



**FINANCIAL POLICIES AND PROCEDURES COMMITTEE MINUTES**  
**May 11, 2018**

Members Present

Anthony Whiteley, St. Vrain Valley Re-1J  
Brook Quint, Briggsdale  
Chloe Flam, Northwest Colorado BOCES  
Janell Wood, Swink 33  
Justin Petrone, Boulder Valley RE-2J  
Laura Hronik, Colorado Springs 11  
Lisa Clark, Weld RE-3J

Mike Thomas, Fowler R-4J  
Mimi Livermore, Adams 12  
Sarah Colazio, Windsor Charter  
Stephanie Corbo, Jefferson County R-1  
Steven Clawson, Denver 1  
Terry Kimber, Widefield 3

Ex-Officio Members Present

Aaron Oberg, CDE  
Adam Williams, CDE  
Cassie Walgren, Charter School Institute

Gina Faulkner, OSA  
Jennifer Okes, CDE  
Yolanda Lucero, CDE

Members and Alternates Absent

Cara Golden, Mesa County Valley 51  
Erich Dorn, Centennial BOCES  
Jonathan Levesque, Littleton 6  
Kera Badalamenti, Poudre R-1  
Kristine Githara, Cherry Creek 5  
Lana Niehans, Pueblo City Schools 60

Matthew Scoggins, Rangely RE-4  
Michael Everest, Mapleton 1  
Mike Hodgson, Archuleta County 50JT  
Richard Stettler, Ellicott 22  
Ron Whitling, Aurora 28J  
Shelley Becker, Harrison

Guests Present

Angialea Goode, Kim Reorganized 88  
Audra Rettedal, South Routt Re 3  
Becky Samborski, Weld RE-1  
Beverly Martinez, Wall Smith Bateman  
Brad Arnold, Cherry Creek 5  
Brian Lund, Estes Park R-3  
Brook Williamson, Pikes Peak BOCES  
Caryn Braddy, Vision Charter Academy  
Chelsey Gerard, Eagle RE-50  
Chris Surratt, Jefferson County R-1  
Colleen Love, Ridgeway  
Conni Salzbrenner, Vilas  
Danielle Duke, Harrison 2  
Dawn Chavez, Crowley County School  
Deb County, Valley Re-1  
Denise Pearson, Kiowa C-2  
Donna Villamor, Littleton 6  
Doreen Jones, Dolores RE-4A  
Doug Moss, Weld RE-1

Gina Lanier, Aurora 28J  
Jessica Hyman, Harrison  
Jim Ventrello, Delta County 50(J)  
Jodi Poulin, Falcon 49  
John Wall, Moffat County Re:No 1  
Jona Layton, East Central BOCES  
Joshua Shoemaker, Jefferson County R-1  
Julia Teska, Aurora 28J  
Laurie Darnell, Sheridan #2  
Leona Hollond, Monte Vista C-8  
Linda Hawthorne, Frenchman RE-3  
Linda Warhoe, Academy #20  
Lisa Anderson, Jefferson County R-1  
Lucinda Lounge, Ignacio 11-JT  
Luke Gonzales, Thompson R2J  
Luke Jones, Valley Re-1  
Mandi Birge, San Juan BOCES  
Mandy Hydock, Greeley RE-6  
Marita Vogrin, Academy #20

Guests Present (continued)

Mark Rydberg, Steamboat Springs

Mike Lee, Ft Morgan RE-3

Mona Larsen, Woodland Park RE-2

Nicole Stewart, Jefferson County R-1

Patty Venem, Rocky Ford R-2

Rena Sanchez, Lake County R-1

Rose Belden, Garfield 16

Samantha Gallagher, Durango 9R

Samuel Pugl, Mesa County Valley 51

Sandy Woods, Aurora 28J

Sean Conner, Jefferson County R-1

Shanae Larson, Sanford 6J

Sherry Dennis Murphy, Yuma 1

Sherry Scallan, Creede School District

Sherry Shay, Thompson R2J

Staci Turner, San Luis Valley BOCES

Tammy Hohn, Englewood 1

Terry Buswell, Centennial BOCES

Terry Scharg, Gilpin County RE-1

Tracy John, Academy #20

Wendy Swanhorst, Swanhorst & Company

## MEETING MINUTES

### FINANCIAL POLICIES AND PROCEDURES COMMITTEE

May 11, 2018

#### 1. Call to Order

Aaron Oberg called the meeting to order at 9:30 am.

Those in attendance were asked to introduce themselves and their district.

