

# The Juggling Acts:

## Various Topics in School Finance



# In-District Special Education Permissive Levy Calculator (SB 191 – 2013 Legislative Session) 20-5-324, MCA

Must be used on a “per student” basis – not  
intended to provide general special  
education funding

## Two Options:

- Estimate cost for the current year
- Use actual cost from the prior year

*Use the OPI calculator to calculate  
levy amounts*

# Estimate Cost

- If using an estimate for the current year, levy must be adjusted in the following year to reflect actual cost
- Increase/reduce levy based on actual cost (adjust TOTAL levy amount – not just for that student)

# Actual Cost

- No levy adjustment in the following year
- Must use funds from another source for the first year (money received in arrears)

# Considerations

- Must pay a portion of the cost from the General Fund (or other allowable fund) – not fully funded from the Tuition Fund
- Expenditures from the Tuition Fund count toward Maintenance of Effort (MOE)

# FY 2015 Update

- Due to late Quality Educator Payment adjustments, ***all*** FY15 levies must be recalculated using the updated calculator
- Adjust levy for FY16

# Example

John Doe is a student at ABC EL with an IEP requiring a one-on-one aid and other specialized services. The district estimates for FY15 the student's cost at \$35,000. The levy amount calculated was \$28,000.

The student leaves mid-year. At the end of FY15, actual cost is calculated at \$20,000. Using the updated FY15 calculator, the levy amount is \$14,000.

# Example

Reduce the total district levy for FY16 by \$14,000.

If not levying for FY16, reduced future Tuition Fund levies by \$14,000 before levying additional funds.

# Student Attendance Agreements

- All non-resident students must have a signed attendance agreement on file with the district in order to count the student for ANB
- If tuition is not charged, or parent is responsible for tuition, approval of the resident district is not required

# New FP-14 Student Attendance Agreement

- Easier to complete
- Includes instructions for completing the form
- A space for the resident district to “acknowledge receipt of” the agreement (no approval required)

# New FP-14 Student Attendance Agreement

- Recommend that ALL 2015-16 agreements are completed using the new form
- New form will be ***required*** for state-paid tuition claims

# Flow Chart

- Student enrolls at the district of choice – parent/guardian completes Section I of the Student Attendance Agreement
- District completes Section II and the board chair, in accordance with district policy, approves or disapproves the agreement

# Flow Chart

- An approved agreement is sent to the District of Residence within 10 days
- The District of Residence approves, disapproves or acknowledges receipt of the agreement within 15 days and returns the agreement to the District of Choice

# Flow Chart

- The District of Choice should send a copy of the completed agreement to the county superintendent (if the District of Residence is in a different county, the District of Residence should also send a copy to their county superintendent after approval, disapproval or acknowledgement of receipt)

# Tuition Payment

- Parents: According to district policy, in the year of attendance
- District of Residence: Half by 12/31 and half by 6/15 in the fiscal year following attendance
- State: In the fiscal year following attendance, once the claim is submitted in MAEFAIRS

# AIM and MAEFAIRS Verification

- AIM – State Student Information System
  - AIM is a dynamic database: Changes are made constantly
  - MAEFAIRS is a static database: Takes a snapshot of data as of a specific date

# Changes made in AIM affect MAEFAIRS:

- Changes in Race/Ethnicity
- Changes in Start/End Date
- Changes in Aggregate Hours
- Changes in Grade Level
- Changes in Service Type

# Data Verification

Use reports in both AIM and MAEFAIRS to verify data (as well as reports in the district's student information system)

- State published Ad Hoc reports (AIM)
- Student information reports - Enrollment Summary/Enrollment Status (AIM)
- Students Imported From AIM In/Not In Student Count for ANB (MAEFAIRS)
- Students Imported From AIM in SAG (MAEFAIRS)

# Data Verification

Report all student level changes to the district clerk so that timely adjustments may be made in MAEFAIRS

Verify that all MAEFAIRS adjustments are also made in both the district's SIS and AIM

# MAEFAIRS ADJUSTMENTS

- SAG adjustments only accepted through December 31<sup>st</sup>
- Enrollment adjustments accepted through June 30<sup>th</sup>

# TEAMS

Two collections:

- TOE (Terms of Employment)
- Teacher-Class Records

Replaces the old ADC collection

# TEAMS

- Hosting regional work sessions (note: these are ***not*** training sessions) in the Fall of 2015
- Registration is required and opens August 3, 2015

# Audits

- New Audit Thresholds
  - Federal Audit: Expenditures of federal dollars greater than \$750,000
  - Yellow book Audit: Revenues of \$500,000 or more
  - Review: Revenues of less than \$500,000

