



# **FINAL BUDGET DUVAL COUNTY PUBLIC SCHOOLS FISCAL YEAR 2012-2013**

September 18, 2012

DUVAL COUNTY PUBLIC SCHOOLS • JACKSONVILLE, FLORIDA  
[www.duvalschools.org](http://www.duvalschools.org)

*Excerpts From  
What's Good About Public Education  
by Frosty Troy  
Editor, The Oklahoma Observer*

- Name the country with the highest percentage of its young in universal free public education?
- Name the country with the highest high school and college education rates?

If you answered Japan or Germany or any other country, go stand in the corner. The correct answer is America

Many Americans are astonished to learn that the American school system remains the world's best, despite a host of financial and social problems.

America is bombarded by exaggerated, distorted, or just plain false media reporting and political propaganda when it comes to public education.

Much is made of American students' low rankings on the International Assessment of Test Scores. That's baloney. In the majority of countries tested, most 13 year olds are no longer in school. Average American students are unfairly measured against the cream of other countries.

Of the 17 industrial democracies, America ranked 14<sup>th</sup> in spending on education. It would take \$25 billion a year infusion of money for American public education to reach the average spent by the 13 countries ahead of the U.S.

America's public educators do a tremendous job against fearsome odds.

Everything America is or ever hopes to be depends upon what happens in public school classrooms where approximately 42.6 million boys and girls will get their chance in life.

This year 42 million kids are answering the bell at more than 84,500 schools, in 15,358 districts – up 616,000 over the previous year. Before you judge too harshly what they are able to accomplish, consider who many of them are.

- 4.6 million are handicapped, educated at a cost of \$9,900 each – almost twice the national average.
- 6.2 million are limited-English students, with two million unable to speak English.
- Two million are latch-key children.
- One million are abused and neglected children.
- One million have lead poisoning.
- 500,000 come from foster and institutional care.
- 30,000 students have fetal alcohol syndrome.
- 375,000 entering students are “crack babies” and children of other hard core drug users.
- 500,000 students are homeless or have no permanent address.
- One in five students lives with a mother who did not finish high school.
- One in five students come from homes of abject poverty; half come to school hungry. More than half are white; half live in rural and suburban areas.
- It is amazing how successful public education is when you consider the odds against it. It enrolls America's brightest children but it also takes all other children, regardless of mental or physical ability. Be careful how you judge school performance until you know who you are asking to perform.

*(Taken from U.S. Census Bureau, U. S. Department of Education and Children's Defense Fund)*

**Education Facts Since A Nation At Risk Report**  
From Ernie Boyer, Carnegie Foundation

- 42 states have higher graduation standards
- 47 states have new testing programs
- 39 states have new teacher evaluation programs
- 40 states have stricter attendance standards
- 40 states have lengthened the school day
- 27 states now require more homework
- Teacher pay is up from \$22,000 to \$36,000 – 22% after inflation

In 1961 America had 718 public colleges with 2.5 million students, budgets of \$20 billion. In 1993 America had 1,600 colleges, 10 million students, \$80 billion in budgets.

Although this data is over 20 years old, the challenges and key message is basically the same.)

\*Reprinted with permission from Frosty Troy, Editor, The Oklahoma Observer (1993)

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2012-2013 FINAL BUDGET  
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## DUVAL COUNTY PUBLIC SCHOOLS BOARD MEMBERS AND SUPERINTENDENT



**Ms. Betty Burney, Chair**  
Board Member, District V



**Mr. Fred "Fel" Lee, Vice-Chair**  
Board Member, District II



**Ms. Martha Barrett**  
Board Member, District I



**Mr. W. C. Gentry**  
Board Member, District III



**Ms. Paula D. Wright**  
Board Member, District IV



**Ms. Becki Couch**  
Board Member, District VI



**Mr. Tommy Hazouri,**  
Board Member, District VII



**Mr. Ed Pratt-Dannals**  
Superintendent of Schools



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Phone (904) 390-2000

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**Message from the Superintendent:**

Dear Parents/Guardians, Employees and Community Partners:

For four years, we have been engaged in identifying approximately \$96.2 million in General Fund<sup>1</sup> spending reductions necessary to meet the next fiscal year's budget. After more than four years of cuts, we have lost almost eight percent of the district's state support<sup>2</sup>. This includes lottery dollars, allocated state and federal dollars, and grant funding, as well as limited time federal stimulus dollars (i.e. ARRA funding).

During the past couple of years, the district has intentionally increased its fund balance by at least \$26 million in anticipation of the loss of federal stimulus money while trying to strengthen the district's fiscal safety net. Managing budgetary reductions has been more challenging with each approaching school year.

We did what other school districts, organizations and families have done across the country, which is cut back to stay afloat without compromising the quality of our students' education. Many of our employees have gone without pay increases and suffered pay cuts over the past four years, yet they remain dedicated to our students and the district's mission - and for that I am grateful.

These challenging times have served as an unpleasant reminder of not knowing if and when funds will be cut. Unrestricted reserve funds in the district's General Fund are effectively required to be no less than three percent (approximately \$25 million for Duval County Public Schools) to cover unexpected, required expenses. It is in the district's best interest to tap into these funds only as a last resort.

Our conservative business practices have also enabled us to continue some of our most important programs such as art, music, physical education, high school acceleration programs and career academies. Every high school in Duval County offers an acceleration program that allows students to earn college credit by the time they finish high school. In addition, every high school has at least one career academy where students earn certifications for high wage local jobs. Also, our JROTC and sports programs are still intact, thanks to the support of our students and community partners.

Even under these extreme circumstances, the district has managed to continue offering a top-quality education while upholding the following accomplishments:

- Showed increases on the original FCAT test with significant gains in math, science and writing;

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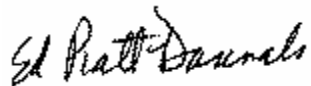
<sup>1</sup> Note: The district's "General Fund" is used to fund day-to-day operations such as most teacher salaries and benefits, utilities, insurance, professional development and other costs.

<sup>2</sup> The "District's State Support" refers to the Florida Educational Finance Program (FEFP), the State's primary funding mechanism for public school funding. For calculation purposes, federal stimulus money for General Fund operations was also used.

- The class of 2010 was the first group of students to complete the most rigorous college-ready curriculum in Florida;
- Duval County Public Schools was second in the state for graduates completing at least one AP, IB, AICE or Dual Enrollment course; and
- Duval County Public Schools opened its own virtual academy to offer students the option of earning their high school diploma online.

I ask all administrators, teachers, parents, students and the community at-large to work in partnership with the district and assist us with identifying cost-effective ways to put our mission into action during these tough economic times.

Please forward any suggestions that you may have to your respective Board member or visit the “Ask the Superintendent” page on the district’s website. Your ideas are welcomed and appreciated.



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## DUVAL COUNTY PUBLIC SCHOOLS

### **VISION STATEMENT**

Every student will graduate from Duval County Public Schools with the knowledge and the skills to be successful in post-secondary education/or the workforce.

### **MISSION STATEMENT**

The Duval County Public School System is committed to providing high quality educational opportunities that will inspire all students to acquire and use the knowledge and skills needed to succeed in a global economy, and culturally diverse world.

### **CORE BELIEFS**

- The academic success of **every** student in Duval County is the top priority of the Duval County School Board.
- The Duval County School Board believes that our greatest strength as a school district is the racial, gender, ethnic, and socio-economic diversity of our students and Community.
- The achievement gap in Duval County can and must be eliminated.
- **All** DCPS children can be academically prepared to reach their dreams.
- **All** DCPS children can learn at grade level.
- Every school in Duval County can be a high-performing organization, both academically and operationally.
- High quality teachers, supported with high quality, on-going professional development, must drive our rigorous, intellectually and artistically challenging curriculum.
- Academic and operational resources can and must be adequately distributed throughout all DCPS schools.
- All schools can be safe learning environments where every student and adult is valued and respected.

### **CORE COMMITMENTS**

- The academic success of **every** student in Duval County will be the top priority of the Duval County School Board.
- The Duval County School Board will develop and celebrate the racial, gender, ethnic, and socio-economic diversity of our students and Community.
- The achievement gap in Duval County will be eliminated.
- **All** DCPS children will be academically prepared to reach their dreams.
- **All** DCPS children will learn at grade level.
- Every school in Duval County will be a high-performing organization, both academically and operationally.
- High quality teachers, supported with high quality, on-going professional development, will drive our rigorous, intellectually and artistically challenging curriculum.
- Academic and operational resources will be adequately distributed throughout all DCPS schools.
- All schools will be safe learning environments where every student and adult is valued and respected

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**DUVAL COUNTY PUBLIC SCHOOLS STRENGTHS, CHALLENGES, AND OPPORTUNITIES AHEAD**

**Strengths**

- District Accredited School System
- District Strategic Plan with Measurable Goals
- Standards Based Curriculum
- Aligned Resources
- Decisions are Data Driven
- Experienced Teacher Workforce
- Access to Nation's Finest Professional Development Center for Teachers (Schultz Center)
- Nationally Recognized AP/IB Programs
- Most Privatized School System in Florida

**Challenges and Opportunities Ahead**

- Complete version 2.1 of Strategic Plan with new academic targets
- Continue work on succession planning, not only for new superintendent but several cabinet positions
- Refine teacher evaluation process and plan toward 2014-15 change in compensation
- Get state approval for hybrid model for specific Intervene schools
- Communicate how changes in grading system will affect schools in July (K-8) and December (9-12)
- Implement strategies to accelerate academic performance, especially in reading gaps and closing achievement gaps
- Implement strategies to accelerate graduation rate improvement



## PROFILE OF DUVAL COUNTY PUBLIC SCHOOLS



Duval County Public School System is comprised of approximately 126,912 Full Time Equivalent (FTE) students, 7,946 teachers, 3,887 support staff and 183 schools. Duval County is the twenty-first largest school district in the U.S. This budget is based on 126,912 projected FTE. Recent information indicates the district will be closer to approximately 126,000 FTE.

104 Elementary Schools (K-5)
2 Combination Schools (K-8)
24 Middle Schools
19 High Schools
2 Combination Schools (6-12)
8 Special Schools
3 ESE Schools
<u>21 Charter Schools</u>
<b>183 Total Schools</b>

Source: DCPS Communications Department

### ADMINISTRATION

The School Board consists of seven members elected from geographic districts. The Board has jurisdiction to establish policy, select school sites, engage in contracts, approve building plans, approve staff, set salaries and adopt the school budget. The Board appoints the Superintendent of Schools, who is responsible for implementing Board policies.

Board meetings are held on the first Tuesday of each month at 6:00 p.m. at the School Board Administration Building.

