

FY2019



Austin Independent School District

Official Budget

Governmental Funds Adopted June 18, 2018



Austin, TX—Travis County

1111 West Sixth Street

Austin, TX 78703

www.austinisd.org

512.414.1700

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ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

AUSTIN INDEPENDENT SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2017–2018.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.'.

Charles E. Peterson, Jr. MBA, PRSBA, SFO
President

A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE, RSBA
Executive Director

Transparency Star



Traditional Finances



The Austin Independent School District Mission Statement

AISD exists to fulfill the mission put forth by the State of Texas, which is to “ensure that all Texas children have access to a quality education that enables them to achieve their potential and fully participate now and in the future in the social, economic, and educational opportunities of our state and nation.” [Texas Education Code §4.001(a)]

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Austin Independent School District



Executive Summary

FY2019 Official Budget

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Austin Independent School District

Administrative Office

1111 West Sixth Street
Austin, Texas 78703

Board of Trustees

Kendall Pace	President	At Large, Position 9
Geronimo M. Rodriguez, Jr.	Vice President	District 6
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Administrative Officials

Paul Cruz, Ph.D., Superintendent
Michelle Cavazos, Chief Officer for School Leadership
Fernando Medina, Ed.D, Chief Human Capital Officer
Nicole Conley Johnson, Chief Business & Operations Officer
Kevin Schwartz, Technology Officer Learning & Systems

Officials Issuing Report

Nicole Conley Johnson, Chief Business & Operations Officer
David Edgar, Executive Director, Finance
George Gogonas, Director, Budget Office

Dear AISD Community,

This adopted budget for the 2018–19 school year solidifies our priorities as we prepare our students for college, career and life.

The budget includes an increase in base salaries for employees across the district. The district is also allocating \$1 million to campus and district safety. We are also investing \$300,000 in literacy initiatives that continue the focus on all students reading at or above grade level.

Great work is happening throughout our district every day, and we want to celebrate our accomplishments and build on them. With graduation rates at an all-time high and academic success that outpaces the state and nation, AISD is a leader in quality urban education. We are committed to continuing to provide Social and Emotional Learning to all of our students and staff within the largest No Place for Hate district in the country. The district has continued to invest in the expansion of high-quality early childhood programs, dual language programs and early college high school and Career Launch opportunities.



Also, this year school districts received letter grades from the Texas Education Agency. Austin ISD earned an A and 89, which is a B or a Recognized rating. AISD scored the highest among all large urban districts in Texas. Along with earning a Recognized rating, 116 schools met all performance standards, and campuses earned a total of 152 Academic Distinction Designations.

Equity and access for all students is, and will continue to be, a top priority in AISD. We believe that continually developing in our students the 6 Cs – Collaboration, Communication, Creativity, Cultural Proficiency, Connections and Critical Thinking – will help create students who are ready not only for academic success, but also for success outside the classroom. Investing in the development of these skills is necessary to thrive as a district and a community.

We continue to face challenges through the state school finance system, which makes it challenging to provide the necessary resources our teachers, staff and families deserve. This year alone, we will send \$546 million to the state as part of recapture, and next year we are projected to send \$670 million. While facing challenges, we still found a way to invest in our AISD staff and key district initiatives.

Reinvention is not easy, and no one says that we have to do it. We do it because it is right for our students. Staying focused on district priorities is important for our students today and in the future. I am proud to say that this budget reflects these priorities.

Paul Cruz, Ph.D.
Superintendent

Introduction to AISD's Budget Process: Strategic, Engaging, and Transparent

The AISD Strategic Plan Guides the District's Budget, Plans, Programs, and Initiatives

The AISD Strategic Plan 2015-2020 is the result of months of work by our community, educators, district administration, and the Board of Trustees. The strategic plan is all about mutual commitments and expectations for all stakeholders.

Strategic planning is a recognized best practice in accelerating an organization and keeping it on an upward trajectory. The strategic plan will provide AISD with focus and direction, and position AISD to make continued progress into the future. This will be critical given our decreasing resources in the face of increasing academic standards.

When we all work together to implement the components of the strategic plan – which are innovative, aggressive, and bold – we can close achievement gaps and graduate all of our students on time and prepare them for college, career, and life in a highly changing and competitive world.

Strategic Plan Development

Work on the AISD Strategic Plan 2015-2020 began in the fall of 2014 with three community meetings and an online community survey to gather input on strategic plan priorities. This input helped inform a Strategic Planning Team comprising of 30 stakeholders, including parents, students, community and business members, teachers, principals, counselors, librarians, and central administrators. During the course of three full days in early January 2015, the strategic planning team developed a preliminary draft strategic plan.

As a next step in the planning process, seven Action Teams totaling over 150 diverse stakeholders developed detailed action plans related to strategies in the preliminary draft plan. The strategic planning team then reconvened to review the action plans and made final recommendations to the superintendent in late April 2015.

On a parallel course, the Board of Trustees worked through the spring of 2015 to develop a Strategic Plan Framework, including statements of the district's Vision, Core Beliefs and Commitments, and Values. The Board approved the Strategic Plan Framework in June 2015. The Board also worked to develop a Strategic Plan Scorecard, with performance indicators and targets related to each of the Core Beliefs in the Strategic Plan Framework. The Board approved the Strategic Plan Scorecard in September 2015.

The superintendent led the process to combine the work of the Board and the input of district stakeholders to form a cohesive strategic plan. Under each of the Commitments in the Board's Strategic Plan Framework, the Five-Year Implementation Plan provides Strategies and Key Action Steps that will serve as the detailed work of the superintendent and administration. As part of mutual commitments and expectations, the Five-Year Implementation Plan identifies district offices responsible for accomplishing each key action step and providing annual status reports.

Strategic Plan Implementation

Implementation of the strategic plan begins with its communication to all stakeholders. This also is a first step in mutual commitments and expectations, which are necessary to ensure successful implementation of the strategic plan. The strategic plan and related information are available on the AISD website at austinisd.org/strategicplan.

All employees of the district are expected to become familiar with the plan and to identify how it will affect their work. In addition, information on the strategic plan will be included in new employee orientation and in the Employee Handbook, and will be incorporated in the superintendent's annual convocation of all district staff at the beginning of the school year. Strategic plan alignments will be incorporated into employee performance evaluations.

Agendas of the Board of Trustees and district advisory committees will show alignments with the strategic plan, and during reports to the Board on the district's work the Superintendent will make connections to the strategic plan.

Annual Campus Improvement Plans are developed by each campus and will include alignments to the strategic plan. The CIPs provide campus-level commitments to implementing the strategic plan. The content and role of the strategic plan will be included in training provided to campus administrators and Campus Advisory Council members.

The Five-Year Implementation Plan provides administrative commitments to implementing the strategic plan at the district level. Periodically, offices assigned responsibility for each Key Action step in the strategic plan will provide status reports.



Annually, the superintendent will lead a review of the strategic plan, to ensure that it remains current and strongly focused on the needs of the district. The board will either reaffirm the Strategic Plan Framework and Scorecard or make revisions as needed, and the superintendent and Senior Cabinet will do likewise with the Five-Year Implementation Plan. Periodic status reports on the Scorecard and the Five-Year Implementation Plan will be generated.

Another important strategic plan alignment is with the annual district budget. Investments in the preliminary budget and recommended budget will show alignments with the strategic plan.

Collectively, these strategic plan implementation and alignment processes will ensure compliance with statutory requirements [Texas Education Code §11.252] to provide an annual "District Improvement Plan."



AISD 2015-2020 Strategic Plan
Strategic Plan Framework
Reinventing the urban school experience together

Approved by the Board of Trustees on June 22, 2015

🌀 **VISION:** AISD will reinvent the urban school experience.

🌀 **MISSION:** AISD exists to fulfill the mission put forth by the State of Texas, which is to “ensure that all Texas children have access to a quality education that enables them to achieve their potential and fully participate now and in the future in the social, economic, and educational opportunities of our state and nation.” [Texas Education Code §4.001(a)]

🌀 **CORE BELIEF ONE:** All students will graduate college-, career-, and life-ready.

As part of this, we commit ourselves to:

1. Achieve excellence by delivering a high-quality education to every student.
2. Implement the transformative use of technology.
3. Ensure all students perform at or above grade level in math and reading.
4. Prepare all students to graduate on time.
5. Develop civically-engaged students.

🌀 **CORE BELIEF TWO:** We will create an effective, agile, and responsive organization.

As part of this, we commit ourselves to:

6. Create a positive organizational culture that values customer service and every employee.
7. Develop effective organizational structures.
8. Generate, leverage, and utilize strategically all resources.

🌀 **CORE BELIEF THREE:** We will create vibrant relationships critical for successful students and schools.

As part of this, we commit ourselves to:

9. Engage authentically with students, parents/guardians, teachers, and community.
10. Build ownership in AISD among internal and external stakeholders.
11. Develop and maintain community partnerships.

🌀 **VALUES:**

Whole Child, Every Child

Physical, social, and emotional health, and safety

Equity, diversity, and inclusion

High expectations for all students, employees, parents/guardians, and community members

Creativity, collaboration, and innovation

Community schools

Life-long learning

For more detailed information on the AISD Strategic Plan, please visit the following page on the district’s web site: <https://www.austinisd.org/strategic-plan>

FY2019 Board Budget Parameters

1. **FUND BALANCE:** The district seeks to maintain an unassigned fund balance consistent with board policy in an effort to (1) maintain a bond rating of Aaa or higher, (2) maintain a “pass” financial rating from the state and (3) ensure a sufficient operating reserve to support operating costs for at least two and a half months.
2. **BALANCED BUDGET:** The board recognizes its fiduciary responsibility to adopt a balanced budget and will seek to do so by considering all cost savings and efficiency options.
3. **SUSTAINABLE SOLUTIONS:** If projected expenditures exceed projected revenue and budget reductions become necessary, the district will first seek those options that are sustainable and will address structural imbalances on a multi-year basis. One-time solutions, including the use of fund balance reserves will be considered with caution and appropriately factored into out-year budget shortfalls.
4. **EFFICIENCY:** The district will continue to pursue additional revenue, costs savings and efficiencies; and will work to reduce investments in programs that have not produced sufficient results.
5. **STRATEGIC PLAN:** The budget will prioritize investments that are aligned with our strategic goals as outlined in the Strategic Plan:
 - All students will graduate college-, career- and life-ready
 - We will create an effective, agile and responsive organization
 - We will create vibrant relationships critical for successful students & schools.
6. **TARGETED RESOURCE INVESTMENTS:** The district recognizes the need to target resource investments in programs that support achievement growth for all schools. Therefore, any new budgetary investments will reflect the Strategic Priorities established by the board.
7. **PERFORMANCE DRIVEN:** The performance results from the district’s performance management system will be used to make budgetary decisions in an effort to establish a budget that is performance-driven and based on proven results. The performance management system includes: the district-wide balanced scorecard, Strategic Plan monitoring tools, program evaluations, electronic dashboards, operational key performance indicators (KPIs) and individual employee evaluations.
8. **TRANSPARENCY:** The budget process must be transparent and include sufficient opportunity for community engagement and feedback.
9. **COMPENSATION:** The board seeks to maintain competitive total compensation levels for all classes of employees and will consider such recommendations as long as they are sustainable.
10. **STAFFING:** Budgeted assumptions for staffing ratios must meet state standards, unless a waiver is sought from the state.
11. **MULTI-YEAR FRAMEWORK:** The budget should be developed in a multi-year framework (minimum three years) to account for out-year implications of budget proposals and revenue estimates.

Budget Policies and Development Procedures

The district is committed to increasing the level of transparency that surrounds a complex budget process. The Strategic Plan, which is the product of a genuine consensus-building process, and embodies the vision of the community, drives the annual budget process. The Board has established a policy that requires the district to maintain a minimum of 20 percent of operating expenditures in its general fund balance, which is a driving factor in the budgeting process.



Developing the annual budget is an iterative process. The Board of Trustees adopts the budget parameters in and the budget calendar in October. In December, the Board approves the budget assumptions and staffing formulas, which predict expenditure needs for the upcoming year. The Board sets the district's Strategic Plan priorities during this time. These actions take place early in the process so expenditure requirements can be included in the district's long-range financial plan. The Board also takes into account the out-year financial impacts of policy decisions, long range expenditure needs and projected fund balance levels in January.

The Superintendent established the Budget and Finance Advisory Committee (BFAC) to provide guidance and counsel on matters of budget and finance. The BFAC meets regularly, working alongside staff and others to develop tools and methodologies on how to best improve the district's budgeting process. The administration has been responsive to BFAC's recommendations for greater cohesion and clarity. The district's budget development has become an integrated process that aligns resource allocation with goals and priorities established through the development of a well-defined curriculum, and a well-conceived and executed strategic planning process.

In April, the Superintendent presents the Preliminary Budget to the Board of Trustees, the public and the media. The Preliminary Budget provides a first glance of the investment plan for the upcoming school year. It evolves as the budget process advances and presents opportunities for input from key stakeholders including parents, students, citizens and staff. The district also holds interactive meetings with the community and staff regarding the Preliminary Budget so additional input can be incorporated before the numbers are finalized. After community, staff and Board feedback is incorporated, the Superintendent presents the Recommended Budget to the Board in May. The Board conducts a public hearing on the proposed budget and tax rate in June and then adopts the budget.

In July, the Travis Central Appraisal District (TCAD) certifies the local appraisal values. Local revenue from property taxes comprises approximately 92.8 percent of total revenue. A small percentage change in TCAD appraisal value estimates can create a material change in the amount of revenue AISD expects to receive. Any material change in the certified property values would cause the district to amend the budget after adoption. In August, the Board adopts the tax rate after receiving the certified property values.

Table 1
Austin Independent School District
Milestones of the FY2018-19 Budget Process

Oct 2017	Board Adopts FY2018-19 Budget Development Calendar	Jun 2018	Superintendent presents the FY2018- 19 Recommended Budget to the Board, Public and Media
Dec 2017	Board Reviews Assumptions, All Staffing Guidelines, Enrollment Projections, and Fund Balance Condition		Board Conducts Public Hearing on Proposed Budget and Tax Rate Board Adopts the FY2018-19 Budget
Jan 2018	FY2019-FY2021 Forecast		
Apr/May 2018	Travis Central Appraisal District provides Preliminary Appraisal Values	Jul 2018	Travis Central Appraisal District (TCAD) Certifies Appraisal Values
	Superintendent presents the FY2018- 19 Preliminary Budget to the Board, Public and Media	Aug 2018	Board Adopts the FY2018-19 Tax Rate
	Community Meetings on the FY2018-19 Preliminary Budget		

Texas Education Code, sections 44.002-44.006 establish the legal basis for school district budget development. The district’s budget must be prepared by a date set by the State Board of Education, which is currently June 19, and adopted by June 30. A public hearing for the budget and proposed tax rate must occur before the Board adopts the budget. The district’s budget must be legally adopted before the tax rate is adopted. As discussed in the preceding paragraphs, this budget document meets those standards.

Opening the Windows on the Budget Process: Transparency and Engagement

Recognizing the importance of providing sufficient time during the budget process for community members to discuss and debate challenging issues, AISD accelerated its budgeting process beginning in FY2011. In this way, the public can review and scrutinize the preliminary budget before the district’s Board of Trustees adopts a final budget.

The preliminary budget provides a first glance of the investment plan for the 2018–2019 school year. It evolves as the budget process advances and presents opportunities for input from parents, students,

community members, staff members and other key stakeholders. Community meetings give the public the opportunity to offer input on the preliminary budget that can be incorporated into the final recommended budget which is presented for action to the Board of Trustees in June 2018.

The Budget and Finance Advisory Committee (BFAC) was established to provide guidance and counsel on budget and finance matters. BFAC meets regularly, working with staff members and others to develop tools and methodologies on how to best improve the district's budgeting process. The administration has been responsive to BFAC's recommendations for greater cohesion and clarity. The district's budget development has become an integrated process that aligns resource allocation with goals and priorities established through the development of a well-defined curriculum—and a well-conceived and executed strategic planning process.

Evaluating for Effectiveness and Efficiency to Drive Budgetary Decisions

The Department of Research and Evaluation regularly evaluates major district initiatives. Cost and effectiveness information gleaned from these evaluations are included annually in a matrix of findings used in the budget development process to provide stakeholders with performance data before budgetary decisions are made.

FY2019 Budget Allocations

AISD has emerged as a national leader of **Social and Emotional Learning (SEL)**, committed to integrating SEL into the school experience of all its students. In 2011, AISD was among the first districts in the nation to embrace the emerging brain science and the principles of SEL, charting a course for incrementally infusing explicit SEL instruction into the practice of all 130 of its campuses. AISD has come to recognize that vibrant relationships are as critical to successful students and schools as excellent content and instruction, and the research bears this out.

In the last decade, an increasing volume of educational research has shown that success in higher education, the labor force, and other aspects of life depends not only on what young people know but also on their abilities to identify and regulate their emotions, to establish relationships that enable them to engage effectively with others, and to plan and prioritize in ways that support the completion of complex projects and tasks. AISD's SEL researchers have captured early evidence of the positive correlation between high-quality SEL implementation, improved school culture, and increased academic proficiency. Schools have a key role to play in cultivating students' non-academic skills and mindsets ultimately optimizing their learning and life experience.

The FY2018 was the first year donors funded the SEED Model program at AISD campuses. In its inaugural year, funding of \$65,000 was used for 19 campuses. For FY2019, budgeted dollars increased to \$80,000 and distributed amongst 53 campuses. Click the following link to find out more about the SEED program <https://www.austinisd.org/sel/seed>

The SEL Fellowship program increased from one to three cohorts from FY2018 to FY2019. Funding also increased \$5,000 from FY2018 to \$55,000 in FY2019. These cohorts are comprised of district leaders and designed to create common understanding and language regarding SEL.

Early College High Schools with **Career Launch Programs and P-Tech Programs** are designed to help students successfully transition from high school to college and begin challenging 21st century careers. This unique model includes grades 9-14, delivering a six-year career focused program aligned with the Common Core Standards and providing students with real-world work experience through internships in fields connected to their classroom studies. These 10 Austin Independent School District | FY2019

Recommended Budget schools are designed to prepare students for college and careers in the Health Sciences and the Technology disciplines. Graduates are prepared to enter their chosen field or continue their education in pursuit of a bachelor's degree.

Each Early College High School with a Career Launch program is grounded in a three-way partnership between an AISD high school, Austin Community College and an industry partner. Together they provide an integrated support system that helps students achieve their academic and career goals. Students who successfully complete a six-year course of study graduate with a high school diploma, an associate degree, a Career and Technical endorsement, relevant industry certifications, workplace experience, and the specific skills needed by employers in high growth industries.

Pathways in Technology Early College High Schools (P-TECH) is an open-enrollment program that provides students with work-based education. P-TECH programs provide students grade 9 through 14 the opportunity to complete a course of study that combines high school and post-secondary courses and field experience with an industry partner.

There is no cost to the student or their family for college courses as long as the student is enrolled at the Early College High School. The cost of college courses, textbooks, and course materials over the six-year period are covered by funding from state grants and AISD.

Pre-kindergarten is a special program for eligible 3- and 4-year-old students. The Pre-K program is designed to meet the needs of a child's early years, which are a period of rapid growth. It is during this period that key concepts are developed that directly correlate to a student's future academic success. Pre-K is an exciting time for students and for parents. For many families, prekindergarten is the introduction into the public school system. AISD provides a full-day prekindergarten program for all children who turn 3 or 4 on or before September 1 of the current school year. Students must also qualify by being either:

- English Learners; or
- Economically disadvantaged; or
- Child of active military parent; or
- Child of Star of Texas Award Recipient; or
- Homeless; or
- Foster

The Pre-K program has expanded into more campuses from FY2016-17 to FY2017-18 with revenue also growing from \$1.67 million to \$1.93 million respectively. Pre-K4 grew by 55 students from FY2016-17 numbers, which included two new campuses as well.

Organizational Structure

AISD is an independent, public educational agency operating under the applicable laws and regulations in the State of Texas. The district's organizational hierarchy begins with the students, parents and community members who elect a nine-member Board of Trustees to autonomously govern the district. The Board of Trustees employs the superintendent, who is the Chief Executive Officer, to manage the day-to-day operations of the district. Under the superintendent are three chiefs, who oversee various areas of the district's operations, including academics, campus operations, human resources, facilities and system management, finance, performance evaluation and accountability. The Texas Education Agency provides the district's education accreditation.

**Austin Independent School District
Board of Trustees**



Austin ISD Board of Trustees

(from left) Edmund T. Gordon, District 1; Ann Teich, District 3; Geronimo M. Rodriguez, Jr., VICE PRESIDENT, District 6; Amber Elenz, District 5; Kendall Pace, PRESIDENT, At Large 9; Julie Cowan, SECRETARY, District 4; Yasmin Wagner, District 7; Cindy Anderson, At Large 8; Jayme Mathias, District 2

Administrative Officials

Paul Cruz, Ph.D., Superintendent
Michelle Cavazos, Chief Officer for School Leadership
Fernando Medina, Ed.D, Chief Human Capital Officer
Nicole Conley Johnson, Chief Business & Operations Officer
Jacob Reach, Chief of Staff-Superintendent
Kevin Schwartz, Technology Officer Learning & Systems

Budget Analysis

Governmental Funds

AISD's budget is organized in the following fund categories:

- The **General Fund** pays for salaries and benefits, classroom resources, campus cleaning and landscaping, transporting students, paying utility bills, providing clerical and administrative support—all the things schools and support centers need to operate on a daily basis.
- The **Food Service Fund** pays for the operation of the district's food service program.
- The **Debt Service Fund** pays the debt on bonds previously approved by district voters for building construction and renovation.

Financial Structure & Basis for Accounting

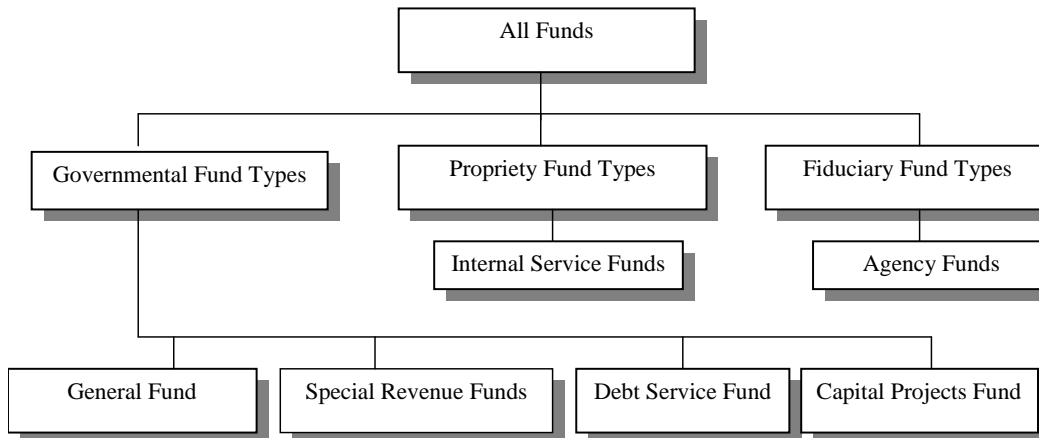
The district maintains more than 100 funds to account for its operations and special programs. Each fund varies in purpose. All funds are accounted for on a district-level basis.

The fund accounting system defines each fund by fiscal period and a self-balancing set of accounts including assets, liabilities, fund equity, revenue and expenditures. There are four major fund groups. The Governmental Funds includes the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. Other funds maintained by the district include Internal Service Funds and Fiduciary Funds.

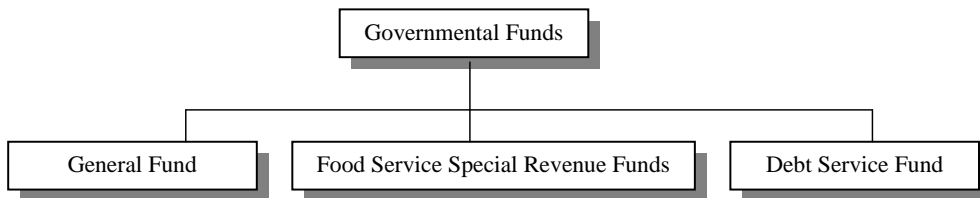
Formal budgetary accounting is employed for all required Governmental Fund Types, as outlined in TEA's Financial Accountability System Resource Guide (FAR) and is presented on the modified accrual basis of accounting consistent with Generally Accepted Accounting Principles (GAAP). The budget is prepared and controlled at the function level within each organization to which responsibility for controlling operations is assigned.

The basis of budgeting and the basis of accounting are maintained on a modified accrual basis as prescribed by GAAP, with revenues being recognized in the accounting period in which they become available and measurable and expenditures being recognized in the accounting period in which the fund liability is incurred (as services are rendered). The only exception applies to un-matured interest on general long-term debt, which shall be recognized when due. The basis of budgeting and accounting for the district are built on the accounting code structure presented in the Account Code Section of the TEA Resource Guide, with funds, revenues and expenditures being the integral parts of the mandated account coding. Funds shall be classified and identified on budgets and financial statements by the same code number and terminology provided in the Account Code section of the TEA Resource Guide. Revenues shall be recorded on a gross basis and shall be classified by fund, source (object code), fiscal year and where fiscal integrity (separate accountability) is necessary, by program and/or project. Expenditures or expenses shall be classified by fund, function, object, organization, fiscal year and program intent. Budgetary controls, which employ encumbering purchase orders to reserve commitments to the budget, include budget amendments to ensure compliance with state laws.

Fund Structure Diagram



OFFICIALLY ADOPTED FUNDS (See Note 1)



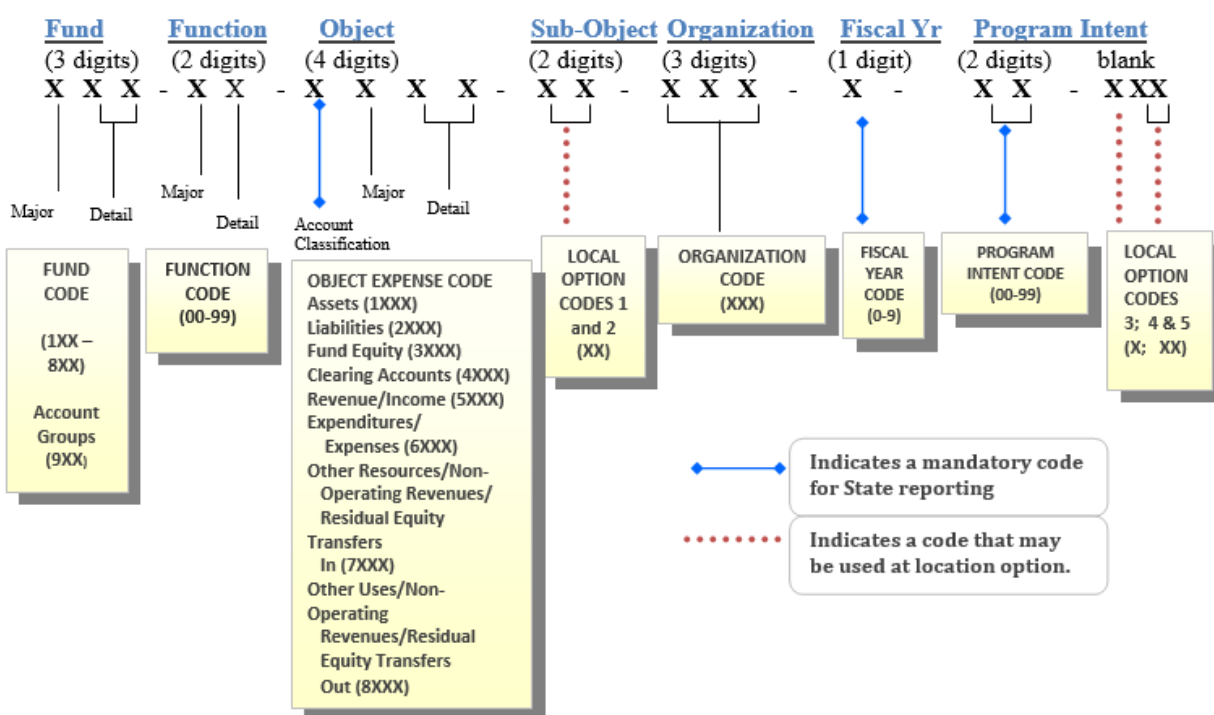
Note 1: The audited financial statements of the School District include all funds as shown in the “All Funds” structure Diagram above. However, the Texas Education Agency requires only the adoption of the General Fund, Food Service Special Revenue Funds, and Debt Service Fund in June.



Account Code Structure

Austin ISD adopts a standardized accounting system as required by Texas Education Code, section 44.007, which meets all requirements prescribed by the State Board of Education and conforms to Generally Accepted Accounting Principles (GAAP). The code structure includes a twenty-digit account code. Although certain codes within the overview are used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are uniformly used by all school districts in accordance with Generally Accepted Accounting Principles.

Table 2
Austin Independent School District
The Code Structure



GENERAL FUND: WHERE THE MONEY COMES FROM

Of the funds that AISD manages, the largest is the General Fund. AISD’s General Fund is used to support the operation of the school system and is comprised of three major sources: local, state, and federal.

Local Funding consists of property taxes for the current year or prior years, investment earnings, athletic activities revenue and insurance recovery.

State Funding is the amount of funding that school districts receive from the state. It is based on a complex formula determined by the legislature that considers the number of students served and is based on poverty levels, special programs, bilingual factors, appraisal values and other factors.

Federal Funding reflected in the General Fund are earnings from indirect cost from federal grant expenditures, and revenues received for school health and related services (SHARS), a Medicaid

reimbursement program. This portion of the budget does not include Federal grant funding which is accounted for separately under the District's Special Purpose Fund.

LOCAL REVENUE

The vast majority of AISD's funds come from local sources, mainly local property tax collections. The General Fund's local revenue source is expected to increase 11.2 percent or roughly \$132 million primarily as a result of increased property tax values and a high collection rate. However, due to the state's funding formula which essentially caps the amount of revenue the district can receive through the "target revenue" system, much of the additional revenue generated locally will go to the state for redistribution, rather than staying in the district.

Overview of the ADOPTED Budget

Total General Fund revenue is estimated at \$1.416 billion for FY2019 with recommended expenditures of \$1.445 billion. When compared to the FY2018 Adopted Budget, this represents an increase of \$155.7 million in revenue and a \$130.8 million increase in expenditures. Operational expenditures, excluding recapture, will decrease by \$4.9 million when compared to the FY2018 Adopted Budget. No M&O tax rate change is being proposed for FY2019.

AISD will continue to face challenging times due to increased expenses driven by increasing recapture payments as a result of declining student populations and growing property values. With revenue not adequate to compensate the inflationary expense and recapture increases, AISD is being forced to apply strategies to help offset decreasing fund balances.

The budget allotted some needed safety investments which include new officers, emergency operations and emergency notifications and police salaries. Investments in these programs will be over \$1.7 million. An additional \$8.1 million is included for a 1.5% across-the-board salary increase for all full and part time employees.

Revenues, for Major Funds, will grow by a total of \$119.1 million over the FY2018 total revenue of \$1.5 billion. This growth is due to the increase in local revenue sources of \$100.4 million. Offsetting this increase in revenue, is the \$412.8 million increase in expenses. Almost \$410.0 million is coming from the increase in capital projects and the construction plans along with the increase in the Chapter 41 payment (\$280.7 million and \$129.3 million respectively). The construction expenses associated with the capital projects fund come from the FY2017 bond. Use the following link to find out more about the 2017 Bond Program <https://austinisd2017bond.org/>

As seen with the Major Funds, Governmental Funds will have increases in both revenue and expenses. The \$125.8 million in revenue growth is driven by \$114.7 million in local revenue. The growth in expenses is propelled by the rise in the projected Chapter 41 payment to the state.

Table 3
Austin Independent School District
Major Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For School Year FY2019 with Comparative Data for Prior Year

	Major Funds Budget	Governmental Adopted Total	Capital Projects	Grants	Total
Revenues					
5700 Local Sources	\$ 1,348,027,905	\$ 1,448,412,434			\$ 1,448,412,434
5800 State Sources	71,769,722	79,551,597			79,551,597
5900 Federal Sources	114,252,389	56,785,578		68,419,231	125,204,809
Combined Fund Revenue Total	<u>\$ 1,534,050,016</u>	<u>\$ 1,584,749,609</u>	\$ -	\$ 68,419,231	<u>\$ 1,653,168,840</u>
Expenditures					
11 Instruction	\$ 457,782,811	\$ 435,275,290		\$ 28,503,199	\$ 463,778,489
12 Instructional Resources & Media Services	10,731,630	11,123,240		229,313	11,352,553
13 Curriculum & Staff Development	25,057,304	13,330,684		13,853,472	27,184,156
21 Instructional Administration	16,868,971	15,006,870		4,975,692	19,982,562
23 School Administration	55,288,926	51,778,895		4,381,133	56,160,028
31 Guidance & Counseling Services	27,226,037	25,266,280		3,643,835	28,910,115
32 Attendance & Social Work Services	5,870,652	5,031,484		764,910	5,796,394
33 Health Services	12,821,457	8,844,231		1,391,234	10,235,465
34 Student Transportation	38,900,161	32,142,299			32,142,299
35 Food Services	40,457,273	40,986,188		1,057,804	42,043,992
36 Co-Curricular Activities	19,175,178	15,594,747		69,023	15,663,770
41 General Administration	23,342,864	22,528,240	347,684	828,903	23,704,827
51 Plant Maintenance	88,591,552	85,299,286	2,930,347	834,027	89,063,660
52 Security & Monitoring Services	12,236,520	13,171,799		109,621	13,281,420
53 Data Processing Services	37,714,590	21,477,386		1,639,500	23,116,886
61 Community Services	21,283,998	7,338,355		5,815,612	13,153,967
71 Debt Services	109,239,434	128,668,970			128,668,970
81 Facilities Acquisition & Construction	116,489,283	109,202	396,721,969	321,953	397,153,124
91 Contracted Instructional Svcs-Public Schools	540,290,792	669,599,162			669,599,162
93 Payments-Shared Services Arrangements	3,725,319	4,080,590			4,080,590
99 Other Intergovernmental Charges	6,493,648	7,352,061			7,352,061
Combined Fund Expenditure Total	<u>\$ 1,669,588,400</u>	<u>\$ 1,614,005,259</u>	<u>\$ 400,000,000</u>	<u>\$ 68,419,231</u>	<u>\$ 2,082,424,490</u>
Net Revenue Over (Under)	\$ (135,538,384)	\$ (29,255,650)	\$ (400,000,000)	\$ -	\$ (429,255,650)
Other Sources (Uses)					
7900 Other Resources	\$ 17,552,903	\$ 51,000	\$ 400,000,000		\$ 400,051,000
8900 Other Uses		(300,000)			(300,000)
Net Sources Over (Under)	<u>\$ 17,552,903</u>	<u>\$ (249,000)</u>	<u>\$ 400,000,000</u>	<u>\$ -</u>	<u>\$ 399,751,000</u>
Net Revenue/Sources Over (Under)	\$ (117,985,481)	\$ (29,504,650)	\$ -	\$ -	\$ (29,504,650)
Estimated unspent balances at year end		8,000,000			8,000,000
Beginning Fund Balance (Estimated)	\$ 641,836,196	\$ 424,347,554	\$ 95,664,637	\$ 3,838,524	\$ 523,850,715
Ending Fund Balance (Estimated)	523,850,715	402,842,904	95,664,637	3,838,524	502,346,065
Less Assigned Balance	(17,338,893)	(17,338,893)			(17,338,893)
Less Non Spendable	(7,810,315)	(7,810,315)			(7,810,315)
Less Committed	(5,000,000)	(5,000,000)			(5,000,000)
Ending Funding Balance - Unassigned	<u>\$ 493,701,507</u>	<u>\$ 372,693,696</u>	<u>\$ 95,664,637</u>	<u>\$ 3,838,524</u>	<u>\$ 472,196,857</u>
Ending Unreserved Fund Balance as a Percent of Operating Budgeted Expenditures	25%	23%	24%	6%	23%

Table 4
Austin Independent School District
Combined Statement of Revenue and Expenditures for Major Funds
Historical and Forecast, 8 Year Total

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Adopted	2019-20 Forecast	2020-21 Forecast	2021-22 Forecast
Revenues								
5700 Local sources	\$ 945,497,300	\$ 1,058,625,655	\$ 1,213,687,401	\$ 1,348,027,905	\$ 1,456,148,814	\$ 1,588,829,159	\$ 1,692,421,682	\$ 1,787,430,824
5800 State sources	69,661,108	56,575,323	86,838,740	71,769,722	83,619,327	60,323,714	77,747,800	59,055,477
5900 Federal sources	126,448,010	116,420,090	112,545,539	114,252,389	113,400,699	111,043,602	111,043,602	111,043,602
Total revenue	\$ 1,141,606,418	\$ 1,231,621,068	\$ 1,413,071,680	\$ 1,534,050,016	\$ 1,653,168,840	\$ 1,760,196,475	\$ 1,881,213,084	\$ 1,957,529,903
Expenditures								
6100 Payroll costs	\$ 590,339,769	\$ 636,274,000	\$ 719,628,222	\$ 733,091,978	\$ 741,402,486	\$ 741,605,436	\$ 741,552,054	\$ 745,563,948
6200 Professional and Contracted Services	466,543,745	332,722,806	485,680,335	618,939,194	757,197,050	881,101,693	983,539,324	1,077,208,148
6300 Supplies and Materials	59,850,623	65,690,029	65,304,577	71,803,752	67,446,738	69,448,888	59,670,676	56,713,095
6400 Other Operating Costs	5,822,028	11,658,581	15,273,073	18,299,371	15,076,792	15,743,494	15,957,593	15,537,501
6500 Debt Service	19,368,616	19,194,478	112,780,873	108,669,008	128,668,970	147,676,496	157,402,890	166,323,383
6600 Capital Outlay	96,354,538	69,401,085	80,623,782	118,785,097	372,632,454	398,335,883	224,936,209	68,927,425
Total Expenditures	\$ 1,238,279,319	\$ 1,134,940,979	\$ 1,479,290,862	\$ 1,669,588,401	\$ 2,082,424,490	\$ 2,253,911,890	\$ 2,183,058,746	\$ 2,130,273,500
Net Revenue Over (Under)	\$ (96,672,901)	\$ 96,680,089	\$ (66,219,182)	\$ (135,538,384)	\$ (429,255,650)	\$ (493,715,415)	\$ (301,845,662)	\$ (172,743,597)
Other Sources (Uses)								
7900 Other Resources	\$ 243,916,339	\$ 24,098,584	\$ 1,004,501,310	\$ 43,552,903	\$ 400,051,000	\$ 421,051,000	\$ 233,051,000	\$ 70,051,000
8900 Other Uses	(172,745,079)	(10,000,000)	(643,829,234)	(26,000,000)	(300,000)	(300,000)	(300,000)	(300,000)
Net Sources over (under)	\$ 71,171,260	\$ 14,098,584	\$ 360,672,076	\$ 17,552,903	\$ 399,751,000	\$ 420,751,000	\$ 232,751,000	\$ 69,751,000
Net revenue/sources over (under)	\$ (25,501,641)	\$ 110,778,673	\$ 294,452,894	\$ (117,985,481)	\$ (29,504,650)	\$ (72,964,415)	\$ (69,094,662)	\$ (102,992,597)
Estimated unspent balances at year end					\$ 8,000,000			
Beginning Fund Balance (Estimated)	\$ 262,106,270	\$ 236,604,629	\$ 347,383,302	\$ 641,836,196	\$ 523,850,715	\$ 502,346,065	\$ 429,381,650	\$ 360,286,988
Ending Fund Balance (Estimated)	\$ 236,604,629	\$ 347,383,302	\$ 641,836,196	\$ 523,850,715	\$ 502,346,065	\$ 429,381,650	\$ 360,286,988	\$ 257,294,391



Table 5
Austin Independent School District
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For School Year FY2019 with Comparative Data for Prior Year

	FY2018 Total	FY2019 General Fund	FY2019 Food Service Fund	FY2019 Debt Service Fund	FY2019 Total
Revenues					
5700 Local Sources	\$ 1,311,670,552	\$ 1,313,219,564	\$ 7,986,513	\$ 127,206,357	\$ 1,448,412,434
5800 State Sources	55,027,662	78,388,199	1,163,398	-	79,551,597
5900 Federal Sources	58,109,808	24,202,574	31,598,538	984,466	56,785,578
Combined Fund Revenue Total	<u>\$ 1,424,808,022</u>	<u>\$ 1,415,810,337</u>	<u>\$ 40,748,449</u>	<u>\$ 128,190,823</u>	<u>\$ 1,584,749,609</u>
Expenditures					
11 Instruction	\$ 443,905,597	\$ 435,275,290			\$ 435,275,290
12 Instructional Resources & Media Services	\$ 10,863,367	\$ 11,123,240			\$ 11,123,240
13 Curriculum & Staff Development	\$ 13,259,149	\$ 13,330,684			\$ 13,330,684
21 Instructional Administration	\$ 17,758,437	\$ 15,006,870			\$ 15,006,870
23 School Administration	\$ 54,231,527	\$ 51,778,895			\$ 51,778,895
31 Guidance & Counseling Services	\$ 22,448,916	\$ 25,266,280			\$ 25,266,280
32 Attendance & Social Work Services	\$ 5,716,677	\$ 5,031,484			\$ 5,031,484
33 Health Services	\$ 8,926,781	\$ 8,844,231			\$ 8,844,231
34 Pupil Transportation	\$ 30,711,368	\$ 32,142,299			\$ 32,142,299
35 Food Services	\$ 39,927,142	\$ -	\$ 40,986,188		\$ 40,986,188
36 Co-Curricular Activities	\$ 16,030,124	\$ 15,594,747			\$ 15,594,747
41 General Administration	\$ 22,070,550	\$ 22,528,240			\$ 22,528,240
51 Plant Maintenance	\$ 80,622,727	\$ 85,299,286			\$ 85,299,286
52 Security & Monitoring Services	\$ 12,347,094	\$ 13,171,799			\$ 13,171,799
53 Data Processing Services	\$ 22,737,800	\$ 21,477,386			\$ 21,477,386
61 Community Services	\$ 6,688,926	\$ 7,338,355			\$ 7,338,355
71 Debt Services	\$ 105,791,078	\$ 478,147		\$ 128,190,823	\$ 128,668,970
81 Facilities Acquisition & Construction	\$ 1,115,000	\$ 109,202			\$ 109,202
91 Contracted Instructional Svcs-Public Schools	\$ 533,874,730	\$ 669,599,162			\$ 669,599,162
93 Payments-Shared Services Arrangements	\$ 3,460,176	\$ 4,080,590			\$ 4,080,590
99 Other Intergovernmental Charges	\$ 6,748,530	\$ 7,352,061			\$ 7,352,061
Combined Fund Expenditure Total	<u>\$ 1,459,235,696</u>	<u>\$ 1,444,828,248</u>	<u>\$ 40,986,188</u>	<u>\$ 128,190,823</u>	<u>\$ 1,614,005,259</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (34,427,674)	\$ (29,017,911)	\$ (237,739)	\$ -	\$ (29,255,650)
Other Financing Sources (Uses)					
7900 Other Resources	\$ 51,000	\$ 51,000	\$ -	\$ -	\$ 51,000
8900 Other Uses	\$ (325,000)	\$ (300,000)	\$ -	\$ -	\$ (300,000)
Total Other Financing Sources (Uses)	<u>\$ (274,000)</u>	<u>\$ (249,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (249,000)</u>
Projected Hiring Lag and Unspent at year end	\$ 8,000,000	\$ 8,000,000			\$ 8,000,000
Net Change in Fund Balances	\$ (26,701,674)	\$ (21,266,911)	\$ (237,739)	\$ -	\$ (21,504,650)
3600 Fund Balance - Beginning	\$ 455,710,986	\$ 266,676,329	\$ 5,360,620	\$ 133,453,882	\$ 405,490,831
3600 Fund Balance - Ending	<u>\$ 429,009,312</u>	<u>\$ 245,409,418</u>	<u>\$ 5,122,881</u>	<u>\$ 133,453,882</u>	<u>\$ 383,986,181</u>
Categories of Ending Fund Balance:					
Assigned	\$ 17,338,893	\$ 16,418,831			\$ 16,418,831
Non Spendable	\$ 7,810,315	\$ 229,374			\$ 229,374
Committed	\$ 5,000,000	\$ -			\$ -
Unassigned	<u>\$ 398,860,104</u>	<u>\$ 228,761,213</u>	<u>\$ 5,122,881</u>	<u>\$ 133,453,882</u>	<u>\$ 367,337,976</u>
% Unassigned/Expenditure (Chapter 41 Included)	27.3%	15.8%	12.5%	104.1%	22.8%
% Unassigned/Expenditure (Chapter 41 Excluded)	43.1%	29.5%	12.5%	104.1%	38.9%

Table 6
Austin Independent School District
General Funds
FY2019 with Comparative Data for Prior Years
Combined Statement of Revenues, Expenditures by Function, and Changes in Fund Balance

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Adopted	FY2019 Adopted
Revenues					
5700 Local Sources	\$ 818,924,395	\$ 935,923,424	\$ 1,082,629,084	\$ 1,180,817,342	\$ 1,313,219,564
5800 State Sources	62,523,918	50,329,570	78,582,376	53,864,264	78,388,199
5900 Federal Sources	24,204,869	26,554,292	28,152,045	25,450,890	24,202,574
Total Revenues	<u>\$ 905,653,182</u>	<u>\$ 1,012,807,286</u>	<u>\$ 1,189,363,505</u>	<u>\$ 1,260,132,496</u>	<u>\$ 1,415,810,337</u>
Expenditures by Function					
Current					
11 Instruction	\$ 417,253,355	\$ 389,399,804	\$ 426,328,039	\$ 443,905,597	\$ 435,275,290
12 Instructional Resources & Media Ser.	10,670,892	9,543,853	10,671,364	10,863,367	11,123,240
13 Curriculum & Staff Development	12,683,581	9,035,047	12,885,879	13,259,149	13,330,684
21 Instructional Administration	13,513,543	10,941,590	17,179,903	17,758,437	15,006,870
23 School Administration	49,868,639	43,574,984	52,697,746	54,231,527	51,778,895
31 Guidance & Counseling Services	23,035,089	20,177,938	23,453,859	22,448,916	25,266,280
32 Attendance & Social Work Services	4,566,336	4,614,858	5,523,828	5,716,677	5,031,484
33 Health Services	5,694,259	6,225,201	5,490,324	8,926,781	8,844,231
34 Pupil Transportation	29,067,082	28,318,982	33,423,782	30,711,368	32,142,299
36 Co-Curricular Activities	15,751,680	14,274,409	13,868,764	16,030,124	15,594,747
41 General Administration	17,689,045	15,309,497	20,820,960	22,070,550	22,528,240
51 Plant Maintenance	85,939,696	69,700,769	91,396,375	80,622,727	85,299,286
52 Security & Monitoring Services	9,770,847	9,183,864	11,026,398	12,347,094	13,171,799
53 Data Processing Services	17,207,584	16,751,523	21,548,092	22,737,800	21,477,386
61 Community Services	4,973,026	4,404,619	6,152,649	6,688,926	7,338,355
71 Debt Services	507,084	372,020	481,862	496,029	478,147
81 Facilities Acquisition & Construction	2,212,410	1,957,830	7,254,841	1,115,000	109,202
91 Chapter 41 Recapture	181,118,956	266,073,630	403,324,244	533,874,730	669,599,162
93 Payments-Shared Services Arrange	2,526,261	2,701,947	2,582,967	3,460,176	4,080,590
99 Other Intergovernmental Charges	5,267,148	5,721,415	5,976,970	6,748,530	7,352,061
Total Expenditures	<u>\$ 909,316,514</u>	<u>\$ 928,283,780</u>	<u>\$ 1,172,088,846</u>	<u>\$ 1,314,013,505</u>	<u>\$ 1,444,828,248</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,663,332)	84,523,506	17,274,659	(53,881,009)	(29,017,911)
Other Financing Sources (Uses)					
7900 Other Resources	\$ 425,851	\$ 20,584	\$ 54,642	\$ 51,000	\$ 51,000
8900 Other Uses	-	(10,000,000)	(8,006,898)	(325,000)	(300,000)
Total Other Financing Sources (Uses)	<u>425,851</u>	<u>(9,979,416)</u>	<u>(7,952,256)</u>	<u>(274,000)</u>	<u>(249,000)</u>
Net Change in Fund Balances	(3,237,482)	74,544,090	9,322,403	(54,155,009)	(29,266,911)
Fund Balances - Beginning	220,960,408	217,722,928	292,267,018	301,589,421	255,434,412
Projected unspent balances at year end				8,000,000	8,000,000
Adjustment from Adopted to Amended					
Fund Balances - Ending	217,722,928	292,267,018	301,589,421	255,434,412	234,167,501
Ending Fund Balance as a Percent of Operating Expenditures (excluding Chapter 41)	29.9%	44.1%	39.2%	32.7%	30.2%

Food Service Fund

The Food Service budget encompasses year-round meal and snack services to students. During the regular school term, the district's food service staff prepares and serves approximately 23,000 breakfasts, 39,000 lunches and 4,000 after school snacks and meals, almost 12 million annually, at over 120 locations throughout the district. The Food Service Department also operates a significant summer meals program, which services the numerous academic-related programs that operate during June and July.