# Audit

## Uniform Guidance (AKA Super Circular)

### Significant Changes:

1. Consolidates all regulations.
2. Synchronizes terms and acronyms
3. Clarifies unclear technical guidance
4. Focuses on outcomes
5. Increase focus on internal controls
6. Tweaked allowable costs
7. False claims certifications
8. Audit thresholds
9. Risk assessments
10. Corrective action

# Audit

## Risk Assessment Considerations:

- Financial stability
- Quality of management systems and ability to meet management standards
- History of performance
- Audit reports and findings

# Audit

## Corrective Action

- Requiring payments as reimbursement rather than advanced payments
- Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance
- Requiring additional, more detailed financial reports
- Requiring additional project monitoring
- Requiring district to obtain technical or management assistance
- Establishing prior approvals

# Audit

## Corrective Action

The OPI must provide the following to applicants:

- The nature of the additional requirements
- The reason why the additional requirement are being imposed
- The nature of the action needed to remove the additional requirement
- The time allowed for completing the actions
- The method for requesting reconsideration of the additional requirements imposed
- Any specific conditions must be promptly removed once the conditions that prompted them have been corrected

# Audit

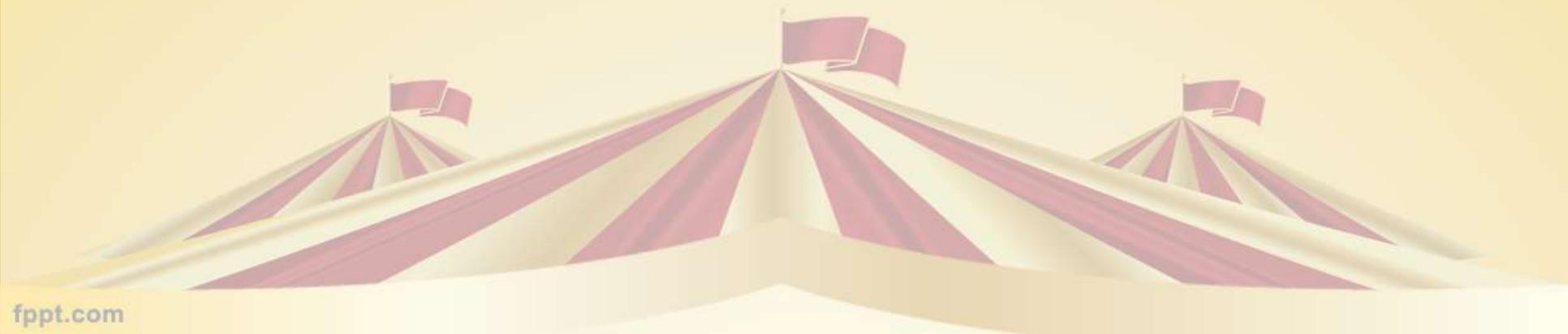
## Most common findings for FY 2014

1. Segregation of duties
2. Financial statements prepared by auditor
3. GASB 45, No “Other Post Employment Benefits” reported – Modified Opinion
4. Enrollment incorrect
5. Activity Fund procedures/Internal Controls
6. Budget over-expended

# Pension Liability

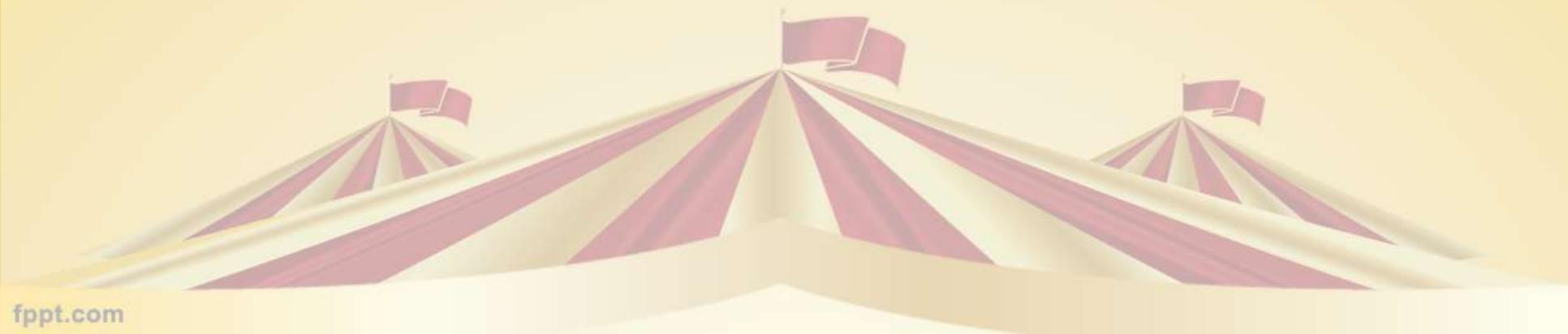
GASB 68

Will report net pension liability on the TFS



# Pupil Transportation

- New Rule for Commercial Learner Permit (CDL)
- Medical Examiner's Certificate (MEC)
- Montana Bus Driver Certificate (TR-35)
- Bus Routes (TR-1's)

