

Tammy Lehmen, Coordinator, School Finance

*David Tramel, Coordinator
School Financial and Administrative Services*

Debra Clink, Student Transportation Manager



School Finance & Governance Topics

March 2021



- Residency
- Budget Projections
- PK Funding
- Calendar Requirements
- Inclement Weather
- 1% PDC Spending Requirement
- Quarterly Financial Reporting
- CARES Act Funding



Residency

Establishing Residency

- Student must reside in the district to be claimed for state aid
- A district's regular employee's children can be considered resident students and can be claimed for state aid.
- Foster Care or Homeless students can attend their original district or the one in which they now reside.

Residency Checklist

- Rental contract
- Real estate contract signed by all parties
- Utilities bill/deposit receipt
- Other (payroll check, driver's license, W-4, employment documents)
- Required if parent or legal guardian's residency is questioned



**FY 2021 and FY 2022
Budget Projections**

FY 2021 and FY 2022 Budget Projections

- Basic Formula
- Classroom Trust Fund
- Prop C
- Small Schools Grant
- Transportation

Computes average daily attendance as defined in subdivision (2) of section 163.011 as modified by section 171.031. Whenever there has existed within the district an infectious disease, contagion, epidemic, plague or similar condition whereby the school attendance is substantially reduced for an extended period in any school year, the apportionment of school funds and all other distribution of school moneys shall be made on the basis of the school year next preceding the year in which such condition existed.

What does this mean?

- In FY 2022 DESE will use the higher of the FY 2021 or FY 2020:
 - ❑ ADA for Classroom Trust Fund
 - ❑ WADA for Prop C
 - ❑ WADA for Small Schools Grant



Budget Estimates for FY 2021

FY 2021 Basic Formula

Month	Proration Percentage
July 2020	54.83%
August 2020	77.46%
September 2020	83.06%
October 2020	87.74%
November 2020	90.07%
December 2020	91.73%
January 2021	93.00%
February 2021	93.91%
March 2021	96.93%
June 2021 (Projected)	100% (SAT=\$6,375)

FY 2021 Classroom Trust Fund



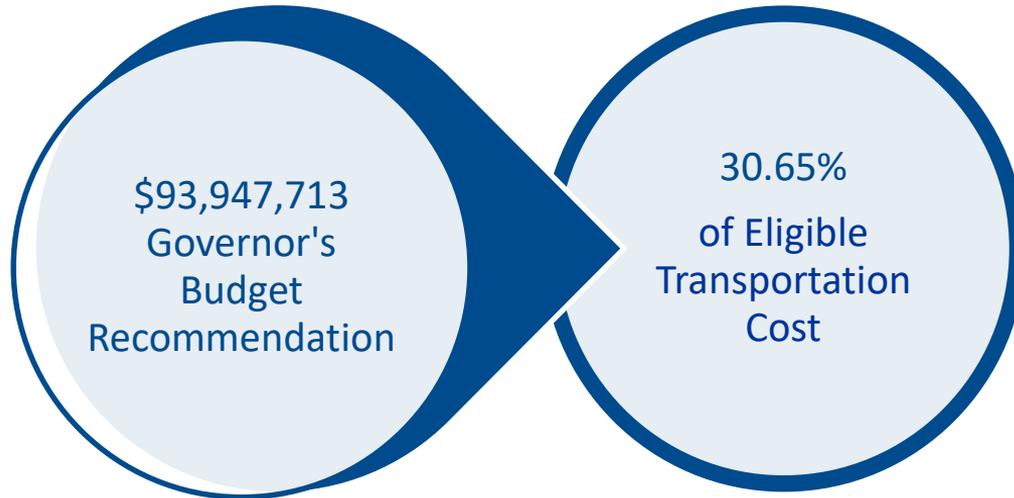
- ❑ March FY 2021 payment year-to-date \$294 per ADA compared to the prior year at \$305 per ADA
- ❑ Current forecasted end-of-year range of \$370-\$390

FY 2021 Prop C



- ❑ March FY 2021 payment year-to-date \$782.62 per WADA compared to the prior year at \$756.81 per WADA
- ❑ Current forecasted end-of-year range of \$1,025-\$1,048 per WADA

Transportation is paid on the prior year's ASBR data.





