

HB 139 as codified in O.C.G.A. §20-14-49.11

The Department of Education shall make available on its website the following school site budget and expenditure information for each school unless specifically made confidential by law:

1. The cost of all materials, equipment, and other nonstaff support.

This line item includes all non-salary expenditures, reported by Fund, Function, and Object. Materials, equipment, and nonstaff support are generally defined as any service or commodity except salaries and benefits of staff (including teaching and non-teaching personnel). These expenditures are identified by the **object code level** on the chart of accounts. The broad categories of object codes reported in this section include:

- a. Purchased Professional and Technical Services
- b. Purchased Property Services
- c. Other Purchases Services
- d. Supplies
- e. Property
- f. Other Objects
- g. Other Uses

2. Salary and benefit expenditures for all staff.

This line item includes all salary expenditures, reported by Fund, Function, and Object. Salaries and any related employer costs associated with the employee benefits are reported in this section. Salary and benefit expenditures are disclosed for all staff, including teachers, administrators, bus drivers, paraprofessionals, custodial services, and substitutes.

Please note that any payments made to consultants for services provided are reported as a nonstaff expenditure. Non-employees are paid as a vendor. This includes any individual, even if providing the service of a teacher or bus driver, if that individual is not hired as an employee of the LEA but rather as a consultant or vendor.

NOTE: The combination of Items 1 and 2 required to be disclosed will total all expenditures reported by the school system on the Annual Financial Analysis Report (DE046) per State Board Rule 160-5-2-.21, with the exception of Funds 7XX, 8XX, 9XX, and expenditure object codes 594 and 930. The requirements are to report all salary, benefit, materials, equipment, and other nonstaff support, which is interpreted as all expenditure data, at the object code level of detail, for each LEA and school.

3. The cost of all professional development, including training, materials, and tuition provided for instructional staff on an annual basis.

This line item includes all expenditures reported by Function 2213 – Instructional Staff Training. This functional category was created in FY 2018; therefore, this line item will not be reported with FY 2017 or previous year's data. In prior years, any expenditures for instructional staff training

were included in Function 2210 – Improvement of Instructional Services. Only professional development costs reported under the QBE Program Code 1210 – Professional Development could be separately identified as instructional professional development. Any costs for instructional professional development that were funded with any federal programs were not identified separately from other costs associated with improvement of instructional services.

Function 2213 – Support Services – Improvement of Instructional Services is defined as Activities associated with the professional development and training of instructional personnel. These include such activities as in-service training (including mentor teachers), workshops, conferences, demonstrations, courses for college credit (tuition reimbursement), and other activities related to the ongoing growth and development of instructional personnel. Training that supports the use of technology for instruction should be included in this code. The incremental costs associated with providing substitute teachers in the classroom (while regular teachers attend training) should be captured in this function code. All costs should be charged to this code regardless of whether training services are provided internally or purchased from external vendors. It should be noted that the salary of a teacher who is attending training would still be reported in function 1000.

Please note that Function 2213 is also included in the reported expenditures for requirements 1 and 2 of House Bill 139. Requirements 1 and 2 are disaggregated by the Object Code; requirement 3 is disaggregated by the Function Code.

4. The total cost of facility maintenance and small capital projects.

All expenditures coded to functional category 2600 will be displayed for this requirement. As noted for Requirement 3, this requirement is also displayed at a functional level and includes expenditures that are reported in Requirements 1 and 2 at the object code level.

Function 2600 – Maintenance and Operation of Plant Services includes activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair. This includes the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. Property insurance expenditures are recorded in this function.

The requirement to report small capital projects has some limitations when applying the same parameters statewide. Each school system sets a threshold for capitalizing assets that have an estimated useful life of greater than one year. Some smaller systems will capitalize all assets that cost more than \$5,000, while others may set a threshold at a higher value, such as \$10,000. Since the thresholds for capitalizing assets are set individually by each school system, the methodology for defining “small capital projects” varies as well. Small capital projects for the purpose of this presentation of the financial data will be all projects coded as maintenance and operations. Generally, minor repairs and activity that does not extend the useful life of an asset are coded to this functional category. For more succinct analysis of small capital projects, please contact the LEA to obtain a copy of the locally-approved capitalization policy.

