

School District Fiscal Health Analysis – Highlights

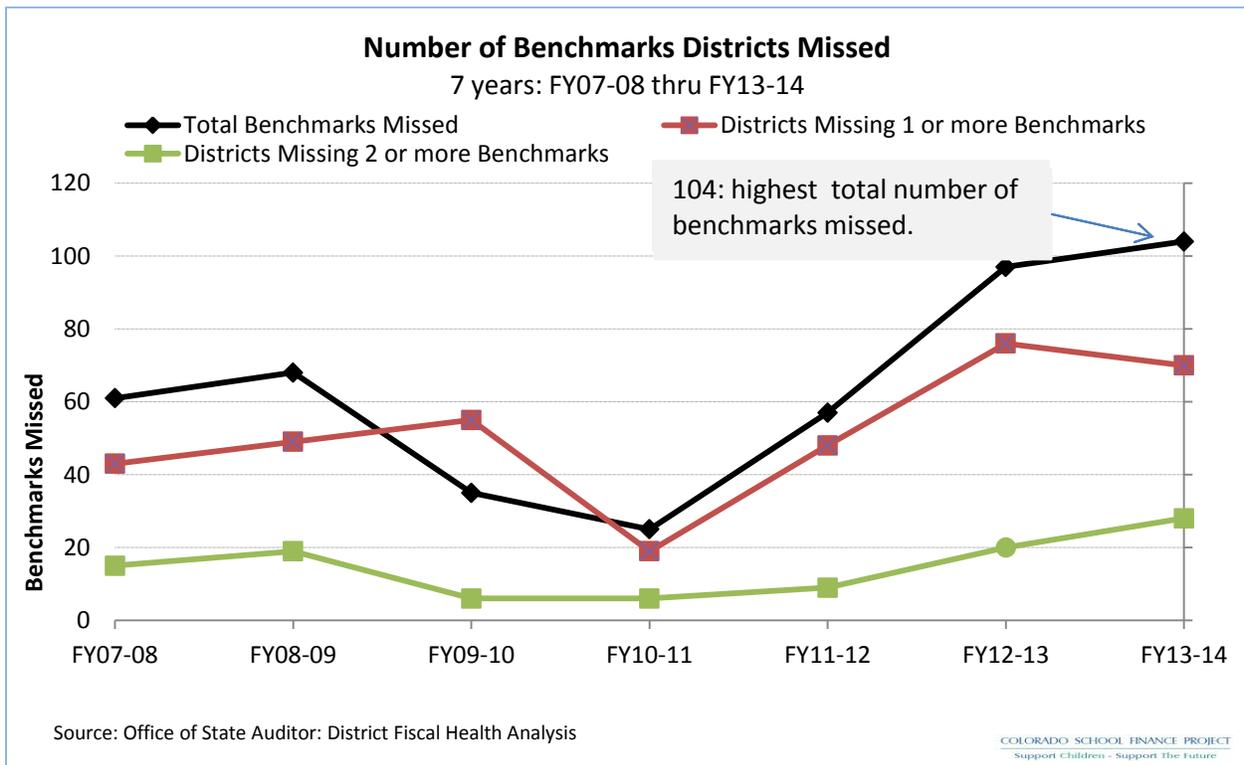
Background: The annual Fiscal Health Analysis Informational Report done by the Office of the State Auditor (OSA) looks at 5 financial indicators (benchmarks) over three rolling fiscal years for each district. The Fiscal Health Analysis uses the indicators to assess a district’s financial health. OSA links are at the end of this summary.

Colorado’s **Negative Factor** by Fiscal Year (Colorado Legislative Council, May 2015)

FY2009-10: \$130M FY2010-11: \$381M FY11-12: \$774M FY12-13: \$1.001B FY13-14: \$1.004B

Highlights of OSA Analysis

"Most of the school districts have had to make cuts to their annual budgets through a combination of eliminating jobs and cutting back educational programs."¹

