

A woman with glasses and braided hair, wearing a green dress, is speaking in a classroom. The background shows a whiteboard and a desk with a laptop. The image is dimly lit, with a red banner overlaid on the top half.

Leverage data to drive strategic financial investments

Lisa Bracken - Chief Financial Officer

One District. One Goal. Every Child.

A COMMUNITY OF BELIEVERS GETTING BACK TO BASICS

Our Strength is Our Team

Atlanta's students will have effective and engaged teachers, leaders, and staff.

- Increase concentration of highly-effective teachers and leaders
- Prioritize engagement and retention for staff
- Grow and promote strong teachers, leaders, and staff

Our Responsibility Is Shared

Atlanta's students will have supportive families, communities, and partners.

- Build meaningful partnerships
- Expand Atlanta Partners for Education (APFE) impact
- Increase access and engagement for families and communities

Our System Is Efficient & Effective

Atlanta's students will have the schools and resources they need to succeed.

- Maximize facility usage for the student and community good
- Leverage data to drive strategic financial investments
- Implement sustainability initiatives

We Are Strengthening Our Instructional Core

Atlanta's students will have high-quality instruction, materials, and targeted support.

- Implement high-quality, relevant, and engaging instructional materials and professional learning in all core content areas
- Target resources towards subgroups (eg. exceptional education, English learners, economically-disadvantaged)
- Accelerate early learning

We Are Caring For Every Child

Atlanta's students will have trusted, supportive adults meeting their unique needs.

- Expand strategies that reduce chronic absenteeism and disproportionate discipline
- Implement systematic culture and climate strategies
- Increase student access to trusted and reliable adults (eg. mentors, coaches, counselors)

We Are Sparking Student Curiosity

Atlanta's students will have access to explore and expand their passions and interests.

- Promote robust arts, athletics, world language, and enrichment offerings
- Expand access to high-interest and workforce-ready offerings (e.g. career programs and pathways, advanced coursework)
- Explore specialized and innovative school models (eg. School of the Arts)



MONTHLY FINANCIAL UPDATE

FINANCE DIVISION

Lisa Bracken, Chief Financial Officer

November 5, 2025

One District. One Goal. Every Child.

Agenda

Purpose

To provide an update on district financials, request budget adjustments and review FY2027 timeline

Roadmap

- FY2026 Monthly General Fund Financials
- Quarterly Student Activity Report
- Proposed Budget Adjustments
- FY2027 Budget Development Update

Administration's Takeaways

Information regarding current general fund financials and FY2027 draft budget parameters and timeline

**FY 2026 Revenue Activity for Period Ending
Consolidated General Fund
September 30, 2025 - Compared to Budget - Unaudited
(\$Millions)**

	FY26 <u>Budget</u>	FY26 YTD <u>Actual</u>	FY26 YTD <u>Variance</u>	FY26 YTD <u>% of Budget</u>
Local Taxes	\$ 988.08	\$ 31.91	\$ 956.17	3.23%
State	258.26	31.04	227.22	12.02%
Other/Transfers	<u>28.25</u>	<u>1.12</u>	<u>27.13</u>	3.93%
Total Revenue	\$ 1,274.59	\$ 64.07	\$ 1,210.52	5.03%
Use of Fund Balance	<u>13.50</u>	<u>0.00</u>	<u>13.50</u>	N/A
Total Resources	<u>\$1,288.09</u>	<u>\$ 64.07</u>	<u>\$ 1,224.02</u>	4.97%



**FY 2026 Revenue Activity for Period Ending
Consolidated General Fund
September 30, 2025 - Compared to Prior Year - Unaudited
(\$Millions)**

	FY26 YTD <u>Actual</u>	FY26 YTD % of <u>Budget</u>	FY25 YTD <u>Actual</u>	FY25 YTD% of <u>Budget</u>	FY26 VS <u>FY25</u>	FY26 Remainder of <u>Year</u>	FY25 Remainder of <u>Year</u>	FY26 VS <u>FY25</u>
Local Taxes	\$ 31.91	3.23%	\$ 15.68	1.66%	\$16.23	\$ 956.17	\$ 928.78	\$27.39
State	31.04	12.02%	29.44	11.97%	1.60	227.22	216.59	10.63
Other/ Transfers	<u>1.12</u>	<u>3.93%</u>	<u>2.84</u>	<u>6.93%</u>	<u>(1.72)</u>	<u>27.13</u>	<u>38.09</u>	<u>(10.96)</u>
Total Revenue	\$ 64.07	5.03%	\$47.96	3.89%	\$16.11	\$ 1,210.52	\$ 1,183.46	\$27.06
Use of Fund Balance	<u>0.0</u>	0.0%	<u>0.0</u>	0.0%	<u>0.0</u>	<u>13.50</u>	<u>88.08</u>	<u>(74.58)</u>
Total Resources	<u>\$ 64.07</u>	4.97%	<u>\$47.96</u>	3.89%	<u>\$16.11</u>	<u>\$ 1,224.02</u>	<u>\$ 1,271.54</u>	<u>(\$47.52)</u>



