



HARRIS COUNTY DEPARTMENT OF EDUCATION

BUDGET BOOK

FISCAL YEAR 2016-2017



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Superintendent's Proposed Annual Budget

James Colbert Jr. Superintendent

For Fiscal Year
September 1, 2016 through August 31, 2017

**Prepared by
Business Services Division**

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**6300 Irvington Blvd.,
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HCDE

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June 3, 2016

Members of the Board of Trustees
Harris County Department of Education
6300 Irvington Boulevard
Houston, Texas 77022

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County Superintendent

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Dear Trustees:

We are pleased to present the Harris County Department of Education's Annual Budget for fiscal year 2016-2017. This budget presents the Department's financial and operations plan.

Introduction

In accordance with State requirements, we are presenting our projected budget to the Board of Trustees and to the Harris County community. We encourage you and our citizens to engage in positive dialogue in fine tuning our budget proposal for 2016-2017. Given the limited resources, our staff has developed a financial plan for the 2016-2017 General Fund, Debt Service Fund, Enterprise Fund and Internal Service Fund Budgets. The development, review and consideration of the 2016-2017 budget were completed with a detailed review of every revenue and expenditure item within the context of the department's mission, goals and financial policies. This document provides information on each of the fund budgets. In addition, we also provide information about our projected grants for 2016-2017, which we account as Special Revenue Funds.

The primary purpose of this document is to provide timely and useful information concerning the past, current, and projected financial status of the Department, in order to facilitate financial decisions that support the educational goals of the Department. This budget's main focus is the improvement of HCDE divisions with the fiscal resources available to the Department. This budget addresses the essential needs of the Department by directing resources to those areas that will assist our staff in carrying out the mission of HCDE.

With this budget, we are continuing to use our performance based budgeting model. Our conservative process focuses on evaluating programs and initiatives for efficiencies while taking into account current resources. Moreover, two variables are then reviewed during our SWOT Analysis Review which includes (1) to determine the fee structure for our clients and the (2) level of taxation based

on the property values projected to be received from the Harris County Appraisal District.

The HCDE Accountability System has been used as the basis for this performance based budgeting model. This is the eighth year using goals, objectives and performance measures to plan the budget. This budget document is the first step towards achieving these goals. It includes sound, prudent fiscal policies that will ensure the continuity of the Department.

About Harris County Department of Education

Harris County Department of Education (HCDE), a highly successful educational resource in the Houston Metroplex, is a nonprofit tax-assisted organization dedicated to the equalization of educational opportunity and to the advancement of public schools. HCDE has been serving the county's public schools for 127 years.

HCDE is located in Harris County in the upper Gulf Coast region of Texas, approximately 50 miles from the Gulf of Mexico. Harris County, Texas with 4.4 million people, is the third most populous county in the United States and ranks as one of the top ten fastest growing counties in the nation. Harris County's population base includes a wide variety of racial, ethnic, and socio-economic groups that give the area a rich diversity and cosmopolitan feel.

Harris County and the Houston metropolitan area comprise a leading region of business development in the nation. Houston continues to be a leader in oil and gas, aerospace, industrial engineering, and medical research, but diversification is fueling the local economy. The County's major hospitals, many of these concentrated just south of downtown Houston in the area of the Texas Medical center, offer world-class facilities for general and specialized medical needs. Houston is the fourth largest city in the nation and has consistently led in rate of job growth.

There are 25 public school districts located either entirely or partially within Harris County, as well as charter, private, and parochial schools. HCDE impacts the educational community through visionary leadership, shared resources and innovative programs.

[HCDE Mission Statement](#)

Harris County Department of Education supports Harris County by enriching educational opportunities and providing value through services

Department Goals:

1. Impact education by responding to the evolving needs of Harris County.
2. Deliver value to Harris County by utilizing resources in an ethical, transparent, and fiscally responsible manner.
3. Advocate for all learners by using innovative methods to maximize students' potential.
4. Provide cost-savings to school districts by leveraging tax dollars.
5. Recruit and maintain high-quality staff.

Each HCDE Division has objectives that are measured annually by the HCDE Accountability System. The Performance Measures are in five constructs:

1. Service Delivery
2. Client Satisfaction
3. Compliance
4. Outcomes
5. Financial Objectives

Budget Process and Significant Changes

Legal Requirements in Preparing the Budget

The Texas Education Code requires that a local education agency prepare a budget of anticipated expenditures and revenues on or before August 20. The Board is required to adopt a budget before August 31st. The budget must be itemized in detail according to classification (object) and purpose of expenditure (function) and be prepared according to General Accepted Accounting Principles.

The budget must be legally adopted before the adoption of the tax rate. 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 budget. Any taxpayer in the Department may be present and participate in the meeting. The budget must be adopted by the Board of Trustees, inclusive of budget amendments no later than August 31st.

Budget Development Process

The budget development process comprises three stages: planning, preparation, and evaluation. The first phase, planning, involves defining the mission, goals, and objectives of campuses, divisions, and the Department. Once these plans and programs have been established, the preparation phase of budgeting begins by allocating resources to support them. Evaluation is the last step of the Department's budget cycle, in which information is compiled and analyzed to assess the performance of each individual division and campus, as well as the Department as a whole.

The budgeting process for the HCDE was initiated in January 2016. Individual, as well as group training workshops, were held with division directors and principals to guide them in developing their budgets.

The Human Resources Department played an important role assisting the Business Support Services in the budget process as they developed salary budgets utilizing established staffing guidelines.

Following this initial development process, we will present this annual budget to the Board of Trustees and the citizens of Harris County. On June 21st, the Board of Trustees will be presented a final proposal to be implemented on September 1st, 2016.

Amending the Budget

A budget is an estimate of planned expenditures and expected revenues. Many changes can take place between estimating for the proposed budget in March and April and the start of the new fiscal year in September. Program and operational changes will mean budget changes. These changes to the budget are made in the form of budget amendments. Any increase or decrease in the budget requires board approval. Changes to revenues also require budget adjustments before the end of the year. All other changes are submitted by divisions and campuses to the Business Support Services for review and processing.

Significant Changes for FY 16-17

In meeting the goals and objectives of the Board of Trustees, the Superintendent has implemented several new initiatives that will enhance the relations with school districts while maintaining a positive business model. Beginning in FY 15-16, the Department has initiated a new philosophy to focus on relationship building rather than revenue generation. Fiscal results and projections include this new planned objectives, and the major initiatives include a focus of three major enhancements to program and services to include:

1. Improving the market competitive advantage that HCDE has over market competitors by investing in school based therapy program

2. Enhancing the market competitive edge that HCDE enjoys in the special schools by providing adequate staffing to an increasing need by our client base
3. Focusing on expanding the Choice Brand and challenging our staff to capture a larger share of the cooperative market

To this objective, our financial plan encompasses the major elements: (1) the enhancement of local revenues through projected contract commitments that will be presented to the board this summer, (2) a review and implementation of program based budgeting to seek internal efficiencies and budget reductions, (3) the recommendation of competitive salaries and (4) a modest adjustment to the tax revenue due to the use of the effective tax rate.

Included in the budget are 20.16 new positions aimed at enhancing our capabilities to meet the client needs and enhance our fee revenue stream for special schools, therapy, Choice and Education Certification.

In specific, our operations plan includes the following new program enhancements:

1. Our AB East and AB West have experienced additional demand for services from client districts to add contracted seats, thus requiring the additional of staff to meet this demand and maintain a safe environment.
2. Our Highpoint North School has seen a reduction in contracted seats at this time, and a reduction in force has been implemented to cut \$642,530 and 7 positions from the budget.
3. Through a review of the Technology Division Budget, \$669,704 were found in reductions to contracted services and one FTE in payroll.
4. Other reductions were made to the Teacher and Learning Center in the amount of \$477,353 due to changes in the delivery of the program through contracted services.
5. In the area of School Based Therapy, the department is adding 6 positions to meet demand and increasing the direct contact therapists' compensation by an additional 2% of their salary.
6. Our force is a major part of our school district relations and we must continue our ability to recruit and retain teachers and staff. Most school districts are increasing wages by 3% to 4%.
7. In order to maintain our relevance in the educational certification industry, HCDE is developing a new superintendency certification program. 1.86 positions are included in the budget and related revenues are also projected.
8. Another important part of our plan is to enhance our facilities to better serve our client districts. We are proposing the continuation of the Board approved Replacement of AB West School. Included in our plan is the issuance of \$7.2 Million in revenue financing bonds to fully fund the construction project of approximately \$10.5 million. The difference is targeted to be used from committed fund balance. Our target is to issue bonds in early September and break ground in fall 2016. \$3.3 million is projected from fund balance.
9. Other facility projects to be addressed in FY 16-17 are the completion of elevators in the conference center and NPO Center and the start of replacing the elevators at the Adult Ed Building. Other construction projects include the upgrade of the main lobby, La Porte parking project, cameras at the four schools and other minor improvements. \$1,122,000 has been set aside from fund balance for this effort.
10. Technology is also an important driver of our success. Our technology requires upgrading and \$345,000 is targeted for replacement in FY 16-17. This cost is reserved in the fund balance.
11. The Baytown Head Center is also being completed in FY 2016-2017 and \$380,000 is being funded from fund balance to complete the project.
12. A balanced budget was achieved with these necessary changes, and planned one time expenditures from our fund balance totaling \$5.1 million.
13. The use of the effective tax rate of \$.005141 is key to the funding of the operations plan for the current year and future years.

Summary of Proposed Budgets

The Department utilizes Governmental, Proprietary, and Fiduciary fund types. The Department's Governmental fund type is comprised of General Funds, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. The Proprietary Fund includes the Internal Service Fund and the Enterprise

Fund. The Fiduciary fund type includes Agency Funds. It is important to note that the Department approves the annual budgets for the General Fund, Internal Service Fund and Debt Service Funds. Agency Funds and Special Revenue Funds adopt project-length budgets which do not correspond to the Department's fiscal year end. As the notice of grant awards are received, these are presented for Board approval.

The following table presents a comparison of the proposed expenditures for General Funds with a comparison to fiscal year 2015-2016.

	Original Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017	Percent Change
Beg. Fund Balance	\$ 27,903,232	\$ 27,903,232	\$ 21,906,783	
Est. Revenues	47,847,572	47,307,214	48,735,091	3%
Appropriations	45,970,766	46,642,556	46,913,133	1%
Transfers Out	3,330,874	6,661,107	6,999,191	5%
Total Appropriations	\$ 49,301,640	\$ 53,303,663	\$ 53,912,324	1.14%
Excess/(Deficiency) of Revenues Over/(Under) Appropriations	(1,454,068)	(5,996,449)	(5,177,233)	
Ending Fund Balance	26,449,164	21,906,783	16,729,550	
Non-Spendable Fund Balance	163,462	163,462	163,462	
Restricted Fund Balance	6,281	6,281	6,281	
Committed Fund Balance	6,721,446	3,391,213	3,391,213	
Assigned Fund Balance	5,185,416	5,185,416	5,185,416	
Unassigned Fund Balance	14,372,559	13,160,411	7,983,178	
Ending Fund Balance	\$ 26,449,164	\$ 21,906,783	\$ 16,729,550	

The following table presents a comparison of the projected revenues, expenditures, other financing sources and uses, and beginning and ending fund balance of all governmental funds for fiscal year 2016-2017:

	Governmental				Proprietary		Total
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Internal Service Fund	Enterprise Fund	
Est. Revenues	\$48,735,091	\$30,994,501	\$2,391,285	\$10,567,059	\$6,464,117	\$3,766,995	\$102,919,048
Appropriations	46,913,133	30,994,501	2,391,285	10,567,059	6,464,117	3,766,995	101,097,090
Transfers Out	6,999,191	-	-	-	-	-	6,999,191
Total Appropriations and Other Uses	\$ 53,912,324	\$ 30,994,501	\$ 2,391,285	\$ 10,567,059	\$ 6,464,117	\$ 3,766,995	\$ 108,096,281
Appropriations from Fund Balance:	\$ (5,177,233)	-	-	-	-	-	\$ (5,177,233)
							21,906,783
Projected Fund Balance Beg.	21,906,783						
Projected Fund Balance End.	\$ 16,729,550	-	-	-	-	-	\$ 16,729,550

The Department's Proprietary Fund consists of the Internal Service Fund and the Enterprise Fund. The Internal Service Fund consists of two funds: the Worker's Compensation Fund, the Choice Partners and the Facilities Support Charges. For the Worker's Compensation Fund, the Department participated in a partially self-funded pool from 2005 to fiscal year 2016. For FY 2016-2017, the department is projecting to improve its program and move to a fully funded program. Claims administration, loss control, and consultant services will be provided for by worker's comp. insurance company and a third-party administrator will handle the run-off claims from the previous self-insurance plan.

The following table presents a comparison of the proposed fiscal year 2016-17 revenues and expenditures for Workers Compensation Fund with a comparison to fiscal year 2015-2016.

Internal Service Fund-Workers Compensation

	Adopted Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017
Revenues	\$ 464,082	\$ 464,082	\$ 464,082
Appropriations	464,082	464,082	464,082
Transfers Out	-	-	-
Total Appropriations and Other Uses	\$ 464,082	\$ 464,082	\$ 464,082
Appropriations from Fund Balance:	\$ -	-	\$ -

The Internal Service Fund also includes the Facilities Support Charges. The charges consists of facilities support charges that are divided among the divisions based on square footage. The following table presents a comparison of the proposed fiscal year 2016-17 revenues and expenditures for the Facilities Support Charges with a comparison to fiscal year 2015-2016.

Internal Service Fund-Facilities Support Charges

	Adopted Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017
Revenues	\$5,924,556	\$5,924,556	\$6,000,035
Appropriations	5,924,556	5,924,556	6,000,035
Transfers Out	-	-	-
Total Appropriations and Other Uses	\$ 5,924,556	\$ 5,924,556	\$ 6,000,035
Appropriations from Fund Balance:	\$ -	-	\$ -

The Enterprise fund consist of the Choice Partners Fund which offers quality, legal, procurement and contract solutions to meet the purchasing needs of school districts and other governmental entities.

Enterprise Fund – Choice Partners

	Adopted Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017
Revenues	\$3,357,440	\$3,357,440	\$3,766,995
Appropriations	2,192,500	2,192,500	2,271,468
Transfers Out	1,164,940	1,164,940	1,495,527
Total Appropriations and Other Uses	\$ 3,357,440	\$ 3,357,440	\$ 3,766,995
Appropriations from Fund Balance:	\$ -	-	-

Balanced Budget

The operating budget of the Department shall be balanced, as prescribed in the Department’s policy. This means that for each fund, expenditures are not to exceed revenues plus available fund balances. If the fund balance is used, this cost must be a one-time cost and not recurring, for example, capital expenditures. As the summary below indicates, we are submitting a balanced budget for fiscal year 2016-2017. Our expenditures plus other financing uses totals \$53,912,324. Our revenues equal \$48,735,091. One-time costs total \$5,177,233, construction projects total \$4,452,233, Head Start one time Baytown Project of \$380,000, and technology replacement costs totaling \$345,000. We believe that our budget represents a fiscally responsible and conservative approach to the needs of the Department within the available funds. The chart below shows a historical summary of the general fund.

General Operating Fund Summary (Trend)

	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Amended Budget	2016-2017 Proposed Budget
Beg. Fund Balance	\$ 21,823,673	\$ 24,815,014	\$ 26,601,199	\$ 27,903,232	\$ 21,906,783
Est.Revenues	46,570,333	47,881,976	48,386,286	47,307,214	48,735,091
Appropriations	39,894,507	41,694,702	43,380,849	46,642,556	46,913,133
Total Other/Uses Net:	3,684,485	4,401,089	3,703,404	6,661,107	6,999,191
Total Appropriations and Other Uses:	43,578,992	46,095,791	47,084,253	53,303,663	53,912,324
Net Change in Fund Balance	2,991,341	1,786,185	1,302,033	(5,996,449)	(5,177,233)
Ending Fund Balance	\$ 24,815,014	\$ 26,601,199	\$ 27,903,232	\$ 21,906,783	\$ 16,729,550

Projected Fund Balance

We are projecting that the fiscal year 2016-2017 fund balance will be \$16,729,550. This represents a change of \$5,177,233 from the projected 2015-2016 ending fund balance. The use of fund balance is for planned appropriations that are one time in nature (i.e. Construction projects and capital outlay). It is the policy of the Department to maintain an unassigned fund balance equivalent to a minimum of two months of operations costs. Currently, the Department projects the desired fund balance. According to our five

year forecast, the Department will have sufficient funds to meet the CE local policy requirements but may need additional cash to fund the Special Revenue Fund since they work on a reimbursement basis.

About the 2016-2017 Department Budget

Below are highlights of the Department that will provide you with a general overview of the basis of our assumptions and projections for the coming 2016-2017 fiscal year. In order to prepare the annual budget, HCDE develops projections for taxable value, collection rate, and expenditure levels.

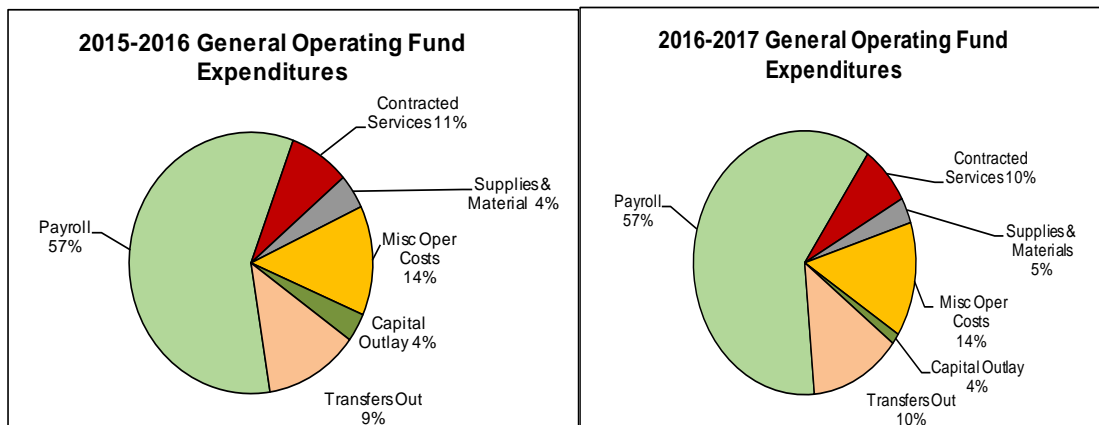
Expenditure Levels

General Operating Fund –The 2016-2017 appropriation levels for the General Operating Fund are projected at \$45,446,133 and estimated other uses (transfers to other funds and one time cost) at \$8,466,191, for a total of \$53,912,324; this represents a 1.14% or \$608,661 increase from 2015-2016 amended budget.

The 2016-2017 budget includes a 3% salary increases for General Fund and Enterprise Fund employees. The budget also includes an additional 2% for therapist in order to remain competitive in the market place. An additional 2% increase is budgeted for direct contact therapists. Special Revenue salary increases will depend on grant fund availability. The budget process was representative of the economic environment. A series of budget meetings and reviews will be conducted by the Superintendent and the Budget Committee to achieve this budget. Transfers-out to other funds increased by \$338,084 for fiscal year 16-17 mainly due to the additional \$380,000 Head Start Baytown Center one time project cost. The capital outlay initiatives in the budgets include \$345,000 for the technology asset replacement cost.

Comparison of General Operating Fund Appropriations by Object

Object Code	Original Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017	Percent Change
Payroll	\$ 30,860,724	\$ 30,982,863	\$ 32,428,533	5%
Contracted Services	4,220,945	4,283,340	3,906,621	-9%
Supplies & Materials	2,420,251	2,272,773	1,676,995	-26%
Misc Operating Cost	7,138,552	7,228,292	7,473,634	3%
Capital Outlay	1,330,294	1,875,288	1,427,350	-24%
Transfers Out	3,330,874	6,661,107	6,999,191	5%
Total Appropriations	\$ 49,301,640	\$ 53,303,663	\$ 53,912,324	1%



	Original Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017	Percent Change
Customer fees	\$ 20,137,953	\$ 20,234,595	\$ 21,325,791	5%
Tax revenues	21,864,060	21,232,060	21,698,803	2%
Indirect costs	1,379,419	1,379,419	1,244,595	-10%
State matching	2,900,000	2,900,000	2,913,000	0%
Other	401,200	401,200	57,375	-86%
Transfer In-Choice Partners	1,164,940	1,164,940	1,495,527	28%
Total Revenues	\$ 47,847,572	\$ 47,312,214	\$ 48,735,091	3%

Local Revenues

Local revenues are projected to increase by 3%. Revenues from current year customer fees are expected to increase by 5% from an estimated \$20,234,595 in fiscal year 2015-2016 to a projected \$21,325,791 for fiscal year 2016-2017. The increment is due to additional fees generated from contracted seats at the special schools. In addition, the Department anticipates a 2% change in tax revenues from \$21,232,060 in fiscal year 2015-2016 to \$21,698,803 in fiscal year 2016-2017 due to the increase in property values. A 7% increase in values is projected based on the preliminary estimate from the Appraisal District. We estimated that this increase in values will lower the effective tax rate from the current nominal rate. Also, a 98% collection was used in projecting revenues for fiscal year 2016-2017, and it is expected that this rate will be realized for the fiscal year.

Tax Rate – Based on the taxable value, the Department must project the level of taxation that will generate adequate funds to provide for funds to meet Department obligations while keeping in mind the ability of local tax payers to pay their taxes. The Harris County Tax Office will calculate the effective tax rate, and current it is estimated to be \$0.005141. Throughout the budget process, we used the current tax rate and the current values to estimate the level of local effort. Upon receiving the certified values and the effective tax rate calculation from the Harris County Tax Assessor- Collector, the tax rate proposal will be developed and presented to the board in accordance with the truth in tax law.

Taxable Value – The Harris County Appraisal District certifies the taxable value from which the Department begins to develop the estimates for local tax revenues. The 2014 certified valuations of net taxable value for the 2015-2016 fiscal year is \$393,714,660,161 (based on HCAD report updated 4/24/15). The 2016 Preliminary Estimate is \$422,985,448,025 (based on HCAD letter dated 4/28/16), is an increase of \$29,270,787,864 or 7.43% increase. The adjacent chart illustrates the 10-year taxable value history of the Department. For fiscal year 2016-2017, the Department projects a 7% growth on appraised values due to the positive economic impact in the region and value growth.

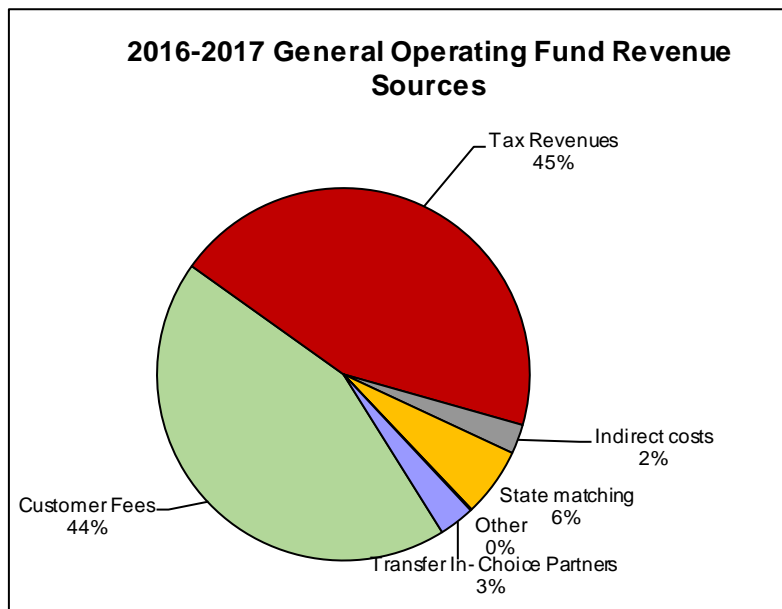
Debt Service Fund – The Department budgeted \$2,391,285 in appropriations for fiscal year 2016-2017. Resources in the Debt Service Fund must be used to pay for general long-term debt principal and interest for debt issues and other long-term debts for which revenues are dedicated from the General Fund and as needed from the Maintenance and Operations revenues. A transfer is projected from the General Fund to the Debt Service Fund. Currently the Department has approximately \$16.9 million in debt and plans to issue \$8 Million of additional debt for the construction of a new building for the AB West School.

Special Revenues Funds – Appropriations for these funds are restricted to, or designated for, specific purposes by a grantor. For fiscal year 2016-2017, the Department’s appropriation is \$30,994,501. The Department provides information to the Board of Trustees on all Department grants, but they do not approve an annual budget for these funds. These grants have restrictions placed by grantors.

Revenue Levels

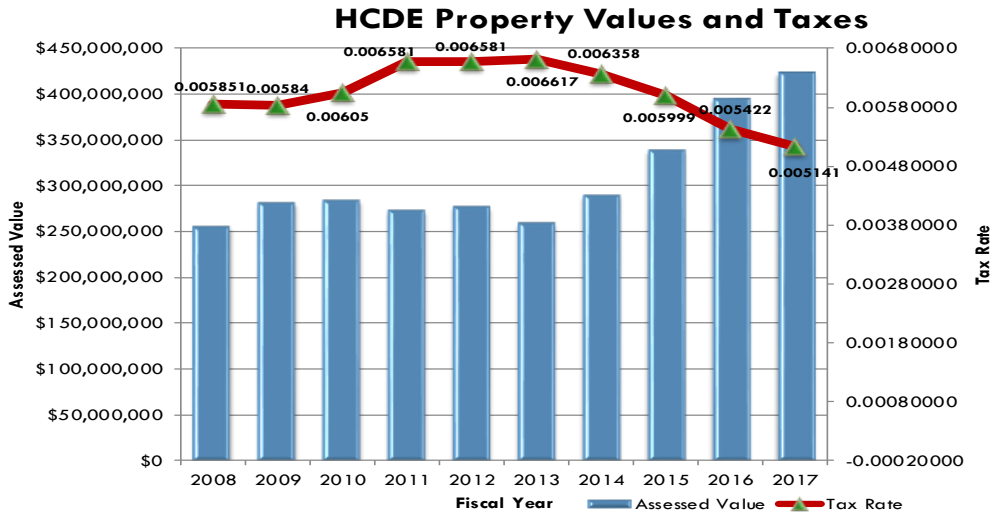
Revenue estimates are based upon a variety of demographic and tax information. Estimating revenue from the two major sources, customer fees and local property taxes, are critical to the budget. The Department estimates total General Operating Fund revenues of \$48,735,091 for the 2016-2017 fiscal year. Customer fees are projected to be \$21,325,791 or 44% of the revenues, tax revenues are projected to be \$21,698,803 of 45% of the revenues. The remaining revenues are indirect costs at \$1,244,595; state matching \$2,913,000, transfer in from Choice Partners of \$1,495,527 and other at \$57,375.

The chart below shows the percentage breakdown by revenue source.



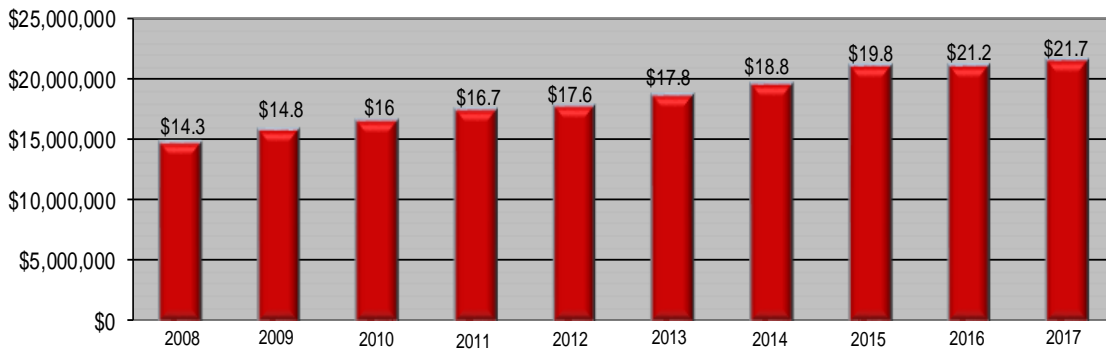
Customer fees that support the General Operating Fund budget represent 44% of all available sources of funding. Tax revenues constitute 45%, state matching total 6%, indirect costs total 3%, and transfer in 2%. For the current year, there are no increases in rates for fiscal year 2016-2017.

The recommended budget includes an increase in revenues of 3% from the amended fiscal year 2015-2016 budget.



Tax Collections – The collections percentage used to estimate the tax revenues is 98%; the Department’s tax collections goal is 99%. This is a realistic approach given the history of the Department’s collections effort and the projected tax increase.

Tax Revenues Collected (in Millions)



Other 2016-2017 HCDE Budget Highlights

Salary Adjustment –

The proposed budget includes 3% salary adjustment for General Fund and Enterprise Fund employees. 2% additional salary adjustment for therapists. Special Revenue salary increases will depend on grant fund availability.

Other Payroll Highlights –

Additionally, 20.16 new positions were recommended (12 School Divisions, 6.3 for School-Based Therapy Services, and 1.86 for Educator Certification and Professional Advancement). All positions are revenue linked to provide client service and generate fees.

