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School System Financials

Fiscal Health Continued to Improve with Federal Funding Increases

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

March 2024

Special Project: School System Financials

Fiscal Health Continued to Improve with Federal Funding Increases

What we found

In fiscal year 2022, school systems continued to receive additional federal funding related to the COVID-19 pandemic, though revenues slowed for some systems. As a result, systems' ability to cover their short- and long-term obligations improved, and all systems received a positive fiscal health rating.

Fund Balances Have Grown due to Federal Fund Increases

Statewide, fund balances have nearly doubled since fiscal year 2018—increasing significantly more (by 33% in 2021 and 19% in 2022) when systems began receiving federal funds related to the COVID-19 pandemic. Approximately \$2.5 billion in additional federal dollars was distributed to systems between fiscal years 2021 and 2022. While all systems have the same performance period for federal grants, systems have obligated the funds at varying rates. Some systems chose to spend more federal funds earlier, which impacted revenue increases and fund balances in fiscal year 2022 when fewer funds were collected.

Fiscal Health Continues to Improve Among School Systems

In the fiscal year 2020-2022 period, no school system was categorized as having a cautionary or critical financial outlook—down from 6 systems during the fiscal year 2019-2021 period. Systems' performance in each fiscal health metric improved, as shown below. Fiscal health has been impacted by the federal grants related to COVID-19, which will be available for systems to draw down until September 2024. To ensure continued fiscal health, systems must monitor their expenditures and evaluate what programs, positions, and initiatives should continue once federal funding decreases.

Metric	Description	Systems with Critical or Cautionary Outlook ¹	
		2019-2021 ²	2020-2022 ³
Current Ratio	Ability to pay for short-term obligations	7	2
Asset Sufficiency Ratio	Ability to pay for all obligations in general fund	5	1
Operating Reserve Ratio	Ability to cover revenue shortfalls and expenditure overruns	34	23
Change in Total Fund Balance	How total fund balance changed from prior year	8	5
Change in Unassigned Fund Balance	How unassigned fund balance changed from prior year	2	1
Overall Fiscal Health		6	0

¹ Outlooks calculated using the average of the three reported years, as compared to an established benchmark.

² Excludes two systems that had not submitted their fiscal year 2021 audited statements by the deadline for the report's publication.

³ Excludes eight systems that had not completed or submitted their fiscal year 2022 audited statements by the deadline for 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 approximately \$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/>.

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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 2022-2023, 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 2022-2024.

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

¹ This review is limited to the 159 county and 21 city school systems. It does not include the 44 state charter schools or those operated by the Department of Corrections and Department of Juvenile Justice, which served approximately 42,000 FTEs in academic year 2022-2023.

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.

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 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 2024—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

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

activities supported (shown in **Exhibit 2**), with the majority of a system’s finances accounted for in its 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, fiscal year 2022 audited financial statements were not available for eight school systems, and fiscal year 2021 statements were not available for two systems (see chart below and [Appendix E](#)).⁴ The following trend analyses for revenues, expenditures, and fund balances reflects information from the 172 systems for which fiscal year 2018-2022 audited information is available. Additionally, fiscal health calculations were only performed for the 172 systems with information for the entire 2020-2022 period.

Fiscal Year	Number of Systems with Audited Financial Statements ¹
2018	180
2019	180
2020	180
2021	178
2022	172

¹ Available to DOAA as of February 1, 2024

⁴ Systems that completed or submitted their audited financial statements by February 1, 2024, were included in this report. Two fiscal year 2022 reports were in process with DOAA. The remaining six school systems that had not submitted audited statements for fiscal year 2022—which includes the two missing fiscal year 2021 statements—contract with a private entity.

Fiscal Year 2022

Revenues

While nearly all school systems continued to see revenue increases in fiscal year 2022, for 38 systems revenue increased at a lower rate than the prior year. This appears connected to differences in how systems have drawn down their federal funds—some systems chose to spend more funds in early years, while others spread the amount across multiple years. For example, one system saw 22% growth between 2020 and 2021 due to a 127% increase in federal funds; in 2022, however, revenue decreased by 1% in 2022 due to a 7% decrease in federal funds. By contrast, federal funding in another system nearly tripled in 2022 after no change occurred in 2021; this increased revenue by 16% in 2022 after a 1% decrease in 2021.

Expenditures

The percentage of expenditures dedicated to instruction decreased in the majority (106) of systems—by at least 5 percentage points in 19 systems and 10 to 11 percentage points in two systems. In some instances, this is due to an increase in administrative expenses, which includes activities related to overall responsibility for school or system operations. In two systems, for example, expenditures dedicated to administration more than doubled over the past five years, which increased the percentage for administration by more than 10 points. In other systems, an increase in support services (such as guidance counseling, nutrition, and transportation) impacted instruction percentages.

Fund Balance

Between fiscal years 2021 and 2022, unassigned fund balance (which is not restricted for a particular purpose) decreased in 35 systems, though in most cases the fund balance was still higher than prior to the influx of federal funding. In nine systems, however, unassigned fund balance has decreased since fiscal year 2018 despite the increased revenue, primarily because they transferred funds from the General Fund to Capital Projects (used for construction projects) and/or Debt Service funds (used to pay long-term debt).

Fiscal Health

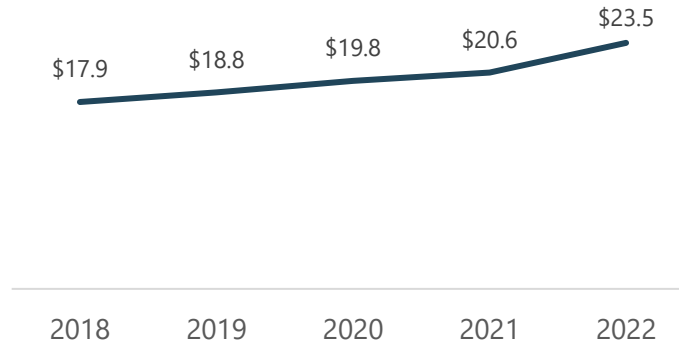
While all systems received a positive fiscal health rating for the 2020-2022 period, seven systems' ratios for fiscal year 2022 were lower than prior years, resulting in a cautionary rating for 2022 alone. This was primarily due to decreases in fund balances, which impacted operating reserve (ability to pay for expenditures using the unassigned fund balance). Between fiscal year 2021 and 2022, these systems' expenditures increased while unassigned fund balances decreased. Additionally, four systems received a cautionary or critical rating for their 2022 current ratio (which reflects ability to pay for short-term obligations).

Federal funds will be available for system use until September 2024. According to DOAA staff, systems must monitor their reserves and expenditures to ensure they can fulfill all financial obligations after COVID-19 funds have been expended. The Georgia Department of Education has also provided training regarding how to evaluate federal fund expenditures and consider which programs, positions, or other uses should be continued.

Revenue

In fiscal year 2022, school systems collected approximately \$23.5 billion in revenue for their general funds—an increase of 31% from the approximately \$17.9 billion collected in fiscal year 2018 (see **Exhibit 3**). Revenue increased by approximately 5% annually between fiscal years 2018 and 2021 but by 14% between fiscal year 2021 and 2022.

Exhibit 3¹
System Revenue² has Increased by 31% (FY2018-2022)



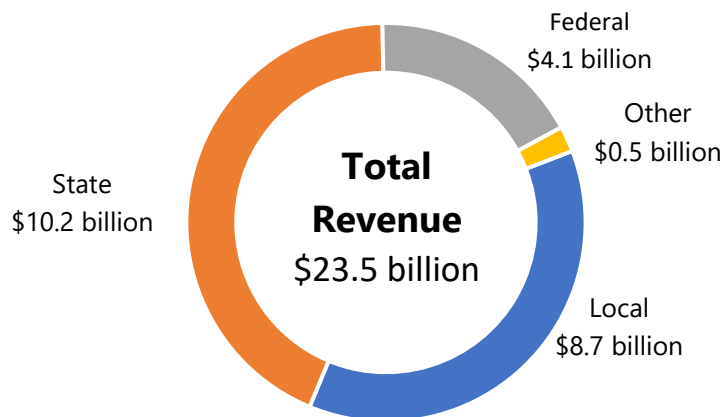
¹ Does not include information from 8 systems, which represented 4% of revenue in FY 2021.

² Amount in billions

Source: School systems' Annual Financial Reports

As shown in **Exhibit 4**, 43% (\$10.2 billion) of systems' fiscal year 2022 revenue was state funding. Local revenue—typically in the form of property taxes—represented approximately 37% (\$8.7 billion). Federal revenue represented 17% (\$4.1 billion), while other revenue—such as investment income and charges for service—represented 2% (\$491 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 (more than doubling from \$1.6 billion to \$4.1 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 13% and 29%, respectively.

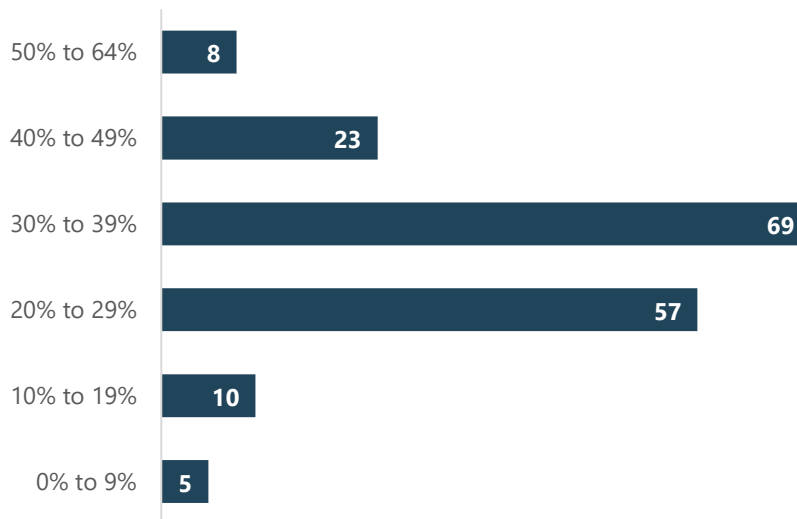
Exhibit 4
State Funds Represent the Largest Percentage of Systems' Total Revenue (FY 2022)



Source: School systems' Annual Financial Reports

Fiscal year 2022 revenue by system ranged from approximately \$5.4 million to \$2.2 billion (with a median⁵ of \$50.2 million). All systems have experienced increases in revenue since fiscal year 2018—by approximately 31% on average, though eight systems had increases between 50% and 65%. As shown in **Exhibit 5**, a large majority of systems experienced at least a 20% increase in revenue.

