

## **RESOLUTION TO REQUIRE ANALYSIS OF SPENDING ON NON-SCHOOL-BASED ACTIVITIES**

Background:

**WHEREAS** the Auditor of Public Accounts of Kentucky (the “State Auditor”) observed, in a report dated May 21, 2014, that (a) “JCPS . . . spends the lowest percentage of total current expenditures on instructional costs in comparison to the peer group” of comparable school districts, (b) this percentage was only 53.10% of total current expenditures in FY 2011, and (c) JCPS “Board members generally do not appear to have a depth of understanding to actively examine or question the budget effectively”;

**WHEREAS** the State Auditor recommended “that the JCPS Board work to better understand the budget and direct JCPS budget staff to provide budget information in a more useful manner that will assist them in achieving their goals and objectives but not focused primarily on a regulatory presentation”;

**WHEREAS** on January 26, 2015, the Jefferson County Board of Education declined to approve the JCPS draft budget, as had been routinely done in previous years, and instead “reviewed and examined” the budget;

**WHEREAS** the Board, through its chair, explicitly noted that the Board was declining to approve the draft budget due to its lack of analysis or clarity concerning proposed central office, central services and other non-school-based (together, “Non-School-Based”) spending;

**WHEREAS** the Board specifically requested that management prepare and deliver, through a work session with the board, the required financial analysis;

**WHEREAS** such a work session was held on March 9, 2015,

The Board today **FINDS**:

- (1) The work session on March 9, 2015, was not responsive to the Board's request of January 26, 2015;
- (2) The State Auditor was and remains correct in his assessment that the Board lacks the requisite understanding of JCPS spending plans required for it to fulfill its oversight responsibilities;
- (3) More specifically, the Board lacks understanding of JCPS spending on Non-School-Based activities (by which the Board means the approximately 47% of spending identified by the State Auditor as not falling within instructional costs), because “JCPS budget staff [has not] provide[d] budget information in a more useful manner that will assist [the Board] in achieving their goals and objectives but not focused primarily on a regulatory presentation”; and

- (4) Spending to create and maintain effective, efficient Non-School-Based services is a crucial component of achieving the District's vision that all JCPS students graduate prepared to reach their full potential and contribute to our society throughout life,

**NOW THEREFORE BE IT RESOLVED:**

- (1) The Board requests and requires the Superintendent to prepare an analysis of JCPS historical and proposed spending on Non-School-Based activities sufficient to enable the board to fulfill its responsibilities, including both the duties of (a) evaluation of the effectiveness and efficiency of such activities in historical and comparative contexts, and (b) planning for future investment in and development of such activities and competencies.
- (2) The Board requests and requires the Superintendent (a) to report to the Board, at its next scheduled meeting, the date by which this analysis will be presented, and (b) to specify and request such additional funding or personnel resources required to deliver the analysis at the level of clarity required for an organization of this size and complexity.