



Annual Report, State Aid & ESSA

April, 2017

Department of Education:

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Annual Report 2017 – What's new?

- New report to compare teacher compensation data reported in 2016 to 2017. **Very useful documentation of meeting the accountabilities or documenting why your district may NOT have met an accountability!**
- Waiver form for submission to School Finance & Accountability board for teacher compensation (2016 vs 2017) will be available via the annual report. Available once the district submits FY2017 data.
- Reporting expenditures using new object codes (111, 112, 411, 412, etc.) Remember object codes 110 and 410 will no longer be acceptable.
- Reporting expenditures using new function accounts (1142). District must report SE admin costs under 2710 – no need to allocate based on child count.

Helpful Hints to Avoid a Call from DOE

- **MOST IMPORTANT!** Remember to click "import" and "sign off" – DOE doesn't know you are done until you sign off.
- Remember there are 2 files to upload; annual financial report and cash balance data. DOE recommends uploading the cash balance information rather than encoding the data.
- If Title I program is supported with "other" federal funds or state/local funds – are all the federal expenditures identified by source?
- Debt expenditures tie out to the information reported on Schedule of Long Term Debt & General Long Term Liabilities
 - ❑ Term Bonds – coding is a transfer from CO to BR
 - ❑ Serial Bonds/ CO certificates – debt payment from CO
 - ❑ General Obligation Bonds – debt payment from BR
- Reported revenue for federal grants – did I remember to book and include receivables for the grant? **Revenue reported should not include the receivable reported for FY2016!!!**
- Review information on DOE website to correctly report state revenues, medicaid and also federal revenue payments.

MORE Helpful Hints to Avoid a Call from DOE

- Are property taxes receivable correctly reported on the district's balance sheet?
- Transfers between funds balance; total of transfers out = transfers in.
- If applicable – funds 90 and 00 have been submitted.
- Food service commodities (donated food) are reported in fund 51.
- If applicable, fund 51 includes an expense for depreciation.
- Are the net position or fund equity codes appropriate for the reporting fund operated.
- There are no large negative revenues or expenditures reported.

FY2018 General State Aid

- General Fund Levies, Pay 2018:
Ag - \$1.507; OO - \$3.372, Non-Ag - \$6.978
- Funding allocations (increased by index factor = 0.3%):
Target Teacher Salary - \$48,645.50 (Teacher Compensation =
\$62,725.70 or Teacher Target Salary x 29%)
Overhead Rate – 31.04%
- First year of “other revenue” equalization.
- Alternative Formula – **NOTE** for those districts using the alternative formula in FY2017 and would like to continue to use in FY2018. The district **MUST notify DOE in writing of this intent before July 1, 2017.**

FY2018 Estimate of General State Aid Need - Budgeting

Target Student to Teacher Ratio	District Size	Teacher Ratio Range
Minimum Student Teacher Ratio	200	12
Maximum Student Teacher Ratio	600	15

Enter estimated count of students:
State Aid Fall Enrollment 2017

Count of LEP students scoring (composite) less than 4.0 on
Language Acquisition Assessment (taken 2/2017)

Formula Number of Certified Instructional Staff FTE:		
State Aid Fall Enrollment Count (Fall 2017)	-	
X Target Student/Certified Instructional Staff FTE Ratio	12.00	
Formula Number of Certified Instructional Staff FTE	-	

LEP Adjustment		
Number of Eligible LEP Students	-	
X LEP Weight	25%	
Weighted LEP Student Count	-	
LEP Adjustment Teachers	-	

Formula Certified Instructional Staff Salary/Benefit Need:		
Target Certified Instructional Staff Salary	\$48,645.50	
X Target Certified Instructional Staff Benefits %	29%	
Target Certified Instructional Staff Salaries + Benefits	\$ 62,753	
Need based on Certified Instructional Staff Salaries/Benefits	\$ -	

Calculation for LEP Teacher Salary/Benefit Need:		
Target Certified Instructional Staff Salary	\$48,645.50	
X Target Certified Instructional Staff Benefits %	29%	
Target Certified Instructional Staff Salaries + Benefits	\$ 62,753	
Need based on Certified Instructional Staff Salaries/Benefits	\$ -	

Overhead Costs		
X % of Overhead Costs	31.04%	
State Aid Share for Non-Teacher Expenses	\$ -	

Overhead Costs		
X % of Overhead Costs	31.04%	
State Aid Share for Non-Teacher Expenses	\$ -	

State Aid Total Need for Formula FTE	\$ -
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State Aid Total Need for LEP Only	\$ -
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There are NO accountabilities associated with increased funding received for a district in FY2018.

If this impacts your district the amount equalized in FY2018 may be found on 2018 Budget website:

<http://doe.sd.gov/ofm/schoolbudget.aspx>

TOTAL GENERAL STATE AID NEED	\$0
MINUS	
Local Effort - Property Taxes	\$ -
Local Effort - Other Revenue Equalization	\$ -
General State Aid	\$ -


General Fund, Pay 2018 Levies


<http://doe.sd.gov/ofm/schoolbudget.aspx>

10 Year History of General Fund Levies

Classification of Property	2008 Payable in 2009	2009 Payable in 2010	2010 Payable in 2011	2011 Payable in 2012	2012 Payable in 2013	2013 Payable in 2014	2014 Payable in 2015	2015 Payable in 2016	2016 Payable in 2017	2017 Payable in 2018
Agricultural	\$2.61	\$2.573	\$2.554	\$2.388	\$2.322	\$2.090	\$1.782	\$1.568	\$1.568	\$1.507
Non-Ag Z	\$3.61	\$3.573	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Owner-Occupied	\$4.10	\$4.042	\$3.965	\$3.965	\$4.029	\$4.296	\$4.252	\$4.075	\$3.687	\$3.372
Non-Agricultural & Utilities	\$8.78	\$8.656	\$8.491	\$8.491	\$8.628	\$9.200	\$9.106	\$8.727	\$7.630	\$6.978

