

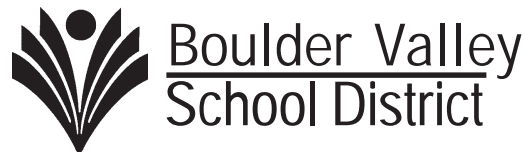
# UNDERSTANDING YOUR SCHOOL DISTRICT'S BUDGET

*April 2003*



**Boulder Valley  
School District**

Business and Financial Services  
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George F. García, Ed.D.

# Understanding Your School District's Budget

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The issues of education and your schools consistently rank as one of the top areas of interest to citizens as measured by a variety of opinion polls each year. However, you've told us the issue of school funding and school district budgets are a bit of a mystery.

That's why we've put together a pair of booklets to give you an overview of how the school funding system works in Colorado and the factors that impact how your schools receive the funds they need to produce a high quality education for the children in Boulder Valley.

We've put these booklets together because we want you to be informed about Boulder Valley's budget process. But, that's not all. We also want you to be involved in the process. The process has been revised this year to create more opportunities for community and staff input. The budget will be discussed at Board of Education in May and June. In addition, the district will host two public meetings to receive public input. All meeting dates are listed at the end of this book.

In January, we published the first of two booklets about the Boulder Valley's budget titled, "Understanding Your School District's Budget." This booklet summarized the state school finance system and the expenses and revenues of the BVSD general operating fund. The information was provided to school administrators, parents and School Improvement Team (SIT) members who participated in 2003-04 budget discussions and hearings during February and March.

This second booklet summarizes the preliminary budget which incorporates input from the budget hearings. To better understand the budget, this volume also examines the effect of charter schools on the budget, as well as the link between the central Education Center and classrooms.

For an online copy of Understanding Your School District's Budget, January 2003, and the complete district budget, visit the BVSD web site at [www.bvsd.k12.co.us](http://www.bvsd.k12.co.us)

# Where Are We in the Budget Process?

The school district budget gets a lot of attention in the spring when it is presented to the Board of Education for approval. However, the budget development process actually begins in the fall each year. The budget is a dynamic plan for balancing revenues with expenditures. It is monitored and adjusted over a two-year cycle. The illustration on pages 10 and 11 shows how the District's budget develops over time.

## REVENUE ASSUMPTIONS

School Finance Act (SFA)	
Funded Pupil Count:	26,475
Per Pupil Revenue:	<u>X \$ 5,895</u>
2003-04 SFA:	<b>\$ 156,070,125</b>
Less: (last year's SFA) 2002-03 SFA:	<b>\$ 153,645,483</b>
Increase in SFA:	<b>\$ 2,424,642</b>

New revenues are offset by declines in other revenue such as specific ownership tax and loss of enrollment.

## LOSS IN REVENUE DUE TO ENROLLMENT DECLINE

2002-03 Averaged Funded Pupil Count:*	26,677
2003-04 Averaged Funded Pupil Count:	<u>26,475</u>
Difference:	- 202
Multiply by \$5,895:	<b>\$ 1,190,790</b>

\*Note: To allow school districts time to downsize to accommodate declining revenues due to enrollment loss, the School Finance Act allows districts to average the funded pupil count for five years (current and four prior). Boulder Valley benefited from averaging this year (2002-03). We have fewer students than last year, and we are predicting further decline in enrollment in 2003-04 and will average again. The actual funded pupil count for 2003-04 is predicted to be 26,300, but with averaging we will get funding for 26,475.

## November

Business and Financial Services staff estimate revenues and expenditures to determine how much money will be available for employee salaries and benefits. Staff start with the current year's budget as a base for developing the following year's. Preliminary estimates are based on projections of enrollment, anticipated state funding, inflation and operating costs. The district will not know if the estimates are accurate, and the actual budget amount, until the following October when student enrollment is counted by the state.

Contract negotiations begin. Employee associations meet with district representatives to discuss salary increases and other compensation for the next year.

The budget development calendar is presented to the Board for approval.

## December

Business and Financial Services staff distribute budget worksheets to department directors and school principals and set dates for department and school budget hearings.

# Where Are We in the Budget Process?

## January

At the beginning of the calendar year, district staff prepare a mid-year analysis of the current year's budget based on actual enrollment and revenues received. Estimated ending balances in the Revised Adopted Budget become the starting balances for the next year. The mid-year analysis also shows staff how accurate their budget estimates have been and where changes may need to be made for the next year.

This year's mid-year analysis showed that the District would end the year with a \$3.4 million deficit. This deficit can be attributed to declines in Specific Ownership Tax (SOT)(vehicle registration fees), decline in enrollment, textbooks, miscalculations of Broomfield property taxes and salaries that are greater than budgeted. To mitigate the anticipated shortfall, the Board deferred implementation of some components of the 2002 Referendum, reducing the deficit by \$1.4 million.

