



FINANCE COUNCIL UPDATE

June 14, 2018
Summer FSFOA Conference
Jacksonville, Florida

A LITTLE ABOUT THE FINANCE COUNCIL

- 21 member Council of Finance Officers
 - 5 small districts (up to 6,000 students)
 - 6 medium districts (6,001 to 30,000 students)
 - 7 large districts (> than 30,000 students)
 - 3 Ex-Officio Members
 - Linda Champion and Joy Frank
- Meet at least 4 times per year
- Sponsored by DOE

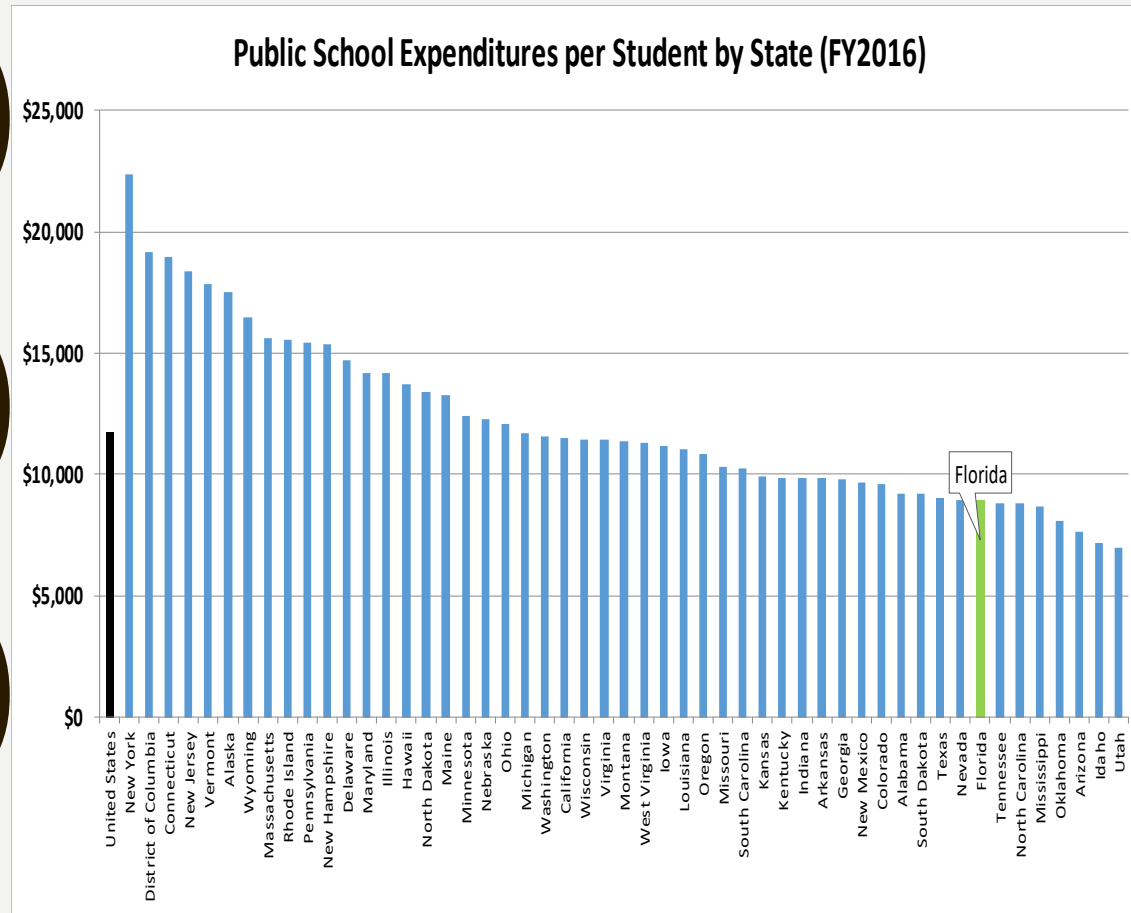
FLORIDA'S STUDENT ACHIEVEMENT

- **Florida's Test Score are comparable to New York, New Jersey and Massachusetts**
 - All three states spent over \$15,000 per student compared to Florida's \$7,408 per student
- **Graduation Rates are up**
 - National rate in FY 2010-11 79% and 81% in FY 12-13
 - Florida rate in FY 2010-11 71% and 76% in FY 12-13
- **High Schools Rankings**
 - Of the Florida institutions that ranked among the 2018 [U.S. News Best High Schools](#), 36 earned gold medals, 135 earned silver medals and 68 earned bronze medals.

