

# School Finance

November 2022



## Highlights

- [November Payment Calculations](#)
- [Fiscal Year 2023 Budget Estimates](#)
- [Estimating Average Daily Attendance \(ADA\)](#)
- [Adjusting FY2022 Payments](#)
- [October Educator MOSIS Data](#)
- [163.021 Impact on Payments](#)
- [Submitting Annual Audit Reports](#)
- [Publication of the Audit](#)
- [Submitting the Single Audit to the Federal Audit Clearing House](#)
- [September 2022 Membership](#)
- [Mid-Year Fund Balance Reporting](#)
- [Missouri Accountability Portal \(MAP\) – Debt Reporting](#)
- [School Finance Related Webinars](#)
- [Preliminary Transfer Amounts](#)
- [Election Dates and Filing Information Update](#)
- [Drug and Alcohol Clearing House](#)
- [SHOW-ME I'm Worth Stopping For Contest](#)
- [School Finance Contact Information](#)

## Payment Calculations

### Basic Formula

The pandemic provision was applied for districts and payment was based on the current data available for Fiscal Years 2022-23, 2021-22, 2020-21, or 2019-2020 weighted average daily attendance (WADA). Calculation documentation can be found linked on the payment transmittal. Charter schools are paid on the higher of the current year estimate, 1<sup>st</sup> preceding year or 2<sup>nd</sup> preceding year.

### Classroom Trust Fund

The payment was calculated as allowed by Section 163.021.1(4), RSMo using the higher of FY 2021-22, FY 2020-21 or FY 2019-20 average daily attendance (ADA) data.

### Proposition C

The payment was calculated as allowed by Section 163.021.1(4), RSMo using the higher of FY 2021-22, FY 2020-21 or FY 2019-20 weighted average daily attendance (WADA) data.

### Transportation

This is the 2nd live state transportation calculation made for the current year. The calculation is based on 2021-22 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). Calculation documentation can be found linked on the payment transmittal.

The percent of reduction to the calculated entitlement computed for the October FY 2022 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 found on the payment transmittal.

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

<u>Month</u>	<u>Reduction Factor</u>	<u>A Factor</u>	<u>B Factor</u>
November 2022	0.00%	4.690870	--1.402340



[Point of Interest](#)

Annual Audit Report is Due December 31, 2022.

## Small Schools Grant

Section 173.044, RSMo, authorizes payments to small schools defined as districts with an average daily attendance (including summer school) of 350 or less. The allocation of the \$15 million appropriation requires that \$10 million be distributed to the eligible districts on an equal amount per prior year average daily attendance. The remaining \$5 million is distributed (on an equal amount per tax rate weighted average daily attendance) to the eligible districts with a current year adjusted Incidental plus Teachers Funds tax rate of \$3.43 or higher and any district which previously had a Incidental plus Teachers Fund tax rate of \$3.43 or higher but currently has a tax rate less than \$3.43 solely due to modification of such levy required under Section 137.073.5(4), RSMo.

The payment was calculated as allowed by Section 163.021.1(4), RSMo using the higher of FY 2021-22, FY 2020-21 or FY 2019-20 average daily attendance (ADA) data.

## Fiscal Year 2023 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>	\$425	\$349,005,372	820,000
Prop C <sup>2</sup>	\$1,255	\$1,153,426,000	919,000
Small Schools Grant \$10M <sup>1</sup>	\$250	\$10,000,000	
Small Schools Grant \$5M <sup>4</sup>	\$140	\$5,000,000	
Transportation	188.21%	\$328,411,105	

<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.

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.

## Prior Year Correction

### Adjusting FY 2022 Payments

Normally a prior year correction correcting the FY 2022 payments would have been performed in November. We were unable to process the prior year correction so at this time this will be processed in December.



## Estimated Regular Term Average Daily Attendance (ADA)

The estimated regular term ADA for 2022-23 may be provided to your school finance contact to be entered on the Estimated ADA Screen. The district should report an estimated regular term ADA for the 2022-23 year only if the district's 2022-23 regular term ADA is expected to be greater than the 2021-22, 2020-21 and 2019-20 regular term ADA figures and the district wants to be paid in 2022-23 on the 2022-23 estimated number. Regular term average daily attendance includes qualified remediation attendance outside the regular school day. Refer to the [Attendance Reporting](#) guidance document for the description of qualified remediation attendance.

Districts who will be claiming eligible prekindergarten ADA for state aid should evaluate if there is a need to estimate their regular term ADA and should contact their school finance contact after school starts and enrollment is stable.

The local education agency (LEA) charter schools and non-LEA charter schools must provide an estimated regular term ADA to their school finance consultant for 2022-23. Payment is made to charter schools on current year attendance.