In general, the District is facing a discouraging financial climate as it prepares the budget this year. The lagging economy is affecting revenues at the state level. Over 87 percent of the district General Operating Fund revenues come from state level decisions. State rescissions for 2002-2003 are still anticipated. The state budget for 2003-04 also faces shortfalls. To accommodate its budget short falls, the legislature has changed the interpretation of Amendment 23 as funded through the School Finance Act.

The economic picture isn't any better locally either. Revenues from specific ownership tax, interest earnings and property tax collections all continue to decline. In addition, the district is experiencing, decreasing overall district enrollment while charter enrollment grows.

<b>2002-2003 MID-YEAR ESTIMATE</b>		
<b>Revenues:</b>		
Revenue Shortfall: (Specific Ownership Tax (Vehicle Registration), Enrollment, Textbooks, Broomfield property tax)		<b>&lt; \$ 2,947,919 &gt;</b>
<b>Expenditures:</b>		
Salaries Greater than Budget:		<b>&lt; \$ 449,243 &gt;</b>
Mid-year projected deficit:		<b>&lt; \$ 3,397,162 &gt;</b>
Deferred 2002 Referendum Programs:		<b>\$ 1,400,000</b>
<b>Projected deficit at end of 2002-03:</b>		<b>&lt; \$2,000,000 &gt;</b>

# Where Are We in the Budget Process?

## February

The Superintendent's Budget Team (made up of the Superintendent, Deputy Superintendent, Chief Operations Officer and Chief Financial Officer) meet with school principals, parent representatives and department directors to discuss services and suggested budget reductions. Beginning this year, the budget process has incorporated more school and community input.

Resources/Revenues	In Millions
Beginning Balance:	< \$ 2.0>
Referendum:	14.3
Reserve Carry Forward:	8.6
Revenues:	
School Finance Act:	155.9
Categoricals:	6.4
Overrides / Referendum:	32.5
Other:	3.0
<b>Total Resources:</b>	<b>\$ 218.7</b>

Expenditures	In Millions
Base:	\$ 158.4
Compensation Increase:	\$ 4.3
Adjustments to Base:	
Decline in Enrollment:	< 1.0>
Textbooks:	0.5
SRA :	0.3
Fuel / Contracts:	0.2
Other:	0.3
	\$ 163.0
Referendum:	14.4
<b>Total Expenditures:</b>	<b>\$ 177.4</b>

Summary	In Millions
Resources:	\$ 218.7
Less:	
Expenditures:	177.4
Reserves:	8.9
Transfers:	19.0
Referendum Reserve:	15.8
<b>Total General</b>	
<b>Ending Fund Balance:</b>	<b>&lt;\$ 2.4&gt;</b>
Possible increase in expenditures due to change in state low interest loan program	<\$ 0.5>
<b>Total:</b>	<b>&lt;\$ 2.9&gt;</b>

Reserves and Transfers	In Millions
Reserves:	
2% Contingency, 3% TABOR:	<b>\$ 8.9</b>
Transfers:	
Current Base:	<b>17.4</b>
Additional to Cap Reserve and Insurance Reserve:	<b>0.1</b>
Additional to Charters:	<b>1.5</b>
<b>Total Transfers:</b>	<b>\$ 19.0</b>

# Where Are We in the Budget Process?

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## March

The Business and Financial Services staff prepares a preliminary budget based on the needs and priorities discussed during the budget hearings. The preliminary budget is a “best guess” of future revenue, enrollment and expenses. Determining available revenue is one of the most difficult parts of budget development. The largest portion of revenue is distributed to districts through the Colorado School Finance Act which is based on the number of students who will be enrolled the following October. This state funding formula typically is not finalized by the legislature until May.

## What Happened to Inflation Plus 1 Percent?

While the increase to base funding state-wide is still at inflation plus 1 percent as required by Amendment 23, the amount that Boulder Valley will receive per pupil is actually less. Each year, the legislature sets the base funding for every school district in the state. The School Finance Act outlines a formula that evaluates various factors and determines the cost for providing an equitable educational experience in each school district. Additional funding is added to the base according to the formula. To mitigate the state’s economic difficulties, the legislature changed the formulas that are used to calculate additional funding added to the base. The result of this change is that Boulder Valley will receive an increase in funding that is less than inflation plus 1 percent.