Budget Estimates FY 2022

- Full funding of the Foundation Formula
- Level funding for Transportation
- Level funding for Prop. C (revenue dependent)
- Level funding for Small Schools Grant
- Full funding of ECSE
- Level funding for PAT

SAT, DVM and Threshold Percentages

State Adequacy Target (SAT) = \$6,375

Dollar Value Modifier (DVM) for can be viewed at

<http://dese.mo.gov/financial-admin-services/school-finance/data-reports>

Threshold Percentages

	FY 2021 & FY 2022	FY 2023 & FY 2024
Free & Reduced-Price Lunch	29.45%	TBA
Special Education (IEP)	12.83%	TBA
Limited English Proficiency (LEP)	2.07%	TBA

Prior Year Correction

Statute dictates that a recalculation of the prior year payment calculations will be performed.

- Typically calculated in November and May.

Fiscal Years	FWADA Change	SAT Change/Proration Change
2016	3,695.8726	-24.4427
2017	3,310.4344	-22.2549
2018	2,982.8180	-23.0599
2019	2,626.9990	-16.9302
2020	4,175.0870	-.440564%

As of the November 2020 Payment

Classroom Trust Fund is one funding source of Basic Formula.

- Be careful not to double budget



FY 2022 Classroom Trust Fund



*ADA and WADA amounts are estimated as the impact of COVID-19 and applying 163.021.4, RSMo, to the payment are unknown.

The state can only distribute funds actually collected

- Appropriated level may not be reached



FY 2022 Prop C



*ADA and WADA amounts are estimated as the impact of COVID-19 and applying 163.021.4, RSMo, to the payment are unknown.

The state can only distribute funds actually collected (may or may not reach the appropriated level).

Small Schools Grant

To qualify for the Small Schools Grant, district's prior year ADA must be = or < 350

- **\$10M** distributed equal amount per ADA to districts with prior year ADA \leq 350
- **\$5M** will be distributed to districts with tax rates \geq \$3.43 on a tax-rate-weighted ADA basis

FY 2022 Small Schools Grant

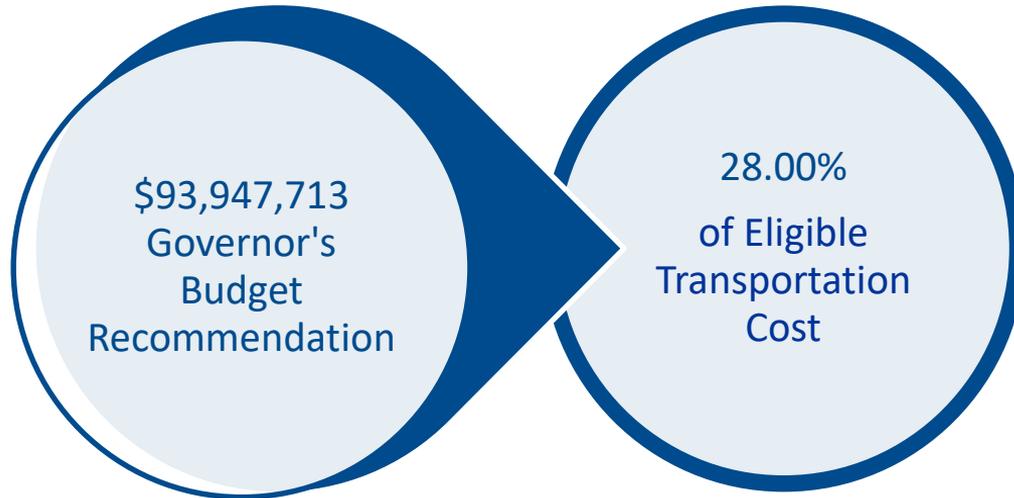


*ADA and WADA amounts are estimated as the impact of COVID-19 and applying 163.021.4, RSMo, to the payment are unknown.

\$5,000,000 portion

- ❑ Paid on tax rate weighted ADA
- ❑ Uses current tax rate (General & Teachers Fund)
 - Levy since 2009 greater than or equal to \$3.43 and now fell held at \$3.43
- ❑ \$141.2500 per tax rate weighted ADA as of the February FY 2021 Payment

Transportation is paid on the prior year's ASBR data.



Allowable transportation cost is 75% of eligible cost.

- Line 50 of the District Summary Transportation Report
- Line 52 Adjusted for Appropriation Available.

Exact funding level is unknown until DESE's budget is passed.

Finance Topics & Procedures

<http://dese.mo.gov/financial-admin-services/school-finance/finance-topics-procedures>

School Finance Memos

<http://dese.mo.gov/financial-admin-services/school-finance/school-finance-memos>

The State Auditor's Office Tax Rate Calculation

<https://auditor.mo.gov/property-tax-calculators>

Proposition C Rollback Calculation & Estimate of Required Local Taxes

<http://dese.mo.gov/financial-admin-services/school-finance/calculation-tools>



**Prekindergarten Students Claimed for
State Aid**

All districts and charter schools have the ability to claim a limited number of prekindergarten students for state aid.

