

School Finance

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PAYMENT CALCULATIONS

July Payments

Basic Formula

The payment was based on the current data available for Fiscal Years 2020-21, 2019-20, and 2018-19 weighted average daily attendance (WADA). For other important information regarding this payment please see administrative [memo FAS-20-007 – Updated Information on July Payment to Schools](#).

Classroom Trust Fund

The payment was calculated using Fiscal Year 2019-20 average daily attendance data (ADA) if the ADA was greater than zero; otherwise, Fiscal Year 2018-19 ADA was used. Adjustments will be made in future months to reflect districts’ School Year 2019-20 data submissions.

Proposition C

The payment was based on Fiscal Year 2018-19 weighted average daily attendance (WADA) used in the June Proposition C payment. The August Proposition C payment will use Fiscal Year 2019-20 WADA.

Transportation

The payment was based on the June 2020 Transportation payment data and the Fiscal Year 2020-21 Transportation allocation. The August and September payments will also use the June 2020 Transportation payment data.

2020-21 ACH Dates

The 2020-21 Automated Clearinghouse (ACH) transfer dates are located on the School Finance Website under Financial Reports. Below is also a list of those dates:

ACH Deposit Dates	
Payment transmittals will be available the business day prior to the ACH date.	
July 21, 2020	August 21, 2020
September 21, 2020	October 21, 2020
November 20, 2020	December 21, 2020
January 21, 2021	February 22, 2021
March 22, 2021	April 21, 2021

ANNUAL SECRETARY OF THE BOARD REPORT (ASBR) AND RELATED TOPICS

2019-20 Annual Secretary of the Board Report

The 2019-20 Annual Secretary of the Board Report (ASBR) program is available by logging into the DESE Web Applications at <https://apps.dese.mo.gov/weblogin/login.aspx>. The ASBR submission deadline is August 15, 2020. Due to this being a Saturday the deadline will be extended to midnight on Monday, August 17, 2020.

A few reminders for working the ASBR system:

- Check your email often. If problems are noted that require the ASBR system to become unavailable, notification will be sent.
- Check the ASBR message board. Known issues will be noted on that page.
- To obtain detailed information regarding the navigation of the ASBR, access to the ASBR, printing options, the file transfer process, etc., select the [ASBR Help Document](#) on the left hand navigational menu.
- Edits can be viewed by selecting the Edits link located on the top portion of the header row. The user will have to select the Edits button and then select the Run Edits button to view the edits.
- All edit errors will be located at the top of the Edit listing. If there are no edit errors the submit button will be enabled. If the district has edit errors generating on the Edits page the submit button will not appear until all errors have been resolved.
- To submit the ASBR, select Edits, select Run Edits, if there are no edit errors generating and the user has submit authority the submit button will appear on the top of the Edits page.
- Save often when entering data in the ASBR system.

If the user doesn't have access to the ASBR on the DESE Web Applications menu please contact the district's user manager or complete the login request form at <http://dese.mo.gov/dsm/websystemuserid.htm>.

The 2019-20 Annual Secretary of the Board Report (ASBR) must be submitted via the Web Applications by the due date of midnight, August 17, 2020, or the September Basic Formula payment will be held until October. Continued delay in submitting the ASBR will result in continued holding of the payment.

Buyout of Leased Supplies or Equipment

If supplies or equipment were leased and paid for from the General (Incidental) fund there is no allowance in law to take possession of those items at the end of the lease period or to obtain them for a buyout at the end of the lease. If the items become owned by the LEA and purchased through a type of debt they must be paid for entirely from the Capital Projects Fund per [165.011, RSMo](#).

2019-20 Attendance Hours Forgiveness Approval Letters

DESE is currently working with LEAs to resolve issues with data that has been reported incorrectly on Core Data Screen 10, School Calendar List. As soon as these discrepancies are resolved forgiveness hour approval letters will be issued. If your auditor is requesting the DESE approval letter, please advise that DESE has not issued these letters yet but will in the near future. If your auditor is requesting a copy of the attendance hours forgiveness letter that was submitted by the LEA to DESE, we do not have the capability to provide a copy of that letter.

