



2019 Labor Relations

School Finance: A Better Understanding

1

TEEOSA FY2020-21 PROJECTIONS					
	Certified FY2018-19	Certified FY2019-20	Estimated FY2020-21	Estimated FY2021-22	Estimated FY2022-23
Key Assumptions / Factors					
School Disbursements	3.38%	4.23%	2.80%	4.00%	4.00%
Gen Fund Operating Expenditures	3.09%	4.32%	2.80%	4.00%	4.00%
Property Valuations (assessed)	2.88%	1.69%	2.16%	1.71%	1.84%
Cost Growth Factor	3.00%	3.50%	4.50%	5.00%	5.00%
Local Effort Rate	\$1.0203	\$1.000	\$1.000	\$1.000	\$1.000
TEEOSA State Aid					
State General Funds	974,507,975	1,036,237,766	1,042,856,698	1,126,965,864	1,198,941,306
Insurance Premium Tax (w/o deficit)	25,000,000	29,675,083	29,675,083	30,120,209	30,873,215
Lottery funds, reorg incentives	906,222	0	0	0	0
Total TEEOSA Aid	1,000,414,197	1,065,912,849	1,072,531,781	1,157,086,073	1,229,814,521
General Funds - Change of Prior Year					
Dollar	4,496,398	61,729,791	6,618,932	84,109,166	71,975,442
Percent	0.50%	6.00%	0.60%	7.50%	6.00%
Two Yr Avg % Change	1.20%	3.25%			6.75%
All Funds - Change of Prior Year					
Dollar	1,672,443	65,498,651	6,618,932	84,554,292	72,728,447
Percent	0.20%	6.50%	0.60%	7.90%	6.30%
Two Yr Avg % Change	1.10%	3.35%			7.10%

KEY GROWTH ELEMENTS

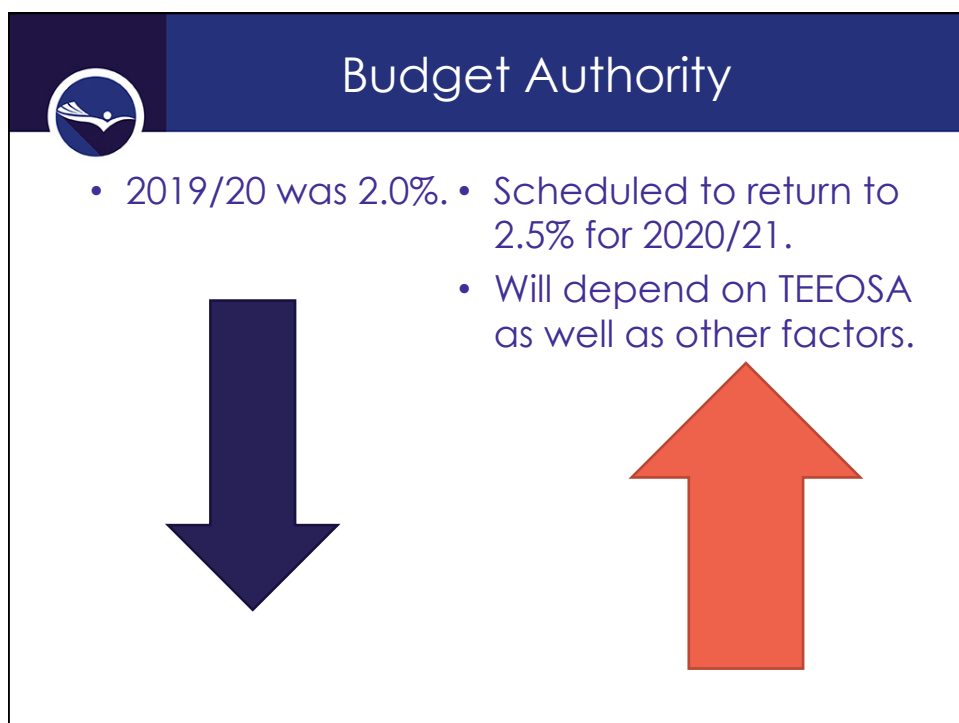
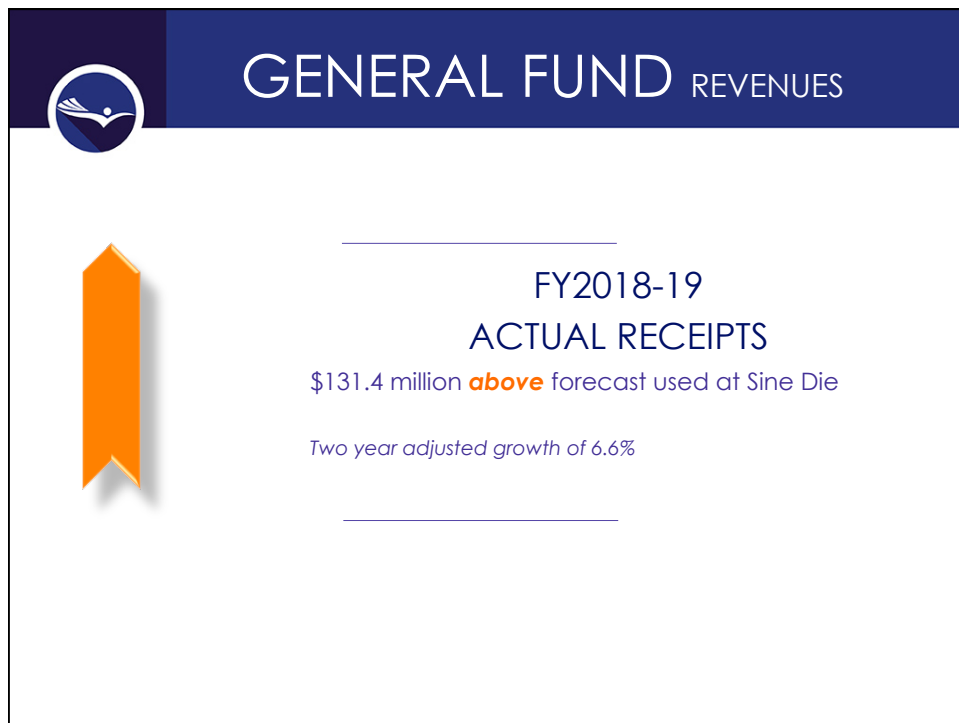
October 2018 Est. Valuations

