

CARTWRIGHT POPULAR ANNUAL REPORT

FOR THE FISCAL YEAR ENDED 2015



Cartwright School District

WELCOME TO CARTWRIGHT SCHOOL DISTRICT!

The Popular Annual Financial Report is a reflection of our efforts to keep you informed of the District's financial operations and what we are achieving with our financial resources. Within this report you will find an analysis of where the District's financial resources come from and where the dollars are spent in a format that is easy to understand.

The financial information within this report is derived in large part from the District's independently audited financial statements of our 2015 Comprehensive Annual Financial Report (CAFR), which is prepared in conformance with GAAP (Generally Accepted Accounting Principles). To conform with GAAP, the CAFR must include certain detailed financial information as well as full disclosure of all material events, both financial and nonfinancial. Information in this report includes statistical data derived from the Arizona Auditor General's reports and the Arizona Department of Education Annual Financial Report.

This report is not an audited document and does not include all details of the audit report; rather, this report is intended to increase awareness of the financial operations of the District. As such, this report is written in a manner that will summarize the financial data in a user-friendly manner. For more in-depth financial information, the District's CAFR is available online at www.csd83.org.

This report will help our citizens understand how their tax dollars are being utilized to educate our students, which in turn benefits our entire community with maintenance and improvements to our social and economic structure for the future of our community. Our goal is to ensure 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 District Office at 623-691-4000.

Sincerely,

Dr. Jacob A. Chávez
Superintendent

Zeek Ojeh, CPA, MBA
Assistant Superintendent
for Financial & Auxiliary Services

Report Overview

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ACADEMIC OVERVIEW

Student Achievement

Preparing all students to be college and career ready is the focus of the Cartwright School District. While we are proud of our "B" grade from the Arizona Department of Education, it was based on the former state assessment, AIMS. The state has adopted a new assessment, AzMERIT, in the spring of 2015 that is based on the college and career ready standards. The new summative assessment is based on higher standards that increase the academic rigor expected from our students. Professional development to support teachers with the implementation of the new standards is a priority.

To address these new standards, Cartwright teachers and administrators have embarked on a journey to implement a guaranteed and viable curriculum for every school in our district. Collectively, teacher leaders from every school and the district office have deconstructed grade level standards and created common formative assessments that are administered in the classrooms to ensure teaching and learning is rigorous across the district.

Response to Intervention/ Multi-Tiered Systems Approach

Cartwright School District's primary focus is improving student achievement. The District understands that First Best Instruction is crucial to student academic success. Every school has instructional coaches and new teacher mentors which have positively impacted student test scores. Mathematics and reading interventionists are staffed at each school site to further support student achievement goals by differentiating instruction to meet individual student needs. Computer-based software is also utilized to further differentiate instructional support for our students.



Professional Learning Communities

The Professional Learning Communities' model has taken several years to implement and is now systemically operational throughout the District. The result of the district-wide collaboration is apparent in the continuous academic improvement over the course of several years. Cartwright School District is proud to be a Professional Learning Community.

Our mission at the Cartwright School District is to ensure high levels of academic achievement for all with a focus on learning tailored to the individual needs of all students.



Cartwright Elementary 2015 AIMS Web Statistics

Kindergarten	Pre-Reading Skills	72%
1st Grade	Pre-Reading Skills	69%
1st-3rd Grade	Reading Curriculum	41%
3rd-8th Grade	Reading Benchmarks	30%
2nd-8th Grade	Math Computation	51%

Cartwright has been providing educational excellence for 132 years!

Facts and Figures

Number of Schools/Students:

Low Income Students:93%

Limited English Proficient:16.7%

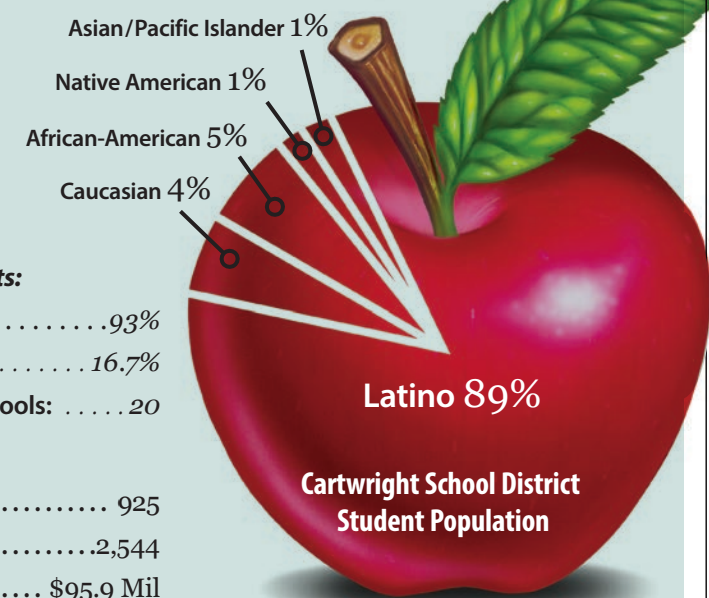
Number of Elementary Schools:20

Enrollment Trends:

Number of Teachers..... 925

Number of Employees2,544

2015 Operating Budget \$95.9 Mil



CARTWRIGHT PROGRAMS

Early Childhood Education

A strong foundation and interest in education is critical to developing high-performing students. Cartwright School District offers an engaging first learning experience for children who are experiencing delays in their development by partnering with the City of Phoenix’s Head Start program.

School Safety

Cartwright School District believes it can play a pivotal role in reducing and preventing violence, which directly affects the performance of our students in the school setting and in the community. We have partnered our efforts in reducing incidents through the School Safety Program, which is a state-funded grant that places School Resource Officers (SROs) in eight of our schools to contribute to a safe school environment. School Safety Program officers provide students and staff with Law-Related Education (LRE) instruction and training. The goal of LRE is to prepare students for responsible citizenship by promoting the development of those characteristics that lead to healthy behavior.

Academy for Success

Cartwright Academy for Success (AFS) ensures the most behaviorally challenged students in the district receive the appropriate support in order to transition back to a regular school setting. The Promotion Education Emotional Adjustment and Responsibility (PEER) is one of the leadership and supervising programs utilized to provide a structured learning environment. The AFS program is a day program providing an alternative educational setting for students in lieu of long-term suspension or off campus placements.

College and Career Readiness, STEM and Coding

All eighth grade students in Cartwright schools are engaged in STEM through a partnership with West-MEC; while all 2nd grade students participate in the beginning phases of the Engineering Design Experience. New to our students is the opportunity to learn coding! Cartwright schools are committed to college and career readiness and STEM education. College and career ready coordinators serve all eighth grade students. The coordinators plan student and parent field experiences based on the future goals of individual students. We encourage and motivate all students to dream big, plan now, and go achieve their college and career goals.

Community Relations and Engagement

The Communications and Community Engagement team handles all external communications, internal communications, marketing and advertising throughout the district, as well as plans all district wide community engagement events. This department handles all media inquiries pertaining to the Cartwright School District as well as crisis communications and social media posts. The team also writes and edits the bi-weekly internal newsletter, “Spotlight on the News,” and creates, writes and edits the “Cartwright Connection,” our external newsletter that is mailed to parents and students. The Communications and Community Engagement team also organizes key district, school and community engagement events that benefit all stakeholders. By telling the Cartwright stories to our audience, we believe we will make strides in building up the image of our school district and increase interest and outreach in what the district has to offer children.

Family Welcome Center

Cartwright Family Welcome Center provides numerous resources to the diverse needs of our community. The YOU program, Your Child’s First Teacher Program, trains and empowers parents to support academic achievement. Parent Liaisons provide professional development and ensure parents are being provided with relevant classes, information and trainings at each school site. The McKinney-Vento program provides parents the tools to support academic success for all students, in addition to providing non-perishable food.

