

# School Finance

February 2022



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## Payment Calculations

### Basic Formula

The payment was based on the current data available for Fiscal Years 2021-22, 2020-21, and 2019-20 weighted average daily attendance (WADA). Calculation documentation can be found linked on the payment transmittal.

### Classroom Trust Fund

The payment was calculated as allowed by 163.021.1(4), RSMo., using the higher of FY 2020-21 or FY 2019-20 average daily attendance (ADA) data.

### Proposition C

The payment was calculated as allowed by 163.021.1(4), RSMo., using the higher of FY 2020-21 or FY 2019-20 weighted average daily attendance (WADA) data.

### Transportation

The FY 2021-22 state transportation aid calculation is available through the School Finance website. Select Monthly Financial Reports, input County-District number, and the Payment Transmittal is then displayed. Click on the revenue name "Transportation" on the Payment Transmittal to access the transportation aid calculation.

The percent of reduction to the calculated entitlement and A & B factor for the FY2021-22 calculation follows below.

<u>Month</u>	<u>Reduction Factor</u>	<u>A Factor</u>	<u>B Factor</u>
February 2022	59.006914%	44.419093	-1.190287

### Small Schools Grant

The payment was calculated as allowed by 163.021.1(4), RSMo., using the higher of FY 2020-21 or FY 2019-20 average daily attendance (ADA) data and tax levy data.



## Point of Interest

ASBR Data will soon be used in a variety of reporting. Please ensure all data in the ASBR is correct and all expenditures are coded to appropriate project codes if applicable.

## Fiscal Year 2022 Budget Estimates

Payment	SAT/Amount Per/% Increase	Appropriation	Denominator
Basic Formula <sup>3</sup>	\$6,375.00	\$3,561,737,794	
Classroom Trust Fund <sup>1</sup>	\$430.36	\$350,254,932	813,870
Prop C <sup>2</sup>	\$1,045.10	\$958,400,000	917,042
Small Schools Grant \$10M <sup>1</sup>	\$255.44	\$10,000,000	
Small Schools Grant \$5M <sup>4</sup>	\$144.91	\$5,000,000	
Transportation <sup>5</sup>	21.29%	\$113,947,713	

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

<sup>5</sup> Percentage increase in appropriation will affect each LEA differently. See transportation calculation for actual reimbursement amounts.

A Supplemental Appropriation for Prop C has been proposed for FY22 in the amount of \$153,891,000, which if passed would result in \$1,212.91 per WADA.

Remember that these amounts will only be achieved if revenue is available to fund at the level appropriated. If dedicated revenues exceed the appropriation level, a supplement appropriation may be necessary.

## Fiscal Year 2023 Governors Recommendations

Payment	SAT/Amount Per/% Increase	Appropriation	Denominator
Basic Formula <sup>3</sup>	\$6,375.00	\$3,561,737,794	
Classroom Trust Fund <sup>1</sup>	\$428.82	\$349,005,372	813,870
Prop C <sup>2</sup>	\$1,257.77	\$1,153,426,000	917,042
Small Schools Grant \$10M <sup>1</sup>	\$255.44	\$10,000,000	
Small Schools Grant \$5M <sup>4</sup>	\$144.91	\$5,000,000	
Transportation		\$113,947,713	

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

Remember that these amounts will only be achieved if revenue is available to fund at the level appropriated. If dedicated revenues exceed the appropriation level, a supplement appropriation may be necessary.



## Accounting Manual

### Accounting Manual Updates

Various CARES Act grants have been created for distribution in FY 2022 after the Missouri Financial Accounting Manual was published on July 1, 2021. The revised sections include the Revenue Object Quick Reference, Revenue Object Code Descriptions, and the Project Code section. You may wish to print off these revised sections for reference.

## Relief Funds

### Recording Relief Funds

If a LEA is using expenditures from a Fiscal Year to claim any of the various relief funds, it will be necessary to ensure the expenditures are coded with the appropriate assigned project code and ensure the Annual Secretary of the Board Report reflects the proper source of funds and project code associated with the expenditure.

No more than the allocation for the LEA can be coded to the project code. Local match dollars should be coded to a local project code as DESE does not assign a project code for that. It is necessary to ensure proper project code usage as various reporting, monitoring, and audit review processes rely on this coding.

### Point of Interest

Calculation tools to help with revenue projects can be found on the [School Finance Calculation Tools](#) webpage.