<i>Current School Finance Act ...</i>	<i>2002-03</i>	<i>2003-04</i>
State-wide Base:	\$ 4,442	\$ 4,570
% increase:		2.9%
Boulder Valley School District:	\$ 5,759	\$ 5,895
% increase:		2.36%

<i>Factors for BVSD ...</i>	<i>PPR</i>	<i>2003-04</i>	<i>Difference</i>
Statewide Base:	\$4,570	\$121.0 MM	\$ 0
Personnel, Non-Personnel, and Cost of Living:	\$ 1,076	\$28.5 MM	\$ 0
Size:	\$167	\$4.4 MM	<\$672,681>
At-Risk:	\$82	\$2.2 MM	<\$150,187>
<b>Total Program Funding:</b>	<b>\$5,895</b>	<b>\$ 156.1 MM</b>	<b>&lt;\$822,868&gt;</b>

# Where Are We in the Budget Process?

## April

The superintendent and Business and Financial Services staff present the preliminary budget to the Board of Education. The preliminary budget is based on the best guesses staff is able to make at this time about enrollment, economic conditions and state funding.

### ADMINISTRATIVE/SUPPORT RELATED REDUCTIONS

	Amount	New General Fund Balance
Deficit:		<\$2,921,834>
40.775 FTE Staff:	\$ 2,203,701	<\$ 718,133>
Non-Personnel:	263,020	<\$ 455,113>
Total:	\$ 2,466,721	<\$ 455,113>

In addition to the predicted \$2.4 million shortfall in the 2003-2004 budget, the district anticipates new state regulations to be implemented next year which will charge the district \$500,000 in loan interest. This brings the total anticipated shortfall to \$2.9 million. To balance the budget, staff has proposed over \$2.4 million in budget cuts, which includes 40.75 positions. **Reductions totalling \$455,113 are still needed to balance the 2003-2004 budget.**

In addition to the low interest loan bill, the Colorado legislature is still discussing several bills which will significantly influence school funding for next year, including the School Finance Act. More cuts may be needed depending on the outcome of the current session. The outcome of contract negotiations will also influence decisions as the budget is finalized.

## May

The legislative session ends. The Board of Education continues its discussion of the budget, weighing new developments at the state capital and staff and public input. Two community meetings are scheduled for the board to hear citizen input about spending priorities. The meetings will be held on the following dates:

- May 19, Fairview High School, 7-8 p.m.
- May 21, Angevine Middle, 7-8 p.m.

# Where Are We in the Budget Process?

	02-03 BUDGET	Percent of 02-03 Budget	Percent Reduction to Date	Percent of Total Cut <sup>4</sup>
<b>INSTRUCTION</b>	<b>88,841,097</b>	<b>52.08</b>		
Regular Education	84,551,505	49.57	0.32	11.14
Vocational Education	2,425,478	1.42		
Co-Curricular Education and Athletics	980,072	0.57		
Talented and Gifted Education	884,042	0.52		



<b>SPECIAL INSTRUCTION</b>	<b>25,125,255</b>	<b>14.73</b>	<b>0.90</b>	<b>9.18</b>
Special Education	21,048,297	12.34		
Literacy and Language Support Services	4,076,958	2.39		



<b>INSTRUCTIONAL SUPPORT</b>	<b>11,609,365</b>	<b>6.81</b>		
Student Services	4,523,213	2.65		
Instructional Staff Support	7,086,152	4.15	10.11	29.04



<b>SCHOOL ADMIN AND OPERATIONS</b>	<b>33,368,992</b>	<b>19.56</b>		
School Administration	12,933,951	7.58		
Operations and Maintenance	14,835,232	8.70	4.43	26.67
Student Transportation	5,599,809	3.28		



<b>DISTRICT WIDE SERVICES AND COMMUNITY OBLIGATIONS</b>	<b>11,630,614</b>	<b>6.82</b>		
General Administration	2,417,024	1.42	5.08	23.97
Business Services	1,983,946	1.16		
Central Services	5,864,061	3.44		
Enterprise Operations (PRINT SHOP)	67,197	0.04		
Community Services	13,500	0.01		
Adult Basic Education	32,388	0.02		
Debt Services (PAYMENTS ON DEBT)	1,252,498	0.73		



100%

Total Reductions to Date = \$2,466,721

## Footnotes

- 1 Category is a grouping of like SRE accounts within the CDE Chart of Accounts.
- 2 Group is a direct title of the SRE (Special Reporting Element) within the CDE Chart of Accounts.
- 3 Program is the Program or Project title from the CDE Chart of Accounts.
- 4 Refers to the percentage of the total of proposed budget cuts

