

Financial Affairs
Richard H. Hinds, Chief Financial Officer

SUBJECT: FINAL REPORT ON DOLLARS TO THE CLASSROOM ACT FOR 2001-02

COMMITTEE: FINANCIAL AFFAIRS

Pursuant to Section 1011.64, F.S., beginning in fiscal year 2001-02, the Legislature requires that any school district that fails to meet state defined minimum academic performance standards, must increase classroom expenditures from operating funds.

Additionally, the Legislature requires that a final report, prepared at the end of each fiscal year, include information that clearly indicates the degree of each district's compliance or noncompliance with the requirements of this section. If not fully compliant, the district must include a statement that has been adopted at a public hearing and signed by the district school superintendent and district school board members, which explains why the requirements of this section were not met.

Attachment I is a calculation of the required percentage (%) of classroom expenditures to total operating expenditures for fiscal year 2001-02. The District's actual level of classroom expenditures, calculated pursuant to this statute, was 64.23% or 2.61% less than the required 66.84%.

Attachment II is a copy of the initial report of Dollars to the Classroom detailing each proposed budget action to increase classroom expenditures. The initial report was submitted to the Florida Department of Education on October 10, 2001, and was included in the Budget Summary Notice (Attachment III) advertised on July 21, 2001, as required by Section 237.081 (3) F.S. Information regarding HB 1545, Dollars to the Classroom Act, was shared with the Board as part of the Executive Budget Summary for 2001-02 that was submitted to the School Board for approval on July 11, 2001.

During fiscal year 2001-02 the District faced a severe financial crisis as a result of an \$81 million reduction in revenue during the middle of the fiscal year, principally state revenue. Cost-cutting measures implemented by the District to deal with the budget shortfall resulted in a reduction of expenditures throughout the District, including the classroom. Furthermore, FTE (student) growth was lower than anticipated, thereby reducing instructional costs during 2001-02.

For the District to have met the requirement that instructional costs be 66.84% of operating expenditures, an additional \$55 million over the 2001-02 level of classroom spending would have been required. When faced with an \$81 million reduction in funding, the cost-cutting measures implemented resulted in overall reduced spending.

**REPLACEMENT
G-17**

Furthermore, actions taken by the Superintendent with the support of the Board to mitigate the budget shortfall resulted in reductions in non-school site expenditures that exceeded \$26 million in annual recurring savings. Additionally, prior to the appointment of the Superintendent in October 2001, the Board approved additional expenditure reductions totaling \$24 million. Simply stated, non-school site expenditures, including central administration, have been reduced by \$50 million in recurring cost savings in less than a year.

Statewide data used to calculate compliance with Dollars to the Classroom is not yet available. Currently, the Department of Education is in the process of reviewing the Annual Financial Reports and the Program Cost Reports submitted by all Florida school districts for fiscal year 2001-02. It is anticipated that the review will be completed in January 2003. Attachment IV is a listing of the required shift in projected expenditures of Florida school districts.

In an effort to identify other districts' results, staff communicated with the Department of Education who indicated that some school districts determined that implementing Dollars to the Classroom would constitute a financial hardship and submitted resolutions indicating that they would not be able to comply. See Attachment V, copies of sample resolutions as provided by DOE.

Attachment VI is a comparative analysis of expenditures for fiscal years 2001-02, 2000-01 and 1999-2000 that indicate that total school level and instructional expenditures for Miami-Dade County Public Schools have increased from year to year. Again, it must be noted that the formula used by the Department of Education to calculate classroom expenditures does not include capital outlay expenditures and does not consider the Districts' significant costs in insurance, transportation, security and custodial services.

In the event of budget reductions and continued decrease in enrollment during fiscal year 2002-03, the District may again be unable to meet Dollars to the Classroom spending targets. It must be pointed out that school districts that fail to meet the percentage spending targets are not in violation or noncompliance with Dollars to the Classroom legislation as long as districts disclose their inability to reach spending targets and explain why.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve the 2001-02 Final Report on Dollars To The Classroom Act and authorize the Superintendent to forward the report to the Department of Education.

