

School Finance

September 2023



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Payment Calculations

Basic Formula

For districts, the pandemic provision was applied and payment was based on the current data available for Fiscal Years 2023-24, 2022-23, 2021-22, 2020-21, or 2019-2020 weighted average daily attendance (WADA). Calculation documentation can be found linked on the payment transmittal.

Charter schools are paid on the higher of the current year estimate, 1st preceding year, or 2nd preceding year.

Classroom Trust Fund

The payment was calculated using FY 2022-23 average daily attendance (ADA) data. The pandemic provision does not apply to this payment for FY 2024.

Proposition C

The payment was calculated using FY 2022-2023 WADA. The pandemic provision does not apply to this payment for FY 2024.

Transportation

The September 2023 payment was based on the FY 2022-23 June Transportation payment data. The new FY 2024 appropriation will not be used until the first live payment of the year which is scheduled to be calculated in October 2023.

Small Schools Grant

The FY 2023-24 payment will not be calculated until October.

DVM for FY 2024

The dollar value modifier (DVM) for FY 2024 may be viewed under [State Aid Payment Data](#) on the School Finance website.



[Point of Interest](#)

ASBR Data is be used in a variety of reporting. Please ensure all data in the ASBR is correct and all expenditures are coded to appropriate project codes if applicable.

State Adequacy Target (SAT) and Threshold - 2024

The SAT and related Thresholds for Fiscal Year 2022-23 and 2023-24 are as follows:

Item	Amount
State Adequacy Target	\$6,375.00
Free & Reduced Lunch Threshold	30.95%
Special Education (IEP) Threshold	13.11%
Limited English Proficiency Threshold	2.29%

State Adequacy Target (SAT) and Threshold Recalculations for FY 2025 & FY 2026

The SAT and related Thresholds for Fiscal Year 2024-25 and 2025-26 are as follows:

Item	FY 2025	FY 2026
State Adequacy Target	\$6,760	\$7,145
Free & Reduced Lunch Threshold	16.73%	16.73%
Special Education (IEP) Threshold	13.30%	13.30%
Limited English Proficiency Threshold	2.09%	2.09%

163.021.1(4), RSMo. Impact on Payments

For the Basic Formula calculation in FY 2024, DESE considers FY 2022 as impacted under this statute and will adjust Basic Formula payment calculations accordingly. District Basic Formula payments will include the greater of the FY 2020, FY 2021, FY 2022, FY 2023, or an estimate of FY 2024 WADA. This statutory provision does not apply to charter schools. Regular payment methodology will be used for the Basic Formula in FY 2025. Classroom Trust Fund, Prop C, and Small Schools Grant payments will rely on FY 2023 ADA or WADA for payment purposes in FY 2024.

Charter School Payment

A Charter School payment simulation tool is posted to the School Finance [Calculation Tools](#) Website.

The Charter Sponsor Cap is to be recalculated each year per 160.400.11 RSMo and has been calculated at \$181,470.59 for FY 2024 year.

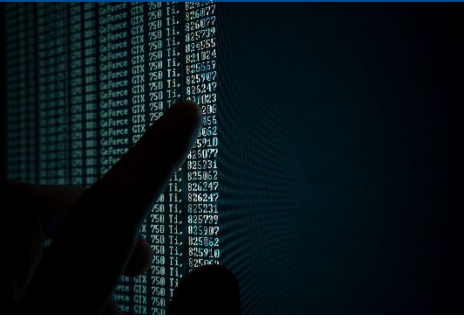
House Bill 1552 (2022) modified the charter school basic formula calculation to allow charter schools to be paid on Formula Weighted ADA (FWADA). FWADA is calculated using of the higher of the 2nd preceding, 1st preceding, or estimate of the current year WADA, less that year's summer school, plus the current year summer school.

Basic Formula Calculation Tool

The Basic Formula Calculation project tool is being updated with the new SAT and threshold information. Please check after October 1, 2023 to see if the updated tool has been posted on the [School Finance Calculation Tools](#) webpage. Please keep in mind that the Basic Formula is subject to appropriation on an annual basis.

Point of Interest

Calculation tools to help with revenue projects can be found on the [School Finance Calculation Tools](#) webpage.



Miscellaneous Finance Topics

FY 2023-24 Contact Information

Much of the notification process used for the ASBR, payments, and other correspondence is done by e-mail. In order to provide proper and timely notification, DESE must have an accurate e-mail address for the person(s) responsible for financial functions. The e-mail addresses must be reported on Core Data Screen 3 for the ASBR, Finance, and Bookkeeper contacts, as well as, Screen 4 for the Superintendent. Please check all of the information on the appropriate Core Data Screens to ensure the contact person's name, e-mail address, and phone numbers are correct.

