

# Budget

Community Legislative Action Team

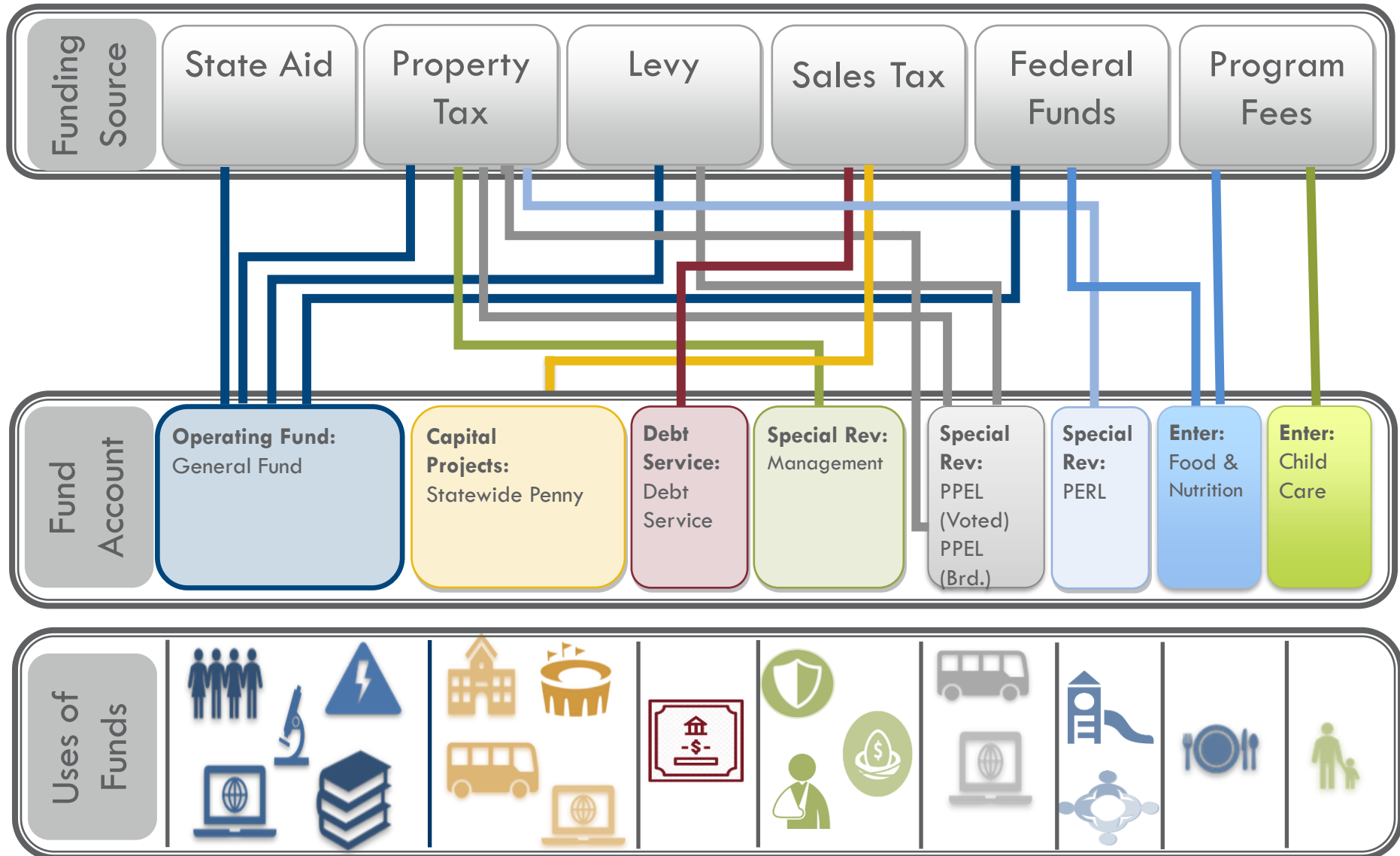
Matt Smith, Interim Superintendent



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# Iowa School Finance



# Budget Overview

- I. Revenue – *Where does the money come from?*
- II. School Finance Structure – *How does the District Account for the Money?*
- III. Key School Finance Topics:
  - I. Spending Authority
  - II. General Fund

