

MISSOURI STATE BOARD OF EDUCATION AGENDA ITEM: October 2016**FINANCIALLY STRESSED SCHOOL DISTRICTS AND CHARTER SCHOOLS****STATUTORY AUTHORITY:**

Sections 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 2015-2016 financial data were analyzed to determine districts financially stressed on June 30, 2016. No school districts have been so identified.

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 2015-2016 financial data were analyzed to determine charter schools financially stressed on June 30, 2016. No charter schools have been so identified:

PRESENTERS:

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