

April 20, 2012

**TO:** School District Administrators

**FROM:** Ron Lankford, Deputy Commissioner, Financial and Administrative Services  
Roger Dorson, Coordinator, School Financial and Administrative Services

**RE:** April Financial Information

### **Prior Year (2010-11) Adjustment - Basic Formula**

The first prior year recalculation of the 2010-2011 payment was completed in December 2011; a second prior year recalculation was completed in April 2012 as districts have made additional adjustments to their data. Any adjustment to data will impact each district in the state since DESE is redistributing the 2010-11 fixed dollars. The proration percentage changes are:

June 2011	96.979260
December 2011	96.640266
April 2012	96.458193

Prior year correction payment amounts can be viewed by going to the payment transmittal for April 2012 and clicking on the dollar amount of the districts Basic Formula, Classroom Trust Fund, Transportation, and Small Schools Grant payment. These numbers are a hyperlink to a detail page which displays the amount of payment contributed to the current year payment as well as the prior year correction amount.

### **Central Contractor Registration (CCR)**

Central Contractor Registration (CCR) numbers must be renewed on an annual basis. Please check the CCR expiration date indicated on August cycle core data screen 2. This number will need to be renewed by the first of the month it is set to expire to avoid any interruption of federal payments to the district. Upon renewal of the CCR please input the new expiration date on Core Data Screen 2, you must be in the August cycle to make this adjustment. Central Contractor Registration (CCR) numbers must be renewed on an annual basis. To renew this number please visit [www.ccr.gov](http://www.ccr.gov).

### **Final Reminder - Estimated Regular Term ADA**

The estimated regular term ADA for 2011-12 may be provided to your School Finance consultant to be entered on the August Core Data WEB Screen 2 in the Estimated ADA field. The district would report an estimated regular term ADA for the **2011-12** year *only if the district's 2011-12 regular term ADA is expected to be greater than both the 2009-10 and 2010-11 regular term ADA totals* and the district wants to be paid in 2011-12 on the 2011-12 estimated number. Regular term average daily attendance includes remediation attendance outside the regular school day. Do not include summer school attendance in this estimate. Revisions to the 2011-12 estimated ADA may be provided to your School Finance consultant through May 15, 2012. Contact School Finance staff if you have questions about estimating ADA. *It is critical for the state appropriation process that districts with increasing ADA submit an estimated ADA so that the payment in the current year will be more accurate.*

### **Minimum Salary Requirements**

The minimum teacher's salary is \$25,000 and the minimum salary for a full-time teacher with a master's degree with at least ten years public teaching experience is \$33,000.

### **Fraudulent Checks**

School Finance continues to receive reports of fraudulent activities concerning school district bank accounts. Please continue to work closely with you banking institution to monitor checks that are being presented.

## **Non-certificated Educators – Attendance Hours Adjustment**

Attendance hours for any educator without a valid 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.

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 DESE. To access this report in the Core Data Collection System (Data Collection link under School Improvement) Select Reports, then Special Reports, then Staff Assignment Report. This single report replaces the previous “Inappropriate Certification” and “Staff Assignments by Program” reports.

At the end of the 2011-12 year, DESE will prepare a list of educators meeting the following criteria:

1. did not hold a valid Missouri educator certificate at any point in time between July 1, 2011 and July 1, 2012; or
2. has a certificate pending but did not initiate the required background check prior to June 30, 2012.

School districts must then exclude the 2011-12 hours of attendance for all students who were under the supervision of those educators since they did not have a valid certificate.

## **Attendance Reporting**

**MAP Testing** - During MAP testing, some districts may have chosen to release some students who are not involved in the testing process (such as seniors), allow some students not involved in the testing process to come to school late, allow students to come to school at the time of the test, etc. While the district may make such decisions, the district cannot count the student as being in attendance during those hours the student was absent. **A student is not to be counted as in attendance unless the student is actually present and under the direct supervision of a certificated staff member.** If the district has claimed attendance for students under this particular condition, it must revise the June MOSIS Student file for the previous year as well as adjust the current year attendance records.

**Excused Absences** - A district may have policies allowing an excused absence for various purposes such as illness, religious beliefs, testing, etc. However, there is no authority to give attendance credit for students not in attendance nor under the direct supervision of a certificated teacher. Students must be in attendance in an instructional capacity under the direct supervision of a certificated employee of the district to be counted for attendance purposes.

