



CONROE ISD LEADS:
COMMUNITY COLLABORATIVE

Public School Finance



Karen Garza, Director of Finance

Karen Garza

- Director of Finance
- 18 Years in Public School Finance
- 30 + years in the accounting field
- Conroe/Woodlands area resident for 20 years
- Member of the Texas Association of School Business Officials, Association of School Business Officials & Government Finance Officers Association



CONROE ISD LEADS:
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Transparency and Financial Reporting Awards



Government Finance Officers Association

Certificate of Achievement
for
Excellence in Financial
Reporting

<https://www.conroeisd.net/departments/financial-services/texas-transparency/>



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Fun Financial Facts



Annual Budget
\$672,772,241



Monthly Payroll
\$46,000,000



Miles Driven (Buses)
7,100,000/Year

15 Trips to the moon and back



Average Monthly
Utility Bill
\$1,600,000



4 million
cartons of milk

Average Weekly Check Run
(Paying the Bills)

\$5,000,000

600 + checks



Number of Purchase
Orders Annually

31,000 +



Finance Office

Payroll

Accounting
& Budget

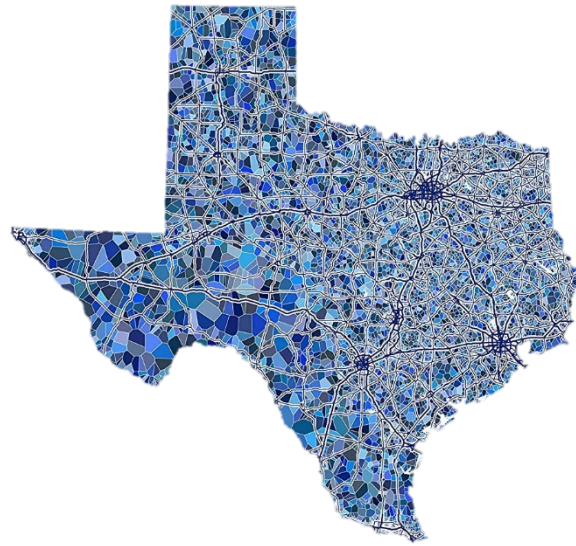
Procurement
Services

Accounts
Payable



CONROE ISD LEADS:
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The Texas public school finance system



1,200
DISTRICTS



9,000
CAMPUSES



5.5 MILLION
STUDENTS



LOCAL PROPERTY TAX REVENUE + FOUNDATION SCHOOL PROGRAM



FUNDING FOR TEXAS PUBLIC SCHOOLS IS A SHARED RESPONSIBILITY

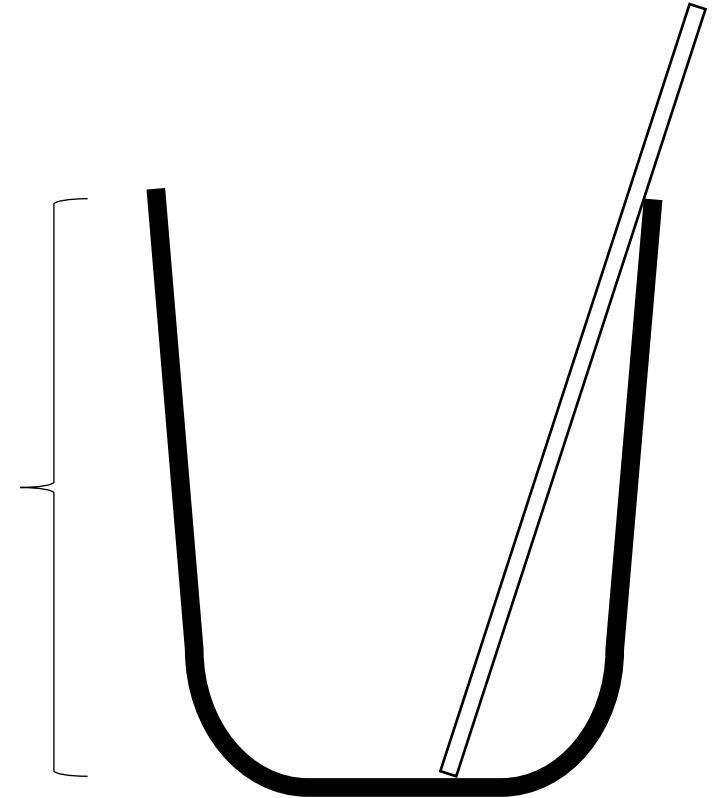




State Funding by the Glass

The state determines the size of each district's glass (how much total funding each district will receive also known as their entitlement)

The state uses an intricate funding formula that includes enrollment, attendance, student needs, district size and many other factors.

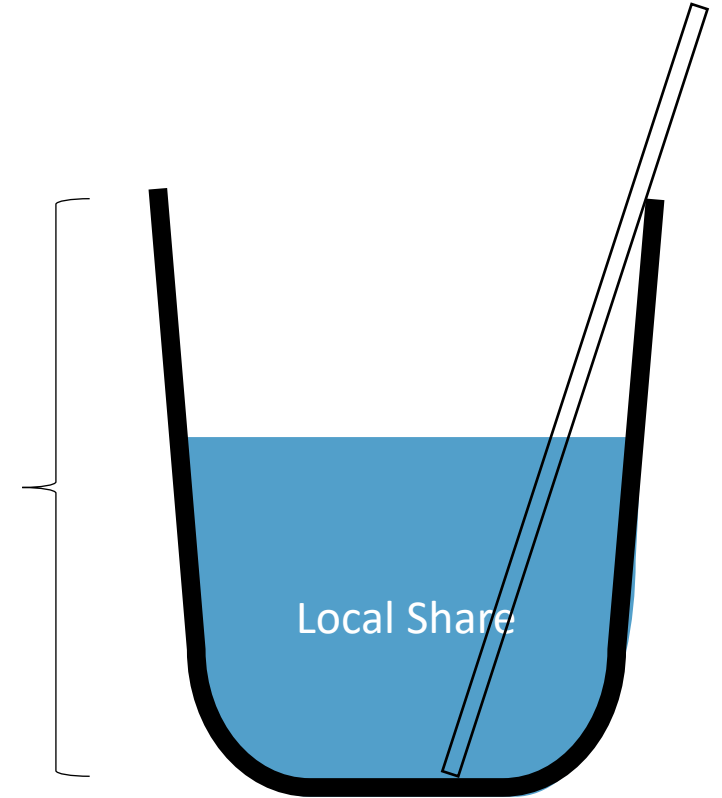




State Funding by the Glass

Once a district's glass size (total funding amount) is determined, the state starts to fill the glass with local property tax collections first (the local share).