**FY 2026 Expenditure Activity for Period Ending
Consolidated General Fund
September 30, 2025 - Compared to Budget - Unaudited
(\$Millions)**

	<u>FY26 Budget</u>	FY26 YTD <u>Actual</u>	FY26 YTD <u>Variance</u>	FY26 YTD <u>% of Budget</u>
Instruction	\$ 831.51	\$ 155.69	\$ 675.82	18.72%
Pupil Services	80.54	13.29	67.25	16.50%
Staff Services	71.50	13.54	57.96	18.94%
School Administration	57.66	14.16	43.50	24.56%
General Administration	72.44	13.43	59.01	18.54%
Student Transportation	44.77	8.82	35.95	19.70%
Maintenance & Operation	126.57	27.22	99.35	21.50%
Operating Transfer	<u>3.10</u>	<u>0.00</u>	<u>3.10</u>	0.00%
Total Expenditures	<u>\$ 1,288.09</u>	<u>\$ 246.15</u>	<u>\$ 1,041.94</u>	19.11%



**FY 2026 Expenditure Activity for Period Ending
Consolidated General Fund
September 30, 2025 - Compared to Prior Year - Unaudited
(\$Millions)**

	FY26 YTD <u>Actual</u>	FY26 YTD % of <u>Budget</u>	FY25 YTD <u>Actual</u>	FY25 YTD % of <u>Budget</u>	FY26 VS <u>FY25</u>	FY26 Remainder of <u>Year</u>	FY25 Remainder of <u>Year</u>	FY26 VS <u>FY25</u>
Instruction	\$155.69	18.72%	\$ 152.62	17.91%	\$3.07	\$ 675.82	\$ 699.45	\$ (23.63)
Pupil Services	13.29	16.50%	13.07	16.19%	0.22	67.25	67.65	(0.40)
Staff Services	13.54	18.94%	16.03	20.55%	(2.49)	57.96	61.99	(4.03)
School Administration	14.16	24.56%	13.68	23.81%	0.48	43.50	43.79	(0.29)
General Administration	13.43	18.54%	14.19	21.67%	(0.76)	59.01	51.30	7.71
Student Transportation	8.82	19.70%	8.94	17.62%	(0.12)	35.95	41.79	(5.84)
Maintenance & Operation	27.22	21.50%	31.83	24.80%	(4.61)	99.35	96.49	2.86
Operating Transfer	<u>0.00</u>	0.00%	<u>0.00</u>	0.00%	<u>0.00</u>	<u>3.10</u>	<u>6.69</u>	<u>(3.59)</u>
Total Expenditures	<u>\$ 246.15</u>	19.11%	<u>\$ 250.36</u>	18.97%	<u>\$(4.21)</u>	<u>\$ 1,041.94</u>	<u>\$1,069.15</u>	<u>\$(27.21)</u>



FY2026 FUND BALANCE

	Current Budget	No Usage
FY2025 Beginning Fund Balance	\$259,140,150	
FY2025 Anticipated Use of Fund Balance	(\$88,075,666)	
FY2025 Ending Fund Balance	\$171,064,484	
FY2025 Expenditures	\$1,319,500,675	
% of Expenditures	12.96%	
FY2026 Beginning Fund Balance*	\$171,064,484	\$171,064,484
FY2026 Anticipated Use of Fund Balance	(\$13,000,284)	\$0
FY2026 Ending Fund Balance	\$158,064,200	\$171,064,484
FY2026 Expenditures	\$1,285,171,518	\$1,285,171,518
% of Expenditures	12.30%	13.31%

Fund Balance Analysis Assuming 100% Collections and 100% Spend*



BUDGET ADJUSTMENTS

No budget adjustments for November

Information

- FY2026 November Special Revenue Report



FY2026 1st Quarter Student Activity Funds Report

- FY2026 as of September 30, 2025
 - Total annual revenue for all schools of \$1.42 million
 - Total annual expenditures for all schools of \$0.92 million
- 1st Quarter 2026 Year-to-Date revenue breakdown
 - \$0.49 million for elementary schools
 - \$0.15 million for middle schools
 - \$0.74 million for high schools
 - \$0.04 million for gifted
- 1st Quarter 2026 Year-to-Date expenditure breakdown
 - \$0.21 million for elementary schools
 - \$0.09 million for middle schools
 - \$0.54 million for high schools
 - \$0.08 million for gifted





**STATE BLUEPRINT FOR REFORMS TO
SCHOOL DISTRICT FINANCIAL
SAFEGUARDS**

One District. One Goal. Every Child.

APS Current Designation as “Moderate-Risk”

- APS is currently labeled as a moderate risk district due to one audit finding in fiscal year 2024.
 - The finding was related to an adjustment to remove a duplicate capital asset from the previous fiscal year. This error was discovered internally. We have since created a corrective action plan to ensure the finding does not reoccur.
- APS could be considered moderate risk under the new designation because historically, annual audits have not been completed by January 1st.



