



Florida School Finance Officer Training

Introduction and Access

<http://fldoe.org/about-us/division-of-finance-operations/finance-officer-training.shtml>



This training protocol includes:

- Online training modules;
- Face-to-face in-service training; and
- Professional mentoring.



Training Module Access and Review

- There are ten (10) modules available for the training project with hyper-links to the modules on this project home page
- The links will permit the user to select a module to be reviewed
- Once the user has reviewed the module, return to the home page to select another module

School Finance Officer Training Modules

1. Introduction
2. State Budgeting
3. District Budgeting
4. Florida Education Finance Program
5. Full-Time Equivalent
6. Workforce

School Finance Officer Training Modules (Continued)

7. Truth in Millage
8. School Choice
9. Collective Bargaining
10. Financial Reporting and Accountability
11. Fixed Capital Outlay



State Budget Preparation Module



Annual Budget Calendar

- **June – September:** Commissioner of Education and State Board of Education budget development and approval for October 15 submission to Governor and Legislature.
- **December – January:** Preparation and release of Governor's recommended budget.
- **March – May:** Legislature prepares annual General Appropriations Act and associated legislation.
- **May:** Veto window for Governor's vetoes.



State Policy and Budget

- The only item of business the Legislature is legally required to perform annually is adopt a budget.
- If there are inconsistencies in legislation, the last bill that passes prevails.
- “Proviso” is the language in the General Appropriations Act that explains how an allocation is to be spent. It has the effect of law for that fiscal/budget year.



Florida Constitution Article IX, Section 1

“The education of children is a fundamental value of the people of the State of Florida. It is, therefore, a paramount duty of the state to make adequate provision for the education of all children residing within its borders. Adequate provision shall be made by law for a uniform, efficient, safe, secure, and high quality system of free public schools that allows students to obtain a high quality education”



Florida Funding for Education

- The General Revenue (GR) fund is the primary state-funded discretionary source for legislative appropriations.
- The state sales tax provides 73.9 percent of the GR funding.
- The K-20 Education Budget has historically been appropriated at least 50 percent of the GR funds.
- Florida Public Schools are funded with federal, state and local funds.

The Budget and Budget Process



The Budget

A budget is *never* just a series of numbers!

It should be an evolving, comprehensive fiscal document which gives life to the school board's policies, priorities and commitment to the district's children, employees, and parents.



The Budget

Should be aligned with the district's vision and mission to move the district toward achieving their goals

AND

Should reflect the involvement of the community



The Budget As An Operational Guide

The budget should reflect:

- Program goals and objectives (should be student centered decisions),
- Proposed revenues and expenditures to meet those, and
- Performance measures upon which the programs will be evaluated



Purpose of the Budget

- Reflects the district's educational philosophy
- Reflects district priorities
- Describes the education plan and resources to support the plan
- Outlines proposed district actions
- Serves as an accountability tool
- Provides information to the public



Budgeting Techniques

There are several budgeting techniques and most likely districts will use a combination of techniques in preparing a budget.

Past, Present and Future Considerations

Presentation of the Budget



Monitoring the Plan An Ongoing Process



When dealing with the
budget/financials/money
monitor, monitor and monitor

Again and again!

Florida Education Finance Program (FEFP) Module

Materials to Have at Hand Before You Begin

- Calculator
- FEFP 2nd calculation
- Print-out of this slideshow

Key FEFP Features

Funding is based on individual students and the programs in which they are enrolled and participating. The FEFP formula recognizes, among school districts, varying:

- Local property tax base;
- Education program costs;
- Costs of living; and
- Costs for equivalent education programs due to sparsity and density of student populations.

GENERAL FEFP CONCEPTS OF NOTE

- The FEFP does not include funds for school construction. Funds are only for school district operations.
- The FEFP does not represent ALL of the funding that will support education operations. Several state programs and services are funded separately from the FEFP. In addition, some federal funds are used to support education operations.