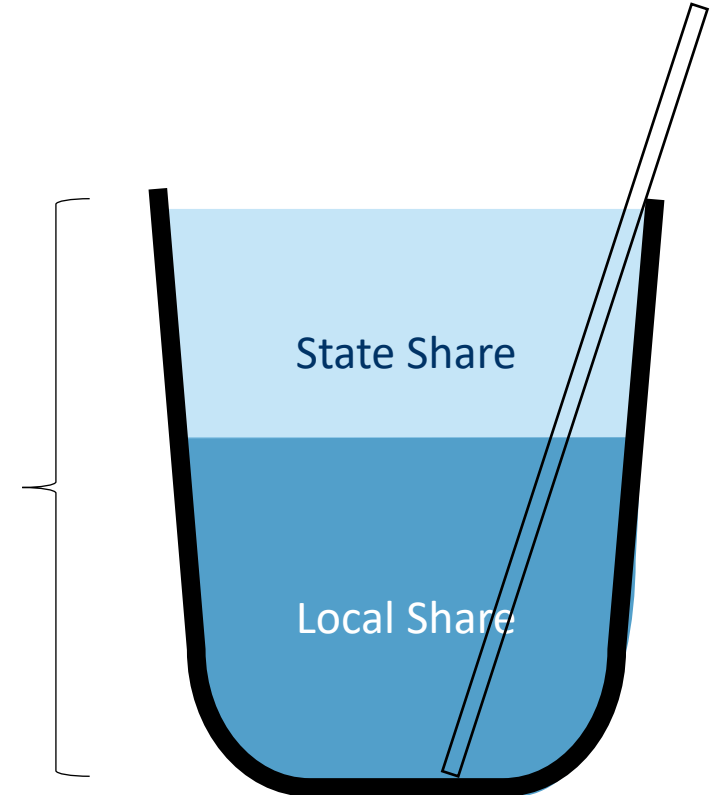
In some districts, the local share partially fills the glass. In other districts, the local share completely fills or even overflows the glass.





State Funding by the Glass

The state then fills what's remaining in the glass with what is referred to as state aid (state share).





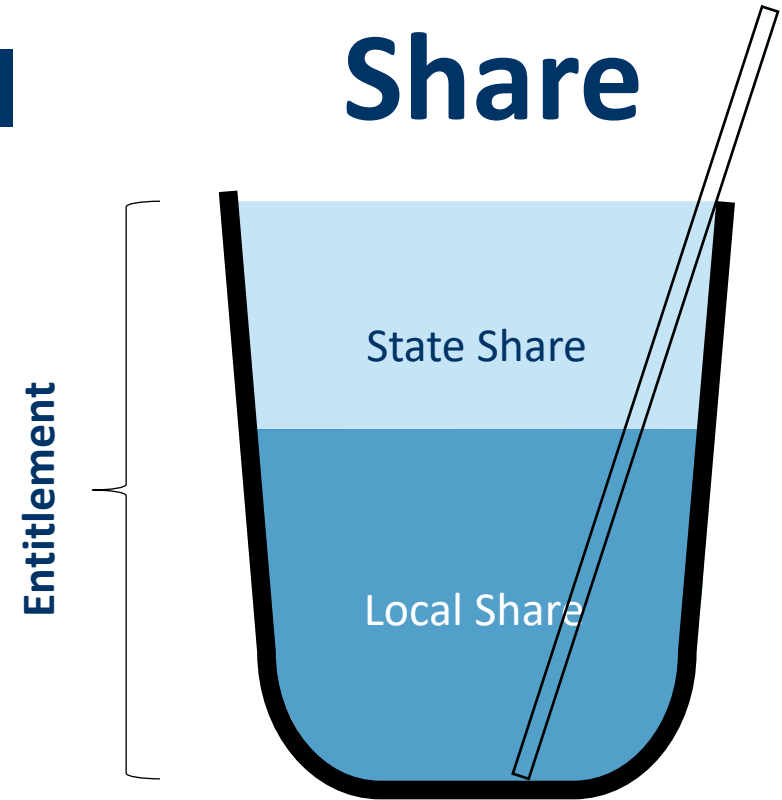
Entitlement-Tier 1

Average Daily Attendance (ADA) x Basic Allotment = Entitlement

$$1,000 \times \$6,160 = \$6,160,000$$

Local Share (Property Taxes)	\$3,700,000
State Share (FSP)	<u>\$2,460,000</u>
	\$6,160,000

State vs. Local Share



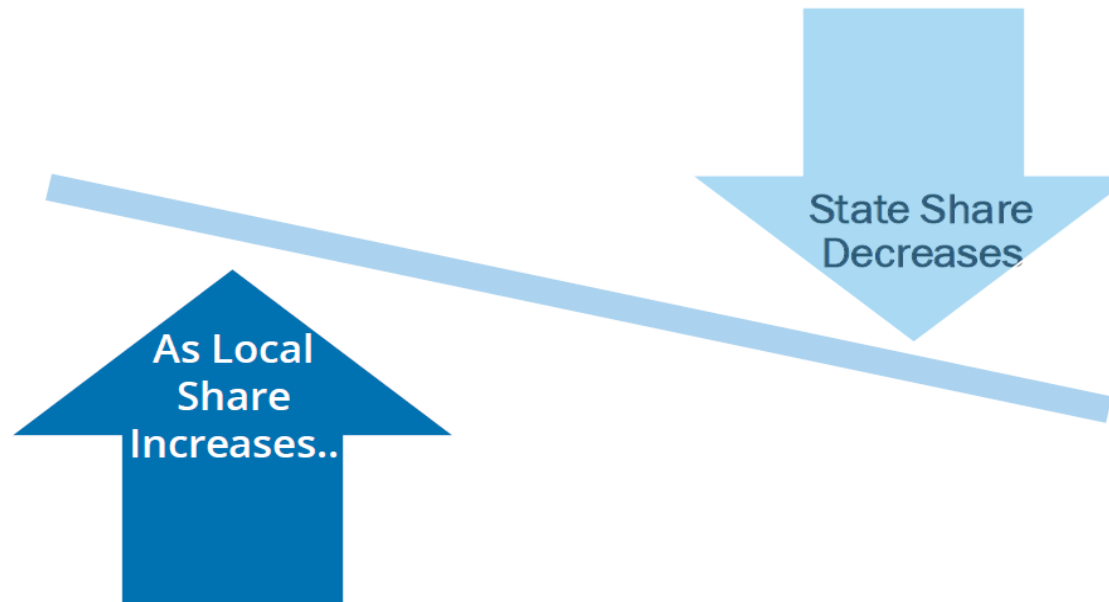


State vs. Local Share

A balancing act:



State Share vs. Local Share



State Funding/Entitlement

Legislative State
Funding Formula

Basic
Allotment
\$6,160

Does Not
Include
Inflation
Factor

Influenced By:

- Average Daily Attendance (ADA)
- Enrollment
- Special Student Populations



Average Daily Attendance (ADA) vs. Enrollment

- ❖ Funding from the state is based on Average Daily Attendance (ADA)

- ❖ Days in attendance divided by actual days of instruction.

- ❖ 174 Instructional Days

Student Example: $174/174 = 1$

District ADA Percentage: 92.5%

1% in ADA funding : \$4.5 Million

Average Daily
Attendance (ADA)

- Actual number of students

- Expenditure budget is based on enrollment.

- Classrooms are staffed based on enrollment.

