

Monitoring Report: Financial Well Being

Report Date: February 2023

I. Overview

Financial Well-Being

- The Board of Education and all district employees are good stewards of the financial resources belonging to the district on behalf of students and taxpayers.
- All district funds and expenditures are handled equitably, efficiently, transparently, responsibly, and purposefully to maximize the benefit for all students.
- All district fiscal transactions are legal, ethical, and appropriate in keeping with district regulations and goals.
- Long-term financial stability and accountability has been established, maintained, and actively monitored in order to accomplish Board of Education End Goals.

Associated Executive Limitations:

- EL-14: Budgeting
- EL-15: Financial Administration
- EL-16: Asset Protection

II. Board of Education Ends Monitoring

Policy End: (V-A) - The Board of Education and all district employees are good stewards of the financial resources belonging to the district on behalf of students and taxpayers

Interpretation:

We have interpreted “The Board of Education and all district employees are good stewards of the financial resources belonging to the district on behalf of students and taxpayers” to mean the ability to concentrate funding where it will do the most good, while also being efficient with taxpayer dollars.

Evidence -

- a. **Adopted Budget** - District has adopted a budget for the current fiscal year in alignment with Board policy and state law.
[District Adopted Budget](#)
 - [FY 2022-2023 - Final Revised Budget](#)
 - [FY 2022-2023 - Adopted Executive Summary](#)
 - [FY 2021-2022 Revised Use of Beginning Fund Balance Resolution.pdf](#)
- b. [DCSD Financial Transparency page](#) - The purpose of this page is to provide free public access to district financial information on-line, in a downloadable format. This page is in compliance with Colorado’s Public School Financial Transparency Act.
- c. [Detailed Expenditures](#) - The purpose of this page is to provide public access to district expenditures.

Policy End: (V-B) - All district funds and expenditures are handled equitably, efficiently, transparently, responsibly, and purposefully to maximize the benefit for all students.

Interpretation:

We have interpreted “All district funds and expenditures are handled equitably, efficiently, transparently, responsibly, and purposefully to maximize the benefit for all students” to mean the District financial transparency webpage is kept up to date, regular

reports are given to both the Fiscal Oversight Committee and the Board of Education and appropriate support is maintained for all transactions. Additionally, budget allocations to schools are handled through a formula generated by a cohort of principals and district leaders with supporting documentation for all allocations for the purpose of serving the unique needs of each student in alignment with the district's Mission and Vision. A Budget Guidance Manual and training is available for all budget owners documenting the allocation process and procedures for the fiscal year.

Evidence -

- a. [Fiscal Oversight Committee \(FOC\)](#) - The primary function of the FOC is to assist the Board of Education in fulfilling its fiscal oversight responsibilities with integrity and reliability. The FOC is intended to facilitate communication between the District and all concerned parties.
- b. [DCSD Quarterly Financial Statements](#) - The purpose of these statements is to provide quarterly updates on the status of DCSD finances. These statements are presented to the Fiscal Oversight Committee (FOC) and voted on as part of the BOE consent agenda. These statements are also posted on the district website.
- c. Board of Education Presentations - DCSD Staff provides frequent updates to the BOE via memos, emails and presentations.
 - [January 25, 2022](#)
 - [April 12, 2022](#)
 - [April 26, 2022](#)
 - [May 24, 2022](#)
 - [June 21, 2022](#)
 - [September 27, 2022](#)
 - [November 15, 2022](#)
- d. Site Based Budgets
- e. [DCSD Financial Transparency page](#) - The purpose of this page is to provide free public access to district financial information on-line, in a downloadable format. This page is in compliance with Colorado's Public School Financial Transparency Act.
- f. [Detailed Expenditures](#) - The purpose of this page is to provide public access to district expenditures.

Policy End: (V-C) - All district fiscal transactions are legal, ethical, and appropriate in keeping with district regulations and goals.

Interpretation:

We have interpreted “All district fiscal transactions are legal, ethical, and appropriate in keeping with district regulations and goals” to mean the District remains in compliance with audit, grant and other laws and policies, including those monitored by outside agencies.

Evidence -

- a. [District Financial Audit](#) - The purpose of Comprehensive Annual Financial Reports is to provide accurate and meaningful information concerning the District's financial condition and performance. State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.
 - [FY 2022 CDE Audit Accreditation Report.pdf](#)
 - [Fiscal Health Calcs 21-22.pdf](#)
 - [FY2022 audit FOC Memo to the Board.pdf](#)
 - [2022 Annual Comprehensive Financial Report Draft.pdf](#)

- b. [Fiscal Oversight Committee \(FOC\)](#) - The primary function of the FOC is to assist the Board of Education in fulfilling its fiscal oversight responsibilities with integrity and reliability. The FOC is intended to facilitate communication between the District and all concerned parties.

