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School System Financials

Fiscal Health Has Improved Among Systems

Greg S. Griffin | State Auditor

Lisa Kieffer | Director



DOAA

Georgia Department
of Audits & Accounts

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Performance Audit Division

Greg S. Griffin, State Auditor
Lisa Kieffer, Director

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Special Project: School System Financials Fiscal Health Has Improved Among Systems

What we found

In fiscal year 2021, school systems received additional funding with the increase of federal funds related to the COVID-19 pandemic. As a result, systems’ ability to cover their short- and long-term obligations improved, and most systems received a positive fiscal health rating.

Fund Balances Have Risen with the Increase in Federal Funds

Statewide, systems held a total fund balance of approximately \$8.6 billion in fiscal year 2021—up 39% from approximately \$6.1 billion in fiscal year 2018. Similarly, the total unassigned fund balance—over which systems have significant discretion—increased by 60% from \$2.1 billion to \$3.4 billion.

The fund balance increases can be attributed to higher revenue in fiscal year 2021—primarily the increase in federal funds related to the COVID-19 pandemic. Approximately \$1.0 billion in additional federal dollars was distributed to the systems in fiscal year 2021. The flexible provisions of the COVID-19 funds permit a variety of expenditures. Some systems have used federal funds for salaries, fuel, utilities, and other regular operating expenses that would otherwise be paid for with state or local funds.

Fiscal Health Has Improved Among School Systems

In the fiscal year 2019-2021 period, five school systems were categorized as having a cautionary financial outlook—down from 14 systems with a critical or cautionary outlook in the fiscal year 2018-2020 period. Systems’ performance in each of the five fiscal health metrics improved, as shown below.

Metric	Description	# of Systems with Critical or Cautionary Outlook by Metric ¹	
		2018-2020	2019-2021 ²
Current Ratio	Ability to pay for short-term obligations	19	7
Asset Sufficiency Ratio	Ability to pay for all obligations in general fund	16	4
Operating Reserve Ratio	Ability to cover revenue shortfalls and expenditure overruns	54	31
Change in Total Fund Balance	How total fund balance changed from prior year	21	8
Change in Unassigned Fund Balance	How unassigned fund balance changed from prior year	12	2
Overall Fiscal Health		14	5

¹ Outlooks calculated using the average of the three reported years, as compared to an established benchmark.
² Excludes eight systems that had not submitted their fiscal year 2021 audited statements by the report’s publication.
Source: DOAA analysis of school systems’ annual financial reports

Why we did this review

In recent years, the 180 county and city school systems in Georgia on average collected nearly \$20 billion in total revenue each year. This report provides information on the source of the funds and how they are expended. The report also provides insights into systems’ fiscal health by measuring systems against benchmarks in five metrics related to solvency and reserves. A dashboard that provides information on each school system can be found on our website at <https://www.audits2.ga.gov/schoolsystemdashboard/>.

Table of Contents

Background	1
School System Financial Information	1
School System Financial Reporting	2
Revenue	4
Expenditures	6
Fund Balance	8
Total Fund Balance	8
Unassigned Fund Balance	8
Fiscal Health	10
Appendix A – Objectives, Scope, and Methodology	17
Appendix B – Glossary of Terms	19
Appendix C – Map of RESAs	21
Appendix D – ESSER Funds by School System	22
Appendix E – School Systems Missing Financial Data (FY21)	26
Appendix F – School System Fiscal Health Scores	27

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Background

The Georgia Department of Education (GaDOE) is the state agency responsible for overseeing K-12 public education, which is administered by 180 county and city school systems and state charter schools. School systems are assigned to one of the state's 16 Regional Education Service Agencies (RESAs), which provide educational and support services (see [Appendix C](#) for RESA map).

In academic year 2021-2022, the 180 county and city school systems¹ provided public education to approximately 1.7 million children enrolled in pre-kindergarten through 12th grade.

A glossary of financial terms used in this report can be found in [Appendix B](#).

School System Financial Information

School systems receive most of their funding from three sources, described below. Other funds may be generated from charges for services and investment income.

State Funding

School systems receive approximately 90% of their state funding through the Quality Basic Education (QBE) formula. The QBE formula provides a base amount for each full-time equivalent (FTE) student, with additional funding weights applied for specific programs and grade levels (e.g., gifted, remedial, etc.). The QBE funds are intended to cover items such as teacher and other instructional staff salaries, direct instructional operations costs (e.g., textbooks), and administrative costs (central and school administration as well as facility maintenance and operations).

It should be noted that since 2003 QBE allotments have typically been reduced by an “amended formula adjustment,” which effectively decreases the state funds available to the systems. In fiscal year 2018, for example, the formula adjustment decreased state funds by \$166.8 million (a 2% reduction from the total formula earnings of \$8.3 billion). In fiscal year 2020, QBE earnings were fully funded; however, in fiscal year 2021 funds were decreased by \$383.0 million (a 4% reduction from the total earnings of \$8.8 billion). QBE earnings were again fully funded in fiscal years 2022 and 2023.

In addition to funding operating expenditures, the state also supports capital expenditures related to K-12 education. This includes the construction, renovation, and modification of school facilities, as well as the purchase of computers, networking equipment, and other technology to assist in student learning. Each year, GaDOE is appropriated funding through the issuance of bonds for financing these projects.

Local Funding

All school systems receiving QBE funding are required to fund a portion of the minimum required level of spending for its K-12 education—equivalent to the property tax revenue that would be raised by five mills levied on the systems' equalized property tax base.² However, all school systems supplement this requirement by levying a property tax that exceeds the five mills to provide additional or enhanced programs and services, pay higher salaries, and/or fund capital projects.

School systems also have the authority to levy a temporary 1% sales tax known as the Education Special Local Option Sales Tax (ESPLOST) to fund capital improvements. State law allows an ESPLOST for three purposes: capital outlays (such as new educational facilities), repaying bonded debt for prior

¹ This review is limited to the 159 county and 21 city school systems. It does not include the 40 state charter schools or those operated by the Department of Corrections and Department of Juvenile Justice, which served nearly 40,000 FTEs in academic year 2021-2022.

² The property tax base is the total value of all taxable property within a specified area. To calculate property tax, the mill rate (one mill equals \$0.001) is multiplied by the equalized property tax base. For example, a \$300,000 property tax base x \$0.005 (5 mills) yields \$1,500 property tax. The equalized property tax base is an adjustment of the actual property tax base calculated from the results of an annual sales ratio study to account for differences in county assessments. The Georgia Department of Audits and Accounts conducts sales ratio studies to compare the local assessment of selected properties' fair market value with the actual sales or appraisals.

facility construction, or issuing new bonded debt for capital outlays. Additionally, 10 systems³ can collect sales taxes for school operations (as authorized by local amendments to the Georgia Constitution).

Federal Funding

Federal funding is traditionally provided through grant programs that often target specific student populations or educational objectives. Common federal revenue sources include those related to Title I (intended to improve the academic achievement of low-income or other disadvantaged students), special education, and child nutrition.

In response to the COVID-19 pandemic that began in March 2020, Congress created the Elementary and Secondary School Emergency Relief (ESSER) fund under the Coronavirus Aid Relief and Economic Security (CARES) Act. Additional ESSER funding was provided through the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) in December 2020 and the American Rescue Plan (ARP) in March 2021 (see **Exhibit 1**).

Exhibit 1

Georgia's ESSER Funds Total Approximately \$6.6 Billion

Grant Program	Grant Period Through	Carryover Period Through	Funding Amount		
			State Set-Aside	Local Allocation	Total
ESSER I (CARES)	Sept. 2021	Sept. 2022	\$45,716,985	\$411,452,867	\$457,169,852
ESSER II (CRRSA)	Sept. 2022	Sept. 2023	\$189,209,262	\$1,702,883,356	\$1,892,092,618
ARP ESSER	Sept. 2023	Sept. 2024	\$425,243,169	\$3,827,188,522	\$4,252,431,691
Total			\$660,169,416	\$5,941,524,745	\$6,601,694,161

Source: US DOE Office of Elementary and Secondary Education

With each round of ESSER funding, Georgia's allotment was split between a local allocation (90%) and a state set-aside (10%). Per federal requirements, the local allocation was distributed based on each system's proportionate share of Title I funding (ranging from approximately \$250 to \$9,860 per FTE). States and local systems can use funds "to prevent, prepare for, or respond to" the pandemic's impact on the "social, emotional, mental health, and academic needs of students." While 20% of the funds must be used to address the impact of lost instructional time, the large and flexible provisions allow systems to use the funds for various activities to address pandemic-related needs. ESSER funds received by each system—and the amount they have obligated as of February 2023—can be found in [Appendix D](#).

School System Financial Reporting

Each year, school systems are required to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The Government Accounting Standards Board (GASB)—which establishes the accounting and reporting standards for state and local government entities—provides a financial reporting model that school systems must use to present their statements (GASB No. 34). GaDOE provides systems guidance regarding how to report their financials in accordance with GAAP.

Systems classify their accounting records into three primary fund categories based on the specific activities supported (shown in **Exhibit 2**), with the majority of a system's finances accounted for in its

³ This includes eight county systems (Bulloch, Chattooga, Colquitt, Habersham, Houston, Mitchell, Rabun, Towns) and two city schools (Pelham and Trion).

governmental funds. The three fund categories are then divided into generic fund types. For the purposes of this report, the financials reported are from the systems’ general and special revenue funds within its governmental funds (which accounts for general operations).

Exhibit 2

School System Financials are Categorized into Three Fund Categories and Subsequent Fund Types

Governmental Funds	Proprietary Funds	Fiduciary Funds
<p>General Fund – All resources not required to be accounted for in another fund</p>	<p>Enterprise Funds – Resources for activities financed and operated similar to business enterprises.</p>	<p>Custodial Funds – Accounts for situations in which the system’s role is purely custodial (e.g., student activity funds)</p>
<p>Special Revenue Funds – Resources legally restricted for specific purposes (e.g., state and federal grants)</p>	<p>Internal Service Funds – Operations that serve other departments within the same system or other systems (e.g., central warehousing)</p>	<p>Pension Trust Funds – Accounts related to the systems that maintain single employer pension plans</p>
<p>Debt Service Funds – Resources used to repay the principal and interest on general long-term debt</p>		<p>Private Purpose Trust Funds – Any trust arrangement under which principal and income benefit individuals, private organizations, or other entities outside the reporting system.</p>
<p>Capital Projects Funds – Resources restricted for major capital outlays (e.g., bond proceeds to construct a new school)</p>		<p>Reported financials are based on these funds</p>

Source: GaDOE documents

O.C.G.A. § 50-6-6(a) assigns the Georgia Department of Audits and Accounts (DOAA) the responsibility of auditing the books and accounts of local school systems. This independent audit is intended to provide assurance that the financial statements are presented accurately and in conformity with generally accepted accounting principles. The audited financial statements served as the source documents for our review—specifically the government-wide statement of net position, the balance sheet for the governmental funds, and the statement of revenues, expenditures, and changes in fund balance for the governmental funds.

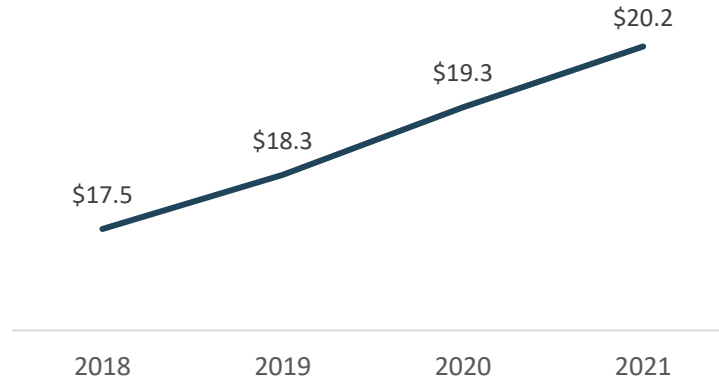
At the time of this report’s publication, eight school systems (see [Appendix E](#)) had not submitted their fiscal year 2021 audited financial statements to DOAA.⁴ As such, their information was not included in trend analyses, and their fiscal health for the 2019-2021 period could not be determined.

