



Provo City School District Popular Annual Financial Report

For the Fiscal Year Ended June 30, 2015

280 W 940 N
Provo, UT 84604



Provo City School District

Popular Annual Financial Report

For the Fiscal Year Ended June 30, 2015

Keith C. Rittel
Superintendent of Schools

Stefanie Bryant
Business Administrator

Prepared by:
Devyn Dayley

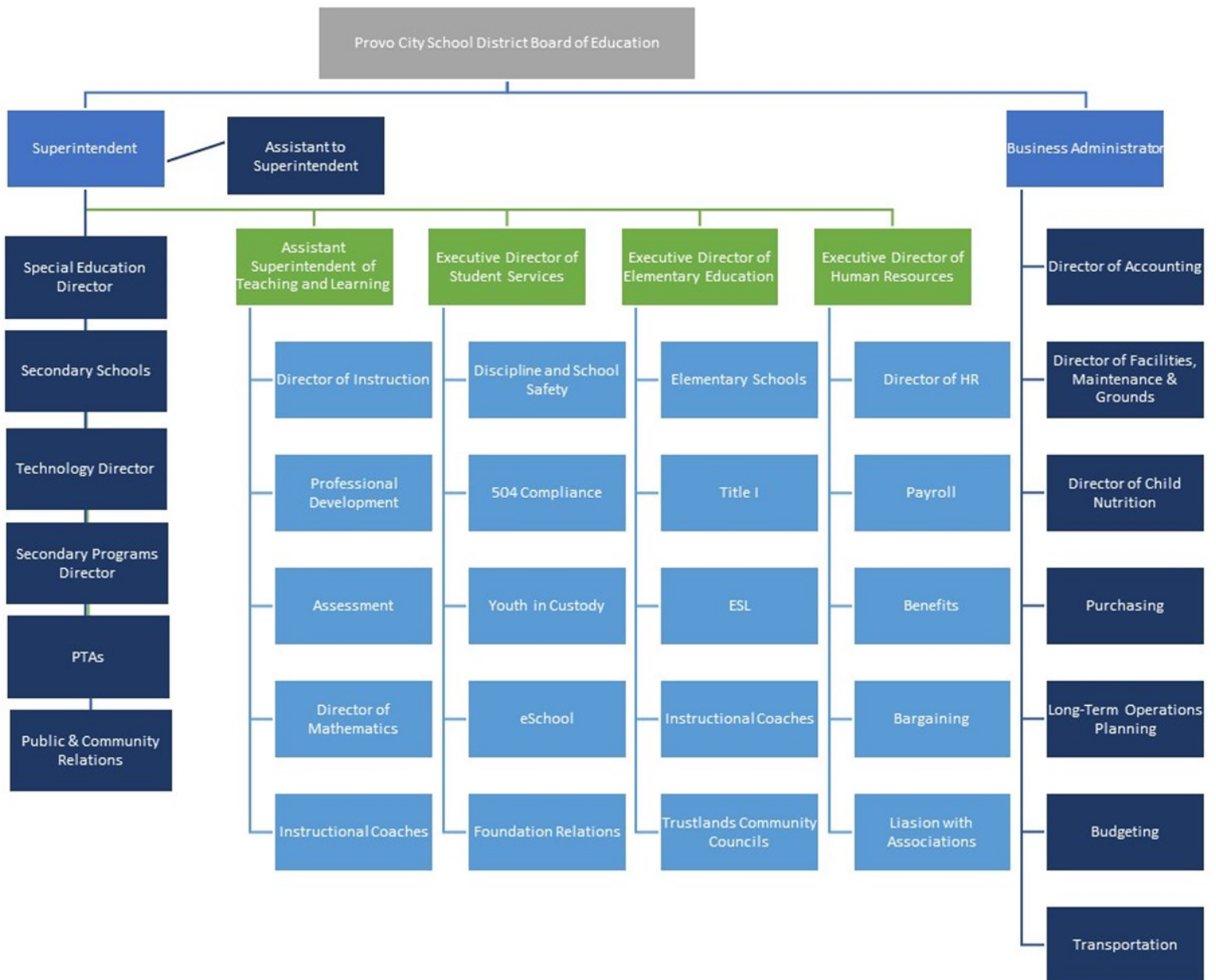
280 West 940 North
Provo, Utah 84604
www.provo.edu

Table of Contents

Organizational Chart	1
Elected and Appointed Officials.....	2
PAFR Recognition	3
Letter to the Citizens of Provo City	4
Highlights	5
Balancing the Budget	6
Local Economy	7
Financial Data.....	8
Financial Activities Statement.....	12
Summary of Funding & Uses.....	13
Revenue Trends & Analysis.....	14
Expenditure Trends & Analysis	15
Property Taxes	16
Property Tax/Debt Service	17
Student Achievement and Per Pupil Spending	18
Fall Enrollment	19
Student Achievement	20
Educator Information.....	22
Goals	23

Organizational Chart

FY 2014-15



Elected and Appointed Officials

FY 2014-15

Board of Education

Julie Rash—President

District 5

Email: julier@provo.edu

McKay Jensen —Vice President

District 3

Email: mckayj@provo.edu

Taz Murray

District 1

Email: stevens@provo.edu

Michelle Kaufusi

District 2

Email: smkaufusi5@hotmail.com

Shannon Poulsen

District 4

Email: srpoulsen@juno.com

Marsha Judkins

District 6

Email: marshaj@provo.edu

Jim Pettersson

District 7

Email: petterji@uvu.edu

District Office Administration

Keith Rittel

Superintendent

Initial Appointment: 2012

Stefanie Bryant

Business Administrator

Initial Appointment: 2014

Ray Morgan

Assistant Superintendent

Executive Director/Teaching and Learning

Gary Wilson

Executive Director of Student Services

Gary Wall

Executive Director of Human Resources

Alex Judd

Executive Director of Elementary Education

Morgan Anderson

Director of Special Programs

Jared Ferguson

Director of Career Technology Education

Devyn Dayley

Director of Accounting

Chad Duncan

Director of Technology Support

Laura Larsen

Director of Food Services

Mark Wheeler

Director of Facilities

School Administration

Amelia Earhart

Canyon Crest

Edgemont

Franklin

Lakeview

Provo Peaks

Provost

Rock Canyon

Spring Creek

Sunset View

Timpanogos

Wasatch

Westridge

Centennial

Dixon

Independence

Provo

Timpview

Ryan McCarty

Darren Johnson

Dennis Pratt

Kim Hawkins

Drew Daniels

Geo Guzman

Dr. Steve Oliverson

Dean Nielsen

Missy Hamilton

Clint Smith

Carrie Rawlins

Rene Cunningham

Chris Sorensen

Mitch Swenson

Jarod Sites

Lani Quisenberry

Karen Brown

Dr. Michael Todd McKee

The term of office for Board members is four years, beginning on the first Monday in January following the November election.

The term of office for the Superintendent and Business Administrator is two years.