Exhibit 5
All School Systems Experienced Revenue Increases Between
FY 2018 and 2022



Source: School systems' Annual Financial Reports

In fiscal year 2022, state funds represented at least half of total revenue in 86 school systems (50%), with 6 systems relying on state funds for more than 60% of their revenue. By contrast, state funding represented less than 30% of total revenue for nine systems, with the majority of these systems' revenue instead coming from local funds (or—for three systems—a combination of local and federal funds). Though most systems experienced a decrease in state funds between 2020 and 2021 (when QBE amended formula adjustments were in place), nearly all experienced an increase in fiscal year 2022 when state QBE allocations were fully funded.

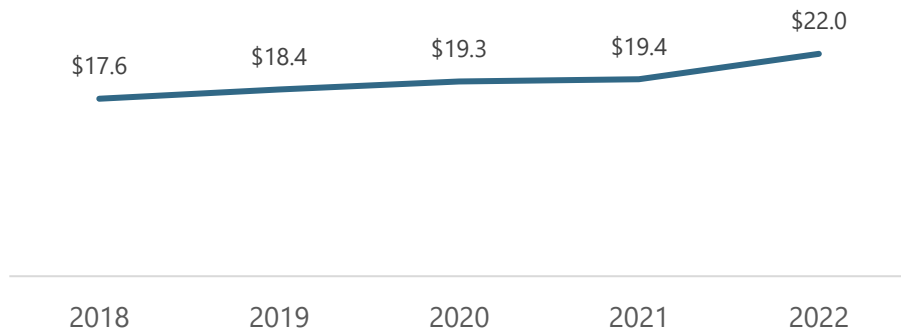
The proportion of funding has changed since fiscal year 2018—with most systems experiencing a decrease in the percentage from state funds and nearly all systems experiencing an increase in the percentage from federal funds. Federal funding amounts more than doubled for the majority of systems (147) and more than tripled for 30 systems. As shown in **Exhibit 1** on page 2, systems can obligate the COVID-19 federal grant funds a year after the grant period ends; as of February 2024, systems had obligated approximately 75% (\$4.7 billion) of their total funding—ranging from 33% to 100% (69 systems had obligated at least 80% and 12 had obligated 100%).

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.

Expenditures

In fiscal year 2022, school systems spent approximately \$22.0 billion—an increase of 25% from \$17.6 billion in fiscal year 2018, as shown in **Exhibit 6**.

Exhibit 6¹
School System Expenditures² Increased by 25% (FY 2018-2022)



¹ Does not include information from 8 systems, which represented 4% of expenditures in FY 2021.

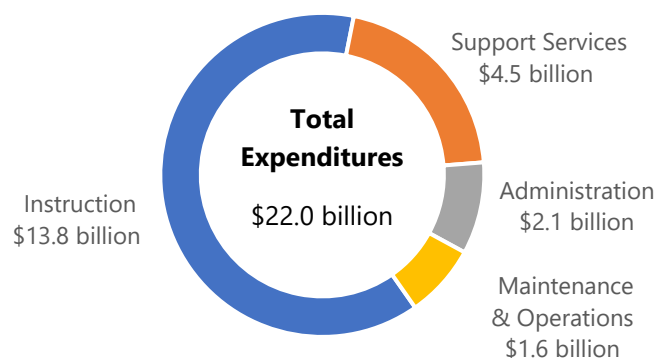
² Amount in billions

Source: School systems' Annual Financial Reports

System expenditures ranged from approximately \$5.2 million to \$2.2 billion, with the median equating to approximately \$47 million. Expenditures increased in most (170) systems since fiscal year 2018, ranging from 9% to 58%. For most systems, the expenditure increase was largest between fiscal years 2021 and 2022. Expenditures decreased in two systems (by 9% and 10%, primarily before the COVID-19 pandemic).

In fiscal year 2022, nearly 65% of statewide expenditures were dedicated to instruction, which includes activities dealing directly with the interaction between teachers and students (see **Exhibit 7**). RESA proportions dedicated to instruction ranged from 55% to 71%, while individual systems ranged from approximately 41% to 88%. Support services—which include pupil services, student nutrition, and transportation—represented 21% of statewide expenditures, while administration and maintenance and operations expenses represented 9% and 7%, respectively. The statewide proportion dedicated to instruction has generally remained unchanged since fiscal year 2018; however, it decreased in 106 systems (by more than five percentage points in 15 systems). In some instances, this is due to an increase in administrative expenses, while in others the percentage dedicated to support services increased.

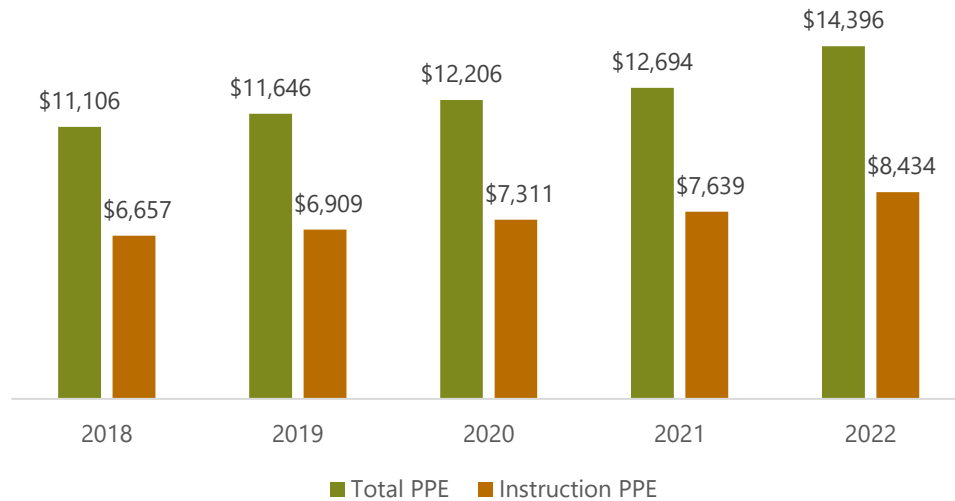
Exhibit 7
Most Expenditures are Related to Instruction (FY 2022)



Source: School systems' Annual Financial Reports

On average, systems spent approximately \$14,400 per pupil in fiscal year 2022, ranging from \$10,300 to \$28,300. Approximately \$8,400 was spent toward instruction, ranging from \$6,200 to \$14,100. Per pupil expenditures have increased by approximately 30% since fiscal year 2018, as shown in **Exhibit 8**.

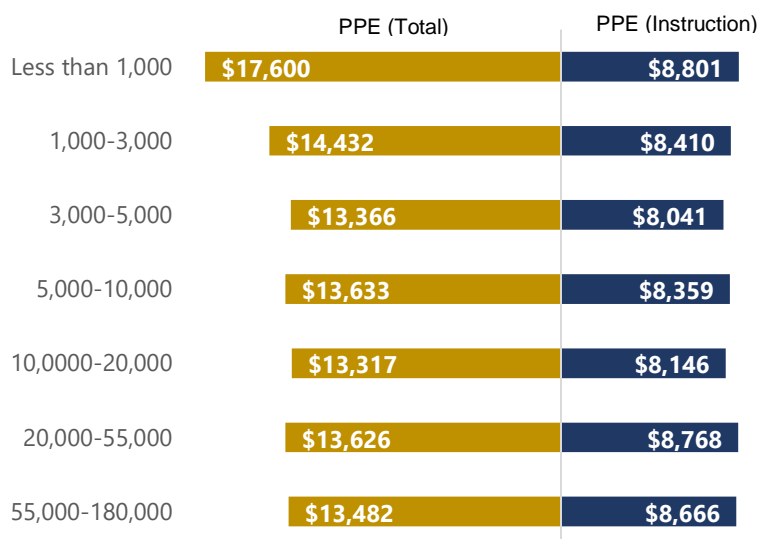
Exhibit 8
Per Pupil Expenditures Have Increased Since Fiscal Year 2018



Source: School systems' Annual Financial Reports

Total per pupil spending was highest among the 16 systems with less than 1,000 students—approximately \$17,600 compared to between \$13,400 and \$14,400 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 \$8,000 and \$8,800.

Exhibit 9
Total Per Pupil Expenditures Decrease as Student Population Increases (FY 2022)



Source: School systems' Annual Financial Reports

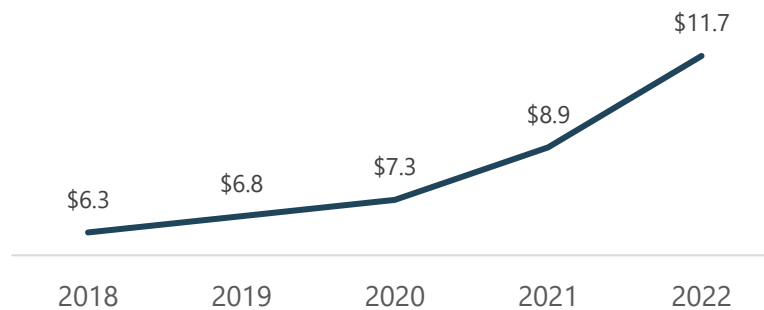
Fund Balance

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 86% between fiscal years 2018 and 2022 (see **Exhibit 10**). The largest increases occurred after fiscal year 2020 (an increase of 22% in 2021 and 32% in 2022, compared to 8% and 7% increases in the prior two years).