RHH:egc

MIAMI-DADE COUNTY PUBLIC SCHOOLS

**FINAL REPORT ON DOLLARS TO THE CLASSROOM ACT
2001-02**

A 2001-02 Final Report on Dollars to the Classroom Act (Agenda Item G-17) was approved by The School Board of Miami-Dade County, Florida, at their School Board Meeting on December 11, 2002. During fiscal year 2001-02 the District faced a severe financial crisis as a result of an \$81 million reduction in revenue during the middle of the fiscal year, principally state revenue. Cost-cutting measures implemented by the District to deal with the budget shortfall resulted in a reduction of expenditures throughout the District, including the classroom. Furthermore, FTE (student) growth was lower than anticipated, thereby reducing instructional costs in 2001-02.

For the District to have met the requirement that instructional costs be 66.84% of operating expenditures, an additional \$55 million over the 2001-02 level of classroom spending would have been required. When faced with an \$81 million reduction in funding, the cost-cutting measures implemented resulted in overall reduced spending.

Furthermore, actions taken by the Superintendent with the support of the Board to mitigate the budget shortfall resulted in reductions in non-school site expenditures that exceeded \$26 million in annual recurring savings. Additionally, prior to the appointment of the Superintendent in October 2001, the Board approved additional expenditure reductions totaling \$24 million. Simply stated, non-school site expenditures, including central administration, have been reduced by \$50 million in recurring cost savings in less than a year.

Using the state's formula to calculate classroom expenditures, the final report indicated that the District spent 2.61% less than the required 66.84% for classroom expenditures. When comparing actual expenditures for fiscal years 1999-00 and 2001-02, the increase in classroom expenditures is 68.12% of the increase in operating expenditures.

Mr. Merrett R. Stierheim
Superintendent of Schools

Dr. Michael M. Krop, Chair

Dr. Robert B. Ingram, Vice Chair

Mr. Agustín Barrera

Mr. Frank J. Bolaños

Mr. Frank J. Cobo

Ms. Perla Tabares Hantman

Ms. Betsy H. Kaplan

Dr. Marta Pérez

Dr. Solomon C. Stinson

MIAMI-DADE COUNTY PUBLIC SCHOOLS

Calculation of Compliance to
Dollars to the Classroom Act of 2001
1999-00 compared to 2001-02

	1999-00	2001-02	Difference Increase/ (Decrease)
Step 1			
2001-02 Operating Expenditures*	\$ 2,096,253,832.72	\$ 2,289,014,958.00	\$ 192,761,125.28
Transfers to Other Funds*	4,210,454	-	(4,210,454)
Total Operating Expenditures	<u>2,100,464,287</u>	<u>2,289,014,958</u>	<u>188,550,671</u>
Less Function 7420 (Capital Outlay)*	(216,761)	(92,066)	124,695
Less Function 9300 (Capital Outlay)*	(19,774,891)	(14,000,861)	5,774,030
Less Function 9200 (Debt Service)*	(677,896)	(1,019,903)	(342,007)
Less Adult Job Prep**	(43,735,888)	(42,500,589)	1,235,299
Less Adult General**	(75,467,267)	(78,124,450)	(2,657,183)
Less Transportation Revenue*	<u>(29,898,464)</u>	<u>(28,198,518)</u>	<u>1,699,946</u>
Total Operating Expenditures for Calculation of Section 1011.64, F.S.	<u>\$ 1,930,693,119.96</u>	<u>\$ 2,125,078,571.00</u>	<u>\$ 194,385,451.04</u>
Step 2			
2001-02 Operating Expenditures, Instruction (Func 5000)*	\$ 1,277,940,721.45	\$ 1,414,463,141.05	\$ 136,522,419.60
2001-02 Operating Expenditures, Staff Training (Func 6400)*	10,372,507	9,473,598	(898,909)
Less Adult Programs, Direct Instruction**	(55,747,903)	(58,932,509)	(3,184,606)
Less Adult General, Staff Training**	-	(15,717)	(15,717)
Classroom Expenditures As Defined by Section 1011.64	<u>\$ 1,232,565,325.42</u>	<u>\$ 1,364,988,513.33</u>	<u>\$ 132,423,187.91</u>
Step 3			
% Classroom Expenditures to Total Operating Expenditures	63.84%	<u>64.23%</u>	<u>68.12%</u>
Number of Academic Standards	<u>3.00%</u>		
Required % Classroom Expenditures to Total Operating Expenditures for 2001-02	<u>66.84%</u>		

*From Annual Financial Report

**From Cost Report Data in Annual Financial Report

**Dollars to the Classroom - Initial Report
District School Board of Miami-Dade County
Budget Year 2001-2002**

Complete and submit the following report no later than 30 days after final budget approval.
Detail each proposed budget action intended to increase classroom expenditures as well as how the action will improve student achievement.

