

**DENVER PUBLIC SCHOOLS
DISTRICT ACCOUNTABILITY BUDGET SUB-COMMITTEE RECOMMENDATIONS**

To: Members of the Denver Public Schools Board of Education
From: DAC Budget Sub-Committee
Date: May 18, 2015
Re: 2015-2016 Budget Recommendations

We recommend that Board examine its philosophy concerning the target percentage it wishes to achieve for the General Fund Balance (which is the unspent reserve balance), so as to more closely align the General Fund Balance to the goals and intents of upcoming financial processes, as well as state legislation requirements. Our suggestion is that the policy weigh the goals and necessary financial practices against the needs of our current students. The review of and allocation of fund balance monies should be considered with a multi-year view that takes into account projected future increases/decreases in revenue and anticipated expenses.

With regard to the projected \$9.7 million surplus for the 2015-2016 school year, we strongly recommend the Board consider allocating a portion of the funds to early literacy programs as well as Principal retention (which would include professional development and monetary retention incentives).

In lieu of the above, we recommend the Board consider a reorganization of resources/expenditures to prioritize the above investments.

While we believe the Board is fully aware of the shortened time period our committee faced this year, we recommend the Board ensure that future sub-committees have sufficient time to review and discuss the financial information in order to provide the Board a more in depth recommendation; in addition, the budget sub-committee should receive on-going education as to any future budget amendments and analysis.

Lastly, we recommend that the Board begin to advertise the challenges to public education funding that will be brought on by TABOR in the next 2-4 years.