledge of:

- CDE/PSFU Webpage Orientation
- FPP Handbook
- School Finance Overview
- Business Manager Monthly Calendar
- Orientation to the “Run”
- Intro to Governmental Accounting
- Deep Dive into CDE Chart of Accounts
- Critical Dates & Budget Overview
- Cash Management & Investments
- Debt, Bonds & TABOR Restrictions
- Financial D Series Policies
- Survey, upcoming Trainings, & PFSU Contacts

CDE/PSFU Orientation

CDE/PSFU Website Navigation continued

Public School Finance Unit

<https://www.cde.state.co.us/cdefinance>

- Auditing, Capital Construction, Grants Fiscal, School Nutrition, School Transportation (***Upper Right***)
- Join the School Finance ListServ
 - Email to: FINANCE-subscribe-request@codelist.cde.state.co.us
- PSFU Contact List
- School Finance Training

CDE/PSFU Website Navigation

Public School Finance Unit

- Public School Finance Act (SFA) (***Below Quick Links***)
 - Funding and Payment Information
 - Latest “Runs”
- Financial Policies and Procedures (***Right of Public SFA***)
 - FPP Handbook
 - Chart of Accounts
 - State and Federal Grant Codes
 - Advisory Committee (FPP) Meetings and Minutes
 - Financial Transparency
 - Recent GASB Fact Sheets

CDE Website Navigation

Public School Finance Unit -Continued

- Categorical and Other State Funding (*Below Public SFA*)
- Elections and Mill Levies (*Right of Categorical...Funding*)
- Reports by other Agencies (*Below Categorical*)
- Other Resources (*Below Elections & Mill Levies*)
- Statutory Compliance and Reporting (*Bottom of Page*)
 - Critical Dates
 - Templates
 - Data Pipeline-Check Figures
 - FDW, now being updated monthly
 - Assurances of Financial Accreditation
 - Required Finance Statutes that are signed off by Superintendent, Business Official, BOE President

FPP Handbook



COLORADO
Department of Education

Financial Policies and Procedures Handbook

FPP Handbook

Table of Contents

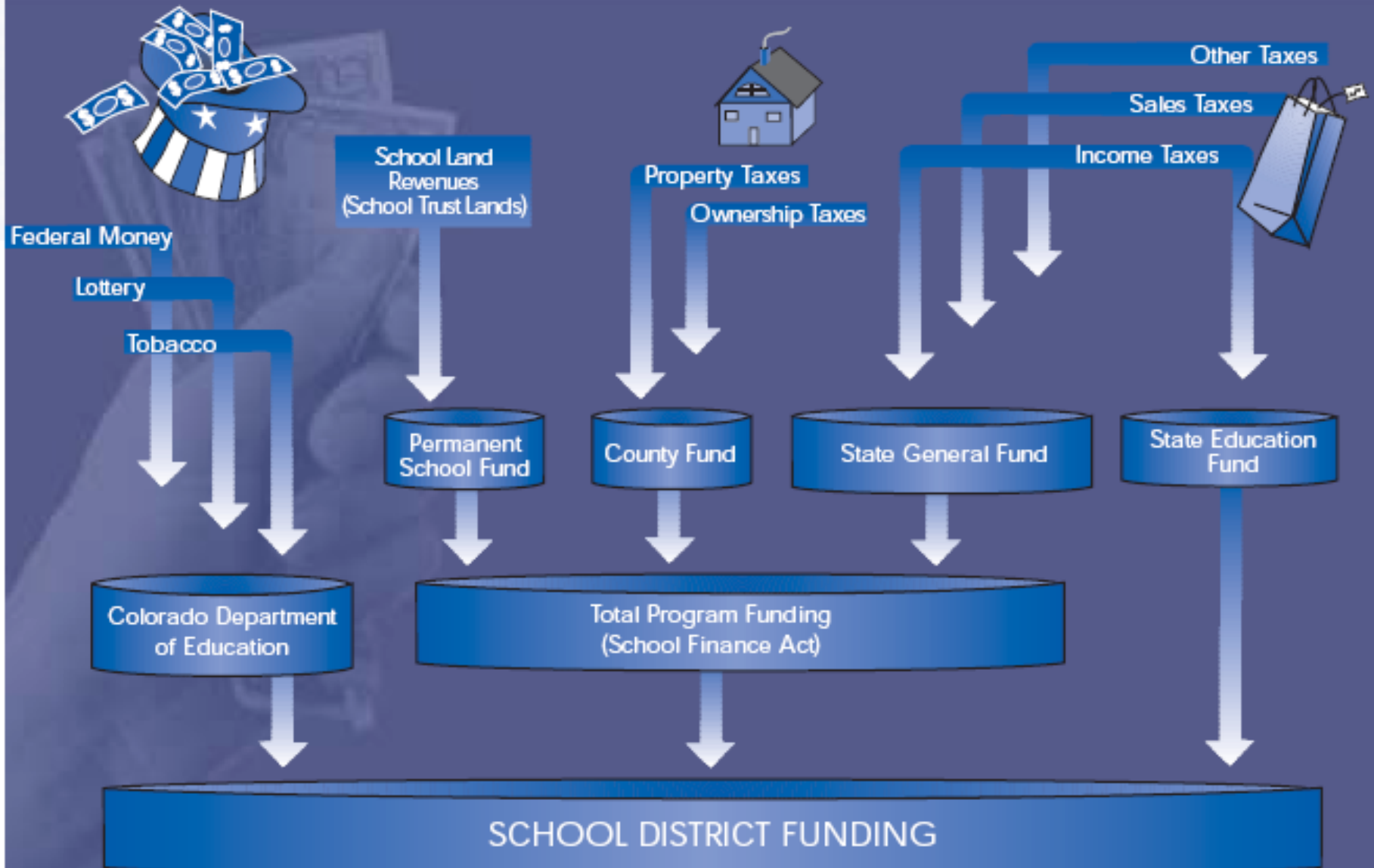


Table of Contents:

- Disclaimer, etc
- Critical Dates
- Budget
- Accounting Principles
- Accounting Procedures
- Audit and Financial Reporting
- Investment & Cash Management
- Appendices:
 - Sample Policies
 - Sample RFPs

School Finance Overview

COLORADO SOURCES OF SCHOOL FUNDING



Summary of School Finance Funding

1) Calculate Per Pupil Funding for Each District

Multiply statewide base per pupil funding by district-level factors to determine per pupil funding for each district.



2) Calculate Total Funding Required for Each District

To determine total funding for each district, multiply district per pupil funding by the number of funded pupils in the district, then add funding for at-risk, online, English language (ELL) and extended high school students.



3) Determine the Local Share of Funding

The local government share of funding comes from property tax and specific owner tax collections from property owners in the district.



4) Determine the Required Amount of State Aid

Subtract the local share of funding across all districts from the total funding required across all districts to determine the total amount of state aid required by the school finance act.



5) Apply the Budget Stabilization Factor

The budget stabilization factor is a state budget element that proportionately reduces the amount of total funding for each district, such that state aid is reduced.



FY25 K12 Total Program

Total Program is:

- Funded Pupil Count (FPC) Multiplied by District Per Pupil Funding (PPF).
- Largest Source of District Revenue
- Count is Done In October, Known in December
- PPF is known after Count and Property taxes are finalized in January.

State Level Total Program

	Final FY24	Estimated FY25	Var	% Var
Funded Pupil Count (FPC)	859,766	850,310	-9,456	-1.1%
Per Pupil Funding (PPF)	\$10,834	\$11,450	\$615	5.7%
Grand Total Program	\$9,315,105,684	\$9,735,771,188	\$420,665,504	4.5%
PPF-Post Budget Stabilization	\$10,670	\$11,450	\$780	7.3%
BSF Total Program	\$9,173,700,019	\$9,735,771,188	\$562,071,169	6.1%

FY25 K12 Total Program continued

Total Program is Split between Local and State Funding

- Districts receive Total Program, the split between Local and State is finalized after Count and Property Taxes are certified

State Level K-12 Funding (In Billions)				
	Final FY24	Estimated FY25	Var	% Var
Local Share:				
Property Tax	\$3.944	\$4.349	\$0.405	10.3%
Specific Ownership	\$0.235	\$0.242	\$0.007	3.0%
Total Local Share	\$4.179	\$4.591	\$0.412	9.9%
State Share/Equalization/Backfill	\$5.136	\$5.144	\$0.008	0.2%
Total Program Funding	\$9.315	\$9.735	\$0.420	4.5%
Less: Budget Stabilization Factor	-\$0.141	\$0.000	\$0.141	-100.0%
Net Program Funding	\$9.174	\$9.735	\$0.561	6.1%

Total Program Funding

- Equals Funded Pupil Count (*Greater of current OR highest average of the last two to five years*)
 - times Per Pupil Funding formula
 - with adjustments for Size of District and Cost of Living
 - plus At-Risk funding plus ELL Funding plus Multi-District Online plus Extended High School funding
 - then... Budget Stabilization Factor is applied (\$0 in FY25)
 - then.. New in FY25 Rural Funding
- In FY26 SB24-1448 as written adds: *Expect Changes in Spring 2025*
 - Locale & Special education factor
 - Weights the factors differently
 - Uses 4 year averaging

Total Program Funding Components

Total Program Funding (70-80-90% of Total Revenue)

- Local: Property Taxes & “*Portion*” of Specific Ownership Taxes is “applied”.
- State Equalization: “backfills” the remaining.
- At State Level: ~53% State ~47% Local.
 - *% Varies widely by District.*

NEW SCHOOL FINANCE ACT and STATE BUDGET

JUNE 2025

COLORADO SCHOOL FINANCE PROJECT

Support Children - Support The Future

June Economic Forecast

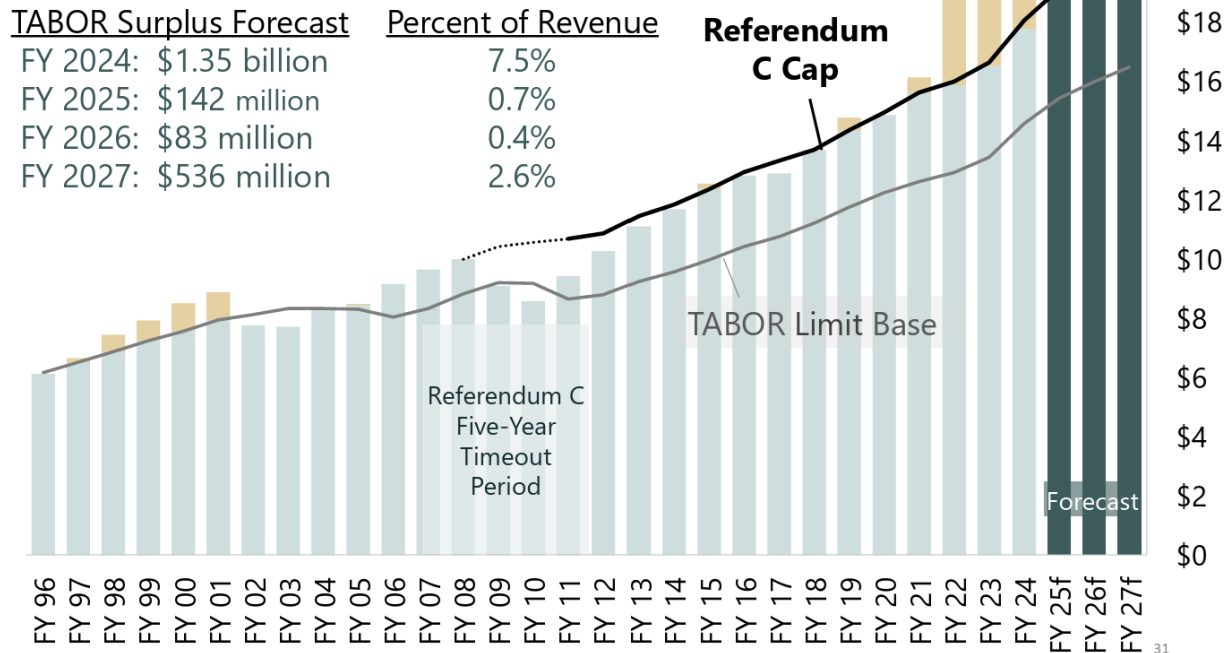
- State has a \$700 million shortfall
- Slowing economic conditions
- Continued TABOR rebates for the forecast period
- Potential federal implications
- Concerns over triggers on tax credits, impacts on states general fund
- Inflation in March 1.0% in June