Enrollment

Year Ended 31-Aug	Enrollment		Average Daily Attendance			
	Actual Enrollment	Total Yearly Change	ADA Amount	Total Yearly Change	Percent (Decrease)	Percent of Enrollment
2014	55,009	1,075	51,830	1,365	2.7%	94.22%
2015	56,363	1,354	53,165	1,335	2.6%	94.33%
2016	58,239	1,876	55,147	1,982	3.7%	94.69%
2017	59,764	1,525	56,653	1,506	2.7%	94.79%
2018	61,580	1,816	58,001	1,348	2.4%	94.19%
2019	62,837	1,257	59,356	1,355	2.3%	94.46%
2020	64,799	1,962	60,983	1,627	2.7%	94.11%
2021	64,563	-236	61,007	24	0.0%	94.49%
2022	67,761	3,198	62,630	1,623	2.7%	92.43%
2023	70,794	3,033	65,366	2,736	4.4%	92.33%
2024 Proj	73,394	2,600	67,889	2,523	3.9%	92.50%
Ten Year Average		1,769		1,584	2.7%	93.87%

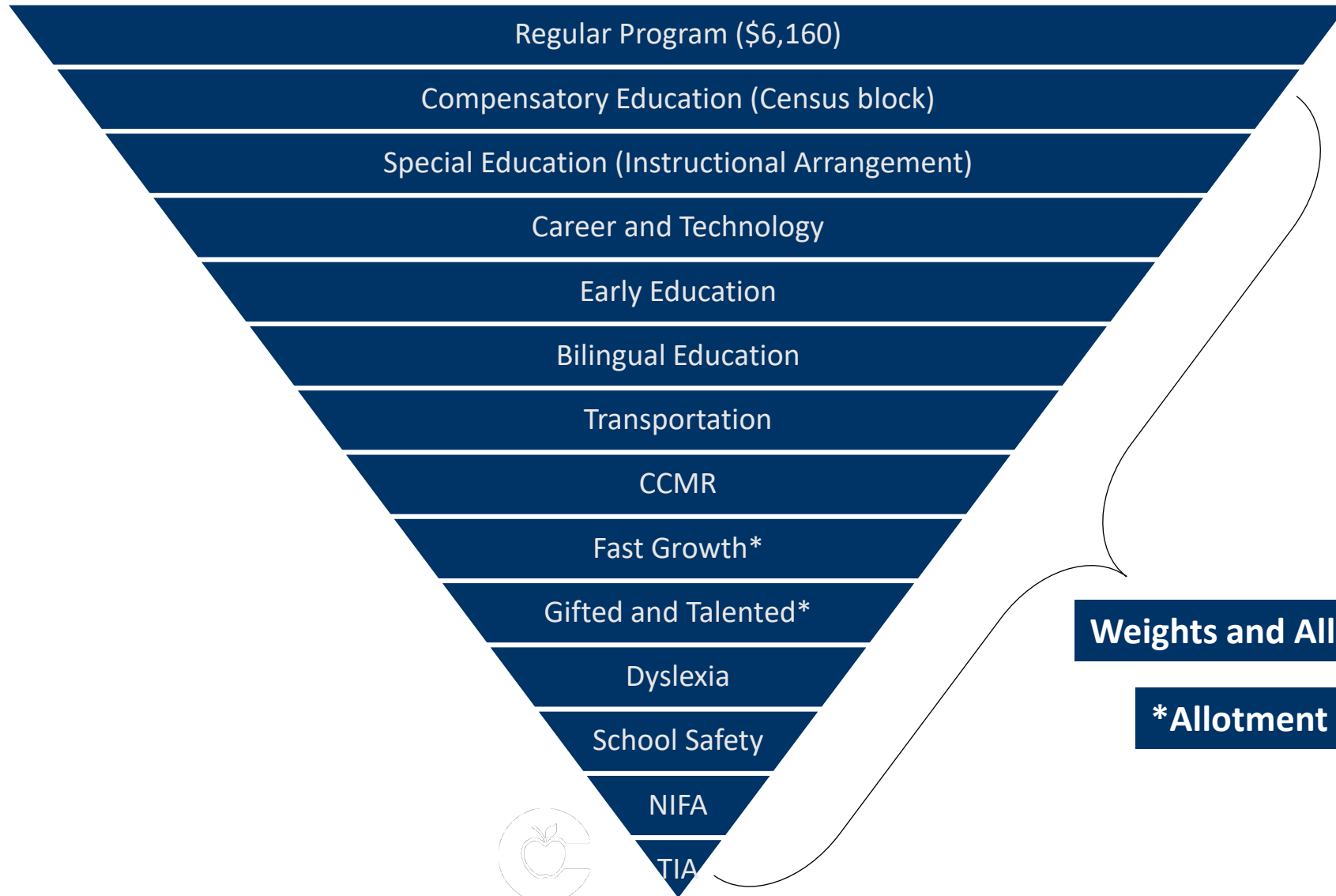
Attendance Data

10 Year Average Growth
1,769



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Calculation of Tier 1 – Entitlement



Difference between ADA and WADA

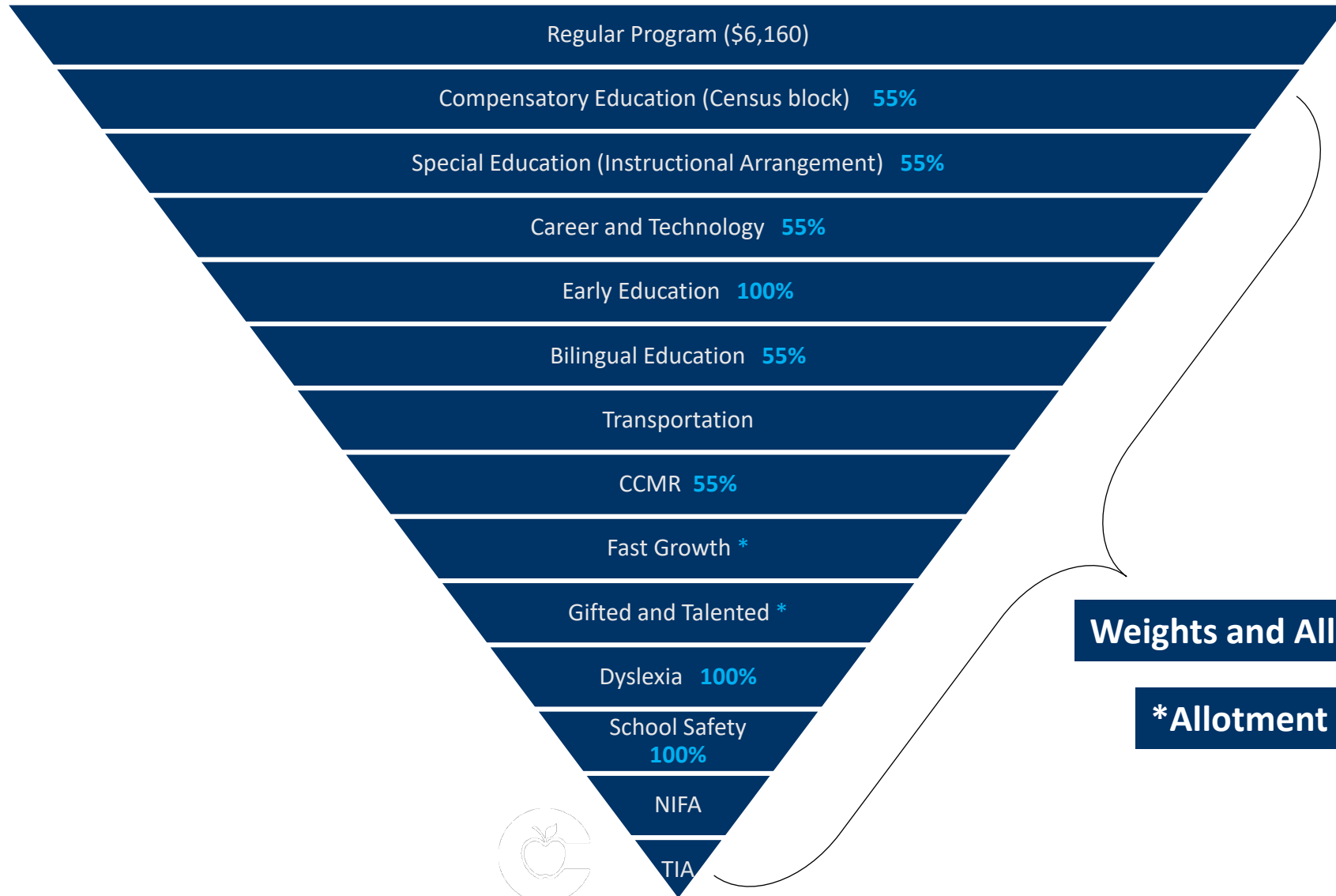
- ❖ Days in attendance divided by actual days of instruction.
- ❖ There will always be less ADA than WADA