- Must be between the ages of 3 and 5 as of August 1
- Must qualify for Free and Reduced Lunch (direct certification list or application proving income eligibility)
- Total claimed shall not exceed 4% of total number of pupils between the age 5 to 18 pupils who qualify for Free and Reduced Lunch.

- The student cannot be served in an ECSE program.
 - Student can receive ECSE supplemental services such as speech therapy.
- The student's parents must not be charged tuition.
- If the PK student is served in Title I preschool, Title will apply the State Aid received against the cost of instruction and only allow Title I to pay for the remaining instructional cost.

- PK program must have a calendar of no less than 1,044 hours plus 36 planned weather make-up hours (522 plus 36 for half day programs).
- Teachers must be paid minimum salary.
- More information can be found on the School Finance, Finance Topics and Procedure website.

<https://dese.mo.gov/financial-admin-services/school-finance/finance-topics-procedures>

PK Students Claimed for State Aid

More information can be found on the School Finance, Finance Topics and Procedure website:

<https://dese.mo.gov/financial-admin-services/school-finance/finance-topics-procedures>





Calendar Requirements

Calendar Requirements 171.031, RSMo.

Note: August 23
is the earliest start
date in 2021.

Minimum
requirement of
1,044 hours

Plan minimum of 36
weather make-up
hours

No longer
a minimum and
maximum day length

No longer requires a
minimum number of
days

- Alternative method of instruction (AMI) hours can only be used on the day school was closed due to an exceptional or emergency circumstance.
 - Exceptional or emergency circumstances shall include, but not be limited to, inclement weather, a utility outage, or an outbreak of a contagious disease.
- To use AMI the district has to have an approved AMI plan.
- The district shall notify students and parents on each day of the closure whether the alternative methods of instruction plan is to be implemented for that day.

- AMI are hours of instruction.
 - ❑ They are not weather hours.
- There is no allowance to provide remote learning for inclement weather days beyond the 36 allowed AMI hours.
 - ❑ AMI-X is for FY 2021 and only for a COVID-19 related reason.

- Claimed for classes in which students completed the prescribed lessons in the time frame and manner that was approved within the AMI plan.
- For students who do not complete the lessons in the timeframe and manner approved within the AMI plan must be marked absent.

- Must attend no less than 1,044 unless forgiven by weather.
 - Make-up the first 36 inclement weather hours and half the number of additional lost or cancelled hours up to 48, resulting in no more than 60 total make-up hours required by the statute.
- Do not fall below 1,044 (or 522 for half day programs) unless the LEA has documented making up the first 36 weather hours and half the additional hours up to 48.
 - AMI is not considered weather make-up hours.

- Document AMI hours.
- Document weather hours.
- Document the hours that were made-up for weather hours.

This will help the LEA fill out Core Data Screen 10 and document calendar compliance.

Calendar Reminder

Increasing the hours-in-sessions does not increase ADA.





1% PDC Spending Requirement

1% PDC Expenditure Requirements

FY 2018-19 through FY 2023-24

- Normally required to spend 1% of formula monies on PDC.
- If Transportation State Aid falls below 25% of allowable costs (currently at 19%)
 - ❑ Board can vote to place less than 1% of the district's formula monies into the professional development committee (PDC) budget.
 - ❑ Cannot place less than one-half of one percent of the formula monies into PDC budget.
- Must spend **no less** than 75%.
 - ❑ remaining amount must be restricted and carried forward.

This provision does apply to FY 2021, unless waived.

Quarterly Financial Reporting

- Districts and charter schools must post a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursements for the current calendar or fiscal year on the district or school website or other form of social media.
 - ❑ This information could be provided by posting a year-to-date general ledger and monthly bills.
 - ❑ The site shall contain only information that is a public record or that is not confidential or otherwise protected from public disclosure under state or federal law.