⁴ Systems that completed or submitted their audited financial statements by February 1, 2023, were included in this report. DOAA prepares the independent auditor’s report for the majority of school systems. The eight school systems that had not submitted are among those that contract with a private entity to prepare their independent audit report. DOAA has allowed contracted audits to serve as the annual audit when deemed appropriate to reduce duplicative effort on the part of the school system.

Revenue

In fiscal year 2021, school systems collected approximately \$20.2 billion in revenue for their general funds—an increase of 16% from the approximately \$17.5 billion collected in fiscal year 2018 (see **Exhibit 3**). Revenue increased by approximately 5% in each fiscal year.

Exhibit 3¹
System Revenue² has Increased by 16% (FY2018-2021)



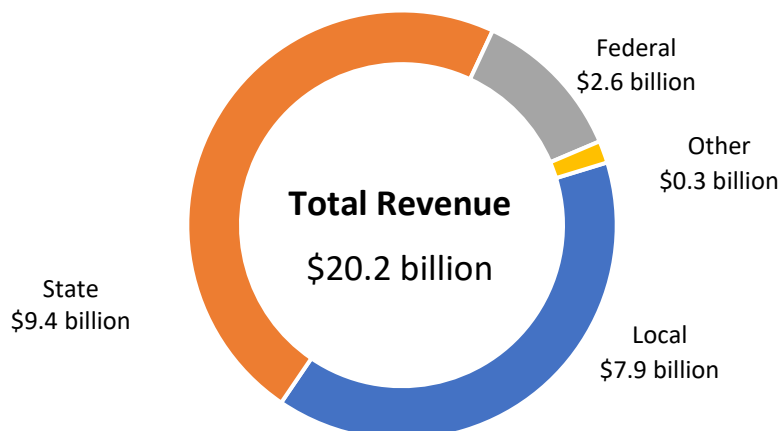
¹ Does not include information from eight systems, which comprised approximately 6% of revenue in FY 2020.

² Amount in billions

Source: School systems' Annual Financial Reports

As shown in **Exhibit 4**, 46% (\$9.4 billion) of systems' fiscal year 2021 revenue was state funding. Local revenue—typically in the form of property taxes—comprised approximately 39% (\$7.9 billion). Federal revenue comprised 13% (\$2.6 billion), while other revenue—such as investment income and charges for service—comprised 2% (\$344 million). While the proportion of revenue from local funds has remained stable since fiscal year 2018, the proportion from federal funds increased from 9% and the proportion of state funds decreased from 51%. The amount of federal revenue also increased by the largest percentage over the period reviewed (by 63%—from \$1.6 billion to \$2.6 billion), primarily due to the relief package the state received in response to the COVID-19 pandemic (described on page 2). State and local revenue increased by 6% and 21%, respectively.

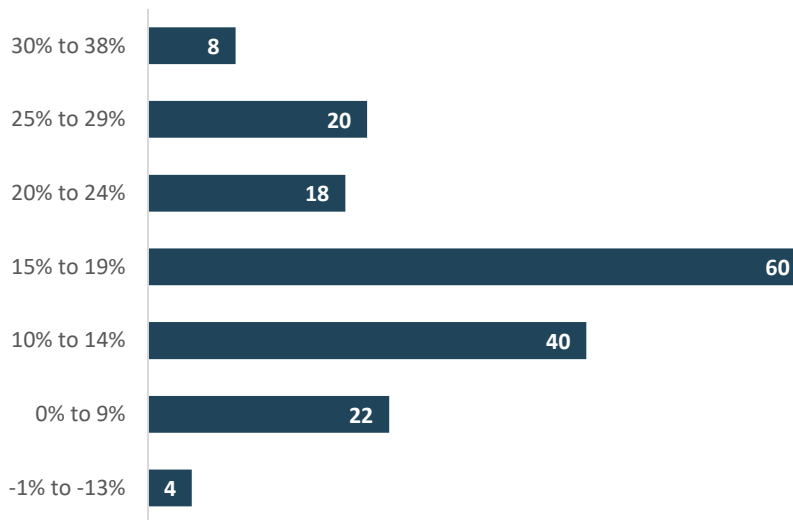
Exhibit 4
State Funds Represent Half of Systems' Total Revenue (FY 2021)



Source: School systems' Annual Financial Reports

Fiscal year 2021 revenue by system ranged from approximately \$5.2 million to \$2.0 billion (with a median⁵ of \$44.5 million). Most systems have experienced increases in revenue since fiscal year 2018—by approximately 17% on average, though eight systems had increases between 30% and 40%. As shown in **Exhibit 5**, most systems experienced at least a 15% increase in revenue. Four systems⁶ experienced a decrease in revenue (compared to nine that experienced a decrease in revenue between fiscal years 2018 and 2020).

Exhibit 5
Nearly All School Systems Experienced Revenue Increases Between FY 2018 and 2021



Source: School systems' Annual Financial Reports

In fiscal year 2021, state funds represented at least half of total revenue in 95 school systems (55%), with 26 systems relying on state funds for more than 60% of their revenue. By contrast, state funding comprised less than 30% of total revenue for seven systems, with the majority of these systems' revenue instead coming from local funds (or—for two systems—a combination of local and federal funds). State funds increased for nearly all systems between fiscal years 2019 and 2020—when state QBE allocations were fully funded—though most experienced a decrease between 2020 and 2021 (when amended formula adjustments resumed).

The proportion of funding has changed since fiscal year 2018—with most systems experiencing a decrease in the percentage from state funds and nearly all systems experiencing an increase in the percentage from federal funds. Federal funding amounts increased by at least 25% for the majority of the systems (157) and more than doubled for 38 systems. As shown in **Exhibit 1** on page 2, systems can obligate the COVID-19 federal grant funds a year after the end of the grant period; as of February 2023, systems had obligated approximately 55% (\$3.2 billion) of their total funding—ranging from 11% to 100% (19 systems had obligated at least 80%).

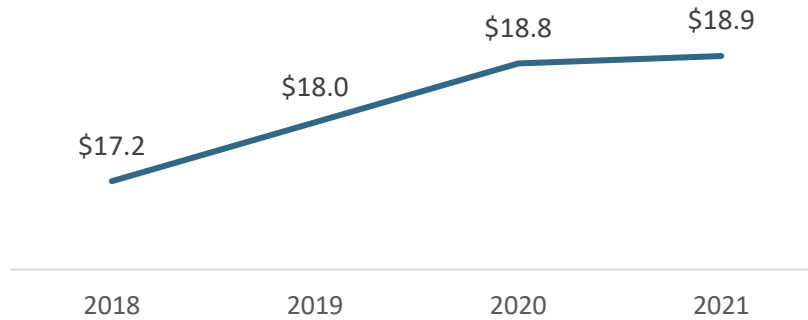
⁵ The median represents the value for which half the values are smaller and half the values are larger. This removes the impact of outliers.

⁶ Three of the four systems experienced decreases of between 1% and 4% due to fewer state funds (likely due to decreased enrollment) and—for two systems—fewer federal funds. The fourth system experienced a decrease of 13% due to a 55% decrease in federal funds (though state funds increased by 21%).

Expenditures

In fiscal year 2021, school systems spent approximately \$18.9 billion—an increase of 10% from \$17.2 billion in fiscal year 2018, as shown in **Exhibit 6**.

Exhibit 6¹
School System Expenditures² Increased by 10% (FY 2018-2021)



¹ Does not include information from eight systems, which comprised approximately 6% of expenditures in FY 2020.

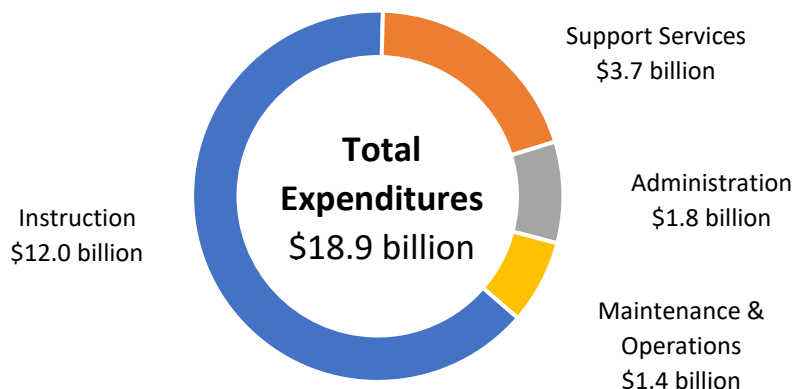
² Amount in billions

Source: School systems' Annual Financial Reports

System expenditures ranged from approximately \$4.4 million to \$1.9 billion, with the median equating to approximately \$41.2 million. Expenditures increased in most (160) systems since fiscal year 2018, ranging from 1% to 29%. Expenditures decreased in 12 systems—the largest decrease (by between 10% and 20%) occurred in four systems. The remaining systems experienced no change.

In fiscal year 2021, nearly 65% of statewide expenditures were dedicated to instruction, which includes activities that deal directly with the interaction between teachers and students (see **Exhibit 7**). RESA proportions dedicated to instruction ranged from 56% to 70%, while individual systems ranged from approximately 43% to 83%. Support services—which include pupil services, student nutrition, and transportation—comprised 19% of statewide expenditures, while administration and maintenance and operations expenses comprised 9% and 7%, respectively. The statewide proportion dedicated to instruction has generally remained unchanged since fiscal year 2018; however, it has decreased in 65 systems (by between four and nine percentage points in six systems).

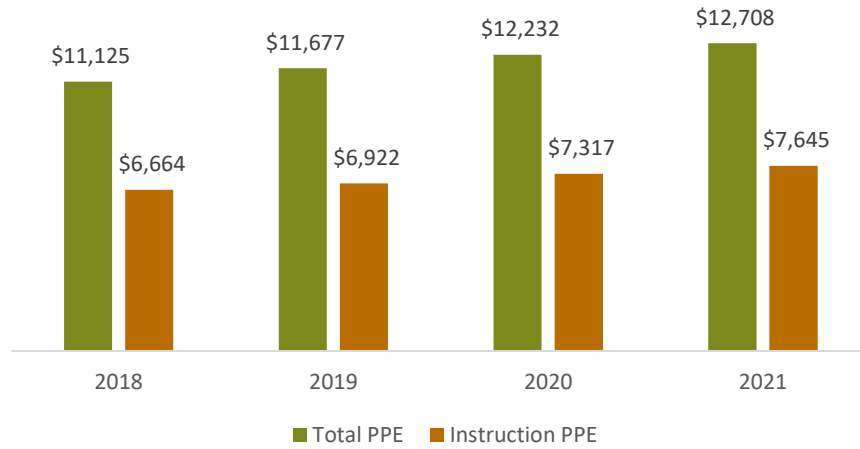
Exhibit 7
Most Expenditures are Related to Instruction (FY 2021)



Source: School systems' Annual Financial Reports

On average, systems spent approximately \$12,700 per pupil in fiscal year 2021, ranging from \$8,800 to \$30,500. Approximately \$7,600 was spent toward instruction, ranging from \$5,600 to \$15,400. Per pupil expenditures have increased by approximately 15% since fiscal year 2018, as shown in **Exhibit 8**.

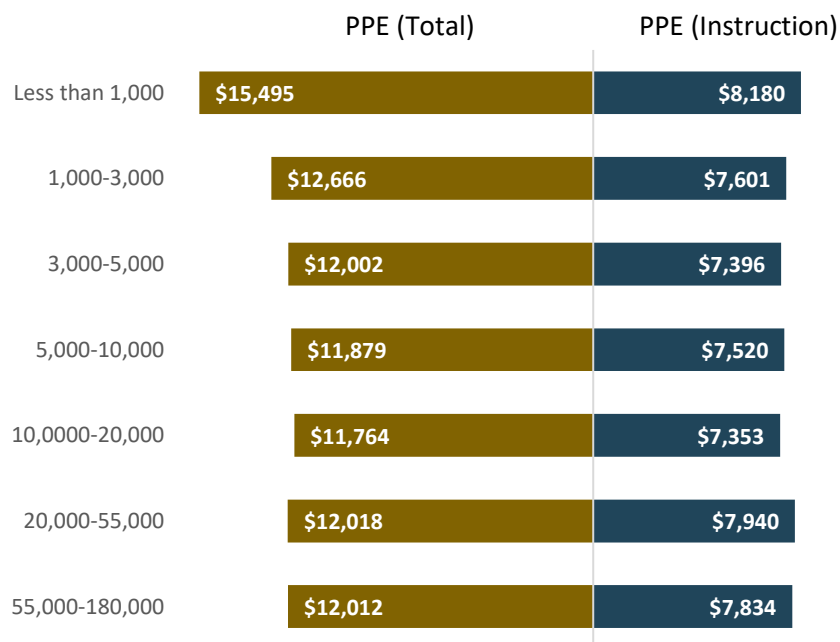
Exhibit 8
Per Pupil Expenditures Have Increased Since Fiscal Year 2018



Source: School systems' Annual Financial Reports

Total per pupil spending was highest among the 19 systems with less than 1,000 students—approximately \$15,500 compared to between \$11,800 and \$12,700 for other population groups (see **Exhibit 9**). Per pupil expenditures dedicated to instruction, however, did not appear to be impacted by student population, with all population sizes ranging from between \$7,400 and \$8,200.