Staff and School Honors

- Dawn Gunn:**
2014 Master Science Teacher
National Education Association Award
- Jennifer Ramirez:**
2014 Finalist, ELL Teacher of the Year
AZ Department of Education
- Karen Hurley:**
2015 Arizona ELL Teacher of the Year
- Carrie Garrison & Leah Jaynes:**
2014 National Board of Certified Teachers
- Lisa Day & Carrie Hall:**
2015 Semi-Finalists,
Rodell Exemplary Teachers
- Amanda Atteln:**
Teacher of the Month,
McGraw-Hill Book Company
- Desert Sands Middle School:**
2015 First Place, Science, Future Problem Solvers of America – Regional Competition
- Malia Blumke, Dana Silva, Windy Mariscal & Elizabeth Pagan:**
2015 National Board of Certified Teachers
- Aracely Rojas, 4th Grade Student, Spitalny Elementary School:**
1st Place, 2015 Holiday Art Design
- Jocelyn Ocegueda, 7th Grade Student, Cartwright Elementary School:**
2015 Winner of the Phoenix Suns/Southwest Airlines: “Freedom Art/Essay contest”



FINANCIAL HIGHLIGHTS - DISTRICT BUDGETS

Understanding Arizona School Funding

School district budgets can be very complex. A budget is not just a document full of numbers prepared by the business office; rather it is a working tool central to the successful operation of a school district. Budgeting represents an opportunity to plan a district’s mission, improve operations and achieve the district’s educational objectives.

Arizona school districts receive funding based on a formula defined by state statute, designed to help ensure that all children in the state receive an equitable educational experience. The formula applies a rate to the number of enrolled students and then adds amounts for

transportation, district additional assistance (capital) and Classroom Site Fund.

The portion of the budget that accounts for most of the day-to-day spending is referred to as the Maintenance and Operations (M&O) Fund. Comparable to most school districts, nearly 90% of this fund is spent on salaries and benefits.

In November 2014, the voters in Cartwright Elementary School District No. 83 approved a 15% Budget Override to maintain full day kindergarten; retain teaching staff to maintain functional class sizes; provide for the increased cost of school supplies and supplemental materials; and provide for additional instructional materials targeted to promote increased student achievement.

Capital Improvements

In November, 2010, the voters in Cartwright Elementary School District No. 83 approved a bond issue of \$27,820,000 for facility improvements and bus fleet enhancements. School sites that received bond funded projects included: Sunset, Holiday Park, Cartwright and Heatherbrae schools. Several sites have received HVAC replacements and replacement school buses were purchased. The projects funded by these bonds have all been completed.

Dollars spent in the Cartwright Elementary School District

Supplies - 4%
Professional and Other Services - 17%
Employer Paid Payroll Taxes and Benefits - 21%
Salaries - 68%



Source: 2015 adopted budget – M&O Fund only



FINANCIAL HIGHLIGHTS CONTINUED



the budget year begins. The M&O Budget limit is based on a number of formulas heavily dependent upon the Average Daily Membership (ADM). School districts are funded on prior year ADM with an adjustment for current year student growth. ADM means the average enrollment of fractional students and full-time students, minus withdrawals.

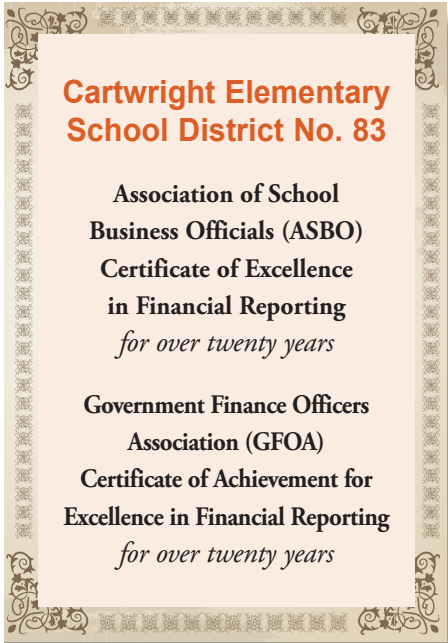
Financial Report Card

The Arizona Auditor General’s Office assesses multiple district-level measures that impact resources and financial management practices to determine financial stress for each school district. In 2014, Cartwright School District received a score of low level financial stress. This is attributed to prudent managing of resources, ensuring budgets are not overspent, and maintaining one to three years of capital resources.

In 2015, Cartwright School District spends 56.2% of each dollar on instruction and has received a low financial stress level by the auditor general’s office in 2014.