Government Finance Officers Association



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**Provo City School District
Utah**

For its Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Provo City School District for its Popular Annual Financial Report for the fiscal year ended June 30, 2014.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Provo City School District has received a Popular Award for five consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and will be submitting it to GFOA.

To the Citizens of Provo City School District

We are pleased to present the Provo City School District's Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2015. This report is designed to make the financial operations of our school district more understandable for general use.

This PAFR, for the fiscal year ended June 30, 2015, contains a brief summary and explanation of the District's general operating fund revenues and expenditures as well as other relevant financial trends and legislation that will impact the District. This selected information is taken from financial statements contained in the District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015, and includes both government-wide and governmental fund data. Individuals who wish to review GAAP basis, full disclosure financial statements should refer to the District's CAFR, which can be viewed at <http://provo.edu/financial-reports/>.

The PAFR should help community members understand how their tax dollars are being utilized to educate our students. Our goal is to insure that you have the best, most easily understandable financial information available and to increase your confidence in the manner our District is operated. Questions and comments are welcome and may be directed to the Business Office at 801-374-4800.

Respectfully,

A handwritten signature in black ink, appearing to read 'K. C. Rittel', with a stylized flourish at the end.

Keith C. Rittel
Superintendent of Schools

District Profile

Provo City School District was officially organized in 1898. Provo City School District is one of 41 public school districts in Utah, and the District serves approximately 16,600 students.

The major purpose of the district is to provide public education to students who reside in Provo City which is located in the central portion of Utah County, Utah.

To accomplish this purpose, the District operates two traditional high schools, an alternative high school, two middle schools, thirteen elementary schools, and a web based school which services all grade levels. The District continues to have a positive influence on the community by offering both traditional and proven non-traditional education to its students. These nontraditional alternatives include pre-school training for disabled students, adult high school completion, the largest selection of online courses in the state, and concurrent enrollment where students can earn high school and college credits simultaneously. Programs such as advanced placement, special education, music, career technology, multi-cultural programs, gifted and talented programs, and many other enrichment programs in all curriculum areas are offered by the District. The District has strong technical and foreign language programs in both traditional and online offerings, and is one of the few Districts in the state to offer elementary foreign languages.



Major Initiatives & Long-term Financial Planning

The District has been able to maintain a strong financial position, with healthy fund balances in all District funds. State funding increased in fiscal year 2014-15 due to an increase in enrollment related to the District's online school and an increase in the state-funded Weighted Pupil Unit (WPU). With the years of the economic downturn in the past, the District has been able to focus on the future and create a long-term plan to improve all aspects of the District—from students to teachers to families.

In fiscal year 2011, District administration and the school board, along with input from a wide array of stakeholders, created the 20/20 plan, a plan to provide long-term direction in improving education for students in the District and a plan to provide direction in the annual budgeting process. The guiding principles included in the 20/20 plan include the Pursuit of Excellence, Lifelong Learning, Individual Potential, Inclusion of All, Family Partnerships, Civic Engagement, and Literacy.

In the fiscal year 2015, the 20/20 plan was augmented by the adoption of a new District improvement plan known as the Provo Way. This improvement plan is a five-year plan built to guide the actions of instructional leaders, teachers, students, and parents to improve their contributions to successful learning for all Provo City School District students. For further information regarding the Provo Way, please visit the District web-site at www.provo.edu.

Another important part of the long-term planning in the District is the capital improvement plan, making sure that the buildings in the District are also well-equipped to provide a safe environment for students and teachers now and in the future. With the creation of the Facilities Advisory Committee a few years ago, a wide variety of District and community stakeholders created a long-term capital improvement plan. In November 2014, voters in Provo approved an issuance of \$108 million in GO bonds. These bonds will be used to replace one high school and four elementary schools, the schools most in need of replacement according to the long-term capital plan. Around half of the bonds have been issued, and construction has begun on Sunset View Elementary and Rock Canyon Elementary schools. Significant time has been spent on preparing for the Provo High School replacement. Both elementary schools are scheduled to open in the fall of 2016, following which the next two elementary schools will also be constructed.

Balancing the Budget

Effectively Managing Public Funds

District fund balances increased significantly in FY15, due to the issuance of the aforementioned bonds, from \$36,641,536 to \$90,289,673, an increase of \$53,648,136. Of that fund balance, \$5,712,495 is the unassigned portion of the General Fund—all other funds are nonspendable, restricted, committed or assigned. Utah State law allows only modest fund balances in the General Fund, but these funds allow the district some flexibility when dealing with funding fluctuations from state and federal sources, while still remaining competitive with other local school districts with technology and compensation.

Healthy fund balances and financial position also allow the District to secure future financing at favorable interest rates.

“The District places its greatest emphasis on answering to the citizens of Provo.”

Provo School District is well managed. Previous fiscal years have shown the financial pressure that the recession put on the economy, but the District continues to keep as many resources as possible in the classroom. The District budget includes aggressive goals to accomplish the 20/20 initiatives and to implement the Provo Way. The vision and strategy provided by goals set forth in the 20/20 initiative and The Provo Way creates a common focus with District administration, school board members and a wide range of community stakeholders and continues to make Provo a progressive, innovative and responsive school district.

The District has an established record of being financially transparent and well run, consistently earning national financial awards. We are emerging from the recent economic storm in a position to take advantage of opportunities to increase educational achievement, and continue to maintain a strong financial position. The District is continually committed to maintaining balanced budgets. For further information regarding the budget process, visit <http://provo.edu/financial-reports/> to review the budget book.

Utah | Utah County | Provo

The economic outlook of the District is heavily dependent on state aid, providing 67.2% of General Fund revenues. The WPU (weighted pupil unit) is provided based on student enrollment. Enrollment in fiscal year 2015 was approximately 16,600. Projected enrollment for fiscal year 2016 and 2017 is 17,525 and 17,626 respectively. The state Uniform School Fund was constitutionally established in 1938 and is used to equitably allocate funding for statewide public education programs. Since 1947, all taxes based on income have been constitutionally required to be used for public education. In 1996, voters in Utah approved a constitutional change providing that these revenues could also be used for higher education. Additionally, a statewide property tax rate is levied to finance the Uniform School Fund and is applied against the taxable value of real and personal property.

Key Indicator:

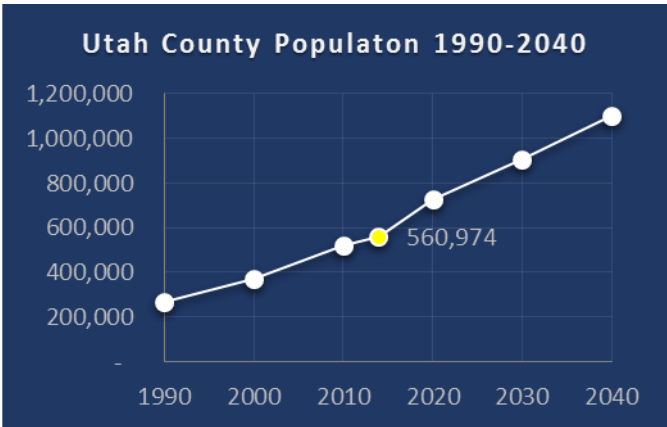
Utah Non-Agricultural Employment up 4.5% in 2015 compared to 2014

Utah’s non-agricultural employment increased an estimated 4.5% or 59,200 jobs, between June 2014 and June 2015. Nationally, employment increased 2.1% from June 2014 and June 2015.

