

STATE OF THE DISTRICT

October 19, 2012

STATE OF THE DISTRICT

○ Agenda

- Academics
 - Achievement Data
 - New Accountability System
- Budget
- Year Ahead



SCHOOL PERFORMANCE INDEX (SPI)

- 100-point index
- Five key indicators to measure school performance
 - Each indicator has different point value
- Two indexes:
 - 1) For elementary and middle schools (pre-secondary)
 - 2) For high schools (secondary)



SCHOOL PERFORMANCE INDEX

PHASE IN:

- 2011-12 – Existing model used – SPI Calculated on a partial basis

- 2014-15
 - Add Academic Growth
 - Add Effective Teachers & Principals
 - Add School Climate




SCHOOL PERFORMANCE INDEX

2014-15

ELEMENTARY/MIDDLE SCHOOL

Indicator 1 25 points	Indicator 2 25 points	Indicator 3 20 points	Indicator 4 20 points	Indicator 5 10 points	Total Score 100 points
Student Achievement	Academic Growth	Attendance	Effective Teachers & Principals	School Climate	

Note: Different point distribution in school years 2012-13 and 2013-14




SCHOOL PERFORMANCE INDEX

2014-15

HIGH SCHOOL

Indicator 1 25 points	Indicator 2 25 points	Indicator 3 20 points	Indicator 4 20 points	Indicator 5 10 points	Total Score 100 points
Student Achievement	High School Completion	College & Career Ready	Effective Teachers & Principals	School Climate	

Note: Different point distribution in school years 2012-13 and 2013-14



TOTAL SPI SCORE

- Schools ranked and publicly reported annually, according to total SPI score
- For the current year, SPI Scores were released for that portion of the new model that is available.



2011-2012 PARTIAL SPI SCORES

○ Parkston High School	84.80
○ Parkston Junior High	85.83
○ Parkston Elementary	88.28
○ Old Elm Colony	56.14
○ New Elm Colony	59.35



THE BUDGET - VARIOUS FUNDS

- General Fund
- Special Education Fund
- Capital Outlay Fund
- Pension Fund
- Bond Redemption Fund



SPECIAL EDUCATION

- Began the year with a fund balance of \$185,905.
- We levied \$1.20 per thousand, which is the minimum by law that we could levy and still receive state aid. The maximum levy allowed is \$1.40.
- We ended the year with a fund balance of \$121,714. Thus we spent nearly 1/3 of our SPED reserves.



SPECIAL EDUCATION

- For the current year, we found an increase in taxable valuations, a state aid increase in Special Education and we reduced costs.
- As a result, we have left our levy at \$1.20, the minimum allowed by law where we are still eligible for state aid.
- Without any significant changes to the program, we believe we will run a balanced budget.



CAPITAL OUTLAY

- Beginning fund balance of \$352,854.
- We levied \$2.00 per thousand. The maximum allowed by law is \$3.00 per thousand.
- We concluded the year with a fund balance of \$380,885.
- We have elected to keep the levy at \$2.00 for the coming year.



PENSION FUND

- The pension fund used for retirement benefits.
- We began the year with \$207,433
- We concluded the year with \$252,436



BOND REDEMPTION FUND

- The Bond Redemption Fund -payments owed on elementary school.
- \$278,000 in revenue, spent \$273,000.
- The bonds will be paid in full in 2018.



GENERAL FUND

- The General Fund is where a majority of our expenditures lie.
- The general fund pays for salaries, insurance, utilities, transportation, postage, phone, etc.
- The general fund is where the legislature annually debates the per student allocation increase (PSA)



GENERAL FUND

- Beginning fund balance of \$1,491,217.
- Closed year with about \$1,380,000.
- While down over \$100,000, I must note that we also used a number of “one-time” monies that kept the reduction of reserves to a minimum.
- Levies are set by the legislature.



THE NEWS GETS WORSE

- Our current budget shows the use of \$560,000 of reserves to fund the current budget.
- Having said this, it is unlikely we will spend that much of our reserves.
 - First, we rarely spend our entire budget. Depending upon the year, we typically spend 93-95% of the budgeted figures.
 - Second, we have an option of pay for some of our normal general fund expenditures out of the capital outlay fund. I believe we will use about \$200,000 here.
 - NOTE: This option is set to expire in July 14.



A CLOSER LOOK AT THE GENERAL FUND

- State formula
- The DOE will calculate district need.
- Multiply the number of students in a district by the per student allocation. (PSA)



SCHOOL FUNDING FORMULA

- Need is calculated.
- Levies set by legislature to determine how much money generated locally.
- The difference between the district need and the amount generated thru taxes is called State Aid, and paid by State.



STATE AID AND THE PSA

- Student enrollment drives the formula
- The next slide will show the enrollment history for our district for the past 7 years.