Education Foundation –

The total amount of support for the Foundation for the fiscal year 2016-2017 remained at \$202,360 including \$190,000 in support and the remaining of in kind facility charges.

Workers Compensation Insurance –

The amount of \$464,082 was budgeted for fiscal year 2016-2017. There are sufficient funds in the reserve account for uncertainties and to cover any run off claims.

Transfers Out –

The amount of transfers out increased by \$338,084 for a total of \$6,999,191. The Head Start transfer totals \$726,886, the CASE transfer totals \$550,787, capital project for \$3,330,233 and the Debt Service payment is \$2,391,285.

Transfers In –

Choice Partners was set up as an Enterprise Fund with excess funds transferred to the General Fund to support the mission of HCDE transferring in \$1,495,527.

Below is the Five Year Forecast for Harris County Department of Education:

**Harris County Department of Education
General Fund Revenues and Expenditures
Five Year Forecast**

	Budget 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21
Beginning Fund Balance	\$27,903,232	\$21,906,783	\$16,729,550	\$15,332,961	\$14,410,411	\$13,986,442
Estimated Revenues	47,312,214	48,735,091	50,197,144	51,703,058	53,254,150	54,851,774
Appropriations (Exp.)	53,308,663	53,912,324	51,593,733	52,625,607	53,678,120	54,751,682
Difference	(5,996,449)	(5,177,233)	(1,396,589)	(922,549)	(423,970)	100,092
Projected Ending Fund Balance	\$21,906,783	\$16,729,550	\$15,332,961	\$14,410,411	\$13,986,442	\$14,086,534
Nonspendable Fund Balance	148,911	148,911	148,911	148,911	148,911	148,911
Restricted Fund Balance	6,281	6,281	6,281	6,281	6,281	6,281
Committed Fund Balance	3,150,000	3,150,000	3,150,000	3,150,000	3,150,000	3,150,000
Assigned Fund Balance	5,555,254	5,555,254	5,555,254	5,555,254	5,555,254	5,555,254
Unassigned Fund Balance	13,677,899	7,869,104	6,472,515	5,549,965	5,125,996	5,226,088
Total Required Cash Flow	13,873,844	14,074,236	13,789,581	14,065,373	14,346,680	14,633,614
Cash Flow Needed:						
- For Special Revs Funds	2,494,534	2,544,424	2,595,313	2,647,219	2,700,163	2,754,167
- From General Fund	4,442,389	4,492,694	4,299,478	4,385,467	4,473,177	4,562,640
Cash Flow Calculations:						
Special Revenue Funds - Grants *	29,934,403	30,533,091	31,143,753	31,766,628	32,401,961	33,050,000
1/12 of Total Grant is	2,494,534	2,544,424	2,595,313	2,647,219	2,700,163	2,754,167
General Fund - Appropriations	53,308,663	53,912,324	51,593,733	52,625,607	53,678,120	54,751,682
1/12 of General Fund for Cash Flow	4,442,389	4,492,694	4,299,478	4,385,467	4,473,177	4,562,640

Going forward beyond fiscal year 2016-2017

Estimated revenues and appropriations for the next five years will depend on the ability for HCDE to remain implementing a positive business model that will maximize fee structure, grant resources and leverage local tax dollars. The ability to remain competitive in the market relies on maintaining a knowledgeable and expert work force, safe and secured facilities, 21 century technology, and relevant program and services that client districts and governmental entities need and seek from HCDE.

Acknowledgements

In fiscal year 2015-2016, the Business Office earned the Distinguished Budget Presentation Award for Budgeting for the GFOA and ASBO. This was the seventh submission for HCDE in its history. This was possible through a collaboration of the Business Office, Human Resources, Technology Department and Communications Office. All budget managers also were instrumental in providing timely information to the Business Office.

Final Comments

The preparation of the Department’s budget is a coordination of many efforts from divisions, Research & Evaluation, Human Resources and Business Support Services. We are excited about the performance based budgeting and look forward to FY 2016-2017. We thank the Budget Team that coordinated the wealth of information before you and we look forward to your input and feedback on our financial and operations plan.

Respectfully,

/s/

James Colbert, Jr
Superintendent of Schools

/s/

Jesus Amezcua, PhD, CPA, RTSBA
Assistant Superintendent for Business Services

DEPARTMENT OFFICIALS, STAFF & CONSULTANTS

COUNTY BOARD OF TRUSTEES

NAME	TITLE	SERVICE DATE
Angela Chesnut	President	1993
James Colbert, Jr.	Secretary	2014
Erica Lee Carter	Member	2013
Marvin W. Morris	Member	2011
Louis D Evans, III	Vice President	2015
Don Sumners	Member	2015
Diane Trautman	Member	2013
Michael Wolfe	Member	2015

ADMINISTRATIVE OFFICIALS

Name	Position
James Colbert, Jr.	Superintendent
Jesus Amezcua, PhD, CPA, RTSBA	Assistant Superintendent for Business Services
Jonathan Parker	Assistant Superintendent for Academic Support
Kimberly McLeod, Ed.D.	Assistant Superintendent for Education & Enrichment
Jim Schul	Chief Information Officer
Natasha Truitt, MBA	Executive Director, Human Resources

CONSULTANTS & ADVISORS

Financial Advisor	US Capital, LLC. Houston , Texas
Bond Counsel.....	Orrick, Herrington & Sutcliffe LLP Houston, Texas
Certified Public Accountants	Whitley Penn, LLP Houston, Texas
General Counsel	Rogers, Morris & Grover Houston, Texas

SUPERINTENDENT'S BIOGRAPHY



James Colbert, Jr

Mr. James Colbert, Jr. is the County School Superintendent of Harris County Department of Education in Houston. Harris County is the most populous county in Texas and encompasses 25 school districts. Superintendent Colbert is probably best known for being a fearless advocate for students and also for his ability to transform academic performance.

Prior to joining Harris County Department of Education, Mr. Colbert served as Superintendent of West Orange-Cove Consolidated Independent School District. Before that post, he was Assistant Superintendent at Hamilton County Department of Education in Tennessee where he had oversight of 72 campuses with more than 42,000 students.

A native of Washington, D.C., Colbert was the recipient of a track and field scholarship to the University of Texas at Austin, where he earned a Bachelor's degree in Special Education. He received his Master's degree in Administration from Texas State University and holds certification in the areas of the Superintendency, Administration, and Special Education in both Texas and Tennessee.

He and wife Angie are the parents of a 15 year-old son Isom. Mr. Colbert and his family have recently made Kingwood, Texas their home upon relocating to the Houston area.

ASSISTANT SUPERINTENDENT for BUSINESS SERVICES' BIOGRAPHY



Jesus J. Amezcua, PhD, CPA, RTSBA

Mr. Amezcua has been the Department's Assistant Superintendent for Business Services since 2008 and he oversees the financial management, investment management, debt management, procurement, compliance, tax collections, and safe and secure schools departments.

Under his leadership, the Department recently secured over \$8 million in Quality Zone (QZAB) credit contracts and over \$5.8 million in E-RATE technology funding. Mr. Amezcua also coordinated the creation of the School Finance Council to provide professional development opportunities, sharing of ideas and networking opportunities for business managers in Harris County.

After graduating from Martin High School, Mr. Amezcua attended Tarkio College in Missouri and earned three master's degrees, including an MBA from Texas A&M International University. Mr. Amezcua is a Certified Public Accountant and has taught since 1991 at Texas A&M International University. He earned his doctorate in educational administration from Texas A&M University in December 2014, and his Texas Superintendent Certificate in 2016.

Previous to HCDE, Mr. Amezcua worked for Laredo Independent School District as the Chief Finance Officer for 12 years. Prior to Laredo ISD, Mr. Amezcua worked for the City of Laredo. During his tenure with the city, he served as the assistant director of finance, revenue manager, internal auditor, and staff accountant.

Mr. Amezcua is member of the Houston Rotary Club and is actively involved in numerous community events and organizations. He is a member of the best practice committed for GFOA and ASBO, and a member of the Professional Standards Committee by the Texas Society of CPAs. He is also a member of the AICPA.

Mr. Amezcua and his wife, Ramona, have three children.

BOARD OF TRUSTEES BIOGRAPHIES

Angie Chesnut Position 2, Precinct 4, Board President



Ms. Angie Chesnut has served on the Board of Trustees for Harris County Department of Education since 1994. An entrepreneur, Ms. Chesnut is CEO of Chesnut & Associates, Inc., a curriculum development and consulting firm. She previously worked for IBM in a managerial capacity.

On the HCDE Board, Ms. Chesnut chairs the Policy/Planning Committee. She is also active on the Advisory Council for the Center for Safe and Secure Schools.

Past community involvement on her behalf includes work with the Houston Mayor's Committee for Employment of People with Disabilities, United Way's Loaned Executive Program and the Career Resource Center of Kingwood. Ms. Chesnut has served as an advocate for children with disabilities, having worked on their behalf alongside school administrators and parents. Ms. Chesnut currently volunteers in the Humble Independent School District and with other local and national community-based programs.

Erica Lee Carter Position 6, Precinct 1



Erica S. Lee Carter was elected in November 2012 to serve Precinct 1 on the Harris County Board of Education - Position 6. Trustee Lee Carter is a certified teacher and life-long advocate for educational access and equality. During her term, she will focus on ensuring a quality education for all children.

Trustee Lee Carter is the Regional Quality Coordinator for the Nurse-Family Partnership's National Service Office that has a mission of helping first-time parents succeed by providing evidence-based home visiting. Trustee Lee Carter spearheads quality initiatives and data interpretation for agencies in a 15-state region.

A product of Houston's public school system, Trustee Lee Carter graduated with Honors from the University of North Carolina at Chapel Hill. Immediately following graduation, she returned to Houston to teach first grade in the Houston Independent School District. After teaching for several years, Trustee Lee Carter earned a Master's of Public Policy degree from the Terry Sanford School of Public Policy at Duke University.

Marvin W. Morris
Position 1, Precinct 2



Mr. Marvin W. Morris was seated as a member of the Harris County Department of Education Board of Trustees in January 2011. Mr. Marvin Morris holds Position 1, representing Precinct 2. A successful businessman and a 40 year resident of Clear Lake area, he joined the HCDE Board of Trustees in 2011. Mr. Morris is the distinguished Vice-President of Automatic Protection Systems Corporation and is married to the former Dr. Priscilla Whorton, a longtime dentist in the Clear Lake area. Mr. and Dr. Morris are proud parents committed to advancing teaching and learning. Mr. Morris brings a wealth of entrepreneurial savvy and expertise to HCDE's governing body.

Don Sumners
Position 7, At Large



Biography to follow

Michael Wolfe
Position 5, At Large



Biography to follow

**Dr. Diane Trautman
Position 3, At-Large**



Dr. Diane Trautman is a retired professor of education. In addition to her tenures in higher education at both Sam Houston State and Stephen F. Austin universities, she has also worked in the following educational capacities within the K-12 arena: Teacher in both Houston and Humble ISDs and Principal in Conroe and Tomball ISDs. Prior to her work in the field of education, she worked in the banking industry at both Texas Commerce Bank (Trust Asset Management) and First City National Bank (Energy Lending).

Dr. Trautman holds a Bachelor's degree in English and a Masters degree in Secondary Education, both from the University of Houston. She also earned a Doctorate degree in Educational Leadership from Sam Houston State University. Her field of expertise is educational leadership, and along with professors at SHSU, she helped to develop a new leadership theory as part of her doctoral dissertation and for which she received the NCPEA Dissertation of the Year award in 2001.

Dr. Trautman currently serves on the HCDE Head Start Policy Council, HCDE Special Schools Committee, HCDE Policy Committee, and the Harris County Education Foundation Board. She is also on the advisory board of Will's Kids, a nonprofit organization that helps motivate students and keeps them in school instead of dropping out. She is a member of the Association of Texas Professional Educators, the League of Women Voters, the Humble Area Retired Teachers Association, the Girl Scouts Alumni Organization, and Atascocita Lutheran Church. She and her husband Tim have three grown children and two grandchildren.

**Louis D. Evans, III
Board Vice-President
Position 4, Precinct 3**



Mr. Evans was seated as a member of the Harris County Department of Education Board of Trustees in January 2007, he left in 2013 and came back to serve again in 2015. A long time public servant, Mr. Evans has worked in the field of education serving as adjunct professor and Director of Advertising at the University of Houston Downtown. Past professional experience in the education arena includes his work at Cy-fair Community College where he worked as both an academic advisor and adjunct professor.

On the HDCE Board, Mr. Evans holds the vice-President position.

Mr. Evans received a BS from the University of Houston and a Med from Sam Houston State University. He is currently ABD (All But Dissertation) in the doctoral program at Sam Houston State University



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DEPARTMENT'S MISSION & GOALS



Harris County Department of Education (HCDE), a highly successful educational resource in the Houston Metroplex, is a nonprofit tax-assisted organization dedicated to the equalization of educational opportunity and to the advancement of public schools. HCDE has been serving the county's public schools since 1889. Harris County Department of Education was formed as the

original area district to provide free public schools. Today, HCDE has about 1,086 employees and provides education services for school districts and the general public in Harris County and beyond. The organization impacts the educational community through visionary leadership, shared resources and innovative programs.

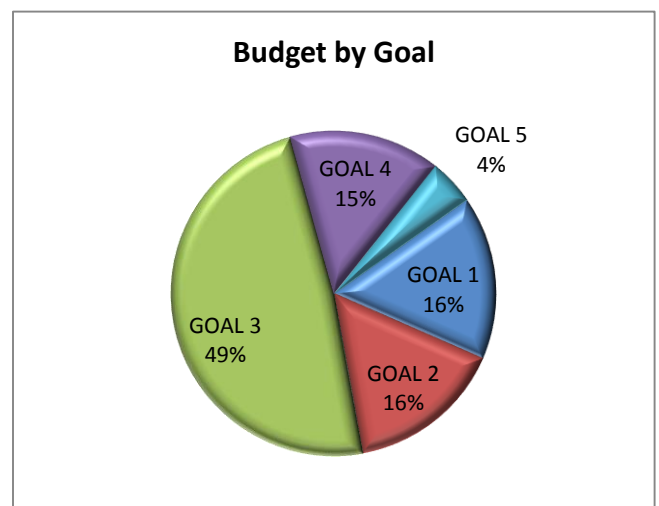
HDCE Mission Statement

Harris County Department of Education supports Harris County by enriching educational opportunities and providing value through services.

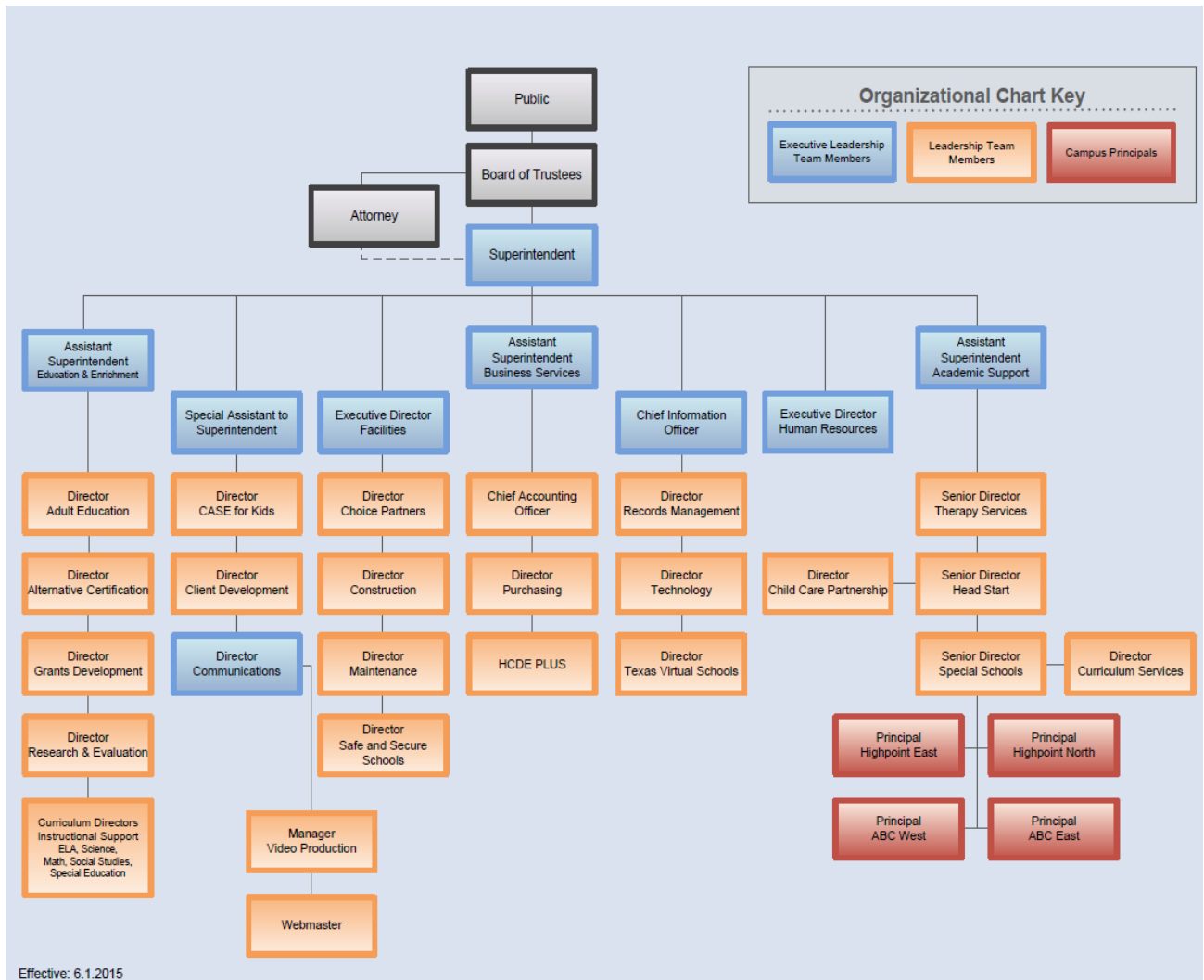
Goals

Harris County Department of Education will

1. Impact education by responding to the evolving needs of Harris County
2. Deliver value to Harris County by utilizing resources in an ethical, transparent, and fiscally responsible manner.
3. Advocate for all learners by using innovative methods to maximize students' potential
4. Provide cost-savings to school districts by leveraging tax dollars
5. Recruit and maintain high-quality staff



ORGANIZATIONAL CHART



PROFILE OF THE DEPARTMENT

Harris County Department of Education, incorporated in 1889, is a political subdivision of the State of Texas. HCDE is located in Houston, Texas. Originally every county in Texas had its own department of education. Therefore, Harris County Department of Education was the first school district in Harris County, Texas.

While the name 'Harris County Department of Education' may cause some confusion from time to time for the public, it is important for the reader of this budget to know and understand that the Department is an entity separate and distinct from county agencies of Harris County, Texas. Also, today HCDE is not a school district but a governmental entity. It has evolved in response to educational and community needs to provide educational services to students (of all ages) and school districts primarily within but also outside of Harris County, Texas.

The Harris County Board of School Trustees (Board)-elected by voters of Harris County, Texas-has governance responsibilities over all activities and operations of the Department. The Board consists of seven members who serve overlapping six-year terms. Trustees are elected in even numbered election years for six year staggered terms in order to provide board continuity. Four trustees must be elected from districts conforming to the four Harris County Commissioners' precincts. The other three trustees are elected at-large.

The Department is a primary governmental unit and is not included in any other governmental reporting entity. There is a blended component unit, the Harris County Department of Education Public Facilities Corporation (PFC), included within the reporting entity.

Organization Authority

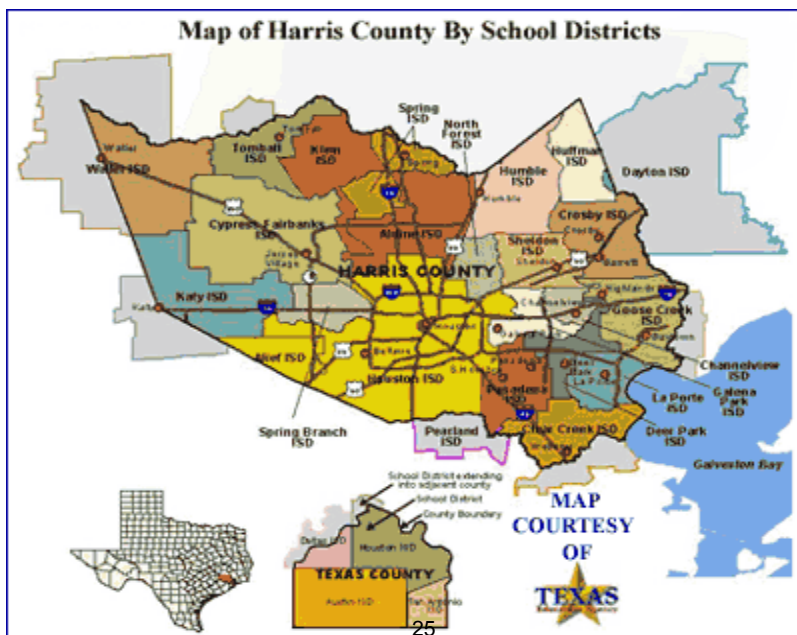
HCDE was created by the Texas Legislature in 1889 and operates under Chapter 17 &18 of the education code.

Organizational Philosophy

The core ideology of Harris County Department of Education outlines the direction of the Department and the expectation held for all employees. The mission defines what we are. Our core beliefs define our intent; and our goals define how we intend to achieve our mission.

Harris County School Districts

- | | | | |
|-----------------------|-----------------|---------------|-------------------|
| Aldine ISD | Deer Park ISD | Klein ISD | Spring Branch ISD |
| Alief ISD | Galena Park ISD | La Porte ISD | Stafford MSD |
| Channelview ISD | Goose Creek ISD | New Caney ISD | Tomball ISD |
| Clear Creek ISD | Houston ISD | Pasadena ISD | Waller ISD |
| Crosby ISD | Huffman ISD | Pearland ISD | |
| Cypress-Fairbanks ISD | Humble ISD | Sheldon ISD | |
| Dayton ISD | Katy ISD | Spring ISD | |



Primary Services

The Department's primary service area geographically covers 1,788 square miles within Harris County, Texas in the upper Texas Gulf Coast region. Harris County's population base includes a wide variety of racial, ethnic, and socio-economic groups that gives the area a rich diversity and cosmopolitan feel. The Department offers services to 25 rural, suburban, and urban school districts entirely or partially within its primary service area of Harris County. It also serves school districts and governmental agencies in surrounding counties, as well as schools, education services centers, and other governmental agencies statewide.

Responding to and serving the needs of learners of all ages, socio-economic status, ethnic backgrounds, educational or development delays and at-risk behaviors requires the Department to be an institution of great flexibility as evidenced by the activities described below. Affordable and highly flexible programs and products are developed with clients in mind. Client population examples are:

Academic and Behavior Schools serve children, youth, and young adults ages 5-22 with severe emotional disturbances, mental retardation, pervasive developmental disorders, and other health impairments.

Adult Education Program prepares age 16-plus youths and adults to read and speak English, and/or to complete a high school General Equivalency Diploma education.

Business Services HCDE Plus provides professional services in the area of school finance to school districts and charter schools. It also, through the School Finance Council, serves school districts business managers and CFOs with training and pertinent information relative to school finance and business operations.

CASE - The Center for After-School, Summer and Expanded Learning serves elementary, middle, and high school students delivering quality after-school learning opportunities.

Center for Safe and Secure Schools provides a wide variety of services pertaining to best practices in the fields of Emergency Preparedness and School Safety.

Choice Partners Cooperative provides best-value, shared-service solutions, direct facilities consulting and legal, competitive bid contracts to schools, higher education, municipalities and other governmental and nonprofit organizations.

Education Certification and Professional Advancement Train and supports degreed professionals to become teachers and administrators. Candidates attend teacher training and teach in a public school with the guidance of an assigned teacher/mentor.

Head Start / Early Head Start Programs serve preschool children ages 6 weeks to 5-year old from economically disadvantaged families, and their families with school readiness abilities. Over 10 percent of those children having an identified disability requiring intervention.

Highpoint Schools serve adjudicated youth by providing intensive counseling and a technology-driven curriculum in a strict disciplinary environment.

The Teaching and Learning Center provides professional development and instructional support to administrators, teachers, support personnel, students, parents and the community.

Therapy Services provides assessment, intervention, consultation training and direct service to children with disabilities and their families.

Records Management Cooperative assists Houston-area school and governmental agencies to achieve and maintain compliance with State of Texas Local Governmental Records Act of 1989.

Resource Development / Texas Center for Grant Development supports efforts to locate and obtain funds which forward new programs, program enhancement and expansion needs.

Research and Evaluation provides quality, scientific-based evaluations services that meet the needs of HDCE, School districts, and other community groups.

Special Education-Related Programs serves individuals ages 0-22 years of age with identified disability groups, diagnosed disabilities, developmental delays or at-risk for delays from diverse socioeconomic families.

Virtual Schools Network – Texas provides alternative education tools using the Internet.

BUDGET ADMINISTRATION & FINANCIAL POLICIES

Legal Requirement for Budgets

Legal requirements for school district budgets are formulated by the state, the Texas Education Agency (TEA), and the local district. In addition to these requirements, individual school districts also may have their own legal requirements for budget preparation. Additional legal requirements also may be imposed by state and federal grants; however, this section deals only with state legal mandates, TEA legal requirements and local district requirements for basic budget development and submission.

HCDE follows the legal budget requirements for school districts in accordance with the education code and the tax adoption requirements for counties in accordance with the Government code. HCDE policies can be located at: <http://pol.tasb.org/Home/Index/578>.

Statement of Texas Law

Sections 44.002 through 44.006 of the Texas Education Code establish the legal basis for budget development in school districts. The following six items summarize the legal requirements from 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 August 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.
- No funds may be expended in any manner other than as provided for in the adopted budget. The board does have the authority to amend the budget or adopt a supplementary emergency budget to cover unforeseen expenditures.
- The budget must be prepared in accordance with GAAP (generally accepted accounting principles) and state guidelines.
- The budget must be legally adopted before the adoption of the tax rate.

Texas Education Agency (TEA) Legal Requirements

TEA has developed additional requirements for school district budget preparation as follows:

- The budget must be adopted by the board of trustees, inclusive of amendments, no later than August 31.
- Minutes from district board meetings will be used by TEA to record adoption of and amendments to the budget.
- Budgets for the General Fund, the Food Service Fund (whether accounted for in the General Fund, a Special Revenue Fund or Enterprise Fund) and the Debt Service Fund must be included in the official district budget (legal or fiscal year basis). 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.

Tax Authority

HCDE received its tax authority in 1935 with a statute creating an equalization tax not to exceed of \$0.01. HCDE follows Property Tax Code Chapter 26 for the tax setting process. HCDE follows the Texas Comptroller's [Truth in Taxation- A Guide for Setting Tax Rates for Taxing Units Other than Schools](#).

Code of Ethics

All Business Services and Purchasing Division employees are required to read and sign the HCDE Code of Ethics for Business Support Services and Purchasing Division Employees on an annual basis. The management of the Business Support Services and Purchasing Division is dedicated to making ethical and lawful choices by providing a structured code of ethics for its personnel to follow. Business Support Services and Purchasing Division employees shall model and promote ethical behavior to all HCDE employees through their behavior.

Risk Awareness

An organization wide process to address internal control and risk-based standards in an audit requirement, per

Statement of Auditing Standards No. 115 Communicating Internal Control Related Matters, issued by the American Institute of Certified Public Accountants (AICPA). The finished product, the packet of completed forms, is provided to the independent auditors for their review during the audit process.

Each Division is given a Risk Awareness packet early in the budget process. This packet is completed and returned to the Business Office. The Business Office reviews each packet and looks for high risk items and discuss the reasons why the division manager considers the item a high risk. The information is documented and placed in folders for additional review. There is a Mid-Year review and assessment during the budget process in February and then there is a Year End Review by the Executive Team member for that division.

Fraud Prevention

The HCDE Fraud Prevention Model and Awareness Program supports SAS #99 by communicating to management and others an awareness and understanding of FRAUD, and educating management about FRAUD and the types of controls that will deter and detect FRAUD. The Business Office alone cannot prevent and/or detect all the types of FRAUD that may be perpetrated within the Department. It takes all HCDE employees being aware and being knowledgeable that FRAUD could occur to possibly prevent FRAUD from occurring or even detecting a FRAUD that has occurred.

HCDE Financial Policies

In addition to state legal requirements, HCDE has established its own requirements for annual budget preparation. The HCDE recognizes the importance of maintaining its financial integrity; therefore, it has developed this policy to support its mission and its goals and objectives. Five year financial forecasts are used to estimate financial decisions on subsequent fiscal years. The forecasts are updated, reviewed and evaluated annually by the Assistant Superintendent of Business Services to identify areas where resources have been over/under allocated. Long term financial plans will include, but not be limited to, an analysis that may include such factors as:

1. Economic growth rates
2. Property tax valuations
3. The full ongoing impacts of grants
4. The costs of new programs that are not fully funded
5. The difference between ongoing and one-time expenses and revenue
6. Analyze financial trends

HCDE's fiscal policies dictate budgetary requirements that go beyond those required by the Texas Education Code and TEA. These policies are delineated below.