Utah’s unemployment rate was 3.5%, remaining unchanged from June 2014. The national unemployment rate was 5.3% in June 2015, lower than the June 2014 rate of 6.1%.

Provo City is the county seat of Utah County, which has seen explosive growth in recent years. In 2000, the US Census Bureau counted Utah County’s population at 371,894. The US Census estimated Utah County’s population grew to 560,974 by the end of 2014. Utah County’s population is projected to grow to 728,000 in 2020, 907,000 in 2030, and 1.1 million in 2040.

Utah will continue to experience population growth at a rate higher than most states in 2015 on account of strong natural increase in addition to in-migration. Natural increase (births less deaths) is anticipated to add 39,000 people to Utah’s population. Net in-migration slowed significantly during the recession years, but still remains slightly positive. In addition, the percentage of Provo residents enrolled in Provo School District trends relatively constant, with an increase in fiscal year 2015 and an increase in fiscal year 2016 due to higher enrollment in Provo School District’s E-School, as more parents are looking for alternative forums for educating for their students. Subsequent fiscal years show enrollment projections remaining relatively flat.



Notes to Accompany Financial Statements

Readers of the Financial Activity Statement should keep in mind that the numbers are from the District's 2015 Comprehensive Annual Financial Report (CAFR), but are presented in a non-GAAP format. The CAFR contains all of the audited financial statements and disclosures and is prepared in conformance with generally accepted accounting principles (GAAP). To conform to GAAP, the CAFR must include the District's component units and the presentation of individual funds, as well as full disclosures of all material events, financial and non-financial.

The PAFR is not audited and does not include a presentation of individual funds; therefore, it is not intended to present a complete financial picture according to GAAP.

To obtain a complete financial picture of Provo City School District, please view our CAFR by visiting our website at <http://provo.edu/financial-reports>.

The following financial information for Governmental Funds includes the General Fund, Debt Service Fund, Capital Projects Fund, Municipal Building Authority Fund, Student Activities Fund, Food Services Fund, and the Building Reserve Fund.

The District's governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period.



Description of District Funds

The District's budget is divided into eight funds. A fund is essentially a segregation of accounting and financial resources, each with cash and other assets, liabilities, and equity/ residual balance. The District follows the fund guidelines as established by Generally Accepted Accounting Principals (GAAP).

Each fund is used to account for a specific type of activity. The General Operating (or just "General") fund is the largest. Following is a brief description of each fund:

General Fund (Major Fund)

This fund is the chief operating fund of the District. It is used to account for all financial resources of the school district except those required to be accounted for in another fund. By law, the District may have only one general fund.

Capital Projects Fund (Major Fund)

This fund is used to account for resources and payments for the acquisition of capital facilities and equipment.

Debt Service Fund (Major Fund)

This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Tax Increment Fund

This is a governmental fund used to account for tax revenue that the District has committed to redevelopment projects within Provo City. Taxes are disbursed by Utah County directly to the Provo City Redevelopment Agency, so the transactions in this fund are for informational purposes. This is a new fund in fiscal year 2015 and required by the Utah State Auditor for reporting purposes.

Student Activities Fund

This special revenue fund accounts for activities at the school-level, including sports, clubs, and instruction-related programs.

Non K-12 Fund

This special revenue fund is used to account for activities not related to regular, K-12 operations. Adult education and pre-school are examples of programs that operate in this fund.

Food Services Fund

This is a governmental fund used to account for revenues and expenses related to school food services.

Building Reserve Fund

This special reserve fund is authorized by Utah state law to be used to accumulate funds to meet capital outlay costs.

The District's budget is divided into eight funds. A fund is essentially a segregation of accounting and financial resources.

Expenditure Functions Used by the District

One of the most useful ways to understand how the District spends the public's money is to identify expenditures by functions. Below is a description of the expenditure functions used by the District.

Instruction

This function includes those activities dealing directly with the instruction of students. If expenditures can be clearly and directly traced to instruction of students they are labeled as instructional. Teachers salaries and benefits, substitute teacher costs and supplies intended for the classroom are examples of instructional costs.

Student Support Services

This function covers those activities related to promoting and improving school attendance and counseling. The costs necessary to manage and provide health and nursing services are included in this function. Salaries and benefits of certified and education support personnel are covered by this function, as are supplies, services, and equipment required to cover these activities.

Instructional Support Services

This function encompasses activities related to directing, managing, and supervising instructional programs in the District. It includes areas such as media and curriculum. Costs associated with this function include school media center and curriculum staff salaries and benefits, supplies and materials, equipment, and purchased services.

General Administration Support Services

This function covers the costs associated with the overall administration of the District. It includes the Board of Education, the Superintendent, and other District-level directorships. Costs include salaries and benefits, and supplies, services and equipment necessary to support District-wide management.

School Administration Support Services

This function covers those expenditures that go toward directing, managing, and supervising a school. Examples include the principal and clerical positions. Supplies, equipment and professional services that assist these positions are also included in this function.

Business Support Services

This function supports those activities that support other administrative and instructional functions, including fiscal services, human resources, planning, and administrative information technology.

School Food Services

This function encompasses the activities associated with providing meals and snacks to children. It includes directing and managing food services, preparing and serving food, operating and maintaining kitchen equipment, the purchase of food and supplies, and warehousing and transporting food to schools.

Operation and Maintenance Services

This function covers costs and activities associated with the maintenance and operation of physical buildings and grounds. Custodial and maintenance position salaries and benefits, along with supplies and equipment are typical costs associated with this function.

Student Transportation Services

This function covers the costs of providing management and operation services for regular bus routes used to transport children to and from school and on field trips, and associated salaries, benefits, supplies, and equipment.

Other Support Services

This function covers essential support positions at the District-wide level, including salaries and benefits of technology and information technology personnel. Supplies, equipment and services associated with these positions are also included in this function.

Community Services

This function covers community services typically outside of regular, K-12 education. Examples include adult education, pre-school, and community agency partners. Costs include salaries and benefits of staff members, and the associated supplies and materials required by those positions.

Facilities and Construction

This function includes costs associated with the acquisition, remodel, and construction of buildings. Capital improvement costs, including materials, salaries and benefits, are included in this function. Also included are material and contract costs associated with bond construction.

Debt Service

This function covers bond, principal, interest, and paying agent costs and fees.

Revenue Classifications

The District's revenues can be broadly classified as coming from three sources: local, state and federal. The largest revenue source is the State of Utah, followed by local revenue, which includes property taxes, and federal revenue, made up of several grants of various sizes.

Fact:

Property Taxes are the second largest component of the District's funding. Only the amount necessary to meet District goals and objectives is assessed to taxpayers.