## State Adequacy Target (SAT) and Threshold Recalculations

The SAT and related Thresholds for Fiscal Year 2022-23 and 2023-24 are as follows:

Item	Amount
State Adequacy Target	\$6,375.00
Free & Reduced Lunch Threshold	30.95%
Special Education (IEP) Threshold	13.11%
Limited English Proficiency Threshold	2.29%

## Estimating Average Daily Attendance (ADA)

If a district has had an increase in enrollment or other factor that will make the FY 2022 regular term ADA higher than the preceding two years, the district may wish to estimate their ADA for payment purposes.

To help determine if it would be advantageous for your district to estimate ADA for the FY 2021-22 year, please see the Estimated ADA page located under School Finance in the web application system. A tool to help with estimating ADA can be found on the School Finance website under [Calculation Tools](#).

## Unique Entity Identifier (UEI)

### Unique Entity Identifier (UEI)

Effective April 4, 2022, DUNS numbers will no longer be valid. LEAs must obtain a Unique Entity Identifier (UEI) through SAM.gov. These numbers are automatically generated for SAM.gov registered entities. LEAs need to log into their SAM.gov account to retrieve their UEI. LEAs must report the new UEI in Core Data Screen 2 by April 15 in order to receive federal grants from DESE in FY23.

## Attendance Hour Reporting

### Alternative Method of Instruction (AMI)

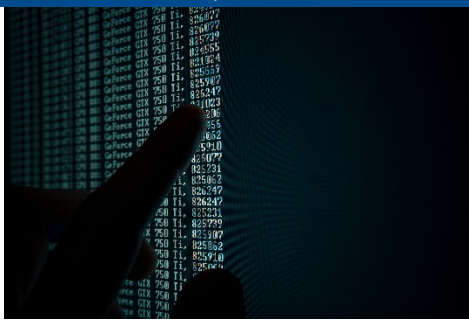
A local education agency (LEA) will not be required to make up school hours that are lost or cancelled due to exceptional or emergency circumstances (up to 36 hours) if the LEA implements an Alternative Methods of Instruction (AMI) Plan that is approved by the Department of Elementary and Secondary Education (DESE) (see Section 171.033, RSMo). LEAs must assure that the plan will favorably impact teaching and learning to receive DESE approval. LEAs will be required to submit an AMI Plan for each school year of implementation.

When an AMI day is implemented the day is considered a day school was in session. Attendance hours can only be claimed for classes in which students completed the prescribed lessons in the time frame and manner that was approved within the AMI plan. For students who do not complete the lessons in the timeframe and manner approved within the AMI plan, the students must be marked absent.

An [Attendance Reporting Q & A](#) has been created to address common questions regarding use of AMI in the SY 2022 year.

### Point of Interest

Information regarding Attendance Hour reporting for the 2022 School Year can be found on the [Attendance Reporting Guidance](#) document located under Finance Topics & Procedures on the School Finance Webpage.



## Data Reporting

### Mid-Year Fund Balance Reporting

The mid-year fund balance reporting is a part of the February Core Data cycle on Core Data Screen 35. Each district is required to report the following information as of December 31, 2021:

- Incidental and Teachers Funds Unrestricted Ending Fund Balance as of December 31 that can be found in the district's accounting records.
- Tax Anticipation borrowing in the Incidental or Teachers Funds between July 1 and December 31.
- Transfers from the General Fund to the Capital Projects or Debt Service Funds between July 1 and
- December 31.

If you have any questions regarding this reporting, please contact School Finance at (573) 751-0357.

### January Membership

The February Cycle MOSIS submission will populate Core Data Screen 16 providing a membership count of resident students who were enrolled on January 26, 2022, and were in attendance one of the previous ten school days. The February Cycle is due to DESE by February 15, 2022.

## Calendar

### Inclement Weather

Districts must comply with Section 163.021.1, RSMo, which requires compliance with the minimum term to be eligible for state aid. Additionally, Section 171.033.3, RSMo, allows "school lost or cancelled due to inclement weather in the school district when the school district has made up the thirty-six hours required under subsection 2 of this section and half the number of additional lost or cancelled hours up to forty-eight, resulting in no more than sixty total make-up hours required by this section".

"Inclement weather", for purposes of this section, shall be defined as ice, snow, extreme cold, excessive heat, flooding, or a tornado.

Reminder: Hours that are forgiven due to inclement weather will not have an adverse impact on the average daily attendance (ADA) calculation. The above information regarding inclement weather and a short FAQ are available at on the [Finance Topics and Procedures](#) page under the Inclement Weather link.

There are two calculation tools to help with determining Weather make-up. They can be found under [Calculation Tools](#).