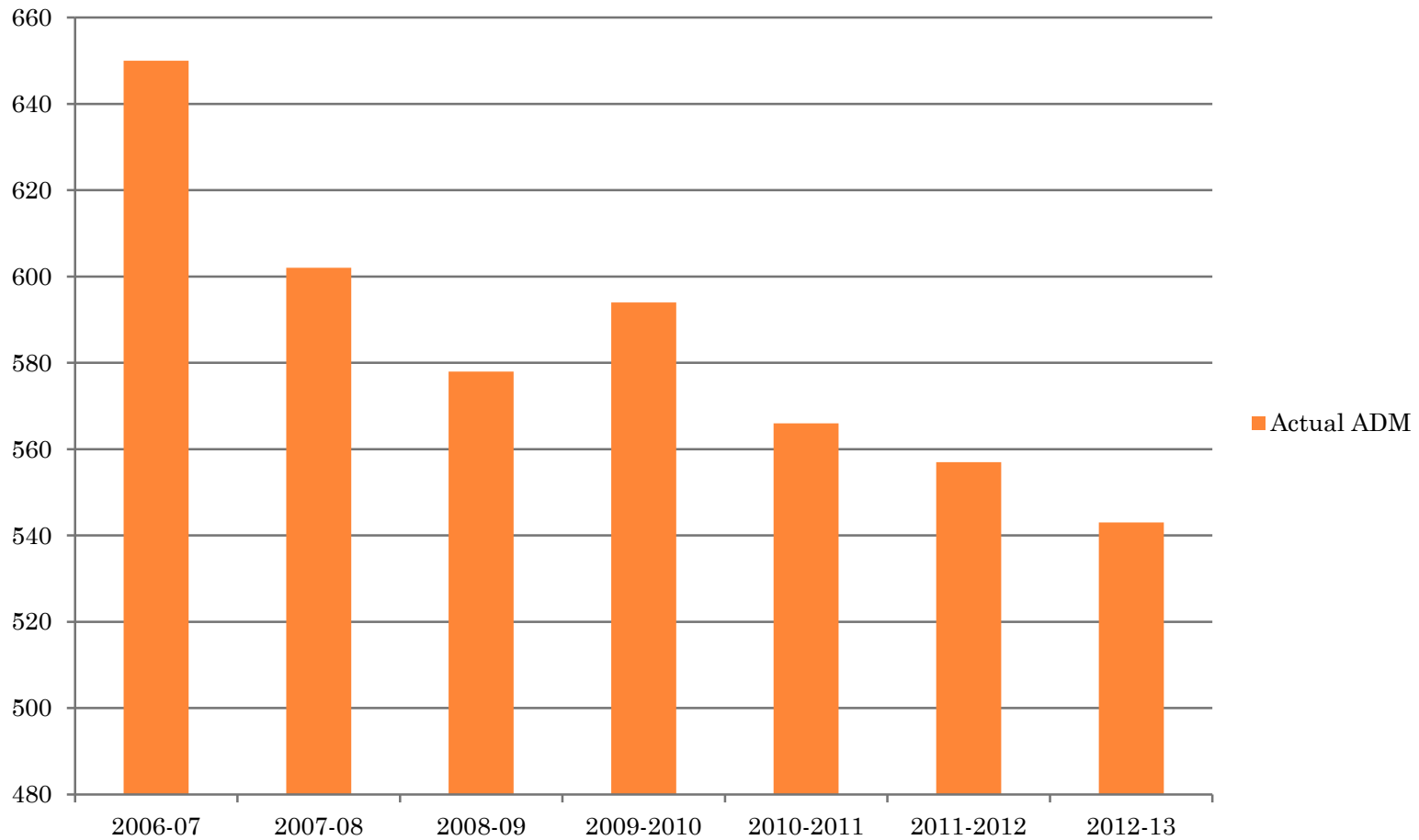
STUDENT ENROLLMENT

	06-07	07-08	08-09	09-10	10-11	11-12	12-13
	650	602	578	594	566	557	543



ADM HISTORY

Actual ADM



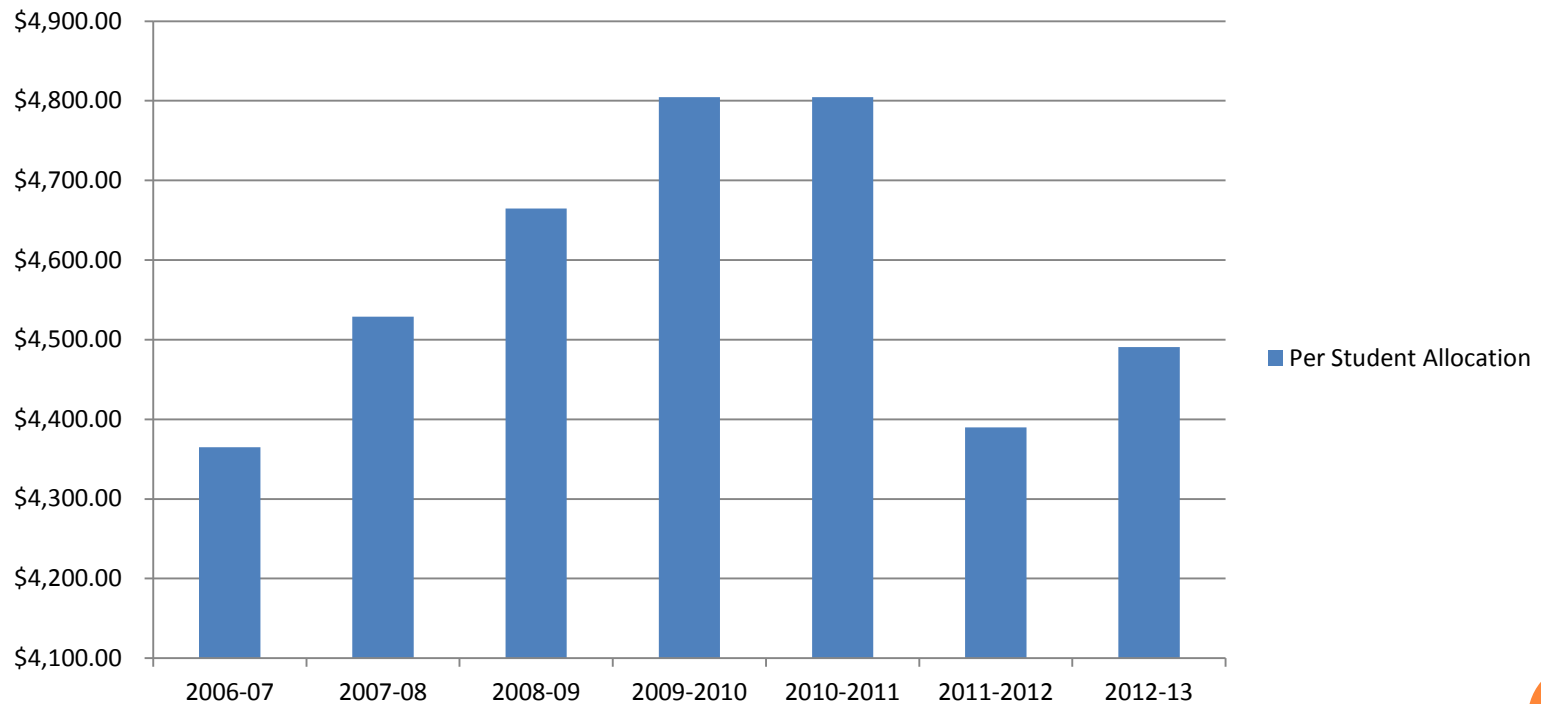
PER STUDENT ALLOCATION

06-07	07-08	08-09	09-10	10-11	11-12	12-13
\$4,364.85	\$4,528.80	\$4,664.66	\$4,804.60	\$4,804.60	\$4,389.95	\$4,490.92