Exhibit 10¹
Total Fund Balance² Has Increased by 86% (FY 2018-2022)



¹ Does not include information from 8 systems, which represented 3% of total fund balance in FY 2021.

² Amount in billions

Source: School systems' Annual Financial Reports

Total fund balance by system ranged from \$1.6 million to \$1.2 billion in fiscal year 2022. Most systems (160) saw increases in their fund balance during the five years reviewed; however, fund balance decreased in 34 systems between fiscal years 2021 and 2022.

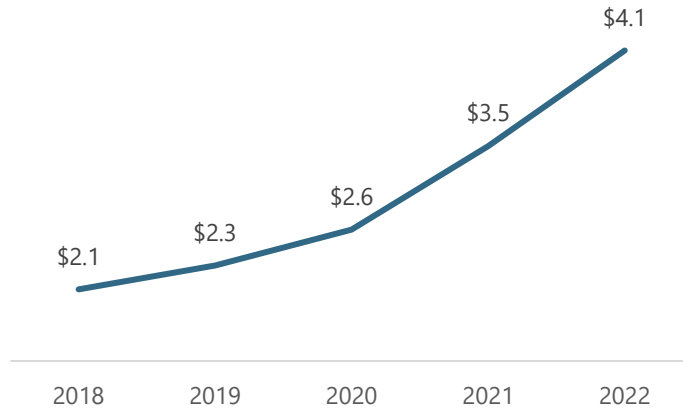
Unassigned Fund Balance

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 35% of total fund balance, though the percentage by system ranged from 4% to 93%.⁶

As shown in **Exhibit 11**, the unassigned fund balance statewide totaled \$4.1 billion—up 94% from \$2.1 billion in fiscal year 2018. Similar to the total fund balance, the percent change from the prior year was largest after fiscal year 2020. In 2019 and 2020, the percent change equaled 9% and 13%, respectively, while the fund balance increased by 33% and 19% in 2021 and 2022. This is because expenditures have represented a smaller percentage of revenue in recent years. For example, one system's expenditures represented slightly more than 100% of revenue in fiscal year 2018; by 2021 and 2022 the percentage had decreased to 82%.

⁶ 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 4% 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 93%.

Exhibit 11¹
Unassigned Fund Balance² Has Increased by 94%
(FY 2018-2022)



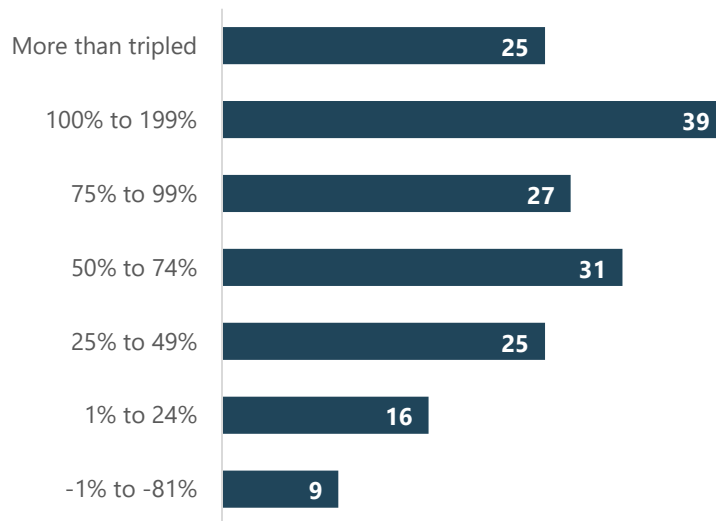
¹ Does not include information from 8 systems, which represented 6% of unassigned fund balance in FY 2021.

² Amount in billions

Source: School systems' Annual Financial Reports

Unassigned fund balance for the systems ranged from \$1.1 million to \$294.8 million. This fund balance increased for 163 systems between fiscal years 2018 and 2022. For some systems, the increase was significant, as shown in **Exhibit 12**.

Exhibit 12
Unassigned Fund Balance Increased by at Least 50% for Most
Systems (FY 2018-2022)






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
Solvency 	Current Ratio System’s ability to pay for its short-term obligations	0	2	4
		+	+	+
Reserves 	Asset Sufficiency Ratio System’s ability to pay for all obligations within its General Fund	0	2	4
		+	+	+
	Operating Reserve Ratio System’s ability to cover revenue shortfalls and expenditure overruns	0	1.5	3
		+	+	+
Fiscal Health 	Change in Total Fund Balance Whether the system’s total fund balance is increasing or decreasing	0	1	2
		+	+	+
	Change in Unassigned Fund Balance Whether the system’s unassigned fund balance is increasing or decreasing	0	1	2
		=	=	=
	Scoring for Overall Fiscal Health Less than 3.5: Positive 3.5 to 9.5: Cautionary 10 to 15: Critical	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, fiscal year 2022 audited statements were not available for eight school systems by this

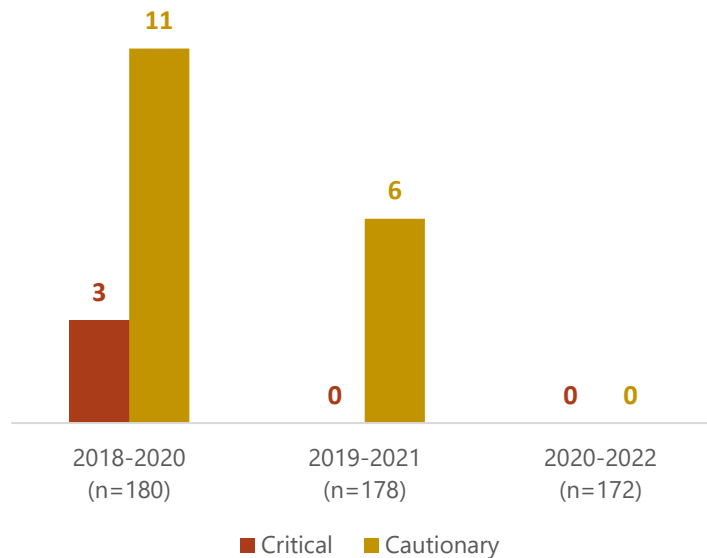
report’s publication; therefore, we could not calculate their overall fiscal health or metric scores for the 2020-2022 period. Additionally, these systems are not included in the 2022 data in each metric’s trend lines. State averages were not materially impacted by these systems’ inclusion in prior years.

Overall Fiscal Health



In the fiscal year 2020-2022 period, no school system was 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**).⁷ The systems are listed in [Appendix F](#).

Exhibit 14
The Number of Systems with a Critical or Cautionary Outlook Has Decreased (FY 2018-2022)¹



¹ Populations within the periods reviewed vary due to the availability of data as of February 1, 2024. The 2019-2021 period’s population includes six systems that submitted information after our 2023 report was published (resulting in an additional system with a “Cautionary” rating). Among the two systems missing 2019-2021 data, one system 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 through the end of September 2024. 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. The Georgia Department of Education has also provided training regarding how to evaluate federal fund expenditures and consider which programs, positions, or other uses should be continued.

⁷ As previously discussed, eight school systems did not have audited financial statements for fiscal year 2022 available at the time of this report’s publication. One system had received a “critical” outlook for the 2018-2020 period reviewed.

