

# School Finance

January 2024



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## 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, 1<sup>st</sup> preceding year, or 2<sup>nd</sup> 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 calculation is based on 2022-23 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). Calculation documentation can be found linked on the payment transmittal.

The percent of reduction to the calculated entitlement computed for this month's payment 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 A and B factors are reflected on each district's Summary Transportation Report found on the payment transmittal.

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

<u>Month</u>	<u>Reduction Factor</u>	<u>A Factor</u>	<u>B Factor</u>
January 2024	1.192847%	4.891067	-1.404371



[Point of Interest](#)

Annual Audit Report was due December 31, 2023.

### Fiscal Year 2024 Budget Estimates

Payment	SAT/Amount Per/Proration Percent	Appropriation	Denominator
Basic Formula <sup>3</sup>	\$6,375.00	\$3,664,031,194	
Classroom Trust Fund <sup>1</sup>	\$472	\$364,134,511	771,000
Prop C <sup>2</sup>	\$1,374	\$1,187,660,000	864,000
Small Schools Grant \$10M <sup>1</sup>	\$275	\$10,000,000	
Small Schools Grant \$5M <sup>4</sup>	\$144	\$5,000,000	
Transportation	100%	\$347,297,933	

<sup>1</sup>ADA /<sup>2</sup> WADA/ <sup>3</sup> FWADA / <sup>4</sup> Tax-Rate WADA

<sup>5</sup> Percentage increase in appropriation will affect each LEA differently. See transportation calculation for actual reimbursement amounts.

Remember that these amounts will only be achieved if revenue is available to fund at the level appropriated. If dedicated revenues exceed the appropriation level, a supplement appropriation may be necessary.

### Fiscal Year 2025 Governor’s Recommendations

Payment	SAT/Amount Per /Proration Percent	Appropriation	Denominator
Basic Formula <sup>3</sup>	\$6,760.00	\$3,785,430,822	
Classroom Trust Fund <sup>1</sup>	\$525	\$404,687,962	771,000
Prop C <sup>2</sup>	\$1,513	\$1,306,961,000	864,000
Small Schools Grant \$10M <sup>1</sup>	\$275	\$10,000,000	
Small Schools Grant \$5M <sup>4</sup>	\$144	\$5,000,000	
Transportation	100%	\$361,366614	

<sup>1</sup>ADA /<sup>2</sup> WADA/ <sup>3</sup> FWADA / <sup>4</sup> Tax-Rate WADA

Remember that these amounts will only be achieved if revenue is available to fund at the level appropriated. If dedicated revenues exceed the appropriation level, a supplement appropriation may be necessary.



### Small Schools Grant

Section 173.044, RSMo, authorizes payments to small schools defined as districts with an average daily attendance (including summer school) of 350 or less. The allocation of the \$15 million appropriation requires that \$10 million be distributed to the eligible districts on an equal amount per prior year average daily attendance. The remaining \$5 million is distributed (on an equal amount per tax rate weighted average daily attendance) to the eligible districts with a current year adjusted Incidental plus Teachers Funds tax rate of \$3.43 or higher and any district which previously had a Incidental plus Teachers Fund tax rate of \$3.43 or higher but currently has a tax rate less than \$3.43 solely due to modification of such levy required under Section 137.073.5(4), RSMo.

### Point of Interest

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



## Inclement Weather

Districts must comply with Section 163.021.1, RSMo, which requires compliance with the minimum term to be eligible for state aid. Additionally, Section 171.033.3, RSMo, allows “school lost or cancelled due to inclement weather in the school district when the school district has made up the thirty-six hours required under subsection 2 of this section and half the number of additional lost or cancelled hours up to forty-eight, resulting in no more than sixty total make-up hours required by this section”.

“Inclement weather”, for purposes of this section, shall be defined as ice, snow, extreme cold, excessive heat, flooding, or a tornado.

Reminder: Hours that are forgiven due to inclement weather will not have an adverse impact on the average daily attendance (ADA) calculation. The above information regarding inclement weather and a short FAQ are available at on the [Finance Topics and Procedures](#) page under the Inclement Weather link.

There are two calculation tools to help with determining Weather make-up. They can be found under [Calculation Tools](#).

## 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. It 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 2<sup>nd</sup> preceding, 1<sup>st</sup> preceding, or estimate of the current year WADA, less that year’s summer school, plus the current year summer school.

## 1% Professional Development Expenditures - FY 2024

Section 160.530.1, RSMo requires districts to spend one percent (1%) of the Basic Formula monies (based on Line 17B of the district’s June basic formula calculation) for professional development committee expenditures. A minimum of seventy-five percent (75%) of one percent (1%) of the current year’s Basic Formula apportionment must be spent in the year received for purposes determined by the Professional Development Committee and identified in the professional development plan in relation to a school improvement plan. This is completely separate from professional development that may be required by other programs such as title or special education programs. Expenditures should be recorded to Function Code 2214. Any portion of the twenty-five percent (25%) of the one percent (1%) not expended during the year must be shown as a part of the restricted fund balance on June 30.

## Estimating ADA

If a district has had an increase in enrollment or other factor that will make the FY 2024 regular term ADA higher than the preceding three years, the district may wish to estimate their ADA for payment purposes.