PER STUDENT ALLOCATION HISTORY

Per Student Allocation



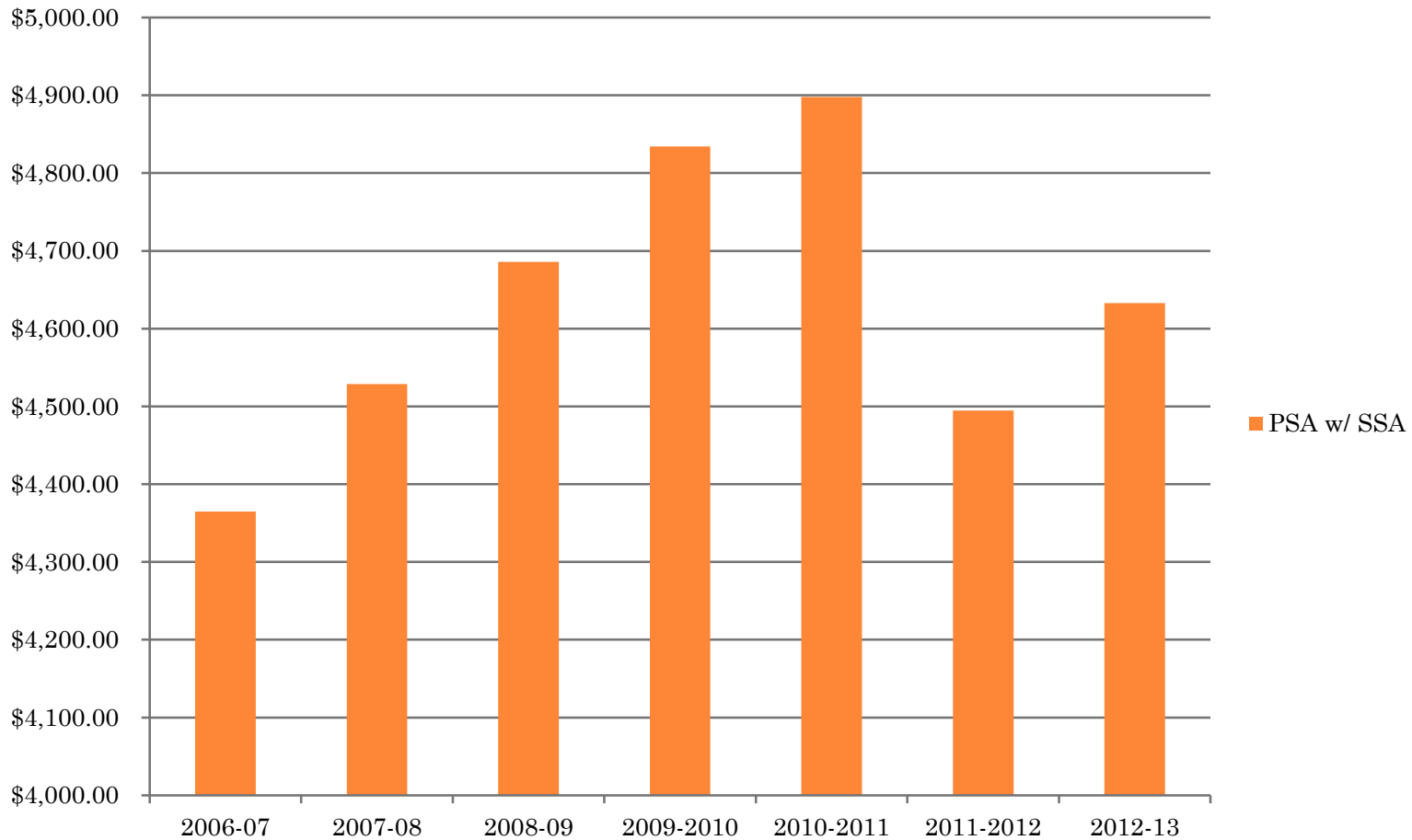
SMALL SCHOOL ADJUSTMENT

	2006-07	2007-08	2008-09	2009-2010	2010-2011	2011-2012	2012-13
Per Student Allocation	4364.85	4528.8	4664.66	4804.6	4804.6	4389.95	4490.92
Small School Adjustment	0	0	21.19	29.66	93.23	104.85	141.93
Total	4364.85	4528.8	4685.85	4834.26	4897.83	4494.8	4632.85