Exhibit 9
Total Per Pupil Expenditures Decrease as Student Population Increases (FY 2021)



Source: School systems' Annual Financial Reports

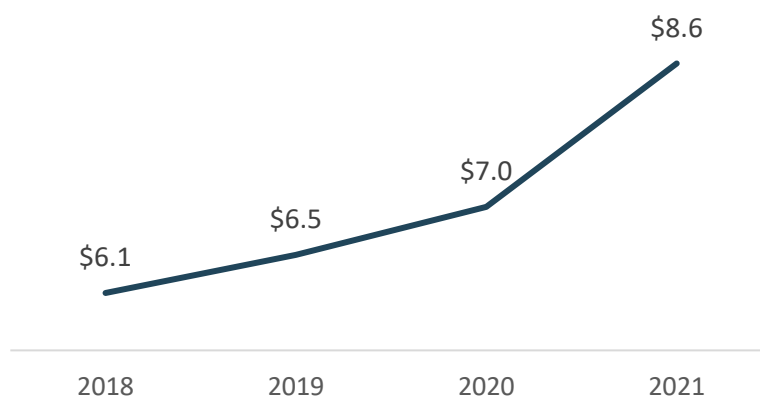
Fund Balance

A school system's fund balance represents the financial resources available to the system. The difference in revenues and expenditures impacts the fund balance—when revenues are higher than expenditures, fund balance will increase.

Total Fund Balance

Total fund balance—which includes the fund balances for the general fund, capital projects, and debt service (when relevant)—increased by nearly 40% between fiscal years 2018 and 2021 (see **Exhibit 10**). The largest increase occurred between fiscal years 2020 and 2021 (23% compared to 6% and 7% increases in the prior two years).

Exhibit 10¹
Total Fund Balance² Has Increased by 39%
(FY 2018-2021)



¹ Does not include information from eight systems, which comprised approximately 7% of total fund balance in FY 2020.

² Amount in billions

Source: School systems' Annual Financial Reports

Total fund balance by system ranged from \$1.5 million to \$911.0 million in fiscal year 2021. The majority of systems (147) saw increases in their fund balance during the four years reviewed.

Unassigned Fund Balance

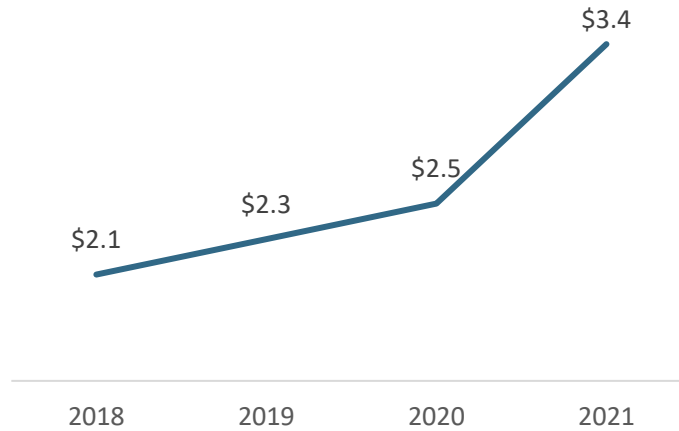
Unassigned fund balance represents the portion of the fund balance that is not restricted to a particular purpose (as defined by a grant or the school board, for example). As such, this fund balance can generally be used for any purpose. Statewide, the unassigned fund balance represented approximately 40% of total fund balance, though the percentage by system ranged from 2% to 94%.⁷

As shown in **Exhibit 11**, the unassigned fund balance statewide totaled \$3.4 billion—up 60% from \$2.1 billion in fiscal year 2018. Similar to the total fund balance, the percent change (34%) from the prior year was largest between 2020 and 2021. In 2020 and 2019, the percent change equaled 11% and 8%, respectively. This is because expenditures represented a smaller percentage of revenue in fiscal year 2021. For 34 systems, the 2021 percentage of expenditures over revenues was between 10 and 21

⁷ The percentage of total fund balance that is unassigned depends on the extent to which the fund balance has related liabilities or has otherwise been obligated. For example, one system has an unassigned fund balance of 2% because the remainder of its general fund was restricted to specific uses. By contrast, another system had few capital projects and low debt service, resulting in an unassigned fund balance of 94%. One system had an unassigned fund balance greater than the total fund balance because its capital projects liabilities exceeded assets—resulting in a negative fund balance for that fund (and the total fund).

percentage points lower compared to 2018. For example, one system’s expenditures represented 94% of revenue in fiscal year 2018; by 2021 the percentage had decreased to 75%.

Exhibit 11¹
Unassigned Fund Balance² Has Increased by 60% (FY18-2021)



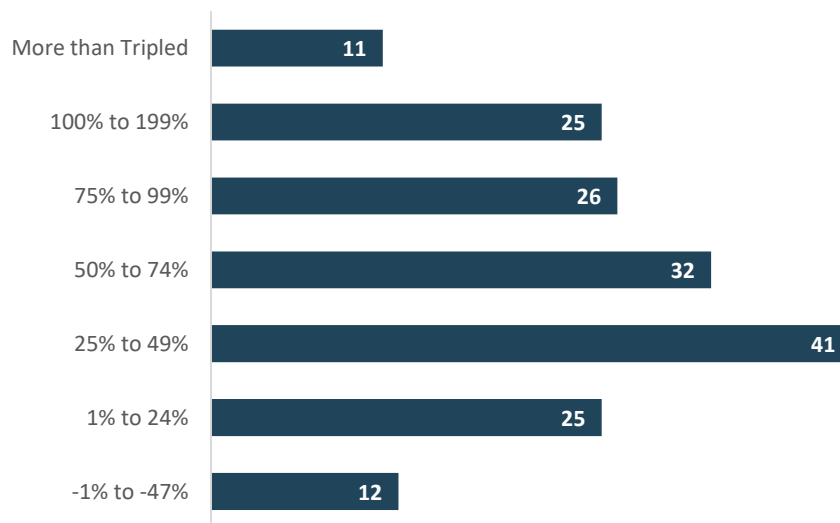
¹ Does not include information from eight systems, which comprised approximately 8% of unassigned fund balance in FY 2020.

² Amount in billions

Source: School systems’ Annual Financial Reports

Unassigned fund balance for the systems ranged from \$637,000 to \$237.7 million. This fund balance increased for 160 systems between fiscal years 2018 and 2021. For some systems, the increase was significant, as shown in **Exhibit 12**.

Exhibit 12
Unassigned Fund Balance Increased by at Least 25% for Most Systems (FY 2018-2021)






Source: School systems’ Annual Financial Reports

Fiscal Health

The Fiscal Health Analysis uses five ratios to assess school districts’ financial health. Two ratios are related to a system’s ability to pay its bills (solvency), and three ratios relate to its reserves (see **Exhibit 13**). When reviewed over time, these ratios offer trend information that can warn of potential financial deterioration in a particular system when compared to a standard benchmark. The information is also helpful when comparing systems with similar characteristics, such as student population or poverty level.

Exhibit 13

Systems are Assigned Points Based on Performance in Each Fiscal Health Metric

		Fiscal Health Score		
		Positive	Cautionary	Critical
 <p>Solvency</p>	<p>Current Ratio System’s ability to pay for its short-term obligations</p>	0	2	4
		+	+	+
	<p>Asset Sufficiency Ratio System’s ability to pay for all obligations within its General Fund</p>	0	2	4
		+	+	+
 <p>Reserves</p>	<p>Operating Reserve Ratio System’s ability to cover revenue shortfalls and expenditure overruns</p>	0	1.5	3
		+	+	+
	<p>Change in Total Fund Balance Whether the system’s total fund balance is increasing or decreasing</p>	0	1	2
		+	+	+
	<p>Change in Unassigned Fund Balance Whether the system’s unassigned fund balance is increasing or decreasing</p>	0	1	2
		=	=	=
 <p>Fiscal Health</p>	<p>Scoring for Overall Fiscal Health Less than 3.5: Positive 3.5 to 9.5: Cautionary 10 to 15: Critical</p>	0	7.5	15

Source: DOAA

Each ratio’s measure of fiscal health (critical, cautionary, or positive outlook) is based on a three-year average to mitigate the impact of a single year in which an anomaly occurred (e.g., lawsuit settlement). The benchmarks for each ratio were determined based on industry and other states research. Overall fiscal health was determined based on a weighted score given each ratio’s outlook (see **Exhibit 13**). For example, a system with a critical outlook in current ratio would receive four points, while a critical outlook in operating reserve would be worth three points. Points for each metric are summed for a total fiscal health score that reflects overall fiscal health. A more detailed description of our methodology can be found in [Appendix A](#).

Below is a summary of trends related to each measure. Individual school system calculations can be found on our companion dashboard (<https://www.audits2.ga.gov/schoolsystemdashboard/>). As

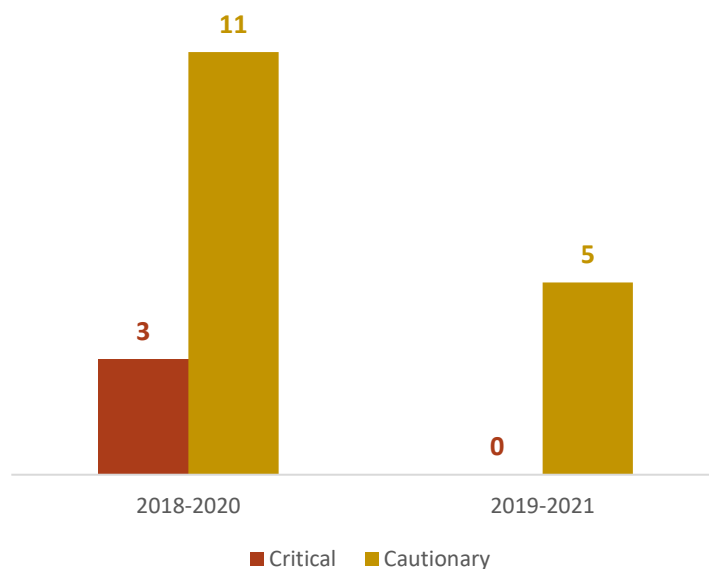
previously noted, eight school systems had not submitted their fiscal year 2021 audited statements by this report’s publication; therefore, we could not calculate their overall fiscal health or metric scores for the 2019-2021 period. Additionally, these systems are not included in the 2021 data for in each metric’s trend lines. State averages were not materially impacted by these systems’ inclusion in 2018-2020.

Overall Fiscal Health



In the fiscal year 2019-2021 period, 5 school systems could be categorized as having a cautionary financial outlook—down from 14 with a critical or cautionary outlook in the fiscal year 2018-2020 period (see **Exhibit 14**).⁸ The systems are listed in [Appendix F](#).

Exhibit 14
The Number of Systems with a Critical or Cautionary Outlook Has Decreased (FY2018-2021)¹



¹ Eight systems are not included in the 2019-2021 review due to missing fiscal year 2021 data. Two of these systems received a “Critical” rating for the 2018-2020 period.

Source: DOAA analysis of school systems’ Annual Financial Reports

It should be noted that the increase in federal funds related to the COVID-19 pandemic has contributed to the improvement in systems’ fiscal health. As discussed on page 2, the flexible provisions permit systems to use the funds for a variety of expenditures. Some systems have created new positions, hired new teachers, or addressed learning loss, while others have used federal funds for salaries, fuel, utilities, and other regular operating expenses that would otherwise be paid for with state or local funds (resulting in larger reserves). According to DOAA staff, systems will need to monitor their reserves and expenditures to ensure they are able to fulfill all financial obligations (e.g., new positions, regular operating costs) and comply with federal regulations once the COVID-19 funds have been expended.