PDC – 1% Allocation Requirement

The PDC 1% allocation requirement for the 2019-20 school year is available on the School Finance website at <http://dese.mo.gov/financial-admin-services/school-finance/data-reports>. This requirement has been waived for Fiscal Year 2019-20.

Transfers – 7%, 5%, and Transportation

The final \$162,326 or 7% x SAT x WADA transfer, the Designated Levy or 5% x SAT x WADA transfer, and transportation transfer are available on the School Finance website at <http://dese.mo.gov/financial-admin-services/school-finance/data-reports>. These are the final calculations for the 2019-20 year.

2019-20 Audit Confirmation Report

The 2019-20 Revenue Audit Confirmation Report provides a summary of all the payments made to the district during the 2019-20 year and is available on the district's Payment Transmittal or at the web site listed below. The totals on the report should correspond to the district's records for each type of revenue received from DESE. Amounts received at times other than the regularly scheduled monthly payments (off-line payments) are not included on the audit confirmation. If an Annual Secretary of the Board Report (ASBR) revenue edit is generated and the difference is due to an "off-line" payment, describe the payment and the amount in the Remarks section of the ASBR. A remark may also be necessary if an edit is generated because the district refunded monies to the state.

To print a copy of the Audit Confirmation Report, go to public applications on the DESE Web Applications website located at <https://k12apps.dese.mo.gov/webLogin/login.aspx> and follow the steps listed:

1. Select "Public Applications" on the login page
2. Select "School Finance" on the page titled user applications
3. You will be directed to a [District Select Page](#)
4. Select the district for the audit confirmation you wish to retrieve and hit the [select](#) button
5. Select "Payment Transmittal" on the next page
6. Select the date of any payment for any month of the fiscal year.
7. Select the "Audit Confirmation" hyperlink in the statement "All payments received to date for this fiscal year can be viewed on the [Audit Confirmation](#) report." Located under the year and month but above the payments received for the date selected.
8. Report will open in a new window

If the report does not open make sure you do not have a pop-up blocker turned on (select to have the pop-up blocker allow pop-ups on this site). Also, make sure you are using Microsoft Internet Explorer.

TAX RATES AND RELATED TOPICS

Setting 2020-21 Tax Levies

The district should have received the 2021 State Auditor's Office forms for computing the 2021 tax rate ceiling for operations and the debt service maximum levy. These forms should be completed as soon as possible and forwarded through the appropriate channels. Establishing the tax rate ceiling is fundamental in determining the actual adjusted tax levy and the placement of the levy by fund. A tax rate calculator is available on the State Auditor's web page at www.auditor.mo.gov.

A District Tax Reduction Worksheet (more commonly referred to as the Prop C Rollback Worksheet) is available on the web at <http://dese.mo.gov/financial-admin-services/school-finance/calculation-tools>. For those districts completing the Prop C Rollback Worksheet, data for Line 1b (if applicable) may be found on Proposition C Compliance letter which was made available in May. Districts who received voter approval for a full waiver of the Proposition C rollback do not need to complete the Prop C Rollback Worksheet.

The data for Line 2a of the Prop C Rollback Worksheet and the data for Line 14 of the State Auditor's Office tax rate ceiling form can be found on the Proposition C Compliance letter which was made available in May within Web Applications or on the School Finance website at <http://dese.mo.gov/financial-admin-services/school-finance/data-reports> and select Estimated State Assessed Revenues.

To access the Proposition C Compliance letter, go to the DESE web applications website located at <https://apps.dese.mo.gov/weblogin/login.aspx> and follow the steps listed:

1. Log in to Web Applications with your userid and password
2. Select "Prop C Compliance" on the page titled user applications
3. Select "District Letter" on the left hand navigational menu
4. Select "Prop C Letter" on the next page

Estimate of Required Local Taxes Form

The **Estimate of Required Local Taxes** form is available in an Excel file version for districts to enter the appropriate information and print to send to the county(ies) in which the district is located. This Excel file is available at <http://dese.mo.gov/financial-admin-services/school-finance/calculation-tools> for use in filing the district's 2021 tax levies by fund with your county(ies). One form is to be sent to each county clerk in which the school district has assessed valuation. In addition to the summary information filed on the form, the unadjusted and adjusted levies by fund are reported.

