

Meeting Minutes
FINANCIAL POLICIES AND PROCEDURES ADVISORY COMMITTEE MEETING
September 26, 2024 at 9:30 a.m.

1. Call to Order
Mimi Livermore called the meeting to order at 9:30am.
2. Approval of Agenda: Mimi indicated that one item on the Economic Forecast was added to the agenda under Legislative Updates. The updated Agenda was approved.
Lisa Bollers made a motion to approve, Nancy Taylor second motion to approve.
3. Approval of Minutes : Prior meeting Minutes were approved
Sheila Summers made a motion to approve, Lana Niehans second motion to approve.
4. Introduction of Sheldon Rosenkrance
5. FPP Membership Updates: Mimi thanked the outgoing FPP members and welcomed the incoming FPP members.
6. Legislative Updates (see slides 9 - 27 for more detail)
 - a. Economic Forecast - Jennifer provided a quick overview of the September Economic Forecast by the Office of State Planning and Budgeting and Legislative Council. While economic growth is projected, the budget and overall general fund outlook is rather bleak. The slides have links to the forecasts and a recording to listen to the presentation.
 - b. Tax Rate Information to Real Property Owners (HB24-1302) - Tim summarized this bill which requires school districts to submit additional information for each levy with the annual certification. The Department of Local Affairs has developed a form to collect this information. Check with your Assessor to determine the appropriate procedures as counties may have various ways to collect the information.
 - c. Property Tax (HB24B-1001) - Tim provided an update on the bill passed during the Special Session on property taxes. This bill sets a school district revenue limit and establishes annual valuation for residential assessment. This bill resulted in the removal of 50 and 108 from the ballot.
 - d. New Public School Finance Formula: Locale Factor (HB24-1448) - Districts should contact Jennifer Okes at okes_j@cde.state.co.us if they have any concerns with the NCES Locale Factor assigned to their district. CDE is working collaboratively with legislative staff and rural alliance to look at any misaligned districts per NCES to make the best determination.
 - e. Healthy School Meals for All (HB24-1390) - Costs are higher than expected not just in Colorado but other states as well. Revenues not keeping up with expenditures. CDE to present an update on HSMA to the JBC. Created an HSMA technical advisory group to identify ways to maximize federal reimbursements, reduce costs, minimize food waste, model revenue scenarios and provide options. CDE will leverage the expertise of economists with assistance from JBC and LCS staff to provide projections ahead of the next legislative session and

model various policy scenarios for financial impact. CDE is also working with Dept of Agriculture, OSPB district leaders to assist with research. The slides have links to the CDE slides and a recording to listen to the CDE presentation to the JBC on HSMA.

- f. School Transportation Task Force (SB23-094) - Jennifer summarized the draft recommendations of the School Transportation Task Force. The report will be finalized later this fall.
 - g. At-Risk Measure (HB22-1202; SB24-188) - Jennifer discussed the requirements for the new at-risk measure. There is standard default coding for various scenarios that districts may encounter while using the geocode tool. Reminded districts that the new measure does not get implemented until FY202-26, however, the collection of data is required with the October 2024 student collection.
 - h. Interplay of At-Risk/Direct Certification/FRL/CEP - Jennifer spoke to the utilization of the various components that may be included when counting at-risk students.
7. Audit Process Updates (funded pupil, at-risk and ELL funding factor counts)
Rebecca provided an update (see slides 28-36)
- a. Outstanding audit liabilities - Rebecca stated that currently open audits will be closed out in the next nine months. Between now and June 30, 2025 her office will be issuing draft audits.
 - b. New Annual Audit Review process (starting with 2024-2025) - All districts and BOCES required to complete a questionnaire in tandem with the district's Student October Count data. Based on responses, the auditing office will make a determination as to whether each district will be further audited with a more focused audit.
 - c. For districts that have un-audited years before the 2024-2025 fiscal year (i.e., years through 2023-2024), the School Auditing Office will either include them in an open audit or in the 2024-25 annual audit review. Between January and March, the School Auditing Office will begin the annual audit review. Districts will be notified by April 1st if the district's annual audit review has been completed or if they will have an expanded audit (focused or comprehensive audit). The expanded audits will be finalized by December 31st.
8. Office of the State Auditor Crystal provided an update (see slides 37-42)
- a. School District Fiscal Health Analysis - Crystal outlined that the next School District Fiscal Health Analysis will be released by the Legislative Audit Committee on October 14th. The LAC is scheduled for about 10:15. The slides have links to listen to the presentation; you can listen to it live or subsequently via a recording. No school districts are invited to attend this year's LAC; CDE will join the Office of the State Auditor during the meeting.
9. Training Updates: Yolanda provided an update (see slides 43-46)
- a. On-Line Training for September-December
On our School Finance Page in the top section there is a link to the Online Trainings hosted by the School Finance Staff. These trainings are mostly on select Thursdays scheduled from 9:00 am to 10:30. Leading up to this FPP meeting we have covered Bank Reconciliations, Governmental Accounting/Audit Prep, Data Pipeline Submission Process and Data Pipeline Cognos Reports. Each of these