### STAFF AND FTE (Full Time Equivalent Students)

Duval County Public Schools is one of the largest employers in the county with approximately 13,267 employees (11,833 full-time, 1,434 part-time).

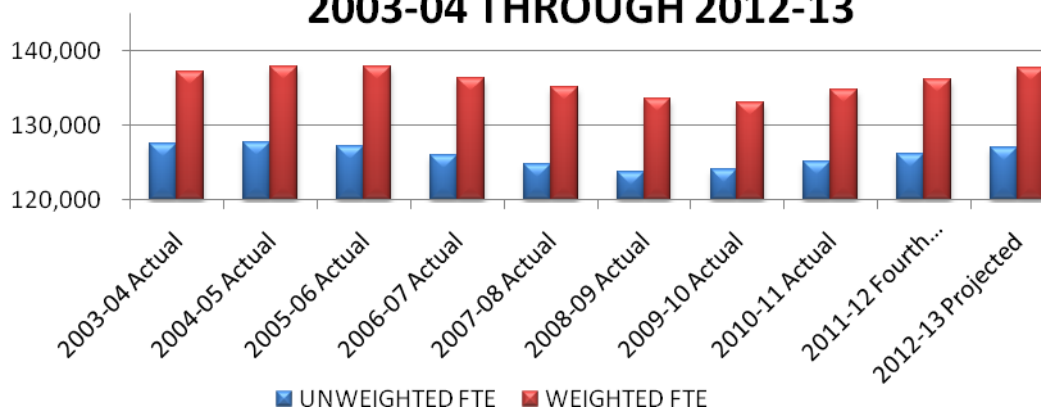
Average budgeted elementary school teacher salary in 2012-13 with (31.5%) benefits is \$64,172, middle school is \$61,147, and high school is \$65,227, for a 196-day contract.

Teachers	7,946
Psychologists/Specialists	208
Administrators	725
Support Personnel	2,954
Part-time Personnel	1,434
<b>Approximate Total Employees</b>	<b>13,267</b>

Note: Start of school year official Staff Report is issued in February 2013  
 Source: DCPS Human Resources Department, Employee Position Code report as of 4/1/2012

2012-2013 Projected FTE	
Elementary (PK-5)	63,110
Middle School (6-8)	28,597
High School (9-12)	35,205
<b>Total</b>	<b>126,912</b>

## FULL TIME EQUIVALENT STUDENTS 2003-04 THROUGH 2012-13



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## Points of Pride

- In 2012, 83% of our schools earned excellent, good or satisfactory grades.
- Duval County has two high schools that rank in the top 12 throughout the state according to the Florida Department of Education, Stanton College Prep ranked fifth and Paxon School for Advanced Studies ranked 12<sup>th</sup>.
- Duval County has two middle schools that ranked in the top 20 throughout the state according to the Florida Department of Education, Julia Landon College Prep ranked 11<sup>th</sup> and James Weldon Johnson ranked 17<sup>th</sup>.
- For the past ten years, DCPS has annually been awarded both the Governmental Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International's Certificate of Excellence in Financial Reporting.
- Frank H. Peterson Academies of Technology students won the National Cooking Up Change competition and met First Lady Michelle Obama.
- Duval County Public Schools established post-secondary ready curriculum requirements for all students six years ahead of the state – 82.9% of graduates in Duval County are meeting criteria versus 60.2% in the state.
- Duval County Public Schools serves more than 4,000 students in the English for Speakers of Other Languages (ESOL) program which represents 123 countries and approximately 73 different languages in 155 schools.
- Duval County is home to eight of the nation's best high schools according to the Washington Post. Stanton College Prep (7), Paxon School for Advanced Studies (16), Mandarin High (98), Douglas Anderson School of the Arts (135), Wolfson High (138), Robert E. Lee (140), Baldwin Middle/Senior High (145), and Fletcher High (295).
- A bold new reading initiative was launched in 2011 aimed at raising the literacy rate for students throughout Duval County. *Read It Forward Jax!* partners city, business, faith based and non-profit leaders throughout the community to share in helping teach Jacksonville's children about the importance of reading.
- The district's graduation rate has increased over 11.4% in the last four years from 59.8% in 2007 to 71.2% in 2011 (2012 data is not yet available).
- An acceleration program is available in each of our high schools, providing highly motivated students the opportunity to earn college credits while in high school.
- During the 2011-2012 school year, Duval Schools had 1,356 Business Partners; 203 Faith-Based Partners; 27,500 Volunteers; 589,052 Volunteer Hours; 4,183 Mentors and 116,326 Mentor Hours.
- Duval County Public Schools has a total of 430 National Board Certified teachers. Thirty six percent of the teachers have advanced degrees, 35 percent master's degrees, and one percent doctorate degrees.
- Duval County Public Schools currently has 40 career academy programs and 45 additional CTE (Career and Technical Education) programs. Six meet national standards and three are national model schools.
- Douglas Anderson School of the Arts was named 2012 National GRAMMY Signature School. This is the second time in three years that DA has been named the national signature school.

## **Funding Priorities**

Florida law requires the Superintendent of Schools to annually prepare and submit a balanced budget to the School Board for consideration and adoption.

As required, the budget being submitted is a detailed operating plan that balances estimated expenditures by function and object to estimated revenues. The 2012-2013 financial plan is to serve approximately 126,912 full-time equivalent students (FTE's) in Duval County Public Schools. Development of this budget involved input from the School Board, Superintendent, Staff, and individual School Budget Meetings.

Duval County Public Schools continues to deal with an extremely tough budget cycle. The crippling economy has drastically reduced tourist spending and property values in the state of Florida. The tourist spending normally generates sales tax dollars which is the most predominant state source of revenue for school districts. Unfortunately at the same time, property values have decreased approximately 19% over the past four years, resulting in reduced local revenues for school districts.

Incremental increases to fixed costs items such as supplies, contracted services, utilities and fuel have exacerbated the problem of balancing the budget.

As required by Florida statute, a balanced budget is being submitted. The General Fund budget maintains its reserve funds at the three percent requirement.

The property tax rate is referred to as millage. Ad Valorem Taxes are an annual tax levied by local governments based on the value of property as of January 1 of each year. The "rolled back rate" is the millage rate necessary on the new tax roll that will generate the same total dollars raised in the prior year. The rolled back rate for 2012-2013 is -3.86% meaning the district will generate \$15,983,583 less this year than last year. The previous years' also showed negative percentage changes in the rolled back rate (2011-2012: -9.95%, 2010-2011: - 4.38%, 2009-2010: -6.86%).

### **Funding Priorities: (Highlights)**

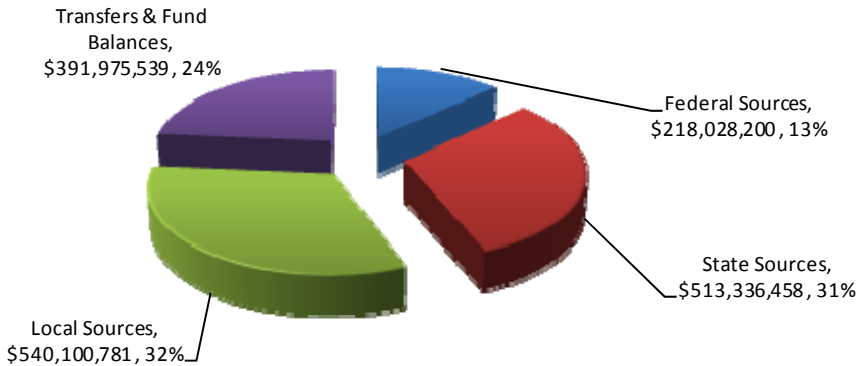
- Class Size Amendment IX funding from the State is funded at the same level as the prior year, \$145 million.
- Cost of student breakfasts will remain the same as the previous year and lunches will increase by five cents. For elementary schools, breakfast is \$1.00 and lunches are \$1.65; for secondary schools breakfast is \$1.25 and lunches are \$2.15.
- Elementary Art, Music, and Physical Education initiatives were funded with delivery modifications, total program cost of \$12.8 million.
- Health insurance premiums remained at the same level as 2012.
- Guidance counselors are fully funded at all school levels at a cost of \$17 million.
- The General Fund increased (\$25 million) from \$.997 billion to \$1.022 billion, or a 2.5% increase as compared to last year's amended budget.

## REVENUE AND APPROPRIATIONS (ALL FUNDS) 2012-2013 FISCAL YEAR FINAL BUDGET

### Budgeted Revenue (Money) Sources

Where dollars come from:

**Budgeted Revenue Sources for 2012-2013**  
**Total Revenue \$1,663,440,978**



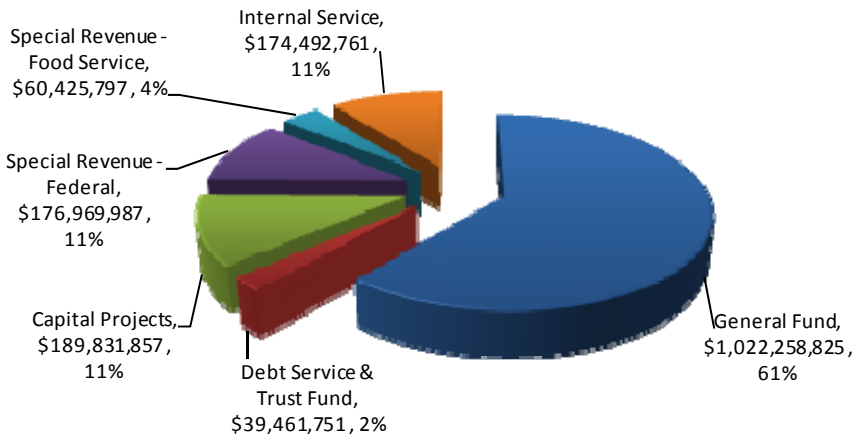
District is funded by a combination of Local, State and Federal money with the largest percentage from Local 32%. Sales tax is the largest income source for the State and property taxes are the largest source of revenue from local funding.

Source: DCPS Final Budget 2012-2013

### Budgeted Revenue by Fund

Where the dollars go:

**Budgeted Revenue Sources for 2012-2013 Total**  
**Revenue \$1,663,440,978**



Revenues that the district receives placed in funds for specific activities or from the various sources above are attaining certain objectives such as Food Service and Capital Outlay. These are restricted revenues. When revenue is not designated for a specific purpose, it is usually placed in the General Fund which is 61% of the total budget.

