Financial Policies & Procedures Meeting

November 18, 2022

Welcome & Agenda

- Welcome
- Approval of Agenda
- Approval of Minutes
- Updates
  - Department of Early Childhood UPK Updates
  - Legislative School Finance Updates
  - CDE Staffing Updates
  - Federal Stimulus Funding Updates
  - PSFU Training Updates
  - Mill Levy Certification Updates
  - Mid-Year Budget Reminders
  - Office of the State Auditor Updates
  - Financial Reporting Updates
- Other Topics of Interest & Updates from Partners
- Membership Updates
- Upcoming Meetings

Department of Early Childhood UPK Updates

Dawn Odean & Michael Cooke

UPK - Overview

- **HB22-1295**

- **Local coordinating organizations**

- **Application system**

- **Rules**

Universal Preschool Program
Definitions

- **Part-Time/Slot - 10 Hours of Preschool Programming**

- **Half-Day - 15-20 Hours of Preschool Programming**

- **Full-Day - 30-40 Hours of Preschool Programming**

- **Provider Rate Formula - Formula for Setting Per-Child Rates**

Universal Preschool Program
Eligibility

- Three-year-olds with one qualifying factor * **Part-time (10)**

- Children under three with one qualifying factor in waiver districts (Denver & Canon City) * **Part-time (10)**

- Children in the year school before they are eligible for kindergarten * **Half-day (15)**

- Children in the year school before they are eligible for kindergarten with one qualifying factor * **Full-day (30)**

Universal Preschool Program
Additional Provisions

- The department, working with local coordinating organizations, shall make every effort to blend and braid preschool programming funds with head start, local funding dollars, and where possible, the colorado child care assistance program (CCCAP), prior to distributing additional preschool programming funds to a child who is in a low income family or who meets at least one qualifying factor in section.

- Participating preschool providers may serve the number of preschool students allowed for by their current child care license.

- For families enrolled in a preschool program for more than the number of hours covered by the part-time per-child rate, or the per child rate for half day, the per-child rate will act as a tuition credit available to all families enrolled in a participating preschool program. This tuition credit will be paid directly to the provider and will be deducted from the total tuition costs for the program.

- Participating providers must agree to guarantee families at least the minimum number of hours defined in this rule for the rate that is provided.

Provider Rate Formula

$$((PKC*PS*PA) + (PKC*(1-PS))*CL)*LIC*GF*QE*CPI)$$

THE FORMULA INCLUDES A BASE RATE COST OF HIGH QUALITY PRESCHOOL SERVICES (PKC) WITH SPECIFIC PARAMETERS ADJUSTING FOR PERSONNEL COSTS (PS) AND VARIANCES TO COSTS BY REGION (PA).

FURTHER ADJUSTMENTS ARE APPLIED FOR:
- LOCAL COSTS OF LIVING (CL)
- COMMUNITY'S POVERTY LEVEL (LIc)
- GEOGRAPHICAL FACTORS (GF)
- INCREASED QUALITY OF SERVICES (QE)
- ANNUAL ADJUSTMENT FOR INFLATION (CPI)

Provider Rates by LCO

LCO	2023-2024 Part-Time Rate (10h)	2023-2024 Half-Day Rate (15h)	2023-2024 Additional Hours Rate (15h)	2023-2024 Full-Day Rate (30h)
Arapahoe County Early Childhood Council	$4,742.88	$5,926.69	$4,617.80	$10,544.48
Bright Futures	$4,916.60	$6,143.77	$4,579.72	$10,723.48
Broomfield Early Childhood Council	$4,680.51	$5,848.75	$4,625.37	$10,474.13
Chaffee County Early Childhood Council	$4,816.14	$6,018.24	$4,582.54	$10,600.78
Cheyenne, Kiowa & Lincoln Counties ECC	$4,847.65	$6,057.62	$4,523.90	$10,581.52
Children First Department of Pueblo Community College/ Pueblo Early Childhood Council	$5,042.11	$6,300.61	$4,573.00	$10,873.61
Connections4Kids & Moffat County School District	$5,072.89	$6,339.07	$4,716.01	$11,055.08
Custer County School District & Custer County Kids Council	$4,735.83	$5,917.88	$4,556.45	$10,474.33
Denver Preschool Program	$4,883.22	$6,102.06	$4,646.87	$10,748.93
Douglas County Early Childhood Council	$4,662.16	$5,825.82	$4,623.40	$10,449.21
Eagle County School District & Early Childhood Partners	$4,735.40	$5,917.35	$4,552.54	$10,469.89
Early Childhood Council for Yuma, Washington and Kit Carson	$4,779.01	$5,971.83	$4,581.37	$10,553.20
Early Childhood Council of Boulder County	$4,842.16	$6,050.75	$4,665.93	$10,716.69
Early Childhood Council of Larimer County	$4,757.44	$5,944.89	$4,566.37	$10,511.26
Early Childhood Council of Logan, Phillips and Sedgwick	$4,806.31	$6,005.95	$4,521.29	$10,527.24
Early Childhood Council of the San Luis Valley	$5,060.23	$6,323.25	$4,518.27	$10,841.52
Early Childhood Options & Summit County Government	$4,895.25	$6,117.09	$4,755.81	$10,872.90
Early Learning Ventures	$4,792.23	$5,988.36	$4,519.69	$10,508.05
ECHO & Family Center ECC	$4,885.88	$6,105.38	$4,569.17	$10,674.55
Elbert County Early Childhood Council	$4,724.82	$5,904.13	$4,666.05	$10,570.18
First Impressions of Routt County	$4,899.16	$6,121.98	$4,742.13	$10,864.11
Grand Beginnings	$4,921.04	$6,149.32	$4,736.63	$10,885.94
Gunnison-Hinsdale Early Childhood Council	$4,856.34	$6,068.47	$4,601.21	$10,669.68
Huerfano-Las Animas Counties Early Childhood Council	$5,016.18	$6,268.21	$4,547.27	$10,815.48
Joint Initiatives for Youth and Families	$4,735.40	$5,917.35	$4,552.54	$10,469.89
Mesa County Partnership for Children and Families & Mesa County Dept of Human Services	$4,759.02	$5,946.85	$4,481.87	$10,428.72
Rocky Mountain ECC & Mountain Valley Development Services	$4,870.63	$6,086.33	$4,734.79	$10,821.13
San Juan BOCES	$4,870.04	$6,085.59	$4,595.73	$10,681.32
Teller Park Early Childhood Council	$4,794.32	$5,990.97	$4,658.83	$10,649.80
Triad Bright Futures	$4,713.94	$5,890.53	$4,622.72	$10,513.26
United Way of Weld County	$4,732.93	$5,914.25	$4,544.83	$10,459.08
Westminster Public Schools on Behalf of a County Collaborative	$4,828.39	$6,017.28	$4,625.69	$10,642.96
AVERAGE:	$4,833.63	$6,039.58	$4,606.43	$10,646.01