10 Year History of the General Aid Allocations

Description	FY2009 per student	FY2010 per student	FY2011 per student	FY2012 per student	FY2013 per student	FY2014 per student	FY2015 per student	FY2016 per student	NEW funding formula implemented	FY2017 Avg Tchr Salary	FY2018 Avg Tchr Salary
	General State Aid Formula	\$4,642.02	\$4,804.60	\$4,804.60	\$4,389.95	\$4,490.92	\$4,625.65	\$4,781.14	\$4,876.760		\$48,500
Overhead Rate										31%	31.04%
Total % Increase	2.50%	3.00%	0.00%	-8.60%	2.30%	3.00%	3.36%	2.10%			0.30%
Inflation %	2.50%	3.00%	1.20%	1.20%	2.30%	3.00%	1.60%	1.50%			0.30%
Teacher Salary Enhancement	\$22.64										
One-Time Allocations				\$97.64	\$30.96						
One-Time Allocation				\$69.42	\$45.84						
Workforce Education (May 2016)											
Teacher Comp Asst. Program	est. \$33.00										
District AYP Eligible Alloc/ADM											
	Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	
Date of Student Count (last Friday of Sept)	Sept. 26th	Sept. 25th	Sept. 24th	Sept. 30th	Sept. 28th	Sept. 27th	Sept. 26th	Sept. 25th	Sept. 30th	Sept. 29th	
State Aid Fall Enr. Student Count	121,553.04	122,779.49	123,924.56	125,151.92	127,168.88	128,746.40	130,052.49	131,221.81	132,877.04		

Workforce Education - approximately \$.89 per student based on Fall 2015  \$0.89

New to FY2018 General State Aid

- First year of phase in of “other revenue equalization”. The local effort share of district need will be the sum of both the amount calculated based on property taxes and another based on the first year of other revenue equalization. To check on impact to your district see <http://doe.sd.gov/ofm/schoolbudget.aspx> Impact of Other Revenue Equalization, FY2018
- Budgeting for other revenues was NOT impacted by the equalization phase in -- \$\$ still paid to districts in the same manner and at the same date as in previous years.
- Only delinquent property tax revenues receipted to Pension Fund.
- Monitor your monthly cash balances – data from FY2018 school year will be used to determine if a district is in “excess” of the allowable percentages.

New to FY2018 General State Aid Continued

- Any increase in funding – may be budgeted to be used at the discretion of the school board and school administration. There are no accountability requirements on how to expend any increased funding.
- There are no teacher compensation accountabilities for FY2018, however what changes a district may have regarding teaching staff in FY2018 will have an impact on future calculations of average teacher compensation so it is important to track these changes to be able to explain increases or decreases to the district average teacher compensation calculation in the future.

FY2018 Special Education State Aid

- State Aid to Special Education – all disability funding levels were increased by the index factor (0.3%).

Special Education Aid Allocations:	FY2017 (adj)	FY2018
Level 1 Disability (% of ADM)	10% \$5,456	\$5,472.37
Level 2 Disability (child count)	\$12,592	\$12,629.78
Level 3 Disability (child count)	\$16,049	\$16,097.15
Level 4 Disability (child count)	\$15,564	\$15,610.69
Level 5 Disability (child count)	\$27,799	\$27,882.40
Level 6 Disability (child count)	\$8,007	\$8,031.02

Funding Levels:
Level 1 = mild disability (speech/lang, other health impaired, specific learning disability, dev. delay) 10% of ADM
Level 2 = cognitive disability, emotionally disturbed
Level 3 = hearing loss, deafness, vision loss, deaf-blind, orthopedic imprmt, traumatic brain injury
Level 4 = autism
Level 5 = multiple disability (2 or more disabilities from levels 2,3,4 not including deaf-blind)
Level 6 = prolonged assistance

FY2018 Special Education Levies

Maximum Special Education Levies	
Taxes Payable 2013	\$1.400
Taxes Payable 2014	\$1.552
Taxes Payable 2015	\$1.478
Taxes Payable 2016	\$1.409
Taxes Payable 2017	\$1.505
Taxes Payable 2018	\$1.461

Local Tax Effort Special Education Aid:
Taxes Payable in 2014 = \$1.352
Taxes Payable in 2015 = \$1.278
Taxes Payable in 2016 = \$1.209
Taxes Payable in 2017 = \$1.305
Taxes Payable in 2018 = \$1.261

Tax Request for Capital Outlay Fund

- To determine the “maximum” amount available for tax request pay 2018, see budget worksheet on 2018 School Budget website.
 - CPI for this purpose = 1%
 - Growth % won't be available until late summer.

ESSA Workgroup – School & Per Pupil Expenditures

ESSA – Every Student Succeeds Act

- DOE is working with 4 public school business managers
- ESSA requires all States to report for all public schools operated and each district:
 - Total current expenditures per student
 - Total current federal expenditures per student
 - Total current state/local expenditures per student
- DOE has included in the State Plan additional time to develop reporting process before releasing calculations of per pupil expenditures to public.
- What should be included in school level expenditures? How can the federal expenditures be easily identified and summed for this calculation? Are changes needed to our chart of accounts?
- ESSA Survey of various items that will impact how we move forward with implementation of per student calculations.
- Even after all the above has been resolved --- we will need to allow time to train and inform our districts so that data will be available and reportable for each district and school.



Questions?