



Financial Transparency

To: Members of the Senate and House Education Committees

From: Financial Policies and Procedures Advisory Committee Members

Date: January 28, 2015

RE: Financial Transparency Requirements of House Bill 14-1292

Senators and Representatives:

The Financial Policies and Procedures Advisory Committee of the Colorado Department of Education (CDE) is committed to transparency and supporting the statutory requirements put forth in House Bill 14-1292. The committee has been working diligently on the implementation of the transparency requirements which will require school districts to post school level financial data on district websites. This data will then be compiled by a vendor contracted by CDE to allow comparisons of financial data between districts, schools within districts, and/or schools across districts.

As the committee has progressed in the work, it has been reviewing the most efficient ways for districts to prepare and post this information while being thoughtful of the impacts on individual districts, especially small districts with limited staff. After studying this issue, we would like to propose an adjustment to the legislation that will help districts prepare this information more efficiently.

Under the current law, districts will post the information on their websites, and the vendor will obtain or "scrape" the information from individual district websites. The committee proposes that to gain efficiencies, districts should submit this information to the Colorado Department of Education through the existing data pipeline financial submissions, and allow the department to submit consolidated information to the contracted vendor.

The benefits of allowing the department to collect the data from the districts and submit it to the vendor are as follows:

- Efficiency would be gained for the vendor to receive audited, validated data from one source instead of from over 178 separate websites.
- The use of the existing financial submission processes would ensure consistent data through a single submission, instead of potentially posting additional information that may be out of sync from the annual submission.
- Small districts with limited staff would continue to have only one submission.
- Data quality would be ensured since the department collects and validates audited financial information and this would be submitted to the vendor.
- Data security would be enhanced since the vendor would not be accessing each district's website in order to obtain the information.
- Multiple vendors familiar with current legislation have inquired about the possibility of the department submitting data on the behalf of districts to meet the requirements of House Bill 14-1292.

The committee also supports the use of a portion of the existing \$3.0 million appropriation to be used by CDE by to provide the technical assistance and expanded data collection to the school level. Current data submissions do not require school level data. The efficiencies gained by the vendor should accommodate this use of funds.

The committee is looking forward to working with the House and Senate Education Committees to adjust the statutory language to provide a more efficient, cost-effective and less burdensome method of complying with the transparency requirements of House Bill 14-1292.

Financial Policies and Procedures Advisory Committee: §22-44-105 (4)(a) C.R.S.

The Financial Policies and Procedures Advisory Committee is comprised of 24 voting members, representing all sizes and geographic locations of districts across the state. Members maintain professional skills for the interest and functions of the committee. There are four scheduled meetings per year, and subcommittee meetings may be scheduled with representation from the advisory committee. All school districts, BOCES, charter schools and the Charter School Institute are encouraged to attend FPP meetings.

CURRENT FPP MEMBERS	DISTRICT/ORGANIZATION
Tracy John (formerly with Peyton 23JT)*	Academy 20
Gina Lanier*	Adams 12
Theresa Larson	Adams-Arapahoe 28J
Janell Wood	Archuleta County 50JT
Amy Lyons	Bayfield 10JTR
Terry Buswell*	Centennial BOCES
Kristine Githara*	Cherry Creek 5
Stephen Clawson*	Denver 1
Fran Christensen	Falcon 49
Michael Thomas	Fowler R-4J
Christy Hamrick	Garfield Re-2
Kathleen Askelson*	Jefferson County R-1

CURRENT FPP MEMBERS	DISTRICT/ORGANIZATION
Donna Villamor*	Littleton 6
Shae Martinez	Mapleton Public Schools
Cara Golden	Mesa County Valley 51
Karin Slater	Montrose RE-1J
Chloe Flam	Northwest Colorado BOCES
Dave Montoya	Poudre R-1
Anthony Whiteley	St. Vrain Valley
Velva Addington	Swink 33
Kurt Shugars	Telluride R-1
Deb County	Valley Re-1
Brenda Johnson	Weld Re-8
Terry Kimber*	Widefield 3

*In addition to the above members of the FPP committee, the following individuals also participated on the sub-committee for HB14-1292 implementation.

HB14-1292 SUB-COMMITTEE MEMBERS	DISTRICT/ORGANIZATION
Jana Schleusner/Scott Smith	Douglas County RE1
Joanne Vergunst	Fountain 8

HB14-1292 SUB-COMMITTEE MEMBERS	DISTRICT/ORGANIZATION
Molly Janzen	Poudre R-1
Jane Frederick	St. Vrain Valley Re-1J

Since there are multiple members on the committee, any answers to questions you may have will be coordinated on behalf of the committee by Leanne Emm, Associate Commissioner, School Finance Division, Colorado Department of Education emm_l@cde.state.co.us 303-866-6202