Dawn.Odean@state.co.us
M.Michael@state.co.us

Stay connected to UPK Colorado updates through the listserv linked HERE.

Legislative Updates for School Finance

2022-23 School Finance Update

- **2018-19**
  - Budget Stabilization Factor = $672.4M (-$150M)
  - Average Per Pupil Funding = $8,137 (+$475)
  - Total Program = $7.08B (+$450M)

- **2019-20**
  - Budget Stabilization Factor = $572.4M (-$100M)
  - Average Per Pupil Funding = $8,489 (+$352)
  - Total Program = $7.6B (+$520M)

- **2020-21**
  - Budget Stabilization Factor = $1.052B (+$480M)
  - Average Per Pupil Funding = $8,123 (-366M)
  - Total Program = $7.24B (+/-$0)

- **2021-22**
  - Budget Stabilization Factor = $503.3M (-$548.7M)
  - Average Per Pupil Funding = $9,014 (+$891)
  - Total Program = $7.99B (+$750.8M)

- **2022-23 School Finance Act (HB22-1390)**
  https://www.cde.state.co.us/cdefinance/fiscalyear2022-23schoolfinancefunding
    - Budget Stabilization Factor = $321.2M (-$182M)
    - Average Per Pupil Funding = $9,560 (+546)
    - Total Program = $8.42B (+$430M)

- Per statute, funding is trued-up in Dec/Jan to incorporate actual October count data and local share information
- Legislature makes changes to the funding during the January supplemental process

Special Education Funding Bill ([SB22-127](#))
- Increases funding for SPED students from $1,250 to $1,750 and then inflation thereafter beginning with FY 24/25 ($53.2M)
- Tier B grows to $4,530 from $3,392, grows with inflation in FY 25 - $26.8M

Read Act Carryover
- **Section 5** of the school finance bill extends by one year the ability for local education providers to carry forward more than 15% of per-pupil intervention money received pursuant to the "Colorado READ Act"

- Local education providers may retain more than fifteen percent of the amount of per-pupil intervention money received in the 2020-21 budget year and the 2021-22 budget years in the 2021-22 and 2022-23 budget years respectively.

- Repeals on July 1, 2023

2022-23 School Finance Coming Attractions

- October count data will be 'locked down' to allow no further changes on December 2nd

- The December funding run will be updated to incorporate the October count data and as much of the county AV and district specific ownership tax information as CDE has available

- Numbers will then need to be tied-out with Legislative Council staff on December 5th or 6th

- Once tied-out, the December run will be posted

- October count submissions will then be reopened for corrections on a district-by-district basis

- All data is then locked down for the year in early January

- The January run follows the tie-out process listed above and is then posted in the second week of January

Governor's Budget Request for 2023-24

- Assumes an 8.3% inflation rate
- Increases statewide average per pupil by $861
- Buys down the Budget Stabilization Factor by $35M for a factor of -3%
- Governor's request student counts do not separate out preschool students
- Legislative funding runs will exclude preschool counts
- Invests $325M from Prop EE in Universal Preschool through the Department of Early Childhood
- Increases Special Education funding by $29M
- Provides $1M for Turnaround Grants
- Invests $8.4M for School Safety
- Provides $7M to CSI for Mill Levy Override Match

Healthy Meals for All may greatly increase meal participation

Districts will need to plan how to accommodate those changes

Areas to consider:

- Adequate meal times
  - Length of meal time
  - Number of lunch periods
- Staffing
- Upgraded equipment

Opting into the Healthy School Meals for All program includes:

- Notifying CDE's School Nutrition Unit of participation during next year's application renewal.

- Participating in the Community Eligibility Provision and implementing School Breakfast and National School Lunch programs at all qualifying CEP schools.

- Providing free meals to all students enrolled in all school sites that participate in the School Breakfast or National School Lunch.

Pending approval for the direct cert-Medicaid pilot, in School Year 2024-25, SFAs may also choose to receive funding for front-line kitchen staff wage increases or stipends and incentives to purchase local food.

A webinar on Healthy School Meals for All + Community Eligibility Provision was held on November 17

- Recording available at: [ADD LINK]

Rulemaking for Healthy Meals for All is anticipated

- Notice of Rulemaking in January 2023
- Rulemaking Hearing in March 2023

Additional technical support and guidance will be forthcoming

New At-Risk Measure

Identified Student
Percentage (ISP)

$+$

Neighborhood
Socioeconomic Status (SES)
Indicator

Follow our work here:

https://www.cde.state.co.us/cdefinance/atriskmeasureforschoolfinanceworkinggroup

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Identified Student Percentage

- ISP = Directly Certified Students + Categorically Eligible Students

  - **Directly Certified Students**: Students who are administratively linked to their household's participation in SNAP or TANF (typically, 130% FPL or less), or Migrant Education Program.