## ***SCHOOL GOVERNANCE***

### **Boundary Change**

If there is a change in your school district's boundary following the April election, please send a copy of the ballot with the legal description of the boundary change to the School Financial and Administrative Services Section.

### **Missouri School Facilities Workshops - Summer 2012**

The information on the Missouri School Facilities Workshops to be held this summer is now available. The workshops provide an outstanding opportunity for the district's school facilities director/support staff to receive a quality in-service program. There are no registration fees for the workshops. The pre-enrollment form should be completed and returned by mail or faxed to the appropriate workshop coordinator. Please distribute the information to the appropriate staff members in your district. The workshop information is available on the web at:

[http://www.dese.mo.gov/divcareered/Missouri\\_School\\_Facilities\\_Workshops.htm](http://www.dese.mo.gov/divcareered/Missouri_School_Facilities_Workshops.htm).

### **Architectural and Engineering Services**

From time to time school districts have questions about the required use of an architect or engineer for a construction project. A good source of information is the Division of Professional Registration at the Department of Insurance, Financial Institutions and Professional Registration. The number they can be reached at is 573-751-0047.

## ***SCHOOL TRANSPORTATION***

### **2011-12 State Transportation Aid Calculation**

The fiscal year 2011-12 state transportation aid calculation is available through the School Finance website. Select Monthly Financial Reports. Input County-District number. The Payment Transmittal is then displayed. Click on the revenue name "Transportation" on the Payment Transmittal to access the transportation aid calculation. The link to School Finance Monthly Financial Reports is <http://dese.mo.gov/divadm/finance/FinancialRpt.html>.

This is the eighth live state transportation calculation made for the current year. The calculation is based on 2010-11 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).

The percent of reduction to the calculated entitlement computed for the April 2012 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 percent of reduction and the A and B factors are also reflected on each district's Summary Transportation Report.

The percentage reduction and the A and B factors are as follows:

<b>April 2012</b>	<b><u>Reduction Factor</u></b>	<b><u>A Factor</u></b>	<b><u>B Factor</u></b>
	<b>60.387692</b>	<b>3.232027</b>	<b>-1.424602</b>

### **2012-13 Transportation Estimate**

The 2012-13 state budget for the transportation state aid formula in the Governor's recommendation and the House budget bill amount is \$99,797,713, based on this recommendation, for purposes of planning the district's transportation budget for 2012-13, the estimated proration at this funding level is approximately a 62% reduction on the district's Calculation for State Transportation Aid, Line 52, or approximately a 38% proration of Line 51 (the district's state transportation aid entitlement). The statewide average reimbursement is estimated to be approximately 20% of allowable costs.

### **Certified School Bus Driver Instructor Training**

The Certified School Bus Driver Instructor recertification training will be held in Columbia on July 20, 2012. The Certified School Bus Driver Instructor workshop is scheduled for July 25-27, 2012, in Warrensburg. Registration forms for this training are available at <http://dese.mo.gov/divadm/trans/BusDrivers.htm>; a listing of all current Certified School Bus Driver Instructors can also be viewed at this site.

### **Non-Conforming Van Use**

Since July 1, 2001, any vehicle that transports 11 or more passengers including the driver that is newly purchased, leased, or contracted must be a school bus and meet all Missouri Minimum Standards for School Buses as well as all Federal Motor Vehicle Safety Standards for School Buses (with the exception of motor coaches).

*A school district cannot purchase, contract, or rent 12/15/17 passenger vans for the transportation of school children.*

### **Free Danger Zones Training Program**

Due to the dramatic increase in Danger Zone fatalities, National Association for Pupil Transportation, the School Bus Safety Company, Public School Risk Institute, and 247Security Inc. will provide to any district, a free copy of the *Danger Zone* driver training program. The program consists of a really effective 20 minute DVD, a trainer's guide and a driver's handout. The Danger Zones DVD and training material are available at <http://schoolbussafetyco.com/node/80>.

### **MAPT Poster Contest and Award Nominations**

The Missouri Association for Pupil Transportation has posted forms for the School Bus Safety Poster Contest, School Transportation Administrator of the Year Award, Distinguished Service Award, and the School Bus Driver of the Year Award on the website at <http://moapt.org/awards.html>.

For more information contact Shirley Francis, Executive Director, Missouri Association for Pupil Transportation, at (314) 541-9557 or [sfrancis04@aol.com](mailto:sfrancis04@aol.com).