- c. **Investment Monitoring** - District actively monitors investment portfolio and provides [Investment Performance Reports or Statements](#). (The purpose of these reports is to provide updates on the performance of district investments.)

Policy End: (V-D) - Long-term financial stability and accountability has been established, maintained, and actively monitored in order to accomplish Board of Education End Goals.

Interpretation:

We have interpreted “Long-term financial stability and accountability has been established, maintained, and actively monitored in order to accomplish Board of Education End Goals” to mean fund balances are maintained as required by law as well

as those established by the Board of Education and that expenditures are analyzed with respect to the budget on a regular basis. Best practices set by the school finance community and recommended by the Colorado Department of Education are considered when evaluating fund balance thresholds and long range forecasts.

Evidence -

- a. **District Financial Audit** - The purpose of Comprehensive Annual Financial Reports is to provide accurate and meaningful information concerning the District's financial condition and performance. State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.
 - [FY 2022 CDE Audit Accreditation Report.pdf](#)
 - [Fiscal Health Calcs 21-22.pdf](#)
 - [FY2022 audit_FOC Memo to the Board.pdf](#)
 - [2022 Annual Comprehensive Financial Report Draft.pdf](#)
- b. **Investment Monitoring** - District actively monitors investment portfolio and provides [Investment Performance Reports or Statements](#). (The purpose of these reports is to provide updates on the performance of district investments.)
- c. **Master Capital Plan** - District developed and updated a [Master Capital Plan](#) in collaboration with the Long Range Planning Committee. The Douglas County School District Master Capital Plan encompasses a five-year period and represents an important tool in the district's planning decisions. It is used to identify and prioritize school sites for future schools in order to satisfy student enrollment needs. It is also used to prioritize funding for capital reinvestment and new construction. Recognizing that school facilities must adapt to fluid educational requirements and the district exists in a dynamic community, it is imperative that planning for future educational and facility needs of the district is ongoing. This document is updated on an annual basis in coordination with the Long Range Planning Committee.
- d. **Mill and Bond Oversight** - District partners with the Mill and Bond Oversight Committee to provide frequent updates on mill and bond spending in alignment with the ballot language
 - [Mill and Bond updates](#) - The purpose of this page is to provide updates to bond projects.

- [Bond Construction and Improvement Reports](#) - The purpose of these reports is to provide monthly Bond updates for each school.
- [Mill and Bond Oversight Committee](#) - The charge of the MBOC is to become familiar with the Mill Levy Override (MLO) and bond (Bond) program and project list, monitor the progress of the improvements and programs being implemented, ensure MLO/Bond expenditures are in alignment with ballot language approved by voters.

e.

III. Executive Limitations Monitoring

- IV. EL-14: Budgeting
- V. EL-15: Financial Administration
- VI. EL-16: Asset Protection

EL - 14: Budgeting	
EL-14: Financial planning for any fiscal year will comply with district policy, including the Board's Ends policies, ensures a positive sustainable financial condition, and be derived from a three-year plan for the General Fund.	
Interpretation: The Superintendent will .	
Measure	Status
<p>Adopted Budget - District has adopted a budget for the current fiscal year in alignment with Board policy and state law.</p> <p>District Adopted Budget</p> <ul style="list-style-type: none"> ● FY 2022-2023 - Final Revised Budget ● FY 2022-2023 - Adopted Executive Summary ● FY 2021-2022 Revised Use of Beginning Fund Balance Resolution.pdf 	Compliant
<p>DCSD Financial Transparency page - The purpose of this page is to provide free public access to district financial information on-line, in a downloadable format. This page is in compliance with Colorado's Public School Financial Transparency Act.</p>	Compliant

Detailed Expenditures - The purpose of this page is to provide public access to district expenditures.	Compliant
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EL - 15: Financial Administration	
EL-15: With respect to the actual, ongoing condition of the district's financial health, the Superintendent will administer efforts to assure fiscal conditions that are consistent with achieving the Board's Ends policies, respecting the Board's ultimate authority to determine financial matters of the district, furthering the long-term financial health of the district, and maintaining accuracy of spending from the annual budget or budget policy adopted by the Board.	
Interpretation: The Superintendent will .	
Measure	Status
District Financial Audit - The purpose of Comprehensive Annual Financial Reports is to provide accurate and meaningful information concerning the District's financial condition and performance.	Compliant
DCSD Quarterly Financial Statements - The purpose of these statements is to provide quarterly updates on the status of DCSD finances.	Compliant
FY 2022 CDE Audit Accreditation Report.pdf	Compliant

