High Level Overview

- **General Fund** – The principal operating fund of the District
- **Special Revenue & EIA Funds** – account for State and Federal funds which are allocated for specific programs or initiatives.
- **Debt Service** – accounts for the payment of interest and principal on long-term general obligation debt.
- **School Building Fund** – accounts for the construction, repair, renovation, and acquisition of school facilities. Can include capital equipment.
- **Food Service Fund** – accounts for the USDA’s approved school breakfast and lunch programs.
What is a Budget

- “Simple Definition”: a school budget describes a district’s plan for the upcoming year as related to anticipated revenues and expenditures.
- Should convey your values and priorities
- A tool for monitoring actual results
- Provides a foundation for the next year

Where does the $ come from?

The Basic Building Blocks
- Local Revenue
- State Revenue
- Federal Revenue
- Other Financing Sources
Local Revenue

- Outside the issuance of General Obligation Bonds, this is the **major** source of revenue that the District has the ability to raise.
- Major Source: Property Taxes

State Revenue

- Education Finance Act (EFA)
- Fringe Benefit Employer Contributions
- Education Improvement Act (EIA)
- Education Accountability Act (EAA)
- Education Lottery Act
- ACT 388 (Reimbursement for Local Property Tax Relief)
Education Finance Act (EFA)

- Passed in 1977
- Cornerstone of State Funding
- A National Model for Funding Education
- Has served us well for four decades

In 2014 the Governor’s Education plan added additional weighting factors for:
- High Achieving Students
- Limited English Proficiency
- Academic Assistance
- Pupils in Poverty
- Dual Enrollment

These weighting are directed for individualized instruction based on the needs of the student.
All students are weighted at 1.0 except special needs students.
Education Improvement Act (EIA)

• The Education Improvement Act of 1984 was South Carolina’s original blueprint for enacting a quality program of public instruction for current and future generations. A one cent state sales tax increase provides additional funds.

EIA

• Raise student performance by increasing academic standards;
• Strengthen the teaching and testing of basic skills;
• Elevate the teaching profession;
• Improve leadership, management and fiscal efficiency;
• Implement quality controls and reward productivity;
• Create more effective partnerships among schools, parents, community and business; and
• Provide school buildings conducive to improved student learning.
Education Lottery Act

- Higher Education receives the largest share
- In 2015-16, these funds were included in the EFA Funding

ACT 388

- Applicable to General Fund
- Residential owner/occupied exemption from taxes on school operations
- Funded from:
  - Tier I: The 1995 $100,000 Exemption
  - Tier II: The $50,000 Homestead Exemption
  - Tier III: The additional penny sales tax
- For 2007-08, Districts to receive $ for $ reimbursement from the State
- For any subsequent year, Districts will receive the "base" established in 2007-08 plus a portion of the total additional funding available that will grow by the statewide inflation rate and population growth
**ACT 388 - PROPERTY TAX REFORM**

**MILLAGE CAP**
- Millage caps are in place for all local governing bodies.
- Millage may be increased only by CPI plus the population growth of the entity from the prior year.
- The cap may only be exceeded with 2/3 vote of the local governing body and only for the following reasons:
  - Deficiency from previous year
  - National disaster/act of terrorism
  - Court order
  - Close of a business that decreases tax revenues by more than 10%
  - Un-funded state or federal mandate.

**ACT 388 PROPERTY TAX REFORM**

**CONCERNS**
- Growing school districts
  - Revenues per student
  - New school start-up costs
- Index of Taxpaying Ability
- Funding inequities among similar size districts
- The real concerns are the limitation imposed on local funding and the volatility of sales tax revenues.
Federal Revenue

**Major Sources**
- School Food Service Programs
- Title I
- Individuals with Disabilities Education Act (IDEA)

Proceeds from General Obligation Bonds

- Applicable to School Building Fund
- Used to construct, renovate, repair, and equip school facilities
- Types
  - Referendum
  - 8% Debt
General Fund

- **Revenue**
  - Local
    - Property Taxes
  - State
    - EFA
    - Fringe
    - ACT 388
    - Bus Driver
  - Other
    - Interest
    - Rentals
    - Tuition

General Fund

- **Expenditures**
  - Salaries and Benefits 85 – 90 %
  - Fixed Cost 3 – 5 %
    - Utilities
    - Contracts
  - Other 5 – 12 %
    - Instructional Supplies
    - Staff Development
    - Other Supplies
Salary FOIA

- A common FOIA request from the newspapers is for a list of employees who make over $50,000. This request applies to all employees including teachers, coaches and administrators.

District Comparisons

As a Board member you will hear that your District spends X per pupil and that District A spends Y per pupil. When making comparisons...

**There are many factors to consider:**
- Size of schools
- Pupil teacher ratio
- Free and reduced lunch percentage
- Handicapped student population
- Salary schedules
- Programmatic Initiatives
- Geographic size
### School District Interesting Facts

<table>
<thead>
<tr>
<th></th>
<th>Greenwood 50 School District</th>
<th>Lee County School District</th>
<th>Fort Mill School District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sq Miles of District</td>
<td>322</td>
<td>411</td>
<td>50</td>
</tr>
<tr>
<td># of Students</td>
<td>8,963</td>
<td>2,047</td>
<td>14,051</td>
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<tr>
<td>% Special Needs Students</td>
<td>13%</td>
<td>14%</td>
<td>8%</td>
</tr>
<tr>
<td>% of ESOL Students</td>
<td>13%</td>
<td>1%</td>
<td>4%</td>
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<tr>
<td># of Employees</td>
<td>1,190</td>
<td>337</td>
<td>1,655</td>
</tr>
<tr>
<td># of Facilities</td>
<td>19</td>
<td>7</td>
<td>17</td>
</tr>
<tr>
<td>Total Sq Feet of Facilities</td>
<td>1,796,690</td>
<td>589,564</td>
<td>2,140,017</td>
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<tr>
<td>Total Acres</td>
<td>673</td>
<td>41</td>
<td>794</td>
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<tr>
<td># of Bus Routes</td>
<td>107</td>
<td>40</td>
<td>85</td>
</tr>
<tr>
<td>Miles Driven each Day / Yearly</td>
<td>5,731 / 1,031,580</td>
<td>3,866 / 715,210</td>
<td>5,850 / 1,053,000</td>
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<tr>
<td># of Students Transported</td>
<td>6,650</td>
<td>1,446</td>
<td>8,000</td>
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<tr>
<td># of Field Trips</td>
<td>230</td>
<td>300</td>
<td>411</td>
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<tr>
<td>Field Trip and Activity Miles Yearly</td>
<td>70,000</td>
<td>25,000</td>
<td>90,000</td>
</tr>
<tr>
<td>Meals Served / Day / Year</td>
<td>10,489 / 1,887,886</td>
<td>2,687 / 497,122</td>
<td>6,826 / 1,208,313</td>
</tr>
<tr>
<td>% Poverty</td>
<td>73%</td>
<td>61%</td>
<td>17%</td>
</tr>
</tbody>
</table>

### District Comparisons

Again…. Your District's budget and per pupil expenditure reflect the choices of your community.
Questions