



AGENDA REQUEST FORM

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

ITEM No.:
K-1.

MEETING DATE	2019-02-05 10:05 - School Board Operational Meeting
AGENDA ITEM	ITEMS
CATEGORY	K. OFFICE OF FINANCIAL MANAGEMENT
DEPARTMENT	Budget

Special Order Request <input type="radio"/> Yes <input checked="" type="radio"/> No
Time
Open Agenda <input type="radio"/> Yes <input checked="" type="radio"/> No

TITLE:

General Fund Amendment as of December 31, 2018

REQUESTED ACTION:

Approve the attached General Fund Amendment as of December 31, 2018.

SUMMARY EXPLANATION AND BACKGROUND:

General Fund Amendment is submitted to the School Board pursuant to State Board Administrative Rule 6A-1.006. This Amendment is for the purpose of updating the Broward County School District Budget for estimated revenues and appropriation changes in the General Fund. Amendment includes information for the month of December 2018.

SCHOOL BOARD GOALS:

Goal 1: High Quality Instruction Goal 2: Continuous Improvement Goal 3: Effective Communication

FINANCIAL IMPACT:

The amendment reconciles the budget to the Florida Education Finance Program (FEFP) 3rd calculation and the December 31, 2018 projections.

EXHIBITS: (List)

(1) Executive Summary (2) December 2018 General Fund Amendment

BOARD ACTION:
APPROVED
(For Official School Board Records Office Only)

SOURCE OF ADDITIONAL INFORMATION:

Name: Oleg Gorokhovskiy	Phone: 754-321-2248
Name:	Phone:

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Senior Leader & Title

Judith M. Marte - Chief Financial Officer

Signature
Judith M. Marte
1/28/2019, 5:02:40 PM

Electronic Signature
Form #4189 Revised 08/04/2017
RWR/ JMM/OG:hlv

Approved In Open
Board Meeting On:

FEB 05 2019

By: *Heather P. Burkwood*
School Board Chair

February 5, 2019, School Board Operating Meeting
K-1 General Fund Amendment as of December 31, 2018
Executive Summary

General Fund Amendment is submitted to the School Board pursuant to State Board Administrative Rule 6A-1.006. This Amendment is for the purpose of updating the Broward County School District Budget for estimated revenues and appropriation changes in the General Fund.

This amendment incorporates several important changes:

1. October FTE 3rd calculation count received from the State on January 11, 2019 and funding changes as a result of this count. Based on the State information received for the October FTE count, the District's overall student enrollment had a decrease of 2,813 student FTEs in the 18-19 year compared to forecasted enrollment which expected student growth of 642. In addition, as it is Florida Department of Education (FDOE) yearly practice, McKay scholarship program funding was reduced from our revenue and paid out to participants. FDOE includes McKay scholarship program in the total FEFP funding for the school district at the beginning of the year, after the October FTE count, FDOE reduces the funding to the District by the actual McKay scholarship amount, which for the 2018-19 budget year is \$19.2 million.
2. This amendment also incorporates the \$7.0 million current year anticipated Health Insurance savings that are set aside for the Collective Bargaining. These savings are prorated among all the budgetary functions.
3. In addition, the amendment includes Superintendent and Senior Management funding cut recommendations reflected in K-1 also to be set aside for the Collective Bargaining. These recommended reductions mainly include departmental reductions to travel, consulting, capital outlay, supplies, and overtime budgets as well as a reduction of discretionary funds to schools to adjust for the decrease of 2,813 FTE. It is important to note that schools collectively have \$49 million available for the remainder of the year. Also eligible professional development costs incurred by the General Fund are being transferred to the Title II Grant. Title II carried over funds in excess of \$2.7 million for the year ended June 30, 2018. These recommendations will generate an additional \$7 million to be set aside for Collective Bargaining.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2018-19 General Fund Amendment
As of December 31, 2018