### School Calendar Requirements

Missouri statute directs that each school board shall prepare annually a calendar for the school term per Section 171.031.1, RSMo. The school term shall consist of one thousand forty-four hours of actual pupil attendance, and "school day" shall mean any day in which, for any amount of time, pupils are under the guidance and direction of teachers in the teaching process. For kindergarten and prekindergarten grade levels the board shall provide a minimum of five hundred twenty-two hours of actual pupil attendance in a term. In short:

There is an hour requirement of 1,044 hours or 522 hours in session for half-day kindergarten or prekindergarten programs claimed for state aid.

There is also a weather make-up hour requirement.

- 36 planned make-up hours are required.
- The LEA school cannot go below 1,044 hours in session, or 522 hours in session for half-day kindergarten or prekindergarten programs claimed for state aid, unless forgiven by weather make-up requirements. Weather make-up requirements are:

The first 36 weather hours are made up and then half the amount thereafter up to 48 hours, for a maximum of 60 total make-up hours.

### [Point of Interest](#)

Preliminary FY 2021-22 transfer amounts have been posted on the School Finance Website under the [Data & Reports webpage](#).

## State FTE Resident Free or Reduced Lunch Eligible Students

The February Cycle MOSIS submission will populate the Home School/Free and Reduced Lunch Data, Core Data Screen 15, which is used to collect the number of students eligible for free or reduced price lunch as of the last Wednesday in January (January 26, 2022) in the category described in the Core Data Collection System Manual –State FTE Free or Reduced Lunch Eligible Students. A description follows:

### State FTE Resident Free or Reduced Lunch Eligible Students

- Report the full-time equivalency count of resident students enrolled in grades K-12 on January 26, 2022, and in attendance one of the 10 preceding school days whose eligibility for free or reduced lunch is documented (through the application process using federal eligibility guidelines or through the direct certification process). For districts that participate in the Community Eligibility Program (CEP), all of the students enrolled in the district (if CEP has been chosen district wide) or all of the students enrolled in a CEP building (if only certain buildings in the district participate) are considered eligible for free and reduced lunch.
- Participating in the Seamless Summer Option or the Summer Food Service Program does not qualify a student to be documented as qualifying for free lunch. Documentation proving income eligibility must be obtained to mark students as qualifying for free or reduced lunch when the district participates in these programs.
- Report eligible students on a full-time equivalency (FTE) basis. A student attending one-half day is counted as .5, one-fourth day as .25, etc. Kindergarten students attending less than a full day per the first grade calendar are included in the counts as a ratio of the kindergarten calendar divided by the first grade calendar. Example: If the calendar for “full day” students in a school is 1050 hours and the calendar for kindergarten students is 630, then the FTE for those kindergarten students would be 630/1050 or .60. In no case should a full-time half-day kindergarten student be reported less than .50.
- Eligible students are counted regardless of whether or not they actually eat lunch/breakfast.
- Nonresident students are to be counted by the district which pays the tuition for those students.
- Do not count students for whom the Department does not distribute state aid.

## 1% Professional Development Expenditures

Section 160.530.1, RSMo, 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.

### Point of Interest

Transportation Supplement Grant has been extended and can now be used for funds obligated through September 30, 2022.

The [Grant Guidance Document](#) can be found on the [DESE COVID Relief Information page](#).



## Other Important Reminders

### 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, including new debt within seven days of issuing the bond or incurring the debt. This information shall be supplied to Office of Administration (OA) for display on the [State's Accountability Portal](#).

A user link for the portal is available on the main page. 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 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.

### Non-Certificated Educators – Attendance Hours Adjustment

Attendance hours for any educator without a valid teaching 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. 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.

### Lengthening or Shortening the School Year and the Impact on Funding

If a district or charter school changes the length of their school year, even if due to weather forgiveness, there is no impact on funding because it does not change the Average Daily Attendance (ADA). The ADA is calculated by taking the actual attendance hours of the students divided by the possible attendance hours of a student (the calendar). This will result in no more than a 1.0 ADA for a student who had perfect attendance.

ADA is only increased due to the following reasons:

- Enrollment increase
- Better attendance rate
- Qualified remedial hours
- Summer School ADA



### Point of Interest

Information regarding MOSIS & Core Data can be found on the School Data website, [Core Data & MOSIS](#) webpage.

## Non-Certificated Educators – Attendance Hours Adjustment Continued:

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 the Department of Elementary and Secondary Education. To access this report in the Data Collection system, go to the left hand navigational tree and select Reports, then Special Reports, then Staff Certification.

The Department will prepare a list of educators meeting the following criteria:

- did not hold a valid Missouri educator certificate for the Regular School year teaching assignment or;
- has a certificate pending but did not initiate the required background check.