As required by the United States Department of Agriculture (USDA), it is projected the district will increase meal prices by \$0.10 in FY2019 to meet the USDA meal price equity requirement.

Table 7
Austin Independent School District
Food Service Fund
FY2019 with Comparative Data for Prior Years
Combined Statement of Revenues, Expenditures by Function, and Changes in Fund Balance

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Adopted	FY2019 Adopted
Revenues					
5700 Local Sources	\$ 6,697,990	\$ 6,993,350	\$ 7,941,444	\$ 7,239,264	\$ 7,986,513
5800 State Sources	1,167,481	1,122,883	1,760,490	1,163,398	1,163,398
5900 Federal Sources	29,430,572	27,878,496	29,889,772	31,674,452	31,598,538
Total Revenues	\$ 37,296,043	\$ 35,994,729	\$ 39,591,706	\$ 40,077,114	\$ 40,748,449
Expenditures by Object					
6100 Payroll Costs	\$ 21,834,295	\$ 19,537,963	\$ 23,144,652	\$ 21,770,698	\$ 22,672,989
6200 Professional & Contracted Svcs.	591,148	578,784	599,328	558,757	410,374
6300 Supplies & Materials	15,873,436	15,082,881	16,460,065	17,304,965	17,550,103
6400 Other Operating Expenses	32,787	15,021	22,529	24,505	24,505
6600 Capital Outlay	194,698	135,418	12,058	268,217	328,217
Total Expenditures	\$ 38,526,364	\$ 35,350,067	\$ 40,238,632	\$ 39,927,142	\$ 40,986,188
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,230,321)	\$ 644,663	\$ (646,926)	\$ 149,972	\$ (237,739)
Other Financing Sources (Uses)					
7900 Other Resources					
8900 Other Uses					
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balances	\$ (1,230,321)	\$ 644,663	\$ (646,926)	\$ 149,972	\$ (237,739)
Estimated outstanding purchase orders and unspent balances at year end	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balances- September 1 (Beginning)	\$ 6,468,249	\$ 5,237,928	\$ 5,882,591	\$ 5,235,665	\$ 5,385,637
Fund Balances - August 31 (Ending)	\$ 5,237,928	\$ 5,882,591	\$ 5,235,665	\$ 5,385,637	\$ 5,147,898
Less Assigned Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance - Unreserved	\$ 5,237,928	\$ 5,882,591	\$ 5,235,665	\$ 5,385,637	\$ 5,147,898
Ending Unreserved Fund Balance as a Percent of Total Budgeted Expenditures	13.6%	16.6%	13.0%	13.5%	12.6%

*FY2016 was a 10 month year

Debt Service Fund

The Debt Service fund includes the annual payments for commercial paper and the fixed-rate debt. It is supported with revenue from the I&S tax rate, which is not subject to recapture. The debt service tax rate is projected to remain flat from the FY2018 level of \$0.113 per \$100 of taxable value in FY2019. In FY2014, the I&S tax rate was \$0.163 per \$100 of taxable value. The following table depicts the debt service rate at status quo; any change in the debt service change rate would also change the below information.

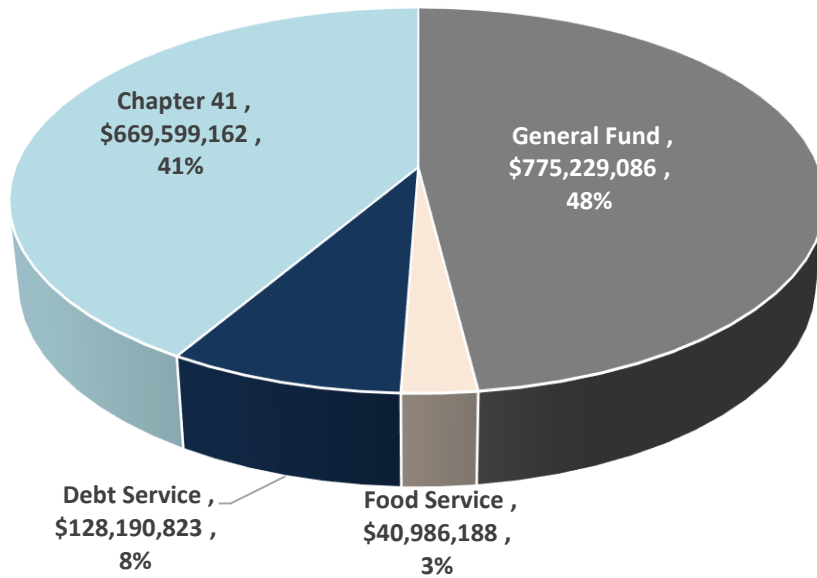
Table 8
Austin Independent School District
Debt Service Funds

FY2019 with Comparative Data for Prior Years
Combined Statement of Revenues, Expenditures by Function, and Changes in Fund Balance

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Adopted	FY2019 Adopted
5700 LOCAL REVENUE SOURCES					
5711 Taxes-Current Year	\$ 106,983,433	\$ 105,018,132	\$ 110,755,716	\$ 122,362,193	\$ 124,828,166
5712 Taxes- Prior Years	366,048	220,010	(172,752)	376,051	342,332
5719 Penalty & Interest	470,880	405,855	486,141	510,702	535,859
5742 Earnings from Investments	372,434	604,495	923,995	365,000	1,500,000
TOTAL	\$ 108,192,795	\$ 106,248,492	\$ 111,993,100	\$ 123,613,946	\$ 127,206,357
5800 STATE REVENUE SOURCES					
5829 Other Rev from T.E.A.	\$ -	\$ 1,502,682	\$ 1,020,322	\$ -	\$ -
TOTAL	\$ -	\$ 1,502,682	\$ 1,020,322	\$ -	\$ -
5900 FEDERAL REVENUE SOURCES					
5946 Building America Bond Subsidy	\$ 912,600	\$ 458,761	\$ 917,030	\$ 984,466	\$ 984,466
TOTAL	\$ 912,600	\$ 458,761	\$ 917,030	\$ 984,466	\$ 984,466
DEBT SERVICE FUND REVENUE TOTAL	\$ 109,105,395	\$ 108,209,935	\$ 113,930,452	\$ 124,598,412	\$ 128,190,823
EXPENDITURES					
71 Debt Service					
6511 Bond Principal	\$ 67,177,633	\$ 152,633	\$ 71,025,285	\$ 67,611,632	\$ 82,073,533
6521 Bond Interest	36,485,920	17,954,057	37,128,113	36,554,681	43,367,290
6499 Misc Operating Expenses	-	16,795	-	-	-
6599 Other Debt Serv Fees	1,713,547	585,126	4,145,613	1,128,736	2,750,000
TOTAL	\$ 105,377,100	\$ 18,708,611	\$ 112,299,011	\$ 105,295,049	\$ 128,190,823
TOTAL EXPENDITURES	\$ 105,377,100	\$ 18,708,611	\$ 112,299,011	\$ 105,295,049	\$ 128,190,823
OTHER FINANCING SOURCES (USES)					
7911 Sale of Bonds	\$ 150,405,000	\$ 24,078,000	\$ 543,205,000	\$ -	\$ -
7916 Premium/Discount on Bonds	23,085,488	-	96,241,668	-	-
8911 Transfers Out	-	(24,078,000)	(365,000,000)	-	-
8949 Other Uses	(172,745,080)	-	(270,822,336)	-	-
Total Other Financing Sources (Uses)	\$ 74,665,408	\$ -	\$ 3,624,332	\$ -	\$ -
NET SOURCES OVER (UNDER)	\$ 4,473,703	\$ 89,501,324	\$ 5,255,773	\$ 19,303,363	\$ -
Accounting Update from Adopted to Amended					
Fund Balances- September 1 (Beginning)	\$ 43,695,912	\$ 48,169,615	\$ 137,670,940	\$ 142,926,713	\$ 162,230,076
Fund Balances - August 31 (Ending)	\$ 48,169,615	\$ 137,670,940	\$ 142,926,713	\$ 162,230,076	\$ 162,230,076

*FY2016 was a 10 month year

Table 9
Austin Independent School District
Expenditure Budget for Three Primary Funds and Recapture
FY2019 Adopted Budget



	Chapter 41 Payments
FY2002	91,358,918
FY2003	139,493,155
FY2004	153,221,383
FY2005	131,025,213
FY2006	130,735,634
FY2007	131,870,422
FY2008	117,425,738
FY2009	177,664,513
FY2010	111,937,679
FY2011	123,774,675
FY2012	124,582,632
FY2013	120,069,626
FY2014	123,694,773
FY2015	181,118,956
FY2016	266,073,630
FY2017	403,324,244
FY2018 (Adopted)	533,874,730
FY2019 (Projected)	669,599,162
FY2020 (Projected)	789,557,322
FY2021 (Projected)	888,385,629

The General Fund constitutes the largest portion of the Governmental Funds, representing \$775.2 million or 48 percent. Recapture, or Chapter 41, constitutes the next largest share at \$669.6 million or 41 percent. The Debt Service Fund represents 8 percent and the Food Service Fund represents 3 percent of the Governmental Funds.

WHAT IS RECAPTURE?

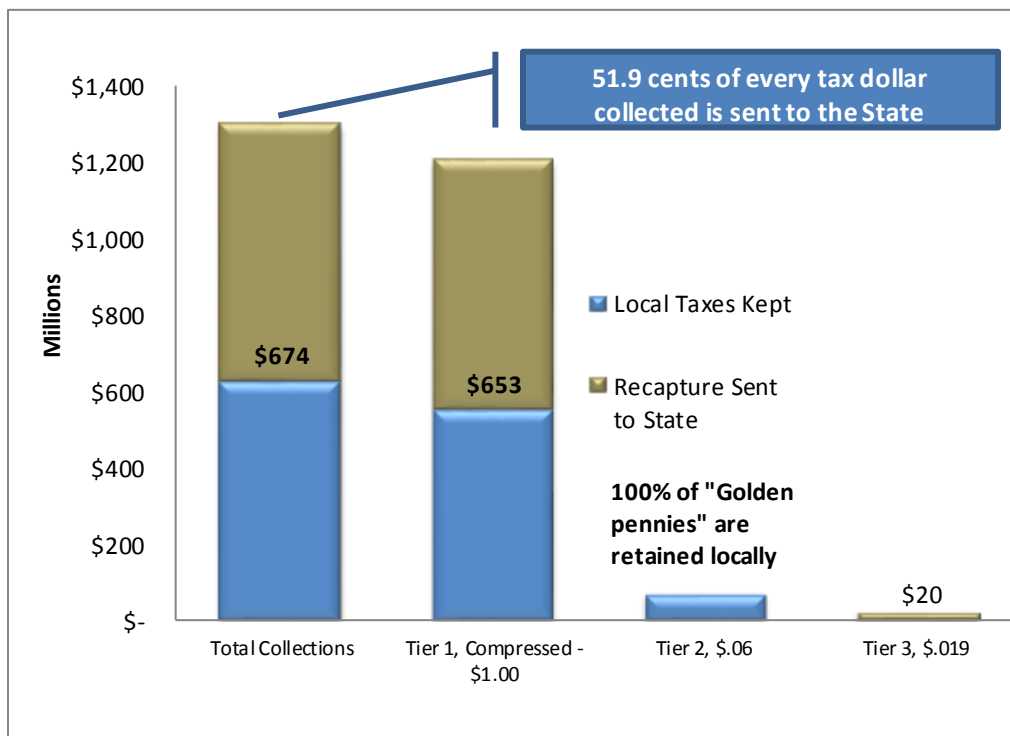
Recapture is a function of Chapter 41 of the Texas Education Code, which equalizes educational spending across school districts that have varying amounts of property wealth.

The Chapter 41 provision recaptures local tax dollars from “property-rich” districts and redistributes the funds to “property poor” districts. Under this law, “golden pennies” represent the 6 cents that property rich school districts like AISD are allowed to retain in revenue above the one-dollar tax that is assessed on all taxable property values. Any revenue collected on property taxes above these 6 cents is subject to recapture by the state.

In FY2019, the district projects a \$135.7 million increase in recapture from the prior year adopted budget. Approximately 510 percent of local tax revenue collected will be subject to recapture. With over half of local dollars collected going to recapture, this only puts more pressure on the budget.

AISD anticipates the district will submit \$669.6 million to the state in recapture funds in FY2019. This amount is expected to increase from the prior year as a result of projected increases in the district's taxable property value and tax collections. If current projections come true, AISD will pay over \$5.4 billion in recapture payments by FY2021, and more than likely maintain the status of the single largest tax payer into the recapture system. Forecasts indicate that recapture will continue to increase every year in the foreseeable future and will create an even larger deficit between revenue and expenditures.

Table 10
Austin Independent School District
Impact of Recapture on Tax Collections - FY2019 Adopted Budget



Budget Challenges

Limited Resource Capacity to Support a Diverse Student Population

It is projected AISD will serve almost 80,000 students in FY2018-19. After many years of enrollment growth, in FY2012-13 the district began to experience a decline in student enrollment. Overall, the student population in the district is expected to decrease in the years to come. The decline has been driven by lower birth rates in the area, affordability, movement of student populations within and out of the district and a shift in demographics which indicate fewer families with school aged children living in the City of Austin. The district projects enrollment to decline by approximately 2,693 students from the FY2017-18 Adopted Budget to the FY2018-19 Adopted Budget.

Over the past decade, the demographics of the district have changed. Our district celebrates its diversity, and we are committed to offering all students an excellent education. But additional resources are needed to support a diverse student population in which:

- Over 5 out of 10 children in AISD are from economically disadvantaged homes.
- For almost one in three (28.2%), English is not the first language.

- There are 90+ languages spoken throughout the district.
- One in 10 children is classified as having a learning (or other) disability.

Higher Accountability Standards-Less Resources

School districts face an ongoing challenge of implementing funding reductions while meeting rising academic expectations. Under HB 5, which are newer graduation standards mandated by the state, students will have one diploma plan with one of five endorsements. Without additional funding resources, requirements like this will put financial pressure on the district's resources over the next several years. The following link provides the most recent report on school mandates: <https://www.tasb.org/Legislative/documents/170120Mandates.aspx>

2017 Bond

After the adoption of the 2017 update to the Facility Master Plan (FMP), on November 7, 2017, an overwhelming majority of Austin voters—72 percent—passed the AISD 2017 Bond for \$1.05 billion to bring about 21st-century learning spaces without increasing the tax rate. Not only does this bond provide updated learning spaces, but also includes other districtwide improvements such as new buses and districtwide security camera replacements to insure student safety. More details about the bond can be found at <https://www.austinisd.org/bond>.

Facilities and Bond Planning Advisory Committee (FABPAC)

Austin ISD is planning for the modernization of its school facilities, which include the 2017 Bond Program and future bond elections. The district, in conjunction with the community-based Facilities and Bond Planning Advisory Committee (FABPAC), is committed to conducting an inclusive and broad engagement process for both Facility Master Plan (FMP) updates and bond planning that includes traditional community meetings, community gatherings, social media, and online opportunities. As a result, during the FMP process, the Austin ISD working in conjunction with a planning consultant, Brailsford & Dunlavey (B&D), received over 4,000 unique pieces feedback that was used to inform the FMP update. The Board-approved FMP will be used as the baseline for detailed planning for future bond elections.

Charge of the Facilities and Bond Planning Advisory Committee (from Board-approved bylaws)

The Board of Trustees appoints citizens to the Facilities and Bond Planning Advisory Committee (FABPAC) to evaluate capital improvement needs of the district and to provide recommendations to the Board of Trustees on long-range facilities planning; amendments to the Facility Master Plan; and the scope of work and timing of future bond programs.

In developing its recommendations, the Committee shall consider all information provided by the district administration. In its deliberations, the Committee considers the comprehensive needs of the district including, but not limited to:

- Facility Equity – A global assessment of the equity of facilities among district campuses.
- Student population projections – Annual projections by the district's demographer of the number of students living in each school's attendance area.
- Impact to maintenance and operations costs – How changes in current instructional programming or facilities would impact the local maintenance and operations budget.
- Strategic priorities – Priorities that are articulated in the district's Strategic Plan.
- Student transportation – A needs assessment of the district's transportation fleet that considers the age and condition of the fleet.

- Technology – Technology for instructional and administrative uses is funded through bond programs. The Technology Officer for Learning and Systems will be responsible for developing recommendations for the committee’s consideration.
- Academic and Facility Recommendations – Academic and Facilities Recommendations (AFRs) support the district’s long-term goals, including the AISD Strategic Plan, as well as annual Board Priorities. The district engages the community through activities such as campus-based meetings and surveys to develop academic and policy recommendations to address many of the issues discussed in the Facility Master Plan, such as overcrowding and under-enrollment. (Note: subsequent to adoption of the bylaws, the AFRs evolved into Academic Reinvention Projects)
- The district’s real estate portfolio– A description of the property and land owned by the district. A real estate assets plan is in development and feedback by the committee will be part of its work. (Note: The real estate plan has been developed; FABPAC members participated on the evaluation team for ten district properties included in a request for proposals, which is still in process.)
- Educational Adequacy Assessment – An assessment of a facility to evaluate how well the campus is physically equipped to deliver the instructional program.
- Facility Condition Index (FCI) – An indicator of a facility’s condition obtained by dividing the repair costs by the replacement cost of the same building.
- Facility Condition Assessment – An evaluation of a school facility that identifies current site and building system deficiencies.
- Individual Campus Plans – A campus-based planning process through which the FABPAC engages all Campus Advisory Councils (CACs) to identify facility needs for the individual school programming and signature vertical team programming for consideration by the FABPAC for possible inclusion in a future bond program.
- Educational Specifications – A document that describes the current standards for program areas, equipment needs, technology needs, square footage, and other considerations for a new school. This document is used to compare existing school facilities and identify areas that vary from current standards to identify potential future projects.
- Functional Equity Assessment – An analysis of existing core facilities, including cafeterias, libraries, gymnasiums, and administrative space, as they relate to the desired program needs of the current curriculum, educational specifications and enrollment.

For more information on the Facilities and Bond Planning Advisory Committee, please visit our website at <https://www.austinisd.org/advisory-bodies/fabpac>.

Facilities Needs

It is critical for a school district to have safe, environmentally-friendly facilities that have sufficient capacity to support student achievement and success. The state does not fund school facilities. School districts rely on bond funding to serve shifting enrollments, changes in teaching methods and to meet other facilities’ needs.

The Facility Master Plan provides a path forward for addressing AISD’s facility needs, and ensures that decisions regarding facilities are aligned with district priorities and reflect an efficient and effective application of resources. The Facility Master Plan is a result of the analysis and synthesizing of: data, such as existing facility conditions and population projections; community views on how the district should address facility issues; external and internal drivers, such as the state’s school funding, changing high

school graduation requirements and emerging academic programming needs; Board Priorities and AISD Strategic Plan; and policies such as CT (LOCAL) Facilities Planning.

With AISD's schools averaging over 40 years in age, the district has developed a facility condition index that quantifies and tracks the physical condition of each facility, and helps guide the repair, restoration, or replacement of buildings. The district uses independently developed population projections, which indicate that despite Austin's continued growth, overall student enrollment may continue to decline over the next 10 years. However, there are schools that are currently experiencing overcrowding and are projected to continue to grow. The district analyzes the permanent capacity of schools and compares it to actual enrollments to determine utilization rates.

Technology Initiative

As AISD educates students for jobs that have not yet been created, the district is intentional in ensuring that technology is an integral element to teaching, student learning, and all district operations. Technology can give access to students and families in new and exciting forms, allowing for connection, collaboration, communication, critical thinking, creativity, and cultural proficiency. These are the power skills of today—and tomorrow.

This approach requires planning and support for teachers and staff to design flexible, technology-infused learning environments which engage students and allow them to research, visualize, create, iterate, and demonstrate mastery in ways we are just beginning to understand. We are in the third year of implementation of the Transformative Technology Use Professional Learning Plan.

Key initiatives underway include:

- Delivered more than 28,000 new devices to our campuses, ensuring every high school student has a device for school and home use during this 2018 school year
- New teacher devices to be delivered before the start of the 2018-19 school year
- Implementing a ratio of two students per computer or better at middle schools in 2018
- Instructional Technology completed Cohort III coaching and training Summer 2018
- Presentation systems installation and refresh scheduled for 2018-2020
- Learning Positioning System (BLEND) underway with full access at all campuses and to all parents
- Software Asset Management implemented
- Expanded Principal Dashboards created to inform campus leaders of key student indicators
- Expanded the use of email for student report cards, progress reports and transportation letters to speed the delivery to parents/guardians, thus eliminating postage and paper usage
- A digital shift is underway to reduce the need for printed materials as we move to the Southfield building with the intent of storing current documentation in our Document Management System and designing forms with electronic signatures to significantly reduce the need for printing

Technology is often a driver, a catalyst, or an enhancer of innovation. Because of this, we are constantly looking to future trends, signals, and opportunities to best support the district's effort to reinvent the urban education experience. Horizon technologies, such as virtual reality, augmented reality, and makerspace tools such as 3D printers are being demonstrated, tested, and integrated as appropriate. We continue to seek and obtain community partnerships and grant opportunities, while closely monitoring policy and direction changes to key programs.

We have a student culture of children who have learned to consume technology; educational zombies with all of their technological skill residing in the swipe of an index finger. We need to keep them ready to succeed in life by giving them the tools.

Social Security

AISD is one of seventeen Texas school districts participating in two retirement programs: the Federal Social Security system, and the Teacher Retirement System of Texas (TRS) for all regular employees. AISD expects to incur approximately \$30.0 million for FY2018-19 in employer Social Security taxes. The district's participation in Social Security is not universally popular among teachers. Teachers with more experience tend to view it favorably because of the extra support it provides, while teachers with less experience tend to view it as a negative because it represents a financial offset in their paychecks.

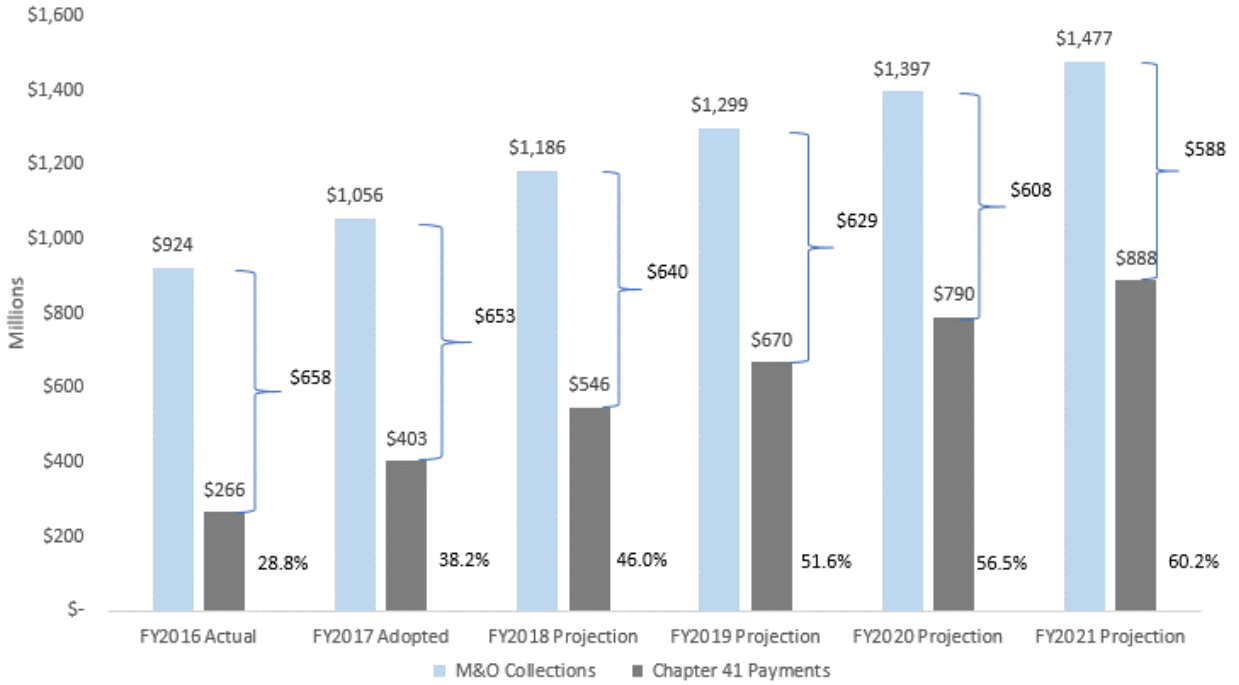
The Impact of Recapture

Rising appraisal values come with increases in tax payments for the average homeowner. While there is an assumption that AISD benefits from the increase in revenue from property tax collections, that is not entirely the case. Austin is defined as a recapture district through the Chapter 41 provision under Texas Education Code. Recapture attempts to equalize school district spending by recapturing local tax dollars from "property-rich" districts and redistributing funds to "property-poor" districts.

Among Recapture districts, AISD is the single largest payer of recapture, representing approximately 26.0 percent of the total \$2.1 billion collected by the state in FY2017-18. Under the state's "recapture" law, the district will be required to send a projected \$546 million to the state in FY2017-18 and \$670 million for FY2018-19. Even though AISD is considered "property wealthy" under recapture, AISD serves a more diverse student population with costlier educational needs than the typical recapture district. Approximately 50 percent of the students that AISD serves meet the federal definition of poverty and are considered economically disadvantaged, and 28 percent have limited English proficiency.

From FY2005-06 through FY2018-19, AISD will pay the state over \$3.2 billion in recapture payments, all of which comes from tax dollars generated in Austin. Recapture is projected to become a larger percentage of overall tax collections in future years. In FY2017-18, approximately 46.0 percent of all local tax revenue collected will be sent to the state under recapture. By FY2018-19, more than a half of every tax dollar collected will go to the state. Therefore, it is important to realize increases to taxpayers' annual property tax bills do not necessarily translate into more revenue for the district, which is represented in the graph below. For more information on the impact of recapture and its effects on Austin ISD students and staff in the following [video](#).

Table 11
Austin Independent School District
M&O Tax Collections Subject to Recapture (Chapter 41)



Limited Ways to Generate Revenue

Texas school districts are the only local taxing authorities that are required to equalize their tax base or get voter approval in order to increase taxes above a set rate through a Tax Ratification Election (TRE). This has been the case since 2006, the last time the state legislature passed school finance legislation. Other local entities, including the city and the county, are not required to seek voter approval for limited tax increases. In addition, the system of recapture requires voters to agree to tax themselves even when a significant portion of the increase will go to the state. AISD projects that nearly 90% of those increases will go to the state in FY2018-19. This creates a huge challenge for Austin ISD to sell a TRE to voters. The district's planning and prudence recognizes the fact that the local economy, while better than most is still struggling to recover and households are slowly trying to rebuild from the recession. The district is holding off as long as we can and employing methods to finance as much as we can on our own through cost cutting.

School District	CEI Index
Brownsville ISD	1.19
Houston ISD	1.17
Aldine ISD	1.16
Alief ISD	1.16
Conroe ISD	1.16
Cy Fair ISD	1.16
Dallas ISD	1.16
Fort Bend ISD	1.16
Katy ISD	1.16
Pasadena ISD	1.16
Socorro ISD	1.15
Arlington ISD	1.14
El Paso ISD	1.14
Fort Worth ISD	1.14
Garland ISD	1.14
Lewisville ISD	1.14
San Antonio ISD	1.14
United ISD	1.14
Ysleta ISD	1.14
Plano ISD	1.13
Round Rock ISD	1.12
North East ISD	1.11
Austin ISD	1.10
Killeen ISD	1.10

Outdated State Funding Formula

Many of the "weights" that the state uses to allocate funding to school districts have not been updated since the early 1990s with the exception of Bilingual Ed which has not been updated since 1985. The costs of providing important student services since these weights were updated, 25-30 years ago, have increased. For example, the funding formula contains a Cost of Education Index (CEI) that is to account for regional costs differences. The current CEI for Austin is lower than that of: Northside ISD, North East ISD, Round Rock ISD, Fort Worth ISD, El Paso ISD, Fort Bend ISD, Dallas ISD, Cypress-Fairbanks ISD and Houston ISD. The Austin Metropolitan Area has among the highest costs of living in the state. The median price for a single-family home and median apartment rent in Austin are both higher than any other area of the state. An adjustment to the CEI index comparable to Brownsville ISD would provide additional revenue to AISD estimated at over \$16 million for FY2018-19.

Enrollment Decline and Strategy

AISD is strategically investing in four priority areas: literacy, safety and security, customer service and the Target Utilization Plan (TUP) for the FY2018-19 budget. The first three priorities are discussed in a previous section, Investing in the Vision of Reinventing the Urban Education Experience, while we discuss the Target Utilization Plan below as a strategy to address declining enrollment.

A Target Utilization Plan is recommended for school communities to address the pattern of declining enrollment below 75%. The purpose is to encourage and support efficient utilization of school facilities so communities have more real-time information, involvement in and understanding of the status of their schools. This also will allow time to address and assess under-enrollment in a proactive manner. As such,

AISD is developing a structured process with milestones and data to support campus’ efforts to grow enrollment and this process will be vetted with District and school leadership. Any campus that is placed on a TUP and that is under-enrolled shall receive priority in Standard Automatic Measures (SAMs) including but not limited to 1) priority in communication and marketing and 2) resources and support (Board of Trustees’ Amendment). The Target Utilization Plan is a new concept developed during the 2016-17 FMP Update process. Additional schools may be identified for a Target Utilization Plan.

Human Capital

Student achievement begins with exemplary teaching. That is why the Austin Independent School District works to recruit, retain and reward great teachers and administrators. We know that the integrity, knowledge, diversity and talent of our employees—our human capital—are our most valuable resources. One of our most important jobs is providing our teachers, principals, administrators and other staff members with the support they need to do their best work, because when they succeed, our students succeed.

Because Austin is one of the most dynamic and competitive marketplaces for talent in Central Texas, our work to recruit, develop and retain top talent has never been more important. Every day, AISD competes with neighboring districts and other urban districts for the best teachers and administrators to serve in our more than 6,000 classrooms, and we do this in an environment of tightly constrained resources at the local and state levels.

While student performance has continuously improved, AISD employees have shared the burden in the district’s budget struggles. They are paying more for health care benefits and their wages have continued to lag even with salary increases. It is becoming more difficult for the district to pay competitive salaries. A recent analysis indicates that AISD teacher salaries rank 9 out of 10 among our neighboring districts in teacher pay, and 9 out of 9 among the top urban district in Texas.

Teacher Salary Comparison with Local & Urban Districts

Teacher Salary Comparison with Local Districts (Excludes Social Security Tax)						
Rank	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
1	Lake Travis	Lake Travis	Round Rock	Leander	Leander	Eanes
2	Leander	Eanes	Lake Travis	Eanes	Eanes	Leander
3	Eanes	Leander	Eanes	Round Rock	Round Rock	Lake Travis
4	Round Rock	Round Rock	Leander	Lake Travis	Lake Travis	San Marcos
5	Manor	Dripping Springs	Pflugerville	San Marcos	San Marcos	Hays
6	Dripping Springs	Manor	San Marcos	Pflugerville	Pflugerville	Round Rock
7	Del Valle	Del Valle	Del Valle	Austin	Austin	Manor
8	Austin	Austin	Manor	Hays	Hays	Pflugerville
9	Hays	San Marcos	Hays	Manor	Manor	Austin
10	San Marcos	Hays	Austin	Del Valle	Del Valle	Del Valle

Teacher Salary Comparison with Urban Districts (Excludes Social Security Tax)						
Rank	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
1	Fort Bend	Cypress Fairbanks	Cypress Fairbanks	Cypress Fairbanks	Cypress Fairbanks	Cypress Fairbanks
2	Fort Worth	Northside (SA)	Fort Worth	Fort Worth	Fort Worth	Fort Worth
3	Houston	Houston	Fort Bend	Fort Bend	Fort Bend	Fort Bend
4	Dallas	Dallas	Dallas	Northside (SA)	Northside (SA)	Houston
5	Northside (SA)	Fort Bend	Northside (SA)	Houston	Houston	Northside (SA)
6	Cypress Fairbanks	Fort Worth	Houston	San Antonio	Dallas	San Antonio
7	El Paso	El Paso	El Paso	Dallas	San Antonio	El Paso
8	San Antonio	San Antonio	San Antonio	El Paso	El Paso	Dallas
9	Austin	Austin	Austin	Austin	Austin	Austin

Professional Pathways for Teachers (PPfT)

Professional Pathways for Teachers (PPfT) is a Human Capital System that blends appraisal, compensation and professional learning for our teachers. Developed through collaboration between Austin Independent School District, Education Austin, and American Federation of Teachers, the appraisal system focuses resources on building the capacity of our teachers through a comprehensive system of supports and rewards with the ultimate goal of impacting student achievement.

As a vetted, comprehensive, and fully developed system, PPfT includes:

- A multi-measure approach that assesses instructional practice, student growth, and professional growth and responsibilities; and
- A compensation component that recognizes years of service, performance, leadership, and professional learning through a system of pathways.

The PPfT Appraisal is based on a multi-year analysis of the lessons learned from REACH and a PPfT pilot appraisal process, recommendations from teachers, principals, district personnel, and Education Austin team members as well as best practices in evaluation from across the nation. Through a system of feedback and reflection, the PPfT also includes differentiated compensation through which teachers can choose various pathways for professional growth rooted in key district initiatives and commitments.

PPfT is designed to suit the needs and aspirations of teachers while also valuing high-quality teaching, application of and reflection upon new learning and strategies in the classroom, professional growth, and ultimately, improved student outcomes.

For more information on PPfT, please visit: <https://www.austinisd.org/tad/ppft>

Facts about Austin Independent School District

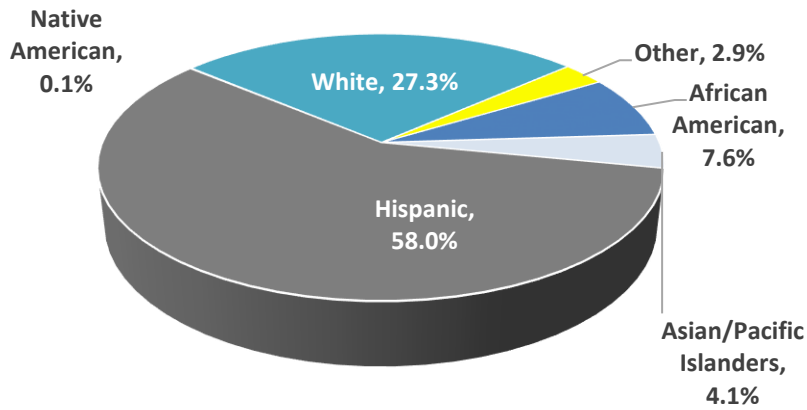
Austin ISD is the fifth largest school district in Texas and the 35th largest district in the United States. It serves the City of Austin, Texas, which has a population of approximately 950,715; the Austin-Round Rock Metropolitan Statistical Area (MSA) has a population of over 2.1 million people and continues to grow. As the seat of government for the State of Texas, Austin has become a vibrant, dynamic business, government and educational center. Founded in 1839 as the tiny village of Waterloo, the city has become one of the fastest growing cities in the United States. Austin is also a highly touted educational center, hosting the respected University of Texas, St. Edwards University and a variety of other higher education institutions.

AISD is an independent, public educational agency operating under the applicable laws and regulations in the State of Texas. The district’s organizational hierarchy begins with the students, parents and community members who elect a nine-member Board of Trustees to autonomously govern the district. The Board of Trustees employs the superintendent, who is the Chief Executive Officer, to manage the day-to-day operations of the district. Under the superintendent are three chiefs, who oversee various areas of the district’s operations, including academics, campus operations, human resources, facilities and system management, finance, performance evaluation and accountability. The Texas Education Agency provides the district’s education accreditation.

This district will serve a community with a projected student enrollment of 79,827 students for the FY2019 school year. Austin ISD operates 83 elementary schools, 18 middle schools, 14 high schools and 14 special campuses/alternative centers.

Table 12
Austin Independent School District
Student Ethnicity Percentages

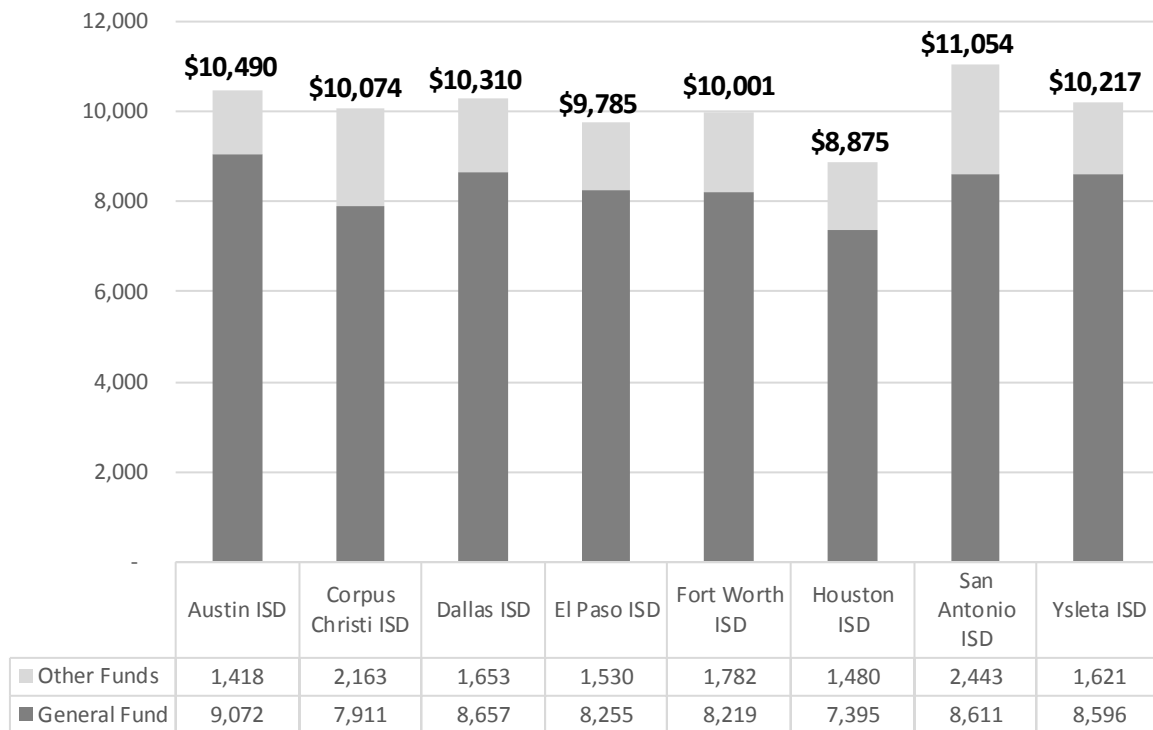
Ethnicity	FY2013	FY2014	FY2015	FY2016	FY2017
African American	8.7%	8.2%	8.0%	7.8%	7.6%
Asian/Pacific Islanders	3.4%	3.5%	3.8%	3.9%	4.1%
Hispanic	60.4%	60.0%	59.6%	58.8%	58.0%
Native American	0.2%	0.2%	0.2%	0.2%	0.1%
White	24.8%	25.4%	25.8%	26.6%	27.3%
Other	2.5%	2.7%	2.7%	2.7%	2.9%



Our Student Investment When Compared to Our Texas Urban Peers

In FY2016-17, the most recent year for which comparable data is available, Austin ISD spent \$10,490 per pupil, which ranks the second highest among urban school districts in Texas. San Antonio ISD had the highest spending at \$11,054 per pupil. As illustrated in the graph, seven out of eight urban districts spent more than \$9,500 per pupil in FY2016-17. Although AISD’s operating expenditures per pupil are higher than most of its urban peers, the per-pupil spending level reflects the district’s commitment to ensuring that its diverse student population and graduates are prepared to meet the competitive demands of a global economy. Also, AISD is one of the few school districts that contribute to Social Security at a cost of \$33.0 million annually or \$397 per pupil in FY2016-17.

Table 13
Austin Independent School District
Operating Expenditures per Pupil FY2017 – Urban Peers



Source: TEA PEIMS Financial Standard Reports

TXSmartSchools.org was built from the Financial Allocation Study of Texas (FAST) program and implements other key components. The TXSmartSchools.org initiative provides a better understanding of district/campus effectiveness and efficiency performances that can assist school administrators in evaluating their results against peers. Parents may find this tool helpful as it allows them to see the quality of their child’s education relative to the cost.