<u>PROPOSED BUDGET ACTION</u>	<u>AMOUNT</u>	<u>PROPOSED IMPACT ON STUDENT ACHIEVEMENT</u>
Hiring additional instructional staff	\$ 37,297,895	Workload - maintain class size
Magnet Program Improvements	180,000	Workload - due to additional students
Additional Instructional Materials	3,929,839	Workload - allows core textbooks to be purchased
Teacher Recruitment/Retention Bonuses	15,193,704	Categorical - improves teaching environment
School Recognition Awards	7,111,939	Categorical - teacher's incentive to improve test scores
Capital Outlay flow through to Charter Schools	5,686,630	Provides for classrooms in Charter Schools
Instructional Technology	5,000,000	Increases technology in the classroom
Board Discretionary Funds (salary negotiations)	28,690,000	Improves teaching environment

TOTAL INCREASE IN CLASSROOM EXPENDITURES*	\$ 103,090,007
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*Total should agree with amount advertised with budget requirement, Section 237.081(3), F.S.

Judith A. Weleb

Preparer's Signature/Title
Assistant Chief Budget Officer

Submit to:
Office of Funding and Financial Reporting
325 W. Gaines Street, Room 824
Tallahassee, Florida 32399-0400
Fax (850) 922-6742

PROPOSED MILEAGE LEVY

Operating:	
Required Local Effort	5.834
Discretionary	.694
Debt Service	.848
Capital Outlay	2.000
Total	9.376

**BUDGET SUMMARY NOTICE - DISTRICT SCHOOL BOARD OF MIAMI-DADE
THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE SCHOOL BOARD OF
MIAMI-DADE COUNTY, FLORIDA ARE 2.3% PERCENT MORE THAN LAST YEAR'S TOTAL
OPERATING EXPENDITURES**

2001-02 BUDGET

	GENERAL	DEBT SERVICE	CAPITAL PROJECTS	SPECIAL REVENUE	TRUST & AGENCY
REVENUES					
Federal Sources	\$ 12,637,388	\$ 0	0	\$ 294,663,768	\$ 0
State Sources	1,442,226,467	13,253,734	110,016,213	2,891,000	0
Local Sources	719,284,359	87,757,716	245,401,977	34,929,734	3,842,029
TOTAL REVENUES	\$ 2,174,148,214	\$ 101,011,450	\$ 355,418,190	\$ 332,484,502	\$ 3,842,029
Transfers In	144,679,398	68,787,415	7,598,000	0	0
Non-revenue Sources	27,694	0	232,810,562	0	0
FUND BALANCES - JULY 1, 2000	147,230,377	64,271,339	680,310,717	9,676,731	32,790,435
TOTAL REVENUES & BALANCES	\$ 2,466,085,681	\$ 234,070,204	\$ 1,276,137,469	\$ 342,161,233	\$ 36,632,464
EXPENDITURES					
Instruction	\$ 1,567,861,137	\$ 0	0	\$ 114,192,425	\$ 0
Pupil Personnel Services	116,698,804	0	0	16,988,765	0
Instructional Media Services	52,316,987	0	0	1,784,325	0
Instructional & Curriculum Develop.	23,674,739	0	0	37,515,106	0
Instructional Staff Training	7,683,484	0	0	28,721,721	0
Board of Education	4,842,424	0	0	0	0
General Administration	7,933,558	0	0	5,409,426	0
School Administration	141,992,451	0	0	0	0
Facilities-Other	361,614	0	1,041,323,522	260,077	0
Fiscal Services	14,078,733	0	0	0	0
Food Services	0	0	9	121,559,618	0
Central Services	80,702,122	0	0	364,053	0
Pupil Transportation Services	79,605,403	0	0	716,338	0
Operation of Plant	210,152,794	0	0	27,685	0
Maintenance of Plant	102,396,524	0	0	29,076	0
Community Services	28,145,875	0	0	5,458,457	5,520,744
Debt Services	0	166,741,174	0	0	0
TOTAL EXPENDITURES	\$ 2,438,446,649	\$ 166,741,174	\$1,041,323,522	\$333,027,072	\$5,520,744
Transfers Out	2,293,078	0	221,064,811	0	0
FUND BALANCE - JUNE 30, 2001	25,345,954	67,329,030	13,749,136	9,134,161	31,111,720
TOTAL EXPENDITURES, TRANSFERS & BALANCES	\$ 2,466,085,681	\$ 234,070,204	\$ 1,276,137,469	\$ 342,161,233	\$ 36,632,464