training sessions were recorded with the recording available on the Training website. Next week we will close out the Data Pipeline series with an overview of the Website Resources. Also in October we will cover School Finance 101 and Grant Management 101 with Grants Fiscal staff. In November we have Budget Planning Part 1 and two training sessions for Certifying District Mills. Look for the reminder emails a couple days prior to the training sessions and feel free to review the Training webpage to block out the training dates on your calendar.

b. 2025 Cohort yearlong training

In early October the Cohort 2025 District/BOCES membership will open, with the Cohort starting in January. Mark and Glenn facilitate the Cohorts. This will be open to District & BOCES lead business officials. Selected members will be prioritized by the Size of district/finance department FTE and Years of experience as district lead business official. There will be between 15-20 members selected. The commitment to the Cohort will be for one year of structured school finance learning & practices. The time involvement as part of the Cohort includes 1 hour individual check-ins twice a month, Site Visits if requested and 2 hours per month group class learning. Be on the lookout for the application in early October if you are interested in this opportunity. We have had great feedback from prior Cohort members sharing how valuable the sessions were to their day-to-day activities. They started in FY 2021-22.

Also in early October Charter membership will open, with the Cohort also starting in January. Selected members will be prioritized by Years of experience as charter business officials. Cohort members commit to one year of structured school finance learning & practices. The time involvement as part of the Cohort includes Site Visits if requested and 3 hours per month group class learning. Be on the lookout for the application in early October if you are interested in this opportunity and feel free to share this opportunity with the Charter Schools within your District.

10. Financial Reporting: Kelly and Yolanda provided an update (see slides 47-67)

a. COA Subcommittee update: Online Vote Results

The Subcommittee consists of 6 district members, 1 CDE members from IMS Data Services, 1 member from Grants Fiscal and 3 CDE School Finance members. The subcommittee started meeting in November 2022 and will be wrapping up this school year. If you have any topics for the subcommittee to review please complete the Request Form for Topics/Ideas, these will be shared with the subcommittee. The Future FPP Recommendations is a listing of recommendations from the Subcommittee. In July and August three rounds of votes including some of these recommendations to the voting FPP members. In October we will plan to send out additional votes using the same format. Our Federal Partners at the NCES are working on updates to the Financial Accounting for Local and State School Systems. The Chart of Accounts we use in Colorado is widely based on the accounts listed in this. CDE has been asked to be involved with the review committee for these update which will take place the week of October 28th. Any changes made with their update the COA subcommittee will take into consideration for additional updates to our Chart of accounts. As mentioned earlier, in July and August 3 rounds of votes were sent to the voting

FPP members. There are 24 voting members, therefore, a majority is 13 votes. All the recommendations passed and are listed in the FY2024-25 Chart of Accounts Summary of Changes and can be viewed on the Future FPP Recommendation slides. Note that votes were cast prior to August 31, 2024, prior to the members' terms expired for FY2023-24. After the Votes were submitted the comments related to the No votes were reviewed with the subcommittee members. Vote 1 had 8 recommendations, Vote 2 had 10 recommendations and Vote 3 had 12 recommendations. Thank you to both the subcommittee and FPP members for your time in reviewing these recommendations

- b. Collection Updates: CDE-40 Transportation and Finance December
The FY 2023-24 CDE-40 submission opened on July 1st and closed on September 15th. We are currently in the review process and have been communicating with Districts. The review process through the end of October. The 1st payments will be distributed to Districts by November 15th. The Calculation worksheets related to the payments will be posted early November as support for the payments.