Source: DCPS Final Budget 2012-2013

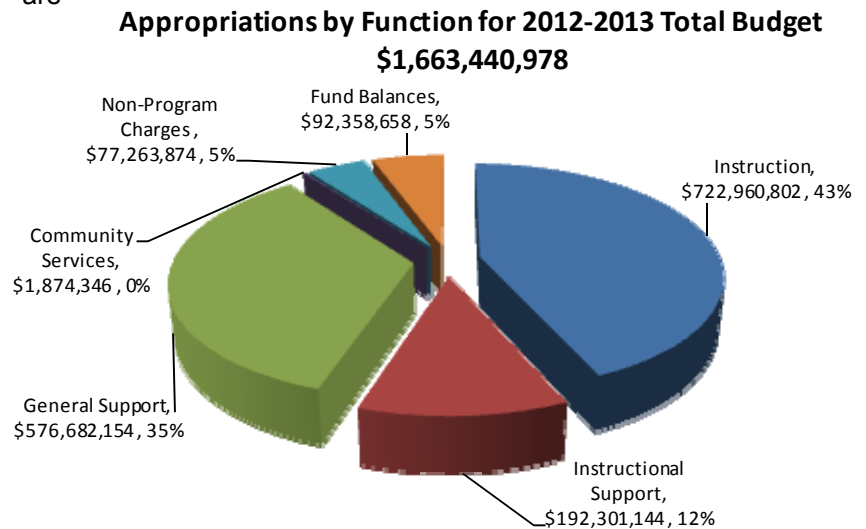
## SUMMARY OF APPROPRIATIONS (ALL FUNDS) 2012-2013 FISCAL YEAR FINAL BUDGET

### APPROPRIATIONS BY FUNCTION -

Function classification indicates the overall purpose or objective of expenditures. These group-related activities are aimed at accomplishing a major service of regulatory responsibility.

The activities of a local school system are classified into six broad areas:

- Instruction
- Instructional Support
- General Support
- Community Services
- Non-Program charges (Debt Service and transfers)
- Fund Balances



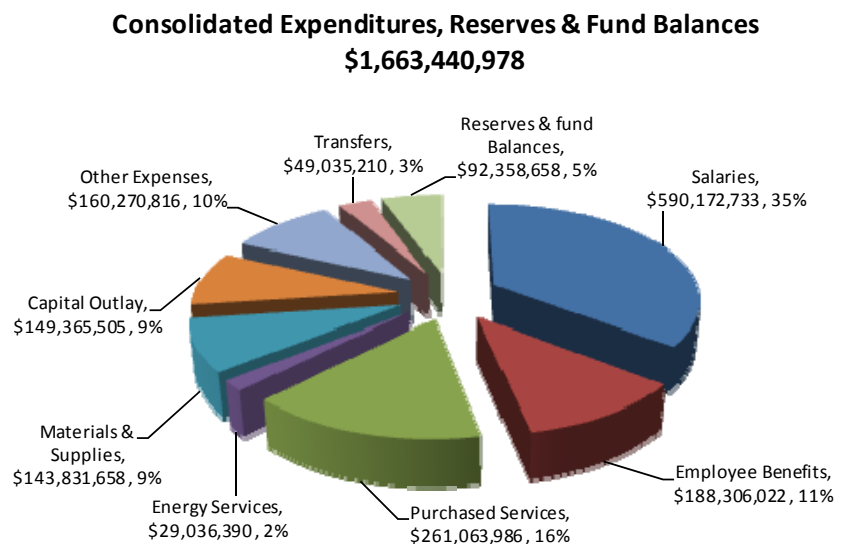
Source: DCPS Final Budget, 2012-2013

### APPROPRIATIONS BY OBJECT/CATEGORY -

The object classification indicates the type of goods or services obtained as a result of a specific expenditure.

Eight major object categories are:

- Salaries
- Employee Benefits
- Purchased Services
- Energy Services
- Materials and Supplies
- Capital Outlay
- Other Expenses and Transfers
- Fund Balances



Source: DCPS Final Budget, 2012-2013

**BUDGET SUMMARY**  
 DISTRICT SCHOOL BOARD OF DUVAL COUNTY  
 FISCAL YEAR 2012-2013

**PROPOSED MILLAGE LEVIES SUBJECT TO 10-MILL CAP:**

Required Local Effort (Including Prior Period Funding Adjustment Millage)	5.3520	Discretionary Critical Needs (Operating or Capital)	0.0000	Operating or Capital Not to Exceed 2 Years	0.0000
Local Capital Improvement (Capital Outlay)	1.5000	Additional Millage Not to Exceed 4 Years (Operating)	0.0000	Debt Service	0.0000
Discretionary Capital Improvement	0.0000				
Discretionary Operating	0.7480				
		<b>TOTAL MILLAGE:</b>		<b>7.6000</b>	

**PROPOSED MILLAGE LEVIES NOT SUBJECT TO 10-MILL CAP:**

**PROPOSED MILLAGE LEVIES SUBJECT TO 10-MILL CAP:**

	General Fund	Special Revenue	Debt Service	Capital Projects	Trust Fund	Internal Service	Total All Funds
<b>ESTIMATED REVENUES</b>							
Federal Sources	\$1,207,542	\$215,087,580	\$1,733,078				\$218,028,200
State Sources	\$508,777,364	\$793,585	\$3,447,695	\$317,814			\$513,336,458
Local Sources	\$333,382,793	\$11,367,297	\$96,430	\$76,177,949		\$119,076,312	\$540,100,781
<b>TOTAL SOURCES</b>	<b>\$843,367,699</b>	<b>\$227,248,462</b>	<b>\$5,277,203</b>	<b>\$76,495,763</b>		<b>\$119,076,312</b>	<b>\$1,271,465,439</b>
Transfers In	\$28,091,941	\$40,271	\$20,902,998				\$49,035,210
Non-Revenue Sources							\$0
FUND BALANCES/NET ASSETS-7/1/12	\$150,799,185	\$10,107,051	\$13,112,753	\$113,336,094	\$168,797	\$55,416,449	\$342,940,329
<b>TOTAL REVENUES, TRANSFERS &amp; FUND BALANCES</b>	<b>\$1,022,258,825</b>	<b>\$237,395,784</b>	<b>\$39,292,954</b>	<b>\$189,831,857</b>	<b>\$168,797</b>	<b>\$174,492,761</b>	<b>\$1,663,440,978</b>
<b>EXPENDITURES</b>							
Instruction	\$644,705,611	\$78,255,191					\$722,960,802
Pupil Personnel Services	\$44,415,612	\$19,488,136			\$168,797		\$64,072,545
Instructional Media Services	\$9,739,578	\$2,414,317					\$12,153,895
Instruction & Curriculum Services	\$17,193,216	\$30,262,300					\$47,455,516
Instructional Staff Training Services	\$25,512,627	\$33,616,611					\$59,129,238
Instruction Related Technology	\$8,674,398	\$815,552					\$9,489,950
Board of Education	\$1,984,057	\$3,224,716					\$5,208,773
General Administration	\$5,096,479	\$2,648,017					\$7,744,496
School Administration	\$58,610,810	\$409,248					\$59,020,058
Facilities Acquisition & Construction	\$4,088,142	\$775,370					\$133,274,880
Fiscal Services	\$5,412,381						\$5,412,381
Food Services		\$58,771,647					\$58,771,647
Central Services	\$15,256,715	\$892,313					\$156,132,142
Pupil Transportation Services	\$47,940,553	\$1,174,392				\$139,983,114	\$49,114,945
Operation of Plant	\$66,497,243	\$209,542					\$66,706,785
Maintenance of Plant	\$28,100,798						\$28,100,798
Administrative Technology Services	\$7,105,249	\$90,000					\$7,195,249
Community Services	\$1,180,064	\$694,282					\$1,874,346
Debt Service	\$1,720,067		\$26,508,597				\$28,228,664
<b>TOTAL EXPENDITURES</b>	<b>\$993,233,600</b>	<b>\$233,741,634</b>	<b>\$26,508,597</b>	<b>\$128,411,368</b>	<b>\$168,797</b>	<b>\$139,983,114</b>	<b>\$1,522,047,110</b>
Transfers Out	\$40,271	\$2,000,000		\$46,994,939			\$49,035,210
FUND BALANCES / NET ASSETS - 6/30/13	\$28,984,954	\$1,654,150	\$12,784,357	\$14,425,550		\$34,509,647	\$92,358,658
<b>TOTAL EXPENDITURES, TRANSFERS &amp; FUND BALANCES</b>	<b>\$1,022,258,825</b>	<b>\$237,395,784</b>	<b>\$39,292,954</b>	<b>\$189,831,857</b>	<b>\$168,797</b>	<b>\$174,492,761</b>	<b>\$1,663,440,978</b>

The tentative, adopted, and/or final budgets are on file in the office of the above mentioned taxing authority as a public record.

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**The Blueberry Story: The Teacher Gives the Businessman a Lesson**

“If I ran my business the way you people operate your schools, I wouldn’t be in business very long!”

I stood before an auditorium filled with outraged teachers who were becoming angrier by the minute. My speech had entirely consumed their precious 90 minutes of in-service. Their initial icy glares had turned to restless agitation. You could cut the hostility with a knife.

I represented a group of business people dedicated to improving public schools. I was an executive at an ice cream company that became famous in the middle 1980’s when *People Magazine* chose our blueberry as the “Best Ice Cream in America.”

I was convinced of two things. First, public schools needed to change; they were archaic selecting and sorting mechanisms designed for the industrial age and out of step with the needs of our emerging “knowledge society.” Second, educators were a major part of the problem: they resisted change, hunkered down in their feathered nests, protected by tenure, and shielded by a bureaucratic monopoly. They needed to look to business. We knew how to produce quality. Zero defects! TQM! Continuous improvement!

In retrospect, the speech was perfectly balanced – equal parts ignorance and arrogance.

As soon as I finished, a woman’s hand shot up. She appeared polite, pleasant – she was, in fact, a razor-edged, veteran, high school English teacher who had been waiting to unload.

She began quietly, “We are told, sir, that you manage a company that makes good ice cream.”

I smugly replied, “Best ice cream in America, Ma’am.”

“How nice,” she said. “Is it rich and smooth?”

“Sixteen percent butterfat,” I crowed.

“Premium ingredients?” she inquired.

“Super-premium! Nothing but triple A.” I was on a roll. I never saw the next line coming.

“Mr. Vollmer,” she said, leaning forward with a wicked eyebrow raised to the sky, “when you are standing on your receiving dock and you see an inferior shipment of blueberries arrive, what do you do?”

In the silence of that room, I could hear the trap snap...I was dead meat, but I wasn’t going to lie.

“I send them back.”

