

The Superintendent's Recommended Budgets For Fiscal Year 2013-14



Presented to the
**Seattle School District
Board of Directors**

July 03, 2013
Modified July 19, 2013

Changes to the July 3rd Document

- \$11.8 Million was removed from reserves thereby reducing the overall General Fund budget by this amount. This necessitated changes throughout the General Fund budget section.
- Introduction was updated
- School Board section was added
- A budget timeline was added
- Eight additional schools received state funding for all day kindergarten.
- District demographic data was added
- A summary of notable grant changes was added.
- Content was added to the Budget Highlights section incorporating the final outcome of the adopted state budget.
- Descriptions were added for major district departments
- Descriptive content was added to the Debt Service Fund section
- Table of Contents modified to reflect changes

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Seattle Public Schools 2013-2014 Budget

A message from Assistant Superintendent for Business & Finance Duggan Harman

Developing this year's balanced budget was less difficult than in the previous five years but included a great deal of uncertainty. The state legislative session ran into two extended periods and the adopted budget was not signed by the governor until June 30th, just one day before a state government "shutdown" would have resulted. Governor, House and Senate budget proposals differed significantly in the amount of funding for K-12 education and even more significantly with regard to the particular activities that were funded. For these reasons much of the General Fund budget was developed without knowing the amount of revenue that would be received or the requirements that might be attached to additional revenues.

For the first time since 2009 there were incremental revenue increases per student from state funding. While not fully meeting the planned implementation schedule towards their court ordered obligations, the state did make significant steps towards funding Basic Education. For this, we are very grateful. Based on \$23.8 million of incremental funding the district did not have to make cuts due to state funding shortfalls. While no additional cuts were required the incremental funding does not offset the \$23.5 million of cuts made in the 2012-13 budget, the \$45 million reductions made for the 2011-12 budget, the \$31 million in cuts we took for the 2010-11 budget and the \$34 million in cuts we took for the 2009-10 budget.

While state funding for the district increased federal funding decreased by almost \$7 million, due primarily to sequestration. Sequestration is the automatic federal spending cuts provided under the Budget Control Act of 2011, which began on March 1, 2013. These funding losses did results in cuts to specific areas funded by the federal grants.

This budget was developed using the School Board's guiding principles and with input from principals and schools. The new Strategic Plan for the district which was adopted on July 3, 2013, was largely developed in the Spring of 2013 and thus unavailable during the 2013-14 budget development process. For this reason this 2013-14 budget does not fully align with the new Strategic Plan. The larger work of aligning the budget with the strategic plan will take place in the 2014-15 budget development process.

Based on guidance from the School Board, the district is committed to no longer using one-time funding resources, such as use of fund balance and savings from prior-year hiring and spending freezes, to balance the ongoing budget. In previous years budget shortfalls were closed using one-time funding resources. As we made cuts to ongoing operations to offset shortfalls the use of one time resources declined from \$19.3 million in the 2010-11 budget to \$17.3 million in the 2011-12 budget and finally to \$14.2 million in the 2012-13 budget. Using the aforementioned

revenue increases this budget has achieved the goal of using no one-time solutions to balance the ongoing budget for 2013-14.

Working together, we can continue to ensure our balanced budget best meets the needs of all of our students.

Recommended Budgets FY2013-14, All Funds

| | General Fund | ASB Fund | Debt Service Fund | Capital Projects Fund |
|---------------------------|--------------------|------------------|-------------------|-----------------------|
| Total Revenue | 610,015,728 | 6,587,702 | 38,404,481 | 119,540,835 |
| Interfund Transfers In | 11,234,502 | - | 2,154,624 | - |
| Interfund Transfers Out | - | - | - | (13,389,126) |
| Subtotal | 621,250,230 | 6,587,702 | 40,559,105 | 106,151,709 |
| Total Expenditures | 639,298,428 | 6,399,694 | 46,003,675 | 168,713,855 |
| Beginning Fund Balance | 41,023,317 | 2,722,588 | 5,773,268 | 85,214,587 |
| Change in Fund Balance | (18,048,198) | 188,008 | (5,444,570) | (62,562,146) |
| Ending Fund Balance | 22,975,119 | 2,910,596 | 328,698 | 22,652,441 |

School Board



Overview

The Board of Directors for Seattle Public Schools is an elected body of seven citizens representing geographical regions, known as Districts, within the City of Seattle. The length of each member's term is four years. Directors are elected by district in the primary elections and at-large (city-wide) in the general elections of odd-numbered years.

It is the belief of the Board of Directors and Superintendent that they are partners in the governance team of Seattle Public Schools. Both must do their jobs well for the organization to be successful and for the governance team as a whole to be effective.

Work of the Board

Responsibilities of the Board of Directors include: hiring and evaluating the Superintendent; establishing policies for governing the school district; adopting a balanced budget each year; having legal and fiduciary authority for the school district; adopting instructional materials; and, serving as community representatives to the district and on behalf of the district.

School Board: District I



Sharon Peaslee
District I
(206) 252-0040

Committees:

- Executive Committee
- Curriculum and Ins. Policy Committee, Chair

Representing:

- Broadview-Thomson
- Ingraham
- Jane Addams K-8
- John Rogers
- Loyal Heights
- Middle College @ The Mall Academy
- Nathan Hale
- North Beach
- Northgate
- Olympic Hills
- Pinehurst K-8
- Viewlands
- Wedgwood
- Whitman

Sharon's passion for finding what works in education began when she was in high school and led her through a number of educational experiments when alternative schools were first cropping up. As a parent and activist, Sharon has worked on education issues in Washington since 2005. At the state level, she was involved in the process of improving WA math standards that were adopted in 2008. She organized communities in Lake Washington and Bellevue School Districts to successfully push for better math curricula. In Bellevue, she worked with administrators to improve home schooling policies, bringing them into compliance with state law. In Seattle, she wrote and managed the online petition to rehire Ingraham Principal, Martin Floe.

With two teens in Seattle Public Schools, Sharon owes much of her activism to their educational needs, which are the same as many other students. She has met and worked with countless parents who will do whatever it takes to be sure their children have what they need to succeed in school and life. This is the passion and inspiration that led her to run for Seattle School Board.

Sharon is fully committed to working with communities across Seattle to ensure that our district provides all students with engaging educational pathways that prepare them for the futures of their choice. She is constantly fascinated by schools and countries where public education inspires creative teaching and learning that leads to high achievement. She believes that we can make Seattle one of the best if we're willing to envision the future we want and work collaboratively to make it happen.

Sharon has worked as a writer, producer and director her entire career. Shortly after moving to Washington, her creativity found an unexpected outlet. She spent almost a year serving on the committee to design the Sammamish town center. As a video producer, she volunteered her services to WACAP (World Association of Children and Parents), editing video profiles of children waiting to be adopted, and producing two fundraising videos. She also produced the fundraising video, May the Forest Be with You, for Friends of Heybrook Ridge. She continues to produce video and web-based programs through her production company, Flying Lula Productions. Before moving to Washington, Sharon lived in Santa Monica, CA and New York City, developing feature film projects, producing documentaries, corporate and educational videos, infomercials and commercials.

She has a MA in English Education from New York University, a BA in Communications from University of Massachusetts, and teaching credentials in English and Speech/Drama.

School Board: District II



Sherry Carr
District II
(206) 252-0040

Committees:

-Audit & Finance
Committee, Chair

Representing:

-American Indian
Heritage MCHS
-Bagley
-B.F. Day
-Cascade Parent
Partnership
Program
-Green Lake
-Greenwood
-Hamilton International
Middle School
-Lowell APP @ Lincoln
-McDonald International
School
-Olympic View
-Sacajawea
-Stanford International
School
-Whittier

Sherry Carr is serving her second term on the Seattle School Board as the elected School Director for District II. Elected in November, 2007, Sherry is currently Chair of the Audit & Finance Committee and has previously served as the Operations Committee Chair and as a committee member on the Executive and Curriculum & Instruction Policy Committees.

Sherry Carr is a longtime education advocate and past President of the Seattle Council PTSA, a 12,000-member all volunteer organization dedicated to supporting the 47,000 students in Seattle Public Schools. She began her education service as a parent and PTA leader at Daniel Bagley Elementary, which her daughters attended. As PTA president, Sherry was part of a parent-led initiative to revitalize Daniel Bagley Elementary by opening a Montessori Program and adding an arts program.

She served as a board member for the Alliance for Education and for Schools First and was a co-chair of the 2007 Schools First Levy Campaign, which raised \$887 million in funding for Seattle Public Schools. Sherry was selected by Superintendent Manhas as a member of the Community Advisory Committee for Investing in Educational Excellence, commissioned to issue sweeping reform recommendations for Seattle Public Schools aimed at achieving academic excellence and establishing fiscal sustainability.

In her professional career, Sherry is a senior manager in Business Operations supporting Boeing's Shared Services Group (SSG). Previously Sherry was a senior Finance Leader in Boeing Commercial Airplanes and has led numerous finance and operations initiatives during her 25-year career with the company. Her areas of expertise are financial analysis and cost management, implementing accountability systems, and building high performing, collaborative work teams. Sherry was part of the team that addressed the financial impacts on the 767 Program after 9/11, and was a team leader on the development of the new 787.

Sherry has been a board member for Pacifica Children's Choir and has volunteered for the Seattle Children's Theater and the Washington State Special Olympics.

Sherry received her BA from the University of Washington and her MBA from Seattle University. She lives with her husband and two daughters in the Green Lake neighborhood. Her daughters have both attended Seattle Public Schools since Kindergarten (Daniel Bagley, Eckstein). Her oldest is a 2011 graduate of Roosevelt High School and attends the University of Washington. Her younger daughter currently attends Nathan Hale HS.

School Board: District III



Harium Martin-Morris
District III
(206) 252-0040

Committees:

- Audit & Finance Committee
- Head Start Board Liaison, Chair
- Council of Urban Boards of Education Steering Committee member

Representing:

- Bryant
- Eckstein
- Laurelhurst
- McGilvra
- Montlake
- Roosevelt
- Sand Point
- Thornton Creek @ Decatur
- TOPS @ Seward
- View Ridge

Harium Martin-Morris has a varied background as a former teacher, district staff member for Boston Public Schools, PTSA President and Site Council District Liaison Chair, and national educational consultant. He has a deep understanding of public school needs, and the ability to work with diverse groups and build consensus.

Harium was born and raised in New York City. After graduating with a Bachelor of Science degree in Elementary Education, Harium worked for four years as a classroom teacher in rural New York State (3 years at the elementary level and 1 year at the high school level). While working on his MBA, Harium worked as a staff member in the Boston Public School District in the Office of Information Services.

During the time his children attended AEII and Nathan Hale, Harium was very active in Site Council and PTSA. He also coached girls' recreational soccer for seven years.

Harium currently works for the Boeing Company in the area of software test and quality assurance. He is married to Linda who teaches biology at the University of Washington. They have two children: a son who is a graduate of Nathan Hale and a daughter who graduated from Roosevelt High School.

School Board: District IV



Michael DeBell
District IV
(206) 252-0040

Committees:

-Curriculum & Instruction
Policy Committee

Representing:

-Adams
-Ballard
-C. Blaine
-The Center School
-Coe
-Lawton
-McClure
-Queen Anne
-Salmon Bay
-West Woodland

Michael DeBell is a parent, community leader, and businessman with years of experience in the Seattle School District. He has served as Parent Teacher Student Association (PTSA) President for a total of six years: two years each at West Woodland Elementary, Whitman Middle School and Ballard High School. He served on the Gates Foundation-funded *Transformation Planning Committee* at Whitman Middle School, attending several seminars on strategies for school reform, and helped draft a Small Learning Communities model transformation plan.

Michael and his family have worked actively on many Seattle Levy Campaigns and the Education Funding Initiatives. He has been a member of the Ballard High School Biotech Academy Steering Committee for the past three years and is also a member of the Ballard High School Foundation, helping to promote academic excellence and achievement at Ballard High School. Michael received the WSPTA Golden Acorn award for outstanding service to Washington youth.

Michael has been a youth soccer coach in Seattle Youth Soccer for 12 years working with boys and girls teams. He received Boys Coach of the Year Award from Woodland Soccer Club in 2002.

Michael is married to Marie who is a School Nurse and current President of Seattle School Nurse's Association. They have three children: Denny, Lyle and Elle, all of whom are students in Seattle Public Schools.

School Board: District V



Kay Smith-Blum
District V
(206) 252-0040

Committees:

- Executive Committee, President
- Operations Committee

Representing:

- Bailey Gatzert
- Garfield
- Leschi
- Lowell
- Madrona
- Nova
- Stevens
- Thurgood Marshall
- Washington
- World School

Kay Smith-Blum has been an activist for Seattle Public Schools for 2 decades. A resident of Capitol Hill, she has been married 28 years to Butch Blum and is the mother of 3 sons. Her twin sons were among the last graduating class of the original Garfield High School building. She has raised hundreds of thousands of dollars for Seattle Public Schools, establishing the first annual fund in Seattle public schools in 1990. Kay has developed numerous community building strategies and fundraisers in dozens of Seattle schools. In 2004, she coordinated a citywide fundraiser to close the budget gap in our elementary instrumental music programs, raising just under \$200,000 for 70 elementary schools district wide. Her passion for the environment has led to multiple site improvements and school greenhouse programs

A former executive of Neiman Marcus, Kay Smith-Blum was the first female buyer in the store's men division. She participated in the company's expansion over a 10 year period, opening over a dozen new locations nationwide and developed exclusive products in international markets. After relocating to the Northwest in 1981, she became co-owner and CEO of Butch Blum, Inc., a European specialty store founded in 1974.

Smith-Blum has served on the University of Washington Business School Advisory board, is a former chair of the marketing committee of the Downtown Seattle Association, a past board member of the Arthritis Foundation of Washington and was a founding board member of the Seattle Academy of Arts and Sciences. She has served on the PTSA boards of Montlake Elementary School, Washington Middle School and Garfield High School.

Over the last 25 years, Kay has coordinated numerous fundraisers for the benefit of multiple Puget Sound charities including the Seattle Symphony, the Perfect Solution (a PONCHO like fundraiser for 6 medical research entities), the Seattle Children's Home, the Boys and Girls Club of King County, the Fred Hutch Cancer Institute, the Starlight Foundation, Environmental Endeavors at Montlake Elementary School and the Arthritis Foundation. She has a BBA from the University of Texas.

School Board: District VI



Marty McLaren
District VI
(206) 252-0040

Committees:

- Curriculum & Instruction Policy Committee, Chair
- Operations Committee

Representing:

- Alki
- Arbor Heights
- Chief Sealth International School
- Concord
- Cooper
- David T. Denny International
- Gatewood
- Highland Park
- Lafayette
- Madison
- Middle College @ SSCC
- Pathfinder
- Roxhill
- Sanislo
- Schmitz Park
- Southwest Interagency
- West Seattle Elementary
- West Seattle High School

Marty McLaren is honored to be serving her first term as Seattle School Board Director, Position 6, bringing a wealth of experience as a parent, teacher, and advocate to her role on the School Board. She began advocating on behalf of children in the 1970's as President of Action for Child Transportation Safety, working to promote car seat safety laws for infants and children. Marty was a middle school PTSA president in 1983-84 and served as Co-coordinator of Family Services' Homeless Children's Network from 1995-97.

Drawn to classroom teaching, Marty earned her K8 teaching credential through Pacific Oaks College, Pasadena, in 1987. Also a graduate of the University of Washington, she holds additional endorsements in Early Childhood Education, Science, History, and German. After teaching preschool for 8 years and raising her children, she began teaching middle and high school math in the Seattle School District, earning her math certification in 2000. She eventually gave up her own classroom and became a mathematics, science, and K-12 substitute teacher in the Seattle School District – an experience which provided a unique opportunity to work with students and staff in many different buildings and programs in the Seattle School District.

While teaching 7th and 8th grade math, as well as summer high school math for several years, Marty focused her education advocacy on learning standards, curriculum, and instructional practices. She has testified before the Seattle School Board, the Washington State Board of Education, and the House Education Committee in Olympia. Marty looks forward to continuing this work on the School Board, sharing her perspectives from a wide range of SPS classrooms and programs.

Marty has three grown children who attended Seattle Public Schools, beginning in 1978. She is a resident of Puget Ridge Cohousing Association in the Delridge neighborhood of West Seattle, where she has lived since 1994. She enjoys dance as well as outdoor activities, and has studied Tai Chi for seven years.

School Board: District VII



Betty Patu
District VII
(206) 252-0040

Committees:

- Executive Committee, Vice President
- Audit & Finance Committee

Representing:

- Aki Kurose
- Beacon Hill
- Cleveland
- Dearborn Park
- Dunlap
- Emerson
- Franklin
- Graham Hill
- Hawthorne
- John Muir
- Kimball
- Martin Luther King Jr.
- Maple
- Mercer
- Orca
- Rainier Beach
- Rainer View
- South Lake
- South Shore
- Van Asselt
- Wing Luke

Betty Patu has worked tirelessly for Seattle Public schools for the past 32 years. She has successfully directed award-winning educational programs recognized to increase graduation rates, grow the number of college-bound students and reduce gang violence.

Betty Patu is responsible for having the highest number of South Pacific Islander students graduate from public school in any one year. The notoriety of her program prompted Seattle Public Schools to expand her outreach to include ALL students. Over the past two decades, Betty Patu has been honored with numerous awards, including the Wives of NBA All-star's "Women Standing Tall" Award, Asian Pacific Women's Caucus, "Warrior in Education" Award, Patty Murray "tennis shoe" award, the Governor's Volunteer Award, the Mayor's Volunteer Award and the Big Sister "Role Model" Award.

She is a current board member at Rainier Beach Community Empowerment Coalition, Past President of Asian Counseling Referral Services (ACRS), Vice President of Rainier Beach Foundation, Past Vice President, Rainier Beach Parent, Teachers, Students Association (PTSA) and Founder/President, Islanders Children & Youth Services (ICYS).

Betty Patu is on the board because she believes in the safety of all our children, treating all children with respect, and making sure that each one of them are provided an equitable and quality education. She believes the District needs to focus more on community partnership and parent involvement as it will bring about the positive change needed to evolve in our global market.

Executive Summary

General Information

Seattle Public Schools is the largest public school district in Washington State. The District provides public education for students in preschool through grade twelve, including services for general education, students with special needs, and career technology education. The District's service territory encompasses 84 square miles, including the entire geographic area of the City of Seattle, which had a 2010 estimated population of 608,660. The District currently serves more than 49,000 students in 59 elementary schools, 9 middle schools, 10 K-8 schools, 12 high schools, and 5 non-traditional schools. Seattle Public Schools employs approximately 8,000 people.

