

## Administrative Memo

**Date:** October 11, 2013  
**To:** School Administrators, Bookkeepers, Federal Sub Grantees/Recipients, and Finance Staff  
**From:** Ron Lankford, Deputy Commissioner  
**Subject:** FAS-13-009, Federal Budget Crisis

The Department continues to monitor discussions in Washington, DC related to the current impasse over extension of the debt ceiling that would result in the inability of the Federal Government to meet all its financial obligations on the projected date of October 17, 2013. While the Department has been able to continue to draw funds during the partial shutdown of the Federal Government, continuation of future access to funds will be in question.

At this point guidance has not been provided as to what programs will continue to be funded should no agreement be reached. Since revenues will continue to flow into the Federal Treasury all spending will not be totally curtailed, but may be limited to those programs that are regarded as the highest priorities. Nothing has been disclosed at this time about how or when such a determination would be made.

How will this effect school districts?

- Districts should expect payment of Federal funds with their October payment.
- Federal funding in November will be determined by how quickly a resolution is agreed upon.
- Federal program support by the Department of Elementary and Secondary Education could be significantly limited until a resolution is agreed upon.
- The distribution of state funding appropriated by the Missouri General Assembly **will not** be interrupted.

The Department will send out more information as it becomes available and also urges local districts to monitor this situation as well.