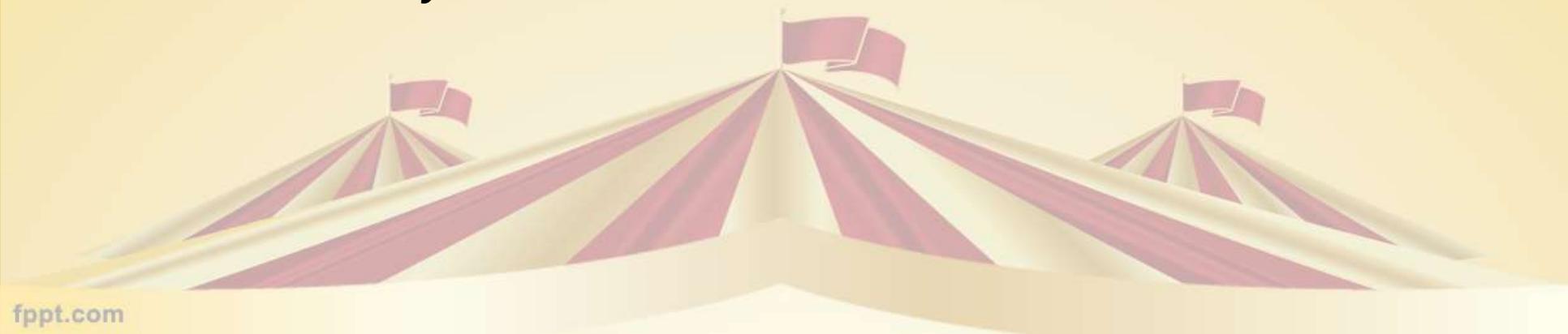


# Pupil Transportation

## New Rule for Commercial Learner Permit (CDL)

- **New drivers must now hold a Commercial Learner Permit for 14 days before they can take their Skills Test.**
  - 61-5-112, MCA says the state will follow the federal regulations, 49 CFR 383, when licensing a commercial applicant
  - CFR 49 383.25, requires a new driver to hold a permit for at least 14 days before taking skills test.

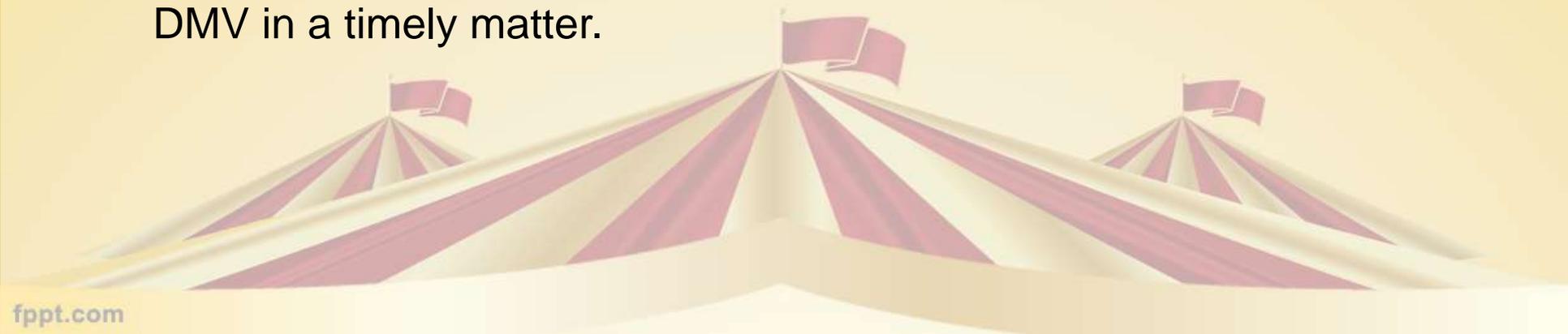
*“The CLP holder is not eligible to take the CDL skills test in the first 14 days after initial issuance of the CLP.”*