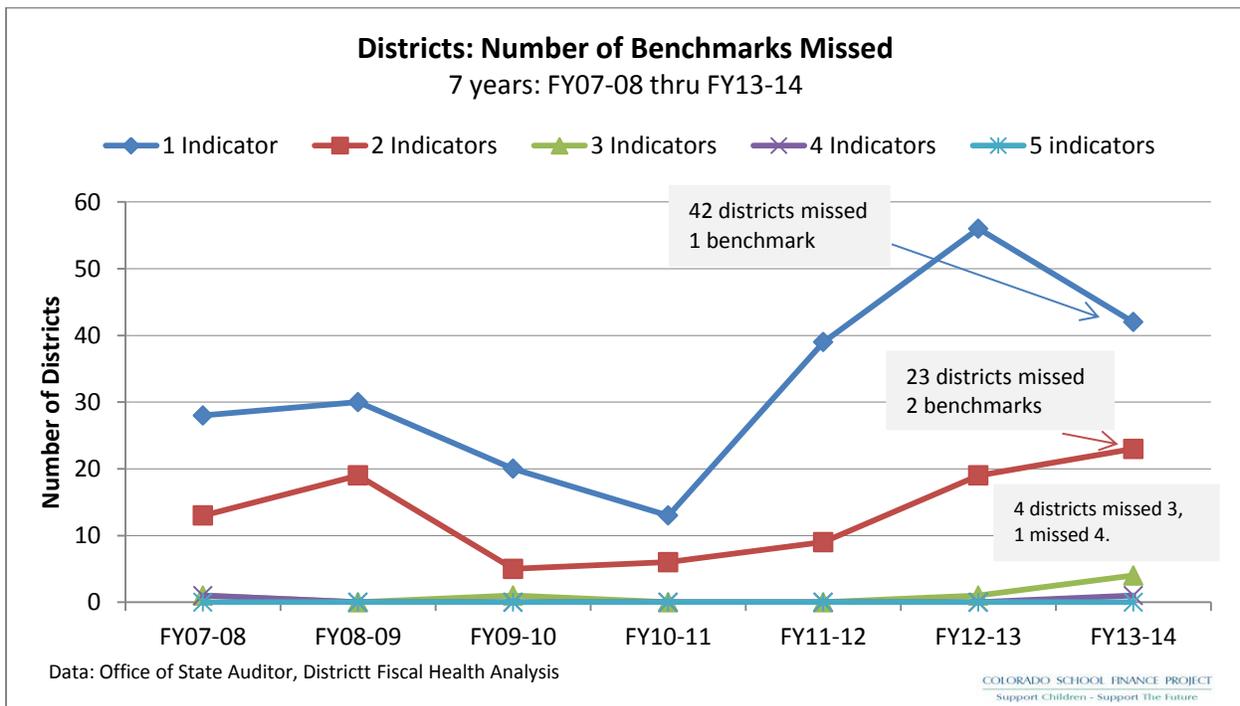


Trends in FY 2013-14:

- The total number of **missed benchmarks** is at its **highest point**; **104 benchmarks missed by 70 districts (39% of districts have at least 1 missed benchmark).**
- The number of **districts with multiple missed benchmarks** continues to rise.
 - **16% of districts missed two or more benchmarks;**
 - serving **43,000 students**
 - in **28 districts** statewide
 - **OSA map** of districts with **2 or more indicators.**

¹ [Colorado Office of State Auditor, Fiscal Health Analysis, May 2015](#), pg. 33.

*“The occurrence of missing one or more of the fiscal health benchmarks may not mean that a school district is facing financial stress. ... **The more benchmarks a school district misses, the more likely it is to be experiencing financial stress.**”²*



Trends in FY13-14:

- The number of **districts with multiple missed benchmarks continues to remain higher** than prior years.
- **Increased number of districts missing 2, 3 or 4 benchmarks.** District explanations follow:
 - **20 districts: Reductions in state school finance funding.**
 - **9 districts: Increase in cost of maintenance, repairs and construction** to maintain or improve facilities.
 - **Several: various internal circumstances affecting their financial health;** others reported **higher costs of salaries and benefits** and a **general sluggish economy.**

*"Because there is evidence of increasing revenue per funded pupil over time, districts may have less stress in addressing increasing per pupil expenditures than in prior years. **However, given that per pupil expenditures continue to increase in many areas, districts may still be unable to effectively work toward financial improvement without waiting for State resources to possibly improve in the future.**"³*

Geographic: Urban, rural, eastern plains, mountains and all four corners of the state.

District Size:

15 < 1,000 students 10 between 1,000 and 5,000 3 between 5,000 and 10,000

[Colorado Office of State Auditor, Colorado School Districts, Fiscal Health Analysis, May 2015 #15395](#)

Reports available [here](#), [click on Local Government](#); [Appendix C-1 Map of Districts with 2 or more indicators](#).

² 1, pg 27.

³ 1, pg 34.