Fiscal Policy & Objectives

Financial Stability

In seeking to fulfill its mission, the HCDE shall maintain a high level of financial stability and shall not compromise the long term financial integrity to achieve short term benefits.

- In an effort to provide adequate cash flow for its operations, HCDE shall maintain a fund balance (the difference between assets and liabilities in a governmental fund) with five categories to meet the GASB 54 requirements:
 1. Non-Spendable fund balance
 2. Restricted fund balance
 3. Committed fund balance
 4. Assigned fund balance
 5. Unassigned fund balance
- As of August 31, 2016, HCDE will have a fund balance of approximately 2 months of operating costs. To achieve this goal, the Superintendent and the Assistant Superintendent for Business Services are instructed to implement the following financial plan:
 1. Develop and submit for Board approval a balanced budget with input from Division Managers the Budget

Committee (a balanced budget means that for each fund, expenditures are not to exceed revenues plus available fund balances; if the fund balance is to be used, than this must be for a one-time cost and not reoccurring costs.

2. Restrict any surplus funds towards unassigned fund balance.

Funds from Operations

Funds from operations should provide adequate funds to support its:

1. Special schools and alternative schools
2. Instructional programs
3. Capital programs
4. Debt service programs

Revenue

Revenue levels shall be evaluated with staff recommendations yearly in consideration of:

1. Student growth assumptions
2. The projected level of expenditures
3. Facility and construction requirements
4. Current business conditions (local economy)
5. Economic projections (state economy, legislative issues, etc.)
6. Bond ratings

General Operating Fund Expenditures

General fund expenditures shall maintain the following priorities of obligation:

1. Payments of all legal and reasonable expenditures relating to maintenance and operations of the HCDE operating fund.
2. Payments to meet all debt service requirements of outstanding bond indebtedness including the interest and sinking fund.
3. Payments to special revenue funds that require a matching for federal or state grants, including the CASE fund, the Head Start fund and others.
4. All net surpluses after payment of items 1 to 3 above may be used to fund necessary capital equipment purchases, facility expansion, and renovation. All remaining funds will go toward maintaining a budgeted ending cash balance (unassigned fund balance) which equates to at least two months of operating costs. This amount would be determined by first adding budgeted operations and maintenance costs plus debt service requirements. This total would be divided by 12 and then multiplied by two to calculate the two months operating costs requirements.

Long Term Financing

In the absence of surplus funds in item 4 above, the HCDE will utilize long term financing for capital projects and equipment funded through the maintenance and operations tax rate. Available mechanisms include the following:

1. Public Property Finance Contractual Obligations (PPFCO)
2. Time Warrants
3. Delinquent Tax Notes
4. Any other legal mechanism
5. Public Facilities Corporation (PFC)

Short Term Financing

HCDE will strive to minimize its short term financing by maintaining a two month unassigned fund balance.

Based on cash flow projections, the CFO may recommend to the Board to utilize short term financing to satisfy the cash flow requirements of the HCDE. Available mechanisms include the following:

1. Tax anticipation notes
2. Tax warrants
3. Delinquent tax notes

Reporting –Department and Public Facilities Corporation (PFC)

HCDE will prepare reports of financial operations as follows:

1. A monthly operating and financial report, requiring review by the Audit Committee and/or the Board as the Board deems necessary.
2. An annual financial plan (budget) detailing revenues, expenditures, and capital additions presented for approval prior to September 1 of each year. Midyear analysis and review shall be presented to the Board for approval.
3. An annual audit by an outside professional auditing firm that would include all necessary details in reconciling all of the year's financial operation. The audit report will be submitted for review and approval to the Board after the end of the fiscal year. A copy of the audit report will be submitted to Harris County and other respective oversight agencies.

Investments

Investment Authority

Department depository and investment authority is established within the office of the Superintendent. By the authority of the Board, the Assistant Superintendent-Business Services, the Chief Accounting Officer, the Senior Accountant, and the Budget Analyst are designated as the HCDE's investment officers. The investment officers are responsible for depositing funds, investing such funds, assuring that each investment has the proper authorized collateral, monitoring investments, assuring the security of HCDE's principal and interest, receiving and reporting principal and interest at the maturity of each investment, and providing the proper documentation and reports on such investments to the Superintendent and the Board in accordance with the HCDE's written investment policy and generally accepted accounting procedures.

The investment officers shall be bonded or shall be covered under a fidelity insurance policy. All investment transactions except investment pool funds and mutual funds shall be executed on a delivery-versus-payment basis.

Approved Investment Instruments

From those investments authorized by law and described further in CDA (LEGAL), the Board shall permit investment of Department funds in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of or guarantees by, governmental entities as permitted by Government Code 2256.009.
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010.
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011.
4. A securities lending program as permitted by Government Code 2256.0115.
5. Banker's acceptances as permitted by Government Code 2256.012.
6. Commercial paper as permitted by Government Code 2256.013.
7. No-load money market mutual funds and no-load mutual funds as permitted by Government Code 2256.014.
8. A guaranteed investment contract as an investment vehicle for bond proceeds provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
9. Public funds investment pools as permitted by Government Code 2256.016.

Safety and Investment Management

The main goal of the investment program is to ensure its safety and maximize financial returns within current market conditions in accordance with this policy. Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

Liquidity and Maturity

Any internally created pool fund group of HCDE shall have a maximum dollar weighted maturity of 180 days. The maximum allowable stated maturity of any other individual investment owned by HCDE shall not exceed one year from the time of purchase. The Board may specifically authorize a longer maturity for a given

investment, within legal limits. HCDE's investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements.

Diversity

The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific issuer.

Monitoring Market Prices

The investment officer shall monitor the investment portfolio and shall keep the Board informed of significant declines in the market value of HCDE's investment portfolio. Information sources may include financial/investment publications and electronic media, available software for tracking investments, depository banks, commercial or investment banks, financial advisors, and representatives/advisors of investment pools or money market funds. Monitoring shall be done monthly or more often as economic conditions warrant by using appropriate reports, indices, or benchmarks for the type of investment.

Funds / Strategies

Investments of the following fund categories shall be consistent with this policy and in accordance with the strategy defined below.

- Operating Funds – Investment strategies for operating funds (including any co-mingled pools containing operating funds) shall have as their primary objectives safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.
- Agency Funds – Investment strategies for agency funds shall have as their objectives safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.
- Debt Service Funds – Investment strategies for debt service funds shall have as their objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents. Maturities longer than one year are authorized provided legal limits are not exceeded.
- Capital Projects – Investment strategies for capital project funds shall have as their objective sufficient investment liquidity to timely meet capital project obligations. Maturities longer than one year are authorized provided legal limits are not exceeded.

Safekeeping and Custody

HCDE shall retain clearly marked receipts providing proof of HCDE's ownership. HCDE may delegate, however, to an investment pool the authority to hold legal title as custodian of investments purchased with HCDE funds by the investment pool.

Brokers/Dealers

Prior to handling investments on behalf of HCDE, brokers/dealers must submit required written documents in accordance with law. Representatives of brokers/dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC), and be in good standing with the National Association of Securities Dealers.

Soliciting Bids for CD's

In order to get the best return on its investments, HCDE may solicit bids for certificates of deposit in writing, by telephone, or electronically, or by a combination of these methods.

Internal Controls

A system of internal controls shall be established and documented in writing and must include specific procedures designating who has authority to withdraw funds. Also, they shall be designed to protect against losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of HCDE. Controls deemed most important shall include:

1. Separation of transaction authority from accounting and recordkeeping and electronic transfer of funds.
2. Avoidance of collusion.
3. Custodial safekeeping.

4. Clear delegation of authority.
5. Written confirmation of telephone transactions.
6. Documentation of dealer questionnaires, quotations and bids, evaluations, transactions, and rationale.
7. Avoidance of bearer-form securities.

These controls shall be reviewed by HCDE's independent auditing firm.

Portfolio Report

In addition to the quarterly report required by law and signed by HCDE's investment officer, a comprehensive report on the investment program and investment activity shall be presented annually to the Board. This report shall include a performance evaluation that may include, but not be limited to, comparisons to 91-day U.S. Treasury Bills, six-month U.S. Treasury Bills, the Fed Fund rate, the Lehman bond index, and rates from investment pools. The annual report shall include a review of the activities and total yield for the preceding 12 months, suggest policies, strategies, and improvements that might enhance the investment program, and propose an investment plan for the ensuing year. The Government Treasurers' Association of Texas (GTOT) has certified our policy.

Ad-Valorem Taxes

Discounts

Discount options shall not be provided for the early payment of property taxes in HCDE.

Split Payments

Split payment of taxes shall be allowed in accordance with statutory provisions.

Purchasing & Acquisition

Purchasing Authority

The Board delegates to the Superintendent or designee the authority to determine the method of purchasing, in accordance with CH (LEGAL), and to make budgeted purchases. However, any purchase that costs or aggregates to a cost of \$50,000 or more shall require Board approval before a transaction is culminated according to CH (LOCAL).

A competitive bid and a competitive proposal are both purchasing methods that may be used when making formal purchases valued at \$50,000.00 or greater. The key difference between the two methods is that the competitive bid does not allow for negotiation and the competitive proposal does allow for negotiations

Competitive Bidding

Competitive Bids, or Invitation to Bid (ITB), are used when you are able to clearly define what goods or services you need. If competitive bidding is chosen as the purchasing method, the Superintendent or designee shall prepare bid specifications. All bids shall be submitted in sealed envelopes, plainly marked with the name of the bidder and the time of opening. All bidders shall be invited to attend the bid opening. Any bid may be withdrawn prior to the scheduled time for opening. Bids received after the specified time shall not be considered. The Department may reject any and all bids.

Competitive Sealed Proposals

Competitive Proposals and Request for Proposal (RFP), are used when the user has a good idea of what he/she wants but there might be different ways of arriving at the same goal. Competitive proposals may be the preferred method of acquisition when the need exists to generate a spectrum of alternative responses to the need proposed and to retain the ability to refine these responses through negotiation. The competitive proposal will have a scope of work that describes the goods or services being purchased and the application, but HCDE is going to leave it up to the company as to how to best accomplish the end result. CSB is used on generic goods or services that normally are awarded to low bidder meeting specifications. RFP is used on more complicated purchases that require an evaluation to take place along with possible negotiations. If competitive sealed proposal method is chosen as the purchasing method, the Superintendent or designee shall prepare the request for proposals and/or specifications for items to be purchased. All proposals shall be submitted in sealed

envelopes, plainly marked with the name of the proposer and the time of opening. Proposals received after the specified time shall not be considered. Proposals shall be opened at the time specified, and all proposers shall be invited to attend the proposal opening. Proposals may be withdrawn prior to the scheduled time of opening. Changes in the content of a proposal, and in prices, may be negotiated after proposals are opened. HCDE may reject any and all proposals.

Responsibility for Debts

The Board shall assume responsibility for debts incurred in the name of the Department so long as those debts are for purchases made in accordance with adopted Board policy and current administrative procedures regarding purchases and expenditures. The Board shall not be responsible for debts incurred by unauthorized persons or organizations not directly under Board control or who were acting outside their departmental authority. Full responsibility for payment of unauthorized purchases shall be assumed by persons making such purchases.

Purchase Commitments

Purchase commitments shall be made by the Superintendent or the Superintendent's designee on properly drawn and issued Departmental documents.

Conflict of Interest rules

HCDE has developed conflict of interest rules for all of its employees in the past. Effective with new federal EDGAR rules under 2 CFR Section 200 and Chapter 176 of the Texas Local Government Code, conflict of interest guidelines are in effect which impact employees who plan, recommend, select, and implement grants and contracts.

EDGAR Conflict of Interest Requirements

It should be noted that in accordance with EDGAR requirements as amended on Dec 26, 2014 under 2 CFR Part 200, the requirements include the following: No employee, officer, or agent may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of HCDE may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, HCDE has set a de minimis amount of less than \$50 per year for items that are unsolicited and of minimal and promotional items. Violations of this standard by an employee will be reported to the Superintendent's Office and addressed through our personnel policies. Violations of this standard by an officer or the Superintendent shall be addressed to the **Board President and addressed through the board policies.**

State of Texas Conflict of Interest requirements

In addition, Chapter 176 of the Local government Code, a local government officer shall file a **conflict of interest disclosure** with respect to a vendor if: (1) the vendor enters into a contract with the local government entity or the local governmental entity is considering entering into a contract with the vendor **AND**, (2) the vendor has **(A)** an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family receiving taxable income, other than investment income, that exceeds **\$2,500** during the 12 month preceding the date that the officer becomes aware that:(i) A contract between the local governmental entity and vendor has been executed by (ii) The local governmental entity is considering entering into a contract with the vendor **(B)** has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12 month period preceding the date the officer becomes aware that (i) a contract between the local governmental entity and vendor has been executed or (ii) the local governmental entity is considering entering into a contract with the vendor or **(C)** has a family relationship with the local government officer.

Personnel

New Positions

Any new positions of employment shall be prominently described and set out in the budget for the fiscal year in which the position is created and shall be approved by the Board at the time that the budget is approved. Notice of vacancies shall be posted at campuses but not be limited to campuses.

New positions created after approval of the budget shall be approved by the Board at public meeting before the positions can be advertised, offered, or funded. For fiscal year 2016-2017, there are 20.16 new positions added to the budget.

Annual Operating Budget

Fiscal Year

HCDE operates on a fiscal year beginning September 1 and ending August 31.

Budget Planning

Budget planning is an integral part of overall program planning so that the budget effectively reflects the HCDE's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals shall be considered, as well as input from the HCDE Administration, division managers, and campus-level planning. Budget planning and evaluation are continuous processes and are part of each month's activities.

Availability of Proposed Budget

After it is presented to the Board and prior to adoption, a copy of the proposed budget shall be available upon request from the business office or Superintendent. The Superintendent or designee shall be available to answer questions arising from inspection of the budget.

Budget Meeting

The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:

1. The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget and/or tax rate sign up on the sheet provided.
2. Prior to the beginning of the meeting, the Board may establish time limits for speakers.
3. Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget and/or the tax rate.
4. No Trustee, officer, or employee of HCDE shall be required to respond to questions during the meeting from speakers or the public.

Authorized Expenditures

The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and HCDE's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent, Assistant Superintendent-Business Services, or appropriate designee who shall ensure that funds are expended in accordance with the adopted budget.

Budget Amendments

The budget shall be amended when a change in expenditures is made between or among divisions, or increasing/decreasing revenue object accounts and other resources.

Budget Amendments / Transfers

Budget amendments/transfers must be aligned with modifications to division plans. Every time that a significant change is made to a budget, the change must be reflected in their division plan. In the processing of the budget amendment/transfer, the division must include required documentation. Budget amendments/transfers will not be approved if the required documentation is not included with the amendment or transfer form.

Budget Transfers & Amendments Signature Authority

Administration is authorized to move funds between line items. If the overall budget amount increases or decreases, then Board approval is required. For Special Revenue Funds, intra-function budget transfers are approved subject to the approval by the granting agency. A summary of all transfers is presented to the Board of Trustees. Interdepartmental transfers and any increase or decrease or operating appropriations must be approved by the Board of Trustees and the Superintendent. All departments are required to operate within their budgetary constraints. The operating budgets are amended prior to expenditure, and the accounting system provides a strong budgetary control over expenditures.

Capital Expenditures Policies

Capital Expenditures are funds committed for improving facilities or for the construction of new facilities. Capital expenditures also include costs of maintenance and operations on facilities and are financed through various funds depending on available funding. The Budget Process includes a review of capital expenditures to be undertaken with general funds (if any) or the need for additional bonds.

New Purchases

Capital assets are identified as any item having a value of \$5,000 or more and have an expected useful life of more than one year. Items should be considered individually and not in groups when using these criteria. (The only exceptions are computers and printers. These items are charged to 663X (new purchase).

Assets having a value of \$1,000 or more, but less than \$5,000 unit cost, should use object codes 6393 (new purchase). Items, such as desks, file cabinets, etc., under \$1,000 should be charged to general supply object code 6399. For software purchases and purchase of computer software including site license, application, and anything associated with software the code 6497 is used.

The funds utilized for capital expenditures include the following:

- **PFC Fund** – capital expenditures are funded through this fund when a new bond is issued and committed for capital expenditures
- **Local Construction Fund** – capital expenditures are funded on a pay as you go basis and funded from excess general funds. These projects and capital expenditures are appropriated annually.
- **Facilities Fund** – capital expenditures are funded on a pay as you go basis and funded from facilities charges allocated to all divisions. These projects and capital expenditures are appropriate annually.
- **QZAB Fund** – capital expenditures are funded on QZAB bonds issued for equipment and renovation. These projects are initiated depending on available revenues to pay back the bonds issued.

Capital Expenditures

For fiscal year 2016-2017, one time capital expenditures include:

Assigned Fund Balance:

Technology Replacement Assets – One time capital outlay	\$ 345,000
Head Start Center – Baytown Construction Project	380,000

Unassigned Fund Balance:

Capital Projects – One time construction projects	<u>4,452,233</u>
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TOTAL FUND BALANCE

CAPITAL EXPENDITURE APPROPRIATIONS:	<u>\$5,177,233</u>
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Technology Replacement Assets include replacing computers and printer and minor equipment for \$100,000 and \$245,000 for the purchase of security and storage units at the data center (Cisco UCS Blades to improve

computer services, and Storage units for data and for fast response units for applications).

Capital projects include several one-time projects as follows: \$3,330,233 for AB West new building, \$400,000 to provide upkeep and upgrades to several existing HDCE buildings: AB East cover for drop off area, elevators for HP East School, Cross timbers, and the Adult Education building at 6515 Irvington, Head Start parking lot at La Porte project for \$120,000, 6300 Irvington reception renovation project for \$350,000, and \$252,000 to install surveillance cameras at the four schools (AB and High Points), for a total of \$4,452,233.

BUDGETARY CONTROL & BASIS OF ACCOUNTING

Reporting Entity

The County School Board ("Board"), a seven member group, has governance responsibilities over all departmental activities within the jurisdiction of the Department. The Board is elected and has the exclusive power and duty to govern and oversee the management of the Department. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those power and duties by the Board. The Department receives funding from local, state, and federal government sources and must comply with the requirements of those funding entities. The Department is considered an independent entity for financial reporting purposes and is considered a primary government.

Accounting System Structure

The Business Support Services division is responsible for providing all Department financial services including financial accounting and reporting, payroll and accounts payable disbursement functions, cash and investment management, debt management budgeting, fixed assets, tax office collections, and special financial and policy analyses to Department management. The Assistant Superintendent for Business Services, appointed by the Superintendent, has oversight responsibility of the division's operations.

The Department's hardware includes an IBM server as well as numerous personal computers and system terminals. The Department utilizes the Pentamation software application and computerized financial accounting system, which includes a system of internal accounting controls. Such controls have been designed and are continually being reevaluated to provide reasonable, but not absolute assurance for the safeguarding of assets against loss from unauthorized use of disposition and the reliability of financial records for preparing financial statement and maintaining accountability of the Department's assets.

The concept of reasonable assurances recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework and are believed to adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Basis of Accounting

Accounting records for governmental fund types are maintained on a modified accrual basis with revenues recorded when services or goods are received and the liabilities are incurred.

The modified accrual basis of accounting is used for the governmental fund types. The basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual (i.e., both measurable and available), and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for certain compensated absences, which are recognized when obligations are expected to be liquidated with expendable, available financial resources.

Federal grant funds are generally considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

Basis of Budgeting

Harris County Department of Education accounting policies substantially comply with the rules prescribed in the Texas Education Agency's Financial Accountability System Resource Guide and conforms to generally accepted accounting principles applicable to governmental units. The Board of Trustees requires that annual budget be adopted for the General Fund. Budgets are prepared using the same accounting basis (modified accrual) as for financial statements. The modified accrual basis of accounting recognizes revenues in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest and principal on long-term debt, which is recognized when due.

The Special Revenue Funds and Capital Projects Funds adopt project-length budgets which do not correspond with the Department's fiscal year and are not subject to Board approval. Following is a description of the Department's funds. The basis of budget and the basis of accounting are shown in the chart below:

<u>Governmental Funds</u>	<u>Operating Budget</u>	<u>Audited Financial Statements</u>
General Fund	Modified Accrual	Modified Accrual
Special Revenue Funds	Modified Accrual	Modified Accrual
Debt Service Funds	Modified Accrual	Modified Accrual
Capital Projects Fund	Modified Accrual	Modified Accrual
<u>Proprietary Funds</u>		
Internal Service Funds	Accrual	Accrual
Enterprise Funds	Accrual	Accrual
<u>Fiduciary Funds</u>		
Agency Funds	Accrual	Accrual

Funds and Fund Types

The Department's accounting system is organized and operated on a fund basis and account groups. In addition, the department budgets on an organizational unit basis within each fund. Each fund is considered a separate accounting entity. The operations of each fund are accounted for through a separate set of self-balancing accounts that are comprised of its assets, liabilities, fund equity, revenue and expenditures and/or expenses. Governmental resources are allocated and accounted in individual funds based upon the purposes for which spending activities are controlled. The Department utilizes the following fund types:

Governmental fund types:

General Fund (appropriated) – used to account for financial resources used for general operations. Any fund balances are considered resources available for current operations. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in this fund. Included in this fund is the QZAB, Local Construction and the Retirement Fund. The Department issued Qualified Zone Academy Bonds (QZAB) Notes, Series 2009A in the aggregate principal amount of \$6,320,000. Proceeds of the Notes will be used to renovate, repair and equip schools operated by the Department, each of which qualifies as a qualified zone academy.

Special Revenue Funds (not appropriated) – used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal, state, and local grants are accounted for in a separate special revenue fund.

Debt Service Fund (appropriated) – used to pay interest and related costs and to retire long-term debt. A transfer from the General Fund is made to fund for debt issued by using the maintenance and operations taxes.

Capital Projects Fund (not appropriated) – accounts for the proceeds of general obligation bond sales. Revenues from sale of bonds are used for acquiring sites, constructing, and equipping new facilities and renovating existing facilities. The Harris County Department of Education Public Facility Corporation (PFC) issues bonds to provide for the acquisition of and the construction and renovation of educational facilities in accordance with the Public Facility Corporation Act. In January 2006, the PFC issued bonds to fund construction of the new Highpoint school and the acquisition, renovation, and equipping of the records management warehouse/administrative North Post Oak facility.

Proprietary fund types:

Internal Services Fund – used to account for revenues and expenses related to services provided by one division within the Department to other divisions. This fund facilitates distribution of facility support costs to the users of support services and workers compensation costs through a modified self-insurance program.

Enterprise Fund – used to report an activity for which a fee is charged to external users of goods and services. It is to account for Choice Partners Cooperative.

Fiduciary fund types:

Agency Funds – used to account for clearing accounts and campus activities funds, and are not budgeted.

HDCE Fund Codes:

100 - GENERAL FUND

199 General Fund

200 - FEDERAL GRANTS

203 Lunar Institute SCI
204 ACP National Education Talent
205 Head Start
206 Head Start Training
214 Early Head Start Start Up
215 Early Head Start Operation
216 Early Head Start T&TA
223 Temporary Assistance for Needy Families
230 Adult Basic Education (ABE) Regular
234 ABE EL/Civics
266 FED 21St Century Cycle 8
288 CASE After School Partnership

300 - STATE GRANTS

381 Adult Basic Education Regular
383 Texas Virtual Schools

400 - LOCAL GRANTS

463 Houston Endowment Grant
467 CASE City of Houston
479 Head Start In-Kind
496 Hogg Foundation
498 EFHC Local Grants
499 Other Local Grants

500 - DEBT SERVICE

599 Debt Service

600 - CAPITAL PROJECTS FUND

698 PFC Refunding Bonds
697 Capital Project AB West
699 PFC Capital Projects

700 - PROPRIETARY FUNDS

711 Choice Partners-Enterprise Fund
753 Workers Compensation - Internal Service Fund
799 Facility Support Services - Internal Service Fund

800 - TRUST AND AGENCY FUNDS

811 Highpoint-East Activity Funds
814 Highpoint-North Activity Funds
815 Courtesy Committee
829 Blair Endowment-Scholastic Program

900 - ACCOUNT GROUPS

901 General Capital Assets
902 PFC Capital Assets
903 Long Term Debt
904 PFC Long Term Debt

Accounting Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund Types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund Types and Agency Funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt, which is recognized when due and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues from local sources consist primarily of contract fees from local school districts and property tax revenues. Contract revenues and property tax revenues are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Any excess revenues at fiscal year-end are recorded as deferred revenue or due to grantor, as necessary.

Proprietary Fund Types, the Internal Service Fund, uses the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable, and expenses in the accounting period in which they are incurred and become measurable

Property Taxes

Property taxes are levied on the assessed value listed as of the prior January 1 for all real and business personal property located in the Department's taxing are of Harris County, Texas in conformity with Subtitle E. Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. Uncollectible personal property taxes receivable are written off after ten years and real property taxes receivable are written off after twenty years.

Fund Balance

Order of Expenditure Fund balance shall mean the gross difference between governmental fund assets and liabilities reflected on the balance sheet. The fund balance of the general fund, one of the governmental fund types, is of primary significance because the general fund is the fund which finances most functions of the Department.

The five classifications of fund balance of the general fund include:

1. **Non-spendable fund balance** shall mean that portion of the gross fund balance that is not expendable (such as inventories) or is legally earmarked for a specific use such as the self-funded reserves program. Example of fund balance reserves for which fund balance is not available for financing general operating expenditures are:
 - a. Inventories
 - b. Prepaid items
 - c. Deferred expenditures
 - d. Self-funded risk management programs
 - e. Long term receivables
 - f. Outstanding encumbrances
2. **Restricted fund balance** includes amounts constrained to a specific purpose by the provider, such as grantor.
 - a. Federal or state granting agency (i.e. CASE, Adult Education, Head Start)
 - b. Construction funds (QZAB, PFC)
 - c. Retirement of long term debt
3. **Committed fund balance** shall mean that portion of the fund balance that is constrained to a specific purpose by the Board of Trustees.
4. **Assigned fund balance** shall mean that portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Board of Trustees and/or the Superintendent. In current practice, such plans or intent may change and never be budgeted or result in expenditures in future periods of time. Examples of assigned fund balances which the department may have tentative plans for expenditures in future period include:
 - a. Capital replacement (expenditures for equipment, furniture, software)
 - b. Building construction, repair and renovation
 - c. Insurance deductibles
 - d. Claims and judgments

- c. Insurance deductibles
 - d. Claims and judgments
 - e. Employee retirement leave reserves
 - f. Expansion and moving costs
 - g. Program startup costs
 - h. Debt service reduction
 - i. Other legal uses
5. **Unassigned fund balance** includes amounts available for any legal purpose. This portion of the total fund balance in the general fund is available to finance operating expenditures. Unassigned fund balance shall mean the difference between the total fund balance and the total of the no-spendable fund balance restricted fund balance, committed fund balance and assigned fund balance.

Credit rating agencies carefully monitor levels of fund balance and unreserved fund balance in a government's general fund to evaluate the government's continued creditworthiness. Historically, HCDE enjoyed a Moody's A2 Rating on Education Lease Revenue Bonds, Series 1999, released to raise revenue for construction purposes. When HCDE borrowed from the Qualified Zone Academy Bonds and Maintenance Notes in 2009, HCDE's credit rating was A2. HCDE's credit rating on Education Lease Revenue Bonds, Series 2006 is also A2, and these bonds were issued to raise revenue for construction purposes.

The Government Finance Officers Association and the Texas Association of School Business Officials recommends that general-purpose governments maintain unassigned fund balance in their general fund of no less than five to 15 percent of regular general fund operating revenues, or of no less than one to two months of regular general fund operating expenditures. Local budget policy is to maintain an unassigned fund balance equal to a minimum of two months of operations costs. This amount would be determined by first adding budgeted operations and maintenance costs plus debt service requirements. This total would be divided by 12 and then multiplied by two to calculate the two months operating costs requirements.

Revenues are classified by fund and object or source. There are three major sources: local sources, state sources and federal sources.

Expenditure Functions

A function represents a general operational area and groups together related activities. Most school districts use all of the functions in the process of educating students or organizing the resources to educate students. Each of these activities is a function as required by the Texas Education Agency (TEA) Financial Accountability System Resource Guide (FASRG).

Function 11 – Instruction – is used for transactions that deal directly with the interaction between teachers and students. This function includes expenditures for direct classroom instruction and other activities that enhance the delivery of learning opportunities to students. Teaching may be provided in the classroom, at home, in the hospital, and other learning situations, including television, radio, telephone, telecommunications, multimedia and/or correspondence. Expenditures include salaries and fringe benefits for teachers, teacher assistants, substitutes, special education speech and occupational instructional services, and physical therapy. It includes purchase of instructional equipment, supplies, and materials.