The Apples2Apples comparison tool understands that for schools to improve, a one-size-fits all plan is not necessarily ideal. Instead, it allows the user to get comparable information (i.e. similar situated schools) and perform their analysis or devise best practices based on those comparable districts and what makes them successful. For example, a school district with 80,000 students does not need the same staffing plans as a school district with 2,000 students. Another example would be a campus with a high English Language Learners (ELL) population may not benefit from a campus that does not have any ELL students. Academic, financial, and demographic data are still used, like in the FAST program, however, the Apples2Apples comparison tool takes it one step further by bringing in more information about student needs.

Academic Progress Measure + Spending Index = Smart Score

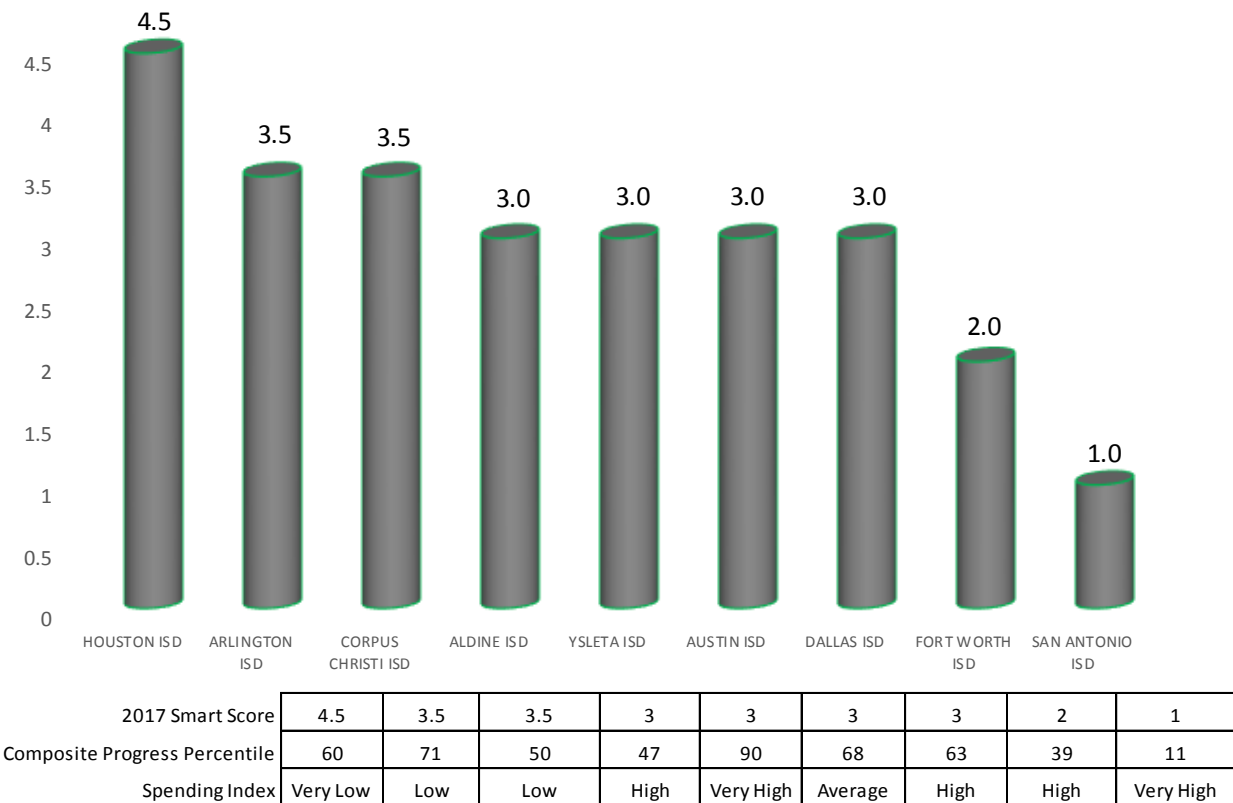
Composite Academic Progress	Spending Index				
	Very High	High	Average	Low	Very Low
 80-99	3 STARS ★★★★☆	3½ STARS ★★★★☆	4 STARS ★★★★☆	4½ STARS ★★★★☆	5 STARS ★★★★☆
 60-79	2½ STARS ★★★★☆	3 STARS ★★★★☆	3½ STARS ★★★★☆	4 STARS ★★★★☆	4½ STARS ★★★★☆
 40-59	2 STARS ★★★☆☆	2½ STARS ★★★☆☆	3 STARS ★★★☆☆	3½ STARS ★★★☆☆	4 STARS ★★★☆☆
 20-39	1½ STARS ★★★☆☆	2 STARS ★★★☆☆	2½ STARS ★★★☆☆	3 STARS ★★★☆☆	3½ STARS ★★★☆☆
 LESS THAN 20	1 STAR ★★★☆☆	1½ STARS ★★★☆☆	2 STARS ★★★☆☆	2½ STARS ★★★☆☆	3 STARS ★★★☆☆

<http://www.txsmartschools.org/about/data.php#stars>

Austin ISD is a very diverse district that faces many challenges. The operating expenditures per pupil continue to be higher compared to peer districts but remains close to the overall 2.94 average Smart Score. AISD’s Composite Academic Progress continues to remain one of the best within the peer group. This ranking captures the district’s understanding that if you are standing still in public education, then you are going backwards. AISD will continue to move forward so our students can progress toward their goals.



Table 14
Austin Independent School District
FY2017 TXSmartSchools.org Rating Comparison to Urban Peers



*Composite Progress Percentile is the Composite Academic Progress Percentile 3-year average
 Source: <http://www.txsmartschools.org/results/downloads.php>

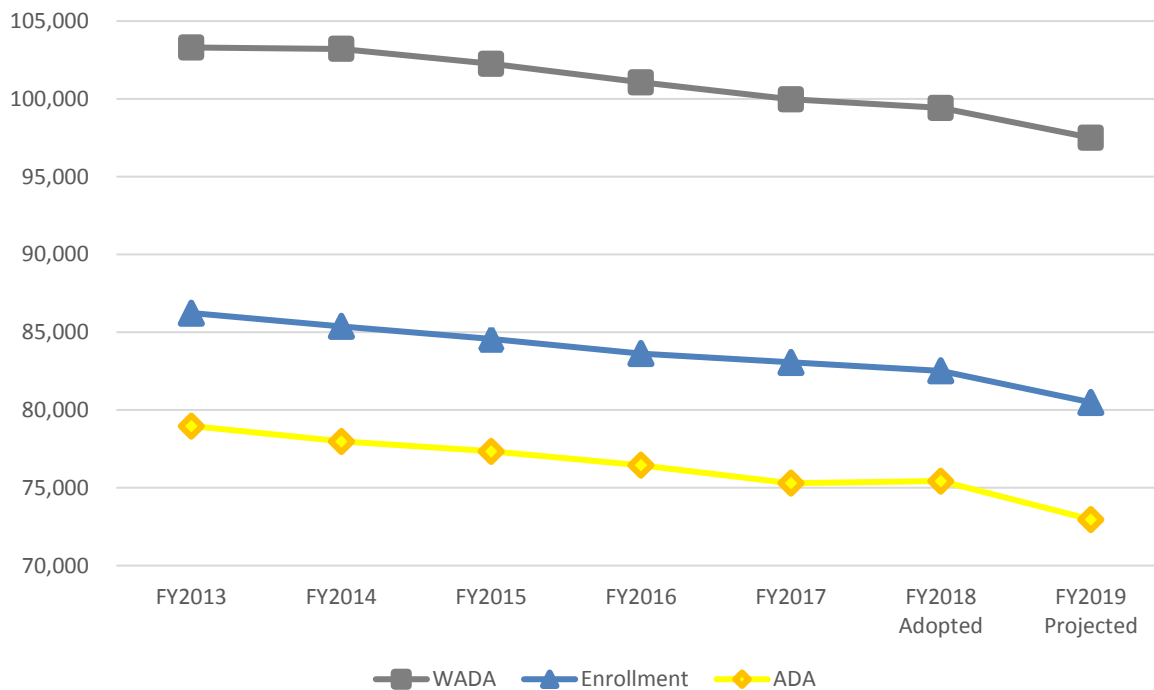
How Attendance Affects State Revenue

A key factor in generating state revenue to support public education is the district’s number of students in Average Daily Attendance (ADA). In general, increases in ADA mean that the district gets more funding from state and local sources. Closely akin to ADA is WADA (weighted ADA), which adjusts the ADA student count to reflect student and district characteristics, such as the number of students receiving special education services or the size of the school district, for example. Attendance is an important opportunity

for the district to increase revenue. It is estimated that the district receives \$5.9 million in revenue for every 1 percent increase in attendance.

The state budget lowered WADA for FY2012 in comparison to FY2013. The legislature achieved this reduction in WADA through a new funding weight called the Regular Program Adjustment Factor (RPAF). The factor was set at 0.9239 for FY2012, 0.98 in FY2013 and later restored to 1.0 in FY2014. For ASATR (Additional State Aid for Tax Reduction or “hold harmless”) districts, there was an additional reduction in state aid achieved by another new funding weight called the Target Revenue Adjustment Factor (TRAF). This factor was set at 0.9235 in FY2013 and increased to 0.9263 in FY2014. The district is projecting a slight decrease in all three attendance measurements from FY2018 to FY2019. The following chart reflects historical and projected enrollment from FY2013 to FY2019 in terms of enrollment at the end of the first six-week period, annualized ADA and WADA.

Table 15
Austin Independent School District
Historical and Estimated WADA, Enrollment and ADA



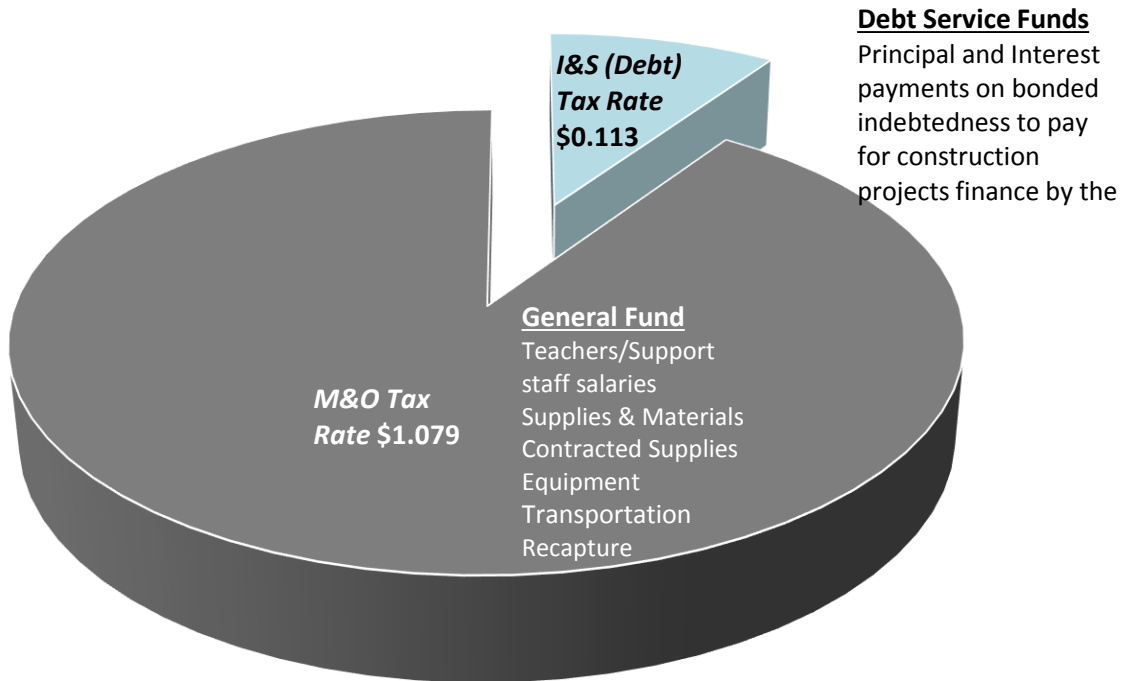
Tax Rates

There are two types of tax rates set: Maintenance and Operation (M&O), the rate applied to the tax base to support the General Fund Budget, and the Interest & Sinking (I&S) tax rate, the rate applied to the tax base to cover the bonds approved by taxpayers. Increases to the M&O tax rate are subject to recapture while I&S tax rate increases are not. The table below illustrates the structure of the tax rates. The current FY2019 Adopted Budget assumes no increase in the M&O tax rate currently at \$1.079/\$100 of taxable value. The debt service tax rate is projected to remain flat at \$0.113 per \$100 of taxable value from FY2018 to FY2019. In FY2014, the I&S tax rate was \$0.163 per \$100 of taxable value.



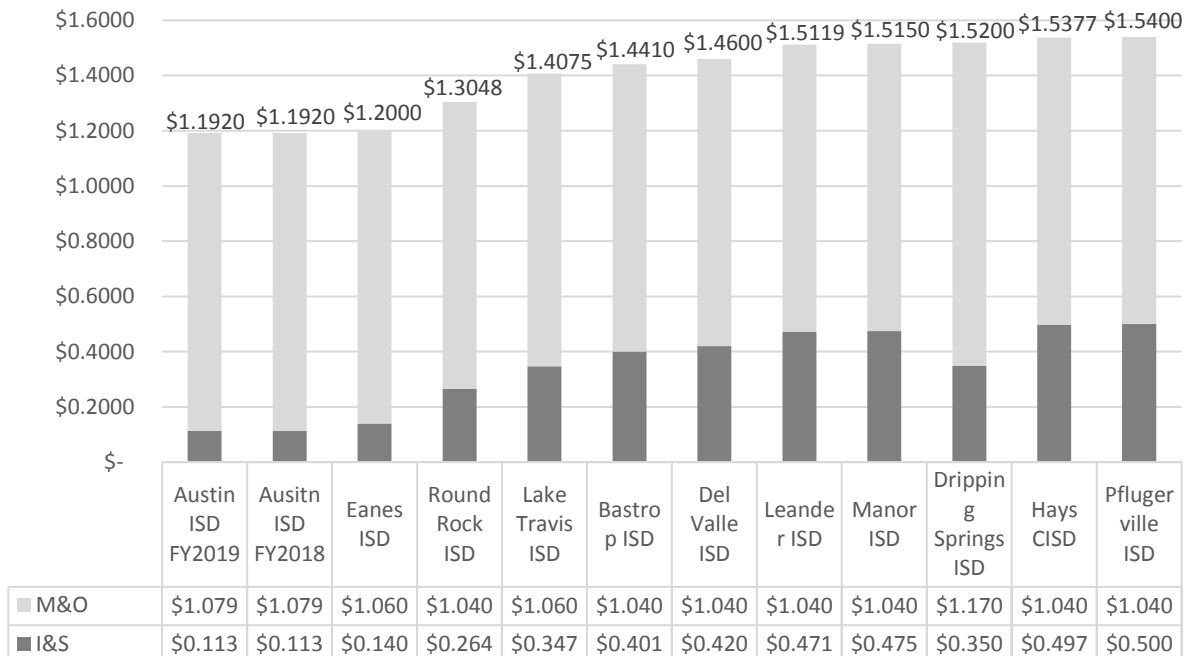
Table 16
Austin Independent School District
 FY2019 Adopted Budget Expenditures & Tax Rate for M&O and I&S
 Includes Recapture

M&O – Salaries, utilities, supplies, maintenance, equipment, etc.
I&S – Capital improvements, land, buses, new school buildings



AISD has the lowest combined tax rate when compared to other local school districts in the metro area. The district expects to maintain this position in FY2018, even with the bond program that was ratified by voters in May 2013.

Table 17
Austin Independent School District
FY2018 Austin Area School District Property Tax Rates

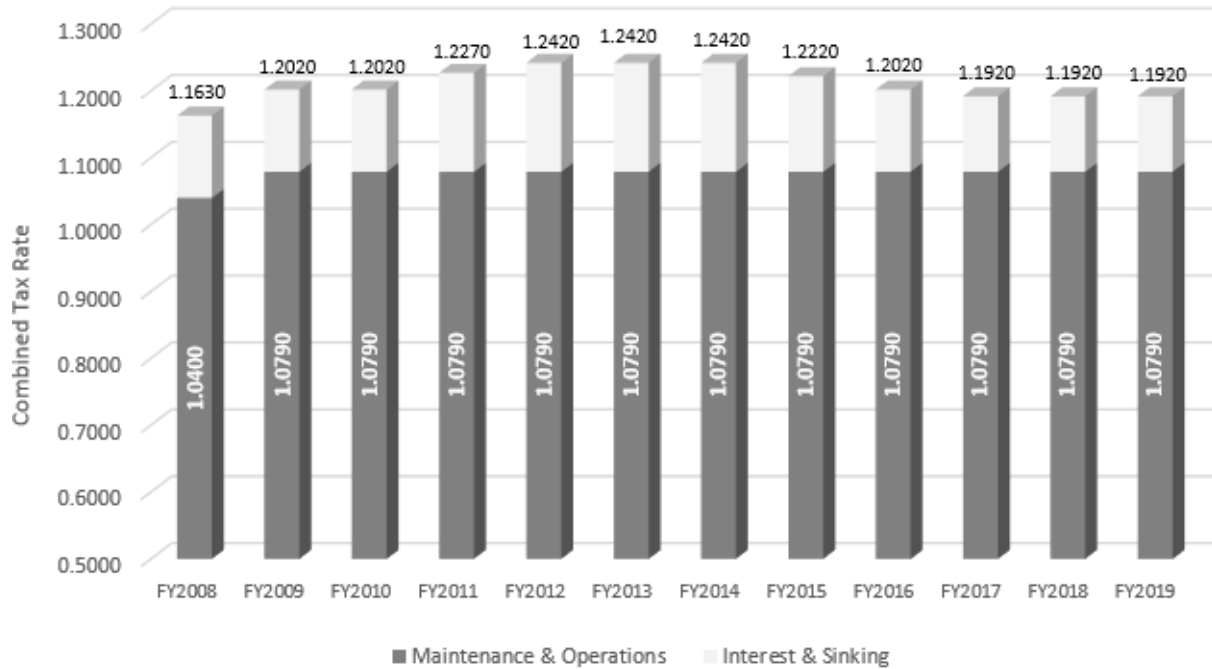


Prior to FY2007, Austin ISD had set the M&O tax rate at \$1.50 for four consecutive years. In 2006, when the legislature implemented HB1, M&O tax rates were compressed to 88.67 percent of previous levels in FY2007, and then again to 66.67 percent in FY2008. The bill also allowed districts to access four additional pennies of M&O without voter approval, resulting in the district adopting M&O tax rates of \$1.37 and \$1.04 for FY2007 and FY2008, respectively.

Voter approved bond propositions are funded through the I&S tax rate. However, due to the increase in local property values and the fact I&S collections are not subject to recapture, the I&S rate will remain flat in FY2019.



Table 18
Austin Independent School District
Tax Rate History



To property homeowners, a higher tax rate might result in a higher tax bill. The following table illustrates the average current and historical market value of a residence in relation to tax rate and tax levy. The difference between the average market value of a residence and the average taxable value can be a combination of any of the following exemptions:

- State mandated homestead exemption of \$25,000
- Local over-65 exemption of \$25,000
- Local disabled exemption of \$15,000

Property Values

On January 1 of each year, property values are rendered for appraisal. The appraisal process is conducted by the Travis Central Appraisal District (TCAD). TCAD is scheduled to submit preliminary values to the school district by May 1 on an annual basis. These values are usually a conservative estimate of the ultimate certified values that are released on or before July 25.

Table 19
Austin Independent School District
Analysis of Tax Burden per Travis Central Appraisal District (TCAD)

	AISD FY2015	AISD FY2016	AISD FY2017	AISD FY2018	AISD FY2019
Avg Market Value of Residence	\$312,091	\$350,210	\$384,088	\$409,078	\$441,067
Avg Taxable Value	\$278,496	\$297,627	\$328,536	\$357,104	\$387,609
Tax Rate per \$100 Value	1.222	1.202	1.192	1.192	1.192
Tax Levy on Average Residence	\$3,403	\$3,577	\$3,916	\$4,257	\$4,620
Net Increase in Tax Levy	\$230	\$174	\$339	\$341	\$364

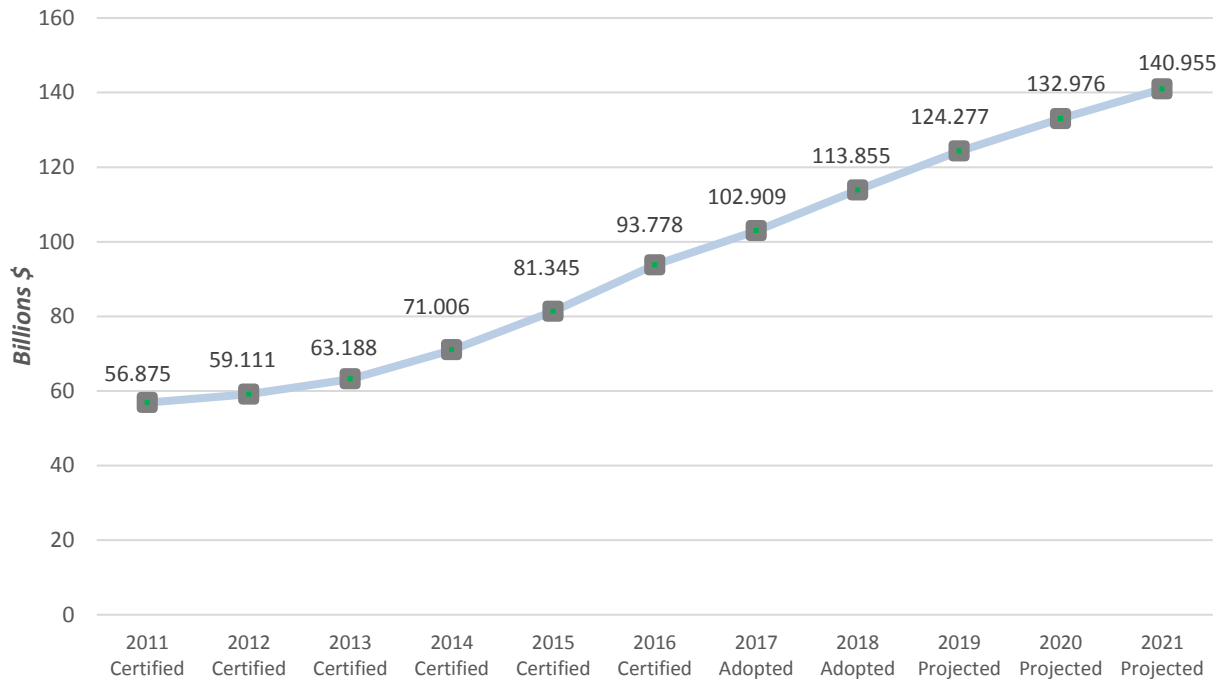
Average Home Value Analysis – Average home value increases will add to the 2018 tax year bill and will similarly increase the district’s FY2019 local property tax collections. Based on the preliminary certified values released by the Travis County Appraisal District (TCAD), the average market value for a residential property of \$441,067 (with a median taxable value of \$387,609) in FY2019, increases, when compared to the prior year FY2018 market value of \$409,078 (with a median taxable value of \$357,104). The AISD portion of the tax bill in FY2018 for a home with a taxable value of \$357,104 was \$4,257 and the AISD portion of the tax bill in FY2019 for the same home (now with a taxable value of \$387,609) will be \$4,620, a difference of \$364 per year.

The state limits how much a school district can increase its tax rate from the previous year. Each taxing entity must calculate its rollback rate. The rollback rate is the maximum rate that can be adopted before an automatic rollback election takes place. If the district adopts a tax rate that is higher than the rollback rate, voters can either affirm the proposed higher rate through an election or roll it back to the rollback rate. Also, individual property value increases are capped annually at 10 percent.

How Taxable Values Affect Local Revenue

A key component of revenue estimation is taxable values. The following chart depicts historical and projected taxable values for the district. Taxable values continue to climb year over year and are projected to reach almost \$141 billion by 2021.

Table 20
Austin Independent School District
Net Taxable Value Projection (After Freeze)
Travis Central Appraisal District (TCAD)



As with most school districts anywhere in Texas, the annual operating budget is labor intensive with approximately 86% of its budget going toward salary and benefits (excluding Recapture). The district must balance efficiency with effectiveness. The larger the staffing ratio is, the greater the overall efficiency will be. The district’s administration must continually evaluate staffing issues during the budgeting process.

Teacher staffing formulas for FY2019 will remain unchanged from the FY2018 school year. Elementary class size caps will be as follows: PK (19:1), K-4 (22:1), and 5-6 (25:1). Secondary class sizes are targeted at an approximate level of 29 per class, based on teaching a 6 out of 8 schedule.

Since 2016, AISD has remained consistent in the Student/Teacher ratio at 14.3 while the Student/Total Staff ratio has followed trends in student enrollment numbers. Overall FY2019 staffing remains relatively flat. Growth in Special Education students has required additional FTE’s to help accommodate the needs and legally required services.

Table 21
Austin Independent School District
Staffing History

	FY2015		FY2016		FY2017		FY2018		FY2019	
	Actual	%	Actual	%	Actual	%	Budgeted	%	Budgeted	%
Teachers (Includes regular elementary, secondary, and special program teachers)	5,824	50.3%	5,822	50.3%	5,793	50.6%	5,771	49.6%	5,629	48.3%
Campus Administration (Includes principals, assistant principals, and academy directors)	328	2.8%	336	2.9%	360	3.1%	332	2.9%	335	2.9%
Central Administration (Includes superintendent, chiefs, associate/assistant superintendents, executive directors, and directors)	62	0.5%	58	0.5%	30	0.3%	66	0.6%	69	0.6%
Professional Support (Includes counselors, librarians, instructional/curriculum specialists, therapists, assistant directors, supervisors, coordinators, athletic trainers, etc.)	1,193	10.3%	1,118	9.7%	1,111	9.7%	1,173	10.1%	1,275	10.9%
Auxiliary Staff (Includes non classroom paraprofessional, bus drivers, hourly employees, and other)	3,247	28.0%	3,362	29.1%	3,189	27.9%	3,330	28.6%	3,315	28.4%
Educational Aides (Includes regular and special programs paraprofessionals working in classrooms to assist teachers)	924	8.0%	873	7.5%	964	8.4%	955	8.2%	1,038	8.9%
Total	11,578		11,568		11,447		11,627		11,661	
Student Enrollment	84,191		83,270		82,776		82,520		80,495	
Staffing Ratios										
Student/Teacher Ratio	14.46		14.30		14.29		14.30		14.30	
Student/Total Staff Ratio	7.27		7.20		7.23		7.10		6.90	

Going Forward

State Funding

The Board approved legislative priorities for the 86th legislative session on August 27, 2018. These priorities are being used to educate lawmakers and the public about issues of importance to our district during the 86th legislative session, which began January 8, 2019 and ends May 27, 2019.

Legislative Issues at Austin ISD

School Finance

- A state system of public school finance that keeps all local property taxes in public education and a constitutional amendment that allows voters to decide whether to return State funding to at least 50 percent of the cost of maintaining and operating public schools.
- A state system of public school finance in which the amount of the basic allotment is tied to increases in property tax growth, calculated on, at a minimum, a biennial basis.
- A state system of public school finance that removes restrictions on the use of appropriated funds and permits local school districts the flexibility to allocate such funds, specifically bilingual and compensatory education allotments, toward teacher salaries or other uses the district deems necessary to satisfy accountability requirements.
- A state system of public school finance that increases sustainable state revenue sources, to reduce the current overreliance on local property taxes as a revenue source.
- A state system of public school finance that freezes or limits the amount of recapture collected by the state under Chapter 41, Texas Education Code.
- A state system of school finance that provides an allotment for districts that are required to participate in the Social Security retirement program, gives credit when determining a Chapter 41 district's recapture payment, or adds the payment of Social Security as a factor in determining a district's cost of education index.
- A state system of public school finance that accurately reflects the cost of education, in the basic allotment, cost of education index, and funding weights, and that is updated at regular intervals.
- A state system of public school finance that provides state formula funding for programs in which public school students are enrolled and receive credit in college courses, including dual credit, early college high school, and P-TECH programs.
- A system of public school finance that provides more state funding to districts which allow students to earn associate degrees.
- A system of public school finance that provides state funding to reward high schools which earn an academic distinction in post-secondary readiness.
- A state system of public school finance that provides funding for career and technical education for students in 6th through 8th grades.
- Expansion of the eligible grantees of the Texas Workforce Commission Skills Development Fund to include school districts and an increase in state funding to accommodate such grants.
- A state system of public school finance that provides weighted career and technical education funding for technology applications.
- A more simple and transparent system of public school finance.
- A state system of public school finance that provides adequate transportation funding for all districts, including Chapter 41 districts.
- Exemptions for public school buses from paying tolls for use of toll roads operated by the state and regional mobility authorities, or their contractors.
- Funding for full-day pre-kindergarten.

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Austin Independent School District

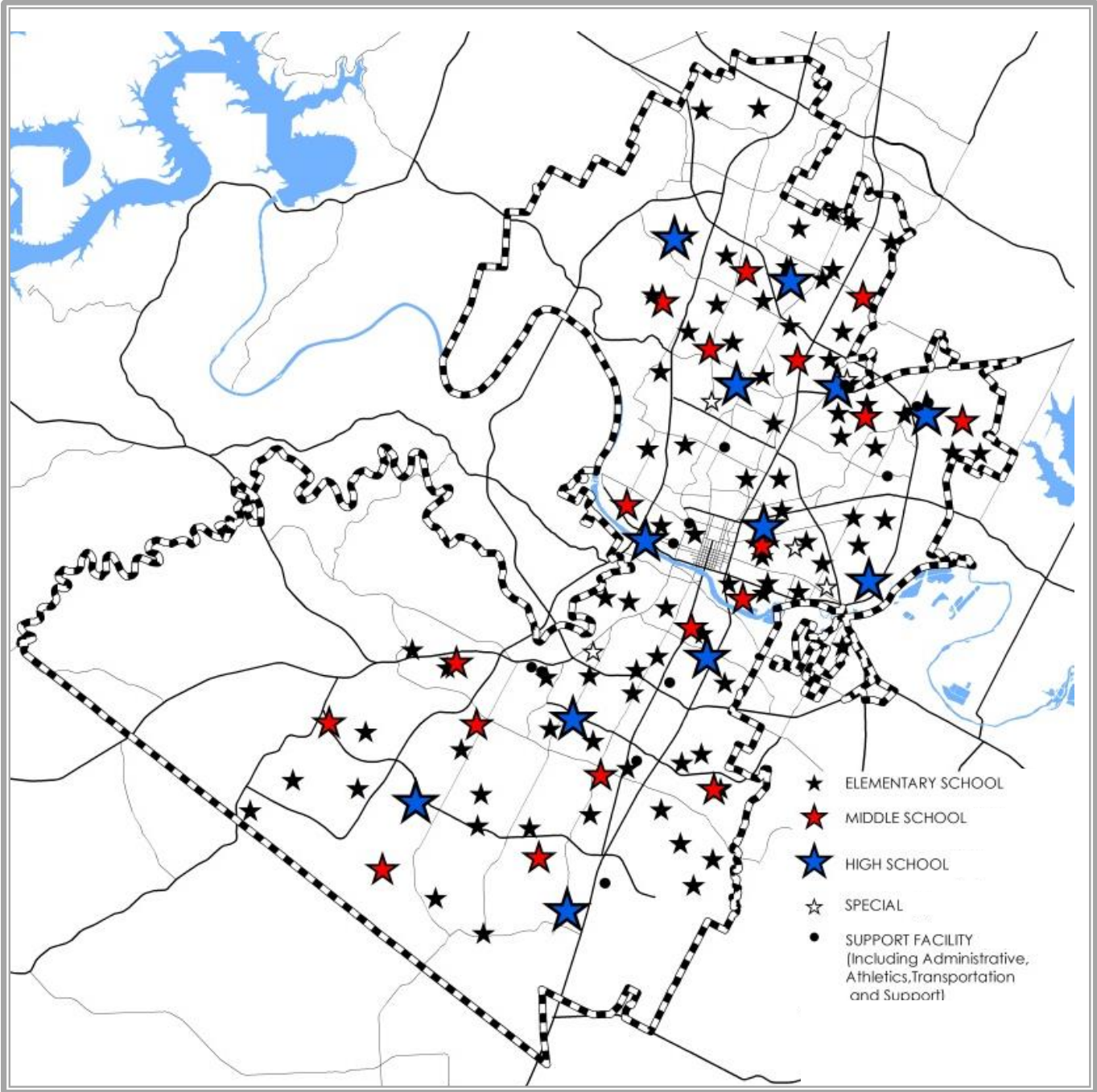


Organizational

FY2019 Official Budget

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Austin ISD - District Boundaries



Overview of Austin Independent School District

Austin ISD is the fifth largest school district in Texas, and serves the City of Austin, Texas, which has a population of approximately 950,715 according to the latest 2017 U.S. Census Bureau statistics. The Census Bureau estimates the Austin Metropolitan Statistical Area (MSA) has a population of 2,115,827 and projects this number will increase. As the seat of government for the State of Texas, Austin has become a vibrant, dynamic business, government and educational center. Founded in 1839 as the tiny village of Waterloo, the city has become one of the fastest growing cities in the United States. Austin is also a highly touted educational center, hosting the respected University of Texas, St. Edwards University and a variety of other higher education institutions.

In FY2019, there will be approximately 80,000 students enrolled in Austin ISD and the students are reflective of the diverse population. The boundaries of AISD include most of the City of Austin and much of Travis County. Of the 29 public school districts in the MSA, AISD is the largest, followed by Round Rock, Leander, Pflugerville, Hays, Georgetown, Bastrop, Del Valle, San Marcos, and Eanes. AISD remains one of the largest employers in the area. Other large employers include the State of Texas, the University of Texas at Austin, Dell, the City of Austin, the Federal government, the Seton Family of Hospitals, St. David’s Healthcare partnership, IBM Corporation and Freescale Semiconductor.

Austin built its first publicly funded school in 1876, but the majority of Austinites remained indifferent toward public education. The city’s numerous private schools continued to dominate the educational landscape for nearly fifty years.

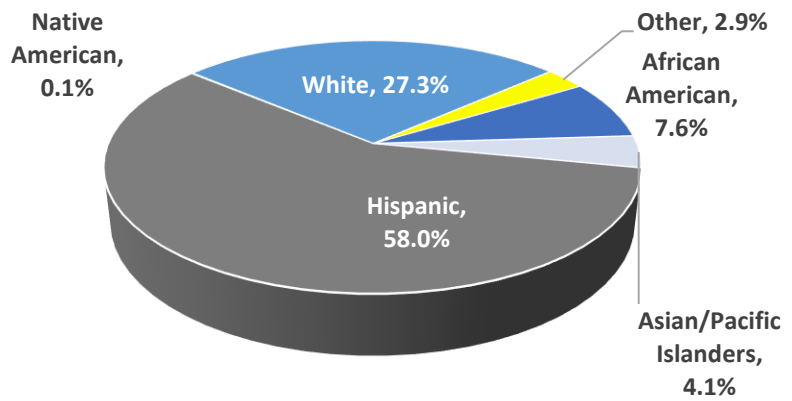
Table 22
Austin Independent School District
Enrollment History

Level	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Projected
High	21,100	21,056	19,941	21,344	21,118
Middle	15,823	15,631	15,828	15,546	15,651
Elementary	46,779	45,953	45,399	43,927	42,833
Special Campus	489	562	649	480	480
Total	84,191	83,202	81,817	81,297	80,082

Table 23
Austin Independent School District
Student Ethnicity Percentages

Ethnicity	FY2013	FY2014	FY2015	FY2016	FY2017
African American	8.7%	8.2%	8.0%	7.8%	7.6%
Asian/Pacific Islanders	3.4%	3.5%	3.8%	3.9%	4.1%
Hispanic	60.4%	60.0%	59.6%	58.8%	58.0%
Native American	0.2%	0.2%	0.2%	0.2%	0.1%
White	24.8%	25.4%	25.8%	26.6%	27.3%
Other	2.5%	2.7%	2.7%	2.7%	2.9%

The changing demographics of Austin ISD are reflected in the table above. Historical data indicates the African American and Hispanic student groups are shrinking while the White, Asian/Pacific Islander and Native American student group populations have grown or remained relatively flat.





Austin Independent School District

2018-2019 School Calendar

Grade Reporting Periods



July 2018
District Closed: July 2 - 6

August 2018

- 6-9 New Teacher Orientation
- 13-15 Staff Development
- 16-17 Planning & Prep
- 20 First Day of Classes

September 2018

- 3 Student & Staff Holiday - Labor Day

October 2018

- 8 Student Holiday - Elem. Parent Conference; Secondary Staff Development

November 2018

- 19-23 Thanksgiving Holiday

December 2018

- 21 Winter Break Begins

January 2019

- 2 Student Holiday - Staff Development / Professional Learning Exchange Day
- 3-4 Student Holiday - Staff Development / Campus Identified District of Innovation Days
- 7 Classes Resume
- 21 Student & Staff Holiday - Martin Luther King, Jr. Day

February 2019

- 18 Student Holiday - Elem. Parent Conference; Secondary Staff Development
- 1st Bad Weather Makeup Day

March 2019

- 18-22 Spring Break

April 2019

- 19 Student Holiday - Staff Development
- 2nd Bad Weather Makeup Day

May 2019

- 24 Last Day of Classes
- 27 Staff Holiday - Memorial Day
- 28 Staff Development
- 29 Planning & Prep / Professional Learning Exchange Day

Legend	
■ Student/Staff Holiday	○ Planning & Prep/ Student Holiday
● Staff Development/ Student Holiday	● First / Last Day of Classes
□ Student Holiday - Elem. Parent Conference Secondary Staff Development	+ Bad Weather Make-up Day
■ New Teacher Orientation	} Secondary Grading Period
⬡ District Closed	} Elementary Grading Period

Austin Independent School District
1111 W. Sixth St., Austin, TX 78705
512-414-1700 www.austintisd.org

Note: Individual campuses may have identified additional professional development days through District of Innovation. Please check campus websites for campus specific calendars.

Approved by the AISD Board of Trustees 01/22/18

S M T W Th F S S M T W Th F S

July 2018							January 2019						
1	⬡ 2	⬡ 3	4	5	6	7			1	2	3	4	5
8	9	10	11	12	⬡ 13	14	6	7	8	9	10	11	12
15	16	17	18	19	⬡ 20	21	13	14	15	16	17	18	19
22	23	24	25	26	⬡ 27	28	20	⬡ 21	22	23	24	25	26
29	30	31					27	28	29	30	31		

August 2018							February 2019						
			1	2	⬡ 3	4						1	2
5	6	7	8	9	⬡ 10	11	3	4	5	6	7	8	9
12	⬡ 13	14	15	⬡ 16	⬡ 17	18	10	11	12	13	14	15	16
19	⬡ 20	21	22	23	24	25	17	⬡ 18	+ 19	20	21	22	23
26	27	28	29	30	31		24	25	26	27	28		

September 2018							March 2019							
						1							1	2
2	3	4	5	6	7	8	3	4	5	6	7	8	9	
9	10	11	12	13	14	15	10	11	12	13	14	15	16	
16	17	18	19	20	21	22	17	18	19	20	21	22	23	
23	24	25	26	27	28	29	24	25	26	27	28	29	30	
30							31							

October 2018							April 2019							
1	2	3	4	5	6		1	2	3	4	5	6		
7	8	9	10	11	12	13	7	8	9	10	11	12	13	
14	15	16	17	18	19	20	14	15	16	17	18	19	20	
21	22	23	24	25	26	27	21	22	23	24	25	26	27	
28	29	30	31				28	29	30					

November 2018							May 2019							
						1							1	2
4	5	6	7	8	9	10	5	6	7	8	9	10	11	
11	12	13	14	15	16	17	12	13	14	15	16	17	18	
18	19	20	21	22	23	24	19	20	21	22	23	24	25	
25	26	27	28	29	30		26	27	28	29	30	31		

December 2018							June 2019						
						1							1
2	3	4	5	6	7	8	2	3	4	5	6	7	8
9	10	11	12	13	14	15	9	10	11	12	13	14	15
16	17	18	19	20	21	22	16	17	18	19	20	21	22
23	24	25	26	27	28	29	23	24	25	26	27	28	29
30	31						30						

For more information about important District dates and events, and religious holidays which may affect student attendance, please check our website www.austintisd.org

Organizational Structure

AISD is an independent, public educational agency operating under the applicable laws and regulations in the State of Texas. The district's organizational hierarchy begins with the students, parents and community members who elect a nine-member Board of Trustees to autonomously govern the district. The Board of Trustees employs the superintendent, who is the Chief Executive Officer, to manage the day-to-day operations of the district. Under the superintendent are three chiefs, who oversee various areas of the district's operations, including academics, campus operations, human resources, facilities and system management, finance, performance evaluation and accountability. The Texas Education Agency provides the district's education accreditation.

Austin Independent School District Board of Trustees



Austin ISD Board of Trustees

(from left) Edmund T. Gordon, District 1; Ann Teich, District 3; Geronimo M. Rodriguez, Jr., VICE PRESIDENT, District 6; Amber Elenz, District 5; Kendall Pace, PRESIDENT, At Large 9; Julie Cowan, SECRETARY, District 4; Yasmin Wagner, District 7; Cindy Anderson, At Large 8; Jayme Mathias, District 2

Administrative Officials

Paul Cruz, Ph.D., Superintendent
Michelle Cavazos, Chief Officer for School Leadership
Fernando Medina, Ed.D, Chief Human Capital Officer
Nicole Conley Johnson, Chief Business & Operations Officer
Jacob Reach, Chief of Staff-Superintendent
Kevin Schwartz, Technology Officer Learning & Systems

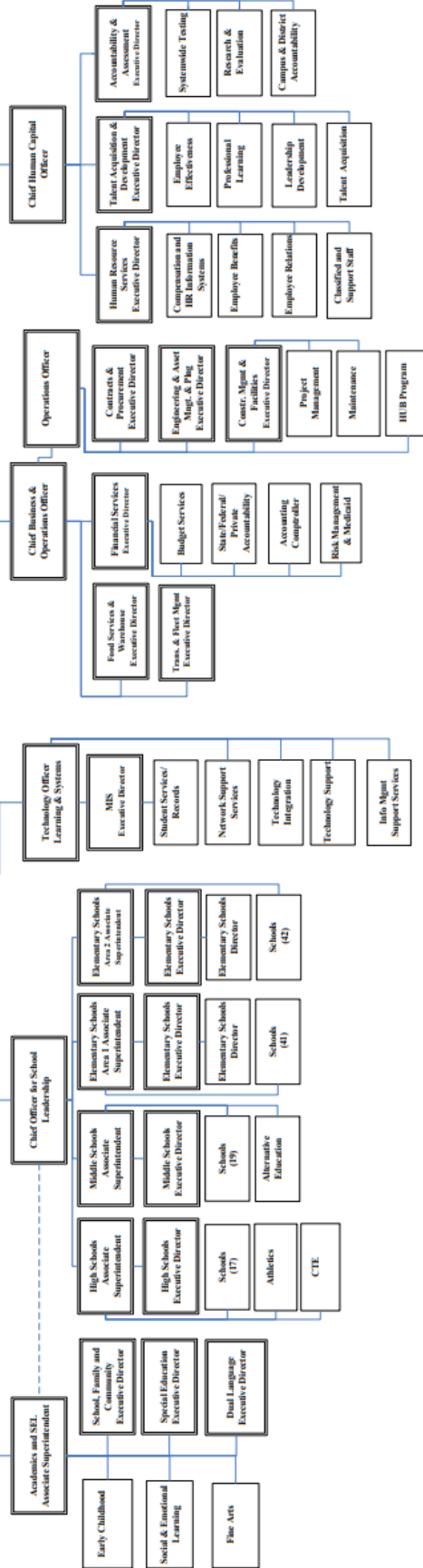
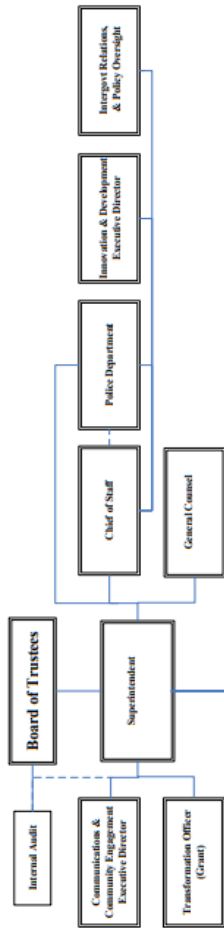


AUSTIN

Independent School District

2017-2018

Students, Parents & Community



As of 2/13/2018
2:30 pm

The Austin Independent School District Mission Statement

AISD exists to fulfill the mission put forth by the State of Texas, which is to “ensure that all Texas children have access to a quality education that enables them to achieve their potential and fully participate now and in the future in the social, economic, and educational opportunities of our state and nation.” [Texas Education Code §4.001(a)]



Board Core Beliefs, Commitments, and Budget Parameters

Core Beliefs	As part of this, we commit ourselves to:	Budget Parameters
<p>Core Belief # 1: All students will graduate college-, career- and life-ready.</p>	<p>A. Achieve excellence by delivering a high-quality education to every student</p> <p>B. Implement the transformative use of technology</p> <p>C. Ensure all students perform at or above grade level in math and reading</p> <p>D. Prepare all students to graduate on-time</p> <p>E. Develop civically-engaged students</p>	<p>1. The board seeks to maintain an unassigned fund balance consistent with district policy in an effort to (1) maintain a bond rating of Aaa or higher, (2) maintain a “superior” financial rating from the state and (3) ensure a sufficient operating reserve to support operating costs for at least two and a half months.</p> <p>2. The board recognizes its fiduciary responsibility to adopt a balanced budget and will seek to do so by considering all cost savings and efficiency options.</p> <p>3. If projected expenditures exceed projected revenue and budget reductions become necessary, the district will first seek those options that are sustainable and will address structural imbalances on a multi-year basis. One-time solutions, including the use of fund balance reserves will be considered with caution and appropriately factored into out-year budget shortfalls.</p> <p>4. The district will continue to pursue additional revenue, costs savings and efficiencies; and will work to reduce investments in programs that have not produced sufficient results.</p> <p>5. The budget will prioritize investments that are aligned with our strategic goals as outlined in the Strategic Plan:</p> <ul style="list-style-type: none"> • All students will perform at or above grade level. • Achievement gaps among student groups will be eliminated. • All students will graduate ready for college, career and life in a globally competitive economy. • All schools will meet or exceed state accountability standards, and the district will meet federal standards and exceed state standards. <p>6. The district recognizes the need to target resource investments in programs that support achievement growth for all schools. Therefore, any new budgetary investments will reflect the Strategic Priorities established by the board.</p> <p>7. The performance results from the district’s performance management system will be used to make budgetary decisions in an effort to establish a budget that is performance-driven and based on proven results. The performance management system includes: the district-wide balanced scorecard, Strategic Plan monitoring tools, program evaluations, electronic dashboards, operational key performance indicators (KPIs) and individual employee evaluations.</p> <p>8. The budget process must be transparent and include sufficient opportunity for community engagement and feedback.</p> <p>9. The board seeks to maintain competitive total compensation levels for all classes of employees and will consider such recommendations as long as they are sustainable.</p> <p>10. Budgeted assumptions for staffing ratios must meet state standards, unless a waiver is sought from the state.</p> <p>11. The budget should be developed in a multi-year framework (minimum three years) to account for out-year implications of budget proposals and revenue estimates.</p>
<p>Core Belief # 2: We will create an effective, agile, and responsive organization.</p>	<p>A. Create a positive organizational culture that values customer service and every employee</p> <p>B. Develop effective organizational structures</p> <p>C. Generate, leverage, and utilize strategically all resources</p>	
<p>Core Belief # 3: We will create vibrant relationships critical for successful students and schools.</p>	<p>A. Engage authentically with students, parents/guardians, teachers, and community</p> <p>B. Build ownership in the AISD among internal and external stakeholders</p> <p>C. Develop and maintain community partnerships</p>	

Strategic Plan Framework

In June 2015, the Board of Trustees approved the AISD Strategic Plan framework for 2015-2020.