Organization

The District is a municipal corporation governed by a seven-member Board and operates under the constitution and laws of the State. Each Director represents one of seven areas within the District but is elected "at large." Members of the Board are elected to four-year terms. The Board holds regular meetings twice a month from September through June and one meeting each in July and August. Special meetings are scheduled and announced publicly as needed. All meetings are open to the public as provided by law, and agenda items are prepared in advance.

Board of Directors

| | |
|----------------------------|------------|
| Kay Smith-Blum, President | District 5 |
| Betty Patu, Vice President | District 7 |
| Sharon Peaslee | District 1 |
| Sherry Carr | District 2 |
| Harium Martin-Morris | District 3 |
| Michael DeBell | District 4 |
| Marty McLaren | District 6 |

Educational Programs and Types of Schools

Seattle Public Schools offers a comprehensive and rigorous K-12 curriculum designed to meet the needs of all students. This comprehensive curriculum includes both core and specialized programs and services.

The district has three types of schools:

- Attendance Area Schools

- Option Schools

- Service Schools

1. Attendance Area Schools

Elementary, middle, and high school students are assigned to a designated attendance area school based on where the student lives, as long as the school can meet the student's needs.

Elementary school attendance areas are combined to create middle school attendance areas, resulting in geographically-based feeder patterns as students move from elementary school to middle school. The middle school attendance area is also a service area with various services (advanced learning, bilingual education, and special education) provided for students who live within the service area.

There are no feeder patterns from middle school to high school. Each attendance area high school has its own geographic attendance area. Most students will be able to access specialized programs or services in their attendance area school or in a nearby attendance area or option school.

2. Option Schools

Option schools offer a variety of approaches and instructional methods. Students must apply to attend an option school. Option schools are available for students at all grade levels.

3. Service Schools

Several other schools and services are available to meet individual student needs. Students may request assignment to a service school and/or may be referred there and assigned individually as appropriate. Unlike attendance area schools and option schools, students may transition into or out of service schools during the school year. Service schools are:

- Cascade Parent Partnership Program

World School
South Lake High School
Middle College
Interagency Programs

2012-13 General Demographic Information

Schools

Total: 95 (2011-12)

Enrollment 2012-13 (per Data Profile – Oct 1)

49,864 – Total

13,644 – Grades 9-12

10,135 – Grades 6 – 8

26,085 – Grades K-5

Student Racial Breakdown (2012-13)

44.0% White

18.1% Asian/Pacific Islander

17.7% African American

12.6% Latino

1.0% Native American

6.6% Multiracial

Teachers (2012-13 General Fund Budgeted)

2,797 FTE

Additional Student Information (2012-13)

68.8% live with both parents

40.1% eligible for free/reduced lunch

22.9% non-English speaking background (2011-12)

12.1% eligible for ELL services

14.6% received special education services (11-12)

92.8% avg. daily attendance citywide (2011-12)

6.2% dropout rate in high school (2011-12)

Total Employees (2012-13 GF Budgeted)

5,321 FTE

High Schools – 12,716 students

12 regular schools

2 International Baccalaureate Programs

2 Accelerated Progress Program Sites

10 ELL Sites

Middle Schools – 8,225 students

9 Regular schools

2 International schools

9 Spectrum Programs

2 Accelerated Progress Program Sites

9 ELL sites

Elementary Schools – 22,631 students

59 regular schools

37 ELL sites

35 Advanced Learning Opportunity Sites

10 Spectrum Programs/Sites

2 Accelerated Progress Program Sites

10 Head Start sites

3 Montessori sites

4 International schools

K/8 Schools – 5,053 students

10 schools

4 ELL education sites

3 Advanced Learning Opportunity sites

2 Spectrum Programs/Sites

Non-traditional – 1,239 students

5 schools – 10 programs

2 9-12

2 6-12

1 K-12

Budget Highlights

What is the budget?

“A budget is more than simply numbers on a page. It is a measure of how well we are living up to our obligations to ourselves and one another.”
– President Barack Obama

The budget is the official document which describes the district's financial plan for the next year. It is the plan to achieve the districts goals and objectives expressed in dollars. The budget is also a key tool in controlling operations. The budget authorized a maximum amount of expenditures (called an appropriation) for each fund. By state law the district may not exceed this maximum spending amount with the exception of some specified emergencies.

The budget covers a single fiscal year which runs from September 1st to August 31st of the following calendar year. State law requires district staff to prepare a recommended budget no later than July 10th. Formal adoption of the budget requires approval of the Board of Directors by August 31st and submission of the approved budget to the state. The district cannot collect tax revenues or incur expenditures until a legally adopted budget is in place.

Transactions for the district are recorded in five separate “funds”. A “fund” is a fiscal entity with its own set of accounting records. A budget is presented for the four largest of these funds (the fifth fund is a Private Purpose Trust Fund for which the district is trustee; no budget is required for this type of fund). The use of separate funds allows transactions to be segregated for the purpose of demonstrating compliance with the restrictions on the use of some financial resources. This accounting segregation does not necessarily require physical segregation of assets or liabilities.

General Fund

All school districts must have a General Fund. The General Fund is financed from local, state and federal sources. These revenues are used for the financing of current normal and recurring operations of the school district such as programs of instruction, food services, maintenance, data processing, and pupil transportation.

Capital Projects Fund

The Capital Projects Fund is financed from the sale of voted (BEX III) and/or non-voted bonds, special levies (BTA III and BEX IV), state matching funds (SCAP matches), lease or sale of surplus real property (CEP and Community Schools), and interest earnings. These revenues are used for the acquisition of land or existing facilities, construction of buildings, and purchase of equipment. Under certain conditions, as specified in the "Accounting Manual for Public Schools", expenditures for improvements to buildings and/or grounds, remodeling of buildings, replacements of roofs and technology can be included in the Capital Projects Fund. Based on Accounting Manual guidance, some of these costs are recorded in the General Fund with a reimbursement or "transfer" from the Capital Projects Fund. These transfer amounts have been included in the attached budgets for both funds.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for and the payment of principal, interest and other expenditures related to the redemption of outstanding bonds. In the case of voted debt resources are received from special levies (BEX III) and interest earnings. In the case of non-voted bonds, resources are provided by transfers from the General Fund and/or the Capital Projects Fund.

Associated Student Body (ASB) Fund

Under Generally Accepted Accounting Principles governments may use "Special Revenue Funds" to account for the proceeds of specific revenues when those revenues are legally restricted to expenditures for specified purposes. In the State of Washington restricted grants are generally accounted for in the General Fund of school districts, with the sole exclusion of the ASB Fund. The ASB fund is financed in part by the collection of fees from students and nonstudents as a condition of their attendance at any optional noncredit extracurricular activity. These revenues are restricted to the extracurricular benefit of students.

Budget Process

Planning Phase

The annual budget process results in the development of plans to support the day-to-day operations of the district as well as creating the means for implementing the district's strategic plan for improving student achievement. The budget process is conducted through a school board governance structure whereby the board's Audit and Finance Committee coordinates the budget's development with district staff. The full board is engaged in the process through board workshops whereby each board member provides input. The process begins in early fall of each year with the planning phase in which a budget calendar is created listing activities and key dates. Concurrently, senior staff meets to discuss goals and initiatives for the coming year as well as challenges and opportunities facing the district. As a part of the planning phase, projections and assumptions crucial to the budgeting process such as programs, enrollment projections, and anticipated changes in funding levels are evaluated.

Development Phase

Based upon the district's priorities, departments develop goals and objectives for the upcoming budget year. Staffing and program adjustments are made to reflect the goals of the district. Such adjustments may include shifting, eliminating, adding, and changing funding on positions. Base salaries and benefits are adjusted for anticipated compensation, health insurance, retirement, and tax changes. Once the state completes its budget, the district's budget is adjusted to reflect the revenues that the state will allocate to Seattle.

School staffing is calculated based on established formulas and projected enrollment numbers. The initial development of each school's budget is done by the school's principal and Building Leadership Team, taking into account the school's goals and objectives. This is followed by coordination with central office staff in order to finalize and load the budget in the district's financial system.

Adoption Phase

The recommended budget is formally introduced to the School Board in a regular legislative board meeting in July, allowing them to recommend adjustments or request further information. The proposed budget is advertised in the local media, after which a public hearing is held in order to allow for public input. The School Board adopts the final budget in the board meeting in July.

FY2013-14 Budget and Staffing Process Timeline

| | |
|------------------------------|--|
| September 2012 | Guiding Principles Work Session |
| October 2012 to May 2013 | Board Budget Work Sessions |
| October 2012 to June 2013 | Audit & Finance Committee Meetings |
| December 2012 | School Funding Model Approved |
| December 2012 | Governor's Budget Announced |
| January to June | Legislative Session + Extended Sessions |
| February 2013 | Budget Instructions and Allocations to Schools |
| March 2013 | School Budget Development and Staffing |
| April 2013 | Central Budget Development and Staffing |
| June 2013 | Final Balancing |
| June 30, 2013 | Washington State Budget Adopted |
| July 3, 2013 | Introduction of Recommended Budget |
| July 24, 2013 | Budget Hearing |
| July 24, 2013 | Board Action on Recommended Budget |

Funding Shortfall

Over the last several years the district's revenues have not kept pace with its expenditures resulting in significant budget gaps. Gaps for FY2010-11, FY 2011-12 and FY2012-13 were \$31 million, \$45.5 million and \$23.5 million respectively. These funding gaps were closed by using prior year underspends, reductions in force, reductions in Central Office, reductions of salary through furloughs, and the use of reserves. At the beginning of this year's budget process the district anticipated a \$13.4 shortfall for FY2013-14.

The Washington State budget adopted on June 30, 2013 provided significant funding increases in the areas of Student Transportation and MSOC's (Materials, Supplies, Operating Costs) which closed the anticipated FY2013-14 budget gap. Some cuts were still made due to the loss of specific funding from grants, especially due to sequestration. Even with the increased state funding the cuts made to close funding gaps in previous years could not be restored.

Committed Fund Balance Policy

It is the policy of the School Board to maintain a committed fund balance between 3 and 5 percent of the district's budgeted non-grant General Fund expenditures. The School Board annually adopts a specific reserve percentage for the upcoming fiscal year. That amount for fiscal year 2013-14 is unchanged at 3.25%. Maintaining a positive balance protects the district against unforeseen contingencies and allows it to maintain a strong credit rating.

Budgeting Assumptions for FY2013–14

All Funds

- Resources shall be allocated to advance the core mission of the district.

General Fund

- The budget is based on an enrollment projection of 48,806 students (K-12 FTE), including State funded full-day kindergarten enrollment.
- State Funding: Basic Ed funding assumes \$9.7 million additional funding for Materials, Supplies, and Operating Costs (MSOC), \$4.3 million for restoration of FY2011-13 salary allocation reduction, and \$3.2 million for additional instruction time for learning assistance program.
- \$2.7 million of budget capacity is established for implementation of items funded from the 2013 state legislative session that have not been programmed at the publishing date of this document.
- Local levy approved by the voters of Seattle funds 25.0% of the General Fund budget.
- Federal Title 1 funding decreases \$1.6 million or 14.8% vs FY2012-13 adopted budget.
- Other funding includes the onetime use of \$2.5 million of projected FY2012-13 underspend and \$4.1 million of Unassigned Fund Balance.
- Unassigned Fund Balance is maintained at 3.25% of non-grant General Fund expenditures.
- Employee related benefit costs for FY2013-14 are assumed to be:
 - 10.39% Certificated Retirement
 - 9.80% Classified Retirement
 - 7.65% FICA
 - 0.81% Industrial Insurance
 - 0.26% Unemployment
 - 0.36% Insurance Reserve
 - 0.40% Leave Cash-out
 - 1.14% Health Leave Pool
 - \$9,989 per FTE Health and Life Insurance

Capital Fund

- Investment earnings are estimated at current King County investment pool rates.
- Levy revenue projections assume a 99.00% collection rate for each fiscal year.

- FY2012-13 Qualified School Construction Bond (QSCB) subsidized interest rate decreased 8.7%. The rate is subject to change in FY2013-14.

Debt Service Fund

- BEX III bond debt service is paid from levy property tax receipts. December 2013 is the final payment of the debt.
- Qualified School Construction Bonds (QSCB) interest payments are paid from federal funds. This payment has been reduced due to sequestration, and the district is responsible for \$39K, which will be transferred from BTA III. Payment of \$17.5 million principal is due on June 1, 2017.
- John Stanford Center for Educational Excellence building debt is paid from a transfer from Capital Eligible Projects Program to the Capital Fund.

ASB Fund

- Revenue and expenditures are expected to increase as a result of additional student-planned extra-curricular activities.

General Fund

The following pages provide a high level view of the FY2013-14 Recommended General Fund budget. Major changes to the FY2013-14 General Fund Budget compared to the current year (FY2012-13) adopted budget are detailed.

Budget capacity, major revenue changes, notable grant changes, and expenditure changes are discussed.

Capacity

Included in the \$639.3 million FY2013-14 General Fund budget recommendation is \$33.0 million of budget capacity: reserves not backed by firm revenue at this time. Because adoption of a recommended budget limits the total spending of the District to a set amount, (in this case \$639.3 million) it is necessary to build into the budget room for potential unknown revenues so they can be used if and when received.

Without this capacity the District would need to go through the expensive and time consuming process of formally requesting and filing a budget extension (added spending authority) from the Washington State Office of Superintendent of Public Instruction (OSPI): 1) to use unanticipated prior year under-spend; and 2) each time new funds are received. To allow the Board and staff to focus on educational issues, the District adds capacity to the budget, based on past history and future estimates.

The \$33.0 million of budget capacity for FY2013-14 includes the following: \$18.5 million of capacity for new grants or grant funding increases received after the budget is adopted, \$1.0 million to allow schools to carry into FY2013-14 potential non-staff under spend from FY2012-13, \$8.3 million of capacity for self-help funds to allow schools and central departments to receive and expend funds collected in FY2013-14, and \$5.2 million to allow schools and departments to carry into FY2013-14 any unspent self-help from FY2012-13. No capacity funds are released for expenditures until final carry forwards are known or new funds are received.

Revenue

Seattle Public Schools receives funding from a variety of sources. The five major resource categories of State, Local Levy, Federal, Other Revenue, and Other Resources are noted below. Following the graphs, on the next page, is an explanation of each type of funding and major changes anticipated between FY2012-13 and FY2013-14.

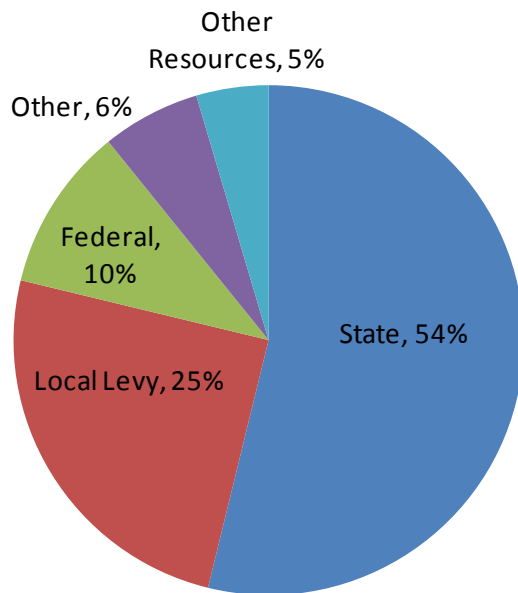
A Comparison of Resources by Type, FY2012-13 and FY2013-14

| | FY12-13 Adopted | FY13-14 Recommended | \$ Change | % Change |
|------------------------|--------------------|------------------------|----------------|-------------|
| State | 305.7 | 344.1 | 38.4 | 12.6% |
| Local Levy | 154.0 | 159.5 | 5.5 | 3.6% |
| Federal | 73.5 | 66.6 | -6.9 | -9.4% |
| Other | 31.1 | 39.8 | 8.7 | 27.9% |
| Total Revenue | 564.2 | 610.0 | 45.8 | 8.1% |
| Other Resources | 27.2 | 29.3 | 2.1 | 7.7% |
| Total Resources | \$591.4M | \$639.3M | \$47.9M | 8.1% |

Numbers may not add due to rounding

Resource Changes by Grant and Non-Grant Funds

| | FY12-13 Adopted | FY13-14 Recommended | \$ Change | % Change |
|--------------|--------------------|------------------------|----------------|-------------|
| Grant | 77.8 | 80.9 | 3.1 | 4.1% |
| Non-Grant | 513.7 | 558.4 | 44.8 | 8.7% |
| Total | \$591.4M | \$639.3M | \$47.9M | 8.1% |

Resources by Type FY2013-14

| FY2013-14 Resources by Type (in millions) | |
|---|----------------|
| State | 344.1 |
| Local Levy | 159.5 |
| Federal | 66.6 |
| Other | 39.8 |
| Total Revenue | 610.0 |
| Other Resources | 29.3 |
| Total Resources | \$639.3 |

State Funding provides the largest portion of District funds at \$344.1 million or 53.8% of total resources. This amount is broken down between state general purpose funding and state special purpose funding and equates to an increase of \$38.4 million over FY2012-13.

State general purpose funding, or *apportionment*, accounts for 41.6% or \$265.9 million of total District funds. Apportionment is calculated using the number of students attending our schools and a legislative funding formula. For FY2013-14, state general apportionment is budgeted to increase \$26.3 million or 11.0%. FY2013-14 revenue increases include \$7.8 million for enrollment growth, \$8.2 million for Materials, Supplies and Operations Costs (MSOC) allocations, \$3.8 million for pension rate changes, \$3.7 million for restoration of salary allocation reduction, \$1.6 million for full day kindergarten, \$1.5 million for kindergarten through 1st grade class size reduction, \$0.6 million for guidance counselors and parent involvement coordinators, and \$0.4 million for restoration of alternative learning experience reduction. FY2013-14 revenue decreases \$1.3 million for estimated certificated instructional staff mix for education and experience levels.