Forecast Takeaways

- The economic outlook has weakened and remains highly uncertain - we've downgraded our revenue forecast accordingly
- Revenue downgrades are consequential when we are close to the TABOR cap:
 - Small TABOR surpluses not enough to fully fund homestead for FY 2025-26 or FY 2026-27
 - Tax credit triggers are highly sensitive to changes in the revenue forecast, and significantly impact the budget
- The biggest changes to the budget for FY 2025-26 are due to legislation
- The General Fund is expected to end FY 2026-27 below the reserve requirement under Scenario B assumptions

Downward revisions to GF and CF revenue mean small expected TABOR surpluses

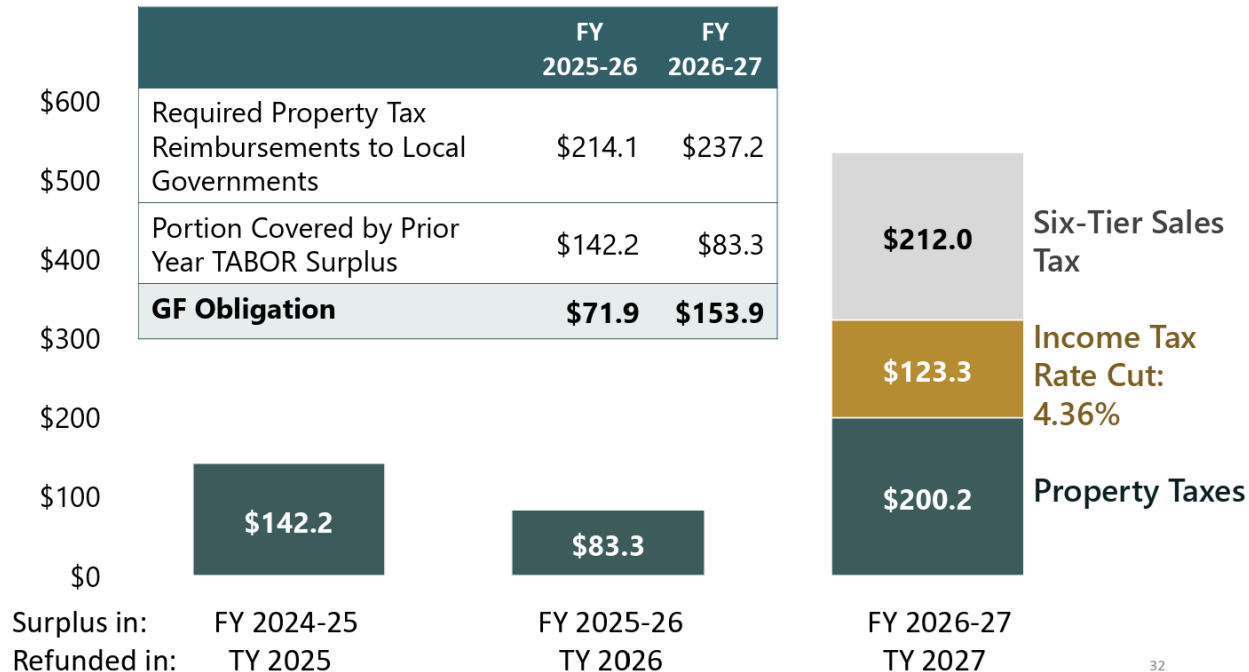
Revenue Subject to TABOR
Billions of Dollars



31

TABOR refund obligation may not fully fund property tax exemptions in FY 2026 and 2027

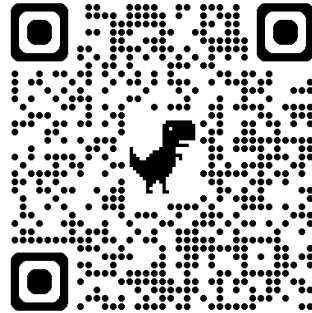
TABOR Refund Mechanisms, Millions



32

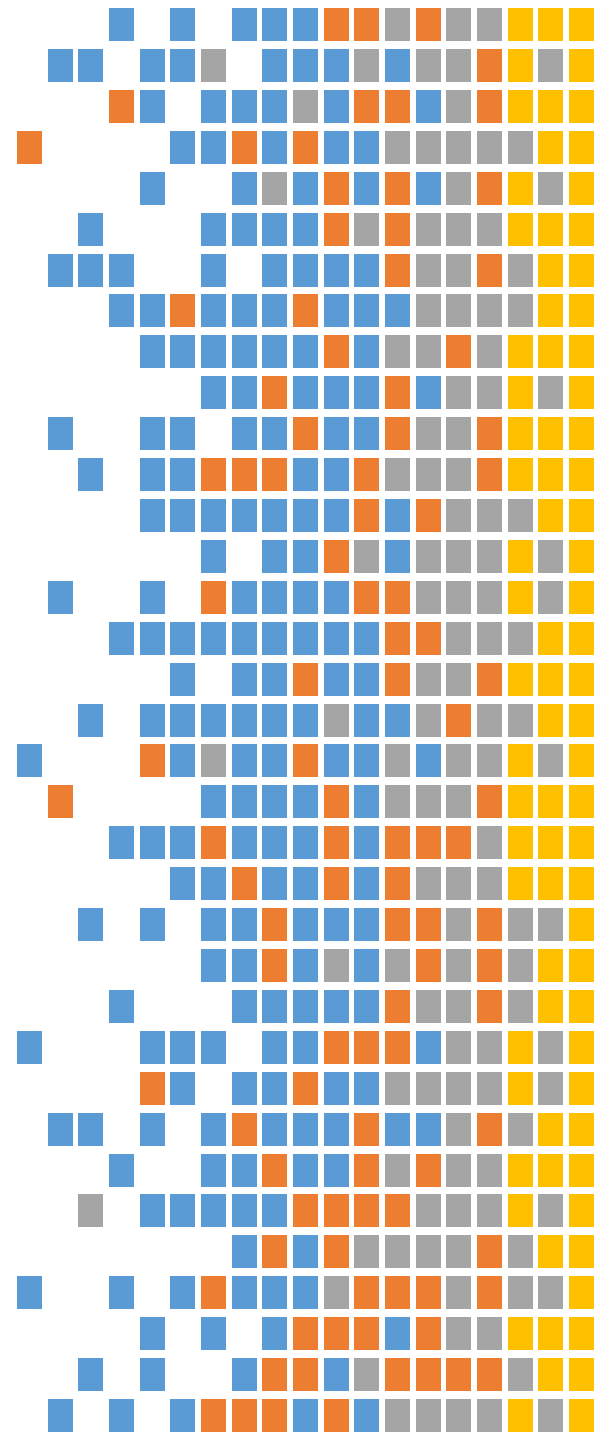
Your District's Implication

Click [HERE](#) to find your district or scan →



NEW SCHOOL FINANCE ACT 2025

HB25-1320



HB25-1320

- Implement at 15% versus 18%
- 4-year averaging for implementation year
- 3-year averaging 26-27 – if can implement 30%
- 2-year averaging 27-28 – if can implement 45% and State Ed fund can stay above \$2M otherwise some kind of “smoothing” will go into play.
- Hold harmless to 24-25 funding for 25-26 and 26-27 school years.
- No change to Locale Factor – will move 5 districts back to prior category

HB25-1320 cont.

- Caps cost of living to 23%
- At-risk factor .25 weight
- Ell factor .25 weight
- Special Ed .25 weight
- Funding to charter schools to be reflective of their students not the districts average.

Items to Consider with HB25-1320

- Implications for districts with fluctuating and declining enrollment
 - Can districts operate?
- Hold Harmless – to 2024-25 funding levels for first two years
- School districts have no control of the dollars that are in the State Ed fund
- Annual appropriation for Kids Matter Fund – about \$230 million dollars

Items to Consider (cont'd)

- NCES Locale Factor data – NCES has been dismantled
 - Should there be a different Colorado data locale factor designed?
 - Consider the sharp cliffs currently in the formula impacting districts financially.
- BEST – assurances this is a temporary adjustment
- Grants – which grants and what is the impact for school districts?

New Formula cont'd

- Sustainability requirements – annual review by JBC and House and Senate Education to determine if funds are available for implementation.
 - Will look at local revenue, inflationary pressures, and state revenue
- Capital construction increase funding for BEST and Charter Schools
- Implementation of a working group to meet and determine a methodology for Mill Levy Match funds for override (*see Appendix C*)

SMART Act Requirements

- SMART Act – CDE must provide during the implementation period
 - Success and challenges of determining Total District funding
 - Reports concerning the budget that is being used at the school level and include performance snapshots
 - Trends and challenges with declining enrollment as well as influx of new arrival students
 - Include state-wide average of per pupil revenue for at-risk, ELL, SpEd
 - District average of per pupil revenue for at-risk, ELL, SpEd as well as per pupil revenue

Access
full
fiscal
note
here.

Summary of Legislation

Beginning in FY 2025-26, the bill creates a new school finance formula to establish total program funding for the state's 178 school districts, to be phased in over six years. The bill also restructures the distribution of public school land proceeds and Permanent Fund interest and income for public schools.

New School Finance Formula

Under the bill, a district's total program funding is calculated as follows, with each component of the new formula discussed in more detail below.

District Total Program Funding =

Foundation funding

base per pupil \times funded pupil count without online and extended high school

+

At-risk funding

base per pupil \times 0.25 \times at-risk student count

+

English Language Learner (ELL) funding

base per pupil \times 0.25 \times ELL student count

+

Special education funding

base per pupil \times 0.25 \times special education student count

+

Cost of living funding

base per pupil \times cost of living factor \times funded pupil count without online/extended high school

+

Size funding

base per pupil \times size factor \times funded pupil count without online and extended high school

+

Locale funding

base per pupil \times locale factor \times funded pupil count without online and extended high school

+

Online and extended high school funding

flat per pupil rate \times online and extended high school count

Formula structure. Under current law, a district's cost of living and size factors are used multiplicatively to calculate a preliminary per pupil amount, which is then used to calculate a district's at-risk and ELL funding. The bill removes this multiplicative structure. Instead, each factor is calculated directly using the base per pupil amount, and then funding for each factor is additively summed to calculate total district funding.

Funded pupil count. The bill makes two changes to the calculation of a district's funded pupil count.