VISION

AISD will reinvent the urban school experience.

MISSION

AISD exists to fulfill the mission put forth by the State of Texas, which is to “ensure that all Texas children have access to a quality education that enables them to achieve their potential and fully participate now and in the future in the social, economic, and educational opportunities of our state and nation.” [Texas Education Code §4.001(a)]

CORE BELIEFS AND COMMITMENTS

1. All students will graduate college-, career- and life-ready.

As part of this, we commit ourselves to:

- A. Achieve excellence by delivering a high-quality education to every student
- B. Implement the transformative use of technology
- C. Ensure all students perform at or above grade level in math and reading
- D. Prepare all students to graduate on-time
- E. Develop civically-engaged students

2. We will create an effective, agile, and responsive organization.

As part of this, we commit ourselves to:

- A. Create a positive organizational culture that values customer service and every employee
- B. Develop effective organizational structures
- C. Generate, leverage, and utilize strategically all resources

3. We will create vibrant relationships critical for successful students and schools.

As part of this, we commit ourselves to:

- A. Engage authentically with students, parents/guardians, teachers, and community
- B. Build ownership in the AISD among internal and external stakeholders
- C. Develop and maintain community partnerships

VALUES

- Whole Child Every Child
- Physical, social and emotional health, and safety
- Equity, diversity and inclusion
- High expectations for all students, employees, parents/guardians, and community members
- Creativity, collaboration, and innovation
- Community Schools
- Life-long learning

Investing in the Vision of Reinventing the Urban Educational Experience

Social and Emotional Learning

AISD has emerged as a national leader of Social and Emotional Learning (SEL), committed to integrating SEL into the school experience of all its students. In 2011, AISD was among the first districts in the nation to embrace the emerging brain science and the principles of SEL, charting a course for incrementally infusing explicit SEL instruction into the practice of all 130 of its campuses. AISD has come to recognize that vibrant relationships are as critical to successful students and schools as excellent content and instruction, and the research bears this out.

In the last decade, an increasing volume of educational research has shown that success in higher education, the labor force, and other aspects of life depends not only on what young people know but also on their abilities to identify and regulate their emotions, to establish relationships that enable them to engage effectively with others, and to plan and prioritize in ways that support the completion of complex projects and tasks. AISD's SEL researchers have captured early evidence of the positive correlation between high-quality SEL implementation, improved school culture, and increased academic proficiency. Schools have a key role to play in cultivating students' non-academic skills and mindsets ultimately optimizing their learning and life experience.

The FY2018 was the first year donors funded the SEED Model program at AISD campuses. In its inaugural year, funding of \$65,000 was used for 19 campuses. For FY2019, budgeted dollars increased to \$80,000 and distributed amongst 53 campuses. Click the following link to find out more about the SEED program <https://www.austinisd.org/sel/seed>

The SEL Fellowship program increased from one to three cohorts from FY2018 to FY2019. Funding also increased \$5,000 from FY2018 to \$55,000 in FY2019. These cohorts are comprised of district leaders and designed to create common understanding and language regarding SEL.

Career Launch and P-Tech Programs

The Career Launch program began in 2017 as a way to align high school, college and career. The bill that was signed into law by Governor Abbott in 2017 allows for students to graduate from the program up to six years. Early College High Schools with Career Launch Programs and P-Tech Programs are designed to help students successfully transition from high school to college and begin challenging 21st century careers. This unique model includes grades 9-14, delivering a six-year career focused program aligned with the Common Core Standards and providing students with real-world work experience through internships in fields connected to their classroom studies. These schools are designed to prepare students for college and careers in the Health Sciences and the Technology disciplines. Graduates are prepared to enter their chosen field or continue their education in pursuit of a bachelor's degree.

Each Early College High School with Career Launch program is grounded in a three-way partnership between an Austin Independent School District high school, Austin Community College and an industry partner. Together they provide an integrated support system that helps students achieve their academic and career goals. Students who successfully complete a six-year course of study graduate with a high

school diploma, an associate degree, a Career and Technical endorsement, relevant industry certifications, workplace experience, and the specific skills needed by employers in high growth industries.

Pathways in Technology Early College High Schools (P-TECH) is an open-enrollment program that provides students with work-based education. P-TECH programs provide students grade 9 through 14 the opportunity to complete a course of study that combines high school and post-secondary courses and field experience with an industry partner.

There is no cost to the student or their family for college courses as long as the student is enrolled at the Early College High School. The cost of college courses, textbooks, and course materials over the six-year period are covered by funding from state grants and AISD.

Since the allocations for years 5 and 6 and the blueprint for the program are currently being developed at the TEA, the final costs of the program still can not be determined. It is expected that the program will cost about the same as other of the seven Early College High School Programs. Currently, the district will pay approximately \$4,400* in direct costs per degree earner (credits, books and transportation). There may be additional transportation costs as well as tuition for years 5 and 6 for Career Launch students.

**Costs*

66 credits @ \$100 per 3 credit course. \$2200

Textbooks for 22 classes @ 100 per course \$2200

Current Programs

Career Launch: Reagan ECHS/Dell/ACC LBJ ECHS/Seton Family Healthcare/ACC

P-TECH: Lanier ECHS/ IBM/ACC (opening fall 2018)

Full Day Pre-K

Pre-kindergarten is a special program for eligible 3- and 4-year-old students. The Pre-K program is designed to meet the needs of a child's early years, which are a period of rapid growth. It is during this period that key concepts are developed that directly correlate to a student's future academic success. Pre-K is an exciting time for students and for parents. For many families, prekindergarten is the introduction into the public school system. AISD provides a full-day prekindergarten program for all children who turn 3 or 4 on or before September 1 of the current school year. Students must also qualify by being either:

- English Learners; or
- Economically disadvantaged; or
- Child of active military parent; or
- Child of Star of Texas Award Recipient; or
- Homeless; or
- Foster

The Pre-K program has expanded into more campuses from FY2016-17 to FY2017-18 with revenue also growing from \$1.67 million to \$1.93 million respectively. Pre-K4 grew by 55 students from FY2016-17 numbers, which included two new campuses as well.

Budget Development

Texas Education Code, sections 44.002-44.006 establish the legal basis for school district budget development. The district's budget must be prepared by a date set by the State Board of Education, which is currently June 19, and adopted by June 30. A public hearing for the budget and proposed tax rate must occur before the Board adopts the budget. The district's budget must be legally adopted before the tax rate is adopted.

FY2018-19 Board Budget Parameters

1. **FUND BALANCE:** The board seeks to maintain an unassigned fund balance consistent with district policy in an effort to (1) maintain a bond rating of Aaa or higher, (2) maintain a "pass" financial rating from the state and (3) ensure a sufficient operating reserve to support operating costs for at least two and a half months.
2. **BALANCED BUDGET:** The board recognizes its fiduciary responsibility to adopt a balanced budget and will seek to do so by considering all cost savings and efficiency options.
3. **SUSTAINABLE SOLUTIONS:** If projected expenditures exceed projected revenue and budget reductions become necessary, the district will first seek those options that are sustainable and will address structural imbalances on a multi-year basis. One-time solutions, including the use of fund balance reserves will be considered with caution and appropriately factored into out-year budget shortfalls.
4. **EFFICIENCY:** The district will continue to pursue additional revenue, costs savings and efficiencies; and will work to reduce investments in programs that have not produced sufficient results.
5. **STRATEGIC PLAN:** The budget will prioritize investments that are aligned with our strategic goals as outlined in the Strategic Plan:
 - All students will graduate college-, career- and life-ready
 - We will create an effective, agile and responsive organization
 - We will create vibrant relationships critical for successful students & schools.
6. **TARGETED RESOURCE INVESTMENTS:** The district recognizes the need to target resource investments in programs that support achievement growth for all schools. Therefore, any new budgetary investments will reflect the Strategic Priorities established by the board.
7. **PERFORMANCE DRIVEN:** The performance results from the district's performance management system will be used to make budgetary decisions in an effort to establish a budget that is performance-driven and based on proven results. The performance management system includes: the district-wide balanced scorecard, Strategic Plan monitoring tools, program evaluations, electronic dashboards, operational key performance indicators (KPIs) and individual employee evaluations.
8. **TRANSPARENCY:** The budget process must be transparent and include sufficient opportunity for community engagement and feedback.
9. **COMPENSATION:** The board seeks to maintain competitive total compensation levels for all classes of employees and will consider such recommendations as long as they are sustainable.
10. **STAFFING:** Budgeted assumptions for staffing ratios must meet state standards, unless a waiver is sought from the state.

- 11. MULTI-YEAR FRAMEWORK:** The budget should be developed in a multi-year framework (minimum three years) to account for out-year implications of budget proposals and revenue estimates.

Budget Development Process

The budgeting process is comprised of three major phases: planning, preparation and evaluation.

During the planning stage, the district's goals and objectives are reviewed, evaluated and modified if necessary to make sure they are congruent to the district's overall mission. At this point, senior members of the Cabinet meet to discuss strategic planning issues, goals and initiatives for the coming year as well as challenges and opportunities facing the district. Fundamental projections in the tax base and changes in funding levels received are closely examined. Interaction with key stakeholders, including the Board of Trustees, principals, parents, and community involvement groups, district advisory committees, citizen budget review committees, employee organizations, and the public at-large, is encouraged as a means to understand their priorities, needs, and concerns, and at the same time to inform them about the issues affecting the district, including available resources. Staff begins with the previous year's budget calendar



and modifies it for use in the current year. The calendar lists critical dates for preparation, submission, meetings with key stakeholders, committees, community and Board of Trustees to discuss the preliminary budget, public hearings and adoption.

The budget preparation process begins with the Board adopting budget parameters, budget assumptions, priorities, and staffing guidelines. The Budget Office staff holds budget workshops to discuss any changes in the coming year budget process and to distribute the budget package to schools and departments. Information on student enrollment, weighted pupil allocation, staffing and non-staffing allocations as well as supplemental allocations for special programs is included in the budget package. The basic premise for campus allocations is to give principals greater flexibility and control over resources while ensuring that the district's funds flow to campuses according to their program needs and projected student enrollment. For departmental budgets, justifications are required for all non-salary budget requests. Food Service budgets are prepared by the Food Service Executive Director whereas the Debt Service budgets are prepared by the Treasurer and the Executive Director of Finance. Capital Projects budgets are developed on a multi-year basis and are prepared by the Construction Management department.

Review of the campus budgets takes place first with the Campus Advisory Committees (CAC). The campus budgets are then sent to the Associate Superintendents for their review and approval before being forwarded to the Budget Office for processing. Departmental budgets require the approval signature of their area chief. The district's senior leadership team reviews all budget increases, requests, and instructs the Budget Office to process only those that are recommended by them. The Chief Business and Operations Officer and/or the Superintendent present the preliminary budget to the Budget and Finance Advisory Committee (BFAC), community and Board of Trustees. Several informational meetings are held within the community and public hearings are conducted between May and June. The recommended budget is approved in late June.

The budget is evaluated for its effectiveness in attaining goals and objectives. Evaluation typically involves an examination of how funds were expended, what outcomes resulted from the expenditure of funds, and to what degree these outcomes achieved the objectives stated during the planning phase. The evaluation phase is important in determining the following year's budgetary allocations.

In summary, budget preparation is not a one-time exercise to determine how a school district will allocate funds. Rather, school district budget preparation is part of a continuous cycle of planning and evaluation to achieve district goals.



Table 24
Austin Independent School District
FY2019 Budget Development Process

Oct 2017	Board Adopts FY2019 Budget Development Calendar	Jun 2018	Superintendent presents the FY2019 Recommended Budget to the Board, Public and Media
Dec 2017	Board Reviews Assumptions, All Staffing Guidelines, Enrollment Projections, and Fund Balance Condition		Board Conducts Public Hearing on Proposed Budget and Tax Rate Board Adopts the FY2019 Budget
Jan 2018	FY2019-FY2022 Forecast		
Apr/May 2018	Travis Central Appraisal District provides Preliminary Appraisal Values Superintendent presents the FY2019 Preliminary Budget to the Board, Public and Media Community Meetings on the FY2019 Preliminary Budget	Jul 2018	Travis Central Appraisal District (TCAD) Certifies Appraisal Values Aug 2018 Board Adopts the FY2019 Tax Rate

Budget Administration and Management Process

The Adopted Budget provides authority to expend funds for the purpose indicated and in accordance with State law, Board policy, and the district’s approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent or designee who shall ensure that funds are expended in accordance with the Adopted Budget.

The district installed an accounting system that meets the requirements prescribed by State Board of Education and conforms to Generally Accepted Accounting Principles. A report of revenues and expenditures include management, cost accounting and financial information that enables management and staff to monitor the funding process and determine education costs by district, campus and program.

Budget monitoring is done not only by staff in the Budget Office, but also by the entire district's administrators. The Chief Financial Officer and other district administrators use similar expenditure and encumbrance reports to monitor the budget compliance of programs and funds. *Annualized budget summaries* which project the impact of current expenditures on year-end results are useful in this effort.

Reporting to Texas Education Agency (TEA)

The AISD budgets are submitted to TEA via the Public Education Information Management System (PEIMS) transmission process as of the date established in the annual instructions for the system. TEA monitors for compliance at the district level only. This monitoring is a legal requirement to ensure mandatory expenditure levels in certain areas. In addition, Amended Budgets are reflected on the schedule comparing budget and actual results in the annual financial and compliance audit report of which the district has met all requirements mandated by TEA.

Amending the Budget

Budget amendments occur when a change is made increasing any one of the functional spending categories or increasing revenue object accounts and other resources. The district prepares quarterly financial reports to include all budget amendments for budgeted funds including General Fund, Food Service Fund, Debt Service Fund and the Capital Projects Fund. These budget changes are usually the result of unexpected levels of expenditures in certain categories and must be amended in the budget for legal compliance. All budget amendments in the quarterly financial reports are prepared at fund and functional levels and required to be adopted by the last day of the fiscal year.

All necessary budget amendments are formally adopted by the School Board and recorded in the Board Minutes.

Purchasing

The district's Purchasing Department is responsible for all bids. All district contracts, except contracts for the purchase of produce or vehicle fuel, valued at \$50,000 or more in the aggregate for each 12-month period, shall be made by the method that provides the best value for the district:

- Competitive bidding for services other than construction services.
- Competitive sealed proposals for services other than construction services.
- A request for proposals for services other than construction services.
- An inter-local contract.
- The reverse auction procedure as defined by Government Code 2155.062(d).
- The formation of a political subdivision corporation under Local Government Code 304.001.

In awarding a contract, a district shall consider:

1. Purchase price.
2. The reputation of the vendor and of the vendor's goods and services.
3. The quality of the vendor's goods or services.
4. The extent to which the goods or services meet the district's needs.
5. The vendor's past relationship with the district.
6. The impact on the ability of the district to comply with laws relating to historically underutilized businesses.
7. The total long-term cost to the district to acquire the goods or services.
8. For a contract that is not for goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner has its principal place of business in this state or employs at least 500 persons in this state.
9. Any other relevant factor specifically listed in the request for bids or proposals.

The district implemented a procurement cards (P-cards) system in September 2010. P-cards are used by campuses and administrative departments for small day to day expenditures. P-Card statements are reviewed and approved monthly by supervisors.

The Adopted Budget provides authority to expend funds for the purposes indicated and in accordance with State law, Board policy, and the district's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent or his or her designee.

Reporting to the Texas Education Agency (TEA)

The district submits its Annual Budget, student attendance information, and its end-of-year financial status through a system called Public Education Information Management System (PEIMS). Transmission dates are established by TEA. The PEIMS system collects the same types of information from all Texas public schools, processes them and provides to end users a rich data base of information for benchmark comparison purposes and/or for any other statistical analysis research works.

Budget Policies & Development Procedures

State Requirements

Sections 44.002 through 44.006 of the Texas Education Code establish the legal basis for budget development in School districts. The following items summarize the legal requirements of the code:

- The Superintendent is the budget officer for the district and prepares or causes the budget to be prepared.
- The district budget must be prepared by a date set by the State Board of Education, currently June 30. In order for the budget to be adopted by the Board of Trustees, the district budget must be prepared by June 20.
- The President of the Board of Trustees must call a public meeting of the Board of Trustees, giving ten days public notice in a newspaper, for the adoption of the district budget. Any taxpayer in the district may be present and participate in the meeting.
- Concurrently with the publication of notice of the budget, the district must post a summary of the proposed budget on its website. The summary of the budget is presented in the following function areas:
 - Instruction – functions 11, 12, 13
 - Instructional Support- functions 21, 23, 31, 32, 33, 36
 - Central Administration – function 41
 - District Operations – functions 34, 35, 51, 52, 53

The budget document of the district complied with all the above requirements.

Legal Requirements

Legal requirements are formulated by the State, TEA and the local district. Additional requirements from TEA include:

- The budget must be adopted by the Board of Trustees, inclusive of amendments, no later than June 30.
- Minutes from the district Board Meetings will be used by TEA to record adoptions of and amendments to the budget.

- Budgets for the General Fund, the Food Service Fund (whether accounted for in the General Fund, Special Revenue Fund, or Enterprise Fund), and the Debt Service Fund must be included in the official district budget. These budgets must be prepared and approved, at least at the fund and function levels, to comply with the State’s legal level of control mandates.
- The officially adopted budget, as amended, must be filed with TEA through Public Education Information Management System (PEIMS) by the date prescribed in the annual system guidelines. Revenue, other sources, other uses and fund balances must be reported by fund, object, fiscal year and amount. Expenditures must be reported by fund, function, object, organization, fiscal year, program intent and amount.
- A school district must amend the Adopted Budget before exceeding a functional expenditure category, i.e., instruction, administration, etc., in the total district budget. The Annual Financial and Compliance Report should reflect the Amended Budget amounts on the schedule comparing budgeted and actual amounts. The requirement for filing the amended budget with TEA is satisfied when the school district files its Annual Financial and Compliance Report.

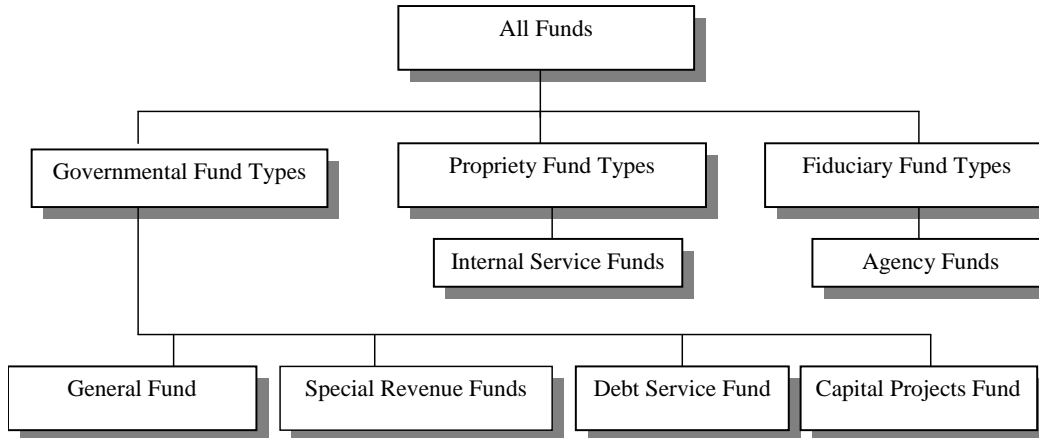
Budget Analysis

Governmental Funds

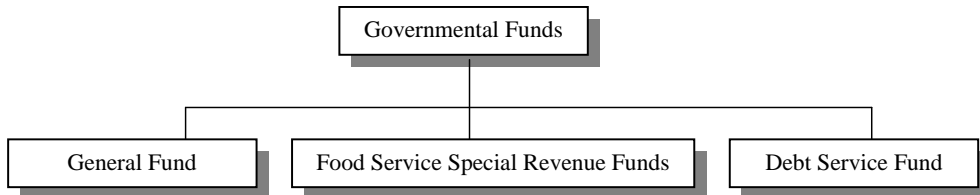
AISD’s budget is organized in the following fund categories:

- The **General Fund** pays for salaries and benefits, classroom resources, campus cleaning and landscaping, transporting students, paying utility bills, providing clerical and administrative support— all the things schools and support centers need to operate on a daily basis.
- The **Food Service Fund** pays for the operation of the district’s food service program.
- The **Debt Service Fund** pays the debt on bonds previously approved by district voters for building construction and renovation.

Fund Structure Diagram



OFFICIALLY ADOPTED FUNDS (See Note 1)

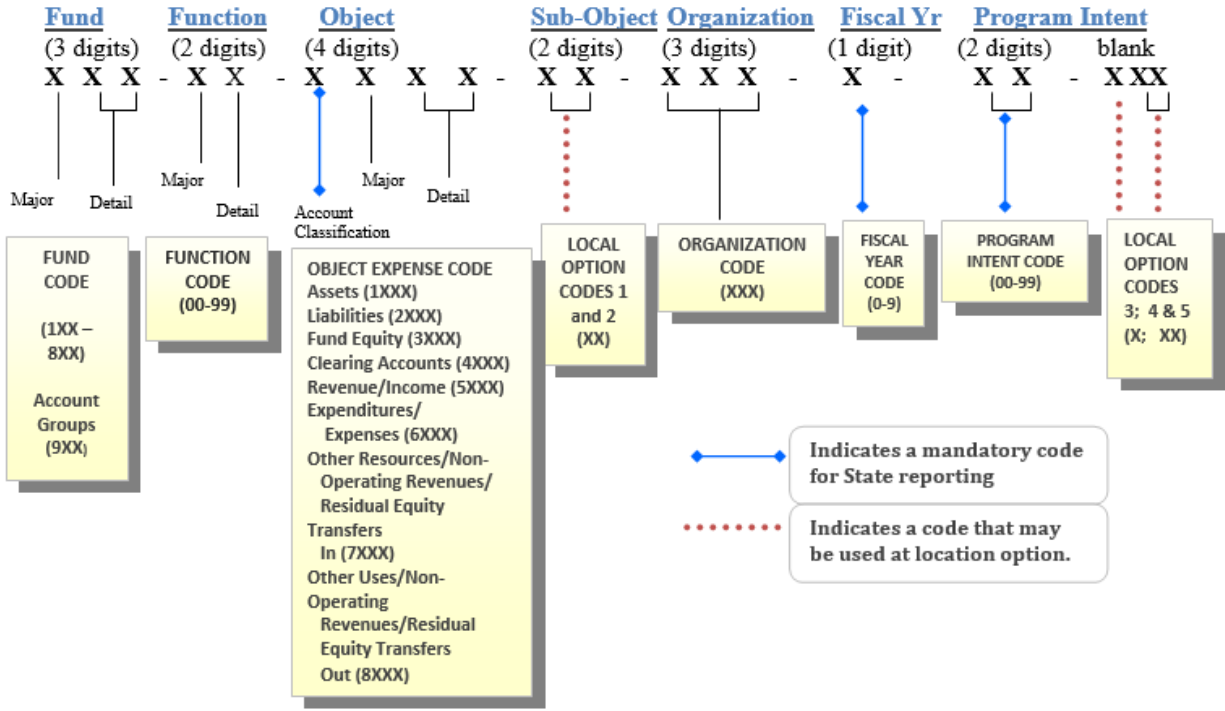


Note 1: The audited financial statements of the School District include all funds as shown in the “All Funds” structure Diagram above. However, the Texas Education Agency requires only the adoption of the General Fund, Food Service Special Revenue Funds, and Debt Service Fund in June.

Account Code Structure

Austin ISD adopts a standardized accounting system as required by Texas Education Code, section 44.007, which meets all requirements prescribed by the State Board of Education and conforms to Generally Accepted Accounting Principles (GAAP). The code structure includes a twenty-digit account code. Although certain codes within the overview are used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are uniformly used by all school districts in accordance with Generally Accepted Accounting Principles.

Table 25
Austin Independent School District
The Code Structure



Fund Codes

Fund Codes	Long Description	TEA Required/Optional
General Fund		
161	Athletics	O
162	Medicaid	O
163	High School Allotment	O
164	Career & Technology (CATE)	O
199	General Fund	R

Fund Codes (continued)

Fund Codes	Long Description	TEA Required/ Optional	Fund Codes	Long Description	TEA Required/ Optional
Special Revenue Funds			27C	P-Tech and ICIA Plan/Success	
203	Child Care Development		28R	Title VI-A, Summer School LEP	O
204	Title IV-Safe-Drug Free/SLP		289	Title IV, Part A, Sub-Part 1	
205	Head Start/Child Inc	R	24C	Not Active	
206	Title III-B Homeless Children	R	28H	Crisis Intervention Training Certificat	O
211	Title I-Part A	R	28H C1	Victims of Crime	
28A	Title I Transf Zone Planning & Implem .8A00		28K	Texas Literacy Initiative	
28A	Title I Transf Fund Implementation .8AC1		315	SSA-IDEA-B Discretionary Deaf	R
28A	Title I Transformation Fund Planning .8AC2		316	SSA-IDEA-B Deaf Not Active	R
215	Title I-Part D	R	317	SSA-IDEA-B Preschool Deaf Not A	R
217	Title I-Priority & Focus	O	340	SSA-IDEA-C Early Intv Deaf	R
220	Literacy Civics Education	O	385	Visually Impaired	R
223	Temp Assistance for Needy Familie	R	392	Non-Ed Community Based Supp	R
224	IDEA-B Formula	R	393	Texas Successful Schools Prog	
225	IDEA-B Preschool	R	394	Student Parent Grant	
226	IDEA-B High Cost Risk Pool		395	Comprehensive Development Guide	
240	Food Service	R	397	Advanced Placement-APIB	
242	FS Summer Feeding Program	R	410	State Textbook Fund	R
244	Voc Ed- Basic Grant	R	42L	TX Educ Excellence Award	O
24B	CTE Makeover Challenge		425	TWC Apprenticeship	O
24D	2017-18 Perkins Career Clusters		428	High School Allotment-H B 1	O
255	T.II-A Teacher/Principal Training	O	429	Read To Succeed	R
258	Public Charter Schools	R	42B	Tx Dept of Agric. Expanding 3Es Grant	
26A	Title III-Part A-Immigrant		42C	Texas Commission of Arts	
263	Title III-A LEP Eng Lang Acquist &	R	42I	UT Support-7th Graders	
26B	Title III-A ELA C60Unaccompanied Children		42K	UT TX Consort for Make Students of Color	
265	21st Century Comm Lrng Center	R	42M	TEA Stipends	O
272	TX Schl-Linked/Medicaid Admin		42W	JJ&D Prevention CARY	
282	Gear Up		483	Security Services	
289	TX Title I Priority Sch Grant Prog (T	O	000	PreK Grant (.00PK)	
28V	Title V-Refugee Entrant Asst	O	000	Industry Cluster, PTECH & ICIA (.00CJ)	
28B	UT-Federal Workstudy	O	435	State Deaf-RDSPD	R
28C	TX Dept Transportation	O	459	Serve Students with Dyslexia	
28L	Teen Prnt ChildCare-HHSD	O	461	Princ & Adm Activity Fund	R
285	American Indian Educ Proj		479	Permanent Fund	R
28E	TX Literacy Initiative	O	480	Accounting Adj Only	
28G	Natl Endowment for Arts	O	482	Soc Emotional Lrng/Ben Willie	O
28J	AmeriCorps Currently not in use	O	498	Winkler Foundation	O
28M	USDE-Creative Lrng Proj	O	48E	Tides Foundation - Google Environ I	O
28N	Teacher Incentive (TIF) Effective RE	O	48R	Andy Roddick Foundation	O
28P	Education, Innovation & Res-US Dept Res		48S	ACF-Creative Classroom (MINDPOI	O
28S	Inst of Museum & Libr Svcs IMLS	O	48Z	Hogg Foundation	O
27A	2016-18 Industry Cluster (7ACJ)		49F	H-E-B Excellence in Teaching	O
27B	2016-18 Industry Cluster (7BCJ)		49Q	City of Austin	O

Fund Codes (continued)

Fund Codes	Long Description	TEA Required/Optional
2013 Bond Program		
643	2013 Bond Program	O
2017 Bond Program		
644	2017 Bond Program	
2015 Bond Program		
651	Qualified School Construction Bond (2015)	O
Enterprise Fund		
717	Child Care Program	O
719	Pre-K Tuition	O
720	Third Base Program	O
722	Food Service Concessions	O
Internal Service Fund (Not Reported to PEIMS)		
752	Print Shop & Reproduction	R
753	Workers Comp Self Insurance	R
75A	Health Self-Insurance Fnd	O
75B	Health Self-Insurance Fnd	O
75D	Dental Self-Insurance Fnd	O
771	District Police	O
772	Laundry Service-Clifton	O
Fiduciary Fund Types		
805	Barbara Jordan Memorial	O
806	Expendable Trust	O
821	Partnering Contributions	O
826	Youth Orchestra	O
Trust Funds-Non Expendable		
836	Non-Expendable Trust	O
Agency Funds		
865	Student Activity Fund	R
876	GAATN	O
878	Employee Assistance Prog	O

Function Codes

11 Instruction

This function is used for activities that deal directly with the interaction between teachers and students in a school classroom, in other locations such as a home or hospital, and in other learning situations. It may also be provided through some other approved medium such as television, radio, telephone, telecommunications, multimedia and correspondence. This function includes expenditures/expenses for direct classroom instruction and other activities that deliver enhance or direct the delivery of learning situations to students.

12 Instructional Resources & Media Services

This function is used for expenditures/expenses that are directly and exclusively used for resource centers, establishing and maintaining libraries and other major facilities dealing with education resources and media.

13 Curriculum Development and Instructional Staff Development

This function is used for expenditures/expenses that are directly and exclusively used to aid instructional staff in planning, developing and evaluating the process of providing learning experiences for students. Expenditures and expenses include in-service training and other staff development for instructional or instructional-related personnel. This function also includes expenditures and expenses related to research and development of new or modified instructional methods, techniques, procedures, services, etc.

21 Instructional Leadership

This function is used for expenditures or expenses that are directly used for managing, directing,

supervising and providing leadership for staff who provide general and special instructional services.

23 School Leadership

This function is used for expenditures and/or expenses that are used to direct and manage a school campus. They include the activities performed by the principal, assistant principals, and other assistants while they –

- Supervise all operations of the campus.
- Evaluate staff members of the campus.
- Assign duties to staff members.
- Maintain the records of students on the campus.

31 Guidance, Counseling & Evaluation Services

This function is used for expenditures/expenses that are directly and exclusively used for assessing and testing students' abilities, aptitudes and interests; counseling students with respect to career and educational opportunities and helping them establish realistic goals. This function includes cost of psychological services, identification of individual characteristics, testing, educational counseling, student evaluation and occupational counseling.

32 Social Work Services

This function is used for expenditures and/or expenses that are directly and exclusively used for activities such as:

- Investigating and diagnosing student social needs arising out of the home, school or community.
- Casework and group work services for the child, parent or both.
- Interpreting the social needs of students for other staff members.

Function Codes (continued)

- Promoting modifications of the circumstances surrounding the individual students which are related to his or her social needs. This includes referrals to and interaction with other governmental agencies.

33 Health Services

This function is used for expenditures/expenses that are directly and exclusively used for providing physical health service to students. This includes activities that provide students with appropriate medical, dental and nursing services.

34 Student Transportation

This function is used for expenditures / expenses that are incurred for transporting students to and from school. Expenditures / expenses for regular bus routes to and from school are to be recorded using program intent code 99 (undistributed) or organization code 998 (unallocated, local option). Expenditures/expenses for transportation specially and exclusively for purposes of transporting students relating to enhanced program intents such as Career and Technical and Services to Students with Disabilities (Special Education), etc., are to be recorded in function 34 with the appropriate program intent codes.

35 Food Services

This function is used for food service operation expenditures/expenses, including the cost of food, labor, and other expenditures / expenses necessary for the preparation, transportation and storage of food to provide to students and staff. Expenditures / expenses are used directly and exclusively for supervision and maintenance of a food service operation.

36 Extracurricular Activities

This function is used for expenditures / expenses for school-sponsored activities outside of the school day. These activities are generally designed to provide students with experiences such as motivation and the enjoyment and improvement of skills in either a competitive or noncompetitive setting. Extracurricular activities include athletics and other activities that normally involve competition between schools (and frequently involve offsetting gate receipts or fees such as football, baseball, volleyball, track and tennis). Other kinds of related activities are included (such as drill teams, pep squad and cheerleading, University Interscholastic League competition such as one-act plays, speech, debate, band, Future Farmers of America (FFA), National Honor Society, etc.).

41 General Administration

This function is for expenditures / expenses that are for purposes of managing or governing the school district as an overall entity. This function covers multiple activities that are not directly and exclusively used for cost applicable to specific functions. General Administration is an indirect cost applicable to other expenditure functions of a School District.

51 Facilities Maintenance and Operations

This function is used for expenditures and/or expenses for activities to keep the facilities and grounds open, clean, comfortable and in effective working condition and state of repair, and insured. This function is used to record expenditures/expenses for the maintenance and operations of the physical facilities and grounds. This function also includes expenditures / expenses associated with warehousing and receiving services.

Function Codes (continued)

52 Security and Monitoring Services

This function is used for expenditures and expenses that are for activities to keep student and staff surroundings safe, whether in transit to or from school, on a campus or participating in school-sponsored events at another location.

53 Data Processing Services

This function is for expenditures and expenses for data processing services, whether in-house or contracted. Examples of function 53 costs are costs for computer facility management; computer processing; system development; analysis of workflows, processes and requirements; coding, testing, debugging and documentation; system integration; design of applications; maintenance of programs and networks; and those interfacing costs associated with general types of technical assistance to data users. Specific types of applications include student account, financial account, and human resources/personnel. Personal computers that are stand alone are to be charged to the appropriate function. Peripherals including terminal and printers are to be charged to the appropriate minicomputers, servers, and networked or stand alone microcomputers that provide services to multiple functions are to be recorded here.

61 Community Services

This function is used for expenditures that are for activities or purposes other than regular public education and adult basic education services. These types of expenditures are used for services or activities relating to the whole community. This includes providing resources to non-public schools, institutions of higher education, and any proprietary types of services incurred for outside entities in the community.

71 Debt Service

This function is used for expenditures that are for the payment of debt principals and interests.

81 Facilities Acquisition & Construction

This function is used by School Districts for expenditures that are for acquiring, equipping, and/or making additions to real property and sites, including lease and capital lease transactions.

91 Contracted Instructional Services Between Public Schools

This function code is used for the following types of expenditures:

- Providing financial resources for services in another public school through a contract for education of nonresident students under Subchapter E, Chapter 41, TEC.
- Purchasing attendance credits from the State under subchapter D, Chapter 41, TEC.

93 Payments to Fiscal Agent/Member Districts of Shared Service Arrangements

This function code is used for the following types of expenditures:

- Payments from a member district to a fiscal agent of a shared service arrangement; or,
- Payments from a fiscal agent to a member district of a shared service arrangement.

99 Other Intergovernmental Charges

This function is used to report administrative functions not required to be reported in Function 41- General Administration. The fees for property appraisal and tax collection are paid from this function.

Revenue Object Codes

O=Optional
R=Required

Local	Object Description
5711	R Taxes- Current Year Levy
5712	R Taxes- Prior Years
5716	O Local Indirect Cost
5719	R Penalty & Interest- Other Tax Revenues
5739	R Tuition & Fees from Local Services
5742	R Earnings from Temporary Deposits and Investments
5743	R Rent Revenues
5744	R Foundations, Gifts and Bequests
5745	R Insurance Recovery
5748	O Revenue from City, County, Higher Education Food Service Fund- Prepaid Meals
5749	R Other Revenues from Local Sources
5751	R Food Service Activity
5752	R Athletic Activities
5754	R Interfund Service Provided and Used Interfund Transactions
5755	R Enterprising Services Revenue
5769	R Misc Rev from Intermediate Srcs
State	Object Description
5811	R Per Capita Apportionment
5812	R Foundation School Program
5816	O State Indirect Costs
5817	O PY State Rev Adjustments
5819	R Other Foundation School Program Act Revenues
5829	R State Program Revenue distributed by Texas Education Agency
5831	R TRS on Behalf Payment
5839	R State of Texas Government Agencies other than TEA
Federal	Object Description
5916	O Federal Indirect Costs
5919	R Federal Revenues Distributed Through Government Entities Other than State or Federal Agencies
5921	R School Breakfast Program
5922	R National School Lunch Program
5923	R USDA Donated Commodities
5927	O After School Snack Program
5929	R Federal Revenue Distributed by the Texas Education Agency
5931	R School Health & Related Services (SHARS)
5932	R Medicaid Administrative Claiming Program (MAC)
5939	R Federal Revenues Distributed by State of Texas Gov. Agencies other than Texas Education Agency
5946	O Building America Bond Subsidy
5949	R Federal Revenues Distributed Directly From Fed. Shared Service Arrangement-Federal Revenues from Fiscal
5952	R Agent

Expenditure Object Codes

O=Optional

R=Required

6100	Payroll Costs	
6112	R	Substitute Teachers
6116	O	Substitute for Other Professionals
6117	O	Career Ladder
6118	O	Extra Duty/Signing Bonus Pay
6119	R	Professional Salaries
6121	R	Extra Duty/Overtime
6122	R	Subs for Support Personnel
6125	O	Part-Time Hourly
6129	R	Salaries for Support Personnel
6139	R	Employee Allowance
6141	R	Social Security/Medicare
6142	R	Group Health & Life Insurance
6143	R	Wk's Comp
6144	R	TRS On Behalf Payments
6145	R	Unemp Comp
6146	R	Teacher Retirement
6148	O	Salary Adjustments
6149	R	Other Employee Benefits
6200	Professional & Contracted Services	
6211	R	Legal Services
6212	R	Audit Services
6213	R	Tax Appraisal & Collection
6219	R	Professional Services
6221	R	Staff Tuition & Fees-Higher Education
6222	R	Student Tuition-Public Schools
6223	R	Student Tuition-Other than Public School
6224	R	Student Attendance Credits
6229	R	Other Tuition & Transfer Payments
6239	R	Education Service Center Services
6244	O	Maint: Furniture & Equipment
6245	O	Maint: Vehicles
6246	O	Maint: Bldg & Grounds
6247	O	Design Fees
6249	R	Equipment Maintenance Repairs
6255	O	Water, Wastewater, Sanitation
6256	O	Telephone, Telecom, Cell Phone
6257	O	Electricity
6258	O	Gas & Other Fuels

Expenditure Object Codes (continued)

O=Optional

R=Required

6200	Professional & Contracted Services (Cont.)	
6259	R	Other Utilities
6264	O	Rental: Furniture & Equipment
6265	O	Copier Rental
6267	O	Rental: Land & Buildings
6269	R	Rental: All Others
6291	R	Consulting Services
6294	O	Cont Srvs-Portable Bldg
6295	O	Contract-Metro/Harris Transp
6298	O	Miscellaneous Contracted Srvcs
6299	R	Reproduction Services
6300	Supplies & Materials	
-	-	-
6311	R	Gasoline & Other Fuels
6315	O	Vehicle Supplies
6319	R	Custodial/Maint Supplies
6321	R	Textbooks
6329	R	Reading Materials including Library Books
6339	R	Testing Materials
6341	R	Food
6342	R	Non Food
6343	R	Item for Sale
6344	R	USDA Donated Commodities
6349	R	Other Food Service Supplies
6395	O	Portable Tech Related < \$300
6396	O	Computer Related Equipment >\$300 & <\$5000 per unit
6397	O	Software
6398	O	Equipment & Furniture < \$5000 per unit
6399	R	General Supplies
6400	Other Operating Costs	
6411	R	Employee Travel (including In-District and Out-of-District)
6412	R	Student Meals/Room/Other
6413	R	Stipends- Non Employees
6419	R	Non-Employee Travel Expense
6429	R	Insurance & Bonding costs
6439	R	Election Costs

Expenditure Object Codes (continued)

O=Optional
R=Required

6400		Other Operating Costs (Cont.)
6449	R	Depreciation Expense
6491	R	Payments from Successor-in-Interest
6492	R	Payments to Fiscal Agents of SSA
6493	R	Payments to Member Districts of SSA
6494	R	Field Trips-Transportation
6495	R	Professional Dues
6496	O	Route Reimbursement
6497	O	Food/Refreshment
6498	O	Field Trip Reimbursement
6499	R	Misc Operating Expenses
6500		Debt Service
6511	R	Bond Principal
6512	R	Capital Lease Principal
6513	R	Long Term Debt Principal
6519	R	Other Debt Principal
6521	R	Interest on Bonds
6522	R	Interest on Captial Lease
6523	R	Interest on Debt
6529	R	Other Interest
6599	R	Other Debt Service Fees
6600		Capital Outlay
6615	O	Land Improvement
6616	O	Land Fees-Other
6619	R	Land Purchase
6624	O	Engineering Fees
6625	O	Building Improvements
6626	O	Geotech Testing
6627	O	City and County Fees
6629	R	Other Costs To Bldg Purchase
6631	R	Vehicles
6635	O	Furniture
6639	R	Equipment > \$5000 Per Unit
6649	O	Capital Assets - Groupings > \$4,999
6651	R	Capital Lease-Buildings
6659	R	Capital Lease-Furniture & Equipment
6669	R	Library Books and Media >\$5,000 per unit

The Texas Education Agency (TEA) publishes the *Financial Accountability System Resource Guide (FASRG)* that captures accounting guidelines for school districts throughout the state. At the time of this publication, Version 15.0 was the latest version of the FASRG. Here is a [link](#) to all the Modules of the FASRG publication. Detailed descriptions of revenues and expenses can be found under “Module 1 Financial Accounting and Reporting (FAR)”.