This proposed budget reflects an increase in classroom expenditures as a percent of total current operating expenditures of 3 percent over the 2000-01 fiscal year. This increase in classroom expenditures is required by the Legislature because the district has performed below the required performance standard on 3 of 4 student performance standards for the 2000-01 school year. In order to achieve the legislatively required level of classroom expenditures as a percentage of total operating expenditures, the proposed budget includes an increase in overall classroom expenditures of \$103,090,007 above the amount spent for this same purpose during the 2000-01 fiscal year. In order to achieve improved student academic performance, this proposed increase is being budgeted for the following activities:

Hiring additional instructional staff	\$ 37,297,895
Magnet Program Improvements	180,000
Additional Instructional Materials	3,929,839
Teacher Recruitment/Retention Bonuses	15,193,704
School Recognition Awards	7,111,939
Capital Outlay flow through to Charter Schools	5,688,630
Instructional Technology	20,690,000
Board Discretionary Funds (to be l	13,000,000
	\$ 103,090,007

District	Elementary	Middle	High	Dollars to the Classroom						1999-00	2001-2002
	Weighted	Weighted	Weighted	Nonpromotion	Elementary			Nonpromotion		Classroom	Classroom
	District	District	District		Below Median	Middle	High	Above Average	Instruction		
Grade	Grade	Grade	Rate	1% Shift	1% Shift	1% Shift	1% Shift	% Shift	% of Total	% Requirement	
	Less Than	Less Than	Less than								
	-1-	-2-	-3-	-4-	-5-	-6-	-7-	-8-	-9-	-10-	-11-
Median Grade	Median Grade	Median Grade	Median Grade	Rate	1% Shift	1% Shift	1% Shift	1% Shift	% Shift	% of Total	% Requirement
1 Alachua	2.39	3.31	2.95	6.94%	1%	0%	0%	1%	2%	57.47%	59.47%
2 Baker	2.00	2.00	2.00	11.14%	1%	1%	0%	1%	3%	57.85%	60.85%
3 Bay	3.04	3.81	2.00	8.50%	0%	0%	0%	1%	1%	64.20%	65.20%
4 Bradford	2.31	2.00	2.00	7.90%	1%	1%	0%	1%	3%	61.37%	64.37%
5 Brevard	3.10	2.89	2.72	2.98%	0%	0%	0%	0%	0%	64.99%	64.99%