5. The total expenditures of new construction or major renovation, based on the school system facility plan.

All expenditures coded to Fund 300 – Capital Projects will be reported for this requirement. Since this requirement is reported at the Fund level, which includes functions and object codes, these expenditures will also be reported in Requirements 1 and 2, and possibly in Requirement 4.

Fund 300 – Capital Projects is defined as the governmental fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those of proprietary funds and fiduciary funds). The most common source of revenue in this fund is the sale of bonds as authorized in the Special Purpose Local Option Sales Tax referendum.

Each LEA is required to submit to the GaDOE Facilities Services Department a 5-year local facility plan. A local facility plan is defined in Georgia law (§20-2-260) as a long range comprehensive facilities plan that is updated every five years to be eligible to participate in Georgia’s Capital Outlay Program. All school systems are required to develop and maintain the plan.

At the beginning of each fiscal year, eligible school systems may make applications for state funding for projects in their current facilities plan. Facilities staff assist school systems in determining eligibility and in the development of the application. When eligible projects are approved by the Legislature and construction design begins, the Grants Management staff of the Facilities Services assists the system to establish a schedule for reimbursement of funds.

Most facility projects are funded with bonds through the Georgia Capital Outlay Program and the Special Purpose Local Option Sales Tax. Because the funding sources can only be used for specific purposes, the activity is required to be reported in the Fund 300 Capital Projects funds. If an LEA chooses to use local tax revenue to fund any new construction or major renovation, school board approval is required to transfer those local funds to the Capital Projects Fund for those purposes.

Capitalizable assets include equipment that meets the capitalization threshold set by each local board. Most assets that are capitalized are school cafeteria equipment, school buses, HVAC units (when purchased separate from new construction), and custodial equipment, such as floor cleaners and landscape machines. Some of these items may be purchased and reported in the General Fund Major Opinion Unit. However, these items do not meet the requirement of new construction or major renovation projects. Those terms refer to buildings, building improvements, and land improvements.

6. The per student expenditures for each local school system and school as delineated in Section 1111(h)(1)(C)(x) of the federal Elementary and Secondary Education Act, as amended by the federal Every Student Succeeds Act.

Section 111(h)(1)(C)(x) of the Every Student Succeeds Act requires SEAs and LEAs to report “the per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual nonpersonnel expenditures of Federal, State, and local funds, disaggregated by source

of funds, for each local educational agency and each school in the State for the preceding fiscal year.”

States are required to develop their own methodology for reporting LEA and school-level expenditures.

Prior to the implementation of the Every Student Succeeds Act (ESSA), Georgia was required to establish a methodology to calculate a Financial Efficiency Star Rating for every LEA and school in Georgia.

O.C.G.A. §20-14-33 requires the Governor’s Office of Student Achievement (GOSA), in coordination with GaDOE, to create a financial efficiency rating. The law requires that GOSA and the GaDOE collaborate to “adopt and annually review, and revise as necessary, indicators of the quality of learning by students, financial efficiency, and school climate for individual schools and for school systems.” Financial efficiency “may include an analysis of how federal and state funds spent by local school systems impact student achievement and school improvement, and components used to determine financial efficiency may include actual achievement, resource efficiency, and student participation in standardized testing.” The rating must be based upon five stars.

The FESR per pupil expenditure calculation will be utilized for the minimum per pupil expenditure reporting as required by ESSA. A more detailed description of how that per pupil expenditure amount by system and school is in Section III of this Guide.

The Georgia Department of Education shall make available on its website the following school system level financial information:

1. The annual budget of the local board of education.

Each LEA in Georgia are required to submit the annual final budget to GaDOE in the prescribed format set forth in State Board Rule 160-5-2-.21. The budget is required to be submitted using a standard chart of account code structure.

The final budgets for each fiscal year will be presented in a separate link on the webpage.

2. Ratios of expenditures to revenues for all general and special revenue funds.

Each LEA is required to submit the completed annual financial analysis report by fund category. Each fund is a self-balancing fund, with a beginning balance, current year revenues, current year expenditures, and an ending balance. The ratio of current year expenditures to revenues is presented for all funds submitted to GaDOE for the following funds and fund ranges:

- 100 – General Fund – A governmental fund type used to account for all financial resources of the school system except those required to be accounted for in another fund. In addition to the Regular QBE Allotment Sheet grants, the following State funded grants should be included in the General Fund, using the appropriate Program Code. The General Fund is

the fund that is used by a school system to record all general state/local operations. Sub-funds are utilized to record activity associated with Federal grants such as Title I, IDEA, and School Nutrition.