# Where Are We in the Budget Process?

## PROPOSED BUDGET CUTS TO THE GENERAL OPERATING FUND

Category	Program	FTE	Savings (Cost)
Central Administration	Legal Services	0.100	11,576
	Gen Admin Support Services	0.600	37,216
	Elementary Ed Support	1.000	119,521
	Secondary Ed Support	0.500	47,653
	Planning Services	0.500	19,680
	STEP - Senior Tax Exchange	-	13,500
	K-CARE	-	-
	Switchboard Services	1.125	39,637
	Human Resources	1.200	39,681
	Information Systems Svcs	1.500	131,963
	Financial Accounting Svcs	0.100	10,525
	Employee Insurance Svcs	1.000	91,293
	Warehouse/Distributing	1.000	43,024
	Telecommunications	1.000	(14,038)
		Subtotal	9.625
School Admin & Operations	Admin Maintenance & Ops	-	7,000
	Maintenance & Ops	5.000	307,432
	Admin Maintenance & Ops	0.500	19,000
	Maintenance & Ops	9.250	324,483
	Subtotal	14.750	657,915
Instructional Support	American Indian Student Improvement Instr. Svcs	0.500	13,956
	Curriculum Development	5.000	343,320
	Staff Development	1.000	93,681
	Staff Development	-	18,000
	Cultural Diversity	1.000	68,451
	Curr. Development Council	1.000	34,430
	Teacher Assistance Prog.	2.000	100,000
	Evaluation Instr. Svcs.	-	14,000
	Technology Training	0.250	10,193
	Internet Support Services	0.500	20,386
	Subtotal	11.250	716,417
Special Instruction	Special Education	0.600	36,637
	Admin Special Education	1.100	85,412
	Admin LLSS	1.000	70,438
	Gen Preschool Education	0.450	34,000
	Subtotal	3.150	226,487
Instruction	Struggling Readers	-	150,000
	Sunset	2.000	114,671
	Other Gen Education	-	10,000
	Subtotal	2.000	274,671
	Total	40.775	2,466,721

# Where Are We in the Budget Process?

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## June

By law, the Board of Education must approve the budget by June 30 even though actual enrollment and revenue will not be final until October.

## July

Final ending balances for last year's budget calculated.

Start spending out of new budget.

## October

October 1 is the official pupil count date. The budget adjusted to accommodate for differences between enrollment projected in June and current counts as well as revised prior year estimates of ending balances to the actual balances as of June 30.

## November

Colorado Department of Revenue confirms enrollment figures and funding and the process begins again for the next year.

Business and Financial Services staff estimate revenues and expenditures to determine how much money will be available for employee salaries and benefits. Preliminary estimates are based on projections of enrollment, state funding, inflation and operating costs. Contract negotiations begin between employee associations and district representatives to discuss salary and benefits for the next year.

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## BUDGET WILDCARDS

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The *Colorado Legislature* has yet to decide on several bills that will dramatically affect BVSD's 03-04 budget:

**Low/No Interest Loan Program:** the state may decide to start charging school districts interest on loans. This could cost BVSD **\$500,000** next year.

**Summer Salary Accrual:** the legislature is contemplating requiring districts to budget on the modified accrual basis. This could cost BVSD **\$16 million** over 10 years.

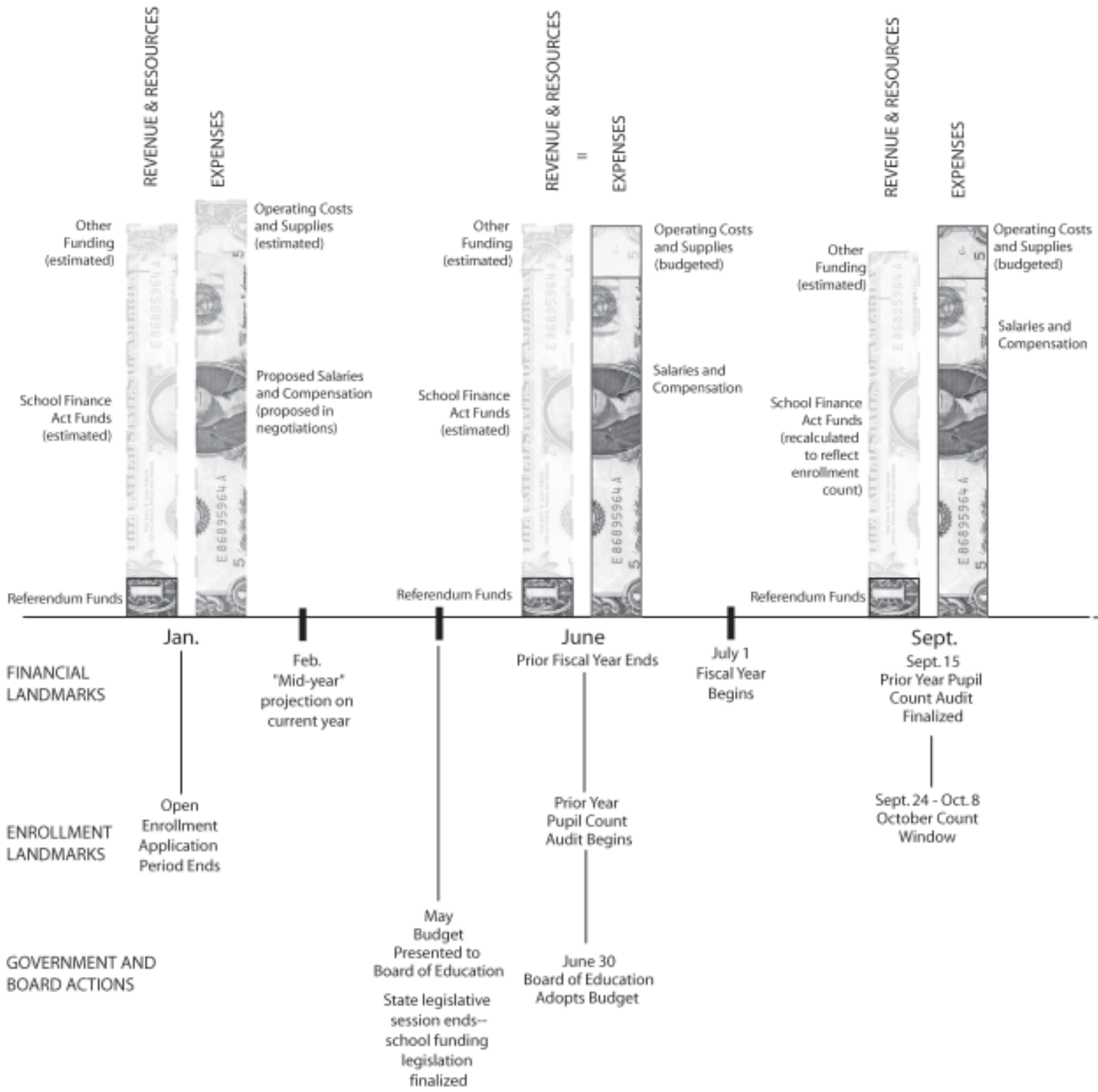
**School Finance Act:** the legislature has not finalized the formulas which will determine how much funding school district's will receive next year.