State special purpose funds provide \$78.2 million or 12.1% of budgeted resources. State special purpose funds are designated for programs such as special education, transitional bilingual education, student transportation, learning assistance, and education enhancements. Most of these revenues are given for a specific program and are not available for other purposes. State special purpose funds are budgeted to increase \$12.1 million or 18.4%. FY2013-14 revenue increases include \$2.2 million for enrollment growth, \$1.5 million for Materials, Supplies and Operations Costs (MSOC) allocations, \$0.6 million for pension rate changes, \$0.6 million for restoration of salary allocation reduction, \$3.2 million for additional instruction time for learning assistance program, \$5.6 million for student transportation, \$0.2 million for full day kindergarten, and \$0.2 million for kindergarten through 1st grade class size reduction. FY2013-14 revenue decreases \$2.0 million due to the expiration of onetime 2012-13 funding for academically struggling schools.

Local Operating Levies approved by Seattle voters support general education programs and operations provide \$159.5 million or 25.0% of budgeted resources, and is the second largest funding source for Seattle Public Schools.

The maximum amount the District can collect from voters in levy elections is set by the legislature to a percentage of our state and federal revenue levy base. The 2010 legislature increased the percentage for calendar years 2011 to 2017. Operating levy revenue is anticipated to increase by \$5.5 million or 3.6% in FY2013-14.

Voter approved collection of Local Levy amounts do not change after they are approved; however, the dollar rate of collection is adjusted as property values change. If property

values increase, the dollar rate per thousand declines, if property values decrease, the dollar rate per thousand increases. For calendar year 2013, Seattle had the 2nd lowest tax rate among King County school districts.

Federal Funds provide \$66.6 million or 10.4% of Seattle Public School's resources. These monies fund programs such as Title I and Head Start. They also provide supplemental funding for special education programs and support free and reduced rate lunches in the food service program. These revenues may only be used for their specific program purpose.

For FY2013-14, Federal Funds are anticipated to decrease by \$6.9M. Detail regarding federal funds is discussed later in this document under the grant section.

Other Revenue funding provides \$39.8 million or 6.2% of budgeted resources. Sources of this funding include rental and lease income from district properties, investment earnings, food service fees, gifts and donations, fees for all day kindergarten, and the City Families and Education Levy.

For FY2013-14 other revenues are expected to increase by \$8.7 million. Local grants including the City Families and Education Levy increase \$8.9 million primarily due to grant awards not being finalized for the FY2012-13 adopted budget. Other changes include a \$0.8 million revenue increase from full day kindergarten tuition rates, \$0.4 million revenue decrease from e-rate, and a \$0.6 million estimated decrease in gifts, donations and self help revenue.

Other Resources account for \$29.3 million or 4.6% of budgeted resources. This is an increase of \$2.1 million compared to FY2012-13 and includes the use of \$9.8 million of one-time funds.

This category also includes FY2012-13 school balances to be carried forward to FY2013-14 and the use of reserves to support ongoing programs as well as transfers between funds such as Capital and Debt Service.

Significant changes to Other Resources include:

- Onetime use of unassigned fund balance of \$4.1 million to balance the FY2013-14 budget. This is an increase of \$0.7 million above the amount adopted in FY2012-13.
- Onetime \$2.5 million use of FY2012-13 under spends to balance the FY2013-14 budget. This includes savings from a hiring and spending freeze. This is a decrease of \$4.3 million below the amount adopted in FY2012-13.
- Onetime \$2.6 million use of assigned fund balance to fund pension expenditures in excess of State revenue.

- Onetime \$0.6 million use of proceeds from a settlement to recover impairments to investments.
- Use of grant carry forward increases from \$0.2 million in FY2012-13 to \$0.3M in FY2013-14.
- Use of assigned fund balance for items funded from the 2011-13 Supplemental Levy decrease from \$3.8 million in FY2012-13 to \$0.0M in FY2013-14.
- Funds transferred from the Capital Projects fund for eligible technology and major preventative maintenance expenditures increase from \$5.0 million in FY2012-13 to \$11.2 million in FY2013-14.
- Reserves totaling \$8.0 million are budgeted for potential FY2012-13 under spend of gifts and donations and school non-staff budgets. Distribution of these funds occurs after the final FY2012-13 balances are determined.

Notable Grant Changes

The following section highlights significant changes in grant revenue between the FY2012-13 adopted budget and the projected revenue for the FY2013-14 budget. In addition to funding changes, it is important to note that most grants have specific requirements that attach resources to targeted programs and services. As grants expire, services and programs are reduced or discontinued. As grants increase or are added, only allowable programs and services benefit from the increase.

Each year the district experiences changes in grant revenue from the prior year. Our adopted budget for FY2012-13 contained a grant revenue projection of \$58.8 million. This included funding from approximately 78 individual grants. For FY2013-14 we are projecting \$60 million in grant revenue, an increase of approximately \$1.2 million.

This net increase is significant in that it comes at a time when district has lost significant federal funding due to a shrinking percentage of low-income residents within the city-wide population (used to calculate many federal categorical programs) and sequestration. It includes increased projections of funding from the City of Seattle via the Families and Education Levy (FEL). The 2012-13 school year marked the first year in a new seven year FEL funding cycle, and as a result of the timing, the FY2012-13 grants projection did not include the full funding that was eventually received, and the amounts were part of the grant capacity reserve. While some allocations are still being made centrally, such as those for nursing services and most family support workers (FSWs), many are being made directly to schools based on competitive applications submitted by the schools in early winter and awarded by the city in the spring. There are separate allocations to schools at the elementary, middle and high school levels. Total awards to schools is expected to be in excess of \$8.7 million.

Federal funding continues to be a challenge. The district's Title I, Part A allocation for FY2013-14 is projected at \$9,438,716 compared to our original allocation of \$11,080,723 for FY2012-13. This is a decrease of \$1,642,007 or 14.8% from our original FY2012-13 allocation. Funding for Title II, Part A (Principal and Teacher Training) is projected to experience a 4.1% reduction, from \$2,779,130 in FY2012-13 down to \$2,664,906 in FY2013-14. Funding for Title III (Limited English Proficient – LEP) is projected to experience a 6.4% reduction, from \$1,050,415 in FY2012-13 down to \$983,525 in FY2013-14. Reduction are due to the aforementioned reduction in the city's low-income population and federal sequestration which occurred in January 2013.

Frequently, actual grant awards for continuing grants are not finalized until after adoption of the district's general fund budget. This is also true for new grants as the district applies for and receives grants throughout the school year. Because the Board sets the maximum spending level prior to the beginning of the year, the district must establish a grant reserve to ensure it has the capacity to accept increases in grant revenue. For FY2013-14, the district has established a grant reserve of \$18.5 million. Because this is to cover future awards, this reserve is not currently backed by revenue.

Significant Continuing Grants

The following grants are continuing multi-year competitive grants, and will have significant activity in the FY2013-14 school year. All are federally funded.

- Teacher Incentive Fund is federal funding used to increase teacher performance through professional development programs. FY2013-14 is year four of a five year grant period. Funding for the period 10/1/10 through 9/30/13 was released as one sum, \$6,437,252. The full award for TIF through 9/13/15 is \$12,498,772.
- The Seattle High School Graduation Initiative will enter year four of its five year award period in FY2013-14. The district is currently working directly with the U.S. Department of education to ascertain the future of this program and the funding available to support it. As of this writing the funding for FY14 is \$2,500,200.
- The district received a three year \$1.7 million Carol M. White Physical Education grant from the U.S. Department of Education. FY2013-14 is the final year of this grant, with funding of \$518,451 for the year.

Major Grants Not Continuing as of Budget Recommendation

The following grants are at the end of their funding cycle or are not being renewed for the FY2013-14 school year.

- School Improvement Grant (SIG) was federal funding received through the State to substantially raise student achievement in the lowest 5% of under-achieving Title I schools and Title I-eligible secondary schools. \$5.7 million has been received over three years to implement school transformation plans at Cleveland High School, and West Seattle and Hawthorne Elementary Schools. \$1.75 million was received in FY2013-14, the final year of this funding.

- The **Full Service Community Schools** grant completed the final year of its five year award period. \$494,977 was received in FY2012-13, the final year of this funding..
- **Urban School Turnaround Initiative** was a \$2,000,000 state grant that was one-time funding in FY2012-13 for Aki Kurose Middle School and Rainier Beach High School. The state has allowed the use of the small balance remaining to carry forward to FY2013-14.
- **Improving Health and Education Outcomes of Young People** was federal funding received from the Centers for Disease Control (CDC) to maintain district compliance with the Health Youth Act (2010 WAC 392-410-140) and the AIDS Omnibus Act (RCW 28A.260.070) as they relate to mandated sexual and HIV/AIDS education at the elementary, middle and high school levels. For the past 20 years the district received approximately \$300,000-340,000 annually.

Sequestration

These are automatic spending cuts provided under the Gramm-Rudman-Hollings Balanced Budget Act of 1985 and the Budget Control Act of 2011. Under these provisions, unless a budget was passed by January 2, 2013, automatic spending cuts, known as sequestration, would occur. Sequestration began on March 1, 2013.

The impact of these cuts is being felt for first time in FY2013-14. These spending cuts impact nearly all discretionary education funding. The district has seen reductions of between 4% and 14.8% depending on the program. Impacted programs include IDEA Part B, Title I, Part A, Title II and Title III funding.

Expenditures by OSPI Activity Group

OSPI's F-195 Report divides operating expenditures into five distinct categories or *Activity Groups*: Teaching, Unit Administration, Teaching Support, Central Administration, and Other Support activities. This provides a high level or macro view of district expenditures.

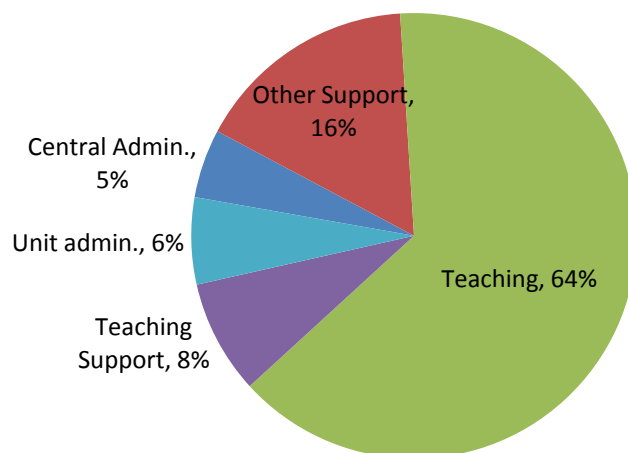
Highlights of Expenditure Changes

- Teaching increases by \$34.2 million; 9.1%
- Unit Administration increases by \$1.9 million; 5.1%
- Teaching Support increases by \$4.9 million; 10.2%
- Central Administration *decreases* by \$1.7 million; -5.0%.
- Other Support increases by \$8.6 million; 9.0%

Growth in Teaching

The largest change in expenditures for FY2013-14 is the increase in Teaching by 9.1% and \$34.2 million. Enrollment increases and enhancements to Special Education represent about half of this amount, while nearly \$5 million is attributed to the Seattle Families and Education Levy.

Budget by Activity Group



District Staff, General Fund Positions

The following pages provide a high level view of General Fund staff funded by grants and non-grants resources. Staffing changes are summarized and a summary of total District staff listed by the Washington State Office of Superintendent of Public Instruction (OSPI) *duty code* is provided along with OSPI duty code definitions.

Additional job-level information is provided in the appendix.

Explanatory note on FTE

Note that for clarity, this document counts staff filling all of a position as “full-time.” Therefore Elementary Assistants, School Secretaries, and Teachers working full-time are counted as one FTE – even though none work over the summer. This differs from OSPI reporting logic which *does not* count full-time Elementary Assistants and full-time School Secretaries as a full FTE but *does* count full-time Teachers as one FTE.

For example:

| <u>Position</u> | <u>Hours/Day</u> | <u>Days/Year</u> | <u>SPS FTE</u> | <u>OSPI FTE</u> |
|-----------------------------|------------------|------------------|----------------|-----------------|
| Elementary Teacher | 8 | 180 | 1.0 | 1.000 |
| Special Education Assistant | 7 | 203 | 1.0 | 0.683 |
| Assistant School Secretary | 8 | 222 | 1.0 | 0.854 |
| Payroll Specialist | 8 | 260 | 1.0 | 1.000 |

Therefore, when submitted, the OSPI F-195 Report will show fewer FTE than are reported in this document.

Staffing Changes

Staffing increases between the Adopted FY2012-13 and Recommended FY2013-14 General Fund Budget total 282.4 FTE.

Comparison of Staff, FY2012-13 and FY2013-14

| Activity Group | 2012-2013 Adopted | | | 2013-2014 Recommended | | | FTE Change | | |
|------------------------|----------------------|----------------|----------------|--------------------------|----------------|----------------|---------------|--------------|--------------|
| | Grant | Non-Grant | Total | Grant | Non-Grant | Total | Grant | Non-Grant | Total |
| Teaching | 304.6 | 3,355.3 | 3,659.9 | 292.2 | 3,569.4 | 3,861.6 | -12.4 | 214.08 | 201.7 |
| Teaching Support | 146.3 | 374.7 | 520.9 | 144.0 | 392.7 | 536.6 | -2.3 | 18.0 | 15.7 |
| Unit Administration | 7.6 | 381.8 | 389.4 | 7.7 | 408.1 | 415.7 | 0.1 | 26.3 | 26.4 |
| Central Administration | 40.9 | 200.6 | 241.5 | 27.7 | 219.7 | 247.3 | -13.2 | 19.1 | 5.9 |
| Other Support | 0.0 | 509.7 | 509.7 | 0.0 | 543.6 | 543.6 | 0.0 | 34.0 | 34.0 |
| Total | 499.3 | 4,822.0 | 5,321.3 | 471.6 | 5,133.4 | 5,604.8 | -27.9 | 311.4 | 283.7 |

Numbers may not add due to rounding

District Staff Summary

General Fund Positions

| Duty Code* | Duty Title | FY 2013 | FY 2014 |
|------------|----------------------------|---------|---------|
| 110 | Superintendent | 1.0 | 1.0 |
| 120 | Deputy/ Assistant Superin | 1.0 | 1.0 |
| 130 | Other District Administrat | 29.9 | 33.1 |
| 210 | Elementary Principal | 68.0 | 68.8 |
| 220 | Elementary Vice Principal | 15.0 | 24.5 |
| 230 | Secondary Principal | 28.0 | 26.0 |
| 240 | Secondary Vice Principal | 53.0 | 57.5 |
| 250 | Other School Administrat | 2.0 | 1.0 |
| 310 | Elementary Teacher | 1,280.3 | 1,341.1 |
| 320 | Secondary Teacher | 965.7 | 992.9 |
| 330 | Other Teacher | 551.1 | 603.8 |
| 400 | Other Support Personnel | 122.9 | 112.9 |
| 410 | Library Media Specialist | 60.6 | 62.8 |
| 420 | Counselor | 82.7 | 86.6 |
| 430 | Occupational Therapist | 25.5 | 27.3 |
| 440 | Social Worker | 5.1 | 6.5 |
| 450 | Speech Language Patholo | 71.1 | 74.7 |
| 460 | Psychologist | 46.9 | 51.1 |
| 470 | Nurse | 54.5 | 55.6 |
| 480 | Physical Therapist | 11.2 | 13.6 |
| 510 | Extracurricular | 9.4 | 9.8 |
| 610 | Certificated on Leave | 2.0 | 2.0 |
| 900 | Classified on Leave | 1.0 | 1.0 |
| 910 | Aide | 824.4 | 891.8 |
| 920 | Crafts/Trades | 85.0 | 105.0 |
| 940 | Office/Clerical | 335.0 | 345.3 |
| 950 | Operator | 14.0 | 14.0 |
| 960 | Professional | 132.0 | 146.2 |
| 970 | Service Worker | 354.7 | 356.6 |
| 980 | Technical | 15.3 | 13.1 |
| 990 | Director/Supervisor | 73.0 | 78.6 |
| Total FTE | | 5,321.3 | 5,604.9 |

School Budgets (General Fund)

This section presents school budgets and staff funded from those budgets. Each school has built their budget to implement their Continuous School Improvement Plan.

Funds and staff are generally allocated to schools in two ways. First, a direct allocation is made as a distribution of funds and FTE's into the schools' budgets. The second is an indirect allocation in which schools receive substantial staff and support from centrally budgeted programs that are not allocated as part of school budgets. Examples of centrally budgeted school staff include:

- Special Education: Psychologists, Speech/Language Pathologists, Occupational and Physical Therapists, Other Special Education certificated staff, Family Support Workers,
- Bilingual Education Coaches and Instructional Assistants,
- Teachers funded from the State School Improvement Grant (SIG) program,
- Nurses

This section contains the following reports:

- Total School Budgeted Staff By State Duty Code
- School Budgets
 - Grant and Non-grant budgets
 - Total FTE
 - Projected Enrollment (Head Count for K-8, AAFTE** for 9-12)

Appendix A contains a more detailed school report which includes:

- Projected Enrollment (Head Count for K-8, AAFTE** for 9-12)
- Budget by state programs, activities, and objects*;
- Funding per Student; and
- Type of Funds: Grant and Non-Grant

* The Washington State Office of Superintendent of Public Instruction (OSPI) state program, activity, and object code definitions are provided in Appendix C.

** AAFTE – Average Annual Full-Time Equivalent. The State of Washington funds K-12 education based on average attendance over the school year.