To help determine if it would be advantageous for your district to estimate ADA for the FY24 year, please see the Estimated ADA page located under School Finance in the web application system. A tool to help with estimating ADA can be found on the School Finance website under [Calculation Tools](#).

## Point of Interest

## Other Important Reminders

### Missouri Accountability Portal (MAP) – Debt Reporting

Section 37.850, RSMo, requires school districts to report all bonded indebtedness and requires charter schools to report all debt, including new debt within seven days of issuing the bond or incurring the debt. This information shall be supplied to Office of Administration (OA) for display on the [State's Accountability Portal](#).

A user link for the portal is available on the main page. In order to submit information, an entity will need to visit the portal website and obtain a secure user name and password. The user name and password can be created by selecting “create account” on the right hand side of the screen. Once credentials are granted, a user may enter the site to enter or update bond or debt information.

Most of the required fields on the reporting tool are self-explanatory; however, there have been questions regarding a couple of the fields. The description of the revenue stream is generally revenue generated from a levy that was established, Classroom Trust Fund revenue, or local revenue. This list is not an all-inclusive list but provides a general idea as to what would seem to be an appropriate response. The description of the project would be a description as to what the project was, for example, a building project.

If you have questions regarding accessing the portal website, please contact OA at (573) 751-2971 or [MAPBonds@oa.mo.gov](mailto:MAPBonds@oa.mo.gov). For questions regarding what debt should be entered on the portal, please do not hesitate to contact School Finance at 573-751-0357.

### Core Data Screen 16 – January Membership

- The February Cycle MOSIS submission will populate Core Data Screen 16 providing a membership count of resident students who were enrolled on January 31, 2024, and were in attendance one of the previous ten school days. The February Cycle is due to DESE by February 15, 2024.

### 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, 2023:

- 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.

### Changing Depository Banks

Districts/charter schools changing banks or bank accounts must first be registered in the State of Missouri new procurement system MissouriBUYS. All banking changes will then be completed in MissouriBUYS. MissouriBUYS weblink is <https://MissouriBUYS.mo.gov>. Reminder: when depositories are changed, the first payment issued after the change could be in the form of a paper check. If you have issues in using MissouriBUYS, please contact MissouriBUYS team Division of Accounting, at 573-751-2971 or [MissouriBUYS@mo.gov](mailto:MissouriBUYS@mo.gov).

#### 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.

## 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 31, 2024) in the category described in the Core Data Collection System Manual –State FTE Free or Reduced Lunch Eligible Students. A description follows:

### 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 31, 2024, 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). For districts that participate in the Community Eligibility Program (CEP) all of the students enrolled in the district (if CEP has been chosen district wide) or all of the students enrolled in a CEP building (if only certain buildings in the district participate) are considered eligible for free and reduced lunch.
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 that 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.)

## School Governance & Transportation Continued

### State Transportation Aid Calculation

See payment section above.

### Ridership List

The second ridership list for the current school year must be finalized on the second Wednesday of February (February 14, 2024). 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.

### Point of Interest

Definitions of all MOSIS/Core Data elements can be found in the [Core Data and MOSIS Manual](#).

## Drug and Alcohol Clearing House

The following information is from the DOT website:

The [Clearinghouse](#) is a secure online database that will give employers, the FMCSA, State Driver Licensing Agencies (SDLAs), and State law enforcement personnel real-time information about commercial driver's license (CDL) and commercial learner's permit (CLP) holders' drug and alcohol program violations. An act of Congress directed the Secretary of Transportation to establish the Clearinghouse.

The [Clearinghouse](#) will enable employers to identify drivers who commit a drug and alcohol program violation while working for one employer, but who fail to inform another employer (as required by current regulations).

The Clearinghouse will also require the following:

- Employers will be required to query the Clearinghouse for current and prospective employees' drug and alcohol violations before permitting those employees to operate a CMV on public roads.
- Employers will be required to annually query the Clearinghouse for each driver they currently employ.

## Minimum Standards of School Buses

All school buses in the state of Missouri must meet the [minimum standards](#) for the year they were manufactured. When bus bids are solicited, be sure to include a statement to this effect so that vendors know that their buses must meet these standards and be sure to inspect the buses when taking delivery. [RSMo 304.060](#), outlines the responsibility of the state board to enforce the regulations regarding the design and operation of school buses. These standards apply to all school bus including electric, propane and diesel buses and it is imperative that districts remain diligent regarding the minimum standards for all buses they purchase.

## Poster Contest Theme

The 2023-2024 Missouri Association for Pupil Transportation School Bus Safety Poster Contest Theme is: "Driving Safely Into the Future" Posters are due by March 1st, 2024.

Further information can be found [here](#).

### Point of Interest

The [Transportation Document Preparation Manual](#) can be found on the Student Transportation webpage.

## School Finance Contact Information

We ask that you always call our main number of 573-751-0357 or email the email addresses listed below and speak with your designated contact. Updated contact list for staff assignments are as follows:

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



### School Finance

P.O. Box 480 • 205 Jefferson Street, Jefferson City, MO 65102  
 Phone # (573) 751-0357 • Fax # (573) 526-3897 • [finadmgo@dese.mo.gov](mailto:finadmgo@dese.mo.gov)  
<https://dese.mo.gov/financial-admin-services/school-finance>



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