FEFP ACRONYMS

- FEFP is one of many acronyms we use to talk about funding in Florida.
- A few of the others include:
- FTE (Full-Time Equivalent Student)
- DCD (District Cost Differential)
- ESE (Exceptional Student Education)
- RLE (Required Local Effort)
- SAI (Supplemental Academic Instruction)
- FDOE (Florida Department of Education)

CONCEPTUALLY, the FEFP
formula is simple.

2014-15 FEFP Calculation

$$\text{FTE Students} \times \text{Program Weights} = \text{Weighted FTE Students} \times \text{Base Student Allocation (BSA) } \$4,031.77 \times \text{District Cost Differential (DCD) Calculation} =$$

$$\text{Base Funding} + \text{Declining Enrollment Allocation} + \text{Sparsity Supplement} + \text{0.748 Mill Discretionary Compression} + \text{State-Funded Discretionary Contribution} +$$

$$\text{Safe Schools} + \text{ESE Guaranteed Allocation} + \text{Supplemental Academic Instruction} + \text{Reading Allocation} + \text{DJJ Supplemental Allocation} + \text{Teachers Classroom Supply Assistance}$$

$$+ \text{Student Transportation} + \text{Instructional Materials} + \text{Virtual Education Contribution} + \text{Digital Classroom Allocation} + \text{Gross State And Local FEFP} =$$

$$\text{Required Local Effort Taxes} - \text{Proration To Appropriation} = \text{Net State FEFP} + \text{Lottery \& School Recognition} + \text{Class Size Reduction} = \text{Total State Funding}$$

FTE: Back to the basics

FTE SURVEYS (counts) are conducted by school districts in July, October, February and June.

FEFP Surveys & Calculations

CALCULATIONS	WHEN CALCULATED	WHEN RECEIVED
1st	As adopted during Legislative Session	Receive in April/May (after session)
2nd	July – Upon receipt of certified Tax Roll	July – Upon receipt of certified Tax Roll
3rd	After October Survey & DOE confirmation	Receive in late December
4th	After February Survey & DOE confirmation	Receive in March/April
Final (will be received in next fiscal year)	After June Survey & DOE confirmation	Receive in October of new fiscal year



