

Classroom Spending

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Arizona School District Spending (Classroom Dollars)

- The State of Arizona Office of the auditor general is required to prepare the Arizona School District Spending (Classroom Dollars) annually as required by Arizona Revised Statutes §41-1279.03
- The report determines the percentage of every dollar Arizona school districts spend in the classroom.
- The report also analyzes nonclassroom spending, which includes administration, plant operations, food service, transportation, student support, and instruction support
- The report also includes a financial stress assessment based on six district-level measures of resources and financial management practices.

Arizona School District Spending (Classroom Dollars)

- Arizona's state-wide average classroom dollar percentage in fiscal year 2013 was 53.8 percent, the lowest percentage in the 13 years the AG Office has been monitoring district spending.
- Each year since fiscal year 2004, districts have decreased the percentage of their resources they allocated to the classroom while the percentage of resources allocated to administration, plant operations, food service, transportation, student support, and instruction support have all increased.
- Factors that impact district spending and efficiency are district size, type, location, specific fund uses (grants or other funding earmarked for non-instructional purposes)

Arizona School District Spending (Classroom Dollars)

- Between fiscal years 2001 and 2009, Arizona's total operational spending per pupil increased 47 percent before decreasing 5 percent between fiscal years 2009 and 2013.
- Despite this overall increase, Arizona's per pupil spending continued to trail the national average by about \$3,000.
- Arizona districts also allocated resources differently than the national averages, spending lower percentages of available operating dollars on instruction and administration, and higher percentages on all other nonclassroom areas, particularly plant operations and student support services.(potential coding issue)

How are the Classroom Dollars calculated?

Classroom dollars

- Classroom personnel—Teachers, teachers' aides, substitute teachers, graders, contracted instructional services, athletic coaches
- General instructional supplies—Paper, pencils, crayons, etc.
- Instructional aids—Textbooks, workbooks, instructional kits, instructional computer software, films, etc. Internet access for instruction is also included in classroom spending.
- Activities—Field trips, athletics, and cocurricular activities such as choir and band
- Tuition—Paid to out-of-state and private institutions

Source of information State of Arizona Office of the Auditor General

How are the Classroom Dollars calculated?

Nonclassroom dollars

- Administration— Salaries & benefits for superintendents; principals; business managers; clerical & staff who perform accounting, payroll, purchasing, warehousing, printing, human resource activities, administrative technology services, and the governing board
- Plant operation and maintenance— Salaries, benefits, and other costs related to equipment repair, building maintenance, custodial services, groundskeeping, and security; and costs for heating, cooling and property insurance
- Food service— Salaries, benefits, food supplies, and other costs related to preparing, transporting, and serving meals & snacks

How are the Classroom Dollars calculated?

Nonclassroom dollars

- Transportation— Salaries, benefits, and other costs related to transporting students to and from school and school activities and maintaining buses
- Student support services— Salaries and benefits for attendance clerks, social workers, counselors, nurses, audiologists, and speech pathologists and other costs related to these support services to students
- Instruction support services— Salaries and benefits of curriculum directors, special education directors, teacher trainers, librarians, media specialists, and instruction-related IT staff and other costs related to assisting instructional staff in the delivery of instruction

How are the Classroom Dollars calculated?

Account-based description Using school district Uniform System of Financial Records Chart of Account's terminology,

These are the primary funds excluded:

- 250 & 425 – Adult Education
- 515 & 520 – Civic Center and Community School
- 575 – Unemployment Insurance (an internal service fund)
- 600 – Capital Projects Funds with the following exceptions: *Include textbooks, instructional aids, and library books (object codes 6641-6643)*
- 700 – Debt Service
- 800 and above – Fiduciary and Proprietary Funds

These programs are excluded:

- 700 and above – Adult/Continuing Education, Community College Education Programs,
- Community Services Programs

These functions are excluded:

- 4000 and above – Capital, Debt Service, and Other Financing Uses

These object codes are excluded:

- 6561 & 6565 – Tuition to other Arizona school districts
- 6700's – Land, Buildings, and Equipment
- 6900's – Other Financing Uses, such as Transfers and Indirect Costs
- Similar transactions that a district accounts for in other funds, programs, functions, or object codes could also be excluded.