**Contract Negotiations:** The district has earmarked \$4.3 million of Referendum 3A money for staff compensation. However, an arbitrator has been brought in to help settle contract negotiations. The terms of the settlement could require the district to make further reductions in the budget to pay for additional compensation.

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# Budget Development

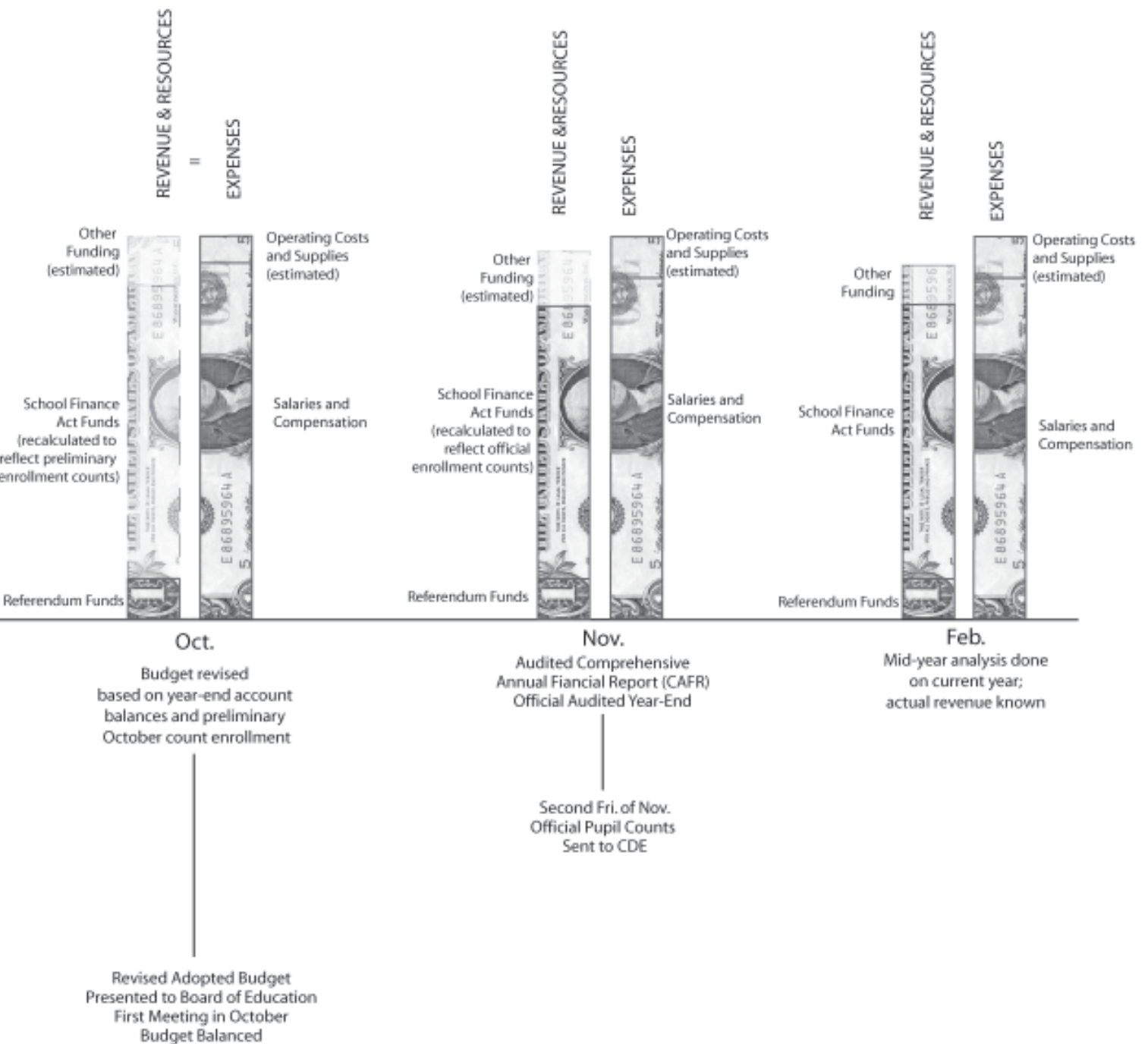
The budget is a plan for balancing  
The plan is based on estimates of data that be



