

# School Finance

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## PAYMENT CALCULATIONS

### FY 2020 Final Payment Calculation Information

	Basic Formula <sup>3</sup>	Classroom Trust Fund <sup>1</sup>	Prop C <sup>2</sup>	Small Schools Grant \$10M <sup>1</sup>	Small Schools Grant \$5M <sup>4</sup>
SAT/Proration/ Amount Per	95.2%	\$327	\$1,005.99	\$279.97	\$149.92
Dollars Distributed	\$3,341,673,409	\$271,176,895	\$918,569,636	\$10,000,000	\$5,000,000
Denominator		828,503	913,100	35,717	33,352

<sup>1</sup>ADA /<sup>2</sup> WADA / <sup>3</sup> FWADA / <sup>4</sup> Tax-Rate WADA

Please call or email School Finance at 573-751-0357 ([finadmgo@desse.mo.gov](mailto:finadmgo@desse.mo.gov)) with questions or concerns about the district's calculations.

## FISCAL YEAR 2020-21 BUDGET ESTIMATES

### State Adequacy Target (SAT) and Threshold Recalculation

The SAT and related Thresholds for Fiscal Year 2020-21 are as follows:

Item	Amount
State Adequacy Target FY 2021	\$6,375
Free & Reduced Lunch Threshold	29.45%
Special Education (IEP) Threshold	12.83%
Limited English Proficiency Threshold	2.07%

### DVM for FY 2021

The dollar value modifier (DVM) for FY 2021 may be viewed at <http://dese.mo.gov/financial-admin-services/school-finance/data-reports>.

### FY 2020-21 Budget Estimates

	Basic Formula <sup>3</sup>	Classroom Trust Fund <sup>1</sup>	Prop C <sup>2</sup>	Small Schools Grant \$10M <sup>1</sup>	Small Schools Grant \$5M <sup>4</sup>	Transportation
SAT/Amount Per/ Adjustment %	\$6,375	\$426.5	\$1,050	\$279.97	\$149.92	Unknown
Budget	\$3,553,211,885	\$353,359,579	\$958,400,000	\$10,000,000	\$5,000,000	\$93,947,713
Denominator		828,503	913,100	35,717	33,352	

<sup>1</sup>ADA / <sup>2</sup> WADA / <sup>3</sup> FWADA / <sup>4</sup> Tax-Rate WADA / <sup>5</sup> Appropriation Cap Adjustment (% paid of line 50)

Although the above data is based on the FY 2020-21 appropriations as passed by the general assembly, districts and charter schools should exercise extreme caution as they move forward in their budgeting process for FY 2020-21. It is impossible to know the full impact COVID-19 could have on the ability to reach the State Adequacy Target in the Foundation Formula payment. District and charter schools should be conservative in any estimates for Foundation Formula, Classroom Trust Fund, Transportation, Small Schools and Proposition C payments in the coming year. The department will continue to monitor revenue trends over the coming months and provide additional guidance when more information is available.

Utilizing the method applied in FY 2020, spending reductions will result in the following:

Basic Formula Effect of Revenue Short Falls	
Cash Shortfall	Proration Percentage
Full Funding	100.00%
\$25,000,000	99.14%
\$50,000,000	98.57%
\$75,000,000	97.86%
\$100,000,000	97.14%
\$125,000,000	96.43%
<b>Average Drop per \$25M</b>	<b>-.7100%</b>

Classroom Trust Fund Effect of Revenue Shortfalls on Amount per ADA			
Cash Available	ADA	Amount Per ADA	Difference
\$ 353,359,579.00	828,503.00	\$ 426.50	
\$ 343,359,579.00	828,503.00	\$ 414.43	\$ (12.07)
\$ 333,359,579.00	828,503.00	\$ 402.36	\$ (12.07)
\$ 323,359,579.00	828,503.00	\$ 390.29	\$ (12.07)

Prop C Effect of Revenue Shortfalls on Amount per WADA			
Cash Available	WADA	Amount Per WADA	Difference
\$ 958,200,000.00	913,100.00	\$ 1,049.39	
\$ 948,200,000.00	913,100.00	\$ 1,038.44	\$ (10.95)
\$ 938,200,000.00	913,100.00	\$ 1,027.49	\$ (10.95)
\$ 928,200,000.00	913,100.00	\$ 1,016.54	\$ (10.95)
\$ 918,200,000.00	913,100.00	\$ 1,005.59	\$ (10.95)

### 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
May 21, 2021	June 21, 2021

## AUDITS REPORTS

### 2019-20 Audit Schedule of Selected Statistics

A copy of the 2019-20 Schedule of Selected Statistics that is to be included in the 2019-20 audit report is available at <https://dese.mo.gov/financial-admin-services/school-audits>. The district should print and keep a copy as a reference when it reviews the 2019-20 audit report prior to submitting the audit report to DESE to ensure the **updated schedule** is used by the auditor and included in the report. The district is encouraged to compare the information in the audit on this schedule to the data the district submitted through MOSIS, on Core Data, the Annual Secretary of the Board Report, or other reports and resolve any differences prior to submitting the audit report.