  - **Categorically Eligible Students:** Students who experience homelessness (lack a fixed, regular, or adequate nighttime residence), participate in the Head Start program, or are determined to be a runaway, in foster care, or a migrant student.

- Eligible children may also be certified for free meals through their household's participation in Medicaid/CHIP+

- *This means that submission of a FRPL form will no longer make a student eligible for at-risk*

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Progress toward consensus:

- **Index Components**: Same residence, BA or higher, median HH income, child living with non-biological parents, living in more crowded conditions, income to rent/mortgage, non-English language at home ✔

- **Use of Quintiles for SES** ✔

- **Weight Among Quintiles:** Equal (1, 0.8, 0.6, 0.4, 0.2) ✘

- **At-Risk Measure Weighting:** 75% ISP and 25% neighborhood SES ✔

- **Count Equalization:** Equal to at least the total number of students identified as eligible for FRPL in 2022-23. ✔

- **Recommend Hold Harmless:** Consist of a floor of funding based on 2022-2023 allocation ✔

At-Risk Measure Working Group

Modeling:

	At-Risk Count	Multiplication Factor	Total At-Risk Formula Funding	Delta from June 2022	Hold Harmless	Net New Investment to Implement	Percentage Increase
June 2022	327,175	N/A	$406,344,211	N/A	N/A	N/A	N/A
Model A	234,324	N/A	$270,857,342	-$135,486,869	-$140,617,230	$5,130,361	1%
Model A Weighted	**323,189**	**1.83**	**$391,630,351**	**-$14,713,860**	**-$51,837,763**	**$37,123,903**	**14%**
Model B	261,129	N/A	$298,318,720	-$108,025,490	-$120,671,356	$12,645,866	3%
Model B Weighted	323,269	1.58	$380,908,546	-$25,435,665	-$61,565,900	$36,130,235	12%

Interim Committee on School Finance

- Committee met on Tuesday, 11/15 to request bill drafts

- Committee approved two bill drafts:
  - **School finance formula updates / rewrite** (McCluskie): requested a bill draft that reconsiders many elements of the school finance formula, including considerations of at-risk funding, declining enrollment, cost of living, and rural/remote/sparse school district locales.
  - **Redefine Tier B SPED funding** (Zenzinger): requested a bill draft concerning Tier B funding as a follow up to last year's SPED funding bill (SB22-127)

CDE Staffing Updates

School Nutrition Point of Contact

○ Your School Nutrition point of contact is your go-to resource for program questions, technical assistance and support
○ Find your point of contact on the 'Contact Us' webpage
○ Or in the Colorado Nutrition Portal

Packet Assigned To: Alicia Grove

Action	Form Name	Latest Version	Status
View | Revise	✔ Sponsor Application	Original	Approved
Details	✔ Meal Pattern Compliance Dashboard		Approved
Details	✔ Checklist Summary (1)		
Details	Application Packet Notes		
Details	Attachment List		
Details	NDL Application Packet Dashboard (1)		Complete

Site Applications	Approved	Pending	Return for Correction	Denied	Withdrawn/ Closed	Error	Total Applications
School Nutrition Program	17	0	0	0	0	0	17
Seamless Summer Option	0	0	0	0	0	0	0

< Back   Submit for Approval   Approve   Return   Deny

Federal Stimulus Funds Updates

Stimulus Funds Updates

- ***Notification letters for monitoring for FY23:***
    - These notifications were emailed the week of 9/5/2022
    - To view the schedule for FY23: Monitoring Schedule
    - Introductory Monitoring Training provided 10/13/2022
        - Recording Here: LINK
    - Additional Recorded Trainings: LINK

- ***Final Date for RFFs for ALL ESSER I FUNDS - WAS 11/15/2022***
    - ***Make sure you reviewed and cleared any receivables for your ESSER I funds!***

- ***Monitoring trends appearing consistently in FY22 final reports:***
    - Awardees failing to update internal procedures to address emergency funding, or failing to have any internal procedures at all around internal controls, federal funds, time and effort, etc.
    - Guide to assist in creating/updating internal procedures can be found here:
        - Policies & Procedures Guidance
    - Not spending according to ESSER budget and/or not completing a PAR representing changes.

GFMU will be providing a Closeout Certification form in the next week or so. This closeout document will be required to be completed and returned for all ESSER I awards received.

It will include:
- *Equipment Inventory Instructions*
- *Final Fiscal Reporting Requirements*
- *Record Retention Requirements*

Due Date: 12/15/2022

BruMan Training Coming on:
- *Disposal and/or Disposition Requirements and Additional Instructions*

Submission Link: **Closeout Submission**

Questions: Jennifer Austin, austin_j@cde.state.co.us

ESSER Reporting Update

The U.S. Department of Education (USDE) has been authorized by Congress to collect data from all ESSER I, II, and III (and other ESSER award) grantees, including but not limited to the uses and impact of funds.

CDE is able to use the ESSER I, II, and III applications to provide the vast majority of the requested data (809 data elements total) on behalf of our LEAs for 22-23, with the exception of the following data points:

- How students with poor attendance or participation have been re-engaged;
- How school level allocations were determined; and
- LEA and school-level participation in specific academic ESSER-funded activities (question 4.b1 on the reporting form, or page 37), such as summer and afterschool programs.

All other data elements required for the 2022-2023 school year and beyond can be reported based on the online applications.

CDE has previously sent out surveys on the first two data elements. The surveys will continue to be sent out yearly to collect data. A new data collection instrument will be sent out for the third data point.

Reporting Question Overview – Participation in ESSER specific activities

Required data element:

"How did this LEA use ESSER (ESSER I, ESSER II and/or ARP ESSER III) funds to support learning recovery or acceleration for student groups who were disproportionately impacted by the COVID-19 pandemic?