TUSD Classroom Spending FY13

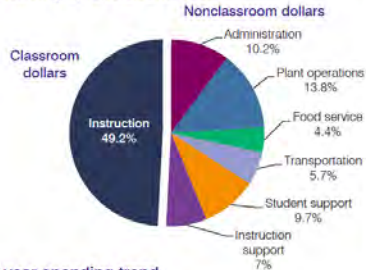
Tucson Unified School District

Pima County
Efficiency peer groups 1 and T-5, Achievement peer group 3
Legislative district(s): 2, 3, 4, 9 and 10

District size, location: Very large, City
Students attending: 48,189
Number of schools: 99

OPERATIONAL EFFICIENCY

Spending by operational area



5-year spending trend

Total spending per pupil decreased by 5 percent. Spending in the classroom decreased from 53.4 to 49.2 percent. Spending on plant operations increased substantially, spending on administration increased, and spending on food service, transportation, and student support increased slightly. Spending on instruction support decreased substantially.

Cost measures relative to peer averages

Operational area	Measure	District	Peer average	State average
Administration	Cost per pupil	\$635	\$640	\$746
Administration	Students per administrator	62	80	67
Plant operations	Cost per square foot	\$6.02	\$5.91	\$6.03
Plant operations	Square footage per student	125	145	153
Food service	Cost per meal equivalent	\$2.76	\$2.62	\$2.58
Transportation	Cost per mile	\$4.16	\$3.54	\$3.55
Transportation	Cost per rider	\$0.276	\$1.359	\$1.015

Legend: Very low (green), Low (yellow), Comparable (orange), High (red), Very high (dark red)

Per pupil spending by operational area

Operational area	District		Peer average	State average	National average
	2012	2013	2013	2013	2011
Total	\$8,751	\$8,421	\$7,185	\$7,496	\$10,656
Classroom dollars	4,429	4,139	4,074	4,031	6,520
Nonclassroom dollars:	4,322	4,282	3,111	3,465	4,136
Administration	854	865	640	746	1,136
Plant operations	1,156	1,162	855	924	1,015
Food service	371	369	325	396	412
Transportation	481	246	246	369	452
Student support	862	816	571	582	593
Instruction support	600	589	374	448	528

Arizona School District Spending—Fiscal Year 2013

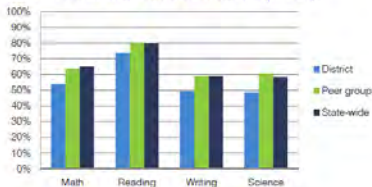
STUDENT ACHIEVEMENT, TEACHER MEASURES, AND FINANCIAL ASSESSMENT

ADE-reported district and school letter grades

District grade: **C**

Grade	Number of schools	Percentage of schools
A	12	12%
B	30	30%
C	39	40%
D	12	12%
F	1	1%
Not rated	5	5%

Students who met state standards (AIMS)



Student and teacher measures

Measure	District	Peer average	State average
Attendance rate	92%	93%	94%
Graduation rate (2012)	80%	80%	77%
Poverty rate (2012)	30%	25%	25%
Students per teacher	17.9	17.9	18.3
Average teacher salary	\$46,592	\$44,916	\$45,264
Amount from Proposition 301	\$3,140	\$3,845	\$3,784
Average years of teacher experience	11.9	12.0	10.9
Percentage of teachers in first 3 years	17%	16%	19%

Financial stress assessment

Overall financial stress level: **Moderate**

Measure: 2011 through 2013	Assessment
Number of students attending district	Stable/declining enrollment
Spending exceeded operating/capital budgets	No overspending
Spending increase election results	No election held
Operating reserve percentage (max: 4%), trend	2.2%, Varying
Years of capital reserve held	1 to 3 years
Current financial and internal control status	Compliant

