

FY05 SASRS Executive Summary

Purpose: The Summary of the Annual Statistical Report of Schools (SASRS) report provides Local Education Agencies (LEAs) and other interested parties the data submitted to the National Center for Education Statistics (NCES) by the Department of Education. Consequently, data in SASRS are organized according to federal definitions. NCES uses this information to identify issues and trends in school finance, to assess the condition of school finance in each state, and for making comparisons among states. Data submitted to NCES are also used to determine state allocations for some federal programs.

The FY05 SASRS shows the effects of Act 68. These effects are most noticeable in the shift, beginning in FY 99 with the implementation of Act 60, and in FY05 with the implementation of Act 68, in the proportion of revenues provided by state and local sources.

- 351 Public Local Education Agencies (including 14 technical centers) , one independent school, and its independent technical center submitted the FY05 Annual Statistical Report of Schools. Data from the independent school and its technical center are not included in this report.

- In FY05 Vermont Public Local Education Agencies reported receiving:

\$69,910,699 in local revenues (unduplicated)
 \$1,066,091,330 in state revenues
 \$95,050,042 in federal revenues
 \$373,268,247 in other local revenues (tuition and fees from other school districts)

- Total public school revenues are **\$1,604,320,318** but this amount includes \$373,268,247 in inter-district receipts for tuition, assessments, transportation and other services. Unduplicated public school revenues are **\$1,231,052,071**.
- There is a reported **\$1,086,057,298** in total public education PK-12 current expenditures. This represents an increase in spending of \$58.2 million (5.7%) from the previous year’s spending level. The Federal definition of Current Expenditures excludes community service and adult education program costs, capital outlay and equipment expenditures, and principal and interest payments on long-term debt.
- The breakout of FY05 PK-12 public education current expenditures compared with FY04 is shown below.

<u>Function</u>	<u>FY04</u>	<u>FY05</u>
Direct Instructional Services	61.7%	61.4%
General Administration	2.6%	2.7%
School Administration	7.2%	7.2%
Pupil Support Services	7.7%	7.7%
Student Transportation	3.4%	3.5%
Instructional Staff Support Services	3.8%	4.0%
Other Support Services	10.5%	10.7%
Food Service	2.9%	2.8%
Other Enterprise Operations	0.1%	0.1%

- The FY05 statewide average Current Expenditure per Student in Membership is **\$11,877**. This figure is based on the *federal* definition of Current Expense, which incorporates special education and transportation expenditures in the definition. The student count is calculated by combining the number of Attendances and Absences for each Public School and dividing by the number of Session Days the school was officially in session. Students attending less than full-time are pro-rated into full-time equivalent (FTE) totals.
- Note: SASRS summarizes data as reported by LEAs. There are differences among LEAs in the way funding is recorded. For example, in some supervisory unions special education funding is reported at the supervisory union level, while in others it is reported by the LEAs themselves.

Discussion

Every year on August 15 each Vermont Local Education Agency is required to submit an Annual Statistical Report to the Vermont Department of Education providing an accounting of annual revenues and expenditures to the people of Vermont, their legislature, and the executive branch of government. The Vermont Department of Education compiles the financial information submitted by each district and annually publishes the results in the Summary of the Annual Statistical Report of Schools (SASRS). SASRS-04 represents the thirteenth annual report published by the Department. Data in this report reflect changes in the Database of the School Financial System through May 18, 2005. **Changes received by the Department of Education after May 18, 2006 are not reflected in SASRS-05.**

The SASRS-05 continues the practice established in SASRS-95 of reporting 'current expenditures' based on the federal definition of current expense. The federal definition includes special education and transportation costs in the calculation. Use of the federal definition insures compatibility with statistics submitted to the National Center for Education Statistics (NCES). The U.S. Department of Education and other agencies require comparable fiscal data from the states in order to determine funding allocations to state and local education agencies. NCES statistics are also widely used to compare the condition of public school finance across states.

Act 60 and Act 68

SASRS-04 is the sixth SASRS report to contain data submitted under the provisions of Act 60. The most noticeable effect of Acts 60 and 68 appearing in SASRS is the substantial change in the proportion of revenues provided by the state and local governments. In FY98 (the year preceding Act 60) revenues from state sources were \$235,492,082 and unduplicated local revenues were \$549,311,705. In FY99 (the first year of Act 60) state revenues increased to \$657,815,706 while unduplicated local revenues declined to \$168,248,808. In FY05 (the first year of Act 68) the state and unduplicated local revenues were \$1,066,091,330 and \$69,910,699 respectively. The major factor creating the change from FY98 to subsequent years is the initiation of a statewide property tax that, along with other changes, increased the portion of education spending paid by state revenue.

SASRS is designed to report on the expenditures school districts make on behalf of their students and the revenues that pay for these expenditures. For this reason SASRS does not include any revenues towns or school districts contribute to the state education fund. The revenues are included when they are disbursed from the education fund to school districts. To include these revenues when they were contributed to the state education fund and again when they were dispersed would cause duplication.

SASRS-05 provides a compilation of Supervisory Union and LEA revenues and expenditures broken out in the following manner:

Revenues:

Local revenues are identified by source including local taxes, tuition, fees and assessments, and food service. Tuition, assessments and fees received from other public school districts in Vermont are counted as duplicate revenues because the money involved is first counted as revenue by one district and then counted as revenue by a second district when it receives the tuition, assessments and fees. Consequently, SASRS makes a distinction between revenues including duplicates that include tuition, assessments and fees from other Vermont public school districts and unduplicated revenues that have had this money removed.

Unduplicated total revenues are divided into revenues from local, state, and federal sources. The percentage share of total revenues provided by each source is also included. In light of the increased contribution of revenues from state sources, a new table was added starting with SASRS99. This table, FY05 State Revenues (Table 2), shows the component parts of the state revenue total for each district.

Expenditures:

Total expenditures may be calculated with or without inter-district tuitions, fees, and assessments. Since expenditures by one district on tuition, fees, and assessments are then spent by the receiving district to provide educational services, they are duplicating expenditures. When these expenditures are removed, the resulting figure is the unduplicated total of all expenditures.

Total unduplicated expenditures are divided into Total PK-12 Current Expenditures and other expenditures. Total PK-12 Current Expenditures include the money spent on elementary/secondary current instruction-related costs and also non-instructional expenditures for food service and other enterprise operations. Other expenditures include adult education, capital construction, equipment purchases, tuition, fees and assessments.

SASRS divides the figure for total expenditures into its component parts by function category in Table 4, Parts 1 and 2, and Total PK-12 Current Expenditures by major object code in Table 7. (Additional information on function codes, object codes, and other categories used in the Annual Statistical Report of Schools is found in Appendix C) Beginning in FY02 General Administration and School Administration costs have been separated in tables 4 (part 1), 5, and 6. The two categories should be combined in order to compare those expenses with previous years.

Note on Edit Checks:

In the body of this report several districts have been marked with asterisks indicating "data include unresolved reporting discrepancies." A large majority of these asterisks are the result of comparisons between the body of a district's *Annual Statistical Report of Schools* and supplemental worksheets that provide additional data on tuition, union assessments and supervisory union assessments paid and received by the district.