1. Evidence-based summer learning or summer enrichment programs
2. Evidence-based afterschool programs
3. Extended instructional time (including extended school day, week, or year)
4. Evidence-based high dosage tutoring
5. Early childhood education program expansion or enhancement
6. Full-service community schools
7. Purchasing educational technology"

In order for CDE to be able to provide this required information for all grants, LEAs will be asked to provide the number of students who were eligible for each of these activities and the number of eligible students that actually participated in each of the activities.

- This reporting is required annually beginning with FY 2022-2023.
- Dates included: July 1 - June 30.

2. Evidence-based afterschool programs	Is this program available to all students? Y/N If no, indicate the number of students this program serves at full capacity: _____ Total *unique* headcount of students that participated in this activity: _____ Indicate the number of eligible students within each of the following student groups, and the number of eligible students from that student group that *participated* in this activity: *Eligible* refers to students within the student group who meet eligibility criteria for participation, such as belonging to the appropriate grade for the activity.		
	Student Group (Note, the total unique headcount does **not** need to equal the sum of rows a – n, as a student may be counted in multiple rows.)	**# Enrolled eligible Students at LEA in subgroup**	**# Eligible students in subgroup participating**
	a. Students with one or more disabilities		
	b. Low-income students		
	c. English language learners		
	d. Students in foster care		
	e. Migratory students		
	f. Students experiencing homelessness		
	g. American Indian or Alaska Native		
	h. Asian		
	i. Black or African American		
	j. Hispanic/Latino		
	k. Native Hawaiian or Other Pacific Islander		
	l. White		
	m. Two or more races		
	n. Other student subpopulation (Please specify): _____		

Similar tables repeated for most of the programs/interventions:

1. Summer learning or summer enrichment programs
2. Afterschool programs
3. Extended instructional time
4. High dosage tutoring
7. Purchasing educational technology

| 5. | Early childhood education program expansion or enhancement | Did this LEA expand or enhance its early childhood program? Mark Y/N to each below.
    a.   Expand Y/N
    b.   Enhance Y/N

<Skip logic: if "Expand"=Y, then:> How many *additional* students or slots were funded with ESSER I, ESSER II or ARP ESSER in the most recent school year? Please include students or slots that were fully and partially funded with ESSER I, ESSER II, or ARP ESSER funds.

_____

Total *unique* headcount of students enrolled in an early childhood education program within the LEA:

_____

Indicate the number of students from each student group enrolled in an early childhood education program within the LEA below. |

Student Group (Note, the total unique headcount does **not** need to equal the sum of rows a – n, as a student may be counted in multiple rows.)	# Enrolled Students
a. Students with one or more disabilities	
b. Low-income students	
c. English language learners	

6. Full-Service Community Schools	How many new or additional full-service community schools were launched using these funds in this LEA? _____ How many current full-service community schools received additional services and/or support using these funds? _____ What is the total enrollment in full-service community schools supported with ESSER funds within this LEA? _____

Template Development

- CDE originally developed a Google form and accompanying Excel spreadsheet, which mirrored the U.S. Department of Education's reporting template, requiring aggregate counts to be reported across all methods/interventions and across all student groups.

  - In this format, LEAs would report the count of students from each of the disaggregated groups listed by USDE who were eligible and the count of students who participated.

  - Example, X English learners were eligible for summer school and Y number participated.

- Based on feedback from the ESEA Committee of Practitioners (CoP) and Education Data Advisory Committee (EDAC), a template was created to collect student level data.

  - Advantage noted by EDAC: if LEAs provide the SASIDs of all eligible students and which ones participated in each program, then CDE could add the demographics data already reported to CDE and aggregate the numbers for each student group listed in the USDE reporting template. EDAC members indicated this would minimize the work for LEAs.

Data Collection Template Demo

Original: [School/LEA level data collection template](#)

Revised: [student-level data collection template](#)

- CDE will continue to use ESSER applications for all other ESSER reporting, with the exception of the data elements not available in the applications:
  - How students with poor attendance or participation have been re-engaged;
  - How school level allocations were determined; and
  - *LEA and school-level participation in specific academic ESSER-funded activities and programs.*
- We are working with EDAC to finalize the template that would be least burdensome for LEAs.
- As soon as the template is finalized, it will be made available to all ESSER grantees.
- Trainings will be provided through Office Hours, including inclusion/exclusion rules, definitions, and specifications for reporting.
- Collection will be due annually at the end of school year (~ April or May) beginning in April or May of 2023.

Contacts

- [Nazanin (Nazie) Mohajeri-Nelson](#), Ph.D., Executive Director of the Federal Programs & Supports Unit (FPSU), (720) 626-3895
- [Tina Negley](#), Supervisor of the FPSU Program Effectiveness Office, (720) 766-2793
- [Mackenzie Owens](#), ESSER Monitoring & Reporting Specialist; (720) 601-7112

PSFU Training Updates

Glenn Gustafson, CPA

Former CFO, District 11

Gustafson_g@cde.state.co.us

719 650 1960

Mark Rydberg

Former CFO, Steamboat Springs, Summit, Moffat County Re-1

rydberg_m@cde.state.co.us

720 402 6658

Join ListServ by emailing:

Richardson_m@cde.state.co.us

2022-23 Draft Training Plan

Month	Community Offerings (101)	Network Offerings (201)	BOCES/District Training
August 2022	Financial Transparency Website Overview **8/22/22**	Audit Preparation Part I **8/18/22** & Part II **8/25/22**	
September 2022	FPP Meeting **9/22/22** School Finance 101 **9/12/22**, Parts I & II **9/19/22** Flow-Through Accounting & Internal Service Funds **9/26/22**	Bank Reconciliations **9/29/22**	Santa Fe Trail BOCES **9/28/22**
October 2022	Finance December Data Pipeline **10/10/22**	Single Audit Preparation **10/20/22** Budget Planning Part I: Guiding Principles **10/27/22**	Centennial BOCES **10/20/22**
November 2022	FPP Meeting **11/18/22**	Bonds & Bond Levies **11/7/22** Certifying Your Mills **11/17/22**	Colorado River BOCES **11/3/22**
December 2022		Certifying Your Mills (repeat) **12/1/22**	Pikes Peak BOCES **12/8/22**