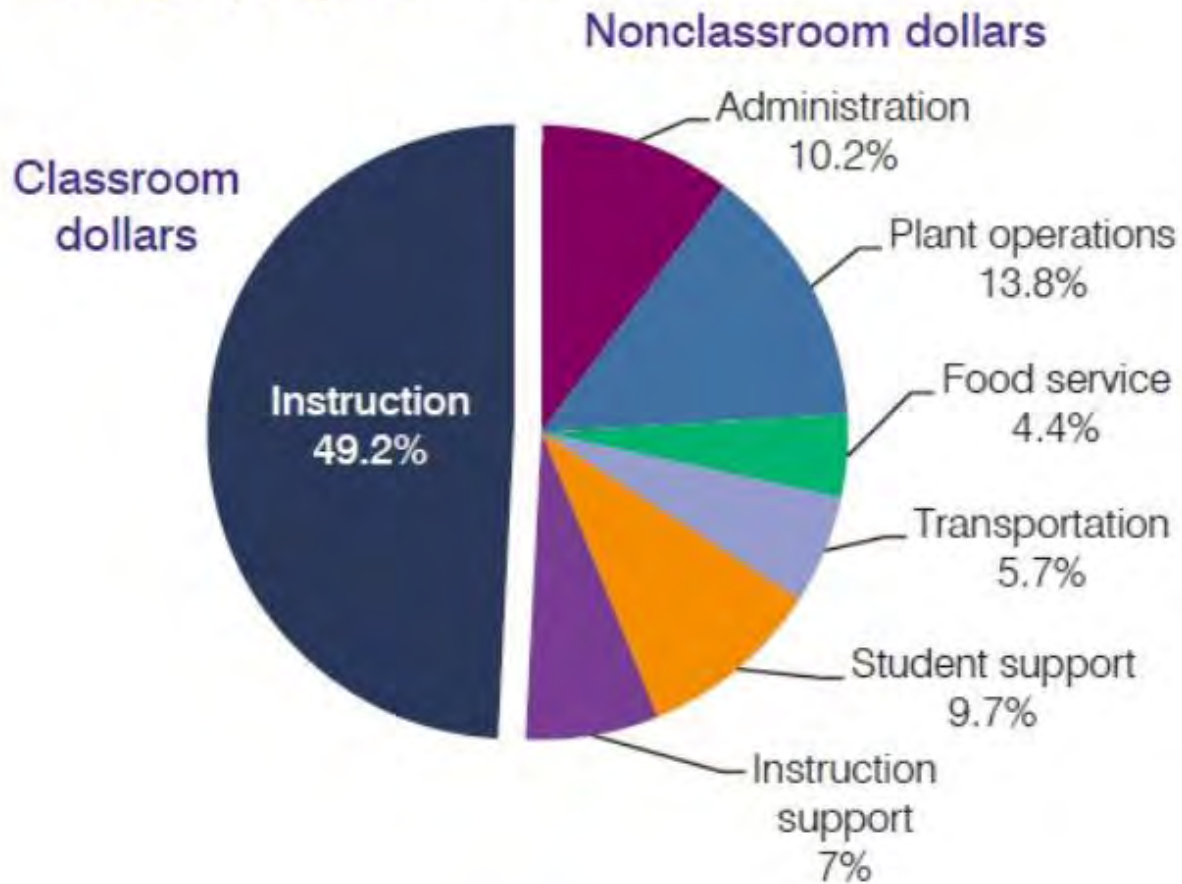
Stress level: Low (green), Moderate (yellow), High (red)

Arizona Office of the Auditor General

- [http://www.auditorgen.state.az.us/Reports/School Districts/Statewide/2014 February/AZ School District Spending FY2013.pdf](http://www.auditorgen.state.az.us/Reports/School_Districts/Statewide/2014_February/AZ_School_District_Spending_FY2013.pdf)