School districts notified they have an educator(s) that met the above criteria must provide School Improvement with the attendance hours by building and by grade for all students who were under the supervision of those educators since the educator did not have a valid certificate. These hours of attendance will be excluded from the total hours of attendance for the school year.

## School Governance & Transportation Continued

### State Transportation Aid Calculation

See payment section above.

### Ridership List

The second ridership list for the current school year must be finalized on the second Wednesday of February (February 9, 2022). This list should be a compilation of the students' names that regularly ride the bus from the beginning of the second semester to the February count day and should identify which students are eligible for state transportation aid (those living one mile or more from school) and those ineligible for state transportation aid (those living less than one mile from school).

The ridership list should not be a listing of all students who are eligible or ineligible to ride the buses nor should it be a listing of only those students riding on the count day, but should be a listing of students regularly riding the buses. A student should ride the bus a minimum of once a week to be considered a regular rider.

### Point of Interest

Information regarding [Calendar Requirements](#) and [Inclement Weather Make-up](#) can be found on the School Finance, [Finance Topics & Procedures](#) webpage.

## Drug and Alcohol Clearing House

The following information is from the DOT website:

The [Clearinghouse](#) is a secure online database that will give employers, the FMCSA, State Driver Licensing Agencies (SDLAs), and State law enforcement personnel real-time information about commercial driver's license (CDL) and commercial learner's permit (CLP) holders' drug and alcohol program violations. An act of Congress directed the Secretary of Transportation to establish the Clearinghouse.

The [Clearinghouse](#) will enable employers to identify drivers who commit a drug and alcohol program violation while working for one employer, but who fail to inform another employer (as required by current regulations).

The Clearinghouse will also require the following:

- Employers will be required to query the Clearinghouse for current and prospective employees' drug and alcohol violations before permitting those employees to operate a CMV on public roads.
- Employers will be required to query the Clearinghouse annually for each driver they currently employ.

## NEW Federal Entry Level Driver Training (ELDT) Effective as of February 7<sup>th</sup> 2022 Key Information

Information on the new Federal Entry Level Driver Training can be found on the [Student Transportation](#) website. This becomes effective February 7, 2022, and after that date, entry-level employees who are obtaining their CDL or Bus Endorsement are required to undergo the training outlined under these [federal guidelines](#). For more information, contact David Tramel at [David.Tramel@dese.mo.gov](mailto:David.Tramel@dese.mo.gov) or 573-751-0357.

### Point of Interest

Calculation tools to help with revenue projections and inclement weather tracking and required make-up can be found on the [School Finance Calculation Tools webpage](#).



## School Finance Contact Information & Staff Changes

Welcome back Taylor Doerhoff to Financial and Administrative Services as a Director in School Finance. Taylor will be the primary contact for districts in counties 060-074 and she will also be the contact for audit related questions. We ask that you always call our main number of 573-751-0357 or email the email addresses listed below and speak with your designated contact. Updated contact list for staff assignments are as follows:

Name	Duties
<b>David Tramel</b> Coordinator, Administrative and Financial Services <a href="mailto:David.Tramel@dese.mo.gov">David.Tramel@dese.mo.gov</a>	Contact for Governance questions or Transportation question other than Transportation data reporting or Transportation payment.
<b>Tammy Lehmen</b> Coordinator, School Finance <a href="mailto:Tammy.Lehmen@dese.mo.gov">Tammy.Lehmen@dese.mo.gov</a>	Contact for districts in counties 048 & Kansas City Charters 347-347.  Contact for Transportation data reporting or Transportation payment questions.
<b>Sharon Bax</b> Director, School Finance <a href="mailto:Sharon.Bax@dese.mo.gov">Sharon.Bax@dese.mo.gov</a>	Contact for districts in counties 075-115 & St Louis Charters
<b>Taylor Doerhoff</b> Director, School Finance <a href="mailto:Taylor.Doerhoff@dese.mo.gov">Taylor.Doerhoff@dese.mo.gov</a>	Contact for districts in counties 060-074  Contact for questions regarding Audits.
<b>Kara Shumate</b> School Finance Consultant <a href="mailto:Kara.Shumate@dese.mo.gov">Kara.Shumate@dese.mo.gov</a>	Contact for districts in counties 001-047 & 049-059  Contact for County Clerks.



### School Finance

P.O. Box 480 • 205 Jefferson Street, Jefferson City, MO 65102  
 Phone # (573) 751-0357 • Fax # (573) 526-3897 • [finadmgo@dese.mo.gov](mailto:finadmgo@dese.mo.gov)  
<https://dese.mo.gov/financial-admin-services/school-finance/>

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