2022-23 Draft Training Plan

Month	Community Offerings (101)	Network Offerings (201)	BOCES/District Training
January 2023		Understanding Fund Balance **1-19-23** Quarterly Financials Template **1-26-23**	**None**
February 2023	FPP Meeting **2/23/23**	Using the CDE Budget Template **2-9-23** Budget Preparation Part II: Analyzing Variance **2-16-23**	**San Juan 2/2/2023**
March 2023		Budget Preparation Part III: Forecasting & Budgeting Bank Reconciliations **3-9-23**	**East Central 3/2/2023**
April 2023	FPP Meeting **4/28/23**		**South Central 4/13/22**
June 2023	FPP Meeting **6/22/23**		**TBD**

Financial Templates

- **School Finance Templates**
  - Budget
    - https://www.cde.state.co.us/cdefinance/sft_budget
  - Mill Levy/Property Tax Calculation Model
    - https://www.cde.state.co.us/cdefinance/millevy_forms
  - Bank Reconciliation
    - https://www.cde.state.co.us/cdefinance/sft_bankrec
  - Bank Reconciliation - Full Year
    - https://www.cde.state.co.us/cdefinance/sft_bankrecyr
  - Quarterly Financial Statements
    - https://www.cde.state.co.us/cdefinance/sft_qtrlyfs

Mill Levy Certification Update

Why a change?

- The current process for submitting Assessed Valuation and mill levy certification information is manual
  - Email, mail or even fax! Yes, fax!
  - Over 300 emails received last cycle
- Many entities (counties or districts) have to submit information multiple times
- Submissions happen in a very compressed timeline
- The process is difficult and complex to manage and track, leading to the potential for errors

We are changing the process (<u>not the data required, simply the submission process</u>) starting this November-December.

- Submission will be via SmartSheets
- Traditional CDE Mill Levy Calculation form
- NEW this year. Mill Levy Calculation form with Calculation worksheet.
  - Both **excel** files have similar fields as previous years, slightly reorganized.
  - 1st column will be last year's submitted data. *Check for Accuracy.*
  - 2nd column will be August's reported Certification of Valuation, HB20-1418, Estimated Full Funding levy, & Projected Gross Funding from State(before BSF) - *No other mills will be provided, unlike the past.*
  - 3rd column will be the Column each district completes/finalizes based on Final December Certification of Valuation from each County Assessor.
  - 4th column calculates the Dollars to Certify from Column 3's mills.

- Final Submission
  - Districts will be required to upload each County's Certification of Valuation. - **NEW this year!**
  - **No longer** emailing, mailing, or faxing documents to CDE.
  - Districts **may** upload district's calculation worksheet as back up when submitting the Smartsheet.
  - Template tested with volunteer pilot group in October.
  - Trainings provided in 11/17 and 12/1.
  - Link to Smartsheet
    https://app.smartsheet.com/b/form/7c556e3131d6431 4a46bf0194c70ec4b

Mill Levy Certification Submittal Process

SmartSheets

- Not as Smart as one would like
    - $ values DO NOT format with commas
        - You can copy and paste from excel
    - Calculation functions, adding & subtracting, are NOT supported
    - Mills can be entered with decimal Point
- Enter info in each field, even if Zero.
- Upload Required County Certificate of Valuation
- Upload Optional Worksheet
- Highly recommended to select "Send me a copy of my Responses
- Hit Submit & **Move on to Revising the FY23 Budget by 1/31/23.**

Personal Property Exemption

House Bill 21-1312

- Set a temporary business Personal Property exemption of the first $50,000 for tax years 2021 & 2022
- It should be listed, likely at the bottom, on your August & the upcoming December Certification of Valuation.
  - It lists the Assessed Valuation in total, to be split amongst the taxing entities. Applying your mills that certify in December to that value, will give you an idea of the $ amount you'll receive in April.
- Coding. It is inherently the same as the Senior/Veteran exemption that you receive in April or May.
  - You can code to 1190 or 1110. The tricky part is that some treasurers list it separately and some don't.
  - If you saw it on your 2022 April or May distribution sheet, you'll probably see it again. Book to 1190, to not skew your Audit entry of Collected vs Certified

Mid-Year Budget Reminders

Mid-Year Budget Reminder

- The Mid-Year Budget is a great opportunity to revise your adopted budget for known items:
  - Total Program Funding (TPF)
    - Final Per-Pupil Revenue (PPR)
    - Final Certified Pupil Count
  - Total Program Components
    - Prop Taxes vs State Equalization
  - Fund Balance
    - Audited Fund Balance amounts
  - Staffing & Compensation
    - Any changes in FTE?
    - Were there late changes to compensation that didn't make the Adopted Budget?

Mid-Year Budget Reminder

- Don't forget that this is an opportunity to realign the resourcing of your mission/vision!
  - Do you have extra or not-enough TPF?
  - Do you have extra or not-enough fund balance?

Office of the State Auditor Updates

FPP Meeting
OSA Update
November 18, 2022

Crystal Dorsey, CPA

Local Government Audit Manager

OFFICE OF THE STATE AUDITOR

C O L O R A D O

Discussion Today

- School district fiscal health

- Reminder of extension process

- Fiscal Year 2022 audit and financial statement reminders

OFFICE OF THE STATE AUDITOR

C O L O R A D O

What About School District Fiscal Health Analysis?