An Inside Look At FTE and Student Projections



FTE – General Information

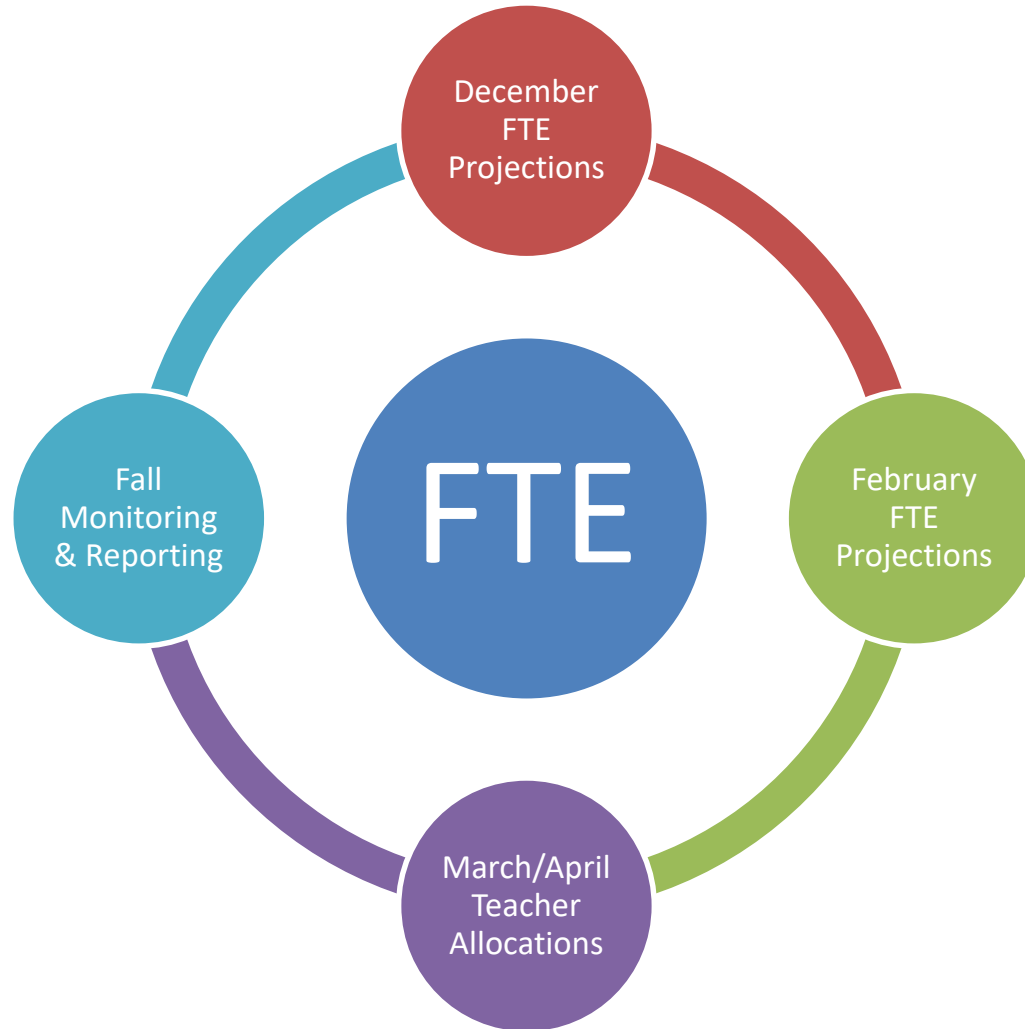
- Funds are allocated based on actual student enrollment
- The FEFP uses a unit of measure for each student called full-time equivalent (FTE)
- Each student is enrolled in one or more of seven programs
- Each program has an associated cost factor
- The cost factor reflects the relative cost of serving students in each program



FTE – General Information

- FTE is based on 180-day school year
- 5 hours per day or 1,500 minutes per week
- Hourly equivalent for K-3 grade is 720 instructional hours
- Hourly equivalent for 4-12 grade is 900 instructional hours
- A typical class that meets for 250 minutes per week is worth 0.1668 FTE
- Surveys are taken twice during the school year (October and February) and two during the summer (July and June)

FTE Projections Annual Timeline





FTE Recalibration

- F.S. requires that a student's Full-Time Equivalent (FTE) enrollment be capped at 1.0
- School districts report all FTE enrollment regardless of the 1.0 cap
- FTE recalibration is annualized (Surveys 1, 2, 3, 4)
- The 1.0 FTE cap includes:
 - All FTE instruction provided by the district of enrollment
 - All dual enrollment FTE
 - All FTE for instruction provided by other school districts, including the FLVS PT (Part-Time) Program
- DOE merges all FTE enrollment for the student by all districts, including the FLVS PT program
- If the sum of all reported FTE for the student exceeds 1.0, DOE recalibrates all reported FTE enrollment to 1.0



Virtual Education Planning

- Florida Statute revisions in 2009-2010
- High School Requirement revisions



School District Workforce Education Funding



Agenda

- District Workforce Education Funding Statutes
- Workload Funding Model
- Performance-based incentive Funding Models



Statutory Framework for District Workforce Funding

- s. 1011.80, Funds for operation of workforce education programs
- s. 1009.22, Workforce education postsecondary student fees
- s. 1009.25, Fee exemptions
- s. 1009.26, Fee Waivers
- Annual General Appropriations Act



Tuition and Fees – Technical Assistance

- The Division of Career and Adult Education releases a tuition and fees memo every year. The memos are archived here for reference:
 - <http://fldoe.org/academics/career-adult-edu/state-funding-districts/tuition-fees.shtml>