# REVENUES

Where the District's Revenues Come From



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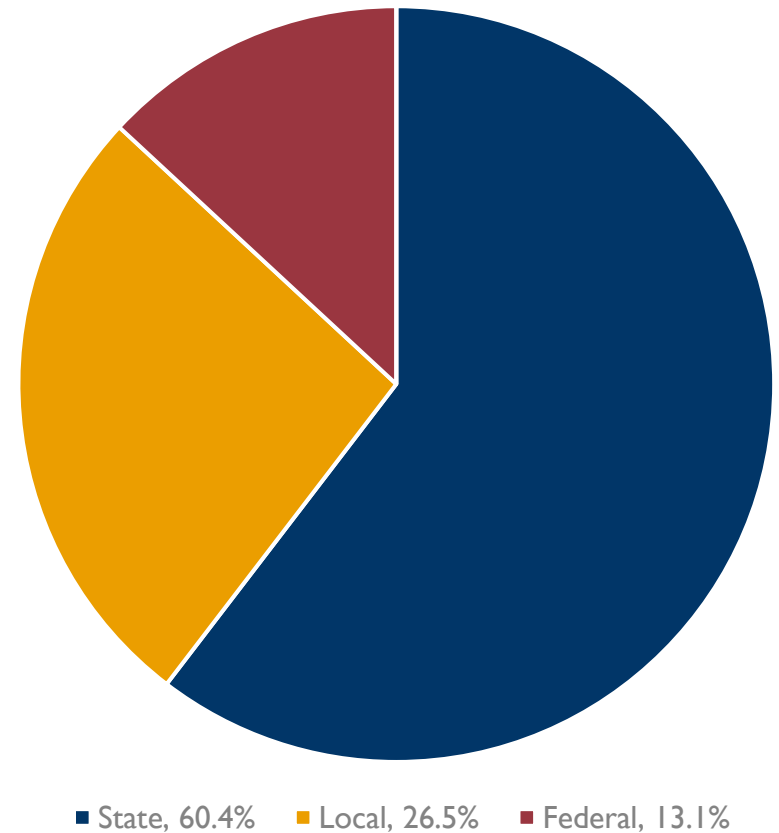
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# Sources of Revenue (FY23 Budget)

## All Funds

- State Aid
- Property Taxes
- Levies
- Sales Taxes
- Federal Funds
- Program Fees

GENERAL FUND REVENUE SOURCES



# Student-Driven Funding Formula (State Aid)



Regular Programs = Per Pupil funding set annually by the Legislature through the rate of increase to Supplemental State Aid



Categorical funding for certain General Fund programs = mostly per student



Certain Programs =  
Weighting of students

Based on cost of educating the student  
Weightings add students to the number that is multiplied by the per pupil spending authority