Financial Activity Statement

For the Period Ending June 30, 2015 (with 2014 comparative numbers)

The Financial Activity Statement, known in accounting terms as the “Income Statement,” provides a summary of the resources (revenues) and services (expenses) of the District. Other financing sources and uses are not included on this statement. Data on pages 12-13 differ from data on pages 14-15 in that General Fund only is presented, which is the District’s main operating fund. Data on pages 12-13 includes all funds of the District.

Revenues	2014-15	2013-14	% Change
Property Taxes	\$ 34,716,507	\$ 32,444,766	6.54%
Other Local Sources	8,147,173	9,604,553	-17.9%
State of Utah	71,360,702	61,612,174	13.7%
Federal government	14,668,527	16,253,024	-10.8%
Total Revenues	\$ 128,892,909	\$ 119,914,517	7.0%

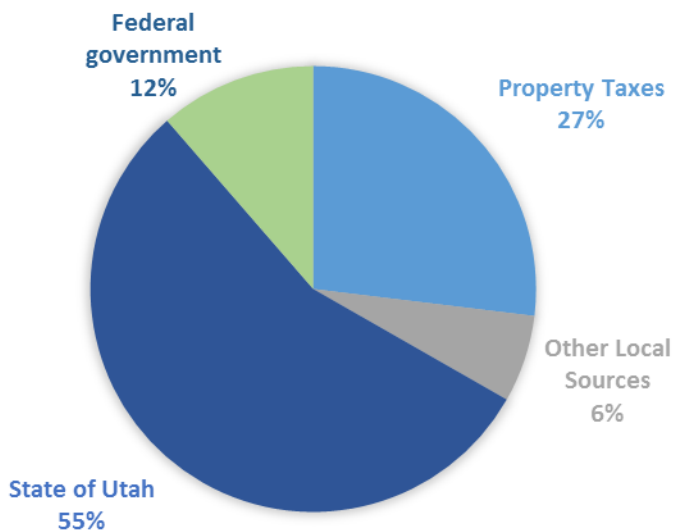
Expenditures	2014-15	2013-14	% Change
Instruction	\$ 77,992,377	\$ 71,503,205	8.3%
Supporting Services:			
Students	4,103,008	3,804,067	7.3%
Instructional Staff	1,277,995	1,405,164	-10.0%
District Administration	2,220,421	1,595,972	28.1%
School Administration	5,650,292	5,429,688	3.9%
Business	5,814,250	4,984,781	14.3%
Operation and Maintenance of Buildings	6,251,578	5,781,259	7.5%
Student Transportation	1,986,869	2,005,641	-0.9%
Other	-	21,617	*
School Food Services	5,336,945	5,686,209	-6.5%
Non K-12 Programs	3,565,614	5,543,167	-55.5%
Capital Outlay	7,506,058	5,904,104	21.3%
Debt Service:			
Bond Principal	5,667,993	5,427,727	4.2%
Bond Interest and Fees	1,354,260	1,492,509	-10.2%
Total Expenditures	\$ 128,727,660	\$ 120,585,110	6.3%

* State Office of Education requested that the “Other” function not be used after fiscal year 2013. Expenditures were reclassified based on guidance from the state guidelines on functions.

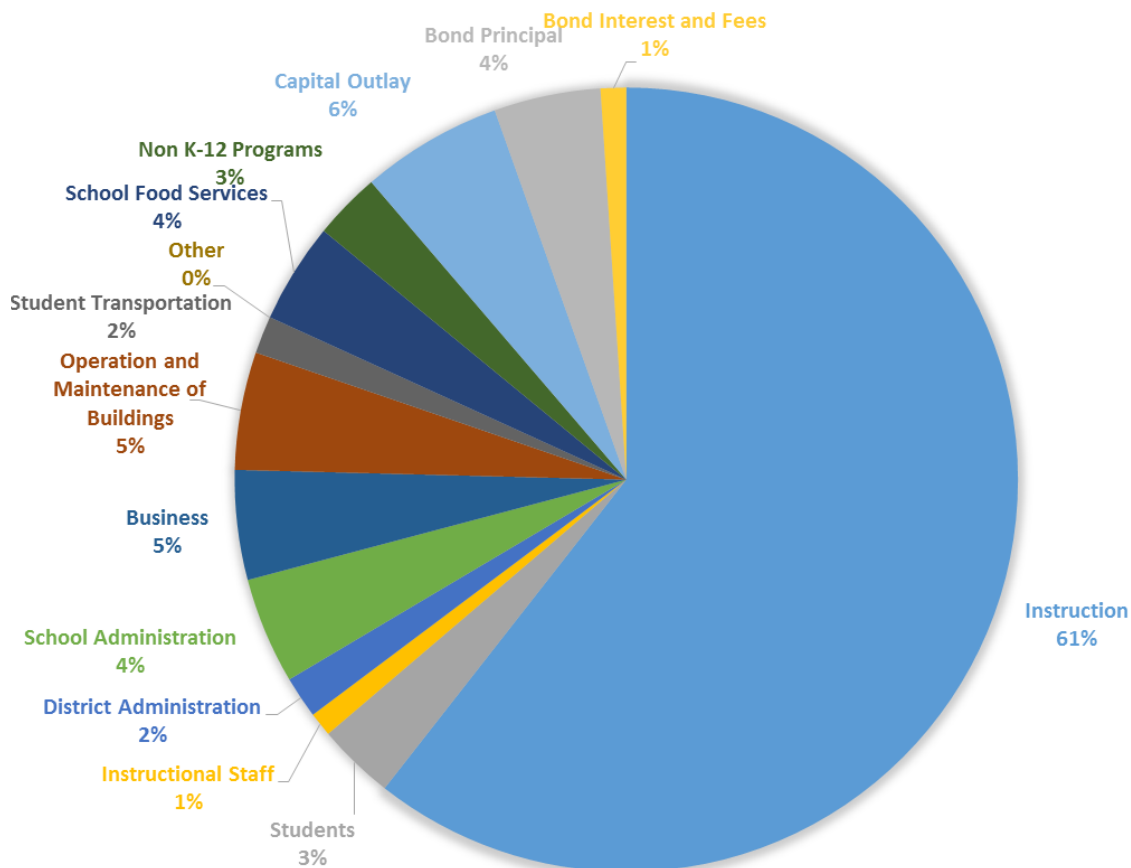
DISCLOSURE: Readers of the Financial Activity Statement should keep in mind that the statement is presented on a non-GAAP basis, and those desiring to review GAAP basis reports should refer to the District’s CAFR for the year ended June 30, 2015.