School Staff Summary

General Fund Positions

| Duty Code* | Duty Title | FY 2013 | FY 2014 |
|------------|----------------------------|---------|---------|
| 130 | Other District Administrat | 1.0 | |
| 210 | Elementary Principal | 68.0 | 68.8 |
| 220 | Elementary Vice Principal | 15.0 | 24.5 |
| 230 | Secondary Principal | 26.0 | 26.0 |
| 240 | Secondary Vice Principal | 53.0 | 57.5 |
| 250 | Other School Administrat | 1.0 | |
| 310 | Elementary Teacher | 1,271.1 | 1,325.0 |
| 320 | Secondary Teacher | 951.2 | 980.2 |
| 330 | Other Teacher | 515.8 | 562.1 |
| 400 | Other Support Personnel | 38.5 | 41.4 |
| 410 | Library Media Specialist | 60.6 | 62.8 |
| 420 | Counselor | 76.5 | 83.4 |
| 440 | Social Worker | 4.1 | 5.5 |
| 460 | Psychologist | 0.3 | 1.0 |
| 470 | Nurse | 8.0 | 7.6 |
| 510 | Extracurricular | 9.4 | 9.8 |
| 910 | Aide | 457.8 | 534.4 |
| 940 | Office/Clerical | 252.4 | 257.3 |
| 960 | Professional | 3.8 | 1.0 |
| 980 | Technical | 3.8 | 3.7 |
| 990 | Director/Supervisor | | 2.0 |
| Total FTE | | 3,817.4 | 4,054.0 |

School Budgets by School Type

| School | Proj. Enroll. | FTE | Grant Budget | Non-Grant Budget | Total Budget | Budget per Student |
|------------------------------------|------------------|----------------|-------------------|---------------------|--------------------|-----------------------|
| School | 50,288 | 4,054.0 | 19,391,193 | 335,940,267 | 355,331,460 | 7,066 |
| Elementary School | 23,508 | 1,904.0 | 8,549,177 | 155,587,239 | 164,136,417 | 6,982 |
| APP @ Lincoln | 594 | 32.5 | 104,980 | 2,820,741 | 2,925,721 | 4,925 |
| Adams Elementary | 500 | 36.7 | 28,280 | 3,135,187 | 3,163,467 | 6,327 |
| Alki Elementary | 379 | 26.7 | 23,567 | 2,295,798 | 2,319,365 | 6,120 |
| Arbor Heights Elementary | 354 | 28.3 | 41,204 | 2,376,386 | 2,417,590 | 6,829 |
| B.F. Day Elementary | 338 | 30.8 | 36,834 | 2,543,407 | 2,580,241 | 7,634 |
| Bagley Elementary | 414 | 33.9 | 79,076 | 2,802,526 | 2,881,602 | 6,960 |
| Beacon Hill International School | 479 | 40.6 | 346,387 | 3,155,818 | 3,502,205 | 7,311 |
| Bryant Elementary | 593 | 35.1 | 134,762 | 3,088,628 | 3,223,390 | 5,436 |
| Coe Elementary | 485 | 32.9 | 217,801 | 2,718,878 | 2,936,679 | 6,055 |
| Concord International School | 400 | 36.2 | 186,005 | 2,969,760 | 3,155,765 | 7,889 |
| Dearborn Park Elementary | 344 | 28.9 | 227,964 | 2,441,911 | 2,669,875 | 7,761 |
| Dunlap Elementary | 361 | 39.0 | 270,469 | 3,043,760 | 3,314,229 | 9,181 |
| Emerson Elementary | 296 | 24.4 | 187,607 | 2,055,834 | 2,243,441 | 7,579 |
| Gatewood Elementary | 503 | 39.9 | 88,239 | 3,303,414 | 3,391,653 | 6,743 |
| Gatzert Elementary | 392 | 38.4 | 296,459 | 3,069,394 | 3,365,853 | 8,586 |
| Graham Hill Elementary | 403 | 35.5 | 265,750 | 2,841,453 | 3,107,203 | 7,710 |
| Greenlake Elementary | 253 | 26.7 | 94,269 | 2,097,388 | 2,191,657 | 8,663 |
| Greenwood Elementary | 347 | 30.5 | 23,567 | 2,526,318 | 2,549,885 | 7,348 |
| Hawthorne Elementary | 327 | 34.0 | 146,790 | 2,755,778 | 2,902,568 | 8,876 |
| Highland Park Elementary | 425 | 41.0 | 284,591 | 3,197,797 | 3,482,388 | 8,194 |
| John Hay Elementary | 551 | 39.8 | 253,044 | 3,207,608 | 3,460,652 | 6,281 |
| John Rogers Elementary | 335 | 26.0 | 82,038 | 2,143,739 | 2,225,777 | 6,644 |
| John Stanford International School | 460 | 35.0 | 411,991 | 2,469,154 | 2,881,145 | 6,263 |
| Kimball Elementary | 456 | 34.5 | 95,099 | 2,999,839 | 3,094,938 | 6,787 |
| Lafayette Elementary | 569 | 37.1 | 29,024 | 3,215,534 | 3,244,558 | 5,702 |
| Laurelhurst Elementary | 401 | 31.4 | 74,028 | 2,520,969 | 2,594,997 | 6,471 |
| Lawton Elementary | 426 | 27.2 | 36,081 | 2,357,285 | 2,393,367 | 5,618 |
| Leschi Elementary | 390 | 30.5 | 68,648 | 2,585,573 | 2,654,221 | 6,806 |
| Lowell Elementary | 198 | 35.5 | 23,680 | 2,682,991 | 2,706,671 | 13,670 |
| Loyal Heights Elementary | 426 | 25.9 | 6,059 | 2,252,461 | 2,258,520 | 5,302 |
| Maple Elementary | 480 | 35.0 | 128,247 | 2,935,082 | 3,063,329 | 6,382 |
| Martin Luther King Jr. Elementary | 386 | 31.7 | 268,339 | 2,631,013 | 2,899,352 | 7,511 |
| McDonald Elementary | 368 | 29.2 | 238,900 | 2,120,641 | 2,359,541 | 6,412 |
| McGilvra Elementary | 301 | 23.0 | 205,945 | 1,759,984 | 1,965,929 | 6,531 |
| Montlake Elementary | 245 | 18.0 | 42,367 | 1,551,902 | 1,594,269 | 6,507 |
| Muir Elementary | 468 | 32.8 | 149,363 | 2,909,903 | 3,059,266 | 6,537 |
| North Beach Elementary | 314 | 23.5 | 8,660 | 1,975,524 | 1,984,184 | 6,319 |
| Northgate Elementary | 235 | 29.8 | 326,474 | 2,055,180 | 2,381,654 | 10,135 |
| Olympic Hills Elementary | 294 | 27.7 | 410,404 | 2,216,727 | 2,627,131 | 8,936 |
| Olympic View Elementary | 478 | 34.3 | 83,849 | 2,968,246 | 3,052,095 | 6,385 |
| Queen Anne Elementary | 337 | 22.0 | 88,295 | 1,804,204 | 1,892,499 | 5,616 |
| Rainier View Elementary | 200 | 19.8 | 71,324 | 1,658,296 | 1,729,620 | 8,648 |
| Roxhill Elementary | 369 | 39.0 | 414,557 | 3,038,287 | 3,452,844 | 9,357 |
| Sacajawea Elementary | 263 | 21.7 | 65,179 | 1,791,713 | 1,856,892 | 7,060 |
| Sand Point Elementary | 277 | 21.5 | 36,796 | 1,836,532 | 1,873,328 | 6,763 |
| Sanislo Elementary | 283 | 21.8 | 89,270 | 1,902,306 | 1,991,576 | 7,037 |
| Schmitz Park Elementary | 574 | 38.0 | 16,358 | 3,239,291 | 3,255,649 | 5,672 |
| STEM @ Boren | 327 | 31.7 | 20,703 | 2,508,744 | 2,529,447 | 7,735 |
| Stevens Elementary | 393 | 36.2 | 179,992 | 2,870,101 | 3,050,093 | 7,761 |
| Thornton Creek Elementary | 388 | 34.9 | 44,540 | 2,739,682 | 2,784,222 | 7,176 |
| Thurgood Marshall Elementary | 489 | 44.1 | 120,137 | 3,538,532 | 3,658,669 | 7,482 |
| Van Asselt Elementary | 505 | 45.9 | 285,603 | 3,640,180 | 3,925,783 | 7,774 |
| View Ridge Elementary | 598 | 42.4 | 204,321 | 3,491,358 | 3,695,679 | 6,180 |
| Viewlands Elementary | 315 | 31.9 | 55,116 | 2,611,602 | 2,666,718 | 8,466 |
| Wedgwood Elementary | 480 | 35.0 | 88,740 | 2,869,082 | 2,957,823 | 6,162 |

FY2013-14 Recommended Budget

| | Proj. Enroll. | FTE | Grant Budget | Non-Grant Budget | Total Budget | Budget per Student |
|--------------------------------------|------------------|----------------|-------------------|---------------------|--------------------|-----------------------|
| West Seattle Elementary | 436 | 42.0 | 288,773 | 3,325,753 | 3,614,526 | 8,290 |
| West Woodland Elementary | 491 | 33.6 | 113,460 | 2,833,398 | 2,946,858 | 6,002 |
| Whittier Elementary | 466 | 29.1 | 80,117 | 2,512,876 | 2,592,993 | 5,564 |
| Wing Luke Elementary | 349 | 33.5 | 259,055 | 2,575,771 | 2,834,826 | 8,123 |
| High School | 11,485 | 874.4 | 2,806,791 | 75,401,633 | 78,208,423 | 6,810 |
| Ballard High School | 1,534 | 109.9 | 80,126 | 9,455,739 | 9,535,865 | 6,216 |
| Cleveland High School | 819 | 69.3 | 311,804 | 5,903,300 | 6,215,104 | 7,589 |
| Franklin High School | 1,351 | 98.2 | 543,880 | 8,478,673 | 9,022,553 | 6,678 |
| Garfield High School | 1,535 | 93.7 | 174,176 | 8,622,996 | 8,797,172 | 5,731 |
| Ingraham High School | 1,010 | 78.6 | 375,358 | 6,808,653 | 7,184,011 | 7,113 |
| Nathan Hale High School | 1,126 | 92.8 | 143,104 | 7,649,550 | 7,792,654 | 6,921 |
| Rainier Beach High School | 404 | 42.6 | 396,047 | 3,573,418 | 3,969,465 | 9,825 |
| Roosevelt High School | 1,637 | 116.8 | 64,949 | 10,058,552 | 10,123,501 | 6,184 |
| Sealth High School | 1,192 | 98.4 | 278,596 | 8,492,567 | 8,771,163 | 7,358 |
| West Seattle High School | 877 | 74.1 | 438,750 | 6,358,184 | 6,796,934 | 7,750 |
| K-8 School | 5,251 | 465.0 | 2,567,215 | 37,318,445 | 39,885,659 | 7,596 |
| AS#1 @ Pinehurst K-8 | 125 | 17.6 | 30,198 | 1,450,461 | 1,480,659 | 11,845 |
| Broadview Thomson K-8 | 664 | 65.4 | 257,918 | 5,267,192 | 5,525,110 | 8,321 |
| Catharine Blaine K-8 | 637 | 42.6 | 19,244 | 3,709,726 | 3,728,970 | 5,854 |
| Jane Addams K-8 | 755 | 60.9 | 96,084 | 5,110,316 | 5,206,400 | 6,896 |
| Madrona K-8 | 286 | 32.0 | 450,825 | 2,437,386 | 2,888,211 | 10,099 |
| Orca K-8 | 500 | 38.1 | 39,361 | 3,256,061 | 3,295,422 | 6,591 |
| Pathfinder K-8 | 487 | 42.9 | 87,761 | 3,664,212 | 3,751,973 | 7,704 |
| Salmon Bay K-8 | 683 | 50.3 | 34,240 | 4,327,911 | 4,362,151 | 6,387 |
| South Shore K-8 | 614 | 73.4 | 1,510,179 | 4,458,385 | 5,968,564 | 9,721 |
| TOPS K-8 | 500 | 41.8 | 41,405 | 3,636,795 | 3,678,200 | 7,356 |
| Middle School | 8,382 | 629.2 | 4,137,479 | 52,683,157 | 56,820,636 | 6,779 |
| Aki Kurose Middle School | 747 | 67.9 | 1,056,561 | 5,154,949 | 6,211,510 | 8,315 |
| Denny Middle School | 926 | 76.4 | 722,685 | 6,228,388 | 6,951,073 | 7,507 |
| Eckstein Middle School | 1,252 | 88.3 | 426,727 | 7,429,895 | 7,856,622 | 6,275 |
| Hamilton International Middle School | 1,101 | 72.3 | 144,788 | 6,261,852 | 6,406,640 | 5,819 |
| Madison Middle School | 743 | 57.9 | 249,988 | 4,952,125 | 5,202,113 | 7,001 |
| McClure Middle School | 471 | 42.6 | 140,256 | 3,482,295 | 3,622,551 | 7,691 |
| Mercer Middle School | 973 | 73.2 | 728,935 | 6,199,715 | 6,928,650 | 7,121 |
| Washington Middle School | 1,186 | 81.9 | 558,935 | 7,079,063 | 7,637,998 | 6,440 |
| Whitman Middle School | 983 | 68.7 | 108,604 | 5,894,874 | 6,003,478 | 6,107 |
| Non-Traditional Schools | 1,662 | 181.4 | 1,330,532 | 14,949,793 | 16,280,325 | 9,796 |
| Cascade K-12 | 156 | 10.3 | 16,102 | 967,044 | 983,146 | 6,302 |
| Center School | 275 | 20.3 | 12,509 | 1,842,286 | 1,854,795 | 6,745 |
| Interagency Academy | 401 | 56.8 | 965,272 | 3,895,519 | 4,860,791 | 12,122 |
| Middle College | 170 | 15.6 | 30,310 | 1,395,500 | 1,425,810 | 8,387 |
| NOVA | 310 | 26.7 | 24,792 | 2,292,773 | 2,317,565 | 7,476 |
| Skills Center | | 9.3 | | 954,108 | 954,108 | |
| South Lake Alt School | 125 | 16.0 | 88,963 | 1,412,626 | 1,501,589 | 12,013 |
| World School | 225 | 26.5 | 192,584 | 2,189,938 | 2,382,522 | 10,589 |
| Central Budgets | | 1,550.9 | 61,515,911 | 222,451,056 | 283,966,967 | |
| Grand Total | 50,288 | 5,604.9 | 80,907,104 | 558,391,323 | 639,298,428 | |

Detailed school budgets can be found in Appendix A.

Central Budgets (General Fund)

The following pages contain reports on central budgets and staff funded from those budgets. These reports are formatted similar to the School budget pages.

This section contains the following:

- A by-duty code summary of all centrally-funded FTE
- Descriptions of departments including goals, and initiatives
- Total budgets by SPS organization

Appendix B includes more detailed department level reports which include:

- Budget by state programs, activities, and objects*;
- Type of Funds: Grant and Non-Grant

* The Washington State Office of Superintendent of Public Instruction (OSPI) state program, activity, and object code definitions are provided in Appendix C.

** AAFTE – Average Annual Full-Time Equivalent. The State of Washington funds K-12 education based on average attendance over the school year.

Central Staff Summary

General Fund Positions

| Duty Code* | Duty Title | FY 2013 | FY 2014 |
|------------|----------------------------|---------|---------|
| 110 | Superintendent | 1.0 | 1.0 |
| 120 | Deputy/ Assistant Superin | 1.0 | 1.0 |
| 130 | Other District Administrat | 28.9 | 33.1 |
| 230 | Secondary Principal | 2.0 | |
| 250 | Other School Administrat | 1.0 | 1.0 |
| 310 | Elementary Teacher | 9.2 | 16.1 |
| 320 | Secondary Teacher | 14.5 | 12.7 |
| 330 | Other Teacher | 35.3 | 41.7 |
| 400 | Other Support Personnel | 84.4 | 71.5 |
| 420 | Counselor | 6.2 | 3.1 |
| 430 | Occupational Therapist | 25.5 | 27.3 |
| 440 | Social Worker | 1.0 | 1.0 |
| 450 | Speech Language Patholo | 71.1 | 74.7 |
| 460 | Psychologist | 46.6 | 50.1 |
| 470 | Nurse | 46.5 | 48.0 |
| 480 | Physical Therapist | 11.2 | 13.6 |
| 610 | Certificated on Leave | 2.0 | 2.0 |
| 900 | Classified on Leave | 1.0 | 1.0 |
| 910 | Aide | 366.6 | 357.4 |
| 920 | Crafts/Trades | 85.0 | 105.0 |
| 940 | Office/Clerical | 82.5 | 88.0 |
| 950 | Operator | 14.0 | 14.0 |
| 960 | Professional | 128.2 | 145.2 |
| 970 | Service Worker | 354.7 | 356.6 |
| 980 | Technical | 11.5 | 9.4 |
| 990 | Director/Supervisor | 73.0 | 76.6 |
| Total FTE | | 1,503.9 | 1,550.9 |