# STRUCTURE FOR SCHOOL FINANCE ACCOUNTING

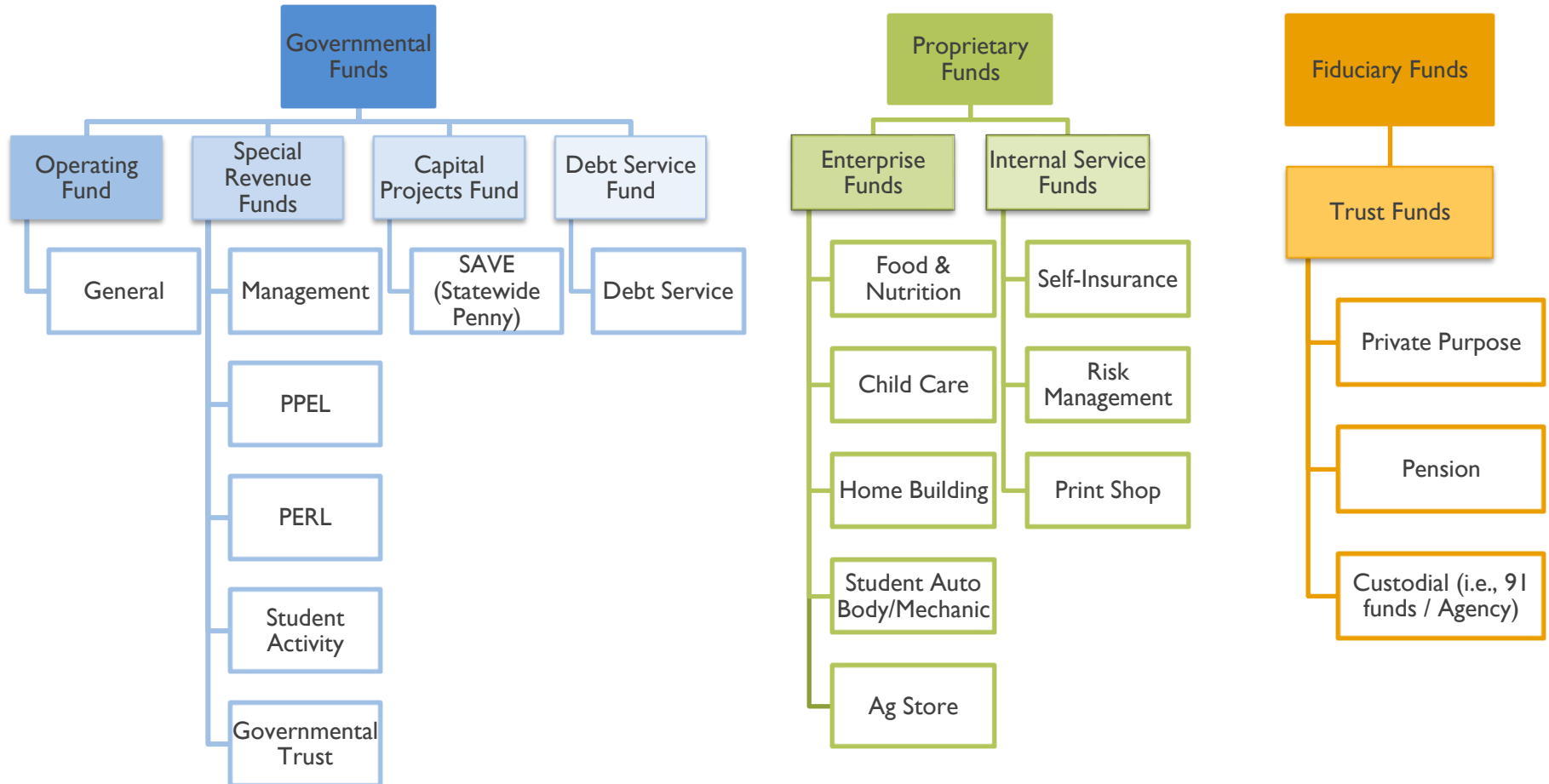
Funds and Restrictions



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# DMPS Fund Structure

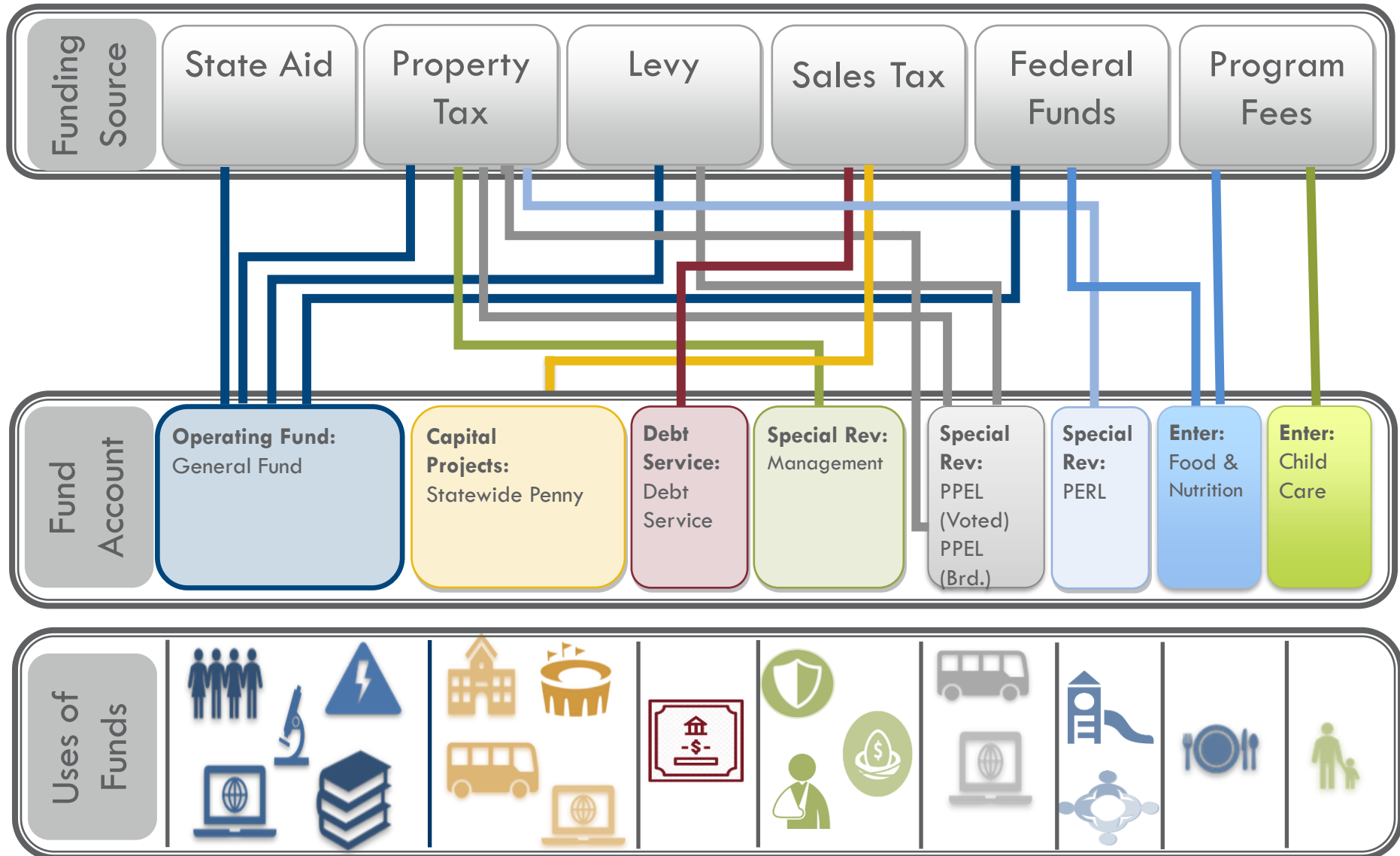




# Restricted Uses

- School districts have restricted funding sources:
  - Can only spend on allowed purposes
    - Cannot move dollars from one fund to another to cover costs
- May not be able move money from one fund to another
  - Example: Can't move F&N excess to General Fund
  - Cannot move money from other funds to cover negative 21 fund balances
- If allowed to move funds, requires prior Board approval

# Iowa School Finance



# General Fund: Spending Authority



State controls maximum amount each district can spend.

It is **illegal** for a school district to exceed its total Spending Authority.



Limit on spending is the amount of **Spending Authority** a district has, not the amount of cash or fund balance.



Spending Authority is directly tied to student enrollment, e.g., Cost Per Pupil.

Cost Per Pupil: Fixed dollar amount set by the State that will be funded (through both State *and* local sources) for every student.

