



TACOMA SCHOOL DISTRICT FINANCIAL HEALTH INDICATORS

OSPI Report

Fiscal Year 2021-22



Financial Health Indicators

- These indicators provide a view of the district's overall financial health as measured by the Office of Superintendent of Public Instruction (OSPI). This tool was developed by OSPI in response to school district insolvency concerns. To develop the indicators, OSPI uses data from every school districts' prior year financial reporting and is used by Tacoma Public Schools to assess the financial health of the district and as a comparator to other districts in the state. The information used for this report was published by OSPI on February 24, 2023, and includes data from the most recently completed prior fiscal year (2021-22).
- This data:
 - *Assign a financial health score based on data as of the end of the school fiscal year*
 - *Identify districts that are facing potential financial difficulties*
 - *Allow users to compare a district's financial indicator score over time*

Financial Health Indicators

The fiscal indicators utilized in this tool:

1. *Fund Balance to Revenue Ratio: measures what percentage of a district's revenues it currently has "in reserve".*
2. *Expenditures to Revenues: measures whether expenditures were greater or less than the amount of revenue the district brought in.*
3. *Days Cash on Hand: measures the number of days a district could operate if all funding were to dry up suddenly.*
4. *F195F 4-year Budget Summary Plan: measures how many years a district has reported having a negative fund balance deficit in its F195F report. (metric added to financial health indicators in 2017-18)*

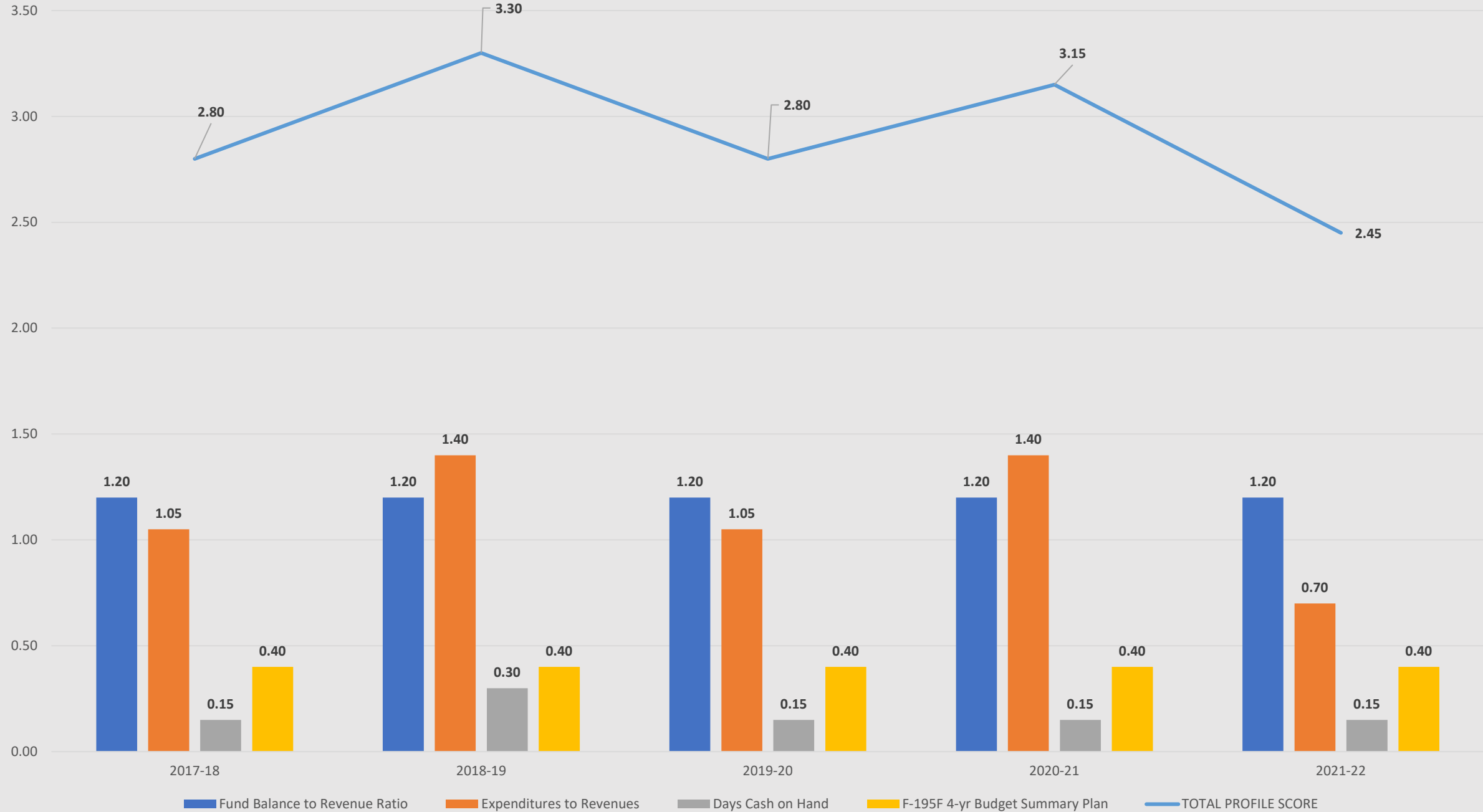
A value is calculated for each of these indicators, which is then weighted. These values are added together to arrive at the district's financial indicator score for each school year.