General Fund

The Maintenance & Operations (M&O) Fund budget is where most of the day- to-day expenditures take place. Typical budgeted expenditures include: salaries, employee benefits, supplies, utilities, maintenance and repair, and miscellaneous expenditures not of a capital nature. Although the format and formula computation of the M&O Fund is very structured, the process of determining how the monies will be spent varies among school districts. At Cartwright School District, the budgeting process starts months before

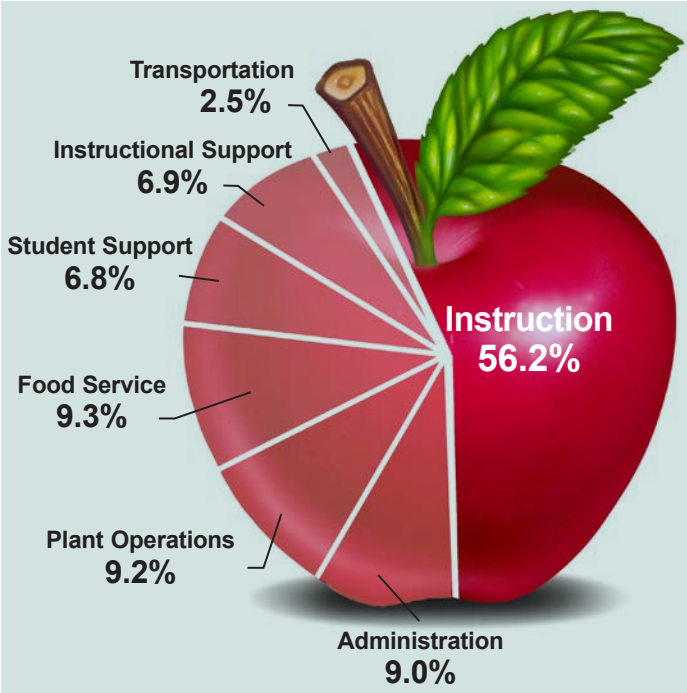


Where The Money Goes

The Arizona Auditor General’s Office issues a report each year that compares individual school districts to state and national spending levels as well as spending trends in instruction and six nonclassroom categories. Below is a summary of the general operating fund, capital projects fund, and grants funds expenditures for the fiscal year ending June 30, 2015.

How the money was spent

- Instruction:** salaries, payroll taxes and benefits for teachers and instructional aides, classroom supplies
- Administration:** expenses associated with the superintendent’s office, principal’s office, business office, human resources and administrative technology
- Plant Operations:** utilities, equipment repair, groundskeeping, security
- Food Service:** costs of preparing and serving student meals
- Transportation:** costs of transporting to and from school and school activities
- Student Support:** salaries, payroll taxes and benefits of counselors, speech pathologists, nurses, attendance staff and social workers
- Instructional Support:** expenses associated with school libraries, teacher training, curriculum development and instructional technology



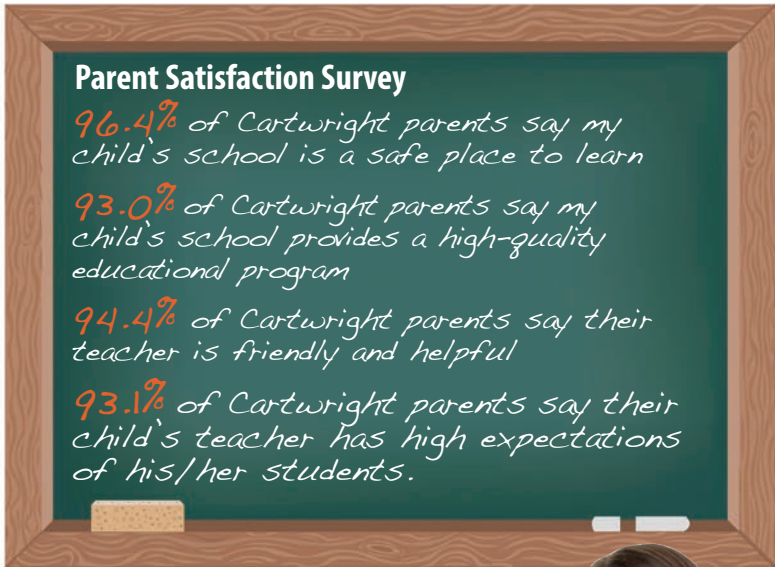
FINANCIAL HIGHLIGHTS CONTINUED

Capital Funds

There are multiple Capital funds within a school district budget. Like the M&O Fund, the Capital funding formula is dependent upon the ADM.