# How do we Increase Spending Authority?



Increase in  
Supplemental  
State Aid



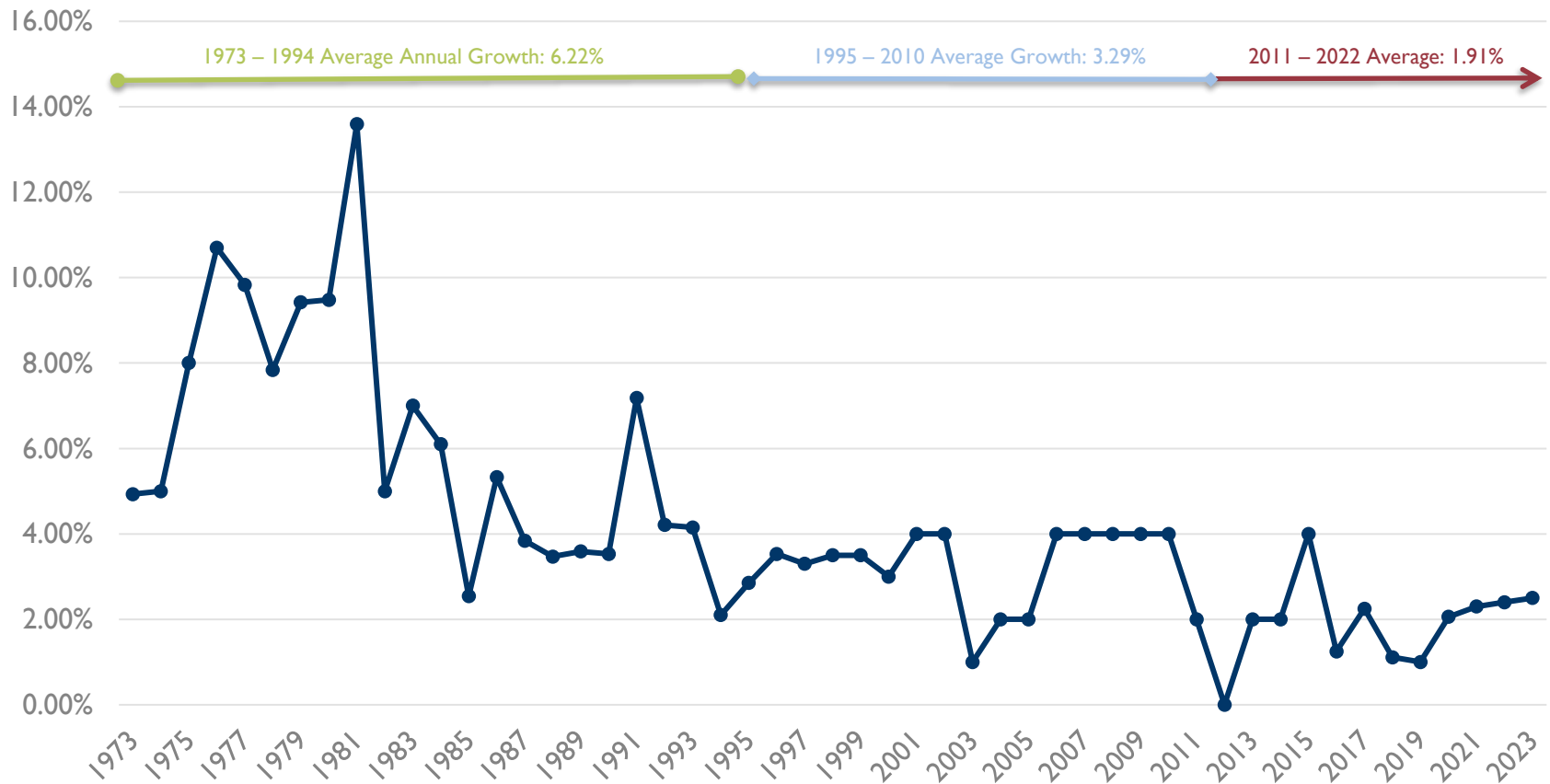
Increase in  
Student  
Enrollment



Increase in  
Miscellaneous  
Income

# Historical Look at Supplemental State Aid

ANNUAL PERCENT GROWTH IN SSA




# Challenge: Enrollment Trend


## Certified Enrollment

| School Year       | Enrollment                  |
|-------------------|-----------------------------|
| 2018-19           | 269 fewer students          |
| 2019-20           | 182 fewer students          |
| 2020-21           | 985 fewer students          |
| 2021-22           | 598 fewer students          |
| <b>Cumulative</b> | <b>2,034 fewer students</b> |


**Equivalent of:**

  
*one large high school*

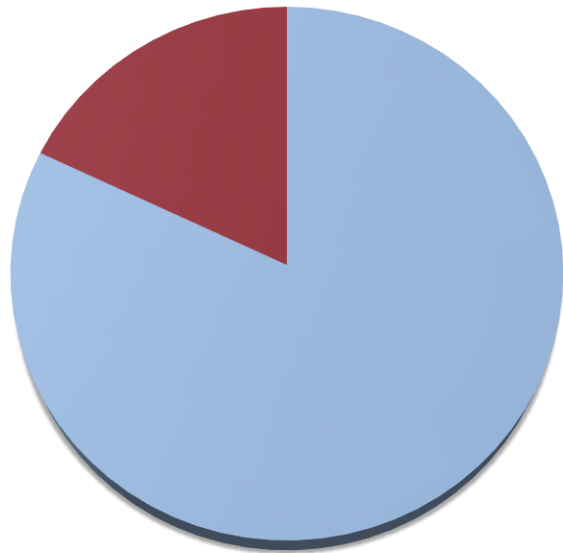
OR

  
*three middle schools*

OR

  
*six elementary schools*

# GENERAL FUND EXPENDITURES



■ Compensation ■ Everything Else

- 82% of funds pay for staff
- The remaining 18% is spent on curriculum, utilities, supplies, materials, PD, transportation, educational programming, etc.