FINANCE COUNCIL PRIORITIES FOR FISCAL YEAR 2018-2019

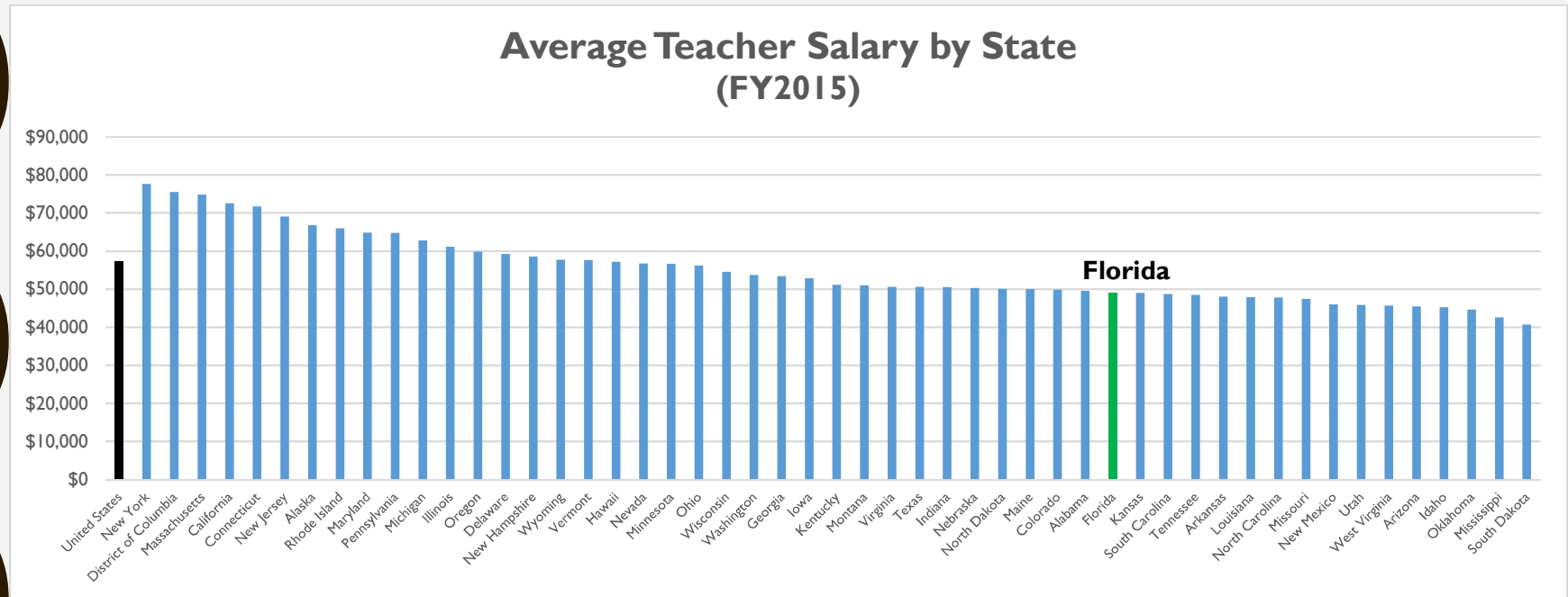
- **Maintain Required Local Effort (RLE)** – The Legislature has reduced the RLE school tax rate for the past two years creating a structural imbalance in the state budget.
- **Restore Local Capital Outlay Millage (LCOM) Authority to 2.00 Mills** - Authority must be restored to local school boards to levy up to 2.00 mills within their county to meet the capital needs of both traditional and charter public schools.
- **Increase Teacher Salaries** - in a meaningful sustainable manner that provides a livable wage commensurate with the role and responsibilities of this critical profession. Florida continues to trail the country in teacher salaries and will be severely challenged in the years ahead to adequately staff classrooms with qualified teachers given the expected national shortage.

FLORIDA'S K-12 EDUCATION SPENDING RANKS 44TH IN U.S.



