



Missouri Department of Elementary and Secondary Education

— Making a positive difference through education and service —

January 22, 2010

TO: School District Administrators

FROM: Gerri Ogle, Associate Commissioner, Administrative and Financial Services
Roger Dorson, Coordinator, School Administrative Services

RE: January Finance/Transportation/Governance Information

State Fiscal Stabilization Fund Accounting

Guidance on timely accounting for the expenditure of the State Fiscal Stabilization funds to be in compliance with the federal Cash Management Improvement Act (CMIA) is available on the School Finance webpage at: <http://www.dese.mo.gov/divadm/finance/>. Select "Basic Formula ARRA Information" under the heading "News and Updates", then select 9/24/2009 SFSF CMIA Guidance. Remember, the CMIA requires districts to demonstrate that they have already spent the funds or will spend the funds within three days of receipt.

The Basic Formula ARRA funds are to be expended in accordance with allowable expenditures under the federal Elementary and Secondary Education Act (ESEA). There is no requirement that the district place 75% of the Basic Formula ARRA monies in the Teachers' Fund. However, such placement may be the simplest accounting as well as reduce the possibility of noncompliance with Section 163.031.6, RSMo concerning certificated compensation. There is no requirement that the district expend 1% of the ARRA portion of the Basic Formula for professional development activities, although such expenditures are allowable in ESEA.

2009-10 – Basic Formula Estimate

A supplemental appropriation for the FY10 Basic Formula to provide the money needed to equal the sum of all districts' calculations has not been recommended by the Governor. A small adjustment of one to two percent will likely need to be made to the FY10 annualized calculation and payment. Information will be provided in the near future to assist in your budget preparation.

2009-10 – Proposition C Sales Tax Payment Estimate REVISED

The estimate of the projected Proposition C revenue in the 2009-10 budget of \$760,600,000 was forecast several months ago. A revised estimate of \$693,600,000 has been provided to DESE which is an approximate 5% decrease from 2008-09 revenue. The 2009-10 Proposition C Sales Tax payment is paid on the 2008-09 weighted average daily attendance (WADA) which was 910,528 in the January 2010 payment. Using this WADA and the \$693,600,000 estimated revenue, the 2009-10 estimated amount per WADA is \$761.

2010-2011 Budget Estimates

The Governor's recommendations for next year include an additional \$18 million for the foundation formula. Information will be provided in the near future to assist in your budget preparation.

Mid Year Fund Balance Reporting

The mid year fund balance reporting will occur as a part of the February Core Data cycle on Core Data Screen 35. Each district will be required to report the following information as of December 31, 2009:

- Incidental and Teachers Funds Unrestricted Ending Fund Balance as of December 31.
- Tax Anticipation borrowing in the Incidental or Teachers Funds between July 1 and December 31.
- Transfers from the General Fund to the Capital Projects or Debt Service Funds between July 1 and December 31.

If you have any questions regarding this reporting, please contact School Finance at (573)751-0357.

Core Data Screen 15 - Home School/Free and Reduced Lunch Data

The February Cycle MOSIS submission will populate the Home School/Free and Reduced Lunch Data, Core Data Screen 15, which is used to collect the number of students eligible for free or reduced price lunch as of the last Wednesday in January (January 27, 2010) in two categories described in the Core Data Collection System Manual – Federal Programs Head Count and State FTE Free or Reduced Lunch Eligible Students. A description of each follows:

Federal Programs Head Count of Free or Reduced Lunch Eligible Students

1. Report the head count taken on January 27, 2010, of children ages 5-17 inclusive (as of October 1, 2009) who reside in the district, whose eligibility for free or reduced lunch is documented (through the application process using federal eligibility guidelines or through the direct certification process) and who do not attend a private or parochial school.
2. Report students on a head count basis. (Both part-time and full-time students are counted as 1 in the head count process.)
3. Eligible students are counted regardless of whether or not they actually eat lunch/breakfast.
4. Students are reported by their county of residence. (Desegregation students are counted by the district in which the student resides.)

State FTE Resident Free or Reduced Lunch Eligible Students

1. Report the full-time equivalency count of resident students enrolled in grades K-12 on January 27, 2010, and in attendance one of the 10 preceding school days whose eligibility for free or reduced lunch is documented (through the application process using federal eligibility guidelines or through the direct certification process).
2. Report eligible students on a full-time equivalency (FTE) basis. A student attending one-half day is counted as .5, one-fourth day as .25, etc. Kindergarten students attending less than a full day per the first grade calendar are included in the counts as a ratio of the kindergarten calendar divided by the first grade calendar. Example: If the calendar for “full day” students in a school is 1050 hours and the calendar for kindergarten students is 630, then the FTE for those kindergarten students would be 630/1050 or .60. In no case should a full-time half-day kindergarten student be reported less than .50.
3. Eligible students are counted regardless of whether or not they actually eat lunch/breakfast.
4. Nonresident students are to be counted by the district which pays the tuition for those students and are reported as “Resident II Students”.
5. Do not count students for whom the Department does not distribute state aid. (Students in preschool, the Parents as Teachers Program or state schools are not counted for state aid purposes.)
6. Students are reported by attendance center. The total free and reduced lunch eligible students for an attendance center may not exceed the attendance center’s January membership count reported on Screen 16.
7. Desegregation students are considered residents of the district in which the students are educated. Deseg In free and reduced lunch student counts will populate in separate columns for each attendance center.