⁸ As previously discussed, eight school systems did not have audited financial statements completed at the time of this report’s publication. Two systems had received a “critical” outlook for the 2018-2020 period reviewed.

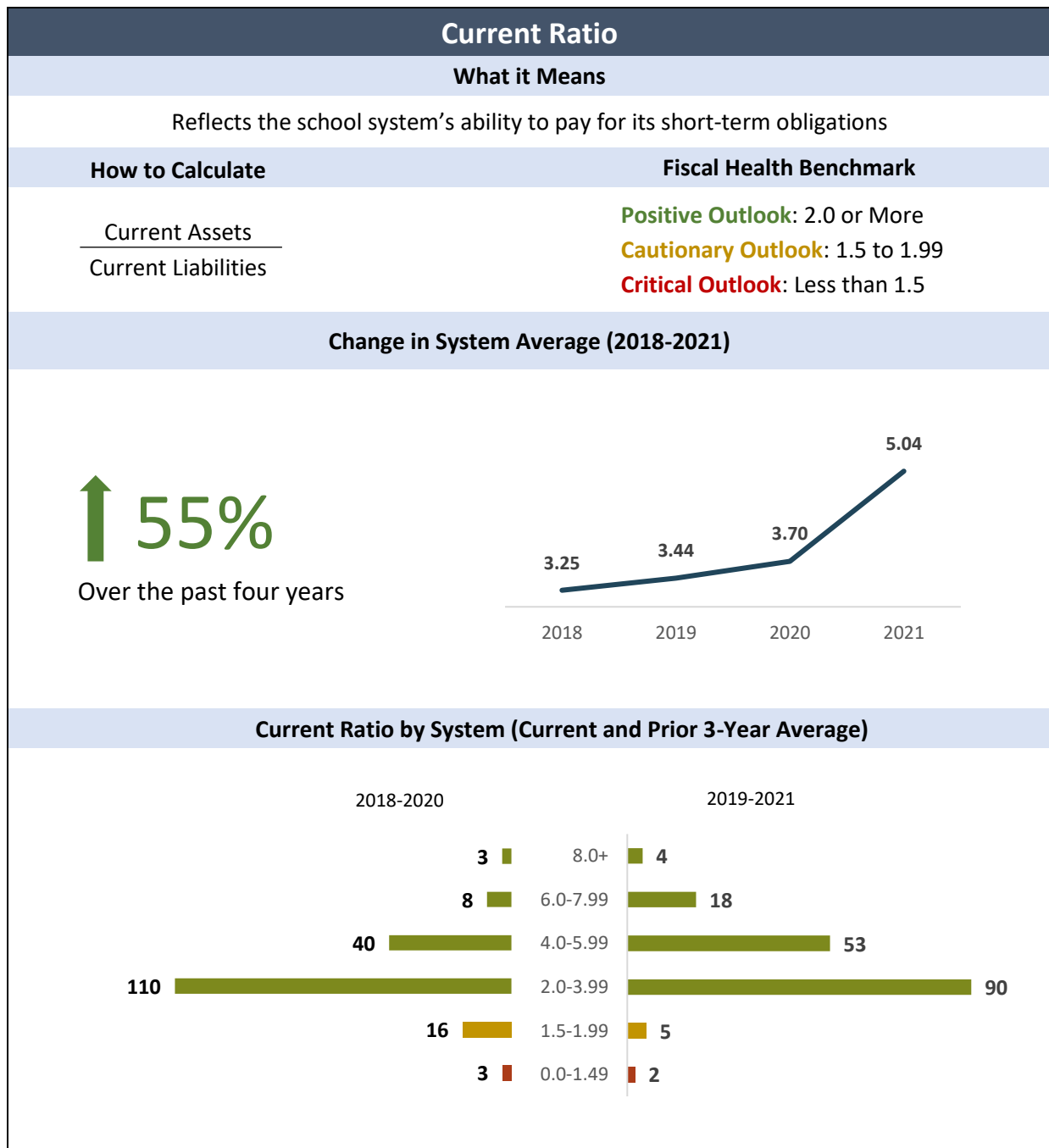


Solvency

A system’s solvency relates to its ability to pay its bills—both overall and in the short-term. Solvency ratios are calculated based on assets and liabilities.

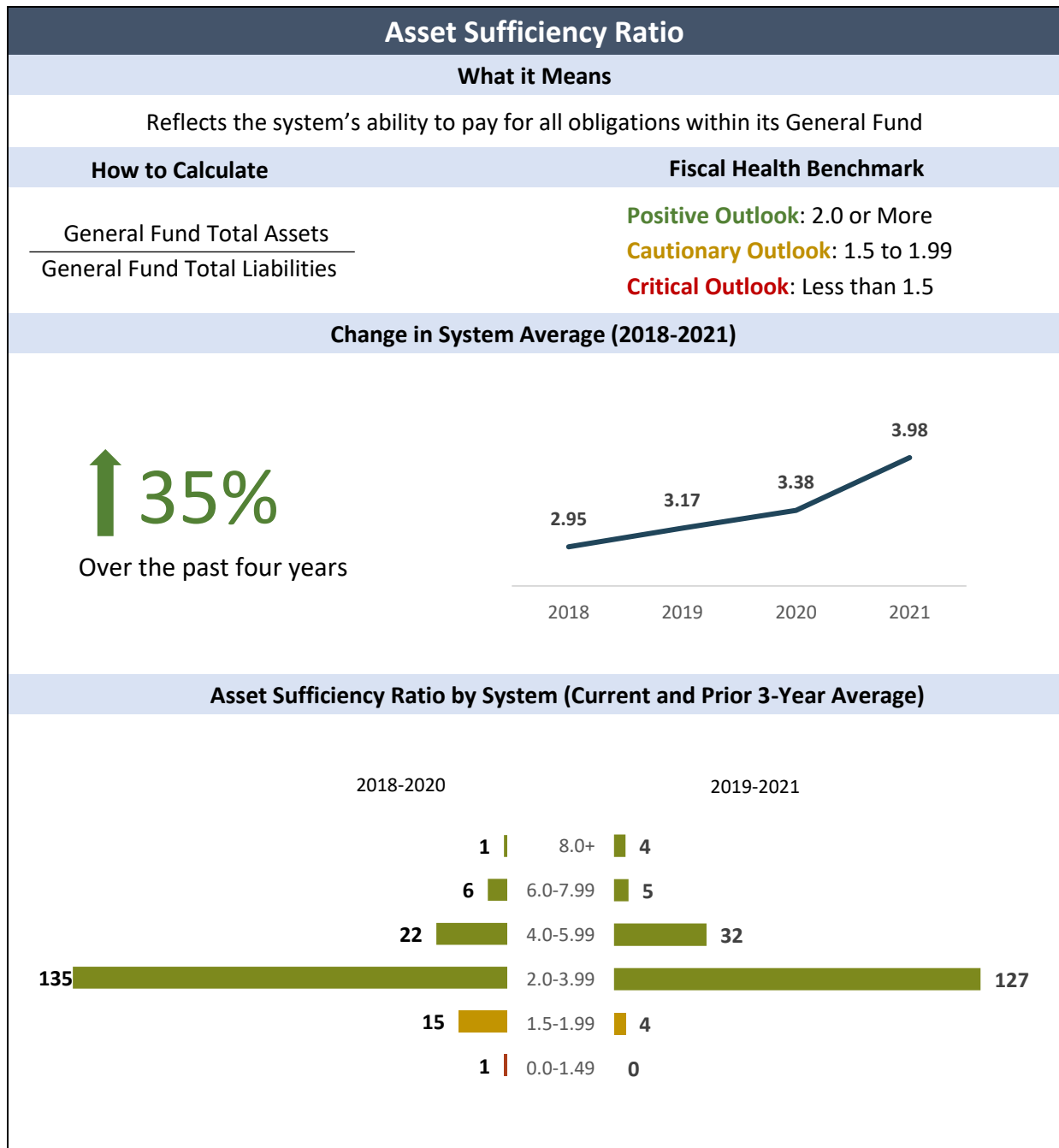
Current Ratio measures a system’s ability to pay for its short-term liabilities (i.e., those payable within one year) by transforming its current assets (e.g., cash, investments, most receivables, inventories) into cash.

The average current ratio has steadily increased since fiscal year 2018 and rose significantly by 36% between fiscal years 2020 and 2021. The 3-year average current ratio increased for 146 systems. While 19 systems received a critical or cautionary outlook for the fiscal year 2018-2020 period, 7 systems had a current ratio of less than 2.0 for fiscal years 2019-2021.



Asset Sufficiency Ratio represents the system’s ability to use its general fund assets to cover general fund liabilities. While this ratio is similar to current ratio, it includes all obligations contained in the general fund only (whereas the current ratio examines all current assets and liabilities from all fund types). As such, the asset sufficiency ratio measures the system’s ability to cover its day-to-day operations (e.g., teacher salaries) rather than all current liabilities (which would include payables related to construction projects that would be in the capital projects fund rather than the general fund).

Since fiscal year 2018, the average asset sufficiency ratio has increased steadily. Like current ratio, the largest percent increase occurred between fiscal years 2020 and 2021, though asset sufficiency ratio increased by only 18% compared to the current ratio increase of 36%. While 16 systems’ three-year average indicated a critical or cautionary outlook for 2018-2020, only 4 systems received a cautionary outlook for the most recent three-year period.



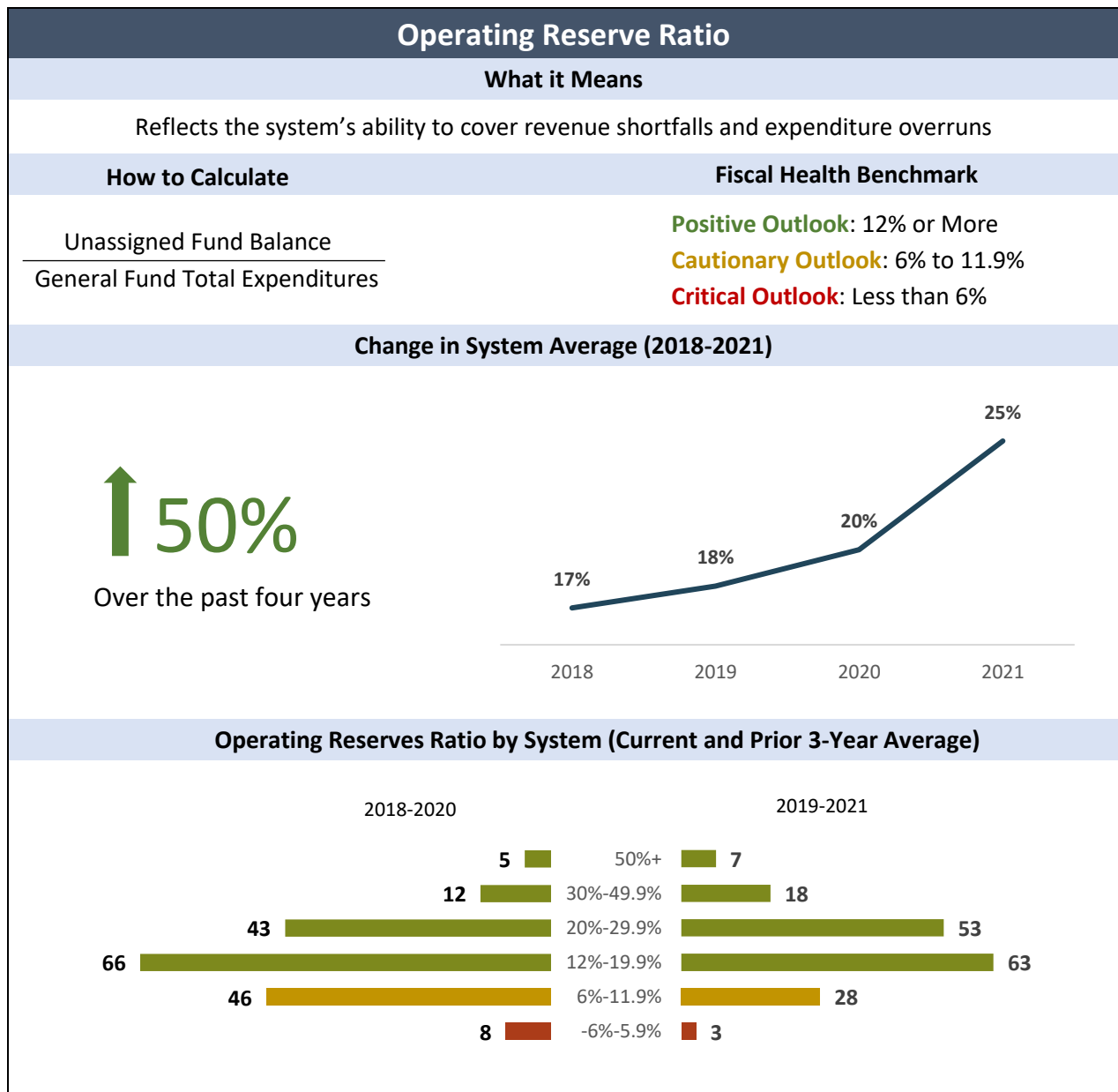


Reserves

A system’s reserves relate to the financial resources available to mitigate current and future risks to its stability (e.g., unexpected revenue shortfalls or expenditure increases). Reserve ratios are based on the system’s fund balance, which is impacted by annual changes to revenues and expenditures.

