



## FPP: Chart of Accounts Discussion Item: Accountability Rules, Financial Transparency Website

### 1. Question or Issue:

The accountability statute does not require financial reporting, but the accountability rules include requirements for financial reporting by CDE. The statute gives the State Board, the authority to identify data, in addition to other prescribed information (i.e., rates of completion, mobility, truancy, etc.), to be collected and reported on School View, and currently, School View does have a financial section consistent with the requirements outlined in rule.

Does the Financial Policies and Procedures Advisory Committee recommend any changes to financial reporting in the current **Accountability Rules**? Considering that we now have the Financial Transparency for Colorado Schools website, should we move towards simplifying any of the following reporting requirements as outlined in rule (which are used for School View):

- (1) Total District or Institute revenue and the percentage of the revenue received from state and local tax contributions;
- (2) The total District or Institute revenue per pupil, calculated as: Total [budget year] District revenue per pupil = \$ [amount of total District revenue listed in chart divided by total District pupil enrollment for that budget year];
- (3) The District or Institute per pupil operating revenue and state average per pupil operating revenue;
- (4) Sources of District or Institute revenue, including but not limited to: local tax contributions; state tax contributions; federal grants; state grants; private and public-private partnership grants; and other discretionary income;
- (5) The District's or Institute's use of funds for the following items, as described in the chart of accounts, as well as the District's total audited expenditures: instruction and instructional support; administration; building and facility maintenance; operational expenses; capital expenditures; debt service; and other expenditures such as food services and community services;
- (6) Information on District or Institute debt and facility construction, including:
  - (A) The total outstanding bonded debt;
  - (B) The average annual percentage interest rate on the District's or Institute's debt;
  - (C) The amount raised from the District's or Institute's most recent bond issue; and
  - (D) The amount spent on new school buildings in the last two years.



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**2. Any Prior FPP Action:**

None
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**3. Discussion Points/Department Recommendation or Observations (if any)::**

<p>The inclusion of the financial data in the accountability rules seems to be aimed at where some are advocating going with the ESSA per pupil expenditure school level reporting requirement. The Financial Transparency for Colorado Schools website was initiated separate from the ESSA PPE requirements – however, there is overlap to a large degree and CDE is working to align them completely.</p> <p>CDE, along with the FPP committee is working with BrightBytes to discuss upcoming changes to the website, with an end goal to make the site fully compliant with the ESSA per pupil expenditure reporting starting on July 1, 2019. We will also be discussing incorporating a link to the school performance data; CDE has thought that this would be a high level link to the main SPF/DPF webpage and will request this be updated in the current year’s version. Further integration would likely not be possible until the next version on July 1, 2019.</p> <p>Based on these considerations, is there value in making the Accountability Rules more general and less proscriptive in regards to finance than the rules currently are? This would allow for the potential convergence School View into the Financial Transparency websites into a single site if that makes sense at some point in time. With the detailed requirements remaining within the rules, we would have to continue with both reporting requirements without significant changes to the FT website.</p> <p>In the short-term if the rules were changed, we wouldn’t necessarily change the reporting, but it would allow future changes. Additionally, it has been questioned as to how valuable some of the detailed requirements outlined in the Accountability Rules currently are for the districts and/or the public.</p>
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**4. FPP Action, Decision Made:**

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**5. Further Action/Research Needed/Table for Future Meeting:**

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**6. Effective Date:**

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