Central Budgets by Department

| | FTE | Grant Budget | Non-Grant Budget | Total Budget |
|--|----------------|-------------------|---------------------|--------------------|
| All Central Budgets | 1,550.9 | 61,515,911 | 222,451,056 | 283,966,967 |
| School Board Office | 5.0 | | 1,025,918 | 1,025,918 |
| School Board Office | 5.0 | | 1,025,918 | 1,025,918 |
| Superintendent | 32.6 | 1,872,511 | 1,125,109 | 2,997,619 |
| Equity and Race Relations | 3.0 | 85,911 | 225,012 | 310,923 |
| Family and Community | 25.1 | 1,786,599 | 2,392 | 1,788,991 |
| Superintendent's Office | 4.5 | | 897,705 | 897,705 |
| Office of Public Affairs and Communications | 5.5 | 107,423 | 501,221 | 608,644 |
| Communications | 5.5 | 107,423 | 501,221 | 608,644 |
| Office of General Counsel | 20.3 | | 4,089,370 | 4,089,370 |
| General Counsel | 20.3 | | 4,089,370 | 4,089,370 |
| Teaching & Learning | 689.3 | 24,118,497 | 42,762,051 | 66,880,548 |
| Advanced Learning | 5.0 | 416,677 | 477,114 | 893,791 |
| Assistant Superintendent of Teaching and Learning | 2.4 | | 619,111 | 619,111 |
| College and Career Readiness | 2.1 | 167,697 | 96,294 | 263,991 |
| Detention Center | 10.2 | 712,476 | | 712,476 |
| Education Directors of Schools | 10.0 | 24,239 | 1,508,859 | 1,533,098 |
| ELL | 192.8 | 1,001,323 | 10,638,092 | 11,639,415 |
| Headstart | 55.7 | 4,408,856 | 99,242 | 4,508,098 |
| Instructional Services | 27.8 | 2,107,384 | 1,611,393 | 3,718,777 |
| International Schools | 1.0 | 2,650 | 171,098 | 173,748 |
| KNHC Radio | 4.0 | | 283,852 | 283,852 |
| Literacy | 10.8 | 1,199,774 | 300,848 | 1,500,622 |
| Mathematics | 8.0 | 761,637 | 826,911 | 1,588,548 |
| Proyecto Saber | 3.0 | | 212,462 | 212,462 |
| Research, Evaluation and Assessment | 3.0 | 176,033 | 241,853 | 417,887 |
| Running Start | 0.0 | | 1,834,966 | 1,834,966 |
| School to Work | 16.0 | 374,200 | 1,853,277 | 2,227,478 |
| Science | 6.6 | 642,433 | 707,303 | 1,349,736 |
| Special Education | 303.8 | 9,884,987 | 19,557,346 | 29,442,332 |
| Special Education - Annex | 2.7 | 243,998 | | 243,998 |
| TIF | 5.0 | 1,622,179 | 188,531 | 1,810,710 |
| Title V Indian Ed (Huchoosedah) | 3.1 | 233,129 | 101,903 | 335,031 |
| Visual & Performing Arts | 12.6 | 138,826 | 1,174,334 | 1,313,160 |
| Work Training | 3.8 | | 257,261 | 257,261 |
| Finance | 67.8 | 2,123,018 | 5,754,339 | 7,877,356 |
| Asst. Superintendent - Business & Finance | 2.4 | | 386,949 | 386,949 |
| Budget Department | 10.2 | | 1,139,142 | 1,139,142 |
| Compensatory Ed (LAP) | 1.7 | 454,632 | | 454,632 |
| Compensatory Ed (Title I) | 14.1 | 1,594,464 | | 1,594,464 |
| Comptroller's Office | 17.6 | | 1,815,219 | 1,815,219 |
| Contracts | 0.3 | | 32,514 | 32,514 |
| Enrollment Planning | 3.0 | | 336,447 | 336,447 |
| Grants Compliance | 3.8 | 73,921 | 298,943 | 372,864 |
| Payroll | 11.0 | | 974,833 | 974,833 |
| Risk Management | 3.7 | | 770,292 | 770,292 |
| Human Resources | 38.2 | | 6,186,460 | 6,186,460 |
| Employee Assistance Program | 2.0 | | 229,023 | 229,023 |
| Employee Assoc. Representatives | 3.0 | | 275,783 | 275,783 |
| Human Resources - Sabbaticals | 0.0 | | 20,000 | 20,000 |
| Labor Relations, Employee Relations | 33.2 | | 3,623,925 | 3,623,925 |
| Substitutes on Contract | 0.0 | | 2,037,728 | 2,037,728 |
| Operations | 692.2 | 4,189,436 | 118,317,557 | 122,506,993 |
| Assistant Superintendent of Operations | 2.3 | | 337,702 | 337,702 |

| | FTE | Grant Budget | Non-Grant Budget | Total Budget |
|---|----------------|-------------------------|-----------------------------|-------------------------|
| Athletics | 3.4 | | 2,047,339 | 2,047,339 |
| Child Nutrition Services | 11.0 | 200,000 | 11,637,651 | 11,837,650 |
| Custodial Services | 281.0 | | 20,304,594 | 20,304,594 |
| Customer Service/JSCEE Service Ctr. | 15.3 | | 1,263,455 | 1,263,455 |
| Environmental Services | 5.6 | | 10,753,021 | 10,753,021 |
| Facilities Prevent. Maint. & Tech. | 46.0 | | 5,512,749 | 5,512,749 |
| Facilities Planning & Billable Services | 8.8 | | 903,896 | 903,896 |
| Grounds | 23.0 | | 1,712,397 | 1,712,397 |
| Information Services/Network Systems | 52.6 | 375,292 | 12,928,831 | 13,304,123 |
| Instructional Television | 2.5 | 162,880 | 123,282 | 286,162 |
| Logistics | 1.0 | 4,500 | 123,219 | 127,719 |
| Mail Services | 1.0 | | 325,244 | 325,244 |
| Maintenance Services | 60.4 | | 6,962,771 | 6,962,771 |
| Property Management | 2.0 | | 516,675 | 516,675 |
| Publishing Services | 1.0 | | 0 | 0 |
| Purchasing | 4.8 | | 435,538 | 435,538 |
| Safe Schools | 8.2 | 2,348,048 | 167,721 | 2,515,769 |
| Safety and Security | 54.5 | | 3,655,549 | 3,655,549 |
| School Services | 4.1 | 152,645 | 243,455 | 396,100 |
| Student Health Services | 48.0 | 746,072 | 3,822,207 | 4,568,279 |
| Transportation | 32.0 | 200,000 | 32,432,067 | 32,632,067 |
| Warehouse | 23.8 | | 2,108,193 | 2,108,193 |
| Centrally Held Reserves | 0.0 | 29,105,027 | 42,689,033 | 71,794,059 |
| School Budgets | 4,054.0 | 19,391,193 | 335,940,267 | 355,331,460 |
| District Total | 5,604.9 | 80,907,104 | 558,391,323 | 639,298,428 |

Detailed central org budgets can be found in Appendix B.

Office of Public Affairs and Communications

Overview

The Office of Public Affairs supports Seattle's students and schools by providing accurate, up-to-date information about student achievement, school events and District initiatives. We build understanding and public support for our schools and strengthen relationships with students, staff, families, and community members so that together we can ensure an excellent education for every student. The Communications team supports the District in offering multiple opportunities for staff, families, and community members to share their success stories, ideas, and feedback on the District's priority projects. We work collaboratively with central office and school staff to help them communicate clearly and effectively.

Goals

We work to tell the story of Seattle Public Schools and to engage families and community members in our schools. Specifically, we aim to:

- **Share information** about our schools and students through multiple forms of media and in many languages.
- **Build support** for our schools by forming partnerships with families and community members.
- **Engage community members** by organizing many opportunities for people to share their thoughts, provide input, and partner with us to serve all students.
- **Build capacity** for school and central staff to share information through newsletters, web sites, phone messages, and community gatherings.
- **Provide clear and timely crisis communications** during inclement weather, natural disasters, or other emergencies.

Communication tools

- **District home page** is regularly updated with critical District news, "Hot Topics" and profiles of student, school and staff achievements.
- Our **Twitter** feed (@seapubschools) is also on the home page. www.seattleschools.org
- The District e-newsletter, **School Beat**, is released twice a month and distributed to more than 50,000 emails.
- The **Principal Communicator** is distributed weekly and is intended to streamline communication between central office departments and school leaders.
- The **SPS Wall Calendar** and family guide is produced once a year during the summer and is distributed to more than 38,000 SPS families and employees.
- The Office of Public Affairs acts as the liaison between SPS staff and local media, community members, and groups supporting District initiatives. Communications include regular **press releases, public service announcements, and statements from District leadership, marketing materials, presentations, photographs, videos, emergency communications plans, leadership announcements and more.**
- Seattle Public Schools uses the **SchoolMessenger system** to send regular auto-calls and emails to families and District personnel.

Office of General Counsel

Overview

The General Counsel's Office provides legal services to the Seattle Public Schools, including the School Board, Superintendent, and District Administrators, to ensure legal compliance across all District operations and reduce potential liability.

Staff attorneys represent and counsel clients on a variety of practice areas:

- Ethics Policy Compliance
- School Board Operations
- Open Public Meetings Act Compliance
- Litigation Management and Tort Claims
- Facilities and Capital Projects
- Contracting and Procurement
- District and School Operations
- Policy and Procedure Development and Compliance
- Property Management & Property Sales
- Legislative Analysis
- Labor and Employment Issues
- Educational Operations Issues
- Student 504 Accommodation
- Special Education
- Student Issues
- Public Records and Student Records Compliance
- Risk Management (Risk and Loss Prevention)
- District Safety and Security
- Constitutional Issues

Vision Statement

Providing tools and removing obstacles so that students and staff realize their full potential.

Mission Statement

The Office of General Counsel provides, manages, and coordinates all legal services for Seattle Public Schools in a collegial, positive, and professional manner. We are committed to rendering high quality and responsive services to support Seattle Public Schools' mission.

Instructional Services

Overview

Instructional Services is committed to academic achievement for every child in every school. As we raise academic standards, setting clear and consistent expectations for students, we are also transforming our schools and the way we deliver services to students.

Goals

Instructional Services leads research-based best practices; provides professional development; delivers services and resources to school communities; facilitates creative problem solving; and advocates for and advances equity, access and rigor in learning. Our primary goals include:

- Ensuring high quality professional learning centered on research-based best practices
- Supporting programs, services, and curricula so they are consistently and equitably implemented across the district
- Improving student achievement
- Ensuring that all resources are equitably allocated based on student needs
- Creating internal systems and advocating for other systems that support effective service delivery

Current Initiatives

We partner with community members, schools and other departments to meet District goals. The department seeks to support all schools in utilizing a multi-tier system of support framework that aligns current District initiatives involving Common Core State Standards, Danielson Framework and School Based Response to Interventions. This includes providing support related to:

- High quality instruction and intervention supports in all classrooms
- Curriculum aligned to Common Core State Standards
- System of assessments to inform instructional decision making
- Evidence-based team processes to accelerate learning for all students

Business and Finance

Overview

Under the supervision of the Assistant Superintendent for Business and Finance, the division consists of 8 departments: Enrollment Planning, Budget, Accounting, Grants, Payroll, Audit Response, Contracts, and Risk Management. These comprehensive areas provide financial services needed by schools and employees, maintain the fiscal integrity of the organization, monitor and analyze budgetary activity, centralize and monitor grants management, and provide financial leadership to the school district on state and federal legislation and sound financial practices.

Goals

Division goals align with Excellence for All and with the Seattle Public Schools 2012-2013 Priorities.

- Maintain accurate projections of revenues and expenditures to ensure sound financial decisions.
- Ensure the integrity of our business processes, and be good stewards of public funds.
- To provide quality consultation, guidance, and support through the implementation of talent management strategies.
- Assists district leaders at all levels to develop effective strategies for mitigating the risks they own.

Mission Statement

As stewards of the districts resources and the public trust, the Division provides stakeholders with essential information and collaboratively supports building Seattle Public Schools into a flagship school district.

Human Resources

Overview

As a strategic partner in creating excellence in education, Human Resources connects people to information and equips management with tools and resources to make sound decisions.

Human Resources provides services in the following areas:

- Employment Services
- Labor Relations
- Operations and Employee Records
- Employee Assistant Program
- Substitute Services

Goals

Short term improvement goals include ongoing efforts to improve and document all processes in order to provide better customer service. This includes optimizing the screening capabilities of NeoGov, the District's online application system, in order to clearly define the requirements for all advertised positions. Other short-term improvements including improving the hourly and administrative hiring process, and implementing an evaluation process that provides support to school administrators.

Long-range goals include the implementation of a case manager model and of an automation process for "on-boarding" and principal access to data.

Operations

Overview

Under the supervision of the Assistant Superintendent for Operations, the division consists of 5 departments: Capital Projects; Facilities Operations; Logistics; Technology; and Coordinated School Health and Athletics. These departments provide strategic support to the schools through promotion of healthy, safe, and supportive learning environments and student services. The division is responsible for facility planning and construction, maintenance, custodial, grounds, transportation and fleet management, customer service, procurement and distribution, information technology, records and archives, health services, athletics, child nutrition, elementary counseling, family support, discipline, truancy, security, and emergency management.

Goals

- Strengthen and streamline capital project management
- Provide excellent customer service and products
- Through technology promote academic excellence and service delivery
- Responsible, effective and efficient use of fiscal and environmental resources
- Safe, civil, and supportive learning environments that promote healthy physical activity and academic achievement
- Effective health, nutritional and social services that increase the ability for students to engage in learning

Mission Statement

Enable all students to achieve their potential through service to schools that ensure safe, healthy and supportive learning environments and a shared commitment to continuous improvement.

Associated Student Body

The Associated Student Body (ASB) Fund accounts for funds raised by students to support extra-curricular activities. Each school student body organization prepares and submits, for School Board approval, a budget for the school year.

The recommended budget capacity for the Associated Student Body Fund is as follows:

Dollars in Millions

| | FY12-13 Adopted | FY13-14 Recommended | \$ Change |
|-------------------------------|----------------------------|--------------------------------|------------------|
| Beginning Fund Balance | 2.8 | 2.7 | 0.0 |
| Total Revenues | 5.2 | 6.6 | 1.4 |
| Total Expenditure | 5.3 | 6.4 | 1.1 |
| Ending Fund Balance | \$2.7 M | \$2.9 M | \$0.2 M |

Numbers may not add due to rounding

HIGHLIGHTS OF CHANGES

The ASB Fund budget is established at \$6,399,694 for FY2013-14. This amount is based on fund raising estimates provided by individual schools and their submitted budgets. Revenues include a small amount for investment earnings, and expenditures are budgeted at slightly below revenues which is projected to increase fund balance by \$188,008.

The cost of the Fund Analyst position and related training supplies is paid from the General Fund and not included in the ASB budget.

Seattle Public Schools District No.001

SUMMARY OF ASSOCIATED STUDENT BODY FUND BUDGET

| | | Actual 2011-12 | Budget 2012-13 | Budget 2013-14 |
|---|---|---------------------|---------------------|---------------------|
| REVENUES | | | | |
| 100 | General Student Body | \$ 1,931,453 | \$ 1,702,696 | \$ 1,864,132 |
| 200 | Athletics | \$ 1,206,025 | \$ 1,540,489 | \$ 1,872,261 |
| 300 | Classes | \$ 436,455 | \$ 566,645 | \$ 741,619 |
| 400 | Clubs | \$ 1,593,884 | \$ 1,413,659 | \$ 2,078,529 |
| 600 | Private Moneys | \$ 1,882 | \$ 10,400 | \$ 31,161 |
| A. TOTAL REVENUES | | \$ 5,169,700 | \$ 5,233,889 | \$ 6,587,702 |
| EXPENDITURES | | | | |
| 100 | General Student Body | \$ 1,540,683 | \$ 1,707,579 | \$ 1,906,519 |
| 200 | Athletics | \$ 1,124,305 | \$ 1,651,857 | \$ 1,754,071 |
| 300 | Classes | \$ 414,390 | \$ 519,530 | \$ 677,341 |
| 400 | Clubs | \$ 1,498,839 | \$ 1,384,794 | \$ 2,038,552 |
| 600 | Private Moneys | \$ 1,882 | \$ 12,007 | \$ 23,211 |
| B. TOTAL EXPENDITURES | | \$ 4,580,098 | \$ 5,275,767 | \$ 6,399,694 |
| C. EXCESS OF REVENUE OVER (UNDER) EXPENDITURES (A-B) | | \$ 589,601 | \$ (41,878) | \$ 188,008 |
| BEGINNING FUND BALANCE | | | | |
| G.L.810 | Restricted for Other Items | | | |
| G.L.819 | Restricted to Fund Purposes | \$ 2,174,865 | \$ 2,053,624 | 2,722,588 |
| G.L.840 | Nonspendable Fund Balance-Inventory & Prepaid Items | | | |
| G.L.850 | Restricted for Uninsured Risks | | | |
| G.L.870 | Committed to Other Purposes | | | |
| G.L.889 | Assigned to Fund Purposes | | | |
| G.L.890 | Unassigned Fund Balance | | | |
| D. TOTAL BEGINNING FUND BALANCE | | \$ 2,174,865 | \$ 2,053,624 | \$ 2,722,588 |
| E. G.L.898 PRIOR YEAR CORRECTIONS OR RESTATEMENTS (+ or -) | | \$ - | \$ - | \$ - |
| ENDING FUND BALANCE | | | | |
| G.L.810 | Restricted for Other Items | | | |
| G.L.819 | Restricted to Fund Purposes | \$ 2,764,466 | \$ 2,011,746 | 2,910,596 |
| G.L.840 | Nonspendable Fund Balance-Inventory & Prepaid Items | | | |
| G.L.850 | Restricted for Uninsured Risks | | | |
| G.L.870 | Committed to Other Purposes | | | |
| G.L.889 | Assigned to Fund Purposes | | | |
| G.L.890 | Unassigned Fund Balance | | | |
| F. TOTAL ENDING FUND BALANCE (C+D) 1/ | | \$ 2,764,466 | \$ 2,011,746 | \$ 2,910,596 |

1/ Amount on Line F should be equal to or greater than all reserved fund balances.

Debt Service Fund

The Debt Service Fund has been established to account for the payment of principal, interest and other expenditures related to the redemption of outstanding bonds.

The Recommended Budget for the Debt Service Fund is as follows:

Dollars in Millions

| | FY12-13 | FY13-14 | |
|----------------------------------|---------------|---------------|-----------------|
| | Adopted | Recommended | \$ Change |
| Beginning Fund Balance | 4.8 | 5.8 | 1.0 |
| Total Revenues | 81.4 | 38.4 | (43.0) |
| Total Expenditures | 84.2 | 46.0 | (38.2) |
| Other Fin. Sources/(Uses) | 2.0 | 2.2 | 0.2 |
| Ending Fund Balance | \$4.0M | \$0.3M | (\$3.7M) |

Numbers may not add due to rounding

Highlights

In November 2010, the District issued \$17.5 million of Qualified School Construction Bonds (WSCB) for the purpose of providing the funds to renovate and modernize McDonald, Rainier View, Viewlands and Queen Anne elementary schools. As part of a federal program the interest on the bonds was to be fully reimbursed by the federal government. The interest was fully reimbursed by the federal government through FY2012-13 but due to sequestrations impacts \$38,824 will not be reimbursed in FY2013-14. This unreimbursed amount will be paid by a transfer from the Capital Fund.

In May 2010, the District issued \$33.1 million refunding bonds for the purpose of refinancing certain outstanding general obligation bonds. This will significantly reduce the financing costs of its "Series A" bonds issued in 2001 to finance the renovation of the John Stanford Center for Educational Excellence. Savings are projected at about \$3.9 million over the term of the bonds and began to be recognized in 2012.

In February 2007, Seattle voters approved a six-year \$490.0 million BEX III capital bond levy to provide for renovation and additions to schools and athletic fields and to fund new technology systems. In June 2007 the District issued \$412.4 million of bonds and began the work on these projects. The principal and

interest payments for these bonds will be made with the voter approved tax levies and are reflected in the table above.

A remaining \$3.1 million non-interest bearing Qualified Zone Academy Bond (QZAB) balance is fully reserved and funded for by the beginning fund balance with a maturity date of 9/1/2013.

The Debt Service revenue and expenditures budget includes \$15,000 in capacity in case of emergency spending.

Significant Changes

Revenues and expenditures in the Debt Service Fund primarily relate to the BEX III tax levy and bonds. The large reduction in revenue and expenditures from FY2012-13 to FY2013-14 is due to the termination of the BEX III levy and the final payment on the bonds. The expenditures for FY2012-13 include two semi-annual bond payments while the FY2013-14 expenditures include only the single final semi-annual payment for the BEX III bonds. Because the new BEX IV tax levy, which was approved in February 2013, is not a bond levy no new voted bonds will be issued and thus no debt payments will be incurred. The revenues and expenditures related to the BEX IV levy are included in the Capital Fund budget.