Business Manager Monthly Calendar

<http://www.cde.state.co.us/cdefinance>

Business Manager Monthly Calendar

Statutory Compliance and Reporting

- [Critical Dates - FY 2025-2026 \(PDF\)](#)
- Budget Templates
 - Required: [Uniform Budget Summary \(XLS\)](#)
 - Optional: [CDE-18 with links to Uniform Budget Summary \(XLS\)](#)
 - Optional: [CDE-18 with Salary Schedule Links and Uniform Budget Summary \(XLS\)](#)
 - [Budget Appropriation Resolution](#)
 - [Budget FY26 Template](#)
- School Finance Templates
 - [Audit Workpaper](#)
 - [Bank Reconciliation](#)
 - [Bank Reconciliation - Full Year](#)
 - [Business Manager Year-Round Monthly Calendar](#)
 - [Charter Flow-Through](#)
 - [County Property Tax Accounting Template](#)
 - [Quarterly Financial Statements](#)
 - [Sample Licensed - Salary Schedule Scattergram](#)
 - [Sample Classified - Hourly Schedule Scattergram](#)

Business Manager Monthly Calendar continued

	July	Completed Date	Performed by
1			
2	Monthly Accounting		
3	Balance Bank Accounts & Reconcile to General Ledger accounts, transfer funds if needed		
4	Review All Adjusting Journal Entries for Prior Month's activity. Specifically, Interfund Transfers 52XX transfer funds if needed		
5	Reconcile Balance Sheet accounts-Specifically 8132/7402 (due to/due from) & transfer funds if needed		
6	Reconcile grant revenues (Financial Data Warehouse (FDW) & expenditures. Request Grant Revenue if applicable.		
7			
8	Transportation CDE-40		
9	Submit CDE-40 for prior fiscal year, if all documentation is available for submission. Submission opens on July 1st.		
10	Total Vehicle Mileage		
11	Obtain the beginning odometer readings for each vehicle with costs in the 2700 series.		
12	Ensure staff knows how to accurately track activity, route, non-pupil miles and, if applicable, revenue miles.		
13	Program 2700 General Ledger - Ensure that the accounting system is categorizing and describing accounts as accurately as possible.		
14	Supporting Documents - After payment is made, obtain Vehicle Insurance Premium documentation.		
15	Supporting Documents - Obtain the district calendar for the upcoming school year.		
16	Supporting Documents - After payment is made, obtain any of the following documentation, if your district decides to claim the cost.		
17	Worker's Compensation Insurance Premiums		
18	Physical Building/Property Insurance Premiums		
19	Contracted Transportation Invoices		
20	Commercial Transportation Vendor Invoices		
21	Parent Contract Expenses		
22	Track if there were any routes that did not run the same number of days as the district calendar, including contracted routes with parents or third parties.		
23	Review the new Audit Resource Guide and Training Videos for the upcoming submission and for preparation for the upcoming year.		
24			
25	Non-Monthly Activity		
26	<i>Critical Dates Ensure Compliance (Budget, Salary Schedules, Waivers, 990s, & Plans to Distribute) with Financial Transparency</i>		
27			
28	Food Service Work		
29	Begin matching students via Direct Certification- Child Nutrition Portal		
30	Free and Reduced applications - collect, approve, letters to families		
31	Complete annual renewal application for school nutrition programs - Child Nutrition Portal		
32	If applicable, work with nutrition point of contact on Community Eligibility Provision groupings, Healthy Schools Meals for All implementation		
33	Fill out report for Local Food Program information - Due Aug 1		
34	Submit previous month child nutrition reimbursement claims for School Nutrition Programs (SNP)and/or Summer Food Service Program (SFSP) via online claim system (Child Nutrition Portal)		
35			

Orientation to the “Run”

Total Program

Funding Calculation [Worksheet](#) Rows 293-298: Total Program Local/State Split. Per Pupil Funding Row 300

TOTAL PROGRAM	431,050,672.53	17,663,375.21	2,897,847.00
PROPERTY TAXES	122,183,905.33	10,182,639.83	633,630.36
SPECIFIC OWNERSHIP TAXES	6,293,323.91	854,999.69	49,295.81
STATE SHARE	302,573,443.30	6,625,735.68	2,214,920.82
REQUIRED CATEGORICAL BUYOUT FROM TOTAL PROGRAM	0.00	0.00	0.00
PER PUPIL FUNDING AFTER BUDGET STABILIZATION FACTOR	11,465.85	10,722.62	17,965.57

Introduction to Gov't Accounting Basic Governmental Accounting Principles

Governmental Accounting Governing Organization

What/Who is GASB?

Established in 1984, the Governmental Accounting Standards Board (GASB) is the independent, private- sector organization based in Norwalk, Connecticut, that establishes accounting and financial reporting standards for U.S. state and local governments that follow ***Generally Accepted Accounting Principles (GAAP)***.

What are Pronouncements?

Each of the final Statements of Governmental Accounting Standards issued by the GASB since its establishment in 1984 is designed to provide taxpayers, legislators, municipal bond analysts, and others with information that is useful to their decision-making process regarding governmental entities. *For Example, GASB 87 & 96 establishes a single model for lease and SBITAs accounting based on the principle that leases are financing of the right to use an underlying asset.*

Basic Accounting Principles

These Principles are accepted world wide in order to make Financial and Organizational comparisons possible.

Time Period. This basic concept says that a business should report in Final Accounts all its financial activities and transactions over a standard period of time – usually monthly, quarterly and annually.

Consistency. An adopt an accounting principle or method, continue to follow it consistently in future accounting periods. Only change an accounting principle or method if the new version in some way improves reported financial results.

Full disclosure. All information should be included in an entity's financial statements that would affect a reader's understanding of those statements.

Basic Accounting Principles - Profit and Loss Account

specific accounting principles

Matching. Revenue should be recorded during the period when it is earned regardless of when the business received Cash. Expenses should be reported in the same period in which the corresponding Revenue was earned. *For Example, June services invoice paid in July; Expensed in FY25 & Accounts Payable 7421 booked instead of cash. In FY26, the Cash Credit is offset by debiting 7421, Clearing it off the FY26 Balance Sheet.*

Revenue Recognition. Or, the **Realization** concept. It says that all revenues and profits should be recorded in Final Accounts when the legal title to the product is transferred from the seller to the buyer. Meaning, that when the good or service have been provided to the customer. Not when the order was taken or when the cash was paid.

- *Grant revenue Received past 6/30/25 is **RECOGNIZED** and a **Receivable (Asset)** is booked.*
- *If revenue received in FY25 is higher than the incurred expenses, revenue is **RECOGNIZED** to match the expense. Revenue is reduced to match and **Unearned Revenue (Balance Sheet)** is booked.*

Accruals. *60 day window after fiscal year end date.* Accruals happen when the business received something, but has not yet paid for it. *For example, Salary & Benefit Accrual paid in July and August for Services provided in FY25.*

Basic Accounting Principles - Balance Sheet

specific accounting principles

Double-entry. Double-entry means that every time a business engages in a business transaction, there are always two sides of this transaction – Debit and Credit. These two sides must be properly recorded and balanced to maintain correct information. For example, when a business sells ready products to customers for Cash, Inventory decreases and Cash increases on the Balance Sheet.

Basic Accounting Principles

Accounting Equation

Accounting Equation

The Trial Balance generated from general ledger system must balance to Zero.

- Assets and Expenses have Debit Balances.
- Liabilities, Fund Balances, and Revenues have Credit Balances.

Debit	Credit
Assets	Liabilities
Expenses	Fund Balance
	Revenues

Accounting for Revenue, Expense, & Balance Sheet Accounts

- **Assets generally should have a Debit Balance**
- **Liabilities & Fund Balance should have a Credit Balance**
 - $\text{Assets} = (\text{Liabilities} + \text{Fund Balance})$
- **Revenues should have Credit Balance**
 - Deposit a Check: Debit Cash & Credit Revenue Account
- **Expenses should have a Debit Balance**
 - Cut a Check: Debit Expense Account & Credit Cash
- **At Year-end: Revenues (credit) less Expenses (debit) “clear” to Fund Balance.**
 - If Revenue more than Expense; *Fund Balance Grows.*
 - If Revenue less than Expense; *Fund Balance Declines.*

Basis of Accounting

The basis of accounting refers to the methodology under which revenues and expenses are recognized in the financial statements. There are 3 different methods:

- **Accrual Basis (GAAP)**-a business recognizes revenue when earned and expenses when expenditures are consumed. This approach requires a greater knowledge of accounting, since accruals must be recorded at regular intervals. If a business wants to have its financial statements audited, it must use the accrual basis of accounting, since auditors will not pass judgment on financial statements prepared using any other basis of accounting.
- **Modified Basis (GASB)** Local government recognizes revenues that are available and measurable. It recognizes expenditures as they are incurred. It tracks receivables and payables.
- **Cash Basis (NOT GAAP)**-recognizes revenue when cash is received, and expenses when bills are paid. This is the easiest approach to recording transactions, and is widely used by smaller businesses. It DOES NOT track receivables and payables.
- **Which BASIS does your District's accounting practices most closely represent?**

Fund Accounting

Deeper Look into Modified Accrual Accounting

Modified Accrual Basis of Accounting

- Income Statement is July 1 - June 30 *Activity, not just cash.*
- Balance Sheet is a Point in Time 6/30/XX.
- Revenues are considered to be available when they are collectible within the current Period (60 day Accrual window).
- Expenditures are generally recognized when goods and services are provided.
- Issuance of long-term debt and acquisitions are reported as other financing sources.

Governmental Accounting Best Practices

- Maintain General Ledger on Modified Accrual Basis throughout the year with these system entries:
 - Cash GL account is reconciled monthly and balances to the Bank Rec
 - Account Payable are systematically created when an PO/invoice is entered prior to payment
 - Payroll is posted on a cash basis monthly with salary/benefit accrual adjusted at year-end
 - Revenues are recorded on a cash basis (when received), with Property Tax and Grant revenue adjusted at year-end
- General Ledger (Trial Balance) is reviewed monthly to ensure:
 - Cash/Investments equals reconciled bank balance
 - Receivables are current and accurate
 - Payables are current and accurate
 - Due to/Due Froms balance in total
 - Grants A/R or Unearned are current and accurate
 - ***Every Balance sheet account should be reviewed at Month End.***

Property Tax Example Schedule

Time Period that relates to Previous FY December Mill Certification							
Paid on Date	7/10	8/10	9/10	10/10	11/10	12/10	1/10
Fiscal Year Booked in	Previous FY	Previous & Current FY	Current FY	Current FY	Current FY	Current FY	Current FY
Revenue Period	June 21-30	July 1-31	August 1-31	Sept. 1-30	Oct 1-31	Nov 1-30	Dec 1-31
Balance Sheet ENTRY	Cash 10-8105	Previous 10-8121 & New 10-8101	Cash 10-8101	Cash 10-8101	Cash 10-8101	Cash 10-8101	Cash 10-8101
Time Period that relates to Current FY December Mill Certification							
Paid on Date	2/10	3/10	3/24	4/10	5/10	5/24	6/10
Fiscal Year Booked in	Current FY	Current FY	Current FY	Current FY	Current FY	Current FY	Current FY
Revenue Period	Jan 1-31	Feb 1-28	March 1-20	March 21-31	April 1-30	May 1-20	May 21-31
Balance Sheet ENTRY	Cash 10-8101	Cash 10-8101	Cash 10-8101	Cash 10-8101	Cash 10-8101	Cash 10-8101	Cash 10-8101
Time Period that relates to Current FY December Mill Certification							
Paid on Date	6/24	7/10	8/10				
Fiscal Year Booked in	Current FY	Current	Previous & Current FY				
Revenue Period	June 1-20	June 21-30	July 1-31				
Balance Sheet ENTRY	Cash 10-8101	Cash 10-8105	Previous 10-8121 & New 10-				

Property Tax Example different Basis

Sept 1st-30 taxes Collected. Paid on October 10th

- Accrual Basis. Record the Revenue in September, offset is 8105. In October, Record Cash and offset 8105.
- Modified Accrual Basis. Record the Revenue in September, offset is Cash.
- Cash Basis. Record the Revenue in September, offset is Cash.

June 21st-30 taxes Collected. Paid on July 10th

- Accrual Basis. Record the Revenue in June, offset is 8105. In July, Record Cash and offset 8105.
- Modified Accrual Basis. Record the Revenue in June, offset is 8105. In July, Record Cash and offset 8105.
- Cash Basis. Record the Revenue in July, offset is Cash.
 - Incorrect because taxes collected are for 6/21-6/30

Property Tax Accrual Accounts

July 10th Payment

- 8105 Cash with Fiscal Agent. **Only** used for July 10th payment for Tax Period June 21- June 30.
- Manual AJE to record all activity on the payment. 8105 should equal Cash Deposited.
 - Clears in FY25, when the Cash is receipted
 - Debit Cash – Credit 8105(Not Revenue)
- Might be using “8105” as another checking account. To correct find another cash account for the existing.
- Might be booking to 8121. Ok, not Best Practice.

Property Tax Accrual Accounts

August 10th if Applicable

- 8121 Taxes Receiveable. Used to accrue the Aug 10 Local/Current Property tax (1110) only payment for tax period July 1-31.
- Book 1110 to Previous Year Revenue as of 6/30/XX, with Offset 8121.
- Book Remaining July 1-31 items (SOT, Abatement, Del, Int, Penalties, Treasury fees) & 8121 in the current year.