Cost Growth Factor

Local Effort Rate

Net Option Funding

2019 LEGISLATIVE SESSION **SINE DIE**





Special Hearing and Tax Request Resolution

- Must be filed with County Clerk on or before October 13
- List the tax dollars requested in each fund
- Property tax requests final on Nov 5th.



Upload Budget to NDE

NEBRASKA DEPARTMENT OF EDUCATION
SCHOOL FINANCE & ORGANIZATION SERVICES

SCHOOL DISTRICT BUDGET FORM LC-2
2017/18

NDE 03-056
Revised 6/2017

District Number: 94-0010
District Name: Marley Public Schools
Class: 3

Your 2017/18 Budget Form LC-2 has been submitted and you should receive an email confirmation shortly.

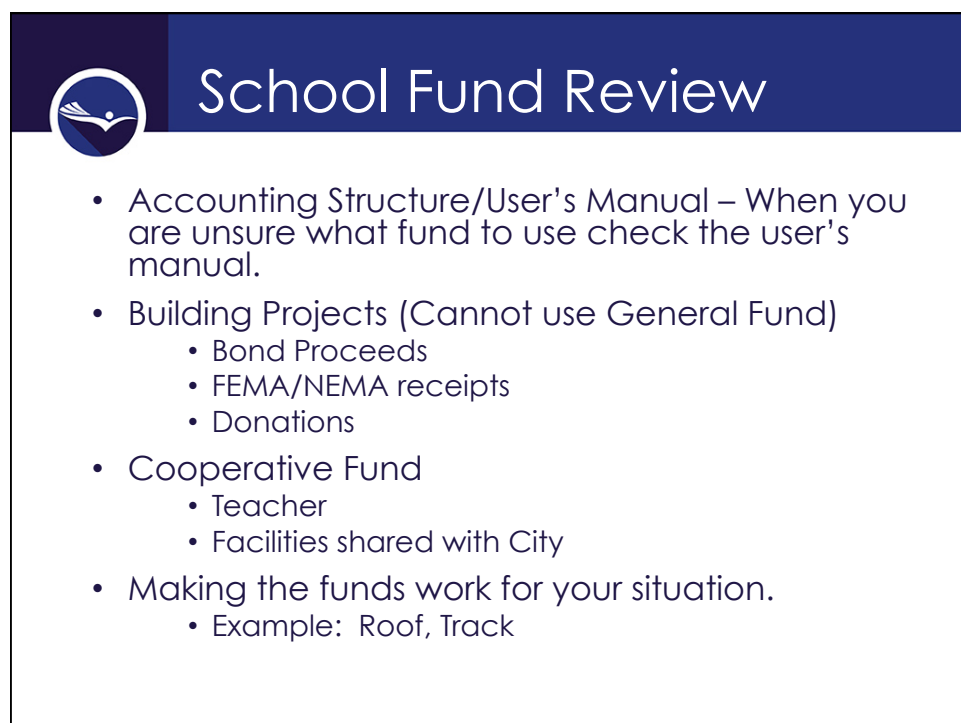
Choose File No file chosen
PDF ONLY - 20MB limit
Mailed or emailed budgets will not be accepted by NDE.
You have loaded the following Budget Documents:
No Budget Documents loaded