She jumped to her feet. “That’s right!” she barked, “and we can never send back *our* blueberries. We take them big, small, rich, poor, gifted, exceptional, abused, frightened, confident, homeless, rude, and brilliant. We take them with ADHD, junior rheumatoid arthritis, and English as their second language. We take them all!! Every one! And that, Mr. Vollmer, is why it is not a business. It’s school!”

In an explosion, all 290 teachers, principals, bus drivers, aides, custodians, and secretaries, jumped to their feet and yelled, “Yeah! Blueberries! Blueberries!”

And so began my long transformation.

Since then, I have visited hundreds of schools. I have learned that a school is not a business. Schools are unable to control the quality of their raw material, they are dependent upon the vagaries of politics for a reliable revenue stream, and they are constantly mauled by a howling horde of disparate, competing customer groups that would send the best CEO screaming into the night.

None of this negates the need for change. We must change what, when, and how we teach to give all children maximum opportunity to thrive in a post-industrial society. But educators cannot do this alone; these changes can occur only with the understanding, trust, permission, and active support of the surrounding community. For the most important thing I have learned is that schools reflect the attitudes, beliefs, and health of the communities they serve, and, therefore, to improve public education means more than changing our schools, it means changing America.

Jamie Robert Vollmer ©2011

Jamie Vollmer is a former business executive and attorney who now works to increase public support for America’s public schools. His new book, *Schools Cannot Do It Alone* is available at [www.jamievollmer.com](http://www.jamievollmer.com).

**GENERAL FUND –**

The General Fund budget increased \$24.9 million from the 2011-2012 budget. State revenue for the General Fund increased by \$57.4 million from \$451.3 million to \$508.7 million, while local sources decreased by \$15.6 million from \$349.0 million to \$333.4 million. Reserves for the contingency (rainy day fund) in the General Fund are budgeted at \$25.2 million (equal to 3.0% of revenues). Florida statutes require a minimum of a three percent fund balance. Once below this threshold, district notifications to the school board and the Commissioner of Education are required. There are further requirements if the fund balance falls below two percent.

<b>General Fund Revenue</b>			
	<b>2012-13 Budget</b>	<b>2011-12 Budget</b>	<b>Increase/ (Decrease)</b>
Federal Direct	\$ 1.2	\$ 1.3	\$ (0.1)
Federal through State	\$ -	\$ -	\$ -
State Sources:			
Florida Education Finance Program	\$ 290.6	\$ 230.6	\$ 60.0
State Categoricals	\$ 66.8	\$ 70.2	\$ (3.4)
Lottery	\$ -	\$ .4	\$ (0.4)
Class Size Reduction	\$ 145.2	\$ 142.1	\$ 3.1
Florida School Recognition	\$ 5.0	\$ 5.0	\$ -
Other State	\$ 1.1	\$ 3.0	\$ (1.9)
Local Sources:			\$ -
Local Taxes (incl. prior yr. taxes)	\$ 308.8	\$ 316.5	\$ (7.7)
Interest	\$ 4.0	\$ 4.5	\$ (0.5)
Fees	\$ 9.9	\$ 12.3	\$ (2.4)
Other Local	\$ 10.7	\$ 15.7	\$ (5.0)
Transfers In	\$ 28.1	\$ 31.0	\$ (2.9)
Fund Balances	\$ 150.8	\$ 164.7	\$ (13.9)
<b>Total</b>	<b>\$ 1,022.2</b>	<b>\$ 997.3</b>	<b>\$ 24.9</b>

Source: Final Budget General Funds Revenue Statement, 2012-2013

<b>General Fund Appropriations</b>			
	<b>2012-13 Budget</b>	<b>2011-12 Budget</b>	<b>Increase/ (Decrease)</b>
Salaries & Benefits	\$ 686.9	\$ 718.7	\$ (31.8)
Purchased Services	\$ 175.6	\$ 160.4	\$ 15.2
Energy Services	\$ 27.7	\$ 27.8	\$ (0.1)
Materials & Supplies	\$ 92.8	\$ 49.1	\$ 43.7
Capital Outlay	\$ 7.2	\$ 7.3	\$ (0.1)
Other Expense	\$ 3.0	\$ 2.5	\$ 0.5
Transfers	\$ 0.1	\$ 0.3	\$ (0.2)
Fund Balances	\$ 28.9	\$ 31.2	\$ (2.3)
<b>Total</b>	<b>\$ 1,022.2</b>	<b>\$ 997.3</b>	<b>\$ 24.9</b>

Source: Final Budget General Funds Revenue Statement, 2012-2013

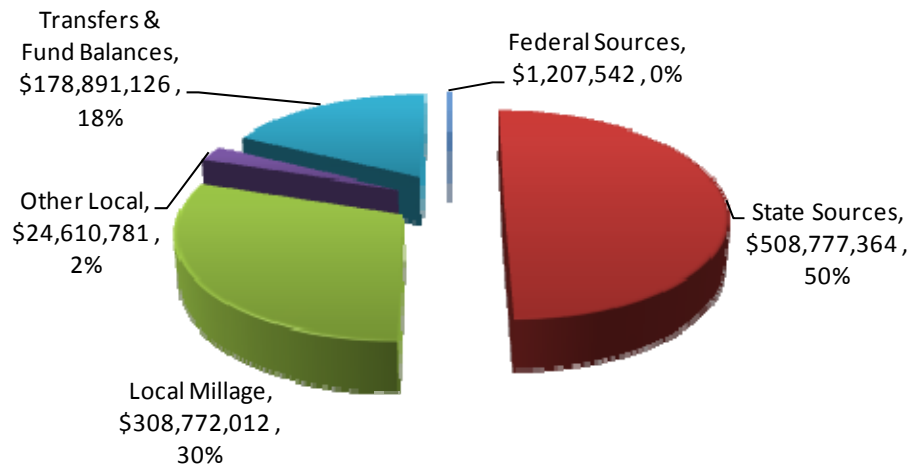


## GENERAL FUND (Continued)

The resources of the General Fund are used primarily for salaries (\$523.0 million) and employee benefits (\$163.8 million) totaling \$686.8 million, or approximately 67.2% of the total estimated General Fund budget. From a functional point of view, expenditures for instruction (\$644.7 million) and instructional support (pupil personnel, instructional media, curriculum development, in-service training, and instruction related technology) (\$105.5 million) account for approximately 73.4% of the General Fund budget. Expenditures for Other Support Services (General Administration, Central Services, Maintenance of Plant, Community Education, Debt Service, Fiscal Services, School Board, Facilities, School Administration, Custodial and Student Transportation) account for approximately 23.8% of the General Fund budget. Transfers, Reserves and Fund Balances make up the remaining 2.8% of the Total General Fund budget.

Transfers to the General Fund are made from the Capital Outlay Fund to support work order documented in-house maintenance jobs, property insurance, school bus costs reimbursement and Charter School Capital Outlay to total \$26,091,941 as well as Medicaid reimbursements from Special Revenue - Other.

### Budgeted Revenue Sources - General Fund Total Revenue \$1,022,258,825



Source: Final Budget General Funds Revenue Statement, 2012-2013

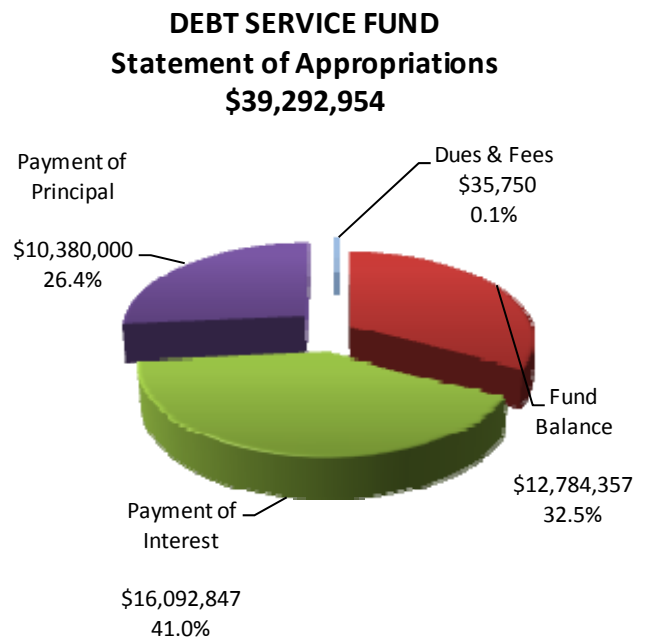
## DEBT SERVICE FUND

School districts are required to account for the payments of interest and principal on general long-term debt in the Debt Service Fund. The Debt Service budget totals \$39.3 million (chart below) for 2012-2013 and represents 2.4% of the District's total budget. A total of \$26.5 million is expected to be paid in principal, interest, and fee payments. The District normally maintains a level of debt service for a sinking fund. Beginning in 2012-2013, the district will not transfer monies to maintain the sinking fund in order to fund additional capital project needs. The debt budget incorporates the indebtedness of the repayment of bonded Capital Outlay and Debt Service (CO & DS), the repayment for the issuance of the 2005, 2005A, 2007, 2009A Certificates of Participation (COPs), 2009B, 2010A, 2010B Qualified School Construction Bonds (QSCBs) and the payment of 2003 and 2005 Qualified Zone Academy Bonds (QZABs).

Debt Service Revenue			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Federal Sources	\$ 1.7	\$ 1.7	
State Sources	\$ 3.5	\$ 3.8	\$ (0.3)
Local Sources	\$ 0.1	\$ 0.1	\$ -
Transfers In	\$ 20.9	\$ 17.8	\$ 3.1
Other Financing Sources	\$ -	\$ -	\$ -
Fund Balance	\$ 13.1	\$ 17.9	\$ (4.8)
<b>Total</b>	<b>\$ 39.3</b>	<b>\$ 41.3</b>	<b>\$ (2.0)</b>

Source: DCPS Final Budget Debt Service Funds Statement, 2012-2013

The Debt Service fund is funded with 53.4% of transfers from Capital Projects Millage funds and Local sources, 13.2% from State and Federal sources; and 33.4% from fund balance. Appropriations within the Debt Service fund are directed to payments for principal of 26.4%, interest of 41.0%, and fees of .1%. The remaining is fund balance 32.5%.



Source: DCPS Final Budget Debt Service Funds Statement, 2012-2013

## DEBT SERVICE FUND (Continued)

The 2012-2013 principal and interest payments to service long-term debt are as follows: bonded Capital Outlay and Debt Service funds (CO & DS) \$3,953,350, and Certificates of Participation (COPs, QSCBs, QZABs) \$22,555,247.

