

Per-pupil Expenditures-Reporting under ESSA

The Federal Every Student Succeed Act (ESSA) requires Local Educational Agencies (LEAs) that receive Title I funds to prepare and disseminate an annual report card.

Commencing with the report card that reflects 2018-19 data, LEAs must include the actual amount that it spent per-pupil at each school site on personnel and non-personnel, disaggregated by fund source (Federal vs. State/Local).

LEAs have flexibility with respect to how they calculate these amounts. Both the California Department of Education (CDE) and the US Department of Education (USDE) have given broad, non-regulatory guidance for LEAs to follow.

Because the CDE neither requires nor prescribes school-level accounting, to help LEAs comply with the ESSA requirement, a workgroup composed of San Joaquin County school districts and the San Joaquin County Office of Education reviewed the law's requirements and available guidance to create the following guidelines.

Expenditures to Include

Consistent with CDE and USDE guidance, LEAs should include all expenditures that represent ongoing, day-to-day operations that are for the benefit of elementary and secondary students. This includes but is not limited to, instruction, instructional support, student support services, pupil transportation services, plant maintenance and operations, and general administration. To be consistent with other data reporting, the unaudited actuals data should be used (unless using audited data would result in a material difference).

LEAs should exclude costs that, if reported, would skew expenditures in certain years and compromise year-to-year comparisons. Therefore, capital outlay, debt service, and transfers should be excluded.

Expenditures included in the calculation should be in service of the pupils who are included in the denominator of the per-pupil calculation. Therefore, expenditures recorded as Community Services, Adult Education, Nonagency, County Services to Districts, or Preschool/Child Development should be excluded.

In some cases, an LEA may charge fees for services, such as transportation. To avoid inflating per-pupil spending, LEAs should reduce the amount of its transportation expenditures by the amount of fees it collects for transportation and should exclude any expenditures recorded in the Enterprise function. Similarly, because food services expenditures can be distorting and are often covered by fees, they should not be included. However, if an LEA subsidizes its meal program with unrestricted funds from the General Fund, the LEA may include the amount it contributes to the cafeteria fund.

The following table shows the Standardized Account Code Structure (SACS) codes to include based on the above.

Fund	Function Ranges	Goal Ranges	Object Ranges (some may not be valid in a fund)
01, 09	0000-3599,36xx*, 38xx-84xx,87xx	0000-6xxx, 70xx, 72xx, 80xx, 82xx-9xxx	1xxx,2xxx,3xxx,4xxx,5xxx,65xx,73xx, 7616
14	0000,81xx,84xx,87xx	0000, 9xxx	1xxx,2xxx,3xxx,4xxx,5xxx,65xx,73xx

*Function 3600 expenditures should be net of fees collected for those programs in that fund.

School-site Expenditures

LEAs must report expenditure information for each school site. Generally, each school with a unique CDS code assigned by CDE should be considered a school site for this purpose.

In practice, there are typically three groups of expenditures:

1. Those clearly spent at the school level. This would include staff assigned to a school and expenditures that can be identified to a school through records (accounting or other).
2. Those recorded at the central level that impact or can be attributed to a school using a reasonable allocation basis. This should include centrally-tracked costs that only benefit select sites. Some examples of allocation methods are provided below.
3. Those recorded at the central level that impact all schools that are not easily identifiable to a school. This would be the balance of included expenditures that are not in 1 and 2 and would include things such as central office administration.

To determine school site spending, the LEA must add the expenditures in 1 and 2 (disaggregated by fund source) then divide the total by the school's pupil count. The result of that calculation should be added to the per-pupil centrally-tracked expenditures to get the total school site per-pupil expenditures. This is shown in the following table. The central expenditures per pupil is determined by dividing the total in 3 (disaggregated by fund source) by the LEA's total pupil count and it should be the same for all school sites.

Pupil Count					100
School site Expenditures		School level	Attributed	Total	Per Pupil
	Federal	140,000	10,000	150,000	\$1,500
	State and Local	480,000	70,000	550,000	\$5,500
	Total			700,000	\$7,000
School Share of Central Expenditures Per Pupil					
	Federal				\$50
	State and Local				\$1,800
	Total Site Share of Central Expenditures				\$1,850
Total Expenditures Per Pupil					
	Federal				\$1,550
	State and Local				\$7,300
	Total				\$8,850

Template

At a minimum, the LEA must disclose the following in its report card for each of its school sites to meet the ESSA requirement. However, note that we anticipate that CDE will collect data similar to the data shown in the table above, based on the information it provided at the May 2019 SACS forum (see page 5). CDE's method for collecting the data is not yet determined.