Property Tax Accrual Accounts Certified v Collected

- 8121 & 7800(7481) Used to book Deferred Revenue.
 - Amount Certified (Dec Mill Levy Cert) Less Amount Collected/Accrued in previous fiscal year (2/10-7/10 or 2/10-8/10 payments)
 - This is a non-cash entry! Dated 6/30/XX.
 - Debit 8121—Credit 7800, reverse in the following FY on July 2nd.
 - *Correct if not using 7800 (7481 changed years ago)*
- **8121 will be greater than 7800, if accruing August.**

Property Tax Spreadsheet

<https://www.cde.state.co.us/cdefinance>

	August	September	October	November	December
BEGINNING BALANCE	0.00	0.00	0.00	0.00	0.00
RECEIPTS					
Receipts From Local Sources					
Current Property Taxes	0.00	0.00	0.00	0.00	0.00
Omitted Property Taxes	0.00	0.00	0.00	0.00	0.00
Specific Ownership Taxes	0.00	0.00	0.00	0.00	0.00
Delinquent Taxes	0.00	0.00	0.00	0.00	0.00
Late Payment Interest on Property Taxes	0.00	0.00	0.00	0.00	0.00
Receipts From County Sources					
Forest Reserve	0.00	0.00	0.00	0.00	0.00
Sale of County Property	0.00	0.00	0.00	0.00	0.00
Total Receipts	0.00	0.00	0.00	0.00	0.00
EXPENDITURES					
Interest on Registered Warrants	0.00	0.00	0.00	0.00	0.00
Treasurer's Fees	0.00	0.00	0.00	0.00	0.00
Redemption of Bonds	0.00	0.00	0.00	0.00	0.00
Interest on Bonds	0.00	0.00	0.00	0.00	0.00
Total Expenditures	0.00	0.00	0.00	0.00	0.00
ADJUSTMENTS					
Abatements	0.00	0.00	0.00	0.00	0.00

Other Accrual Entries (we want you to make)

- Accounts Receivable
- Property Taxes Receivable
- Prepaid Expenses
- Accounts Payable
- Property Taxes - Unearned (deferred) Revenue
- Fund Balance
 - Inventory (Fuel? Bus Parts?)
 - TABOR Reserve
 - Assignments of Fund Balance
- Grants expenditures = Grant revenues
- PERA On-behalf Entry

Chart of Accounts

Chart of Accounts(COA)

What & Why are the Chart of Accounts?

- A financial, organizational tool that provides an index of every account in an accounting system.
- Provides insight into all financial transactions of the organization.
- 5 Primary types:
 - Asset, Liability, & Fund Balance make up the **Balance Sheet**
 - Revenues and Expenses make up the **Income Statement**
- ***Learning a Second Language***
- ***Understanding the COA is the key to success, next to clean Bank recs. If Cash is correct, then the other side is COA knowledge.***

Chart of Accounts(COA) continued

- Designed to “mirror” the federal COA.
 - CDE uploads the data to the department of Education.
- Uniform standard COA for all districts, district charter schools, charter school collaboratives, charter school networks, and BOCES.
- Financial Policies and Procedures Advisory committee resolves issues as they arise makes recommendations to improve reporting clarity of financial documents.
- Governmental Fund Accounting
- PDF or excel versions. Whatever is easier to you to search
- Appendices are specific to FAQ/Issues.
- Website Resource: <https://www.cde.state.co.us/cdefinance>

Chart of Account Fields

Expenditures, Revenues & Balance Sheet Transactions

	Fund	Location	SRE	Program	Object / Source	Job	Grant / Project
Expenditures	XX	XXX	00	XXXX	XXXX	XXX	XXXX
Revenues	XX	000	00	0000	XXXX	000	XXXX
Balance Sheet	XX	000	00	0000	XXXX	000	XXXX

For Expenditures: More description needed!

- Certain Program Codes are allowed with certain Location Codes
- Certain Job Codes are allowed with certain Program Codes
- [PSFU website](#): Business Rules (Tier I & Tier II) & Helpful Hints

For Revenue and Balance Sheet (Asset, Liability, Fund Balance) only:
Fund, Source, and grant if applicable are needed.

Fund Accounting-Chart of Accounts

Fund	Location	Special Reporting Element	Program	Object-Source-Balance Sheet Code	Job Code	Grant or Project Code	Object/Source/Balance Sheet Description	Financial Statement
XX	XXX	XX	XXXX	01XX	XXX	If Applicable	Wage/Salaries Expense	Income Statement
XX	XXX	XX	XXXX	02XX	XXX	If Applicable	Benefit Expense	Income Statement
XX	XXX	XX	XXXX	03XX, 04XX, 05XX	000	If Applicable	Purchased Service Expense	Income Statement
XX	XXX	XX	XXXX	06XX	000	If Applicable	Supply Expense	Income Statement
XX	XXX	XX	XXXX	07XX	000	If Applicable	Capital Outlay Expense	Income Statement
XX	XXX	XX	XXXX	08XX	000	If Applicable	Dues/Interest/Internal/Indirect	Income Statement
XX	XXX	XX	XXXX	09XX	000	If Applicable	Other Services/Debt Expense	Income Statement
XX	000	00	0000	1XXX	000	If Applicable	Local Revenue	Income Statement
XX	000	00	0000	2XXX	000	If Applicable	Intermediate Revenue	Income Statement
XX	000	00	0000	3XXX	000	If Applicable	State Revenue	Income Statement
XX	000	00	0000	4XXX	000	If Applicable	Federal Revenue	Income Statement
XX	000	00	0000	5XXX	000	If Applicable	Transfer/Alloations Revenue	Income Statement
XX	000	00	0000	6XXX	000	0000	Fund Balance	Balance Sheet
XX	000	00	0000	7XXX	000	If Applicable	Liabilities	Balance Sheet
XX	000	00	0000	8XXX	000	If Applicable	Assets	Balance Sheet

- Trial Balance = The Object(Expense), Source(Revenue), or Balance Sheet Code has to equal 0.
- The other Fields are descriptors of Expense Object, Revenue Source, Balance Sheet codes.

Chart of Accounts - Rolling to the Bold

What Level of Detail does a District need?

- District chart of account code structure and definitions allow for varying degrees of detail depending upon local district wants to track and report.
 - For example, Salaries. 0100 is the rolled code for all salaries. There are 7 sub-segments for salaries
 - A district may want to track extra duty/stipend wage by using 0150 & Salaries in 0110.
 - Another district might be fine with all wage in one account code, 0100
 - Another district uses all 7 sub-segments and further detail within the varying sub-segments.
- Consistency matters. Think long and hard before making any major changes.
- [Chart of Accounts](#) - Appendix N: Rolling to the Bold*

* NOTE: This is also referred to 'rolled-up' data (2nd Tier in data pipeline)

Chart of Accounts - Funds

<i>Funds Most Districts Utilize</i>			
10	General Fund	21	Food Service
11	Charter School	23	Pupil Activity
18	Risk Management (<i>Optional</i>)	31	Bond Redmption
19	Preschool Fund (<i>Optional</i>)	41	Building Fund
22	Gov't Desginated Grant (<i>Optional</i>)	90	District Bond & MLO (Reporting Only)
43	Capital Reserve (<i>Optional</i>)		
<i>Funds Needed if Bond, 100% Local Funded, or Specific Voter Approved</i>			
7	Total Program Reserve	25	Transportation
6	Suppl'Cap Cont, Tech, Maint	31	Bond Redmption
46	Suppl'Cap Cont, Tech, Maint	41	Building Fund
<i>Funds not frequently used</i>			
63	Internal Service Fund	72	Private Purpose Trust
64	Internal Service Fund	73	Custodial

Location Codes-Expenses

Code	Location	4-Digit School Code Need for Pipeline
100-199	Elementary	YES
200-299	Middle (Junior High)	YES
300-399	Senior High	YES
400-460 & 470-499	Career & Technical	YES
461-469	On-Line Activity	NO
500-599	Combination Schools	YES
600-699	Centralized Services	NO
700-799	Service Centers	NO
800-899	District Wide Costs	NO
900-990	Multiple Charter Options	YES

If using 100, 200, 300, & 500s. District may want to clean up or stay consistent.

Special Reporting Element OR 00 - Expense

Code	SRE
10	Instruction
11	Regular Education
12	Special Education
13	Career and Technical Education
14	Cocurricular Education/Activities
15	Adult Education for K-12 Students
19	Other Education
20	Support Services
21	Pupil Support Services
22	Instructional Staff Services
23	General Administration
24	School Administration
25	Business Services
26	Operation and Maintenance of Plant
27	Student Transportation
28	Central
29	Other
30	Non-Instructional Services
31	Food Services Operations
32	Enterprise Operations
33	Community Services Operations
34	Education for Adults

- *District Optional - Pipeline has no rules regarding SREs*
- *10-19 Instructional*
- *22-34 match 1st 2 numbers of Program code*

Program Codes - Expense Instructional

Program	Audit Grouping	Program Code	Location Code	Job Code
Elementary	Instructional	0010	100-199	2XX & 4XX
Middle (Junior High)	Instructional	0020	200-299	2XX & 4XX
Senior High	Instructional	0030	300-399	2XX & 4XX
Senior High	Instructional	Must use Subject Area	0100-1600	2XX & 4XX
Preschool	Instructional	0040	???	2XX & 4XX
Gifted & Talented	Instructional	0070	???	2XX & 4XX
Special Education	Instructional	1700	???	2XX & 4XX
Athletic	Instructional	18XX	???	2XX & 4XX
Activities	Instructional	1900-2099	???	2XX & 4XX

Program Codes - Expense Non-Instructional

Program	Audit Grouping	Program Code	Location Code	Job Code
Pupil Support Services	Non-Instructional	2100's	???	1XX, 3XX, 5XX, & 6XX
Instruct. Staff Services	Non-Instructional	2200's	???	1XX, 3XX, 5XX, & 6XX
General Admin	Non-Instructional	2300's	600	1XX & 3XX & 5XX
School Admin	Non-Instructional	2400's	100-399, 500s, 900s	1XX & 3XX & 5XX
Business Services	Non-Instructional	2500's	600	1XX & 3XX & 5XX
Maint & Ops	Non-Instructional	2600's	710	1XX, 3XX, 5XX, & 6XX
Transportation	Non-Instructional	2700's	720	1XX, 3XX, 5XX, & 6XX
Central Services	Non-Instructional	2800's	600	1XX & 3XX & 5XX
Other Support Services	Non-Instructional	2900's	600	1XX & 3XX & 5XX
Food Service	Non-Instructional	3100's	740	1XX, 3XX, 5XX, & 6XX
Community Services	Non-Instructional	3300's	???	1XX, 3XX, 5XX, & 6XX
Capital Outlay	Non-Instructional	4000's	???	000
Debt/Other	Non-Instructional	5000's	800	000
Reserves	Non-Instructional	9000's	800	Object Code 0840

Object Codes-Expense

- **Expense Object Codes- Start with a “0”**
 - 0100 - Wage/Salary
 - 0200 - Benefits
 - 0300 - Purchased Svcs
 - 0400 - Purch Prop Svcs
 - 0500 - Oth Purch Svcs
 - 0600 - Supplies & Mats
 - 0700 - Capital Outlay
 - 0800 - Dues/Interest/Internal/Indirect
 - 0900 - Other Svcs/Debt Svc

Source - Revenue

Revenue/Source Codes

- 1XXX - Local Sources
- 2XXX - Intermediate Sources
- 3XXX - State Sources
- 4XXX - Federal Sources
- 5XXX - Transfers/Allocation/Other Financing

Balance Sheet Code

Balance Sheet Codes

- 6XXX - Fund Balance/Equity
 - 672X Restricted
 - 675X Committed
 - 676X Assigned
 - 6770 Unassigned
- 7XXX - Liabilities
- 8XXX - Assets

Job Codes

Needed for all Salary (01XX) & Benefit (02XX) Object codes

- 100 Administrator
- 200 Professional - Instructional/Instructional Support/Other Support
- 300 Professional - Non-Licensed Support
- 400 Paraprofessional -
- 500 Business/Office/Administrative Support
- 600 Crafts, Trades, and Services
- In terms of Fair Labor Standards Act
 - Exempt means salary - 100/200/300
 - Non-Exempt means Hourly - 400/500/600
 - Hourly must be paid for all hours actually worked, not what they are scheduled to be paid.