PER STUDENT ALLOCATION WITH SMALL SCHOOL ADJUSTMENT

PSA w/ SSA



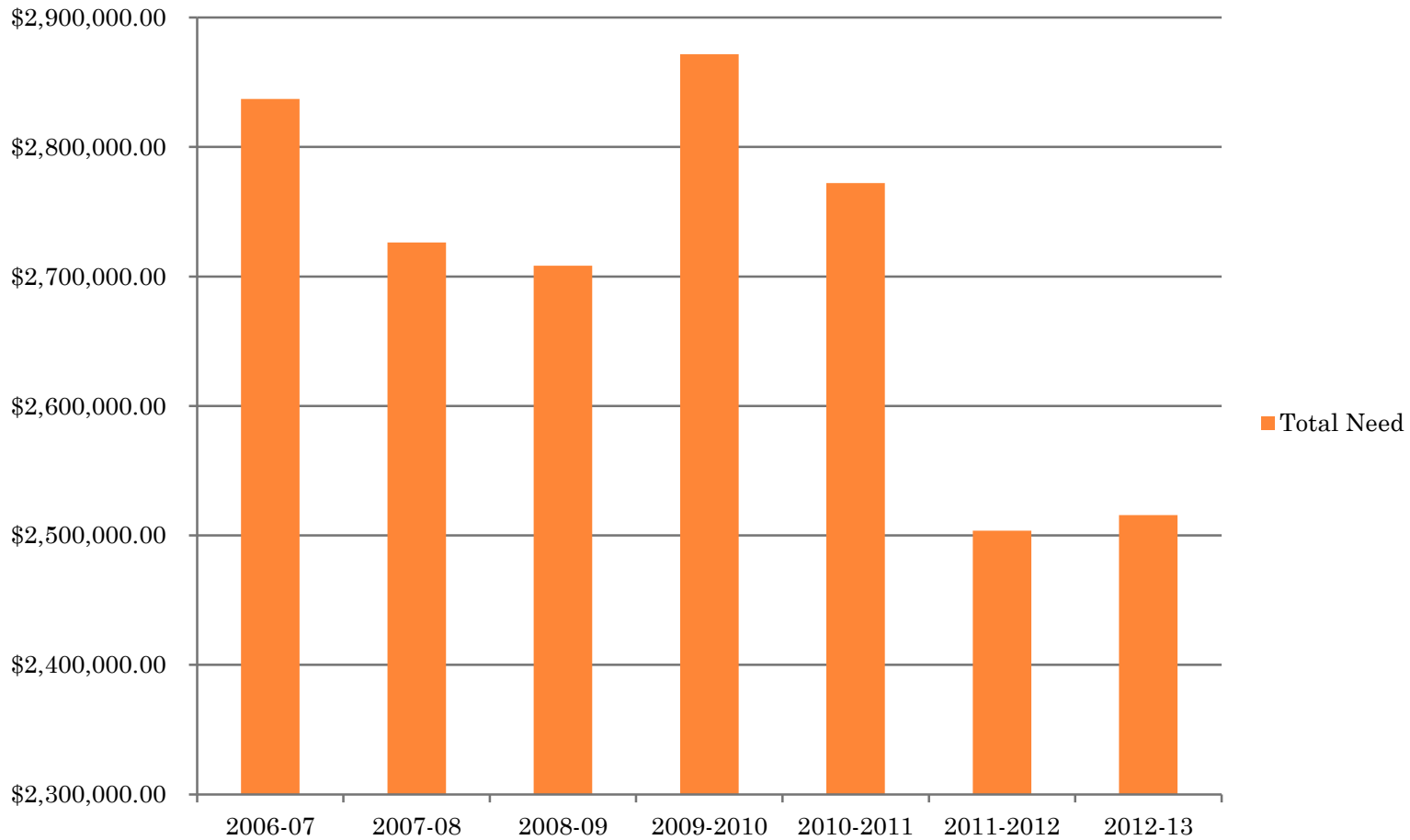
DISTRICT NEED

	2006-07	2007-08	2008-09	2009-2010	2010-2011	2011-2012	2012-13
Actual ADM	650	602	578	594	566	557	543
PSA	\$ 4,364.85	\$ 4,528.80	\$ 4,685.85	\$ 4,834.26	\$ 4,897.83	\$ 4,494.80	\$ 4,632.85
Total Need	\$ 2,837,152.50	\$ 2,726,337.60	\$ 2,708,421.30	\$ 2,871,550.44	\$ 2,772,171.78	\$ 2,503,603.60	\$ 2,515,637.55