Blueprint for Reforms to School District Financial Safeguard

- On October 15th, State School Superintendent, Richard Woods released a Blueprint for Reforms to School District Financial Safeguards.
- To better serve and support local school district financial health, Superintendent Woods will ask the Georgia General Assembly to consider expanding Georgia Code Title 20 – Education Chapter 2 Elementary and Secondary Education Article 3 – Local Boards of Education § 20-2-67 to include the following:
 - Strengthen Mandated Financial Training
 - Enhance Reporting Requirements & Supports
 - Increase Stakeholder Communication & District Accountability



Strengthen Mandated Financial Training

NEW REQUIREMENT

- Require and expand financial training opportunities for local school district staff and local school boards through cross-collaboration with the Georgia Department of Education (GaDOE), Department of Audits and Accounts (DOAA), the Governor's Office of Student Achievement (GOSA), Regional Education Service Agencies (RESAs), and education organizations such as the Georgia School Boards Association (GSBA), Georgia Association of Educational Leaders (GAEL), and Georgia School Superintendents Association (GSSA).
- Require specialized financial training for districts labeled as moderate and high-risk including Superintendents, CFOs, and local Board of Education.

What does APS currently do?

- APS Finance personnel participate in various trainings annually led by GaDOE. These trainings cover GFOA best practices, mandates for reporting, and updated state requirements.
- Finance personnel attend workshops and trainings with organizations such as the Georgia Association of School Business Officials (GASBO) and the Georgia Accounting Information Network Support (GAINS) where GaDOE and DOAA provide annual updates.
- Finance personnel participate in other trainings by organizations such as the UGA Carl Vinson Institute of Government (CVIOG). Last fiscal year, over 30 Finance Department employees were able to attain a CVIOG School Accounting certification.
- The Superintendent and other senior leaders attend trainings provided by GAEL and GSSA.
- Board members participate in required trainings annually. During a board member's first year on the board, 15 hours of training per year is mandated. Subsequent years require at least 9 hours of training per year.

What would change for APS?

- Superintendent, Board Members, and CFO may be required to complete specialized financial training due to the district being designated moderate risk.



Enhance Reporting Requirements and Supports

NEW REQUIREMENT

- Ensure timely, clean and completed reporting of audits in coordination with DOAA with penalties if school districts do not meet requirements.
- Add language that any audits two years prior to the current fiscal year not completed by January 1st annually place a district in moderate-risk status and require corrective action plans that include monthly reports. Require DOAA to conduct follow-up audits within three months of moderate-risk designation.
- If placed in moderate-risk status, require that the district may no longer use an independent auditor but must engage with DOAA to conduct a follow-up audit within three months. Require any monthly payments required by LEAs that are delayed be reported to GaDOE and DOAA within 30 days,

What does APS currently do?

- APS undergoes annual financial audits which are conducted by independent, external auditors. The audits are loaded annually into the DOAA portal.
- Payments such as TRS benefit payments are automatically deducted monthly from our bank account. Others such as State Health Benefit payments are paid via bank wire monthly by the Finance Department. These are monitored closely to ensure there are no delays in payment.
- We are currently working to have all FY25 audit information completed by January 1.

What would change for APS?

- Since our audits are not typically concluded by January 1st, the APS Finance department could be required to engage with DOAA instead of / or in addition to using current independent, external auditor.
- This process could further delay the timeliness of audits



Increase Stakeholder Communication and District Accountability

NEW REQUIREMENT

- Increase transparency of local school district financial reporting to stakeholders by requiring local boards of education to post monthly financial reports, corrective action plans, progress updates, audit findings and board responses, and timeline and benchmarks for resolutions online.
- Strengthen Accountability - Mandate public hearings for districts designated high-risk for two consecutive years. Limit Superintendent employment contracts to two-year terms for districts labeled as high-risk.
- Clarify language around local and state responsibilities in the continuation of school system operations and the removal of local school district boards and local superintendents if the district is high-risk and facing financial default.
- Board financial oversight structure with local board member that serves as a point of contact for financial accountability and monitoring.

What does APS currently do?

- APS financial reports are presented monthly to the Board of Education. The reports are available to the public via the APS website.
- All budget commission meetings are public, and presentations and recordings are available on the APS budget commission website.
- Any audit findings from annual audits are addressed with the corresponding department or school and corrective actions plans are required along with timelines for implementation/correction.

What would change for APS?

- The district will need to select a Board Member that serves as the point of contact for financial accountability and monitoring.



BUDGET COMMISSION SCHEDULE

[TENTATIVE FY2027]

Date	Topics
✓ Tuesday, September 30, 2025	TAN, Budget Discussion, Budget Commission Calendar
Thursday, November 20, 2025	Level-setting and aligning on decision points, FY2027 Parameters, Revenue, School Allotments
Thursday, January 15, 2026	Governor's State of the State, Preliminary Revenue Projections, School Allotments
Thursday, February 26, 2026	FY2027 Compensation Proposal, Budget Process Update, Central Office Review, FY2027 Budget Primer
Thursday, April 16, 2026	FY2027 General Fund Budget Update, Special Revenue
Monday, May 4, 2026	Public Hearing #1, Tentative Adoption
Monday, June 1, 2026	Public Hearing #2; Final Adoption



Thank You!



ATLANTA
PUBLIC
SCHOOLS