14/15 Summary of Funding & Uses

Revenue & Resources



Expenditures & Services



Total Revenues: **\$104.8 million**
 Up **\$8.4 million** from 2013-14
 % Change from 2013-14: **8.7%**

+8.7%

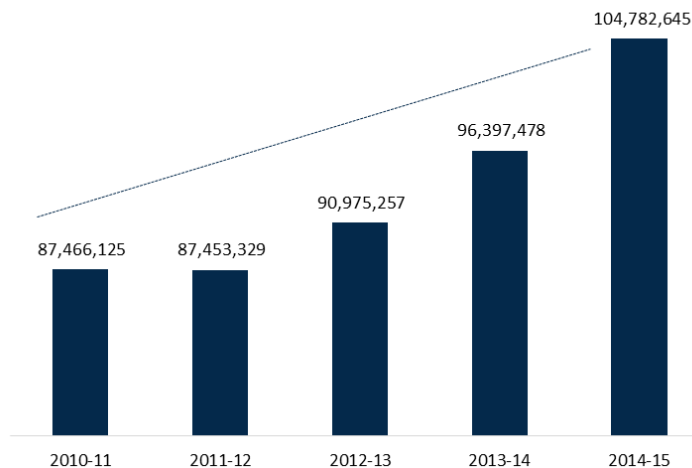
The Weighted Pupil Unit (WPU), the primary funding mechanism used by the State of Utah to allocate funds to schools, was \$2,972 for 2014-15, a 2.5% increase from 2013-14.

FY 2014-15 General Fund Revenue by Source

- 19.9%** of revenues provided by Property Taxes
- 18.3%** increase in State revenues over 2013-14
- 11.7%** decrease in federal revenues over 2013-14

Property Taxes	\$ 20,808,558
Interest	235,293
Other Local Sources	2,754,986
State of Utah	70,389,904
Federal Government	10,593,904
Total General Fund Revenues	\$ 104,782,645

Five-year Revenue Comparison



Fiscal year 2016 shows a sizeable increase in General Fund revenue. Increases over the last few years have been common after several years of flat revenue.

Expenditure Trends & Analysis

General Fund

2014-15 Total Expenditures: \$102.8 million

Increase from 2013-14: \$8.4 million

Percentage change: 8.9%

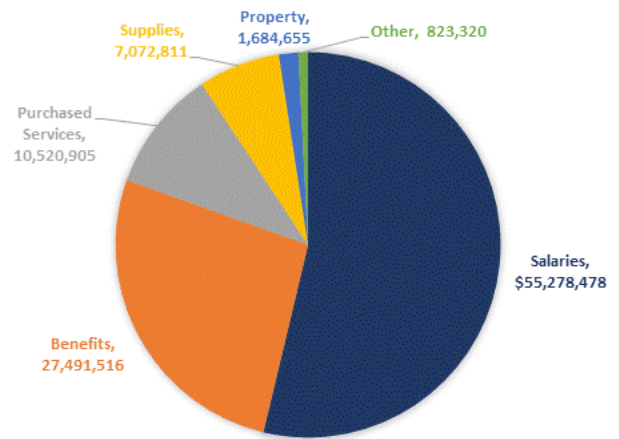
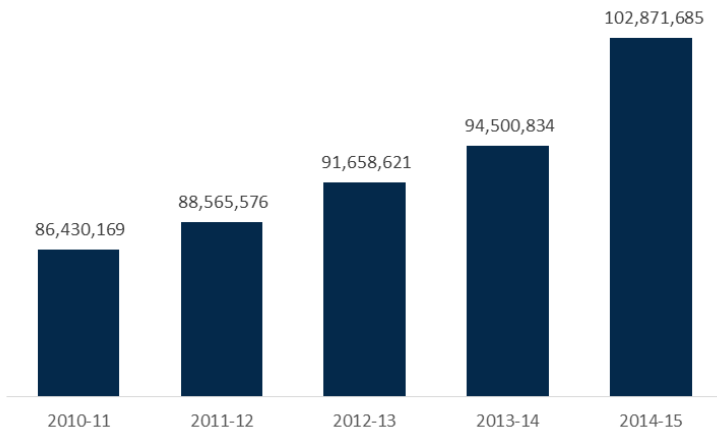
- Salaries increased by 5.7%
- Benefits increased by 5.8%
- Purchased Services increased by 41.3%, primarily due to enrollment growth in Provo's eSchool
- Property increased significantly due to the Provo Way goal to increase access to technology in classrooms

FY2014-15 General Fund Expenditures by Classification

Salaries	\$ 55,278,478
Benefits	27,491,516
Purchased Services	10,520,905
Supplies	7,072,811
Property	1,684,655
Other	823,320
Total General Fund Expenditures	\$ 102,871,685

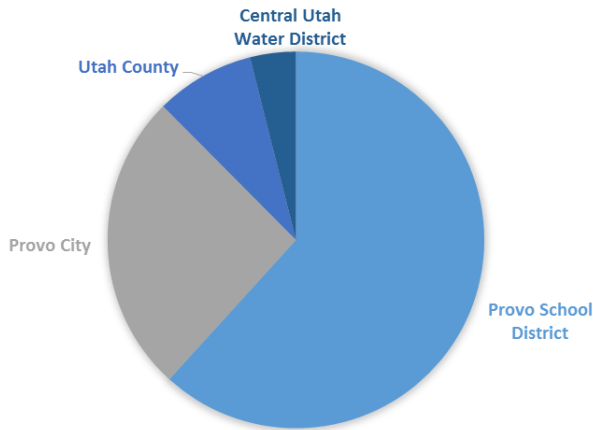
+8.9%

Five-Year Expenditure Comparison



(General Fund Only)

Where a Dollar of Your Property Tax Goes



This chart represents the percentage of where each dollar of property tax goes for Provo City residents. These percentages are based on the 2014 rates.

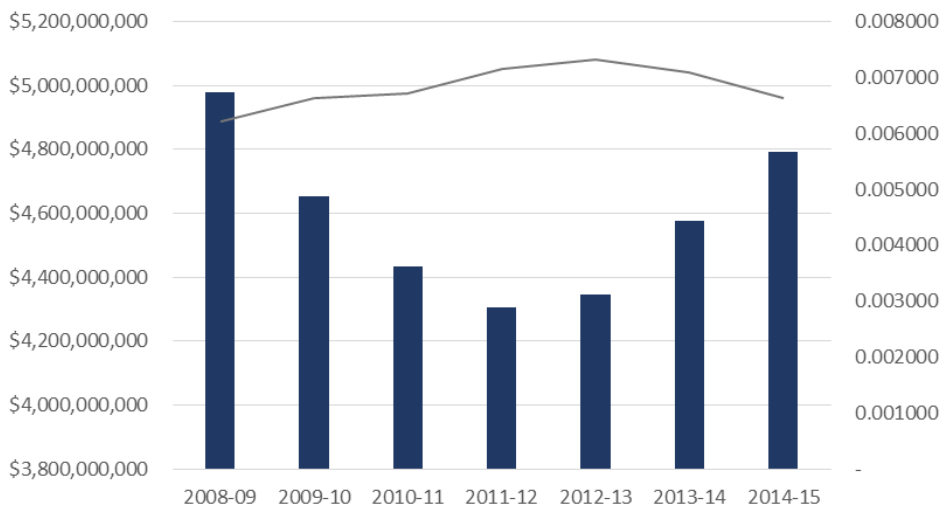
Tax Base & Rate Trends

Assessed Valuation is combined value for all properties in Provo City

(valuation for Provo City is still recovering from the past recession, which has impacted the District's budget)