Expenditures Per Pupil	
Federal	\$1,550
State and Local	\$7,300
Total	\$8,850

Pupil Count

The pupil count used in the denominator of the calculation should be the CBEDS fall enrollment. However, LEAs may instead use second period (P2) Average Daily Attendance if it is more reflective of the actual student count, such as in districts with mid-year growth. The district should be consistent across its school sites.

Allocating Costs to Schools

The following are examples of factors an LEA could use to attribute expenditures to a school site (not all inclusive). It is an LEA's option to use a different methodology or to keep them in central expenditures that are allocated per pupil so long as the LEA is consistent across sites.

Allocating Costs to Sites

Cost	Potential Basis
Utilities, Maintenance and Operations	Square footage
Substitute costs	Per teacher FTE or per pupil
Professional development	FTE attending
Education Services or other departments that provide direct services to students	Pro rata based on pupil count
IT support costs or telecommunications	Per FTE, pupil, or device
Itinerant staff (teachers, nurses etc)	Time spent at sites
Graduation Expenses	Pupils in 12 th grade

Special Circumstances

LEAs may operate programs at a site that could result in abnormally high per-pupil costs. For instance, the LEA may operate summer school or have classes for students with disabilities at a single school site. If the LEA changes the school site in the future, the data is not comparable from year to year. In these cases, LEAs should provide the context with the data so users understand why expenditures are higher than other sites. Alternatively, the district could include these expenditures in its centralized expenditures.

Written Protocols

Although LEAs are not required to develop or publish written protocols to comply with the ESSA requirement, it is a good practice to document the types of expenditures that are included in each calculation (direct, allocated, centralized) and the methods for allocating costs, to ensure consistent application from site to site and from year to year. Additionally, this information can be provided to interested parties to aid in accurate interpretation of the data. The following is a high-level example of how an LEA can do that.

Site-level costs

Category/SACS Code	Direct	Allocated
Salaries 1000-2999	Includes the cost of all staff assigned to the school, such as teachers, paraprofessionals, administrators, campus supervisors, and office staff. Also includes the cost of some substitutes.	Includes the proportional cost for staff who work on the site part-time, such as itinerant teachers.
Benefits 3000-3999	Includes the cost of health and welfare benefits for staff assigned to site.	Includes proportional cost for staff who work at the site part-time.
Books and Supplies 4000-4999	Includes any purchases made by or specifically for the site.	Includes a proportional share of centrally tracked cost based on allocation factors, such as textbooks purchased by the central office allocated based on pupils in the affected grade level.
Contracts and Professional Services 5000-5999	Includes any contracts and professional services purchased by or specifically for the site.	Includes a proportional share of costs that are centrally tracked based on allocation factors, such as graduation ceremony expenses based on number of 12 th graders.

Allocation factors (for costs not included in direct)

Category/SACS	Description
Special Education Separate classes Function 1110 All Objects	Removed from site costs and allocated with central costs (per pupil).
Nurses Function 3140 Object 1200	Allocated per pupil to sites that do not have nurses included in site-level cost.
Food services contribution	Allocated per pupil eligible for free/reduced meals.
Plant Services Function 8100-8499 All Objects	Allocated to sites based on square footage.
Central Costs (Expenditures remaining after direct and allocated)	Per-pupil amount based on expenditures divided by district pupil count. 2018-19=\$50 Federal, \$1,800 State and Local.

Resources

Text of the law: <https://www2.ed.gov/documents/essa-act-of-1965.pdf> (pages 51 and 53)

CDE letter: <https://www.cde.ca.gov/fg/ac/co/essappeltr.asp>

USDE Draft guidelines:

<https://www2.ed.gov/policy/elsec/leg/essa/rptcardpubliccomment3282019.pdf>

CDE Data Collection-Proposed May 2019 SACS forum School-level per-pupil expenditures reporting format

Criteria	School A	School B
School-level Expenditures		
A. Federal	\$456	\$209
B. State and Local	\$6,111	\$4,756
C. <i>School-level Total</i>	\$6,567	\$4,965
School Share of Central Expenditures		
D. Federal	\$161	\$161
E. State and Local	\$5,378	\$5,378
F. <i>School Share of Central Total</i>	\$5,539	\$5,539
G. Total School Expenditures (C+F)	\$12,106	\$10,504
H. Student Count	250	450

For each school, the proposed reported data elements will be:

- A. School federal
- B. School state and local
- C. School subtotal (A+B - collect or calculate?)
- D. Central federal
- E. Central state and local
- F. Central subtotal (D + E - collect or calculate?)
- G. Total school expenditures (C + F - collect or calculate?)
- H. Student count

For each LEA, the reported data elements will be:

- LEA federal
- LEA state and local
- LEA total (collected or calculated?)