Operating Reserve Ratio reflects the extent to which a system could pay its general fund expenditures with its unassigned fund balance. The ratio provides insight into how long a school district could operate if it were unable to collect any revenue. For example, an operating reserve ratio of 15%⁹ would equate to nearly eight weeks of expenditures (15% of 52 weeks).

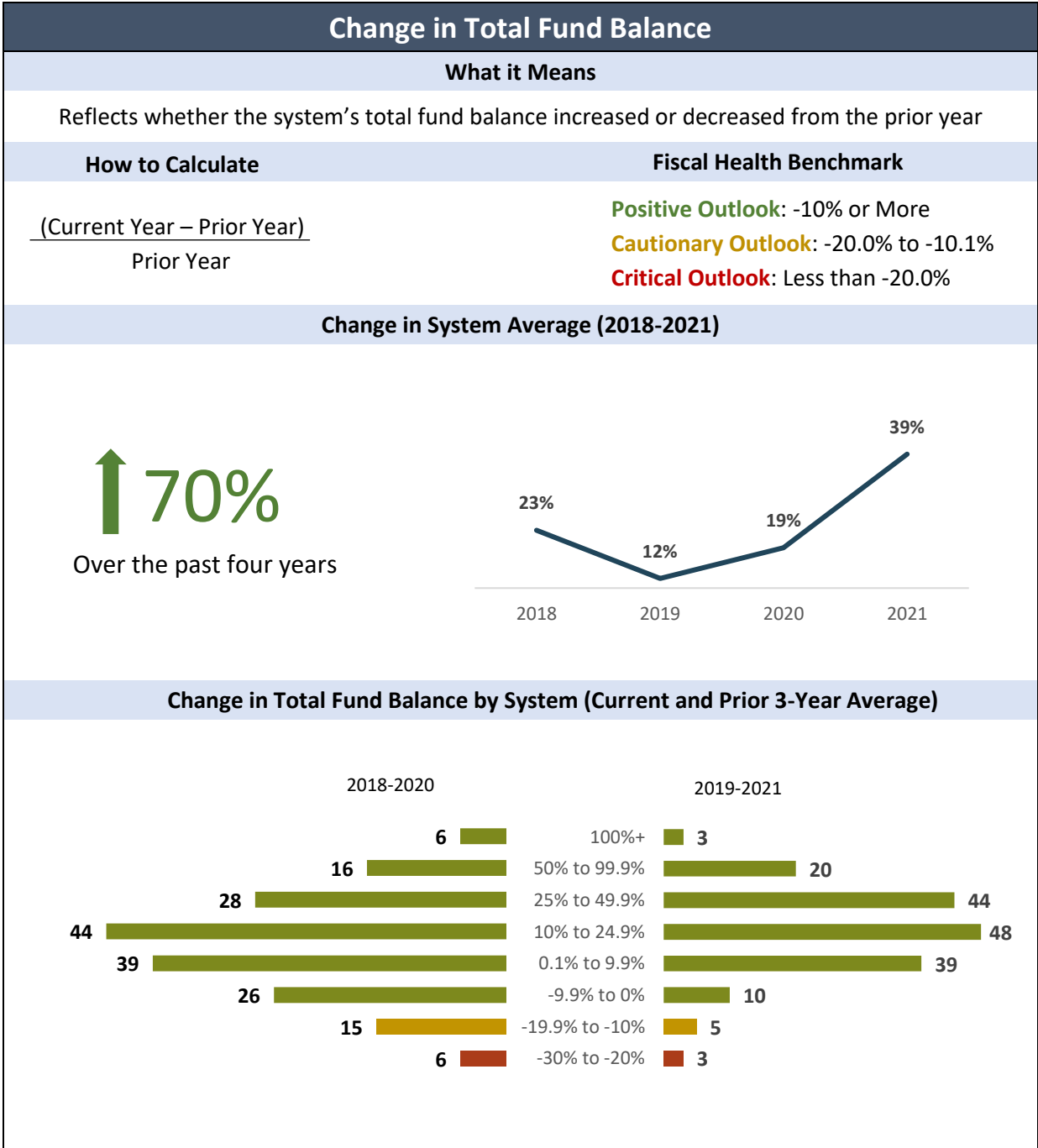
Since fiscal year 2018, the average system ratio has increased from 17% to 25%, and the number of systems with less than six weeks of reserves (a ratio of 12%) has decreased.



⁹ According to O.C.G.A. § 20-2-167, systems are restricted to reserve funds of 15% of their year’s total budget or less. However, systems that operate as Strategic Waiver Systems can be exempt from the requirement. According to GaDOE records, 122 systems have received the waiver related to this statute.

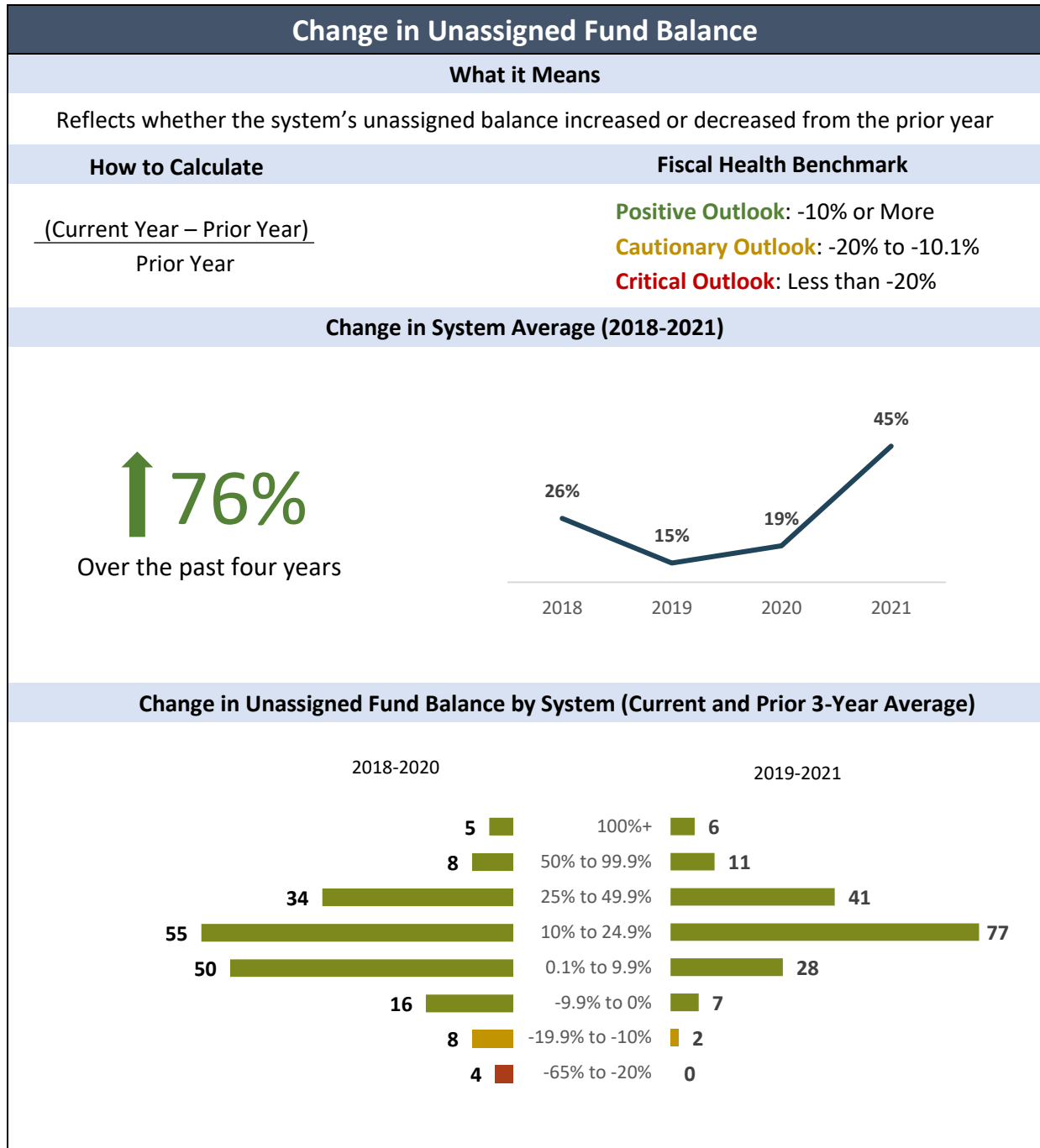
The **Change in Total Fund Balance** is the percent change in the system’s total fund balance (which includes general, capital, and debt service funds when relevant) from the prior year. It indicates whether the fund balance is increasing or decreasing. While a negative percentage may demonstrate that the system’s activities are not sustainable without potential changes, it could also reflect policy decisions. For example, a system may have increased its fund balance in prior years to build a school, which then causes a decrease when the project is executed.

On average, systems’ total fund balance increased by 40% between fiscal years 2020 and 2021—more than three times the average increase between fiscal year 2018 and 2019. The number of systems in critical or cautionary status decreased for the 2019-2021 period when compared to 2018-2020.



The **Change in Unassigned Fund Balance** is similar to the Change in Total Fund Balance; however, it focuses on the fund balance that is not restricted by grant requirements or other rules. As such, the system has more discretion regarding how these funds can be used.

On average, systems' unassigned fund balance increased by 45% between fiscal years 2020 and 2021, which represents approximately three times the percent change between fiscal years 2018 and 2019 (15%). Only two systems had a change that reflected a cautionary outlook in the 2019-2021 period, compared to eight cautionary and four critical for the 2018-2020 period.



Appendix A – Objectives, Scope, and Methodology

Objectives

This report provides an overview of county and city school systems' financial information, including revenue, expenditures, fund balance, and fiscal health. A dashboard that provides information on each school system can be found on our website at <https://www.audits2.ga.gov/schoolsystemdashboard/>. This report will be updated annually, while the dashboard will be updated quarterly with available information from completed audited financial statements.

Scope

Information used in this report was obtained using school systems' audited annual financial reports from fiscal years 2018 through 2021, the most recent year that audited financial statements were available. Information was extracted from the reports' Statement of Net Position (Exhibit A), Balance Sheet (Exhibit C), and Statement of Revenues, Expenditures, and Changes in Fund Balance (Exhibit E). Unless otherwise specified, the information reflects the general fund and special revenue fund (when used to identify federal and state grant funds), which account for general school system operations.

Full financial reports can be found on the Georgia Department of Audits and Accounts (DOAA) website when DOAA has prepared the independent auditor's report (<https://www.audits2.ga.gov/reports/>). Financial statements for systems that contract with a private entity for the independent audit report must be obtained directly from the system.