Function 12 – Instructional Resources and Media Services – is used for expenditures that are directly used for resource centers, establishing and maintaining libraries and other facilities dealing with educational resources and media. It includes expenditures for salaries and fringe benefits of librarians, library assistants, media center personnel and other staff related to media services, expenditures for supplies and materials associated with media center and resource centers such as library books, films, video cassettes, CD-ROM disks, equipment purchases, and upkeep of the equipment.

Function 13 – Curriculum Development and Instructional Staff Development – is used for expenditures directly used to aid instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. It includes research personnel salaries and fringe benefits for research personnel and training personnel. Includes expenditures associated with staff development, in-service training and development of curriculum.

Function 21 – Instructional Leadership – is used for expenditures directly used for managing, directing, supervising, and leadership to staff who provide general and specific instructional services. It includes salaries and fringe benefits for instructional supervisors, educational program coordinators or directors, and related support staff. It includes expenditures for supplies and materials associated with the upkeep of the instructional support area.

Function 23 – School Leadership – is used for expenditures used to direct and manage a school campus. They include activities performed by the principal, assistant principals, and other assistants while they supervise campus operations, evaluate campus staff, and assign duties to staff maintaining the records of the students on campus. It includes expenditures for salaries and fringe benefits for the above named groups and any supplies and materials needed to maintain campus administration.

Function 31 – Guidance, Counseling and Evaluation Services – is used for expenditures 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. It includes costs of psychological services, identification of individual characteristics, testing, educational counseling, and student evaluation. It includes expenditures for salaries and fringe benefits for counselors and related staff, psychologists, psychiatrists, and diagnosticians. It includes expenditures for testing materials, student appraisal services, and supplies and materials needed to test students outside of the classroom.

Function 32 – Social Work Services – is used for expenditures that are directly used for investigating and diagnosing student social needs, case work and group work services for the child and/or parent, interpreting the social needs of the student for other staff members and promoting modification of the circumstances surrounding the student which relate to his/her social needs. It includes expenditures for salaries and fringe benefits of attendance officers, social workers, and other related staff and expenditures for equipment, supplies and materials.

Function 33 – Health Services – is used for expenditures that provide physical health services for students, including medical, dental and nursing services. Includes expenditures for salaries and fringe benefits of school physicians, dentists, nurses and nurses' aides, contracted medical services, medical and health supplies, and expenditures needed to maintain the health services function.

Function 35 – Food Services – is used for expenditures for a food service operation. It includes salaries and fringe benefits for food service supervisors, cooks, snack-bar staff and other related staff, expenditures for food, non-food and commodities purchases, storage and transportation, and related expenditures.

Function 41 – General Administration – is used for expenditures for the purposes of managing and governing the entire organization, not applicable to a specific function. Expenditures included in this function are salaries and fringe benefits for the Superintendent's Office, Board of Trustees, Business Services, Purchasing, Communications & Public Information, and Human Resources.

Function 51- Plant Maintenance and Operations – is used for expenditures to keep the building and grounds operational, clean, comfortable, and in effective working condition and state of repair, and insured. It includes salaries and fringe benefits for custodial staff, building maintenance staff, and warehouse staff. It includes expenditures for utilities, insurance premiums for buildings, property and equipment, and expenditures needed to maintain the physical plant.

Function 52 – Security and Monitoring Services – is used for expenditures to keep student and staff safe at school, to and from school, or at campus-sponsored events. Includes expenditures for salaries and fringe benefits of security guards and campus police, hand held communication devices, and related supplies and materials.

Function 53 – Data Processing Services – is used for expenditures for data processing services, whether in-house or contracted. It includes computer facility management, computer processing, and systems development, analysis and design. Including salaries and fringe benefits of chief information officer, network managers, PC network managers, and other related staff. It includes expenditures for maintaining networks,

software, and services to the end user.

Function 61 – Community Services – is used for expenditures that are for activities other than regular public education and adult basic education services. It includes providing resources to non-public schools, higher education institutions and proprietary types of services incurred for outside entities in the community. Expenditures include related parenting programs, parental involvement programs, and parental and educational services to adults other than adult basic education. Includes expenditures for staff providing child care for teen parents attending school, staff providing child care for teachers or working parents, baby-sitting after hours and after school daycare and other related expenditures needed to maintain the programs. HCDE uses this function for expenditures for Center for Safe and Secure Schools, Education Foundation, and Scholastic Arts and Writing Program.

Function 62 – School District Administrative Support Services – is used for expenditures relating to performing certain administrative support services including indirect instructional services such as guidance and counseling, social work, and health and food services as well as general administrative services such as budgeting, accounting, tax administration, and joint purchasing. HCDE uses this function for expenditures for School Governance and Fiscal Accountability, Food Co-ops, Purchasing Co-ops, Choice Facility Partners, and Records Management Services.

Function 71 – Debt Service – is used for expenditures to retire recurring bond, capital lease principal, other debt related services, debt service fees and debt interest. Expenditures include bond, capital lease, and long-term debt principal and interest payments, and interest on short-term notes.

Function 81 – Facilities Acquisition and Construction – is used for expenditures to acquire, equip, and/or make additions to real property and sites, including lease and capital lease transactions. Include acquisition or purchase of land and buildings, remodeling or construction of buildings, major site improvements, and capital outlay to equip new facilities.

Function 93 – Payments to Fiscal Agent/Member Districts of Shared Services Arrangements – is used for payments from a member district to a fiscal agent of a shared services arrangement; or payments from a fiscal agent to a member district of a shared services arrangement.

Function 99 – Other Intergovernmental Charges – is used to record intergovernmental charges not defined above, including amounts paid to county appraisal districts for costs relating to the appraisal of property, and salaries and related expenditures to obtain instructional services from another school district for grade levels not provided by the sending school district.

BUDGET RESPONSIBILITIES

Budget Requirements

The official budget is prepared for all funds. The General Fund and Debt Service Fund are mandated to be an annual budget. HCDE utilizes budgets in the other funds to facilitate monitoring by budget managers and for control purposes. The following procedures are followed: Prior to August 20 of the preceding fiscal year, the Department prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them. A duly-posted meeting of the Board is called for the purpose of adopting the proposed budget. Once a budget is approved, it can be amended at the budget level (increases or decreases to the total individual budget) only by approval of a majority of the members of the Board.

Amendments are presented to the Board of Trustees at its regular meetings. Such amendments are made prior to expenditures, are reflected in the official minutes of the Board, and are not made after fiscal year end as required by law. Increases and decreases to accounts (individual line items) within a budget may be made without Board approval. Amendments affecting Employee Wages/Benefits must be approved by the Director of Human Resources before transfers may be made.

Each budget is controlled by the budget manager at the revenue and expenditure class-object level. General Fund budget appropriations lapse at fiscal year-end, August 31. During the fiscal year, the budget was amended as necessary.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget.

Budget Responsibilities

The development of division and Department annual budgets should be part of the ongoing budget process. The budget preparation process and guidelines are established through interaction between the board budget committee, the superintendent, and the Department budget committee. The following individuals and groups are involved in budget development:

1. Division Level
 - a. Division/Budget directors
2. Department Level: HCDE Budget Committee
 - a. Superintendent
 - b. Assistant Superintendent Business
 - c. Chief Accounting Officer
 - d. Budget Analyst
 - e. Assistant Superintendents
 - f. Executive Director of Human Resources
 - g. Executive Director of Facilities
 - h. Chief Information Officer
3. Board Level:
 - a. Board Budget Committee
 - b. Board of Trustees

Annual Budget Responsibilities and Guidelines

HCDE is organized as a department with multiple divisions which report to the various Executive Team members. The Executive Team is composed of the following individuals: Superintendent, Assistant Superintendents, Chief Information Officer, Executive Director for Human Resources, Executive Director for Facilities, Special Assistant to the Superintendent, and Communications and Public Engagement Director.

The levels of responsibility include:

Division: Includes division managers who have fiscal oversight over their individual budgets.
 Department: Includes the executive team members who have oversight of divisions within their responsibility.

The following table shows the interaction necessary between individuals and groups at different levels of the Department to produce the annual budget:

PARTICIPANTS	ROLES & RESPONSIBILITIES	LEVEL
Division/Budget directors	<ul style="list-style-type: none"> ▪Coordinates preparation of division level program budgets, performance measures and objectives 	Division
HCDE Budget Committee	<ul style="list-style-type: none"> ▪Reviews for appropriateness division-level budgets and reviews/prioritizes allocated requests submitted by division directors ▪Discusses budget recommendations for superintendent review 	Department
Superintendent	<ul style="list-style-type: none"> ▪Communicates budget process guidelines to division/budget directors and HCDE budget committee ▪Serves as lead member of HCDE Budget Committee to review division budget requests and to analyze budget components 	Department
Assistant Superintendent-Business	<ul style="list-style-type: none"> ▪Serves as chair of HCDE Budget Committee ▪Serves as Department budget officer ▪Communicates budget calendar ▪Reviews fund balance estimates ▪Conducts final review of proposed budget to board budget committee 	Department
Chief Accounting Officer	<ul style="list-style-type: none"> ▪Reviews proposed budget drafts subsequent to superintendent and HCDE Budget Committee review 	Department
Budget Analyst	<ul style="list-style-type: none"> ▪ Provides requested forecasts and analyses to Asst Superintendent-Business, HCDE Budget Committee, and Superintendent ▪ Compiles division budgets into proposed Department budget. ▪ Communicates any revisions to appropriate divisions ▪ Develops and communicates budget calendar ▪ Develops division revenue estimates ▪ Develops fund balance estimates ▪ Updates proposed budget drafts subsequent to superintendent and HCDE Budget Committee review <p>-Continued –</p>	Department

PARTICIPANTS	ROLES & RESPONSIBILITIES	LEVEL
Assistant Superintendents	<ul style="list-style-type: none"> ▪ Serves as member of HCDE Budget Committee ▪ Reviews and approves all division budgets under their immediate supervision prior to submission to Asst. Superintendent-Business 	Department
Executive Director of Human Resources (“HR”)	<ul style="list-style-type: none"> ▪ Compiles and reviews personnel staffing needs submitted by budget directors and any necessary revisions ▪ Serves as member of HCDE Budget Committee to ascertain personnel use changes and requirements 	Division
Executive Director of Facilities	<ul style="list-style-type: none"> ▪ Develops schedules of facilities and facility and vehicle maintenance for budget planning ▪ Serves as member of HCDE Budget Committee to ascertain facility support responsibilities 	Division
Chief Information Officer	<ul style="list-style-type: none"> ▪ Serves as member of HCDE Budget Committee to ascertain technology support responsibilities 	Department
Board Budget Committee	<ul style="list-style-type: none"> ▪ Reviews /prioritizes/ revises proposed budget submitted by superintend and Asst Superintendent-Business ▪ Recommends a final version of the proposed budget for adoption by the full Board of Trustees 	Board
Board of Trustees	<ul style="list-style-type: none"> ▪ Conducts public hearings for budget presentation ▪ Adopts official budget and tax rate 	

Budget Guidelines

Budget preparation guidelines are prepared by the Asst. Superintendent-Business with input from the Superintendent and other Department administrators. The budget preparation guidelines, which are distributed to division/budget directors in the Budget Planning Workbook, include the following elements:

1. A *budget transmittal letter* from the superintendent which provides the overall context for budget development at the division/program levels.
2. A *budget overview* which explains the department budgeting philosophy and approach; outlines the budget development process to include the *development of budget requests, performance objectives*

and division objectives for the year; and references major assumptions and changes in the budgetary process from the previous year.

3. *Fiscal limitations* to be observed department-wide such as maintenance of service levels, specific percentage increases/decreases in resource allocations, and personnel hiring guidance.
4. A *budget calendar* of critical dates for budget development, submission and review.
5. Instructions concerning level of detail required for budget submission.
6. A copy of standard budget *preparation worksheets* and submission forms.
7. A list of the *account codes* necessary for the preparation of campus budgets. This list normally will include fund, function, object, sub-object and program intent codes.
8. *Instructions* for the submission of budgets to the business office including the number of copies required, due dates and personnel to contact for assistance.
9. *Guidelines* for estimating the costs of salaries and benefits are provided by the Human Resources division.

Key factors that affected the fiscal year 2016-2017 Budget development included, employee wage increases, new positions, and the mandate to have balanced budget.

Budget Calendar

The budget calendar is the responsibility of the Asst. Superintendent-Business and presented to the Board of Trustees at the January board meeting. Updates may be made with approval from the superintendent and are communicated to the HCDE budget committee and division/budget directors.

The calendar identifies all the activities which must be included in the proposed budget process and is arranged in chronological order. It contains a column showing the individual or group responsible for each activity listed. This column is helpful to users since a quick scan of the calendar allows each of them to identify those activities in the budget development process for which he/she is responsible.

BUDGET PLANNING CALENDAR

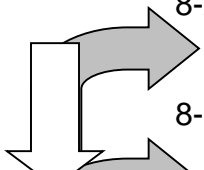
HARRIS COUNTY DEPARTMENT OF EDUCATION

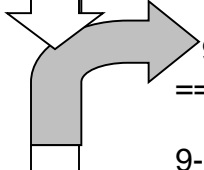
FY 2016-17 Budget Planning Calendar

Process	Date	Activity	Location	Participants
Budget		Budget Planning with Budget Analyst and Accounting Staff		
Planning		Strategic Planning Process Begins		Divisions
	Tuesday, September 15, 2015	Cost of Service level to ISD	N/A	
	Tuesday, December 15, 2015	Cost of Services Report due		
		Board Budget Committee	Board Room	Board
	Tuesday, December 15, 2015	<u>Board Meeting, 1 PM</u>		
		Approve calendar for FY 2016-17 Proposed Budget		
	Friday, December 18, 2015	Budget Information & Instructions Available on the HCDE portal	N/A	Business Svcs
	Tuesday, January 26, 2016	Accountability Steering Committee	100 A	Divisions
Needs	Monday, February 1, 2016	Budget Prep Training	9 AM Room 501	Business Svcs-Budget Mgrs
Assessment		Needs Assessment to be conducted	N/A	Divisions
and	Thursday, February 11, 2016	Budget Entry Training	9 AM Lab 500	Business Svcs-Budget Entry
Budget	Friday, February 12, 2016	Budget Entry Training	9 AM Lab 500	Business Svcs-Budget Entry
Development	Friday, February 26, 2016	DUE: Proposed Budgets to Business Analyst	N/A	Budget Mgrs
	March 14-18, 2016	Spring Break		Department Closed
	Friday, March 25, 2016	DUE: Risk Assessment	Bus. Office	Budget Mgrs
Budget	April, 2016	HCDE Goals & Strategic Plan Integration	N/A	Board, Superintendent
	Friday, March 25, 2015	Final FY15-16 Accountability Objectives to be sent to Research & Evaluation		
Analysis	Monday, March 28, 2016	Budget Committee Planning Workbook to Budget Committee 2 Hr. Budget Committee Planning Meeting	400A	Business Analyst HCDE Budget Committee
	Tuesday, April 5, 2016	SWOT Analysis for Divisions	N/A	Budget Mgrs
	April 4-22, 2016	Division Budget Presentations	400A	HCDE Budget Committee

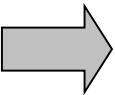
	Thursday, April 28, 2016	Supt. Budget Review Session: Draft 1 Proposed Budget		Superintendent, Bus.Svcs Assistant Superintendents
Supt' Review			N/A	
<hr/>				
	Friday, May 27th, 2016	Agenda Items Due	N/A	Business Svcs
	Thursday, June 09, 2016	Post <u>Budget Notice</u> in the <u>Houston Chronicle</u> and Post Budget on the web	N/A	Business Svcs
BM	Wednesday, June 15, 2016	Budget Work Session #1	400A	Board Budget Committee
Board	Thursday, June 16, 2016	Supt. Budget Review Session: Draft 2 Proposed Budget		Superintendent, Bus. Svcs
Workshops	Tuesday, June 21, 2016	Budget Work Session #2 (if needed)	400A	Board Budget Committee Superintendent, Bus. Svcs
<hr/>				
Budget Approval	Tuesday June 21st, 2,016	Final Accountability Objectives presented to Board	N/A	
BM	Tuesday June 21st, 2,016	(1) Board Budget Committee, 10 AM Present Finalized Budget and Make Recommendation (2) Public Hearing on the Budget, 1:00 PM (3) <u>Board Meeting, 1 PM</u>	Board Room	Board Budget Committee, Superintendent, Bus. Svcs Board Board
	Wednesday, August 31, 2016	Risk Assessment Review is due	N/A	Divisions
	Thursday, September 1, 2016	FY17 Budget is effective		
<p>Board Budget Committee: Morris, Sumners (Chair), Colbert</p> <p>HCDE Budget Committee: Colbert, Hooper, Schul, Truitt, Amezcua, Martinez and Torres</p>				

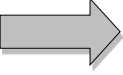
HCDE Tax Calendar 2017

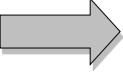
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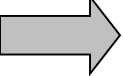
8-26-2016 Certification of appraisal values
Certification of anticipated collection rate by collector
- 8-19-2016 Agenda Item to approve HCTO to calculate rates
- 

9-1-2016 Calculation of effective and roll back tax rates

=====
- 9-5-16 Publication of effective and roll back rates and submission to the governing body, statement and schedules; submission to governing body.
- 9-12-16 72 hour meeting notice
- 

9-15-16 Meeting of Governing Body to discuss tax rate; if proposed tax rate will exceed the rollback or the effective tax rate (whichever is lower), take record vote and schedule public hearing.
- 9-21-16 **Notice of Public Hearing on Tax Increase**
(1st Quarter page ad and other web) at least 7 days prior to Public Hearing
- 9-26-16 72 hour meeting notice
- 

9-29-16 Public Hearing
- 9-16-16 **Notice of Public Hearing on Tax Increase** (1st Quarter page ad and other web) at least 7 days prior to Public Hearing
- 10-3-16 72 hour meeting notice
- 

10-6-16 Second Public Hearing (may not be earlier than 3 days after first public hearing); schedule and announce meeting to adopt tax rate 3-14 days from this date.
- 10-12-16 **Notice of Tax Revenue Increase** published before meeting to adopt tax rate is the (second quarter page notice in newspaper) before meeting and published on the web site 7 days before the meeting.
- 10-17-16 72 hour meeting notice
- 

10-20-16 Meeting to Adopt Tax Rate Meeting is 3 to 14 days after second public hearing. Taxing unit must adopt tax rate by Sept. 29 or 60 days after receiving certified appraisal roll, whichever is later.

BUDGET DEVELOPMENT PROCESS

The annual Budget Development Process and the annual Planning Process are overlapping and augment one another, although the focus of each is different. The Budget Development Process is comprised of three major phases: planning, implementation, and evaluation.

The budgetary process begins with sound planning. Planning defines the goals and objectives and develops strategies to attain those goals and objectives. Once these plans have been established, budgetary resource allocations are made to support them. Budgetary resource allocation is the implementation phase of budgeting. The allocations cannot be made, however, until plans have been established.

Finally, 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. This evaluation phase is important in determining the following year's budgetary allocations. Budget preparation is not a one-time exercise to determine how funds are allocated rather, it is part of a continuous cycle of planning and evaluation to achieve department goals.

The development of division annual budgets should be part of ongoing planning processes and those levels. Beyond the budgetary requirements for federal and state programs, the HCDE board and the Superintendent largely will determine the budget preparation process and related budget responsibilities.

PLANNING PHASE

The first phase of the Budget Development Process is planning. Planning involves defining the mission, goals and objectives of divisions and the department. Importance is placed upon sound budget planning for the following reasons:

- In implementing the type, quantity, and quality of divisional services, the budget becomes the limiting force.
- Providing quality education and services is very important to the public interest.
- The scope and diversity of the department's operations make comprehensive planning necessary for good decision-making.

Since strategies to attain the goals and objectives need to be developed before starting the actual budget calculation process, it is important that each division prepare statements in the "Goals and Objectives" and "Performance Evaluation" forms as the initial exercise in planning the annual division budget. This exercise comprises developing narrative and quantitative statements. These statements must be consistent with the HCDE Accountability System. This information will be used to analyze and justify the department's programs and operational request, as well as to ensure that individual division goals and objectives are consistent with the department's overall mission and goals. Line item budgeting remains the primary fiscal tool; thus completion of the "Goals and Objectives" and "Performance Evaluation" forms is an important step in summarizing and evaluating each division and its budget.

Listed below are standardized definitions to be used in the development of these statements and completion of the appropriate forms. It is recommended that strict adherence to these definition parameters be kept in order to insure consistency throughout the department:

- *Division Function:* A statement of specific overall mission.
- *Division Goals:* "Broad" statements of desired results; ultimate accomplishments; overall end results.
- *Division Objectives:* "Specific" statements of desired program accomplishments; usually measurable; shows progress toward a goal; desired results of activities. Clearly stated measurable objectives should represent a concise summary of the principal work activities in which progress can be monitored and evaluated periodically throughout the fiscal year. Objectives should be stated in common "action-oriented phrases such as "to maintain," "to increase," "to reduce," "to facilitate," "to continue," etc. These are the same as the Accountability Objectives.
- *Performance Measures:* Specific quantitative and qualitative measures of work performed by division must be included in this section. Quantitative measures are defined as observable and in narrative

format. These are the measures that Research & Evaluation analyze for the Accountability system.

With the Budget Development Process, divisions are allowed time to integrate the Department goals into their specific budget requests. During division budget hearings the Business Services Division will review revenue projections and refined budget requests to develop a preliminary department budget. As a result of this collaborated process, the Business Services Division will be able to present a preview of the proposed 2015-2016 budget to the Board of Trustees before the May Workshop. This preview will enable the Board of Trustees and the Superintendent to review and discuss the direction of the budget before the June 21st public hearing.

IMPLEMENTATION PHASE

Revenue Projections

In order to meet the future needs of the Department, directors should forecast the source and amount of resources or revenue available. Therefore, projections of revenue from the three major sources should be made. These revenue sources include Local, State, and Federal aid.

- **Local Revenues** typically consists of monies generated by the local tax efforts and fees for service. Factors that need to be taken into account include such things as assessed property values, property value growth/decline rates, applicable tax rates, historical collection rates. Factors for fees for service are market value for services, demand for service, and current market conditions.
- **State Revenues** traditionally consists of monies received as a result of state funding. The tool that plays a major part in the estimation of this type of resources is the state provided "Summary of Finances" which takes into account several components.
- **Federal Revenues** involve a variety of amounts and sources. These sources generally are federally distributed funds, which can flow through the department, Region Education Centers, Texas Education Agency, or directly from the federal source. Methods of allocations can vary from payment of indirect costs to applications for specific grants.

Expenditure Projections

In order to support the mission, goals and objectives of the department, directors should forecast the operating costs for all funds necessary to achieve those intents. Expenditures/expenses should be classified by the major object classes according to the types of items purchased or services obtained. These budgetary allocations should project costs for the major expenditure categories (objects), which include:

- Payroll Costs (6100) are the costs of employee salaries and benefits. These costs make up 60% or more of annual operating expenditures and should be based primarily upon FTE projections. When appropriating this area, it is important that the division director conduct a full analysis of the personnel situation as well as submit recommendations addressing the findings. The "Position Listing" form is the management tool that can assist to address this issue. Therefore, this form needs to be completed and submitted to the Business Services Division by the Budget Request deadline.
- Professional and Contracted Services (6200), Supplies and Materials (6300) and Other Operating Costs (6400) are typically variable and miscellaneous expenditures. The completion of expenditure estimates for these costs should be directly related to service levels.
- Capital Outlay Costs (6600) includes items that are inventoried and become part of the department's fixed assets group such as furniture, audio-visual equipment, computer equipment, and other equipment. These costs should be forecasted and budgeted based on an overall department Replacement Asset Schedule rather than on a division basis, the proper "Capital Outlay Justification" form needs to be submitted as well.

Implementation, the second phase of the Budget Development Process, is the process of allocating resources to the prioritized needs of the department in support of its planned mission, goals, and objectives. Although budget formats and policies are by no means uniform in the public arena, formal budgets play a far more important role in the planning, control and evaluation of public entities than in those of privately owned organizations. In educational settings, the adoption of a budget implies that a set of decisions have been made by school board members and administrators which culminate in matching resources with its needs. As such,

the budget is a product of the planning process. The budget also provides an important tool for the control and evaluation of sources and uses of resources. With the assistance of the accounting system, directors are able to execute and control the activities that have been authorized by the budget and evaluate performance based upon comparisons between budgeted and actual operations.

The link between planning and budget preparation in educational entities gives budgets a unique role in these organizations. Budgets in the public arena are often considered the ultimate policy document since they are the financial plan used to achieve its goals and objectives reflecting:

- Public choices about what goods and services will and will not be produced.
- The department's priorities among the wide range of activities in which they are involved.
- How a public entity has acquired and used its resources.

The budget, itself, then becomes intrinsically a political document reflecting administrators' accountability for fiduciary responsibility to citizens.

The annual operating budget or financial plan is proposed by the Superintendent and enacted by the Board of Trustees after public discussion.

Directors, principals, and other staff of the department under the direction of the Superintendent, will develop the budget. Budget Preparation Training was held February 1st, 2016. The budget deadline set for divisions was February 26, 2016, and the Business Services Division will compile the budget requests. During the months of April and May, various budget meetings were scheduled with the Superintendent, the Executive Team and Division Directors.

The Superintendent's Budget Review Team will review various budget options for personnel and financing. This entails maintaining competitive salaries and benefits for our employees, providing adequate funding for services, providing for construction and repairs to facilities, and other miscellaneous projects.

Budget workshops will be held on June 15th and June 21st to review the preliminary budget estimates. The citizens of Harris County and Department employees were invited to attend the budget workshops. On June 21st, the Board of Trustees was asked to approve the final budget which was implemented on September 1st, 2016.

EVALUATION PHASE

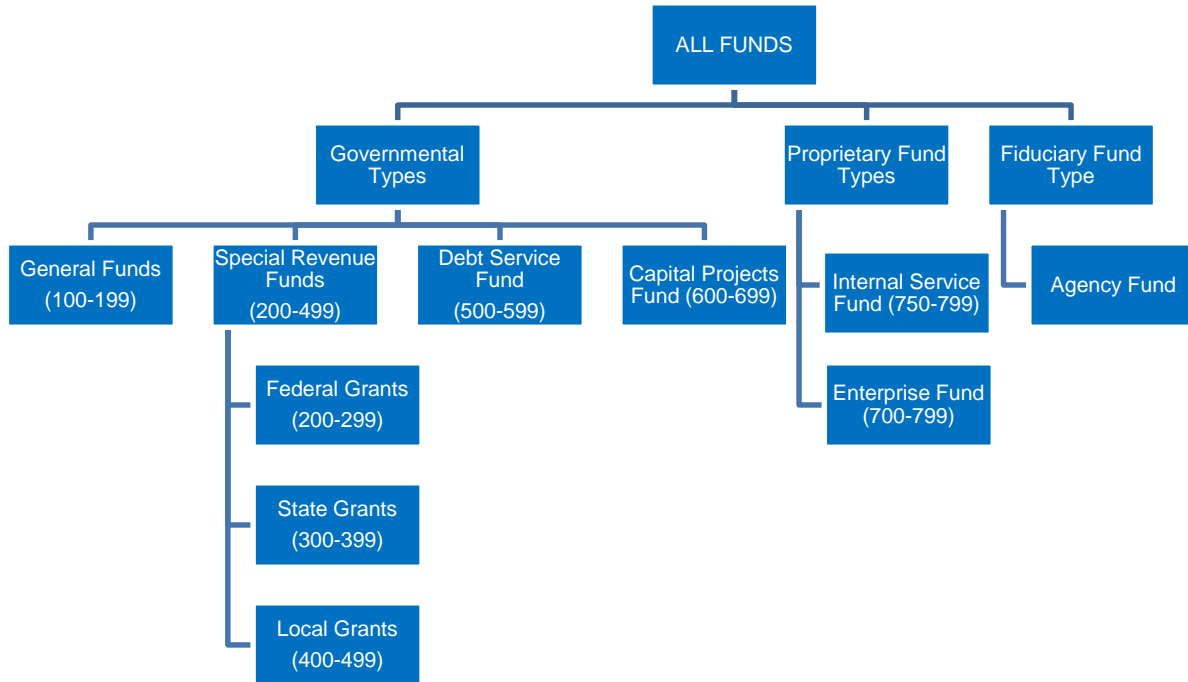
Evaluation is the last step of the department's budget cycle. Information is compiled and analyzed to assess the performance of each individual division and campus, as well as the Department as a whole. This information is a fundamental part of the planning phase for the following budget year.

In the educational context, budgeting is a valuable tool in both planning and evaluation processes. Budgeting provides a vehicle for translating educational goals and programs into financial resource plans. Thus, operational planning (to attain divisional goals) should determine budgetary allocations. This link between operations and financial planning is critical to effective budgeting. In addition, such a budgeting practice may enhance the evaluation of budgetary and educational performance since resource allocations are closely associated with instructional plans.

HCDE'S FUNDS STRUCTURE & FUND TYPES

ALL FUND TYPES

All fund types include Governmental Funds, Proprietary Funds and Fiduciary Funds. This is illustrated in the following chart:



GOVERNMENTAL FUND TYPES

Governmental fund types for Texas school districts consist of four governmental fund groups (General, Special Revenue, Debt Service and Capital Projects) that account for the acquisition, use and balances of expendable financial resources and related liabilities as required by law or rule.