**Budgets mailed or
email will not be
accepted**

Upload feature appears
after submitting LC-2 by
clicking "District Approval"

Email sent confirming NDE
received Budget docs

6





School Fund Review


- Funds moved into the Depreciation/Employee Benefit fund.
 - No transfer object code out of General fund.
 - Must be expensed out of General fund.
 - Function and object code should match the intended use.
 - Board can change the use with a vote.

9



Borrowing Funds

- Issue promissory notes
 - Up to 70% of districts unexpended balance of anticipated receipts for the current and following year.
 - Must be repaid within 2 years.
- Loans from financial institutions.
 - Up to 70% of districts unexpended balance of current levy.
 - Must be repaid within 1 year.
- Lease Purchase
 - 7 year max repayment period.
 - May be paid from Special Building or General Fund
 - Levy to repay will be counted towards the \$1.05 max levy.



Annual Financial Report


2018/19 AFR & User Manual

- Available on FOS Webpage
- Final Master Code List for 2018/19 (updated from Sept 2018)

AFR Online System

No longer requires the Poverty and LEP Narratives or allocation question


****Due Date Nov 1st****



Resources to Review

- Review documents on 2018/19 Financial Coding Information Page on FOS Webpage:
 - Frequently Asked Questions (FAQ)
2018/19 Financial Reporting (ESSA) Online FAQ
<https://www.education.ne.gov/fos/financial-reporting-faq/>
 - 2018-19 Master Account Code List (replaces the 2018-19 ESSA Coding Structure Document)
 - 2016/17 Accounts Cross-Walked to 2018/19 Account Codes
 - 2018-19 Account Code Structure & Users' Manual (Replaces ESSA Function & Object Code Description Document)
 - **Test File**
➤ https://afreven.education.ne.gov/uploadafrefile_Test

Allocating District Expenses




School level allocations

- Districts determines amount for each school
 - ✓ Account reported with school number (12-0125-**003**)
 - ✓ *More accurate information*
- NDE automatically allocates by ADM if reported with district number (12-0125-**000**)
 - ✓ Districts can change NDE allocations if not appropriate

District Audits

- Based on district level transactions
 - Need some testing on expense allocations
- Supplemental Schedule in specific format and order:
 - Functions
 - Fund Totals
 - Fund Beginning & Ending Balances

Verify financial info matches district audit when uploaded into NDE Financial Data Reporting System



TEEOSA

Tax
Equity and
Educational
Opportunities
Support
Act


1990s statute that **defines** State Aid through LB 1059

Creates the **basic concept** for the present state aid formula

Equalization Aid – **largest component** of State Aid (important if an equalized district)

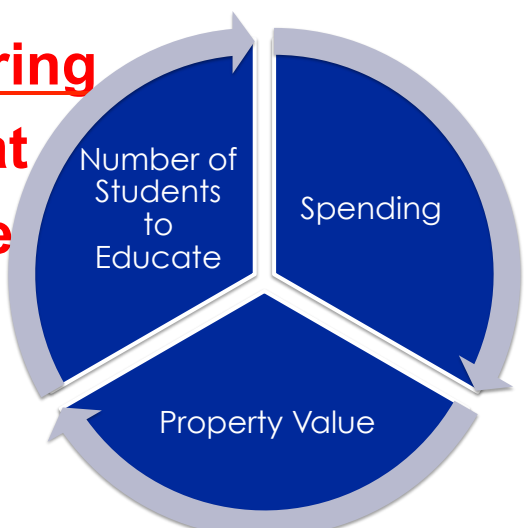
Known as T.E.E.O.S.A.