Debt Service Appropriations			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
SBE & COBI Bonds	\$ 4.0	\$ 3.8	\$ 0.2
District Bonds	\$ -	\$ -	\$ -
Other Debt Service	\$ 22.5	\$ 21.9	\$ 0.6
Fund Balance	\$ 12.8	\$ 15.6	\$ (2.8)
<b>Total</b>	<b>\$ 39.3</b>	<b>\$ 41.3</b>	<b>\$ (2.0)</b>

Source: DCPS Final Budget Debt Service Funds Statement, 2012-2013

School District of Duval County, Florida				
Schedule of Indebtedness				
Outstanding as of June 30, 2012				
	Interest Rates	Maturity	Amount Outstanding June 30, 2011	Amount Outstanding June 30, 2012
<b>State School Bonds:</b>				
Series 2005-A	5.00%	2017	\$17,155,000	\$14,655,000
Series 2005-B	3.50%-5.00%	2018	\$1,315,000	\$1,085,000
Series 2009-A	2.00%-5.00%	2019	\$685,000	\$605,000
<b>COPS, QSCBs and QZABS:</b>				
COPS 2005, Refunded 2000 Series	4.875%-5.75%	2020	\$30,095,000	\$27,335,000
COPS 2005-A Series	2.50%-5.00%	2025	\$36,040,000	\$35,455,000
COPS 2007 Series	4.00%-5.00%	2033	\$139,835,000	\$137,770,000
COPS 2009-A Series	5.125%-5.25%	2035	\$42,430,000	\$42,430,000
QSCBs 2009-B Series	2.10%	2025	\$25,515,000	\$23,730,000
QSCBs 2010-A Series	5.40%	2027	\$33,074,000	\$33,074,000
QSCBs 2010-B Series	4.25%-5.0%	2035	\$25,590,000	\$25,590,000
QZAB 2003 Series	NA	2018	\$5,667,000	\$5,667,000
QZABS 2005 Series	NA	2021	\$1,015,000	\$1,015,000
<b>Total Debt Outstanding</b>			<b>\$358,416,000</b>	<b>\$348,411,000</b>

Source: Debt and Amortization Schedules

## CAPITAL PROJECTS FUND

The district's current capital outlay budget is estimated at \$189.8 million, 11.4% of the budget. Capital Projects Funds report the revenues, transfers, and appropriations for construction, renovation, maintenance and repair of educational facilities.

Legislative action over the past four years has reduced the millage rate to 1.500 from 2.000, estimated at a loss of \$28.2 million annually, to offset the reduction in General Fund. The district, for a one time fix, will not fund the debt service sinking fund. The districts' tax base declined 5% from the prior year, 19% since 2008-09; combined with no State PECO allocation has created funding concern for major maintenance and technology requirements for the district. This year the district did not fully fund debt sinking fund payments in order to redirect funding to these requirements.

Capital Projects Revenue			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
State Sources			
PECO	\$ -	\$ 2.5	\$ (2.5)
Class Size Reduction	\$ -	\$ -	\$ -
Other	\$ 0.3	\$ -	\$ 0.3
Local Sources			
Millage	\$ 76.2	\$ 78.4	\$ (2.2)
Certificates of Participation	\$ -	\$ -	\$ -
Other	\$ -	\$ 3.8	\$ (3.8)
Transfers	\$ -	\$ .9	\$ (0.9)
Fund Balance	\$ 113.3	\$ 144.4	\$ (31.1)
<b>Total</b>	<b>\$ 189.8</b>	<b>\$ 230.0</b>	<b>\$ (40.2)</b>

Source: Final Budget Capital Outlay Revenue Statement, 2012-2013

Capital Projects Appropriations			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Library Books (New Libraries)	\$ -	\$ 0.1	\$ (0.1)
Audio Visual Materials	\$ -	\$ -	\$ -
Buildings & Fixed Equipment	\$ 16.5	\$ 36.1	\$ (19.6)
Furniture, Fixtures, & Equipment	\$ 39.2	\$ 39.4	\$ (0.2)
Motor Vehicles	\$ 1.5	\$ 1.5	\$ -
Land	\$ 4.5	\$ 4.5	\$ -
Improvements other than Buildings	\$ 3.8	\$ 7.7	\$ (3.9)
Remodeling & Renovations	\$ 62.9	\$ 81.8	\$ (18.9)
Computer Software	\$ -	\$ 0.1	\$ (0.1)
Transfers	\$ 47.0	\$ 48.8	\$ (1.8)
Fund Balance	\$ 14.4	\$ 10.0	\$ 4.4
<b>Total</b>	<b>\$ 189.8</b>	<b>\$ 230.0</b>	<b>\$ (40.2)</b>

Source: Final Budget Capital Outlay Appropriations Statement, 2012-2013

## CAPITAL PROJECTS FUND (Continued)

The chart below reflects the 10 year history of the various types and amounts of capital funding for the district.

10 year Capital Funding History: (Millions)											
FUNDS:	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	TOTAL
Local Millage	\$ 76	\$ 78	\$ 85	\$ 89	\$ 108	\$ 117	\$ 101	\$ 90	\$ 78	\$ 72	\$ 894
Capital Outlay & Debt Service	\$ -	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 0	\$ 0	\$ 0	\$ 5
Peco New Construction	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 6	\$ 5	\$ 3	\$ -	\$ 3	\$ 20
Peco Maintenance	\$ -	\$ -	\$ 7	\$ 3	\$ 7	\$ 13	\$ 11	\$ 9	\$ 12	\$ 8	\$ 70
Class Size Reduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23	\$ -	\$ -	\$ 18	\$ 41
Classrooms for Kids	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12	\$ 0	\$ 2	\$ 3	\$ -	\$ 17
Effort Index Recognitions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 1
Certificates of Participation	\$ -	\$ -	\$ 26	\$ 42	\$ -	\$ 148	\$ -	\$ -	\$ 39	\$ -	\$ 255
QZAB	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 6	\$ 7
QSCB -ARRA	\$ -	\$ -	\$ 33	\$ 27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 76</b>	<b>\$ 79</b>	<b>\$ 152</b>	<b>\$ 162</b>	<b>\$ 119</b>	<b>\$ 297</b>	<b>\$ 141</b>	<b>\$ 105</b>	<b>\$ 132</b>	<b>\$ 108</b>	<b>\$ 1,370</b>

Source: DCPS Budget Services

Notes:

- 1) FY 04 - FY 12 represents actual funding received, FY 13 represents tentative budget
- 2) Per legislative change, Local Millage was reduced by 0.25 mills in FY 09 and again by 0.25 mills in FY 10. These millages were added to General Operating Funds through RLE and DLE respectively
- 3) Per legislative action, all PECO funds were totally allocated to charter schools in FY 12

# NOTICE OF TAX FOR SCHOOL CAPITAL OUTLAY

The **Duval County School Board** will soon consider a measure to continue to impose a **1.500** mill property tax for the capital outlay projects listed herein.

This tax is in addition to the school board's proposed tax of **6.100** mills for operating expenses and is proposed solely at the discretion of the school board.

The capital outlay tax will generate approximately \$75,927,544 to be used for the following projects:

## CONSTRUCTION AND REMODELING

Technology for Schools/Administration	Douglas Anderson School New Wing Design/
Phase Out/Bring Up to Standards/	Site Work
Purchase Relocatables	Various Minor Capital Improvements
ADA Requirements	Capitalized Costs

## MAINTENANCE, RENOVATION, AND REPAIR

Routine Maintenance of Facilities	Resurface/Repair Drives/Parking lots
Safety/ADA Improvements/Landscaping/	Athletic Courts/Sidewalks/Tracks
Sitework/Demolition/Drainage/	Install/Replace Partitions/Operable Walls
Athletic Fields/Irrigation Systems/	Replace/Renovate Floors/Carpets
Storm Water/Outdoor Lighting	Interior/Exterior Painting
HVAC/Fire Alarms/Sprinkler/Intercom/	Structural Repairs/Waterproofing
Security Systems/Energy Management	Maintain/Replace Bleachers/Athletic
Plumbing Systems/Retrofit AC Cages Alarms	Facilities and Lighting
Repair Due to Emergencies/Vandalism	Repair/Replace Electrical Systems
Repair/Replacement of Interior Finishes/	Repair/Upgrade Elevators
Exterior Walls/Acoustical Panel Upgrades	Replace Exhaust/Kitchen Hoods
Backflow/Fire Equipment/Energy	Repair/Refinish/Replace Cabinets/
Conservation/Chillers/Duct Cleaning	Shelving/Casework/Lockers
Set-up/Break-Down/Relocation of	Fencing/Concrete Pads/Landings
Portable Buildings & Maintenance	Computer Networking/Telephone/
Repair/Replacement Windows/Doors/	Television/Sound Systems/Clocks
Doors Hardware	Contracted Services
Repair/Replace Stage Drapery	Kitchen Health Code Compliance/
Maintain/Replace Roofing/Sewage/	Grease Traps
Water Systems/Covered Walkways/	Pest Control/Treatment/Repair
Canopies/Hand Rails	Support Services Renovations

## MOTOR VEHICLES PURCHASES

Purchase of 60 various Maintenance, Security, and Delivery Trucks and Vehicles

## NEW AND REPLACEMENT EQUIPMENT, COMPUTERS AND ELECTRONIC LEARNING DEVICES, AND ENTERPRISE RESOURCE SOFTWARE

New/Repair Data Processing Equipment	Enterprise Software
Playground Equipment	Safety/Specialty Equipment
New/Repair Furniture and Equipment	Installation of Projectors/Components
Electronic Learning Devices	

## PAYMENTS FOR EDUCATIONAL FACILITIES AND SITES DUE UNDER A LEASE-PURCHASE AGREEMENT

Various Sites Districtwide

## PAYMENT OF COSTS OF COMPLIANCE WITH ENVIRONMENTAL STATUTES, RULES, AND REGULATIONS

Asbestos Abatement/Removal	Removal of Hazardous Waste
Environmental/Remediation	

## PAYMENT OF PREMIUMS FOR PROPERTY AND CASUALTY INSURANCE NECESSARY TO INSURE THE EDUCATIONAL AND ANCILLARY PLANTS OF THE SCHOOL DISTRICT

Insurance premiums on district plants

## PAYMENTS TO PRIVATE ENTITIES TO OFFSET THE COST OF SCHOOL BUSES PURSUANT TO S. 1011.71(2)(i) F.S.

867 School Buses under Contract with various vendors

All concerned citizens are invited to a public hearing to be held on **July 31, 2012 at 5:05 p.m. at the Duval County School Board Administration Building, Dr. Charles H. Cline Auditorium, 1701 Prudential Drive, Jacksonville, Florida.**

A DECISION on the proposed CAPITAL OUTLAY TAXES will be made at this hearing.