Financial Health Total Weighted Average

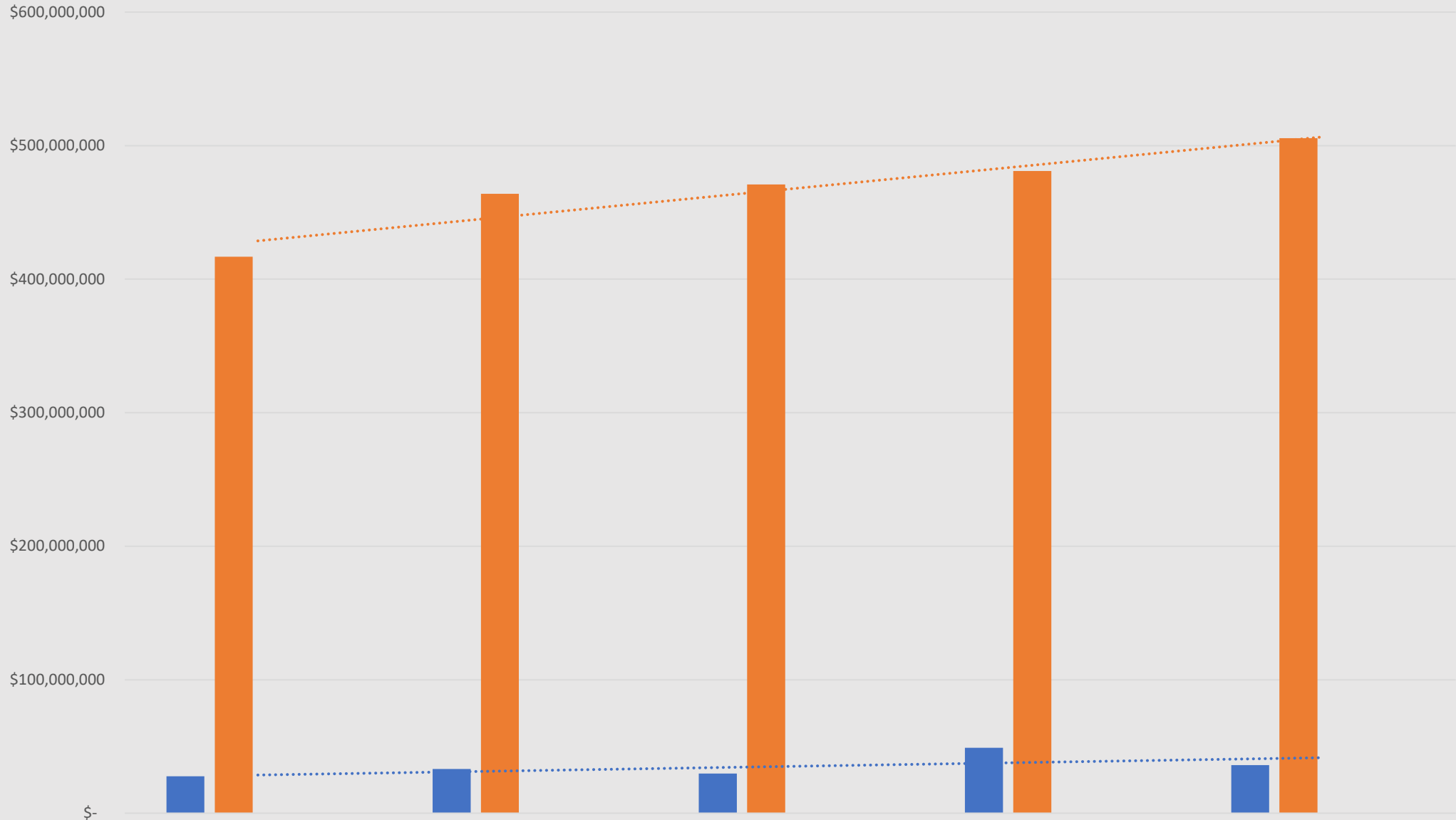
Matrix of Possible Scores					
<u>Category/Weighting</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>0</u>
Fund Balance to Revenue Ratio/40%	1.60	1.20	0.80	0.40	0.00
Expenditures to Revenues/35%	1.40	1.05	0.70	0.35	0.00
Days Cash on Hand/15%	0.60	0.45	0.30	0.15	0.00
F-195F 4-yr Budget Summary Plan/10%	0.40	0.30	0.20	0.10	0.00

