

Draft Updated May 14, 2018

Policy

The District shall, on no less than an annual basis, prepare and communicate a plain language overview of the District's financial position and demonstrate how school funding aligns with the District's Mission and Vision Statements. The basic elements of the overview will include, but is not necessarily limited to:

- 1) an executive summary, including a financial calendar;
- 2) a discussion on how funding and expenditures align with the District's Mission and Vision Statements;
- 3) a discussion regarding performance to budget, including material variances;
- 4) a discussion on current and anticipatory debt;
- 5) a discussion on fund balance projections, including the likelihood, if any, when a referendum might be required;
- 6) a discussion of relevant comparative measures between the District and like districts;
- 7) an easy to navigate area dedicated to the financial transparency documents and containing all official public financial documents; and
- 8) any other relevant issues to be disclosed. The communication will be made using any combination of communication means and methods to ensure high visibility to the families, residents, and stakeholders of the District.

Commented [BS1]: While we currently put our budgets, AFR's, etc. on the website, there was nothing in the previous draft of the policy that called that out. Also ,currently our financial documents are spread out in multiple places.

Commented [BS2]: Changed constituents to families and residents to explicitly list residents as separate from families.

Reference: Section 1:30
Section 8:10

Implementing Procedure: Communication Plan and Elements of Communication

- 1) The Summary should be developed in consultation with various committees, subcommittees and other stakeholders.
- 2) Published on Website, Social Media, emails to families, and to residents and businesses that opt in.
- 3) Executive Summary (including opportunities and risks to the District) and a calendar
- 4) How do funding and expenditures align with the District's Mission & Vision Statements?
 - a. Are we providing and budgeting funds effectively?
 - b. Are we spending funds efficiently?
 - i. How Does the District Compare to Like Districts?
 1. average teacher salary
 2. class sizes
 3. operating tax rates
 4. operating expense per pupil
 5. debt
 6. capital expenses
 - c. Are we providing Adequate Resources?
 - i. overall adequacy for the district

Commented [BS3]: Make sure that residents and businesses are included.

- ii. fte vs. program dollars (26 elements)
- d. Is Funding Allocated on an Equitable Basis?
 - i. Comparison among the 8 elementary schools
 - ii. Comparison among the 2 middle schools
 - iii. Comparison among disaggregated groups (i.e. low income, ELL, Special ed).
- 5) Budget and Performance to Budget
 - a. Budget Communication
 - i. Does the Budget project a deficit or surplus?
 - ii. Reserves?
 - iii. What are the funding source assumptions that went into the budget?
 - iv. What are the risks and uncertainties that the District is challenged with?
 - v. How will the Budget impact priorities and programming?
 - b. Budget Progress
 - i. How are we doing?
 - 1. Are we meeting targets to avoid/delay a referendum?
 - 2. Are we meeting Levy Targets?
 - 3. Are we meeting Fund Balance Targets?
 - 4. Are we meeting Debt Service Targets?
 - 5. Are we meeting non-Property Tax Revenues?
 - a. Other Local Revenue (TIF Agreements, Fees, etc.)
 - b. State – EBF amounts
 - c. State Funding Outside of EBF
 - d. Federal Funding
 - e. Non-Profit Funding
 - ii. Are there variances in our assumptions?
 - 1. Negative Variance
 - a. Are any revenues down by more than the lesser of X% or \$X?
 - b. Are any expenses up by more than the lesser of X% or \$X?
 - 2. Positive Variances
 - a. Are any revenues up by more than X%?
 - b. Are any expenses down by more than X%?
- 6) Bonds and Financing
 - a. Where are we on our Capital Plan?
 - b. How Much Debt have we issued?
- 7) Fund Balance. Discuss the fund balance and relevant trends or projections
 - a. Including the likelihood, if any, when a referendum might be required;
- 8) Comparative measures between the District and similar districts, to be selected by a reasonable process.

Potential References: <https://www.isbe.net/Documents/ISBE-Site-Based-Expenditure-Reporting-Guidance.pdf>

Commented [BS4]: While the levy is are our largest source of revenue, the other sources of revenue shouldn't be excluded.

Commented [BS5]: Relevant ISBE reference. Other documents that are found should be added over times.