Total Debt Service by Fiscal Year

| <i>Fiscal Year</i> | <i>2010 Refunding Bonds</i> | <i>2010 QSCB</i> | <i>2007 BEX III</i> | <i>2003 QZAB</i> | <i>Total Debt Service</i> |
|---------------------------|------------------------------------|-------------------------|----------------------------|-------------------------|----------------------------------|
| 2014 | 2,115,800 | 446,250 | 40,369,625 | 3,057,000 | 45,988,675 |
| 2015 | 2,227,350 | 446,250 | | | 2,673,600 |
| 2016 | 2,336,200 | 223,125 | | | 2,559,325 |
| 2017 | 2,439,725 | 17,723,125 | | | 20,162,850 |
| 2018 | 2,566,650 | | | | 2,566,650 |
| 2019 | 2,688,325 | | | | 2,688,325 |
| 2020 | 2,819,525 | | | | 2,819,525 |
| 2021 | 2,949,950 | | | | 2,949,950 |
| 2022 | 3,081,306 | | | | 3,081,306 |
| 2023 | 3,119,569 | | | | 3,119,569 |
| 2024 | 3,268,463 | | | | 3,268,463 |
| 2025 | 3,417,700 | | | | 3,417,700 |
| 2026 | 3,578,900 | | | | 3,578,900 |
| 2027 | 3,738,300 | | | | 3,738,300 |
| Total | 40,347,763 | 18,838,750 | 40,369,625 | 3,057,000 | 102,613,138 |

Seattle Public Schools District No.001

SUMMARY OF DEBT SERVICE FUND BUDGET

| | Actual 2011-12 | Budget 2012-13 | Budget 2013-14 |
|---|-----------------------|----------------------|-----------------------|
| REVENUES AND OTHER FINANCING SOURCES | | | |
| 1000 Local Taxes | \$ 81,337,420 | \$ 80,850,000 | \$ 37,972,022 |
| 2000 Local Nontax Support | \$ 75,201 | \$ 57,750 | \$ 25,033 |
| 3000 State, General Purpose | | | |
| 5000 Federal, General Purpose | \$ 446,250 | \$ 446,250 | \$ 407,426 |
| 9000 Other Financing Sources | \$ 1,955,819 | \$ 2,016,700 | \$ 2,154,624 |
| A. TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ 83,814,690 | \$ 83,370,700 | \$ 40,559,105 |
| EXPENDITURES | | | |
| Matured Bond expenditures | \$ 75,350,900 | \$ 77,830,000 | \$ 43,547,000 |
| Interest on Bonds | \$ 9,956,235 | \$ 6,368,325 | \$ 2,456,675 |
| Interfund Loan Interest | | | |
| Bond Transfer Fees | | | |
| Arbitrage Rebate | | | |
| Underwriter's Fees | | | |
| B. TOTAL EXPENDITURES | \$ 85,307,135 | \$ 84,198,325 | \$ 46,003,675 |
| C. OTHER FINANCING USES - TRANSFERS OUT (G.L. 536) | | | |
| D. OTHER FINANCING USES (G.L. 535) | | | |
| E. EXCESS OF REVENUES/OTHER FINANCING SOURCES OVER/(UNDER) | | | |
| EXPENDITURES AND OTHER FINANCING USES (A-B-C-D) | \$ (1,492,445) | \$ (827,625) | \$ (5,444,570) |
| BEGINNING FUND BALANCE | | | |
| GL 810 Restricted for Other Items | | | |
| GL 830 Restricted for Debt Service | \$ 7,083,113 | \$ 4,788,256 | \$ 5,773,268 |
| GL 835 Restricted for Arbitrage Rebate | | | |
| GL 889 Assigned to Fund Purposes | | | |
| GL 890 Unassigned Fund Balance | | | |
| F. TOTAL BEGINNING FUND BALANCE | \$ 7,083,113 | \$ 4,788,256 | \$ 5,773,268 |
| G. G.L.898 PRIOR YEAR CORRECTIONS OR RESTATEMENTS (+ or -) | \$ - | \$ - | \$ - |
| ENDING FUND BALANCE | | | |
| GL 810 Restricted for Other Items | | | |
| GL 830 Restricted for Debt Service | \$ 5,590,668 | \$ 3,960,631 | \$ 328,698 |
| GL 835 Restricted for Arbitrage Rebate | | | |
| GL 889 Assigned to Fund Purposes | | | |
| GL 890 Unassigned Fund Balance | | | |
| H. TOTAL ENDING FUND BALANCE (C+D) 1/ | \$ 5,590,668 | \$ 3,960,631 | \$ 328,698 |

SEATTLE PUBLIC SCHOOLS DISTRICT NO 1
DEBT SERVICE FUND BUDGET DETAIL OF OUTSTANDING BONDS
FOR BUDGET YEAR 2013-2014

A. VOTED BONDS

| <u>Date of Issue</u> | <u>Amount of Original Issue</u> | <u>Estimated Amount Outstanding 9/1/13</u> |
|--------------------------|---------------------------------|--|
| 7/30/2007 | \$412,415,000 | \$116,230,000 |
| TOTAL VOTED BONDS | \$412,415,000 | \$116,230,000 |

B. NONVOTED BONDS

| <u>Date of Issue</u> | <u>Amount of Original Issue</u> | <u>Estimated Amount Outstanding 9/1/13</u> |
|-----------------------------|---------------------------------|--|
| 8/1/2003 | \$3,057,000 | \$3,057,000 |
| 5/18/2010 | \$33,080,000 | \$32,030,000 |
| 11/2/2010 | \$17,500,000 | \$17,500,000 |
| TOTAL NONVOTED BONDS | \$53,637,000 | \$52,587,000 |
| TOTAL BONDS | \$466,052,000 | \$168,817,000 |

Seattle Public Schools FY14 Recommended Capital Budget Table of Contents

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BTA III

BEX III

BEX IV

**CAPITAL ELIGIBLE PROJECTS (CEP) &
COMMUNITY SCHOOLS**

COMMITMENTS AND OPPORTUNITIES

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The Recommended Capital Fund Budget for FY14

Executive Summary

Seattle Public Schools is committed to ensuring an excellent education for every student and is dedicated to preparing each student to graduate from high school, ready for college, career, and life. This requires setting high expectations, attracting and retaining excellent teachers, and working to ensure every school is an excellent school.

Capital programs are important tools for working toward excellence. Voter-approved levies and bonds provide the funding for capital programs at Seattle Public Schools. There are two six-year capital programs: Building Excellence (BEX) and Buildings, Technology, and Academics (BTA). These programs are designed to renew and replace aging buildings with modern and efficient facilities. In addition, capital funds are used for improvements in classrooms, technology systems, mechanical equipment, and athletic fields. With recent changes in state law, capital funds may also be used for capital maintenance that meets specific criteria.

Seattle voters can have confidence in the predictability of the district's long-term levy plan, which places levy measures for both operations and capital needs on the ballot every three years, with BEX and BTA on alternating six-year schedules. This schedule maintains a level levy rate for capital programs and saves the cost of multiple elections.

The capital program is funded from different sources: BTA II, BTA III, and BEX IV are voter-approved capital levies; BEX III is a voter-approved capital levy/bond; and CEP is supported by surplus property sales, investment earnings, and leases.

Capital Fund Activity FY14

The Seattle School District's Capital Fund expenditure budget totals \$168.7 million for fiscal year 2014. Direct expenditures are budgeted at \$153.4 million and an additional \$15.3 million is set aside as a capital budget capacity reserve. Capital Fund activity in fiscal year 2014 will include inter-fund transfers of \$13.4 million and intra-fund transfers of \$5.2 million.

Inter-Fund Transfers

To General Fund

Transfers to the General Fund; \$5.9 million from BTA III and BEX IV for reimbursable technology training, support, and software maintenance expenses, and \$5.3 million from BTA III and BEX IV for Capital Eligible Preventative Maintenance.

To Debt Service Fund

Transfers to the Debt Service Fund; \$2.12 million from CEP for the payment on the bond for the John Stanford Center for Educational Excellence (JSCEE) and \$.04 million from BTA III for the interest payment on the QSCB bond received in fiscal year 2011 for Capacity Management.

Intra-Fund Transfers

To CEP from BTA III

Transfer \$3.3 million in principal and interest earnings on the \$7.1 million Loan from Community Schools to BTA III in fiscal year 2010 for Capacity Management.

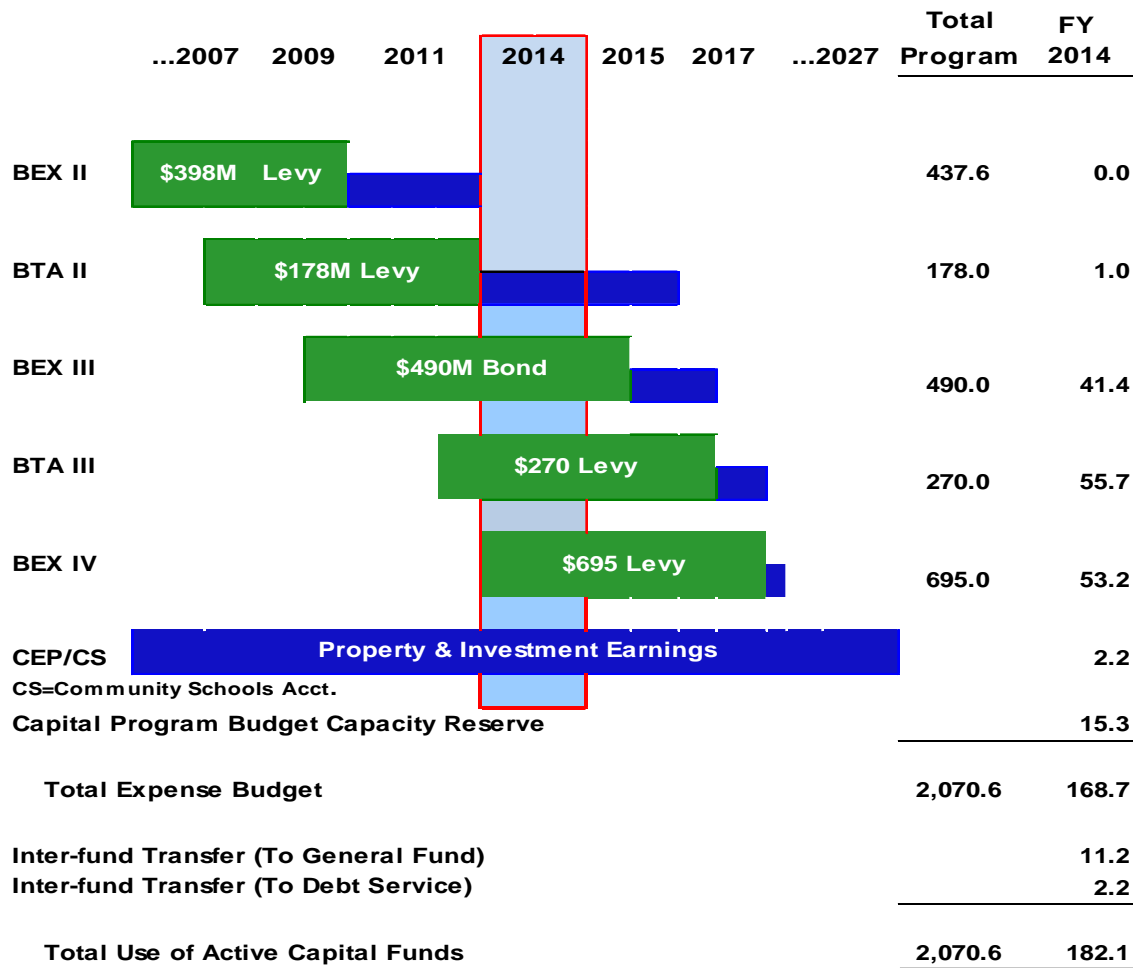
To CEP from BTA I

Transfer \$1.9 million remaining balance from closed projects in BTA I.

Capital Fund Activity

Current capital levy/bond programs span 17 years of activity, beginning in 2003 and ending in 2020. The Capital Eligible Projects (CEP), funded from surplus property rentals and sales, and investment earnings, is scheduled to continue past 2027. The proposed budget for FY14 is a one-year slice of our combined capital program. The following diagram illustrates total capital expenditures over time for each of the programs.

Capital Fund Program Activity FY's 2006 - 2020 (Dollars in Millions)



LEGEND: Program during Levy collection period

Program beyond Levy collection period

FY 2014 Capital Budget (Fiscal) Year

Revenues

The Seattle School District's Capital Fund revenue budget for FY14 is \$119.5 million and is supported by a combination of levy collections, the partial use of proceeds from the BEX III bonds sold in 2007, the carryover of ending fund balances in the other capital funds, investment earnings, state matching funds, surplus property sales, and lease/rental receipts.

Buildings, Technology, and Academics II (BTA II)

The Buildings, Technology, and Academics II (BTA II) program is funded by a \$178 million capital levy passed by Seattle voters in February 2004. The levy is scheduled to support nearly 700 district-wide improvement projects that upgrade existing facilities and systems. The BTA II program is subdivided into three major categories of capital work: Buildings, Technology, and Academics.

Beginning Balance: \$6.9M

The program balance at the beginning of FY14 is estimated at \$6.9 million.

| | | 2005-2010 Actual | 2011 Actual | 2012 Actual | 2013 Plan | 2014 Plan | 2015 Plan | Total |
|--|--|---------------------|----------------|----------------|--------------|--------------|--------------|--------------|
| Buildings* | 95,500,000 | | | | | | | |
| | Expenditures | 72,817,976 | 17,497,027 | 7,155,184 | 550,673 | 970,269 | 6,000,000 | 98,991,128 |
| | Software Transfer | (701,340) | (562,000) | - | - | - | - | (1,263,340) |
| Academics* | 39,750,000 | | | | | | | |
| | Expenditures | 27,505,790 | 2,503,235 | 1,303,457 | (1,480) | - | - | 31,311,001 |
| | BEXI, Software | (4,664,791) | (200,000) | - | - | - | - | (4,864,791) |
| Technology | 42,750,000 | | | | | | | |
| | Expenditures | 35,341,605 | 5,010 | (626) | - | - | - | 35,345,989 |
| | BEXI QZAB SW Training | (4,779,598) | (1,279,710) | (691,730) | - | - | - | (6,751,038) |
| | Total Expenditures | 135,665,371 | 20,005,272 | 8,458,015 | 549,192 | 970,269 | - | 165,648,119 |
| | Total Transfers | (10,145,728) | (2,041,710) | (691,730) | - | - | - | (12,879,168) |
| | Levy Collections/Grant ¹ | 162,415,300 | 19,098,476 | 815,345 | 299,879 | 25,051 | - | 182,654,051 |
| | Int. Earnings | 1,379,256 | 208,959 | 83,933 | 200,089 | 1,000 | - | 1,873,237 |
| | Total Revenue | 163,794,556 | 19,307,435 | 899,278 | 499,968 | 26,051 | - | 184,527,288 |
| | Annual-Bal | 17,983,456 | (2,739,547) | (8,250,467) | (49,224) | (944,218) | (6,000,000) | |
| | Cumulative-Bal | 24,778,847 | 15,243,909 | 6,993,442 | 6,944,218 | 6,000,000 | \$0 | |
| * includes Energy Efficiency Grants | | | | | | | | |
| ¹ includes \$5.8M revenue from Energy Efficiency Grants | | | | | | | | |

2014 Fiscal Year Change: (\$1.0M)

Planned spending of \$1.0 million will be offset by \$.03 million in levy collections and interest earnings.

BTA II Expenditures by Project Type

BTA II Buildings \$1.0M

| Scope | Original Budget | Current Budget | 2005 - 2012 Actual | 2013 Plan | 2014 Plan | 2015 Plan |
|------------------------------------|--------------------|--------------------|-----------------------|----------------|----------------|------------------|
| ADA | 8,248,085 | 7,036,711 | 7,035,014 | 1,697 | - | - |
| Capital Planning | - | 466,876 | 466,876 | - | - | - |
| Cooling Towers | - | 320,783 | 319,336 | 1,447 | - | - |
| Energy Grant Projects | - | 16,481,239 | 16,036,515 | 444,723 | - | - |
| Exterior | 24,581,908 | 17,879,615 | 17,879,615 | - | - | - |
| Fire Hydrant | - | 49,196 | 49,196 | - | - | - |
| Furniture | 1,512,000 | 770,842 | 770,842 | - | - | - |
| Interior | 11,569,208 | 8,610,188 | 8,610,188 | - | - | - |
| JSCEE Call Center | - | 277,703 | 277,703 | - | - | - |
| JSCEE Data Center | - | 1,585,460 | 1,585,460 | - | - | - |
| Mechanical | 22,098,883 | 13,620,952 | 13,550,042 | 70,910 | - | - |
| Northend Capacity | - | 1,192,414 | 1,192,346 | 68 | - | - |
| Playground | 2,628,746 | 2,976,267 | 2,970,011 | 6,255 | - | - |
| Program Consolidation | - | 518,968 | 518,968 | - | - | - |
| Program Reserve & FY13 close out | - | 995,269 | - | 25,000 | 970,269 | - |
| Roof | 24,852,032 | 19,434,833 | 19,434,261 | 572 | - | - |
| Small Business | - | 495,040 | 495,040 | - | - | - |
| Strategic Plan | - | 1,763,913 | 1,763,913 | - | - | - |
| Waterline | - | 5,771,084 | 5,771,084 | - | - | - |
| Seattle World School | - | 7,117 | 7,117 | - | - | 6,000,000 |
| Program Totals | 95,490,862 | 100,254,469 | | | | |
| Expenditure and Plan Totals | | | 98,733,527 | 550,673 | 970,269 | 6,000,000 |

The Buildings portion of BTA II protects and improves the physical integrity of the District's schools, improves the health and safety of our students and staff, and supports energy conservation projects. The FY14 scope of projects is summarized below:

| <u>Project</u> | <u>Budget</u> |
|-----------------------|----------------------|
| FY13 Project Closeout | \$0.5M |
| Capacity Reserve | \$0.5M |
| Total | \$1.0M |

BTA II Academics \$0.0M (there are no planned expenditures in FY14)

| Scope | Original Budget | Current Budget | 2005 - 2012 Actual | 2013 Plan |
|------------------------------------|-------------------|-------------------|--------------------|----------------|
| Athletic Field | 15,403,800 | 11,186,259 | 11,186,259 | - |
| Auditorium upgrade | 3,329,000 | 2,350,742 | 2,350,742 | - |
| BEX I Close out | - | 3,130,000 | 3,130,000 | - |
| Childcare upgrade | 700,000 | 190,896 | 188,363 | 2,532 |
| Cleveland Mem Forest | - | 262,299 | 262,299 | - |
| Exit & Emerg lights | - | 23,175 | 23,175 | - |
| Facilities upgrade | 11,500,000 | 8,496,870 | 8,496,870 | - |
| Greenhouse | 2,250,000 | 2,171,180 | 2,171,180 | - |
| Library upgrade | 2,475,000 | 2,010,722 | 1,980,400 | 30,322 |
| Portables | 500,000 | 27,948 | 27,948 | - |
| Program Consolidation | - | 1,376,927 | 1,376,927 | - |
| Program Reserve | - | - | - | - |
| Roof | - | 760,884 | 806,958 | (46,075) |
| Safety Showers | - | 67,135 | 67,135 | - |
| Safety upgrades | - | 45,241 | 45,176 | 65 |
| Science upgrades | 2,740,000 | 1,566,051 | 1,554,376 | 11,675 |
| Seahawks | 350,000 | - | - | - |
| Small Business | - | 48,363 | 48,363 | - |
| South Lake | 500,000 | - | - | - |
| Stage Curtains | - | 302,498 | 302,498 | - |
| Strategic Plan | - | 1,734,791 | 1,734,791 | - |
| Seattle World School | - | 423,813 | 423,813 | - |
| Program Totals | 39,747,800 | 36,175,793 | | |
| Expenditure and Plan Totals | | | 36,177,273 | (1,480) |

The Academics portion of BTA II provides for improvements and upgrades to literacy, arts and science facilities, and other smaller-scaled projects.