The Unrestricted Capital Outlay section of the budget accounts for budgeted expenditures for acquisitions by purchase, lease purchase, lease or long-term lease of capital items, which include the following areas:

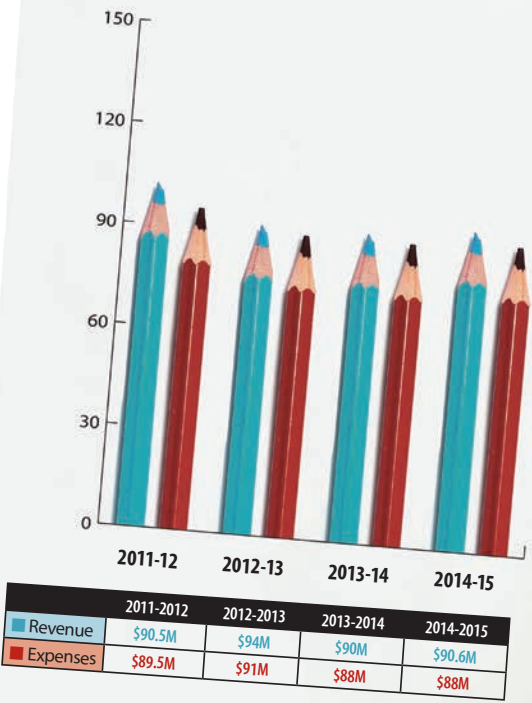
- 1.) Land, buildings, and improvements to land and buildings, including labor and related benefits costs and materials if the work is performed by school district employees.
- 2.) Furniture, furnishings, athletic equipment and other equipment, including software.
- 3.) Pupil and non-pupil transportation vehicles and equipment, including all capital expenditures within a contract, if the district contracts for pupil transportation.
- 4.) Instructional aids, including instructional software.
- 5.) Library books.



Parent Satisfaction Survey

- 96.4% of Cartwright parents say my child’s school is a safe place to learn
- 93.0% of Cartwright parents say my child’s school provides a high-quality educational program
- 94.4% of Cartwright parents say their teacher is friendly and helpful
- 93.1% of Cartwright parents say their child’s teacher has high expectations of his/her students.

Total General Fund Revenue vs Expenditures



Funding for the Future

The Cartwright School District is currently in year 1 of a 7 year 15% M&O Override that was approved by our voters in November 2014. The 15% M&O Override is used as follows:

- Maintain full day kindergarten
- Retain teaching staff to maintain functional class sizes

- Provide for the increased cost of school supplies and supplemental materials
 - Provide for additional instructional materials targeted to promote increased student achievement.
- The District has a current Bond Authorization from November 2010 for \$27.8M.



INVESTING IN OUR CHILDREN

Goals on the Horizon

Our priority is to provide the highest quality education with the belief that all children can learn and we ensure that by adapting instructional programs to meet the needs of each student. The District goals focus on student achievement, parent and community involvement and prioritizing District resources.

The District goals are:

To increase student achievement

To provide exceptional customer service

To provide opportunities for innovation

Partnerships

The Cartwright School District promotes the development of strong partnerships with the home. By working together, parents and schools are able to promote the academic, social and emotional growth of students. We recognize that a student's education is a responsibility shared by the school, family, and community.

Connect

Cartwright Elementary
School District No. 83
District Office
5220 West Indian School Road
Phoenix, AZ 85031
www.csd83.org



"While we try to teach our children all about life, our children teach us what life is all about."

~ Angela Schwindt

GOVERNING BOARD

The five elected members of Cartwright School District's Governing Board play a critical role in the formulation and approval of policies which guide the operations of the District. Each member of the Governing Board is elected to serve a four-year term. Governing Board members are unpaid elected volunteers. The Board serves as the policy-making body of the District and also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls. We thank our Governing Board members for their countless hours of support and dedication to ensuring Cartwright schools are the best in the state.

Governing Board Members

*Pedro Lopez, President
term expires December 2016*

*John Gomez, Vice President
term expires December 2018*

*Rosa Cantu, Member
term expires December 2016*

*Lydia Hernandez, Member
term expires December 2018*

*Marissa Hernandez, Member
term expires December 2016*