Estimated Regular Term Average Daily Attendance (ADA)

The estimated regular term ADA for 2023-24 may be provided to your school finance contact to be entered on the Estimated ADA Screen. The LEA would report an estimated regular term ADA for the 2023-24 year only if the LEA's 2023-24 regular term ADA is expected to be greater than the 2022-23, 2021-22, 2020-21 and 2019-20 regular term ADA figures and the district wants to be paid in 2023-24 on the 2023-24 estimated number. Regular term average daily attendance includes qualified remediation attendance outside the regular school day. Refer to the [Attendance Reporting](#) guidance document for the description of qualified remediation attendance.

LEA who will be claiming eligible prekindergarten ADA for state aid should evaluate if there is a need to estimate their regular term ADA and should contact their school finance contact after school starts and enrollment is stable.

A worksheet to assist districts when estimating their ADA is available on the [Calculation Tools](#) webpage.

Claiming Prekindergarten ADA for State Aid

163.018, RSMo, now allows for all districts and charter schools to claim a small portion of their prekindergarten students for state aid if the prekindergarten students meet certain criteria. 163.018, RSMo, allows for a school district that operates an early childhood education program to receive state funding through the foundation formula for some students between the ages of three and five who are eligible for free and reduced lunch. This legislation will allow these students to be included in the average daily attendance calculation (ADA) of the district or LEA charter school. The total number of such pupils included in the ADA calculation cannot exceed 4% of the total number of resident pupils eligible for free and reduced lunch between the ages of five and eighteen as of October 1 who are included in the district's ADA calculation.

More information on this topic can be found in guidance that has been posted on the [Finance Topics & Procedures webpage](#) under PK Eligibility for State Aid.

Point of Interest

All COVID Relief Fund grant information can be found on the [DESE COVID Relief Information](#) webpage.

FY 2023 Audit Report Submission Via Tiered Monitoring System

The following guidelines are provided for the Fiscal Year 2023 Audit Submissions:

- Board approved Audits, copies of signed board minutes approving the audit, and management letters must be submitted to DESE via the Tiered Monitoring System. The documents should be in Adobe searchable pdf format, version 11.0 or lower. The file description should easily identify the document, such as audit, management letter, or signed board minutes.
- The board approved audit report must be uploaded as “Audit Documents (required fiscal audit)”. The board minutes, management letter, and any corrective action plans must be uploaded as “Audit Documents (supporting docs)” in the file upload dialog box for the 2023-24 fiscal year. The file upload box will also require adding the contact information for the auditor before the audit report can be uploaded. (Use the global document repository (uploads) link under “Utilities” on the right side of the screen to upload the documents.)
- The deadline for submitting audits is **December 31, 2023**. If the audit is not submitted by the deadline, state aid will be withheld and the LEA will receive a reduction in points on the Annual Performance Report (APR) for missing the statutory deadline.
- Copies of signed board minutes and management letters may be submitted after the December 31 deadline. These documents should include all required signatures.
- The school, not the auditor, is responsible for ensuring that the audit, board minutes, and management letter are submitted to DESE in compliance with the provisions of the audit rule. With the change of audit submission via the Tiered Monitoring System, the auditor should not have access to this system and, therefore, not be able to upload the audit documents.
- To minimize the need for subsequent audit corrections, schools are strongly encouraged to complete the following checklist prior to submitting the audit:
 - Ensure Audit is the final Board Approved Audit and does NOT say DRAFT.
 - The pages of the audit have been compared to the Table of Contents and no pages are missing or out of order. Audits with missing pages may be rejected as incomplete.
 - The audit includes the auditor’s signature and the date of the audit report. Audit reports that are not signed and dated may be considered a draft, not a final report. Draft reports will not be accepted in satisfaction of the audit requirement.
 - The ending debt balances in the audit report (reported in the financial statements and/or Notes to the Financial Statements) agree to the balances reported in Part IV, Long and Short Term Debt, of the Annual Secretary of the Board Report (ASBR). Any differences should be reconciled.
 - The audit includes the updated version of the Schedule of Selected Statistics, which is found on the School Audit webpage.
 - The data reported on the Schedule of Selected Statistics agrees to the corresponding data on the ASBR and MOSIS/Core Data. If changes to the ASBR and/or MOSIS/Core Data are needed as a result of the review, please revise and resubmit corrections as soon as possible and notify your auditor of any changes.
 - Submit/upload corrective action plans for federal and state findings in a separate document from the audit report.
 - The audit submission includes the district’s Single Audit, if applicable. There is no provision in the rule allowing the Single Audit portion of the audit to be submitted at a later date.