#### 2. Approval of Agenda

*Stephanie Corbo with Jefferson County made a motion to approve the agenda.*

*Mimi Livermor with, Adams 12 made a 2<sup>nd</sup> on the motion, motion carried.*

#### 3. Approval of Prior Meeting Minutes

*Anthony Whiteley with St. Vrain made a motion to approve the prior meeting minutes.*

*Justin Petrone with Boulder Valley made a 2<sup>nd</sup> on the motion, motion carried.*

#### 4. FPP Meetings

##### 4.1. Friday Meetings

As we move forward with setting the meeting dates for the 2018-19 school year we want to be mindful for school districts that are on a four day a week schedule. Many of the school districts are currently on a four day a week schedule, with others moving in this direction in the upcoming school year.

- There are five attendees from Swink who are currently on a four day week, Monday through Thursday; they prefer that the meeting would not be scheduled on Fridays. Many of the districts near Swink are also on a four day week, most of these districts have declined to attend the meetings.
- There is one attendee in Centennial BOCES who is on a four day a week schedule; they prefer to not have the meetings scheduled on Fridays.
- Most of the districts at East Central BOCES are four day a week, some with Friday's off and others with Monday's off. One attendee at East Central BOCES prefers the meetings on Fridays, which is the districts scheduled day off.
- The attendees from Steamboat Springs prefer keeping the meetings scheduled on Fridays. They believe a Friday is the best day for a three hour meeting.
- The attendees from Jeffco feel that Fridays are more convenient; however, they are flexible to make the change if another day is better for majority of the Districts.

Please send any comments between now and the next meeting on the preferred meeting dates. It was also determined to send out a survey to compile the preferred meeting dates from all business managers.

#### 4.2. Call for Nominations

There are four committee positions to be filled by representatives from school districts with a term date in 2022, one membership to be filled by a representative from a with a term date in 2020 and one membership to be filled by a representative from school district with a term date in 2021. If you are interested in being considered send your name to CDE.

#### 5. Data Pipeline Edits and Coding

As the Data Pipeline reviews are wrapping up for the 2016-17 fiscal year there were coding issues that have been identified between the district's financial audit and the Data Pipeline file. The most seen coding issues are with the fund balance accounts. If your system allows you to enter a journal entry at year end to update the fund balance classification this should be updated or the district should modify the load file. Other items identified are the deferred inflow accounts, deferred outflow accounts, capital lease payments and GOB fund 90 accounts. The GOB fund 90 accounts appear to be unchanged from the prior years, these amounts should align with the debt note stated within the financial audit. When you are submitting your file in the upcoming year take a moment to compare with the financial audit to ensure that the amounts and accounts reported are aligned.

At the prior FPP meeting, it was recommended that districts code all related expenditures for Read Act with the proper grant code. This would also be true for the categorical funds, for these programs most school districts are only transferring the amount of expenditures to equal the revenue that is received. When looking at these programs this presents an argument that the funding received is sufficient. Another conclusion could be that districts are only spending on salaries in these programs, if the district is only transferring salaries to equal the revenue. When coding all expenditures this presents a clearer picture of the types of expenditures being used and will also show that districts have more expenditures than they are receiving funds.

#### 6. Legislative Update

There were over 70 education related bills this legislative session, of these 35 require implementation from CDE staff members or the State Board of Education. There are 16 bills with a fiscal note indicating funding allocation or distribution to the school districts.

##### [HB 18-1379](#): Public School Finance

- Increase in estimated funded pupils by 5,624.2 from FY17-18 pupil counts
- Increase in local share of \$35.3M from FY17-18
- Inflation rate of 3.4%
- Decrease Budget Stabilization Factor to \$672.4M -8.68% (\$155.9M from FY17-18 appropriation)
- Statewide Average Per Pupil Funding is \$8,137 (increase of \$475 from FY17-18)
- Total Program is \$7.08
- ELPA funding allocated proportional to NEP/LEP and FEP Monitor 1 and 2 students
- Distributes \$30M on a per-pupil basis to large rural districts (55%) and small rural districts (45%) including charter schools in these districts
- 1,000 ECARE slots (Note: Allocations are estimates and will be adjusted after allocations)

## 6. Legislative Update (continued)

### [SB 18-200](#): Modifications to PERA Public Employees' Retirement Association

- 5 year HAS
- Assess PERA benefit on gross salary for members after 7/1/19
- Direct distribution of \$225M every year
- Automatic adjustments to contribution rate, COLA, and direct distribution with blended total contribution is <98% and >120%
- 3 year COLA freeze
- COLA at 1.5 percent (2.0 percent now)
- 64 retirement age with 30 years of service/65 with 5 years
- Employee contribution increases: Jan 2019 –0.75%, Jan 2020 –0.75%, Jan 2021 –0.5%
- Employer contribution increase: Jan 2019 –0.25%