The unadjusted levy for operations is defined as the tax rate ceiling for operations minus any voluntary rollback for operations. The tax rate for operations may be placed in the Incidental, Teachers and/or Capital Projects Funds at the discretion of the district. The unadjusted levy for the Debt Service Fund is defined as the State Auditor's calculated tax rate for debt service minus any voluntary rollback (the actual rate levied). The unadjusted and adjusted tax rates for the Debt Service Fund and the Capital Projects Fund are always the same because there is no rollback for Proposition C allowed in these funds.

The adjusted levy for operations is defined as the unadjusted levy for school purposes minus the Proposition C rollback in the Incidental and/or Teachers Fund, as appropriate, plus the Capital Projects Fund levy, if applicable. The total adjusted tax levy equals the adjusted levy for operations plus the adjusted levy for the Debt Service Fund. A district that does not have a Proposition C rollback (i.e., a district with a voter approved full waiver) will set the unadjusted and adjusted levies the same for each fund. Please pay particular attention to the asterisk footnotes on the form.

The information reported to the county(ies) on the **Estimate of Required Local Taxes** should be the same as that reported by the district on Screen 6 of the 2020-21 August Core Data Collection Cycle. If adjustments are made to the levies during the year, please ensure that the appropriate corrections are made with the county, State Auditor's Office and DESE on Screen 6 of Core Data. Direct questions regarding the completion of the **Estimate of Required Local Taxes** Excel file form to the School Finance Section at (573) 751-0357.

OTHER IMPORTANT REMINDERS AND TOPICS OF INTEREST

Fiscal Year 2020 Audit Submissions via Tiered Monitoring System

The following guidelines are provided for the Fiscal Year 2020 Audit Submissions:

- Audits, copies of signed board minutes approving the audit, and management letters should be submitted to DESE via the Tiered Monitoring System. The documents should be in Adobe searchable pdf format, version 11.0 or lower. The file description should easily identify the document, such as audit, management letter, or signed board minutes.
- The audit report should be uploaded as "Audit Documents (required fiscal audit)" and the board minutes, management letter and any corrective action plans would be "Audit Documents (supporting docs)" in the file upload dialog box for the 2020-21 fiscal year. The file upload box will also require adding the contact information for the auditor before the audit report can be uploaded. (Use the [global document repository \(uploads\)](#) link under "Utilities" on the right side of the screen to upload the documents.)
- The deadline for submitting audits is **December 31, 2020**. There is no longer any need to file for an extension of the audit deadline.
- Copies of signed board minutes and management letters may be submitted after the December 31 deadline. These documents should include all required signatures, which is a change from current practice.

- The school, not the auditor, is responsible for ensuring that the audit, board minutes, and management letter are submitted to DESE in compliance with the provisions of the audit rule. With the change of audit submission via the Tiered Monitoring System, the auditor should not have access to this system and, therefore, not be able to upload the audit documents.
- To minimize the need for subsequent audit corrections, schools are strongly encouraged to complete the following checklist prior to submitting the audit:
 - The pages of the audit have been compared to the Table of Contents and no pages are missing or out of order. Audits with missing pages may be rejected as incomplete.
 - The audit includes the auditor's signature and the date of the audit report. Audit reports that are not signed and dated may be considered a draft, not a final report. Draft reports cannot be accepted in satisfaction of the audit requirement.
 - The ending debt balances in the audit report (reported in the financial statements and/or Notes to the Financial Statements) agree to the balances reported in Part IV, Long and Short Term Debt, of the Annual Secretary of the Board Report (ASBR). Any differences should be reconciled.
 - The audit includes the updated version of the Schedule of Selected Statistics, which can be found at <http://dese.mo.gov/financial-admin-services/school-audits>.
 - The data reported on the Schedule of Selected Statistics agrees to the corresponding data on the ASBR and MOSIS/Core Data. If changes to the ASBR and/or MOSIS/Core Data are needed as a result of the review, please revise and resubmit corrections as soon as possible and notify your auditor of any changes.
 - Submit/upload corrective action plans for federal and state findings in a separate document from the audit report.
 - The audit submission includes the district's Single Audit, if applicable. There is no provision in the rule allowing the Single Audit portion of the audit to be submitted at a later date.