### School Bus Aisle Blocking

State Board of Education Rule 5 CSR 30-261.010 requires that school bus aisles not be blocked. As your district makes field trips and activity trips this spring, please ensure that all school bus drivers know and adhere to this rule. The aisles must be free of any obstruction so the bus, if needed, could be evacuated quickly without difficulties caused by the aisles being blocked by trash cans, coolers, book bags, band equipment, or other items.

### Pre-Trip Inspection Requirement

5 CSR 30-261.010.1.K states "Boards of education shall require operators of school buses to conduct and prepare a record of the daily pretrip inspection for each school district." Additionally, 5 CSR 30-261.010.3.A.3 requires that school bus drivers: "Perform and prepare written documentation of the daily pretrip inspection which is to be submitted to the transportation administrator. Pretrip inspection of vehicles shall include brakes, steering components, lights, signaling devices, emergency door, tires and safety equipment, as a minimum. Any defects or deficiencies that may affect the safety of vehicle operation or result in mechanical breakdown shall be reported immediately in writing and driver shall not operate school bus until the defect or deficiency has been corrected ..."

Please make sure that the school bus drivers in your district are performing the above required daily pre-trip inspection.

### *Deputy Commissioner's Comments*

On April 3, there were fifty bond and/or levy elections across the state. While each had had hopes of a successful result it is noteworthy that thirty-six (72%) were approved. Some of those that failed were by very slim margins. It is encouraging to see districts striving to move forward to better meet the needs of their students. Optimism in crisis always causes one to seek to move forward. Congratulations to those districts that were successful and best wishes to those that are making plans to revisit their respective issues.

Below is the revenue data for Missouri as of March 31, 2012. The months of April, May and June will be critical as we move toward closing FY12. The state budget for the current year was based upon a net revenue increase of 2.7%, but as you can see the net revenue as compared to last year stands at 2.39%. The budget office indicated that they do believe the gap will close during the last three months of the fiscal year. We will continue to monitor the trend and report it monthly in our memo.

### Revenue Trends YTD

	<u>YTD as of March FY11</u>	<u>YTD as of March FY12</u>	<u>Revenue Change</u>	<u>% Change</u>
Individual Income Taxes	\$3,880,000,000	\$4,000,000,000	\$120,000,000	3.09%
Sales & Use Taxes	\$1,350,000,000	\$1,400,000,000	\$50,000,000	3.70%
Corporate Inc. & Franchise	\$331,100,000	\$302,900,000	(\$28,200,000)	-8.52%
Other Collections	\$337,500,000	\$269,300,000	(\$68,200,000)	-20.21%
Increase in Revenue YTD			<b>\$73,600,000</b>	<b>1.25%</b>
			<u>Refund Change</u>	
Refunds (YTD)	\$956,700,000	\$912,000,000	(\$44,700,000)	-4.67%
Net Revenue Status YTD	\$4,941,900,000	\$5,060,200,000	<b>\$118,300,000</b>	<b>2.39%</b>
(A decrease in refunds enhances Net Revenue. An increase in refunds diminishes Net Revenue.)				

### Gaming Revenue YTD

	<u>Prior Year</u>	Current Year	% Change
Total Gaming Proceeds to Education	\$254,676,722	\$255,733,987	+00.04%
Gaming Revenue Appropriated		\$354,500,000	
Percentage of Budget Year Reflected YTD		75.00%	
Percentage of Appropriation Realized YTD		72.14%	

The General Assembly continues its work to develop the state budget for FY13. The budget will be making its way through the Senate and once completed there it will go to Conference and then return to the floor of both chambers for final passage. The Missouri Constitution requires this work to be completed by the end of the day on May 11, to be forwarded to the Governor during the final week of the legislative session.

In addition to state funding, much discussion centers upon what is going on in Washington. No doubt much more will be heard during the upcoming election cycle and shortly thereafter. Cuts in funding for education could have significant impact upon several programs that derive their revenue at the national level. You may wish to review this website to review information recently reported by Education Week:

[http://blogs.edweek.org/edweek/campaign-k-12/2012/04/what\\_would\\_big\\_giant\\_proposed.html](http://blogs.edweek.org/edweek/campaign-k-12/2012/04/what_would_big_giant_proposed.html)

It is hard to believe that we are so near the end of another school year. Thank you for all the hard work you do on behalf of the students you serve especially in these challenging and difficult times. Best wishes as you move into the final month of the 2011-12 School Year.



Ronald Lankford