Workforce Development Fund Allocations by District

- Districts are provided allocations in this category annually for the operation of any workforce education program
- General Appropriations Act (eff 2016) - None of the funds are categorical to any particular workforce program and can be expended on any eligible workforce education program



Current* Occupational Areas Eligible for Performance-Based Incentives for Industry Certifications

Health science to include:

- Surgical technology
- Orthopedic technology
- Dental assisting technology
- Practical nursing
- Certified nursing assistant
- Medical coder/biller
- Medical assisting
- Emergency medical technician and paramedic
- Clinical lab technician
- EKG technician
- Pharmacy technician
- Clinical hemodialysis technician

**2016-17*



CAPE Postsecondary Industry Certification Funding List

- See the following web site for information on the postsecondary list:
 - <http://fldoe.org/academics/career-adult-edu/cape-postsecondary>
- This list includes both college and district eligible funding certifications



Web Resources/Contacts on Appropriations

- State Appropriations Site
 - <http://fldoe.org/academics/career-adult-edu/state-funding-districts>
- Contacts
 - Tara Goodman
 - 850-245-9001 or tara.goodman@fldoe.org
 - Tara McLarnon
 - 850-245-9005 or tara.mclarnon@fldoe.org

Florida Department of Revenue Truth In Millage (TRIM) Compliance for Schools District Training

By clicking on the web address referenced, the user will access the Florida Department of Revenue's web-based training for complying with the requirements in law for the annual process for levying property taxes for school purposes.

<http://dor.myflorida.com/dor/property/trim/training/SchoolDistrict/story.html>

Department of Revenue's TRIM Compliance for School Districts Training

- Intro
- TRIM Timetable
- TRIM Forms
- TRIM Hearing Information
- Advertising Requirements
- Resolutions/Ordinances
- Certifying Compliance to DOR
- TRIM Compliance Contacts

School Choice Module



What is School Choice?

School choice describes programs that allow students to choose to attend any of the various participating private and public schools, usually based on a system of education alternatives, vouchers, tax credits, or scholarships.

“School choice puts kids first.”



Choice Option Programs

for the 2014-15 School Year

- District Managed Choice
 - Controlled Open Enrollment
 - Special Programs
- Opportunity Scholarships
- Home Education
- McKay Scholarships
- Gardiner Scholarship Program
- Military Families
- Virtual Education
- Florida Tax Credit (FTC)
- Charter Schools



District Managed Choice

Section 1002.31, F.S.

- **Controlled Open Enrollment (COE)**
 - Districts may make student school assignments using parental choice as a significant factor.
 - If offered, district must adopt by rule and post on its website its controlled open enrollment plan.



District Managed Choice

- Special Programs
 - Magnet schools or attractor programs
 - Dual enrollment
 - Advanced Placement (AP)
 - Career and professional academies (CAPE)
 - Advanced International Certificate of Education (AICE) program
 - International Baccalaureate (IB)
 - District Innovation Schools of Technology
 - Scheduling options (e.g., block scheduling)



Virtual Education

Collective Bargaining Module



Contents

- Legal basis
- Roles and responsibilities
- Collective vs collaborative
- Determining the amount of funds available
- Determining how to distribute salary funds
- Balance between salaries and benefits
- Conclusions

Roles and Responsibilities

- PERC – oversees the bargaining process and provides rulings on unfair labor practice charges
- School Board – legislative body that provides direction to superintendent or designee regarding bargaining offers in executive session; also serves in a quasi-judicial role to resolve an impasse
- Superintendent or designee – chief executive officer representing the views of the school board
- Union Chief Negotiator – represents the positions of the bargaining unit



What Happens if the Sides Cannot Agree?