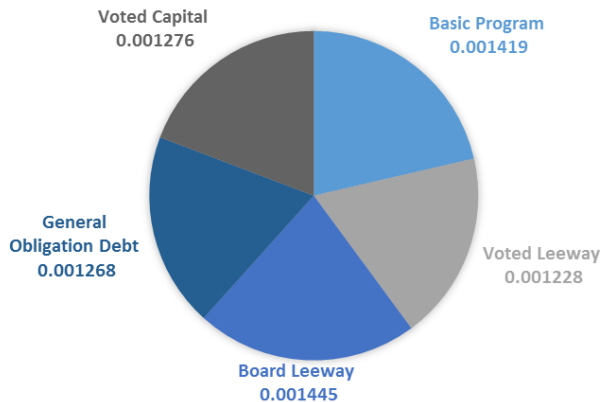
Year	Assessed Valuation	District Tax Rate
2008-09	\$ 4,977,309,060	0.006214
2009-10	\$ 4,653,441,873	0.006639
2010-11	\$ 4,435,552,148	0.006706
2011-12	\$ 4,306,864,257	0.007153
2012-13	\$ 4,344,956,950	0.007319
2013-14	\$ 4,578,254,647	0.007094
2014-15	\$ 4,790,839,169	0.006636

Provo City Assessed Valuation & Provo School District Tax Rate



Property Tax/Debt Service

District Property Tax Distribution by Levy 2014-15



Property taxes consist of revenue from five different taxes that a school board may levy. The overall tax rate is the sum of the rates that the District levies.

2014-15 overall tax rate: .006636

$$\begin{array}{r}
 \text{Property tax rate} \\
 \times \\
 \text{Home assessed value} \\
 \times \\
 55\% =
 \end{array}$$

Total Property Taxes paid to Provo School District

Changes in District Debt Level As of June 30, 2015

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds payable:					
General obligation bonds	\$ 35,006,000	\$ 73,405,000	\$ (26,456,000)	\$ 81,955,000	\$ 6,905,000
Lease revenue bonds	5,542,000	-	(460,000)	5,082,000	460,000
Deferred amounts for issuance premium/discount	158,237	2,382,005	(158,237)	2,382,005	-
Total general obligation bonds payable, net	40,706,237	75,787,005	(27,074,237)	89,419,005	7,365,000
Other long-term liabilities:					
Notes payable	236,954	-	(19,259)	217,695	19,732
Obligations under capital leases	41,266	-	(7,734)	33,532	7,985
Vacation payable	506,744	176,156	(74,988)	607,912	121,582
Total governmental activity long-term liabilities	\$ 41,491,201	\$ 75,963,161	\$ (27,176,218)	\$ 90,278,144	\$ 7,514,299

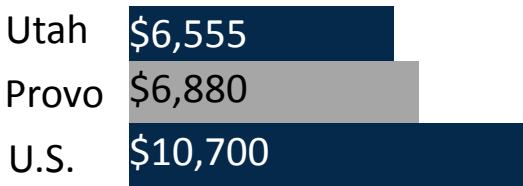
Student Achievement & Per Pupil Spending

Student achievement plays a critical role in the development of the District’s budget each year. The first official step to meet goals and objectives for the coming year is the development of short-term budget initiatives. These initiatives are designed to meet short-term, pressing needs, and are always heavily influenced by student achievement goals.

One thing is certain—funding education is always going to be a challenge. The District continually strives to prioritize its goals and objectives with a focus on student achievement to maximize effectiveness and get the most out of every tax dollar.

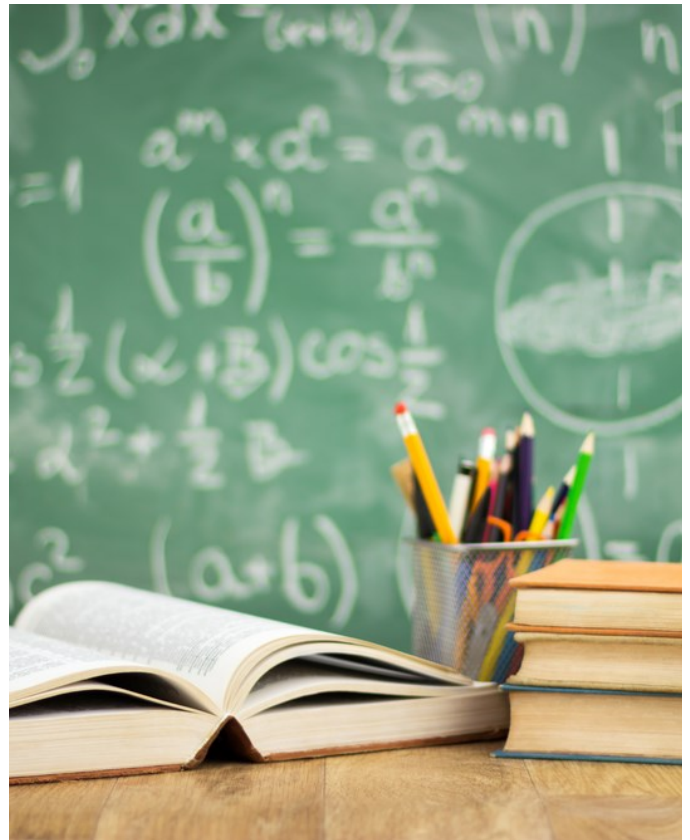
FY2014-15 Provo School District Per Pupil Spending: \$6,880
(Excluding debt service and long-term capital projects)

Per Pupil Spending Comparison*



Provo School District Mission:

In partnership with parents and community, we cultivate highly effective learning environments where all students engage, think, and learn in order to contribute, create and innovate for a lifetime.



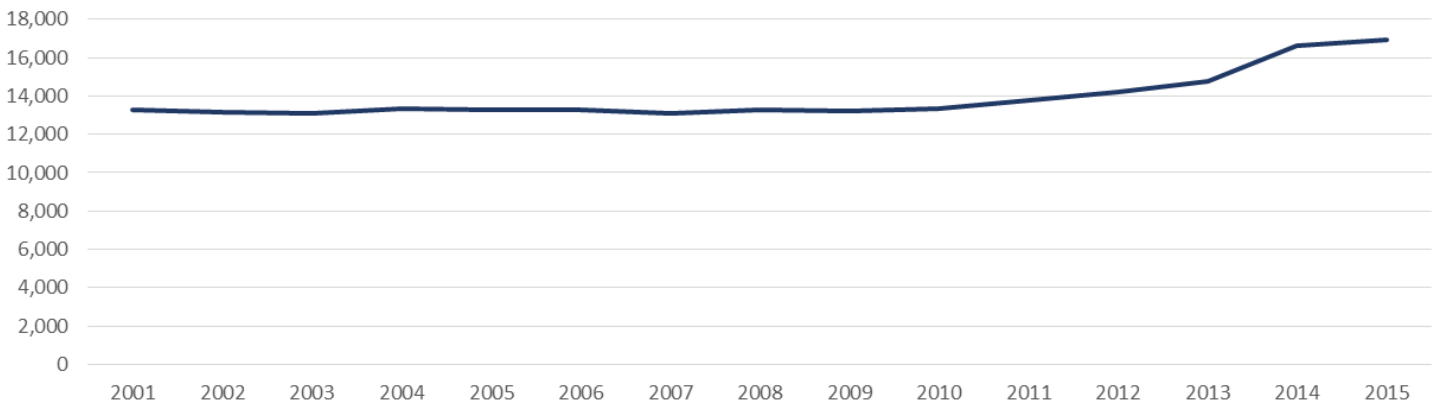
*It can be misleading to compare Provo City School District’s per pupil spending to other districts in Utah and in the U.S.. A lack of recent comparable data and varying methods of computing expenditures can distort figures and make comparisons confusing and inaccurate. The important thing to keep in mind is that in general, Provo City School District spends more per student than the average district in Utah, but less per pupil than the average district nationwide.

