
SOUTH DAKOTA ASBO SPRING 2024

BOBBI LEIFERMAN

OFFICE OF STATE AID AND SCHOOL FINANCE

APRIL 25, 2024



south dakota
DEPARTMENT OF EDUCATION

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FY2025 GENERAL STATE AID

- Target Teacher Salary – \$62,045.62 (4% increase)
- General Fund Property Tax Levies – Pay 2025
 - Agriculture - \$1.197 per \$1,000 valuation
 - Owner Occupied - \$2.679 per \$1,000 valuation
 - Non-Ag (Utilities) - \$5.544 per \$1,000 valuation
- Overhead Rate – 38.78%
- Per Student Equivalent – \$7,405.15 (Sparsity)
- General State Aid Calculator
 - <https://doe.sd.gov/ofm/schoolbudget.aspx>

FY2025 GENERAL STATE AID – STUDENT COUNT TIMELINES

- State Aid Fall Enrollment
 - ADM count taken as of the last Friday in September annually
 - July – October based on estimates provided by each district
- Alternative Instruction (Home School)
 - Unduplicated count of students participating in high school sanctioned activities
 - Based on 2023-2024 school year
 - Count is equal to 10% of the number of eligible students
- English Learner Adjustment
 - Students scoring less than 4.0 on the state language proficiency test
 - Based on testing completed in the Spring of 2024
 - Count is equal to 25% of the number of eligible students

TEACHER COMPENSATION REPORTING

- Teacher Compensation Reporting
 - Salary and FTE data is pulled from the Personnel Record Form Database (June)
 - K-12 Certified Instructional Staff only
 - Shared Teachers are reported by the district holding the teacher contract (paying the salary/benefit cost)
- Staff excluded from the Teacher Compensation Reporting
 - Non-certified teachers, preschool teachers, guidance counselors, librarians, technology staff, long term substitutes, administrators and classified staff

TEACHER COMPENSATION REPORTING

- Total Benefits include benefits paid for certified instructional staff:
 - 210 – Social Security
 - 220 – Retirement
 - 230 – Insurance for Group Health, Life, Vision, Dental etc.
 - 240 – Worker’s Compensation Insurance
 - 250 – Unemployment Insurance
 - 260 – Disability Insurance
 - 270 – Annuities
 - 290 – Other Employee Benefits

STUDENT TEACHER PERMITS

- Two types of Student Teacher Permits
 - Advanced Student Teacher Permit
 - Student Teacher Permit
- Both permits allow a student teacher to receive monetary compensation
- Both are a one-year only non-renewable permit
- Advanced Student Teacher Permit – does not need to have the direct supervision of a cooperating teacher. If hired as the teacher of record, will be reported on the Personnel Record Form (PRF) and will be included on the Teacher Compensation reporting.
- Student Teacher Permit – is under the direct supervision of a cooperating teacher and is not considered the teacher of record. Individuals should not be reported on the PRF and will not be included on the Teacher Compensation reporting.
- <https://doe.sd.gov/certification/documents/StudentTeacher-Compare.pdf>

TEACHER COMPENSATION REPORTING TIMELINE

- Teacher Compensation Data due on the same timeline as the Annual Report: **MUST FILE BY AUGUST 29th** per SDCL 13-8-47
- District Sign off on the Teacher Compensation data in addition to the annual report sign off
- DOE review data as it is submitted for staffing changes (FTE/Salary)
- DOE also completes a statewide review of all teacher compensation data during the month of September
- Per administrative rule – DOE must notify districts by the 1st Friday in October of their teacher compensation accountability status.

TEACHER COMPENSATION ACCOUNTABILITY


- Teacher Compensation reported on the annual report for 2023-2024 school year must be equal to or greater than the reported average from FY2017.
- Penalty for non-compliance = \$500 per total FTE reported on the Teacher Compensation submission.
 - Penalty is imposed on FY2025 General State Aid
- FY2024 Teacher Compensation Calculator
 - <https://doe.sd.gov/ofm/schoolbudget.aspx>
- New Teacher Compensation Accountability Model will take effect July 1, 2024.