Project/Grant Codes

Project Codes:

- 0001 - 2999 - Project Codes
 - Pipeline has no rules regarding project codes 0001-2999

Grant Codes:

- 3XXX's State Grants
- 4XXX's - 9XXX's Federal Grants
- Assistance Listing Numbers (ALN) *F.K.A. Catalog of Federal Domestic Assistance (CFDA)*

OR

0000

Critical Dates & Budget Overview

<http://www.cde.state.co.us/cdefinance>

Statutory Compliance and Reporting

- Critical Dates - FY 2025-2026 (PDF)
- Budget Templates
 - Required: Uniform Budget Summary (XLS)
 - Optional: CDE-18 with links to Uniform Budget Summary (XLS)
 - Optional: CDE-18 with Salary Schedule Links and Uniform Budget Summary (XLS)
 - Budget Appropriation Resolution
 - Budget FY26 Template

Critical Dates & Budget Overview



Financial Policies and Procedures Handbook
Critical Dates for Fiscal Year 2025-26

Critical Dates for Fiscal Year 2025-26

The due dates listed below include a statutory reference, as appropriate. The short descriptions provided do not necessarily enumerate every requirement of the statute. While the due date represents the last date of completion, action may be taken and is encouraged, as appropriate, prior to the due date.

Date	Category	Reference	Description
May 31	BUDGET	CRS 22-44-108	Preparation of budget. Submit the proposed budget to the board of education by May 31 (i.e., thirty days prior to the beginning of the budgeted fiscal year).
June 10	BUDGET	CRS 22-44-109	Notice of budget – publication. Within ten days after submission of the proposed budget, publish a notice stating that the proposed budget is on file, etc., and stating the date, time and place specified when the board of education will consider adoption of the proposed budget. Section 22-44-109.
June 25	CASH FLOW	CRS 22-54-110	Repay outstanding cash flow loans, if any, to State Treasurer; or later if alternative date provided by the State Treasurer. Section 22-54-110.
June 25	CASH FLOW	CRS 22-54-117	Repay outstanding contingency reserve loans, if any, to CDE based on the agreement in the reserve request; or later if alternative date provided by CDE.
June 30	BUDGET	CRS 22-104-105 CRS 22-44-107, CRS 22-44-110	Formally adopt, by appropriate resolution, the budget, the appropriation resolution and the use of a portion of beginning fund balance resolution, if necessary.
June 30	NUTRITION	7 CFR 245.9(f)(4)(i)	Community Eligibility Provision (CEP) election forms due to School Nutrition for the upcoming school year
June 30	NUTRITION	7 CFR 210.14(e)	Submit <u>paid lunch equity (PLE)</u> tool to CDE School Nutrition Unit for approval. Only submit a paid lunch equity (PLE) tool to CDE School Nutrition Unit for approval if NOT participating in Healthy School Meals for All (HSMA).
June 30	GRANTS		Deadline for submission of FY2025-26 ESSA Consolidated Federal Application and Budget to CDE.
June 30	GRANTS		Deadline for submission of IDEA Federal Application Budget to CDE.
July 1	COMPLIANCE	CRS 22-44-304	Ensure continuing compliance with financial transparency.
July 1	DISTRICT TOTAL PROGRAM	CRS 22-54-115(1.1)(b)	Deadline to request that CDE make the district's state share payments on a 12-month pay cycle and not the new standard 9-month schedule.
July 1	SUBMISSION	CRS 22-51-105	Submission opens for the FY2024-25 Pupil Route Transportation CDE-40 Reimbursement.
August 1	NUTRITION		Update <u>Federal meal reimbursement rates</u> .



Statutory Compliance and Reporting

- [Critical Dates - FY 2025-2026 \(PDF\)](#)
- Budget Templates
 - Required: [Uniform Budget Summary \(XLS\)](#)
 - Optional: [CDE-18 with links to Uniform Budget Summary \(XLS\)](#)
 - [Optional: CDE-18 with Salary Schedule Links and Uniform Budget Summary \(XLS\)](#)
 - [Budget Appropriation Resolution](#)
 - [Budget FY26 Template](#)

CDE Budget Template continued

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
	Proposed Budget																		
	General Fund																		
	FY 2025/26																		
						Actuals	Actuals	Actuals		Budget	FY25 Budget v	Proposed							
						FY 21-22	FY 22-23	FY 23-24		FY 24-25	FY 26 Budget	FY 25-26							
9	Beginning Fund Balance																		
10				Restricted - TABOR		328,000	455,084	10,853		0	500,000	500,000							
11				All Other Fund Balance		3,827,074	8,730,313	4,468,074		0	(500,000)	(500,000)							
12	Total Beginning Fund Balance					4,155,074	9,185,397	4,478,927		0	0	0							
14	Revenues																		
15				Local Revenue		1,711,227	1,649,722	2,131,667		2,092,258	180,377	2,272,635							
16				Intermediate Revenue		0	359	342		0	0	0							
17				State Revenue		9,493,984	10,139,862	10,195,508		9,458,645	1,654,954	11,113,599							
18				Federal Revenue		1,307,466	1,359,397	847,421		600,000	201,570	801,570							
19				Transfers/Allocations		(414,393)	(4,545,188)	(5,590,086)		(233,542)	(61,458)	(295,000)							
20	Total Revenues					12,098,284	8,604,152	7,584,852		11,917,361	1,975,443	13,892,804							
21				<i>Revenue Per Pupil</i>						<i>12,814</i>		<i>15,183</i>							
22	Total Resources Available					16,253,358	17,789,549	12,063,779		11,917,361	1,975,443	13,892,804							
23				<i>Revenue Per Pupil</i>						<i>12,814</i>		<i>15,183</i>							
25	Expenditures																		
26				Instructional Services		6,090,794	7,346,812	7,972,986		6,743,549	561,074	7,304,623							
27				Pupil Services		229,514	522,437	177,281		198,064	90,117	288,181							
28				Instr. Staff Support		315,260	148,527	226,871		163,056	387,446	550,502							
29				General Administration		169,249	232,839	60,811		231,469	532,500	763,969							
30				School Administration		981,097	1,126,415	1,228,236		980,200	171,826	1,152,026							
31				Business Services		1,750,564	1,332,167	918,397		882,546	(641,281)	241,265							
32				Maintenance & Operations		1,056,440	1,078,871	1,167,580		1,145,202	612,091	1,757,293							
33				Transportation Services		788,533	1,023,162	928,399		629,276	113,647	742,923							
34				Central Services		607,876	403,779	466,954		487,559	234,462	722,021							
35				Other Services		166,634	108,848	93,049		362,884	7,116	370,000							
36	Total Expenditures					12,155,961	13,323,857	13,240,564		11,823,805	2,068,999	13,892,804							
37				<i>Expenditure Per Pupil</i>						<i>12,714</i>		<i>15,183</i>							
38	Other Financing Uses																		
39				Other Financing Uses		5,088,000	(13,235)	0		0	0	0							
40	Total Other Financing Uses					5,088,000	(13,235)	0		0	0	0							
42				Surplus/(Deficit)		\$5,030,323	-\$4,706,470	-\$5,655,712		\$93,556	-\$93,556	\$0							
44	Fund Balances																		
46				Restricted - TABOR		455,084	10,853	465,937		0	500,000	500,000							
47				All Other Fund Balance		8,730,313	4,468,074	(1,642,722)		93,556	(593,556)	(500,000)							
48	Total Fund Balance					9,185,397	4,478,927	(1,176,785)		93,556	(93,556)	0							

Cash Management & Investments

- **Fundamentals of Cash Management**
 - Timely Bank Reconciliations
 - Cash Flow Forecasts
 - Property Taxes
 - State Equalization (9/12)
 - Investment Priorities
 - Safety
 - Liquidity
 - Yield



Cash Mgmt - Investments

- Cash in Checking
- Cash in Money Market
- PDPA vs FDIC Insurance
- Local Government Investment Pools (LGIP)
 - ColoTrust
 - CSAFE
 - CDIP?
- Managing an Active Portfolio

Cash Mgmt & Investments continued 2

- Investment Policy
 - Eligible Investments
 - Authorized Personnel/signatures
 - Investment Reporting
- Other Important Concepts
 - Internal Controls for Cash Handling
 - Deposit Requirements
 - Credit Cards vs Debit Cards

Debt, Bonds & TABOR Restrictions

TABOR

Article X, Section 20

In Colorado, the Taxpayer's Bill of Rights (TABOR) restricts government revenue and spending, including debt. TABOR **requires voter approval for any new taxes, tax increases, or debt issuance**. This means local governments and the state must obtain voter approval before taking on new debt or increasing existing debt. [↗](#)

Here's a more detailed explanation:

Voter Approval:

TABOR mandates that voters must approve any new taxes, tax increases, or debt issuance before it can be implemented. [↗](#)

Revenue Limits:

TABOR also sets limits on how much revenue governments can collect and spend annually, based on inflation and local growth. [↗](#)

Debt Restrictions:

The voter approval requirement extends to any new debt or financial obligation, including multi-year contracts that create debt. [↗](#)

Debt, Bonds & TABOR Restrictions

- **Short-Term Debt**
 - Must be repaid within 60/90 days
- **Long-Term Debt**
 - Allowable Circumstances
 - Cash Reserves = Total Debt Service of all years
 - Voter Approval (difficult for charters)
 - Non-Appropriation Clause
 - COPs have a non-appropriation clause
 - All multi-year leases must have a non-appropriation clause

Bonds & COPs Overview

General Obligation (GO) Bonds

- Backed by the full faith and the credit of all taxpayers
- District is REQUIRED to levy enough mills for debt service
- Requires voter approval
- Limited to 20% of Assessed Valuation (with exceptions)
- Bond mill levy covers annual principal and interest
- Bonds typically come in \$5,000 increments and pay interest semi-annually

Certificates of Participation (COPs)

- Are a lease-purchase transaction
- Do NOT require voter approval
- Do NOT have a mill levy, debt service funded by GF or CRF
- Are not limited by Assessed Valuation
- Trade just like bonds in terms of \$5,000 increments
- The Board of Ed CAN non-appropriate and default on COPs



Principal Players

- Staff
- Bond Counsel - (Butler Snow and Kutak Rock)
- Financial Advisor - (contact bond counsel)
- Underwriter - (RBC and Stiefel)
- Disclosure Counsel/Underwriter's Counsel
- Rating Agencies
- Consulting Engineer/Rate Consultant

Bond Ratings



What is a Bond Rating?

- Measure of risk to bondholders
- Agencies: S & P, Moody's and Fitch
- Reflects issuer's ability and willingness to repay debt on time and in full (who, how, what)
- Denotes credit quality by rating level
- Independent opinion (subjective process)
- Forward looking projection
- Each credit is unique



Value of Bond Ratings

- Maybe lower interest rates on bonds if insurance purchase but state intercept may overcome
- Access to market for lesser known credits
- More efficient secondary market trading
- Increased investor demand
 - Some institutional investors can only purchase certain rated securities

Bond Documents



- Bond Resolution or Indenture
- Official Statement
- Bond Purchase Agreement
- Competitive Sale Documents
- Continuing Disclosure Certificate
- Other Documents
- A lot of work (mostly by the CFO/Business Mgr)

Official Statement (O/S)

- Prepared by Disclosure Counsel or Underwriter's Counsel
- Not a sales document
- Disclosure standard
 - No untrue statement
 - No material omission
- Issuer is responsible for disclosure
- Certificates and Opinions
- Disclosure subject to rules promulgated by the SEC



Call Features

- Optional redemption

Issuer's right to prepay after a stated date at specific price

- Call Date – typically 8 to 10 years from date of issuance
- Call Premium – typically 100 at par (100 percent)

Pricing and Sale continued

Method of Sale

- Competitive Sale
- Underwriters bid against each other
 - Specific bid date and time
 - Sealed or electronic bid
 - Awarded by lowest true interest cost
- Negotiated Sale
 - Underwriter chosen prior to sale
 - Assists with structuring and pre-marketing
 - Greater market timing flexibility
- Private Placement



Topics

- Managing rating and rating agency relationships
- Maintenance of funds and accounts
- Other resolution requirements
- Arbitrage
- Investment of proceeds

Continuing Disclosure

<http://www.emma.msrb.org/>

- **EMMA and Municipal Market Transparency**

The EMMA website is funded and operated by the Municipal Securities Rulemaking Board (MSRB), the self-regulatory organization charged by Congress with promoting a fair and efficient municipal securities market. EMMA is designated by the U. S. Securities and Exchange Commission as the official source for municipal securities data and disclosure documents. The website provides free public access to objective municipal market information and interactive tools for investors, municipal entities and others. EMMA supports municipal market transparency but is not a platform for buying or selling bonds.