## OTHER IMPORTANT REMINDERS AND TOPICS OF INTEREST

### New 2019-20 Revenue and Project Codes

Five new revenue codes and five new project codes have been created due to CARES Act funds that will be sent out from the Department of Elementary and Secondary Education. They can be viewed [here](#).

## 2019-20 Annual Secretary of the Board Report (ASBR) Updates

Many changes have been made to the 2019-20 ASBR. These updates are listed on the School Finance web page at <http://dese.mo.gov/financial-admin-services/school-finance/annual-secretary-board-report-asbr>. The listed changes exclude the newly added revenue and project codes found [here](#). The ASBR is now open but will not be allowed to be submitted until July 1, 2020.

## PDC Expenditure Requirements Modification Enacted August 28, 2018

Section 160.530.1, Ramos, requires districts to spend one percent (1%) of the Basic Formula monies (based on Line 17B of the district's June basic formula calculation) for professional development committee expenditures. A minimum of seventy-five percent (75%) of one percent (1%) of the current year's Basic Formula apportionment must be spent in the year received for purposes determined by the Professional Development Committee and identified in the professional development plan in relation to a school improvement plan. This is completely separate from professional development that may be required by other programs such as title or special education programs. Expenditures should be recorded to Function Code 2214. Any portion of the other twenty-five percent (25%) of the one percent (1%) not expended during the year must be shown as a part of the restricted fund balance on June 30.

Effective August 28, 2018, HB 1606 modified 160.530.1, RSMo, to allow "that in any fiscal year ending with fiscal year 2024 in which the amount appropriated and expended to the public schools under section 163.161 for the transportation of pupils is less than twenty-five percent of the allowable costs of providing pupil transportation under said section, a school district may, by majority vote of its board, allocate an amount less than one percent of the moneys received pursuant to section 163.031, exclusive of categorical add-ons, to the professional development committee of the district but in no instance shall the district allocate less than one-half of one percent of the moneys received pursuant to section 163.031, exclusive of categorical add-ons, to the professional development committee of the district." Any portion of the amount allocated and not expended during the year must be shown as a part of the restricted fund balance on June 30.

Function Code 2214 may **only** be used to code those expenditures made to meet the requirement of Section 160.530, RSMo, described above. Any instructional staff professional development required by other programs or expenditures made that do not meet the requirement of Section 160.530, RSMo, should be coded to Function Code 2213. Starting with the 2019-20 ASBR expenditures coded to Function Code 2214 with a source code or project code that indicates use of funds other than Basic Formula funds will not be allowed. If improper coding has occurred the district will be required to make adjusting entries and amend the Annual Secretary of the Board Report (ASBR) as necessary.

## State of Missouri Vendor Services Portal – DESE Payments

DESE has the ability to process a school payment any business day of the month. Therefore, if the State of Missouri Vendor Services portal reflects a payment number beginning with PV 500 Q11xxxxxxx, please go to School Finance Payment Transmittal page to determine the purpose of the payment received. All PV 500 Q11xxxxxxx payments are reflected on the School Finance Payment Transmittal page. Note that the Basic Formula payment is processed no sooner than the 21<sup>st</sup> of the month, unless the 21<sup>st</sup> is a weekend then the date varies at most by one day before or one day after the 21<sup>st</sup>.

Questions regarding payments found on the Payment Transmittal page should be directed to the appropriate contact found on the [Payment Contact List](#) located on the payment transmittal.

Below payment numbers will NOT be reflected on DESE payment transmittal and questions can be directed to Cynthia Walker, 573-526-4682, [cynthia.walker@vr.dese.mo.gov](mailto:cynthia.walker@vr.dese.mo.gov):

PV E063xxxxxxx – DESE Disability Determinations  
PV E064xxxxxxx – DESE Disability Determinations  
PV E066xxxxxxx – DESE Vocational Rehabilitation

Below payment numbers will NOT be reflected on DESE payment transmittal and questions can be directed to Robin Burkhart, 573-751-8291, [robin.burkhart@dese.mo.gov](mailto:robin.burkhart@dese.mo.gov):

PV QCOxxxxxxx – Reimbursement for use of a building or committee member reimbursement

## 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>.

## 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 amounts 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.

## Annual Report of the County Clerk to the State Board of Education

The district can locate a copy of their Annual Report of the County Clerk to the State Board of Education on the School Finance Report Menu in the DESE web applications under “Annual Financial Reports”. Please note that if a county is not listed on this report, the county has not yet submitted its Annual Report.

