

MISSOURI STATE BOARD OF EDUCATION AGENDA ITEM:**October 2014****FINANCIALLY STRESSED SCHOOL DISTRICTS AND CHARTER SCHOOLS****STATUTORY AUTHORITY:**

Section 161.520 and 160.417, RSMo

Consent
ItemAction
ItemReport
Item**DEPARTMENT GOAL NO 1:**

All Missouri students will graduate college and career ready.

SUMMARY:

Section 161.520, RSMo, specifies criteria for determining if a school district is experiencing financial stress and requires the Department of Elementary and Secondary Education to identify any school district meeting these criteria. Identification of those districts with statutory characteristics for being financially stressed is determined annually by analyzing the financial data submitted by each district on the Annual Secretary of the Board Report (ASBR).

The following are the statutory characteristics for identifying a district as financially stressed:

- A) negative balance in either the Teachers or Incidental Funds, or
- B) combined ending balance in the Teachers and Incidental Funds less than three percent (3%), or
- C) tax anticipation borrowing between February 1 and June 30.

The 2013-2014 financial data were analyzed to determine districts financially stressed on June 30, 2014, and the following school has been so identified:

096-109 Normandy Schools Collaborative

The statute requires notification of financial stress be provided to the local board of education and the chief operating officer of the district no later than November 1.

The department will continue to monitor Normandy Schools Collaborative finances and approve all expenditures as it has done since assuming fiscal oversight in February, 2014.

Section 160.417, RSMo, specifies criteria for determining if a charter school is experiencing financial stress and requires the sponsor of that charter school to identify any charter school under their sponsorship meeting these criteria. Identification of those charter schools with statutory characteristics for being financially stressed is determined annually by analyzing the financial data submitted by each charter school on the Annual Secretary of the Board Report (ASBR).

The following are the statutory characteristics for identifying a charter school as financially stressed:

- A) negative balance in either the Teachers or Incidental Funds, or
- B) combined ending balance in the Teachers and Incidental Funds less than three percent (3%)

The 2013-2014 financial data were analyzed to determine charter schools financially stressed on June 30, 2014. No charter schools have been so identified.

PRESENTER(S):

Ron Lankford, Deputy Commissioner, and Roger Dorson, Coordinator, Division of Financial and Administrative Services, will assist in the presentation and discussion of this agenda item.

CHARTER SCHOOLS MEETING FINANCIALLY STRESSED CRITERIA
Section 161.417, RSMo
2013-2014 Annual Secretary of the Board Report (as of 10/01/14)

096-109 Normandy Schools Collaborative

Fiscal Year	Incidental + Teachers Funds				Enrollment	Average Daily Attendance
	Fund Balance		Expenditures	Percent Balance to Expenditures		
	Unrestricted	Restricted				
2013-2014	\$1,555,540.18	\$0.00	\$57,308,755.32	2.71%	3,212	3,647.1942
2012-2013	\$9,620,695.77	\$0.00	\$49,492,243.94	19.44%	4,510	3,818.3059
2011-2012	\$8,571,264.24	\$0.00	\$50,323,110.41	17.03%	4,526	3,890.5088

History of Financially Stressed School Districts

School Districts																
ASBR Data Year		1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-2012	2012-2013	2013-2014
Financial Stress		2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-2013	2013-2014	2014-2015
Code	District Name															
005-122	Exeter R-VI	x														
005-124	Purdy R-II															
005-128	Monett R-I															
006-104	Lamar R-I			x												
007-121	Miami R-I															
011-082	St. Joseph															
013-058	Cowgill R-VI							x	x	x	x					
013-060	Mirabile C-1							x								
013-061	Braymer C-4															
013-062	Kingston 42															
014-127	Callaway Co. R-III															
015-003	Climax Springs						x	x								
015-004	Macks Creek R-V															
017-126	Norborne R-VIII															
017-127	Wakenda C-2 *															
019-147	East Lynne 40															
019-149	Harrisonville R-IX															
021-148	Northwestern R-I															
022-088	Chadwick R-I															
022-094	Spokane R-VII															
023-094	Wyaconda C-1*															
023-096	Revere C-3*															
025-001	Cameron R-I															
027-056	Cooper Co. R-IV															
031-116	Pattonsburg R-II	x			x											
031-117	Winston R-VI															
031-118	North Daviess R-III															
032-058	Stewartville C-2															
033-093	Dent-Phelps R-III															
036-126	Meramec Valley R-III															
036-133	Lonedell R-XIV	x														
039-135	Ash Grove R-IV															
039-141	Springfield R-XII															
040-107	Trenton				x											
043-004	Hermitage R-IV															
044-078	Craig R-III				x	x	x	x	x	x						
046-129	Peace Valley C-2 *															
046-130	Mountain View-Birch Tree R-III															
046-131	Willow Springs R-IV															
048-072	Hickman Mills C-1		x													
050-003	Hillsboro R-III															
050-010	Windsor C-1															
050-014	DeSoto 73															
051-150	Kingsville R-I															
051-153	Chilhowee R-IV															
051-156	Leeton R-X															
053-110	Competition C-2 *															
054-039	Lafayette Co. C-1															