What is EMMA?

The EMMA website was established to increase transparency of the municipal securities market by providing free public access to municipal securities documents and data. EMMA provides investors, state and local governments and other market participants with key information about individual municipal bonds as well as tools to assess bond prices and market trends. Get access to:

Information about Specific Municipal Securities

- Official statements (the prospectus for a municipal bond)
- Trade prices, yields and other data about a bond's trading history
- Financial disclosure documents from the issuer of the bond
- Other ongoing disclosure documents about events affecting the bond
- Information about 529 savings plans and ABLE programs

Market-Wide Information

- Yield curves and indices from third-party providers
- Calendar of municipal securities scheduled to be offered
- Calendar of upcoming economic reports and events that may have an impact on the municipal bond market
- Market statistics about overall trading patterns and most active securities



Maintenance of Funds and Accounts

- Construction Fund - Fund 41
 - Records Bond & Premium Proceeds and Cost of Issuance from the Bond Sale
 - Records the expenses related to the Project
 - Recommend using a SRE code to distinguish bond proceeds from the bond sale, ***especially if the district already has activity in Fund 41.***
 - This separation of multiple funding will be needed to calculate the Arbitrage.

Bond Fund Accounting continued

Maintenance of Funds and Accounts-continued

- Building Fund - Fund 41
 - Book construction expenses
 - Program expense (usually 4000 program code)
 - Object expense (usually 07XX object code)
 - Location code (code to proper site)
 - Review chart of accounts for specific program and object codes
 - Building new schools - Ok to fund library, food service, etc
 - Construction Team - Internal or External
 - Let us know if you need help with BEST match

Debt Service Fund Accounting (Fund 31)

Maintenance of Funds and Accounts-continued

- Debt Service Fund - Fund 31
 - Records Property Tax collection -
 - If district passes a Bond in November 2025, the district will need to certify mills in December 2025, even if Bond Sale will occur in the near future, often January.

Setting your Bond Levy



Items needed for the calculation:

- Bond election question(s)
 - Need to know the maximum annual debt service limit
- Assessed Valuation (AV)
 - Preliminary AV (August)
 - Final AV (November/December)
- Bond Amortization Schedule(s)
 - What is the annual principal and interest for the calendar year
 - Need to consolidate the schedules if there are multiple bonds
- Bond Reserve Target
 - One year principal and interest is most common
 - Cash flow is absolutely essential based on pymt dates
 - Payment Dates are usually June and December
 - Some districts just levy the same mills each year, regardless of AV

Sample Bond Mill Levy Calculation (Monthly Model)

2022				
Assessed Valuation		Revenue		
Bond Mill Levy		\$0	Interest Rate	
Bond Redempt Fund Beg Bal			1.00%	
	<u>Interest</u>	<u>Revenues</u>	<u>Debt Svc</u>	<u>Cash Balance</u>
-January	0	0		0
-February	0	0		0
-March	0	0		0
-April	0	0		0
-May	0	0		0
-June	0	0		0
-July	0	0		0
-August	0	0		0
-Sept	0	0		0
-Oct	0	0		0
-Nov	0	0		0
-Dec	0	0		0
		\$0		

Sample Bond Mill Levy Calculation (Annual Model)

	2021 Bond
Debt Service Requirement	17,792,991
Assessed Valuation	3,511,392,070
Mill Levy	5.067

	2021 Bond
Debt Service Require	17792991
Assessed Valuation	=Mil Levy Cert!D7
Mill Levy	=(D4/D6)*1000

Debt Service Fund Accounting

0900 Other Uses of Funds. This series of codes is used to classify transactions which are not properly recorded as expenditures to the school district but require budgetary or accounting control. These include redemption of principal and interest on long-term debt, housing authority obligations and fund transfers.

0910 Redemption of Principal. Outlays from current funds to retire serial bonds and long-term loans.
Note: object codes 0910 through 0919, except for 0913, should only be used for voter approved debt

0911 Long-term Principal.

0912 Short-term Principal.

0913 Principal on Financing Arrangements (Leases). Payments made for capital financing (leases), Certificates of Participation activity and non-voter approved debt. See Appendix L, "Capital Leases," or "Leases, after GASB Statement No. 87" for additional information.

0919 Other Principal.

0920 Housing Authority Obligations. Outlays from current funds to satisfy housing authority obligation of the school district. A public school housing authority is a public or quasi-public corporation having power to issue authority bonds for public school purposes, construct public school buildings, lease public school buildings to local public school administrative units or transfer title to such units. All expenditures of this nature are classified in this category.

0940 Payments to Escrow Agents. Payments made to institutions through escrow agents acting on behalf of the school district.

0950 Initial Outlay from Lease (Which is not Capital Outlay). Initial payments made by the school district from leases which do not result in the acquisition of capital equipment or facilities. See Appendix L, "Capital Leases," or "Leases, after GASB Statement No. 87". For the capital outlay related to a lease acquired under GASB Statement No. 87, see object code 0770.

Financial “D” Series Policies

Board Policy - Policy Making



Colorado law requires local boards of education to adopt policies and prescribe rules and regulations necessary and proper for the efficient administration of the affairs of the district. C.R.S. 22-32-109.

Board Policy - Policy Making continued

School Board Policy Process

The Board considers policy development its chief responsibility. The Board strives to reflect the community's values in its policies and commits itself to an ongoing effort to engage the community regarding policy-level concerns. The Board develops policies and puts them in writing to provide for the successful, consistent and efficient operation of the district's schools and the high achievement of district students. Policy development shall be aimed primarily toward the continual formation and evaluation of goals and desired end results for students, rather than toward daily district operations.

The Board uses the policy development and codification system of the National Education Policy Network/National School Boards Association (NEPN/NSBA), as recommended by the Colorado Association of School Boards.

This system, while it may be modified to meet needs, is to serve as a general guideline for such tasks as policy research, drafting of preliminary policy proposals, reviewing policy drafts with concerned groups, presenting new and revised policies to the Board for consideration and action, policy dissemination, policy monitoring and the continuous maintenance of the Board policy manual.

The policies of the Board shall be interpreted in accordance with state and federal laws and regulations.

Board Policy - Policymaking

Policymaking

Good business practice and, in many instances, the law itself require the board to adopt written policies governing the operations of the schools and to make these policies easily accessible to school employees, parents and the general public.

Because policy making is central to the board's governance and oversight responsibilities, it's imperative that adopted policy be clearly written, up-to-date and legally viable. The board and staff have specific roles in policy development, adoption, implementation, review and evaluation.

- Policy development is a cooperative effort involving the board, the staff and the community.
- Policy adoption is the responsibility of the board.
- Policy implementation is the responsibility of the superintendent and staff.
- Policy review is a responsibility of the board based on information received from the superintendent, staff, community and other resources.

The policy making process should result in policies that (1) reflects the board's intent and articulates a definite course of action; (2) delegates key responsibilities; and (3) declares desired outcomes. Written board policy fosters stability and continuity, establishes a legal record and a legal basis for many board actions, forms the core of the district's written communication system, and provides a framework for the superintendent and staff to confidently assign duties and execute those assignments.



Board Policy - The “D” Series

- DA - Fund Balance
- DB - Budget
- DC - Taxing & Borrowing
- DD - Grants
- DFA - Investments
- DID - Fixed Assets
- DKA - Payroll Procedures/Compensation
- DJ - Procurement & Contracting
- DO - Employee Misconduct

- **Does your District Really need this policy?**
 - It can help create consistency with fund balance over a period of time
 - It creates a healthy conversation with the Board of Education about an appropriate level of reserves
- **What is the appropriate level?**
 - Larger Districts need a smaller percentage
 - Smaller Districts need a larger percentage
 - Do you have enough fund balance for cash flow?
 - Remember: A \$1M roof is the same in any size district
- **Which Funds need a Fund Balance target?**
 - General Fund is most important
 - Other funds probably less important

Fiscal Management – Fund Balance

Maintaining a sufficient amount of fund balance/net position in all funds is essential for the financial health of Colorado Springs School District 11 (the District). Borrowing cash from the general fund should be carefully monitored to ensure no undue burden is placed on cash flows. The Colorado Springs School District 11 Board of Education (the Board) assigns to the Superintendent or designee the responsibility of accumulating and maintaining appropriate fund reserves and cash borrowing policies. In 2012, C.R.S. 22-44-102 (7.3) was revised to define an ongoing deficit as being a negative amount on a modified accrual basis of accounting (generally accepted accounting principles (GAAP) basis) in the unassigned fund balance for governmental funds or unrestricted net position for proprietary funds. C.R.S. 22-44-105 (1.5)(a)&(c) further require that districts ensure that there are no ongoing deficits resulting from recording expenditures beyond current revenues and beginning fund balance. Districts must acknowledge compliance with these statutes on the accreditation report signed by district officials.

DA - Fund Balance continued 2

Definitions

Fund balance will be reported in governmental funds under the following categories using the definitions provided by GASB Statement 54:

Nonspendable fund balance – amounts that are not in a spendable form (e.g. inventory) or are legally or contractually required to be maintained intact (e.g. permanent fund principal).

Restricted fund balance – amounts that can be spent only for the specific purposes stipulated by external parties either constitutionally or through enabling legislation (e.g. TABOR).

Committed fund balance – amounts that can be used only for the specific purposes determined by a formal action of the Board. Commitments may be changed or lifted only by referring to the formal action that imposed the constraint originally

Assigned fund balance – amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned fund balance – includes all amounts not contained in other classifications and is the residual classification of the general fund only. Unassigned amounts are available for any legal purpose.

DA - Fund Balance continued 3

Minimum Balances and Other Criteria

1. **Maintain a Positive Cash Balance.** As per Colorado revised statute 22-44-113, interfund borrowing requires prior approval from the Board of Education. Approved borrowings will also define the terms of repayment.
2. **An Asset Sufficiency Ratio of One-hundred (100) Percent or Greater.** This is a state measure used for all districts to evaluate fiscal health. (Fund total assets/fund total liabilities = asset sufficiency ratio). Governmental funds are excluded from this calculation as they use a modified accrual basis of accounting.
3. **Three (3) Percent TABOR Emergency Reserve.** The District shall maintain the 3% Emergency Reserve requirement in either cash or real estate, in accordance with the State constitution and statutes.
4. **Operating Reserves.** The General Fund will maintain at least a four (4) percent fund balance based on the current fiscal year adopted expenditure budget less reserves/contingency. The proprietary funds will maintain a five (5) percent net position based on the current fiscal year adopted expense budget less reserves/contingency.
5. **Capital Reserves.** The Capital Reserve Fund shall maintain a \$1 million contingency fund for unexpected capital project emergencies. In the event the contingency is used, the emergency reserve shall be replaced in the following year's budget.
6. **Positive unassigned or unrestricted fund balance.** The general fund and proprietary funds will have a positive unassigned or unrestricted fund balance. The general fund will be negative until sufficient reserves are built as described above.

DA - Fund Balance continued 4

Fund	Maintain a Positive Cash Balance	Asset Sufficiency of 1 or Greater	3% TABOR	Fund Balance/Net position
General Fund	X	n/a	X	4%
Other Funds:				
• Debt Service	X	n/a	n/a	n/a
• Capital Reserve	X	n/a	n/a	\$1,000,000
• Food Service	X	n/a	n/a	n/a
• Risk Related Activities	X	X	n/a	5%
• Production Printing	X	X	n/a	5%



- **Most Budget Requirements are already set in statute**
 - Budget timelines
 - Community Involvement
 - Appropriation rules



ANNUAL BUDGET

The Colorado Springs School District 11 Board of Education (the Board) shall adopt a budget and an appropriations resolution for each fiscal year prior to the beginning of the fiscal year for which adopted. The fiscal year shall be from July 1 through June 30 in accordance with state statute.