6 Broward	2.92	2.43	2.22	6.08%	0%	1%	0%	0%	1%	60.81%	61.81%
7 Calhoun	3.71	3.00	2.00	5.43%	0%	0%	0%	0%	0%	62.85%	62.85%
8 Charlotte	3.09	3.53	2.51	1.54%	0%	0%	0%	0%	0%	60.66%	60.66%
9 Citrus	2.23	2.69	2.00	9.97%	1%	1%	0%	1%	3%	58.39%	61.39%
10 Clay	2.79	3.71	2.84	6.33%	0%	0%	0%	0%	0%	64.21%	64.21%
11 Collier	2.51	2.81	2.24	3.94%	1%	1%	0%	0%	2%	67.03%	69.03%
12 Columbia	2.31	4.00	2.00	10.88%	1%	0%	0%	1%	2%	65.00%	67.00%
13 Dade	2.28	1.86	1.90	6.08%	1%	1%	1%	0%	3%	63.84%	66.84%
14 De Soto	1.63	2.00	2.00	4.89%	1%	1%	0%	0%	2%	61.38%	63.38%
15 Dixie	2.00	2.00	2.00	6.79%	1%	1%	0%	0%	2%	53.82%	55.82%
16 Duval	2.25	2.39	2.14	13.12%	1%	1%	0%	1%	3%	61.65%	64.65%
17 Escambia	2.17	2.88	2.00	3.84%	1%	0%	0%	0%	1%	62.18%	63.18%
18 Flagler	2.54	3.12	2.00	4.23%	1%	0%	0%	0%	1%	57.25%	58.25%
19 Franklin	2.14	2.00	2.00	5.77%	1%	1%	0%	0%	2%	59.69%	61.69%
20 Gadsden	1.69	1.43	1.00	10.29%	1%	1%	1%	1%	4%	60.25%	64.25%
21 Gilchrist	3.51	4.00	2.00	9.03%	0%	0%	0%	1%	1%	59.97%	60.97%
22 Glades	2.00	3.00	-	4.51%	1%	0%	0%	0%	1%	59.98%	60.98%
23 Gulf	4.00	2.99	2.00	4.66%	0%	0%	0%	0%	0%	53.31%	53.31%
24 Hamilton	1.00	2.20	1.00	6.09%	1%	1%	1%	0%	3%	58.04%	61.04%
25 Hardee	3.53	2.00	2.00	7.55%	0%	1%	0%	1%	2%	62.27%	64.27%
26 Hendry	2.40	2.00	2.00	9.09%	1%	1%	0%	1%	3%	60.61%	63.61%
27 Hernando	3.04	3.00	2.00	3.12%	0%	0%	0%	0%	0%	60.42%	60.42%
28 Highlands	2.37	3.01	2.00	9.28%	1%	0%	0%	1%	2%	59.79%	61.79%
29 Hillsborough	2.65	3.01	2.22	7.82%	1%	0%	0%	1%	2%	65.19%	67.19%
30 Holmes	3.46	2.30	1.76	5.48%	0%	1%	1%	0%	2%	64.46%	66.46%
31 Indian River	2.89	2.45	2.00	3.28%	0%	1%	0%	0%	1%	59.65%	60.65%
32 Jackson	2.29	3.04	1.88	5.94%	1%	0%	1%	0%	2%	60.47%	62.47%
33 Jefferson	2.00	2.00	2.00	12.30%	1%	1%	0%	1%	3%	57.97%	60.97%
34 Lafayette	2.00	2.00	2.00	4.52%	1%	1%	0%	0%	2%	56.94%	58.94%
35 Lake	3.13	3.38	2.00	6.17%	0%	0%	0%	0%	0%	64.72%	64.72%
36 Lee	2.79	2.67	2.28	5.72%	0%	1%	0%	0%	1%	60.89%	61.89%
37 Leon	3.08	3.52	2.77	11.00%	0%	0%	0%	1%	1%	62.60%	63.60%
38 Levy	2.96	3.13	2.00	9.88%	0%	0%	0%	1%	1%	62.92%	63.92%