June 2020 Cycle Attendance

The June 2020 Cycle Attendance Report is available on the web for district review. To access this report log on to the DESE Web Applications website located at <https://apps.dese.mo.gov/weblogin/login.aspx> and then select Core Data Collection. Once in the Core Data Collection system, change the year to 2019-20 and select the Reports option on the left hand side of the page. Select Summary Reports, and then select the desired report (for Attendance Hours Report, select the 2019-20 year, click on Attendance Hours). The Attendance Hours Report shows the 2019-20 district attendance hours by grade by building and the average daily attendance for the building and the district. School Finance will contact districts when data quality concerns are noted.

September Membership Comparison

September Membership reports are available on the web. Log on to the DESE Web Applications Page located at <https://apps.dese.mo.gov/weblogin/login.aspx> and then select Core Data Collection. Once in the Core Data Collection system, change the year to 2019-20 and select the Reports option on the left hand side of the page. Select Summary Reports. Two September Membership reports are listed for review. One report, the September Membership Comparison Report (SAR070R), compares September membership as reported by the district for the year selected and the prior year. The other report, September Membership Report (SAR080R), displays only the data for the year selected.

If there is a shift in membership numbers between the 2018-19 year and the 2019-20 year, the data indicators may have been reported incorrectly. The September 2019 membership data by county will be reported to each county to be used in various county payments to school districts during the 2019-20 year. The accuracy of the payments is dependent on the accuracy of the membership data. A January Membership report is also available.

Please review the membership data. If reporting errors are found, update the 2019-20 September membership via MOSIS. Remember, if a change is made to September membership, a corresponding change to enrollment may be necessary.

SCHOOL GOVERNANCE

Nonresident Students

The School Administrative Services section has received a number of calls regarding the admission of nonresident students. Please note the following:

- In most cases, if a school district enrolls a nonresident student the district must charge tuition and this student cannot be counted for state aid purposes. There are very few exceptions to this.
- Homeless children are resident students.
- A child of a parent employed by the school district as a teacher or regular employee and agriculture exemptions are situations where a nonresident student may be enrolled and counted for state aid purposes.

It is the time of year when students are registering for school and the district is dealing with residency issues. It would be advisable, especially for districts with new administrators, to review the district's residency policy and enrollment forms. Additional information on residency, such as an enrollment checklist and residency waiver, can be found at the School Governance website at <http://dese.mo.gov/financial-admin-services/school-governance>.

Please contact David Tramel, Coordinator – School Administrative Services, at (573) 751-0357 if you have any questions relating to residency or other questions relating to the operation of your school district.

Use of Birth Certificates for Enrollment Purposes

The Department of Health and Human Services - Bureau of Vital Records receives a large number of requests for birth certificates from parents attempting to enroll their child in a Missouri public school. According to the Bureau, these parents are being told they cannot enroll their child in a school district without a birth certificate containing the father's name and information on the certificate. The Bureau has questioned the Department about the use of birth certificates for this purpose.

Neither the Missouri Constitution, the Public School Laws of Missouri, nor Department rules require public school districts to request a birth certificate for enrollment purposes. In fact, school districts requiring this information before allowing a student to enroll may, in effect, be denying the student access to a public education for which they are otherwise legally qualified to receive. While a district may request a birth certificate at the time of enrollment, documents other than a birth certificate can be used to verify the age of a student. Finally, the U.S. Department of Education's Office for Civil Rights has cautioned school districts about relying solely on birth certificates when other documents, such as parent affidavits or hospital records, are equally suitable as reliable sources of information.

In sum, the fact that a parent cannot provide a birth certificate with or without the father's name on it should not—by itself—prevent a child from enrolling in a public school.

Playground Safety

The National Program for Playground Safety provides information to help insure safe playgrounds for schools across the nation. The NPPS website can be found as a link on the school governance web page under school safety or go directly to <http://www.uni.edu/playground>.