The budget shall present a complete financial plan for the ensuing fiscal year. It shall specify:

1. The amounts budgeted for proposed expenditures by fund, program and account
2. The corresponding amounts budgeted by fund, program and account that actually were expended during the last completed fiscal year
3. All revenue anticipated for the ensuing fiscal year and classified as to funds and sources of income, including only those revenues which may be reasonably anticipated and excluding contingency revenues
4. The fund balance at the end of the previous fiscal year, which may be carried forward as a beginning balance for the ensuing fiscal year.

DB - Budget continued 2



BookBoard Policies

SectionSection D: Fiscal Management

TitleDetermination of Budget Priorities

CodeDBD

StatusActive

AdoptedNovember 19, 1992

Last RevisedAugust 18, 2016

All resources of the district shall be directed toward ensuring that all students reach their learning potential.

In order to fulfill its trustee obligation with regard to district resources, the Board must know how resources are currently allocated, whether such allocation is effective and what changes should be made to achieve the greatest educational returns. The superintendent shall develop a comprehensive and ongoing system to collect and analyze resource allocation information. The analysis of this information shall form the basis for the budget prepared by the superintendent for presentation to the Board. The system shall:

1. determine how resources are currently allocated by school, grade and program
2. link specific inputs with results for students and determine whether the current allocation of resources is effective in raising student achievement
3. identify ways to better use resources to achieve the district's educational objectives and improve teaching and learning

As part of the budget preparation process, each building accountability advisory committee (BAAC) shall make recommendations to the principal relative to priorities for expenditures of district funds by the school. The principal shall consider these recommendations when formulating budget requests to be presented to the superintendent. The superintendent shall also consider the BAAC recommendations when preparing the budget to be presented to the Board of Education. A copy of the BAAC recommendations shall be sent to the district accountability advisory committee (DAAC) and to the Board.

The DAAC shall make recommendations to the Board relative to priorities for expenditures of district funds and provide a copy of the recommendations to the superintendent. The Board shall consider these priorities when it adopts the annual budget. The superintendent shall consider the DAAC recommendations when preparing the budget to be presented to the Board.

DB - Budget continued 3



Accordingly, the budget prepared and presented by the superintendent shall:

1. include contingency plans in the event budget assumptions prove erroneous
2. be in a summary format understandable by a lay person
3. itemize district expenditures by fund
4. include information regarding school-level expenditures
5. adequately describe proposed expenditures
6. show the amount budgeted for the current fiscal year and the amount budgeted for the ensuing fiscal year
7. comply with spending limitations in the state constitution
8. consider recommendations made by each school-level accountability committee relative to priorities for expenditures of district funds
9. contain enough information to enable credible projection of revenue and expenses
10. disclose budget planning assumptions
11. not excessively rely on non recurring revenues
12. not provide for expenditures, interfund transfers or reserves in excess of available revenues and beginning fund balances
13. not include the use of beginning fund balance unless the Board has adopted a resolution as described in state law specifically authorizing such use
14. not reduce without approval of the Board, the current cash reserves at any time to less than the minimum amount required by the spending limitations set forth in the state constitution
15. provide adequate and reasonable budget support for Board development and other governance priorities, including the costs of fiscal audits, Board and committee meetings, Board memberships and district legal fees
16. take into consideration fiscal soundness in future years and plans for the building of organizational capabilities sufficient to achieve the Board's goals in future years
17. reflect anticipated changes in employee compensation including inflationary adjustments, step increases, performance increases and benefits
18. comply with state and federal law
19. provide sufficient resources to address the district's facility needs.

Adopted: November 19, 1992

Revised: September 20, 2007

Revised: August 18, 2016



DBJ - Budget - Budget Transfers

- **Probably the most important element of a budget policy**
 - Who is authorized to transfer between accounts
 - Transfer between “Funds” must be BOE approved
 - What signatures /approvals are required for transfers
 - What thresholds need approval
- **Best practices**
 - Principals/Dept Heads can transfer within their approved budget
 - CFO/Business Manager can transfer for smaller unforeseen issues
 - Superintendent has a higher threshold for unforeseen/emergencies
 - Board of Education for high level requests
- **Good Idea**
 - Break out part of your fund balance as a “Contingency” that can only be used for transfers above appropriated levels
 - Track those transfers on a separate spreadsheet
 - Don’t forget to appropriate Fund Balance/Contingency

DBJ - Budget - Budget Transfers (Con't)

BUDGET TRANSFERS In compliance with C.R.S. 22-44-112, budget transfers do not cross funds unless following the statute's prescribed manner. Instructional supplies and materials, instructional capital outlay or other instructional purpose accounts in the general fund will require prior approval of the school's Executive Director of K12 Education before transfer of moneys into a non-instructional account.

Unencumbered moneys may be transferred among the instructional supplies and materials, instructional capital outlay and other instructional purpose accounts and by Colorado Springs School District 11 Board of Education (the Board) resolution between the capital reserve fund, and the risk related activities fund or the risk management (insurance reserve) fund as defined in state law.

The Superintendent may authorize transfers from the General Fund contingency reserve account up to a maximum of \$100,000 per occurrence. The Chief Financial Officer may authorize transfers from the General Fund contingency reserve account up to a maximum of \$50,000 per occurrence.

Except for extreme emergencies, the total undesignated contingency reserve may not be reduced by more than 25 percent in any one fiscal year without prior approval of the Board. Established emergency reserves, or amounts pledged in accordance with Article X Section 20 of the Colorado Constitution, may not be transferred to expenditure accounts without prior approval of the Board. In emergency situations, the Superintendent may authorize use of such funds when lawful and with immediate notification to the Board. The Administration shall include the annual General Fund Contingency Report, with line item transfer detail, in each quarterly financial report to the Board



- **School District borrowing is limited under TABOR**
 - Borrowing cannot exceed 1 year unless:
 - Voter Approval
 - Non-Appropriation Clause
 - Lease with the ability to non-appropriate
- **Board of Education and Superintendent should always be required to approve any long-term borrowing**

DC - Taxing & Borrowing continued

Short-term borrowing

- Loan shall meet the requirements of the TABOR restrictions for Multiple Fiscal-Year Obligations. The Board may authorize its President, Secretary, or the Chief Financial Officer to execute promissory notes on behalf of the District from time to time as such borrowing of funds becomes necessary and may further authorize them to execute any and all other documents necessary, or incidental to the borrowing of funds.
 - By law, these short-term loans are liquidated within two months of the close of the fiscal year from moneys received by the District.

State interest-free loan program

- The District may elect to participate in an interest-free loan program upon application to the State Treasurer in any month in which a general fund cash deficit will exist. The loan may not exceed an amount for the month as certified by the District's Chief Financial Officer. The State Treasurer shall determine the method for calculating cash deficits and appropriate reporting mechanisms. All loans shall be repaid by June 30 of the fiscal year in which they were made or at an alternate date determined by the State Treasurer.

Tax Anticipation Notes

- The Board may issue tax anticipation notes without an election if it determines that taxes due the District will not be received in time to pay projected budgeted expenses.
- Tax Anticipation Notes shall be issued and made payable within the fiscal year for which such taxes are levied.
- Tax anticipation notes issued by the District shall not exceed 75 percent of the taxes the District expects to receive in the current fiscal year as shown by the current budget.
- The Board may authorize its President, Secretary, or the Chief Financial Officer to execute promissory notes on behalf of the District from time to time as such issuance of tax anticipation notes becomes necessary, and may further authorize them to execute any and all other documents necessary or incidental to the issuance of tax anticipation notes.



- **Grants Policies can be helpful for:**
 - Who's allowed to submit a grant?
 - What grant approvals are required before submission?
 - Who manages the grant?
 - Is there a grant threshold for inclusion as a grant vs a school-based student activity fund?
 - Who is responsible for grant compliance?
 - Is there a grants indirect charge to be applied?
 - Are staff allowed to include “extra” pay for them/others in the grant?

DD - Grants continued



GRANTS – PRE-AWARD PLANNING AND BUDGETING

All grant-seeking activities by the District schools, District central offices, and external organizations seeking to partner with the District (with a value over \$10,000) must be coordinated with the District Grants Office.

This ensures alignment with the District's mission and priorities as well as makes certain the District has capacity to implement, monitor and evaluate grant-funded activities.

All grant-seeking activities over \$10,000 shall be reviewed by the Director of Grants or his/her designee. The review process is managed through use of Intent to Apply forms submitted by all internal staff/office and external organizations wanting to apply for grant funding. (see Exhibits DD-E-1 and DD-E-2).

DFA/DFAA - Investments



All district funds not immediately needed for daily cash flow shall be invested in such a manner so as to accomplish the primary objectives of:

- 1. ensure the safety of funds**
- 2. ensure that adequate funds are available to meet the financial obligations of the district when due, and**
- 3. ensure for a market rate of return**

DFA/DFAA - Investments continued

- Key Sections in Policy
 - Eligible Investments
 - Delegation of Authority/Authorization
 - Fiscal Prudence
 - Banking
 - Reporting

DID - Fixed Assets & Federal Grant Capitalization Thresholds

Uniform Grant Guidance:

- Definition of Equipment has been raised from \$5,000 to \$10,000
- The rule is the most restrictive of limits applies
- If your policy is less than the Uniform Grant Guidance then the policy takes precedent

Definition:

- Tangible personal property with a useful life > 1 year
- Per-unit acquisition cost that meets or exceeds the local policy threshold of \$10,000, whichever is less
- Per-unit cost includes shipping, installation and other costs related to “activating” the equipment

Recommendation: Update your grant policy to the higher \$10,000 threshold

Link: [2CFR 200.1 Equipment](#)

DID - Fixed Assets

I. FIXED ASSET ADDITIONS

A. Purchases:

Both capitalized and non-capital fixed assets include items purchased and items donated to schools or departments by external sources that meet the requirements of section B, C and D.

B. Capital:

1. Assets that meet the capitalization criteria shall be capitalized for reporting purposes and included in the asset accounts of Colorado Springs School District 11 (the District). Capitalized fixed assets are land, buildings and improvements, and equipment.
 - a. Land. The land account includes all land purchased or otherwise acquired.
 - b. Buildings and Improvements. The buildings account includes the value of all buildings at purchased price or construction cost. Additions and modifications to buildings (e.g. a new heating and ventilating system) or other permanently attached fixtures should be added to the building and improvements account when these costs are \$250,000 or more and extend the useful life of the asset.
 - c. Equipment. The equipment account should consist of property (vehicles, machinery, furniture, and equipment) that has a value of \$10,000 or more, does not lose its identity when removed from its location; is not permanently attached to a structure; and is not changed materially or expended in use. This property should be recorded at cost, including freight, installation and other charges incurred to place the asset in use.

DID - Fixed Assets continued

C. Non-Capitalized equipment:

1. Assets that are non-capitalization fixed assets include items purchased through central funding, school funding, and grant funding. Examples of Noncapital Assets are, but not limited to, computers, laptops, mobile devices, printers, switches, wireless access points, musical instruments, assistive technology, etc.

D. Accounting Classification of Equipment:

1. As defined above, equipment with a value of \$10,000 or more will be capitalized and equipment with a value less than \$10,000 will be non-capitalized.
 - a. Capitalized equipment – Purchases of capitalized equipment will be classified as equipment expenditures and included in the General Fixed Asset Account Group for reporting Fund Financial Statements; then reclassified as Assets – Equipment for reporting District-wide Financial Statements as required by Governmental Accounting Standards Board (GASB) Statement 34.
 - b. Non-capitalized equipment – Purchases of non-capitalized equipment will be classified as expenditures and will not be included in the General Fixed Asset Account Group.

