

Administrative Memo

Date: March 27, 2020
To: School Administrators and Finance Administrators
From: Roger Dorson, deputy commissioner, Financial and Administrative Services
Subject: FAS-20-002 – Attendance Reporting, Calendar and PDC Spending

The Missouri Department of Elementary and Secondary Education (DESE) continues to receive many questions about COVID-19 and how it impacts student attendance reporting, school calendars and Professional Development Committee (PDC) spending requirements. We are aware that local education agencies (LEAs) must consider a number of factors when making decisions in this current situation. This memo aims to support school leaders by addressing issues that play a part in their decision-making process.

Calendar and Attendance Reporting

Districts and charter schools will not be required to make up FY 2019-20 calendar hours lost due to COVID-19. To streamline this process, DESE will send LEAs an online form to collect the necessary waiver information, once the districts and charter schools have returned to offering in-seat classes. Hours forgiven are considered **not-in-session** hours and **no** attendance and **no** absent hours will be reported for that time, even though educational opportunities continue to be provided for students remotely.

The expectation for students enrolled in MOCAP or other virtual courses meeting the criteria of [Section 162.1250, RSMo](#), is that their educational experience be mostly the same; closing school buildings should have little impact on existing virtual instruction. Minor interruptions for students to resolve technology availability issues, particularly if the student was taking courses on campus, may have occurred. Attendance for students in these classes should continue to be reported at 94 percent of a traditional class. Even though the student's hours of attendance may be greater than the reduced hours in schools that are closed, the attendance hours should be 94 percent of the new regular class duration. The use of the reduced regular class size hours will not result in a lower rate of payment and will prevent claiming a student for greater than 1.0 FTE.

When a district or charter school changes the length of their school year, even if due to weather forgiveness, there is no impact on funding because it does not change the Average Daily Attendance (ADA). The ADA is calculated by taking the actual attendance hours of the students divided by the actual possible attendance hours for the students' building and grade level (the calendar). This will result in no more than a 1.0 ADA for a student who had perfect attendance.

ADA is only increased or decreased due to the following reasons:

- Enrollment changes
- Change in attendance rate
- Qualified remedial hour changes
- Summer school attendance hour changes

When a district or charter school offers in-seat attendance, any student that is absent (even if related to COVID-19), would be coded/entered like any other student absence related to illness, and hours would be reported as **absent** hours.

ADA and the State Foundation Formula Calculation

Districts and charter schools will see minimal impact on the Average Daily Attendance (ADA) used in the Foundation Formula calculation since the LEAs cancelled school hours will be forgiven and because the Foundation Formula payment for districts is based on the higher of the first or second preceding year's Weighted Average Daily Attendance (WADA), or an estimate of the current year.

There is no allowance in statute to use any year other than the current year's summer school ADA in the Foundation Formula payment. Since attendance hours can only be claimed if a student is attending school in-seat or is taking a virtual or MOCAP course that meets the virtual course definition as defined in [Section 162.1250, RSMo](#). To claim summer school for FY 2020-21, LEAs will have to hold an approved summer school.

If a district or charter school's ADA for FY 2019-20 is substantially reduced for an extended period "whenever there has existed within the district an infectious disease, contagion, epidemic, plague or similar condition," [Section 163.021, RSMo](#), allows "the apportionment of school funds and all other distribution of school moneys shall be made on the basis of the school year next preceding the school year in which such condition existed." This will be allowed for charter schools' Foundation Formula payments, district and charter schools' Classroom Trust Fund and Proposition C payments, and districts' Small Schools Grant payments. DESE is working on a process for districts and charter schools to request their prior year ADA be used for payment purposes.

Possible Withholdings

At this time there have been no announcements regarding withholds for FY 2019-20. The economic impact of COVID-19 is expected to affect Proposition C revenue, which appears unlikely to reach appropriated levels. LEAs are urged to revise budget estimates accordingly, while closely monitoring the Proposition C receipts for the remainder of the year. It is impossible to predict the potential impact COVID-19 will have on our state's revenues.

Districts and charter schools should exercise extreme caution as they move forward in their budgeting process for FY 2020-21. It is impossible to know the full impact COVID-19 could have on the ability to reach the State Adequacy Target in the Foundation Formula payment. LEAs should be conservative in any estimates for Foundation Formula, Classroom Trust Fund, Transportation, Small Schools and Proposition C payments in the coming year.

PDC Spending Requirements

[Section 160.530.1, RSMo](#), requires districts to spend one percent (1%) of the Basic Formula monies (based on Line 17B of the district's June Basic Formula calculation) for professional development committee expenditures.

Effective August 28, 2018, House Bill 1606 modified [Section 160.530.1, RSMo](#), to allow “that in any fiscal year ending with fiscal year 2024 in which the amount appropriated and expended to the public schools under [section 163.161](#), for the transportation of pupils is less than twenty-five percent of the allowable costs of providing pupil transportation under said section, a school district may, by majority vote of its board, allocate an amount less than one percent of the moneys received pursuant to [section 163.031](#), exclusive of categorical add-ons, to the professional development committee of the district but in no instance shall the district allocate less than one-half of one percent of the moneys received pursuant to section 163.031, exclusive of categorical add-ons, to the professional development committee of the district.”

Transportation funding for FY 2019-20 is less than 25 percent. Districts concerned with meeting the one percent PDC requirement can, by majority vote of its board, modify the allocation provided to their PDC committee, but shall be no less than one-half of one percent of the districts' Basic Formula - Other State Monies allocation, and the district must spend no less than 75 percent of one-half of one percent. Amounts allocated and unspent should be restricted to be spent in the next fiscal year.

If districts still need to find a way to spend PDC required monies, please see the [Professional Learning Guidelines](#) for guidance on what is allowed to be purchased with PDC money.

Emergency Use of School Buses

Using school buses to address needs during COVID-19, specifically to deliver food to students and/or equip school buses with Wi-Fi to provide internet services to students near their homes, is allowable and falls under the district's emergency preparedness plan as provided for in [Section 160.480, RSMo](#). The cost will be reported as allowable transportation cost and the miles reported as ineligible, **non-route** miles.

The cost of delivering meals is an allowable cost through Food and Nutrition Services (FNS). DESE FNS officials will communicate more details soon.

If you have any questions, please contact School Finance at 573-751-0357 or finadmgo@desemo.gov.