A worksheet to assist districts when estimating their ADA is available on the [Calculation Tools](#) webpage.

### Point of Interest

ASBR Data will be used in the Report Card, which will go live soon. Please ensure all data in the ASBR is correct by this time.



## 163.021.1(4), RSMo. Impact on Payments

DESE has determined that FY 2022 student attendance has been broadly impacted by the COVID-19 pandemic, specifically due to the Delta and Omicron variants that occurred during the school year. As such, payment calculations for districts will include the use of FY 2020 ADA and WADA values as outlined below.

Section 163.021.1(4), RSMo indicates that “Whenever there has existed within the district an infectious disease, contagion, epidemic, plague or similar condition whereby the school attendance is substantially reduced for an extended period in any school year, the apportionment of school funds and all other distribution of school moneys shall be made on the basis of the school year next preceding the year in which such condition existed.”

By applying this provision to FY 2023 payment calculations that rely on pandemic-impacted attendance years, the Basic Formula, Classroom Trust Fund, Prop C, and Small Schools Grant will be adjusted. Districts’ Basic Formula payments will include the greater of the FY 2020, FY 2021, FY 2022, or an estimate of FY 2023 WADA. For Classroom Trust Fund and Prop C, School Finance will utilize the greater of the FY 2020, FY 2021, or FY 2022 ADA or WADA for payment purposes. For the Small Schools Grant, FY 2022 ADA will be used to determine if a district qualifies for the grant, then the greater of FY 2020, FY 2021, or FY 2022 ADA will be used for payment purposes (not to exceed 350 ADA per statute requirements). Districts will not need to take any action for a prior year to be utilized for payment purposes when beneficial to the district under this provision. This statutory provision does not apply to charter schools, but an administrative rule revision has been approved to adopt a similar approach under 5 CSR 30-660.090 Charter School Local Education Agency (LEA) Attendance Hour Reporting for FY 2022.

LEAs utilizing FY 2020 ADA or FY 2021 ADA as a result of this provision should begin planning for FY 2024 with the assumption that this provision will not be extended. Some LEAs will experience a significant decline in Formula WADA. Please utilize the [Foundation Formula Projection](#) tool in order to estimate the impact for your LEA, and make plans accordingly.

## October Educator MOSIS Data

With the implementation of the Teacher Baseline Salary Grant and Career Ladder Payment several new salary fields were added to the MOSIS Educator Core and Educator School Files. It’s important if the LEA is participating in these programs that the data submitted is correct.

Teacher Baseline Salary Grant and Career Ladder salary information reported must align with applications submitted in the Compliance Plan to receive final ePeGS allocation amounts and final payments.

Please ensure the LEA’s MOSIS staff review the information submitted and ensure it aligns with the applications submitted by the LEA where possible. It is understandable that staffing changes will add or remove individuals from qualification to the grant(s) but it is imperative to verify the correct reporting of data and to update the data as necessary throughout the year.

## [Point of Interest](#)

## FY 2022 Audit Report Submission Via Tiered Monitoring System

The following guidelines are provided for the Fiscal Year 2022 Audit Submissions:

- Board approved audits, copies of signed board minutes approving the audit, and management letters must 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 board approved audit report must be uploaded as “Audit Documents (required fiscal audit)”. The board minutes, management letter, and any corrective action plans must be uploaded as “Audit Documents (supporting docs)” in the file upload dialog box for the 2022-23 fiscal year/school 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, 2022**. Failure to submit the audit in a timely fashion can result in the withholding of state aid.
- 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 will not 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 is found on [the School Audit webpage](#).
  - 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.

### 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.





## Publication of the Audit

Per 165.121, RSMo, within thirty days of the receipt of the audit report the school board shall cause a summary of the report to be prepared which shall include, together with any other matter the board deems appropriate, the following:

- 1) A summary statement of fund balances and receipts and disbursements by major classifications of each fund and all funds;
- 2) A summary statement of the scope of the audit examination; and
- 3) The auditor's opinion on the financial statements included in the audit report.

Immediately upon the completion of the summary, the school board shall cause it to be published once in a newspaper within the county in which all or a part of the district is located which has general circulation within the district or, if there is none, then the board shall cause the summary to be posted in at least five public places within the district. The publication shall contain information as to where the audit report is available for inspection and examination. The report shall be kept available for such purposes thereafter.