These funds follow the modified accrual basis of accounting method. Under this method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the related fund liability is incurred.

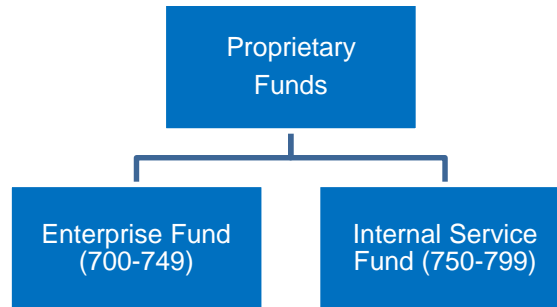
The following are the Department's governmental funds:

- General Fund – The governmental fund type used and serves as the chief operating fund of the organization. This fund is considered a major fund under the uniform grant guidance (EDGAR).
- Special Revenue Fund – A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes.
- 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.

- Capital Project Fund – A governmental 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) funded through the Maintenance and Operations tax rate.

PROPRIETARY FUND TYPES

The Department’s Proprietary Fund consists of the Enterprise Fund and the Internal Service Fund. The following are the Department’s Proprietary Funds:



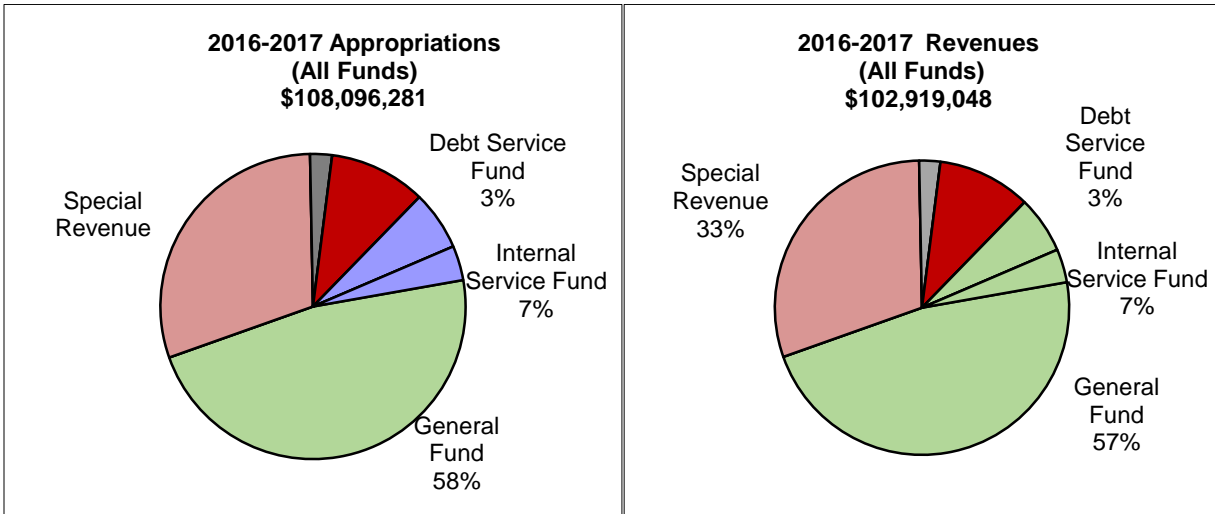
The Enterprise Fund is a Proprietary Fund comprised of the Choice Partners Cooperatives. Choice Partners Cooperatives offers quality, legal procurement and contract solutions to meet the purchasing needs of school districts and other governmental entities with legal, competitively bid contracts.

The Internal Service Fund consists of two funds: the Worker’s Compensation Fund and the Facilities Support Charges. For the Worker’s Compensation Fund, the Department continues to participate in a partially self-funded pool, originally approved by the Board in fiscal year 2005. Claims administration, loss control, and consultant services are provided for by a third-party administrator for run-off claims from a self-insurance plan.

FIDUCIARY FUND TYPES

In addition to Governmental Funds, the Department has one Fiduciary Fund which is not budgeted and is a non-major fund. It is classified as an Agency Fund and is used to account for assets held by the Department in a trustee capacity, or as an agent for individuals, private organizations, other government units, and/or other funds. Examples of these funds are endowments received from individuals and/or organizations for specific purposes for which the principal and interest earned or revenue may be used. These are accounted for on the modified accrual basis. The following table presents the proposed budgeted expenditures for FY16 for Governmental Fund Types (General Fund, Special Revenues Fund, Debt Service Fund and Capital project Fund); the Proprietary Fund Types (Enterprise Fund and Internal Services Fund).

	Governmental				Proprietary		Total
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Internal Service Fund	Enterprise Fund	
Est. Revenues	\$48,735,091	\$30,994,501	\$2,391,285	\$10,567,059	\$6,464,117	\$3,766,995	\$102,919,048
Appropriations	46,913,133	30,994,501	2,391,285	10,567,059	6,464,117	3,766,995	101,097,090
Transfers Out	6,999,191	-	-	-	-	-	6,999,191
Total Appropriations and Other Uses	\$ 53,912,324	\$ 30,994,501	\$ 2,391,285	\$ 10,567,059	\$ 6,464,117	\$ 3,766,995	\$ 108,096,281
Appropriations from Fund Balance:	\$ (5,177,233)	-	-	-	-	-	\$ (5,177,233)
							21,906,783
Projected Fund Balance Beg.	21,906,783						
Projected Fund Balance End.	\$ 16,729,550	-	-	-	-	-	\$ 16,729,550



The following pages will show the Budget Summary detail of all General Fund, Special Revenues Funds, Debt Service Fund, Capital Project Fund and the Internal Service Fund.

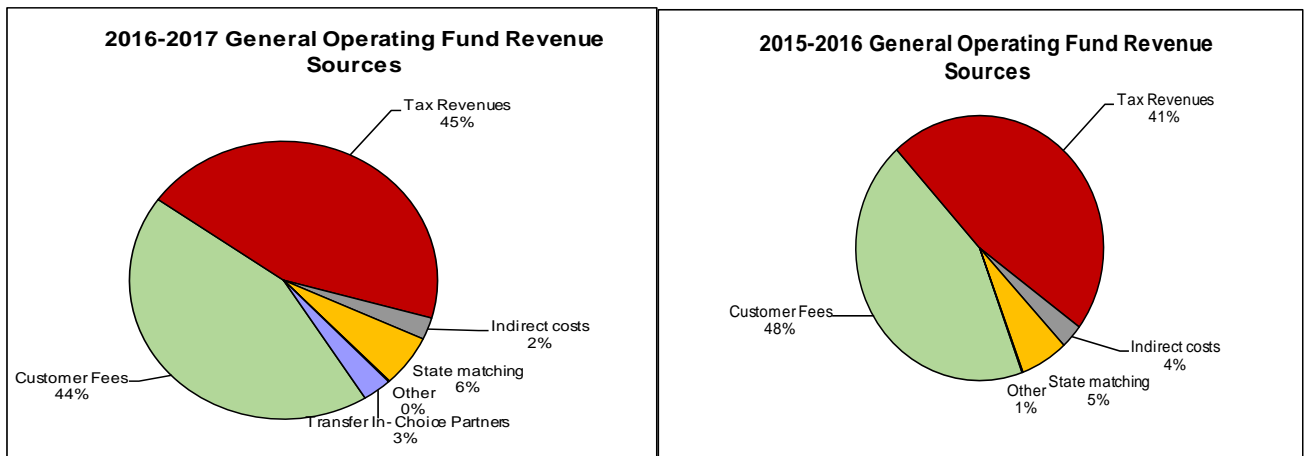
**Harris County Department of Education
FY17 General Fund Proposed Budget Overview**

	Original Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017	Percent Change
Beg. Fund Balance	\$ 27,903,232	\$ 27,903,232	\$ 21,906,783	
Est. Revenues	47,847,572	47,307,214	48,735,091	3%
Appropriations	45,970,766	46,642,556	46,913,133	1%
Transfers Out	3,330,874	6,661,107	6,999,191	5%
Total Appropriations	\$ 49,301,640	\$ 53,303,663	\$ 53,912,324	1.14%
Excess/(Deficiency) of Revenues Over/(Under) Appropriations	(1,454,068)	(5,996,449)	(5,177,233)	
Ending Fund Balance	26,449,164	21,906,783	16,729,550	
Non-Spendable Fund Balance	163,462	163,462	163,462	
Restricted Fund Balance	6,281	6,281	6,281	
Committed Fund Balance	6,721,446	3,391,213	3,391,213	
Assigned Fund Balance	5,185,416	5,185,416	5,185,416	
Unassigned Fund Balance	14,372,559	13,160,411	7,983,178	
Ending Fund Balance	\$ 26,449,164	\$ 21,906,783	\$ 16,729,550	

PROPOSED BUDGET FUND BALANCE APPROPRIATIONS:	\$ (5,177,233)
Assigned	
Technology Replacement Assets	345,000
Head Start One time Cost Baytown Project	380,000
Unassigned	
Construction Projects	4,452,233
	\$ 5,177,233

Harris County Department of Education FY17 General Fund Proposed Budget Overview Revenues

	Original Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017	Percent Change
Customer fees	\$ 20,137,953	\$ 20,234,595	\$ 21,325,791	5%
Tax revenues	21,864,060	21,232,060	21,698,803	2%
Indirect costs	1,379,419	1,379,419	1,244,595	-10%
State matching	2,900,000	2,900,000	2,913,000	0%
Other	401,200	401,200	57,375	-86%
Transfer In-Choice Partners	1,164,940	1,164,940	1,495,527	28%
Total Revenues	\$ 47,847,572	\$ 47,312,214	\$ 48,735,091	3%



Harris County Department of Education FY17 Proposed Budget Overview Appropriations

Object Code	Original Budget 2015-2016	Amended Budget 2015-2016	Proposed Budget 2016-2017	Percent Change
Payroll	\$ 30,860,724	\$ 30,982,863	\$ 32,428,533	5%
Contracted Services	4,220,945	4,283,340	3,906,621	-9%
Supplies & Materials	2,420,251	2,272,773	1,676,995	-26%
Misc Operating Cost	7,138,552	7,228,292	7,473,634	3%
Capital Outlay	1,330,294	1,875,288	1,427,350	-24%
Transfers Out	3,330,874	6,661,107	6,999,191	5%
Total Appropriations	\$ 49,301,640	\$ 53,303,663	\$ 53,912,324	1%

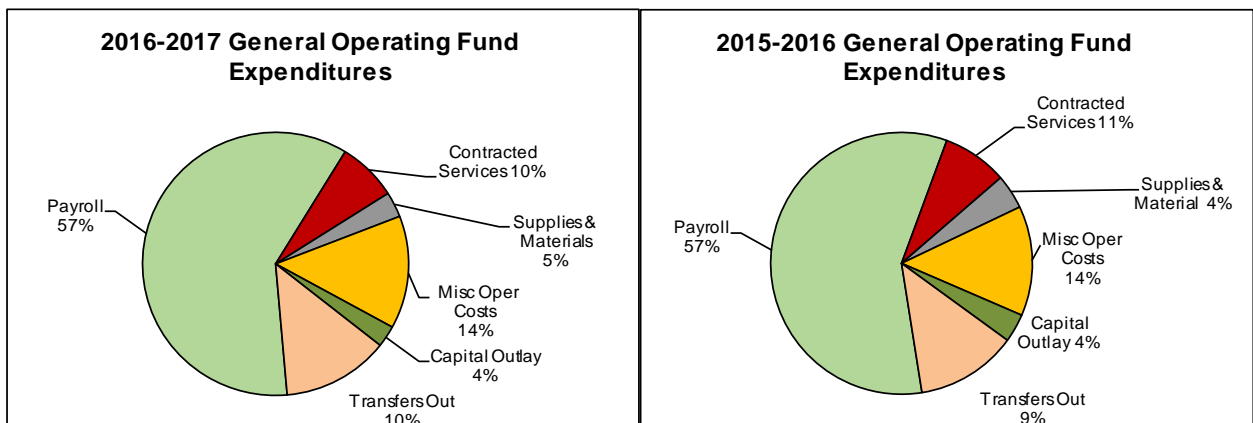
PROPOSED BUDGET FUND BALANCE APPROPRIATIONS:

Assigned

Technology Replacement Assets	345,000
Head Start One time Cost Baytown Project	380,000

Unassigned

Upkeep and upgrade HDCE buildings and elevators	400,000
Construction Projects	4,052,233
	<u>\$ 5,177,233</u>



**Harris County Department of Education
FY17 Proposed Budget Compared to FY16 Budget
General Fund**

		1	2	3	4
		REQUESTED	FY2016	Change	FY 2016
		FY 2017	Curr. Budget	Curr. Budget	ORIGINAL
		BUDGET	at 2/29/16	(1-2)	BUDGET
<u>ESTIMATED REVENUES & OTHER RESOURCES</u>					
Estimated Revenues					
Local	Customer Fees & Charges	21,325,791	20,573,795	751,996	20,477,153
Local	Property Tax Rev-Current	21,308,803	20,821,560	487,243	21,453,560
Local	Property Tax Rev-Delinquent & P&I	390,000	410,500	(20,500)	410,500
Local	Investment Earnings-HCDE	12,000	8,000	4,000	8,000
Local	Other Local Revenues	45,375	49,000	(3,625)	49,000
Local	Local Grants	-	-	-	5,000
State	FSP-Compensation	300,000	300,000	-	300,000
State	TEA Health Ins-Employees	500,000	450,000	50,000	450,000
State	TRS State Matching	2,113,000	2,150,000	(37,000)	2,150,000
State	Indirect Cost-State Grants	31,200	27,320	3,880	27,320
Federal	Indirect Cost-Federal Grants	1,213,395	1,352,099	(138,704)	1,352,099
Local	Transfer In-Choice Partners -Fund 711	1,495,527	1,164,940	330,587	1,164,940
Total Estimated Revenues:		48,735,091	47,307,214	1,427,877	47,847,572
BM <u>APPROPRIATIONS & OTHER USES</u>					
Appropriations					
201	Adult Education Local	194,123	187,650	6,473	187,650
014	Education Certification & Prof Advancement	655,643	442,794	212,849	442,794
011	Assistant Supt -Academic Support	272,650	279,770	(7,120)	279,770
012	Assistant Supt -Education and Enrichment	278,331	260,159	18,172	260,159
010	Board of Trustees	148,289	230,140	(81,851)	230,140
050	Business Services	1,882,881	1,910,138	(27,257)	1,846,138
923	Center for Grant Development	581,163	565,638	15,525	565,638
005	Center for Safe & Secure Schools	444,036	491,608	(47,572)	541,608
925	Communications	932,377	915,614	16,763	915,614
092	Client Engagement	496,254	468,005	28,249	468,005
922	CASE Local	192,652	160,484	32,168	160,484
098	Department Wide	3,867,243	4,247,436	(380,193)	3,710,711
920	Education Foundation	202,360	201,875	485	201,875
094	Special Asst to Supt	184,117	189,576	(5,459)	189,576
Facilities:					
086	Facilities-Construction Services	136,190	132,646	3,544	132,646
83/84	Facilities-Internal Service Fund 799	-	-	-	-
954	Records Management Services	1,758,919	1,714,932	43,987	1,704,932
901	Head Start	5,000	5,000	-	-
030	Human Resources	1,004,050	984,899	19,151	984,899
950	Purchasing Support	529,674	534,793	(5,119)	534,793
099	Retirement Leave Benefits	100,000	200,000	(100,000)	200,000
924	Research & Evaluation	566,028	579,443	(13,415)	551,801
312	Scholastic Arts Program	107,979	117,035	(9,056)	117,035
111	School Based Therapy Services	10,987,977	10,034,802	953,175	10,034,802

**Harris County Department of Education
FY17 Proposed Budget Compared to FY16 Budget
General Fund**

	REQUESTED FY 2017 BUDGET	FY2016 Budget at 2/29/16	Change Curr. Budget (1-2)	FY 2016 ORIGINAL BUDGET	
Special Schools & Services					
131	AB School-East	3,816,223	3,503,896	312,327	3,503,896
132	AB School-West	3,524,816	3,137,116	387,700	3,137,116
970	Highpoint-East	3,127,780	2,788,338	339,442	2,788,338
971	Highpoint-North	848,631	1,491,161	(642,530)	1,491,161
501	Special Schools Administration	533,877	515,978	17,899	515,978
102	State TEA Employee Health Ins	500,000	450,000	50,000	450,000
101	State TEA On Behalf Payments	2,113,000	2,150,000	(37,000)	2,150,000
001	Superintendent's Office	403,468	385,434	18,034	385,434
	Technology Services				
093	Chief Information Officer	195,226	190,256	4,970	190,256
090	Technology Services	3,023,857	4,038,561	(1,014,704)	4,250,198
	The Teaching and Learning Center				
304	TLC-Bilingual Education	175,617	206,933	(31,316)	206,933
109	TLC-Digital Learning	38,172	100,277	(62,105)	100,277
190	TLC-Digital Education and Innovation	218,678	235,395	(16,717)	325,758
301	TLC-Division Wide	137,589	218,053	(80,464)	218,053
309	TLC-EC Winter Conference	248,268	247,433	835	247,433
307	TLC-English Language Arts	172,217	303,087	(130,870)	303,087
302	TLC-Math	249,608	396,343	(146,735)	396,343
315	TLC-Professional Development	39,000	48,146	(9,146)	48,146
303	TLC-Science	185,009	136,324	48,685	136,324
308	TLC-Social Studies	98,094	96,412	1,682	96,412
314	TLC-Speaker Series	186,428	179,830	6,598	179,830
313	TLC-Special Education	82,639	42,073	40,566	42,073
	Total Appropriations:	45,446,133	45,715,483	(269,350)	45,424,116
One Time Costs:					
088	Facilities Asset Replacement Schedule	345,000	225,983	119,017	216,650
087	Facilities-Local Construction Fund	1,122,000	701,090	420,910	330,000
	Total incl. One Time Appropriations:	46,913,133	46,642,556	270,577	45,970,766
Other Uses					
098	Trans Out-DW-QZAB payment Fund 599	694,229	692,829	1,400	692,829
098	Trans Out-DW-Lease Fund 599	1,697,056	1,715,372	(18,316)	1,715,372
098	Trans Out-DW-Capital Project	3,330,233	3,330,233	-	-
098	Trans Out-DW-CASE Fund 288	550,787	550,787	-	550,787
098	Trans Out-DW-Head Start Fund 205	726,886	371,886	355,000	371,886
	Total Other Uses:	6,999,191	6,661,107	338,084	3,330,874
	Total Appropriations & Other Uses:	53,912,324	53,303,663	608,661	49,301,640
Excess/(Def) Estimated Revenues & Other Resources Over/(Under) Appropriations & Other Uses:					
		(5,177,233)	(5,996,449)	819,216	(1,454,068)

PROPOSED BUDGET FUND BALANCE APPROPRIATIONS:		
Assigned		
205	Head Start - Baytown	380,000
088	Replacement Assets	345,000
		<u>725,000</u>
Unassigned		
087	Construction projects	4,452,233
	Total Fund Balance Appropriations:	5,177,233

One Time use of Fund Balance

HARRIS COUNTY DEPARTMENT OF EDUCATION
Revenue Analysis FY17

REVENUES-CUSTOMER FEES	FY2017 Submitted Budget	FY2016 Approved Budget	(b) FY2016 Amended Budget	Change for FY 2017	Revenue Rationale
General Fund					
Education Certification & Prof Advancem	480,575	389,625	389,625	90,950	New Program
Business Support Services	117,200	101,200	166,200	(49,000)	Program ending
Ctr for Safe & Secure Schools	289,550	194,829	194,829	94,721	New audit cycle
CASE Local	6,600	12,000	12,000	(5,400)	Wihtin Margin
Records Management Services	1,691,720	1,676,820	1,686,820	4,900	Wihtin Margin
Teaching and Learning Center					
Bilingual Education	110,000	144,500	144,500	(34,500)	Adjusted program goals
Digital Learning	60,000	99,991	99,991	(39,991)	Adjusted program goals
Digital Education & Innovation	240,000	270,580	270,580	(30,580)	Adjusted program goals
Division Wide	-	71,300	71,300	(71,300)	Adjusted program goals
EC Winter Conference	130,000	175,000	175,000	(45,000)	Adjusted program goals
English Language Arts	140,000	250,000	250,000	(110,000)	Adjusted program goals
Math	143,356	278,000	278,000	(134,644)	Adjusted program goals
Prof Development	38,000	39,000	38,000	-	Adjusted program goals
Science	76,000	86,000	86,000	(10,000)	Adjusted program goals
Social Studies	73,583	76,000	76,000	(2,417)	Adjusted program goals
Speaker Series	145,000	170,000	170,000	(25,000)	Adjusted program goals
Special Education	30,000	30,000	30,000	-	Adjusted program goals
Research & Evaluation	-	24,000	46,642	(46,642)	Adjusted program goals
RD-Ctr Grant Development	-	1,500	1,500	(1,500)	Adjusted program goals
Scholastic Arts & Writing Program	6,000	6,000	6,000	-	No change
ABC-East School	2,951,100	2,596,000	2,596,000	355,100	New client contracts
ABC-West School	2,500,000	2,087,600	2,087,600	412,400	New client contracts
Highpoint-East School	2,112,700	1,793,900	1,793,900	318,800	New client contracts
Highpoint-North School	396,325	417,200	417,200	(20,875)	Loss of contracts
Special Schools Administration	1,000	1,000	1,000	-	No change
Technology Support Services	31,600	93,220	93,220	(61,620)	Adjusted program goals
Therapy Services	9,555,482	9,391,888	9,391,888	163,594	
Total GF Customer Fees :	\$ 21,325,791	\$ 20,477,153	\$ 20,573,795	\$ 751,996	
Enterprise Fund					
Choice Partners	1,495,527	3,357,440	-		
Total Customer Fees :	\$ 22,821,318	\$ 23,834,593	\$ 20,573,795	\$ 751,996	

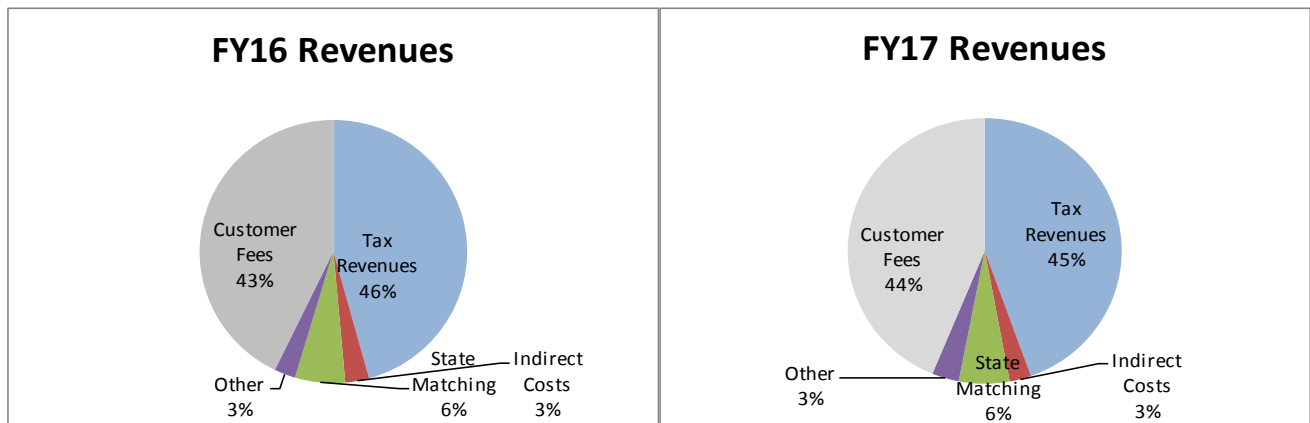
HARRIS COUNTY DEPARTMENT OF EDUCATION
Revenue Analysis FY17

REVENUES-OTHER	FY2017 Submitted Budget	FY2016 Approved Budget	(b) FY2016 Amended Budget	Change for FY 2017	Revenue Rationale
Tax Revenues					
Property Tax Revenues-Current	21,308,803	21,453,560	20,821,560	487,243	Additional values
Property Tax Revenues-Del & P&I	390,000	410,500	410,500	(20,500)	Less delinquent
Total Tax Revenues	21,698,803	21,864,060	21,232,060	466,743	
Indirect Costs-Federal	1,213,395	1,352,099	1,352,099	(138,704)	Less grants
Indirect Costs-State	31,200	27,320	27,320	3,880	More grants
State Matching					
FSP-Compensation	300,000	300,000	300,000	-	
TEA Health Ins-Employees	500,000	450,000	450,000	50,000	Based on state formula
TRS Matching	2,113,000	2,150,000	2,150,000	(37,000)	Based on state formula
Total State Matching	2,913,000	2,900,000	2,900,000	13,000	
Other					
Investment Earnings	12,000	8,000	8,000	4,000	Slightly higher rates
Other Local Revenues	45,375	49,000	49,000	(3,625)	Misc revenues
Local Grants	-	5,000	-		
Transfers In	1,495,527	1,164,940	1,164,940	330,587	More revenue from Choice
Total Other Revenues	57,375	62,000	57,000	375	
Total Estimated Revenues	\$ 27,409,300	\$ 27,370,419	\$ 26,733,419	\$ 675,881	

Total Customer Fees	21,325,791	20,477,153	20,573,795	751,996
Total Est. Rev. & Other Resources:	\$ 48,735,091	\$ 47,847,572	\$ 47,307,214	\$ 1,427,877

Assumptions:

1. 98% collection rate for tax revenues. Using the tax rate (\$0.005141), values of \$422 Billion.
2. Local revenues and grants submitted by divisions.



Harris County Department of Education

**Harris County Department of Education
Tax Year 2017 Preliminary Current Tax revenue Estimate Update**

	EST. FINAL VALUE HCAD
Property Use Category Recap-Certified To Date -Report:	
Taxable value	\$422,985,448,025
PLUS: Uncertified Roll Summary Report:	
Scenario (1) Appraised value	-
Scenario (2) Owner's value	-
Scenario (3) Estimated final value	-
	-
Total taxable value, Certified and Uncertified:	\$422,985,448,025 (A)
Calculate Interim Current Tax Revenue Estimate:	
1) (A) divided by 100	\$4,229,854,480 (B)
2) Current Tax Rate	X 0.005141 (C)
3) 2016 Current Tax Revenue Estimate, at 100% Collection Rate, (B) X (C)	\$21,745,682 (D)
4) Tax Rev Estimate @ 98% Collection Rate:	\$21,310,768 (E)
Current Tax Revenue Estimate (E)	\$21,310,768 (E)
LESS: Tax Revenue, Budgeted	\$21,308,803 (F)
Total Revenue Estimate Over/(Under) Current Tax Revenue, Currently Budgeted, (E) - (F):	\$1,965

**Harris County Department of Education
FY17 Indirect Cost Estimates Proposed**

ACCT	DIV	FEDERAL & LOCAL GRANTS	FY17
STATE:			
58990001	AE	Adult Education	31,200
		Total State	31,200
FEDERAL:			
59990001	AE	Adult Education Regular	145,705
59990006	HS	Head Start Jan - Aug	1,048,621
59990008	AE	Adult Education Transfer TEA	1,300
59990023	CASE	TEA Cycle 8	17,769
		Total Federal	1,213,395
		TOTAL INDIRECT COSTS BUDGETED	\$ 1,244,595

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal financial assistance often is accounted for in a Special Revenue Fund. In most Special Revenue Funds, unused balances are recorded as deferred revenue and carried forward to the succeeding fiscal year, provided the amount carried forward is within the limits established by the grantor. In some cases, the unused balances are returned to the grantor at the close of specified project periods. The District budgets for Special Revenue Funds and uses project accounting for them in order to maintain integrity for the various sources of funds. These funds utilize the modified accrual basis of accounting and budgeting.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenue sources which are legally restricted to expenditures for specific purposes. Listed in Alphabetical Order:

21st Century Community Learning Centers (CLC)

Accounts, on a project basis, for federal funds granted to provide opportunities for communities to establish or expand activities in community learning centers that provide opportunities for academic enrichment and additional services to students and literary and related educational development for families of students. This is a shared services arrangement program.

Adult Basic Education (ABE) Program

Accounts, on a project basis, for state and federal funds granted to provide or support programs for adult education and literacy services to adults who are beyond compulsory school age attendance and do not have a high school diploma, or lack sufficient mastery of basic educational skills to function effectively in society, or are unable to speak, read or write the English language; and are not enrolled in school. Separate accountability must be maintained for each section listed below:

- Federal ABE Regular
- State ABE Regular
- Federal ABE Institutional
- Federal English Literacy & Civics Education
- Federal ABE Adult Technical Training
- Federal Temporary Assistance for Needy Families (TANF)
- State Temporary Assistance for Needy Families (TANF)

Head Start (HS) Program

Accounts, on a project basis, for federal funds from the U. S. Department of Health and Human Services, in addition to other grant sources listed below, for which separate accountability is required:

- Head Start Grant
- USDA Child and Adult Care Food Program
- HS Teacher Training and Technical Assistance
- Local In-Kind Funds for local matching funds accountability

Houston Endowment

Accounts for local funds from the Houston Endowment for the after school partnership program (CASE).