# oment Timeline

ng expenditures with revenues.

ecome better known as the year progresses.



# Strong District Support Keeps Teachers in Front of Kids

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Many things need to happen behind the scenes in order to ensure that your child and your child's teacher can do what they need to do in the classroom everyday. Many of these things are obvious—school buses, hot lunches, textbooks and supplies. However, many of them are not so evident—compliance with Federal and state regulations such as Section 504/Americans with Disabilities Act and the Colorado Basic Literacy Act, handling payroll, administering CSAP testing, receiving state accreditation, repairing and maintaining buildings, etc. Simply put, Education Center staff takes care of the rules, regulations and paperwork so that teachers and students can concentrate on the important business at hand—learning.

Some of the services supplied everyday by the Ed Center to support learning at schools include:

## **Administration and Operations**

- |                                 |                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Business and Financial Services | Budget and account for over \$250,000,000, assist with annual audit, pay bills; write paychecks; purchase textbooks, paper, paper towels and other supplies; maintain and repair copy machines, plan the budget, and write reports as required by Taxpayers Bill of Rights (TABOR), School Finance Act and other state and federal laws. Collect and manage funds from the 1998 and 2003 Referenda, etc. |
| Community Schools               | Rent school facilities for public use, hire and supervise staff for kindergarten and after-school child care programs, and coordinate Lifelong Learning classes for the community, etc.                                                                                                                                                                                                                  |
| Distribution & Printing         | Print school materials such as staff and student handbooks, staff directory, and enrollment forms; deliver mail, textbooks, furnishings and supplies to school sites, fulfill special jobs for schools, etc.                                                                                                                                                                                             |
| Human Resources                 | Post job vacancies, take applications, interview candidates, hire staff, maintain employee files,                                                                                                                                                                                                                                                                                                        |

# Strong District Support Keeps Teachers in Front of Kids

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negotiate employee work agreements, and ensure compliance with state and federal laws related to access of services and non-discrimination, etc.

**Information Services** Maintain the district computer network; provide technical support for schools, repair and install computers, printers and networks; install software; manage e-mail system and district web site; maintain the telephone system, manage student and district database warehouse, etc.

**Operational Services** Keep schools clean, safe and secure; repair school facilities, cook and serve lunch, drive buses, plan remodeling and building projects, etc.

**Risk Management** Sign up employees for health insurance and other benefits, assist employees injured on the job, maintain property and liability insurance, handle all insurance claims, hire and supervise school nursing services, etc.

## **Deputy Superintendent's Office Educational Programs**

**Elementary Education** Hire and evaluate elementary principals, manage open enrollment, determine school staff allocations, write state and federal reports, and fulfill state accreditation requirements, supervises open enrollment office, etc.

**Learning Services** Write and implement curriculum, plan and oversee staff development, direct special programs such as reading and English as a Second Language, ensure equitable distribution of money and materials to all schools, oversee Talented and Gifted program, write state and federal reports as required by law. Ensure compliance with new regulations associated with the Colorado Basic Literacy Act, etc.

# Strong District Support Keeps Teachers in Front of Kids

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**Planning & Assessment** Collect and analyze student data to prepare required state and federal reports, supervise administration of CSAP and other state and national tests, prepare achievement reports and analysis, ensure compliance with state and federal laws and accreditation requirements, etc.

**Secondary Education** Hire and evaluate middle and high school principals, oversee student activities and athletics, determine school staff allocations, write state and federal reports, etc.

**Special Education** Hire special education teachers and specialists, oversee student referral and evaluation, assist in student placements and allocation of needed staff, oversee preparation and compliance with Individual Education Plans for all students receiving services, write state and federal reports, and ensure compliance with all requirements under the federal Individuals with Disabilities Education Act, etc.