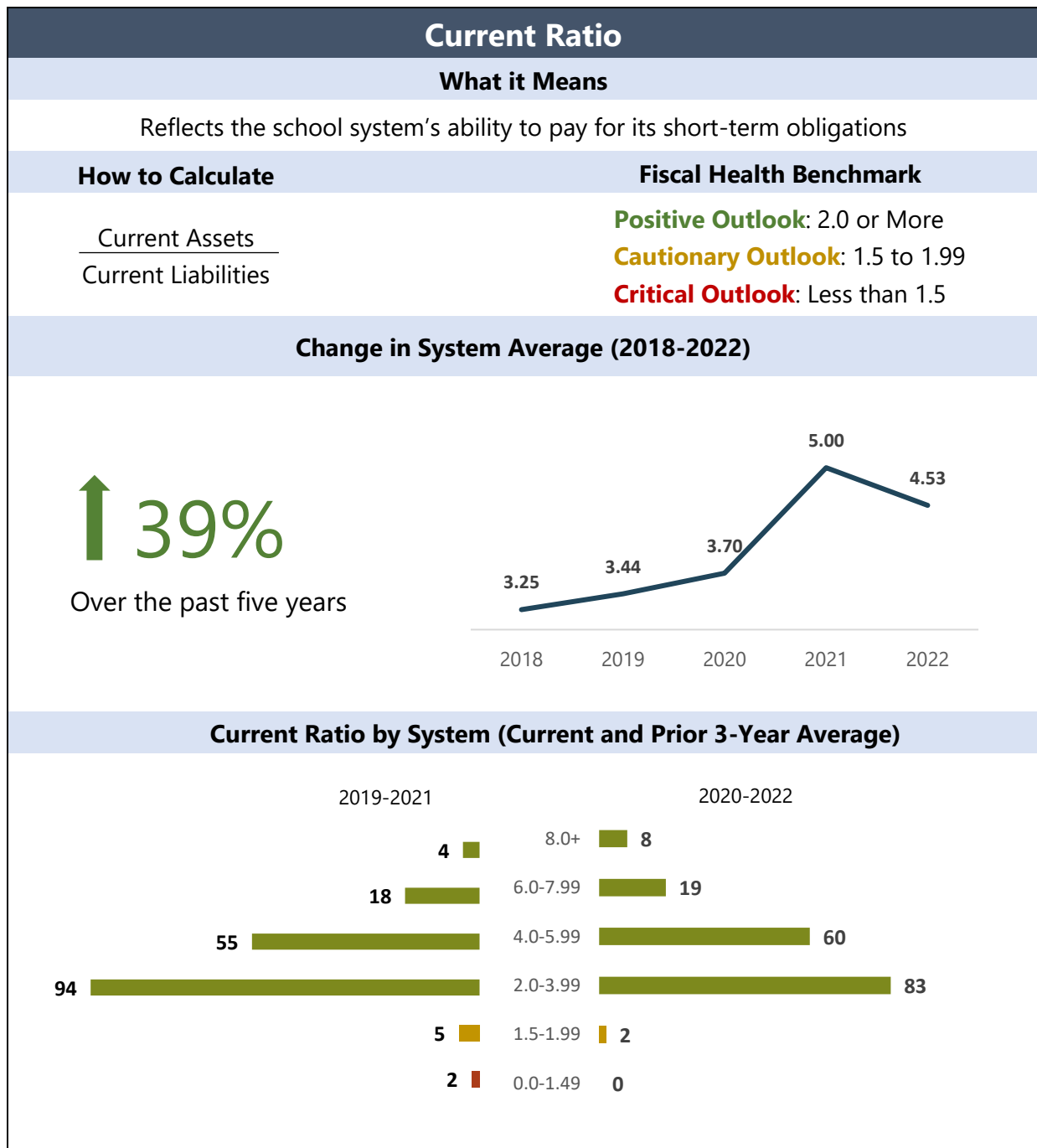


Solvency

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.

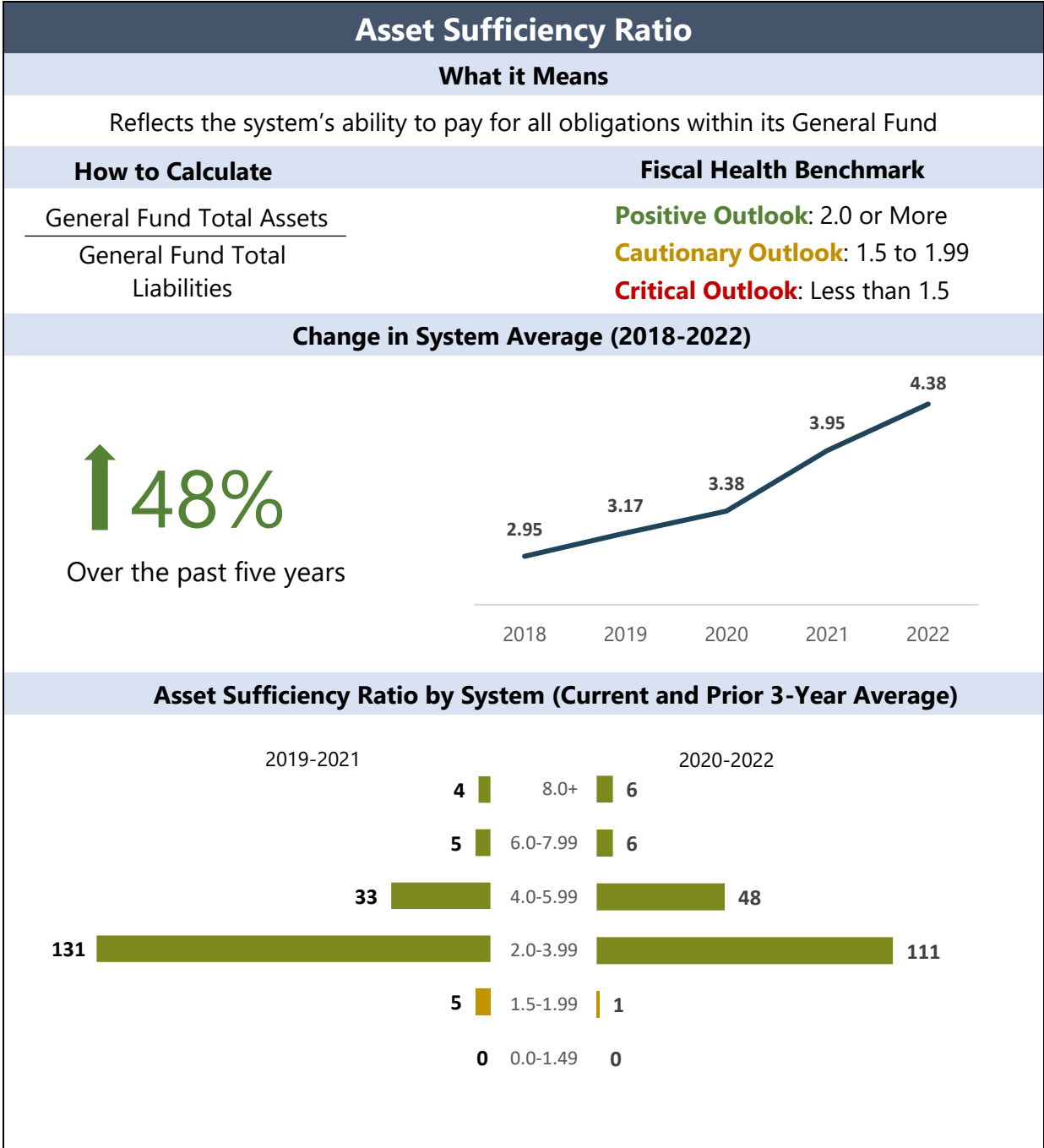
Current Ratio measures a system’s ability to pay for its short-term liabilities (i.e., those payable within one year) by transforming its current assets (e.g., cash, investments, most receivables, inventories) into cash.

Since fiscal year 2018, the average current ratio steadily increased and then rose significantly between fiscal years 2020 and 2021. The ratio decreased in 2022 but remains 39% higher than fiscal year 2018. The 3-year average current ratio increased for 149 systems. Only two systems had a current ratio of less than 2.0 for fiscal years 2020-2022—down from seven systems for fiscal year 2019-2021.



Asset Sufficiency Ratio represents a 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 17% compared to the current ratio increase of 35%. Asset sufficiency ratio continued to increase in 2022 (unlike current ratio). Only one system received a cautionary outlook for the most recent three-year period, compared to five systems in 2019-2021.



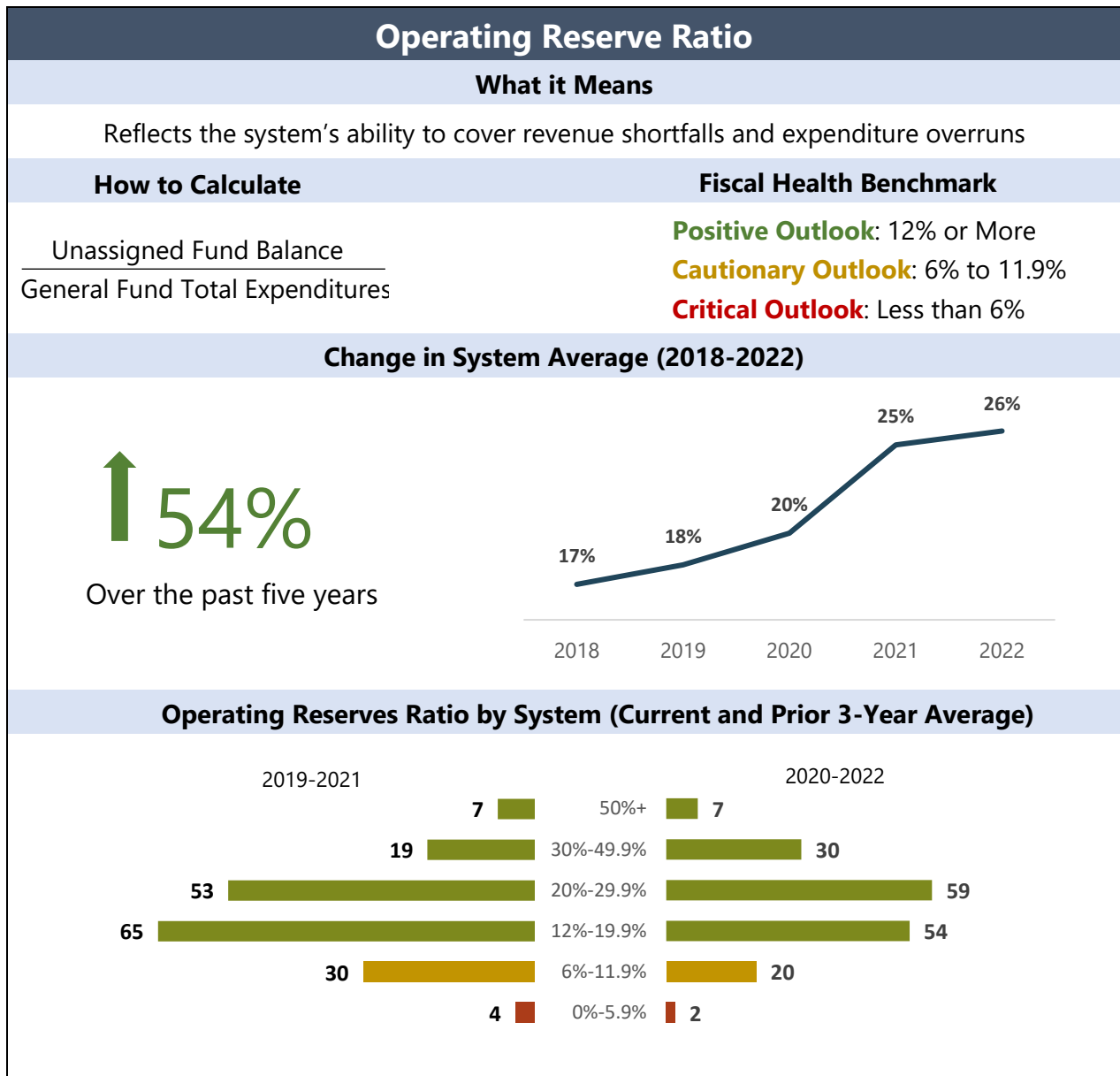


Reserves

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%⁸ would equate to nearly eight weeks of expenditures (15% of 52 weeks).