15



Equalization Aid Formula

A cost-sharing formula that incorporate




Number of Students to Educate

Spending

Property Value

16




Equalization Aid

Basic Concept....

= Needs *minus* Resources

...intended to make up some of the gap between needs and resources

17



State Aid – TEEOSA Document

Questions on the components – **call and we can review**

Nebraska Department of Education
School Finance & Organization Services

**Tax Equity and Educational Opportunities Support Act
Certification of 2019/20
State Aid**

This Document Contains:

Part I.
Data Sources for the 2019/20 State Aid Calculations

Part II.
2019/20 Concept Summary

Part III.
Questions and Answers Related to the 2019/20 State Aid Calculation

May 2019

*This guidance document is advisory in nature and is binding on an agency until amended by such agency. A guidance document does not exclude internal provided documents that only affect the internal operations of the agency and does not require additional requirements or prohibit or regulate practices or policies in state and regulations made in accordance with the Administrative Procedures Act. If you believe that this guidance document requires additional requirements or prohibits or regulates practices, you may request a review of the document. For comments regarding this document contact: DOE.education@ne.gov


Decodes the components of Equalization Aid

Resource for more detailed information


Available on NDE's website

https://cdn.education.ne.gov/wpcontent/uploads/2019/05/1920SA_TEEOSADocument.pdf

18



State Aid Process



Calculated Twice Per Year


Recalculation or Respin - Second Calculation

- WHEN** - Fall 2019 for 2019/20 Recalculation
- Update the formula with more complete data
- Suppose to be an open ended formula

Calculate while the State funds

....make the formula fit the budget

- Creates Prior Year Correction



2020/21 State Aid 2019/20 Prior Year Correction

Minus

2019/20 Recalculated State Aid

2019/20 Certified State Aid

= Prior Year Correction

on **2020/21** Certification

Example

AFR can be amended
and captured in recalculation

....funding delayed for a year

20



Upcoming Dates and Information

Recalculation of 2019/20 TEEOSA

- Posted When Complete (last week in October or first week in November)

2020/21 State Aid Certification

- Data Collections opened Sept 1, 2019
- Due date is October 15th.
- Audit window closes on October 31st.
- Complete collections you must apply for to receive


Membership Reporting

- K – 12 & Pre-K fall school district membership - reported at **October 1**
- ADVISER timeline




SPED Program Funding

- Three Sources of Funding
 - Federal IDEA Program
 - Does reimburse Below Age Five costs
 - 100% reimbursement rate
 - State School Age Program
 - Does not reimburse Below Age Five costs
 - 50% reimbursement rate for SY2017-18
 - Local Funds
 - Covers all remaining School Age and Below Age Five costs




Online Exempt School System



- Parents of Rule 13 exempt students can register online or by paper forms.
- School districts will be able to check enrollment status thru the NDE portal.
 - **Started/Working** – no filing – school can contact parents
 - **Submitted/pending review** – wait
 - **Submitted/under review** – wait
 - **Exempt Date** – Filing complete
 - **Filing Incomplete** – School will be notified and follow up is necessary

23




PUPIL TRANSPORTATION CHANGES

Rule 91 Changes

- Physicals will now be required every two years (previously they were required annually).
- Revised definition of "Motor Coach."
- Pre-trip inspection required for all vehicles must be completed for each trip.
- Children up to age 8 must be seated in federally approved child passenger restraint system.
- Pupil Transportation Plan must address functional capacity of driver.
- 2 Hr. Annual In-Service Training Requirement

Rule 92 Changes


- Revised definition of "Motor Coach."
- 80 day inspection criteria changed to match NSTSP standards.
- No longer allow the use of re-capped tires.
- Many other changes to match federal guidance.



Twitter Feed

bryce wilson @NDE_Finance

- School finance related reminders
- Upcoming school finance due dates
- Legislative updates



25



Website Addresses


Nebraska Department of Education
<http://www.education.ne.gov>

Finance & Organizational Services
<http://www.education.ne.gov/FOS>

NDE Payment Information
<https://www.education.ne.gov/FOS/PaymentInformation/index.html>



26



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27