School District Fiscal Health

COLORADO OFFICE OF THE STATE AUDITOR

Colorado Department of Education

Colorado School Districts Fiscal Health Analysis Fiscal Years 2019-2021

Informational Report
September 2022
2202S

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COLORADO

School District Fiscal Health Analysis

- September 28, 2022
  - Legislative Audit Committee

- 178 School Districts

- Reviewed trends over Fiscal Years ended 2019, 2020, 2021

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School District Fiscal Health Analysis

Exhibit 1.2
Fiscal Health Analysis State Funding for School District Programs
for the Fiscal Years Ended June 30, 2019, 2020, 2021 and 2022[1]
(Dollars in Millions)

Chart data:

Year	Final Appropriated State Program Funding Net of Budget Stabilization Factor	Original State Program Funding Prior to Budget Stabilization Factor Reduction	Budget Stabilization Factor Reduction
2022	$4,709.0	$5,212.2	▼ $503.3
2021	$4,224.7	$5,277.4	▼ $1,052.7
2020	$4,628.8	$5,201.2	▼ $572.4
2019	$4,468.6	$5,141.0	▼ $672.4

■ Final Appropriated State Program Funding Net of Budget Stabilization Factor
■ Original State Program Funding Prior to Budget Stabilization Factor Reduction
▼ Budget Stabilization Factor Reduction

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School District Fiscal Health Ratios

- Asset Sufficiency
  - General Fund Assets / Liabilities
- Debt Burden
  - Revenue paying debt / debt payments
- Operating Reserve
  - GF fund balance / GF expenditures
- Operating Margin
  - GF revenues-expenditures / GF fund balance
- Deficit Fund Balance
  - Total deficit fund balance(s) – fund balance of the general fund (if positive)/Total revenues in deficit fund balance(s)
- Change in Fund Balance
  - Current year GF fund balance-prior year / GF prior year fund balance

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School District Fiscal Health Analysis

- 17 school districts with one or more missed benchmarks

  - 11 districts with one

  - 6 districts with two
    - Arriba-Flagler C-20 (Kit Carson)
    - Brush RE-2(J) (Morgan)
    - Buffalo RE-4J (Logan
    - Miami/Yoder 60 JT (El Paso)
    - School District 27J (Adams/Broomfield/Weld)
    - West Grand (Grand)

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School District Fiscal Health Analysis

- Missed benchmarks do not always mean there is a problem
  - Capital improvements
  - Maintenance and upgrades to school buildings
  - Matching grant fund requirements
  - Investments in technology

- However: the more missed benchmarks, the greater the risk
  - Identify potential problems early

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C O L O R A D O

Brush School District (Morgan County)

3 Year Operating Margin Ratio (OMR)
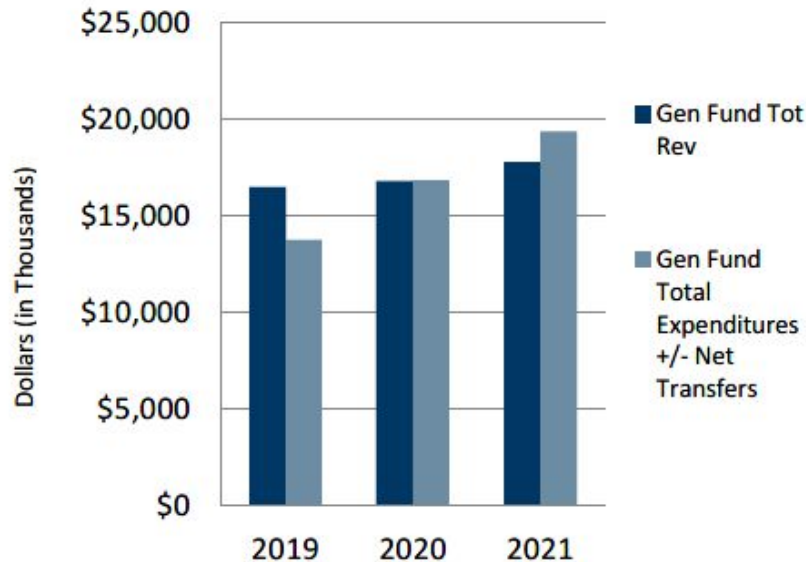
	2019	2020	2021
Revenue	$16,489,008	$16,803,041	$17,756,176
Expenditures	$13,759,204	$16,833,337	$19,362,514

3 Year Debt Burden Ratio (DBR)
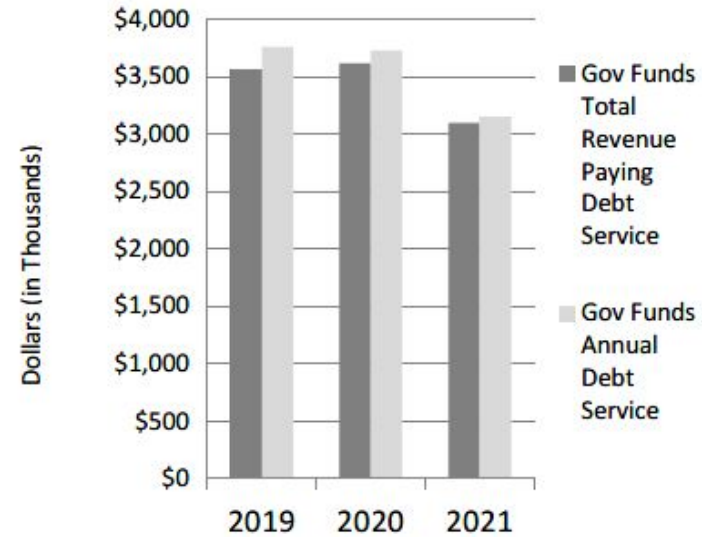
	2019	2020	2021
Rev for Debt	$3,549,400	$3,613,644	$3,094,278
Debt Service	$3,757,045	$3,728,223	$3,150,809