Science Programs

Account for local grant from the Education Foundation of Harris County.

Texas Virtual School Network (TxVSN)

Accounts for a contract with Education Service Center (ESC) Region 10 to provide online courses for Texas students. TxVSN Harris County Department of Education was awarded Central Operations of the TxVSN to establish communication efforts to facilitate the delivery of online courses and provide information to stakeholders.

Harris County Department of Education
 Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Funds
 For The Fiscal Year Ended August 31, 2017

	(1) Governmental Funds			Proprietary Funds		Total	
	General Funds	Special Revenue Funds	Debt Service Funds	Capital Projects	Internal Services Funds		Enterprise Funds
REVENUES & OTHER RESOURCES							
Revenues							
Customer Fees & Charges	\$ 21,325,791	\$ -	\$ -	\$ -	\$ -	\$ 3,766,995	\$ 25,092,786
Property Tax Rev-Current	21,308,803	-	-	-	-	-	21,308,803
Property Tax Rev-Delinquent & P&I	390,000	-	-	-	-	-	390,000
Investment Earnings-HCDE	12,000	-	-	-	-	-	12,000
Other Local Revenues	45,375	-	-	-	-	-	45,375
Local Grants	-	4,337,928	-	-	-	-	4,337,928
Total Local Revenues:	43,081,969	4,337,928	-	-	-	3,766,995	51,186,892
Facility Support Services	-	-	-	-	6,000,035	-	6,000,035
Workers Compensation	-	-	-	-	464,082	-	464,082
Total Inter-Departmental Revenues:	-	-	-	-	6,464,117	-	6,464,117
State TEA Supplemental Compensation	300,000	-	-	-	-	-	300,000
State TEA Employee Portion Health Ins	500,000	-	-	-	-	-	500,000
State TRS On Behalf Payments	2,113,000	-	-	-	-	-	2,113,000
State Grants	-	1,902,987	-	-	-	-	1,902,987
State-Indirect Costs	31,200	-	-	-	-	-	31,200
Total State Revenues:	2,944,200	1,902,987	-	-	-	-	4,847,187
Federal Grants	-	23,475,913	-	-	-	-	23,475,913
Indirect Cost-Federal Grants	1,213,395	-	-	-	-	-	1,213,395
Total Federal Revenues:	1,213,395	23,475,913	-	-	-	-	24,689,308
Total Revenues:	47,239,564	29,716,828	-	-	6,464,117	3,766,995	87,187,504
Other Resources							
Transfers In-							
Fund 711-Choice Partners	1,495,527	-	-	-	-	-	1,495,527
Fund 697- Capital Projects	-	-	-	3,330,233	-	-	3,330,233
Fund 288-CASE After School Partnership	-	550,787	-	-	-	-	550,787
Fund 205-Head Start	-	726,886	-	-	-	-	726,886
Fund 599-Debt Service Payment (PFC)	-	-	1,697,056	-	-	-	1,697,056
Fund 599-Debt Service Payment (QZAB)	-	-	694,229	-	-	-	694,229
Bond Issuance-Fund 697 Capital Project	-	-	-	7,236,826	-	-	7,236,826
Total Other Resources:	1,495,527	1,277,673	2,391,285	10,567,059	-	-	15,731,544
Total Revenues & Other Resources:	\$ 48,735,091	\$ 30,994,501	\$ 2,391,285	\$ 10,567,059	\$ 6,464,117	\$ 3,766,995	\$ 102,919,048
EXPENDITURES & OTHER USES							
Expenditures							
Adult Ed. Local & (Funds 223, 230, 234, & 381)	194,123	3,652,845	-	-	-	-	3,846,968
Educator Certification & Professional Advancem	655,643	100,000	-	-	-	-	755,643
Assistant Supt Academic Support	272,650	-	-	-	-	-	272,650
Assistant Supt Education & Enrichment	278,331	-	-	-	-	-	278,331
Board of Trustees	148,289	-	-	-	-	-	148,289
Business Services	1,882,881	-	-	-	-	-	1,882,881
Center for Safe & Secure Schools	444,036	-	-	-	-	-	444,036
CASE Local & (Funds 266, 288, 463 & 467)	192,652	4,147,096	-	-	-	-	4,339,748
Communication	932,377	-	-	-	-	-	932,377
Client Engagement	496,254	-	-	-	-	-	496,254
Debt Services (Fund 599)	-	-	2,391,285	-	-	-	2,391,285
Department Wide	3,867,243	-	-	-	-	-	3,867,243
Education Foundation	202,360	-	-	-	-	-	202,360
Head Start	5,000	-	-	-	-	-	5,000
Special Assistant to Superintendent	184,117	-	-	-	-	-	184,117
Facilities Support Services							
Facilities-Choice Partners	-	-	-	-	-	2,271,468	2,271,468
Facilities-Construction Services	136,190	-	-	-	-	-	136,190
Facilities-Operations							
Facilities and Asset Replacement Schedule	345,000	-	-	-	-	-	345,000
Facilities-Local Construction	1,122,000	-	-	-	-	-	1,122,000
Facilities-Internal Service (Fund 799)	-	-	-	-	6,000,035	-	6,000,035

Harris County Department of Education
 Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Funds
 For The Fiscal Year Ended August 31, 2017

	(1) Governmental Funds			Proprietary Funds		Total	
	General Funds	Special Revenue Funds	Debt Service Funds	Capital Projects	Internal Services Funds		Enterprise Funds
EXPENDITURES & OTHER USES							
Head Start Grant (Funds 205-209)	-	21,784,373	-	-	-	-	21,784,373
Human Resources	1,004,050	-	-	-	-	-	1,004,050
The Teaching and Learning Center							
TLC-Bilingual Education	175,617	-	-	-	-	-	175,617
TLC-Division Wide	137,589	-	-	-	-	-	137,589
TLC-Digital Learning & Instr Tech.	38,172	-	-	-	-	-	38,172
TLC-EC Winter Conference	248,268	-	-	-	-	-	248,268
TLC-English Language Arts	172,217	-	-	-	-	-	172,217
TLC-Math	249,608	-	-	-	-	-	249,608
TLC-Professional Development	39,000	-	-	-	-	-	39,000
TLC-Science	185,009	-	-	-	-	-	185,009
TLC-Social Studies	98,094	-	-	-	-	-	98,094
TLC-Speaker Series	186,428	-	-	-	-	-	186,428
TLC-Special Education	82,639	-	-	-	-	-	82,639
Purchasing Support	529,674	-	-	-	-	-	529,674
Research & Evaluation	566,028	-	-	-	-	-	566,028
Resource Development Services-							
Internal Grant Services	581,163	-	-	-	-	-	581,163
Retirement Leave Benefits	100,000	-	-	-	-	-	100,000
Scholastic Arts Program	107,979	-	-	-	-	-	107,979
Special Schools & Services-							
Academic & Behavior School-East	3,816,223	-	-	-	-	-	3,816,223
Academic & Behavior School-West	3,524,816	-	-	10,567,059	-	-	14,091,875
Highpoint East School	3,127,780	-	-	-	-	-	3,127,780
Highpoint North School	848,631	-	-	-	-	-	848,631
Special Schools Administration	533,877	-	-	-	-	-	533,877
Therapy Services	10,987,977	-	-	-	-	-	10,987,977
Superintendent's Office	403,468	-	-	-	-	-	403,468
State TEA Employee Health Insurance	500,000	-	-	-	-	-	500,000
State TEA On Behalf Payments	2,113,000	-	-	-	-	-	2,113,000
Technology Services-							
Chief Information Officer	195,226	-	-	-	-	-	195,226
Technology Services	3,023,857	-	-	-	-	-	3,023,857
Technology Dig Education & Innovation	218,678	-	-	-	-	-	218,678
Texas Virtual Schools Network	-	1,310,187	-	-	-	-	1,310,187
Workers Compensation (Fund 753)	-	-	-	-	464,082	-	464,082
Total Expenditures:	46,913,133	30,994,501	2,391,285	10,567,059	6,464,117	2,271,468	99,601,563
Other Uses							
Transfers Out-							
Fund 199-General Fund	-	-	-	-	-	1,495,527	1,495,527
Fund 288-CASE	550,787	-	-	-	-	-	550,787
Fund 206-Head Start	726,886	-	-	-	-	-	726,886
Fund 599-Debt Service-PFC	1,697,056	-	-	-	-	-	1,697,056
Fund 599-Debt Service-QZAB	694,229	-	-	-	-	-	694,229
Fund 697-Capital Projects	3,330,233	-	-	-	-	-	3,330,233
Total Other Uses:	6,999,191	-	-	-	-	1,495,527	8,494,718
Total Expenditures & Other Uses:	53,912,324	30,994,501	2,391,285	10,567,059	6,464,117	3,766,995	108,096,281
Expenditures from Fund Balance:	(5,177,233)	-	-	-	-	-	(5,177,233)
Projected Fund Balance Beginning:	21,906,783	-	-	-	-	-	21,906,783
Projected Fund Balance Ending:	\$ 16,729,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,729,550

Harris County Department of Education

Comparative Analysis of Property Values

	Certified		September		October		February		March		April	
	ADOPTED	TAX RATE	ADOPTED	TAX RATE	ADOPTED	TAX RATE	ADOPTED	TAX RATE	ADOPTED	TAX RATE	ADOPTED	TAX RATE
Proposed Collections Tax Year 2016	0.005422		0.005422		0.005422		0.005422		0.005422		0.005422	
Certified Taxable Value per HCAD	\$ 347,220,934,096		\$ 367,242,668,123		\$ 379,269,241,959		\$ 391,049,195,916		\$ 391,672,491,377		\$ 391,920,368,853	
Values under protest or not certified	45,100,432,226		25,309,471,727		14,841,524,763		2,809,917,258		2,186,204,572		1,536,446,751	
⊖	392,321,366,322		392,552,139,850		394,110,766,722		393,859,113,174		393,858,695,949		393,456,815,604	
/ Rate per Taxable \$100	3,923,213.663		3,925,521,399		3,941,107.667		3,938,591,132		3,938,586,959		3,934,568,156	
X Tax Rate	21,271.664		21,284,177		21,368,686		21,355,041		21,355,018		21,333,229	
X Estimated 98% collection rate	20,846,231		20,858,493		20,941,312		20,927,940		20,927,918		20,906,564	
+Delinquent Tax Collections	270,000		270,000		270,000		270,000		270,000		270,000	
+Special Assessments	10,000		10,000		10,000		10,000		10,000		10,000	
+ Penalty & Interest	130,500		130,500		130,500		130,500		130,500		130,500	
Estimated Current Tax Available	\$ 21,256,731		\$ 21,268,993		\$ 21,351,812		\$ 21,338,440		\$ 21,338,418		\$ 21,317,064	



Harris County Appraisal District

13013 Northwest Freeway
Houston TX 77040
Telephone: (713) 812-5800

P.O. Box 920975
Houston TX 77292-0975
Information Center: (713) 957-7800



Office of Chief Appraiser

April 28, 2016

Board of Directors
Ed Heathcott, Chairman
Mike Sullivan, Secretary
Glenn E. Peters, Assistant Secretary
Wanda Adams
Pete Pape

Mr Mike Sullivan
Assessor Collector
Harris County
1001 Preston Street
Houston TX 77002-1817

Chief Appraiser
Sands L. Stiefer
Chief Appraiser Designate
Roland Allinger
Taxpayer Liaison Officer
Teresa S. Terry

Re: 2016 Certified Estimates

Dear Assessor:

As required by Texas Tax Code Sec. 26.01(e), we have prepared an estimate of taxable value for the above taxing jurisdiction for 2016. While this estimate is based on information currently available to us, some of the data needed for accuracy is not yet available. For example, in the area of business and industrial personal property, the extended date for property owners to file their annual renditions is May 15, and some will delay their filing until the good cause deadline of June 1.

While we have taken our best estimate of potential hearing loss into account, protests for 2016 are in the process of being received and reductions made in the ARB protest hearing process during the next several months could cause a further reduction in value. Also, if fewer protests are filed, your value could possibly be higher.

Your final taxable value will also be impacted by late-filed exemption applications, late applications for productivity valuation, correction motions under Tax Code Sec. 25.25, and possible post-ARB appeals through binding arbitration, appeals to district court, or appeals to the State Office of Administrative Hearings. Additionally, this estimate does not take possible re-appraisal (due to flooding) into account.

Given these limitations, the estimated 2016 taxable value for the taxing unit identified above is:

\$422,985,448.025

The enclosed summary report gives a breakdown of this estimate by property category.

Please do not hesitate to contact your HCAD jurisdiction coordinator or my office if you have questions regarding this estimate or other matters affecting appraisal district operations.

Sincerely,

Sands L. Stiefer, RPA, CCA
Chief Appraiser

**Harris County
2016 Certified Estimate of Taxable Value**



Major Property Category	2015 Taxable Value	Percent Change	Projected 2016 Taxable Value
Residential & Rural Improved	158,068,236,778	8.84%	172,033,802,600
Apartments	31,192,586,691	12.25%	35,014,208,835
Commercial	98,277,372,252	10.23%	108,330,852,601
Vacant Land	11,692,118,342	-3.80%	11,247,817,845
Industrial	22,561,437,975	2.37%	23,096,493,757
Utility	4,659,154,196	2.90%	4,794,299,101
Commercial Personal	28,858,713,510	7.59%	31,049,378,453
Industrial Personal	37,906,064,699	-2.43%	36,985,686,495
All Other Property	498,975,718	-13.24%	432,908,339

Projected 2016 Taxable Value	393,714,660,161	7.43%	422,985,448,025
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Projected 2016 Taxable Value Range

Accuracy +/- 5%	401,836,175,624	To	444,134,720,427
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Report Date: April 28, 2016
2015 Roll Date: March 04, 2016



**New Personnel Requests
Budget Planning FY2017**

No.	Division	Pay Grade	Position	Position Code	Budget Code	Account Code	FTE	Days	Salary	Benefits	Total (Sal + Benefits)
1.	Academic and Behavior School East	TS	Teacher	C815601131	19971160199131	61190000	2.00	191	125,150	26,740	151,890
2.	Academic and Behavior School East	I3	Educational Aide	I825601131	19971160199131	61290000	2.00	191	53,756	14,988	68,744
3.	Academic and Behavior School West	TS	Teacher	C875602121	19971160299132	61190000	2.00	191	125,150	26,740	151,890
4.	Academic and Behavior School West Educator Certification & Professional	I3	Educational Aide Leadership	I825602132	19971160299132	61290000	3.00	191	80,634	22,482	103,116
5.	Advancement Educator Certification & Professional	A6	Advancement Officer Grants Development	A027701014	19971301499014	61190000	1.00	240	104,102	20,206	124,308
6.	Advancement	A4	Manager	A187701014	19971301499014	61190000	0.86	206	57,950	12,609	70,559
7.	Highpoint School East	TS	Teacher	C875607970	19971160799970	61190000	2.00	191	125,150	26,740	151,890
8.	Highpoint School East	TS	Transition Specialist	C885607970	19973160799970	61190000	1.00	200	65,524	14,000	79,524
9.	School-Based Therapy Services	P-3	OT/PT	P465089111	1997211199111	61190000	6.30	180	417,890	88,129	506,019
TOTAL							20.16		\$ 1,155,306	\$ 252,634	\$ 1,407,940

GENERAL FUND
Fund Balance at August 31, 2016

	FINAL FUND BALANCE FY 2014-15	APPROPRIATED FUND BALANCE FY 2015-16	ESTIMATED FUND BALANCE FY 2015-16
<u>Non-Spendable Fund Balance</u>			
Investment in Inventory	138,341	-	138,341
Deferred Expenditures	25,121	-	25,121
Total Non-Spendable Fund Balance	163,462	-	163,462
<u>Restricted Fund Balance</u>			
Fund 199 QZAB & Maint Tax Notes	6,281	-	6,281
Total Restricted Fund Balance	6,281	-	6,281
<u>Committed Fund Balance</u>			
Fund 199 Retirement Leave	1,000,000	-	1,000,000
Unemployment Liability	200,000	-	200,000
Capital Projects	5,521,446	(3,330,233)	2,191,213
Total Committed Fund Balance	6,721,446	(3,330,233)	3,391,213
<u>Assigned Fund Balance</u>			
Asset Replacement Schedule	900,000	-	900,000
Bldg & Veh Replacement Schedule	900,000	-	900,000
Deferred Revenues - Highpoint Schools	103,300	-	103,300
Local Construction	1,776,368	-	1,776,368
PFC Lease Payment	807,915	-	807,915
QZAB Bond Payment	697,833	-	697,833
Total Assigned Fund Balance	5,185,416	-	5,185,416
Total Other Reserves & Inventory:	12,076,605	(3,330,233)	8,746,372
<u>Unassigned Fund Balance</u>	15,826,627	(1,207,148)	14,619,479
Grand Total General Fund:	27,903,232	(4,537,381)	23,365,851

**HARRIS COUNTY DEPARTMENT OF EDUCATION
Tax Rates *, FY 1969-70 to Current**

* Per \$100 valuation of all taxable property in Harris County.

Tax Year	ACTUAL										
	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1969-70
Fiscal Year	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	
Equalization Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01
Debt Service Rate	-	-	-	-	-	-	-	-	-	-	-
Total Tax Rate:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01

Tax Year	ACTUAL										
	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1979-80
Fiscal Year	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
Equalization Rate	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01
Debt Service Rate	-	-	-	-	-	-	-	-	-	-	-
Total Tax Rate:	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01

Tax Year	ACTUAL										
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1989-90
Fiscal Year	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	
Equalization Rate	\$ 0.01	\$ 0.0045	\$ 0.0042	\$ 0.0042	\$ 0.0042	\$ 0.00428	\$ 0.00466	\$ 0.00513	\$ 0.00329	\$ 0.00353	
Debt Service Rate	-	-	-	-	-	-	-	-	0.00033	0.00031	
Total Tax Rate:	\$ 0.01	\$ 0.0045	\$ 0.0042	\$ 0.0042	\$ 0.0042	\$ 0.00428	\$ 0.00466	\$ 0.00513	\$ 0.00362	\$ 0.00384	

Tax Year	ACTUAL										
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	1999-00
Fiscal Year	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	
Equalization Rate	\$ 0.00355	\$ 0.00367	\$ 0.00390	\$ 0.00428	\$ 0.00466	\$ 0.00513	\$ 0.00562	\$ 0.00611	\$ 0.00611	\$ 0.00629	
Debt Service Rate	0.00029	0.00028	0.00026	-	-	-	-	-	-	-	
Total Tax Rate:	\$ 0.00384	\$ 0.00395	\$ 0.00416	\$ 0.00428	\$ 0.00466	\$ 0.00513	\$ 0.00562	\$ 0.00611	\$ 0.00611	\$ 0.00629	

Tax Year	ACTUAL										
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009-2010
Fiscal Year	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-2010	
Equalization Rate	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.005853	\$ 0.00584	\$ 0.00605	
Debt Service Rate	-	-	-	-	-	-	-	-	-	-	
Total Tax Rate:	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00629	\$ 0.00585	\$ 0.00584	\$ 0.00605	

Tax Year	ACTUAL										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2019-2020
Fiscal Year	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	
Equalization Rate	\$ 0.006581	\$ 0.006581	\$ 0.006617	\$ 0.006358	\$ 0.005999	\$ 0.005422	\$ -	\$ -	\$ -	\$ -	
Debt Service Rate	-	-	-	-	-	-	-	-	-	-	
Total Tax Rate:	\$ 0.00658	\$ 0.00658	\$ 0.00662	\$ 0.00636	\$ 0.00600	\$ 0.00542	\$ -	\$ -	\$ -	\$ -	

HARRIS COUNTY DEPARTMENT OF EDUCATION

Adult Education-Local

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5740 - Local Revenue-Other	-	544	-	-	-	-
Revenues before Taxes:	-	544	-	-	-	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	185,552	149,338	187,650	95,700	194,123	6,473
Total REVENUES:	185,552	149,882	187,650	95,700	194,123	6,473
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	10,050	17,233	10,050	9,455	10,050	-
6200 - Contracted Services	4,565	1,650	2,915	300	2,900	(15)
6300 - Supplies & Materials	6,850	1,051	5,850	414	5,850	-
6400 - Other Operating Costs	15,230	3,570	16,230	4,335	16,480	250
Expenditures before Facilities Charges:	36,695	23,505	35,045	14,504	35,280	235
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	148,857	126,377	152,605	81,247	158,843	6,238
Total EXPENDITURES:	185,552	149,882	187,650	95,751	194,123	6,473
Performance Ratio:	0%	2%	0%	0%	0%	0%

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Educ Cert & Prof Advance

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	342,225	255,109	389,625	206,552	480,575	90,950
5740 - Local Revenue-Other	-	25	-	-	-	-
Revenues before Taxes:	342,225	255,134	389,625	206,552	480,575	90,950
REVENUES - Tax Revenues						
5710 - Local Property Taxes	61,463	84,729	53,169	47,760	175,068	121,899
Total REVENUES:	403,688	339,863	442,794	254,313	655,643	212,849
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	260,651	214,387	317,291	208,232	507,540	190,249
6200 - Contracted Services	77,751	75,989	74,544	36,504	87,250	12,706
6300 - Supplies & Materials	20,278	17,818	15,490	7,644	17,100	1,610
6400 - Other Operating Costs	15,972	15,595	16,060	9,018	23,550	7,490
Expenditures before Facilities Charges:	374,652	323,789	423,385	261,397	635,440	212,055
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	29,036	16,074	19,409	10,333	20,203	794
Total EXPENDITURES:	403,688	339,863	442,794	271,731	655,643	212,849
Performance Ratio:	91%	79%	92%	79%	76%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Asst Superintendent-Education & Enrichment

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	290,281	283,670	279,770	194,869	272,650	(7,120)
Total REVENUES:	290,281	283,670	279,770	194,869	272,650	(7,120)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	269,005	265,445	258,332	193,992	249,115	(9,217)
6200 - Contracted Services	880	751	1,150	498	1,460	310
6300 - Supplies & Materials	6,392	6,231	2,042	551	2,332	290
6400 - Other Operating Costs	7,566	5,778	11,646	5,738	11,046	(600)
Expenditures before Facilities Charges:	283,843	278,204	273,170	200,778	263,953	(9,217)
EXPENDITURES - Facilities						
6487 - Facilities Support Charges	6,438	5,466	6,600	3,514	8,697	2,097
Total EXPENDITURES:	290,281	283,670	279,770	204,292	272,650	(7,120)

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Asst Superintendent-Academic Support

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	249,473	231,125	260,159	167,719	278,331	18,172
Total REVENUES:	249,473	231,125	260,159	167,719	278,331	18,172
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	231,714	215,474	242,195	162,831	243,346	1,151
6200 - Contracted Services	1,940	911	623	602	1,320	697
6300 - Supplies & Materials	4,775	4,829	1,603	1,464	2,600	997
6400 - Other Operating Costs	4,014	2,991	7,383	8,098	24,195	16,812
Expenditures before Facilities Charges:	242,443	224,206	251,804	172,995	271,461	19,657
EXPENDITURES - Facilities						
6487 - Facilities Support Charges	8,150	6,919	8,355	4,448	6,870	(1,485)
Total EXPENDITURES:	250,593	231,125	260,159	177,443	278,331	18,172

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Board of Trustees

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015 Amended Budget</u>	<u>2014-2015 Actual Revenues</u>	<u>2015-2016 Amended Budget</u>	<u>2015-2016 Actual Revenues*</u>	<u>2016-2017 Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	228,882	205,738	230,140	80,353	148,289	(81,851)
Total REVENUES:	228,882	205,738	230,140	80,353	148,289	(81,851)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	42,677	38,555	43,060	25,805	39,252	(3,808)
6200 - Contracted Services	188,000	114,002	87,000	25,881	7,613	(79,387)
6300 - Supplies & Materials	24,606	17,353	22,083	12,391	23,083	1,000
6400 - Other Operating Costs	58,749	16,430	54,572	10,870	53,959	(613)
Expenditures before Facilities Charges:	314,032	186,339	206,715	74,947	123,907	(82,808)
EXPENDITURES - Facilities						
6487 - Facilities Support Charges	22,850	19,399	23,425	12,471	24,382	957
Total EXPENDITURES:	336,882	205,738	230,140	87,418	148,289	(81,851)

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Business Support Services

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	57,120	150,852	164,000	39,593	100,000	(64,000)
5730 - Local Rev-Other Entities	3,000	4,063	-	395	-	-
5740 - Local Revenue-Other	2,200	16,217	2,200	81	2,200	-
5890 - State Rev-Shared Services	-	-	-	5,402	9,390	9,390
5990 - Fed Rev - Indirect Costs	513,134	384,531	342,602	188,234	365,210	22,608
Revenues before Taxes:	575,454	555,663	508,802	233,705	476,800	(32,002)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	1,169,618	1,104,822	1,401,336	897,962	1,406,081	4,745
Total REVENUES:	1,745,072	1,660,485	1,910,138	1,131,667	1,882,881	(27,257)
80						
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	1,227,440	1,170,082	1,273,538	838,295	1,301,296	27,758
6200 - Contracted Services	306,672	292,561	406,763	237,994	345,424	(61,339)
6300 - Supplies & Materials	70,082	67,677	55,652	26,370	54,500	(1,152)
6400 - Other Operating Costs	64,040	57,000	76,709	36,159	80,200	3,491
Expenditures before Facilities Charges:	1,668,234	1,587,320	1,812,662	1,138,819	1,781,420	(31,242)
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	85,388	73,164	97,476	51,896	101,461	3,985
Total EXPENDITURES:	1,753,622	1,660,485	1,910,138	1,190,715	1,882,881	(27,257)
Performance Ratio:	34%	35%	28%	21%	27%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Center for Safe & Secure Schools

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	104,235	120,735	194,829	99,037	289,550	94,721
5740 - Local Revenue-Other	-	-	-	-	-	-
Revenues before Taxes:	104,235	120,735	194,829	99,037	289,550	94,721
REVENUES - Tax Revenues						
5710 - Local Property Taxes	437,632	504,874	296,779	173,153	154,486	(142,293)
Total REVENUES:	541,867	625,609	491,608	272,190	444,036	(47,572)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	283,630	115,822	313,509	210,795	271,832	(41,677)
6200 - Contracted Services	180,668	164,554	98,278	24,981	95,000	(3,278)
6300 - Supplies & Materials	314,416	301,852	30,000	17,367	24,525	(5,475)
6400 - Other Operating Costs	42,450	33,145	37,460	21,845	39,813	2,353
Expenditures before Facilities Charges:	821,164	615,373	479,247	274,988	431,170	(48,077)
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	8,903	10,237	12,361	6,581	12,866	505
Total EXPENDITURES:	830,067	625,609	491,608	281,569	444,036	(47,572)
Performance Ratio:	13%	20%	41%	36%	67%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Communication

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	667,620	699,227	915,614	553,701	932,377	16,763
Total REVENUES:	667,620	699,227	915,614	553,701	932,377	16,763
EXPENDITURES						
EXPENDITURES before Facilities						
80100 - Payroll Expenditures	467,446	482,150	681,848	473,075	697,142	15,294
6200 - Contracted Services	108,998	109,057	98,116	56,366	102,616	4,500
6300 - Supplies & Materials	71,755	60,916	66,332	29,181	64,832	(1,500)
6400 - Other Operating Costs	22,895	18,353	34,600	15,179	31,650	(2,950)
Expenditures before Facilities Charges:	671,094	670,476	880,896	573,801	896,240	15,344
EXPENDITURES - Facilities						
6487 - Facilities Support Charges	40,526	28,751	34,718	18,484	36,137	1,419
Total EXPENDITURES:	711,620	699,227	915,614	592,285	932,377	16,763

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Client Engagement

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5740 - Local Revenue-Other	-	1,400	-	-	-	-
Revenues before Taxes:	-	1,400	-	-	-	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	480,453	451,463	468,005	296,093	496,254	28,249
Total REVENUES:	480,453	452,863	468,005	296,093	496,254	28,249
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	283,393	259,557	350,203	247,312	361,269	11,066
6200 - Contracted Services	95,691	95,077	23,854	12,850	26,900	3,046
6300 - Supplies & Materials	32,510	30,674	24,535	10,092	16,780	(7,755)
6400 - Other Operating Costs	60,663	60,596	61,010	35,952	82,559	21,549
Expenditures before Facilities Charges:	472,257	445,904	459,602	306,205	487,508	27,906
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	8,196	6,959	8,403	4,474	8,746	343
Total EXPENDITURES:	480,453	452,863	468,005	310,679	496,254	28,249
Performance Ratio:	0%	0.3%	0%	0%	0%	0%

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Center for After School, Summer & Expanded Learning