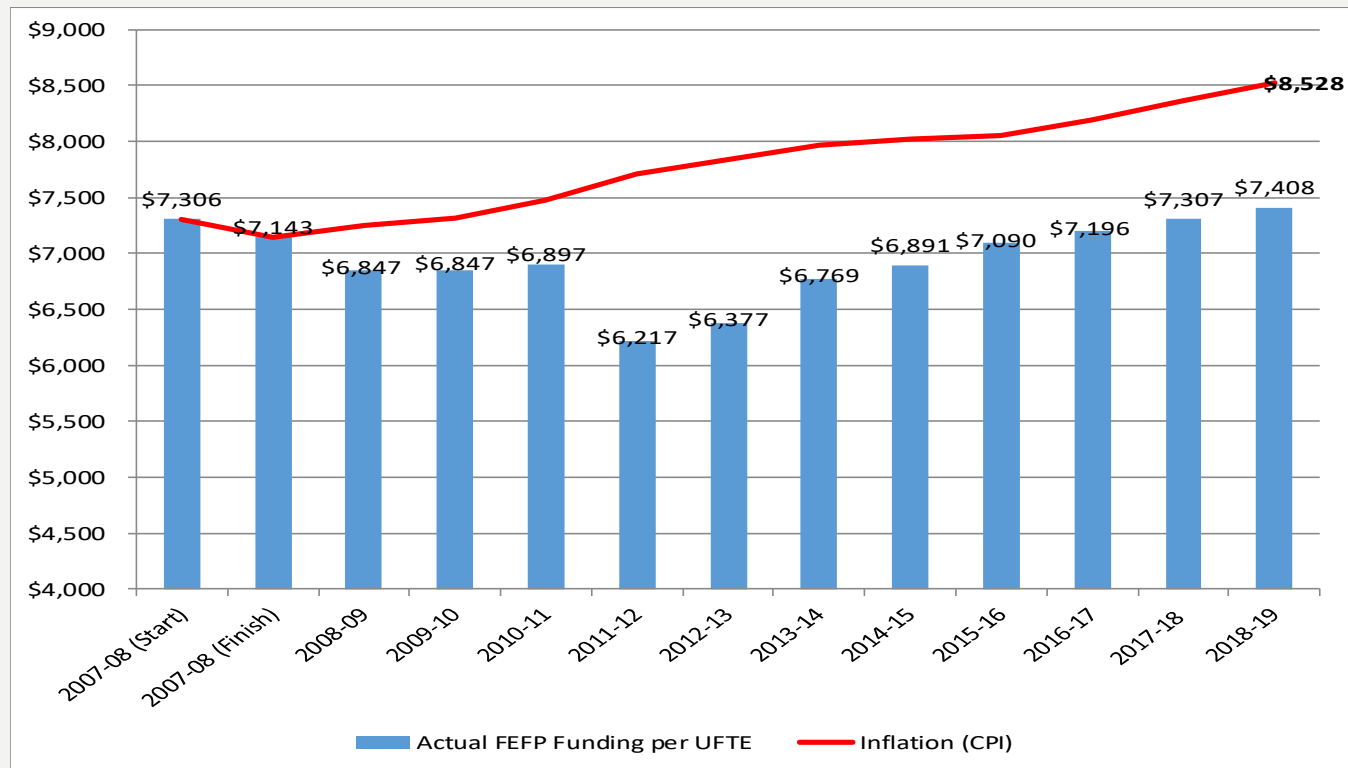
- Florida has fallen from its rank of 36th in the U.S. since 2006-07.
- Florida's K-12 total spending of \$8,920 trails the national average of \$11,762 by 32% or \$2,842 per student.
- With 2.847 million public school students in Florida, this equates to over \$8.1 billion below national average in annual operating revenue.

FLORIDA'S AVERAGE TEACHER SALARY RANKS 36TH IN THE U.S.



- Florida's \$48,992 average salary trails the national average of \$57,379 by nearly 15% or \$8,387 per teacher.
- It is important to note the average Florida teacher had over 11 years of experience in FY2015.

Inflation Has Significantly Eroded Florida School Funding



- Funding would need to be increased an additional \$1,120 or 15% to \$8,528 per student to offset inflation (CPI).
- With over 2.84 million public school students in Florida, **this equates to nearly over \$3.2 billion in annual operating revenue.**

FINANCE COUNCIL PRIORITIES FOR FISCAL YEAR 2019-2020

- **Funds for Salaries**
 - Additional Funds to keep teachers and administrators in the profession and to encourage “Millennials” to enter the profession.
 - Best and Brightest Funds should be part of the formula
- **Local Required Effort**
 - Despite FY2019 budget recommendations by the State Board of Education (SBOE), Governor, and Senate to maintain the RLE school tax rate, the Legislature ultimately followed the House’s lead to reduce the RLE to the “roll back rate” for the third consecutive year
- **Capital Funds**
 - Major Capital Maintenance
 - Funds to keep our schools safe