ESTIMATED REVENUES	PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET
LOCAL SOURCES			
Ad valorem taxes - Current year	\$ 941,129,116	\$	\$ 941,129,116
Interest on Investments	4,000,000		4,000,000
Child Care Fees (Before & After School Care)	19,200,000		19,200,000
Course Fees	11,279,490		11,279,490
Gifts, Grants, Bequests	-		-
Indirect Cost (Grants & Food Service)	11,400,000		11,400,000
Rental Income	1,500,000		1,500,000
E-Rate Rebate	3,500,000		3,500,000
Other	15,154,408	363,238	15,517,646 (A)
Total Local Sources	1,007,163,014	363,238	1,007,526,252
STATE SOURCES			
Florida Education Finance Program (FEFP)			
FEFP	479,166,494	(27,235,459)	451,931,035 (B)
Mental Health Assistance Allocation	6,059,199	(32,538)	6,026,661 (C)
ESE Guaranteed Allocation	95,634,228	5,383,848	101,018,076 (C)
Digital Classroom Allocation	3,880,642	(14,797)	3,865,845 (C)
Safe Schools	14,373,552	(54,417)	14,319,135 (C)
Supplemental Academic Instruction	60,187,087	(664,958)	59,522,129 (C)
Reading Allocation	11,919,250	(65,971)	11,853,279 (C)
Teachers Classroom Supply Assistance	5,209,320		5,209,320
Instructional Materials Allocation	21,735,680	(171,567)	21,564,113 (C)
Transportation	33,508,062	727,854	34,235,916 (C)
DJJ Supplemental Funding	422,861	3,674	426,535 (C)
Subtotal - FEFP	<u>732,096,375</u>	<u>(22,124,331)</u>	<u>709,972,044</u>
Workforce Development Education			
Workforce Development	73,976,965		73,976,965
Workforce Educ. Perf. Incentive	600,000		600,000
Subtotal - Workforce Dev. Education	<u>74,576,965</u>	<u>-</u>	<u>74,576,965</u>
Adults With Disabilities	800,000		800,000
Discretionary Lottery Funds	494,880	457,752	952,632 (C)
Class Size Reduction	307,398,446	(3,075,440)	304,323,006 (C)
State License Tax	300,000		300,000
Sales Tax Distribution	446,500		446,500
School Recognition Funds	13,887,539	(1,522,539)	12,365,000 (C)
Other (VPK, CO&DS, etc.)	2,479,564		2,479,564
Total State Sources	1,132,480,269	(26,264,558)	1,106,215,711

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
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ESTIMATED REVENUES	PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET
FEDERAL SOURCES			
Reserve Officer Training Corps (ROTC)	2,000,000		2,000,000
Medicaid Claims & Fees	18,450,000		18,450,000
Total Federal Sources	20,450,000	-	20,450,000
OTHER FINANCING SOURCES			
Transfer from Special Revenue Funds	1,200,000		1,200,000
Transfer from Capital Project Funds	105,439,450	3,700,000	109,139,450 (D)
Total Other Financing Sources	106,639,450	3,700,000	110,339,450
ESTIMATED REVENUES & OTHER FINANCING SOURCES	2,266,732,733	(22,201,320)	2,244,531,413
BEGINNING FUND BALANCE	160,568,000	-	160,568,000
TOTAL ESTIMATED REVENUES, OTHER FINANCING SOURCES, & BEGINNING FUND BALANCE	\$ 2,427,300,733	\$ (22,201,320)	\$ 2,405,099,413

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2018-19 General Fund Amendment
As of December 31, 2018