The above two described counts of students eligible for free or reduced price lunch may differ from the count used by School Food Service in the National School Lunch Program. The criteria for the **National School Lunch** count of free or reduced lunch eligible students include:

1. Report on the monthly lunch claim for food service reimbursement the highest number of students eligible for free or reduced price lunch during the month being reported.
2. Report students on a head count basis. (Both part-time and full-time students are counted as 1 in the head count.)

3. Eligible students are those eligible for free or reduced price meals that have access to the lunch program. This eligibility would include PK students and students up to age 21 that are enrolled in a high school grade and are allowed access to the lunch program.
4. Eligible students are counted regardless of whether or not they actually eat lunch/breakfast.
5. Students are reported by the district in which they are educated.

Core Data Screen 16 - January Membership

In the February Cycle MOSIS submission, individual student data are used to populate Core Data screen 16 to provide a membership count of resident students who were enrolled on January 27, 2010, and were in attendance one of the previous ten school days. The February Cycle is due to DESE by February 15, 2010.

Estimated Regular Term ADA

The estimated regular term ADA for 2009-10 may be entered on the August Core Data WEB Screen 2 in the Estimated ADA field. Districts should report the estimated regular term ADA for the **2009-10** year *only if the district's 2009-10 regular term ADA is expected to be greater than both the 2007-08 and 2008-09 regular term ADA totals* and the district wants to be paid in 2009-10 on the 2009-10 estimated number. All charter schools must report the estimated regular term ADA for the 2009-10 year. Regular term average daily attendance includes remediation attendance outside the regular school day. Do not include summer school attendance in this estimate. Revisions to the 2009-10 estimated ADA may be made through May 15, 2010. Contact School Finance staff if you have questions about estimating ADA.

SCHOOL TRANSPORTATION

2009-10 State Transportation Aid Calculation

The fiscal year 2009-10 state transportation aid calculation is available through the School Finance website. Select Financial Reports. Next select payment transmittal and choose a district. The Payment Transmittal is then displayed for the month and year selected. Click on the revenue name "Transportation" on the Payment Transmittal to access the transportation aid calculation. The link to School Finance Financial Reports is <http://dese.mo.gov/divadm/finance/FinancialRpt.html>.

This is the fourth live state transportation calculation made for the current year. The calculation is based on 2008-09 school year data submitted by the district on the state transportation aid documents included in Part IV of the Annual Secretary of the Board Report (Application for State Transportation Aid, School Bus and Facility Depreciation Schedules).

The percent of reduction to the calculated entitlement computed for the January 2010 calculation is shown below. This reduction percentage represents the amount the entitlement exceeded the appropriation and will fluctuate from month to month as revisions are made to individual school district data. The percent of reduction and the A and B factors are also reflected on each district's Summary Transportation Report.

The percentage reduction and the A and B factors are as follows:

	<u>Reduction Factor</u>	<u>A Factor</u>	<u>B Factor</u>
January 2010	36.427965	3.057967	-1.457018
December 2009	36.656558	3.069268	-1.464655
November 2009	36.236792	3.064341	-1.463931
October 2009	30.123364	3.074112	-1.473020

Ridership List

The second ridership list for the current school year must be finalized on the second Wednesday of February (February 10, 2010). This list should be a compilation of the students' names that regularly ride the bus from the beginning of the second semester to the February count day and should identify which students are eligible for state transportation aid (those living one mile or more from school) and those ineligible for state transportation aid (those living less than one mile from school).

The ridership list should not be a listing of all students who are eligible or ineligible to ride the buses nor should it be a listing of only those students riding on the count day, but should be a listing of students regularly riding the buses. A student should ride the bus a minimum of once a week to be considered a regular rider.

Certified School Bus Driver Instructor Training

The Certified School Bus Driver Instructor recertification training will be held in Columbia on July 16, 2010. The Certified School Bus Driver Instructor workshop is scheduled for July 26-28, 2010, in Warrensburg. Registration forms for this training will be available early spring of 2010 at <http://dese.mo.gov/divadm/trans/BusDrivers.htm>, a listing of all current Certified School Bus Driver Instructors can also be viewed at this site.

SCHOOL GOVERNANCE

Missed School Days

Many school districts may have missed days this school year due to inclement weather. Below is a link to the School Laws Frequently Asked Questions where this is addressed. <http://dese.mo.gov/schoollaw/freqaskques/calendar.htm>. Reminder: Any days missed for reasons other than inclement weather are not included in the above referenced forgiveness provision and must be made up.

DESE Homepage Address: <http://dese.mo.gov>