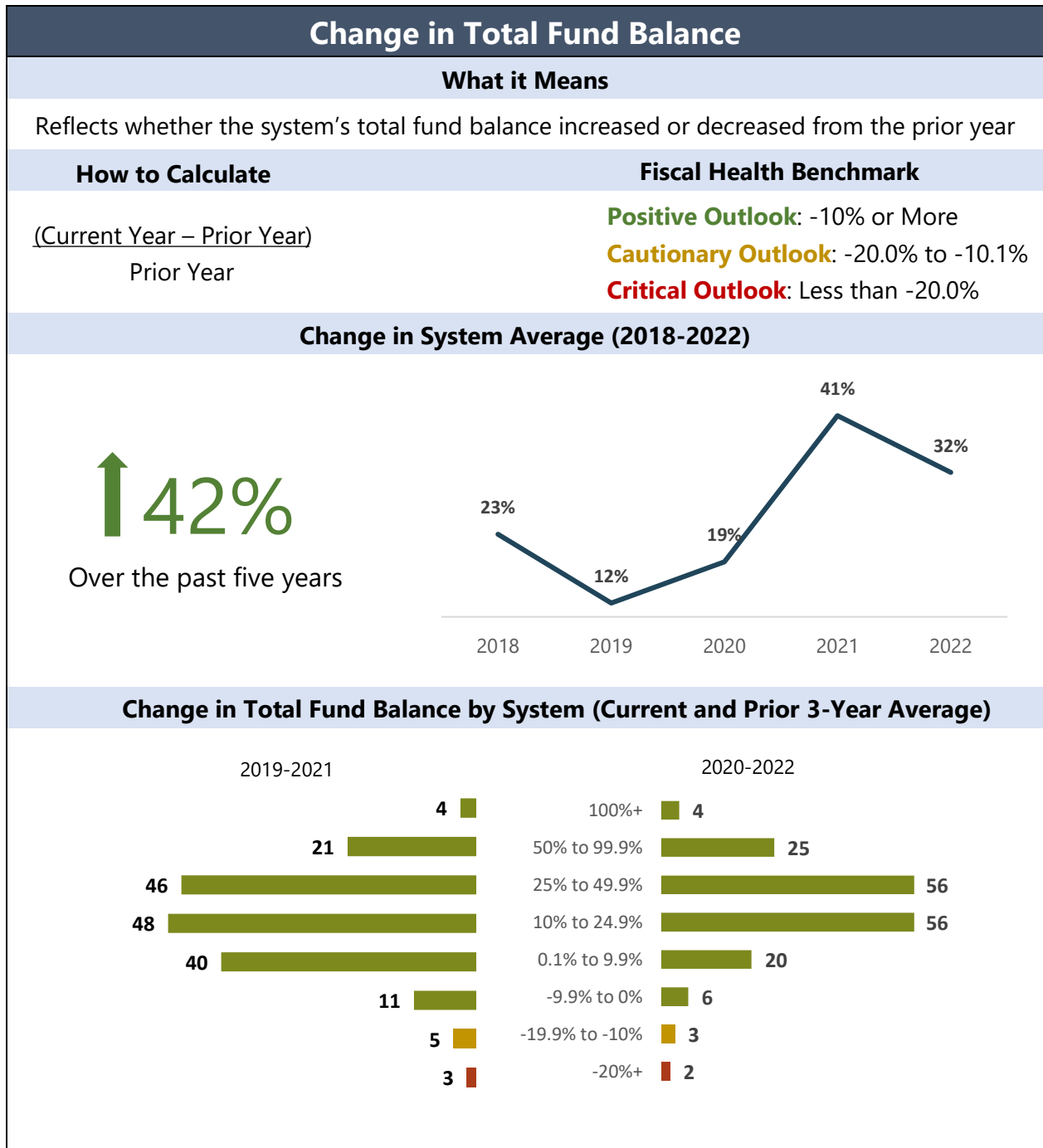
Since fiscal year 2018, the average system ratio has increased from 17% to 26%, and the number of systems with less than six weeks of reserves (a ratio of 12%) has decreased.



⁸ 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.

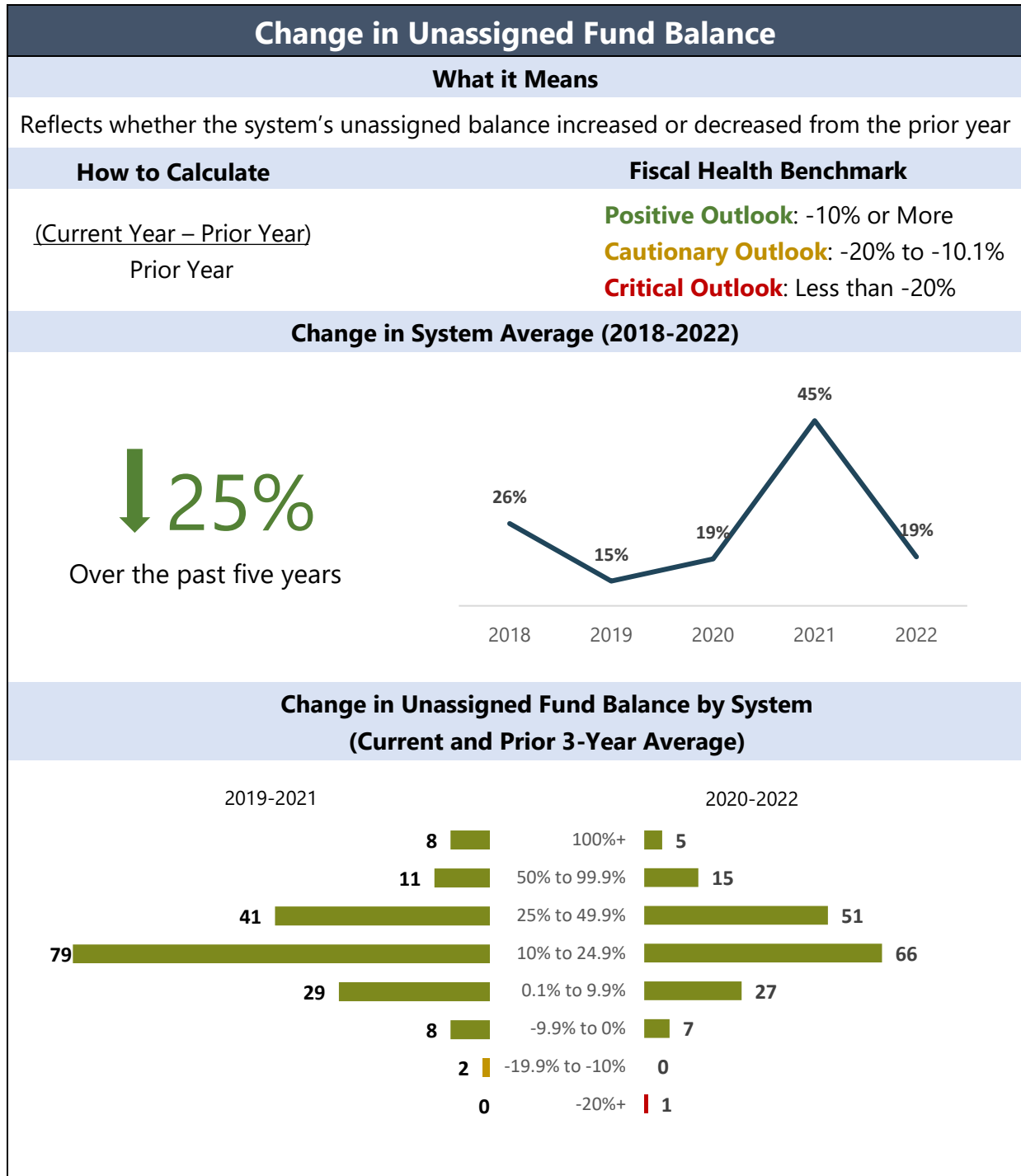
The **Change in Total Fund Balance** is the percent change in the system’s total fund balance (which includes general, capital, and debt service funds when relevant) from the prior year. It indicates whether the fund balance is increasing or decreasing. While a negative percentage may demonstrate that 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.

Though systems’ average fund balances grew at a lower rate in fiscal year 2022 compared to fiscal year 2021, it was still higher than growth in fiscal years 2018-2020. The number of systems in critical or cautionary status decreased slightly for the 2020-2022 period when compared to 2019-2021.



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 19% between fiscal years 2021 and 2022, the same rate of growth as fiscal year 2020 and less than half the rate of 45% in fiscal year 2021. Only one system had a change that reflected a critical outlook in the 2020-2022 period, compared to two with a cautionary outlook for the 2019-2021 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 is updated annually, while the dashboard is 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 2022, 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, 2024. Audited information was available for all systems for fiscal years 2018-2020; however, two systems did not submit their 2021 audited statements and eight systems did not have 2022 audited statements available by February 1, 2024.⁹ As a result, their information was not included in the revenue, expenses, and fund balance trend lines, and fiscal health for the relevant periods could not be calculated. When information was available, the systems' ratios were included in the fiscal health discussions as well as the state averages for each individual year. 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,

⁹ Fiscal year 2021 data points include information from six systems that submitted their fiscal year 2021 audited statements after our 2023 report was published.

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.