APPROPRIATIONS	PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET	
INSTRUCTIONAL SERVICES				
District Instructional Services	\$ 1,157,275,726	\$ (23,499,896)	\$ 1,133,775,830	(1)
Charter Schools Instructional Services	334,372,124	6,232,905	340,605,029	(2)
Total Instructional Services	1,491,647,850	(17,266,991)	1,474,380,859	
SUPPORT SERVICES				
Student Support Services	125,419,328	(354,158)	125,065,170	(3)
Instructional Media Services	22,169,461	288,551	22,458,012	(4)
Instructional & Curriculum Development	27,974,617	(102,851)	27,871,766	(5)
Instructional Staff Training	11,066,918	(1,431,857)	9,635,061	(6)
Instruction Related Technology	24,618,365	(101,444)	24,516,921	(7)
Board of Education	4,549,348	(14,399)	4,534,949	(8)
General Administration	8,761,867	1,008,382	9,770,249	(9)
School Administration	137,940,509	(575,088)	137,365,421	(10)
Facilities Acquisition and Construction	2,864	-	2,864	
Fiscal Services	10,178,915	10,278	10,189,193	(11)
Central Services	69,362,621	(1,593,310)	67,769,311	(12)
Transportation Services	83,603,789	50,774	83,654,563	(13)
Operation of Plant	178,136,433	(386,077)	177,750,356	(14)
Maintenance of Plant	62,620,167	(30,216)	62,589,951	(15)
Administrative Technology Services	3,980,904	(10,821)	3,970,083	(16)
Community Services	16,086,563	(48,805)	16,037,758	(17)
Debt Service	1,480,417	-	1,480,417	
Total Support Services	787,953,086	(3,291,041)	784,662,045	
OTHER FINANCING USES				
To Special Revenue Funds	40,000	-	40,000	
Total Other Financing Uses	40,000	-	40,000	
TOTAL APPROPRIATIONS & OTHER FINANCING USES	\$ 2,279,640,936	\$ (20,558,032)	\$ 2,259,082,904	
ENDING FUND BALANCE	\$ 147,659,797	\$ (1,643,288)	\$ 146,016,509	
TOTAL APPROPRIATIONS, OTHER FINANCING USES, & ENDING FUND BALANCE	\$ 2,427,300,733	\$ (22,201,320)	\$ 2,405,099,413	

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
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As of December 31, 2018

ENDING FUND BALANCE	PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET
Nonspendable Fund Balance	\$ 20,050,000	\$ -	\$ 20,050,000
Inventory			
Restricted Fund Balance	2,150,000	-	2,150,000
Committed Fund Balance	54,320,000	-	54,320,000
Includes Health Insurance, Workers Compensation, & General Liability			
Assigned Fund Balance	22,580,000	14,337,584	36,917,584
Unassigned Fund Balance	48,559,797	(15,980,872)	32,578,925
Total Ending Fund Balance	\$ 147,659,797	\$ (1,643,288)	\$ 146,016,509

FUND BALANCE CHANGES	INCREASE/ (DECREASE)	FUND BALANCE
Beginning Fund Balance as of July 1, 2018		\$ 147,659,797
Impact of this Amendment on Fund Balance	\$ (1,643,288)	
Ending Fund Balance as of December 31, 2018		\$ 146,016,509

Fund Balance Percentage

As a percentage of projected General Fund revenue excluding
charter schools revenue less administrative fees.

3.82%

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2018-19 General Fund Amendment
As of December 31, 2018
Explanation Summary

Comparison of December 2018 Amendment information to the 2018-19 Adopted Budget.

<u>CHANGES IN ESTIMATED REVENUES</u>	<u>INCREASE/ (DECREASE)</u>
(A) Local Sources - Other	\$ 363,238
Sprint revenue added to BECON to pay StreamVu invoice for IPTV system and for non-reimbursable FCC Repack expenses.	363,238
(B) Florida Education Finance Program (FEFP)	(27,235,459)
The District received adjustments to its funding from the FDOE resulting from the October FTE count (3rd calculation). The key adjustments are listed below:	
(I) The FDOE includes McKay scholarship program in the total FEFP funding for the school district at the beginning of the year. After the October FTE count, FDOE reduces the funding to the District by the actual McKay scholarship amount which for the 2018-19 budget year is \$19.2 million. The District set aside funds in the fund balance at the beginning of the year in anticipation of this routine reduction.	(19,235,540)
(II) Based on the State information received for the October FTE count, the District's overall student enrollment had a decrease of 2,813.80 student FTEs compared to forecasted enrollment.	(7,999,919)
(C) The District received adjustments to its funding from FDOE resulting from the October FTE count (3rd calculation). The breakdown of each adjustment is as follows:	970,901
Mental Health Assistance Allocation	
District - Student Support Initiative (SSI) department	(40,228)
Charter Schools	7,690
	(32,538)
ESE Guaranteed Allocation	
District Schools	5,049,001
Charter Schools	334,847
	5,383,848
Digital Classrooms Allocation	
District - Information Technology (I&T)	(24,431)
Charter Schools	9,634
	(14,797)
Safe Schools	
District - Special Investigative Unit (SIU) department	(90,174)
Charter Schools	35,757
	(54,417)
Supplemental Academic Instruction	
District Schools	(732,204)
Charter Schools	67,246
	(664,958)
Reading Allocation	
District Schools	(89,535)
Charter Schools	23,564
	(65,971)