EL - 16: Asset Protection	
EL-16: The Superintendent administers efforts to assure that district assets are reasonably protected, adequately maintained, and appropriately used by the school community.	
Interpretation: The Superintendent will .	
Measure	Status
Investment Monitoring - District actively monitors investment portfolio and provides Investment Performance	Compliant

Reports or Statements . (The purpose of these reports is to provide updates on the performance of district investments.)	
Insurance Coverage?	Compliant
Policy DJ Supplier Spend Threshold Agenda Items <ul style="list-style-type: none"> • June 20, 2023 • April 25, 2023 • March 28, 2023 • February 28, 2023 	Compliant

Appendix A - Snapshot of DCSD Budget

SUMMARY OF COMBINED GENERAL FUNDS 2022-2023 ADOPTED BUDGET

	General Fund (10)	Outdoor Education Fund (13)	Capital Projects Fund (14)	Full Day Kindergarten Fund (15)	Transportation Fund (25)
Beginning Fund Balance	\$ 143,550,156	\$ 160,512	\$ 15,371,685	\$ -	\$ 5,763,873
Revenues					
Property Taxes	\$ 293,229,894	\$ -	\$ -	\$ -	\$ -
Specific Ownership Taxes	32,258,980	-	-	-	-
Other Local Income	27,996,843	1,584,600	2,414,302	-	1,578,554
Intergovernmental	389,207,004	-	-	-	5,451,354
Other	-	-	-	-	-
Total Revenues	\$ 742,692,721	\$ 1,584,600	\$ 2,414,302	\$ -	\$ 7,029,908
Expenditures					
Salaries	345,128,581	778,746	-	-	12,663,695
Benefits	127,829,415	279,033	-	-	6,056,724
Purchased Services	36,443,303	143,047	-	-	5,205,260
Contracts w/ Charter Schools	171,958,065	-	-	-	-
Supplies	36,481,513	244,742	-	-	3,171,000
Equipment	-	5,500	5,403,702	-	1,100,000
Other	2,701,770	69,871	-	-	(439,200)
Total Expenditures	\$ 720,542,647	\$ 1,520,939	\$ 5,403,702	\$ -	\$ 27,757,479
BOE Contingency	\$ 6,042,300	\$ -	\$ -	\$ -	\$ -
Net Income/(Loss)	\$ 16,107,774	\$ 63,661	\$ (2,989,400)	\$ -	\$ (20,727,571)
Transfers In/(Out)	(23,834,504)	23,084	792,834	-	15,620,238
Net Change in Fund Balance	\$ (7,726,730)	\$ 86,745	\$ (2,196,566)	\$ -	\$ (5,107,333)
Ending Fund Balance	\$ 135,823,426	\$ 247,257	\$ 13,175,119	\$ -	\$ 656,540
TABOR Reserve	18,310,000	-	-	-	-
BOE Reserve	18,310,000	-	-	-	-
School Carry Over Reserve	22,458,498	-	1,125,088	-	-
Medicaid Carry Over Reserve	1,968,380	-	-	-	-
Assignment of 2018 Mill Levy Override	8,462,901	-	-	-	-
Mental Health and Security Grant	627,410	-	-	-	-
Enrollment Reserve	2,432,000	-	-	-	-
Multi-Year Lease Reserve	3,782,903	-	-	-	-
SPED/Mental Health Reserve	1,718,645	-	-	-	-
Ending Fund Balance - after reserves	\$ 57,752,689	\$ 247,257	\$ 12,050,031	\$ -	\$ 656,540

- *General Fund 10 - accounts for 74% of all the financial activity in the District inclusive of teacher salary and benefits as well as supplies and services*
- *Outdoor Education Fund 13 - accounts for the financial activity associated with Stone Canyon Outdoor Adventures, a District program providing outdoor educational experiences to 5th and 6th grade students*
- *Capital Projects Fund 14 - accounts for the financial activity associated with building remodels, equipment purchases and technology devices with a value of \$5,000 or more*
- *Full Day Kindergarten Fund (FDK) 15 - accounted for the financial activity associated with the FDK tuition based program at many of the District elementary schools. This fund was discontinued with implementation of state-funded FDK.*
- *Transportation Fund 25 - accounts for the financial activity associated with transporting students to and from school as well as field trips and athletic events*