- 150 – Consolidated Schoolwide Fund – A governmental fund type utilized to account for the consolidated activity supporting a Title I schoolwide program.
- 599 – Local Charter School General Fund – a separate fund to present the local charter school activity as submitted by the authorizing school system.
- 4XX – Federal Special Revenue Funds – Governmental fund types utilized to account for various federal programs and grants, including the Title I program.
- 5XX – State Special Revenue Funds – Governmental fund types utilized to account for various state programs and grants, including the Preschool Lottery program.
- 600 – School Food Service Fund – Governmental fund type (several systems do present as an Enterprise fund) utilized to account for the activities of the school system’s school food/nutrition service.

Because each LEA can utilize certain funds in the 4XX and 5XX range for grants that are not awarded through GaDOE, specific questions related to each fund reported should be addressed to each LEA.

Additionally, the unaudited information utilized in the calculation of this ratio is to be submitted using the GAAP modified accrual basis of accounting, in which revenues are reported when earned and available, and expenditures are reported when measurable and incurred. Available and incurred are generally defined as within 60 days of fiscal year end.

There may be instances in which expenditures incurred are greater than revenue earned. LEAs may incur expenditures in one fiscal year that benefit future fiscal years, such as technology or textbook purchases. When an LEA has an anticipated need, the LEA will generally set aside resources to spend in the subsequent period. In those instances, the expenditures may be greater than the revenues, but the LEA will fund that difference with savings from previous years that has been set aside to meet these anticipated needs. An excess of expenditures compared to revenues does not necessarily identify a deficit situation.

The ratio is not calculated for Capital Projects Funds, Debt Service Funds, and Fiduciary Funds as the revenues and expenditures are not required to be considered in the same reporting periods.

3. The total dollar amount of local property tax revenue the school system collected in addition to the actual millage rate levied.

The LEAs report the local tax revenue using the standard Chart of Accounts published on the GaDOE Financial Review website. The local tax revenue reported for each system is based on the amount reported in the following accounts:

- 1110 – Ad Valorem Tax – Tangible and intangible taxes received for school purposes by a city or county, based on millage rate established by the local board.
- 1192 – Ad Valorem Taxes Contra Account – credit expenditure account to separately report the administrative collection fee withheld from the taxes levied by a school system.

4. The total dollar amount of all other tax revenue that is collected by the school system.

The LEAs report other tax revenue using the standard Chart of Accounts published on the GaDOE Financial Review website. The other tax revenue reported for each system is based on the amount reported in the following accounts:

- 1120 – Local Options Sales Taxes – Taxes assessed by a unit other than a school system upon the sales and consumption of goods and services.
- 1121 – Other Sales Taxes – Real Estate Transfer Taxes (RETT) and Intangible Recording Taxes. The RETT no longer a requirement to prorate these taxes between the General Fund and the Debt Service Funds.
- 1130 – Special Purpose Local Option Sales Tax – local penny sales tax approved by voter referendum for a 5-year period. Uses are capital outlay and bond debt repayment. Only recorded in Capital Projects Funds or Debt Service Funds.
- 1170 – Appropriations from City or County – Revenue received by a city or county government and transferred to the LEA.
- 1180 – Forest Land Protection Tax Revenue – The Georgia Forest Land Protection Act of 2008 (O.C.G.A. §48-5-7.7) provides for an ad valorem tax exemption for property primarily used for the good faith substance or commercial production of trees, timber, or other wood and wood fiber products and excludes the entire value of any residence located on the property.
- 1190 – Other Taxes – Other forms of taxes collected by a city or county government and transferred to the school system, including railroad car taxes and in lieu of tax money received from the TVA through the Georgia Department of Revenue.
- 1191 – Title Ad Valorem Taxes – tax on the sale of motor vehicles.

Each local school system and each state charter school which maintains a website shall post in a prominent location on its website a link to where the information is listed in subsections (a) and (b) of this Code Section and the following information can be found on the Department of Education’s website:

1. The annual budget submitted to the State Board of Education pursuant to subsection (c) of Code Section 20-2-167.

The State Board Rule 160-5-2-.21 requires each school system to submit the locally board approved budget to the Georgia Department of Education on an annual basis. The Initial and Final-Amended budgets are required to be submitted. The Financial Transparency Dashboard includes the final-amended budget submitted by each system for the most recent fiscal year. See additional detail regarding the budgetary process and each LEA’s documentation disclosed on its website.