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2018-19 General Fund Amendment
As of December 31, 2018
Explanation Summary
(Continued)

<u>CHANGES IN ESTIMATED REVENUES</u>	INCREASE/ (DECREASE)
Instructional Materials Allocation	
District - Innovative Learning department	(237,528)
Charter Schools	65,961
	(171,567)
Transportation	
District	814,966
Charter Schools	(87,112)
	727,854
DJJ Supplemental Funding (District Schools)	3,674
Discretionary Lottery	
District Schools	382,813
Charter Schools	74,939
	457,752
Class Size Reduction	
District Schools	(3,481,486)
Charter Schools	406,046
	(3,075,440)
School Recognition	
District Schools	(1,962,011)
Charter Schools	439,472
	(1,522,539)
(C) Transfer from Capital Project Funds	3,700,000
Increase in PECO Charter Schools funding by the State	1,700,000
Additional Capital transfer for PPO increase in safety and security work orders	2,000,000

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Explanation Summary

<u>CHANGES IN APPROPRIATIONS</u>	<u>INCREASE/ (DECREASE)</u>
(1) District Instructional Services	\$(23,499,896)
(i) FEFP decrease resulting from the October FTE count (3rd calculation) such as: decreases in schools enrollments as compared to original estimates offset by additional Advanced Placement and CAPE funding received from the State.	(2,190,175)
(ii) Additional Funding adjustments resulting from the October FTE count that were not known until 3rd calculation release:	
Supplemental Academic Instruction	(732,204)
Reading Allocation	(89,535)
Instructional Materials	(237,528)
School Recognition	(1,962,011)
(iii) Superintendent and Senior Management funding cuts recommendations to be set aside for Collective Bargaining.	(4,324,892)
(iv) Instructional function portion of the total \$7.0 million current year Health Insurance expected savings to be set aside for Collective Bargaining.	(4,619,563)
(v) District-Wide Salary Lapses realized as of December 31, 2018.	(18,385,499)
(vi) Funds collected from student internal account activities such as textbooks fees and other.	378,029
(vii) Funds added to schools for vending machine revenues that were not included in the adopted budget.	800,000
(viii) Funds added to Innovative Learning department to pay invoices for Science adoption textbooks from Learning A-Z, for additional invoices for goods received and to cover negative balances. The District will receive vendor reimbursements of \$1.9 million prior to the year end to offset this cost.	4,929,327
(ix) Funds requested by Secondary Learning department for Dual Enrollment tuition that was not budgeted in original adoption.	974,000
(x) Funds added to Exceptional Student Learning Support department for Occupational and Physical Therapy services.	1,960,155
(2) Charter Schools Instructional Services	6,232,905
Increase in Charter Schools FEFP funding allocation based on enrollment as per Survey 2 FTE State processing.	3,075,027
Mental Health Assistance Allocation	7,690
ESE Guaranteed Allocation	334,847
Digital Classroom Allocation	9,634
Safe Schools Allocation	35,757
Supplemental Academic Instruction	79,834
Reading Allocation	23,564
Teachers Classroom Supply Assistance	67,246
Instructional Materials Allocation	65,961
Transportation	(87,112)
Discretionary Lottery	74,939
School Recognition	439,472
Class Size Reduction	406,046
Charter School PECO	1,700,000

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2018-19 General Fund Amendment
As of December 31, 2018

Explanation Summary
(Continued)