CHALLENGES IN FISCAL YEAR 2019-2020

- Base Student Allocation
 - \$.47 increase
- Safe School Allocation
- Mental Health Allocation
- House Bill 1279 – School District Accountability
- Review of Current Florida Price Level Index
 - Conduct a review of the current price level index methodology
- Constitutional Amendment
 - Ten Amendments and Three Joint Resolutions
 - #8 – term limits, requires civic literacy and add state control of operation of charter schools
 - #5/HJR 7001 Prohibits state tax or fee from being imposed or raised except through legislation approved by 2/3rds of each house of the legislature

ADDITIONAL ITEMS FROM LAST MEETING

- Alternative submission dates for ESE 348 and ESE 145 of the AFR
 - FRS Notes – we will use prior year's information
- Revision of Chapter 8 – Internal Accounts – Red Book

INSTITUTE OF FLORIDA SCHOOL FINANCE

Purpose

- Develop a comprehensive training program outlining school finance related topics for which participants receive a certificate after completion of the coursework and attain a successful demonstration of the course learning objectives.

Potential Benefits

- Career advancement for participants
- Enhance school district's ability to fill vacancies with qualified applicants
- Help school districts strategically develop talent
- Succession Plan

Time

- Two-Year Program
 - Meet at least quarterly

Program Structure

- Face-to-Face Training
- Online courses
- On-the-Job training
- Mentors

Tuition

- Annual Tuition per Participant

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- Members of the committee:
 - Olga Swinson, Gretchen Saunders, Susan Farmer, Merrill Wimberley, Bill Kelly, Bonnie Penner, Michael Degutis and Michele White & Dr. Juhan Mixon with FASA
- First meeting via conference call February 23, 2018
 - Discussed various tracks of training
 - Accounting, budget, debt management, collective bargaining, risk management, benefits, FEFP, school staffing, ESE, FTE, TRIM, legislation, board relations, politics and capital funding
 - Who, what, where and when of how to deliver curriculum and what to focus on
 - Decided we need a full day work session

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- Met in Marion on April 11, 2018
- Goal was to discuss the first track of training
 - What does it look like, what do we do, etc.
- First training would be concurrent with November 2018 conference
- Developed a syllabus for a two year cohort model

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- Couple training with FSFOA conferences
- Teach in teams
- Cohort size 20-25 participants
- Upon enrollment attendees sign a commitment to complete along with their immediate supervisor
- Cost of program
 - One fee (\$2,000) paid in two installments
 - Covers materials, lunch, teachers/speakers and per diem for travelers
 - Perhaps another organization could help by offering scholarships for smaller districts

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- Next Steps
 - Advertise and recruit participants for inaugural cohort
 - Settle on registration
 - Finalize curriculum before November
 - FASA involvement
 - Support marketing and promotion
 - Assist with registration
 - Locations for non-FSFOA dates
 - Maintain records

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- Year 1 Syllabus
 - Budget I
 - Day one
 - November 2018 conference
 - 4 hours on that Wednesday
 - Homework with another finance officer
 - Day two
 - 3 hours on Thursday
 - FTE projections
 - Recalibration
 - Staffing

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- Year 1 Syllabus
 - Budget II – February 2019
 - Two day session (Tallahassee)
 - Legislative session
 - FEFP
 - TRIM
 - Budget hearings
 - Capital budgeting
 - DOE meeting

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- Year 1 Syllabus
 - Budget III – June 2019
 - Budget building
 - Revenues
 - Expenditures
 - School allocations/staffing
 - Instructional programs
 - Grants
 - Fund balance analysis

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- Year 1 Syllabus
 - Budget IV – September 2019
 - Budget amendments
 - Financial reporting and analysis
 - Strategic plans
 - Transparency
 - Media and public relations
 - Soft skills

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- Year 2
 - November 2019
 - Capital resources
 - Debt management
 - Borrowing
 - Know the numbers and the documents
 - Investing
 - Ratings
 - February 2020
 - Collective bargaining
 - Boardmanship
 - Cost report

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- Year 2
 - June 2020
 - Purchasing
 - Federal grants
 - September 2020
 - Risk management
 - Internal accounts

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- If you are interested please let us know
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THANK YOU FOR YOUR ATTENTION