Point of Interest

Information regarding Attendance Hour reporting for the 2024 School Year can be found on the Attendance Reporting Guidance document located under Finance Topics & Procedures on the School Finance Webpage.

Publication of the Audit

Per 165.121, RSMo, within thirty days of the receipt of the audit report, the school board shall cause a summary of the report to be prepared which shall include, together with any other matter the board deems appropriate, the following:

A summary statement of fund balances and receipts and disbursements by major classifications of each fund and all funds;

A summary statement of the scope of the audit examination;

The auditor's opinion on the financial statements included in the audit report.

Immediately upon the completion of the summary, the school board shall cause it to be published once in a newspaper within the county in which all or a part of the district is located which has general circulation within the district or, if there is none, then the board shall cause the summary to be posted in at least five public places within the district. The publication shall contain information as to where the audit report is available for inspection and examination. The report shall be kept available for such purposes thereafter.

Submitting the Single Audit to the Federal Audit Clearinghouse

Districts/charter schools that have a Single Audit are required to submit a data collection form and reporting package to the Federal Audit Clearinghouse (FAC) at the U. S. Bureau of Census within the earlier of 30 days from the receipt of the audit report or nine months after the end of the audit period (March 31 of the subsequent fiscal year). The reporting package consists of the complete audit (financial statements and auditor's reports) and, as necessary, a summary schedule of prior audit findings and a corrective action plan for current year audit findings. Reports should be submitted to the FAC.

Districts/charter schools that expend less than \$750,000 in total federal funds are not required to send a copy of the audit report to the Federal Audit Clearinghouse.

Bonuses/Stipends/Extra-Duty Pay

Several Missouri constitutional provisions prohibit extra compensation to be paid to public employees. In addition, the Teacher Tenure Act, case law, and Opinions of the Attorney General provide that in Missouri, it is unlawful to give bonuses to public employees. When an LEA wants to compensate an employee with a stipend for extra work beyond an employee's regular contract, then the LEA must develop written documentation beforehand that indicates the extra work to be performed, the date(s) of performance, and the amount or rate to be paid to the employee. A written agreement, if established, must also be signed by a representative of the LEA and the employee to show the acceptance of the terms. If an LEA plans to pay compensation for work beyond an employee's regular contract, proper processes must be in place to document the extra work performed.

In addition, if paid with federal funds, the employee must complete time and effort documentation that supports the extra work beyond the employee's regular contract. This documentation could be a semi-annual time certification or monthly personnel activity reports.

LEAs should consult their legal counsel with any questions about these provisions.

Point of Interest

Information regarding Attendance Hour reporting for the 2024 School Year can be found on the [Attendance Reporting Guidance](#) document located under Finance Topics & Procedures on the School Finance Webpage.

Calendar

School Calendar Requirements

Missouri statute directs that each school board shall prepare annually a calendar for the school term per Section 171.031.1, RSMo. The school term shall consist of one thousand forty-four hours of actual pupil attendance, and "school day" shall mean any day in which, for any amount of time, pupils are under the guidance and direction of teachers in the teaching process. For kindergarten and prekindergarten grade levels, the board shall provide a minimum of five hundred twenty-two hours of actual pupil attendance in a term. In short:

There is an hour requirement of 1,044 hours or 522 hours in session for half-day kindergarten or prekindergarten programs claimed for state aid.

There is also a weather make-up hour requirement.

- 36 planned make-up hours are required. 18 planned make-up hours are required for half day programs.
- The LEA school cannot go below 1,044 hours in session, or 522 hours in session for half-day kindergarten or prekindergarten programs claimed for state aid, unless forgiven by weather make-up requirements. Weather make-up requirements are:

The first 36 weather hours are made up and then half the amount thereafter up to 48 hours, for a maximum of 60 total make-up hours.

COVID-19 Homebound Attendance Allowance Ending

Homebound instruction will no longer apply to COVID-19 related absences in school year 2023-2024. Please refer to the [Attendance Reporting Guidance Document](#).

September 2023 Membership Report to the Counties

Prior year's September membership data (September 2022) for the 2022-23 school year are used by the county to calculate the 2023-24 distribution of Fines, Escheats, etc., as well as the apportionment of State Assessed Railroad and Utilities Revenue. A September membership report, which lists the membership data by district within the county as submitted to DESE by each district, is accessible on the School Finance website.