## SPECIAL REVENUE FUND – FOOD SERVICE

The Special Revenue budget for the Food Service Program totals \$60.4 million for 2012-2013 and represents 3.6% of our total budget.

The Food Service Program of the Duval County Public Schools is supported by Federal and State funds, and through meal charges to adults and students. The programs include the National School Lunch Program, School Breakfast Program, Summer Lunch Program, the Special Milk Program, Summer Food Service Program, After School Snack Program, and the Child/Adult Care Food Program.

Cost of breakfasts will remain the same as the previous year and lunches will increase by five cents. Breakfast is \$ 1.00 and lunches are \$ 1.65 for elementary schools and for secondary schools breakfast is \$1.25 and lunches are \$2.15.

Special Revenue Fund -Food Service Revenue			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Federal Sources	\$ 38.1	\$ 38.7	\$ (0.6)
State Sources:	\$ .8	\$ .7	\$ 0.1
Local Sources:	\$ 11.4	\$ 11.1	\$ 0.3
Transfers In	\$ -	\$ 0.2	\$ (0.2)
Fund Balances	\$ 10.1	\$ 9.3	\$ 0.8
<b>Total</b>	<b>\$ 60.4</b>	<b>\$ 60.0</b>	<b>\$ 0.4</b>

Source: DCPS Final Budget Special Revenue-Food Service Funds Statement, 2012-2013

Special Revenue Fund-Food Service Appropriations			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Salaries	\$ 2.6	\$ 2.6	\$ -
Benefits	\$ 1.3	\$ 1.1	\$ 0.2
Purchased Services	\$ 42.7	\$ 39.8	\$ 2.9
Energy Services	\$ 1.3	\$ 0.9	\$ 0.4
Materials & Supplies	\$ 2.5	\$ 2.4	\$ 0.1
Capital Outlay	\$ 6.3	\$ 2.4	\$ 3.9
Other Expense	\$ 2.0	\$ 2.1	\$ (0.1)
Transfers Out	\$ -	\$ -	\$ -
Fund Balances	\$ 1.7	\$ 8.7	\$ (7.0)
<b>Total</b>	<b>\$ 60.4</b>	<b>\$ 60.0</b>	<b>\$ 0.4</b>

Source: DCPS Final Budget Special Revenue-Food Service Funds Statement, 2012-2013

## SPECIAL REVENUE FUND – FEDERAL

The Special Revenue Fund - Federal budget totals \$149.8 million for 2012-2013 and represents 9.0% of the total budget. Special Revenue Fund - Federal grants and entitlements are received by the District from various federal and state agencies. To receive federal funds, projects must be approved by the School Board and the Department of Education or other governing agency. Special Revenue Fund – Federal must be carefully monitored to ensure that all expenditures are itemized in the approved budget and occur within a stipulated time period. Approximately 53.7% (\$80.5 million) of the funds budgeted under Special Revenue Fund - Federal are allocated for salaries and benefits.

Special Revenue Fund – Federal Revenue			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Federal Direct	\$ 11.3	\$ 20.4	\$ (9.1)
Federal through State	\$ 138.4	\$ 141.2	\$ (2.8)
State Sources	\$ -	\$ -	\$ -
Local Sources - Transfers In	\$ .1	\$ .1	\$ -
<b>Total</b>	<b>\$ 149.8</b>	<b>\$ 161.7</b>	<b>\$ (11.9)</b>

Source: DCPS Final Budget Special Revenue-Federal Funds Statement, 2012-2013

Special Revenue Fund – Federal Appropriations			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Salaries & Fringe Benefits	\$ 80.5	\$ 84.1	\$ (3.6)
Purchased Services	\$ 21.4	\$ 44.6	\$ (23.2)
Materials & Supplies	\$ 34.2	\$ 14.0	\$ 20.2
Capital Outlay & Energy Services	\$ 5.9	\$ 9.1	\$ (3.2)
Other Expense	\$ 5.8	\$ 6.3	\$ (0.5)
Transfers	\$ 2.0	\$ 3.6	\$ (1.6)
<b>Total</b>	<b>\$ 149.8</b>	<b>\$ 161.7</b>	<b>\$ (11.9)</b>

Source: DCPS Final Budget Special Revenue-Federal Funds Statement, 2012-2013

Two Federal Projects (Individuals with Disabilities Education Act (IDEA) (\$65.6 million) and the Elementary and Secondary Education Act, (Title I) (\$56.6 million) account for \$122.2 million of the total budgeted revenue for Special Revenue - Federal. The Title I school-wide projects provide supplemental reading, writing, and mathematics instruction services in 50 elementary schools, 11 middle schools, 11 high schools, 5 center schools, and 7 charter schools. The Individuals with Disabilities Education Act (IDEA), Part B, funds provide for the excess cost of special education and related services for students with disabilities, in keeping with the federal mandate for a free appropriate public education, the full opportunity goal, and other requirements specified in the assurances.

An approved Indirect Cost Rate is established each year based on the percentage of District indirect expenditures in the General Fund for the preceding fiscal year. This percentage is applied to all expenditures (except Capital Outlay) and paid to the General Fund monthly to offset overhead. The approved rate for the 2011-2012 fiscal year was 4.78% with payments to General Fund of \$4.4 million. An Indirect Cost Rate of 3.94% has been submitted to the Department of Education for approval with payments projected to be \$2.8 million for the 2012-2013 fiscal year.



## ARRA STIMULUS FUND – FEDERAL

The American Recovery & Reinvestment Act (ARRA) Stimulus Fund - Federal budget totals \$27.2 million for 2012-2013 and represents 1.6% of the total budget. The ARRA funds were originally comprised of four different supports being State Stabilization Funds, Targeted ARRA Stimulus Funds, Other ARRA Stimulus Funds, and Race To The Top Funds. The State Stabilization Fund ended June 30, 2011 and was used to offset funding shortfalls in the General Fund budget of the district. Targeted ARRA Stimulus Funds were provided for IDEA and Title I assistance and ending September 30, 2011. Other ARRA Stimulus Funds and Race To The Top Funds are generated by individual grant applications and vary as to their area of support.

These funds are tied to Assurances, Principles and Strategies. One of the primary principles is to create and/or save jobs in an effort to stimulate the economy. This is the final year the funds will be received. Every effort has been made to anticipate and prepare for this “funding cliff”.

ARRA Stimulus Fund – Federal Revenue			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Federal Direct	\$ -	\$ -	\$ -
Federal through State	\$ 27.2	\$ 42.9	\$ (15.7)
State Sources	\$ -	\$ -	\$ -
Local Sources - Transfers In	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 27.2</b>	<b>\$ 42.9</b>	<b>\$ (15.7)</b>

Source: DCPS Final Budget Special Revenue-Federal Funds Statement, 2012-2013

ARRA Stimulus Fund – Federal Appropriations			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Salaries & Fringe Benefits	\$ 6.5	\$ 15.5	\$ (9.0)
Purchased Services	\$ 4.7	\$ 5.3	\$ (0.6)
Materials & Supplies	\$ 13.9	\$ 18.9	\$ (5.0)
Capital Outlay & Energy Services	\$ 1.6	\$ 1.2	\$ 0.4
Other Expense	\$ 0.5	\$ 2.0	\$ (1.5)
Transfers	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 27.2</b>	<b>\$ 42.9</b>	<b>\$ (15.7)</b>

Source: DCPS Final Budget Special Revenue-Federal Funds Statement, 2012-2013

## INTERNAL SERVICE FUND

The Internal Service Budget totals \$174.5 million for 2012-2013 and represents 10.5% of the total budget.

State accounting procedures require the establishment of a special fund to account for expenditures in our self-insurance programs.

Items in this year's Internal Service funds include the print shop, worker's compensation insurance, general liability insurance and employee health insurance.

A major part of these funds is budgeted in other accounts and transferred to this fund during the year. Payment of all life, medical, and casualty insurance claims during the year will be made from the Insurance Fund.

Internal Service Self Insurance - Revenue			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Federal Sources	\$ -	\$ -	\$ -
State Sources:	\$ -	\$ -	\$ -
Local Sources:	\$ 118.1	\$ 124.0	\$ ( 5.9)
Transfers In	\$ -	\$ -	\$ -
Fund Balances	\$ 55.3	\$ 61.7	\$ ( 6.4)
<b>Total</b>	<b>\$ 173.4</b>	<b>\$ 185.7</b>	<b>\$ (12.3)</b>

Source: DCPS Final Budget Internal Service Funds Statement, 2012-2013

Internal Service Self Insurance - Appropriations			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Salaries	\$ 0.3	\$ 0.2	\$ 0.1
Benefits	\$ 0.1	\$ 0.1	\$ -
Purchased Services	\$ 16.0	\$ 17.5	\$ (1.5)
Energy Services	\$ -	\$ -	\$ -
Materials & Supplies	\$ -	\$ 0.2	\$ (0.2)
Capital Outlay	\$ -	\$ -	\$ -
Transfers Out	\$ -	\$ -	\$ -
Other Expense	\$ 122.4	\$ 137.0	\$ (14.6)
Fund Balances	\$ 34.6	\$ 30.7	\$ 3.9
<b>Total</b>	<b>\$ 173.4</b>	<b>\$ 185.7</b>	<b>\$ (12.3)</b>

Source: DCPS Final Budget Internal Service Funds Statement, 2012-2013

## INTERNAL SERVICE FUND (Continued)

Printing services provided to schools and departments are now accounted for in Internal Service Fund.

Internal Service Print Shop - Revenue			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Federal Sources	\$ -	\$ -	\$ -
State Sources:	\$ -	\$ -	\$ -
Local Sources:	\$ 1.0	\$ 0.8	\$ 0.2
Transfers In	\$ -	\$ 0.1	\$ (0.1)
Fund Balances	\$ 0.1	\$ -	\$ 0.1
<b>Total</b>	<b>\$ 1.1</b>	<b>\$ 0.9</b>	<b>\$ 0.2</b>

Source: DCPS Final Budget Internal Service Funds Statement, 2012-2013

Internal Service Print Shop - Appropriations			
	2012-13 Budget	2011-12 Budget	Increase/ (Decrease)
Salaries	\$ 0.2	\$ 0.2	\$ -
Benefits	\$ 0.1	\$ 0.1	\$ -
Purchased Services	\$ 0.7	\$ 0.5	\$ 0.2
Energy Services	\$ -	\$ -	\$ -
Materials & Supplies	\$ 0.1	\$ 0.1	\$ -
Capital Outlay	\$ -	\$ -	\$ -
Other Expense	\$ -	\$ -	\$ -
Fund Balances	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 1.1</b>	<b>\$ 0.9</b>	<b>\$ 0.2</b>

Source: DCPS Final Budget Internal Service Funds Statement, 2012-2013

## TRUST FUND

Trust Funds are used to report resources held by a governmental unit in a trustee or agency capacity for others. This fund represents a private purpose that was created by a one-time transfer of funding to the Alliance for World Class Education to establish the Robert E. Lee High School Gear Up Scholarship Trust Fund.