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	10,000	24,690	12,000	4,095	4,600	(7,400)
5730 - Local Rev-Other Entities	12,000	4,325	20,000	5,135	14,375	(5,625)
5740 - Local Revenue-Other	-	40	-	-	2,000	2,000
5790 - Local Rev-Local Grants	15,000	-	5,000	-	-	(5,000)
Revenues before Taxes:	37,000	29,055	37,000	9,230	20,975	(16,025)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	123,484	139,710	123,484	61,787	171,677	48,193
Total REVENUES:	160,484	168,765	160,484	71,017	192,652	32,168
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	113,931	121,229	107,702	56,716	107,942	240
6200 - Contracted Services	27,062	24,050	28,584	14,584	49,500	20,916
6300 - Supplies & Materials	21,226	16,926	9,696	873	15,400	5,704
6400 - Other Operating Costs	6,775	6,560	14,502	3,433	19,810	5,308
Expenditures before Facilities Charges:	168,994	168,765	160,484	75,606	192,652	32,168
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	-	-	-	-	-	-
Total EXPENDITURES:	168,994	168,765	160,484	75,606	192,652	32,168
Performance Ratio:	22%	17%	23%	12%	11%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

Department Wide

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5610 - Other Sources	-	-	1,164,940	1,494,995	1,495,527	330,587
5720 - Local Rev-Schl Districts	-	-	-	-	-	-
5730 - Local Rev-Other Entities	-	-	-	-	-	-
5740 - Local Revenue-Other	8,000	26,431	8,000	41,251	12,000	4,000
5790 - Local Rev-Local Grants	8,350	3,239	-	-	15,000	15,000
5890 - State Rev-Shared Services	27,074	-	-	-	-	-
5990 - Fed Rev - Indirect Costs	257,982	-	127,009	1,670	-	(127,009)
Revenues before Taxes:	301,406	29,670	1,299,949	1,537,916	1,522,527	222,578
REVENUES - Tax Revenues						
86710 - Local Property Taxes	6,248,258	7,230,665	4,610,077	12,373,651	3,823,524	(786,553)
Total REVENUES:	6,549,664	7,260,335	5,910,026	13,911,567	5,346,051	(563,975)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	(648,153)	118	(715,429)	-	(333,827)	381,602
6200 - Contracted Services	879,679	831,588	966,760	591,920	1,124,447	157,687
6300 - Supplies & Materials	61,124	10,467	584,561	(25,045)	(15,000)	(599,561)
6400 - Other Operating Costs	444,022	69,102	99,464	47,859	121,500	22,036
6600 - Capital Assets	-	5,078	450,000	216,663	-	(450,000)
8900 - Other Uses	5,246,696	3,703,404	6,661,107	2,655,264	6,999,191	338,084
Expenditures before Facilities Charges:	5,983,368	4,619,756	8,046,463	3,486,661	7,896,311	(150,152)
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	2,680,459	1,999,022	2,989,089	1,443,797	2,970,123	(18,966)
Total EXPENDITURES:	8,663,827	6,618,778	11,035,552	4,930,457	10,866,434	(169,118)
Performance Ratio:	5%	1%	16%	44%	19%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Education Foundation

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5740 - Local Revenue-Other	-	10	-	-	-	-
Revenues before Taxes:	-	10	-	-	-	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	201,583	201,031	201,875	198,889	202,360	485
Total REVENUES:	201,583	201,041	201,875	198,889	202,360	485
EXPENDITURES						
EXPENDITURES before Facilities						
6200 - Contracted Services	192,210	191,208	190,000	190,000	190,000	-
Expenditures before Facilities Charges:	192,210	191,208	190,000	190,000	190,000	-
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	11,583	9,834	11,875	6,322	12,360	485
Total EXPENDITURES:	203,793	201,041	201,875	196,322	202,360	485
Performance Ratio:	0%	0.01%	0%	0%	0%	0%

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Special Assistant to Superintendent

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	-	131,149	189,576	115,394	184,117	(5,459)
Total REVENUES:	-	131,149	189,576	115,394	184,117	(5,459)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	90,000	109,364	172,843	114,911	167,252	(5,591)
6200 - Contracted Services	10,000	9,275	2,765	4,375	-	(2,765)
6300 - Supplies & Materials	13,420	9,759	4,819	3,499	2,119	(2,700)
6400 - Other Operating Costs	1,580	2,750	5,935	488	11,400	5,465
Expenditures before Facilities Charges:	115,000	131,149	186,362	123,273	180,771	(5,591)
EXPENDITURES - Facilities						
6487 - Facilities Support Charges	-	-	3,214	1,711	3,346	132
Total EXPENDITURES:	115,000	131,149	189,576	124,984	184,117	(5,459)

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Choice Partners Cooperative

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	3,281,440	3,175,107	3,341,440	2,869,563	3,766,995	425,555
5730 - Local Rev-Other Entities	-	3,900	-	-	-	-
5740 - Local Revenue-Other	16,000	22,044	16,000	21,110	-	(16,000)
Total REVENUES:	3,297,440	3,201,051	3,357,440	2,890,673	3,766,995	409,555
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	1,167,725	1,067,891	1,228,831	838,903	1,256,826	27,995
6200 - Contracted Services	537,240	414,161	474,650	216,624	520,700	46,050
6300 - Supplies & Materials	113,560	56,555	101,000	39,969	117,000	16,000
6400 - Other Operating Costs	261,472	128,030	302,807	122,646	291,730	(11,077)
8900 - Other Uses	-	-	1,164,940	1,494,995	1,495,527	330,587
Expenditures before Facilities Charges:	2,079,997	1,666,637	3,272,228	2,713,137	3,681,783	409,555
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	75,852	64,397	85,212	45,367	85,212	-
Total EXPENDITURES:	2,155,849	1,731,034	3,357,440	2,758,504	3,766,995	409,555
Performance Ratio:	159%	192%	159%	237%	172%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Construction Services

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	129,077	124,688	132,646	83,943	136,190	3,544
Total REVENUES:	129,077	124,688	132,646	83,943	136,190	3,544
EXPENDITURES						
EXPENDITURES before Facilities						
88100 - Payroll Expenditures	117,678	117,250	121,162	85,301	124,566	3,404
6200 - Contracted Services	1,000	623	1,000	365	1,000	-
6300 - Supplies & Materials	3,500	1,005	3,500	-	3,500	-
6400 - Other Operating Costs	3,550	2,967	3,550	1,469	3,550	-
Expenditures before Facilities Charges:	125,728	121,845	129,212	87,136	132,616	3,404
EXPENDITURES - Facilities						
6487 - Facilities Support Charges	3,349	2,843	3,434	1,828	3,574	140
Total EXPENDITURES:	129,077	124,688	132,646	88,964	136,190	3,544

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Facilities - Operations

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015 Amended Budget</u>	<u>2014-2015 Actual Revenues</u>	<u>2015-2016 Amended Budget</u>	<u>2015-2016 Actual Revenues*</u>	<u>2016-2017 Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5790 - Local Rev-Local Grants	976,946	785,760	1,034,927	470,416	1,032,759	(2,168)
Total REVENUES:	976,946	785,760	1,034,927	470,416	1,032,759	(2,168)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	347,197	306,930	352,343	237,750	350,175	(2,168)
6200 - Contracted Services	520,700	385,295	559,100	197,237	560,100	1,000
6300 - Supplies & Materials	95,546	81,220	106,104	49,848	101,104	(5,000)
6400 - Other Operating Costs	12,300	3,449	6,800	2,362	6,800	-
6600 - Capital Assets	15,665	8,865	14,580	8,448	14,580	-
Total EXPENDITURES:	991,408	785,760	1,038,927	495,645	1,032,759	(6,168)
Performance Ratio:	99%	100%	99.6%	95%	100%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

* Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Local Construction Fund 170

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	-	-	-	-	1,122,000	1,122,000
Total REVENUES:	-	-	-	-	1,122,000	1,122,000
EXPENDITURES						
EXPENDITURES before Facilities						
6200 - Contracted Services	84,921	71,306	13,429	-	50,000	36,571
6600 - Capital Assets	1,691,447	914,921	687,661	12,369	1,072,000	384,339
Total EXPENDITURES:	1,776,368	986,227	701,090	12,369	1,122,000	420,910

* Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Building & Asset Replacement Schedule

Budget Trend Analysis for Fiscal Year 2016-2017
 Funds beginning with: 1, 7

	<u>2014-2015 Amended Budget</u>	<u>2014-2015 Actual Revenues</u>	<u>2015-2016 Amended Budget</u>	<u>2015-2016 Actual Revenues*</u>	<u>2016-2017 Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	-	-	-	-	345,000	345,000
Total REVENUES:	-	-	-	-	345,000	345,000
EXPENDITURES						
EXPENDITURES before Facilities						
86600 - Capital Assets	186,650	177,318	225,983	8,070	345,000	119,017
Total EXPENDITURES:	186,650	177,318	225,983	8,070	345,000	119,017

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Records Management Services

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	1,575,384	1,480,768	1,606,820	1,027,265	1,608,720	1,900
5740 - Local Revenue-Other	-	77,821	80,000	38,312	83,000	3,000
Revenues before Taxes:	1,575,384	1,558,589	1,686,820	1,065,576	1,691,720	4,900
REVENUES - Tax Revenues						
5710 - Local Property Taxes	140,884	93,892	28,112	-	67,199	39,087
Total REVENUES:	1,716,268	1,652,481	1,714,932	1,065,576	1,758,919	43,987
83						
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	665,107	645,176	718,571	468,129	707,450	(11,121)
6200 - Contracted Services	132,069	114,581	103,072	83,109	87,000	(16,072)
6300 - Supplies & Materials	147,967	126,382	121,800	74,252	180,000	58,200
6400 - Other Operating Costs	2,154	1,867	1,768	1,054	7,500	5,732
6600 - Capital Assets	-	-	-	-	6,000	6,000
Expenditures before Facilities Charges:	947,297	888,005	945,211	626,544	987,950	42,739
EXPENDITURES - Facilities						
6487 - Facilities Supprpt Charges	768,971	764,475	769,721	409,798	770,969	1,248
Total EXPENDITURES:	1,716,268	1,652,481	1,714,932	1,036,343	1,758,919	43,987
Performance Ratio:	166%	176%	178%	170%	171%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Head Start-Local

Budget Trend Analysis for Fiscal Year 2016-2017
 Funds beginning with: 1, 7

	<u>2014-2015</u>	<u>2014-2015</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2015-2016</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>Difference</u>
	<u>Amended</u>	<u>Actual</u>	<u>Revenues</u>	<u>Amended</u>	<u>Actual</u>	<u>Revenues*</u>	<u>Recommended</u>	<u>FY16 & FY17</u>
	<u>Budget</u>	<u>Revenues</u>	<u>Revenues</u>	<u>Budget</u>	<u>Revenues*</u>	<u>Revenues*</u>	<u>Budget</u>	
REVENUES								
REVENUES - Local, State, and Federal								
5740 - Local Revenue-Other	-	96	96	-	-	-	-	-
5790 - Local Rev-Local Grants	-	-	-	-	-	-	-	-
Revenues before Taxes:								
	-	96	96	-	-	-	-	-
REVENUES - Tax Revenues								
5710 - Local Property Taxes	-	-	-	-	-	-	5,000	5,000
Total REVENUES:								
	-	96	96	-	-	-	5,000	5,000
Ⓣ								
EXPENDITURES								
EXPENDITURES before Facilities								
6300 - Supplies & Materials	-	-	-	-	-	-	-	-
6400 - Other Operating Costs	-	-	-	5,000	330	330	5,000	-
Total EXPENDITURES:								
	-	-	-	5,000	330	330	5,000	-
Performance Ratio:	0%	0%	0%	0%	0%	0%	0%	0%

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Human Resources

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5740 - Local Revenue-Other	-	-	-	-	-	-
5890 - State Rev-Shared Services	-	-	-	2,909	5,008	5,008
5990 - Fed Rev - Indirect Costs	513,133	215,337	200,445	101,357	194,749	(5,696)
	<u>513,133</u>	<u>215,337</u>	<u>200,445</u>	<u>104,266</u>	<u>199,757</u>	<u>(688)</u>
Revenues before Taxes:						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	471,983	720,325	786,937	506,776	804,293	17,356
	<u>985,116</u>	<u>935,662</u>	<u>987,382</u>	<u>611,042</u>	<u>1,004,050</u>	<u>16,668</u>
Total REVENUES:						
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	737,371	729,036	756,585	531,799	774,762	18,177
6200 - Contracted Services	77,600	54,605	55,000	41,052	51,000	(4,000)
6300 - Supplies & Materials	58,700	52,379	51,650	26,770	42,650	(9,000)
6400 - Other Operating Costs	57,350	49,171	65,200	30,549	72,200	7,000
	<u>931,021</u>	<u>885,191</u>	<u>928,435</u>	<u>630,169</u>	<u>940,612</u>	<u>12,177</u>
Expenditures before Facilities Charges:						
EXPENDITURES - Facilities						
6487 - Facilities Supprpt Charges	63,795	50,472	56,464	30,061	63,438	6,974
	<u>994,816</u>	<u>935,662</u>	<u>984,899</u>	<u>660,231</u>	<u>1,004,050</u>	<u>19,151</u>
Total EXPENDITURES:						
Performance Ratio:	55%	24%	22%	17%	21%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Bilingual Education

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	144,500	141,480	144,500	9,250	110,000	(34,500)
5740 - Local Revenue-Other	-	-	-	-	-	-
Revenues before Taxes:	<u>144,500</u>	<u>141,480</u>	<u>144,500</u>	<u>9,250</u>	<u>110,000</u>	<u>(34,500)</u>
REVENUES - Tax Revenues						
5710 - Local Property Taxes	75,291	-	62,433	26,660	65,617	3,184
Total REVENUES:	<u>219,791</u>	<u>141,480</u>	<u>206,933</u>	<u>35,910</u>	<u>175,617</u>	<u>(31,316)</u>
8						
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	28,606	15,185	39,248	26,467	67,898	28,650
6200 - Contracted Services	120,976	75,035	97,476	5,700	65,000	(32,476)
6300 - Supplies & Materials	25,119	5,924	29,619	228	16,119	(13,500)
6400 - Other Operating Costs	45,090	27,777	40,590	1,567	26,600	(13,990)
Total EXPENDITURES:	<u>219,791</u>	<u>123,921</u>	<u>206,933</u>	<u>33,962</u>	<u>175,617</u>	<u>(31,316)</u>
Performance Ratio:	66%	114%	70%	27%	63%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Digital Learning

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	99,991	83,160	99,991	31,450	60,000	(39,991)
Revenues before Taxes:	99,991	83,160	99,991	31,450	60,000	(39,991)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	-	-	286	-	-	(286)
Total REVENUES:	99,991	83,160	100,277	31,450	60,000	(40,277)
⁹⁹ EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	-	7,861	32,149	22,950	28,789	(3,360)
6200 - Contracted Services	89,554	8,445	59,554	-	1,000	(58,554)
6300 - Supplies & Materials	4,800	-	4,800	-	4,800	-
6400 - Other Operating Costs	1,485	36	1,485	-	1,200	(285)
Expenditures before Facilities Charges:	95,839	16,343	97,988	22,950	35,789	(62,199)
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	2,233	1,896	2,289	1,219	2,383	94
Total EXPENDITURES:	98,072	18,238	100,277	24,168	38,172	(62,105)
Performance Ratio:	104%	509%	102%	137%	168%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Digital Education and Innovation

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	200,000	201,563	270,580	177,500	240,000	(30,580)
Revenues before Taxes:	200,000	201,563	270,580	177,500	240,000	(30,580)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	114,750	95,012	-	-	-	-
Total REVENUES:	314,750	296,575	270,580	177,500	240,000	(30,580)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	262,510	255,749	179,855	137,096	163,138	(16,717)
6200 - Contracted Services	30,000	30,000	30,000	-	30,000	-
6300 - Supplies & Materials	9,300	4,026	12,300	1,827	12,300	-
6400 - Other Operating Costs	12,940	6,800	13,240	4,028	13,240	-
Total EXPENDITURES:	314,750	296,575	235,395	142,952	218,678	(16,717)
Performance Ratio:	64%	68%	115%	124%	110%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

TLC (Division Wide)

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	71,300	45,800	71,300	-	-	(71,300)
Revenues before Taxes:	<u>71,300</u>	<u>45,800</u>	<u>71,300</u>	<u>-</u>	<u>-</u>	<u>(71,300)</u>
REVENUES - Tax Revenues						
5710 - Local Property Taxes	173,622	95,489	146,753	159,244	137,589	(9,164)
Total REVENUES:	<u>244,922</u>	<u>141,289</u>	<u>218,053</u>	<u>159,244</u>	<u>137,589</u>	<u>(80,464)</u>
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	57,059	57,163	152,909	128,298	66,363	(86,546)
6200 - Contracted Services	97,500	35,000	1,000	413	1,000	-
6300 - Supplies & Materials	5,979	2,467	3,979	1,890	4,979	1,000
6400 - Other Operating Costs	3,350	437	4,350	3,386	3,800	(550)
6600 - Capital Assets	-	-	-	-	3,350	3,350
Expenditures before Facilities Charges:	<u>163,888</u>	<u>95,067</u>	<u>162,238</u>	<u>133,987</u>	<u>79,492</u>	<u>(82,746)</u>
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	81,034	46,222	55,815	29,716	58,097	2,282
Total EXPENDITURES:	<u>244,922</u>	<u>141,289</u>	<u>218,053</u>	<u>163,703</u>	<u>137,589</u>	<u>(80,464)</u>
Performance Ratio:	44%	48%	44%	0%	100%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Early Childhood Winter Conference

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	175,000	123,401	175,000	83,960	130,000	(45,000)
5730 - Local Rev-Other Entities	20,000	10,950	20,000	6,475	20,000	-
5740 - Local Revenue-Other	-	2,700	-	2,300	-	-
Revenues before Taxes:	195,000	137,051	195,000	92,735	150,000	(45,000)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	45,914	33,064	52,433	33,249	98,268	45,835
Total REVENUES:	240,914	170,115	247,433	125,984	248,268	835
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	74,182	74,491	80,701	36,334	106,384	25,683
6200 - Contracted Services	71,800	55,553	71,800	52,391	67,800	(4,000)
6300 - Supplies & Materials	32,864	14,249	32,779	12,651	23,920	(8,859)
6400 - Other Operating Costs	62,068	25,823	62,153	25,109	50,164	(11,989)
Total EXPENDITURES:	240,914	170,115	247,433	126,484	248,268	835
Performance Ratio:	81%	81%	79%	73%	60%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

English Language Arts

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	250,000	133,824	250,000	94,874	140,000	(110,000)
Revenues before Taxes:	250,000	133,824	250,000	94,874	140,000	(110,000)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	62,462	31,081	53,087	12,344	32,217	(20,870)
Total REVENUES:	312,462	164,906	303,087	107,219	172,217	(130,870)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	78,703	72,498	92,828	58,622	68,528	(24,300)
6200 - Contracted Services	191,260	72,420	167,760	31,231	64,260	(103,500)
6300 - Supplies & Materials	11,350	7,080	11,380	6,744	10,757	(623)
6400 - Other Operating Costs	31,149	12,909	31,119	12,096	28,672	(2,447)
Total EXPENDITURES:	312,462	164,906	303,087	108,692	172,217	(130,870)
Performance Ratio:	80%	81%	82%	87%	81%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Math

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	278,000	219,131	278,000	112,748	143,356	(134,644)
5740 - Local Revenue-Other	-	959	-	-	-	-
Revenues before Taxes:	278,000	220,090	278,000	112,748	143,356	(134,644)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	121,964	-	118,343	50,707	106,252	(12,091)
Total REVENUES:	399,964	220,090	396,343	163,455	249,608	(146,735)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	108,226	111,419	150,705	107,307	138,614	(12,091)
6200 - Contracted Services	259,300	84,183	214,100	40,316	80,456	(133,644)
6300 - Supplies & Materials	15,937	10,298	15,487	5,359	13,487	(2,000)
6400 - Other Operating Costs	16,501	10,352	16,051	2,869	17,051	1,000
Total EXPENDITURES:	399,964	216,252	396,343	155,850	249,608	(146,735)
Performance Ratio:	70%	102%	70%	72%	57%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Professional Development

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	Difference <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	38,000	(180)	38,000	-	38,000	-
5730 - Local Rev-Other Entities	1,000	-	1,000	-	1,000	-
Revenues before Taxes:	39,000	(180)	39,000	-	39,000	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	8,428	8,896	9,146	24	-	(9,146)
Total REVENUES:	47,428	8,716	48,146	24	39,000	(9,146)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	8,428	8,694	9,146	-	-	(9,146)
6200 - Contracted Services	26,500	-	26,500	-	26,500	-
6300 - Supplies & Materials	7,000	22	7,000	24	7,000	-
6400 - Other Operating Costs	5,500	-	5,500	-	5,500	-
Total EXPENDITURES:	47,428	8,716	48,146	24	39,000	(9,146)
Performance Ratio:	82%	-2%	81%	0%	100%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Science

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	86,000	53,097	86,000	23,995	76,000	(10,000)
5740 - Local Revenue-Other	700	-	-	30	-	-
Revenues before Taxes:	86,700	53,097	86,000	24,025	76,000	(10,000)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	86,182	65,106	50,324	33,917	109,009	58,685
Total REVENUES:	172,882	118,202	136,324	57,942	185,009	48,685
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	112,621	94,294	76,763	54,274	138,614	61,851
6200 - Contracted Services	18,931	10,986	9,231	1,700	5,600	(3,631)
6300 - Supplies & Materials	24,281	4,372	31,681	1,348	25,752	(5,929)
6400 - Other Operating Costs	17,049	8,550	18,649	2,920	15,043	(3,606)
Total EXPENDITURES:	172,882	118,202	136,324	60,242	185,009	48,685
Performance Ratio:	50%	45%	63%	40%	41%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Social Studies

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	76,000	55,531	76,000	3,400	73,583	(2,417)
Revenues before Taxes:	76,000	55,531	76,000	3,400	73,583	(2,417)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	8,123	23,496	20,412	8,012	24,511	4,099
Total REVENUES:	84,123	79,026	96,412	11,412	98,094	1,682
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	45,387	51,363	57,676	9,090	66,344	8,668
6200 - Contracted Services	21,800	16,467	21,000	1,500	20,000	(1,000)
6300 - Supplies & Materials	6,296	4,962	5,546	1,094	3,600	(1,946)
6400 - Other Operating Costs	10,640	6,234	12,190	129	8,150	(4,040)
Total EXPENDITURES:	84,123	79,026	96,412	11,813	98,094	1,682
Performance Ratio:	90%	70%	79%	29%	75%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Speaker Series

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	170,000	118,920	170,000	97,640	145,000	(25,000)
Revenues before Taxes:	170,000	118,920	170,000	97,640	145,000	(25,000)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	7,894	-	9,830	-	41,428	31,598
Total REVENUES:	177,894	118,920	179,830	97,640	186,428	6,598
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	22,394	22,475	35,330	21,077	73,088	37,758
6200 - Contracted Services	125,000	76,217	114,000	33,223	83,000	(31,000)
6300 - Supplies & Materials	22,201	4,715	23,145	3,619	23,145	-
6400 - Other Operating Costs	8,299	7,651	7,355	5,224	7,195	(160)
Total EXPENDITURES:	177,894	111,058	179,830	63,143	186,428	6,598
Performance Ratio:	96%	107%	95%	155%	78%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Special Education

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	30,000	42,738	30,000	6,615	30,000	-
Revenues before Taxes:	30,000	42,738	30,000	6,615	30,000	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	11,598	-	12,073	7,870	52,639	40,566
Total REVENUES:	41,598	42,738	42,073	14,485	82,639	40,566
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	29,022	26,870	29,497	12,832	70,083	40,586
6200 - Contracted Services	11,074	8,900	11,120	800	8,375	(2,745)
6300 - Supplies & Materials	2,232	1,891	1,106	956	1,477	371
6400 - Other Operating Costs	3,070	2,474	350	316	2,704	2,354
Total EXPENDITURES:	45,398	40,134	42,073	14,904	82,639	40,566
Performance Ratio:	66%	106%	71%	44%	36%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Purchasing Support Services

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	-	3,563	-	3,423	-	-
Revenues before Taxes:	-	3,563	-	3,423	-	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	520,039	393,715	534,793	306,735	529,674	(5,119)
Total REVENUES:	520,039	397,278	534,793	310,158	529,674	(5,119)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	446,736	350,911	461,265	287,066	455,773	(5,492)
6200 - Contracted Services	19,400	8,547	21,800	21,975	21,800	-
6300 - Supplies & Materials	27,646	21,154	17,500	7,540	17,500	-
6400 - Other Operating Costs	21,154	9,106	25,100	9,894	25,100	-
Expenditures before Facilities Charges:	514,936	389,719	525,665	326,475	520,173	(5,492)
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	8,903	7,559	9,128	4,860	9,501	373
Total EXPENDITURES:	523,839	397,278	534,793	331,335	529,674	(5,119)
Performance Ratio:	0%	1%	0%	1%	0%	0%

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

QZAB & Maint Tax Notes FD

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	Difference <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5740 - Local Revenue-Other	-	302	-	706	-	-
Total REVENUES:	-	302	-	706	-	-
EXPENDITURES						
EXPENDITURES before Facilities						
38600 - Capital Assets	-	-	-	-	-	-
Total EXPENDITURES:	-	-	-	-	-	-
Performance Ratio:	0%	0%	0%	0%	0%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Research & Evaluation Institute

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	47,842	39,708	46,642	-	-	(46,642)
Revenues before Taxes:	<u>47,842</u>	<u>39,708</u>	<u>46,642</u>	<u>-</u>	<u>-</u>	<u>(46,642)</u>
REVENUES - Tax Revenues						
5710 - Local Property Taxes	437,570	406,090	532,801	309,704	566,028	33,227
Total REVENUES:	<u>485,412</u>	<u>445,798</u>	<u>579,443</u>	<u>309,704</u>	<u>566,028</u>	<u>(13,415)</u>
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	447,863	412,932	489,102	298,192	495,162	6,060
6200 - Contracted Services	632	638	34,993	266	10,000	(24,993)
6300 - Supplies & Materials	13,715	12,513	25,780	13,054	25,600	(180)
6400 - Other Operating Costs	315	284	6,105	1,636	10,844	4,739
Expenditures before Facilities Charges:	<u>462,525</u>	<u>426,367</u>	<u>555,980</u>	<u>313,148</u>	<u>541,606</u>	<u>(14,374)</u>
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	22,887	19,430	23,463	12,492	24,422	959
Total EXPENDITURES:	<u>485,412</u>	<u>445,798</u>	<u>579,443</u>	<u>325,639</u>	<u>566,028</u>	<u>(13,415)</u>
Performance Ratio:	10%	9%	8%	0%	0%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Texas Center for Grants Development

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	-	2,610	1,500	1,490	-	(1,500)
Revenues before Taxes:	-	2,610	1,500	1,490	-	(1,500)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	562,607	511,332	564,138	357,935	581,163	17,025
Total REVENUES:	562,607	513,942	565,638	359,425	581,163	15,525
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	475,706	466,692	485,381	339,369	501,604	16,223
6200 - Contracted Services	7,371	3,615	4,771	1,423	5,400	629
6300 - Supplies & Materials	21,082	9,156	23,096	15,722	20,953	(2,143)
6400 - Other Operating Costs	18,610	7,714	20,210	5,785	19,710	(500)
Expenditures before Facilities Charges:	522,769	487,177	533,458	362,299	547,667	14,209
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	39,838	26,650	32,180	17,133	33,496	1,316
Total EXPENDITURES:	562,607	513,827	565,638	379,431	581,163	15,525
Performance Ratio:	0%	1%	0.3%	0.4%	0%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Retirement Leave Benefits Fund

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5740 - Local Revenue-Other	-	411	-	1,234	-	-
Revenues before Taxes:	-	411	-	1,234	-	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	150,000	150,000	200,000	265,544	100,000	(100,000)
Total REVENUES:	150,000	150,411	200,000	266,777	100,000	(100,000)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	300,000	288,606	200,000	266,777	100,000	(100,000)
Total EXPENDITURES:	300,000	288,606	200,000	266,777	100,000	(100,000)
Performance Ratio:	0%	0.1%	0%	0.5%	0%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Scholastic Arts

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5730 - Local Rev-Other Entities	8,000	26,155	8,000	32,850	10,000	2,000
5740 - Local Revenue-Other	6,000	545	6,000	-	6,000	-
	14,000	26,700	14,000	32,850	16,000	2,000
Revenues before Taxes:						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	89,871	60,816	103,035	25,374	91,979	(11,056)
Total REVENUES:	103,871	87,516	117,035	58,224	107,979	(9,056)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	51,234	51,496	65,263	39,085	54,981	(10,282)
6200 - Contracted Services	11,760	7,252	10,500	5,156	12,000	1,500
6300 - Supplies & Materials	3,960	3,383	3,660	3,102	3,660	-
6400 - Other Operating Costs	31,530	20,812	32,090	6,250	31,590	(500)
Expenditures before Facilities Charges:	98,484	82,942	111,513	53,593	102,231	(9,282)
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	5,387	4,573	5,522	2,940	5,748	226
Total EXPENDITURES:	103,871	87,516	117,035	56,533	107,979	(9,056)
Performance Ratio:	14%	32%	13%	61%	16%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Academic and Behavior School East