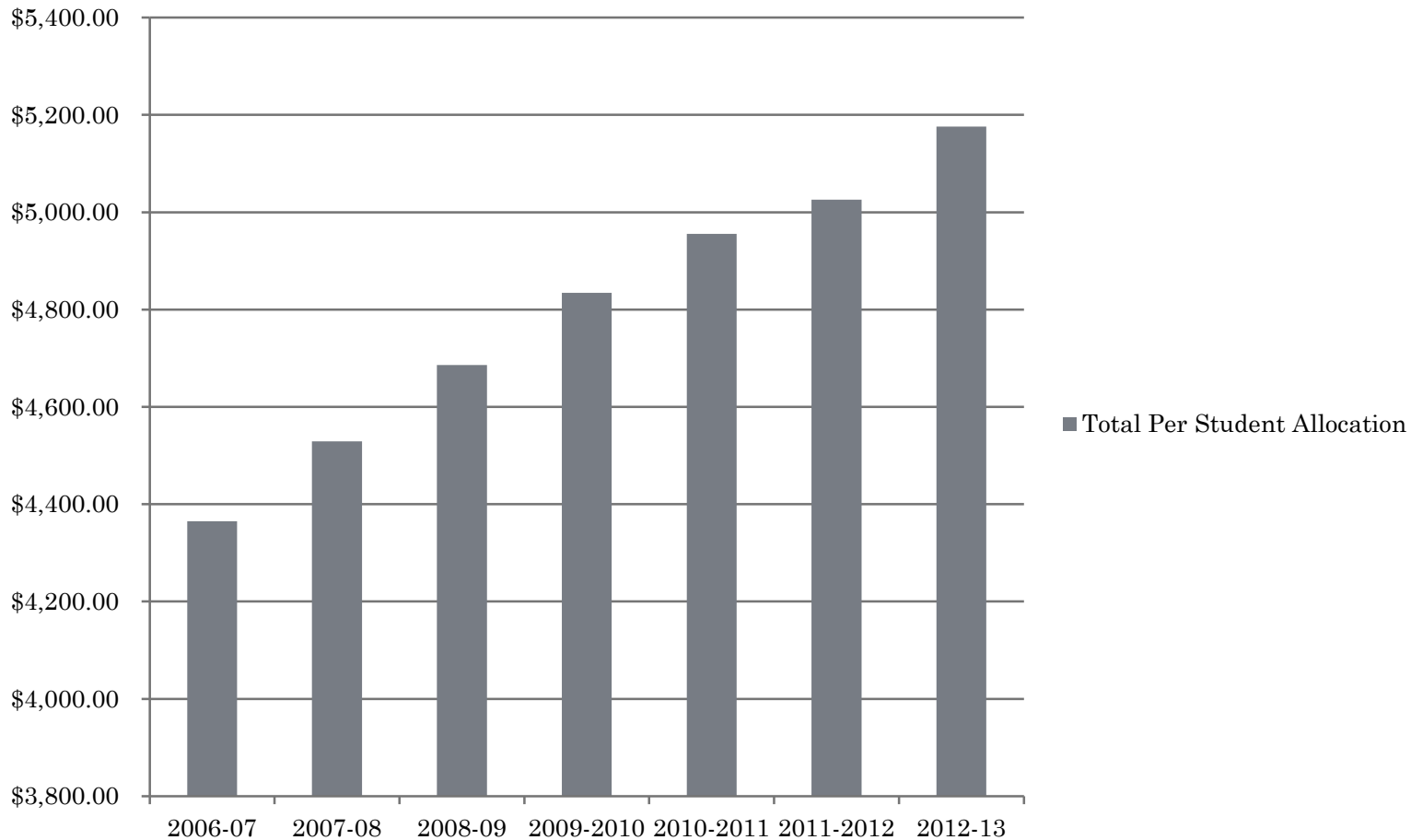
TOTAL NEED

Total Need



HAD THE LEGISLATURE FOLLOWED THE LAW

Total Per Student Allocation

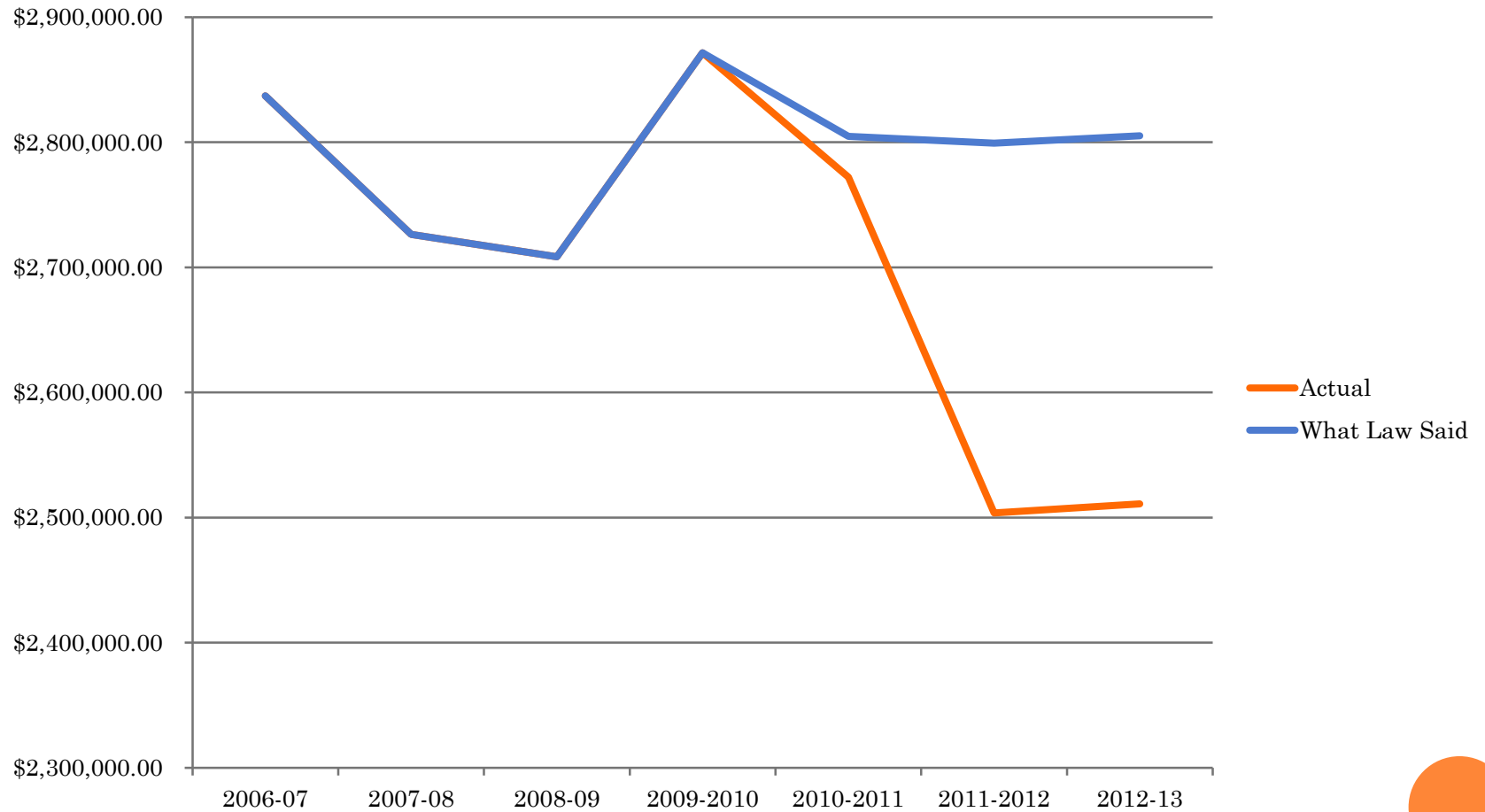


DIFFERENCE BETWEEN WHAT WAS GIVEN AND WHAT THE LAW SAID SHOULD BE GIVEN

	2006-07	2007-08	2008-09	2009-2010	2010-2011	2011-2012	2012-13
Actual	\$ 2,837,152.50	\$ 2,726,337.60	\$ 2,708,421.30	\$ 2,871,550.44	\$ 2,772,171.78	\$ 2,503,603.60	\$ 2,515,637.55
What Law Said	\$ 2,837,152.50	\$ 2,726,337.60	\$ 2,708,421.30	\$ 2,871,550.44	\$ 2,804,804.62	\$ 2,799,176.91	\$ 2,805,232.71
Difference	\$ -	\$ -	\$ -	\$ -	\$ (32,632.84)	\$ (295,573.31)	\$ (289,595.20)



DIFFERENCE OF WHAT WAS GIVEN VS WHAT LAW SAID WAS TO BE GIVEN



GENERAL FUND BUDGET

- Having said all of this, our 2012-13 General Fund budget show we will spend nearly \$560,000 in reserve funds.
- While I believe that number will be less than that, we are at a cross roads and in need of find a way to balance our budget.