39 Liberty	3.00	3.23	2.00	6.84%	0%	0%	0%	0%	0%	59.76%	59.76%
40 Madison	2.00	1.70	2.00	14.50%	1%	1%	0%	1%	3%	62.08%	65.08%
41 Manatee	2.66	2.81	2.48	8.30%	1%	1%	0%	1%	3%	65.04%	68.04%
42 Marion	2.44	2.86	2.72	7.20%	1%	0%	0%	1%	2%	64.12%	66.12%
43 Martin	3.17	3.82	3.12	3.62%	0%	0%	0%	0%	0%	63.16%	63.16%
44 Monroe	2.95	3.88	2.70	3.24%	0%	0%	0%	0%	0%	56.76%	56.76%
45 Nassau	2.95	3.27	2.00	5.53%	0%	0%	0%	0%	0%	63.59%	63.59%
46 Okaloosa	2.90	3.71	3.86	3.39%	0%	0%	0%	0%	0%	64.54%	64.54%
47 Oklawaha	2.76	2.00	2.00	6.08%	0%	1%	0%	0%	1%	63.16%	64.16%
48 Orange	2.28	2.57	2.21	7.22%	1%	1%	0%	1%	3%	60.65%	63.65%
49 Osceola	1.92	2.40	2.04	6.68%	1%	1%	0%	0%	2%	59.82%	61.82%
50 Palm Beach	2.71	2.59	2.01	10.29%	0%	1%	0%	1%	2%	67.60%	69.60%
51 Pasco	2.52	2.88	2.00	6.51%	1%	0%	0%	0%	1%	63.38%	64.38%
52 Pinellas	2.57	3.01	2.50	8.88%	1%	0%	0%	1%	2%	63.52%	65.52%
53 Polk	2.69	2.58	2.12	10.38%	0%	1%	0%	1%	2%	67.52%	69.52%
54 Putnam	1.78	2.00	2.00	10.48%	1%	1%	0%	1%	3%	59.40%	62.40%
55 St. Johns	2.73	3.00	4.00	3.17%	0%	0%	0%	0%	0%	63.19%	63.19%
56 St. Lucie	2.68	2.05	2.26	10.22%	0%	1%	0%	1%	2%	61.74%	63.74%
57 Santa Rosa	3.47	3.52	2.93	3.16%	0%	0%	0%	0%	0%	62.57%	62.57%
58 Sarasota	2.94	3.08	2.83	7.17%	0%	0%	0%	1%	1%	64.69%	65.69%
59 Seminole	2.88	2.92	2.94	4.50%	0%	0%	0%	0%	0%	66.03%	66.03%
60 Sumter	3.35	2.00	2.00	8.11%	0%	1%	0%	1%	2%	60.16%	62.16%
61 Suwannee	2.00	2.50	2.00	5.03%	1%	1%	0%	0%	2%	63.88%	65.88%
62 Taylor	2.00	-	2.00	8.47%	1%	0%	0%	1%	2%	64.79%	66.79%
63 Union	3.00	2.00	2.00	4.98%	0%	1%	0%	0%	1%	57.54%	58.54%
64 Volusia	2.94	2.85	1.97	6.99%	0%	0%	1%	1%	2%	65.45%	67.45%
65 Waldo	4.00	4.00	2.00	7.08%	0%	0%	0%	1%	1%	61.80%	62.80%
66 Walton	3.34	2.44	2.13	8.17%	0%	1%	0%	1%	2%	63.36%	65.36%
67 Washington	2.65	2.83	2.00	5.43%	1%	1%	0%	0%	2%	65.56%	67.56%
State Totals	2.68	2.84	2.00	6.92%							
72 FAU	4.00	3.00	-	0.00%	0%	0%	0%	0%	0%		
73 FSU	4.00	3.00	2.00	5.00%	0%	0%	0%	0%	0%		
74 FAMU	1.00	1.00	-	4.91%	1%	1%	0%	0%	2%		
75 UF	3.00	2.00	4.00	3.88%	0%	1%	0%	0%	1%		