MSPMA Annual State Conference

The annual state conference of the Missouri School Plant Managers Association will be held on September 20 – 22, 2020, at the Hilton Branson Convention Center. Please provide the conference information to the person in your district in charge of facilities. Additional information about the conference can be obtained by calling Mr. Charley Branham, Executive Director, at (636) 775-9101. Registration and conference information is also available at <https://www.mspma.com/annual-conference>.

STUDENT TRANSPORTATION

How should physical distancing take place on a school bus?

School bus transportation may not readily allow for physical distancing. However, strategies to reduce contact on buses and risk of infection can include:

- Screening of COVID-19 symptoms at home prior to getting on the bus.
- Encouraging hand hygiene upon boarding the bus.
- Assigning students to seats so contacts are stable.
- Seating siblings together.
- Loading the bus from back to front.
- Encouraging the use of face masks during transport.
- Having windows open when safe and weather-permitting.
- Providing bus drivers and monitors onboard with personal protective equipment, such as face masks and face shields and/or eye protection, as long as these do not impair driving.
- Installing physical barriers such as plexiglass between the driver and students, if feasible and if NHTSA releases guidance (expected within the next few weeks).

School Bus Driver FMCSA Drug and Alcohol Testing Guidance

Per the Federal Motor Carrier Safety Administration (FMCSA), if, due to disruptions caused by the COVID-19 national emergency, the district is unable to perform random selections and tests sufficient to meet the random testing rate for a given testing period in order to achieve the required 50% rate for drug testing, and 10% for alcohol testing, the district should make up the tests by the end of the year.

The district should document in writing the specific reasons why you were unable to conduct tests on drivers randomly selected, and any actions taken to locate an alternative collection site or other testing resources.

More information is available at <https://www.fmcsa.dot.gov/emergency/fmcsa-covid-19-drug-alcohol-testing-guidance>.

School Bus Inspections

All Missouri school buses are required to be inspected as follows:

- Within 60 days prior to operating the vehicle during the school year at an official inspection station
- Spring Missouri State Highway Patrol inspection

School bus drivers are required to perform a daily pretrip inspection.

Annual School Bus Driver Training Required

Missouri law requires that each school bus driver receive at least 8 hours of annual training. This includes regular route drivers, sub drivers, activity and field trip drivers, and school district staff members such as coaches and teachers who drive school buses. Training records should include who attended the training, when the training was provided, and the contents of the training.

“Ride-Along” Programs For Bus Drivers’ and Staff’s Children

DESE periodically reviews concerns relating to so-called “ride-along” programs that allow school bus drivers and other staff to bring their young children on school buses while driving their transportation routes, driving activity and field trips, or acting as chaperons and sponsors.

School buses are licensed pursuant to Sections 301.010 and 302.010, RSMo, solely to transport pupils to and from school or elsewhere for educational purposes. They are not licensed to carry the preschool-age children of the drivers and other staff or any children not enrolled in a school district program.

The current status of Missouri’s governmental tort immunity law makes transportation services an area of critical concern for school districts. Specifically, Section 537.600.1(1), RSMo, provides that governmental tort immunity is expressly waived for:

Injuries directly resulting from the negligent acts or omissions by public employees arising out of the operation of motor vehicles or motorized vehicles within the course of their employment.

This means that public school employees may NOT have tort immunity protection when they are operating motor vehicles. Added to this is the possible distraction of drivers having one or more of their own young children to care for while supervising students on the bus. The Missouri State Highway Patrol has expressed similar safety concerns about driver distraction. DESE recommends that any ride-along program be reviewed with the district's liability insurance carrier.

School Finance

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<http://dese.mo.gov/divadm/finance/>



The Missouri Department of Natural Resource's Volkswagen Trust School Bus Program school bus replacement cycle is open for school buses that are 1992-2009 model year. The Missouri Department of Natural Resources is accepting applications Monday, March 2 through May 31, 2020 at 5 p.m. CDT. All school bus fleet owners may apply for the replacement of up to three buses on an application, plus as many as two more buses if applying for new alternative fuel or all-electric buses. More information is available at <https://dnr.mo.gov/env/apcp/vw/school-buses.htm>.