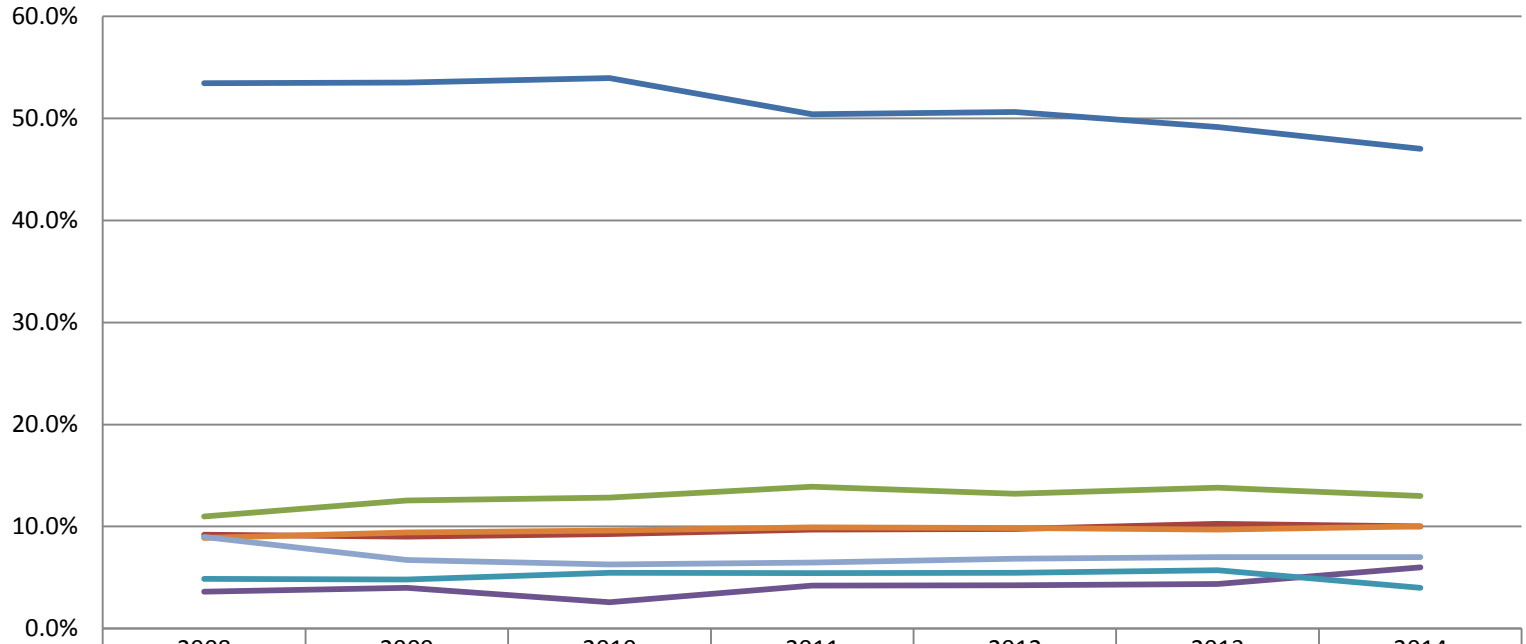
TUSD Classroom Spending FY13

Spending by operational area



Classroom Spending

TUSD



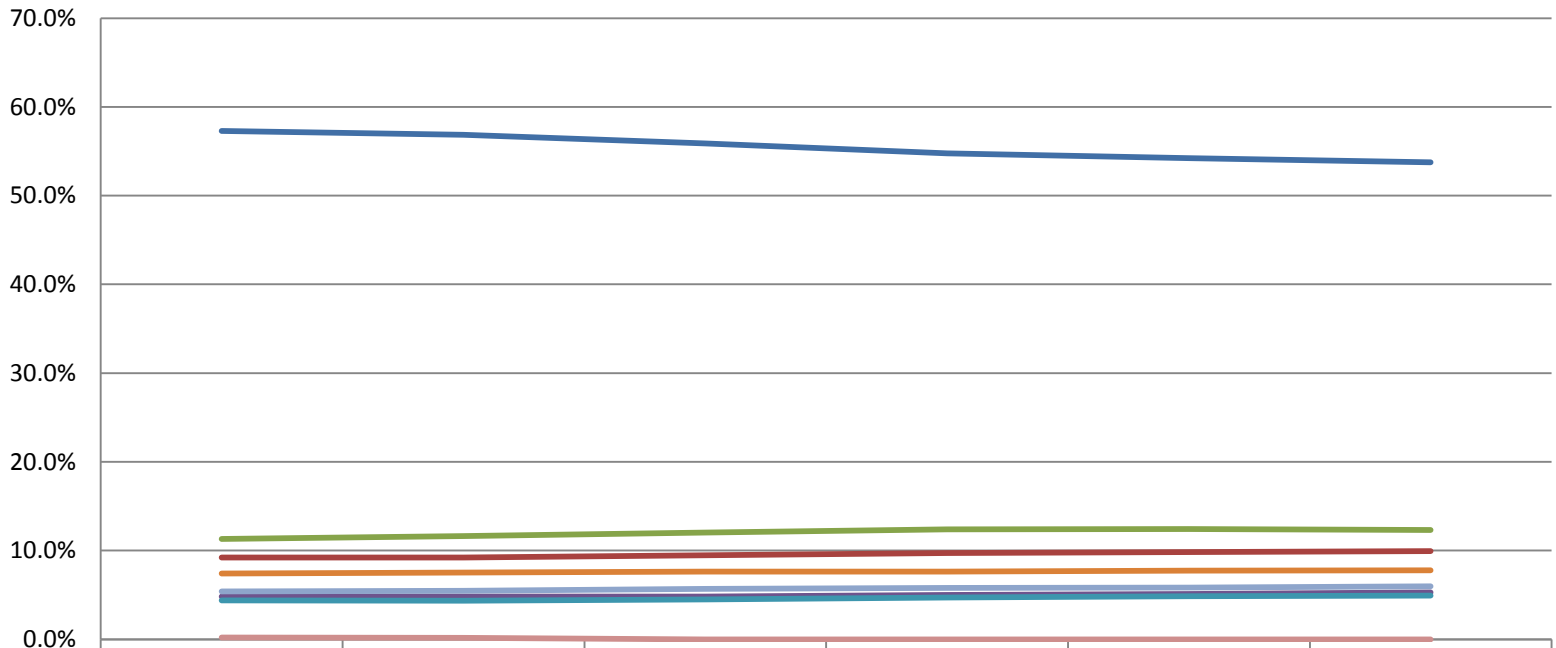
	2008	2009	2010	2011	2012	2013	2014
Classroom Dollars	53.5%	53.5%	53.9%	50.4%	50.6%	49.2%	47.0%
Administration	9.2%	9.0%	9.3%	9.7%	9.8%	10.3%	10.0%
Plant Operations	11.0%	12.5%	12.8%	13.9%	13.2%	13.8%	13.0%
Food Service	3.6%	4.0%	2.6%	4.2%	4.2%	4.4%	6.0%
Transportation	4.9%	4.8%	5.5%	5.4%	5.5%	5.7%	4.0%
Student Support	8.9%	9.4%	9.6%	9.9%	9.9%	9.7%	10.0%
Instruction Support	9.0%	6.7%	6.3%	6.5%	6.9%	7.0%	7.0%