# Pupil Transportation

## Medical Examiner's Certificate (MEC)

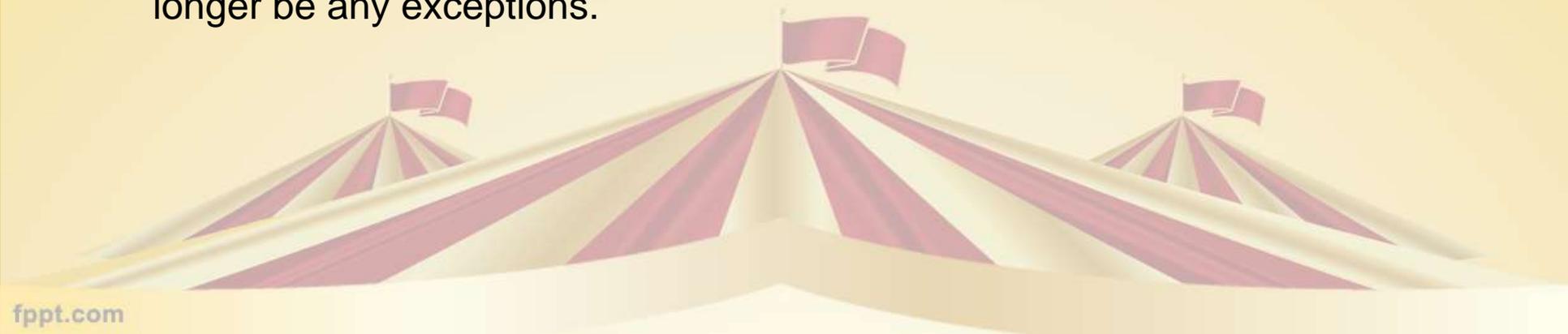
- When a driver renews or receives their CDL, they must send a copy of their MEC to the Department of Motor Vehicles (DMV) within 15 days.
- Send a copy to:
  - CDL Self-Certification Classification and Medical Documentation at PO Box 201430 Helena, MT 59620-1430.
  - Contact information is: (406) 444-3244 and Fax # is (406) 444-1987
- Drivers should not rely on the Physician to send a copy of their MEC to the State. They should request a copy and make sure it is sent to DMV in a timely matter.



# Pupil Transportation

## Medical Examiner's Certificate (MEC)

- **If DMV does not receive a copy of the MEC within 15 days, the driver will be downgraded to a Class D, which means it is illegal for them to operate any commercial motor vehicle. (This includes a school Bus!)**
- Department of Justice (DOJ) reports all bus driver downgrades to the OPI Pupil Transportation Director, Donell Rosenthal, which are then entered into the Pupil Transportation Program.
- For every day the driver is downgraded and operates a school bus, the total number of days the driver was invalid will be deducted and the school district that will forfeit their reimbursement for those days. There will no longer be any exceptions.



# Pupil Transportation

## Montana Bus Driver Certificate (TR-35)

The OPI requires that the Montana school bus driver certificate (form TR-35) must be signed and completed and must meet the requirements pursuant (ARM 10.64.201, 10.7.111) by submitting proof of the following:

- A minimum of five years of licensed driving experience;
- No record of criminal offenses indicating they may be dangerous to children, as evidenced by a criminal background check provided to and approved by the school district prior to initial employment;
- A satisfactory report of a physical examination performed by a Physician on the National Registry.



# Pupil Transportation

- A current first aid and CPR certificate meeting the requirements of ARM 10.7.111;
- A endorsed commercial driver's license (CDL) properly endorsed with a (passenger & school bus endorsement) with continuing compliance with all of the requirements associated with that license; and
- A safe driving record, which may not have evidence of any of the following:
  - **More than one moving traffic violation within any 12-month period of the preceding 36 months;**
  - **Any conviction for driving under the influence of alcohol or drugs within the preceding 36 months; or**
  - **A conviction resulting in mandatory revocation or suspension of a driver's license in the previous five years.**

# Pupil Transportation

## Bus Routes (TR-1's)

- All Bus Routes must be approved by the County Transportation Committee prior to operation in order to be eligible for state and county transportation reimbursement.
- Submission must include the following:
  - Detailed maps: Include total mileage and change of mileage affecting each route, bus stops, description of turnarounds, conditions affecting safety, approximate total cost, and number of students served per route;
  - A copy of official minutes of the meeting; and
  - Any and all information that the county superintendent considers relevant.
- ALL bus routes must be approved annually.

# Pupil Transportation

## Bus Routes (TR-1's)

### **A New TR-1 is needed when....**

- There has been a change in bus on the route
- There has been a change in the driver
- There has been a change in the miles
- Non-bus Miles: A bus that is kept at an overnight location of more than 10 miles for a daily rate of .50