## **Superintendent's Office**

**Superintendent** Organize board meetings, prepare reports and requests for information as requested by board members, fulfill directives of the board of education, ensure district compliance with all state and federal laws and board policies related to educational programs, students, operations and finances. Work with state legislature, state board of education and state educational organizations, etc.

# Strong District Support Keeps Teachers in Front of Kids

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## Communications Services

Inform staff and the community about the actions and activities of the district. Produce district publications such as BVSD On the Inside, staff directory, newcomer packets, school accountability reports and district accountability reports. Respond to media requests for interviews and information and coordinate media coverage of events. Publicize school events and assist principals with building-level promotions and communications. Coordinate broadcast of Board of Education meetings. District surveys, etc.

## Legal Counsel

Review and write district policies to meet state and federal laws; respond to lawsuits and litigation, ensure compliance with all state and federal laws and district policy Section 504/ Americans with Disabilities Act

By handling many of these tasks in-house, the district saves money and often gets more service for its dollars. For example, the district could hire a cleaning crew to do custodial work instead of hiring custodians. However, by having full time personnel, there is always someone available to take care of extra tasks that come up, like setting up chairs for evening meetings or cleaning up spills in the cafeteria.

The Preliminary 2003-2004 Budget presented to the board at its April 3 work session includes \$2.5 million in reductions including more than 40.775 staff positions in reductions. The budget includes drastic measures to attempt to balance the budget during a time of reduced revenues and increasing costs. Cuts have been made primarily at the Education Center. In addition, \$5.8 in expenditures has already been cut from the 2001-2002 and 2002-2003 budgets.

# Strong District Support Keeps Teachers in Front of Kids

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Central administrative positions funded out of the district's general operating fund are actually less today than they were in 1988. However, in 1988, the district had 40 schools and an FTE student population of 20,934. This is compared to 57 schools of today and a current student enrollment of 26,636. In addition, the administrative responsibilities of the district have increased dramatically since 1988. Following is a list of additional responsibilities:

## What's New Since 1988

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- New regulations associated with Section 504/Americans with Disabilities Act
- New regulations associated with the Colorado Basic Literacy Act
- Standards based education
- TABOR – requires new budget processes and monetary reserves
- Open enrollment and schools of choice
- Charter schools
- Changes to state accreditation requirements
- Adopted state standard chart of accounts
- 1998 Referendum
- 2003 Referendum
- CSAP testing
- Changes in the state School Finance Act
- Bilingual education
- Increased Federal regulations, including Omnibus Transportation Employee Testing Act, Gun-Free Schools Act, Children's Online Privacy Act, Digital Millennium Copyright Act and the Equal Access Act among others
- No Child Left Behind Act
- Increased state requirements
- Increase in district's total square footage of building space
- Increased number of school sites
- Demographic changes including a growing number of second language learners and low income students.
- Increased litigation
- Technology advancements
- Data for analysis
- District surveys
- State reporting requirements
- Increased need for safety and security
- Increased need for environmental responsibility
- Relationship development with municipalities
- Board policy reviews/revisions (32)

# What is the impact of charter schools on BVSD finances?

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## What is a charter school?

Colorado law provides for many educational choices for parents. Charter school is one of them. In Colorado, a charter school is a public school operated by a group of parents, teachers and/or community members as a semi-autonomous school of choice within a district. The school operates under a contract or “charter” between the members of the charter school community and the local board of education. Each student, parent and teacher chooses to be there. The charter spells out the school goals, standards, education design, governance and operations.

Local boards of education are required under the law to consider all charter applications that meet the guidelines set out in the Charter Schools Act. However, the law allows local boards of education to reasonably limit the number of charter schools in the district. On May 28, 2002, the Boulder Valley Board of Education adopted a moratorium limiting the number of charter schools in the district to the five that were existing at that time and stating the Board shall not grant any applications for new charter schools after that date.

## Who pays for charter schools?

Charter schools are funded with public tax dollars just as other public K-12 schools are. Districts are required to allocate a minimum of 95 percent of the per pupil revenues received. Boulder Valley has a uniform funding formula for all of its charter schools that allocates 100 percent of the per-pupil revenues, and a portion of the 1991, 1998 and 2002 referenda funds. The law does not require that referenda dollars are shared. The district also charges for more services than the state specifies.

For example, for the current school year, Boulder Valley received \$5,755 per student from the School Finance Act sources (state aid, local property tax, and specific ownership tax). The five charter schools receive the same amount per student as well as a per-student share of the 1991 referendum and a share of 1998 and 2002 referenda for specific programs offered at the schools. With a total charter school enrollment of 1,707 students, BVSD transferred a total of \$11,531,643 from the general operating fund to the charter schools this year. The numbers change each year but the trend is an increasing share of the general operating budget goes to support charter schools in BVSD.