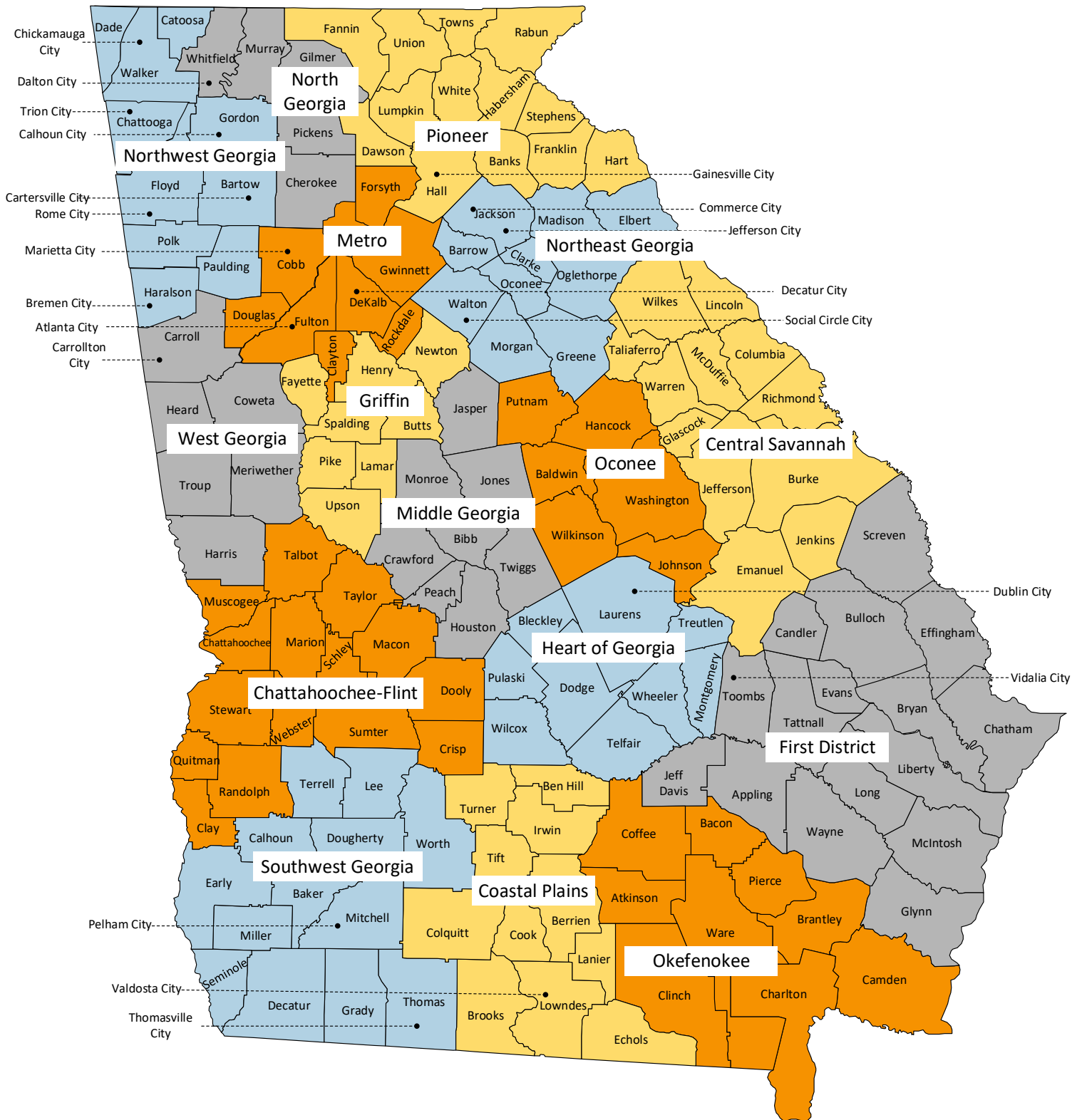
Other fund categories include proprietary funds (to account for activities similar to the commercial sector, such as an after-school program) and fiduciary funds (to account for assets the system hold in a trustee or agency capacity for non-school district programs, such as student activity funds).

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	FY23 Enrollment	ESSER I	ESSER II	ARP Fund	Total Funds	Amount Collected ¹	% Collected
Appling County	3,479	\$1,186,437	\$4,839,479	\$10,231,221	\$16,257,137	\$13,477,373	83%
Atkinson County	1,611	\$659,607	\$2,906,955	\$6,534,516	\$10,101,078	\$8,478,342	84%
Atlanta Public Schools	49,641	\$30,513,412	\$116,325,902	\$201,555,253	\$348,394,567	\$254,404,107	73%
Bacon County	2,096	\$721,739	\$4,693,682	\$7,256,250	\$12,671,671	\$7,938,291	63%
Baker County	294	\$191,112	\$982,484	\$2,276,196	\$3,449,792	\$2,787,198	81%
Baldwin County	4,595	\$2,018,663	\$10,844,153	\$21,552,180	\$34,414,996	\$26,119,170	76%
Banks County	2,844	\$549,765	\$2,252,963	\$4,950,109	\$7,752,837	\$5,317,400	69%
Barrow County	14,864	\$2,352,623	\$9,167,896	\$19,959,234	\$31,479,753	\$23,527,181	75%
Bartow County	13,823	\$2,581,246	\$14,645,876	\$22,749,560	\$39,976,682	\$26,423,550	66%
Ben Hill County	3,015	\$1,486,334	\$6,160,918	\$13,479,315	\$21,126,567	\$19,276,840	91%
Berrien County	3,062	\$971,365	\$4,878,412	\$11,061,313	\$16,911,090	\$13,615,333	81%
Bibb County	21,312	\$10,652,147	\$52,133,165	\$100,390,887	\$163,176,199	\$117,656,834	72%
Bleckley County	2,614	\$488,283	\$2,091,533	\$5,274,952	\$7,854,768	\$6,911,728	88%
Brantley County	3,384	\$919,656	\$4,912,220	\$8,301,488	\$14,133,364	\$12,333,379	87%
Bremen City	2,357	\$228,799	\$776,260	\$1,744,948	\$2,750,007	\$2,749,798	100%
Brooks County	2,145	\$947,527	\$4,171,915	\$11,305,192	\$16,424,634	\$12,238,679	75%
Bryan County	10,266	\$798,858	\$3,919,467	\$7,209,773	\$11,928,098	\$9,160,029	77%
Buford City	5,777	\$480,143	\$1,633,194	\$3,671,240	\$5,784,577	\$5,777,298	100%
Bulloch County	10,921	\$2,577,084	\$10,543,418	\$24,261,913	\$37,382,415	\$36,423,958	97%
Burke County	3,967	\$1,785,945	\$7,729,348	\$15,239,836	\$24,755,129	\$18,090,199	73%
Butts County	3,502	\$808,249	\$3,858,412	\$8,673,286	\$13,339,947	\$12,753,315	96%
Calhoun City	4,169	\$723,107	\$4,465,109	\$10,011,336	\$15,199,552	\$10,436,852	69%
Calhoun County	476	\$291,397	\$1,177,485	\$2,646,857	\$4,115,739	\$2,119,982	52%
Camden County	9,478	\$1,448,403	\$6,323,165	\$14,213,779	\$21,985,347	\$15,892,414	72%
Candler County	2,178	\$769,599	\$3,606,814	\$6,996,922	\$11,373,335	\$9,092,427	80%
Carroll County	15,982	\$3,728,777	\$16,789,898	\$34,644,483	\$55,163,158	\$44,415,973	81%
Carrollton City	5,639	\$1,005,593	\$4,001,233	\$8,994,330	\$14,001,156	\$12,124,814	87%
Cartersville City	4,461	\$730,199	\$3,055,538	\$6,868,513	\$10,654,250	\$9,272,141	87%
Catoosa County	10,354	\$1,795,065	\$7,705,286	\$19,803,303	\$29,303,654	\$20,028,978	68%
Charlton County	1,643	\$557,889	\$2,238,698	\$5,483,842	\$8,280,429	\$7,828,933	95%
Chattahoochee County	995	\$207,377	\$833,149	\$1,872,828	\$2,913,354	\$2,822,935	97%
Chattooga County	2,592	\$820,811	\$4,256,820	\$8,790,057	\$13,867,688	\$9,870,622	71%
Cherokee County	41,775	\$3,707,232	\$15,684,226	\$53,047,748	\$72,439,206	\$43,006,997	59%
Chickamauga City	1,271	\$99,687	\$481,282	\$1,081,869	\$1,662,838	\$1,662,838	100%
Clarke County	12,212	\$7,093,384	\$23,021,884	\$48,561,782	\$78,677,050	\$56,783,184	72%
Clay County	204	\$234,284	\$895,419	\$2,012,804	\$3,142,507	\$2,332,420	74%
Clayton County	51,873	\$17,488,941	\$77,516,505	\$170,662,645	\$265,668,091	\$201,138,414	76%
Clinch County	1,271	\$450,270	\$1,882,115	\$6,381,951	\$8,714,336	\$4,800,570	55%
Cobb County	106,685	\$16,074,903	\$71,509,772	\$160,746,100	\$248,330,775	\$232,673,827	94%
Coffee County	7,417	\$2,640,115	\$16,903,763	\$25,006,632	\$44,550,510	\$29,935,002	67%
Colquitt County	8,794	\$2,937,613	\$12,498,326	\$28,094,863	\$43,530,802	\$35,536,518	82%
Columbia County	28,903	\$1,920,098	\$9,953,516	\$20,183,882	\$32,057,496	\$23,433,451	73%
Commerce City	1,809	\$295,112	\$1,324,589	\$2,604,625	\$4,224,326	\$4,058,435	96%
Cook County	3,056	\$988,226	\$5,645,716	\$9,606,970	\$16,240,912	\$8,711,467	54%