from Volusia County's resolution

Reports Requested by the Department of Education and Budget Implementation

- The Department of Education, pursuant to the requisite statute, requested information regarding the school district's plan to implement the F.S. 236.08102, requirement. At that same time the report was requested, two special legislative sessions occurred, the second of which ended on December 6, 2001, and which resulted in a \$7.2 million reduction in funding for the school district for the 2001-2002 school year. The budget cuts by the district in response to this reduction were difficult, and resulted in decreased support to the classroom. Fortunately, the budget cuts were accomplished with minimal direct impact on the classroom. Negotiations with the three bargaining units continued. However, the school district's difficult financial condition after the budget reductions made implementation of the requirement under F.S. 236.08102 impossible. Consequently, no report was filed with the Department of Education, and no action will be taken in the 2001-2002 school year to implement the budget mandates under F.S. 236.08102.

RECEIVED

OCT 12 2001

RESOLUTION
OF
THE SCHOOL BOARD OF BRADFORD COUNTY, FLORIDA
Budgeting and Financial Reporting

WHEREAS, House Bill 1545 requires THE SCHOOL BOARD OF BRADFORD COUNTY to increase classroom expenditures if the district performs below certain performance standards; and

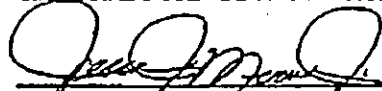
WHEREAS, advertisement of this increase in classroom expenditures is also required as a part of the standard budget advertisements; and

WHEREAS, THE SCHOOL BOARD OF BRADFORD COUNTY continues to increase classroom expenditures as funds become available; and now

THEREFORE, BE IT RESOLVED, THE SCHOOL BOARD OF BRADFORD COUNTY has determined that this would be a financial hardship to the district to fully fund this requirement and that student progress can be achieved without such increase and advertisement.

DATED this 23rd day of July, 2001.

THE BRADFORD COUNTY SCHOOL BOARD



Jesse J. Moore, Chairman



Robert G. Paterson, Superintendent

THE ST. LUCIE COUNTY SCHOOL DISTRICT
RESOLUTION AUTHORIZING THE DISPENSATION FROM THE
REQUIREMENTS OF SECTION 236.08102, FLORIDA STATUTES
FISCAL YEAR 2002-03

Whereas, Section 236.08102, Florida Statutes, requires the St. Lucie County School District to redirect a percentage of the district's "total operating expenditures" to "expenditures for classroom instruction", and

Whereas Section 236.08102, Florida Statutes defines Total K-12 Operating Expenditures as "the amount of total general fund expenditures for K-12 programs as reported in accordance with the accounts and codes prescribed in the most recent issuance of the Department of Education publication entitled 'Financial and Program Cost Accounting and Reporting for Florida Schools' and as included in the annual financial report submitted to the Commissioner of Education, less the pupil transportation revenue allocation from the state appropriation for that purpose, amounts transferred to other funds, and increases to the amount of the general fund unreserved ending fund balance when the total unreserved ending fund balance is in excess of 5 percent of the total general fund revenues", and

Whereas Section 236.08102, Florida Statutes defines Expenditures for Classroom Instruction as "the sum of the general fund expenditures for K-12 instruction and instructional staff training for basic skills", and

Whereas the School District of St. Lucie County continues to increase Expenditures for Classroom Instruction as additional funds become available, and

Whereas the School Board of St. Lucie County, Florida consistently ranks among districts with the lowest administrative costs per FTE, and

Whereas the School Board of St. Lucie County, Florida implemented significant budget reductions in Total K-12 Operating Expenditures, necessitated by the statewide reduction in per-student funding implemented by the 2002 Legislature, and

Whereas the School Board of St. Lucie County, Florida realizes the necessity of utilizing flexibility in expending funds allocated to the school district to maintain critical school and district support functions,

THEREFORE be it resolved, that the St. Lucie County School Board has determined that the redirection of operating funds from the following support functions: student support services including guidance, psychological services, attendance services, parental involvement-services, and attendance services; school and district media programs; school and district instructional curriculum development and support services; student transportation; school and district custodial services; school and district maintenance services; and school and district community service functions, as required per Section 236.08102, Florida Statutes will create a hardship for all district operations, including


support and instructional functions, and that positive student progression can continue without such funding redirection.



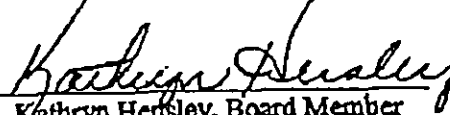
Dr. William Vogel, Superintendent



Dr. Samuel Gaines, Chairman




Dr. John Carvelli, Vice Chairman



Kathryn Hensley, Board Member



Carol A. Hilson, Board Member



Dr. Judi Miller, Board Member

RESOLUTION
OF
THE SCHOOL BOARD OF HAMILTON COUNTY, FLORIDA

WHEREAS, Section 236.08102, F.S. and proviso language within the FEFP appropriation requires THE SCHOOL BOARD OF HAMILTON COUNTY to increase classroom expenditures by 3% over fiscal year 2000-01 Classroom Instruction expenditures since the district performed below the required performance standards,

WHEREAS, advertisement of this increase in classroom expenditures is also required as a part of the standard budget advertisements; and

WHEREAS, THE SCHOOL BOARD OF HAMILTON COUNTY continues to increase classroom expenditures as funds become available; and now

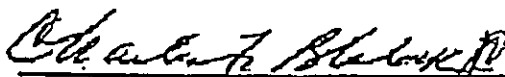
THEREFORE, BE IT RESOLVED, THE SCHOOL BOARD OF HAMILTON COUNTY has determined that this would be a financial hardship to the district to fully fund this requirement for fiscal year 2002-2003, due to declining enrollment over the last 5 years and that student progress can be achieved without such increase and advertisement.