Two September Membership reports are available in Core Data. One report, the September Membership Comparison Report (SAR070R), compares September membership as reported by the district for the year selected and the prior year. The other report, September Membership Report (SAR080R), displays only the data for the year selected. Please review the membership data. If reporting errors are found, update the September 2022 membership through the 2023 MOSIS October Student Core file. Remember, a change made to September membership may necessitate a corresponding change to enrollment.

Missouri Financial Accounting Manual

The most recent version of the [Missouri Financial Accounting Manual](#) can be found on the School Finance website. This document is updated throughout the year as necessary and changes can be found under Missouri Financial Accounting Updates area of the webpage.

Department Listservs

A complete list of all department Listservs can be found on the [Communications Listservs](#) webpage. To sign up for a specific listserv, select the hyperlink and follow the online instructions.

School Finance Related Webinars

A variety of [School Finance related webinars](#) can be found on the School Finance webpage. The list includes:

- Account Codes and the DESE Accounting Manual
- ASBR 101
- Basic Formula Calculation Overview
- Charter Payment Overview
- Coding Accountability for Grants

[Point of Interest](#)

Final FY 2022-23 transfer amounts have been posted on the School Finance Website under the [Data & Reports webpage](#). Final amounts will be posted after the June payment is completed.

September 2023 Membership Count - Last Wednesday in September

The last Wednesday in September (September 27, 2023) is the membership count day and the enrollment count day. In the 2024 October Cycle MOSIS Student Core submission, individual student data are used to populate Core Data Screen 16 to provide enrollment data by male/female in the appropriate categories and report the September 2023 membership data by county. The Core Data & Missouri Student Information System Reference Manual provides the definitions for September enrollment and membership. Please certify data for the October cycle screens by October 15, 2023.

Reminders regarding reporting of enrollment and membership for students attending districts outside their district of residence:

- District paid tuition – When the district of residence pays another district full tuition, the district of residence will receive the membership for the student but not the enrollment. Such students are known as Resident II students to the district of residence. The district educating the student will include the student in their MOSIS file as a non-resident with the appropriate district of residence code. This will allow the district receiving the tuition and educating the student to include the student in non-resident enrollment and will move other data, such as membership and attendance data, to the district of residence’s core data files.
- Parent paid tuition – When a parent pays tuition for a student to attend another district, the district of residence will not report the student in their MOSIS files and will not receive enrollment or membership. The district receiving the tuition from the parent and educating the student will include the student in their MOSIS file as a parent tuition student. This will allow the district receiving the tuition and educating the student to include the student in non-resident enrollment and move certain data to the district’s core data files.
- Local effort – When a district pays local effort only (as opposed to full tuition) to another district for a student attending that district, the district paying the local effort will not report the student in their MOSIS files and will not receive enrollment or membership. The district receiving the local effort payment and educating the student reports the student in their MOSIS file as a resident student. This will allow all appropriate data to flow into the district’s core data files.
- Students Taking Virtual Courses – When a district has students taking Virtual Courses per Sections [161.670](#) and/or [162.1250](#), RSMo, they can be counted in attendance one of the ten preceding school days as long as the student is actively engaged in the learning process.

Changing Depository Banks

LEAs changing banks or bank accounts must first be registered in the State of Missouri procurement system MissouriBUYS. All banking changes will then be completed in MissouriBUYS. MissouriBUYS located at <https://MissouriBUYS.mo.gov>. Reminder: when depositories are changed, Office of Administration staff will need to confirm the change with the LEA before approval. No payments will be made until approval is complete. Prompt replies to Office of Administration communication is necessary to ensure minimal delay occurs with payment. Payments may be held until the banking information is 100% verified and the ACH set up process is complete. If you have issues in using MissouriBUYS, please contact the MissouriBUYS team in the Office of Administration, Division of Accounting, at 573-751-2971 or MissouriBUYS@mo.gov.

Point of Interest

A complete list of DESE Listservs can be found on the [Communications Listservs](#) webpage.

Tax Rates

The district should have received the 2023 State Auditor's Office forms for computing the 2023 tax rate ceiling for operations and the debt service maximum levy. The forms should be completed as soon as possible and forwarded through the appropriate channels. Establishing the tax rate ceiling is fundamental in determining the actual adjusted tax levy and the placement of the levy by fund. A tax rate calculator is available on [the State Auditor's](#) web page.