OPTIONS

- State Aid Increase
- Penny Sales Tax Increase
- Opt Out
- Reduce Budget



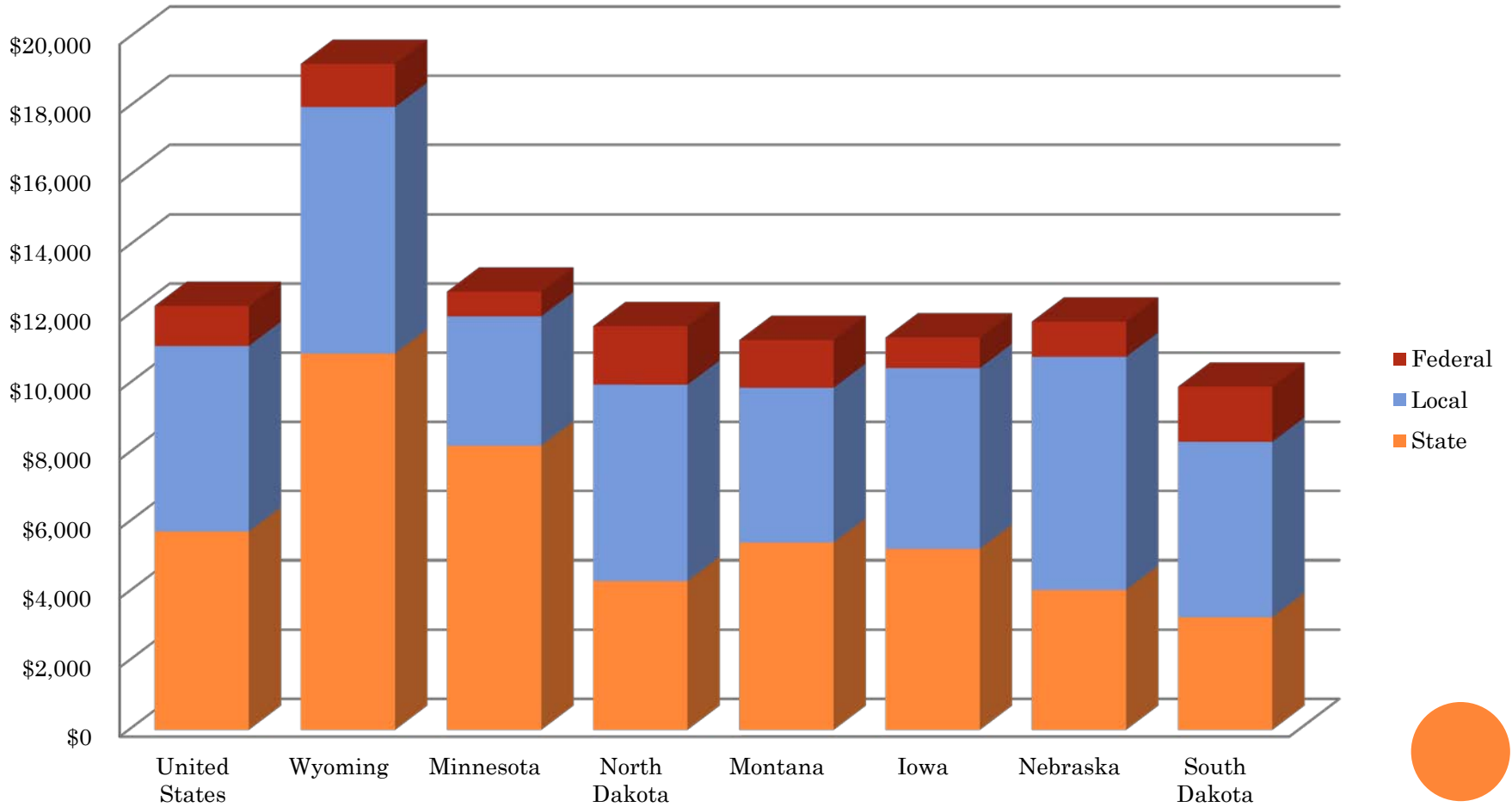
STATE AID INCREASE

- You have seen the historical trend
- How does the State compare to others in how K-12 is funded?