2014 Data is based on TUSD Calculations

Source of information State of Arizona Office of the Auditor General

Classroom Spending

State

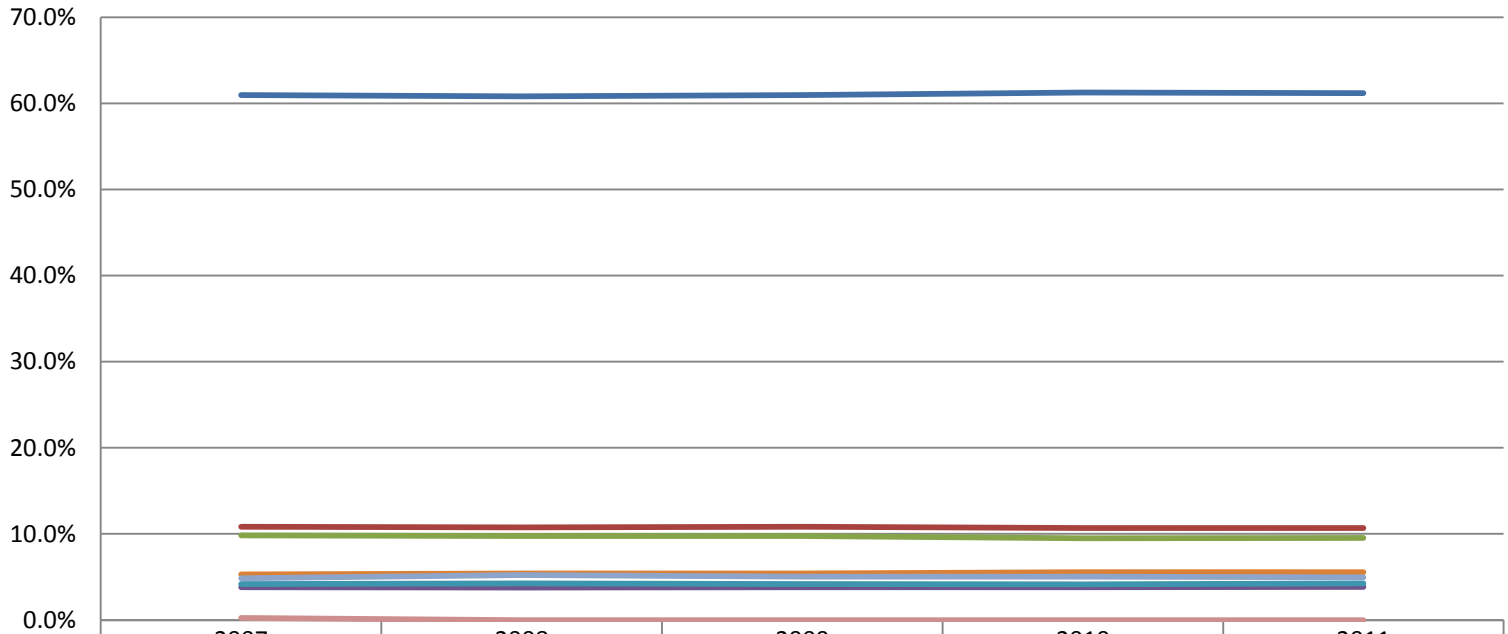


	2008	2009	2010	2011	2012	2013
Classroom Dollars	57.3%	56.9%	55.9%	54.7%	54.2%	53.8%
Administration	9.2%	9.2%	9.5%	9.7%	9.8%	10.0%
Plant Operations	11.3%	11.6%	12.0%	12.4%	12.4%	12.3%
Food Service	4.8%	4.8%	4.8%	5.0%	5.1%	5.3%
Transportation	4.4%	4.3%	4.5%	4.7%	4.8%	4.9%
Student Support	7.4%	7.5%	7.6%	7.6%	7.7%	7.8%
Instruction Support	5.4%	5.5%	5.7%	5.8%	5.8%	6.0%
Other	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%