Table 26
Austin Independent School District
Function/Program Intent Code Matrix

199.12.6119.00.002.6.99.0.00

Function Codes	Program Intent Codes									
	11 Instruction	21 Gifted & Talented	22 Career & Technology	23 Special Education	24 Accelerated Learning	25 ESL Bilingual	30 State Comp Ed	31 High School Allotment	32, 33, 34,35 Pre-K	99 Undistributed
11 Instructional Related Service	★	★	★	★	★	★	★	★	★	
12 Instructional Resources & Media Services				★	★	★	★		★	★
13 Instructional Staff Development		★	★	★	★	★	★	★	★	★
21 Instructional Leadership		★	★	★	★	★		★	★	★
23 School Leadership		★	★	★	★	★	★	★	★	★
31 Guidance Counseling & Evaluation		★	★	★	★	★	★	★	★	★
32 Social Work Services				★	★			★	★	★
33 Health Services				★	★	★			★	★
34 Transportation		★	★	★	★	★	★	★	★	★
35 Student Nutrition										★
36 Co-Curricular Extracurricular Activities		★	★	★	★	★			★	★
41-99 All Others		★	★	★	★	★	★	★	★	★

Significant Financial Policies & Procedures

Measurement Focus – The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Fund type financial statements. All Governmental Funds are accounted for “spending” or “financial flow” measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance of Governmental Funds is considered a measure of “available spendable resources”. The Fiduciary Fund financial statement does not have a measurement focus.

Cash Management – Developing an effective cash management program can provide the district with additional revenues to fund essential programs and operations. Maximizing the return on invested funds, while ensuring the safety and liquidity of investments, has become a high priority for the district. Effective cash management programs:

- Are based on a comprehensive written investment policy approved by the Board.
- Satisfy cash flow requirements.
- Ensure the preservation and safety of principal.
- Provide for liquidity and diversification.
- Maximize investment returns by minimizing cash balances and investing all available resources.

The Board of Trustees adopted an investment policy (CDA-Legal) regarding investment of funds as defined by the Public Fund Investment Act. This policy authorizes the district to invest any and all of its funds in



fully collateralized certificates of deposit, direct debt securities of the United States of America or the State of Texas, other obligations the principal and interest on which are unconditionally guaranteed by the State of Texas or the United States, fully collateralized direct repurchase agreements, bankers’ acceptances, local government investment pools, money market mutual funds, and other investments specifically allowed by Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) and Sections 23.80 and 20.42 of the Texas Education Code. The district

accrues interest on temporary investments based on the terms and effective interest rates of the specific investments. The district’s policy is to report all highly liquid debt instruments, such as local government investment pools, treasury and agency obligations, with a remaining maturity of one year or less at the time of purchase, at amortized cost and all other investments at fair value.

Debt Management – For the past decade and in the foreseeable future, the district has and will continue to undertake bond elections authorizing the issuance of additional debt. The district receives a credit enhanced bond rating of AAA for its bonds that are guaranteed by the State of Texas Permanent School Fund (PSF). The district’s underlying ratings are: Moody’s (Aaa), Standard & Poor’s (AA+), and Fitch (AA+). A third-party financial advisor is employed to assist the district in managing its debt portfolio.

AISD Debt management policy is a written guideline that affects the type of debt issued by the district, the issuance process and the management of the district’s debt portfolio. The goal of the debt

management policy is to improve the quality of decisions, provide justification for the structure of debt issuance, identify policy goals and demonstrate a commitment to long-term financial planning. Adherence to a debt management policy signals to rating agencies and the capital markets that AISD is well managed and can be expected to meet its obligations in a timely manner.

In order to minimize the tax impact, negative arbitrage, and reduce overall borrowing costs associated with the financing of projects authorized by its bond elections, the district established a commercial paper program in July 2005. While numerous other Texas government entities have established commercial paper programs over the years, this program was new for school districts in Texas. The district utilizes its commercial paper programs to reduce its ongoing costs of capital projects and to provide interim financing during the construction periods for projects. When the district nears its commercial paper capacity it issues refunding bonds to refund a long-term basis the interim financing provided by the commercial paper. Commercial paper is a short-term note with maturities ranging from 1 day to 270 days.

Objectives of Budgeting - A budget is considered balanced when the revenues and other resources that are generated to finance the budget equal its estimated expenditures and other uses.

Performance evaluation allows citizens and taxpayers to hold policy makers and administrators accountable for their actions. Because accountability to citizens often is stated explicitly in State laws and constitutions, it is considered a cornerstone of budgeting and financial reporting. The Governmental Accounting Standard Board (GASB) recognizes its importance with these objectives in its *GASB Concepts Statement No. 1*:

- Financial reporting should provide information to determine whether current-year revenues were sufficient to pay for current-year services.
- Financial reporting should demonstrate whether resources were obtained and used in accordance with the entity's legally adopted budget. It should also demonstrate compliance with other finance-related legal or contractual requirements.
- Financial reporting should provide information to assist users in assessing the service efforts, costs and accomplishments of the governmental entity.

Meeting these objectives requires budget preparation to include several concepts recognizing accountability. Often these concepts have been mandated for State and local public sector budgets. They include requirements that budgets should:

- Be balanced so that current revenues are sufficient to pay for current services.
- Be prepared in accordance with all applicable federal, state, and local legal mandates and requirements.
- Provide a basis for the evaluation of a government's service efforts, costs and accomplishments.



Although the objective of balanced budgets is generally applicable to the district to ensure long-term fiscal health, the Board of Trustees allows variations of this objective over short-term periods from time to time. For example, the balanced budget objective may be met through the use of fund balance reserves to pay for current services during certain school years. Such uses of fund balance reserves must be in accordance with applicable state and local fund balance policies.

Fund Balance Reserves

Reserves have been established in the Governmental Funds financial statements to indicate that a portion of the fund balance is not available for appropriation for expenditure, or is legally segregated for a specific future use. Designations of fund equity are the representations of management for the utilization of financial resources in future periods.



The Board has established a policy that requires the district to maintain a minimum of 20 percent of operating expenditures in its General Fund balance.

Fund balance is the net difference between the assets and liabilities of a fund. In much the same way as a homeowner maintains a savings account for unexpected emergencies, having a healthy fund balance enables the district to cover operating costs during low cash periods.

Further, the district saves millions of dollars as a result of securing lower interest rates through strong bond ratings. Ensuring an adequate reserve level is essential to maintaining high bond ratings and supporting unplanned needs and emergencies. AISD will continue to maintain a prudent reserve of at least 20 percent of operating expenditures to ensure sound fiscal health.

In FY2012, the district implemented the new requirement from GASB 54 to divide the fund balances into five different categories, including non-spendable, restricted, committed, assigned and unassigned.

- General Fund - The district has determined its priority to maintain the General Fund's fund balance at a level not less than 20 percent of the budgeted expenditures of the district General Fund. The Texas Education Agency has a rule to compute the optimum unassigned fund balance equal to the estimated amount to cover cash flow deficits in the General Fund for the fall period in the following fiscal year, plus estimated average monthly cash disbursements of the General Fund for the nine months following the fiscal year. An appropriate fund balance level is one of the measurements for the School First (Financial Integrity Rating System of Texas) program required for all school districts in the State.
- Food Service – The district maintains a sufficient fund balance to cover three months of average expenditures for the Food Service operations. In the FY2019 school year, expenditures exceed revenue by \$240,000.
- Debt Service Fund – The district maintains a sufficient fund balance to cover the upcoming obligations on the required payment date. In the FY2019 school year, the revenue and expenditures are projected to be equal. The district projects no change to the fund balance.

Risk Management

The district's risk management program encompasses various means of protecting the district against losses. Various risks of loss include those related to torts, theft, damage, destruction of assets, business interruption, errors and omissions, injuries to employees, and disasters.

- The district participates in the Texas Association of School Boards' Risk Management Fund self-funded risk pool program for its general liability, professional/legal liability and vehicle liability insurance.
- The district partners with the Texas Association of School Boards for the administration of its self-funded Workers' Compensation insurance.

- The district is self-insured up to \$600,000 per occurrence for losses related to workers' compensation and has purchased excess coverage through a commercial insurer licensed in the State of Texas.
- The district has commercial insurance for all other risks of loss.
- The district provides employee access to health, group life, disability and dental insurance as well as Cafeteria 125 deferred tax benefit options.
- The district is self-insured up to \$1,000,000 per claim for losses incurred in the health insurance program and has purchased excess coverage through a commercial insurer licensed in the State of Texas.

Independent Audit & Financial Reporting

The Texas Education Code requires that school districts are audited annually. The audit is made on an organization-wide basis and involves all fund types and account groups of the school district. The audit is also designed to meet the requirements of the Federal Single Audit Act of 1984 and the related provisions of OMB Circular A-133 "Audits of State, Local Governments and Non-Profit Organizations." Upon completion, the annual financial report is submitted to the Texas Education Agency for review. The financial report is designed to meet specific monitoring needs of the Texas Education Agency.

Financial Structure & Basis for Accounting

Governmental financial operations are regulated by various kinds of legal provisions. Other types of financial matters often are also regulated by charters, ordinances, resolutions, governing body orders, and intergovernmental grant or contract regulations.

The annual operating budget is one of the most important of all legal documents governing financial transactions. Upon Board of Trustee approval, the expenditure requests in the budget become binding appropriations that may not legally be exceeded by the school district without an amendment. Taxes and other revenue sources that finance budgeted expenditures usually require Board enactment.

An important function of governmental accounting systems is to enable administrators to assure and report on compliance with finance-related legal provisions. This assurance and reporting means that the accounting system, its terminology, fund structure and procedures must be adapted to satisfy finance related legal requirements. However, the basic financial statements of school districts should be prepared in conformity with Generally Accepted Accounting Principles (GAAP) established by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

Summary Statement of Principles of Accounting and Reporting

- **Accounting and Reporting Capabilities** – The Austin ISD accounting system is maintained in accordance with GAAP. All funds and activities are presented fairly and are fully disclosed. The district maintains its accounting system in compliance with legal and contractual provisions.
- **Fund Accounting System** – The Austin ISD accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Fund financial statements are used to report detailed information about the primary government.

- **Number of Funds** – Austin ISD maintains the number of funds necessary to carry on its functions required by law and contract. Funds comply with the properly defined code structures as established by the Texas Education Agency
- **Types of Funds** – The following types of funds are used by state and local governments, including Austin ISD:
 - **Governmental Funds**
 - **General Fund** – to account for all financial resources except those required to be accounted for in another fund.
 - **Special Revenue Funds** – to account for proceeds of specific revenue sources (other than trust for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditures for specific purposes. The Food Services Fund is classified as a Special Revenue Fund.
 - **Debt Service Funds** – to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt Service Funds are required if they are legally mandated and/or if financial resources are being accumulated for principal and interest payments maturing in future years.
 - **Capital Projects Funds** – to account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed by Proprietary Funds or in Trust Funds for individuals, private organizations, or other governments). Capital outlay financed from general obligation bond proceeds should be accounted for through a Capital Projects Fund.
 - **Proprietary Funds**
 - **Enterprise Funds** – to report any activity for which a fee is charged to external users for goods or services. Activities are required to be reported as Enterprise Funds if any one of the following criteria is met.
 - a.) The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity. Debt that is secured by a pledge of net revenues from fees and charges and the full faith and credit of a related primary government or component unit – even if that government is not expected to make any payments – is not payable solely from fees and charges of the activity.
 - b.) Laws or regulations require that the activity's costs of providing services, including capital costs be recovered with fees and charges, rather than with taxes or similar revenues.
 - c.) The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).
 - **Internal Service Funds** – to report any activity that provides goods or services to other funds, departments or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis. Internal Service Funds should be used only if the reporting government is the predominant participant in the activity. Otherwise, the activity should be reported as an Enterprise Fund.

- **Fiduciary Funds** - To account for assets held by the district in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Trust and Agency Funds therefore cannot be used to support the district's own programs.
- **Reporting Capital Assets** - A clear distinction has been made between general capital assets and capital assets of Proprietary and Fiduciary Funds. Capital assets of Proprietary Funds are reported in both the government-wide and fund financial statements. Capital assets of Fiduciary Funds are reported only in the statement of fiduciary net assets. All other capital assets of the governmental unit are general capital assets. They are not reported as assets in Governmental Funds but reported in the governmental activities column in the government-wide statement of net assets.
- **Depreciation of Capital Assets** – Capital assets are depreciated over their estimated useful life unless they are either inexhaustible or are infrastructure assets using the modified approach. Inexhaustible assets such as land and land improvements are not depreciated. Depreciation expenses are reported in the government-wide statement of activities; the Proprietary Fund statement of revenues, expenditures and changes in fund net assets; and the statement of changes in fiduciary new assets.

Buildings and furniture and equipment of the district are depreciated using the straight-line method over the following estimated useful lives:

<u>ITEMS</u>	<u>YEARS</u>
Building and site improvements	30
Furniture and equipment	5-10
Vehicles	5-7
Property under capital leases	10
Buses	8-10
Computer software and equipment	3-7
Portable buildings`	10

- **Valuation of Capital Assets** – Capital assets are reported at historical cost. The cost of a capital asset includes ancillary charges necessary to place the asset into its intended location and condition for use. Donated capital assets are recorded at their estimated fair value at the time of acquisition plus ancillary changes, if any.
- **Reporting Long-Term Liabilities** – A clear distinction is made between fund long-term liabilities and general long-term liabilities. Long-term liabilities directly related to and expected to be paid from Proprietary Funds are reported in the Proprietary Fund statement of net assets and in the government-wide statement of net assets. Long-term liabilities directly related to and expected to be paid from Fiduciary Funds are reported in the statement of fiduciary net assets. All other un-matured general long-term liabilities of the governmental entity are not reported in the Governmental Funds but reported in the governmental activities column in the government-wide statement of net assets.

- **Accrual Basis in Governmental Accounting** – The modified accrual basis of accounting or accrual basis of accounting, as appropriate, is utilized in measuring financial position and operating results.
 - Governmental Fund revenues and expenditures are recognized on the modified accrual basis. Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except of un-matured interest on general long-term debt, which is recognized when due.
 - Fiduciary Funds are reported using the economic resources measurement focus and the accrual basis of accounting, except for recognition of certain liabilities of defined benefit pension plans and certain post employment healthcare plans.
 - Proprietary Fund statements include net assets, revenues, expenses and changes in fund net assets and are recognized on the accrual basis. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable.
 - Transfer should be recognized in the accounting period in which the inter-fund receivable and payable arise.
- **Fiscal Year** – The district’s fiscal year begins July 1 and ends June 30.
- **Common Terminology and Classification** - A common terminology and classification is used consistently throughout the budget, the accounts and the financial reports of each fund or activity.
- **Budgetary Control and Budgetary Reporting** –
 - An annual budget is adopted by Austin ISD Board of Trustees.
 - The accounting system provides the basis for appropriate budgetary control.
 - Budgetary comparison schedules are presented as required supplementary information for the General Fund and for each major Special Revenue Fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the government’s budgetary basis.
- **Transfer, Revenue, Expenditure, and Expense Account Classification** – Transfers are classified separately from revenues and expenditures or expenses in the basic financial statements.
 - The statement of activities presents the district’s activities at least at the level of detail required in the Governmental Fund statement of revenues, expenditures and changes in fund balances-at a minimum by function. The district presents business-type activities at least by different identifiable activities.
 - Governmental Fund revenues are classified by fund and source. Expenditures are classified by fund and source. Expenditures are classified by fund, function (or program), organization unit, activity, character, and principal classes of objects.
 - Proprietary Fund revenues are reported by major sources, and expenses are classified in essentially the same manner as those of similar business organizations, functions or activities.
 - Proceeds of general long-term debt issues are classified separately from revenues and expenditures in the Governmental Fund financial statements.

- Transfers are classified separately from revenues and expenditures or expenses in the basic financial statements.
- **Annual Financial Reports**
 - Appropriate interim financial statements and reports of financial position, operating results, and other pertinent information are prepared to facilitate management control of financial operations, legislative oversight, and, where necessary or desired, for external reporting purposes.
 - An annual financial report is prepared and published, covering all funds and activities of Austin ISD. The report includes an introductory section, the Management’s Discussion and Analysis (MD&A), basic financial statements, required supplementary information other than MD&A, combining and individual fund statements, schedules, narrative explanations, and statistics.
 - The minimum requirements for MD&A, basic financial statements, and required supplementary information other than MD&A are:
 - Management’s Discussion and Analysis.
 - Basic financial statement, which includes:
 1. Government-wide financial statements
 2. Fund financial statements
 3. Notes to the financial statements
 - Required supplementary information other than MD&A.

Overall summary of the State mandated principles and policies are:

- **Generally Accepted Accounting Principles (GAAP)** – The Austin ISD accounting system is kept in accordance with Generally Accepted Accounting Principles and presents fairly and with full disclosure the funds and activities and results of financial operations in such a manner to determine and demonstrate compliance with finance-related legal and contractual provisions. Whenever conflicts exist between legal requirements and Generally Accepted Accounting Principles, the financial statements are prepared in conformity with *Generally Accepted Accounting Principles*, and additional schedules and/or narrative explanations are attached as necessary to satisfy or report legal compliance responsibilities and accountabilities.
- **Fund Accounting** – The accounting system is organized and operated on a fund basis. All funds of Austin ISD are accounted for and included on the end-of-year combined balance sheet. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Austin ISD maintains only the minimum number of funds required for efficient operations.
- **Central Accounting** – Accounting for funds of the Austin ISD are on an organization-wide basis covering all funds. Governmental, Proprietary and Fiduciary Fund types are the accounting responsibility of the district’s business office.
- **Uniform Classifications and Terminology** – Austin ISD uses fund codes, mandatory account classifications and terminology prescribed in the Account Code section of the *Resource Guide* from the Texas Education Agency. General ledger accounts prescribing a double entry system and distribution of related payroll expenses with payroll are uniformly used throughout the budgeting, accounting and financial reporting system.

- **Fund Equity and Other Credits** - Fund equity is comprised of investments in capital assets (other credit), and contributed capital, net assets, assigned fund balance, unassigned, non-spendable, committed and restricted fund balance.
- **Budgetary Control/Encumbrance Accounting** – The Austin ISD budget, as adopted, is recorded in the general ledger. Revenues and expenditures authorized in the budget are controlled in the accounting records and reported in the financial statements. Only the General Fund, Debt Service Fund and Food Service Fund are included in the adopted school district budget.

To control budgeted fund commitments, the accounting system employs a method of *encumbrance* accounting. Encumbrances are documented by contracts, purchase orders, or other evidence showing binding commitments for goods or services.

- Encumbrances outstanding at year end represent the estimated amount of the expenditures ultimately to result if unperformed contracts in process at year end are completed.
 - Appropriations lapse at year end. Each outstanding encumbrance is evaluated and may or may not be carried forward. Only if there is intent and legal authorization to honor them, encumbrances outstanding at year end shall be a reservation of fund balance, and the subsequent year's appropriations provide the authority to complete these transactions.
- **Budgetary Basis of Accounting** – The budgetary basis of accounting is consistently applied in budgeting, recording and reporting Foundation School Program (FSP) revenues in PEIMS information. Under the budgetary basis, earned and material FSP revenues that are collectible beyond 60 days are to be treated consistently for budgeting, recording and reporting through PEIMS and for tax rollback rate calculation purposes. The modified accrual basis of accounting is used for the Governmental Fund types.
 - **Account Alternatives** – The accounting system allows certain flexibility in the recognition of relatively minor amounts of certain revenues and expenditures. Application of alternatives in accounting methods is consistently applied from accounting period to accounting period.
 - Monies collected in advance and the property tax levy recorded in the school district's opening budget entries that will ultimately be recognized as revenues are recorded as deferred revenues and at the appropriate time are recognized as revenues of the accounting period to which they apply.
 - Inventory item of materials, supplies, etc., may be considered expenditures/expenses either when purchased (purchases method) or when used (consumption method), but significant amounts of inventory shall be reported on the balance sheet.
 - Expenditures/expenses for insurance and similar services extending over more than one accounting period are not allocated between or among accounting periods but are accounted for as expenditures/expenses of the period of acquisition.

Sustaining Local Revenue Sources

Resource Development and Partnership Support

The Office of Innovation and Development (OID) supports innovation and excellence in Austin ISD by helping to align resources to support innovative campus and district programs and facilitating the growth and development of the Austin Ed Fund, Austin ISD’s public education foundation. OID services include:

- Facilitating the development of innovative concepts, strategic proposals, and resource development strategies;
- Developing and sharing innovative programs with external partners;
- Building relationships with valued community and philanthropic partners;
- Facilitating, developing, and writing strategic funding proposals;
- Identifying and disseminating funding opportunities to support district priorities and campus needs;
- Leading donor relations and stewardship services to encourage philanthropic giving;
- Providing technical assistance and support for grant writing and grants management;
- Linking community-based service providers and partners with campuses; and
- Assisting with the process and procedures necessary to provide support services to students.

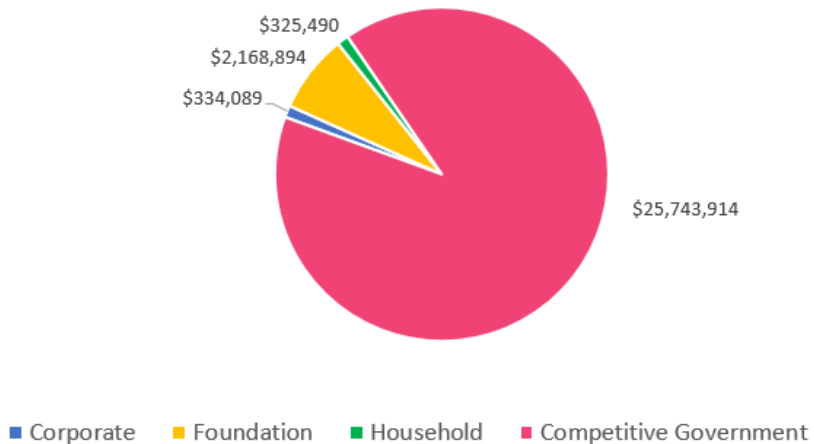
External Resource Development

Financial support from generous individuals, businesses, and philanthropic partners is critical to innovation and excellence in our public schools. Austin ISD appreciates our partners who have invested and welcomes others to join Austin ISD to create an exceptional educational experience for the over 80,000 students we serve.

In FY18 (July 1, 2017 – June 30, 2018), OID was responsible for leading and supporting the generation of more than \$28 million in philanthropic and competitive grant support made to Austin ISD and the Austin Ed Fund, Austin ISD’s 501(c)3 education foundation. Contributions and grants from these sources are not subject to recapture. Additionally, OID supports the over 140 partner organizations that have provided over \$52 million in services to Austin ISD students.

Total Donations (FY 2017-2018): \$28,627,046

Gifts by Source, FY 2018



Highlights of Competitive Federal, State/Local, and Private Foundation Grants Awarded in FY2018

Mental Health: Nearly \$5 million in other revenue sources was awarded to AISD to support the mental wellbeing of students, staff and families.

- In Fall 2017, the Criminal Justice Division (CJD) of the Governor’s Office awarded Austin ISD \$4,475,126 to fund school-based mental health centers for crime victims on 22 elementary campuses. Austin ISD was the first school district in Texas to be awarded these funds, which originate from the federal Victims of Crime Assistance Act of 1984.
- A collaborative of local funders, including LSG Charitable Foundation, the Tapestry Foundation, and the Buena Vista Foundation awarded \$92,000 annually for three years for a \$276,000 total investment to support a staff position to coordinate implementation of trust-based relational intervention (TBRI) and other brain-based, trauma-informed professional learning throughout the district.
- CJD (through the Edward Byrne Memorial Justice Assistance Grant Program) awarded the Austin ISD Police Department a \$52,417 grant to support a second year of specialized, intensive training for district police officers to sensitively and effectively handle mental health needs.

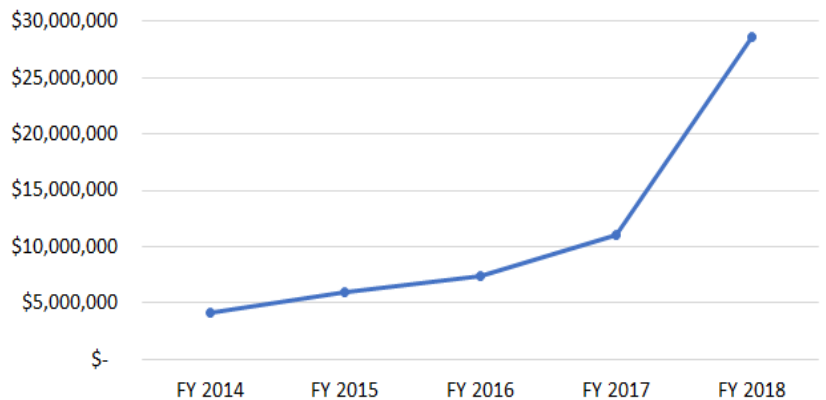
Social and Emotional Learning: Public-private partnerships have been the hallmark of Austin ISD’s successful Social and Emotional Learning (SEL) initiative over the last decade. Ongoing support from local family foundations -- Buena Vista, Klein and Tapestry -- and the St. David’s Foundation continued in FY 2018. An additional \$4.1 million was awarded from private and federal sources to support deepening SEL implementation across the district.

- In Fall 2017, Austin ISD was awarded a five-year, \$3.5M Education Innovation and Research (EIR) Early-Phase Grant from the U.S. Department of Education to support the implementation and evaluation of restorative practices at four middle schools – Burnet, Garcia, Dobie and Mendez – and six of their feeder elementary schools.
- The Powell Foundation awarded \$500,000 to expand professional learning opportunities related to SEL for principals and assistant principals district-wide.
- More than \$80,000 was contributed by Grant and Margot Thomas and their family foundation to support the expansion of Peer Assistance, Leadership and Service (PALS), a youth empowerment and cross-age peer mentoring program, in which middle and high school students mentor elementary students.

College and Career Readiness: In FY 2018, over \$14 million was secured in competitive state and federal grants that help Austin ISD to fulfill its core belief that all students will graduate college-, career- and life-ready.

- In Fall 2017, the district was awarded a GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) Partnership Grant from the U.S. Department of Education, totaling

Competitive Government, Private and Foundation Revenue, FY 2014-FY 2018



nearly \$13.8 million over seven years. The program will provide academic and related support services to a cohort of students who have been traditionally underrepresented in postsecondary education to help them to obtain a secondary school diploma and prepare for and succeed in postsecondary education.

- Two grants totaling over \$300,000 from the Texas Education Agency (TEA) supported Austin ISD's Career Launch initiative at Crockett and Lanier High Schools, which is a six-year, career-focused program providing students with real-world work experience through internships in high-demand fields connected to their classroom studies.
- In September 2017, the City of Austin donated fire-fighting equipment to LBJ High School, estimated to be valued at \$300,000.

Out-of-School Time: Thanks to a 21st Century Community Learning Centers (CCLC), Cycle 10 grant from TEA and two private foundation grants, more than \$1.6 million was awarded in FY 2018 to support out-of-school time activities in Austin ISD.

- As part of the 21st CCLC grant, services will now be provided before school, after school and during the summer at 10 elementary, middle and high schools in Austin's high-need communities.
- The KDK-Harman Foundation awarded two summer STEM camps in Austin ISD -- Camp STAARBurst at several elementary and middle schools, and the Eastside Memorial Vertical team Summer STEM and Robotics Academy.

Academics: Nearly \$1.6 million was secured in other revenue sources to support core academic practices that will lead to improved student achievement.

- In Spring 2018, Austin ISD was awarded \$1 million from TEA to implement a PK-3rd grade program at Overton Elementary to better serve students with dyslexia through the revision of the core curriculum to reflect best practices in reading attainment, evidence-based intervention, and appropriate progress monitoring that addresses not only the student's dyslexia but also comorbid conditions (e.g. dysgraphia).
- The Michael & Susan Dell Foundation selected Austin ISD in September 2017 to be part of its formative assessment practice project titled, *How I Know: Designing Meaningful Formative Assessment Practice* through a three-year, \$500,000 grant. The project is working with three urban school districts to identify, develop, and expand the key practices, tools, and procedures that teachers need to more easily and effectively implement formative assessment in their classrooms.
- In July 2017, the Qatar Foundation International awarded \$77,438 to support the district's Arabic language and culture program, including staffing at Austin High School and Burnet Middle School, curriculum writing and classroom materials.

Pre-K: Public-private partnerships have catalyzed the district's efforts to educate its youngest students. Beginning in 2014-15 with two classrooms of pre-K for three-year-olds (PK3), the district expanded to 33 classrooms in 2017-18, serving more than 1,000 children, thanks in large part to the support of local funders.

- In FY 2018, their support totaled over \$100,000, with funds from the LSG Charitable Foundation, the Tapestry Foundation, the Buena Vista Foundation, and United Way for Greater Austin being used to offset start-up costs for classrooms and a portion of the staff supporting pre-K classrooms for three-year-olds.
- In 2018, the Genevieve and Ward Orsinger Foundation awarded the district \$10,000 to provide fine arts kits for PK3 teachers to use to ensure that young children are exposed to high-quality

fine arts activities enabling the connection of sounds of spoken language to the letters of written language.

Other: OID has supported various district departments in developing and submitting competitive proposals for a range of other projects, including in the arts, technology, sponsorship, and school turnaround, totaling nearly an additional \$1 million.

- *Arts:* Austin ISD secured its second Collective Impact Grant from the National Endowment for the Arts for \$100,000 to support the implementation of the district's Creative Learning Initiative.
- *Data Integration:* In January 2018, the St. David's Foundation awarded a \$321,343 grant for Austin ISD to begin Phase 1 of building a Health Data Ecosystem for Children through the integration of data from the district Student Health Information System (SHIS) into the district's electronic Child Study Team (eCST) advanced case management system.
- *School Improvement:* Austin ISD has engaged in a multi-month, \$446,681 planning grant awarded by TEA to assess feasibility to design a Transformation Zone that groups together multiple campuses that are low-performing (priority and/or focus schools), and provide these campuses with autonomy over people, time, money, and/or academic programs.
- *Police Safety:* In January 2018, the CJD of the Governor's Office awarded Austin ISD \$41,000 to equip the district's 82 police officers with rifle-resistant body armor.
- *Sponsorship:* OID helped facilitate sponsorships for district events, including the annual Back to School Bash where over 150 community organizations and district departments provided information and activities to prepare students for a safe and successful year. Sponsors provided 4,000 backpacks of school supplies, booster seats, haircuts, eye exams and more to start the school year.
- *Sustainability:* In September 2017, Texas Disposal Systems provided funds to support a Zero Waste Specialist who will facilitate education and outreach to schools, implement composting and train staff about waste streams and sorting.

Austin Ed Fund

The Austin Ed Fund generates resources in support of Austin ISD, including serving as a 501(c)3 fiscal agent for projects aligned with district priorities including Early Childhood and Social and Emotional Learning Initiative. During its 2018 fiscal year (January-December), the Fund successfully facilitated over \$4.6 million in revenue to support Austin ISD.

Innovation and Student Opportunity Fund Grants: Beginning in 2015, Austin Ed Fund has granted nearly \$500,000 to teachers and campus teams through two grant programs: Innovation Grants and Student Opportunity Fund Grants. Open exclusively to Austin ISD teachers, Innovation Grants are designed to encourage, facilitate, recognize, and reward innovative and creative instructional approaches to the accomplishment of learning objectives. The Student Opportunity Fund provides support focused on educational enhancement for economically disadvantaged students. Several charitable foundations have supported the Ed Fund's grant programs, including the Jedel Family Foundation, Buena Vista Foundation, Klein Family Foundation, Tapestry Foundation, Applied Materials, Samsung Austin Research Development Center (SARC), Allergan Foundation, Dollar General Literacy Foundation, Bank of America Foundation, AK Reynolds Foundation, Lola Wright Foundation, OneGas Foundation, and the Webber Family Foundation. For videos highlighting several grant award winners, visit: <https://www.austinedfund.org/news/videos/>.

Endowment: Launched in 2017, Austin Ed Fund has an endowment with a current corpus of over \$150,000, thanks to generous awards from the Wells Fargo Foundation. The endowment will provide long-term sustainability for Austin Ed Fund's mission to support excellence and innovation in the district.

Inspire the Future Luncheon: Featuring the Superintendent’s annual State of the District address, the Ed Fund’s 2018 Inspire the Future Luncheon grew to 500 guests, with 107 sponsors. The 2018 luncheon nearly quadrupled day-of gifts (to 273), and raised nearly \$300,000 to support the Ed Fund. H-E-B was recognized as Platinum Sponsor, and Google and Rusty Kelley as Gold Sponsors.

Support of Campus Needs

In addition to the support offered to campuses via the Austin Ed Fund Innovation Grants and Student Opportunity Fund programs, OID helps campus staff find and secure the funding necessary to meet campus needs and goals via our online grants database (<https://www.austinisd.org/oid/grants-fundraising/grant-database>). OID works with campus staff to develop and submit proposals, brainstorm workable ideas and project development, navigate possible collaborations with other grantees, and follow up with acknowledgments for the funding partner. In FY 2018, we helped secure nearly \$150,000 in cash and in-kind grant awards for campuses for a range of projects, including musical instruments, field trips, STEM, and competition fees. For assistance, please call 512.414.4851.

Living Tree (formerly Edbacker) Campus-Based Crowdfunding Platform

Edbacker is a district-wide platform for online-giving and crowdfunding through which all Austin ISD schools can receive tax-deductible charitable contributions. Through Edbacker, campuses and PTAs raised over \$137,000 in support of unique crowdfunding campaigns for specific projects in FY 2018. District campaigns are also eligible to receive contributions. To make a gift today, visit <https://give.livingtree.com/p/austinisd>.

Partnership Support

Through partnerships, schools leverage the strengths of service providers and businesses to better address the whole child needs during and outside of the school day. In the face of budget constraints, partners add indispensable value to our students by augmenting the services Austin ISD can offer to students and families.

To date, over 140 partners have provided over \$52 million in services to Austin ISD students across the district’s 129 campuses. Services range from mental health supports to after school enrichment. Campus leaders and community organizations can learn more about services available on campuses at ysm-austin.org.

Service providers, community organizations or businesses interested in partnering with Austin ISD or needing partnership logistics can access a menu of contact points and information on the OID web site <http://www.austinisd.org/oid/partners>. The department also hosts widely publicized semi-annual partner meetings open to all service providers in order to provide updates and gain feedback from partners.

Donor and Foundation Support

There are multiple ways you can support Austin ISD or one of our schools. Please visit www.austinisd.org/oid/support-schools for more information or contact us directly at 512.414.4851.

OID and the Austin Ed Fund host Funder Roundtables for area foundations, philanthropists, and corporate funding partners where partners receive updates on funding initiatives and an overview of Austin ISD’s priorities. The events are co-hosted by The Central Texas Education Funders, Austin Corporate Impact Network, High Tech Community Partners, Austin Community Foundation, and the Austin Ed Fund.

Transportation Department

The Austin ISD’s Transportation Department’s mission “is to provide safe, reliable and professional transportation for our students; all buses have seat belts”. With nearly 23,000 students being transported daily on nearly 500 buses, the volume created two opportunities to bring in revenue.

Stop Arm Camera – Although this is a source of revenue, the main focus behind this initiative is the safety of the students getting on and off the bus. The Austin Independent School District, like other districts, has been installing video camera systems on the exterior of school buses to record the images of vehicles and



drivers passing a school bus while the red lights are flashing, and the stop-arm is deployed. Our goal is to eliminate illegal passing of stopped school buses and to keep our students safe.

Austin ISD has set up a separate process for civil citations which may now be issued by Austin ISD Police officers resulting from recorded video evidence gained by a camera system mounted on a school bus. Video-based civil citations will only be issued by licensed police officers employed by Austin ISD. The District will be solely responsible for administering citations, collecting

fines, and holding administrative hearings for appealed cases. District keeps 40% of each citation collected. Our vendor keeps 60% and they provide a turn key operation with the cameras, installations and maintenance paid by them. Our District is responsible to pay the overtime of the District officers approving the citations and the fees for the appeal judge.

School Bus Advertising - In an effort to bolster revenue to the District, a partner was sought to manage the placement of advertisements on approximately 400 buses from its school bus fleet. The selected partner will provide a turnkey program under which it will solicit advertisers, pay all production and installation expense, bill and collect from advertisers, and remit a share of the revenue to the District.

All advertisements will be in keeping with Austin ISD guidelines and Texas Administrative Code - 37 TAC CHAPTER 14, SUBCHAPTER E. Advertisements shall conform to recognized business standards and shall not conflict with the laws of the United States or of any State or Political Subdivision thereof having jurisdiction over the District, or the rules and regulations of any arm, branch or agency of such governmental bodies. The Superintendent or designee will reject any proposals or materials that are reasonably anticipated to be disruptive, libelous, obscene, inflammatory, sexually inappropriate for the age of the audience, or that endorse actions endangering the health or safety of students. Businesses and groups whose services and products are considered inappropriate for children under the age of 18 and those whose message can influence students in ways not approved by parents or the community is prohibited. The District’s determination regarding each advertisement, according to the established criteria, is final.

Table 27
Austin Independent School District
Transportation Revenue

	FY2016-17	FY2017-18	Change
Stop Arm	\$2,748,391	\$3,175,335	\$426,944
Bus Advertising	\$36,651	\$13,765	-\$22,886
TOTAL	\$2,785,042	\$3,189,100	\$404,058

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Austin Independent School District



Financial

FY2019 Official Budget

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Financial Overview

The Financial Section provides specific fiscal information regarding the various funds of the district. By law, the Board of Trustees must approve annual budgets for the General Fund, Food Service Funds and Debt Service Fund. These three funds make up the Governmental Funds.

In this section, a pyramid approach is used, starting with the Major Funds (all funds combined) on down to the individual funds.

Budget Analysis

The budget that the Board is required to take action on is comprised of the three primary funds, known as the Governmental Funds, which are the General Fund, Food Service Fund, and Debt Service Fund.

Special Revenue Funds and Capital Project Funds are provided for informational purposes only. Special Revenue Funds are approved separately by the Board of Trustees when final grant awards are made. Capital Projects Funds have been previously authorized through the bond election process.

The district's budget is organized in the following fund categories:

General Fund

Used to pay for salaries and benefits, classroom resources, keeping schools clean and landscapes maintained, transporting students, paying utility bills, providing clerical and administrative support – all the things a school needs when it opens its doors.

Food Service Fund

Used for the operation of the district's food service program.

Debt Service Fund

Used to pay off bonds previously approved by district voters or building construction and renovation.

Capital Projects Fund

Pays for construction and renovation projects in district facilities.

Special Revenue Fund (Grants)

Used to account for the proceeds of specific revenue sources such as federal categorical, state or locally financed programs where unused balances are returned to the grant. These funds are tied to specific programmatic deliverables and expenditure restrictions.

What is Recapture?

Recapture, which represents 41 percent of the district's Governmental Funds, is a function of Chapter 41 of the Texas Education Code which equalizes wealth for educational spending. The Chapter 41 provision is intended to "Recapture" local tax dollars from "property-rich" districts and redistribute the funds to "property poor" districts. Under this law, golden pennies represent the six cents that property-rich school districts like AISD are allowed to retain in revenue above the one-dollar tax that is assessed on all taxable property values. Any revenue collected on property taxes above these six cents is subject to Recapture by the state. It is projected that Austin ISD will submit \$670 million to the state in Recapture funds for FY2019. This amount represents an increase of approximately \$136 million as compared to the FY2018 projected budget recapture payments of \$534 million.

Because AISD is a Chapter 41 district, the only ways to substantially increase revenue is to increase the number of students and their attendance rates, and/or to increase the property tax rate. The district only

nominally benefits from rising appraisal values due to this funding formula structure. The district will need to continually educate and engage the public if it is going to be successful when it asks voters to approve a rate increase through a tax ratification election.

Major Funds

The budget that the Board is required to take action on is comprised of the three primary funds, known as the Governmental Funds, which are the General Fund, Food Service Fund, and Debt Service Fund. The following two charts combine Governmental Funds along with Capital Projects, and Grants to comprise the Major Funds of the District.

For FY2018-19, revenue increases from growth in the Governmental Fund's local revenue source. Expenses expand over \$400 million, mostly in part to the increase under Facilities Acquisitions and Construction of almost \$280 million as well as the increase of \$130 million recapture payment.

Forecasts indicate significant changes in the fund balance year over year. Capital outlay expenses decrease all the while the Chapter 41 payments increase. Projected revenue remains lower than projected expenses forcing the use of reserves.