School System	FY23 Enrollment	ESSER I	ESSER II	ARP Fund	Total Funds	Amount Collected ¹	% Collected
Coweta County	23,036	\$3,229,147	\$13,616,325	\$46,590,557	\$63,436,799	\$34,811,905	55%
Crawford County	1,571	\$461,980	\$1,924,836	\$4,326,819	\$6,713,635	\$5,782,971	86%
Crisp County	3,537	\$1,944,316	\$10,328,912	\$28,077,453	\$40,350,681	\$20,503,912	51%
Dade County	2,043	\$360,094	\$2,095,343	\$3,359,542	\$5,814,979	\$3,416,648	59%
Dalton City	7,612	\$1,987,308	\$9,194,369	\$16,469,168	\$27,650,845	\$25,022,463	90%
Dawson County	3,907	\$418,695	\$1,652,100	\$3,713,740	\$5,784,535	\$5,078,788	88%
Decatur City	5,680	\$398,445	\$1,089,171	\$2,448,337	\$3,935,953	\$3,784,085	96%
Decatur County	4,306	\$2,073,054	\$7,860,834	\$17,670,291	\$27,604,179	\$20,340,405	74%
DeKalb County	91,659	\$35,323,031	\$181,737,685	\$313,515,146	\$530,575,862	\$322,056,983	61%
Dodge County	2,775	\$992,560	\$6,182,099	\$9,016,668	\$16,191,327	\$7,965,751	49%
Dooly County	1,126	\$885,857	\$3,992,588	\$7,233,361	\$12,111,806	\$8,873,518	73%
Dougherty County	13,095	\$7,192,889	\$29,080,759	\$65,370,346	\$101,643,994	\$85,473,302	84%
Douglas County	25,745	\$4,933,060	\$22,487,610	\$56,595,660	\$84,016,330	\$71,711,677	85%
Dublin City	2,280	\$1,370,051	\$5,521,192	\$12,411,032	\$19,302,275	\$19,302,275	100%
Early County	1,645	\$889,835	\$3,735,524	\$10,589,450	\$15,214,809	\$10,105,002	66%
Echols County	892	\$287,449	\$1,355,145	\$3,593,547	\$5,236,141	\$3,684,408	70%
Effingham County	14,065	\$1,195,100	\$4,956,619	\$11,141,935	\$17,293,654	\$17,293,654	100%
Elbert County	3,061	\$948,413	\$4,566,041	\$8,477,328	\$13,991,782	\$9,988,054	71%
Emanuel County	4,026	\$1,698,137	\$7,950,817	\$15,555,764	\$25,204,718	\$16,369,495	65%
Evans County	1,806	\$820,585	\$3,897,118	\$7,659,450	\$12,377,153	\$9,172,102	74%
Fannin County	2,773	\$721,600	\$3,210,950	\$6,793,404	\$10,725,954	\$8,413,029	78%
Fayette County	20,011	\$1,167,534	\$5,752,068	\$11,622,654	\$18,542,256	\$15,717,478	85%
Floyd County	8,836	\$2,005,542	\$12,145,953	\$20,424,835	\$34,576,330	\$25,308,157	73%
Forsyth County	54,492	\$1,705,290	\$5,785,640	\$13,005,483	\$20,496,413	\$20,451,154	100%
Franklin County	3,536	\$896,275	\$5,321,004	\$10,058,755	\$16,276,034	\$9,805,889	60%
Fulton County	89,449	\$19,310,052	\$98,653,125	\$168,990,825	\$286,954,002	\$192,089,784	67%
Gainesville City	7,992	\$2,117,696	\$13,040,319	\$19,690,894	\$34,848,909	\$23,505,480	67%
Gilmer County	4,059	\$1,025,085	\$5,532,302	\$10,243,354	\$16,800,741	\$10,518,433	63%
Glascocock County	565	\$90,954	\$366,748	\$1,151,430	\$1,609,132	\$1,188,418	74%
Glynn County	12,714	\$3,457,359	\$18,368,442	\$44,100,597	\$65,926,398	\$44,338,388	67%
Gordon County	6,413	\$1,291,235	\$7,461,830	\$15,315,438	\$24,068,503	\$19,082,113	79%
Grady County	4,411	\$1,507,090	\$6,071,394	\$20,198,598	\$27,777,082	\$16,202,634	58%
Greene County	2,565	\$712,838	\$3,271,616	\$7,997,211	\$11,981,665	\$10,352,770	86%
Griffin-Spalding County	9,416	\$3,719,528	\$21,571,519	\$32,826,192	\$58,117,239	\$35,925,409	62%
Gwinnett County	182,196	\$32,327,781	\$168,409,594	\$282,660,315	\$483,397,690	\$373,461,683	77%
Habersham County	7,088	\$1,219,643	\$5,110,566	\$14,759,118	\$21,089,327	\$15,375,845	73%
Hall County	27,225	\$5,166,547	\$26,247,886	\$49,743,092	\$81,157,525	\$57,929,755	71%
Hancock County	711	\$489,382	\$3,866,175	\$4,679,384	\$9,034,941	\$3,036,920	34%
Haralson County	3,387	\$822,555	\$3,377,087	\$7,591,321	\$11,790,963	\$10,591,338	90%
Harris County	5,592	\$448,520	\$2,016,824	\$4,858,004	\$7,323,348	\$6,824,156	93%
Hart County	3,656	\$897,397	\$4,191,440	\$10,967,167	\$16,056,004	\$10,527,068	66%
Heard County	2,209	\$446,286	\$2,614,993	\$4,145,222	\$7,206,501	\$6,034,521	84%
Henry County	43,401	\$5,952,236	\$35,704,490	\$53,436,082	\$95,092,808	\$63,779,237	67%
Houston County	30,552	\$5,416,161	\$22,253,363	\$68,782,898	\$96,452,422	\$67,744,630	70%
Irwin County	1,631	\$503,725	\$2,125,254	\$4,777,338	\$7,406,317	\$6,797,276	92%
Jackson County	100,036	\$1,029,812	\$4,192,499	\$9,424,278	\$14,646,589	\$13,859,504	95%

School System	FY23 Enrollment	ESSER I	ESSER II	ARP Fund	Total Funds	Amount Collected ¹	% Collected
Jasper County	2,575	\$535,199	\$3,274,628	\$4,930,923	\$8,740,750	\$4,400,106	50%
Jeff Davis County	3,055	\$893,973	\$4,512,535	\$8,056,260	\$13,462,768	\$9,192,138	68%
Jefferson City	4,155	\$180,983	\$718,735	\$1,615,638	\$2,515,356	\$2,515,356	100%
Jefferson County	2,052	\$1,004,872	\$6,841,798	\$9,425,387	\$17,272,057	\$9,505,480	55%
Jenkins County	1,136	\$625,455	\$3,002,653	\$5,446,152	\$9,074,260	\$8,494,391	94%
Johnson County	1,032	\$452,016	\$1,836,346	\$4,127,903	\$6,416,265	\$6,019,457	94%
Jones County	5,096	\$729,951	\$4,632,957	\$7,131,871	\$12,494,779	\$6,724,759	54%
Lamar County	2,811	\$638,323	\$4,344,077	\$5,940,781	\$10,923,181	\$6,753,436	62%
Lanier County	1,704	\$563,337	\$2,236,451	\$5,027,296	\$7,827,084	\$7,827,084	100%
Laurens County	6,394	\$1,526,520	\$7,487,312	\$14,681,921	\$23,695,753	\$20,949,150	88%
Lee County	6,289	\$637,933	\$3,388,473	\$6,437,821	\$10,464,227	\$7,665,899	73%
Liberty County	10,582	\$2,260,284	\$10,658,607	\$20,199,106	\$33,117,997	\$22,604,348	68%
Lincoln County	1,223	\$275,984	\$1,110,533	\$2,496,057	\$3,882,574	\$3,882,574	100%
Long County	4,313	\$826,321	\$3,488,924	\$8,916,173	\$13,231,418	\$11,386,994	86%
Lowndes County	10,626	\$1,893,595	\$8,642,376	\$19,427,111	\$29,963,082	\$26,225,578	88%
Lumpkin County	3,733	\$712,029	\$2,850,245	\$6,535,552	\$10,097,826	\$10,027,929	99%
Macon County	1,104	\$900,531	\$3,324,794	\$7,473,771	\$11,699,096	\$9,772,517	84%
Madison County	5,087	\$897,874	\$4,108,617	\$11,630,863	\$16,637,354	\$11,323,943	68%
Marietta City	8,690	\$1,657,552	\$7,019,885	\$15,779,929	\$24,457,366	\$18,917,325	77%
Marion County	1,275	\$492,207	\$2,128,252	\$4,614,651	\$7,235,110	\$5,577,988	77%
McDuffie County	3,223	\$1,543,515	\$8,638,526	\$17,275,470	\$27,457,511	\$13,982,519	51%
McIntosh County	1,315	\$599,308	\$2,675,565	\$7,043,422	\$10,318,295	\$8,061,252	78%
Meriwether County	2,308	\$1,212,156	\$7,370,224	\$16,112,065	\$24,694,445	\$14,729,630	60%
Miller County	750	\$384,442	\$2,284,454	\$3,296,150	\$5,965,046	\$4,413,763	74%
Mitchell County	1,301	\$989,662	\$4,010,133	\$11,538,209	\$16,538,004	\$12,576,639	76%
Monroe County	4,534	\$573,651	\$2,463,553	\$5,410,706	\$8,447,910	\$6,878,719	81%
Montgomery County	927	\$367,905	\$1,487,510	\$3,343,760	\$5,199,175	\$4,406,170	85%
Morgan County	3,504	\$503,744	\$2,088,319	\$4,694,311	\$7,286,374	\$7,286,374	100%
Murray County	6,806	\$1,492,540	\$6,095,062	\$13,701,028	\$21,288,630	\$20,285,242	95%
Muscogee County	29,521	\$10,143,056	\$42,325,541	\$95,143,043	\$147,611,640	\$106,746,230	72%
Newton County	18,693	\$4,537,226	\$23,827,813	\$55,299,484	\$83,664,523	\$58,461,844	70%
Oconee County	8,517	\$356,885	\$1,487,017	\$3,342,649	\$5,186,551	\$5,186,551	100%
Oglethorpe County	2,249	\$419,017	\$2,197,975	\$3,853,411	\$6,470,403	\$4,532,393	70%
Paulding County	31,621	\$3,015,679	\$12,626,316	\$37,912,697	\$53,554,692	\$4,145,403	65%
Peach County	3,876	\$1,159,011	\$5,350,920	\$11,467,687	\$17,977,618	\$15,180,884	84%
Pelham City	1,348	\$331,837	\$1,666,627	\$4,396,188	\$6,394,652	\$4,145,403	63%
Pickens County	4,027	\$747,601	\$3,971,389	\$7,142,582	\$11,861,572	\$7,934,012	67%
Pierce County	3,604	\$825,561	\$3,410,391	\$7,666,183	\$11,902,135	\$8,509,499	71%
Pike County	3,579	\$363,233	\$1,496,752	\$4,321,841	\$6,181,826	\$4,429,189	72%
Polk County	7,879	\$2,072,837	\$12,601,779	\$19,820,174	\$34,494,790	\$30,604,195	89%
Pulaski County	1,326	\$435,970	\$2,705,547	\$4,554,417	\$7,695,934	\$3,809,152	49%
Putnam County	2,976	\$880,907	\$4,362,211	\$8,114,430	\$13,357,548	\$5,867,187	44%
Quitman County	316	\$160,420	\$762,824	\$2,098,409	\$3,021,653	\$2,008,791	66%
Rabun County	2,254	\$476,559	\$1,925,286	\$4,327,831	\$6,729,676	\$6,398,431	95%
Randolph County	720	\$456,252	\$2,162,340	\$4,213,954	\$6,832,546	\$5,520,950	81%
Richmond County	29,343	\$12,940,014	\$59,365,555	\$153,765,525	\$226,071,094	\$155,377,342	69%