Source of information State of Arizona Office of the Auditor General

Classroom Spending

National

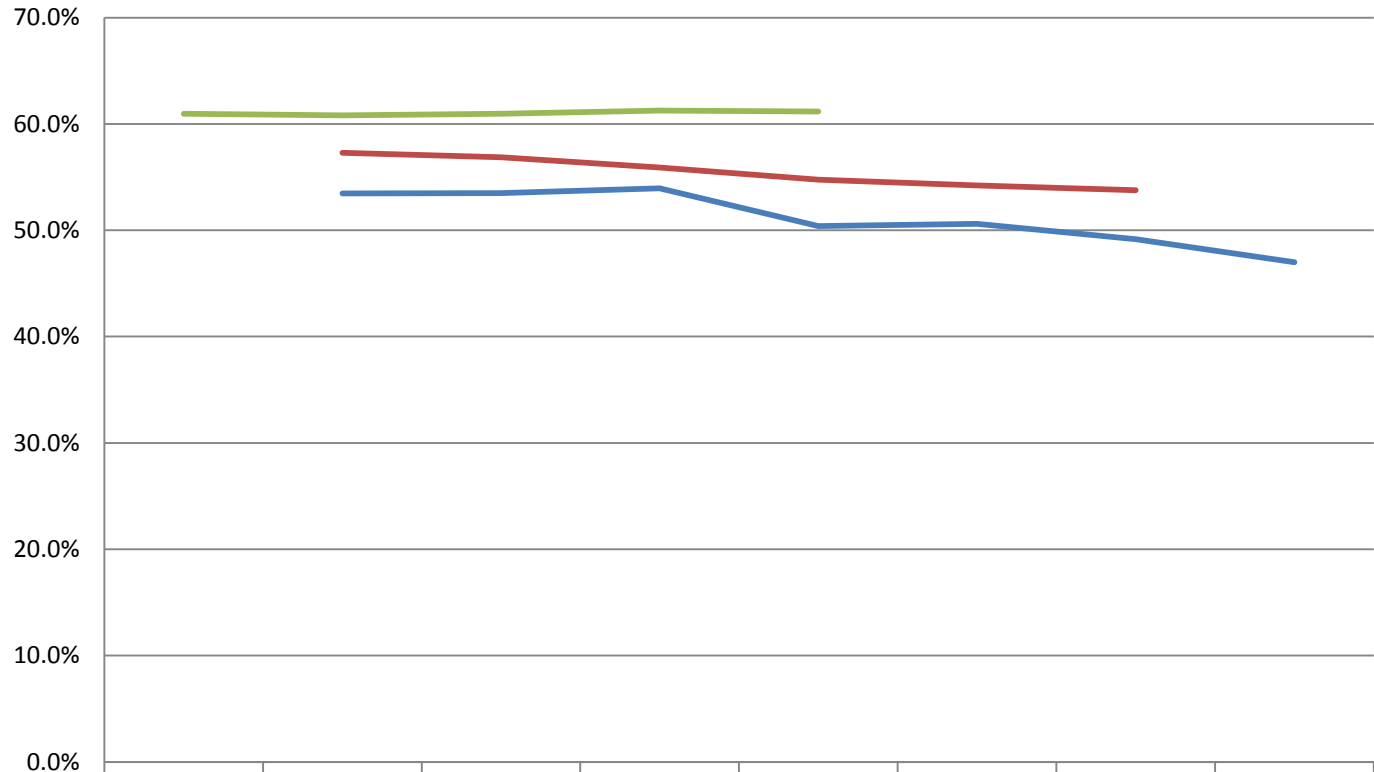


	2007	2008	2009	2010	2011
Classroom Dollars	61.0%	60.8%	61.0%	61.3%	61.2%
Administration	10.8%	10.8%	10.8%	10.7%	10.7%
Plant Operations	9.8%	9.7%	9.8%	9.5%	9.5%
Food Service	3.8%	3.8%	3.8%	3.8%	3.9%
Transportation	4.2%	4.3%	4.2%	4.2%	4.2%
Student Support	5.3%	5.4%	5.4%	5.6%	5.6%
Instruction Support	4.9%	5.2%	5.1%	5.0%	5.0%
Other	0.2%	0.0%	0.0%	0.0%	0.0%

National Data is based on a 2 year delay

Source of information State of Arizona Office of the Auditor General

Comparison of Instructional % TUSD/State/National



— TUSD Classroom Dollars		53.5%	53.5%	53.9%	50.4%	50.6%	49.2%	47.0%
— State Classroom Dollars		57.3%	56.9%	55.9%	54.7%	54.2%	53.8%	
— National Classroom Dollars	61.0%	60.8%	61.0%	61.3%	61.2%			

2014-2015 Calculations based on TUSD's Own Calculations

National Classroom Dollars based on a 2 year delay

TUSD

- Approximately \$400M of TUSD dollars are used to determine classroom spending
- 1% = \$4M
- FY15 M&O including deseg = 42%
- FY15 M&O without deseg = 43%
- FY15 Deseg only = 41%