Tacoma School District Weighted Score	2017-18	2018-19	2019-20	2020-21	2021-22
Fund Balance to Revenue Ratio	1.20	1.20	1.20	1.20	1.20
Expenditures to Revenues	1.05	1.40	1.05	1.40	0.70
Days Cash on Hand	0.15	0.30	0.15	0.15	0.15
F-195F 4-yr Budget Summary Plan	0.40	0.40	0.40	0.40	0.40
TOTAL PROFILE SCORE	2.80	3.30	2.80	3.15	2.45

Tacoma School District Weighted Score Trends

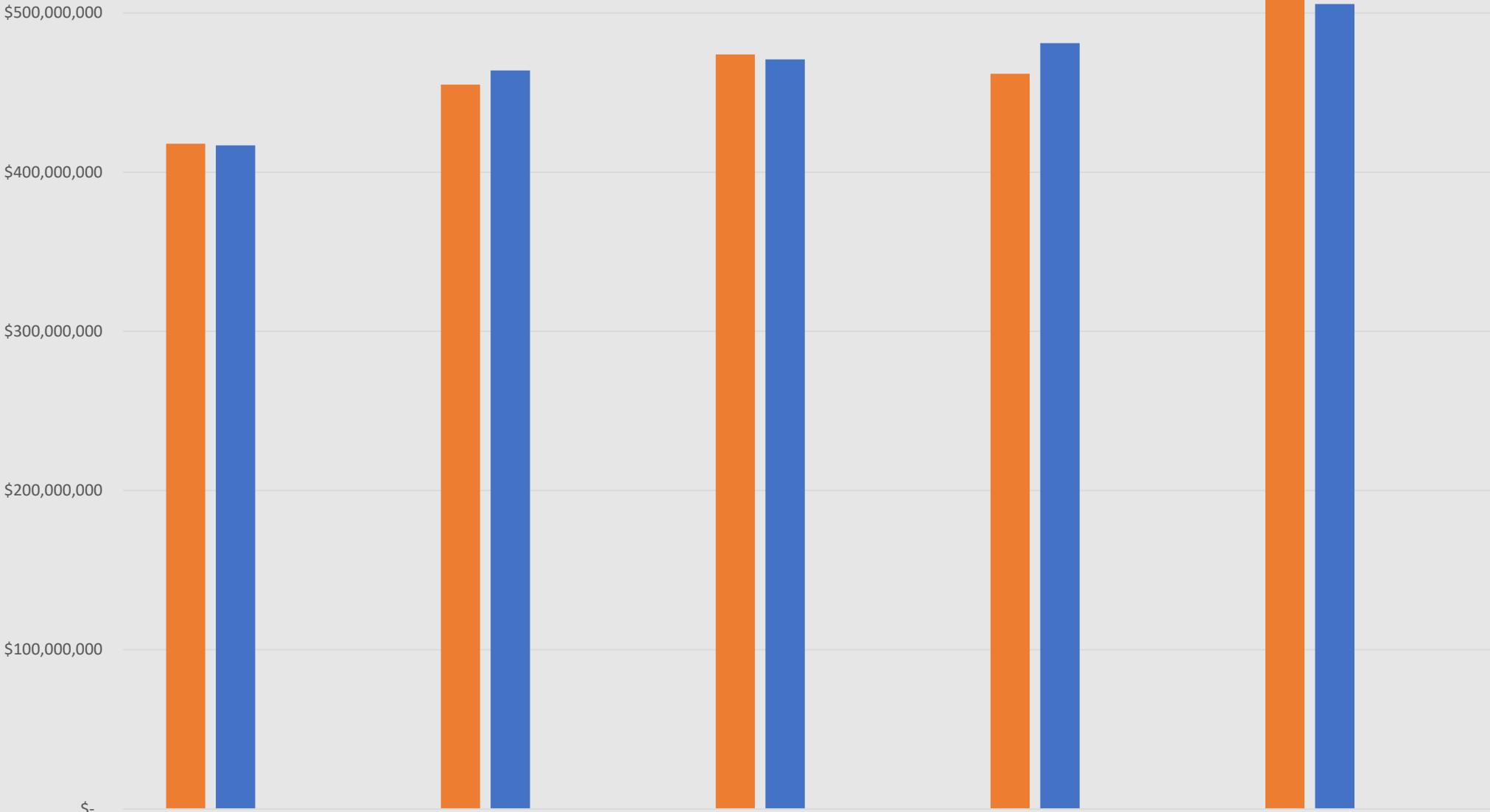


Fund Balance to Revenue Ratio



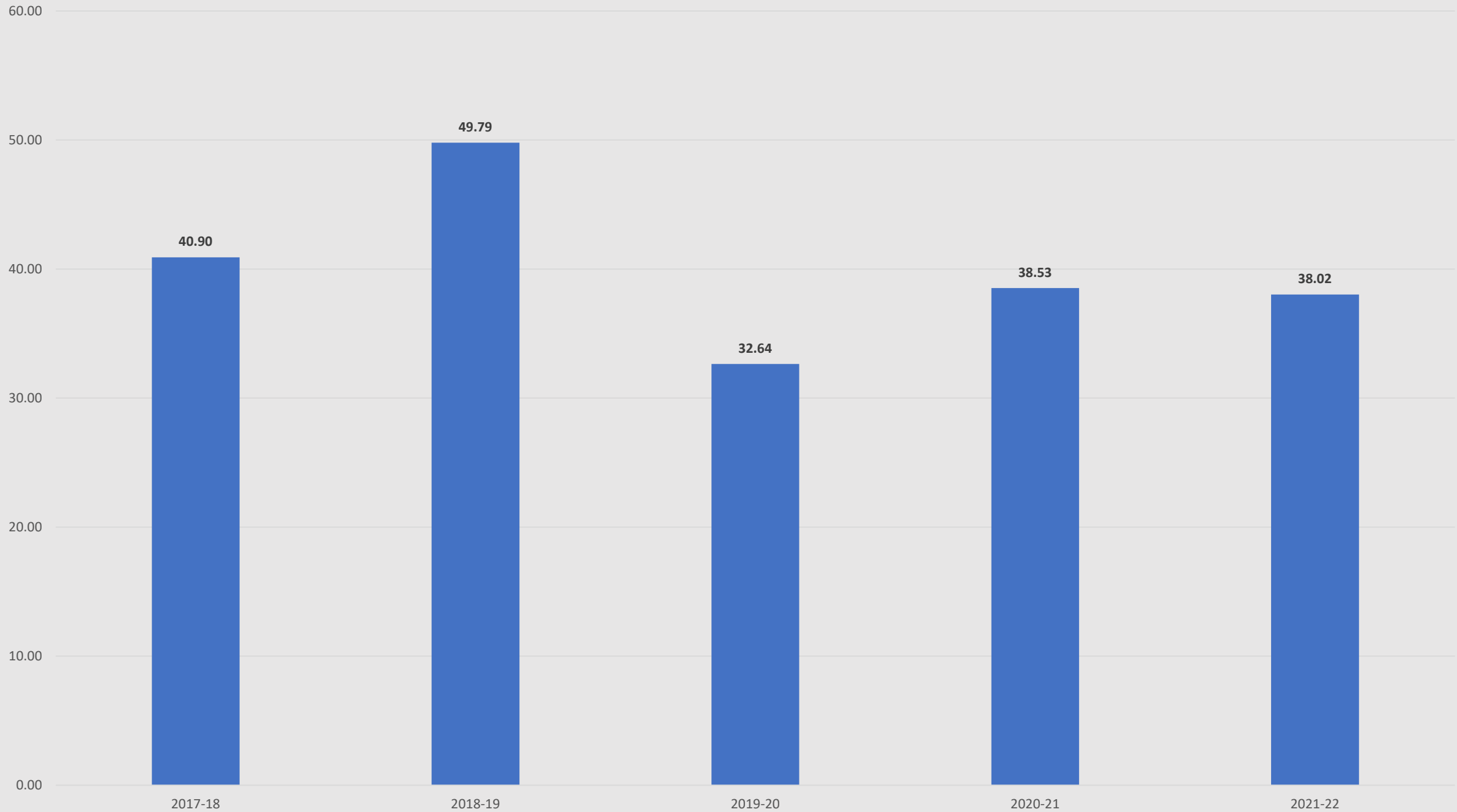
- "Unrestricted" Fund Balance
- Total Revenues and Other Financing Sources
- Ratio
- Score