Information was included for all systems that had audited financial statements submitted to (or prepared by) DOAA by February 1, 2023. Audits were completed for all systems for fiscal years 2018-2020; however, eight systems did not submit their 2021 audited statements by February 1, 2023. As a result, their information was not included in the revenue, expenses, and fund balance trend lines, and fiscal health for the 2019-2021 could not be calculated. The systems were included in the fiscal health discussion for the 2018-2020 period, however, and were included in state averages for each of those years. Their inclusion did not materially change the annual state averages.

Methodology

To determine the fiscal health metrics, we reviewed industry best practices and similar assessments performed by other states (including Colorado, California, Indiana, New York, and Ohio). Selections were made based on what they measured as well as the ease with which data could be consistently extracted from the financial reports. The metrics were discussed with a selection of school system fiscal managers, as well as DOAA staff.

To determine each metric's benchmarks, we reviewed the industry best practices and other states' assessments. We tested the reasonableness of the "cautionary" and "critical" benchmarks by calculating the systems' averages and standard deviations from the mean to identify outliers for fiscal years 2018-2020. We identified the number of systems that would be categorized as "cautionary" or "critical" based on conservative and generous benchmarking and discussed the reasonableness of the results with DOAA staff to determine whether adjustments should be made.

Each school system's overall fiscal health was calculated based on a weighted score that assigned a number of points to each metric as well as each outlook (critical outlook was worth two points, cautionary outlook was worth one point, and positive outlook received zero points). Solvency metrics (current ratio and asset sufficiency) were given the largest weight (2 points) because they represent a

system's ability to meet its obligations in the short-term and overall. Operating reserve ratio—which represents how long the system can use its savings to meet expenditure obligations—was given 1.5 points. The fund balance ratios were given one point. Systems that received 10 to 15 points were designated as having an overall critical outlook, while those with less than 10 but 3.5 or more points were designated as cautionary. All other systems (i.e., fewer than 3.5 points) were designated as having a positive outlook.

Appendix B – Glossary of Terms

Asset Sufficiency Ratio – Reflects a school system’s ability to use its general fund assets to cover general fund liabilities. This ratio is calculated using total assets and total liabilities from the general fund, as identified in the system’s balance sheet.

Change in Total and Unassigned Fund Balance – Reflects whether the school system’s fund balance increased or decreased from the prior year. This is calculated using the current and prior year fund balance amounts.

Current Ratio – Reflects school system’s ability to pay for its short-term obligations. This ratio is calculated using current assets (cash and cash equivalents, accounts receivables, and inventories) and current liabilities (accounts, salary, and other payables as well as long-term liabilities due within one year) identified in the statement of net position.

Expenditures – Decreases in net current assets. Expenditures are categorized according to the Georgia Department of Education’s chart of accounts. For the purposes of this report, they have been grouped into the following:

- **Instruction** – Activities dealing directly with the interaction between students and teachers.
- **Support Services** – Includes expenditures related to several categories that relate to supporting instruction. These include pupil services (e.g., guidance counseling, testing), food services, student transportation, educational media services, and services to improve instruction.
- **Administration** – Activities concerned with the overall administrative responsibility for school operations, as well as activities concerned with establishing and administering policy for operating the school system.
- **Maintenance and Operations** – Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair.

Fund Balance – Represents the financial resources available to the school system. Fund balance can be found in the system’s balance sheet (as calculated by the difference in assets and liabilities) but is also impacted by the difference in revenue and expenditures (as reflected in the statement of revenues, expenditures, and changes in fund balance).

General Fund – Accounts for resources that are not required to be accounted for in another fund, such as debt service (used to repay principal and interest on long-term debt) or capital projects (resources restricted for major capital outlays).

Some systems also account for state and federal grants in a Special Revenue Fund. For the purposes of this report, these have been added to the General Fund.

Governmental Funds – Fund category that accounts for general school system operations.

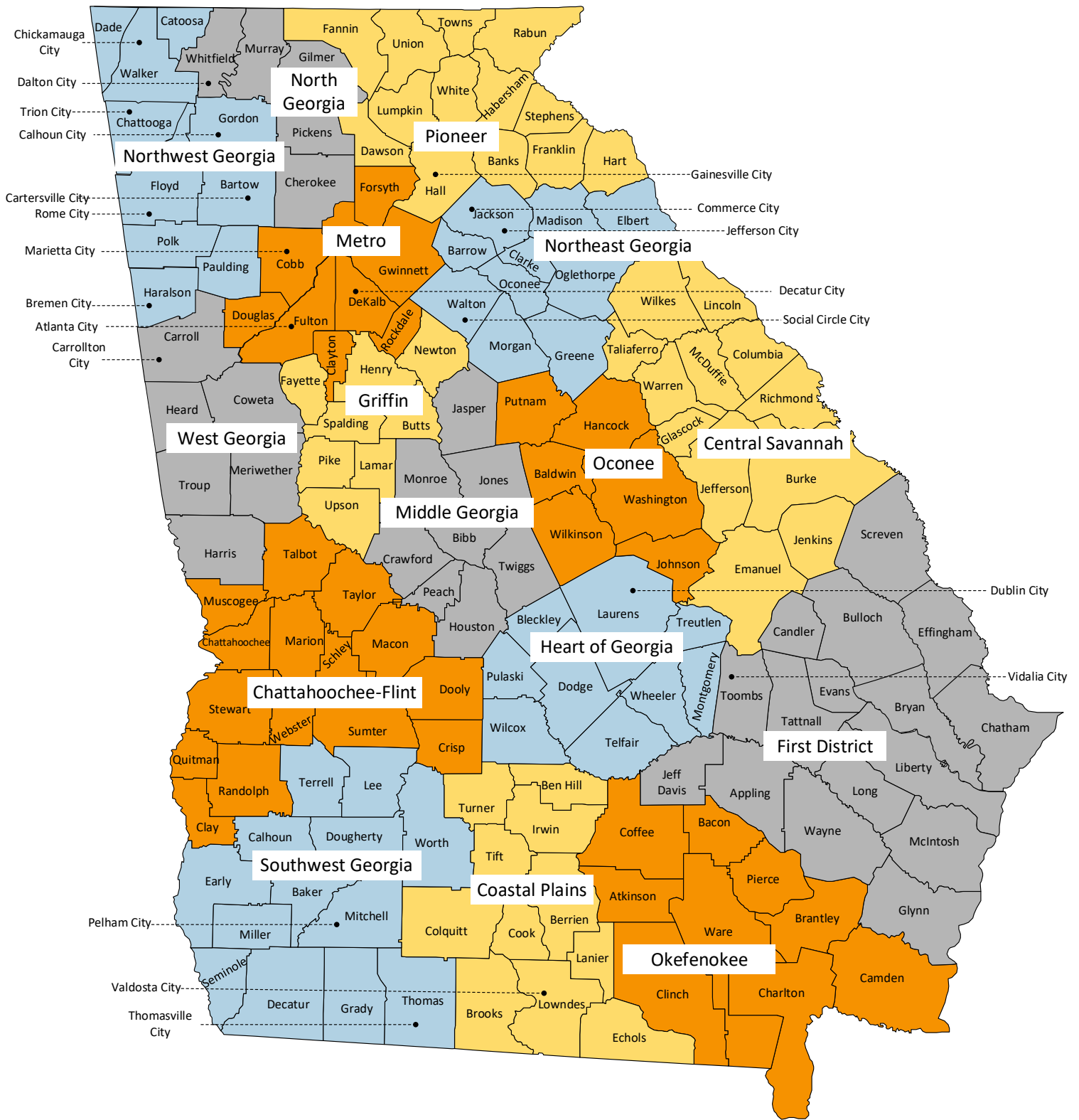
Other fund categories include proprietary funds (to account for activities similar to the commercial sector, such as an after-school program) and fiduciary funds (to account for assets the system hold in a trustee or agency capacity for non-school district programs, such as student activity funds).

Operating Reserve Ratio – Reflects the extent to which school system can pay its general fund expenditures with its unassigned fund balance. The ratio indicates what percentage of a year an entity could operate if it were unable to collect any revenue. This ratio is calculated using the unassigned fund balance from the balance sheet and the general fund total expenditures from statement of revenue, expenditures, and change in fund balance.

Per Pupil Expenditures – General fund total expenditures divided by the system’s full-time equivalent count.

Unassigned Fund Balance – The portion of the total fund balance that is not restricted to a particular purpose, as defined by a grant or school board policy, for example. Can be found in the system’s balance sheet in the general fund.

Appendix C – Map of RESAs



Source: Georgia Department of Education

Appendix D – ESSER Funds by School System

School System	FY 22 Enrollment	ESSER I	ESSER II	ARP Fund	Total Funds	Amount Collected ¹	% Collected
Appling County	3,481	\$1,070,996	\$4,551,478	\$10,229,995	\$15,852,469	\$10,991,493	69%
Atkinson County	1,619	\$659,607	\$2,906,955	\$6,533,733	\$10,100,295	\$5,961,648	59%
Atlanta Public Schools	49,732	\$22,948,079	\$89,664,198	\$201,531,111	\$314,143,388	\$133,587,148	43%
Bacon County	2,111	\$721,739	\$3,228,027	\$7,255,381	\$11,205,147	\$4,876,071	44%
Baker County	301	\$191,112	\$832,543	\$1,871,241	\$2,894,896	\$2,132,927	74%
Baldwin County	4,778	\$2,015,889	\$8,079,646	\$18,159,980	\$28,255,515	\$19,860,492	70%
Banks County	2,809	\$549,765	\$2,202,114	\$4,949,516	\$7,701,395	\$2,379,649	31%
Barrow County	14,405	\$2,352,623	\$8,879,097	\$19,956,843	\$31,188,563	\$19,213,000	62%
Bartow County	13,473	\$2,581,246	\$10,120,407	\$22,746,835	\$35,448,488	\$17,510,876	49%
Ben Hill County	3,047	\$1,486,334	\$5,996,430	\$13,477,700	\$20,960,464	\$14,220,023	68%
Berrien County	2,992	\$971,365	\$4,118,427	\$9,256,661	\$14,346,453	\$6,912,204	48%
Bibb County	20,877	\$10,636,395	\$44,660,054	\$100,378,862	\$155,675,311	\$90,875,359	58%
Bleckley County	2,569	\$488,283	\$2,091,533	\$4,700,973	\$7,280,789	\$5,877,579	81%
Brantley County	3,367	\$868,887	\$3,693,013	\$8,300,494	\$12,862,394	\$9,152,030	41%
Bremen City	2,333	\$228,799	\$776,260	\$1,744,739	\$2,749,798	\$2,749,798	100%
Brooks County	2,143	\$947,527	\$3,914,526	\$8,798,369	\$13,660,422	\$8,728,560	64%
Bryan County	10,038	\$798,858	\$3,207,351	\$7,208,909	\$11,215,118	\$6,595,858	59%
Buford City	5,778	\$480,143	\$1,633,194	\$3,670,800	\$5,784,137	\$4,747,680	82%
Bulloch County	11,008	\$2,577,084	\$10,543,418	\$23,697,604	\$36,818,106	\$28,679,772	78%
Burke County	4,067	\$1,785,945	\$6,779,619	\$15,238,011	\$23,803,575	\$12,704,842	53%
Butts County	3,486	\$808,249	\$3,858,412	\$8,672,247	\$13,338,908	\$8,917,740	67%
Calhoun City	4,188	\$723,107	\$3,360,742	\$7,553,673	\$11,637,522	\$7,070,701	61%
Calhoun County	481	\$291,397	\$1,177,485	\$2,646,540	\$4,115,422	\$1,519,870	37%
Camden County	9,336	\$1,448,403	\$6,323,165	\$14,212,076	\$21,983,644	\$10,405,943	47%
Candler County	2,183	\$762,689	\$3,112,662	\$6,996,084	\$10,871,435	\$6,678,702	61%
Carroll County	15,437	\$3,728,777	\$15,412,001	\$34,640,333	\$53,781,111	\$34,279,039	64%
Carrollton City	5,528	\$1,005,593	\$4,001,233	\$8,993,253	\$14,000,079	\$10,782,773	77%
Cartersville City	4,464	\$730,199	\$3,055,538	\$6,867,690	\$10,653,427	\$7,485,319	70%
Catoosa County	10,549	\$1,654,329	\$6,694,837	\$15,047,454	\$23,396,620	\$15,419,196	66%
Charlton County	1,693	\$557,889	\$2,238,698	\$5,031,743	\$7,828,330	\$4,293,747	55%
Chattahoochee County	924	\$207,377	\$833,149	\$1,872,604	\$2,913,130	\$1,876,389	64%
Chattooga County	2,531	\$820,811	\$3,109,100	\$6,988,078	\$10,917,989	\$6,794,866	62%
Cherokee County	41,794	\$3,706,437	\$15,684,226	\$35,252,192	\$54,642,855	\$24,115,703	44%
Chickamauga City	1,256	\$99,687	\$481,282	\$1,081,739	\$1,662,708	\$1,278,271	77%
Clarke County	12,391	\$5,793,374	\$21,603,273	\$48,555,965	\$75,952,612	\$41,054,811	54%
Clay County	205	\$234,284	\$895,419	\$2,012,563	\$3,142,266	\$1,747,954	56%
Clayton County	52,204	\$17,458,566	\$75,921,262	\$170,642,203	\$264,022,031	\$101,096,387	38%
Clinch County	1,246	\$450,270	\$1,882,115	\$4,230,280	\$6,562,665	\$3,576,778	55%
Cobb County	106,658	\$16,038,221	\$71,509,772	\$160,726,846	\$248,274,839	\$175,439,411	71%
Coffee County	7,495	\$2,640,115	\$11,124,491	\$25,003,637	\$38,768,243	\$17,423,460	45%
Colquitt County	8,860	\$2,937,613	\$12,498,326	\$28,091,498	\$43,527,437	\$28,586,206	66%
Columbia County	28,625	\$1,889,562	\$8,979,035	\$20,181,464	\$31,050,061	\$17,872,734	58%
Commerce City	1,754	\$295,112	\$1,158,698	\$2,604,313	\$4,058,123	\$3,349,602	83%
Cook County	3,082	\$988,226	\$4,273,772	\$9,605,819	\$14,867,817	\$5,292,641	36%

