

School Finance

February 2024



Highlights

- [February Payment Calculations](#)
- [Fiscal Year 2024 Budget Estimates](#)
- [Governor's Recommendations](#)
- [Small Schools Grant](#)
- [Charter School Payment](#)
- [State Adequacy Target and Thresholds](#)
- [163.021, RSMo. Impact on Payments](#)
- [Estimating Average Daily Attendance \(ADA\)](#)
- [1% Professional Development](#)
- [Lengthening or Shortening the School Year and the Impact on Funding](#)
- [Inclement Weather](#)
- [School Calendar Requirements](#)
- [Mid-Year Fund Balance Reporting](#)
- [January Membership](#)
- [Non-Certificated Educators – Attendance Hours Adjustment](#)
- [Ridership List](#)
- [School Bus Poster Contest](#)
- [Drug and Alcohol Clearing House](#)
- [School Bus Train the Trainer](#)
- [Minimum Standards of School Buses](#)
- [School Finance Contact Information](#)

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 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>
February 2024	1.277711%	4.899782	-1.405557



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.

Fiscal Year 2024 Budget Estimates

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

¹ADA /² WADA/ ³ FWADA / ⁴ Tax-Rate WADA

⁵ 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.

A Supplemental Appropriation for Prop C has been proposed for FY24 in the amount of \$86,080,000, which if passed would result in \$1,474 per WADA if revenue receipts equal the increased appropriation level.

Fiscal Year 2025 Governor’s Recommendations

Payment	SAT/Amount Per /Proration Percent	Appropriation	Denominator
Basic Formula ³	\$6,760.00	\$3,785,430,822	
Classroom Trust Fund ¹	\$525	\$404,687,962	771,000
Prop C ²	\$1,513	\$1,306,961,000	864,000
Small Schools Grant \$10M ¹	\$275	\$10,000,000	
Small Schools Grant \$5M ⁴	\$144	\$5,000,000	
Transportation	100%	\$361,366,614	

¹ADA /² WADA/ ³ FWADA / ⁴ 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.

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 2nd preceding, 1st preceding, or estimate of the current year WADA, less that year’s summer school, plus the current year summer school.

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.

State Adequacy Target (SAT) and Threshold Recalculations

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. Classroom Trust Fund, Prop C, and Small Schools Grant payments will use regular methodology and rely on FY 2023 ADA or WADA for payment purposes in FY 2024. For FY 2025 regular payment methodology will be used for the Basic Formula, Classroom Trust Fund, Prop C, and Small Schools Grant.

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](#).

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.

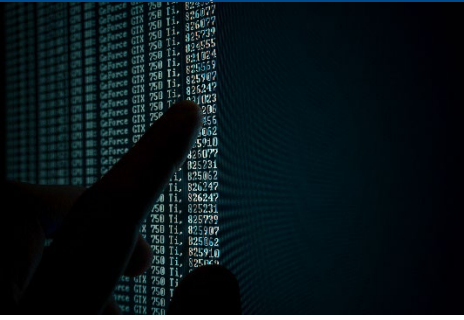
Lengthening or Shortening the School Year and the Impact on Funding

If a district or charter school changes the length of their school year, even if due to weather forgiveness, there is no impact on funding because it does not change the Average Daily Attendance (ADA). The ADA is calculated by taking the actual attendance hours of the students divided by the possible attendance hours of a student (the calendar). This will result in no more than a 1.0 ADA for a student who had perfect attendance. ADA is only increased due to the following reasons:

- Enrollment increase
- Better attendance rate
- Qualified remedial hours
- Summer School ADA

Point of Interest

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



Data Reporting

Mid-Year Fund Balance Reporting

The mid-year fund balance reporting is a part of the February Core Data cycle on Core Data Screen 35. Each district is required to report the following information as of December 31, 2023:

- Incidental and Teachers Funds Unrestricted Ending Fund Balance as of December 31 that can be found in the district's accounting records.
- 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.

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.

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](#).

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 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. Per SB 681 which took effect August 28, 2022, 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 (18 for half day programs) weather hours are made up and then half the amount thereafter up to 48 (24 for half day programs) hours, for a maximum of 60 (30 for half day programs) total make-up hours.

Also, up to 36 [Alternative Method of Instruction \(AMI\)](#) hours can be used for any hours of school lost or cancelled due to exceptional or emergency circumstances during a school year which shall include, but not be limited to, inclement weather, a utility outage, or an outbreak of a contagious disease. To use AMI the district must have a DESE approved AMI plan for the year.

Point of Interest

A variety of School Finance Guidance documents can be found on the [Finance Topics & Procedures](#) webpage.

Non-Certificated Educators – Attendance Hours Adjustment

Attendance hours for any educator without a valid teaching certificate will be disallowed for state aid payment purposes. State law requires all school district personnel who are responsible for working with students in an instructional or supervisory capacity during the school day to have a valid Missouri teaching certificate. This applies to in-school suspension teachers as well as those supervising study hall, recess, virtual courses taken in school, or other computer based instructional programs taken in school. A substitute certificate meets the requirement of a certificate when the employee is functioning as a substitute teacher in the absence of the teacher-of-record or is employed as the teacher-of-record.

A report is available on the Data Collection web application system which will identify educators within the district that do not have a valid certificate on file with the Department of Elementary and Secondary Education. To access this report in the Data Collection system, go to the left-hand navigational tree and select Reports, then Special Reports, then Staff Certification.

The Department will prepare a list of educators meeting the following criteria:

- did not hold a valid Missouri educator certificate for the Regular School year teaching assignment or;
- has a certificate pending but did not initiate the required background check.

School districts notified they have an educator(s) that met the above criteria must provide School Improvement with the attendance hours by building and by grade for all students who were under the supervision of those educators since the educator did not have a valid certificate. These hours of attendance will be excluded from the total hours of attendance for the school year.

School Governance & Transportation Continued

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.

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

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 query the Clearinghouse annually for each driver they currently employ.

School Bus Train the Trainer and Recertification Workshops

The Annual Train the Trainer Workshop held in Warrensburg will be held July 8th-10th at the American Legion Hall in Warrensburg.

The Re-Certification Workshop will be held in Columbia July 15th at the Courtyard by Marriott. Registration information can be found [here](#).

School Bus Trainer Certification may also be obtained at the MAPT Conference held in Columbia July 9-12. That information can be found [here](#).

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.

[School Bus Standards](#) can be found on the School Transportation Website.

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



School Finance

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 Phone # (573) 751-0357 • Fax # (573) 526-3897 • finadmgo@desemo.gov
<https://desemo.gov/financial-admin-services/school-finance/>

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