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	Difference <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	2,514,200	2,573,100	2,687,500	2,523,500	2,951,100	263,600
5740 - Local Revenue-Other	2,500	2,862	-	3,979	-	-
Revenues before Taxes:	2,516,700	2,575,962	2,687,500	2,527,479	2,951,100	263,600
REVENUES - Tax Revenues						
5710 - Local Property Taxes	919,203	510,041	907,896	-	865,123	(42,773)
Total REVENUES:	3,435,903	3,086,003	3,595,396	2,527,479	3,816,223	220,827
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	2,648,463	2,467,828	2,865,883	1,902,354	3,154,032	288,149
6200 - Contracted Services	112,556	94,250	135,850	60,281	139,400	3,550
6300 - Supplies & Materials	205,952	127,798	119,596	34,424	46,935	(72,661)
6400 - Other Operating Costs	41,944	32,621	35,119	15,866	18,965	(16,154)
Expenditures before Facilities Charges:	3,008,915	2,722,496	3,156,448	2,012,925	3,359,332	202,884
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	428,168	363,507	438,948	233,695	456,891	17,943
Total EXPENDITURES:	3,437,083	3,086,003	3,595,396	2,246,621	3,816,223	220,827
Performance Ratio:	84%	95%	85%	126%	88%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Academic and Behavior School West

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	2,177,700	2,188,101	2,087,600	2,010,756	2,498,000	410,400
5740 - Local Revenue-Other	1,676	1,766	-	1,853	2,000	2,000
Revenues before Taxes:	2,179,376	2,189,866	2,087,600	2,012,608	2,500,000	412,400
REVENUES - Tax Revenues						
5710 - Local Property Taxes	1,158,471	537,854	1,049,516	-	1,024,816	(24,700)
Total REVENUES:	3,337,847	2,727,720	3,137,116	2,012,608	3,524,816	387,700
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	2,611,030	2,174,909	2,779,188	1,684,671	3,147,265	368,077
6200 - Contracted Services	135,285	121,715	82,012	50,908	83,900	1,888
6300 - Supplies & Materials	344,116	220,553	30,437	24,001	41,600	11,163
6400 - Other Operating Costs	36,935	30,457	28,018	17,311	25,700	(2,318)
Expenditures before Facilities Charges:	3,127,366	2,547,633	2,919,655	1,776,891	3,298,465	378,810
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	212,121	180,087	217,461	115,776	226,351	8,890
Total EXPENDITURES:	3,339,487	2,727,720	3,137,116	1,892,667	3,524,816	387,700
Performance Ratio:	70%	86%	72%	113%	76%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Highpoint East School

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	2,081,800	1,879,520	1,793,900	1,768,745	2,112,700	318,800
Revenues before Taxes:	2,081,800	1,879,520	1,793,900	1,768,745	2,112,700	318,800
REVENUES - Tax Revenues						
5710 - Local Property Taxes	560,811	578,243	994,438	-	1,015,080	20,642
Total REVENUES:	2,642,611	2,457,763	2,788,338	1,768,745	3,127,780	339,442
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	1,854,307	1,803,689	1,964,865	1,384,998	2,271,138	306,273
6200 - Contracted Services	172,560	134,679	191,300	99,839	177,100	(14,200)
6300 - Supplies & Materials	49,310	38,238	44,130	32,138	70,500	26,370
6400 - Other Operating Costs	14,740	11,793	21,270	3,817	19,100	(2,170)
Expenditures before Facilities Charges:	2,090,917	1,988,400	2,221,565	1,520,792	2,537,838	316,273
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	552,854	469,363	566,773	301,749	589,942	23,169
Total EXPENDITURES:	2,643,771	2,457,763	2,788,338	1,822,541	3,127,780	339,442
Performance Ratio:	99.6%	95%	81%	116%	83%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Highpoint North School

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	1,769,300	1,204,110	117,200	439,015	396,325	279,125
5740 - Local Revenue-Other	-	-	300,000	-	-	(300,000)
Revenues before Taxes:	<u>1,769,300</u>	<u>1,204,110</u>	<u>417,200</u>	<u>439,015</u>	<u>396,325</u>	<u>(20,875)</u>
REVENUES - Tax Revenues						
5710 - Local Property Taxes	373,257	866,517	1,073,961	443,680	452,306	(621,655)
Total REVENUES:	<u>2,142,557</u>	<u>2,070,627</u>	<u>1,491,161</u>	<u>882,695</u>	<u>848,631</u>	<u>(642,530)</u>
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	1,698,327	1,720,259	1,116,721	752,131	508,727	(607,994)
6200 - Contracted Services	181,150	139,228	106,233	46,982	88,500	(17,733)
6300 - Supplies & Materials	50,350	34,001	60,762	19,991	38,940	(21,822)
6400 - Other Operating Costs	24,777	18,165	12,478	1,452	11,650	(828)
6600 - Capital Assets	2,000	-	3,000	-	1,000	(2,000)
Expenditures before Facilities Charges:	<u>1,956,604</u>	<u>1,911,653</u>	<u>1,299,194</u>	<u>820,556</u>	<u>648,817</u>	<u>(650,377)</u>
EXPENDITURES - Facilities						
6487 - Facilities Supprtg Charges	187,253	158,974	191,967	102,203	199,814	7,847
Total EXPENDITURES:	<u>2,143,857</u>	<u>2,070,627</u>	<u>1,491,161</u>	<u>922,759</u>	<u>848,631</u>	<u>(642,530)</u>
Performance Ratio:	90%	63%	32%	54%	61%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Special Schools Administration

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	9,000	-	1,000	-	1,000	-
Revenues before Taxes:	9,000	-	1,000	-	1,000	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	517,338	448,932	514,978	298,916	532,877	17,899
Total REVENUES:	526,338	448,932	515,978	298,916	533,877	17,899
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	380,517	346,385	372,593	260,720	389,594	17,001
6200 - Contracted Services	33,710	25,717	35,200	6,256	32,200	(3,000)
6300 - Supplies & Materials	48,750	30,762	51,100	26,000	55,100	4,000
6400 - Other Operating Costs	41,700	27,861	35,100	12,629	34,100	(1,000)
Expenditures before Facilities Charges:	504,677	430,726	493,993	305,605	510,994	17,001
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	28,171	18,206	21,985	11,705	22,883	898
Total EXPENDITURES:	532,848	448,932	515,978	317,310	533,877	17,899
Performance Ratio:	2%	0%	0.2%	0%	0.2%	0.2%

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Superintendent's Office

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5610 - Other Sources	-	-	-	-	-	-
Revenues before Taxes:						
	-	-	-	-	-	-
REVENUES - Tax Revenues						
5710 - Local Property Taxes	469,776	429,179	385,434	251,480	403,468	18,034
Total REVENUES:	469,776	429,179	385,434	251,480	403,468	18,034
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	396,811	321,409	312,650	233,455	324,959	12,309
6200 - Contracted Services	62,500	65,732	9,000	6,915	9,000	-
6300 - Supplies & Materials	16,176	13,216	11,536	2,502	9,600	(1,936)
6400 - Other Operating Costs	22,975	14,123	34,498	12,384	41,434	6,936
Expenditures before Facilities Charges:	498,462	414,480	367,684	255,256	384,993	17,309
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	17,314	14,699	17,750	9,450	18,475	725
Total EXPENDITURES:	515,776	429,179	385,434	264,706	403,468	18,034
Performance Ratio:	0%	0%	0%	0%	0%	0%

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

State TEA Employee Portion Health Ins

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015 Amended Budget</u>	<u>2014-2015 Actual Revenues</u>	<u>2015-2016 Amended Budget</u>	<u>2015-2016 Actual Revenues*</u>	<u>2016-2017 Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5830 - Revenue-Other Tx Agencies	588,000	544,677	450,000	402,337	500,000	50,000
Total REVENUES:	588,000	544,677	450,000	402,337	500,000	50,000
EXPENDITURES						
EXPENDITURES before Facilities						
58100 - Payroll Expenditures	588,000	525,687	450,000	378,497	500,000	50,000
Total EXPENDITURES:	588,000	525,687	450,000	378,497	500,000	50,000
Performance Ratio:	100%	104%	100%	106%	100%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

State TRS On Behalf Payments

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	Difference <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5830 - Revenue-Other Tx Agencies	1,750,000	2,099,190	2,150,000	-	2,113,000	(37,000)
Total REVENUES:	<u>1,750,000</u>	<u>2,099,190</u>	<u>2,150,000</u>	<u>-</u>	<u>2,113,000</u>	<u>(37,000)</u>
EXPENDITURES						
EXPENDITURES before Facilities						
58100 - Payroll Expenditures	1,750,000	2,099,190	2,150,000	-	2,113,000	(37,000)
Total EXPENDITURES:	<u>1,750,000</u>	<u>2,099,190</u>	<u>2,150,000</u>	<u>-</u>	<u>2,113,000</u>	<u>(37,000)</u>
Performance Ratio:	100%	100%	100%	0%	100%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Chief Information Officer

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015 Amended Budget</u>	<u>2014-2015 Actual Revenues</u>	<u>2015-2016 Amended Budget</u>	<u>2015-2016 Actual Revenues*</u>	<u>2016-2017 Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Tax Revenues						
5710 - Local Property Taxes	188,326	170,214	190,256	115,580	195,226	4,970
Total REVENUES:	188,326	170,214	190,256	115,580	195,226	4,970
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	164,579	164,552	168,717	118,818	173,134	4,417
6200 - Contracted Services	3,000	912	3,000	532	1,500	(1,500)
6300 - Supplies & Materials	5,000	-	3,500	-	6,000	2,500
6400 - Other Operating Costs	12,100	1,655	11,300	1,340	10,700	(600)
Expenditures before Facilities Charges:	184,679	167,118	186,517	120,689	191,334	4,817
EXPENDITURES - Facilities						
6487 - Facilities Support Charges	3,647	3,096	3,739	1,991	3,892	153
Total EXPENDITURES:	188,326	170,214	190,256	122,680	195,226	4,970

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

Technology Support Services

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 Amended Budget	2014-2015 Actual Revenues	2015-2016 Amended Budget	2015-2016 Actual Revenues*	2016-2017 Recommended Budget	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	164,100	26,200	93,220	21,000	31,600	(61,620)
5740 - Local Revenue-Other	-	84	-	-	-	-
5890 - State Rev-Shared Services	-	26,503	27,320	12,466	16,802	(10,518)
5910 - Federal Rev-Other Agencies	-	13,355	-	-	-	-
5990 - Fed Rev - Indirect Costs	513,133	911,753	809,052	434,387	653,436	(155,616)
Revenues before Taxes:	677,233	977,895	929,592	467,853	701,838	(227,754)
REVENUES - Tax Revenues						
5710 - Local Property Taxes	3,409,912	2,858,133	2,837,451	2,094,532	2,322,019	(515,432)
Total REVENUES:	4,087,145	3,836,028	3,767,043	2,562,385	3,023,857	(743,186)
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	2,000,331	1,850,258	1,862,809	1,270,938	1,800,050	(62,759)
6200 - Contracted Services	684,600	431,996	736,500	320,109	496,000	(240,500)
6300 - Supplies & Materials	776,275	692,360	766,474	475,739	584,700	(181,774)
6400 - Other Operating Costs	100,264	87,448	93,850	54,076	69,950	(23,900)
6600 - Capital Assets	963,769	715,762	508,644	547,917	-	(508,644)
Expenditures before Facilities Charges:	4,525,239	3,777,824	3,968,277	2,668,779	2,950,700	(1,017,577)
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	155,379	58,204	70,284	37,419	73,157	2,873
Total EXPENDITURES:	4,680,618	3,836,028	4,038,561	2,706,198	3,023,857	(1,014,704)
Performance Ratio:	15%	26%	23%	18%	24%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

School Based Therapy Services

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	Difference <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5720 - Local Rev-Schl Districts	8,486,638	8,151,024	9,391,888	7,032,318	9,555,482	163,594
5740 - Local Revenue-Other	-	105	-	-	-	-
Revenues before Taxes:	8,486,638	8,151,129	9,391,888	7,032,318	9,555,482	163,594
REVENUES - Tax Revenues						
5710 - Local Property Taxes	295,601	407,718	642,914	67,424	1,432,495	789,581
Total REVENUES:	8,782,239	8,558,847	10,034,802	7,099,742	10,987,977	953,175
EXPENDITURES						
EXPENDITURES before Facilities						
6100 - Payroll Expenditures	8,349,470	8,294,423	9,583,909	6,475,970	10,392,284	808,375
6200 - Contracted Services	46,450	25,268	43,400	24,838	43,400	-
6300 - Supplies & Materials	104,500	63,706	104,500	53,638	108,300	3,800
6400 - Other Operating Costs	217,188	117,395	232,890	88,743	371,025	138,135
Expenditures before Facilities Charges:	8,717,608	8,500,793	9,964,699	6,643,189	10,915,009	950,310
EXPENDITURES - Facilities						
6487 - Facilities Supprt Charges	68,381	58,054	70,103	37,323	72,968	2,865
Total EXPENDITURES:	8,785,989	8,558,847	10,034,802	6,680,512	10,987,977	953,175
Performance Ratio:	97%	96%	94%	106%	88%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

State TEA Supplemental Compensation

Budget Trend Analysis for Fiscal Year 2016-2017
 Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	<u>Difference FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5810 - Revenue-Other Tx Agencies	320,000	274,102	300,000	198,167	300,000	-
Total REVENUES:	320,000	274,102	300,000	198,167	300,000	-

*Actual Revenues & Expenditures as of 5/24/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

ISF - Workers Compensation

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	<u>2014-2015</u> <u>Amended</u> <u>Budget</u>	<u>2014-2015</u> <u>Actual</u> <u>Revenues</u>	<u>2015-2016</u> <u>Amended</u> <u>Budget</u>	<u>2015-2016</u> <u>Actual</u> <u>Revenues*</u>	<u>2016-2017</u> <u>Recommended</u> <u>Budget</u>	<u>Difference</u> <u>FY16 & FY17</u>
REVENUES						
REVENUES - Local, State, and Federal						
5750 - Revenue-Workers Comp Contribution	464,082	424,394	464,082	294,219	464,082	-
Total REVENUES:	464,082	424,394	464,082	294,219	464,082	-
EXPENDITURES						
EXPENDITURES before Facilities						
55200 - Contracted Services	60,469	40,296	60,469	37,866	60,469	-
6400 - Other Operating Costs	403,613	326,241	403,613	121,679	403,613	-
Total EXPENDITURES:	464,082	366,537	464,082	159,545	464,082	-
Performance Ratio:	100%	116%	100%	184%	100%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/24/2016

HARRIS COUNTY DEPARTMENT OF EDUCATION

FAC- Support Services

Budget Trend Analysis for Fiscal Year 2016-2017
Funds beginning with: 1, 7

	2014-2015 <u>Amended Budget</u>	2014-2015 <u>Actual Revenues</u>	2015-2016 <u>Amended Budget</u>	2015-2016 <u>Actual Revenues*</u>	2016-2017 <u>Recommended Budget</u>	Difference FY16 & FY17
REVENUES						
REVENUES - Local, State, and Federal						
5790 - Local Rev-Local Grants	4,802,112	3,987,555	4,889,629	2,683,809	4,967,276	77,647
Total REVENUES:	4,802,112	3,987,555	4,889,629	2,683,809	4,967,276	77,647
EXPENDITURES						
EXPENDITURES before Facilities						
5000 - Payroll Expenditures	2,065,742	1,810,617	2,091,251	1,280,564	2,136,948	45,697
6200 - Contracted Services	1,546,050	1,195,545	1,634,825	788,128	1,642,800	7,975
6300 - Supplies & Materials	370,269	268,113	367,240	201,390	366,565	(675)
6400 - Other Operating Costs	656,663	585,776	700,513	557,167	720,263	19,750
6600 - Capital Assets	148,926	127,504	91,800	16,260	100,700	8,900
Total EXPENDITURES:	4,787,650	3,987,555	4,885,629	2,843,509	4,967,276	81,647
Performance Ratio:	100.3%	100%	100.1%	94%	100%	

NOTE: Performance Ratio is calculated by dividing the revenue before taxes by the total expenditures excluding facilities charges.

*Actual Revenues & Expenditures as of 5/17/2016



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Harris County Department of Education

Glossary of Financial Terms

AB School -Adaptive and Behavior School

Account Code – This is the second part of the Pentamation Account Code. It is an eight digit numerical sequence consisting of the 4-digit object code and 4-digit sub-object code used to accounting purposes. Follows the Budget Code. See **Object Code** and **Sub-object Code**.

Account Number (Budget Number) – Consists of the **Budget Code** and the **Account Code**; the numerical sequence necessary to reflect budget operations and conditions, such as estimate revenues, appropriations, and encumbrances, the net balance, and other related information.

Accounting Period – A period at the end of which and for which financial statements are prepared; for example, September 1 through August 31.

Accrual Basis – Accrual accounting attempts to records the financial effects on an enterprise of transactions and other events and circumstances that have cash consequences for an enterprise in the periods in which those transactions, events, and circumstances occur rather than only in the periods in which cash is received or paid by the enterprise. Accrual accounting is concerned with the process by which cash expended on resources and activities is returned as more (or perhaps less) cash to the enterprise, not just with the beginning and end of that process. It recognizes that the buying, producing, selling, and other operations of an enterprise during a period, as well as other events that affect enterprise performance, often do not coincide with the cash receipts and payments of the period.

Adopted Tax Rate – The total adopted rate is composed of a maintenance and operation rate (M&O) and a debt service rate (sometimes referred to as the Interest and Sinking, or I&S, rate). Rates are expressed per \$100 of taxable value.

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.

Appraisal – (1) The act of appraising; (2) The estimated value resulting from such action.

Appraise – To make an estimate of value, particularly of the value of property. Note: if the property is valued for purpose of taxation, the less-inclusive term “assess” is usually used.

Appropriation – Budget dollars that have been set aside for a particular expenditure.

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.

Arbitrage – In the context of government finance, the reinvestment of the proceeds of tax-exempt securities in materially higher-yielding taxable securities.

Assess – To value property officially for the purpose of taxation. Note: the term is also sometimes used to denote the levy of taxes, but such usage is not correct because it fails to distinguish between the valuation process and the tax levy process.

Assessed Valuation – A valuation set upon real estate or other property by a government as a basis for levying taxes.

Assets/Personal Property – Property (fixed assets or capital assets) that is generally portable and owned by an entity (sometimes leased); which has a monetary value.

Assets/Real Property – Real estate or other property owned by an entity; which has a monetary value.

Balanced Budget – A budget with total expenditures not exceeding total revenues and monies available in the fund balance within an individual fund.

Bill – A term used to denote a law or statute passed by certain legislative bodies. A bill has greater legal formality and standing than a resolution.

Board of Education – The elected or appointed body that has been created according to State law and vested with responsibilities for educational activities in a given geographical area. These bodies are sometimes called school boards, governing boards, school trustees, etc.

Bond – A written promise, generally under seal, 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. The difference between a note and a bond is that the latter usually runs for a longer period of time and requires greater legal formality.

Bonded Debt – The part of debt which is covered by outstanding bonds. Sometimes called “Bonded Indebtedness.”

Bonds Issued – Bonds sold.

Bonds Payable – The face value of bonds issued and unpaid.

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 Code – This is the first part of the Pentamation Account Code. It is fourteen digit numerical sequence consisting of the 3-digit fund code, 1-digit year code, 2-digit function code, 3-digit location code, 2-digit program code, and the 3-digit budget manager code, used to accounting purposes; precedes the **Account Code**. See **Fund Code**, **Function Code**, **Location Code**, **Program Code**, and **Budget Manager Code**.

Budget Manager Code – Denotes a program, purpose, or division applicable to the revenue or expenditure; part of the **Budget Code**: XXX-X-XX-XXX-XX-XXX.

CAFR-Comprehensive Annual Financial Report

Capital Asset – Same as **Fixed Asset**. Usually depreciated in governmental accounting

Capital Budget – A plan of proposed capital outlays and the means of financing them for the fiscal period. It is usually a part of the current budget. A capital program is sometimes referred to as a capital budget.

Capital Outlay – Expenditures which result in the acquisition of or addition to fixed assets. A fixed asset is defined as a tangible item whose expected useful life is over one year and whose value is more than \$1,000

and less than \$5,000 per item. It is not depreciated. A capital asset is defined as a tangible item (fixed asset) whose expected useful life is over one year and whose value exceeds \$5,000 per item. It is depreciated if applicable.

Capital Expenditure – charges for the acquisition at the delivered price including transportation, costs of equipment, land, buildings, or improvements of land or buildings, fixtures and other permanent improvements of land or buildings, fixtures, and other permanent improvements with a value in excess of \$5,000 and a useful life expectancy of greater than 1 year.

Capital Project – A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long term work program. It sets forth each project or other contemplated expenditure in which the local education agency is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

CASE – Cooperative for After School Enrichment – A division of Harris County Department of Education formed in 1999, to mobilize the community to work together to ensure that every child in Harris County has access to an after-school program.

CDA – A HCDE investment policy that covers all financial assets under the direct control of the Department. Transactions involving the purchase, sale, and maintenance of all Department financial investments are included within the jurisdiction of this policy.

CH – A HCDE policy in which the Board delegates to the Superintendent or the Superintendent's designee the authority to determine the method of purchasing, in accordance with CH(LEGAL), and to make budgeted purchases. However, any purchase that costs or aggregates to a cost of \$50,000 or more shall require Board approval before a transaction is culminated.

Community Services – Those services, which are provided for the community as a whole, or some segment of the community and the activities are other than regular public education and adult basic education services.

Consultant – A resource person who provides assistance to the regular personnel through conference, demonstration, research, or other means.

Contracted Services – Labor, material, and other costs for services rendered by personnel who are not on the payroll of the local education agency.

CSSS-Center for Safe and Secure Schools

Current – As used in this manual, the term has reference 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.

Debt – An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of local education agencies include bonds, warrants, and notes, etc.

Debt Service Fund – A fund used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on all bonds.

Deficit – The excess of the expenditures of a fund over the fund’s resources.

Delinquent Taxes – Taxes remaining unpaid on and after the date on which they become delinquent by statute.

Depreciate/Depreciation – [Verb] to consider something as having less value each year over a fixed period, for the calculation of income tax; [Noun] the amount or percentage by which something decreases in value over time, usually one year.

Designated Fund Balance – Management’s intended use of available expendable financial resources in governmental funds reflecting actual plans approved by the Education Board.

Direct Debt – Debt that is to be repaid by the reporting government itself rather than by an overlapping or underlying government.

EFT – Electronic Funds Transfer – Electronic payments and collections.

Effective Tax Rate – tax rate would impose the same total taxes as last year if you compare properties taxed in both years

Encumbrance – Commitments related to unperformed contracts for goods or services.

Enterprise Fund – Proprietary fund type used to report an activity for which a fee is charged to external users for goods and services.

FASRG – Financial Accountability System Resource Guide – Describes the rules for financial accounting for Charter Schools, Education Service Centers and School Districts. Texas Administrative Code (TAC) §109.41.

Fiduciary Funds – A category of 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 includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Final Amended Budget – Term used in connection with budgetary reporting. The original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

Financial Resources – Resources that are or will become available for spending.

Fiscal Year (FY) – A twelve-month period of time to which the annual budget applies and at the end of which the entity determines its financial position and the results of its operations.

Fixed Asset – A permanently owned thing; an asset of a business that is central to its operation and is not traded. Usually not depreciated in governmental accounting.

Food Service – Function 35; those activities that have as their purpose the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities.

Full-time Equivalent (FTE) – is a ratio that represents the number of hours that an employee works compared to 40 hours.

Function Code – As applied to expenditures, this term has reference to an activity or service aimed at accomplishing a certain purpose; for example, Instruction, Administration, etc.; part of the **Budget Code**: XXX-X-XX-XXX-XX-XXX.

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 in them.

Fund Code – 3-digit code assigned to accounts for funds with separate purposes; part of the **Budget Code**: XXX-X-XX-XXX-XX-XXX.

Fund Balance – The difference between assets and liabilities reported in a governmental fund.

Fund Balance:

Assigned – Amounts constrained by the state's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. Intent should be expressed by: the Texas Legislature, or a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – represents fund balance that has not been assigned to other funds and has not been restricted, committed or assigned to specific purposes within the general fund

Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Texas Legislature)

Restricted – constraints placed on the use of resources are either: Externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Non-Spendable – classification includes amounts that cannot be spent because they are either: Not in spendable form, or legally or contractually required to be maintained intact.

GASB – Governmental Accounting Standards Board – An independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments.

General Fund – A fund used to finance the ordinary operations of the local education agency. It is available for a legally authorized purpose and consists of money not specifically designated for some other particular purpose.

GFOA – Government Finance Officers Association – An association that educates professionals about financial policy, best practices, education, training, networking, and leadership.

Governmental Funds – A generic classification used by the GASB to refer to all funds other than proprietary and fiduciary funds. The General Fund, special revenue funds, capital projects funds, debt service funds, and permanent funds are the types of funds referred to as *governmental funds*.

Grant – A contribution, either money or material goods, made by an outside entity or a governmental unit to another unit and for which the contributing unit expects no repayment. Grants may be for specific or general purposes.

HCAD – Harris County Appraisal District – Establishes the appraisal value of property within Harris County. This is done to allocate taxes fairly among all taxpayers.

HCDE-Harris County Department of Education

HCOEM – Harris County Office of Emergency Management – Helps prepare the residents and property of Harris County for disasters with training, education, and preparedness.

HCTO – Harris County Tax Office – Manages automobile registration, titling, property tax services, and voter registration for Harris County.

Internal Service Funds – Proprietary fund type that may be used to report any activities 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.

I & S Tax – Interest and sinking is a term that is used interchangeably with debt service fund in discussing the components of the tax rate.

IGR – Internal Grant Resources – A program in HCDE’s Resource Development Division.

IRB – Institutional Review Board – A committee designated to review, monitor, and approve research involving humans.

ISS-Instructional Support Services

ITB – Invitation to Bid – A request made by a purchaser to prospective suppliers for their competitive price quotations on goods or services.

Location Code – Denotes the physical address of the revenue or expenditure; part of the **Budget Code**: XXX-X-XX-XXX-XX-XXX.

Levy – [Verb] To impose taxes or special assessments. [Noun] The total of taxes or special assessments imposed by a governmental unit.

Major Fund – Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to separate opinion in the independent auditor’s report,

M & O Tax – Maintenance and operations is a term that is used interchangeably with general fund in discussing the components of the tax rate.

Modified Accrual Basis - Under the modified accrual basis of accounting, required for use by governmental funds, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

Nominal Rate – the rate that appears on the tax bills

Object Code – As applied to expenditures, this term has reference to an article or services received; for example, payroll costs, or purchased and contracted services; part of the **Account Code**: XXXX-XXXX.

Other Resources – An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends.

Other Uses – A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends.

PAFR-Popular Annual Financial Report

Pentamation Account Code – The Pentamation Account Code is divided into two codes: The Budget Code (14 digit numerical sequence) and the Account Code (an 8 digit numerical sequence) These are both further described in this glossary.

Principal of Bonds – The face value of bonds.

Professional Staff – This is a full time equivalent count of teachers, professional support staff, campus administrators, and central administrators.

Program Code – The definition of an effort to accomplish a specific objective or objectives consistent with funds or resources available; part of the **Budget Code**: XXX-X-XX-XXX-XX-XXX.

Proprietary Fund - Sometimes referred to as *income-determination, business-like, or commercial-type* fund of state or local government. Examples are enterprise funds and internal service funds.

PFC – stands for Public Facility Corporation

QZAB – Qualified Zone Academy Bonds – A Federal Grant Program that provides funding for schools to renovate building and developing curricular.

Refunding – The issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time.

Reimbursement – Cash or other assets received as a repayment of the cost of work or services performed, or of other expenditures made for or on behalf of another governmental unit or department, or for an individual, firm, or corporation.

Reserve – An amount set aside for a specified purpose, or an account which records a portion of the fund balance that is to be segregated for some future use and, therefore, is not available for further appropriation and expenditure.

Rollback Rate – tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures

Sinking Fund – See Debt Service Fund

Special Education – This refers to the population served by programs for students with disabilities.

Special Revenue Fund – A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specific purposes.

Sub-object Code – A subdivision within an expenditure object classification.

TASB – Texas Association of School Boards – A nonprofit statewide educational association that serves and represents local Texas school districts.

TEA – Texas Education Agency.

TMS-Travel Management System

TRS – The **T**eacher **R**etirement **S**ystem of Texas is a public employee retirement system that is a multiple employer defined benefit pension plan. Based on salary and wages, for FY 2005-06 State law provides for a

- State or Federal grant contribution rate of 6.8% and a
- member contribution rate of 6.7% for TRS retirement and 0.65% for TRS active care, and
- reporting entity contribution of 0.55%.

Tax Rate Components – See I & S Tax (Interest and sinking) **M & O** (Maintenance and Operations) **Tax**.

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

TxVSN-Texas Virtual School Network

Unreserved and Undesignated Fund Balance – Available expendable financial resources in a governmental fund that are not the object of tentative management plans.

WMS-Workshop Management System



It is the policy of Harris County Department of Education not to discriminate on the basis of race, color, national origin, gender, limited English proficiency, or handicapping condition(s) in its programs.