Table 28
Austin Independent School District
Major Funds

Statement of Revenues, Expenditures and Changes in Adopted Fund Balance
For School Year FY2019 with Comparative Data for Prior Year

	Major Funds Budget	Governmental Adopted Total	Capital Projects	Grants	Total
Revenues					
5700 Local Sources	\$ 1,348,027,905	\$ 1,448,412,434			\$ 1,448,412,434
5800 State Sources	71,769,722	79,551,597			79,551,597
5900 Federal Sources	114,252,389	56,785,578		68,419,231	125,204,809
Combined Fund Revenue Total	<u>\$ 1,534,050,016</u>	<u>\$ 1,584,749,609</u>	\$ -	\$ 68,419,231	<u>\$ 1,653,168,840</u>
Expenditures					
11 Instruction	\$ 457,782,811	\$ 435,275,290		\$ 28,503,199	\$ 463,778,489
12 Instructional Resources & Media Services	10,731,630	11,123,240		229,313	11,352,553
13 Curriculum & Staff Development	25,057,304	13,330,684		13,853,472	27,184,156
21 Instructional Administration	16,868,971	15,006,870		4,975,692	19,982,562
23 School Administration	55,288,926	51,778,895		4,381,133	56,160,028
31 Guidance & Counseling Services	27,226,037	25,266,280		3,643,835	28,910,115
32 Attendance & Social Work Services	5,870,652	5,031,484		764,910	5,796,394
33 Health Services	12,821,457	8,844,231		1,391,234	10,235,465
34 Student Transportation	38,900,161	32,142,299			32,142,299
35 Food Services	40,457,273	40,986,188		1,057,804	42,043,992
36 Co-Curricular Activities	19,175,178	15,594,747		69,023	15,663,770
41 General Administration	23,342,864	22,528,240	347,684	828,903	23,704,827
51 Plant Maintenance	88,591,552	85,299,286	2,930,347	834,027	89,063,660
52 Security & Monitoring Services	12,236,520	13,171,799		109,621	13,281,420
53 Data Processing Services	37,714,590	21,477,386		1,639,500	23,116,886
61 Community Services	21,283,998	7,338,355		5,815,612	13,153,967
71 Debt Services	109,239,434	128,668,970			128,668,970
81 Facilities Acquisition & Construction	116,489,283	109,202	396,721,969	321,953	397,153,124
91 Contracted Instructional Svcs-Public Schools	540,290,792	669,599,162			669,599,162
93 Payments-Shared Services Arrangements	3,725,319	4,080,590			4,080,590
99 Other Intergovernmental Charges	6,493,648	7,352,061			7,352,061
Combined Fund Expenditure Total	<u>\$ 1,669,588,400</u>	<u>\$ 1,614,005,259</u>	<u>\$ 400,000,000</u>	<u>\$ 68,419,231</u>	<u>\$ 2,082,424,490</u>
Net Revenue Over (Under)	\$ (135,538,384)	\$ (29,255,650)	\$ (400,000,000)	\$ -	\$ (429,255,650)
Other Sources (Uses)					
7900 Other Resources	\$ 17,552,903	\$ 51,000	\$ 400,000,000		\$ 400,051,000
8900 Other Uses		(300,000)			(300,000)
Net Sources Over (Under)	<u>\$ 17,552,903</u>	<u>\$ (249,000)</u>	<u>\$ 400,000,000</u>	<u>\$ -</u>	<u>\$ 399,751,000</u>
Net Revenue/Sources Over (Under)	\$ (117,985,481)	\$ (29,504,650)	\$ -	\$ -	\$ (29,504,650)
Estimated unspent balances at year end		8,000,000			8,000,000
Beginning Fund Balance (Estimated)	\$ 641,836,196	\$ 424,347,554	\$ 95,664,637	\$ 3,838,524	\$ 523,850,715
Ending Fund Balance (Estimated)	523,850,715	402,842,904	95,664,637	3,838,524	502,346,065
Less Assigned Balance	(17,338,893)	(17,338,893)			(17,338,893)
Less Non Spendable	(7,810,315)	(7,810,315)			(7,810,315)
Less Committed	(5,000,000)	(5,000,000)			(5,000,000)
Ending Funding Balance - Unassigned	<u>\$ 493,701,507</u>	<u>\$ 372,693,696</u>	<u>\$ 95,664,637</u>	<u>\$ 3,838,524</u>	<u>\$ 472,196,857</u>
Ending Unreserved Fund Balance as a Percent of Operating Budgeted Expenditures	25%	23%	24%	6%	23%

Table 29
Austin Independent School District
Combined Statement of Revenue and Expenditures for Major Funds
Historical and Forecast, 8 Year Total

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Adopted	2019-20 Forecast	2020-21 Forecast	2021-22 Forecast
Revenues								
5700 Local sources	\$ 945,497,300	\$ 1,058,625,655	\$ 1,213,687,401	\$ 1,348,027,905	\$ 1,456,148,814	\$ 1,588,829,159	\$ 1,692,421,682	\$ 1,787,430,824
5800 State sources	69,661,108	56,575,323	86,838,740	71,769,722	83,619,327	60,323,714	77,747,800	59,055,477
5900 Federal sources	126,448,010	116,420,090	112,545,539	114,252,389	113,400,699	111,043,602	111,043,602	111,043,602
Total revenue	\$ 1,141,606,418	\$ 1,231,621,068	\$ 1,413,071,680	\$ 1,534,050,016	\$ 1,653,168,840	\$ 1,760,196,475	\$ 1,881,213,084	\$ 1,957,529,903
Expenditures								
6100 Payroll costs	\$ 590,339,769	\$ 636,274,000	\$ 719,628,222	\$ 733,091,978	\$ 741,402,486	\$ 741,605,436	\$ 741,552,054	\$ 745,563,948
6200 Professional and Contracted Services	466,543,745	332,722,806	485,680,335	618,939,194	757,197,050	881,101,693	983,539,324	1,077,208,148
6300 Supplies and Materials	59,850,623	65,690,029	65,304,577	71,803,752	67,446,738	69,448,888	59,670,676	56,713,095
6400 Other Operating Costs	5,822,028	11,658,581	15,273,073	18,299,371	15,076,792	15,743,494	15,957,593	15,537,501
6500 Debt Service	19,368,616	19,194,478	112,780,873	108,669,008	128,668,970	147,676,496	157,402,890	166,323,383
6600 Capital Outlay	96,354,538	69,401,085	80,623,782	118,785,097	372,632,454	398,335,883	224,936,209	68,927,425
Total Expenditures	\$ 1,238,279,319	\$ 1,134,940,979	\$ 1,479,290,862	\$ 1,669,588,401	\$ 2,082,424,490	\$ 2,253,911,890	\$ 2,183,058,746	\$ 2,130,273,500
Net Revenue Over (Under)	\$ (96,672,901)	\$ 96,680,089	\$ (66,219,182)	\$ (135,538,384)	\$ (429,255,650)	\$ (493,715,415)	\$ (301,845,662)	\$ (172,743,597)
Other Sources (Uses)								
7900 Other Resources	\$ 243,916,339	\$ 24,098,584	\$ 1,004,501,310	\$ 43,552,903	\$ 400,051,000	\$ 421,051,000	\$ 233,051,000	\$ 70,051,000
8900 Other Uses	(172,745,079)	(10,000,000)	(643,829,234)	(26,000,000)	(300,000)	(300,000)	(300,000)	(300,000)
Net Sources over (under)	\$ 71,171,260	\$ 14,098,584	\$ 360,672,076	\$ 17,552,903	\$ 399,751,000	\$ 420,751,000	\$ 232,751,000	\$ 69,751,000
Net revenue/sources over (under)	\$ (25,501,641)	\$ 110,778,673	\$ 294,452,894	\$ (117,985,481)	\$ (29,504,650)	\$ (72,964,415)	\$ (69,094,662)	\$ (102,992,597)
Estimated unspent balances at year end					\$ 8,000,000			
Beginning Fund Balance (Estimated)	\$ 262,106,270	\$ 236,604,629	\$ 347,383,302	\$ 641,836,196	\$ 523,850,715	\$ 502,346,065	\$ 429,381,650	\$ 360,286,988
Ending Fund Balance (Estimated)	\$ 236,604,629	\$ 347,383,302	\$ 641,836,196	\$ 523,850,715	\$ 502,346,065	\$ 429,381,650	\$ 360,286,988	\$ 257,294,391



Governmental Funds

Despite growth in revenues, mostly due to local funding, expenditures continue to climb. The major culprit driving expenses is AISD's recapture payment which can be found under 6200 Professional and Contracted Services. When comparing FY2018-19 to FY2021-22, recapture is projected to grow almost \$320 million or 42 percent between those years. The recapture payment is projected to supersede \$1 billion by FY2021-22.

Although revenue continues to rise, the increase in expenses outpace the revenue growth. This is mostly due to yearly recapture payment increases. With expenses greater than revenues, AISD's fund balance will continue to run at a deficit. AISD understands this and is working with the community to address the situation. A 30 member [Budget Stabilization Task Force](#) will be created to represent the AISD community to develop recommendations addressing the budget deficit. The district will also work with internal leadership and a consulting group to evaluate opportunities for budget reductions.

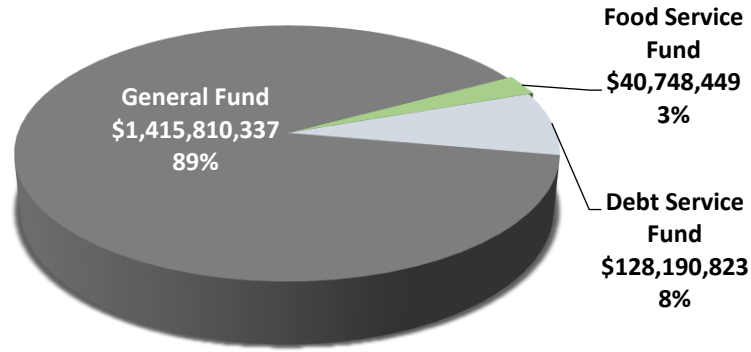
Table 30
Austin Independent School District
Combined Statement of Revenue and Expenditures for Governmental Funds
Historical and Forecast, 8 Year Total

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Adopted	2019-20 Forecast	2020-21 Forecast	2021-22 Forecast
Revenues								
5700 Local sources	\$ 933,808,801	\$ 1,049,158,583	\$ 1,202,562,781	\$ 1,333,744,945	\$ 1,448,412,434	\$ 1,581,092,779	\$ 1,684,685,302	\$ 1,779,694,444
5800 State sources	63,694,399	52,955,134	81,363,189	65,403,778	79,551,597	56,255,984	73,680,070	54,987,747
5900 Federal sources	54,214,640	54,474,156	58,430,620	59,795,360	56,785,578	54,428,481	54,428,481	54,428,481
Total revenue	\$ 1,051,717,840	\$ 1,156,587,873	\$ 1,342,356,590	\$ 1,458,944,083	\$ 1,584,749,609	\$ 1,691,777,244	\$ 1,812,793,853	\$ 1,889,110,672
Expenditures								
6100 Payroll costs	\$ 538,749,751	\$ 584,722,305	\$ 669,151,568	\$ 683,079,660	\$ 691,037,954	\$ 694,949,477	\$ 694,949,477	\$ 698,961,371
6200 Professional and Contracted Services	459,277,399	323,726,425	475,159,271	603,988,484	737,487,914	862,323,101	969,353,737	1,066,636,103
6300 Supplies and Materials	30,267,128	42,337,143	46,071,876	44,199,931	44,122,496	45,391,048	45,391,048	45,391,048
6400 Other Operating Costs	4,442,791	9,458,071	12,930,711	16,044,546	11,950,251	12,980,821	13,370,646	13,370,646
6500 Debt Service	19,368,616	19,063,838	112,780,873	108,669,008	128,668,970	147,676,496	157,402,890	166,323,383
6600 Capital Outlay	774,513	2,610,597	8,028,135	2,482,129	737,674	1,171,716	1,171,717	1,171,718
Total Expenditures	\$ 1,052,880,198	\$ 981,918,379	\$ 1,324,122,434	\$ 1,458,463,759	\$ 1,614,005,259	\$ 1,764,492,659	\$ 1,881,639,515	\$ 1,991,854,269
Net Revenue Over (Under)	\$ (1,162,358)	\$ 174,669,494	\$ 18,234,156	\$ 480,325	\$ (29,255,650)	\$ (72,715,415)	\$ (68,845,662)	\$ (102,743,597)
Other Sources (Uses)								
7900 Other Resources	\$ 173,916,339	\$ 20,584	\$ 639,501,310	\$ 137,448	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000
8900 Other Uses	(172,745,079)	(10,000,000)	(643,829,234)	(26,000,000)	(300,000)	(300,000)	(300,000)	(300,000)
Net Sources over (under)	\$ 1,171,260	\$ (9,979,416)	\$ (4,327,924)	\$ (25,862,552)	\$ (249,000)	\$ (249,000)	\$ (249,000)	\$ (249,000)
Net revenue/sources over (under)	\$ 8,902	\$ 164,690,078	\$ 13,906,232	\$ (25,382,227)	\$ (29,504,650)	\$ (72,964,415)	\$ (69,094,662)	\$ (102,992,597)
Estimated unspent balances at year end					\$ 8,000,000			
Beginning Fund Balance (Estimated)	\$ 271,124,569	\$ 271,133,471	\$ 435,823,549	\$ 449,729,781	\$ 424,347,554	\$ 402,842,904	\$ 329,878,489	\$ 260,783,827
Ending Fund Balance (Estimated)	\$ 271,133,471	\$ 435,823,549	\$ 449,729,781	\$ 424,347,554	\$ 402,842,904	\$ 329,878,489	\$ 260,783,827	\$ 157,791,230

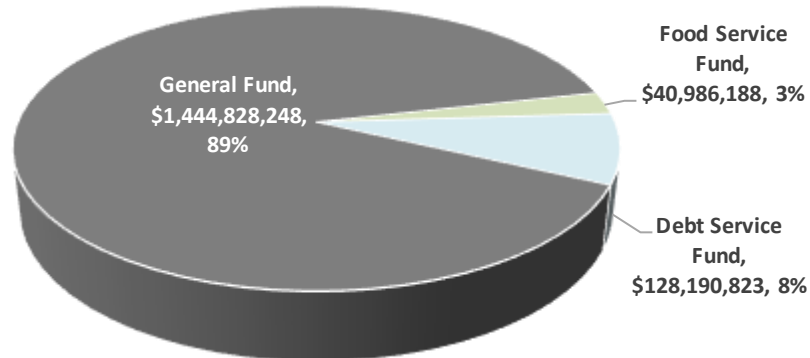
As illustrated in the following table, the General Fund accounts for 89 percent of Governmental Fund revenues and 89 percent of total Governmental Fund expenditures for FY2019. The Debt Service Fund accounts for 8 percent of the revenues and 8 percent of the expenditures, and the Food Services Fund accounts for 3 percent of total revenues and expenditures. The majority of General and Debt Service Fund revenues are generated through local tax collections.

Table 31
Austin Independent School District
 Governmental Funds Revenue and Expenditure Adopted Budget for FY2019

Governmental Funds Revenue Budget



Governmental Funds Expenditure Budget



The previous tables did not isolate the \$670 million Chapter 41 payment the district must pay to the state. As illustrated in the below table, when Recapture is taken into consideration, the General Fund still constitutes the largest portion of the Governmental Funds representing \$775 million or 48 percent of the share. Recapture, or Chapter 41, constitutes the next largest share at \$670 million or 41 percent. The Debt Service Fund represents 8 percent and the Food Service Fund represents 3 percent of the Governmental Funds.

Table 32
Austin Independent School District
Governmental Funds Expenditure Adopted Budget for FY2019

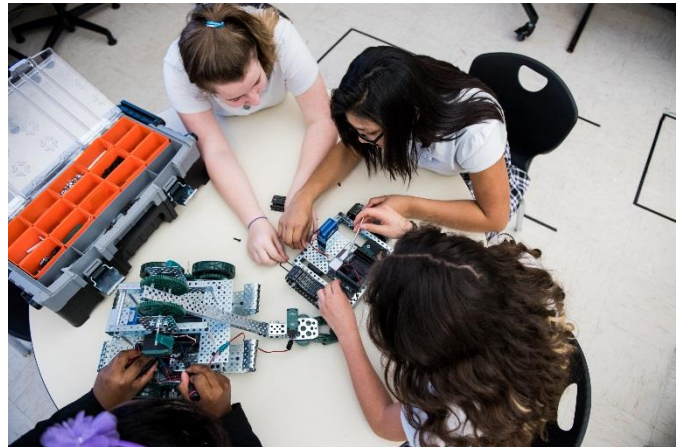
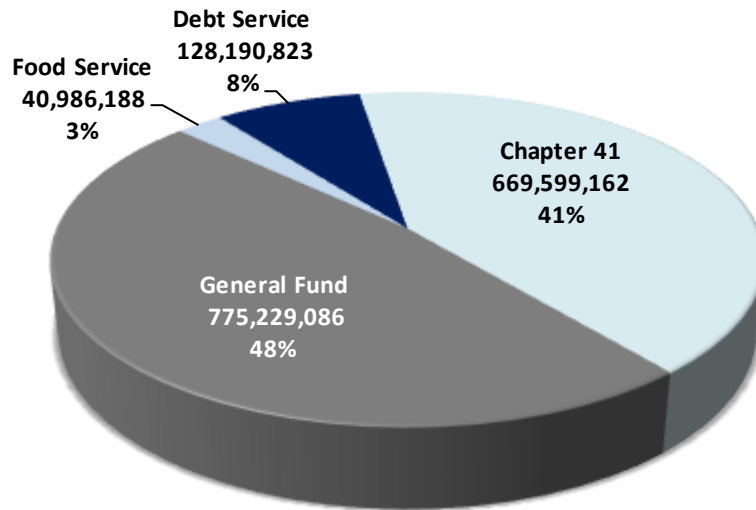


Table 33
Austin Independent School District
Revenues by Source, Expenditures by Function, Expenditures by Object
Combined Statement of Revenue and Expenditures for FY2019

	FY2015 Audited Actual	FY2016 Actual Budget	FY2017 Actual Budget	FY2018 Adopted Budget	FY2019 Adopted Budget	\$ Increase (Decrease) Over Prior Year	% Increase (Decrease) Over Prior Year
5700 LOCAL REVENUE SOURCES							
Taxes- Current Year Levy	\$ 914,154,219	\$ 1,026,174,096	\$ 1,168,140,256	\$ 1,300,452,765	\$ 1,423,711,916	\$ 123,259,151	9.48%
Taxes- Prior Years	2,922,055	2,006,609	(1,848,158)	(1,528,859)	342,332	1,871,191	-122.39%
Penalty & Interest	3,897,108	3,715,892	4,603,534	4,690,334	3,930,246	(760,088)	-16.21%
Tuition & Fees	1,242,470	1,454,361	1,789,981	2,151,249	1,329,571	(821,678)	-38.20%
Athletic Activities	760,197	701,194	757,467	749,000	571,239	(177,761)	-23.73%
Earnings from Investments	754,005	2,001,527	4,163,988	9,184,009	5,515,000	(3,669,009)	-39.95%
Gifts and Bequests	52,460	11,355	18,122	13,121	-	(13,121)	0.00%
Insurance Recovery	475,209	831,687	519,570	311,993	-	(311,993)	0.00%
Rent Revenues	1,623,120	1,558,250	2,187,141	2,098,682	1,623,120	(475,562)	-22.66%
School Lunches	6,639,111	6,977,382	7,904,257	7,754,181	7,941,606	187,425	2.42%
Other Revenues -Local Sources	1,288,847	3,726,230	14,326,623	7,868,470	3,447,404	(4,421,066)	-56.19%
TOTAL	\$ 933,808,801	\$ 1,049,158,583	\$ 1,202,562,781	\$ 1,333,744,945	\$ 1,448,412,434	\$ 114,667,489	8.60%
5800 STATE REVENUE SOURCES							
Per Capita Apportionment	\$ 20,553,785	\$ 8,448,717	\$ 29,828,939	\$ 11,421,570	\$ 33,231,332	\$ 21,809,762	190.95%
Foundation School Program	12,953,034	13,949,459	17,301,179	15,574,502	4,509,160	(11,065,342)	-71.05%
State Indirect Costs	48,606	50,225	-	28,728	8,000,000	7,971,272	0.00%
Other State Revenue	629,832	2,039,383	1,227,203	4,559,125	4,294,795	(264,330)	-5.80%
TRS on Behalf (Book Entry Only)	29,509,142	28,467,350	33,005,868	33,819,853	29,516,310	(4,303,543)	-12.72%
TOTAL	\$ 63,694,399	\$ 52,955,134	\$ 81,363,189	\$ 65,403,778	\$ 79,551,597	\$ 14,147,819	21.63%
5900 FEDERAL REVENUE SOURCES							
Federal Indirect Costs	\$ 1,811,697	\$ 2,077,038	\$ 1,370,760	\$ 2,404,356	\$ 1,852,543	\$ (551,813)	-22.95%
Federal Revenue Through TEA	251,019	205,209	247,827	195,582	250,042	54,460	27.85%
School Breakfast Program	6,172,612	6,093,176	7,532,451	7,239,298	9,007,634	1,768,336	24.43%
National School Lunch Program	21,100,040	19,638,423	19,309,602	18,180,059	19,688,314	1,508,255	8.30%
USDA Donated Commodities	1,207,460	827,526	877,892	1,608,895	1,152,507	(456,388)	-28.37%
After School Snack Program	254,709	225,674	158,526	88,718	97,581	8,863	9.99%
Other Federal Revenues	1,101,510	1,736,443	3,179,706	3,142,714	2,772,659	(370,055)	-11.78%
Building America Bond Subsidy	912,600	458,761	917,030	918,014	984,466	66,452	7.24%
School Health & Related Services	21,402,993	23,211,906	24,836,826	26,017,724	20,979,832	(5,037,892)	-19.36%
TOTAL	\$ 54,214,640	\$ 54,474,156	\$ 58,430,620	\$ 59,795,360	\$ 56,785,578	\$ (3,009,782)	-5.03%
GOVERNMENTAL FUND REVENUE TOTAL	\$ 1,051,717,840	\$ 1,156,587,873	\$ 1,342,356,590	\$ 1,458,944,083	\$ 1,584,749,609	\$ 125,805,526	8.62%
EXPENDITURES							
11 Instruction							
6100 Payroll Costs	\$ 399,661,155	\$ 371,666,699	\$ 409,046,164	\$ 411,989,797	\$ 423,050,941	\$ 11,061,144	2.68%
6200 Professional & Contracted Svcs.	5,205,162	6,437,186	7,279,268	4,868,941	4,035,616	(833,325)	-17.12%
6300 Supplies & Materials	10,344,457	9,321,539	8,166,086	8,105,955	6,592,360	(1,513,595)	-18.67%
6400 Other Operating Expenses	1,760,330	1,591,864	1,768,020	1,618,462	1,391,373	(227,089)	-14.03%
6600 Capital Outlay	282,348	382,513	68,787	49,279	205,000	155,721	316.00%
TOTAL	\$ 417,253,452	\$ 389,399,801	\$ 426,328,325	\$ 426,632,434	\$ 435,275,290	\$ 8,642,856	2.03%
12 Instructional Resource & Media							
6100 Payroll Costs	\$ 9,368,626	\$ 8,419,662	\$ 9,462,473	\$ 9,493,568	\$ 10,130,096	\$ 636,528	6.70%
6200 Professional & Contracted Svcs.	180,444	146,910	5,723	176,456	184,500	8,044	4.56%
6300 Supplies & Materials	1,052,153	902,776	1,124,625	761,069	730,994	(30,075)	-3.95%
6400 Other Operating Expenses	62,974	45,621	49,441	37,811	37,650	(161)	-0.43%
6600 Capital Outlay	6,695	28,883	29,108	52,893	40,000	(12,893)	-24.38%
TOTAL	\$ 10,670,892	\$ 9,543,854	\$ 10,671,370	\$ 10,521,797	\$ 11,123,240	\$ 601,443	5.72%
13 Curriculum & Staff Development							
6100 Payroll Costs	\$ 9,785,656	\$ 6,844,565	\$ 9,850,561	\$ 10,409,132	\$ 9,705,117	\$ (704,015)	-6.76%
6200 Professional & Contracted Svcs.	781,007	639,626	1,230,322	1,826,023	2,273,886	447,863	24.53%
6300 Supplies & Materials	937,296	685,528	724,329	804,135	812,379	8,244	1.03%
6400 Other Operating Expenses	1,179,621	859,378	1,080,641	699,833	539,302	(160,531)	-22.94%
6600 Capital Outlay	-	5,949	-	-	-	-	0.00%
TOTAL	\$ 12,683,580	\$ 9,035,047	\$ 12,885,853	\$ 13,739,123	\$ 13,330,684	\$ (408,439)	-2.97%

	FY2015 Audited Actual	FY2016 Actual Budget	FY2017 Actual Budget	FY2018 Adopted Budget	FY2019 Adopted Budget	\$ Increase (Decrease) Over Prior Year	% Increase (Decrease) Over Prior Year
21 Instructional Administration							
6100 Payroll Costs	\$ 10,547,937	\$ 8,718,045	\$ 12,508,489	\$ 13,184,872	\$ 12,736,472	\$ (448,400)	-3.40%
6200 Professional & Contracted Svcs.	1,963,310	1,576,240	1,717,524	572,548	1,381,136	808,588	141.23%
6300 Supplies & Materials	603,277	275,640	1,809,750	492,819	653,461	160,642	32.60%
6400 Other Operating Expenses	399,019	365,889	1,129,369	344,302	235,801	(108,501)	-31.51%
6600 Capital Outlay	-	5,776	14,765	57,604	-	(57,604)	0.00%
TOTAL	\$ 13,513,543	\$ 10,941,590	\$ 17,179,898	\$ 14,652,145	\$ 15,006,870	\$ 354,725	2.42%
23 School Administration							
6100 Payroll Costs	\$ 49,291,247	\$ 42,929,007	\$ 52,187,990	\$ 52,207,272	\$ 51,376,704	\$ (830,568)	-1.59%
6200 Professional & Contracted Svcs.	90,375	110,272	80,095	78,738	76,571	(2,167)	-2.75%
6300 Supplies & Materials	334,675	434,861	318,438	216,751	244,415	27,664	12.76%
6400 Other Operating Expenses	152,342	100,844	111,251	87,663	81,205	(6,458)	-7.37%
6600 Capital Outlay	-	-	-	-	-	-	0.00%
TOTAL	\$ 49,868,639	\$ 43,574,984	\$ 52,697,774	\$ 52,590,424	\$ 51,778,895	\$ (811,529)	-1.54%
31 Guidance and Counseling							
6100 Payroll Costs	\$ 21,611,868	\$ 19,339,519	\$ 22,552,466	\$ 23,072,970	\$ 24,090,812	\$ 1,017,842	4.41%
6200 Professional & Contracted Svcs.	1,005,422	240,217	349,336	524,385	603,106	78,721	15.01%
6300 Supplies & Materials	317,254	520,374	445,705	422,603	433,256	10,653	2.52%
6400 Other Operating Expenses	100,546	77,828	106,336	50,199	139,106	88,907	177.11%
6600 Capital Outlay	-	-	-	13,025	-	(13,025)	0.00%
TOTAL	\$ 23,035,090	\$ 20,177,938	\$ 23,453,843	\$ 24,083,182	\$ 25,266,280	\$ 1,183,098	4.91%
32 Social Services							
6100 Payroll Costs	\$ 4,404,536	\$ 4,440,667	\$ 5,381,823	\$ 4,739,868	\$ 4,827,827	\$ 87,959	1.86%
6200 Professional & Contracted Svcs.	44,918	29,503	41,054	45,090	120,185	75,095	166.54%
6300 Supplies & Materials	93,751	135,879	76,961	176,709	54,486	(122,223)	-69.17%
6400 Other Operating Expenses	23,131	8,809	23,989	63,703	28,986	(34,717)	-54.50%
TOTAL	\$ 4,566,336	\$ 4,614,858	\$ 5,523,827	\$ 5,025,370	\$ 5,031,484	\$ 6,114	0.12%
33 Health Services							
6100 Payroll Costs	\$ 613,836	\$ 557,584	\$ 683,139	\$ 759,306	\$ 721,620	\$ (37,686)	-4.96%
6200 Professional & Contracted Svcs.	4,953,596	5,560,721	4,685,191	7,933,017	8,066,981	133,964	1.69%
6300 Supplies & Materials	126,577	106,295	121,946	107,655	55,430	(52,225)	-48.51%
6400 Other Operating Expenses	251	600	55	1,078	200	(878)	0.00%
TOTAL	\$ 5,694,260	\$ 6,225,201	\$ 5,490,331	\$ 8,801,056	\$ 8,844,231	\$ 43,175	0.49%
34 Student Transportation							
6100 Payroll Costs	\$ 25,628,669	\$ 24,413,362	\$ 28,733,617	\$ 29,781,250	\$ 27,584,184	\$ (2,197,066)	-7.38%
6200 Professional & Contracted Svcs.	369,344	293,260	426,186	350,379	437,000	86,621	24.72%
6300 Supplies & Materials	4,868,929	4,328,786	4,438,253	4,164,331	4,896,615	732,284	17.58%
6400 Other Operating Expenses	(1,799,861)	(742,271)	(174,278)	845,256	(775,500)	(1,620,756)	-191.75%
6600 Capital Outlay	-	25,844	-	-	-	-	0.00%
TOTAL	\$ 29,067,081	\$ 28,318,982	\$ 33,423,778	\$ 35,141,216	\$ 32,142,299	\$ (2,998,917)	-8.53%
35 Food Services							
6100 Payroll Costs	\$ 21,834,295	\$ 19,537,962	\$ 23,144,652	\$ 22,313,544	\$ 22,672,989	\$ 359,445	1.61%
6200 Professional & Contracted Svcs.	591,148	578,784	599,328	534,598	410,374	(124,224)	-23.24%
6300 Supplies & Materials	15,873,436	15,082,881	16,460,065	15,808,321	17,550,103	1,741,782	11.02%
6400 Other Operating Expenses	32,787	15,021	22,529	686,073	24,505	(661,568)	-96.43%
6600 Capital Outlay	194,698	135,418	12,058	108,405	328,217	219,812	202.77%
TOTAL	\$ 38,526,364	\$ 35,350,066	\$ 40,238,631	\$ 39,450,941	\$ 40,986,188	\$ 1,535,247	3.89%

	FY2015 Audited Actual	FY2016 Actual Budget	FY2017 Actual Budget	FY2018 Adopted Budget	FY2019 Adopted Budget	\$ Increase (Decrease) Over Prior Year	% Increase (Decrease) Over Prior Year
36 Co-Curricular Activities							
6100 Payroll Costs	\$ 11,574,802	\$ 10,850,668	\$ 9,297,373	\$ 14,307,971	\$ 11,266,033	\$ (3,041,938)	-21.26%
6200 Professional & Contracted Svcs.	1,292,235	1,236,892	1,573,147	1,607,322	1,436,000	(171,322)	-10.66%
6300 Supplies & Materials	1,000,360	687,337	978,237	991,142	1,033,750	42,608	4.30%
6400 Other Operating Expenses	1,765,895	1,472,744	1,971,414	2,051,606	1,833,964	(217,642)	-10.61%
6600 Capital Outlay	118,387	26,768	48,568	21,170	25,000	3,830	18.09%
TOTAL	\$ 15,751,679	\$ 14,274,409	\$ 13,868,740	\$ 18,979,211	\$ 15,594,747	\$ (3,384,464)	-17.83%
41 General Administration							
6100 Payroll Costs	\$ 14,217,692	\$ 12,347,862	\$ 16,028,122	\$ 17,491,836	\$ 18,078,583	\$ 586,747	3.35%
6200 Professional & Contracted Svcs.	1,636,842	1,417,685	2,550,231	3,094,602	2,761,193	(333,409)	-10.77%
6300 Supplies & Materials	452,547	312,844	569,718	444,091	593,888	149,797	33.73%
6400 Other Operating Expenses	1,042,184	801,432	1,168,605	1,053,563	1,094,576	41,013	3.89%
6600 Capital Outlay	-	5,600	-	15,446	-	(15,446)	0.00%
TOTAL	\$ 17,349,265	\$ 14,885,423	\$ 20,316,677	\$ 22,099,538	\$ 22,528,240	\$ 428,702	1.94%
51 Plant Maintenance & Operations							
6100 Payroll Costs	\$ 40,764,996	\$ 34,038,499	\$ 42,540,696	\$ 44,223,099	\$ 44,911,719	\$ 688,620	1.56%
6200 Professional & Contracted Svcs.	36,879,862	29,501,500	39,801,252	29,037,626	32,090,539	3,052,913	10.51%
6300 Supplies & Materials	6,341,837	4,181,723	6,366,380	6,562,058	5,226,591	(1,335,467)	-20.35%
6400 Other Operating Expenses	1,848,910	1,935,025	2,671,265	2,599,653	2,985,837	386,184	14.86%
6600 Capital Outlay	104,090	44,023	16,775	561,633	84,600	(477,033)	-84.94%
TOTAL	\$ 85,939,695	\$ 69,700,769	\$ 91,396,368	\$ 82,984,069	\$ 85,299,286	\$ 2,315,217	2.79%
52 Security & Monitoring Services							
6100 Payroll Costs	\$ 8,981,642	\$ 8,274,191	\$ 10,178,170	\$ 10,554,062	\$ 11,780,600	\$ 1,226,538	11.62%
6200 Professional & Contracted Svcs.	143,446	66,981	79,552	141,721	841,750	700,029	493.95%
6300 Supplies & Materials	385,566	417,154	581,398	439,134	443,342	4,208	0.96%
6400 Other Operating Expenses	73,650	51,597	79,221	65,741	61,250	(4,491)	-6.83%
6600 Capital Outlay	186,448	373,942	108,058	190,475	44,857	(145,618)	0.00%
TOTAL	\$ 9,770,752	\$ 9,183,864	\$ 11,026,398	\$ 11,391,133	\$ 13,171,799	\$ 1,780,666	15.63%
53 Data Processing Services							
6100 Payroll Costs	\$ 11,450,670	\$ 9,664,181	\$ 13,430,864	\$ 13,886,626	\$ 13,396,264	\$ (490,362)	-3.53%
6200 Professional & Contracted Svcs.	2,220,541	2,154,858	2,770,161	2,577,048	3,192,526	615,478	23.88%
6300 Supplies & Materials	3,431,317	4,817,632	3,897,816	4,580,447	4,748,285	167,838	3.66%
6400 Other Operating Expenses	35,477	54,100	125,792	1,963,448	140,311	(1,823,137)	-92.85%
6600 Capital Outlay	69,579	60,751	1,323,458	54,071	-	(54,071)	0.00%
TOTAL	\$ 17,207,584	\$ 16,751,522	\$ 21,548,090	\$ 23,061,640	\$ 21,477,386	\$ (1,584,254)	-6.87%
61 Community Services							
6100 Payroll Costs	\$ 3,410,286	\$ 2,973,850	\$ 4,517,187	\$ 5,138,375	\$ 4,623,793	\$ (514,582)	-10.01%
6200 Professional & Contracted Svcs.	1,423,565	1,317,812	1,509,556	2,726,084	2,625,326	(100,758)	-3.70%
6300 Supplies & Materials	53,150	36,824	53,734	122,634	38,141	(84,493)	-68.90%
6400 Other Operating Expenses	86,025	76,130	72,162	90,706	51,095	(39,611)	-43.67%
TOTAL	\$ 4,973,026	\$ 4,404,616	\$ 6,152,638	\$ 8,077,799	\$ 7,338,355	\$ (739,444)	-9.15%
71 Debt Service							
Bond Principal	\$ 67,177,633	\$ 152,633	\$ 71,025,285	\$ 65,497,633	\$ 82,073,533	\$ 16,575,900	25.31%
Bond Interest	36,485,920	17,837,297	37,128,113	42,673,523	43,367,290	693,767	1.63%
Debt Service - General Fund	507,085	372,021	496,029	496,029	478,147	(17,882)	-3.61%
Other Debt Serv Fees	1,713,547	718,682	4,131,446	570,424	2,750,000	2,179,576	382.10%
TOTAL	\$ 105,884,185	\$ 19,080,633	\$ 112,780,873	\$ 109,237,609	\$ 128,668,970	\$ 19,431,361	17.79%

	FY2015 Audited Actual	FY2016 Actual Budget	FY2017 Actual Budget	FY2018 Adopted Budget	FY2019 Adopted Budget	\$ Increase (Decrease) Over Prior Year	% Increase (Decrease) Over Prior Year
81 Facilities Acquisition & Construction							
6100 Payroll Costs	\$ -	\$ -	\$ 49,028	\$ 47,559	\$ 94,202	\$ 46,643	0.00%
6200 Professional & Contracted Svcs.	1,695,503	238,720	656,079	621,114	-	(621,114)	-100.00%
6300 Supplies & Materials	26,197	89,069	185	78	15,000	14,922	19130.77%
6400 Other Operating Expenses	22,310	19,355	142,990	28,858	-	(28,858)	0.00%
6600 Capital Outlay	468,400	1,610,684	6,406,559	787,704	-	(787,704)	-100.00%
TOTAL	\$ 2,212,410	\$ 1,957,829	\$ 7,254,840	\$ 1,485,313	\$ 109,202	\$ (1,376,111)	-92.65%
91 Contracted Svcs Between Public Schools							
6200 Professional & Contracted Svcs.	\$ 181,118,956	\$ 266,073,630	\$ 403,324,244	\$ 540,290,792	\$ 669,599,162	\$ 129,308,370	23.93%
TOTAL	\$ 181,118,956	\$ 266,073,630	\$ 403,324,244	\$ 540,290,792	\$ 669,599,162	\$ 129,308,370	23.93%
93 Payments For Shared Svcs							
6400 Other Operating Expenses	\$ 2,526,261	\$ 2,701,947	\$ 2,582,967	\$ 3,725,319	\$ 4,080,590	\$ 1,142,352	30.66%
TOTAL	\$ 2,526,261	\$ 2,701,947	\$ 2,582,967	\$ 3,725,319	\$ 4,080,590	\$ 1,142,352	30.66%
99 Other Intergovernmental Charges							
6200 Professional & Contracted Svcs.	\$ 5,267,148	\$ 5,721,415	\$ 5,976,969	\$ 6,493,647	\$ 7,352,061	\$ 516,678	7.96%
TOTAL	\$ 5,267,148	\$ 5,721,415	\$ 5,976,969	\$ 6,493,647	\$ 7,352,061	\$ 516,678	7.96%
TOTAL EXPENDITURES	\$ 1,052,880,198	\$ 981,918,379	\$ 1,324,122,434	\$ 1,458,463,758	\$ 1,614,005,259	\$ 155,986,846	10.70%
OTHER SOURCES							
7911 Sale of Bonds	\$ 150,405,000	-	\$ 543,205,000	\$ -	\$ -	\$ -	0.00%
7912 Sale of Real Property	-	20,584	54,642	137,448	51,000	(86,448)	-62.90%
7914 Loan Proceeds	425,851	-	-	-	-	-	0.00%
7915 Operating Transfer In	-	-	-	-	-	-	0.00%
7916 Premium/Discount on Bonds	23,085,488	-	96,241,754	-	-	-	0.00%
7949 Other Resources	-	-	-	-	-	-	0.00%
TOTAL	\$ 173,916,339	\$ 20,584	\$ 639,501,310	\$ 137,448	\$ 51,000	\$ (86,448)	-62.90%
OTHER USES							
8911 Operating Transfer Out	\$ -	\$ -	\$ 365,000,000	\$ -	\$ -	\$ -	0.00%
8941 Legal Settlement	-	-	-	-	300,000	300,000	#DIV/0!
8949 Other Uses	172,745,079	10,000,000	278,829,234	26,000,000	-	(26,000,000)	0.00%
8911 Operating Transfer Out	-	-	-	-	-	-	0.00%
TOTAL	\$ 172,745,079	\$ 10,000,000	\$ 643,829,234	\$ 26,000,000	\$ 300,000	\$ (25,700,000)	-98.85%
NET SOURCES OVER (UNDER)	\$ 1,171,260	\$ (9,979,416)	\$ (4,327,924)	\$ (25,862,552)	\$ (249,000)	\$ 25,613,552	-99.04%
Net Change in Fund Balances	\$ 8,902	\$ 164,690,078	\$ 13,906,232	\$ (25,382,227)	\$ (29,504,650)	\$ (39,288,459)	154.79%
Estimated Unspent balances at year end					8,000,000	8,000,000	0.00%
Fund Balances - Beginning	\$ 271,124,569	\$ 271,133,471	\$ 435,823,549	\$ 449,729,781	\$ 424,347,554	\$ (25,382,227)	-5.64%
Fund Balances - Ending	\$ 271,133,471	\$ 435,823,549	\$ 449,729,781	\$ 424,347,554	\$ 402,842,904	\$ (21,504,650)	-5.07%
Less Assigned Fund Balance	(18,430,045)	(24,643,922)	(17,514,033)	-	-	-	#DIV/0!
Less Non Spendable	(8,325,234)	(3,927,207)	(7,810,315)	-	-	-	#DIV/0!
Less Committed	-	-	(5,000,000)	-	-	-	#DIV/0!
Ending Fund Balance - Unreserved	\$ 244,378,192	\$ 407,252,420	\$ 419,405,433	\$ 424,347,554	\$ 402,842,904	\$ 12,153,013	2.86%
Ending Fund Balance as a % of Total Budget Expenditures	23%	41%	32%	29%	25%	8%	

General Fund

General Fund: Where the Money Comes From

Out of the funds that AISD manages, the largest is the General Fund. AISD's General Fund is used to support the operation of the school system and is comprised of three major revenue sources: local, state, and federal. The General Fund is commonly referred to as the "Operating Fund" or "Local Maintenance Fund". State aid and local property tax revenue are major sources of revenues for this fund.

Local Funding

Local funding consists of property taxes for the current year or prior years, investment earnings, athletic activities revenue, insurance recovery, and revenues from building use from actuaries such as athletics. Local revenue accounts for \$1.3 billion of all available sources of funding for the FY2019 General Fund budget. Of this amount, the largest source of revenue is \$1.3 billion in local property taxes, which is derived from the current and delinquent property tax payments. The FY2019 Adopted Budget predicts an 11 percent increase in total local revenue sources as compared to the prior year FY2018 Adopted Budget.

State Funding

State funding is based on a complex formula, determined by the legislature, which considers the number of students served, and is based on poverty levels, attendance rates, special programs, bilingual factors, taxable property wealth, and other factors. State revenue accounts for \$78.4 million of the General Fund budget. State funding will increase by \$24.5 million, or 46 percent from the prior FY2018 Adopted Budget. The FY2019 marks another year where AISD will actually pay more to the state than it will receive in state aid.

Federal Funding

Federal funding, reflected in the General Fund, constitutes earnings from indirect cost from federal grant expenditures, and revenues received for school health and related services (SHARS), a Medicaid reimbursement program. The district has limited flexibility in how it spends federal revenue (and a portion of state revenue). Federal sources account for \$24.2 million of the total revenue of the General Fund budget. Federal revenue is estimated to decrease by approximately \$1.2 million or 5.0 percent from the prior year adopted budget.

Table 34
Austin Independent School District
Revenue Sources
FY2019 with Comparative Data from Prior Year

Revenue Source	FY2018 Adopted Budget	FY2019 Adopted Budget	\$ Change	% Change
Local Revenue	\$ 1,180,817,342	\$ 1,313,219,564	\$ 132,402,222	11.2%
State Revenue	\$ 53,864,264	\$ 78,388,199	\$ 24,523,935	45.5%
Federal Revenue	\$ 25,450,890	\$ 24,202,574	\$ (1,248,316)	-4.9%
Total	\$ 1,260,132,496	\$ 1,415,810,337	\$ 155,677,841	12.4%
<i>Less: Recapture</i>	\$ (533,874,730)	\$ (669,599,162)	\$ (135,724,432)	25.4%
Operating Revenue	\$ 726,257,766	\$ 746,211,175	\$ 19,953,409	2.7%

The largest single component of a school district's operating budget is salary and benefit expenditures. AISD's payroll expenditures consume approximately 86.2 percent of the General Fund budget for FY2019 when Chapter 41 is excluded.

Table 35
Austin Independent School District
FY2019 Adopted Budget by Object Code – General Fund
Excluding Chapter 41/Recapture

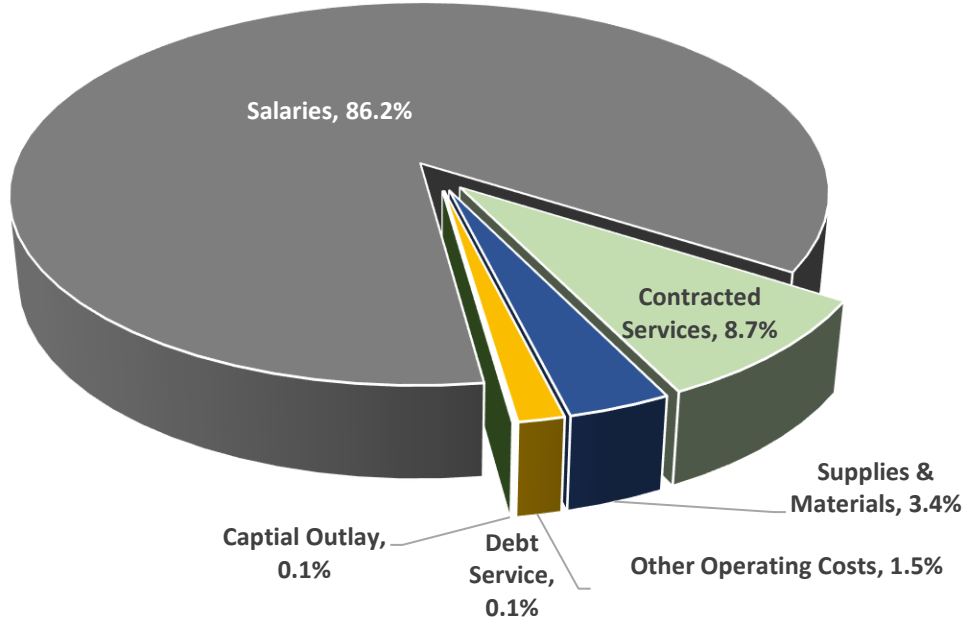


Table 36
Austin Independent School District
General Funds

FY2019 with Comparative Data for Prior Years
Combined Statement of Revenues, Expenditures by Function, and Changes in Fund Balance

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Adopted	FY2019 Adopted
Revenues					
5700 Local Sources	\$ 818,924,395	\$ 935,923,424	\$ 1,082,629,084	\$ 1,180,817,342	\$ 1,313,219,564
5800 State Sources	62,523,918	50,329,570	78,582,376	53,864,264	78,388,199
5900 Federal Sources	24,204,869	26,554,292	28,152,045	25,450,890	24,202,574
Total Revenues	<u>\$ 905,653,182</u>	<u>\$ 1,012,807,286</u>	<u>\$ 1,189,363,505</u>	<u>\$ 1,260,132,496</u>	<u>\$ 1,415,810,337</u>
Expenditures by Function					
Current					
11 Instruction	\$ 417,253,355	\$ 389,399,804	\$ 426,328,039	\$ 443,905,597	\$ 435,275,290
12 Instructional Resources & Media Ser.	10,670,892	9,543,853	10,671,364	10,863,367	11,123,240
13 Curriculum & Staff Development	12,683,581	9,035,047	12,885,879	13,259,149	13,330,684
21 Instructional Administration	13,513,543	10,941,590	17,179,903	17,758,437	15,006,870
23 School Administration	49,868,639	43,574,984	52,697,746	54,231,527	51,778,895
31 Guidance & Counseling Services	23,035,089	20,177,938	23,453,859	22,448,916	25,266,280
32 Attendance & Social Work Services	4,566,336	4,614,858	5,523,828	5,716,677	5,031,484
33 Health Services	5,694,259	6,225,201	5,490,324	8,926,781	8,844,231
34 Pupil Transportation	29,067,082	28,318,982	33,423,782	30,711,368	32,142,299
36 Co-Curricular Activities	15,751,680	14,274,409	13,868,764	16,030,124	15,594,747
41 General Administration	17,689,045	15,309,497	20,820,960	22,070,550	22,528,240
51 Plant Maintenance	85,939,696	69,700,769	91,396,375	80,622,727	85,299,286
52 Security & Monitoring Services	9,770,847	9,183,864	11,026,398	12,347,094	13,171,799
53 Data Processing Services	17,207,584	16,751,523	21,548,092	22,737,800	21,477,386
61 Community Services	4,973,026	4,404,619	6,152,649	6,688,926	7,338,355
71 Debt Services	507,084	372,020	481,862	496,029	478,147
81 Facilities Acquisition & Construction	2,212,410	1,957,830	7,254,841	1,115,000	109,202
91 Chapter 41Recapture	181,118,956	266,073,630	403,324,244	533,874,730	669,599,162
93 Payments-Shared Services Arrange	2,526,261	2,701,947	2,582,967	3,460,176	4,080,590
99 Other Intergovernmental Charges	5,267,148	5,721,415	5,976,970	6,748,530	7,352,061
Total Expenditures	<u>\$ 909,316,514</u>	<u>\$ 928,283,780</u>	<u>\$ 1,172,088,846</u>	<u>\$ 1,314,013,505</u>	<u>\$ 1,444,828,248</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,663,332)	84,523,506	17,274,659	(53,881,009)	(29,017,911)
Other Financing Sources (Uses)					
7900 Other Resources	\$ 425,851	\$ 20,584	\$ 54,642	\$ 51,000	\$ 51,000
8900 Other Uses	-	(10,000,000)	(8,006,898)	(325,000)	(300,000)
Total Other Financing Sources (Uses)	<u>425,851</u>	<u>(9,979,416)</u>	<u>(7,952,256)</u>	<u>(274,000)</u>	<u>(249,000)</u>
Net Change in Fund Balances	(3,237,482)	74,544,090	9,322,403	(54,155,009)	(29,266,911)
Fund Balances - Beginning	220,960,408	217,722,928	292,267,018	301,589,421	255,434,412
Projected unspent balances at year end				8,000,000	8,000,000
Adjustment from Adopted to Amended					
Fund Balances - Ending	217,722,928	292,267,018	301,589,421	255,434,412	234,167,501
Ending Fund Balance as a Percent of Operating Expenditures (excluding Chapter 41)	29.9%	44.1%	39.2%	32.7%	30.2%

Debt Service Fund

The Debt Service Fund accounts for all bonded debt payments, including principal, interest and fees. Major sources of revenues are from local property taxes levied for bonded debt payment purposes. Interest earnings contribute a relatively minor source of additional revenue for this fund.