Average Daily Attendance (ADA)

- Districts with large special student populations (i.e. Special Education/Bilingual) will have more WADA than similar districts with smaller special student populations.
- Examples of Weights...
 - Bilingual Allotment - .10 or \$616
 - Dyslexia Allotment - .10 or \$616

Weighted Average Daily Attendance (WADA)

Calculation of Tier 1 – Entitlement



Weights and Allotments

***Allotment Capped**



Program Intent Codes - Allotments		LPE	NF
Tier One Subchapter B and C Allotments			
19.	11-Regular Program Allotment 48.051	\$339,997,689	\$366,979,721
20.	Small and Mid-Size Allotment 48.101	\$0	\$0
21.	23-Special Education Adjusted Allotment 48.102 (spend 55% of amount)	\$37,540,406	\$47,969,494
22.	37-Dyslexia Allotment 48.103 (spend 100% of amount)	\$2,027,872	\$2,921,688
23.	24-Compensatory Education Allotment 48.104 (spend 55% of amount) Campus Details	\$46,378,116	\$46,382,570
24.	25-Bilingual Education Allotment 48.105 (spend 55% of amount)	\$6,723,973	\$8,871,270
25.	22-Career and Technology Allotment 48.106 (spend 55% of amount)	\$26,901,039	\$32,960,373
26.	11-Public Education Grant 48.107	\$0	\$0
27.	36-Early Education Allotment 48.108 (spend 100% of amount)	\$6,630,386	\$7,986,957
28.	21-Gifted & Talented Adjusted Allotment 48.109 (spend 100% of amount)	\$1,283,014	\$1,390,040
29.	38-CCMR Outcomes Bonus 48.110 (spend 55% of amount)	\$3,770,000	\$2,508,000
30.	Fast growth allotment 48.111 Detail Report	\$18,939,668	\$18,939,668
31.	Teacher Incentive Allotment 48.112 Detail Report	\$7,942	\$2,318,944
32.	Mentor Program Allotment 48.114	\$0	\$0
33.	School Safety Allotment 48.115	\$582,179	\$635,353
Tier One Subchapter D Allotments			
34.	99-Transportation Allotment 48.151 Transportation Detail Report	\$6,764,739	\$7,429,853
35.	99-New Instructional Facility Allotment 48.152	\$562,068	\$562,068
36.	Dropout Recovery and Residential Placement Facility Allotment 48.153	\$32,693	\$43,073
37.	Tuition Allotment for Districts not Offering all Grade Levels 48.154	\$0	\$0
38.	College Preparation Assessment Reimbursement 48.155	\$247,909	\$247,909
39.	Certification Examination Reimbursement 48.156	\$67,082	\$67,082
40.	Total Cost of Tier One Tier One Detail Report	\$498,456,775	\$548,214,064

Summary of Finances Example 2022-2023

← Tier I Entitlement



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State Allotments Compared to Actual Spending

Special Education

- Allotment
\$47,969,494
- Actual Expense
\$78,330,389

Dyslexia

- Allotment
\$2,921,688
- Actual Expense
\$4,685,484

Transportation

- Allotment
\$7,429,853
- Actual Expense
\$32,384,105





Entitlement

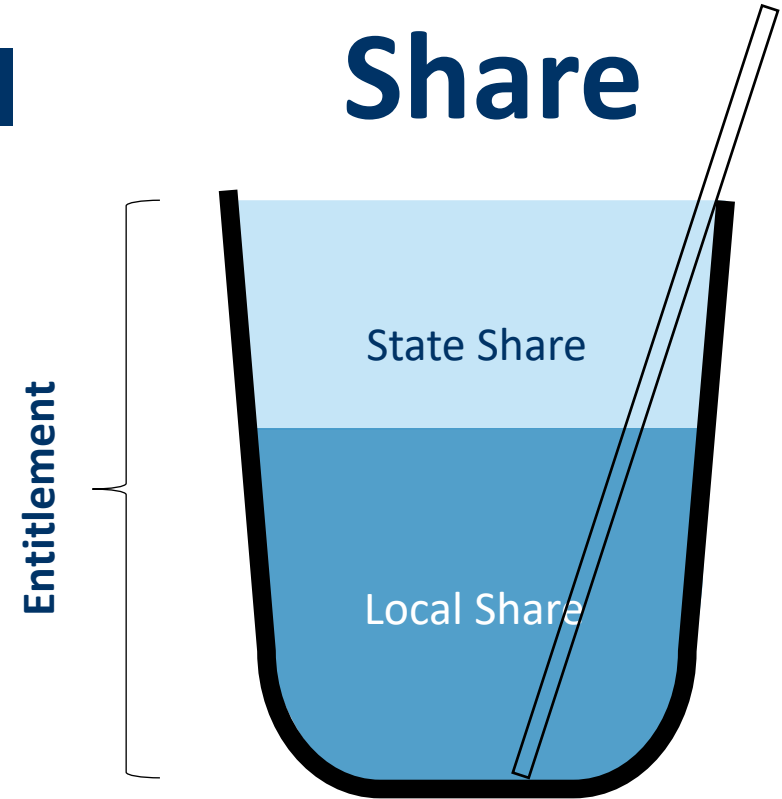
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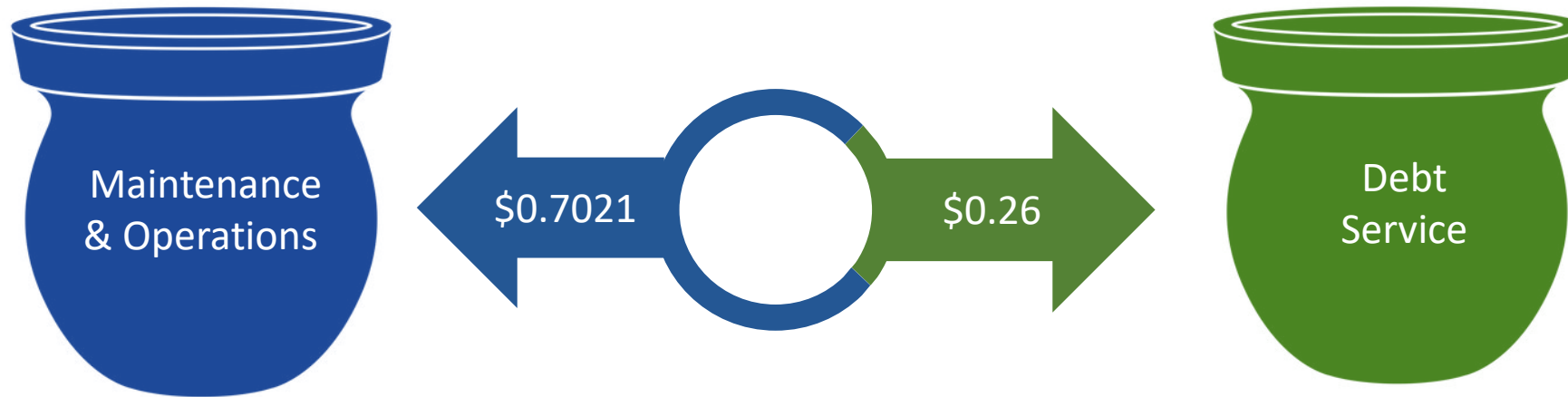