SCHOOL FINANCE ACCOUNTABILITY BOARD

- School districts not in compliance with the teacher compensation accountability must submit a waiver from the penalty.
- Waiver must be submitted before the 1st Friday in November. This year that is October 31st, 2024.
- School Finance Accountability Board will meet in November to review waivers. School district must attend to present their waiver.
- SFAB actions are forwarded to the Joint Committee on Appropriations for final approval and/or action. (December 2024)

NEW TEACHER COMPENSATION ACCOUNTABILITY

- Two teacher compensation accountability measures
 - Average Teacher Compensation effective FY2025
 - Minimum Teacher Salary (effective FY2027 reporting)
- Average teacher compensation accountability
 - Each district must increase their average teacher compensation from FY2024, so the cumulative increase in average teacher compensation is at least equal to the cumulative percentage change in the target teacher salary.
 - FY2024 will be the new baseline year.
 - Each district is compliant if the average compensation is at least 97% of the average teacher compensation requirement.

NEW Teacher Compensation and Minimum Salary Accountability Calculator	
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FY2025 District Average Teacher Compensation Accountability	
FY2024 District Average Teacher Compensation:	
Percent Change in Target Teacher Salary (FY2024 to FY2025)	4%
FY2025 District Target Average Teacher Compensation	\$0
FY2025 Minimum Required Average Teacher Compensation for Compliance	\$0
FY2025 State Minimum Salary (no accountability required)	\$45,000
FY2026 District Average Teacher Compensation Accountability	
Percent Change in Target Teacher Salary (FY2025 to FY2026)	
FY2026 District Target Average Teacher Compensation	\$0
FY2026 Minimum Required Average Teacher Compensation for Compliance	\$0
FY2026 State Minimum Salary (no accountability required)	\$45,000
FY2027 District Average Teacher Compensation/Minimum Salary Accountability	
Percent Change in Target Teacher Salary (FY2026 to FY2027)	
FY2027 District Target Average Teacher Compensation	\$0
FY2027 Minimum Required Average Teacher Compensation for Compliance	\$0
FY2027 State Minimum Salary (1st year of accountability)	\$45,000

- Once FY2024 teacher compensation data is finalized. DOE will post the minimum required teacher compensation amount for each district.

NEW TEACHER COMPENSATION ACCOUNTABILITY

- State minimum teacher salary is the 2026-2027 (FY2027) school year
 - Each school district must pay each full-time equivalent teacher a salary equal to the state minimum salary applicable for that fiscal year.
 - Data will be reviewed through the PRF submission process and will be also be reviewed during the annual report teacher compensation submission.

NEW TEACHER COMPENSATION ACCOUNTABILITY

- Penalty for non-compliance = \$500 per total FTE reported on the Teacher Compensation submission.
 - Penalty is imposed on FY2026 General State Aid for non-compliance on average teacher compensation
 - Penalty is imposed on FY2028 General State Aid for non-compliance on both average teacher compensation and minimum teacher salary
- FY2025 Teacher Compensation Calculator
 - <https://doe.sd.gov/ofm/schoolbudget.aspx>

MONTHLY CASH BALANCE ACCOUNTABILITY – GENERAL FUND

- Allowable percentage based on lowest state aid fall enrollment count from the previous 2 years or the current year.
 - Student count less than 201 = 40%
 - Student count 201 to 599 = 30%
 - Student count greater than 599 = 25%
- % of cash balance is calculated using the lowest monthly reported cash balance from the FY2024 annual report divided by the total general fund expenditures for FY2024.
- Cash balance information submitted on the FY2024 annual report will be used to determine general state aid penalties in FY2025.