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“Higher charter school enrollments require higher general operating fund transfers. The result is a reduced general operating fund for the remainder of the district and loss of flexibility in spending.”

*2002 study of charter school impact by Augenblick & Myers Inc. of Denver.*

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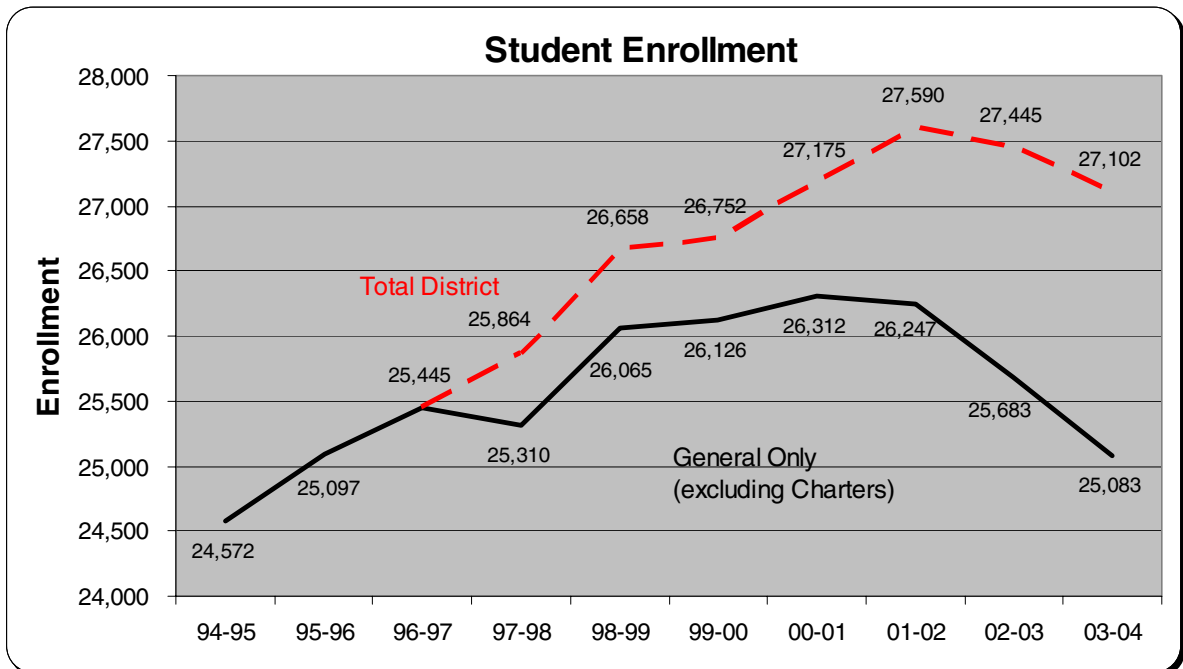
# What is the impact of charter schools on BVSD finances?

The district also retains \$2.6 million for administrative services provided to the charter schools, such as payroll, accounting, purchasing, insurance services, student data management, technical support, special education.

Since 1997, charter school enrollment has increased each year. BVSD enrollment projections estimate an 11 percent growth next year, despite a moratorium on new charters and the closing of one school. This year, 6.5 percent of BVSD students attend charter schools. Next year, the rate is expected to climb to 7 percent, a rate considered a reasonable limit in the Charter School Moratorium resolution approved by the board last spring.

<b>FUNDED PUPIL COUNT</b>	<u>2002-03</u>	<u>2003-04</u>
District Averaged Funded Pupil Count:	<b>26,677</b>	<b>26,475</b>
Charter:	<b>1,704</b>	<b>1,930</b>
Remaining General:	<b>24,973</b>	<b>24,545</b>
Reduction in General Students:		<b>&lt; 428 &gt;</b>
Multiply by \$5,895:		<b>&lt; \$ 2,523,060 &gt;</b>

Note: The funded pupil count is the number the state uses to determine funding. It refers to the number of full time students enrolled in a district. Because not all students (kindergartners for example) attend school on a full-time basis, the funded pupil count total can be different from the total enrollment.



Note: Figures are enrollment headcount, not funded pupil count (FTE).

# Upcoming Budget Meetings

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The following two community meetings are scheduled for the Board to hear citizen input about spending priorities:

- May 19, Fairview High School, 7-8 p.m.
- May 21, Angevine Middle, 7-8 p.m.

The Board will discuss the budget at their regular meetings on the following dates:

- May 27, Education Center Board Room, 6 p.m.
- June 10, Education Center Board Room, 6 p.m.
- June 24, Education Center Board Room, 6 p.m.



This booklet was produced by the Business and Financial Services and Communications Divisions of Boulder Valley School District as a service to the Boulder Valley community. Questions concerning it's content can be directed to the Business and Financial Services Division at 303-447-5193.