School System	FY 22 Enrollment	ESSER I	ESSER II	ARP Fund	Total Funds	Amount Collected ¹	% Collected
Coweta County	22,731	\$3,229,147	\$13,616,325	\$30,604,334	\$47,449,806	\$26,004,450	55%
Crawford County	1,603	\$461,980	\$1,924,836	\$4,326,301	\$6,713,117	\$3,658,649	55%
Crisp County	3,686	\$1,944,316	\$8,020,451	\$18,026,931	\$27,991,698	\$11,405,931	41%
Dade County	2,033	\$360,094	\$1,494,532	\$3,359,140	\$5,213,766	\$2,196,107	42%
Dalton City	7,760	\$1,987,308	\$7,162,732	\$16,099,105	\$25,249,145	\$20,275,944	80%
Dawson County	3,840	\$418,695	\$1,652,100	\$3,713,295	\$5,784,090	\$4,361,938	75%
Decatur City	5,645	\$321,028	\$1,089,171	\$2,448,044	\$3,858,243	\$3,429,649	89%
Decatur County	4,390	\$2,073,054	\$7,860,834	\$17,668,174	\$27,602,062	\$18,978,124	69%
DeKalb County	93,293	\$33,585,162	\$139,470,859	\$313,477,593	\$486,533,614	\$218,220,246	45%
Dodge County	2,869	\$992,560	\$4,011,170	\$9,015,588	\$14,019,318	\$4,071,716	29%
Dooly County	1,118	\$800,624	\$3,217,845	\$7,232,495	\$11,250,964	6,583,458	59%
Dougherty County	12,987	\$7,115,269	\$29,080,759	\$65,362,516	\$101,558,544	\$68,265,291	67%
Douglas County	25,815	\$4,933,045	\$22,250,490	\$50,010,664	\$77,194,199	\$53,861,956	70%
Dublin City	2,294	\$1,370,051	\$5,521,192	\$12,409,545	\$19,300,788	\$17,205,575	89%
Early County	1,721	\$889,835	\$3,563,215	\$8,008,756	\$12,461,806	\$6,580,595	53%
Echols County	871	\$287,449	\$1,180,723	\$2,653,817	\$4,121,989	\$2,395,671	58%
Effingham County	13,543	\$1,195,100	\$4,956,619	\$11,140,600	\$17,292,319	\$14,404,140	83%
Elbert County	3,022	\$927,691	\$3,771,238	\$8,476,313	\$13,175,242	\$7,879,085	60%
Emanuel County	3,958	\$1,698,137	\$6,920,163	\$15,553,901	\$24,172,201	\$11,195,871	46%
Evans County	1,816	\$820,585	\$3,407,396	\$7,658,533	\$11,886,514	\$6,328,478	53%
Fannin County	2,815	\$721,600	\$3,022,125	\$6,792,590	\$10,536,315	\$5,996,002	57%
Fayette County	19,940	\$1,167,534	\$4,701,170	\$10,566,448	\$16,435,152	\$13,360,806	81%
Floyd County	8,863	\$2,005,542	\$9,086,226	\$20,422,398	\$31,514,157	\$12,172,899	39%
Forsyth County	53,412	\$1,705,290	\$5,785,640	\$13,003,925	\$20,494,855	\$19,538,427	95%
Franklin County	3,546	\$834,337	\$3,454,811	\$7,765,106	\$12,054,254	\$5,633,134	47%
Fulton County	90,266	\$18,300,111	\$75,177,534	\$168,970,583	\$262,448,228	\$121,626,860	46%
Gainesville City	7,802	\$2,117,696	\$8,759,723	\$19,688,535	\$30,565,954	\$12,238,737	40%
Gilmer County	4,073	\$1,025,085	\$4,556,875	\$10,242,127	\$15,824,087	\$8,196,117	52%
Glascocock County	578	\$90,954	\$366,748	\$824,311	\$1,282,013	\$576,491	45%
Glynn County	12,613	\$3,455,791	\$14,361,535	\$32,279,282	\$50,096,608	\$25,408,207	51%
Gordon County	6,435	\$1,291,235	\$5,776,972	\$12,984,441	\$20,052,648	\$15,623,624	78%
Grady County	4,439	\$1,507,090	\$6,071,394	\$13,646,190	\$21,224,674	\$11,062,684	52%
Greene County	2,547	\$712,838	\$3,165,618	\$7,115,109	\$10,993,565	\$8,565,114	78%
Griffin-Spalding County	9,438	\$3,719,528	\$14,603,113	\$32,822,260	\$51,144,901	\$20,183,400	39%
Gwinnett County	180,024	\$32,259,639	\$125,744,729	\$282,626,458	\$440,630,826	\$266,000,935	60%
Habersham County	6,978	\$1,219,643	\$5,110,566	\$11,486,615	\$17,816,824	\$10,954,078	61%
Hall County	27,196	\$5,166,547	\$22,128,793	\$49,737,134	\$77,032,474	\$41,627,415	54%
Hancock County	708	\$489,382	\$2,081,679	\$4,678,824	\$7,249,885	\$786,565	11%
Haralson County	3,310	\$822,555	\$3,377,087	\$7,590,412	\$11,790,054	\$9,036,735	77%
Harris County	5,519	\$448,520	\$2,016,824	\$4,533,056	\$6,998,400	\$5,655,237	81%
Hart County	3,591	\$897,397	\$3,641,648	\$8,185,044	\$12,724,089	\$7,229,999	57%
Heard County	2,172	\$446,286	\$1,844,050	\$4,144,725	\$6,435,061	\$4,709,035	73%
Henry County	42,792	\$5,898,078	\$23,771,662	\$53,429,681	\$83,099,421	\$39,448,189	47%
Houston County	30,368	\$5,416,161	\$22,253,363	\$50,017,120	\$77,686,644	\$56,789,827	73%
Irwin County	1,619	\$503,725	\$2,125,254	\$4,776,766	\$7,405,745	\$6,063,894	82%
Jackson County	9,245	\$1,029,812	\$4,192,499	\$9,423,149	\$14,645,460	\$10,656,961	73%

School System	FY 22 Enrollment	ESSER I	ESSER II	ARP Fund	Total Funds	Amount Collected ¹	% Collected
Jasper County	2,405	\$535,199	\$2,193,578	\$4,930,332	\$7,659,109	\$3,494,750	46%
Jeff Davis County	3,044	\$893,973	\$3,583,921	\$8,055,295	\$12,533,189	\$5,235,814	42%
Jefferson City	4,139	\$180,983	\$718,735	\$1,615,444	\$2,515,162	\$2,445,178	97%
Jefferson County	2,140	\$1,004,872	\$4,192,993	\$9,424,258	\$14,622,123	\$5,041,850	34%
Jenkins County	1,130	\$625,455	\$2,422,784	\$5,445,500	\$8,493,739	\$3,899,312	46%
Johnson County	1,017	\$452,016	\$1,836,346	\$4,127,409	\$6,415,771	\$5,050,366	79%
Jones County	5,149	\$729,951	\$3,172,696	\$7,131,017	\$11,033,664	\$5,063,946	46%
Lamar County	2,768	\$638,323	\$2,642,825	\$5,940,069	\$9,221,217	\$1,521,717	17%
Lanier County	1,745	\$563,337	\$2,236,451	\$5,026,694	\$7,826,482	\$7,048,551	90%
Laurens County	6,395	\$1,489,084	\$6,531,423	\$14,680,162	\$22,700,669	\$15,356,927	68%
Lee County	6,309	\$637,933	\$2,863,940	\$6,437,050	\$9,938,923	\$6,816,112	69%
Liberty County	10,305	\$2,260,284	\$8,985,808	\$20,196,687	\$31,442,779	\$19,341,822	62%
Lincoln County	1,179	\$275,984	\$1,110,533	\$2,496,057	\$3,882,574	\$2,640,543	68%
Long County	4,177	\$826,321	\$3,376,087	\$7,588,162	\$11,790,570	\$6,608,772	56%
Lowndes County	10,578	\$1,893,595	\$8,642,376	\$19,424,784	\$29,960,755	\$20,741,083	69%
Lumpkin County	3,713	\$712,029	\$2,850,245	\$6,406,270	\$9,968,544	\$9,233,463	93%
Macon County	1,138	\$814,568	\$3,324,794	\$7,472,876	\$11,612,238	\$8,627,255	74%
Madison County	4,953	\$897,874	\$3,923,373	\$8,818,254	\$13,639,501	\$6,484,670	48%
Marietta City	8,696	\$1,657,552	\$7,019,885	\$15,778,039	\$24,455,476	\$15,376,441	63%
Marion County	1,298	\$488,185	\$2,052,881	\$4,614,098	\$7,155,164	\$4,930,698	69%
McDuffie County	3,297	\$1,329,120	\$5,359,100	\$12,045,225	\$18,733,445	\$8,295,324	44%
McIntosh County	1,289	\$599,308	\$2,558,454	\$5,750,435	\$8,908,197	\$6,123,190	69%
Meriwether County	2,345	\$1,173,325	\$5,214,119	\$11,719,363	\$18,106,807	\$9,814,730	54%
Miller County	752	\$384,442	\$1,466,331	\$3,295,755	\$5,146,528	\$3,146,406	61%
Mitchell County	1,258	\$989,662	\$4,010,133	\$9,013,258	\$14,013,053	\$10,163,024	73%
Monroe County	4,317	\$573,651	\$2,407,015	\$5,410,058	\$8,390,724	\$5,115,492	61%
Montgomery County	934	\$367,905	\$1,487,510	\$3,343,359	\$5,198,774	\$3,508,690	67%
Morgan County	3,392	\$503,744	\$2,088,319	\$4,693,359	\$7,285,812	\$6,188,477	85%
Murray County	6,776	\$1,492,540	\$6,095,062	\$13,699,387	\$21,286,989	\$16,485,220	77%
Muscogee County	29,774	\$10,143,043	\$42,325,541	\$95,131,762	\$147,600,346	\$70,355,439	48%
Newton County	18,731	\$4,537,226	\$19,137,580	\$43,014,020	\$66,688,826	\$38,127,519	57%
Oconee County	8,438	\$356,885	\$1,487,017	\$3,342,249	\$5,186,151	\$5,056,738	98%
Oglethorpe County	2,203	\$419,017	\$1,714,235	\$3,852,949	\$5,986,201	\$3,309,847	55%
Paulding County	31,213	\$3,015,293	\$12,626,316	\$28,379,169	\$44,020,778	\$24,166,456	55%
Peach County	3,815	\$1,159,011	\$5,101,534	\$11,466,313	\$17,726,858	\$9,064,992	51%
Pelham City	1,361	\$331,837	\$1,397,854	\$3,141,846	\$4,871,537	\$2,182,863	45%
Pickens County	4,066	\$747,601	\$3,177,460	\$7,141,726	\$11,066,787	\$5,899,311	53%
Pierce County	3,545	\$825,561	\$3,410,391	\$7,665,265	\$11,901,217	\$5,746,035	48%
Pike County	3,513	\$363,233	\$1,496,752	\$3,364,129	\$5,224,114	\$2,750,426	53%
Polk County	7,853	\$2,072,837	\$8,817,235	\$19,817,800	\$30,707,872	\$24,436,547	80%
Pulaski County	1,243	\$435,970	\$2,026,085	\$4,553,871	\$7,015,926	\$1,782,593	25%
Putnam County	2,956	\$872,747	\$3,609,799	\$8,113,458	\$12,596,004	\$4,157,944	33%
Quitman County	294	\$160,420	\$658,115	\$1,479,194	\$2,297,729	\$1,309,818	57%
Rabun County	2,219	\$476,559	\$1,925,286	\$4,327,313	\$6,729,158	\$5,079,961	75%
Randolph County	687	\$456,252	\$1,874,627	\$4,213,449	\$6,544,328	\$3,878,386	59%
Richmond County	29,421	\$12,834,207	\$51,983,496	\$116,839,182	\$181,656,885	\$99,989,223	55%