# Our Legislative Priority

## The Case for Change

Matt Smith, Interim Superintendent



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# DMPS LEGISLATIVE PRIORITY

- **Increase funding for four-year-old preschool students in need**
  - Increase in weighted funding for the Statewide Voluntary Preschool Program (SWVPP) for children living at or below 200% of the Federal Poverty Level

# Des Moines Public Schools Early Childhood Programs

2022-2023



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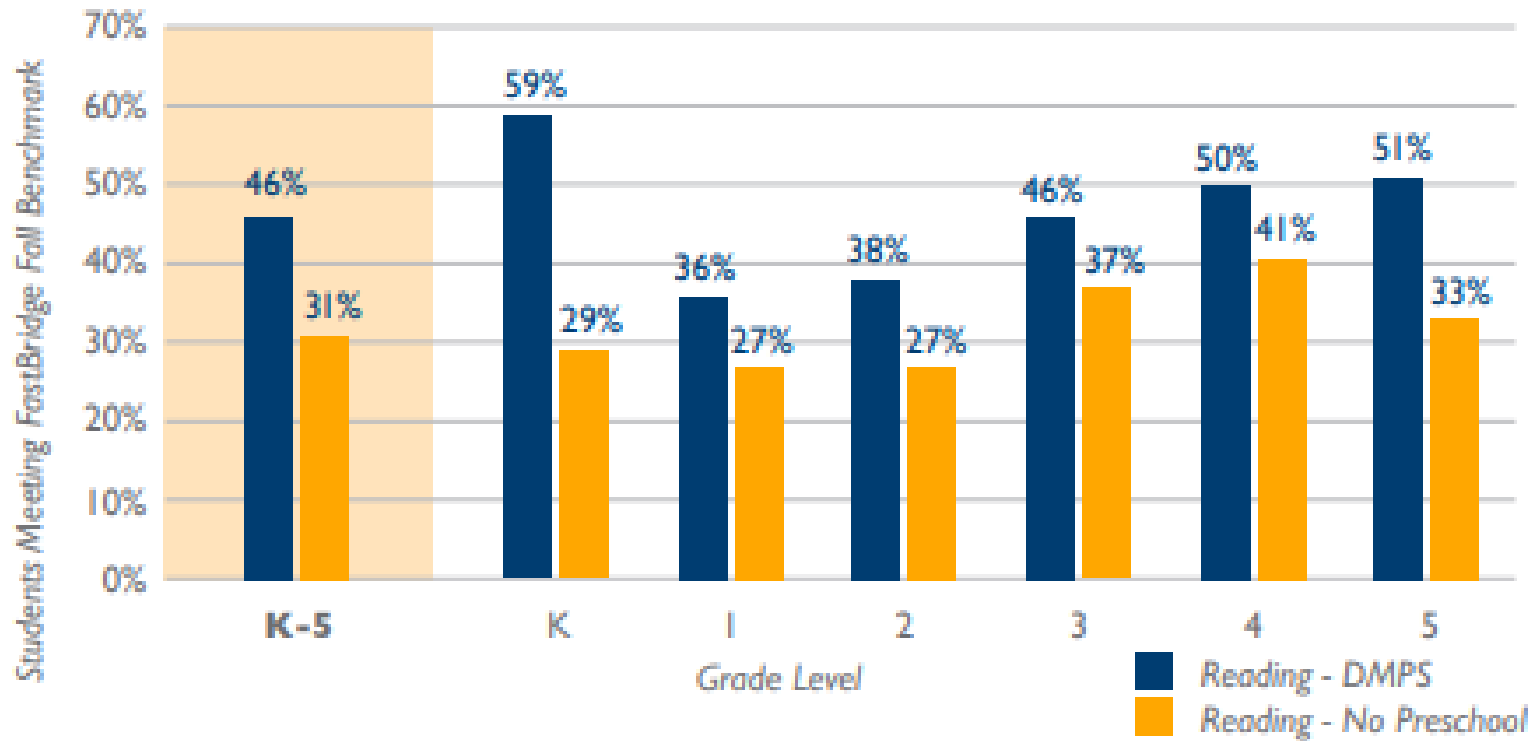
# Why is Access to Quality Preschool Important?

Quality preschool has a strong return on investment:

- Academic Excellence - Students who attend preschool are twice as likely to meet academic performance standards
  - Students who participate in high quality preschool programming are:
    - 25% less likely to drop out of school
    - 40% less likely to become a teen parent
    - 50% less likely to be placed in Special Education
    - 60% less likely to never attend college
    - 70% less likely to be arrested for a violent crime
- EDUCATION COMMISSION OF THE STATE, 2014*
- Workforce Development - allows parents to work full-time