Other Bills include:

[HB18-1002](#): Rural School District Teaching Fellowship Programs

[HB18-1189](#): Expanding Effective Teacher Residency Programs

[HB18-1309](#): Programs Addressing Educator Shortages

[HB18-1332](#): Collaborative Educator Prep Initiatives

[HB18-1412](#): Retaining Teachers Grant Program

[SB18-229](#): CDE Student Teacher Criminal History Records

[HB 18-1070](#): Additional Public School Capital Construction Funding

[HB18-1277](#): BEST Grant Application Requirements

### Supporting Documentation

[Colorado General Assembly: Search for Bills](#)

[CDE Legislative Update](#)

## 7. Financial Transparency Updates, BrightBytes

### 7.1. Preview Window

The Subcommittee will be meeting on May 17<sup>th</sup>. During this meeting they will be reviewing work done on version II website. The version II includes multi-year comparison data (FY2016-17 and FY2015-16), total program mills, other mills, bond redemption mills and unallocated districtwide per pupil expenditures. A preview of version II website will be shown at June 8<sup>th</sup> FPP meeting. The Districts “soft open” preview of website and a BrightBytes webinar will both be on June 11<sup>th</sup>. CDE will send detailed webinar information to LEA Data Approvers within the next week.

CDE has supplied BrightBytes with the FY2016-17 Financial December data for 164 districts and BOCES. The FY2017-18 data collection will include a “Yes” or “No” Data Pipeline question on allowing CDE to supply BrightBytes with the data file.

Data Approval Tool is available to school districts; districts are encouraged to take advantage of this prior to official opening of website. Currently there are 38 districts are actively working through the Data Approval Tool. If there are questions on accessing the BrightBytes Data Approval Tool please contact Glen Zollman: [glen@brightbytes.net](mailto:glen@brightbytes.net)

## Preview Window (Continued)

Recent guidance requires all districts to tie expenditures to their unique schools. This includes small rural districts in Colorado. We will be moving in this direction beginning with FY2017-18 Financial Data. CDE will continue to try and minimize the impact to small rural school districts. This will also be a topic at next week's Financial Transparency subcommittee meeting.

### 7.2. ESSA Reporting

CDE will be working to align cognos ESSA report with the Interstate Financial Reporting. The Interstate Financial Reporting is being developed collaboratively by a number of states. This is not a mandatory change, it is recommended to provide consistence in reporting of data among all states. This is currently the same data that is used in our current cognos report, the presentation is a slightly different format.

#### Supporting Documentation

[Financial Transparency, ESSA, Small Rural Minimum Criteria for Interstate Financial Reporting](#)

### 8. Transportation: Clarification of the Transportation Audit Process

As districts are approaching the end of the year we ask that you start gathering the documentation that is required for your CDE-40 submissions. As a reminder you will be required to upload all of your supporting documentation as a pre-audit work. CDE will be doing a pre-audit review looking at some common recurring items found during Transportation audits. These items include school days of transportation, count day mileage and analysis of expenditures. We are looking at being pro-active at the review process to allow districts re-upload the submission so these items do not become a Transportation audit item.

### 9. Other Topics of Interest

#### 9.1. CASB

- CASB will be sending a policy update within the next week on last years [HB 17-1375](#) on Distributing Mill Levy Override Revenue to Schools. The deadline for district boards to adopt a plan is July 1, 2018

#### 9.2. CASBO

- <http://www.coloradoasbo.org/i4a/pages/index.cfm?pageid=1>
- No updates at this time

#### 9.3. CASE-DBO

- <http://www.co-case.org/?815>
- Registration is open for the CASE conference in Breckenridge, July 25<sup>th</sup> to the 26<sup>th</sup>.

- 9.4. CGFOA  
<http://www.cgfoa.org/>
- No updates at this time
- 9.5. COCPA  
<https://www.cocpa.org/>
- Kirk will be presenting at the June meeting on the GASB updates.
- 9.6. OSA  
<https://leg.colorado.gov/agencies/office-state-auditor/local-government>
- May 2<sup>nd</sup> the first round of data was sent to school districts.
  - May 9<sup>th</sup> individual emails were sent to school districts with two or more indicators, requiring a response.
  - Please review your district's information and contact OSA by Tuesday, May 29th with any questions.
  - The analysis will be provided to CDE and the Legislative Audit Committee on October 1, 2018

10. Reminder - Future Meeting Dates: June 8 2018

11. Adjourn: There being no further business to come before the Committee, meeting adjourned.