SCHOOL FINANCE ACCOUNTABILITY BOARD

- School districts not in compliance with the cash balance accountability must submit a waiver from the penalty to the SFAB.
- School Finance Accountability Board will meet in November to review waivers. Each school district must present their waiver.
- SFAB actions are forwarded to the Joint Committee on Appropriations for final approval and/or action. (December 2024)

SCHOOL FINANCE ACCOUNTABILITY BOARD ACTION

- *NEW – School Finance Accountability Board may recommend the Department of Education review the accreditation of a school district that does not meet either the Teacher Compensation Accountability or the Monthly Cash Balance Accountability.

SPECIAL EDUCATION REBASE

- The Department is required to recalculate the amounts of the special education disability allocations every 2 years.
- DOE utilizes the special education expenditure data reported on the annual report along with the December Child Count to calculate a cost per disability.
- The recalculation is based on statewide average special education expenditure cost per disability for the 3 most recent years.

FY2025 SPECIAL EDUCATION STATE AID

- Disability Funding Allocations
 - Level 1 = \$7,556.00 (10.62% ADM)
 - Level 2 = \$16,553.00
 - Level 3 = \$22,854.00
 - Level 4 = \$17,831.00
 - Level 5 = \$36,582.00 (State Multiple Disability)
 - Level 6 = \$11,692.00
- Special Education Levies – Pay 2025 (calendar year)
 - Local Effort, 100% participation funding formula = \$1.288 per \$1,000 valuation
 - Maximum Levy (required for ECF) = \$1.488 per \$1,000 valuation
- Special Education State Aid Calculator - <https://doe.sd.gov/ofm/schoolbudget.aspx>

FY2024 SPECIAL EDUCATION EXTRAORDINARY COST FUND

- Funding Available for FY2024 = \$5,433,775
- Application based request available from April 1st – April 30th, 2024
- ECF Board Meeting – May 8th
- Districts are notified of funding status by May 20th
- ECF payment is included with the May monthly state aid payment

CAPITAL OUTLAY FLEXIBILITIES

- Districts are allowed the flexibility to transfer from Fund 21 to Fund 10 an amount not to exceed 45% of actual property tax revenue (revenue account (1110 + 1120) deposited during the current fiscal year. (SDCL 13-16-6)
- Based on actual revenues deposited for the fiscal year.
- Districts that contract for student transportation may expend up to 15% of the contracted amount from the capital outlay fund.

TEACHER APPRENTICESHIP PATHWAY

- Pilot Program established in the current fiscal year
 - This 2-year program provides an opportunity for classified/support staff to earn a teaching certificate.
 - District are required to pay the selected mentor within your district after mentor logs/claims are submitted.
 - Mentor payment is \$500 per semester per year for the 2-year period from local school district funds.
 - This expenditure should be coded to the professional development function (221X).
 - Upon receipt of completed financial record and mentor log documentation, the district will receive an additional \$250 payment per semester to be paid to the mentor.
 - This expenditure should also be coded to the professional development function (221X).
 - It is important to review the grant award notice to properly code the receipt of the revenue received on behalf of this program.
 - This program has been funded through a legislative appropriation for a 2nd cohort.

INDIRECT COST RATE TIMELINE

- FY2025 rates will be issued soon.
 - DOE is working to adjust rates based on the contract information submitted by districts seeking a rate.
 - Due to the new process, each district will receive a delegation agreement this year even if there is no applicable rate.
 - DocuSign process will again be utilized to gather signatures for the approved rates.
 - Watch for this in May.

SCHOOL LEVEL FINANCE SURVEY

- The Office of Civil Rights is requiring state participation in a new fiscal survey. USDOE is administering this survey collection in partnership with the Office of Civil Rights.
- School Level Finance Survey requires submission of school level expenditures:
 - Instruction (1000)
 - Student Support Services (2100)
 - Instructional Staff Support Services (2200)
 - School Administration Support Services (2400 – primarily the office of the principal)
- SD DOE is utilizing the ESSA Reporting and Local Govt Finance surveys to allocate expenditures through an agreement with USDOE for FY2023 & FY2024 data.

CONTACT INFORMATION

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