Expenditure to Revenue Ratio

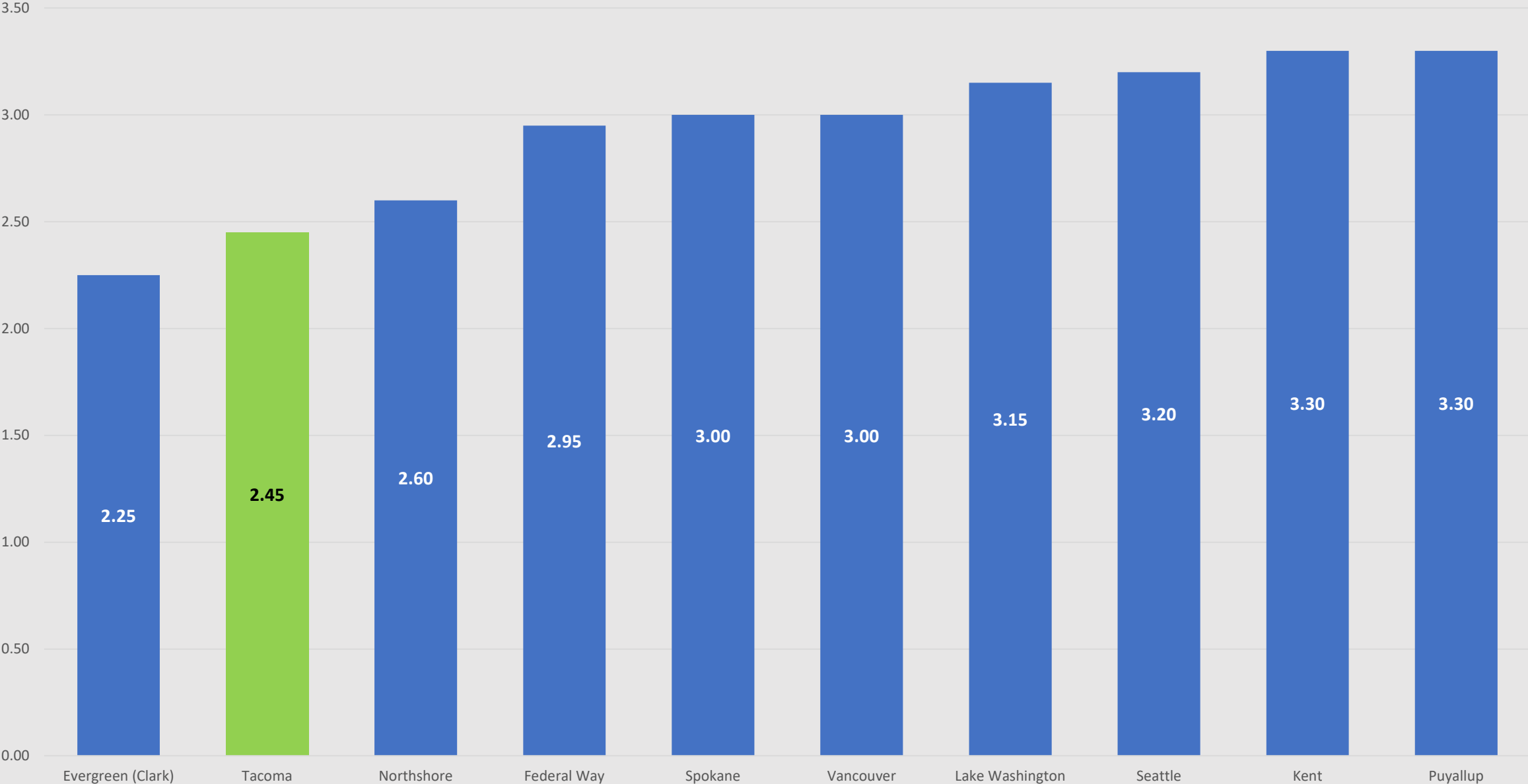


- Total Expenditures
- Total Revenues and Other Financing Sources
- Ratio
- Score