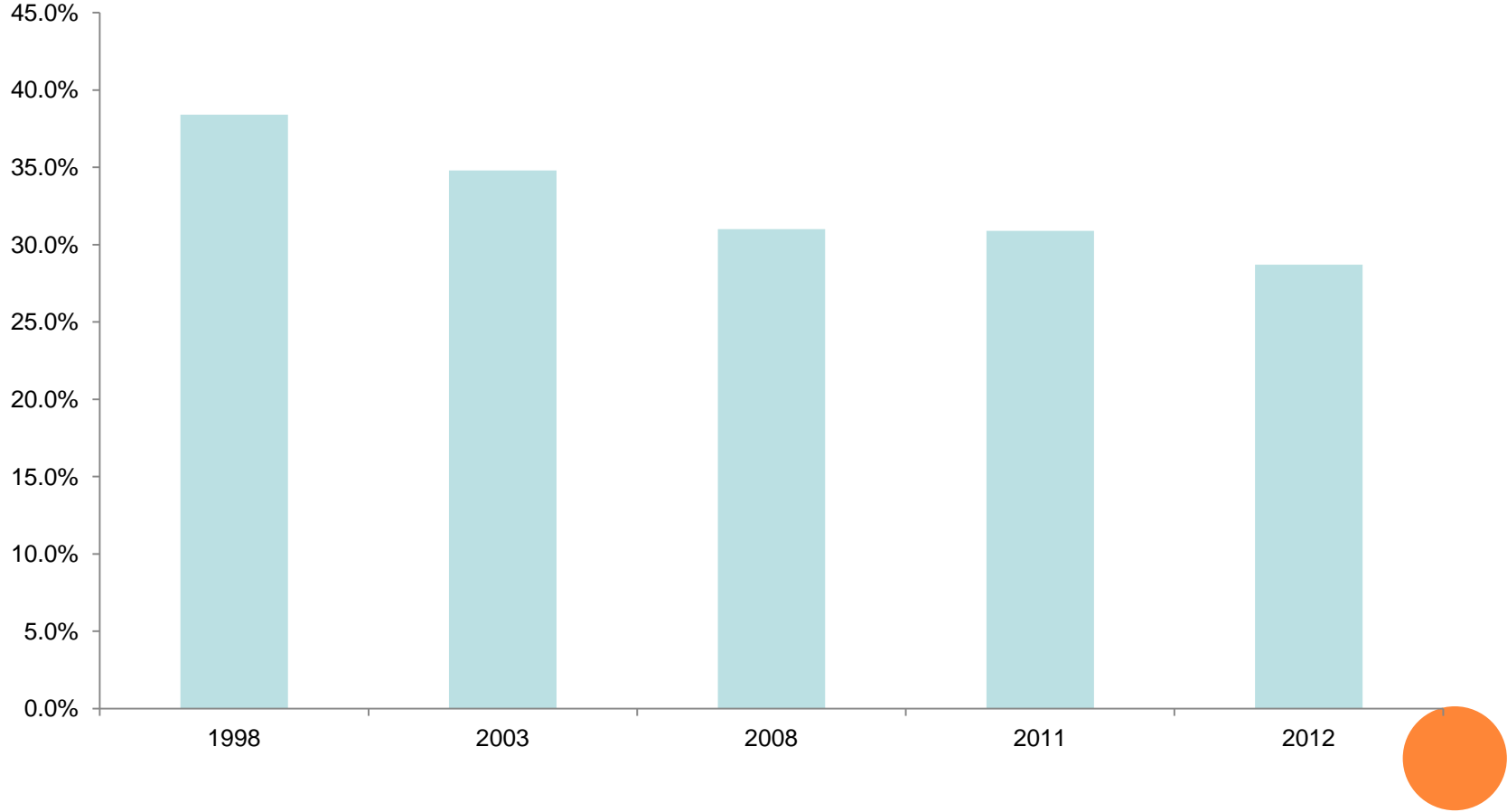
ANOTHER PERSPECTIVE

Per Student Spending by Source FY 08



% OF STATE GENERAL FUND FOR K-12

DROPPED BY 25%



FEDERAL FUNDING

As you saw, only one state in the union benefits more from federal education dollars than South Dakota

You also know how much has been accomplished in Washington DC.

If sequestration occurs for education, SD will be one the hardest impacted states.



FUTURE

- Should not expect help from Washington
- The current attitude of the SD Legislature suggests little help from Pierre.
- As a matter of fact, last January, the Governor made it clear where the money needed to come from.



FUTURE

- Things have improved in Pierre since this article was written, so perhaps the Governor's opinion has changed. I don't know.
- Schools have been given no indication from Pierre that funding will be restored.



INITIATED MEASURE 15 – PENNY SALES TAX

- It is estimated that initiated measure 15 would provide an additional \$90 - \$95 million in revenue for K-12 education.
- This revenue would be allocated on a per student basis.
- Assuming the revenue is \$94 million the Parkston School District would receive \$400,000.



OPT OUT

- An opt out is a method by which a school board can generate more revenue by “opting out” of the tax limitations. (asking for additional tax dollars)
- Schools that have Opted Out



WHAT WOULD AN OPT –OUT COST ?

- The figures I offer are only estimates. While I have confirmed the calculations, valuations will change and thereby change the calculations.
- To compare apples to apples, the calculations you are about to see are based on a \$400,000 opt out, (the same as what the penny sales tax would provide).



I WANT TO BE CLEAR!!!!

- The Parkston School Board has made NO decision regarding an opt out. I do not know if they would or would not pursue an opt out, should IM 15 fail.
- What I want to provide you is an apples for apples comparison.
- Penny Sales Tax vs Opt Out



HYPOTHETICAL OPT OUT CALCULATIONS

- In July of 2012, I called Olivet and learned that the average acre of ag land has a taxable value of \$1,350 per acre in our school district.
- Point to note: This is the taxable value, NOT the assessed value.



WHAT WOULD A \$400,000 OPT OUT COST

- 160 Acres of ag land – Taxes would increase by approximately \$215
- For a home with an taxable value of \$100,000, taxes would increase by approximately \$175.



BUDGET REDUCTION

- The third option available to the school board is budget reduction.



THE YEAR AHEAD

- Accreditation
 - Advanced Ed Accreditation
 - State Accreditation

- Common Core



WHY IS THIS IMPORTANT?

- Currently, every state has its own set of academic standards, meaning public education students in each state are learning to different levels
- All students must be prepared to compete with not only their American peers in the next state, but with students from around the world



WHAT ARE THE COMMON CORE STATE STANDARDS?

- Aligned with college and work expectations
- Focused and coherent
- Include rigorous content and application of knowledge through high-order skills
- Build upon strengths and lessons of current state standards
- Internationally benchmarked so that all students are prepared to succeed in our global economy and society
- Based on evidence and research



THE YEAR AHEAD

- Accreditation
 - Advanced Ed Accreditation
 - State Accreditation
- Common Core
- RL 16
 - Depending upon results of the election:
 - We may or may not need to work to implement the requirements of the law



THE YEAR AHEAD

- Accreditation
 - Advanced Ed Accreditation
 - State Accreditation
- Common Core
- RL 16
- Budget
 - IM 15 will dictate the direction of our work



CLOSING

- The information I have presented tonight will be available on the school website.
- As always, if you have any questions, please feel free to contact me.