- One side declares impasse
- Mediator/special magistrate appointed
- Special magistrate holds hearings to determine facts
- Special magistrate issues recommendations
- Both sides can accept or reject all or portions
- Any disputed items are presented to the school board at a hearing
- School board decides resolution and recommends that items be sent out for ratification
- If not ratified, school board may impose for remainder of fiscal year



Determining Compensation Funds Available

- Process can vary by district and even change from year to year
- Review bargained contracts to determine if there are automatic triggers for compensation increases
- Determine school board priorities, including non-compensation items
- Determine superintendent priorities, including non-compensation items
- Determine compensation needed to attract and retain qualified staff



Determining Compensation Funds Available

- Determine anticipated General Fund revenues
 - Review information from all available sources including FELL, FSBA, FADSS, FDOE and district liaisons
 - Review Economic and Demographic Research (EDR) forecasts
 - Review Governor’s Proposed Budget
 - Review early data from legislative session from House and Senate positions
 - Review final Conference Report data from legislative session including First FEFP Calculation that includes estimated tax base and millage information
 - Review Second FEFP Calculation in July that includes actual certified tax base and millage information

Conclusions

- The funds available must be distributed based on the plan that best addresses competing priorities
- A proper balance must be achieved in compensation between salaries and benefits
- Health insurance plans may be self-insured or fully capitated, depending on the needs or circumstances of each district
- The result of a successful collective bargaining process is when the district is able to effectively accomplish student learning by recruiting and retaining a highly qualified staff



Financial Reporting and Fiscal Accountability



Financial Reporting

Sections 1010.01 and 1010.20, F.S., and Rule 6A-1.001, F.A.C.

- School districts are required to keep uniform financial accounts and reports.
- Uniform account codes are prescribed in the most recent publication titled *Financial and Program Cost Accounting and Reporting for Florida Schools* (Red Book).
- School districts must maintain cost accounting records and report on a school-by-school and on an aggregate district basis for each program funded through the Florida Education Finance Program (FEFP) and for workforce education programs.



Required Financial Reports

Sections 1011 (Part A) and 1010.20, F.S., and Rules 6A-1.006 and 6A-1.008, F.A.C.

- The superintendent must submit financial statements at least monthly to the district school board.
- The school district must prepare and adopt a budget. Expenditures may not be greater than budgeted amounts, including budget amendments.
- The annual financial report (AFR) includes various parts:
 - Detailed fund financial statements.
 - Superintendent's annual financial report.
 - Program cost report (PCR).



Accountability over Financial Reporting

Sections 1001.42(13)(b), 1011.051, 1011.10 and 218.503, F.S.

- The commissioner will appoint a financial emergency board to school districts unable to avoid a financial emergency.
- Failure to transmit required reports may result in the district school board withholding the salary of the school district superintendent or other employee.
- Salary may be withheld until reports are prepared and transmitted.
- Violations of budget and expenditure requirements are considered acts of malfeasance and misfeasance subject to removal by the Governor.
- The superintendent and members of the district school board who approve or pay any illegal charge or indebtedness are personally liable for the amount.



FEFP and Transportation Audits

Section 1010.305, F.S., and Rule 6A-1.0453, F.A.C.

- The Auditor General (AG) periodically examines student records to determine compliance with laws and rules relating to classification, assignment and verification of FTE student enrollment and student transportation reported for FEFP funding.
- Based on the findings in the auditor's report, adjustments may be made to subsequent allocations of state funds.
- The school district may request a hearing to appeal the findings.



Resources

The Auditor General website, located at www.myflorida.com/audgen/, provides guidance to both independent accountants and audited entities.

- Rules and Guidelines
- Financial Emergency Guidelines
- District School Board Significant Findings and Financial Trends
- Audit Report Review Guidelines
- Auditor Selection Guidelines
- Compliance Supplement
- Sample Management Letters

The Department of Education's Office of Funding and Financial Reporting website, located at www.fldoe.org/finance/fl-edu-finance-program-fefp, also provides resources.

- FEFP Calculations
- FTE Instructions
- Financial and Program Cost Accounting and Reporting for Florida Schools (Red Book)