Fall Enrollment

Over the next several years, the school-age population in Utah is expected to grow dramatically. Historically, Provo's enrollment has been expected to remain flat, and the enrollment for FY 2015 experienced a large increase, due to the enrollment in Provo's eSchool, as more students from neighboring school districts are enrolling in Provo's eSchool, finding more options and flexibility in their students' education. The fall enrollment numbers for FY 2015-16 show that Provo School District has shown a 2.2% growth in enrollment.

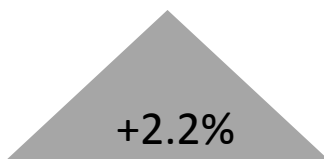
Traditional enrollment will continue to remain flat as there is little available land in Provo, while neighboring school districts have much more available land to develop. This problem is compounded by the fact that Provo is a one-city, urban school district, and new growth in the state in recent years has typically been centered in suburban areas on the periphery of major cities.

Provo School District Fall Enrollment Oct. 2001-Oct. 2015



District Enrollment Compared to Other Utah School Districts

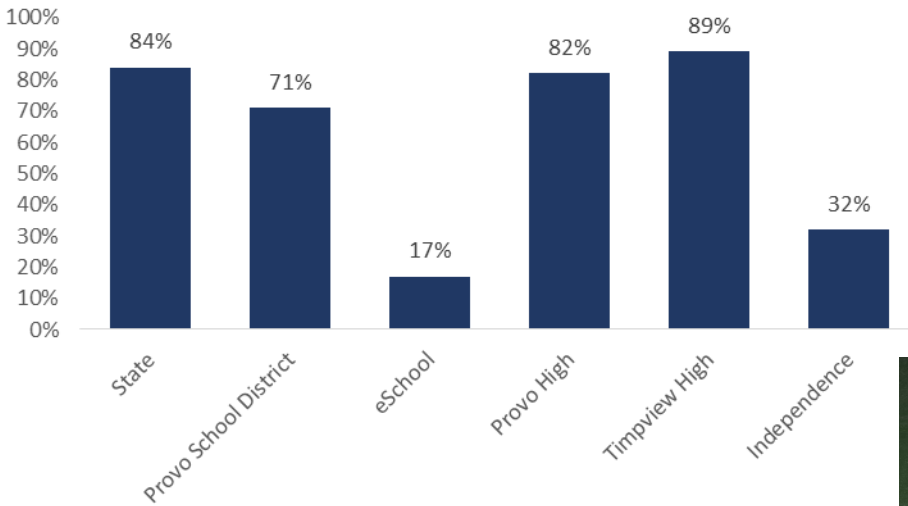
Source: Utah State Office of Education



Provo School District
Enrollment Growth

District	Oct. 2014	Oct. 2015	% Change
Alpine	73,570	75,307	2.4%
Davis	69,139	69,879	1.1%
Granite	67,660	67,822	0.2%
Jordan	51,806	52,324	1.0%
Canyons	33,676	33,899	0.7%
Nebo	31,393	31,895	1.6%
Weber	31,188	31,184	0.0%
Washington	27,118	28,167	3.9%
Salt Lake	23,615	23,600	-0.1%
Provo	16,600	16,968	2.2%
Cache	16,457	16,976	3.2%
Statewide	621,704	633,896	2.0%

Graduation Rates

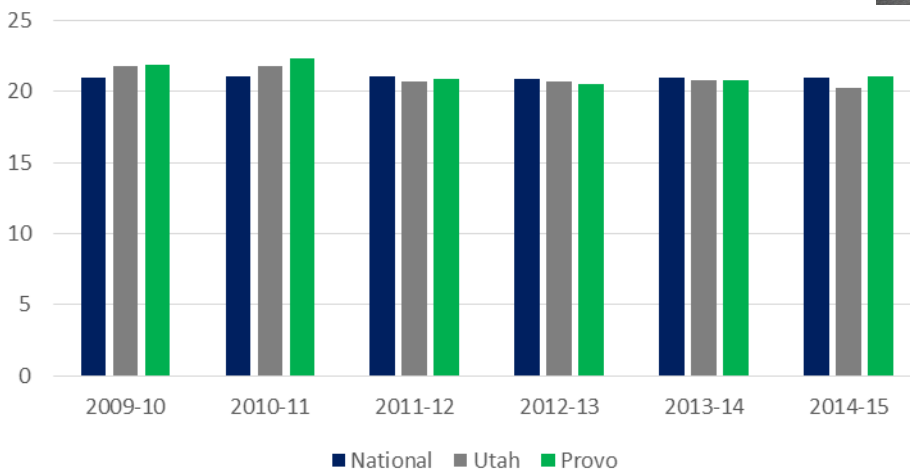


Independence High School is an alternative high school for students who are behind in credits. Graduation rates at Independence increased by 9% over last year. This is the first year that any statistics have been kept on Provo's eSchool.



Composite ACT Score Comparison

ACT Test/Average Score



Average scores for the ACT are starting to inch back up after a decrease over a few years. Better preparing students for educational opportunities is one of the goals of the Provo Way.

Student Achievement

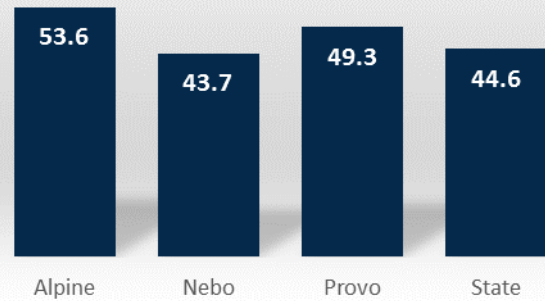
Each year, students at Provo School District are tested on proficiency in Language Arts, Science and Mathematics. In previous years, these tests, known as the CRT tests, were used to test proficiency. In the 2013-14 school year, a new computer adaptive test, called SAGE, was instituted state-wide to measure students' and schools' proficiency. These tests are used to measure how schools and districts are meeting state-wide goals for academic excellence. SAGE (Student Assessment for Growth and Excellence) results for the 2014-15 school year show that Provo School District is above the state average in all areas. The graphs to the right also show the comparison of Provo School District to surrounding area school districts.