DID - Fixed Assets & GASB 104 Disclosure of Certain Capital Assets

Summary

State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

DKA - Payroll Procedures/Compensation



- **This could be your most important policy**
- **Allows you to control things that often slip through the cracks**
- **Fantastic for budgetary controls**

DKA - Payroll Procedures/Compensation continued

COMPENSATION ADMINISTRATION (REGULATION)

- This regulation is intended to provide a framework to establish desired internal controls, specifically segregation of duties over the administration of compensation payments. Administration of compensation payments includes the following items:
- Authorization of permanent FTE positions
- Authorization for temporary FTE positions
- Authorization of substitutes/guest staff workers
- Authorization of salary schedules
- Authorization of hourly pay rates
- Authorization of employment contracts
- Non Recurring Compensation
- Stipend payment approvals
- Mileage allowance approvals
- Extra duty pay authorization
- Overtime pay authorization
- Incentive Payments
- Over/Under Payments
- Change in Pay Calendar
- Change in Employee Contract term (days)
- Salary Advances
- All other payments not covered above

DJ - Procurement & Contracting

- **Contracting policies can save a district thousands of dollars**
- **Avoids/prevents contract disputes**
- **Assures fair practices**
- **Sets contracting preferences**
 - Authority to sign contracts
 - Thresholds for approval
- **Purchase Order Process & Integration w/Policy**

DJ - Procurement & Contracting continued

Except as otherwise provided by this policy and subject to the terms of policies DJ/DJA and DJE, the following procedures shall govern district purchase of goods and/or services based on the total cost of the purchase:

1. **Purchases up to \$3,500 may be made without complying with the procedures** described in item numbers 2 through 5 below.
2. **Purchases of \$3,500 and less than \$15,000 shall be based on at least three documented price quotes. Price quotes may be provided verbally and then documented in writing.**
3. **Purchases of \$15,000 through \$34,999 shall be based on at least three documented price quotes that are supported by written confirmation.** Examples of written confirmation include a screenshot of pricing from the vendor's website, an email from the vendor's representative, or a quote on the vendor's letterhead.
4. Purchase orders \$15,000 and over, whether district-wide or school-based, require the signature of the CFO
5. **Purchases \$35,000 and up to \$50,000 shall be based on a competitive proposal process as specified by the RFP and approved by the district's chief financial officer (CFO).**
6. **Purchases of \$50,000 or more shall be based on a competitive bidding process as noted in #5, and shall be approved by the Board.**

District best interests

If it is determined by the superintendent or CFO with a purchase of up to \$50,000 or by the Board with respect to a purchase of \$50,000 or more that competitive bidding and/or competitive proposals would result in higher cost to the district or would otherwise adversely affect the district, any or all such procedures may be waived for that purchase.

Emergencies

For purposes of this policy, an "emergency" is defined as: (a) the substantial likelihood of an imminent adverse effect on the health, welfare or safety of district students, staff or the general public; (b) the substantial likelihood of imminent destruction or substantial damage to property; or (c) the substantial likelihood that a delay in purchasing particular goods and/or services will create an excessive financial risk or liability exposure for the district.

In cases where an emergency requires the immediate purchase of goods and/or services, the responsible district employee shall have the authority to make necessary purchasing notwithstanding this policy's requirements. Such purchases shall be made in the best interest of the district and shall not require documented price quotes, competitive bidding or competitive proposals. As soon as possible after making such a purchase, the district employee shall submit an emergency purchasing requisition to the CFO, with a written explanation of all relevant information concerning the emergency.

DO - Employee Misconduct (Whistleblower)



Definitions:

- Fraud is defined as an intentional deception, misappropriation of resources or the manipulation of data to the advantage or disadvantage of a person or entity.
- Some examples of fraud include:
 - Theft of cash or fixed assets
 - Falsification of expenses, invoices and requests for funding
 - Failure to account for monies collected
 - Alteration or falsification of records
- Corruption is defined as the offering, giving, soliciting or accepting of an incentive or reward that may improperly influence the action of a person or entity.
 - Some examples of corruption include: Bribery Conspiracy Extortion

DO - Employee Misconduct



- **Also known as a whistleblower policy**
- **Auditors like this for internal controls**
 - Provides a policy for employees to report
 - Needs an accompanying online form (pref anonymous)
- **But is rarely used**

Board Policy - The “G” Series

- GBEB - Staff Conduct
- GBJ - Personnel Records & Files
- GBGF - FMLA
 - Follow Federal Law
 - Know the new law on Intermittent FMLA
- Coordination between Employee Handbook and Board Policy
 - Is your handbook adopted by the Board?

Board Policy - The “G” Series continued

- **“G” Series policy control employment and leave accruals**
- **These all have financial implications**
 - GASB 101 (Comp Absences) now recognizes more liability for accrued leave

GBEB - Staff Conduct



All staff members, regardless of their position, have a responsibility to make themselves familiar with and to abide by federal and state laws as these affect their work, and the policies and regulations of the district.

- Modeling behaviors which advance the development of local, national and global stewardship for students is the responsibility of all staff members. In scholastic and athletic activities and in all written and oral communications, staff should exemplify appropriate adult professional behaviors. At no time may any staff member engage in behavior that may be deemed otherwise (including but not limited to profanity, inappropriate jokes or gestures, sexist or racist comments, and electronic harassment or cyber bullying). Staff members must maintain professional boundaries in accordance with this policy's accompanying regulation. Staff members are encouraged to support their colleagues in adhering to this expectation. Supervisory and administrative personnel are responsible for the maintenance and enforcement of this policy.
- A supervisor notified of a staff member's inappropriate behavior must consult with personnel services to determine the appropriate course of action. Violations of the policy may result in discipline up to including termination.

GBEB - Staff Conduct continued

Each staff member must observe rules of conduct established in law which specify that a school employee must not:

- Disclose or use confidential information acquired in the course of employment to substantially further personal financial interests.
- Accept a gift of substantial value or substantial economic benefit tantamount to a gift of substantial value which would tend to improperly influence a reasonable person in the position to depart from the faithful and impartial discharge of the staff member's duties, or which the staff member knows or should know is primarily for the purpose of a reward for action taken.
- Engage in a substantial financial transaction for private business purposes with a person whom the staff member supervises.
- Perform an action which directly and substantially confers an economic benefit tantamount to a gift of substantial financial interest or is engaged as counsel, consultant, representative, or agent.

GBEB - Staff Conduct continued 2

It is not considered a breach of conduct for a staff member to:

- Use school facilities and equipment to communicate or correspond with constituents, family members or business associates on an occasional basis.
- Accept or receive a benefit as an indirect consequence of transacting school district business.

Essential to the success of ongoing school operations and the instructional program are the following specific responsibilities which must be required of all personnel:

- Faithfulness and promptness in attendance at work.
- Support and enforcement of policies of the Board and regulations of the school administration in regard to students.
- Diligence in submitting required reports promptly at the times specified.
- Care and protection of school property.
- Concern and attention toward the safety and welfare of students.

GBGF - FMLA



This policy shall apply to all family and medical leaves of absence covered under the Family and Medical Leave Act of 1993 ("FMLA"). Terms used in this policy and its accompanying regulation, such as "serious health condition," "qualifying exigency," "covered active duty," "covered servicemember," and "serious injury or illness" shall be as defined by the FMLA and its implementing regulations.

Eligibility

To be eligible for a family and medical leave of absence (FMLA) under this policy, an employee shall have been employed for at least 12 months and shall have worked at least 1,250 hours over the 12-month period preceding the commencement of the leave. A full-time teacher shall be deemed to meet the hourly requirement but also must meet the 12-month requirement to be eligible for FMLA leave.

Permitted reasons for FMLA leave

An eligible employee shall be entitled to a combined total of 12 weeks leave per year for the following reasons:

1. The birth and care of the employee's newborn child;
2. The placement of a child with the employee for adoption or foster care;
3. To care for the employee's spouse, child or parent with a serious health condition;
4. When the employee is unable to perform the essential functions of his or her position because of the employee's own serious health condition; or
5. Any qualifying exigency arising out of the fact that the employee's spouse, son, daughter or parent is on covered active duty in the Armed Forces or has been notified of an impending call or order to covered active duty in the Armed Forces.

Spouses who are both employed by the district shall be entitled to a total of 12 weeks of leave (rather than 12 weeks each) per year for reasons (1), (2), to care for a sick parent under reason (3), and/or (5) specified in the immediately preceding paragraph.

Entitlement for child care leave shall end after the child reaches age one or 12 months after adoption or foster placement. Leave to care for a child shall include leave for a step-parent or person *in loco parentis*.

An eligible employee who is a spouse, son, daughter, parent or next of kin of a covered servicemember with a serious injury or illness incurred or aggravated in the line of duty on active duty shall be entitled to a total of 26 weeks of leave during a single 12-month period to care for the covered service member.

GBGF - FMLA continued

Use of leave - The maximum time allowed for FMLA Leave is 12 weeks in the designated 12-month period unless the leave involves care for a covered service member. In this case, the maximum combined leave entitlement is 26 weeks in the designated 12-month period, with leaves for all other reasons constituting no more than 12 of those 26 weeks.

The district measures the 12-month period in which leave is taken by the “rolling” 12-month method, measured backward from the date of any FMLA leave unless the leave is to care for a covered servicemember. In this case, the district calculates the 12-month period beginning on the first day the eligible employee takes FMLA leave to care for a covered servicemember and ending 12 months after that date.

Spouses who are both employed by the district shall be entitled to a total of 26 weeks (rather than 26 weeks each) in a single 12-month period if the leave is to care for a covered service member with a serious injury or illness, or a combination of caring for a covered service member and reasons (1), (2), (3) and/or (5) above.

Intermittent/reduced leave - An employee does not need to use his/her leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary to care for the serious health condition of the employee, immediate family member, or covered servicemember, or when necessary for a military qualifying exigency. The district may require the employee to transfer temporarily to an alternative position which better accommodates recurring periods of absence or a part-time schedule provided that the position has equivalent pay and benefits.

However, leave taken intermittently or on a reduced schedule is not permitted for the birth of a child, to care for a newly-born child or for placement of a child for adoption or foster care.

Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the district’s operations. Employees taking intermittent or reduced schedule leave that is foreseeable may be required to temporarily transfer to another job with equivalent pay and benefits that better accommodates that type of leave.

Teachers requesting intermittent or reduced leave involving greater than 20 percent of their working time during such period may, in the alternative, be required to take leave continuously for all or a specified part of the total period involved.

Benefits and protections

The district shall maintain coverage under any group health insurance plan for any employee who is granted an approved leave of absence under this policy for the duration of the leave. Such coverage shall be maintained at the same level and under the same conditions as coverage would have been provided if the employee were not on leave. The district reserves the right to seek reimbursement for this benefit in the event that an employee elects not to return to work, as allowed by law.

The use of FMLA leave shall not result in the loss of any employment benefit that accrued prior to the start of an employee’s FMLA leave.

GBGF - FMLA continued 2

Reinstatement after FMLA leave

Upon return from FMLA leave, most employees are restored to their original or equivalent positions with equivalent pay, benefits and other employment terms. Certain highly compensated employees ("key" employees) may have limited reinstatement rights.

Notwithstanding any other provision of this policy, an employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the period of FMLA leave.

Use of accrued paid leave

To the extent permitted by law, the district requires that employees use any accrued paid leave (such as annual or accrued sick leave) concurrently with their FMLA leave.

Development of procedures

The superintendent or designee shall develop procedures to require appropriate medical certifications, notification and reporting which are consistent with law. The procedures shall describe how the district will post notices concerning the FMLA and other steps the district shall take to inform employees of the FMLA's requirements.

Compliance with governing law

The district shall fully comply with the FMLA and shall be entitled to take all actions and exercise all options authorized under the FMLA and consistent with this policy and its accompanying regulation. In the event that this policy or its accompanying regulation conflict or are otherwise inconsistent with mandatory provisions of the FMLA, the mandatory provisions of the FMLA shall control.

Board Policy - Records Retention

- **What is your policy?**
- **This can result in litigation**
 - Example of bus video in a school district
- **Bond Records must be retained for the life of the bond plus “some” years**
- **Are you aware of the State Archivist?**
 - <https://archives.colorado.gov/records-management/school-district-records-management>
- **Federal Records Retention Rules**
 - <https://www.ecfr.gov/current/title-2/section-200.334>
- **Records retention is especially important in HR matters, CORA requests, etc**
- **Don't forget the IT side with e-mails, etc**

Your Specific Questions?

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