

BOARD BRIEF

Date: April 24, 2020

BOARD INFORMATION: X

MEETING PREPARATION: _____

FROM:

Robert Easley, Director of Budget and Financial Systems

THROUGH:

Gregory C. Hutchings, Jr., Ed.D., Superintendent of Schools
Dominic B. Turner, Chief Financial Officer

TO:

The Honorable Cindy Anderson, Chair, and
Members of the Alexandria City School Board

TOPIC: FY 2020 Year-end Combined Funds and Other Fiduciary Fund Budget Estimates

ACPS 2020 STRATEGIC PLAN GOAL:

Goal 6: Effective and Efficient Operations

SY 2019-2020 FOCUS AREA:

Focus Area 2: Budget Process

Focus Area 5: Strategic Plan

Focus Area 6: Audit Updates

FY 2020 BUDGET PRIORITY:

Communications and Customer Service for External Stakeholders

Communications and Customer Service for Internal Stakeholders

SUMMARY: To inform the School Board and the community, the Financial Services Department, particularly the Budget Office, conducts an analysis of ACPS Combined Funds and Other Fiduciary Funds financial activities for the current fiscal year. This analysis provides an assessment of current fiscal year revenue and expenditure activity to date and projects an estimate for year ending balances.

In the current FY 2020 Budget year, financial activities and all ACPS operations have been greatly impacted by the nation’s reaction to the COVID-19 pandemic which, as of mid-March, has closed all schools and has forced student instruction as well as most administrative functions to be performed from home.

This analysis and subsequent projections have attempted to factor the impact of this significant change in ACPS operations.

BACKGROUND: Each year, the School Board is presented the following summary that outlines the projected year-end totals for revenue, expenditures and fund balances within the three primary funds (Operating Fund, Grants and Special Projects Fund, and School Nutrition Fund), as well as an projection

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of the Health Benefits Fund, Other Post-Employment Benefits (OPEB), and Supplemental Retirement Plan.

Throughout the fiscal year, monthly and quarterly financial reports are provided to the School Board on the three primary funds covering school division operations to include budget revisions which can occur for any of the following reasons:

- Encumbered carryover for open purchase orders from the previous fiscal year
- Prepaid items
- Grant carryover funding
- New grant awards
- Programmatic or cost changes
- Account code corrections

Attached to this memo include fund statements for each fund highlighting the staff's analysis and projections of revenue and expenditures within each fund. Each report contains the following information:

- The 'FY 2017- FY2019 Actual' columns display the prior year actual revenues and expenditures.
- The 'FY 2020 Revised Budget' column reflects the adjusted budget of record as of March 31, 2020.
- The 'FY 2020 Year-end Estimate' column contains staff projections of year-end revenue and expenditures. These projections are based on actual activity through March 31, 2020, taking into consideration historical trends, encumbrances.

RECOMMENDATION: The Superintendent recommends that the School Board review the attached FY 2020 Year-end Combined Funds and other Fiduciary Funds Statements.

IMPACT:

ATTACHMENTS:

1. FY 2020 Year-end Fund Statement – Operating Fund
2. FY 2020 Year-end Fund Statement – Grants & Special Projects Fund
3. FY 2020 Year-end Fund Statement – School Nutrition Services Fund
4. FY 2020 Year-end Fund Statement – Health Benefits Fund
5. FY 2020 Year-end Fund Statement – Other Post-Employment Benefit Trust (OPEB) Fund
6. FY 2020 Year-end Fund Statement – Supplemental Retirement Fund
7. FY 2020 Year-end Fund Statement – School Activity Fund

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