Five Title I elementary schools in Provo School District were named "High Performing" schools by the Utah State Office of Education. This distinction is made based on SAGE test results over a two-year period.

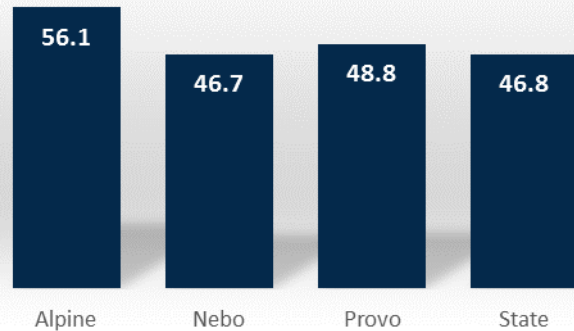
Advanced Placement Tests:

Provo School District students are taking more Advanced Placement Tests than ever before—an increase of 81% increase since 2005. In 2014-15 there was an increase of 8.7% over the previous year in the amount of tests taken and a 21% increase in the amount of tests passed.

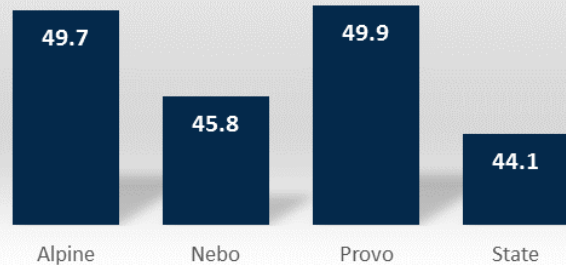
SAGE Results - Mathematics



SAGE Results - Science

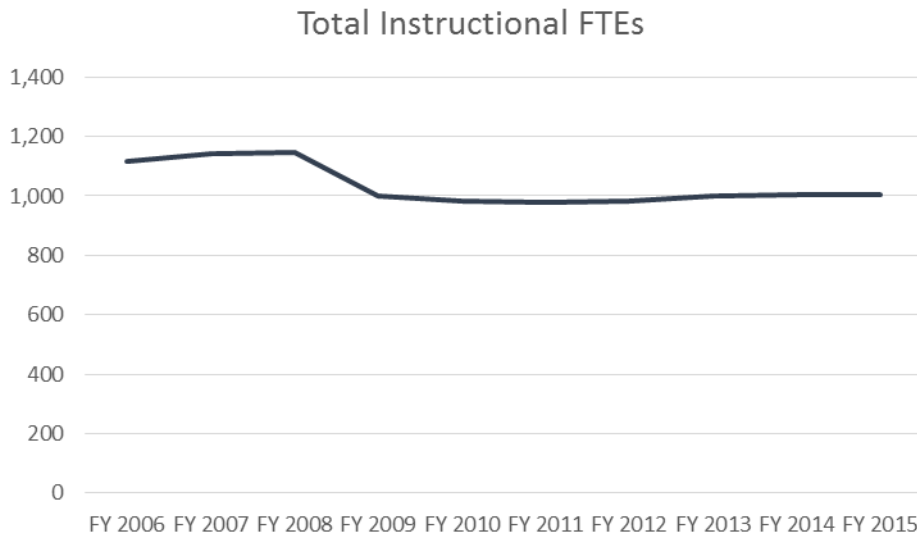


SAGE Results - Language Arts

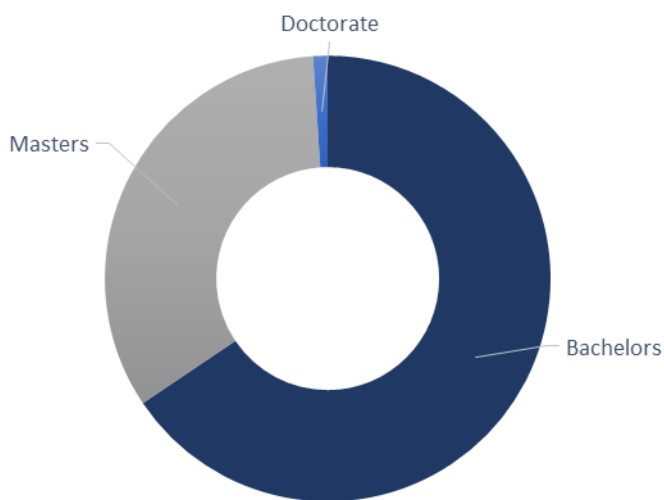


	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Total candidates	400	400	404	408	438	448	570	569	556	652	764
Total exams taken	622	623	601	690	706	689	918	948	974	1038	1128
Total exams passed	479	468	418	480	322	318	379	422	665	622	753
Provo average passed	77%	75%	70%	70%	72%	65%	65%	69%	68%	60%	67%

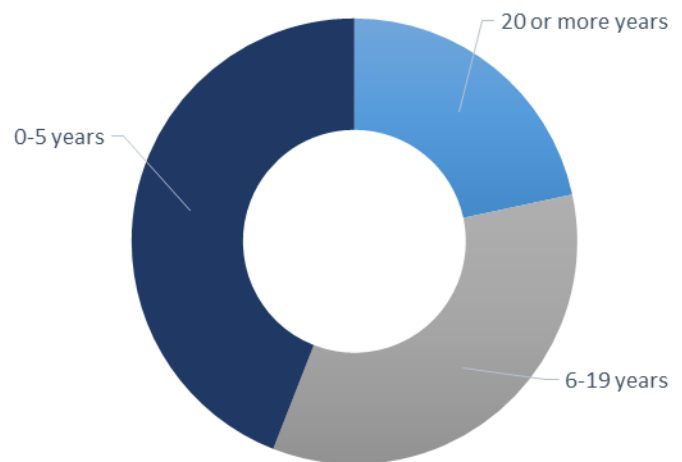
Provo School District Instructional FTEs 2006-2015



Provo School District Teachers by Education Level



Provo School District Teachers by Years of Experience



District Goals

The District's FY 2015 District-wide goals, listed below, support the long-term goals established by the District. The FY 2015 goals by department support the FY 2015 District-wide goals. The development of the FY 2015 and FY 2016 budget began with reviewing District-wide short-term goals (often referred to as initiatives). In fact, goals and objectives are initially determined by the Board and staff—with ongoing help from the public—long before funding is even discussed.

Although it's unrealistic to ignore available funding while setting goals, objectives and priorities, the concept of focusing first on goals helps to avoid the problem of spending money that isn't aligned with the vision and mission of the District.



- ➔ **Goal 1: Continuous Academic Improvement and Transparency**
- ➔ **Goal 2: Support for Teachers and Teaching Aligned with Research, Best Practices, and Teacher-Identified Needs**
- ➔ **Goal 3: Improved Certainty and Stability in the Direction of the District**
- ➔ **Goal 4: Financial Prioritization, Long-Term Planning and Transparency**
- ➔ **Goal 5: Teamwork, Professional Conduct, and Civility**