School System	FY23 Enrollment	ESSER I	ESSER II	ARP Fund	Total Funds	Amount Collected ¹	% Collected
Rockdale County	15,663	\$3,443,366	\$21,088,162	\$35,621,344	\$60,152,872	\$49,235,139	82%
Rome City	6,509	\$2,276,426	\$9,533,464	\$33,815,224	\$45,625,114	\$23,237,349	51%
Savannah-Chatham County	35,871	\$14,827,093	\$57,120,934	\$99,094,449	\$171,042,476	\$116,400,535	68%
Schley County	1,217	\$215,453	\$891,652	\$2,244,568	\$3,351,673	\$2,952,136	88%
Screven County	2,039	\$846,541	\$4,079,752	\$11,527,946	\$16,454,239	\$12,077,835	73%
Seminole County	1,339	\$583,389	\$2,401,926	\$5,399,265	\$8,384,580	\$6,689,229	80%
Social Circle City	1,915	\$180,645	\$732,314	\$1,646,160	\$2,559,119	\$1,942,793	76%
Stephens County	3,828	\$975,501	\$4,147,640	\$12,359,588	\$17,482,729	\$12,877,207	74%
Stewart County	390	\$273,706	\$1,060,672	\$2,339,703	\$3,674,081	\$2,925,628	80%
Sumter County	3,627	\$2,885,231	\$13,516,234	\$43,050,660	\$59,452,125	\$19,668,083	33%
Talbot County	416	\$395,435	\$2,030,787	\$3,094,025	\$5,520,247	\$2,411,226	44%
Taliaferro County	192	\$118,369	\$468,992	\$1,054,242	\$1,641,603	\$1,283,545	78%
Tattnall County	3,581	\$1,284,221	\$5,536,454	\$12,022,512	\$18,843,187	\$18,448,417	98%
Taylor County	1,220	\$447,723	\$2,892,064	\$4,446,710	\$7,786,497	\$6,759,487	87%
Telfair County	1,577	\$832,293	\$3,194,018	\$7,179,801	\$11,206,112	\$10,068,150	90%
Terrell County	1,023	\$983,141	\$4,250,481	\$7,902,862	\$13,136,484	\$8,264,279	63%
Thomas County	5,693	\$994,612	\$4,062,300	\$12,548,210	\$17,605,122	\$11,754,708	67%
Thomaston-Upson County	4,071	\$1,376,375	\$8,822,248	\$13,306,089	\$23,504,712	\$16,520,991	70%
Thomasville City	2,812	\$1,141,616	\$4,932,295	\$13,943,786	\$20,017,697	\$14,904,639	74%
Tift County	7,579	\$2,709,430	\$10,345,395	\$23,255,310	\$36,310,135	\$33,095,687	91%
Toombs County	3,085	\$1,256,884	\$5,600,398	\$16,135,280	\$22,992,562	\$16,158,277	70%
Towns County	1,005	\$229,657	\$1,422,483	\$3,016,262	\$4,668,402	\$2,593,285	56%
Treutlen County	1,006	\$433,135	\$1,724,437	\$3,876,344	\$6,033,916	\$4,083,320	68%
Trion City	1,331	\$173,557	\$624,592	\$1,401,938	\$2,200,084	\$1,685,624	77%
Troup County	12,128	\$3,019,886	\$12,997,534	\$29,217,027	\$45,234,447	\$32,286,689	71%
Turner County	1,163	\$694,907	\$4,534,133	\$6,595,346	\$11,824,386	\$8,813,372	75%
Twiggs County	722	\$412,667	\$1,917,662	\$3,678,949	\$6,009,278	\$4,666,327	78%
Union County	3,018	\$527,666	\$2,194,277	\$4,932,494	\$7,654,437	\$7,434,489	97%
Valdosta City	8,289	\$3,417,698	\$18,466,503	\$51,655,567	\$73,539,768	\$46,107,878	63%
Vidalia City	2,350	\$665,004	\$3,195,310	\$7,182,705	\$11,043,019	\$9,332,366	85%
Walker County	8,355	\$2,227,663	\$13,329,664	\$19,959,932	\$35,517,261	\$21,872,222	62%
Walton County	14,497	\$2,548,501	\$11,354,689	\$24,058,127	\$37,961,317	\$32,997,541	87%
Ware County	5,942	\$2,426,570	\$12,177,451	\$22,063,958	\$36,667,979	\$24,056,255	66%
Warren County	650	\$372,348	\$2,182,238	\$3,499,042	\$6,053,628	\$4,364,732	72%
Washington County	2,802	\$1,336,782	\$5,639,557	\$15,050,686	\$22,027,025	\$17,385,096	79%
Wayne County	5,171	\$1,545,299	\$11,020,820	\$13,960,133	\$26,526,252	\$15,757,812	59%
Webster County	265	\$107,354	\$578,035	\$1,069,794	\$1,755,185	\$1,353,482	77%
Wheeler County	876	\$368,356	\$1,909,201	\$3,475,654	\$5,753,211	\$4,235,487	74%
White County	3,796	\$743,006	\$4,020,233	\$7,155,869	\$11,919,108	\$7,082,938	59%
Whitfield County	12,200	\$2,740,882	\$16,723,862	\$29,455,808	\$48,920,552	\$39,848,335	81%
Wilcox County	1,177	\$448,902	\$2,159,330	\$6,687,367	\$9,295,599	\$5,237,716	56%
Wilkes County	1,257	\$525,891	\$2,481,436	\$4,780,608	\$7,787,935	\$5,967,189	77%
Wilkinson County	1,118	\$479,299	\$2,317,288	\$5,186,332	\$7,982,919	\$7,971,710	100%
Worth County	3,014	\$1,084,185	\$4,722,423	\$14,408,926	\$20,215,534	\$13,928,658	69%

¹ Amount collected as of 2/7/2024

Appendix E – School Systems Missing Financial Data (FY 2022)

On February 1, 2024, independent audit reports for fiscal year 2022 were not available for eight systems. As a result, information for these systems is not included in this report’s trend analyses, and their fiscal health for the 2020-2022 period could not be calculated. As shown in the table below, in fiscal year 2021 the systems represented between 3% and 7% of total financials for revenue, expenditures, and the fund balances.

	Revenue	Expenditures	Total Fund Balance	Unassigned Fund Balance
Butts County ^{1 2}	\$42,513,864	\$39,692,674	\$14,939,483	\$14,939,483
Camden County ²	\$112,275,205	\$98,041,802	\$60,106,810	\$43,325,687
Clayton County ²	\$639,710,241	\$566,865,268	\$179,877,770	\$168,364,701
Dodge County ³	\$40,173,433	\$35,060,601	\$21,140,818	\$12,347,001
City of Dublin ^{1 2}	\$0	\$0	\$0	\$0
Peach County ²	\$42,171,830	\$40,633,501	\$27,089,194	\$3,176,231
Talbot County ³	\$8,175,106	\$7,524,360	\$3,017,665	\$2,380,528
Twiggs County ²	\$11,350,047	\$10,890	\$2,233,733	\$861,388
Total	\$896,369,726	\$798,708,764	\$308,405,473	\$243,395,019
% of System Total (FY21)	4%	4%	3%	7%

¹ On February 1, 2024, DOAA had not received audited financial statements for fiscal year 2021; as such, these systems are not included in fiscal year 2019-2021 fiscal health calculations. Audited financial statements for Butts County were received on February 26, 2024; fiscal health information can be found on the dashboard.

² Contracts with a private entity.

³ In process with DOAA.

Source: School systems’ Audited Financial Statements

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, 2019-2021, and 2020-2022.

- 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.
- 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, “cautionary” status in a single period may not indicate high 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	2.20	11.1%	4%	70%	5.5
Lumpkin	2.91	1.80	5.0%	194.9%	15.9%	5.0
Burke	10.69	10.45	3.5%	30%	-10%	4.0

2020-2022

No systems received a cautionary or critical rating during this period.

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