School System	FY 22 Enrollment	ESSER I	ESSER II	ARP Fund	Total Funds	Amount Collected ¹	% Collected
Rockdale County	15,429	\$3,439,833	\$14,620,532	\$32,861,411	\$50,921,776	\$38,597,537	78%
Rome City	6,509	\$2,015,103	\$9,324,209	\$20,957,286	\$32,296,598	\$14,413,208	45%
Savannah-Chatham County	35,709	\$10,929,786	\$44,088,599	\$99,094,449	\$154,112,834	\$81,229,187	53%
Schley County	1,255	\$215,453	\$891,652	\$2,004,096	\$3,111,201	\$1,107,071	36%
Screven County	2,033	\$846,541	\$4,079,752	\$9,169,735	\$14,096,028	\$5,766,075	41%
Seminole County	1,323	\$583,389	\$2,401,926	\$5,398,618	\$8,383,933	\$6,038,175	72%
Social Circle City	1,956	\$180,645	\$732,314	\$1,645,963	\$2,558,922	\$1,493,053	58%
Stephens County	3,837	\$975,501	\$3,983,827	\$8,954,132	\$13,913,460	\$8,331,632	60%
Stewart County	404	\$273,706	\$1,040,844	\$2,339,423	\$3,653,973	\$2,451,286	67%
Sumter County	3,656	\$2,824,567	\$10,710,503	\$24,073,148	\$37,608,218	\$12,484,575	33%
Talbot County	424	\$319,801	\$1,376,413	\$3,093,654	\$4,789,868	\$1,464,023	31%
Taliaferro County	191	\$118,369	\$468,992	\$1,054,116	\$1,641,477	\$888,455	54%
Tattnall County	3,581	\$1,284,221	\$5,348,354	\$12,021,072	\$18,653,647	\$13,656,075	73%
Taylor County	1,267	\$447,723	\$1,944,315	\$4,370,083	\$6,762,121	\$5,487,032	81%
Telfair County	1,591	\$832,293	\$3,194,018	\$7,178,941	\$11,205,252	\$7,644,523	68%
Terrell County	1,054	\$897,631	\$3,515,680	\$7,901,915	\$12,315,226	\$6,065,270	49%
Thomas County	5,697	\$994,612	\$4,062,300	\$9,130,509	\$14,187,421	\$8,510,812	60%
Thomaston-Upson County	4,048	\$1,363,872	\$5,919,368	\$13,304,495	\$20,587,735	\$10,950,787	53%
Thomasville City	2,791	\$1,141,616	\$4,932,295	\$11,085,929	\$17,159,840	\$12,186,071	71%
Tift County	7,648	\$2,709,430	\$10,345,395	\$23,252,254	\$36,307,349	\$23,896,796	66%
Toombs County	2,971	\$1,254,736	\$5,522,017	\$12,411,399	\$19,188,152	\$12,397,987	65%
Towns County	1,007	\$229,657	\$942,623	\$2,118,659	\$3,290,939	\$1,349,598	41%
Treutlen County	1,064	\$433,135	\$1,724,437	\$3,875,880	\$6,033,452	\$3,111,139	52%
Trion City	1,339	\$173,557	\$623,668	\$1,401,770	\$2,198,995	\$1,335,935	61%
Troup County	12,094	\$3,019,886	\$12,997,534	\$29,213,527	\$45,230,947	\$24,921,814	55%
Turner County	1,175	\$694,907	\$2,934,016	\$6,594,556	\$10,223,479	\$5,088,553	50%
Twiggs County	719	\$400,376	\$1,636,623	\$3,678,508	\$5,715,507	\$2,518,361	44%
Union County	2,981	\$527,666	\$2,194,277	\$4,931,903	\$7,653,846	\$5,382,497	70%
Valdosta City	8,166	\$3,417,698	\$16,657,658	\$37,440,097	\$57,515,453	\$32,609,476	57%
Vidalia City	2,454	\$665,004	\$3,195,310	\$7,181,845	\$11,042,159	\$7,664,084	69%
Walker County	8,341	\$2,227,663	\$8,879,409	\$19,957,543	\$31,064,615	\$14,006,238	45%
Walton County	14,251	\$2,548,501	\$10,702,537	\$24,055,245	\$37,306,283	\$28,482,496	76%
Ware County	6,010	\$2,426,570	\$9,815,408	\$22,061,315	\$34,303,293	\$17,785,581	52%
Warren County	635	\$369,409	\$1,556,590	\$3,498,623	\$5,424,622	\$2,326,371	43%
Washington County	2,926	\$1,148,281	\$5,472,179	\$12,299,383	\$18,919,843	\$12,120,625	64%
Wayne County	5,070	\$1,545,299	\$6,210,328	\$13,958,461	\$21,714,088	\$8,111,325	37%
Webster County	254	\$105,255	\$475,911	\$1,069,666	\$1,650,832	\$759,759	46%
Wheeler County	887	\$368,356	\$1,546,185	\$3,475,238	\$5,389,779	\$3,007,366	56%
White County	3,767	\$742,716	\$3,183,372	\$7,155,012	\$11,081,100	\$5,074,731	46%
Whitfield County	12,280	\$2,740,882	\$11,582,837	\$26,033,825	\$40,357,544	\$26,710,957	66%
Wilcox County	1,186	\$448,902	\$1,866,797	\$4,195,851	\$6,511,550	\$3,066,788	47%
Wilkes County	1,321	\$525,891	\$2,126,709	\$4,780,035	\$7,432,635	\$5,050,878	68%
Wilkinson County	1,122	\$478,178	\$2,307,200	\$5,185,711	\$7,971,089	\$6,633,279	83%
Worth County	3,064	\$1,084,185	\$4,722,423	\$10,614,216	\$16,420,824	\$8,601,570	52%

¹ Amount collected as of 2/16/2023

Source: GaDOE Allocation Sheets and ESSER Funding Transparency Dashboard

Appendix E – School Systems Missing Financial Data (FY21)

On February 1, 2023, eight systems had not submitted to DOAA the independent audit reports for their fiscal year 2021 financial statements. As a result, information for these systems is not included in this report’s trend analyses, and their fiscal health for the 2019-2021 period could not be calculated. As shown in the table below, in fiscal year 2020 the systems comprised between 6% and 8% of total financials for revenue, expenditures, and the fund balances.

	Revenue	Expenditures	Total Fund Balance	Unassigned Fund Balance
Butts County	\$37,893,014	\$37,291,768	\$16,607,164	\$8,981,012
Camden County	\$101,499,207	\$93,393,681	\$47,056,604	\$36,238,175
Chatham County ¹	\$504,286,845	\$461,306,327	\$296,700,383	\$93,810,116
Clayton County	\$561,808,114	\$529,590,841	\$108,977,546	\$62,221,571
City of Dublin	\$29,569,755	\$28,460,918	\$1,096,888	(\$780,093)
Lumpkin County	\$43,681,716	\$44,120,542	\$4,932,720	\$1,679,703
Peach County	\$40,598,763	\$39,430,790	\$37,631,572	\$3,523,312
Twiggs County	\$10,996,657	\$11,243,184	\$1,766,582	\$645,949
Total	\$1,330,334,071	\$1,244,838,052	\$514,769,459	\$206,319,745
% of System Total (FY20)	6%	6%	7%	8%
¹ Audited financial statements were received on 2/13/23. Chatham’s information can be found on the dashboard, located on DOAA’s website. Source: School systems’ Audited Financial Statements				

These systems contract with a private entity to perform the independent auditor’s report, which DOAA accepts to avoid duplication on the part of the school system.

Appendix F – School System Fiscal Health Scores

Below is a list of systems that have received a “critical” or “cautionary” overall fiscal health rating for the fiscal year periods 2018-2020 and 2019-2021.

- A “critical” rating indicates that the system is potentially at risk for not being able to pay for its obligations—particularly if the reason is related to solvency metrics such as current ratio or asset sufficiency ratio. School systems with a “critical” rating are notified and given the opportunity to provide the reasons for the scores and/or steps planned to mitigate the identified risk.
- A “cautionary” rating indicates there are areas that should be monitored. A system may receive a “cautionary” rating in a single three-year period due to board decisions (e.g., use fund balance to perform capital projects). As such, a “cautionary” status in a single period may not indicate high risk. A system with the status in three periods is notified and given the opportunity to provide the reasons for the scores and/or steps planned to mitigate the identified risk.

2018-2020

	Current Ratio	Asset Sufficiency	Operating Reserve	Change in Total Fund Balance	Change in Unassigned Fund Balance	Fiscal Health Score
Fiscal Health Outlook: Critical						
Troup	1.03	1.92	0.4%	-21%	-65%	13.0
Dublin	0.73	0.86	-5.6%	765%	32%	11.0
Lumpkin	1.64	1.65	4.7%	-18%	-25%	10.0
Fiscal Health Outlook: Cautionary						
Colquitt	1.43	1.98	8.8%	11%	49%	7.5
Richmond	2.06	1.52	4.5%	-22%	6%	7.0
Monroe	1.91	1.75	7.6%	10%	-14%	6.5
Thomasville	1.80	1.78	6.9%	-20%	6%	6.5
Effingham	1.60	1.60	6.8%	-6%	29%	5.5
Habersham	1.74	1.90	9.6%	-1%	-3%	5.5
Pike	1.82	1.74	9.0%	49%	154%	5.5
Chattahoochee	2.33	1.51	2.3%	212%	36,854% ¹	5.0
Fulton	2.98	3.12	1.9%	9%	-28%	5.0
Rockdale	2.32	1.67	3.2%	14%	318%	5.0
Burke	9.13	8.92	4.1%	26%	-14%	4.0

¹ Due to the large increase in the fund balance in fiscal year 2020 (from -\$625 to \$692,000).

2019-2021

	Current Ratio	Asset Sufficiency	Operating Reserve	Change in Total Fund Balance	Change in Unassigned Fund Balance	Fiscal Health Score
Fiscal Health Outlook: Cautionary						
Troup	1.09	1.89	1.8%	75%	157%	9.0
Richmond	1.93	1.97	7.6%	-11%	70%	6.5
Effingham	1.82	1.76	8.4%	16%	32%	5.5
Buford City	1.47	2.2	11.1%	4%	70%	5.5
Burke	10.69	10.45	3.5%	30%	-10%	4.0

System Responses

Troup County

In its response, Troup County stated that “the improvement in the fiscal health scores from 2018 to 2021 in many ways validate the improvements we have made over the last three years under a new administration.” Troup County stated general fund balances were used to fund E-SPLOST-related building projects (athletic facilities), which lowered fund balances. Troup County reported that “as of June 30, 2022, all general fund balances have been ‘reimbursed’ from E-SPLOST receipts...As we go forward, while balancing the political desire to keep fund balances low, we will work toward having significant fund balances available.”