2. The annual personnel report prepared by the state auditor pursuant to Code Section 50-6-27;

O.C.G.A. §50-6-27 states the state auditor shall prepare each year a report showing the entire personnel of every office, institution, board, department, and commission in the executive department of the state government, of every state authority, of every university or college in the University System of Georgia, and of every local board of education. The report shall list the name, title or functional area, salary, and travel expense incurred by each such individual, which information shall be allocated to the respective office, institution, board, department, commission, authority, university, college, or local board of education affected. The report shall be kept in the state auditor's office and shall be available for public inspection during regular business hours. Copies of the report or portions of the report shall be made available on request and posted online in a searchable data base. Each office, institution, board, department, commission, authority, university, college, and local board of education is required and directed to submit to the state auditor, in a format prescribed by the state auditor, a listing of all personnel of such office, institution, board, department, commission, authority, university, college, or local board of education showing name, title or functional area, salary, and travel expense for each individual. The state auditor shall furnish each member of the General Assembly a card or form so that a copy of such report may be requested by any member who desires one.

This report is included on the Open Georgia, Transparency in Government website at www.open.ga.gov.

3. The most recent five years of audits conducted by the Department of Audits and Accounts pursuant to subsection (a) of Code Section 50-6-6 and any additional independent audits conducted pursuant to subsection (b) of Code Section 50-6-6.

O.C.G.A. §50-6-6(a) states it shall be the duty of the Department of Audits and Accounts thoroughly to audit and check the books and accounts of the county superintendents of schools and treasurers of local school systems, of municipal systems, of the several units of the University System of Georgia, and of all other schools receiving state aid and making regular and annual reports to the State School Superintendent, showing the amount received, for what purpose received, and for what purposes expended. All such funds held by officials must be kept in banks separate from their individual bank accounts.

The most recent published audits for each school system and school are maintained on the Department of Audits and Accounts' website. Audits of the last five fiscal years are maintained.

State Charter Schools (LEAs) and the Local Charter Schools audit reports are not reported on the Department of Audits and Accounts' website. To obtain a copy of any state charter school audits, please contact the State Charter School Commission at www.scsc.ga.gov. To obtain a copy of any local charter school audits, please contact GaDOE at askdoe@gadoe.org.

4. Any findings of irregularities or budget deficits reported by the Department of Audits and Accounts pursuant to Code Section 20-2-67.

If an audit reports a finding for a deficit, or if a school system reports an unaudited deficit balance to the Georgia Department of Education, the LEA is required to meet certain disclosure requirements. This list is updated as necessary to disclose school systems which have reported a deficit in the audit report.

5. For a local board of education which imposes a sales tax for educational purposes pursuant to Part 2 of Article 3 of chapter 8 of Title 48, the information required pursuant to Code Section 48-8-141 as provided to the Department of Audits and Accounts for posting on such department's searchable website pursuant to subsection (g) of Code Section 50-6-32.

The Department of Audits and Accounts annually collects and publishes the annual Special Purpose Local Option Sales Tax (SPLOST) report for fiscal year end June 30th no later than December 31st of the same year. Additionally, the same report is required to be published by each school system receiving the SPLOST funds in the local news organ by December 31st of each year. The SPLOST report is a nontechnical report identifying each project or purpose in the resolution that shows the original estimated cost, the current estimate cost if it is not the original estimated cost, amounts expended in prior years and amounts expended in the current year. The most recently submitted report is located at www.open.ga.gov.

Each public school which maintains a website shall post in a prominent location on its website a link to where:

1. The financial efficiency ratings for the school published by the office pursuant to Code Section 20-14-34 can be found on the office's website.

The Financial Efficiency Star Ratings are published annually on the Georgia Department of Education's CCRPI Index. The rating calculation is disclosed in a separate guide. The drilldown documentation and a searchable file of all schools is located on the GOSA website, [here](#).

2. The information listed in paragraphs (1) through (5) of subsection (c) of this Code Section can be found on the Department of Education's website.

Each school will include a link to the same information required to be disclosed on the school system website. The information is disclosed at [School District Financial Information](#) webpage on the GaDOE website, www.gadoe.org.