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C O L O R A D O

West Grand School District (Grand County)

3 Year Operating Margin Ratio (OMR)

Legend: Gen Fund Tot Rev; Gen Fund Total Expenditures +/- Net Transfers
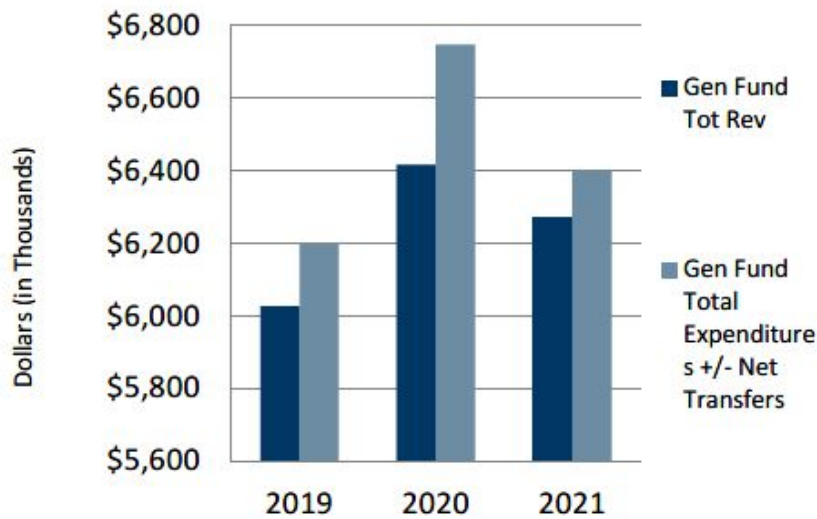
	2019	2020	2021
Revenue	$6,025,489	$6,414,423	$6,270,854
Expenditures	$6,195,760	$6,745,435	$6,397,174

3 Year Debt Burden Ratio (DBR)

Legend: Gov Funds Total Revenue Paying Debt Service; Gov Funds Annual Debt Service
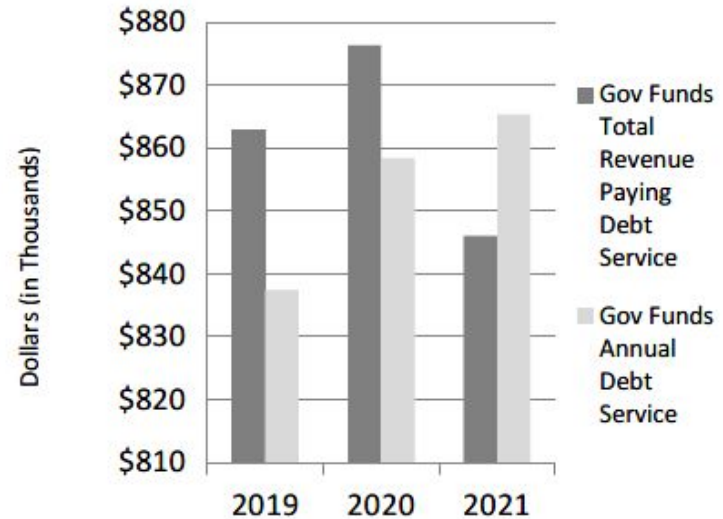
	2019	2020	2021
Rev for Debt	$862,900	$876,321	$846,036
Debt Service	$837,425	$858,375	$865,332

Hover over Laws

Colorado Revised Statutes

Watch & Listen

How do I request an extension of time?

Hover on Local Government
Click on Local Government Portal

Audit Law Consequences

If audit not received by the deadline:

- County treasurer hold all taxes collected on behalf of the local government
- Cause an audit

Who pays for the audit?

- Paid by the local government
- Duty of the governing body

OFFICE OF THE STATE AUDITOR

C O L O R A D O

What changes are applicable for Fiscal Year 2022 audits?

Independent Auditor's Report Changes are Required! SAS 134-140

Independent Auditor's Report

[Appropriate Addressee]

Report on the Financial Statements

Opinions

Basis for Opinions

Responsibilities of Management for the Financial Statements

Auditor's Responsibilities for the Audit of the Financial Statements

Required Supplementary Information

Other Information

Report on Other Legal and Regulatory Requirements

[Signature of the auditor's firm]
[City and state where the auditor's report is issued]
[Date of the auditor's report]

The Opinion Paragraph is first!
- New wording about auditor independence and ethical standards
- New wording about going concern

Effective: Starting 12/31/2021 and 6/30/2022

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C O L O R A D O

Financial Statement tips

- GASB 87 Leases
  - No more "operating" leases
  - "Capital" leases outdated terminology
  - Right to use assets disclosed separately by major asset class with related amortization
- PERA - $225 million direct distribution is back for FY2022
  - Accounting for nonemployer contributing entity similar to FY2020

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COLORADO

Office of the State Auditor

Audits   Legislative Audit Committee   **Local Government**   Fraud Hotline   Tax Expenditures   About

Local Government Filing Portal

Forms

Contact Local Government

Calendars and Due Dates

Filing Guidelines

Fiscal Health

Useful Documents & Links

Local Gover

The OSA's Local Governm[...] [a]bout 4,000 Colorado local governments for complian[...] [governm]ent Audit Law [Section 29-1-6[...] seq., C.R.S.], which require[...] [i]ndependent financial audit to [...] State Auditor.

Please contact us with any [...] [t]he Local Government Audit L[...] how the law's requirements may apply to your local government.

Hover on Local Government
Click on Local Government Portal

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Select entity name

Charter schools under the school district name

QUESTIONS?

Thank you!!!