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State Share (FSP)	<u>\$2,460,000</u>
	\$6,160,000

State vs. Local Share



Tax Rate Components @ \$0.9621

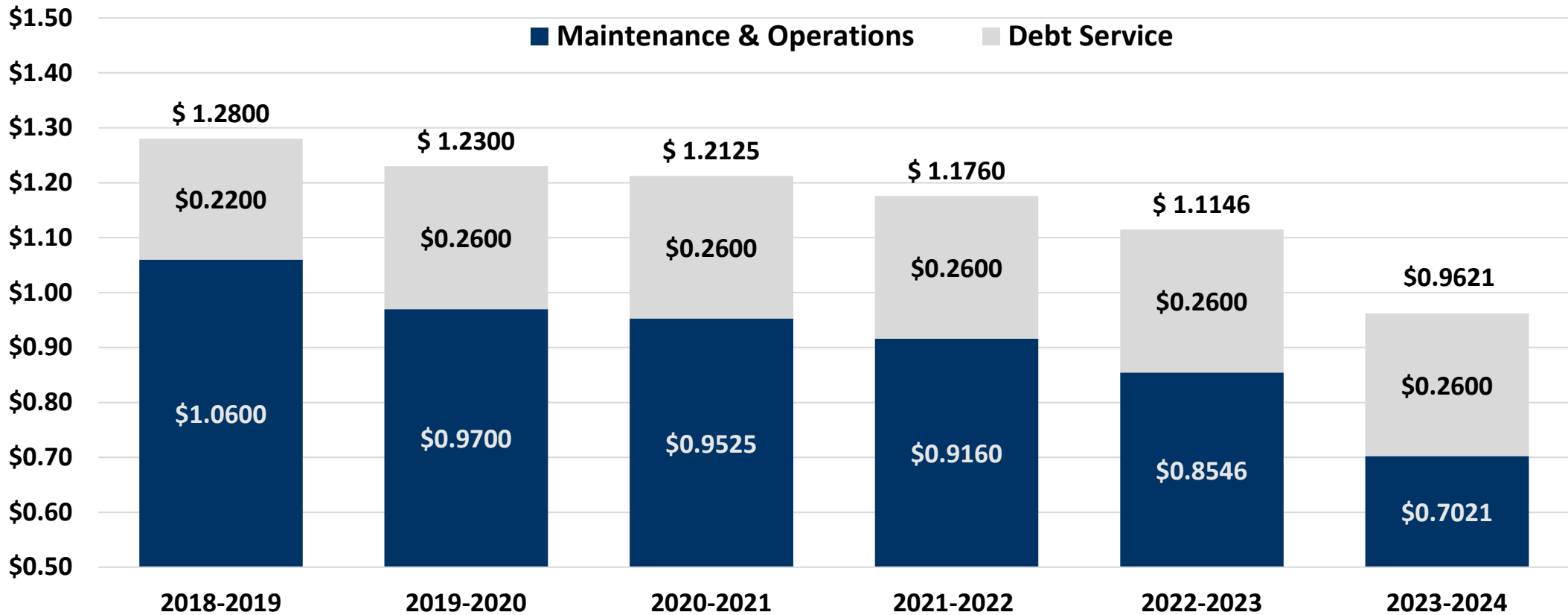


The maintenance & operations portion of the tax rate is used to fund the day-to-day operations of the district. (Salaries, benefits, supplies, utilities, fuel etc.)

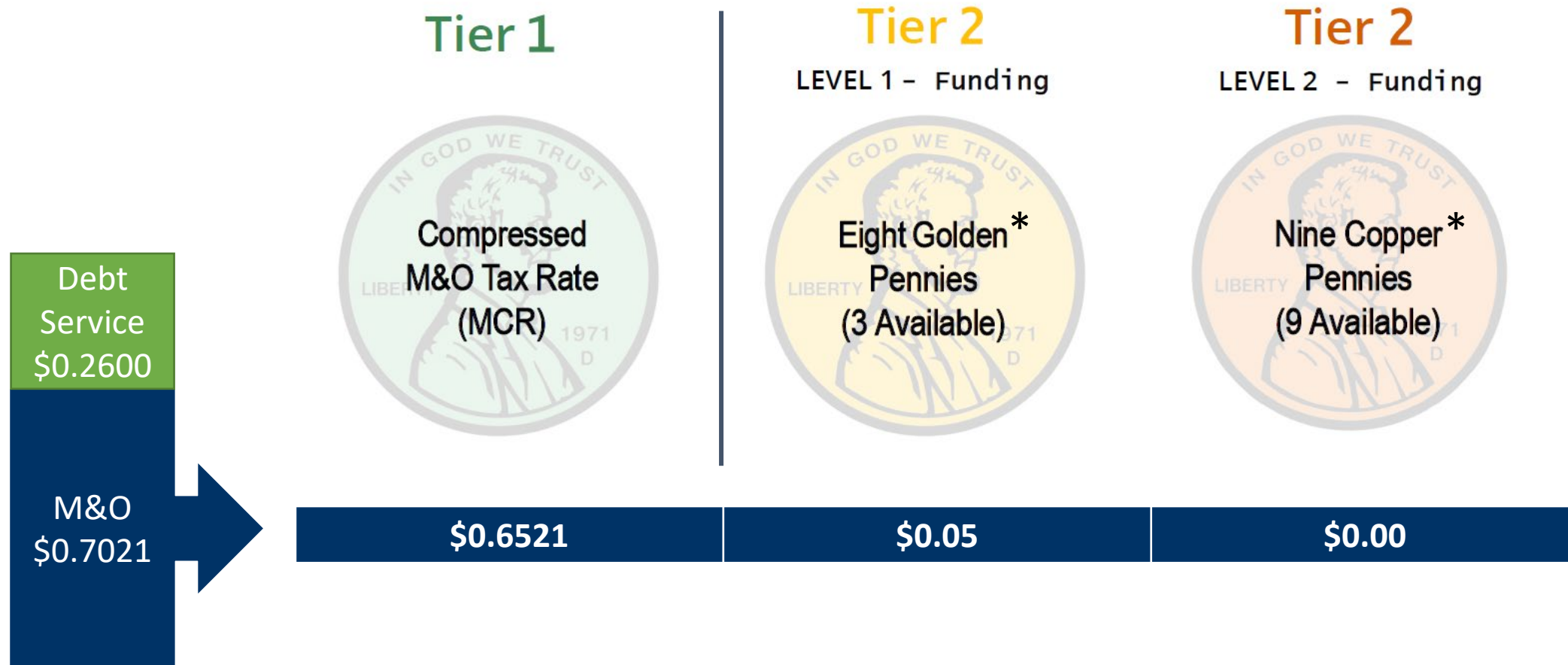
The debt service or I&S portion of the tax rate provides funding for principal and interest payments on debt the district issues to finance the building of new facilities and other capital expenditures.