The FY2023-24 Finance December soft opened on August 1st, with the official opening on September 16. Between the soft open and official open CDE worked on the additional edits and reports related to the changes in the chart of accounts. The new edits this year were mostly around CPP/UPK. There is a link listing all the business rules in the Data Pipeline section of the School Finance Website. Finance December is due on December 31st, if an extension is requested and approved through OSA this allows an additional 60 days. CDE will honor the extensions that are approved by OSA. As mentioned earlier there is a three part training series with an overview of the Data Submission, Data Pipeline Reports and the Data Pipeline resources. As always, reach out to myself or Kelly with any questions as you are working through the process.

- c. Educational Services for Students Awaiting Trial as an Adult
Related to Educational Services for Students Awaiting Trial as an Adult. If a juvenile is held in a jail or other facility for the detention of adult offenders pending criminal proceedings as an adult, the school district in which the jail or facility is located shall provide educational services for the juvenile upon request of the official in charge of the jail or facility.

Earlier this month, individual emails were sent to the 65 school districts with Jail Facilities that reside within the district's boundaries outlining the process for reporting Educational Services for Students Awaiting Trial as an Adult. We also provided them with information on the Syncplicity folder for the reporting, access to the Intent to request funding form and the Educational Services worksheet for the reporting through upload in the Syncplicity folder.

If it is determined that a student meets the criteria for the funding the Districts providing educational services to students as described would be provided with funding through one of three funding options. During the review of the Intent to

request funding, CDE will let the district know which of the three funding options would apply to the student.

Funding Option 1

If the school district is providing educational services to the juvenile as of the pupil enrollment count date, the school district may include the student in its funded pupil count.

Funding Option 2

If the school district begins providing educational services to the juvenile after the pupil enrollment count date,

The school district may seek reimbursement for the costs incurred from the school district or charter school that included the juvenile in its funded pupil count- prorated for the period of time for which the school district requesting reimbursement provides educational services (not to exceed the reimbursing school district or charter schools per pupil revenue for the applicable school year).

Funding Option 2 we wanted to ensure that all district are aware of this portion in the statute, if the eligible student was included in your pupil count the district providing the services

Funding Option 3

If the juvenile was not included in any school district or charter school's funded pupil count as of the pupil enrollment count date, the school district may seek reimbursement from the department of education- prorated for the period of time for which the school district requesting reimbursement provides educational services (not to exceed the state average per pupil revenue for the applicable school year).

In addition to per pupil funding as described above, a school district that provides educational services shall receive from the department of education an amount equal to the daily rate established pursuant to section 22-54-129 for educational services provided by approved facility schools. Please, visit the website for additional information or reach out to me with any questions.

We also wanted to share with you resources for Educational Services for Special Education in County Jails. Eligible youth with disabilities detained in county jails are entitled to special education and related services to meet their needs and prepare them for further education, employment, and independent living. Administrative Units (AU) share the responsibility for ensuring educational services for detained youth with local juvenile and adult detention centers, including county jails.

Here is the Fact Sheet for Special Education in County Jails, If you have any questions on this you may contact Zack Van_Sant with Exceptional Student Services.

11. Other Topics of Interest

Updates from the Partner Organization

- a. CASB
 - b. CASBO - Mimi shared the link for the fall conference from Oct 16-18 in Vail and encouraged districts to attend
 - c. CASE-DBO
 - d. CGFOA
 - e. COCPA
12. Upcoming Meetings - Mimi provided the list of meeting dates and facilitators and encouraged others to mark their calendars
- a. Thursday, November 14, 2024
 - b. Thursday, February 13, 2025
 - c. Thursday, April 17, 2025
 - d. Thursday, June 26, 2025
13. Adjourn - Mimi adjourned the meeting at 10:50am