* District Closed

SUMMARY HISTORY OF FINANCIALLY STRESSED SCHOOL DISTRICTS

Section 161.520, RSMo

Identified from the Annual Secretary of the Board Report

As of October 1, 2014

	FY 1999-2000	FY 2000-01	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
"Shall/Must Criteria"															
A. Negative Balance in Teachers or Incidental Funds	3	0	2	3	3	4	5	2	2	2	1	2	5	0	0
B. Combined Balance Remaining in Teachers and Incidental Funds of less than 3%	7	3	6	7	3	4	6	3	4	4	3	2	5	0	1
C. Tax Anticipation Borrowing between February 1 - June 30	1	0	2	0	0	0	0	0	0	0	0	0	0	0	0
D. Combined Balance Remaining in Teachers and Incidental Funds of less than 1%	4	1	4	4	3	4	5	3	2	2	2	2	5	0	0
Multi-year Repayment to the State	2	2	1	4	0	0	0	0	0	0	0	0	0	0	0
Negative Balance in Capital Projects Fund		1	0	0	0	0	0	0	0	0	0	0	0	0	0
"May Be Criteria" (Met 3 or more criteria and were designated financially stressed)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DISTRICTS	7	6	8	11	3	4	6	3	4	4	3	2	5	0	1

History of Financially Stressed School Districts

ASBR Data Year	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-2012	2012-2013	2013-2014
Financial Stress	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-2013	2013-2014	2014-2015
Code	District Name														
054-042	Santa Fe R-X														
057-004	Winfield R-IV														
058-107	Bucklin R-II														
059-110	Wheeling R-IV *														
059-117	Chillicothe R-II														
060-077	McDonald Co. R-I														
062-070	Marquand-Zion R-VI														
063-066	Maries Co. R-I														
068-071	High Point R-III														
069-104	Middle Grove C-1														
071-091	Morgan Co. R-I														
073-099	East Newton Co. R-VI														
074-195	Jefferson C-123														
075-085	Thayer R-II														
076-081	Osage Co. R-I														
076-082	Osage Co. R-II														
076-083	Osage Co. R-III														
077-101	Bakersfield R-IV														
077-103	Dora R-III														
077-104	Lutie R-VI														
078-003	Pemiscot Co. R-III														
079-078	Attenburg 48														
084-005	Marion C. Early R-V														
084-006	Pleasant Hope R-VI														
085-043	Swedeborg R-III														
085-045	Laquey R-V														
088-073	Renick R-V														
088-074	Clark R-VI *														
088-081	Moberly														
090-075	Centerville R-I														
091-092	Doniphan R-I														
092-087	Ft. Zumwalt R-II														
092-088	Francis Howell R-III														
092-090	St. Charles R-VI														
093-124	Osceola														
094-080	Libertyville C-2 *														
094-083	North St. Francois Co. R-I														
096-092	Kirkwood R-VII														
096-094	Mehlville R-IX														
096-098	Affton 101														
096-103	Hancock Place														
096-107	Maplewood-Rich Heights														
096-109	Normandy Schools Collaborative														
096-114	Webster Groves														
096-115	Wellston														
097-118	Orearville R-IV														
097-122	Hardeman R-X														
099-080	Bible Grove R-V *														
100-062	Scott County Central														
104-041	Hurley R-I														
104-042	Galena R-II														

* District Closed

History of Financially Stressed School Districts

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Financial Stress	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-2013	2013-2014	2014-2015
Code	District Name														
104-044	Reeds Spring R-IV														
106-002	Taneyville R-II														
106-003	Forsyth R-III														
107-152	Houston R-I														
107-156	Plato R-V														
107-158	Raymondville R-VII														
110-031	Valley R-VI														
111-087	Clearwater R-I														
113-001	Worth Co. R-III														
114-112	Norwood R-I														
114-114	Mountain Grove R-III														
114-116	Manes R-V														
115-115	St. Louis City														
Charter Schools															
ASBR Data Year	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-2012	2012-2013	2013-2014
Financial Stress	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-2013	2013-2014	2014-2015
Code	District Name														
048-921	Pathway Academy														
115-915	Carondelete Leasership Academy														
115-918	Grand Center Arts Academy														
115-920	South city Preparatory Academy														
115-921	Jamaa Learning Center														

* District Closed