## June 2020 Core Data

The 2019-20 June Core Data Cycle screens to complete are 9, 10, 10A, 12, 13, 14, 14A, 14B, 17, 19 and 24. Several of these screens are populated directly from files submitted through the MOSIS Data Collection System. When all errors are resolved for a MOSIS file and it is “certified”, the data will be aggregated as needed and copied by DESE to the appropriate Core Data screen. The screens and related Core Data reports should be reviewed to verify that the data are correct.

These screens are to be completed and submitted by June 30, 2020. *Districts whose June Cycle data are not entered by **July 15** may have their August Basic Formula payment held until September. Continued delay in submitting the June Cycle may result in the continued holding of the payment.*

## 2020-21 District Contact Information

Much of the notification process used for the ASBR, payments, and other correspondence is done by e-mail. In order to provide proper and timely notification, DESE must have an accurate e-mail address for the person(s) responsible for financial functions. The e-mail addresses must be reported on Core Data Screen 3 for the ASBR, Finance, and Bookkeeper contacts, as well as, Screen 4 for the Superintendent. Please check all of the information on the appropriate Core Data Screens to ensure the contact person’s name, e-mail address, and phone number are correct.

# ATTENDANCE HOUR REPORTING

## Attendance Reporting

For guidance regarding various attendance reporting scenarios please refer to the School Finance website at <http://dese.mo.gov/financial-admin-services/school-finance/finance-topics-procedures> and select Attendance Reporting from the General Guidance section.

Attendance hours are an important component of the average daily attendance (ADA) calculation. Accurate documentation must be kept to ensure that districts are properly reporting attendance data on students. To help ensure that districts/LEAs are reporting attendance correctly, an Attendance Hour Reporting document is available on the School Finance Topics and Procedures page located [here](#). Following are a few points to help clarify what can and cannot be claimed as attendance hours for State Aid:

- 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. This applies to in-school suspension teachers as well as those supervising study hall, recess, virtual courses taken in school, or other computer-based instructional programs taken in school. A substitute certificate meets the requirement of a certificate when the employee is functioning as a substitute teacher in the absence of the teacher-of-record or is employed as the teacher-of-record.

- Attendance Recovery - Law does not allow for the make-up of attendance hours. If a student is absent those hours must be reported as absent hours. A school district may require a student to make-up time for excessive absences; however, this does not allow the district to count those hours as attendance hours for the student.
- Poor Attendance Days - Districts are required to report all hours of student attendance and absence. There is no allowance in state statute to drop a day of school due to poor attendance and make that day up with another day. This would be considered intentional manipulation of attendance records and would result in an overstatement of attendance hours. If the district attended school the day must be reported unless it did not meet the minimum day length to count as a day of school according to state statute.
- The only attendance hours that can be claimed for state aid that does not occur under the supervision of a certified instructor is virtual course hours. Computer based courses are different from virtual courses and cannot be claimed unless under the supervision of a certified instructor.
- Any hours claimed as remedial hours must meet the definition of remedial hours as outlined in 167.640.1, RSMo, 167.340.2, RSMo, and 167.645, RSMo. See the Attendance Hour Reporting Document for more detailed information.
- If a program is 100% funded with federal funds then the hours cannot be claimed for state aid (do not report as remediation hours, attendance hours, or summer attendance hours).
- For FY 2019-2020 districts/LEAs do not have the ability to claim attendance hours for students when school is closed due to weather. Prior to the FY 2020-2021 there is no allowance in law to have attendance hours claimed for students if they perform school work at home or do online school work.
- Other Topics Included in the Attendance Reporting Document located [here](#) include:
  - Credit Recovery
  - District Paid Local Effort
  - District Paid Tuition
  - Early Dismissal of Seniors
  - Excused Absences
  - Map Testing
  - Out-of-School Suspension
  - Parent Paid Tuition
  - Zero Hour
  - Non-Tradition Methods of Instruction
    - Virtual Courses
    - Computer Based Courses
    - Homebound Instruction
    - Correspondence Courses
    - School Flex Program

### Missouri Accountability Portal (MAP) – Debt Reporting

Section 37.850, RSMo, requires school districts to report all bonded indebtedness and requires charter schools to report all debt. This information shall be supplied to Office of Administration (OA) for display on the State's Accountability Portal.

