

School Finance

December 2023



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Basic Formula

For districts, the pandemic provision was applied and payment was based on the current data available for Fiscal Years 2023-24, 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, 1st preceding year, or 2nd preceding year.

Classroom Trust Fund

The payment was calculated using FY 2022-23 average daily attendance (ADA) data. The pandemic provision does not apply to this payment for FY 2024.

Proposition C

The payment was calculated using FY 2022-2023 WADA. The pandemic provision does not apply to this payment for FY 2024.

Transportation

The calculation is based on 2022-23 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 this month's payment 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 A and B factors are 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>
December 2023	0.00%	4.930596	-1.417494



[Point of Interest](#)

Annual Audit Report is due December 31, 2023.

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.

163.021.1(4), RSMo. Impact on Payments

For the Basic Formula calculation in FY 2024, DESE considers FY 2022 as impacted under this statute and will adjust Basic Formula payment calculations accordingly. District Basic Formula payments will include the greater of the FY 2020, FY 2021, FY 2022, FY 2023, or an estimate of FY 2024 WADA. This statutory provision does not apply to charter schools. Regular payment methodology will be used for the Basic Formula in FY 2025. Classroom Trust Fund, Prop C, and Small Schools Grant payments will rely on FY 2023 ADA or WADA for payment purposes in FY 2024.

Fiscal Year 2024 Budget Estimates

Payment	SAT/Amount Per/Proration Percent	Appropriation	Denominator
Basic Formula ³	\$6,375.00	\$3,664,031,194	
Classroom Trust Fund ¹	\$472	\$364,134,511	771,000
Prop C ²	\$1,374	\$1,187,660,000	864,000
Small Schools Grant \$10M ¹	\$275	\$10,000,000	
Small Schools Grant \$5M ⁴	\$144	\$5,000,000	
Transportation ⁵	100%	\$347,297,933	

¹ADA / ² WADA/ ³ FWADA / ⁴ Tax-Rate WADA

⁵ 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 FY2023 Payments

Prior year correction payment amounts can be viewed by going to the payment transmittal for November and December 2023 and clicking on the dollar amount of the district’s Basic Formula, Classroom Trust Fund, Transportation, Small Schools Grant, Prop C, and Transportation payments.

Charter School Payment

A Charter School payment simulation tool is posted to the School Finance [Calculation Tools](#) Website.

The Charter Sponsor Cap is to be recalculated each year per 160.400.11 RSMo. It has been calculated at \$181,470.59 for FY 2024 year.

House Bill 1552 (2022) modified the charter school basic formula calculation to allow charter schools to be paid on Formula Weighted ADA (FWADA). FWADA is calculated using of the higher of the 2nd preceding, 1st preceding, or estimate of the current year WADA, less that year’s summer school, plus the current year summer school.

Point of Interest

FY 2023 Audit Report Submission Via Tiered Monitoring System

The deadline for submitting Board approved Audits is **December 31, 2023**. If the audit is not submitted by the deadline, state aid will be withheld and the LEA will receive a reduction in points on the Annual Performance Report (APR) for missing the statutory deadline.

The copy of signed board minutes is not required by the December 31, 2023 deadline, but must be uploaded as soon as available.

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.

A detailed instruction document is located on the [Audit webpage](#). A short recorded [webinar](#) is also available for viewing the audit upload process.

A few short reminders:

- “Audit Documents (required fiscal audit)” is only for Board approved Independent Audit report.
- Once the “Audit Documents (required fiscal audit)” is selected, the screen will expand requiring multiple additional fields to be completed.
- “Fiscal Year” should be the fiscal year the audit is due. For the FY 2023 Audit the year selected should be 2023-2024.
- “Date Board Approved Audit” will be the date the Board approved the audit. This cannot be a future date.
- “Do you want to paste a link to an external file?” Select if you wish to paste a hyperlink to a website containing the document. Do NOT paste a link to a google doc.
- “File Description” should be the name of the document. Include Audit Fiscal Year, Name of document uploaded, LEA Name or District Code.
 - Example: FY 2023 Audit Report – 001-090 Adair County R-I
 - Example: FY 2023 Management Letter – 001-090 Adair County R-I
 - Example: FY 2023 Board Minutes – 001-090 Adair County R-I
- To minimize the need for subsequent audit corrections, schools are strongly encouraged to complete the following checklist prior to submitting the audit:
 - Ensure Audit is the final Board Approved Audit and does NOT say DRAFT.
 - 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](#).

Point of Interest

Information regarding Attendance Hour reporting for the 2024 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.

Audit Reports Continued:

- 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.

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.

A copy of the reporting package should also be sent to pass-through entities, including the Department, if the Schedule of Findings and Questioned Costs includes audit findings or a summary schedule of prior audit findings relating to federal awards provided by the pass-through entity.

The Department of Education (USED) has recently updated guidance to help identify grant program expenditures. The Department of Education (USED) requests that grantees include on the Schedule of Expenditures of the Federal Awards (SEFA) page of Form SF-SAC, if applicable: (1) whether the program is novel coronavirus 2019 (COVID-19) relief assistance (see list below of COVID-19 programs); and (2) the subprogram ALN alpha.