Tax Rate History



Maintenance & Operations Tax Rate Components



* Voter Approval Tax Rate Election Required



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Certified Property Values

Tax Year	Certified Value	Change in Certified Value	
		\$	%
2023 Certified	\$ 54,875,597,445	\$ 2,740,835,366	5.26%
2022	\$ 52,134,762,079	\$ 9,019,328,455	20.92%
2021	\$ 43,115,433,624	\$ 2,994,783,377	7.46%
2020	\$ 40,120,650,247	\$ 2,025,755,895	5.32%
2019	\$ 38,094,894,352	\$ 2,357,351,036	6.60%
2018	\$ 35,737,543,316	\$ 1,937,650,491	5.73%
2017	\$ 33,799,892,825	\$ 1,376,594,502	4.25%
2016	\$ 32,423,298,323	\$ 2,582,889,266	8.66%
2015	\$ 29,840,409,057	\$ 2,911,859,001	10.81%
2014	\$ 26,928,550,056	\$ 3,019,678,901	12.63%



Entitlement

Average Daily Attendance (ADA) x Basic Allotment = Entitlement

$$1,000 \times \$6,160 = \$6,160,000$$

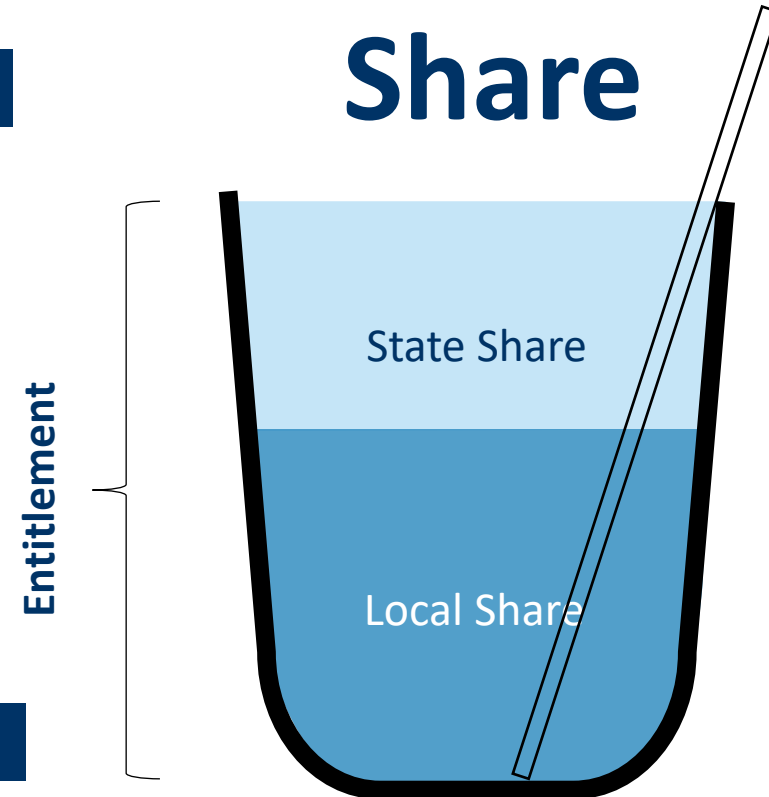
Local Share (Property Taxes) \$3,700,000

State Share (FSP) \$2,460,000

\$6,160,000

Questions ????

State vs. Local Share



Budget Process

- **Budget Calendar**
- **Determine needs for upcoming school year**
- **Establish enrollment projections**
- **Staffing calculations**
- **Revenue projections**
- **Campus and department budget needs**
- **Board Workshops & Public Hearings**
- **Budget Adoption-August**



**CONROE ISD LEADS:
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STAFFING FORMULAS
Elementary School Pupil - Teacher Ratio Formula
2024-2025 School Year
Regular Education Allocations

Grades	Staffing Ratio
Pre K	19:1
Kinder	22:1
1-4	22:1

Position	Number of Staff Members	Enrollment
Principal	1	NA
Assistant Principal	1	Up to 750
	2	751 to 1,099 or designated as a TIA campus
	3	1,100 or Above
Counselor	1	Up to 899
	2	900 and Above
Librarian	1	N/A
Instructional Coach	2	N/A
Nurse	1	N/A
Nurse's Aide	1	N/A
Principal's Secretary	1	N/A
Campus Secretary	1	850 or above
Attendance Clerk	1	N/A
Clerical/Instructional Aides	3	Up to 649
	4	650 to 799
	5	800 to 999
	6	1,000 or Above
Bilingual Instructional Aides	1	Up to 199
	2	200 to 349
	3	350 or Above
Pre-K Instructional Aides	1	Up to 40 Pre-K
	2	40 or Above Pre-K
Art	1	Up to 849
	2	850 or Above
Physical Education	1	Up to 699
	2	700 to 1,149
	3	1,150 or Above
Music	1	NA
	1	949 to 1099
Additional Fine Arts	2	1100 or Above

Staffing Allocation Sample



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Legislative Update – 88th Session