If a school district issues new bonds or a charter school enters into debt obligations the new debts are required to be entered onto the portal within seven days of issuing a bond or incurring an obligation or debt per section 37.850, RSMo.

A user link for the portal is available on the main page <http://mapyourtaxes.mo.gov/MAP/Bonds/HomePage.aspx>. In order to submit information, an entity will need to visit the portal website and obtain a secure user name and password. The user name and password can be created by selecting "create account" on the right hand side of the screen. Once credentials are granted, a user may enter the site to enter or update bond or debt information.

Most of the required fields on the reporting tool are self-explanatory; however, there have been questions regarding a couple of the fields. The description of the revenue stream is generally something such as revenue generated from a levy that was established, Classroom Trust Fund revenue, or local revenue. This list is not an all-inclusive list but provides a general idea as to what would seem to be an appropriate response. The description of the project would be a description as to what the project

was, for example, a building project.

If you have questions regarding accessing the portal website, please contact OA at (573) 751-2971 or [MAPBonds@oa.mo.gov](mailto:MAPBonds@oa.mo.gov). For questions regarding what debt should be entered on the portal please do not hesitate to contact School Finance at 573-751-0357.

## SCHOOL GOVERNANCE

### Boundary Change

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

## STUDENT TRANSPORTATION

### June Payment

No transportation payments were made to districts or charter schools in June. These June restrictions reduced the FY20 appropriation from \$107,547,713 to \$93,245,348. Adding this to previously announced transportation restrictions, districts received about 13% less transportation funding than was appropriated for FY20.

### State Aid for Transportation of Pupils Statute Waived

As stated in the April 3 [Administrative Memo COM-20-002](#) a requirement of the state aid for transportation of pupils' statute has been waived. This waiver means the miles driven by school buses that are delivering food and/or remote learning opportunities to students, and/or providing Wi-Fi near students' homes, are allowable transportation costs (under the district's emergency preparedness plan) and may now be reported as eligible route miles on the Application for State Transportation Aid. Amid COVID-19 school closures, schools are now taking school to Missouri students, instead of bringing students to school.

### Certified School Bus Driver Instructor Training

The Certified School Bus Driver Instructor recertification training will be held in Columbia on July 24, 2020. The Certified School Bus Driver Instructor workshop is scheduled for July 29-31, 2020, in Warrensburg. Registration forms for this training are available at <https://dese.mo.gov/financial-admin-services/student-transportation/certified-bus-driver-instructors>, also, a listing of all current Certified School Bus Driver Instructors can also be viewed at this site.

### 5 CSR 30-261.045 Pupil Transportation in Vehicles Other Than School Buses, the State Board of Education is Amending Rule to Remove the Requirement for a Restroom

At the June State Board of Education the following amendment to this regulation was made as follows:

- (3) Requirements for Transportation of Students in Authorized Common Carriers.
- (A) Authorized common carriers shall only be used to transport students to and from field trips or other special trips for educational purposes and shall not be used to transport students to and from school. Authorized common carriers, as used in this rule, are over-the-road intercity-type coaches equipped with reclining seats[,] and air conditioning [and restroom facilities, and]. **Authorized common carriers must also hold[ing] authority from the Missouri Department of Transportation, Motor Carrier Services, [of Economic Development, Division of Motor Carrier and Railroad Safety] or the Federal Motor Carrier Safety Administration.**

### National School Bus Safety Week

2020 National School Bus Safety Week: **October 19-23, 2020**, and the theme is "**Red Lights Mean STOP!**" To order posters, contact the American School Bus Council at [info@americanschoolbuscouncil.org](mailto:info@americanschoolbuscouncil.org).

### 2019-20 Transportation Data Collection

The transportation data are collected through the Annual Secretary of the Board Report via the ASBR web applications process. The data required for the Application for State Transportation Aid and School Bus and Facility Depreciation Schedules have not changed. The ASBR must be submitted via the Web Application by midnight, August 15, 2020.

## Missouri State Transportation Aid Document Preparation Manual

The 2020 Missouri State Transportation Aid Document Preparation Manual is available on the School Transportation website at <http://dese.mo.gov/financial-admin-services/school-transportation/document-preparation-manual>. This manual should be used as a reference guide as the district completes the transportation documents within the ASBR and finalizes the ASBR transportation coding.

### **School Finance**

**P.O. Box 480  
205 Jefferson Street  
Jefferson City, MO 65102  
Phone # (573) 751-0357  
Fax # (573) 526-3897**

<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>.