

Administrative Memo

Date: December 10, 2014
To: Missouri School Administrators
From: Ron Lankford
Subject: FAS-14-013 Projection of Impact on Formula Distribution due to use of SAT
as Required in HB1689

In the October School Finance Monthly Newsletter, information related to the impact of HB1689, effective July 1, 2015, was provided. This change in statute will require that future funding adjustments due to the foundation formula not being fully-funded, would be made to the State Adequacy Target (SAT) rather than a percentage adjustment to all districts and charter LEAs. It was reported that if that calculation had been made in the October payment the SAT that would have been used was \$5,985.

Subsequent to the distribution of that information, numerous requests have been made as to what the impact would have been if that SAT had been used. The impact data may be found at the following link: <http://dese.mo.gov/sites/default/files/fas-SAT-Oct-Payment-Comparison-12-2014.pdf>

As you review the information, please bear in mind that the calculation is specific to the month of October in FY15, and that changes are made each month as data updates are made. This information may be helpful in making predictions for FY16, but the final calculations will be determined by payment weighted average daily attendance, dollar value modifier update, appropriation to the formula or any statutory changes that might be enacted in the 2015 session of the General Assembly.

For additional information, contact the Financial and Administrative Services Section at 573-751-0357.