<u>CHANGES IN APPROPRIATIONS</u>	<u>INCREASE/ (DECREASE)</u>
(3) Student Support Services	(354,158)
(i) Funding adjustments to Mental Health Allocation to Student Support Initiatives department resulting from the October FTE count.	(40,228)
(ii) Student Support Services function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(501,866)
(iii) Funds added to Student Services department for staff mileage not covered by the State Mental Health Allocation.	150,000
(iv) Funds added to Coordinated Student Health Services department for staff mileage and phones not covered by the State Mental Health Allocation.	37,936
(4) Instructional Media Services	288,551
(i) Instructional Media function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(74,687)
(ii) Funds added to BECON to pay StreamVu invoice for IPTV system (offset by Sprint revenue) and for non-reimbursable FCC Repack expenses.	363,238
(5) Instruction and Curriculum Development	(102,851)
(i) Instruction & Curriculum function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(102,851)
(6) Instructional Staff Training	(1,431,857)
(i) Superintendent and Senior Management funding cuts recommendations to be set aside for Collective Bargaining. These reductions are primarily a result of allowable transfers to Title II.	(1,399,068)
(ii) Instruction Staff Training function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(32,789)

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
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As of December 31, 2018
Explanation Summary
(Continued)

CHANGES IN APPROPRIATIONS	INCREASE/ (DECREASE)
(7) Instruction Related Technology	(101,444)
(i) Instructional Related Technology function portion of the total \$7.0 mill current year Health Ins. expected savings to be set aside for Collective Bargaining.	(101,444)
(8) Board	(14,399)
(i) Board function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(14,399)
(9) General Administration	1,008,382
(i) General Administration function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(26,280)
(ii) Funds added to Chief of Staff department for Risk Security Assessment by Safe Havens International Inc. for original contract and renewal.	1,034,662
(10) School Administration	(575,088)
(i) School Administration function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(575,088)
(11) Fiscal Services	10,278
(i) Fiscal Services function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(37,722)
(ii) Funds added to the Chief Auditor department for salary, fringe, and supplies for four new Auditor III positions. Allocation for the remaining of the year.	48,000
(12) Central Services	(1,593,310)
(i) Funding adjustments to Digital Classrooms Allocation to Information Technology department resulting from the October FTE count.	(24,431)
(ii) Superintendent and Senior Management funding cut recommendations to be set aside for Collective Bargaining.	(1,613,624)
(iii) Central Services function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(121,838)
(iv) Funds added to Benefits department for Patient Centered Outcomes Research Institute fee as required by the Affordable Care Act.	74,072
(v) Funds added to Special Investigative Unit (SIU) department for shirts and cellphones for Campus Monitors and Security Specialists.	27,511
(vi) Funds added to the Diversity Prevention & Intervention department for staff mileage not covered by the State Mental Health allocation.	5,000
(vii) Funds added to the Office of Public Information for procurement of professional development services provided by Sachs Media Group.	60,000

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
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As of December 31, 2018
Explanation Summary
(Continued)

<u>CHANGES IN APPROPRIATIONS</u>	<u>INCREASE/ (DECREASE)</u>
(13) Student Transportation Services	50,774
(i) Student Transportation function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(303,982)
(ii) Funds added for the Children Service Council afterschool program transportation.	354,756
(14) Operation of Plant	(386,077)
(i) Funding adjustments to Safe Schools Allocation in Special Investigative Unit (SIU) resulting from the October FTE count (3rd calculation).	(90,174)
(ii) Operation of Plant function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(397,648)
(iii) Funds added to Teacher Professional Learning department for a Campus Monitor position to comply with the District's new protocols for securing perimeter gates.	28,919
(iv) Funds added to Endeavor Early Learning Center for the salary of a Campus Monitor and purchase of a golf cart to assist in monitoring gates and grounds to comply with the District's new protocols for securing perimeter gates.	23,544
(v) Funds added to Special Programs department to fund a custodial position previously funded by Title I and no longer allowable under the grant.	49,282
(15) Maintenance of Plant	(30,216)
(i) Maintenance of Plant function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(30,216)
(16) Administrative Technology Services	(10,821)
(i) Admin. Technology function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(10,821)
(17) Community Services	(48,805)
(i) Community Services function portion of the total \$7.0 mill current year Health Insurance expected savings to be set aside for Collective Bargaining.	(48,805)