District Tax Reduction Worksheet (more commonly referred to as the Prop C Rollback Worksheet) is available on the web under [Calculation Tools](#). For those districts completing the Prop C Rollback Worksheet, data for Line 1b (if applicable) may be found on the Proposition C Compliance letter, which was made available in May. Districts who received voter approval for a full waiver of the Proposition C Rollback do not need to complete the Prop C Rollback Worksheet.

The data for Line 2a of the Prop C Rollback Worksheet and the data for Line 14 of the State Auditor's Office tax rate ceiling form can be found on the Proposition C Compliance letter, which was made available in May within Web Applications, or on the School Finance website under [Calculation Tools](#) and select Estimated State Assessed Revenues.

To access the Proposition C Compliance letter, go to the [DESE Web Applications](#) and follow the steps listed:

1. Log in to Web Applications with your userid and password
2. Select "Prop C Compliance" on the page titled user applications
3. Select "District Letter" on the left hand navigational menu
4. Select "Prop C Letter" on the next page

Estimate of Required Local Taxes Form

The Estimate of Required Local Taxes form is available in an Excel file version for districts to enter the appropriate tax rate information and print to send to the county clerk in each county(ies) in which the district is located/has assessed valuation). This Excel file is available at [Calculation Tools](#).

The form details out the unadjusted and adjusted levy by fund, as well as any prop c rollback required. For more information regarding the difference between unadjusted and adjusted levies can be found on page five of the [Tax Rate Information](#) guidance document.

The information reported to the county(ies) on the **Estimate of Required Local Taxes** should be the same as the board approved by fund and that is reported by the district on Screen 6 of the 2023-24 August Core Data Collection Cycle.

If adjustments are made to the levies during the year, please ensure that the appropriate corrections are made with the county, State Auditor's Office and DESE on Screen 6 of Core Data. Direct questions regarding the completion of the **Estimate of Required Local Taxes** Excel file form to the School Finance Section at (573) 751-0357.

Point of Interest

An ASBR 101 presentation has been recorded and posted to the [School Finance Related Webinars](#) webpage.

School Governance & Transportation

Requirement to Provide Transportation

Staffing shortages continue to create many challenges for businesses and industries across the country, and Missouri's public schools are no different. The Department of Elementary and Secondary Education (DESE) recognizes these are complex issues and that school leaders are working hard to be strategic and creative when troubleshooting these problems locally. One of those challenges is a shortage of school bus drivers leading to changes in bus routes, bus stops and travel time for students on the bus. Our office is fielding many questions regarding these changes and continue to advise parents and patrons that these decisions are made by local district and school board.

It is important to note that when making changes to bus routes, be cognizant of sight distance guidelines and regulations regarding distances between stops. Please refer to the guidance in the Administrator's Handbook related to establishing stops.

Ridership List

On October 11, 2023 (the second Wednesday in October), the compilation of the LEA's first ridership list for the year should be completed. This list should only include students' names who regularly rode the buses (at least once per week) living both one mile or more from school (eligible students for state aid) and less than one mile (ineligible students for state aid). The ridership list from the second Wednesday of October will be combined with the ridership list from the second Wednesday of February (February 14, 2024). The ridership lists are reported at the end of the year on the Application for State Transportation Aid (Section I Pupil Data - A thru F) of the 2023-24 Annual Secretary of the Board Report (ASBR) due August 15, 2024.

[Point of Interest](#)

Calculation tools to help with calendar creation and inclement weather tracking and required make-up can be found on the [School Finance Calculation Tools webpage](#).

School Finance Contact Information

Name	Duties
<p>David Tramel Coordinator, Administrative and Financial Services David.Tramel@dese.mo.gov</p>	<p>Contact for Governance questions or Transportation questions other than Transportation data reporting or Transportation payment.</p>
<p>Tammy Lehmen Coordinator, School Finance Tammy.Lehmen@dese.mo.gov</p>	<p>Contact for districts in counties 048 & Kansas City Charters 347-347.</p> <p>Contact for Transportation data reporting or Transportation payment questions.</p>
<p>Sharon Bax Director, School Finance Sharon.Bax@dese.mo.gov</p>	<p>Contact for districts in counties 080-115 & St Louis Charters</p>
<p>Emilea Edmondson Director, School Finance Emilea.Edmondson@dese.mo.gov</p>	<p>Contact for districts in counties 045-047 & 049-079</p> <p>Contact for questions regarding Audits.</p>
<p>Kara Shumate Director, School Finance Kara.Shumate@dese.mo.gov</p>	<p>Contact for districts in counties 001-044</p> <p>Contact for County Clerks.</p>



School Finance

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



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