OMB's instructions to auditees in the FY 2020 Compliance Supplement instructed auditees to include COVID-19 in Column c (see 2020 Compliance Supplement Appendix VII beginning on page 8-VII-2 at https://www.whitehouse.gov/wp-content/uploads/2020/08/2020-Compliance-Supplement_FINAL_08.06.20.pdf).

Questions regarding implementation of this guidance should be emailed to Patrick Smith, Audit Liaison Officer, of the Office of Acquisitions and Grants Administration (OAGA) at patrick.smith@ed.gov.

Point of Interest

Preliminary FY 2023-24 transfer amounts have been posted on the School Finance Website under the [Data & Reports webpage](#).



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 and updated throughout the year.

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.

School Finance Related Webinars

School Finance has multiple webinars available for viewing on the School Finance Related Webinars page. New and existing staff should be informed they are available for viewing.

Coding Related Webinars

Account Codes and the DESE Accounting Manual - pdf (12-2022)

- Account Codes and DESE Accounting Manual Webinar

ASBR 101 - pdf (5-2022)

- ASBR 101 Webinar

Coding Accountability for Grants - pdf (4-2022)

- Coding Accountability for Grants Recorded Webinar

Payment Related Webinars

Basic Formula Calculation Overview - pdf (11-2022)

- Basic Formula Calculation Overview Recorded Webinar

Charter Payment Overview - pdf (10-2022)

- Charter Payment Overview Recorded Webinar

Other Website Resources

The Missouri Financial Accounting Manual and any changes to the manual can be found on the [School Finance Accounting Manual](#) webpage.

The School Finance [Topics and Procedures](#) webpage contains a variety of Coding and Financial topics. Topics include:

- Accounting Manual
- Attendance Hour Reporting
- Audit
- Budgeting
- Calendar & Inclement Weather Make-up
- Certificated Salary Compliance
- Coding Procedures
- Current Expenditures per Pupil Explanation
- Local Effort
- Pre-K Eligibility for State Aid
- Quarterly Financial Reporting Requirements
- Statutory Deadlines
- Tax Rate

Point of Interest

A variety of information can be found on the School Finance Website under the [Data & Reports webpage](#).

ACH Deposit Dates

Payment transmittals will be available the business day prior to the ACH date.

FY 2024	
July 21, 2023	August 21, 2023
September 21, 2023	October 20, 2023
November 21, 2023	December 21, 2023
January 22, 2024	February 21, 2024
March 21, 2024	April 22, 2024
May 21, 2024	June 21, 2024

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. 18 for half day programs
- 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 (18 for half day) weather hours are made up, then half the amount thereafter up to 48 (24 for half day) hours, for a maximum of 60 (30 for half day) total make-up hours.

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, states "in school year 2019-20 and subsequent years, a school district may be exempt from the requirement to make up 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: Days that are forgiven due to inclement weather will not have an adverse impact on the average daily attendance (ADA) calculation. This will create a situation which will have an effect on both components (both the total attendance hours and the hours-in-session) of the ADA calculation and, therefore, will not have a negative impact on the ADA.

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](#).

Point of Interest

[Transportation Document Preparation Manual](#) contains information on eligible and ineligible riders, miles, and cost.

Mid-Year Fund Balance Reporting

The mid-year fund balance reporting will occur as a part of the February Core Data cycle on Core Data Screen 35. Each district will be required to report the following information as of December 31, 2023:

- 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.

Changing Depository Banks

Districts/charter schools changing banks or bank accounts must first be registered in the State of Missouri new procurement system MissouriBUYS. All banking changes will then be completed in MissouriBUYS. MissouriBUYS weblink is <https://MissouriBUYS.mo.gov>. Reminder: when depositories are changed, the first payment issued after the change could be in the form of a paper check. If you have issues in using MissouriBUYS, please contact MissouriBUYS team Division of Accounting, at 573-751-2971 or MissouriBUYS@mo.gov.

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. 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 & Transportation

State Transportation Aid Calculation

See payment section above.

[Point of Interest](#)

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

School Governance & Transportation Continued:

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 annually query the Clearinghouse for each driver they currently employ.

[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

Name	Duties
David Tramel Coordinator, Administrative and Financial Services David.Tramel@dese.mo.gov	Contact for Governance questions or Transportation questions other than Transportation data reporting or Transportation payment.
Tammy Lehmen Coordinator, School Finance Tammy.Lehmen@dese.mo.gov	Contact for districts in counties 048 & Kansas City Charters 347-347. Contact for Transportation data reporting or Transportation payment questions.
Sharon Bax Director, School Finance Sharon.Bax@dese.mo.gov	Contact for districts in counties 080-115 & St Louis Charters
Emilea Edmondson Director, School Finance Emilea.Edmondson@dese.mo.gov	Contact for districts in counties 045-047 & 049-079 Contact for questions regarding Audits.
Kara Shumate Director, School Finance Kara.Shumate@dese.mo.gov	Contact for districts in counties 001-044 Contact for County Clerks.



School Finance

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