The total revenues and other resources for the Debt Service Fund for FY2019 are \$128.2 million and total expenditures and other uses are \$128.2 million. Debt Service revenues are projected to increase approximately \$3.6 million from the prior year adopted total. The debt service tax rate will continue to remain flat from the FY2017 level of \$0.113 per \$100 of taxable value in FY2019. This will be the third year in a row the I&S tax rate stays flat. In FY2014, the I&S tax rate was \$0.163 per \$100 of taxable value.

The district has fixed rate bonds for various bond issues - some have call dates, others are non-callable bonds. The structure of the bonds are set to compliment the overall structure of the debt service fund to keep the Interest and Sinking Fund tax rate as constant as possible. Equipment purchases are amortized on a shorter basis to match the useful life.

Table 37
Austin Independent School District
Debt Service Fund Statement of Revenues and Expenditures by Object
For FY2019 with Comparative Data for Prior Years

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Adopted	FY2019 Adopted
Revenues					
5700 Local Sources	\$108,192,795	\$106,248,492	\$111,993,100	\$123,613,946	\$127,206,357
5800 Other Rev from T.E.A.	-	1,502,682	1,020,322	-	-
5900 Federal Sources	912,600	458,761	917,030	984,466	984,466
Total Revenues	<u>\$109,105,395</u>	<u>\$108,209,935</u>	<u>\$113,930,452</u>	<u>\$124,598,412</u>	<u>\$128,190,823</u>
Expenditures by Object					
6511 Bond Principal	\$ 67,177,633	\$ 152,633	\$ 71,025,285	\$ 67,611,632	\$ 82,073,533
6521 Bond Interest	36,485,920	17,954,056	37,128,113	36,554,681	43,367,290
6599 Other Debt Serv Fees	1,713,547	601,922	4,145,613	1,128,736	2,750,000
Total Expenditures	<u>\$105,377,100</u>	<u>\$ 18,708,611</u>	<u>\$112,299,011</u>	<u>\$105,295,049</u>	<u>\$128,190,823</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,728,295	\$ 89,501,324	\$ 1,631,441	\$ 19,303,363	\$ -
Other Financing Sources (Uses)					
7900 Other Resources	\$173,490,488	\$ 24,078,000	\$639,446,668	\$ -	\$ -
8900 Other Uses	(172,745,080)	(24,078,000)	(635,822,336)	-	-
Total Other Financing Sources (Uses)	<u>\$ 745,408</u>	<u>\$ -</u>	<u>\$ 3,624,332</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balances	\$ 4,473,703	\$ 89,501,324	\$ 5,255,773	\$ 19,303,363	\$ -
Fund Balances - Beginning	<u>\$ 43,695,912</u>	<u>\$ 48,169,616</u>	<u>\$137,670,940</u>	<u>\$142,926,713</u>	<u>\$162,230,076</u>
Fund Balances - Ending	<u>\$ 48,169,616</u>	<u>\$137,670,940</u>	<u>\$142,926,713</u>	<u>\$162,230,076</u>	<u>\$162,230,076</u>

*FY2016 was a 10 month year

Table 38
Austin Independent School District
Debt Service Fund Statement of Revenues and Expenditures by Function and Object
For FY2019 with Comparative Data for Prior Years

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Adopted	FY2019 Adopted
5700 LOCAL REVENUE SOURCES					
5711 Taxes-Current Year	\$ 106,983,433	\$ 105,018,132	\$ 110,755,716	\$ 122,362,193	\$ 124,828,166
5712 Taxes- Prior Years	366,048	220,010	(172,752)	376,051	342,332
5719 Penalty & Interest	470,880	405,855	486,141	510,702	535,859
5742 Earnings from Investments	372,434	604,495	923,995	365,000	1,500,000
TOTAL	\$ 108,192,795	\$ 106,248,492	\$ 111,993,100	\$ 123,613,946	\$ 127,206,357
5800 STATE REVENUE SOURCES					
5829 Other Rev from T.E.A.	\$ -	\$ 1,502,682	\$ 1,020,322	\$ -	\$ -
TOTAL	\$ -	\$ 1,502,682	\$ 1,020,322	\$ -	\$ -
5900 FEDERAL REVENUE SOURCES					
5946 Building America Bond Subsidy	\$ 912,600	\$ 458,761	\$ 917,030	\$ 984,466	\$ 984,466
TOTAL	\$ 912,600	\$ 458,761	\$ 917,030	\$ 984,466	\$ 984,466
DEBT SERVICE FUND REVENUE TOTAL	\$ 109,105,395	\$ 108,209,935	\$ 113,930,452	\$ 124,598,412	\$ 128,190,823
EXPENDITURES					
71 Debt Service					
6511 Bond Principal	\$ 67,177,633	\$ 152,633	\$ 71,025,285	\$ 67,611,632	\$ 82,073,533
6521 Bond Interest	36,485,920	17,954,057	37,128,113	36,554,681	43,367,290
6499 Misc Operating Expenses	-	16,795	-	-	-
6599 Other Debt Serv Fees	1,713,547	585,126	4,145,613	1,128,736	2,750,000
TOTAL	\$ 105,377,100	\$ 18,708,611	\$ 112,299,011	\$ 105,295,049	\$ 128,190,823
TOTAL EXPENDITURES	\$ 105,377,100	\$ 18,708,611	\$ 112,299,011	\$ 105,295,049	\$ 128,190,823
OTHER FINANCING SOURCES (USES)					
7911 Sale of Bonds	\$ 150,405,000	\$ 24,078,000	\$ 543,205,000	\$ -	\$ -
7916 Premium/Discount on Bonds	23,085,488	-	96,241,668	-	-
8911 Transfers Out	-	(24,078,000)	(365,000,000)	-	-
8949 Other Uses	(172,745,080)	-	(270,822,336)	-	-
Total Other Financing Sources (Uses)	\$ 745,408	\$ -	\$ 3,624,332	\$ -	\$ -
NET SOURCES OVER (UNDER)	\$ 4,473,703	\$ 89,501,324	\$ 5,255,773	\$ 19,303,363	\$ -
Accounting Update from Adopted to Amended					
Fund Balances- September 1 (Beginning)	\$ 43,695,912	\$ 48,169,615	\$ 137,670,940	\$ 142,926,713	\$ 162,230,076
Fund Balances - August 31 (Ending)	\$ 48,169,615	\$ 137,670,940	\$ 142,926,713	\$ 162,230,076	\$ 162,230,076

*FY2016 was a 10 month year

Food Service Funds

Purpose of the Food Service Fund

The Food Service Fund accounts for the operation of the district's cafeteria meal program. The Food Service program includes a Food Service Fund expenditure budget of \$40.4 million and a Food Service Summer Program budget of \$544,961 for a total of \$41.0 million.

Revenue

Revenue to support the Food Service program is generated from local, state and federal sources. Local sources account for \$8.0 million or 20 percent of the total revenue for Food Services. Local sources include earnings from investments and fees collected from sales of meals to students and staff for breakfast and lunch.

State sources account for \$1.2 million or 3 percent of the total revenue for Food Services. They include direct financial assistance payments from the TEA.



Federal sources account for \$31.6 million or 78 percent of the total revenue for Food Services. The National School Lunch Program generates \$19.7 million or 62 percent of the federal sources. This program is administered by the Texas Department of Agriculture which passes monies through the TEA to support the school district's breakfast and lunch programs.

Expenditures

For the FY2019 school year, the Food Service expenditure budget of \$41.0 million is slightly more than the Food Service revenue budget of \$40.7 million. The Food Service fund is projected to have an ending fund balance of approximately \$5.1 million.

Outlook for FY2019

Lunch prices will increase \$0.10 to \$2.90 for elementary lunch and \$3.05 for secondary lunch. AISD is aware of the area economic conditions and how it impacts many families in Austin. AISD strives to keep meal prices affordable while also maintaining a balanced Food Services budget.

Comparison to Prior Year

Total Food Services revenue will increase approximately \$671,355 from the prior year. Local sources of revenue are expected to increase by \$747,249 and the state budgeted funding levels will remain flat. Federal revenue will decrease approximately \$75,914 from the FY2018 Adopted Budget. Expenditures will increase \$1.0 million or almost 3 percent from the prior year adopted budget.

Table 39
Austin Independent School District
Food Service Fund Statement of Revenues and Expenditures by Object
For FY2019 with Comparative Data for Prior Years

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Adopted	FY2019 Adopted
Revenues					
5700 Local Sources	\$ 6,697,990	\$ 6,993,350	\$ 7,941,444	\$ 7,239,264	\$ 7,986,513
5800 State Sources	1,167,481	1,122,883	1,760,490	1,163,398	1,163,398
5900 Federal Sources	29,430,572	27,878,496	29,889,772	31,674,452	31,598,538
Total Revenues	<u>\$ 37,296,043</u>	<u>\$ 35,994,729</u>	<u>\$ 39,591,706</u>	<u>\$ 40,077,114</u>	<u>\$ 40,748,449</u>
Expenditures by Object					
6100 Payroll Costs	\$ 21,834,295	\$ 19,537,963	\$ 23,144,652	\$ 21,770,698	\$ 22,672,989
6200 Professional & Contracted Svcs.	591,148	578,784	599,328	558,757	410,374
6300 Supplies & Materials	15,873,436	15,082,881	16,460,065	17,304,965	17,550,103
6400 Other Operating Expenses	32,787	15,021	22,529	24,505	24,505
6600 Capital Outlay	194,698	135,418	12,058	268,217	328,217
Total Expenditures	<u>\$ 38,526,364</u>	<u>\$ 35,350,067</u>	<u>\$ 40,238,632</u>	<u>\$ 39,927,142</u>	<u>\$ 40,986,188</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,230,321)	\$ 644,663	\$ (646,926)	\$ 149,972	\$ (237,739)
Other Financing Sources (Uses)					
7900 Other Resources					
8900 Other Uses					
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	\$ (1,230,321)	\$ 644,663	\$ (646,926)	\$ 149,972	\$ (237,739)
Estimated outstanding purchase orders and unspent balances at year end	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balances- September 1 (Beginning)	<u>\$ 6,468,249</u>	<u>\$ 5,237,928</u>	<u>\$ 5,882,591</u>	<u>\$ 5,235,665</u>	<u>\$ 5,385,637</u>
Fund Balances - August 31 (Ending)	<u>\$ 5,237,928</u>	<u>\$ 5,882,591</u>	<u>\$ 5,235,665</u>	<u>\$ 5,385,637</u>	<u>\$ 5,147,898</u>
Less Assigned Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance - Unreserved	<u>\$ 5,237,928</u>	<u>\$ 5,882,591</u>	<u>\$ 5,235,665</u>	<u>\$ 5,385,637</u>	<u>\$ 5,147,898</u>
Ending Unreserved Fund Balance as a Percent of Total Budgeted Expenditures	13.6%	16.6%	13.0%	13.5%	12.6%

*FY2016 was a 10 month year

Table 40
Austin Independent School District
Food Service Fund Statement of Revenues and Expenditures by Function and Object
For FY2019 with Comparative Data for Prior Years

	FY2015 Audited	FY2016 Adopted	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
5700 LOCAL REVENUE SOURCES					
5742 Earnings from Investments	\$ 1,438	\$ 9,472	\$ 29,051	\$ 15,000	\$ 15,000
5744 Gifts and Bequests	-	-	7,292	-	-
5749 Other Rev from Local Srcs	57,440	6,496	845	29,907	29,907
5751 Paid Food and Beverage	6,639,112	6,977,382	7,904,257	7,194,357	7,941,606
TOTAL	\$ 6,697,990	\$ 6,993,350	\$ 7,941,445	\$ 7,239,264	\$ 7,986,513
5800 STATE REVENUE SOURCES					
5829 Other Rev from T.E.A.	\$ 225,458	\$ 214,205	\$ 206,881	\$ 214,205	\$ 214,205
5831 TRS on Behalf Payment	942,023	908,677	1,553,609	949,193	949,193
TOTAL	\$ 1,167,481	\$ 1,122,882	\$ 1,760,490	\$ 1,163,398	\$ 1,163,398
5900 FEDERAL REVENUE SOURCES					
5916 Federal Indirect Costs	\$ (739,160)	\$ (1,060,142)	\$ (1,260,414)	\$ (1,060,142)	\$ (1,120,157)
5921 School Breakfast Program	6,506,014	6,093,176	7,532,451	8,938,791	9,007,634
5922 National School Lunch Program	21,100,040	20,055,816	19,837,830	20,359,899	19,688,314
5923 USDA Donated Commodities	1,207,460	827,526	877,892	1,186,953	1,152,507
5927 After School Snacks Programs	254,708	225,674	158,526	109,514	97,581
5939 Federal Fm Other TX Agencies	1,101,510	1,736,447	2,743,488	1,606,863	2,772,659
Direct Federal	-	-	-	532,574	-
TOTAL	\$ 29,430,572	\$ 27,878,497	\$ 29,889,773	\$ 31,674,452	\$ 31,598,538
FOOD SERVICES FUND REVENUE TOTAL	\$ 37,296,043	\$ 35,994,729	\$ 39,591,708	\$ 40,077,114	\$ 40,748,449
EXPENDITURES					
35 Food Services					
6100 Payroll Costs	\$ 21,834,295	\$ 19,537,962	\$ 23,144,652	\$ 21,770,698	\$ 22,672,989
6200 Professional & Contracted Srvc	591,148	578,784	599,328	558,757	410,374
6300 Supplies & Materials	15,873,436	15,082,881	16,460,065	17,304,965	17,550,103
6400 Other Operating Expenses	32,787	15,021	22,529	24,505	24,505
6600 Capital Outlay	194,698	135,418	12,058	268,217	328,217
TOTAL	\$ 38,526,364	\$ 35,350,066	\$ 40,238,632	\$ 39,927,142	\$ 40,986,188
TOTAL EXPENDITURES	\$ 38,526,364	\$ 35,350,066	\$ 40,238,632	\$ 39,927,142	\$ 40,986,188
OTHER FINANCING SOURCES (USES)					
7900 Other Resources	\$ -	\$ -	\$ -	\$ -	\$ -
8900 Other Uses	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -
NET SOURCES OVER (UNDER)	\$ (1,230,321)	\$ 644,663	\$ (646,926)	\$ 149,972	\$ (237,739)
Fund Balances - Beginning	<u>\$ 6,468,249</u>	<u>\$ 5,237,928</u>	<u>\$ 5,882,591</u>	<u>\$ 5,235,665</u>	<u>\$ 5,385,637</u>
Fund Balances - Ending	<u>\$ 5,237,928</u>	<u>\$ 5,882,591</u>	<u>\$ 5,235,665</u>	<u>\$ 5,385,637</u>	<u>\$ 5,147,898</u>

*FY2016 was a 10 month year

Individual Funds

The following chart combines Capital funds with Grant funds. Although revenues are projected to be flat, FY2018-19 through forecasted FY2020-21 captures significant increases in Capital Outlay expenditures due to FY2017 Bond projects.

Table 41
Austin Independent School District
Combined Statement of Revenue and Expenditures for Individual Funds
Historical and Forecast, 8 Year Total

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Adopted	2019-20 Forecast	2020-21 Forecast	2021-22 Forecast
Revenues								
5700 Local sources	\$ 11,688,499	\$ 9,467,072	\$ 11,124,620	\$ 14,282,960	\$ 7,736,380	\$ 7,736,380	\$ 7,736,380	\$ 7,736,380
5800 State sources	5,966,709	3,620,189	5,475,551	6,365,944	4,067,730	4,067,730	4,067,730	4,067,730
5900 Federal sources	72,233,370	61,945,934	54,114,919	54,457,029	56,615,121	56,615,121	56,615,121	56,615,121
Total revenue	\$ 89,888,578	\$ 75,033,195	\$ 70,715,090	\$ 75,105,933	\$ 68,419,231	\$ 68,419,231	\$ 68,419,231	\$ 68,419,231
Expenditures								
6100 Payroll costs	\$ 51,590,018	\$ 51,551,695	\$ 50,476,654	\$ 50,012,318	\$ 50,364,532	\$ 46,655,959	\$ 46,602,577	\$ 46,602,577
6200 Professional and Contracted Services	7,266,346	8,996,381	10,521,064	14,950,710	19,709,136	18,778,592	14,185,587	10,572,045
6300 Supplies and Materials	29,583,495	23,352,886	19,232,701	27,603,821	23,324,242	24,057,840	14,279,628	11,322,047
6400 Other Operating Costs	1,379,237	2,200,510	2,342,362	2,254,824	3,126,541	2,762,673	2,586,947	2,166,855
6500 Debt Service	-	130,640	-	-	-	-	-	-
6600 Capital Outlay	95,580,025	66,790,488	72,595,647	116,302,968	371,894,780	397,164,167	223,764,492	67,755,707
Total Expenditures	\$ 185,399,121	\$ 153,022,600	\$ 155,168,428	\$ 211,124,642	\$ 468,419,231	\$ 489,419,231	\$ 301,419,231	\$ 138,419,231
Net Revenue Over (Under)	\$ (95,510,543)	\$ (77,989,405)	\$ (84,453,338)	\$ (136,018,709)	\$ (400,000,000)	\$ (421,000,000)	\$ (233,000,000)	\$ (70,000,000)
Other Sources (Uses)								
7900 Other Resources	\$ 70,000,000	\$ 24,078,000	\$ 365,000,000	\$ 43,415,455	\$ 400,000,000	\$ 421,000,000	\$ 233,000,000	\$ 70,000,000
8900 Other Uses	-	-	-	-	-	-	-	-
Net Sources over (under)	\$ 70,000,000	\$ 24,078,000	\$ 365,000,000	\$ 43,415,455	\$ 400,000,000	\$ 421,000,000	\$ 233,000,000	\$ 70,000,000
Net revenue/other sources over (under)	\$ (25,510,543)	\$ (53,911,405)	\$ 280,546,662	\$ (92,603,254)	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance (Estimated)	\$ (9,018,299)	\$ (34,528,842)	\$ (88,440,247)	\$ 192,106,415	\$ 99,503,161	\$ 99,503,161	\$ 99,503,161	\$ 99,503,161
Ending Fund Balance (Estimated)	\$ (34,528,842)	\$ (88,440,247)	\$ 192,106,415	\$ 99,503,161	\$ 99,503,161	\$ 99,503,161	\$ 99,503,161	\$ 99,503,161

Debt Service Policy- CCA (Legal)

Bonds and Bond Taxes

The Board may obtain funds to construct, acquire, or equip school buildings, to purchase necessary sites, to purchase new school buses, or to acquire or refinance property financed under a contract entered under the Public Property Finance Act by issuing bonds and assessing annual ad valorem taxes sufficient to pay the principal and interest on the bonds as they come due.

Bond Issues on New Debt

Before issuing bonds the district must demonstrate to the Attorney General that, with respect to the proposed issuance, the district has a projected ability to pay the principal of and interest on the proposed bonds and all previously issued bonds, other than bonds authorized to be issued at an election held on or before April 1, 1991, and issued before September 1, 1992, from a tax at a rate not to exceed \$.50 per \$100 of valuation.

Elections

No bonds shall be issued or taxes levied unless approved by a majority of the qualified voters of the district who vote at an election held for such purpose. The election shall be called by Board resolution, which shall

set the date, polling places, and propositions to be voted on. The election shall be held on a uniform election date.

Propositions

Each proposition submitted to authorize the issuance of bonds shall include the question of whether the Board may levy an ad valorem tax either:

1. Sufficient, without limits as to rate or amount, to pay the principal of and interest on said bonds; or
2. Sufficient to pay the principal of and interest on said bonds; provided that the annual aggregate bond taxes in the district shall never exceed the rate stated in the proposition.

Refunding Bonds Authority

The Board is authorized to refund or refinance all or any part of any of its outstanding bonds and interest thereon, payable from ad valorem taxes, by issuing refunding bonds payable from ad valorem taxes in accordance with legal requirements for the issuance.

Authorized Unissued Bonds

If the district has authorized school bonds for a specific purpose and that purpose has been accomplished by other means or has been abandoned and all or a portion of the authorized bonds remains unissued, the Board may call an election to determine whether the authorized bonds may be issued or sold for a different purpose or purposes specified in the election order.

Capital Projects Fund

Appropriations for the Capital Projects Fund are not incorporated into the FY2019 Adopted Budget. The recommended Governmental Funds budget is reviewed and adopted by the Board of Trustees, while the funding for capital projects is approved by Austin voters. However, the capital projects have a significant dollar value and are an integral part of the district's operations. Data on capital projects are being presented for informational purposes only.

The Capital Projects Fund generally encompasses projects that are financed through the issuance of school building bonds, subject to approval by voters. Some examples of Capital Project Fund expenditures include:

- Purchase sites for school buildings
- Acquisition, construction, renovation, rehabilitation and improvement of school buildings
- Purchase of new school buses
- Equipping school buildings (furniture, fixtures, and equipment)

Table 42
Austin Independent School District
Capital Projects Fund Statement of Revenues and Expenditures by Object
For FY2019 with Comparative Data for Prior Years

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Budgeted	FY2019 Budgeted
Revenues					
5700 Local Sources	\$ 2,630,913	\$ 66,987	\$ 156,512	\$ 75,000	\$ -
7900 Other Sources	70,000,000	-	365,000,000	-	-
Total Revenues	<u>\$ 72,630,913</u>	<u>\$ 66,987</u>	<u>\$ 365,156,512</u>	<u>\$ 75,000</u>	<u>\$ -</u>
Expenditures by Function					
Current					
34 Pupil Transportation	\$ 2,345,488	\$ 340,260	\$ 3,218,815	\$ -	\$ -
41 General Administration					\$ 347,684
51 Plant Maintenance	4,830,671	3,577,398	4,335,147	4,009,168	2,930,347
53 Data Processing Services	11,124,985	2,285,296	5,415,751	-	-
70 Debt Services	516,642	-	-	-	-
81 Facilities Acquisition & Construction	79,384,297	72,107,920	71,977,834	92,102,996	460,667,069
Total Expenditures	<u>\$ 98,202,082</u>	<u>\$ 78,310,874</u>	<u>\$ 84,947,547</u>	<u>\$ 96,112,164</u>	<u>\$ 463,945,100</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (25,571,169)	\$ (78,243,887)	\$ 280,208,965	\$ (96,037,164)	\$ (463,945,100)
Other Financing (Uses)					
8900 Other Uses	\$ -	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balances	<u>\$ (25,571,169)</u>	<u>\$ (78,243,887)</u>	<u>\$ 280,208,965</u>	<u>\$ (96,037,164)</u>	<u>\$ (463,945,100)</u>
Estimated outstanding purchase orders and unspent balances at year end	\$ -	\$ 24,078,000	\$ -	\$ -	\$ -
Fund Balances - Beginning	<u>\$ (11,472,477)</u>	<u>\$ (37,043,645)</u>	<u>\$ (91,209,532)</u>	<u>\$ 188,999,433</u>	<u>\$ 92,962,269</u>
Fund Balances - Ending	<u>\$ (37,043,645)</u>	<u>\$ (91,209,532)</u>	<u>\$ 188,999,433</u>	<u>\$ 92,962,269</u>	<u>\$ (370,982,831)</u>

Table 43
Austin Independent School District
Capital Projects Fund Statement of Revenues and Expenditures by Function and Object
For FY2019 with Comparative Data for Prior Years

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Budgeted	FY2019 Budgeted
Revenues					
Local Sources	\$ 2,630,913	\$ 66,987	\$ 156,512	\$ 75,000	\$ -
Other Sources	70,000,000	-	365,000,000	-	-
Total Revenues	\$ 72,630,913	\$ 66,987	\$ 365,156,512	\$ 75,000	\$ -
Expenditures by Function & Object					
Current					
Pupil Transportation					
6200 Purchase and Contracted Services	\$ -	\$ -	\$ -	\$ -	\$ -
6300 Supplies & Materials	349,922	-	156,167	-	-
6600 Capital Outlay	5,600,667	340,260	3,062,648	-	-
Subtotal	\$ 5,950,589	\$ 340,260	\$ 3,218,815	\$ -	\$ -
General Administration					
6100 Payroll Costs	\$ -	\$ -	\$ -	\$ -	\$ 347,684
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 347,684
Plant Maintenance					
6100 Payroll Costs	\$ 1,829,789	\$ 1,845,507	\$ 2,463,462	\$ 3,649,168	\$ 2,930,347
6200 Purchase and Contracted Services	211,134	-	162,220	300,000	-
6300 Supplies & Materials	2,265,770	1,731,891	1,507,771	60,000	-
6400 Other Operating Costs	10,157	-	201,694	-	-
Subtotal	\$ 4,316,849	\$ 3,577,398	\$ 4,335,147	\$ 4,009,168	\$ 2,930,347
Data Processing Services					
6100 Payroll Costs	\$ -	\$ -	\$ 945,943	\$ -	\$ -
6200 Purchase and Contracted Services	21,392	213,131	-	-	-
6300 Supplies & Materials	2,652,248	18,725	3,349,946	-	-
6600 Capital Outlay	1,222,027	2,053,440	1,119,862	-	-
Subtotal	\$ 3,895,666	\$ 2,285,296	\$ 5,415,751	\$ -	\$ -
Facilities Acquisition & Construction					
6100 Payroll Costs	\$ 515,699	\$ 287,209	\$ 502,354	\$ 485,842	\$ 483,924
6200 Purchase and Contracted Services	4,598,145	2,803,884	3,044,128	3,456,100	10,734,374
6300 Supplies & Materials	5,857,045	18,087,233	981,040	7,501,000	13,309,525
6400 Other Operating Costs	506,484	429,124	385,337	1,644,100	1,145,378
6600 Capital Outlay	72,561,603	50,500,470	67,064,975	79,015,954	434,993,868
Subtotal	\$ 84,038,976	\$ 72,107,920	\$ 71,977,834	\$ 92,102,996	\$ 460,667,069
Total Expenditures	\$ 98,202,081	\$ 78,310,874	\$ 84,947,547	\$ 96,112,164	\$ 463,945,100
Excess (Deficiency) of Revenues Over Expenditures	\$ (25,571,168)	\$ (78,243,887)	\$ 280,208,965	\$ (96,037,164)	\$ (463,945,100)
Other Financing (Uses)					
Other Uses	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	\$ (25,571,168)	\$ (78,243,887)	\$ 280,208,965	\$ (96,037,164)	\$ (463,945,100)
Estimated outstanding purchase orders and unspent balances at year end		\$ 24,078,000			
Fund Balances - Beginning	\$ (11,472,477)	\$ (37,043,645)	\$ (91,209,532)	\$ 188,999,433	\$ 92,962,269
Fund Balances - Ending	\$ (37,043,645)	\$ (91,209,532)	\$ 188,999,433	\$ 92,962,269	\$ (370,982,831)

2017 Bond Program

The Austin ISD 2017 Bond Program is an investment in the district’s facilities, teachers and staff, and students. Student success is the ultimate goal and the district’s driving force. On Nov. 7, 2017, a majority, 72 percent, of Austin voters passed Austin Independent School District’s bond proposal for \$1,050,984,000 to create 21st-century learning spaces for all students. Key projects in the bond include:

- Constructing 17 new or modernized campus facilities;
- Improvements to address overcrowding and critical needs; and,
- Districtwide improvements to technology for teachers and students and transportation.

The Austin ISD 2017 Bond was designed to modernize or construct 17 new campus facilities, some of which will be replacement schools. This bond is an investment in AISD facilities, teachers and staff, and our students. Student success is the ultimate goal and our driving force. [Click here](#) to view a detailed list of work proposed at each campus.

Users can access an interactive [map](#) of AISD facilities across the district. Access to data points like Facility Condition Assessment (FCA) scores, trustee and school boundaries, as well as Educational Suitability Assessment (ESA) scores can be researched.

Future Projects

The Austin ISD’s Facility Master Plan (FMP) guides the district decision making about the use of its buildings. The FMP:

- Outlines the current status and future use of district facilities
- Guides the development of future capital improvements, and
- Supports planning for future bond elections

The FMP is a living document and is reviewed periodically. The [Facility Master Plan Update 2017](#) is a guideline for all the District’s facilities over the next 25 years. Its intent is to document the current status of each of AISD’s buildings, identify a vision for their future, and chart a path to achieve that vision by identifying the level and nature of capital investments that must be made in each facility.

Other Post-Employment Benefits (OPEB)

As captured in the [FY2017-18 Comprehensive Annual Financial Report \(CAFR\)](#), the District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by TRS. It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension’s Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

At June 30, 2018, the District reported a liability of \$85,792,166 for its proportionate share of the TRS’s net pension liability. This liability reflects a reduction for state pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the District were as follows:

District’s proportionate share of the collective net position liability	\$ 85,792,166
State’s proportionate share that is associated with the District	<u>274,738,156</u>
Total	\$360,530,322

Austin Independent School District



Informational

FY2019 Official Budget

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Taxable Value Information

The district received the preliminary and certified taxable value information from the Travis Central Appraisal District (TCAD) in May and in July respectively. Property taxes are calculated on net taxable value after allowable exemptions and freeze tax ceilings are subtracted from assessed values. Taxes are calculated on each \$100 of net taxable value. Tax levy of the freeze portion is calculated by TCAD and provided to the District. This amount is added to current net taxable levy to arrive at the total levy. Revenues for current property taxes are based on a 99% collection rate.

On January 1st of each year the property values are rendered for appraisal. The appraisal process is conducted by the TCAD. TCAD is scheduled to submit preliminary values to the school district by May 1st. These values are usually a conservative estimate of the ultimate certified values that are generally released on or before July 25th.

Over the last ten years, the district’s taxable value growth has averaged 7.5 percent. The largest growth was in 2016 when the certified taxable value increased 15.3 percent and the smallest was in 2010 when the taxable property value decreased 2.6 percent. The net taxable property value for the AISD FY2019 will increase by \$10.6 billion or 10.2 percent over FY2018. Future year forecasts through FY2021 indicate property tax values will continue to increase with an annual growth rate of approximately 6.0 percent.

Increases in home values generally lead to higher tax bills. Texas law limits the amount that a house value can increase from one year to the next. Under the state’s 10 percent appraisal cap policy, even if a home value goes up by more than 10 percent in one year, the homeowner will not have to pay a tax increase beyond the 10 percent in that one-year period.

Table 44
Austin Independent School District
Net Taxable Value History and Projections

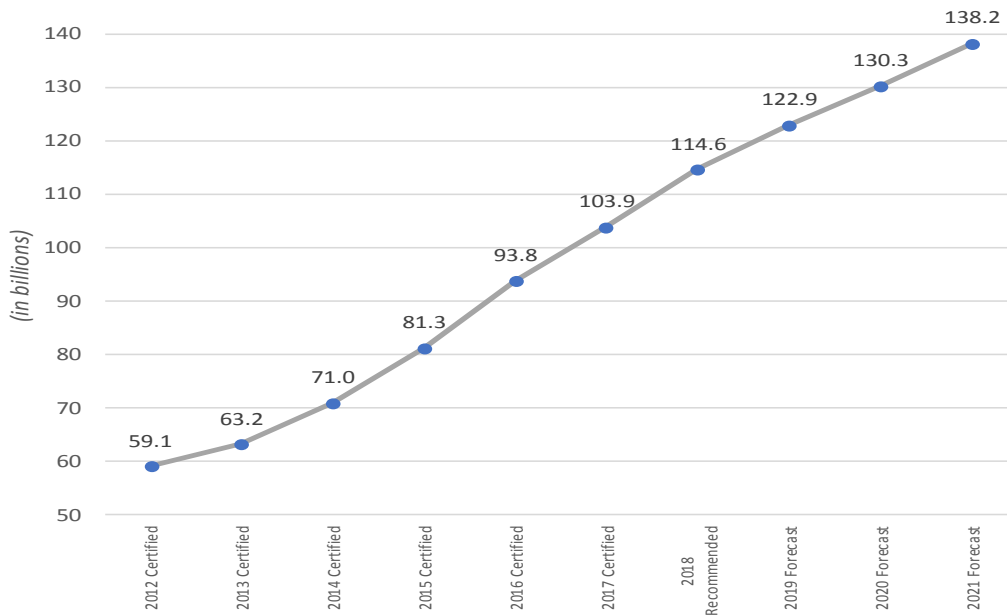


Table 45
Austin Independent School District
Appraised Value and Net Taxable Value Comparison

Tax Year as of Jan 1	Appraised Value	Net Taxable Value	Net Taxable \$ Change	Net Taxable % Change
2008 Certified	66,020,279,293	56,266,583,957	5,696,315,779	11.30%
2009 Certified	73,513,895,643	57,794,696,337	1,528,112,380	2.7%
2010 Certified	70,797,440,448	56,280,681,272	(1,514,015,065)	-2.6%
2011 Certified	72,466,563,139	56,875,444,136	594,762,864	1.1%
2012 Certified	75,440,103,577	59,110,581,643	2,235,137,507	3.9%
2013 Certified	80,650,606,175	63,187,538,609	4,076,956,966	6.9%
2014 Certified	92,285,206,528	71,005,696,884	7,818,158,275	12.4%
2015 Certified	109,580,546,026	81,345,006,875	10,339,309,991	14.6%
2016 Certified	127,023,966,581	93,778,284,778	12,433,277,903	15.3%
2017 Certified	139,598,426,470	103,926,165,185	10,147,880,407	10.8%
2018 Recommended	152,941,671,853	114,561,054,186	10,634,889,001	10.2%

The tax levy is calculated from the net taxable value at a 99% collection rate. The actual taxes to be collected on the Freeze Taxable Values for patrons, who are over 65 years old, are calculated separately and then added back. The “Total Tax Levy” table represents the historical net taxable value, the current fiscal year and future projections.

The frozen ceiling taxes are authorized under a local provision that provides an “over 65 exemption”, which allows patrons who are at 65 years of age to not be subject to increased taxes regardless of what happens to their property values or the district tax rates. Their taxes are essentially frozen. The combination of the net taxable value levy and the levy on frozen values equals the total levy for the year.

The tax collections from local property values are the largest source of income for the district. The total tax rate is comprised of two component rates, each having separate purposes and state laws governing them – Maintenance and Operations (M&O) and Interest and Sinking (I&S).

The M&O tax rate supports the major operational and education programs of the district whereas the I&S tax rate supports the repayment of bonded debts that were authorized by the Austin voters. The tax rate for FY2019 will remain at \$1.079 for Maintenance and Operations (M&O) and the Interest and Sinking fund tax rate will stay flat at \$0.113 per hundred dollars of assessed value. The total tax rate for FY2019 will be \$1.192. The taxable value divided by 100 then multiplied by the tax rate (ex. \$1.192) will provide the property tax rate.

Table 46
Austin Independent School District
Total Tax Levy

	FY2015	FY2016	FY2017	FY2018	Recommended FY2019
Taxable Values					
Net Taxable Value (before freeze)	\$ 73,898,431,752	\$ 87,117,325,275	\$ 98,447,878,445	\$ 110,553,113,154	\$ 123,402,657,486
Less: Freeze Taxable Value	\$ (6,773,432,022)	\$ (7,658,949,040)	\$ (8,625,952,287)	\$ (9,871,612,443)	\$ (11,288,015,210)
Other Adjustments	\$ 3,880,697,154	\$ 1,886,630,640	\$ 3,956,358,620	\$ 3,266,026,485	\$ 2,446,411,910
Net Taxable Value (after freeze)	\$ 71,005,696,884	\$ 81,345,006,875	\$ 93,778,284,778	\$ 103,947,527,196	\$ 114,561,054,186
Increase (Decrease) Over Prior Year	\$ 7,818,158,275	\$ 10,339,309,991	\$ 12,433,277,903	\$ 10,169,242,418	\$ 10,613,526,990
% Increase (Decrease) Over Prior Year	12.4%	14.6%	15.3%	10.8%	10.2%
Net Taxable Levy	\$ 855,863,662	\$ 977,766,983	\$ 1,117,837,155	\$ 1,239,054,524	\$ 1,365,567,766
Freeze Ceiling Taxes	\$ 47,000,000	\$ 55,332,109	\$ 55,332,109	\$ 71,183,100	\$ 77,761,337
Total Levy	\$ 902,863,662	\$ 1,033,099,092	\$ 1,173,169,264	\$ 1,310,237,624	\$ 1,443,329,103
% Actual Collections to Levy	99.00%	99.00%	99.00%	99.00%	99.00%
Tax Rates					
Local Maintenance	1.079	1.079	1.079	1.079	1.079
Debt Service	0.143	0.123	0.113	0.113	0.113
Total	1.222	1.202	1.192	1.192	1.192
Budgeted Tax Levies					
Local Maintenance	\$ 789,237,310	\$ 918,108,803	\$ 1,051,334,848	\$ 1,174,168,568	\$ 1,293,438,407
Debt Service	\$ 104,597,716	\$ 104,659,298	\$ 110,102,723	\$ 122,966,680	\$ 135,457,405
Total	\$ 893,835,027	\$ 1,022,768,101	\$ 1,161,437,571	\$ 1,297,135,248	\$ 1,428,895,812



Impact of Tax Levy on Single Family Residence

Table 47
Austin Independent School District
Analysis of Tax Burden per Travis Central Appraisal District

	AISD FY2014	AISD FY2015	AISD FY2016	AISD FY2017	AISD FY2018	Recommended AISD FY2019
Avg Market Value of Residence	\$275,663	\$312,091	\$350,210	\$384,088	\$409,078	\$441,067
Avg Taxable Value	\$255,514	\$278,496	\$297,627	\$328,536	\$357,104	\$387,609
Tax Rate per \$100 Value	1.242	1.222	1.202	1.192	1.192	1.192
Tax Levy on Average Residence	\$3,173	\$3,403	\$3,577	\$3,916	\$4,257	\$4,620
Net Increase in Tax Levy	\$136	\$230	\$174	\$339	\$341	\$364

Average Home Value Analysis – Average home value increases will add to the 2018 tax year bill and will similarly increase the district’s FY2019 local property tax collections. Based on the certified values released by the Travis County Appraisal District (TCAD), the average market value for a residential property of \$441,067 (with a median taxable value of \$387,609) in FY2019, increases, when compared to the prior year FY2018 market value of \$409,078 (with a median taxable value of \$357,104). The AISD portion of the tax bill in FY2018 for a home with a taxable value of \$357,104 was \$4,257 and the AISD portion of the tax bill in FY2019 for the same home (now with a taxable value of \$387,609) will be \$4,620, a difference of \$364 per year.

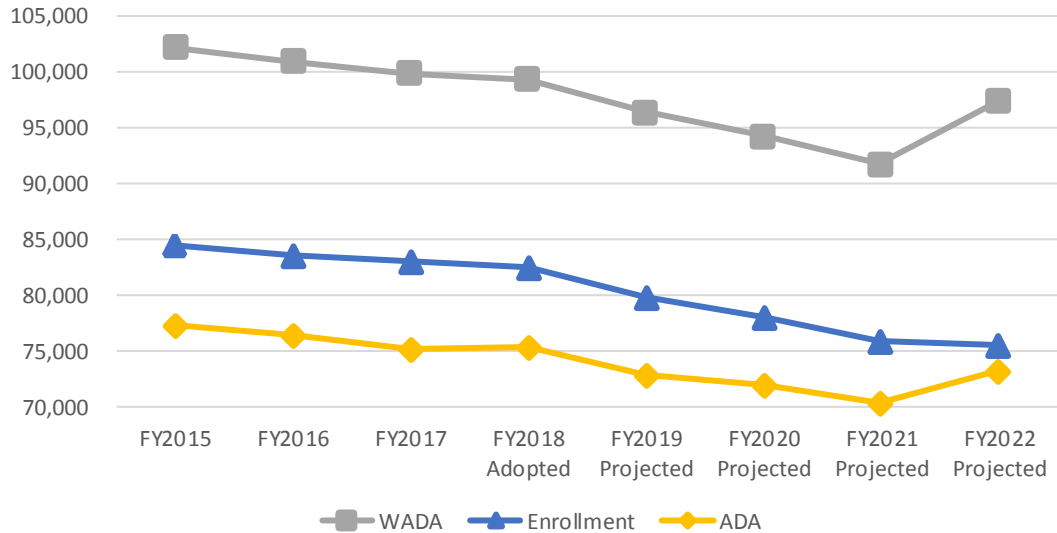
The state limits how much a school district can increase its tax rate from the previous year. Each taxing entity must calculate its rollback rate. The rollback rate is the maximum rate that can be adopted before an automatic rollback election takes place. If the district adopts a tax rate that is higher than the rollback rate, voters can either affirm the proposed higher rate through an election or roll it back to the rollback rate. Also, individual property value increases are capped annually at 10 percent.

Student Information

The district employs an independent professional demographer to analyze and update the total student enrollment projection for several years into the future. The demographer researches the latest trends in housing, birth rates, building permits, developer plats and any other pertinent demographic information. The information from these reports become an integral part of the district’s decision making and planning process for capital improvement needs and campus boundary changes. The below table presents student enrollment history for the last ten years and projections for the next four years.

Table 48
Austin Independent School District
Student Enrollment History and Projections

Historical and Projected Enrollment, ADA, and WADA



Staffing

As with most school districts anywhere in Texas, the annual operating budget is labor intensive with approximately 86% of its budget going toward salary and benefits (excluding Recapture). The district must balance efficiency with effectiveness. The larger the staffing ratio is, the greater the overall efficiency will be. The district’s administration must continually evaluate staffing issues during the budgeting process.

Teacher staffing formulas for FY2019 will remain unchanged from the FY2018 school year. Elementary class size caps will be as follows: PK (19:1), K-4 (22:1), and 5-6 (25:1). Secondary class sizes are targeted at an approximate level of 29 per class, based on teaching a 6 out of 8 schedule.

Since 2016, AISD has remained consistent in the Student/Teacher ratio at 14.3 while the Student/Total Staff ratio has followed trends in student enrollment numbers. Overall FY2019 staffing remains relatively flat. Growth in Special Education students has required additional FTE’s to help accommodate the needs and legally required services.