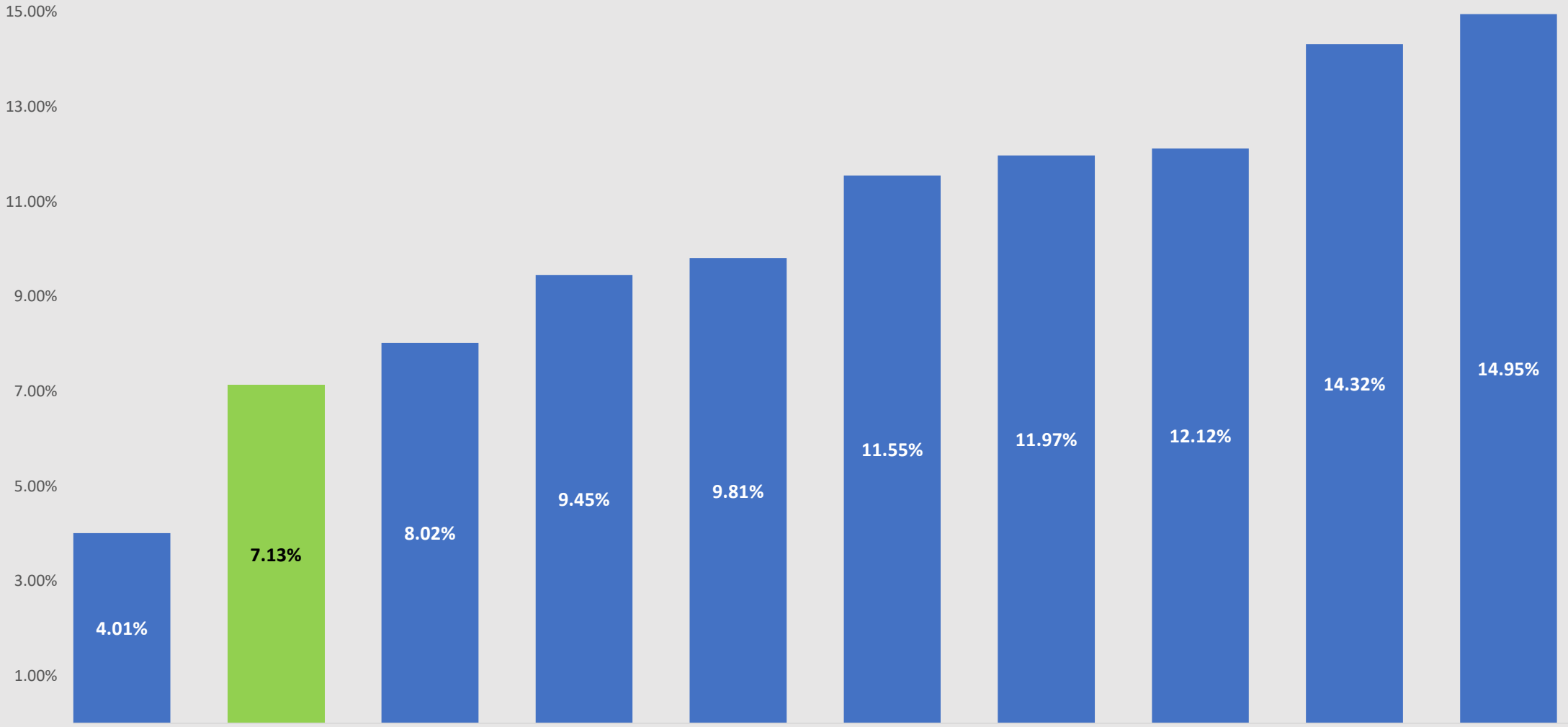
Days Cash on Hand



Top 10 Comparison 2021-22 OSPI Total Profile Score

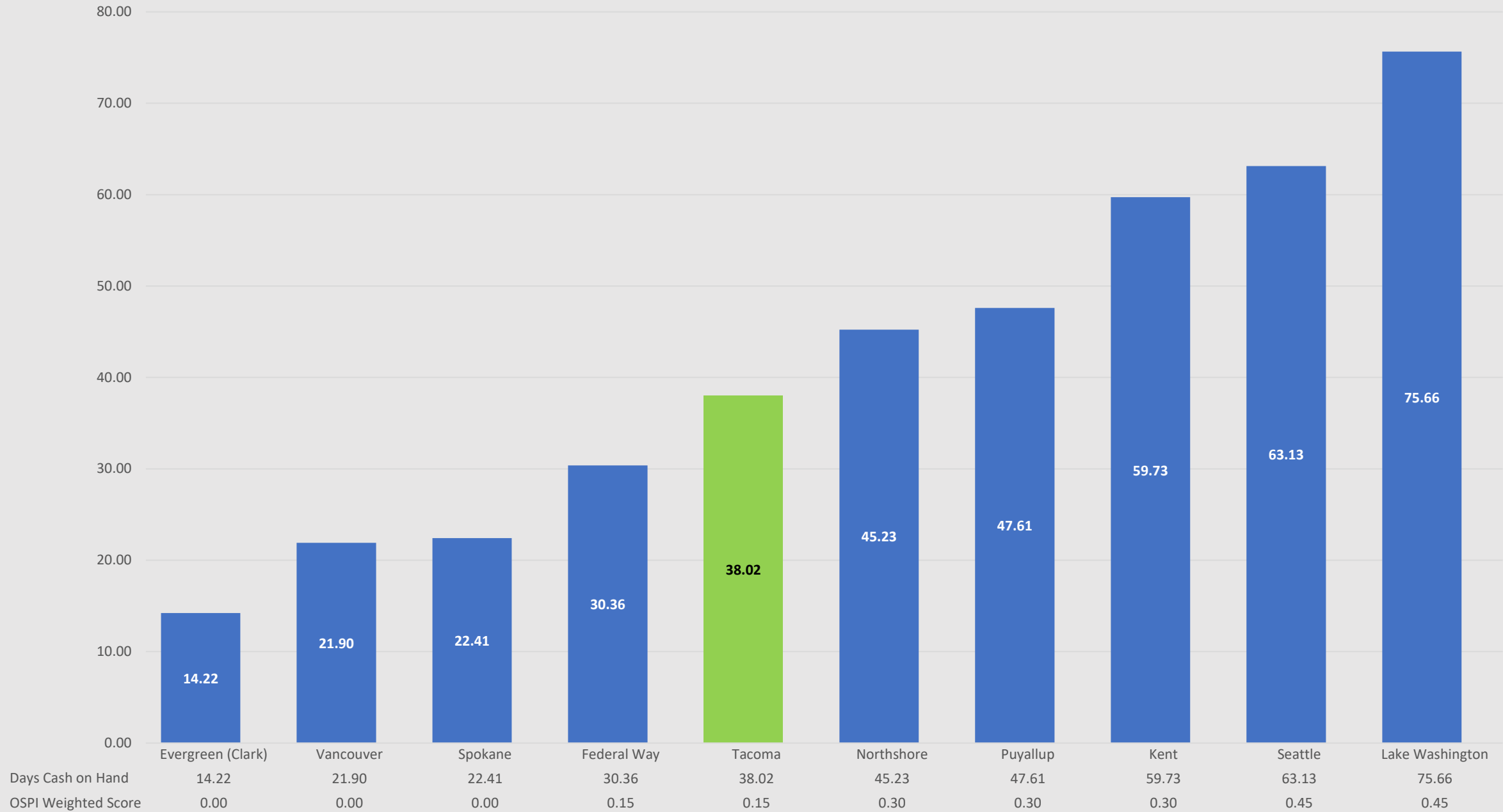


Top 10 Comparison 2021-22 Fund Balance to Revenue Ratio



■ 2021-22	Evergreen (Clark)	Tacoma	Vancouver	Northshore	Spokane	Puyallup	Kent	Federal Way	Lake Washington	Seattle
	4.01%	7.13%	8.02%	9.45%	9.81%	11.55%	11.97%	12.12%	14.32%	14.95%
OSPI Weighted Score	0.80	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.60	1.60

Top 10 Comparison 2021-22 Days Cash on Hand



Top 10 Comparison Consecutive Years with a Deficit Fund Balance

Note – Only Federal Way and Seattle reported a negative fund balance in their F195F 4-year Budget Summary Plan