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C O L O R A D O

Colorado Office of the State Auditor

1525 Sherman Street, 7th Floor, Denver, Colorado 80203

303.869.3000

http://www.colorado.gov/auditor/

@COStateAuditor

OSA Local Government: osa.lg@state.co.us

Crystal Dorsey: crystal.dorsey@state.co.us   (303) 869-3002

Effective December 1, 2022:
All OSA email addresses will change to: …@coleg.gov

OFFICE OF THE STATE AUDITOR

C O L O R A D O

Financial Reporting Updates

FY2021-22 CDE-40
- October 31st: High Level Reviews Complete
  - 2 Districts Opt Out of Submission **(1%)**
  - 166 High Level Reviews Complete **(93%)**
    - 164 updates to certain data lines (92%)
    - 2 no changes to submission (1%)
  - 11 Partial Review Completed **(6%)**
    Comparisons to prior year submissions
    - 6 updates to certain data lines (3.3%)
    - 5 no changes to submission (2.7%)

- November 15th: First Transportation Payment
  - Transportation Payment Worksheets are Available here
  http://www2.cde.state.co.us/scripts/fin_disttran_submit22.asp

Due December 31st, 2022 to CDE *and* OSA

- FY 2021-22 Financial Audits with Single Audit if required

Due December 31st, 2022 to CDE

- Completion of Finance December submission
- Assurances for Financial Accreditation
- Reconciliation Reports

A District may request an extension through March 1st, 2023 with the Office of the State Auditor.

- Request an Extension Form : https://apps.leg.co.gov/osa/lg
- CDE honors the extension; send CDE a copy of the approved extension request: schoolfinance@cde.state.co.us

- National guidance to SEAs is to ensure auditors are aware of ESSER requirements

  - Use of ESSER funds have additional flexibilities compared to standard federal funds (e.g. construction, Davis-Bacon Act)

  - USDE guidance has been vague/inconsistent in some areas

- Colorado has a well established audit community, therefore, additional outreach may not be required

- However, if questions regarding ESSER allowability come up during the audit, please let us know - CDE can provide clarification on what has been approved by CDE

-

CPP Account Codes

For FY2022-23 there are no changes for CPP

- Fund 19: Colorado Preschool Program (optional fund)

- Grant Code 3141: Colorado Preschool Program

- Reserve Account Code 6724: Colorado Preschool Program (CPP) Reserve.

  - If 3141 Expenditures are less than 3141 Allocation

These account codes will remain open into FY2023-24 going forward.

- District may be spending down unspent reserve funds.

- Please coordinate with your Regional CPP Specialist to develop a reserve spend-down plan.

  http://www.cde.state.co.us/cpp/contact

- Revenue Source Code 3010
- Grant Code 3897: Department of Early Childhood (DEC) Office Funding
- LCO may want to use an SRE code to distinguish LCO revenue from the District Preschool per student revenue.

Request for approval to add
- Expense Program Code 3340: Local Coordinating Organizations: Activities provided by Local Coordinating Organizations to include responsibilities for coordinating Universal Preschool. (Communication, Support, Administrative costs). Use the normal object codes.

Data Pipeline business rules have not been established; waiting for DEC guidance.

Please contact Mark Rydberg if the LCO is planning on being the Fiscal Agent, our recommendation is that the District have DEC be the Fiscal agent.

- Revenue Source Code 3010
- Grant Code 3897: Department of Early Childhood (DEC) Office Funding.
- Program Code 0040: General Preschool Education
- Use the normal object codes

Data Pipeline business rules have not been established; waiting for DEC guidance.

Fund 19 usage is also being reviewed because the statute specifically has it labled the Colorado Preschool Program, which ends 06/30/2023, waiting for guidance.

Meeting One: Committee Overview Goals, keeping in mind Financial Transparency implications. November 10th 10:30am

Meeting Two: District, Administration Unit, School and Grant Codes. December 7th 8:30am

Meeting Three: Fund and Location codes. January 10th 9:00am

Meeting Four: SRE and Program Instructional Codes 0010 - 2099
Meeting Five: SRE and Program Support Codes 2100 - 9999
Meeting Six: Object Codes
Meeting Seven: Job Codes
Meeting Eight: Financial Transparency - Changes/Enhancements
Meeting Nine: If Needed
Meeting Ten: Wrap-up

District Members
Voting Members
Aaron Thompson, Finance Coordinator, Pueblo 70
*Ashley Zhang, Accounting Supervisor, Mesa 51
Kirk Youngman, Manager-Enterprise Systems, St Vrain
*Lana Niehans, Director of Budget and Finance, Pueblo 60
*Meghan Deutsch, Accounting Manager, Adams 12

Colorado Department of Education
Dawna Gudka, Data Specialist, IMS Data Service
Peter Hoffman, Data Specialist, IMS Data Service
Sondra Vela, Grants Fiscal Analyst, Grants Fiscal
Lindsey Heitman, Principal Consultant, IMS Data Service

Colorado Department of Education - School Finance
Gene Fornecker, School Finance Senior Analyst
Glenn Gustafson, School Finance Program Manager
Kelly Wiedemer, Fiscal Data Analyst
Yolanda Lucero, Fiscal Data Coordinator

We created a form to share topics that business official would like the sub-committee to address.

The form can be accessed here:

Topics or Ideas Request - COA & FT Sub-committee

Other Updates from Partners

Membership Update

Existing Vacancies
- Vacancy for Term Ending August 2023
- Vacancy for Term Ending August 2024
- John Wall leaving Moffat County August 2024

Charter School Liaison - Term Ending August 2023
- Jack Bay no longer with Chavez-Huerta Prep Academy
- Calling for any interest in any vacancies
  - To be considered:
    - David Mallett - Business Operations Director - Prospect Ridge Academy

- Future Dates Planning for 22/23
  - Thursday, February 23, 2023
  - Friday, April 28, 2023
  - Thursday, June 22, 2023

[Member Facilitation Sign Up](#)

Questions?
Happy Thanksgiving!