House Bill 3 - School Safety

- Additional school safety funding

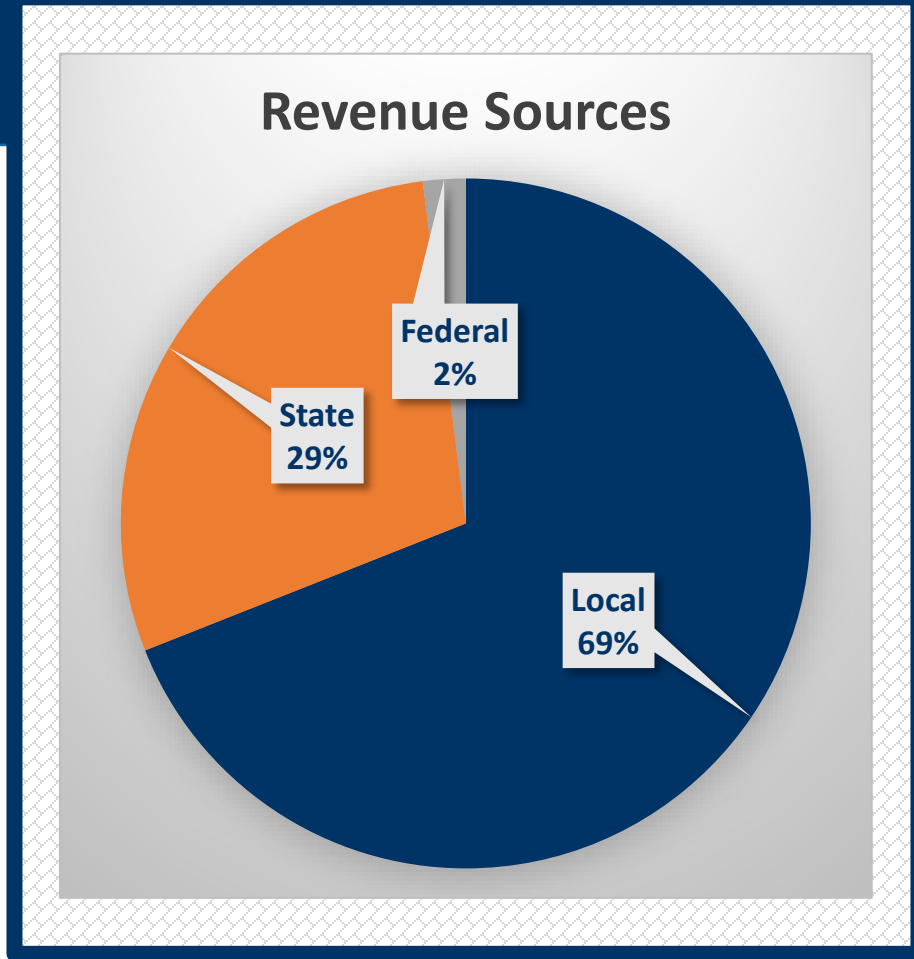
Senate Bill 2 – Property Tax Relief

- Additional 10.7 ¢ of tax rate compression
- Increases homestead exemption from \$40K to \$100K
- Bill represents one of the largest tax cuts for homeowners in Texas history.
- Cost - \$18 Billion

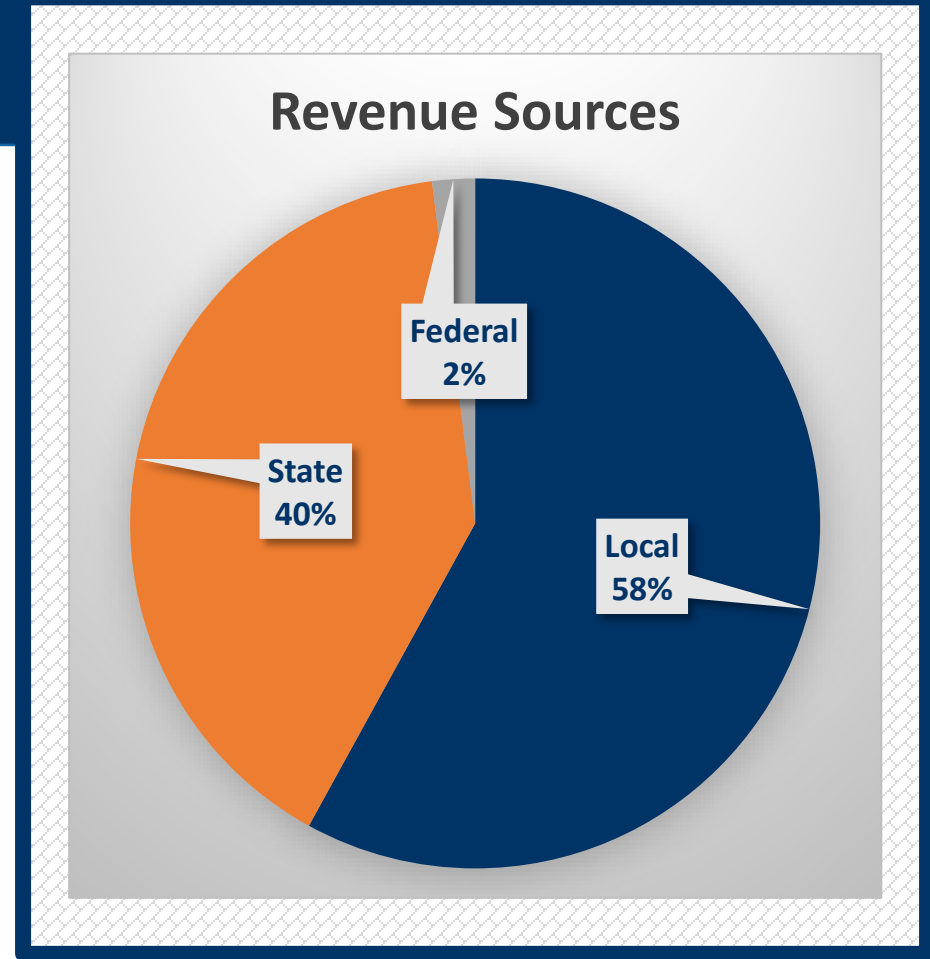


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Where does the money come from?