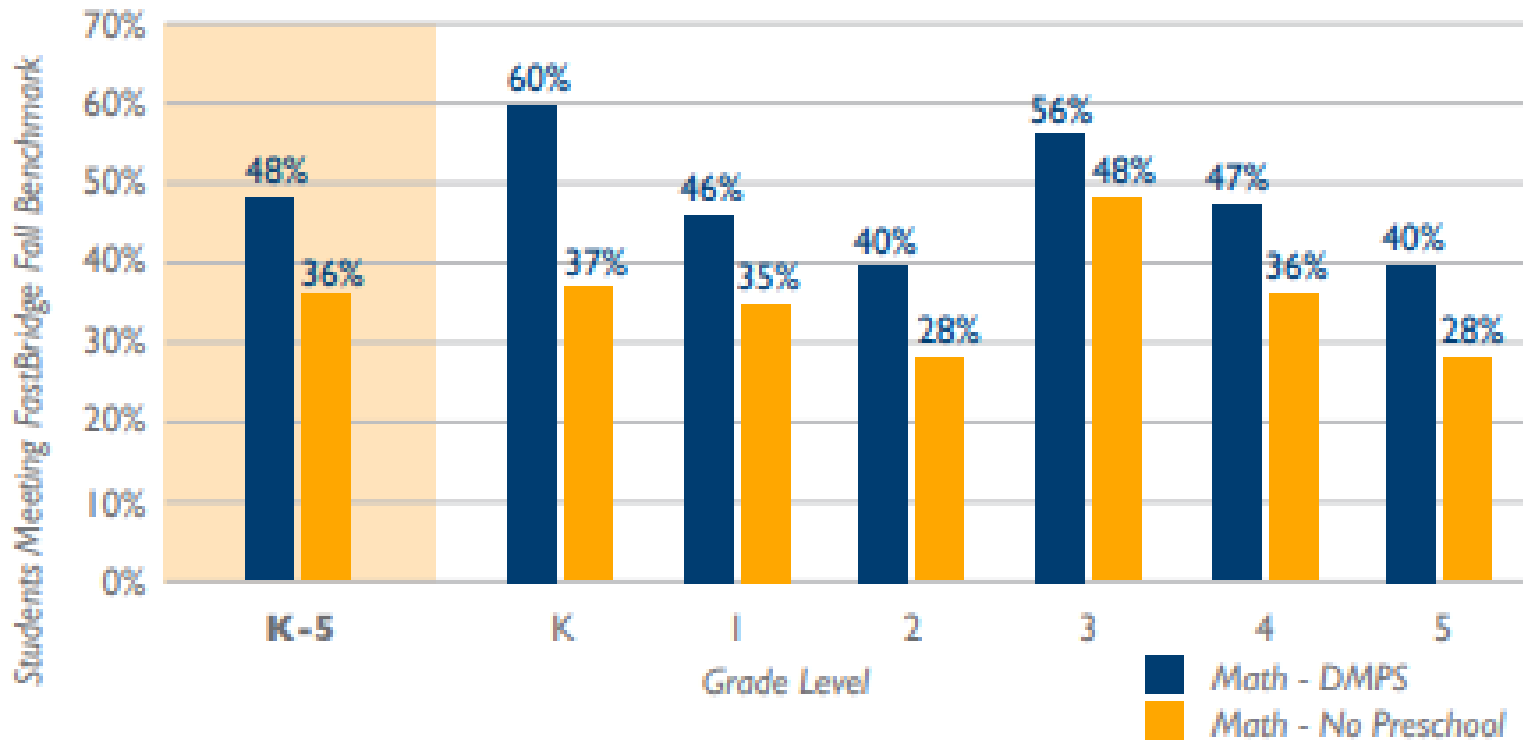
# FastBridge Reading

Percent of Current K-5 Students Meeting Benchmark on FastBridge Fall Reading



# FastBridge Math

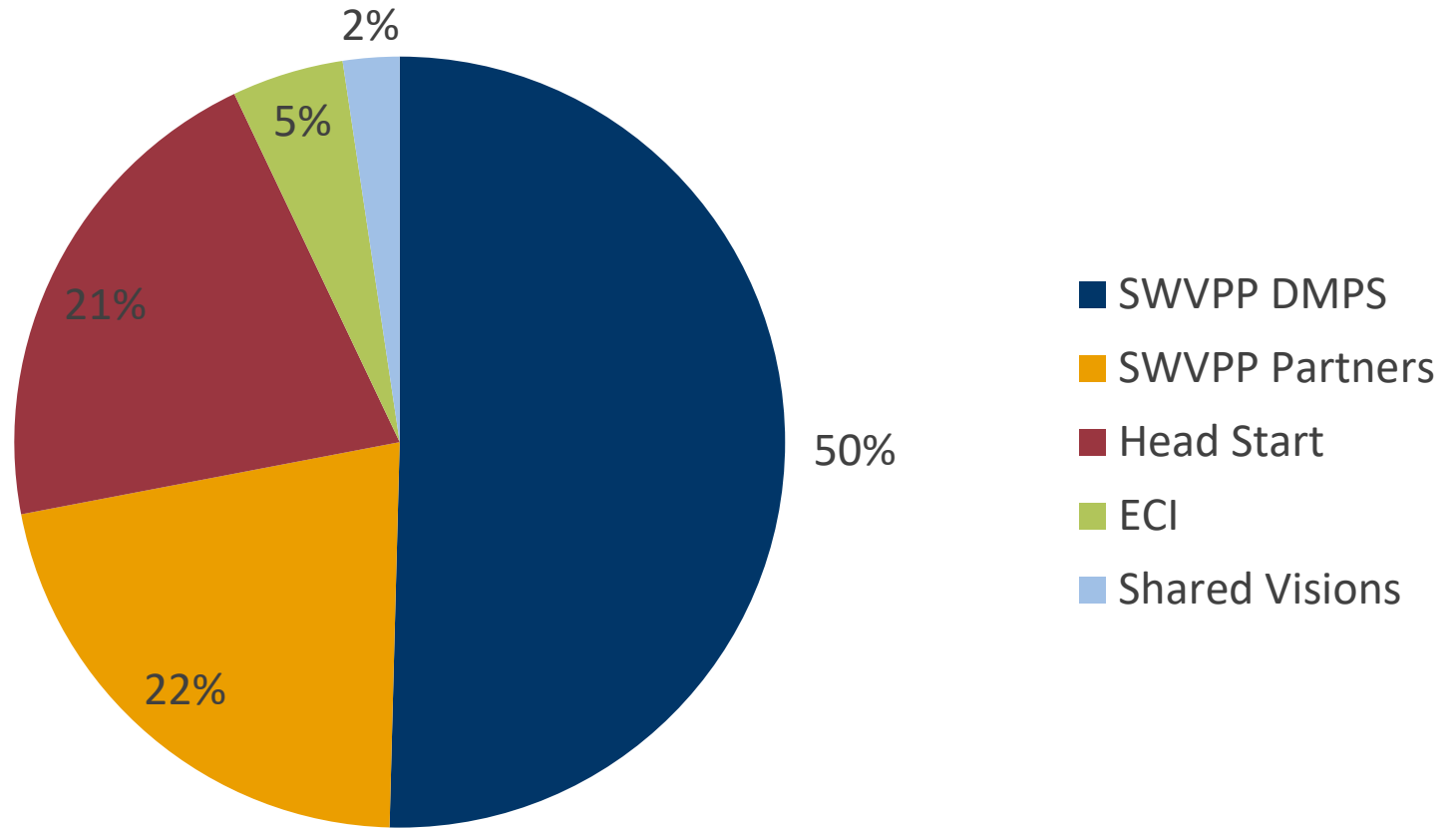
Percent of Current K-5 Students Meeting Benchmark on FastBridge Fall Math



# Preschool Funding Landscape

1. Private Childcare Providers – Tuition and possibly Child Care Assistance
2. Head Start Funding – Recipients of Federal Grant Funding
3. Early Childhood Iowa – State Grant Funding
4. Shared Visions – State Grant Funding
5. **Statewide Voluntary Preschool Program – State Funding (.5 Supplemental State Aid)**

# DMPS Preschool Funding



# Preschool By the Numbers 2021-2022

| FUNDING   | SLOTS | COMMENTS  |
|---|-------|---|
| SWVPP – DMPS  | 1021  | Minimum of 10 hours per week  |
| SWVPP – Community Partners  | 473   | Minimum of 10 hours per week  |
| Head Start<br>100% of Poverty<br>\$27,750 for a family of 4           | 420   | 200 of the slots are braided with SWVPP to provide full day programming |
| Shared Visions<br>130% of Poverty<br>\$36,075 for a family of 4       | 48    | All slots are braided with SWVPP to provide full day programming        |
| Early Childhood Iowa<br>200% of Poverty<br>\$55,500 for a family of 4 | 95    | Scholarships provided for full school day programming                   |



# Additional Data

- 1 in 7 Iowa children live in poverty
- 

- DMPS – 75.7% qualify for free or reduced (FRL)
- Over 100 languages are spoken in DMPS
- Only 38% of Kindergarten students attended a DMPS or partner preschool program during the 2021-22 school year

**THE CASE FOR CHANGE HAS  
NEVER BEEN MORE IMPORTANT  
THAN IT IS TODAY.**



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