BTA II Technology \$0.0M (there are no planned expenditures in FY14)

| Scope | Original Budget | Current Budget | 2005-2011 Actual | 2012 Actual | 2013 Plan |
|------------------------------------|-------------------|-------------------|-------------------|----------------|-----------|
| Classroom Technology Project | 22,180,000 | 19,978,613 | 19,436,883 | 541,730 | - |
| Computer System Upgrades | 13,320,000 | 11,789,002 | 11,789,628 | (626) | - |
| Computer Network Upgrades | 7,250,000 | 9,462,327 | 9,312,327 | 150,000 | - |
| Program Totals | 42,750,000 | 41,229,943 | | | |
| Expenditure and Plan Totals | | | 40,538,839 | 691,104 | - |

Program Ending Balance: \$6.0M

The program is budgeted to end FY14 with a balance of \$6.0 million.

Buildings, Technology, and Academics III (BTA III)

The Buildings, Technology, and Academics III (BTA III) program is funded by a \$270 million capital levy passed by Seattle voters in February 2010. The BTA III levy supports district-wide improvement projects that upgrade existing facilities and systems. The BTA III program is subdivided into three major categories of capital work: Buildings, Technology, and Academics.

Beginning Balance: \$30.9M

The program balance at the beginning of FY14 is estimated at \$30.9 million.

| | 2010-2012 Actual | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | Total |
|------------------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Academics ** | 94,600,000 | | | | | | |
| Expenditures | (46,975,559) | (15,619,423) | (21,832,449) | (7,676,330) | (6,048,470) | (5,707,086) | (103,859,318) |
| Buildings * | 140,500,000 | | | | | | |
| Expenditures | (18,196,614) | (11,678,242) | (21,965,309) | (22,402,070) | (26,730,794) | (15,520,441) | (116,493,470) |
| Technology | 34,900,000 | | | | | | |
| Expenditures | (8,078,331) | (9,077,577) | (11,880,909) | (638,668) | | | (29,675,485) |
| Total Expenditures | (73,250,504) | (36,375,242) | (55,678,666) | (30,717,069) | (32,779,265) | (21,227,527) | (250,028,273) |
| Total Transfers¹ | (5,963,110) | (7,011,165) | (11,114,423) | (13,156,853) | (11,159,180) | (9,347,756) | (57,752,487) |
| to GF for Tech | (800,000) | (400,000) | (2,850,671) | | | | |
| to GF for MAP & STEM | (541,516) | | (581,582) | | | | |
| to GF for Dots Tchr Training | (1,764,637) | | (1,000,000) | | | | |
| Facilities Technology Support | | (172,000) | (186,000) | | | | |
| to GF for Capital Eligible Maint | (2,766,422) | (3,865,884) | (3,203,477) | (3,603,477) | (2,950,823) | (1,035,874) | |
| QSCB Payback | | | | (2,227,350) | (2,336,200) | (2,439,725) | |
| Series A Bond Payback | | | | (5,833,333) | (5,833,333) | (5,833,333) | |
| Repayment of CEP | | (2,500,000) | (3,200,000) | (1,400,000) | | | |
| QSCB Interest Payments | | (19,412) | (38,824) | (38,824) | (38,824) | (38,824) | |
| CEP Interest Payments | (90,535) | (53,869) | (53,869) | (53,869) | | | |
| Total Revenue² | 99,446,725 | 54,030,471 | 45,296,836 | 44,566,127 | 44,646,369 | 22,306,686 | 309,887,164 |
| Levy Collections | 67,689,485 | 45,000,000 | 45,000,000 | 45,000,000 | 45,000,000 | 22,500,000 | 270,189,485 |
| Interest Earnings | 248,385 | 150,491 | 77,226 | 128,627 | 208,869 | 87,936 | 901,535 |
| QSCB Bond | 17,462,375 | | | | | | 17,462,375 |
| CEP Intra-fund Transfer | 7,100,000 | | | | | | 7,100,000 |
| Energy Grants | 4,683,008 | 1,787,401 | 782,110 | | | | 7,252,519 |
| Tech E-Rate | | 406,051 | | | | | |
| Distressed Grant | 2,263,472 | 7,136,528 | | | | | 9,400,000 |
| Assumed Levy Uncollectibles | | (450,000) | (562,500) | (562,500) | (562,500) | (281,250) | (2,418,750) |
| Est. Annual Balance | 20,233,111 | 10,644,064 | (21,496,253) | 692,205 | 707,924 | (8,268,597) | |
| Est. Cumulative Balance | 36,060,258 | 30,877,175 | 9,380,922 | 10,073,127 | 10,781,052 | 2,512,455 | |

* includes Construction Escalation and Grants

** includes Grants

¹ includes payback of CEP, QSCB Bond with Interests, Series A Bond, Capital Maintenance transfer and Software transfers

² includes CEP Loan, QSCB Bond, Interest Earnings, Energy Efficiency Grants (\$7.2M), Federal Grant for distressed buildings (\$9.4M), Tech E-rate

2014 Fiscal Year Change: (\$21.5M)

Planned spending of \$55.7 million and transfers of \$11.1 million will be offset by \$45.3 million of levy collections and interest earnings.

BTA III Expenditures by Project Type

BTA III Buildings \$22.0M

| Scope | Original Budget | Current Budget | 2010-2012 Actual | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan |
|---------------------------------------|-----------------|----------------|------------------|------------|------------|-------------|------------|------------|
| Electrical Systems Upgrades | 850,000 | 855,666 | 45 | 83,621 | 389,700 | 348,400 | 33,900 | - |
| Capital Eligible Equipment | 4,000,000 | 3,965,987 | 143,979 | 800,008 | 966,300 | 666,630 | 666,663 | 722,407 |
| Exterior Renovations | 303,000 | 347,710 | 1,652 | 239,158 | 51,900 | 49,500 | 5,500 | - |
| Green Projects | 27,700,000 | 22,128,609 | 6,209,581 | 4,143,778 | 3,319,390 | 1,168,425 | 6,701,499 | 585,936 |
| Major Preventative Maintenance | 18,000,000 | 559,295 | 559,295 | - | - | - | - | - |
| Heating/Ventilation/Cooling Systems | 13,400,000 | 3,442,157 | 168,132 | 48,266 | - | 2,315,595 | 373,045 | 537,120 |
| Mechanical & Lighting Grants | | 17,517,296 | 1,932,014 | 2,936,782 | 2,800,000 | 1,129,950 | 5,881,950 | 2,836,600 |
| Planning | 2,700,000 | 1,509,657 | 1,268,327 | 241,330 | - | - | - | - |
| Roof Replacements | 10,700,000 | 19,792,435 | 7,548,645 | 3,072,176 | 5,601,185 | 1,328,770 | 2,032,127 | 209,532 |
| Communications/Security Systems | 100,000 | 317,551 | 223,083 | 94,467 | - | - | - | - |
| Seismic | 13,200,000 | 17,084,617 | - | - | 3,483,189 | 4,525,582 | 2,866,128 | 6,209,718 |
| Fire Suppression/Sprinklers | 15,500,000 | 9,817,006 | 71,021 | 9,533 | 939,600 | 3,783,963 | 3,213,842 | 1,799,048 |
| Waterline Replacement | 4,033,800 | 3,427,963 | 70,841 | 9,122 | 87,480 | 1,753,920 | 1,139,400 | 367,200 |
| Program Capacity & Escalation Reserve | 30,000,000 | 13,727,520 | - | - | 4,326,565 | \$3,331,336 | 3,816,740 | 2,252,880 |
| Seattle World School | | 2,000,000 | - | - | - | 2,000,000 | - | - |
| Program Totals | 140,486,800 | 116,493,470 | | | | | | |
| Expenditures and Plan Totals | | | 18,196,614 | 11,678,242 | 21,965,309 | 22,402,070 | 26,730,794 | 15,520,441 |

The Buildings portion of BTA III protects and improves the physical integrity of the District's schools, improves the health and safety of our students and staff, and supports energy conservation projects. The scope of projects is summarized in the appendix.

BTA III Technology \$11.9M

| Scope | Original Budget | Current Budget | 2010-2012 Actual | 2013 Plan | 2014 Plan | 2015 Plan |
|----------------------------------|-----------------|----------------|------------------|-----------|-------------|-----------|
| Academic Data Warehouse | 1,875,000 | 1,900,000 | 357,029 | 330,861 | 1,067,110 | 145,000 |
| Classroom Hardware Replacement | 7,700,000 | 7,700,000 | 2,416,986 | 1,847,590 | 3,435,424 | - |
| Contingency | | 239,528 | - | - | 239,528 | - |
| Disaster Recovery | 1,250,000 | 1,250,000 | - | 476,644 | 773,356 | - |
| Electronic Storage Syst Upgrade | 1,000,000 | 999,999 | 504,284 | 247,444 | 248,271 | - |
| Increase Network Capacity | 3,000,000 | 3,406,051 | 2,444,161 | 492,605 | 469,285 | - |
| Instructional Technology Support | 3,180,000 | 2,245,886 | 268,663 | 977,223 | 1,000,000 | - |
| IT Architecture Redesign | 1,000,000 | 299,580 | - | - | 299,580 | - |
| Library Technology Support | 390,000 | 359,496 | 116,715 | 119,303 | 123,478 | - |
| Project Management | 1,120,000 | 1,460,367 | 341,741 | 594,345 | 524,281 | - |
| Records Management Plan | 2,000,000 | 2,000,000 | 51,167 | 92,056 | 1,450,726 | 406,051 |
| SAP Enhancements | 3,250,000 | 2,490,000 | 598,523 | 627,403 | 1,264,074 | - |
| Server Upgrades/Replacement | 700,000 | 900,000 | 290,028 | 213,047 | 396,925 | - |
| Service Management Program | 700,000 | 92,470 | 92,470 | - | - | - |
| STEM Program | 1,120,000 | 1,110,000 | 736,135 | 262,000 | 111,865 | - |
| Student InfoSyst Enhancement | 4,300,000 | 7,303,845 | 1,029,902 | 2,477,091 | 3,796,852 | - |
| Web Technology Upgrade | 2,300,000 | 1,533,828 | 595,421 | 319,965 | 530,825 | 87,617 |
| Transfer Adjustment | | | | | (3,850,671) | |
| E-Rate | 406,051 | - | - | | | |
| Program Totals | 35,291,051 | 35,291,050 | | | | |
| Expenditures and Plan Totals | | | 9,843,225 | 9,077,577 | 11,880,909 | 638,668 |

Building an infrastructure that works well is a key goal of Seattle Public Schools' strategic plan, Excellence for All. This includes making strategic investments in technology to support learning and teaching in the classroom; to deliver services to students, teachers, staff and families; and to improve efficiency and reduce the costs of business processes. The scope of projects is summarized in the appendix.

BTA III Academics \$21.8M

| Scope | Original Budget | Current Budget | 2010-2012 Actual | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan |
|--|-------------------|--------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|
| Student Assessment System | 4,300,000 | 5,185,162 | 2,533,802 | 686,727 | 500,000 | 602,693 | 534,997 | 326,944 |
| Meany/NOVA enhancements | 5,000,000 | 5,157,227 | 230,033 | 1,127,194 | 3,800,000 | - | - | - |
| Early Learning | 3,200,000 | 3,244,435 | 65,048 | 93,707 | 1,851,408 | 1,131,416 | 102,856 | - |
| Athletics: Fields, turf, and lighting | 19,200,000 | 15,232,698 | 3,776,914 | 1,181,599 | 811,477 | 1,642,895 | 3,809,188 | 4,010,625 |
| Field Relamping & Dimmer Switch | | - | - | - | - | - | - | - |
| Capacity Management / Opening Schools | 48,100,000 | 54,154,822 | 36,671,014 | 5,393,133 | 8,890,676 | 2,422,222 | 444,444 | 333,333 |
| Program Placement & Portables | 2,900,000 | 10,685,076 | 2,329,433 | 4,920,257 | 2,247,524 | 788,309 | 255,035 | 144,518 |
| Science & Computer Labs | 3,500,000 | 774,671 | - | 126,583 | 513,000 | 135,088 | - | - |
| Skills Center | 2,000,000 | 1,476,102 | 702,086 | 774,016 | - | - | - | - |
| Special Education Improvements | 4,800,000 | 4,235,007 | 25,590 | 911,143 | 801,698 | 802,420 | 802,492 | 891,666 |
| Program Capacity Reserve | | 2,803,026 | - | | 2,803,026 | | | |
| Student Assessment System Transfer Adj | | | | | (500,000) | | | |
| Science, Technology, Engineering, & Math | 1,600,000 | 1,411,090 | 641,640 | 405,064 | 113,640 | 151,288 | 99,458 | - |
| Program Totals | 94,600,000 | 104,359,317 | | | | | | |
| Expenditures and Plan Totals | | | 46,975,558 | 15,619,423 | 21,832,449 | 7,676,330 | 6,048,470 | 5,707,086 |

The Academics portion of BTA III provides for improvements and upgrades to literacy, arts, and science facilities, among other smaller-scaled projects. The scope of projects is summarized in the appendix.

BTA III Transfer Detail

The use of BTA III funds for FY14 includes \$11.1 million of transfers from BTA III to other programs and funds as follows:

| <u>Transfer To</u> | <u>Purpose</u> | <u>Amount</u> |
|------------------------|---|----------------|
| General Fund | Technology – MAP Testing | \$0.5M |
| General Fund | Technology – Teacher Training | \$1.0M |
| General Fund | Technology – STEM Program | \$.08M |
| General Fund | Technology – Software and staff support | \$2.9M |
| General Fund | Capital Eligible Preventative Maintenance | \$3.2M |
| Community Schools Fund | Loan Payback for Capacity Management | \$3.3M |
| General Fund | Facilities Technology Support | \$0.2M |
| Debt- Service | QSCB Interest Payment | \$.04M |
| | Transfer Total | \$11.1M |

Program Ending Balance: \$9.4M

The program is budgeted to end FY14 with a balance of \$9.4 million.

Building Excellence III (BEX III)

The Building Excellence III (BEX III) program is funded by a six-year \$490 million bond passed by Seattle voters in February 2007. It continues the District's long-range plan for funding new construction and building renovations or additions.

The six-year bond, issued in summer 2007, enabled the District to avoid many of the increasing construction costs by allowing the SPS to complete projects sooner than a traditional levy funded program would have. Good management continues to allow the Seattle Public Schools to do more than originally planned with the funds approved by voters. Each project is evaluated for possible savings and efficiencies such as grouping similar projects and combining sources.

The BEX III program contains three major components:

- Construction
- Infrastructure
- Technology

| BEX III PROGRAM | Original Budget | Current Budget | Total Charges as of 05/09/2013 | % Budget Charged | Forecast at Completion | Projected Budget Balance |
|--|-----------------------|------------------------|--------------------------------|------------------|------------------------|--------------------------|
| Major Capital Construction | | | | | | |
| Hamilton Middle School | 79,025,000 | 72,266,200 | 64,071,742 | 88.7% | 64,366,200 | 7,900,000 |
| South Shore New School | 69,659,000 | 64,716,200 | 63,254,104 | 97.7% | 63,516,200 | 1,200,000 |
| Nathan Hale High School | 83,791,554 | 86,788,080 | 83,422,863 | 96.1% | 84,809,080 | 1,979,000 |
| Denny MS / Sealth HS | 134,582,000 | 148,996,930 | 139,547,998 | 93.7% | 140,696,930 | 8,300,000 |
| Ingraham High School | 23,686,000 | 25,854,699 | 19,975,106 | 77.3% | 20,754,699 | 5,100,000 |
| Garfield High School CO & Claims | | 4,555,000 | 4,275,310 | 93.9% | 4,275,037 | 279,963 |
| Subtotal | \$ 390,743,554 | \$ 403,177,109 | \$ 374,547,123 | 92.9% | \$ 378,418,146 | \$ 24,758,963 |
| Rainier Beach High School | 500,000 | 500,000 | 500,044 | 100.0% | 500,044 | (44) |
| Interim Sites | - | 2,500,000 | 2,319,498 | 92.8% | 2,330,072 | 169,928 |
| Enrollment Center | - | 71,602 | 66,345 | 92.7% | 71,602 | - |
| Total | \$ 391,243,554 | \$ 406,248,711 | \$ 377,433,010 | 92.9% | \$ 381,319,864 | \$ 24,928,847 |
| Infrastructure Improvement | | | | | | |
| Water Piping | 10,000,000 | 7,100,000 | 5,901,004 | 83.1% | 6,870,000 | 230,000 |
| Gatzert Roof Replacement | - | 1,400,000 | 1,069,388 | 76.4% | 725,000 | 675,000 |
| Indoor Air Quality | 10,000,000 | 7,500,000 | 4,700,649 | 62.7% | 4,740,000 | 2,760,000 |
| Athletic Fields Group A | 2,800,000 | 2,500,000 | 2,321,357 | 92.9% | 2,300,000 | 200,000 |
| Athletic Fields Group B | 3,200,000 | 2,732,000 | 2,505,723 | 91.7% | 2,506,000 | 226,000 |
| Total | \$ 26,000,000 | \$ 21,232,000 | \$ 16,498,121 | 77.7% | \$ 17,141,000 | \$ 4,091,000 |
| Technology | \$ 42,000,000 | \$ 42,000,000 | \$ 35,760,159 | 85.1% | \$ 42,000,000 | \$ - |
| Program Costs | | | | | | |
| Capital Planning | 2,000,000 | 2,000,000 | 1,967,128 | 98.4% | 2,000,000 | \$ - |
| Total | \$ 2,000,000 | \$ 2,000,000 | \$ 1,967,128 | 98.4% | \$ 2,000,000 | \$ - |
| Projected BEX Staff Expenses | | | | | \$ 2,142,205 | \$ (2,142,205) |
| Intermediate Term Capacity Mgmt/BEX IV Seed | - | \$ 19,285,120 | \$ 4,286,342 | | \$ 21,100,000 | \$ (1,814,880) |
| Refund CEP Account | - | \$ 2,250,000 | \$ - | | \$ 2,250,000 | \$ - |
| Program Reserve | \$ 23,081,853 | \$ (17,825,172) | \$ - | 0.0% | \$ 4,000,000 | \$ (21,825,172) |
| Program Total | \$ 484,325,407 | \$ 475,190,659 | \$ 435,944,760 | 91.7% | \$ 471,953,069 | \$ 3,237,590 |

Beginning Balance: \$32.8M

The program balance at the beginning of FY14 is estimated at \$32.8 million.