<b>Fiduciary Funds</b>			
	<b>2012-13 Budget</b>	<b>2011-12 Budget</b>	<b>Increase/ (Decrease)</b>
State Sources	\$ -	\$ -	\$ -
Local Sources	\$ -	\$ -	\$ -
Transfers In	\$ -	\$ -	\$ -
Other Financing Sources	\$ -	\$ -	\$ -
Fund Balance	\$ 0.2	\$ 0.2	\$ -
<b>Total</b>	\$ 0.2	\$ 0.2	\$ -

Source: DCPS Final Budget Trust Funds Statement, 2012-2013

<b>Fiduciary Funds Appropriations</b>			
	<b>2012-13 Budget</b>	<b>2011-12 Budget</b>	<b>Increase/ (Decrease)</b>
Other Expense	\$ 0.2	\$ 0.2	\$ -
<b>Total</b>	\$ 0.2	\$ 0.2	\$ -

Source: DCPS Final Budget Trust Funds Statement, 2012-2013

## MILLAGE LEVY

Due to the decrease in the overall tax base offsetting the increase in the millage rate, property owners on average will see a tax decrease.

	2008-2009 MILLAGE	2009-2010 MILLAGE	2010-2011 MILLAGE	2011-2012 MILLAGE	2012-2013 MILLAGE	DIFFERENCE from 2011-2012
REQUIRED LOCAL EFFORT	5.112	5.084	5.346	5.305	5.352	0.047
DISCRETIONARY	0.498	0.748	0.748	0.748	0.748	0.000
ADDITIONAL DISCRETIONARY	0.201	0.000	0.000	0.000	0.000	0.000
ADDITIONAL	0.000	0.250	0.250	0.000	0.000	(0.000)
<b>TOTAL OPERATING</b>	<b>5.811</b>	<b>6.082</b>	<b>6.344</b>	<b>6.053</b>	<b>6.100</b>	<b>0.047</b>
DEBT SERVICE	0.000	0.000	0.000	0.000	0.000	0.000
CAPITAL PROJECTS	1.750	1.500	1.500	1.500	1.500	0.000
<b>TOTAL</b>	<b>7.561</b>	<b>7.582</b>	<b>7.844</b>	<b>7.553</b>	<b>7.600</b>	<b>0.047</b>

Source: DCPS Final Budget Consolidated Funds Statement, 2012-2013

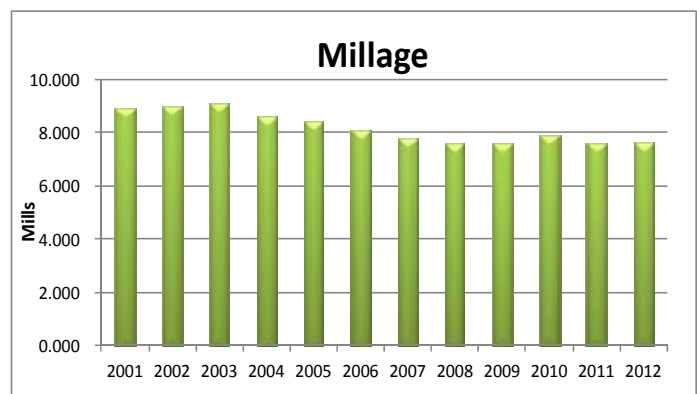
The total millage increase of 0.047 mills will increase taxes for the homeowner whose valuation **DID NOT** change by the following: \$3.53 for \$75,000 home valuation; \$4.70 for \$100,000 home valuation; \$5.88 for \$125,000 home valuation; \$7.05 for \$150,000 home; and \$8.23 for \$175,000 home.

The total property assessment for Duval County has decreased by 4.9% from \$55.4 billion in 2011-2012 to \$52.7 billion in 2012-2013.

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013 *	% Increase (Decrease) from 2008-09
Property Value as before Value Adjustment Board (VAB) of each year	\$65,401,744,384	\$62,234,425,364	\$59,145,122,443	\$55,407,938,605	\$52,727,461,228	-19.4%
Final Property Value after VAB	\$65,177,790,496	\$61,968,106,398	\$57,937,551,274	\$54,829,339,848	Not yet adjusted for VAB	

Source: DCPS Final Budget Consolidated Funds Statement, 2012-2013

The millage levy of 7.600 is the maximum amount that the Board may levy without a voter referendum and is less than the roll back rate by 3.86% resulting in the District having to advertise as a budget hearing.



Source: DCPS Budget Services

## MILLAGE LEVY (continued)

### ***Explanation of the Rolled Back Rate:***

Property taxes are based on a unit called a “mill”. A mill is the rate used to calculate taxes based upon assessed property value. One mill is equal to \$1.00 per \$1,000 of assessed property value. A mill can also be expressed as 0.001.

The “rolled back rate” is the millage rate necessary on the new tax roll that will generate the same total dollars raised in the prior year.

The calculation is as follows:

- a. The prior year tax roll multiplied by the millage rate equals the dollars generated for that year.
- b. The current year tax roll (exclusive of new constructions, additions, rehabilitative improvements increasing assess value by at least 100%, annexations, and deletions) multiplied by the millage rate equals the dollars generated for this year.
- c. The difference between the two years is divided by the prior year dollars generated to arrive at the rolled back rate.

	Property Tax Roll	Millage Rate	Generated Dollars
Prior Year	\$54,829,339,848	7.553	\$414,126,004
Current Year without new construction	\$52,387,160,703	7.600	\$398,142,421
Difference to prior year			\$15,983,583
Percent Decrease (difference divided by prior year generated dollars)			-3.86%

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## TRUTH IN MILLAGE (TRIM) CALENDAR (State Mandated)

### **DATES FOR ADOPTING 2012-2013 BUDGET (TRIM TIMELINE)**

June 11 Monday	Board Meeting. Board readopts previous year's budget until tentative budget is approved. Budget Resolutions for April, 2012. Principals on reappointment agenda if possible.
July 18 Wednesday	Department of Education computes Required Local Effort (RLE) millage and certifies rate to each district.
July 23 Monday	Board Meeting. Submit tentative budget to the Board for approval to advertise required notices prior to the first public hearing. <b>(LAW: within 24 days.)</b>
July 28 Saturday	Publish Budget Advertisement in local newspaper. <b>(LAW: within 29 days of Certification.)</b>
July 31 Tuesday	Board Meeting. <b>(Day 4 after Ad)</b> Board conducts first public hearing and adopts the 2012/13 Tentative Budget and Millage. <b>(LAW: within 35 days; and more than 2, no later than 5 days after Ad.)</b>
August 2 Thursday	Proposed Millage to Property Appraiser/Tax Collector. <b>(LAW: within 35 days.)</b>
August 14 Tuesday	Board Workshop. Budget Workshop with the Board, if requested.
September 18 Tuesday	Board Meeting. Annual Financial Report (AFR) approval and Final public hearing to adopt final budget. <b>(LAW: within 80 days, but not before 65 days after certification.)</b>
September 21 Friday	2012/13 Adopted final budget (District Summary) due to State. <b>(LAW: within 3 days of Board Approval)</b>