Table 49
Austin Independent School District
Staffing History

	FY2015		FY2016		FY2017		FY2018		FY2019	
	Actual	%	Actual	%	Actual	%	Budgeted	%	Budgeted	%
Teachers (Includes regular elementary, secondary, and special program teachers)	5,824	50.3%	5,822	50.3%	5,793	50.6%	5,771	49.6%	5,629	48.3%
Campus Administration (Includes principals, assistant principals, and academy directors)	328	2.8%	336	2.9%	360	3.1%	332	2.9%	335	2.9%
Central Administration (Includes superintendent, chiefs, associate/assistant superintendents, executive directors, and directors)	62	0.5%	58	0.5%	30	0.3%	66	0.6%	69	0.6%
Professional Support (Includes counselors, librarians, instructional/curriculum specialists, therapists, assistant directors, supervisors, coordinators, athletic trainers, etc.)	1,193	10.3%	1,118	9.7%	1,111	9.7%	1,173	10.1%	1,275	10.9%
Auxiliary Staff (Includes non classroom paraprofessional, bus drivers, hourly employees, and other)	3,247	28.0%	3,362	29.1%	3,189	27.9%	3,330	28.6%	3,315	28.4%
Educational Aides (Includes regular and special programs paraprofessionals working in classrooms to assist teachers)	924	8.0%	873	7.5%	964	8.4%	955	8.2%	1,038	8.9%
Total	11,578		11,568		11,447		11,627		11,661	
Student Enrollment	84,191		83,270		82,776		82,520		80,495	
Staffing Ratios										
Student/Teacher Ratio	14.46		14.30		14.29		14.30		14.30	
Student/Total Staff Ratio	7.27		7.20		7.23		7.10		6.90	

Bond Initiative Projects

For over the past decade and in the foreseeable future, the district has and will continue to undertake bond elections authorizing the issuance of additional debt. The district receives a credit enhanced bond rating of AAA for its bonds that are guaranteed by the State of Texas Permanent School Fund (PSF). The district's underlying ratings are: Moody's (Aaa), Standard & Poor's (AA+), and Fitch (AA+). A third party financial advisor is employed to assist the district in managing its debt portfolio.

[AISD's Debt management policy](#) is a written guideline that affects the type of debt issued by the district, the issuance process and the management of the district's debt portfolio. The goal of the debt management policy is to improve the quality of decisions, provide justification for the structure of debt

issuance, identify policy goals and demonstrate a commitment to long-term financial planning. Adherence to a debt management policy signals to rating agencies and the capital markets that AISD is well managed and can be expected to meet its obligations in a timely manner.

Facilities and Bond Planning Advisory Committee (FABPAC)

The Board of Trustees appoints citizens to the Facilities and Bond Planning Advisory Committee (FABPAC) to evaluate capital improvement needs of the district and to provide recommendations to the Board of Trustees on long-range facilities planning; amendments to the Facility Master Plan; and the scope of work and timing of future bond programs.

To accomplish its purpose, the Committee shall have the following responsibilities:

- Provide recommendations on long-range facilities planning and amendments to the Facility Master Plan;
- Evaluate current use of district facilities and review critical needs, including overcrowded and under enrolled schools;
- Evaluate technology, transportation and unmet facility needs;
- Refer potential boundary changes needed to optimize the use of district facilities to the Boundary Advisory Committee for consideration;
- Engage the community in dialogue regarding long-range facilities and capital improvement needs in support of the district's strategic plan;
- Assist district-wide community outreach efforts to increase public awareness of the facilities planning process, capital improvement plans and proposed bond programs;
- Develop recommendations for long-range capital improvement needs;
- Develop facilities modernization plans;
- Evaluate tax impact and long-term investments of taxpayers; and
- Develop recommendations for the scope of work for potential future proposed district bond program(s)

In developing its recommendations, the Committee shall consider all information provided by the district administration. In its deliberations, the Committee considers the comprehensive needs of the district including, but not limited to:

- Facility Equity – A global assessment of the equity of facilities among district campuses.
- Student population projections – Annual projections by the district's demographer of the number of students living in each school's attendance area.
- Impact to maintenance and operations costs – How changes in current instructional programming or facilities would impact the local maintenance and operations budget.
- Strategic priorities – Priorities that are articulated in the district's Strategic Plan.
- Student transportation – A needs assessment of the district's transportation fleet that considers the age and condition of the fleet.
- Technology – Technology for instructional and administrative uses is funded through bond programs. The Technology Officer for Learning and Systems will be responsible for developing recommendations for the committee's consideration.
- Current and Planned Academic Programming – An assessment of necessary facility changes based on current and planned academic programming to support the District's long-term goals, including the AISD Strategic Plan, as well as annual Board Priorities. The district's real estate

portfolio— A description of the property and land owned by the district. A real estate assets plan is in development and feedback by the committee will be part of its work.

- Educational Suitability Assessment – An assessment of a facility to evaluate how well the campus is physically equipped to deliver the instructional program. District staff and consultants will engage with the FABPAC, school leadership, and Campus Advisory Councils (CACs) as part of the assessment process to review and identify any additional facility needs for possible inclusion in a future bond program.
- Facility Condition Index (FCI) – An indicator of a facility’s condition obtained by dividing the repair costs by the replacement cost of the same building.
- Facility Condition Assessment – An evaluation of a school facility that identifies current site and building system deficiencies. District staff and consultants will engage with the FABPAC, school leadership, and Campus Advisory Councils (CACs) as part of the assessment process to review and identify any additional facility needs for possible inclusion in a future bond program.
- Educational Specifications – A document that describes the current standards for program areas, equipment needs, technology needs, square footage, and other considerations for a new or modernized school. Used to compare existing school facilities and identify areas that vary from current standards to identify potential future projects.
- Target Utilization Plans (TUPs) – A document developed by campus leadership and approved by district administration that identifies strategies to improve facility utilization at under-enrolled schools by 1) increasing enrollment mostly with students not enrolled in AISD and/or 2) optimizing building use through partnerships by generating revenue to mitigate costs.

The following five tables are specific summaries for AISD’s current bond authorizations.

Table 50
Austin Independent School District
2004 Bond Authorization

Prop	Purpose	Amount Authorized	Amount Previously Issued (as adjusted)	Amount Being Issued	Remaining Amount Authorized
1	Construction, acquisition, rehabilitation, renovation, improvement and equipment of school buildings in the district and the purchase of the necessary sites therefore, including (i) six new elementary schools and one new middle school, (ii) classroom additions at existing school buildings and (iii) acquisition of land for school buildings.	\$183,598,064	\$183,272,873		\$325,191
2	Rehabilitation, renovation, improvement, equipment and expansion of school buildings,	\$201,103,971	\$201,018,939		\$85,032

	including district-wide facilities and technology systems.				
3	Construction, acquisition, rehabilitation, renovation, improvement and equipment of school buildings in the district, the purchase of the necessary sites therefore and the purchase of new school buses, including (i) acquisition and installation of safety and security equipment and systems at new and existing school buildings, (ii) hazardous materials abatement and (iii) construction, acquisition, rehabilitation, renovation, improvement and equipment of transportation facilities and the purchase of new school buses.	\$53,899,309	\$53,604,263		\$295,046
4	Construction, acquisition, rehabilitation, renovation, improvement and equipment of school buildings in the district, including facilities for athletics and recreation, and the purchase of the necessary sites therefore.	\$12,830,510	\$12,605,605		\$224,905
5	Construction, acquisition, rehabilitation, renovation, improvement and equipment of school buildings in the district and the purchase of the necessary sites therefore, including (i) a new middle school in the southwest portion of the district, (ii) a performing arts center and (iii) acquisition of the sites therefore; provided, that no bonds shall be issued to finance a performing arts facility (or the acquisition of a site therefore) until the District has obtained donations of not less than \$7,000,000.	\$36,599,762	\$35,774,340		\$825,422
6	Refunding any of the district's currently outstanding contractual obligations.	\$23,495,000	\$23,494,117		\$883
	Totals	\$511,526,616	\$509,770,137		\$1,756,479

Proposition 2 includes \$2,442,131 of QZAB funding.

Proposition 5 was reduced by \$8,000,000

Table 51
Austin Independent School District
2008 Bond Authorization

Prop	Purpose	Amount Authorized	Amount Previously Issued (as adjusted)	Amount Being Issued	Remaining Amount Authorized
1	Construction, renovation, improvement, rehabilitation, acquisition and equipment of school buildings and the purchase of the necessary sites therefor, including (i) an elementary school, (ii) an early childhood center, (iii) classroom additions at existing school buildings, (iv) renovation and replacement of school auditoriums, (v) renovation and expansion of facilities and acquisition of equipment for science programs and (vi) acquisition of technology equipment and systems.	\$187,797,315	\$187,513,061		\$284,254
2	Construction, renovation, improvement, rehabilitation, acquisition and equipment of facilities for career education and development programs; and rehabilitation, renovation and improvement of District facilities to promote health, safety, security, efficiency and energy conservation in District operations and for the acquisition and installation of equipment and systems therefor (including the purchase of new low emission and fuel hybrid school buses).	\$73,920,504	\$67,204,296		\$6,716,208
3	Construction, renovation, improvement, rehabilitation, acquisition and equipment of school buildings and the purchase of the necessary sites therefor, including (i) a performing arts center, (ii) land for a new south high school	\$82,000,000	\$62,448,752	\$500,000	\$19,051,248

	and (iii) fine arts programs and classroom additions.				
	Totals	\$343,717,819	\$317,166,109	\$500,000	\$26,051,710
	As Amended and Restated on August 11, 2008				

Table 52
Austin Independent School District
2013 Bond Authorization

Prop	Purpose	Amount Authorized	Amount Previously Issued (as adjusted)	Amount Being Issued	Remaining Amount Authorized
1	Construction, acquisition, rehabilitation, renovation, expansion, improvement and equipment of school buildings in the district, including (i) science programs, (ii) technology systems and equipment, (iii) promotion of energy conservation and efficiency, (iv) cafeteria and food service facilities, and (v) district maintenance and facilities services, and the purchase of new school buses.	\$140,566,000	\$105,720,000		\$34,846,000
3	Construction, acquisition, rehabilitation, renovation, expansion, improvement and equipment of school buildings in the district, including (i) repair, improve and replace facility systems throughout the district (including roofing, plumbing, heating, ventilation, air conditioning, electric, flooring, and other building systems), (ii) rehabilitation, renovation and improvement of libraries, and (iii) traffic safety improvements.	\$349,165,000	\$320,358,000		\$28,807,000
	Totals	\$489,731,000	\$426,078,000		\$63,653,000

Table 53
Austin Independent School District
2017 Bond Authorization

Prop	Purpose	Amount Authorized	Amount Previously Issued (as adjusted)	Amount Being Issued	Remaining Amount Authorized
1	Construction, acquisition, rehabilitation, renovation, expansion, improvement and equipment of school buildings in the district, including (i) technology systems and equipment, (ii) safety and security systems and equipment, (iii) improvements to address overcrowding and safety concerns, (iv) improvements for students with special needs, and (v) reinvention programs for twenty-first century learning; the purchase of the necessary sites for school buildings; and the purchase of new school buses.	\$1,050,984,000		\$25,500,000	\$1,025,484,000
Totals		\$1,050,984,000		\$25,500,000	\$1,025,484,000

Table 54
Austin Independent School District
Bond Summary

Bond Authorization	Total Authorization	Total Unused Authorization	Total Issued
2004	\$511,526,616	\$1,756,479	\$509,770,137
2008	\$343,717,819	\$26,051,710	\$317,666,109
2013	\$489,731,000	\$63,653,000	\$426,078,000
2017	\$1,050,984,000	\$1,025,484,000	\$25,500,000
Totals	\$2,395,959,435	\$1,116,945,189	\$1,279,014,246

As of June 30, 2018

Figures reported for the 2013 Bond package include \$24,078,000 of Qualified School Construction Bond (QSCB) proceeds that closed on November 24th, 2015.

Table 55
Austin Independent School District
Outstanding Debt Service

Bond	Principal	Interest	Total
Unlimited Tax School Building Bonds Taxable, Series 2005B (QZABS)	\$598,923.12	\$0.00	\$598,923.12
Unlimited Tax School Building Bonds Taxable, Series 2008 (QZABS)	\$915,799.10	\$0.00	\$915,799.10
Unlimited Tax School Building Bonds Taxable, Series 2006 (QZABS)	\$1,281,614.25	\$0.00	\$1,281,614.25
Unlimited Tax Refunding Bonds, Series 2008	\$3,410,000.00	\$68,200.00	\$3,478,200.00
Unlimited Tax Refunding Bonds, Series 2010A	\$4,000,000.00	\$60,000.00	\$4,060,000.00
Unlimited Tax Refunding Bonds Taxable, Series 2013B	\$4,660,000.00	\$105,141.90	\$4,765,141.90
Unlimited Tax School Building and Refunding Bonds, Series 2009	\$6,255,000.00	\$252,700.00	\$6,507,700.00
Unlimited Tax Refunding Bonds, Series 2011	\$8,105,000.00	\$621,125.00	\$8,726,125.00
Unlimited Tax QSCB Taxable Series 2015 (TCBs)	\$18,035,319.25	\$0.00	\$18,035,319.25
Unlimited Tax Refunding Bonds, Series 2016C	\$43,620,000.00	\$23,637,825.00	\$67,257,825.00
Unlimited Tax Refunding Bonds, Series 2014A	\$48,035,000.00	\$20,626,081.25	\$68,661,081.25
Unlimited Tax Refunding Bonds Taxable, Series 2010B (DS - BABs)	\$58,315,000.00	\$30,187,819.87	\$88,502,819.87
Unlimited Tax Refunding Bonds, Series 2013A	\$59,460,000.00	\$35,118,506.25	\$94,578,506.25
Unlimited Tax Refunding Bonds, Series 2015A	\$60,975,000.00	\$26,877,537.50	\$87,852,537.50
Unlimited Tax Refunding Bonds, Series 2016A	\$82,405,000.00	\$32,998,750.00	\$115,403,750.00
Unlimited Tax Refunding Bonds Series 2014B	\$86,655,000.00	\$20,982,125.00	\$107,637,125.00
Unlimited Tax Refunding Bonds, Series 2015B	\$87,295,000.00	\$40,842,375.00	\$128,137,375.00
Unlimited Tax Refunding Bonds, Series 2016B	\$172,030,000.00	\$81,912,525.00	\$253,942,525.00
Unlimited Tax School Building and Refunding Bonds, Series 2017	\$218,960,000.00	\$90,928,775.00	\$309,888,775.00
TOTAL	\$965,011,655.72	\$405,219,486.77	\$1,370,231,142.49

Academic Measures

Academic Performance (STAAR and Distinction Designations)

In 2018, 61 Austin ISD campuses earned a total of 152 distinction designations from the Texas Education Agency in seven areas: Academic Achievement in Reading/English Language Arts, Academic Achievement in Mathematics, Academic Achievement in Science, Academic Achievement in Social Studies, Top 25 Percent: Student Progress, Top 25 Percent: Closing Performance Gaps, and Postsecondary Readiness. 61 schools earned at least 1 distinction designation, six secondary schools earned 5 or more, three elementary schools earned at least 5 of the 6 available, and two schools earned every available distinction

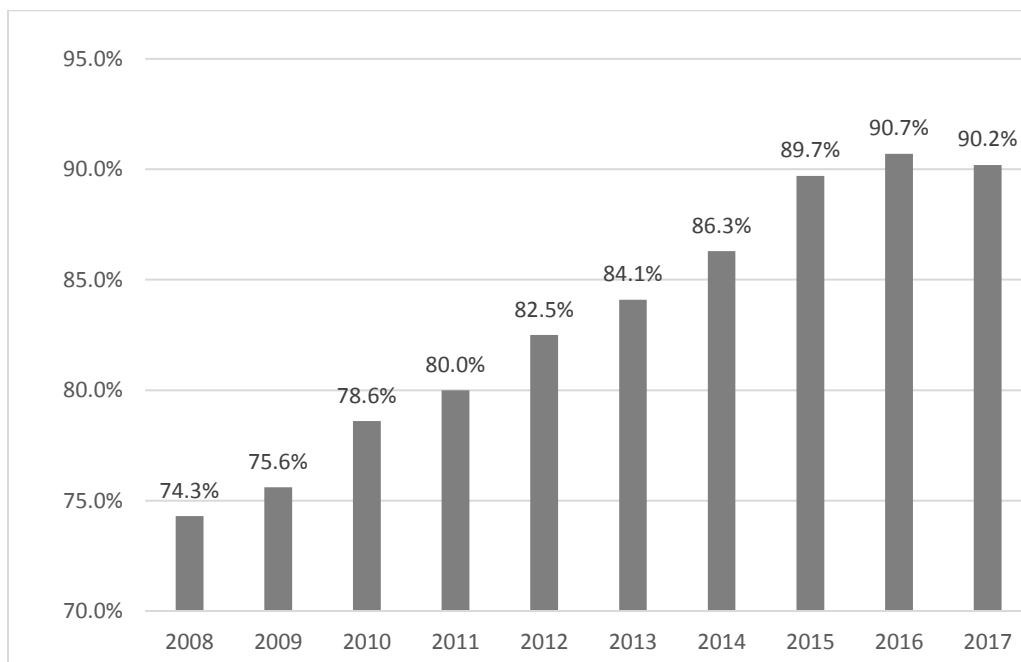


designation. In 2018, 116 AISD schools earned the state’s highest rating of Met Standard or Met Alternative Standard.

In 2018, AISD led comparable districts in the percent of students achieving Meets Grade Level on End of Course assessments in English I, English II, Biology, and U.S. History and exceeded the state passing average all five End-of-Course assessments. AISD’s eighth grade students led comparable districts in the percent of students achieving Meets Grade Level on Reading, Math, Science, and Social Studies assessments. AISD led comparable districts in the percent of students achieving Meets Grade Level on 3rd through 8th grade Reading assessments, and exceeded the state passing rate in 3rd through 5th grade Reading and Math.

Federal (AYP) Graduation Rates - The federal graduation rate is calculated by dividing the number of students who graduate in 4 years by the number of students in the cohort. The methodology for calculating federal graduation rates has remained relatively constant over the years. The federal graduation rate for AISD declined steadily through 2008 but increased over 16 percentage points from 2008 to 2016, declining half of a percentage point in 2017. The federal graduation rate of the Class of 2017 was 90.2 percent, an increase of 15.9 percentage points since 2008.

Table 56
Austin Independent School District
Austin ISD Federal Graduation Rates 2008-2017



SAT – This standardized college entrance examination assesses a candidate’s critical thinking and problem-solving skills to help predict his or her potential to undertake the bachelor level study program. The reasoning test assesses students reasoning in Mathematics, Verbal and Writing Skills. Students may elect to take subject area tests in five general areas, including English, History and Social Studies, Mathematics, Science and Languages.

Since 2016, the SAT test has been scored on a 1600-point scale and has included two components: Evidenced-Based Reading and Writing and Mathematics. The score range is 200 to 800 points for each

component and a perfect overall SAT score is 1600. For the past three years, district’s average SAT score exceeded the state and the national averages.

Table 57
Austin Independent School District
2016-2018 SAT Results – District Averages by Group

Overall AISD Total	2016	2017	2018
Asian	1210	1200	1259
African American	950	932	933
Hispanic	990	1012	1018
Two or More	1160	1253	1188
White	1230	1234	1242
All Students	1090	1098	1105

Total SAT Score	2016	2017	2018
AISD	1090	1098	1105
State	1020	1019	1032
National	1080	1070	1068

ACT – This standardized college entrance examination assesses high school students’ general educational development and their ability to complete college-level work. The multiple-choice tests cover four skill areas: English, Mathematics, Reading and Science. The Writing test, which is optional, measures skills in planning and writing short essays. A perfect ACT score is 36. In 2018, the AISD student average composite ACT score (22.9) continued to exceed the state (20.6) and national (20.8) averages.

Table 58
Austin Independent School District
2016-2018 ACT Results – District Averages by Group

Ethnicity Group	FY2016					FY2017					FY2018				
	English	Math	Reading	Science	Composite	English	Math	Reading	Science	Composite	English	Math	Reading	Science	Composite
American Indian/Alaskan Native	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Asian	24.5	26.6	25.5	25.3	25.6	24.1	25.6	24.7	25.3	25.0	26.6	27.2	26.3	26.7	26.9
Native Hawaiian/ Other Pacific Islander	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Black/African American	16.5	18.3	18.9	18.4	18.1	15.2	17.5	17.4	17.5	17.0	16.0	18.0	17.2	18.1	17.5
Hispanic/Latino	17.8	19.9	19.7	19.7	19.4	18.4	20.0	20.1	19.9	19.7	18.9	20.2	20.3	20.2	20.0
White	26.0	26	27.1	25.8	26.3	26.3	25.9	27.1	25.7	26.3	27.1	26.1	27.8	26.2	26.9
Native Hawaiian/ Other Pacific Islander	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Two or More Races	24.4	25	26.3	25.3	25.4	24.1	24.1	26.0	24.5	24.8	24.4	23.6	25.3	23.5	24.4
All Students	21.4	22.7	23	22.4	22.5	21.7	22.5	23.0	22.4	22.5	22.3	22.7	23.4	22.8	22.9

Source: ACT Profile Reports, 2016-2018

Graduation and Dropout Rates - As the Austin Independent School District’s graduation rates continues to grow, dropout rates continue to decrease. Graduation rates have grown by 7.7 percent from FY2011-12 to FY2016-17, to 90.2 percent. Although this is a slight decline from the 90.7 percent rate for the class of 2016, rates for individual student groups remain far above what they were five years ago. Compared to 2012 rates, these groups made significant gains:

- ELL in High School +15.5%
- Hispanic +10.2%
- Economically Disadvantaged +8.9%; and
- African American +6.6%

Dropout rates for AISD continues to decline overall when comparing FY2016-17 to FY2015-16 year end results. In the last six years, overall group performance dropped 2.1 percent with almost all groups dropping over 1.0 percent. English Language Learners (-4.8 percent), Special Education (-3.2 percent), Hispanic (-2.8 percent), Economically Disadvantaged (-2.6percent) and African American (-2.5 percent) saw the biggest changes.

Table 59
Austin Independent School District
FY2013-14 through FY2016-17 Graduation Rates – District by Group

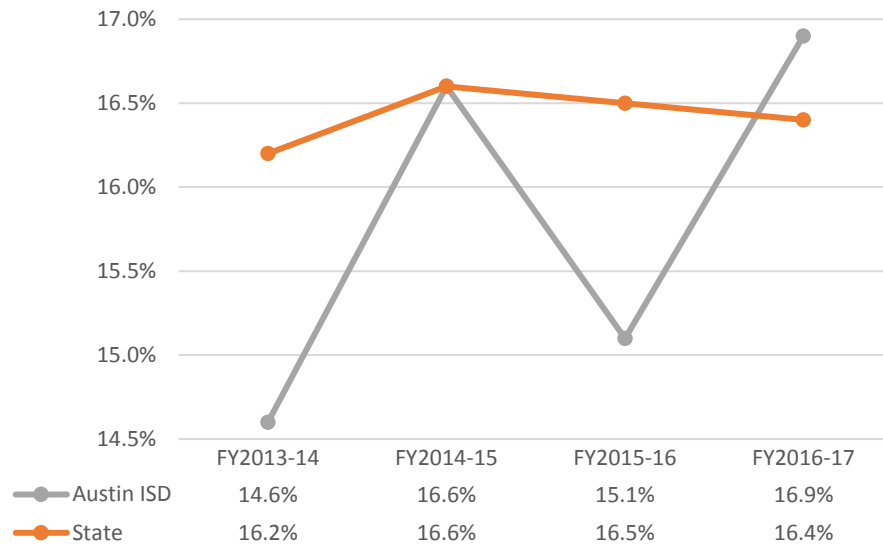
	FY2013-14	FY2014-15	FY2015-16	FY 2016-17
All Students	86.3%	89.7%	90.7%	90.2%
African American	80.4%	84.6%	88.4%	86.2%
Hispanic	83.1%	88.4%	89.0%	88.8%
White	93.5%	93.5%	94.1%	93.3%
American Indian	77.8%	80.0%	100.0%	*
Asian	88.7%	94.0%	94.0%	94.5%
Pacific Islander	80.0%	75.0%	*	*
Two or More Races	88.9%	88.5%	89.8%	91.4%
Special Ed	67.4%	70.4%	72.8%	67.6%
Econ Disadv	82.5%	87.3%	87.9%	87.8%
Eng Lang Learner	49.8%	77.9%	77.2%	78.1%

Table 60
Austin Independent School District
FY2013-14 through FY2016-17 Drop Out Rates – District by Group

	FY2013-14	FY2014-15	FY2015-16	FY 2016-17
All Students	1.3%	1.1%	1.0%	0.8%
African American	1.8%	1.2%	1.8%	1.1%
Hispanic	1.5%	1.4%	1.1%	1.0%
White	0.9%	0.7%	0.6%	0.4%
American Indian	3.0%	1.9%	0.0%	0.0%
Asian	0.4%	0.4%	0.5%	0.2%
Pacific Islander	4.5%	0.0%	0.0%	0.0%
Two or More Races	1.0%	0.9%	0.7%	0.3%
Special Ed	2.4%	1.8%	1.4%	1.1%
Econ Disadv	1.8%	1.5%	1.3%	1.1%
Eng Lang Learner	2.7%	2.2%	1.8%	1.3%

When comparing to a state level, the Austin Independent School District has an average teacher turnover of 15.8 percent from FY2013-14 to FY2016-17. This is roughly 0.6 percentage points less than the state average of 16.4 percent over the same time.

Table 61
Austin Independent School District
FY2013-14 through FY2016-17 Turnover Rate for Teachers



Source: <https://tea.texas.gov/perfreport/tapr/index.html>

The Food Service Department administers the National School Lunch Program and Breakfast Program for all Austin ISD schools. The mission of the department is to actively support the academic achievement of students by providing nutritious, appetizing meals that promote health, well-being and learning.

Table 62
Austin Independent School District
Food Service Productivity

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 Projected
Charge per lunch to students:						
Full Price - Elementary	\$2.35	\$2.35	\$2.60	\$2.70	\$2.80	\$2.90
Full Price - Secondary	\$2.50	\$2.50	\$2.75	\$2.85	\$2.95	\$3.05
Reduced Priced Meal - All Levels	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40
Charge per lunch to adults	\$3.25	\$3.25	\$3.50	\$3.50	\$3.50	\$3.75
	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 Projected
Number of days lunch served	175	178	177	177	177	177
Total Number of free lunches served	6,574,976	6,194,941	5,988,748	5,559,506	4,974,702	4,974,702
Average number of free lunches served to students daily	37,571	34,803	33,835	31,410	28,106	28,106
Number of paid lunches served:						
At full price	1,434,858	1,432,915	1,469,979	1,513,223	1,462,118	1,462,118
At reduced price	523,227	573,512	463,597	435,281	392,979	392,979
Average number of paid lunches served to pupils daily:						
At full price	8,199	8,050	8,305	8,549	8,261	8,261
At reduced price	2,990	3,222	2,619	2,459	2,220	2,220
Number of A la Carte meals (a la carte sales divided by average meal price)	975,597	872,343	983,172	988,711	990,207	990,207
Total number of lunches served to students daily	9,508,658	9,073,711	8,905,496	8,496,721	7,820,006	7,820,006
Average number of lunches served to students daily (includes free, reduced, full price, a la carte meals)	54,335	50,976	50,314	48,004	44,181	44,181
Number of sites serving lunch (includes special campuses)	121	121	121	121	121	121

Austin Independent School District



Glossary

FY2019 Official Budget

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Glossary

This glossary contains definitions of terms used in this guide and such additional terms as seem necessary to common understanding concerning financial accounting procedure for the school district. Several terms which are not primarily financial accounting terms are, have been included because of their significance for school financial accounting.

AAPSA. Austin Association of Public School Administrators

ACADEMICALLY EXEMPLARY. State recognition given to school that meets 90% standard for each subject.

ACADEMICALLY RECOGNIZED. State recognition given to schools that have a passing rate of at least 70% for each subject or meets 65% floor and required improvement.

ACADEMICALLY UNACCEPTABLE. State recognition given to schools meeting each standard: Reading/ELA –50%, Writing-50%, Social Studies-50%, Mathematics-35%, Science-25% or meets required improvement.

ACC. Austin Community College

ACCELERATED EDUCATION PROGRAM. This term is used to record costs incurred to use instructional strategies to provide services in addition to those provided at the basic level of instruction, thereby increasing the amount and quality of instructional time for students in such at-risk situation.

ACCESS. Austin Community Collaboration to Enhance Student Success funded by the Safe School Healthy Student Grant.

ACES. Alternative Center for Elementary Students

ACCOUNT. A descriptive heading under which are recorded financial transactions that are similar in terms of a given frame of reference, such as fund, function, or object.

ACCRUAL BASIS OF ACCOUNTING. A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

ADA. Students in 'Average Daily Attendance'.

ADMINISTRATION. Those activities which have as their purpose the general regulation, direction, and control of the affairs of the local education agency that are system-wide and not confined to one school, subject, or narrow phase of school activity.

ADVANCE. Access Decide Visit Apply Now for Your College Education

AEA. Alternative Education Accountability

AEC. Alternative Education Campuses

AEGBP. Austin Energy's Green Building Program

AEIS. Academic Excellence Indicator System

AISD. Austin Independent School District

ALC. Alternative Learning Center

AIMS. Austin Instructional Management System

ALLOCATION. A part of a lump sum appropriation, which is designated for expenditure by specific organization units and/or for special purposes, activities, or objects.

AMENDED BUDGET. Adopted budget plus/minus budget revisions.

AP. Advance Placement

APGs. Advanced Planning Guides

APIE. Austin Partners In Education

APPRAISE. To make an estimate of value, particularly of the value of property. If the property is valued for purposes of taxation, the less-inclusive term "assess is substituted for the above term.

APPROPRIATION ACCOUNT. A budgetary account set up to record specific authorization to spend. The account is credited with original and any supplemental appropriations and is charged with expenditures and encumbrances.

ARD. Admission, Review and Dismissal

ASSESSED VALUATION. A valuation set upon real estate or other property by a government as a basis for levying taxes.

AU. Academically Unacceptable Campuses

AVID. Advanced Via Individual Determination

AYP. Adequate Yearly Progress

BASIC EDUCATION PROGRAM. This term is used to identify cost for expenditure function 11 (instruction) and other expenditure functions for which operational costs can be specifically identified with the regular instructional program.

BEST. Program promoting Belief in Our Students, Effort Creates Ability, Supporting Families and Targeting College.

BILINGUAL/ENGLISH AS A SECOND LANGUAGE PROGRAM. This term is used to record cost incurred to evaluate, place and provide education and/or other services that are intended to make the students proficient in the English language, primary language literacy, composition and academic language related to required courses.

BOARD OF EDUCATION. The elected or appointed body, which has been created according to state law and vested with responsibilities for education activities in a given geographic area.

BOND. A written promise to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically.

BONDED DEBT. The part of the school district debt, which is covered by outstanding bonds of the district. Sometimes called "Funded Debt or Bonded Indebtedness".

BONDS AUTHORIZED AND UNISSUED. Bonds, which have been legally authorized but not, issued, and which can be issued and sold without further authorization.

BONDS ISSUED. Bonds sold.

BUDGET. A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.

BUDGET/TASK FORCE. Members appointed by the Superintendent who meet during the budget development process to review and comment on the proposed budget and its priorities.

BUDGETARY ACCOUNTS. Special accounts used to achieve budgetary integration, but not reported in the general-purpose external statements. The most common budgetary accounts are estimated revenues, appropriations, budgetary fund balance and encumbrances.



CAC. Carruth Administration Center

CAPITAL PROJECTS FUND. Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

CAPITAL OUTLAY. Expenditures, which result in the acquisition of or addition to, fixed assets.

CATCH. Coordinated Approach to Child Health

CBDNA. College Band Directors National Association

CCP. College and Career Preparatory Program

CCRS. Texas College and Readiness Standards

CHAPTER 41 DISTRICT. When property wealth exceeds \$319,500 per WADA, forcing a school district to send part of its local tax revenue to the state.

CIP. Continuous Improvement Plan

COCURRICULAR ACTIVITIES. Direct and personal services for public school pupil, such as interscholastic athletics, entertainments, publications, clubs, band, and orchestra that are managed or operated by the

student body under the guidance and direction of an adult and are not part of the regular instruction program.

COIN. A web program for students to create an individual college and career plan.

COMMUNITY SERVICES. Those services provided for the community as a whole or some segment of the community and which are not restricted to the public schools or adult education programs.

CONTRACTED SERVICES. Labor, material and other costs for services rendered by personnel who are not on the payroll of the school district.

CRT. Criterion-Referenced Test

CTE. Career and Technology Education

CURRENT. Refers to the fiscal year in progress.

CURRENT BUDGET. The annual budget prepared for and effective during the present fiscal year.

CURRENT YEAR'S TAX LEVY. Taxes levied for the current fiscal period.

DAC. District Advisory Council

DAEP. District Alternative Education Program

DEBT. An obligation resulting from the borrowing of money or from the purchase of goods and services.

DEBT SERVICE FUND. Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

DEFICIT. The excess of the obligations of a fund over the fund's resources.

DELINQUENT TAXES. Taxes remaining unpaid on and after the date on which they become delinquent.

DPE. Department of Program Evaluation

EDUCATION AUSTIN. Teacher's Union Organization for Austin teachers.

EL. Executive Limitations

ELA. English Language Arts ELDA. English Language Development Academy

ELEVAR. English Language Learner Versed in Academic Rigor

ELLs. English Language Learners

ELLA. The English Language and Literacy Academy

ELPS. English Language Proficiency Standards

EMT. Emergency Medical Technician

ENCUMBRANCES. Encumbrance accounting under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation is used in all Governmental Fund types. Since appropriations lapse at year-end, outstanding encumbrances are re-appropriated in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments.

ENTERPRISE FUND. Proprietary fund type used to report an activity for which a fee is charge to external users for good or services.

EQUIPMENT. Those moveable items used for school operation that are of a non-expendable and mechanical nature that have a unit cost of > \$5000 including telephone and communication systems, mainframe and minicomputers, high capacity copiers and printing machines.

ESL. English Second Language

EXEMPLARY. State recognition given to school that meets 90% standard for each subject.

EXPENDITURES PER STUDENT. Current expenditures for a given period of time divided by a pupil unit of measure (total number of students enrolled).

FAR. Financial Accountability System Resource Guide

FASB. Financial Accounting Standards Board

FIDUCIARY FUNDS. Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category at AISD includes agency funds.

FIRST. Financial Integrity Rating System of Texas

FISCAL YEAR. A twelve-month period of time to which the annual budget applies and at the end of which the district determines its financial position and the results of its operations; for example, July 1 through June 30.

FIXED ASSETS. Land, buildings and equipment which the district intends to hold or continue to use over a long period of time

FOOD SERVICE SUMMER FEEDING PROGRAM FUND. Accounts for funds received from the Department of Human Services that are awarded for meals provided to the community based on the average number of daily participants. This fund should be used regardless of whether a school district's National School Breakfast and Lunch Program is accounted for in the General Fund (101), Special Revenue Funds (240 and 242), or an Enterprise Fund (701).

FTF. First Things First

FUNCTION. As applied to expenditures, this term has reference to an activity or service aimed at accomplishing a certain purpose or end; for example, Instruction, Instructional Administration, Plant Maintenance and Operations.

FUND. A sum of money or other resources set aside for specific activities of a school district. The fund accounts constitute a complete entity and all of the financial transactions for the particular fund are recorded therein.

FUND BALANCE. The difference between assets and liabilities reported in a governmental fund.

GAAP. Generally Accepted Accounting Principles

GAATN. Greater Austin Area Telecommunications Network

GASB. Governmental Accounting Standard Board

GEAR UP. Gaining Early Awareness and Readiness for Undergraduate Programs

GED. General Education Development usually used in term of GED tests to measure the outcome of a high school education.

GENERAL FUND. The general fund is one of five governmental fund types and typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

GFOA. Government Finance Officers Association

GIFTED & TALENTED PROGRAM. This term is used to identify cost for expenditure function 11 and other applicable expenditure functions for academic programs established for students who have been identified as functioning at a higher intellectual plane and/or possessing talents exceeding those normally expended from the majority of the student population.

GOVERNMENTAL FUNDS. Funds generally used to account for tax-supported activities. There are different types of governmental funds: the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds.

GPA. Gold Performance Acknowledgements

GRANT. A contribution, either money or material goods, made by one governmental unit to another unit and for which the contributing unit expects no repayment. Grants may be for specific or general purposes.

HMO-HEALTH MAINTENANCE ORGANIZATION. A healthcare system that assumes or shares both the financial risk and the delivery risks associated with providing comprehensive medical services to a voluntarily enrolled population in a particular geographic area, usually in return for a fixed, prepaid fee.

HR. Human Resources

HVAC. Heating Ventilation Air Conditioning

IACP. Individual Academic Career Plan

IB. International Baccalaureate

IDM. Identity Management and Security Infrastructure Enhancement System

IEP. Individual Education Plan

IHS. International High School

INSTRUCTION. The activities dealing directly with the teaching of students or improving the quality of teaching.



INTEREST. A fee charged a borrower for the use of money.

INTEREST & SINKING (I & S). District income from local real and personal property taxes that is used for the Debt Service Fund.

INVENTORY. Inventory is stated at cost using the first-in, first-out method. Inventory in the General Fund consists of expendable parts and supplies. The costs are recorded as expenditures at the time individual inventory items are distributed to the various user locations.

IPGs. Instructional Planning Guides

ISTE. The International Society for Technology Education

ITBS. Iowa Test of Basic Skills

ITED. Iowa Test of Educational Development

IWC. International Welcome Center

JJAEP. Juvenile Justice Alternative Education Program

LDC. Leadership Development Academy

LEGAL DEBT MARGIN. The excess of the amount of debt legally authorized over the amount of debt outstanding.

LEP. Limited English Proficient

LEVY. To impose taxes or special assessments.

LPAS. Language Proficiency Assessment System

LST. Local Support Team

MAC. Medicaid Administrative Claiming Program

MAINTENANCE & OPERATIONS (M&O). District income from local and personal property taxes that is used for the General Fund.

MD&D. Management's Discussion and Analysis

MIS. Department of Management Information Systems

MLEB. Middle Level Education Plan

MODIFIED ACCRUAL BASIS OF ACCOUNTING. Basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways 1) revenues are not recognized until they are measurable and available, and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

MPGs. Magnet Planning Guides

MSA. Metropolitan Statistical Area

NCAA. National Collegiate Athletic Association

NCEA. National Center for Educational Achievement

NCLB. No Child Left Behind

NETS. National Educational Technology Standards

NEW POSITION REQUESTS. Non-existing personnel position that requested to be added for the next fiscal year.

NI. Needs Improvements Campuses

NMSQT. National Merit Scholarship Qualifying Test

NSLP. National School Lunch Program

NSS. Network Systems and Support

OBE. Office of Bilingual Education

OBJECT. A term used in connection with the classification of expenditures. The article purchased or the service obtained, rather than the purpose for which the article or service was purchased or obtained.

PAPA. Parenting and Parental Awareness

PAYROLL. A list of individual employees entitled to pay, with the amounts due to each for personal services rendered.

PBS. Positive Behavior Support

PBMAS. Performance-Based Monitoring Analysis System

PEIMS. Public Education Information Management System is a data collection system for all public school districts in Texas.

PERSONNEL, INSTRUCTIONAL. Those who render services dealing directly with the instruction of pupils including classroom teachers, teacher's aides, classroom assistants and graders.

PERSONNEL, PROFESSIONAL. Teachers, principals, assistant principals, librarians, counselors, administrators, etc. that is not eligible for overtime pay.

PERSONNEL, SUPPORT. Secretaries, clerks, teacher aides, custodian and campus monitors who are eligible for overtime pay.

PET. Personal Identification Database Enrollment Tracking System

PLANT MAINTENANCE. Those activities which are concerned with keeping the grounds, buildings, and other equipment at their original condition or completeness or efficiency, either through repairs or by replacements of property.

POL. Principles of Learning

PPCD. Programs for Children with Disabilities

PREFERRED PROVIDER ORGANIZATION (PPO). A healthcare benefit arrangement designed to supply services at a discounted cost by providing incentives for members to use designated healthcare providers (who contract with the PPO at a discount), but which also provides coverage for services rendered by healthcare providers who are not part of the PPO network.

PRELIMINARY TAX VALUES. Appraisal used to project the district's revenue from property taxes before completion of the certified tax roll.

PRIDE. Preparing Responsible Individuals Dedicated to Excellence

PRINCIPAL OF BONDS. The face value of bonds.

PROGRAM. The definition of an effort to accomplish a specific object or objectives consistent with funds or resources available. Budgets and actual revenue and expenditure records may be maintained per program.

PROPRIETARY FUNDS. Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

PSAT. Pre-Scholastic Aptitude Test

PTA. Parent Teacher Association

QZAB. Qualified Zone Academic Bonds

QTEL. Quality Teaching for English Learners

READ 180. A reading intervention program with a computer software interactive component.

RECOGNIZED. State recognition given to schools that have a passing rate of at least 70% for each subject or meets 65% floor and required improvement.

REVENUE. The yield of taxes, tuition, interest earnings, and other monetary resources that the District collects and receives into the treasury for public use. For those revenues which are recorded on the accrual basis, this term designates additions to assets which (a) do not increase any liability; (b) do not represent the recovery of an expenditure; (c) do not represent contributions of fund capital in enterprise and internal service funds. The same definition applies to those cases where revenue are recorded on the modified accrual or cash basis, except that additions would be partially or entirely to cash.

RESERVED FUND BALANCE. The portion of a governmental fund's net assets that is not available for appropriation.

ROTC. Army Reserve Officer Training Corp

Rtl. Response to Intervention

SALARY. The total amount regularly paid or stipulated to be paid to an individual, before deductions, for personal services rendered while on the school district payroll.

SAS. Statistical Analysis Software

SASI. School Administrative Student Information

SCHOOL, ELEMENTARY. A school classified as elementary by State and local practice and composed of grades kindergarten through fifth.

SCHOOL, SECONDARY. A school comprised of students beginning with the next grade following the elementary school and ending with or below grade 12, including 6th grade centers, middle schools, high schools and vocational or trade high schools.

SCHOOL, PRINCIPAL. The administrative head of a school to who has been delegated the major responsibility for the coordination and supervision of the activities of the school.

SDAA II. State Developed Alternative Assessment II

SECAC. Special Education Citizen's Advisory Committee

SERIAL BONDS. A bond whose principal is to be repaid in periodic installments over the life of the issue.

SHAC. School Health Advisory Council

SHARS. School Health and Related Services

SIOP. Sheltered Instruction Observation Protocol

SMART. Science Math and Reading Tutors

SPAM. The term spam refers to unsolicited commercial e-mail.

SPECIAL EDUCATION PROGRAM. This term is used to identify cost for expenditure functions for which costs can be specifically identified with instruction and related services for those programs for handicapped children approved by the Texas Education Agency.

SPECIAL REVENUE FUNDS. Account for certain revenues derived from the state and federal governments, which are required to finance particular activities. These funds provide enrichment programs, testing of pilot programs and enhance programs not provided by the general operating revenues.

SPECIAL SCHOOL. A school that serves a specific, targeted student population.

SREB. Southern Regional Education Board

STATE AID FOR EDUCATION. Any grant made by a State government for the support of education.

SUPPLY. A material item of an expendable nature that is consumed, worn out, or deteriorated in use.

T-STEM. Texas Science, Technology, Engineering and Math.

TAAS (TEXAS ASSESSMENT OF ACADEMIC SKILLS). Students in Texas public schools in grades 3-8 and 10 take this criterion-referenced test during the spring semester of each school year. All portions of the exam must be passed prior to graduation.

TAC. Texas Administrative Code

TAKS (TEXAS ASSESSMENT OF KNOWLEDGE AND SKILLS). Students in Texas public schools in grades 3-8 and 10 take this criterion-referenced test during the spring semester of each school year. All portions of the exam must be passed prior to graduation.

TAX RATE. Total tax rate is set by the Board of Trustees and is made up of two components: maintenance and operating and debt service rates. It is the amount levied for each \$100 of assessed valuation.

TAXES. Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

TCAD. Travis County Appraisal District

TEA. Texas Education Agency

TEC. Texas Education Code

TELPAS. Texas English Language Proficiency Assessment System

TEKS. Texas Essential Knowledge and Skills

TLA. Technology Literacy Assessments

TMEA. Texas Music Educators Association

TREx. Texas Record Exchange

TRS. Teacher Retirement System of Texas

TPRI. Texas Primary Reading Inventory

UCLA. University of California, Los Angeles

USDE. United States Department of Education



UIL. University Interscholastic League

USDA. United States Department of Agriculture

UNDESIGNATED FUND BALANCE. The difference between the unreserved fund balance and the designated unreserved fund balance. This portion of the fund balance is usually available to finance monthly operating expenditures.

UNRESERVED DESIGNATED FUND BALANCE. The portion of the fund balance identified by management to reflect tentative plans or commitments of government resources.

VCT. Vinyl Composition Tile

VOC. Volatile Organic Compounds

VOCATIONAL PROGRAM. This term is used to identify costs for expenditure 11 and other expenditure functions for which costs can be specifically identified with those vocational education programs approved by the Texas Education Agency.

WADA. Weighted Average Daily Attendance, an adjusted student count that compensates for student and district characteristics as defined by statute. Students with special education needs, for example, are 'weighted' by a factor ranging from 1.1 to 5.0 times the 'regular' program weight in order to fund their special needs.

WOW. Working Out for Wellness





Austin Independent School District

FY2019 OFFICIAL BUDGET