2014 Fiscal Year Change: (\$31.8M)

Investment earnings and an anticipated State Grant will add \$9.5 million of funding to the BEX III Program.

A total of \$41.4 million is budgeted to support the following improvements.

BEX III Expenditures by Project**Construction**

| <u>Project</u> | <u>Budget</u> |
|--|----------------------|
| BEX IV Design Reserve | \$9.5M |
| Fairmount Park re-opening | \$11.5M |
| FY 13 Project Closeout | \$2.5M |
| Lincoln 2 nd Elementary (New Project) | \$1.4M |
| Program Capacity & Debt Service Reserve | \$2.0M |
| State Ask Distressed Grant Reserve | \$9.5M |
| Staff & Administration | <u>\$1.0M</u> |
| Total | \$37.5M |

Infrastructure

| <u>Projects</u> | <u>Budget</u> |
|------------------------|----------------------|
| FY 13 Project Closeout | <u>\$0.4M</u> |
| Total | \$0.4M |

Technology

Seattle Public Schools makes strategic investments in technology to support teaching and learning and to enhance the effectiveness of business processes. A technology component is included in each capital levy or bond put before voters, which helps ensure that technology tools and systems are renewed on an ongoing basis.

| <u>Project</u> | <u>Budget</u> |
|------------------------------|----------------------|
| Student Computer Replacement | \$2.6M |
| Student Information System | \$0.8M |
| Program Reserve | <u>\$0.2M</u> |
| Total | \$3.6M |

Program Ending Balance: \$1.0M

The program is budgeted to end FY14 with a balance of \$1.0 million.

Building Excellence IV (BEX IV)

The Building Excellence IV (BEX IV) Program is funded by a six-year \$695 million levy passed by Seattle voters in February 2013. As with other BEX programs, BEX IV continues the District's long-range plan for funding new construction and building renovations, modifications, and additions.

The BEX IV program contains three major components:

- Major Construction
- Infrastructure / Non Major Construction
- Technology

| BEX IV Program | Original Budget | Charged to Date | % Budget Spent | Forecast at Completion |
|--|-----------------------|-----------------|----------------|------------------------|
| Major Construction* | | | | |
| Fairmount Park Elementary | 19,405,000 | - | 0% | 19,405,000 |
| Mann Modernization | 12,641,000 | - | 0% | 12,641,000 |
| Schmitz Park @ Genesee Hill | 33,530,358 | - | 0% | 33,530,358 |
| NE School @ Thornton Creek | 35,972,499 | - | 0% | 35,972,499 |
| Jane Addams K8 @ Pinehurst | 35,337,608 | - | 0% | 35,337,608 |
| Seattle World School @ TT Minor | 13,200,000 | - | 0% | 13,200,000 |
| Olympic Hills Elementary | 34,179,345 | - | 0% | 34,179,345 |
| Middle School @ Jane Adams | 7,300,000 | - | 0% | 7,300,000 |
| Wilson Pacific Elementary | 34,964,294 | - | 0% | 34,964,294 |
| Wilson Pacific Middle School | 60,210,194 | - | 0% | 60,210,194 |
| Meany Middle School | 21,229,000 | - | 0% | 21,229,000 |
| Loyal Heights Elementary | 29,021,623 | - | 0% | 29,021,623 |
| Arbor Heights Elementary | 36,319,267 | - | 0% | 36,319,267 |
| Queen Anne Elementary | 13,566,450 | - | 0% | 13,566,450 |
| Lincoln High School | 15,899,216 | - | 0% | 15,899,216 |
| Wing Luke Elementary | 34,688,561 | - | 0% | 34,688,561 |
| Bagley Elementary | 14,888,009 | - | 0% | 14,888,009 |
| Sub Total | 452,352,424 | - | 0% | 452,352,424 |
| Infrastructure & Non Major Construction | 197,169,488 | - | 0% | 197,169,488 |
| Technology | 53,800,000 | - | 0% | 53,800,000 |
| Program Costs | 33,366,000 | - | 0% | 33,366,000 |
| Program Total | \$ 736,687,912 | \$ - | 0% | \$ 736,687,912 |

*Major Construction budgets above include BTA III & BEX III underspend for \$41,750,000

Beginning Balance: \$0.0M

The program balance at the beginning of FY14 is \$0.0 million.

2014 Fiscal Year Change: \$6.5M

Planned spending of \$56.6 million will be offset by \$63.1 million of levy collections and interest earnings.

A total of \$53.2 million is budgeted to support the following improvements:

BEX IV Expenditures by Project**Major Construction**

| <u>Project</u> | <u>Budget</u> |
|---------------------------------|----------------------|
| Re-Open Fairmount Park & Mann | \$9.4M |
| Major Construction A/E & Design | \$18.4M |
| Program Capacity Reserve | <u>\$3.0M</u> |
| Total | \$30.8M |

Infrastructure/Non Major Construction

| <u>Project</u> | <u>Budget</u> |
|-----------------------------|----------------------|
| Academics/New Programs | \$0.5M |
| Capacity Management | \$3.0M |
| Lunchroom & Field Reserve | \$5.0M |
| Roof & Seismic Improvements | \$5.0M |
| Staff & Administration | \$2.1M |
| Security System Upgrades | <u>\$1.0M</u> |
| Total | \$16.6M |

Technology

Seattle Public Schools makes strategic investments in technology to support teaching and learning and to enhance the effectiveness of business processes. A technology component is included in each capital levy or bond put before voters, which helps ensure that technology tools and systems are renewed on an ongoing basis.

| <u>Project</u> | <u>Budget</u> |
|---------------------------|----------------------|
| Classroom Technology | \$0.1M |
| Technology Infrastructure | <u>\$5.7M</u> |
| Total | \$5.8M |

Transfer Detail

The use of BEX IV funds for FY14 includes \$3.4 million of transfers from BEX IV to the General Fund; \$2.1 million for Capital Eligible Preventative Maintenance and \$1.3 million for Software Maintenance.

Program Ending Balance: \$6.5M

The program is budgeted to end FY 14 with a balance of \$6.5 million.

Capital Eligible Projects (CEP) & Community Schools Account

The Capital Eligible Projects (CEP) Fund allows for a variety of capital eligible projects, initiatives, and equipment purchases that are typically not included in the voter approved levy programs. The CEP program is supported primarily by revenue from District surplus property sales, surplus property leases, and investment earnings.

Beginning Balance: \$12.6M

The program balance at the beginning of FY14 is estimated at \$12.6 million.

2014 Fiscal Year Change: \$2.5M

Planned spending of \$2.2 million in expenditures, \$2.1 million in transfers to other funds, and \$5.2 million in transfers received from other funds, will be offset by \$1.6 million in rental & lease revenues, grants, and investment earnings. CEP/Community Schools cash flow is located in the appendix.

CEP Revenue Source Detail

| Source | Amount |
|-------------------|----------------|
| Rentals & Leases | \$1.06M |
| Interest Earnings | \$0.06M |
| State Grants | <u>\$0.50M</u> |
| Total | \$1.61M |

CEP Expenditure Detail

| Expenditure | Amount |
|--|----------------|
| Emergency Projects Reserve | \$0.21M |
| Property Management | \$0.40M |
| World School (Community Schools Account) | <u>\$1.60M</u> |
| Total | \$2.21M |

CEP Transfer Detail

The use of CEP funds for FY14 includes \$2.1 million transferred from CEP to the Debt Service Fund and \$5.2 million transferred in to CEP and Community Schools account from other programs and funds as follows:

| Transfer To | Purpose | Amount |
|---------------------------|---|---------------|
| Debt Service | JSCEE Series A Bond (CEP) | \$2.1M |
| Total Transfer Out | | \$2.1M |
| | | |
| Transfer From | Purpose | Amount |
| BTA I | Closed Projects in BTA I | \$1.9M |
| BTA III | BTA III Payback for Capacity Management (Community Schools Account) | \$3.3M |
| BTA III | BTA III Payback for QSCB Interest payback | \$.04M |
| Total Transfer In | | \$5.2M |

Program Ending Balance \$15.1M

The program is budgeted to end FY14 with a balance of \$15.1 million.

Commitments and Opportunities

Community Schools Fund Payback

Community Schools Fund loaned BTA III \$7.1 million in FY10 to begin activities on the Capacity Management plan to re-open 5 elementary schools between FY10 and FY13. The district commits to repay the principal amount of the loan in three installments which began in FY13 along with interest payments which began in FY11.

JSCEE Series A Bond

The original bond was issued in 2001 with the proceeds used to renovate the existing John Stanford Center when the administrative functions co-located in one building. In 2010, the remaining balance was refinanced in order to take advantage of lower interest rates. The FY14 debt service will be funded using \$2.1 million from the Capital Eligible Program Fund. This amount is budgeted to be transferred to the Debt Service Fund in order to meet the scheduled debt service of the bond.

Qualified School Construction Bond (QSCB)

A Qualified School Construction interest free bond of \$17.5 million was awarded to the Seattle Public Schools in FY10 to begin activities on the Capacity Management plan to re-open 5 elementary schools between FY10 and FY13. The district commits to repay the principal amount of the bond with 3 equal installments starting in FY15. In addition, the Seattle Public Schools will now pay partial interest on the QSCB bond due to sequestration effective June 2013. Interest will be paid on the bond until the end of the federal fiscal year (9/30/2013) or intervening Congressional action, at which time the subsidized rate is subject to change. The source of repayment will be BTA III levy collections.

Seattle World School Multi-Year Budget

\$10M of the budget is scheduled as follows:

- \$2.0 million Community Schools Fund utilized in FY14 and FY 15
- \$8.0 million BTA II & III Funds with \$6.0 million scheduled in FY15 out of BTA II

Capacity Contingency Reserves

Since adoption of a recommended budget limits the total spending of the District to a set amount each fiscal year, it is necessary to build into the budget room for potential unknowns. Without this capacity, the District may need to go through the expensive and time consuming process of formally requesting and filing a budget extension (added spending authority) with the Washington State Office of Superintendent of Public Instruction (OSPI): 1) to use unanticipated prior year under spend funds and 2) to use new funding when they are received. To allow the Board and staff to focus on educational issues, the District adds capacity to the budget based on past history and future estimates.

Capacity supports changes to program planning, use of carry-forward of unspent funding from multi-year projects, new matching grant revenues, and unanticipated project funding requirements. The district has identified \$27.4 million in Capacity Contingency Reserves as follows:

| | <u>Budget</u> |
|----------------------------------|----------------------|
| Capital Program Capacity Reserve | \$15.3M |
| BEX III Capacity Reserve | \$2.0M |
| BEX IV Capacity Reserve | \$3.0M |
| BTA III Capacity Reserve | \$7.1M |

APPENDIX**BTA III Academics FY14 Detail Total* \$21,832,449**

| | |
|--|-----------|
| District Wide Field Repairs | 311,477 |
| Elementary SPED Equipment | 267,233 |
| FY13 project close out | 500,000 |
| High SPED Equipment | 267,233 |
| ITCM | 8,890,676 |
| Lowell & Roxhill Early Learning (new project) | 1,851,408 |
| Mann | 3,800,000 |
| Middle SPED Equipment | 267,233 |
| Portables (new project) | 1,989,000 |
| Program Capacity Reserve | 2,803,026 |
| Program Placement & Curriculum | 771,524 |
| STEM - Cleveland (partial transfer - \$81,582) | 113,639 |

BTA III Buildings FY14 Detail Total* \$21,965,309

| | |
|--|-----------|
| District Wide Grounds & Custodial Equip. | 483,150 |
| District Wide Nutrition Services Equipment | 483,150 |
| FY13 project close out | 3,871,900 |
| Gatewood Roof | 950,000 |
| Graham Hill: Seismic, Electrical, Fire alarm (new project) | 519,300 |
| Lowell - Electrical, Seismic, Sprinkler | 1,800,622 |
| Meany Phase III | 5,988,524 |
| Northgate - waterline (new project) | 87,480 |
| Olympic View Phase II & West Woodland Phase II Ground Source Heat Pump | 3,319,390 |
| Program Escalation & Capacity Reserve | 4,326,565 |
| Volunteer Projects - Multip Sites | 30,000 |
| West Woodland - Roof (new project) | 105,228 |

*S&A of 8% is included in projects above

| | |
|---|---------------------|
| BTA III Technology FY14 Detail Total** | \$11,880,909 |
|---|---------------------|

| | |
|----------------------------------|-------------|
| Academic Data Warehouse | 1,067,110 |
| Classroom Hardware Replacement | 3,435,424 |
| Contingency | 239,528 |
| Disaster Recovery | 773,356 |
| Electronic Storage Syst Upgrade | 248,271 |
| Increase Network Capacity | 469,285 |
| Instructional Technology Support | 1,000,000 |
| IT Architecture Redesign | 299,580 |
| Library Technology Support | 123,478 |
| Project Management | 524,281 |
| Records Management Plan | 1,450,726 |
| SAP Enhancements | 1,264,074 |
| Server Upgrades/Replacement | 396,925 |
| STEM Program | 111,865 |
| Student InfoSyst Enhancement | 3,796,852 |
| Transfer Adjustment | (3,850,671) |
| Web Technology Upgrade | 530,825 |

**S&A is included in projects above

CEP/Community Schools Cash Flow

| Community Schools Sales | | | | | | | | | | | | | | | | | | | |
|-----------------------------|---------|---------|--------|--------|---------|--------|--------|----------|------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| Estimated Beginning Balance | .00M | 15.60M | 9.94M | 11.61M | 11.68M | 12.29M | 15.59M | 17.05M | .05M | .05M | .05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M |
| Estimated Revenue | | | | | | | | | | | | | | | | | | | |
| Community Property Sales | 17.12M | 2.68M | 2.40M | | | | | | | | | | | | | | | | |
| Est. Total Revenue | 17.12M | 2.68M | 2.40M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M |
| Expenditures | | | | | | | | | | | | | | | | | | | |
| Community Property Sales | (1.52M) | (1.24M) | (.73M) | .00M | (2.00M) | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M |
| Intra-Fund (BTAIII/BEX IV) | .00M | (7.10M) | .00M | .07M | 2.61M | 3.30M | 1.46M | (17.00M) | .00M | .00M | 17.00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M |
| Est. Total Expenditure | (1.52M) | (8.34M) | (.73M) | .07M | .61M | 3.30M | 1.46M | (17.00M) | .00M | .00M | 17.00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M |
| Ending Fund Balance | 15.60M | 9.94M | 11.61M | 11.68M | 12.29M | 15.59M | 17.05M | .05M | .05M | .05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M | 17.05M |

| CEP (non-community schools sales) | | | | | | | | | | | | | | | | | | | |
|-----------------------------------|---------|---------|---------|---------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| Estimated Beginning Balance | 1.76M | (.37M) | (.49M) | (1.68M) | (2.05M) | .35M | (.45M) | .31M | 1.40M | 2.37M | 3.29M | 4.19M | 5.58M | 6.97M | 8.35M | 9.73M | 11.09M | 12.43M | 13.76M |
| Estimated Revenue | | | | | | | | | | | | | | | | | | | |
| CEP Revenues | 2.20M | 3.54M | 1.80M | 2.03M | 2.67M | 1.62M | 1.37M | 1.49M | 1.37M | 1.31M | 1.30M | 1.79M | 1.79M | 1.78M | 1.77M | 1.76M | 1.75M | 1.73M | 1.71M |
| Est. Total Revenue | 2.20M | 3.54M | 1.80M | 2.03M | 2.67M | 1.62M | 1.37M | 1.49M | 1.37M | 1.31M | 1.30M | 1.79M | 1.79M | 1.78M | 1.77M | 1.76M | 1.75M | 1.73M | 1.71M |
| Debt Service | (1.96M) | (1.23M) | (2.44M) | (1.96M) | (2.02M) | (2.12M) | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M | .00M |
| BTA I Closeout/transfer to tech | | (.28M) | | .00M | 2.14M | 1.93M | | | | | | | | | | | | | |
| Expenditures | | | | | | | | | | | | | | | | | | | |
| CEP | (2.37M) | (2.16M) | (.55M) | (.44M) | (.40M) | (2.23M) | (.61M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) |
| Est. Total Expenditure | (4.33M) | (3.66M) | (2.99M) | (2.39M) | (.28M) | (4.34M) | (.61M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) | (.40M) |
| Ending Fund Balance | (.37M) | (.49M) | (1.68M) | (2.05M) | .35M | (.45M) | .31M | 1.40M | 2.37M | 3.29M | 4.19M | 5.58M | 6.97M | 8.35M | 9.73M | 11.09M | 12.43M | 13.76M | 15.07M |
| Combined Total | 15.23M | 9.45M | 9.93M | 9.63M | 12.63M | 15.14M | 17.36M | 1.45M | 2.42M | 3.34M | 21.24M | 22.63M | 24.02M | 25.40M | 26.77M | 28.14M | 29.48M | 30.81M | 32.12M |

Note: FY 2016 BEX IV Community Schools Loan for \$17M tentative per Board Approval