DATED this 27th day of July, 2002.

THE HAMILTON COUNTY SCHOOL BOARD

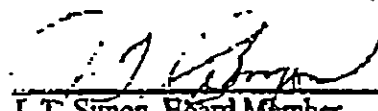

Martha Butler, Board Chairperson


Marnell Cerey, Board Vice-Chairman


Charles F. Blalock, Superintendent


Lynn Roberson, Board Member


Larry Carver, Board Member


J. T. Simon, Board Member

**Comparative Analysis of Expenditures
for years
2001-02 / 2000-01 / 1999-2000**

	2001-02	% OF TOTAL	2000-2001	% OF TOTAL	1999-2000	% OF TOTAL
SCHOOL LEVEL SERVICES						
TEACHING	\$ 1,414,463		\$ 1,380,201		\$ 1,277,941	
STUDENT SERVICES (includes counselors, psychologists and visiting teachers)	169,135		168,331		156,240	
TRANSPORTATION	80,078		78,666		72,384	
TOTAL DIRECT SERVICES TO STUDENTS	\$ 1,663,676	72.7%	\$ 1,627,198	72.2%	\$ 1,506,565	71.9%
CUSTODIAL & MAINTENANCE SERVICES (includes utilities)	\$ 298,651		\$ 304,290		\$ 275,284	
SCHOOL ADMINISTRATION	146,015		143,135		136,642	
COMMUNITY SERVICES	34,761		28,850		27,620	
TOTAL SCHOOL LEVEL SERVICES	\$ 2,143,103	93.6%	\$ 2,103,473	93.3%	\$ 1,946,111	92.8%
INSTRUCTIONAL SUPPORT SERVICES						
INSTRUCTION & CURRICULUM DEVELOPMENT	\$ 23,887		\$ 24,267		\$ 21,341	
INSTRUCTIONAL STAFF TRAINING	9,474		11,454		10,372	
TOTAL INSTRUCTIONAL SUPPORT SERVICES	\$ 33,361	1.5%	\$ 35,721	1.6%	\$ 31,713	1.5%
TOTAL SCHOOL LEVEL & INSTRUCTIONAL EXPENDITURES	\$ 2,176,464	95.1%	\$ 2,139,194	94.9%	\$ 1,977,824	94.4%
BUSINESS SERVICES						
FISCAL SERVICES (includes accounting, budget, payroll, accounts payable, and cash management)	\$ 15,562		\$ 14,968		\$ 13,997	
CENTRAL SERVICES (includes purchasing, personnel, data processing, risk management and warehouse services)	66,674		63,254		64,636	
DEBT and OTHER	1,020		642		678	
TOTAL BUSINESS SERVICES	\$ 83,256	3.6%	\$ 78,864	3.5%	\$ 79,311	3.8%
CENTRAL ADMINISTRATION						
BOARD OF EDUCATION (BOARD ATTORNEY)	\$ 4,711		\$ 5,133		\$ 4,540	
GENERAL ADMINISTRATION	9,237		7,796		7,064	
TOTAL CENTRAL ADMINISTRATION	\$ 13,948	0.6%	\$ 12,929	0.6%	\$ 11,604	0.6%
SUB-TOTAL EXPENDITURES	\$ 2,273,668	99.3%	\$ 2,230,987	98.9%	\$ 2,068,739	98.7%
FACILITIES & CAPITALIZED EQUIPMENT	\$ 1,346	1.0%	\$ 1,245	1.0%	\$ 7,740	1.0%
OTHER CAPITAL OUTLAY	14,001	1.0%	22,448	1.0%	19,775	1.0%
TOTAL EXPENDITURES	\$ 2,289,015	100.0%	\$ 2,254,680	100.0%	\$ 2,096,254	100.0%