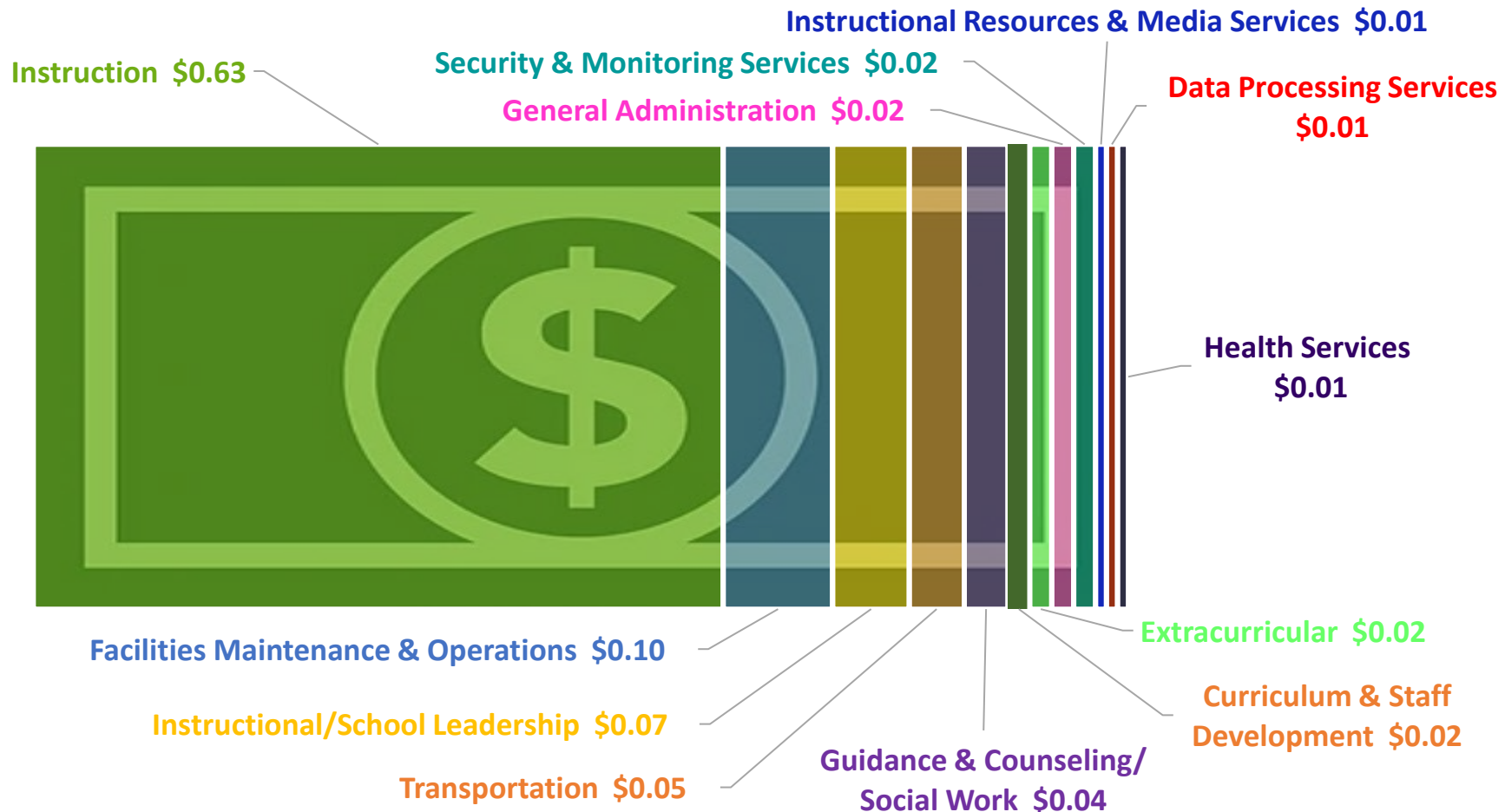
Before SB 2



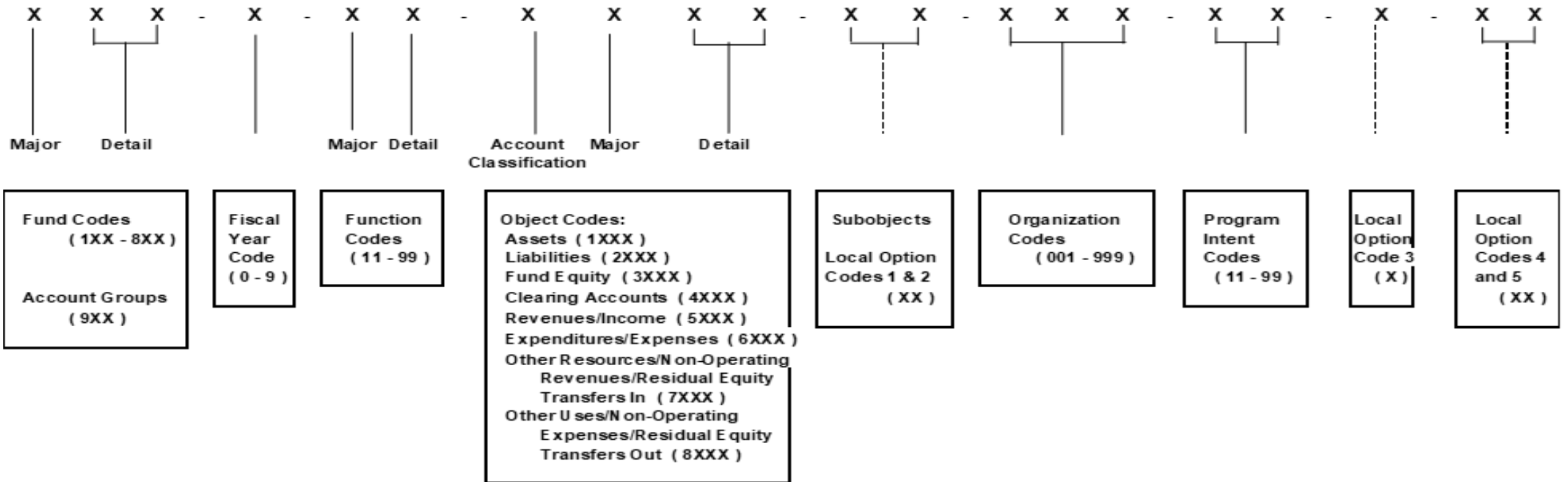
After SB 2

General Operating Fund

How a dollar is spent



Account Code Structure



Section 44.007 of the Texas Education Code requires that a standard school district fiscal accounting system be adopted by each school district.

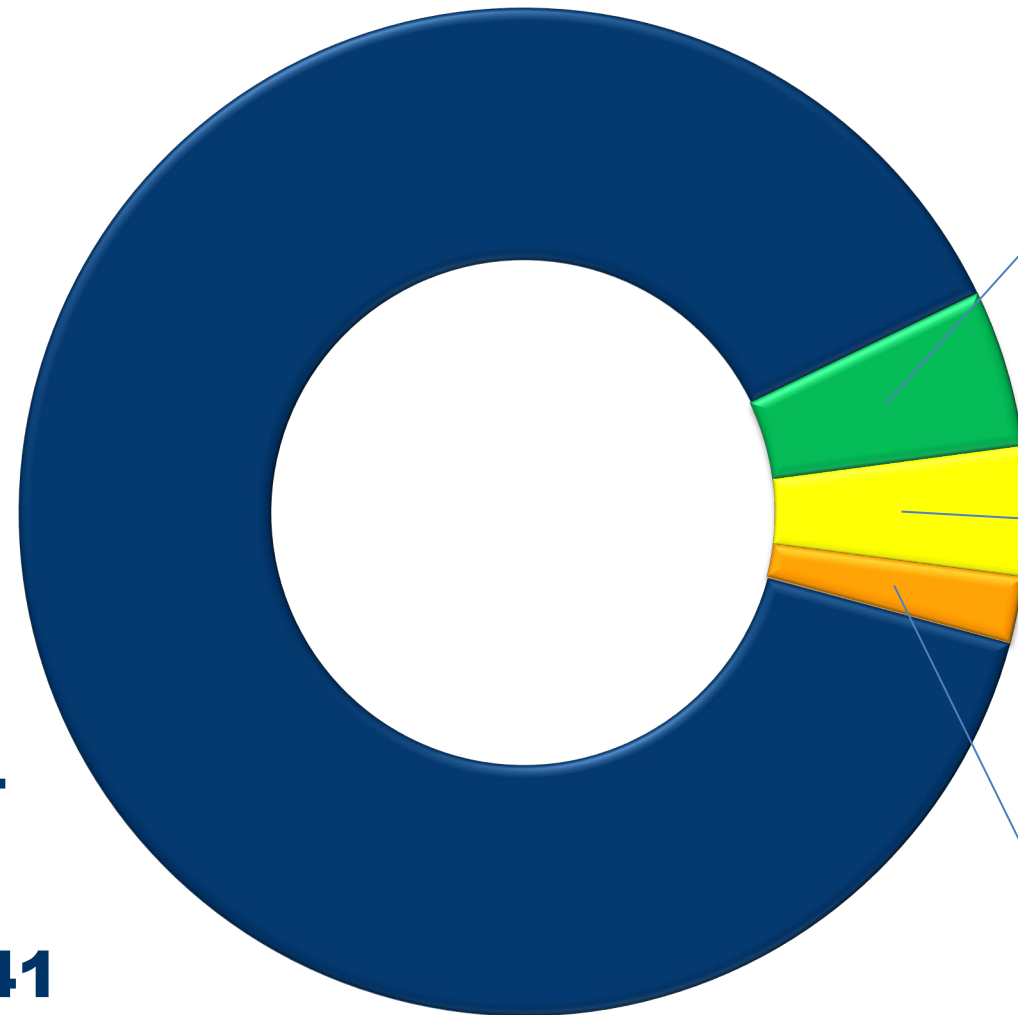
The major purpose of the accounting code structure is to establish the standard school district fiscal accounting system required by law. Although certain codes may be used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are to be uniformly used by all school districts in accordance with Generally Accepted Accounting Principles (GAAP).



**CONROE ISD LEADS:
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88.69% Payroll

**2023-2024
ADOPTED
BUDGET
\$672,772,241**



**5.04%
Contracted
Services**

**4.17% Supplies
& Materials**

**2.10%
Equipment &
Other**



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Thank You