## Submitting the Single Audit to the Federal Audit Clearing Hours

Districts/charter schools that have a Single Audit are required to submit a data collection form and reporting package to the Federal Audit Clearinghouse (FAC) at the U. S. Bureau of Census within the earlier of 30 days from the receipt of the audit report or nine months after the end of the audit period (March 31 of the subsequent fiscal year). The reporting package consists of the complete audit (financial statements and auditor's reports) and, as necessary, a summary schedule of prior audit findings and a corrective action plan for current year audit findings. Reports should be submitted to the FAC.

Districts/charter schools that expend less than \$750,000 in total federal funds are not required to send a copy of the audit report to the Federal Audit Clearinghouse.

## Other Important Reminders and Topics of Interest

### September 2022 Membership

September Membership reports are available on the web. Log on to the [DESE Web Applications](#) Page and then select Core Data Collection. Once in the Core Data Collection system, select the 2022-2023 year and select the Report Menu option from the upper-right dropdown box. 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.

The September 2023 membership data by county will be made available to each county to be used in various county payments to school districts during FY 2023-24. The accuracy of the payments is dependent on the accuracy of the membership data.

Please review the membership data. If reporting errors are found, update the MOSIS October Student Core file and recertify the file. The corrected data will then flow to the Core Data Screen 16. Remember, if a change is made to September membership, a corresponding change to enrollment may be necessary.

[Point of Interest](#)

Preliminary FY 2022-23 transfer amounts have been posted on the School Finance Website under the [Data & Reports webpage](#).

## Mid-Year Fund Balance Reporting

The mid-year fund balance reporting will occur as a part of the February Core Data cycle as a manual entry on Core Data Screen 35. Each district will be required to report the following information as of December 31, 2022:

- Incidental and Teachers Funds Unrestricted Ending Fund Balance as of December 31.
- 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.

Questions regarding this reporting should be directed to School Finance at (573) 751-0357.

## School Finance Related Webinars and Presentations

Several Finance related webinars can be located on the School Finance webpage under the [School Finance Related Webinars](#) page. As time allows we are trying to expand the selection of available webinars, if you have any suggestions please feel free to reach out to [finadmgo@desse.mo.gov](mailto:finadmgo@desse.mo.gov) with your suggestions.

## Preliminary Transfer Amounts for FY 2022-23

Preliminary FY 2022-23 transfer amounts have been posted on the School Finance Website under the [Data & Reports](#) webpage

## 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.

### Point of Interest

Information regarding relief funds can be found on the [DESE COVID Relief Information page](#).

## School Governance & Transportation

### Election Dates and Filing Information Update

The [2023 Missouri Election Calendar](#) provided by the Missouri Secretary of State's Office is available. Please note that window for candidates to file has changed. The first day for April candidate filing for school board member is December 6, 2021. The district must provide an opportunity for candidates to file at 8:00 A.M. on December 6, 2022, and until 5:00 P.M. on December 27, 2022. If the office will be closed certain days during the holiday season, it would be helpful to publish the dates the office will be closed. Please study the calendar carefully.

### State Transportation Aid Calculation

See payment section above.

### 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 subsequently 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 annually query the Clearinghouse for each driver they currently employ.

### SHOW-ME I'm Worth Stopping For Contest

Attention Missouri students! Here's your chance to be creative for a good cause, and maybe win a prize! Create a fun video, audio recording, or poster that educates drivers on the importance of compliance with the school bus stop arm when the bus has stopped. The goal is for all drivers to take one action to reduce school bus stop arm violations. The Missouri School Boards' Association Center for Education Safety is encouraging all K-12 students to enter the [2022 SHOW-ME I'm Worth Stopping For](#) Contest.

All entries must be submitted by 11:59 PM on December 9, 2022 and criteria and submission guidelines can be found at the [2022 SHOW-ME I'm Worth Stopping For](#) Contest website.

#### Point of Interest

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

## School Finance Contact Information

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>Vacant</b> School Finance Consultant <a href="mailto:finadmgo@dese.mo.gov">finadmgo@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/>



The Department of Elementary and Secondary Education does not discriminate on the basis of race, color, religion, gender, gender identity, sexual orientation, national origin, age, veteran status, mental or physical disability, or any other basis prohibited by statute in its programs and activities. Inquiries related to department programs and to the location of services, activities, and facilities that are accessible by persons with disabilities may be directed to the Jefferson State Office Building, Director of Civil Rights Compliance and MOA Coordinator (Title VI/Title VII/Title IX/504/ADA/ADAAA/Age Act/GINA/USDA Title VI), 5th Floor, 205 Jefferson Street, P.O. Box 480, Jefferson City, MO 65102-0480; telephone number 573-526-4757 or TTY 800-735-2966; email [civilrights@dese.mo.gov](mailto:civilrights@dese.mo.gov).