## **SUPPLEMENTAL SECTION**



## July 1 Certified School Taxable Value

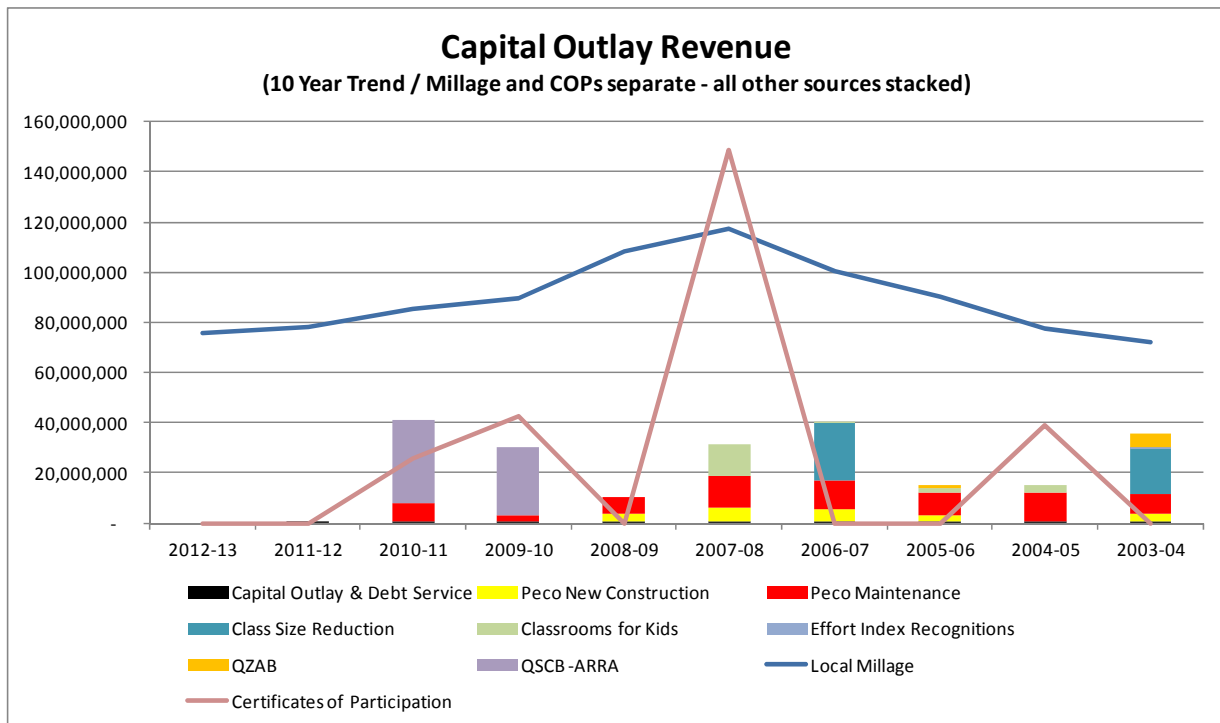
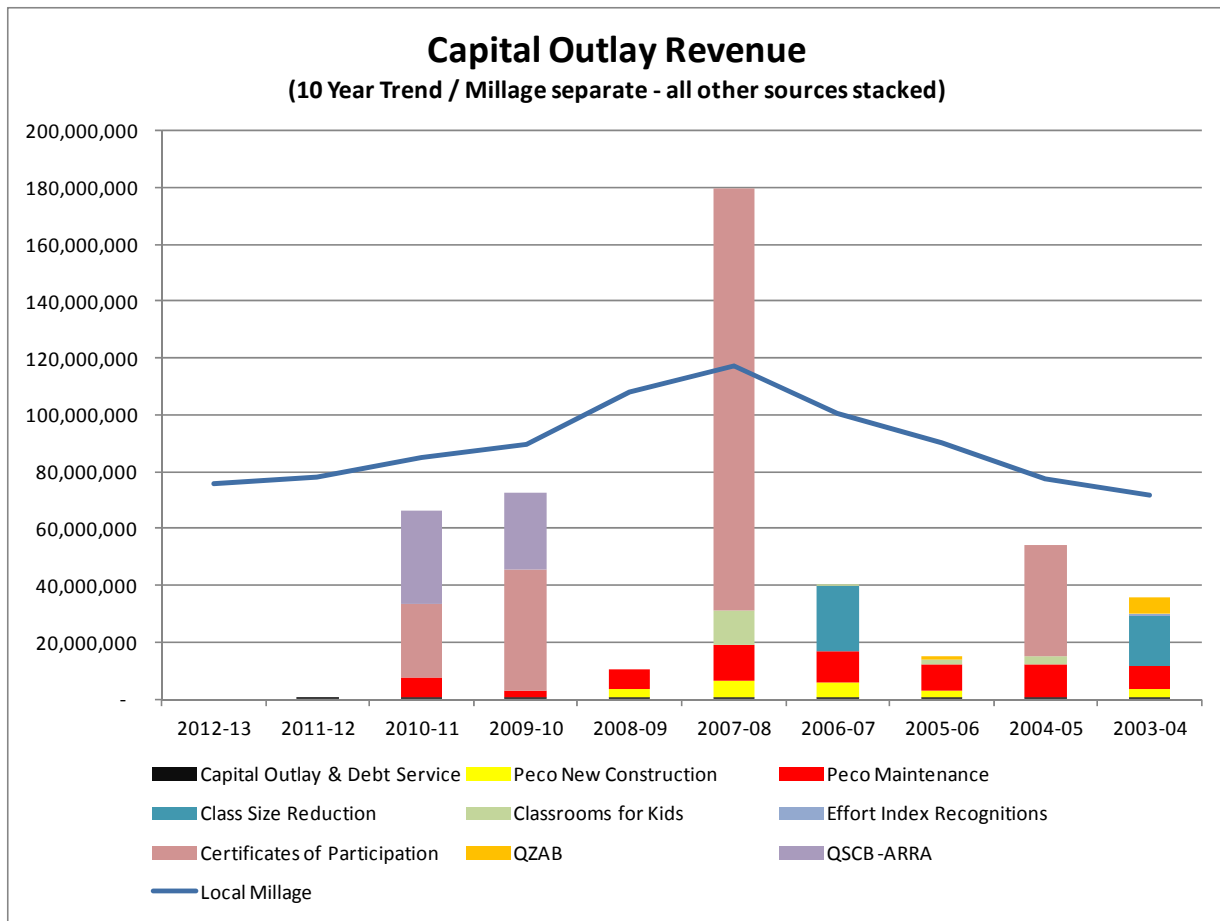
Amounts in \$ millions

	<b>Duval</b>		<b>State</b>	
2000	29,740.30		730,003.20	
2001	31,968.90	7.49%	805,056.90	10.28%
2002	34,176.60	6.91%	888,309.00	10.34%
2003	37,374.60	9.36%	989,453.50	11.39%
2004	40,267.20	7.74%	1,112,420.50	12.43%
2005	45,852.70	13.87%	1,317,737.50	18.46%
2006	51,951.10	13.30%	1,648,441.70	25.10%
2007	61,209.70	17.82%	1,824,905.70	10.70%
2008	65,108.40	6.37%	1,818,991.30	(0.32%)
2009	62,234.40	(4.41%)	1,622,946.10	(10.78%)
2010	59,145.10	(4.96%)	1,445,620.50	(10.93%)
2011	55,407.90	(6.32%)	1,385,846.70	(4.13%)
2012	52,727.50	(4.84%)	1,373,702.90	(0.88%)
2013est	52,124.60	(1.14%)	1,384,032.50	0.75%
2014est	53,300.30	2.26%	1,426,587.20	3.07%
2015est	54,996.30	3.18%	1,482,192.60	3.90%
2016est	57,250.60	4.10%	1,548,633.90	4.48%
2017est	60,009.10	4.82%	1,628,799.70	5.18%
Average	50,269.18	4.44%	1,357,426.74	5.24%
2012 vs. Peak	(12,380.90)	(19.02%)	(451,202.80)	(24.72%)

Source: Ad Valorem Estimating Conference - August 10, 2012

### Notes:

- (1) Chart represents tax year versus school year.
- (2) Certified School Taxable Value does not necessarily equal Final Value due to adjustments.



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## **The Ever Increasing Burden on America's Public Schools**

BY Jamie Robert Vollmer

America's public schools can be traced back to the year 1640. The Massachusetts Puritans established schools to: 1) Teach basic reading, some writing, and arithmetic skills, and 2) Cultivate values that serve a democratic society (some history and civics implied).

The founders of these schools assumed that families and churches bore the major responsibility for raising a child. Gradually, science and geography were added, but the curriculum was limited and remained focused for 260 years.

At the beginning of the twentieth century, however, politicians, academics, members of the clergy, and business leaders saw public schools as a logical site for the assimilation of immigrants and the social engineering of the citizens – and workers – of the new industrial age. They began to expand the curriculum and assign additional duties. That trend has accelerated ever since.

---

### **From 1990 to 1910, we shifted to our public schools responsibilities related to**

- Nutrition
  - Immunization
  - Health (Activities in the health arena multiply every year.)
- 

### **From 1910 to 1930, we added**

- Physical education (including organized athletics)
  - The Practical Arts/Domestic Science/Home economics (including sewing and cooking)
  - Vocational Education (including industrial and agricultural education)
  - Mandated school transportation
- 

### **In the 1940's, we added**

- Business education (including typing, shorthand, and bookkeeping)
  - Art and music
  - Speech and drama
  - Half-day kindergarten
  - School lunch programs (We take this for granted today, but it was a huge step to shift to the schools the job of feeding America's children one third of their daily meals.)
- 

### **In the 1950's, we added**

- Expanded science and math education
  - Safety education
  - Driver's education
  - Expanded music and art education
  - Stronger foreign language requirements
  - Sex education (Topics continue to escalate.)
- 

### **In the 1960's, we added**

- Advanced Placement programs
  - Head Start
  - Title I
  - Adult education
  - Consumer education (purchasing resources, rights and responsibilities)
  - Career education (occupational options, entry level skill requirements)
  - Peace, leisure, and recreation education (Loved those sixties.)
- 

### **In the 1970's, the breakup of the American family accelerated, and we added**

- Drug and alcohol abuse education
- Parenting education (techniques and tools for healthy parenting)
- Behavior adjustment classes (including classroom and communication skills)
- Character education
- Special education (mandated by federal government)
- Title IX programs (greatly expanded athletic programs for girls)
- Environmental education

- Women's studies
  - African-American heritage education
  - School breakfast programs (Now some schools feed America's children two-thirds of their daily meals throughout the school year and all summer. Sadly, these are the only decent meals some children receive.)
- 

**In the 1980's, the floodgates opened, and we added**

- Keyboarding and computer education
  - Global education
  - Multicultural/Ethnic education
  - Nonsexist education
  - English-as-a-second-language and bilingual education
  - Teen pregnancy awareness
  - Hispanic heritage education
  - Early childhood education
  - Jump Start, Early Start, Even Start, and Prime Start
  - Full-day kindergarten
  - Preschool programs for children at risk
  - After-school programs for children of working parents
  - Alternative education in all its forms
  - Stranger/danger education
  - Antismoking education
  - Sexual abuse prevention education
  - Expanded health and psychological services
  - Child abuse monitoring (a legal requirements for all teachers)
- 

**In the 1990's, we added**

- Conflict resolution and peer mediation
  - HIV/AIDS education
  - CRP training
  - Death education
  - America 2000 initiatives (Republican)
  - Inclusion
  - Expanded computer and internet education
  - Distance learning
  - Tech Prep and School to Work programs
  - Technical Adequacy
  - Assessment
  - Post-secondary enrollment options
  - Concurrent enrollment options
  - Goals 2000 initiatives (Democrat)
  - Expanded Talented and Gifted opportunities
  - At risk and dropout prevention
  - Homeless education (including causes and effects on children)
  - Gang education (urban centers)
  - Service learning
  - Bus safety, bicycle safety, gun safety, and water safety education
- 

**In the first decade of the twenty-first century, we have added**

- No Child Left Behind (Republican)
- Bully prevention
- Anti-harassment policies (gender, race, religion, or national origin)
- Expanded early childcare and wrap around programs
- Elevator and escalator safety instruction
- Body Mass Index evaluation (obesity monitoring)
- Organ donor education and awareness programs

- Personal financial literacy
  - Entrepreneurial and innovation skills development
  - Media literacy development
  - Contextual learning skill development
  - Health and wellness programs
  - Race to the Top (Democrat)
- 

This list does not include the addition of multiple, specialized topics within each of the traditional subjects. It also does not include the explosion of standardized testing and test prep activities, or any of the onerous reporting requirements imposed by the federal government, such as four-year adjusted cohort graduation rates, parental notification of optional supplemental services, comprehensive restructuring plans, and reports of Adequate Yearly Progress.

It's a ponderous list.

Each item has merit, and all have their ardent supporters, but the truth is that we have added these responsibilities without adding a single minute to the school calendar in six decades. No generation of teachers and administrators in the history of the world has been told to fulfill this mandate: not just teach children, but raise them!

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## Efficient Use of Taxpayer Resources:

**“Is the district doing its part to spend the money it has responsibly?  
Are there ways the district could be spending money more effectively?”**

*According to a recent study of the district conducted by independent consulting group Education Resource Strategies (ERS), Duval County spends its budget as efficiently as any other district they have seen – despite also being one of the lowest funded districts of any they have studied. This means that the district spent proportionally less on central administration and board expenses, and proportionally more directly at the school level than any other district they had previously studied. For this the district should be applauded.”*

*Incorporated within the ERS study: Realigning Resources for District Success, September 2011*

*- as confirmed by Jacksonville Public Education Fund: In Brief – Issue 2 / Fall 2011*