

How to calculate a school district's classroom dollar percentage

General Description

The classroom dollar percentage is calculated using terms defined by the U.S. Department of Education's National Center for Education Statistics (NCES). Only "current expenditures" are included in the calculation. Current expenditures are those incurred for the school district's day-to-day operation and do not include costs associated with repaying debts, capital outlays (such as purchasing land, buildings, and equipment), and programs such as adult education and community services, that are not associated with preschool to grade 12 education. Debt payments and capital outlays benefit more than one period and vary significantly from year to year. Therefore, these costs are excluded to make year-to-year and district-to-district comparisons meaningful.

The **classroom dollar percentage** is calculated by determining a numerator (classroom dollars) and denominator (classroom plus nonclassroom dollars) using only current expenditures, as described above. Classroom dollars are those spent for instructional purposes as defined by the NCES, and include the following:

Classroom Dollars

- **Classroom personnel**—Teachers, teachers' aides, substitute teachers, graders, contracted instructional services, athletic coaches
- **General instructional supplies**—Paper, pencils, crayons, etc.
- **Instructional aids**—Textbooks, workbooks, instructional kits, instructional computer software, films, etc. Internet access for instruction is also included in classroom spending.
- **Activities**—Field trips, athletics, and cocurricular activities such as choir and band
- **Tuition**—Paid to out-of-state and private institutions

Current expenditures that are not considered instructional, and therefore not considered in the classroom, include the following:

Nonclassroom Dollars

- **Administration**—Governing board; superintendents; principals; business managers; and clerical and other staff who perform accounting, payroll, purchasing, warehousing, printing, human resource activities, public relations, legal services, or information technology services supporting the district's non-instructional information technology systems. Also, includes training non-instructional staff.
- **Plant operation and maintenance**—Operation of buildings including salaries for plant operation employees, utilities (heating, cooling, water, and garbage), equipment repair, maintenance, grounds keeping, and security
- **Food service**—Costs of preparing, transporting, and serving meals and snacks
- **Transportation**—Costs of transporting students to and from school and school activities
- **Instruction support services**—Librarians, teacher-coaches and mentors, curriculum directors, special education directors, teacher training, instruction-related technology services (including repair and maintenance of student and teacher computers), and curriculum development
- **Student support services**—Counselors, audiologists, psychologists, therapists, nurses, and attendance and social work services

Account-Based Description

Using school district Uniform Chart of Account's terminology, the numerator and denominator of the **classroom dollar percentage** are calculated in the following manner.

Numerator—Classroom Dollars

The Numerator consists of only those expenditures included in the Denominator that are coded to Function 1000—Instruction (including those functions that roll up into 1000, such as 1100).

Denominator—Total Current Expenditures

The Denominator consists of ALL district expenditures, including classroom and nonclassroom, except those described below.

*These are the **primary Funds** excluded:*

- **250 & 425** – Adult Education
- **515 & 520** – Civic Center and Community School
- **575** – Unemployment Insurance (an internal service fund)
- **600** – Capital Projects Funds with the following exception:
 - *Include textbooks, instructional aids, and library books only (object codes 6641-6643) paid out of Funds 610, 625*, and 695.*
- **700** – Debt Service
- **800 and above** – Fiduciary and Proprietary Funds

[* For fiscal years 2009-2011, Fund 625 current expenditures are included because applicable Session Laws have allowed school districts to use soft capital allocation monies for any operating or capital expenditure during this time. Capital expenditures from this Fund are still excluded using the program, function, and object code restrictions listed below.]

Other Funds' capital, debt service, and non K-12 transactions are removed by excluding the following Programs, Functions, and Object Codes.

These Programs are excluded:

- **700 and above** – Adult/Continuing Education, Community College Education Programs, Community Services Programs

These Functions are excluded:

- **4000 and above** – Capital, Debt Service, and Other Financing Uses

These Object Codes are excluded:

- **6561 & 6565** – Tuition to other Arizona school districts
- **6700's** – Land, Buildings, and Equipment
- **6900's** – Other Financing Uses, such as Transfers and Indirect Costs

Similar transactions that a district accounts for in other Funds, Programs, Functions, or Object Codes could also be excluded.