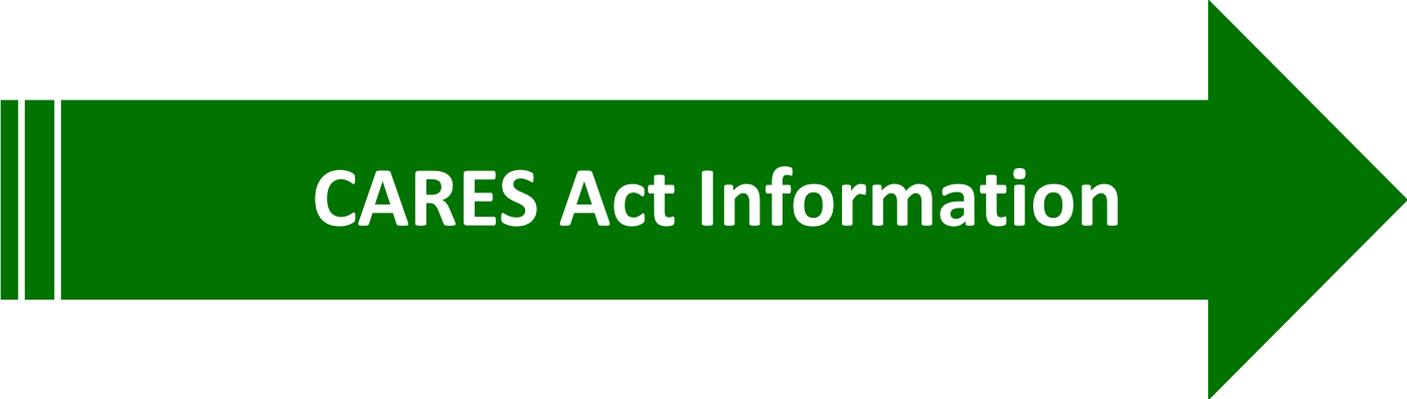
- ❑ The public school district or charter school shall, to the extent practicable, update the financial data contained on the site no less frequently than every quarter and provide the data in a structured format. The public school district or charter school shall archive the financial data, which shall remain accessible and searchable, for a minimum of ten years.
- ❑ Nothing in this section shall direct or require a school district or charter school to post online any personal information relating to payroll including, but not limited to, payroll deductions, payroll contributions, or any other information that is confidential or otherwise protected from public disclosure under state or federal law.
- DESE shall create a template for voluntary use by school districts needing assistance with the online posting of the information.

Template of what must be included (per RSMo 160.066) is as follows:

Income
Report generated from the financial accounting software detailing actual year-to-date income.
Expenditures
Report generated from the financial accounting software detailing actual year-to-date expenditures.
Disbursements
Report generated from the financial accounting software detailing the year-to-date check register.

Avoid posting confidential employee information

- Ensure that the district or charter school is not posting online any personal information relating to payroll including, but not limited to, payroll deductions, payroll contributions, or any other information that is confidential or otherwise protected from public disclosure under state or federal law.



CARES Act Information

CARES Act Information

- Specific webpage that contains information on all CARES Act funds distributed by DESE.

Welcome to dese.mo.gov. We hope you enjoy the site, and we welcome your **feedback**.

Missouri
DEPARTMENT OF ELEMENTARY & SECONDARY
EDUCATION

MO.gov Governor Parson Find an Agency Online Services Search

RSS Email YouTube Follow Us Like Us

Home About Administrators Adults & Community Educators Parents & Students School Data

DESE COVID-19 Updates || CARES Act Information



New Federal Relief Package

- ESSER II
 - ❑ \$871 million (90% to LEAs)
 - ❑ No equitable share requirement
 - ❑ Allocations & guidance posted
 - ❑ Awaiting appropriation authority
- GEER II
 - ❑ \$24 million for K-12 & Higher Education
 - ❑ \$67.5 million for non-public schools
- CRF extension (substitute certification reimbursement)

- Funds to support student transportation costs related to COVID-19 is being provided to schools through a supplemental grant.
- Allocations are based upon a proportionate share of the allowable costs used to distribute FY20 transportation formula funds.
- Equitable services is required for students at nonpublic schools as well.
- Funds must be obligated from July 1, 2020 through September 30, 2021.
- Budget and payment requests completed through ePeGs.

- DESE has assigned project codes for each specific grant under ESSER, ESSER II, GEER and CRF.
 - ❑ Must use the project code to tie expenditures to the specific pot of money the LEA received.
 - ❑ Can be used to designate the amount of revenue received for a specific grant.
- For CARES Act funds received from a source other than DESE that were used as a match for a DESE grant the district or charter should still code the Revenue Code to 5497 and the expenditures with a local project code and a Source Code of 4.
- See the FY 2021 Missouri Financial Accounting Manual for list of project codes.

Contact Us

Name & Email		Title
David Tramel	David.Tramel@dese.mo.gov	Coordinator Financial and Administrative Services
Tammy Lehmen	Tammy.Lehmen@dese.mo.gov	Coordinator, School Finance Contact for districts in counties 048 & Kansas City Charters, 055-079 & 347-347
Debra Clink	Debra.Clink@dese.mo.gov	Student Transportation Manager Contact for districts in counties 080-115 & St Louis Charters
Kara Shumate	Kara.Shumate@dese.mo.gov	School Finance Consultant Contact for districts in counties 001-047 & 049-054